



## **CITY COUNCIL REGULAR AGENDA**

**MONDAY, AUGUST 05, 2024**

**ABLE PARK BUILDING, 8200 ABLE STREET NE 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 2023 Audited Financial Statements - Smith Schafer, City Auditor
- 7. CONSENT AGENDA**
  - [A.](#) Approval of Minutes - July 15, 2024 Work Session
  - [B.](#) Approval of Minutes - July 15, 2024 City Council Meeting
  - [C.](#) Accept Grant from CenterPoint Energy
  - [D.](#) Contractor's Request for Payment #2 - Final - 2024 Street Seal Coat and Crack Repair Project - \$89,157.74
  - [E.](#) Contractor's Request for Payment #2 - 2024 Sanburnol Drive, Elm Drive, and 83rd Avenue Improvement Project - \$488,918.82
  - [F.](#) Contractor's Application for Payment #6 - City Hall Renovation/Expansion Project - \$624,617.40
  - [G.](#) Contractor's Licenses
  - [H.](#) Sign Permit
  - [I.](#) Kennel License
- 8. DEPARTMENT REPORTS**
  - [A.](#) Public Works Report
  - [B.](#) Code Enforcement Report
- 9. ORDINANCES AND/OR RESOLUTIONS**
  - [A.](#) Resolution 2024-47, Rejecting Bids for the Terrace Park Playground Project
- 10. NEW BUSINESS**
  - [A.](#) Consideration of Change Order to 83rd Avenue Project - Boulevard Restoration
- 11. REPORTS**
  - A. Attorney Report
  - [B.](#) Engineer Report
  - [C.](#) Administrator Report
- 12. OTHER**

**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 81<sup>st</sup> Avenue NE, Spring Lake Park, MN 55432. Ph.763-784-6491 at least 48 hours in advance.

A. Correspondence

**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

*AUGUST 5, 2024*

# 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

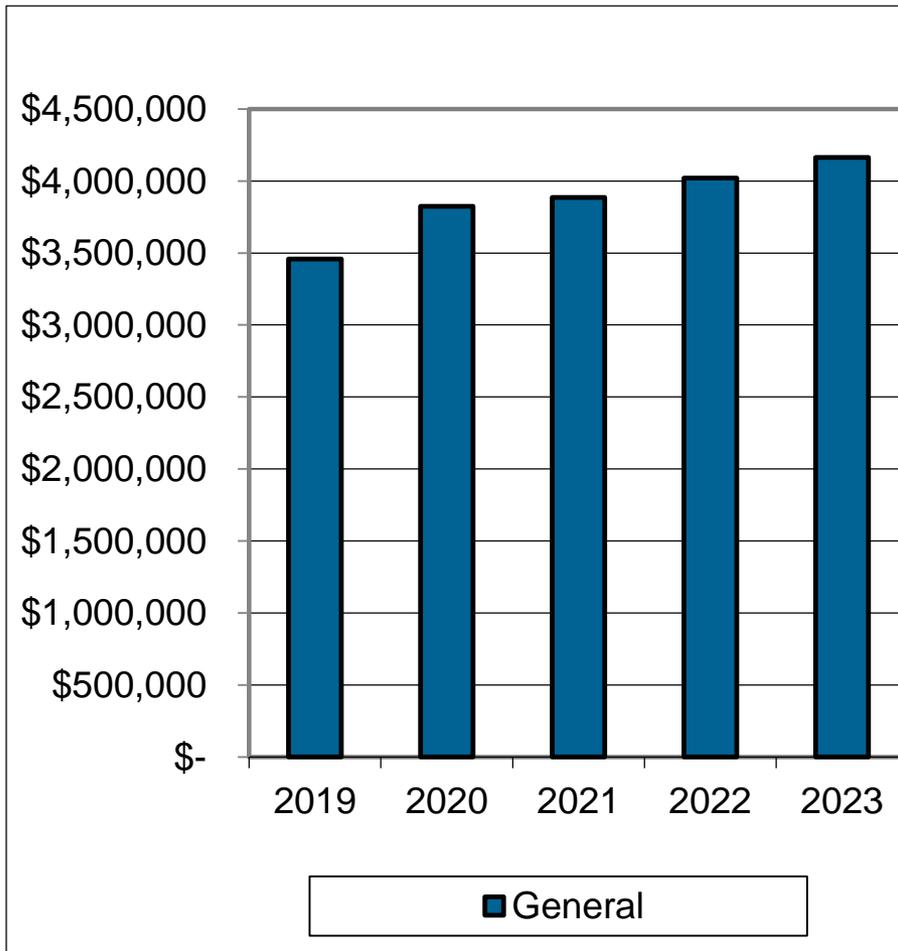
# FUND TYPES

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

# Governmental Funds

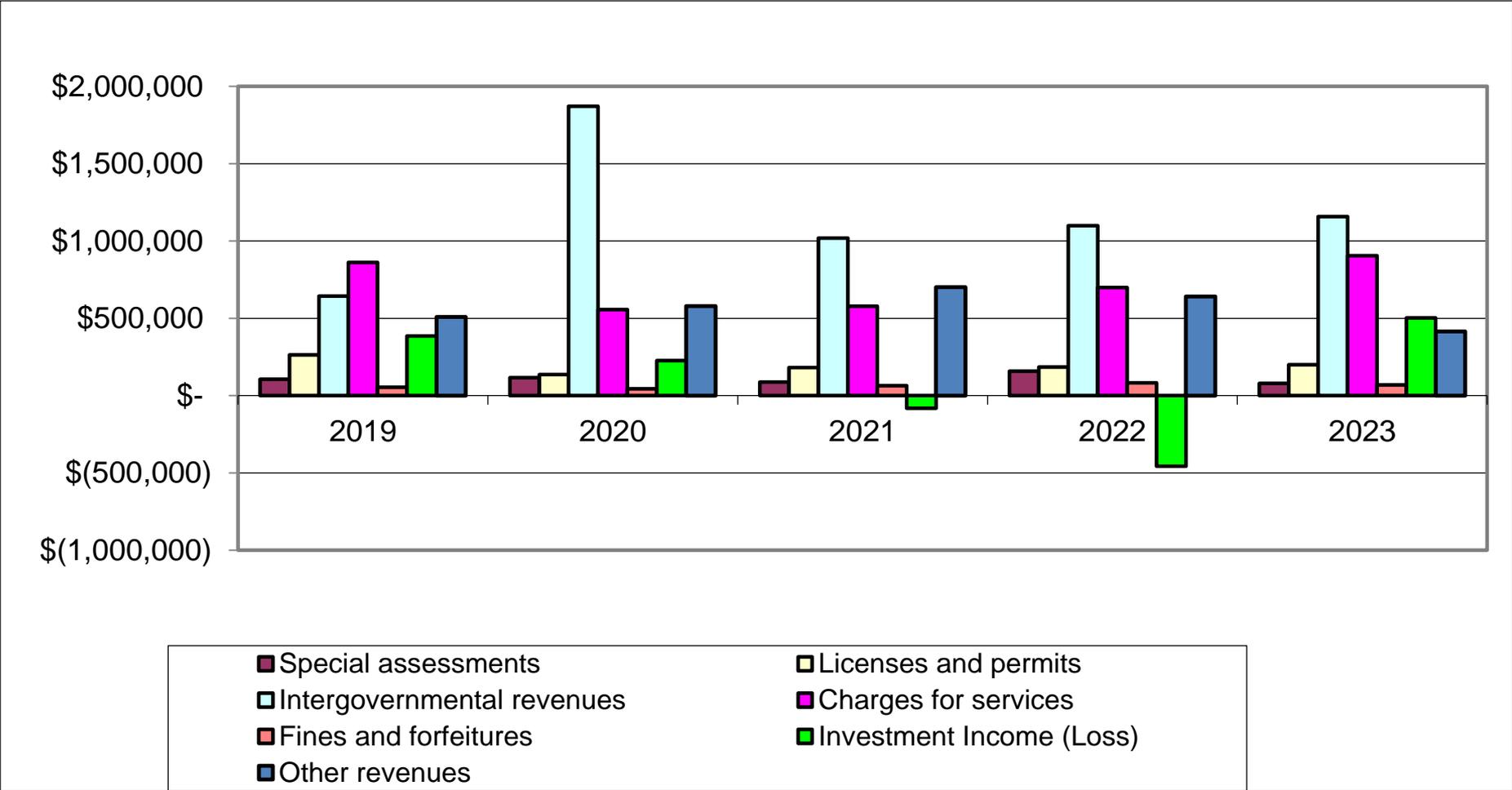
## Revenues

# PROPERTY AND FRANCHISE TAX REVENUES

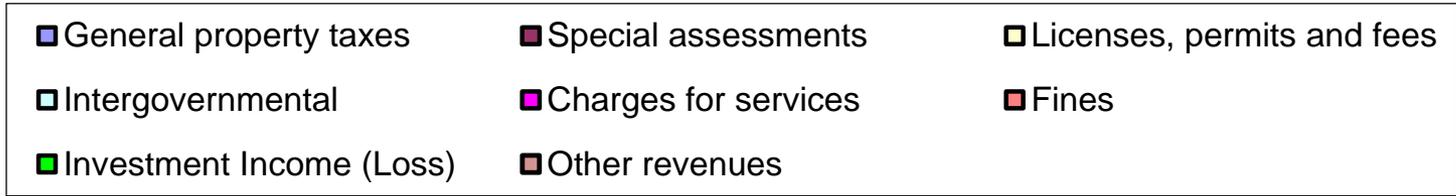
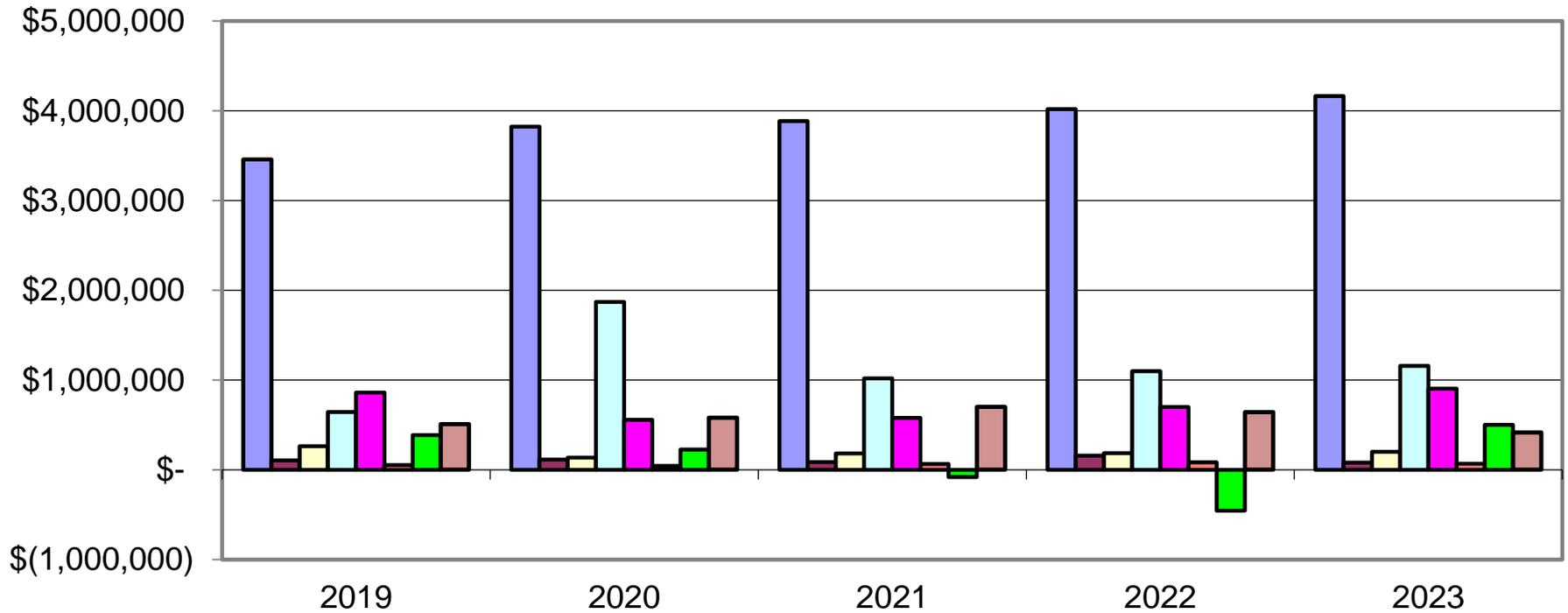


- Property and franchise tax revenues increased by 4% in 2023 as a result of an increase in the tax levy amount
- In 2023, property and franchise tax revenues represented 56% of governmental revenues excluding transfers

# OTHER GOVERNMENTAL FUND REVENUES



# GOVERNMENTAL FUND REVENUES



# Governmental Funds

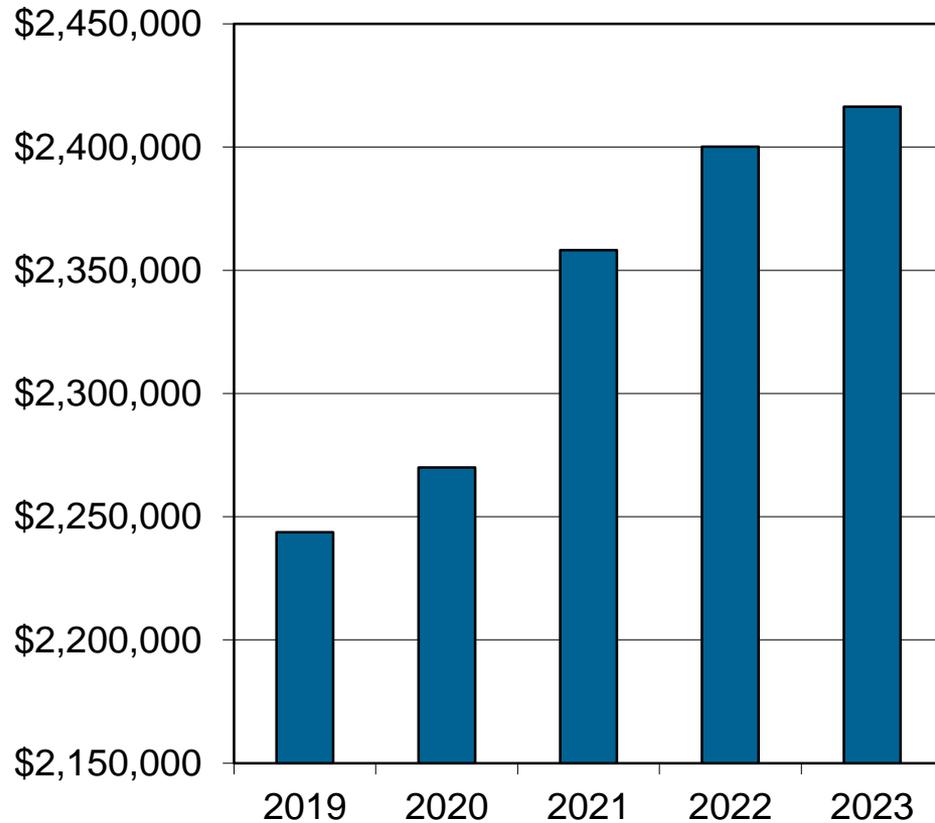
## Expenditures

# GENERAL GOVERNMENT EXPENDITURES



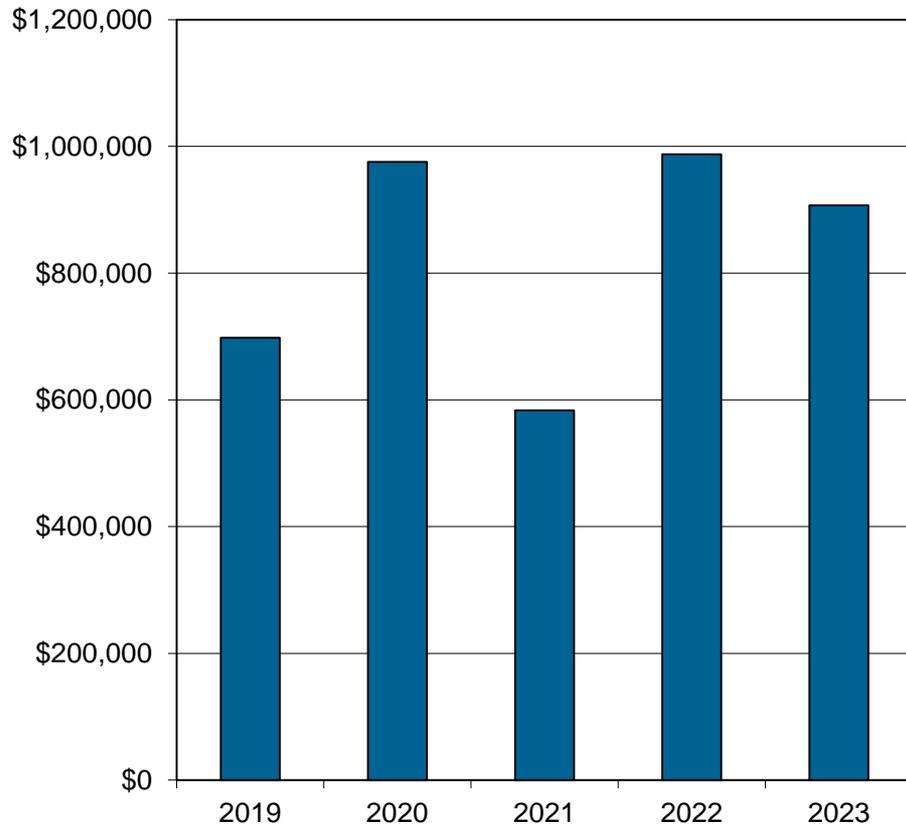
- Includes mayor and council, administration, election, assessing, accounting and auditing, information technology, legal, engineering, planning and zoning and government buildings
- Represented 15% of governmental expenditures (excluding capital projects and debt service) in 2023
- Totaled \$962,775 in 2023, an increase of 5% from 2022
- Increase was due primarily to an increase in administrative salaries and related expenses

# PUBLIC SAFETY EXPENDITURES



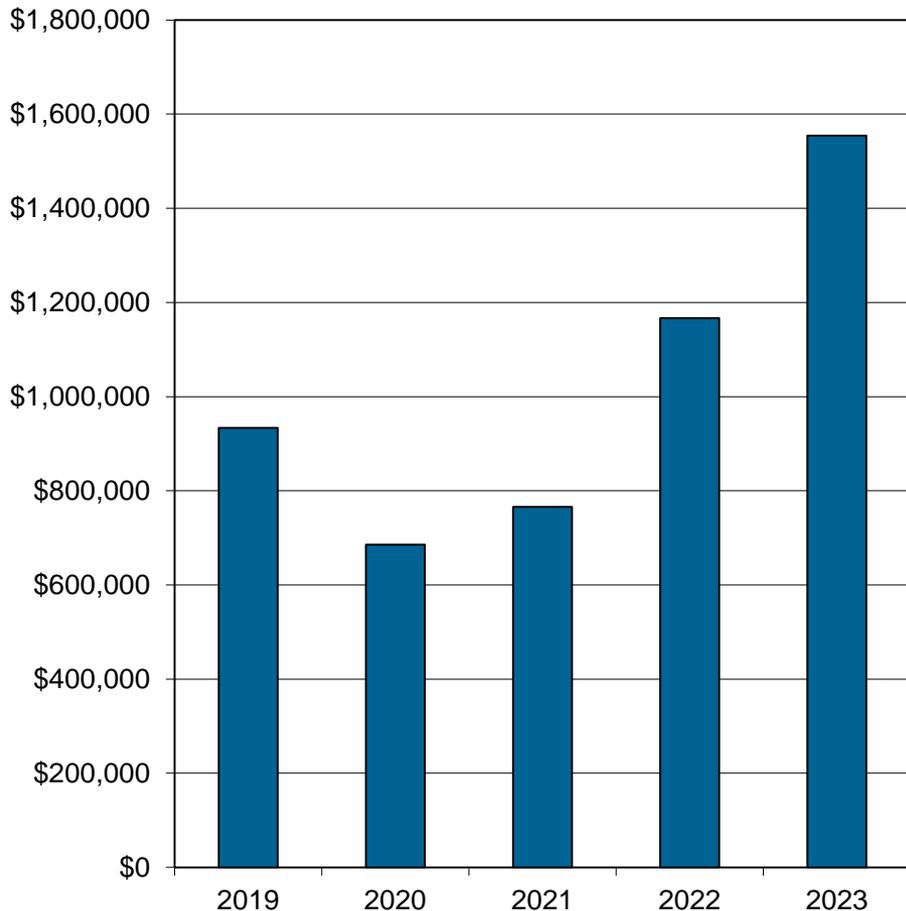
- Includes police protection, fire protection, code enforcement, emergency management and animal control
- Public Safety represented about 38% of total governmental expenditures (excluding capital projects and debt service) in 2023
- Totaled \$2,416,368 in 2023, an increase of 1%

# PUBLIC WORKS EXPENDITURES



- Includes personnel services, supplies, contracted services and other charges
- Totaled \$907,203 in 2023 and \$987,557 in 2022 – a decrease of approximately 8% due to contractual and related engineering services related to the 2022 street improvement project
- Represented approximately 14% of total government expenditures (excluding capital projects and debt service) in 2023

# RECREATION AND PARKS EXPENDITURES



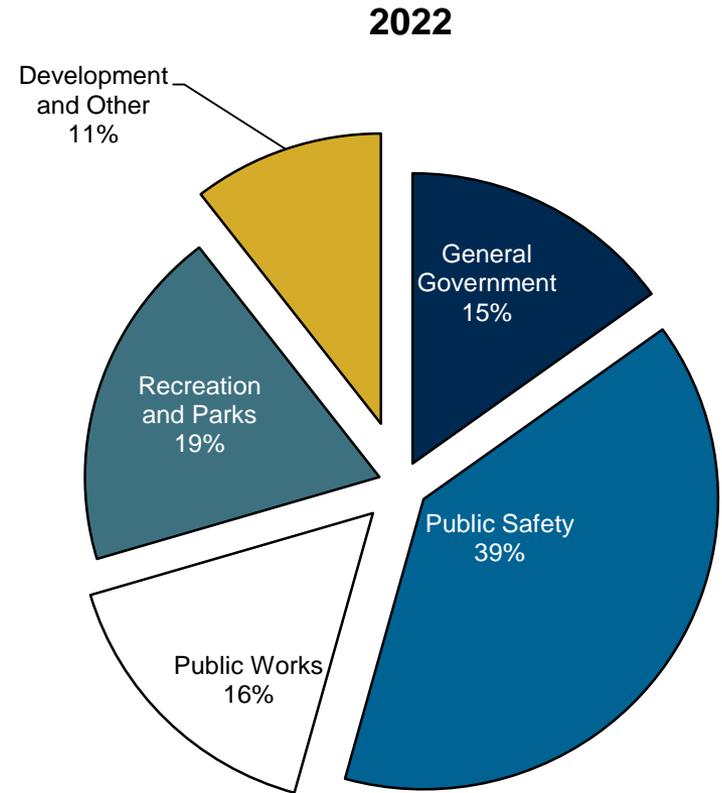
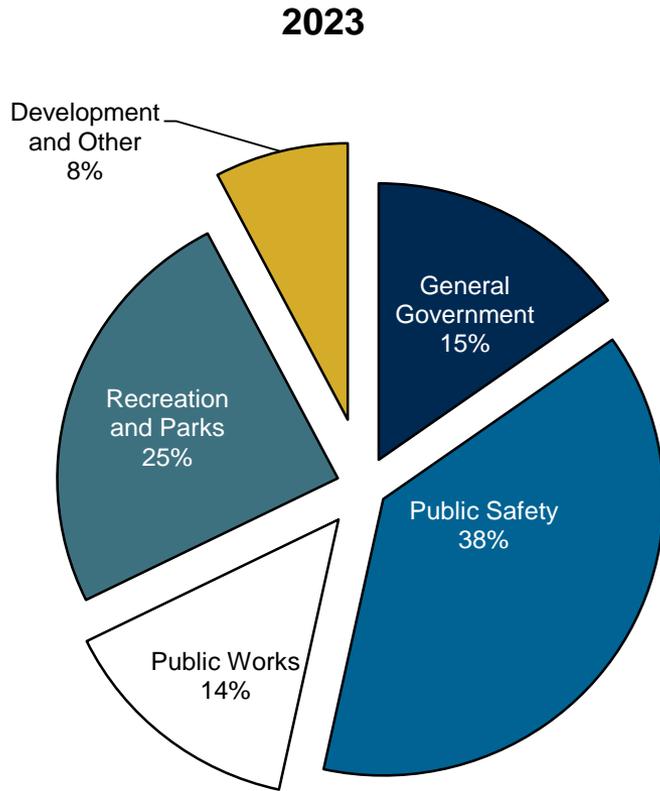
- Primarily personnel services, supplies, contracted services and other charges
- Totaled \$1,554,276 in 2023 and \$1,166,639 in 2022 – an increase of approximately 33%
- Increase due primarily to increased usage of extended trip services offered by the City as well as Able Park shelter improvements in 2023.
- Represented approximately 25% of total government expenditures (excluding capital projects and debt service) in 2023

# DEVELOPMENT AND OTHER EXPENDITURES



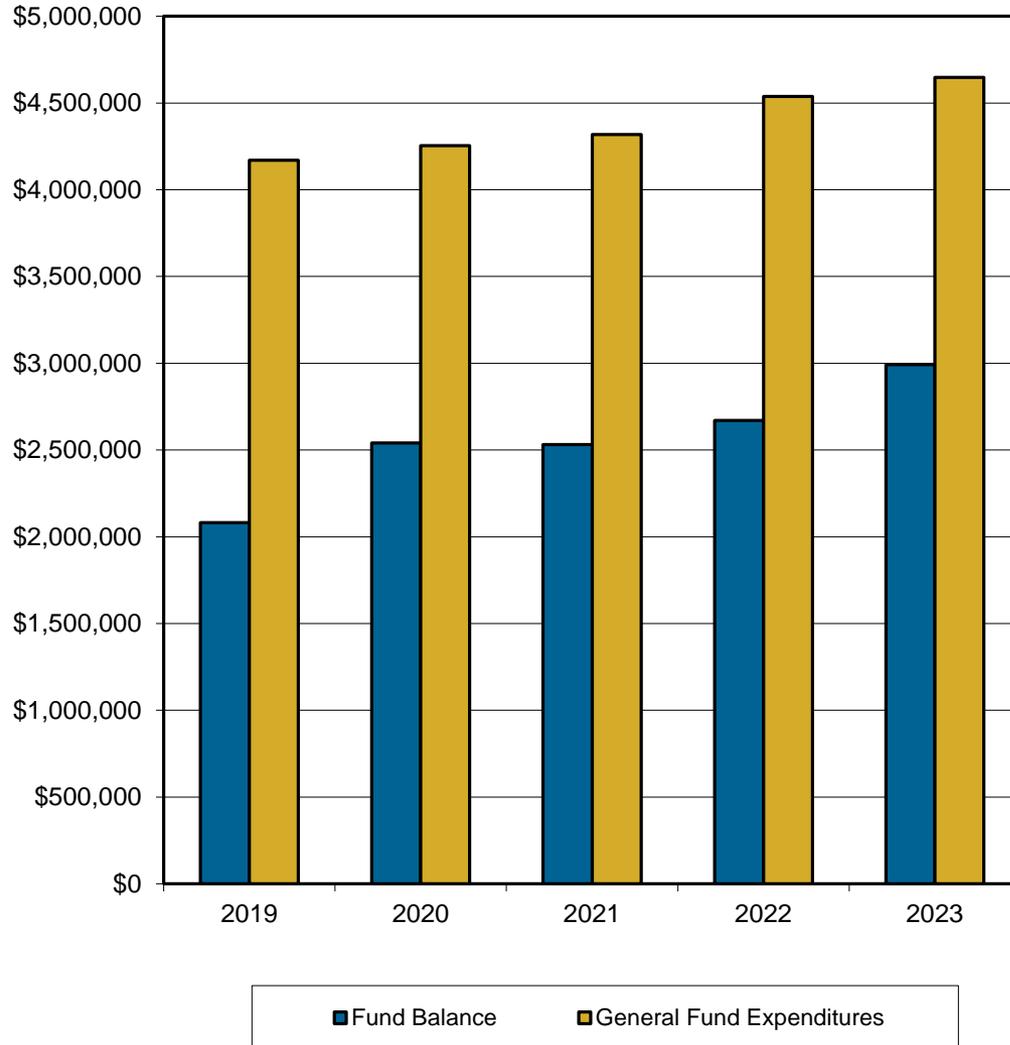
- Includes general insurance, severance payments, TIF payments, recycling and Tower Days community celebration
- Totaled \$486,517 in 2023 and \$641,138 in 2022 – a decrease of approximately 24% due to decreased staffing in 2023.
- Represented approximately 8% of total government expenditures (excluding capital projects and debt service) in 2023

# GOVERNMENTAL FUND EXPENDITURES



# General Fund Reserves

# GENERAL FUND RESERVES



- General Fund balance as a % of General Fund expenditures
  - 2023 64%
  - 2022 59%
  - 2021 59%
  - 2020 60%
  - 2019 50%
- 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

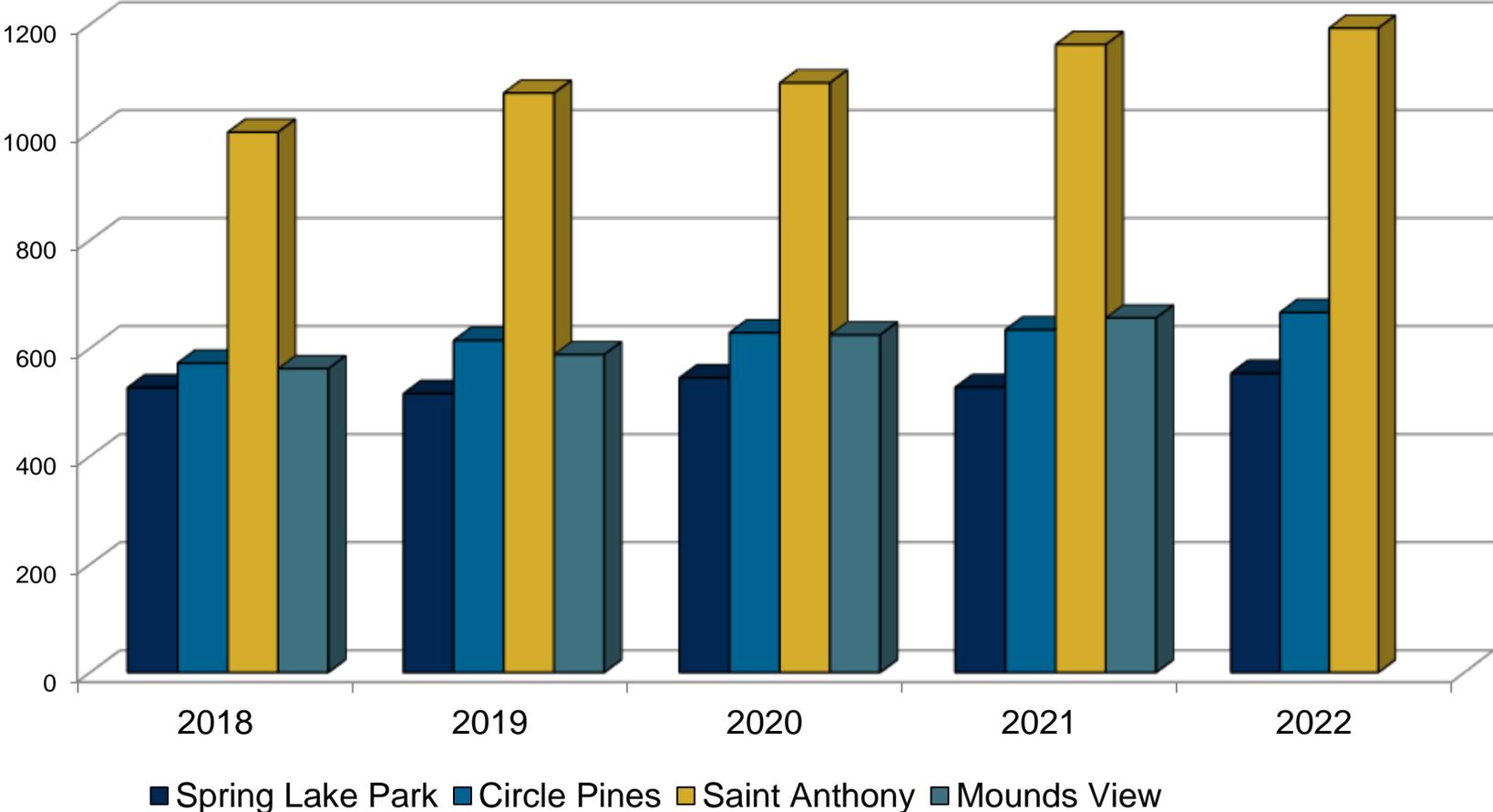
- Favorable bond rating
- Higher investment earnings
- Provides resources for minor projects or feasibility reports
- Avoids temporary overdrafts prior to major receipts
- Allows time to study effects of revenue cuts
- Avoids overburdening of annual budgets for certain capital outlay
- Provides the City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

# City Financial Data Comparison

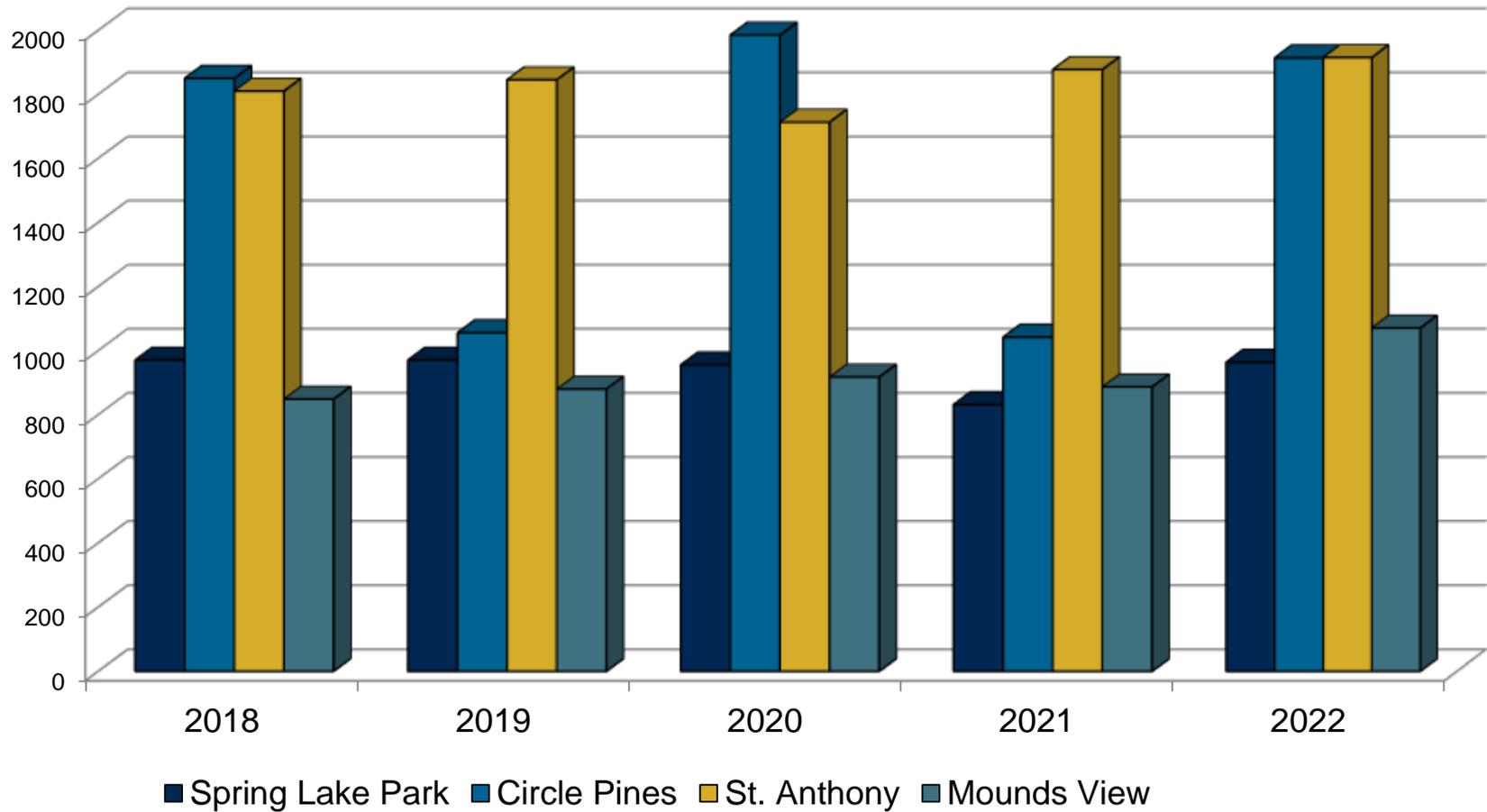
# CITY FINANCIAL DATA COMPARISON

- 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 192<sup>nd</sup> out of 231 cities with populations of 2,500 or more for total expenditures per capita in 2022
  - Ranked 204<sup>th</sup> out of 231 cities in 2021, 188<sup>th</sup> out of 229 cities in 2020, 173<sup>rd</sup> out of 233 cities in 2019, and 168<sup>th</sup> out of 233 cities in 2018

# TOTAL TAX REVENUE (PER CAPITA)

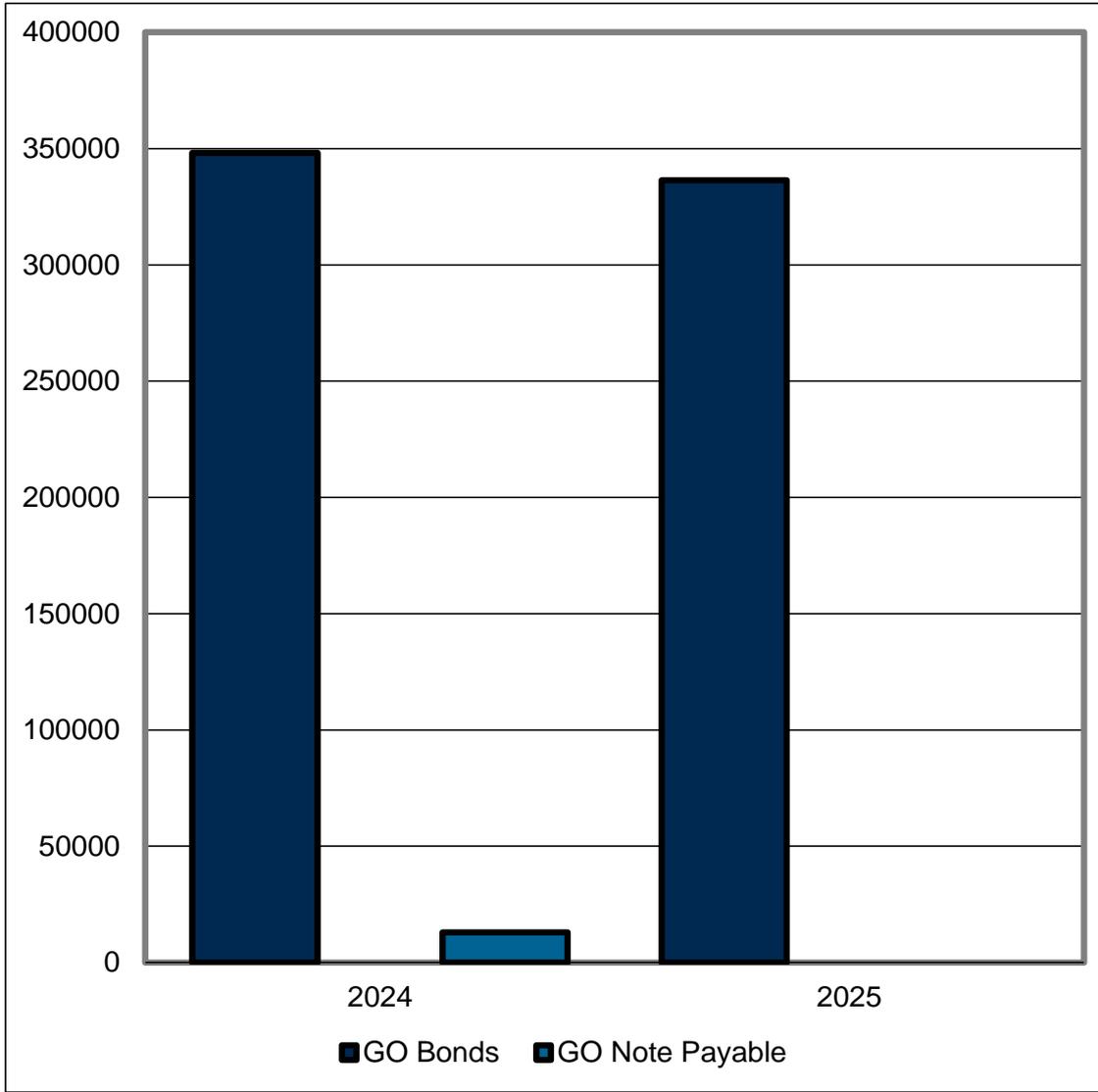


# TOTAL EXPENDITURES (PER CAPITA)



# Debt Service

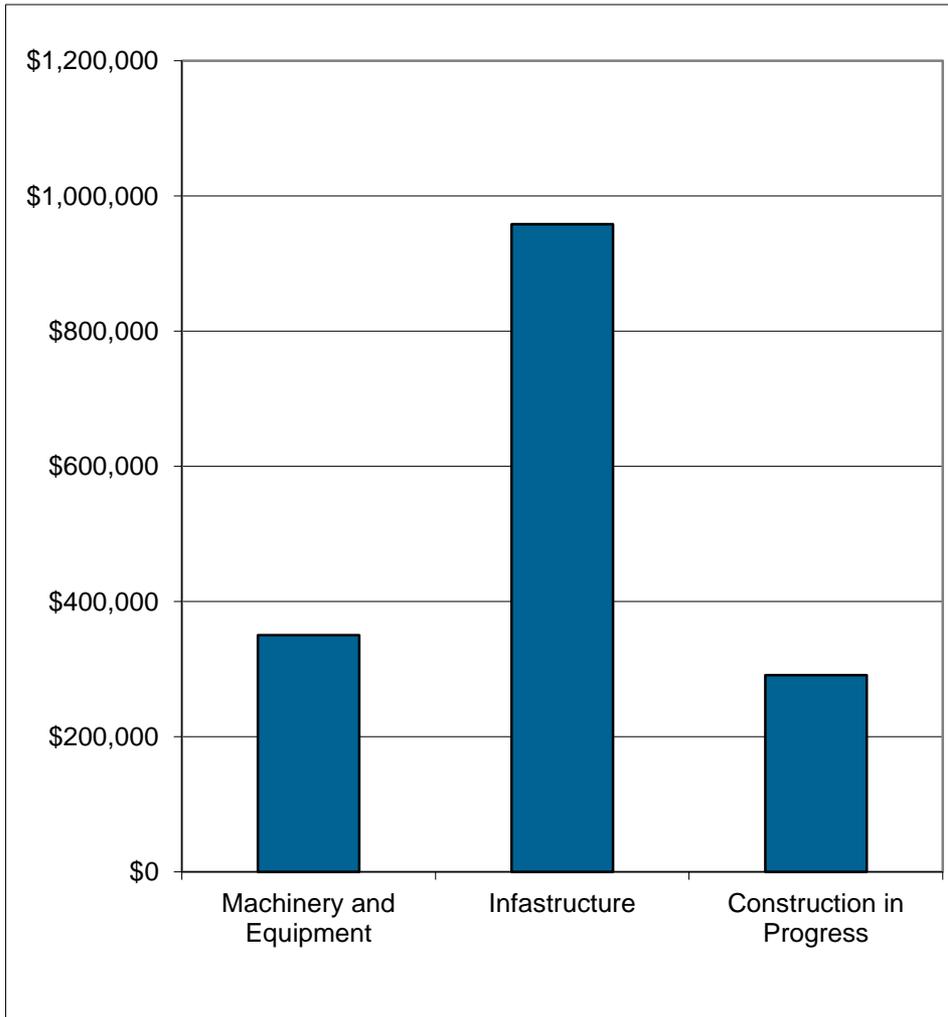
# 5 YEAR DEBT SERVICE REQUIREMENTS



- All debt payments are being paid on a timely basis
- Includes principal and interest payments
- All debt is scheduled to be paid off in 2025

# Capital Projects

# CAPITAL OUTLAY

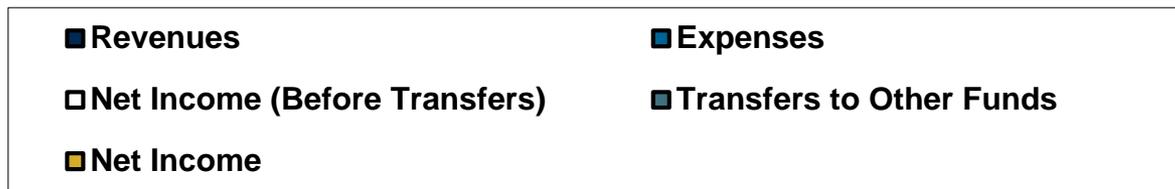
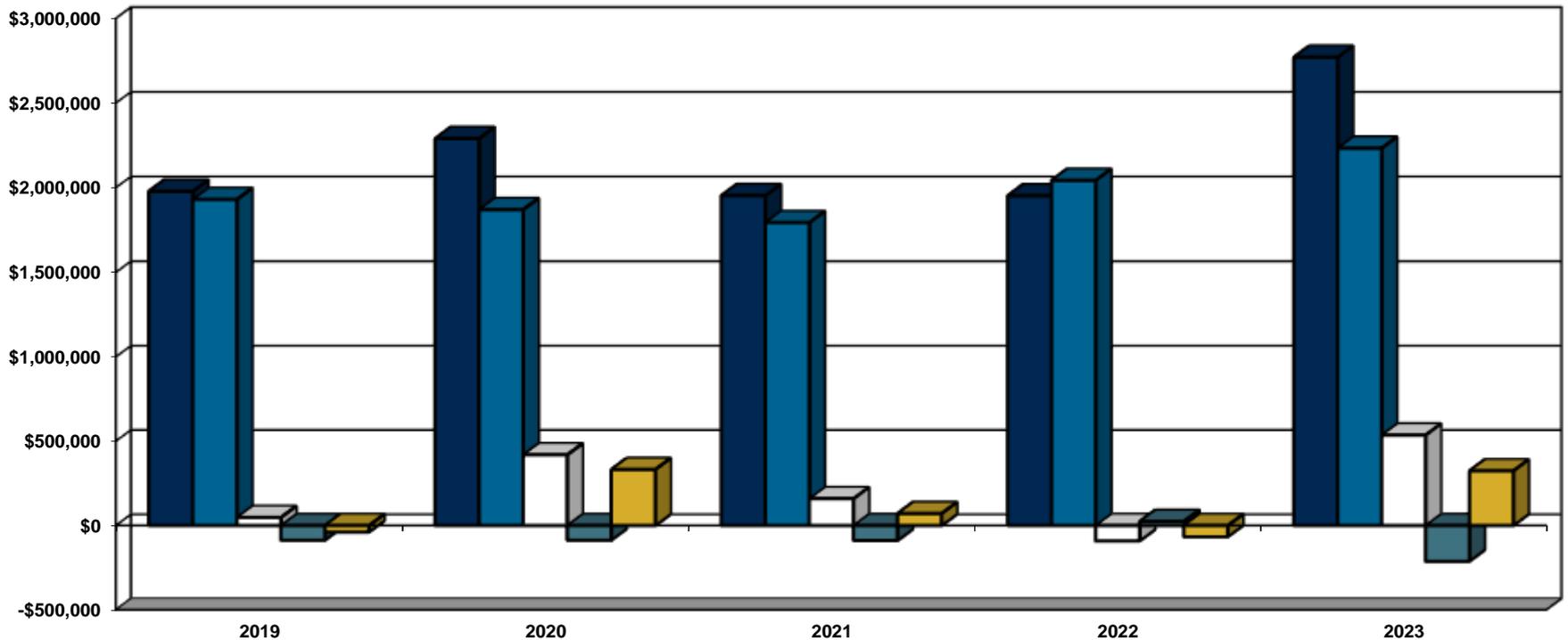


- Major capital outlay in the governmental and business-type funds in 2023 was for:
  - Able Park Shelter project
  - Work on the City Hall Renovation (in progress at year end)
  - Work on the 2021 sewer lining project
  - Upgrades to SCADA systems
- Major capital outlay in the governmental and business-type funds in 2022 was for:
  - Purchase of a new vehicle in the police department
  - Work on the Able Park shelter project (in progress at year end)
  - Work on the 2021 sewer lining project (in progress at year end)
  - Upgrades to SCADA systems (in progress at year end)

**Enterprise Funds**

**Operational Trends**

# ENTERPRISE FUNDS



# SUMMARY

- **Unmodified audit opinion**
- **No Minnesota Legal Compliance exceptions in 2023**
- **General fund balance of \$2,992,641 (64% of 2023 expenditures)**
- **Bonds, certificates and notes payable outstanding of \$676,423 at 12/31/23**

**CITY OF SPRING LAKE PARK**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

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**CITY OF SPRING LAKE PARK  
FINANCIAL STATEMENTS  
For the Fiscal Year Ended December 31, 2023**

**TABLE OF CONTENTS**

	<u>PAGE</u>
<b>INTRODUCTORY SECTION</b>	
Elected and Appointed Officials	i
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds	18
Reconciliation of Net Position in the Government-wide Financial Statements and Fund Balances in the Fund Basis Financial Statements	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Statements of Revenues, Expenditures and Change in Fund Balance - Budget and Actual - General Fund	24
Statement of Net Position - Proprietary Funds	28
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	30
Statement of Cash Flows - Proprietary Funds	31
Notes to Financial Statements	33
Required Supplementary Information	
Schedule of City Contributions	
General Employees Retirement Fund	80
Public Employees Police and Fire Fund Pension Plan	80
Schedule of Proportionate Share of Net Pension Liability	
General Employees Retirement Fund	81
Public Employees Police and Fire Fund Pension Plan	81
Combining and Individual Nonmajor Fund Statements and Schedules	
Combining Balance Sheet - Nonmajor Governmental Funds	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	83
Combining Balance Sheet - Nonmajor Special Revenue Funds	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	88
Combining Balance Sheet - Nonmajor Debt Service Funds	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds	94
Combining Balance Sheet - Nonmajor Capital Projects Funds	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	100
<b>OTHER REPORT SECTION</b>	
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 <i>Government Auditing Standards</i>	104
Summary Schedule of Prior Audit Findings	106
Schedule of Findings and Responses	107
Corrective Action Plan	108

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**CITY OF SPRING LAKE PARK**

**INTRODUCTORY SECTION**

**DECEMBER 31, 2023**

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**CITY OF SPRING LAKE PARK  
ELECTED AND APPOINTED OFFICIALS  
December 31, 2023**

POSITION	NAME	TERM EXPIRES
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**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, 2023**

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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, 2023, 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, 2023, 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 March 25, 2024 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.

Minneapolis, Minnesota  
March 25, 2024

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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, 2023, with comparative data for the fiscal year ended December 31, 2022.

### 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 \$25,111,417 (*net position*). Of this amount, \$10,288,035 (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 increased by \$993,167. The increase is mainly attributed to earnings on the City's investments during the year.
- As of the close of the current fiscal year, the City of Spring Lake Park's governmental funds reported combined ending fund balances of \$10,591,140, an increase of \$361,296 from the prior year.
- At the end of the current fiscal year, fund balance for the general fund was \$2,992,641, or 64.4% of total general fund expenditures.
- The City's total noncurrent liabilities decreased by \$4,054,330 due to an decrease in the City's net pension liability primarily related to investment performance.

### 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-nine 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, and renewal and replacement 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 \$25,111,417 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, \$13,735,227 (55%) 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	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 12,280,685	\$ 12,075,644	\$ 5,896,163	\$ 5,622,979	\$ 18,176,848	\$ 17,698,623
Capital assets	9,056,798	9,158,274	5,373,872	5,766,633	14,430,670	14,924,907
Total assets	<u>21,337,483</u>	<u>21,233,918</u>	<u>11,270,035</u>	<u>11,389,612</u>	<u>32,607,518</u>	<u>32,623,530</u>
Deferred outflows of resources	2,603,719	3,209,701	55,652	87,065	2,659,371	3,296,766
Long-term liabilities outstanding	3,235,246	6,962,936	197,099	523,739	3,432,345	7,486,675
Other liabilities	1,131,865	1,131,167	39,085	101,541	1,170,950	1,232,708
Total liabilities	<u>4,367,111</u>	<u>8,094,103</u>	<u>236,184</u>	<u>625,280</u>	<u>4,603,295</u>	<u>8,719,383</u>
Deferred inflows of resources	3,064,109	508,469	2,488,068	2,574,194	5,552,177	3,082,663
Net position:						
Net investment in capital assets	8,361,355	7,740,556	5,373,872	5,521,633	13,735,227	13,262,189
Restricted	1,088,155	2,034,067			1,088,155	2,034,067
Unrestricted	7,060,472	6,066,424	3,227,563	2,755,570	10,288,035	8,821,994
Total net position	<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>

An additional portion of the City of Spring Lake Park's net position at December 31, 2023 (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$10,288,035) 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 66% of the City of Spring Lake Park's net position as of December 31, 2023. The total increase in net position for governmental activities was \$668,935, accounting for 67% of the increase in the net position of the City of Spring Lake Park for the year ended December 31, 2023. The key element for this increase was significant investment earnings during the year.

**Business-type activities.** Business-type activities increased the City of Spring Lake Park's net position by \$324,232 due primarily to investment earnings recognized in the utility funds.

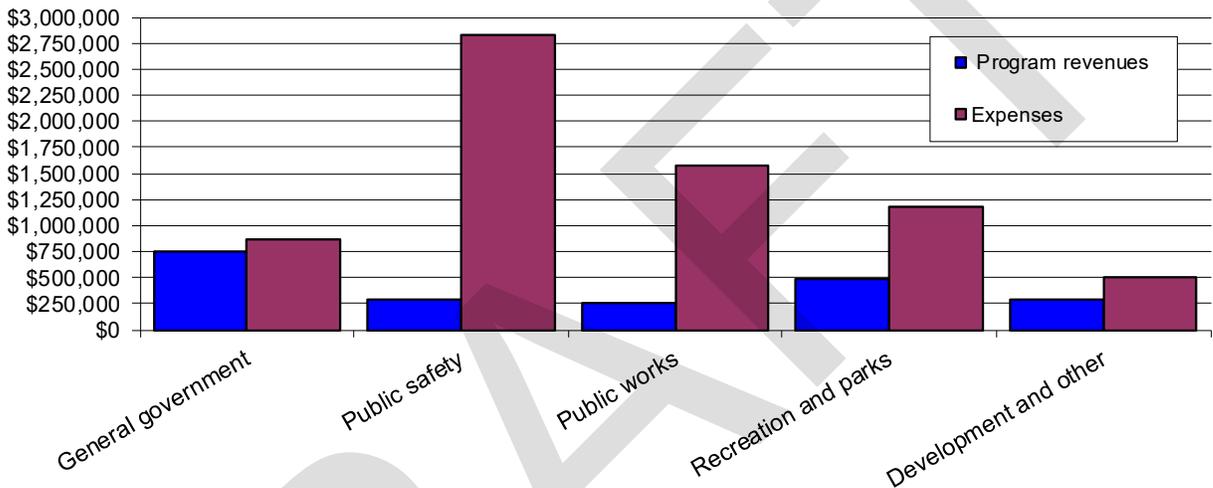
**City of Spring Lake Park's Change in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 1,279,854	\$ 1,234,826	\$ 2,220,624	\$ 1,844,476	\$ 3,500,478	\$ 3,079,302
Operating grants and contributions	752,168	367,278			752,168	367,278
Capital grants and contributions	30,120	467,562			30,120	467,562
General revenues:						
Property taxes	4,137,107	3,963,794			4,137,107	3,963,794
Other	1,220,448	317,019	549,808	108,445	1,770,256	425,464
Total revenues	<u>7,419,697</u>	<u>6,350,479</u>	<u>2,770,432</u>	<u>1,952,921</u>	<u>10,190,129</u>	<u>8,303,400</u>
Expenses:						
General government	871,892	1,087,138			871,892	1,087,138
Public safety	2,824,495	2,623,045			2,824,495	2,623,045
Public works	1,575,552	1,656,893			1,575,552	1,656,893
Recreation and parks	1,176,982	1,033,740			1,176,982	1,033,740
Development and other	498,181	641,138			498,181	641,138
Interest on long-term debt	16,003	41,900			16,003	41,900
Utility			2,233,857	2,044,043	2,233,857	2,044,043
Total expenses	<u>6,963,105</u>	<u>7,083,854</u>	<u>2,233,857</u>	<u>2,044,043</u>	<u>9,196,962</u>	<u>9,127,897</u>
Change in net position before transfers	456,592	(733,375)	536,575	(91,122)	993,167	(824,497)
Transfers	<u>212,343</u>	<u>(24,316)</u>	<u>(212,343)</u>	<u>24,316</u>		
Change in net position after transfers	668,935	(757,691)	324,232	(66,806)	993,167	(824,497)
NET POSITION - BEGINNING OF YEAR	<u>15,841,047</u>	<u>16,598,738</u>	<u>8,277,203</u>	<u>8,344,009</u>	<u>24,118,250</u>	<u>24,942,747</u>
NET POSITION - END 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>

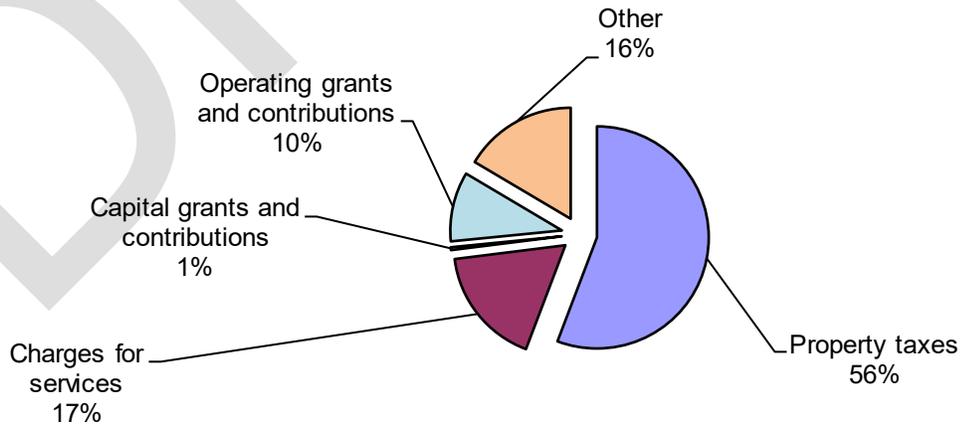
## CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Below are specific graphs that provide comparisons of the governmental activities direct program revenues with their expenses for the year ended December 31, 2023. Any shortfalls in direct revenues are primarily supported by property tax levy or general state aid.

**Expenses and Program Revenues - Governmental Activities**



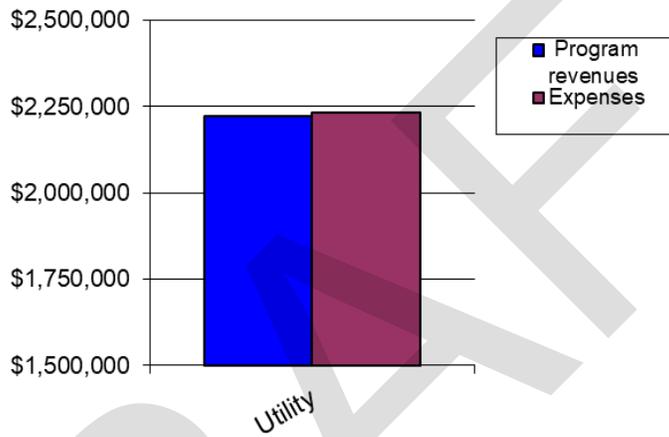
**Revenues by Source - Governmental Activities**



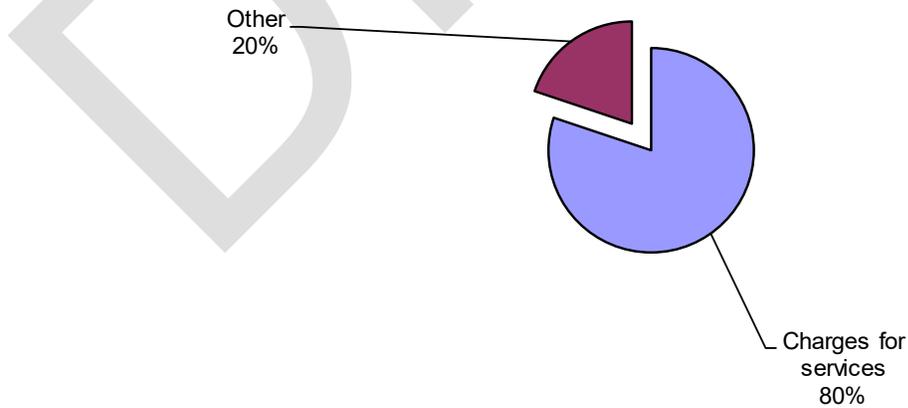
**CITY OF SPRING LAKE PARK  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following graphs relate the business-type activity's program revenues with its expenses for the year ended December 31, 2023. 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 \$10,591,140, an increase of \$361,296 in comparison with the prior year. Approximately 90% of this total fund balance, or \$9,554,305, constitutes *assigned and unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance, \$1,036,835, 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 \$2,992,641. As a measure of liquidity, it may be useful to compare the fund balance to total fund expenditures. Fund balance represents 64% of total current year general fund expenditures. The general fund's total fund balance increased by \$322,686 during the current year due primarily due to taxes and investment earnings allocated to the fund in the current year.

The revolving fund decreased its fund balance by \$248,859 due primarily to due to transfers to other funds.

The renewal and replacement fund increased its fund balance by \$26,733 due to investment income allocated to this fund in excess of transfers to other funds.

The HRA reserve fund increased its fund balance by \$96,418 due to other revenues and investment earnings allocated to this fund.

The special revenue funds (other than the HRA reserve fund described as a major fund previously) increased their overall fund balances by \$522,753 due primarily to grants received from other governmental units.

The debt service funds decreased their collective fund balance by \$581,560 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 fund and renewal and replacement fund described as major funds previously) increased their collective fund balance by \$223,125 due primarily to 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 \$3,227,563. The utility fund increased its net position by \$324,232, for the year ended December 31, 2023. 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 \$560,000 overall decrease in General Fund balance. The actual net change to the General Fund balance was an increase of \$322,686. Revenues exceeded budget by \$598,322 for the year ended December 31, 2023 due primarily to strong property tax collections, investment earnings and rental housing registrations. Total expenditures were less than budget by \$207,904 for the year. Two departments had expenditures in excess of budget: public works exceeded budget by \$28,202 and parks and recreation expenditures exceeded budget by \$18,355. 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, 2023, amounted to \$14,430,670 (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 decreased by \$494,237, or approximately 3.3%, for the year ended December 31, 2023, due to current year depreciation expense in excess of asset additions.

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 250,000	\$ 334,950	\$	\$	\$ 250,000	\$ 334,950
Construction in progress	259,722	260,540	31,538	294,832	291,260	555,372
Buildings and improvements	787,416	896,938	1,317,482	1,583,524	2,104,898	2,480,462
Machinery and equipment	381,217	483,745	217,493	53,718	598,710	537,463
Infrastructure	7,378,443	7,182,101	3,807,359	3,834,559	11,185,802	11,016,660
Total	\$ 9,056,798	\$ 9,158,274	\$ 5,373,872	\$ 5,766,633	\$ 14,430,670	\$ 14,924,907

**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 \$676,423 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	
	2023	2022	2023	2022	2023	2022
General obligation bonds and notes payable	\$ 676,423	\$ 1,129,405	\$ 245,000	\$ 245,000	\$ 676,423	\$ 1,374,405
General obligation certificates		260,063				260,063
<b>Total</b>	<b>\$ 676,423</b>	<b>\$ 1,389,468</b>	<b>\$ 245,000</b>	<b>\$ 245,000</b>	<b>\$ 676,423</b>	<b>\$ 1,634,468</b>

The City of Spring Lake Park's total bonds, certificates and notes payable decreased by \$958,045 during the current fiscal year. The decrease was due to scheduled debt payments and no new debt issued by the City during 2023.

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 is in the process of developing its 2025 budget. A combination of a tight labor market, higher prices, and increasing interest rates will make forecasting revenues and expenditures difficult. The State of Minnesota's strong financial position means that the State-Local fiscal partnership will likely continue into the next biennium.

The City's debt position is extremely positive. Four long term bond issues (2003 G.O. Water Revenue Note, 2017A Equipment Certificates, 2018A Improvement Certificates and the 2013B G.O. Capital Improvement Plan Bond) were paid off in 2023. During 2024, the City issued a \$7.6 million G.O. Capital Improvement Plan bond to finance a significant portion of the City Hall renovation/expansion project. This \$8.5 million renovation will create a separate entrance for the Police Department, improve accessibility, expand public meeting spaces, increase public restroom facilities, improve energy efficiency and enhance building security. Construction began February 2024 and will continue to November 2024. Even with the issuance of this bond, the City still has significant debt capacity to finance future capital improvements.

**CITY OF SPRING LAKE PARK  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Major activities contemplated in future years include:

- Complete the last phase of sanitary sewer slip-lining project.
- Rehabilitate Sanburnol Drive, Elm Street and 83<sup>rd</sup> Ave NE.
- Seal coat project to maintain the City's investment in its street infrastructure.
- Continue removal and replacement of boulevard Ash trees infected with Emerald Ash Borer
- Upgrade the City's enterprise resource planning software to BS&A

**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, 2023**

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**CITY OF SPRING LAKE PARK**  
**STATEMENT OF NET POSITION**  
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 11,403,787	\$ 2,726,947	\$ 14,130,734
Receivables	444,645	690,463	1,135,108
Lease receivables	356,540	2,457,907	2,814,447
Intergovernmental receivables	48,444		48,444
Internal balances	322	(322)	
Prepaid items and other	26,947	21,168	48,115
Capital assets:			
Nondepreciable	509,722	31,538	541,260
Depreciable, net	8,547,076	5,342,334	13,889,410
Total Assets	<u>21,337,483</u>	<u>11,270,035</u>	<u>32,607,518</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows from pension activity	<u>2,603,719</u>	<u>55,652</u>	<u>2,659,371</u>
<b>LIABILITIES</b>			
Accounts payable	126,360	26,054	152,414
Accrued payroll and related taxes	39,812	5,063	44,875
Accrued interest	1,223		1,223
Unearned revenue	767,633	3,000	770,633
Deposits and other liabilities	196,837	4,968	201,805
Noncurrent liabilities:			
Due within one year	503,417	29,670	533,087
Due in more than one year	446,631	17,390	464,021
Net pension liability	2,285,198	150,039	2,435,237
Total Liabilities	<u>4,367,111</u>	<u>236,184</u>	<u>4,603,295</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows from leasing activity	330,140	2,404,705	2,734,845
Deferred inflows from pension activity	<u>2,733,969</u>	<u>83,363</u>	<u>2,817,332</u>
Total Deferred Inflows of Resources	<u>3,064,109</u>	<u>2,488,068</u>	<u>5,552,177</u>
<b>NET POSITION</b>			
Net investment in capital assets	8,361,355	5,373,872	13,735,227
Restricted	1,088,155		1,088,155
Unrestricted	<u>7,060,472</u>	<u>3,227,563</u>	<u>10,288,035</u>
Total Net Position	<u>\$ 16,509,982</u>	<u>\$ 8,601,435</u>	<u>\$ 25,111,417</u>

**See Notes to Financial Statements**

**CITY OF SPRING LAKE PARK**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2023

<b>Functions/Programs</b>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
General government	\$ 871,892	\$ 411,715	\$ 330,128	\$ 10,167
Public safety	2,824,495	171,779	115,388	
Public works	1,575,552	144,334	85,591	19,953
Recreation and parks	1,176,982	347,478	136,597	
Development and other	498,181	204,548	84,464	
Interest on long-term debt	16,003			
<b>Total governmental activities</b>	<u>6,963,105</u>	<u>1,279,854</u>	<u>752,168</u>	<u>30,120</u>
<b>Business-Type activities:</b>				
Utility	<u>2,233,857</u>	<u>2,220,624</u>		
<b>Total business-type activities</b>	<u>2,233,857</u>	<u>2,220,624</u>		
<b>Total</b>	<u>\$ 9,196,962</u>	<u>\$ 3,500,478</u>	<u>\$ 752,168</u>	<u>\$ 30,120</u>

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

Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (119,882)		\$ (119,882)
(2,537,328)		(2,537,328)
(1,325,674)		(1,325,674)
(692,907)		(692,907)
(209,169)		(209,169)
(16,003)		(16,003)
<u>(4,900,963)</u>		<u>(4,900,963)</u>
	\$ (13,233)	(13,233)
	(13,233)	(13,233)
<u>(4,900,963)</u>	<u>(13,233)</u>	<u>(4,914,196)</u>
4,137,107		4,137,107
564,437		564,437
95,157	201,426	296,583
502,560	80,660	583,220
58,294	267,722	326,016
212,343	(212,343)	
<u>5,569,898</u>	<u>337,465</u>	<u>5,907,363</u>
668,935	324,232	993,167
<u>15,841,047</u>	<u>8,277,203</u>	<u>24,118,250</u>
<u>\$ 16,509,982</u>	<u>\$ 8,601,435</u>	<u>\$ 25,111,417</u>

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**CITY OF SPRING LAKE PARK  
FUND FINANCIAL STATEMENTS**

**December 31, 2023**

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**CITY OF SPRING LAKE PARK**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2023

	General Fund	Special Revenue Fund	Capital Project Funds	
		HRA Reserve	Revolving Fund	Renewal and Replacement
<b>ASSETS</b>				
Cash and investments	\$ 3,504,248	\$ 1,144,945	\$ 1,180,776	\$ 1,761,379
Accounts receivable	33,643			
Taxes receivable	41,731			
Special assessments receivable	1,011		107,754	
Lease receivable		356,540		
Due from other funds	262,367		13,613	
Due from other governmental units	46,244		387	
Accrued interest receivable	53,028			
Prepaid expenditures	3,909		21,168	
<b>TOTAL ASSETS</b>	<b>\$ 3,946,181</b>	<b>\$ 1,501,485</b>	<b>\$ 1,323,698</b>	<b>\$ 1,761,379</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 101,948	\$	\$	\$
Accrued payroll and taxes	39,113			
Deposits and other liabilities		5,600		
Due to other funds	13,613		251,015	
Unearned revenue	756,124			
Total Liabilities	910,798	5,600	251,015	
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue:				
Property taxes	41,731			
Special assessments	1,011		107,754	
Leasing activity		330,140		
Total Deferred Inflows of Resources	42,742	330,140	107,754	
<b>FUND BALANCE</b>				
Nonspendable	3,909		21,168	
Restricted				
Assigned	2,988,732	1,165,745	943,761	1,761,379
Total Fund Balance	2,992,641	1,165,745	964,929	1,761,379
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 3,946,181</b>	<b>\$ 1,501,485</b>	<b>\$ 1,323,698</b>	<b>\$ 1,761,379</b>

**See Notes to Financial Statements**

Other Governmental Funds	Total
\$ 3,812,439	\$ 11,403,787
129,211	162,854
	41,731
78,267	187,032
	356,540
322	276,302
1,813	48,444
	53,028
1,870	26,947
\$ 4,023,922	\$ 12,556,665

\$ 24,412	\$ 126,360
699	39,812
191,237	196,837
11,352	275,980
11,509	767,633
239,209	1,406,622

	41,731
78,267	187,032
	330,140
78,267	558,903

1,870	26,947
1,009,888	1,009,888
2,694,688	9,554,305
3,706,446	10,591,140

\$ 4,023,922	\$ 12,556,665
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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, 2023

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

Total governmental fund balances (pages 18-19)	\$ 10,591,140
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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	\$ 28,981,233	
Accumulated depreciation	(19,924,435)	
		9,056,798

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

Delinquent property taxes	\$ 41,731	
Special assessments	187,032	
		228,763

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)	\$ (676,423)	
Net pension liability, deferred outflows and inflows from pension activity	(2,415,448)	
Compensated absences	(254,605)	
Accrued interest	(1,223)	
Net unamortized bond premiums	(19,020)	
		(3,366,719)

Net position of governmental activities (page 15)	<u>\$ 16,509,982</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, 2023

	General Fund	Special Revenue Fund	Capital Project Funds	
		HRA Reserve	Revolving Fund	Renewal and Replacement
<b>REVENUES</b>				
Property and franchise taxes	\$ 3,907,079	\$	\$ 177	\$
Special assessments			25,907	
Licenses and permits	199,681			
Intergovernmental revenues	682,526			
Charges for services	215,444			
Fines and forfeitures	67,545			
Investment earnings	285,358	32,535		51,733
Other revenues	130,854	95,157		
<b>TOTAL REVENUES</b>	<b>5,488,487</b>	<b>127,692</b>	<b>26,084</b>	<b>51,733</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government	923,188	23,819		
Public safety	2,411,817			
Public works	315,574		124,943	
Recreation and parks	825,999			
Development and other	70,596			
<b>Capital Outlay</b>				
General government	779	7,455		
Public safety	99,245			
Public works				
Recreation and parks				
Development and other				
<b>Debt Service</b>				
Principal				
Interest and other				
<b>TOTAL EXPENDITURES</b>	<b>4,647,198</b>	<b>31,274</b>	<b>124,943</b>	
Excess (deficiency) of revenues over (under) expenditures	841,289	96,418	(98,859)	51,733
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	209,343			
Transfers to other funds	(727,946)		(150,000)	(25,000)
Total other financing sources (uses)	(518,603)		(150,000)	(25,000)
Net change in fund balances	322,686	96,418	(248,859)	26,733
<b>FUND BALANCES, Beginning</b>	<b>2,669,955</b>	<b>1,069,327</b>	<b>1,213,788</b>	<b>1,734,646</b>
<b>FUND BALANCES, Ending</b>	<b>\$ 2,992,641</b>	<b>\$ 1,165,745</b>	<b>\$ 964,929</b>	<b>\$ 1,761,379</b>

**See Notes to Financial Statements**

Other Governmental Funds	Total
\$ 256,635	\$ 4,163,891
52,984	78,891
	199,681
475,858	1,158,384
688,978	904,422
740	68,285
132,934	502,560
189,231	415,242
<u>1,797,360</u>	<u>7,491,356</u>
15,768	962,775
4,551	2,416,368
466,686	907,203
728,277	1,554,276
415,921	486,517
	8,234
25	99,270
137,018	137,018
17,296	17,296
11,634	11,634
712,096	712,096
29,716	29,716
<u>2,538,988</u>	<u>7,342,403</u>
<u>(741,628)</u>	<u>148,953</u>
1,122,811	1,332,154
<u>(216,865)</u>	<u>(1,119,811)</u>
<u>905,946</u>	<u>212,343</u>
164,318	361,296
<u>3,542,128</u>	<u>10,229,844</u>
<u>\$ 3,706,446</u>	<u>\$ 10,591,140</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, 2023

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

Net change in fund balances - total governmental funds (pages 21-22)	\$	361,296
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	\$	904,318
Depreciation expense		<u>(920,433)</u>
		(16,115)
The net effect of various miscellaneous transactions involving capital capital assets (i.e., sales, trade-ins and donations) is to decrease net position		
		(85,361)
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	\$	228,763
Unavailable revenue, beginning of year		<u>(311,990)</u>
		(83,227)
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	\$	(213,260)
Compensated absences		<u>(21,156)</u>
		(234,416)
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	\$	713,045
Change in accrued interest, bond premiums, bond discounts and deferred charges		<u>13,713</u>
		<u>726,758</u>
Change in net position of governmental activities (pages 16-17)	\$	<u><u>668,935</u></u>

**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, 2023

	Budgeted Amounts		2023	Variance with
	Original	Final	Actual Amounts	Final Budget- Positive (Negative)
<b>REVENUES</b>				
General property taxes	\$ 3,685,047	\$ 3,685,047	\$ 3,907,079	\$ 222,032
Licenses and Permits				
Licenses	44,022	44,022	70,180	26,158
Permits	108,400	108,400	129,501	21,101
Total Licenses and Permits	152,422	152,422	199,681	47,259
Intergovernmental				
Police aids	120,000	120,000	118,089	(1,911)
Other aids	565,157	565,157	564,437	(720)
Total Intergovernmental	685,157	685,157	682,526	(2,631)
Charges for Services				
General government	88,524	88,524	62,984	(25,540)
Public safety	2,500	2,500	3,485	985
Housing registration	104,900	104,900	148,975	44,075
Total Charges for Services	195,924	195,924	215,444	19,520
Fines and forfeits	65,000	65,000	67,545	2,545
Investment earnings	10,000	10,000	285,358	275,358
Miscellaneous Revenue				
Liaison officer	80,165	80,165	93,122	12,957
Insurance dividends	10,000	10,000	3,939	(6,061)
Reimbursements and other	6,450	6,450	33,793	27,343
Total Miscellaneous Revenue	96,615	96,615	130,854	34,239
<b>TOTAL REVENUES</b>	<b>4,890,165</b>	<b>4,890,165</b>	<b>5,488,487</b>	<b>598,322</b>
<b>EXPENDITURES</b>				
<b>General Government</b>				
Mayor and Council				
Personnel services	35,326	35,326	35,323	3
Supplies and services	2,950	2,950	2,902	48
Other charges	34,934	34,934	22,027	12,907
Total Mayor and Council	\$ 73,210	\$ 73,210	\$ 60,252	\$ 12,958

**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, 2023

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Administration				
Personnel services	\$ 446,632	\$ 446,632	\$ 460,700	\$ (14,068)
Supplies	8,972	8,972	5,907	3,065
Contracted services	5,950	5,950	6,683	(733)
Other services and charges	28,881	28,881	20,894	7,987
Total Administration	490,435	490,435	494,184	(3,749)
Election				
Other services and charges			1,823	(1,823)
Assessing				
Contracted services	38,000	38,000	37,674	326
Accounting and Auditing				
Contracted services	12,425	12,425	12,425	
Information Technology				
Contracted services	62,689	62,689	67,086	(4,397)
Legal				
Contracted services	122,500	122,500	113,417	9,083
Engineering				
Contracted services	6,500	6,500	2,123	4,377
Planning and Zoning				
Supplies and other charges	2,000	2,000	1,536	464
Government Buildings				
Personnel services	24,661	24,661	25,430	(769)
Supplies	22,750	22,750	32,748	(9,998)
Contracted services	60,600	60,600	68,871	(8,271)
Other charges	9,465	9,465	5,619	3,846
Capital outlay			779	(779)
Total Government Buildings	117,476	117,476	133,447	(15,971)
Total General Government	\$ 925,235	\$ 925,235	\$ 923,967	\$ 1,268

**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, 2023**

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
<b>Public Safety</b>				
Police Protection				
Personnel services	\$ 1,834,277	\$ 1,834,277	\$ 1,689,649	\$ 144,628
Supplies	53,430	53,430	41,239	12,191
Contracted services	58,020	58,020	51,880	6,140
Other charges	112,357	112,357	100,915	11,442
Capital outlay	49,500	49,500	52,835	(3,335)
Total Police Protection	<u>2,107,584</u>	<u>2,107,584</u>	<u>1,936,518</u>	<u>171,066</u>
Fire Protection				
Contracted services	264,095	264,095	264,144	(49)
Capital outlay	46,410	46,410	46,410	
Total Fire Protection	<u>310,505</u>	<u>310,505</u>	<u>310,554</u>	<u>(49)</u>
Code Enforcement				
Personnel services	276,677	276,677	258,544	18,133
Supplies	7,300	7,300	2,867	4,433
Contracted services	5,300	5,300	1,039	4,261
Other charges	7,685	7,685	1,540	6,145
Total Code Enforcement	<u>296,962</u>	<u>296,962</u>	<u>263,990</u>	<u>32,972</u>
Total Public Safety	<u>2,715,051</u>	<u>2,715,051</u>	<u>2,511,062</u>	<u>203,989</u>
<b>Public Works</b>				
Street Maintenance				
Personnel services	234,642	234,642	251,556	(16,914)
Supplies	50,300	50,300	61,305	(11,005)
Contracted services	1,410	1,410	467	943
Other charges	1,020	1,020	2,246	(1,226)
Total Street Maintenance	<u>287,372</u>	<u>287,372</u>	<u>315,574</u>	<u>(28,202)</u>
Total Public Works	<u>\$ 287,372</u>	<u>\$ 287,372</u>	<u>\$ 315,574</u>	<u>\$ (28,202)</u>

**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, 2023

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
<b>Recreation and Parks</b>				
Recreation				
Personnel services	\$ 380,282	\$ 380,282	\$ 383,571	\$ (3,289)
Supplies	18,642	18,642	18,669	(27)
Contracted services	23,700	23,700	24,196	(496)
Other charges	2,080	2,080	1,255	825
Total Recreation	424,704	424,704	427,691	(2,987)
Parks and Forestry				
Personnel services	284,397	284,397	303,166	(18,769)
Supplies	70,452	70,452	67,443	3,009
Contracted services	10,267	10,267	11,175	(908)
Other charges	17,824	17,824	16,524	1,300
Total Parks and Forestry	382,940	382,940	398,308	(15,368)
Total Recreation and Parks	807,644	807,644	825,999	(18,355)
<b>Other</b>				
Personnel services	9,200	9,200	493	8,707
Other charges	105,000	105,000	64,826	40,174
Permit surcharges	5,600	5,600	2,995	2,605
Severance payments			2,282	(2,282)
Total Other	119,800	119,800	70,596	49,204
Total Expenditures	4,855,102	4,855,102	4,647,198	207,904
Excess (deficiency) of revenues over (under) expenditures	35,063	35,063	841,289	806,226
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	149,342	149,342	209,343	60,001
Transfers to other funds	(184,405)	(744,405)	(727,946)	16,459
Total Other Financing Sources (Uses)	(35,063)	(595,063)	(518,603)	76,460
NET CHANGE IN FUND BALANCE		(560,000)	322,686	882,686
FUND BALANCE, January 1	2,669,955	2,669,955	2,669,955	
FUND BALANCE, December 31	\$ 2,669,955	\$ 2,109,955	\$ 2,992,641	\$ 882,686

**See Notes to Financial Statements**

**CITY OF SPRING LAKE PARK  
 PROPRIETARY FUND  
 Statement of Net Position  
 December 31, 2023**

	Utility Fund
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and investments	\$ 761,454
Accounts receivable	690,463
Lease receivable	126,213
Due from other funds	4,801
Prepaid expenses	21,168
Total Current Assets	1,604,099
<b>Noncurrent Assets</b>	
Lease receivable, noncurrent	2,331,694
Property and Equipment	
Construction in progress	31,538
Buildings and improvements	6,452,464
Infrastructure	6,864,684
Machinery and equipment	895,426
Less: Accumulated depreciation	8,870,240
Total Noncurrent Assets	7,705,566
Reserved Assets	
Cash and investments	1,965,493
Total Noncurrent Assets	9,671,059
<b>TOTAL ASSETS</b>	<b>11,275,158</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows from pension activity	55,652

**CITY OF SPRING LAKE PARK  
 PROPRIETARY FUND  
 Statement of Net Position (Continued)  
 December 31, 2023**

	<u>Utility Fund</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts payable	\$ 26,054
Accrued payroll and taxes	5,063
Unearned revenue	3,000
Other accrued liabilities	4,968
Due to other funds	5,123
Current portion of compensated absences	29,670
Total Current Liabilities	73,878
<b>Long-term Liabilities</b>	
Compensated absences, net of current portion	17,390
Net pension liability	150,039
Total Long-term Liabilities	167,429
Total Liabilities	241,307
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows from leasing activity	2,404,705
Deferred inflows from pension activity	83,363
Total Deferred Inflows of Resources	2,488,068
<b>Net Position</b>	
Net investment in capital assets	5,373,872
Unrestricted	3,227,563
<b>Total Net Position</b>	<b>\$ 8,601,435</b>

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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, 2023**

	Utility Fund
<b>Operating Revenue</b>	
Charges for services	\$ 2,220,624
<b>Operating Expenses</b>	
Personnel services	405,658
Supplies	245,132
Contracted services and other	248,215
Treatment charges	718,945
Depreciation	532,725
Other charges	78,578
Total Operating Expenses	2,229,253
<b>Operating (Loss)</b>	(8,629)
<b>Other Revenue (Expense)</b>	
Lease revenue	201,426
Commissions and other revenue	267,722
Investment earnings	80,660
Interest and other expense	(4,604)
Total Other Revenue (Expense)	545,204
Income Before Transfers	536,575
Net transfers from (to) other funds	(212,343)
Change in net position	324,232
<b>NET POSITION, BEGINNING OF YEAR</b>	8,277,203
<b>NET POSITION, END OF YEAR</b>	\$ 8,601,435

**See Notes to Financial Statements**

**CITY OF SPRING LAKE PARK  
 PROPRIETARY FUND  
 Statement of Cash Flows  
 For the Year Ended December 31, 2023**

	Utility Fund
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 2,272,511
Cash paid to suppliers	(1,352,437)
Cash paid to employees	(391,677)
	528,397
<b>Cash Flows From Investing Activities</b>	
Investment earnings	80,660
	80,660
<b>Cash Flows from Noncapital Financing Activities</b>	
Net transfers to other funds	(212,343)
	(212,343)
<b>Cash Flows from Capital and Related Financing Activities</b>	
Acquisition of capital assets	(139,963)
Principal paid on long-term debt	(245,000)
Interest paid on long-term debt	(6,906)
	(391,869)
<b>Net Increase in Cash and Cash Equivalents</b>	4,845
<b>Cash and Cash Equivalents, January 1</b>	2,722,102
<b>Cash and Cash Equivalents, December 31</b>	\$ 2,726,947
Classified as:	
Cash and investments - current assets	\$ 761,454
Cash and investments - reserved assets	1,965,493
Total Cash and Cash Equivalents, December 31	\$ 2,726,947

**See Notes to Financial Statements**

**CITY OF SPRING LAKE PARK  
 PROPRIETARY FUND  
 Statement of Cash Flows (Continued)  
 For the Year Ended December 31, 2023**

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

Operating (loss)	\$ (8,629)
Adjustments to reconcile operating (loss) to net cash provided by operating activities	
Depreciation	532,725
Change in net pension liability	301
Change in lease receivable and deferred inflows	(26,138)
Lease and other revenues	469,148
(Increase) decrease in:	
Accounts receivable	(386,558)
Due from other funds	2,446
Increase (decrease) in:	
Accounts payable	(61,567)
Accrued payroll and taxes	1,413
Due to other funds	(7,011)
Estimated liability for compensated absences	12,267
Net Cash Provided By Operating Activities	\$ 528,397

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**CITY OF SPRING LAKE PARK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

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# CITY OF SPRING LAKE PARK

## NOTES TO FINANCIAL STATEMENTS

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### 1. Summary of Significant Accounting Policies

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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)

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#### 1. Summary of Significant Accounting Policies (Continued)

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##### 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 2023.
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. In 2017, the City of Spring Lake Park issued \$1,090,000 G.O. Equipment Certificates of Indebtedness, Series 2017A to purchase a new fire truck and additional fire vehicles and equipment. The City of Spring Lake Park has recorded the full amount of debt and an intergovernmental receivable for the share of debt related to Blaine and Mounds View. These certificates were paid in full during 2023.
6. In 2018, the City of Blaine issued \$1,145,000 G.O. Equipment Certificates of Indebtedness, Series 2018A, to purchase new fire vehicles and equipment. The City of Spring Lake Park has recorded their principal share of debt and capitalized their share of fire vehicles and equipment. These certificates were paid in full during 2023.
7. 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)

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#### 1. Summary of Significant Accounting Policies (Continued)

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##### A. Reporting Entity (Continued)

###### *Related Organizations (Continued)*

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

The City's share of operating costs were \$264,144, capital costs were \$46,410 and debt service costs were \$333,502 during 2023. 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 \$13,215 in franchise fees that were used for debt service payments during the year ended December 31, 2023.

##### 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)

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#### 1. Summary of Significant Accounting Policies (Continued)

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##### 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)

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### 1. Summary of Significant Accounting Policies (Continued)

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#### 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)

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1. Summary of Significant Accounting Policies (Continued)

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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 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)

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#### 1. Summary of Significant Accounting Policies (Continued)

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##### 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)**

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**1. Summary of Significant Accounting Policies (Continued)**

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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 deferred, generally over ten-year periods, with interest charges ranging from 3.5% to 5.5%. 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)

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1. Summary of Significant Accounting Policies (Continued)

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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)

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### 1. Summary of Significant Accounting Policies (Continued)

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#### 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)

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1. Summary of Significant Accounting Policies (Continued)

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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.

## CITY OF SPRING LAKE PARK

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Summary of Significant Accounting Policies (Continued)

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

###### 8. Fund balance (continued)

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).

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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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1. Summary of Significant Accounting Policies (Continued)

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

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 balance sheet.

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.

## CITY OF SPRING LAKE PARK

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Summary of Significant Accounting Policies (Continued)

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##### 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.

##### 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, 2023, the outstanding principal amount of these bonds was \$41,731,906.

##### H. Implementation of New Accounting Principles

During the year, the City implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on accounting and financial reporting for subscription-based information technology. Under this Statement, government organizations are required to recognize a subscription liability and a right-to-use capitalized asset. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. This Statement establishes uniform accounting and financial reporting requirements for Subscription-Based Information Technology Arrangements; improves the comparability of government financial statements; and enhances the relevance, understandability, reliability, and consistency of information regarding these arrangements. The implementation of this standard had minimal effect on the City's financial statements.

## CITY OF SPRING LAKE PARK

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Summary of Significant Accounting Policies (Continued)

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##### I. Subsequent Events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through March 25, 2024, the date the financial statements were available to be issued.

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#### 2. Stewardship, Compliance and Accountability

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##### 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.
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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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2. Stewardship, Compliance and Accountability (Continued)

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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, 2023).

The City does not use encumbrance accounting.

B. Expenditures Exceeding Appropriations

For the year ended December 31, 2023, the following General Fund departments had expenditures exceeding the latest amended budget:

	<u>2023 Budgeted Expenditures</u>		<u>2023 Actual Expenditures</u>		<u>Amount Exceeding Budgeted Amount</u>
Public Works	\$ 287,372		\$ 315,574		\$ 28,202
Parks and Recreation	807,644		825,999		18,355

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

## CITY OF SPRING LAKE PARK

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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#### 3. Detailed Notes on All Funds

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##### 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, 2023.

##### 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.
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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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3. Detailed Notes on All Funds (Continued)

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A. Deposits and Investments (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, 2023 were as follows:

	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
Certificates of Deposit	\$ 7,448,494	\$ 7,448,494	\$	\$
U.S. Government Securities	1,547,028		1,547,028	
<b>Total</b>	<b>\$ 8,995,522</b>	<b>\$ 7,448,494</b>	<b>\$ 1,547,028</b>	<b>\$</b>

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:

<u>Investment</u>	<u>Range of Maturities</u>	<u>Rating</u>	<u>Value</u>
Cash	N/A	N/A	\$ 5,135,212
Certificates of Deposit	1/24 - 8/30	N/A	7,448,494
U.S. Government Securities	2/28	AAA	1,547,028
<b>Total cash and investments</b>			<b>\$14,130,734</b>

N/A Not applicable or not available

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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3. Detailed Notes on All Funds (Continued)

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A. Deposits and Investments (Continued)

Interest Rate Risk (Continued)

The 4M Fund 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, 2023 were as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Value</u>
4M Fund	Money Market Accounts	\$4,405,459

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, 2023, 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, 2023 were as follows:

<u>Fund Type</u>	<u>Anoka County</u>	<u>Ramsey County</u>
General Fund	\$ 45,672	\$ 572
Capital Projects	387	
Debt Service	1,794	19
	<u>\$ 47,853</u>	<u>\$ 591</u>

**C. Capital Assets**

Capital asset activity for the City for the year ended December 31, 2023 was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 334,950	\$	\$ 84,950	\$ 250,000
Construction in progress	260,540	259,722	260,540	259,722
Total capital assets, not being depreciated	<u>595,490</u>	<u>259,722</u>	<u>345,490</u>	<u>509,722</u>
Capital assets, being depreciated:				
Buildings and improvements	3,324,047			3,324,047
Machinery and equipment	3,826,490	169,848	17,399	3,978,939
Infrastructure	20,433,237	735,288		21,168,525
Total capital assets, being depreciated	<u>27,583,774</u>	<u>905,136</u>	<u>17,399</u>	<u>28,471,511</u>
Less accumulated depreciation for:				
Buildings and improvements	2,427,109	109,522		2,536,631
Machinery and equipment	3,342,745	271,965	16,988	3,597,722
Infrastructure	13,251,136	538,946		13,790,082
Total accumulated depreciation	<u>19,020,990</u>	<u>920,433</u>	<u>16,988</u>	<u>19,924,435</u>
Total capital assets, being depreciated, net	<u>8,562,784</u>	<u>(15,297)</u>	<u>411</u>	<u>8,547,076</u>
Governmental activities capital assets, net	<u>\$ 9,158,274</u>	<u>\$ 244,425</u>	<u>\$ 345,901</u>	<u>\$ 9,056,798</u>

**CITY OF SPRING LAKE PARK**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**3. Detailed Notes on All Funds (Continued)**

**C. Capital Assets (Continued)**

<b>Business-Type Activities</b>	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$ 294,832	\$ 31,538	\$ 294,832	\$ 31,538
Total capital assets, not being depreciated	294,832	31,538	294,832	31,538
Capital assets, being depreciated:				
Buildings and improvements	6,452,464			6,452,464
Machinery and equipment	751,251	180,533	36,358	895,426
Infrastructure	6,641,960	222,724		6,864,684
Total capital assets, being depreciated	13,845,675	403,257	36,358	14,212,574
Less accumulated depreciation for:				
Buildings and improvements	4,868,940	266,042		5,134,982
Machinery and equipment	697,533	16,758	36,358	677,933
Infrastructure	2,807,401	249,924		3,057,325
Total accumulated depreciation	8,373,874	532,724	36,358	8,870,240
Total capital assets, being depreciated, net	5,471,801	(129,467)		5,342,334
Business-type activities capital assets, net	\$ 5,766,633	\$ (97,929)	\$ 294,832	\$ 5,373,872

Depreciation expense for the year ended December 31, 2023 was charged to functions/programs as follows:

<b>Governmental Activities</b>	
General government	\$ 187,967
Public safety	62,267
Public works	600,349
Recreation and parks	69,850
Total	\$ 920,433
 <b>Business-Type Activities</b>	
Utility	\$ 532,724

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, 2023 is as follows:

	<u>Issue Date</u>	<u>Range of Interest Rates</u>	<u>Final Maturity</u>	<u>Balance 12/31/23</u>
General obligation bonds:				
2013A Capital Improvement Bonds	5/30/2013	2.00%	2025	\$ 98,676
2021A Improvement Refunding Bonds	2/17/2021	2.00%	2025	565,000
General obligation note payable:				
2016A Improvement Notes	4/14/2016	2.00%	2025	12,747
Other Liabilities:				
Net unamortized premium on bonds				19,020
Compensated Absences				<u>301,665</u>
Total Long-Term Debt				<u>\$ 997,108</u>

Liquidation of the compensated absences liability occurs within the department and fund for which the corresponding employees are assigned.

The City is subject to statutory limitation by the State of Minnesota for bonded indebtedness payable principally from property taxes. As of December 31, 2023, the City had not utilized approximately \$25,000,000 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, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds and Notes Payable:					
General obligation bonds:					
2013A Capital Improvement Bonds	\$ 163,701	\$	\$ 65,025	\$ 98,676	\$ 44,625
2013B Capital Improvement Bonds	80,000		80,000		
2021A Capital Improvement Bonds	860,000		295,000	565,000	290,000
General obligation certificates:					
2017A Equipment Certificates	230,000		230,000		
2018A Improvement Certificates	30,063		30,063		
General obligation note payable:					
2016A Improvement Notes	25,704		12,957	12,747	12,747
Other Liabilities:					
Compensated Absences	233,449	164,235	143,079	254,605	156,045
Unamortized premium	38,009		12,418	25,591	
Less: unamortized (discount)	(9,759)		(3,188)	(6,571)	
Governmental Activities					
Long-Term Liabilities	1,651,167	164,235	865,354	950,048	503,417
<b>BUSINESS-TYPE ACTIVITIES</b>					
Bonds and Notes Payable:					
General obligation note payable:					
Note Payable - Public Facilities Authority	245,000		245,000		
Other Liabilities:					
Compensated Absences	34,793	34,203	21,936	47,060	29,670
Business-Type Activities					
Long-Term Liabilities	279,793	34,203	266,936	47,060	29,670
Total	<u>\$ 1,930,960</u>	<u>\$ 198,438</u>	<u>\$ 1,132,290</u>	<u>\$ 997,108</u>	<u>\$ 533,087</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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3. Detailed Notes on All Funds (Continued)

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D. Long-Term Debt (Continued)

Debt service requirements to maturity for long-term debt, excluding compensated absences, as of December 31, 2023 were as follows:

Year	General Obligation Improvement and Refunding Bonds		General Obligation Notes Payable	
	Principal	Interest	Principal	Interest
2024	\$ 334,625	\$ 13,548	\$ 12,747	\$ 517
2025	329,051	7,323		
Totals	<u>\$ 663,676</u>	<u>\$ 20,871</u>	<u>\$ 12,747</u>	<u>\$ 517</u>

**CITY OF SPRING LAKE PARK**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**3. Detailed Notes on All Funds (Continued)**

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**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, 2023 is as follows:

Original net tax capacity	\$	4,615
Current net tax capacity		190,282
Capture net tax capacity:		
Retained by authority		185,667

**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, 2023:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Governmental Funds:		
General Fund	\$ 262,367	\$ 13,613
Revolving Fund	13,613	251,015
Subtotal	<u>275,980</u>	<u>264,628</u>
Non-Major Governmental Funds:		
Special Revenue		
Recycling	86	
Street Lighting	236	
Cable		11,352
Subtotal	<u>322</u>	<u>11,352</u>
Total Governmental Funds	<u>276,302</u>	<u>275,980</u>
Proprietary Funds:		
Utility	4,801	5,123
Subtotal	<u>4,801</u>	<u>5,123</u>
Total All Funds	<u>\$ 281,103</u>	<u>\$ 281,103</u>

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, 2023 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 209,343	\$ 727,946
Revolving Fund		150,000
Renewal and Replacement		25,000
Subtotal	<u>209,343</u>	<u>902,946</u>
Non-Major Governmental Funds:		
Special Revenue		
Emergency Management	3,157	
Police Reserves	3,000	
Forestry	70,000	
Animal Control	1,000	
Recreation Fund		62,500
Recycling Fund		6,500
Debt Service		
2013A GO Capital Improvement Fire Bonds	47,995	
2013B GO Capital Improvement Bonds	1,045	
2018A G.O. Equipment Certificates		22,451
Tax Increment Financing - Legends of SLP		3,000

(Continued)

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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3. Detailed Notes on All Funds (Continued)

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G. Interfund Transfers (Continued)

	<u>Transfers In</u>	<u>Transfers Out</u>
Capital Projects		
Building Maintenance	171,748	
Park Equipment and Improvement	80,000	
Street Sealcoating	110,000	
Public Safety Replacement	18,000	
2018A G.O. Equipment Certificates		122,414
Equipment Fund	616,866	
Subtotal	<u>1,122,811</u>	<u>216,865</u>
Total Governmental Funds	1,332,154	1,119,811
Proprietary Funds:		
Utility		<u>212,343</u>
Total All Funds	<u>\$ 1,332,154</u>	<u>\$ 1,332,154</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, 2023:

	General Fund	HRA Reserve	Revolving Fund	Renewal and Replacement	Other Governmental Funds	Total Governmental Funds
Nonspendable						
Prepaid items	\$ 3,909	\$	\$ 21,168	\$	\$ 1,870	\$ 26,947
Restricted						
Police activities					15,232	15,232
Debt service					520,222	520,222
Street improvements					183,099	183,099
Park acquisition					230,275	230,275
Community development					61,060	61,060
Total Restricted					1,009,888	1,009,888
Assigned						
Working capital reserve	2,637,232					2,637,232
Compensated absences	254,605					254,605
Elections	96,895					96,895
Recreation programs					292,391	292,391
Recycling					166,376	166,376
Street lighting					105,886	105,886
Cable activities					4,707	4,707
Public safety supplies					17,948	17,948
Public safety aid					335,087	335,087
HRA reserve		1,165,745				1,165,745
Street improvement			943,761	1,761,379		2,705,140
Street sealcoating					251,628	251,628
Capital replacement					533,157	533,157
Building maintenance					164,111	164,111
Park acquisition					138,633	138,633
Equipment					561,403	561,403
Other activities					123,361	123,361
Total Assigned	2,988,732	1,165,745	943,761	1,761,379	2,694,688	9,554,305
Total Fund Balance	\$ 2,992,641	\$ 1,165,745	\$ 964,929	\$ 1,761,379	\$ 3,706,446	\$ 10,591,140

**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, 2023 is as follows:

Specific Purpose	Restriction Imposed By			
	Contributors	Grantors	Creditors	Regulations
<b>Restricted Fund Balance</b>				
Debt Service Funds:				
Debt service requirements	\$	\$	\$ 520,222	\$
Special Revenue Funds:				
Police activities		15,232		
Community development	24,208	36,852		
Capital Project Funds:				
Street improvements		183,099		
Park acquisition	230,275			
Total Restricted Funds	<u>\$ 254,483</u>	<u>\$ 235,183</u>	<u>\$ 520,222</u>	<u>\$</u>
<b>Restricted Net Position</b>				
Debt service requirements	\$	\$	\$ 598,489	\$
Police activities		15,232		
Community development	24,208	36,852		
Street improvements		183,099		
Park acquisition	230,275			
Total Restricted Net Position	<u>\$ 254,483</u>	<u>\$ 235,183</u>	<u>\$ 598,489</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 \$14,171 (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.

## CITY OF SPRING LAKE PARK

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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#### 3. Detailed Notes on All Funds (Continued)

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##### I. Leases (Continued)

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 \$6,250. 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.

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#### 4. Other Information

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##### 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.

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**CITY OF SPRING LAKE PARK**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**4. Other Information (Continued)**

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B. Commitments and Contingencies (Continued)

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.

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 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 - All full-time and certain part-time employees of the City of Spring Lake Park are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.
2. Public Employees Police and Fire Plan - The Police and Fire Plan, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the Police and Fire Plan also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to PERA.

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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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4. Other Information (Continued)

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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 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 PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

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. 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 reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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4. Other Information (Continued)

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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 first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

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 reduced prorated increase.

C. Contributions

*Minnesota Statutes* Chapter 353 sets 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 2023 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, 2023, were \$107,375. 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)

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4. Other Information (Continued)

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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 2023 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, 2023, were \$203,130. 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, 2023, the City reported a liability of \$967,397 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 \$26,552.

The net pension liability was measured as of June 30, 2023, 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, 2022 through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0173 percent at the end of the measurement period and .0185 percent for the beginning of the period.

City's proportionate share of the net pension liability	\$ 967,397
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>26,552</u>
Total	<u>\$ 993,949</u>

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, 2023, the City recognized pension expense of \$1,597 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$119 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2023, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 32,299	\$ 7,126
Changes in actuarial assumptions	167,471	265,155
Net collective difference between projected and actual investment earnings		33,009
Changes in proportion	1,499	71,280
Contributions paid to PERA subsequent to the measurement date	<u>55,758</u>	
Total	<u>\$ 257,027</u>	<u>\$ 376,570</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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4. Other Information (Continued)

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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 \$55,758 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, 2024. 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>
2024	\$ 10,040
2025	(171,778)
2026	7,421
2027	(20,984)

2. Police and Fire Fund Pension Costs

At December 31, 2023, the City reported a liability of \$1,467,840 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2022 through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0850 percent at the end of the measurement period and .0940 percent for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2023. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state aid was paid on October 1, 2022. 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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4. Other Information (Continued)

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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)

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 \$59,110.

City's proportionate share of the net pension liability	\$ 967,397
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>26,552</u>
Total	<u>\$ 993,949</u>

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2023, the City recognized pension expense of \$211,964 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$(3,560) as grant revenue for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City recognized \$7,650 for the year ended December 31, 2023 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, 2023, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 418,670	\$
Changes in actuarial assumptions	1,841,456	2,064,661
Net collective difference between projected and actual investment earnings		12,064
Changes in proportion	37,234	364,037
Contributions paid to PERA subsequent to the measurement date	<u>104,984</u>	
Total	<u>\$ 2,402,344</u>	<u>\$ 2,440,762</u>

The \$104,984 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, 2024. 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 Expense Amount</u>
2024	\$ 54,097
2025	(2,429)
2026	357,157
2027	(122,773)
2028	(429,454)

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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4. Other Information (Continued)

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D. Pension Plans (Continued)

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

**Total Pension Expense**

The total pension expense for all plans (General Employees Fund and Police and Fire Fund) recognized by the City for the year ended December 31, 2023 was \$213,561.

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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
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 in the June 30, 2023, actuarial valuation was determined using an individual 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. This 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)

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4. Other Information (Continued)

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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, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2022

**General Employees Fund**

Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.5 percent to 7.00 percent.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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4. Other Information (Continued)

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D. Pension Plans (Continued)

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

F. Actuarial Methods and Assumptions (Continued)

**General Employees Fund**

Changes in Plan Provisions:

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

**Police and Fire Fund**

Changes in Actuarial Assumptions:

- The investment return assumption was changed from 6.50% to 7.00%
- The single discount rate changed 5.40% to 7.00%.

Changes in Plan Provisions:

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

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#### 4. Other Information (Continued)

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##### 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 2023 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 Fund was 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.

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)

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%	\$ 1,711,402	6.00%	\$ 2,912,369
Current Discount Rate	7.00%	\$ 967,397	7.00%	\$ 1,467,840
1% Higher	8.00%	\$ 355,424	8.00%	\$ 280,243

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](http://www.mnpera.org).

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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4. Other Information (Continued)

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D. Pension Plans (Continued)

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

Four 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.03, 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.

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 2023 were:

<u>Contribution Amount</u>		<u>Percentage of Covered Payroll</u>		<u>Required</u>
<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>	<u>Rate</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, 2023 is not material and therefore is not recorded in these financial statements.

## CITY OF SPRING LAKE PARK

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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#### 4. Other Information (Continued)

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##### 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 2023 totaled \$310,554, including a provision for capital expenditures. This total was approximately 8% 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 \$15,246 for the year ended December 31, 2023.

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, 2023**

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**CITY OF SPRING LAKE PARK, MINNESOTA**  
**Schedule of City Contributions**  
**PERA General Employees Retirement Fund**  
**December 31, 2023**

Year Ended December 31	Statutorily Required Contribution (a)	Contributions in Relation to Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
2014	\$ 106,316	\$ 106,316	\$	\$ 1,468,400	7.2%
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%

**Schedule of City Contributions**  
**PERA Public Employees Police and Fire Fund Pension Plan**  
**December 31, 2023**

Year Ended December 31	Statutorily Required Contribution (a)	Contributions in Relation to Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
2014	\$ 135,648	\$ 135,648	\$	\$ 886,585	15.30%
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%

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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, 2023**

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) and the State'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
2014	0.0275%	\$ 1,291,812	\$	\$ 1,291,812	\$ 1,468,400	88.0%	78.7%
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%

**Schedule of Proportionate Share of Net Pension Liability  
PERA Public Employees Police and Fire Fund Pension Plan  
December 31, 2023**

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
2014	0.1040%	\$ 1,123,243	\$	\$	\$ 886,585	126.7%	87.1%
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%

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

**December 31, 2023**

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**CITY OF SPRING LAKE PARK  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2023

	Special Revenue	Debt Service	Capital Projects	Total
<b>ASSETS</b>				
Cash and investments	\$ 1,254,402	\$ 518,516	\$ 2,039,521	\$ 3,812,439
Accounts receivable	103,028		26,183	129,211
Special assessments receivable		78,267		78,267
Due from other funds	322			322
Due from other governmental units		1,706	107	1,813
Prepaid expenditures	1,870			1,870
<b>TOTAL ASSETS</b>	<b>\$ 1,359,622</b>	<b>\$ 598,489</b>	<b>\$ 2,065,811</b>	<b>\$ 4,023,922</b>
<b>LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 22,874	\$	\$ 1,538	\$ 24,412
Accrued payroll and taxes	699			699
Deposits and other liabilities	191,237			191,237
Due to other funds	11,352			11,352
Unearned revenue	11,509			11,509
Total Liabilities	237,671		1,538	239,209
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue:				
Special assessments		78,267		78,267
<b>FUND BALANCE</b>				
Nonspendable	1,870			1,870
Restricted	76,292	520,222	413,374	1,009,888
Assigned	1,043,789		1,650,899	2,694,688
Total Fund Balance	1,121,951	520,222	2,064,273	3,706,446
<b>TOTAL LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 1,359,622</b>	<b>\$ 598,489</b>	<b>\$ 2,065,811</b>	<b>\$ 4,023,922</b>

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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, 2023

	Special Revenue	Debt Service	Capital Projects	Total
<b>REVENUES</b>				
Property and franchise taxes	\$	\$ 254,656	\$ 1,979	\$ 256,635
Special assessments		52,984		52,984
Intergovernmental revenues	390,267		85,591	475,858
Charges for services	590,243	13,215	85,520	688,978
Fines and forfeitures	740			740
Investment earnings	23,237	22,387	87,310	132,934
Other revenues	33,708		155,523	189,231
<b>TOTAL REVENUES</b>	<u>1,038,195</u>	<u>343,242</u>	<u>415,923</u>	<u>1,797,360</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government	15,768			15,768
Public safety	4,551			4,551
Public works	35,399		431,287	466,686
Recreation and parks	246,880		481,397	728,277
Development and other	209,342	206,579		415,921
<b>Capital Outlay</b>				
General government				
Public safety	25			25
Public works			137,018	137,018
Recreation and parks			17,296	17,296
Development and other	11,634			11,634
<b>Debt Service</b>				
Principal		712,096		712,096
Interest and other		29,716		29,716
<b>TOTAL EXPENDITURES</b>	<u>523,599</u>	<u>948,391</u>	<u>1,066,998</u>	<u>2,538,988</u>
Excess (deficiency) of revenues over (under) expenditures	<u>514,596</u>	<u>(605,149)</u>	<u>(651,075)</u>	<u>(741,628)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	77,157	49,040	996,614	1,122,811
Transfers to other funds	(69,000)	(25,451)	(122,414)	(216,865)
Total other financing sources (uses)	<u>8,157</u>	<u>23,589</u>	<u>874,200</u>	<u>905,946</u>
Net change in fund balances	522,753	(581,560)	223,125	164,318
<b>FUND BALANCES, Beginning</b>	<u>599,198</u>	<u>1,101,782</u>	<u>1,841,148</u>	<u>3,542,128</u>
<b>FUND BALANCES, Ending</b>	<u>\$ 1,121,951</u>	<u>\$ 520,222</u>	<u>\$ 2,064,273</u>	<u>\$ 3,706,446</u>

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

December 31, 2023

	Recycling	Street Lighting	Cable
<b>ASSETS</b>			
Cash and investments	\$ 82,717	\$ 86,859	\$ 16,281
Accounts receivable	84,201	18,821	
Prepaid expenditures			
Due from other funds	86	236	
<b>TOTAL ASSETS</b>	<b>\$ 167,004</b>	<b>\$ 105,916</b>	<b>\$ 16,281</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 151	\$ 30	\$
Accrued payroll and taxes	477		222
Due to other funds			11,352
Unearned revenue			
Total Liabilities	628	30	11,574
<b>FUND BALANCE</b>			
Nonspendable			
Restricted			
Assigned	166,376	105,886	4,707
Total Fund Balance	166,376	105,886	4,707
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 167,004</b>	<b>\$ 105,916</b>	<b>\$ 16,281</b>

<u>Police Forfeiture</u>	<u>Police Reserves</u>	<u>Recreation</u>	<u>Tower Days</u>
\$ 17,948	\$ 15,232	\$ 326,578 6 1,870	\$ 24,208
<u>\$ 17,948</u>	<u>\$ 15,232</u>	<u>\$ 328,454</u>	<u>\$ 24,208</u>
\$	\$	\$ 22,684	\$
		11,509	
		<u>34,193</u>	
		1,870	
	15,232		24,208
<u>17,948</u>	<u>15,232</u>	<u>292,391</u>	<u>24,208</u>
<u>17,948</u>	<u>15,232</u>	<u>294,261</u>	<u>24,208</u>
<u>\$ 17,948</u>	<u>\$ 15,232</u>	<u>\$ 328,454</u>	<u>\$ 24,208</u>

(Continued)

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

December 31, 2023

	Traffic Education	Emergency Management	Animal Control
<b>ASSETS</b>			
Cash and investments	\$ 36,852	\$ 20,282	\$ 7,143
Accounts receivable			
Prepaid expenditures			
Due from other funds			
<b>TOTAL ASSETS</b>	<b>\$ 36,852</b>	<b>\$ 20,282</b>	<b>\$ 7,143</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts payable	\$	\$ 9	\$
Accrued payroll and taxes			
Deposits and other liabilities			
Due to other funds			
Unearned revenue			
Total Liabilities		9	
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue:			
Leasing activity			
<b>FUND BALANCE</b>			
Nonspendable			
Restricted	36,852		
Assigned		20,273	7,143
Total Fund Balance	36,852	20,273	7,143
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 36,852</b>	<b>\$ 20,282</b>	<b>\$ 7,143</b>

Comprehensive Plan Update	Forestry	Developer's Escrow	Public Safety Aid	Total
\$ 10,517	\$ 83,461	\$ 191,237	\$ 335,087	\$ 1,254,402
				103,028
				1,870
				322
<u>\$ 10,517</u>	<u>\$ 83,461</u>	<u>\$ 191,237</u>	<u>\$ 335,087</u>	<u>\$ 1,359,622</u>
\$	\$	\$	\$	\$ 22,874
				699
		191,237		191,237
				11,352
				11,509
		<u>191,237</u>		<u>237,671</u>
				1,870
				76,292
<u>10,517</u>	<u>83,461</u>		<u>335,087</u>	<u>1,043,789</u>
<u>10,517</u>	<u>83,461</u>		<u>335,087</u>	<u>1,121,951</u>
<u>\$ 10,517</u>	<u>\$ 83,461</u>	<u>\$ 191,237</u>	<u>\$ 335,087</u>	<u>\$ 1,359,622</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, 2023

	<u>Recycling</u>	<u>Street Lighting</u>	<u>Cable</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ 60,139	\$	\$
Charges for services	204,548	48,293	
Fines and forfeitures			
Investment earnings	2,082	2,472	536
Other revenues			
<b>TOTAL REVENUES</b>	<u>266,769</u>	<u>50,765</u>	<u>536</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
General government			14,890
Public safety			
Public works		35,399	
Recreation and parks			
Development and other	179,124		
<b>Capital Outlay</b>			
Public safety			
Development and other	11,634		
<b>TOTAL EXPENDITURES</b>	<u>190,758</u>	<u>35,399</u>	<u>14,890</u>
Excess (deficiency) of revenues over (under) expenditures	<u>76,011</u>	<u>15,366</u>	<u>(14,354)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds			
Transfers to other funds	(6,500)		
Total other financing sources (uses)	<u>(6,500)</u>		
Net change in fund balances	69,511	15,366	(14,354)
<b>FUND BALANCES, Beginning</b>	<u>96,865</u>	<u>90,520</u>	<u>19,061</u>
<b>FUND BALANCES, Ending</b>	<u>\$ 166,376</u>	<u>\$ 105,886</u>	<u>\$ 4,707</u>

<u>Police Forfeiture</u>	<u>Police Reserves</u>	<u>Recreation</u>	<u>Tower Days</u>
\$	\$	\$	\$
		337,402	
740			720
459	430	8,523	29,237
4,471			
<u>5,670</u>	<u>430</u>	<u>345,925</u>	<u>29,957</u>
792	1,910		
		232,480	30,218
25			
<u>817</u>	<u>1,910</u>	<u>232,480</u>	<u>30,218</u>
4,853	(1,480)	113,445	(261)
	3,000	(62,500)	
	3,000	(62,500)	
4,853	1,520	50,945	(261)
<u>13,095</u>	<u>13,712</u>	<u>243,316</u>	<u>24,469</u>
<u>\$ 17,948</u>	<u>\$ 15,232</u>	<u>\$ 294,261</u>	<u>\$ 24,208</u>

(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, 2023

	Traffic Education	Emergency Management	Animal Control
<b>REVENUES</b>			
Intergovernmental revenue	\$	\$	\$
Charges for services			
Fines and forfeitures			
Investment income	1,075	573	207
Other revenues			
<b>TOTAL REVENUES</b>	<u>1,075</u>	<u>573</u>	<u>207</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
General government			878
Public safety		1,849	
Public works			
Recreation and parks			
Development and other			
<b>Capital Outlay</b>			
Public safety			
Development and other			
<b>TOTAL EXPENDITURES</b>		<u>1,849</u>	<u>878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,075</u>	<u>(1,276)</u>	<u>(671)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds		3,157	1,000
Transfers to other funds			
Total other financing sources (uses)		<u>3,157</u>	<u>1,000</u>
Net change in fund balances	1,075	1,881	329
<b>FUND BALANCES, Beginning</b>	<u>35,777</u>	<u>18,392</u>	<u>6,814</u>
<b>FUND BALANCES, Ending</b>	<u>\$ 36,852</u>	<u>\$ 20,273</u>	<u>\$ 7,143</u>

<u>Comprehensive Plan Update</u>	<u>Forestry</u>	<u>Developer's Escrow</u>	<u>Public Safety Aid</u>	<u>Total</u>
\$	\$	\$	\$ 330,128	\$ 390,267
				590,243
				740
307	894		4,959	23,237
				33,708
<u>307</u>	<u>894</u>		<u>335,087</u>	<u>1,038,195</u>
				15,768
				4,551
				35,399
	14,400			246,880
				209,342
				25
				11,634
	<u>14,400</u>			<u>523,599</u>
<u>307</u>	<u>(13,506)</u>		<u>335,087</u>	<u>514,596</u>
	70,000			77,157
				(69,000)
	70,000			8,157
307	56,494		335,087	522,753
10,210	26,967			599,198
<u>\$ 10,517</u>	<u>\$ 83,461</u>	<u>\$</u>	<u>\$ 335,087</u>	<u>\$ 1,121,951</u>

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

December 31, 2023

	2013A G.O. Capital Improvement Fire Bond	2016A North Metro Tele- communications	2013B G.O. Capital Improvement Bonds
<b>ASSETS</b>			
Cash and investments	\$ 508	\$ 313	\$
Special assessments receivable			
Due from other governmental units			
<b>TOTAL ASSETS</b>	<b>\$ 508</b>	<b>\$ 313</b>	<b>\$</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue:			
Special assessments	\$	\$	\$
<b>FUND BALANCE</b>			
Restricted	508	313	
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 508</b>	<b>\$ 313</b>	<b>\$</b>

Tax Increment Financing - Legends of SLP	2017A G.O. Equipment Certificates	2018A Blaine Fire Debt Service	2018A G.O. Equipment Certificates	2021A G.O. Improvement Refunding Bonds	Total
\$ 103,441	\$ 16,444	\$ 18,585	\$	\$ 379,225	\$ 518,516
				78,267	78,267
				1,706	1,706
<u>\$ 103,441</u>	<u>\$ 16,444</u>	<u>\$ 18,585</u>	<u>\$</u>	<u>\$ 459,198</u>	<u>\$ 598,489</u>
\$	\$	\$	\$	\$ 78,267	\$ 78,267
<u>103,441</u>	<u>16,444</u>	<u>18,585</u>		<u>380,931</u>	<u>520,222</u>
<u>\$ 103,441</u>	<u>\$ 16,444</u>	<u>\$ 18,585</u>	<u>\$</u>	<u>\$ 459,198</u>	<u>\$ 598,489</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, 2023

	2013A G.O. Capital Improvement Fire Bond	2016A North Metro Tele- communications	2013B G.O. Capital Improvement Bonds
<b>REVENUES</b>			
Property taxes	\$	\$	\$
Special assessments			
Charges for services		13,215	
Investment earnings	328	10	
<b>TOTAL REVENUES</b>	<u>328</u>	<u>13,225</u>	
<b>EXPENDITURES</b>			
<b>Current</b>			
Development and other			
<b>Debt Service</b>			
Principal	65,025	12,958	80,000
Interest and other charges	4,454	257	2,400
<b>TOTAL EXPENDITURES</b>	<u>69,479</u>	<u>13,215</u>	<u>82,400</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(69,151)</u>	<u>10</u>	<u>(82,400)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	47,995		1,045
Transfers to other funds			
Total other financing sources (uses)	<u>47,995</u>		<u>1,045</u>
Net change in fund balances	(21,156)	10	(81,355)
<b>FUND BALANCES, Beginning</b>	<u>21,664</u>	<u>303</u>	<u>81,355</u>
<b>FUND BALANCES, Ending</b>	<u>\$ 508</u>	<u>\$ 313</u>	<u>\$</u>

Tax Increment Financing - Legends of SLP	2017A G.O. Equipment Certificates	2018A Blaine Fire Debt Service	2018A G.O. Equipment Certificates	2021A G.O. Improvement Refunding Bonds	Total
\$ 174,385	\$	\$	\$	\$ 80,271	\$ 254,656
				52,984	52,984
					13,215
3,530	3,884	988		13,647	22,387
177,915	3,884	988		146,902	343,242
206,579					206,579
	230,000	29,113		295,000	712,096
	3,450	1,460		17,695	29,716
206,579	233,450	30,573		312,695	948,391
(28,664)	(229,566)	(29,585)		(165,793)	(605,149)
(3,000)			(22,451)		49,040
(3,000)			(22,451)		(25,451)
(31,664)	(229,566)	(29,585)	(22,451)	(165,793)	23,589
135,105	246,010	48,170	22,451	546,724	(581,560)
\$ 103,441	\$ 16,444	\$ 18,585	\$	\$ 380,931	1,101,782
					\$ 520,222

**CITY OF SPRING LAKE PARK  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS**  
December 31, 2023

	State Aid Street Fund	Street Sealcoating	Capital Replacement	Right of Way
<b>ASSETS</b>				
Cash and investments	\$ 183,099	\$ 230,925	\$ 429,698	\$ 1,967
Accounts receivable		20,703		
Due from other governmental units				
<b>TOTAL ASSETS</b>	<u>\$ 183,099</u>	<u>\$ 251,628</u>	<u>\$ 429,698</u>	<u>\$ 1,967</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts payable	\$	\$	\$	\$
<b>FUND BALANCE</b>				
Restricted	183,099			
Assigned		251,628	429,698	1,967
Total Fund Balance	<u>183,099</u>	<u>251,628</u>	<u>429,698</u>	<u>1,967</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 183,099</u>	<u>\$ 251,628</u>	<u>\$ 429,698</u>	<u>\$ 1,967</u>

<u>Building Maintenance</u>	<u>Public Safety Replacement</u>
\$ 164,111	\$ 103,459
<hr/>	
<u>\$ 164,111</u>	<u>\$ 103,459</u>
\$ _____	\$ _____
<u>164,111</u>	<u>103,459</u>
<u>164,111</u>	<u>103,459</u>
<u>\$ 164,111</u>	<u>\$ 103,459</u>

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**CITY OF SPRING LAKE PARK**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
December 31, 2023

	Park Special Projects	Park Acquisition and Improvement	Lakeside Lions Park Improvement
<b>ASSETS</b>			
Cash and investments	\$ 6,804	\$ 201,706	\$ 23,249
Accounts receivable			54
Due from other governmental units			
<b>TOTAL ASSETS</b>	<u>\$ 6,804</u>	<u>\$ 201,706</u>	<u>\$ 23,303</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 50	\$ 500	\$ 988
<b>FUND BALANCE</b>			
Restricted	6,754	201,206	22,315
Assigned			
Total Fund Balance	<u>6,754</u>	<u>201,206</u>	<u>22,315</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 6,804</u>	<u>\$ 201,706</u>	<u>\$ 23,303</u>

Small Equipment	Park Equipment and Improvement	2018A G.O. Equipment Certificates	Equipment Fund	Total
\$ 20,366 5,426	\$ 112,841	\$	\$ 561,296	\$ 2,039,521
			107	26,183
				107
<u>\$ 25,792</u>	<u>\$ 112,841</u>	<u>\$</u>	<u>\$ 561,403</u>	<u>\$ 2,065,811</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,538</u>
				413,374
25,792	112,841		561,403	1,650,899
<u>25,792</u>	<u>112,841</u>		<u>561,403</u>	<u>2,064,273</u>
<u>\$ 25,792</u>	<u>\$ 112,841</u>	<u>\$</u>	<u>\$ 561,403</u>	<u>\$ 2,065,811</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, 2023

	State Aid Street Fund	Street Sealcoating	Capital Replacement	Right of Way
<b>REVENUES</b>				
Property taxes	\$	\$	\$	\$
Intergovernmental revenues	85,591			
Charges for services		82,826		
Investment earnings	5,092	41,793	12,596	57
Other revenues				
<b>TOTAL REVENUES</b>	<u>90,683</u>	<u>124,619</u>	<u>12,596</u>	<u>57</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
Public works	68,501	95,988	4,275	
Recreation and parks				
<b>Capital Outlay</b>				
Public works				
Recreation and parks				
<b>TOTAL EXPENDITURES</b>	<u>68,501</u>	<u>95,988</u>	<u>4,275</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>22,182</u>	<u>28,631</u>	<u>8,321</u>	<u>57</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds		110,000		
Transfers to other funds				
Total other financing sources (uses)		<u>110,000</u>		
Net change in fund balances	22,182	138,631	8,321	57
<b>FUND BALANCES, Beginning</b>	<u>160,917</u>	<u>112,997</u>	<u>421,377</u>	<u>1,910</u>
<b>FUND BALANCES, Ending</b>	<u>\$ 183,099</u>	<u>\$ 251,628</u>	<u>\$ 429,698</u>	<u>\$ 1,967</u>

<u>Building Maintenance</u>	<u>Public Safety Replacement</u>
\$	\$
7,006	2,755
<u>7,006</u>	<u>2,755</u>
262,523	
61,457	
<u>323,980</u>	
<u>(316,974)</u>	<u>2,755</u>
171,748	18,000
<u>171,748</u>	<u>18,000</u>
(145,226)	20,755
<u>309,337</u>	<u>82,704</u>
<u>\$ 164,111</u>	<u>\$ 103,459</u>

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**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, 2023

	Park Special Projects	Park Acquisition and Improvement	Lakeside Lions Park Improvement	Small Equipment
<b>REVENUES</b>				
Property taxes	\$	\$	\$	\$
Intergovernmental revenues				
Charges for services	222	2,472		
Investment earnings	244	10,997	666	550
Other revenues	8,455	123,682		5,426
<b>TOTAL REVENUES</b>	<u>8,921</u>	<u>137,151</u>	<u>666</u>	<u>5,976</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
Public works				
Recreation and parks	10,811	462,008	934	5,789
<b>Capital Outlay</b>				
Public works				
Recreation and parks	952	15,247		
<b>TOTAL EXPENDITURES</b>	<u>11,763</u>	<u>477,255</u>	<u>934</u>	<u>5,789</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,842)</u>	<u>(340,104)</u>	<u>(268)</u>	<u>187</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds				
Transfers to other funds				
Total other financing sources (uses)				
Net change in fund balances	(2,842)	(340,104)	(268)	187
<b>FUND BALANCES, Beginning</b>	<u>9,596</u>	<u>541,310</u>	<u>22,583</u>	<u>25,605</u>
<b>FUND BALANCES, Ending</b>	<u>\$ 6,754</u>	<u>\$ 201,206</u>	<u>\$ 22,315</u>	<u>\$ 25,792</u>

Park Equipment and Improvement	2018A G.O. Equipment Certificates	Equipment Fund	Total
\$	\$	\$ 1,979	\$ 1,979
			85,591
			85,520
935		4,619	87,310
4,460		13,500	155,523
5,395		20,098	415,923
			431,287
1,855			481,397
		75,561	137,018
1,097			17,296
2,952		75,561	1,066,998
2,443		(55,463)	(651,075)
80,000		616,866	996,614
	(122,414)		(122,414)
80,000	(122,414)	616,866	874,200
82,443	(122,414)	561,403	223,125
30,398	122,414		1,841,148
<u>\$ 112,841</u>	<u>\$</u>	<u>\$ 561,403</u>	<u>\$ 2,064,273</u>

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**CITY OF SPRING LAKE PARK**

**OTHER REPORT SECTION**

**December 31, 2023**

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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, 2023, 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 March 25, 2024.

**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 and legal compliance 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.

Minneapolis, Minnesota  
March 25, 2024

CITY OF SPRING LAKE PARK  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2023

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

**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, 2023**

**FINDINGS – FINANCIAL STATEMENT AUDIT**

**SIGNIFICANT DEFICIENCIES**

**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 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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DRAFT



## **CORRECTIVE ACTION PLAN (CAP):**

The City respectfully submits the following corrective action plan for the year ended December 31, 2023.

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 2023-001

### **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.

DRAFT

## 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.

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Robert Nelson, Mayor

Attest:

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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 Regular was held on July 15, 2024 at the City Hall, at 7:00 PM.

### 1. CALL TO ORDER

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

### 2. ROLL CALL

#### MEMBERS PRESENT

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

#### MEMBERS ABSENT

Councilmember April Moran

#### STAFF PRESENT

Police Chief Josh Antoine, Recreation Director Kay Okey, Attorney John Thames, Engineer Phil Gravel, Administrator Daniel Buchholtz

### 3. PLEDGE OF ALLEGIANCE

### 4. ADDITIONS OR CORRECTIONS TO AGENDA

Administrator Buchholtz requested that the following change be made to the agenda: 1) that Item 6K be added for consideration of the Public Right of Way Application for CenterPoint Energy for Sanburnol Drive NE Street Project

### 5. DISCUSSION FROM THE FLOOR - None

### 6. CONSENT AGENDA

- A. Approval of Minutes – June 17, 2024 City Council Work Session
- B. Approval of Minutes – June 17, 2024 City Council Meeting
- C. Approval of Minutes – July 1, 2024 City Council Meeting
- D. Approval of Claims List – General Disbursement #24-11 - \$1,353,703.78
- E. Mayor's Proclamation – Parks and Recreation Month – July 2024
- F. Park Camera Monitoring
- G. Contractor's Request for Payment #3 – Final – 2023-2024 Sewer Lining Project - \$202,769.47
- H. Public Right of Way Application – TAK Communications o/b/o Comcast
- I. Contractor's Licenses

- J. Business License
- K. Public Right of Way Application – CenterPoint Energy

Motion made by Councilmember Wendling to approve Consent Agenda.

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

## 7. DEPARTMENT REPORTS

### A. Police Report

Chief Antoine reported that the Police Department responded to 825 calls for service in June 2024 compared to 940 calls for service for the month of June 2023. He stated that Officer Imig conducted the tobacco compliance checks on June 24, and there were no reports of violations. He said that Officer Imig assisted with Prom and graduation.

Chief Antoine said Investigator Bennek handled 41 cases for the month of June, 35 of which were felony in nature and 5 misdemeanors. He said Investigator Bennek is monitoring 5 active forfeiture cases.

Chief Antoine thanked the various Police Department volunteers for their assistance during the Tower Days parade. He said that the Police Department received positive feedback on the one-way traffic change for Tower Days.

Chief Antoine stated that he took part in the Law enforcement Torch Run for Special Olympics on June 21, 2024. He stated that alongside him making the run were Records Tech Lisa Murphy, Officer Kelsey Smith and Code Enforcement Officer Walter Morris. He stated the runners were escorted by Investigator Bennek and Officer Imig.

### B. Recreation Report

Recreation Director Okey thanked the volunteers, staff, and organizations for their hard work during the Tower Days Festivities. She noted that the first planning meeting for 2025 will be held in August 2024.

## 8. ORDINANCES AN/OR RESOLUTIONS - None

## 9. NEW BUSINESS

### A. Award Contract for Terrace Park Playground Sidewalk Addition

Director Okey gave an overview of the bid results for the Terrace Park Playground Project sidewalk. She requested that the contract be awarded to Bituminous Roadways, Inc. She

stated that the project includes adding an ADA ramp from the upper parking lot, as well as a cement pathway to the tennis court, picnic shelter and the playground.

Director Okey noted that two bids were received and the lowest bidder was Bituminous Roadway, Inc., with a total base bid of \$55,620.00. She stated that the funding will come from the CDBG grant in the amount of \$34,375.00, and the remainder of \$21,245.00 from the Revolving Construction Fund.

Motion made by Councilmember Goodboe-Bisschoff to Award Contract for Terrace Park Playground Sidewalk Addition to Bituminous Roadway, Inc., in the amount of \$55,620.00.

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

## 10. REPORTS

- A. Attorney's Report - No Report
- B. Engineer's Report

Engineer Gravel gave an update on the Sanburnol Drive Street Project. He stated that the project is moving along and paving has started. He stated that the paving will take place in three layers. He said the first two layers will be put down and then contract will vacate the job for one to two weeks while CenterPoint Energy replaces gas lines between Terrace Road NE and Monroe Street NE.

- C. Administrator Report

Administrator Buchholtz gave an update on the progress of the City Hall Renovation/Expansion Project. He stated that there has been supply chain issues impacting the date at which Phase 1 of City Hall will be turned over. He said that contractor is waiting for Xcel Energy to provide an electrical transformer for the building.

Administrator Buchholtz stated that staff will request a waiver from the Department of Corrections on the size of the holding cell. He said the waiver will request a holding cell of 64 square feet versus the 70 square feet that is required.

## 11. OTHER

- A. Close Meeting to Develop or Consider Offers or Counteroffers for the Purchase of Real or Personal Property Pursuant to M.S. 13D.05, subd. 3(c)(3)

Motion made by Councilmember Wendling to close the City Council meeting to Develop or Consider Offers or Counteroffers for the Purchase of Real Property Pursuant to M.S. 13D.05, subd. 3(c)(3) for the property identified as 8478 Highway 65 NE.

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

Meeting was closed at 7:30 PM.

Meeting reconvened at 7:45 PM.

Attorney Thames stated that the City Council met in closed session to discuss the meeting to Develop or Consider Offers or Counteroffers for the Purchase of Real Property Pursuant to M.S. 13D.05, subd. 3(c)(3) for the property identified as 8478 Highway 65 NE. He stated that Council has provided staff and attorney direction. Attorney Thames stated that the City Council is prepared to make an offer.

Administrator Buchholtz stated that two motions need to be approved to proceed.

Resolution 2024-46, A Requesting the Anoka County Housing and Redevelopment Authority to Advance Funds to The City of Spring Lake Park for Economic Development Purposes.

Motion made by Mayor Nelson to Approve Resolution 2024-46, Requesting the Anoka County Housing and Redevelopment Authority to Advance Funds to the City of Spring Lake Park for Economic Development Purposes.

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

Motion made by Councilmember Wendling to Approve the Purchase Agreement between the City of Spring Lake Park and Jian Bao Wu, seller of 8478 Highway 65 NE, and to Authorize the Mayor and City Administrator to Execute the Agreement. Attorney Thames requested an addendum be added that allows the Attorney to make revisions to the final agreement, if needed.

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

## **12. ADJOURN**

Motion made by Councilmember Wendling to adjourn.

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

The meeting was adjourned at 7:50 PM

---

Robert Nelson Mayor

Attest:

---

Daniel R. Buchholtz, Administrator, Clerk/Treasurer



505 Nicollet Mall  
P.O. Box 59038  
Minneapolis, MN 55459-0038

June 11, 2024

Sergeant Karen Fiske  
Spring Lake Park Police Department  
1301 81st Avenue NE  
Spring Lake Park, MN 55432

Dear Karen,

We are pleased to present the Spring Lake Park Police Department with a Community Safety Grant in the amount of \$2,500.00 for various traffic signs and items needed due to change in local traffic flow, as well as additional radios for better communication.

The Community Safety Grant program offers an opportunity for CenterPoint Energy to invest in the cities we serve. For over 150 years we have partnered with communities supporting our shared commitment to safety while delivering safe, reliable natural gas.

Since 2003, the Community Safety Grant program has awarded more than \$3 million to support more than 1,500 safety-related projects in communities throughout CenterPoint Energy's service area.

Through this grant program, we help cities leverage local funds to purchase necessary safety equipment and support safety projects that are important to your community.

**IMPORTANT! Your check is enclosed and is valid for 90 days from the check date.**

**Please confirm receipt of the check as soon as possible by emailing me at [whitneyjo.peterson@centerpointenergy.com](mailto:whitneyjo.peterson@centerpointenergy.com).**

Thank you for your efforts to make our communities safer.

Sincerely,

A handwritten signature in blue ink that reads "Whitney Jo Peterson".

Whitney Jo Peterson  
Executive Assistant, MN Gas Operations  
612-321-5002



## 2024 CenterPoint Energy Community Safety Grants

CenterPoint Energy is pleased to present the Spring Lake Park Police Department with a Community Safety Grant for \$2,500 that will be used for various traffic signs and items due to the need to change traffic flow and additional radios for better communication.

Across our Minnesota service area, CenterPoint Energy awarded more than \$123,000 to 51 communities to support safety projects in 2024. The Community Safety Grant program helps communities leverage local funds to purchase critical safety equipment or support safety projects that are important to your community.

“At CenterPoint Energy, safety is our top priority as we provide safe and reliable natural gas service for the customers and communities we’re honored to serve throughout Minnesota,” said Brad Steber, Vice President, Minnesota Gas at CenterPoint Energy. “Through our Community Safety Grant Program, we support the work our emergency responders, local officials and many others do to help support the health and safety of our customers across our local Minnesota communities.”

CenterPoint Energy Community Safety Grants have enabled communities to install public AEDs (automated external defibrillators), update emergency communication equipment, purchase protective gear for first responders, install traffic control signs, purchase gas monitoring devices and more.

The Community Safety Grant program offers an additional opportunity for CenterPoint Energy to invest in the communities we serve.

Since 2003, the Community Safety Grant program has awarded more than \$3.25 million to fund more than 1,600 projects in communities throughout CenterPoint Energy’s service area in Indiana, Louisiana, Minnesota, Mississippi, Ohio and Texas.

CenterPoint Energy is Minnesota’s largest natural gas utility, serving more than 920,000 customers in over 260 communities.

Please feel free to celebrate our support for your community by tagging us on social media:

 Facebook: [CenterPointEnergy](#)

 Twitter: [CenterPoint](#)

 LinkedIn: [centerpoint-energy](#)



## Memorandum

Date: August 5th, 2024

To: Mayor and City Council

Re: CenterPoint Energy Grant

Mayor and City Council Members,

Thanks to the diligent efforts of Sergeant Karen Fiske, our department has been awarded a \$2,500 Community Safety Grant from CenterPoint Energy. This grant supports communities by helping them purchase essential safety equipment or fund significant safety projects. In 2024, CenterPoint Energy awarded \$123,000 in grants to 51 cities in Minnesota.

We plan to use this grant to purchase traffic signs, which will help us manage traffic flow during the Tower Days celebration at Lions Lakeside Park in future years. The remaining funds will be allocated to a future safety project, such as the partial purchase of speed signs.

I respectfully request that the council accept this generous donation from CenterPoint Energy.

Thank you,

Chief Josh Antoine



**Stantec Consulting Services Inc.**  
733 Marquette Avenue, Suite 1000  
Minneapolis, MN 55402  
Tel: (612) 712-2000

July 25, 2024

Mr. Daniel Buchholtz, Administrator  
City of Spring Lake Park  
1301 81st Avenue NE  
Spring Lake Park, MN 55432

Re: 2024 Street Seal Coat and Crack Repair Project  
Project No. 193806748  
**Contractor's Request for Payment No. 2-FINAL**

Dear Dan:

Attached for city approval is Contractor's Request for Payment No. 2-FINAL for the 2024 Seal Coat and Crack Repair project. The prime Contractor on this project was Allied Blacktop Company.

This request includes payment for the seal coat portion of the project. George Linngren handled the construction monitoring. The construction seems to have worked out well.

We have reviewed the contractor's payment request and found it to be in order. We recommend approval. **If the City wishes to approve this request, then payment should be made to Allied Blacktop Company in the amount of \$89,157.74.**

Approval of this payment request means final acceptance of the work (subject to warranty). Included with the payment document is lien waiver and proof of tax withholding information provided by the contractor. Please execute the payment request document. Keep one copy for your records, forward a copy to Allied Blacktop Company, and return one copy to me.

Feel free to contact me if you have any questions.

Regards,  
**STANTEC**

A handwritten signature in black ink that reads "Phil Gravel".

Phil Gravel  
City Engineer

Enclosures

cc: Matt Dolecki, Allied Blacktop Company  
Geroge Linngren, Public Works Director



Owner: City of Spring Lake Park, 1301 81st Ave. NE, Spring Lake Park, MN 55432	Date: July 25, 2024
For Period: 6/19/2024 to 7/25/2024	Request No: 2/FINAL
Contractor: Allied Blacktop Co., 10503 89th Ave. N., Maple Grove, MN 55369	

**CONTRACTOR'S REQUEST FOR PAYMENT**  
 2024 STREET SEAL COAT AND CRACK REPAIR  
 STANTEC PROJECT NO. 193806748

SUMMARY

1	Original Contract Amount		\$	182,940.00
2	Change Order - Addition	\$	0.00	
3	Change Order - Deduction	\$	0.00	
4	Revised Contract Amount		\$	182,940.00
5	Value Completed to Date		\$	141,980.54
6	Material on Hand		\$	0.00
7	Amount Earned		\$	141,980.54
8	Less Retainage 0%		\$	0.00
9	Subtotal		\$	141,980.54
10	Less Amount Paid Previously		\$	52,822.80
11	Liquidated damages -		\$	0.00
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO. <u>2/FINAL</u>		\$	<u>89,157.74</u>

Recommended for Approval by:  
**STANTEC**

*Phil Gravel* 7/25/24

Approved by Contractor:  
**ALLIED BLACKTOP COMPANY**

*Per Invoice 11639, 7/3/2024*

Approved by Owner:  
**CITY OF SPRING LAKE PARK**

Specified Contract Completion Date:

Date:

No.	Item	Unit	Contract Quantity	Unit Price	Current Quantity	Quantity to Date	Amount to Date
<b>BASE BID</b>							
1	MOBILIZATION	LS	1	12000.00	0.3	1	\$12,000.00
2	TRAFFIC CONTROL	LS	1	10000.00	0.3	1	\$10,000.00
3	ROUTE AND SEAL CRACK REPAIR	LBS	4500	2.60		1451	\$3,772.60
4	CLEAN AND SEAL CRACK REPAIR	LBS	4500	2.60		5802	\$15,085.20
5	SEAL COAT AGGREGATE, FA-2 (MOD)	TN	860	31.00	600	600	\$18,600.00
6	BITUMINOUS MATERIAL FOR SEAL COAT, CRS-2	GAL	22300	3.95	15488	15488	\$61,177.60
7	4" DOUBLE SOLID LINE, YELLOW - PAINT	LF	31000	0.28		27178	\$7,609.84
8	4" SOLID LINE, YELLOW - PAINT	LF	10400	0.15		3643	\$546.45
9	4" BROKEN LINE, YELLOW - PAINT	LF	1800	0.15		1825	\$273.75
10	4" SOLID LINE, WHITE - PAINT	LF	44300	0.15		43834	\$6,575.10
11	24" STOP BAR SOLID LINE, WHITE - PAINT	LF	180	8.00		365	\$2,920.00
12	LT., RT., or THRU ARROW PVMT. MARKING, WHITE - PAINT	EA	70	60.00		57	\$3,420.00
	TOTAL BASE BID						<u>\$141,980.54</u>
	TOTAL BASE BID						\$141,980.54
	<b>WORK COMPLETED TO DATE:</b>						<b><u>\$141,980.54</u></b>

**PROJECT PAYMENT STATUS**

OWNER CITY OF SPRING LAKE PARK  
STANTEC PROJECT NO. 193806748  
CONTRACTOR ALLIED BLACKTOP COMPANY

**CHANGE ORDERS**

No.	Date	Description	Amount
<b>Total Change Orders</b>			

**PAYMENT SUMMARY**

No.	From	To	Payment	Retainage	Completed
1	05/01/2024	06/18/2024	52,822.80	2,780.14	55,602.94
2/FINAL	06/19/2024	07/25/2024	89,157.74		141,980.54

**Material on Hand**

Total Payment to Date		\$89,157.74	Original Contract	\$182,940.00
Retainage Pay No. 2/FINAL			Change Orders	
Total Amount Earned		\$89,157.74	Revised Contract	\$182,940.00



### Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

#### Confirmation Summary

Confirmation Number:	0-643-651-424
Submitted Date and Time:	8-Jul-2024 9:15:50 AM
Legal Name:	ALLIED BLACKTOP COMPANY
Federal Employer ID:	41-0827871
User Who Submitted:	N10503
Type of Request Submitted:	Contractor Affidavit

### Affidavit Summary

<b>Affidavit Number:</b>	<b>1847382016</b>
Minnesota ID:	8606387
Project Owner:	CITY OF SPRING LAKE PARK
Project Number:	2024 STREET SEAL COAT AND CRACK REPAIR PROJECT
Project Begin Date:	07-Jun-2024
Project End Date:	02-Jul-2024
Project Location:	VARIOUS ROAD AND STREETS
Project Amount:	\$141,822.54

### Subcontractor Summary

Name	ID	Affidavit Number
SIR LINES-A-LOT INC	3509324	1136775168

#### Important Messages

A copy of this page must be provided to the contractor or government agency that hired you.

#### Contact Us

If you need further assistance, contact our Withholding Tax Division at 651-282-9999, (toll-free) 800-657-3594, or (email) [withholding.tax@state.mn.us](mailto:withholding.tax@state.mn.us). Business hours are Monday through Friday 8:00 a.m. to 4:30 p.m. Central Time.

Please [print this page](#) for your records using the print or save functionality built into your browser.



### Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

#### Confirmation Summary

Confirmation Number:	2-029-279-072
Submitted Date and Time:	8-Jul-2024 8:50:48 AM
Legal Name:	SIR LINES-A-LOT INC
Federal Employer ID:	46-5427787
User Who Submitted:	linesalot
Type of Request Submitted:	Contractor Affidavit

### Affidavit Summary

<b>Affidavit Number:</b>	<b>1136775168</b>
Minnesota ID:	3509324
Project Owner:	CITY OF SPRING LAKE PARK
Project Number:	2024 SEALCOAT
Project Begin Date:	01-Jun-2024
Project End Date:	13-Jun-2024
Project Location:	SPRING LAKE PARK
Project Amount:	\$21,165.54
Subcontractors:	No Subcontractors

#### Important Messages

A copy of this page must be provided to the contractor or government agency that hired you.

#### Contact Us

If you need further assistance, contact our Withholding Tax Division at 651-282-9999, (toll-free) 800-657-3594, or (email) [withholding.tax@state.mn.us](mailto:withholding.tax@state.mn.us). Business hours are Monday through Friday 8:00 a.m. to 4:30 p.m. Central Time.

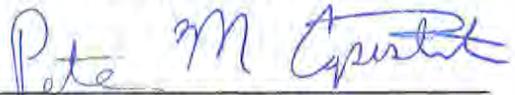
Please [print this page](#) for your records using the print or save functionality built into your browser.

## RECEIPT AND WAIVER OF MECHANICS LIEN RIGHTS

The undersigned hereby acknowledges that payment has been received in full of One Hundred Forty-One Thousand Eight Hundred Twenty-Two and 54/100 dollars (\$141,822.54) from City of Spring Lake Park for 2024 Street Seal Coat and Crack Repair Project by the undersigned delivered or furnished to (or performed at) City of Spring Lake Park, MN and for value received hereby waives those rights which may have been acquired by the undersigned to file mechanics liens against said premises on account of the above described labor and/or materials delivered and furnished by the undersigned, to the extent only of the amount of the aforesaid payment: and the undersigned hereby expressly reserves the right to assert, without prejudice to it's heretofore existing priority, mechanics lien rights against said premises for labor and/or materials delivered and/or furnished to said premises payment for which is not included in the aforesaid payment.

Dated this 8<sup>th</sup> day of July, 2024

Allied Blacktop Company

By   
Peter M Capistrant, President  
10503 89<sup>th</sup> Avenue North  
Maple Grove, MN 55369



**Stantec Consulting Services Inc.**  
733 Marquette Avenue, Suite 1000  
Minneapolis, MN 55402  
Tel: (612) 712-2000

July 26, 2024

Mr. Daniel Buchholtz, Administrator  
City of Spring Lake Park  
1301 81st Avenue NE  
Spring Lake Park, MN 55432

Re: 2024 Sanburnol Drive, Elm Drive and 83rd Avenue Improvements Project  
Project No. 193806347  
**Contractor's Request for Payment No. 2**

Dear Dan:

Attached for city approval is Contractor's Request for Payment No. 2 for the 2024 Street Project. The prime Contractor on this project is North Valley Inc.

This request includes payment for street base paving work on Sanburnol and Elm. The Contractor has lost about a week of time due to rain days. Also, there will be a delay of several weeks for paving of the final lift of bituminous until CenterPoint Energy completes their main replacement between Terrace and the east end of the project. Work on 83<sup>rd</sup> Avenue is expected to begin later in August.

We have reviewed the contractor's payment request and found it to be in order. We recommend approval. **If the City wishes to approve this request, then payment should be made to North Valley Inc. in the amount of \$488,918.82.**

Please execute the payment request document. Keep one copy for your records, forward a copy to North Valley Inc., and return one copy to me.

Feel free to contact Zach Naslund or me if you have any questions.

Regards,  
**STANTEC**

A handwritten signature in black ink that reads "Phil Gravel".

Phil Gravel  
City Engineer

Enclosures

cc: Matt Echols, North Valley Inc.  
Geroge Linngren, Public Works Director



**City of Spring Lake Park**

1301 81st Avenue Northeast  
Spring Lake Park , MN 55432

Page 1 of 4  
Client Project Number:  
Payment Number: 2

**Contract Number:** 193806347  
**Pay Request Number:** 2

**2024 85TH AVENUE/SANBURNOL DRIVE, ELM DRIVE, AND 83RD AVENUE IMPROVEMENTS**

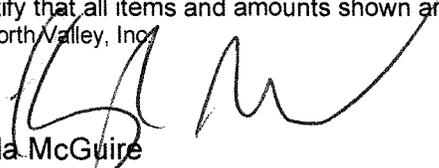
State Aid Project Numbers
106-115-007, 106-129-002, 183-103-001, 183-104-001, 183-107-002

<b>Contractor:</b> North Valley, Inc. 20015 Iguana St NW Nowthen, MN 55330	<b>Up To Date:</b> 07/19/2024
--	-------------------------------

Contract Amount		Funds Encumbered	
Original Contract	\$1,048,488.45	Original	\$1,048,488.45
Contract Changes	\$0.00	Additional	N/A
Revised Contract	\$1,048,488.45	Total	\$1,048,488.45

Work Certified To Date	
Base Bid Items	\$769,438.72
Contract Changes	\$
Material On Hand	\$0.00
Total	\$769,438.72

Work Certified This Request	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Request	Total Amount Paid To Date
\$514,651.40	\$769,438.72	\$38,471.94	\$242,047.96	<b>\$488,918.82</b>	\$730,966.78
Percent: Retained: 5%			Percent Complete: 73.39%		

I hereby certify that all items and amounts shown are correct for the work completed to date.  
 Contractor: North Valley, Inc.  
 Approved by:  Date: July 26, 2024  
 Kayla McGuire

The Work on this project and application has been reviewed and the amount shown is recommended for payment.  
 Stantec Engineer: Phil Gravel, PE  
 Approved by:  Date: July 26, 2024

Approved for Payment by Owner: City of Spring Lake Park  
 Approved by: \_\_\_\_\_ Date: \_\_\_\_\_



Payment Summary				
No.	Up To Date	Work Certified Per Request	Amount Retained Per Request	Amount Paid Per Request
1	2024-06-25	\$254,787.33	\$12,739.37	\$242,047.96
2	2024-07-01	\$514,651.39	\$25,732.57	\$488,918.82

Contract Item Status									
Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
1	2021.501	MOBILIZATION	LUMP SUM	\$39,120.85	1	0.35	\$13,692.30	0.9	\$35,208.77
2	2104.502	REMOVE CASTING	EACH	\$212.90	2	2	\$425.80	2	\$425.80
3	2104.502	REMOVE DRAINAGE STRUCTURE	EACH	\$632.93	6	2	\$1,265.86	6	\$3,797.58
4	2104.502	SALVAGE SIGN TYPE C	EACH	\$43.05	1	0	\$0.00	0	\$0.00
5	2104.502	SALVAGE SIGN TYPE SPECIAL	EACH	\$64.57	3	0	\$0.00	0	\$0.00
6	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	\$8.61	108	72.87	\$627.41	72.87	\$627.41
7	2104.503	SAWING BIT PAVEMENT (FULL DEPTH)	LIN FT	\$4.84	745	334	\$1,616.56	334	\$1,616.56
8	2104.503	REMOVE SEWER PIPE (STORM)	LIN FT	\$17.84	54	6	\$107.04	54	\$963.36
9	2104.503	REMOVE CURB & GUTTER	LIN FT	\$9.15	620	1374.1	\$12,573.02	1374.1	\$12,573.02
10	2104.518	REMOVE BITUMINOUS WALK	SQ FT	\$3.93	71	71	\$279.03	71	\$279.03
11	2104.518	REMOVE CONCRETE SIDEWALK	SQ FT	\$4.31	2877	1512	\$6,516.72	1512	\$6,516.72
12	2104.518	REMOVE BITUMINOUS PAVEMENT	SQ FT	\$2.53	991	580	\$1,467.40	580	\$1,467.40
13	2104.618	REMOVE CONCRETE VALLEY GUTTER	SQ FT	\$15.07	736	736	\$11,091.52	736	\$11,091.52
14	2106.507	EXCAVATION – COMMON (P) (P)	CU YD	\$24.79	2505	878	\$21,765.62	2473	\$61,305.67
15	2106.507	EXCAVATION – SUBGRADE	CU YD	\$19.37	222	0	\$0.00	0	\$0.00
16	2106.507	SELECT GRANULAR EMBANKMENT (CV)	CU YD	\$8.61	222	0	\$0.00	0	\$0.00
17	2211.507	AGGREGATE BASE (CV) CLASS 5 (P) (P)	CU YD	\$12.31	3559	1260	\$15,510.60	3471	\$42,728.01
18	2215.504	FULL DEPTH RECLAMATION (P) (P)	SQ YD	\$4.41	12988	0	\$0.00	12988	\$57,277.08
19	2231.618	BITUMINOUS PATCH SPECIAL	SQ FT	\$6.19	1474	0	\$0.00	0	\$0.00



Contract Item Status									
Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
20	2232.504	MILL BITUMINOUS SURFACE (2.5")	SQ YD	\$1.72	3900	0	\$0.00	0	\$0.00
21	2360.509	TYPE SP 9.5 WEARING COURSE MIX (3,C)	TON	\$95.56	1924	0	\$0.00	0	\$0.00
22	2360.509	TYPE SP 12.5 WEARING COURSE MIX (3,C)	TON	\$89.31	1743	1540.34	\$137,567.77	1540.34	\$137,567.77
23	2360.509	TYPE SP 12.5 NON WEAR COURSE MIX (3,C)	TON	\$87.98	1743	1667.01	\$146,663.54	1667.01	\$146,663.54
24	2503.503	12" RC PIPE SEWER DES 3006 CL V	LIN FT	\$60.42	819	91	\$5,498.22	791	\$47,792.22
25	2503.503	15" RC PIPE SEWER DES 3006 CL V	LIN FT	\$67.90	8	0	\$0.00	0	\$0.00
26	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	\$1,122.01	7	4	\$4,488.04	7	\$7,854.07
27	2503.602	CONNECT INTO EXISTING DRAINAGE STRUCTURE	EACH	\$1,588.07	1	0	\$0.00	1	\$1,588.07
28	2504.602	ADJUST VALVE BOX	EACH	\$541.36	10	3	\$1,624.08	3	\$1,624.08
29	2506.502	CONST DRAINAGE STRUCTURE DESIGN SPECIAL	EACH	\$2,054.14	8	2	\$4,108.28	8	\$16,433.12
30	2506.502	CONST DRAINAGE STRUCTURE DESIGN SPEC 1	EACH	\$2,399.37	10	5	\$11,996.85	11	\$26,393.07
31	2506.502	CASTING ASSEMBLY	EACH	\$1,076.27	20	22	\$23,677.94	22	\$23,677.94
32	2506.502	ADJUST FRAME & RING CASTING	EACH	\$1,178.51	25	0	\$0.00	12	\$14,142.12
33	2506.602	CORE DRILLED HOLE	EACH	\$2,134.69	1	1	\$2,134.69	1	\$2,134.69
34	2521.518	4" CONCRETE WALK	SQ FT	\$7.00	2878	900	\$6,300.00	900	\$6,300.00
35	2521.518	6" CONCRETE WALK	SQ FT	\$16.14	1258	500	\$8,070.00	500	\$8,070.00
36	2531.503	CONCRETE CURB & GUTTER DESIGN B618	LIN FT	\$37.13	620	1411.7	\$52,416.42	1411.7	\$52,416.42
37	2531.604	7" CONCRETE VALLEY GUTTER	SQ YD	\$87.18	99	106.95	\$9,323.90	106.95	\$9,323.90
38	2531.618	TRUNCATED DOMES	SQ FT	\$75.34	183	138.6	\$10,442.12	138.6	\$10,442.12
39	2563.601	TRAFFIC CONTROL	LUMP SUM	\$10,224.55	1	0.09	\$920.21	0.9	\$9,202.10
40	2564.502	INSTALL SIGN TYPE C	EACH	\$215.25	1	0	\$0.00	0	\$0.00
41	2564.602	INSTALL SIGN TYPE SPECIAL	EACH	\$457.41	3	0	\$0.00	0	\$0.00
42	2573.601	EROSION CONTROL	LUMP SUM	\$10,277.29	1	-0.02	(\$205.54)	0.9	\$9,249.56



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

Page 4 of 4  
Client Project Number:  
Payment Number: 2

Contract Item Status									
Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
43	2575.604	PERMANENT RESTORATION	SQ YD	\$13.43	713	200	\$2,686.00	200	\$2,686.00
44	2582.503	4" SOLID LINE MULTI COMP	LIN FT	\$0.59	547	0	\$0.00	0	\$0.00
45	2582.503	24" SOLID LINE MULTI COMP	LIN FT	\$11.83	298	0	\$0.00	0	\$0.00
46	2582.503	4" DBLE SOLID LINE MULTI COMP	LIN FT	\$1.18	4622	0	\$0.00	0	\$0.00
47	2582.518	CROSSWALK MULTI COMP	SQ FT	\$5.84	696	0	\$0.00	0	\$0.00
<b>Base Bid Totals:</b>							<b>\$514,651.40</b>		<b>\$769,438.72</b>

Less 5% retainage, amount due this request is **\$488,918.82**

**Stantec Architecture Inc.**

733 Marquette Avenue Suite 1000, Minneapolis MN 55402-2309

Phone: (612) 712-2000

---

To:	Dan Buchholtz	From:	Bruce Paulson
Company:	City of Spring Lake Park	<input type="checkbox"/>	For Your Information
Address:	1301 81st Avenue NE	<input checked="" type="checkbox"/>	For Your Approval
	Spring Lake Park, MN 55432	<input checked="" type="checkbox"/>	For Your Review
Phone:	(763) 792-7211	<input type="checkbox"/>	As Requested
Date:	July 30, 2024		
File:	193806049		
Delivery:	Email		

---

**Reference: Spring Lake Park City Hall Renovation/Expansion Application and Certificate for Payment**

## Attachment:

Copies	Doc Date	Pages	Description
1	7/30/2023	13	Application and Certificate for Payment No. 6

Hi Dan,

Please have the attached copy signed and then it can be scanned and emailed to Heather Clay at [heather.clay@constructionresults.com](mailto:heather.clay@constructionresults.com) and to me. Thank you.

Respectfully yours,

**Stantec Architecture Inc.****Bruce P. Paulson**

Senior Project Manager/Architect

Phone: (612) 712-2108

Cell: (651) 492-9089

Bruce.Paulson@stantec.com

c. File



Project: Spring Lake Park City Hall Renovation/Expansion	Date: July 30, 2024
For Period: 7/1/2024 to 7/31/2024	Request No 6
Contractor: Construction Results Corp., 5465 Hwy 169 North, Plymouth, MN 55442	

**CONTRACTOR'S REQUEST FOR PAYMENT**  
 SPRING LAKE PARK CITY HALL RENOVATION/EXPANSION PROJECT  
 CITY OF SPRING LAKE PARK  
 SPRING LAKE PARK, MINNESOTA  
 STANTEC FILE NO. 19386049

SUMMARY

1	Original Contract Amount		\$	<u>5,955,690.00</u>
2	Change Order - Addition	\$	<u>64,147.40</u>	
3	Change Order - Deduction	\$	<u>0.00</u>	
4	Revised Contract Amount		\$	<u>6,019,837.40</u>
5	Value Completed to Date		\$	<u>4,641,115.40</u>
6	Material on Hand		\$	<u>0.00</u>
7	Amount Earned		\$	<u>4,641,115.40</u>
8	Less Retainage 5%		\$	<u>232,055.77</u>
9	Subtotal		\$	<u>4,409,059.63</u>
10	Less Amount Paid Previously		\$	<u>3,784,442.23</u>
11	Liquidated damages -		\$	<u>0.00</u>
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO.	<u>6</u>	\$	<u><u>624,617.40</u></u>

Recommended for Approval by:  
**STANTEC ARCHITECTURE INC.**

See attached for signature \_\_\_\_\_

Approved by Contractor:  
**CONSTRUCTION RESULTS CORPORATION**

See attached for signature \_\_\_\_\_

Approved by Owner:  
**CITY OF SPRING LAKE PARK**

\_\_\_\_\_

\_\_\_\_\_

Specified Contract Completion Date:  
June 27, 2025

Date:  
 \_\_\_\_\_



# AIA Document G702 - 1992

## Application and Certificate for Payment

**TO OWNER:** City of Spring Lake Park  
1301 81st Avenue Northeast  
Spring Lake Park, MN 55432

**PROJECT:** 7088-Spring Lake Park City Hall  
Renovation - Expansion  
1301 81st Avenue Northeast  
Spring Lake Park, MN 55432

**FROM** Construction Results Corp  
**CONTRACTOR:** 5465 Hwy 169 North  
Plymouth, MN 55442

**VIA** ARCHITECT:

**CONTRACT FOR:** General Construction  
**CONTRACT DATE:** February 01, 2024  
**PROJECT NOS:** 7088 /

**APPLICATION NO:** 006  
**PERIOD TO:** July 31, 2024

**Distribution to:**  
OWNER:  ARCHITECT:   
CONTRACTOR:  FIELD:   
OTHER:

### CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. AIA Document G703®, Continuation Sheet, is attached.

- 1. ORIGINAL CONTRACT SUM ..... \$5,955,690.00
- 2. NET CHANGE BY CHANGE ORDERS ..... \$64,147.40
- 3. CONTRACT SUM TO DATE (Line 1 ± 2) ..... \$6,019,837.40
- 4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) ..... \$4,641,115.40
- 5. RETAINAGE:
  - a. 5.00 % of Completed Work ..... \$232,055.77  
(Column D + E on G703)
  - b. 0 % of Stored Material ..... \$0.00  
(Column F on G703)
- Total Retainage (Lines 5a + 5b or Total in Column I of G703) ..... \$232,055.77
- 6. TOTAL EARNED LESS RETAINAGE ..... \$4,409,059.63  
(Line 4 Less Line 5 Total)
- 7. LESS PREVIOUS CERTIFICATES FOR PAYMENT ..... \$3,784,442.23  
(Line 6 from prior Certificate)
- 8. CURRENT PAYMENT DUE ..... \$624,617.40
- 9. BALANCE TO FINISH, INCLUDING RETAINAGE ..... \$1,610,777.77  
(Line 3 less Line 6)

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$0.00	\$0.00
Total approved this Month	\$64,147.40	\$0.00
<b>TOTALS</b>	<b>\$64,147.40</b>	<b>\$0.00</b>
NET CHANGES by Change Order		\$64,147.40

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

**CONTRACTOR:**   
By: \_\_\_\_\_ Date: July 30, 2024  
State of: Minnesota  
County of: Hennepin  
Subscribed and sworn to before me this 30th day of July 2024  
Notary Public: Cindy Ladyka  
My Commission expires: January 31, 2027



### ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

**AMOUNT CERTIFIED** ..... \$624,617.40  
(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

**ARCHITECT:**   
By: \_\_\_\_\_ Date: July 30, 2024

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.



# AIA Document G703<sup>®</sup> - 1992

## Continuation Sheet

AIA Document G702®, Application and Certification for Payment, or G732™, Application and Certificate for Payment, Construction Manager as Adviser Edition, containing Contractor's signed certification is attached.

Use Column I on Contracts where variable retainage for line items may apply.

006  
July 31, 2024  
July 31, 2024  
Stantec Consulting Services Inc.

APPLICATION NO:  
APPLICATION DATE:  
PERIOD TO:  
ARCHITECT'S PROJECT NO:

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		E THIS PERIOD	F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D + E + F)	H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)						
1	Mobilization	138,000.00	138,000.00	0.00	0.00	0.00	138,000.00	0.00	6,900.00
2	Demobilization	30,000.00	0.00	0.00	0.00	0.00	0.00	30,000.00	0.00
3	Bonds & Insurance	85,000.00	85,000.00	0.00	0.00	0.00	85,000.00	0.00	4,250.00
4	Procure	15,000.00	13,250.00	450.00	450.00	0.00	13,700.00	1,300.00	685.00
5	Contracts	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00	0.00	750.00
6	Project Start up	26,000.00	26,000.00	0.00	0.00	0.00	26,000.00	0.00	1,300.00
7	General Conditions	310,000.00	232,257.00	18,567.00	18,567.00	0.00	250,824.00	59,176.00	12,541.20
8	Consumables	65,000.00	54,028.00	3,459.00	3,459.00	0.00	57,487.00	7,513.00	2,874.35
9	Site Clean up/ General Clean up	10,000.00	7,570.00	892.00	892.00	0.00	8,462.00	1,538.00	423.10
10	Equipment	35,550.00	32,379.00	0.00	0.00	0.00	32,379.00	3,171.00	1,618.95
11	Site Survey / Staking	8,000.00	8,000.00	0.00	0.00	0.00	8,000.00	0.00	400.00
12	Site Demolition	16,000.00	16,000.00	0.00	0.00	0.00	16,000.00	0.00	800.00
13	Earthwork - Excavation	16,000.00	16,000.00	0.00	0.00	0.00	16,000.00	0.00	800.00
14	Earthwork - Aggregate base Grading	13,000.00	13,000.00	0.00	0.00	0.00	13,000.00	0.00	650.00
15	Earthwork - Final Grading	2,000.00	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00
16	Earthwork - Equipment	10,256.00	10,256.00	0.00	0.00	0.00	10,256.00	0.00	512.80
17	Bituminous Paving - Labor	11,000.00	0.00	8,250.00	8,250.00	0.00	8,250.00	2,750.00	412.50
18	Bituminous Paving - Materials	8,375.00	0.00	6,281.00	6,281.00	0.00	6,281.00	2,094.00	314.05
19	Landscaping - Labor	2,481.00	0.00	0.00	0.00	0.00	0.00	2,481.00	0.00
20	Landscaping - Materials	1,395.00	0.00	0.00	0.00	0.00	0.00	1,395.00	0.00
21	Dust Protection - Labor	13,112.00	11,103.00	659.00	659.00	0.00	11,762.00	1,350.00	588.10
22	Dust Protection -	7,250.00	5,990.00	651.00	651.00	0.00	6,641.00	609.00	332.05

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User Notes:

(3B9ADAB1)

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		E THIS PERIOD	F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D + E + F)	H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	% (G÷C)					
	Material								
23	Demolition - Labor	137,000.00	122,019.00	0.00	0.00	0.00	122,019.00	14,981.00	6,100.95
24	Demolition - Material	1,500.00	1,100.00	0.00	0.00	0.00	1,100.00	400.00	55.00
25	Demolition - Equipment	2,500.00	1,900.00	0.00	0.00	0.00	1,900.00	600.00	95.00
26	Cast in Place Curb & Gutter - Labor	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	0.00	250.00
27	Cast in Place Curb & Gutter - Material	2,551.00	2,551.00	0.00	0.00	0.00	2,551.00	0.00	127.55
28	Cast in Place Exterior Concrete - Labor	12,000.00	10,051.00	1,949.00	0.00	0.00	12,000.00	0.00	600.00
29	Cast in Place Exterior Concrete - Material	5,000.00	3,675.00	1,325.00	0.00	0.00	5,000.00	0.00	250.00
30	Cast in Place Interior Concrete - Mobilization	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	0.00	125.00
31	Cast in Place Interior Concrete - Labor	96,300.00	96,300.00	0.00	0.00	0.00	96,300.00	0.00	4,815.00
32	Cast in Place Interior Concrete - Material	53,200.00	53,200.00	0.00	0.00	0.00	53,200.00	0.00	2,660.00
33	Concrete Reinforcement - Labor	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.00	150.00
34	Concrete Reinforcement - Material	9,174.00	9,174.00	0.00	0.00	0.00	9,174.00	0.00	458.70
35	Architectural / Hollow Core Precast Concrete - Engineering	10,380.00	10,380.00	0.00	0.00	0.00	10,380.00	0.00	519.00
36	Architectural / Hollow Core Precast Concrete - Labor	31,426.00	31,426.00	0.00	0.00	0.00	31,426.00	0.00	1,571.30
37	Architectural / Hollow Core Precast Concrete - Material	41,806.00	41,806.00	0.00	0.00	0.00	41,806.00	0.00	2,090.30
38	Architectural / Hollow Core Precast Concrete -	9,296.00	9,296.00	0.00	0.00	0.00	9,296.00	0.00	464.80

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		E THIS PERIOD	F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD			TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G÷C)		
	Logistics									
39	Architectural / Hollow Core Precast Concrete - Erection	74,902.00	74,902.00	0.00	0.00	0.00	74,902.00	100.00%	0.00	3,745.10
40	Architectural / Hollow Core Precast Concrete - Caulking	5,190.00	5,190.00	0.00	0.00	0.00	5,190.00	100.00%	0.00	259.50
41	Masonry - Mobilization	18,500.00	18,500.00	0.00	0.00	0.00	18,500.00	100.00%	0.00	925.00
42	Masonry - Labor	267,900.00	239,518.00	0.00	0.00	0.00	239,518.00	89.41%	28,382.00	11,975.90
43	Masonry - Material	150,916.00	150,916.00	0.00	0.00	0.00	150,916.00	100.00%	0.00	7,545.80
44	Masonry - Equipment	12,513.00	12,513.00	0.00	0.00	0.00	12,513.00	100.00%	0.00	625.65
45	Structural Steel - Detailing / Submittals	2,880.00	2,880.00	0.00	0.00	0.00	2,880.00	100.00%	0.00	144.00
46	Structural Steel - Labor	19,000.00	19,000.00	0.00	0.00	0.00	19,000.00	100.00%	0.00	950.00
47	Structural Steel - Material	56,760.00	56,760.00	0.00	0.00	0.00	56,760.00	100.00%	0.00	2,838.00
48	Miscellaneous Metals - Labor	14,000.00	0.00	12,892.00	0.00	0.00	12,892.00	92.09%	1,108.00	644.60
49	Miscellaneous Metals - Material	52,680.00	37,521.00	15,159.00	0.00	0.00	52,680.00	100.00%	0.00	2,634.00
50	Structural Steel - Delivery	1,580.00	1,580.00	0.00	0.00	0.00	1,580.00	100.00%	0.00	79.00
51	Metal Fabrications / Mesh Guarding System - Labor	5,000.00	0.00	1,259.00	0.00	0.00	1,259.00	25.18%	3,741.00	62.95
52	Metal Fabrications / Mesh Guarding System - Material	21,469.00	0.00	21,469.00	0.00	0.00	21,469.00	100.00%	0.00	1,073.45
53	Rough Carpentry - Labor	65,000.00	56,599.00	0.00	0.00	0.00	56,599.00	87.08%	8,401.00	2,829.95
54	Rough Carpentry - Material	8,743.00	8,041.00	0.00	0.00	0.00	8,041.00	91.97%	702.00	402.05
55	Finish Carpentry -	40,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	40,000.00	0.00

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A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		E THIS PERIOD	F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD			TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G÷C)		
	Labor									
56	Finish Carpentry - Materials	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	4,000.00	0.00
57	Solid Surface Fabrications / Casework - Labor	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
58	Solid Surface Fabrications / Casework - Material	56,005.00	0.00	0.00	0.00	0.00	0.00	0.00%	56,005.00	0.00
59	Bituminous Dampproofing - Labor	3,750.00	3,750.00	0.00	0.00	0.00	3,750.00	100.00%	0.00	187.50
60	Bituminous Dampproofing - Material	4,186.00	4,186.00	0.00	0.00	0.00	4,186.00	100.00%	0.00	209.30
61	Insulation - Labor	2,000.00	1,100.00	359.00	0.00	0.00	1,459.00	72.95%	541.00	72.95
62	Insulation - Material	1,200.00	1,200.00	0.00	0.00	0.00	1,200.00	100.00%	0.00	60.00
63	Joint Sealants - Labor	9,784.00	0.00	0.00	0.00	0.00	0.00	0.00%	9,784.00	0.00
64	Joint Sealants - Material	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00%	2,200.00	0.00
65	Aluminum Composite Panels - Submittals	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	100.00%	0.00	75.00
66	Aluminum Composite Panels - Labor	39,129.00	0.00	0.00	0.00	0.00	0.00	0.00%	39,129.00	0.00
67	Aluminum Composite Panels - Material	29,017.00	0.00	0.00	0.00	0.00	0.00	0.00%	29,017.00	0.00
68	Thermoplastic Polyolefin Roofing - Submittals	1,200.00	1,200.00	0.00	0.00	0.00	1,200.00	100.00%	0.00	60.00
69	Thermoplastic Polyolefin Roofing - Mobilization	4,150.00	4,150.00	0.00	0.00	0.00	4,150.00	100.00%	0.00	207.50
70	Thermoplastic Polyolefin Roofing - Labor	95,545.00	84,715.00	0.00	0.00	0.00	84,715.00	88.67%	10,830.00	4,235.75
71	Thermoplastic	273,250.00	273,250.00	0.00	0.00	0.00	273,250.00	100.00%	0.00	13,662.50

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			FROM PREVIOUS APPLICATION (D + E)							
	Polyolefin Roofing - Material									
	Thermoplastic Polyolefin Roofing - Equipment	5,850.00	5,850.00	0.00	0.00	0.00	5,850.00	100.00%	0.00	292.50
72	Hollow Metal Frames - Labor	5,000.00	2,580.00	0.00	0.00	0.00	2,580.00	51.60%	2,420.00	129.00
73	Hollow Metal Frames - Material	62,757.00	62,757.00	0.00	0.00	0.00	62,757.00	100.00%	0.00	3,137.85
74	Wood / Hollow Metal Doors - Labor	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	9,000.00	0.00
75	Wood / Hollow Metal Doors - Material	21,759.00	21,759.00	0.00	0.00	0.00	21,759.00	100.00%	0.00	1,087.95
76	Finish Hardware - Labor	16,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	16,000.00	0.00
77	Finish Hardware - Materials	89,093.00	0.00	78,895.00	0.00	0.00	78,895.00	88.55%	10,198.00	3,944.75
78	Detention Doors - Shop Drawings / Submittals	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	100.00%	0.00	50.00
79	Detention Doors - Labor	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00%	2,500.00	0.00
80	Detention Doors - Material	12,650.00	0.00	0.00	0.00	0.00	0.00	0.00%	12,650.00	0.00
81	Upward Acting Sectional Doors - Labor	26,425.00	0.00	0.00	0.00	0.00	0.00	0.00%	26,425.00	0.00
82	Upward Acting Sectional Doors - Material	55,227.00	0.00	0.00	0.00	0.00	0.00	0.00%	55,227.00	0.00
83	Aluminum Storefront - Submittals	14,275.00	14,275.00	0.00	0.00	0.00	14,275.00	100.00%	0.00	713.75
84	Aluminum Storefront - Shop Drawings	5,259.00	5,259.00	0.00	0.00	0.00	5,259.00	100.00%	0.00	262.95
85	Storefront Bullet Resistant & Hardware - Labor	51,388.00	0.00	38,569.00	0.00	0.00	38,569.00	75.05%	12,819.00	1,928.45

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			FROM PREVIOUS APPLICATION (D + E)						
87	Storefront - Material	109,867.00	109,867.00	0.00	0.00	0.00	109,867.00	0.00	5,493.35
88	Bullet Resistant Framing - Material	42,918.00	42,918.00	0.00	0.00	0.00	42,918.00	0.00	2,145.90
89	Storefront / Door Glazing - Labor	12,113.00	0.00	7,852.00	0.00	0.00	7,852.00	4,261.00	392.60
90	Storefront / Door Glazing - Material	29,926.00	29,926.00	0.00	0.00	0.00	29,926.00	0.00	1,496.30
91	Bullet Resistant Glazing - Labor	1,686.00	0.00	1,025.00	0.00	0.00	1,025.00	661.00	51.25
92	Bullet Resistant Glazing - Material	1,028.00	1,028.00	0.00	0.00	0.00	1,028.00	0.00	51.40
93	Aluminum Door Hardware / Auto Opener - Material	75,552.00	55,659.00	0.00	0.00	0.00	55,659.00	19,893.00	2,782.95
94	Aluminum Storefront Equipment	7,566.00	0.00	3,584.00	0.00	0.00	3,584.00	3,982.00	179.20
95	Metal Wall Louvers - Labor	2,050.00	2,050.00	0.00	0.00	0.00	2,050.00	0.00	102.50
96	Metal Wall Louvers - Material	2,143.00	2,143.00	0.00	0.00	0.00	2,143.00	0.00	107.15
97	Gypsum Board Assemblies - Summittals	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.00	50.00
98	Cold Formed Metal Framing - Labor	10,000.00	7,500.00	0.00	0.00	0.00	7,500.00	2,500.00	375.00
99	Cold Formed Metal Framing - Material	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	0.00	500.00
100	Gypsum Drywall - Labor	190,200.00	127,831.00	38,852.00	0.00	0.00	166,683.00	23,517.00	8,334.15
101	Gypsum Drywall - Material	126,700.00	90,210.00	15,892.00	0.00	0.00	106,102.00	20,598.00	5,305.10
102	Ceramic Tile - Labor	61,464.00	0.00	0.00	0.00	0.00	0.00	61,464.00	0.00
103	Ceramic Tile - Material	53,870.00	9,386.00	0.00	0.00	0.00	9,386.00	44,484.00	469.30
104	Acoustical Ceilings -	28,990.00	0.00	0.00	0.00	0.00	0.00	28,990.00	0.00

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			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD			TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G÷C)		
	Labor									
105	Acoustical Ceilings - Material	36,700.00	0.00	0.00	0.00	0.00	0.00	0.00%	36,700.00	0.00
106	Vinyl Base - Labor	500.00	0.00	0.00	0.00	0.00	0.00	0.00%	500.00	0.00
107	Vinyl Base - Material	400.00	400.00	0.00	0.00	0.00	400.00	100.00%	0.00	20.00
108	Carpet - Labor	13,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	13,000.00	0.00
109	Carpet - Material	36,100.00	36,100.00	0.00	0.00	0.00	36,100.00	100.00%	0.00	1,805.00
110	Concrete Floor Sealer - Labor	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00%	1,100.00	0.00
111	Concrete Floor Sealer - Material	5,950.00	0.00	0.00	0.00	0.00	0.00	0.00%	5,950.00	0.00
112	Painting - Labor	57,777.00	0.00	0.00	0.00	0.00	0.00	0.00%	57,777.00	0.00
113	Painting - Materials	8,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	8,000.00	0.00
114	Concrete Floor Coating - Labor	5,840.00	0.00	0.00	0.00	0.00	0.00	0.00%	5,840.00	0.00
115	Concrete Floor Coating - Material	3,150.00	0.00	0.00	0.00	0.00	0.00	0.00%	3,150.00	0.00
116	Signs - Labor	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00%	1,500.00	0.00
117	Signs - Material	4,938.00	0.00	0.00	0.00	0.00	0.00	0.00%	4,938.00	0.00
118	Interior Way Finding Allowance	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	0.00
119	Operable Partitions - Labor	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	4,000.00	0.00
120	Operable Partitions - Material	15,950.00	0.00	0.00	0.00	0.00	0.00	0.00%	15,950.00	0.00
121	Stainless Steel Corner Guards - Labor	1,188.00	0.00	0.00	0.00	0.00	0.00	0.00%	1,188.00	0.00
122	Stainless Steel Corner Guards - Material	3,977.00	0.00	3,977.00	0.00	0.00	3,977.00	100.00%	0.00	198.85
123	Toilet Accessories - Labor	9,801.00	0.00	0.00	0.00	0.00	0.00	0.00%	9,801.00	0.00
124	Toilet Accessories - Material	7,408.00	0.00	7,408.00	0.00	0.00	7,408.00	100.00%	0.00	370.40

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125	Adult Changing Stations - Labor	1,188.00	0.00	0.00	0.00	0.00	0.00	0.00%	1,188.00	0.00
126	Adult Changing Stations - Material	9,731.00	0.00	9,731.00	0.00	0.00	9,731.00	100.00%	0.00	486.55
127	Fire Protection Specialties - Labor	2,645.00	0.00	0.00	0.00	0.00	0.00	0.00%	2,645.00	0.00
128	Fire Protection Specialties - Material	2,645.00	0.00	2,645.00	0.00	0.00	2,645.00	100.00%	0.00	132.25
129	Heavy Duty Personnel Lockers - Labor	4,250.00	0.00	0.00	0.00	0.00	0.00	0.00%	4,250.00	0.00
130	Heavy Duty Personnel Lockers - Material	55,337.00	0.00	55,337.00	0.00	0.00	55,337.00	100.00%	0.00	2,766.85
131	Entrance Floor Mats & Frames - Submittals	200.00	200.00	0.00	0.00	0.00	200.00	100.00%	0.00	10.00
132	Entrance Floor Mats & Frames - Labor	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00%	1,800.00	0.00
133	Entrance Floor Mats & Frames - Material	4,773.00	4,773.00	0.00	0.00	0.00	4,773.00	100.00%	0.00	238.65
134	Fire Suppression - Engineered Design Submittals	13,568.00	13,568.00	0.00	0.00	0.00	13,568.00	100.00%	0.00	678.40
135	Fire Suppression - Labor	67,840.00	33,764.00	14,559.00	0.00	0.00	48,323.00	71.23%	19,517.00	2,416.15
136	Fire Suppression - Material	88,192.00	70,968.00	0.00	0.00	0.00	70,968.00	80.47%	17,224.00	3,548.40
137	Plumbing Insulation - Labor	31,330.00	12,587.00	10,589.00	0.00	0.00	23,176.00	73.97%	8,154.00	1,158.80
138	Plumbing Insulation - Material	17,700.00	9,568.00	4,238.00	0.00	0.00	13,806.00	78.00%	3,894.00	690.30
139	Facility Water Distribution - Labor	32,420.00	21,086.00	3,589.00	0.00	0.00	24,675.00	76.11%	7,745.00	1,233.75
140	Facility Water Distribution - Material	36,565.00	32,004.00	0.00	0.00	0.00	32,004.00	87.53%	4,561.00	1,600.20

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141	Facility Sanitary Sewage - Labor	92,260.00	76,121.00	0.00	0.00	0.00	76,121.00	82.51%	16,139.00	3,806.05
142	Facility Sanitary Sewage - Material	99,275.00	92,149.00	0.00	0.00	0.00	92,149.00	92.82%	7,126.00	4,607.45
143	Domestic Water Heaters - Labor	2,250.00	0.00	895.00	0.00	0.00	895.00	39.78%	1,355.00	44.75
144	Domestic Water Heaters - Material	15,000.00	0.00	15,000.00	0.00	0.00	15,000.00	100.00%	0.00	750.00
145	Plumbing Fixtures - Labor	14,630.00	2,850.00	0.00	0.00	0.00	2,850.00	19.48%	11,780.00	142.50
146	Plumbing Fixtures - Material	82,550.00	0.00	0.00	0.00	0.00	0.00	0.00%	82,550.00	0.00
147	HVAC Testing Adjusting & Balancing - Labor	8,900.00	0.00	0.00	0.00	0.00	0.00	0.00%	8,900.00	0.00
148	Facility Natural Gas Piping - Labor	6,700.00	1,851.00	3,529.00	0.00	0.00	5,380.00	80.30%	1,320.00	269.00
149	Facility Natural Gas Piping - Material	6,950.00	4,528.00	1,059.00	0.00	0.00	5,587.00	80.39%	1,363.00	279.35
150	HVAC Ducts & Casings - Labor	39,830.00	23,662.00	6,582.00	0.00	0.00	30,244.00	75.93%	9,586.00	1,512.20
151	HVAC Ducts & Casings - Material	87,525.00	62,183.00	4,589.00	0.00	0.00	66,772.00	76.29%	20,753.00	3,338.60
152	HVAC Fans - Labor	3,560.00	0.00	956.00	0.00	0.00	956.00	26.85%	2,604.00	47.80
153	HVAC Fans - Material	18,245.00	0.00	18,245.00	0.00	0.00	18,245.00	100.00%	0.00	912.25
154	Air Outlets & Inlets - Labor	14,300.00	5,708.00	3,248.00	0.00	0.00	8,956.00	62.63%	5,344.00	447.80
155	Air Outlets & Inlets - Material	19,350.00	15,892.00	0.00	0.00	0.00	15,892.00	82.13%	3,458.00	794.60
156	Gas Fired Unit Heaters - Labor	5,125.00	0.00	1,052.00	0.00	0.00	1,052.00	20.53%	4,073.00	52.60
157	Gas Fired Unit Heaters - Material	21,270.00	0.00	21,270.00	0.00	0.00	21,270.00	100.00%	0.00	1,063.50

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158	Packaged Outdoor HVAC Equipment - Labor	16,450.00		10,525.00	0.00	0.00	10,525.00	63.98%	5,925.00	526.25
159	Packaged Outdoor HVAC Equipment - Material	225,550.00	225,550.00		0.00	0.00	225,550.00	100.00%	0.00	11,277.50
160	Electrical Mobilization	35,000.00	35,000.00		0.00	0.00	35,000.00	100.00%	0.00	1,750.00
161	Electrical Demolition - Labor	15,000.00	12,550.00		0.00	0.00	12,550.00	83.67%	2,450.00	627.50
162	Electrical Demolition - Material	7,500.00	6,195.00		0.00	0.00	6,195.00	82.60%	1,305.00	309.75
163	Lighting Control - Labor	45,000.00	30,985.00	10,019.00		0.00	41,004.00	91.12%	3,996.00	2,050.20
164	Lighting Control - Labor	25,000.00	21,493.00	0.00	0.00	0.00	21,493.00	85.97%	3,507.00	1,074.65
165	Light Fixture - Labor	86,000.00	0.00	0.00	0.00	0.00	0.00	0.00%	86,000.00	0.00
166	Light Fixture - Material	231,000.00	0.00	157,893.00		0.00	157,893.00	68.35%	73,107.00	7,894.65
167	Mechanical Power - Labor	32,750.00	27,323.00	0.00	0.00	0.00	27,323.00	83.43%	5,427.00	1,366.15
168	Mechanical Power - Material	36,000.00	34,301.00	0.00	0.00	0.00	34,301.00	95.28%	1,699.00	1,715.05
169	Panels / Feeder - Labor	43,000.00	43,000.00	0.00	0.00	0.00	43,000.00	100.00%	0.00	2,150.00
170	Panels / Feeder - Material	122,000.00	122,000.00	0.00	0.00	0.00	122,000.00	100.00%	0.00	6,100.00
171	Branch Circuit Devices - Labor	65,000.00	40,695.00	8,952.00		0.00	49,647.00	76.38%	15,353.00	2,482.35
172	Branch Circuit Devices - Material	30,000.00	19,604.00	3,581.00		0.00	23,185.00	77.28%	6,815.00	1,159.25
173	Fire Alarm - Labor	23,000.00	8,524.00	10,259.00		0.00	18,783.00	81.67%	4,217.00	939.15
174	Fire Alarm - Material	17,000.00	12,589.00	0.00	0.00	0.00	12,589.00	74.05%	4,411.00	629.45
175	CO #1	64,147.40	64,147.40	0.00	0.00	0.00	64,147.40	100.00%	0.00	3,207.37
		0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
	<b>GRAND TOTAL</b>	<b>\$6,019,837.40</b>	<b>\$3,983,623.40</b>	<b>\$657,492.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,641,115.40</b>	<b>77.10%</b>	<b>\$1,378,722.00</b>	<b>\$232,055.77</b>

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

## Contractor's Licenses

August 5, 2024

### Blacktopping Contractor

Earth Wizards, Inc.

### General Contractor

Barr Construction, LLC.

### Mechanical Contractor

4Front Energy

Heating & Cooling Two, Inc.

Majestic Custom Construction, Inc.

Air Mechanical, Inc.

Liberty Comfort Systems

MN Plumbing Pro

### Plumbing Contractor

4Front Energy

Champion Plumbing, LLC.

M & M Plumbing

Your Home Improvement Co.

Air Mechanical, Inc.

Heating & Cooling Two, Inc.

MN Plumbing Pro

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

Sign Permit

August 5, 2024

Sign Permit

H & R Block

8183 University Ave



CITY OF SPRING LAKE PARK  
1301 81<sup>st</sup> Avenue N E  
Spring Lake Park, MN 55432  
763-784-6491

**Sign Permit Application**

DATE: 7/15/24  
NAME OF APPLICANT: Topline Advertising, Inc.  
ADDRESS OF APPLICANT: 16307 Aberdeen St NE, Ham Lake, MN 55304  
TELEPHONE NUMBER OF APPLICANT: 763-428-5067  
**NAME OF BUSINESS AND LOCATION** of building structure, or lot to which or upon which the sign is to be attached or erected H&R Block; 8183 University Ave NE

New Construction: \_\_\_\_\_ Remodel: X Word Change Only: \_\_\_\_\_

Attach a drawing or sketch showing the position of the sign in relation to the nearest building, structures, public streets, right-of-way and property lines. Said drawing to be prepared to scale.

Attach two (2) blueprints or ink drawings of the plans and specifications and method of construction or attachment to the building or in the ground, including all dimensions. Show location of all light sources, wattage, type and color of lights and details of light shields or shades.

Attach a copy of stress sheets and calculations showing the structure is designed for dead load and wind velocity in the amount required by this and all other Ordinances of the City, if requested by the Building Inspection Department.

Name of person, firm or corporation erecting the structure: Same As Applicant

Address: 16307 Aberdeen St NE, Ham Lake, MN 55304

Is an Electrical Permit required? \_\_\_\_\_

I, the undersigned applicant, do further make the following agreement with the City of Spring Lake Park Mn:

- 1) To authorize and direct the City of Spring Lake Park to remove and dispose of any signs and sign structures on which a Permit has been - issued but which was not renewed, if the owner does not remove the same within thirty (30) days following the expiration of the Permit.
- 2) To authorize and direct the City of Spring Lake Park to remove said sign and sign structure, at the expense of the applicant, where maintenance is not furnished, but only after a hearing and after notice of sixty (60) days, specifying the maintenance required by the City.
- 3) To provide any other additional information which may be required by the Building Inspection Department.

Katie Weber  
SIGNATURE OF APPLICANT

FOR OFFICE USE ONLY:\*\*\*\*\*

FEE: 287.50 RECEIPT NUMBER: \_\_\_\_\_

DATE OF APPROVAL: \_\_\_\_\_ DATE OF ISSUE: \_\_\_\_\_

REASON FOR DENIAL: \_\_\_\_\_

**ADDITIONAL REQUIREMENTS FOR SIGN PERMIT:**

SQUARE FOOTAGE OF FRONT OF BUILDING:

21,852 sq

SQUARE FOOTAGE OF ALL EXISTING SIGNS: (

2133 sq

SQUARE FOOTAGE OF PROPOSED SIGN OR SIGN

8' x 2' (pylon) = 16 sq + 90 sq (Building)

INCLUDE A DRAWING SHOWING LOCATION AND MESSAGE ON SIGN.

IF YOU ARE NOT THE OWNER OF THE PROPERTY, INCLUDE A SIGNED LETTER FROM THE OWNER GIVING PERMISSION TO ERECT THE SIGN.

NOTE: ALL APPLICATIONS ARE DUE BY NOON ON THE TUESDAY PRECEDING THE COUNCIL MEETING.

DRAWING:

see attached

Proposed  
90 sq

$$75 + 50(1.25) = \overset{6250}{\$137.50}$$
$$8' \times 2' \times 2 = \$75 \times 2 = \underline{\$150.00}$$
$$287.50$$

$$\begin{array}{r} 6556 - 30\% \\ 2133 - \text{Existing} \\ 106 - \text{Proposed} \\ \hline 4317 \text{ sq Remaining} \end{array}$$

EXISTING CONDITIONS



PROPOSED CONDITIONS



D/F PYLON ELEVATION  
SCALE: N.T.S.

FABRICATION SPECIFICATIONS

1	FACE	MATERIAL	WHITE POLYCARBONATE FACE
		VINYL COLOR	PER COLOR KEY
		VINYL APPLICATION	1ST SURFACE

NOTES

- MANUFACTURE & INSTALL (2) NEW POLYCARBONATE FACES FOR EXISTING D/F PYLON SIGN.

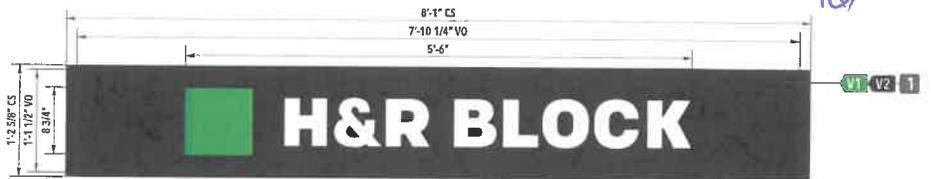
COLOR KEY

V1	VINYL	ARLON 2500 GREEN 2586
V2	VINYL	3M BLACK VINYL

NOTE: THE COLORS REFLECTED ON THIS RENDERING REPRESENT COLOR INTENT ONLY AND MAY NOT MATCH ACTUAL COLORS ON FINISHED PRODUCT. PLEASE REFER TO COLOR CALL-OUTS AND SPECIFIED VENDOR SAMPLES FOR APPROVED COLOR SPECIFICATIONS.



SIMULATED NIGHT VIEW (H&R BLOCK PANEL ONLY)  
SCALE: N.T.S.



8' x 2 = 16'

2 REPLACE EXISTING TENANT PANELS  
SCALE: 1" = 1'-0"

It is the intent and purpose of this color rendering to provide a basic color representation of your sign finish and color. However, digital media and printed colors will vary from actual paint finish and color. Existing painted surfaces will have a perceptible difference in shade and sheen from your sign finish. Providing a sample of the paint you wish to match or a Matthews paint color formula will minimize the differences.

image national signs  
...bringing your image to light!  
14205 Star Rd., Nampa, ID 83687 • Toll Free: 800.552.8056 • Fax: 208.745.4121  
imagenational.com

MINIMUM PLANT -  
#1 #432195-001  
U.S. & P.R. - All signs conform to UL447011  
Materials: according to UL must comply with UL-161, UL-162  
Installation: all signs must be CAD compliant. The signs will be installed in accordance with requirements of article 602 of the National Electrical Code and/or applicable local codes. This includes proper grounding and bonding of the sign.

Client: H & R BLOCK  
Site: Site #22657  
8183 University Ave. NE  
Spring Lake Park, MN 55432

Date: 3/26/24  
Designer: SO  
Engineer: XX  
Account Manager: RKP

File: HRB-22657-Spring Lake Park, MN  
Page No. 4 of 7



**EXISTING CONDITIONS**

**PROPOSED CONDITIONS**



**GENERAL NOTES**

NEW CHANNEL LETTERS INSTALLED TO FRONT ELEVATION

**CITY CODE & ALLOWANCES**

NTE 30% OF FRONT OF THE BUILDING  
29'-1" X 18'-8" X 30% 164.1 SF MAX ALLOWED

**FRONT ELEVATION**

SCALE: 3/16" = 1'-0"

EXISTING SQ. FT.:

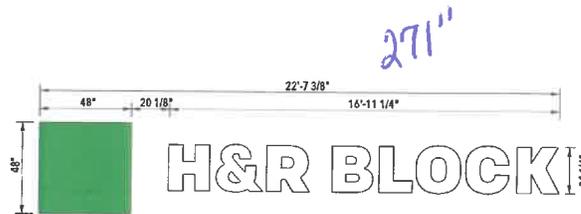
ALLOWED SQ. FT.: 164.1

PROPOSED SQ. FT.: 90.5



**SIMULATED NIGHT VIEW**

SCALE: N.T.S.



**1 ILLUMINATED CHANNEL LETTERS - REMOTE**  
SCALE: 1/4" = 1'-0"

90.5 SQ. FT.

It is the intent and purpose of this color rendering to provide a basic color representation of your sign finish and color. However, digital media and printed colors will vary from actual paint finish and color. Existing painted surfaces will have a perceptible difference in shade and sheen from your sign finish. Providing a sample of the paint you wish to match on a Matthews paint color formula will minimize the difference.

image national signs **in**  
...bringing your image to light!  
16245 Star Rd., Nampa, ID 83687 • toll free: 800.592.8958 • tel: 208.335.4020  
imagenational.com

**UL LISTED**  
NANPA PLANT -  
UL # 433195-001  
U.S. & CAN. - All signs conform to UL 482/181  
listing requirements & meet comply with UL-119  
listing procedures. Canada - all signs meet the CEC  
requirements. This sign is intended to be installed in  
accordance with requirements of article 606 of the  
National Electrical Code and/or applicable local  
codes. This includes proper grounding and bonding  
of the sign.

**Client:** H & R BLOCK  
**Site:** Site #22657  
8183 University Ave. NE  
Spring Lake Park, MN 55432

**Date:** 3/26/24  
**Designer:** SO  
**Engineer:** XX  
**Account Manager:** RKP

**File:** HRB-22657-Spring Lake Park, MN  
**H&R BLOCK**

**Page No.**  
3 of 7

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# GATOR

I N V E S T M E N T S

Via Certified Mail

Via Email: [Madeleine.Pare@cushwake.com](mailto:Madeleine.Pare@cushwake.com); [Tom.Martin@cushwake.com](mailto:Tom.Martin@cushwake.com)

June 13<sup>th</sup>, 2024

Attn: H&R Block Dept ID #22657  
H&R Block Enterprises, LLC  
c/o Cushman & Wakefield  
575 Maryville Centre Drive, Suite 600  
St. Louis, MO 63141

RE: STOREFRONT SIGNAGE APPROVAL – H&R BLOCK  
UNIVERSITY IV SHOPPING CENTER – 8183 UNIVERSITY AVE. NE, SPRING LAKE PARK, MN 55432

Dear Ms. Pare & Mr. Tom,

This letter shall serve as the Landlord's written approval and authorization for Imagine National Signs to install an individually illuminated channel letter sign per Schedule G & Schedule G-1 of the lease dated April 29<sup>th</sup>, 2024, and the attached drawing under the following terms and conditions:

This approval is granted under the condition that Imagine National Signs will obtain the appropriate permits and approvals required by the local governing authority prior to installation at Tenant's sole expense, the signage is centered over the Tenant's storefront, does not interfere with any other tenant's signage or storefront and/or does not exceed 75% of the width of referenced Tenant's storefront area.

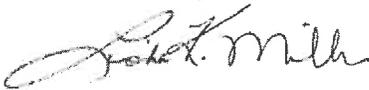
Additionally, Tenant has been granted the right to replace one (1) panel sign face on both sides of the pylon, see attached.

The tax folio number for University IV Shopping Center is 45-4299073 and the ownership entity for the property is Gator University, LLLP. Attached is the legal description.

In addition, Tenant's signage must be continuously maintained in good condition at Tenant's cost and expense. Should the sign become faded or cracked, Tenant shall repair or replace immediately. Should Tenant fail to do so, the Landlord shall have the right to repair Tenant's sign which shall be at Tenant's expense and shall be considered additional rent under the Lease. The cost of repairs or any damage occurring while the signage is being installed will be Tenant's responsibility.

If you have any questions, please contact the management team via email at [assetadmin@gatorinv.com](mailto:assetadmin@gatorinv.com)

Sincerely,



Lisha Miller  
SR. VP  
Gator University, LLLP

Enclosure

CC: LM, AM, LM and Tenant File

STATE OF FLORIDA  
COUNTY OF MIAMI DADE

On this 24 day of June, 2024 before me, the undersigned officer, personally appeared Lisha Miller known to me (or satisfactorily proven) to be the person(s) whose name is subscribed to the within instrument and acknowledgement that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires : March 28<sup>th</sup> 2027

Tel: 305.949.9049  
Fax: 305.948.6478  
7850 NW 146<sup>th</sup> Street, 4<sup>th</sup> Floor  
Miami lakes, FL 33016  
[www.gatorinvestments.com](http://www.gatorinvestments.com)



Rene J. Pimentel  
Comm.: HH 362178  
Expires: March 28, 2027  
Notary Public - State of Florida

**City of Spring Lake Park  
1301 81<sup>st</sup> Avenue NE  
Spring Lake Park MN 55432**

**Kennel License  
August 5, 2024**

**Ria Morgan  
342 81<sup>st</sup> Avenue NE  
Spring Lake Park MN 55432**



# Memorandum

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To: Mayor Nelson and Members of the City Council

Cc: Dan Buchholtz, City Administrator

From: George Linngren, Public Works Director

Date: August 1, 2024

Subject: July 2024 Public Works Report

I would like to provide a summary of our work activities for the month of July.

1. **Seal Coat Area:**

The seal coating has been finished and the rock has been swept up and a request for final payment has been submitted.

2. **Acknowledgements:**

- I want to extend my thanks to Cory and Olivia for painting the street cross walks and blocking. They have been busy trying to get it all done and it is looking great.

3. **Sewer Line Jetting:**

- We are coming to the end of jetting the city sewer lines. We should be finished next week. Ken and Grant have pushed through and are doing a great job to make sure our residents are protected from backups.

4. **Gas Main Repairs on Sanburnol:**

- The gas company is working on replacing a couple sections of main that were not replaced before they put down the first lifts of pavement. Once that is complete they should be able to do the final lift and move onto 83<sup>rd</sup>. Ave between University and Terrace for that mill and overlay project.

5. **Sanburnol Construction:**

- The contractor has 2 lifts of asphalt down and the road is open for driving even with the gas main work going on. Hopefully they should have the project wrapped up in the next few weeks depending on weather.

**6. New truck and one ton:**

- We received our new pick up truck and one-ton truck that was ordered last year. We have the chassis for the one ton out getting the box put on it now and hope to have it back by the end of August.
- The loader has been ordered and hoping to have that here sometime in October.

**7. Parks Maintenance:**

- Softball and the tournaments are in full swing and we have been busy prepping for those. As they happen. Steve, Brett, Ben and our seasonal staff have done a great job making it look great.
- We have finished up the new playground installation at Able park and are just finishing up with the final inspection before opening it up to the public.

**8. Meetings and Community Engagement:**

- I attended one council meeting and participated in weekly construction meetings for city hall.
- I attended the quarterly SRA meeting.
- I attended some training for our new GIS program
- I attended the Coon Creek Watershed District meeting

**9. Coon Creek Water Shed Grant:**

- I am working on submitting a grant with the Coon Creek Watershed District (CCWD) for a new street sweeper. There are a couple of different grants available, all due by the end of August. If we receive both grants, we will be able to purchase a sweeper, which will enable us to do more in-house sweeping to help keep the water clean. The total amount we would receive is approximately \$315,000.

**10. Pond Work at Hayes**

- The pond work at Hayes is ongoing. Next week, they will begin pumping down the pond, installing more pipe, and hauling out the muck as it dries out. We are aiming to have the work completed by mid-August.

This concludes my report for the month of July. I am available to answer any questions.



**City of Spring Lake Park**  
**Code Enforcement Division**  
1301 Eighty First Avenue Northeast  
Spring Lake Park, Minnesota 55432  
**(763) 783-6491 Fax: (763) 792-7257**

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## REPORT

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**TO:** Spring Lake Park City Council  
**FROM:** Jeff Baker, Code Enforcement Director  
**RE:** Code Enforcement Monthly Report for July 2024  
**DATE:** July 31, 2024

---

Permits for July, had a total of 21 building, 0 certificate of occupancy, 0 fire suppression, 6 Zoning, 17 mechanical and 3 plumbing for a total of 47 permits issued compared to a total of 46 in 2023. Code Enforcement conducted 183 inspections in the month of July including 38 building, 26 housing, 30 fire and 89 nuisances.

A total of 22 Administrative Citations were issued

The City of Spring Lake Park is working with Rum River Consultants to transfer the responsibility of reviewing commercial plumbing plans from the Minnesota Department of Labor and Industry to Rum River Consultants. This change will significantly reduce the wait time for SLP contractors and commercial property owners to get their plans reviewed, making the construction process smoother for everyone. Stay tuned for more updates on this transition.

### **RESIDENTS:**

We have observed a significant increase in the number of solar photovoltaic permits being issued in our community. While we strongly support the shift towards renewable energy, it is crucial for you to conduct thorough research before entering into any contracts with solar installation companies.

It has come to our attention that some companies are engaging in door-to-door sales tactics. Please be aware that neither the Code Enforcement department nor the City administration has issued any peddlers licenses for door-to-door sales of solar systems. If a company approaches you at your door, we urge you to be cautious and verify their legitimacy.

Here are some steps you can take to protect yourself:

1. **Verify Licensing:** Ensure that the company holds the necessary licenses and permits to operate in Spring Lake Park.
2. **Check References and Reviews:** Look for reviews and request references from previous customers to assess the company's reliability.

3. **Consult with the City:** Contact the Code Enforcement office to verify any permits or licenses.
4. **Report Suspicious Activity:** If you encounter any door-to-door sales without a peddler's license, please report it to the city immediately.

We are committed to ensuring that all solar installations in our city are safe, compliant, and beneficial to our residents. If you have any questions or need further assistance, please do not hesitate to contact us.

In July of 2024, I also attended the following appointments:

- City Hall Construction Meeting Every Tuesday Morning.
- City Council Meeting July 1<sup>st</sup>.
- Budget Review July 2<sup>nd</sup>.
- UKG Meeting July 15<sup>th</sup>.
- Plumbing Plan Review Meeting July 22<sup>nd</sup>.

This concludes the Code Enforcement Department monthly report for July 2024. If anyone has any questions or concerns regarding my report, I would be happy to answer them at this time.



# Memorandum

---

**To:** Mayor and City Council  
**From:** Kay Okey, Parks & Recreation Director  
**Date:** July 31, 2024  
**Subject:** Terrace Park Playground Replacement Project – CDBG Grant

Bids were opened for the Project stated above on July 25, 2024. Transmitted herewith is a copy of the Bid tabulation for your information and file.

Project received seven (7) bids. Eleven (11) invitations were sent to certified playground companies. Project required bids due to funding, in part, with Federal Community Development Block Grant funds.

Staff recently received information that this project could be purchased from the state contract and competitive bidding was not required. Given that information, staff recommends rejecting all bids and allowing staff to pursue a contract with a state vendor.

Thank you for your consideration.

BID TABULATION-TERRACE PARK PLAYGROUND REPLACEMENT

Bid Opening: July 25, 2024 1:00pm

Terrace Park Playground Project	MWP Recreation #1	MWP Recreation #2	Northland Recreation	St. Croix Recreation	Flagship Recreation	Midwest Playscapes #1	Midwest Playscapes#2
	<a href="mailto:harlan@mwprecreation.com">harlan@mwprecreation.com</a>	<a href="mailto:harlan@mwprecreation.co">harlan@mwprecreation.co</a>	<a href="mailto:briana@norhtlandrec.com">briana@norhtlandrec.com</a>	<a href="mailto:mb@stcroixrec.com">mb@stcroixrec.com</a>	<a href="mailto:brett@flagshipplay.com">brett@flagshipplay.com</a>	<a href="mailto:dom@midwestplayscapes.com">dom@midwestplayscapes.com</a>	<a href="mailto:dom@midwestplayscapes.com">dom@midwestplayscapes.com</a>
Signature page	x	x	x	x	x	x	x
Compliance w/ Federal Labor Standards	x	x	x	x	x	x	x
Ages 5-12 Play Structure pg 19	\$ 69,944.99	\$ 123,232.99	\$ 86,342.55	\$ 195,024.00	\$ 134,491.83	\$ 214,240.00	\$ 213,802.00
Free standing amenities	\$ 26,705.54	\$ 57,580.37	\$ 10,949.40	\$ 33,478.00	\$ 29,213.02	\$ 26,114.00	\$ 13,484.00
Swing Bay with belted seat and adaptive seat	\$ 5,454.50	\$ 5,454.91	\$ 3,478.72	\$ 7,937.00	\$ 11,651.92	\$ 5,313.00	\$ 5,313.00
Entrance Ramp Option 1: Half Ramp	\$ 665.00	\$ 665.00	\$ 481.25	\$ 2,600.00	\$ 1,021.20	\$ 1,955.00	\$ 1,955.00
Entrance Ramp Option 2: Poured in Place		\$ 6,116.00	\$ 784.00	\$ 3,865.00		\$ 6,116.00	\$ 6,116.00
Surfacing		\$ 18,750.00	\$ 43,206.25	\$ 37,260.00	\$ 48,026.60	\$ 20,590.00	\$ 22,257.00
Engineered wood Fiber	\$ 8,849.79	\$ 8,854.17	\$ 8,093.75	\$ 10,296.00	\$ 7,504.40	\$ 4,430.00	\$ 4,430.00
Filter Fabric	\$ 4,211.56	\$ 4,211.56	\$ 1,500.00	\$ 3,920.00	\$ 1,659.00	\$ 500.00	\$ 500.00
Alternate 1: Replace existing border	\$ 25,270.00	\$ 25,270.00		\$ 22,952.00	\$ 16,574.36	\$ 17,712.00	\$ 17,712.00
Alternate 2: Fence	\$ 22,870.00	\$ 22,870.00	\$ 12,850.00	\$ 30,032.00	\$ 26,415.38	\$ 23,870.00	\$ 23,870.00
Alternate 3: PIP entire area.	\$ 110,320.00	\$ 110,320.00	\$ 149,563.13	\$ 167,500.00	\$ 134,087.43	\$ 134,172.00	\$ 134,172.00

**CITY OF SPRING LAKE PARK, MINNESOTA**

**RESOLUTION NO. 2024-47**

**RESOLUTION REJECTING BIDS FOR THE TERRACE PARK PLAYGROUND PROJECT**

**WHEREAS**, the City of Spring Lake Park is committed to improving and maintaining public spaces for the benefit and enjoyment of its residents; and

**WHEREAS**, the Terrace Park Playground Project was identified as a priority due to the age and condition of the existing playground equipment; and

**WHEREAS**, the City received Community Development Block Grant Funding from Anoka County for the project; and

**WHEREAS**, the City solicited bids for the Terrace Park Playground Project and received bids from multiple vendors, as tabulated on July 25, 2024; and

**WHEREAS**, after bids had been solicited, staff learned that the City could utilize the State of Minnesota Cooperative Purchasing Venture contracts to comply with the federal competitive bidding requirements; and

**WHEREAS**, the City Council has determined it is in the best interest of the City to reject all bids due to this new information that allows the City to utilize the State of Minnesota Cooperative Purchasing Venture.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Spring Lake Park:

1. All bids received for the Terrace Park Playground Project, as opened and tabulated on July 25, 2024, are hereby rejected.
2. The Administrator, Clerk/Treasurer is directed to notify all bidders of the rejection of bids.
3. The City Council authorizes staff to work with a vendor on the State of Minnesota Cooperative Purchasing Venture to obtain bids for the Terrace Park Playground 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 5th day of August 2024.

APPROVED BY:

---

Robert Nelson, Mayor

ATTEST:

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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 31, 2024

**Subject:** Change Order to 83<sup>rd</sup> Avenue Project

At the May 6 work session, the City Council authorized staff to obtain a quote to restore the boulevard on 83<sup>rd</sup> Avenue, east of University Avenue, as an infiltration swale with low maintenance turf materials.

The quote includes the removal of bituminous, grading/shaping the boulevard, placing 4 inches of topsoil and seeding with wood fiber blanket. The total estimate from North Valley Inc, who is the contractor for the street project, was \$18,648.00. City Engineer Gravel found this quote to be reasonable. Funding for the project would come from the Revolving Construction Fund.

Staff recommends approval of the change order. If you have any questions, please do not hesitate to contact me at 763-784-6491.

County	PID #	Address	Deed Year	Covenant Text
Anoka	01-30-24-31-0023	7916 Central Ave NE	1950	It is hereby agreed and understood that the premises herein shall not be occupied by any person not of the Caucasian race, except for casual domestic servants.
Anoka	01-30-24-31-0034	1110 80th Ave NE	1949	It is hereby agreed and understood that the premises herein shall not be occupied by any person not of the Caucasian race, except for casual domestic servants.
Anoka	01-30-24-31-0032	1130 80th Ave NE	1949	It is hereby agreed and understood that the premises herein shall not be occupied by any person not of the Caucasian race, except for casual domestic servants.
Anoka	01-30-24-11-0028	8300 Westwood Rd NE	1939	and no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Anoka	01-30-24-11-0030	8324 Westwood Rd NE	1939	and no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Anoka	01-30-24-11-0029	8316 Westwood Rd NE	1939	and no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Anoka	01-30-24-11-0027	1595 83rd Ave NE	1939	and no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Anoka	01-30-24-31-0019	1121 80th Ave NE	1948	It is hereby agreed and understood that the premises herein shall not be occupied by any person not of the Caucasian race, except for casual domestic servants.
Anoka	02-30-24-12-0037	533 Lund Ave NE	1967	Subject to building and racial restrictions of record, if any.
Anoka	02-30-24-12-0094	557 84th Ave NE	1964	Subject to building and racial restrictions of record, if any.
Anoka	02-30-24-12-0097	533 84th Ave NE	1961	Subject to building and racial restrictions of record, if any.
Anoka	02-30-24-12-0096	541 84th Ave NE	1961	Subject to building and racial restrictions of record, if any.
Anoka	01-30-24-31-0022	1240 80th Ave NE	1949	It is understood and agreed that the premises herein shall not be occupied by any person not of the Caucasian race, except for casual domestic servants.
Anoka	01-30-24-31-0013	1237 80th Ave NE	1949	Subject to the following restriction: That said premises shall not be sold to any person or persons not of the Caucasian race.
Anoka	02-30-24-12-0095	549 84th Ave NE	1960	Subject to building and racial restrictions of record, if any.
Anoka	01-30-24-11-0006	1660 85th Ave NE	1939	and no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.

County	PID #	Address	Deed Year	Covenant Text
Anoka	01-30-24-11-0008	1664 85th Ave NE	1939	and no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Anoka	01-30-24-11-0007	1652 85th Ave NE	1939	and no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Anoka	01-30-24-31-0069	1270 80th Ave NE	1949	It is understood and agreed that the premises herein shall not be occupied by any person not of the Caucasian race, except for casual domestic servants.
Anoka	01-30-24-31-0070	1290 80th Ave NE	1949	It is understood and agreed that the premises herein shall not be occupied by any person not of the Caucasian race, except for casual domestic servants.
Ramsey	63023320033	7915 Pleasant View Dr	1940	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320002	8019 Spring Lake Rd NE	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023310036	1880 Highway 10 NE	1943	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320012	7934 Spring Lake Park Rd	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320008	7941 Spring Lake Park Rd	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320021	1790 Highway 10	1942	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320040	0 Highway 10 <i>attached to 1810 County Road 10</i>	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320007	7961 Spring Lake Park Rd	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320029	7939 Pleasant View Dr	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320015	7970 Spring Lake Park Rd	1940	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320009	7931 Spring Lake Park Rd	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320017	8000 Spring Lake Park Rd	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320013	7940 Spring Lake Park Rd	1940	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.

County	PID #	Address	Deed Year	Covenant Text
Ramsey	63023320036	1755 Hillview Rd NE	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320016	7990 Spring Lake Park Rd	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320032	7919 Pleasant View Dr	1940	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320039	1791 Hillview Rd NE	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320001	1810 Highway 10 NE	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320025	8061 Pleasant View Dr	1942	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320031	7925 Pleasant View Dr	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320011	7930 Spring Lake Rd NE	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320035	7901 Pleasant View Dr NE	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320014	7964 Spring Lake Rd NE	1940	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320043	8054 Spring Lake Rd NE	1942	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320022	1780 Highway 10	1942	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320030	7929 Pleasant View Dr	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320010	7925 Spring Lake Rd NE	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320041	7991 Spring Lake Park Rd	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320034	7913 Pleasant View Dr	1940	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320037	1767 Hillview Rd NE	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.

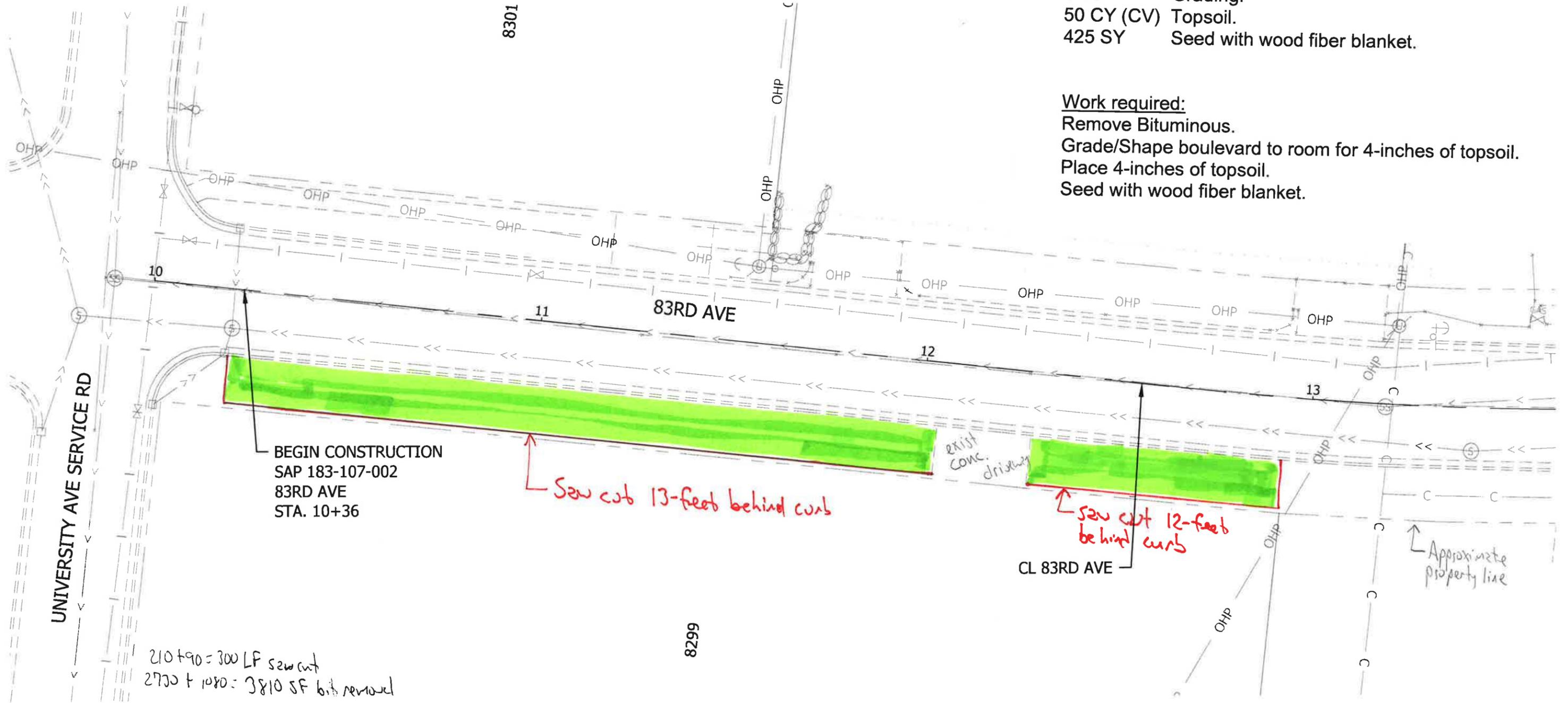
County	PID #	Address	Deed Year	Covenant Text
Ramsey	63023320038	1769 Hillview Rd NE	1946	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320005	7981 Spring Lake Park Rd	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.
Ramsey	63023320006	7971 Spring Lake Park Rd	1941	no person or persons other than of the Caucasian race shall be permitted to occupy said premises or any part thereof.

Quantities:

- 300 LF Saw Cut Bituminous.
- 3,810 SF Remove Bituminous.
- 1 LS Grading.
- 50 CY (CV) Topsoil.
- 425 SY Seed with wood fiber blanket.

Work required:

- Remove Bituminous.
- Grade/Shape boulevard to room for 4-inches of topsoil.
- Place 4-inches of topsoil.
- Seed with wood fiber blanket.



INPLACE TOPOGRAPHY & UTILITIES

~~REMOVALS~~

± 25 feet

July 2024  
Spring Lake Park  
83rd Avenue green boulevard concept.



**Contact:** STEWART PACKER  
**Phone:** 763-274-2580  
**Fax:** 763-274-2584

**Quote To:** SPRING LAKE PARK  
PHIL GRAVEL

**Job Name:** 83RD BLVD RESTORATION PRJ  
**Date of Plans:** 7/10/24

**Phone:**  
**Fax:**

**Revision Date:**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
10	MOBILIZATION	1.00	LS	992.62	992.62
20	SAW CUT BITUMINOUS	300.00	LF	5.20	1,560.00
30	REMOVE BITUMINOUS	3,810.00	SF	1.79	6,819.90
40	GRADING	1.00	LS	3,231.34	3,231.34
50	TOPSOIL	50.00	CY	76.10	3,805.00
60	SEED WITH BLANKET	425.00	SY	5.27	2,239.75

**GRAND TOTAL**

**\$18,648.61**

**NOTES:**

BOND IS INCLUDED, CANNOT DEDUCT FOR ONE

NO TRAFFIC CONTROL

PRICE INCLUDES TAX

RETAINAGE HELD PER OWNERS SPECIFICATIONS

THIS QUOTE IS PER THE AGC STANDARD SUB-CONTRACT AGREEMENT FOR HIGHWAY/HEAVY-INDUSTRIAL DIVISION (1956 EDITION, REVISED 1966, REVISED 1980 AND RIDER 1986 REVISION)

UPON REQUEST, NORTH VALLEY, INC. SHALL BE PROVIDED WITH THE LEGAL DESCRIPTION OF THE PROPERTY, THE NAME AND ADDRESS OF THE OWNER.

NORTH VALLEY, INC. SHALL NOT BE OBLIGATED TO COMMENCE OR CONTINUE SUBCONTRACT WORK UNLESS ADEQUATE ASSURANCE OF PAYMENT IS RECEIVED.

QUOTE MAY BE WITHDRAWN IN TEN DAYS.

RESPONSIBLE CONTRACTOR DOCUMENTATION AVAILABLE UPON REQUEST.

## 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 May 6, 2024 at the Able Park Building, 8200 Able Street NE, Spring Lake Park, at 5:30 PM.

### 1. CALL TO ORDER

#### MEMBERS PRESENT

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

#### MEMBERS ABSENT

Councilmember April Moran

#### STAFF PRESENT

Administrator Daniel Buchholtz

### 2. DISCUSSION ITEMS

#### A. Discuss Assessor Proposals (Buchholtz)

Administrator Buchholtz stated that the City received three proposals from its RFP solicitation for assessor services. He stated that the proposals are:

Erik Skogquist/Mary Wells	\$39,134.60
Anoka County	\$39,428.00
City of Fridley	\$55,000.00

He stated the current contract with outgoing Assessor Ken Tolzmann is \$36,340.00. He recommended interviewing Skogquist/Wells and Anoka County.

CONSENSUS of the City Council was to schedule interviews with Skogquist/Wells and Anoka County during a work session to start at 5:00pm on Monday, June 3, 2024 at Able Park Building.

#### B. Adopting Streets in Spring Lake Park (Moran)

Discussion on item was postponed due to Councilmember Moran's absence.

#### C. 83rd Avenue Boulevard Restoration (Buchholtz)

Administrator Buchholtz provided a history of the 83<sup>rd</sup> Avenue boulevard, east of the intersection of 83<sup>rd</sup> Avenue and University Avenue Service Road. He said the property owner

paved the boulevard without permission from the City. He stated that with the 83<sup>rd</sup> Avenue Street Improvement Project, this would be an ideal time to restore the boulevard.

Councilmembers discussed the history of the boulevard and specifics of the plan, including boulevard design, cost allocation, and maintenance.

CONSENSUS of the City Council was to authorize the Administrator, Clerk/Treasurer to obtain a quote to restore the boulevard as a infiltration swale with low maintenance turf materials and explore a potential funding partnership with Coon Creek Watershed District.

### **3. REPORT**

#### A. City Council/Staff Reports

Mayor Nelson provided an overview of the open house he attended where the future of Mercy Hospital-Unity Campus services were discussed. He expressed his significant concern about the future of Mercy Hospital-Unity Campus as a community hospital, noting Allina's intention to downgrade the ICU to a special care unit at the Unity campus, reducing in-patient pediatric beds at Mercy Hospital, and closing the Operating Room at the Unity campus. He expressed his desire to explore the reformation of the North Suburban Hospital District to advocate for the preservation of service at Mercy Hospital Unity Campus. City Council discussion ensued. There was no action taken.

### **4. ADJOURN**

Mayor Nelson declared the meeting adjourned at 6:41pm.

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Robert Nelson, Mayor

Attest:

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Daniel R. Buchholtz, Administrator, Clerk/Treasurer



City of Spring Lake Park  
Engineer's Project Status Report

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To: Council Members and Staff  
From: Phil Gravel

Re: **Status Report for 08.05.24 Meeting**  
File No.: R-18GEN

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**Note:** Updated information is shown in *italics*.

**2024 MS4 Permit and SWPPP Update (193801776 Task 450).** Pond, structural BMP, and outfall inspections are due by July 31<sup>st</sup>. 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 (MPCA is not requiring a report in 2024). Per 5-15-23 message: MPCA has put their requested review/audit of the city's 2022 information on hold until further notice. *We are preparing an outline of the MS4 requirements for 2024.*

**2023-2024 Sewer Lining Project (193805871).** This project included lining the remaining sanitary sewers in the city that had not been previously lined (approximately 35,800-feet). The Contractor is/was Visu-Sewer Inc. *Final contractor's payment was processed on 7/15/24.*

**City Hall Building (193806049).** Design started in January 2023. City Council updated at workshops (including Sept. 11, 2023). Public Open House was held on May 8<sup>th</sup>. Plans were approved by Council on October 16, 2023. Bids were opened on November 20, 2023. Contract was awarded on February 5, 2024. *Construction is on or ahead of schedule.*

**2024 Sanburnol Drive NE, Elm Drive NE, and 83<sup>rd</sup> Avenue NE (193806347).** Sanburnol Drive (AKA 85<sup>th</sup> Ave. NE) is a shared road between Spring Lake Park and Blaine. Spring Lake Park is the lead agency on this project, but it is a cooperative project between Blaine and Spring Lake Park.

*Construction on Sanburnol and Elm started on June 10th. Paving of the first two lifts of bituminous has been completed. CenterPoint Energy will be replacing a gas main on the south side of Sanburnol in August.*

*Work on 83<sup>rd</sup> Avenue is tentatively scheduled for late August.*

**2024 Seal Coat and Crack Repair Project (193806748).** Project included maintenance on the streets in the area north of 81<sup>st</sup> Avenue and west of Terrace Street. *Final Contractor payment can be processed (see separate letter).*

**Geographic Information System (GIS) and Mapping (193806747).** Staff developed a process for implementing an online ArcGIS system to maintain public works documents and mapping of infrastructure. The system is now active. *Training continues as requested. System updates can be completed later this summer if any issues are identified.*

Please contact Phil Carlson, Bruce Paulson, Jeff Preston, Zach Naslund, or me if you have questions or require additional information.

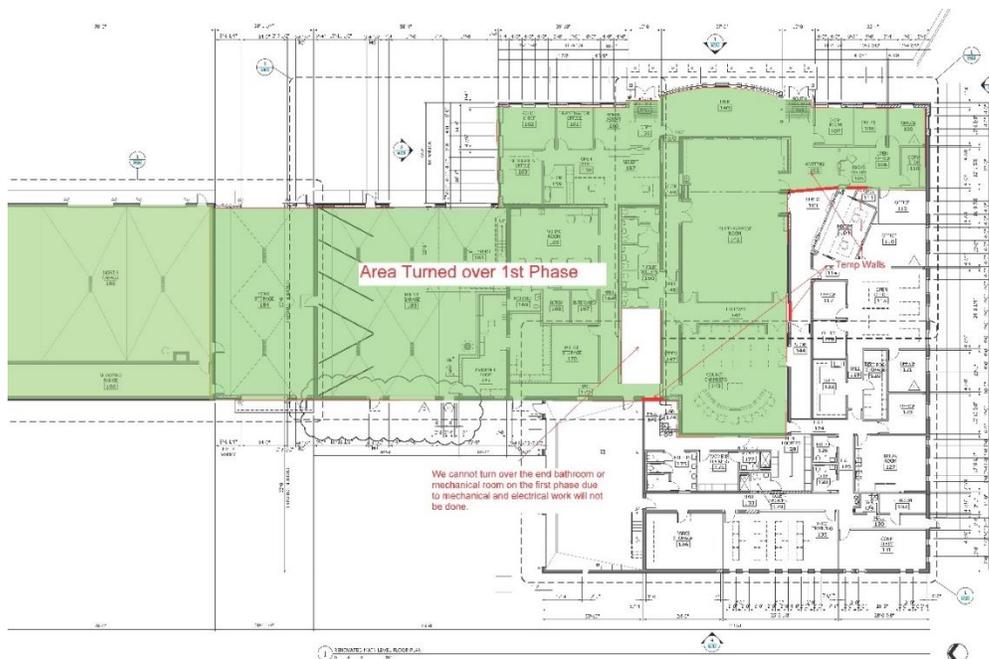


# Memorandum

**To:** Mayor Nelson and Members of the City Council  
**From:** Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer  
**Date:** August 1, 2024  
**Subject:** City Hall Renovation Update

Staff wanted to provide the City Council with a brief renovation update.

- All of the rooftop units (RTU's) are set with the exception of 1 unit, which will be installed as part of Phase 2.
- The roof, with the exception of a small portion, has been completed. That small portion, presumably where the remaining rooftop unit is to be set, will be completed in Phase 2.
- Work has begun to fully enclose the building. The windows for the Link are being installed. The entrance frames have been installed. The windows in the new addition have been installed.
- The first lift of asphalt has been laid in the front of the building. The wear course will be installed as soon as the masonry work is complete.
- The first phase turnover has been pushed back to the end of September due to a combination of factors including weather delays and supply chain issues. Phase 1 is shown in green.



- Stantec has designed the concrete pad for the new generator. The contractor will be pouring that pad in the near future. When it is poured, we will have the new generator delivered.
- We are still waiting on Xcel Energy to provide a new electrical transformer outside the building that is part of the project. Until we receive the transformer, we will not be able to operate the rooftop units.

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

# **CORRESPONDENCE**





# Board of Peace Officer Standards and Training

1600 University Avenue, Suite 200, Saint Paul, MN 55104

Main: (651) 643-3060 | [www.mn.gov/post/](http://www.mn.gov/post/)

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July 17, 2024

Daniel Buchholtz, C.A.  
1301 81<sup>st</sup> Ave NE  
Spring Lake Park MN 55432

Dear Mr. Buchholtz,

The Minnesota Board of Peace Officer Standards and Training (POST Board) is the occupational regulatory agency charged with the vital responsibility of maintaining selection, education and licensing standards for over 400 Minnesota law enforcement agencies that employ over 10,500 peace officers across our state.

While the POST Board performs many functions, a significant portion of its responsibility is dedicated to conducting "compliance reviews" of Minnesota law enforcement agencies to ensure they are meeting legislatively mandated training and department policies on Use of Force/Firearms training, Emergency Vehicle Operation and Pursuit Driving training; and mandated departmental policies.

On 07/16/2024, a POST Board Standards Coordinator conducted a review at the Spring Lake Park PD. After a comprehensive review of their records concerning mandated employee training and department policies, I am pleased to inform you that your police department passed the review.

Ensuring all law enforcement agencies around the state are in compliance plays a pivotal role in maintaining the high level of professionalism we have enjoyed in Minnesota for many years and that professionalism translates into quality law enforcement services for the citizens of Minnesota.

Please take a moment to recognize your police department for this important accomplishment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Erik Misselt'.

Erik Misselt  
Executive Director



July 29, 2024

Emmanuel Christian Center  
c/o Becca Hansen  
7777 University Ave NE,  
Spring Lake Park, MN 55432

Dear Becca,

I hope this letter finds you well. I am writing to express my heartfelt gratitude to you and your congregation for your incredible service to our city during your recent service day. Your dedication and hard work in cleaning up our parks, removing litter and debris, and scraping and painting the Lakeside Lions Park gazebo have made a significant and positive impact on our community.

The efforts of your volunteers have not gone unnoticed. Thanks to your commitment, our parks are now cleaner, safer, and more enjoyable for everyone. The freshly painted gazebo at Lakeside Lions Park stands as a beautiful testament to your generosity and community spirit. It is through acts of kindness like yours that we build stronger, more connected neighborhoods.

Sincerely,

Kay Okey  
Parks and Recreation Director  
Spring Lake Park, MN