



City of Blaine

City Council Workshop

June 3, 2024 | 5:30 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

AGENDA

NOTICE OF WORKSHOP MEETING

In accordance with the provisions of Section 3.01 of the Blaine City Charter, a Council Workshop meeting is scheduled for the following purpose:

- 1. Call to Order**
- 2. Roll Call**
- 3. New Business**
 - 3.1.** 2024-51 9550 Central Ave NE Concept Plan and Zoning Review
Sponsors: Erik Thorvig, Community Development Director
 - 3.2.** 2024-200 Trunk Highway 65 Update
Sponsors: Daniel Schluender, Director of Engineering
 - 3.3.** 2024-189 Preliminary Financial Report
Sponsors: Jason Zimmerman, Finance Director
- 4. Other Business**
- 5. Adjournment**



City of Blaine Staff Report

File Number: 2024-51

Agenda Date	Status
June 3, 2024	
In Control	File Type
City Council	Workshop Item

New Business - Erik Thorvig, Community Development Director

Agenda Item # 3.1

9550 Central Ave NE Concept Plan and Zoning Review

Background

The 2.6 acre property is located at 9550 Central Avenue and owned and operated by Matt's Homes, a manufactured home dealer. The property has long been used as a sales lot selling manufactured homes that are then transported to home sites. In recent years, there has been little inventory kept on site. The property is zoned Manufactured Home Park (R-4) which allows for manufactured homes and manufactured home sales offices/lots. Under the current zoning, the property can continue to be used for sales, or it could be used for manufactured homes either as an expansion of Northview Villas or a small standalone park with 10-15 homes.

In 2021, the property owner brought a proposal to the City Council for a townhome development. The consensus at that meeting was for the property owner to move forward with the proposal with the understanding there would be risks as the future of the Highway 65 corridor was unknown. Additional concerns raised by councilmembers at that meeting included: the small size of the townhome development related to maintenance of private roads; the need for well-designed landscaping; and noise issues by adding residential in close proximity to Highway 65. The property owner has not moved forward with the townhome proposal.

On December 11, 2023, a proposal for a 102 unit apartment building was considered by the City Council at a workshop meeting and the consensus was to not re-guide the property for high-density residential development. Concerns centered around the impact of an apartment building on the residents of the manufactured home park, and concern about book-ending the residents with apartment buildings on either side.

The property is adjacent to the Central Avenue frontage road on the west side of Highway 65. This is south of the scope of the upcoming Highway 65 improvements. Improvements south of the 99th Avenue intersection are anticipated at some point in the future, but a timeline and design has not been determined. A sound wall was reviewed for this section of Highway 65 as part of the upcoming project.

That review includes a vote by affected residents and property owners. Insufficient votes were cast in favor of the sound wall, so no sound wall will be constructed as part of the project.

The property owner submitted a concept plan application to receive feedback on multiple possible developments of this site.

Residential Development

The applicant is interested in developing a small lot single family development on the site, similar to Arroyo Villas, a project completed by Hedberg Homes at Ulysses Street and 115th Circle (directly south of Cedar Green Apartments and across Ulysses Street from Walmart). The applicant provided a site plan for that development and house plans from a few different builders as a reference. The Arroyo Villas site is 5.5 acres and has 22 villa homes. The subject site is 2.6 acres. The applicant has not prepared a site plan to determine how many homes could fit on the site. Staff identified 5 small villa/detached townhome developments built in the last 10 years with under 25 units. The density ranged from 3–6 units per acre, therefore, staff would anticipate the subject site can likely fit between 8 and 15 homes. The surrounding manufactured home park has a density of 6 units per acre.

To allow for this development, the property would need to be re-guided from Manufactured Home Residential to Low Density Residential and rezoned from R4 to Development Flex (DF).

The City Council may want to consider whether adding residential units in proximity to Highway 65 is appropriate, given that no sound wall will be built.

Commercial Development

The applicant is interested in using the property for a commercial business with mini golf and/or self storage. He indicated that both would be compatible with the surrounding manufactured home park by either serving as a recreation option for residents, or providing storage for residents with insufficient storage in their homes.

A brochure has been included in the packet from a mini golf course design and installation company. Mini golf is a conditional use in the B-2 and B-3 districts (outdoor recreation). A Comprehensive Plan Amendment to Community Commercial would be required would be necessary for rezoning to either of those districts.

Self storage is only allowed in the I-2A district or within the Highway 65 district south of Highway 10. Following the City Council workshop discussion regarding allowing self storage as a conditional use south of Highway 10, the property owner inquired about self storage on his property. If the City Council supports self storage on this property, a code amendment would be necessary and further discussion would be needed on what code amendment would be appropriate. A comprehensive plan amendment to Community Commercial (CC) would likely be required.

Other Options

If the Council is not supportive of the villa home, mini golf, or self-storage concepts, feedback on what uses would be supported should be provided.

The City Council could consider the following zoning districts, with a comprehensive plan designation of CC if the council supports commercial development on the site:

- Neighborhood Business (B-1) - This district allows for limited retail, office, and childcare. This district is intended for small commercial areas within residential areas.
- Community Commercial (B-2) - This district allows for most commercial uses as permitted or conditional uses including retail, banks, restaurants, office, fitness, childcare, auto repair, indoor or outdoor recreation and funeral homes. This district is used throughout the city, primarily for moderate commercial traffic that may be adjacent to residential.
- Regional Commercial (B-3) - This district allows for all of the uses in B-2 and a few additional uses. The primary difference between the districts is the allowable building height, which is limited to 50 feet in B-2, and can exceed 50 feet in B-3 with a CUP. This district is located in various areas along Highway 65.
- Office (B-4) - This district only allows for office as a permitted use and allows for sit-down restaurants, banks, retail, childcare, funeral homes and vet clinics as conditional uses.

If the City Council supports some form of residential development, the property could be guided and zoned appropriately for the scale and density of development.

Staff Recommendation

Discuss the proposed development options and provide feedback to the property owner.

Questions for Council

Does the City Council support rezoning to any of the following uses:

1. Small lot single family/villa development
2. Outdoor mini golf
3. Self storage

If the City Council does not support any of the above uses, what land uses would the City Council like to see on this site?

Attachment List

1. Villa Plans
2. Mini Golf Handout

Arroyo Villas

Walking path

Sand Creek

Bl 1

10

1144

Bl 2

SPEC

3

4

13

Bl 1

16

SPEC

Ulysses Street



SOLD

25-30

4.3
A/c

2.55



Willow II



Elevation A - Stone



Elevation B - Stone



Elevation C - Stone



Elevation D - Stone



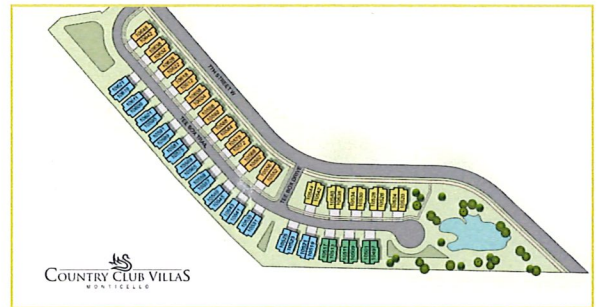
Elevation E - Stone

Square Feet: 1,892
Bedrooms: 3
Full Baths: 2

Half Baths: 0
Garages: 2
Stories: 1


M/I HOMES
Welcome to Better

OPEN HOUSE



Appx. 1136 sq. ft.*



2 Bedrooms



2 Bathroom



2 Car Garage



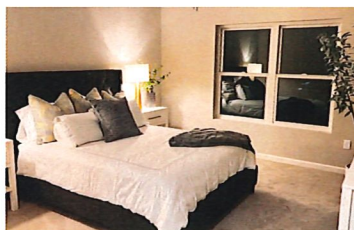
\$2,170 - \$2,570

*Square footage may differ slightly per unit.

- Active Adult 55+
- Single level living
- One shared wall
- Private entrances
- No outdoor maintenance
- 5 minutes from Monticello Country Club Golf Course
- Easy access to shopping and major thoroughfare



APPLY TODAY
Scan the code with
your phone camera
to use the link





No Lender Fees!

On a qualifying build when you apply
with our team. Call us today!



Reyna Rousseau
Originating Branch Manager
Personal NMLS 1023824 Branch
NMLS2061665 Company NMLS 3029
M 651.226.4863
E Reyna@myccmortgage.com



Slava Daskalyuk
Realtor®
License # 40615435
M 763.957.0824
E Slava@HomeYouLove.com





HARRIS

Miniature Golf

THE LEADER IN COURSE DESIGN & CONSTRUCTION

For 50+ Years!

THE HARRIS GUARANTEE



At Harris Miniature Golf, we always give our customers the full measure of our talents. We feel it is the little things that make the difference between a good job and a GREAT job. The courses we build not only meet, but exceed, customers' expectations. We finish projects on time and on budget. When we give you a price, we stick to it.

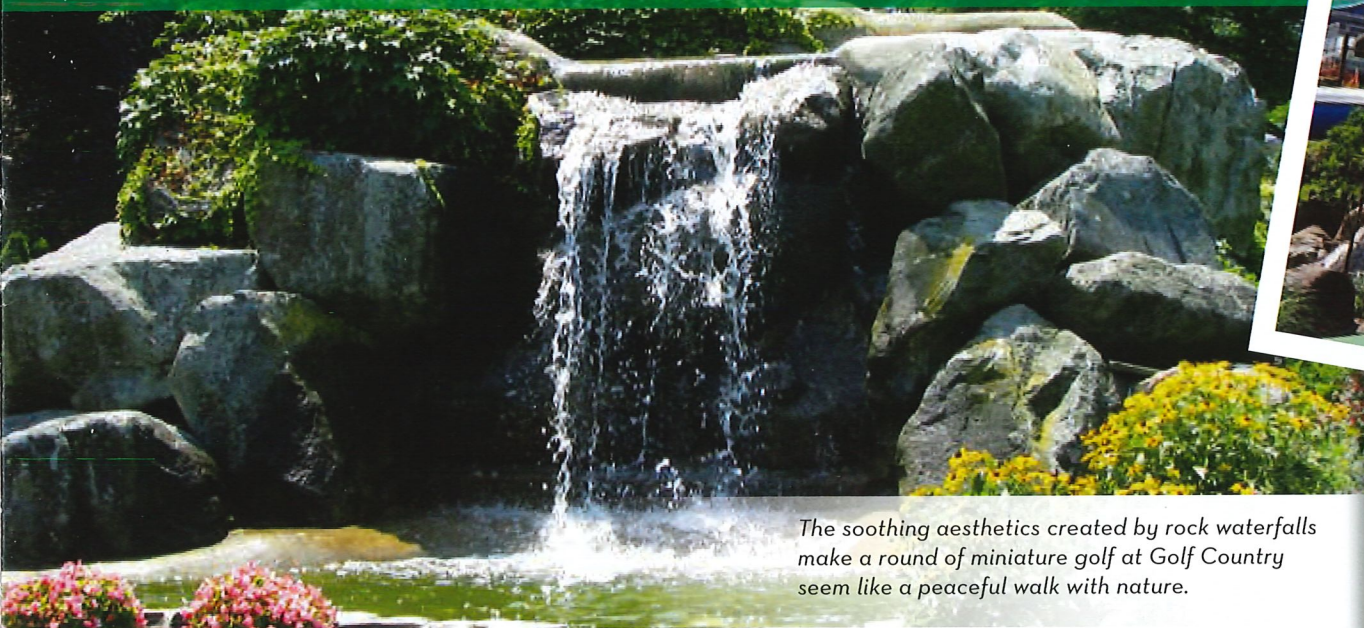
- Rich Lahey, President, Harris Miniature Golf Courses, Inc.



COVER: With waterfalls, caverns, an island green and waterwheel, Twin Brook Golf Center is widely considered one of New Jersey's most beautiful miniature golf courses.

Multi-level shots are great fun! On this hole, the ball drops through a pipe and reappears next to the cup.

WHY MINIATURE GOLF?



The soothing aesthetics created by rock waterfalls make a round of miniature golf at Golf Country seem like a peaceful walk with nature.

Longtime Harris course owners who operate other attractions such as rock climbing, go-cart racing and paintball courses say nothing compares to miniature golf in terms of profit margin, return on investment and broad market appeal. More than 130 million people of all ages play miniature golf every year with industry revenues in excess of \$1 billion annually.

- Fun family business to operate
- Seasonal business
- Attracts all age groups
- High profit margins
- Fast payback
- High return on investment (ROI)
- Low overhead (staff of one or two people)
- Low equipment cost for putters and balls
- No inventory (only scorecards)
- Minimal liability exposure

Adding miniature golf to our 50-year-old family business, which includes a dairy farm and ice cream shop, was the best decision we could have made. The golf course is consistently busy and we have seen an increase of more than 40 percent in our ice cream sales.

- Tom Kerber
Kerber Dairy



JUMP-START YOUR EXISTING BUSINESS

Turn your amusement park, driving range, ice cream stand, restaurant or other business into a moneymaking machine with a miniature golf course by Harris. Many of our customers say revenue generated by their miniature golf courses far surpasses anything else they do. "We have seven attractions and miniature golf is, by far, the most profitable," says Mark Blasko, owner of Chuckster's. "I wish I had built a miniature golf course first and stopped."



ON-SITE DESIGN IMPROVEMENTS

During construction, our project foremen are always looking for ways to improve a course's design, playability and visual appeal. That might involve changing the angle of a waterfall to increase roadside visibility or moving a stream to bring it into play on another hole, and we do it all at no additional cost to the owner/developer.

It was fun to watch the guys work and bring the course to life. The crew was always looking to improve the design whenever possible. They really wanted it to be as good as it could be!

- Gary Papa
Wildwood Mini Golf



At Harris, we use a state-of-the-art computer-aided design system to render our course designs.

HARRIS – THE RIGHT CHOICE FOR YOU

Harris Miniature Golf has been designing and building picturesque and profitable miniature golf courses for more than 50 years. To date, we have designed and built more than 800 courses across the United States. We believe it speaks volumes about the quality of our work that the majority of our new customers are referred to us by our existing customers.

- Recognized as a national leader in design and construction
- More than 50 years of experience
- More than 800 courses built
- Every course custom-designed to meet customer's needs and expectations
- Fixed price guarantee
- State-of-the-art color CAD design
- Promotional / marketing support



HARRIS
Miniature Golf



The beauty and challenge of a well-designed course like Woodstone Mini Golf keeps customers coming back again and again.

It was incredible working with the team at Harris. I never saw a group of guys work so hard in my life. No matter what issues they encountered on site, they just made it all happen.

*- Rusty Bertholet
Logs of Fun*



DESIGNING FOR PROFIT

At Harris, we believe great design is the key to sustaining profitability year after year. Gone are the days of windmills and clown faces. By creating inviting and intriguing spaces, and challenging holes that test a golfer's skills, Harris designs courses that keep customers coming back. Ninety percent of Harris-built courses are in non-resort areas where repeat business is critical to profitability. By designing courses with soothing waterfalls, dramatic landscapes and other features that capture the imagination, Harris creates destinations that customers will want to visit again and again.

DESIGNING FOR FUN

Miniature golf is no longer child's play. Whether you're young or simply young at heart, miniature golf is all about the FUN!!! Our waterfalls, splash fountains, ponds, streams and undulating greens create thrills and laughs for golfers of all ages. Our water hazards create lots of awesome fun for kids. We use floating balls and even have a hole design where the ball goes into the water hazard and is returned back to the green near the cup!



MORE IS BETTER: THE CASE FOR 36 HOLES



Gunite waterfalls make Putt'n Around a soothing, inviting space that keeps golfers coming back for more.

I chose to build 36 holes because you are more likely to keep customers for a second round or get them to come back. It's also great for parties, fundraisers, groups and other special events. Building 36 holes was the best decision I could have made.

- Elise Johnson
Putt'n Around

Having two 18-hole courses can be key to promoting repeat business and profitability for your facility. Two courses not only create more choices and challenges for players, they provide the capacity necessary to accommodate large crowds on summer evenings and weekends. Long lines at overcrowded single courses will reduce profits and drive customers away, maybe for good. Having a second course also allows you to host groups without having to turn away walk-in customers – a key to midweek profitability.

- More challenges and choices for golfers
- Promotes repeat customers
- Increases capacity for group sales
- Can accommodate groups and walk-in customers simultaneously
- Boosts midweek sales and profitability

IF YOU CAN DREAM IT, WE CAN BUILD IT

At Harris, we have more than 50 years of experience building all types of courses on all kinds of terrain. Our in-house designers start by looking at your property and designing a course that makes optimum use of your land's natural features.

LANDSCAPED COURSES

The team at Harris specializes in designing and building courses with stunning beauty and lots of curb appeal by combining terraced layouts with eye-catching water features like falls, splash fountains, ponds and streams. We use extensive masonry, rock and gunite throughout our designs to create tiers, terraces, walls and borders, while providing long-term durability and easy maintenance. Landscaped courses provide a soothing outdoor space for adults and lots of fascinating fun for kids – all to keep your customers coming back.



The terraces, splash fountains and waterfalls at Logs of Fun are just a few examples of the eye-popping features that create curb appeal and attract crowds of golfers.

THEMED COURSES

Whether it's a prehistoric world full of dinosaurs or a deserted island with shipwrecks and jungle creatures, Harris builds themed courses that give resort-area owners the edge over their competitors. Our themed courses feature eye-popping curb appeal that will have your tourist customers lining up to play.



A full-size sailing vessel at Shipwreck Island Mini Golf creates strong curb appeal and boosts profits at the seaside course.

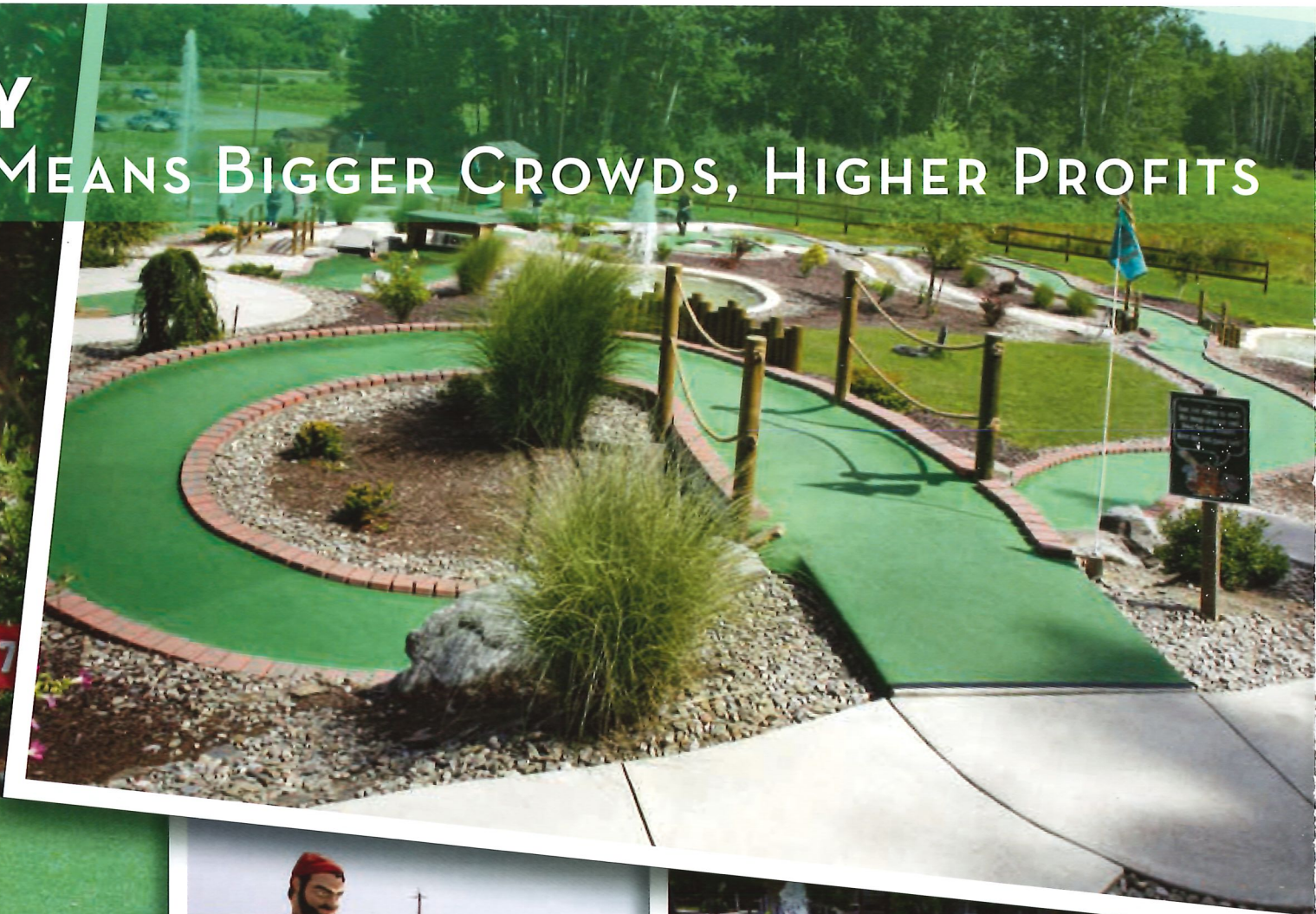


CHANGEABLE THEMED COURSES

Harris courses are designed for owners who want to change themes periodically – during major holidays, for instance – or just want the option to add their own touches to the course. We start with a landscaped course design and provide areas between holes where owners can set up different types of themed or holiday-oriented props.

EYE CANDY

CURB APPEAL MEANS BIGGER CROWDS, HIGHER PROFITS





A GOOD WORD GOES A LONG WAY

READ WHAT HARRIS CUSTOMERS HAVE TO SAY



I knew Harris had a good reputation and everyone I met there was very friendly and very professional. I saw a lot of their courses and they always looked nice. The Harris folks clearly wanted me to succeed. They let me incorporate a lot of my unique ideas into the design and the process was very collaborative. The end result - three unique courses that consistently get rave reviews.

- Mark Blasko, Chuckster's



Working with Harris was fantastic from day one! When you are going into a new business, it's important to have trust. Harris helped us make decisions and steered us in the right direction. They treated us like family and still do.

- Elise Johnson, Putt'n Around



I wanted a miniature golf course that adults and teenagers could enjoy - not just little kids. I wanted something spectacular, different. Harris built us a beautiful course that's fair, but challenging - the perfect mix. The kids like it and so do the adults.

Rich and the team at Harris are outstanding!

Anything you want, they'll do it.

- Dennis Mekosh
Caln Miniature Golf



It's unbelievable the job Harris did on our small 90-by-100-foot piece of property. They built two large stone waterfalls, two streams and a pond with a small waterfall. The course plays beautifully. I never thought they could do such a wonderful job on such a small piece of property.

- Charlie Hook
Tropical Island

The people at Harris were efficient, effective and flexible. I was on site every day during construction and the guys were always asking me for my input. They would take what I suggested and make it happen. They were on time and on budget, which was an absolute delight! Best of all, I've made a ton of money in the miniature golf business.

- Randy Bloch, Putt U



I have had 11,000 customers pass through my doors in the past 35 days and every single person takes not just a minute, but sometimes five, 10 or 20 minutes, to tell me how much they love the course. If they are down for a week's vacation, they come back three or four times because the kids love it so much. Everyone says it's the nicest course they have ever played.

- Stephanie Bennett, Island Miniature Golf



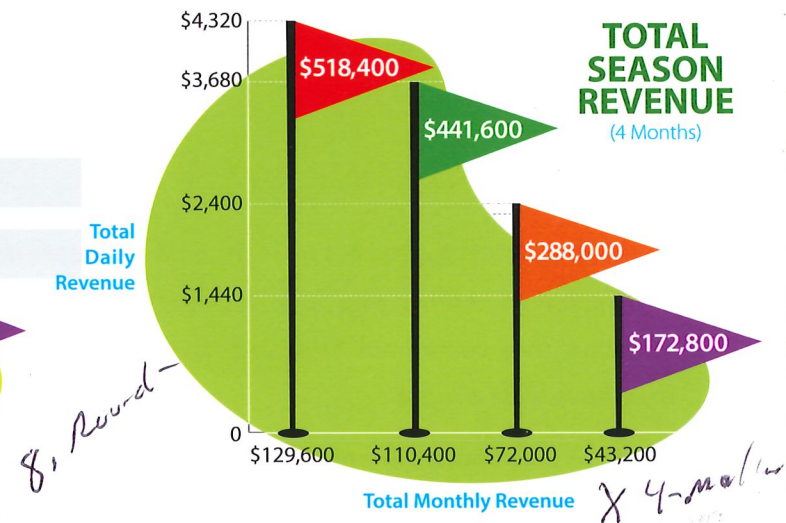
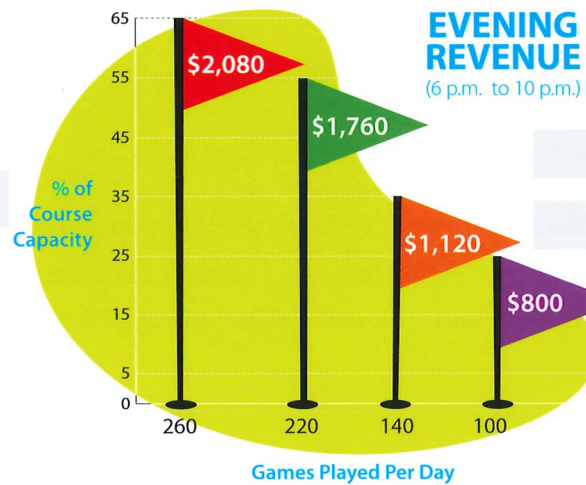
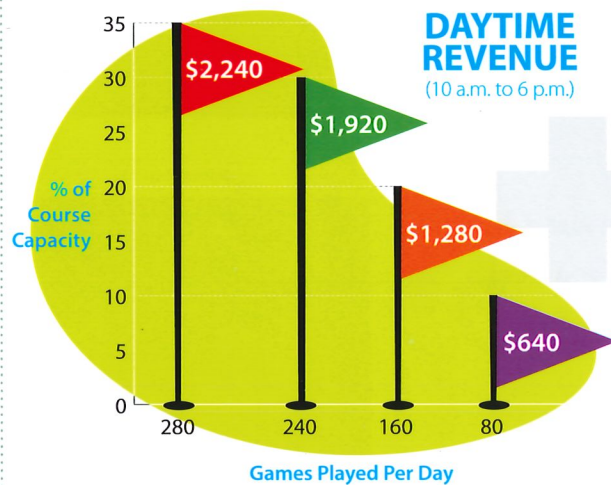
RUNNING THE NUMBERS

Miniature golf course owners are doing a tremendous business. In a typical season, Harris-built courses gross \$250,000 to \$500,000. An 18-hole course can accommodate about 100 players an hour. With an average playing fee of \$8 per round, that means income of \$800 an hour. In the summer, many of our courses have waiting lines and capacity crowds most of the night.

INCOME PROJECTIONS

The income projections below are based on a northern miniature golf course, which operates from about May 15 to Sept. 15. As you go farther south, the season becomes longer and income increases.

The illustration below shows that a reasonably busy course in a northern location can produce exceptional profits. Many Harris-built courses return their capital investment in the first year.



MAKE MONEY AND HAVE FUN DOING IT!!!

JOIN THE FAMILY OF HARRIS OWNERS



*I love being a miniature golf owner
and I am so grateful to Harris for making it
happen. My course is so beautiful and my business is
so rewarding. I love coming to work every day.
I have never been happier in my life!*

- Stephanie Bennett
Island Miniature Golf



570.618.8818 | www.harrisminigolf.com



Harris Miniature Golf

631 N. Keyser Avenue
Scranton, PA 18504

570.618.8818

www.harrisminigolf.com





City of Blaine Staff Report

File Number: 2024-200

Agenda Date

June 3, 2024

Status

In Control

City Council

File Type

Workshop Item

New Business - Daniel Schluender, Director of Engineering

Agenda Item # 3.2

Trunk Highway 65 Update

Background

Staff will present an overall update on the TH 65 project, including status of Funding, Lobbying/Legislative, Project Meetings of Note, and Project Design.

Staff Recommendation

Discuss next steps in project advancement.

Questions for Council

Attachment List

None



City of Blaine

Staff Report

File Number: 2024-189

Agenda Date	Status
June 3, 2024	
In Control	File Type
City Council	Workshop Item

New Business - Jason Zimmerman, Finance Director

Agenda Item # 3.3

Preliminary Financial Report

Background

Pursuant to section 7.12 of the City's Charter, which states in part, that "Once each year, the city manager shall submit a preliminary report to the council covering the financial operations of the city for the past year", the attached report was disseminated on March 29. This information is intended to offer readers a narrative overview of the financial activities of the City for the twelve-month period ended December 31, 2023. This analysis includes the General Fund, Special Revenue Funds, Capital Project Funds, Internal Service Funds, and Public Utility Funds. It is important to note the information used was compiled simultaneously with year-end accounting activities and prior to the completion of the City's annual financial audit, thus the data is not final and is subject to change.

In addition to revenues and expenditures, the report also contains information on the General Fund's reserve, including the unrestricted portion of the City's fund balance, as defined by Council policy.

Readers are encouraged to consider the data presented in conjunction with the preliminary fund summaries attached to this report, the adopted budget, and the five-year Capital Improvement Plan. The fund summaries include the three most recently completed fiscal periods in addition to the current year's projected financial position.

This information is intended to provide a preliminary review of the City's 2023 financial performance, begin dialog on the 2024 outlook, and set the stage for the 2025 budget. Staff will provide an overview of the report and significant highlights, while allowing time to address any questions or remarks from the City Council.

Staff Recommendation

None, this item is informational only.

Questions for Council

None, this item is informational only.

Attachment List

1. 2023 Financial Summary
2. 2023 Fund Summaries

City of Blaine

10801 Town Square Drive NE

Blaine MN 55449-8100

City Hall 763-784-6700 | [BlaineMN.gov](https://blainemn.gov)



DATE: March 29, 2024

TO: Mayor and Council
Michelle Wolfe, City Manager

FROM: Jason Zimmerman, Finance Director

SUBJECT: 2023 Financial Summary

Pursuant to section 7.12 of the City's Charter, which states in part, that "Once each year, the city manager shall submit a preliminary report to the council covering the entire financial operations of the city for the past year", the attached report is hereby submitted.

The following financial report and analysis offers readers a narrative overview of the financial activities of the City for the twelve-month period ended December 31, 2023. This report includes the General Fund, Special Revenue Funds, Capital Project Funds, Internal Service Funds, and Public Utility Funds. While this information is subject to review by the City's independent auditors, the report reflects all adjusting entries made by city staff to date, and staff is confident that any adjustments that would be made as the result of audit findings would not be material. The report also contains information on the General Fund's reserve including the unrestricted portion of the City's fund balance, as defined by council policy.

The readers are encouraged to consider the information presented here in conjunction with the unaudited financial statements attached to this report, the adopted budget, and the five-year Capital Improvement Plan. Individual fund summaries are attached for reference and include the three most recently completed fiscal periods in addition to the current year's projected financial position.

Select budget amendments, with the approval of the City Manager, will be processed prior to publication of the City's Annual Comprehensive Financial Report (ACFR). Credit rating agencies incorporate financial management and oversight into their evaluation, so it's important to address any budgetary overages to demonstrate this competency, with a focus on maintaining Blaine's AAA credit rating, which is the highest level attainable.

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is used to account for the revenues and expenditures necessary to carry out basic governmental activities of the City including police and fire protection, maintenance of city streets and parks, as well as recreation, legal, and administrative functions of the City.

General Fund - Revenues

As detailed below, total General Fund revenues are predicted to overperform the 2023 budget by \$753,000 or at an attainment level of 101.8 percent.

Taxes – Minnesota’s first property tax was established in 1849 to fund public education. This system was managed by the state until 1967, when the responsibility was transferred to the county level. Property taxes are generally due in equal installments on May 15 and October 15 of each year, with counties then disbursing funds to each taxing authority around July 1 and December 1 of each year.

The General Fund Property Tax revenues for 2023 are anticipated to be \$31.2 million and represents a 98.5 percent attainment of the \$31.7 million budget. While the collection rate for 2023 taxes payable is at 99.6 percent and strongest rate since 2014, several tax court settlements of state assessed public utility properties owned by Minnegasco, CenterPoint, and Connexus resulted in reductions on dozens of parcels for multiple tax years. These adjustments were reflected in 2023 taxes collected, resulting in this budgetary variance.

2023 Revenue Budgetary Performance: 98.5% attainment

Charges For Services – The City’s charges for services encompass several aspects of city operations, including general administrative charges to other funds for functions and services paid for by the General Fund, engineering charges processed against capital project funds, various planning and zoning fees, antenna rental fees charged to telecommunication providers, and recreation programming revenue.

The 2023 budget is projected to be at 104.4 percent primarily a result of revenues exceeding budget in planning fees (\$260,000) and recreational revenue (\$75,000). Antenna rental fees were under budget (\$66,000) due to consolidations and mergers in the telecommunication market and staff will continue to update this budget as leases are modified.

2023 Revenue Budgetary Budget Performance: 104.4% attainment

Licenses & Permits – The City’s licenses and permits include various business, liquor, animal, and contractor licenses as well as building, fire alarm, right of way, and special event permits. While licenses have historically provided stable and consistent revenues, the City has maintained a philosophy of conservatively budgeting development revenues due to the limited control the City has to influence private development.

The 2023 budget is projected to be at 102.7 percent of budget, and while modestly impacted by the City's overall budgeting philosophy, staff generally views this performance as very favorable. Budgeting is done well in advance of projects being realized, and with the timing of apartment/commercial/industrial projects not materializing in 2023 – much of the revenue was a result of Blaine's strong profile for residential development. With challenging interest rates, highly competitive labor market, and an uncertain economic outlook, Blaine continues to be seen as a highly attractive location for developers to invest in.

New Construction Permit Activity (Units)										
Permit Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
All Commercial	54	44	46	31	40	54	32	50	47	48
Apartment Building	1	3	7	1	1	1	0	1	4	0
Apartment Units	44	234	261	36	192	138	0	82	501	0
Multi-Family/Townhome	58	6	0	21	0	6	12	200	141	89
Single Family	286	295	320	305	259	295	253	327	238	303
Total Permits	399	348	373	358	300	356	297	578	430	440

2023 Revenue Budgetary Performance: 102.7% attainment

Intergovernmental – The City regularly receives various revenue streams from other governmental agencies including the Federal Government, the State of Minnesota, the Metropolitan Council, and Anoka County. This includes amounts received from other governments as fiscal aid in the form of shared revenues and grants-in-aid or as reimbursements for performance of general government functions. Excluded are amounts received from other governments for the sale of property, commodities, and utility services.

The 2023 budget is projected to be at 127.9 percent primarily due to revenues exceeding budget in Police State Aid (\$260,000), Municipal State Aid Maintenance (\$75,000), and various public safety grants (\$100,000) focused on DUI enforcement, community highway safety, and distracted driving countermeasures.

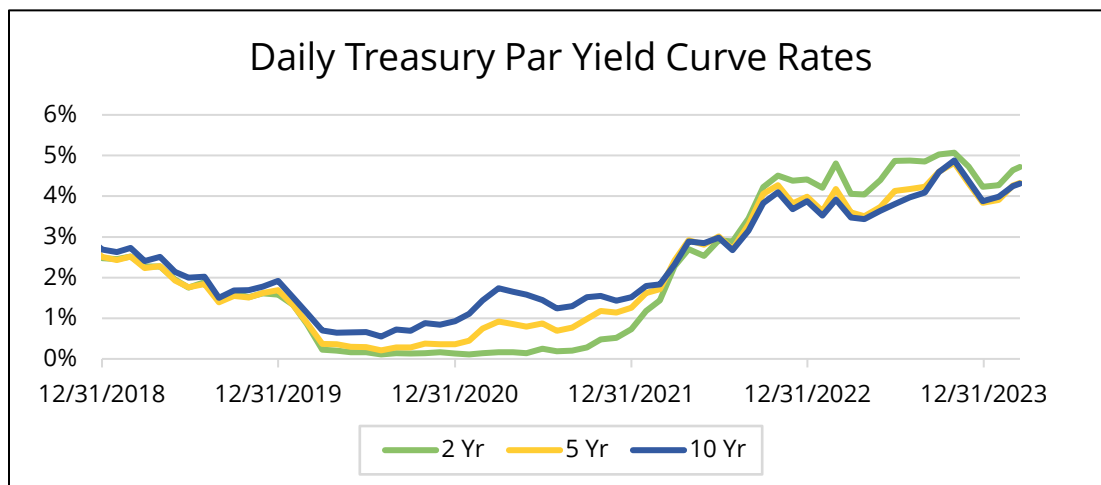
2023 Revenue Budgetary Performance: 127.9% attainment

Fines & Forfeits – The City's fines and forfeitures contain court fines collected and distributed by the Tenth Judicial District as well as Police and Fire false alarm fees. For 2023 actual performance is projected to be at 119.3 percent of budget. Going forward, staff believes these fees will restabilize, as COVID-19 dramatically impacted both court fines as dictated by the judicial system and alarm fees from government mandates impacting business operations.

2023 Revenue Budgetary Performance: 119.3% attainment

Investment Earnings – Pursuant to accounting standards (GASB 72), governmental agencies are required to report the value of their investments at market or fair value, which represents the amount the city would receive if it were to sell its investments at the current market price. The difference between the market value and cost basis represents the unrecognized gain or loss on the portfolio. Although unrecognized gains or losses have no impact on investment earnings, governmental accounting standards require that the fair value adjustment be incorporated into the City's financial reporting.

As indicated in the following treasury yield chart, monetary policy and resulting market rates have created unprecedented volatility for government agencies over the last five years.



- For the year-end 2022, the City's General Fund recorded an investment mark-down of \$850,000 while actual investment revenue was \$85,000.
- For the year-end 2023, the City's General fund is anticipated to record an investment mark-up of \$350,000 and actual investment revenue of \$200,000.

As investments that were marked down in 2022 continue to approach their maturity, mark-ups like what the city experienced in 2023 will continue, absent another significant swing in interest rates. Assuming investments aren't liquidated prior to maturity, all market value adjustments will be zeroed out over the life of each investment.

2023 Revenue Budgetary Performance: 377.7% attainment

General Fund – Expenditures

As outlined in detail below, total General Fund expenditures are expected to overperform the 2023 budget by nearly \$1.2 million, or at an attainment level of 97.2 percent.

Legislative – The Legislative Department is comprised of three separate divisions: City Council, Commission & Committees, and Legal. While most of the expenditures in this department have been consistent, the City's legal obligations will be closely monitored as the complexity of projects and activities may result in additional utilization of these services.

Other budgeted expenses for this department include council salaries and meeting transcription services for select committees.

2023 Expenditure Budgetary Performance: 98.4% attainment

Administrative Services – The Administrative Services Department includes the City Manager's Office, Communications, the City Clerk's Office, and Human Resources. Most of the budget for this department is employee salaries, with additional funding for lobbying services, League of Minnesota membership dues, pre-employment screenings, employee safety programs, and labor related attorney fees. Budgetary savings resulted from the Administrative Services Director vacancy created in September 2023. The position is currently posted with an executive recruiting firm and anticipated to be filled in the second quarter of 2024.

2023 Expenditure Budgetary Performance: 98.6% attainment

Finance – The Finance Department includes Finance Administration, General Accounting, Accounts Payable, Payroll, Utility Billing, Budgeting, and Information Technology. In addition to personnel related costs, the department includes budget for property appraisal and assessing fees, charges for financial and budgeting software, banking fees, utility billing invoice printing, server maintenance, Microsoft licensing, and other department specific software. Budgetary savings are a result of vacancies of the Budget Supervisor and Deputy Finance Director.

2023 Expenditure Budgetary Performance: 93.4% attainment

Safety Services – The Safety Services Department is comprised of Police Administration, Patrol, Special Operations, Community Outreach, Community Service, Property Room, Police Records, Emergency Management, Community Standards Administration, Fire Inspections, Neighborhood Services, and Housing Services and Maintenance. While employee salaries and benefits account for over 90 percent of the department's budget, additional funding covers mental wellness programming, body worn cameras, taser equipment, digital evidence storage, and mandated training. While the department had several vacancies throughout the year, much of those savings were never realized as these staffing gaps required overtime from existing staff.

2023 Expenditure Budgetary Performance: 98.7% attainment

Fire Services – This department is used to account for the operating costs for fire protection services provided under a joint powers agreement by the Spring Lake Park – Blaine – Mounds View Fire Department (SBM), a nonprofit Internal Revenue Code Section 501(c)(3). Each member city has agreed to fund a specific percentage, which is generally determined by each municipality's share of the overall population. Blaine also maintains a capital equipment replacement fund for SBM, which is accounted for separately.

Blaine = 76.0%; Mounds View = 15.5%; Spring Lake Park = 8.5%

2023 Expenditure Budgetary Performance: 100.0% attainment

Public Works – This department is used to account for the Public Works Administration, Streets, Parks, Forestry and Vehicle & Equipment Maintenance sub-divisions. In addition to salaries, the budget for this fund includes snow and ice chemicals, street patching material, median maintenance, street lighting electrical service, utility services for park structures, City Hall mowing, portable restrooms in the parks, and park maintenance. With only 54.4 percent of the public works budget connected to staffing, the department is very sensitive to weather and seasonality. Despite personnel services projected to be \$700,000 under budget because of staffing vacancies, the department is projected to end at \$500,000 under budget due to significant expenditures to maintain the city's aging fleet and heavy equipment.

2023 Expenditure Budgetary Performance: 92.5% attainment

Engineering – This department is used to account for the Project Engineering and Geographic Information Systems (GIS) sub-divisions. While most expenditures for this department are related to staffing, additional costs include software for recording and accessing special assessments, external traffic studies, county recording fees, and online mapping and spatial analysis software. With 90.0 percent of the budget allocated for personnel, the department is challenged to navigate unplanned expenditures. For 2023, Engineering conducted a traffic study in the area around 99th and 101st at a cost of over \$10,000, which wasn't included in the adopted budget.

2023 Expenditure Budgetary Performance: 100.1% attainment

Recreation – The Recreation Department is comprised of Recreation Administration, Park Facilities, Senior Programs, Youth Programs, and Adult Programs. This includes activities held in the City's Park system, City Hall, and the Mary Ann Young Center. While many programs are staff directed, the City partners with various entities to coordinate activities in which staff doesn't have expertise or time to implement. Similar to 2022, in 2023 the recreation department was over budget in expenditures, which was primarily offset by additional revenue. Expenditures exceeded budget mostly in the other contractual services line, which included activities such as painting the Lexington Athletic Complex, sod replacement at the baseball complex, and other general park maintenance expenses.

2023 Expenditure Budgetary Performance: 105.6% attainment

2023 Revenue Budgetary Performance: 120.9% attainment

Total 2023 Budget Performance Overage: \$(1,663)

Community Development – The Community Development Department is broken down into two main sub-divisions, Planning and Building Inspections. Blaine’s Comprehensive Plan envisions desirable economic, physical, and social development of the City to promote a high quality of life for Blaine residents and businesses. The Planning Division implements this vision by creating, administering, and coordinating economic development, housing, neighborhood, planning and zoning, and resiliency policies, programs, and activities. Building Inspections is responsible for the enforcement of the Minnesota State Building Code and city ordinances directly related to it. In addition, the department reviews building plans for code compliance and inspects permitted work at various stages for code compliance. Expenditures were under budget mainly due to the department not utilizing funding allocated for temporary building inspection services which were intended to help cover increased construction activity, as staff managed this work internally for 2023.

2023 Expenditure Budgetary Performance: 95.2% attainment

Unallocated – As part of the budgeting process, each Fund that has a staffing allocation contributes funding to the city’s Self Insurance and Compensated Absences Funds. Unlike the Facilities Fund which is based on occupied space and the Workers Compensation Fund which is based on actual payroll, the funding for the Self Insurance and Compensated Absences Funds are budgeted in the Unallocated Department and are not directly tied to a specific measurement. For 2023 the General Fund allocated \$280,850 to the Self Insurance Fund and \$150,000 to the Compensated Absences Fund. More information on these funds can be found within the Internal Service Fund section of this report. Additionally, this department funds any unemployment claims that are subject to the General Fund, which has resulted in the relatively minor budget overrun.

2023 Expenditure Budgetary Performance: 100.3% attainment

Total 2023 Budget Performance Overage: \$(1,319)

General Fund – Fund Balance

Pursuant to City policy, the General fund is required to retain a year-end fund balance equal to:

- 30% of the subsequent year’s budget
- 5% of the subsequent year’s property tax levy
- 100% of the subsequent year’s budgeted public safety reimbursements from the state

While not required, [The Office of the State Auditor \(OSA\) recommends](#) that at year-end, local governments maintain an unreserved fund balance in their general fund and special revenue funds of approximately 35% to 50% of fund operating revenues, or no less than five months of operating expenditures.

During the last 16 years, 12 times funds have been transferred to the Capital Equipment and Projects Improvement Fund for the purchase of vehicles and capital equipment. On [June 20, 2023](#) council approved staff's recommendation to transfer \$2.5 million to the Self Insurance and Workers Compensation Funds. At the time this recommendation was provided, staff didn't consider; the \$850,000 investment market value mark-down that occurred, the updated property tax levy, and the requirement to retain public safety reimbursements when calculating minimum unassigned fund balance. Ultimately, the General Fund had \$1.5 million of excess unrestricted reserves in 2022, not the \$2.5 million that was authorized. For year-end 2023, the General Fund is projected to be in violation of the city's fund balance policy by approximately \$725,000.

Staff will bring forward a recommendation to the Council at an upcoming workshop to address the insufficient fund balance and mechanisms to provide the General Fund with additional reserves. While generally not a significant audit issue, failure to maintain the City's fund balance policy may have an impact on the credit rating the City receives when issuing debt. With several issuances on the horizon related to regular city activities, including pavement management and capital equipment, as well as redevelopment along 105th Avenue, maintaining the City's AAA rating will be important to secure the best possible interest rate in a very volatile environment.

2023 Projected Minimum Unassigned Fund Balance Deficiency = \$725,000

Special Revenue Funds

This fund type is used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, other governments, or for major capital projects) that are restricted or committed to expenditures for specified purposes.

Communications Fund - The Communications Fund accounts for the use of franchise and PEG fees distributed to members of the North Metro Telecommunications Commission. With changes in the cable industry, revenue in the fund has declined. The resulting planned spend-down of reserves for the purchase of communications improvements led to an expected year-end fund and cash balance of approximately \$80,000. To accommodate the reductions in revenue, recent budget years have focused on reallocating expenditures to the General Fund and Facilities Fund, including the printing & mailing of the city newsletter, social media management software, and the a/v maintenance agreement for equipment located within City Hall. This funding was included in the discussion to renovate/modernize the council chambers and is still available should Council order the project.

2023 Projected Ending Cash Balance = \$82,983

Charitable Gambling Fund - This fund was created to administer the resources contributed by organizations participating in charitable gambling within the City. The revenues are generated from [Minnesota Statutes, Section 349.213, Subdivision 1, Paragraph \(f\)\(2\)](#), which allows the City of Blaine to require organizations to contribute up to 10% per year of net

profits from charitable gambling. This fund is restricted to certain expenditures due to the state statute listed above.

As part of the 2024 budget, the City Council awarded 16 grants totaling \$212,500 with a focus on shelters and food shelves that serve the residents of Blaine. The recipients were acknowledged and funding was disbursed at the [February 5, 2024 City Council meeting](#). While the fund saw a significant rebound with nearly \$240,000 of revenue in 2021, this figure has decreased since, with 2023 anticipated to come in at near \$190,000.

2023 Projected Ending Cash Balance = \$203,567

Strategic Priorities Fund - On April 1, 2019, the City Council accepted a check for \$2,648,000 from the North Suburban Hospital District (NHSD), representing Blaine's share of funds remaining after the dissolution of the hospital district. In May, pursuant to Council direction, the City's Strategic Priorities Fund (SPF) was established and the proceeds from the dissolution were placed in this fund. Since the fund's inception, the following have been approved uses:

- 2019 - [\\$100,000 for Veterans Memorial Park](#)
- 2022 - [\\$2,609,454 for the purchase of 10550 Nassau Street](#)
- 2024 - [\\$500,000 to fund 2024 playground replacements and trail maintenance](#)

In addition to the uses noted above, the [Council approved a one-time transfer of \\$4.2 million](#) of unrestricted General Fund Reserves to the Strategic Priorities Fund on December 21, 2021.

As the above noted one-time use of Strategic Priorities Funds was utilized to reduce the 2024 property tax levy, funding 2025 projects will be discussed during future budget workshops.

2023 Projected Ending Cash Balance = \$4,631,095

Economic Development Authority Operating Fund - In May 1985, the Blaine Housing and Redevelopment Authority (HRA) was established to promote economic development. State law empowered HRAs with broad authority to engage in redevelopment and economic development activities. Although the HRA was an autonomous organization, the HRA was governed by a board whose members are the current City Council. In December 1988, the Economic Development Authority (EDA) was established to replace the HRA as the vehicle for subsequent economic development activities. The Blaine EDA operates as an independent unit of the City of Blaine with the City Council acting as the EDA governing board. The EDA has full levy authority independent from the City Council and has adopted a separate levy, designed to support EDA operations, since 2014.

The EDA budget includes funding for various programs including the 3M Tournament, targeted redevelopment, and business appreciation events. The budget covers the costs of

the City's Economic Development Specialist, small allocations of two other staff members totaling less than half a position, and an administrative charge back to the General Fund for shared operating costs that are not directly expensed to the EDA.

For 2023 revenues are anticipated to exceed budget due to favorable investment earnings as a result of market value mark up, improved market interest rates, and interest received on an interfund loan that the EDA has on TIF 1-21 (South Terrace Cove) that was established on [October 4, 2018](#). Expenditures are expected to be lower than budget as the EDA didn't expend its full appropriation of targeted redevelopment funding. While the cash balance is currently near \$2.1 million at year end, [council committed nearly \\$1.5 million to Pinpoint Community Development on June 5, 2023](#) for the 105th South Side Entertainment District (this was partially released in the [March 1, 2024 listing of bills paid](#)). Other ongoing commitments include pre-development costs associated with the 105th Avenue development, which is required until the developer secures site control. These pre-development costs are not currently measurable or included in this analysis.

Note the EDA has a Wetland Bank and Capital Improvement Fund, which while not included in this analysis, don't maintain significant cash reserves.

2023 Projected Ending Cash Balance = \$2,102,677

Capital Project Funds

This fund type is used to account for the resources expended to acquire assets of a permanent nature other than those financed by other governmental and proprietary funds.

Capital Improvement Fund - The Capital Improvement Fund (CIF) was [established by ordinance](#) in 1995 and is designed to act as an endowment fund to generate interest earnings that are to be used to pay capital costs of projects that are of general benefit to the city. In 2009, council approved funding for the upgrade of the city's financial management system (FMS); in 2012, council approved the use of \$1.9 million for the [purchase and development of Lexington Athletic Complex](#); and in 2013, council approved the use of the CIF to [fund the deficit in the City Hall Construction Fund](#). Also in 2013, [council revised the ordinance](#) by expanding the Council's ability to provide inter-fund loans and grants. With that revision, [Council committed \\$1 million in available interest earnings](#) over the succeeding five years to fund park renovations and improvements. In 2018, the [Council approved the use of up to \\$5.4 million of the CIF](#) to fund the construction of the Mary Ann Young Center (MAYC). The final cost to construct MAYC totaled \$4,636,000. Currently, the CIF has total reserves of approximately \$7.2 million with \$318,000 in spendable interest available, with no current commitments for use of these funds.

2023 Projected Ending Cash Balance = \$7,250,350

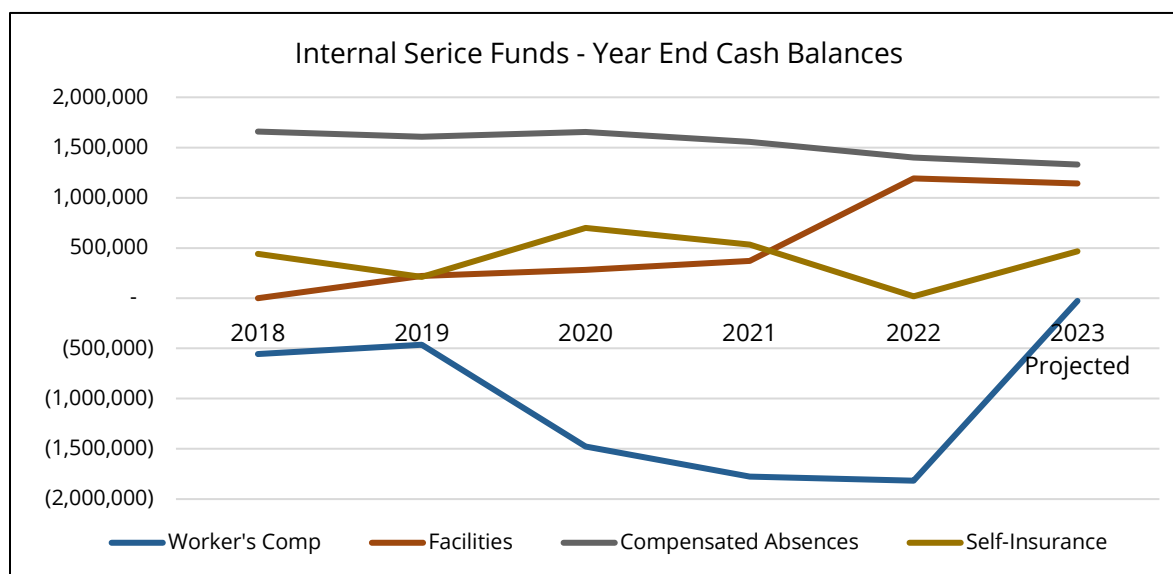
Capital Equipment and Projects Improvement Fund – The Capital Equipment and Projects Improvement Fund is used to account for the purchase of non-public utility related vehicles, machinery, and technology infrastructure. Since 2007, the use of unrestricted reserves has been the predominant funding source for capital purchases. The sale of certificates of indebtedness is used to supplement funding if unrestricted reserves are insufficient to support capital purchases. The city issued \$3.0 million of equipment certificates in 2023 due to General Fund unrestricted reserves being directed to the Self-Insurance and Workers Compensation Funds.

As noted previously, projections indicate the General Fund will be approximately \$725,000 short of its minimum fund balance requirement, thus no funding will be available to finance 2024 capital equipment purchases. The 2024 CIP called for \$3.0 million of equipment, which is currently anticipated to be financed by certificates of indebtedness.

Public Safety Aid Fund - During the 2023 legislative session, bills were introduced to establish one-time public safety aid for local governments and tribal governments, with \$210 million for cities & townships and \$90 million for counties & tribal governments. The provision was included in the omnibus tax bill and signed into law by the Governor on May 24, 2023, with allocations to be based on proportional share of population. Payments were distributed on December 26, 2023, with [Blaine receiving \\$3,106,062](#). At the September 25, 2023 City Council workshop, [staff presented a preliminary spending plan](#) in which \$930,000 was allocated to future capital projects for SBM Fire and the remaining \$2,176,062 dedicated to the Police Department. While no formal plan was adopted, each individual item requested to be purchased with this funding is brought before Council for pre-approval.

Internal Service Funds

This fund type is used to account for the financing of goods and services provided by one department or activity to other departments or activities of the government on a cost reimbursement basis. The chart below shows the six most recent ending cash balances in the city's various internal service funds.



Facilities Fund – The Facilities Maintenance Fund was established in 2019 as part of the City's efforts to stabilize the general levy and provide a mechanism to ensure long-term funding of facilities improvements is in place. The facilities accounted for and maintained in this fund are City Hall and attached garages, the Public Works Building, Public Works Cold Storage, the Police Training facility, the Mary Ann Young Center, and Fire Station #5. It's important to note this doesn't include park buildings or utility structures (well houses, treatment plants, lift stations). Departments provide funding to the Facilities Fund based on their respective share of occupied and common space. While not fully funded when initially created, the fund has continued to receive increased chargebacks to finance both capital and operating requirements. For 2023, expenditures are projected to be under budget mainly due to several capital projects being delayed, including the council chambers remodel and pavement work, as well as utility costs coming in better than expected due to the mild winter.

2023 Projected Ending Cash Balance = \$1,141,459

Workers Compensation Fund – The City's Workers Compensation Fund was created in 2012 to account for the program's coverage and collect premiums from other funds based on actual wages. Through the payroll process, wages are multiplied by the appropriate class rate, then deposited into the Workers Compensation Fund.

Blaine has chosen to participate in a retrospective rating option, which is an alternate method of determining a city's premium charge. The City's final premium under this option reflects the City's own actual loss experience for the year. With good experience, this option can save a city significant money in the long run. Of course, the City is also subject to possible premium increases if it experiences a lot of injuries or a single big loss. The City pays a deposit premium (net of discounts) to the League of Minnesota Cities Insurance Trust (LMCIT) at the beginning of the agreement period. At the end of the agreement year, an audit determines the actual payroll for the period and the resulting net actual premium.

When a retrospective rating option is selected, the final premium is not known until all claim activity from that agreement period ceases permanently, which generally means the claim window remains open for 15 years. The final premium reflects the city's own losses and is subject to minimum and maximum limits. The premium amounts are estimated at the beginning of the agreement period and provided to the city prior to the election of an option. The minimum and maximum premiums are adjusted after the payroll audit is complete, and it reflects the net actual premium for the period.

The final premium equals the minimum premium plus actual incurred losses and loss-related expenses, including assessments due to the state Special Compensation Fund. Unlike typical retrospective plans offered by private insurers, LMCIT's retrospective rating formula doesn't use a "loss conversion factor."

At the end of 2022, the Workers Compensation Fund reported a negative cash position of just over \$1.80 million. As noted earlier in the report, on [June 20, 2023](#) the council approved

a transfer of \$1.85 million of General Fund reserves to the Workers Compensation Fund to offset this deficiency. While the transfer eliminated the existing deficit cash balance and the workers compensation premium audit resulted in a refund for 2023, the budget didn't account for changes in the insurance rate factor or properly project employee wages. As a result, the 2023 year-end Workers Compensation Fund is projected to have a negative cash position of approximately \$30,000. The following table contains the retroactive billings and refunds of the City's workers' compensation premium plan.

In February the city received the 2024 premium analysis, which resulted in a retro billing of \$281,825. The table below shows the rebate/(billing) for the annual analysis.

Workers Compensation Fund Retro-Premiums									
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Amount	(\$169,488)	\$95,955	(\$14,866)	\$116,765	(\$904,276)	(\$17,117)	\$194,515	\$510,635	(\$281,825)

2023 Projected Ending Cash Balance = \$(26,858)

Self-Insurance Fund - The City's Self-Insurance Fund was created in 1993 to account for the program's coverage and to collect charges from other funds to pay for the City's auto, property, and liability insurance premiums and deductibles. The City's policy calls for a deductible of \$100,000 per occurrence and \$200,000 in aggregate per year, with a \$1,000 maintenance deductible after the aggregate is met. While the City generally makes disbursements for the full amount of the claim, once processed and if eligible, the insurance provider reimburses the City for the expenditures above the insurance deductible. This process can often cross years, resulting in skewed reporting periods.

At the end of 2022, the Self-Insurance Fund reported a negative cash position of just under \$20,000 as expenditures outpaced revenues by over \$400,000. As noted earlier in the report, on [June 20, 2023](#) the council approved a transfer of \$650,000 General Fund reserves to the Self Insurance Fund to offset this deficiency. With the transfer to resolve the existing cash deficit, revisions to the charges from other funds, and a relatively quiet claim year the fund is still projected to have more expenses than internal charges absent the one-time transfer.

Self-Insurance Funding & Premiums						
	2018	2019	2020	2021	2022	2023
Internal Charges (Funding)	\$450,850	\$450,850	\$450,850	\$450,850	\$450,850	\$450,850
Standard Premiums	\$291,528	\$317,878	\$362,362	\$403,232	\$408,106	\$439,797
Excess Liability Premium	\$144,483	\$144,824	\$148,839	\$157,376	\$163,396	\$175,640

The table above shows that while the annual internal service charge has remained level at \$450,850 – the premiums have increased by nearly \$150,000 in the last six years. While this revenue is still slightly greater than the standard premium, it is insufficient to cover the excess liability premium or any deductibles for losses the city may incur.

2023 Projected Ending Cash Balance = \$467,009

Compensated Absences Fund – The Compensated Absences Fund was established in 1991 to account for unused sick and vacation balances as outlined in the City's personnel policies. This cash value may only be realized upon an employee's retirement or separation from employment with the city. While this is traditionally recorded as a long-term liability, payments are made as individual employment discontinues.

Traditionally, when an employee terminates employment, the department the employee was in would be responsible for funding the severance payment. This process can be difficult for organizations to manage as positions are either left vacant for a period to allow the budget to absorb the lump sum payment or risk going over budget by hiring a backfill in a timely manner. The funding process Blaine has in place allows departments to fill positions quickly with minimal disruption of City operations.

An employee leaving the City of Blaine in good standing after giving proper notice of such termination of employment shall be compensated 100 percent of accrued and unused vacation leave. Additionally for individuals in good standing, termination pay shall be as follows:

- Thirty-three and one-third percent of unused accumulated sick leave shall be paid after five years of continuous employment.
- Forty percent of unused accumulated sick leave shall be paid after 10 years of continuous employment.
- Fifty percent of unused accumulated sick leave shall be paid after 15 years of continuous employment.

The table below outlines the annual internal services charges collected and the severance payouts made. Over the six years noted below, only one year resulted in more revenue than disbursements, with an overall funding shortfall of approximately \$465,000 during this time span. For the fund to remain viable, additional funding may need to be considered.

Compensated Absences Funding & Payouts						
	2018	2019	2020	2021	2022	2023
Internal Charges (Funding)	\$140,657	\$150,662	\$156,230	\$155,216	\$156,336	\$155,439
Severance Payouts	\$164,331	\$245,190	\$142,529	\$237,288	\$231,467	\$359,397

When looking at the expenditures in the fund, it's important to note that those figures will not align with this table. As a full accrual fund, annually the City records the change needed to recognize the severance entitled to staff should all employees terminate employment on December 31 – which isn't a cash transaction. Further conversations may be necessary during the budgeting process to determine a proper funding level.

2023 Projected Ending Cash Balance = \$1,330,623

Enterprise / Utility Funds

Enterprise Funds account for water, sewer, storm water, and refuse operations for the City. They are self-supporting from retail sales and user charges. Operations are managed in much the same way as private enterprises. In total, the City currently maintains 22,717 accounts for the various utility services that are provided (not all accounts receive all city services and are impacted by the timing of move ins/move outs).

Utility Accounts by Classification	
Residential	21,280
Commercial/Industrial	900
Townhomes	244
Airport	123
Apartments	86
Church/School	52
City of Blaine	25
Mobile Home Parks	7
Total	22,717

While each utility fund has received rate adjustments over the last few years, to maintain the project funding as outlined in the current CIP and balance increasing operational demands, the current rate structure will need to be analyzed as part of the 2025 budgeting process.

Utility Customer Account Changes					
	2019	2020	2021	2022	2023
Move-Ins	1,871	1,882	1,945	2,067	1,946
Move-Outs	1,581	1,614	1,661	1,591	1,328
Net	290	268	284	476	618

Utility Payments Processed					
	2019	2020	2021	2022	2023
Manual	\$1,125,361	\$1,993,052	\$2,562,033	\$2,770,015	\$3,465,333
Electronic	\$13,024,100	\$13,279,965	\$14,279,068	\$15,249,887	\$18,433,582
Total	\$14,149,460	\$15,273,017	\$17,291,101	\$18,019,902	\$21,898,915

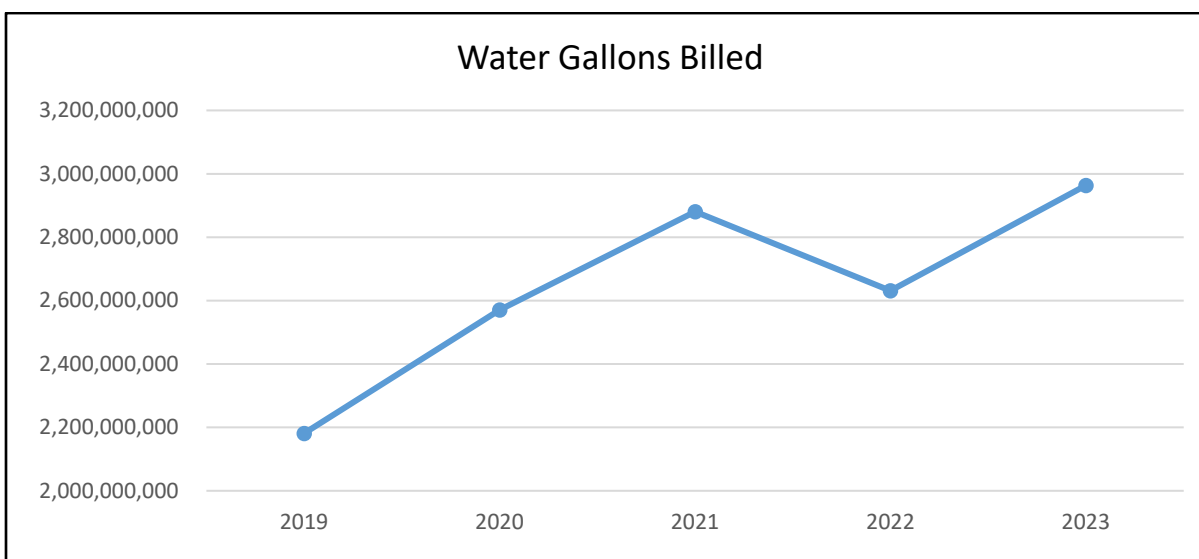
Water Utility Fund – The Water Utility Fund is responsible for providing residents and businesses in the City with high quality, safe, and reliable drinking water. Public water supply operations are highly regulated by the Federal Safe Drinking Water Act, administered locally by the Minnesota Department of Health and the Minnesota Department of Natural Resources. Water from 20 municipal wells is pumped to 4 water treatment plants. The water treatment plants remove iron and manganese from the well water and has capacity to treat 20 million gallons per day. Treated water is then pumped into the distribution system consisting of over 400 miles of water main pipe and with a total storage capacity of 10 million gallons. Average daily consumption is 8.1 million gallons. The fund also maintains water pressure and fire hydrants used for fire suppression throughout the city.

The Water Utility Fund is projected to end 2023 with approximately \$5.3 million in cash which represents a \$4.5 million increase from 2022. Notes/factors impacting the Water Fund financial position:

- Water rates for 2023 were approved at an increase of 40% from 2022 fee schedule.

- Billed water usage was at a record level for 2023 with an increase of 12.6 percent from 2022 usage.
- New development continues to be strong, driving Water Availability Charges (WAC) to over \$1.0 million for 2023, or a 10% increase from 2022.
- Expenditure performance was at 90.3 percent of the overall budget with underruns in contractual services from lower than budgeted utility services on water related structures and the timing of capital projects being pushed to 2024.
- The 2023 debt service was \$2.4 million for 2023 – primarily related to bonds issued to finance the construction of the Water Treatment Facility #4. This payment doesn't include any costs related to the 2023 issuance, which will require first payment in 2025.
- The Water Fund contributed \$151,000 to the street improvement fund, for its share of costs related to improvement project 22-06, also known as the Hidden Oaks Area Street Reconstruction.
- While the city issued nearly \$3.2 million in water bonds during the year, the fund only incurred \$1.6 million of capital outlay, which in part is impacting the higher than prior year cash balance. The remaining bond proceeds are expected to be drawn down as capital projects are completed.

Water Fund Statistics & Rate History



2023 Water Utility Gallons Billed by Customer Type					
	1Q	2Q	3Q	4Q	Total
Commercial	123,333,697	159,239,515	397,423,795	217,465,891	897,463,738
Residential	280,939,489	277,819,256	833,798,699	673,550,492	2,066,107,936
Total	404,273,186	437,058,771	1,231,222,494	891,016,383	2,963,571,674

Water Rate History - Quarterly / 1,000 gallon								
	2016	2017	2018	2019	2020	2021	2022	2023
Flat Fee	5.50	5.50	5.50	5.50	5.50	5.50	5.50	7.70
0-24,000	1.06	1.06	1.16	1.26	1.36	1.46	1.61	2.25
24,001-150,000 (75,000)	1.43	1.43	1.53	1.63	1.73	1.83	2.03	2.84
75,001-150,000	-	-	-	-	-	-	2.08	2.91
150,000+	2.10	2.10	2.20	2.30	2.40	2.50	2.80	3.92
State Test Fee	1.59	1.59	1.59	1.59	2.43	2.43	2.43	2.43

Water Rate History - Monthly / 1,000 gallon								
	2016	2017	2018	2019	2020	2021	2022	2023
Flat Fee	5.50	5.50	5.50	5.50	5.50	5.50	5.50	7.70
0-24,000	1.06	1.06	1.16	1.26	1.36	1.46	1.61	2.25
24,001-150,000 (75,000)	1.43	1.43	1.53	1.63	1.73	1.83	2.03	2.84
75,001-150,000							2.80	2.91
150,000+	2.10	2.10	2.20	2.30	2.40	2.50	2.80	3.92
State Test Fee	0.53	0.53	0.53	0.53	0.81	0.81	0.81	0.81
Mobile Home Parks	1.06	1.06	1.16	1.26	1.36	1.46	1.61	2.25

Sewer Utility Fund – The Sewer Utility Fund is responsible for operating and maintaining the sanitary sewer conveyance system including cleaning underground pipes, lift stations, and pressure relief valves. The City's sanitary sewer system includes of over 360 miles of sewer pipe; 7,200 manhole structures; and 32 sanitary lift stations. This business unit also provides funding for wastewater treatment charges through the regional wastewater treatment plant system operated by Metropolitan Council Environmental Services. To ensure the safe conveyance of wastewater, staff invest significant time in the maintenance, inspection, and cleaning of sewer lines and lift stations.

The Sewer Utility Fund is projected to end 2023 with approximately \$8.3 million in cash which represents a \$4.6 million increase from 2022. Notes/factors impacting the Sewer Fund financial position:

- Sewer rates for 2023 were approved at an increase of 11% from the 2022 fee schedule.
- Residential rates are set at a flat fee per account basis and not tied to any consumption factor. Beyond rate adjustments, new construction is the other factor driving residential revenue growth.
- Revenues are projected at 104.0 percent of budget with sewer fees representing over 96.3 percent of the overall fund revenue.
- Expenditures are projected at 118.2 percent of budget primarily due to the budget for capital outlay not matching the CIP or the 2024 bond amount.
- The 2023 debt service was just under \$50,000 for 2023 – which was the first year for repayment on the bonds issued in 2022. Previously, the City had no debt obligation

within the Sewer Fund. The first payment for the 2023 bonds will be due in 2025, which is anticipated to quintuple the annual debt service.

- The Sewer Fund contributed \$72,028 to the street improvement fund, for its share of costs related to improvement project 22-06, also known as the Hidden Oaks Area Street Reconstruction.
- While the city issued nearly \$1.8 million in Sewer bonds during the year, the fund only incurred \$800,000 of capital outlay, which in part is impacting year-end cash balance. The remaining bond proceeds are expected to be drawn down as capital projects are completed.

Sewer Fund Statistics & Rate History

Sewer Customer Accounts					
	2019	2020	2021	2022	2023
Senior Discount	1,341	1,400	1,418	1,421	1,409
Full Charge	19,240	19,465	19,720	20,143	20,625
Total	20,581	20,865	21,138	21,564	22,034

Sewer Rate History								
	2016	2017	2018	2019	2020	2021	2022	2023
Residential Quarterly	48.00	51.00	54.00	57.00	60.00	60.00	63.00	70.00
Senior Rate Quarterly	24.00	25.50	27.00	28.50	30.00	30.00	31.50	35.00
Apartments Mon. (per Unit)	12.00	12.75	13.50	14.25	15.00	15.00	15.75	17.50
Apartments Qtr. (per Unit)	36.00	38.25	40.50	42.75	45.00	45.00	47.25	52.50
Commercial Monthly								
0-5,833	16.00	17.00	18.00	19.00	20.00	20.00	21.00	23.33
5,833+	2.74	2.91	3.09	3.26	3.43	3.43	3.60	4.00
Commercial Quarterly								
0-17,499	48.00	51.00	54.00	57.00	60.00	60.00	63.00	70.00
17,500+	2.74	2.91	3.09	3.26	3.43	3.43	3.60	4.00

Stormwater Utility Fund – The Stormwater Utility Fund is responsible for the operation and maintenance of the City's storm water drainage system and management of surface water bodies. Most expenses for this fund relate to improvement projects to fulfill State and Federal mandates for pollutant load reductions to lakes, maintenance of the municipal drainage system, drainage costs related to the annual street improvement program, and acquisition of drainage easements. The City's drainage system controls and conveys drainage from an average precipitation of just over 32-inches each year, much of which is retained in the 512 ponds the City is responsible for maintaining. This utility service is provided by City staff using City owned equipment and contract services for capital improvement projects and related services.

The Stormwater Utility Fund is projected to end 2023 with approximately \$4.9 million in cash which represents a \$2.1 million increase from 2022. Notes/factors impacting the Stormwater Fund financial position:

- Stormwater rates for 2023 were approved at an increase of 10% from the 2022 fee schedule.
- Residential rates are set at a flat fee per account basis and not tied to any consumption factor. Beyond rate adjustments, new construction is the other factor driving residential revenue growth.
- Commercial rates are billed based on the same rate as residential but include factors specific to the property including amount of impervious service and onsite water retention.
- Revenues are projected to be at 111.1 percent of budget primarily due to increasing investment earnings.
- Expenditures are projected to be at 69.2 percent of budget due to the timing of capital projects being pushed to 2024.
- The 2023 debt service was just under \$50,000 for 2023 – which was the first year for repayment on the bonds issued in 2022. Previously, the city had no debt obligation within the Stormwater Fund. The first payment for the 2023 bonds will be due in 2025, which is anticipated to double the annual debt service.

Stormwater Fund Statistics & Rate History

Stormwater Customer Accounts					
	2019	2020	2021	2022	2023
Accounts	20,899	21,162	21,437	21,841	22,301

Stormwater Rate History								
	2016	2017	2018	2019	2020	2021	2022	2023
Residential Quarterly	7.00	7.00	7.00	8.00	9.00	10.00	10.50	11.55
Commercial Monthly	2.33	2.33	2.33	2.67	3.00	3.33	3.50	3.85
Commercial Quarterly	7.00	7.00	7.00	8.00	9.00	10.00	10.50	11.55

Refuse Utility Fund – The City contracts with an outside vendor to facilitate and organize coordinated garbage, recycling, yard waste, and bulk pickup for approximately 22,000 residential customers. Residents are charged a monthly fee for the disposal (tipping), pickup and hauling, and solid waste management tax administered by the State of Minnesota (9.75%) which is included in the residential quarterly utility bill. This utility billing department is responsible for billing, customer service and solid waste education. On August 20, 2015, the [City Council awarded Walter's Refuse & Recycling](#) the contract for this service, with services starting on January 1, 2016. On October 16, 2023 the [City Council awarded a new five year agreement with Walters](#) that extends service through June 30, 2029.

The Refuse Utility Fund is projected to end 2023 with approximately \$450,000 in cash which represents an \$80,000 increase from 2022. Notes/factors impacting the Refuse Utility Fund financial position:

- Refuse rates for 2023 were approved at an increase of 2.3 to 3.7 percent from the 2022 fee schedule, based on cart size.
- At year-end 2020 the Refuse Utility Fund had a cash position of \$(290,000); recent rate modifications have returned the fund to a more stable cash position.
- The costs charged to the city for organized collection are made of the following:
 - The hauling fees charged by Walters to collect refuse
 - The tipping fees charged for disposal of refuse
 - The total weight of refuse collected for disposal
- The Governor's Select Committee on Recycling and the Environment (SCORE) Grant is [annually awarded to the city](#) to promote waste reduction activities, recycling, composting, household hazardous waste programs, and problem material collection.
- No staff time is directly charged into the Refuse Utility Fund.
- City staff manage most requests from the public including setting up service, changing garbage cart sizes, and adding/removing yard waste. Individual bulk pickup for those not enrolled in the City's premium service level are coordinated directly with Walters.
- The City's organics program was launched in 2022 to reduce landfill (reduce cost) and is turned into compost, which improves soil and decreases the need for fertilizers.

Refuse Utility Fund Statistics & Rate History

Garbage Service Customer Accounts					
	2019	2020	2021	2022	2023
38 Gallon Refuse	3,462	3,501	3,421	3,356	3,335
68 Gallon Refuse	4,407	4,661	4,782	4,881	5,073
96 Gallon Refuse	12,544	12,729	12,908	13,118	13,350
Reduced Refuse	242	226	236	225	223
Total	20,655	21,117	21,347	21,580	21,981
Garbage Cart Changes	1,184	1,430	1,287	1,236	1,347

Solid Waste Collections (Tonnage)					
	2019	2020	2021	2022	2023
Garbage	18,891	20,827	21,017	20,676	21,416
Recycling	4,734	5,116	4,834	4,033	3,699
Organics*	-	-	-	11	18
Total	23,625	25,943	25,851	24,720	25,133

*Organics Program began in 2022

Solid Waste Rate History (Quarterly)								
	2016	2017	2018	2019	2020	2021	2022	2023
96 Gallon	54.00	57.00	58.50	58.50	61.50	63.00	64.50	66.00
68 Gallon	42.00	42.00	43.50	43.50	46.50	49.50	51.00	52.50
38 Gallon	31.50	31.50	33.00	33.00	36.00	39.00	40.50	42.50
Senior	27.00	28.50	29.25	29.25	30.75	31.50	32.25	33.75

Concluding Comments:

The City's 2023 financial audit is scheduled to conclude in May, with the Annual Financial Report, detailing the financial position and operating results of all City funds, expected by the end of June. A post-audit discussion of the City's 2023 financial operations with the City's auditors will be scheduled for a June workshop.

If you have any questions or comments, please reach out to City Manager Wolfe or myself and we can set up a time to discuss at your convenience.



City of Blaine, Minnesota
General Fund - 101
Summary of Revenues, Expenditures, and Change in Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Revenues							
Taxes	\$ 25,899,131	\$ 27,948,206	\$ 29,298,176	\$ 31,712,000	\$ 31,233,576	\$ (478,424)	98.49%
Special Assessments	-	-	-	-	799	799	0.00%
Charges for Services	5,047,891	5,625,773	5,602,152	5,124,400	5,348,447	224,047	104.37%
Licenses & Permits	2,298,452	3,000,386	3,207,554	2,874,500	2,952,707	78,207	102.72%
Intergovernmental	1,661,378	1,844,611	1,878,710	1,626,000	2,079,673	453,673	127.90%
Fines & Forfeits	159,705	228,787	201,678	220,500	263,017	42,517	119.28%
Proprietary Fund Revenues	-	-	-	-	-	-	0.00%
Miscellaneous	54,664	60,017	129,846	60,000	75,918	15,918	126.53%
Investment Earnings	167,010	(180,734)	(750,207)	150,000	566,600	416,600	377.73%
Total Revenues	35,288,231	38,527,046	39,567,909	41,767,400	42,520,737	753,337	101.80%
Expenditures							
Legislative	427,695	447,585	462,763	467,760	460,109	7,651	98.36%
Administrative Services	2,095,817	2,028,983	2,445,181	2,644,360	2,607,225	37,135	98.60%
Finance	2,924,400	3,230,577	3,433,394	3,438,850	3,212,634	226,216	93.42%
Safety Services	13,216,729	14,120,231	15,322,128	17,595,390	17,369,766	225,624	98.72%
Fire Services	2,202,928	2,201,800	2,281,120	2,361,320	2,361,784	(464)	100.02%
Public Works	5,966,292	6,420,663	7,135,658	8,493,910	7,860,124	633,786	92.54%
Engineering	1,124,459	1,188,236	1,339,262	1,878,450	1,879,821	(1,371)	100.07%
Recreation	864,960	1,175,472	1,409,447	1,476,890	1,559,564	(82,674)	105.60%
Community Development	2,172,361	2,191,429	2,559,352	2,791,680	2,657,734	133,946	95.20%
Unallocated	450,400	411,687	431,083	435,000	436,319	(1,319)	100.30%
Total Expenditures	31,446,041	33,416,663	36,819,388	41,583,610	40,405,080	1,178,530	97.17%
Revenues Over (Under) Expenditures	3,842,190	5,110,383	2,748,521	183,790	2,115,657		
Other Financing Sources (Uses)							
Transfers In	2,792,767	-	23,023	-	112,807	112,807	0.00%
Transfers Out	1,700,000	6,275,000	3,400,000	2,500,000	2,500,000	-	100.00%
Total Other Financing Sources (Uses)	1,092,767	(6,275,000)	(3,376,977)	(2,500,000)	(2,387,193)	112,807	95.49%
Net Change in Fund Balance	4,934,957	(1,164,617)	(628,456)	(2,316,210)	(271,536)		
Beginning Fund Balance	13,210,392	18,145,349	16,980,732	16,352,276	16,352,276		
Ending Fund Balance	18,145,349	16,980,732	16,352,276	14,036,066	16,080,740		
Adjust for Inventory	218,014	178,213	148,248	-	280,500		
Adjust for Prepaid Items	93,379	44,490	57,170	-	57,236		
Adj Fund Balance, Dec 31 (Net of Restricted)	17,833,956	16,758,029	16,146,858	14,036,066	15,743,004		
30% Subsequent Years Budget	10,793,040	11,494,736	12,475,083	-	13,972,460		
5% Subsequent Years Property Tax Levy	1,386,750	1,467,500	1,585,600	-	1,819,279		
Public Safety Reimbursements	515,000	550,000	555,000	-	670,000		
Minimum Unassigned Fund Balance	12,694,790	13,512,236	14,615,683	-	16,461,739		
Unrestricted Fund Balance	5,139,166	3,245,793	1,531,175	-	(718,735)		



City of Blaine, Minnesota
Communications Fund - 230
Summary of Revenues, Expenditures, and Change in Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Revenues							
Taxes	\$ 221,380	\$ 221,812	\$ 124,184	\$ 110,400	\$ 109,964	\$ (436)	99.61%
Special Assessments	-	-	-	-	-	-	0.00%
Licenses & Permits	-	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	-	-	0.00%
Charges for Services	-	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Proprietary Fund Revenues	-	-	-	-	-	-	0.00%
Investment Earnings	7,071	(4,263)	(7,988)	-	3,658	3,658	0.00%
Miscellaneous	-	-	-	-	-	-	0.00%
Total Revenues	228,451	217,549	116,196	110,400	113,622	3,222	102.92%
Expenditures							
Personal Services	3,191	-	-	-	-	-	0.00%
Supplies	914	494	159	-	-	-	0.00%
Contractual Services	102,755	135,265	172,002	45,000	16,302	28,698	36.23%
Other Services & Charges	94,000	116,120	121,270	22,590	22,670	(80)	100.35%
Capital Outlay	15,447	40,000	3,090	40,000	3,365	36,635	8.41%
Debt Service	-	-	-	-	-	-	0.00%
Total Expenditures	216,307	291,879	296,521	107,590	42,337	65,253	39.35%
Revenues Over (Under) Expenditures	12,144	(74,330)	(180,325)	2,810	71,285		
Other Financing Sources (Uses)							
Transfers In	-	-	-	-	-	-	0.00%
Transfers Out	-	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	-	-	-	0.00%
Net Change in Fund Balance	12,144	(74,330)	(180,325)	2,810	71,285		
Beginning Fund Balance	254,408	266,552	192,222	11,897	11,897		
Ending Fund Balance	266,552	192,222	11,897	14,707	83,182		
Available Fund Balance	266,552	192,222	11,897	14,707	83,182		
Year-End Cash Balance	267,363	218,394	32,034	-	82,983		



City of Blaine, Minnesota
Charitable Gambling Fund - 240
Summary of Revenues, Expenditures, and Change in Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Revenues							
Taxes	\$ 114,567	\$ 237,392	\$ 215,265	\$ 175,000	\$ 192,818	\$ 17,818	110.18%
Special Assessments	-	-	-	-	-	-	0.00%
Licenses & Permits	-	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	-	-	0.00%
Charges for Services	-	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Proprietary Fund Revenues	-	-	-	-	-	-	0.00%
Investment Earnings	1,165	(1,404)	(11,686)	1,500	7,249	5,749	483.27%
Miscellaneous	-	-	-	-	-	-	0.00%
Total Revenues	115,732	235,988	203,579	176,500	200,067	23,567	113.35%
Expenditures							
Personal Services	-	-	-	-	-	-	0.00%
Supplies	-	-	-	-	-	-	0.00%
Contractual Services	-	-	-	-	-	-	0.00%
Other Services & Charges	118,050	100,300	194,500	194,500	194,500	-	100.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	-	0.00%
Total Expenditures	118,050	100,300	194,500	194,500	194,500	-	100.00%
Revenues Over (Under) Expenditures	(2,318)	135,688	9,079	(18,000)	5,567		
Other Financing Sources (Uses)							
Transfers In	-	-	-	-	-	-	0.00%
Transfers Out	-	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	-	-	-	0.00%
Net Change in Fund Balance	(2,318)	135,688	9,079	(18,000)	5,567		
Beginning Fund Balance	105,048	102,730	238,418	247,497	247,497		
Ending Fund Balance	102,730	238,418	247,497	229,497	253,064		
Available Fund Balance	102,730	238,418	247,497	229,497	253,064		
Year-End Cash Balance	97,925	186,118	195,677	-	203,567		



City of Blaine, Minnesota
Strategic Priorities Fund - 250
Summary of Revenues, Expenditures, and Change in Net Position
2023 Financial Comparison (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Projected	Variance from 2022 Actual Positive (Negative)	
Revenues						
Taxes	\$ -	\$ 324,590	\$ 249,597	\$ (2,598)	\$ (252,195)	-1.04%
Special Assessments	-	-	-	-	-	0.00%
Licenses & Permits	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	-	0.00%
Charges for Services	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	0.00%
Proprietary Fund Revenues	-	-	-	-	-	0.00%
Investment Earnings	58,729	(35,581)	(373,971)	224,162	598,133	-59.94%
Miscellaneous	-	-	-	-	-	0.00%
Total Revenues	58,729	289,009	(124,374)	221,564	345,938	-178.14%
Expenditures						
Personal Services	-	-	-	-	-	0.00%
Supplies	-	-	-	-	-	0.00%
Contractual Services	-	-	-	-	-	0.00%
Other Services & Charges	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	0.00%
Total Expenditures	-	-	-	-	-	0.00%
Revenues Over (Under) Expenditures	58,729	289,009	(124,374)	221,564		
Other Financing Sources (Uses)						
Transfers In	-	4,200,000	-	-	-	0.00%
Transfers Out	-	-	2,609,454	-	(2,609,454)	0.00%
Total Other Financing Sources (Uses)	-	4,200,000	(2,609,454)	-	2,609,454	0.00%
Net Change in Fund Balance	58,729	4,489,009	(2,733,828)	221,564		
Beginning Fund Balance	2,607,386	2,666,115	7,155,124	4,421,296		
Ending Fund Balance	2,666,115	7,155,124	4,421,296	4,642,860		
Available Fund Balance	2,666,115	7,155,124	4,421,296	4,642,860		
Year-End Cash Balance	2,657,581	7,147,437	4,409,818	4,631,095		



City of Blaine, Minnesota
Economic Development Authority - 213
Summary of Revenues, Expenditures, and Change in Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Revenues							
Taxes	\$ 829,228	\$ 712,187	\$ 757,132	\$ 1,005,000	\$ 996,729	\$ (8,271)	99.18%
Special Assessments	9,072	8,735	8,398	3,000	5,739	2,739	191.30%
Licenses & Permits	-	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	519	519	0.00%
Charges for Services	48,709	77,879	82,687	60,000	64,440	4,440	107.40%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Proprietary Fund Revenues	-	-	-	-	-	-	0.00%
Investment Earnings	86,212	(53,962)	(203,836)	80,000	165,943	85,943	207.43%
Miscellaneous	15,765	-	2,355	15,000	1,710	(13,290)	11.40%
Total Revenues	988,986	744,839	646,736	1,163,000	1,235,080	72,080	106.20%
Expenditures							
Personal Services	45,569	151,222	175,285	177,480	182,652	(5,172)	102.91%
Supplies	1,429	627	574	700	361	339	51.57%
Contractual Services	176,948	154,122	224,665	499,500	334,658	164,842	67.00%
Other Services & Charges	378,919	442,710	510,145	467,780	493,343	(25,563)	105.46%
Capital Outlay	-	92,486	(122,922)	100,000	91,964	8,036	91.96%
Debt Service	-	-	-	-	-	-	0.00%
Total Expenditures	602,865	841,167	787,747	1,245,460	1,102,978	142,482	88.56%
Revenues Over (Under) Expenditures	386,121	(96,328)	(141,011)	(82,460)	132,102		
Other Financing Sources (Uses)							
Transfers In	-	-	-	-	-	-	0.00%
Transfers Out	-	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	-	-	-	0.00%
Net Change in Fund Balance	386,121	(96,328)	(141,011)	(82,460)	132,102		
Beginning Fund Balance	4,983,765	5,369,886	5,273,558	5,132,547	5,132,547		
Ending Fund Balance	5,369,886	5,273,558	5,132,547	5,050,087	5,264,649		
Available Fund Balance	5,369,886	5,273,558	5,132,547	5,050,087	5,264,649		
Year-End Cash Balance	4,277,837	4,348,403	2,795,446	-	2,102,677		



City of Blaine, Minnesota
Facilities Fund - 711
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Charges for Services	986,500	1,011,030	1,038,750	1,322,620	1,322,620	-	100.00%
Licenses & Permits	-	-	-	-	-	-	0.00%
Intergovernmental	6,835	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Miscellaneous	1,334	-	-	-	-	-	0.00%
Investment Earnings	1,545	(3,294)	(26,327)	500	57,062	56,562	11412.40%
Total Revenues	996,214	1,007,736	1,012,423	1,323,120	1,379,682	56,562	104.27%
Expenditures							
Personal Services	263,163	279,312	295,714	407,970	327,346	80,624	80.24%
Supplies	17,162	28,943	72,841	85,600	83,545	2,055	97.60%
Contractual Services	568,359	647,710	686,140	847,640	739,762	107,878	87.27%
Other Services & Charges	52,525	73,228	122,978	-	-	-	0.00%
Capital Outlay	72,305	81,103	158,857	435,660	201,399	234,261	46.23%
Debt Service	-	-	-	-	-	-	0.00%
Total Expenditures	973,514	1,110,296	1,336,530	1,776,870	1,352,052	424,818	76.09%
Revenues Over (Under) Expenditures	22,700	(102,560)	(324,107)	(453,750)	27,630		
Other Financing Sources (Uses)							
Sale of Fixed Assets	-	-	-	-	-	-	0.00%
Contributed Capital	-	-	-	-	-	-	0.00%
Transfers In	-	75,000	1,000,000	-	-	-	0.00%
Transfers Out	-	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	75,000	1,000,000	-	-	-	0.00%
Year-End Net Position	218,921	264,588	1,063,459	-	1,091,089		
Year-End Cash Balance	282,467	371,555	1,192,508	-	1,141,459		



City of Blaine, Minnesota
Workers Compensation Fund - 706
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Financial Comparison (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Projected	Variance from 2022 Actual Positive (Negative)	
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Charges for Services	636,054	773,466	834,646	974,837	140,191	116.80%
Licenses & Permits	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	0.00%
Miscellaneous	-	345	196,066	510,635	314,569	260.44%
Investment Earnings	(18,176)	19,389	101,428	(39,384)	(140,812)	-38.83%
Total Revenues	617,878	793,200	1,132,140	1,446,088	313,948	127.73%
Expenditures						
Personal Services	-	-	-	-	-	0.00%
Supplies	-	-	-	-	-	0.00%
Contractual Services	1,648,105	1,080,330	1,229,332	1,455,765	(226,433)	118.42%
Other Services & Charges	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	0.00%
Total Expenditures	1,648,105	1,080,330	1,229,332	1,455,765	(226,433)	118.42%
Revenues Over (Under) Expenditures	(1,030,227)	(287,130)	(97,192)	(9,677)		
Other Financing Sources (Uses)						
Sale of Fixed Assets	-	-	-	-	-	0.00%
Contributed Capital	-	-	-	-	-	0.00%
Transfers In	-	-	-	1,850,000	1,850,000	0.00%
Transfers Out	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	1,850,000	1,850,000	0.00%
Year-End Net Position	(1,496,738)	(1,783,869)	(1,881,016)	(30,738)		
Year-End Cash Balance	(1,476,771)	(1,776,149)	(1,816,698)	(26,858)		



City of Blaine, Minnesota
Self-Insurance Fund - 704
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Financial Comparison (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Projected	Variance from 2022 Actual Positive (Negative)	
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Charges for Services	450,850	450,850	450,850	450,850	-	100.00%
Licenses & Permits	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	0.00%
Miscellaneous	580,303	135,342	500,639	169,545	(331,094)	33.87%
Investment Earnings	13,985	(5,723)	(4,662)	217	4,879	-4.65%
Total Revenues	1,045,138	580,469	946,827	620,612	(326,215)	65.55%
Expenditures						
Personal Services	-	-	-	-	-	0.00%
Supplies	-	-	-	-	-	0.00%
Contractual Services	1,077,617	762,524	1,669,792	787,813	881,979	47.18%
Other Services & Charges	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	0.00%
Total Expenditures	1,077,617	762,524	1,669,792	787,813	881,979	47.18%
Revenues Over (Under) Expenditures	(32,479)	(182,055)	(722,965)	(167,201)		
Other Financing Sources (Uses)						
Sale of Fixed Assets	-	-	-	-	-	0.00%
Contributed Capital	-	-	-	-	-	0.00%
Transfers In	-	-	-	650,000	650,000	0.00%
Transfers Out	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	650,000	650,000	0.00%
Year-End Net Position	99,290	(49,019)	(472,809)	9,990		
Year-End Cash Balance	699,699	535,135	18,774	467,009		



City of Blaine, Minnesota
Compensated Absences Fund - 703
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Financial Comparison (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Projected	Variance from 2022 Actual Positive (Negative)	
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Charges for Services	156,230	155,216	156,336	155,439	(897)	99.43%
Licenses & Permits	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	0.00%
Miscellaneous	-	-	-	-	-	0.00%
Investment Earnings	34,019	(20,965)	(81,623)	71,882	153,505	-88.07%
Total Revenues	190,249	134,251	74,713	227,321	152,608	304.26%
Expenditures						
Personal Services	790,520	320,333	423,803	439,300	(15,497)	103.66%
Supplies	-	-	-	-	-	0.00%
Contractual Services	-	-	-	-	-	0.00%
Other Services & Charges	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	0.00%
Total Expenditures	790,520	320,333	423,803	439,300	(15,497)	103.66%
Revenues Over (Under) Expenditures	(600,271)	(186,082)	(349,090)	(211,979)		
Other Financing Sources (Uses)						
Sale of Fixed Assets	-	-	-	-	-	0.00%
Contributed Capital	-	-	-	-	-	0.00%
Transfers In	-	-	-	-	-	0.00%
Transfers Out	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	-	-	0.00%
Year-End Net Position	(941,837)	(1,127,920)	(1,477,009)	(1,688,988)		
Year-End Cash Balance	1,655,995	1,556,765	1,399,685	1,330,623		



City of Blaine, Minnesota
Water Utility Fund - 601
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Operating Revenues							
Water Fees	\$ 4,668,442	\$ 5,696,606	\$ 5,904,795	\$ 7,723,996	\$ 9,027,113	\$ 1,303,117	116.87%
WAC Fees	555,400	1,221,856	901,531	850,000	1,009,277	159,277	118.74%
Special Assessments	66,190	-	-	-	313	313	0.00%
Intergovernmental	403,225	-	-	-	-	-	0.00%
Charges for Services	193,574	417,822	370,824	240,200	433,812	193,612	180.60%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Investment Earnings	274,915	(134,989)	(160,429)	180,000	13,316	(166,684)	7.40%
Miscellaneous	19,317	27,800	9,613	15,000	35,446	20,446	236.31%
Total Operating Revenues	6,181,063	7,229,095	7,026,334	9,009,196	10,519,277	1,510,081	116.76%
Operating Expenses							
Personal Services	829,674	1,142,003	1,190,440	1,351,401	1,381,028	(29,627)	102.19%
Supplies	322,787	493,330	672,498	959,000	997,059	(38,059)	103.97%
Contractual Services	1,073,298	1,212,862	1,085,548	1,475,930	1,319,239	156,691	89.38%
Other Services & Charges	977,729	905,223	984,024	1,029,250	1,025,589	3,661	99.64%
Depreciation	1,442,455	1,515,952	1,589,781	1,750,000	1,750,000	-	100.00%
Capital Outlay (Operating)	14,927,571	5,669,207	2,402,408	2,381,000	1,608,168	772,832	67.54%
Total Operating Expenses	19,573,514	10,938,577	7,924,699	8,946,581	8,081,083	865,498	90.33%
Operating Income (Loss)	(13,392,451)	(3,709,482)	(898,365)	62,615	2,438,194		
Nonoperating Revenues (Expenses)							
Sale of Fixed Assets	1,725	-	3,458	-	42,642	42,642	0.00%
Contributed Capital	2,700,154	3,100,145	3,834,080	-	-	-	0.00%
Transfers In	-	-	-	-	-	-	0.00%
Transfers Out	(1,164,783)	(4,251,273)	(1,649,191)	-	(151,039)	(151,039)	0.00%
Debt Service	(1,773,481)	(2,381,131)	(2,379,706)	-	(2,397,042)	2,397,042	0.00%
Bond Proceeds	-	-	693,659	-	3,167,899	(3,167,899)	0.00%
Total Other Financing Sources (Uses)	(236,385)	(3,532,259)	502,300	-	662,460	(879,254)	0.00%
Year-End Net Position	72,611,365	75,699,775	78,326,111	-	80,326,111		
Year-End Cash Balance	9,264,470	3,662,841	761,436	-	5,317,353		



City of Blaine, Minnesota
Sewer Utility Fund - 602
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Operating Revenues							
Sewer Fees	\$ 6,732,985	\$ 6,832,787	\$ 7,359,670	\$ 8,127,364	\$ 8,405,744	\$ 278,380	103.43%
Special Assessments	586,478	2,762	52,372	-	652	652	0.00%
Intergovernmental	-	-	-	-	-	-	0.00%
Charges for Services	83,506	170,778	232,873	197,000	183,429	(13,571)	93.11%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Investment Earnings	133,067	(55,732)	(146,786)	109,500	171,564	62,064	156.68%
Miscellaneous	11,501	26,638	11,004	-	5,377	5,377	0.00%
Total Operating Revenues	7,547,537	6,977,233	7,509,133	8,433,864	8,766,766	332,902	103.95%
Operating Expenses							
Personal Services	660,280	404,804	569,387	517,380	674,686	(157,306)	130.40%
Supplies	29,167	25,747	39,611	43,600	19,684	23,916	45.15%
Contractual Services	4,495,659	4,248,410	5,058,160	5,483,890	5,482,739	1,151	99.98%
Other Services & Charges	762,732	834,317	896,815	942,640	939,018	3,622	99.62%
Depreciation	1,149,642	1,202,738	1,281,307	1,410,000	1,410,000	-	100.00%
Capital Outlay (Operating)	4,294,407	493,140	1,311,848	1,275,000	2,901,763	(1,626,763)	227.59%
Total Operating Expenses	11,391,887	7,209,156	9,157,128	9,672,510	11,427,890	(128,617)	118.15%
Operating Income (Loss)	(3,844,350)	(231,923)	(1,647,995)	(1,238,646)	(2,661,124)		
Other Financing Sources (Uses)							
Sale of Fixed Assets	-	6,118	-	-	54,000	54,000	0.00%
Contributed Capital	2,672,599	4,631,597	2,836,223	-	-	-	0.00%
Transfers In	-	-	-	-	-	-	0.00%
Transfers Out	(1,003,426)	(252,645)	(215,166)	-	(72,028)	(72,028)	0.00%
Debt Service	-	-	-	-	(46,276)	46,276	0.00%
Bond Proceeds	-	-	1,550,236	-	5,773,654	-	0.00%
Total Other Financing Sources (Uses)	1,669,173	4,385,070	4,171,293	-	5,709,350	28,248	0.00%
Year-End Net Position	68,973,568	73,618,076	76,079,123	-	79,579,123		
Year-End Cash Balance	2,015,805	2,741,630	3,696,142	-	8,292,018		



City of Blaine, Minnesota
Storm Water Utility Fund - 604
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Operating Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Storm Drainage Fees	1,691,437	1,893,692	2,017,122	2,238,700	2,259,500	20,800	100.93%
Licenses & Permits	300	300	300	-	300	300	0.00%
Intergovernmental	-	-	-	-	-	-	0.00%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Miscellaneous	11,308	39,011	2,060	-	91,901	91,901	0.00%
Investment Earnings	31,411	(19,486)	(79,938)	20,300	159,261	138,961	784.54%
Total Operating Revenues	1,734,456	1,913,517	1,939,544	2,259,000	2,510,962	251,962	111.15%
Operating Expenses							
Personal Services	630,775	633,271	729,334	869,700	671,687	198,013	77.23%
Supplies	46,439	78,006	80,107	98,500	42,636	55,864	43.29%
Contractual Services	77,159	105,002	99,890	205,950	237,610	(31,660)	115.37%
Other Services & Charges	331,840	354,858	440,232	453,950	446,640	7,310	98.39%
Depreciation	494,856	560,703	601,812	620,000	620,000	-	100.00%
Capital Outlay (Operating)	650,367	155,223	1,235,272	1,814,000	791,604	1,022,396	43.64%
Total Operating Expenses	2,231,436	1,887,063	3,186,647	4,062,100	2,810,177	1,251,923	69.18%
Operating Income (Loss)	(496,980)	26,454	(1,247,103)	(1,803,100)	(299,215)		
Other Financing Sources (Uses)							
Sale of Fixed Assets	-	-	7,745	-	22,255	22,255	0.00%
Contributed Capital	3,482,580	2,496,906	2,281,127	-	-	-	0.00%
Transfers In	-	-	-	-	-	-	0.00%
Transfers Out	(244,118)	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	(47,247)	(47,247)	0.00%
Bond Proceeds	-	-	1,582,234	-	1,795,000	1,795,000	0.00%
Total Other Financing Sources (Uses)	3,238,462	2,496,906	3,871,106	-	1,770,008	1,770,008	0.00%
Year-End Net Position	32,205,183	34,845,287	37,058,203	-	39,558,203		
Year-End Cash Balance	1,203,827	1,809,148	2,794,288	-	4,931,312		



City of Blaine, Minnesota
Refuse Utility Fund - 603
Summary of Revenues, Expenditures, Cash, and Net Position
2023 Budget to Actual Analysis (Unaudited)

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Projected	Variance from 2023 Actual Positive (Negative)	
Operating Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Refuse Fees	4,278,456	4,596,817	4,733,511	4,921,440	4,972,333	50,893	101.03%
Licenses & Permits	-	-	-	-	-	-	0.00%
Intergovernmental	152,000	-	66,151	138,000	85,978	(52,022)	62.30%
Fines & Forfeits	-	-	-	-	-	-	0.00%
Miscellaneous	-	-	-	-	-	-	0.00%
Investment Earnings	(2,986)	1,422	(12,863)	500	24,944	24,444	4988.80%
Total Operating Revenues	4,427,470	4,598,239	4,786,799	5,059,940	5,083,255	23,315	100.46%
Operating Expenses							
Personal Services	-	-	-	-	-	-	0.00%
Supplies	235	72	-	2,000	-	(2,000)	0.00%
Contractual Services	4,317,838	4,192,567	4,246,270	4,753,600	4,744,710	(8,890)	99.81%
Other Services & Charges	151,200	163,752	159,707	165,700	167,353	1,653	101.00%
Debt Service	-	-	-	-	-	-	0.00%
Total Operating Expenses	4,469,273	4,356,391	4,405,977	4,921,300	4,912,063	(9,237)	99.81%
Operating Income (Loss)	(41,803)	241,848	380,822	138,640	171,192		
Other Financing Sources (Uses)							
Sale of Fixed Assets	-	-	-	-	-	-	0.00%
Contributed Capital	-	-	-	-	-	-	0.00%
Contra Cap Asset	-	-	-	-	-	-	0.00%
Transfers In	-	-	-	-	-	-	0.00%
Transfers Out	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Debt Service	-	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	-	-	-	0.00%
Year-End Net Position	407,872	649,721	1,030,543	-	1,180,543		
Year-End Cash Balance	(289,285)	(48,802)	369,553	-	453,388		