



CITY COUNCIL MEETING AGENDA  
TUESDAY SEPTEMBER 16, 2025

**CITY COUNCIL MEETING TIME: 6:30 PM**

1. Call to Order

2. Pledge of Allegiance

3. Roll Call

4. \*\*\*\*Consent Agenda\*\*\*\*

All items listed under Consent Agenda are considered to be routine by Council and will be acted on by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- a. Approval of the City Council Minutes from the August 21, 2025, Joint City Council Meeting with Maple Plain.
- b. Approval of City Council Minutes from the September 2, 2025, Regular City Council Meeting.
- c. Approval of Accounts Payable; (Batch #1 - Checks No. 23906-23949).

5. Reports of Boards and Committees by Council and Staff.

6. Consider Approval of the 2026 Preliminary Budget and Tax Levies:

- a. **RESOLUTION NO. 25-0916-01** – Establishing the 2026 Preliminary Budget.
- b. **RESOLUTION NO. 25-0916-02** – Establishing the General and Debt Service Preliminary Tax Levy and Setting a Date for the 2025 Truth in Taxation Meeting for December 2, 2025, at 6:00 PM.
- c. **RESOLUTION NO. 25-0916-03** – Establishing the Pioneer Sarah Creek Watershed Management Commission Preliminary Tax Levy.

7. Overview/Discussion of Possible Pioneer Creek Community Park Grant Application.

8. Acceptance of Donation from Joe and Maureen Banavige for Historic City Hall Refurbishment.

9. Park Open/Misc.

10. Adjourn.

MINUTES OF A SPECIAL MEETING OF  
THE INDEPENDENCE CITY COUNCIL  
THURSDAY, AUGUST 21, 2021 – 6:30 P.M.  
(Independence Council Chambers)

1. CALL TO ORDER

Pursuant to due call and notice thereof, a regular meeting of the Independence City Council was called to order by Mayor Spencer at 6:30 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

PRESENT:	Mayor Spencer and Maas-Kuskke, Independence Councilmembers Betts, McCoy, Grotting, Fisher, Maple Plain Councilmembers DeLuca, Francis, Burak and Arvizo
ABSENT:	None
STAFF:	Independence City Administrator Kaltsas and Maple Plain City Administrator Kolander, Independence Administrative Services Director Simon
VISITORS:	See Sign-in Sheet

4. Discussion and Consideration to Move Forward with the Consolidation of the Maple Plain and West Suburban Fire Departments.

- a. **Independence RESOLUTION No. 25-0821-01** – Considering approval of the city's intent to proceed with the consolidation of the Maple Plain Fire Department and the West Suburban Fire District.
- b. **Maple Plain RESOLUTION NO. 2025-0821-01**- Considering approval of the city's intent to proceed with the consolidation of the Maple Plain Fire Department and the West Suburban Fire District.

Administrator Kaltsas explained that a projected budget had been provided by West Suburban, and the cost split was based on the current formula used by Maple Plain and Independence. He also outlined additional steps that would need to be taken if the consolidation moved forward, including working with legal counsel to prepare necessary contracts and documents.

Councilmember McCoy raised a question about what would happen after the initial 5-year period. Administrator Kaltsas and Mayor Spencer explained that this was still to be determined but emphasized that the goal was to become one unified entity after the transition period.

Chief Jeff Leuer provided clarification on the 5-year timeframe, explaining that after this period, the funding formula used for all five cities in the West Suburban Fire District would apply to Maple Plain and Independence as well.

Mayor Maas-Kusske expressed gratitude for the long process and emphasized the importance of listening to firefighters throughout the consolidation discussions. She highlighted the benefits for firefighters, including pension and pay increases, and emphasized that the primary goal was to ensure continued excellent fire service for residents.

Both cities then proceeded to consider their respective resolutions.

**Mayor Spencer called for a motion on Independence Resolution 25-0821-01. Councilmember Betts moved to approve the resolution, seconded by Councilmember Grotting. The motion carried unanimously.**

**Mayor Maas-Kusske called for a motion on Maple Plain Resolution 2025-0821-01. Councilmember Francis moved to approve the resolution, seconded by Councilmember Burek. The motion passed 5-0.**

Following the passage of both resolutions, Councilmember McCoy suggested creating a timeline for the consolidation process and proposed having monthly joint meetings to ensure transparency. He also recommended that Chief Leuer be charged with driving the operational aspects of the consolidation.

Mayor Spencer and Administrator Kaltsas assured that much of the groundwork had already been laid, including the selection of attorneys and the use of existing merger documents as templates. They mentioned that the next fire commission meeting on September 9th would address timeline and communication processes.

Mayor Spencer suggested allowing the departments to begin operating as if they were merged to identify any potential issues before the official consolidation. Chief Leuer agreed that this would be helpful in identifying any challenges before the official merger date.

## 5. OPEN/MISC.

No additional items were discussed under this agenda item.

## 6. ADJOURN.

Mayor Maas-Kusske called for a motion to adjourn. Councilmember Francis moved to adjourn, seconded by Mayor Spencer. The motion passed unanimously.

The meeting was adjourned at 6:56 PM.

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Respectfully Submitted,  
Amber Simon/ Recording Secretary



CITY COUNCIL MEETING MINUTES  
TUESDAY JULY 15, 2025

**CITY COUNCIL MEETING TIME: 6:30 PM**

1. Call to Order

Mayor Brad Spencer called the meeting to order on Tuesday, September 02, 2025, at 6:30 PM

2. Pledge of Allegiance

Mayor Spencer led the Pledge of Allegiance.

3. ROLL CALL

PRESENT: Spencer, McCoy, Betts, Fisher, Grotting

ABSENT: None

STAFF: City Administrator Kaltsas, Administrative Services Director Simon,  
Public Works Supervisor Ben Lehman, WHPS Chief DuRose

VISITORS: See Sign in Sheet

4. \*\*\*\*Consent Agenda\*\*\*\*

Mayor Spencer stated that the consent agenda items would be considered routine and acted on by one motion unless someone would like to remove an item for discussion. The consent agenda

a. Approval of City Council Minutes from the July 30, 2025, City Council Workshop.

b. Approval of City Council Minutes from the August 19, 2025, Regular City Council Meeting and Public hearing on Lake Independence.

c. Approval of Accounts Payable; (Batch #1 - Checks No. 23884-23904).

d. Large Assembly Permit: 2026 Copeland Road – Private Wedding – September 13, 2025.

5. Reports of Boards and Committees by Council and Staff.

6. Lake Minnetonka Communications Commission – 2026 Approved Budget. The 2026 Budget is presented for information only.

Mayor Spencer (Administration)

entertain a motion for approval of the consent agenda? So Move to approve. Alright. Well, we'll move by McCoy, seconded by Betts. All in favor signify by saying aye. Aye.

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Mayor Spencer (Administration)

Now let's do boards and committee meetings, reports of meetings. Brad?

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Mayor Spence r(Administration)

I just have the joint meeting with Maple Plain. I was unable to watch the golf ball tournament, unfortunately. Oh. Yeah. You missed that. I real nailed it. I yeah. I'm not tell you how it ended. I saw the big Well, if you left at the end of the fifth inning, the firefighters would have won at 20 to 10, but they didn't. What was the ump bias? The ump was an ex chief, and the West African public safety triumphed 22 to 20 in a big comeback. Wow. Yeah. So, it was very exciting. Was there a good was enjoyed by all. Did the police have a good picture?

You know, he was pretty good, but you know what he really did is he flipped the last out to first base. That was a big play right there for the for the big w. You know? The police pitcher was given some feedback by his teammates for next year. Oh, okay. Well, it's good to know. I would say that Encouragement. Right? Yeah. The police pitcher was probably at a little bit less wild loft than the fire pitcher. I would say that. He had a little altitude problem sometimes. Believe that was How about you, Lynn? Any meetings? I did the joint council meeting with Maple Plain. Alright.

Council member McCoy (Administration)

Joint council with Maple Plain and attended the West Suburban Fire family fun night up in Hamel. That was a good time. Nice. Yeah. That is a fun event. Alright.

Mayor Spencer (Administration)

Council member Grotting. Joint council meeting. Okay.

Uh, my meetings, I went to, uh, the memorial service for Larry Bartels, who passed away. He's a former council member and a longtime servant in Delmonel.

Mayor Spencer (Administration)

The joint council meeting on the fire district merger on the 20 first. I did, of course, attend the first responder softball game on the 20 fifth. And then I had the I had the honor to be a witness of the reading to the children by the chief-by-chief DuRose and chief Dennison, which was absolutely stunning. So, we had a good turnout, lots of kids. It was fun. I I I am amazed the turnout on that. It was great. It was very good. You guys did a fabulous job. Thank you. Thank you. We're representing. Is that the main plain library? Oh, it was, uh, like, a Friday or something at lunchtime or Thursday or something. Wednesday story time. Yeah. There're quite a few kids there. So, we've got pictures, so we can document them. Amber?

Mayor Spencer (Administration)

Any meetings? No. Mark?

Council member McCoy (Administration)

I had 2 meetings other than the ones that were mentioned. 1 with a lobbyist group that we're talking to for that Highway 12 project, and we're gonna meet with some groups on Thursday

after the coalition meeting to kind a talk through and see if there's something that we can do. So that was actually a really good meeting. And today, met with the kind a Maple Plain fire team and the and the attorney who's gonna help us do the transition docs and the new contract for Maple Plain Fire. So getting that ready. So just a couple of things with that. I think we're in good shape. Scott, the attorney on that? It is. It's Scott. Yep.

**Mayor Spencer (Administration)**

K.

**Mayor Spencer (Administration)**

Okay. Well, thank you, everybody. Anyone have anything they want to add to the agenda for tonight?

**Mayor Spencer (Administration)**

Alright. So, uh, Lake Minnetonka Communications or Cable Commission, uh, budget. Brad, you're the representative. You want to give us the bullet points on this thing? Yeah. I won't read you through all the numbers, but if you look at the chart that Jim prepared,

**Council member Fisher (Administration)**

we did 2 different columns for 26, and that was obviously if the sale went through on the existing building versus if it did not. At this point, we just had an update. I got an update from Jim today that the purchase agreement should now be finally accepted, and they have a nonrefundable earnest money attached to that as of the final acceptance date. So, it should go forward and close within 90 days. So it'll be close to the end of the year, obviously.

They are already preparing the Long Lake facility to move into it as far as some I know there were some demo and different things they had to do to get it set up. The primary difference here, and I don't know if you guys are aware, but Jim Lundberg will be retiring at the end of the year. And so that's biggest thing is Tyler will be taking over. So when you'll see the salary differences, when it says franchise salaries, if you look below it under peg, that's where the salary now falls. Okay. And peg, and that's where we Jim put them for this.

Otherwise, it's just basically showing you the 2 different costs and obviously getting out of the current facility, you're not gonna have things like utilities because they're all included with the rent, refuse and recycling, all that's covered within the existing rent. So that's why the 1 column on the far right is less in cost in some way, but now you have rent, which is 25000 dollars Right. A year based on the rent there, which is pretty reasonable. Yeah.

Yeah. So overall, it looks like the budget will be positive for next year without having to use additional funds. And then the revenue from the sale of the building, which they own, will be just put off to the side to cover different costs. And there will be about estimate of about a hundred and 20000 dollars to move between the 2 facilities. So that will come out of the proceeds from that sale. Okay. And Jim's still gonna retire even though the sale of the building occurred? Yeah. I had spoken to him 1 on 1 after the last meeting and he still wishes to think that's the best for the group that he should step away. Know? It's been a long time that he's been He's done yeah. The little bit of time that I've been exposed, you guys have been exposed much longer. I mean, what a professional. What a great gentleman and very organized and everything else. But if you notice franchise franchise fees, excuse me, keep dropping. Oh, like you said. And so that's the challenge with it is that it's and that's what Jim's point is, is that as it goes forward, we're gonna see less and less revenue unless something changes with being able to charge peg fees on

Internet, which you can't do. Correct. So, you know, what a lot of people don't understand is that the fees that we receive from Mediacom are based only on the cable subscribers, not the Internet access subscribers. So that people could continue to use Mediacom for their Internet sources and just drop off the cable, which is what's happening, cable cord cutting, and revenues just keep going. So yep. There's really not much they can do about it. You know, Mediacom, even when I disconnected the other day, they argued that they're really not in the cable business anymore. Right. Right. Um, it's a interesting challenge. It's sad to see Jim go. Okay.

Mayor Spencer (Administration)  
Alright.

Mayor Spencer (Administration)  
Alright. So you wanted a motion to approve this budget? Sure. Why not? Go ahead. I'll make a motion to approve that. Alright. Motion by Fisher. Is there a second? Second. Seconded by Betts. All in favor signify by saying aye. Aye. Opposed same sign. Motion carried.

Mayor Spencer (Administration)  
Anything from the chief? I have nothing tonight, Mr. Mayor. Well, there is being no further items on the agenda. I take entertain a motion to adjourn. So moved. Moved by McCoy. Seconded. Seconded by Grotting. All in favor signify by saying aye. Aye. Opposed same sign. Motion is adjourned.

included the following items:

**Motion by Councilmember Fisher, seconded by Councilmember Betts, to approve the consent agenda. All in favor. Motion carried. 5-0**

## 5. Adjourn.

Anything from the chief? I have nothing tonight, Mr. Mayor. Well, there is being no further items on the agenda. I take entertain a motion to adjourn. So, moved. Moved by McCoy. Seconded. Seconded by Grotting. All in favor signify by saying aye. Aye. Opposed same sign. Motion is adjourned.



# City of Independence

## 2026 Preliminary Budget and Levy Discussion

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*To:* City Council  
*From:* Mark Kaltsas, City Administrator  
*Meeting Date:* September 16, 2025

### ***Discussion:***

Staff and Council have had several meetings to discuss and revise the preliminary budget and corresponding tax levy for 2026. For the past nine years, Council has directed staff to prepare a budget using a flat tax rate of ~40% with no increase in applicable City tax rate. As a result of long-range planning, efficient and responsible budgeting, as well as market value increases realized by most properties in the metropolitan area, Independence is projecting that the City's applicable tax rate will stay almost flat (changing from 31.21% to 32.16%). The preliminary general levy has an estimated increase of 6.22% and the total operating levy has an estimated increase of 7.64%. The city estimates anticipated costs related to operations when setting the preliminary levy and will continue to review and refine the final budget prior to adopting a final levy in December. The projected increases in the total levy will accommodate the costs associated with providing emergency/police services, increases in funding for gravel road reconstruction and increased maintenance and general increases to the costs of providing services. The city's financial consultant and staff have prepared a preliminary budget which reflects an overall increase of or \$235,224. It should be noted that the general government budget (the total government budget not including police and fire services) for 2026 is proposed to decrease by approximately \$67,713 (~4%) while still fully funding operations.

The city is still in the process of working through the final West Hennepin Public Safety budget for 2025. An initial budget has been reviewed, and it is recommended that the initial budget amount be included in the preliminary levy. It is possible that the initial budget will be reduced based on recent personnel changes that will not be finalized in time to include in the preliminary levy. The city has the ability to reduce the preliminary levy amount prior to final adoption in December. The city has prepared a "Possible" final levy summary (see below) that shows the possible changes to the levy based on a reduction to the final WHPS budget.

Several highlights of the draft preliminary budget are as follows:

- The budget includes initial public safety increases prepared by all public safety entities. Note that West Hennepin Public Safety has provided a preliminary budget for initial review and consideration – it is anticipated that this budget will likely change prior to adoption of the final levy. Also note that the formula has shifted slightly for 2026. The preliminary proposed 2026 public safety and fire contract amounts are as follows:

	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Maple Plain Fire:	<b>\$307,151</b>	\$252,549	\$281,458	\$243,444
Loretto Fire:	<b>\$142,954</b>	\$131,171	\$109,247	\$105,783
WHPS:	<b>\$1,930,764</b>	\$1,709,322	\$1,550,160	\$1,491,688

- The City is proposing maintain the PW capital equipment contribution for 2026 at \$75,000 as planned for in the long-range capital equipment plan. This will still allow the City to maintain a positive balance on all future PW capital expenditures. The City's capital equipment plan projects how the City will be able to fund capital equipment purchases moving forward using a flat budget number of \$75,000 per year (see capital equipment plan).
- Once again, the capital improvement plan for City Hall shows no significant expenditures as a result of the current improvement projects.
- The budget reflects a 3% cost of living increase. It should be noted that health insurance costs are estimated to be increasing by ~7-8%.
- The City has a capital road improvement plan that includes seal coating and gravel road tiling. The proposed numbers for 2026 are \$60,000 for each item (total of \$120,000). The city also has a gravel road budget number of \$100,000. This will fund our overall gravel road plan moving forward.
- The City is project to receive approximately \$74,000 from the TAA – Transportation Advancement Account (small cities road fund). This amount is down slightly from last year and will be used to offset gravel road funding.
- The City also annually receives CAM – County Aid to Municipalities money. The city is budgeting \$30,000 in revenue for 2026.
- The PSCWC budget is relatively flat; however, it should be noted that the city has seen an increase in consulting time associated with, stormwater issues, reviewing and enforcement of wetlands, etc.

The City Council will have the opportunity to further refine the budget prior to the requisite December 2025 adoption. At this time, the City is considering the adoption of the preliminary budget and tax levy which establishes the maximum tax levy for taxes payable in 2026. The preliminary levy is required to be set prior to September 30, 2025. The City can adopt a final levy that is less than the preliminary but cannot increase the final levy set in December from the adopted preliminary levy.

## **PROPOSED PRELIMINARY LEVY**

### **Tax Levy Summary**

Overall, the tax levy includes levies for general operations, city infrastructure and debt services. The 2026 and 2025 budgeted tax levies are listed below.

	2025 Budget	Proposed Budget	Increase (Decrease)	% Change
General	\$ 3,784,539	\$ 4,019,763	\$ 235,224	6.22%
Debt Service				
2010 GO Improvement Bonds	13,883	-	(13,883)	-100.00%
2015 GO Tax Abatement Bonds	177,148	-	(177,148)	-100.00%
2020A GO Bonds	123,577	122,317	(1,260)	-1.02%
2025A GO Bonds	0	270,428	270,428	100.00%
Total City Operating Levy	\$ 4,099,148	\$ 4,412,508	\$ 313,360	7.64%
Pioneer/Sarah Watershed Taxing District	\$ 72,194	\$ 81,056	\$ 8,862	12.28%

## **POTENTIAL FINAL LEVY (With WHPS Reduction)**

	2025 Budget	2026 Proposed Budget	Increase (Decrease)	% Change
General	\$ 3,784,539	\$ 3,965,632	\$ 181,093	4.79%
Debt Service				
2010 GO Improvement Bonds	13,883	-	(13,883)	-100.00%
2015 GO Tax Abatement Bonds	177,148	-	(177,148)	-100.00%
2020A GO Bonds	123,577	122,317	(1,260)	-1.02%
2025A GO Bonds	0	270,428	270,428	100.00%
Total City Operating Levy	\$ 4,099,148	\$ 4,358,377	\$ 259,229	6.32%
Pioneer/Sarah Watershed Taxing District	\$ 72,194	\$ 81,056	\$ 8,862	12.28%

### ***Council Direction:***

The City Council is being asked to consider approval of **RESOLUTION 25-0916-01**, **RESOLUTION 25-0916-02** and **RESOLUTION 25-0916-03** approving the preliminary levies and budget for 2026.

***Attachments:***      **RESOLUTION 25-0916-01**  
                             **RESOLUTION 25-0916-02**  
                             **RESOLUTION 25-0916-03**

ABDO Memorandum with Preliminary Budget and Levies



RESOLUTION OF THE  
CITY OF INDEPENDENCE  
HENNEPIN COUNTY, MINNESOTA

**RESOLUTION NO. 25-0916-01**

**RESOLUTION APPROVING 2026 PRELIMINARY GENERAL FUND BUDGET**

**WHEREAS**, it is the practice of the City of Independence to create and adopt a General Fund Budget; and

**WHEREAS**, the City Council for the City of Independence has determined to create a balanced budget; and

**WHEREAS**, the City Council has determined that the 2026 General Fund Budget will call for revenues and expenditures of \$4,594,841; and

**WHEREAS**, the proposed 2026 General Fund Budget meets the criteria of a balanced budget,

**NOW, THEREFORE, BE IT RESOLVED**, that the Independence City Council hereby adopts the General Fund Budget for 2026.

This resolution was adopted by the City Council of the City of Independence on this 16<sup>th</sup> day of September 2025, by a vote of \_\_\_ayes and \_\_\_\_nays.

ATTEST:

\_\_\_\_\_  
Brad Spencer, Mayor

\_\_\_\_\_  
Mark Kaltsas, City Administrator



RESOLUTION OF THE  
CITY OF INDEPENDENCE  
HENNEPIN COUNTY, MINNESOTA

**RESOLUTION NO. 25-0916-02**

**RESOLUTION APPROVING 2026 PRELIMINARY PROPERTY TAX LEVY AND  
SETTING THE DATE FOR THE 2025 TRUTH IN TAXATION MEETING**

**WHEREAS**, the City of Independence is required by State law to approve a resolution setting forth an annual tax levy to the Hennepin County Auditor; and

**WHEREAS**, Minnesota Statutes require approval of a preliminary property tax levy and preliminary budget on or before the 30<sup>th</sup> of September of each year; and

**BE IT RESOLVED**, that the City Council of the City of Independence, Hennepin County, Minnesota, that the following sums of money be levied for collection in 2026 upon the table property in said City of Independence for the following purposes:

<b>General Fund</b>	\$ 4,019,763
<b>Debt Service</b>	
2020A GO Bonds	122,317
2025A GO Bonds	270,428
<b>Total Operating Levies</b>	<b><u>\$ 4,412,508</u></b>

**BE IT RESOLVED** that the Truth in Taxation meeting will be held on December 2<sup>nd</sup>, 2025, at 6:00 PM; and

**BE IT FURTHER RESOLVED**, that the City Administrator is hereby authorized and directed to transmit this information to the County Auditor of Hennepin County, Minnesota and the Minnesota Department of Revenue, if applicable, in the format requested as required by law.

This resolution was adopted by the City Council of the City of Independence on this 16<sup>th</sup> day of September 2025, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays.

ATTEST:

\_\_\_\_\_  
Brad Spencer, Mayor

\_\_\_\_\_  
Mark Kaltsas, City Administrator



RESOLUTION OF THE  
CITY OF INDEPENDENCE  
HENNEPIN COUNTY, MINNESOTA

**RESOLUTION NO. 25-0916-03**

**RESOLUTION APPROVING 2026 THE PIONEER SARAH CREEK WATERSHED  
MANAGEMENT COMMISSION TAX LEVY**

**WHEREAS**, the City of Independence is required by State law to approve a resolution setting forth an annual tax levy to the Hennepin County Auditor; and

**WHEREAS**, Minnesota Statutes require approval of a preliminary property tax levy and preliminary budget on or before the 30<sup>th</sup> of September of each year; and

**BE IT RESOLVED**, that the City Council of the City of Independence, Hennepin County, Minnesota, that the following sums of money be levied for collection in 2026 upon the table property in said City of Independence for the following purposes:

**Pioneer/Sarah Watershed Commission**

**\$81,056**

**BE IT FURTHER RESOLVED**, that the City Administrator is hereby authorized and directed to transmit this information to the County Auditor of Hennepin County, Minnesota and the Minnesota Department of Revenue, if applicable, in the format requested as required by law.

This resolution was adopted by the City Council of the City of Independence on this 16<sup>th</sup> day of September 2025, by a vote of \_\_\_ayes and \_\_\_\_nays.

ATTEST:

\_\_\_\_\_  
Brad Spencer, Mayor

\_\_\_\_\_  
Mark Kaltsas, City Administrator

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## BUDGET MEMO

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**TO:** CITY ADMINISTRATOR  
**FROM:** ABDO FINANCIAL SOLUTIONS, LLC  
**SUBJECT:** 2026 BUDGET POINTS MEMO  
**DATE:** SEPTEMBER 16, 2025

### Introduction

Upon your request, we have summarized the 2026 Budget highlights below.

### Budget Format

The 2026 Budget included the Council approved priorities for each department. These will continue to be reviewed and updated as needed.

### Key Items in this Year's Budget

- The general fund tax levy increased \$235,224 or 6.22% over prior year. The tax rate calculates to 32.16%. The prior year's tax rate was 31.21%. Some factors in the change are described below.
- Excluding police and fire services, the general government levy decreased \$67,713 or 3.98%.
- Police protection increased \$237,238 or 13.98% from the 2025 budget.
- Fire services increased \$65,699 or 17.05% from the 2025 budget.
- Elections increased \$9,100 or 100% due to budgeting for 2026 elections.
- Streets decreased by \$75,541 or 8.06% due to budgeting less for gravel road maintenance.
- Parks decreased by \$12,134 or 40.81% due to budgeting less for repairs and maintenance.
- Charges for Services revenue decreased by \$37,090 or 85.88% due to less budgeting for zoning and subdivision fees.

## Taxation Notification Summary Chart for Taxes Payable 2026

Due Date	EDA and City Levy Process
9/30/2025	The EDA must pass a resolution authorizing the proposed 2026 EDA levy
9/30/2025	The City must pass a resolution and file with the County the exact amount of the proposed 2026 City levy. The due date of the City property tax levy is September 30, 2025.
9/30/2025	At one meeting, the City Council adopts the proposed property tax levy and announces the time and place of a future City Council meeting at which the budget and levy will be discussed and public input allowed, prior to final budget and levy determination. This public input meeting must occur after November 24, 2025 and must start at or after 6:00 PM. The time and place of the public input meeting must be included in the minutes but newspaper publication of the minutes is not required. This information must be filed with the County Auditor.
11/24/25 - 12/30/25	EDA must pass a resolution approving the 2026 EDA levy
11/24/25 - 12/30/25	City must pass a resolution approving the 2026 City levy
11/24/25 - 12/30/25	City Council must hold a meeting to discuss the budget and property tax levy and, before a final determination, all public input.
12/30/25	City must file the certificate of compliance (form TNT-2014) with the Department of Revenue by December 30, 2025.

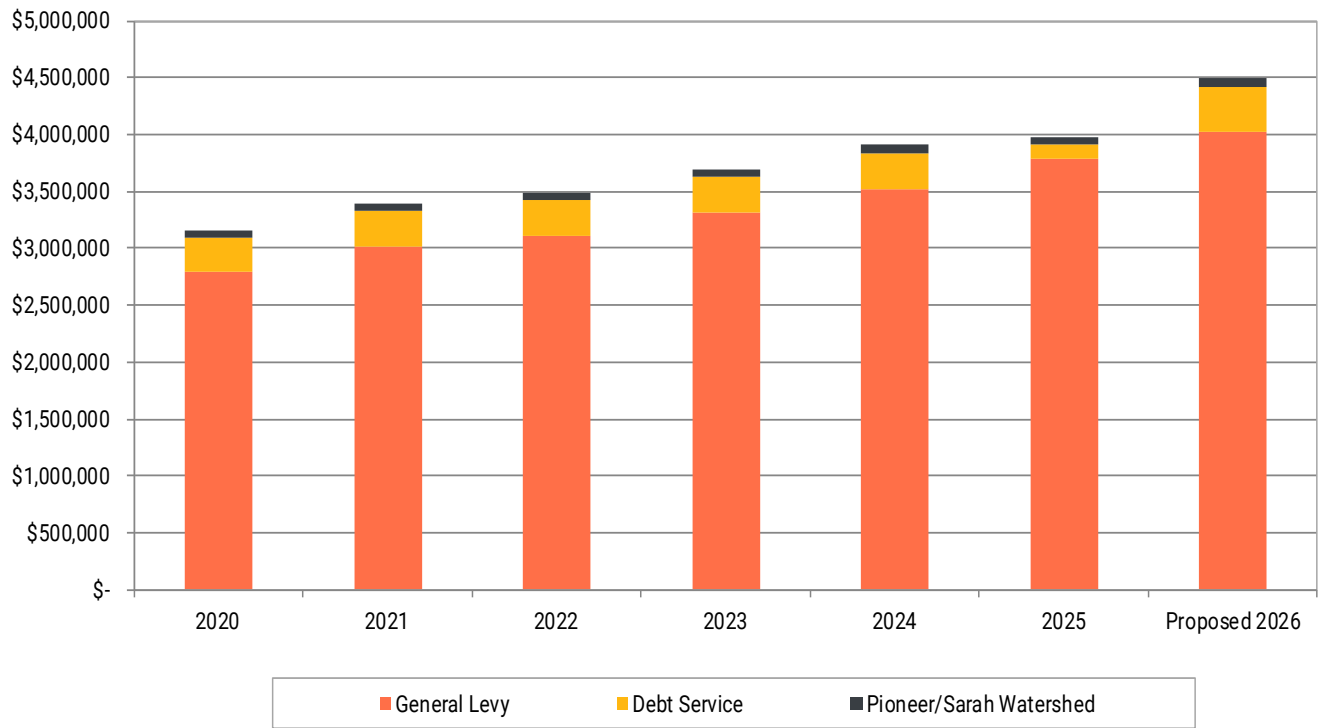
### Tax Levy Summary

Overall, the tax levy includes levies for general operations, city infrastructure and debt services. The 2026 and 2025 budgeted tax levies are listed below.

	2025 Budget	Proposed Budget	Increase (Decrease)	% Change
General	\$ 3,784,539	\$ 4,019,763	\$ 235,224	6.22%
Debt Service				
2010 GO Improvement Bonds	13,883	-	(13,883)	-100.00%
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Total City Operating Levy	\$ 4,099,148	\$ 4,412,508	\$ 313,360	7.64%
Pioneer/Sarah Watershed Taxing District	\$ 72,194	\$ 81,056	\$ 8,862	12.28%



## Levy Summary 2020 to 2026 Projected



### Summary of the City's Tax Capacity

The estimated tax capacity increased 4.68% for 2026.

A comparison of the current year tax capacity compared to the prior three years and the overall percentage change for the county is listed below:

	2022 Pay	2023	2023 Pay	2024	2024 Pay	2025	Estimated 2025 Pay 2026	% Change	% Change (County-wide)
Commercial/Industrial	\$ 392,516	\$ 616,176	\$ 710,868	\$ 629,151	-11.50%	-5.53%			
Residential	8,936,700	9,847,274	10,542,586	11,117,852	5.46%	3.91%			
Farm	1,226,914	1,406,315	1,499,986	1,603,127	6.88%	2.98%			
<b>Total</b>	<b>\$ 10,556,130</b>	<b>\$ 11,869,765</b>	<b>\$ 12,753,440</b>	<b>\$ 13,350,130</b>	<b>4.68%</b>	<b>0.43%</b>			

The current tax capacity and historical tax capacity rates are summarized below for Independence and three relatively comparable Hennepin County Cities. The major difference between Independence and the three comparable cities is the large commercial tax base.

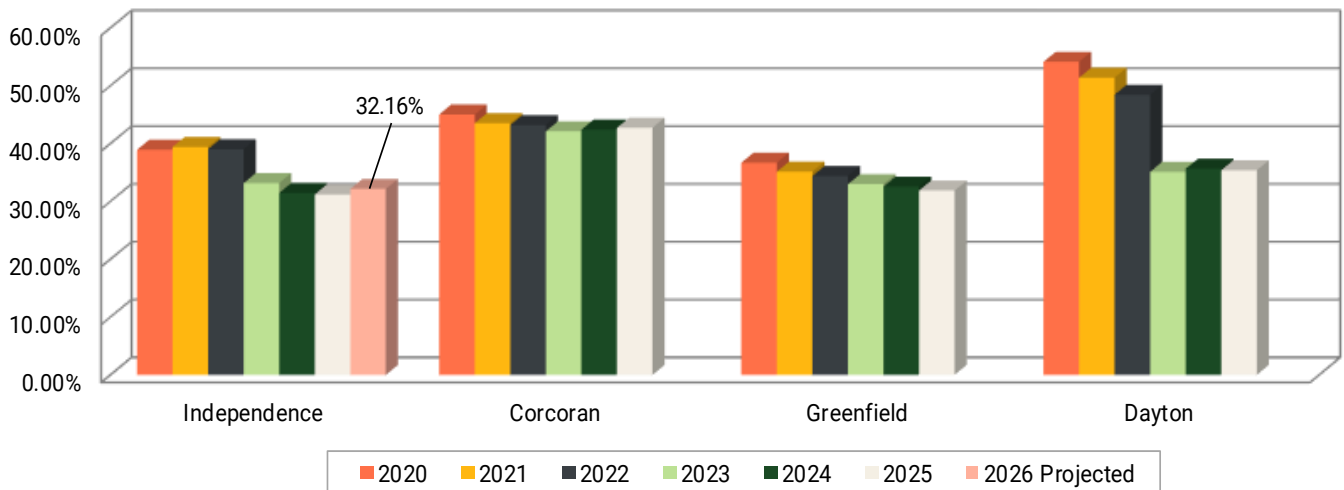
## Tax Capacity by Property Type - Estimated 2025 Pay 2026

City of Independence Tax Rate History Compared to other similar sized Hennepin County Cities:

	Independence	Corcoran	Greenfield	Dayton
Commercial/Industrial	\$ 629,151	\$ 2,044,534	\$ 741,706	\$ 8,352,748
Apartment	-	322,750	-	48,313
Residential	11,117,852	19,696,787	7,140,671	20,153,003
Farm	1,603,127	1,542,035	687,346	732,269
Total	\$ 13,350,130	\$ 23,606,106	\$ 8,569,723	\$ 29,286,333

## Tax Capacity Rates

	Independence	Corcoran	Greenfield	Dayton
2020	38.93%	45.01%	36.69%	54.14%
2021	39.40%	43.52%	35.15%	51.38%
2022	39.03%	43.19%	34.40%	48.44%
2023	33.18%	42.12%	32.99%	35.11%
2024	31.47%	42.41%	32.56%	35.65%
2025	31.21%	42.73%	31.88%	35.39%
2026 Projected	32.16%			



**Staffing**

Data related to the number of full-time equivalent positions is noted below:

Summary of FTES by Department	2023	2024	2025	2026
City Council	5.00	5.00	5.00	5.00
Adminstration	2.69	2.19	2.69	2.70
Streets	1.80	1.79	1.80	1.80
Building Inspection	1.00	0.93	1.00	1.02
Subtotal General Fund	10.49	9.91	10.49	10.52
Sewer	1.70	1.42	1.70	1.70
Total	12.19	11.33	12.19	12.22

PRELIMINARY

## General Fund Summary

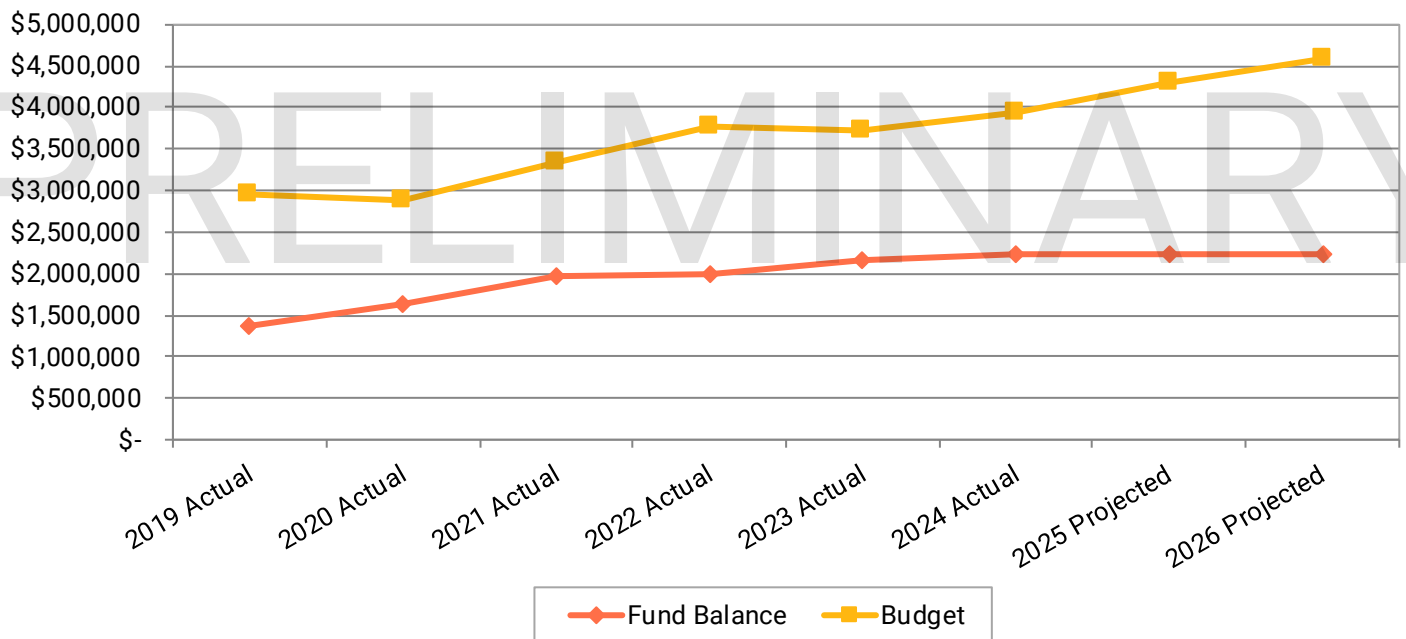
### 2026 General Fund Summary Budget

	Actual 2024	Budget 2025	Budget 2026	Increase/ (Decrease)	Percent Change
<b>Revenues</b>					
Taxes	\$ 3,557,473	\$ 3,784,539	\$ 4,019,763	\$ 235,224	6.22%
Licenses and permits	410,944	265,000	299,100	34,100	12.87%
Intergovernmental	171,069	103,550	129,315	25,765	24.88%
Charges for services	27,235	43,190	6,100	(37,090)	-85.88%
Fines and forfeitures	21,467	36,900	25,000	(11,900)	-32.25%
Interest on investments	40,590	25,000	30,000	5,000	20.00%
Miscellaneous	145,835	43,309	55,563	12,254	28.29%
Transfers in	-	-	30,000	30,000	
<b>Total Revenues</b>	<b>\$ 4,374,613</b>	<b>\$ 4,301,488</b>	<b>\$ 4,594,841</b>	<b>\$ 293,353</b>	<b>6.82%</b>
	Actual 2024	Budget 2025	Budget 2026	Increase/ (Decrease)	Percent Change
<b>Expenditures</b>					
Mayor and City Council	\$ 20,025	\$ 28,329	\$ 23,800	\$ (4,529)	-15.99%
City Clerk/Finance administration	716,466	680,801	733,622	52,821	7.76%
Election	7,718	-	9,100	9,100	0.00%
Planning and zoning	53,957	49,631	55,800	6,169	12.43%
Water resource	-	5,000	5,000	-	0.00%
General government buildings	103,445	54,303	62,453	8,150	15.01%
Legal services	28,280	49,500	43,500	(6,000)	-12.12%
Police	1,686,380	1,696,811	1,934,049	237,238	13.98%
Fire	387,055	385,301	451,000	65,699	17.05%
Building inspection	164,636	177,183	181,732	4,549	2.57%
Streets	869,776	936,791	861,250	(75,541)	-8.06%
Street lighting	3,301	6,500	3,500	(3,000)	-46.15%
Recycling	110,885	111,604	122,435	10,831	9.70%
Parks	17,440	29,734	17,600	(12,134)	-40.81%
Capital outlay - general government	10,652	15,000	15,000	-	0.00%
Capital outlay - public safety	-	-	-	-	0.00%
Capital outlay - public works	-	-	-	-	0.00%
Transfer out	123,819	75,000	75,000	-	0.00%
<b>Total Expenditures</b>	<b>4,303,835</b>	<b>4,301,488</b>	<b>4,594,841</b>	<b>293,353</b>	<b>6.82%</b>
<b>Net Change</b>	<b>\$ 70,778</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

## General Fund Balance

The City has built a healthy fund balance which can contribute to a positive bond rating and mitigates the potential for needing short-term borrowing. It will be important to continue to maintain reserve levels at 40 to 50 percent. A summary of the general fund balance history and 2025 budget is as follows. It should be noted that the future projections assume a 3% increase in expenses and a breakeven budget which results in the City eroding reserves levels when viewed as a present of expenditures.

Year	Fund Balance December 31	General Fund Budget	Percent of Fund Balance to Budget
2019 Actual	\$ 1,378,021	\$ 2,961,463	46.5%
2020 Actual	1,630,768	2,871,447	56.8%
2021 Actual	1,982,099	3,326,128	59.6%
2022 Actual	1,996,513	3,770,183	53.0%
2023 Actual	2,161,569	3,724,180	58.0%
2024 Actual	2,232,348	3,945,316	56.6%
2025 Projected	2,232,348	4,301,488	51.9%
2026 Projected	2,232,348	4,594,841	48.6%



## General Fund Balance as a Percentage of Expenditures

### Pioneer/Sarah Watershed Summary

Account	Description	Actual 2023	Actual 2024	YTD 6/30/2025	Budget 2025	Budget 2026
200-31010	Ad Valorem Taxes	\$ 64,510	\$ 71,776	\$ -	\$ 68,710	\$ 77,572
200-31040	Fiscal Disparities	2,381	2,046	-	3,484	3,484
200-36210	Interest Earnings	1,526	2,026	587	-	1,000
200-39200	Transfer In (General Fund)	-	-	-	-	-
	<b>Total Revenues</b>	<b>68,417</b>	<b>75,848</b>	<b>587</b>	<b>72,194</b>	<b>82,056</b>
200-41920-309	Pioneer-Sarah Watershed Comm.	47,967	48,368	48,892	48,892	51,456
200-41920-310	Other Consulting Fees	0	-	-	1,202	1,000
200-41920-320	Water Resource Staff	8,766	26,462	9,649	10,000	17,500
200-41920-350	Printing&Publications-(Legals)	-	-	-	-	-
200-41920-433	Misc. Dues/Ffes	560	-	-	-	-
200-41920-570	Capital Outlay (Project Cost)	-	-	-	12,100	12,100
	<b>Total Expenses</b>	<b>57,293</b>	<b>74,829</b>	<b>58,541</b>	<b>72,194</b>	<b>82,056</b>
	Change in Fund Balance	\$ 11,124	\$ 1,019	\$ (57,954)	\$ -	\$ -

Beginning Capital Balance	\$ -	\$ 12,100
Additions	12,100	12,100
Uses		
Ending Capital Balance	<u>\$ 12,100</u>	<u>\$ 24,200</u>

## Capital Planning

### Public Works Equipment Fund (403)

City Staff has reviewed the existing capital needs of the department and determined the following represent anticipated expenditures through 2029.

City of Independence, Minnesota  
Capital Improvement Plan - Public Works Equipment Fund 403  
Schedule of Planned Capital Outlay 2023 to 2029

			2023	2024	2025	2026	2027	2028	2029
Department	Year to Replace	Item	Cost	Cost History	Estimated Amounts	Estimated Amounts	Estimated Amounts	Estimated Amounts	Estimated Amounts
Public works	2023	Road Grader Overhaul	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Public works	2024	Road Side Mower (Replacement)	57,000	20,000	-	73,000	-	-	-
Public works	2024	Tractor & Loader	130,000	130,000	-	98,400	-	-	-
Public works	2024	Lawn Mower	30,000	-	-	8,500	16,000	-	-
Public works	2025	New Truck Tandem Axel	250,000	-	-	326,727	-	-	-
Public works	2029	Single Axel	200,000	-	-	-	-	-	200,000
Public works	2030	(5) 800 MHz Radios	15,000	-	-	-	-	-	-
Public works	2030	Pickup - 3/4 Ton	65,000	-	-	-	-	-	-
Public works	2031	Generator	50,000	-	-	-	-	-	-
Public works	2031	Grader	260,000	-	-	-	-	-	-
Public works	2033	Crack Sealer	70,000	-	-	-	-	-	-
Public works	2034	Pay Loader	150,000	-	-	-	-	-	-
Public works	2035	Tandem	300,000	210,000	-	-	-	-	-
Public works	NA	Road Packer	-	20,000	-	-	-	-	-
Public works	NA	Trailer	-	-	-	-	-	-	-
Public works	2026	Wood Chipper	-	-	-	20,000	-	-	-
Public works	2027	Aerial Bucket Truck	-	-	-	30,000	-	-	-
			<div style="display: flex; justify-content: space-between; width: 100%;"> <span>\$ 40,000</span> <span>\$ 179,900</span> <span>\$ 392,727</span> <span>\$ -</span> <span>\$ -</span> <span>\$ -</span> <span>\$ 200,000</span> </div>						

City Staff created a cash flow analysis for the Public Works Equipment Fund through 2029.

City of Independence, Minnesota  
Cash Flow - Public Works Equipment Fund 403

	2023	2024	2025	2026	2027	2028	2029
Beginning Balance	\$ 314,389	\$ 487,896	\$ 437,483	\$ 132,881	\$ 211,867	\$ 293,223	\$ 377,020
Transfers in	160,728	113,055	75,000	75,000	75,000	75,000	75,000
Interest	12,779	17,289	13,124	3,986	6,356	8,797	11,311
Expenditures	-	180,757	392,727	-	-	-	200,000
Ending Balance	\$ 487,896	\$ 437,483	\$ 132,881	\$ 211,867	\$ 293,223	\$ 377,020	\$ 263,330
Transfers in are from:							
100-43100-720	\$ 61,800	\$ 113,055	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
100-49300-720	-	-	-	-	-	-	-
	\$ 99,855	\$ 113,055	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000

## Capital Planning (Continued)

### Administrative Fund

City Staff has reviewed the existing capital needs for improvements to City Hall and determined the following represent the anticipated expenditures. The next scheduled capital outlay item will be in 2031.

City of Independence, Minnesota  
Capital Improvement Plan - Administrative Fund 404  
Schedule of Planned Capital Outlay 2023 to 2026

Department	Year	Item	Cost	2023	2024	2025	2026
				Estimated Amounts	Estimated Amounts	Estimated Amounts	Estimated Amounts
General government	2031	Office Equipment - Furnishing	\$ 5,000	\$ -	\$ -	\$ -	\$ -
General government	2031	Mechanical Electric	32,500	-	-	-	-
General government	2031	City Hall Parking Lot (original paid by 2015 bond)	67,000	-	-	-	-
General government	2031	City Hall Carpet	20,000	-	-	-	-
General government	2032	Paint Exterior	27,500	-	-	-	-
				<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The cash flow in the fund is anticipated to be the following through 2026.

City of Independence, Minnesota  
Cash Flow - Administrative Fund 404

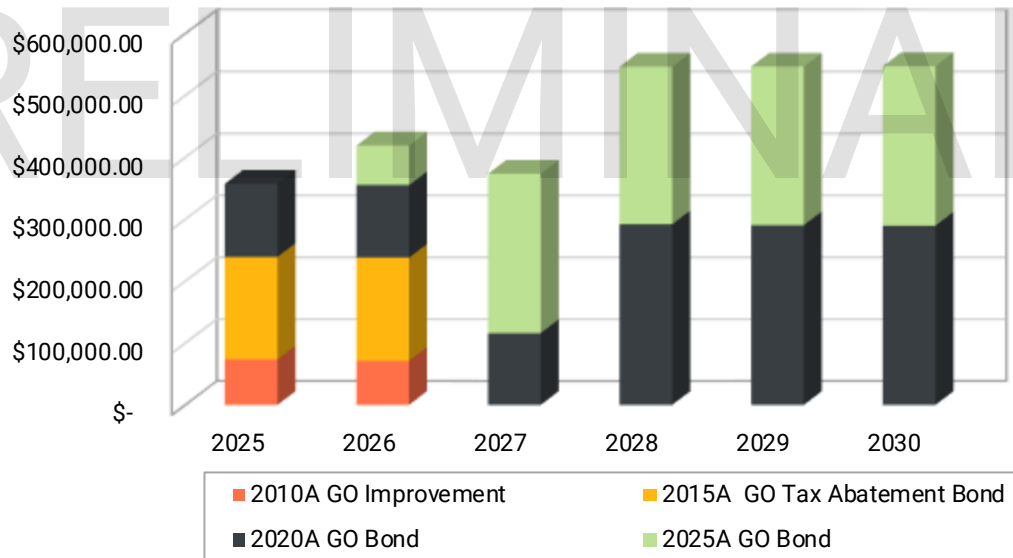
	2023	2024	2025	2026
Beginning Balance	\$ 84,501	\$ 220,034	\$ 227,652	\$ 229,928
Transfers in	132,500	-	-	-
Other receipts	3,033	7,617	2,277	2,299
Expenditures	-	-	-	-
Ending Balance	<u>\$ 220,034</u>	<u>\$ 227,652</u>	<u>\$ 229,928</u>	<u>\$ 232,227</u>



## Debt Schedule

### City of Independence Bond Payment Schedule

Fund	Maturity Date		Total Remaining	2025	2026	2027	2028	2029	2030
602 2010A GO Improvement	2/1/2026	Principal	\$ 140,000	\$ 70,000	\$ 70,000				
602 2010A GO Improvement	2/1/2026	Interest	4,760	3,570	1,190				
		Total	144,760	73,570	71,190				
314 2015A GO Tax Abatement Bond	2/1/2026	Principal	325,000	160,000	165,000				
314 2015A GO Tax Abatement Bond	2/1/2026	Interest	7,369	5,513	1,856				
		Total	332,369	165,513	166,856				
315 2020A GO Bond	2/1/2041	Principal	3,655,000	40,000	40,000	\$ 40,000	\$ 220,000	\$ 225,000	\$ 230,000
315 2020A GO Bond	2/1/2041	Interest	755,326	78,293	77,093	75,893	71,993	65,318	59,643
		Total	4,410,326	118,293	117,093	115,893	291,993	290,318	289,643
316 2025A GO Bond	2/1/2036	Principal	2,000,000			\$ 160,000	\$ 165,000	\$ 175,000	\$ 185,000
315 2025A GO Bond	2/1/2036	Interest	629,450		63,950	97,550	89,550	81,300	72,550
		Total	2,629,450	-	63,950	257,550	254,550	256,300	257,550



# CITY OF INDEPENDENCE ABDO 2026 Budget Report

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Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
100 GENERAL FUND						
R 100-31010 AD VALOREM TAXES	\$3,135,945.68	\$3,395,046.45	\$1,932,033.29	\$3,665,373.00	\$3,900,597.00	6.42%
R 100-31020 DELINQUENT TAXES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-31040 FISCAL DISPARITIES	\$127,882.74	\$110,409.97	\$57,446.24	\$119,166.00	\$119,166.00	0.00%
R 100-32100 BUSINESS LICENSES	\$18,040.00	\$18,240.00	\$18,350.00	\$18,000.00	\$18,000.00	0.00%
R 100-32210 BUILDING PERMIT	\$365,666.00	\$292,937.86	\$252,419.77	\$201,232.00	\$215,000.00	6.84%
R 100-32211 PLAN REVIEW FEES	\$104,394.91	\$96,141.08	\$85,157.92	\$40,018.00	\$60,000.00	49.93%
R 100-32240 ANIMAL LICENSES	\$60.00	\$100.00	\$80.00	\$500.00	\$100.00	-80.00%
R 100-32250 MISC. LICENSES & PERMITS	\$2,750.00	\$3,525.00	\$8,375.00	\$5,250.00	\$6,000.00	14.29%
R 100-33400 STATE GRANT	\$166,070.00	\$69,413.00	\$22,371.00	\$92,350.00	\$74,315.00	-19.53%
R 100-33401 LOCAL GOVERNMENT AIDS	\$16,800.35	\$18,501.64	\$0.00	\$0.00	\$15,000.00	0.00%
R 100-33610 CTY. GRANTS & AID (STREETS)	\$0.00	\$70,144.00	\$0.00	\$0.00	\$30,000.00	0.00%
R 100-33620 COUNTY GRANTS & AID (OTHER)	\$9,219.59	\$13,010.33	\$6,230.83	\$11,200.00	\$10,000.00	-10.71%
R 100-33630 C.D.B.G./MISC. CREDIT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34103 ZONING/SUBDIVISION FEE	\$10,300.00	\$18,800.00	\$6,200.00	\$12,915.00	\$6,000.00	-53.54%
R 100-34104 WATER/RESOURCE FEES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34105 SALE-MAPS,PUBLICATION,COPIES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34107 ASSESSMENT SEARCH FEES	\$150.00	\$100.00	\$50.00	\$375.00	\$100.00	-73.33%
R 100-34108 ADMINISTRATIVE CHARGES/REIMB	\$18,805.00	\$8,335.00	\$2,215.00	\$29,400.00	\$0.00	-100.00%
R 100-34305 PUBLIC WORKS REIMBURSEMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34306 BUILDING INSPECTIONS REIMBURS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34307 PLANNING/ZONING REIMB. DEVL.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34308 LEGAL FEE/REIMB. DEV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34309 ENG. FEE/REIMB. DEV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-34310 MINNEHAHA WATERSHED REIMB	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-35000 COURT FINES/DOG IMPOUNDING	\$29,185.07	\$21,467.00	\$14,586.86	\$36,900.00	\$25,000.00	-32.25%
R 100-36100 SPECIAL ASSESS/INT (CTY. PYMT)	\$127,281.02	\$50,138.20	\$0.00	\$20,429.00	\$30,643.00	50.00%
R 100-36210 INTEREST EARNINGS	\$38,694.63	\$40,589.88	\$21,268.55	\$25,000.00	\$30,000.00	20.00%
R 100-36211 ADVALOREM TAXES - WASTEWATER	\$2,362.33	\$1,878.55	\$0.00	\$0.00	\$0.00	0.00%
R 100-36220 INSURANCE PREMIUM REFUND	\$3,387.00	\$0.00	\$0.00	\$3,860.00	\$0.00	-100.00%
R 100-36230 MISC REVENUE/REFUNDS	\$33,512.43	\$127,846.23	\$17,597.00	\$525.00	\$5,000.00	852.38%
R 100-36231 DONATIONS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-36240 COMMUNITY CENTER REVENUES	\$1,000.00	\$825.00	\$425.00	\$500.00	\$250.00	-50.00%
R 100-36242 PARK RENTAL FEE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-36250 SALES TAX (COLLECTED)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-36262 Lease Revenue	\$17,113.09	\$17,163.80	\$12,730.80	\$18,495.00	\$19,670.00	6.35%

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
R 100-39100 SALE OF EQUIPMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-39101 SALE OF LAND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-39102 COMPENSATION FOR LOSS OF GEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 100-39200 TRANSFERS IN (GENERAL FUND)	\$423,373.04	\$0.00	\$0.00	\$0.00	\$30,000.00	0.00%
R 100-39900 PROCEEDS FROM LEASE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	\$4,651,992.88	\$4,374,612.99	\$2,457,537.26	\$4,301,488.00	\$4,594,841.00	
BUILDING INSPECTOR ADMIN						
E 100-42400-101 WAGES (FULL-TIME)	\$104,989.99	\$110,847.22	\$78,747.87	\$116,622.00	\$126,730.00	8.67%
E 100-42400-104 WAGES - TEMP HELP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-42400-121 PERA	\$7,605.28	\$8,510.77	\$6,728.17	\$8,746.00	\$9,505.00	8.68%
E 100-42400-122 FICA(6.2) MEDICARE (1.45)	\$7,753.07	\$8,636.87	\$6,898.08	\$8,922.00	\$9,695.00	8.66%
E 100-42400-123 MN PAID LEAVE	\$0.00	\$0.00	\$0.00	\$0.00	\$558.00	0.00%
E 100-42400-131 CITY PAID BENEFIT ALLOWANC	\$18,152.47	\$25,088.51	\$15,731.17	\$18,696.00	\$19,257.00	3.00%
E 100-42400-200 OFFICE SUPPLIES	\$900.37	\$283.19	\$63.87	\$756.00	\$756.00	0.00%
E 100-42400-212 VEHICLE OPER.SUPPLIES(FUEL,	\$0.00	\$1,182.23	\$20.00	\$861.00	\$800.00	-7.08%
E 100-42400-310 OTHER CONSULTING EXPENSE	\$0.00	\$0.00	\$600.00	\$546.00	\$750.00	37.36%
E 100-42400-321 COMMUNICATIONS (TELEPHON	\$480.05	\$479.96	\$641.62	\$480.00	\$900.00	87.50%
E 100-42400-331 CONFERENCE & TRAVEL	\$591.63	\$2,397.03	\$588.00	\$2,709.00	\$1,750.00	-35.40%
E 100-42400-360 WORKERS COMP INSURANCE	\$5,384.34	\$4,479.88	\$3,835.62	\$5,923.00	\$4,600.00	-22.34%
E 100-42400-361 INSURANCE	\$2,372.70	\$2,475.00	\$2,282.64	\$2,491.00	\$2,500.00	0.36%
E 100-42400-433 DUES & SUBSCRIPTIONS	\$145.00	\$255.00	\$0.00	\$431.00	\$431.00	0.00%
E 100-42400-570 CAPITAL OUTLAY (EQUIPMENT)	\$0.00	\$0.00	\$0.00	\$10,000.00	\$3,500.00	-65.00%
BUILDING INSPECTOR ADMIN	\$148,374.90	\$164,635.66	\$116,137.04	\$177,183.00	\$181,732.00	
CITY CLERK/FINANCE						
E 100-41500-101 WAGES (FULL-TIME)	\$111,662.35	\$116,371.70	\$68,115.32	\$107,809.00	\$117,186.00	8.70%
E 100-41500-102 WAGES (PART-TIME)	\$70,805.71	\$93,733.81	\$80,617.28	\$103,962.00	\$109,358.00	5.19%
E 100-41500-121 PERA	\$13,856.19	\$15,310.91	\$11,177.78	\$15,882.00	\$16,991.00	6.98%
E 100-41500-122 FICA(6.2) MEDICARE (1.45)	\$13,270.04	\$14,103.90	\$11,462.22	\$16,200.00	\$17,331.00	6.98%
E 100-41500-123 MN PAID LEAVE	\$0.00	\$0.00	\$0.00	\$0.00	\$997.00	0.00%
E 100-41500-131 CITY PAID BENEFIT ALLOWANC	\$49,055.57	\$45,183.14	\$45,718.59	\$53,284.00	\$54,883.00	3.00%
E 100-41500-200 OFFICE SUPPLIES	\$2,079.08	\$4,269.27	\$5,565.14	\$3,250.00	\$5,500.00	69.23%
E 100-41500-301 AUDITING FEES	\$29,875.00	\$25,295.50	\$15,000.00	\$25,800.00	\$30,000.00	16.28%
E 100-41500-302 ADMINISTRATION CONSULTIN	\$141,120.00	\$148,506.00	\$90,757.80	\$155,585.00	\$183,745.80	18.10%
E 100-41500-305 CPA FEES	\$88,389.52	\$96,804.60	\$64,338.15	\$94,180.00	\$104,180.00	10.62%
E 100-41500-310 OTHER CONSULTING EXPENSE	\$38,356.50	\$580.00	\$600.00	\$17,500.00	\$0.00	-100.00%
E 100-41500-313 UNCOLLECTED PROJECT EXPEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41500-315 ASSESSOR'S FEE	\$76,000.00	\$81,000.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41500-321 COMMUNICATIONS (TELEPHON	\$856.12	\$1,044.12	\$698.92	\$1,000.00	\$1,100.00	10.00%
E 100-41500-322 POSTAGE	\$3,811.31	\$4,003.84	\$2,326.48	\$2,838.00	\$4,000.00	40.94%

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
E 100-41500-325 IT CONSULTING	\$20,958.84	\$18,066.42	\$15,617.15	\$22,000.00	\$24,000.00	9.09%
E 100-41500-331 CONFERENCE & TRAVEL	\$3,076.25	\$415.40	\$745.00	\$4,500.00	\$4,500.00	0.00%
E 100-41500-350 PRINTING & PUBLICATIONS	\$16,872.90	\$13,514.76	\$12,588.55	\$18,000.00	\$18,000.00	0.00%
E 100-41500-360 WORKERS COMP INSURANCE	\$11,965.20	\$9,829.09	\$8,523.60	\$12,000.00	\$10,500.00	-12.50%
E 100-41500-361 INSURANCE	\$2,372.70	\$2,475.00	\$2,282.64	\$2,491.00	\$2,500.00	0.36%
E 100-41500-404 MAINT.&REPAIR EQUIP.(CONTR	\$265.00	\$196.00	\$0.00	\$2,100.00	\$2,100.00	0.00%
E 100-41500-405 MISCELLANEOUS	-\$654.61	\$2,855.35	\$1,226.92	\$1,670.00	\$0.00	-100.00%
E 100-41500-408 DUST CONTROL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41500-433 DUES & SUBSCRIPTIONS	\$17,593.35	\$19,434.48	\$16,210.69	\$17,250.00	\$23,000.00	33.33%
E 100-41500-480 COVID 19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41500-560 CAPITAL OUTLAY (OFFICE EQUI	\$8,270.45	\$10,652.07	\$11,297.06	\$15,000.00	\$15,000.00	0.00%
E 100-41500-570 CAPITAL OUTLAY (EQUIPMENT)	\$2,643.94	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41500-602 LEASE/PURCHASE (COPIER)	\$3,347.09	\$3,336.96	\$2,330.72	\$3,500.00	\$3,750.00	7.14%
E 100-41500-720 TRANSFERS OUT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
CITY CLERK/FINANCE	\$725,848.50	\$726,982.32	\$467,200.01	\$695,801.00	\$748,621.80	
COMMUNITY SERVICE						
E 100-45200-409 YOUTH GROUPS	\$0.00	\$0.00	\$0.00	\$680.00	\$0.00	-100.00%
COMMUNITY SERVICE	\$0.00	\$0.00	\$0.00	\$680.00	\$0.00	
ELECTIONS						
E 100-41410-102 WAGES (PART-TIME)	\$0.00	\$4,417.50	\$0.00	\$0.00	\$5,000.00	0.00%
E 100-41410-210 OPERATING SUPPLIES/MTN EQ	\$721.10	\$1,130.53	\$0.00	\$0.00	\$1,500.00	0.00%
E 100-41410-350 PRINTING & PUBLICATIONS	\$0.00	\$61.88	\$0.00	\$0.00	\$100.00	0.00%
E 100-41410-351 BALLOT PRINTING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41410-405 MISCELLANEOUS	\$0.00	\$2,108.41	\$0.00	\$0.00	\$2,500.00	0.00%
ELECTIONS	\$721.10	\$7,718.32	\$0.00	\$0.00	\$9,100.00	
ENVIRONMENTAL PROTECTION						
E 100-41920-311 WATER RESOURCE STAFF FEE	\$752.05	\$0.00	\$0.00	\$5,000.00	\$5,000.00	0.00%
E 100-41920-320 WATER RESOURCE STAFF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
ENVIRONMENTAL PROTECTION	\$752.05	\$0.00	\$0.00	\$5,000.00	\$5,000.00	
GENERAL GOVERNMENT BUILDING						
E 100-41940-321 COMMUNICATIONS (TELEPHON	\$8,155.66	\$9,291.14	\$209.10	\$10,500.00	\$10,500.00	0.00%
E 100-41940-360 WORKERS COMP INSURANCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41940-361 INSURANCE	\$5,931.75	\$6,187.50	\$5,706.60	\$6,228.00	\$6,000.00	-3.66%
E 100-41940-380 ELECTRIC & GAS UTILITIES	\$22,182.02	\$14,915.29	\$14,724.21	\$15,000.00	\$22,000.00	46.67%
E 100-41940-384 GARBAGE PICK-UP	\$1,856.61	\$3,334.14	\$2,190.93	\$1,376.00	\$3,500.00	154.36%
E 100-41940-401 MAINT.&REPAIR BLD CONTRAC	\$18,762.33	\$67,798.11	\$44,606.16	\$15,000.00	\$15,000.00	0.00%
E 100-41940-402 MUSEUM	\$0.00	\$0.00	\$0.00	\$158.00	\$0.00	-100.00%
E 100-41940-403 GROUND MAINTENANCE CONT	\$0.00	\$0.00	\$0.00	\$588.00	\$0.00	-100.00%

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
E 100-41940-405 MISCELLANEOUS	\$2,845.53	\$1,918.82	\$1,848.63	\$2,607.00	\$2,607.00	0.00%
E 100-41940-510 C.O.(LAND & BLD. - 804)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
GENERAL GOVERNMENT BUILDING	\$59,733.90	\$103,445.00	\$69,285.63	\$51,457.00	\$59,607.00	
LEGAL SERVICES						
E 100-41600-304 CIVIL, LEGAL (K&G)	\$9,907.93	\$12,237.75	\$6,121.24	\$20,000.00	\$15,000.00	-25.00%
E 100-41600-306 PROSECUTION (C&C)	\$18,864.44	\$14,656.20	\$12,269.20	\$25,000.00	\$25,000.00	0.00%
E 100-41600-312 CODIFICATION OF ORDINANCE	\$4,269.89	\$1,385.65	\$1,454.92	\$4,500.00	\$3,500.00	-22.22%
E 100-41600-405 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
LEGAL SERVICES	\$33,042.26	\$28,279.60	\$19,845.36	\$49,500.00	\$43,500.00	
LEGISLATIVE						
E 100-41000-100 MAYOR'S SALARY	\$185.63	\$4,788.58	\$2,427.75	\$3,843.00	\$3,958.00	2.99%
E 100-41000-103 COUNCIL SALARIES	\$11,730.00	\$7,389.22	\$4,943.06	\$9,224.00	\$9,500.00	2.99%
E 100-41000-122 FICA(6.2) MEDICARE (1.45)	\$897.39	\$263.95	\$372.54	\$1,000.00	\$1,030.00	3.00%
E 100-41000-123 MN PAID LEAVE	\$0.00	\$0.00	\$0.00	\$0.00	\$60.00	0.00%
E 100-41000-331 CONFERENCE & TRAVEL	\$3,908.70	\$3,470.99	\$58.00	\$9,734.00	\$5,000.00	-48.63%
E 100-41000-360 WORKERS COMP INSURANCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41000-361 INSURANCE	\$2,372.70	\$2,475.00	\$2,282.64	\$2,491.00	\$2,500.00	0.36%
E 100-41000-405 MISCELLANEOUS	-\$241.90	\$790.53	\$0.00	\$252.00	\$252.00	0.00%
E 100-41000-433 DUES & SUBSCRIPTIONS	\$829.25	\$847.00	\$230.00	\$1,785.00	\$1,500.00	-15.97%
LEGISLATIVE	\$19,681.77	\$20,025.27	\$10,313.99	\$28,329.00	\$23,800.00	
PARK MAINTENANCE						
E 100-45300-210 OPERATING SUPPLIES/MTN EQ	\$0.00	\$238.73	\$1,820.00	\$1,176.00	\$1,500.00	27.55%
E 100-45300-220 MAINT.&REPAIR SUPPLIES (EQ	\$8,392.62	\$8,108.73	\$0.00	\$12,500.00	\$7,500.00	-40.00%
E 100-45300-230 EQUIPMENT PURCHASES	\$430.00	\$0.00	\$0.00	\$3,109.00	\$2,000.00	-35.67%
E 100-45300-310 OTHER CONSULTING EXPENSE	\$312.00	\$0.00	\$0.00	\$609.00	\$0.00	-100.00%
E 100-45300-361 INSURANCE	\$5,931.75	\$6,187.50	\$5,706.60	\$6,228.00	\$6,000.00	-3.66%
E 100-45300-380 ELECTRIC & GAS UTILITIES	\$0.00	\$0.00	\$0.00	\$680.00	\$0.00	-100.00%
E 100-45300-405 MISCELLANEOUS	\$1,200.00	\$600.00	\$0.00	\$252.00	\$600.00	138.10%
PARK MAINTENANCE	\$16,266.37	\$15,134.96	\$7,526.60	\$24,554.00	\$17,600.00	
PLANNING AND ZONING						
E 100-41900-303 ENGINEERING	\$0.00	\$7,494.11	\$0.00	\$0.00	\$0.00	0.00%
E 100-41900-307 PLANNER CONTRACT	\$45,040.80	\$38,625.84	\$24,704.98	\$41,793.00	\$48,000.00	14.85%
E 100-41900-311 WATER RESOURCE STAFF FEE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41900-360 WORKERS COMP INSURANCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-41900-361 INSURANCE	\$7,513.55	\$7,837.50	\$7,228.36	\$7,838.00	\$7,800.00	-0.48%
E 100-41900-405 MISCELLANEOUS	\$6.00	\$0.00	\$25.00	\$0.00	\$0.00	0.00%
PLANNING AND ZONING	\$52,560.35	\$53,957.45	\$31,958.34	\$49,631.00	\$55,800.00	

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
PUBLIC SAFETY						
E 100-42000-405 MISCELLANEOUS	\$4,308.01	\$134,408.38	\$0.00	\$1,292.00	\$1,500.00	16.10%
E 100-42000-440 POLICE CONTRACT	\$1,479,622.00	\$1,550,160.00	\$1,364,309.88	\$1,693,734.00	\$1,930,764.00	13.99%
E 100-42000-442 PRISONER BOOKING	\$1,507.91	\$1,811.24	\$326.04	\$1,785.00	\$1,785.00	0.00%
E 100-42000-450 FIRE PROTECTION	\$412,149.06	\$387,055.20	\$286,669.80	\$385,301.00	\$451,000.00	17.05%
E 100-42000-461 BUILDING CODE SURCHARGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
PUBLIC SAFETY	\$1,897,586.98	\$2,073,434.82	\$1,651,305.72	\$2,082,112.00	\$2,385,049.00	
PUBLIC WORKS						
E 100-43100-101 WAGES (FULL-TIME)	\$143,755.66	\$159,684.50	\$114,142.29	\$145,956.00	\$149,767.00	2.61%
E 100-43100-102 WAGES (PART-TIME)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-43100-121 PERA	\$10,644.78	\$11,199.83	\$8,655.21	\$10,947.00	\$11,233.00	2.61%
E 100-43100-122 FICA(6.2) MEDICARE (1.45)	\$11,405.45	\$12,491.38	\$9,183.25	\$11,166.00	\$11,458.00	2.62%
E 100-43100-123 MN PAID LEAVE	\$0.00	\$0.00	\$0.00	\$0.00	\$678.00	0.00%
E 100-43100-131 CITY PAID BENEFIT ALLOWANC	\$32,276.68	\$34,861.86	\$28,830.94	\$32,718.00	\$33,670.00	2.91%
E 100-43100-210 OPERATING SUPPLIES/MTN EQ	\$1,181.93	\$973.70	\$2,015.23	\$1,000.00	\$0.00	-100.00%
E 100-43100-212 VEHICLE OPER.SUPPLIES(FUEL,	\$24,633.80	\$21,627.17	\$7,591.65	\$25,820.00	\$25,820.00	0.00%
E 100-43100-217 SIGNS	\$8,516.43	\$5,542.09	\$4,509.65	\$7,035.00	\$7,035.00	0.00%
E 100-43100-218 UNIFORMS	\$4,493.75	\$3,507.87	\$3,699.86	\$4,200.00	\$4,200.00	0.00%
E 100-43100-219 CULVERTS	\$7,483.00	\$11,051.34	\$5,244.60	\$5,565.00	\$5,565.00	0.00%
E 100-43100-220 MAINT.&REPAIR SUPPLIES (EQ	\$33,153.42	\$46,293.25	\$11,243.91	\$30,000.00	\$30,000.00	0.00%
E 100-43100-223 MAINT.& REPAIR SUPPLIES(BLD	\$7,632.79	\$5,890.75	\$3,008.09	\$5,324.00	\$5,324.00	0.00%
E 100-43100-224 ROAD MAINT.MATERIALS(ON-G	\$53,893.88	\$169,963.37	\$37,603.97	\$79,000.00	\$79,000.00	0.00%
E 100-43100-226 BLACKTOP MAINTENANCE	\$54,779.33	\$50,512.90	\$36,168.00	\$55,000.00	\$60,000.00	9.09%
E 100-43100-227 EQUIPMENT RENTAL CONTRAC	\$0.00	\$113.36	\$252.88	\$2,000.00	\$2,000.00	0.00%
E 100-43100-240 SMALL TOOLS & MINOR EQUIP	\$131.97	\$1,081.83	\$2,022.69	\$1,500.00	\$1,500.00	0.00%
E 100-43100-303 ENGINEERING	\$17,159.86	\$22,497.08	\$70,804.69	\$18,000.00	\$20,000.00	11.11%
E 100-43100-310 OTHER CONSULTING EXPENSE	\$0.00	\$9,980.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-43100-321 COMMUNICATIONS (TELEPHON	\$5,658.54	\$6,044.31	\$3,037.56	\$7,600.00	\$6,000.00	-21.05%
E 100-43100-331 CONFERENCE & TRAVEL	\$615.00	\$361.00	\$1,375.33	\$1,176.00	\$1,500.00	27.55%
E 100-43100-350 PRINTING & PUBLICATIONS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-43100-360 WORKERS COMP INSURANCE	\$11,366.94	\$9,457.52	\$8,097.42	\$12,504.00	\$10,500.00	-16.03%
E 100-43100-361 INSURANCE	\$11,863.50	\$12,375.00	\$11,413.20	\$12,457.00	\$12,000.00	-3.67%
E 100-43100-380 ELECTRIC & GAS UTILITIES	\$8,485.97	\$7,813.53	\$4,655.34	\$11,288.00	\$10,000.00	-11.41%
E 100-43100-381 STREET LIGHTING	\$4,888.41	\$3,300.58	\$1,815.84	\$6,500.00	\$3,500.00	-46.15%
E 100-43100-384 GARBAGE PICK-UP	\$0.00	\$0.00	\$0.00	\$536.00	\$0.00	-100.00%
E 100-43100-405 MISCELLANEOUS	\$43.00	\$88.42	\$100.00	\$294.00	\$0.00	-100.00%
E 100-43100-407 SNOW REMOVAL-MATERIALS	\$50,165.59	\$25,287.97	\$16,544.98	\$31,343.00	\$32,000.00	2.10%
E 100-43100-408 DUST CONTROL	\$84,235.06	\$117,117.66	\$61,975.56	\$98,000.00	\$98,000.00	0.00%
E 100-43100-412 BRUSH & TREE REMOVAL	\$16,250.00	\$12,330.95	\$594.30	\$17,500.00	\$10,000.00	-42.86%

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
E 100-43100-413 SALES/FUEL TAX & LICENSE	\$0.00	\$0.00	\$0.00	\$578.00	\$0.00	-100.00%
E 100-43100-415 SAC CHARGES	\$0.00	\$0.00	\$0.00	\$620.00	\$0.00	-100.00%
E 100-43100-418 WEED CONTROL	\$0.00	\$2,496.93	\$4,631.50	\$3,339.00	\$5,000.00	49.75%
E 100-43100-420 GOPHER STATE ONE-CALL	\$1,187.65	\$1,431.05	\$1,246.10	\$2,132.00	\$2,000.00	-6.19%
E 100-43100-421 SEAL COATING	\$0.00	\$40,992.60	\$0.00	\$60,000.00	\$60,000.00	0.00%
E 100-43100-422 ROAD TILING	\$0.00	\$48,998.85	\$0.00	\$60,000.00	\$60,000.00	0.00%
E 100-43100-423 GRAVEL ROADS	\$0.00	\$0.00	\$0.00	\$175,000.00	\$100,000.00	-42.86%
E 100-43100-430 SAFETY PROGRAM (AWAIR, ET	\$6,462.00	\$6,655.86	\$0.00	\$6,500.00	\$6,500.00	0.00%
E 100-43100-433 DUES & SUBSCRIPTIONS	\$0.00	\$0.00	\$0.00	\$693.00	\$500.00	-27.85%
E 100-43100-500 Capital Outlay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-43100-550 C.O. (ROAD IMPROV. - 802)	\$111,093.93	\$0.00	\$1,355.00	\$0.00	\$0.00	0.00%
E 100-43100-570 CAPITAL OUTLAY (EQUIPMENT)	\$84,514.84	\$11,052.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-43100-720 TRANSFERS OUT	\$61,800.00	\$123,818.95	\$43,750.00	\$75,000.00	\$75,000.00	0.00%
PUBLIC WORKS	\$869,773.16	\$996,895.46	\$505,569.04	\$1,018,291.00	\$939,750.00	
RECREATION						
E 100-45100-120 COMMUNITY EVENT CONTRIBU	\$5,062.32	\$2,304.76	\$7,105.50	\$4,500.00	\$6,000.00	33.33%
RECREATION	\$5,062.32	\$2,304.76	\$7,105.50	\$4,500.00	\$6,000.00	
SOLID WASTE (LAND & RECYCLING)						
E 100-43200-383 RECYCLING EXPENSES	\$73,428.19	\$95,408.99	\$58,644.06	\$96,604.00	\$101,435.00	5.00%
E 100-43200-405 MISCELLANEOUS	\$0.00	\$520.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-43200-410 EQUIPMENT RENTAL	\$0.00	\$315.00	\$0.00	\$0.00	\$0.00	0.00%
E 100-43200-411 CLEAN-UP DAY	\$24,412.34	\$14,641.30	\$1,156.00	\$15,000.00	\$15,000.00	0.00%
SOLID WASTE (LAND & RECYCLING)	\$97,840.53	\$110,885.29	\$59,800.06	\$111,604.00	\$116,435.00	
TRANSFER OUT						
E 100-49300-720 TRANSFERS OUT	\$559,327.04	\$0.00	\$104,445.00	\$0.00	\$0.00	0.00%
TRANSFER OUT	\$559,327.04	\$0.00	\$104,445.00	\$0.00	\$0.00	
UNALLOCATED INSURANCE						
E 100-49240-375 CLAIM DEDUCTIBLE	\$0.00	\$0.00	\$0.00	\$620.00	\$620.00	0.00%
E 100-49240-620 AGENCY FEES	\$0.00	\$0.00	\$0.00	\$2,226.00	\$2,226.00	0.00%
UNALLOCATED INSURANCE	\$0.00	\$0.00	\$0.00	\$2,846.00	\$2,846.00	
100 GENERAL FUND	\$9,138,564.11	\$8,678,311.90	\$5,508,029.55	\$8,602,976.00	\$9,189,681.80	

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
200 WATER RESOURCE DEVELOPMENT						
R 200-31010 AD VALOREM TAXES	\$64,510.28	\$71,775.87	\$36,922.60	\$68,710.00	\$77,572.00	12.90%
R 200-31020 DELINQUENT TAXES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 200-31040 FISCAL DISPARITIES	\$2,380.93	\$2,045.96	\$1,055.33	\$3,484.00	\$3,484.00	0.00%
R 200-34103 ZONING/SUBDIVISION FEE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 200-34108 ADMINISTRATIVE CHARGES/REIMB	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 200-36210 INTEREST EARNINGS	\$1,525.87	\$2,026.39	\$716.03	\$0.00	\$1,000.00	0.00%
R 200-36230 MISC REVENUE/REFUNDS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 200-36261 EVENT REVENUES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 200-39200 TRANSFERS IN (GENERAL FUND)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	\$68,417.08	\$75,848.22	\$38,693.96	\$72,194.00	\$82,056.00	
ENVIRONMENTAL PROTECTION						
E 200-41920-303 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 200-41920-309 PIONEER-SARAH WATERSHED	\$47,966.67	\$48,367.76	\$48,892.12	\$48,892.12	\$51,456.00	5.24%
E 200-41920-310 OTHER CONSULTING EXPENSE	\$0.37	\$0.00	\$0.00	\$1,202.00	\$1,000.00	-16.81%
E 200-41920-320 WATER RESOURCE STAFF	\$8,765.91	\$26,461.59	\$14,313.35	\$10,000.00	\$17,500.00	75.00%
E 200-41920-350 PRINTING & PUBLICATIONS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 200-41920-433 DUES & SUBSCRIPTIONS	\$560.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 200-41920-570 CAPITAL OUTLAY (EQUIPMENT)	\$0.00	\$0.00	\$0.00	\$12,100.00	\$12,100.00	0.00%
ENVIRONMENTAL PROTECTION	\$57,292.95	\$74,829.35	\$63,205.47	\$72,194.12	\$82,056.00	
200 WATER RESOURCE DEVELOPMENT	\$125,710.03	\$150,677.57	\$101,899.43	\$144,388.12	\$164,112.00	



Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
602 SEWER FUND						
R 602-31010 AD VALOREM TAXES	\$13,351.00	\$16,382.00	\$6,941.50	\$0.00	\$0.00	0.00%
R 602-31040 FISCAL DISPARITIES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-34108 ADMINISTRATIVE CHARGES/REIMB	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-34401 SEWER CONNECTION CHARGE	\$2,293.40	\$3,860.00	\$0.00	\$14,553.00	\$3,000.00	-79.39%
R 602-34408 USER AVAIL. CHG.	\$21,627.24	\$24,090.08	\$11,536.40	\$0.00	\$15,000.00	0.00%
R 602-34410 SEWER COMPLIANCE CHARGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-36100 SPECIAL ASSESS/INT (CTY. PYMT)	\$21,587.56	\$24,157.89	\$26,321.99	\$0.00	\$0.00	0.00%
R 602-36101 PRINCIPLE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-36210 INTEREST EARNINGS	\$15,646.59	\$17,181.46	\$7,914.01	\$10,000.00	\$13,000.00	30.00%
R 602-36230 MISC REVENUE/REFUNDS	\$158,407.00	\$92,292.96	\$0.00	\$0.00	\$0.00	0.00%
R 602-37200 TRANSFERS IN (GENERAL FUND)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-37210 COLLECTION & GRAVITY LINE	\$244,068.46	\$264,874.64	\$117,513.96	\$229,320.00	\$229,320.00	0.00%
R 602-37220 RESIDENTIAL CLUSTER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-37230 ON-SITE SYSTEMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-37240 CLUSTER MOUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-37250 COMMERCIAL	\$16,132.02	\$16,469.54	\$15,829.37	\$18,743.00	\$18,743.00	0.00%
R 602-37260 SALE OF FIXED ASSETS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-37270 DEL UTILITIES - CITY PYMT	\$151.55	\$31.14	\$0.00	\$0.00	\$0.00	0.00%
R 602-37600 STREET TO HOUSE CONNECT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-39203 TRANSFER IN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
R 602-39999 Prior Period Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	\$493,264.82	\$459,339.71	\$186,057.23	\$272,616.00	\$279,063.00	
SEWER						
E 602-49450-101 WAGES (FULL-TIME)	\$112,329.67	\$105,054.67	\$59,790.39	\$132,266.00	\$115,304.00	-12.82%
E 602-49450-121 PERA	\$51,008.06	\$296.50	\$4,706.02	\$9,921.00	\$8,648.00	-12.83%
E 602-49450-122 FICA(6.2) MEDICARE (1.45)	\$8,116.19	\$8,383.55	\$4,981.77	\$10,118.00	\$8,821.00	-12.82%
E 602-49450-123 MN PAID LEAVE	\$0.00	\$0.00	\$0.00	\$0.00	\$508.00	0.00%
E 602-49450-131 CITY PAID BENEFIT ALLOWANC	\$23,122.13	\$24,234.78	\$20,946.40	\$26,174.00	\$26,960.00	3.00%
E 602-49450-210 OPERATING SUPPLIES/MTN EQ	\$5,369.69	\$12,398.41	\$1,841.32	\$19,243.00	\$12,500.00	-35.04%
E 602-49450-301 AUDITING FEES	\$0.00	\$0.00	\$0.00	\$1,113.00	\$0.00	-100.00%
E 602-49450-303 ENGINEERING	\$0.00	\$0.00	\$0.00	\$3,000.00	\$10,000.00	233.33%
E 602-49450-304 CIVIL, LEGAL (K&G)	\$475.00	\$475.00	\$237.50	\$0.00	\$0.00	0.00%
E 602-49450-310 OTHER CONSULTING EXPENSE	\$2,156.09	\$2,189.65	\$1,130.89	\$3,000.00	\$3,000.00	0.00%
E 602-49450-331 CONFERENCE & TRAVEL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
E 602-49450-360 WORKERS COMP INSURANCE	\$1,196.52	\$995.51	\$852.36	\$1,316.00	\$1,200.00	-8.81%
E 602-49450-361 INSURANCE	\$1,186.35	\$1,237.50	\$1,141.32	\$1,246.00	\$1,200.00	-3.69%

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
E 602-49450-375 CLAIM DEDUCTIBLE	\$0.00	\$0.00	\$0.00	\$2,264.00	\$0.00	-100.00%
E 602-49450-380 ELECTRIC & GAS UTILITIES	\$28,799.18	\$26,361.84	\$16,992.04	\$29,000.00	\$29,000.00	0.00%
E 602-49450-401 MAINT.&REPAIR BLD CONTRAC	\$0.00	\$0.00	\$13,069.72	\$23,100.00	\$20,000.00	-13.42%
E 602-49450-404 MAINT.&REPAIR EQUIP.(CONTR	\$39,223.11	\$9,744.35	\$10,823.17	\$22,953.00	\$22,000.00	-4.15%
E 602-49450-405 MISCELLANEOUS	\$4,449.24	\$10,742.08	\$2,117.50	\$0.00	\$5,000.00	0.00%
E 602-49450-414 METRO COUNCIL-ENVIRON.(SE	\$46,261.99	\$51,440.48	\$41,986.32	\$49,741.00	\$63,000.00	26.66%
E 602-49450-415 SAC CHARGES	\$19,880.00	\$32,180.75	\$12,400.15	\$44,100.00	\$44,100.00	0.00%
E 602-49450-416 DEPRECIATION	\$121,552.69	\$121,552.69	\$76,960.38	\$131,932.00	\$130,000.00	-1.46%
E 602-49450-417 LICENSES & PERMITS	\$0.00	\$0.00	\$400.00	\$0.00	\$0.00	0.00%
E 602-49450-433 DUES & SUBSCRIPTIONS	\$840.00	\$840.00	\$0.00	\$100.00	\$850.00	750.00%
E 602-49450-560 CAPITAL OUTLAY (OFFICE EQUI	\$0.00	\$0.00	\$0.00	\$835.00	\$0.00	-100.00%
E 602-49450-570 CAPITAL OUTLAY (EQUIPMENT)	\$22,360.00	\$0.00	\$0.00	\$588.00	\$0.00	-100.00%
E 602-49450-601 BOND PRINCIPAL	\$0.00	\$0.00	\$0.00	\$70,000.00	\$70,000.00	0.00%
E 602-49450-611 INTEREST EXPENSE (Loan)	\$7,048.75	\$4,935.25	\$3,570.00	\$3,570.00	\$1,190.00	-66.67%
E 602-49450-620 AGENCY FEES	\$0.00	\$0.00	\$100.00	\$0.00	\$100.00	0.00%
E 602-49450-999 PRIOR PERIOD ADJ.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SEWER	\$495,374.66	\$413,063.01	\$274,047.25	\$585,580.00	\$573,381.00	
602 SEWER FUND	\$988,639.48	\$872,402.72	\$460,104.48	\$858,196.00	\$852,444.00	

Account Descr	2023 Amt	2024 Amt	2025 YTD Amt	2025 Budget	2026 Budget	%Diff from Cur Yr 2025
	\$10,252,913.62	\$9,701,392.19	\$6,070,033.46	\$9,605,560.12	\$10,206,237.80	

PRELIMINARY



*Lighting the path forward*

# City of Independence

## 2026 Preliminary Budget

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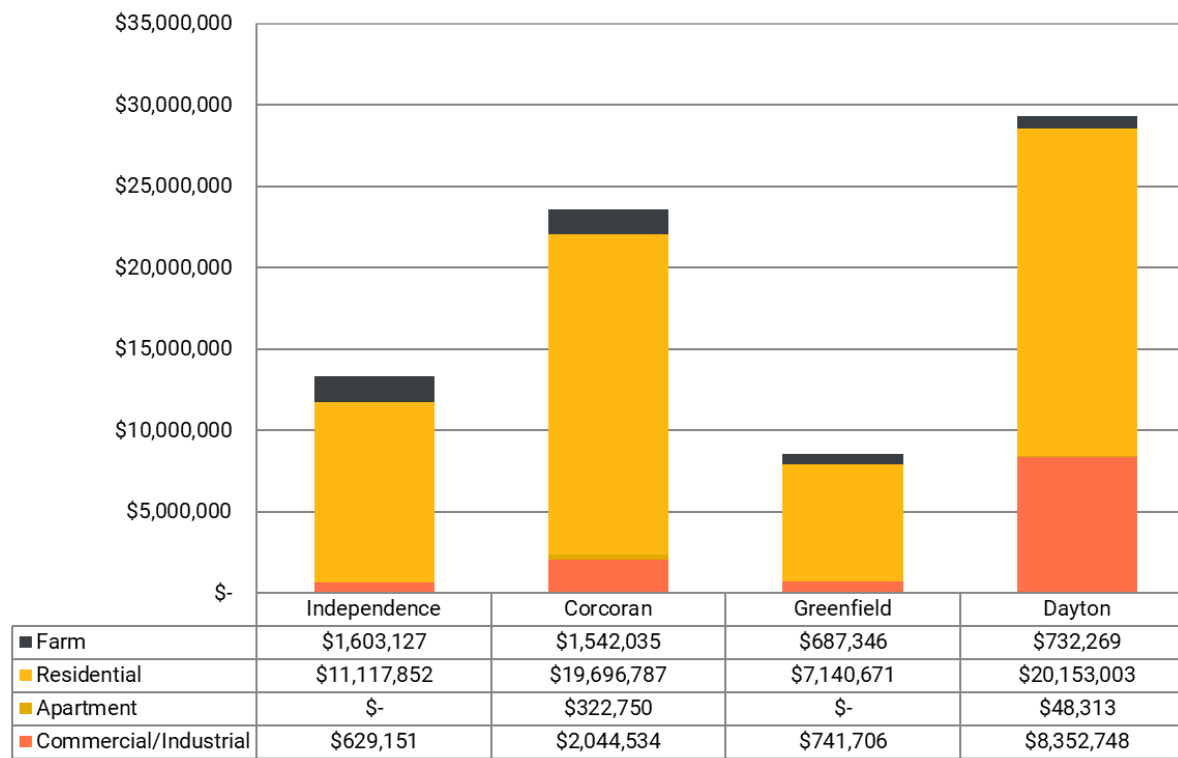
September 16, 2025



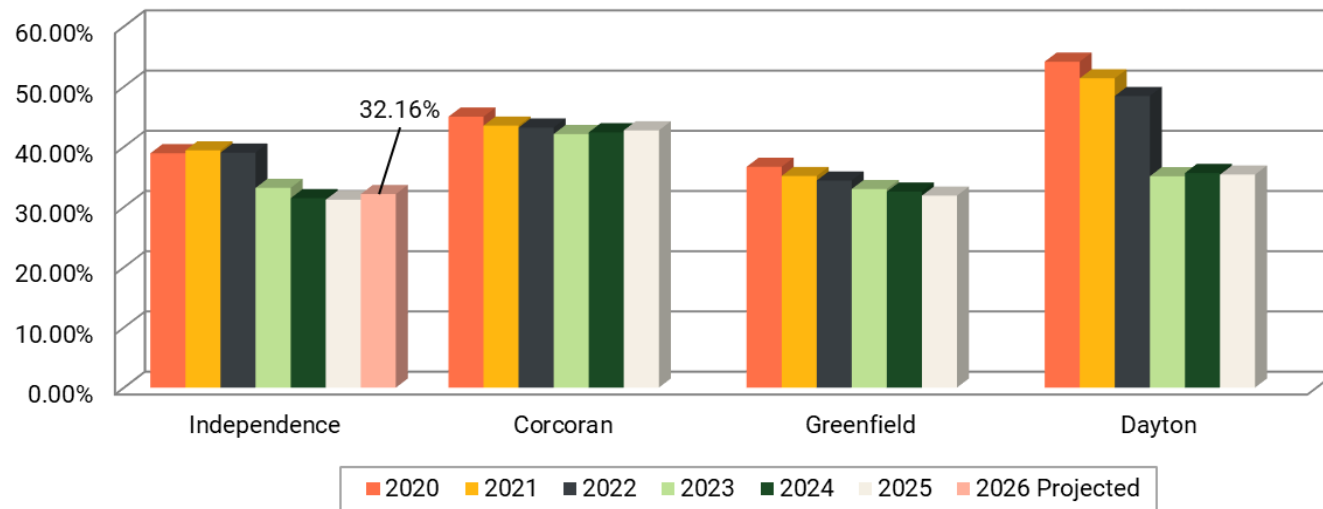
# 2026 Levy Compared to 2025

	2025 Budget	2026 Proposed	Increase (Decrease)	%Change
General	\$ 3,784,539	\$ 4,019,763	\$ 235,224	6.22%
Debt Service				
2010 GO Improvement Bonds	13,883	-	(13,883)	-100.00%
2015 GO Tax Abatement Bonds	177,148	-	(177,148)	-100.00%
2020A GO Bonds	123,577	122,317	(1,260)	-1.02%
2025A GO Bonds	0	270,428	270,428	100.00%
Total City Operating Levy	\$ 4,099,148	\$ 4,412,508	\$ 313,360	7.64%
Pioneer/Sarah Watershed Taxing District	\$ 72,194	\$ 81,056	\$ 8,862	12.28%

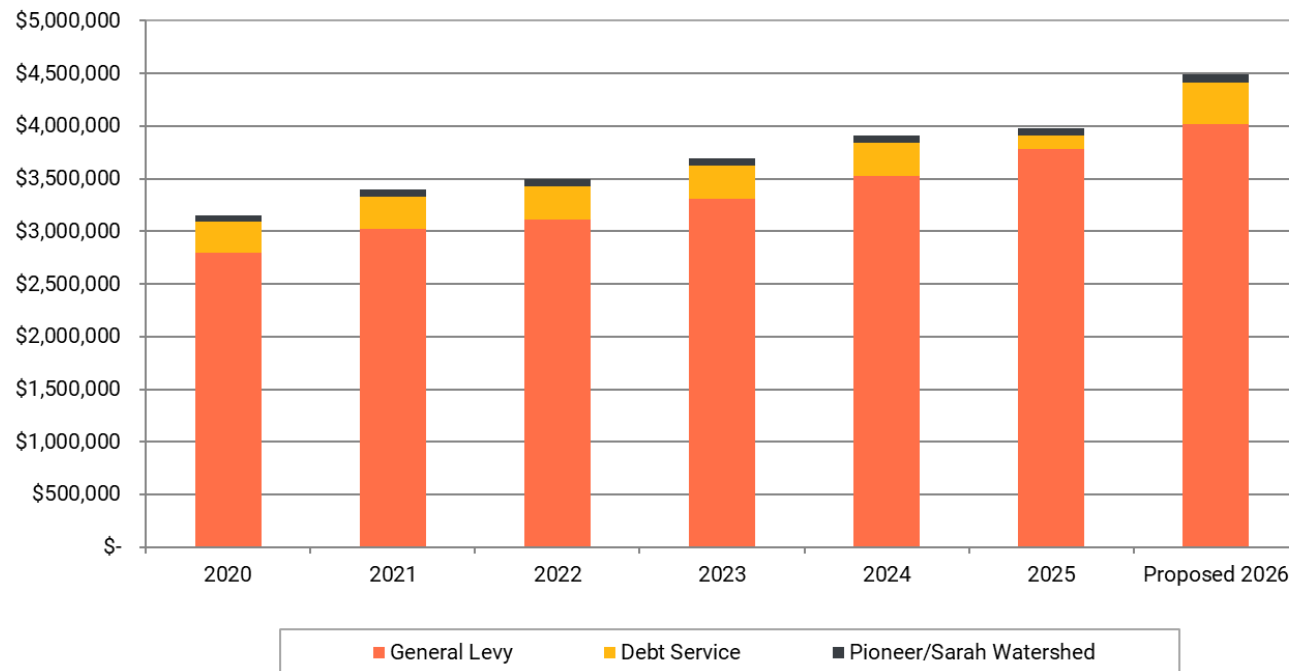
# Tax Capacity Graphs



# Tax Capacity Rate Graphs



# Levy Summary 2020 to 2026 Projected

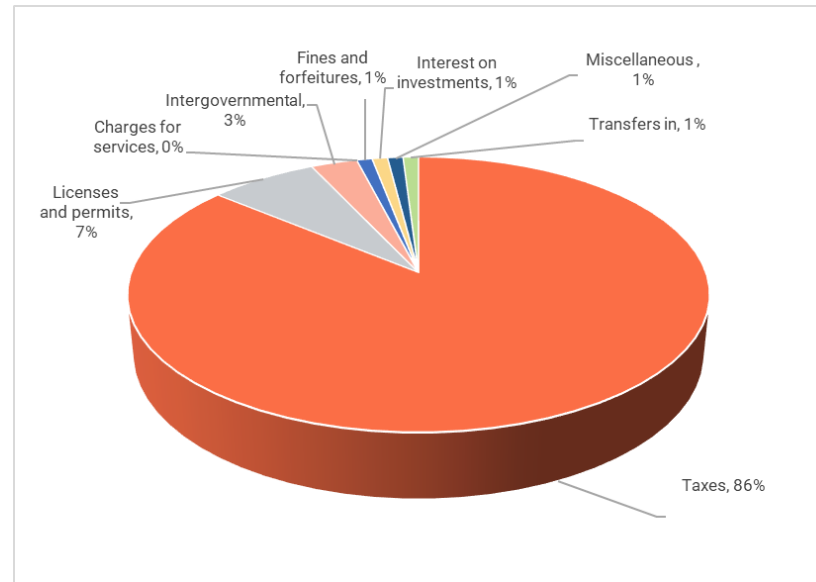




# 2026 Projected General Fund Revenue

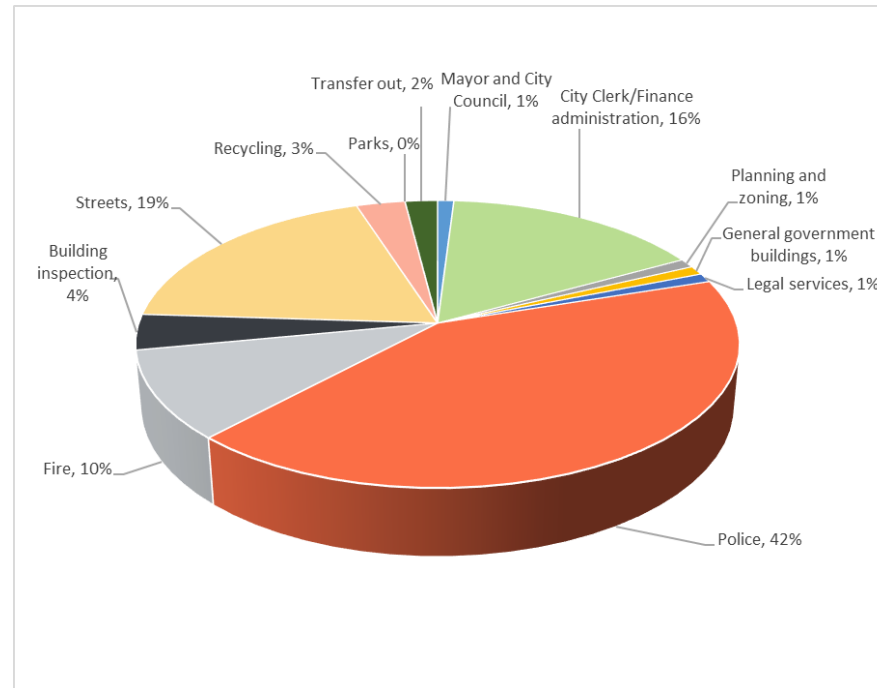
## Revenues

	2026
Taxes	\$ 4,019,763
Licenses and permits	299,100
Intergovernmental	129,315
Charges for services	6,100
Fines and forfeitures	25,000
Interest on investments	30,000
Miscellaneous	55,563
Transfers in	30,000
<b>Total Revenues</b>	<b>\$ 4,594,841</b>



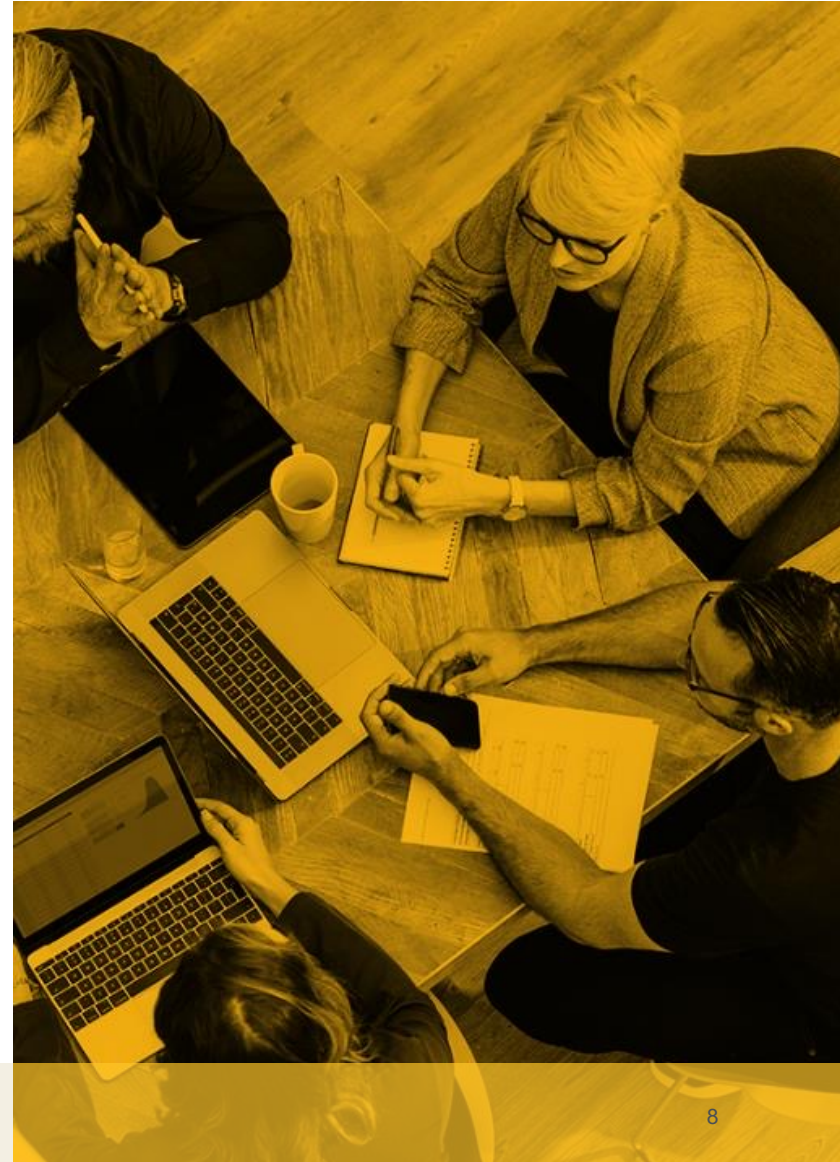
# 2026 Projected General Fund Expenditures

Expenditures	2026
Mayor and City Council	\$ 23,800
City clerk/Finance administration	733,622
Election	9,100
Planning and zoning	55,800
Water resource	5,000
General government buildings	62,453
Legal services	43,500
Police	1,934,049
Fire	451,000
Building inspection	181,732
Streets	861,250
Street lighting	3,500
Recycling	122,435
Parks	17,600
Capital outlay - general government	15,000
Capital outlay - public safety	-
Capital outlay - public works	-
Transfer out	75,000
<b>Total Expenditures</b>	<b>4,594,841</b>



## Key Changes - General Fund

- The general fund tax levy increased \$235,224 or 6.22% over prior year.
- The tax rate calculates to 32.16%. The prior year's tax rate was 31.21%. Some factors in the change are described below.
- Excluding police and fire services, the general government levy decreased \$67,713 or 3.98%.
- Police protection increased \$237,238 or 13.98% from the 2025 budget.
- Fire services increased \$65,699 or 17.05% from the 2025 budget.
- Elections increased \$9,100 or 100% due to budgeting for 2026 elections.
- Streets decreased by \$75,541 or 8.06% due to budgeting less for gravel road maintenance.
- Parks decreased by \$12,134 or 40.81% due to budgeting less for repairs and maintenance.
- Charges for Services revenue decreased by \$37,090 or 85.88% due to less budgeting for zoning and subdivision fees.



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# Recommended Action

- Approve the preliminary levy and budget as presented and certify to the County





Questions?



## City of Independence

### Discussion Regarding Pioneer Creek Park – Hennepin County Youth Activities Grant

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To: City Council  
From: Mark Kaltsas, City Administrator  
Meeting Date: September 16, 2025

#### **Discussion:**

The city has previously applied for the Hennepin County Youth Activities Grant (2023) to construct facilities within Pioneer Creek Community Park. The city was not successful with its initial application. This summer, the Mayor and I met with Commissioner Anderson and several staff members that help to administer the Hennepin County Youth Activities Grant to further discuss the grant program and eligibility requirements. Staff is considering submitting a new application for the grant program and would like to further discuss with Council.

The maximum award in the current grant cycle is \$300,000. Based on the current grant criteria, the amount of funds that the city has available and the facilities identified in the master plan, it appears that the multi-purpose athletic fields would have the best chance to be funded. The multi-purpose athletic fields would serve the broadest number of youths in our community based on their ability to accommodate soccer, lacrosse, football and other similar youth activities.

The city's opinion of probable cost relating to constructing the multi-purpose athletic fields and associated parking area is approximately \$325,000 broken down as follows:

• Earthwork:	\$100,000
• Drain Tile:	\$25,000
• Parking:	\$150,000
• <u>Landscaping:</u>	<u>\$50,000</u>
<b>TOTAL</b>	<b>\$325,000</b>

In addition to the costs noted for the multi-purpose fields, the city would likely want to reconstruct and pave the primary park drive to provide a better access into the park. This cost is estimated to be an additional \$250,000. The city could ask for 50% of the cost of constructing the multi-purpose athletic fields and associated parking which would be approximately \$162,500.

Staff is also seeking supporting letters again from Orono Westonka Youth Soccer, Orono Football Association, Orono Youth Lacrosse, Delano Lacrosse and Legacy Football Club. It is anticipated that all letters of support obtained will be submitted with the grant application.

***Recommendation:***

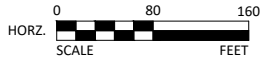
The City Council is being asked to discuss the possible grant application and provide direction.

***ATTACHMENTS:*** Pioneer Creek Park Master Plan









C-2 (Ph 1)



September 4, 2025

To: City of Independence

From: Joe and Maureen Banavige

The enclosed check for \$1,000 is a donation to be used for the refurbishment of the old Town Hall museum located on the nearby rotary. It is great to see the City of Independence taking such a proactive approach to preserving this important piece of our history. For a town named Independence, it is especially nice to see it all being done in advance of America's 250<sup>th</sup> Independence Day birthday celebrations. It would be great to see a big grand opening next spring/summer! We would prefer our donation to be anonymous (by name) but suggest you advertise to other residents you are accepting donations for this project. Hopefully others will similarly appreciate our history and want to directly support the refurbishment.

Thanks for all your efforts!

Joe and Maureen Banavige