CITY COUNCIL MEETING AGENDA
TUESDAY SEPTEMBER 15, 2026

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 Minutes from the September 9, 2026, City Council Workshop Meeting.
   b. Approval of City Council Minutes from the September 1, 2026, Regular City Council Meeting.
   c. Approval of Accounts Payable; (Batch #1 - Checks No. 24596-24622).

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

6. West Hennepin Public Safety – Director Matthew DuRose: Presentation of the August 2026 Activity Reports.

7. Consider Approval of the 2027 Preliminary Budget and Tax Levies:

   a. **RESOLUTION NO. 26-0915-01** – Establishing the 2027 Preliminary Budget.

   b. **RESOLUTION NO. 26-0915-02** – Establishing the General and Debt Service Preliminary Tax Levy and Setting a Date for the 2026 Truth in Taxation Meeting for December 1, 2026, at 6:00 PM.

   c. **RESOLUTION NO. 26-0915-03** – Establishing the Pioneer Sarah Creek Watershed Management Commission Preliminary Tax Levy.

8. Open/Misc.

9. Adjourn.

CITY OF INDEPENDENCE, MINNESOTA

CITY COUNCIL WORKSHOP MINUTES

Wednesday, September 9, 2026 | 7:00 A.M.

1. CALL TO ORDER

The City Council Workshop was called to order at 7:00 a.m.

2. ROLL CALL

PRESENT:	Mayor Spencer, Councilors Betts, Fisher, McCoy, Grotting entered meeting late
ABSENT:	None
STAFF:	City Administrator Kaltsas, Administrative Services Director Simon, Public Works Supervisor, Lehman, WHPS Director DuRose, City Accountant, Steve McDonald
VISITORS:	None

3. GENERAL ADMINISTRATION

A. 2027 Draft Budget Discussion

City Administrator Mark Kaltsas presented an updated 2027 draft budget, noting that since the last workshop, staff had reviewed expenditures and received updated figures from West Hennepin. The revised budget targets a maximum total operating levy increase of 9.99 percent, with a general fund levy increase of approximately 6.38 percent year-over-year and a tax capacity rate of 32.88 percent — representing roughly a 0.5 percent increase from the 2026 levy.

Administrator Kaltsas highlighted several key budget items:

Lobbyist ($40,000): The budget retains funding for the city's lobbyist. Administrator Kaltsas noted that if Delano and Maple Plain do not continue cost-sharing, Independence would carry the full amount, but the lobbyist's efforts could be directed toward city-specific priorities such as additional Highway 12 funding and, notably, state funding for sanitary sewer capital improvements.

Comprehensive Plan ($20,000): Funding was included to begin preliminary work on the 2050 Comprehensive Plan, which is due in 2028. The amount was reduced from the initially proposed $25,000, though Administrator Kaltsas noted some expenditure will be unavoidable regardless of approach, including addressing greenhouse gas requirements in the plan.

Police Budget: The police budget reflects an increase of 5.73 percent, a reduction from the figure presented at the prior meeting. The department was able to reduce costs significantly through better-calibrated workers' compensation and liability insurance estimates, and through a policy change requiring employee contributions to health care coverage. Administrator Kaltsas noted that a replacement hire — a veteran officer at top wage — increased personnel costs compared to the entry-level officer originally budgeted, but provides training benefits. The department has submitted a reimbursement request to the State of Minnesota, with an anticipated return of approximately $130,000, potentially yielding around $70,000 back to the City of Independence after costs. A Police

Commission meeting is scheduled for October 12th to formalize a plan for returning those funds to the cities. The consensus was that the most appropriate approach would be to reduce the final 2026 police payment by the applicable amount, rather than adjusting levies or issuing checks.

Fire Protection Budget (14.58% increase / +$65,000): Administrator Kaltsas acknowledged this was the highest budget increase among all departments and notably higher than comparable cities he had observed, citing one peer city with only a 3 percent overall budget increase. He explained that under the agreement made when Independence joined the West Suburban Fire Protection District, the city agreed to absorb 100 percent of the cost overage attributable to its entry into the district for 2026 and 2027. Beginning in 2028, that overage responsibility will be reduced by 25 percent per year, with full formula parity achieved in 2031, at which point the fire budget is expected to stabilize. Had the standard formula applied immediately, the city's fire budget would have been approximately $406,000, compared to the current $516,000. Administrator Kaltsas also noted that a bill of approximately $44,000 had recently been received from Maple Plain representing the city's share of an overage in last year's fire budget, and that he had requested full detail before approving payment, as the nature of the expenditures was unclear.

Public Works Capital Improvement Plan: The public works CIP was proposed to increase by $10,000 to $85,000, with an anticipated further increase to $100,000 in future years to keep pace with equipment costs. A replacement F-550 truck, now 11 years old, was cited as an example, with current pricing near $150,000 compared to approximately $85,000 previously. Administrator Kaltsas noted the council may wish to explore lease-to-own financing options to spread out large capital expenditures.

Revenue Projections: Licenses and permits revenues were increased by approximately $55,000 over the conservatively budgeted 2026 amount. Though actual 2026 collections are expected to reach approximately $543,000 against a budget of $299,000, the administrator noted ongoing permit activity from projects such as Bridgevine and Cook's Farm. Election costs of $9,100 were removed for 2027, as no election is scheduled.

Mayor Spencer noted favorably that the city's tax capacity rate of 32.88 percent compares well to neighboring communities, including Maple Plain at 57 percent. He and Administrator Kaltsas observed that residents benefit significantly from the city's practice of funding road improvements without special assessments, which in other cities can add 30–35 percent surcharges to individual property owners. The council expressed support for maintaining capital and road maintenance funding rather than deferring those costs, acknowledging past lessons learned from insufficient capital reserves.

Administrator Kaltsas noted that pending developments — including the Lennar Hilltop Farm project and a Gagne proposal for the Klingner property — could add to the tax base beginning in 2028 or 2029. Commercial development, including garage condominiums and Sam's landscape building, was also cited as a growing contributor to the city's commercial tax base. Staff indicated no staffing changes are proposed for 2027.

City Budget and General Tax Levy

Administrator Kaltsas outlined the overall levy structure. The total 2027 proposed budget reflects an increase of approximately $256,000, or 6.38 percent, with approximately $170,000 of that driven by fire and police. A planned debt levy increase of $187,000 — structured years in advance — accounts for the maturation of the 2020 bond obligations as the 2015 bonds are retired. Combined, these result in a total operating levy increase of 9.99 percent. The city's tax capacity rate policy ceiling is 40 percent; the proposed rate of 32.88 percent remains well below that threshold.

Mayor Spencer noted that preliminary levy adoption is scheduled for the following week, with the ability to make adjustments prior to final budget adoption in December.

B. City Budget and General Tax Levy

Financial consultant Steve presented the results of the sanitary sewer rate study, which uses a cash flow modeling approach to evaluate rate scenarios against projected operating costs, capital expenditures, and growth assumptions.

Current System Overview: The city operates 31 lift stations serving 262 connected users and 23 unconnected properties that are nonetheless assessed at the same rate. The total billing base is 286 equivalent units, including one commercial connection (Oxyoke). The city's current quarterly residential sewer rate of $308 is substantially higher than the regional average of approximately $183, reflecting the system's unique cost structure.

Capital Needs: The city recently engaged a third-party firm to conduct a comprehensive inspection of all 31 lift stations, including pump pulls, structural assessment, and panel evaluation. The inspection revealed that piecemeal repairs are not cost-effective — once any major component is addressed, a full overhaul of the station is warranted. A duplex (two-pump) lift station replacement costs approximately $90,000; a simplex replacement costs approximately $75,000. Lift station No. 13, which serves the Lake Sarah and north Lake Independence areas, was identified as the most critical, with significant concrete degradation in the wet wells. Administrator Kaltsas noted that the city maintains more lift stations than most municipalities while operating with a single full-time sewer employee.

A further complication is that nearly all existing pumps are single-phase, a configuration that is becoming increasingly difficult to source, while the industry has shifted to three-phase systems. Newer and larger stations have already been converted, but transitioning the remaining stations is a key driver of the capital plan.

Scenarios Modeled: Three scenarios were modeled. Scenario 1 assumes lift station rehabilitation every year with rate increases of 10 percent, 9 percent, and 8 percent, then leveling to 5 percent — but the cash reserve still falls into deficit by 2027 and remains marginal through 2033. Scenario 3 assumes rehabilitation every other year with a consistent 5 percent annual rate increase, which preserves cash above the target reserve level (defined as half of annual operating costs plus the average annual capital spend) through the planning period, though it extends the full rehab timeline to approximately 60 years. Scenario 2 models the effect of significant new growth, such as the Johnson property development, which would substantially accelerate the city's ability to fund capital improvements.

Recommended Approach: Administrator Kaltsas recommended adopting a 5 percent sewer rate increase for 2027, paired with a capital plan that rehabilitates lift stations every other year. He acknowledged this is not fully sustainable long-term, but noted that pursuing state bonding or grant funding represents the most realistic path to closing the capital gap. The city's status as having among the highest sewer rates in Minnesota — a result of a historically underfunded system — was cited as a compelling basis for a legislative funding request. Mayor Spencer expressed strong support for pursuing state funding through the city's lobbyist, noting that the sewer system's origins as a 1980s water quality initiative and its public benefit story present a credible case at the legislature. He drew on his observations of similar testimony at the Capitol during the Highway 12 lobbying effort. The council discussed the possibility of seeking several million dollars in bonding funds to accelerate the lift station rehabilitation program, which would cost approximately $2.4 million to complete in full.

The council agreed to adopt the rate study's findings and proceed with the recommended 5 percent rate increase, with the capital plan to be revisited annually. Growth from the anticipated Johnson property development and Bridgevine build-out were noted as factors that could meaningfully change the financial outlook in future years.

4. ADJOURNMENT

Before adjournment, Mayor Spencer raised the topic of changing the city council meeting start time from 6:30 PM to 5:30 PM. The change was discussed as beneficial for staff, council members, and the public, noting that many comparable cities use a 5:30 PM start. There were no strong objections, and the consensus was to implement the new start time beginning with the second October meeting, which is also a Planning Commission meeting night. Staff was directed to announce the change publicly.

A brief update was provided on the Johnson property development application, which is expected to be submitted imminently. Administrator Kaltsas indicated the matter would be directed to the November Planning Commission agenda rather than October, to allow adequate time for review and coordination with the county and Maple Plain. The council discussed the likelihood of public opposition, particularly from Maple Plain residents and those on County Road 19 and County Road 83, and discussed the merits of an open house format — rather than a formal public hearing — for early community engagement, consistent with the approach used during the Bridgevine process.

Mayor Spencer asked if there was any additional business. Hearing none, the workshop was adjourned at 8:47am.

Respectfully submitted,

____

Amber Simon/Recording Secretary

CITY COUNCIL MEETING MINUTES
TUESDAY SEPTEMBER 1, 2026

CITY COUNCIL MEETING TIME: 6:30 PM

1. CALL TO ORDER

Mayor Brad Spencer called the meeting to order on Tuesday, September 1, 2026, at 6:30 PM

2. PLEDGE OF ALLEGIANCE

Mayor Spencer led the group in the Pledge of Allegiance.

3. ROLL CALL
   PRESENT: Spencer, Fisher, McCoy, Betts, Grotting
   ABSENT: None
   STAFF: Administrative Services Director Simon, Public Works Director Lehman
   VISITORS: Frank Smaron, Edward Genereux, Laura Fredman and family and JonPaul Story

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 August 18, 2026, Regular City Council Meeting.
b. Approval of Accounts Payable; (Batch #1 - Checks No. 24570-24593 and Batch #2 – Checks No. 24594-24595).
c. Assembly Permit:
   - Independence Motor Condos Marketing Event – Wednesday, September 23rd.

Motion by Betts, seconded by Grotting to approve the consent agenda. Ayes: Spencer, Fisher, McCoy, Betts, Grotting. Nays: None. Absent: None. Abstain: None. Motion Approved. 5-0

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

Council member Fisher Attended the following meeting:

- None

Council member Betts Attended the following meeting:

- Planning

Council member McCoy Attended the following meeting:

- WHPS budget meeting
- Assisted in CPR and AED training at Orono Schools

Councilmember Grotting Attended the following meeting:

- Visted properties on planning agenda
- Planning

Mayor Spencer Attended the following meeting:

- Planning
- Candidate Statement Videos
- WHPS budget meeting
- PSCWM technical advisory meeting (zoom) on shoreline restoration

Amber Simon Attended the following meeting:

- Candidate Statement Videos

Mark Kaltsas Attended the following meeting:

- Meeting with financial consultant on sewer rate study

6. Representative Kristin Robbins – Annual City Council Visit.

Representative Kristin Robbins appeared before the Council for her annual visit and provided an update on the recently concluded legislative session. She noted that with the House evenly divided, all legislation passed was bipartisan, which she described as a positive reset, though it limited what could be accomplished.

Representative Robbins highlighted the following outcomes from the session:

Tax Relief: The legislature successfully blocked several proposed tax increases, including increases to the personal income tax rate and a proposed wealth tax. Property tax relief was secured for residents with household incomes of $146,000 or less, who will see increased property tax refunds. A one-year reduction in income taxes was also enacted for the 2027 tax year.

Pass-Through Entity Tax: Legislation was passed to retroactively conform the state's pass-through entity tax with federal tax policy. Representative Robbins encouraged business owners who file as partnerships to consult her office about filing amended returns, noting the change could save them tens of thousands of dollars in federal taxes.

HCMC Stabilization: The legislature provided resources to prevent the bankruptcy of Hennepin County Medical Center (HCMC), which would otherwise have shifted full financial responsibility to Hennepin County taxpayers. The legislation also required governance reforms by the Hennepin County Board and established a $500 million housing stabilization fund accessible by both rural and metro hospitals beginning in 2028.

School Safety: New school safety measures were enacted, including an anonymous threat reporting system and increased funding for mental health crisis response teams in schools.

Highway 12 Improvements: A bonding bill was passed that includes funding for long-sought safety improvements along Highway 12. Representative Robbins credited the Highway 12 Safety Coalition for its sustained advocacy and expressed optimism that the improvements would soon move forward.

Fraud Accountability: Representative Robbins noted continued work throughout the session on fraud prevention, exposure, and the implementation of internal controls and guardrails.

The Mayor thanked Representative Robbins on behalf of the Council, specifically acknowledging her assistance with the Maple Plain Fire Department consolidation with West Hennepin, her guidance to the Mayor on testifying before the Capital Investment Committee on railroad safety and Highway 12 funding, and her advocacy for Social Security tax relief, which the Mayor noted was among the highest-polling policy proposals in the state.

Representative Robbins thanked the Council and expressed continued pride in representing the community, noting she would remain an active community member after her term concludes.

7. Laura Fredman ("Applicant/Owner") requests that the City consider the following action for the property located at 4465 Lake Sarah Rd., Independence, MN (PID No. 03-118-24-23-0001):

    a. **RESOLUTION No. 26-0901-01 –** Considering approval of a conditional use permit (CUP) to allow a detached Accessory Dwelling Unit (ADU) to be located within a new detached accessory structure on the subject property.

City Administrator Kaltsas presented the item, which had been considered by the Planning Commission at both their July and August meetings. The applicant had requested a conditional use permit (CUP) to allow an accessory dwelling unit (ADU) within a proposed new 4,960 square foot detached pole barn on the approximately 16-acre, agriculturally-zoned property at 4465 Lake Sarah Road.

At the July Planning Commission meeting, the item was tabled after commissioners raised concerns about the building's location on the property, its proximity to property lines and the street, and its architectural compatibility with the existing farmhouse. The applicant was asked to revisit the proposal in response to those concerns.

At the August meeting, the applicant returned with several revisions: the building was relocated further from Lake Sarah Road and the north property line, exceeding applicable front and side yard setbacks; a professional landscape plan was developed providing deciduous and evergreen screening along the north and east sides of the building; and the applicant committed to painting the existing farmhouse white to match the proposed accessory structure. The Planning Commission found that all applicable criteria for the CUP had been satisfied with these revisions and recommended approval, with a condition requiring the submitted landscape plan to be incorporated. Staff noted that a mezzanine level originally proposed above the kitchen within the ADU had been revised so that it would not be connected to or counted as part of the ADU's square footage.

The Mayor acknowledged the applicant's additional efforts, including the construction of a berm along the road frontage, and expressed appreciation for the updated landscaping plan. The applicants were present and confirmed the terms as presented.

Motion to approve Resolution No. 26-0901-01, approving a CUP to allow a detached ADU to be located within a new detached accessory structure on the subject property, was made by Councilmember McCoy and seconded by Councilmember Fisher. 5-0. The motion carried unanimously.

8. Patrick Dorn ("Applicant") and Kent Roers ("Owner") requests that the City consider the following action for the property located at 4708 Lake Sarah Dr. S, Independence, MN (PID No. 02-118-24-22-0026):

    a. **RESOLUTION No. 26-0901-02 –** Considering approval of a variance to allow the construction of a stairway onto an existing deck that encroaches approximately 5' into the 100' lakeshore setback.

City Administrator Kaltsas presented the item. The applicant requested a variance from the 100-foot ordinary high water level (OHW) setback for Lake Sarah to allow reconstruction of a stairway off an existing deck at 4708 Lake Sarah Drive South. The proposed stairway would be located 96.2 feet from the OHW, representing a 3.8-foot encroachment into the setback. The stairway had not been grandfathered, as the setback was in effect at the time the home was constructed.

The Planning Commission held a public hearing, received one comment in support from a neighboring property owner, and found that the variance criteria had been met. Commissioners noted that a stairway is a typical accessory feature to a deck, that the position of the principal structure limited feasible stairway placement, and that a freestanding deck would be permitted in the setback area under the ordinance—it was only the attachment to the principal structure that triggered the variance requirement.

The Mayor noted that the property is part of the Tamarac subdivision and, as such, is subject to the more restrictive 100-foot setback, compared to the 60-foot setback that applies to the remainder of Lake Sarah.

Motion to approve Resolution No. 26-0901-02, approving a variance to allow the construction of a stairway onto an existing deck that encroaches approximately 5' into the 100' lakeshore setback, was made by Councilmember Fisher and seconded by Councilmember McCoy. 5-0. The motion carried unanimously.

9. Nate Miller ("Applicant/Owner") requests that the City consider the following action for the property located at 3470 Lake Sarah Rd., Independence, MN (PID No. 10-118-24-31-0006):

    a. **RESOLUTION No. 26-0901-03 –** Considering approval of a conditional use permit (CUP) to allow a detached Accessory Dwelling Unit (ADU) to be located on the subject property.

City Administrator Kaltsas presented the item. The applicant requested a CUP to allow a 768 square foot ADU to be constructed on the second floor of an existing two-car detached garage on the agriculturally-zoned property at 3470 Lake Sarah Road. The ADU would include one bedroom, one bathroom, a kitchen, and a family area. The applicant indicated the unit would be occupied by his parents.

Staff confirmed that all applicable criteria were met, including setbacks, square footage relative to the 2,835 square foot principal dwelling, bedroom count, and connection to the existing septic system, which would require modifications as noted in the applicant's septic report. The Planning Commission held a public hearing, received one comment in support, and recommended approval. Commissioners noted that the existing detached garage is partially set into the grade and that the proposed second story would meet applicable height criteria. The ordinance condition limiting occupancy to relatives of the property owner was confirmed to apply.

Motion to approve Resolution No. 26-0901-03, approving a CUP to allow a detached ADU to be located on the subject property, was made by Councilmember McCoy and seconded by Councilmember Betts. 5-0. The motion carried unanimously.

10. Frank Smaron ("Applicant") and Paul Merz Trust Estate ("Owner") request that the City consider the following action for the properties located at 2919 Independence Road (PID Nos. 14-118-24-13-0008 and 14-118-24-14-0002):

a. **RESOLUTION No. 26-0901-04 –** Considering approval of a minor subdivision to allow a lot line rearrangement. The lot line rearrangement would adjust the line separating the two properties. No new properties are being proposed.

City Administrator Kaltsas presented the item. The applicant requested a minor subdivision to allow a lot line rearrangement between two adjacent properties near 2919 Independence Road. In the existing condition, the westerly property is approximately 42 acres and the easterly property is approximately 41 acres. The proposed rearrangement would transfer a northern portion of the easterly property to the westerly property, resulting in a 36-acre westerly parcel and a 46-acre easterly parcel. The purpose of the adjustment is to provide the westerly property owner with accessible access to a field currently separated by a wetland and difficult terrain.

Staff noted that the rearrangement is also related to estate planning, with each resulting parcel intended for a different family member, while the properties would continue to be farmed together in the near term. Staff further noted that the westerly parcel, at 36 acres, would fall below the 40-acre agricultural zoning threshold; however, because both properties are guided rural residential under the Comprehensive Plan, this loss of agricultural eligibility was not considered a practical concern, as the highest and best use of the property is anticipated to be rural residential. No new parcels and no new nonconformities would be created by the rearrangement. The Planning Commission found the request straightforward and recommended approval.

Motion to approve Resolution No. 26-0901-04, approving a minor subdivision to allow a lot line rearrangement, was made by Mayor Spencer and seconded by Councilmember McCoy. 5-0. The motion carried unanimously.

11. Consideration of a Stipulation Agreement with Rick Gage (Ese Riders, LLC) to allow them to retain and occupy the existing house located on the property at 1060 Copeland Road while they construct a new home on the same property. The agreement requires an escrow deposit to be made and retained by the City until the new home is complete and the existing home is removed.

City Administrator Kaltsas presented the item. The applicant requested to enter into a stipulation agreement with the City allowing construction of a new home on the property at 1060 Copeland Road while retaining the existing principal structure, which is currently occupied by the individuals who manage the applicant's horse operation. Due to the condition of the existing home and the need to avoid further investment heading into winter, the applicant sought to move forward with the new construction and subsequently demolish the original structure.

This type of stipulation agreement has been used by the City previously. Under the terms, the applicant must remove the existing home within 90 days of substantial completion of the new home, and must provide a $10,000 escrow deposit, which the City will retain as an incentive to ensure compliance prior to issuing a certificate of occupancy. The applicant would also be required to obtain a separate demolition permit.

Staff noted that the applicant had provided a conceptual sketch demonstrating how the approximately 130-acre property could be subdivided in the future, which was requested by the City Administrator to ensure the longer-term development of the property was considered. The applicant's longer-term intent is to construct a more substantial principal residence on the property at a future date, which would require a formal subdivision.

The motion authorized the Mayor and City Administrator to execute the agreement on the City's behalf, subject to the conditions set forth in the staff report.

Motion to authorize the Mayor and City Administrator to execute the Stipulation Agreement with Rick Gage (ESE Riders, LLC), was made by Councilmember Grotting and seconded by Councilmember Fisher. 5-0. The motion carried unanimously.

12. Consider Approval of the Lake Minnetonka Communications Commission (LMCC) – 2027 Annual Budget.

The Council discussed the proposed 2027 Annual Budget for the Lake Minnetonka Communications Commission (LMCC). It was noted that the LMCC continues to experience a significant decline in cable franchise revenues, with approximately a 20 percent drop being observed, driven by ongoing cable cord-cutting. The Commission has responded with successive reductions in its annual budget. For reference, actual 2025 expenditures were $193,541; the 2026 adopted budget is $153,000; and the proposed 2027 budget is $138,785. The Council noted that the Commission has been managing its overhead tightly and taking cost-saving measures, including through staff retirements. Discussion acknowledged uncertainty around future franchise revenues as subscriber numbers continue to shift toward internet-only services.

Motion to approve the LMCC 2027 Annual Budget, was made by Mayor Spencer and seconded by Councilmember Betts. 5-0. The motion carried unanimously.

13. Open/Misc.

14. Adjourn.

Motion to adjourn was made by Councilmember McCoy and seconded by Councilmember Grotting. Ayes: Spencer, Fisher, McCoy, Betts, Grotting. Nays: None. Absent: None. Abstain: None. Motion Approved. 5-0. Meeting was adjourned at 7:14pm

Date: September 9, 2026

To: Public Safety Commissioners
City of Independence Council Members
City of Maple Plain Council Members

From: Director Matt DuRose

SUBJECT: August 2026 Monthly Activity Report

Enclosed with this letter is West Hennepin Public Safety's August Monthly Activity Report. This report is meant to provide an overview of the monthly activity for West Hennepin Public Safety as well as year-to-date information for the reader. In addition to criminal and non-criminal offenses, the activity report also highlights traffic related activity as well as community engagement by staff.

All incidents are broken down as defined in the National Incident-Based Reporting System (NIBRS). NIBRS is the accepted reporting system utilized by police agencies across the country. NIBRS provides more complete and detailed incident information because it requires reporting of every offense committed within the incident. In this month's report, you will see that there were 37 criminal offenses reported from 36 incidents.

The primary driving factor for the spike in criminal offenses in August was 30 damage to mailbox incidents that were reported in the City of Independence. Each location where damage was done must be reported as a separate incident. We are continuing to follow up on investigative leads, which could lead us to identify the suspect(s) in this string of criminal damage to property incidents.

NIBRS is broken down in the following categories:

Group A offenses

Animal Cruelty	Drug offenses	Homicide	Prostitution
Arson	Embezzlement	Human Trafficking	Robbery
Assault	Extortion	Kidnapping	Sex Offenses
Bribery	Forgery	Larceny	Stolen Property
Burglary	Fraud	Motor Vehicle Theft	Weapon Laws
Destruction/Damage	Gambling	Obscene Material	

Group B offenses

Bad Checks	Driving Under Influence	Liquor Law Violations	All Other Offenses
Curfew	Drunkenness	Peeping Tom	
Disorderly Conduct	Family Offenses	Trespass	

If anyone would like more detailed data, please contact my office.

Respectfully submitted,

West Hennepin Public Safety
Monthly Activity Report

August 2026

August 2026 Overview

Calls for Service
Maple Plain
143 (28%)

Total Calls for Service
507

Calls for Service
Independence
295 (58%)

Traffic Offenses
70

DWIs
1

Crashes
6

Arrests
2

Group A Offenses
3

Group B Offenses
2

Other (14%)
AA – 28
TZD – 28
Oth – 13

Traffic Offenses
97

DWIs
0

Crashes
10

Arrests
0

Group A Offenses
32

Group B Offenses
0

*Traffic Offenses include citations, parking tickets, written and verbal warnings
*Arrests include physical arrests and citations issued for criminal offenses
*Group A & B Offenses include all reportable offenses whether a physical arrest was made or not
*TZD is not included in CFS or traffic offenses

Year to Date 2026 Overview

Calls for Service
Maple Plain
1,118 (31%)

Total Calls for Service
3,652

(2025 YTD: 3,120)

Calls for Service
Independence
2,019 (55%)

Traffic Offenses
462

DWIs
9

Crashes
14

Arrests
21

Group A Offenses
35

Group B Offenses
27

Other (14%)
AA – 302
TZD – 158
Oth – 57

Traffic Offenses
831

DWIs
16

Crashes
84

Arrests
20

Group A Offenses
52

Group B Offenses
21

*Traffic Offenses include citations, parking tickets, written and verbal warnings
*Arrests include physical arrests and citations issued for criminal offenses
*Group A & B Offenses include all reportable offenses whether a physical arrest was made or not
*TZD is not included in CFS or traffic offenses

Calls for Service: Non-Criminal

Medicals & Lift Assists/Falls 33	Alarms 23
Traffic Complaints 7	Suspicious Activity 9
Disturbance 7	Welfare Check & Mental Health 10
Record Checks & Permits 43	Animal Calls 12

*Medicals & Lift Assists/Falls include all medical emergencies
*Alarms include home, business, fire, CO2 alarms
*Disturbance includes fights, harassment, and disorderly situations.

Year to Date Calls for Service: Non-Criminal

Medicals & Lift Assists/Falls
220

Alarms
149

Traffic Complaints
88

Suspicious Activity
81

Disturbance
35

Welfare Check & Mental Health
78

Record Checks & Permits
356

Animal Calls
69

*Medicals & Lift Assists/Falls include all medical emergencies
*Alarms include home, business, fire, CO2 alarms
*Disturbance includes fights, harassment, and disorderly situations.

Notable Calls for Service

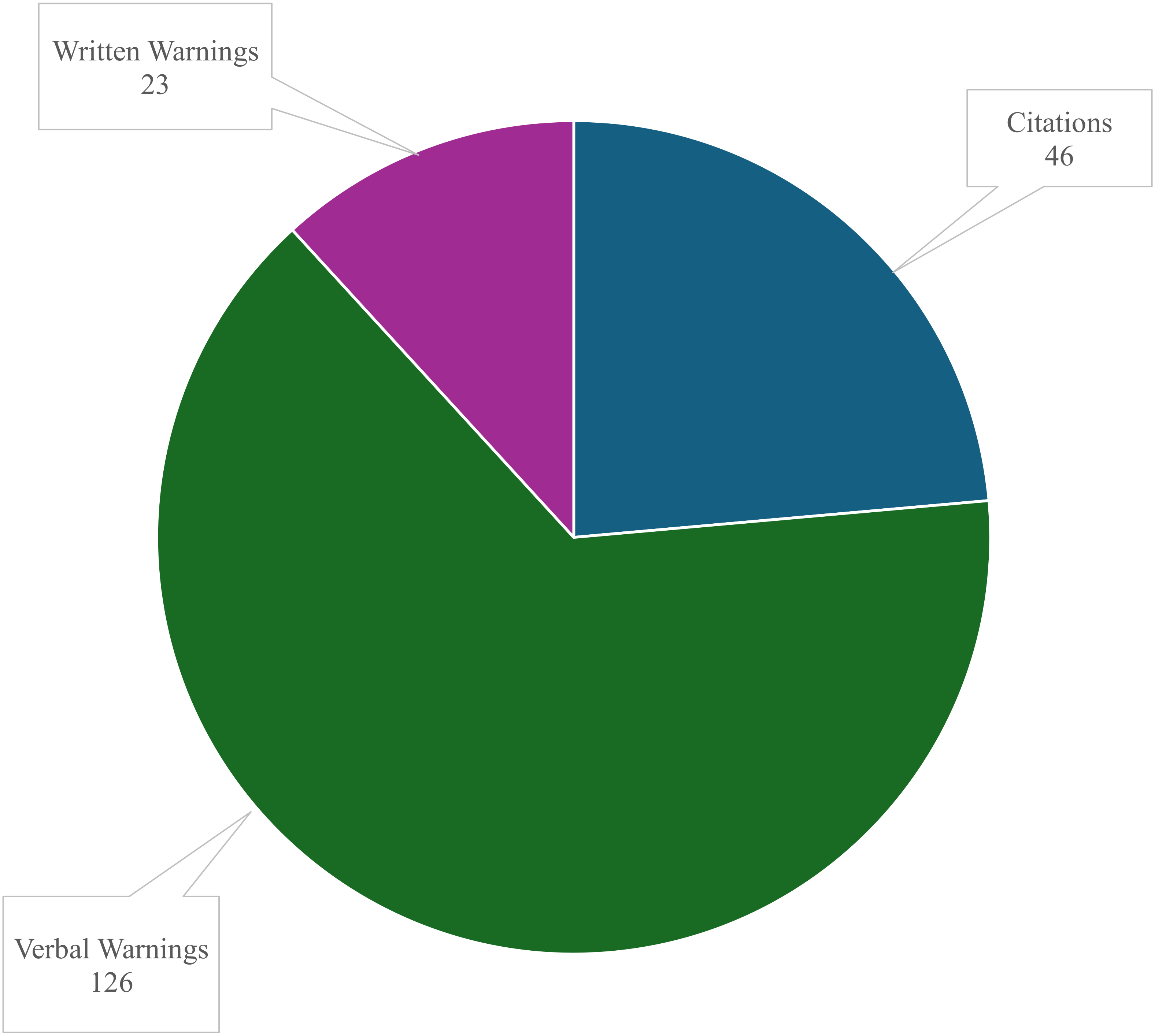
- **Crash, ICR 26003181:** County Road 90/Highway 12, Independence. Officer was outside about to leave the office when he heard what sounded like a serious crash nearby. Officer checked the area and found a down light pole but no vehicle. A witness provided a description of the suspect vehicle and officer located it a short time later. Officer spoke to the driver who advised her car slipped. It was found the driver had a cancelled license. She was cited for Careless Driver, Driving after Cancellation, and Hit and Run.

- **Gas Leak, ICR 26003485:** Highway 12/Delano Ave, Maple Plain. Officers were dispatched to a hit gas line. A construction crew hit a 4-inch gas main while performing excavation. Officers assisted in shutting down Highway 12 and provided traffic control. West Suburban Fire assumed control of the gas leak. Neighboring houses and businesses were evacuated. The utility company was able to get the gas shut off and the highway was reopened.

- **Welfare Check, ICR 26003569:** 4800 Gateway Blvd, Maple Plain. Officer was on routine patrol and observed a female that appeared to be sleeping in her car in a business parking lot with her windows down. 45 minutes later, officer observed the female was still asleep in the vehicle. Officer stopped to check on her, and she advised she was sleeping after an early shift at the airport before completing her drive home. She was grateful the officer checked on her.

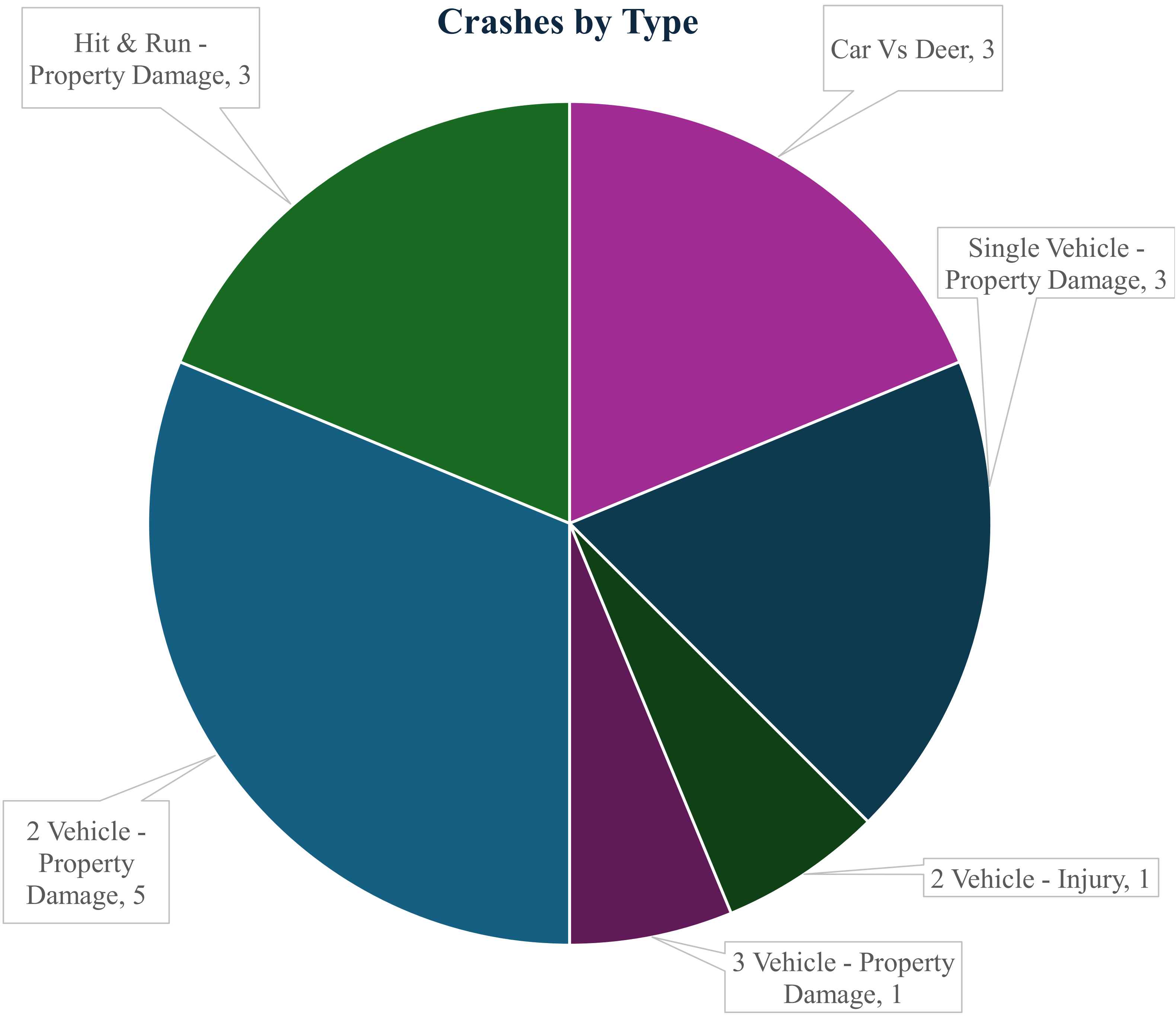
- **Welfare Check, ICR 26003616:** Highway 12/County Road 92, Independence. Officer was on routine patrol and observed a male walking along Highway 12. Officer stopped and spoke to the male who advised he was walking east. Officer suspected the male to be homeless and offered assistance, but the male declined. Officer provided the male a courtesy ride to a gas station.

Traffic Offense Data



*Traffic Offense Data includes TZD stops

Crash Statistics



Criminal Offenses

Damage to Property
MP – 1
Ind – 30

DWI
MP – 2

Assault
MP – 1

Theft
MP – 1
Ind – 2

*37 total reportable criminal offenses to the State/FBI in 36 separate incidents

Notable Criminal Offenses

- **Damage to Property, ICR 26003229:** Officer was dispatched to a damage to property report of a mailbox. While taking the initial report, dozens of additional mailboxes were found to be damaged on the north side of Independence with water bottles and sandbags. Evidence was collected and further investigation is to be completed.

- **Theft, ICR 26003344:** County Road 6/Copeland Road, Independence. Officer was dispatched to a Theft from Motor Vehicle where the reporting party advised cash was stolen out of his vehicle while he was parked at a nearby business. A preliminary investigation was conducted where video footage was reviewed and with assistance from surrounding agencies, a suspect was identified. Pending further investigation.

- **Damage to Property, ICR 26003460:** 1500 block of Rainbow Avenue, Maple Plain. Officer was dispatched to a damage to property report at the Rainbow Park bathrooms. It was reported that fecal matter was smeared all over the bathroom. The video footage shows three young children, ages from 5-10 used the restroom. Case assigned to investigations for further.

- **Assault, ICR 26003516:** 4800 block of Highway 12, Maple Plain. Officer was dispatched to a call of a female punching a male in the face. Officer arrived on scene and collected statements from the parties involved. It was found the female was requesting the male buy her a drink and the male refused. A short time later, the female can be seen on video walking by and punching the male party in the face. A citation was mailed to the female for 5th degree assault.

- **DWI, ICR 26003526:** Main Street W/Halgren Road, Maple Plain. Officer located the suspect vehicle from a traffic complaint that came from a neighboring agency. Officer initiated a traffic stop and observed signs of impairment. Field Sobriety Tests were administered and a preliminary breath test showed .285. Driver was arrested and ultimately refused to take the evidentiary breath test. He was transported to Hennepin County Jail and charged with 2nd Degree DWI, along with other violations.

Community Engagement

- August 1 Officers worked the Tour de Tonka bike ride through Independence
- August 2 Officers and Reserves worked at the Polo Classic
- August 4 Night to Unite!
- August 6 Reserve Officer Schreier set up shop at Orono Community Ed's Color Dash at the Discovery Center and was joined by Ofc Eldred
- August 10 Chief DuRose attended a meeting for the West Hennepin Community Safety Foundation
- August 11 Chief DuRose attended the WHCC annual picnic
- August 13 Chief DuRose attended the Orono Regional Commercial Tobacco Prevention meeting
- August 13 Staff met with management of Maple Terrace apartments to discuss ways to share information
- August 17 Staff participated in the McGarry's Golf Tournament
- August 25 Chief DuRose attended the WHCC Board meeting

CITY OF INDEPENDENCE, MINNESOTA

City Council Staff Report

Preliminary 2027 General Fund Budget and Tax Levy

TO City Council | **FROM** Mark Kaltsas, City Administrator | **MEETING DATE** September 15, 2026

BACKGROUND

At the July 30, 2026, workshop, staff presented an initial all-in draft of the 2027 budget that intentionally carried forward every proposed cost so Council could see the full potential impact before any reductions were made. A revised, refined budget was reviewed with Council at the September 9, 2026, workshop, reflecting that refinement (preliminary budget memo, dated September 1, 2026, prepared by Abdo Financial Solutions, LLC). The preliminary general fund tax levy, department budgets, and fund balance projections discussed at that workshop have not changed. Staff is now bringing forward the resolutions necessary to approve the preliminary 2027 general fund budget and certify the preliminary 2027 property tax levies to Hennepin County, as required by Minnesota Statutes, on or before September 30, 2026.

DISCUSSION

The proposed 2027 general fund tax levy is $4,276,096, an increase of $256,333, or 6.38 percent, over the 2026 levy of $4,019,763. Combined with debt service, the total city operating levy increases $440,923, or 9.99 percent, to $4,853,431. In addition, the Pioneer/Sarah Creek Watershed levy increases $1,262, or 1.56 percent, to $82,318. The estimated 2027 city tax rate is 32.88 percent, compared to 32.16 percent in 2026. The city continues to manage the city tax rate below the city's guided policy level of 40%. As a result, the year over year tax impact relating to the cities portion of taxes on a resident is almost flat or no tax impact (assuming the same property valuation).

2027 General Fund Levy	Total Operating Levy	2027 Tax Rate
$4.28M +6.38% from 2026	**$4.85M** +9.99% from 2026	**32.88%** vs. 32.16% in 2026

Staff would like to highlight the following key points from the preliminary budget for Council's information:

- The budget includes $40,000 for the city's lobbyist in 2027. Before this line item is finalized, the city will need to establish its lobbying initiatives and priorities for the year. Staff recommends the city continue to pursue additional funding for Highway 12 improvements as one of those priorities.
- The budget includes $20,000 to begin work on the city's next comprehensive plan, the 2050 Comprehensive Plan. The plan is expected to be finalized in 2028 and, per Metropolitan Council requirements, must be submitted by the end of 2028. This funding is reflected in the planning and zoning budget.
- The budget includes the police and fire protection budgets, each of which has been reviewed by its respective governing commission or joint city committee prior to inclusion in this preliminary budget. Police

protection is proposed to increase $107,702, or 5.73 percent, and fire protection is proposed to increase $65,746, or 14.58 percent, from the 2026 budget.

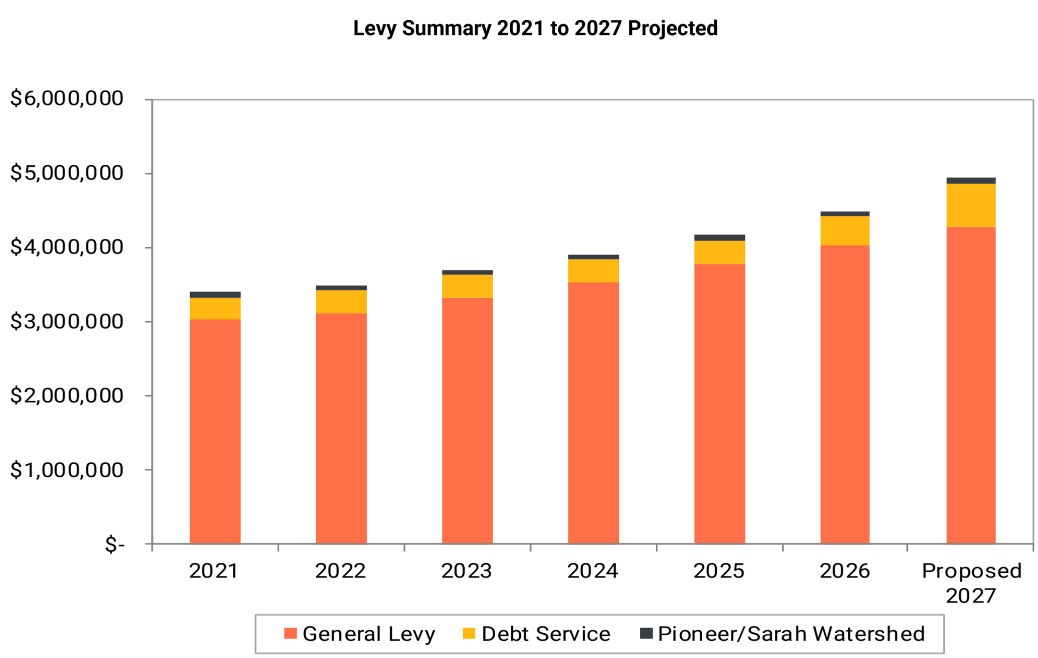
- The budget includes increased funding for public works capital improvements. The transfer to the Public Works Equipment Fund increases $10,000, or 13.33 percent, to $85,000, so the city can continue to fund capital equipment purchases with cash rather than incurring debt.
- The budget includes a 3 percent cost of living adjustment for city staff.

Category	2026 Budget	2027 Budget	Increase	% Change
General Fund Tax Levy	$4,019,763	$4,276,096	$256,333	6.38%
Total City Operating Levy	$4,412,508	$4,853,431	$440,923	9.99%
Police Protection	$1,879,918	$1,980,761	$100,843	5.36%
Fire Protection	$451,000	$516,746	$65,746	14.58%
PW Equipment Fund Transfer	$75,000	$85,000	$10,000	13.33%

As a reminder, the city must certify the proposed 2027 levy to Hennepin County by September 30, 2026. Once certified, the levy amount may be reduced but not increased prior to final adoption in December. The Truth in Taxation meeting, at which the final budget and levy will be discussed and public input taken, is scheduled for December 1, 2026, at 6:00 p.m.

BUDGET AND LEVY TREND

The chart below summarizes the city's total tax levy (general levy, debt service, and the Pioneer/Sarah Creek Watershed levy) from 2021 through the proposed 2027 levy, as presented in the Abdo Financial Solutions preliminary budget memo.



Source: Preliminary 2027 Budget Memo, Abdo Financial Solutions, LLC (September 1, 2026)

GENERAL FUND SUMMARY BUDGET

The following summarizes the 2027 General Fund revenues and expenditures by department compared to the 2026 budget, as detailed in the preliminary budget memo.

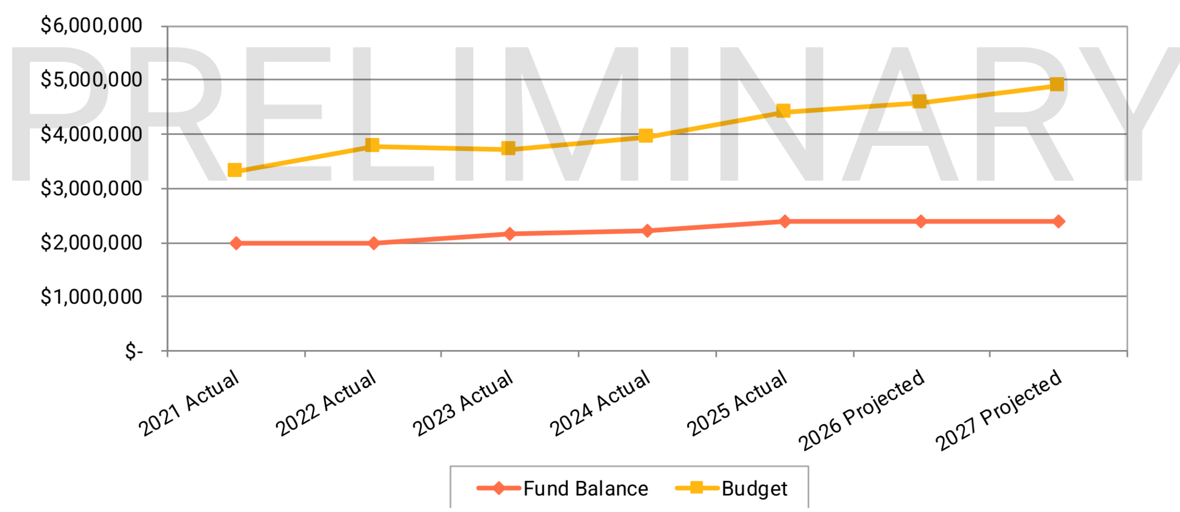
Revenues	Actual 2025	Budget 2026	Budget 2027	Inc/(Dec)	% Chg
Taxes	$3,775,589	$4,019,763	$4,276,096	$256,333	6.38%
Licenses and permits	$543,884	$299,100	$354,100	$55,000	18.39%
Intergovernmental	$71,374	$129,315	$125,616	($3,699)	-2.86%
Charges for services	$18,880	$6,100	$6,100	-	0.00%
Fines and forfeitures	$24,911	$25,000	$25,000	-	0.00%
Interest on investments	$41,516	$30,000	$30,000	-	0.00%
Miscellaneous	$85,735	$55,563	$55,563	-	0.00%
Transfers in	-	$30,000	$30,000	-	0.00%
Total Revenues	$4,561,890	$4,594,841	$4,902,475	$307,634	6.70%

Expenditures	Actual 2025	Budget 2026	Budget 2027	Inc/(Dec)	% Chg
Mayor and City Council	$18,140	$23,800	$24,437	$637	2.68%
City Clerk/Finance administration	$708,692	$760,099	$833,079	$72,980	9.60%
Election	$352	$9,100	-	($9,100)	-100.00%
Planning and zoning	$49,344	$55,800	$77,828	$22,028	39.48%
General government buildings	$149,272	$62,453	$70,753	$8,300	13.29%
Legal services	$30,530	$43,500	$43,500	-	0.00%
Police	$1,695,543	$1,879,918	$1,984,046	$104,128	5.54%
Fire	$382,226	$451,000	$516,746	$65,746	14.58%
Building inspection	$180,950	$204,386	$221,446	$17,060	8.35%
Public Works/Streets	$648,802	$866,250	$900,575	$34,325	3.96%
Street lighting	$3,116	$3,500	$3,500	-	0.00%
Recycling	$121,273	$122,435	$108,665	($13,770)	-11.25%
Parks	$37,642	$17,600	$17,900	$300	1.70%
Capital outlay - general govt	$14,664	$15,000	$15,000	-	0.00%
Transfer out	$354,445	$75,000	$85,000	$10,000	13.33%
Total Expenditures	$4,394,992	$4,594,841	$4,902,475	$307,634	6.70%

GENERAL FUND BALANCE

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

Year	Fund Balance Dec. 31	General Fund Budget	% of Fund Balance to Budget
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 Actual	$2,399,612	$4,394,992	54.6%
2026 Projected	$2,399,612	$4,594,841	52.2%
2027 Projected	$2,399,612	$4,902,475	48.9%



Source: Preliminary 2027 Budget Memo, Abdo Financial Solutions, LLC (September 1, 2026)

ATTACHMENTS

- Resolution No. 26-0916-01, Resolution Approving 2027 Preliminary General Fund Budget
- Resolution No. 26-0916-02, Resolution Approving 2027 Preliminary Property Tax Levy
- Resolution No. 26-0916-03, Resolution Approving 2027 The Pioneer Sarah Creek Watershed Management Commission Tax Levy

- Preliminary 2027 Budget Memo, Abdo Financial Solutions, LLC, dated September 1, 2026

RECOMMENDATION

The City Council can adopt Resolution No. 26-0916-01 approving the 2027 preliminary general fund budget, Resolution No. 26-0916-02 approving the 2027 preliminary property tax levy, and Resolution No. 26-0916-03 approving the 2027 Pioneer Sarah Creek Watershed Management Commission tax levy, so that the preliminary levies can be certified to Hennepin County prior to the September 30, 2026, statutory deadline.

SUGGESTED MOTION

Move to adopt Resolution No. 26-0916-01 (Preliminary General Fund Budget), Resolution No. 26-0916-02 (Preliminary Property Tax Levy), and Resolution No. 26-0916-03 (Preliminary Pioneer Sarah Creek Watershed Management Commission Tax Levy), as presented.

RESOLUTION OF THE
CITY OF INDEPENDENCE
HENNEPIN COUNTY, MINNESOTA

RESOLUTION NO. 26-0916-01

RESOLUTION APPROVING 2027 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 2027 General Fund Budget will call for revenues and expenditures of $4,902,475; and

WHEREAS, the proposed 2027 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 2027.

This resolution was adopted by the City Council of the City of Independence on this 15th day of September 2026, 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. 26-0916-02

RESOLUTION APPROVING 2027 PRELIMINARY PROPERTY 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 Statues require approval of a preliminary property tax levy and preliminary budget on or before the 30th 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 2027 upon the table property in said City of Independence for the following purposes:

General Fund	$4,276,096
Debt Service	
2020A GO Bonds	310,057
2025A GO Bonds	267,278
Total Tax Levy	**$4,853,431**

BE IT FURTHER RESOLVED, that the Truth in Taxation meeting will be held on December 1st, 2026, 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 15th day of September 2026, 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. 26-0916-03

RESOLUTION APPROVING 2027 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 Statues require approval of a preliminary property tax levy and preliminary budget on or before the 30th 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 2027 upon the table property in said City of Independence for the following purposes:

Pioneer/Sarah Watershed Commission	**$82,318.00**

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 15th day of September 2026, by a vote of ___ ayes and ___ nays.

Attest:

____
Brad Spencer, Mayor

____
Mark Kaltsas, City Administrator

BUDGET MEMO

TO: CITY ADMINISTRATOR

FROM: ABDO FINANCIAL SOLUTIONS, LLC

SUBJECT: 2027 BUDGET POINTS MEMO

DATE: SEPTEMBER 15, 2026

Introduction

Upon your request, we have summarized the 2027 Budget highlights below.

Budget Format

The 2027 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 $256,333 or 6.38% over prior year. The tax rate calculates to 32.88%. The prior year's tax rate was 32.16%. Some factors in the change are described below.
- City Clerk/Finance administration increased $72,980 or 9.60% due to insurance increases and lobbyist expenses.
- Planning and Zoning increased $22,028 or 39.48% due to anticipated comprehensive plan costs.
- Police protection increased $104,128 or 5.54% from the 2026 budget.
- Fire protection increased $65,746 or 14.58% from the 2026 budget.
- Public Works/Streets increased $34,325 or 3.96% from the 2026 budget.
- Transfers out increased $10,000 or 13.33% to improve cash flow in the public works capital fund.

Taxation Notification Summary Chart for Taxes Payable 2027

Due Date	EDA and City Levy Process
9/30/2026	The EDA must pass a resolution authorizing the proposed 2027 EDA levy
9/30/2026	The City must pass a resolution and file with the County the exact amount of the proposed 2027 City levy. The due date of the City property tax levy is September 30, 2026.
9/30/2026	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, 2026 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.
11/24/26 - 12/30/26	EDA must pass a resolution approving the 2027 EDA levy
11/24/26 - 12/30/26	City must pass a resolution approving the 2027 City levy
11/24/26 - 12/30/26	City Council must hold a meeting to discuss the budget and property tax levy and, before a final determination, all public input.
12/30/26	City must file the certificate of compliance (form TNT-2014) with the Department of Revenue by December 30, 2026.

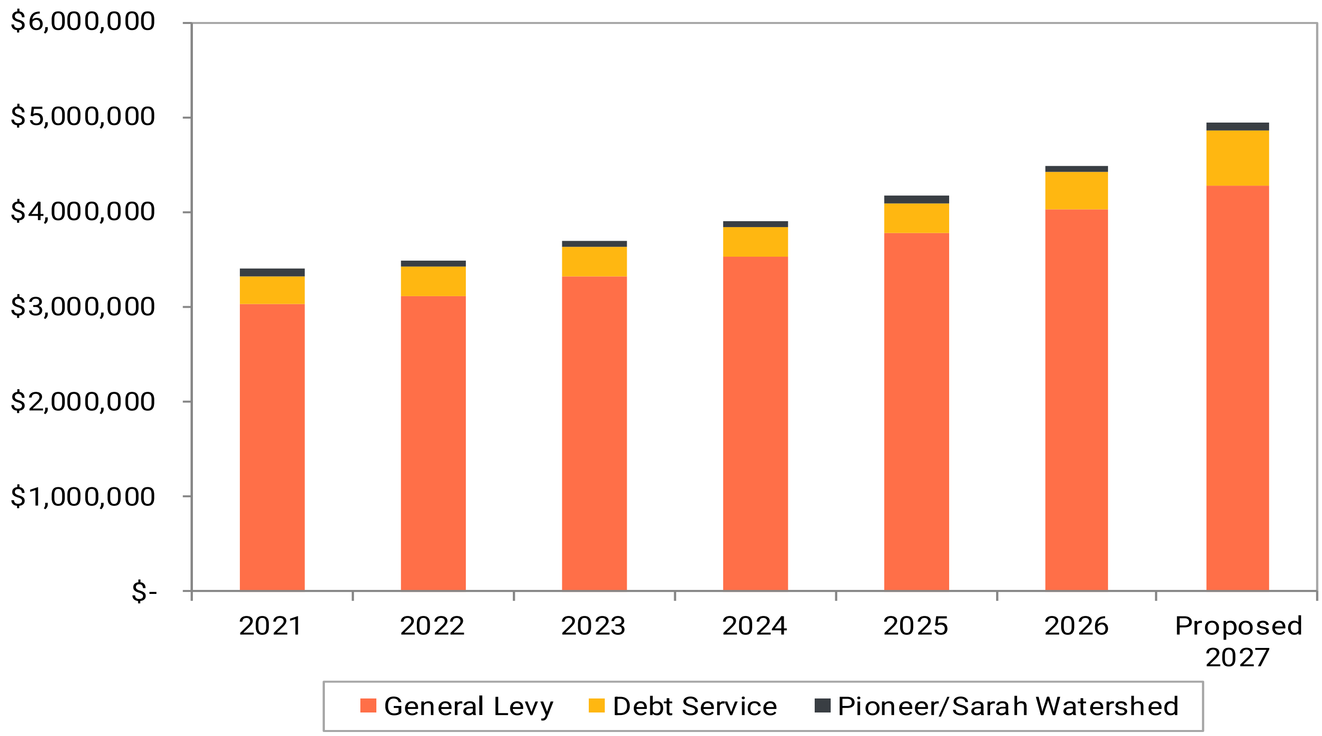
Tax Levy Summary

Overall, the tax levy includes levies for general operations, city infrastructure and debt services. The 2027 and 2026 budgeted tax levies are listed below.

	2026 Budget	2027 Proposed Budget	Increase (Decrease)	% Change
General	$ 4,019,763	$ 4,276,096	$ 256,333	6.38%
Debt Service				
2020A GO Bonds	122,317	310,057	187,740	153.49%
2025A GO Bonds	270,428	267,278	(3,150)	-1.16%
Total City Operating Levy	$ 4,412,508	$ 4,853,431	$ 440,923	9.99%
Pioneer/Sarah Watershed Taxing District	$ 81,056	$ 82,318	$ 1,262	1.56%

The large increase in the 2020A bonds was planned to increase upon the completion of the 2015 GO Tax Abatement bonds which received the last levy in 2025.

Levy Summary 2021 to 2027 Projected



Summary of the City's Tax Capacity

The estimated tax capacity increased 7.85% for 2027.

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:

	2023 Pay 2024	2024 Pay 2025	2025 Pay 2026	Estimated 2026 Pay 2027	% Change	% Change (County-wide)
Commercial/Industrial	$ 616,176	$ 710,868	$ 629,151	$ 695,859	10.60%	-1.71%
Residential	9,847,274	10,542,586	11,117,852	12,114,679	8.97%	3.74%
Farm	1,406,315	1,499,986	1,603,127	1,587,384	-0.98%	-0.24%
Total	$ 11,869,765	$ 12,753,440	$ 13,350,130	$ 14,397,922	7.85%	2.03%

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 cites is the large commercial tax base.

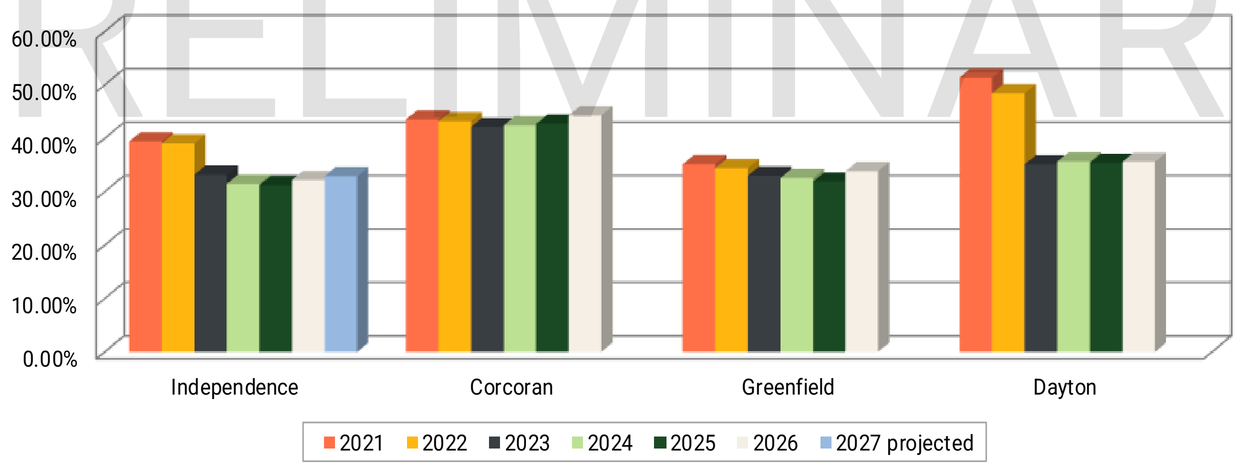
Tax Capacity by Property Type - Estimated 2026 Pay 2027

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

	Independence	Corcoran	Greenfield	Dayton
Commercial/Industrial	$ 695,859	$ 2,452,557	$ 757,093	$ 9,382,730
Apartment	-	393,525	-	48,563
Residential	12,114,679	23,112,546	7,619,136	21,889,434
Farm	1,587,384	1,608,906	688,325	744,282
Total	$ 14,397,922	$ 27,567,534	$ 9,064,554	$ 32,065,009

Tax Capacity Rates

	Independence	Corcoran	Greenfield	Dayton
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	32.16%	44.29%	33.85%	35.60%
2027 projected	32.88%			



Staffing

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

	Summary of FTES by Department	2024	2025	2026	2027
41000	City Council	5.00	5.00	5.00	5.00
41500	Adminstration	2.19	2.69	2.70	2.70
43100	Streets	1.79	1.80	1.80	1.75
42400	Building Inspection	0.93	1.00	1.02	1.02
	Subtotal General Fund	9.91	10.49	10.52	10.47
49450	Sewer	1.42	1.70	1.70	1.75
	Total	11.33	12.19	12.22	12.21

General Fund Summary

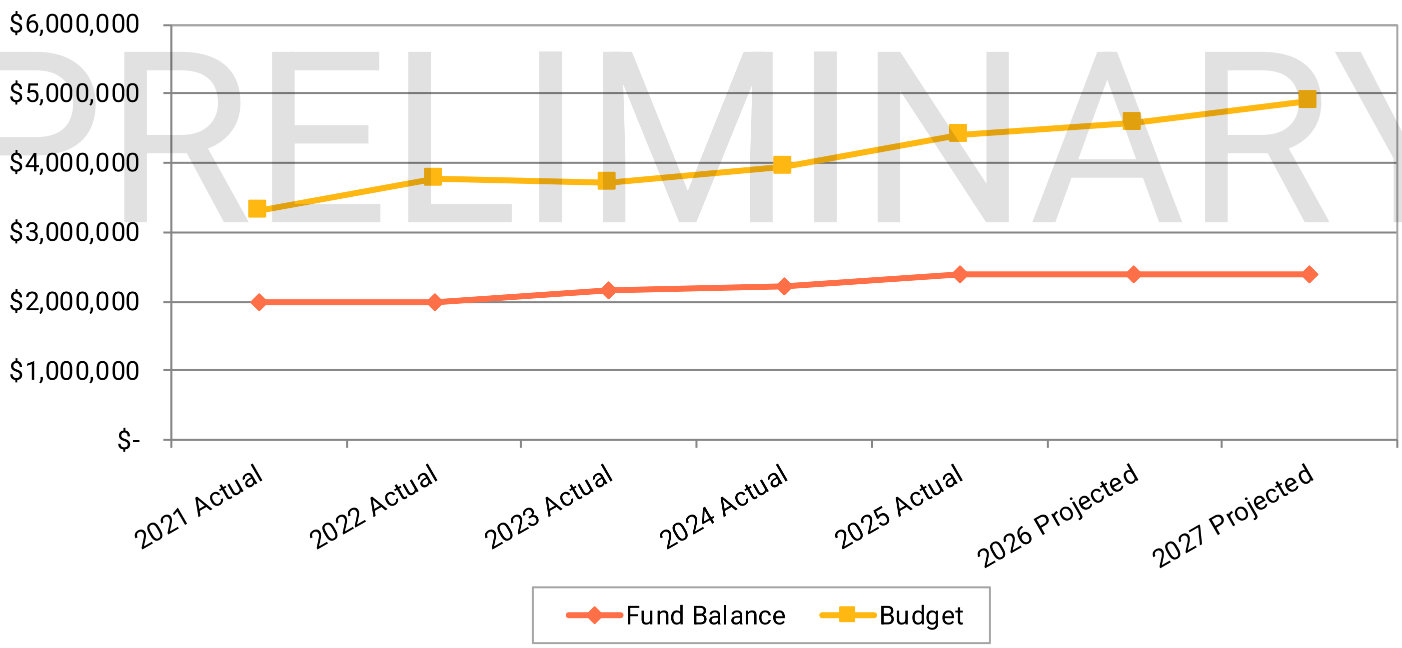
	2027 General Fund Summary Budget				
	Actual 2025	Budget 2026	Budget 2027	Increase/ (Decrease)	Percent Change
Revenues					
Taxes	$ 3,775,589	$ 4,019,763	$ 4,276,096	$ 256,333	6.38%
Licenses and permits	543,884	299,100	354,100	55,000	18.39%
Intergovernmental	71,374	129,315	125,616	(3,699)	-2.86%
Charges for services	18,880	6,100	6,100	-	0.00%
Fines and forfeitures	24,911	25,000	25,000	-	0.00%
Interest on investments	41,516	30,000	30,000	-	0.00%
Miscellaneous	85,735	55,563	55,563	-	0.00%
Transfers in	-	30,000	30,000	-	0.00%
Total Revenues	$ 4,561,890	$ 4,594,841	$ 4,902,475	$ 307,634	6.70%

	Actual 2025	Budget 2026	Budget 2027	Increase/ (Decrease)	Percent Change
Expenditures					
Mayor and City Council	$ 18,140	$ 23,800	$ 24,437	$ 637	2.68%
City Clerk/Finance administration	708,692	760,099	833,079	72,980	9.60%
Election	352	9,100	-	(9,100)	-100.00%
Planning and zoning	49,344	55,800	77,828	22,028	39.48%
Water resource	-	5,000	-	(5,000)	-100.00%
General government buildings	149,272	62,453	70,753	8,300	13.29%
Legal services	30,530	43,500	43,500	-	0.00%
Police	1,695,543	1,879,918	1,984,046	104,128	5.54%
Fire	382,226	451,000	516,746	65,746	14.58%
Building inspection	180,950	204,386	221,446	17,060	8.35%
Public Works/Streets	648,802	866,250	900,575	34,325	3.96%
Street lighting	3,116	3,500	3,500	-	0.00%
Recycling	121,273	122,435	108,665	(13,770)	-11.25%
Parks	37,642	17,600	17,900	300	1.70%
Capital outlay - general government	14,664	15,000	15,000	-	0.00%
Capital outlay - public safety		-		-	0.00%
Capital outlay - public works				-	0.00%
Transfer out	354,445	75,000	85,000	10,000	13.33%
Total Expenditures	4,394,992	4,594,841	4,902,475	307,634	6.70%
Net Change	$ 166,898	$ -	$ -	$ -	

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
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 Actual	2,399,612	4,394,992	54.6%
2026 Projected	2,399,612	4,594,841	52.2%
2027 Projected	2,399,612	4,902,475	48.9%



General Fund Balance as a Percentage of Expenditures

Pioneer/Sarah Watershed Summary

Account	Description	Actual 2024	Actual 2025	YTD 6/30/2026	Budget 2026	Budget 2027
200-31010	Ad Valorem Taxes	$ 71,776	$ 69,372	$ -	$ 77,572	$ 78,834
200-31040	Fiscal Disparities	2,046	2,158	-	3,484	3,484
200-36210	Interest Earnings	2,026	1,609	544	1,000	1,000
200-39200	Transfer In (General Fund)	-	-	-	-	-
	Total Revenues	75,848	73,140	544	82,056	83,318
200-41920-309	Pioneer-Sarah Watershed Comm.	48,368	48,892	51,456	51,456	52,718
200-41920-310	Other Consulting Fees	-		-	1,000	1,000
200-41920-320	Water Resource Staff	26,462	25,417	4,358	17,500	17,500
200-41920-350	Printing&Publications-(Legals)	-		-	-	-
200-41920-433	Misc. Dues/Ffes	-		-	-	-
200-41920-570	Capital Outlay (Project Cost)	-	6,178	-	12,100	12,100
	Total Expenses	74,829	80,488	55,814	82,056	83,318
	Change in Fund Balance	$ 1,019	$ (7,348)	$ (55,270)	$ -	$ -

	Budget 2026	Budget 2027
Beginning Capital Balance	$ -	$ 12,100
Additions	12,100	12,100
Uses	-	-
Ending Capital Balance	$ 12,100	$ 24,200

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 2032.

City of Independence, Minnesota
Capital Improvement Plan - Public Works Equipment Fund 403
Schedule of Planned Capital Outlay 2025 to 2032

Department	Year to Replace	Item	Cost	Cost History	2025 Estimated Amounts	2026 Estimated Amounts	2027 Estimated Amounts	2028 Estimated Amounts	2029 Estimated Amounts	2030 Estimated Amounts	2031 Estimated Amounts	2032 Estimated Amounts
Public works	2023	Road Grader Overhaul	$ 40,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public works	2024	Road Side Mower (Replacement)	57,000	20,000	-	-	-	-	-	-	-	-
Public works	2024	Tractor & Loader	130,000	130,000	-	-	-	-	-	-	-	-
Public works	2024	Lawn Mower	30,000	-	16,000	-	-	-	-	-	-	-
Public works	2026	New Truck Tandem Axel	250,000	-	161,020	187,616	-	-	-	-	-	-
Public works	2029	Pickup - 3/4 Ton	80,000	-	-	-	-	-	80,000		-	-
Public works	2030	Single Axel	200,000	-	-	-	-	-		300,000	-	-
Public works	2031	Generator	50,000	-	-	-	-	-	-	-	50,000	-
Public works	2032	Grader	350,000	-	-	-	-	-	-	-		350,000
Public works	2033	Crack Sealer	70,000	-	-	-	-	-	-	-	-	-
Public works	2034	Pay Loader	215,000	-	-	-	-	-	-	-	-	-
Public works	2035	Tandem	400,000	210,000	-	-	-	-	-	-	-	-
Public works	2032	Road Packer	20,000	20,000	-	-	-	-	-	-	-	20,000
Public works	NA	Trailer	-	-	-	-	-	-	-	-	-	-
Public works	2026	Wood Chipper	-	-	20,000	-	-	-	-	-	-	-
Public works	2027	Aerial Bucket Truck	-	-	30,000	-	-	-	-	-	-	-
Public works	2027	Back Blade	11,000	-	-	-	11,000	-	-	-	-	-
Public works	2027	Gravel Reclaimer	20,000	-	-	-	20,000	-	-	-	-	-
Public works	2028	F-550	150,000	-	-	-	-	150,000	-	-	-	-
Public works	2033	Crack Filler	40,000	-	-	-	-	-	-	-	-	-
Public works	2027	Harley Rake	20,000	-	-	-	20,000	-	-	-	-	-
					$ 227,020	$ 187,616	$ 51,000	$ 150,000	$ 80,000	$ 300,000	$ 50,000	$ 370,000

City Staff created a cash flow analysis for the Public Works Equipment Fund through 2032.

City of Independence, Minnesota

Cash Flow - Public Works Equipment Fund 403

	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Balance	$ 437,483	$ 283,166	$ 179,045	$ 218,416	$ 159,969	$ 184,768	$ (9,689)	$ 40,020
Transfers in	75,000	75,000	85,000	85,000	100,000	100,000	100,000	100,000
Interest	10,434	8,495	5,371	6,552	4,799	5,543	(291)	1,201
Expenditures	239,751	187,616	51,000	150,000	80,000	300,000	50,000	370,000
Ending Balance	$ 283,166	$ 179,045	$ 218,416	$ 159,969	$ 184,768	$ (9,689)	$ 40,020	$ (228,779)
Transfers in are from:								
100-43100-720	**$ 75,000**	**$ 75,000**	**$ 85,000**	**$ 85,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**
100-49300-720	-	-	-	-	-	-	-	-
	$ 75,000	**$ 75,000**	**$ 85,000**	**$ 85,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**

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 2025 to 2032

Department	Year	Item	Cost	2025 Estimated Amounts	2026 Estimated Amounts	2027 Estimated Amounts	2028 Estimated Amounts	2029 Estimated Amounts	2030 Estimated Amounts	2031 Estimated Amounts	2032 Estimated Amounts
General governmen	2031	Office Equipment - Furnishing	$ 5,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,000	$ -
General governmen	2031	Mechanical Electric	32,500	-	-	-	-	-	-	32,500	-
General governmen	2031	City Hall Parking Lot (original paid by 2015 bond)	67,000	-	-	-	-	-	-	67,000	-
General governmen	2031	City Hall Carpet	20,000	-	-	-	-	-	-	20,000	-
General governmen	2032	Paint Exterior	27,500	-	-	-	-	-	-	-	27,500
				$ -	$ -	$ -	$ -	$ -	$ -	$ 124,500	$ 27,500

The cash flow in the fund is anticipated to be the following through 2032.

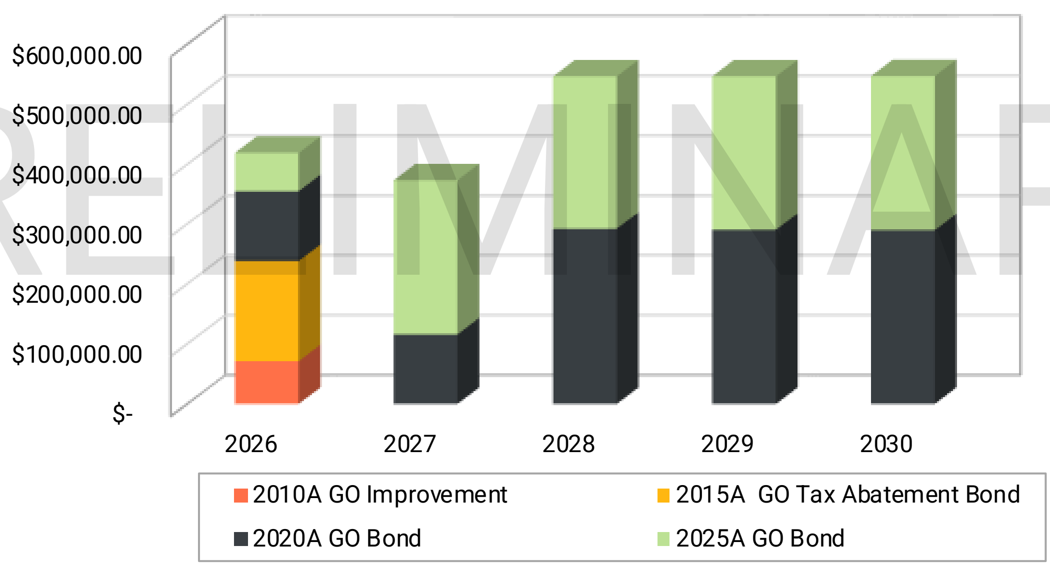
City of Independence, Minnesota
Cash Flow - Administrative Fund 404

	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Balance	$ 227,652	$ 235,003	$ 237,353	$ 239,726	$ 242,123	$ 244,545	$ 246,990	$ 124,960
Transfers in	-	-	-	-	-	-	-	-
Other receipts	7,351	2,350	2,374	2,397	2,421	2,445	2,470	1,250
Expenditures	-	-	-	-	-	-	124,500	27,500
Ending Balance	$ 235,003	$ 237,353	$ 239,726	$ 242,123	$ 244,545	$ 246,990	$ 124,960	$ 98,710

Debt Schedule

City of Independence
Bond Payment Schedule

Fund	Maturity Date		Total Remaining	2026	2027	2028	2029	2030
602 2010A GO Improvement	2/1/2026	Principal	$ 140,000	$ 70,000				
602 2010A GO Improvement	2/1/2026	Interest	4,760	1,190				
		Total	144,760	71,190				
314 2015A GO Tax Abatement Bond	2/1/2026	Principal	325,000	165,000				
314 2015A GO Tax Abatement Bond	2/1/2026	Interest	7,369	1,856				
		Total	332,369	166,856				
315 2020A GO Bond	2/1/2041	Principal	3,655,000	40,000	$ 40,000	$ 220,000	$ 225,000	$ 230,000
315 2020A GO Bond	2/1/2041	Interest	755,326	77,093	75,893	71,993	65,318	59,643
		Total	4,410,326	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 2027 Budget Report

Account Descr	2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
100 GENERAL FUND					
R 100-31010 AD VALOREM TAXES	$3,658,446.19	$2,023,335.75	$3,900,597.00	$4,156,930.00	6.57%
R 100-31020 DELINQUENT TAXES	$0.00	$0.00	$0.00	$0.00	0.00%
R 100-31040 FISCAL DISPARITIES	$117,142.96	$55,530.44	$119,166.00	$119,166.00	0.00%
R 100-32100 BUSINESS LICENSES	$18,350.00	$18,310.00	$18,000.00	$18,000.00	0.00%
R 100-32210 BUILDING PERMIT	$403,335.84	$172,601.84	$215,000.00	$250,000.00	16.28%
R 100-32211 PLAN REVIEW FEES	$113,318.45	$39,262.31	$60,000.00	$80,000.00	33.33%
R 100-32240 ANIMAL LICENSES	$80.00	$60.00	$100.00	$100.00	0.00%
R 100-32250 MISC. LICENSES & PERMITS	$8,800.00	$1,750.00	$6,000.00	$6,000.00	0.00%
R 100-33400 STATE GRANT	$44,742.00	$27,790.50	$74,315.00	$69,116.00	-7.00%
R 100-33401 LOCAL GOVERNMENT AIDS	$16,448.50	$6,287.94	$15,000.00	$16,500.00	10.00%
R 100-33610 CTY. GRANTS & AID (STREETS)	$0.00	$0.00	$30,000.00	$30,000.00	0.00%
R 100-33620 COUNTY GRANTS & AID (OTHER)	$10,183.84	$6,333.99	$10,000.00	$10,000.00	0.00%
R 100-33630 C.D.B.G./MISC. CREDIT	$0.00	$0.00	$0.00	$0.00	0.00%
R 100-34103 ZONING/SUBDIVISION FEE	$12,140.00	$8,600.00	$6,000.00	$6,000.00	0.00%
R 100-34104 WATER/RESOURCE FEES	$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%
R 100-34107 ASSESSMENT SEARCH FEES	$75.00	$0.00	$100.00	$100.00	0.00%
R 100-34108 ADMINISTRATIVE CHARGES/REIMB	$6,665.00	$2,850.00	$0.00	$0.00	0.00%
R 100-34305 PUBLIC WORKS REIMBURSEMENTS	$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%
R 100-34307 PLANNING/ZONING REIMB. DEVL.	$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%
R 100-34309 ENG. FEE/REIMB. DEV	$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%
R 100-35000 COURT FINES/DOG IMPOUNDING	$24,911.46	$11,238.21	$25,000.00	$25,000.00	0.00%
R 100-36100 SPECIAL ASSESS/INT (CTY. PYMT)	$30,642.92	$0.00	$30,643.00	$30,643.00	0.00%
R 100-36210 INTEREST EARNINGS	$41,515.59	$22,394.34	$30,000.00	$30,000.00	0.00%
R 100-36211 ADVALOREM TAXES - WASTEWATER	$1,360.80	$0.00	$0.00	$0.00	0.00%
R 100-36220 INSURANCE PREMIUM REFUND	$0.00	$0.00	$0.00	$0.00	0.00%
R 100-36230 MISC REVENUE/REFUNDS	$35,889.56	$16,201.44	$5,000.00	$5,000.00	0.00%
R 100-36231 DONATIONS	$0.00	$0.00	$0.00	$0.00	0.00%
R 100-36240 COMMUNITY CENTER REVENUES	$675.00	$1,550.00	$250.00	$250.00	0.00%
R 100-36242 PARK RENTAL FEE	$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%
R 100-36262 Lease Revenue	$17,166.91	$11,473.63	$19,670.00	$19,670.00	0.00%

Account Descr	2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
R 100-39100 SALE OF EQUIPMENT	$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%
R 100-39102 COMPENSATION FOR LOSS OF GEN	$0.00	$0.00	$0.00	$0.00	0.00%
R 100-39200 TRANSFERS IN (GENERAL FUND)	$0.00	$15,000.00	$30,000.00	$30,000.00	0.00%
R 100-39900 PROCEEDS FROM LEASE	$0.00	$0.00	$0.00	$0.00	0.00%
	$4,561,890.02	$2,440,570.39	$4,594,841.00	$4,902,475.00	
BUILDING INSPECTOR ADMIN					
E 100-42400-101 WAGES (FULL-TIME)	$126,886.28	$65,830.94	$126,730.00	$137,059.00	8.15%
E 100-42400-104 WAGES - TEMP HELP	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-42400-121 PERA	$9,825.15	$5,450.19	$9,505.00	$10,279.00	8.14%
E 100-42400-122 FICA(6.2) MEDICARE (1.45)	$10,059.13	$5,472.75	$9,695.00	$10,485.00	8.15%
E 100-42400-123 MN PAID LEAVE	$0.00	$159.85	$558.00	$603.00	8.06%
E 100-42400-131 CITY PAID BENEFIT ALLOWANC	$20,619.30	$30,198.59	$41,911.00	$49,178.00	17.34%
E 100-42400-200 OFFICE SUPPLIES	$332.72	$0.00	$756.00	$756.00	0.00%
E 100-42400-212 VEHICLE OPER.SUPPLIES(FUEL,	$20.00	$0.00	$800.00	$800.00	0.00%
E 100-42400-310 OTHER CONSULTING EXPENSE	$600.00	$0.00	$750.00	$750.00	0.00%
E 100-42400-321 COMMUNICATIONS (TELEPHON	$953.20	$519.30	$900.00	$900.00	0.00%
E 100-42400-331 CONFERENCE & TRAVEL	$1,388.00	$488.28	$1,750.00	$1,750.00	0.00%
E 100-42400-360 WORKERS COMP INSURANCE	$3,835.62	$1,612.26	$4,600.00	$4,830.00	5.00%
E 100-42400-361 INSURANCE	$2,282.64	$2,380.32	$2,500.00	$2,625.00	5.00%
E 100-42400-433 DUES & SUBSCRIPTIONS	$170.00	$0.00	$431.00	$431.00	0.00%
E 100-42400-570 CAPITAL OUTLAY (EQUIPMENT)	$3,977.83	$412.38	$3,500.00	$1,000.00	-71.43%
BUILDING INSPECTOR ADMIN	$180,949.87	$112,524.86	$204,386.00	$221,446.00	
CITY CLERK/FINANCE					
E 100-41500-101 WAGES (FULL-TIME)	$117,988.22	$54,348.80	$117,186.00	$134,233.00	14.55%
E 100-41500-102 WAGES (PART-TIME)	$117,761.02	$59,348.86	$109,358.00	$118,281.00	8.16%
E 100-41500-105 WAGES (UNEMPLOYMENT)	$1,725.00	$10,326.00	$0.00	$0.00	0.00%
E 100-41500-121 PERA	$16,685.88	$9,463.51	$16,991.00	$18,939.00	11.46%
E 100-41500-122 FICA(6.2) MEDICARE (1.45)	$16,690.85	$9,011.93	$17,331.00	$19,317.00	11.46%
E 100-41500-123 MN PAID LEAVE	$0.00	$279.06	$997.00	$1,111.00	11.43%
E 100-41500-131 CITY PAID BENEFIT ALLOWANC	$52,178.53	$32,988.17	$54,883.00	$54,091.00	-1.44%
E 100-41500-200 OFFICE SUPPLIES	$8,709.82	$1,625.78	$5,500.00	$5,500.00	0.00%
E 100-41500-301 AUDITING FEES	$15,000.00	$37,120.00	$30,000.00	$30,000.00	0.00%
E 100-41500-302 ADMINISTRATION CONSULTIN	$163,175.20	$91,872.90	$183,746.00	$192,933.00	5.00%
E 100-41500-305 CPA FEES	$98,919.20	$69,685.59	$104,180.00	$115,000.00	10.39%
E 100-41500-310 OTHER CONSULTING EXPENSE	$10,599.99	$23,333.31	$21,477.00	$40,000.00	86.25%
E 100-41500-313 UNCOLLECTED PROJECT EXPEN	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41500-315 ASSESSOR'S FEE	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41500-321 COMMUNICATIONS (TELEPHON	$1,010.50	$519.30	$1,100.00	$1,100.00	0.00%

Account Descr		2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
E 100-41500-322	POSTAGE	$4,758.34	$2,041.63	$4,000.00	$4,000.00	0.00%
E 100-41500-325	IT CONSULTING	$28,023.70	$23,126.06	$24,000.00	$31,074.00	29.48%
E 100-41500-331	CONFERENCE & TRAVEL	$884.99	$57.34	$4,500.00	$2,000.00	-55.56%
E 100-41500-350	PRINTING & PUBLICATIONS	$17,267.57	$7,790.24	$18,000.00	$18,000.00	0.00%
E 100-41500-360	WORKERS COMP INSURANCE	$8,523.60	$3,582.80	$10,500.00	$11,025.00	5.00%
E 100-41500-361	INSURANCE	$2,282.64	$2,380.32	$2,500.00	$2,625.00	5.00%
E 100-41500-404	MAINT.&REPAIR EQUIP.(CONTR	$0.00	$0.00	$2,100.00	$2,100.00	0.00%
E 100-41500-405	MISCELLANEOUS	$2,129.77	$2,061.29	$0.00	$0.00	0.00%
E 100-41500-408	DUST CONTROL	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41500-433	DUES & SUBSCRIPTIONS	$20,760.59	$21,144.54	$28,000.00	$28,000.00	0.00%
E 100-41500-480	COVID 19	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41500-560	CAPITAL OUTLAY (OFFICE EQUI	$14,663.96	$3,630.76	$15,000.00	$15,000.00	0.00%
E 100-41500-570	CAPITAL OUTLAY (EQUIPMENT)	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41500-602	LEASE/PURCHASE (COPIER)	$3,616.46	$1,689.98	$3,750.00	$3,750.00	0.00%
E 100-41500-720	TRANSFERS OUT	$0.00	$0.00	$0.00	$0.00	0.00%
CITY CLERK/FINANCE		$723,355.83	$467,428.17	$775,099.00	$848,079.00	
COMMUNITY SERVICE						
E 100-45200-409	YOUTH GROUPS	$0.00	$0.00	$0.00	$0.00	0.00%
COMMUNITY SERVICE		$0.00	$0.00	$0.00	$0.00	
ELECTIONS						
E 100-41410-102	WAGES (PART-TIME)	$0.00	$0.00	$5,000.00	$0.00	-100.00%
E 100-41410-210	OPERATING SUPPLIES/MTN EQ	$352.22	$0.00	$1,500.00	$0.00	-100.00%
E 100-41410-350	PRINTING & PUBLICATIONS	$0.00	$47.08	$100.00	$0.00	-100.00%
E 100-41410-351	BALLOT PRINTING	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41410-405	MISCELLANEOUS	$0.00	$0.00	$2,500.00	$0.00	-100.00%
ELECTIONS		$352.22	$47.08	$9,100.00	$0.00	
ENVIRONMENTAL PROTECTION						
E 100-41920-311	WATER RESOURCE STAFF FEE	$0.00	$0.00	$5,000.00	$0.00	-100.00%
E 100-41920-320	WATER RESOURCE STAFF	$0.00	$0.00	$0.00	$0.00	0.00%
ENVIRONMENTAL PROTECTION		$0.00	$0.00	$5,000.00	$0.00	
GENERAL GOVERNMENT BUILDING						
E 100-41940-321	COMMUNICATIONS (TELEPHON	$9,922.75	$248.92	$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%
E 100-41940-361	INSURANCE	$5,706.60	$5,950.80	$6,000.00	$6,300.00	5.00%
E 100-41940-380	ELECTRIC & GAS UTILITIES	$21,341.02	$13,535.93	$22,000.00	$25,000.00	13.64%
E 100-41940-384	GARBAGE PICK-UP	$3,143.05	$1,960.21	$3,500.00	$3,500.00	0.00%
E 100-41940-401	MAINT.&REPAIR BLD CONTRAC	$107,309.85	$16,253.68	$15,000.00	$20,000.00	33.33%
E 100-41940-402	MUSEUM	$0.00	$0.00	$0.00	$0.00	0.00%

Account Descr		2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
E 100-41940-403	GROUND MAINTENANCE CONT	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41940-405	MISCELLANEOUS	$1,848.63	$1,385.33	$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%
GENERAL GOVERNMENT BUILDING		$149,271.90	$39,334.87	$59,607.00	$67,907.00	
LEGAL SERVICES						
E 100-41600-304	CIVIL, LEGAL (K&G)	$8,181.26	$5,376.20	$15,000.00	$15,000.00	0.00%
E 100-41600-306	PROSECUTION (C&C)	$20,893.80	$13,339.50	$25,000.00	$25,000.00	0.00%
E 100-41600-312	CODIFICATION OF ORDINANCE	$1,454.92	$1,527.67	$3,500.00	$3,500.00	0.00%
E 100-41600-405	MISCELLANEOUS	$0.00	$0.00	$0.00	$0.00	0.00%
LEGAL SERVICES		$30,529.98	$20,243.37	$43,500.00	$43,500.00	
LEGISLATIVE						
E 100-41000-100	MAYOR'S SALARY	$4,349.25	$1,921.50	$3,958.00	$4,077.00	3.01%
E 100-41000-103	COUNCIL SALARIES	$9,555.06	$4,612.00	$9,500.00	$9,856.00	3.75%
E 100-41000-122	FICA(6.2) MEDICARE (1.45)	$725.36	$352.72	$1,030.00	$1,066.00	3.50%
E 100-41000-123	MN PAID LEAVE	$0.00	$14.40	$60.00	$61.00	1.67%
E 100-41000-331	CONFERENCE & TRAVEL	$58.00	$58.00	$5,000.00	$5,000.00	0.00%
E 100-41000-360	WORKERS COMP INSURANCE	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41000-361	INSURANCE	$2,282.64	$2,380.32	$2,500.00	$2,625.00	5.00%
E 100-41000-405	MISCELLANEOUS	$100.00	$0.00	$252.00	$252.00	0.00%
E 100-41000-433	DUES & SUBSCRIPTIONS	$1,070.00	$30.00	$1,500.00	$1,500.00	0.00%
LEGISLATIVE		$18,140.31	$9,368.94	$23,800.00	$24,437.00	
PARK MAINTENANCE						
E 100-45300-210	OPERATING SUPPLIES/MTN EQ	$1,820.00	$144.84	$1,500.00	$1,500.00	0.00%
E 100-45300-220	MAINT.&REPAIR SUPPLIES (EQ	$29,515.18	$700.00	$7,500.00	$7,500.00	0.00%
E 100-45300-230	EQUIPMENT PURCHASES	$0.00	$0.00	$2,000.00	$2,000.00	0.00%
E 100-45300-310	OTHER CONSULTING EXPENSE	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-45300-361	INSURANCE	$5,706.60	$5,950.80	$6,000.00	$6,300.00	5.00%
E 100-45300-380	ELECTRIC & GAS UTILITIES	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-45300-405	MISCELLANEOUS	$600.00	$0.00	$600.00	$600.00	0.00%
PARK MAINTENANCE		$37,641.78	$6,795.64	$17,600.00	$17,900.00	
PLANNING AND ZONING						
E 100-41900-303	ENGINEERING	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-41900-307	PLANNER CONTRACT	$42,115.68	$24,000.00	$48,000.00	$50,400.00	5.00%
E 100-41900-311	WATER RESOURCE STAFF FEE	$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%
E 100-41900-361	INSURANCE	$7,228.36	$7,537.68	$7,800.00	$7,428.00	-4.77%
E 100-41900-405	MISCELLANEOUS	$0.00	$76.00	$0.00	$20,000.00	0.00%

Account Descr	2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
PLANNING AND ZONING	$49,344.04	$31,613.68	$55,800.00	$77,828.00	
PUBLIC SAFETY					
E 100-42000-405 MISCELLANEOUS	$705.00	$0.00	$1,500.00	$1,500.00	0.00%
E 100-42000-440 POLICE CONTRACT	$1,693,733.00	$1,371,198.18	$1,876,633.00	$1,980,761.00	5.55%
E 100-42000-442 PRISONER BOOKING	$1,105.20	$0.00	$1,785.00	$1,785.00	0.00%
E 100-42000-450 FIRE PROTECTION	$382,226.44	$264,838.31	$451,000.00	$516,746.00	14.58%
E 100-42000-461 BUILDING CODE SURCHARGE	$0.00	$0.00	$0.00	$0.00	0.00%
PUBLIC SAFETY	$2,077,769.64	$1,636,036.49	$2,330,918.00	$2,500,792.00	
PUBLIC WORKS					
E 100-43100-101 WAGES (FULL-TIME)	$154,129.28	$115,724.78	$154,767.00	$160,085.00	3.44%
E 100-43100-102 WAGES (PART-TIME)	$0.00	$0.00	$0.00	$4,867.00	0.00%
E 100-43100-121 PERA	$10,997.69	$9,231.60	$11,233.00	$12,006.00	6.88%
E 100-43100-122 FICA(6.2) MEDICARE (1.45)	$11,444.80	$9,645.73	$11,458.00	$12,619.00	10.13%
E 100-43100-123 MN PAID LEAVE	$0.00	$285.83	$678.00	$726.00	7.08%
E 100-43100-131 CITY PAID BENEFIT ALLOWANC	$40,894.50	$30,474.89	$33,670.00	$50,253.00	49.25%
E 100-43100-210 OPERATING SUPPLIES/MTN EQ	$2,411.45	$987.14	$0.00	$0.00	0.00%
E 100-43100-212 VEHICLE OPER.SUPPLIES(FUEL,	$18,517.01	$13,388.01	$25,820.00	$25,820.00	0.00%
E 100-43100-217 SIGNS	$5,038.89	$9,031.05	$7,035.00	$10,000.00	42.15%
E 100-43100-218 UNIFORMS	$4,695.14	$3,046.74	$4,200.00	$5,000.00	19.05%
E 100-43100-219 CULVERTS	$5,244.60	$4,405.35	$5,565.00	$5,750.00	3.32%
E 100-43100-220 MAINT.&REPAIR SUPPLIES (EQ	$24,575.10	$14,938.24	$30,000.00	$30,000.00	0.00%
E 100-43100-223 MAINT.& REPAIR SUPPLIES(BLD	$20,117.58	$4,042.43	$5,324.00	$5,324.00	0.00%
E 100-43100-224 ROAD MAINT.MATERIALS(ON-G	$39,338.98	$10,837.77	$79,000.00	$75,000.00	-5.06%
E 100-43100-226 BLACKTOP MAINTENANCE	$43,609.00	$33,538.00	$60,000.00	$60,000.00	0.00%
E 100-43100-227 EQUIPMENT RENTAL CONTRAC	$688.24	$0.00	$2,000.00	$2,000.00	0.00%
E 100-43100-240 SMALL TOOLS & MINOR EQUIP	$2,022.69	$733.27	$1,500.00	$1,500.00	0.00%
E 100-43100-303 ENGINEERING	$37,381.88	$17,755.40	$20,000.00	$35,000.00	75.00%
E 100-43100-310 OTHER CONSULTING EXPENSE	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-43100-321 COMMUNICATIONS (TELEPHON	$5,109.53	$3,006.53	$6,000.00	$6,000.00	0.00%
E 100-43100-331 CONFERENCE & TRAVEL	$1,375.33	$20.00	$1,500.00	$1,500.00	0.00%
E 100-43100-350 PRINTING & PUBLICATIONS	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-43100-360 WORKERS COMP INSURANCE	$8,097.42	$3,403.66	$10,500.00	$11,025.00	5.00%
E 100-43100-361 INSURANCE	$11,413.20	$11,901.60	$12,000.00	$12,600.00	5.00%
E 100-43100-380 ELECTRIC & GAS UTILITIES	$8,791.98	$5,161.94	$10,000.00	$10,000.00	0.00%
E 100-43100-381 STREET LIGHTING	$3,115.64	$4,618.97	$3,500.00	$3,500.00	0.00%
E 100-43100-384 GARBAGE PICK-UP	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-43100-405 MISCELLANEOUS	$100.00	$54.00	$0.00	$0.00	0.00%
E 100-43100-407 SNOW REMOVAL-MATERIALS	$28,134.95	$125.00	$32,000.00	$32,000.00	0.00%
E 100-43100-408 DUST CONTROL	$61,975.56	$82,238.00	$98,000.00	$90,000.00	-8.16%

Account Descr	2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
E 100-43100-412 BRUSH & TREE REMOVAL	$594.30	$0.00	$10,000.00	$10,000.00	0.00%
E 100-43100-413 SALES/FUEL TAX & LICENSE	$215.61	$0.00	$0.00	$0.00	0.00%
E 100-43100-415 SAC CHARGES	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-43100-418 WEED CONTROL	$4,631.50	$0.00	$5,000.00	$5,000.00	0.00%
E 100-43100-420 GOPHER STATE ONE-CALL	$2,303.15	$824.90	$2,000.00	$2,000.00	0.00%
E 100-43100-421 SEAL COATING	$88,042.24	$58,365.28	$60,000.00	$57,500.00	-4.17%
E 100-43100-422 ROAD TILING	$0.00	$0.00	$60,000.00	$60,000.00	0.00%
E 100-43100-423 GRAVEL ROADS	$0.00	$0.00	$100,000.00	$100,000.00	0.00%
E 100-43100-430 SAFETY PROGRAM (AWAIR, ET	$5,556.00	$0.00	$6,500.00	$6,500.00	0.00%
E 100-43100-433 DUES & SUBSCRIPTIONS	$0.00	$0.00	$500.00	$500.00	0.00%
E 100-43100-500 Capital Outlay	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-43100-550 C.O. (ROAD IMPROV. - 802)	$1,355.00	$0.00	$0.00	$0.00	0.00%
E 100-43100-570 CAPITAL OUTLAY (EQUIPMENT)	$0.00	$17,993.50	$0.00	$0.00	0.00%
E 100-43100-720 TRANSFERS OUT	$75,000.00	$43,750.00	$75,000.00	$85,000.00	13.33%
PUBLIC WORKS	$726,918.24	$509,529.61	$944,750.00	$989,075.00	
RECREATION					
E 100-45100-120 COMMUNITY EVENT CONTRIBU	$7,105.50	$0.00	$6,000.00	$6,000.00	0.00%
RECREATION	$7,105.50	$0.00	$6,000.00	$6,000.00	
SOLID WASTE (LAND & RECYCLING)					
E 100-43200-383 RECYCLING EXPENSES	$100,426.95	$52,801.50	$101,435.00	$87,665.00	-13.58%
E 100-43200-405 MISCELLANEOUS	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-43200-410 EQUIPMENT RENTAL	$0.00	$0.00	$0.00	$0.00	0.00%
E 100-43200-411 CLEAN-UP DAY	$13,741.00	$1,329.00	$15,000.00	$15,000.00	0.00%
SOLID WASTE (LAND & RECYCLING)	$114,167.95	$54,130.50	$116,435.00	$102,665.00	
TRANSFER OUT					
E 100-49300-720 TRANSFERS OUT	$279,445.00	$0.00	$0.00	$0.00	0.00%
TRANSFER OUT	$279,445.00	$0.00	$0.00	$0.00	
UNALLOCATED INSURANCE					
E 100-49240-375 CLAIM DEDUCTIBLE	$0.00	$500.00	$620.00	$620.00	0.00%
E 100-49240-620 AGENCY FEES	$0.00	$0.00	$2,226.00	$2,226.00	0.00%
UNALLOCATED INSURANCE	$0.00	$500.00	$2,846.00	$2,846.00	
100 GENERAL FUND	$8,956,882.28	$5,328,123.60	$9,189,682.00	$9,804,950.00	

Account Descr	2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
200 WATER RESOURCE DEVELOPMENT					
R 200-31010 AD VALOREM TAXES	$69,372.44	$40,884.45	$77,572.00	$78,834.00	1.63%
R 200-31020 DELINQUENT TAXES	$0.00	$0.00	$0.00	$0.00	0.00%
R 200-31040 FISCAL DISPARITIES	$2,158.32	$976.90	$3,484.00	$3,484.00	0.00%
R 200-34103 ZONING/SUBDIVISION FEE	$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%
R 200-36210 INTEREST EARNINGS	$1,609.80	$702.24	$1,000.00	$1,000.00	0.00%
R 200-36230 MISC REVENUE/REFUNDS	$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%
R 200-39200 TRANSFERS IN (GENERAL FUND)	$0.00	$0.00	$0.00	$0.00	0.00%
	$73,140.56	$42,563.59	$82,056.00	$83,318.00	
ENVIRONMENTAL PROTECTION					
E 200-41920-303 ENGINEERING	$0.00	$0.00	$0.00	$0.00	0.00%
E 200-41920-309 PIONEER-SARAH WATERSHED	$48,892.12	$51,455.83	$51,456.00	$52,718.00	2.45%
E 200-41920-310 OTHER CONSULTING EXPENSE	$0.00	$0.00	$1,000.00	$1,000.00	0.00%
E 200-41920-320 WATER RESOURCE STAFF	$25,417.45	$6,812.13	$17,500.00	$17,500.00	0.00%
E 200-41920-350 PRINTING & PUBLICATIONS	$0.00	$0.00	$0.00	$0.00	0.00%
E 200-41920-433 DUES & SUBSCRIPTIONS	$0.00	$0.00	$0.00	$0.00	0.00%
E 200-41920-570 CAPITAL OUTLAY (EQUIPMENT)	$6,178.00	$0.00	$12,100.00	$12,100.00	0.00%
ENVIRONMENTAL PROTECTION	$80,487.57	$58,267.96	$82,056.00	$83,318.00	
200 WATER RESOURCE DEVELOPMENT	$153,628.13	$100,831.55	$164,112.00	$166,636.00	

Account Descr	2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
602 SEWER FUND					
R 602-31010 AD VALOREM TAXES	$13,883.00	$0.00	$0.00	$0.00	0.00%
R 602-31040 FISCAL DISPARITIES	$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%
R 602-34401 SEWER CONNECTION CHARGE	$0.00	$0.00	$3,000.00	$3,000.00	0.00%
R 602-34408 USER AVAIL. CHG.	$18,113.70	$15,987.80	$15,000.00	$15,000.00	0.00%
R 602-34410 SEWER COMPLIANCE CHARGE	$0.00	$0.00	$0.00	$0.00	0.00%
R 602-36100 SPECIAL ASSESS/INT (CTY. PYMT)	$10,783.75	$26,827.04	$0.00	$0.00	0.00%
R 602-36101 PRINCIPLE	$0.00	$0.00	$0.00	$0.00	0.00%
R 602-36210 INTEREST EARNINGS	$14,441.51	$7,705.00	$13,000.00	$13,000.00	0.00%
R 602-36230 MISC REVENUE/REFUNDS	$0.00	$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%
R 602-37210 COLLECTION & GRAVITY LINE	$298,011.52	$105,937.66	$229,320.00	$229,320.00	0.00%
R 602-37220 RESIDENTIAL CLUSTER	$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%
R 602-37240 CLUSTER MOUND	$0.00	$0.00	$0.00	$0.00	0.00%
R 602-37250 COMMERCIAL	$21,650.96	$8,346.64	$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%
R 602-37270 DEL UTILITIES - CITY PYMT	$0.00	$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%
R 602-39203 TRANSFER IN	$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%
	$376,884.44	$164,804.14	$279,063.00	$279,063.00	
SEWER					
E 602-49450-101 WAGES (FULL-TIME)	$131,844.82	$57,811.12	$115,304.00	$157,664.00	36.74%
E 602-49450-121 PERA	-$10,438.82	$4,487.12	$8,648.00	$11,825.00	36.74%
E 602-49450-122 FICA(6.2) MEDICARE (1.45)	$10,207.47	$4,576.86	$8,821.00	$12,061.00	36.73%
E 602-49450-123 MN PAID LEAVE	$0.00	$131.56	$508.00	$694.00	36.61%
E 602-49450-131 CITY PAID BENEFIT ALLOWANC	$28,627.93	$17,744.82	$26,960.00	$32,264.00	19.67%
E 602-49450-210 OPERATING SUPPLIES/MTN EQ	$2,119.70	$146.06	$12,500.00	$12,500.00	0.00%
E 602-49450-301 AUDITING FEES	$0.00	$0.00	$0.00	$0.00	0.00%
E 602-49450-303 ENGINEERING	$0.00	$0.00	$10,000.00	$10,000.00	0.00%
E 602-49450-304 CIVIL, LEGAL (K&G)	$237.50	$0.00	$0.00	$0.00	0.00%
E 602-49450-310 OTHER CONSULTING EXPENSE	$1,700.53	$1,147.28	$3,000.00	$3,000.00	0.00%
E 602-49450-331 CONFERENCE & TRAVEL	$110.00	$0.00	$0.00	$0.00	0.00%
E 602-49450-360 WORKERS COMP INSURANCE	$852.36	$358.28	$1,200.00	$1,260.00	5.00%
E 602-49450-361 INSURANCE	$1,141.32	$1,190.16	$1,200.00	$1,260.00	5.00%

Account Descr	2025 Amt	2026 YTD Amt	2026 Budget	2027 Budget	%Diff from Cur Yr 2026
E 602-49450-375 CLAIM DEDUCTIBLE	$0.00	$0.00	$0.00	$0.00	0.00%
E 602-49450-380 ELECTRIC & GAS UTILITIES	$29,150.88	$14,531.13	$29,000.00	$29,000.00	0.00%
E 602-49450-401 MAINT.&REPAIR BLD CONTRAC	$25,501.72	$17,628.66	$20,000.00	$20,000.00	0.00%
E 602-49450-404 MAINT.&REPAIR EQUIP.(CONTR	$27,296.17	$17,616.34	$22,000.00	$22,000.00	0.00%
E 602-49450-405 MISCELLANEOUS	$3,898.15	$1,232.00	$5,000.00	$5,000.00	0.00%
E 602-49450-414 METRO COUNCIL-ENVIRON.(SE	$68,115.54	$38,248.35	$63,000.00	$63,000.00	0.00%
E 602-49450-415 SAC CHARGES	$17,320.45	$0.00	$44,100.00	$44,100.00	0.00%
E 602-49450-416 DEPRECIATION	$121,552.69	$75,833.31	$130,000.00	$130,000.00	0.00%
E 602-49450-417 LICENSES & PERMITS	$400.00	$0.00	$0.00	$0.00	0.00%
E 602-49450-433 DUES & SUBSCRIPTIONS	$865.00	$0.00	$850.00	$850.00	0.00%
E 602-49450-560 CAPITAL OUTLAY (OFFICE EQUI	$0.00	$0.00	$0.00	$0.00	0.00%
E 602-49450-570 CAPITAL OUTLAY (EQUIPMENT)	$0.00	$0.00	$0.00	$0.00	0.00%
E 602-49450-601 BOND PRINCIPAL	$0.00	$0.00	$70,000.00	$70,000.00	0.00%
E 602-49450-611 INTEREST EXPENSE (Loan)	$2,579.00	$1,190.00	$1,190.00	$1,190.00	0.00%
E 602-49450-620 AGENCY FEES	$100.00	$0.00	$100.00	$100.00	0.00%
E 602-49450-999 PRIOR PERIOD ADJ.	$0.00	$0.00	$0.00	$0.00	0.00%
SEWER	$463,182.41	$253,873.05	$573,381.00	$627,768.00	
602 SEWER FUND	$840,066.85	$418,677.19	$852,444.00	$906,831.00	