

# 2024

# BUDGET

Adopted Dec. 4, 2023



WOODLAND

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LAKE



CITY OF  
**MINNETONKA**



CITY OF  
**MINNETONKA**

# 2024 Budget

**Minnetonka, Minnesota**

**City Council:**

Brad Wiersum, Mayor  
Deb Calvert, Councilmember At Large  
Kimberly Wilburn, Councilmember At Large  
Brian Kirk, Councilmember Ward 1  
Rebecca Schack, Councilmember Ward 2  
Bradley Schaeppi, Councilmember Ward 3  
Kissy Coakley, Councilmember Ward 4

**Staff:**

Mike Funk, City Manager  
Moranda Dammann, Assistant City Manager  
Darin Nelson, Finance Director/Treasurer  
Scott Boerboom, Chief of Police  
Corrine Heine, City Attorney  
Will Manchester, Public Works Director  
Kelly O'Dea, Recreation Services Director  
John Vance, Fire Chief  
Julie Wischnack, Community Development Director

**City of Minnetonka**

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CITY OF  
**MINNETONKA**

### Consolidated Budgets Summary - All Funds

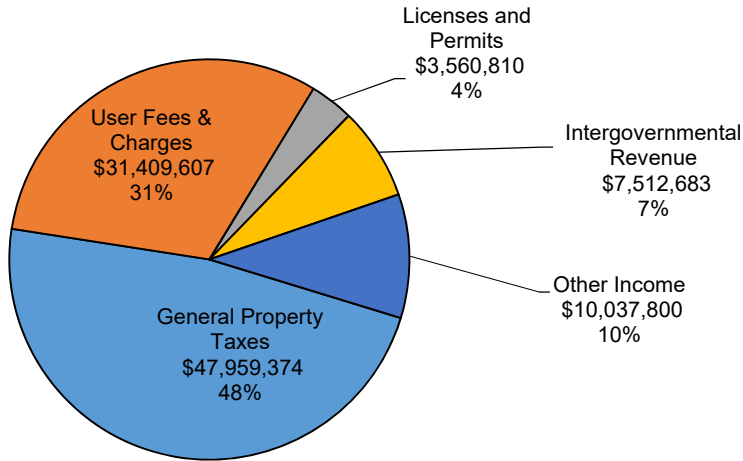
|                                       | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---------------------------------------|-------------------------|------------------------|
| <b><u>Revenue</u></b>                 |                         |                        |
| General Property Taxes                | \$ 47,959,374           | \$ 51,530,524          |
| User Fees & Charges                   | 31,409,607              | 31,382,000             |
| Licenses and Permits                  | 3,560,810               | 4,235,400              |
| Intergovernmental Revenue             | 7,512,683               | 9,129,400              |
| Other Income                          | 10,037,800              | 12,513,600             |
| <b>Total Revenue</b>                  | <b>\$ 100,480,274</b>   | <b>\$ 108,790,924</b>  |
| <b><u>Expenditures</u></b>            |                         |                        |
| <b>By Program:</b>                    |                         |                        |
| General Government                    | \$ 10,454,500           | \$ 11,258,900          |
| Public Safety                         | 24,676,800              | 25,215,400             |
| Streets & Utilities                   | 48,001,940              | 39,111,000             |
| Parks & Environment                   | 9,773,500               | 10,260,000             |
| Recreation                            | 13,387,980              | 9,966,000              |
| Development                           | 6,093,720               | 8,762,400              |
| <b>Total Expenditures by Program</b>  | <b>\$ 112,388,440</b>   | <b>\$ 104,573,700</b>  |
| <b>By Category:</b>                   |                         |                        |
| Personnel                             | \$ 43,048,100           | \$ 46,559,200          |
| Supplies                              | 4,639,760               | 5,210,500              |
| Services & Charges                    | 18,666,480              | 22,066,900             |
| Capital Outlay                        | 36,851,200              | 21,091,600             |
| Debt Service                          | 9,182,900               | 9,645,500              |
| <b>Total Expenditures by Category</b> | <b>\$ 112,388,440</b>   | <b>\$ 104,573,700</b>  |

Note: Internal service fund budgets are accounted for twice in this summary to better reflect costs by program and category. They appear once from the internal service fund and once from the respective fund incurring the charge for service.

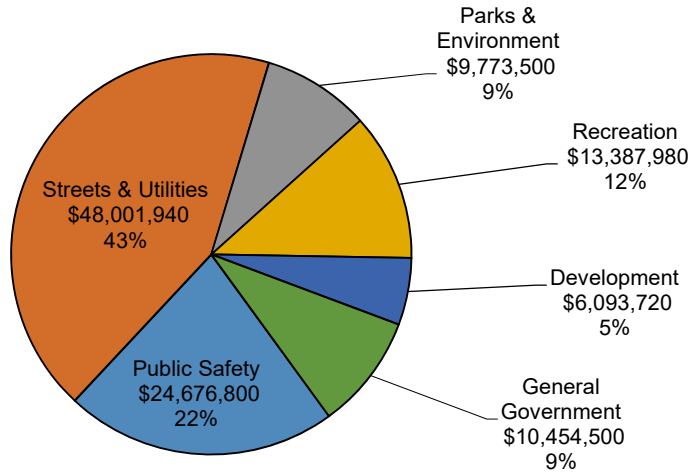


## 2023 Revised Consolidated Budgets Charts - All Funds

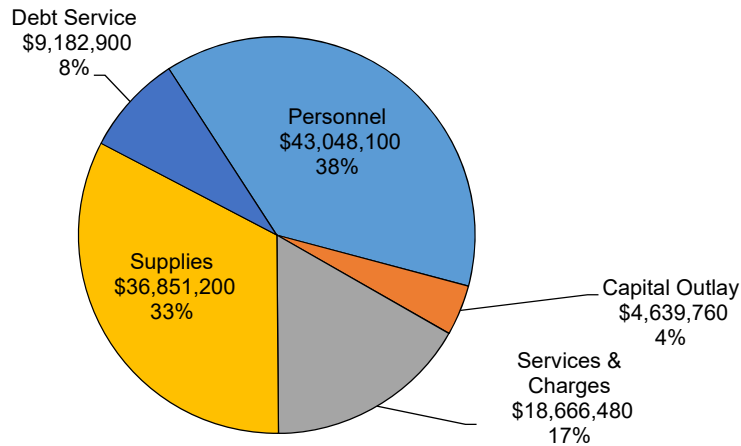
### Revenue



### Expenditures by Program



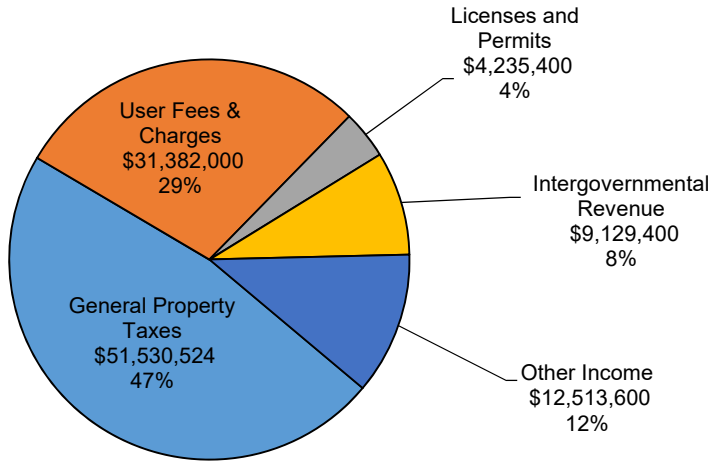
### Expenditures by Category



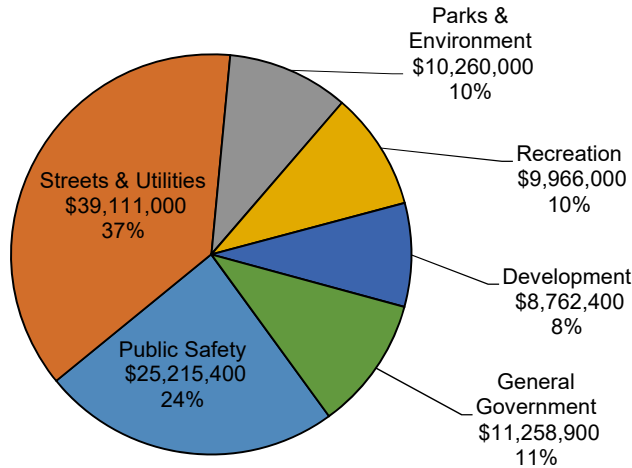


### 2024 Consolidated Budgets Charts - All Funds

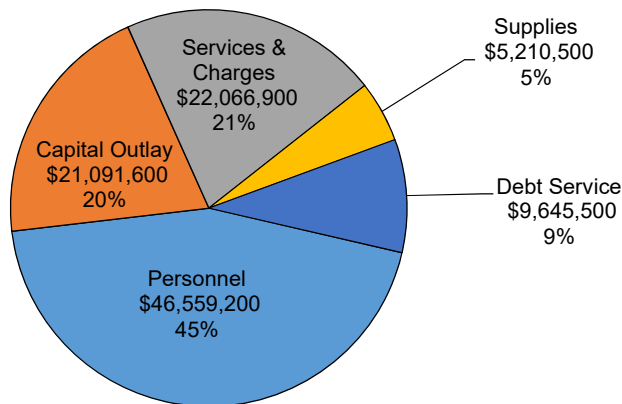
#### Revenue



#### Expenditures by Program



#### Expenditures by Category



**Tax Levies**

| <b>Tax Base</b>                        | <b>2021</b>              | <b>2022</b>              | <b>2023</b>              | <b>2024</b>              |                 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|-----------------|
| Real Estate                            | \$ 131,633,164           | \$ 136,021,628           | \$ 151,694,768           | \$ 161,533,613           | Estimate        |
| Personal Property                      | 1,105,657                | 447,613                  | 532,854                  | 689,230                  | Estimate        |
| Fiscal Disparities Contribution        | (15,706,327)             | (16,360,158)             | (15,640,271)             | (16,195,114)             | Estimate        |
| Fiscal Disparities Distribution        | 5,413,170                | 5,853,063                | 5,857,295                | 6,169,315                | Estimate        |
| Tax Increment                          | (3,479,997)              | (4,016,614)              | (2,599,574)              | (3,682,411)              | Estimate        |
| <b>Total Tax Capacity</b>              | <b>\$ 118,965,667</b>    | <b>\$ 121,945,532</b>    | <b>\$ 139,845,072</b>    | <b>\$ 148,514,633</b>    | <b>Estimate</b> |
| <b>Taxable Referendum Market Value</b> | <b>\$ 10,743,355,100</b> | <b>\$ 11,106,248,450</b> | <b>\$ 12,439,225,300</b> | <b>\$ 13,237,921,150</b> | <b>Estimate</b> |
| <b>City Tax Levy</b>                   |                          |                          |                          |                          |                 |
| General Fund                           | \$ 32,368,800            | \$ 33,760,800            | \$ 37,180,000            | \$ 40,039,300            |                 |
| Street Improvement Fund                | 5,880,000                | 6,080,000                | 6,080,000                | 6,380,000                |                 |
| Capital Replacement Fund               | 806,000                  | 1,517,100                | 1,385,000                | 1,630,000                |                 |
| Park & Trail Improvement Fund          | 650,000                  | 650,000                  | 425,000                  | 500,000                  |                 |
| Technology Development Fund            | 600,000                  | 650,000                  | 650,000                  | 650,000                  |                 |
| Forestry Fund                          | 118,000                  | 133,000                  | 83,000                   | 98,000                   |                 |
| Public Safety Fund                     | 550,000                  | 550,000                  | 550,000                  | 625,000                  |                 |
| Ridgedale Tax Abatement                | 70,000                   | 75,000                   | 80,000                   | 85,000                   |                 |
| Debt Service (Public Safety Facility)  | 1,116,668                | 1,114,989                | 1,117,929                | 1,109,529                |                 |
| Tax Capacity Tax Levy                  | \$ 42,159,468            | \$ 44,530,889            | \$ 47,550,929            | \$ 51,116,829            |                 |
| Market Value Tax Levy (Park Bonds)     | 284,130                  | 284,340                  | 284,445                  | 289,695                  |                 |
| <b>Total Tax Levy</b>                  | <b>\$ 42,443,598</b>     | <b>\$ 44,815,229</b>     | <b>\$ 47,835,374</b>     | <b>\$ 51,406,524</b>     |                 |
| <b>City Tax Rates</b>                  |                          |                          |                          |                          |                 |
| <b>City Tax Capacity Tax Rate</b>      | <b>35.556</b>            | <b>36.763</b>            | <b>33.944</b>            | <b>34.440</b>            | <b>Estimate</b> |
| <b>City Market Value Tax Rate</b>      | <b>0.00265</b>           | <b>0.00256</b>           | <b>0.00229</b>           | <b>0.00233</b>           | <b>Estimate</b> |
| <b>HRA Tax Levy</b>                    |                          |                          |                          |                          |                 |
| <b>HRA Tax Capacity Tax Rate</b>       | <b>0.252</b>             | <b>0.267</b>             | <b>0.215</b>             | <b>0.202</b>             | <b>Estimate</b> |
| HRA Tax Levy % of Market Value         | 0.002792%                | 0.002926%                | 0.002412%                | 0.002266%                |                 |

## 2024 Annual Budget - Governmental Funds Summary

|  | General<br>Fund              | Special<br>Revenue<br>Funds  | Capital<br>Project<br>Funds | Debt<br>Service<br>Funds  | Total<br>Governmental<br>Funds |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|--------------------------------|
| <b>Revenues:</b>   |                              |                              |                             |                           |                                |
| General Property Taxes                                       | \$39,863,300                 | \$ 300,000                   | \$ 9,968,000                | \$ 1,399,224              | \$ 51,530,524                  |
| User Fees & Charges  | 2,497,300                    | 149,000                      | -                           | -                         | 2,646,300                      |
| Licenses and Permits   | 3,660,400                    | -                            | 575,000                     | -                         | 4,235,400                      |
| Intergovernmental Revenue                                    | 1,574,500                    | 752,700                      | 6,665,300                   | -                         | 8,992,500                      |
| Other Income   | 1,960,000                    | 4,426,400                    | 4,692,200                   | -                         | 11,078,600                     |
| Total Revenues   | <u>\$49,555,500</u>          | <u>\$ 5,628,100</u>          | <u>\$21,900,500</u>         | <u>\$ 1,399,224</u>       | <u>\$ 78,483,324</u>           |
| <b>Expenditures</b>  |                              |                              |                             |                           |                                |
| General Government   | \$ 8,229,500                 | \$ 838,400                   | \$ 1,502,000                | \$ -                      | \$ 10,569,900                  |
| Public Safety  | 22,502,300                   | 151,400                      | 1,505,500                   | 1,056,200                 | 25,215,400                     |
| Streets & Utilities  | 8,147,100                    | 1,010,000                    | 6,818,600                   | -                         | 15,975,700                     |
| Parks  | 4,480,100                    | -                            | 4,105,300                   | 268,900                   | 8,854,300                      |
| Recreation   | 4,026,000                    | 2,858,250                    | -                           | -                         | 6,884,250                      |
| Development  | 3,798,500                    | 4,041,300                    | 750,700                     | 171,900                   | 8,762,400                      |
| Total Expenditures   | <u>\$51,183,500</u>          | <u>\$ 8,899,350</u>          | <u>\$14,682,100</u>         | <u>\$ 1,497,000</u>       | <u>\$ 76,261,950</u>           |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>\$ (1,628,000)</u>        | <u>\$ (3,271,250)</u>        | <u>\$ 7,218,400</u>         | <u>\$ (97,776)</u>        | <u>\$ 2,221,374</u>            |
| <b>Other Financing Sources (Uses)</b>                        |                              |                              |                             |                           |                                |
| Transfers In   | \$ 1,499,000                 | \$ 50,000                    | \$ 1,746,000                | \$ -                      | \$ 3,295,000                   |
| Transfers Out  | (1,746,000)                  | (72,200)                     | (224,900)                   | -                         | (2,043,100)                    |
| Total Other Financing<br>Sources (Uses)                      | <u>\$ (247,000)</u>          | <u>\$ (22,200)</u>           | <u>\$ 1,521,100</u>         | <u>\$ -</u>               | <u>\$ 1,251,900</u>            |
| Net Change in Fund Balance                                   | <u><u>\$ (1,875,000)</u></u> | <u><u>\$ (3,293,450)</u></u> | <u><u>\$ 8,739,500</u></u>  | <u><u>\$ (97,776)</u></u> | <u><u>\$ 3,473,274</u></u>     |



CITY OF  
**MINNETONKA**



CITY OF  
**MINNETONKA**

### General Fund Summary

|  | 2021<br>Actual       | 2022<br>Actual       | 2023<br>Budget       | 2023<br>Revised      | 2024<br>Budget       |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues</b>                          |                      |                      |                      |                      |                      |
| General Property Taxes                   | \$ 32,411,693        | \$ 33,808,854        | \$ 37,004,000        | \$ 37,004,000        | \$ 39,863,300        |
| Licenses & Permits                       | 4,587,992            | 5,897,916            | 3,215,400            | 3,550,810            | 3,660,400            |
| Intergovernmental Revenue                | 3,578,239            | 3,597,248            | 1,217,700            | 1,430,500            | 1,574,500            |
| Transfers                                | 1,457,800            | 1,469,200            | 1,494,800            | 1,494,800            | 1,499,000            |
| User Fees & Charges                      | 1,863,447            | 2,519,918            | 2,174,000            | 2,403,107            | 2,497,300            |
| Other Income                             | 721,095              | (550,557)            | 1,588,100            | 1,818,000            | 1,960,000            |
| <b>Total Revenues</b>                    | <b>\$ 44,620,266</b> | <b>\$ 46,742,579</b> | <b>\$ 46,694,000</b> | <b>\$ 47,701,217</b> | <b>\$ 51,054,500</b> |
| <b>Expenditures</b>                      |                      |                      |                      |                      |                      |
| Mayor & City Council                     | \$ 217,069           | \$ 276,375           | \$ 345,000           | \$ 305,000           | \$ 411,600           |
| General Administration                   | 2,650,829            | 2,703,148            | 3,539,300            | 3,538,600            | 4,009,000            |
| Information Technology                   | 1,124,163            | 1,171,320            | 1,462,700            | 1,461,500            | 1,611,000            |
| Finance                                  | 1,150,758            | 1,129,253            | 1,082,500            | 1,082,200            | 1,173,000            |
| Assessing                                | 855,447              | 885,620              | 954,900              | 954,000              | 974,900              |
| <i>Subtotal, General Government</i>      | <u>5,998,266</u>     | <u>6,165,716</u>     | <u>7,384,400</u>     | <u>7,341,300</u>     | <u>8,179,500</u>     |
| Police                                   | 11,637,840           | 11,990,702           | 12,781,300           | 12,889,100           | 14,738,600           |
| Fire                                     | 3,971,849            | 4,813,340            | 5,792,200            | 5,893,500            | 6,214,600            |
| Legal                                    | 955,711              | 952,373              | 1,090,600            | 1,073,200            | 1,136,800            |
| Environmental Health                     | 360,266              | 350,522              | 402,300              | 399,900              | 412,300              |
| <i>Subtotal, Public Safety</i>           | <u>16,925,666</u>    | <u>18,106,937</u>    | <u>20,066,400</u>    | <u>20,255,700</u>    | <u>22,502,300</u>    |
| Engineering                              | 1,332,208            | 1,443,036            | 1,575,400            | 1,572,100            | 1,630,400            |
| Street Maintenance                       | 3,576,646            | 3,551,926            | 4,408,800            | 4,304,840            | 4,447,300            |
| Building Maintenance                     | 1,620,461            | 1,678,735            | 1,983,900            | 1,995,600            | 2,069,400            |
| <i>Subtotal, Streets &amp; Utilities</i> | <u>6,529,315</u>     | <u>6,673,697</u>     | <u>7,968,100</u>     | <u>7,872,540</u>     | <u>8,147,100</u>     |
| Parks & Trails                           | 2,049,417            | 2,126,254            | 2,373,500            | 2,354,700            | 2,461,400            |
| Natural Resources                        | 1,621,735            | 1,898,125            | 1,946,600            | 1,945,200            | 2,018,700            |
| <i>Subtotal, Parks &amp; Environment</i> | <u>3,671,152</u>     | <u>4,024,379</u>     | <u>4,320,100</u>     | <u>4,299,900</u>     | <u>4,480,100</u>     |
| Joint Recreation                         | 1,600,682            | 1,850,766            | 1,953,000            | 2,028,600            | 2,216,800            |
| Minnetonka Recreation                    | 555,075              | 504,801              | 646,500              | 622,800              | 645,500              |
| Senior Services                          | 360,651              | 351,480              | 386,200              | 420,300              | 499,600              |
| Community Center                         | 471,892              | 479,465              | 662,400              | 651,000              | 664,100              |
| <i>Subtotal, Recreation</i>              | <u>2,988,300</u>     | <u>3,186,512</u>     | <u>3,648,100</u>     | <u>3,662,700</u>     | <u>4,026,000</u>     |
| Planning                                 | 675,437              | 787,748              | 862,600              | 906,000              | 910,400              |
| Community Development                    | 2,228,617            | 2,424,349            | 2,644,300            | 2,643,800            | 2,888,100            |
| <i>Subtotal, Development</i>             | <u>2,904,054</u>     | <u>3,212,097</u>     | <u>3,506,900</u>     | <u>3,549,800</u>     | <u>3,798,500</u>     |
| Contingency                              | -                    | -                    | 50,000               | -                    | 50,000               |
| <b>Total Expenditures</b>                | <b>\$ 39,016,753</b> | <b>\$ 41,369,338</b> | <b>\$ 46,944,000</b> | <b>\$ 46,981,940</b> | <b>\$ 51,183,500</b> |
| Surplus of Revenues over Expenditures    | \$ 5,603,513         | \$ 5,373,241         | \$ (250,000)         | \$ 719,277           | \$ (129,000)         |
| Transfers to Capital Project Funds       | (355,000)            | (2,549,861)          | (2,521,000)          | (3,200,000)          | (1,625,000)          |
| Transfers to Other Funds                 | (3,599,603)          | (797,500)            | (350,000)            | (521,000)            | (121,000)            |
| <b>Beginning Fund Balance</b>            | <b>26,372,425</b>    | <b>28,021,335</b>    | <b>30,047,215</b>    | <b>30,047,215</b>    | <b>27,045,492</b>    |
| <b>Ending Fund Balance</b>               | <b>\$ 28,021,335</b> | <b>\$ 30,047,215</b> | <b>\$ 26,926,215</b> | <b>\$ 27,045,492</b> | <b>\$ 25,170,492</b> |
| Nonspendable Balances - Inventories      | 334,436              | 573,981              | 375,000              | 575,000              | 575,000              |
| Unrestricted Balances                    |                      |                      |                      |                      |                      |
| Committed for Compensated Absences       | 1,642,473            | 1,798,425            | 1,650,000            | 1,800,000            | 1,800,000            |
| Assigned for Federal ARPA Awards         | 1,750,000            | -                    | -                    | -                    | -                    |
| Assigned for POC Fire Pensions           | 365,900              | 415,900              | 465,900              | 465,900              | 515,900              |
| Assigned for Rec Scholarships & Sr. Ctr. | 15,000               | 15,000               | 15,000               | 15,000               | 15,000               |
| Assigned as Budget Stabilization*        | 17,511,200           | 18,777,600           | 19,397,300           | 20,473,400           | 21,149,100           |
| Unassigned                               | 6,402,326            | 8,466,309            | 5,023,015            | 3,716,192            | 1,115,492            |
| <b>Ending Fund Balance</b>               | <b>\$ 28,021,335</b> | <b>\$ 30,047,215</b> | <b>\$ 26,926,215</b> | <b>\$ 27,045,492</b> | <b>\$ 25,170,492</b> |
| Budget Stabilization Balance Policy Goal | 42.3%                | 40.0%                | 37.9%                | 40.0%                | 40.0%                |

\*Budget Stabilization amount above is 40% of next years budget.

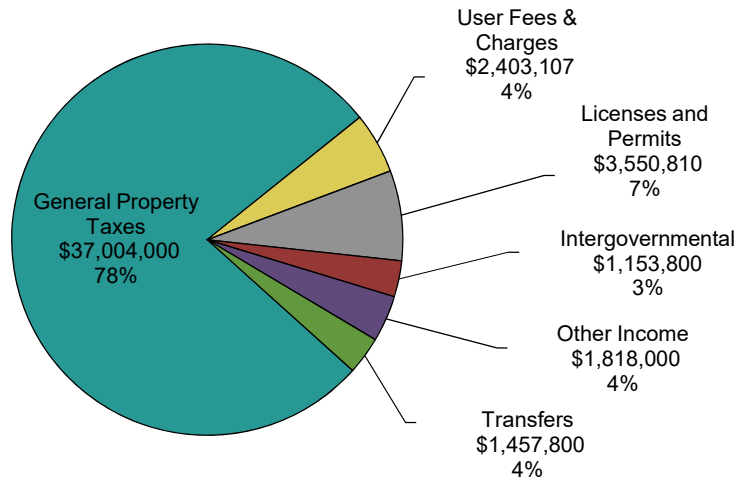
## General Fund Revenues

|  | 2021<br>Actual              | 2022<br>Actual              | 2023<br>Budget              | 2023<br>Revised             | 2024<br>Budget              |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>General Property Taxes</b>              |                             |                             |                             |                             |                             |
| Ad Valorem Tax Levy                        | \$ 32,109,862               | \$ 33,748,860               | \$ 37,180,000               | \$ 37,180,000               | \$ 40,039,300               |
| Abatements & Cancellations                 | 240,230                     | 36,899                      | (200,000)                   | (200,000)                   | (200,000)                   |
| Other, incl. Tax Forfeit Sale Revenue      | 25                          | 365                         | -                           | -                           | -                           |
| Penalties & Interest                       | 61,576                      | 22,730                      | 24,000                      | 24,000                      | 24,000                      |
| <i>Subtotal, General Property Taxes</i>    | <b><u>\$ 32,411,693</u></b> | <b><u>\$ 33,808,854</u></b> | <b><u>\$ 37,004,000</u></b> | <b><u>\$ 37,004,000</u></b> | <b><u>\$ 39,863,300</u></b> |
| <b>Licenses &amp; Permits</b>              |                             |                             |                             |                             |                             |
| Building Permits                           | \$ 2,631,399                | \$ 3,348,460                | \$ 1,700,000                | \$ 1,900,000                | \$ 2,040,000                |
| Plumbing Permits                           | 389,962                     | 539,191                     | 240,000                     | 270,000                     | 270,000                     |
| Electrical Permits                         | 408,627                     | 640,190                     | 370,000                     | 390,000                     | 380,000                     |
| Heating Permits                            | 534,046                     | 719,536                     | 360,000                     | 380,000                     | 365,000                     |
| Liquor Licenses                            | 214,667                     | 224,688                     | 195,000                     | 242,000                     | 232,000                     |
| Food Handlers Licenses                     | 216,340                     | 212,655                     | 210,000                     | 210,000                     | 220,000                     |
| All Other Licenses & Permits               | 192,951                     | 213,196                     | 140,400                     | 158,810                     | 153,400                     |
| <i>Subtotal, Licenses &amp; Permits</i>    | <b><u>\$ 4,587,992</u></b>  | <b><u>\$ 5,897,916</u></b>  | <b><u>\$ 3,215,400</u></b>  | <b><u>\$ 3,550,810</u></b>  | <b><u>\$ 3,660,400</u></b>  |
| <b>Intergovernmental Revenue</b>           |                             |                             |                             |                             |                             |
| Public Safety State Aid                    | \$ 971,663                  | \$ 1,029,911                | \$ 1,029,900                | \$ 1,075,200                | \$ 1,075,200                |
| MSA Maintenance                            | 76,720                      | 76,740                      | 76,800                      | 76,800                      | 76,800                      |
| Federal Grants                             | 2,379,378                   | 2,399,425                   | 40,000                      | 40,000                      | 40,300                      |
| Other Grants/Aid                           | 150,478                     | 91,172                      | 71,000                      | 238,500                     | 382,200                     |
| <i>Subtotal, Intergovernmental Revenue</i> | <b><u>\$ 3,578,239</u></b>  | <b><u>\$ 3,597,248</u></b>  | <b><u>\$ 1,217,700</u></b>  | <b><u>\$ 1,430,500</u></b>  | <b><u>\$ 1,574,500</u></b>  |
| <b>Transfers</b>                           |                             |                             |                             |                             |                             |
| Transfer From Utility Fund                 | \$ 800,000                  | \$ 800,000                  | \$ 814,000                  | \$ 814,000                  | \$ 814,000                  |
| Transfer From Spec. Assess. Fund           | 42,400                      | 43,100                      | 43,900                      | 43,900                      | 44,800                      |
| Transfer From Ice Arena Fund               | 34,900                      | 35,500                      | 36,100                      | 36,100                      | 36,100                      |
| Transfer From Cable TV Fund                | 34,900                      | 35,500                      | 36,100                      | 36,100                      | 36,100                      |
| Transfer From Development Fund             | 67,700                      | 68,900                      | 70,100                      | 70,100                      | 70,100                      |
| Transfer From Environmental Fund           | 213,100                     | 216,800                     | 220,600                     | 220,600                     | 220,600                     |
| Transfer From Forestry Fund                | 58,000                      | 59,000                      | 60,000                      | 60,000                      | 60,000                      |
| Transfer From Williston Center             | 52,400                      | 53,300                      | 54,200                      | 54,200                      | 54,200                      |
| Transfer From Gray's Bay Marina            | 12,200                      | 12,400                      | 12,600                      | 12,600                      | 12,900                      |
| Transfer From Storm Water Fund             | 142,200                     | 144,700                     | 147,200                     | 147,200                     | 150,200                     |
| <i>Subtotal, Transfers</i>                 | <b><u>\$ 1,457,800</u></b>  | <b><u>\$ 1,469,200</u></b>  | <b><u>\$ 1,494,800</u></b>  | <b><u>\$ 1,494,800</u></b>  | <b><u>\$ 1,499,000</u></b>  |
| <b>User Fees &amp; Charges</b>             |                             |                             |                             |                             |                             |
| Recreation Receipts                        | \$ 1,066,251                | \$ 1,265,733                | \$ 1,304,900                | \$ 1,395,607                | \$ 1,542,200                |
| Community Center Rental                    | 42,899                      | 73,620                      | 74,700                      | 93,000                      | 93,000                      |
| School Liaison Reimbursement               | 153,572                     | 244,337                     | 244,400                     | 256,000                     | 261,000                     |
| Tower Antenna Rental                       | 600,725                     | 936,228                     | 550,000                     | 658,500                     | 601,100                     |
| <i>Subtotal, User Fees &amp; Charges</i>   | <b><u>\$ 1,863,447</u></b>  | <b><u>\$ 2,519,918</u></b>  | <b><u>\$ 2,174,000</u></b>  | <b><u>\$ 2,403,107</u></b>  | <b><u>\$ 2,497,300</u></b>  |
| <b>Other Income</b>                        |                             |                             |                             |                             |                             |
| Court Fines                                | \$ 167,539                  | \$ 129,829                  | \$ 135,000                  | \$ 135,000                  | \$ 150,000                  |
| Investment Income                          | 410,216                     | 358,221                     | 671,400                     | 671,400                     | 750,000                     |
| Miscellaneous Income                       | 592,153                     | 625,643                     | 347,200                     | 577,100                     | 560,000                     |
| Change in Value of Investments             | (448,813)                   | (1,664,250)                 | 434,500                     | 434,500                     | 500,000                     |
| <i>Subtotal, Other Income</i>              | <b><u>\$ 721,095</u></b>    | <b><u>\$ (550,557)</u></b>  | <b><u>\$ 1,588,100</u></b>  | <b><u>\$ 1,818,000</u></b>  | <b><u>\$ 1,960,000</u></b>  |
| <b>TOTAL REVENUES</b>                      | <b><u>\$ 44,620,266</u></b> | <b><u>\$ 46,742,579</u></b> | <b><u>\$ 46,694,000</u></b> | <b><u>\$ 47,701,217</u></b> | <b><u>\$ 51,054,500</u></b> |
| Non-levy revenue                           | \$ 12,208,598               | \$ 12,934,090               | \$ 9,690,000                | \$ 10,697,217               | \$ 11,191,200               |

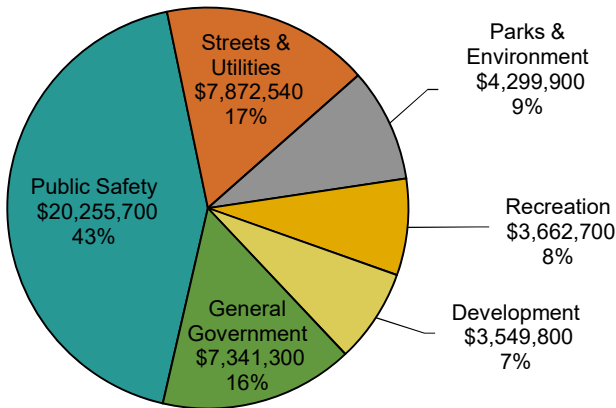


## 2023 Revised General Fund Operating Revenues & Expenditures

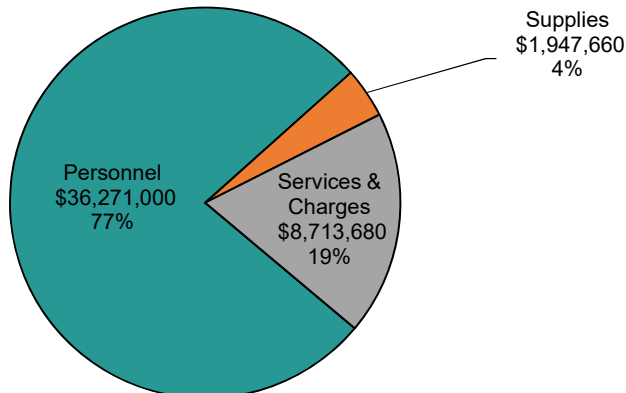
### Revenues



### Expenditures by Program

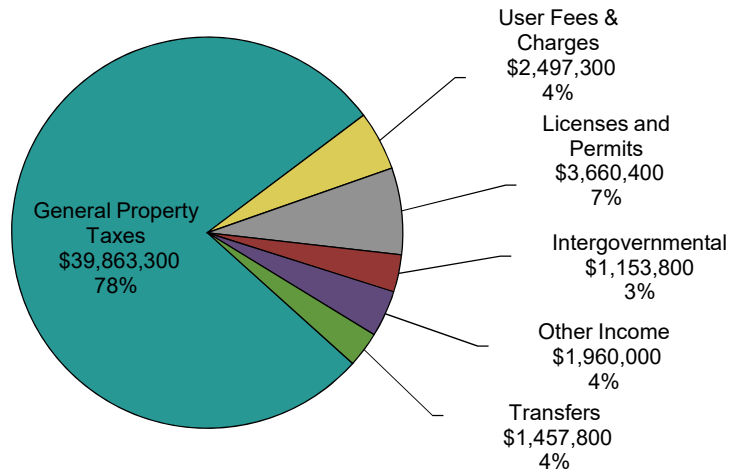


### Expenditures by Category

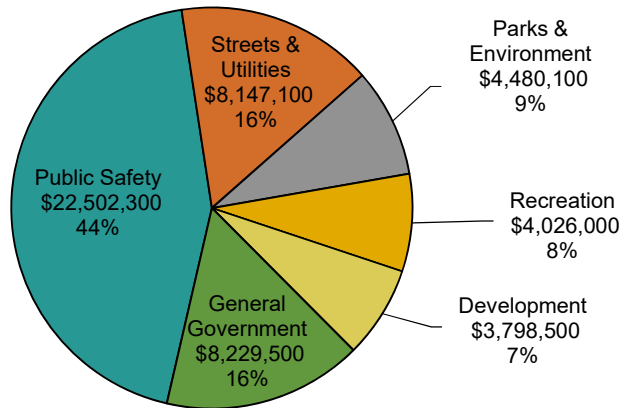


## 2024 General Fund Operating Revenues & Expenditures

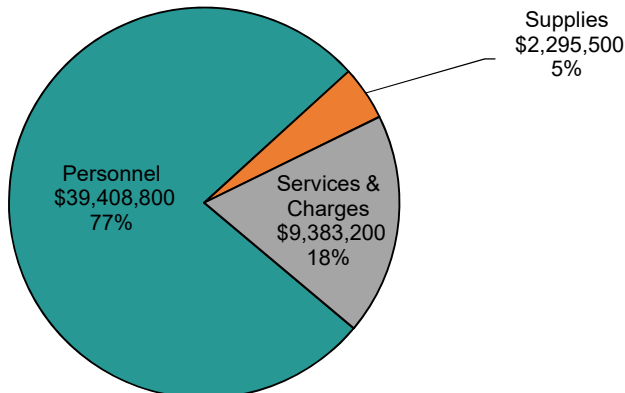
### Revenues



### Expenditures by Program



### Expenditures by Category





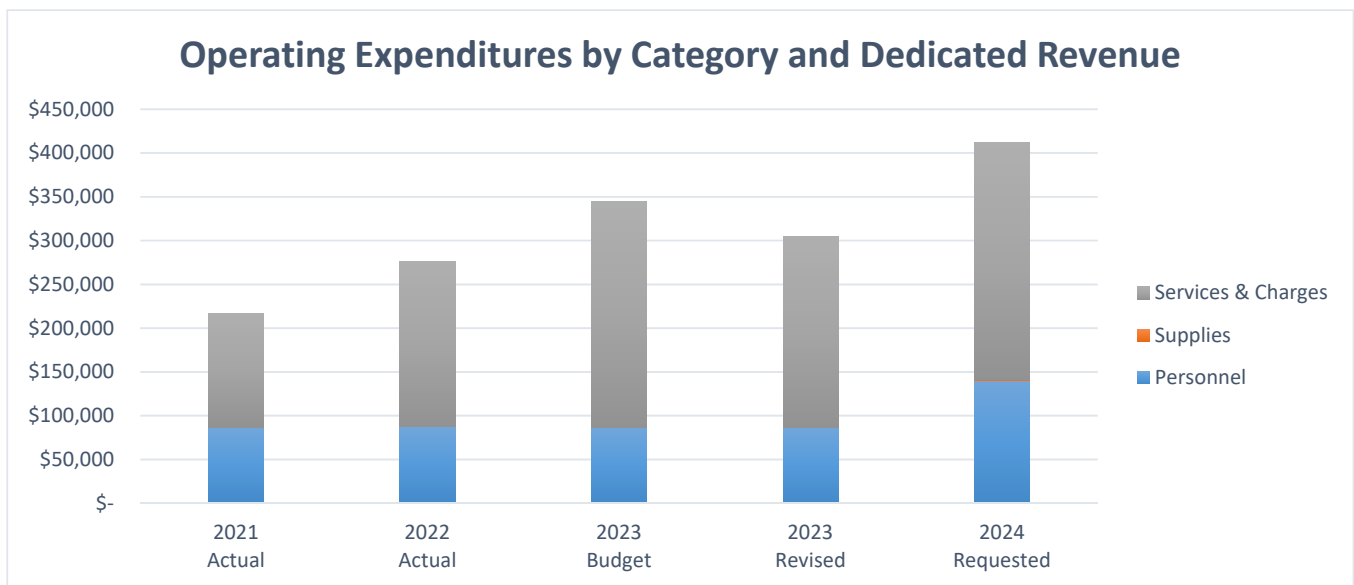
Division: **Mayor & City Council Division**  
 Fund Type: **General Fund**

**Description of Services:**

The mayor and six council members are the city’s elected representatives and the governing body. The city’s charter and code of ordinances provide that they be paid a modest salary and reimbursed for reasonable expenses, which are included within this budget. Also included in this budget are the city’s memberships and dues in various metro, state and national organizations through which the city’s interests are represented and/or the city receives benefits and services.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 86,783              | \$ 87,265              | \$ 86,500              | \$ 86,500               | \$ 140,500                |
| Supplies                           | 37                     | 172                    | 300                    | 200                     | 1,000                     |
| Services & Charges                 | 130,248                | 188,939                | 258,200                | 218,300                 | 270,100                   |
| Total Operating Expenditures       | <u>\$ 217,068</u>      | <u>\$ 276,376</u>      | <u>\$ 345,000</u>      | <u>\$ 305,000</u>       | <u>\$ 411,600</u>         |



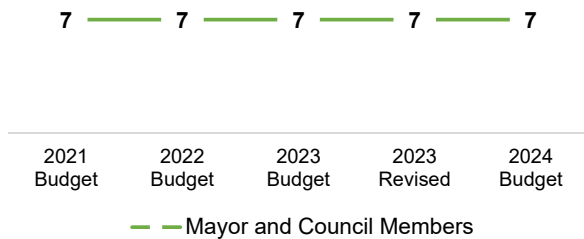
**Key Measures:**

|   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Residents rating "Quality of Life" in city as "good" or "excellent" | 99%                    | 98%                    | 100%                      | 99%                       |
| City council meeting dates (reg and study sessions)                 | 35                     | 41                     | 36                        | 36                        |
| Board, commission and task force appointments / reappointments      | 21                     | 36                     | 19                        | 33                        |
| BIPOC Boards & Commission members                                   | 34%                    | 35%                    | 12%                       | 25%                       |

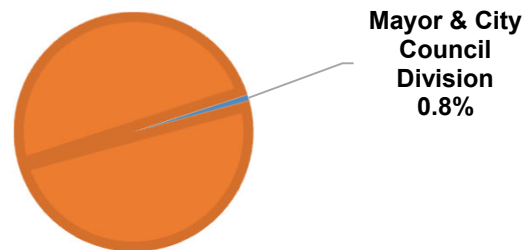
**Budget Comments/Issues:**

- 2024 budget anticipates onboarding of new councilmembers and increased conference attendance.
- 2023 and 2024 budgets reflect anticipated inflation of dues and subscriptions.
- 2023 and 2024 each include \$40,000 to hire lobbyists to work on the city's behalf in trying to secure state bonding dollars or other legislative funding approvals.
- Savings of \$29,622 in 2021 due to Bassett Creek Watershed District dues being paid in December of 2020 instead of 2021.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

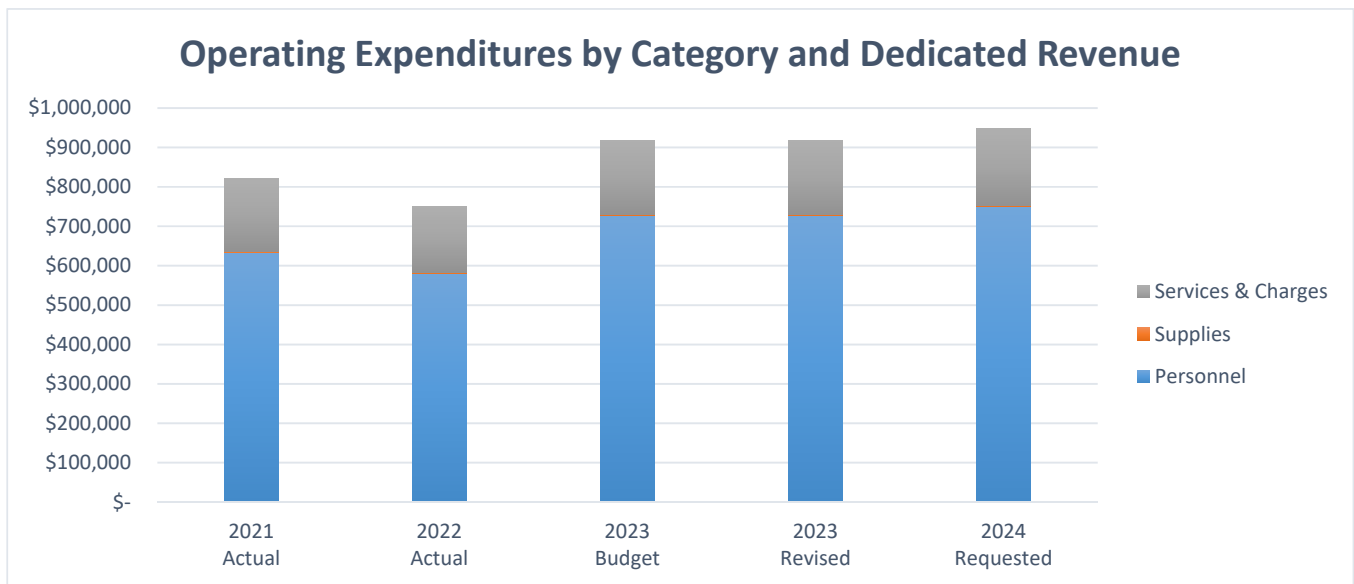
**City Manager Division**  
Administrative Services Department  
General Fund

**Description of Services:**

The city manager communicates with the mayor and council members, administers the city's policies and procedures and reviews, approves city council agendas, prepares the annual operating budget and capital improvements program and serves as the city's liaison to outside agencies. Diversity, equity and inclusion efforts are executed through the city manager division.

**Budget:**

|                                     | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|-------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Operating Expenditures by Category  |                        |                        |                        |                         |                           |
| Personnel                           | \$ 633,007             | \$ 580,999             | \$ 728,200             | \$ 728,200              | \$ 750,500                |
| Supplies                            | 2,779                  | 1,517                  | 1,700                  | 1,700                   | 1,700                     |
| Services & Charges                  | 186,226                | 167,868                | 188,100                | 187,700                 | 195,800                   |
| <b>Total Operating Expenditures</b> | <b>\$ 822,012</b>      | <b>\$ 750,384</b>      | <b>\$ 918,000</b>      | <b>\$ 917,600</b>       | <b>\$ 948,000</b>         |

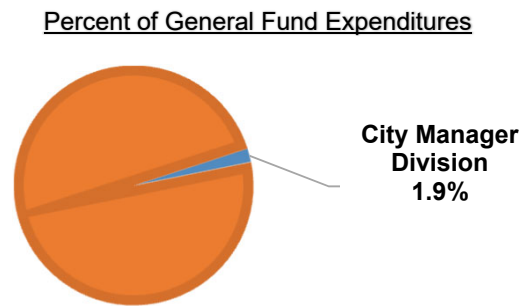
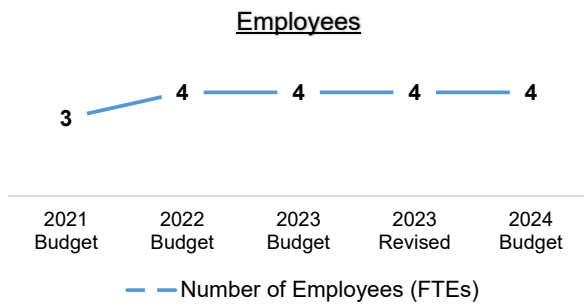


**Key Measures:**

|   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Internal Diversity Committee meetings             | 7                      | 10                     | 12                        | 12                        |
| Diversity, Equity & Inclusion Task force meetings | 7                      | 2                      | 0                         | 0                         |
| Action steps in strategic plan                    | 84                     | 105                    | 94                        | 90                        |

**Budget Comments/Issues:**

- The 2024 budget allows funds for the continued partnership with the City of Hopkins on the depot and workforce development.
- The 2024 budget reflects efforts of diversity, equity and inclusion and the addition of the DEI Commission.
- The 2023 budget includes funds for software enhancements such as an agenda management system and additional modules in Envisio.
- The 2022 budget accounted for the hiring and onboarding of the City Manager.
- The 2021 budget includes the addition of 1 FTE for the senior diversity, equity & inclusion coordinator.





Division:  
Responsible Department:  
Fund Type:

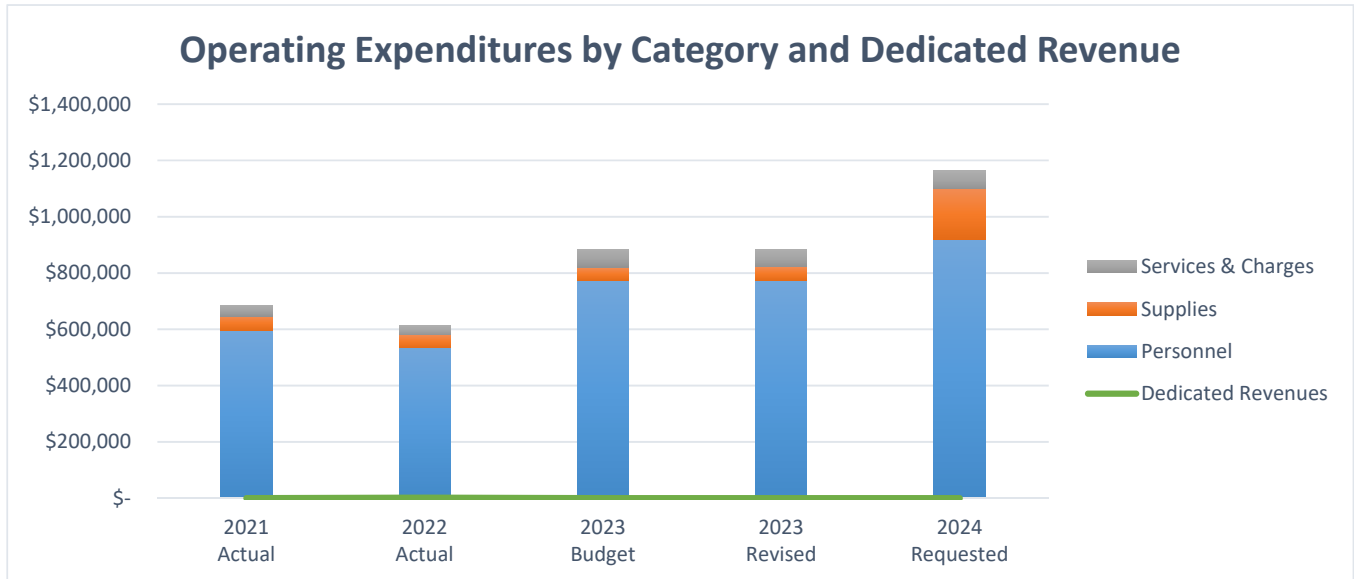
**City Clerk Division**  
Administrative Services Department  
General Fund

**Description of Services:**

To provide exceptional front line customer service; ensure city records are accurate and accessible by managing and placing records pursuant to state law; to hold fair elections by coordinating the election process pursuant to charter and law; to administer the administrative citation hearing process as an alternative to the court system; and to ensure the cities liability, property and auto insurance is current and accurate.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 250                 | \$ 2,165               | \$ -                   | \$ -                    | \$ -                      |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 597,252             | \$ 533,912             | \$ 774,100             | \$ 774,100              | \$ 918,200                |
| Supplies                           | 49,689                 | 46,905                 | 45,600                 | 47,600                  | 180,600                   |
| Services & Charges                 | 38,966                 | 31,156                 | 64,500                 | 62,300                  | 66,000                    |
| Total Operating Expenditures       | \$ 685,907             | \$ 611,973             | \$ 884,200             | \$ 884,000              | \$ 1,164,800              |



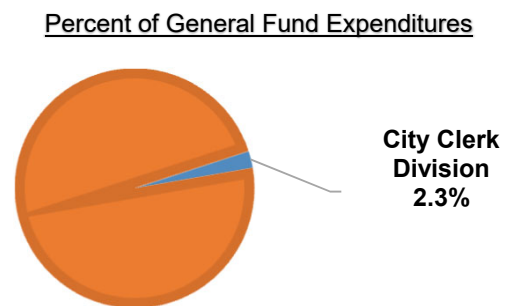
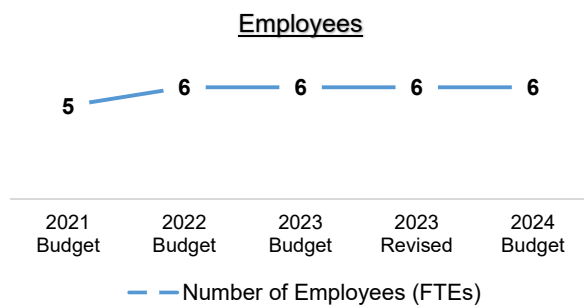


## Key Measures:

|                                       | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Information desk phone calls          | 18,817                 | 22,824                 | 21,500                    | 23,500                    |
| Total number of ballots cast          | 11,350                 | 30,225                 | 9747                      | 34700                     |
| Registered voter turnout (percentage) | 28.46%                 | 74.86%                 | 25%                       | 89%                       |
| Data Practice Requests                | 170                    | 159                    | 170                       | 175                       |

## Budget Comments/Issues:

- The division's budget, for personnel services in particular, fluctuates with the occurrence of elections. In a year like 2024 that includes three state elections and one Hennepin County election with the potential for a primary, the workload responsibilities and corresponding information desk calls increase, which in turn increases costs.
- The 2024 budget reflects the Presidential Nomination Primary (PNP) expenses. MS 207A.15 calls for cities and counties to be reimbursed for certain expenses of the PNP. The city will have to front the costs of the PNP, and then apply for the reimbursement.
- 2024 includes funds to replace aging election voting booths, flags and election signs.
- 2024 includes funds for an election Intern to help with PNP, Primary and General Presidential Election.
- 2024 budget reflects increased salary and overtime costs for staff and elections judges due to legislative changes requiring additional voting hours.
- The 2023 budget for election supplies decreased from 2022, but reflects the substantial increase in per ballot costs and maintenance fees for election equipment.
- The 2023 budget includes \$16,000 to assist with the transition to ranked choice voting.





Division:  
Responsible Department:  
Fund Type:

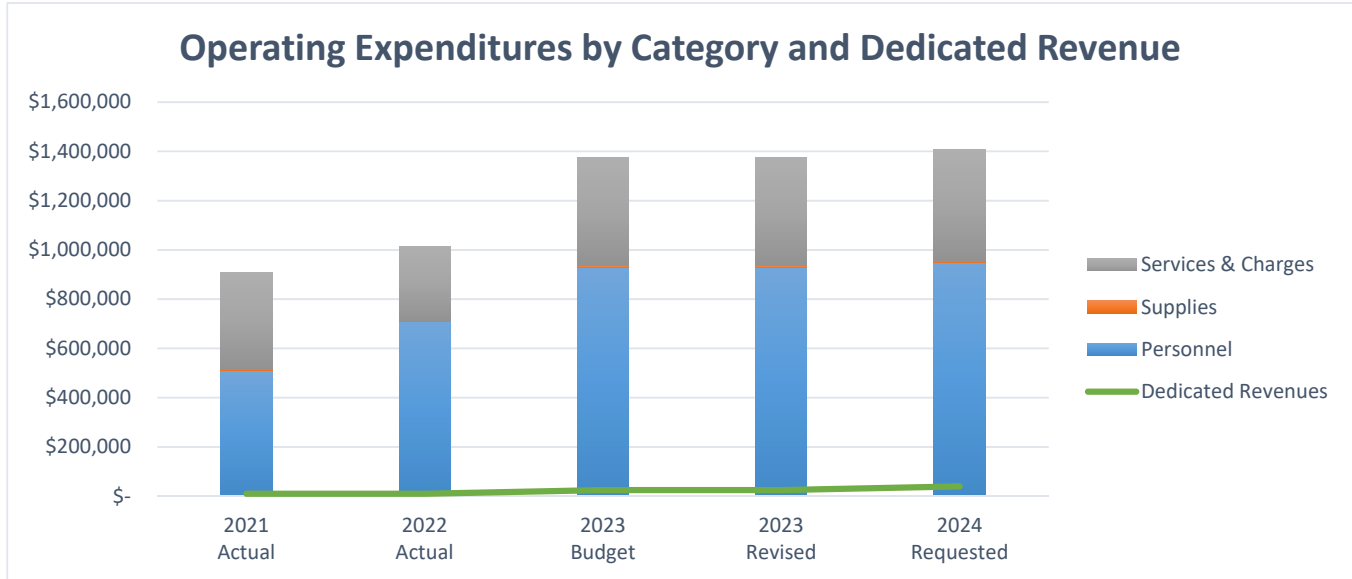
**Human Resources Division**  
Administrative Services Department  
General Fund

**Description of Services:**

Through strategic and customer service oriented partnerships and collaboration, the Human Resources Division designs and supports systems to attract, develop, and retain a high performing, inclusive and diverse workforce. The division fosters a healthy, safe and engaged workforce focused on maximizing individual potential, expanding organizational capacity and positioning the City of Minnetonka as a premier employer.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 10,000              | \$ 10,000              | \$ 25,000              | \$ 25,000               | \$ 40,000                 |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 511,311             | \$ 707,057             | \$ 927,200             | \$ 927,200              | \$ 948,000                |
| Supplies                           | 3,010                  | 3,307                  | 7,900                  | 7,900                   | 7,000                     |
| Services & Charges                 | 394,832                | 304,378                | 439,300                | 439,300                 | 453,100                   |
| Total Operating Expenditures       | <u>\$ 909,153</u>      | <u>\$ 1,014,742</u>    | <u>\$ 1,374,400</u>    | <u>\$ 1,374,400</u>     | <u>\$ 1,408,100</u>       |

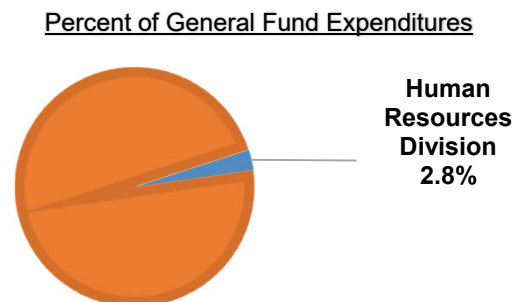
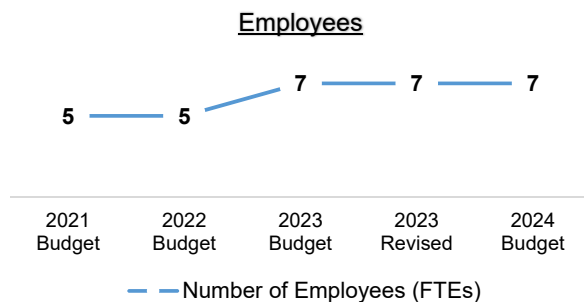


## Key Measures:

|  | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|--|----------------|----------------|-------------------|-------------------|
| City positions - Reg FT, PT & POC                            | 364            | 365            | 370               | 382               |
| Employee turnover rate (FT, PT & POC)                        | 10.74%         | 8.42%          | 9.58%             | 9%                |
| Workers Compensation Mod Factor                              | 0.55           | 0.67           | 0.69              | 0.75              |
| Increase / (decrease) in the annual health insurance premium | (10%)          | 12.5%          | 13.1%             | 14.8%             |
| BIPOC city employees - Reg FT, PT & POC                      | 6.59%          | 6.52%          | 7.38%             | 8%                |
| BIPOC city employees - Seas, Temp, Flex PT                   | 8.3%           | 11.98%         | 10.73%            | 11%               |
| Average payroll count (FT,PT,seasonals,firefighters)         | 518            | 579            | 585               | 590               |

## Budget Comments/Issues:

- In 2024, health insurance premiums will increase by an average of 14.8%. Due to increase being so great, the city is increasing employer contributions by an average of 13.5%. Some of this increase will come from wellness dollars the city receives from Medica. City-wide personnel budgets are reflective of this increase.
- The 2024 budget reflects the cost of the salary survey and work with the consultant. This cost will continue into 2025.
- The 2024 budget reflects costs associated with the enterprise resource planning (ERP)/human capital management (HCM) implementation. This is a shared cost between HR and Finance.
- The 2024 budget reflects costs associated legislation change, most specifically the implementation of Employee Sick and Safe time.
- In 2023 health insurance premiums increased by an average of 13.1%, which is shared between employees and the city.
- The 2023 budget includes 1 FTE in the Human Resources Division focusing on safety and wellness.
- The 2023 budget reflects costs associated with the ongoing learning for the Internal Diversity Committee (IDC).
- In 2022, the payroll function transitioned from Finance to Human Resources, which includes the transition of the payroll accountant position.
- In 2022 health insurance premiums increased by an average of 12.5%, which was shared between employees and the city.
- The 2021 budget include 2 full-time employees in the Human Resource Division.





Division:  
 Responsible Department:  
 Fund Type:

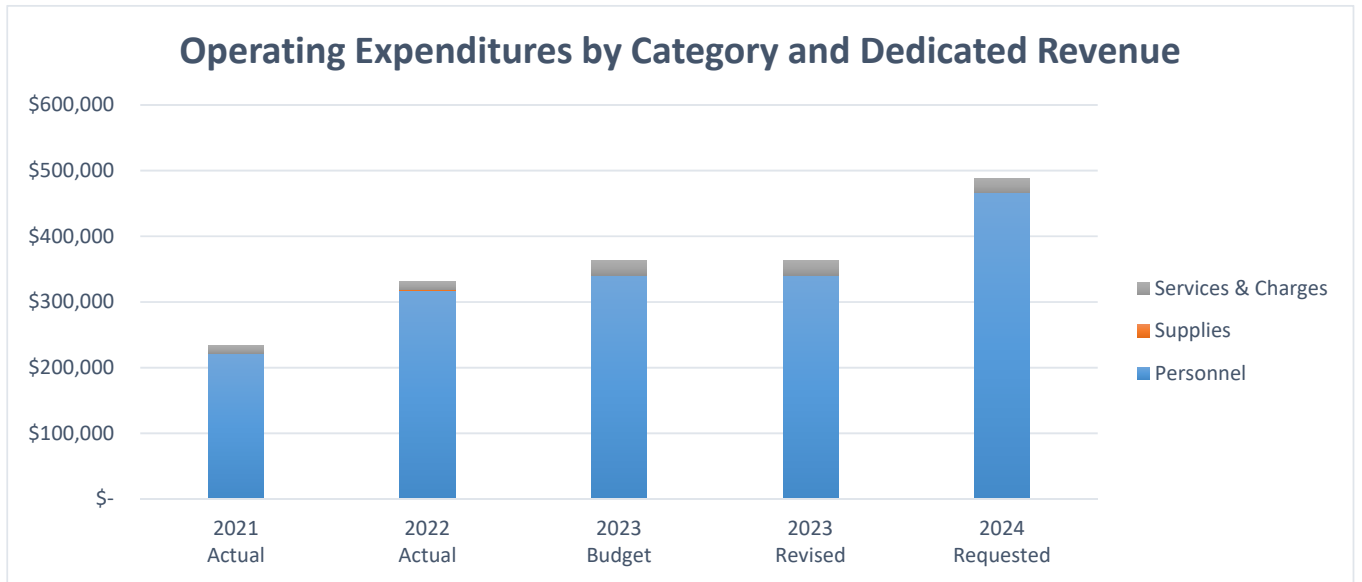
**Communications Division**  
 Administrative Services Department  
 General Fund

**Description of Services:**

The communications team is responsible for all external and internal communications, including: media relations, crisis communications, publications, website, social media, brand and image management, and marketing.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 220,858             | \$ 317,752             | \$ 340,900             | \$ 340,900              | \$ 466,100                |
| Supplies                           | 874                    | 565                    | -                      | 60                      | -                         |
| Services & Charges                 | 12,024                 | 13,299                 | 21,800                 | 21,640                  | 22,000                    |
| Total Operating Expenditures       | <u>\$ 233,756</u>      | <u>\$ 331,616</u>      | <u>\$ 362,700</u>      | <u>\$ 362,600</u>       | <u>\$ 488,100</u>         |



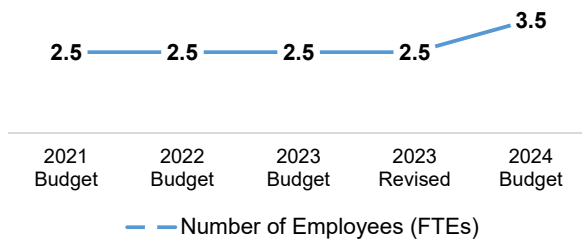
## Key Measures:

|  | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| City email subscribers                     | 27,307                 | 29,380                 | 32,000                    | 34,000                    |
| Minnetonka Memo as preferred communication | 51%                    | 54%                    | 55%                       | 55%                       |
| Social media engagement rate               | 5.3%                   | 5.9%                   | 8%                        | 9%                        |
| Videos content produced                    | 15                     | 95                     | 144                       | 200                       |

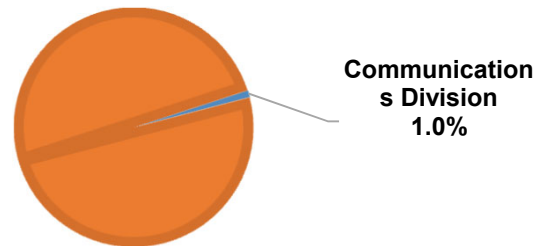
## Budget Comments/Issues:

- The 2024 budget reflects the transition of the final 1 FTE from the cable television fund
- The 2024 budget reflects the continued effort of creating more video and graphics for community engagement
- The 2022 and 2023 budget reflect the cost of implementation and ongoing annual fee to recently launched employee intranet, which is being transferred out of the cable television fund.
- The 2021 budget reflects the cost of the MinnetonkaMatters.com website and regular video reports (i.e.: Minnetonka Moment). These tools are aimed at increasing engagement and attracting new subscribers.
- The 2021 budget reflects a .5 additional staff in the Communications Division who will focus on developing engagement content.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

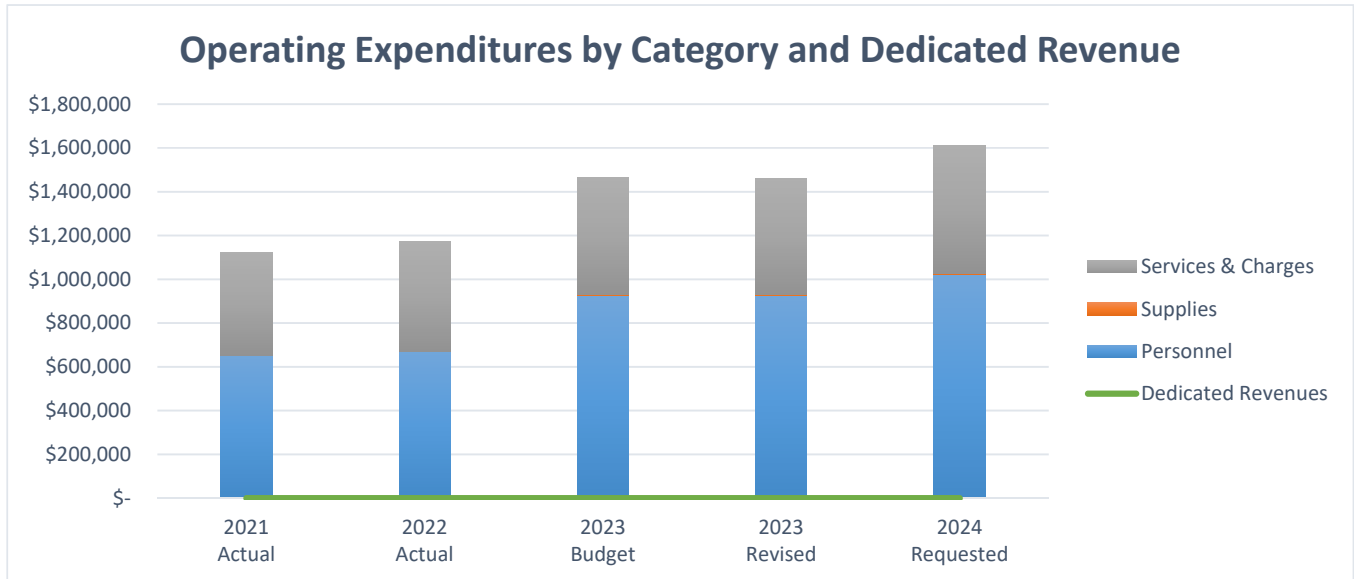
**Information Technology Division**  
Administrative Services Department  
General Fund

**Description of Services:**

The Information Technology Division provides internal consulting and end-user support for technology to all city departments. Specifically, the division is responsible for implementing and maintaining the network infrastructure, desktop and mobile support, telephone system, pagers, cell phones, office equipment and audio visual equipment at 18 city locations.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ -                   | \$ -                   | \$ -                   | \$ 100                  | \$ -                      |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 651,842             | \$ 667,588             | \$ 925,900             | \$ 925,900              | \$ 1,023,800              |
| Supplies                           | 668                    | 4,908                  | 3,200                  | 3,900                   | 3,900                     |
| Services & Charges                 | 471,654                | 498,824                | 533,600                | 531,700                 | 583,300                   |
| Total Operating Expenditures       | \$ 1,124,164           | \$ 1,171,320           | \$ 1,462,700           | \$ 1,461,500            | \$ 1,611,000              |



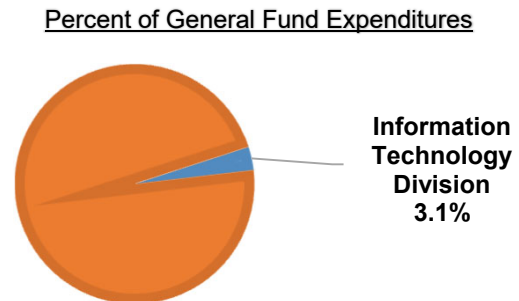
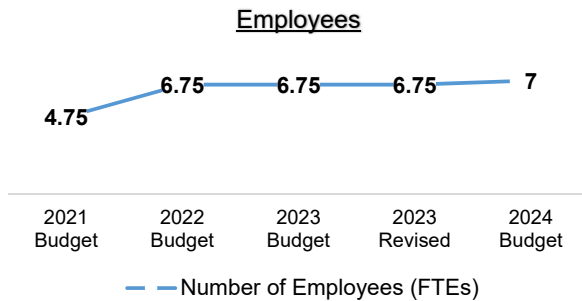
## Key Measures:

|   | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Help Desk requests                        | 2,739                  | 2,750                  | 3,200                     | 3,400                     |
| Field & home remote connections supported | 360*                   | 475                    | 512                       | 540                       |

\* Field & home remote connections now include all mobile devices (iPads, iPhones, & home remote)

## Budget Comments/Issues:

- The 2023 & 2024 budgets reflect leveraging the LOGIS network services group to consult on Microsoft 365.
- The 2024 budget includes transferring 1.25 FTEs from the Cable TV fund to the General Fund, which includes 0.25 of the senior I.T. tech position within the I.T. Division.
- In 2023, the budget included an additional two FTEs to handle the increased technology demands on the city.
- The number of remote connections and hand held devices continues to grow requiring additional support of an increasingly mobile workforce.







Division:  
 Responsible Department:  
 Fund Type:

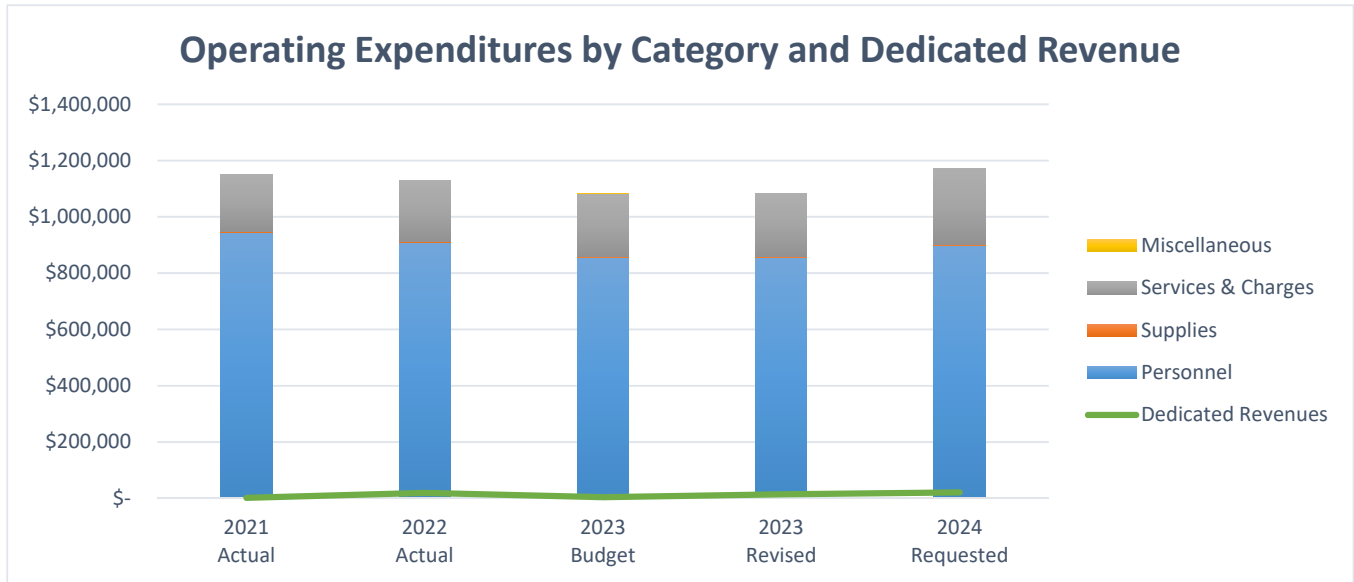
**Finance Division**  
 Finance Department  
 General Fund

**Description of Services:**

The mission of the Finance Department is to protect and safely manage the assets of the city and to provide accurate, timely and complete financial information in an understandable and friendly manner to the public and staff. The department is responsible for the functions of preparation of budgets, utility billing, purchasing, investing city funds, debt, financial reporting, and managing as well as safeguarding other city assets as requested by city council and/or the city manager and in compliance with federal, state and local legal requirements. It assists other city departments in developing appropriate recommendations for fee schedules, fiscal analysis including examination of program costs and benefits, and other financial evaluations as needed.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 1,727               | \$ 19,301              | \$ 4,000               | \$ 14,000               | \$ 21,200                 |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 945,437             | \$ 908,754             | \$ 854,100             | \$ 854,100              | \$ 897,400                |
| Supplies                           | 2,856                  | 3,317                  | 4,300                  | 4,700                   | 4,200                     |
| Services & Charges                 | 202,465                | 217,183                | 223,100                | 223,400                 | 271,400                   |
| Miscellaneous                      | -                      | -                      | 1,000                  | -                       | -                         |
| Total Operating Expenditures       | <u>\$ 1,150,758</u>    | <u>\$ 1,129,254</u>    | <u>\$ 1,082,500</u>    | <u>\$ 1,082,200</u>     | <u>\$ 1,173,000</u>       |



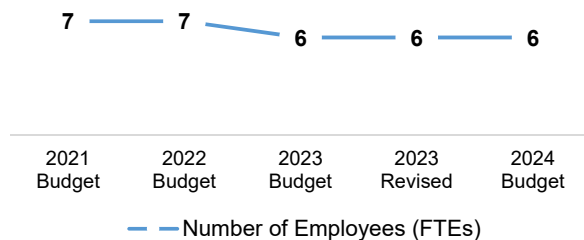
## Key Measures:

|  | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|--|----------------|----------------|-------------------|-------------------|
| Utility customer accounts                        | 17,141         | 17,335         | 17,398            | 17,450            |
| Utility customers using city online billing      | 25%            | 28             | 31                | 33                |
| Utility customers paying electronically          | 64%            | 76             | 77                | 80                |
| Average monthly vendor payments                  | 611            | 694            | 657               | 650               |
| Vendor payments paid electronically              | 40%            | 38             | 38                | 38                |
| Annual rate of return on investments             | (0.4%)         | (3.9%)         | 2.0%              | 4.0%              |
| Moody's credit rating                            | Aaa            | Aaa            | Aaa               | Aaa               |
| GFOA Award for Excellence in Financial Reporting | Awarded        | Awarded        | Awarded           | Awarded           |

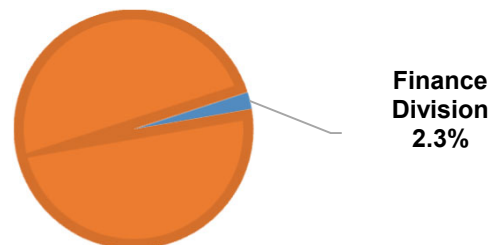
## Budget Comments/Issues:

- The 2024 budget for the Finance Division maintains current operations and service levels.
- The department continues to move towards greater efficiencies through electronic transactions, and staff continues to promote their use to realize cost efficiencies. Over the past several years, the department has implemented systems for citywide accounts payable processing and invoice filing as well as electronic payment of vendors. The current online utility billing and payment software was replaced January 2021 with a more modern and customer friendly application that provides real-time account information, multiple modes of communication including optional text messages, and several payment options.
- The city's current financial (ERP), human capital management (HCM) and utility billing applications are 20+ years old. The city currently utilizes the LOGIS consortium for these and several other applications city-wide. LOGIS and its members have decided that due to the age and required updates of these applications it is beneficial to replace the suite of applications. This conversion project will require significant staff time, including potential temporary or permanent staffing during and/or after the project is complete. This project was kicked off in May 2021 and is anticipated to be completed in 2025. The ERP and HCM applications are anticipated to go-live in Q1 of 2024, with the utility billing application set to go-live in 2025. This project is included within the 2023-2027 CIP and is budgeted at \$1.4 million. Annual licensing costs for finance's portion of the new software is an additional \$42,600, which is included in the 2024 budget.
- In 2022, the payroll function was reorganized and transferred to the Human Resources Division under the Administration Department. This reorganization accounts for the decrease of one full-time position within the Finance Division.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

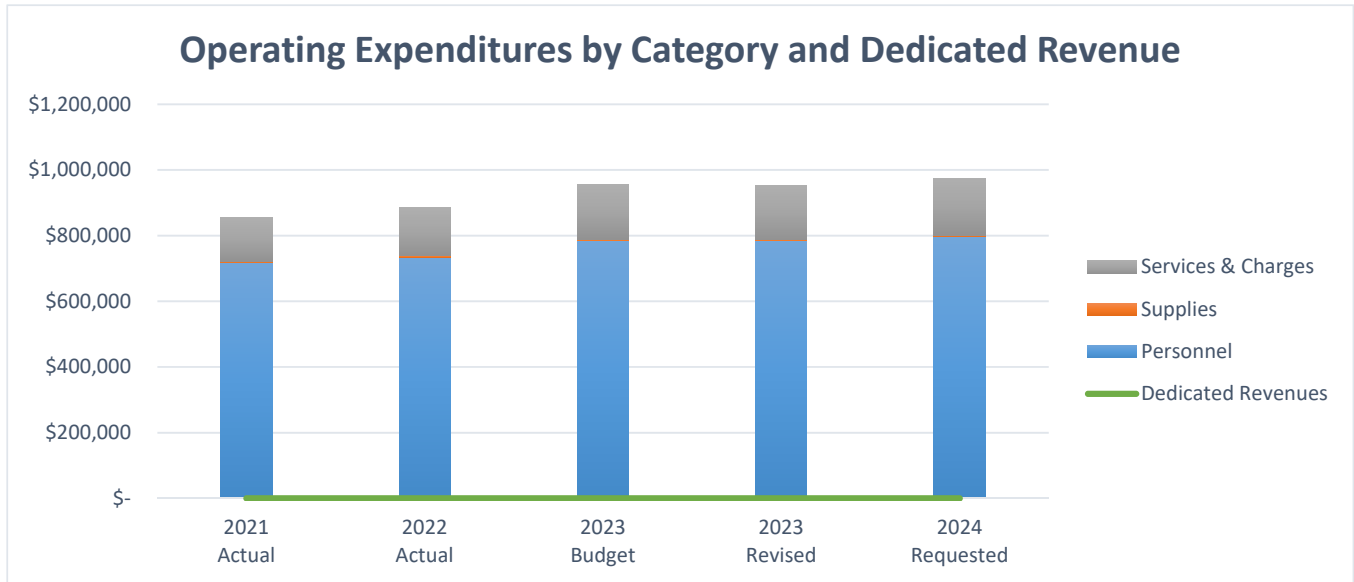
**Assessing Division**  
Finance Department  
General Fund

**Description of Services:**

The mission of the Assessing Division is to establish accurate and equitable market values by recording property characteristics and conducting sales analyses of the approximately 20,900 parcels in the city, including real and personal property, residential, industrial, and tax exempt. After the division values parcels of real property in the city, as required by state law, it mails value notices to property owners in March. Property owners' concerns or appeals are addressed by staff and by the city council sitting as the Local Board of Appeal and Equalization in April. The council has local real estate professionals advise them when considering market value appeals, while staff works with commercial property owners regarding their petitions to State Tax Court. The division also administers special assessments, and serves as the repository for current and historical property information within the city.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 100                 | \$ 100                 | \$ -                   | \$ -                    | \$ -                      |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 719,222             | \$ 734,632             | \$ 784,300             | \$ 784,300              | \$ 797,500                |
| Supplies                           | 1,654                  | 4,418                  | 4,000                  | 3,100                   | 3,100                     |
| Services & Charges                 | 134,570                | 146,572                | 166,600                | 166,600                 | 174,300                   |
| Total Operating Expenditures       | <u>\$ 855,446</u>      | <u>\$ 885,622</u>      | <u>\$ 954,900</u>      | <u>\$ 954,000</u>       | <u>\$ 974,900</u>         |

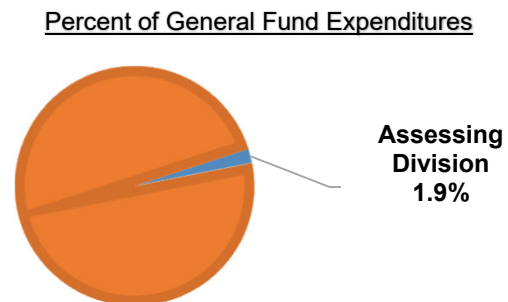
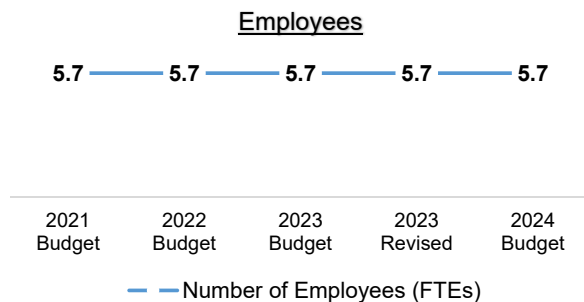


## Key Measures:

|   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Total market values   | \$11.19 billion        | \$12.59 billion        | \$13.39 billion           | \$13.75 billion           |
| Sales ratio (targets revised annually by county)                  | 96%                    | 96%                    | 96%                       | 96%                       |
| Coefficient of dispersion (Less than 10 is "good")                | 5.3                    | 5.4                    | 5.9                       | 6.0                       |
| Survey rating "excellent" or "good" from on-site appraisal visits | 97%                    | 96%                    | 96%                       | 95%                       |
| Commercial tax court petitions (payable year)                     | 83                     | 68                     | 67                        | 80                        |

## Budget Comments/Issues:

- The 2024 budget for the Assessing Division supports current services of the division. Fluctuation in the real estate market can increase the workload of the division with required revaluation of properties due to new developments, other improvements and sales.
- After staff turnover, the assistant city assessor role will be vacant. A commercial appraiser II position was hired in 2023, which will resume many of the duties of the assistant city assessor with the remaining shifting to the city assessor. This change does not affect the total FTE count.
- The Assessing Division has developed an internship program to educate and encourage new workers in the public appraisal field. The seasonal intern in the program likewise serves a critical role in managing the division's workload. Due to the COVID pandemic, the internship program did not take place in 2020 or 2021, but was reinstated in 2022 and is expected to continue in the coming years.
- The Assessing Division reviewed software and subscription services used by other offices in the metro, and considered a variety of options. Overall it was determined that it would be beneficial for residential appraisers to have access to Multiple Listing Service (MLS).





Division:  
Responsible Department:  
Fund Type:

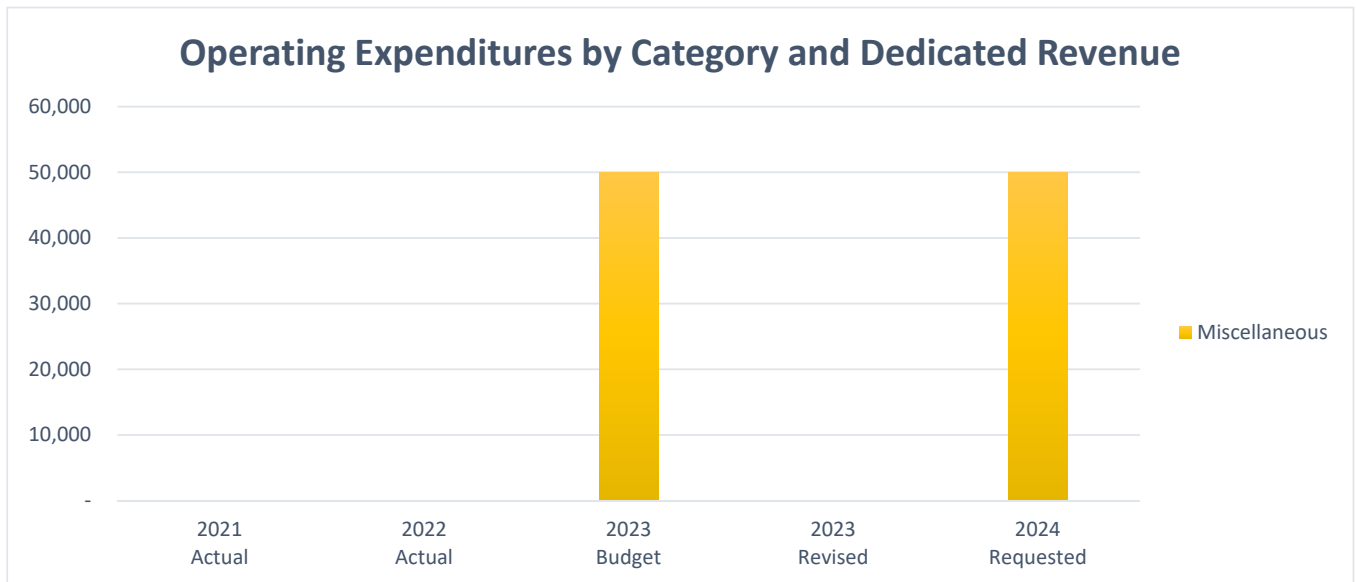
**Contingency Budget Division**  
Finance Department  
General Fund

**Description of Services:**

The city budgets a targeted amount for contingency in the event that unanticipated expenses arise during the fiscal year that require additional funding. If the monies are not required, they are returned to the fund balance of the General Fund.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Miscellaneous                      | \$ -                   | \$ -                   | \$ 50,000              | \$ -                    | \$ 50,000                 |



**Budget Comments/Issues:**

- Over time, the amount budgeted for contingency has been revised up and down to reflect current conditions. The city has not required its use in recent history.



CITY OF  
**MINNETONKA**



Department:  
Responsible Department:  
Fund Type:

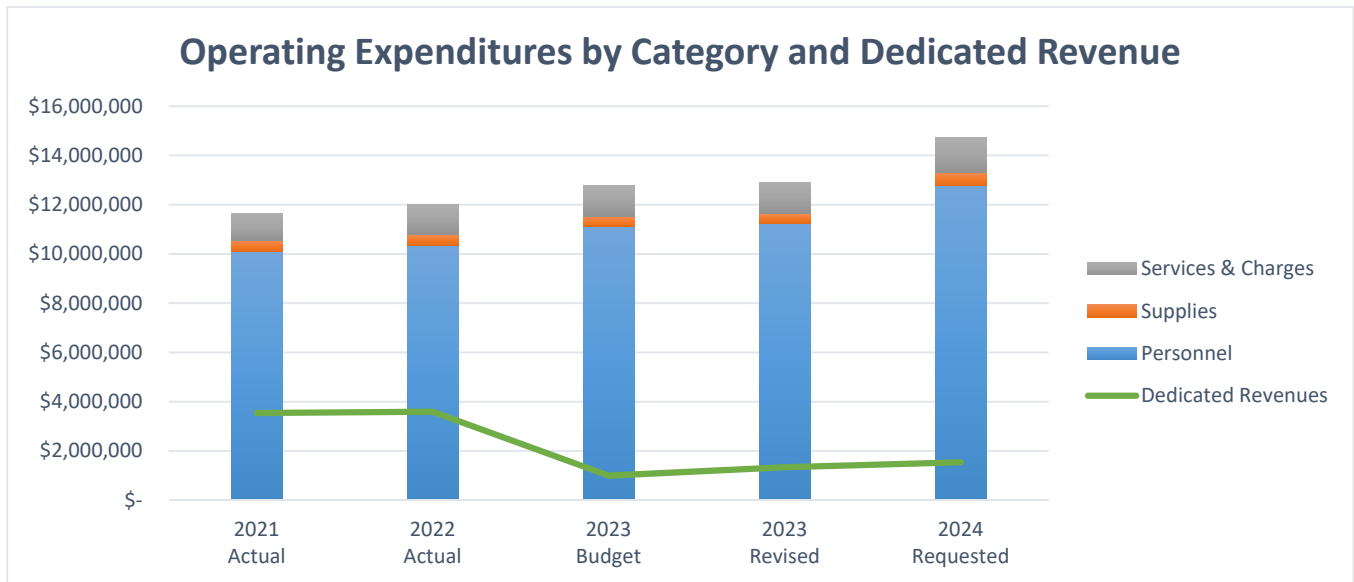
**Police Department**  
Police Department  
General Fund

**Description of Services:**

The Police Department is responsible for providing police services to the community. This includes: emergency response, investigative services, homeland security, crime prevention, and proactive and reactive patrol. The department works collaboratively with other city departments, three school districts and community partners to include other law enforcement agencies to maximize its effectiveness. The city complies with all state and federal reporting requirements for the maintenance of police records and data relevant to the criminal justice requirements.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 3,546,093           | \$ 3,592,684           | \$ 999,700             | \$ 1,343,900            | \$ 1,540,700              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 10,097,170          | \$ 10,339,357          | \$ 11,101,200          | \$ 11,250,500           | \$ 12,776,100             |
| Supplies                           | 442,133                | 441,547                | 423,000                | 389,700                 | 521,900                   |
| Services & Charges                 | 1,098,535              | 1,209,796              | 1,257,100              | 1,248,900               | 1,440,600                 |
| Total Operating Expenditures       | \$ 11,637,838          | \$ 11,990,700          | \$ 12,781,300          | \$ 12,889,100           | \$ 14,738,600             |



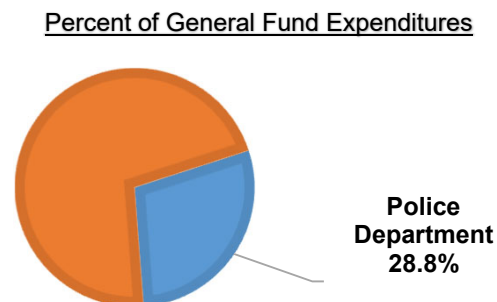
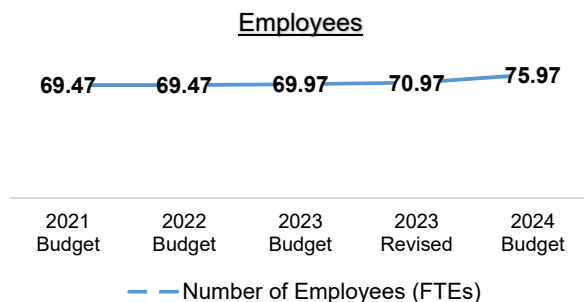


## Key Measures:

|                                 | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|---------------------------------|----------------|----------------|-------------------|-------------------|
| Community Survey Satisfaction   | 97%            | 97%            | 98%               | 98%               |
| Calls for service               | 38,490         | 40,863         | 41,360            | 41,800            |
| Criminal offenses - Part I & II | 1,914          | 1,913          | 1,920             | 1,924             |
| Medicals                        | 3,145          | 3,580          | 3,438             | 3,550             |
| Traffic Stops                   | 2,972          | 4,154          | 3,768             | 3,550             |
| Traffic Citations               | 788            | 2,076          | 2,028             | 2,038             |
| Mental Health Crisis            | 400            | 473            | 480               | 520               |
| Training Hours                  | 5,779          | 5,262          | 5,645             | 6,400             |

## Budget Comments/Issues:

- Citygate, a consultant hired to examine all police operations, completed its review and the final report was presented to council in April 2023. It is anticipated that full implementation will take approximately five to seven years. Recommendations identified in the report with a proposed 2024 implementation are included in the comments below.
- Four additional FTEs (police officers) to support the addition of a patrol power shift to assist during times of peak calls for service.
- One additional FTE (police sergeant) assigned to the Professional Standards and Training Division to assist in employee oversight, training and adherence to MN POST mandates.
- The department received a grant from the State of Minnesota to partially fund a detective position for the next three years, starting in late 2024. The annual award is \$103,000 for a total of \$309,000. The position will focus on auto theft related crimes.
- Crisis Intervention Team (CIT) training for remaining department members, approximately 30, who have not already received training and anticipated new hires. Approximately \$30,000.
- The department will continue to launch transparency dashboards in 2024 to further provide operational data. These dashboards will include data on arrests, use of force, complaints against employees, vehicle crash, mental health calls and data associated with the use of License Plate Readers (LPR's).
- Reduction in police officer applicants has required the department to identify new recruitment strategies. A cadet program was implemented to target diverse applicants, providing tuition reimbursement, mentoring and job placement opportunities. In 2023, \$13,000 was budgeted for tuition reimbursement and will increase to \$26,000 as full implementation of cadet program will occur in January 2024.
- The department was awarded a grant from the Minnesota Department of Public Safety to fund an one additional (FTE) DWI/Traffic Safety Officer. The grant coincides with the federal fiscal year which begins October 1, 2023 and will cover \$150,000 in salary and benefits. This is a one year grant and the department will be required to resubmit annually. Continued eligibility is based on application data and past performance.
- Dedicated revenues includes federal CARES and ARPA funds of \$4,048,243 and \$4,733,320, respectively.





Department:  
Responsible Department:  
Fund Type:

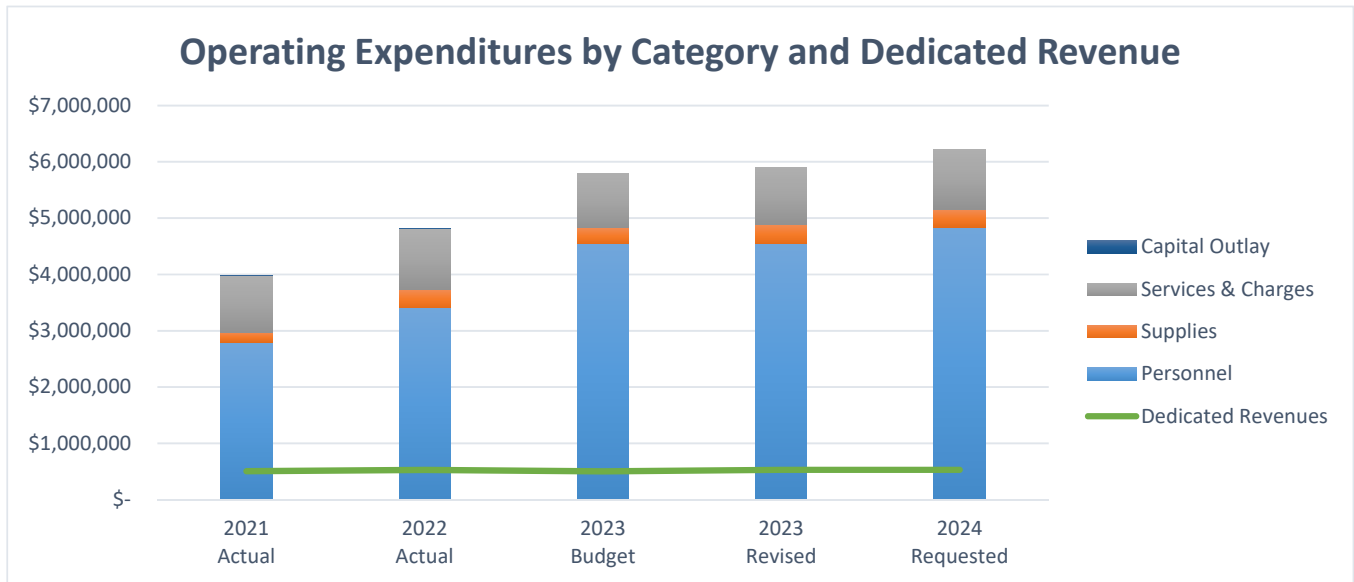
**Fire Department**  
Fire Department  
General Fund

**Description of Services:**

The Fire Department's mission is to continuously protect and preserve life and property through quality education, prevention, disaster preparedness, and rapid emergency response. The department provides key services to the city that include: firefighting, emergency medical services (EMS), hazardous material response (hazmat), fire code inspection/enforcement, equipment maintenance, and emergency management. The fire department is regarded as an all-hazards, all-risk service provider by developing and maintaining strategic community partnerships, hiring and training exceptional people, developing efficiencies in service provision to ensure sustainability for the entire organization and maintaining our core infrastructure. The fire department has an authorized strength of 80 paid-on-call firefighters and 23.5 full-time employees. The fire department's most recent evaluation by the Insurance Service Office (ISO) has maintained a rating of 3. This translates into lower insurance premiums for some Minnetonka businesses and residents.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 505,160             | \$ 529,064             | \$ 502,900             | \$ 529,300              | \$ 529,300                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 2,793,706           | \$ 3,404,363           | \$ 4,540,300           | \$ 4,540,300            | \$ 4,841,300              |
| Supplies                           | 180,503                | 324,092                | 287,100                | 344,600                 | 310,000                   |
| Services & Charges                 | 997,402                | 1,084,872              | 964,800                | 1,008,600               | 1,063,300                 |
| Capital Outlay                     | 238                    | 12                     | -                      | -                       | -                         |
| Total Operating Expenditures       | \$ 3,971,849           | \$ 4,813,339           | \$ 5,792,200           | \$ 5,893,500            | \$ 6,214,600              |

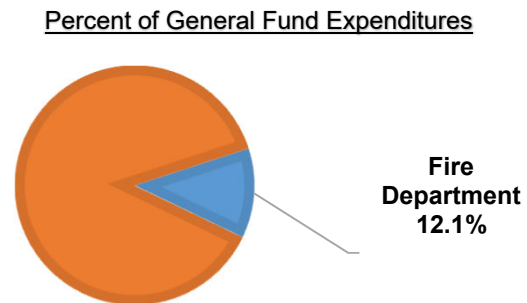
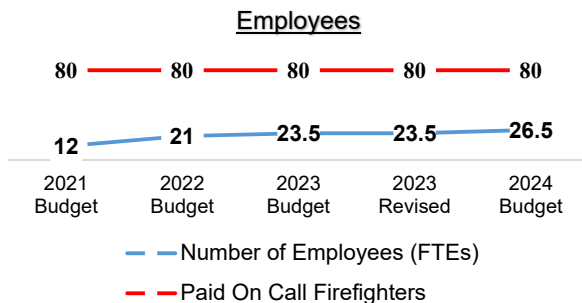


## Key Measures:

|   | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|---|----------------|----------------|-------------------|-------------------|
| Paid-on-call firefighters                           | 79             | 61             | 61                | 65                |
| Total fire calls, excluding medicals                | 1,206          | 1,421          | 1,425             | 1,500             |
| Number of false alarms                              | 329            | 416            | 350               | 350               |
| Medical calls                                       | 2,997          | 3,703          | 3,800             | 3,900             |
| Firefighter calls outs                              | 83             | 92             | 95                | 100               |
| Non-duty crew training hours                        | 13,655         | 15,128         | 15,000            | 15,000            |
| Daily On Duty Crew Staffing - FTE/Part Time         | 1/4            | 4/4            | 5/4               | 6/4               |
| Average response time to all emergency calls        | 8:06           | 8:21           | 8:11              | 8:00              |
| Effective Response Force (at least 10 firefighters) | 12:27          | 19:09          | 21:41             | 20:00             |

## Budget Comments/Issues:

- The city continues to address the changing public safety needs of the community and the shifting workforce dynamics that continues to shift more daily staffing to full-time personnel.
- In 2024 the city's staffing goal is to provide station coverage on the north part of city from 8 AM - 7 PM daily in order to reduce response times in the busiest district.
- To insure quality service, transparency, planning and to make informed operational changes that are data driven, the Fire Department has begun the accreditation process through the Center for Public Safety Excellence.
- The 2024 budget includes the funding of three additional full time personnel, allowing staffing of a total of six full time personnel on duty 24/7. These will be mid-year hires.
- The city engaged a consultant in 2023 to study station location and staffing, particularly on the north and south sides of the city in order to assure equitable coverage throughout the city. Council received the results of that study along with staff recommendations. This budget reflects the beginning stages of implementation of those recommendations.
- Staff continues seeking and implementing ways to be creative with staffing to maintain a safe and effective staffing level while also follow industry best practices.
- Staff will work closely with neighboring jurisdictions and state organizations to address increasing Emergency Medical Services (EMS) response times.





Department:  
Responsible Department:  
Fund Type:

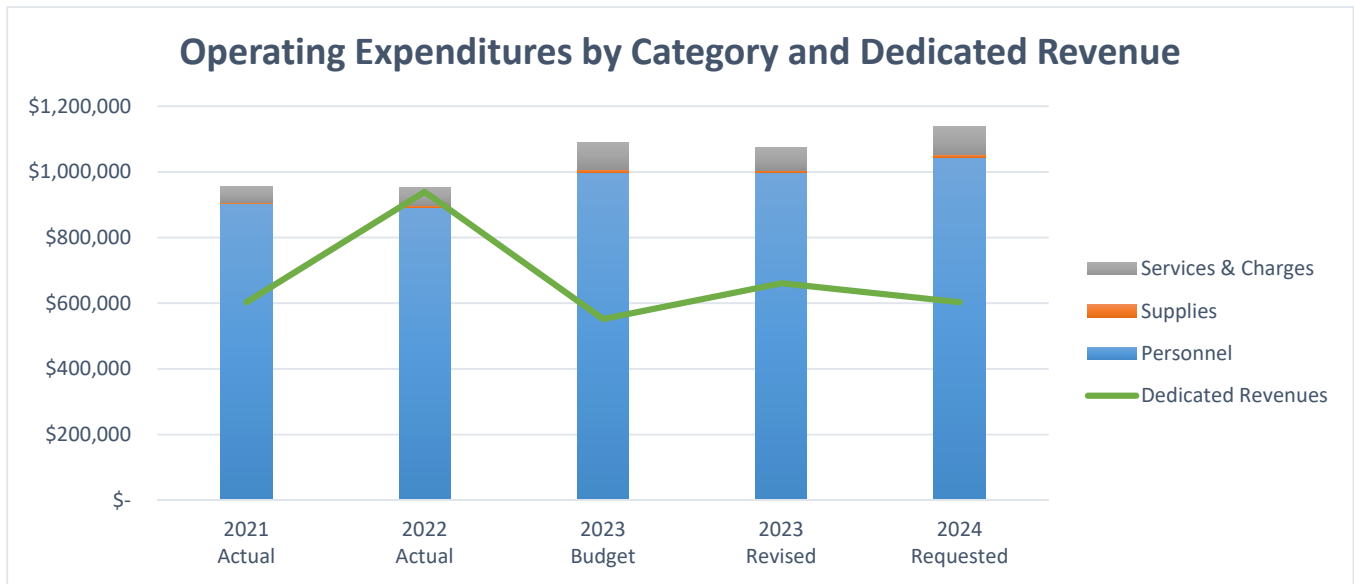
**Legal Department**  
Legal Department  
General Fund

**Description of Services:**

The Minnetonka City Attorney’s Office provides legal work in two primary areas. The office prosecutes petty misdemeanor, misdemeanor, and gross misdemeanor criminal cases for violations occurring in the City of Minnetonka. The office is also responsible for all non-criminal legal matters involving the city, including providing legal advice to the city council and staff, answering questions of citizens regarding city ordinances, providing staff support to the Charter Commission, and representing the city in uninsured litigation.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 602,890             | \$ 939,008             | \$ 552,000             | \$ 660,500              | \$ 603,100                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 902,524             | \$ 891,777             | \$ 999,000             | \$ 999,000              | \$ 1,044,100              |
| Supplies                           | 3,872                  | 5,348                  | 7,100                  | 6,500                   | 7,600                     |
| Services & Charges                 | 49,313                 | 55,248                 | 84,500                 | 67,700                  | 85,100                    |
| Total Operating Expenditures       | \$ 955,709             | \$ 952,373             | \$ 1,090,600           | \$ 1,073,200            | \$ 1,136,800              |



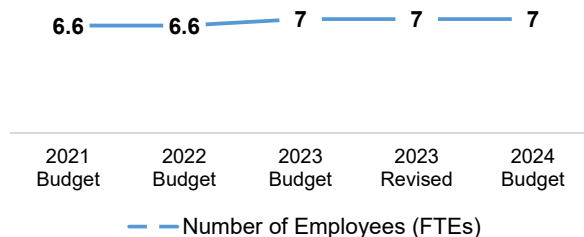
## Key Measures:

|   | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|---|----------------|----------------|-------------------|-------------------|
| Cases opened and processed by staff:                              | 748            | 624            | 650               | 710               |
| • Cases in court - all cases                                      | 443            | 515            | 515               | 575               |
| ▪ DWI cases in court  | 97             | 106            | 115               | 165               |
| ▪ Domestic violence cases in court                                | 37             | 59             | 60                | 60                |
| Contracts drafted or reviewed                                     | 91             | 96             | 95                | 95                |
| Customers rating staff at "above average" or "excellent"          | 100%           | 100%           | 95%               | 95%               |
| Charter Commission rating staff at "above average" or "excellent" | 83%            | 83%            | 100%              | 90%               |

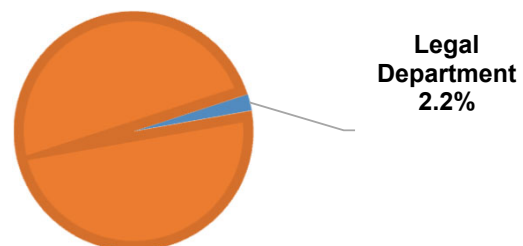
## Budget Comments/Issues:

- The Criminal Division continues to deal with impacts of the backlog of jury trials caused by the suspension of most jury trials during the COVID-19 pandemic. In its effort to reduce the backlog, the court now requires an additional court appearance on cases older than nine months, and trial dates must be scheduled after the third court appearance. The high number of trial settings results in frequent rescheduling of trials, which causes duplication of trial preparation work.
- The recent expansion of the video analyst position to full time has enabled the department to keep pace with demands for review of body and squad video evidence. However, the department is approaching its capacity to handle additional criminal cases with its existing staff.
- The Legal Department will explore the potential for additional administrative support by sharing a position with the Administrative Services Department.
- As the result of a new court rule intended to facilitate jury review of evidence, additional preparation of evidence both in advance of trial and during trial is required. Working with IT, the Criminal Division has secured a jury laptop and adopted procedures to assure compliance with the rule. The laptop was secured with 2023 budget funds, and no additional budget impact is expected for 2024.
- The 2024 budget continues to include funds for a part-time law clerk/intern to assist with general legal services, under a program through the League of Minnesota Cities. The intern is not a city employee and not included in the number of department FTEs. Law clerk/intern funds are used to cover unexpected expenditures in years that an intern is not available.
- The dedicated revenues consist almost exclusively of rental fees from antenna leases on water towers.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

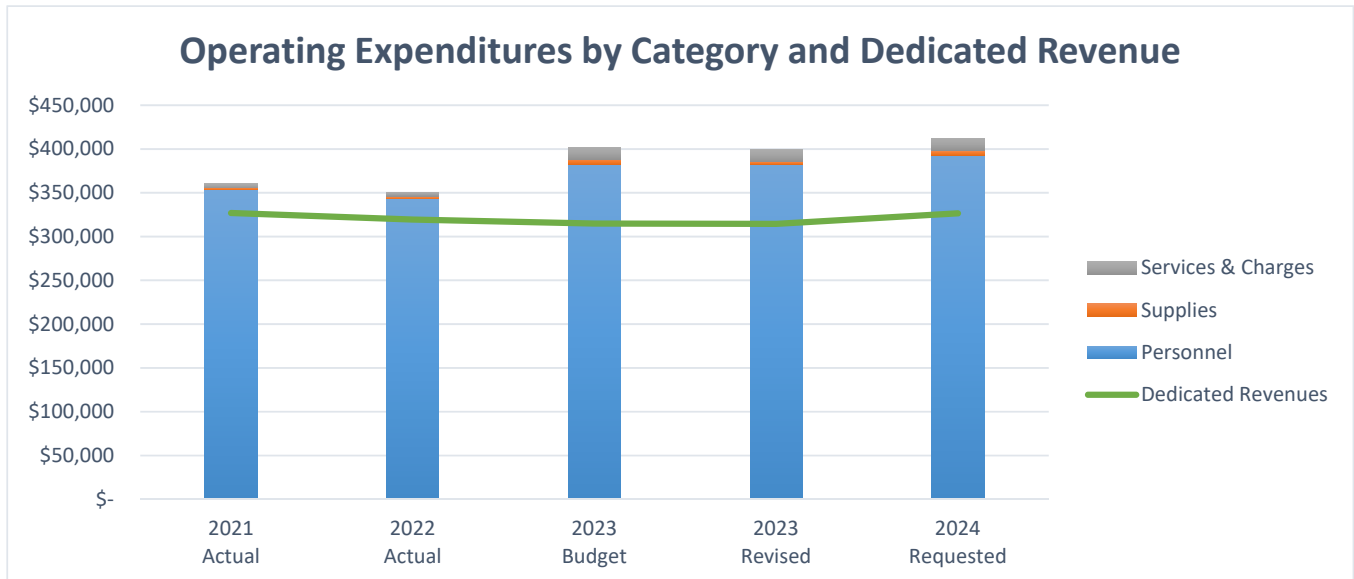
**Environmental Health Division**  
Community Development Department  
General Fund

**Description of Services:**

The mission of the Environmental Health Division is to ensure a safe and healthy community by inspecting all licensed establishments and investigating public health and nuisance complaints. The division is responsible for plan review and inspections of all licensed food, beverage, lodging, and massage establishments as well as all public swimming pools, refuse haulers, and vending machines. Lastly, the division is responsible for the investigation of all public health complaints and food borne illnesses and is the clearing house for the city's nuisance program, which includes the inspection/investigation of hundreds of violations each year.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 326,916             | \$ 319,319             | \$ 314,800             | \$ 314,445              | \$ 326,400                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 353,376             | \$ 342,903             | \$ 382,100             | \$ 382,100              | \$ 392,400                |
| Supplies                           | 2,402                  | 2,807                  | 6,300                  | 3,800                   | 5,600                     |
| Services & Charges                 | 4,488                  | 4,810                  | 13,900                 | 14,000                  | 14,300                    |
| Total Operating Expenditures       | <u>\$ 360,266</u>      | <u>\$ 350,520</u>      | <u>\$ 402,300</u>      | <u>\$ 399,900</u>       | <u>\$ 412,300</u>         |



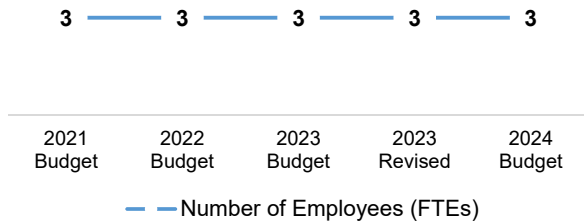
**Key Measures:**

|   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Licensed establishments                                   | 647                    | 598                    | 625                       | 625                       |
| Number of routine food inspections                        | 502                    | 432                    | 420                       | 420                       |
| Number of follow-up food inspections                      | 42                     | 82                     | 80                        | 80                        |
| Nuisance complaints                                       | 510                    | 484                    | 510                       | 510                       |
| Average number of days to resolve each nuisance complaint | 51                     | 55                     | 50                        | 50                        |

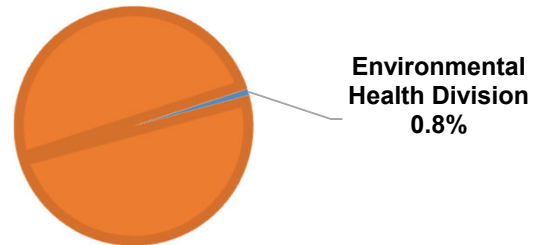
**Budget Comments/Issues:**

- In the 2024 budget, work in this area continues with 3 FTEs.
- The city will continue its contract with the City of Wayzata to conduct health inspections.
- The number of establishments and inspections remain steady.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

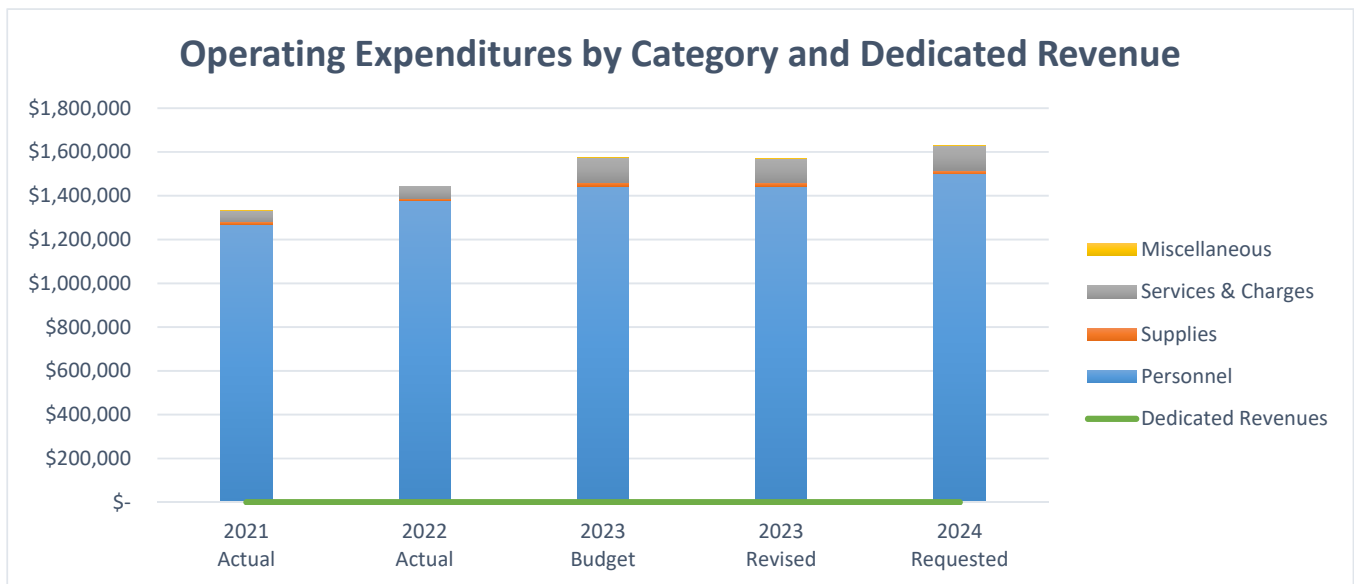
**Engineering Division**  
Engineering Department  
General Fund

**Description of Services:**

The Engineering Division manages and oversees most of the city's major capital construction projects, including all streets and many public facilities. The division's specific services include surveying, design, and construction administration and inspection. The division regularly coordinates its activities with other departments, other agencies and responds to general public inquiries, which include storm drainage problems and traffic complaints.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 38                  | \$ 69                  | \$ -                   | \$ -                    | \$ -                      |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 1,269,416           | \$ 1,377,227           | \$ 1,443,900           | \$ 1,443,900            | \$ 1,500,400              |
| Supplies                           | 10,710                 | 10,692                 | 18,300                 | 15,000                  | 15,500                    |
| Services & Charges                 | 51,731                 | 55,116                 | 112,200                | 112,200                 | 113,500                   |
| Miscellaneous                      | 350                    | -                      | 1,000                  | 1,000                   | 1,000                     |
| Total Operating Expenditures       | <u>\$ 1,332,207</u>    | <u>\$ 1,443,035</u>    | <u>\$ 1,575,400</u>    | <u>\$ 1,572,100</u>     | <u>\$ 1,630,400</u>       |





## Key Measures:

|   | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Neighborhood meetings held  | 3                      | 2                      | 2                         | 2                         |
| Project newsletters mailed/emailed  | 1,796/31,774           | 2,885/44,996           | 6,000/25,000              | 1,500/5,000               |
| Property acquisitions for construction projects                             | 11                     | 21                     | 15                        | 0                         |
| Construction contracts started  | 11                     | 6                      | 7                         | 3                         |
| Construction projects completed   | 8                      | 6                      | 12                        | 5                         |
| Customer service surveys sent out/received                                  | 633/31                 | 449/28                 | 150/25                    | 150/25                    |
| Responding customers satisfied with project (rated as "average" or greater) | 83%                    | 86                     | 85                        | 85                        |

## Budget Comments/Issues:

- The 2024 budget for the Engineering Division provides funding to manage and fulfill workload demand services. Thousands of project communication texts and emails will continue to be sent out keeping residents informed of daily activities. New methods of communication will continue to be explored for future projects to continue to improve customer service.
- In 2024, the division will continue with an on-going program to survey sections of the city for speed compliance. The results will assist the Police Department with its enhanced traffic enforcement program. Speed counts are taken based on requests from the Police Department and concerned residents.
- The city performs 34 bridge inspections for all road bridges and large culverts every two years. The Rowland Road railroad bridge and Libbs Lake bridge get inspected every year.

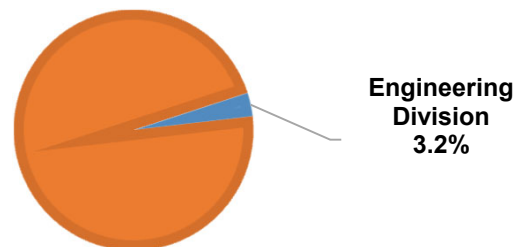
Employees

9.5 — 9.5 — 9.5 — 9.5 — 9.5

| 2021 Budget | 2022 Budget | 2023 Budget | 2023 Revised | 2024 Budget |
|-------------|-------------|-------------|--------------|-------------|
| 9.5         | 9.5         | 9.5         | 9.5          | 9.5         |

— Number of Employees (FTEs)

Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

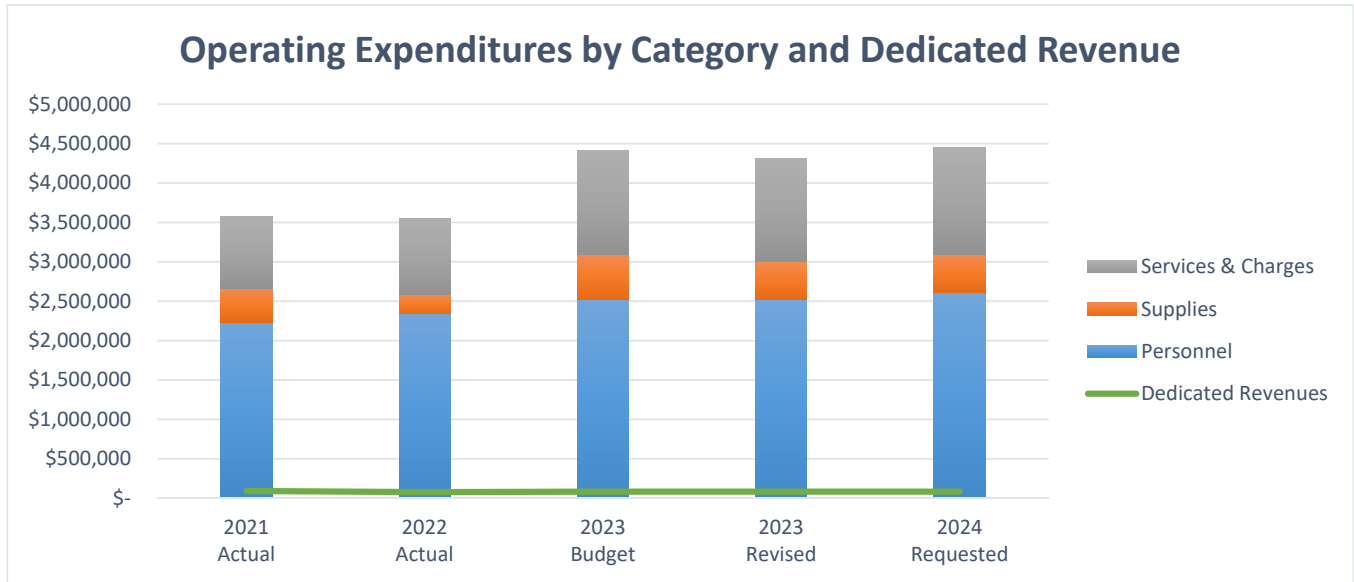
**Street Maintenance Division**  
Public Works Department  
General Fund

**Description of Services:**

The Street Maintenance Division of the Public Works Department is responsible for maintenance of 254 centerline miles of municipal right-of-way including pavement maintenance, snow and ice control, drainage, pavement markings, street signs, intersection traffic signals, street lighting, roadside mowing and tree trimming. Swings in climatic conditions dramatically affect seasonal maintenance expenditures on a year-to-year basis along with energy pricing that affects fuel, supplies and machine repair costs.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 92,752              | \$ 77,807              | \$ 84,300              | \$ 84,300               | \$ 84,300                 |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 2,235,396           | \$ 2,338,914           | \$ 2,526,800           | \$ 2,526,800            | \$ 2,614,100              |
| Supplies                           | 430,987                | 248,747                | 570,500                | 474,500                 | 483,400                   |
| Services & Charges                 | 910,262                | 964,262                | 1,311,500              | 1,303,540               | 1,349,800                 |
| Total Operating Expenditures       | \$ 3,576,645           | \$ 3,551,923           | \$ 4,408,800           | \$ 4,304,840            | \$ 4,447,300              |



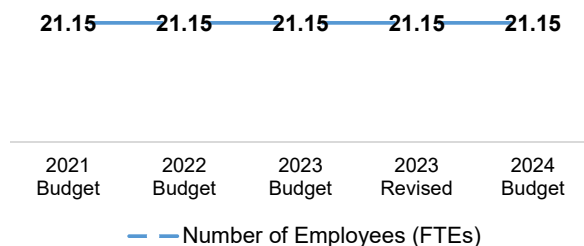
## Key Measures:

|                                       | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|---------------------------------------|----------------|----------------|-------------------|-------------------|
| Full-scale plowing events required    | 5              | 10             | 10                | 10                |
| Tons of salt used                     | 2,680          | 3,065          | 3,000             | 3,000             |
| Tons of bituminous mix laid           | 13,500         | 17,254         | 16,000            | 16,000            |
| Miles of maintenance overlays         | 9.8            | 10.7           | 6.9               | 11.5              |
| Signs installed                       | 310            | 285            | 300               | 300               |
| Miles of neighborhood refurbishment   | 1.8            | 1.4            | 3.9               | 0                 |
| Maintained streetscape area (sq. ft.) | 124,300        | 124,300        | 125,270           | 185,000           |

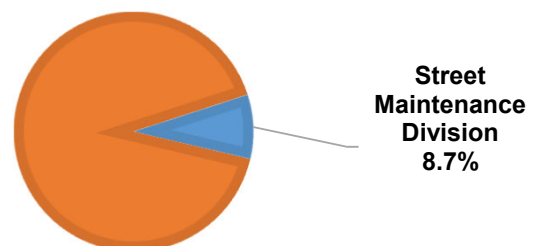
## Budget Comments/Issues:

- The 2024 budget maintains current service levels. Streetscape maintenance is currently provided by contract under an annual agreement. The contract will be extended again in 2024 to include the Ridgedale Drive streetscape improvements.
- This division is responsible for the neighborhood street pavement preservation program. The program uses a variety of pavement maintenance technologies to preserve streets after initial construction or thin overlay in order to extend their asset life and serviceability. In 2024, the focus of street preservation will be a number of areas throughout the city. Materials are funded through the Capital Improvement Program (CIP) by the Street Improvement Fund.
- The division is responsible for storm water drainage maintenance and collaborates with the Engineering Division to assure compliance with National Pollution Discharge Elimination System (NPDES) permit requirements. Projects are coordinated with the water resources engineer and natural resources manager.
- Winter road maintenance uses liquid salt brine along with crystal salt for winter snow and ice control. Liquid salt solutions increase crystal salt effectiveness and reduce the total amount of salt used on roadways which minimizes chloride ions that end up in storm water and wetlands. This road maintenance technology addresses environmental concerns which are increasingly important. The city manufactures brine (liquid salt) for its own use and also sells product to Hennepin County and other neighboring cities and school districts, which offsets city purchasing and operational costs.
- The city's snowplow trucks have been outfitted with automated vehicle location (AVL) and digital salt spreader controllers that allow drivers to precisely control the amount and location of salt that is applied on streets and records the total the amount of salt that is used for each plowing or sanding event. Supervisors then use the data for jurisdictional reporting such as watershed districts, Hennepin County and the State of Minnesota.
- The operating budget for the division is highly impacted by seasonal climatic variations and the cost of fossil fuel energy, which affect the cost and amount of fuel, street lighting, road maintenance/construction supplies and machine repair parts.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

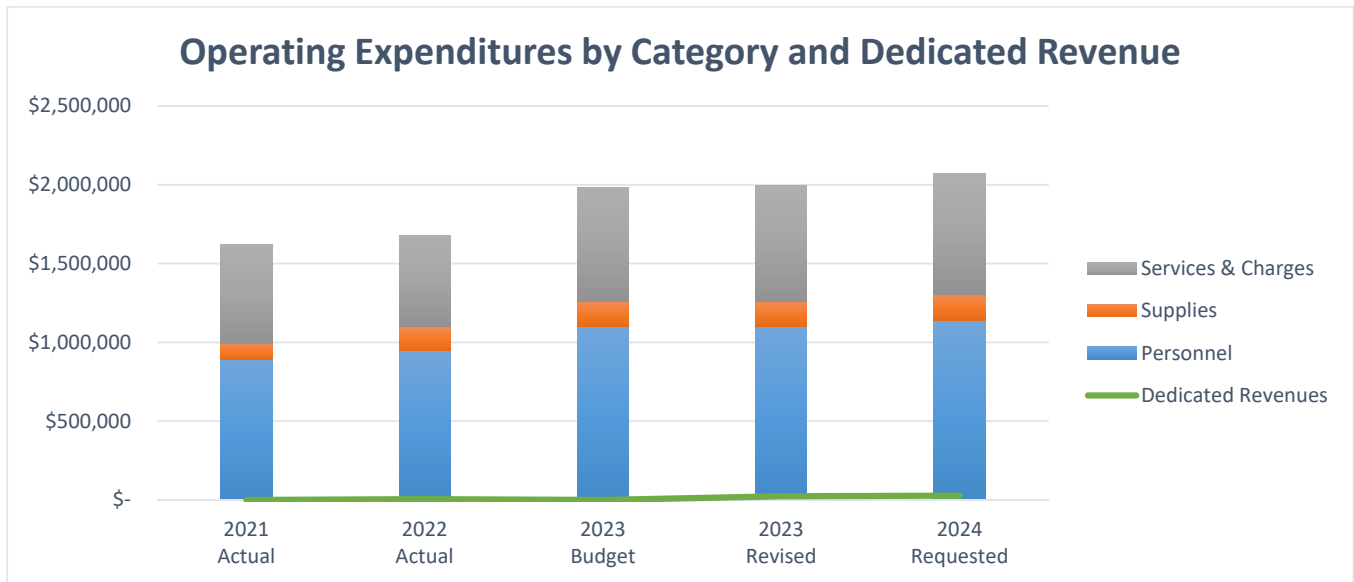
**Building Maintenance Division**  
Public Works Department  
General Fund

**Description of Services:**

The Building Maintenance Division of the Public Works Department is responsible for the maintenance and repair of the city's 15 community buildings and their component systems such as heating, ventilation, air conditioning, electrical, plumbing and mechanical. The division oversees and coordinates capital building improvement projects as outlined in the city's Capital Improvements Program (CIP). It also supports the city's enterprise fund facilities and parks buildings with maintenance and capital project support. Staff was increased by one FTE in 2023 to support the Marsh facility.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 10                  | \$ 5,426               | \$ -                   | \$ 24,000               | \$ 27,600                 |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 892,268             | \$ 947,250             | \$ 1,099,900           | \$ 1,099,900            | \$ 1,136,200              |
| Supplies                           | 99,623                 | 152,390                | 159,700                | 158,000                 | 169,200                   |
| Services & Charges                 | 628,567                | 579,095                | 724,300                | 737,700                 | 764,000                   |
| Total Operating Expenditures       | <u>\$ 1,620,458</u>    | <u>\$ 1,678,735</u>    | <u>\$ 1,983,900</u>    | <u>\$ 1,995,600</u>     | <u>\$ 2,069,400</u>       |

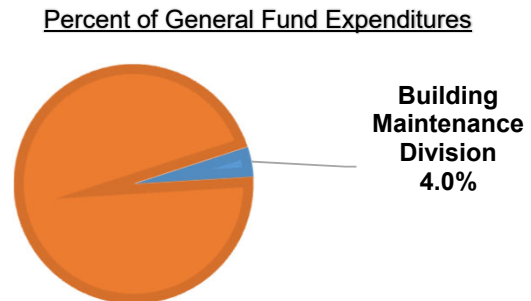
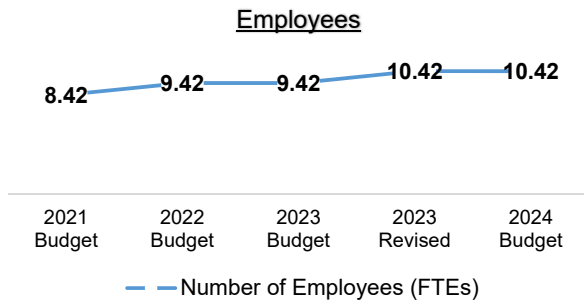


**Key Measures:**

|                                   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|-----------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Work orders completed             | 2,785                  | 2,669                  | 2785                      | 2,785                     |
| Heat energy - cost                | \$84,489               | \$113,479              | \$120,000                 | \$84,489                  |
| Heat energy used (THM)            | 222,570                | 390,000                | 225,000                   | 222,570                   |
| Electrical energy - cost          | \$267,566              | \$208,475              | \$267,566                 | \$267,566                 |
| Electrical energy used (kWh)      | 3,725,000              | 4,396,000              | 4,400,000                 | 4,400,000                 |
| Solar Garden Savings (all bldgs.) | \$60,850               | \$141,247              | \$150,000                 | \$150,000                 |

**Budget Comments/Issues:**

- The 2024 budget for the Building Maintenance Division maintains current service level and continues pandemic sanitation efforts for work spaces and public restrooms. It anticipates adding EV charger revenue and maintenance. Planning for a solar deployment will increase the review of roofs and open space for feasibility analysis.
- The Fire Department study associated with the full-time deployment is expected to impact satellite station support.
- Building automation and temperature setbacks will be examined with the rising costs for electric and natural gas.





Division:  
Responsible Department:  
Fund Type:

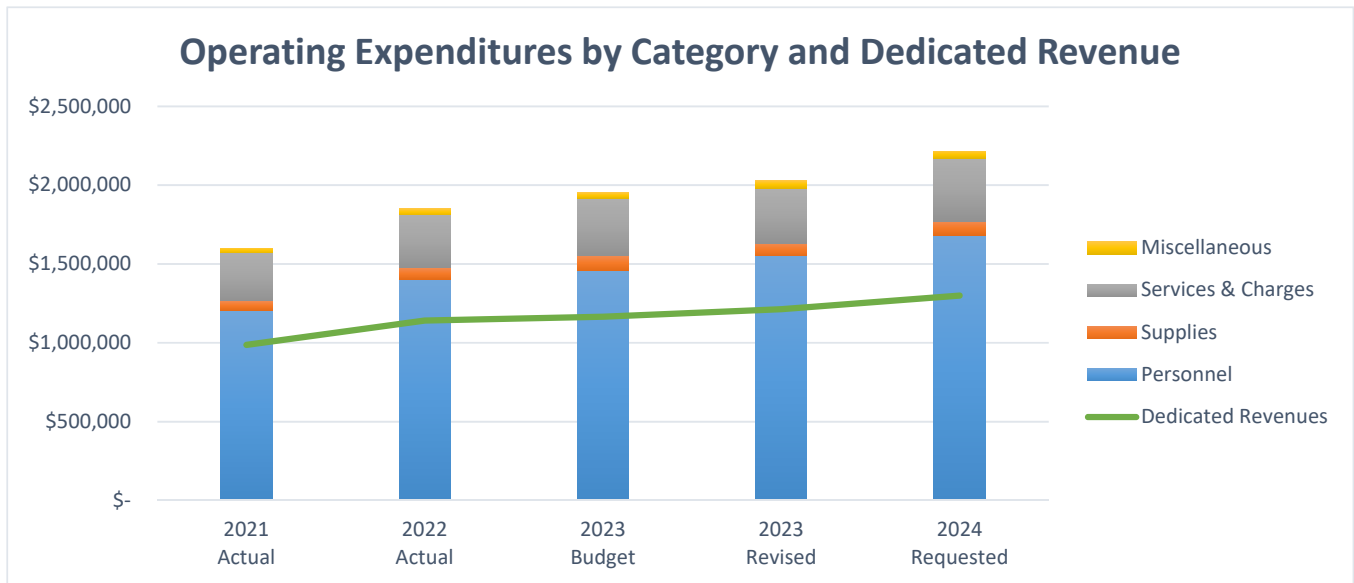
**Joint Recreation Division**  
Recreation Services Department  
General Fund

**Description of Services:**

The mission of the Joint Recreation Division of the Recreation Services Department is to develop, provide and promote programs and facilities in anticipation of and in response to the recreational needs and interests of our community. The division administers a wide variety of programs and services for residents of Minnetonka and Hopkins. The net cost of the joint recreation program is shared by Minnetonka (67%) and the City of Hopkins (33%). Programs are offered in over 60 areas of interest for participants from infants to senior citizens. This division also oversees the operation of Shady Oak Beach, attended by approximately 25,000 people annually.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 986,778             | \$ 1,141,292           | \$ 1,165,800           | \$ 1,213,607            | \$ 1,299,700              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 1,205,022           | \$ 1,400,953           | \$ 1,461,800           | \$ 1,551,300            | \$ 1,682,100              |
| Supplies                           | 61,515                 | 73,214                 | 90,000                 | 81,000                  | 89,400                    |
| Services & Charges                 | 303,315                | 337,030                | 366,200                | 347,700                 | 400,300                   |
| Miscellaneous                      | 30,831                 | 39,560                 | 35,000                 | 48,600                  | 45,000                    |
| Total Operating Expenditures       | <u>\$ 1,600,683</u>    | <u>\$ 1,850,757</u>    | <u>\$ 1,953,000</u>    | <u>\$ 2,028,600</u>     | <u>\$ 2,216,800</u>       |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers Out                      | <u>\$ (11,603)</u>     | <u>\$ (11,861)</u>     | <u>\$ (8,000)</u>      | <u>\$ (8,000)</u>       | <u>\$ (8,000)</u>         |



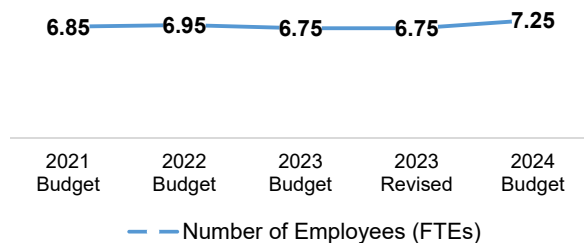
## Key Measures:

|                                      | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|--------------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Program participants                 | 20,523                 | 26,751                 | 26,651                    | 27,000                    |
| Adult sports teams registered        | 300                    | 451                    | 445                       | 450                       |
| Youth sports participation           | 539                    | 692                    | 636                       | 700                       |
| Shady Oak Beach season passes sold   | 3,931                  | 4,025                  | 3,338                     | 3,700                     |
| Scholarships approved                | 70                     | 78                     | 59                        | 75                        |
| Total value of scholarships approved | \$7,000                | \$7,800                | \$5,900                   | \$7,500                   |
| Swimming Lesson Participation        | 882                    | 1,067                  | 1,800                     | 1,850                     |

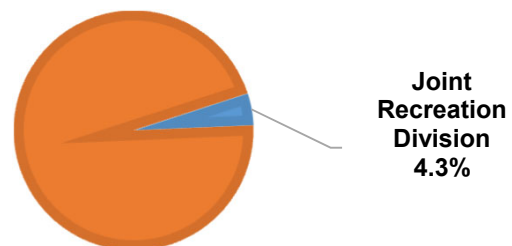
## Budget Comments/Issues:

- After canceling the youth basketball league for the 2021-22 season due to low enrollment, Recreation Services reached out to the City of Plymouth about partnering on the league to increase participation. This proved to be successful and the league was held in 2022-23 with a total of 18 teams and approximately 175 participants. There are enough youth registered to run the league in 2023-2024 as well.
- An annual goal for the department's budget is to cover 80% of expenses with the fees collected. Due to COVID-19, only 66.04% of expenditures were covered in 2021. This percentage increased to 72.67% in 2022 and is expected to further increase in 2023.
- Participation in adult sports rebounded favorably in 2022 and continued to increase in 2023. Participation increased in basketball, broomball and soccer leagues in 2023.
- In order to attract quality seasonal employees and stay competitive with surrounding cities, minimum hourly rates were increased to a starting rate of \$15/hr for all positions in 2023.
- Qualified scholarship applicants receive \$100 annually to apply towards eligible programs of their choosing. All scholarship requests were granted in 2022 and 2023.
- Registration for swimming lessons, both group and private, has been on the rise for the past several years. With the purchase of The Marsh in 2023, there is now additional pool space available to meet the rising demand. From 2022-2023, lesson registration increased by approximately 750 participants.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

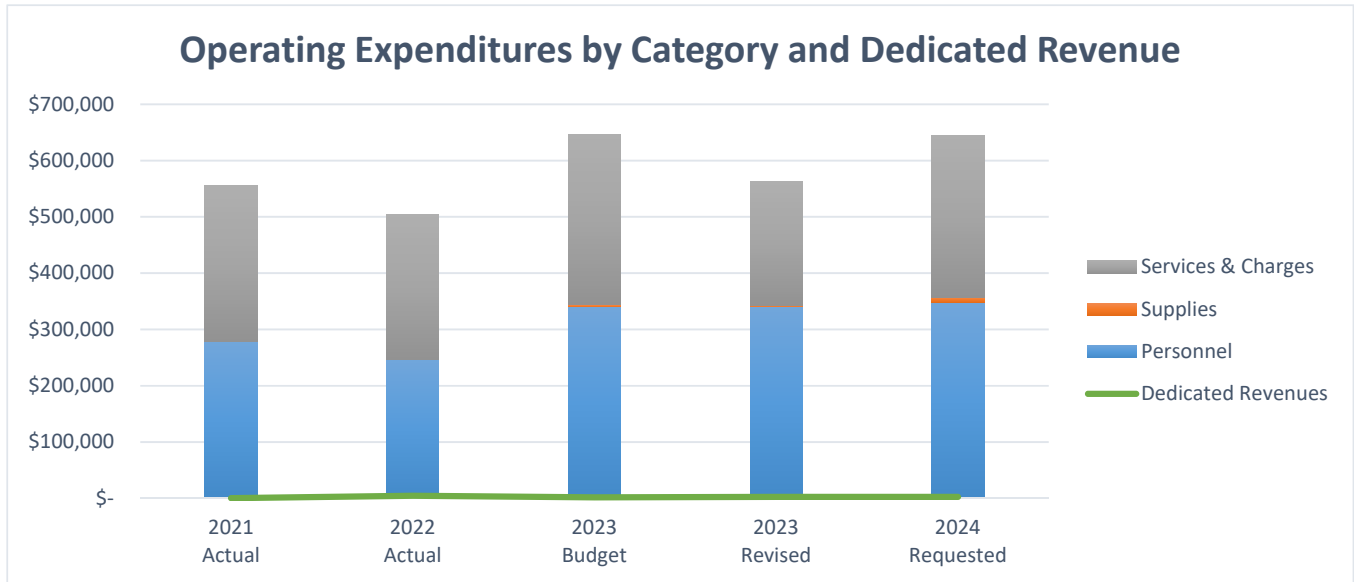
**Minnetonka Recreation Division**  
Recreation Services Department  
General Fund

**Description of Services:**

The mission of the Minnetonka Recreation Division is to develop, provide and promote programs and facilities in anticipation of and in response to the recreational needs and interests of Minnetonka residents. Recreational amenities and programs included in this budget are primarily intended to serve residents of Minnetonka and include the Royals Athletic Center, Music Association of Minnetonka programs, Libbs Lake Beach, outdoor ice rink operations, and six summer playground program locations.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 500                 | \$ 4,580               | \$ 1,800               | \$ 2,500                | \$ 2,500                  |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 277,834             | \$ 245,981             | \$ 340,300             | \$ 340,300              | \$ 347,700                |
| Supplies                           | 1,208                  | 1,642                  | 3,600                  | 1,700                   | 9,600                     |
| Services & Charges                 | 276,032                | 257,178                | 302,600                | 220,800                 | 288,200                   |
| Total Operating Expenditures       | <u>\$ 555,074</u>      | <u>\$ 504,801</u>      | <u>\$ 646,500</u>      | <u>\$ 562,800</u>       | <u>\$ 645,500</u>         |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers Out                      | <u>\$ (113,000)</u>    | <u>\$ (113,000)</u>    | <u>\$ (113,000)</u>    | <u>\$ (113,000)</u>     | <u>\$ (113,000)</u>       |





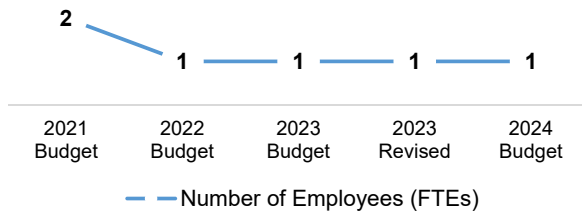
## Key Measures:

|  | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Minnetonka playground registrations                | 924                    | 770                    | 689                       | 700                       |
| Warming House Attendance                           | N/A                    | 7,130                  | 5,800                     | 6,500                     |
| Music Association of Minnetonka (MAM) participants | 295                    | 287                    | 290                       | 290                       |
| Special Event Attendance (Summer Fest, Kid's Fest) | 0                      | 7,195                  | 7,000                     | 7,500                     |
| Music/Theater/Movies in the Park attendance        | 4,890                  | 4,500                  | 3,750                     | 4,000                     |

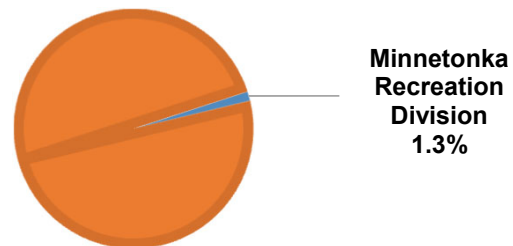
## Budget Comments/Issues:

- Minnetonka recreation programming is annually reviewed and adjusted to provide programming that is desired by the community at the present time.
- A new registration process for the Park Adventures program was implemented in 2021. Rather than registering for the entire season, participants now register for each week to encourage more consistent attendance. This format worked well and has continued. Lower than normal staffing levels has affected the number of registrants some sites are able to accommodate.
- Outdoor ice rinks are provided at six city park locations as well as Glen Lake Elementary School. There were a number of snow events during the 2022-23 that resulted in only 47 days open during the planned 66 day season.
- Tuesday evening Music in the Park concerts at the Amphitheater are a popular destination for city residents. The Farmers Market was moved to Ridgedale Commons in 2023, which resulted in slightly lower attendance at Music in the Park. Favorable weather conditions resulted in good attendance for the three Movie in the Park events that took place. Approximately 3,750 people attended these events in 2023.
- Music Association of Minnetonka (MAM) programs offered in 2022-23 include the following: Youth Choir, Symphony Orchestra, Chamber Orchestra, Concert Band, Jazz Band and Senior Chorale. They performed 18 free community concerts and 7 outreach concerts at senior living facilities.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

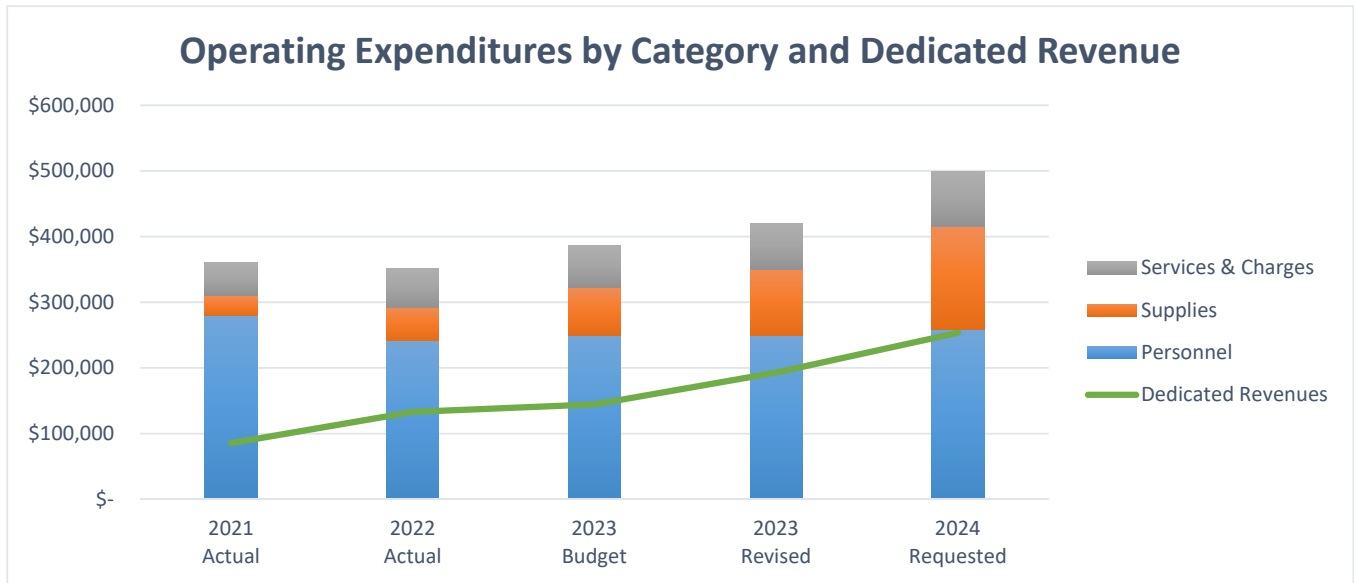
**Senior Services Division**  
Recreation Services Department  
General Fund

**Description of Services:**

The goals of the Senior Services Division are to: broaden the knowledge and involvement of residents 55+; offer diverse programs and services; promote independent living; and encourage volunteerism. The division provides a wide range of leisure activities serving a diverse senior population as well as addressing day-to-day living experiences. Senior programming includes day-trips, education classes, fitness classes, defensive driving, outreach/insurance consultation, and meal/entertainment experiences. In addition, there are 30 special interest groups offered to residents. Some services are provided through contracts with private or non-profit organizations, and a portion of the costs for programs is recovered through fees.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 85,646              | \$ 133,094             | \$ 144,600             | \$ 193,000              | \$ 253,500                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 279,186             | \$ 241,298             | \$ 249,400             | \$ 249,400              | \$ 259,100                |
| Supplies                           | 30,915                 | 51,315                 | 72,800                 | 100,000                 | 156,100                   |
| Services & Charges                 | 50,550                 | 58,865                 | 64,000                 | 70,900                  | 84,400                    |
| Total Operating Expenditures       | \$ 360,651             | \$ 351,478             | \$ 386,200             | \$ 420,300              | \$ 499,600                |



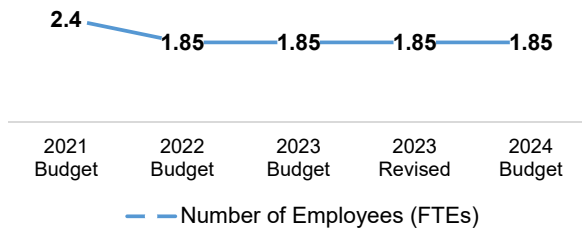
## Key Measures:

|                            | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|----------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Program participant visits | 21,165                 | 23,360                 | 25,000                    | 27,000                    |
| Programs offered           | 270                    | 328                    | 355                       | 370                       |
| Senior volunteers used     | 85                     | 203                    | 200                       | 200                       |
| Volunteer hours donated    | 5,300                  | 5,557                  | 7,000                     | 7,000                     |

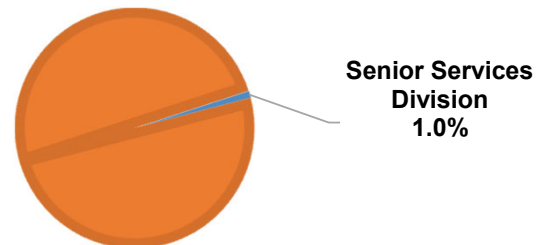
## Budget Comments/Issues:

- Senior Services staff provide programs and services designed to meet the needs of the growing 55+ demographic.
- Senior Services continues to offer dementia programming such as Memory Café, Dementia Friends classes, caregiver support groups and educational presentations.
- Senior Services key measures are rebounding after the community center reopened to the public July 2021 for the first time since it was closed due to the pandemic. Participation continues to increase since that time - class sizes have increased, special interest groups are growing and meeting in-person, and day trips were reinstated June 2022.
- Volunteer hours donated by Senior Services participants have steadily increased since 2020, trending towards pre-pandemic levels.
- As senior day trip programs continue to gain in popularity, staff is planning to offer more trips in 2024 including two extended overnight bus trips out of state. The extra trips will increase expenses, but revenues will also increase to cover those expenses.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

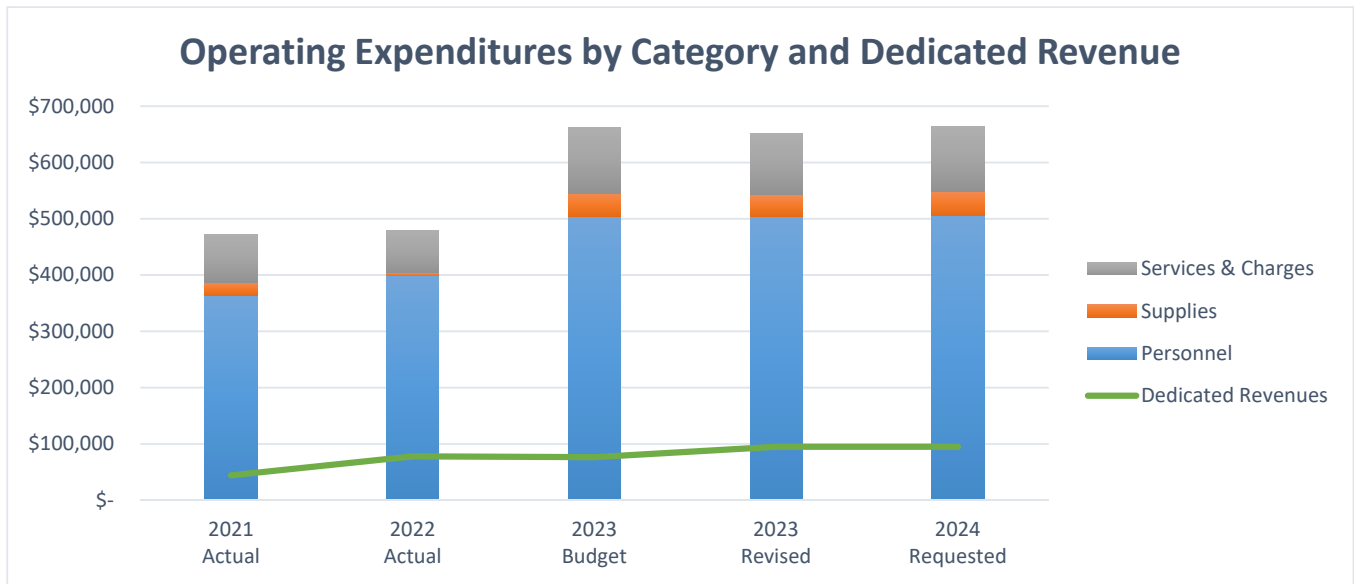
**Community Facilities Division**  
Recreation Services Department  
General Fund

**Description of Services:**

The Community Facilities Division manages city-owned facilities including the Community Center, Glen Lake Activity Center, 10 picnic shelters, athletic fields, Royals Athletic Center and the Shady Oak Lake Cemetery. Except for the cemetery, all of the facilities offer a variety of rental spaces for community use. Fees vary dependent on the facility and type of group (resident, non-resident, non-profit). Picnic shelter permits are issued for Gro Tonka, Lone Lake and Shady Oak Park shelters in Minnetonka; and Burnes, Central, Cottageville, Oakes, and Valley Park shelters in Hopkins.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 44,309              | \$ 78,020              | \$ 76,700              | \$ 95,000               | \$ 95,000                 |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 363,698             | \$ 398,811             | \$ 503,800             | \$ 503,800              | \$ 506,300                |
| Supplies                           | 23,691                 | 5,314                  | 41,800                 | 39,300                  | 42,000                    |
| Services & Charges                 | 84,501                 | 75,342                 | 116,800                | 107,900                 | 115,800                   |
| Total Operating Expenditures       | <u>\$ 471,890</u>      | <u>\$ 479,467</u>      | <u>\$ 662,400</u>      | <u>\$ 651,000</u>       | <u>\$ 664,100</u>         |



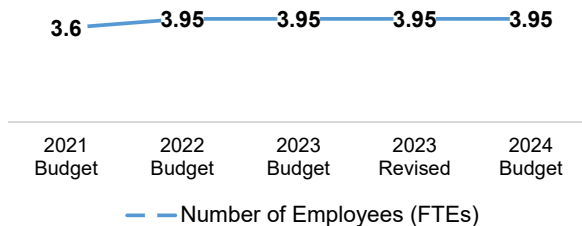
## Key Measures:

|                                   | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|-----------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Community Center rental revenue   | \$44,309               | \$78,020               | \$85,000                  | \$95,000                  |
| Community Center hours reserved   | 5,462                  | 8,938                  | 10,000                    | 10,500                    |
| Satellite facility hours reserved | 317                    | 417                    | 350                       | 375                       |
| Picnic shelter permits issued     | 472                    | 370                    | 350                       | 350                       |
| Athletic field hours reserved     | 4,054                  | 4,097                  | 4,100                     | 4,100                     |

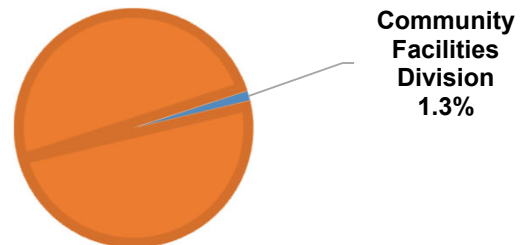
## Budget Comments/Issues:

- The 2024 budget for the Community Facilities Division provides current level services.
- Consistent with the council's strategic plan, a market study is completed annually to determine fees for use of the Community Center and other recreational facilities. Fees were last increased July 2022.
- Community Center rental revenue and use hours are significantly lower in 2021 because of cancelled events and meetings due to COVID-19. Revenue and use hours rebounded in 2022 and is continuing in 2023 as customers become more comfortable returning to larger gatherings.
- Community Center use hours and revenue were affected by the planned renovation in 2022/2023 due to not accepting room rentals in anticipation of the renovation.
- The number of picnic shelter permits issued in 2021 spiked due to customers and Hopkins School District holding more events and programs outdoors due to COVID-19. In 2022 and 2023, reservations moved back towards pre-pandemic levels and 2024 is expected to be similar.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

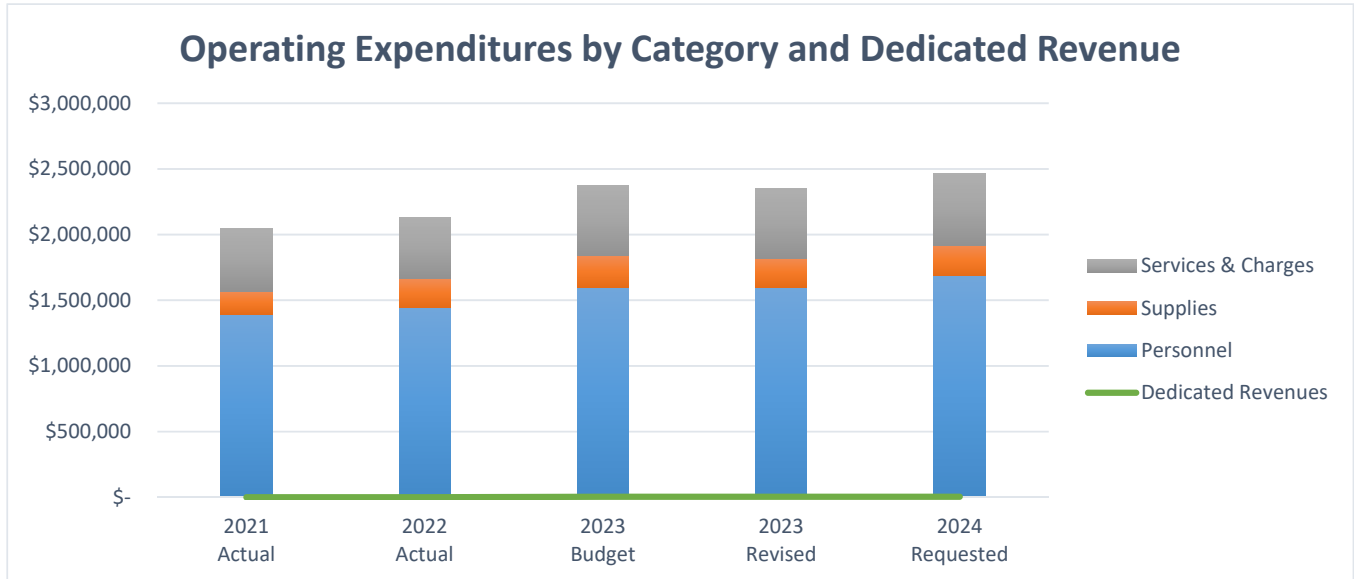
**Parks & Trails Division**  
Public Works Department  
General Fund

**Description of Services:**

The Parks and Trails Division of the Public Works Department is responsible for all park, trail & sidewalk maintenance, planning and development. This includes: park and open space turf areas, 11 athletic fields, 18 ice rinks, over 100 miles of trails & sidewalks and 31 play structures at 54 parks. Future development decisions regarding parks and open space actively include community users, Recreation Department staff, the Minnetonka Park Board and the City Council. In the future, the increase in trail and sidewalk mileage will require that equipment and personnel be added to meet maintenance needs.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ -                   | \$ 865                 | \$ 4,500               | \$ 4,500                | \$ 4,500                  |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 1,394,845           | \$ 1,446,717           | \$ 1,599,500           | \$ 1,599,500            | \$ 1,686,400              |
| Supplies                           | 174,658                | 218,358                | 239,300                | 221,500                 | 233,300                   |
| Services & Charges                 | 479,911                | 461,177                | 534,700                | 533,700                 | 541,700                   |
| Total Operating Expenditures       | <u>\$ 2,049,414</u>    | <u>\$ 2,126,252</u>    | <u>\$ 2,373,500</u>    | <u>\$ 2,354,700</u>     | <u>\$ 2,461,400</u>       |

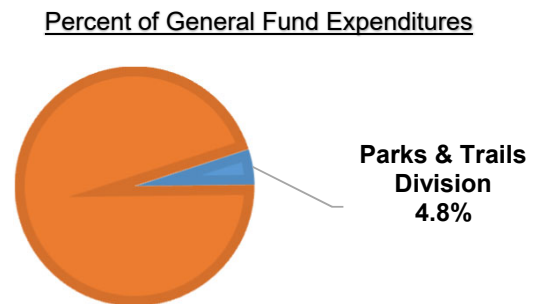
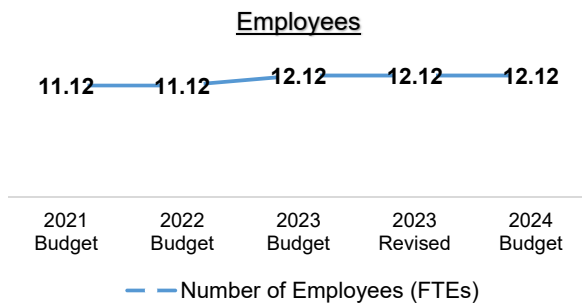


## Key Measures:

|  | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Park acreage maintained  | 1,291                  | 1,291                  | 1,293                     | 1,293                     |
| Level 1 - Maintenance Areas (# /acres)*  | 7/400                  | 7/400                  | 8/402                     | 8/402                     |
| Level 2 - Maintenance Areas (# /acres)*  | 13/199                 | 11/199                 | 11/199                    | 11/199                    |
| Levels 3 & 4 - Maintenance Areas (# /acres)*   | 32/692                 | 34/692                 | 34/692                    | 34/692                    |
| Trails and sidewalks maintained (miles)  | 108.7                  | 109.5                  | 110.9                     | 111.4                     |
| * Level 1 = High use, high maintenance;<br>Level 2 = Moderate maintenance, some grooming 1x / week;<br>Level 3 = Low to moderate maintenance;<br>Level 4 = Minimal maintenance |                        |                        |                           |                           |

## Budget Comments/Issues:

- The 2024 budget continues providing for increasing service levels as staff accommodates an expanding inventory of city park amenities and trails and sidewalks which require additional maintenance.
- The 2023 Trail Improvement Plan included the completion of the Minnetonka Boulevard trail from Groveland Elementary to Tonkawood Rd and the trail along Smetana Road from Westbrook Way to Sanibel Drive. 2024 will include a trail along Hopkins Crossroad from Cedar Lake Road to Oak Knoll Terrace North.
- The number of miles of trails and sidewalks maintained as indicated above excludes seasonal maintenance by the city of approximately eight miles of trails owned by Three Rivers Park District that are located within city limits.
- Ridgedale Commons Park opened in June 2023. This Level 1 park has significant landscape plantings, site furnishings, water feature, amenities, and a building that requires regular maintenance and custodial services to support use by the general public and programming by the Recreation Department.





Division:  
Responsible Department:  
Fund Type:

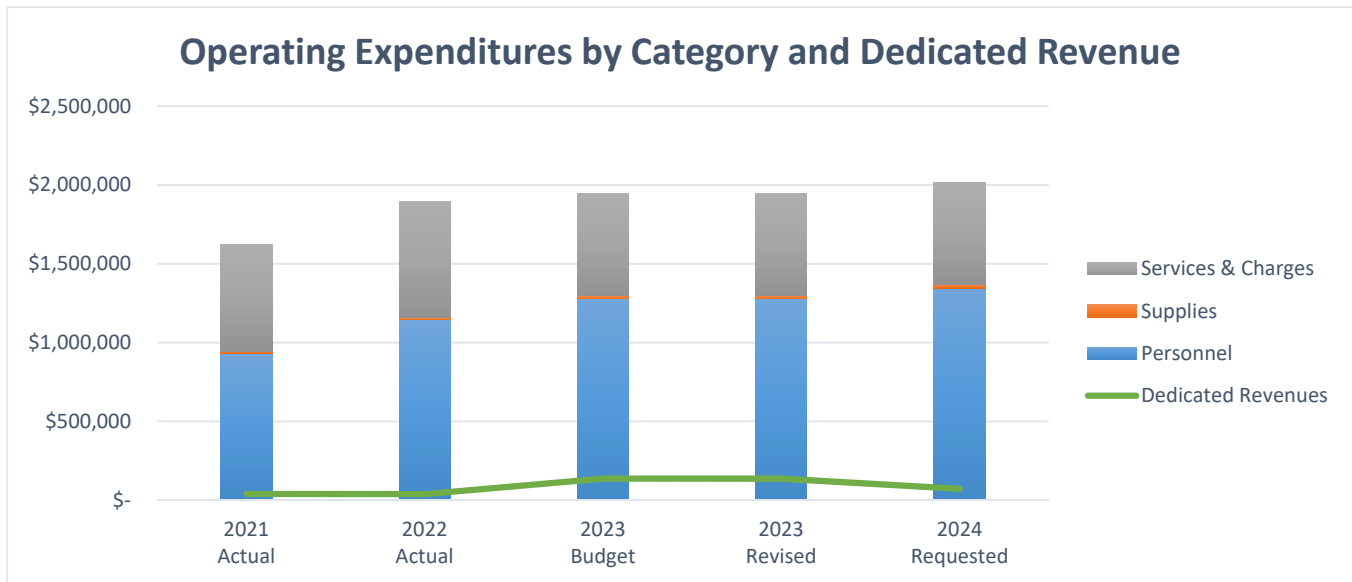
**Natural Resources Division**  
Public Works Department  
General Fund

**Description of Services:**

The Natural Resources Division manages the planning, development and stewardship of the community's natural resources as guided by the 2021 Natural Resources Master Plan. The division is responsible for urban forest management, natural resource conservation and protection, enforcement of natural resource ordinances, public land stewardship, environmental education, and community engagement through volunteers, public events, and resident consultations.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 40,007              | \$ 38,985              | \$ 137,000             | \$ 137,000              | \$ 72,000                 |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 930,684             | \$ 1,144,916           | \$ 1,278,000           | \$ 1,278,000            | \$ 1,343,600              |
| Supplies                           | 14,260                 | 12,826                 | 19,200                 | 18,700                  | 22,500                    |
| Services & Charges                 | 676,790                | 740,385                | 649,400                | 648,500                 | 652,600                   |
| Total Operating Expenditures       | \$ 1,621,734           | \$ 1,898,127           | \$ 1,946,600           | \$ 1,945,200            | \$ 2,018,700              |





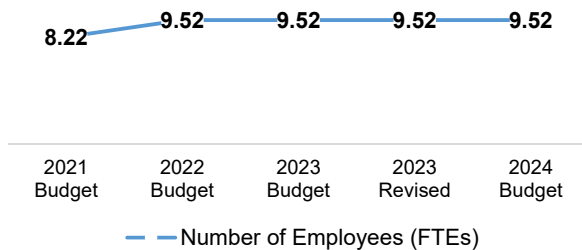
## Key Measures:

|   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Diseased trees removed (Oak & Elm)                                      | 730                    | 561                    | 650                       | 650                       |
| Public trees planted (reforestation/restoration)                        | 197                    | 105                    | 250                       | 250                       |
| Private trees planted through city's tree sale                          | 901                    | 775                    | 1,000                     | 1,100                     |
| Permits inspected for natural resource compliance / ongoing inspections | 369/400                | 258/400                | 350/425                   | 325/425                   |
| Development projects reviewed   | 53                     | 56                     | 70                        | 60                        |
| Volunteer programs conducted / hours donated                            | 26/810                 | 36/2,834               | 36/3,000                  | 45/3,000                  |
| Enforcement actions taken   | 30                     | 17                     | 30                        | 25                        |
| Wetland Conservation Act decisions/contacts                             | 17/275                 | 21/230                 | 20/250                    | 20/250                    |

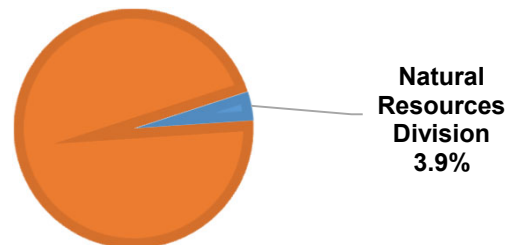
## Budget Comments/Issues:

- The 2023 budget for the Natural Resources Division anticipated an increased level of activity based on adoption of the 2021 Natural Resources Master Plan. Habitat restoration in high priority parks is increasing on over 350 acres of public lands, and the rapid expansion of Emerald Ash Borer (EAB) means that preemptive ash removals and replanting efforts are needed to help mitigate the impacts EAB is having on the community. In 2024, staff will also continue the removal of right-of-way ash trees which will be funded by the Forestry Fund and continue tree inspections for EAB, along with heightened community education. Development of the Minnetonka Community Forest Management Plan for 2024 will help guide forestry efforts in the future.
- The street tree pruning program will continue in 2024. This work is necessary in order to keep pace with street reconstructions and neighborhood street renovations. Pruning of public trees in parks and other open space areas will also continue.
- In 2024, natural resources staff will continue to work along with the engineering staff to implement requirements for the state Municipal Separate Storm Sewer System (MS4) permit. The new permit requirements include enhancing the city's public outreach and engagement efforts related to stormwater runoff and water quality protection, employee education and training on illicit discharges, reducing pet waste, limiting yard waste in storm drains, and reduction of chloride use by businesses, commercial facilities, and institutions.

Employees



Percent of General Fund Expenditures





Division:  
Responsible Department:  
Fund Type:

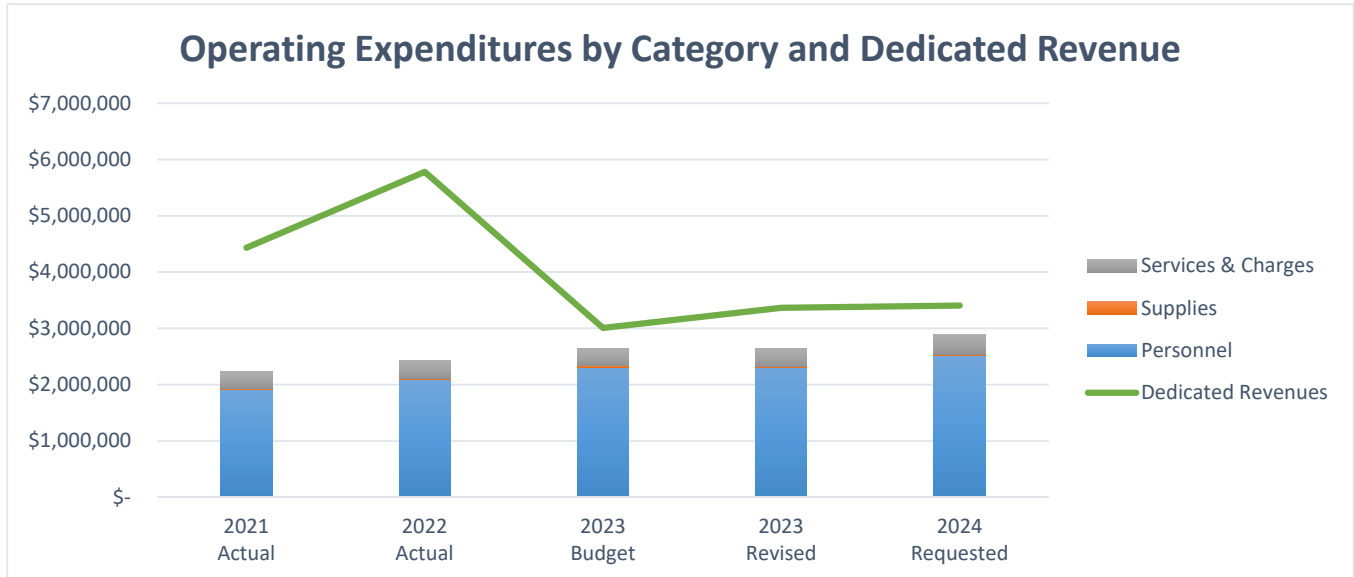
**Community Development Division**  
Community Development Department  
General Fund

**Description of Services:**

The mission of the Community Development Department is to promote building safety through education and inspections, and to promote community vitality through housing, redevelopment, and transit. The department educates residents and businesses about code compliance and assists them in developing a safer, healthier community by sharing clear, timely information with residents and businesses. Community Development also provides housing and redevelopment services for the city, and coordinates certain transit services, including the Transit Link. Building inspections are provided to Woodland and Greenwood via a contract for services.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 4,433,795           | \$ 5,780,291           | \$ 3,008,300           | \$ 3,367,165            | \$ 3,406,700              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 1,921,779           | \$ 2,093,561           | \$ 2,308,900           | \$ 2,308,900            | \$ 2,521,000              |
| Supplies                           | 20,084                 | 23,201                 | 30,100                 | 19,100                  | 21,700                    |
| Services & Charges                 | 286,753                | 307,585                | 305,300                | 315,800                 | 345,400                   |
| Total Operating Expenditures       | \$ 2,228,616           | \$ 2,424,347           | \$ 2,644,300           | \$ 2,643,800            | \$ 2,888,100              |

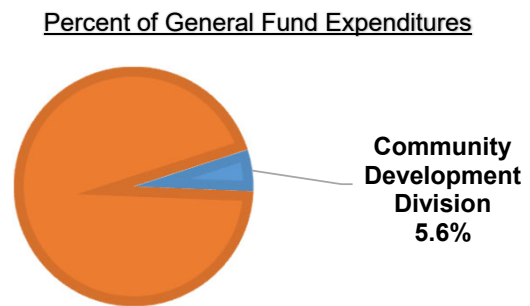
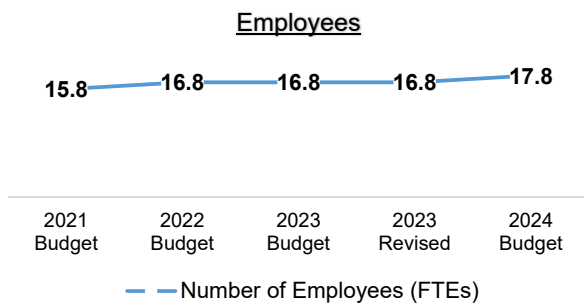


**Key Measures:**

|   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Permits issued                              | 9,515                  | 8,806                  | 7,150                     | 8,140                     |
| Building construction value                 | \$253 Million          | \$374 Million          | \$182 Million             | \$244 Million             |
| Residential building plan reviews completed | 2,581                  | 2,211                  | 2,240                     | 2,300                     |
| Agenda items prepared                       | 223                    | 202                    | 225                       | 225                       |
| # of annual inspections                     | 19,292                 | 20,164                 | 15,680                    | 16,700                    |

**Budget Comments/Issues:**

- Construction activity in 2024 may stabilize. Staffing includes an additional electrical inspector to address longer than average lead times.
- The number of 2024 permits issued is expected to remain steady. There is still some uncertainty with some projects due to high material costs, workforce challenges and higher interest rates for borrowing.
- An additional housing staff person was approved in 2022 to assist with council-directed housing initiatives.





Division:  
Responsible Department:  
Fund Type:

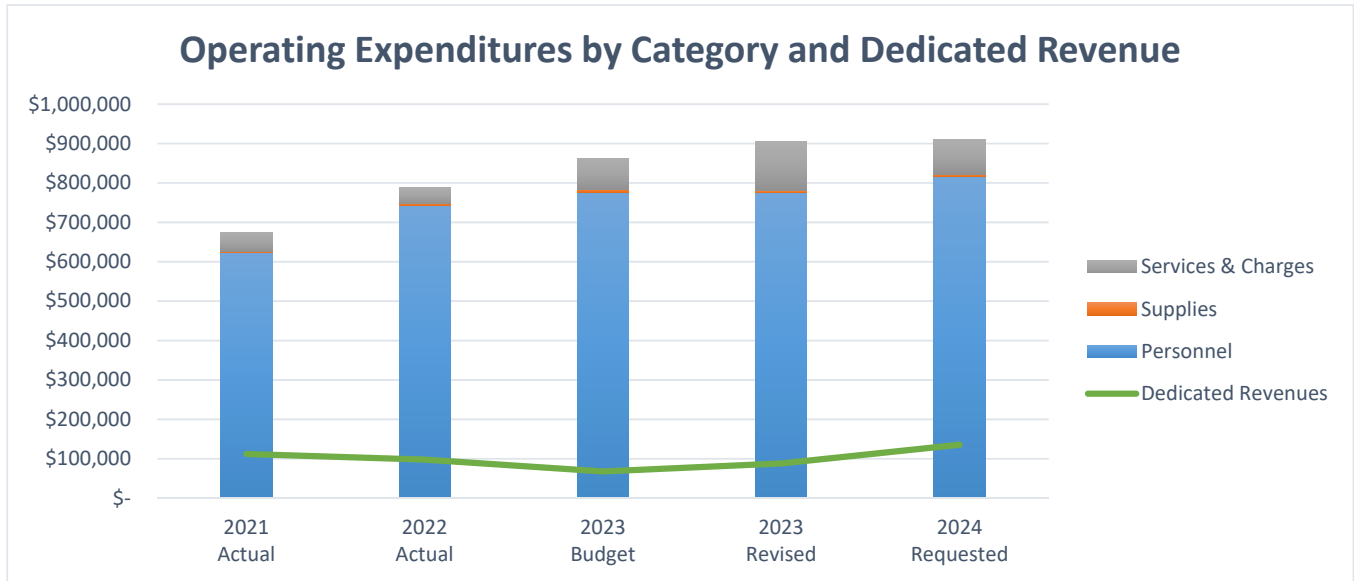
**Planning Division**  
Community Development Department  
General Fund

**Description of Services:**

The mission of the Planning Division is to champion the values of the community by guiding development and protecting the environment. The division serves Minnetonka by providing a long-range plan for the city, reviewing new development applications to ensure that development standards are met, and providing information and assistance to residents, businesses, other city departments, and developers.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 112,230             | \$ 98,110              | \$ 67,900              | \$ 88,200               | \$ 135,700                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 624,552             | \$ 742,904             | \$ 776,100             | \$ 776,100              | \$ 816,000                |
| Supplies                           | 1,842                  | 5,760                  | 8,300                  | 5,100                   | 6,200                     |
| Services & Charges                 | 49,042                 | 39,084                 | 78,200                 | 124,800                 | 88,200                    |
| Total Operating Expenditures       | <u>\$ 675,436</u>      | <u>\$ 787,748</u>      | <u>\$ 862,600</u>      | <u>\$ 906,000</u>       | <u>\$ 910,400</u>         |

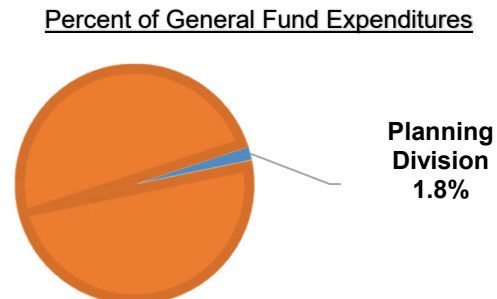
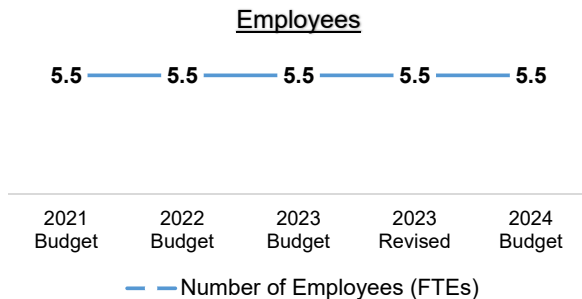


## Key Measures:

|                                | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|--------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Planning applications received | 127                    | 103                    | 120                       | 120                       |
| Building permits reviewed      | 642                    | 516                    | 425                       | 450                       |
| Grading permits issued         | 10                     | 12                     | 5                         | 10                        |
| Public meetings                | 77                     | 34                     | 68                        | 70                        |

## Budget Comments/Issues:

- The Planning Division continues to experience a steady work flow as a result of development requests and home related projects.
- Staff anticipates projects in the I-394 and Ridgedale area to continue and expects interest in the development around the Green Line Extension (SWLRT) to remain.
- In 2024 the city's Xcel Energy's Partners in Energy (PiE) Energy Action Plan will continue its implementation.
- Sustainability work is steadily increasing in the number of projects and broader staff involvement. Two Green Corps staff began work in Sept. 2023 and will be with the city through Aug. 2024.
- The Climate Action and Adaptation Plan will be completed in early 2024.
- In 2024, implementation of recommendations for zoning changes will be considered. Additional consulting services is anticipated.





CITY OF  
**MINNETONKA**

**2024 Annual Budget - Special Revenue Funds**

|  | Affordable<br>Housing<br>Trust Fund | Cable<br>Television      | Community<br>Development<br>Block Grant | Electric<br>Franchise<br>Fees |
|--|-------------------------------------|--------------------------|---|-------------------------------|
| Revenues:  |                                     |                          |   |                               |
| General Property Taxes                                       | \$ -                                | \$ -                     | \$ -                                    | \$ -                          |
| User Fees & Charges  | -                                   | -                        | -                                       | -                             |
| Intergovernmental Revenue                                    | 626,300                             | -                        | -                                       | -                             |
| Other Income   | 238,100                             | 927,700                  | 78,700                                  | 1,388,800                     |
| Total Revenues   | <u>\$ 864,400</u>                   | <u>\$ 927,700</u>        | <u>\$ 78,700</u>                        | <u>\$ 1,388,800</u>           |
| Expenditures   |                                     |                          |   |                               |
| General Government   | \$ -                                | \$ 838,400               | \$ -                                    | \$ -                          |
| Public Safety  | -                                   | -                        | -                                       | -                             |
| Streets & Utilities  | -                                   | -                        | -                                       | 1,010,000                     |
| Recreation   | -                                   | -                        | -                                       | -                             |
| Development  | 3,726,300                           | -                        | 120,000                                 | -                             |
| Total Expenditures   | <u>\$ 3,726,300</u>                 | <u>\$ 838,400</u>        | <u>\$ 120,000</u>                       | <u>\$ 1,010,000</u>           |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(2,861,900)</u>                  | <u>89,300</u>            | <u>(41,300)</u>                         | <u>378,800</u>                |
| Other Financing Sources (Uses)                               |                                     |                          |   |                               |
| Transfers In   | \$ -                                | \$ -                     | \$ -                                    | \$ -                          |
| Transfers Out  | -                                   | (36,100)                 | -                                       | -                             |
| Total Other Financing Sources (Uses)                         | <u>\$ -</u>                         | <u>\$ (36,100)</u>       | <u>\$ -</u>                             | <u>\$ -</u>                   |
| Net Change in Fund Balance                                   | <u>\$ (2,861,900)</u>               | <u>\$ 53,200</u>         | <u>\$ (41,300)</u>                      | <u>\$ 378,800</u>             |
| Estimated Beginning Available Fund Balance                   | 5,746,881                           | 1,464,343                | 21,289                                  | 5,703,340                     |
| Reserve for Delayed Projects                                 | -                                   | (776,659)                | -                                       | (4,613,332)                   |
| Estimated Ending Available Fund Balance                      | <u><u>\$ 2,884,981</u></u>          | <u><u>\$ 740,884</u></u> | <u><u>\$ (20,011)</u></u>               | <u><u>\$ 1,468,808</u></u>    |

**2024 Annual Budget - Special Revenue Funds**

|  | Police<br>Forfeiture and<br>Seizure | Grants            | Shady Oak<br>Lane<br>Cemetery | Housing &<br>Redevelopment<br>Authority |
|--|-------------------------------------|-------------------|-------------------------------|---|
| <b>Revenues:</b>   |                                     |                   |                               |   |
| General Property Taxes   | \$ -                                | \$ -              | \$ -                          | \$ 300,000                              |
| User Fees & Charges  | -                                   | -                 | -                             | -                                       |
| Intergovernmental Revenue  | -                                   | 126,400           | -                             | -                                       |
| Other Income   | 9,700                               | 25,200            | 6,100                         | 53,800                                  |
| Total Revenues   | <u>\$ 9,700</u>                     | <u>151,600</u>    | <u>\$ 6,100</u>               | <u>\$ 353,800</u>                       |
| <b>Expenditures</b>  |                                     |                   |                               |   |
| General Government   | \$ -                                | \$ -              | \$ -                          | \$ -                                    |
| Public Safety  | -                                   | 151,400           | -                             | -                                       |
| Streets & Utilities  | -                                   | -                 | -                             | -                                       |
| Recreation   | -                                   | -                 | -                             | -                                       |
| Development  | -                                   | -                 | -                             | 195,000                                 |
| Total Expenditures   | <u>\$ -</u>                         | <u>151,400</u>    | <u>\$ -</u>                   | <u>\$ 195,000</u>                       |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> |                                     |                   |                               |   |
|  | <u>9,700</u>                        | <u>200</u>        | <u>6,100</u>                  | <u>158,800</u>                          |
| <b>Other Financing Sources (Uses)</b>                                |                                     |                   |                               |   |
| Transfers In   | \$ -                                | \$ -              | \$ -                          | \$ -                                    |
| Transfers Out  | -                                   | -                 | -                             | -                                       |
| Total Other Financing Sources (Uses)                                 | <u>\$ -</u>                         | <u>-</u>          | <u>\$ -</u>                   | <u>\$ -</u>                             |
| <b>Net Change in Fund Balance</b>                                    |                                     |                   |                               |   |
|  | \$ 9,700                            | \$ 200            | \$ 6,100                      | \$ 158,800                              |
| <b>Estimated Beginning Available Fund Balance</b>                    |                                     |                   |                               |   |
| Reserve for Delayed Projects   | 220,359                             | (6,464)           | 143,194                       | 1,536,972                               |
|  | <u>-</u>                            | <u>-</u>          | <u>-</u>                      | <u>-</u>                                |
| <b>Estimated Ending Available Fund Balance</b>                       |                                     |                   |                               |   |
|  | <u>\$ 230,059</u>                   | <u>\$ (6,264)</u> | <u>\$ 149,294</u>             | <u>\$ 1,695,772</u>                     |



### 2024 Annual Budget - Special Revenue Funds

|  | Ice<br>Arena<br>Fund | The<br>Marsh<br>Fund  | Total Special<br>Revenue<br>Funds |
|--|----------------------|-----------------------|-----------------------------------|
| Revenues:  |                      |                       |                                   |
| General Property Taxes   | \$ -                 | \$ -                  | \$ 300,000                        |
| User Fees & Charges  | -                    | 149,000               | 149,000                           |
| Intergovernmental Revenue  | -                    | -                     | 752,700                           |
| Other Income   | 1,090,300            | 608,000               | 4,426,400                         |
| Total Revenues   | <u>\$ 1,090,300</u>  | <u>\$ 757,000</u>     | <u>\$ 5,628,100</u>               |
| Expenditures   |                      |                       |                                   |
| General Government   | \$ -                 | \$ -                  | \$ 838,400                        |
| Public Safety  | -                    | -                     | 151,400                           |
| Streets & Utilities  | -                    | -                     | 1,010,000                         |
| Recreation   | 1,223,150            | 1,635,100             | 2,858,250                         |
| Development  | -                    | -                     | 4,041,300                         |
| Total Expenditures   | <u>\$ 1,223,150</u>  | <u>\$ 1,635,100</u>   | <u>\$ 8,899,350</u>               |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures               | <u>(132,850)</u>     | <u>(878,100)</u>      | <u>(3,271,250)</u>                |
| Other Financing Sources (Uses)   |                      |                       |                                   |
| Transfers In   | \$ 50,000            | \$ -                  | \$ 50,000                         |
| Transfers Out  | (36,100)             | -                     | (72,200)                          |
| Total Other Financing Sources (Uses)                                       | <u>\$ 13,900</u>     | <u>\$ -</u>           | <u>\$ (22,200)</u>                |
| Net Change in Fund Balance   | \$ (118,950)         | \$ (878,100)          | <u>\$ (3,293,450)</u>             |
| Estimated Beginning Available Fund Balance<br>Reserve for Delayed Projects | (212,624)            | (584,400)             | -                                 |
| Estimated Ending Available Fund Balance                                    | <u>\$ (331,574)</u>  | <u>\$ (1,462,500)</u> |                                   |



Fund:  
Responsible Department:  
Fund Type:

**Affordable Housing Trust Fund**  
Community Development Department  
Special Revenue Fund

**Description of Services:**

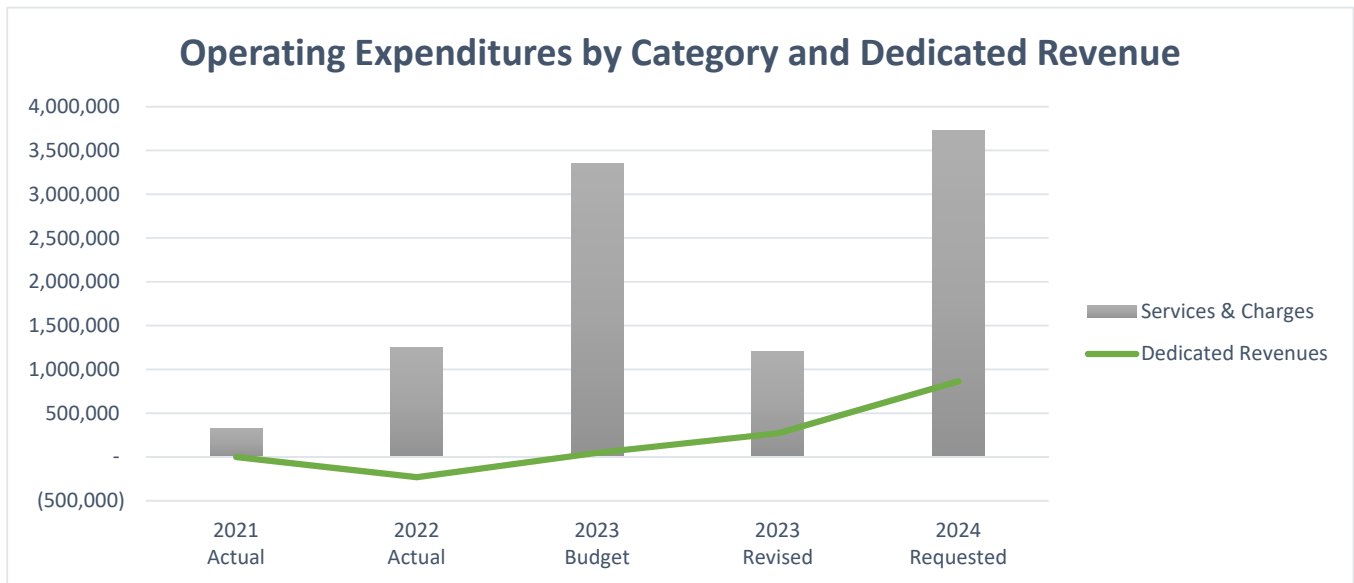
On Nov. 23, 2020, the city council adopted an ordinance (City Ordinance 2020-22) to establish an affordable housing trust fund (AHTF). The AHTF is the only mechanism that allows the city to spend dollars on rental assistance and other eligible housing activities.

State Statute 462C.16 provides authority for local governments to establish an AHTF for the purposes of: Making grants, loans, and loan guarantees for the development, rehabilitation, or financing of housing; Matching other funds from federal, state, or private resources for housing projects; Providing down payment assistance, rental assistance, and homebuyer counseling services; And paying for administrative expenses, up to 10 percent of the balance of the fund.

Under the statute, cities can fund the trust fund with any money available to the local government. Sources of these funds include, but are not limited to: donations, bond proceeds, grants and loans from state, federal, or private sources, appropriations by local government to the fund, investment earnings of the fund, and housing and redevelopment authority levies.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 961                 | \$ (231,361)           | \$ 48,500              | \$ 270,800              | \$ 864,400                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Services & Charges                 | \$ 330,492             | \$ 1,253,000           | \$ 3,350,000           | \$ 1,203,600            | \$ 3,726,300              |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers In                       | \$ 5,291,681           | \$ 2,903,000           | \$ 300,000             | \$ 300,000              | \$ -                      |



**Key Measures:**

|  | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Households assisted                        | 75                     | 68                     | 50                        | 20                        |
| Average cost of rental assistance provided | \$1,300                | \$1,313                | \$1,300                   | \$1,300                   |

**Budget Comments/Issues:**

- 2024 proposed expenditures include \$1,000,000 for affordable housing projects. The EIP anticipates an additional \$50,000 to fund the Pathways to Homeownership Program over the next 5 years.
- 2022 transfers into the fund include a loan repayment of approximately \$2.1 M from the Cliff's apartments.
- The city received special legislation in 2021 and acted on that legislation by adopting Council Resolution 2021-093, which allowed the city to transfer existing tax increment pooling balance to the Affordable Housing Trust Fund. The city council approved the transfer of \$4,961,680 on Sept. 13, 2021.
- Starting in 2024, the city will receive an annual allocation of approx. \$626,000 as part of the 0.25% regional metropolitan sales tax for housing needs during the 2023 legislative session.



Fund:  
Responsible Department:  
Fund Type:

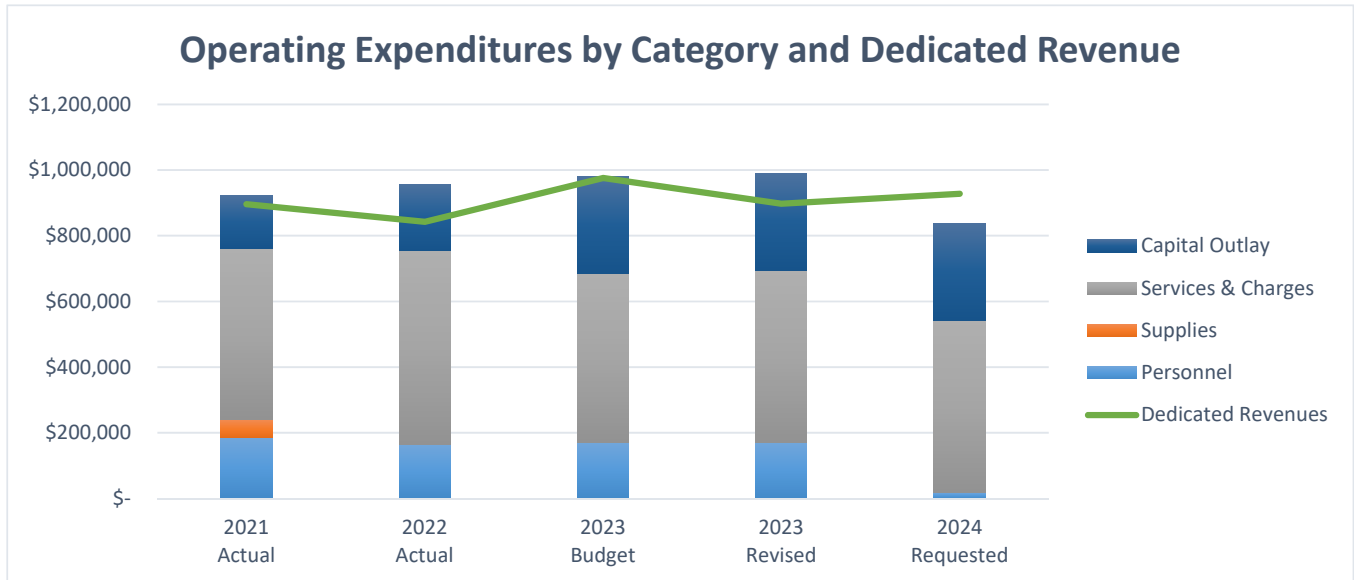
**Cable Television Fund**  
Administrative Services Department  
Special Revenue Fund

**Description of Services:**

The Cable Television Fund was created in 1984 to enhance city communications both with the community and within the city's organization. It is primarily financed by franchise fees paid to the city by two cable companies in exchange for use of the city's rights-of-way. The fund finances numerous activities and events to inform and educate the public and city employees as well as to strengthen residents' sense of community, including broadcast of public meetings and special events; publication of the Minnetonka Memo (circulation of 26,000); upkeep of the city's website; and hosting city events for residents such as Summer Festival and City Open House. Fiber for the city's technology infrastructure is also budgeted in this fund.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 896,239             | \$ 842,442             | \$ 976,000             | \$ 897,700              | \$ 927,700                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 184,474             | \$ 163,962             | \$ 171,000             | \$ 171,000              | \$ 18,600                 |
| Supplies                           | 55,894                 | 718                    | 500                    | 500                     | 500                       |
| Services & Charges                 | 520,233                | 589,102                | 513,600                | 523,300                 | 523,300                   |
| Capital Outlay                     | 161,327                | 203,649                | 295,500                | 295,500                 | 296,000                   |
| Total Operating Expenditures       | \$ 921,928             | \$ 957,431             | \$ 980,600             | \$ 990,300              | \$ 838,400                |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers Out                      | \$ (34,900)            | \$ (35,500)            | \$ (36,100)            | \$ (36,100)             | \$ (36,100)               |

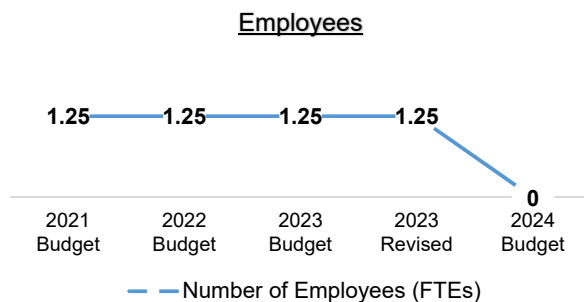


## Key Measures:

|  | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| # of subscribers to email/text notification system | 27,351                 | 29,380                 | 32,000                    | 34,000                    |
| Average # of unique monthly website visits         | 43,069                 | 40,511                 | 55,000                    | 60,000                    |
| Visitors - Open House                              | 3,000                  | 3,200                  | 2,500                     | 3,000                     |
| Miles of fiber                                     | 20                     | na                     | na                        | na                        |
| IT supported broadcast events (city and private)   | 128                    | na                     | na                        | na                        |
| # of graphic projects completed                    | 146                    | 175                    | 200                       | 225                       |

## Budget Comments/Issues:

- The 2024 budget provides for current services
- Continued efforts will be made to transition items to the General Fund, including the remaining 1.25 FTEs. This transition was postponed in 2021 due to the pandemic. The 2024 budget reinstates this transition.
- The 2023 budget provides for current services.
- The 2022 budget includes the cost of revamping our current intranet, used to communicate with employees.
- The 2021 budget reflected \$75K added for consulting services to provide technical support due to increased work load associated with approved projects.



## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

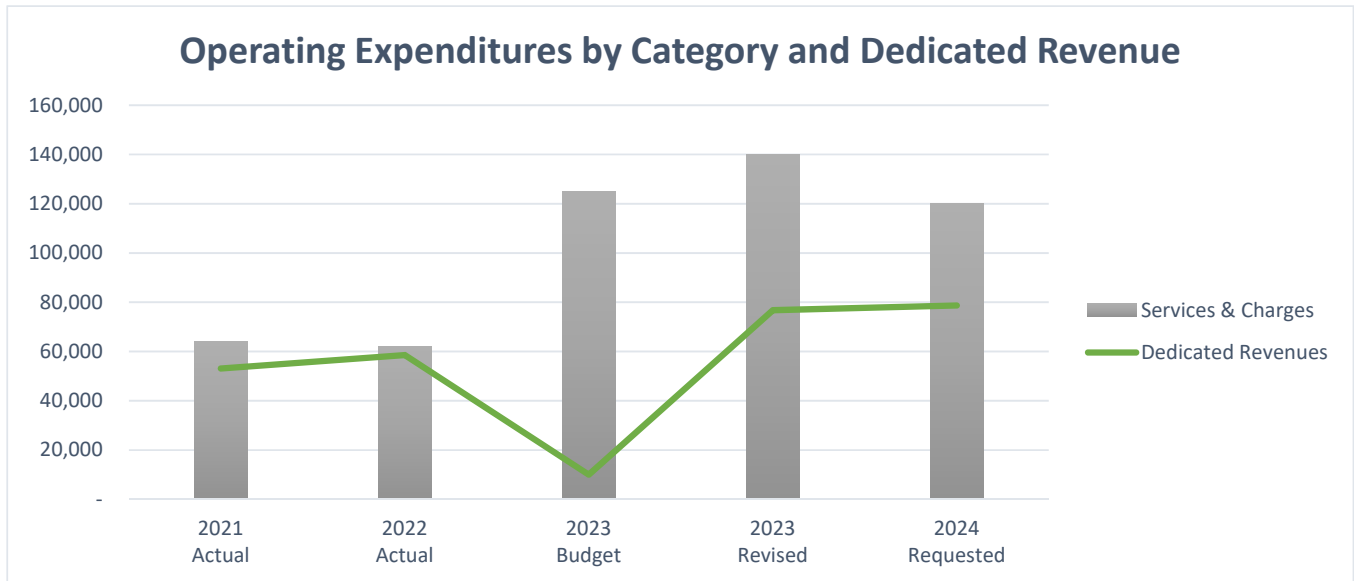
**Community Development Block Grant Fund**  
Community Development Department  
Special Revenue Fund

**Description of Services:**

Since 1975, the Community Development Block Grant (CDBG) fund has accounted for revenues and expenditures made under the federal CDBG program. Minnetonka typically uses these funds for housing projects and programs (such as housing rehab, affordable housing, and supportive housing) and supportive services (such as senior chore programs, sliding fee day care assistance, and others). The CDBG grant revenues vary from year to year based on funding decisions made by the federal government. Because CDBG funding distribution and the federal fiscal year do not coincide with the city's fiscal year, expenditures and revenue figures may seem lower or higher than the allocation, which also affects the key measure comparison. A typical CDBG timeline is the award notification by the Federal government is provided in February, the funds become available in July of that year. This budget is prepared approximately one year ahead of the actual knowledge of funds received.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 53,132              | \$ 58,590              | \$ 10,000              | \$ 76,800               | \$ 78,700                 |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Services & Charges                 | \$ 63,966              | \$ 61,948              | \$ 125,000             | \$ 140,000              | \$ 120,000                |



**Key Measures:**

|  | <b>2021</b>   | <b>2022</b>   | <b>2023</b>      | <b>2024</b>      |
|--|---------------|---------------|------------------|------------------|
|  | <b>Actual</b> | <b>Actual</b> | <b>Estimated</b> | <b>Projected</b> |
| Average cost of rehabilitation project | \$7,116       | \$15,000      | \$15,000         | \$15,000         |
| Rehabilitation projects completed      | 5             | 3             | 5                | 5                |
| HWR Rehabilitation projects            | 10            | 7             | 5                | 8                |
| Average cost of HWR rehabilitation     | 6300          | \$5,175       | \$7,120          | 7,500            |

**Budget Comments/Issues:**

- In July of 2018, the city switched to participate in Hennepin County's Urban County CDBG program. This change streamlines public service funding requests and assists the city with administration of the various programs. The city anticipates that Federal funds will not continue for the long term.
- Housing Rehabilitation expenditures above include the program income from the Minnetonka Entitlement repayments from loans made prior to 2018. The city receives approximately \$10,000 to \$40,000 in loan repayments annually through this program.
- In 2020, the city council approved a new program that provides forgivable loans (up to \$7,500) for residents of Homes Within Reach homes to make emergency repairs. There is a balance of approximately \$86,000 remaining to make new loans/grants for Homes within Reach homeowners for 2023.



Fund:  
Responsible Department:  
Fund Type:

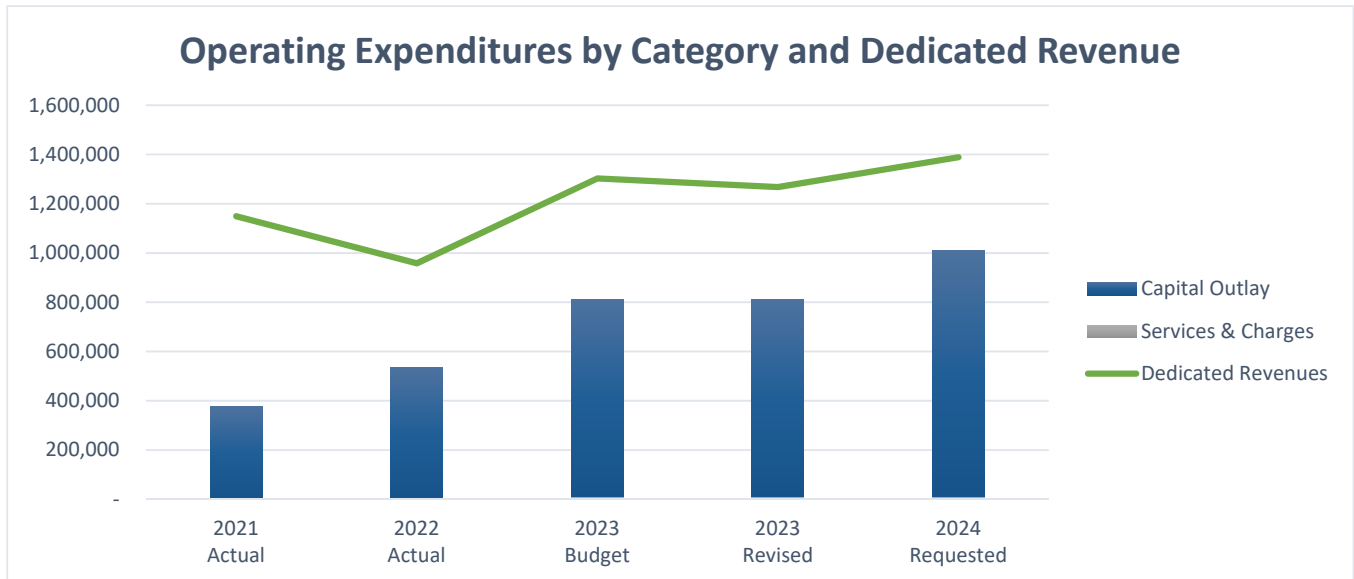
**2024 Annual Budget**  
**Electric Franchise Fees Special Revenue Fund**  
Engineering Department  
Special Revenue Fund

**Description of Services:**

The 2003 City of Minnetonka Community Survey indicated that the residents of the city supported the burial of overhead utility lines on major streets. In 2005, the city adopted a franchise fee ordinance under which the city charges Xcel Energy a monthly fee per customer to support the project. Fee revenue and costs associated with the project are financed through the Electric Franchise Fees Special Revenue Fund. The schedule for burying lines is developed and frequently updated to coincide with plans for upgrading major roads within the city. Generally, Xcel Energy collects the fees monthly and submits the revenues to the city on a quarterly basis. The company then buries the lines for the city under contract and bills the city for these services.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 1,149,504           | \$ 958,174             | \$ 1,302,700           | \$ 1,267,500            | \$ 1,388,800              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Services & Charges                 | \$ -                   | \$ -                   | \$ 10,000              | \$ 10,000               | \$ 10,000                 |
| Capital Outlay                     | 377,126                | 534,896                | 800,000                | 800,000                 | 1,000,000                 |
| Total Operating Expenditures       | <u>\$ 377,126</u>      | <u>\$ 534,896</u>      | <u>\$ 810,000</u>      | <u>\$ 810,000</u>       | <u>\$ 1,010,000</u>       |





## Key Measures:

|                                       | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Miles of utility line buried          | 1.3                    | 1.3                    | 1.0                       | 0.0                       |
| LED Street Lighting - new & retrofits | 3                      | 10                     | 15                        | 75                        |

## Budget Comments/Issues:

- In 2019, the council adopted an increase in the electric franchise fee of \$2 per residential account, of which \$1 is for burial of electric lines and \$1 is for trail construction. The electric franchise fees associated with trail construction are recorded in the Trail System Expansion Fund along with 100% of the gas franchise fees.
- 2023 committed fund balance includes costs associated with Ridgedale Drive, Plymouth Road, Minnetonka Boulevard and Hopkins Crossroad.
- New energy LED decorative street lighting and retrofits are reviewed in conjunction with county and city street reconstruction projects, redevelopment interests and individual lighting projects, to provide long term energy savings and efficiencies. Current LED street light installations completed, in progress, or programmed for installation include the Opus area.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

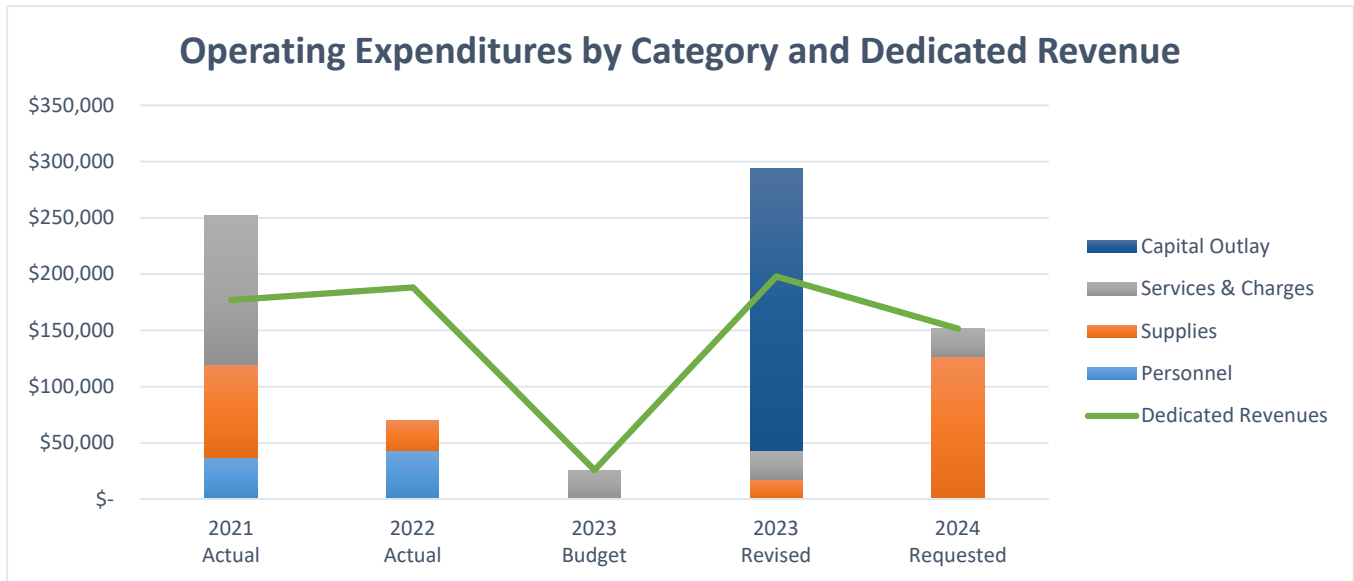
**Grants Special Revenue Fund**  
Finance Department  
Special Revenue Fund

**Description of Services:**

The Grants Special Revenue Fund accounts for significant special grants received by the city from outside sources that are not otherwise associated with a major city capital project or program. Each generally requires special accounting and reporting by the city, and the recipient departments are responsible for program reporting to the funding agency.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 177,039             | \$ 188,209             | \$ 26,000              | \$ 197,900              | \$ 151,600                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 37,328              | \$ 43,129              | \$ -                   | \$ -                    | \$ -                      |
| Supplies                           | 82,342                 | 26,983                 | -                      | 18,100                  | 126,400                   |
| Services & Charges                 | 132,866                | -                      | 26,000                 | 25,000                  | 25,000                    |
| Capital Outlay                     | -                      | -                      | -                      | 250,700                 | -                         |
| Total Operating Expenditures       | <u>\$ 252,536</u>      | <u>\$ 70,112</u>       | <u>\$ 26,000</u>       | <u>\$ 293,800</u>       | <u>\$ 151,400</u>         |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers In                       | <u>\$ -</u>            | <u>\$ 97,500</u>       | <u>\$ -</u>            | <u>\$ -</u>             | <u>\$ -</u>               |



## Key Measures:

|                        | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Federal grant programs | 2                      | 2                      | 1                         | 0                         |
| State grant programs   | 1                      | 1                      | 1                         | 1                         |
| Other grant programs*  | 2                      | 2                      | 1                         | 1                         |

\* Denotes local and other grants within only this fund.

## Budget Comments/Issues:

- The city seeks opportunities on an ongoing basis to apply and receive grants to support city projects and services.
- For more than a decade, the city's Toward Zero Death (TZD) program and bulletproof vest reimbursements have been accounted for within the Grants Special Revenue Fund. Starting in 2023, these grants are now accounted for within the city's General Fund under the police department.
- The opioid settlement distributions began occurring in late 2022. Annual payments will continue through 2038. The distribution amounts for 2022 and 2023 are \$85,400 and \$17,800, respectively. A formal expenditure plan was adopted by the council in early 2023, with plans to purchase safety equipment for testing fentanyl related substances and also covering \$25,000 of the annual cost for the Hennepin County embedded social worker.
- 2022 includes a transfer in from the General Fund to eliminate the fund's negative cash balance. Over the years, operating grants such as TZD and other grants that include personnel costs do not receive dollar-for-dollar reimbursement, rather are awarded on an average hourly cost basis which has caused discrepancies between grant awards and actual expenditures. As previously mentioned, the TZD and other grants that include on-going personnel costs are being moved to the General Fund.
- In 2021, the police department was awarded a \$68,000 auto theft grant through the State of Minnesota, which allowed the department to purchase a license plate reader system. These funds were expended in 2021 with reimbursement by the State in 2022.
- In 2021, the city received two Hennepin County Youth Sports Grants (HCYSG): (1) to purchase youth sports equipment for Guillian field, \$7,758, and (2) for new gymnasium space at Eagle Ridge Academy, \$125,000.
- 2024 includes an auto theft equipment grant that runs through June 30, 2025, which will likely be used to purchase mobile cameras, surveillance equipment and license plate readers.



Fund:  
Responsible Department:  
Fund Type:

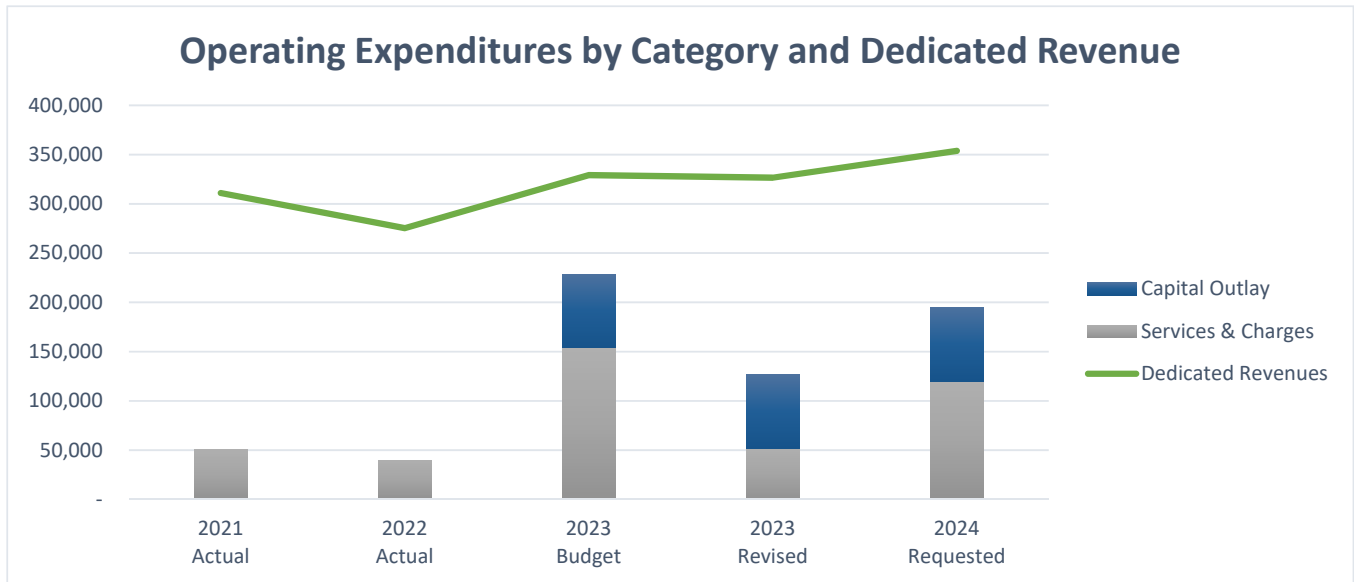
**Housing & Redevelopment Authority Fund**  
Community Development Department  
Special Revenue Fund

**Description of Services:**

Minnesota Statutes 469.033, Subd. 6 authorizes housing and redevelopment authorities (HRAs) the power to levy a tax upon all property within its district to finance housing and redevelopment programs subject to the consent of the city council. In 1988 and amended in 1994 and 2010, the Minnetonka City Council established the Economic Development Authority (EDA) of the City of Minnetonka and transferred to the EDA the control, authority and operation of all projects and programs of the city's HRA. The law and council resolutions further require the EDA to file a budget in accordance with the budget procedure of the city in the same manner as required of executive departments of the city and all actions of the authority to be approved by the city council.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 310,934             | \$ 275,321             | \$ 329,100             | \$ 326,500              | \$ 353,800                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Services & Charges                 | \$ 50,348              | \$ 39,799              | \$ 153,800             | \$ 52,000               | \$ 120,000                |
| Capital Outlay                     | -                      | -                      | 75,000                 | 75,000                  | 75,000                    |
| Total Operating Expenditures       | \$ 50,348              | \$ 39,799              | \$ 228,800             | \$ 127,000              | \$ 195,000                |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers Out                      | \$ (50,000)            | \$ -                   | \$ -                   | \$ -                    | \$ -                      |



**Key Measures:**

|  | <b>2021</b>   | <b>2022</b>   | <b>2023</b>      | <b>2024</b>      |
|--|---------------|---------------|------------------|------------------|
|  | <b>Actual</b> | <b>Actual</b> | <b>Estimated</b> | <b>Projected</b> |
| Housing rehab loan issued <\$15,000        | 1             | 0             | 2                | 2                |
| Average amount of rehab loan               | \$14,899      | \$0           | \$15,000         | \$15,000         |
| Down payment assistance provided <\$10,000 | 1             | 2             | 2                | 2                |
| Average amount of down payment loans       | \$15,000      | \$12,750      | \$25,000         | \$25,000         |

**Budget Comments/Issues:**

- The 2024 Housing and Redevelopment Authority (HRA) budget includes funding for Homes Within Reach, supplemental funding for the city's two housing loan programs, and the city's eighth year of a ten-year payback for its commitment the Southwest Light Rail Transit project. The annual budget of the HRA Fund is reviewed by the Economic Development Advisory Commission (EDAC) and as identified in the adopted Economic Improvement Program (EIP).
- The city launched two housing improvement programs in June 2011, Minnetonka Home Enhancement (rehab) and Welcome to Minnetonka (down payment assistance). Additional dollars are included in the EIP recommendations for the 2024 levy to fund the program in future years.
- The 2024 budget includes funding of \$125,000 for Homes Within Reach.
- The Center for Energy and Environment manages the Welcome To Minnetonka and Minnetonka Home Enhancement programs on behalf of the city. Community Reinvestment Fund (CRF) continues to service the loans for the city.
- HRA levies are specifically covered as separate levies under state law, proposed property tax notices and invoices to property owners identify the levy as a "special taxing district" separate from the city.



Fund:  
Responsible Department:  
Fund Type:

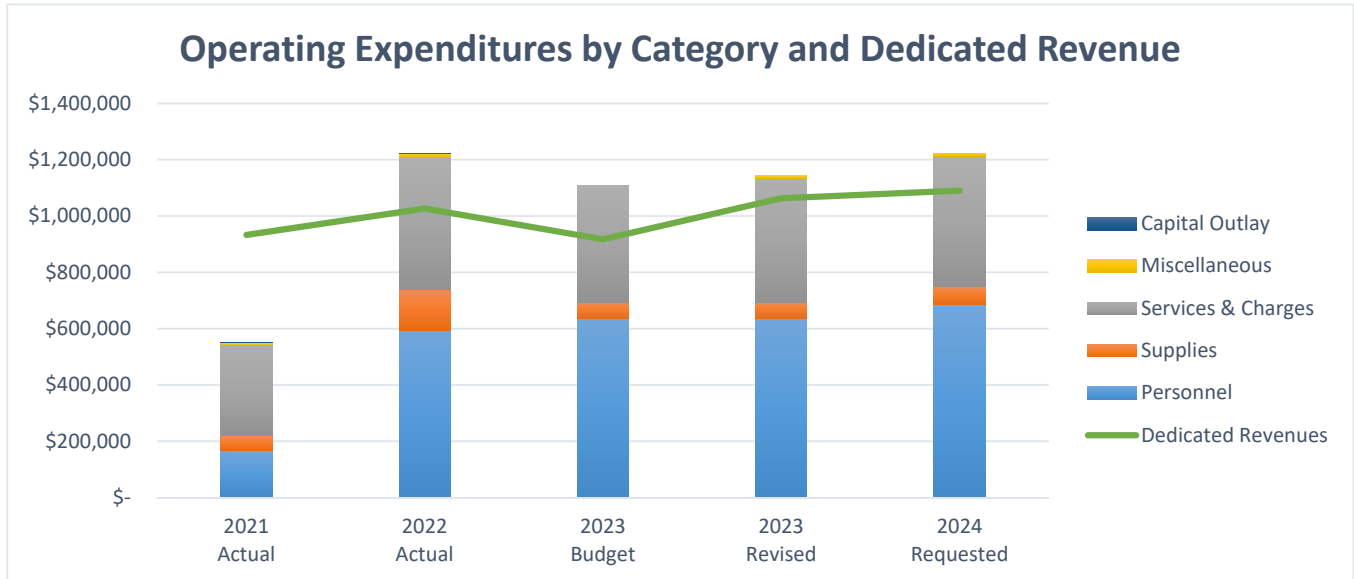
**Ice Arena Special Revenue Fund**  
Recreation Services Department  
Special Revenue Fund

**Description of Services:**

The Minnetonka Ice Arena, under the management of the Recreation Services Department, provides ice time and programs to the surrounding community, as well as local special interest groups and individuals for the purpose of ice related recreational activities. Programs and activities include, but are not limited to hockey, figure skating, learn-to-skate programs and public skate sessions. Fees charged to users support the operation of the facility.

**Budget:**

|                                      | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ 932,981             | \$ 1,026,661           | \$ 917,300             | \$ 1,063,300            | \$ 1,090,300              |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Personnel                            | \$ 167,199             | \$ 592,615             | \$ 636,400             | \$ 636,400              | \$ 685,800                |
| Supplies                             | 53,082                 | 147,205                | 56,300                 | 55,300                  | 64,500                    |
| Services & Charges                   | 321,858                | 469,324                | 416,800                | 441,180                 | 462,850                   |
| Miscellaneous                        | 8,343                  | 12,423                 | -                      | 10,000                  | 10,000                    |
| Capital Outlay                       | 1,726                  | 1,547                  | -                      | -                       | -                         |
| Total Operating Expenditures         | <u>\$ 552,208</u>      | <u>\$ 1,223,114</u>    | <u>\$ 1,109,500</u>    | <u>\$ 1,142,880</u>     | <u>\$ 1,223,150</u>       |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Capital Contributions In             | \$ (2,731,691)         | \$ -                   | \$ -                   | \$ -                    | \$ -                      |
| Transfers In                         | 602,813                | 350,000                | 50,000                 | 50,000                  | 50,000                    |
| Transfers Out                        | (287,713)              | (35,500)               | (36,100)               | (36,100)                | (36,100)                  |
| Total Other Financing Sources (Uses) | <u>\$ (2,416,591)</u>  | <u>\$ 314,500</u>      | <u>\$ 13,900</u>       | <u>\$ 13,900</u>        | <u>\$ 13,900</u>          |



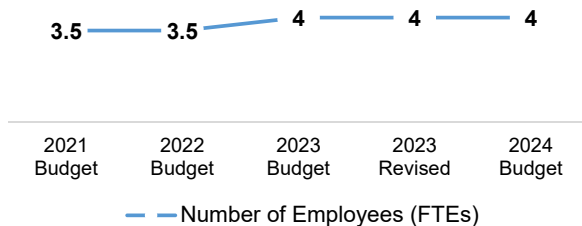
## Key Measures:

|  | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Ice rental hours sold                          | 3,100                  | 3,307                  | 3,150                     | 3,300                     |
| Skating lesson participants                    | 1,012                  | 1,293                  | 1,460                     | 1,400                     |
| Public skating/hockey hours offered            | 453                    | 400                    | 400                       | 400                       |
| Public skating/open hockey participants        | 4,700                  | 6,500                  | 6,000                     | 6,000                     |
| Adult hockey groups & teams utilizing facility | 45                     | 45                     | 45                        | 45                        |
| Total days of operation                        | 340                    | 340                    | 340                       | 340                       |

## Budget Comments/Issues:

- As of January 1, 2022, the Ice Arena operations converted from an enterprise fund to a special revenue fund. The Ice Arena truly functions as a special revenue fund with its major source of revenue coming from ice rental fees. Capital improvements for the facility are financed from other governmental funds and not from its own revenue generation, which is typically indicative of a true enterprise fund. This change in fund reporting will not impact the bottom line, but it will present a more transparent picture of the facilities operations and funding sources.
- The city council approved the distribution of \$600,000 of the city's federal ARPA award to be directed towards the Ice Arena to aid in eliminating the fund's cash deficit. \$300,000 is recognized in both 2021 and 2022.
- Consistent with the council's strategic plan, a market study is completed annually to determine fees for use of the Ice Arena and other recreational facilities.
- Non-prime hourly rates will increase from \$185/hour to \$190/hour and prime rates increased from \$235/hour to \$240/hour effective September 1, 2023.

### Employees





Fund:  
Responsible Department:  
Fund Type:

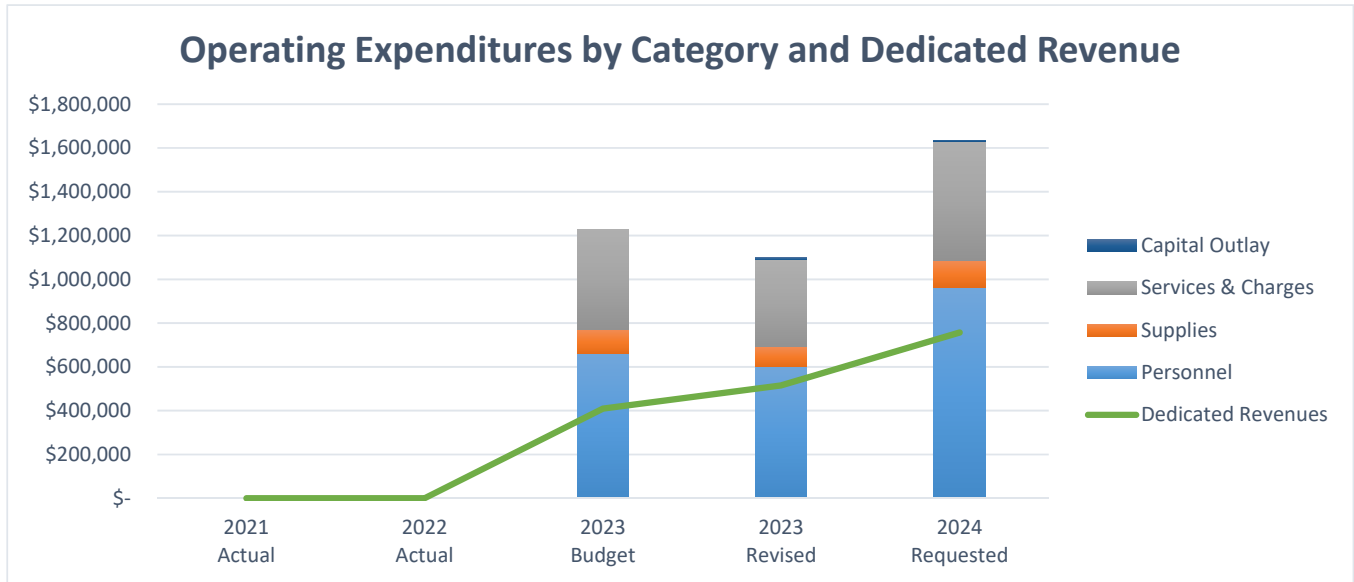
**The Marsh Special Revenue Fund**  
Recreation Services Department  
Special Revenue Fund

**Description of Services:**

The city purchased The Marsh in February, 2023 and partially re-opened May 1, 2023. Recreational amenities at The Marsh include: two indoor pools, two aerobic studios, meditation tower, physical therapy, strength training equipment, cardiovascular equipment, spa services, whirlpool, steam rooms and saunas. Membership is open to residents and non-residents or users can purchase a guest pass for the day.

**Budget:**

|                                    | 2021<br>Actual | 2022<br>Actual | 2023<br>Budget | 2023<br>Revised | 2024<br>Requested |
|------------------------------------|----------------|----------------|----------------|-----------------|-------------------|
| Dedicated Revenues                 | \$ -           | \$ -           | \$ 410,000     | \$ 515,500      | \$ 757,000        |
| Operating Expenditures by Category |                |                |                |                 |                   |
| Personnel                          | \$ -           | \$ -           | \$ 660,000     | \$ 600,000      | \$ 962,800        |
| Supplies                           | -              | -              | 110,000        | 91,000          | 123,500           |
| Services & Charges                 | -              | -              | 460,000        | 397,900         | 543,800           |
| Capital Outlay                     | -              | -              | -              | 11,000          | 5,000             |
| Total Operating Expenditures       | \$ -           | \$ -           | \$ 1,230,000   | \$ 1,099,900    | \$ 1,635,100      |



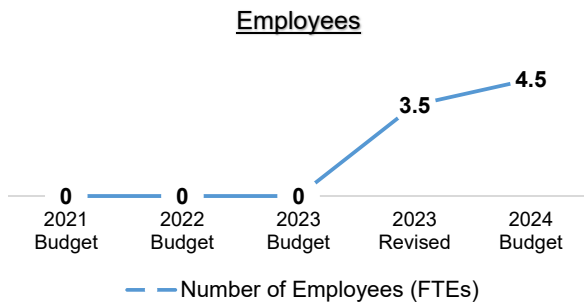


**Key Measures:**

|  | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Average active members                 | N/A                    | N/A                    | 2,700                     | 3,500                     |
| Average fitness classes offered weekly | N/A                    | N/A                    | 90                        | 100                       |
| Average # of facility visits per month | N/A                    | N/A                    | 5,000                     | 6,000                     |
| Total days of operation                | N/A                    | N/A                    | 240                       | 360                       |
| Average guest fee revenue              | N/A                    | N/A                    | 1700                      | 2000                      |

**Budget Comments/Issues:**

- The Marsh partially re-opened May 1, 2023 to all residents and non-residents.
- The City hired HGA to conduct a 'Community Facilities Study' to determine the long-term use of city facilities. This will help staff determine the future needs of the building and projects.
- Currently, the facility is leasing space to Merz Physical therapy and tenants in the spa (nails, esthetician and massage). Staff continue to look for additional tenants that could occupy space in the spa, restaurant or other spaces in the facility.
- The Marsh currently has 3050 memberships and that number is anticipated to rise.





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### 2024 Annual Budget - Capital Projects Funds

|  | Capital<br>Replacement       | Community<br>Investment     | Development<br>Fund        | Forestry<br>Fund         |
|--|------------------------------|-----------------------------|----------------------------|--------------------------|
| <b>Revenues:</b>   |                              |                             |                            |                          |
| General Property Taxes                                       | \$ 1,630,000                 | \$ -                        | \$ -                       | \$ 98,000                |
| Licenses and Permits   | -                            | -                           | -                          | -                        |
| Intergovernmental Revenue                                    | -                            | -                           | -                          | -                        |
| Other Income   | 298,400                      | 912,900                     | 196,900                    | 37,200                   |
| Total Revenues   | <u>\$ 1,928,400</u>          | <u>\$ 912,900</u>           | <u>\$ 196,900</u>          | <u>\$ 135,200</u>        |
| <b>Expenditures</b>  |                              |                             |                            |                          |
| General Government   | \$ -                         | \$ -                        | \$ -                       | \$ -                     |
| Public Safety  | -                            | -                           | -                          | -                        |
| Streets & Utilities  | 2,703,600                    | -                           | -                          | -                        |
| Parks  | -                            | -                           | -                          | 301,000                  |
| Development  | -                            | -                           | 265,700                    | -                        |
| Total Expenditures   | <u>\$ 2,703,600</u>          | <u>\$ -</u>                 | <u>\$ 265,700</u>          | <u>\$ 301,000</u>        |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>\$ (775,200)</u>          | <u>\$ 912,900</u>           | <u>\$ (68,800)</u>         | <u>\$ (165,800)</u>      |
| <b>Other Financing Sources (Uses)</b>                        |                              |                             |                            |                          |
| Transfers In   | \$ 600,000                   | \$ 63,000                   | \$ -                       | \$ -                     |
| Transfers Out  | -                            | (50,000)                    | (70,100)                   | (60,000)                 |
| Total Other Financing Sources (Uses)                         | <u>\$ 600,000</u>            | <u>\$ 13,000</u>            | <u>\$ (70,100)</u>         | <u>\$ (60,000)</u>       |
| Net Change in Fund Balance                                   | \$ (175,200)                 | \$ 925,900                  | \$ (138,900)               | \$ (225,800)             |
| Estimated Beginning Available Fund Balance                   | (1,264,271)                  | 21,422,052                  | 5,328,237                  | 739,572                  |
| Reserve for Delayed Projects                                 | <u>(1,374,095)</u>           | <u>(993,777)</u>            | <u>-</u>                   | <u>-</u>                 |
| Estimated Ending Available Fund Balance                      | <u><u>\$ (2,813,566)</u></u> | <u><u>\$ 21,354,175</u></u> | <u><u>\$ 5,189,337</u></u> | <u><u>\$ 513,772</u></u> |

### 2024 Annual Budget - Capital Projects Funds

|  | Livable<br>Communities | Municipal<br>State Aid | Parks<br>and Trails | Public<br>Safety      |
|--|------------------------|------------------------|---------------------|-----------------------|
| <b>Revenues:</b>   |                        |                        |                     |                       |
| General Property Taxes   | \$ -                   | \$ -                   | \$ 500,000          | \$ 625,000            |
| Licenses and Permits   | -                      | -                      | -                   | -                     |
| Intergovernmental Revenue  | -                      | 2,140,300              | -                   | -                     |
| Other Income   | 3,300                  | 48,200                 | 570,600             | (3,900)               |
| <b>Total Revenues</b>  | <b>\$ 3,300</b>        | <b>\$ 2,188,500</b>    | <b>\$ 1,070,600</b> | <b>\$ 621,100</b>     |
| <b>Expenditures</b>  |                        |                        |                     |                       |
| General Government   | \$ -                   | \$ -                   | \$ -                | \$ -                  |
| Public Safety  | -                      | -                      | -                   | 1,505,500             |
| Streets & Utilities  | -                      | -                      | -                   | -                     |
| Parks  | -                      | -                      | 504,300             | -                     |
| Development  | 400,000                | -                      | -                   | -                     |
| <b>Total Expenditures</b>  | <b>\$ 400,000</b>      | <b>\$ -</b>            | <b>\$ 504,300</b>   | <b>\$ 1,505,500</b>   |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>\$ (396,700)</b>    | <b>\$ 2,188,500</b>    | <b>\$ 566,300</b>   | <b>\$ (884,400)</b>   |
| <b>Other Financing Sources (Uses)</b>                                |                        |                        |                     |                       |
| Transfers In   | \$ -                   | \$ -                   | \$ 8,000            | \$ 175,000            |
| Transfers Out  | -                      | -                      | -                   | -                     |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ 8,000</b>     | <b>\$ 175,000</b>     |
| <b>Net Change in Fund Balance</b>                                    | <b>\$ (396,700)</b>    | <b>\$ 2,188,500</b>    | <b>\$ 574,300</b>   | <b>\$ (709,400)</b>   |
| Estimated Beginning Available Fund Balance                           | 564,787                | 2,070,612              | 6,356,498           | (264,820)             |
| Reserve for Delayed Projects   | -                      | -                      | (2,893,509)         | (196,266)             |
| <b>Estimated Ending Available Fund Balance</b>                       | <b>\$ 168,087</b>      | <b>\$ 4,259,112</b>    | <b>\$ 4,037,289</b> | <b>\$ (1,170,486)</b> |

**2024 Annual Budget - Capital Projects Funds**

|  | Public Safety<br>Facility<br>Expansion | The<br>Marsh          | Ridgedale<br>Tax<br>Abatement | Special<br>Assessment<br>Construction |
|--|--|-----------------------|-------------------------------|---------------------------------------|
| Revenues:  |  |                       |                               |                                       |
| General Property Taxes                                       | \$ -                                   | \$ -                  | \$ 85,000                     | \$ -                                  |
| Licenses and Permits   | -                                      | -                     | -                             | -                                     |
| Intergovernmental Revenue                                    | -                                      | -                     | -                             | -                                     |
| Other Income   | 11,800                                 | -                     | -                             | 194,400                               |
| Total Revenues   | <u>\$ 11,800</u>                       | <u>\$ -</u>           | <u>\$ 85,000</u>              | <u>\$ 194,400</u>                     |
| Expenditures   |  |                       |                               |                                       |
| General Government   | \$ -                                   | \$ -                  | \$ -                          | \$ -                                  |
| Public Safety  | -                                      | -                     | -                             | -                                     |
| Streets & Utilities  | -                                      | -                     | -                             | -                                     |
| Parks  | -                                      | -                     | -                             | -                                     |
| Development  | -                                      | -                     | 85,000                        | -                                     |
| Total Expenditures   | <u>\$ -</u>                            | <u>\$ -</u>           | <u>\$ 85,000</u>              | <u>\$ -</u>                           |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>\$ 11,800</u>                       | <u>\$ -</u>           | <u>\$ -</u>                   | <u>\$ 194,400</u>                     |
| Other Financing Sources (Uses)                               |  |                       |                               |                                       |
| Transfers In   | \$ -                                   | \$ -                  | \$ -                          | \$ 50,000                             |
| Transfers Out  | -                                      | -                     | -                             | (44,800)                              |
| Total Other Financing Sources (Uses)                         | <u>\$ -</u>                            | <u>\$ -</u>           | <u>\$ -</u>                   | <u>\$ 5,200</u>                       |
| Net Change in Fund Balance                                   | \$ 11,800                              | \$ -                  | \$ -                          | \$ 199,600                            |
| Estimated Beginning Available Fund Balance                   | 330,102                                | (4,545,300)           | 278,954                       | 8,511,122                             |
| Reserve for Delayed Projects                                 | -                                      | -                     | -                             | -                                     |
| Estimated Ending Available Fund Balance                      | <u>\$ 341,902</u>                      | <u>\$ (4,545,300)</u> | <u>\$ 278,954</u>             | <u>\$ 8,710,722</u>                   |

### 2024 Annual Budget - Capital Projects Funds

|  | Street<br>Improvements | Technology<br>Development | Trail System<br>Expansion<br>Fund | Total Capital<br>Projects<br>Funds |
|--|------------------------|---------------------------|-----------------------------------|------------------------------------|
| <b>Revenues:</b>   |                        |                           |                                   |                                    |
| General Property Taxes                                       | \$ 6,380,000           | \$ 650,000                | \$ -                              | \$ 9,968,000                       |
| Licenses and Permits   | 575,000                | -                         | -                                 | 575,000                            |
| Intergovernmental Revenue                                    | 2,225,000              | -                         | 2,300,000                         | 6,665,300                          |
| Other Income   | 179,400                | 92,600                    | 2,150,400                         | 4,692,200                          |
| Total Revenues   | <u>\$ 9,359,400</u>    | <u>\$ 742,600</u>         | <u>\$ 4,450,400</u>               | <u>\$ 21,900,500</u>               |
| <b>Expenditures</b>  |                        |                           |                                   |                                    |
| General Government   | \$ -                   | \$ 1,502,000              | \$ -                              | \$ 1,502,000                       |
| Public Safety  | -                      | -                         | -                                 | 1,505,500                          |
| Streets & Utilities  | 4,115,000              | -                         | -                                 | 6,818,600                          |
| Parks  | -                      | -                         | 3,300,000                         | 4,105,300                          |
| Development  | -                      | -                         | -                                 | 750,700                            |
| Total Expenditures   | <u>\$ 4,115,000</u>    | <u>\$ 1,502,000</u>       | <u>\$ 3,300,000</u>               | <u>\$ 14,682,100</u>               |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>\$ 5,244,400</u>    | <u>\$ (759,400)</u>       | <u>\$ 1,150,400</u>               | <u>\$ 7,218,400</u>                |
| <b>Other Financing Sources (Uses)</b>                        |                        |                           |                                   |                                    |
| Transfers In   | \$ 750,000             | \$ 100,000                | \$ -                              | \$ 1,746,000                       |
| Transfers Out  | -                      | -                         | -                                 | (224,900)                          |
| Total Other Financing Sources (Uses)                         | <u>\$ 750,000</u>      | <u>\$ 100,000</u>         | <u>\$ -</u>                       | <u>\$ 1,521,100</u>                |
| Net Change in Fund Balance                                   | <u>\$ 5,994,400</u>    | <u>\$ (659,400)</u>       | <u>\$ 1,150,400</u>               | <u>\$ 8,739,500</u>                |
| Estimated Beginning Available Fund Balance                   | 730,788                | 1,607,048                 | 4,972,355                         |                                    |
| Reserve for Delayed Projects                                 | <u>(10,247,293)</u>    | <u>(168,476)</u>          | <u>(3,823,094)</u>                |                                    |
| Estimated Ending Available Fund Balance                      | <u>\$ (3,522,105)</u>  | <u>\$ 779,172</u>         | <u>\$ 2,299,661</u>               |                                    |



Fund:  
Responsible Department:  
Fund Type:

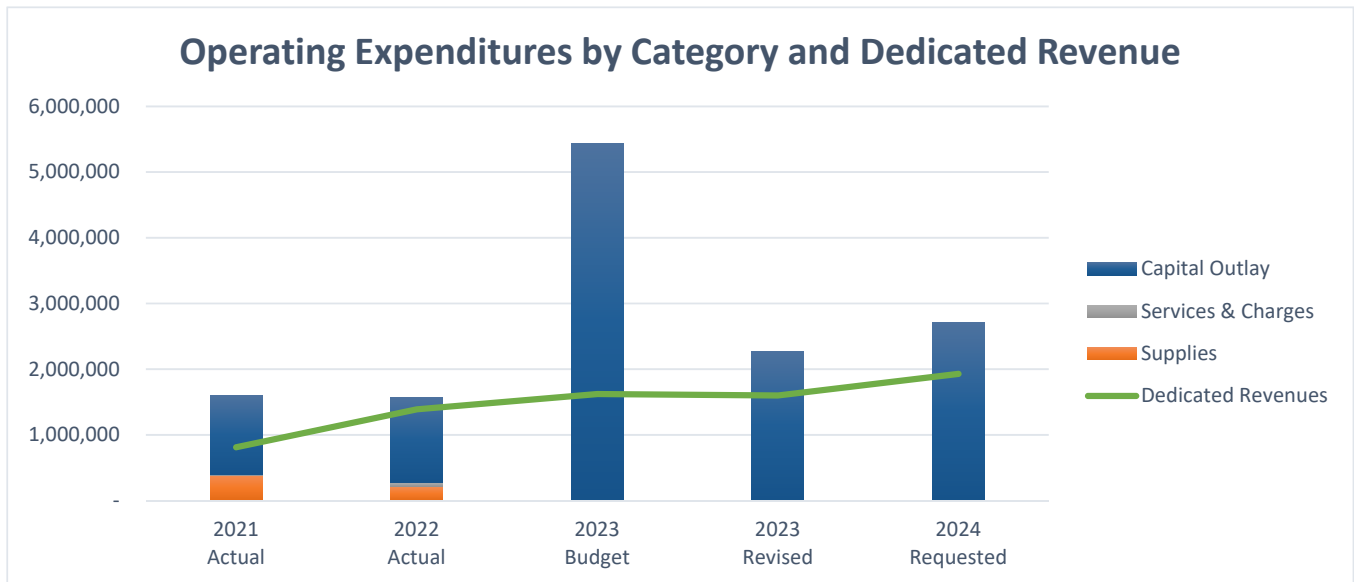
**Capital Replacement Fund**  
Finance Department  
Capital Projects Fund

**Description of Services:**

The Capital Replacement Fund (CRF) was created in 1983 for the purpose of funding replacement or repair of major capital items that are expected to exceed \$5,000 in cost. The primary source of revenue for the fund is tax levy proceeds, but the fund also receives earnings from the auction of surplus city property as well as investment interest. Administrative policies provide for the replacement of general vehicles after eight years, marked police vehicles after 100,000 miles, heavy public works equipment and vehicles after 10-15 years, and fire pumper and engine equipment after 20-25 years with refurbishment after ten years.

**Budget:**

|                                      | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ 810,428             | \$ 1,389,400           | \$ 1,621,600           | \$ 1,597,900            | \$ 1,928,400              |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Supplies                             | \$ 385,657             | \$ 214,193             | \$ -                   | \$ -                    | \$ -                      |
| Services & Charges                   | 14,107                 | 64,365                 | -                      | -                       | -                         |
| Capital Outlay                       | 1,201,349              | 1,292,485              | 5,439,000              | 2,274,000               | 2,703,600                 |
| Total Operating Expenditures         | \$ 1,601,113           | \$ 1,571,043           | \$ 5,439,000           | \$ 2,274,000            | \$ 2,703,600              |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Gain/(Loss) on Capital Sold          | \$ 206,633             | \$ 40,234              | \$ -                   | \$ -                    | \$ -                      |
| Transfers In                         | 355,000                | 400,000                | 350,000                | 350,000                 | 600,000                   |
| Total Other Financing Sources (Uses) | \$ 561,633             | \$ 440,234             | \$ 350,000             | \$ 350,000              | \$ 600,000                |





## Key Measures:

|   | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|---|----------------|----------------|-------------------|-------------------|
| General light-duty vehicles in fleet                  | 111            | 111            | 112               | 112               |
| Marked police vehicles in fleet                       | 24             | 24             | 24                | 24                |
| Heavy equipment and trucks in fleet                   | 65             | 65             | 65                | 65                |
| Deprec. value of buildings & structures (millions \$) | \$16.4         | \$43.8         | \$52.6            | \$52.5            |
| Deprec. value of furniture & equipment (millions \$)  | \$7.8          | \$8.2          | \$10.9            | \$14.3            |

## Budget Comments/Issues:

- Substantial purchases approved in the 2024-28 CIP for the fund include: dump/plow truck replacement (\$284,600), fleet vehicles (\$896,9000); sidewalk and trail maintenance vehicle (\$50,000); large snow blower (\$142,100); sustainability initiatives (\$100,000); and a variety of building components (\$915,00), including energy conservation improvements and building automation upgrades. Additionally, \$110,000 is included as the city's partnership costs for improvements to the Royals Athletic Center located at Hopkins high school.
- Transfers into the CRF are done annually from available fund balance within the General Fund, under guidance of the city's fund balance policy. The transfer is scheduled as part of the adopted five-year CIP. Like all capital funds, the CRF is managed over a five-year horizon as part of the adopted CIP.
- The tax levy revenue was reduced in 2021 due to delaying the purchase of \$1.35 million in fleet vehicles, electric ice resurfacer and previously mentioned HVAC improvements. 2022 restores approximately \$710,000 of the previous levy reduction. Full restoration of the levy is anticipated to occur in 2025.
- The value of building and structures increased in 2021 and 2023 due to the completion of the public safety facility remodel and expansion project in 2021 and the purchase of The Marsh in 2023.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

**Community Investment Fund**  
Finance Department  
Capital Projects Fund

**Description of Services:**

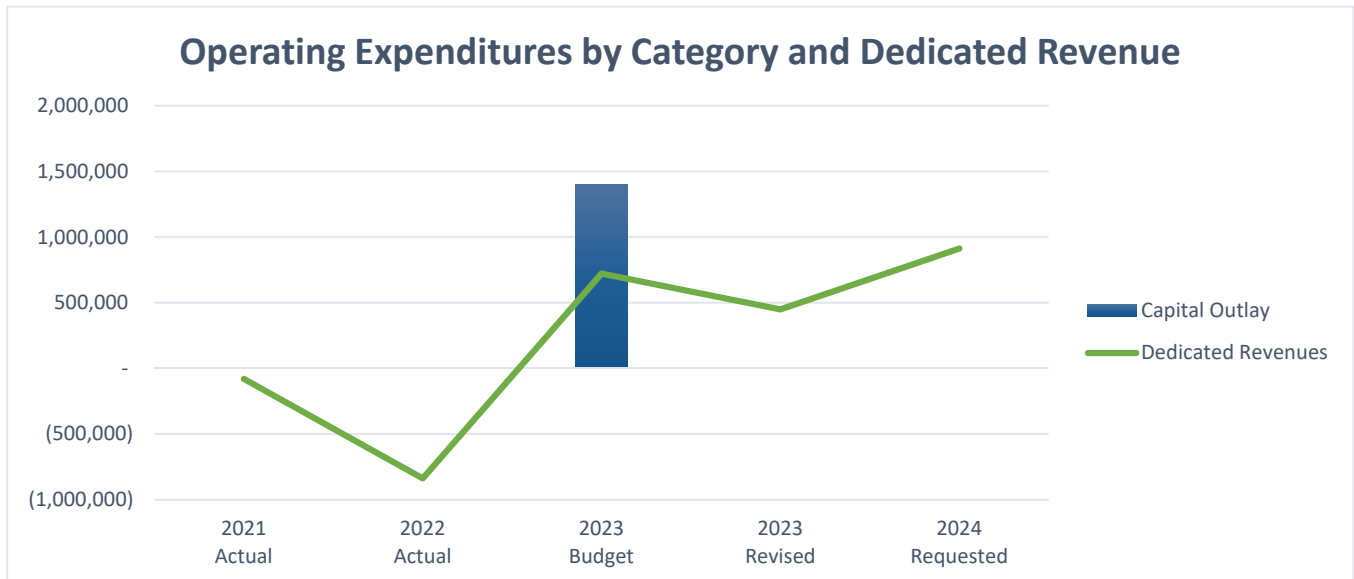
The Community Investment Fund was created in 1989 to be used solely to pay the capital costs for projects of general benefit to the City of Minnetonka. The city charter provides that the principal of the fund will be increased by ten percent of the investment income each year, and if the principal is used for a project, it must either be repaid or other projects may not be funded until the principal is restored to its previous amount plus ten percent of investment earnings.

City ordinance establishes that the following priorities are to be used in determining which projects should be financed by the fund: first, projects that can be funded within the amount of the available investment earnings; second, projects that use principal funds and that have the capacity to repay the principal amount borrowed; and third, projects that use principal funds, have no other reasonable funding source, are non-revenue producing, require significant funding, and will provide otherwise unattainable community benefit.

In the past, the Community Investment Fund was used to assist in financing the construction and/or renovation of city facilities that include: the Lindbergh Center, Williston Center, the Ice Arena, Shady Oak Beach, the Arts Center, Gray's Bay Marina, and the Public Works Building on Minnetonka Boulevard.

**Budget:**

|                                      | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ (78,873)            | \$ (836,433)           | \$ 721,900             | \$ 449,700              | \$ 912,900                |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Capital Outlay                       | \$ -                   | \$ -                   | \$ 1,400,000           | \$ -                    | \$ -                      |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Transfers In                         | \$ 63,000              | \$ 63,000              | \$ 63,000              | \$ 63,000               | \$ 63,000                 |
| Transfers Out                        | (600,000)              | -                      | -                      | -                       | (50,000)                  |
| Total Other Financing Sources (Uses) | \$ (537,000)           | \$ 63,000              | \$ 63,000              | \$ 63,000               | \$ 13,000                 |



## Key Measures:

|                                | <b>2021</b>   | <b>2022</b>   | <b>2023</b>      | <b>2024</b>      |
|--------------------------------|---------------|---------------|------------------|------------------|
|                                | <b>Actual</b> | <b>Actual</b> | <b>Estimated</b> | <b>Projected</b> |
| Annual net investment earnings | (\$78,873)    | (\$836,433)   | \$449,700        | \$912,900        |
| Ending Fund Balance            | \$21,682,785  | \$20,909,352  | \$20,428,275     | \$21,354,175     |
| Required Fund Balance          | \$20,033,299  | \$20,025,412  | \$19,941,769     | \$19,986,739     |
| Available Fund Balance         | \$1,649,486   | \$833,940     | \$486,506        | \$1,367,436      |

## Budget Comments/Issues:

- The low interest rate environment over the last decade has limited the fund's ability to generate significant investment earnings. As projected in the 2024-28 Capital Improvements Program (CIP), balances available for future capital projects are projected to continue at a conservative level compared to historical highs. The adopted capital budget also provides a list of other projects for future consideration to be financed from the fund, including park and open space purchases and potentially a recreational pool.
- The 2024-28 CIP includes \$2.0 million from the Community Investment Fund (CIF) in 2025 for the cost to replace the refrigeration system in the city's Ice Arena B. The fund supported replacement of the Ice Arena A system as part of the 2015 Ice Arena Improvement Project. Originally this project was scheduled for 2023, but due to supply chain disruptions, the project has been pushed back to 2025 to ensure construction can take place during the arena's slower time period.
- The 2024-28 CIP also includes \$600,000 from the Community Investment Fund (CIF) in 2025 for the cost to replace and upgrade the skate park located in Glen Lake.
- 2021 transfers out included a transfer out of \$600,000 for a payment on an interfund loan with the Special Assessment Construction Fund related to 2015 Ice Arena A improvements. This transfer combined 2020 and 2021 payments. A final payment of \$50,000 on this interfund loan is scheduled in 2024.
- Other revenue to the fund includes \$63,000 annually transferred in from the General Fund until the year 2048 for ownership conveyance of the Arts Center on 7 to the Minnetonka Independent School District in 2010.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

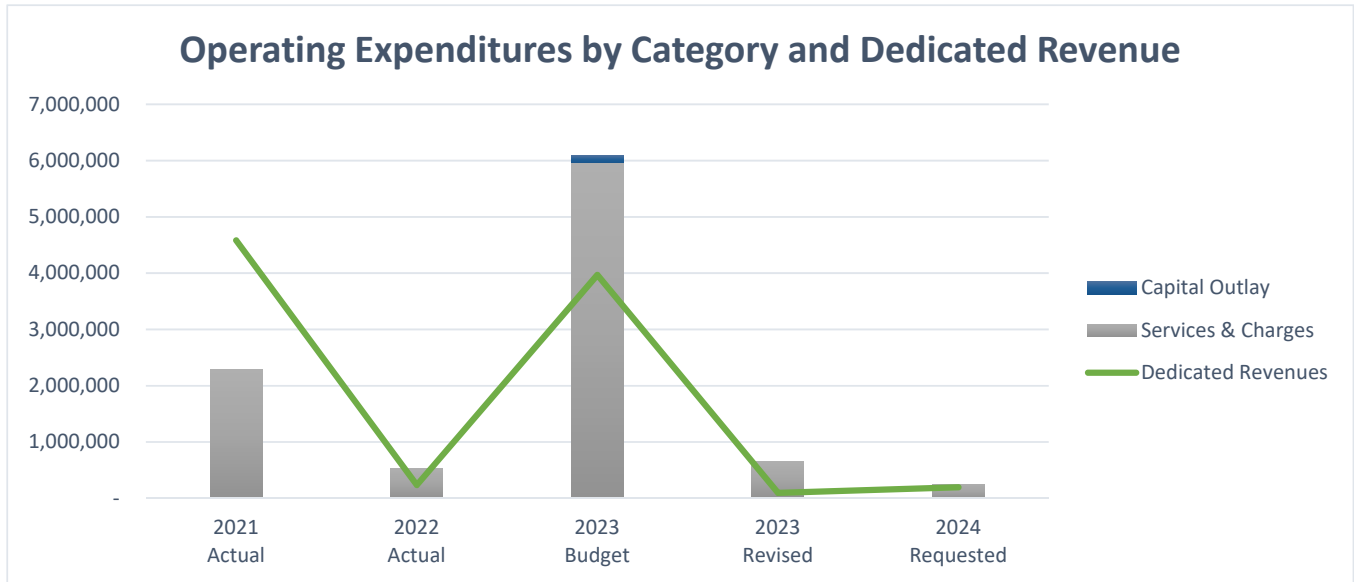
**Development Fund**  
Community Development Department  
Capital Fund

**Description of Services:**

The Development Fund was created with funds remaining after retiring the bonds of a single Tax Increment Finance (TIF) district in 1993. Under provisions of the TIF contract and law, the Development Fund may only be used for costs associated with Minnetonka's redevelopment and economic development activities. The city's Economic Development Authority initiates projects appropriate to these activities.

**Budget:**

|                                      | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ 4,582,667           | \$ 237,216             | \$ 3,968,200           | \$ 97,000               | \$ 196,900                |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Services & Charges                   | \$ 2,281,928           | \$ 533,745             | \$ 5,961,400           | \$ 648,451              | \$ 252,500                |
| Capital Outlay                       | -                      | -                      | 125,000                | -                       | -                         |
| Total Operating Expenditures         | \$ 2,281,928           | \$ 533,745             | \$ 6,086,400           | \$ 648,451              | \$ 252,500                |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Transfers In                         | \$ 39,509              | \$ 100,000             | \$ 100,000             | \$ 100,000              | \$ -                      |
| Transfers Out                        | (67,700)               | (2,168,900)            | (70,100)               | (70,100)                | (70,100)                  |
| Total Other Financing Sources (Uses) | \$ (28,191)            | \$ (2,068,900)         | \$ 29,900              | \$ 29,900               | \$ (70,100)               |



## Key Measures:

|  | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Development/redevelopment projects in progress | 10                     | 14                     | 15                        | 15                        |
| Predevelopment contacts                        | 22                     | 27                     | 20                        | 20                        |

## Budget Comments/Issues:

- In 2012, the city approved establishment of the Cedar Ridge Housing Improvement Area (HIA). Revenues to offset these costs that were incurred in 2012 and 2013 will be realized over time through special assessments to the property owners. Annual income for Cedar Ridge in 2024 is expected to be approximately \$40,000.
- In 2019, the city issued bonds for the Housing Improvement Area at Cloud 9 Sky Flats. The repayment of the bonds is approximately \$175,000 per year over a 20-year payback, which began in 2021.
- Expenditures under economic development programs are used to fund the Open to Business program, which is administered by a third-party contractor. Also included is the city's Greater MSP membership costs.
- 2023 new programs include business technical assistance (\$50,000), code compliance program (\$200,000) and the elevate business program (\$40,000 for a two-year commitment in 2023/2024).



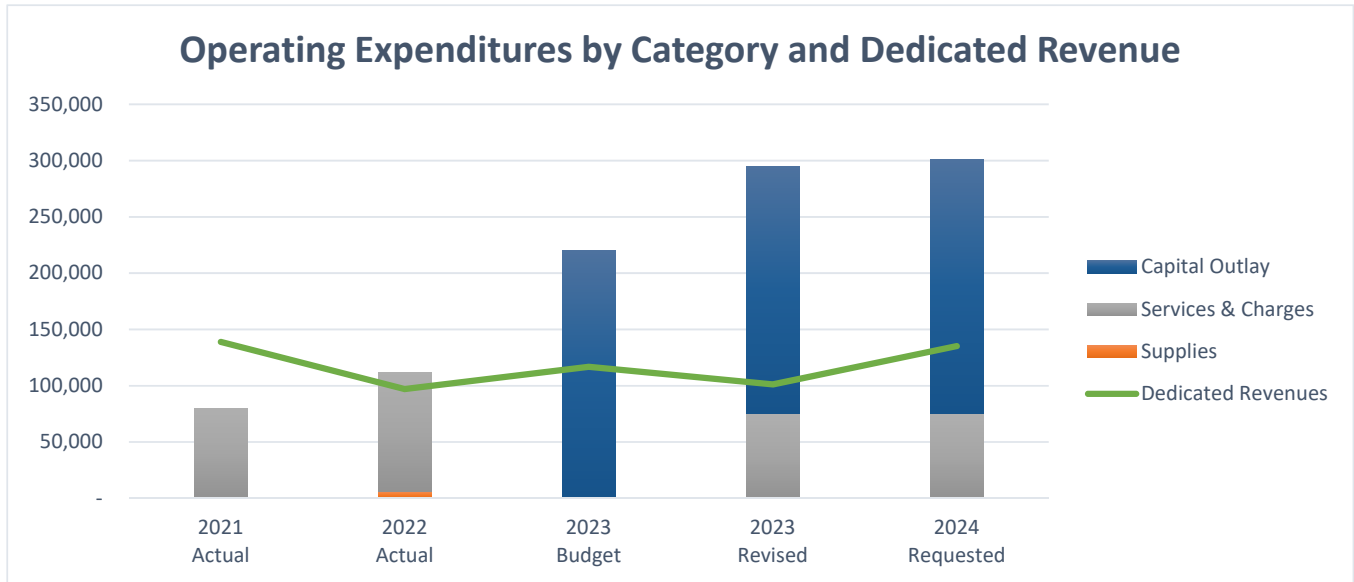
Fund: **Forestry Fund**  
 Responsible Department: Public Works Department  
 Fund Type: Capital Projects Fund

**Description of Services:**

The Forestry Fund was established at the beginning of 2014 to finance asset-related costs associated with the arrival of the Emerald Ash Borer (EAB) insect. The insect was first detected in the Twin Cities in 2009 and was discovered in Minnetonka in 2019. EAB will eventually infest and kill most, if not all, native ash trees which comprise about seven percent of all tree species in Minnesota. Inventories of the city suggest there are approximately 60,000 ash trees in the city limits (includes those in private yard areas, public parks, out-lots and public rights-of-way).

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 138,930             | \$ 97,062              | \$ 116,900             | \$ 101,300              | \$ 135,200                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Supplies                           | \$ -                   | \$ 5,822               | \$ -                   | \$ -                    | \$ -                      |
| Services & Charges                 | 80,073                 | 106,419                | -                      | 75,000                  | 75,000                    |
| Capital Outlay                     | -                      | -                      | 220,000                | 220,000                 | 226,000                   |
| Total Operating Expenditures       | <u>\$ 80,073</u>       | <u>\$ 112,241</u>      | <u>\$ 220,000</u>      | <u>\$ 295,000</u>       | <u>\$ 301,000</u>         |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers Out                      | <u>\$ (58,000)</u>     | <u>\$ (59,000)</u>     | <u>\$ (60,000)</u>     | <u>\$ (60,000)</u>      | <u>\$ (60,000)</u>        |



## Key Measures:

|   | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|---|----------------|----------------|-------------------|-------------------|
| Ash trees removed                         | 540            | 1,301          | 800               | 1500              |
| Park trees replanted                      | 197            | 140            | 150               | 150               |
| Stumps ground                             | 12             | 1              | 10                | 10                |
| High value ash trees treated (city trees) | 110            | 229            | 110               | 110               |

## Budget Comments/Issues:

- Costs in the Forestry Fund reflect the capital budget portion of the EAB program along other plant pests and diseases, which includes tree removal, stump grinding, equipment purchases and reforestation. The 2019 budget incorporated funds to begin removal of right-of-way trees as directed by the mayor and city council. As part of the ramp-up, \$60,000 is transferred to the General Fund to support the costs of one additional full-time employee in the Natural Resources Division to assist in administering the program as part of the multi-year action plan.
- At the end of 2018 the city completed the removal of all poorly formed and unhealthy ash trees from the maintained areas of parks and city owned properties (water towers, fire stations, etc.). Tree replacement numbers are anticipated to hold steady because of replanting in woodland areas to replace ash trees that are preemptively removed.
- Only the highest priority, city-owned ash trees have had bi-annual injection treatments since 2015.
- The city has solicited a bulk rate for injection and has extended the pricing to residents that want to inject their elm and ash trees in order to protect them from Dutch elm disease and EAB.
- Staff costs are reflected within the General Fund and are part of the previously approved city plan. The level of service will likely continue to increase going forward due to the identification of EAB for the first time within the City in 2019.
- In 2014, almost \$900,000 was received as a settlement for tree loss that was sustained in three parks as a result of the use of Imprelis, a broadleaf herbicide, used to control weeds. The city has begun to use a portion of the settlement deposited in the Forestry Fund for reforestation efforts to replace these lost trees. The residual effects of the chemical are not well understood at this time so planting of new trees will be cautiously slow.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

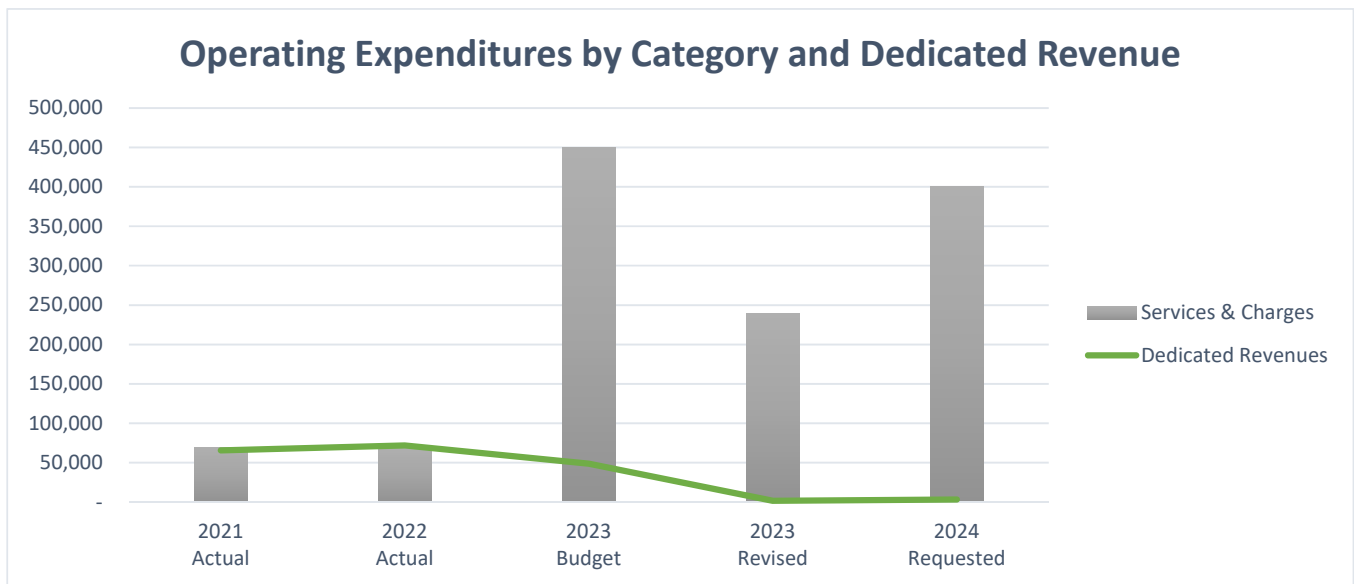
**Livable Communities Fund**  
Community Development Department  
Capital Fund

**Description of Services:**

The Livable Communities fund was created after receiving special legislation to develop an account from the revenues of a closed Tax Increment Finance (TIF) district. The legislation specifically restricts the use of these funds for affordable housing programs. Standards for affordability are consistent with the Metropolitan Council's income, rent and sales price limits. Uses of the fund are annually recommended by the city's Economic Development Advisory Commission (EDAC) and adopted by the city council.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 65,839              | \$ 72,008              | \$ 48,900              | \$ 1,700                | \$ 3,300                  |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Services & Charges                 | \$ 69,499              | \$ 67,686              | \$ 450,000             | \$ 240,000              | \$ 400,000                |





**Key Measures:**

|                                    | <b>2021</b>   | <b>2022</b>   | <b>2023</b>      | <b>2024</b>      |
|------------------------------------|---------------|---------------|------------------|------------------|
|                                    | <b>Actual</b> | <b>Actual</b> | <b>Estimated</b> | <b>Projected</b> |
| Total WHAHLT units in Minnetonka   | 60            | 62            | 64               | 66               |
| Average sales price of WHAHLT unit | \$305,000     | \$406,000     | \$415,000        | \$420,000        |
| Median value of Minnetonka home    | \$405,400     | \$460,000     | \$460,000        | \$465,000        |
| Change from previous year          | 3.9%          | 13.4%         | 0%               | 1%               |

**Budget Comments/Issues:**

- Due to use of the fund balance, the Livable Communities Fund balance is projected to decrease over time. In 2009, the city's Economic Development Authority (EDA) and the Minnetonka city council adopted a Housing & Redevelopment Authority (HRA) levy to potentially supplement this fund for the purposes of affordable housing.
- The city provides annual financial support to the West Hennepin Affordable Housing Land Trust (WHAHLT), or Homes Within Reach. Per the adopted Economic Improvement Program (EIP), it is anticipated that balances will be exhausted in this fund in 2024. There are prior years unused allocations reflected in this fund.
- Revenue and expenditures include a pass-through annual grant for WHAHLT from the Metropolitan Council, which the non-profit is using to fund scattered-site affordable housing.



Fund:  
Responsible Department:  
Fund Type:

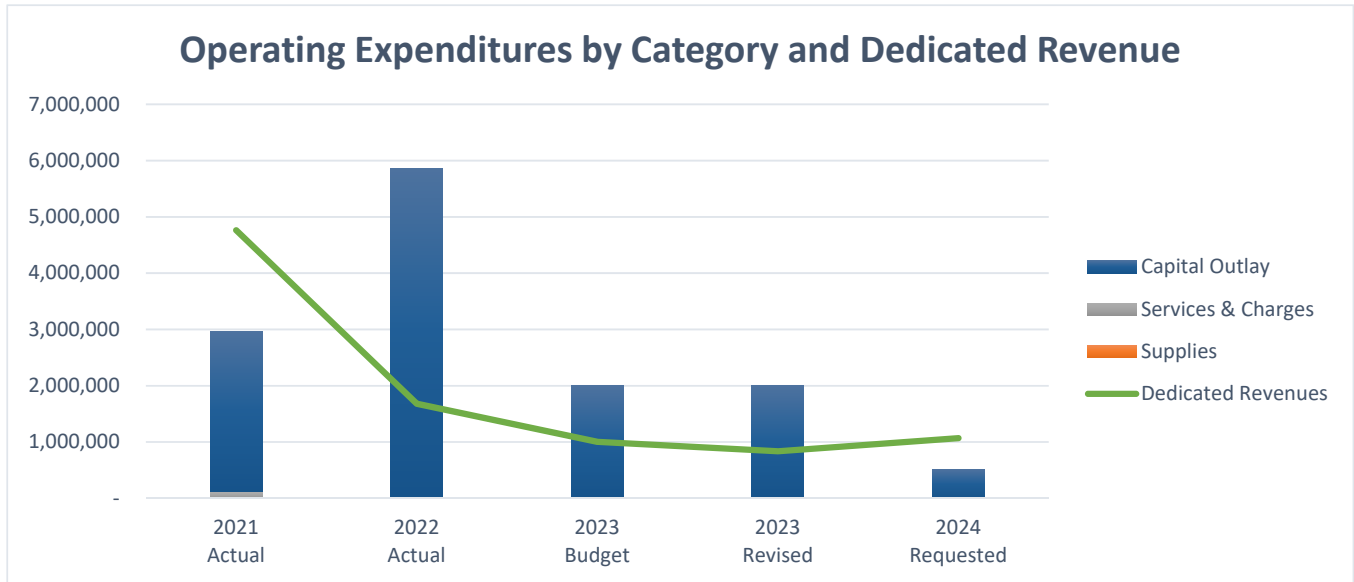
**Park & Trail Improvement Fund**  
Public Works Department  
Capital Projects Fund

**Description of Services:**

The Park & Trail Improvement Fund was created to account for the purchase and development of parks and trails throughout the city. Because park dedication fees are a revenue source for this fund, state law requires it to be segregated and used only for park and trail acquisition and development. Athletic field fees are collected annually and reserved for future capital needs at each specific field. Trails along roadways are also funded through the Trail System Expansion Fund. Their construction often coincides with road construction projects and neighborhood developments.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 4,762,232           | \$ 1,680,028           | \$ 1,004,400           | \$ 837,800              | \$ 1,070,600              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Supplies                           | \$ 8,369               | \$ 341                 | \$ -                   | \$ -                    | \$ -                      |
| Services & Charges                 | 111,057                | 19,933                 | -                      | -                       | -                         |
| Capital Outlay                     | 2,843,909              | 5,847,039              | 2,002,100              | 2,002,100               | 504,300                   |
| Total Operating Expenditures       | \$ 2,963,335           | \$ 5,867,313           | \$ 2,002,100           | \$ 2,002,100            | \$ 504,300                |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers In                       | \$ 1,836,603           | \$ 236,861             | \$ 8,000               | \$ 8,000                | \$ 8,000                  |



## Key Measures:

|                                 | <b>2021</b><br><b>Actual</b> | <b>2022</b><br><b>Actual</b> | <b>2023</b><br><b>Estimated</b> | <b>2024</b><br><b>Projected</b> |
|---------------------------------|------------------------------|------------------------------|---------------------------------|---------------------------------|
| Miles of new trails constructed | 1.30                         | 0.65                         | 0.00                            | 0.00                            |
| Miles of trails refurbished     | 3.1                          | 1.2                          | 1.2                             | 0.8                             |

## Budget Comments/Issues:

- As indicated in the 2024-2028 CIP, the 2024 budget includes funds to continue community supported investments in the existing trail system and city parks, including park habitat restoration and infrastructure improvements to parks and trails.
- 2024 park improvements include reconstruction of the Reich park tennis courts.
- 2024 habitat restoration is scheduled for Meadow, Orchard and Lake Rose parks.
- Revenues to the Parks & Trails Fund in 2017 through 2022 reflect a significant rise in the number of development projects in the city, which contribute park dedication fees, compared to past years. New construction may also contribute in-kind natural and/or public park improvements.
- New trail construction is primarily accounted for within the Trail Expansion Fund.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

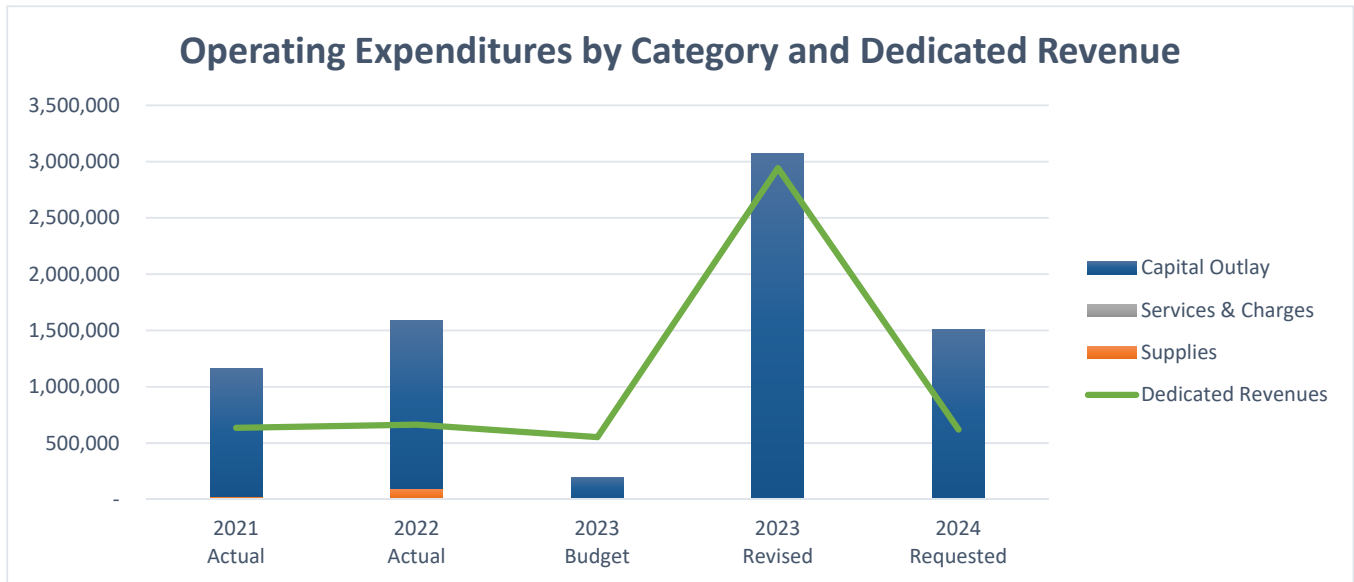
**Public Safety Fund**  
Finance Department/Police Department  
Capital Fund

**Description of Services:**

The Public Safety Fund, originally coined the Fire Apparatus Fund, was created in 2011 to finance the recurring, essential replacement of costly fire and other public safety capital items on a timely basis. While regular vehicles such as patrol cars are funded through the Capital Replacement Fund, the city maintains the following fire apparatus: 8 engines, 3 ladders, 2 grass rigs, 2 utility units, a mobile air support truck, 2 light rescue trucks and one boat. Other high-cost purchases to be supported by this fund include public safety technology items like specialized radios and fire fighting, self-contained breathing apparatus (SCBA) as well as police equipment.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 636,214             | \$ 663,526             | \$ 553,000             | \$ 2,941,900            | \$ 621,100                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Supplies                           | \$ 29,360              | \$ 93,918              | \$ -                   | \$ -                    | \$ -                      |
| Services & Charges                 | 984                    | -                      | -                      | -                       | -                         |
| Capital Outlay                     | 1,133,399              | 1,499,251              | 198,500                | 3,073,500               | 1,505,500                 |
| Total Operating Expenditures       | \$ 1,163,743           | \$ 1,593,169           | \$ 198,500             | \$ 3,073,500            | \$ 1,505,500              |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers In                       | \$ -                   | \$ 250,000             | \$ 200,000             | \$ 200,000              | \$ 175,000                |



## Key Measures:

|                              | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Average age of pumper trucks | 14.0                   | 13.1                   | 14.1                      | 15.1                      |
| Average age of ladder trucks | 9.3                    | 10.3                   | 11.3                      | 12.3                      |

## Budget Comments/Issues:

- The 2024 budget for the Public Safety Fund includes \$72,000 for automated external defibrillators (AEDs), \$650,000 for firefighter self-contained breathing apparatuses (SCBA), \$200,000 for the purchase of a light-duty rescue truck, \$512,000 for replacement of the Police Department's 70 handheld radios, \$45,000 for a mobile camera trailer, and \$26,500 for dynamic feedback speed signs.
- The city council approved amending the 2024-2028 CIP to advance the purchase of three fire engines from 2024 to 2023. The cost of these three engines is approximately \$2.9 million and will not be paid until the engines are delivered, which is anticipated to be in 2026. The 2023 state legislature provided the city with \$2.4 million of one-time public safety aid that will pay for a majority of this purchase.
- The city council approved amending the 2022-2026 CIP to advance the purchase of a fire engine from 2023 to 2022. This advance purchase saved the city \$80,000 due to anticipated price increases. Delivery is not anticipated to occur until late 2023.
- The ongoing plan for fire equipment includes reducing the number of large rigs, which has decreased the fleet's average age and has provided enhanced maintenance of pumpers and trucks. The replacement and refurbishment schedule of the fire fleet allows it to remain highly reliable by rotating apparatus from a higher use location to lower use locations, thereby balancing the fleet and extending the life of each apparatus.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

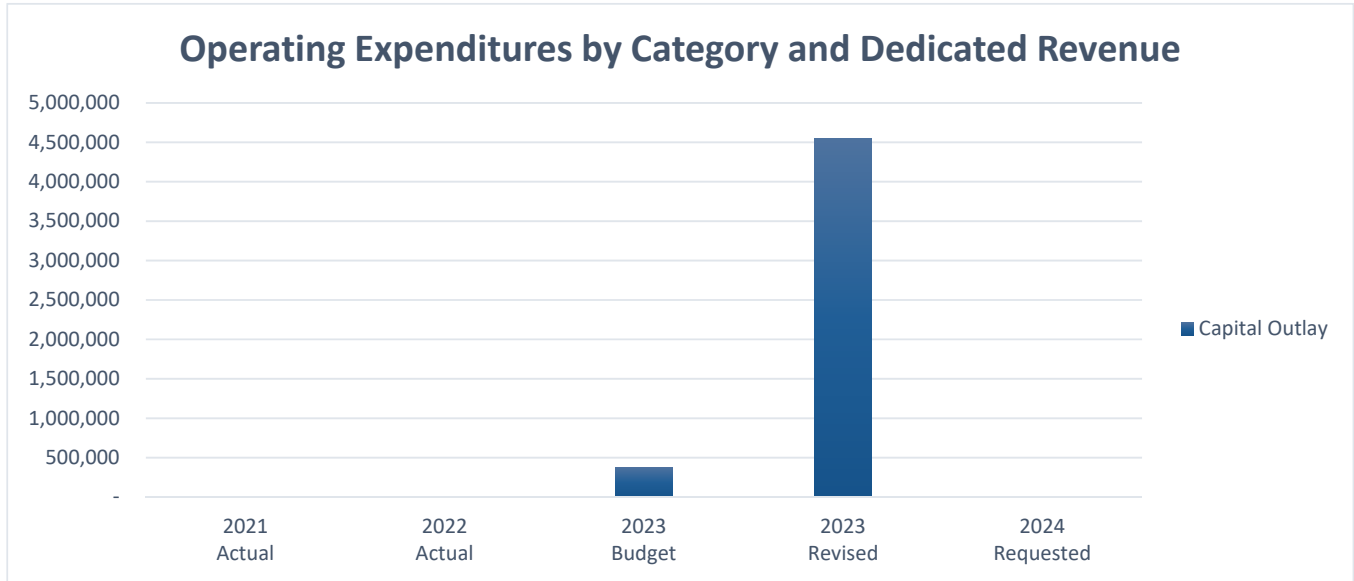
**The Marsh Capital Improvement Fund**  
Recreation Services Department  
Capital Projects Fund

**Description of Services:**

The city purchased The Marsh in February, 2023 and partially re-opened May 1, 2023. Recreational amenities at The Marsh include: two indoor pools, two aerobic studios, meditation tower, physical therapy, strength training equipment, cardiovascular equipment, spa services, whirlpool, steam rooms and saunas. Membership is open to residents and non-residents or users can purchase a guest pass for the day.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Capital Outlay                     | \$ -                   | \$ -                   | \$ 375,000             | \$ 4,545,300            | \$ -                      |



## **Capital Improvement Program:**

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

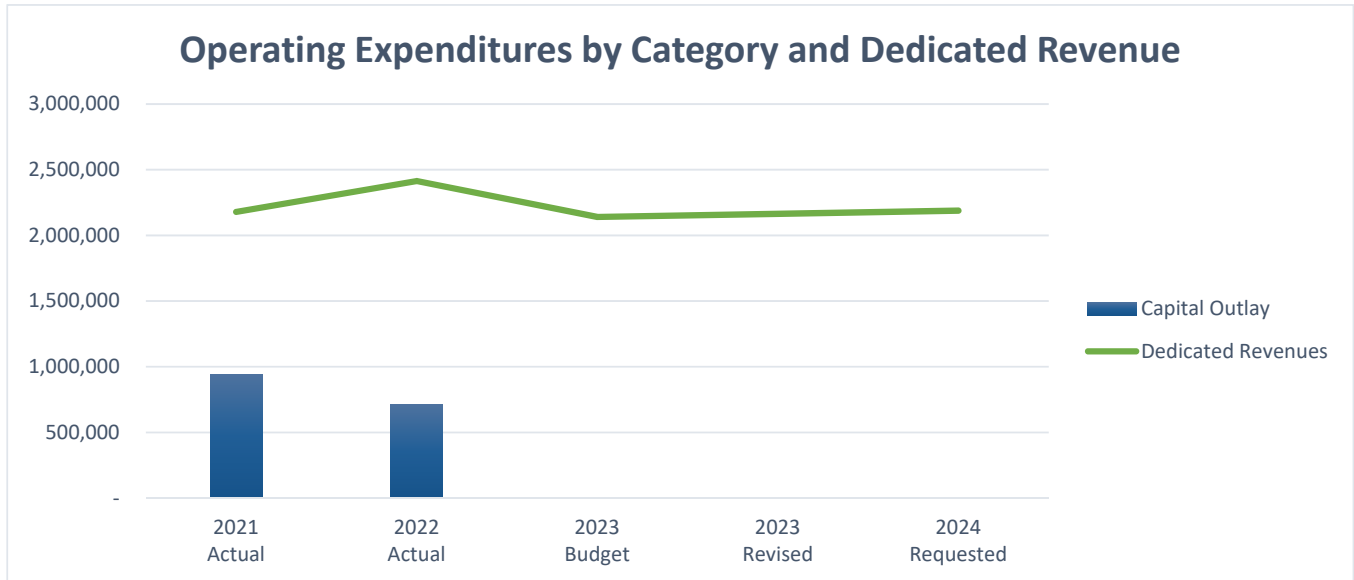
**Municipal State Aid Fund**  
Engineering Department  
Capital Projects Fund

**Description of Services:**

The Municipal State Aid (MSA) Fund accounts for state revenues and related expenses for the construction and maintenance of county state aid road and MSA street systems in Minnetonka. The state generates these funds from fuel taxes, license fees, motor vehicle sales tax and auto parts sales tax. The state then divides the great majority of these tax revenues between the state (62%), counties (29%), and municipalities with populations over 5,000 (9%). The part allocated to the cities is then apportioned amongst those municipalities, 50% based upon need, as determined by estimated construction and maintenance costs over a 25-year period, and 50% based upon census population data.

**Budget:**

|                                      | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ 2,179,393           | \$ 2,413,682           | \$ 2,140,300           | \$ 2,164,000            | \$ 2,188,500              |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Capital Outlay                       | \$ 941,673             | \$ 712,147             | \$ -                   | \$ -                    | \$ -                      |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Transfers In                         | \$ 4,449               | \$ -                   | \$ -                   | \$ -                    | \$ -                      |
| Transfers Out                        | (193,267)              | -                      | -                      | -                       | -                         |
| Total Other Financing Sources (Uses) | \$ (188,818)           | \$ -                   | \$ -                   | \$ -                    | \$ -                      |





**Key Measures:**

|                                 | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|---------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Construction projects underway  | 0                      | 0                      | 0                         | 0                         |
| Construction projects completed | 0                      | 0                      | 0                         | 0                         |

**Budget Comments/Issues:**

- Per the adopted 2020-2024 Capital Improvements Program (CIP), the MSA Fund financed significant improvements to the Ridgedale area. Due to major improvement projects over the last several years, there are no immediate projects in the 2024-2028 CIP as the funds works on replenishing its cash balance.



Fund:  
Responsible Department:  
Fund Type:

**Street Improvements Fund**  
Engineering Department  
Capital Projects Fund

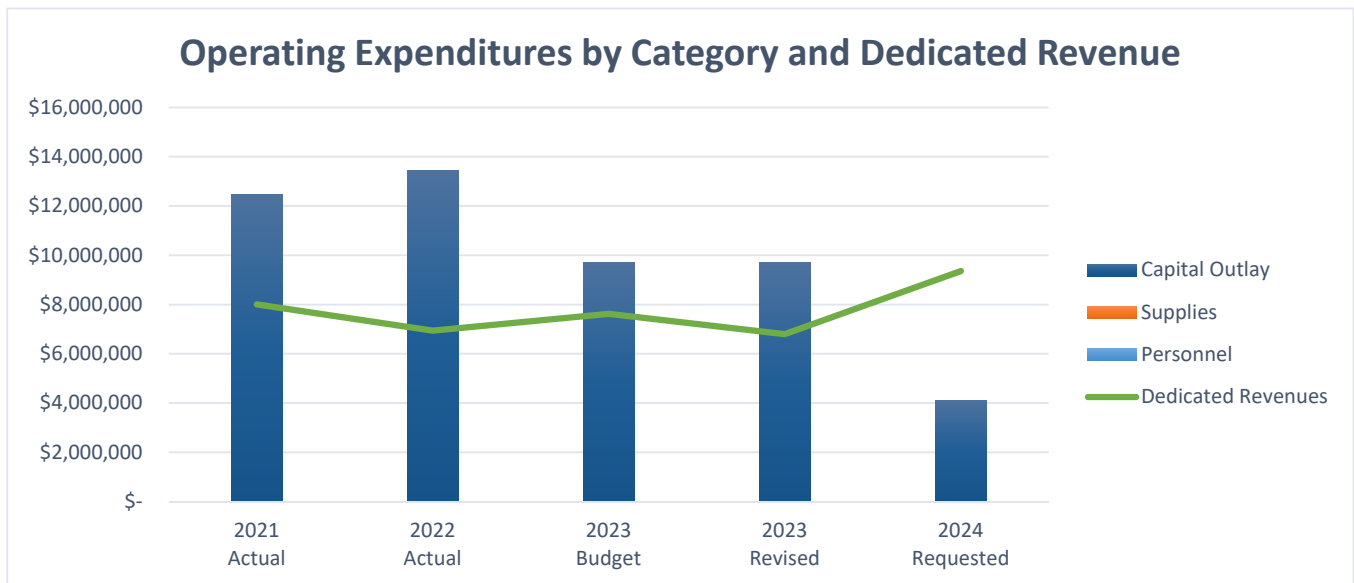
**Description of Services:**

The Street Improvement Fund was created to finance capital projects for the ongoing maintenance and reconstruction of local city streets. Local city streets are defined as those streets not falling into the category of State Aid, county, or state roadways and, therefore, are relegated to the lowest priority for support from state and county funds. Revenue to the fund is derived primarily by property tax levy proceeds.

The city's current Pavement Management Program requires that each city street be tested and rated once every four years. Staff analyzes the test results annually using a pavement management system to determine the most effective and efficient method to maintain the integrity of the road infrastructure within budget constraints. Road quality, as measured by the pavement condition index, can vary depending upon environmental conditions including load and weather as well as the categories of maintenance performed by city crews.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 8,006,150           | \$ 6,937,674           | \$ 7,619,500           | \$ 6,795,583            | \$ 9,359,400              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ -                   | \$ 5,786               | \$ -                   | \$ -                    | \$ -                      |
| Supplies                           | 16,509                 | 40,274                 | -                      | -                       | -                         |
| Capital Outlay                     | 12,448,760             | 13,394,691             | 9,715,000              | 9,715,000               | 4,115,000                 |
| Total Operating Expenditures       | \$ 12,465,269          | \$ 13,440,751          | \$ 9,715,000           | \$ 9,715,000            | \$ 4,115,000              |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers In                       | \$ 1,243,430           | \$ 1,500,000           | \$ 1,450,000           | \$ 1,450,000            | \$ 750,000                |



## Key Measures:

|   | <b>2021</b>   | <b>2022</b>   | <b>2023</b>      | <b>2024</b>      |
|---|---------------|---------------|------------------|------------------|
|   | <b>Actual</b> | <b>Actual</b> | <b>Estimated</b> | <b>Projected</b> |
| Miles of streets reconstructed                            | 3.0           | 3.0           | 5.3              | 0.9              |
| Miles of streets thin overlay                             | 5.5           | 12.4          | 13.9             | 11.4             |
| Miles of streets rated for condition (varies by quadrant) | 57            | 65            | 67               | 71               |
| Average pavement condition index (Goal=80)                | 80            | 80            | 80               | 80               |

## Budget Comments/Issues:

- The 2024 budget for the Street Improvement Fund as provided in the Capital Improvement Program (CIP) will continue the city's road rehabilitation and preservation programs.
- Consistent with the city's capital improvements policy, the fund balance for the Street Improvement Fund is managed over a five-year horizon, and some years have higher costs while others have lower costs.
- Reserve for Delayed Projects in 2023 are final costs for various projects including local street rehabilitation and Opus area improvements.
- A portion of city's state allotment of Municipal State Aid Maintenance is deposited annually to the Street Improvement Fund for MSA street related costs.
- The Local Street Preservation Program includes patching, sealing, plus thin overlays and reconstruction projects.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

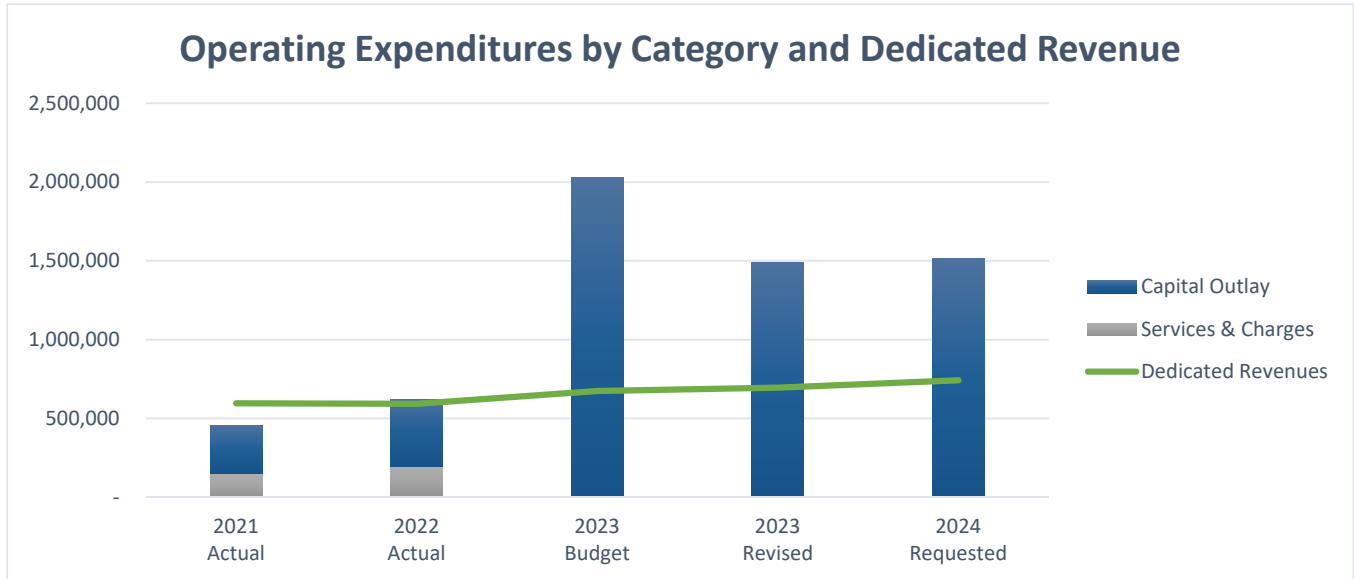
**Technology Development Fund**  
Administrative Services Department  
Capital Fund

**Description of Services:**

The Technology Development Fund provides for the purchase of replacement computers, local area and wide area network equipment, printers, peripheral devices, telecommunications improvements and software. It also provides for the purchase of new equipment and software that serves the city as a whole, including major office equipment such as copiers, postage machine, and security card access system enhancements.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 595,939             | \$ 593,454             | \$ 674,300             | \$ 695,600              | \$ 742,600                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Services & Charges                 | \$ 152,882             | \$ 197,014             | \$ -                   | \$ 10,769               | \$ 13,200                 |
| Capital Outlay                     | 302,452                | 425,912                | 2,028,900              | 1,478,900               | 1,502,000                 |
| Total Operating Expenditures       | <u>\$ 455,334</u>      | <u>\$ 622,926</u>      | <u>\$ 2,028,900</u>    | <u>\$ 1,489,669</u>     | <u>\$ 1,515,200</u>       |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers In                       | <u>\$ 500,000</u>      | <u>\$ -</u>            | <u>\$ 350,000</u>      | <u>\$ 1,200,000</u>     | <u>\$ 100,000</u>         |



## Key Measures:

|                             | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|-----------------------------|----------------|----------------|-------------------|-------------------|
| Number of servers           | 45             | 43             | 45                | 47                |
| Number of desktop computers | 240            | 200            | 204               | 204               |
| Number of laptop computers  | 200            | 223            | 233               | 240               |
| Number of iPads/tablets     | 110            | 110            | 110               | 110               |

## Budget Comments/Issues:

- 2024 budget provides for current services.
- 2023 capital outlay includes the implementation of the Enterprise Resource Planning (ERP) system for finance and human resources. A separate implementation of the city's utility billing system is also included in this project. In February 2023, the council amended the 2023-2027 CIP to transfer an additional \$850,000 from the General Fund to cover the costs of this project. Initial project costs were anticipated to be \$1.4 million.
- Increases in the number of wireless access points provide better coverage and mobility for wireless devices of city customers/citizens, business partners and city employees.
- The capital replacement of mobile devices, including: iPads, tablets and laptops has seen an increase due to the city's use of mobile devices in the field to capture and document data. In some instances, where an iPad or tablet does not meet the requirements, city staff is opting to switch from a standard desktop device to a laptop.
- Increases in the number of mobile devices such as iPads/tablets and laptops is also due in part to newly remodeled city offices that feature flexible workspaces and promote collaboration.
- The 2021 increased physical campus footprint has increased the video surveillance, security cameras, wireless & network infrastructure.
- The 2021 budget includes a one-time transfer of \$500,000 respectively from the General Fund's reserves in excess of the city's budget stabilization policy.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

**Trail System Expansion Fund**  
Public Works Department  
Capital Fund

**Description of Services:**

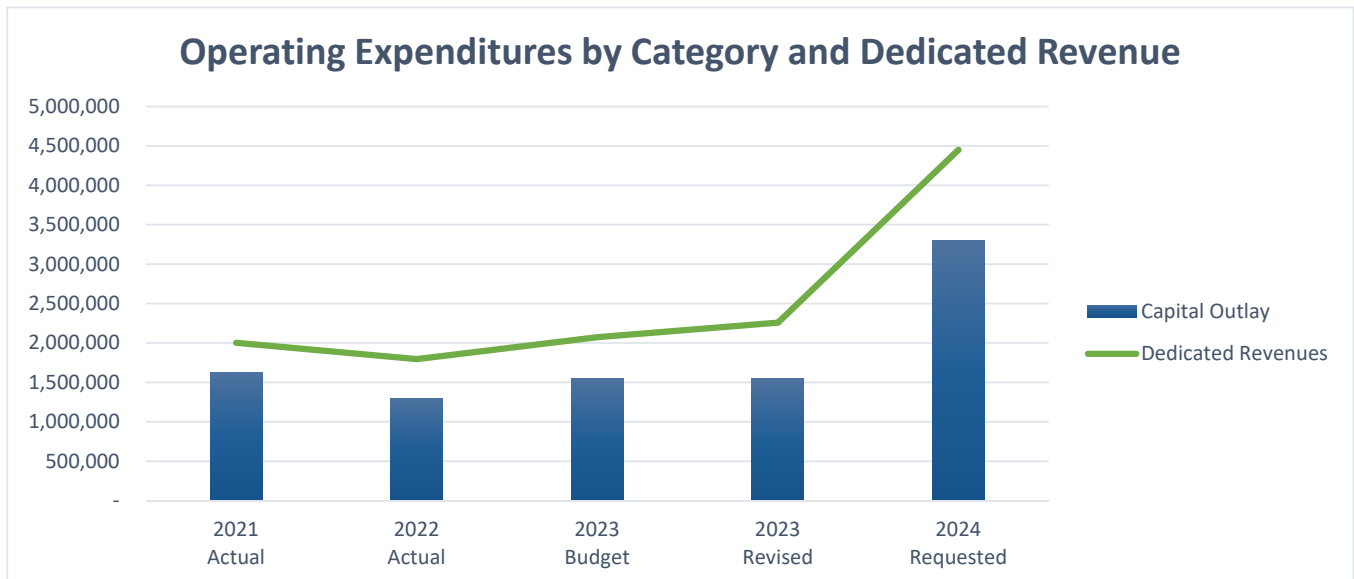
In response to significant results garnered from the City of Minnetonka's annual community survey and the Imagine Minnetonka community engagement process, the city adopted a natural gas franchise fee in 2018 to charge CenterPoint Energy for its use of city rights-of-way. In addition, the electric franchise fee was increased by \$2 per residential account with \$1 dedicated to underground burial and \$1 dedicated to trail expansion. Calculated as a monthly charge per customer, all revenue paid to the city by the gas company and a portion of the revenue paid to the city from the electric company supports costs to expand the city trail system and make sidewalks and streets safer for pedestrians.

Fee revenue and costs associated with the projects are budgeted through the Trail System Expansion Fund. The schedule for constructing these projects is developed as part of the city's five-year Capital Improvements Program (CIP).

This fund was initially named the Gas Franchise Fund. In order to provide a more transparent use of funds and tracking of projects, the portion of electric franchise fees associated with trail development is now accounted for within this Trail Development Fund rather than within the Electric Franchise Fee fund, which is used only for undergrounding of electrical utilities.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 2,003,038           | \$ 1,796,013           | \$ 2,074,200           | \$ 2,258,600            | \$ 4,450,400              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Capital Outlay                     | \$ 1,631,021           | \$ 1,299,463           | \$ 1,550,000           | \$ 1,550,000            | \$ 3,300,000              |



## Key Measures:

|   | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Estimated</u> | <u>2024<br/>Projected</u> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Miles of new trail segments constructed using gas and electric franchise revenues | 0.7                    | 0.6                    | 1.7                       | 0.7                       |

## Budget Comments/Issues:

- Revenues from the natural gas franchise fee, which is equal to \$4.50/month per residential account, in addition to an increase in the electric franchise fee of \$1.00/month per residential are to be solely dedicated to priority trail construction as provided in the adopted CIP. The fee generates approximately \$1.9 million per year and allow for the completion of approximately eight new priority segments over the next ten years. This includes the addition of the following segments in the 2024-2028 CIP, Hopkins Crossroad (Cedar Lake Road to Wayzata Blvd), Hillside Lane (Hopkins Crossroad to Tanglen Elementary), Minnetonka Blvd (The Marsh to Tonkawood) and Excelsior Boulevard (Glen Oak Street to CSAH 101 Library).
- The city's internal trails team prioritized unscheduled segments which was subsequently approved by the park board and city council. The vision for trail segments uses a score based on: Community Access (40%), Nature of Use (40%), Cost Effectiveness (10%), and Degree of Construction Difficulty (10%). At the same time, the trails team also estimated approximate costs to construct the remaining priority trail network at a projected total of \$58.9 million. Staff used these planning level estimates to develop an approximate idea of funding needed to build out these segments, with the intent to complete feasibility reports as segments are scheduled or get closer to construction to refine the detailed costs. This estimate continues to be updated annually based on current bid climate and is estimated at \$85,716,400.
- Staff continues to recommend delaying Baker Road trail segments from Minnetonka Boulevard to County Road 62 as a part of the above recommendation as Three Rivers Park District (TRPD) has finalized its West Metro Regional Trails master plan and seeks final approvals.

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



CITY OF  
**MINNETONKA**



2024 Annual Budget - Debt Service Funds

|  | 2016B GO<br>Open Space<br>Bonds | 2019 HIA<br>Bonds | 2020A GO<br>CIP Bonds | Total<br>Debt Service<br>Funds |
|--|---------------------------------|-------------------|-----------------------|--------------------------------|
| Revenues:                                  |                                 |                   |                       |                                |
| General Property Taxes                     | \$ 289,695                      | \$ -              | \$ 1,109,529          | \$ 1,399,224                   |
| Expenditures                               |                                 |                   |                       |                                |
| Public Safety                              | \$ -                            | \$ -              | \$ 1,056,200          | \$ 1,056,200                   |
| Parks                                      | 268,900                         | -                 | -                     | 268,900                        |
| Development                                | -                               | 171,900           | -                     | 171,900                        |
| Total Expenditures                         | \$ 268,900                      | \$ 171,900        | \$ 1,056,200          | \$ 1,497,000                   |
| Net Change in Fund Balance                 | \$ 20,795                       | \$ (171,900)      | \$ 53,329             | \$ (97,776)                    |
| Estimated Beginning Available Fund Balance | 928,317                         | (9,692)           | 943,250               |                                |
| Estimated Ending Available Fund Balance    | \$ 949,112                      | \$ (181,592)      | \$ 996,579            |                                |



CITY OF  
**MINNETONKA**



CITY OF  
**MINNETONKA**

2024 Annual Budget - Enterprise & Internal Service Funds

|  | Business-Type Activities - Enterprise Funds |                      |                  |                          |
|--|---|----------------------|------------------|--------------------------|
|  | Water and Sewer Utilities                   | Storm Water          | Environmental    | Williston Fitness Center |
| Revenues:                                  |   |                      |                  |                          |
| Operating Revenues                         | \$ 19,032,600                               | \$ 3,306,200         | \$ 1,600,000     | \$ 2,851,900             |
| Operating Expenses:                        |   |                      |                  |                          |
| Operating Expenses                         | 19,272,600                                  | 1,707,000            | 1,405,700        | 2,843,250                |
| Non-Operating Revenues (Expenses)          |   |                      |                  |                          |
| Total Other Financing Uses                 | <u>(814,000)</u>                            | <u>(150,200)</u>     | <u>(220,600)</u> | <u>(54,200)</u>          |
| Change in Net Position                     | \$ (1,054,000)                              | \$ 1,449,000         | \$ (26,300)      | \$ (45,550)              |
| Estimated Beginning Available Fund Balance | 73,275,686                                  | 34,728,476           | 97,830           | 3,675,650                |
| Estimated Ending Available Fund Balance    | <u>\$ 72,221,686</u>                        | <u>\$ 36,177,476</u> | <u>\$ 71,530</u> | <u>\$ 3,630,100</u>      |
| Estimated Ending Available Cash Balance    | \$ 20,721,850                               | \$ 5,226,990         | \$ 53,204        | \$ 360,881               |

2024 Annual Budget - Enterprise & Internal Service Funds

|  | <u>Grays<br/>Bay<br/>Marina</u> | <u>Total<br/>Enterprise<br/>Funds</u> | <u>Governmental<br/>Activities<br/>Total<br/>Internal Service<br/>Funds</u> |
|--|---------------------------------|---------------------------------------|---|
| Revenues:                                  |                                 |                                       |   |
| Operating Revenues                         | \$ 309,000                      | \$ 27,099,700                         | \$ 3,207,900  |
| Operating Expenses:                        |                                 |                                       |   |
| Operating Expenses                         | 238,500                         | 25,467,050                            | 2,844,700   |
| Non-Operating Revenues (Expenses)          |                                 |                                       |   |
| Total Other Financing Uses                 | <u>(12,900)</u>                 | <u>(1,251,900)</u>                    | <u>-</u>  |
| Change in Net Position                     | \$ 57,600                       | <u>\$ 380,750</u>                     | \$ 363,200  |
| Estimated Beginning Available Fund Balance | 1,063,475                       |                                       | 3,244,741   |
| Estimated Ending Available Fund Balance    | <u>\$ 1,121,075</u>             |                                       | <u>\$ 3,607,941</u>   |
| Estimated Ending Available Cash Balance    | \$ 996,244                      |                                       | \$ 3,988,295  |



Fund:  
Responsible Department:  
Fund Type:

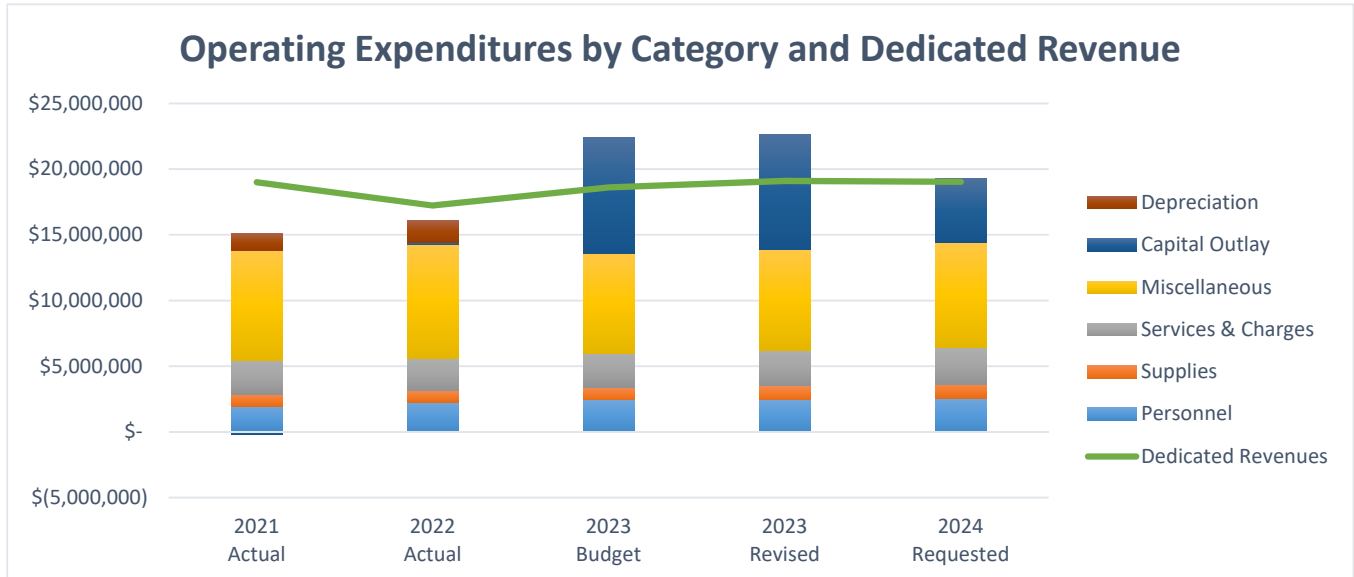
**Water and Sewer Utilities Fund**  
Public Works Department  
Enterprise Fund

**Description of Services:**

The Utility Division of the Public Works Department operates and maintains the water system, sewer collection system, city-owned street lighting and civil defense warning sirens in the city. This includes over 300 miles each of water distribution and sewer collection piping, eighteen wells, eight water treatment facilities, ten water storage structures, 38 lift stations, 371 street lights and ten civil defense sirens.

**Budget:**

|                                      | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ 18,996,336          | \$ 17,227,180          | \$ 18,615,100          | \$ 19,102,800           | \$ 19,032,600             |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Personnel                            | \$ 1,963,198           | \$ 2,247,769           | \$ 2,422,700           | \$ 2,422,700            | \$ 2,541,700              |
| Supplies                             | 914,565                | 872,794                | 945,800                | 1,085,600               | 1,089,300                 |
| Services & Charges                   | 2,527,263              | 2,486,189              | 2,616,200              | 2,719,300               | 2,799,900                 |
| Miscellaneous                        | 8,399,145              | 8,631,256              | 7,625,500              | 7,626,500               | 7,957,500                 |
| Capital Outlay                       | (171,170)              | 189,924                | 8,817,200              | 8,817,200               | 4,884,200                 |
| Depreciation                         | 1,287,586              | 1,640,499              | -                      | -                       | -                         |
| Total Operating Expenditures         | \$ 14,920,587          | \$ 16,068,431          | \$ 22,427,400          | \$ 22,671,300           | \$ 19,272,600             |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Gain/(Loss) on Capital Sold          | \$ 16,575              | \$ -                   | \$ -                   | \$ -                    | \$ -                      |
| Transfers Out                        | (1,192,142)            | (800,000)              | (814,000)              | (814,000)               | (814,000)                 |
| Total Other Financing Sources (Uses) | \$ (1,175,567)         | \$ (800,000)           | \$ (814,000)           | \$ (814,000)            | \$ (814,000)              |



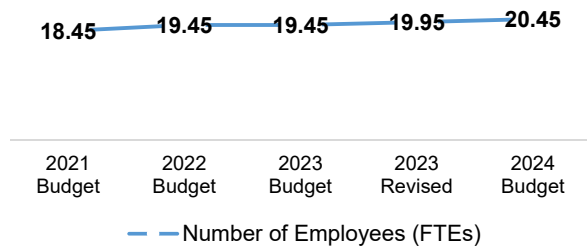
## Key Measures:

|                                   | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|-----------------------------------|----------------|----------------|-------------------|-------------------|
| Water pumped (million gallons)    | 2,241          | 2223           | 2200              | 2000              |
| Water main breaks repaired        | 67             | 40             | 60                | 60                |
| Utility locate requests completed | 9,547          | 8167           | 8000              | 8000              |
| Sewer cleaning (miles)            | 101            | 102.09         | 100               | 100               |
| Sewer televising (miles)          | 4              | 13.5           | 15                | 20                |
| Fire hydrants inspected           | 2,887          | 3028           | 2900              | 2900              |

## Budget Comments/Issues:

- A comprehensive asset management analysis was initiated in 2023, which focuses on operations, maintenance and replacement needs over the next 20 years for water pumping, treatment, storage, distribution and sewer collection system to meet the demands of the community well into the future. Anticipated costs identified in the analysis have necessitated rate increases that will sustain the planned improvements and improvement bonds to be sold at key times to fund a number of planned larger improvements to the systems. The most recent bond sale occurred in late 2021. The next bond issuance is tentatively planned for 2025.
- In 2024, the city will continue its efforts to reduce inflow and infiltration (I&I) in the city's sanitary sewer system to maintain compliance with the Metropolitan Council Environmental Services (MCES) limits. The efforts will include flow metering, televising sewer main and rehabilitating segments of the system that are experiencing I&I.
- Several significant sewer and water projects will be completed in 2024 including the Tower Hill & Stonegate Booster Stations Rehabilitation, Clarion Hills Lift Station Rehabilitation, Burch and Brightwood Force mains Rehabilitation and year 1 of the Water Meter Replacement program.
- Rising energy prices, water treatment chemical prices and MCES wastewater treatment costs will continue to increase the cost of operating the water and sanitary sewer utilities. In 2023, MCES announced a 6.02 percent increase in wastewater treatment costs for 2024.
- Continued development/redevelopment of the Opus II area will require improvements and capacity upgrades of the existing sanitary sewer and water systems. An evaluation of the existing systems and strategic planning for future upgrades occurred in 2020 and identified several immediate and long-term improvements required to accommodate anticipated development projects.

### Employees



## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

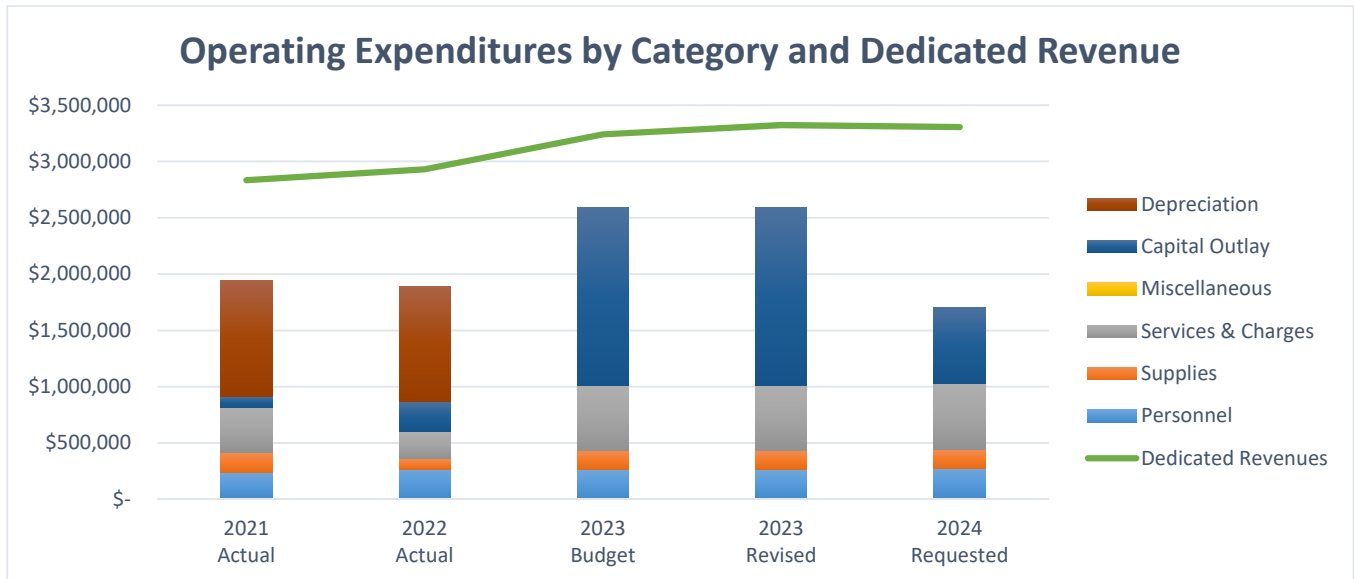
**Storm Water Fund**  
Engineering Department  
Enterprise Fund

**Description of Services:**

The Storm Water Utility Fund was created in 2003 to finance capital projects and associated operational costs designed to provide flood protection and to protect and improve the quality of the city's water resources. Such projects must be compatible with the city's Water Resources Management Plan. Revenues to the fund are provided through monthly fees to property owners that are based upon parcel acreage, land use and related water runoff, and capital project needs.

**Budget:**

|                                      | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ 2,833,786           | \$ 2,931,516           | \$ 3,241,000           | \$ 3,323,500            | \$ 3,306,200              |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Personnel                            | \$ 238,220             | \$ 267,873             | \$ 264,400             | \$ 264,400              | \$ 272,300                |
| Supplies                             | 176,102                | 94,168                 | 164,400                | 167,600                 | 168,400                   |
| Services & Charges                   | 397,816                | 239,033                | 583,200                | 583,100                 | 591,300                   |
| Miscellaneous                        | 2,023                  | 2,022                  | -                      | -                       | -                         |
| Capital Outlay                       | 98,283                 | 262,384                | 1,575,000              | 1,575,000               | 675,000                   |
| Depreciation                         | 1,028,412              | 1,028,413              | -                      | -                       | -                         |
| Total Operating Expenditures         | <u>\$ 1,940,856</u>    | <u>\$ 1,893,893</u>    | <u>\$ 2,587,000</u>    | <u>\$ 2,590,100</u>     | <u>\$ 1,707,000</u>       |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Gain/(Loss) on Capital Sold          | \$ 19,728              | \$ -                   | \$ -                   | \$ -                    | \$ -                      |
| Transfers Out                        | (300,221)              | (144,700)              | (147,200)              | (147,200)               | (150,200)                 |
| Total Other Financing Sources (Uses) | <u>\$ (280,493)</u>    | <u>\$ (144,700)</u>    | <u>\$ (147,200)</u>    | <u>\$ (147,200)</u>     | <u>\$ (150,200)</u>       |





## Key Measures:

|                                   | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|-----------------------------------|----------------|----------------|-------------------|-------------------|
| Water quality samples taken       | 4              | 4              | 4                 | 4                 |
| Storm sewer projects completed    | 4              | 3              | 4                 | 4                 |
| Sump catch basins inspected       | 317            | 290            | 300               | 300               |
| Storm sewer outfalls inspected    | 127            | 47             | 50                | 50                |
| Drainage ponds inspected          | 68             | 41             | 45                | 45                |
| Drainage ponds restored           | 1              | 1              | 1                 | 1                 |
| Misc. drainage projects completed | 29             | 24             | 30                | 30                |

## Budget Comments/Issues:

- Consistent with the prior three years, the 2024 budget for the Storm Water Fund includes a three percent fee increase to cover funding pressures related to accelerated street reconstruction projects, unfunded mandates, and inflationary costs.
- Other Services & Charges includes ongoing costs for water quality testing, pond maintenance, watershed modeling, and miscellaneous drainage repairs.
- Project scheduling coincides with county, state, and other city projects including residential street reconstruction. High priority projects in the city's Water Resources Management Plan are scheduled as budget limits allow.
- The inspections of sump catch basins, outfalls and ponds are federally mandated to the city's National Pollution Discharge Elimination System (NPDES) permit. All inspections are performed by public works staff and engineering interns, and include inspecting all sump catch basins every year and ponds and outfalls at least once every 5 years.

### Employees

1.5 — 1.5 — 1.5 — 1.5 — 1.5

| 2021<br>Budget | 2022<br>Budget | 2023<br>Budget | 2023<br>Revised | 2024<br>Budget |
|----------------|----------------|----------------|-----------------|----------------|
| 1.5            | 1.5            | 1.5            | 1.5             | 1.5            |

— Number of Employees (FTEs)

## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



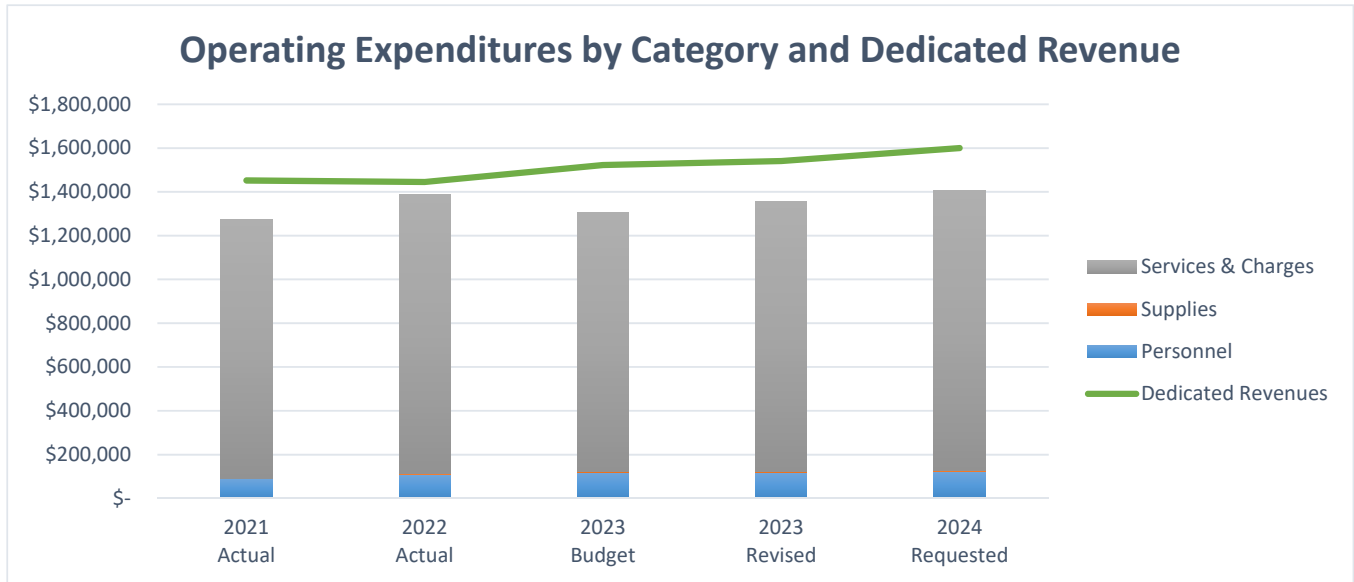
Fund: **Environmental Fund**  
 Responsible Department: Public Works Department  
 Fund Type: Enterprise Fund

**Description of Services:**

The Environmental Fund was created to protect the natural environment of the community through the promotion of local environmental awareness, resource conservation and protection of environmentally sensitive areas. The fund pays for residential curbside recycling collection, a community recycling drop-off center, spring and fall leaf drop-offs, on-going storm and home maintenance related brush drop-offs, one paper shredding event, and two special household material drop-offs in the summer and fall.

**Budget:**

|                                    | <u>2021<br/>Actual</u> | <u>2022<br/>Actual</u> | <u>2023<br/>Budget</u> | <u>2023<br/>Revised</u> | <u>2024<br/>Requested</u> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 1,452,094           | \$ 1,445,306           | \$ 1,522,000           | \$ 1,540,300            | \$ 1,600,000              |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 89,424              | \$ 107,884             | \$ 117,400             | \$ 117,400              | \$ 121,400                |
| Supplies                           | 995                    | 4,494                  | 4,600                  | 5,000                   | 4,500                     |
| Services & Charges                 | 1,185,577              | 1,275,892              | 1,183,700              | 1,235,200               | 1,279,800                 |
| Total Operating Expenditures       | <u>\$ 1,275,996</u>    | <u>\$ 1,388,270</u>    | <u>\$ 1,305,700</u>    | <u>\$ 1,357,600</u>     | <u>\$ 1,405,700</u>       |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers Out                      | <u>\$ (213,100)</u>    | <u>\$ (216,800)</u>    | <u>\$ (220,600)</u>    | <u>\$ (220,600)</u>     | <u>\$ (220,600)</u>       |



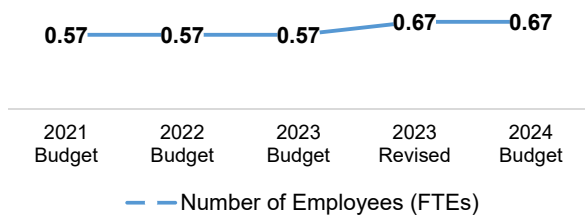
## Key Measures:

|  | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|--|----------------|----------------|-------------------|-------------------|
| Curbside recycling picked up (tons)                  | 5,130          | 3,950          | 4,000             | 4,000             |
| Leaf recycling dropped off (cubic yards)             | 23,000         | 32,910         | 30,000            | 30,000            |
| Special drop-off customers (est.)                    | 1,850          | 1,672          | 1,800             | 1,800             |
| Customers rating curbside svcs "good" or "excellent" | 96%            | 96%            | 95%               | 95%               |
| Households with organics collection                  | 856            | 880            | 900               | 950               |

## Budget Comments/Issues:

- The recycling contract with Republic Services was extended for 2022 through 2024. This coincides with changes to Hennepin County Ordinance 13, which since 2022 requires some form of required household organics collection. Organics composting is seen as the next step in reducing the volume of solid waste that goes to landfills. The city code was revised December 2021 to require garbage haulers to offer curbside organics collection to their customers as an additional service.
- The 2024 budget reflects over a 3.9 percent increase in recycling fees charged by the city's contract vendor, which will increase the residential pickup charge from \$4.56 to \$4.74 per household per month. The city's yard waste program continues to experience substantial processing and hauling costs. To ensure ongoing financial sustainability for the programs, the 2024 budget anticipates an increase in the monthly rate charged to residential properties from \$7.05 to \$7.45.
- In 2024, the city will continue to conduct two special drop off events for Minnetonka residents. This is a convenient opportunity to dispose of household items at a reasonable cost.
- 2020 was the final year of the transition of SCORE funds received from Hennepin County. In 2020, 50% of SCORE funds available were applied to recycling collection and 50% of SCORE funds were applied to organics collection. Prior to 2017, 100% of SCORE funds received from Hennepin County was applied to recycling collection. Grant monies received from Hennepin County since 2016 have increased household participation in organics collection from approximately 300 homes to approximately 900 homes by the end of 2023.
- In 2023, the city implemented a buckthorn remediation pilot project at an estimated annual cost of \$15,000. The program experienced moderate participation with about 32 participants at a total cost of \$5,400. Program evaluation will be done over the winter to identify potential modifications to the program for 2024.

### Employees





Fund:  
Responsible Department:  
Fund Type:

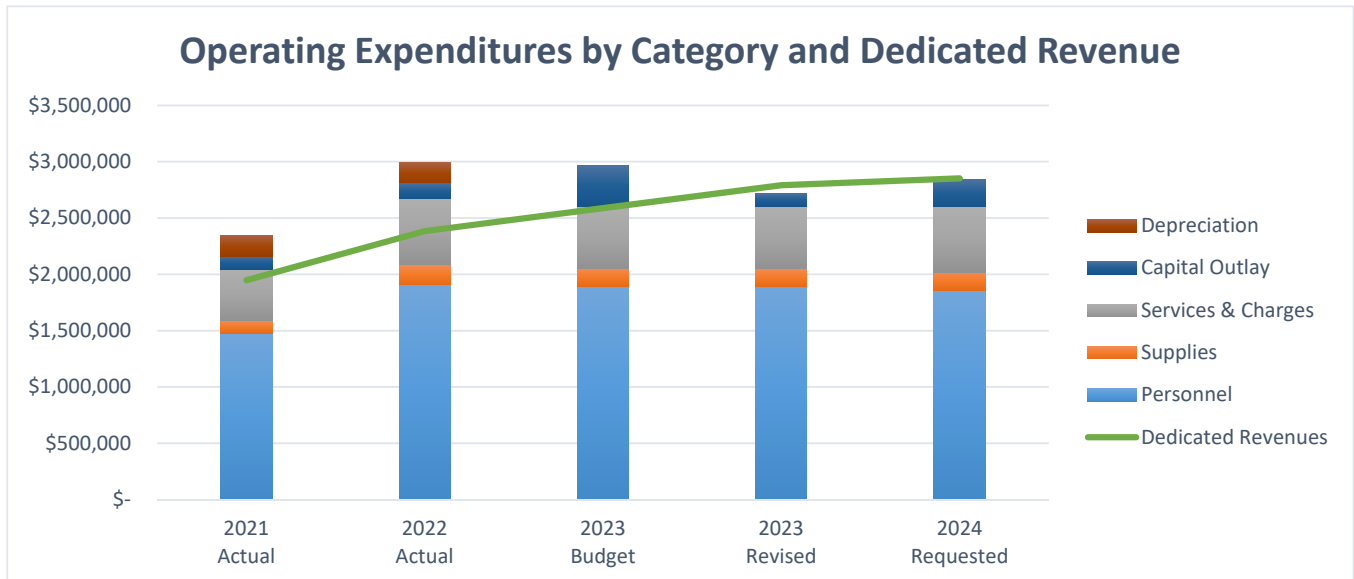
**Williston Center Fund**  
Recreation Services Department  
Enterprise Fund

**Description of Services:**

Recreational amenities at the Williston Fitness Center include: five indoor tennis courts, a 25-yard swimming pool, indoor splash pad, two aerobics studios, four baseball/softball batting cages, a multi-purpose gymnasium, indoor climbing structure, strength training equipment, cardiovascular equipment, whirlpool, and saunas. Minnetonka residents and non-residents may use the facility by purchasing a membership, paying a daily fee, or registering for a recreational class. Fees charged to users support the operation of the facility.

**Budget:**

|                                      | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                   | \$ 1,947,698           | \$ 2,383,081           | \$ 2,588,400           | \$ 2,792,000            | \$ 2,851,900              |
| Operating Expenditures by Category   |                        |                        |                        |                         |                           |
| Personnel                            | \$ 1,475,489           | \$ 1,911,150           | \$ 1,894,300           | \$ 1,894,300            | \$ 1,855,900              |
| Supplies                             | 113,755                | 173,266                | 159,800                | 158,200                 | 164,500                   |
| Services & Charges                   | 453,139                | 585,179                | 547,200                | 550,400                 | 577,850                   |
| Capital Outlay                       | 119,209                | 141,955                | 365,000                | 115,000                 | 245,000                   |
| Depreciation                         | 181,481                | 181,481                | -                      | -                       | -                         |
| Total Operating Expenditures         | <u>\$ 2,343,073</u>    | <u>\$ 2,993,031</u>    | <u>\$ 2,966,300</u>    | <u>\$ 2,717,900</u>     | <u>\$ 2,843,250</u>       |
| Other Financing Sources (Uses)       |                        |                        |                        |                         |                           |
| Transfers In                         | \$ 100,000             | \$ 100,000             | \$ -                   | \$ -                    | \$ -                      |
| Transfers Out                        | (52,400)               | (53,300)               | (54,200)               | (54,200)                | (54,200)                  |
| Total Other Financing Sources (Uses) | <u>\$ 47,600</u>       | <u>\$ 46,700</u>       | <u>\$ (54,200)</u>     | <u>\$ (54,200)</u>      | <u>\$ (54,200)</u>        |

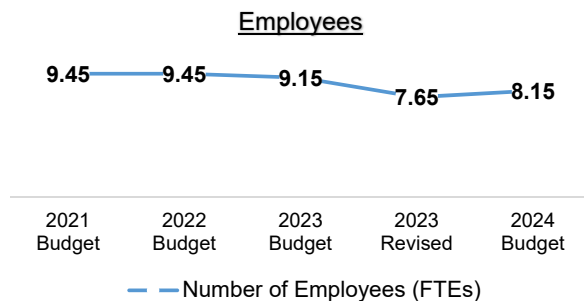


## Key Measures:

|  | 2021<br>Actual | 2022<br>Actual | 2023<br>Estimated | 2024<br>Projected |
|--|----------------|----------------|-------------------|-------------------|
| Average active members                 | 7,623          | 8,373          | 9,800             | 10,000            |
| Daily fee (non-member) participants    | 14,452         | 28,387         | 32,000            | 34,000            |
| Total facility visits                  | 151,425        | 225,856        | 273,500           | 275,000           |
| Total tennis court usage (hours)       | 15,698         | 14,046         | 15,000            | 16,000            |
| Total aquatic program hours            | 400            | 800            | 1,500             | 1,500             |
| Average fitness classes offered weekly | 85             | 82             | 100               | 100               |
| % of expenses covered by revenue       | 90%            | 85%            | 101%              | 100%              |

## Budget Comments/Issues:

- Membership opened up to non-residents on May 1, 2023.
- Memberships, guest fees and facility visits/usage have returned to pre-Covid numbers.
- Membership increased by 1,200 since September of 2022.
- Pool usage at Williston increased significantly: Aquatics programmed approximately 800 hours for the 2022 calendar year, and is on track to program over 1500 hours for the 2023 calendar year.
- Williston hired a guest services manager during the acquisition of The Marsh, but did not backfill the assistant manager position.
- Milling and overlay of the Williston Fitness Center parking lot was completed in September 2023.



## Capital Improvement Program:

The city prepares a five year Capital Improvement Program (CIP). A separate CIP document was approved by council on September 18, 2023. The CIP book provides a summary of each project location, description and source and use of funds. The CIP book also provides a cashflow for the fund.



Fund:  
Responsible Department:  
Fund Type:

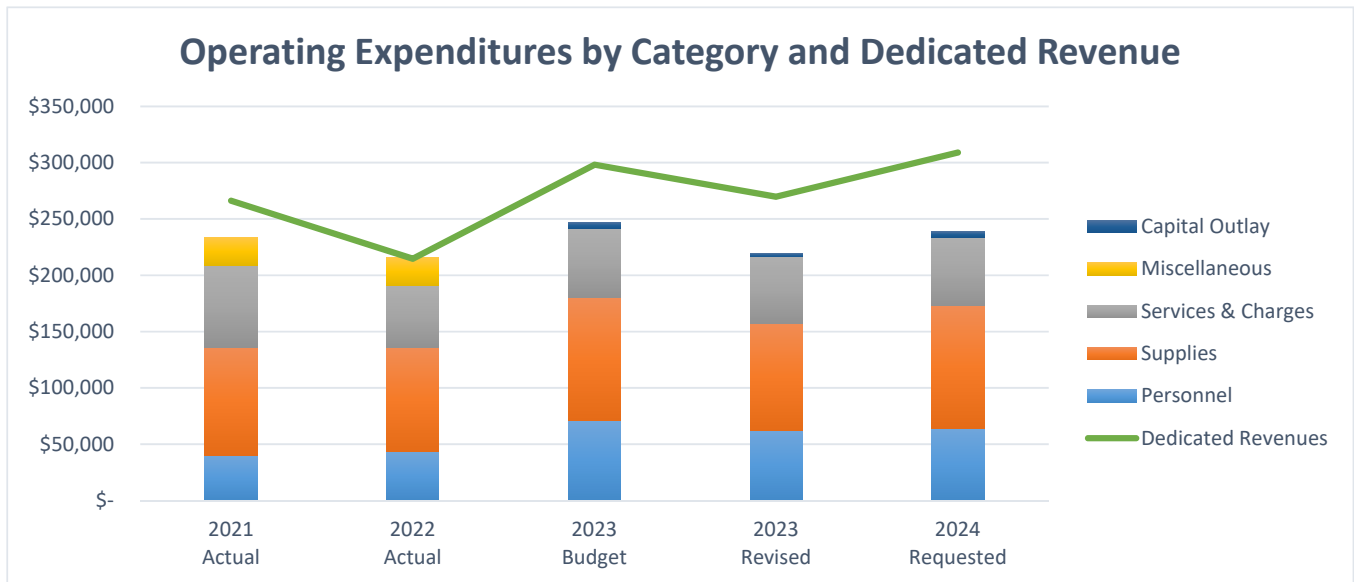
**Gray's Bay Marina Fund**  
Recreation Services Department  
Enterprise Fund

**Description of Services:**

Gray's Bay Marina is managed by the Recreation Services Department and is open April 1-October 31, weather and ice-out dates permitting. The facility offers 29 boat slips that are leased to Minnetonka residents only. The site is staffed mid-May through October 31 and offers fuel, pump-out service, restrooms and public launch facilities. Lease fees and gas sales finance operation and maintenance of the facility. Through a joint powers agreement, the city is responsible for all capital outlay for city-owned amenities such as the service building and boat slip/service docks, with the DNR providing funding for public areas of the park such as the public landing, boarding docks, and parking lot.

**Budget:**

|                                    | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Requested</b> |
|------------------------------------|------------------------|------------------------|------------------------|-------------------------|---------------------------|
| Dedicated Revenues                 | \$ 266,231             | \$ 214,713             | \$ 298,200             | \$ 269,800              | \$ 309,000                |
| Operating Expenditures by Category |                        |                        |                        |                         |                           |
| Personnel                          | \$ 39,874              | \$ 43,663              | \$ 71,100              | \$ 62,500               | \$ 64,400                 |
| Supplies                           | 96,413                 | 92,246                 | 109,000                | 94,900                  | 108,500                   |
| Services & Charges                 | 72,789                 | 55,163                 | 61,600                 | 58,900                  | 60,600                    |
| Miscellaneous                      | 24,651                 | 24,651                 | -                      | -                       | -                         |
| Capital Outlay                     | -                      | -                      | 5,000                  | 3,000                   | 5,000                     |
| Total Operating Expenditures       | \$ 233,727             | \$ 215,723             | \$ 246,700             | \$ 219,300              | \$ 238,500                |
| Other Financing Sources (Uses)     |                        |                        |                        |                         |                           |
| Transfers Out                      | \$ (12,200)            | \$ (12,400)            | \$ (12,600)            | \$ (12,600)             | \$ (12,900)               |



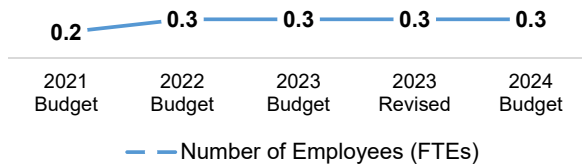
## Key Measures:

|                                       | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---------------------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Gallons of gas sold                   | 28,015                 | 19,438                 | 23,000                    | 25,000                    |
| Days of operation                     | 169                    | 172                    | 172                       | 172                       |
| Slip lease rate                       | \$4,000                | 4,000                  | 4,200                     | 4,200                     |
| Operating expenses covered by revenue | 108%                   | 105%                   | 116%                      | 122%                      |

## Budget Comments/Issues:

- The 2024 budget for Grays Bay Marina provides current level services and a strong financial position for the fund.
- Consistent with the council's strategic plan, a market study is completed annually to determine fees for use of the marina and other recreational facilities. 2023 slip lease rate shows the park board approved increase of \$200.
- 2022 gas sales were below average due to the spike in gas prices - about \$2.00 more per gallon compared to 2021. Gas prices have moderated in 2023 and gas sales are expected to be closer to average.
- Fifty percent of the LMCD dues are funded through the marina operations budget and is shown as "Other Services & Charges"; the remainder is funded by the Natural Resources Division of the Public Works Department.

### Employees





Fund:  
Responsible Department:  
Fund Type:

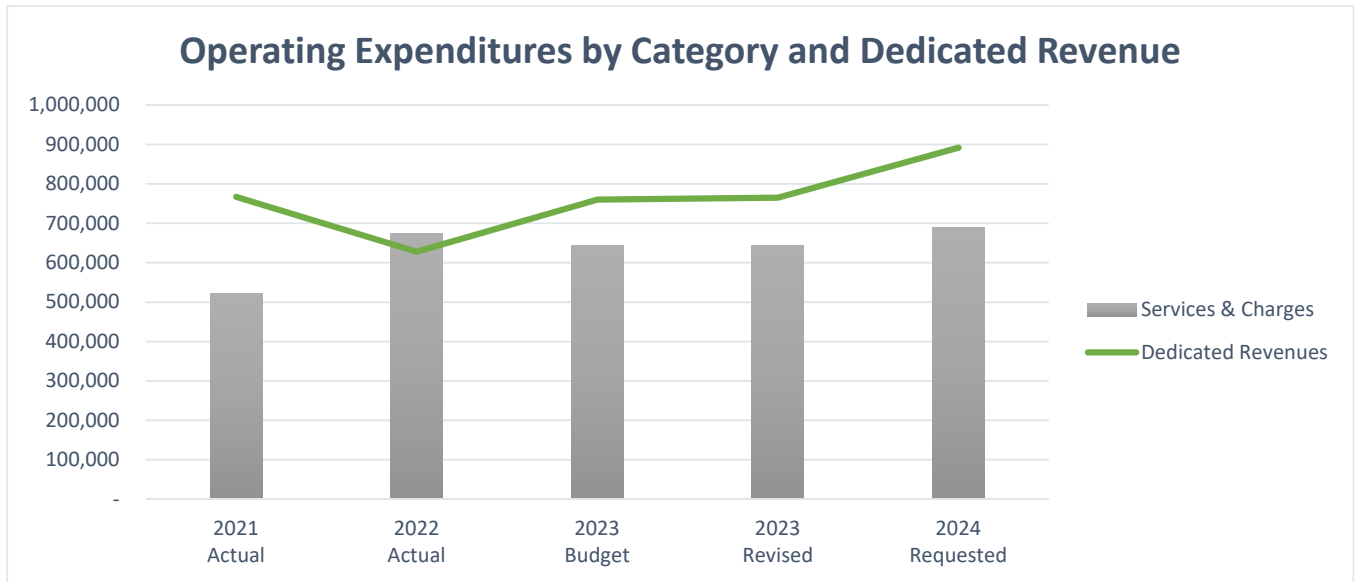
**Insurance Fund**  
Administrative Services Department  
Internal Service Fund

**Description of Services:**

The Insurance Fund was created in 1986 to ensure that the city retains viable and cost-effective insurance coverage. Other city funds are allocated appropriate portions of the premium costs on an annual basis and transferred into the fund. The fund supports the following: 1) premiums for the city's package policies (general liability, property, boiler, etc.), 2) fees for the city's agent of record, 3) settlements (deductibles) for general liability claims and workers' compensation, and 4) risk management, including some costs for safety training. It does not cover workers' compensation premiums, which are financed by each operating division under personnel costs.

**Budget:**

|                                    | <u>2021 Actual</u> | <u>2022 Actual</u> | <u>2023 Budget</u> | <u>2023 Revised</u> | <u>2024 Requested</u> |
|------------------------------------|--------------------|--------------------|--------------------|---------------------|-----------------------|
| Dedicated Revenues                 | \$ 767,218         | \$ 627,929         | \$ 760,300         | \$ 765,000          | \$ 892,000            |
| Operating Expenditures by Category |                    |                    |                    |                     |                       |
| Services & Charges                 | \$ 521,860         | \$ 674,417         | \$ 644,000         | \$ 644,000          | \$ 689,000            |





**Key Measures:**

|  | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Municipal experience mod factor (less than 1.0 is good)        | 0.927                  | 0.952                  | 0.933                     | 0.930                     |
| Auto, liability and auto physical damage experience mod factor | 1.00                   | 1.00                   | 0.85                      | 0.80                      |
| Workers comp mod factor (less than 1.0 is good)                | 0.55                   | 0.67                   | 0.69                      | 0.75                      |

**Budget Comments/Issues:**

- The city's workers compensation experience rating as measured above by the "mod factor" has fluctuated over the last several years due to an aging work force as well as some significant claims "cycling out" of the city's three-year experience window, which also determines the city's insurance premium cost.
- An appropriate fund balance in the Insurance Fund should cover the city's maximum total liability under its policy coverage through the League of Minnesota Cities Insurance Trust (LMCIT) as well as a minimum of \$1 million towards any potentially awarded civil rights claim, which would be outside of state liability limitations. Revenues to the Insurance Fund are programmed through the budgets of contributing city divisions in order to maintain such a reserve over time.
- The workers comp mod factor relates to the frequency and severity of an employer's workers compensation claims over a three-year period, and it is used to calculate the premium. A mod factor of 1.00 is considered average for an employer's particular industry; the lower the mod factor, the better.
- The liability rating is calculated by using a formula that looks at the city's expected liability claim losses compared to the actual losses. Data is used over a three-year period, and it is used to calculate the premium. A liability rating of 1.00 means the city's actual losses equal the expected losses for a city of similar size and expenditures.
- During the 2021-2022 insurance renewal, the city enrolled police and fire personnel into LMCIT's certification of non-smoking status for Police and Fire Department members, saving the city a total of \$63,000 in premium costs.



Fund:  
Responsible Department:  
Fund Type:

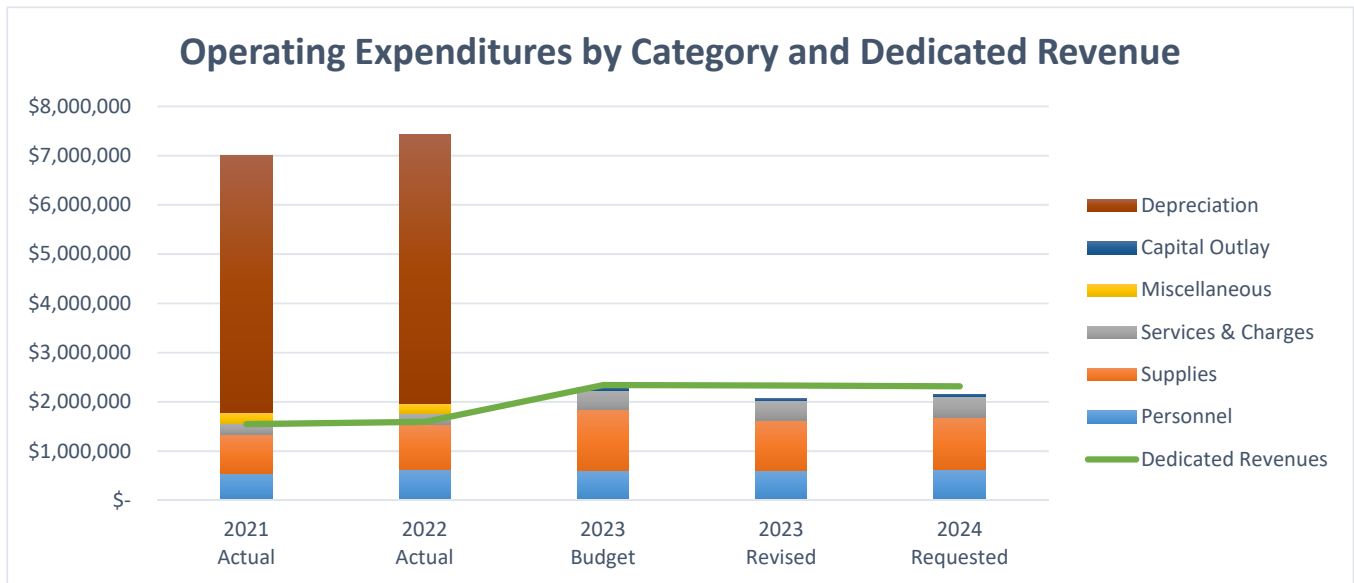
**Fleet Maintenance Fund**  
Public Works Department  
Internal Service Fund

**Description of Services:**

The Fleet Maintenance Division is responsible for the procurement, maintenance, repair and fueling of the city's motorized fleet and support equipment. The fleet consists of approximately 200 mobile vehicles and a similar number of heavy and light support equipment. The costs of the division are allocated to individual city departments with a break-even operating pro-forma. The Fleet Maintenance Fund operates as an internal service revolving fund.

**Budget:**

|                                    | 2021<br>Actual | 2022<br>Actual | 2023<br>Budget | 2023<br>Revised | 2024<br>Requested |
|------------------------------------|----------------|----------------|----------------|-----------------|-------------------|
| Dedicated Revenues                 | \$ 1,548,802   | \$ 1,594,754   | \$ 2,342,300   | \$ 2,331,500    | \$ 2,315,900      |
| Operating Expenditures by Category |                |                |                |                 |                   |
| Personnel                          | \$ 553,375     | \$ 622,615     | \$ 608,400     | \$ 608,400      | \$ 627,500        |
| Supplies                           | 787,156        | 921,521        | 1,233,100      | 1,015,900       | 1,064,900         |
| Services & Charges                 | 227,232        | 221,387        | 395,000        | 394,700         | 413,300           |
| Miscellaneous                      | 221,259        | 202,824        | -              | -               | -                 |
| Capital Outlay                     | -              | -              | 50,000         | 50,000          | 50,000            |
| Depreciation                       | 5,218,247      | 5,462,692      | -              | -               | -                 |
| Total Operating Expenditures       | \$ 7,007,269   | \$ 7,431,039   | \$ 2,286,500   | \$ 2,069,000    | \$ 2,155,700      |
| Other Financing Sources (Uses)     |                |                |                |                 |                   |
| Gain/(Loss) on Capital Sold        | \$ (65,361)    | \$ (8,232)     | \$ -           | \$ -            | \$ -              |



## Key Measures:

|   | <b>2021<br/>Actual</b> | <b>2022<br/>Actual</b> | <b>2023<br/>Estimated</b> | <b>2024<br/>Projected</b> |
|---|------------------------|------------------------|---------------------------|---------------------------|
| Work orders completed                       | 3,000                  | 2,879                  | 3,000                     | 3,000                     |
| Gallons of fuel consumed                    | 163,058                | 166,497                | 170,905                   | 170,905                   |
| Cost to purchase gas/diesel fuels           | \$356,685              | \$491,572              | \$504,170                 | \$538,300                 |
| Average cost per gallon of gas/diesel fuels | \$1.80                 | \$2.95                 | \$2.95                    | \$3.15                    |
| Gallons of oil consumed                     | 990                    | 900                    | 1,000                     | 1,000                     |

## Budget Comments/Issues:

- The 2024 budget for the Fleet Maintenance Fund maintains current service levels and increases fuel costs by \$0.20 per gallon. Increased costs for repair parts and outside repairs are anticipated. The budget incorporates expenses for the general maintenance and repair of the city's fleet including fire apparatus. Specialized repairs and testing are generally completed by outside vendors and suppliers for efficiency and technological reasons.
- In order to contain operating expenses, fleet services takes a number of actions: extending oil change intervals in gasoline engines by utilizing scheduled oil sampling and testing; purchasing diesel fuel that contains 10% vegetable oil (B-10) and gasoline that contains 10% percent ethanol and regularly analyzing the feasibility of emerging technologies such as hybrids, electric, compressed natural gas, propane and hydrogen fuel cells as motor fuels and vehicle replacement. Two electric vehicles were added to the fleet in 2023. Five hybrid vehicles were ordered for the fleet in 2023 and are awaiting delivery.
- Greater efficiency in shop repairs and maintenance have been realized by utilizing the staff welder for scheduled maintenance and minor repairs when there is time due to openings in the welding schedule.
- Fuels along with a variety of other supplies and equipment are purchased through the State's Cooperative Purchasing Venture. This program establishes a fixed bid price for motor fuel by combining the motor fuel needs of a number of governmental jurisdictions in the metro area and bidding the collective volume of 8.7M gallons of fuel for the coming year.

### Employees

4.42 — 4.42 — 4.42 — 4.42 — 4.42

| 2021<br>Budget | 2022<br>Budget | 2023<br>Budget | 2023<br>Revised | 2024<br>Budget |
|----------------|----------------|----------------|-----------------|----------------|
|----------------|----------------|----------------|-----------------|----------------|

— Number of Employees (FTEs)



CITY OF  
**MINNETONKA**



MINNETONKA  
COMMUNITY

**MINNETONKA CITY COUNCIL**  
(Economic Development Authority)

Mayor Brad Wiersum

Council Members at Large: Ward Representation  
 Seat A: Deb Calvert Ward 1: Brian Krik  
 Seat B: Dr. Kimberly Wilburn Ward 2: Rebecca Schack  
 Ward 3: Bradley Schaeppi  
 Ward 4: Kissy Coakley

**City Attorney**  
Corrine Heine

**CITY MANAGER**  
Mike Funk

**BOARDS & COMMISSIONS**  
 Charter Commission  
 Planning Commission  
 Economic Development Advisory Committee  
 Park Board  
 Senior Citizen Advisory Board  
 Sustainability Commission

**PUBLIC SAFETY**

**PUBLIC WORKS**

**RECREATION**

**DEVELOPMENT SERVICES**

**ADMINISTRATION**

**POLICE**  
Chief Scott Boerboom

Patrol  
Investigation  
Support Services

**PUBLIC WORKS**  
Will Manchester

Streets  
Water & Sewer  
Engineering  
Parks, Buildings &  
Grounds  
Natural Resources  
Recycling

**RECREATION SERVICES**  
Kelly O'Dea

Recreation programs  
Ice Arena  
Williston Center  
Gray's Bay Marina  
Senior Services  
The Marsh

**COMMUNITY DEVELOPMENT**  
Julie Wischnack

Inspections  
Environmental Health  
Licensing  
Planning & Zoning

**ADMINISTRATIVE SERVICES**  
Moranda Dammann

City Clerk & Elections  
Human Resources  
Payroll  
Information Technology  
Communications  
Risk Management

**FIRE**  
Chief John Vance

Emergency Management  
Inspection  
Prevention  
Response

**LEGAL**  
Corrine Heine

Prosecution  
Legal advice to the city

**FINANCE**  
Darin Nelson

Accounting  
Budget  
Utility Billing  
Assessing  
Special Assessments

### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                               | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|--|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Mayor &amp; City Council Division</b>                   |                        |                        |                        |                         |                        |
| Mayor  | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Council members  | 6.00                   | 6.00                   | 6.00                   | 6.00                    | 6.00                   |
| <b>Total Full-Time Equivalent Employees</b>                | <b>7.00</b>            | <b>7.00</b>            | <b>7.00</b>            | <b>7.00</b>             | <b>7.00</b>            |
| <b>City Manager Division</b>                               |                        |                        |                        |                         |                        |
| City Manager   | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant City Manager/Director of Administrative Services | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior Management Coordinator                              | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior Diversity, Equity & Inclusion Coordinator           | -                      | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b>                | <b>3.00</b>            | <b>4.00</b>            | <b>4.00</b>            | <b>4.00</b>             | <b>4.00</b>            |
| <b>City Clerk Division</b>                                 |                        |                        |                        |                         |                        |
| City Clerk   | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior Elections Specialist                                | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Deputy City Clerk  | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Records Specialist   | -                      | -                      | 1.00                   | 1.00                    | 1.00                   |
| Administrative Assistant                                   | 1.00                   | 2.00                   | 1.00                   | 1.00                    | 1.00                   |
| Receptionist   | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b>                | <b>5.00</b>            | <b>6.00</b>            | <b>6.00</b>            | <b>6.00</b>             | <b>6.00</b>            |
| <b>Human Resources Division</b>                            |                        |                        |                        |                         |                        |
| Human Resource Manager                                     | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior Human Resource Generalist                           | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Human Resource Specialist: Compensation & Benefits         | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Human Resources Assistant                                  | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Human Resources Specialist: Talent Acquisition             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Human Resources Wellness & Safety Specialist               | -                      | -                      | 1.00                   | 1.00                    | 1.00                   |
| Payroll Accountant   | -                      | -                      | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b>                | <b>5.00</b>            | <b>5.00</b>            | <b>7.00</b>            | <b>7.00</b>             | <b>7.00</b>            |
| <b>Communications Division</b>                             |                        |                        |                        |                         |                        |
| Marketing and Communications Manager                       | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior Communication Coordinator                           | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Communications Coordinator                                 | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 1.50                   |
| <b>Total Full-Time Equivalent Employees</b>                | <b>2.50</b>            | <b>2.50</b>            | <b>2.50</b>            | <b>2.50</b>             | <b>3.50</b>            |
| <b>Information Technology Division</b>                     |                        |                        |                        |                         |                        |
| Information Technology Manager                             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Systems Administrator                                      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Network Administrator                                      | 0.75                   | 0.75                   | 0.75                   | 0.75                    | 1.00                   |
| Information Technology Specialist                          | 1.00                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| Information Technology Technician                          | 1.00                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| <b>Total Full-Time Equivalent Employees</b>                | <b>4.75</b>            | <b>6.75</b>            | <b>6.75</b>            | <b>6.75</b>             | <b>7.00</b>            |

### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Finance Division</b>                     |                        |                        |                        |                         |                        |
| Finance Director                            | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant Finance Director                  | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Accounting Coordinator                      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Accounting Technician                       | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Payroll Accountant                          | 1.00                   | 1.00                   | -                      | -                       | -                      |
| Senior Accountant                           | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Utility Billing Clerk                       | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>7.00</b>            | <b>7.00</b>            | <b>6.00</b>            | <b>6.00</b>             | <b>6.00</b>            |
| <b>Assessing Division</b>                   |                        |                        |                        |                         |                        |
| City Assessor                               | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant City Assessor                     | -                      | 1.00                   | 1.00                   | -                       | -                      |
| Commercial Appraiser II                     | 1.00                   | -                      | -                      | 1.00                    | 1.00                   |
| Residential Appraiser                       | 1.00                   | -                      | -                      | 1.00                    | 1.00                   |
| Principal Property Appraiser                | 1.70                   | 2.70                   | 2.70                   | 1.70                    | 1.70                   |
| Property Assessment Specialist              | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>5.70</b>            | <b>5.70</b>            | <b>5.70</b>            | <b>5.70</b>             | <b>5.70</b>            |
| <b>Police Department</b>                    |                        |                        |                        |                         |                        |
| Chief of Police                             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Deputy Police Chief                         | -                      | -                      | -                      | 1.00                    | 1.00                   |
| Directors / Captains                        | 3.00                   | 3.00                   | 3.00                   | 2.00                    | 2.00                   |
| Sergeants                                   | 11.00                  | 11.00                  | 11.00                  | 11.00                   | 12.00                  |
| Police Officers                             | 43.00                  | 43.00                  | 43.00                  | 44.00                   | 48.00                  |
| Community Service Officers                  | 4.47                   | 4.47                   | 4.47                   | 4.47                    | 2.00                   |
| Police Cadet                                | -                      | -                      | -                      | -                       | 2.47                   |
| Crime Prevention Analyst                    | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Administrative Manager                      | -                      | -                      | -                      | 1.00                    | 1.00                   |
| Administrative Assistant                    | 2.00                   | 2.00                   | 2.00                   | 1.00                    | 1.00                   |
| Police Records Specialist                   | 2.00                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| Evidence Technician                         | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Records Supervisor                          | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Data Analyst                                | -                      | -                      | 0.50                   | 0.50                    | 0.50                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>69.47</b>           | <b>69.47</b>           | <b>69.97</b>           | <b>70.97</b>            | <b>75.97</b>           |

### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Fire Department</b>                      |                        |                        |                        |                         |                        |
| Fire Chief                                  | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Deputy Chief                                | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant Chief                             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Battalion Chief / Shift Commander           | 2.00                   | 2.00                   | 2.00                   | 3.00                    | 3.00                   |
| Fire Captains - 24 Hour                     | -                      | 3.00                   | 3.00                   | 3.00                    | 3.00                   |
| Fire Fighters - 24 Hour                     | -                      | 6.00                   | 8.00                   | 9.00                    | 12.00                  |
| Fire Inspector                              | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Fire Marshal                                | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Fire Maintenance Technician                 | 1.00                   | 1.00                   | 1.00                   | -                       | -                      |
| Fire Training Officer / Battalion Chief     | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant Training Officer                  | 1.00                   | 1.00                   | 1.00                   | -                       | -                      |
| Administrative Assistant-Fire               | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Fire and Life Safety Specialist             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Data Analyst                                | -                      | -                      | 0.50                   | 0.50                    | 0.50                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>12.00</b>           | <b>21.00</b>           | <b>23.50</b>           | <b>23.50</b>            | <b>26.50</b>           |
| <b>District Chief</b>                       | <b>1.00</b>            | <b>1.00</b>            | <b>1.00</b>            | <b>1.00</b>             | <b>1.00</b>            |
| <b>Station Officers (Captains)</b>          | <b>5.00</b>            | <b>5.00</b>            | <b>5.00</b>            | <b>5.00</b>             | <b>5.00</b>            |
| <b>Lieutenants</b>                          | <b>10.00</b>           | <b>10.00</b>           | <b>10.00</b>           | <b>10.00</b>            | <b>10.00</b>           |
| <b>Firefighters</b>                         | <b>64.00</b>           | <b>64.00</b>           | <b>64.00</b>           | <b>64.00</b>            | <b>64.00</b>           |
| <b>Total Paid on Call</b>                   | <b>80.00</b>           | <b>80.00</b>           | <b>80.00</b>           | <b>80.00</b>            | <b>80.00</b>           |
| <b>Total Employees</b>                      | <b>92.00</b>           | <b>101.00</b>          | <b>103.50</b>          | <b>103.50</b>           | <b>106.50</b>          |
| <b>Legal Department</b>                     |                        |                        |                        |                         |                        |
| City Attorney                               | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Associate City Attorney                     | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant City Attorney                     | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Administrative Coordinator                  | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Legal Assistant                             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Legal Support Assistant                     | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Video Analyst                               | 0.60                   | 0.60                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>6.60</b>            | <b>6.60</b>            | <b>7.00</b>            | <b>7.00</b>             | <b>7.00</b>            |
| <b>Environmental Health Division</b>        |                        |                        |                        |                         |                        |
| Environmental Health Specialist             | 3.00                   | 3.00                   | 3.00                   | 3.00                    | 3.00                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>3.00</b>            | <b>3.00</b>            | <b>3.00</b>            | <b>3.00</b>             | <b>3.00</b>            |



### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                  | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Engineering Division</b>                   |                        |                        |                        |                         |                        |
| City Engineer                                 | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant Engineer                            | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| Engineering Project Manager                   | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior Project Engineer                       | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Engineer                                      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Engineering Tech IV                           | 4.00                   | 4.00                   | 4.00                   | 4.00                    | 4.00                   |
| Engineering Tech III                          | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b>   | <b>9.50</b>            | <b>9.50</b>            | <b>9.50</b>            | <b>9.50</b>             | <b>9.50</b>            |
| <b>Street Maintenance Division</b>            |                        |                        |                        |                         |                        |
| Public Works Director                         | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| Operations Manager                            | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| Street Maintenance Field Supervisor           | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Public Service Worker II                      | 18.00                  | 18.00                  | 18.00                  | 18.00                   | 18.00                  |
| Public Service Worker IV                      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Administrative Manager                        | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| Receptionist / Secretary                      | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| GIS Analyst                                   | 0.20                   | 0.20                   | 0.20                   | 0.20                    | 0.20                   |
| <b>Total Full-Time Equivalent Employees</b>   | <b>21.15</b>           | <b>21.15</b>           | <b>21.15</b>           | <b>21.15</b>            | <b>21.15</b>           |
| <b>Building Maintenance Division</b>          |                        |                        |                        |                         |                        |
| Public Works Director                         | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Buildings Manager                             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Public Service Worker II                      | 3.00                   | 3.00                   | 3.00                   | 4.00                    | 4.00                   |
| Public Service Worker III                     | 2.00                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| Public Service Worker I - Custodian           | 2.00                   | 3.00                   | 3.00                   | 3.00                    | 3.00                   |
| Administrative Manager                        | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Receptionist / Secretary                      | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| <b>Total Full-Time Equivalent Employees</b>   | <b>8.42</b>            | <b>9.42</b>            | <b>9.42</b>            | <b>10.42</b>            | <b>10.42</b>           |
| <b>Joint Recreation Division</b>              |                        |                        |                        |                         |                        |
| Recreation Services Director                  | 0.25                   | 0.25                   | 0.25                   | 0.25                    | 0.25                   |
| Recreation Services Assistant Director        | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| Recreation Superintendent                     | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Recreation Program Manager                    | 1.90                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| Program & Membership Activities Manager       | -                      | -                      | -                      | -                       | 0.50                   |
| Aquatics & Inclusion Services Program Manager | 0.70                   | 0.70                   | 1.00                   | 1.00                    | 1.00                   |
| Administrative Coordinator                    | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Registration Secretary                        | 1.50                   | 1.50                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b>   | <b>6.85</b>            | <b>6.95</b>            | <b>6.75</b>            | <b>6.75</b>             | <b>7.25</b>            |

### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Minnetonka Recreation Division</b>       |                        |                        |                        |                         |                        |
| Recreation Services Director                | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| Recreation Services Assistant Director      | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| Park & Trails Planner                       | 1.00                   | -                      | -                      | -                       | -                      |
| <b>Total Full-Time Equivalent Employees</b> | <b>2.00</b>            | <b>1.00</b>            | <b>1.00</b>            | <b>1.00</b>             | <b>1.00</b>            |
| <b>Senior Services Division</b>             |                        |                        |                        |                         |                        |
| Community Facilities Superintendent         | 0.15                   | 0.20                   | 0.20                   | 0.20                    | 0.20                   |
| Community Facilities Assistant Manager      | -                      | 0.40                   | 0.40                   | 0.40                    | 0.40                   |
| Senior Services Program Manager             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior & General Programming Manager        | 1.00                   | -                      | -                      | -                       | -                      |
| Administrative Assistant I                  | 0.25                   | 0.25                   | 0.25                   | 0.25                    | 0.25                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>2.40</b>            | <b>1.85</b>            | <b>1.85</b>            | <b>1.85</b>             | <b>1.85</b>            |
| <b>Community Facilities Division</b>        |                        |                        |                        |                         |                        |
| Recreation Services Director                | 0.10                   | 0.10                   | 0.10                   | 0.10                    | 0.10                   |
| Community Facilities Superintendent         | 0.80                   | 0.80                   | 0.80                   | 0.80                    | 0.80                   |
| Community Facilities Assistant Manager      | -                      | 0.40                   | 0.40                   | 0.40                    | 0.40                   |
| Administrative Clerk                        | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Administrative Coordinator                  | 0.75                   | 0.75                   | 0.75                   | -                       | -                      |
| Administrative Assistant I                  | 0.95                   | 0.90                   | 0.90                   | 1.65                    | 1.65                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>3.60</b>            | <b>3.95</b>            | <b>3.95</b>            | <b>3.95</b>             | <b>3.95</b>            |
| <b>Parks &amp; Trails Division</b>          |                        |                        |                        |                         |                        |
| Public Works Director                       | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Operations Manager                          | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| Parks & Trails Field Supervisor             | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Public Service Worker II                    | 9.00                   | 9.00                   | 10.00                  | 10.00                   | 10.00                  |
| Administrative Manager                      | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Receptionist / Secretary                    | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| GIS Analyst                                 | 0.20                   | 0.20                   | 0.20                   | 0.20                    | 0.20                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>11.12</b>           | <b>11.12</b>           | <b>12.12</b>           | <b>12.12</b>            | <b>12.12</b>           |

### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                        | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Natural Resources Division</b>                   |                        |                        |                        |                         |                        |
| Public Works Director                               | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Natural Resources Manager                           | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| City Forester                                       | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Natural Resources Specialist                        | 2.70                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| Forestry Tech                                       | 2.00                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| Administrative Manager                              | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Admin Assistant                                     | 0.90                   | 0.90                   | 0.90                   | 0.90                    | 0.90                   |
| Receptionist / Secretary                            | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| GIS Analyst   | 0.20                   | 0.20                   | 0.20                   | 0.20                    | 0.20                   |
| Park & Trails Planner                               | -                      | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| NR Inspector  | -                      | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b>         | <b>8.22</b>            | <b>9.52</b>            | <b>9.52</b>            | <b>9.52</b>             | <b>9.52</b>            |
| <b>Community Development Division</b>               |                        |                        |                        |                         |                        |
| Community Development Director                      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Chief Building Inspector                            | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Economic Development and Housing Manager            | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Community Development Coordinator                   | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Economic Development Coordinator                    | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Housing Coordinator                                 | -                      | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Inspectors  | 7.00                   | 7.00                   | 7.00                   | 7.00                    | 8.00                   |
| Administrative Assistant                            | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Building Permit Technician                          | 2.80                   | 2.80                   | 2.80                   | 2.80                    | 2.80                   |
| <b>Total Full-Time Equivalent Employees</b>         | <b>15.80</b>           | <b>16.80</b>           | <b>16.80</b>           | <b>16.80</b>            | <b>17.80</b>           |
| <b>Planning Division</b>                            |                        |                        |                        |                         |                        |
| City Planner  | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Assistant City Planner                              | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Senior Planner                                      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Associate Planner / Sustainability Coordinator      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Planner   | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Clerk   | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| <b>Total Full-Time Equivalent Employees</b>         | <b>5.50</b>            | <b>5.50</b>            | <b>5.50</b>            | <b>5.50</b>             | <b>5.50</b>            |
| <b>Cable Television Fund</b>                        |                        |                        |                        |                         |                        |
| Senior Information Technology PC/Telecom Technician | 0.25                   | 0.25                   | 0.25                   | 0.25                    | -                      |
| Senior Communication Coordinator                    | 1.00                   | 1.00                   | 1.00                   | 1.00                    | -                      |
| <b>Total Full-Time Equivalent Employees</b>         | <b>1.25</b>            | <b>1.25</b>            | <b>1.25</b>            | <b>1.25</b>             | <b>-</b>               |

### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Ice Arena Special Revenue Fund</b>       |                        |                        |                        |                         |                        |
| Ice Arena Manager                           | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Arena Maintenance Technician                | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Building Supervisors                        | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Registration Secretary                      | 0.50                   | 0.50                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>3.50</b>            | <b>3.50</b>            | <b>4.00</b>            | <b>4.00</b>             | <b>4.00</b>            |
| <b>The Marsh Special Revenue Fund</b>       |                        |                        |                        |                         |                        |
| Interim Marsh Manager                       | -                      | -                      | -                      | 1.00                    | 1.00                   |
| Maintenance Technician                      | -                      | -                      | -                      | 1.00                    | 2.00                   |
| Interim Guest Services Coordinator          | -                      | -                      | -                      | 1.00                    | 1.00                   |
| Fitness Coordinator                         | -                      | -                      | -                      | 0.50                    | 0.50                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>3.50</b>             | <b>4.50</b>            |
| <b>Water and Sewer Utilities Fund</b>       |                        |                        |                        |                         |                        |
| Public Works Director                       | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| Utility Operations Engineer                 | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Utility Superintendent                      | 1.00                   | 1.00                   | 1.00                   | 1.50                    | 1.50                   |
| Public Service Worker IV                    | 8.00                   | 9.00                   | 9.00                   | 9.00                    | 9.00                   |
| Public Service Worker II                    | 3.00                   | 3.00                   | 3.00                   | 5.00                    | 5.50                   |
| Public Service Worker I                     | 2.00                   | 2.00                   | 2.00                   | -                       | -                      |
| Administrative Manager                      | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| Receptionist / Secretary                    | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| Account Clerk                               | 0.60                   | 0.60                   | 0.60                   | 0.60                    | 0.60                   |
| Account Technician                          | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| GIS Analyst                                 | 0.40                   | 0.40                   | 0.40                   | 0.40                    | 0.40                   |
| GIS Specialist                              | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>18.45</b>           | <b>19.45</b>           | <b>19.45</b>           | <b>19.95</b>            | <b>20.45</b>           |
| <b>Storm Water Fund</b>                     |                        |                        |                        |                         |                        |
| Assistant City Engineer                     | 0.50                   | 0.50                   | 0.50                   | 0.50                    | 0.50                   |
| Water Resources Coordinator                 | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>1.50</b>            | <b>1.50</b>            | <b>1.50</b>            | <b>1.50</b>             | <b>1.50</b>            |
| <b>Environmental Fund</b>                   |                        |                        |                        |                         |                        |
| Public Works Director                       | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Recycling Coordinator                       | -                      | -                      | -                      | 0.10                    | 0.10                   |
| Parks, Buildings & Grounds Field Inspector  | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| Administrative Manager                      | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Receptionist / Secretary                    | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| <b>Total Full-Time Equivalent Employees</b> | <b>0.57</b>            | <b>0.57</b>            | <b>0.57</b>            | <b>0.67</b>             | <b>0.67</b>            |

### Full-Time Equivalencies by Department

| <b>Employees by Function</b>                  | <b>2021<br/>Budget</b> | <b>2022<br/>Budget</b> | <b>2023<br/>Budget</b> | <b>2023<br/>Revised</b> | <b>2024<br/>Budget</b> |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|
| <b>Williston Center Fund</b>                  |                        |                        |                        |                         |                        |
| Recreation Services Director                  | 0.15                   | 0.15                   | 0.15                   | 0.15                    | 0.15                   |
| Williston Center Manager                      | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Williston Center Assistant Manager            | 1.00                   | 1.00                   | 1.00                   | -                       | -                      |
| Program & Membership Activities Manager       | -                      | -                      | -                      | -                       | 0.50                   |
| Aquatics & Inclusion Services Program Manager | 0.30                   | 0.30                   | -                      | -                       | -                      |
| Fitness Coordinator                           | 1.00                   | 1.00                   | 1.00                   | 0.50                    | 0.50                   |
| Williston Clerk                               | 1.00                   | 1.00                   | 1.00                   | -                       | -                      |
| Maintenance Technician                        | 2.00                   | 2.00                   | 2.00                   | 1.00                    | 1.00                   |
| Guest Services Manager                        | -                      | -                      | -                      | 1.00                    | 1.00                   |
| Interim Operations Manager                    | -                      | -                      | -                      | 1.00                    | 1.00                   |
| Tennis Manager                                | 1.00                   | 1.00                   | 1.00                   | 1.00                    | 1.00                   |
| Tennis Coordinator                            | 2.00                   | 2.00                   | 2.00                   | 2.00                    | 2.00                   |
| <b>Total Full-Time Equivalent Employees</b>   | <b>9.45</b>            | <b>9.45</b>            | <b>9.15</b>            | <b>7.65</b>             | <b>8.15</b>            |
| <b>Gray's Bay Marina Fund</b>                 |                        |                        |                        |                         |                        |
| Community Facilities Superintendent           | 0.05                   | -                      | -                      | -                       | -                      |
| Community Facilities Assistant Manager        | -                      | 0.20                   | 0.20                   | 0.20                    | 0.20                   |
| Recreation Program Manager                    | 0.10                   | -                      | -                      | -                       | -                      |
| Administrative Assistant I                    | 0.05                   | 0.10                   | 0.10                   | 0.10                    | 0.10                   |
| <b>Total Full-Time Equivalent Employees</b>   | <b>0.20</b>            | <b>0.30</b>            | <b>0.30</b>            | <b>0.30</b>             | <b>0.30</b>            |
| <b>Fleet Maintenance Fund</b>                 |                        |                        |                        |                         |                        |
| Public Works Director                         | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Auto Mechanic                                 | 4.00                   | 4.00                   | 4.00                   | 4.00                    | 4.00                   |
| Administrative Manager                        | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| Receptionist / Secretary                      | 0.14                   | 0.14                   | 0.14                   | 0.14                    | 0.14                   |
| <b>Total Full-Time Equivalent Employees</b>   | <b>4.42</b>            | <b>4.42</b>            | <b>4.42</b>            | <b>4.42</b>             | <b>4.42</b>            |
| <b>Total Employees</b>                        | <b>344.92</b>          | <b>361.22</b>          | <b>366.62</b>          | <b>371.22</b>           | <b>382.72</b>          |

## Relevant Financial Policies

City of Minnetonka budgets are adopted on a basis consistent with Generally Accepted Accounting Principles. Annual appropriated budgets are prepared and legally adopted for the General and special revenue funds on a modified cash basis, and government capital funds are appropriated by the council's formal adoption of its five-year Capital Improvement Program (CIP). The city council also adopts a five- and ten-year Economic Improvement Program (EIP). The first years of the rolling five-year CIP and EIP plans are reflected in the annual budget. The city's basis of budgeting is generally consistent with its basis for accounting as reported in its Comprehensive Annual Financial Report.

General Fund and special revenue fund expenditures may not legally exceed budgeted appropriations at the total fund level without city council approval. Budgetary control for capital funds is accomplished through the use of project controls, which are amended by council action of a super majority throughout the year as well as within the budget document on a project-by-project basis. The city council may authorize transfer of budgeted amounts between funds.

Monitoring of budgets is maintained at the expenditure category level (i.e., personnel, supplies and other services and charges, capital outlay) within each activity. Budgetary monitoring, by departments or divisions and by category, is required by the City Charter. Management may alter the budget within a fund but cannot exceed the total budgeted expenditures for the fund that was approved by the city council.

The city's policy regarding General Fund fund balances meets the Government Accounting Standard Board's (GASB's) rules to maintain a prudent level of financial resources to protect itself against temporary revenue shortfalls or unpredicted one-time expenses or mandates. The policy provides that balances are committed to reserve funding for liabilities associated with compensated absences of employees and may be assigned for special purposes. Additionally, the policy requires a balance to serve as a *budget stabilization reserve*, which is equal to 30 to 50 percent of the following year's operating budget. Balances otherwise available above that reserve and above 40 percent of the following year's operating budget may be appropriated by the city council only for one-time costs that have no ongoing financial commitments.

The city council also has a council-adopted policy that establishes goals for cash fund balances in the city's water and sanitary sewer enterprise fund. The policy sets a minimum cash balance in the fund as an operating reserve in an amount equal to six months of operating expenses, plus annual debt service. The policy sets another reserve for capital with a targeted goal of ten percent of the accumulated depreciation of the water and sewer systems combined, but it allows that the reserve may be greater or less depending upon the projected needs for the replacement or upgrades of major components as provided in the adopted CIP. Furthermore, it requires regular staff analysis of the fund, including recommending to the city council rate changes and the issuance of debt with the goal of meeting the established targets.

The city also has an established written capital improvement policy that prioritizes funding and requires fund balance guidelines for each capital fund. Projects are ranked: first, those that are related to public health and safety and legal mandates; second, those that help maintain or make existing systems more efficient; and third, those that expand existing system, provide new services, or are for general community betterment. The policy further provides that fund balance guidelines be established to reflect subsequent-year budget needs, annual cash flow requirements, replacement reserves and potential contingencies. The guidelines are to be used to responsibly manage balances over the five-year planning horizon.