



ANNUAL COMPREHENSIVE FINANCIAL REPORT

City of Burnsville, Minnesota

For the year ended December 31, 2023

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CITY OF BURNSVILLE, MINNESOTA
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended December 31, 2023

Prepared by:
Department of Finance

CITY OF BURNSVILLE, MINNESOTA

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION:	
Transmittal Letter	5
Certificate of Achievement	11
City Council and Other Officials	12
Organization of City Services	13
FINANCIAL SECTION:	
INDEPENDENT AUDITOR'S REPORT	15
MANAGEMENT'S DISCUSSION AND ANALYSIS	19
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements	
Statement of Net Position	30
Statement of Activities	31
Fund Financial Statements	
Balance Sheet - Governmental Funds	32
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	33
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	35
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	36
Budget and Actual - Grant Fund	37
Statement of Net Position - Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	39
Statement of Cash Flows - Proprietary Funds	40
Notes to the Financial Statements	41
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Changes in the City's Total OPEB Liability and Related Ratio - Other Post-Employment Benefits Plan	80
Schedule of City Contributions - GERF / PEPFF Retirement Funds	81
Schedule of City's and Non-Employer Proportionate Share of Net Pension Liability - Defined Benefit Pension Plans - GERF Retirement Fund	82
Schedule of City's and Non-Employer Proportionate Share of Net Pension Liability - Defined Benefit Pension Plans - PEPFF Retirement Fund	83
Notes to Required Supplementary Information	84

CITY OF BURNSVILLE, MINNESOTA

TABLE OF CONTENTS

	Page
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:	
Combining Balance Sheet - Nonmajor Governmental Funds	92
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	94
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -	
General Fund	96
Infrastructure Trust Fund	97
Improvement Construction Fund	98
Facilities Fund	99
Cable Franchise Fee Fund	100
Forfeiture Fund	101
Youth Center Fund	102
Economic Development Authority (EDA) Fund	103
Sustainability Fund	104
Forestry Fund	105
Information Technology (I.T.) Capital Fund	106
Equipment and Vehicle Capital Fund	107
Parks Capital Fund	108
Street Revolving Construction Fund	109
Combining Statement of Net Position - Nonmajor Enterprise Funds	111
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds	112
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	113
Combining Statement of Net Position - Internal Service Funds	114
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	115
Combining Statement of Cash Flows - Internal Service Funds	116

CITY OF BURNSVILLE, MINNESOTA

TABLE OF CONTENTS

	Page
STATISTICAL SECTION:	
Net Position by Component	118
Changes in Net Position	120
Governmental Activities Tax Revenue by Source	125
Fund Balances of Governmental Funds	126
Changes in Fund Balances of Governmental Funds	128
General Government Tax Revenues by Source	131
Taxable Market Value and Estimated Actual Value of Taxable Property	132
Property Tax Rates	134
Principal Property Taxpayers	136
Property Tax Levies and Collections	137
Ratios of Outstanding Debt by Type	138
Ratios of General Obligation Bonded Debt Outstanding	140
Direct and Overlapping Governmental Activities Debt	141
Legal Debt Margin Information	142
Pledged Revenue Coverage	144
Demographic and Economic Statistics	145
Principal Employers	147
Full Time Equivalent City Government Employees by Function	148
Operating Indicators by Function	150
Capital Asset Statistics by Function	152

June 12, 2024

City Council and Residents
City of Burnsville
100 Civic Center Parkway
Burnsville, Minnesota 55337

To the Mayor, City Council and Residents of the City of Burnsville:

Minnesota Statutes require all cities to issue an annual report on the city's financial position and activity prepared in accordance with generally accepted accounting principles (GAAP), and audited in accordance with U.S. generally accepted auditing standards by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, the City hereby issues the Annual Comprehensive Financial Report (ACFR) of the City of Burnsville, Minnesota (the City) for the year ended December 31, 2023. The organization, form, and contents of this report were prepared in accordance with the standards prescribed by the Governmental Accounting Standards Board (GASB), the Government Finance Officers Association of the United States and Canada (GFOA), the American Institute of Certified Public Accountants, the Minnesota Office of the State Auditor, and the City Code.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, supporting schedules, statistical tables, etc., rests with the management of the City of Burnsville. Management assumes full responsibility for the completeness and reliability of the information contained in this report.

The City's management has established a system of internal controls designed to protect the City's assets and to provide reliable financial information. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City's financial statements have been audited by Malloy, Montague, Karnowski, Radosevich, & Company, P.A. and an unmodified ("clean") opinion has been issued. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) provides a narrative introduction, overview, and analysis of the basic financial statements. This transmittal letter is designed to complement and should be read in conjunction with the MD&A. The City's MD&A can be found immediately following the independent auditors' report.

Profile of the City

The City is a southern second-tier suburb of Minneapolis and St. Paul, Minnesota. It was incorporated in 1964 and covers 27 square miles. With a population of 64,522, Burnsville is the third largest city in Dakota County, ninth largest suburb in the Twin Cities metro area, and the fourteenth largest city in the State of Minnesota.

The City is a Plan B statutory city with a City Council / City Manager form of government. The City Council consists of a Mayor and four Council Members elected at-large. All policy and legislative decisions are the responsibility of the Council.

The Council delegates administrative duties to the City Manager. The City Manager is responsible for hiring and managing City staff.

A strong emphasis has been placed on the City Council's Governance Model. The City Council has adopted a fundamentally different approach to governing by focusing on policy, instead of the details of organizational management. This initiative begins with establishing a broad framework of vision, values and strategic priorities. The Council governs through strategic leadership and by articulating a collective community vision.

The City provides a full range of services including police protection, a full-time fire department, street and park maintenance and construction, protection of environmental resources, recreation opportunities, city planning, licensing, permits, inspections, and code enforcement. The City operates a water & sewer utility, a storm water utility, a street lighting system, a youth center, a 9-hole golf course, an ice arena, and a performing arts center. The Council has adopted six strategic priorities. The strategic priorities are safety, community engagement, community vibrancy, sustainability, infrastructure, and organizational culture. The City is committed to delivering quality services at an affordable price. The City Council has directed the City staff to provide services to the community through a clearly defined goal, or Vision, that states:

Burnsville is a vibrant city, boldly leading, welcoming to all.

The City adopts an annual budget for its general fund, grant fund, infrastructure trust capital projects fund, improvement construction capital projects fund and facilities capital projects fund and ten non-major governmental funds.

In accordance with GASB pronouncements, the City's financial statements include all funds, departments of the City (the primary government), and its component unit. The component unit, included in the City's reporting entity, the Burnsville Economic Development Authority (EDA), has been included because the City has operational responsibility of the EDA. As a result of applying the entity definition criteria of the GASB, the EDA has been included in the City's financial statements as a blended component unit.

The Black Dog Lake Water Management Organization, Dakota Communications Center (DCC), Dakota County Drug Task Force, I-35W Solutions Alliance, and Minnesota Valley Transit Authority (MVTA) are jointly governed organizations and have been excluded from the financial statements.

The City Manager must prepare estimates for an annual budget and submit them to the Council for approval. The budget is prepared and approved at the fund and function level. The City's budget process begins with a review of the City's financial management plan which is the document that provides the framework for financial decision making. The City Council aligns its department budget appropriations with the City Council strategic priorities. The annual budget includes financial plans for each budgeted fund projecting revenues and expenses for the next five years.

The Council is required to adopt a maximum tax levy and a preliminary budget by September 30th. The City Council discusses the proposed budget at Council work sessions throughout the year. The final budget for the coming year must be adopted no later than December 31st of each year. After the budget is adopted the City Manager has the authority to reallocate resources between departments within funds; however, changes to the total budgeted expenditures require approval by the City Council.

Local Economy

The City's tax base is balanced between residential and commercial property. Total market value has fluctuated over the past 10 years consistent with the state-wide and nation-wide trend in the housing market. The total taxable market value has increased 80.3 percent over the past ten years from \$5.0 billion in 2014 to \$8.9 billion in 2023. In the five years 2019-2023, the market value growth averaged 7.6 percent per year. Burnsville continues to monitor valuation trends.

Property value growth consists of both growth from valuation increases on existing properties and growth due to new construction and remodeling. After a phase of rapid and extensive development, the City continues to grow but has attained many of its development objectives. Burnsville is now considered over 98% developed, however, the City continues to promote development and redevelopment.

There are 25,834 housing units in Burnsville and about 66% are owner occupied. Just over 65% of the City's housing stock was constructed between 1970 and 1990. The City is proactively addressing the needs for redevelopment and housing maintenance as the City ages to continue to maintain the City's healthy property value growth.

In December 2023, over 35,473 of the city's residents were in the labor force and the average unemployment rate for 2023 was 2.6%, which was lower than the rate for the metro area estimated at 2.7% for the same period. Burnsville is a connected community providing a variety of services and experiences to more than 64,000 residents, 2,500 businesses, thousands of annual visitors and 310 city staff and teammates.

Burnsville is home to a section of Murphy-Hanrehan Park Reserve, Buck Hill, part of the Minnesota Valley National Wildlife Refuge and The Ames Performing Art Center. In addition, Burnsville's downtown area is called Heart of the City with urban-style retail and condominiums. Plus, Burnsville Transit Station serves as the hub and headquarters of the Minnesota Valley Transit Authority.

Burnsville is a community where residents feel safe and welcome to be themselves, visitors find a place they want to come back to again and again, businesses are positioned for success and city staff and team members find meaningful work and opportunities to grow and evolve.

Long-term Financial Planning

The City faces the financial and redevelopment challenges associated with a mature city. Protecting property values of an aging housing stock will become increasingly important to city homeowners as well as maintaining the tax base of the city. The City's property maintenance code enforcement is helping to improve the quality of residences and businesses throughout the community. Slower growth and reduced state government aid have kept pressure on City budgets. Fortunately, the City is well positioned to deal with these challenges because of the broad diversification of the tax base and long-term financial planning. The City has adopted a financial management plan that clearly establishes low tax rates, infrastructure investment, and good standing within the financial community as top priorities. Furthermore, the City has forged partnerships throughout the community that will ensure a coordinated community-wide approach to addressing the challenges and opportunities of the future.

Infrastructure replacement costs will likely consume an increasing portion of the budget. The City has limited room for new construction on undeveloped land, and an aging infrastructure. This combination of limited new tax base and increased demand for enhanced maintenance and replacement of infrastructure (roads, water and sewer utilities and additional storm water improvements) presents the most significant set of financial challenges for the City of Burnsville in the City's history. Numerous strategic steps have been taken to improve the City government's responsiveness to these and other anticipated community needs.

Among the most significant steps taken to date has been the commitment by the City Council to allocate a portion of the general property tax levy to the Infrastructure Trust Fund. In addition, the City Council made a commitment to set utility rates to fund system depreciation for adequate maintenance and replacement of the water and sewer utilities and storm water improvements. These steps have placed the City in a proactive stance for preserving the value of the community's nearly \$580 million capital asset investment. The City prepares annual 5-year capital improvements plan for addition and replacement of the City's infrastructure.

The Council has dedicated franchise fee revenue as a funding source for the long-term capital plan to invest in improving the City's aging facilities. The City Council identified long-term funding needs to maintain, improve and replace the City's existing facilities. In 2014, the City completed a facility study to identify the City's 20-year facility needs. In 2015, the City established the Facilities Capital Fund to centralize facility capital projects and funding sources. In 2016, the City implemented gas and electric utility franchise fees and the City Council has directed these franchise fees to fund facilities capital projects. In 2020, these utility franchise fees were increased and will continue to support facilities capital projects.

The City prepares multi-year financial plans for each of its funds. The plans are updated each year and are included in the annual budget. These plans include projections of revenues, expenditures, fund balance and cash balance for a minimum of five years as well as a comparison to historical actual results and the current budget. A narrative describes the fund, background, sources and uses of funds, assumptions, and challenges for the future. These plans form the foundation for making budget decisions for the City's resources.

The City Council approved a 2024 budget that called for a total increase in tax levy of 7.6%. The adopted 2024 budget addresses fundamental community needs, including maintaining established basic service levels, increasing staffing to match service levels, and long-term infrastructure replacement.

Relevant Financial Policies

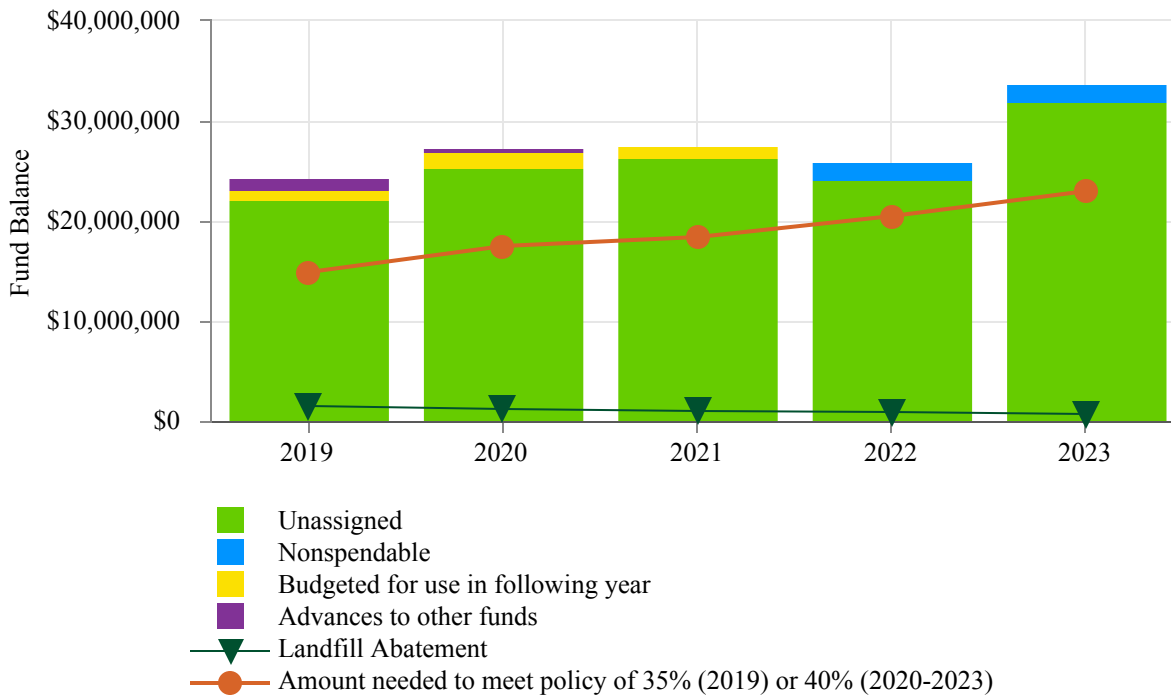
The City has a Financial Management Plan that serves two main purposes. It draws together, in a single document, the City's major financial policies. Also, the plan establishes principles to guide both staff and Council members to make consistent and informed financial decisions. The plan establishes City policy in the following areas:

- revenue management
- cash and investments
- fund balance/net position
- operating budget and compensation philosophy
- capital improvements plan
- Infrastructure Trust Fund
- Economic Development Authority Fund
- Facilities Capital Fund
- debt management
- accounting, auditing and financial reporting
- risk management

Fund Balances

It is important for the financial stability of the City to maintain reserve funds for unanticipated expenditures or unforeseen emergencies, as well as to provide adequate working capital for current operating needs to avoid short-term borrowing. The City's financial management plan states that the fund balances in the General and Special Revenue Funds will be maintained at a target level of 40-50% of the operating budget; however, this could fluctuate with each year's budget objectives and appropriations such as large capital expenditures and variation in the collection of revenues. The fund balance policy was updated in 2020 with the target fund balance levels. Prior to 2020, a minimum fund balance policy for the General Fund was set at 35% of the operating budget. The balance in the general fund is currently higher than the target level. The financial management plan directs that the use of one-time revenues be used for one-time expenditures.

General Fund - Fund Balance Policy



Major Initiatives

The City completed a utility rate study in 2020 to evaluate the City's base charges and rate structure to provide an appropriate balance between stability of base costs while still maintaining a high level of ground water conservation and equity. The new utility rate structure was implemented in 2021. The goal is to provide sufficient revenue to each utility for current and future operations, infrastructure, and capital improvements by modifying the existing rates as needed to fairly distribute the costs of service among different users.

The City completed an organizational analysis in 2022 to evaluate staffing recommended to maintain current levels of service to the community. A number of additional positions were identified in the analysis and implementation over the course of three years began in 2023.

The Council has embarked on a long-term capital plan to invest in improving the City's aging facilities. The first phase of construction was completed in 2018. It includes a comprehensive renovation of the police station facilities, covered vehicle storage for police vehicles, a redesigned City Hall entrance, community room renovations, additional conference room space and Americans with Disabilities Act (ADA) compliance improvements. The City completed Phase II of the facilities plan in 2022 with the construction of Fire Station I at Newton Ave in the Pinnacle Park area.

The City's Northwest River Quadrant along the Minnesota River (MRQ) is the city's largest area for future development and redevelopment. The City has been preparing for the long-term future development of this 1,700 acre area for several years. The City has received special legislation from the State for Tax Increment Financing (TIF) districts in this area. The City estimates future construction value for this area will exceed \$1.0 billion. Construction improvements will happen over the next 10-15 years.

Additionally, in December of 2018 the City Council adopted the Center Village Vision redevelopment plan to address the evolving County Road 42 retail corridor and the Burnsville Center. The plan outlines short, mid- and long-range goals for redevelopment of the retail area west of I-35W, south of McAndrews Road, east of Burnhaven Drive and north of Southcross Drive - including the Burnsville Center. It is meant to help guide future policy decisions and spark reinvestment into the area. The plan envisions new neighborhoods and housing mixed with retail uses; as well as other uses such as parks, hotels, clinics, co-sharing work places, start-up offices, brew pubs and maker spaces. The Center Village Vision Plan was developed through a collaborative effort with the consultant and their team of industry experts, along with City representatives, area stakeholders and property owners. The plan calls for a future mixed-use pedestrian friendly area. In 2019 the City began working on a Traffic Study which was led by a consultant and involved city, county and state staff serving in a technical advisory capacity to identify issues, concerns, potential roadway improvements and traffic capacity in the area. This Traffic Study was made possible through a Department of Employment and Economic Development (DEED) Host grant. The Traffic Study was adopted by the City Council in 2020. The City also completed an Alternative Urban Area-wide Review (AUAR) to examine redevelopment scenarios and plan for mitigation related to environmental impacts. The AUAR for the Center Village funded in part by the Dakota County Redevelopment Incentive Grant program. For three years the City actively pursued special legislation from the State to consider the area as a Tax Increment Financing (TIF) district area. The area, particularly the mall, has seen a decline in foot traffic, mass vacancies and obsolete building types. In 2021 the City was successful in obtaining special legislation to consider the Burnsville Center properties and adjacent right of way as Redevelopment TIF eligible. In 2021 the City proactively changed the land use and zoning north of County Road 42 and south of McAndrews to Mixed Use to support implementation strategies outlined in the Center Village Vision and Economic Development Strategic Priorities. The City of Burnsville, in partnership with Dakota County, applied for a MnDOT Transportation Economic Development (TED) grant for construction of a new exit ramp from southbound I-35W under County State Aid Highway (CSAH) 42 to Buck Hill Road. The project was selected and will be awarded \$3.1 million in TED grant funding. The total project cost is estimated to be about \$5 million. The City has begun predesign work for a future Aldrich Road connection and new I35W exit ramp to improve access within the Burnsville Center properties.

Awards & Acknowledgments

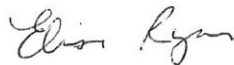
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Burnsville for its ACFR for the fiscal year ended December 31, 2022. This was the 28th consecutive year that the City has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe the current ACFR continues to meet the Certificate of Achievement Program's requirements, and we will be submitting it to GFOA to determine its eligibility for another certificate.

We want to express our appreciation to the entire staff of the Finance Department for their work in preparing this report and assistance provided during the audit. We also wish to express our appreciation to the Mayor, members of the City Council, and the City Manager for their continued interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Elissa Ryan".

Elissa Ryan
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Burnsville
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

CITY OF BURNSVILLE, MINNESOTA

CITY COUNCIL AND OTHER OFFICIALS

City Council:		Term Expires:
Mayor	Elizabeth Kautz	December 31, 2024
Councilmember	Dan Gustafson	December 31, 2024
Councilmember	Dan Kealey	December 31, 2026
Councilmember	Cara Schulz	December 31, 2024
Councilmember	Vince Workman	December 31, 2026
City Manager	Gregg Lindberg	
City Clerk	Macheal Collins	

LEADERSHIP TEAM AND PEOPLE MANAGERS

The City of Burnsville strives to recognize the potential for leadership at all levels in the organization. However the demands and complexity of local government services require that lines of accountability exist for organizational performance, as delegated by the City Manager.

Leadership Team

The first level of responsibility lies with this group of employees who assist the City Manager with overall guidance of the organization:

- Deputy City Manager
- Deputy City Manager/Chief Financial Officer
- Public Works Director
- Fire Chief
- Police Chief
- Community Development Director
- Human Resources Director
- Information Technology Director
- Communications & Community Engagement Director
- Parks, Recreation, & Facilities Director
- Finance Director
- Strategic Initiatives Director
- City Clerk

Senior Managers

The next level of responsibility lies with the senior managers of service areas:

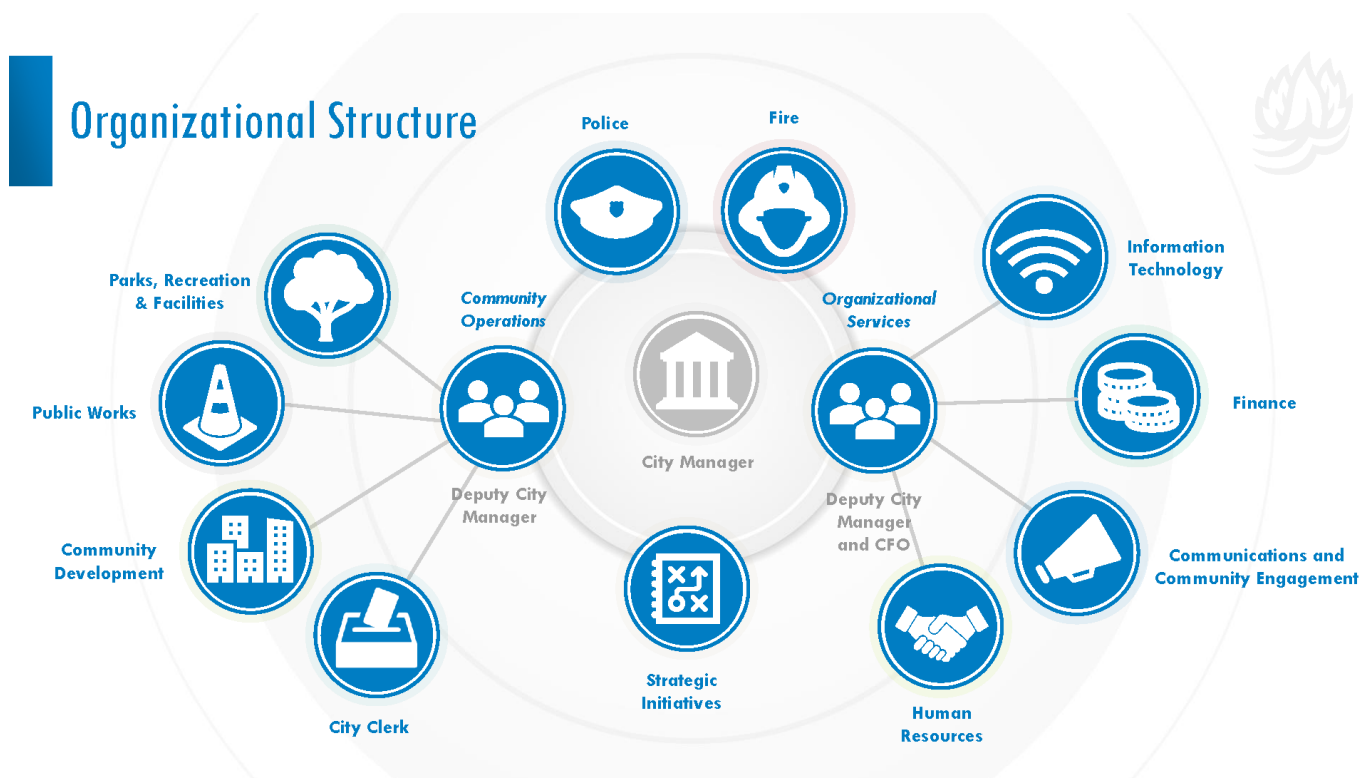
- City Engineer
- Assistant Public Works Director
- Deputy Police Chief
- Police Captains (three)
- Assistant Fire Chiefs (three)
- Organizational Development Manager
- Recreation & Facilities Superintendent
- Building Official
- Neighborhood Services Coordinator
- Accounting Managers (two)

People Managers

The next level of responsibility lies with the direct supervisors of front-line employees and service providers throughout the organization.

CITY OF BURNSVILLE, MINNESOTA

ORGANIZATION OF CITY SERVICES



ORGANIZATIONAL MODEL

The City of Burnsville is organized at the direction of the City Manager. As Chief Executive Officer, the Manager is the sole employee of the City Council. The current organizational configuration is non-traditional and has been described as a “molecular model” which seeks to emphasize the relationship of work groups while de-emphasizing hierarchy. The organizational arrangement illustrated above is fluid and can change at the discretion of the City Manager. This current structure is the result of a gradual evolution over the life of the City and will continue to evolve as the needs of the community change.

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PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Burnsville, Minnesota

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINIONS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Burnsville, Minnesota (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund and budgeted major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINIONS

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

EMPHASIS OF MATTER

Change in Accounting Principle

As described in Note 1 of the notes to basic financial statements, in fiscal 2023, the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

(continued)

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

(continued)

REQUIRED SUPPLEMENTARY INFORMATION

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund statements and schedules, as listed in the table of contents, are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER INFORMATION

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
June 12, 2024

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Management's Discussion and Analysis

As management of the City of Burnsville, Minnesota (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the notes to the basic financial statements. Amounts presented in the narrative of this Management's Discussion and Analysis have been rounded to the nearest thousand.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$285,984,000 (net position). Of this amount, \$55,177,000 (unrestricted net position) may be used to meet the government's ongoing obligations to residents and creditors; \$19,884,000 is restricted for specific purposes (restricted net position); and \$210,923,000 represents the net investment in capital assets.
- The City's total net position increased by \$12,997,000. The increase is a combination of surpluses and deficits, and includes planned increases for future budget needs.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$75,553,000, an increase of \$15,617,000 in comparison with the prior year. A number of factors contributed to this increase. Intergovernmental revenue related to public safety capital expenditures was \$2,828,000. The City planned increases in fund balance in the General Fund for future staffing and budgeting needs. The balance is a result of the net effect of budget surpluses and deficits.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$31,991,000, or 56% of total budgeted 2024 general fund expenditures and transfers.
- During the year ended December 31, 2023, the City implemented GASB Statement No. 96, Subscription-based Information Technology Arrangements (SBITAs). The implementation of this new GASB statement in the current year resulted in adjustments to capital assets and long-term liabilities, but did not require a restatement of net position in the current year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (*e.g.*, uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works and parks, culture and recreation, conservation of natural resources, and economic development. The business-type activities of the City include water and sewer, storm water, performing arts center, ice arena, golf course, and street lighting.

The government-wide financial statements can be found on pages 30-31 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains six individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the grants special revenue fund, the general obligation improvement bonds debt service fund, the infrastructure trust capital projects fund, the improvement construction capital projects fund, and the facilities capital projects fund. Data from the other fifteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for its general fund, grant fund, infrastructure trust capital projects fund, improvement construction capital projects fund and facilities capital projects fund and ten non-major governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements may be found on pages 32-37 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, storm water, performing arts center, ice arena, golf course, and street lighting operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for compensated absences and dental self insurance. Because these services predominantly benefits governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer, storm water, and Ames center (performing arts center) operations, all three of which are considered to be major funds of the City. Data from the other three enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report. Additionally, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 38-40 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-79 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information and related notes. The required supplementary information can be found on page 80-89 of this report.

Other information. The combining statements and schedules referred to earlier in connection with nonmajor governmental, enterprise, and internal service funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules may be found on pages 92-116 of this report.

Further, a statistical section has been included as part of the Annual Comprehensive Financial Report (ACFR) to facilitate additional analysis and is the third and final section of the report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$285,984,000 at the close of the most recent fiscal year.

The largest portion of the City's net position (74 percent) reflects the City's investment in capital assets (e.g., land, permanent easements, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to residents; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (7 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$55,177,000) may be used to meet the government's ongoing obligations to residents and creditors.

City of Burnsville's Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$112,831,826	\$103,275,108	\$ 32,419,667	\$ 33,480,296	\$145,251,493	\$136,755,404
Capital assets, net	155,942,718	155,174,976	120,170,098	123,708,154	276,112,816	278,883,130
Total assets	268,774,544	258,450,084	152,589,765	157,188,450	421,364,309	415,638,534
Total deferred outflows						
of resources	38,363,554	46,221,767	446,778	773,649	38,810,332	46,995,416
Long-term liabilities	91,065,786	127,693,189	23,161,214	26,607,759	114,227,000	154,300,948
Other liabilities	11,531,819	15,803,731	984,941	1,580,000	12,516,760	17,383,731
Total liabilities	102,597,605	143,496,920	24,146,155	28,187,759	126,743,760	171,684,679
Total deferred inflows						
of resources	46,725,109	17,769,274	722,112	192,871	47,447,221	17,962,145
Net position:						
Net investment in						
capital assets	120,940,298	118,138,873	99,024,723	99,364,372	210,922,788	206,410,807
Restricted	19,884,115	17,448,211	—	—	19,884,115	17,448,211
Unrestricted	16,990,971	7,818,573	29,143,553	30,217,097	55,176,757	49,128,108
Total net position	<u>\$157,815,384</u>	<u>\$143,405,657</u>	<u>\$128,168,276</u>	<u>\$129,581,469</u>	<u>\$285,983,660</u>	<u>\$272,987,126</u>

At the end of the current fiscal year, the City is able to report positive balances in all categories of net position, for both the government as a whole as well as for its separate business-type activities.

There was an increase in net position in the governmental activities of \$14,410,000 and a decrease of \$1,413,000 in business-type activities, for a net total increase of \$12,997,000 in net position. This change in net position reflects changes in deferred outflows of resources, deferred inflows of resources, and long-term liabilities as a result in the City's participation in defined benefit plans. Liabilities reported for the City's pension plan decreased in 2023 due to changes in actuarial assumptions. Non-current liabilities also decreased in 2023 due to repayment of debt obligations.

The total net investment in capital assets for the City is not the sum of the Governmental Activities and Business-type Activities. For certain capital related debt activity the capital asset is recorded in the business-type activities and the debt is in the governmental activities. This is combined for the government wide total activities.

City of Burnsville's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 13,294,312	\$ 12,222,434	\$ 29,924,383	\$ 28,110,567	\$ 43,218,695	\$ 40,333,001
Operating grants and contributions	5,961,313	6,217,950	95,240	143,468	6,056,553	6,361,418
Capital grants and contributions	5,104,454	13,088,700	311,534	1,602,859	5,415,988	14,691,559
General revenues:						
Property taxes	46,790,405	41,303,580	—	—	46,790,405	41,303,580
Other taxes	6,220,619	6,178,098	—	—	6,220,619	6,178,098
Grants and contributions not restricted to specific programs	3,163,204	2,788,716	—	—	3,163,204	2,788,716
Unrestricted investment earnings (charges)	4,051,477	(3,138,002)	842,593	310,769	4,894,070	(2,827,233)
Total revenues	<u>84,585,784</u>	<u>78,661,476</u>	<u>31,173,750</u>	<u>30,167,663</u>	<u>115,759,534</u>	<u>108,829,139</u>
Expenses:						
General government	10,571,108	11,061,187	—	—	10,571,108	11,061,187
Public safety	37,398,025	33,903,053	—	—	37,398,025	33,903,053
Public works and parks	18,179,904	19,687,730	—	—	18,179,904	19,687,730
Culture and recreation	1,447,158	1,399,057	—	—	1,447,158	1,399,057
Conservation of natural resources	1,458,326	1,332,858	—	—	1,458,326	1,332,858
Economic development	560,065	3,173,721	—	—	560,065	3,173,721
Interest on long-term debt	1,169,503	1,170,232	—	—	1,169,503	1,170,232
Water and sewer	—	—	22,002,160	19,675,040	22,002,160	19,675,040
Storm water	—	—	4,750,457	4,610,749	4,750,457	4,610,749
Performing arts center	—	—	2,863,507	2,579,667	2,863,507	2,579,667
Ice arena	—	—	1,470,429	1,514,688	1,470,429	1,514,688
Golf course	—	—	432,835	411,006	432,835	411,006
Street lighting	—	—	459,523	794,369	459,523	794,369
Total expenses	<u>70,784,089</u>	<u>71,727,838</u>	<u>31,978,911</u>	<u>29,585,519</u>	<u>102,763,000</u>	<u>101,313,357</u>
Increase (decrease) in net position before transfers	13,801,695	6,933,638	(805,161)	582,144	12,996,534	7,515,782
Transfers	608,032	(238,577)	(608,032)	238,577	—	—
Increase (decrease) in net position	<u>14,409,727</u>	<u>6,695,061</u>	<u>(1,413,193)</u>	<u>820,721</u>	<u>12,996,534</u>	<u>7,515,782</u>
Net position on January 1	143,405,657	136,710,596	129,581,469	128,760,748	272,987,126	265,471,344
Net position on December 31	<u>\$157,815,384</u>	<u>\$143,405,657</u>	<u>\$128,168,276</u>	<u>\$129,581,469</u>	<u>\$285,983,660</u>	<u>\$272,987,126</u>

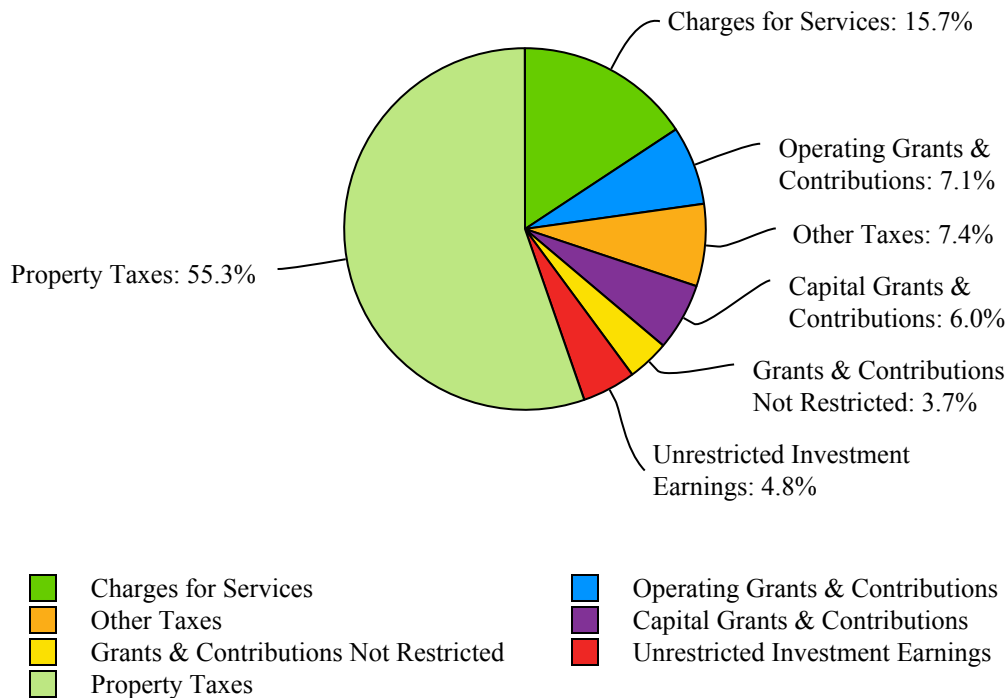
The increase in overall net position is a combination of many surpluses and deficits, and are discussed in the following sections for governmental activities and business-type activities.

Governmental activities. Governmental activities resulted in an increase of the City's net position by \$14,410,000 in 2023, while the increase in total net position was \$12,997,000.

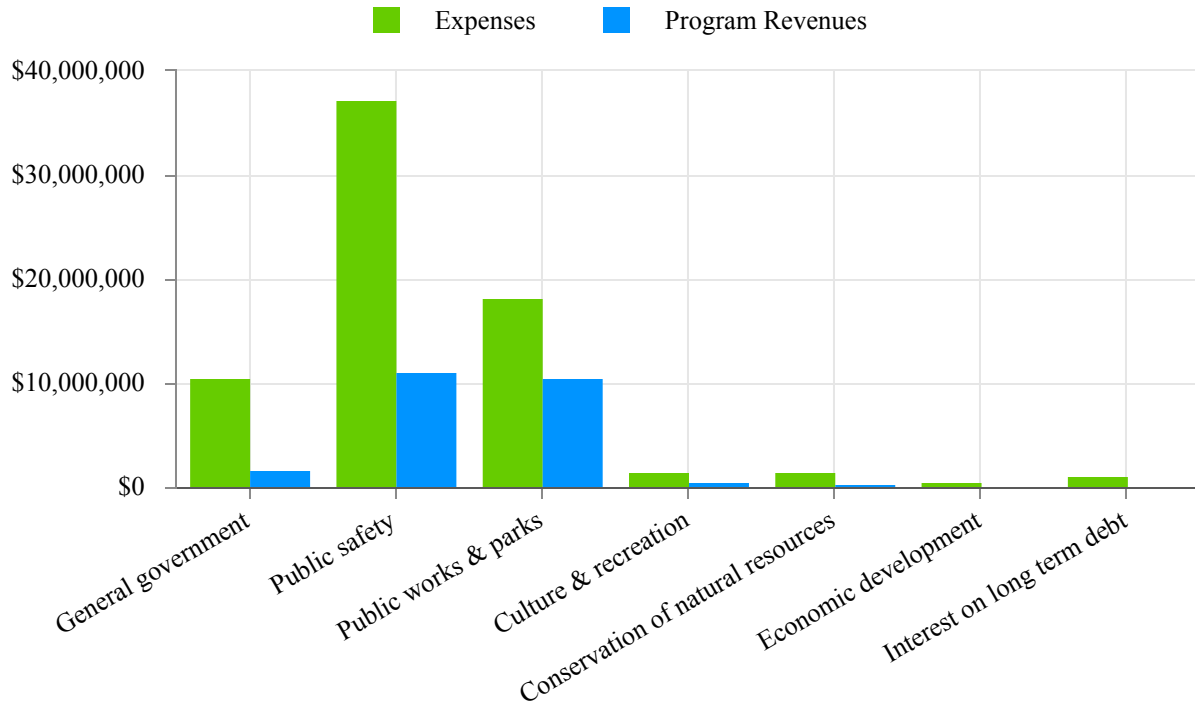
Revenues increased in total by \$5,924,000, or 8%, primarily due to increases in unrestricted investment earnings of \$7,189,000, property taxes of \$5,487,000, increases in charges for services totaling \$1,072,000, and increases in grants and contributions not restricted to specific programs of \$374,000. These increases were offset by a decrease in capital grants and contributions of \$7,984,000. Expenses decreased in total by \$944,000, or 1% in 2023. Key elements of these changes follow:

- Unrestricted investment earnings increased due to market conditions and interest rate environment at the end of 2023.
- Property taxes increased during 2023 due to a 14.5% increase in the levy.
- Charges for services increased due to increased host fees.
- Grants and contributions not restricted to specific programs revenue increased due to grants and aid the City received from various sources. American Rescue Plan Act federal relief aid recognized in 2023 was the largest at \$3,000,000.
- Capital grants and contributions decreased due to park dedication fee revenue.
- Revenues across other categories remained flat.
- Expenses decreased by \$4,612,000 or 14%, for 2023 in general government, public works and parks, and economic development. A majority of the decrease was due to the City's contributions to regional road construction and economic development in the prior year. Expenses increased by \$3,495,000, or 10%, for 2023 in public safety. This increase was due to increased staffing levels for police and fire. Generally, changes in other expenses closely paralleled budgeted amounts across functions.

Revenues by Source - Governmental Activities

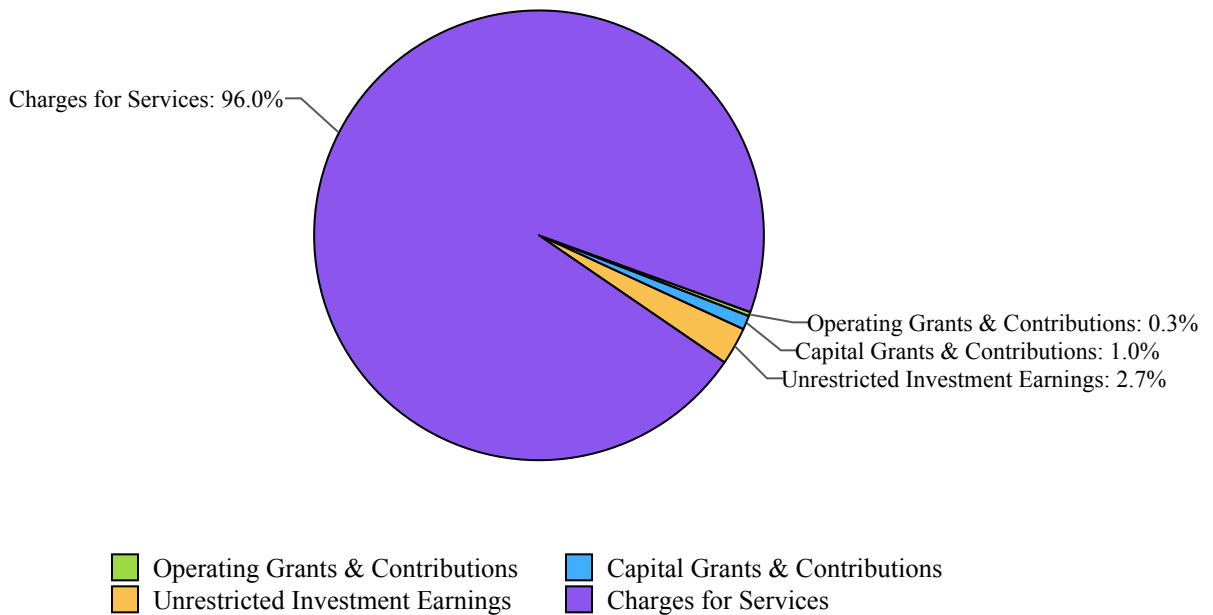


Expenses and Program Revenues - Governmental Activities

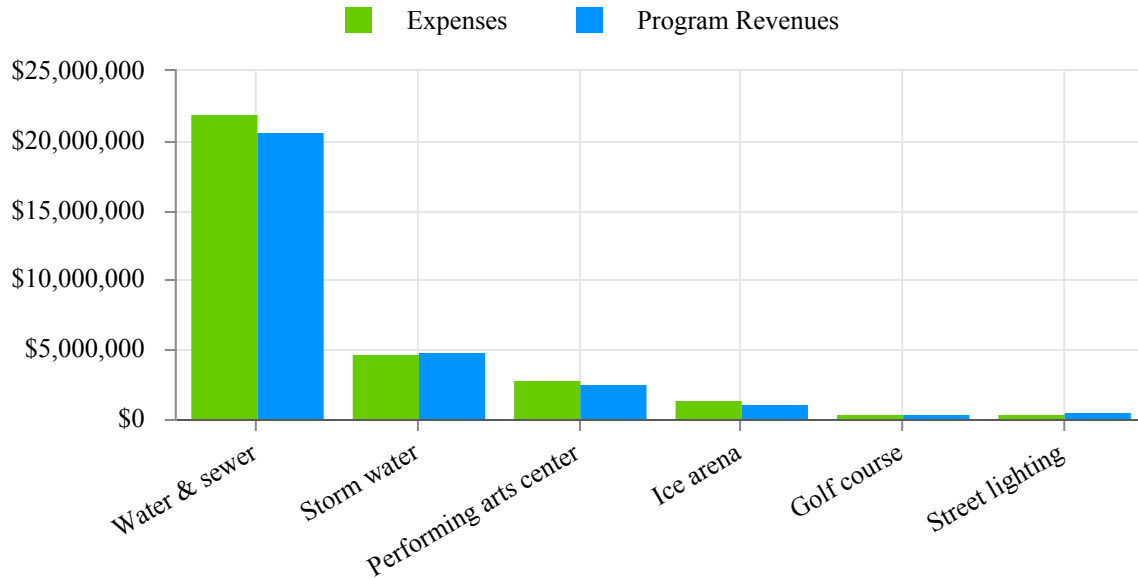


Business-type activities. Business-type activities decreased the City's net position by \$1,413,000 in 2023, while the increase in total net position was \$12,997,000. The 2023 net position of the business-type activities remained level.

Revenues by Source - Business-Type Activities



Expenses and Program Revenues - Business-Type Activities



Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$75,553,000, an increase of \$15,617,000 in comparison with the prior year. Approximately 82% of this balance constitutes *committed, assigned, and unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *restricted and nonspendable* to indicate that it is not available for new spending because it has already been obligated for specific purposes (\$13,479,000).

The general fund is the chief operating fund of the City. At the end of 2023, unassigned fund balance of the general fund was \$31,991,000, while total fund balance was \$34,478,000. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 56% of total general fund 2024 budgeted expenditures and transfers, while total fund balance represents 60% of that same amount.

The fund balance of the City's general fund increased by \$7,550,000 during the current fiscal year. Overall revenues increased by \$12,707,000, due to an increase in property tax revenue of \$6,317,000, an increase to net change in fair value of investments of \$5,578,000, and an increase in intergovernmental revenue of \$1,248,000, including \$1,000,000 in additional America Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) funding in 2023 used largely to offset public safety expenditures. Transfers from other funds increased by \$335,000 in 2023. Expenditures increased by \$4,137,000 and were lower than expected across most departments. The largest increase was \$3,360,000 for increases in personnel expenditures. Transfers to other funds decreased by \$347,000 for 2023 as budgeted.

The Grant Special Revenue Fund had an increase in fund balance of \$156,000 during 2023. This increase is the result of investment income received on federal grant funds.

The General Obligation Improvement Bond Fund had a decrease in fund balance of \$127,000. Total fund balance was \$4,158,000 and \$4,285,000 as of December 31, 2023 and 2022 respectively. The entire fund balance is restricted for the payment of debt service. The decrease is the result of revenues collected for debt service offset by the timing of scheduled retirement of bonds.

The Infrastructure Trust Capital Fund had a decrease in fund balance of \$1,664,000. This decrease is the result of property tax and intergovernmental revenue offset by the timing of projects.

The Improvement Construction Capital Fund had a decrease in fund balance of \$1,535,000. This decrease results from not issuing bonds to offset activity.

The Facilities Capital Projects fund had an increase in fund balance of \$3,652,000 during 2023. This change in fund balance is the result of the timing difference between the collection of franchise fee revenue offset by the timing of projects.

Proprietary funds. The City's *proprietary funds* provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the respective major enterprise funds at the end of the year were \$15,105,000 for the Water and Sewer Fund, \$9,146,000 for the Storm Water Fund, and \$3,571,000 for the Ames Center Fund. The total change in net position of the major enterprise funds were \$(1,611,000) for the Water and Sewer Fund, \$340,000 for the Storm Water Fund and \$(197,000) for the Ames Center Fund.

The decrease in the Water and Sewer Fund net position was mainly due to repairs and maintenance in 2023. Modest increases for charges for services because of an increase in water and sanitary sewer rates for 2023 were matched by an increase in operating expenses. Connection charges, which are dependent on new construction, were \$250,000.

The increase in the Storm Water Fund net position was mainly due to investment earnings. Operating revenues increased slightly pursuant to a small increase in rates for 2023. Operating expenses increased during 2023 for increased maintenance and rehabilitation costs. Capital contributions - from others decreased by \$581,000 due to projects in the prior year.

The decrease in net position of the Ames Center Fund was mainly due to repairs and maintenance and labor expenses in 2023. Operating revenues and operating expenses increased during 2023 as the number of shows increased to meet demand as the economy continues to recover from the pandemic.

Other factors concerning the finances of these three funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Actual revenues were more than budgeted amounts in 2023 by \$6,728,000. License and permit revenue exceeded budget by \$283,000. Development exceeded expectations in 2023. Charges for services revenues were \$469,000 more than budget, due to increased recreation and EMS revenue. Another factor contributing to the change in revenue was the net change in the fair value of investments in 2023 of \$1,538,000. The City does not budget for the increase or decrease in fair value of investments. Intergovernmental revenues exceeded budgeted amounts in 2023 by \$3,459,000. The City had initially budgeted for ARPA funds through a transfer from the Grant Fund, but recorded revenue directly into the General fund. The variance of \$3,000,000 in budgeted transfers is in offset by the variance in budgeted intergovernmental revenue due to how the ARPA funds were ultimately recorded.

Actual expenditures were 3% below budgeted expenditures in total. Total budget savings in the general fund were \$1,671,000. Budget savings were spread throughout many departments, with the largest savings coming from the manager and administration, communications, human resources, information technology, finance and planning departments. Savings were largely due to open full-time and seasonal positions in those departments.

General Fund budget to actual information can be found on page 36 and page 96.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2023 amounts to \$276,113,000 (net of accumulated depreciation/amortization). This investment in capital assets includes land, permanent easements, buildings, infrastructure and improvements, equipment and vehicles, leased equipment, technology subscriptions and construction in progress. The total decrease in the City's investment in capital assets for the current fiscal year was 1.0 percent (0.5 percent increase for governmental activities and a 2.9 percent decrease for business-type activities).

Other than routine infrastructure repairs and replacements, the City's major capital asset events during the current fiscal year included expenditures for leases and technology subscriptions.

City of Burnsville's Capital Assets
(net of depreciation/amortization)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 21,394,922	\$ 21,378,922	\$ 3,237,899	\$ 3,237,899	\$ 24,632,821	\$ 24,616,821
Permanent easements	4,924,492	4,912,181	4,608,483	4,596,387	9,532,975	9,508,568
Buildings	34,707,583	36,042,223	22,432,096	23,370,727	57,139,679	59,412,950
Infrastructure and improvements	79,380,573	77,488,753	87,110,168	89,908,046	166,490,741	167,396,799
Equipment and vehicles	11,537,842	13,029,877	2,470,254	2,536,546	14,008,096	15,566,423
Leased equipment	467,253	229,622	—	—	467,253	229,622
Technology subscriptions	775,354	—	—	—	775,354	—
Construction in progress	2,754,699	2,093,398	311,198	58,549	3,065,897	2,151,947
Total	<u>\$155,942,718</u>	<u>\$155,174,976</u>	<u>\$120,170,098</u>	<u>\$123,708,154</u>	<u>\$276,112,816</u>	<u>\$278,883,130</u>

Additional information on the City's capital assets can be found in note III.C.

Long-term debt. At the end of the current fiscal year, the City had total bonds, certificates of indebtedness, notes, leases, and technology subscriptions outstanding of \$62,198,000.

City of Burnsville's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 20,680,000	\$ 21,880,000	\$ —	\$ —	\$ 20,680,000	\$ 21,880,000
General obligation certificates of indebtedness	1,020,000	1,020,000	—	—	1,020,000	1,020,000
G.O. Tax increment bonds	930,000	1,205,000	—	—	930,000	1,205,000
G.O. Tax abatement bonds	8,915,000	10,905,000	—	—	8,915,000	10,905,000
General obligation improvement bonds	9,380,000	10,680,000	—	—	9,380,000	10,680,000
General obligation revenue bonds	—	—	13,525,000	15,690,000	13,525,000	15,690,000
General obligation revenue notes	—	—	6,550,000	6,967,000	6,550,000	6,967,000
Lease liability	456,405	201,352	—	—	456,405	201,352
Technology subscriptions liability	741,543	—	—	—	741,543	—
Total	<u>\$ 42,122,948</u>	<u>\$ 45,891,352</u>	<u>\$ 20,075,000</u>	<u>\$ 22,657,000</u>	<u>\$ 62,197,948</u>	<u>\$ 68,548,352</u>

The City's total debt decreased by \$6,350,000 during the current fiscal year. The decrease was the result of scheduled retirement of principal. No bonds were issued in 2023.

The City received a "AAA" rating, the highest possible, from Standard and Poor's Rating Services for general obligation debt.

State statutes limit the amount of general obligation debt a Minnesota city may issue to 3% of total estimated market value of taxable property in the city. The current debt limitation for the City is \$267,857,000, which is significantly in excess of the City's general obligation debt applicable to the limit of \$20,680,000.

Additional information on the City's long-term debt can be found in note III.E.

Economic Factors and Next Year's Budgets and Rates

The City has completed comprehensive 5-year financial plans for all budgeted funds. These plans provide a future perspective to today's decision making. The projections provide an estimate of future fund balances, tax needs for the current service level and the impact that the 2024 budget decisions are projected to have on future years. The City also has a Financial Management Plan that provides policy guidelines for decision making.

The City generally plans to maintain services at the 2023 levels with a 7.6% increase in the property tax levy for 2024. The City plans to increase staffing levels over multiple years to better match the level of services provided. The City Council adopted a general operating and debt budget of \$123.7 million for fiscal year 2024, a 43.3% increase from the 2023 budget. The 2024 budget for the enterprise funds is \$40.9 million compared to \$35.3 million for 2023.

- Significant budget changes worth noting for 2024 general operating budget as originally adopted include:
 - Implementation of the second year of the Organization Analysis with an increase in staffing levels of 12 full time equivalent positions.
 - First year of a phased implementation of an updated compensation plan for employees.
 - Issuance of bonds and related expenses of \$26.0 million for municipal facility improvements for a Police/City Hall renovation.
 - Maintained funding for infrastructure and parks.
 - Issuance of bonds and related debt service payments for the special assessment portion of street projects.
- The 2024 enterprise fund budget changes include the following:
 - Capital improvements in the Water and Sewer and Storm Water funds include rehabilitation and maintenance of utility infrastructure as part of the City's street projects and other storm water management projects across the City.
 - Issuance of bonds and related debt service payments for the water and sewer portion of the street reconstruction program.
- The December 2023 unemployment rate for the City was 2.6 percent, which compares favorably with the state's unemployment rate of 2.8 percent and the national unemployment rate of 3.6 percent.
- The City had a 0.5 percent decrease in tax base from 2023 to 2024. Estimated taxable market value was \$8.9 billion in 2023.

In 1996, the City Council recognized that the City was nearly fully developed and resources would be required in the future to replace aging infrastructure. In response to this challenge, the City created the Infrastructure Trust Fund, which essentially charges infrastructure depreciation to existing taxpayers, who are wearing out the system, instead of leaving the full replacement cost to the next generation of taxpayers.

The City has been instituting an increase in the rates charged for the various utilities as part of a multi-year plan to raise sufficient reserve balances in order to fully cover system depreciation, thereby allowing for adequate replacement of aging infrastructure. The City contracted to complete a comprehensive utility rate study for the water and sewer and storm water utility funds. The rate study results are considered revenue neutral and are designed only to generate enough revenue needed to maintain adequate fund balances. Pursuant to the rate study, it was determined that rate increases for 2024 (3.5% for water service, 7.0% for sewer service, and 2.5% for storm water rates) were necessary to meet operating and capital replacement needs. No rate increase was necessary in 2024 for the Street Lighting Fund to meet operating and capital replacement needs.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Burnsville Finance Department, 100 Civic Center Parkway, Burnsville, MN 55337.

Basic Financial Statements



City of Burnsville
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash, cash equivalents and investments	\$ 82,406,862	\$ 24,965,877	\$ 107,372,739
Receivables (net)	22,270,441	7,196,969	29,467,410
Due from other governments	8,154,523	214,737	8,369,260
Prepaid items	—	42,084	42,084
Capital assets:			
Land	21,394,922	3,237,899	24,632,821
Permanent easements	4,924,492	4,608,483	9,532,975
Construction in progress	2,754,699	311,198	3,065,897
Buildings	54,099,568	44,090,419	98,189,987
Infrastructure and improvements	208,071,618	191,565,615	399,637,233
Equipment and vehicles	33,322,042	8,153,390	41,475,432
Leased equipment	1,046,902	—	1,046,902
Technology subscriptions	1,128,195	—	1,128,195
	326,742,438	251,967,004	578,709,442
Less accumulated depreciation/amortization	(170,799,720)	(131,796,906)	(302,596,626)
Net capital assets	155,942,718	120,170,098	276,112,816
Total assets	268,774,544	152,589,765	421,364,309
Deferred Outflows of resources			
Deferred outflows of resources - other post-employment benefits	5,859,928	—	5,859,928
Deferred outflows of resources - pensions	32,503,626	446,778	32,950,404
Total deferred outflows of resources	38,363,554	446,778	38,810,332
Total assets and deferred outflows of resources	\$ 307,138,098	\$ 153,036,543	\$ 460,174,641
Liabilities			
Accounts payable	\$ 1,144,053	\$ 724,107	\$ 1,868,160
Salaries and other compensation payable	2,238,744	3,608	2,242,352
Accrued interest	131,663	110,064	241,727
Contracts payable	703,927	60,001	763,928
Due to other governments	651,119	22,789	673,908
Unearned revenue	3,301,124	—	3,301,124
Customer and other deposits	3,361,189	64,372	3,425,561
Noncurrent liabilities:			
Due within one year	6,548,439	2,590,512	9,138,951
Due in more than one year	84,517,347	20,570,702	105,088,049
Total liabilities	102,597,605	24,146,155	126,743,760
Deferred Inflows of resources			
Deferred inflows of resources - other post-employment benefits	3,238,886	—	3,238,886
Deferred inflows of resources - pensions	32,011,186	532,276	32,543,462
Deferred inflows of resources - lease revenue for subsequent years	11,475,037	189,836	11,664,873
Total deferred inflows of resources	46,725,109	722,112	47,447,221
Net Position			
Net investment in capital assets	120,940,298	99,024,723	210,922,788
Restricted			
Debt service	11,872,024	—	11,872,024
Landfill abatement	1,063,734	—	1,063,734
Public safety	2,828,097	—	2,828,097
State-funded street projects	4,120,260	—	4,120,260
Unrestricted	16,990,971	29,143,553	55,176,757
Total net position	157,815,384	128,168,276	285,983,660
Total liabilities, deferred inflows of resources and net position	\$ 307,138,098	\$ 153,036,543	\$ 460,174,641

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General government	\$ 10,571,108	\$ 1,726,820	\$ —	\$ —	\$ (8,844,288)	\$ —	\$ (8,844,288)
Public safety	37,398,025	6,816,385	4,370,548	—	(26,211,092)	—	(26,211,092)
Public works and parks	18,179,904	4,263,026	1,203,171	5,104,454	(7,609,253)	—	(7,609,253)
Culture and recreation	1,447,158	480,458	69,376	—	(897,324)	—	(897,324)
Conservation of natural resources	1,458,326	7,623	313,453	—	(1,137,250)	—	(1,137,250)
Economic development	560,065	—	4,765	—	(555,300)	—	(555,300)
Interest on long-term debt	1,169,503	—	—	—	(1,169,503)	—	(1,169,503)
Total governmental activities	70,784,089	13,294,312	5,961,313	5,104,454	(46,424,010)	—	(46,424,010)
Business-Type Activities:							
Water and sewer	22,002,160	20,407,004	123	255,993	—	(1,339,040)	(1,339,040)
Storm water	4,750,457	4,793,653	95,062	55,541	—	193,799	193,799
Performing arts center	2,863,507	2,574,840	—	—	—	(288,667)	(288,667)
Ice arena	1,470,429	1,118,049	41	—	—	(352,339)	(352,339)
Golf course	432,835	426,682	14	—	—	(6,139)	(6,139)
Street lighting	459,523	604,155	—	—	—	144,632	144,632
Total business-type activities	31,978,911	29,924,383	95,240	311,534	—	(1,647,754)	(1,647,754)
Total governmental and business-type activities	\$102,763,000	\$ 43,218,695	\$ 6,056,553	\$ 5,415,988	(46,424,010)	(1,647,754)	(48,071,764)
General Revenues:							
					46,790,405	—	46,790,405
					349,871	—	349,871
					5,870,748	—	5,870,748
					3,163,204	—	3,163,204
					4,051,477	842,593	4,894,070
					608,032	(608,032)	—
				Total general revenues and transfers	60,833,737	234,561	61,068,298
				Change in Net Position	14,409,727	(1,413,193)	12,996,534
				Net Position - Beginning	143,405,657	129,581,469	272,987,126
				Net Position - Ending	\$ 157,815,384	\$128,168,276	\$285,983,660

The notes to the financial statements are an integral part of the statement.

**City of Burnsville
Balance Sheet
Governmental Funds
December 31, 2023**

	General	Grant Fund	GO Improvement Bonds	Infrastructure Trust (ITF) Capital Fund	Improvement Construction Capital Fund	Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets								
Cash, cash equivalents, and investments	\$ 33,852,998	\$ 3,540,274	\$ 4,136,405	\$ 3,158,185	\$ 4,284	\$ 9,829,614	\$ 24,264,001	\$ 78,785,761
Receivables, net of allowance for uncollectible amounts:								
Property taxes	214,888	—	—	13,215	—	—	36,518	264,621
Special assessments	76,900	—	5,592,165	—	85,632	—	—	5,754,697
Mortgages	—	—	—	—	—	—	215,084	215,084
Accrued interest	755,348	—	—	—	—	—	—	755,348
Accounts	1,517,326	—	—	—	—	1,349,412	313,195	3,179,933
Leases	12,097,776	—	—	—	—	—	—	12,097,776
Due from other funds	800,000	—	—	—	—	—	—	800,000
Due from other governments	2,262,827	—	22,707	4,240,234	453,384	62	1,175,309	8,154,523
Advances to other funds	1,774,421	—	—	—	—	—	—	1,774,421
Total Assets	<u>\$ 53,352,484</u>	<u>\$ 3,540,274</u>	<u>\$ 9,751,277</u>	<u>\$ 7,411,634</u>	<u>\$ 543,300</u>	<u>\$ 11,179,088</u>	<u>\$ 26,004,107</u>	<u>\$111,782,164</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities:								
Accounts payable	\$ 718,732	\$ —	\$ 1,121	\$ —	\$ 138,128	\$ 80,884	\$ 189,069	\$ 1,127,934
Salaries and other compensation payable	2,238,744	—	—	—	—	—	—	2,238,744
Contracts payable	—	—	—	—	678,889	—	25,038	703,927
Due to other funds	—	—	—	—	800,000	—	—	800,000
Due to other governments	133,960	—	—	—	499,286	—	17,873	651,119
Unearned revenue	—	3,301,124	—	—	—	—	—	3,301,124
Customer and other deposits	3,360,049	—	—	—	—	—	1,140	3,361,189
Advances from other funds	—	—	—	—	—	—	1,774,421	1,774,421
Total Liabilities	<u>6,451,485</u>	<u>3,301,124</u>	<u>1,121</u>	<u>—</u>	<u>2,116,303</u>	<u>80,884</u>	<u>2,007,541</u>	<u>13,958,458</u>
Deferred Inflows of Resources:								
Unavailable revenue - property taxes	214,888	—	—	13,215	—	—	36,518	264,621
Unavailable revenue - special assessments	—	—	5,592,165	—	85,632	—	—	5,677,797
Unavailable revenue - long-term receivable	—	—	—	4,120,260	—	—	—	4,120,260
Lease revenue for subsequent years	11,475,037	—	—	—	—	—	—	11,475,037
Unavailable revenue - other revenue	733,100	—	—	—	—	—	—	733,100
Total Deferred Inflows of Resources	<u>12,423,025</u>	<u>—</u>	<u>5,592,165</u>	<u>4,133,475</u>	<u>85,632</u>	<u>—</u>	<u>36,518</u>	<u>22,270,815</u>
Fund Balances (Deficits):								
Nonspendable	1,774,421	—	—	—	—	—	—	1,774,421
Restricted	712,825	—	4,157,991	—	—	318,382	6,515,601	11,704,799
Committed	—	239,150	—	3,278,159	—	10,779,822	3,617,754	17,914,885
Assigned	—	—	—	—	—	—	15,190,269	15,190,269
Unassigned	31,990,728	—	—	—	(1,658,635)	—	(1,363,576)	28,968,517
Total Fund Balances (Deficits)	<u>34,477,974</u>	<u>239,150</u>	<u>4,157,991</u>	<u>3,278,159</u>	<u>(1,658,635)</u>	<u>11,098,204</u>	<u>23,960,048</u>	<u>75,552,891</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 53,352,484</u>	<u>\$ 3,540,274</u>	<u>\$ 9,751,277</u>	<u>\$ 7,411,634</u>	<u>\$ 543,300</u>	<u>\$ 11,179,088</u>	<u>\$ 26,004,107</u>	<u>\$111,782,164</u>

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
December 31, 2023

Total governmental fund balances	\$	75,552,891
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets		326,742,438
Accumulated depreciation/amortization		(170,799,720)

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

Receivables, primarily special assessments and Municipal State Aid (MSA) funding		10,795,778
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The internal service fund is used by management to charge the costs of compensated absences and dental self insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.

Cash		3,621,101
Accrued compensated absences		(4,491,760)
Dental self insurance		(13,137)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Total other post-employment benefit obligations payable		(12,544,787)
Net pension liability		(29,264,920)
Bonds payable, net of unamortized discounts and premiums		(43,566,371)
Lease liability		(456,405)
Technology subscriptions liability		(741,543)
Accrued interest payable		(131,663)

Governmental funds do not report long-term amounts related to pensions and OPEB

Deferred outflows of resources - OPEB		5,859,928
Deferred inflows of resources - OPEB		(3,238,886)
Deferred outflows of resources - pensions		32,503,626
Deferred inflows of resources - pensions		(32,011,186)

Net position of governmental activities	\$	157,815,384
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The notes to the financial statements are an integral part of the statement.

City of Burnsville
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Grant Fund	GO Improvement Bonds	Infrastructure Trust (ITF) Capital Fund	Improvement Construction Capital Fund	Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues								
Property taxes	\$ 37,245,715	\$ —	\$ 232,202	\$ 2,318,000	\$ —	\$ 66	\$ 7,081,761	\$ 46,877,744
Special assessments	3,243	—	1,163,549	—	507,946	—	—	1,674,738
Licenses and permits	2,678,364	—	—	—	—	—	2,385	2,680,749
Other taxes	349,871	—	—	—	—	5,277,208	593,540	6,220,619
Intergovernmental revenue	5,494,858	15,186	—	2,307,306	692,117	—	3,591,293	12,100,760
Charges for services	6,875,798	—	—	—	—	545,053	1,922,560	9,343,411
Fines and forfeits	246,902	—	—	—	—	—	2,875	249,777
Interest on investments (charges)	1,084,853	155,565	142,479	218,592	(113,153)	270,804	644,401	2,403,541
Net change in fair value of investments	1,537,759	—	—	—	—	—	—	1,537,759
Miscellaneous revenue	1,252,806	—	—	—	—	6,134	710,196	1,969,136
Total Revenues	<u>56,770,169</u>	<u>170,751</u>	<u>1,538,230</u>	<u>4,843,898</u>	<u>1,086,910</u>	<u>6,099,265</u>	<u>14,549,011</u>	<u>85,058,234</u>
Expenditures								
Current:								
General government	7,848,160	—	—	—	—	42,154	848,286	8,738,600
Public safety	30,481,326	15,186	—	—	—	11,731	1,119,648	31,627,891
Public works and parks	7,916,838	—	—	—	—	—	949,564	8,866,402
Culture and recreation	1,272,688	—	—	—	—	—	55,936	1,328,624
Conservation of natural resources	716,452	—	—	—	—	—	664,463	1,380,915
Economic development	449,037	—	—	—	—	—	94,609	543,646
Capital outlay:								
General government	—	—	—	—	—	377,716	1,059,510	1,437,226
Public safety	—	—	—	—	—	112,476	—	112,476
Public works and parks	—	—	—	—	—	8,380	1,088,534	1,096,914
Culture and recreation	—	—	—	—	—	177,256	—	177,256
Infrastructure	—	—	—	6,483,362	2,621,558	—	28,593	9,133,513
Debt service:								
Principal	347,625	—	1,300,000	—	—	—	3,867,219	5,514,844
Interest	193	—	356,444	—	—	—	1,056,983	1,413,620
Fiscal agent fees	—	—	8,765	—	—	—	7,660	16,425
Total Expenditures	<u>49,032,319</u>	<u>15,186</u>	<u>1,665,209</u>	<u>6,483,362</u>	<u>2,621,558</u>	<u>729,713</u>	<u>10,841,005</u>	<u>71,388,352</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,737,850</u>	<u>155,565</u>	<u>(126,979)</u>	<u>(1,639,464)</u>	<u>(1,534,648)</u>	<u>5,369,552</u>	<u>3,708,006</u>	<u>13,669,882</u>
Other Financing Sources (Uses)								
Leases issued	—	—	—	—	—	—	618,245	618,245
Technology subscriptions issued	—	—	—	—	—	—	441,265	441,265
Sale of capital assets	—	—	—	—	—	—	65,284	65,284
Transfers in	335,000	—	—	—	—	140,520	3,438,321	3,913,841
Transfers out	(522,812)	—	—	(25,000)	—	(1,858,205)	(685,034)	(3,091,051)
Total other financing sources (uses)	<u>(187,812)</u>	<u>—</u>	<u>—</u>	<u>(25,000)</u>	<u>—</u>	<u>(1,717,685)</u>	<u>3,878,081</u>	<u>1,947,584</u>
Net Change in Fund Balances	<u>7,550,038</u>	<u>155,565</u>	<u>(126,979)</u>	<u>(1,664,464)</u>	<u>(1,534,648)</u>	<u>3,651,867</u>	<u>7,586,087</u>	<u>15,617,466</u>
Fund Balances (Deficits) - Beginning	<u>26,927,936</u>	<u>83,585</u>	<u>4,284,970</u>	<u>4,942,623</u>	<u>(123,987)</u>	<u>7,446,337</u>	<u>16,373,961</u>	<u>59,935,425</u>
Fund Balances (Deficits) - Ending	<u>\$ 34,477,974</u>	<u>\$ 239,150</u>	<u>\$ 4,157,991</u>	<u>\$ 3,278,159</u>	<u>\$ (1,658,635)</u>	<u>\$ 11,098,204</u>	<u>\$ 23,960,048</u>	<u>\$ 75,552,891</u>

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2023

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

Net change in fund balances - total governmental funds	\$ 15,617,466
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	
Capital outlay	9,714,846
Depreciation/amortization expense	(9,316,767)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	
Net book value of capital assets disposed	(130,820)
Transfers of capital assets to business-type activities	(214,758)
Donations of capital assets	28,311
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(667,562)
The issuance of long-term debt (e.g., bonds, leases, technology subscriptions) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Debt issued:	
Lease financing	(618,245)
Technology subscription financing	(441,265)
Principal repayments:	
General obligation debt	4,765,000
Leases	363,192
Technology subscriptions	386,652
Amortization of premiums and discounts	299,311
Some expenses reported in the statement of activities do not provide or do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest expense	(38,769)
Net other post-employment benefit obligations expense	(1,182,721)
Pension expense	(3,811,255)
The internal service fund is used by management to charge the costs of compensated absences and dental self insurance to individual funds.	(453,066)
The investment earnings of internal service funds is reported with governmental activities.	110,177
Change in net position of governmental activities	\$ 14,409,727

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 37,294,374	\$ 37,294,374	\$ 37,245,715	\$ (48,659)
Special assessments	8,700	8,700	3,243	(5,457)
Licenses and permits	2,394,931	2,394,931	2,678,364	283,433
Other taxes	295,000	295,000	349,871	54,871
Intergovernmental revenue	2,035,744	2,035,744	5,494,858	3,459,114
Charges for services	6,406,456	6,406,456	6,875,798	469,342
Fines and forfeits	194,170	194,170	246,902	52,732
Interest on investments	476,600	476,600	1,084,853	608,253
Net change in fair value of investments	—	—	1,537,759	1,537,759
Miscellaneous revenue	936,162	936,162	1,252,806	316,644
Total Revenues	<u>50,042,137</u>	<u>50,042,137</u>	<u>56,770,169</u>	<u>6,728,032</u>
Expenditures				
Current:				
General government	9,494,619	9,494,619	7,848,160	1,646,459
Public safety	30,709,292	30,709,292	30,481,326	227,966
Public works and parks	7,960,660	7,960,660	7,916,838	43,822
Culture & recreation	1,261,463	1,261,463	1,272,688	(11,225)
Conservation of natural resources	773,964	773,964	716,452	57,512
Economic development	503,007	503,007	449,037	53,970
Debt Service:				
Principal	—	—	347,625	(347,625)
Interest	—	—	193	(193)
Total Expenditures	<u>50,703,005</u>	<u>50,703,005</u>	<u>49,032,319</u>	<u>1,670,686</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(660,868)	(660,868)	7,737,850	8,398,718
Other Financing Sources (Uses)				
Transfers in	3,335,000	3,335,000	335,000	(3,000,000)
Transfers out	(522,812)	(522,812)	(522,812)	—
Total other financing sources (uses)	<u>2,812,188</u>	<u>2,812,188</u>	<u>(187,812)</u>	<u>(3,000,000)</u>
Net Change in Fund Balances	2,151,320	2,151,320	7,550,038	5,398,718
Fund Balances - Beginning	26,927,936	26,927,936	26,927,936	—
Fund Balances - Ending	<u>\$ 29,079,256</u>	<u>\$ 29,079,256</u>	<u>\$ 34,477,974</u>	<u>\$ 5,398,718</u>

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Grant Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Intergovernmental revenue	\$ 67,956	\$ 111,956	\$ 15,186	\$ (96,770)
Interest on investments	20,000	20,000	155,565	135,565
Total Revenues	<u>87,956</u>	<u>131,956</u>	<u>170,751</u>	<u>38,795</u>
Expenditures				
Current:				
Public Safety:				
Fire	<u>—</u>	<u>44,000</u>	<u>15,186</u>	<u>28,814</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	87,956	87,956	155,565	67,609
Other Financing Sources (Uses)				
Transfers out	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>—</u>	<u>3,000,000</u>
Net Change in Fund Balances	(2,912,044)	(2,912,044)	155,565	3,067,609
Fund Balances - Beginning	83,585	83,585	83,585	—
Fund Balances - Ending	<u><u>\$ (2,828,459)</u></u>	<u><u>\$ (2,828,459)</u></u>	<u><u>\$ 239,150</u></u>	<u><u>\$ 3,067,609</u></u>

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Statement of Net Position
Proprietary Funds
December 31, 2023

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water and Sewer	Storm Water	Ames Center	Other Enterprise Funds	Total	
Assets						
Current Assets:						
Cash, cash equivalents and investments	\$ 12,095,071	\$ 8,224,398	\$ 2,863,549	\$ 1,782,859	\$ 24,965,877	\$ 3,621,101
Special assessments receivable:						
Delinquent	26,967	1,050	—	—	28,017	—
Deferred, current portion	10,698	16,379	—	—	27,077	—
Accounts receivable	4,470,086	890,522	924,333	238,251	6,523,192	2,982
Leases receivable, current portion	21,467	—	—	—	21,467	—
Due from other governments	119,957	94,780	—	—	214,737	—
Prepaid items	—	—	42,084	—	42,084	—
Total Current Assets	16,744,246	9,227,129	3,829,966	2,021,110	31,822,451	3,624,083
Noncurrent Assets:						
Deferred special assessments receivable, less current portion	134,204	272,779	—	—	406,983	—
Leases receivable, less current portion	190,233	—	—	—	190,233	—
Capital Assets:						
Land	319,892	2,160,687	—	757,320	3,237,899	—
Permanent easements	1,908,100	2,700,383	—	—	4,608,483	—
Construction in progress	311,198	—	—	—	311,198	—
Buildings	20,735,701	—	20,364,622	2,990,096	44,090,419	—
Infrastructure and improvements	111,813,845	70,007,830	419,265	9,324,675	191,565,615	—
Equipment and vehicles	5,013,609	1,495,236	691,621	952,924	8,153,390	—
Less accumulated depreciation	(72,493,007)	(42,441,539)	(8,183,988)	(8,678,372)	(131,796,906)	—
Total capital assets (net of accumulated depreciation)	67,609,338	33,922,597	13,291,520	5,346,643	120,170,098	—
Total Noncurrent Assets	67,933,775	34,195,376	13,291,520	5,346,643	120,767,314	—
Total Assets	84,678,021	43,422,505	17,121,486	7,367,753	152,589,765	3,624,083
Deferred Outflows of Resources						
Deferred outflows of resources - pensions	268,067	59,570	—	119,141	446,778	—
Liabilities						
Current Liabilities:						
Current maturities of long term debt	2,548,000	—	—	—	2,548,000	—
Salaries and other compensation payable	3,088	520	—	—	3,608	—
Accrued compensated absences, current portion	22,207	7,590	—	12,715	42,512	449,176
Accounts payable	320,726	44,881	259,101	99,399	724,107	16,119
Accrued interest	110,064	—	—	—	110,064	—
Contracts payable	45,454	12,502	—	2,045	60,001	—
Due to other governments	19,546	720	—	2,523	22,789	—
Customer and other deposits	56,716	821	—	6,835	64,372	—
Total Current Liabilities	3,125,801	67,034	259,101	123,517	3,575,453	465,295
Noncurrent Liabilities:						
General obligation bonds and notes payable, less current maturities	18,537,374	—	—	—	18,537,374	—
Accrued compensated absences, net of current portion	199,862	68,307	—	114,434	382,603	4,042,584
Net pension liability	990,435	220,097	—	440,193	1,650,725	—
Total Noncurrent Liabilities	19,727,671	288,404	—	554,627	20,570,702	4,042,584
Total Liabilities	22,853,472	355,438	259,101	678,144	24,146,155	4,507,879
Deferred Inflows of Resources						
Deferred inflows of resources - pensions	319,366	70,970	—	141,940	532,276	—
Deferred inflows of resources - lease revenue for subsequent years	189,836	—	—	—	189,836	—
Total Deferred Inflows of Resources	509,202	70,970	—	141,940	722,112	—
Net Position						
Net investment in capital assets	46,478,510	33,910,095	13,291,520	5,344,598	99,024,723	—
Unrestricted	15,104,904	9,145,572	3,570,865	1,322,212	29,143,553	(883,796)
Total Net Position	\$ 61,583,414	\$ 43,055,667	\$ 16,862,385	\$ 6,666,810	\$ 128,168,276	\$ (883,796)

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water and Sewer	Storm Water	Ames Center	Other Enterprise Funds	Total	
Operating Revenues						
Charges for services	\$ 20,249,799	\$ 4,755,651	\$ 2,185,466	\$ 2,148,880	\$ 29,339,796	\$ 660,770
Operating Expenses						
Personnel services	5,335,536	1,383,351	—	1,021,200	7,740,087	844,539
Contracted labor	—	—	1,248,490	—	1,248,490	—
Sanitary sewer disposal costs	5,710,350	—	—	—	5,710,350	—
Repairs and maintenance	3,107,429	1,135,165	118,549	22,029	4,383,172	—
Utilities	1,085,997	44,732	117,388	573,492	1,821,609	—
Other operating expenses	2,915,713	682,252	794,407	210,411	4,602,783	269,297
Depreciation	3,336,873	1,504,953	584,673	554,350	5,980,849	—
Total Operating Expenses	21,491,898	4,750,453	2,863,507	2,381,482	31,487,340	1,113,836
Operating Income (Loss)	(1,242,099)	5,198	(678,041)	(232,602)	(2,147,544)	(453,066)
Nonoperating Revenues (Expenses)						
Intergovernmental	123	95,062	—	55	95,240	—
Investment earnings	455,162	242,622	91,463	53,346	842,593	110,177
Other income	157,205	38,002	389,374	6	584,587	—
Gain on disposal of capital assets	—	—	—	18,695	18,695	—
Loss on disposal of capital assets	(16,164)	(4)	—	—	(16,168)	—
Interest expense	(494,098)	—	—	—	(494,098)	—
Total Nonoperating Revenues (Expenses)	102,228	375,682	480,837	72,102	1,030,849	110,177
Income (Loss) Before Contributions and Transfers	(1,139,871)	380,880	(197,204)	(160,500)	(1,116,695)	(342,889)
Capital Contributions and Transfers						
Capital contributions - connection charges	249,945	49,493	—	—	299,438	—
Capital contributions - from other funds	—	—	—	214,758	214,758	—
Capital contributions - from others	6,048	6,048	—	—	12,096	—
Transfers out	(726,835)	(95,955)	—	—	(822,790)	—
Total Capital Contributions and Transfers	(470,842)	(40,414)	—	214,758	(296,498)	—
Change in Net Position	(1,610,713)	340,466	(197,204)	54,258	(1,413,193)	(342,889)
Total Net Position - Beginning	63,194,127	42,715,201	17,059,589	6,612,552	129,581,469	(540,907)
Total Net Position - Ending	\$ 61,583,414	\$ 43,055,667	\$ 16,862,385	\$ 6,666,810	\$ 128,168,276	\$ (883,796)

The notes to the financial statements are an integral part of the statement.

City of Burnsville
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds					Governmental Activities -
	Water and Sewer	Storm Water	Ames Center	Other Enterprise Funds	Total	Internal Service Funds
Cash Flows from Operating Activities						
Receipts from customers and users	\$ 19,810,391	\$ 4,662,128	\$ 2,169,948	\$ 2,051,258	\$ 28,693,725	\$ —
Receipts from interfund services provided	—	—	—	—	—	660,126
Payments to suppliers	(13,187,226)	(2,134,566)	(2,224,912)	(919,927)	(18,466,631)	(258,474)
Payments to employees	(5,265,961)	(1,366,669)	—	(971,661)	(7,604,291)	(281,989)
Net cash provided (used) by operating activities	1,357,204	1,160,893	(54,964)	159,670	2,622,803	119,663
Cash Flows from Noncapital Financing Activities						
Grants and host fees	145,656	359,467	389,374	61	894,558	—
Transfers out	(726,835)	(95,955)	—	—	(822,790)	—
Net cash provided (used) by noncapital financing activities	(581,179)	263,512	389,374	61	71,768	—
Cash Flows from Capital and Related Financing Activities						
Receipts from connection charges	249,945	49,493	—	—	299,438	—
Purchase or construction of capital assets	(1,714,443)	(278,077)	(38,916)	(124,020)	(2,155,456)	—
Principal payments on bonds and notes payable	(2,582,000)	—	—	—	(2,582,000)	—
Interest and fiscal agent fees paid on bonds and notes	(631,826)	—	—	—	(631,826)	—
Net cash provided (used) by capital and related financing activities	(4,678,324)	(228,584)	(38,916)	(124,020)	(5,069,844)	—
Cash Flows from Investing Activities						
Investment earnings	455,162	242,622	91,463	53,346	842,593	110,177
Net Increase (Decrease) in Cash and Cash Equivalents	(3,447,137)	1,438,443	386,957	89,057	(1,532,680)	229,840
Cash and Cash Equivalents						
Beginning	15,542,208	6,785,955	2,476,592	1,693,802	26,498,557	3,391,261
Ending	\$ 12,095,071	\$ 8,224,398	\$ 2,863,549	\$ 1,782,859	\$ 24,965,877	\$ 3,621,101
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating income (loss)	\$ (1,242,099)	\$ 5,198	\$ (678,041)	\$ (232,602)	\$ (2,147,544)	\$ (453,066)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	3,336,873	1,504,953	584,673	554,350	5,980,849	—
(Increase) decrease in assets:						
Receivables	\$ (440,700)	(36,680)	(15,518)	(93,151)	(586,049)	(644)
Due from other governments	(58,156)	(56,680)	—	—	(114,836)	—
Prepays	—	—	(133)	—	(133)	—
(Increase) decrease in deferred outflows of resources:						
Pensions	196,122	43,583	—	87,166	326,871	—
(Decrease) increase in liabilities:						
Salaries and accrued compensated absences	(2,047)	766	—	17,706	16,425	562,550
Accounts payable	(101,570)	(57,892)	54,055	(113,289)	(218,696)	10,823
Contracts payable	(285,713)	(211,865)	—	(1,465)	(499,043)	—
Due to other governments	19,546	(2,660)	—	818	17,704	—
Customer deposits	14,747	(163)	—	(4,530)	10,054	—
Net pension liability	(423,766)	(94,170)	—	(188,340)	(706,276)	—
(Decrease) increase in deferred inflows of resources:						
Pensions	299,266	66,503	—	133,007	498,776	—
Leases receivable in subsequent years	44,701	—	—	—	44,701	—
Net cash provided (used) by operating activities	\$ 1,357,204	\$ 1,160,893	\$ (54,964)	\$ 159,670	\$ 2,622,803	\$ 119,663
Noncash investing, capital, and financing activities						
Capital assets contributed from other funds	\$ —	\$ —	\$ —	\$ 214,758	\$ 214,758	\$ —
Capital assets contributed from others	\$ 6,048	\$ 6,048	\$ —	\$ —	\$ 12,096	\$ —
Lease revenue over lease receivable payments	\$ 14,236	\$ —	\$ —	\$ —	\$ 14,236	\$ —
Net book value of capital asset disposals	\$ (16,164)	\$ (4)	\$ —	\$ 11,305	\$ (4,863)	\$ —
Trade in on capital asset purchase	\$ —	\$ —	\$ —	\$ 30,000	\$ 30,000	\$ —
Amortization of bond premium	\$ 178,830	\$ —	\$ —	\$ —	\$ 178,830	\$ —
Payments of capital assets on account	\$ (45,454)	\$ (12,502)	\$ —	\$ —	\$ (57,956)	\$ —

The notes to the financial statements are an integral part of the statement.

CITY OF BURNSVILLE, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Burnsville, Minnesota (the City) operates under Optional Plan B as defined in the Statutes of the State of Minnesota. Under this plan, the City is governed by a City Council composed of an elected mayor and four elected trustees or council members. The City Council exercises legislative authority and determines all matters of policy. The City Manager, who is appointed by the City Council, is responsible for the proper administration of all affairs relating to the City.

Generally accepted accounting principles in the United States of America require that these financial statements present the City (the primary government) and its component units. The component unit discussed below is included in the City's reporting entity using the blended method because of its operational significance and financial relationship with the City.

Blended component unit

Economic Development Authority (EDA) - The EDA is governed by a five-member council composed of the City Council. Although it is legally separate from the City, the EDA is reported as if it were part of the primary government (blended) because the City has operational responsibility for the EDA. The EDA activity is reported in the EDA Special Revenue Fund, the Tax Increment Bonds Debt Service Fund, the EDA Lease Revenue Bonds Debt Service Fund, and the Tax Increment Capital Projects Fund. Financial information can be obtained at the City's offices, located at 100 Civic Center Parkway, Burnsville, Minnesota 55337.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The operating grants and contributions column includes operating specific and discretionary grants while the capital grants and contributions includes capital specific grants and contributions.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Depreciation/amortization expense can be specifically identified by function and is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized when it is measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liabilities, other post-employment benefits, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all activities of the general government, except those required to be accounted for in another fund. The principal sources of revenue are property taxes, intergovernmental revenue, licenses and permits, and charges for municipal services. Expenditures are for general government, public safety, public works and parks, culture and recreation, conservation of natural resources, and economic development. A plan of financial operations is set forth each year in the form of the annual budget adopted by the City Council.

The *Grant Special Revenue Fund* was established in 1996 to account for the revenues and expenditures related to federal and state financial assistance programs.

The *General Obligation Improvement Bonds Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on general obligation improvement bonds.

The *Infrastructure Trust Capital Projects Fund* accounts for property tax and state aid revenue, and the expenditure of these funds for the purpose of replacing streets and park facilities.

The *Improvement Construction Capital Projects Fund* accounts for the receipt and disbursement of bond proceeds or other sources obtained to finance improvements which are to be paid for wholly or in part from special assessments levied against benefited property.

The Facilities Capital Projects Fund was established in 2015 to account for the receipt and disbursement of bond proceeds, transfers from other funds and other sources obtained to finance facilities replacement and improvements.

The City reports the following major enterprise funds:

The *Water and Sewer Fund* accounts for the operation of the City's water and sewer system.

The *Storm Water Fund* accounts for the operation of the City's storm water system.

The *Ames Center Fund* accounts for the operation and maintenance of the City's performing arts center.

Additionally, the City reports the following fund type:

The *Internal Service Fund* accounts for the activity related to providing goods and services to other departments of the City on a cost-reimbursement basis. The City utilizes a Compensated Absences Internal Service Fund and Dental Insurance Internal Service Fund in managing City operations.

In addition, the City reports the following non-major governmental funds:

The *Special Revenue Funds* account for the proceeds from special tax levies and other dedicated revenues to be used for a particular purpose. The City's special revenue funds include:

- *Cable Franchise Fee Fund* - Established in 2001 to account for the revenues from franchise fees received from cable television. Revenues are committed for the purpose of City communications.
- *Forfeiture Fund* - Established in 1992 to account for money received from the court system and fund balance is committed for police operations.
- *Youth Center Fund* - Established in 1998 to account for revenue from the contributions, grants, user fees, and transfers from the General Fund used to operate THE GARAGE, a city youth center.
- *Economic Development Authority (EDA) Fund* - Established in 2002 to account for revenues received from EDA tax levy for the purpose of funding development needs.
- *Sustainability Fund* - Established in 2004 to account for the revenue from county grants to operate the Burnsville, Eagan, Lakeville and Apple Valley partnership for promoting recycling.
- *Forestry Fund* - Established in 2011 to account for the revenues received from a tax levy and expenditures associated with preparing for and managing a potential infestation of the Emerald Ash Borer for the City.

The Debt Service Funds account for the payment of principal and interest on debt of the City. The debt is retired from the receipts of ad valorem taxes, special assessment levies established for that purpose, and state tax credits. The City's debt service funds include:

- *General Obligation Bonds Fund* - Accounts for the accumulation of resources for the payment of general obligation bonds or other general indebtedness and interest thereon.
- *General Obligation Tax Abatement Bonds Fund* - Accounts for the accumulation of resources for payment of principal and interest on general obligation tax abatement bonds.
- *Certificate of Indebtedness Fund* - Accounts for the accumulation of resources for payment of principal and interest on equipment certificate bonds.

- *Tax Increment Bonds Fund* - Accounts for the accumulation of resources for payment of principal and interest on general obligation tax increment bonds

The Capital Projects Funds account for the financial resources used in the acquisition or construction of major capital expenditures, excluding those financed by Enterprise funds. The City's capital projects funds include:

- *Information Technology (I.T.) Capital Fund* - Established in 2007 to account for capital purchases of information technology equipment and software development. The resources will be provided by an allocation of proceeds from the issuance of Certificates of Indebtedness and transfers from other funds.
- *Equipment and Vehicle Fund* - Established in 2002 to account for capital purchases of equipment and vehicles replacement and improvements. The resources will be provided by issuance of Certificates of Indebtedness, sale of existing equipment, and transfers from other funds.
- *Tax Increment Fund* - Accounts for the proceeds of General Obligation Tax Increment Bonds and for the expenditure of these funds to finance certain construction projects within the Tax Increment Financing Districts.
- *Parks Capital Fund* - Established in 1980 to account for revenues and expenditures for the purchase and maintenance of city parks.
- *Street Revolving Construction Fund* - Established in 2004 to account for revenues and expenditures for street rehabilitation projects, major street maintenance projects, and small traffic control issues.

In addition, the City reports the following non-major enterprise funds:

The *Ice Arena Fund* accounts for the operation and maintenance of the city-owned ice arena.

The *Golf Course Fund* accounts for the operation of the municipal golf course, Birnamwood Golf Course.

The *Street Lighting Utility Fund* accounts for the operation, maintenance, and replacement of the City's street lighting system.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary and internal service funds are charges to customers for sales and services. Operating expenses for proprietary funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES AND NET POSITION

1. Deposits and investments

State statutes authorize the City to invest in certain investments, including obligations of the U.S. Treasury and U.S. agencies, State and local government securities, commercial paper rated A-1+ by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, banker's acceptances, and repurchase agreements.

Investments are generally stated at fair value, except for short-term highly liquid debt instruments (including commercial paper, bankers' acceptance, U.S. treasury and agency obligations) purchased with a remaining maturity of one year or less, the 4M Fund, and money market mutual funds, which are reported at amortized cost.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See Note III. for the City's recurring fair value measurements as of December 31, 2023.

A majority of the investments of the City are maintained in a pooled account. The earnings on the pooled investments are allocated to the funds on a systemic basis. Restricted cash and cash equivalents are maintained in established escrow accounts and earnings from such investments are allocated directly to the respective funds in which the assets are held. Investment income is accrued at the balance sheet date.

For purposes of the Statement of Cash Flows, the City considers cash and cash equivalents to be cash on hand, demand deposits, and short term investments with original maturities of three months or less from the date of acquisition. In addition, each fund's equity in the City's pooled account is considered to be a cash equivalent because the fund can deposit or effectively withdraw cash at any time without prior notice or penalty.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are considered current and are referred to as "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes are set by the City Council, with the levy certified to the County, which acts as collection agent, in December prior to the year collectible. Such taxes represent a lien on the property on January 1 of the year collectible. Taxes are payable by the property owners in two installments by the fifteenth day of May and October. The County generally remits the taxes collected to the City in July and December.

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowances are based on historical experience of collectability.

3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

4. Capital assets

Capital assets, which include property, plant, equipment, infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), and intangible assets such as easements, computer software, leases and subscriptions, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund type statement of net position. Capital assets are defined by the government as assets with an initial cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Lease capital assets are recorded based on the measurement of payments applicable to the lease term. Technology subscriptions are recorded based on the measurement of any subscription liability plus the payments due to a subscription vendor at the commencement of the subscription term, including any applicable initial implementation costs as defined in the standard.

In the case of initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate historical cost for the initial reporting of these assets through backtrending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using as appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Major outlays for capital assets and improvements, including infrastructure assets, are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Land, permanent easements, and construction in progress are not depreciated/amortized.

Pursuant to GASB 51, in the case of initial capitalization of intangible assets, the City chose to include such items regardless of their acquisition date. The City elected not to report permanent easements acquired in years prior to 2010 under the provision of GASB 51. The City elected to report permanent easements acquired in the year 2010 and going forward.

Capital assets of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Other improvements	10-40
Equipment and vehicles (including software)	3-25
Infrastructure	30-50

Lease assets are amortized over the term of the lease or over the useful life of the applicable asset class previously described, if future ownership is anticipated. Technology subscriptions are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

5. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Under certain conditions, employees are compensated upon termination of employment for their accumulated unpaid vacation and sick pay benefits up to a maximum number of hours.

Accumulated vacation and sick leave is reported as an expense and an accrued liability as the benefits accrue to employees in the government-wide and proprietary fund financial statements. The compensated absences internal service fund reports the governmental funds' liability for compensated absences on the accrual basis.

6. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred outflows of resources related to pensions and other post-employment benefits (OPEB) standards reported in the government-wide and enterprise funds Statement of Net Position. This deferred outflow results from differences between expected and actual experience, changes of assumptions, net collective difference between projected and actual earnings on pension plan investments, changes in proportion, and from contributions to the plans subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

In addition to liabilities, statements of financial position or balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items which qualify for reporting in this category.

The first item, unavailable revenue, arises only under modified accrual basis of accounting, and therefore is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from four sources: property taxes, special assessments, long-term receivable, and other revenues not collected within 60 days of year end. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

The second item, deferred inflows of resources related to pensions and OPEB, is reported in the government-wide and enterprise funds Statement of Net Position. The deferred inflows of resources related to pensions and OPEB results from differences between expected and actual experience, changes of assumptions, net collective difference between projected and actual earnings on pension plan investments, and changes in proportion. These amounts are deferred and amortized as required under pension and OPEB standards.

The City also reports deferred inflows of resources related to lease receivables, which requires lessors to recognize deferred inflows of resources to correspond to lease receivables in the government-wide Statement of Net Position, governmental funds balance sheet, and enterprise funds Statement of Net

Position. These amounts are deferred and amortized in a systematic and rational manner over the term of the lease.

8. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from the PERA's fiduciary net position have been determined on the same basis as they are reported by the PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

9. Fund balances

For financial reporting in the fund financial statements, governmental funds report fund balances that are nonspendable and spendable. Nonspendable balances by nature cannot be spent by the government (i.e., prepaids, inventories, long-term receivables, etc.) Spendable balances are further classified by the relative strength of the constraints that control how amounts can be spent. Those classifications are:

Restricted - constraint imposed for a specific purpose by external parties, constitutional provisions, or enabling legislation.

Committed - constraint imposed for a specific purpose determined by formal action (resolution) of the City Council, the highest level of decision making authority. The council resolution must be approved no later than the close of the reporting period. Committed amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (resolution). Commitments apply to fund balance that are not otherwise nonspendable or restricted.

Assigned - constraint imposed for a specific purpose by the intent of the City Council or an official to which the City Council has delegated authority to assign specific amounts. Pursuant to the City Council Fund Balance Policy, the City Manager and/or his/her designee are authorized to assign fund balance that reflects the City's intended use of those funds.

Unassigned - fund balance that has not been reported in any other classification. The General fund is the only fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned.

When both restricted and unrestricted resources are available for use, the City will first use restricted resources, then use unrestricted resources as they are needed.

When any combination of committed, assigned, or unassigned resources are available for use, the City will use committed resources first, then assigned, then unassigned resources as they are needed.

10. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements during the reporting period. Actual results could differ from these estimates.

11. Net position

Net position represents the difference between assets, liabilities, and deferred inflows/outflows of resources in the government-wide and proprietary fund financial statements. Net investment in capital

assets, consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statements when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. Unrestricted net position consists of all other elements of net position that does not meet the definition of restricted or net investment in capital assets. The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

E. CHANGE IN ACCOUNTING PRINCIPLE

1. Change in Accounting Principle

During the year ended December 31, 2023, the City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). This statement provides guidance on the accounting and financial reporting for SBITAs for government end users. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this statement, a government generally should recognize a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability. Certain amounts necessary to fully restate fiscal year 2022 financial information are not determinable; therefore, prior year comparative amounts have not been restated. The implementation of this new GASB statement in the current year resulted in the City reporting new capital assets and long-term debt for technology subscriptions, but did not change beginning net position in the government-wide financial statements in the current year. See Note III for additional details on this change in the current year.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the debt service funds and the Tax Increment Capital Projects fund, which are not budgeted. The expenditures for unbudgeted capital projects funds are approved by the City Council for acquisitions or purchases as required. Formal budgetary integration is not employed for the debt service funds and other capital projects funds because effective budgetary control is achieved through general obligation bond indenture provisions. All annual appropriations lapse at fiscal year-end.

According to state law, the City Council adopts the proposed property tax levy on or before September 15. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

In accordance with truth in taxation legislation, the City Council holds public hearing to obtain taxpayer comments. The budget is legally enacted through passage of a resolution after the truth in taxation public meeting.

Revisions that alter the total expenditures of any fund must be approved by the City Council. Individual line items may overspend budgeted amounts without Council approval as long as the actual fund expenditures do not exceed the total budgeted fund expenditures.

Budgetary control for the General Fund is maintained over expenditures at the function or activity level (i.e., general government, public safety, public works and parks, culture and recreation, conservation of natural resources, and economic development.) Additional information for departments or divisions by category is maintained as required by City policy. Budgetary control for the budgeted Special Revenue and Capital Projects Funds is maintained at the fund level.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended December 31, 2023, expenditures exceeded appropriations in the following funds:

General Fund culture and recreation function - over expenditures of \$(11,225) were offset by charges for services.

Improvement Construction Fund - over expenditures of \$(815,631) were offset by grant revenues and use of fund balance.

C. DEFICIT FUND BALANCES / NET POSITION

The Improvement Construction Capital Projects Fund had a deficit fund balance of \$(1,658,635) as of December 31, 2023. It is anticipated that the deficit will be financed by future project revenues.

The Tax Increment Capital Projects Fund had a deficit fund balance of \$(1,363,576) as of December 31, 2023. It is anticipated that the deficit will be financed by future revenues.

The Compensated Absences Internal Service Fund had a deficit net position balance of \$(1,027,482) as of December 31, 2023. It is anticipated that the deficit will be financed through future charges for services and interest income.

III. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Components of Cash and Investments

Cash and Investments at year-end consist of the following:

Deposits	\$ 2,244,591
Investments	105,124,298
Cash on hand	3,850
	<u>\$ 107,372,739</u>

Deposits and investments as described above appear in the financial statements as follows:

Primary Government:

Statement of net position -

Cash, cash equivalents, and investments \$ 107,372,739

Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks authorized by the City Council, including checking accounts and certificates of deposit.

The following is considered the most significant risk associated with deposits:

Custodial credit risk - In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may be lost.

Minnesota Statutes and the City's investment policy require that the City's deposits be protected by federal depository insurance, surety bond, or collateral. The fair value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds.

At year-end, the carrying amount of the City's deposits was \$2,244,591 and the bank deposit balances were \$2,713,363. The City's deposits at December 31, 2023, consisting of checking accounts and certificates of deposit, were entirely covered by insurance or by collateral held by the City's custodial bank in the City's name.

Investments

At year-end, the City's investment balances were as follows:

Investment Type	Credit Risk		Fair Value Measurements Using	Interest Risk - Maturity Duration in Years		Total
	Rating	Agency		Less than 1	1 to 10	
U.S. Treasury Securities	N/A	N/A	Level 2	\$ 1,132,530	\$ —	\$ 1,132,530
U.S. Agency Securities	Aaa	Moody's	Level 2	5,584,253	28,211,940	33,796,193
U.S. Agency Securities	AA	S&P	Level 2	1,960,300	6,856,250	8,816,550
Municipal Bonds	AAA	Moody's	Level 2	—	2,508,955	2,508,955
	AAA	S&P	Level 2	—	2,497,021	2,497,021
	AA	Moody's	Level 2	4,922,610	13,763,035	18,685,645
	AA	S&P	Level 2	577,866	1,553,380	2,131,246
	BBB	S&P	Level 2	583,701	—	583,701
Certificates of Deposit	NR	N/A	Level 2	3,896,401	7,666,071	11,562,472
Money market mutual funds						
Allspring Government	AAAm	S&P	Level 1	23,199,254	—	23,199,254
Ehlers Pershing	AAAm	S&P	Level 1	25,312	—	25,312
4M Fund	NR	N/A	Amortized Cost	185,419	—	185,419
Total investments				<u>\$42,067,646</u>	<u>\$63,056,652</u>	<u>\$105,124,298</u>

NR - Not Rated

N/A - Not Applicable

Investments are subject to various risks, the following of which are considered the most significant:

Custodial credit risk - For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires securities to be held by a third-party custodian.

Credit risk - This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy limits the types of investments that may be purchased consistent with those defined and restricted by Minnesota State Statutes. Investments allowed include U.S. Treasury obligations, U.S. Government Agency obligations with a liquid market, State and local government securities, certificates of deposit, bankers' acceptances, commercial paper with highest tier rating, repurchase agreements, money market mutual funds, and local government investment pools.

The City's investment with the 4M fund is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities. The 4M fund is an unrated external investment pool and the fair value of the position in the pool is the same as the value of pool shares. The pool is valued at amortized cost. For this investment pool, there are no unfunded commitments, redemption frequency is daily, and there is no redemption notice required for the liquid class; the redemption notice period is fourteen days for the plus class.

Concentration risk - This is the risk associated with investing a significant portion of the City's investment (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds.

The City's investment policy requires a diversified investment portfolio to avoid the risk of loss resulting from an over-concentration of assets in a specific maturity, issuer, or class of securities. No more than eighty-five percent of the total portfolio may be invested in U.S. Government Agency securities with a liquid market and no more than fifty percent of the total portfolio may be invested in the following instruments at one time:

- Commercial paper (limit \$1,000,000 per issuer)
- Negotiable certificates of deposit
- Banker's acceptances
- Any other obligation that does not bear the full faith and credit of the United States Government or which is not fully collateralized or insured.

At year end, the following investments include 5 percent or more in securities of a single issuer:

<u>Issuer</u>	<u>% of Total Portfolio</u>
FHLB-Federal Home Loan Bank	16.73%
FFCB-Federal Farm Credit Bank	14.46%
FHLMC-Federal Home Loan Mortgage Corp	5.67%

Interest rate risk - This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer period for which an interest rate is fixed, the greater the risk.) In accordance with the City's investment policy, interest rate risk is minimized by limiting the average maturity of the portfolio and structuring the investment portfolio so that securities mature to meet anticipated cash flow requirements. No more than 75 percent of the portfolio may be invested beyond three years, and the weighted average maturity of the portfolio may never exceed seven years. At least 25 percent of the portfolio shall be invested in overnight instruments or marketable securities which can be sold on one day's notice. Unless matched to a specific cash flow, the City's investment policy generally limits investments to securities maturing in 10 years or less or in accordance with state and local statutes and ordinances.

B. RECEIVABLES

Receivables as of December 31, 2023 for the government's individual major funds, nonmajor funds in the aggregate, and internal service funds including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities

	General	G.O. Improvement Bonds	Infrastructure Trust Fund	Improvement Construction	Facilities Capital Projects	Nonmajor Funds	Internal Service Funds	Governmental Activities Total
Receivables:								
Interest	\$ 755,348	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 755,348
Taxes	278,872	—	25,547	—	—	55,621	—	360,040
Accounts	6,211,348	—	—	—	1,349,412	313,195	2,982	7,876,937
Mortgages	—	—	—	—	—	215,084	—	215,084
Leases	12,097,776	—	—	—	—	—	—	12,097,776
Special assessments	76,900	5,592,165	—	85,632	—	—	—	5,754,697
Gross receivables	19,420,244	5,592,165	25,547	85,632	1,349,412	583,900	2,982	27,059,882
Less: allowance								
for uncollectibles	(4,758,006)	—	(12,332)	—	—	(19,103)	—	(4,789,441)
Net total receivables	\$14,662,238	\$ 5,592,165	\$ 13,215	\$ 85,632	\$ 1,349,412	\$ 564,797	\$ 2,982	\$ 22,270,441

Business - Type Activities

	Water and Sewer	Storm Water	Ames Center	Nonmajor Funds	Business - Type Activities Total	Grand Total of All Funds
Receivables:						
Interest	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 755,348
Taxes	—	—	—	—	—	360,040
Accounts	4,470,086	890,522	924,333	238,251	6,523,192	14,400,129
Mortgages	—	—	—	—	—	215,084
Leases	211,700	—	—	—	211,700	12,309,476
Special assessments	171,869	290,208	—	—	462,077	6,216,774
Gross receivables	4,853,655	1,180,730	924,333	238,251	7,196,969	34,256,851
Less: allowance						
for uncollectibles	—	—	—	—	—	(4,789,441)
Net total receivables	\$ 4,853,655	\$ 1,180,730	\$ 924,333	\$ 238,251	\$ 7,196,969	\$ 29,467,410

Governmental funds report *deferred inflows of resources* in connection with receivable for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows reported in the governmental funds were as follows:

	Unavailable
Delinquent property taxes receivable	\$ 264,621
Special assessments not yet due	5,677,797
Intergovernmental revenue	4,120,260
Charges for services	733,100
Leases revenue for subsequent years	11,475,037
	<u>\$ 22,270,815</u>

Mortgage Receivable

The City has entered into mortgage receivable agreements for home rehabilitation loans. The loans are reporting using a rate ranging from two to three percent with a final maturity in 2042. During the current year, the City received principal and interest payments on these loans of \$29,085.

Lease Receivable

The City has entered into lease receivable agreements for cell tower rental space and fiber on City property. The leases are reported using an incremental rate ranging from 0.4 to 18.0 percent with a final maturity in 2054. During the current year, the City received principal and interest payments on these leases of \$621,277.

C. CAPITAL ASSETS

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

	Governmental activities					Ending Balance
	Beginning Balance	Change in Accounting Principle *	Increases	Decreases	Transfers and Completed Construction	
Capital assets not being depreciated/amortized:						
Land	\$ 21,378,922	\$ —	\$ 16,000	\$ —	\$ —	\$ 21,394,922
Permanent easements	4,912,181	—	12,311	—	—	4,924,492
Construction in progress	2,093,398	—	7,928,746	—	(7,267,445)	2,754,699
Total capital assets not being depreciated/amortized	28,384,501	—	7,957,057	—	(7,267,445)	29,074,113
Capital assets being depreciated/amortized:						
Buildings	54,099,568	—	—	—	—	54,099,568
Infrastructure and improvements	201,947,541	—	—	(928,610)	7,052,687	208,071,618
Equipment and vehicles	33,011,290	—	726,590	(415,838)	—	33,322,042
Leased equipment	428,657	—	618,245	—	—	1,046,902
Technology subscriptions	—	686,930	441,265	—	—	1,128,195
Total capital assets being depreciated/amortized	289,487,056	686,930	1,786,100	(1,344,448)	7,052,687	297,668,325
Less accumulated depreciation/amortization for:						
Buildings	(18,057,345)	—	(1,334,640)	—	—	(19,391,985)
Infrastructure and improvements	(124,458,788)	—	(5,160,867)	928,610	—	(128,691,045)
Equipment and vehicles	(19,981,413)	—	(2,087,805)	285,018	—	(21,784,200)
Leased equipment	(199,035)	—	(380,614)	—	—	(579,649)
Technology subscriptions	—	—	(352,841)	—	—	(352,841)
Total accumulated depreciation/amortization	(162,696,581)	—	(9,316,767)	1,213,628	—	(170,799,720)
Total capital assets being depreciated/amortized, net	126,790,475	686,930	(7,530,667)	(130,820)	7,052,687	126,868,605
Governmental activities capital assets, net	<u>\$155,174,976</u>	<u>\$ 686,930</u>	<u>\$ 426,390</u>	<u>\$ (130,820)</u>	<u>\$ (214,758)</u>	<u>\$155,942,718</u>

*The change in accounting principle was for new SBITA standard requirements in the current year.

	Business-type activities				Transfers and Completed Construction	Ending Balance
	Beginning Balance	Increases	Decreases			
Capital assets not being depreciated:						
Land	\$ 3,237,899	\$ —	\$ —	\$ —	\$ 3,237,899	
Permanent easements	4,596,387	12,096	—	—	4,608,483	
Construction in progress	58,549	268,764	(16,115)	—	311,198	
Total capital assets not being depreciated	7,892,835	280,860	(16,115)	—	8,157,580	
Capital assets being depreciated:						
Buildings	44,090,419	—	—	—	44,090,419	
Infrastructure and improvements	189,817,511	1,781,712	(33,608)	—	191,565,615	
Equipment and vehicles	7,899,609	192,936	(153,913)	214,758	8,153,390	
Total capital assets being depreciated	241,807,539	1,974,648	(187,521)	214,758	243,809,424	
Less accumulated depreciation for:						
Buildings	(20,719,692)	(938,631)	—	—	(21,658,323)	
Infrastructure and improvements	(99,909,465)	(4,579,537)	33,555	—	(104,455,447)	
Equipment and vehicles	(5,363,063)	(462,681)	142,608	—	(5,683,136)	
Total accumulated depreciation	(125,992,220)	(5,980,849)	176,163	—	(131,796,906)	
Total capital assets being depreciated, net	115,815,319	(4,006,201)	(11,358)	214,758	112,012,518	
Business-type activities capital assets, net	\$ 123,708,154	\$ (3,725,341)	\$ (27,473)	\$ 214,758	\$ 120,170,098	

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

General government	\$	1,250,162
Public safety		1,786,285
Public works and parks		6,243,439
Conservation of natural resources		36,881
	\$	<u>9,316,767</u>

Business-type activities:

Water and sewer	\$	3,336,873
Storm water		1,504,953
Ames center		584,673
Ice arena		421,195
Golf course		34,492
Street lighting		98,663
	\$	<u>5,980,849</u>

Construction Commitments

The City had the following commitments on uncompleted construction contracts at December 31:

	2023
Improvement Construction Fund	\$ 4,556
Forestry Fund (non major govt)	49,626
Parks Capital Fund (non major govt)	73,833
Water and Sewer Fund	150,210
	<u>\$ 278,225</u>

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2023, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	
General	Improvement Construction	\$ 800,000 (a)

(a) Temporary loans between funds to cover negative cash balances.

The composition of interfund advances as of December 31, 2023, is as follows:

Advances to/from other funds:

Receivable Fund	Payable Fund	
General	Tax Increment Capital Projects (non major govt)	\$ 1,774,421 (a)

(a) Loans between funds to cover negative cash balances.

The 2023 interfund transfers are as follows:

Transfers Out:	Transfers In:			
	General Fund (a)	Facilities Capital Projects (b)	Nonmajor Governmental (b)(c)(d)	Total
General	\$ —	\$ —	\$ 522,812	\$ 522,812
Infrastructure Trust	—	—	25,000	25,000
Facilities Capital Projects	—	—	1,858,205	1,858,205
Nonmajor governmental	335,000	—	350,034	685,034
Water and sewer	—	105,390	621,445	726,835
Storm water	—	35,130	60,825	95,955
Total:	\$ 335,000	\$ 140,520	\$ 3,438,321	\$ 3,913,841

Transfers were used for the following:

- (a) Franchise Fee
- (b) Funding for capital improvement projects
- (c) Debt service obligations
- (d) Funding for operations

E. LONG-TERM DEBT

General Obligation Bonds - Two issues of general obligation bonds totaling \$20,680,000 are outstanding at December 31, 2023 and are backed by the full faith and credit of the City. Total original issue amount was \$25,610,000. The bonds bear interest at rates ranging from 2% to 4% and mature in varying annual amounts ranging from \$470,000 to \$1,005,000, with final payments due in the year ending 2040. The bonds were issued to finance (a) renovations to City Hall and the City Police facilities, and (b) construction of new Fire Station. The interest and principal payments are accounted for in the Debt Service Funds.

General Obligation Certificates of Indebtedness - One issue of general obligation certificate of indebtedness totaling \$1,020,000 is outstanding at December 31, 2023. Total original issue amount was \$1,020,000. The certificates bear interest at a rate of 5.00% and mature in varying annual amounts ranging from \$80,000 to \$140,000, with final payments due in the year ending 2032. The interest and principal payments are accounted for in the Debt Service Funds.

General Obligation Tax Increment Bonds - One issue of general obligation tax increment bonds totaling \$930,000 is outstanding at December 31, 2023. Total original issue amount was \$4,920,000. The bonds bear interest at a rate of 2.00% and mature in varying annual amounts ranging from \$185,000 to \$1,660,000,

with final payments due in the year ending 2027. The interest and principal payments are accounted for in the Debt Service Funds.

General Obligation Tax Abatement Bonds - Three issues of tax abatement bonds totaling \$8,915,000 are outstanding at December 31, 2023. Total original issue amount was \$11,425,000. The bonds bear interest at rates ranging from 2.00% to 4.00% and mature in varying annual amounts ranging from \$35,000 to \$1,855,000, with final payments due in the year ending 2029. The bonds were issued to finance (a) a current refunding of the December 20, 2019 through December 20, 2030 maturities of the Burnsville Economic Development Authority's (EDA) Lease Revenue Bonds, Series 2010A, (b) improvements to the ice arena roof, and (c) the crossover refunding of the February 1, 2019 through the February 1, 2028 maturities of the G.O. Tax Abatement Bonds, Series 2008A. The interest and principal payments are accounted for in the Debt Service Funds.

General Obligation Improvement Bonds - Various issues of general obligation improvement bonds totaling \$9,380,000 are outstanding at December 31, 2023. Total original issue amount was \$19,185,000. The interest and principal payments on these bonds are accounted for in the Debt Service Funds and Enterprise Funds. These issues are secured by the full faith and credit of the City. A significant portion of the debt is to be repaid by the enterprise funds and from the collection of special assessments. Delinquent special assessments receivable at December 31, 2023 were \$8,989. These bonds bear interest at rates of 1.65% to 5.00% and mature in varying annual amounts ranging from \$20,000 to \$350,000, with the final payments due in the year ending 2038.

General Obligation Revenue Bonds - Ten issues of general obligation revenue bonds totaling \$13,525,000 are outstanding at December 31, 2023. Original issue amount was \$25,315,000. The bonds are accounted for in the Enterprise Funds. The bonds bear interest rates of 1.65% to 5.00% and mature in varying annual amounts ranging from \$90,000 to \$675,000, with final payments due in the year ending 2038. The bond resolutions authorizing the issuance of the bonds contain various restrictions and requirements.

General Obligation Taxable Utility Revenue Notes - Two issues of general obligation taxable utility revenue notes totaling \$6,550,000 were outstanding at December 31, 2023. These notes were issued through a general obligation loan agreement with the Minnesota Public Facilities Authority. The original authorized amount was \$10,067,167. The notes were issued to finance the City's water meter replacement project and for the reconditioning of the seven million gallon Heather Hills drinking water reservoir. These notes are drawn down on a reimbursement basis. The notes are accounted for in the Enterprise Funds. The notes bear an interest rate of 1.268% and 1.394% and mature in varying annual amounts ranging from \$103,197 to \$350,000, with final payments due in the year ending 2040. The resolution authorizing the issuance of the notes contains various restrictions and requirements.

Annual debt service requirements for bonds, certificates, and notes to maturity are as follows:

Year Ended December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 5,115,000	\$ 1,260,928	\$ 2,548,000	\$ 585,857
2025	4,950,000	1,099,215	2,393,000	503,370
2026	4,915,000	945,318	1,904,000	422,872
2027	3,885,000	786,203	1,975,000	357,945
2028	2,840,000	667,983	1,851,000	299,034
2029-2033	10,645,000	1,990,818	5,850,000	815,283
2034-2038	6,540,000	664,650	3,250,000	231,762
2039-2040	2,035,000	61,300	304,000	6,369
Total	<u>\$ 40,925,000</u>	<u>\$ 7,476,415</u>	<u>\$ 20,075,000</u>	<u>\$ 3,222,492</u>

Lease Liability

The City has obtained the use of certain equipment through lease financing agreements. The total amount of underlying lease assets by major classes and the related accumulated amortization is presented in Note III.C. to the basic financial statements. Annual principal and interest on these agreements will be paid from the General Fund and the I.T. Capital Fund. The agreement is secured by the original property. The lessor may repossess the property and seek full recovery of the losses upon default. The City currently has the following lease liability obligations outstanding:

Lease Description	Interest Rate	Lease Date	Final Maturity	Principal Outstanding
Computer Equipment - general	1.4993 %	4/1/2023	3/31/2027	\$ 180,090
Multi-function print/scan/copy devices	0.3100 %	8/1/2020	8/1/2024	18,855
Firewall	3.3923 %	1/1/2023	12/31/2025	257,460
Total				<u>\$ 456,405</u>

Annual debt service requirements for leases to maturity are as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2024	\$ 204,577	\$ 11,448
2025	190,903	6,253
2026	60,925	913
Total	<u>\$ 456,405</u>	<u>\$ 18,614</u>

Technology Subscriptions Liability

The City has obtained the use of certain technology through subscription financing agreements. The total amount of underlying technology subscription assets and the related accumulated amortization is presented in Note III.C. to the basic financial statements. Annual principal and interest on these agreements will be paid from the General Fund and the I.T. Capital Fund. The City currently has the following technology subscription liability obligations outstanding:

Technology Subscription Description	Interest Rate	Date	Final Maturity	Principal Outstanding
Software - general	0.2420 %	1/1/2023	12/31/2025	\$ 158,425
Wearable technology	0.4950 %	1/1/2023	12/31/2025	226,034
Vehicle technology	2.2300 %	5/1/2023	4/30/2029	357,084
Total				<u>\$ 741,543</u>

Annual debt service requirements for leases to maturity are as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2024	\$ 357,830	\$ 9,465
2025	143,170	6,980
2026	72,464	5,364
2027	77,194	3,748
2028	90,885	2,027
Total	<u>\$ 741,543</u>	<u>\$ 27,584</u>

Long-term liability activity for the year was as follows:

	Beginning Balance	Change in Accounting Principle*	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:						
G.O. bonds	\$ 21,880,000	\$ —	\$ —	\$ (1,200,000)	\$20,680,000	\$ 1,250,000
G.O. certificates of indebtedness	1,020,000	—	—	—	1,020,000	80,000
G.O. tax increment bonds	1,205,000	—	—	(275,000)	930,000	275,000
G.O. tax abatement bonds	10,905,000	—	—	(1,990,000)	8,915,000	2,165,000
G.O. improvement bonds	10,680,000	—	—	(1,300,000)	9,380,000	1,345,000
Subtotal	45,690,000	—	—	(4,765,000)	40,925,000	5,115,000
Deferred amounts for issuance						
premiums (discounts)	2,940,682	—	—	(299,311)	2,641,371	—
Total bonds and notes	48,630,682	—	—	(5,064,311)	43,566,371	5,115,000
Lease liability	201,352	—	618,245	(363,192)	456,405	204,577
Technology subscriptions liability	—	686,930	441,265	(386,652)	741,543	357,830
Compensated absences	3,929,210	—	843,391	(280,841)	4,491,760	449,176
Total other post-employment						
benefits liability	11,223,178	—	1,604,577	(282,968)	12,544,787	421,856
Net pension liability	63,708,767	—	10,315,344	(44,759,191)	29,264,920	—
Governmental activities - long-term liabilities	\$ 127,693,189	\$ 686,930	\$13,822,822	\$ (51,137,155)	\$91,065,786	\$ 6,548,439
Business-type activities:						
G.O. revenue bonds	\$ 15,690,000	\$ —	\$ —	\$ (2,165,000)	\$13,525,000	\$ 2,125,000
G.O. revenue notes	6,967,000	—	—	(417,000)	6,550,000	423,000
Subtotal	22,657,000	—	—	(2,582,000)	20,075,000	2,548,000
Deferred amounts for issuance						
premiums (discounts)	1,189,204	—	—	(178,830)	1,010,374	—
Total bonds and notes	23,846,204	—	—	(2,760,830)	21,085,374	2,548,000
Compensated absences	404,554	—	63,413	(42,852)	425,115	42,512
Net pension liability	2,357,001	—	271,295	(977,571)	1,650,725	—
Business-type activities - long-term liabilities	\$ 26,607,759	\$ —	\$ 334,708	\$ (3,781,253)	\$23,161,214	\$ 2,590,512

* The change in accounting principle was for new SBITA standard requirements in the current year.

Tax Abatement Bonds were issued to finance the construction of the Ames Center Building and renovation and improvements at the Burnsville Ice Center, which are accounted for in the business-type activities.

Compensated absences for the governmental activities are generally liquidated by the Compensated Absences Internal Service Fund. Accordingly, compensated absences reported for the internal service fund are included as part of the above totals for governmental activities.

Other post-employment benefits for the governmental activities are generally liquidated by the General Fund, which is accounted for in the governmental activities.

Pension liabilities for the governmental and business-type activities are generally liquidated by the respective fund from which the employee's salary is paid. This includes the General, special revenue, Water and Sewer, Storm Water, Ice Arena and Golf Course Funds.

The City participates in two state-wide, cost-sharing, multi-employer defined benefit pension plans administered by the PERA. The following is a summary of the net pension liabilities, deferred outflows and inflows of resources, and pension expense reported for these plans as of and for the year ended December 31, 2023:

Pension Plans	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PERA - GERF	\$ 11,004,834	\$ 2,978,519	\$ 3,548,515	\$ 2,001,165
PERA - PEPFF	19,910,811	29,971,885	28,994,947	5,952,432
Total - all pensions	<u>\$ 30,915,645</u>	<u>\$ 32,950,404</u>	<u>\$ 32,543,462</u>	<u>\$ 7,953,597</u>

Legal Debt Margin - As of December 31, 2023, the general obligation debt issued by the City did not exceed its legal debt margin. The legal debt limit applies to the City's general obligation tax levy bonds and excludes improvement and revenue-supported bonds.

Following is the computation of legal debt margin as of December 31, 2023:

Estimated market value of taxable property	<u>\$ 8,928,557,140</u>
Debt limit - 3% of market value of taxable property	\$ 267,856,714
Debt applicable to debt limit	
General obligation bonds outstanding	20,680,000
Less amount set aside for repayment of general obligation debt	<u>(336,026)</u>
Total net debt applicable to debt limit	<u>20,343,974</u>
Legal debt margin	<u>\$ 247,512,740</u>

Arbitrage Rebate - The Tax Reform Act of 1986 requires the governmental entities to pay to the federal government income earned on the proceeds from the issuance of debt in excess of interest costs, pending the expenditure of the borrowed funds. The rebate of interest income (known as arbitrage) applies to governmental debt issued after August 31, 1986. In the opinion of management, any obligation would be immaterial.

Tax Increment Financing Districts - The City (EDA) is the administering authority for the Development Districts and Tax Increment Financing (TIF) Districts as follows:

Renewal and Renovation TIF District No. 7 is a Soils Deficiency District pursuant to a Special Law (2008 Minnesota Laws, Chapter 154, Article 9, Sections 21 and 25(b)). The district was established in 2012 for the purpose of enabling redevelopment of certain property within the Minnesota River Quadrant (MRQ) Project Area. There were no bonds issued or outstanding at December 31, 2023.

Current tax capacity	\$ 324,025
Original tax capacity	<u>(169,287)</u>
Captured tax capacity	<u>\$ 154,738</u>
Retained by authority	\$ 99,256
Shared with other tax districts	\$ 55,482

TIF District No. 9 is an Economic Development District established June 2019, pursuant to M.S. 469.174 Subd. 12, to facilitate the development of an 81,000 square foot high-tech flex industrial facility in the City. The maximum duration of this district is 8 years after the first receipt of tax increment. First receipt was in 2021 and the District will decertify in 2029, or when all obligations are satisfied. There were no bonds issued or outstanding at December 31, 2023.

Current tax capacity	\$ 76,614
Original tax capacity	(22,816)
Captured tax capacity	<u>\$ 53,798</u>
Retained by authority	\$ 34,509
Shared with other tax districts	\$ 19,289

Development District No. 1 - In 1995 the City approved a modified development program for Development District Nos. 1 and 2, and amended the plans for TIF Districts Nos. 1 (Decertified in 2010), 2, and 2-1 (Decertified in 1998), resulting in a Restated Development Program for Development District No. 1. This action expanded the project area of the districts, allowing the use of excess increment generated within the TIF districts to meet economic development, redevelopment, and infrastructure needs throughout the entire city. In 2000, the City amended and restated the development program for Development District No. 1 and the TIF plans for TIF Districts No. 1 and 2 in order to clarify expenditures to date, and to authorize additional expenditures needed to meet the continuing development and redevelopment needs of the development district.

Bonds and notes:	Issued	Redeemed	Balance
G.O. Tax Increment Bonds, Series 1997B	\$ 3,775,000	\$ 3,775,000	\$ —
G.O. Taxable Tax Increment Bonds, Series 1997C	1,230,000	1,230,000	—
G.O. Tax Increment Bonds, Series 2007B	4,945,000	4,945,000	—
G.O. Taxable Tax Increment Bonds, Series 2008B	3,350,000	3,350,000	—
G.O. Tax Increment Bonds, Series 2012A	4,920,000	3,990,000	930,000
Totals	<u>\$ 18,220,000</u>	<u>\$ 17,290,000</u>	<u>\$ 930,000</u>

Conduit Debt Obligations - From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The City has also provided financial assistance in the public interest through the issuance of Housing Revenue Bonds for multifamily housing projects, Health Care Revenue Bonds for hospital and clinic facilities, and Pollution Control Revenue Bonds for an electric generating plant. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City or the State, nor any political subdivision thereof, is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2023, there were three series of the limited-obligation revenue bonds outstanding. The aggregate principal amount payable for the one series of Housing Revenue Bonds issued after January 1, 1996 was \$5.1 million. The aggregate principal amount payable for the two series issued prior to January 1, 1996 could not be determined; however, their original issue amounts totaled \$12.8 million as follows:

	(In millions)
Industrial Revenue Bonds (1)	\$ 5.7
Housing Revenue Bonds (1)	\$ 7.1

F. REVENUE PLEDGED

Future revenue pledged for the payment of long-term debt is as follows:

Bond Issue	Use of Proceeds	Revenue Pledged			Remaining Principal and Interest	Current Year	
		Type	Percent of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
G.O. Utility Revenue Bonds, Series 2012B	Water & Sewer	Water & Sewer Utility Charges	100 %	2012-2027	\$ 811,500	\$ 234,800	\$ 20,249,799
G.O. Utility Revenue Bonds, Series 2014A	Water & Sewer	Water & Sewer Utility Charges	100 %	2014-2024	\$ 280,843	\$ 276,144	\$ 20,249,799
G.O. Utility Revenue Bonds, Series 2015A	Water & Sewer	Water & Sewer Utility Charges	100 %	2015-2025	\$ 509,900	\$ 257,100	\$ 20,249,799
G.O. Utility Revenue Bonds, Series 2016B	Water & Sewer	Water & Sewer Utility Charges	100 %	2016-2031	\$ 992,875	\$ 124,680	\$ 20,249,799
G.O. Taxable Water Revenue Notes, Series 2016	Water & Sewer	Water & Sewer Utility Charges	100 %	2017-2036	\$ 4,598,570	\$ 353,199	\$ 20,249,799
G.O. Bonds, Series 2017A	Water & Sewer	Water & Sewer Utility Charges	100 %	2017-2032	\$ 3,598,560	\$ 400,563	\$ 20,249,799
G.O. Utility Bonds, Series 2018A	Water & Sewer	Water & Sewer Utility Charges	100 %	2018-2028	\$ 1,401,900	\$ 279,450	\$ 20,249,799
G.O. Utility Revenue & Refunding Bonds, Series 2019A	Water & Sewer	Water & Sewer Utility Charges	100 %	2019-2029	\$ 3,569,000	\$ 751,500	\$ 20,249,799
G.O. Taxable Water Revenue Notes, Series 2020	Water & Sewer	Water & Sewer Utility Charges	100 %	2020-2040	\$ 2,638,794	\$ 155,237	\$ 20,249,799
G.O. Utility Revenue Bonds, Series 2022A	Water & Sewer	Water & Sewer Utility Charges	100 %	2023-2038	\$ 4,895,550	\$ 118,046	\$ 20,249,799

G. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

Plan Description - The City provides post-employment benefits to certain eligible employees through the City's OPEB plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided - All retirees of the City have the option under state law to continue their medical insurance coverage through the City from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of all employee groups, the retiree must pay the full premium to

continue coverage for medical and dental insurance. Per state statutes, the City is also required to contribute towards the cost of continued health insurance coverage for officers and firefighters disabled or killed in the line of duty.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees until the retiree reaches Medicare eligibility, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City’s younger and statistically healthier active employees.

Contributions - The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City’s current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$421,856.

Membership - Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	28
Active plan members	296
Total members	<u>324</u>

Total OPEB Liability of the City - The City’s total OPEB liability of \$12,544,787 as of year-end was measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Methods and Assumptions - The total OPEB liability was determined by an actuarial valuation as of December 31, 2023, using the entry age method, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.00 %
20-year municipal bond yield	4.00 %
Inflation rate	3.00 %
Healthcare trend rate	7.00 % grading to 4.50% over 6 years

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield.

Mortality rates were based on the SOA Pub-2010 mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments.

Changes in the Total OPEB Liability -

	<u>Total OPEB Liability</u>
Beginning balance - January 1, 2023	\$ 11,223,178
Changes for the year	
Service cost	472,856
Interest	495,104
Changes of benefit terms	60,900
Changes of assumptions	408,171
Differences between expected and actual experience	306,434
Benefit payments	(421,856)
Total net changes	<u>1,321,609</u>
Ending balance - December 31, 2023	<u>\$ 12,544,787</u>

Benefit changes since the prior measurement date include the following:

- The City has increased its contribution amount for disabled retirees.

Assumption changes since the prior measurement date include the following:

- The discount rate was changed from 4.31 percent to 4.00 percent.
- The inflation rate was changed from 2.25 percent to 3.00 percent.
- The healthcare trend rates, mortality tables, and payroll growth rates were updated for changes in recent studies and inflationary adjustments.

Total OPEB Liability Sensitivity to Discount and Healthcare Cost Trend Rate Changes - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
OPEB discount rate	3.00 %	4.00 %	5.00 %
Total OPEB liability	\$ 14,000,240	\$ 12,544,787	\$ 11,292,156

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
OPEB healthcare trend rate	6.00% decreasing to 3.50% over 6 years	7.00% decreasing to 4.50% over 6 years	8.00 % decreasing to 5.50% over 6 years
Total OPEB liability	\$ 10,994,203	\$ 12,544,787	\$ 14,391,944

OPEB Expense and Related Deferred Outflows and Deferred Inflows of Resources - For the current year ended, the City recognized OPEB expense of \$1,604,577. As of year-end, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,785,631	\$ 1,088,635
Changes in assumptions	2,074,297	2,150,251
	<u>\$ 5,859,928</u>	<u>\$ 3,238,886</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	OPEB Expense Amount
2024	\$ 575,717
2025	575,717
2026	575,721
2027	428,797
2028	320,176
Thereafter	144,914
	<u>\$ 2,621,042</u>

H. NET POSITION/FUND BALANCE CLASSIFICATION

The government-wide Statement of Net Position at December 31, 2023 includes the City's net investment in capital assets calculated as follows:

	Governmental Activities	Business-type Activities	Total
Net investment in capital assets:			
Capital assets			
Nondepreciable/nonamortizable	\$ 29,074,113	\$ 8,157,580	\$ 37,231,693
Depreciable, net of accumulated depreciation/amortization	126,868,605	112,012,518	238,881,123
Less: capital related long-term debt outstanding	(35,636,875)	(21,085,374)	(65,764,482)
Less capital related accounts/contracts payable	(703,927)	(60,001)	(763,928)
Add unspent bond proceeds	1,338,382	—	1,338,382
Total net investment in capital assets	<u>\$ 120,940,298</u>	<u>\$ 99,024,723</u>	<u>\$ 210,922,788</u>

The total net investment in capital assets for the City is not the sum of the Governmental Activities and Business-type Activities. For certain capital related debt activity the capital asset is recorded in the business-type activities and the debt is in the governmental activities. This is combined for the government wide total activities.

At December 31, 2023, a summary of the governmental fund balance classifications are as follows:

	General	Grant	GO Improvement Bonds	Infrastructure Trust	Facilities Capital Projects	Other Governmental	Total
Nonspendable							
Advances to other funds	\$ 1,774,421	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,774,421
Restricted for:							
Landfill abatement	\$ 712,825	\$ —	\$ —	\$ —	\$ —	\$ 350,909	\$ 1,063,734
Debt service	—	—	4,157,991	—	—	2,229,765	6,387,756
Facilities capital	—	—	—	—	318,382	—	318,382
Public safety	—	—	—	—	—	2,828,097	2,828,097
Equipment	—	—	—	—	—	1,106,830	1,106,830
Total Restricted	\$ 712,825	\$ —	\$ 4,157,991	\$ —	\$ 318,382	\$ 6,515,601	\$11,704,799
Committed to:							
Capital Projects	\$ —	\$ —	\$ —	\$ 3,278,159	\$ —	\$ —	\$ 3,278,159
Facilities	—	—	—	—	10,779,822	—	10,779,822
Cable	—	—	—	—	—	554,945	554,945
Forfeitures	—	—	—	—	—	32,248	32,248
Community development	—	239,150	—	—	—	—	239,150
Youth	—	—	—	—	—	17,137	17,137
Economic development	—	—	—	—	—	1,981,804	1,981,804
Sustainability	—	—	—	—	—	57,024	57,024
Forestry	—	—	—	—	—	974,596	974,596
Total Committed	\$ —	\$ 239,150	\$ —	\$ 3,278,159	\$10,779,822	\$ 3,617,754	\$17,914,885
Assigned to:							
IT equipment & software development	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,647,308	\$ 1,647,308
Equipment & vehicles	—	—	—	—	—	2,761,305	2,761,305
Parks capital improvements	—	—	—	—	—	9,648,956	9,648,956
Street maintenance	—	—	—	—	—	1,132,700	1,132,700
Total Assigned	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 15,190,269	\$15,190,269

Minimum Fund Balance Policy

The City Council has formally adopted a fund balance policy regarding the minimum fund balance for the General Fund. The policy establishes that the City will strive to maintain a General Fund Balance of 40 percent of the subsequent year's General Fund operating budget. At December 31, 2023, the fund balance of the General Fund was 60 percent of the subsequent year's budgeted use of funds.

IV. OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries insurance policies through the League of Minnesota Cities Insurance Trust. The blanket policy includes coverage for buildings, personal property, contractors, and miscellaneous equipment, crime, employee performance bonds, autos, and general liability. General liability coverage amounts to \$2,000,000 per occurrence (and aggregate), with a \$50,000 per

occurrence, and a \$300,000 aggregate deductible. The City retains risk for the deductible portions of the insurance policies. The amount of these deductibles is considered immaterial to the financial statements. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

The City has established an internal service fund to account for and finance its self-insured risk of loss for the respective employee dental insurance plan. Under this plan the internal service fund provides coverage to participating employees and their dependents for various dental costs as described in the plan.

The City makes premium payments that include both employer and employee contributions to the internal service fund on behalf of program participants based on rates determined by insurance company estimates of monthly claims paid for each coverage class plus the administrative charges.

City claim liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claim liabilities depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing a claim liability does not necessarily result in an exact amount. Claim liabilities are evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in balance of dental claim liabilities for the past two years were as follows:

	Balance - Beginning of Year	Charges and Changes in Estimates	Claim Payments	Balance - End of Year
2023	\$ 351	\$ 247,980	\$ 241,980	\$ 6,351
2022	\$ 6,586	\$ 180,795	\$ 187,030	\$ 351

B. CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

General Litigation - There are several lawsuits pending in which the City is involved. City management estimates that the potential claims against the City which are not covered by insurance would not materially affect the financial statement of the City.

C. JOINTLY GOVERNED ORGANIZATIONS

The following are jointly governed organizations and are not included in the City's financial statements. The City is not obligated, in any manner, for the debt of the following organizations:

Dakota 911 (formerly Dakota Communications Center) - Dakota 911 was established through a joint powers agreement with 11 municipalities and Dakota County. Its purpose is to establish, operate, and maintain a public safety answering point and communications center for law enforcement, fire, emergency medical services, and other public safety services for the mutual benefit of residents of member cities and Dakota County. The members appoint the Dakota 911 Board of Directors, which shall consist of an elected official from each member city and Dakota County. Each member may also designate one elected official as an alternate director. The Board of Directors approves the annual operating and capital budgets, and the member fees and assessments. Pursuant to the joint powers agreement, members are required to provide Dakota 911 their pro rata share of cost of operations and maintenance, and capital projects.

Information regarding Dakota 911 can be obtained from the website <https://dakota911mn.gov/> or by contacting the City of Lakeville, 20195 Holyoke Avenue, Lakeville, MN 55044-9177.

Black Dog Water Management Organization (Black Dog WMO) - This organization was established through a joint powers agreement with four other cities. Its purpose is to regulate water storage and run off, improve water quality, and prevent flooding and erosion from surface flows within the watershed. The member cities appoint the Black Dog WMO's board, approve budgets, and contribute management fees (\$103,200 for the City in 2023). The Black Dog WMO is not fiscally dependent on the City. Financial information for Black Dog WMO can be obtained at the City's offices.

I-35W Solutions Alliance (Alliance) - This Alliance was established through a joint powers agreement with six other municipalities as well as Dakota County and the Hennepin County Rail Authority. Its purpose is to achieve an understanding among its members, the legislature, the governor, other governmental units, and members of the public to achieve a balanced solution to transportation congestion currently existent in the I-35W corridor. The Alliance is not fiscally dependent on the City. The Alliance does not issue audited financial statements, however financial information can be obtained at the City's offices.

Dakota County Drug Task Force (Task Force) - The Task Force was established through a joint powers agreement with 12 other municipalities and Dakota County. Its purpose is to coordinate efforts to apprehend and prosecute drug offenders within the members' jurisdictions. The members appoint the Task Force's board and donate police officers and equipment. The Task Force is not fiscally dependent on the City. The audited financial statements for the Task Force may be obtained from the City of Eagan offices, located at 3830 Pilot Knob Road, Eagan, Minnesota 55122.

Minnesota Valley Transit Authority (MVTA) - The MVTA was established through a joint powers agreement with six other cities to provide public transit service. The member cities appoint the authority's board. The MVTA is not fiscally dependent on the City. The audited financial statements for MVTA are available at the MVTA offices, located at 100 East Highway 13, Burnsville, Minnesota 55337.

D. RETIREMENT AND DEFERRED COMPENSATION PLANS

1. Defined Benefit Pension Plans - State-Wide

a. Plan Descriptions

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association (PERA) of Minnesota. PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City are covered by GERF. The GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

Public Employees Police and Fire Fund (PEPFF)

The Public Employees Police and Fire Fund (PEPFF), originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to the PERA.

- b. Benefits Provided** The PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the State Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

GERF Benefits

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

Benefits increases are provided to benefit recipients each January. The post-retirement increase is equal to 50.0 percent of the cost-of-living adjustment (COLA) announced by the Social Security Administration, with a minimum increase of at least 1.0 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month, but less than a full year as of the June 30 before the effective date of the increase, will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

PEPFF Benefits

Benefits for PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50.0 percent after five years up to 100.0 percent after 10 years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50.0 percent after 10 years up, to 100.0 percent after 20 years of credited service. The annuity accrual rate is 3.0 percent of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. The postretirement increase will be fixed at 1.0 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase, will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months, but less than 36 months as of the June 30 before the effective date of the increase, will receive a reduced prorated increase.

In 2023, the legislature allocated funding for a one-time lump-sum payment to General Employee and Police and Fire Plan benefit recipients. Eligibility criteria and the payment amount is specified in the statute. The one-time payment is noncompounding towards future benefits.

c. Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

GERF Contributions

Coordinated Plan members were required to contribute 6.5 percent of their annual covered salary in calendar year 2023 and the City was required to contribute 7.5 percent for Coordinated Plan members.

The City's contributions to the GERP for the year ended December 31, 2023 were \$1,202,963. The City's contributions were equal to the required contributions as set by state statute.

PEPFF Contributions

Police and Fire members were required to contribute 11.8 percent of their annual covered salary in calendar year 2023 and the City was required to contribute 17.7 percent for PoliceFire Plan members. The City's contributions to the PEPFF for the year ended December 31, 2023 were \$2,763,708. The City's contributions were equal to the required contributions as set by state statute.

d. Pension Costs

GERF Pension Costs

At December 31, 2023, the City reported a liability of \$11,004,834 for its proportionate share of the GERP's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$303,477. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.1968 percent at the end of the measurement period and 0.1984 percent for the beginning of the period.

The amount recognized by the City as its proportionate share of the net pension liability, the direct aid, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$ 11,004,834
State of Minnesota's proportionate share of the net pension liability associated with the City	303,477
	<u>\$ 11,308,311</u>

For the year ended December 31, 2023, the City recognized pension expense of \$1,999,801 for its proportionate share of the GERP's pension expense. In addition, the City recognized \$1,364 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the GERP.

At December 31, 2023, the City reported its proportionate share of the GERP's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 362,109	\$ 75,156
Changes in actuarial assumptions	1,767,331	3,016,332
Net collective difference between projected and actual investment earnings	—	361,987
Changes in proportion	242,832	95,040
Contributions paid to the PERA subsequent to the measurement date	606,247	—
	<u>\$ 2,978,519</u>	<u>\$ 3,548,515</u>

The \$606,247 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Pension Expense Amount</u>
2024	\$ 442,322
2025	(1,616,551)
2026	236,717
2027	(238,731)
	<u>\$ (1,176,243)</u>

PEPFF Pension Costs

At December 31, 2023, the City reported a liability of \$19,910,811 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportion was 1.1530 percent at the end of the measurement period and 1.1571 percent for the beginning of the period.

The State of Minnesota contributed \$18 million to the PEPFF in the plan fiscal year ended June 30, 2023. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state aid was paid on October 1, 2022. Thereafter, by October 1 of each year, the state will pay \$9 million to the PEPFF until full funding is reached or July 1, 2048 whichever is earlier. The \$9 million in supplemental state aid will continue until the PEPFF is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The state of Minnesota's proportionate share of the net position liability associated to the City totaled \$802,059.

The amount recognized by the City as its proportionate share of the net pension liability, the direct aid, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$ 19,910,811
State's proportionate share of the net pension liability associated with the City	802,059
	<u>\$ 20,712,870</u>

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2023, the City recognized pension expense of \$6,000,739 for its proportionate share of the Police and Fire Plan's pension expense.

The City recognized \$48,307 as a reduction to grant revenue and pension expense for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the PEPFF.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City recognized \$103,769 for the year ended December 31, 2023, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the PEPFF.

At December 31, 2023, the City reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 5,441,471	\$ —
Changes in actuarial assumptions	22,622,071	27,992,982
Net collective difference between projected and actual investment earnings	—	308,473
Changes in proportion	493,378	693,492
Contributions paid to the PERA subsequent to the measurement date	1,414,965	—
	<u>\$ 29,971,885</u>	<u>\$ 28,994,947</u>

A total of \$1,414,965 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Pension Expense Amount</u>
2024	\$ 902,780
2025	211,131
2026	4,656,071
2027	(1,238,282)
2028	(4,969,727)
	<u>\$ (438,027)</u>

e. Long-term Expected Return on Investments

The Minnesota State Board of Investment, which manages the investments of the PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5 %	5.10%
International equity	16.5 %	5.30%
Fixed Income	25.0 %	0.75%
Private markets	25.0 %	5.90%
Total	100.0 %	

f. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2023, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.00 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 7.00 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan and the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan and 1.00 percent for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.00 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.00 percent after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit the PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study was completed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation. The most recent four-year experience study for the Police and Fire Plan was completed in 2020, adopted by the Board, and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2023:

1. *GERF*

Changes in actuarial assumptions

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

Changes in plan provisions

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirement on or after January 1, 2024, was eliminated.
- A one-time, noncompounding benefit increase of 2.50 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2. *PEPFF*

Changes in actuarial assumptions

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

Changes in plan provisions

- Additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50.00 percent vesting after five years, increasing incrementally to 100.00 percent after 10 years.
- A one-time, noncompounding benefit increase of 3.00 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

g. Discount Rate

The discount rate used to measure the total pension liability in 2023 was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund and the Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

h. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	1% Decrease Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
City's proportionate share of the GERF net pension liability	\$ 19,468,438	\$ 11,004,834	\$ 4,043,201
City's proportionate share of the PEPFF net position liability	\$ 39,505,423	\$ 19,910,811	\$ 3,801,418

i. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the PERA website at www.mnpera.org.

2. Defined Contribution Plans

Councilmembers of the City are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by the Public Employees Retirement Association of Minnesota (PERA). The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code, and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees, contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2 percent of employer contributions and twenty-five hundredths of one percent of the assets in each member's account annually.

Total contributions made by the City of Burnsville during fiscal year 2023 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate for Employees and Employers
Employee	Employer	Employee	Employer	
\$1,380	\$1,380	5.0%	5.0%	5.0%

E. SOLAR GARDEN ENERGY PURCHASE COMMITMENTS

During 2017-2020, the City entered in several subscription agreements with community solar garden operators to purchase the right to receive bill credits associated with energy production of the solar community garden projects. The solar capacity and energy is produced at installations constructed and interconnected with the distribution facilities of Northern States Power Company d/b/a Xcel Energy. The solar project is operational and the City receives bill credits against its monthly retail electrical bill from Xcel. The term of the agreement is set to match the term of the power purchase agreement between Xcel Energy and each solar garden operator of 25 years from the date of commercial operations. Commercial operations commenced in 2019 for a majority of the projects.

CITY OF BURNSVILLE, MINNESOTA

Required Supplementary Information

OTHER POST-EMPLOYMENT BENEFITS PLAN

SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIO

YEAR ENDED DECEMBER 31, 2023

(LAST TEN YEARS)*

	2018	2019	2020	2021	2022	2023
Total OPEB liability						
Service Cost	\$ 305,355	\$ 359,135	\$ 451,077	\$ 667,586	\$ 595,039	\$ 472,856
Interest	172,004	270,481	258,977	254,173	240,417	495,104
Change of benefit terms	—	—	—	—	38,714	60,900
Changes of assumptions	354,359	552,343	2,426,165	(139,074)	(2,645,404)	408,171
Differences between expected and actual experience	967,952	425,177	1,046,705	(1,632,952)	3,111,589	306,434
Benefit payments	(231,297)	(314,956)	(356,826)	(350,574)	(412,422)	(421,856)
Net changes in total OPEB liability	1,568,373	1,292,180	3,826,098	(1,200,841)	927,933	1,321,609
Total OPEB liability - beginning of year	4,809,435	6,377,808	7,669,988	11,496,086	10,295,245	11,223,178
Total OPEB liability - end of year	<u>\$ 6,377,808</u>	<u>\$ 7,669,988</u>	<u>\$ 11,496,086</u>	<u>\$ 10,295,245</u>	<u>\$ 11,223,178</u>	<u>\$ 12,544,787</u>
Covered employee payroll	<u>\$ 21,765,682</u>	<u>\$ 23,331,280</u>	<u>\$ 25,227,939</u>	<u>\$ 28,193,700</u>	<u>\$ 30,685,134</u>	<u>\$ 31,774,405</u>
Total OPEB liability as a percentage of covered employee payroll	<u>29.3 %</u>	<u>32.9 %</u>	<u>45.6 %</u>	<u>36.5 %</u>	<u>36.6 %</u>	<u>39.5 %</u>

* This schedule is presented prospectively beginning with the fiscal year ended December 31, 2018.

The City has not established a trust fund to finance GASB Statement No. 75 related benefits.

CITY OF BURNSVILLE, MINNESOTA
Required Supplementary Information

DEFINED BENEFIT PENSION PLANS
GERF/PEPFF RETIREMENT FUNDS
SCHEDULE OF CITY CONTRIBUTIONS
(LAST TEN YEARS)*

Public Employees General Employees Retirement Fund (GERF):

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
	(a)	(b)	(a-b)	(d)	(b/d)
December 31, 2015	\$ 826,678	\$ 826,678	\$ —	\$ 11,022,307	7.5 %
December 31, 2016	827,245	827,245	—	11,030,299	7.5 %
December 31, 2017	848,499	848,499	—	11,313,288	7.5 %
December 31, 2018	892,984	892,984	—	11,906,448	7.5 %
December 31, 2019	946,691	946,691	—	12,622,473	7.5 %
December 31, 2020	1,017,619	1,017,619	—	13,568,206	7.5 %
December 31, 2021	1,085,798	1,085,798	—	14,477,796	7.5 %
December 31, 2022	1,138,709	1,138,709	—	15,182,839	7.5 %
December 31, 2023	1,202,963	1,202,963	—	16,039,474	7.5 %

Public Employees Police and Fire Fund (PEPFF):

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
	(a)	(b)	(a-b)	(d)	(b/d)
December 31, 2015	\$ 1,811,456	\$ 1,811,456	\$ —	\$ 11,181,833	16.20 %
December 31, 2016	1,792,322	1,792,322	—	11,063,712	16.20 %
December 31, 2017	1,903,312	1,903,312	—	11,748,845	16.20 %
December 31, 2018	2,005,044	2,005,044	—	12,376,817	16.20 %
December 31, 2019	2,124,192	2,124,192	—	12,532,112	16.95 %
December 31, 2020	2,274,706	2,274,706	—	12,851,440	17.70 %
December 31, 2021	2,443,834	2,443,834	—	13,806,979	17.70 %
December 31, 2022	2,581,708	2,581,708	—	14,585,891	17.70 %
December 31, 2023	2,763,708	2,763,708	—	15,614,164	17.70 %

* Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF BURNSVILLE, MINNESOTA

Required Supplementary Information

DEFINED BENEFIT PENSION PLANS

PERA - GENERAL EMPLOYEES RETIREMENT FUND

**SCHEDULE OF CITY'S AND NON-EMPLOYER PROPORTIONATE SHARE OF NET PENSION LIABILITY
(LAST TEN YEARS)***

Public Employees General Employees Retirement Fund (GERF):

City Fiscal Year Ending	PERA Fiscal Year-End Date (Measure ment Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	City's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability (b)	Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability (a+b)	City's Covered Payroll (d)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/d)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	6/30/2015	0.18 %	\$ 9,328,533	\$ —	\$ 9,328,533	\$10,581,137	88.2 %	78.2 %
12/31/2016	6/30/2016	0.18 %	14,704,422	192,082	14,896,504	11,239,458	130.8 %	68.9 %
12/31/2017	6/30/2017	0.17 %	11,095,277	139,516	11,234,793	11,186,096	99.2 %	75.9 %
12/31/2018	6/30/2018	0.17 %	9,641,712	316,264	9,957,976	11,683,592	82.5 %	79.5 %
12/31/2019	6/30/2019	0.17 %	9,459,736	293,987	9,753,723	12,108,826	78.1 %	80.2 %
12/31/2020	6/30/2020	0.18 %	11,007,659	339,506	11,347,165	13,094,239	84.1 %	79.1 %
12/31/2021	6/30/2021	0.20 %	8,331,645	254,484	8,586,129	14,031,355	59.4 %	87.0 %
12/31/2022	6/30/2022	0.20 %	15,713,347	460,631	16,173,978	14,827,328	106.0 %	76.7 %
12/31/2023	6/30/2023	0.20 %	11,004,834	303,477	11,308,311	15,652,725	70.3 %	83.1 %

* Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF BURNSVILLE, MINNESOTA

Required Supplementary Information

DEFINED BENEFIT PENSION PLANS

PERA - PUBLIC EMPLOYEES POLICE AND FIRE FUND

SCHEDULE OF CITY'S AND NON-EMPLOYER PROPORTIONATE SHARE OF NET PENSION LIABILITY

(LAST TEN YEARS)*

Public Employees Police and Fire Fund (PEPFF):

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measure ment Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	City's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability (b)	Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability (a+b)	City's Covered Payroll (d)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/d)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	6/30/2015	1.15 %	\$ 13,066,691	\$ —	\$ 13,066,691	\$10,530,271	124.1 %	86.6 %
12/31/2016	6/30/2016	1.17 %	46,994,268	—	46,994,268	11,279,611	416.6 %	63.9 %
12/31/2017	6/30/2017	1.11 %	14,918,815	—	14,918,815	11,345,319	131.5 %	85.4 %
12/31/2018	6/30/2018	1.16 %	12,317,506	—	12,317,506	12,178,923	101.1 %	88.8 %
12/31/2019	6/30/2019	1.19 %	12,699,627	—	12,699,627	12,579,661	101.0 %	89.3 %
12/31/2020	6/30/2020	1.11 %	14,690,305	346,060	15,036,365	12,571,579	116.9 %	87.2 %
12/31/2021	6/30/2021	1.07 %	8,290,915	372,740	8,663,655	13,262,120	62.5 %	93.7 %
12/31/2022	6/30/2022	1.16 %	50,352,421	2,199,767	52,552,188	14,056,712	358.2 %	70.5 %
12/31/2023	6/30/2023	1.15 %	19,910,811	802,059	20,712,870	15,141,451	131.5 %	86.5 %

* Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF BURNSVILLE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2023

OTHER POST-EMPLOYMENT BENEFIT PLAN

2023 Changes

Changes in Benefits:

- The City has increased its contribution amount for disabled retirees.

Changes in Actuarial Assumptions:

- The discount rate was changed from 4.31 percent to 4.00 percent.
- The inflation rate was changed from 2.25 percent to 3.00 percent.
- The healthcare trend rates, mortality tables, and payroll growth rates were updated for changes in recent studies and inflationary adjustments.

2022 Changes

Changes in Benefits:

- The City has increased its contribution amounts for disabled retirees.

Changes in Actuarial Assumptions:

- The discount rate was changed from 2.25 percent to 4.31 percent.
- The inflation rate was changed from 2.50 percent to 2.25 percent.
- The healthcare trend rates, mortality tables, and payroll growth rates were updated for changes in recent studies and inflationary adjustments.

2021 Changes

Changes in Actuarial Assumptions:

- The discount rate was changed from 2.12 percent to 2.25 percent.
- The healthcare trend rate was changed from 8.0 percent to 7.5 percent.

2020 Changes

Changes in Actuarial Assumptions:

- The discount rate was changed from 3.26 percent to 2.12 percent.
- The healthcare trend rate was changed from 7.5 percent to 8.0 percent.
- The mortality rates were changed from RPH-2018 mortality tables based on scale MP-2018 to SOA Pub 2010 mortality tables based on scale MP-2020.

2019 Changes

Changes in Actuarial Assumptions:

- The discount rate was changed from 4.11 percent to 3.26 percent
- The healthcare trend rate was changed from 8.00 percent to 7.50 percent.

2018 Changes

Changes in Actuarial Assumptions:

- The discount rate was changed from 4.00 percent to 4.11 percent.

GENERAL EMPLOYEES RETIREMENT FUND (GERF)

2023 Changes

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010 was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, noncompounding benefit increase of 2.50 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.50 percent to 7.00 percent.

2022 Changes

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 Changes

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 Changes

Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was

changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.

- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 Changes

Changes in Plan Provisions:

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2017 to MP-2018.

2018 Changes

Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0 percent per year through 2044 and 2.5 percent per year thereafter to 1.25 percent per year.

2017 Changes

Changes in Plan Provisions:

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16 million in 2017 and 2018, and \$6 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21 million to \$31 million in calendar years 2019 to 2031. The state's contribution changed from \$16 million to \$6 million in calendar years 2019 to 2031.

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.0 percent for vested deferred member liability, and 3.0 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years, to 1.0 percent per year through 2044, and 2.5 percent per year thereafter.

2016 Changes**Changes in Actuarial Assumptions:**

- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035, and 2.5 percent per year thereafter, to 1.0 percent per year for all years.
- The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

2015 Changes**Changes in Plan Provisions:**

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Retirement Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030, and 2.5 percent per year thereafter, to 1.0 percent per year through 2035, and 2.5 percent per year thereafter.

PUBLIC EMPLOYEES POLICE AND FIRE FUND (PEPFF)**2023 Changes****Changes in Plan Provisions:**

- Additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50.00 percent vesting after five years, increasing incrementally to 100.00 percent after 10 years.
- A one-time, noncompounding benefit increase of 3.00 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

Changes in Actuarial Assumptions:

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

2022 Changes

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from MP-2020 to MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

2021 Changes

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

2020 Changes

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2018 to MP-2019.

2019 Changes

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2017 to MP-2018.

2018 Changes

Changes in Plan Provisions:

- Postretirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.

- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred member will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2016 to MP-2017.

2017 Changes

Changes in Actuarial Assumptions:

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30 percent for vested and nonvested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for nonvested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 Fully Generational Table to the RP-2014 Fully Generational Table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 Disabled Mortality Table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65 percent to 60 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064, and 2.50 percent thereafter.
- The single discount rate changed from 5.60 percent to 7.50 percent.

2016 Changes

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2037, and 2.5 percent thereafter, to 1.0 percent per year for all future years.
- The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate changed from 7.9 percent to 5.6 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

2015 Changes

Changes in Plan Provisions:

- The post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to 2.5 percent, to a fixed rate of 2.5 percent

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030, and 2.5 percent per year thereafter, to 1.0 percent per year through 2037, and 2.5 percent per year thereafter.

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Combining and Individual Fund Statements and Schedules



City of Burnsville
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds					
	Cable Franchise Fee	Forfeiture	Youth Center	Economic Development Authority	Sustainability	Forestry
Assets						
Cash, cash equivalents and investments	\$ 356,792	\$ 33,388	\$ 17,799	\$ 1,752,840	\$ 228,723	\$ 968,320
Receivables, net of allowance for uncollectible amounts:						
Property taxes	—	—	—	6,051	—	—
Mortgages	—	—	—	215,084	—	—
Accounts	207,581	—	—	3,402	—	1,490
Due from other governments	194	—	13,250	18,681	185,313	13,023
Total Assets	<u>\$ 564,567</u>	<u>\$ 33,388</u>	<u>\$ 31,049</u>	<u>\$ 1,996,058</u>	<u>\$ 414,036</u>	<u>\$ 982,833</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts payable	\$ 9,621	\$ —	\$ 662	\$ 8,203	\$ 6,103	\$ 3,250
Contracts payable	—	—	—	—	—	4,987
Due to other governments	1	—	13,250	—	—	—
Customer and other deposits	—	1,140	—	—	—	—
Advances from other funds	—	—	—	—	—	—
Total Liabilities	<u>9,622</u>	<u>1,140</u>	<u>13,912</u>	<u>8,203</u>	<u>6,103</u>	<u>8,237</u>
Deferred Inflows of Resources:						
Unavailable revenue - property taxes	—	—	—	6,051	—	—
Fund Balances (Deficits)						
Restricted	—	—	—	—	350,909	—
Committed	554,945	32,248	17,137	1,981,804	57,024	974,596
Assigned	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—
Total Fund Balances (Deficits)	<u>554,945</u>	<u>32,248</u>	<u>17,137</u>	<u>1,981,804</u>	<u>407,933</u>	<u>974,596</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 564,567</u>	<u>\$ 33,388</u>	<u>\$ 31,049</u>	<u>\$ 1,996,058</u>	<u>\$ 414,036</u>	<u>\$ 982,833</u>

Debt Service Funds				Capital Projects Funds					Total Nonmajor Governmental Funds
G.O. Bonds	Tax Abatement Bonds	Certificate of Indebtedness	Tax Increment Bonds	I.T. Capital Fund	Equipment & Vehicle	Tax Increment	Parks Capital	Street Revolving Construction	
\$320,038	\$ 710,563	\$ 122,111	\$ 920,790	\$1,636,549	\$6,705,396	\$ 415,296	\$ 8,953,891	\$ 1,121,505	\$ 24,264,001
1,672	12,735	2,556	—	1,090	6,763	—	5,651	—	36,518
—	—	—	—	—	—	—	—	—	215,084
—	—	—	—	—	50,361	—	50,361	—	313,195
15,988	119,850	20,703	150	20,836	79,608	—	676,518	11,195	1,175,309
<u>\$337,698</u>	<u>\$ 843,148</u>	<u>\$ 145,370</u>	<u>\$ 920,940</u>	<u>\$1,658,475</u>	<u>\$6,842,128</u>	<u>\$ 415,296</u>	<u>\$ 9,686,421</u>	<u>\$ 1,132,700</u>	<u>\$ 26,004,107</u>
\$ —	\$ —	\$ 257	\$ —	\$ 10,077	\$ 139,133	\$ —	\$ 11,763	\$ —	\$ 189,069
—	—	—	—	—	—	—	20,051	—	25,038
—	171	—	—	—	—	4,451	—	—	17,873
—	—	—	—	—	—	—	—	—	1,140
—	—	—	—	—	—	1,774,421	—	—	1,774,421
<u>—</u>	<u>171</u>	<u>257</u>	<u>—</u>	<u>10,077</u>	<u>139,133</u>	<u>1,778,872</u>	<u>31,814</u>	<u>—</u>	<u>2,007,541</u>
1,672	12,735	2,556	—	1,090	6,763	—	5,651	—	36,518
336,026	830,242	142,557	920,940	—	3,934,927	—	—	—	6,515,601
—	—	—	—	—	—	—	—	—	3,617,754
—	—	—	—	1,647,308	2,761,305	—	9,648,956	1,132,700	15,190,269
—	—	—	—	—	—	(1,363,576)	—	—	(1,363,576)
<u>336,026</u>	<u>830,242</u>	<u>142,557</u>	<u>920,940</u>	<u>1,647,308</u>	<u>6,696,232</u>	<u>(1,363,576)</u>	<u>9,648,956</u>	<u>1,132,700</u>	<u>23,960,048</u>
<u>\$337,698</u>	<u>\$ 843,148</u>	<u>\$ 145,370</u>	<u>\$ 920,940</u>	<u>\$1,658,475</u>	<u>\$6,842,128</u>	<u>\$ 415,296</u>	<u>\$ 9,686,421</u>	<u>\$ 1,132,700</u>	<u>\$ 26,004,107</u>

City of Burnsville
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue Funds					
	Cable Franchise Fee	Forfeiture	Youth Center	Economic Development Authority	Sustainability	Forestry
Revenues						
Property taxes	\$ —	\$ —	\$ —	\$ 992,082	\$ —	\$ 255,870
Licenses and permits	—	—	—	—	—	2,385
Other taxes	593,540	—	—	—	—	—
Intergovernmental revenue	—	—	53,000	215	313,453	—
Charges for services	266,927	—	—	—	—	—
Fines and forfeits	—	2,875	—	—	—	—
Interest on investments	7,424	1,304	451	37,477	10,203	28,795
Miscellaneous revenue	1,384	—	—	4,550	—	5,238
Total Revenues	869,275	4,179	53,451	1,034,324	323,656	292,288
Expenditures						
Current:						
General government	490,328	—	—	—	—	—
Public safety	—	12,362	—	—	—	—
Public works and parks	—	—	—	—	—	—
Culture and recreation	—	—	55,936	—	—	—
Conservation of natural resources	—	—	—	—	389,971	274,492
Economic development	—	—	—	90,028	—	—
Capital outlay:						
General government	—	—	—	—	—	—
Public works and parks	—	—	—	—	—	—
Infrastructure	—	—	—	—	—	—
Debt service:						
Principal	—	—	—	—	—	—
Interest	—	—	—	—	—	—
Fiscal agent fees	—	—	—	—	—	—
Total Expenditures	490,328	12,362	55,936	90,028	389,971	274,492
Excess (Deficiency) of Revenues Over (Under) Expenditures	378,947	(8,183)	(2,485)	944,296	(66,315)	17,796
Other Financing Sources (Uses)						
Leases issued	—	—	—	—	—	—
Technology subscriptions issued	—	—	—	—	—	—
Sale of capital assets	—	—	—	—	—	—
Transfers in	—	—	10,000	—	127,812	—
Transfers out	(335,000)	—	—	—	—	—
Total other financing sources (uses)	(335,000)	—	10,000	—	127,812	—
Net Change in Fund Balances	43,947	(8,183)	7,515	944,296	61,497	17,796
Fund Balances (Deficits) - Beginning	510,998	40,431	9,622	1,037,508	346,436	956,800
Fund Balances (Deficits) - Ending	\$ 554,945	\$ 32,248	\$ 17,137	\$ 1,981,804	\$ 407,933	\$ 974,596

Debt Service Funds				Capital Projects Funds					Total Nonmajor Governmental Funds
G.O. Bonds	Tax Abatement Bonds	Certificate of Indebtedness	Tax Increment Bonds	I.T. Capital Fund	Equipment & Vehicle	Tax Increment	Parks Capital	Street Revolving Construction	
\$ 310,884	\$ 2,290,479	\$ 176,505	\$ 113,690	\$ 409,879	\$1,537,475	\$ —	\$ 994,897	\$ —	\$ 7,081,761
—	—	—	—	—	—	—	—	—	2,385
—	—	—	—	—	—	—	—	—	593,540
—	—	—	—	—	2,828,097	—	396,528	—	3,591,293
—	—	—	—	—	817,579	—	817,579	20,475	1,922,560
—	—	—	—	—	—	—	—	—	2,875
23,257	40,622	3,480	28,901	51,929	113,303	11,771	244,492	40,992	644,401
—	—	—	—	7,358	34,600	—	657,066	—	710,196
334,141	2,331,101	179,985	142,591	469,166	5,331,054	11,771	3,110,562	61,467	14,549,011
—	—	—	—	357,958	—	—	—	—	848,286
—	—	—	—	—	1,107,286	—	—	—	1,119,648
—	—	—	—	—	451,103	—	—	498,461	949,564
—	—	—	—	—	—	—	—	—	55,936
—	—	—	—	—	—	—	—	—	664,463
—	—	—	630	—	—	3,951	—	—	94,609
—	—	—	—	1,059,510	—	—	—	—	1,059,510
—	—	—	—	—	—	—	1,088,534	—	1,088,534
—	—	—	—	—	—	28,593	—	—	28,593
1,475,000	1,990,000	—	—	402,219	—	—	—	—	3,867,219
681,390	276,775	37,117	—	19,733	—	41,968	—	—	1,056,983
4,713	949	311	1,687	—	—	—	—	—	7,660
2,161,103	2,267,724	37,428	2,317	1,839,420	1,558,389	74,512	1,088,534	498,461	10,841,005
(1,826,962)	63,377	142,557	140,274	(1,370,254)	3,772,665	(62,741)	2,022,028	(436,994)	3,708,006
—	—	—	—	618,245	—	—	—	—	618,245
—	—	—	—	441,265	—	—	—	—	441,265
—	—	—	—	—	65,284	—	—	—	65,284
1,858,205	34	—	—	420,820	—	350,000	—	671,450	3,438,321
(34)	—	—	(350,000)	—	—	—	—	—	(685,034)
1,858,171	34	—	(350,000)	1,480,330	65,284	350,000	—	671,450	3,878,081
31,209	63,411	142,557	(209,726)	110,076	3,837,949	287,259	2,022,028	234,456	7,586,087
304,817	766,831	—	1,130,666	1,537,232	2,858,283	(1,650,835)	7,626,928	898,244	16,373,961
\$ 336,026	\$ 830,242	\$ 142,557	\$ 920,940	\$1,647,308	\$6,696,232	\$ (1,363,576)	\$ 9,648,956	\$ 1,132,700	\$ 23,960,048

City of Burnsville
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 37,294,374	\$ 37,294,374	\$ 37,245,715	\$ (48,659)
Special assessments	8,700	8,700	3,243	(5,457)
Licenses and permits	2,394,931	2,394,931	2,678,364	283,433
Other taxes	295,000	295,000	349,871	54,871
Intergovernmental revenue	2,035,744	2,035,744	5,494,858	3,459,114
Charges for services	6,406,456	6,406,456	6,875,798	469,342
Fines and forfeits	194,170	194,170	246,902	52,732
Interest on investments	476,600	476,600	1,084,853	608,253
Net change in fair value of investments	—	—	1,537,759	1,537,759
Miscellaneous revenue	936,162	936,162	1,252,806	316,644
Total Revenues	50,042,137	50,042,137	56,770,169	6,728,032
Expenditures				
Current:				
General government:				
Mayor and council	168,964	168,964	157,612	11,352
Manager and administration	1,043,111	971,165	725,950	245,215
Communications	1,171,871	1,171,871	912,431	259,440
Human resources	1,062,566	1,134,512	946,087	188,425
Legal	594,300	594,300	629,517	(35,217)
Information technologies	2,373,047	2,373,047	1,732,252	640,795
Finance	862,709	862,709	734,971	127,738
Insurance	586,700	586,700	574,816	11,884
Planning	513,997	513,997	332,023	181,974
General government buildings	837,104	837,104	770,087	67,017
Lodging tax to Convention and Visitors Bureau	280,250	280,250	332,414	(52,164)
Total general government	9,494,619	9,494,619	7,848,160	1,646,459
Public safety:				
Police	18,593,962	18,593,962	18,538,835	55,127
Fire	10,329,601	10,329,601	10,300,002	29,599
Inspections	1,785,729	1,785,729	1,642,489	143,240
Total public safety	30,709,292	30,709,292	30,481,326	227,966
Public works and parks:				
Engineering	1,377,225	1,377,225	1,324,508	52,717
Parks & streets	5,903,944	5,903,944	5,856,649	47,295
Fleet maintenance	679,491	679,491	735,681	(56,190)
Total public works and parks	7,960,660	7,960,660	7,916,838	43,822
Culture & recreation:				
Recreation	1,261,463	1,261,463	1,272,688	(11,225)
Conservation of natural resources:				
Natural Resources	27,686	27,686	18,528	9,158
Forestry	746,278	746,278	697,924	48,354
Total conservation of natural resources	773,964	773,964	716,452	57,512
Economic development:				
Economic development	503,007	503,007	449,037	53,970
Debt Service:				
Principal	—	—	347,625	(347,625)
Interest	—	—	193	(193)
Total debt service	—	—	347,818	(347,818)
Total Expenditures	50,703,005	50,703,005	49,032,319	1,670,686
Excess (Deficiency) of Revenues Over (Under) Expenditures	(660,868)	(660,868)	7,737,850	8,398,718
Other Financing Sources (Uses)				
Transfers in	3,335,000	3,335,000	335,000	(3,000,000)
Transfers out	(522,812)	(522,812)	(522,812)	—
Total other financing sources (uses)	2,812,188	2,812,188	(187,812)	(3,000,000)
Net Change in Fund Balances	2,151,320	2,151,320	7,550,038	5,398,718
Fund Balances - Beginning	26,927,936	26,927,936	26,927,936	—
Fund Balances - Ending	\$ 29,079,256	\$ 29,079,256	\$ 34,477,974	\$ 5,398,718

City of Burnsville
Infrastructure Trust Fund (ITF)
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 2,343,745	\$ 2,343,745	\$ 2,318,000	\$ (25,745)
Intergovernmental revenue	2,375,600	2,375,600	2,307,306	(68,294)
Interest on investments	78,000	78,000	218,592	140,592
Total Revenues	<u>4,797,345</u>	<u>4,797,345</u>	<u>4,843,898</u>	<u>46,553</u>
Expenditures				
Capital outlay:				
Infrastructure	<u>7,457,998</u>	<u>7,457,998</u>	<u>6,483,362</u>	<u>974,636</u>
Excess (Deficiency) of Revenues Over (Under)Expenditures	<u>(2,660,653)</u>	<u>(2,660,653)</u>	<u>(1,639,464)</u>	<u>1,021,189</u>
Other Financing Sources (Uses)				
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>—</u>
Net Change in Fund Balances	(2,685,653)	(2,685,653)	(1,664,464)	1,021,189
Fund Balances - Beginning	4,942,623	4,942,623	4,942,623	—
Fund Balances - Ending	<u>\$ 2,256,970</u>	<u>\$ 2,256,970</u>	<u>\$ 3,278,159</u>	<u>\$ 1,021,189</u>

City of Burnsville
Improvement Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Special assessments	\$ 1,432,827	\$ 1,432,827	\$ 507,946	\$ (924,881)
Intergovernmental revenue	415,000	415,000	692,117	277,117
Interest on investments (charges)	(41,900)	(41,900)	(113,153)	(71,253)
Total Revenues	<u>1,805,927</u>	<u>1,805,927</u>	<u>1,086,910</u>	<u>(719,017)</u>
Expenditures				
Capital outlay:				
Infrastructure	<u>1,805,927</u>	<u>1,805,927</u>	<u>2,621,558</u>	<u>(815,631)</u>
Net Change in Fund Balances	—	—	(1,534,648)	(1,534,648)
Fund Balances (Deficits) - Beginning	<u>(123,987)</u>	<u>(123,987)</u>	<u>(123,987)</u>	<u>—</u>
Fund Balances (Deficits) - Ending	<u><u>\$ (123,987)</u></u>	<u><u>\$ (123,987)</u></u>	<u><u>\$ (1,658,635)</u></u>	<u><u>\$ (1,534,648)</u></u>

City of Burnsville
Facilities Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ —	\$ —	\$ 66	\$ 66
Other taxes	5,170,000	5,170,000	5,277,208	107,208
Charges for services	400,600	400,600	545,053	144,453
Interest on investments	43,000	43,000	270,804	227,804
Miscellaneous revenue	—	—	6,134	6,134
Total Revenues	<u>5,613,600</u>	<u>5,613,600</u>	<u>6,099,265</u>	<u>485,665</u>
Expenditures				
Current:				
General government:				
General government buildings	—	48,581	42,154	6,427
Public safety:				
Police	—	—	11,731	(11,731)
Capital outlay:				
General government:				
General government buildings	213,500	441,072	377,716	63,356
Public safety:				
Fire	60,000	173,000	112,476	60,524
Public works and parks:				
Park development	—	424,278	8,380	415,898
Fleet maintenance	266,300	266,300	—	266,300
Total public works and parks	<u>266,300</u>	<u>690,578</u>	<u>8,380</u>	<u>682,198</u>
Culture and recreation:				
Performing arts center	250,895	250,895	12,425	238,470
Ice center	50,000	494,011	144,361	349,650
Golf course	40,000	40,000	20,470	19,530
Total culture and recreation	<u>340,895</u>	<u>784,906</u>	<u>177,256</u>	<u>607,650</u>
Total Expenditures	<u>880,695</u>	<u>2,138,137</u>	<u>729,713</u>	<u>1,408,424</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,732,905</u>	<u>3,475,463</u>	<u>5,369,552</u>	<u>1,894,089</u>
Other Financing Sources (Uses)				
Transfers in	140,520	140,520	140,520	—
Transfers out	(1,858,205)	(1,858,205)	(1,858,205)	—
Total other financing sources (uses)	<u>(1,717,685)</u>	<u>(1,717,685)</u>	<u>(1,717,685)</u>	<u>—</u>
Net Change in Fund Balances	3,015,220	1,757,778	3,651,867	1,894,089
Fund Balances - Beginning	7,446,337	7,446,337	7,446,337	—
Fund Balances - Ending	<u>\$10,461,557</u>	<u>\$ 9,204,115</u>	<u>\$11,098,204</u>	<u>\$ 1,894,089</u>

City of Burnsville
Cable Franchise Fee Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Other taxes	\$ 645,000	\$ 645,000	\$ 593,540	\$ (51,460)
Charges for services	306,600	306,600	266,927	(39,673)
Interest on investments	15,900	15,900	7,424	(8,476)
Miscellaneous revenue	—	—	1,384	1,384
Total Revenues	<u>967,500</u>	<u>967,500</u>	<u>869,275</u>	<u>(98,225)</u>
Expenditures				
Current:				
General government:				
Public relations	683,596	703,496	490,328	213,168
Excess (Deficiency) of Revenues Over (Under)				
Expenditures:	<u>283,904</u>	<u>264,004</u>	<u>378,947</u>	<u>114,943</u>
Other Financing Sources (Uses)				
Transfers out	<u>(335,000)</u>	<u>(335,000)</u>	<u>(335,000)</u>	<u>—</u>
Net Change in Fund Balances	(51,096)	(70,996)	43,947	114,943
Fund Balances - Beginning	510,998	510,998	510,998	—
Fund Balances - Ending	<u>\$ 459,902</u>	<u>\$ 440,002</u>	<u>\$ 554,945</u>	<u>\$ 114,943</u>

City of Burnsville
Forfeiture Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Fines and forfeits	\$ 25,000	\$ 25,000	\$ 2,875	\$ (22,125)
Interest on investments	—	—	1,304	1,304
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>4,179</u>	<u>(20,821)</u>
Expenditures				
Current:				
Public safety:				
Police	<u>25,000</u>	<u>25,000</u>	<u>12,362</u>	<u>12,638</u>
Net Change in Fund Balances	—	—	(8,183)	(8,183)
Fund Balances - Beginning	40,431	40,431	40,431	—
Fund Balances - Ending	<u>\$ 40,431</u>	<u>\$ 40,431</u>	<u>\$ 32,248</u>	<u>\$ (8,183)</u>

City of Burnsville
Youth Center Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Intergovernmental revenue	\$ 53,000	\$ 53,000	\$ 53,000	\$ —
Interest on investments	—	—	451	451
Total Revenues	<u>53,000</u>	<u>53,000</u>	<u>53,451</u>	<u>451</u>
Expenditures				
Current:				
Culture & Recreation:				
Recreation	<u>63,000</u>	<u>63,000</u>	<u>55,936</u>	<u>7,064</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,000)</u>	<u>(10,000)</u>	<u>(2,485)</u>	<u>7,515</u>
Other Financing Sources				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>—</u>
Net Change in Fund Balances	—	—	7,515	7,515
Fund Balances - Beginning	<u>9,622</u>	<u>9,622</u>	<u>9,622</u>	<u>—</u>
Fund Balances - Ending	<u><u>\$ 9,622</u></u>	<u><u>\$ 9,622</u></u>	<u><u>\$ 17,137</u></u>	<u><u>\$ 7,515</u></u>

City of Burnsville
Economic Development Authority (EDA) Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Property taxes	\$ 1,000,000	\$ 1,000,000	\$ 992,082	\$ (7,918)
Intergovernmental revenue	—	—	215	215
Interest on investments	11,500	11,500	37,477	25,977
Miscellaneous revenue	—	—	4,550	4,550
Total Revenues	<u>1,011,500</u>	<u>1,011,500</u>	<u>1,034,324</u>	<u>22,824</u>
Expenditures				
Current:				
Economic development	<u>703,835</u>	<u>703,835</u>	<u>90,028</u>	<u>613,807</u>
Net Change in Fund Balances	307,665	307,665	944,296	636,631
Fund Balances - Beginning	1,037,508	1,037,508	1,037,508	—
Fund Balances - Ending	<u>\$ 1,345,173</u>	<u>\$ 1,345,173</u>	<u>\$ 1,981,804</u>	<u>\$ 636,631</u>

City of Burnsville
Sustainability Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Intergovernmental revenue	\$ 347,427	\$ 347,427	\$ 313,453	\$ (33,974)
Interest on investments	4,300	4,300	10,203	5,903
Total Revenues	<u>351,727</u>	<u>351,727</u>	<u>323,656</u>	<u>(28,071)</u>
Expenditures				
Current:				
Conservation of natural resources:				
Recycling	<u>479,539</u>	<u>479,539</u>	<u>389,971</u>	<u>89,568</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(127,812)</u>	<u>(127,812)</u>	<u>(66,315)</u>	<u>61,497</u>
Other Financing Sources				
Transfers in	<u>127,812</u>	<u>127,812</u>	<u>127,812</u>	<u>—</u>
Net Change in Fund Balances	<u>—</u>	<u>—</u>	<u>61,497</u>	<u>61,497</u>
Fund Balances - Beginning	<u>346,436</u>	<u>346,436</u>	<u>346,436</u>	<u>—</u>
Fund Balances - Ending	<u><u>\$ 346,436</u></u>	<u><u>\$ 346,436</u></u>	<u><u>\$ 407,933</u></u>	<u><u>\$ 61,497</u></u>

**City of Burnsville
Forestry Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023**

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Property taxes	\$ 257,500	\$ 257,500	\$ 255,870	\$ (1,630)
Licenses and permits	1,980	1,980	2,385	405
Interest on investments	11,500	11,500	28,795	17,295
Miscellaneous revenue	—	—	5,238	5,238
Total Revenues	<u>270,980</u>	<u>270,980</u>	<u>292,288</u>	<u>21,308</u>
Expenditures				
Current:				
Conservation of natural resources:				
Forestry	<u>320,000</u>	<u>349,250</u>	<u>274,492</u>	<u>74,758</u>
Net Change in Fund Balances	(49,020)	(78,270)	17,796	96,066
Fund Balances - Beginning	<u>956,800</u>	<u>956,800</u>	<u>956,800</u>	<u>—</u>
Fund Balances - Ending	<u><u>\$ 907,780</u></u>	<u><u>\$ 878,530</u></u>	<u><u>\$ 974,596</u></u>	<u><u>\$ 96,066</u></u>

City of Burnsville
Information Technology (I.T.) Capital Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 412,800	\$ 412,800	\$ 409,879	\$ (2,921)
Interest on investments	20,200	20,200	51,929	31,729
Miscellaneous revenue	—	—	7,358	7,358
Total Revenues	<u>433,000</u>	<u>433,000</u>	<u>469,166</u>	<u>36,166</u>
Expenditures				
Current:				
General government:				
Information technologies	1,266,800	2,292,223	357,958	1,934,265
Capital:				
General government:				
Information technologies	—	—	1,059,510	(1,059,510)
Debt service:				
Principal	—	—	402,219	(402,219)
Interest	—	—	19,733	(19,733)
Total debt service	<u>—</u>	<u>—</u>	<u>421,952</u>	<u>(421,952)</u>
Total Expenditures	<u>1,266,800</u>	<u>2,292,223</u>	<u>1,839,420</u>	<u>452,803</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(833,800)</u>	<u>(1,859,223)</u>	<u>(1,370,254)</u>	<u>488,969</u>
Other Financing Sources				
Leases issued	—	—	618,245	618,245
Technology subscriptions issued	—	—	441,265	441,265
Transfers in	420,820	420,820	420,820	—
Total other financing sources	<u>420,820</u>	<u>420,820</u>	<u>1,480,330</u>	<u>1,059,510</u>
Net Change in Fund Balances	(412,980)	(1,438,403)	110,076	1,548,479
Fund Balances - Beginning	<u>1,537,232</u>	<u>1,537,232</u>	<u>1,537,232</u>	<u>—</u>
Fund Balances - Ending	<u>\$ 1,124,252</u>	<u>\$ 98,829</u>	<u>\$ 1,647,308</u>	<u>\$ 1,548,479</u>

City of Burnsville
Equipment and Vehicle Capital Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Property taxes	\$ 1,551,800	\$ 1,551,800	\$ 1,537,475	\$ (14,325)
Intergovernmental revenue	—	—	2,828,097	2,828,097
Charges for services	600,800	600,800	817,579	216,779
Interest on investments	26,000	26,000	113,303	87,303
Miscellaneous revenue	—	—	34,600	34,600
Total Revenues	<u>2,178,600</u>	<u>2,178,600</u>	<u>5,331,054</u>	<u>3,152,454</u>
Expenditures				
Current:				
Public safety:				
Police	935,460	1,354,012	802,133	551,879
Fire	729,000	1,159,057	305,153	853,904
Inspections	—	34,000	—	34,000
Total public safety	<u>1,664,460</u>	<u>2,547,069</u>	<u>1,107,286</u>	<u>1,439,783</u>
Public works and parks:				
Engineering	96,500	96,500	35,869	60,631
Parks & streets	846,000	1,714,529	415,234	1,299,295
Fleet maintenance	15,000	15,000	—	15,000
Total public works and parks	<u>957,500</u>	<u>1,826,029</u>	<u>451,103</u>	<u>1,374,926</u>
Recreation	—	30,000	—	30,000
Conservation of natural resources:				
Forestry	103,000	103,000	—	103,000
Total Expenditures	<u>2,724,960</u>	<u>4,506,098</u>	<u>1,558,389</u>	<u>2,947,709</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(546,360)	(2,327,498)	3,772,665	6,100,163
Other Financing Sources				
Sale of capital assets	<u>100,000</u>	<u>100,000</u>	<u>65,284</u>	<u>(34,716)</u>
Net Change in Fund Balances	(446,360)	(2,227,498)	3,837,949	6,065,447
Fund Balances - Beginning	2,858,283	2,858,283	2,858,283	—
Fund Balances - Ending	<u>\$ 2,411,923</u>	<u>\$ 630,785</u>	<u>\$ 6,696,232</u>	<u>\$ 6,065,447</u>

City of Burnsville
Parks Capital Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 1,005,900	\$ 1,005,900	\$ 994,897	\$ (11,003)
Intergovernmental revenue	300,000	300,000	396,528	96,528
Charges for services	600,800	600,800	817,579	216,779
Interest on investments	66,800	66,800	244,492	177,692
Miscellaneous revenue	3,179,537	3,179,537	657,066	(2,522,471)
Total Revenues	<u>5,153,037</u>	<u>5,153,037</u>	<u>3,110,562</u>	<u>(2,042,475)</u>
Expenditures				
Capital outlay:				
Public works and parks:				
Park development	6,621,700	8,366,698	1,088,534	7,278,164
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(1,468,663)</u>	<u>(3,213,661)</u>	<u>2,022,028</u>	<u>5,235,689</u>
Other Financing Sources				
Bonds issued	3,000,000	3,000,000	—	(3,000,000)
Net Change in Fund Balances	1,531,337	(213,661)	2,022,028	2,235,689
Fund Balances - Beginning	7,626,928	7,626,928	7,626,928	—
Fund Balances - Ending	<u>\$ 9,158,265</u>	<u>\$ 7,413,267</u>	<u>\$ 9,648,956</u>	<u>\$ 2,235,689</u>

City of Burnsville
Street Revolving Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Charges for services	\$ 15,000	\$ 15,000	\$ 20,475	\$ 5,475
Interest on investments	15,900	15,900	40,992	25,092
Total Revenues	<u>30,900</u>	<u>30,900</u>	<u>61,467</u>	<u>30,567</u>
Expenditures				
Current:				
Public works and parks:				
Parks & streets	<u>687,500</u>	<u>687,500</u>	<u>498,461</u>	<u>189,039</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(656,600)</u>	<u>(656,600)</u>	<u>(436,994)</u>	<u>219,606</u>
Other Financing Sources				
Transfers in	<u>671,450</u>	<u>671,450</u>	<u>671,450</u>	<u>—</u>
Net Change in Fund Balances	14,850	14,850	234,456	219,606
Fund Balances - Beginning	898,244	898,244	898,244	—
Fund Balances - Ending	<u>\$ 913,094</u>	<u>\$ 913,094</u>	<u>\$ 1,132,700</u>	<u>\$ 219,606</u>

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City of Burnsville
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2023

	Ice Arena	Golf Course	Street Lighting Utility	Total
Assets				
Current Assets:				
Cash, cash equivalents and investments	\$ 603,517	\$ 229,756	\$ 949,586	\$ 1,782,859
Accounts receivable	83,608	114	154,529	238,251
Total Current Assets	687,125	229,870	1,104,115	2,021,110
Noncurrent Assets:				
Capital Assets:				
Land	—	757,320	—	757,320
Buildings	2,858,799	131,297	—	2,990,096
Infrastructure and improvements	6,939,116	323,736	2,061,823	9,324,675
Equipment and vehicles	649,960	302,964	—	952,924
Less accumulated depreciation	(7,054,457)	(397,312)	(1,226,603)	(8,678,372)
Total capital assets (net of accumulated depreciation)	3,393,418	1,118,005	835,220	5,346,643
Total Assets	4,080,543	1,347,875	1,939,335	7,367,753
Deferred Outflows of Resources				
Deferred outflows of resources - pensions	89,356	29,785	—	119,141
Liabilities				
Current Liabilities:				
Accrued compensated absences, current portion	11,494	1,221	—	12,715
Accounts payable	34,492	2,737	62,170	99,399
Contracts payable	—	—	2,045	2,045
Due to other governments	2,092	431	—	2,523
Customer and other deposits	4,630	2,101	104	6,835
Total Current Liabilities	52,708	6,490	64,319	123,517
Noncurrent Liabilities:				
Accrued compensated absences, net of current portion	103,449	10,985	—	114,434
Net pension liability	330,145	110,048	—	440,193
Total Noncurrent Liabilities	433,594	121,033	—	554,627
Total Liabilities	486,302	127,523	64,319	678,144
Deferred Inflows of Resources				
Deferred inflows of resources - pensions	106,455	35,485	—	141,940
Net Position				
Net Investment in capital assets	3,393,418	1,118,005	833,175	5,344,598
Unrestricted	183,724	96,647	1,041,841	1,322,212
Total Net Position	\$ 3,577,142	\$ 1,214,652	\$ 1,875,016	\$ 6,666,810

City of Burnsville
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2023

	Ice Arena	Golf Course	Street Lighting Utility	Total
Operating Revenues				
Charges for services	\$ 1,118,049	\$ 426,682	\$ 604,149	\$ 2,148,880
Operating Expenses				
Personnel services	734,874	286,326	—	1,021,200
Repairs and maintenance	3,288	18,741	—	22,029
Utilities	205,013	9,102	359,377	573,492
Other operating expenses	124,754	84,174	1,483	210,411
Depreciation	421,195	34,492	98,663	554,350
Total Operating Expenses	<u>1,489,124</u>	<u>432,835</u>	<u>459,523</u>	<u>2,381,482</u>
Operating Income (Loss)	<u>(371,075)</u>	<u>(6,153)</u>	<u>144,626</u>	<u>(232,602)</u>
Nonoperating Revenues				
Intergovernmental	41	14	—	55
Investment earnings	20,652	6,767	25,927	53,346
Other income	—	—	6	6
Gain on disposal of capital assets	18,695	—	—	18,695
Total Nonoperating Revenues	<u>39,388</u>	<u>6,781</u>	<u>25,933</u>	<u>72,102</u>
Income (Loss) Before Capital Contributions	<u>(331,687)</u>	<u>628</u>	<u>170,559</u>	<u>(160,500)</u>
Capital Contributions				
Capital contributions - from other funds	<u>214,758</u>	<u>—</u>	<u>—</u>	<u>214,758</u>
Change in Net Position	(116,929)	628	170,559	54,258
Total Net Position - Beginning	<u>3,694,071</u>	<u>1,214,024</u>	<u>1,704,457</u>	<u>6,612,552</u>
Total Net Position - Ending	<u>\$ 3,577,142</u>	<u>\$ 1,214,652</u>	<u>\$ 1,875,016</u>	<u>\$ 6,666,810</u>

City of Burnsville
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2023

	<u>Ice Arena</u>	<u>Golf Course</u>	<u>Street Lighting Utility</u>	<u>Total</u>
Cash Flows from Operating Activities				
Receipts from customers and users	\$ 1,065,309	\$ 426,668	\$ 559,281	\$ 2,051,258
Payments to suppliers	(322,912)	(169,779)	(427,236)	(919,927)
Payments to employees	(700,598)	(271,063)	—	(971,661)
Net cash provided (used) by operating activities	41,799	(14,174)	132,045	159,670
Cash Flows from Noncapital Financing Activities				
Grants and host fees	41	14	6	61
Cash Flows from Capital and Related Financing Activities				
Purchase or construction of capital assets	(124,020)	—	—	(124,020)
Cash Flows from Investing Activities				
Investment earnings	20,652	6,767	25,927	53,346
Net Increase (Decrease) in Cash and Cash Equivalents	(61,528)	(7,393)	157,978	89,057
Cash and Cash Equivalents				
Beginning	665,045	237,149	791,608	1,693,802
Ending	<u>\$ 603,517</u>	<u>\$ 229,756</u>	<u>\$ 949,586</u>	<u>\$ 1,782,859</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (371,075)	\$ (6,153)	\$ 144,626	\$ (232,602)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	421,195	34,492	98,663	554,350
(Increase) decrease in assets:				
Receivables	(48,169)	(114)	(44,868)	(93,151)
(Increase) decrease in deferred outflows of resources:				
Pensions	65,374	21,792	—	87,166
(Decrease) increase in liabilities:				
Accrued compensated absences	10,402	7,304	—	17,706
Accounts payable	9,613	(56,585)	(66,317)	(113,289)
Contracts payable	—	(1,465)	—	(1,465)
Due to other governments	530	288	—	818
Customer and other deposits	(4,571)	100	(59)	(4,530)
Net pension liability	(141,255)	(47,085)	—	(188,340)
(Decrease) increase in deferred inflows of resources:				
Pensions	99,755	33,252	—	133,007
Net cash provided (used) by operating activities	<u>\$ 41,799</u>	<u>\$ (14,174)</u>	<u>\$ 132,045</u>	<u>\$ 159,670</u>
Noncash investing, capital, and financing activities				
Capital assets contributed from other funds	<u>\$ 214,758</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 214,758</u>
Net book value of capital asset disposals	<u>\$ 11,305</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 11,305</u>
Trade in on capital asset purchase	<u>\$ 30,000</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 30,000</u>

City of Burnsville
Combining Statement of Net Position
Internal Service Funds
December 31, 2023

	Compensated Absences	Dental Insurance	Total
Assets			
Current Assets:			
Cash, cash equivalents and investments	\$ 3,464,278	\$ 156,823	\$ 3,621,101
Accounts receivable	—	2,982	2,982
Total Assets	<u>3,464,278</u>	<u>159,805</u>	<u>3,624,083</u>
Liabilities			
Current Liabilities:			
Accrued compensated absences, current portion	449,176	—	449,176
Accounts payable	—	16,119	16,119
Total Current Liabilities	<u>449,176</u>	<u>16,119</u>	<u>465,295</u>
Noncurrent Liabilities:			
Accrued compensated absences, net of current portion	4,042,584	—	4,042,584
Total Liabilities	<u>4,491,760</u>	<u>16,119</u>	<u>4,507,879</u>
Net Position			
Unrestricted	<u>\$ (1,027,482)</u>	<u>\$ 143,686</u>	<u>\$ (883,796)</u>

City of Burnsville
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2023

	<u>Compensated Absences</u>	<u>Dental Insurance</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 400,941	\$ 259,829	\$ 660,770
Operating Expenses			
Personnel services	844,539	—	844,539
Other operating expenses	—	269,297	269,297
Total Operating Expenses	<u>844,539</u>	<u>269,297</u>	<u>1,113,836</u>
Operating Income (Loss)	<u>(443,598)</u>	<u>(9,468)</u>	<u>(453,066)</u>
Nonoperating Revenues			
Investment earnings	<u>105,179</u>	<u>4,998</u>	<u>110,177</u>
Change in Net Position	(338,419)	(4,470)	(342,889)
Total Net Position - Beginning	<u>(689,063)</u>	<u>148,156</u>	<u>(540,907)</u>
Total Net Position - Ending	<u><u>\$ (1,027,482)</u></u>	<u><u>\$ 143,686</u></u>	<u><u>\$ (883,796)</u></u>

City of Burnsville
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2023

	<u>Compensated Absences</u>	<u>Dental Insurance</u>	<u>Total</u>
Cash Flows from Operating Activities			
Receipts from interfund services provided	\$ 400,941	\$ 259,185	\$ 660,126
Payments to suppliers	—	(258,474)	(258,474)
Payments to employees	(281,989)	—	(281,989)
Net cash provided by operating activities	118,952	711	119,663
Cash Flows from Investing Activities			
Investment earnings	105,179	4,998	110,177
Net Increase in Cash and Cash Equivalents	224,131	5,709	229,840
Cash and Cash Equivalents			
Beginning	3,240,147	151,114	3,391,261
Ending	<u>\$ 3,464,278</u>	<u>\$ 156,823</u>	<u>\$ 3,621,101</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income (loss)	\$ (443,598)	\$ (9,468)	\$ (453,066)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
(Increase) decrease in assets:			
Receivables	—	(644)	(644)
(Decrease) increase in liabilities:			
Accrued compensated absences	562,550	—	562,550
Accounts payable	—	10,823	10,823
Net cash provided by operating activities	<u>\$ 118,952</u>	<u>\$ 711</u>	<u>\$ 119,663</u>

Statistical Section

This part of the City of Burnsville's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Pages
Financial Trends	<u>118</u> - <u>131</u>
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	<u>132</u> - <u>137</u>
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	
Debt Capacity	<u>138</u> - <u>144</u>
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	<u>145</u> - <u>147</u>
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	<u>148</u> - <u>154</u>
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF BURNSVILLE, MINNESOTA

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

	Fiscal Year		
	2014	2015	2016
Governmental activities:			
Net investment in capital assets	\$ 97,997,455	\$ 102,170,883	\$ 104,771,961
Restricted	16,258,586	15,856,787	15,575,435
Unrestricted	9,795,144	(10,011,396)	(16,105,677)
Total governmental activities net position	<u>124,051,185</u>	<u>108,016,274</u>	<u>104,241,719</u>
Business-type activities:			
Net investment in capital assets	104,005,794	107,526,787	108,404,200
Unrestricted	30,077,288	27,234,433	25,931,257
Total business-type activities net position	<u>134,083,082</u>	<u>134,761,220</u>	<u>134,335,457</u>
Primary government:			
Net investment in capital assets	182,353,752	190,601,833	194,714,746
Restricted	17,152,577	15,856,787	15,575,435
Unrestricted	58,627,938	36,318,874	28,286,995
Total primary government net position	<u>258,134,267</u>	<u>242,777,494</u>	<u>238,577,176</u>

Note 1: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015 which resulted in a restatement of net position. Prior years were not restated for the change in accounting principle.

Note 2: The City implemented GASB Statement No. 75 in fiscal year 2018 which resulted in a restatement of net position. Prior years were not restated for the change in accounting principle.

Note 3: The City implemented GASB Statement No. 87 in fiscal year 2022 and recorded a prior period adjustment which resulted in a restatement of net position. Prior years were not restated for the change in accounting principle or prior period adjustment.

2017	2018	2019	2020	2021	2022	2023
\$ 106,229,087	\$ 110,069,219	\$ 112,053,594	\$ 114,534,535	\$ 118,184,855	\$ 118,138,873	\$ 120,940,298
15,273,178	14,981,193	15,896,522	14,548,526	16,740,952	17,448,211	19,884,115
(14,906,686)	(13,917,013)	(9,221,379)	(5,646,557)	591,272	7,818,573	16,990,971
<u>106,595,579</u>	<u>111,133,399</u>	<u>118,728,737</u>	<u>123,436,504</u>	<u>135,517,079</u>	<u>143,405,657</u>	<u>157,815,384</u>
109,180,617	107,069,459	106,718,734	103,572,217	102,988,125	99,364,372	99,024,723
24,830,660	24,995,080	25,140,929	23,380,859	25,772,623	30,217,097	29,143,553
<u>134,011,277</u>	<u>132,064,539</u>	<u>131,859,663</u>	<u>126,953,076</u>	<u>128,760,748</u>	<u>129,581,469</u>	<u>128,168,276</u>
197,577,330	200,481,420	201,946,410	203,181,039	208,080,337	206,410,807	210,922,788
15,273,178	14,981,193	15,896,522	14,548,526	16,740,952	17,448,211	19,884,115
27,756,348	27,735,325	32,745,468	32,660,015	39,456,538	49,128,108	55,176,757
<u>240,606,856</u>	<u>243,197,938</u>	<u>250,588,400</u>	<u>250,389,580</u>	<u>264,277,827</u>	<u>272,987,126</u>	<u>285,983,660</u>

CITY OF BURNSVILLE, MINNESOTA

CHANGES IN NET POSITION (Page 1 of 2)

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

	Fiscal Year		
	2014	2015	2016
Expenses:			
Governmental activities:			
General government	\$ 6,362,440	\$ 6,573,281	\$ 7,382,481
Public safety	19,941,045	21,441,358	28,086,233
Public works and parks	15,837,464	15,901,625	15,292,294
Culture and recreation	1,246,522	1,089,081	1,145,294
Conservation of natural resources	1,023,827	1,071,242	1,228,567
Economic development	465,692	498,231	496,285
Interest on long-term debt	1,422,743	1,379,238	1,527,893
Total governmental activities expenses	46,299,733	47,954,056	55,159,047
Business-type activities:			
Water and sewer	14,929,321	14,889,284	15,476,767
Storm water	3,369,746	3,879,088	4,293,053
Performing arts center	2,192,667	2,090,481	2,232,993
Ice arena	1,291,264	1,423,315	1,455,693
Golf course	267,345	287,488	313,047
Street lighting	482,110	646,268	568,363
Sidewalk snow plowing	114,210	26,455	57,343
Total business-type activities expenses	22,646,663	23,242,379	24,397,259
Total primary government expenses	68,946,396	71,196,435	79,556,306
Program revenues:			
Governmental activities:			
Charges for services			
General government	438,976	426,636	405,299
Public safety	4,788,939	4,973,384	4,914,888
Public works and parks	3,241,456	2,825,050	2,798,069
Other activities	469,564	380,476	385,875
Operating grants and contributions	2,134,004	2,367,689	2,326,628
Capital grants and contributions	7,016,281	8,609,473	4,802,301
Total governmental activities program revenues	18,089,220	19,582,708	15,633,060
Business-type activities:			
Charges for services			
Water and sewer	14,234,693	14,448,498	15,132,165
Storm water	4,222,512	4,208,439	4,318,018
Performing arts center	1,387,480	1,308,981	1,493,365
Ice arena	1,137,933	1,081,207	1,080,874
Golf course	253,902	280,153	270,610
Street lighting	568,961	571,265	594,775
Sidewalk snow plowing	55,788	65,800	83,116
Operating grants and contributions	404,262	378,154	474,969
Capital grants and contributions	1,173,117	300,664	359,822
Total business-type activities program revenues	23,438,648	22,643,161	23,807,714
Total primary government program revenues	41,527,868	42,225,869	39,440,774

2017	2018	2019	2020	2021	2022	2023
\$ 8,085,296	\$ 8,142,548	\$ 7,922,564	\$ 8,679,351	\$ 8,366,829	\$ 11,061,187	\$ 10,571,108
24,679,300	23,360,171	24,636,452	26,023,426	25,215,845	33,903,053	37,398,025
15,303,864	14,539,501	17,890,927	22,598,334	19,479,051	19,687,730	18,179,904
1,067,828	1,023,202	1,111,709	1,044,401	1,118,846	1,399,057	1,447,158
1,305,308	1,356,205	1,320,038	1,260,877	1,452,729	1,332,858	1,458,326
482,403	515,776	815,386	2,760,012	727,005	3,173,721	560,065
1,503,981	1,162,754	1,041,948	1,101,623	1,246,843	1,170,232	1,169,503
52,427,980	50,100,157	54,739,024	63,468,024	57,607,148	71,727,838	70,784,089
15,875,566	17,169,446	18,324,199	20,796,230	18,812,106	19,675,040	22,002,160
4,499,643	4,537,849	4,396,039	5,684,615	4,590,763	4,610,749	4,750,457
2,591,863	2,781,704	2,770,717	1,539,460	2,233,683	2,579,667	2,863,507
1,312,900	1,406,241	1,390,573	1,317,016	1,370,543	1,514,688	1,470,429
286,178	294,452	284,904	262,174	361,360	411,006	432,835
643,775	571,937	594,598	441,881	656,699	794,369	459,523
39,401	106,420	—	—	—	—	—
25,249,326	26,868,049	27,761,030	30,041,376	28,025,154	29,585,519	31,978,911
77,677,306	76,968,206	82,500,054	93,509,400	85,632,302	101,313,357	102,763,000
357,080	380,061	416,291	386,363	408,567	414,016	1,726,820
5,955,569	6,485,649	6,901,859	5,477,746	5,493,934	8,109,894	6,816,385
3,123,103	2,950,887	3,165,521	3,070,976	3,127,190	3,299,502	4,263,026
544,773	387,314	415,784	179,415	392,535	399,022	488,081
2,614,858	2,875,147	2,918,182	5,747,316	5,906,437	6,217,950	5,961,313
4,270,577	4,584,959	7,210,112	6,301,915	9,259,847	13,088,700	5,104,454
16,865,960	17,664,017	21,027,749	21,163,731	24,588,510	31,529,084	24,360,079
15,522,270	15,602,993	16,021,187	17,060,401	18,470,743	19,355,318	20,407,004
4,284,928	4,287,946	4,345,374	4,408,773	4,679,577	4,659,188	4,793,653
1,837,534	2,111,847	2,119,851	508,047	1,367,727	2,044,668	2,574,840
1,091,259	1,060,331	1,063,694	586,849	969,308	1,066,645	1,118,049
256,647	230,732	238,093	327,715	387,902	396,623	426,682
574,180	576,018	582,858	582,859	587,816	588,125	604,155
83,247	83,228	—	—	—	—	—
625,268	516,121	669,409	1,246,323	1,859,616	143,468	95,240
524,891	538,013	1,494,601	229,503	1,639,089	1,602,859	311,534
24,800,224	25,007,229	26,535,067	24,950,470	29,961,778	29,856,894	30,331,157
41,666,184	42,671,246	47,562,816	46,114,201	54,550,288	61,385,978	54,691,236

CITY OF BURNSVILLE, MINNESOTA

CHANGES IN NET POSITION (Page 2 of 2)

LAST TEN FISCAL YEARS (Accrual Basis of Accounting)

	Fiscal Year		
	2014	2015	2016
Net revenue (expense):			
Governmental activities	\$ (28,210,513)	\$ (28,371,348)	\$ (39,525,987)
Business-type activities	791,985	(599,218)	(589,545)
Total primary government net revenue (expense)	<u>(27,418,528)</u>	<u>(28,970,566)</u>	<u>(40,115,532)</u>
General revenues and other changes in net position:			
Governmental activities:			
Taxes			
Property taxes	29,444,693	30,699,759	32,127,976
Lodging tax	289,198	363,409	366,918
Franchise taxes	729,211	758,972	1,274,060
Unrestricted grants and contributions	915,373	973,068	1,143,996
Unrestricted investment earnings (charges)	3,300,247	1,091,944	721,735
Transfers	540,066	(2,221,674)	116,747
Total governmental activities	<u>35,218,788</u>	<u>31,665,478</u>	<u>35,751,432</u>
Business-type activities:			
Unrestricted grants and contributions	50,574	48,681	46,401
Unrestricted investment earnings	415,667	358,342	234,128
Transfers	(540,066)	2,221,674	(116,747)
Total business-type activities	<u>(73,825)</u>	<u>2,628,697</u>	<u>163,782</u>
Total primary government	<u>35,144,963</u>	<u>34,294,175</u>	<u>35,915,214</u>
Change in net position:			
Governmental activities	7,008,275	3,294,130	(3,774,555)
Business-type activities	718,160	2,029,479	(425,763)
Total primary government	<u>7,726,435</u>	<u>5,323,609</u>	<u>(4,200,318)</u>

Note 1: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015 which resulted in a restatement of net position. Prior years were not restated for the change in accounting principle.

Note 2: The City implemented GASB Statement No. 75 in fiscal year 2018 which resulted in a restatement of net position. Prior years were not restated for the change in accounting principle.

Note 3: The City implemented GASB Statement No. 87 in fiscal year 2022 and recorded a prior period adjustment which resulted in a restatement of net position. Prior years were not restated for the change in accounting principle or prior period adjustment.

2017	2018	2019	2020	2021	2022	2023
\$ (35,562,020)	\$ (32,436,140)	\$ (33,711,275)	\$ (42,304,293)	\$ (33,018,638)	\$ (40,198,754)	\$ (46,424,010)
(449,102)	(1,860,820)	(1,225,963)	(5,090,906)	1,936,624	271,375	(1,647,754)
(36,011,122)	(34,296,960)	(34,937,238)	(47,395,199)	(31,082,014)	(39,927,379)	(48,071,764)
33,668,989	34,816,920	36,745,654	37,901,657	39,305,483	41,303,580	46,790,405
365,555	389,019	351,690	174,326	258,761	338,254	349,871
2,116,955	1,972,218	1,945,697	3,245,103	5,812,043	5,839,844	5,870,748
1,091,139	1,086,925	854,002	4,774,662	9,004	2,788,716	3,163,204
503,205	674,333	1,898,702	957,840	(535,066)	(3,138,002)	4,051,477
170,037	588,800	(489,132)	(41,528)	248,988	(238,577)	608,032
37,915,880	39,528,215	41,306,613	47,012,060	45,099,213	46,893,815	60,833,737
43,642	40,749	36,907	—	—	—	—
251,317	462,133	495,048	142,791	120,036	310,769	842,593
(170,037)	(588,800)	489,132	41,528	(248,988)	238,577	(608,032)
124,922	(85,918)	1,021,087	184,319	(128,952)	549,346	234,561
38,040,802	39,442,297	42,327,700	47,196,379	44,970,261	47,443,161	61,068,298
2,353,860	7,092,075	7,595,338	4,707,767	12,080,575	6,695,061	14,409,727
(324,180)	(1,946,738)	(204,876)	(4,906,587)	1,807,672	820,721	(1,413,193)
2,029,680	5,145,337	7,390,462	(198,820)	13,888,247	7,515,782	12,996,534

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CITY OF BURNSVILLE, MINNESOTA**GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE****LAST TEN FISCAL YEARS****(Accrual Basis of Accounting)**

Fiscal Year	Property Tax	Tax Increments	Lodging Tax	Franchise Tax	Total
2014	\$ 28,653,243	\$ 791,450	\$ 289,198	\$ 729,211	\$ 30,463,102
2015	29,916,349	783,410	363,409	758,972	31,822,140
2016	31,308,269	819,707	366,918	1,274,060	33,768,954
2017	32,845,130	823,859	365,555	2,116,955	36,151,499
2018	33,887,763	929,157	389,019	1,972,218	37,178,157
2019	35,733,994	1,011,660	351,690	1,945,697	39,043,041
2020	37,834,370	67,287	174,326	3,245,103	41,321,086
2021	39,210,650	94,833	258,761	5,812,043	45,376,287
2022	41,246,486	57,094	338,254	5,839,844	47,481,678
2023	46,676,715	113,690	349,871	5,870,748	53,011,024

CITY OF BURNSVILLE, MINNESOTA

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

	Fiscal Year		
	2014	2015	2016
General Fund:			
Nonspendable	\$ —	\$ 1,491,544	\$ 1,491,544
Restricted	2,288,160	2,152,353	2,013,830
Assigned	1,155,807	1,700,678	991,293
Unassigned	16,960,866	16,504,649	17,715,565
Total General Fund	<u>20,404,833</u>	<u>21,849,224</u>	<u>22,212,232</u>
All other governmental funds:			
Nonspendable	—	—	—
Restricted	7,186,381	13,413,234	20,000,824
Committed	4,966,759	4,925,668	4,702,767
Assigned	6,454,637	5,585,159	6,146,013
Unassigned	(160,196)	(168,654)	(173,369)
Total all other governmental funds	<u>\$ 18,447,581</u>	<u>\$ 23,755,407</u>	<u>\$ 30,676,235</u>

2017	2018	2019	2020	2021	2022	2023
\$ 1,191,544	\$ 1,191,544	\$ 1,191,544	\$ 446,544	\$ —	\$ 1,822,469	\$ 1,774,421
1,872,537	1,711,337	1,546,137	1,198,346	1,046,802	892,437	712,825
991,657	985,000	820,000	1,751,382	1,054,500	—	—
18,282,263	18,720,813	22,278,071	25,460,656	26,527,905	24,213,030	31,990,728
<u>22,338,001</u>	<u>22,608,694</u>	<u>25,835,752</u>	<u>28,856,928</u>	<u>28,629,207</u>	<u>26,927,936</u>	<u>34,477,974</u>
—	—	—	—	—	130,420	—
21,171,456	8,276,836	8,185,007	21,003,274	7,875,624	8,313,988	10,991,974
8,115,285	7,184,681	7,675,063	7,096,266	9,409,598	14,524,046	17,914,885
5,626,630	7,248,382	8,985,040	6,345,225	7,705,296	11,813,857	15,190,269
(840,879)	(172,561)	(213,637)	(68,452)	(627,270)	(1,774,822)	(3,022,211)
<u>\$ 34,072,492</u>	<u>\$ 22,537,338</u>	<u>\$ 24,631,473</u>	<u>\$ 34,376,313</u>	<u>\$ 24,363,248</u>	<u>\$ 33,007,489</u>	<u>\$ 41,074,917</u>

CITY OF BURNSVILLE, MINNESOTA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

	Fiscal Year		
	2014	2015	2016
Revenues:			
Taxes	\$ 30,575,302	\$ 31,867,814	\$ 33,753,006
Licenses and permits	1,953,776	2,026,415	1,903,820
Intergovernmental	4,867,531	8,332,614	5,118,254
Charges for services	5,885,164	5,913,570	6,345,229
Fines and forfeits	417,275	378,940	337,171
Investment income (charges)	3,260,938	1,054,573	694,824
Special assessments	1,813,996	2,585,543	1,800,511
Miscellaneous	1,579,348	1,353,267	1,085,021
Total revenues	50,353,330	53,512,736	51,037,836
Expenditures:			
Current:			
General government	5,856,737	6,495,318	7,356,451
Public safety	20,140,526	20,403,477	20,699,670
Public works and parks	6,592,561	6,766,745	6,931,564
Culture and recreation	1,256,682	1,336,636	1,060,369
Conservation of natural resources	995,490	1,035,269	1,198,458
Economic development	464,933	495,624	484,650
Capital outlay	9,360,407	12,688,606	9,894,133
Debt service:			
Principal	8,340,613	3,584,701	3,063,398
Interest	1,512,418	1,375,624	1,521,390
Fiscal agent fees	18,670	18,775	18,338
Bond issuance costs	23,240	69,011	77,620
Total expenditures	54,562,277	54,269,786	52,306,041
Excess of revenues over (under) expenditures	(4,208,947)	(757,050)	(1,268,205)
Other financing sources (uses):			
Bonds issued	2,780,000	735,000	910,000
Refunding bonds issued	—	7,030,000	6,475,000
Premium (discount) on bonds issued	39,933	80,984	300,502
Payments to refunded bond escrow agent	(952,430)	(790,000)	—
Leases issued	—	—	519,909
Technology subscriptions issued	—	—	—
Sales of capital assets	153,027	141,253	118,894
Transfers in	5,746,474	6,235,640	6,141,582
Transfers out	(5,206,408)	(5,923,610)	(5,913,846)
Total other financing sources (uses)	2,560,596	7,509,267	8,552,041
Net change in fund balances	\$ (1,648,351)	\$ 6,752,217	\$ 7,283,836
Debt service as a percentage of noncapital expenditures	21.0%	11.4%	10.5%

2017	2018	2019	2020	2021	2022	2023
\$ 35,989,886	\$ 37,352,958	\$ 39,090,762	\$ 41,122,345	\$ 45,531,303	\$ 47,321,909	\$ 53,098,363
2,061,946	2,466,914	3,369,080	2,028,388	2,877,014	3,093,773	2,680,749
5,077,504	5,357,166	5,735,523	11,932,400	8,795,140	13,295,518	12,100,760
6,634,410	7,230,588	7,217,898	6,106,670	6,486,842	7,678,413	9,343,411
422,347	359,347	358,417	205,089	247,954	204,966	249,777
469,779	615,245	1,832,567	933,690	(556,046)	(3,183,616)	3,941,300
1,866,666	1,756,074	2,303,764	1,931,638	1,719,051	1,726,203	1,674,738
1,683,990	2,024,617	2,959,449	1,801,226	2,392,134	5,787,658	1,969,136
54,206,528	57,162,909	62,867,460	66,061,446	67,493,392	75,924,824	85,058,234
7,109,756	7,036,828	7,034,145	7,883,492	7,714,554	9,178,565	8,738,600
23,300,734	23,500,121	24,154,818	26,192,495	26,473,939	29,937,337	31,627,891
6,806,529	7,770,000	7,722,108	7,704,347	8,291,068	8,028,486	8,866,402
1,023,582	1,002,556	1,104,490	1,048,450	1,099,712	1,212,831	1,328,624
1,310,566	1,461,642	1,264,396	1,270,493	1,497,920	1,234,845	1,380,915
476,108	516,894	813,210	2,750,100	617,859	3,156,964	543,646
17,058,821	11,109,667	12,610,088	19,660,455	26,297,662	16,299,556	11,957,385
3,251,465	4,487,329	3,820,163	4,811,153	4,560,000	4,927,305	5,514,844
1,489,498	1,467,934	1,118,766	1,085,390	1,514,997	1,323,817	1,413,620
24,278	23,791	48,568	12,606	20,431	10,904	16,425
57,965	51,495	17,298	120,230	—	87,256	—
61,909,302	58,428,257	59,708,050	72,539,211	78,088,142	75,397,866	71,388,352
(7,702,774)	(1,265,348)	3,159,410	(6,477,765)	(10,594,750)	526,958	13,669,882
9,585,000	2,125,000	1,165,000	17,175,000	—	5,170,000	—
—	3,235,000	460,000	1,340,000	—	—	—
584,230	239,989	276,430	1,884,433	—	380,965	—
—	(16,784,136)	(525,000)	(1,458,847)	—	—	—
193,504	—	—	—	—	273,886	618,245
—	—	—	—	—	—	441,265
421,224	596,234	191,620	82,737	104,976	42,621	65,284
6,502,685	5,464,671	4,492,604	2,466,874	4,126,288	3,299,503	3,913,841
(6,061,843)	(4,875,871)	(3,898,871)	(2,246,416)	(3,877,300)	(2,750,963)	(3,091,051)
11,224,800	(9,999,113)	2,161,783	19,243,781	353,964	6,416,012	1,947,584
\$ 3,522,026	\$ (11,264,461)	\$ 5,321,193	\$ 12,766,016	\$ (10,240,786)	\$ 6,942,970	\$ 15,617,466
10.3%	12.5%	10.1%	9.9%	10.8%	9.7%	11.2%

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CITY OF BURNSVILLE, MINNESOTA

GENERAL GOVERNMENT TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

Fiscal Year	Property Tax	Tax Increments	Lodging Tax	Franchise Tax	Total
2014	\$ 28,765,443	\$ 791,450	\$ 289,198	\$ 729,211	\$ 30,575,302
2015	29,962,023	783,410	363,409	758,972	31,867,814
2016	31,292,321	819,707	366,918	1,274,060	33,753,006
2017	32,683,517	823,859	365,555	2,116,955	35,989,886
2018	34,062,564	929,157	389,019	1,972,218	37,352,958
2019	35,781,715	1,011,660	351,690	1,945,697	39,090,762
2020	37,635,629	67,287	174,326	3,245,103	41,122,345
2021	39,365,666	94,833	258,761	5,812,043	45,531,303
2022	41,086,717	57,094	338,254	5,839,844	47,321,909
2023	46,764,054	113,690	349,871	5,870,748	53,098,363

CITY OF BURNSVILLE, MINNESOTA**TAXABLE MARKET VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property		Personal Property	Less Fiscal Disparities	Less Tax Increment
	Residential Property	Commercial Property			
2014	\$ 36,175,049	\$ 27,747,684	\$ 816,729	\$ (2,988,905)	\$ (850,866)
2015	39,954,586	28,740,490	824,450	(2,888,069)	(901,387)
2016	41,440,693	28,490,235	860,668	(3,073,160)	(896,845)
2017	43,601,698	27,701,119	907,851	(2,382,401)	(926,409)
2018	48,949,347	28,530,496	945,133	(1,655,814)	(929,157)
2019	52,425,000	29,503,800	943,031	(1,656,580)	(1,158,569)
2020	55,924,956	31,657,917	1,002,211	(1,347,441)	(225,215)
2021	58,847,414	33,181,384	1,013,065	(1,823,844)	(144,251)
2022	62,591,306	33,641,212	495,514	(1,490,458)	(158,129)
2023	74,399,844	35,103,808	533,738	(1,063,024)	(133,765)

Source: Dakota County

Total Taxable Net Tax Capacity		Tax Capacity Value as a Percentage of Taxable Market Value	Total Direct Tax Rate	Estimated Actual Market Value	Taxable Market Value	Taxable Value as a Percentage of Estimated Actual Value
\$	60,899,691	1.23 %	46.670	\$ 5,258,005,375	\$ 4,953,041,063	94.2 %
	65,730,070	1.22	44.790	5,625,420,202	5,373,401,377	95.5
	66,821,591	1.21	46.525	5,915,258,394	5,506,514,039	93.1
	68,901,858	1.22	46.557	6,138,533,666	5,670,777,401	92.4
	75,840,005	1.22	43.552	6,670,619,761	6,204,343,440	93.0
	80,056,682	1.21	43.595	7,026,455,810	6,590,112,904	93.8
	87,012,428	1.24	43.147	7,350,427,230	7,034,358,859	95.7
	91,073,768	1.23	42.853	7,749,261,165	7,381,171,260	95.3
	95,079,445	1.23	43.054	8,426,026,717	7,733,407,321	91.8
	108,840,601	1.22	42.374	9,520,747,643	8,928,557,140	93.8

CITY OF BURNSVILLE, MINNESOTA

PROPERTY TAX RATES

DIRECT AND OVERLAPPING (1) GOVERNMENTS

LAST TEN FISCAL YEARS

Fiscal Year	City of Burnsville			Overlapping Rates:	
	Operating Tax Rate	Debt Service Tax Rate	Total City Tax Rate	Dakota County	School District - ISD #191
				Total County Tax Rate (2)	Total School Tax Rate (2)
2014	44.969	1.701	46.670	31.827	25.661
2015	43.020	1.770	44.790	29.633	24.554
2016	44.831	1.694	46.525	28.570	31.065
2017	44.922	1.635	46.557	28.004	27.529
2018	42.076	1.476	43.552	26.580	27.448
2019	42.187	1.408	43.595	25.386	24.409
2020	40.844	2.303	43.147	24.133	23.263
2021	40.651	2.202	42.853	22.716	20.745
2022	40.277	2.777	43.054	21.630	19.053
2023	39.590	2.784	42.374	18.816	19.403

Source: Dakota County

Notes:

- (1) Overlapping rates are those of local and county governments that apply to property owners within the City of Burnsville. Not all overlapping rates apply to all City of Burnsville property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).
- (2) The breakdown between operating and debt service tax rates were not available at the time of this report.

School District - ISD #194	School District - ISD #196		Total Direct and Overlapping Rates		
Total School Tax Rate (2)	Total School Tax Rate (2)	Special Districts	ISD #191	ISD #194	ISD #196
33.048	27.606	5.882	110.040	117.427	111.985
31.459	23.271	5.427	104.404	111.309	103.121
35.319	24.317	5.505	111.665	115.919	104.917
32.914	23.336	5.355	107.445	112.830	103.252
26.835	26.715	4.833	102.413	101.800	101.680
26.992	26.162	4.748	98.138	100.721	99.891
31.225	34.367	3.767	94.310	102.272	105.414
27.269	32.712	3.722	90.036	96.560	102.003
25.582	31.336	3.698	87.435	93.964	99.718
29.473	17.904	3.906	84.499	94.569	83.000

CITY OF BURNSVILLE, MINNESOTA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT AND NINE YEARS AGO

Taxpayer	2023			2014		
	Net Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity	Net Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity
Northern States Power Company	\$ 3,300,070	1	3.0 %	\$ 2,324,768	1	3.8 %
RRE Woods Holdings, LLC	853,433	2	0.8	—	—	—
New Southwind LLC	749,751	3	0.7	—	—	—
RRE Nicollet Ridge Holdings LLC	721,250	4	0.7	—	—	—
PC Felix LLC	698,640	5	0.6	—	—	—
Burnsville Center Captial Holdings LLC (previously Burnsville Center SPE LLC)	633,588	6	0.6	2,079,250	2	3.4
FLT Summit Park Apartments LLC	609,775	7	0.6	—	—	—
Neon Burnsville LLC	604,589	8	0.6	—	—	—
PRCP-Minnesota Stone LLC	596,656	9	0.5	—	—	—
JPT Ind Inc	585,950	10	0.5	455,826	4	0.7
Minnegasco Inc.	—	—	—	532,246	3	0.9
Kraus Anderson	—	—	—	353,632	5	0.6
WRPV XI Woods Burnsville LLC	—	—	—	350,394	6	0.6
Capreit Atrium Apartments LP	—	—	—	334,175	7	0.5
Rosemount Aerospace	—	—	—	333,894	8	0.5
Dakota Electric Association	—	—	—	326,898	9	0.5
Virtu Southwind Owner LLC	—	—	—	316,251	10	0.5
Total	<u>\$9,353,702</u>		<u>8.6 %</u>	<u>\$7,407,334</u>		<u>12.0 %</u>

Source: Dakota County

CITY OF BURNSVILLE, MINNESOTA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 28,448,573	\$ 28,171,331	99.03 %	\$ 126,149	\$ 28,297,480	99.47 %
2015	29,584,711	29,336,510	99.16	88,640	29,425,150	99.46
2016	30,951,674	30,715,364	99.24	130,689	30,846,053	99.66
2017	32,075,674	31,654,894	98.69	330,289	31,985,183	99.72
2018	33,242,674	32,996,925	99.26	62,051	33,058,976	99.45
2019	34,896,674	34,691,735	99.41	65,673	34,757,408	99.60
2020	37,588,674	37,199,804	98.97	96,412	37,296,216	99.22
2021	39,058,352	38,811,612	99.37	62,290	38,873,902	99.53
2022	40,912,255	40,472,208	98.92	42,913	40,515,121	99.03
2023	46,199,176	45,820,400	99.18	—	45,820,400	99.18

CITY OF BURNSVILLE, MINNESOTA

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities							
	General Obligation Bonds	General Obligation Certificates of Indebtedness	General Obligation Improvement Bonds	Tax Increment Bonds and Notes	General Obligation Tax Abatement Bonds	Lease Revenue Bonds	Leases	Technology Subscriptions
2014	\$ 791,181	\$ —	\$ 15,653,186	\$ 5,655,264	\$ 14,970,700	\$ 4,678,797	\$ —	\$ —
2015	392,218	—	13,581,813	5,050,362	21,699,745	4,454,809	—	—
2016	298,255	—	12,719,251	4,430,461	28,053,905	4,225,822	519,909	—
2017	10,365,277	—	11,020,862	3,800,560	27,621,866	3,986,835	475,609	—
2018	9,757,365	—	10,498,708	3,155,659	17,838,258	—	237,805	—
2019	9,103,087	—	10,369,176	2,490,757	16,943,053	—	—	—
2020	26,134,094	—	9,885,809	1,823,204	15,042,848	—	—	—
2021	24,951,068	—	8,464,028	1,546,317	13,092,643	—	—	—
2022	23,683,042	1,115,752	11,475,019	1,264,431	11,092,438	—	201,352	—
2023	22,365,016	1,105,211	10,076,366	977,545	9,042,233	—	456,405	741,543

Note: Details regarding the city's outstanding debt can be found in the notes to basic financial statements.

Sources:

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Business-Type Activities

	Revenue Bonds	General Obligation Revenue Notes	General Obligation Improvement Bonds	Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$	15,517,211	\$ —	\$ 1,446,959	\$ —	\$ 58,713,298	2.0 %	\$ 951
	16,278,543	—	822,436	—	62,279,926	2.0	1,006
	16,088,093	—	378,373	—	66,714,069	2.1	1,079
	19,168,507	3,735,390	132,553	—	80,307,459	2.2	1,290
	19,770,295	5,149,825	33,441	—	66,441,356	1.8	1,060
	19,626,401	5,378,000	—	—	63,910,474	1.6	1,018
	17,497,972	6,250,081	—	—	76,634,008	1.8	1,192
	15,304,543	7,195,319	—	—	70,553,918	1.6	1,092
	16,879,204	6,967,000	—	—	72,678,238	1.6	1,126
	14,535,374	6,550,000	—	—	65,849,693	1.5	1,021

CITY OF BURNSVILLE, MINNESOTA

RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds (1)	Bond Issuance Premium/ (Discount)	Less Amounts Available in Debt Service Funds	Total	Percentage of Taxable Market Value of Property (2)	Per Capita (3)
2014	\$ 36,712,779	\$ 357,552	\$ 6,000,286	\$ 31,070,045	0.6273 %	\$ 503
2015	40,328,078	396,060	12,533,406	28,190,732	0.5246	455
2016	44,879,680	622,192	19,183,290	26,318,582	0.4780	426
2017	51,691,019	1,117,546	19,635,217	33,173,348	0.5850	533
2018	40,017,358	1,232,632	6,808,600	34,441,390	0.5551	550
2019	37,535,000	1,371,073	7,861,389	31,044,684	0.4711	494
2020	49,780,000	3,105,955	6,637,860	46,248,095	0.6575	719
2021	45,220,000	2,834,056	6,432,965	41,621,091	0.5639	644
2022	45,690,000	2,940,682	6,487,284	42,143,398	0.5450	653
2023	40,925,000	2,641,371	6,387,756	37,178,615	0.4164	576

Note: Details regarding the City's outstanding debt can be found in the notes to basic financial statements.

Sources:

- (1) Excludes Taxable Tax Increment Revenue Notes and Lease Revenue Bonds reported in the Governmental Activities, and General Obligation Revenue Notes and General Obligation and Improvement Bonds reported in the Enterprise Funds.
- (2) See the Schedule of Taxable Market Value and Estimated Actual Value of Taxable Property for property value data.
- (3) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF BURNSVILLE, MINNESOTA**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT****AS OF DECEMBER 31, 2023**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:			
City of Burnsville	\$ 44,764,319	100.00 %	\$ 44,764,319
Overlapping Debt:			
ISD 191 (Burnsville)	106,710,000	83.45 %	89,049,495
ISD 194 (Lakeville)	174,415,000	8.14 %	14,197,381
ISD 196 (Rosemount)	85,260,000	8.98 %	7,656,348
Metropolitan Council	218,520,000	1.61 %	3,518,172
Total overlapping debt			114,421,396
Total direct and overlapping debt			\$ 159,185,715

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Burnsville. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Sources: Taxable net tax capacity was used to estimate applicable percentages and was provided by the County. Debt outstanding data provided by each governmental unit as of their last fiscal year end.

CITY OF BURNSVILLE, MINNESOTA**LEGAL DEBT MARGIN INFORMATION****LAST TEN FISCAL YEARS**

	Fiscal Year			
	2014	2015	2016	2017
Debt Limit	\$148,591,232	\$161,202,041	\$165,195,421	\$170,123,322
Total net debt applicable to limit	213,115	110,167	—	9,472,289
Legal debt margin	<u>148,378,117</u>	<u>161,091,874</u>	<u>165,195,421</u>	<u>160,651,033</u>
Total net debt applicable to the limit as a percentage of debt limit	0.14 %	0.07 %	0.00 %	5.57 %

Note: Under Minnesota State Law, the City of Burnsville's net debt cannot exceed 3 percent of the estimated market value of taxable property. The legal debt limit applies to the City's general obligation tax levy bonds and excludes improvement and revenue-supported bonds.

2018	2019	2020	2021	2022	2023
\$ 186,130,303	\$ 197,703,387	\$ 211,030,766	\$ 221,435,138	\$ 232,002,220	\$ 267,856,714
8,876,639	8,338,565	23,820,999	22,746,093	21,575,183	20,343,974
<u>177,253,664</u>	<u>189,364,822</u>	<u>187,209,767</u>	<u>198,689,045</u>	<u>210,427,037</u>	<u>247,512,740</u>

4.77 % 4.22 % 11.29 % 10.27 % 9.30 % 7.60 %

Legal Debt Margin Calculation for Fiscal Year 2023	
Market Value	\$ 8,928,557,140
Debt limit (3% of market value)	267,856,714
Debt applicable to limit:	
General obligation bonds	20,680,000
Less amount set aside for repayment of general obligation debt	<u>(336,026)</u>
Total net debt applicable to limit	<u>20,343,974</u>
Legal debt margin	<u>\$ 247,512,740</u>

CITY OF BURNSVILLE, MINNESOTA

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

Fiscal Year	Revenue Bonds						Coverage Ratio
	(2) Operating Revenues and Other	(3) Less Operating Expenses	Net Available Revenue	Debt Service (1)			
				Principal	Interest		
WATER AND SEWER FUND:							
2014	\$ 14,134,042	\$ 11,939,434	\$ 2,194,608	\$ 1,085,000	\$ 374,597	1.50	
2015	14,350,769	11,691,664	2,659,105	1,360,000	400,939	1.51	
2016	15,044,358	12,293,736	2,750,622	1,595,000	404,673	1.38	
2017	15,436,661	12,768,350	2,668,311	1,715,000	390,838	1.27	
2018	15,520,599	13,010,204	2,510,395	1,570,000	513,981	1.20	
2019	15,935,623	14,458,200	1,477,423	5,208,224	625,508	0.25	
2020	16,978,500	17,001,282	(22,782)	2,250,000	712,897	-0.01	
2021	18,363,656	15,052,831	3,310,825	2,422,197	645,947	1.08	
2022	19,227,464	15,891,135	3,336,329	2,512,000	584,948	1.08	
2023	20,249,799	18,155,025	2,094,774	2,582,000	626,218	0.65	
STORM WATER FUND:							
2014	\$ 4,177,901	\$ 2,054,181	\$ 2,123,720	\$ 180,000	\$ 74,648	8.34	
2015	4,166,171	2,524,717	1,641,454	185,000	70,193	6.43	
2016	4,271,318	2,852,255	1,419,063	185,000	65,305	5.67	
2017	4,251,318	3,058,176	1,193,142	195,000	58,845	4.70	
2018	4,271,323	3,007,405	1,263,918	200,000	51,995	5.02	
2019	4,326,247	2,877,235	1,449,012	1,252,642	43,312	1.12	
2020	4,384,431	4,180,757	203,674	—	—	—	
2021	4,521,217	3,007,431	1,513,786	—	—	—	
2022	4,626,016	3,066,125	1,559,891	—	—	—	
2023	4,755,651	3,245,500	1,510,151	—	—	—	

Note: Details regarding the city's outstanding debt can be found in the notes to basic financial statements.

(1) Includes principal and interest of revenue bonds only. It does not include the general obligation improvement bonds reported in the Water & Sewer and Storm Water Funds.

(2) Operating Revenue and Other includes only operating revenues for the Water & Sewer and Storm Water Funds.

(3) Operating Expenses excludes depreciation.

CITY OF BURNSVILLE, MINNESOTA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Number of Households (1)	Estimated Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (5)
2014	61,747	24,960	\$ 3,007,758,117	\$ 48,711	9,213	3.8 %
2015	61,908	24,990	3,128,892,228	50,541	8,989	3.5
2016	61,849	25,132	3,223,384,333	52,117	8,914	3.5
2017	62,239	25,252	3,628,844,895	58,305	8,563	3.1
2018	62,657	25,339	3,793,192,123	60,539	8,874	2.7
2019	62,785	25,405	3,891,225,945	61,977	8,603	3.2
2020	64,317	25,480	4,164,397,116	64,748	8,010	7.3
2021	64,627	25,696	4,389,918,229	67,927	7,837	3.6
2022	64,522	25,834	4,515,507,648	69,984	7,822	2.4
2023	64,522	25,834	4,515,507,648	69,984	7,822	2.6

Sources:

- (1) 2023 is an estimate of 0% growth from the 2022 actual figures provided by the Metropolitan Council. All years are best available estimates provided by the Metropolitan Council.
- (2) Estimated personal income is calculated by multiplying the per capita personal income by the City population.
- (3) Per capita personal income provided by the U.S. Bureau of Economic Analysis is an estimate for the State of Minnesota, the state in which the City is located. This is the smallest applicable region for which this data is available.
- (4) School enrollment is enrollment in the largest district, ISD# 191 (Burnsville). Burnsville is also served by ISD# 194 (Lakeville) and ISD# 196 (Rosemount-Eagan-Apple Valley). Data is compiled by the Minnesota Department of Education
- (5) Annual average unemployment rates compiled by the Minnesota Department of Employment and Economic Development.

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CITY OF BURNSVILLE, MINNESOTA

PRINCIPAL EMPLOYERS

CURRENT AND NINE YEARS AGO

Employer	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Collins Aerospace	1,800	1	5.2 %	1,400	2	4.1 %
Burnsville Public Schools - ISD #191	1,200	2	3.4	1,600	1	4.7
Fairview Ridges Hospital	967	3	2.8	1,200	3	3.5
Buck Hill Ski Area	500	4	1.4	—	—	—
Pepsi-Cola Bottling Co.	500	4	1.4	600	4	1.7
Ames Construction	400	6	1.1	—	—	—
YRC Freight	300	7	0.9	—	—	—
Telex Communications	300	7	0.9	—	—	—
Target	300	7	0.9	—	—	—
Park Nicollet Clinic	300	7	0.9	—	—	—
Northern Tool & Equipment	—	—	—	600	4	1.7
Mackin Media Library	—	—	—	400	6	1.2
Yellow Transportation	—	—	—	400	6	1.2
Asset Marketing Services	—	—	—	350	8	1.0
Frontier Communications of MN	—	—	—	300	9	0.9
Cub Foods	—	—	—	300	9	0.9
Walmart	—	—	—	300	9	0.9
Total	6,567		18.9 %	7,450		21.8 %

Source: Minnesota Department of Employment and Economic Development, Reference USA, written and telephone survey, and the Minnesota Manufacturers Register

CITY OF BURNSVILLE, MINNESOTA

FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

	Fiscal Year			
	2014	2015	2016	2017
Function:				
General government	41.4	41.4	41.4	41.7
Public safety:				
Police	90.9	91.1	91.1	91.1
Fire	40	40	40	44
Inspections	12.5	12.8	12.8	12.5
Public works and parks:				
Engineering	13	13	13	14
Parks	18	18	18	18
Public works	12	12	12	12
Fleet maintenance	8	8	8	8
Recreation	6	6	6	6
Conservation of natural resources	2	2	2.8	3.3
Economic development	1	1	1	1
Water and sewer	15	15	15	15
Storm drainage	3.5	3.5	3.5	3.5
Ice arena	6.5	6.5	6.5	6.5
Golf course	1.5	1.5	1.5	1.5
Total	271.3	271.8	272.6	278.1

Source: Annual City Budget Documents

Note: The hours include only full-time and regular part-time positions consistent with the City's budget process

2018	2019	2020	2021	2022	2023
42.30	45.50	45.50	48.40	48.40	54.20
91.1	91.1	91.1	91.1	91.1	99.1
44	44	45	45	45	48
13	13	14	14	14	14
14	14	14	14	14	14
18	18.5	18	18	18	18
12	12.5	14.5	14	14	14
8	8	9	9	9	9
5.8	6.6	8	6	6	6
3.5	5.5	3.5	2.5	2.5	2.5
1	2	—	—	—	—
15	13	16	17	17	19
3.5	1.5	4.0	4.5	4.5	4.5
6.5	6.5	6.5	6	6	6
1.5	1.5	1.5	1.5	1.5	1.5
279.2	283.2	290.6	291.0	291.0	309.8

CITY OF BURNSVILLE, MINNESOTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2014	2015	2016	2017
Police				
Total calls for service	46,209	49,924	48,859	48,575
Arrests - Adult	1,888	1,922	1,846	1,758
Arrests - Juvenile	367	351	323	409
Traffic citations	7,898	6,613	5,452	6,426
Fire and Emergency Services				
Number of calls (excluding EMS)	1,353	1,355	1,536	1,507
Number of Emergency Medical Service (EMS) calls	4,303	4,665	5,037	5,116
EMS patients served	3,269	3,400	3,765	4,009
Protective inspections				
Plan reviews	488	546	530	610
Building permits issued	7,252	6,888	6,871	7,044
Field inspections (Bldg, Plbg, Htg, Gas, S&W)	6,244	6,869	6,765	6,824
Code enforcement inspections	3,970	3,904	4,716	4,238
Public works				
Street rehabilitation/resurfacing (miles)	5.2	8.8	9.1	10.7
Sealcoating (miles)	18.5	6.1	5	4.7
Snow and ice control (miles)	222	222	222	222
Recreation				
Youth recreation activity participants	23,006	27,195	23,200	22,917
The Garage Attendance	22,500	*n/a	*n/a	*n/a
Water				
New connections	27	63	36	18
Water main breaks	17	19	15	12
Average daily consumption (thousands of gallons)	9,008	10,070	8,683	8,268
Total daily pumping capacity (thousands of gallons)	29,000	29,000	29,000	29,000
Sewer				
Average daily flow (thousands of gallons)	5,346	5,153	5,129	5,146
Storm Water				
Street sweeping (miles)	222	222	222	222
Golf course				
Annual rounds sold	20,851	23,775	23,059	20,725
Ice Center				
Learn to skate participants	513	455	354	298

Sources: Various City departments

Note: Indicators are not available for the general government functions.

* In 2015, the City transitioned the programs at THE GARAGE to the new Burnsville Youth Collaborative (BYC).

2018	2019	2020	2021	2022	2023
49,482	47,653	47,196	48,731	51,804	54,737
1,691	1,572	1,482	1,255	1,514	1,715
238	192	111	101	179	148
5,547	4,286	2,642	3,311	3,528	3,217
1,571	1,594	1,455	1,683	1,976	2,071
5,427	5,685	5,863	6,312	7,170	7,449
4,372	4,910	5,216	5,723	6,545	6,853
491	596	588	681	705	807
7,359	8,853	9,781	7,402	8,089	7,152
7,351	8,673	10,606	10,192	9,826	11,397
4,806	3,350	605	1,116	1,420	1,130
4.9	11.8	9.1	7.3	8.0	5.6
6.4	6.8	5.3	9.7	7.4	6.8
222	222	222	222	222	223
27,662	49,432	3,913	19,129	17,238	12,715
*n/a	*n/a	*n/a	*n/a	*n/a	*n/a
9	48	135	8	26	45
12	11	14	14	11	13
8,150	8,090	8,590	9,322	6,315	6,646
29,000	29,000	29,000	29,000	29,000	29,000
5,047	5,004	5,255	5,159	5,189	4,871
222	222	222	222	222	223
17,107	18,676	26,213	25,004	27,985	28,403
347	299	104	157	366	349

CITY OF BURNSVILLE, MINNESOTA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2014	2015	2016	2017
Function				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	26	26	26	26
Fire stations	2	2	2	2
Public works				
Streets (miles)	220.4	221.9	221.9	221.9
Traffic signals	22	22	22	22
Parks and recreation				
Parks acreage	1,750	1,750	1,750	1,750
Parks	76	76	76	76
Turf maintained (acres)	645	645	645	645
Atheletic fields maintained	142	142	142	142
Golf course	1	1	1	1
Ice skating rinks				
Indoor	2	2	2	2
Outdoor	29	29	29	29
Water				
Water mains (miles)	259.8	260.7	260.7	260.7
Wells	17	17	17	17
Connections	16,655	16,718	16,754	16,772
Total storage capacity (thousands of gallons)	19,000	19,000	19,000	19,000
Sewer				
Sanitary sewers (miles)	209.3	209.6	209.7	209.7
Number of connections	16,073	16,079	16,113	16,133
Storm sewers (miles)	196.8	199.4	199.9	200.0

Source: Various City departments

Note: No capital asset indicators are available for the general government functions.

2018	2019	2020	2021	2022	2023
1	1	1	1	1	1
26	26	26	26	26	30
2	2	2	2	2	2
221.9	221.9	221.9	221.9	222.1	222.6
22	22	23	23	23	24
1,750	1,750	1,750	1,750	1,750	1,750
76	76	76	76	76	76
645	645	645	449	449	462
142	142	142	142	142	142
1	1	1	1	1	1
2	2	2	2	2	2
29	29	28	25	25	25
260.7	260.7	260.7	264.8	264.8	264.9
17	17	17	17	17	17
16,781	16,829	16,964	16,974	17,000	17,045
19,000	19,000	19,000	19,000	19,000	19,000
209.7	209.7	209.7	198.3	198.3	198.3
16,149	16,188	16,199	16,835	16,978	17,016
200.4	200.4	200.4	195.9	196.3	196.4

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