

**AGENDA**  
**CITY OF DAYTON, MINNESOTA**  
**12260 S. Diamond Lake Road, Dayton, MN 55327**  
**Tuesday, May 14, 2024**  
**REGULAR MEETING OF THE CITY COUNCIL - 6:30 P.M.**

**The invite for Zoom for this meeting can be found on the City's website community calendar**

- 6:30      **CALL TO ORDER**
- 6:30      **PLEDGE OF ALLEGIANCE**
- 6:35      **APPROVAL OF AGENDA**
- 6:35      **CONSENT AGENDA**      *These routine or previously discussed items are enacted with one motion*
- A.** Approval of Work Session and Council Meeting Minutes of April 23, 2024
- B.** Approval of Payment of Claims for May 14, 2024
- C.** Approval of Temporary Liquor License for the Dayton Lions for June 28, 2024 for Elsie Stephens Park
- D.** Approval of Temporary Liquor License for the Dayton Lions for September 7, 2024 for Magnus Veterans Foundation
- E.** Accept Technical Review of Wellhead Treatment Plant
- F.** Approval of Part Time and Seasonal Hire
- G.** Letter of Credit Reduction River Hills 7,8,9 Addition
- 6:40      **OPEN FORUM**      *Is limited to Three minutes for non-agenda items; state your name and address; No Council Action will be taken and items will be referred back to staff*
- 6:50      **STAFF, CONSULTANT AND COUNCIL UPDATES**
- COUNCIL BUSINESS**
- New Business**
- 7:00      **H.** Accept 2023 Audited Financial Statements
- 7:10      **I.** Approval of 1st Quarter Report
- 7:15      **J.** Territorial Road and Rush Creek Parkway Intersection
- 7:40      **K.** Hennepin County Future Road Work Discussion
- Action Items**
- 8:00      **L.** Approval of Authorized Plans Fog Seal
- 8:15      **M.** Award Contract for Well House
- 8:30      **N.** Discussion of Ordinance for Employees on Council
- 9:00      **ADJOURNMENT**

The City of Dayton's mission is to promote a thriving community and to provide residents with a safe and pleasant place to live while preserving our rural character, creating connections to our natural resources, and providing customer service that is efficient, fiscally responsible, and responsive.

***Mayor Fisher called the work session meeting to order at 5:30 p.m.***

***PRESENT:*** Mayor Dennis Fisher, David Fashant, Travis Henderson, Scott Salonek, and Matt Trost

***ABSENT:***

***ALSO PRESENT:*** Public Works Superintendent, Marty Farrell; City Engineer, Jason Quisberg; City Administrator/Finance Director, Zach Doud; Assistant City Administrator/City Clerk, Amy Benting; Police Chief, Paul Enga; Fire Chief, Gary Hendrickson

## **INTERSECTION INVENTORY/ANALYSIS WORK SESSION**

Doud invited Quisberg to begin the presentation. Quisberg gave the following background information: 1) There have been past discussions regarding intersection safety and operations; 2) City Council expressed the desire to identify intersections of concern and outline potential mitigations; 3) The information gathered is to be used for funding solicitations, informing the City Capital Improvement Program (CIP), consideration with development applications, and response to agency and/or public inquiries; and 3) City Council authorized a study in October of 2023.

Quisberg stated that there were initially 30 targeted intersections that Staff and Quisberg selected, based on collector roads (major intersections), anticipated growth in use, reported safety concerns, known operational challenges, and pedestrian facilities (existing or planned). Quisberg stated that the method of prioritizing the intersections was based mainly on safety and pedestrian use. Quisberg shared the data that was collected.

The top ten priority intersections and their scores are as follows:

- 1) Dayton River Road and Pineview Lane – 10 Stars
- 2) Dayton River Road and Brockton Lane – 8 Stars
- 3) Dayton River Road and North Diamond Lake Road/142<sup>nd</sup> Avenue – 7 Stars
- 4) CSAH 81 and Dayton Parkway – 7 Stars
- 5) Dayton River Road and Lawndale Lane – 6 Stars
- 6) Fernbrook Lane and Rush Creek Parkway/Elm Creek Road – 6 Stars
- 7) Dayton Parkway and Territorial Road/Holly Lane – 6 Stars
- 8) CSAH 81 and Troy Lane – 4 Stars
- 9) CSAH 81 and Territorial Road – 4 Stars
- 10) South Diamond Lake Road and Pineview Lane – 3 Stars

Additional discussion ensued regarding the priority intersections.

Quisberg stated that a lot of data was collected, and potential future growth was considered.

Quisberg stated that after the data was extracted and the priority intersections were noted, potential improvements for each intersection were identified. Some intersections have more than one option. The estimated cost associated with the improvements was also provided. Quisberg explained that specialized software was used to determine cost benefit. The report provides suggested short-term, mid-term, and long-term implementation projects that could be completed.

Quisberg went through numerous slides that offered suggestions for improvements along with their potential cost estimates.

Additional conversation ensued regarding the County's participation with the funding for the projects.

There was discussion regarding the use of traffic signals versus a roundabout.

Additional discussion regarding developer participation for the intersection improvements.

Salonek suggested that the intersection of Dayton River Road and Pineview Lane and the intersection of Dayton River Road and Lawndale Lane should be the number one and number two priorities.

Enga stated that there have been numerous accidents at the intersection of Dayton River Road and North Diamond Lake Road/142<sup>nd</sup> Avenue.

Quisberg stated the hope is to provide the County with all of the safety data collected through this report so as to foster the potential for the City and the County to work together in the name of safety.

### **ADJOURNMENT**

Fisher declared the meeting adjourned at 6:26 p.m.

Respectfully Submitted,

Sandra Major, Recording Secretary  
*TimeSaver Off Site Secretarial, Inc.*

Approved: \_\_\_\_\_

Attest: Amy Benting

***Mayor Fisher called the public meeting to order at 6:30 p.m.***

**PRESENT:** Mayor Dennis Fisher, David Fashant, Travis Henderson, Scott Salonek, and Matt Trost

**ABSENT:**

**ALSO PRESENT:** Public Works Superintendent, Marty Farrell; City Engineer, Jason Quisberg; Fire Chief, Gary Hendrickson; Police Chief, Paul Enga; City Administrator/Finance Director, Zach Doud; Assistant City Administrator/City Clerk, Amy Benting; Community Development Director, Jon Sevald; City Attorney, Amy Schmidt

### **PLEDGE OF ALLEGIANCE**

### **FOLLOW UP TO CLOSED CITY COUNCIL MEETING ON APRIL 9, 2024**

Fisher explained that a statement is required by Minnesota Statute. The City Council met in a closed session on April 9, 2024, for the purpose of conducting a performance evaluation of the City Administrator/Finance Director, Zach Doud. The overall conclusion was that Doud has done a good job this past year, and the Council appreciates Doud's tireless dedication and hard work. During the evaluation, the Council directed Doud to identify some professional goals for the coming months. These goals will be revisited during Doud's next performance evaluation.

### **APPROVAL OF AGENDA**

Benting requested to add a Temporary Liquor License on June 14, 2024, for a Family Fun Night to the consent agenda. This item will be considered as item E(1).

**MOTION:** Motion was made by Councilmember Henderson, seconded by Councilmember Fashant to approve the agenda items, as amended. Motion carries unanimously.

### **CONSENT ITEMS:**

Fashant stated that on the payment of claims, page 29, there is a subscription for a fuel cloud. Fashant asked for clarification as to what a fuel cloud is. Farrell stated that a fuel cloud is a fuel dispenser at Public Works. All the transactions are completed through the cloud. Fashant asked for clarification on the Sundance Greens 10<sup>th</sup> Addition for one lot. Doud stated that Fashant is correct.

- A. Approval of Council Meeting Minutes of April 9, 2024
- B. Approval of Local Board of Appeals Meeting Minutes of April 9, 2024
- C. Approval of Payment of Claims for April 23, 2024
- D. Approval of Resolution 18-2024; Final Plat of Sundance Greens 10<sup>th</sup> Addition
- E. Approval of Pay Request 6 for Well Head Treatment
  - 1) Temporary Liquor License on June 14, 2024, for Family Fun Night

**MOTION:** Motion was made by Councilmember Trost, seconded by Councilmember Henderson, to approve the Consent Agenda as amended. The motion carries unanimously.

**OPEN FORUM:**

Ron Basara of 3871 121<sup>st</sup> Circle, came forward. Mr. Basara represents RJ Ryan Construction, who is working on the MTL project on 118<sup>th</sup> Avenue. Basara asked for permission to extend their working hours on Thursday, April 25, 2024, until 11:00 p.m. in order to complete a large concrete project.

**MOTION:** Motion was made by Councilmember Fashant, seconded by Councilmember Trost, to approve the extension of work hours on Thursday, April 25, 2024, until 11:00 p.m. for the MTL concrete project. The motion carries unanimously.

**STAFF, CONSULTANT AND COUNCIL UPDATES:**

**Doud** stated that on May 22, 2024, there is an Open House at Public Works from 5:00 p.m. until 7:00 p.m. The City will provide food.

**Benting** stated that Open Filing from May 21, 2024, and go through June 4, 2024. Absentee and early voting will begin June 28, 2024, and go through August 12, 2024.

Benting stated that Staff is currently looking for a new website provider. The hope is to find something a little more user friendly for the residents. Fisher asked if a common URL will be used. Benting stated that the City is required to move away from a .com address and go to a .gov address. Benting stated that the domain has been requested.

**Farrell** stated that all the slab, rebar, plumbing and electrical have been installed for the Well Head Treatment Plant.

Farrell stated that a meeting is scheduled with DNR in May regarding the joint project at the Historic Village Landing.

Farrell met with the DNR to go over the existing proposal for Elsie Stephens Park.

Farrell is working with the National Parks Service to get the \$100,000 grant funding released for the Water Trails project.

Farrell stated that with regard to the roads, crack sealing and street sweeping is ongoing.

Farrell stated that there are a few tree-trimming projects ongoing.

Farrell stated that there are two interviews scheduled for this week for two seasonal employees. Two part-time applicants have been invited for interviews, but there have been no responses yet.

**Hendrickson** stated that he will not be in attendance for the May 14, 2024, City Council Meeting. Hendrickson and a committee will be traveling for the purpose of investigating the best motors for the fire trucks.

**Enga** stated that the two newly hired officers are currently in their first week of being in uniform and riding with their FTO. Enga stated that the officers are meeting expectations and even exceeding some of the expectations.

**Sevald** stated that Thursday, May 2, 2024, is a joint City Council and Planning Commission Work Session at 5:00 p.m.

## **COUNCIL BUSINESS**

### **New Business:**

#### **F. Approval of Authorizing Preparation of Plans and Specifications for the 2024 Chip and Fog Seal Project**

Quisberg came forward to explain the above referenced project. Dayton's Pavement Management Plan (PMP) identifies Crack Repair, Chip Seal & Fog Seal as an improvement strategy. The Crack Repair is designed to clean out existing cracks, fill them with an asphalt material, and keep water from entering the underlying pavement structure. The Chip Seal is liquid asphalt that is applied to the surface, followed by placement of small angular rocks to seal pavement surface and provide improved skid resistance. The Fog Seal is an additional application of asphalt material to lock the rock in place, which is intended to minimize damage due to plowing and extend the life of the treatment. Quisberg stated that this is the least expensive manner to extend the life of our roadways. Quisberg stated that this year approximately 3.9 miles of road were designated to receive the above referenced treatment. Because projects have been coming in significantly under budget, segments identified for future years are being considered for 2024. The current preliminary project cost estimate is \$774,000. The proposed 2024 project includes Diamond View Estates, Territorial Trail, Zanzibar Lane, Pioneer Parkway, River Hills Parkway, Pineridge Way/Deerwood Avenue, 117<sup>th</sup> Avenue, and Rush Creek Parkway.

Additional conversation ensued regarding the "value" the procedure.

Quisberg reminded the Council that this project extends the life of the road, but it does not increase the actual structure.

Salonek suggested the regular seal coating. Additional conversation ensued. Henderson asked for Farrell's input. Farrell stated the Chip and Fog Seal is preferable because of the importance of keeping the rocks in place on the roads. Fashant asked how the Chip and Fog Seal holds up to the street sweepers. The street sweepers are not an issue at all. Trost asked if this topic is tabled for two weeks, would it prevent the project from happening this year. The answer is no.

**MOTION:** Motion was made by Councilmember Trost, seconded by Councilmember Salonek, to table the approval of authorizing preparation of plans and specifications for the 2024 Chip and Fog Seal Project. The motion carries unanimously.

#### **G. Discussion on Ballot Question**

Doud stated that Schmidt is here to assist with the proper wording for ballot questions, and Benting is also present to answer any questions that Council may have. Doud stated that the following topics have been considered: 1) A Large Recreation Complex; 2) A 25 mile per hour speed limit in residential areas; 3) A form of government; and 4) Detachment from Hennepin County.

Trost asked if the questions have to be a yes or no answer on a particular question or if the question can ask an opinion of one thing versus another. Schmidt stated that a ballot question is a limited tool that cannot be used as a survey.

Schmidt explained the difference between a referendum and a petition. Schmidt stated that the language must be very specific. Schmidt gave Council some ideas as to how to take the temperature of the community in other ways without using a ballot question.

Trost asked if the speed limit question could be a ballot question. Schmidt stated that laws have to go through the legislature. Enga stated that a 25 mile per hour speed limit has already passed, but an engineering study is required prior to the measure being instituted. Enga further stated that 25 mile per hour speed limit signs must to be posted at the beginning and end of each impacted street.

Sevald stated that Apple Valley passed a \$73,000,000 bond. Apple Valley conducted two surveys, which lead to a referendum. Sevald read the referendum questions that Apple Valley used.

Fashant asked about the effort to secede from Hennepin County. Schmidt stated that this would be a premature question.

There was consensus to remove the potential of secession from Hennepin County from the list of possible ballot questions.

Additional discussion ensued regarding the difficulties of a survey that isn't skewed.

#### **H. Discussion on Garage Size and Driveway Aprons**

Sevald came forward and stated that the City Code requires a minimum of 440 square feet for a two-car garage. Most garages that are being built are three-car garages. Sevald stated that feedback is needed on the question of garage stall size. The Planning Commission discussed the topics of garage size in April and decided that the City Code is appropriate.

Salonek stated that this seems like a government waste of time, noting the City should not be telling homebuyers what size their garage should be.

Trost raised concern and stated that the City should mandate at least a 2.5-car garage.

Fisher stated that he has no appetite for dictating the size of garages.

Henderson asked if the City can override an HOA with regard to building storage sheds. The answer is no.

Fashant stated that the City dictating the size of a garage seems unnecessary.

Fisher stated that it is not a free market with regard to home builders. The builders really do dictate what can and cannot be built.

Doud stated that the City does monitor garage size. No builder can build a single-car garage right now.

Additional conversation ensued.

Tom Dehn of 11261 Fernbrook Lane came forward and stated that he believes HOAs are necessary. He stated that the depth of the garage is pretty important. In general, the City benefits from HOAs because the HOA polices themselves.

There was consensus to not increase the garage size minimum.

Dehn stated that the width of the lot could be the rationale for the specific size that is currently in the City Code.

Sevald stated that an apron is the space between an asphalt driveway and the garage. When a home is built, the footings are dug and there is quite a bit of backfill that occurs. Over time the backfill settles, causing driveways to sink. The Planning Commission agreed to require a concrete apron at their April meeting.



Henderson stated that the actual problem is compaction issues, and the concrete apron does not solve the compaction issues.

Fashant stated that requiring the concrete apron is not a big cost if it is poured at the same time the garage floor is being poured. It solves a problem.

Sevald stated that direction is also required for whether the City should require a concrete apron at the street/driveway intersection.

There was additional discussion.

Sevald and Henderson were apposed to the requirement of a concrete apron. Dehn stated that it may prolong the problem, but it will not solve the problem.

Sevald stated that the direction from the Council is to require the concrete apron at the garage, not at the curb, and leave the garage size untouched.

**I. Approval of Awarding Construction Contract for the Jordan and Jaeger Ditch Stabilization Project**

Quisberg came forward and stated that the above referenced project is located at 16630/16750 Dayton River Road. The ravine warrants improvements. Hennepin County stabilized an upstream portion of the ravine in 2023 with a culvert project. The adjacent property owners support the project. A Hennepin County grant in the amount of \$32,000 has been secured. The Elm Creek Watershed funding in the amount of \$50,000 has been secured. Council authorized the design at the January 9, 2023, Council meeting. Council authorized the quote solicitation at the March 26, 2024, Council meeting.

Quisberg stated that the preliminary estimated total project cost was \$105,000. The project funding leaves the City of Dayton to pay \$23,000. Council's direction was to limit the City's cost responsibility to \$3,000. Seven quotes were solicited from contractors. Five quotes were received. Minnesota Native Landscape (MNL) had the lowest bid at \$61,510. The updated cost funding leaves the City of Dayton of \$4,500.

There was discussion regarding the amount of rock needed.

Quisberg explained the process of estimated quantities within the bid process. There is almost always a change in quantities.

**MOTION:** Motion was made by Councilmember Salonek, seconded by Councilmember Fashant, to award construction contract to Minnesota Native Landscape for \$61,510. The motion carries unanimously.

**Public Hearings:**

**J. Resolution 19-2024; Interim Use Permit for an Extended Home Business, LawnSmart, 17480 117<sup>th</sup> Avenue North**

Sevald came forward and stated that this is a public hearing for an Interim Use Permit for an Extended Home Business, LawnSmart, located at 17480 117<sup>th</sup> Avenue North. LawnSmart is a landscape and snow removal business with year-round outdoor storage. The business has four full-time employees and up to 12 seasonal employees. The Planning Commission recommended approval with up to 15 employees. With regard to the outdoor storage, it cannot be seen from the street or from the neighbors' homes. The Planning Commission recommended approval for the outdoor storage.

Fisher opened the public hearing at 8:10 p.m.

Mike Roves of 17480 117<sup>th</sup> Avenue North came forward and stated that he is the applicant.

Trost asked what year Roves purchased the property. The answer was 2019. Trost asked what was in the storage area before Roves purchased the property. The answer is trees. Trost asked how many trees Roves took out. The answer was 75 or 80.

Fashant asked if there was fuel storage on site. The answer was yes. Roves stated that there are two 500-gallon tanks of fuel on site. Fashant asked if the tanks were registered with the County. Roves stated that he believes the tanks are registered through Beaudry Oil, who provides the fuel, but Roves cannot say for sure. Fashant stated that one of the requirements is secondary containment for potential fuel spills. Fashant asked if the secondary containment exists currently. The answer is no. Fashant stated that a lot of businesses are required to have a hazardous waste permit. Fashant asked Roves if a hazardous waste permit has been explored by Roves. The answer is no. Fashant stated that he would like to see the amount of outdoor storage limited to the current requirements.

Salonek stated that he will vote no on this request. Trost stated that he agreed with Salonek.

Fashant stated that Roves is likely at the point that the business needs to be in a properly zoned area, but Fashant is reluctant to putting Roves out of business.

Trost stated that he would be willing to give Roves the IUP for one year so that it doesn't shut down Roves' business.

Fisher closed the public hearing at 8:26 p.m.

Fisher stated that he is inclined to grant the IUP for five years.

Fashant stated that he's okay with granting the IUP for five years. Fashant wants to include the environmental concerns in the IUP.

Henderson stated that he's okay with granting the IUP for five years, but he also wants to include all of the environmental concerns in the IUP. Henderson stated that he wants to see a business work in Dayton, but there are limitations.

Hendrickson stated that it would be better to use broader terminology and not specific language for the requirements related to fuel and hazardous waste.

**MOTION:** Motion was made by Councilmember Fashant, seconded by Councilmember Henderson to approve Resolution 19-2024; Interim Use Permit for an Extended Home Business, Lawn Smart 17480 117<sup>th</sup> Avenue North for five years with the conditions that the applicant must meet all MPC and Hennepin County requirements regarding fuel storage and waste, and a maximum of 20% of the lot that is adequately screened can be used for outdoor storage. Motion carries 3 ayes, 2 nays (Salonek and Trost).

**K. Resolution 20-2024; Interim Use Permit for an Event Center (Dehn's Pumpkins), 17270 125<sup>th</sup> Avenue**

Sevald came forward and stated that this is a public hearing on Resolution 20-2024; Interim Use Permit for an Event Center (Dehn's Pumpkins). The property is located at 17270 125<sup>th</sup> Avenue. The applicants would like to include the following activities for their Event Center:

- Corn Maze
- Hayrides/Sleighrides
- Haunted Attractions
- Concerts
- Ice Castles
- Christmas Tree Sales
- Birthday Parties/Corn Pit/Inflatables
- Weddings/Receptions
- Easter Activities
- Motocross

The total property is approximately 600 acres. The Event Center area is about three acres. Sevald indicated where the various activities would be held in his presentation.

Sevald stated that the applicants will be required to submit Emergency Operations Plans for review and acceptance by Police Chief, Fire Chief, and Building Official. The plan should focus on how the applicant will manage large crowds and how emergency responders will access all areas of the property.

Fisher inquired about Sevald's footnote regarding commercial uses on preserved land back in 2000. There were certain limitations associated with the motocross use. The issue was tabled. Doud stated that it is still tabled today.

Fashant stated that he is not clear on the checkbox for commercial recreation. Fashant asked what commercial recreation covers. Sevald stated that commercial recreation covers whatever you would like it to cover. Sevald stated that there is not a definition for commercial recreation. Fashant asked if commercial recreation is covered under the IUP, or does it need to be a CUP. Sevald stated that the application for the Event Center is all encompassing. Sevald stated that the Planning Commission approved a thirty-year IUP for the Event Center, which is technically a temporary use.

Fashant stated his concern for allowing Public Safety the ability to close operations immediately if warranted. Fashant asked for the definition of "warranted." Sevald stated that the definition of "warranted" would be left to the person on site to decide. Enga stated that an example would be if a large fight broke out, this would give us the authority to shut the operation down and gain control of the situation. Enga stated that an active shooter incident would be another example which would provide the opportunity to shut down the operation for the purpose of investigating the scene.

Fisher opened the public hearing at 8:45 p.m.

No one was present for the public hearing.

Fisher closed the public hearing at 8:46 p.m.

Salonek suggested that 10 years would be sufficient for the IUP. Sevald stated that Staff originally recommended 10 years, but the Planning Commission recommended 30 years for the IUP.

**MOTION:** Motion was made by Councilmember Salonek, seconded by Councilmember Trost, to approve Resolution 20-2024; Interim Use Permit for an Event Center (Dehn's Pumpkins), 17270 125<sup>th</sup> Avenue as presented. The motion carries unanimously.

### **Five Minute Recess**

COUNCIL MEETING  
APRIL 23, 2024  
6:30 P.M.  
PAGE 10 OF 10

CITY OF DAYTON, MINNESOTA  
12260 SO. DIAMOND LAKE ROAD  
HENNEPIN/WRIGHT COUNTIES

**Closed Session**

- L. Closed session pursuant to Minnesota Statutes section 13D.05, subdivision 3(b) for confidential discussion with legal counsel regarding litigation.**

**MOTION:** Motion was made by Councilmember Henderson, seconded by Councilmember Fashant, to recess to closed session. The motion carries unanimously.

**ADJOURNMENT**

Fisher declared the meeting adjourned at 9:07 p.m.

Respectfully Submitted,

Sandra Major, Recording Secretary  
*TimeSaver Off Site Secretarial, Inc.*

Approved: \_\_\_\_\_

Attest: Amy Benting

**Payments to be approved at City Council Meeting May 14, 2024**

	<b>Totals</b>
<b>Claims Roster 05-14-2024</b>	<b>\$ 885,115.88</b>
<b>Prepaid 04-25-2024 EB</b>	<b>\$ 66,624.75</b>
<b>Prepaid 05-08-2024 FB</b>	<b>\$ 1,984.13</b>
<b>Prepaid 05-09-2024 EB</b>	<b>\$ 122,469.04</b>

<b>Total Payments:</b>	<b>\$ 1,076,193.80</b>
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<b>Payroll 04-25-2024 Bi-Weekly 09</b>	<b>\$ 94,519.11</b>
<b>Payroll 05-08-2024 FD</b>	<b>\$ 9,577.50</b>
<b>Payroll 05-09-2024 Bi-Weekly 10</b>	<b>\$ 94,279.71</b>

Check # sequence to be approved by City Council from meeting date of 05/14/2024:

**Checks # 076777-076862**

05/08/2024

INVOICE REGISTER REPORT FOR CITY OF DAYTON MN  
 EXP CHECK RUN DATES 05/14/2024 - 05/14/2024  
 BOTH JOURNALIZED AND UNJOURNALIZED  
 BOTH OPEN AND PAID

Inv Num Inv Ref#	Vendor Description GL Distribution	Inv Date Entered By	Due Date	Inv Amt	Amt Due	Status	Jrnized Post Date
	21ST CENTURY BANK RETURNED CHECK FEE; UB 5845 101-40700-34710	03/04/2024 DBRUNETTE	03/04/2024	4.00 4.00	0.00	Paid	Y 03/04/2024
	ACME TOOLS-PLYMOUTH PW; SUPPLIES-SHOP 101-43100-50210	05/03/2024 CHOYT	05/14/2024	279.84 279.84	279.84	Open	N 05/01/2024
	AIMPOINT INC PD; OTHER EQUIPMENT-PATROL RIFLE 101-42120-50580	05/06/2024 CHOYT	05/14/2024	894.00 894.00	0.00	Paid	Y 03/04/2024
	ALLIED BLACKTOP CO PW; SPRING STREET SWEEPING/76 HRS 101-43100-50224	04/30/2024 CHOYT	05/14/2024	8,740.00 8,740.00	8,740.00	Open	N 04/26/2024
	ALLISON, ROBERT UB refund for account: 4614 601-00000-15550	05/07/2024 CHOYT	05/14/2024	42.46 42.46	42.46	Open	N 04/30/2024
	ALLSTREAM CH; TELE/COMMUN-FINAL THROUGH MAR 2024 101-41810-50321	05/07/2024 CHOYT	05/14/2024	344.36 344.36	344.36	Open	N 03/23/2024
	AMERICAN ENGINEERING TESTING WELL HEAD WATER TREATMENT FEB-APR 2024 601-00000-16500	04/24/2024 CHOYT	05/14/2024	1,402.50 1,402.50	1,402.50	Open	N 04/23/2024
	ASPEN MILLS	04/23/2024	05/14/2024	222.95	222.95	Open	N

FD; GENERAL UNIFORM-FRANKLIN	CHOYT						04/18/2024
101-42260-50217	FD; GENERAL UNIFORM-FRANKLIN			222.95			
ASPEN MILLS	04/29/2024	05/14/2024	222.95	222.95	Open	N	
FD; UNIFORM-HAROD	CHOYT						04/26/2024
101-42260-50217	FD; UNIFORM-HAROD			222.95			
ASPEN MILLS	04/29/2024	05/14/2024	222.95	222.95	Open	N	
FD; UNIFORM-WESTENDORF	CHOYT						04/26/2024
101-42260-50217	FD; UNIFORM-WESTENDORF			222.95			
ASPEN MILLS	04/29/2024	05/14/2024	501.40	501.40	Open	N	
PD; UNIFORM-MCALPINE	CHOYT						04/23/2024
101-42120-50217	PD; UNIFORM-MCALPINE			501.40			
ASPEN MILLS	05/01/2024	05/14/2024	222.94	222.94	Open	N	
FD; UNIFORM-SISALEUMSOK	CHOYT						05/01/2024
101-42260-50217	FD; UNIFORM-SISALEUMSOK			222.94			
ASPEN MILLS	05/03/2024	05/14/2024	212.90	212.90	Open	N	
FD; UNIFORM-WERBOWSKI	CHOYT						05/02/2024
101-42260-50217	FD; UNIFORM-WERBOWSKI			212.90			
ASPEN MILLS	05/03/2024	05/14/2024	222.90	222.90	Open	N	
FD; UNIFORM-KNUTSON	CHOYT						05/02/2024
101-42260-50217	FD; UNIFORM-KNUTSON			222.90			
AUTO BODY PLUS OF ROGERS	04/30/2024	05/14/2024	30.00	30.00	Open	N	
PD; REPAIR/MAINT-2023 DURAGO	CHOYT						04/30/2024
101-42120-50220	PD; REPAIR/MAINT-2023 DURAGO			30.00			
AUTO BODY PLUS OF ROGERS	04/30/2024	05/14/2024	50.00	50.00	Open	N	
PD; REPAIR/MAINT-2023 DURNAGO RED	CHOYT						04/30/2024
101-42120-50220	PD; REPAIR/MAINT-2023 DURNAGO RED			50.00			
BANK FEE-ADJ	03/29/2024	03/29/2024	25.00	0.00	Paid	Y	
SCANNER; MAR 2024	DBRUNETTE						03/29/2024
101-41500-50309	SCANNER; MAR 2024			25.00			



BANK FEE-ADJ	03/29/2024	03/29/2024	25.00	0.00	Paid	Y
CASH MGMT; MAR 2024	DBRUNETTE					03/29/2024
101-41500-50309	CASH MGMT; MAR 2024		25.00			
BAN-KOE SYSTEMS, INC	04/30/2024	05/14/2024	440.00	440.00	Open	N
PW; OPERATING SUPPLIES-FOBS	CHOYT					04/12/2024
101-43100-50210	PW; OPERATING SUPPLIES-FOBS		440.00			
BCA	04/29/2024	05/14/2024	300.00	300.00	Open	N
PD; PROFESSIONAL DEVELOPMENT-2024 BCA CI	CHOYT					04/26/2024
101-42120-50208	PD; PROFESSIONAL DEVELOPMENT-2024 BCA		300.00			
BEAUDRY	04/23/2024	05/14/2024	904.43	904.43	Open	N
PW; ULS #2 DYED DIESEL B20; 278.80	CHOYT					04/17/2024
101-43100-50212	PW; ULS #2 DYED DIESEL B20; 278.80		904.43			
BEAUDRY	04/23/2024	05/14/2024	1,656.26	1,656.26	Open	N
PW; UNLEADED 87 -572.90	CHOYT					04/23/2024
101-43100-50212	PW; UNLEADED 87 -572.90		1,656.26			
BEAUDRY	05/01/2024	05/14/2024	1,782.90	1,782.90	Open	N
PW; UNLEADED 87 -630.00	CHOYT					05/01/2024
101-43100-50212	PW; UNLEADED 87 -630.00		1,782.90			
BERGANKDV LTD	04/30/2024	05/14/2024	28,000.00	28,000.00	Open	N
AUDIT OF BASIC FINANCIAL STATEMENTS 2023	CHOYT					04/30/2024
101-41620-50301	AUDIT OF BASIC FINANCIAL STATEMENTS 2023		28,000.00			
BLACK & VEATCH	04/29/2024	05/14/2024	35,298.10	35,298.10	Open	N
WELL 4 & 5 FILTRATION DET DES; FEB-MAR 2024	CHOYT					04/12/2024
601-00000-16500	WELL 4 & 5 FILTRATION DET DES; FEB-MAR		35,298.10			
BLANCA SANCHEZ	05/07/2024	05/14/2024	300.00	300.00	Open	N
DAC RENTAL DEPOSIT RELEASE;EVENT 5/5/24	CHOYT					05/07/2024
101-00000-21716	DAC RENTAL DEPOSIT RELEASE;EVENT 5/5/24		300.00			
BS&A	04/23/2024	05/14/2024	2,619.00	2,619.00	Open	N

CD; SOFTWARE SVC-BS&A PERMITS ONLINE 05/0 CHOYT							04/23/2024
101-41660-50309	CD; SOFTWARE SVC-BS&A PERMITS ONLINE			2,619.00			
C. VISION PRODUCTION	04/24/2024	05/14/2024		500.00	500.00	Open	N
DRONE COVERAGE; WATER TREATMENT PLANT P CHOYT							04/24/2024
226-41900-50430	DRONE; WATER TREATMENT PLANT POUR			500.00			
C. VISION PRODUCTION	04/24/2024	05/14/2024		2,850.00	2,850.00	Open	N
VIDEO TECH; APR 2024	CHOYT						04/24/2024
226-41900-50430	VIDEO TECH; APR 2024			2,850.00			
CAMPION, BARROW & ASSOCIATES, INC	04/29/2024	05/14/2024		465.00	465.00	Open	N
PD; CONTRACT SERVICES-TESTING	CHOYT						03/31/2024
101-42120-50308	PD; CONTRACT SERVICES-TESTING			465.00			
CARSON, CLELLAND & SCHREDER	05/01/2024	05/14/2024		2,000.00	2,000.00	Open	N
CRIMINAL PROSECUTION; APR 2024	CHOYT						04/30/2024
101-41640-50305	CRIMINAL PROSECUTION; APR 2024			2,000.00			
CENTERPOINT ENERGY	04/29/2024	05/14/2024		892.44	0.00	Paid	Y
8000014132-7 GAS SVCS MAR 2024	CHOYT						04/24/2024
101-43100-50383	PW; 5888628-4			267.91			
101-41810-50383	CH; 5895786-1			325.22			
101-41910-50383	AC; 5895789-5			254.68			
101-43100-50383	BROCKTON; 5914909-6			44.63			
CENTERPOINT ENERGY	05/06/2024	05/14/2024		52.32	52.32	Open	N
RH WELLHOUSE; 11429952-2 APR 2024	CHOYT						05/01/2024
601-49400-50383	RH WELLHOUSE; 11429952-2 APR 2024			52.32			
CENTERPOINT ENERGY	05/06/2024	05/14/2024		2,099.25	2,099.25	Open	N
PW/PD FACILITY; 10662228-5 APR 2024	CHOYT						04/26/2024
101-43100-50383	PW FACILITY; 10662228-5			1,049.63			
101-42120-50383	PD FACILITY; 10662228-5			1,049.62			
CENTRAL HYDRAULICS, INC	04/30/2024	05/14/2024		34.00	34.00	Open	N
PW; REPAIR/MAINT-DUST CAP	CHOYT						04/19/2024
101-43100-50220	PW; REPAIR/MAINT-DUST CAP			34.00			

CENTURYLINK	04/23/2024	05/14/2024	213.42	213.42	Open	N
PW; WATER SCADA & WELLHOUSE2 APR-MAY 20: CHOYT						04/13/2024
601-49400-50321 PW; 763 323-0023 WATER SYSTEM SCADA			106.71			
602-49400-50321 PW; 763 323-0975 WELLHOUSE 2 LANDLINE			106.71			
CENTURYLINK	04/29/2024	05/14/2024	44.71	44.71	Open	N
PW; 763 428-7345 APR-MAY 2024 CHOYT						04/21/2024
101-43100-50321 PW; 763 428-7345 APR-MAY 2024			44.71			
CHARTER COMMUNICATIONS	04/22/2024	05/14/2024	359.93	359.93	Open	N
PD; INTERNET APR-MAY 2024 CHOYT						04/22/2024
101-42120-50320 PD; INTERNET APR-MAY 2024			179.96			
101-43100-50321 PW; INTERNET			179.97			
CHARTER COMMUNICATIONS	04/29/2024	05/14/2024	542.00	542.00	Open	N
CH; INTERNET APR-MAY 2024 CHOYT						04/29/2024
101-41820-50308 CH; INTERNET APR-MAY 2024			542.00			
CHARTER COMMUNICATIONS	05/07/2024	05/14/2024	15.00	15.00	Open	N
PD; INTERNET MAY 2024 CHOYT						05/01/2024
101-42120-50320 PD; INTERNET MAY 2024			15.00			
CINTAS	04/19/2024	05/14/2024	136.32	136.32	Open	N
PW; UNIFORMS CHOYT						04/19/2024
101-43100-50217 PW; UNIFORMS			136.32			
CINTAS	04/26/2024	05/14/2024	158.57	158.57	Open	N
PW; UNIFORMS CHOYT						04/25/2024
101-43100-50217 PW; UNIFORMS			158.57			
CINTAS	05/03/2024	05/14/2024	146.89	146.89	Open	N
PW; UNIFORMS CHOYT						05/02/2024
101-43100-50217 PW; UNIFORMS			146.89			
CMT JANITORIAL SERVICES	04/24/2024	05/14/2024	1,450.00	1,450.00	Open	N
CONTRACT SERVICES-OFC CLEANING APR 2024 CHOYT						04/19/2024
101-41910-50308 CONTRACT SERVICES-OFC CLEANING			526.00			

101-41810-50308	CONTRACT SERVICES-OFC CLEANING			924.00			
CONNEXUS ENERGY	04/22/2024	05/14/2024	28.76	0.00	Paid	Y	
325071; 13699 PINEVIEW LANE;MAR-APR	CHOYT					04/22/2024	
101-43100-50230	325071; 13699 PINEVIEW LANE;MAR-APR			28.76			
CONNEXUS ENERGY	04/29/2024	05/14/2024	4,440.91	0.00	Paid	Y	
ELECTRIC SERVICES-MAR-APR 2024	CHOYT					04/22/2024	
101-43100-50230	172514 ST LIGHTS;MAR-APR			38.91			
101-43100-50230	172516 ST LIGHTS;MAR-APR			2,228.72			
101-43100-50230	172802 ST LIGHTS;MAR-APR			61.04			
101-43100-50230	172803 ST LIGHTS; MAR-APR			237.39			
101-42130-50381	173098 SIREN;MAR-APR			21.25			
602-49400-50381	178838 141ST OUTBUILDING;MAR-APR			33.76			
601-49400-50381	299049 WELL#2; MAR-APR			1,352.67			
602-49400-50381	299195 ROSEWOOD LIFT;MAR-APR			61.87			
601-49400-50381	299380 WATER TOWER;MAR-APR			163.67			
602-49400-50381	303882 PINEVIEW LIFT;MAR-APR			47.77			
602-49400-50381	307062 HACKBERRY LIFT;MAR-APR			106.55			
101-42130-50381	309045 E FRENCH SIREN;MAR-APR			17.25			
101-43100-50230	317271 ST LIGHTS;MAR-APR			70.06			
CORE & MAIN	05/03/2024	05/14/2024	732.95	732.95	Open	N	
PW; METERS	CHOYT					04/30/2024	
601-49400-50259	PW; METERS			732.95			
CORNERSTONE	04/29/2024	05/14/2024	382.31	0.00	Paid	Y	
PD; REPAIR/MAINT-WHEEL	CHOYT					02/27/2024	
101-42120-50220	PD; REPAIR/MAINT-WHEEL			382.31			
COUNTRY SIDE SERVICES OF	04/26/2024	05/14/2024	12,482.51	12,482.51	Open	N	
OTHER EQUIPMENT ITEMS	CHOYT					04/25/2024	
401-43100-50580	EQUIPMENT; SNOW PLOW			4,241.00			
401-43100-50580	EQUIPMENT; TRUCK BOX			5,293.00			
401-43100-50580	EQUIPMENT FOR 2024 SINGLE CAB			2,948.51			
CRYSTAL WELDING INC	04/18/2024	05/14/2024	21.52	21.52	Open	N	
PW; REPAIR/MAINT.-BUCKET TRUCK	CHOYT					04/18/2024	

101-43100-50220	PW; REPAIR/MAINT-BUCKET TRUCK			21.52			
CRYSTEEL MANUFACTURING	04/22/2024	05/14/2024	619.40	619.40	Open	N	
PW; REPAIR/MAINT-18" SPINNER HUB	CHOYT						04/22/2024
101-43100-50220	PW; REPAIR/MAINT-18" SPINNER HUB		619.40				
CULLIGAN, INC	05/01/2024	05/14/2024	43.30	43.30	Open	N	
CH; WTR SOFTNER RENTAL-MAY 2024	CHOYT						04/30/2024
101-41810-50220	CH; WTR SOFTNER RENTAL-MAY 2024		43.30				
CULLIGAN, INC	05/01/2024	05/14/2024	43.30	43.30	Open	N	
AC; WTR SOFTNER RENTAL-MAY 2024	CHOYT						04/30/2024
101-41910-50220	AC; WTR SOFTNER RENTAL-MAY 2024		43.30				
CULLIGAN, INC	05/07/2024	05/14/2024	111.30	111.30	Open	N	
PD/PW; FILTRATION SVC- MAY 2024	CHOYT						04/30/2024
101-42120-50220	PD; FILTRATION SVC- MAY 2024		55.65				
101-43100-50220	PW; FILTRATION SVC-MAY 2024		55.65				
DATAWORKS PLUS LLC	04/24/2024	05/14/2024	1,013.83	1,013.83	Open	N	
PD; CONTRACT SERVICES/MAY 24-APR 25	CHOYT						04/22/2024
101-42120-50308	PD; CONTRACT SERVICES/MAY 24-APR 25		1,013.83				
E H RENNER & SONS, INC	04/23/2024	05/14/2024	1,803.00	1,803.00	Open	N	
PW; OPERATING SUPPLIES	CHOYT						04/22/2024
601-49400-50210	PW; OPERATING SUPPLIES		1,803.00				
ECM PUBLISHERS, INC	04/18/2024	05/14/2024	77.62	77.62	Open	N	
LEGAL NOTICES/FILING FEE-GROVES IUP PROJ.6	CHOYT						04/18/2024
411-43100-50351-6195	LEGAL NOTICES/FILING FEE-GROVES IUP		77.62				
ECM PUBLISHERS, INC	04/18/2024	05/14/2024	258.75	258.75	Open	N	
LEGAL NOTICES/FILING FEE-DEHN'S PUMPKINS I	CHOYT						04/18/2024
411-43100-50351-6197	LEGAL NOTICES/FILING FEE-DEHN'S PUMPKINS		258.75				
ECM PUBLISHERS, INC	04/30/2024	05/14/2024	86.25	86.25	Open	N	
PHN; ORDINANCE NO.24-03	CHOYT						04/30/2024
101-41110-50352	PHN; ORDINANCE NO.24-03		86.25				

ECONO SIGNS LLC	04/18/2024	05/14/2024	2,019.00	2,019.00	Open	N
PW; STREET SIGNS	CHOYT					04/18/2024
101-43100-50224	PW; STREET SIGNS		2,019.00			
ELITE SANITATION	05/02/2024	05/14/2024	573.50	573.50	Open	N
PW; PORTABLE RENTAL 4/17-4/27/24	CHOYT					04/19/2024
101-45200-50410	PW; PORTABLE RENTAL 4/17-4/27/24		573.50			
EMERGENCY AUTOMOTIVE TECHNOLOGIES	04/22/2024	05/14/2024	1,385.96	1,385.96	Open	N
PD; EQUIPMENT 2023 CIP	CHOYT					04/22/2024
401-42120-50580	PD; EQUIPMENT 2023 CIP		1,385.96			
EMERGENCY AUTOMOTIVE TECHNOLOGIES	04/22/2024	05/14/2024	1,537.36	1,537.36	Open	N
PD; EQUIPMENT 2023 CIP	CHOYT					04/22/2024
401-42120-50580	PD; EQUIPMENT 2023 CIP		1,537.36			
ENTERPRISE FM TRUST	05/07/2024	05/14/2024	6,754.32	6,754.32	Open	N
MOTOR VEHICLES LEASING PROGRAM; MAY 2024	CHOYT					05/03/2024
401-42120-50550	MOTOR VEHICLES LEASING PROGRAM; MAY 2024		6,754.32			
FIRST RESPONSE ACTORS	05/06/2024	05/14/2024	475.00	475.00	Open	N
PD; PROFESSIONAL DEVELOPMENT-ACTING	CHOYT					05/06/2024
101-42120-50208	PD; PROFESSIONAL DEVELOPMENT-ACTING		475.00			
FORCE AMERICA DISTRIBUTING LLC	04/30/2024	05/14/2024	200.00	200.00	Open	N
PW; OPERATING SUPPLIES	CHOYT					04/29/2024
101-43100-50210	PW; OPERATING SUPPLIES		200.00			
FULLY PROMOTED/EMBROIDME	05/01/2024	05/14/2024	1,889.24	1,889.24	Open	N
FD; UNIFORM POLOS	CHOYT					04/30/2024
101-42260-50217	FD; UNIFORM POLOS		1,889.24			
FULLY PROMOTED/EMBROIDME	05/01/2024	05/14/2024	84.98	84.98	Open	N
FD; UNIFORM-1/4 ZIP	CHOYT					04/30/2024
101-42260-50217	FD; UNIFORM-1/4 ZIP		84.98			
FULLY PROMOTED/EMBROIDME	05/02/2024	05/14/2024	107.10	0.00	Paid	Y

PW; UNIFORM /MEISTER	CHOYT						01/01/2024
101-43100-50217	PW; UNIFORM /MEISTER			107.10			
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GIANNINA POSNER	04/23/2024	05/14/2024		300.00	300.00	Open	N
DAC RENTAL DEPOSIT RELEASE;EVENT 4/20/24	CHOYT						04/23/2024
101-00000-21716	DAC RENTAL DEPOSIT RELEASE;EVENT 4/20/24			300.00			
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GOPHER STATE ONE-CALL	05/01/2024	05/14/2024		271.35	271.35	Open	N
201 BILLABLE TICKETS; APR 2024	CHOYT						04/30/2024
601-49400-50220	201 BILLABLE TICKETS; APR 2024			135.67			
602-49400-50220	201 BILLABLE TICKETS; APR 2024			135.68			
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GUARDIAN FLEET SAFETY, LLC	05/03/2024	05/14/2024		4,101.25	4,101.25	Open	N
FD; OTHER EQUIPMENT-2023 DURANGO	CHOYT						03/23/2024
401-42260-50580	FD; OTHER EQUIPMENT-2023 DURANGO			4,101.25			
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GUIDANCEPOINT TECHNOLOGIES	04/22/2024	05/14/2024		207.00	207.00	Open	N
PD; SUBSCRIPTIONS/MEMBERSHIP/OFFICE 365 (	CHOYT						04/22/2024
101-41810-50205	PD; SUBSCRIPTIONS/MEMBERSHIP			207.00			
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GUIDANCEPOINT TECHNOLOGIES	04/22/2024	05/14/2024		212.52	212.52	Open	N
PD; SUBSCRIPTIONS/MEMBERSHP ANNUAL	CHOYT						04/22/2024
101-41810-50205	PD; SUBSCRIPTIONS/MEMBERSHP			212.52			
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GUIDANCEPOINT TECHNOLOGIES	04/22/2024	05/14/2024		108.00	108.00	Open	N
CH;SUBSCRIPTIONS/MEMBERSHIP AZURE ACTIV	CHOYT						04/22/2024
101-41810-50205	CH;SUBSCRIPTIONS/MEMBERSHIP			108.00			
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GUIDANCEPOINT TECHNOLOGIES	04/22/2024	05/14/2024		506.00	506.00	Open	N
CH; SUBSCRIPTIONS/MEMBERSHIP ANNUAL OFF	CHOYT						04/22/2024
101-41810-50205	CH; SUBSCRIPTIONS/MEMBERSHIP			506.00			
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GUIDANCEPOINT TECHNOLOGIES	04/24/2024	05/14/2024		150.00	150.00	Open	N
PD; CONTRACT SERVICES	CHOYT						04/21/2024
101-41820-50308	PD; CONTRACT SERVICES			150.00			
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GUIDANCEPOINT TECHNOLOGIES	04/24/2024	05/14/2024		150.00	150.00	Open	N
PD; CONTRACT SERVICES-SUPERVISOR SHARE	CHOYT						04/21/2024

101-41820-50308	PD; CONTRACT SERVICES-SUPERVISOR SHARE			150.00			
GUIDANCEPOINT TECHNOLOGIES	04/29/2024	05/14/2024		185.00	185.00	Open	N
PD; CONTRACT SERVICES-GETAC TABLETS	CHOYT						04/29/2024
101-41820-50308	PD; CONTRACT SERVICES-GETAC TABLETS			185.00			
GUIDANCEPOINT TECHNOLOGIES	05/01/2024	05/14/2024		305.00	305.00	Open	N
CH; CONTRACT SERVICES-APR. BACKUP	CHOYT						04/30/2024
101-41810-50308	CH; CONTRACT SERVICES-APR. BACKUP			305.00			
GUIDANCEPOINT TECHNOLOGIES	05/01/2024	05/14/2024		506.00	506.00	Open	N
CH; CONTRACT SERVICES-365 LICENSES	CHOYT						04/30/2024
101-41810-50308	CH; CONTRACT SERVICES-365 LICENSES			506.00			
GUIDANCEPOINT TECHNOLOGIES	05/01/2024	05/14/2024		175.00	175.00	Open	N
PD; CONTRACT SERVICES BACKUP SERVER	CHOYT						04/30/2024
101-41820-50308	PD; CONTRACT SERVICES BACKUP SERVER			175.00			
HACH COMPANY INC	04/26/2024	05/14/2024		678.32	678.32	Open	N
PW; CHEMICALS	CHOYT						04/18/2024
601-49400-50210	PW; CHEMICALS			678.32			
HANSON BUILDERS	05/03/2024	05/14/2024		3,000.00	3,000.00	Open	N
14800 145TH CT N LANDSCAPE ESCROW RELEASE	CHOYT						05/02/2024
420-00000-22100	14800 145TH CT N LANDSCAPE ESCROW RELEASE			3,000.00			
HAWKINS, INC	04/29/2024	05/14/2024		7,458.26	7,458.26	Open	N
PW; CHEMICALS	CHOYT						04/23/2024
601-49400-50216	PW; CHEMICALS			7,458.26			
HEHIR, STEPHEN	05/07/2024	05/14/2024		15.58	15.58	Open	N
UB refund for account: 3201	CHOYT						04/30/2024
601-00000-15550	CREDIT FORWARD			15.58			
HENNEPIN CO CHIEFS OF POLICE	05/06/2024	05/14/2024		330.00	330.00	Open	N
ANNUAL HENNEPIN CHIEFS MEMBERSHP/MEALS	CHOYT						05/02/2024
101-42120-50205	ANNUAL MEMBERSHP/MEALS-ENGAGE			330.00			



HENNEPIN COUNTY	05/07/2024	05/14/2024	3,576.13	3,576.13	Open	N
FD; RADIO LEASE-APR 2024	CHOYT					05/02/2024
101-42260-50320	FD; RADIO LEASE-APR 2024		3,576.13			
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HENNEPIN COUNTY	05/08/2024	05/14/2024	2,630.16	2,630.16	Open	N
PD; RADIO LEASE-APR 2024	CHOYT					05/02/2024
101-42120-50320	PD; RADIO LEASE-APR 2024		2,630.16			
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HESS, JOEY	05/07/2024	05/14/2024	10.07	10.07	Open	N
UB refund for account: 4581	CHOYT					04/30/2024
601-00000-15550	CREDIT FORWARD		10.07			
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HOLIDAY COMPANIES	05/06/2024	05/14/2024	5.50	5.50	Open	N
PD CARWASHES; 1 WASH	CHOYT					05/01/2024
101-42120-50220	PD CARWASHES; 1 WASH		5.50			
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HOMCHIK, LAURA	05/07/2024	05/14/2024	23.04	23.04	Open	N
UB refund for account: 5768	CHOYT					04/30/2024
601-00000-15550	CREDIT FORWARD		23.04			
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IAMGIS GROUP LLC	05/06/2024	05/14/2024	5,000.00	5,000.00	Open	N
GIS SOFTWARE/SUPPORT 5/1/24-4/30/25	CHOYT					05/01/2024
101-43100-50224	GIS SOFTWARE/SUPPORT		1,666.67			
601-49400-50300	GIS SOFTWARE/SUPPORT		1,666.67			
601-49400-50300	GIS SOFTWARE/SUPPORT		1,666.66			
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INNOVATIVE OFFICE SOLUTIONS	04/18/2024	05/14/2024	351.67	0.00	Paid	Y
PD/PW; SUPPLIES-TONER	CHOYT					04/18/2024
101-42120-50200	PD; SUPPLIES-TONER		175.83			
101-43100-50210	PW; SUPPLIES-TONER		175.84			
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INNOVATIVE OFFICE SOLUTIONS	05/03/2024	05/14/2024	225.45	225.45	Open	N
PD/PW; SUPPLIES	CHOYT					05/03/2024
101-42120-50200	PD; SUPPLIES		112.72			
101-43100-50210	PW; SUPPLIES		112.73			
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JANE RAMUNNO	04/30/2024	05/14/2024	428.80	428.80	Open	N
EDA WINTER PLANTINGS FOR FLOWER POTS-REII	CHOYT					04/26/2024

225-41710-50210	EDA WINTER PLANTINGS FOR FLOWER POTS			428.80				
KNOX		04/29/2024	05/14/2024	721.00	721.00	Open	N	
FD;1 YR KNOX CONNECT CLOUD	CHOYT							04/23/2024
101-42260-50300	FD;1 YR KNOX CONNECT CLOUD			721.00				
LEAGUE OF MINNESOTA CITIES		05/06/2024	05/14/2024	83.00	83.00	Open	N	
SUBSCRIPTIONS/ADOBE ACROBAT PRO-ABENTIN CHOYT								05/01/2024
101-41420-50205	SUBSCRIPTIONS/ADOBE ACROBAT PRO-ABENTING			83.00				
LEXIS NEXIS		05/07/2024	05/14/2024	200.00	200.00	Open	N	
PD; CONTRACT SERVICES APR 2024	CHOYT							04/30/2024
101-42120-50308	PD; CONTRACT SERVICES APR 2024			200.00				
LYNDE & MCLEOD INC		05/06/2024	05/14/2024	408.40	408.40	Open	N	
YARD WASTE SITE RENTAL; JUN 2024	CHOYT							05/03/2024
101-41650-50387	YARD WASTE SITE RENTAL; JUN 2024			408.40				
LYNDE & MCLEOD INC		05/06/2024	05/14/2024	3,401.53	3,401.53	Open	N	
YARDWASTE ACTIVITY FOR APR 2024	CHOYT							04/30/2024
101-43100-50224	PW; BRUSH DISPOSAL APR 2024			3,132.90				
101-41650-50387	YARD WASTE DISPOSAL-LEAVE/GRASS APR 2024			572.30				
101-41650-50387	PW; YARD WASTE COMPOST REBATE APR 2024			(303.67)				
M/I HOMES		05/07/2024	05/14/2024	132.12	132.12	Open	N	
UB refund for account: 6078	CHOYT							04/30/2024
601-00000-15550	CREDIT FORWARD			132.12				
MACQUEEN EMERGENCY GROUP		05/02/2024	05/14/2024	407.61	407.61	Open	N	
PW; REPAIR/MAINT FLANGE	CHOYT							04/25/2024
101-43100-50220	PW; REPAIR/MAINT FLANGE			407.61				
MACQUEEN EMERGENCY GROUP		05/06/2024	05/14/2024	644.44	644.44	Open	N	
PW; REPAIR/MAINT JAN 2024	CHOYT							01/17/2024
101-43100-50220	PW; REPAIR/MAINT			644.44				
MACQUEEN EMERGENCY GROUP		05/08/2024	05/14/2024	612.64	612.64	Open	N	
FD; UNIFORMS-FACEPIECE 4PT	CHOYT							05/07/2024

101-42260-50217	FD; UNIFORMS-FACEPIECE 4PT			612.64			
MACQUEEN EMERGENCY GROUP	05/08/2024	05/14/2024	11,478.60	11,478.60	Open	N	
FD; UNIFORM HELMETS	CHOYT						05/07/2024
101-42260-50217	FD; UNIFORM HELMETS		11,478.60				
MATTHEW MEISTER	04/23/2024	05/14/2024	285.98	285.98	Open	N	
PW; UNIFORM-BOOTS/MEISTER REIMBURSE	CHOYT						04/22/2024
101-43100-50217	PW; UNIFORM-BOOTS/MEISTER REIMBURSE		285.98				
MENARDS - MAPLE GROVE	04/22/2024	05/14/2024	374.00	374.00	Open	N	
PW; SUPPLIES	CHOYT						04/22/2024
101-43100-50210	PW; SUPPLIES		374.00				
MENARDS - MAPLE GROVE	05/02/2024	05/14/2024	98.41	98.41	Open	N	
PW; REPAIR/MAINT-STRAPS	CHOYT						05/02/2024
101-43100-50220	PW; REPAIR/MAINT-STRAPS		98.41				
MENARDS - MAPLE GROVE	05/02/2024	05/14/2024	131.20	131.20	Open	N	
PW; OPERATING SUPPLIES	CHOYT						04/30/2024
101-43100-50210	PW; OPERATING SUPPLIES		131.20				
METRO WEST INSPECTION	04/29/2024	05/14/2024	19,400.00	19,400.00	Open	N	
242.5 BLDG INSPECTIONS; MAR 2024	CHOYT						03/31/2024
101-41660-50300	242.5 BLDG INSPECTIONS; MAR 2024		19,400.00				
METROPOLITAN COUNCIL	05/06/2024	05/14/2024	42,399.58	42,399.58	Open	N	
147.01 WASTE WATER SERVICE; JUN 2024	CHOYT						05/01/2024
602-49400-50313	147.01 WASTE WATER SERVICE; JUN 2024		42,399.58				
METROPOLITAN COUNCIL	05/07/2024	05/14/2024	46,742.85	46,742.85	Open	N	
SAC FEE; APR 2024	CHOYT						04/30/2024
602-00000-20801	SAC FEE; APR 2024		46,742.85				
MIDWAY FORD	04/23/2024	05/14/2024	51,421.14	51,421.14	Open	N	
PW; EQUIPMENT-2024 FORD F350 VIN#1983	CHOYT						04/11/2024
401-43100-50580	PW; EQUIPMENT-2024 FORD F350		51,421.14				

MILLER, JOHN	05/07/2024	05/14/2024	293.86	293.86	Open	N
UB refund for account: 1700	CHOYT					04/30/2024
601-00000-15550 CREDIT FORWARD			293.86			
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MINNEAPOLIS SAW COMPANY INC	04/29/2024	05/14/2024	579.97	579.97	Open	N
PW; OPERATING SUPPLIES	CHOYT					04/26/2024
101-43100-50210 PW; OPERATING SUPPLIES			579.97			
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MINUTEMAN PRESS	04/23/2024	05/14/2024	33.00	33.00	Open	N
FD; SUPPLIES-BUSINESS CARDS	CHOYT					04/19/2024
101-42260-50200 FD; SUPPLIES-BUSINESS CARDS			33.00			
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MINUTEMAN PRESS	05/07/2024	05/14/2024	3,253.73	3,253.73	Open	N
COMMUNICATOR; MAY 2024	CHOYT					05/07/2024
226-41900-50350 COMMUNICATOR; MAY 2024			3,253.73			
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MN DEPT OF PUBLIC SAFETY	05/08/2024	05/14/2024	30.00	30.00	Open	N
PD; 10 MN100 CLUB PLATES	CHOYT					05/08/2024
101-42120-50580 PD; 10 MN100 CLUB PLATES			30.00			
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MN DEPT OF REVENUE	03/12/2024	03/12/2024	89.00	0.00	Paid	Y
SALES/USE TAX; FEB 2024	DBRUNETTE					03/12/2024
101-00000-20300 SALES/USE TAX; FEB 2024			89.00			
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MTECH	05/07/2024	05/14/2024	335.38	335.38	Open	N
FD; OTHER EQUIPMENT-QTAC RISER PLATFORM	CHOYT					05/06/2024
401-42260-50580 FD; OTHER EQUIPMENT-QTAC RISER			335.38			
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NAPA AUTO PARTS	04/22/2024	05/14/2024	56.76	56.76	Open	N
PW; REPAIR/MAINT 2009 F-350	CHOYT					04/22/2024
101-43100-50220 PW; REPAIR/MAINT 2009 F-350			56.76			
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NAPA AUTO PARTS	04/22/2024	05/14/2024	142.24	142.24	Open	N
PW; REPAIR/MAINT-TRANSFER CASE F-350	CHOYT					04/22/2024
101-43100-50220 PW; REPAIR/MAINT-TRANSFER CASE F-350			142.24			
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NAPA AUTO PARTS	04/22/2024	05/14/2024	267.98	267.98	Open	N
PD; REPAIR/MAINT	CHOYT					04/22/2024

101-42120-50220	PD; REPAIR/MAINT			267.98				
NAPA AUTO PARTS		04/24/2024	05/14/2024	3.62	3.62	Open	N	
FD; SUPPLIES		CHOYT						04/24/2024
101-42260-50200	FD; SUPPLIES			3.62				
NAPA AUTO PARTS		05/06/2024	05/14/2024	203.42	203.42	Open	N	
FD; MOTOR FUELS-TRUFUEL		CHOYT						05/06/2024
101-42260-50212	FD; MOTOR FUELS-TRUFUEL			203.42				
NAPA AUTO PARTS		05/06/2024	05/14/2024	9.23	9.23	Open	N	
FD; SUPPLIES EPOXY SYRINGE		CHOYT						05/06/2024
101-42260-50200	FD; SUPPLIES EPOXY SYRINGE			9.23				
NORTH MEMORIAL EMS EDUCATION		05/07/2024	05/14/2024	2,100.00	2,100.00	Open	N	
FD; PROFESSIONAL DEVELOPMENT-EMR REFRES		CHOYT						04/30/2024
101-42260-50208	FD; PROFESSIONAL DEVELOPMENT-EMR			2,100.00				
ODP BUSINESS SOLUTIONS, LLC		04/22/2024	05/14/2024	28.98	28.98	Open	N	
PD; SUPPLIES		CHOYT						04/22/2024
101-42120-50200	PD; SUPPLIES			28.98				
ODP BUSINESS SOLUTIONS, LLC		04/22/2024	05/14/2024	12.89	12.89	Open	N	
PD; SUPPLIES		CHOYT						04/22/2024
101-42120-50200	PD; SUPPLIES			12.89				
ODP BUSINESS SOLUTIONS, LLC		04/22/2024	05/14/2024	133.09	133.09	Open	N	
PD; SUPPLIES		CHOYT						04/22/2024
101-42120-50200	PD; SUPPLIES			133.09				
OP5 BRAYBURN		04/29/2024	05/14/2024	36,750.00	36,750.00	Open	N	
BRAYBURN TRAILS PARK LAND CREDIT(OUTLOT C		CHOYT						04/17/2024
405-41900-50510	BRAYBURN TRAILS PARK LAND			36,750.00				
OP5 BRAYBURN		04/29/2024	05/14/2024	268,922.60	268,922.60	Open	N	
BRAYBURN TRAILS SW CORNER (SITE WORK, WA		CHOYT						04/17/2024
415-41900-50300	PROFESSIONAL SRVS-BRAYBURN TRAILS SW			18,278.00				
601-49400-50530	IMPROVEMENTS-OTHER BRAYBURN TRAILS SW			231,270.00				

408-45300-50300	PROFESSIONAL SRVS-BRAYBURN TRAILS SW			19,374.60			
PAYMENTECH		03/04/2024	03/04/2024	2,466.19	0.00	Paid	Y
MAR FEES		DBRUNETTE					03/04/2024
101-41500-50309	MAR FEES			217.08			
101-41500-50309	MAR FEES			2,249.11			
PLAISTED COMPANIES		05/03/2024	05/14/2024	4,424.96	4,424.96	Open	N
PW; CLASS 5 GRAVEL		CHOYT					04/30/2024
101-43100-50224	PW; CLASS 5 GRAVEL			4,424.96			
POMPS TIRE SERVICE, INC		04/26/2024	05/14/2024	31.80	31.80	Open	N
PD; REPAIRS UNIT 716 LF		CHOYT					04/26/2024
101-42120-50220	PD; REPAIRS UNIT 716 LF			31.80			
PREBONICH, MARK & DAWN		05/07/2024	05/14/2024	14.65	14.65	Open	N
UB refund for account: 2963		CHOYT					04/30/2024
601-00000-15550	CREDIT FORWARD			14.65			
PRESS		05/08/2024	05/14/2024	98.60	98.60	Open	N
RENEWAL 2024-2025/ACCT. OSS-121041		CHOYT					05/08/2024
101-41810-50205	RENEWAL 2024-2025/ACCT. OSS-121041			98.60			
RAMSAY HOLDING LLC		05/07/2024	05/14/2024	72.16	72.16	Open	N
UB refund for account: 6329		CHOYT					04/30/2024
601-00000-15550	CREDIT FORWARD			72.16			
RAY, BRYAN		05/07/2024	05/14/2024	6.64	6.64	Open	N
UB refund for account: 4967		CHOYT					04/30/2024
601-00000-15550	CREDIT FORWARD			6.64			
READYWATT ELECTRIC		04/29/2024	05/14/2024	326.00	326.00	Open	N
PW; REPAIR/MAINT-SQUIRREL DAMAGE		CHOYT					04/29/2024
101-45200-50220	PW; REPAIR/MAINT-SQUIRREL DAMAGE			326.00			
REPUBLIC SERVICES, INC.		05/06/2024	05/14/2024	408.56	408.56	Open	N
CH; WASTE/SHREDDING- APR 2024		CHOYT					04/30/2024
101-41810-50384	CH; WASTE/SHREDDING- APR 2024			408.56			

REPUBLIC SERVICES, INC.	05/06/2024	05/14/2024	167.26	167.26	Open	N
AC;WASTE- APR 2024	CHOYT					04/30/2024
101-41910-50384	AC;WASTE- APR 2024		167.26			
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REPUBLIC SERVICES, INC.	05/07/2024	05/14/2024	16,909.34	16,909.34	Open	N
CITY RECYCLING- APR 2024	CHOYT					05/07/2024
101-41650-50386	CITY RECYCLING- APR 2024		16,909.34			
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REPUBLIC SERVICES, INC.	05/07/2024	05/14/2024	408.56	408.56	Open	N
PW/PD; WASTE/SHREDDING-MAY 2024	CHOYT					04/30/2024
101-43100-50384	PW; WASTE/SHREDDING-MAY 2024		204.28			
101-42120-50384	PD; WASTE/SHREDDING- MAY 2024		204.28			
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ROGERS TRUE VALUE	04/19/2024	05/14/2024	158.95	158.95	Open	N
PW; STREET MAINT-REPAIR/RAKES	CHOYT					04/19/2024
101-43100-50224	PW; STREET MAINT-REPAIR/RAKES		158.95			
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ROGERS TRUE VALUE	04/23/2024	05/14/2024	34.96	34.96	Open	N
PW; OPERATING SUPPLIES	CHOYT					04/23/2024
101-43100-50210	PW; OPERATING SUPPLIES		34.96			
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ROGERS TRUE VALUE	04/30/2024	05/14/2024	72.98	72.98	Open	N
PW; OPERATING SUPPLIES-STRUCT LUMBER	CHOYT					04/30/2024
101-43100-50210	PW; OPERATING SUPPLIES-STRUCT LUMBER		72.98			
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RTL EQUIPMENT INC	04/30/2024	05/14/2024	8,300.00	8,300.00	Open	N
PW; OTHER EQUIPMENT-SKID PRO	CHOYT					04/26/2024
401-43100-50580	PW; OTHER EQUIPMENT-SKID PRO		8,300.00			
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RUTER, BEN	05/07/2024	05/14/2024	109.89	109.89	Open	N
UB refund for account: 1684	CHOYT					04/30/2024
601-00000-15550	CREDIT FORWARD		109.89			
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SIONICS WEAPON SYSTEMS	05/07/2024	05/14/2024	1,493.25	1,493.25	Open	N
PD; OTHER EQUIPMENT-PATROL THREE SBR LE E	CHOYT					04/23/2024
401-42120-50580	PD; OTHER EQUIPMENT-SBR LE EDITION		2,393.25			
401-42120-50580	PD; OTHER EQUIPMENT-TRADE IN		(900.00)			
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SQUIRES, WALDSPURGER & MACE P.A.	05/01/2024	05/14/2024	734.25	734.25	Open	N
LEGAL SVCS; PERA THROUGH MAR 2024	CHOYT					04/29/2024
101-41640-50304	LEGAL SVCS; PERA THROUGH MAR 2024		734.25			
SRF CONSULTING GROUP INC	04/23/2024	05/14/2024	897.99	897.99	Open	N
ENGINEERING FEES; MAR 2024	CHOYT					03/31/2024
459-43100-50303-2000	ENGINEERING FEES; MAR 2024		897.99			
STANTEC CONSULTING SERVICES INC.	04/23/2024	05/14/2024	175,386.03	175,386.03	Open	N
ENGINEERING SVCS; FEB 2024	CHOYT					02/29/2024
101-41630-50303	GEN. ENGINEERING; FEB 2024		9,295.40			
601-49400-50303	WATER SUPPLY & DISTRIBUTION; FEB 2024		3,924.00			
602-49400-50303	SANITARY SEWER; FEB 2024		733.80			
408-45300-50303	TRAILS; FEB 2024		1,778.40			
414-41900-50303	TRANSPORTATION SYSTEM; FEB 2024		12,862.60			
101-41660-50308	BUILDING PERMIT ACTIVITIES; FEB 2024		5,007.54			
601-49400-50303	GIS/MAPPING; FEB 2024		2,592.30			
602-49400-50303	GIS/MAPPING; FEB 2024		2,592.30			
415-41900-50300	STORMWATER; FEB 2024		2,314.20			
411-43100-50303-1006	RIVER HILLS-M/I HOMES; FEB 2024		1,958.26			
411-43100-50303-6065	BRAYBURN TRAILS; FEB 2024		3,366.98			
411-43100-50303-6098	SUNDANCE GREENS; FEB 2024		2,400.49			
411-43100-50303-6075	CLOQUET ISLAND (CYPRESS COVE); FEB 2024		506.50			
411-43100-50303-6105	IONE GARDENS; FEB 2024		123.00			
411-43100-50303-6120	SUNDANCE GREENS/LENNAR; FEB 2024		2,845.00			
411-43100-50303-6131	MTL COMPANIES; FEB 2024		1,814.72			
411-43100-50303-6140	INLAND GROUP; FEB 2024		246.00			
411-43100-50303-6143	RIVERWALK; FEB 2024		2,517.59			
411-43100-50303-6150	THE CUBES OF FRENCH LK; FEB 2024		1,714.38			
411-43100-50303-6167	CAPITAL PARTNERS; FEB 2024		379.52			
411-43100-50303-6164	GRACO 2ND; FEB 2024		817.77			
411-43100-50303-6180	NEIGHBORHOOD ON DAYTON PKWY; FEB 2024		9,531.00			
411-43100-50303-6165	OPUS; FEB 2024		109.00			
459-43100-50300-2001	WEST FRENCH LAKE RD IMPROV; FEB 2024		30.40			
459-43100-50300-2000	DAYTON PWKY/CSAH 81 INTERS; FEB 2024		261.60			
601-00000-16500	DAYTON WELL #5 PRELIM DESIGN; FEB 2024		43,391.45			
411-43100-50303-6170	SCHANY PROPERTIES; FEB 2024		196.00			



414-41900-50300	ZANZIBAR LN IMPROVEMENTS; FEB 2024			108.64				
601-49400-50303	DAYTON WATER COMP PLANS; FEB 2024			2,541.20				
602-49400-50303	DAYTON SEWER COMP PLANS;			2,541.20				
411-43100-50303-6147	LEE PROPERTY; FEB 2024			1,320.25				
410-41900-50530	HAZARD MITIGATION GRANT PROGRAM; FEB 24			1,476.00				
101-41630-50303	GEN. ENGINEERING RETAINER; FEB 2024			4,300.00				
411-43100-50303-6192	RIVERVIEW VILLAS; FEB 2024			679.50				
411-43100-50303-6149	KWIK TRIP-MAPLE CT			1,101.25				
414-41900-50303	DAYTON RIVER RD TURN LANE; FEB 2024			18,888.40				
414-41900-50303	INTERSECTION INVENTORY/SAFETY; FEB 2024			9,000.60				
414-41900-50303	TERRITORIAL RD REALIGN. & ROUNDABOUT			7,008.00				
415-41900-50300	DAYTON JORDAN&JAEGER DITCH; FEB 2024			3,095.79				
414-41900-50303	DAYTON 2024 MILL & OVERLAY; FEB 2024			6,684.60				
601-49400-50303	DAYTON HUD ENVIRONMENTAL; FEB 2024			3,330.40				
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STERNBERG LANTERNS	04/29/2024	05/14/2024		1,360.00	1,360.00	Open	N	
PW; STREET LIGHT ELECT-BANNER ARM	CHOYT						04/29/2024	
101-43100-50230	PW; STREET LIGHT ELECT-BANNER ARM			1,360.00				
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SUMMIT FIRE PROTECTION	05/02/2024	05/14/2024		991.00	991.00	Open	N	
ANNUAL MONITORING 5/1/24-4/30/25	CHOYT						05/01/2024	
101-43100-50520	ANNUAL MONITORING 5/1/24-4/30/25			991.00				
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T MOBILE	04/29/2024	05/14/2024		1,052.53	1,052.53	Open	N	
PD; 990673330 CELL SVC MAR-APR 2024	CHOYT						04/21/2024	
101-42120-50320	PD; 990673330 CELL SVC			1,052.53				
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T MOBILE	04/29/2024	05/14/2024		482.32	482.32	Open	N	
FD; 983779233 CELL SVC MAR-APR	CHOYT						04/21/2024	
101-42260-50320	FD; 983779233 CELL SVC MAR-APR			482.32				
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TERMINAL SUPPLY	04/23/2024	05/14/2024		336.45	336.45	Open	N	
PW; OPERATING SUPPLIES	CHOYT						04/22/2024	
101-43100-50210	PW; OPERATING SUPPLIES			336.45				
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TIGERTOUGH	05/06/2024	05/14/2024		951.80	951.80	Open	N	
FD; OTHER EQUIPMENT-SEAT COVERS UTV	CHOYT						03/03/2024	
401-42260-50580	FD; OTHER EQUIPMENT-SEAT COVERS			951.80				
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TIMESAVER OFF SITE SECRETARIAL. INC	04/30/2024	05/14/2024	856.50	856.50	Open	N
MINUTES; PC 4/04, BOA&CC 4/09,EDA 4/16	CHOYT					04/30/2024
101-41420-50300	MINUTES; PC 4/04, BOA&CC 4/09,EDA 4/16		856.50			
USA INFLATABLES	04/29/2024	05/14/2024	1,144.12	1,144.12	Open	N
ACTIVITY CENTER-FAMILY FUN NIGHT JUN 14 202	CHOYT					04/29/2024
101-41910-50210	ACTIVITY CENTER-FAMILY FUN NIGHT JUN 14		1,144.12			
VERIZON WIRELESS	04/18/2024	05/14/2024	150.12	0.00	Paid	Y
PW;CELL SERVICE;MCM SEWER MAR-APR 2024	CHOYT					04/18/2024
602-49400-50321	PW;CELL SERVICE;MCM SEWER MAR-APR		150.12			
WARNING, SAM & CRYSTAL	05/07/2024	05/14/2024	95.84	95.84	Open	N
UB refund for account: 2353	CHOYT					04/30/2024
601-00000-15550	CREDIT FORWARD		95.84			
WATER LABORATORIES, INC	05/03/2024	05/14/2024	547.20	547.20	Open	N
WATER TESTING; APR 2024	CHOYT					05/03/2024
601-49400-50300	WATER TESTING; APR 2024		547.20			
WERNER EGGERT	05/01/2024	05/14/2024	150.00	150.00	Open	N
DAC RENTAL DEPOSIT RELEASE;EVENT 4/27/24	CHOYT					04/27/2024
101-00000-21716	DAC RENTAL DEPOSIT RELEASE;EVENT 4/27/24		150.00			
WOODKALE MEDICAL MANAGEMENT INC	05/03/2024	05/14/2024	6,230.00	6,230.00	Open	N
MEDICAL EVALUATION	CHOYT					05/01/2024
101-49999-50430	MEDICAL EVALUATION		6,230.00			
XCEL ENERGY	04/19/2024	05/14/2024	49.38	0.00	Paid	Y
51-0013348079-5; STEPHENS; MAR-APR	CHOYT					04/19/2024
101-45200-50381	51-0013348079-5; STEPHENS; MAR-APR		49.38			
XCEL ENERGY	04/22/2024	05/14/2024	21.66	0.00	Paid	Y
51-0012400696-3;RUSH CR; MAR-APR 2024	CHOYT					04/22/2024
101-45200-50381	51-0012400696-3;RUSH CR; MAR-APR		21.66			
XCEL ENERGY	04/24/2024	05/14/2024	3.74	0.00	Paid	Y

51-5815803-3 F SIREN;MAR-APR 2024	CHOYT						04/18/2024
101-42130-50381	51-5815803-3 F SIREN;MAR-APR			3.74			
XCEL ENERGY	04/26/2024	05/14/2024	53.79	0.00	Paid	Y	
51-4585810-2 S DIA LK/LAWNDALE; MAR-APR 20	CHOYT						04/23/2024
101-43100-50381	51-4585810-2 S DIA LK; MAR-APR 2024		26.89				
602-49400-50381	51-4585810-2 LAWNDALE; MAR-APR 2024		26.90				
XCEL ENERGY	05/03/2024	05/14/2024	87.79	0.00	Paid	Y	
51-0013433451-8;BROCKTON LGT; APR 2024	CHOYT						05/01/2024
101-43100-50230	51-0013433451-8;BROCKTON LGT; APR 2024		87.79				
XCEL ENERGY	05/03/2024	05/14/2024	69.64	0.00	Paid	Y	
51-8932050-3 CR81; APR 2024	CHOYT						05/01/2024
101-43100-50230	51-8932050-3 CR81; APR 2024		69.64				
XCEL ENERGY	05/03/2024	05/14/2024	74.00	0.00	Paid	Y	
51-9348440-7 ST LGT; APR 2024	CHOYT						05/01/2024
101-43100-50230	51-9348440-7 ST LGT; APR 2024		74.00				
XCEL ENERGY	05/03/2024	05/14/2024	427.86	0.00	Paid	Y	
51-8556975-3 TERR ST LGT; APR 2024	CHOYT						05/01/2024
101-43100-50230	51-8556975-3 TERR ST LGT; APR 2024		427.86				
XCEL ENERGY	05/06/2024	05/14/2024	49.37	49.37	Open	N	
51-0013433188-8; UNIT SIGNAL; APR 2024	CHOYT						05/03/2024
101-43100-50230	51-0013433188-8; UNIT SIGNAL; APR 2024		49.37				
XCEL ENERGY	05/06/2024	05/14/2024	53.89	53.89	Open	N	
51-0013433327-7; UNIT SIGNAL; APR 2024	CHOYT						05/03/2024
101-43100-50230	51-0013433327-7; UNIT SIGNAL; APR 2024		53.89				
XCEL ENERGY	05/06/2024	05/14/2024	24.45	24.45	Open	N	
51-0013433412-1; HWY 94 LGT; APR 2024	CHOYT						05/03/2024
101-43100-50230	51-0013433412-1; HWY 94 LGT; APR 2024		24.45				
XCEL ENERGY	05/07/2024	05/14/2024	132.20	132.20	Open	N	
51-0013433364-2; ST LGT; APR 2024	CHOYT						05/06/2024

101-43100-50230	51-0013433364-2; ST LGT; APR 2024	132.20	
# of Invoices: 179 # Due: 158	Totals:	885,115.88	874,471.52
# of Credit Memos: 0 # Due: 0	Totals:	0.00	0.00
Net of Invoices and Credit Memos:		885,115.88	874,471.52

\* 2 Net Invoices have Credits Totalling: (1,203.67)

--- TOTALS BY FUND ---

101 - GENERAL FUND	178,937.53	170,236.48
225 - EDA	428.80	428.80
226 - CABLE	6,603.73	6,603.73
401 - CAPITAL EQUIPMENT	88,762.97	88,762.97
405 - PARK DEDICATION	36,750.00	36,750.00
408 - PARK TRAIL DEVELOPMENT	21,153.00	21,153.00
410 - CAPITAL FACILITIES	1,476.00	1,476.00
411 - DEVELOPER ESCROWS	31,963.58	31,963.58
414 - PAVEMENT MANAGEMENT AND IMPROVEMENTS	54,552.84	54,552.84
415 - STORMWATER	23,687.99	23,687.99
420 - LANDSCAPE ESCROWS	3,000.00	3,000.00
459 - 2022 TIF STREET IMPROVEMENTS	1,189.99	1,189.99
601 - WATER FUND	340,930.36	339,414.02
602 - SEWER FUND	95,679.09	95,252.12

--- TOTALS BY DEPT/ACTIVITY ---

00000 -	131,490.21	131,401.21
40700 - Misc Revenue	4.00	0.00
41110 - Council	86.25	86.25
41420 - City Clerk	939.50	939.50
41500 - Finance	2,516.19	0.00
41620 - Audit Services	28,000.00	28,000.00
41630 - Engineering Services	13,595.40	13,595.40
41640 - Legal Services	2,734.25	2,734.25
41650 - Recycling Services	17,586.37	17,586.37
41660 - Inspection Service	27,026.54	27,026.54
41710 - Plannning & Economic Dev	428.80	428.80
41810 - Central Services	3,988.56	3,663.34

41820 - Information Technology	1,202.00	1,202.00
41900 - General Govt	123,070.56	123,070.56
41910 - Activity Center	2,135.36	1,880.68
42120 - Patrol and Investigate	21,798.42	20,346.28
42130 - Emergency Mgmt	42.24	0.00
42260 - Fire Suppression	27,910.20	27,910.20
43100 - Public Works	143,249.25	139,302.71
45200 - Parks	970.54	899.50
45300 - Trail Development	21,153.00	21,153.00
49400 - Utilities	308,958.24	307,014.93
49999 - Contingency	6,230.00	6,230.00

**ITEM:**

Accept Technical Review of Wellhead Treatment Plant

**PREPARED BY:**

Zach Doud, City Administrator

**POLICY DECISION / ACTION TO BE CONSIDERED:**

Accept Technical Review of Wellhead Treatment Plant completed by AE2S

**BACKGROUND:**

Commissioning has been a common practice of private industry for quite some time but it is fairly new to the world of public (government) industry. The process is fairly simple in nature and involves a second review of plans for any larger project that has lots of intensive steps and is complicated in nature. The Wellhead Treatment Plant is a prime example of this and is why City Staff is looking at having that commissioning being completed (this is called technical review by the Engineering Firm).

AE2S was approved a contract to complete the technical review or commissioning of the Wellhead Treatment Plant back on March 12, 2024. This technical review has been completed and shared with staff, we had a great meeting on May 7<sup>th</sup>, 2024 with AE2S, Marty, and I about the overall report. We have forwarded onto our current engineers, Black and Veatch, to incorporate as much as we can into our project moving forward.

Overall, this process has gone well and we would like to have Council approve this technical review and look into the future to have another contract with AE2S to do some testing and verification of completed work on the Wellhead Treatment Plant once we get into the project. Please keep an eye out for this contract to be approved by Council in the future.

**ACTION:**

Accept technical review completed by AE2S.

**ATTACHMENT(S):**

Technical Review



## TECHNICAL MEMORANDUM

**To:** Zach Doud, City Administrator  
Martin Farrell, Public Works Director

**From:** Aaron Vollmer, PE  
AE2S, Client Program Leader

**Re:** **Well 4 and 5 Filtration Plant Design Evaluation**

**Date:** April 4, 2024

---

### Background

The City of Dayton's new Water Treatment Plant (WTP) project represents a critical initiative aimed at treating water from wells 4 and 5 to ensure a consistent and safe water supply for its customers. In this regard, AE2S has conducted a review of the project's specifications and drawings to verify adherence to engineering standards and regulatory requirements. This examination encompassed various aspects of the project, including treatment piloting, pressure filter design, backwash systems, and other specification considerations.

### Design Criteria

The project's primary objectives include adherence to engineering design criteria and compliance with drinking water regulations. AE2S acknowledges the reliance on Minnesota Department of Health (MDH) standards and Ten States Standards for guidance. However, it's noted that these standards may not comprehensively cover all aspects of water system design.

Although Ten States Standards provides recommended guidelines for many aspects of drinking water systems, the standards are insufficient to address every aspect of detailed water system design comprehensively. Raw water quality characteristics and the variability of raw water quality are unique to each treatment facility. The performance of treatment processes may vary significantly depending on application and integration with other treatment processes. Equipment manufacturers offer competing products that, although similar, offer different size considerations, ancillary equipment and treatment characteristics. In addition, preferences of the Dayton staff may have influenced specific aspects of system design. Where innovative or alternative technologies are considered and where recommended standards are not available, standard industry practices and best professional judgment of sizing and performance is needed from manufacturers' data and available performance information from other installations.

AE2S will utilize the 2022 10 state standards for the basis of the evaluation and where that standard does not provide guidance AE2S will leverage its existing industry knowledge to provide an evaluation of the proposed WTP.

## Specification Review

The specifications provided were not final but rather seemed to be a final review set (90% deliverable) prior to engineering signatures. AE2S has reviewed the specifications, finding them generally reasonable and in line with industry practices. However, some areas warrant further attention:

### **1. Pressure Filter Design and Specifications**

- Treatment Piloting:
  - Although piloting data was not included in the review package, it's worth noting that MDH does not mandate piloting for iron and manganese treatment if filters operate within the 10 States Standards' loading rate limit (2-4gpm/SF). Considering the WTP's designed operation at 3.8 gpm/SF, piloting may not be obligatory. However, AE2S recommends piloting to ensure reliable treatment and operation. Piloting can provide insights into operational nuances such as chlorine demand and filtration runtime, offering opportunities for design modifications.
- Water Quality:
  - The specifications reveal Dayton's raw water quality, highlighting iron as the primary contaminant with an average level of 1.01 mg/L. Such high iron levels could potentially lead to short filter run times.
  - Understanding the operational challenges posed by high iron levels and their impact on backwash reclaim is crucial and would further justify piloting.
  - Regarding manganese levels in Dayton's raw water, averaging 0.055 mg/L, it's observed that they are relatively low, slightly above the secondary limit. Given these low levels, Greensand might not be the optimal choice for filter media. Greensand primarily benefits manganese removal, which isn't the primary goal of this pressure filter. Considering the added cost for Greensand and its limited benefit, silica sand could be a viable alternative. With chlorine and silica sand, some manganese oxidation may be achieved. Specification section 11270 outlines the design of the horizontal pressure filter. AE2S reviewed this specification and in general it seems acceptable with a few potential areas for improvement:
    1. The specification lacks clarity regarding the type of media utilized. While Section 2.2 L mentions manganese anthracite, the drawings suggest greensand and anthracite. Additionally, Section 2.2 B



references torpedo sand and greensand without specifics. AE2S recommends clarification of the media design.

2. Based on our experience, a common media design for iron and manganese removal comprises 12 inches of anthracite above 18 inches of Greensand.
3. For effective manganese removal with Greensand, sufficient chlorine must be fed to attain breakpoint chlorination with a free chlorine residual before the filters. This residual chlorine oxidizes iron and facilitates Greensand's manganese oxidation.
4. Dayton should review its disinfection strategy to ensure consistency with the operation of the distribution system, particularly regarding breakpoint chlorination.
5. Considering the limited manganese in raw water, Greensand may not offer substantial benefits. Further evaluation is advisable.

## **2. Filter Backwash Considerations**

It is evident that the filters will undergo backwashing according to the 10 States standards and follow a typical backwash protocol with simultaneous air and water. Upon thorough review of the backwash and reclaim systems, AE2S provides the following considerations:

- Reclaim and Sludge Pumps:
  - The submersible pump specification lacks submersible motor Break horsepower requirements, suggesting this aspect remains pending completion post the 90% design submittal.
  - It is challenging to find NSF-approved submersible pumps based on AE2S experience. Hence, it is advisable for Dayton and their design engineer to discuss this with MDH to confirm the acceptability of utilizing non-NSF approved reclaim pumps.
  - The listed high-rate backwash rate of 15gpm/SF may be deemed excessive in AE2S experience. A restratification rate of 12-13gpm/SF would be sufficient for greensand. For silica sand, 15gpm/SF is more common.
- Backwash Volume:
  - AE2S estimates that backwashing one entire filter will produce between 25,000 and 26,000 gallons of backwash waste, assuming the city follows a typical backwash protocol optimized for greensand.
  - Each reclaim tank, based on dimensions and design basis, can hold approximately 56,000 gallons, allowing for two backwashes per tank. This is likely sufficient for effective settling and reclaim.

## Technical Memorandum

### Re: Well 4 and 5 Filtration Plant Design Evaluation

April 4, 2024

- Backwash Reclaim and Sludge Pumps:
  - The maximum flow noted for the backwash reclaim decanter exceeds the maximum reclaim allowed per 10 States standards, set at 10% of flow (260gpm) for the total WTP.
  - A check valve is absent on the backwash reclaim pump, as noted in the schematic but not in the process drawings. Including one is necessary to prevent backflow into the reclaim tank.
  - The design includes a sludge pump that appears to pump settled iron and manganese particulate directly to the sanitary sewer, which is not permitted. MDH requires an air brake between this sludge line and the sanitary sewer to prevent sewer backups into the WTP.
- Backwash Spray System:
  - The backwash tanks feature a spray wash system designed to circulate water in the tank during cleaning rather than utilizing clean water from the distribution system. While this concept may work, there's a risk of iron and manganese sludge plugging the spray nozzles. Consideration should be given to connecting this system to a finished water source instead of utilizing backwash waste.

### 3. **Other Specification Considerations**

- Upon review, geotechnical reports were not found within the provided documentation. AE2S strongly recommends including geotechnical information within the specifications.

## **Drawing Review**

### **1. WTP Metering**

- AE2S observed that the filters share a common influent meter and effluent meter, limiting the information collected for each filter. To facilitate future filter evaluations, AE2S recommends installing separate meters for each pressure filter. This may be challenging, based on the piping layout.

### **2. WTP Site layout**

- AE2S expresses concerns regarding the WTP's proximity to the drainage ditch located eastward.
- The finished floor elevation of the WTP is 862, with the bottom slab at 848, leaving only a 6-foot difference from the bottom of the WTP to the active drainage ditch.

- AE2S recommends reviewing the typical water level in the drainage ditch and groundwater level. Such close placement of the WTP to an active drainage ditch may pose risks or restrict the ditch's use by developments to the south.

### **3. WTP Chemical Feed**

- The treatment process relies on chemicals housed in the well house for iron and manganese oxidation. The 3-inch conduit from the well house to the WTP includes three 3/8-inch lines for conveying chlorine, fluoride, and phosphate.
- **Chlorine:**
  - AE2S assumes the city utilizes gas chlorine in the well house for disinfection.
  - It should be noted that MDH discourages running gas chlorine outside of a building. If necessary to transport chlorine between buildings, MDH only permits it in an inspectable structure. As the WTP lacks a booster pump for gas chlorine injection, AE2S assumes the 3/8-inch tube is transporting a concentrated chlorine solution created in the wellhouse.
  - AE2S suggests reviewing the size of the feed line in the 3-inch conduit, as a 3/8-inch tube may be too small for the required chlorine amount. Understanding the planned ratio of chlorine injection between the well house and WTP is essential. If the majority of the chlorine is being feed in the wellhouse this may be sufficient.
  - Further assessment of the feasibility of inspecting the 3-inch conduit in case of a leak should be conducted. It is important that tubing can be easily replaced when it fails and the liquids in the pipe are protected from freezing.
  - AE2S recommends further review of the chlorine feed system to ensure regulatory compliance and oxidation needs. Connection details inside the well house are recommended for clarity.

## **Operational Considerations**

- Additional pressure on the existing wells may decrease their production flow. Has Dayton assessed the impact of this additional pressure on well production to ensure supply needs can still be met?
- AE2S recommends confirming Dayton's current disinfection method, considering the influence of raw water ammonia. To solely utilize chlorine for manganese oxidation, the disinfection method must involve breakpoint chlorination. If Dayton currently employs chloramines for disinfection, operational changes may be necessary, potentially affecting chemical usage and lead and copper results.

## Conclusions

In conclusion, AE2S acknowledges the overall reasonableness of the WTP design. However, there are specific areas requiring further investigation or confirmation. These include:

- **Treatment Piloting:** While piloting data was not provided, it's crucial to confirm reliable treatment and operation, particularly concerning iron and manganese levels in raw water.
- **Pressure Filter Design:** Clarification is needed regarding the type of media utilized, along with an evaluation of the need for Greensand for manganese removal given the low levels in the raw water.
- **Backwash System:** Review the plan for the operation of the reclaim and sludge pumps, backwash volume estimation, and backwash reclaim flow rate.
- **Other Specification Considerations:** The absence of geotechnical reports should be addressed to ensure comprehensive project planning.
- **WTP Metering:** If possible, separate meters for each pressure filter are recommended to facilitate future filter evaluations.
- **WTP Site Layout:** Concerns regarding the WTP's proximity to the drainage ditch should be further evaluated to mitigate potential risks.
- **WTP Chemical Feed:** Reviewing the size of the feed line for chlorine injection and confirming the disinfection method are essential for regulatory compliance and operational efficiency.

While these items may have been addressed in the design package or other analyses not accessible to AE2S, it is important to confirm their review to ensure the success and compliance of the water treatment plant project.

**PRESENTER:** Marty Farrell

**ITEM:** Hiring of Public Works Seasonal Position

**PREPARED BY:** Marty Farrell

**POLICY DECISION / ACTION TO BE CONSIDERED:** Approving hire of Zachary Mayo as a Public Works Seasonal Position

**BACKGROUND:** The 3 seasonal hires were included in the 2024 budget that the Council recently approved. Public Works has selected Zachary Mayo and started on Tuesday, May 7<sup>th</sup>, 2024. Starting Wage of \$16.00

**CRITICAL ISSUES:** N/A

**BUDGET IMPACT:** Budgeted in the 2024 budget.

**RECOMMENDATION:** Approve hiring of Zachary Mayo as a Public Works Seasonal

**ATTACHMENT(S):** None.

**PRESENTER:** Marty Farrell

**ITEM:** Hiring part time Maintenance Technician

**PREPARED BY:** Marty Farrell

**POLICY DECISION / ACTION TO BE CONSIDERED:** Approving hire of Logan Brunette as a part time Maintenance Technician.

**BACKGROUND:** These are 2 new part-time positions for the Public Works Department, the hires were included in the 2024 budget that the Council recently approved. Public Works has selected Logan Brunette and will start on Wednesday, May 15<sup>th</sup>, 2024 Grade 1 step1 \$23.24

**CRITICAL ISSUES:** N/A

**BUDGET IMPACT:** Budgeted in the 2024 budget.

**RECOMMENDATION:** Approve hiring of Logan Brunette as a part-time Maintenance Technician.

**ATTACHMENT(S):** None.

**PRESENTER:** Marty Farrell

**ITEM:** Hiring part time Maintenance Technician

**PREPARED BY:** Marty Farrell

**POLICY DECISION / ACTION TO BE CONSIDERED:** Approving hire of Kurt Neumann as a part time Maintenance Technician.

**BACKGROUND:** These are 2 new part-time positions for the Public Works Department. The hires were included in the 2024 budget that the Council recently approved. Public Works has selected Kurt Neumann and started on Tuesday, May 7<sup>th</sup>, 2024. started at Grade 1 step 3 \$25.14

**CRITICAL ISSUES:** N/A

**BUDGET IMPACT:** Budgeted in the 2024 budget.

**RECOMMENDATION:** Approve hiring of Kurt Neumann as a part time Maintenance Technician.

**ATTACHMENT(S):** None.

**PRESENTER:**

Jason Quisberg

**ITEM:**

Reduction of the Letter of Credit (LOC) for the 7<sup>th</sup>, 8<sup>th</sup>, and 9th Addition of the River Hills Development.

**PREPARED BY:**

Jason Quisberg, Engineering  
Nick Findley, Engineering

**POLICY DECISION / ACTION TO BE CONSIDERED:**

Reduction of the letter of credit for public improvements for the 7<sup>th</sup>, 8<sup>th</sup>, and 9th Addition of the River Hills Development.

**BACKGROUND:**

Work in the 7<sup>th</sup>, 8<sup>th</sup>, and 9th Addition of the River Hills development has been completed through the paving of wear course asphalt. A release in the LOC for 7<sup>th</sup> and 9<sup>th</sup> Addition and a reduction in the LOC for 8<sup>th</sup> addition has been requested. Work remaining for each addition is as follows:

- 7<sup>th</sup> Addition: No work remaining.
- 8<sup>th</sup> Addition: Concrete replacement and light pole installation.
- 9th Addition: No work remaining.

LOC remaining for each addition is as follows:

- The current LOC balance for 7<sup>th</sup> Addition is \$183,875.00. We recommend releasing this LOC in full amount to an amount of \$0.00.
- The current LOC balance for 8<sup>th</sup> Addition is \$150,000.00. We recommend reducing the LOC to an amount of \$50,000.00 (remaining punchlist work and light pole installation).
- The current LOC balance for 9<sup>th</sup> Addition is \$587,572.13. We recommend releasing this LOC in full amount to an amount of \$0.00.

Therefore, the LOC for reduction for each River Hills Addition requested is as follows:

- LOC for River Hills 7th Addition would be released in the amount of \$183,875.00.
- LOC for River Hills 8th Addition would be released in the amount of \$100,000.00.
- LOC for River Hills 9th Addition would be released in the amount of \$587,572.13.

**CRITICAL ISSUES:**

There are no outstanding critical issues.



**COMMISSION REVIEW / ACTION (IF APPLICABLE):****60/120-DAY RULE (IF APPLICABLE):****RELATIONSHIP TO COUNCIL GOALS:****BUDGET IMPACT:**

None

**RECOMMENDATION:**

Staff recommends reducing the LOC for the 7<sup>th</sup>, 8<sup>th</sup>, and 9th Addition of the River Hills Development by the amount provided below as described in the above document.

- 7<sup>th</sup> Addition: By the amount of \$183,875.00 for a remaining balance of \$0.00.
- 8<sup>th</sup> Addition: By the amount of \$100,000.00 for a remaining balance of \$50,000.00.
- 9th Addition: By the amount of \$587,572.13 for a remaining balance of \$0.00.

**ATTACHMENT(S):**



**City of Dayton  
Hennepin County and  
Wright County, Minnesota**

**Basic Financial Statements**

**December 31, 2023**

**City of Dayton  
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**City of Dayton  
Elected Officials and Administration  
December 31, 2023**

<u>Elected Officials</u>	<u>Position</u>	<u>Term Expires</u>
Dennis Fisher	Mayor	December 31, 2024
Travis Henderson	Council Member	December 31, 2024
Matt Trost	Council Member	December 31, 2024
Scott Salonek	Council Member	December 31, 2026
David Fashant	Council Member	December 31, 2026

<u>Administration</u>	
Zachary Doud	Finance Director/ City Administrator
Amy Benting	Assistant City Administrator/City Clerk
Dena Brunette	Accountant



## Independent Auditor's Report

Honorable Mayor and Members  
of the City Council  
City of Dayton  
Dayton, Minnesota

### **Report on the Audit of the Financial Statements**

#### **Opinions**

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

In our opinion, the accompanying financial statements 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 of Dayton, Minnesota, 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 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 (GAAS) 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 of Dayton 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.

#### **Responsibilities of Management for the Financial Statements**

The City of Dayton's management is responsible for the preparation and fair presentation of the 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 of Dayton's ability to continue as a going concern for twelve months beyond the financial statement 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 GAAS 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 of Dayton'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 of Dayton'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.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary Information 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 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 Required Supplementary Information 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 of Dayton's basic financial statements. The accompanying supplementary information identified in the Table of Contents is presented for purposes 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2024, on our consideration of the City of Dayton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 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 of Dayton's internal control over financial reporting and compliance.

*Bergan KDV Ltd.*

St. Cloud, Minnesota  
May 3, 2024



## **City of Dayton Management's Discussion and Analysis**

As management of the City of Dayton (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.

### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$149,283,427 (net position).
- The City's total net position increased by \$6,975,219. This was primarily due to the capital asset additions received during the year from development.
- As of the close of the current year, all the City's governmental funds reported combined ending fund balances of \$21,206,502, an increase of \$6,376,748 in comparison with the prior year.
- At the end of the current year, unassigned fund balance for the General fund was \$2,567,271, or 35.71%, of total General fund expenditures.
- The City's total bonded debt increased \$3,989,000 during the current fiscal year due to scheduled principal payments along with one new TIF Bond issuance for \$5,950,000.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to financial statements, and 4) schedule of expenditures of federal awards. 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 a private-sector business.

The Statement of Net Position provides information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with a difference between the four 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 City'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 revenue (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, parks and recreation, economic development, and interest on long-term debt. The business-type activities of the City include the water and sewer utilities.

## **City of Dayton Management's Discussion and Analysis**

### **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 more limited in scope than that of the more expansive government-wide financial statement, a better understanding of the long-term impact of a City's near-term financing decisions can be achieved by comparing the information presented for governmental funds with governmental activities, as the two are more closely related. 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 numerous individual 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 and other major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General fund. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget.

**Proprietary Funds** - The City maintains two 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 utility services.

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 each of the enterprise funds, all of which are considered to be major funds of the City.

### **NOTES TO THE FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## **City of Dayton Management's Discussion and Analysis**

### **OTHER INFORMATION**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pensions and other postemployment benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

### **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 \$149,283,427 at the close of the most recent fiscal year.

A portion of the City's net position (\$116,132,094 or 77.8%) reflects its investment in capital assets of (e.g., land, buildings, infrastructure, 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 citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted 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 (\$8,656,011 or 5.8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position 24,495,322 or 16.4%) may be used to meet the City's ongoing obligations to citizens and creditors.

# City of Dayton Management's Discussion and Analysis

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

### Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and other assets	\$ 30,457,710	\$ 26,650,714	\$ 12,585,936	\$ 11,847,901	\$ 43,043,646	\$ 38,498,615
Capital assets (net of Accumulated depreciation)	97,713,644	94,333,933	39,703,541	38,048,553	137,417,185	132,382,486
Total assets	<u>128,171,354</u>	<u>120,984,647</u>	<u>52,289,477</u>	<u>49,896,454</u>	<u>180,460,831</u>	<u>170,881,101</u>
<b>Deferred Outflows of Resources</b>						
Deferred outflows of resources related to pensions	2,801,229	2,754,941	57,011	85,464	2,858,240	2,840,405
Total deferred inflows of resources	<u>2,801,229</u>	<u>2,754,941</u>	<u>57,011</u>	<u>85,464</u>	<u>2,858,240</u>	<u>2,840,405</u>
Total assets and deferred outflows of resources	<u>\$ 130,972,583</u>	<u>\$ 123,739,588</u>	<u>\$ 52,346,488</u>	<u>\$ 49,981,918</u>	<u>\$ 183,319,071</u>	<u>\$ 173,721,506</u>
<b>Liabilities</b>						
Current liabilities	\$ 7,764,847	\$ 9,694,479	\$ 1,096,899	\$ 1,270,817	\$ 8,861,746	\$ 10,965,296
Noncurrent liabilities	21,684,957	18,906,752	243,417	243,519	21,928,374	19,150,271
Total liabilities	<u>29,449,804</u>	<u>28,601,231</u>	<u>1,340,316</u>	<u>1,514,336</u>	<u>30,790,120</u>	<u>30,115,567</u>
<b>Deferred Inflows of Resources</b>						
Advanced appropriations - State Shared Taxes	427,409	778,404	-	-	427,409	778,404
Deferred inflows of resources related to pensions	2,484,653	216,325	52,257	2,670	2,536,910	218,995
Deferred inflows of resources related to lease receivable	281,205	300,332	-	-	281,205	300,332
Total deferred inflows of resources	<u>3,193,267</u>	<u>1,295,061</u>	<u>52,257</u>	<u>2,670</u>	<u>3,245,524</u>	<u>1,297,731</u>
<b>Net Position</b>						
Net investment in capital assets	81,838,178	83,594,337	39,703,541	38,048,553	116,132,094	115,538,337
Restricted	8,752,761	8,743,966	18,017	14,711	8,770,778	8,758,677
Unrestricted	7,738,573	1,504,993	11,232,357	10,401,648	24,380,555	18,011,194
Total net position	<u>98,329,512</u>	<u>93,843,296</u>	<u>50,953,915</u>	<u>48,464,912</u>	<u>149,283,427</u>	<u>142,308,208</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 130,972,583</u>	<u>\$ 123,739,588</u>	<u>\$ 52,346,488</u>	<u>\$ 49,981,918</u>	<u>\$ 183,319,071</u>	<u>\$ 173,721,506</u>

# City of Dayton Management's Discussion And Analysis

## GOVERNMENTAL ACTIVITIES

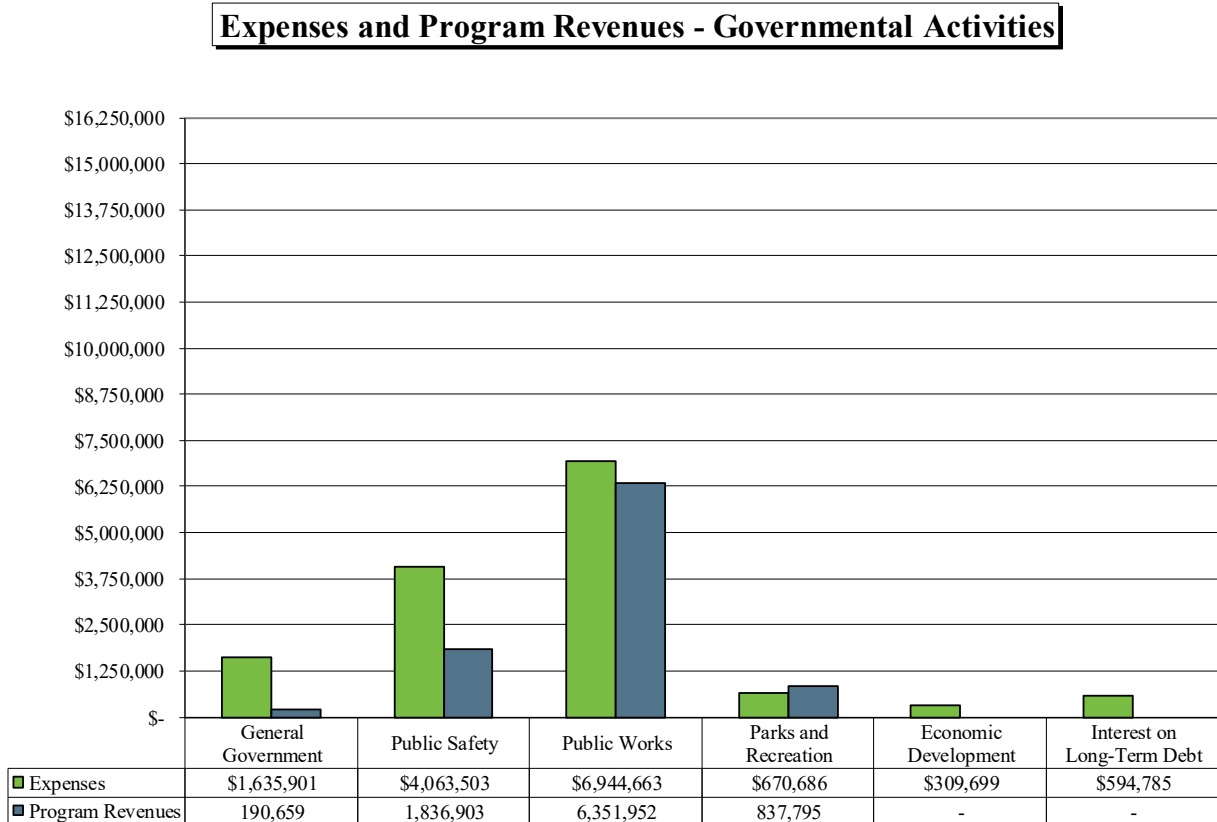
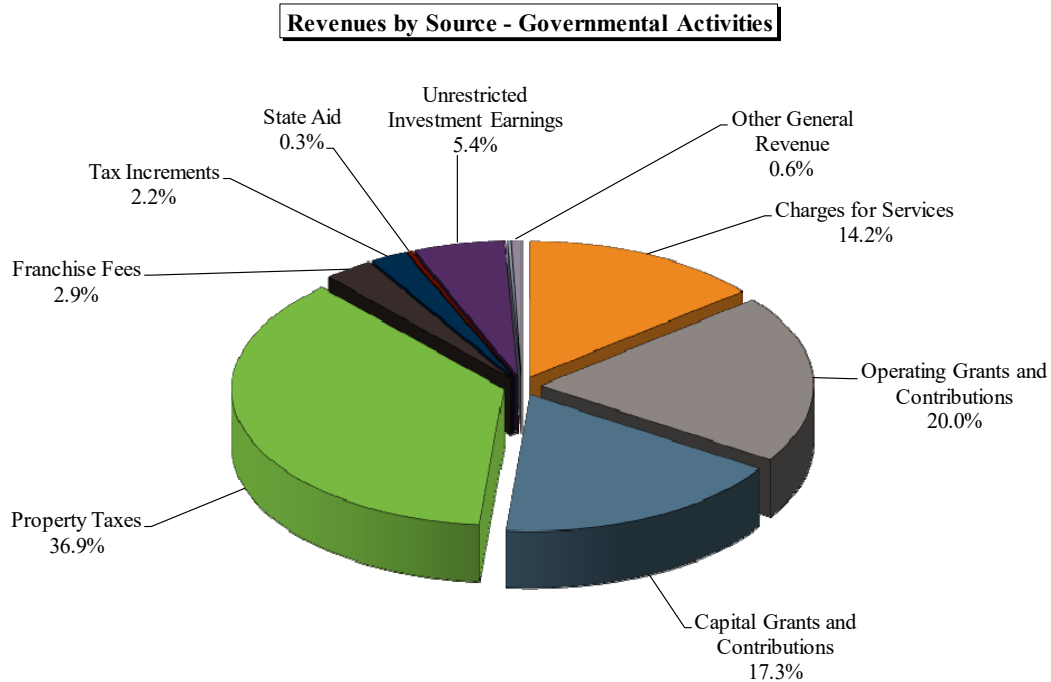
Governmental activities increased the City's net position by \$4,486,216.

### Changes in Net Position

	Governmental Activities 2023	Governmental Activities 2022	Business-Type Activities 2023	Business-Type Activities 2022	Total 2023	Total 2022
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 2,537,954	\$ 5,644,182	\$ 5,238,208	\$ 7,770,473	\$ 7,776,162	\$ 13,414,655
Operating grants and contributions	3,575,727	447,931	-	-	3,575,727	447,931
Capital grants and contributions	3,103,628	13,980,288	1,130,908	7,116,478	4,234,536	21,096,766
General revenues						
Property taxes	6,605,833	6,454,829	-	-	6,605,833	6,454,829
Franchise fees	527,299	478,464	-	-	527,299	478,464
Tax increments	394,907	447,701	-	-	394,907	447,701
State aid	54,542	35,928	-	-	54,542	35,928
Unrestricted investment earnings	963,296	(505,818)	583,934	(211,287)	1,547,230	(717,105)
Other general revenue	111,092	51,148	-	-	111,092	51,148
Gain on sale of capital assets	35,950	4,940	-	-	35,950	4,940
Total revenues	<u>17,910,228</u>	<u>27,039,593</u>	<u>6,953,050</u>	<u>14,675,664</u>	<u>24,863,278</u>	<u>41,715,257</u>
<b>Expenses</b>						
General government	1,635,901	1,399,587	-	-	1,635,901	1,399,587
Public safety	4,063,503	3,565,623	-	-	4,063,503	3,565,623
Public works	6,944,663	3,867,695	-	-	6,944,663	3,867,695
Parks and recreation	670,686	542,891	-	-	670,686	542,891
Economic development	309,699	525,838	-	-	309,699	525,838
Interest on long-term debt	594,785	342,795	-	-	594,785	342,795
Water	-	-	2,011,936	1,397,102	2,011,936	1,397,102
Sewer	-	-	1,656,886	1,174,086	1,656,886	1,174,086
Total expenses	<u>14,219,237</u>	<u>10,244,429</u>	<u>3,668,822</u>	<u>2,571,188</u>	<u>17,888,059</u>	<u>12,815,617</u>
Change in net position before transfers	3,690,991	16,795,164	3,284,228	12,104,476	6,975,219	28,899,640
Transfers	<u>795,225</u>	<u>867,107</u>	<u>(795,225)</u>	<u>(867,107)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>4,486,216</u>	<u>17,662,271</u>	<u>2,489,003</u>	<u>11,237,369</u>	<u>6,975,219</u>	<u>28,899,640</u>
Net position - beginning of year	93,843,296	58,655,983	48,464,912	26,582,195	142,308,208	85,238,178
Prior period adjustment	-	17,525,042	-	10,645,348	-	28,170,390
Net position - beginning as restated	<u>93,843,296</u>	<u>76,181,025</u>	<u>48,464,912</u>	<u>37,227,543</u>	<u>142,308,208</u>	<u>113,408,568</u>
Net position - ending	<u>\$ 98,329,512</u>	<u>\$ 93,843,296</u>	<u>\$ 50,953,915</u>	<u>\$ 48,464,912</u>	<u>\$ 149,283,427</u>	<u>\$ 142,308,208</u>

# City of Dayton Management's Discussion And Analysis

## GOVERNMENTAL ACTIVITIES (CONTINUED)

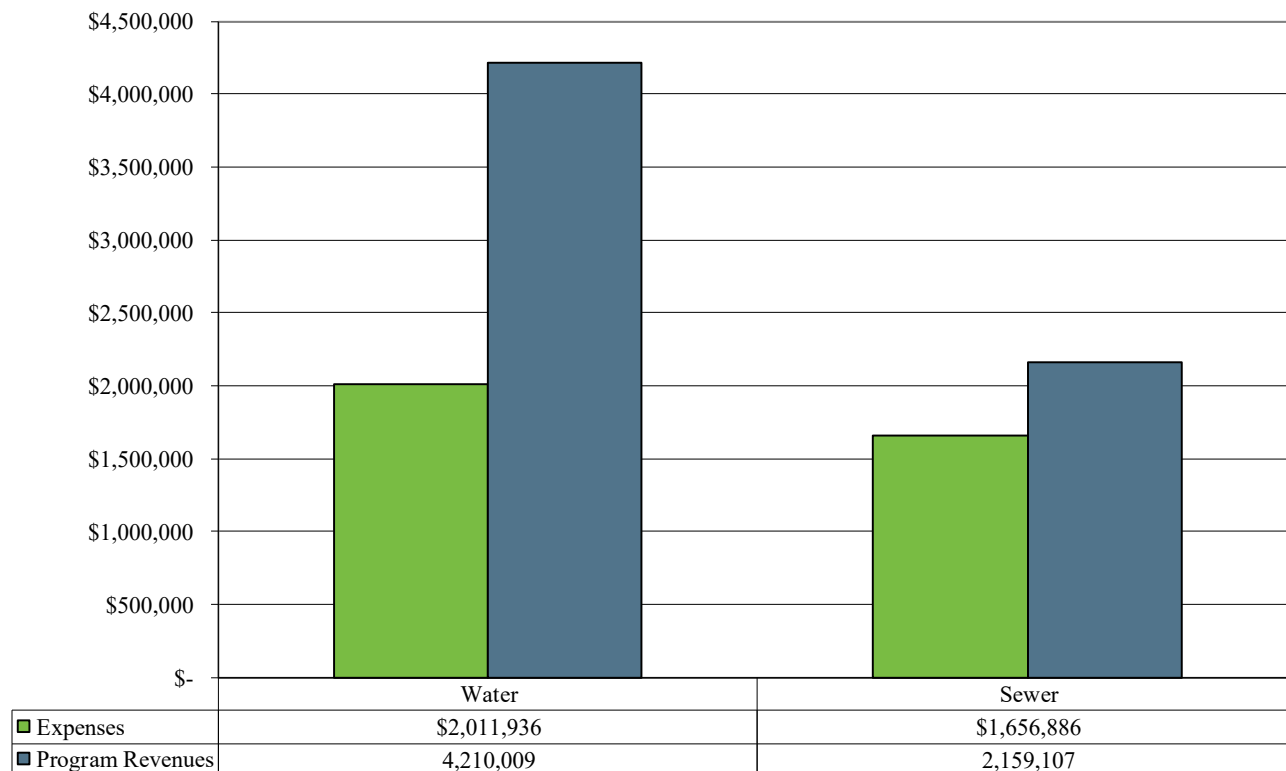


# City of Dayton Management's Discussion and Analysis

## BUSINESS-TYPE ACTIVITIES

**Business-Type Activities** - Business-type activities increased the City's net position \$2,489,003.

### 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 \$21,206,502 an increase of \$6,376,748 in comparison with the prior year. Of this total amount, \$1,276,511 constitutes unassigned fund balance which is available for spending at the City's discretion. The remaining fund balance is made up of the following: 1) Nonspendable \$205,480, 2) Restricted \$6,408,910, 3) Committed \$1,358,045, and 4) Assigned \$11,957,556.

## **City of Dayton Management's Discussion and Analysis**

### **Governmental Funds (Continued)**

The General fund is the primary operating fund of the City. At the end of the current fiscal year, the fund balance of the General fund was \$2,772,751. As a measure of the General fund's liquidity, it may be useful to compare both total fund balance to total fund expenditures. Total fund balance represents 35.00% of total General Fund budgeted expenditures for the following year.

The fund balance of the City's General fund increased \$117,340 in 2023.

**Proprietary Funds** - The City's proprietary funds provide the same type of information found in the City's government-wide financial statements, but in more detail. Unrestricted net position of the enterprise funds at the end of the year amounted to \$11,232,357. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City's General fund budget was not amended during the year and was approved as a balanced budget. Total revenues were under budget by \$241,592. Total expenditures were over budget by \$494,436. Total transfers in for the General Fund was \$853,368 for 2023. Some of the significant variances can be briefly summarized as follows:

- Licenses and permits and taxes were under budget by \$258,954 and \$127,278 respectively, due to less than anticipated residential and commercial/industrial development in the City along with more homes being late on their tax payments for 2023.
- General government expenditures were over budget by \$257,052 due to use of consultants being more prevalent with lack of staffing expertise for most of the year along with a litigation settlement occurring during 2023.
- Public works expenditures were over budget by \$185,492 primarily due to increased cost of repairs and maintenance along with a harsh winter at the beginning of 2023 which caused more road repair and fuel to be used.
- Transfers in due to the General Fund deficit of \$853,363 was not included in the budget but was approved by Council Resolution in 2024.

### **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, amounted to \$137,417,185 (net of accumulated depreciation/ amortization). This investment in capital assets includes land, buildings and improvements, infrastructure, collection and distribution system, machinery and equipment, construction in progress and leased vehicles.



**City of Dayton**  
**Management's Discussion and Analysis**

**CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)**

The City's most significant capital activity during the year was the addition of the developer added assets that had previously been omitted from the financial statements due to various reasons. This was a significant change to the financial position of the City for 2023 and beyond.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 3,366,641	\$ 3,366,641	\$ 113,767	\$ 113,767	\$ 3,480,408	\$ 3,480,408
Buildings and improvements	6,006,546	5,958,302	-	-	6,006,546	5,958,302
Infrastructure	93,938,820	90,102,883	-	-	93,938,820	90,102,883
Collection and distribution system	-	-	50,466,757	48,707,486	50,466,757	48,707,486
Machinery and equipment	8,733,474	7,430,080	395,396	172,784	9,128,870	7,602,864
Construction in progress	8,028,645	6,853,513	1,559,430	430,234	9,588,075	7,283,747
Lease vehicles	167,613	-	-	-	167,613	-
Total capital assets	120,241,739	113,711,419	52,535,350	49,424,271	172,777,089	163,135,690
Less accumulated depreciation/ amortization	(22,528,095)	(19,377,486)	(12,831,809)	(11,375,718)	(35,359,904)	(30,753,204)
Net capital assets	<u>\$ 97,713,644</u>	<u>\$ 94,333,933</u>	<u>\$ 39,703,541</u>	<u>\$ 38,048,553</u>	<u>\$ 137,417,185</u>	<u>\$ 132,382,486</u>

**Long-term Debt** – At the end of the current fiscal year, the City had total bonded debt outstanding of \$19,630,000. While all of the City's bonds have revenue streams, they are all backed by the full faith and credit of the City.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
G.O. Bonds, net	\$ 20,319,510	\$ 16,039,162	\$ -	\$ -	\$ 20,319,510	\$ 16,039,162
PFA notes	262,000	303,000	-	-	262,000	303,000
Lease liabilities	157,402	-	-	-	157,402	-
Compensated absences	375,743	301,352	67,369	33,422	443,112	334,774
Total	<u>\$ 21,114,655</u>	<u>\$ 16,643,514</u>	<u>\$ 67,369</u>	<u>\$ 33,422</u>	<u>\$ 21,182,024</u>	<u>\$ 16,676,936</u>

The City's total bonded debt increased \$3,989,000 due to the issuance of new debt however offset by scheduled debt payments.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City has adopted a balanced budget for 2024. The General fund revenue and expenditure budgets both total \$7,922,150. The general portion of the property tax levy for 2024 increased by 20.13% to \$5,929,085 while the debt service portion of the levy remained steady at \$210,000.

The City continues to emphasize the accumulation of resources for the acquisition, construction, or upgrade of the city's infrastructure, facilities, and equipment in the near future. The 2024 property tax levy includes \$1,750,000 of property tax revenue for the capital funds. The City continues to review and update the long-term capital improvement planning process to improve infrastructure, facilities, and equipment.

**City of Dayton  
Management's Discussion and Analysis**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (CONTINUED)**

The City has experienced increases in tax capacity in recent years. The City attributes this improvement in the tax capacity to changes in market conditions along with increased development activity. The City anticipates continued growth in the tax capacity for the next few years.

The City's tax rate has remained the same for both 2023 and 2024 at 35.64%.

The City has experienced a much slower level of growth in residential development in 2023 that it did in 2022 and 2021. The City has put the final touches together on road projects in the southwest area of City which has opened additional road connections for the businesses and residents in this area. All road projects for the City will be completed in 2024. The City is continuing to develop transportation and essential services for this growing community with better planning and focus on the future of Dayton.

**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 information should be addressed to Zach Doud, City Administrator at City of Dayton, 12260 South Diamond Lake Road, Dayton, Minnesota 55327.

## **BASIC FINANCIAL STATEMENTS**

**City of Dayton  
Statement of Net Position  
December 31, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and investments (including cash equivalents)	\$ 26,231,713	\$ 11,924,976	\$ 38,156,689
Taxes receivable - delinquent	158,852	-	158,852
Accounts receivable	650,638	484,817	1,135,455
Lease receivable	281,205	-	281,205
Interest receivable	229,554	-	229,554
Due from other governments	57,218	27,018	84,236
Special assessments receivable			
Current	1,106	-	1,106
Delinquent	2,977	1,868	4,845
Deferred charges	2,524,200	101,997	2,626,197
Inventories	28,785	-	28,785
Prepaid items	176,695	45,260	221,955
Net pension asset - fire relief association	114,767	-	114,767
Capital assets not being depreciated			
Land	3,366,641	113,767	3,480,408
Construction in progress	8,028,645	1,559,430	9,588,075
Capital assets (net of accumulated depreciation/amortization)			
Buildings and improvements	4,045,978	-	4,045,978
Infrastructure	76,564,778	-	76,564,778
Collection and distribution system	-	37,741,452	37,741,452
Machinery and equipment	5,551,206	288,892	5,840,098
Lease vehicles	156,396	-	156,396
Total assets	<u>128,171,354</u>	<u>52,289,477</u>	<u>180,460,831</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows of resources related to pensions	2,801,229	57,011	2,858,240
Total assets and deferred outflows of resources	<u>\$ 130,972,583</u>	<u>\$ 52,346,488</u>	<u>\$ 183,319,071</u>
<b>Liabilities</b>			
Accounts and contracts payable	\$ 5,346,664	\$ 462,424	\$ 5,809,088
Due to other governments	33,247	607,234	640,481
Salaries and benefits payable	179,221	14,648	193,869
Interest payable	296,658	-	296,658
Unearned revenue	182,666	5,856	188,522
Bonds payable, net			
Payable within one year	1,610,000	-	1,610,000
Payable after one year	18,709,510	-	18,709,510
Notes from direct borrowing			
Payable within one year	42,000	-	42,000
Payable after one year	220,000	-	220,000
Compensated absences payable			
Payable within one year	37,574	6,737	44,311
Payable after one year	338,169	60,632	398,801
Lease liability			
Payable within one year	36,817	-	36,817
Payable after one year	120,585	-	120,585
Net pension liability	2,296,693	182,785	2,479,478
Total liabilities	<u>29,449,804</u>	<u>1,340,316</u>	<u>30,790,120</u>
<b>Deferred Inflows of Resources</b>			
Advanced appropriations - State Shared Taxes	427,409	-	427,409
Deferred inflows of resources related to pensions	2,484,653	52,257	2,536,910
Deferred inflows of resources related to lease receivable	281,205	-	281,205
Total deferred inflows of resources	<u>3,193,267</u>	<u>52,257</u>	<u>3,245,524</u>
<b>Net Position</b>			
Net investment in capital assets	81,838,178	39,703,541	116,132,094
Restricted for			
Debt service	5,848,431	-	5,848,431
Net pension asset - fire relief association	114,767	-	114,767
Police forfeitures	12,745	-	12,745
Park dedication	2,536,890	-	2,536,890
Tax increment	239,928	-	239,928
Infrastructure replacement	-	18,017	18,017
Unrestricted	7,738,573	11,232,357	24,380,555
Total net position	<u>98,329,512</u>	<u>50,953,915</u>	<u>149,283,427</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 130,972,583</u>	<u>\$ 52,346,488</u>	<u>\$ 183,319,071</u>

See notes to basic financial statements.

**City of Dayton**  
**Statement of Activities**  
**Year Ended December 31, 2023**

Functions/Programs	Expenses	Program Revenue			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	\$ 1,635,901	\$ 190,489	\$ 170	\$ -	\$ (1,445,242)	\$ -	\$ (1,445,242)
Public safety	4,063,503	1,112,453	724,450	-	(2,226,600)	-	(2,226,600)
Public works	6,944,663	447,217	2,801,107	3,103,628	(592,711)	-	(592,711)
Parks and recreation	670,686	787,795	50,000	-	167,109	-	167,109
Economic development	309,699	-	-	-	(309,699)	-	(309,699)
Interest on long-term debt	594,785	-	-	-	(594,785)	-	(594,785)
Total governmental activities	<u>14,219,237</u>	<u>2,537,954</u>	<u>3,575,727</u>	<u>3,103,628</u>	<u>(5,001,928)</u>	<u>-</u>	<u>(5,001,928)</u>
Business-type activities							
Water	2,011,936	3,760,157	-	449,852	-	2,198,073	2,198,073
Sewer	1,656,886	1,478,051	-	681,056	-	502,221	502,221
Total business-type activities	<u>3,668,822</u>	<u>5,238,208</u>	<u>-</u>	<u>1,130,908</u>	<u>-</u>	<u>2,700,294</u>	<u>2,700,294</u>
Total governmental and business-type activities	<u>\$ 17,888,059</u>	<u>\$ 7,776,162</u>	<u>\$ 3,575,727</u>	<u>\$ 4,234,536</u>	<u>(5,001,928)</u>	<u>2,700,294</u>	<u>(2,301,634)</u>
General revenues							
Property taxes					6,605,833	-	6,605,833
Franchise fees					527,299	-	527,299
Tax increments					394,907	-	394,907
State aids					54,542	-	54,542
Unrestricted investment earnings					963,296	583,934	1,547,230
Other general revenue					111,092	-	111,092
Gain on sale of capital assets					35,950	-	35,950
Transfers					795,225	(795,225)	-
Total general revenues and transfers					<u>9,488,144</u>	<u>(211,291)</u>	<u>9,276,853</u>
Change in net position					4,486,216	2,489,003	6,975,219
Net position - beginning of year					93,843,296	48,464,912	142,308,208
Net position - end of year					<u>\$ 98,329,512</u>	<u>\$ 50,953,915</u>	<u>\$ 149,283,427</u>

See notes to basic financial statements.

**City of Dayton**  
**Balance Sheet - Governmental Funds**  
**December 31, 2023**

		Debt Service		Capital Projects
	General Fund (101)	2014A and 2015A G.O. Improvement Bonds (342)	2020A G.O. Improvement Bond (378)	Capital Equipment Fund (401)
<b>Assets</b>				
Cash and investments	\$ 2,718,458	\$ 2,952,442	\$ 256,626	\$ -
Receivables				
Taxes receivable - delinquent	158,852	-	-	-
Accounts receivable	87,036	-	-	-
Lease receivable	281,205	-	-	-
Interest receivable	229,554	-	-	-
Due from other governments	46,234	-	-	-
Special assessments receivable				
Current	-	1,039	67	-
Delinquent	-	2,659	318	-
Deferred	1,435	1,040,014	1,106,183	-
Due from other funds	29,981	-	-	-
Inventories	28,785	-	-	-
Prepaid items	176,695	-	-	-
<b>Total assets</b>	<b>\$ 3,758,235</b>	<b>\$ 3,996,154</b>	<b>\$ 1,363,194</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 152,126	\$ -	\$ -	\$ 13,024
Due to other funds	-	-	-	249,203
Due to other governments	29,979	-	-	268
Salaries and benefits payable	179,221	-	-	-
Unearned revenue	182,666	-	-	-
<b>Total liabilities</b>	<b>543,992</b>	<b>-</b>	<b>-</b>	<b>262,495</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	158,852	-	-	-
Advanced appropriations - State Shared Taxes	-	-	-	-
Deferred inflow related to lease receivable	281,205	-	-	-
Unavailable revenue - special assessments	1,435	1,042,673	1,106,501	-
<b>Total deferred inflows of resources</b>	<b>441,492</b>	<b>1,042,673</b>	<b>1,106,501</b>	<b>-</b>
<b>Fund Balances</b>				
Nonspendable	205,480	-	-	-
Restricted	-	2,953,481	256,693	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	2,567,271	-	-	(262,495)
<b>Total fund balances</b>	<b>2,772,751</b>	<b>2,953,481</b>	<b>256,693</b>	<b>(262,495)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 3,758,235</b>	<b>\$ 3,996,154</b>	<b>\$ 1,363,194</b>	<b>\$ -</b>

See notes to basic financial statements.

Capital Projects

Pavement Management and Improvements Fund (414)	2022 TIF Street Improvements (459)	Developer Escrow Fund(411)	Landscaping Escrow Fund (420)	Other Governmental Funds	Total Governmental Funds
\$ 2,985,846	\$ 243,820	\$ 2,646,239	\$ 1,466,000	\$ 12,962,282	\$ 26,231,713
-	-	-	-	-	158,852
126,844	127,599	296,363	-	12,796	650,638
-	-	-	-	-	281,205
-	-	-	-	-	229,554
2,481	-	-	-	8,503	57,218
-	-	-	-	-	1,106
-	-	-	-	-	2,977
-	-	-	-	376,568	2,524,200
-	-	-	-	598,755	628,736
-	-	-	-	-	28,785
-	-	-	-	-	176,695
<u>\$ 3,115,171</u>	<u>\$ 371,419</u>	<u>\$ 2,942,602</u>	<u>\$ 1,466,000</u>	<u>\$ 13,958,904</u>	<u>\$ 30,971,679</u>
\$ 39,335	\$ 291,216	\$ 2,942,602	\$ 1,466,000	\$ 442,361	\$ 5,346,664
-	-	-	-	379,533	628,736
-	-	-	-	3,000	33,247
-	-	-	-	-	179,221
-	-	-	-	-	182,666
<u>39,335</u>	<u>291,216</u>	<u>2,942,602</u>	<u>1,466,000</u>	<u>824,894</u>	<u>6,370,534</u>
-	-	-	-	-	158,852
-	-	-	-	427,409	427,409
-	-	-	-	-	281,205
-	-	-	-	376,568	2,527,177
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>803,977</u>	<u>3,394,643</u>
-	-	-	-	-	205,480
-	-	-	-	3,198,736	6,408,910
-	-	-	-	1,358,045	1,358,045
3,075,836	80,203	-	-	8,801,517	11,957,556
-	-	-	-	(1,028,265)	1,276,511
<u>3,075,836</u>	<u>80,203</u>	<u>-</u>	<u>-</u>	<u>12,330,033</u>	<u>21,206,502</u>
<u>\$ 3,115,171</u>	<u>\$ 371,419</u>	<u>\$ 2,942,602</u>	<u>\$ 1,466,000</u>	<u>\$ 13,958,904</u>	<u>\$ 30,971,679</u>

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**City of Dayton**  
**Reconciliation of the Balance Sheet to**  
**the Statement of Net Position - Governmental Funds**  
**December 31, 2023**

Total fund balances - governmental funds	\$ 21,206,502
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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 current financial resources and, therefore, are not reported as assets in governmental funds.

Cost of capital assets	120,074,126
Less accumulated depreciation	(22,516,878)
Cost of lease assets	167,613
Less accumulated amortization	(11,217)

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

Long-term liabilities at year-end consist of:

Bonds payable	(19,630,000)
Unamortized bond premium	(689,510)
Notes payable	(262,000)
Lease liability	(157,402)
Compensated absences payable	(375,743)
Net pension liability	(2,296,693)

Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds.

Deferred inflows of resources related to pensions	(2,484,653)
Deferred outflows of resources related to pensions	2,801,229

Fire Relief Association net pension asset created through contributions to a defined benefit pension plan which is not recognized in the governmental funds.

114,767

Delinquent receivables will be collected in subsequent years, but are not available soon enough pay for the current period's expenditures and, therefore, are deferred in the funds.

Delinquent taxes receivable	158,852
Delinquent special assessments receivable	2,977

Deferred receivables are not available to pay for current expenditures and, therefore, are deferred in the funds.

Deferred special assessments receivable	2,524,200
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Governmental funds do not report a liability for accrued interest due and payable.

(296,658)

Total net position - governmental activities

\$ 98,329,512

**City of Dayton**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**Year Ended December 31, 2023**

		Debt Service		Capital Projects
	General Fund (101)	2014A and 2015A G.O. Improvement Bonds (342)	2020A G.O. Improvement Bond (378)	Capital Equipment Fund (401)
<b>Revenues</b>				
Property taxes	\$ 4,462,957	\$ -	\$ -	\$ 750,000
Tax increments	-	-	-	-
Franchise fees	-	-	-	-
Special assessments	-	396,271	189,201	-
Licenses and permits	946,146	-	-	-
Intergovernmental	562,990	-	-	-
Charges for services	227,322	-	-	-
Fines and forfeitures	28,376	-	-	-
Miscellaneous				
Investment income	86,111	75,177	7,081	17,436
Contributions and donations	1,799	-	-	-
Other	136,537	-	-	-
Total revenues	<u>6,452,238</u>	<u>471,448</u>	<u>196,282</u>	<u>767,436</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	1,436,992	-	-	-
Public safety	3,545,401	-	-	-
Public works	1,617,082	-	-	-
Parks and recreation	475,991	-	-	-
Economic development	-	-	-	-
<b>Debt service</b>				
Principal	-	1,240,000	180,000	10,211
Interest and other charges	-	309,038	38,875	3,431
<b>Capital outlay</b>				
General government	33,547	-	-	-
Public safety	18,412	-	-	1,684,070
Public works	34,919	-	-	220,887
Parks and recreation	25,922	-	-	8,056
Total expenditures	<u>7,188,266</u>	<u>1,549,038</u>	<u>218,875</u>	<u>1,926,655</u>
Excess of revenues over (under) expenditures	(736,028)	(1,077,590)	(22,593)	(1,159,219)
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	-	-
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Lease Issuance	-	-	-	167,613
Transfers in	853,368	1,073,076	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>853,368</u>	<u>1,073,076</u>	<u>-</u>	<u>167,613</u>
Net change in fund balances	117,340	(4,514)	(22,593)	(991,606)
<b>Fund Balances</b>				
Beginning of year	<u>2,655,411</u>	<u>2,957,995</u>	<u>279,286</u>	<u>729,111</u>
End of year	<u>\$ 2,772,751</u>	<u>\$ 2,953,481</u>	<u>\$ 256,693</u>	<u>\$ (262,495)</u>

See notes to basic financial statements.

Capital Projects			
Pavement Management and Improvements Fund (414)	2022 TIF Street Improvements (459)	Other Governmental Funds	Total Governmental Funds
\$ 600,000	\$ -	\$ 710,000	\$ 6,522,957
-	-	394,907	394,907
527,299	-	-	527,299
-	-	91,157	676,629
-	-	-	946,146
1,855,185	793,915	1,261,995	4,474,085
-	-	1,300,541	1,527,863
-	-	4,780	33,156
131,427	11,469	634,595	963,296
-	-	17,009	18,808
-	-	1,200	137,737
3,113,911	805,384	4,416,184	16,222,883
-	-	20,635	1,457,627
-	-	39,407	3,584,808
1,636,790	-	-	3,253,872
-	-	14,803	490,794
-	-	296,744	296,744
-	-	541,000	1,971,211
-	154,046	70,248	575,638
-	-	44,950	78,497
-	-	30,940	1,733,422
1,123,353	1,624,618	309,299	3,313,076
-	-	350,423	384,401
2,760,143	1,778,664	1,718,449	17,140,090
353,768	(973,280)	2,697,735	(917,207)
-	-	35,950	35,950
-	5,950,000	-	5,950,000
-	345,167	-	345,167
-	-	-	167,613
-	-	22,789	1,949,233
-	-	(1,154,008)	(1,154,008)
-	6,295,167	(1,095,269)	7,293,955
353,768	5,321,887	1,602,466	6,376,748
2,722,068	(5,241,684)	10,727,567	14,829,754
\$ 3,075,836	\$ 80,203	\$ 12,330,033	\$ 21,206,502

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

Net change in fund balances - governmental funds \$ 6,376,748

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays	4,791,969
Depreciation expense	(3,629,831)
Contributed asset	2,061,177
Lease asset outlays	167,613
Amortization expense	(11,217)

Compensated absences are recognized as paid in the governmental funds, but recognized as the expense is incurred in the Statement of Activities. (74,391)

Governmental funds recognized pension contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to pensions on a full accrual perspective.

Pension expense	(275,354)
State aid related to pension expense	4,144

Principal payments on long-term debt are recognized as expenditures in the governmental funds, but have no effect on net position in the Statement of Activities. 1,971,211

Governmental funds report the effects of bond discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. 94,819

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus, requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. (113,966)

Proceeds from long-term debt are recognized as an other financing source in the governmental funds, but have no effect on net position in the Statement of Activities.

Bonds payable	(5,950,000)
Premium on bonds issued	(345,167)
Lease liability issued	(167,613)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds until measurable and available.

Deferred special assessments	(491,233)
Delinquent special assessments	(5,569)

Delinquent property taxes receivable will be collected in subsequent years, and, therefore, are but are not available soon enough to pay for the current period's expenditures deferred in the funds.

82,876

Change in net position - governmental activities \$ 4,486,216

**City of Dayton**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended December 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
<b>Revenues</b>			
Property taxes	\$ 4,590,235	\$ 4,462,957	\$ (127,278)
Licenses and permits	1,205,100	946,146	(258,954)
Intergovernmental revenue	468,045	562,990	94,945
Charges for services	342,700	227,322	(115,378)
Fines and forfeitures	40,000	28,376	(11,624)
Miscellaneous			
Investment income	10,000	86,111	76,111
Contributions and donations	2,750	1,799	(951)
Other	35,000	136,537	101,537
Total revenues	<u>6,693,830</u>	<u>6,452,238</u>	<u>(241,592)</u>
<b>Expenditures</b>			
Current			
General government	1,179,940	1,436,992	257,052
Public safety	3,476,220	3,545,401	69,181
Public works	1,431,590	1,617,082	185,492
Parks and recreation	491,080	475,991	(15,089)
Capital outlay			
General government	25,000	33,547	8,547
Public safety	23,000	18,412	(4,588)
Public works	35,000	34,919	(81)
Parks and recreation	32,000	25,922	(6,078)
Total expenditures	<u>6,693,830</u>	<u>7,188,266</u>	<u>494,436</u>
Excess of revenues over (under) expenditures	-	(736,028)	(736,028)
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	853,368	853,368
Total other financing sources (uses)	<u>-</u>	<u>853,368</u>	<u>853,368</u>
Net change in fund balance	<u>\$ -</u>	<u>117,340</u>	<u>\$ 117,340</u>
<b>Fund Balance</b>			
Beginning of year		<u>2,655,411</u>	
End of year		<u>\$ 2,772,751</u>	

See notes to basic financial statements.

**City of Dayton**  
**Statement of Net Positions - Proprietary Funds**  
**December 31, 2023**

	Water (601)	Sewer (602)	Total
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 9,026,518	\$ 2,898,458	\$ 11,924,976
Accounts receivable	217,473	267,344	484,817
Special assessments receivable	30,348	73,517	103,865
Due from other governments	4,341	22,677	27,018
Prepaid expenses	2,860	42,400	45,260
Total current assets	<u>9,281,540</u>	<u>3,304,396</u>	<u>12,585,936</u>
Noncurrent assets			
Capital assets			
Land	113,767	-	113,767
Collection and distribution system	24,726,801	25,739,956	50,466,757
Machinery and equipment	61,282	334,114	395,396
Construction in progress	1,559,430	-	1,559,430
Total capital assets	<u>26,461,280</u>	<u>26,074,070</u>	<u>52,535,350</u>
Less accumulated depreciation	<u>(5,918,701)</u>	<u>(6,913,108)</u>	<u>(12,831,809)</u>
Net capital assets	<u>20,542,579</u>	<u>19,160,962</u>	<u>39,703,541</u>
Total assets	<u>29,824,119</u>	<u>22,465,358</u>	<u>52,289,477</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows of resources related to pensions	<u>29,524</u>	<u>27,487</u>	<u>57,011</u>
Total assets and deferred outflows of resources	<u>\$ 29,853,643</u>	<u>\$ 22,492,845</u>	<u>\$ 52,346,488</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 435,634	\$ 26,790	\$ 462,424
Salaries and benefits payable	7,324	7,324	14,648
Due to other governments	509,547	97,687	607,234
Current compensated absences	3,374	3,363	6,737
Unearned revenue	5,856	-	5,856
Total current liabilities	<u>961,735</u>	<u>135,164</u>	<u>1,096,899</u>
Noncurrent liabilities			
Compensated absences	30,367	30,265	60,632
Net pension liability	94,658	88,127	182,785
Total noncurrent liabilities	<u>125,025</u>	<u>118,392</u>	<u>243,417</u>
Total liabilities	<u>1,086,760</u>	<u>253,556</u>	<u>1,340,316</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows of resources related to pensions	<u>27,062</u>	<u>25,195</u>	<u>52,257</u>
<b>Net Position</b>			
Net investment in capital assets	20,542,579	19,160,962	39,703,541
Restricted for infrastructure replacement	-	18,017	18,017
Unrestricted	8,197,242	3,035,115	11,232,357
Total net position	<u>28,739,821</u>	<u>22,214,094</u>	<u>50,953,915</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 29,853,643</u>	<u>\$ 22,492,845</u>	<u>\$ 52,346,488</u>

See notes to basic financial statements.

**City of Dayton**  
**Statement of Revenues, Expenses, and Changes**  
**in Fund Net Position - Proprietary Funds**  
**Year Ended December 31, 2023**

	Water (601)	Sewer (602)	Total
<b>Operating Revenues</b>			
Charges for services	\$ 1,979,682	\$ 1,119,375	\$ 3,099,057
Permits, hookup fees, and penalties	152,135	7,473	159,608
Other charges	10,396	10,396	20,792
Total operating revenues	<u>2,142,213</u>	<u>1,137,244</u>	<u>3,279,457</u>
<b>Operating Expenses</b>			
Wages and salaries	181,131	169,819	350,950
Employee benefits	88,812	82,913	171,725
Materials and supplies	341,506	5,367	346,873
Repairs and maintenance	82,903	15,021	97,924
Contracted services	77,892	521,380	599,272
Utilities	475,606	18,847	494,453
Depreciation	711,371	761,733	1,473,104
Equipment	41,738	64,545	106,283
Miscellaneous	10,977	17,261	28,238
Total operating expenses	<u>2,011,936</u>	<u>1,656,886</u>	<u>3,668,822</u>
Operating loss	130,277	(519,642)	(389,365)
<b>Nonoperating Revenues</b>			
Investment income	438,164	145,770	583,934
Connection charges	1,617,944	340,807	1,958,751
Total nonoperating revenue	<u>2,056,108</u>	<u>486,577</u>	<u>2,542,685</u>
Income before capital contributions and transfers	2,186,385	(33,065)	2,153,320
Capital contributions	449,852	681,056	1,130,908
Transfers out	(560,700)	(234,525)	(795,225)
Total capital contributions and transfers	<u>(110,848)</u>	<u>446,531</u>	<u>335,683</u>
Change in net position	2,075,537	413,466	2,489,003
<b>Net Position</b>			
Beginning of year, as previously stated	<u>26,664,284</u>	<u>21,800,628</u>	<u>48,464,912</u>
End of year	<u>\$ 28,739,821</u>	<u>\$ 22,214,094</u>	<u>\$ 50,953,915</u>

See notes to basic financial statements.

**City of Dayton**  
**Statement of Cash Flows - Proprietary Funds**  
**Year Ended December 31, 2023**

	Water (601)	Sewer (602)	Total
<b>Cash Flows - Operating Activities</b>			
Receipts from customers and users	\$ 2,089,952	\$ 1,062,181	\$ 3,152,133
Payments to suppliers	(1,266,912)	(560,727)	(1,827,639)
Payments to employees	(227,455)	(211,011)	(438,466)
Net cash flows - operating activities	<u>595,585</u>	<u>290,443</u>	<u>886,028</u>
<b>Cash Flows - Noncapital</b>			
<b>Financing Activities</b>			
Loan to/from other funds	5,054,237	-	5,054,237
Transfer to other funds	(560,700)	(234,525)	(795,225)
Net cash flows - noncapital financing activities	<u>4,493,537</u>	<u>(234,525)</u>	<u>4,259,012</u>
<b>Cash Flows - Capital and Related</b>			
<b>Financing Activities</b>			
Connection charges	1,617,944	340,807	1,958,751
Acquisition of capital assets	(1,757,559)	(239,625)	(1,997,184)
Net cash flows - capital and related financing activities	<u>(139,615)</u>	<u>101,182</u>	<u>(38,433)</u>
<b>Cash Flows - Investing Activities</b>			
Investment Income	<u>438,164</u>	<u>145,770</u>	<u>583,934</u>
<b>Net Change in Cash and Cash Equivalents</b>	5,387,671	302,870	5,690,541
<b>Cash and Cash Equivalents</b>			
January 1	<u>3,638,847</u>	<u>2,595,588</u>	<u>6,234,435</u>
December 31	<u><u>\$ 9,026,518</u></u>	<u><u>\$ 2,898,458</u></u>	<u><u>\$ 11,924,976</u></u>
<b>Reconciliation of Operating Loss to</b>			
<b>Net Cash Flows - Operating Activities</b>			
Operating loss	\$ 130,277	\$ (519,642)	\$ (389,365)
Adjustments to reconcile operating loss to net cash flows - operating activities			
Unearned revenue	(33,534)	-	(33,534)
Depreciation expense	711,371	761,733	1,473,104
Net pension expense	24,025	23,360	47,385
Accounts receivable	(11,850)	(90,226)	(102,076)
Special assessments receivable	(6,830)	17,900	11,070
Due from other governments	(47)	(2,737)	(2,784)
Prepaid items	(127)	(7,814)	(7,941)
Accounts payable	314,387	23,578	337,965
Contracts payable	35,091	-	35,091
Due to other governments	(585,641)	65,930	(519,711)
Salaries payable	1,438	1,439	2,877
Compensated absences payable	17,025	16,922	33,947
Total adjustments	<u>465,308</u>	<u>810,085</u>	<u>1,275,393</u>
Net cash flows - operating activities	<u><u>\$ 595,585</u></u>	<u><u>\$ 290,443</u></u>	<u><u>\$ 886,028</u></u>
<b>Noncash capital activities</b>			
Contributions of Capital Assets	\$ 449,852	\$ 681,056	\$ 1,130,908

See notes to basic financial statements.



**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Dayton is a statutory city governed by an elected mayor and four council members. The accompanying financial statements present the government entities for which the government is considered to be financially accountable.

The financial statements present the City and its component units. The City includes all funds, account groups, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, a certain organization has been defined and is presented in this report as follows:

Blended Component Unit - Reported as if they were part of the City.

For the category above the specific entity is defined as follows:

**1. Blended Component Unit**

The Dayton Economic Development Authority (EDA) is a legal entity separate from the City; however, the EDA is reported as if it were part of the primary government because the EDA Board is the same as the City Council and the City can impose its will on the EDA.

The activity of the EDA is shown in the EDA Special Revenue Fund. No separate financial statements are issued for the EDA.

**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 on all of the nonfiduciary activities of the City. 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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. 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. Internally dedicated revenues are reported as general revenues rather than program revenues.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide and Fund Financial Statements (Continued)**

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. Revenues are recognized as soon as they are both 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 end of the current period. However, revenues related to grants are considered to be available within 12 months of the end of the current 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 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 period. Only the portion of special assessments receivable due within the current 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.

**Description of Funds:**

**Major Governmental Funds:**

General Fund - This fund is the City's primary operating fund. It accounts for all financial resources of the general City, except those accounted for in another fund.

2014A and 2015A General Obligation (G.O.) Improvement Bonds - This fund accounts for costs and revenues associated with the 2014A and 2015A bond issuances and bond repayment.

2020A G.O. Improvement Bond - This fund accounts for costs and revenues associated with the 2020A debt issuance and bond repayment.

Capital Equipment Fund - This fund accounts for the resources accumulated and expenditures incurred for capital equipment.

Pavement Management and Improvements Fund - This fund accounts for the resources accumulated and expenditures incurred for pavement management and improvement projects.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Description of Funds: (Continued)**

**Major Governmental Funds: (Continued)**

2022 TIF Street Improvement Project - This fund accounts for the resources accumulated and expenditures incurred for construction projects related to the 2022 TIF Street Improvement project.

Developer Escrow Fund - This fund accounts for the resources accumulated related to developer escrows.

Landscaping Escrow Fund - This fund accounts for the resources accumulated related to landscaping escrows.

**Major Proprietary Funds:**

Water Fund - This fund accounts for the operations of the City's water utility.

Sewer Fund - This fund accounts for the operations of the City's sewer utility.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's utility functions 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.

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 proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity**

**1. Deposits and Investments**

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the individual funds based on the average month end cash and investment balances.

The City's cash and cash equivalents are considered to be cash on hand, certificates of deposit, municipal bonds, government securities, and brokered money markets.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**1. Deposits and Investments (Continued)**

*Minnesota Statutes* authorizes the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days and in the Minnesota Municipal Investment Pool.

Certain investments for the City are reported at fair value as disclosed in Note 3. 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.

**2. Receivables and Payables**

All trade and property tax receivables are shown at a gross amount since both are assessable to the property taxes and are collectible upon the sale of the property.

The City levies its property tax for the subsequent year during the month of December. December 28 is the last day the City can certify a tax levy to the County Auditors for collection the following year. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. The property tax is recorded as revenue when it becomes measurable and available. Hennepin County and Wright County are the collecting agencies for the levy and remit the collections to the City three times a year. The tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Taxes not collected as of December 31 each year are shown as delinquent taxes receivable.

The County Auditors prepare the tax lists for all taxable property in the City, applying the applicable tax rate to the tax capacity of individual properties, to arrive at the actual tax for each property. The County Auditors also collect all special assessments, except for certain prepayments paid directly to the City.

The County Auditors submit the lists of taxes and special assessments to be collected on each parcel of property to the County Treasurers in January of each year.

**3. Inventory and Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**3. Inventory and Prepaid Items (Continued)**

Inventory is valued at cost using the first in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

**4. Capital Assets**

Capital assets, which include property, plant, equipment, intangible, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 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 acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20 - 35
Improvements	10 - 35
Infrastructure	20 - 35
Utilities	25
Machinery and equipment	4 - 20
Vehicles	4 - 20

**5. Lease Receivable**

The City is a lessor for a noncancellable lease. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date.

Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term in a systematic and rational manner.

Key estimates and judgments include how the City determines (1) the discount rate, (2) lease term, (3) lease receipts, and (4) amortization.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**5. Lease Receivable (Continued)**

The City determines the discount rate for leases based on the applicable State and Local Government Securities (SLGS) rate. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

**6. Right-to-Use Lease Assets/Lease Liabilities**

The City recorded right-to-use lease assets as a result of implementing GASB Statement No. 87, Leases. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the lease liability plus any payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Key estimates and judgments related to leases include (1) the discount rate, (2) lease term, (3) lease payments, and (4) amortization.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City determines its estimated borrowing rate based on the applicable State and Local Government Securities rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a re-measurement of the leases and will remeasure the right-to-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

**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 represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City presents deferred outflows of resources on the Statement of Net Position for deferred outflows of resources related to pensions for various estimate differences that will be amortized and recognized over future years.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**7. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of financial position and fund financial statements 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 items that qualify for reporting in this category. The City presents deferred inflows of resources on the Governmental Fund Balance Sheet as unavailable revenue. The governmental funds report unavailable revenues from three sources: property taxes, special assessments, and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City presents deferred inflows of resources on the Statement of Net Position for deferred inflows of resources related to grant revenue that are not yet available and pensions for various estimate differences that will be amortized and recognized over future years. Deferred inflows of resources related to lease receivable is reported in both the government wide Statement of Net Position and the Governmental Funds Balance Sheet.

**8. Compensated Absences**

The City compensates employees who resign or retire in good standing for all unused vacation.

Sick leave may be accumulated and banked to a maximum of 960 hours for full-time employees. Employees are allowed to put a portion of their monthly accrual toward their short and long-term disability insurance, which is required by the City. An employee leaving employment voluntarily, with five or more years of continuous service with the City and leaving on good standing, will be paid at the base rate of pay, a half or one-third of the accumulated sick leave hours into a post retirement health care savings fund, depending on the employee's contract.

Vacation and sick pay are considered expenditures in the year paid in the governmental fund statements, while in the proprietary and government-wide statements, vacation and sick pay are charged to expense when earned.

**9. 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 deferred and amortized over the life of the bond.

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 is reported as other financing sources. Premiums received 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.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**10. 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 the relief association and additions to/deductions from PERA's and the relief association's fiduciary net position have been determined on the same basis as they are reported by PERA and the relief association except that PERA's fiscal year end is June 30. 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 the benefit terms. Investments are reported at fair value.

**11. Fund Equity**

**a. Classification**

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

- ◆ **Nonspendable Fund Balances** - These are amounts that cannot be spent because they are not in spendable form.
- ◆ **Restricted Fund Balances** - These are amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through enabling legislation.
- ◆ **Committed Fund Balances** - These are amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council (highest level of decision making authority) through resolution. Committed balances can only be removed or changed through council resolution.
- ◆ **Assigned Fund Balances** - These are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the City Administrator based on the City Council's direction.
- ◆ **Unassigned Fund Balances** - These are residual amounts in the General Fund not reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted and committed fund balances exceed the total net resources of that fund.

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources and then use unrestricted resources as they are needed.

When committed, assigned, or unassigned resources are available for use, it is the City's policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.



**City of Dayton  
Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**11. Fund Equity (Continued)**

**b. Minimum Fund Balance**

The City's target General Fund balance is to maintain 40% of the subsequent year's budgeted expenditures.

**12. Net Position**

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. A reclassification of \$5,409,625 was made between this net position class and unrestricted net position in the total column of the Statement of Net Position to recognize the portion of debt attributable to capital assets donated from governmental activities to business-type activities. Net position is reported as restricted in the government-wide financial statement when there are limitations on use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**13. 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**E. Budgetary Information**

1. In August of each year, City staff submits to the City Council, a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution after obtaining taxpayer comments.
4. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Expenditures may not legally exceed budgeted appropriations at the department level. No fund's budget can be increased without City Council approval. The City Council may authorize transfer of budgeted amounts between departments within any fund. Management may amend budgets within a department level, so long as the total department budget is not changed.
6. The annual appropriated budget is adopted during the year for the General Fund. Annual appropriated budgets are not adopted for Debt Service Funds because effective budgetary control is alternatively achieved through bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project controls and formal appropriated budgets are not adopted.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Budgetary Information (Continued)**

7. Budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original amounts budgeted. Budgeted expenditure appropriations lapse at year-end.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Deficit Fund Balance**

The following Funds had a deficit fund balance at December 31, 2023:

Capital Equipment Fund	\$ 262,495
2023A CRG TIF Bond Fund	22,789
Park Capital Equipment	134,350
TIF No. 17 Graco	10,441
City Wide Transportation Project	427,409
ROW Escrow Fund	3,000
Dayton Parkway Interchange	430,276

**NOTE 3 - DEPOSITS AND INVESTMENTS**

Cash balances of the City's funds are combined (pooled) and invested to the extent available in various investments authorized by *Minnesota Statutes*. Each fund's portion of this pool (or pools) is displayed in the financial statements as "cash and cash equivalents" or "investments". For purposes of identifying risk of investing public funds, the balances and related restrictions are summarized as follows.

**A. Deposits**

**Custodial Credit Risk - Deposits:** This is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy in place to address custodial credit risk for deposits, stating all deposits will be insured or collateralized in accordance with *Minnesota Statutes* § 118A. As of December 31, 2023, the City's bank balance was not exposed to custodial credit risk as the amount was insured through FDIC insurance and secured with pledged collateral.

As of December 31, 2023, the City's book balance for deposits was as follows:

Deposits	<u><u>\$ 3,917,079</u></u>
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**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments**

As of December 31, 2023, the City had the following investments:

Investment Type	Fair Value	Investment Maturities			
		Less than One Year	1-3 Years	3-5 Years	Greater than Five Years
Municipal Bonds	\$ 12,934,610	\$ 2,425,605	\$ 7,974,996	\$ 2,534,009	\$ -
Government Securities	13,029,988	7,332,483	3,312,023	2,081,229	304,253
Corporate Securities	3,497,906	-	2,769,537	728,369	-
Brokered Money Market Account	4,777,106	4,777,106	-	-	-
Total	<u>\$ 34,239,610</u>	<u>\$ 14,535,194</u>	<u>\$ 14,056,556</u>	<u>\$ 5,343,607</u>	<u>\$ 304,253</u>

**Credit Risk:** This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. *Minnesota Statutes* §§ 118A.04 and 118A.05 limit investments in the top two ratings issued by nationally recognized statistical rating organizations. The City's investment policy limits investments to the following: government securities, certificates of deposit fully covered by FDIC insurance, repurchase agreements, reverse repurchase agreements, prime commercial paper, and general obligations of the State of Minnesota or any of its municipalities and bankers' acceptances. The City's investments in Fannie Mae and Freddie Mac were rated AA+ by Standard & Poor's (S&P). The City's municipal investments were rated AA-AAA by S&P. The remaining investments were unrated.

**Concentration of Credit Risk:** This is the risk of loss attributed to the magnitude of an investment in a single issuer. The City's investment policy states the City will attempt to diversify its investments according to type and maturity. As of December 31, 2023, the U.S. Treasury Bill (7.35%) exceeded 5% of the City's total investments.

**Custodial Credit Risk - Investments:** This is the risk that in the event of the failure of the counterparty, the City will 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 states all financial institutions and broker/dealers qualified for investment transactions with the City must comply with *Minnesota Statutes* § 118A. The policy further states all investment securities will be held by brokers only to the extent SIPC and excess SIPC coverage is available. The City's investments held by the broker-dealer were insured by Securities Investor Protection Corporation (SIPC) or other supplemental insurance as of December 31, 2023. However, each investment brokerage firm may have a limit to their supplemental insurance and because of the size of the City's portfolio in relation to the brokerage firm's excess SIPC coverage limits, the portion of the supplemental policy applicable to the City's portfolio is unknown. The City accepts the risk due to the controls in place at the broker-dealer.

**Interest Rate Risk:** This is the risk that market values of securities in a portfolio would decrease due to changes in market interest rates. The City's investment policy states the City will minimize interest rate risk by diversifying their portfolio according to type and maturity and as much as possible, contain both short-term and long-term investments.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

The City has the following recurring fair value measurements as of December 31, 2023:

- ◆ \$16,527,894 of investments are valued using a quoted market prices (Level 1 inputs).
- ◆ \$12,934,610 of investments are valued using a matrix pricing model (Level 2 inputs).

The following is a summary of total deposits and investments:

Deposits	\$ 3,917,079
Investments	<u>34,239,610</u>
Total deposits and investments	<u><u>\$ 38,156,689</u></u>

Deposits and investments are presented in the December 31, 2023, basic financial statements as follows:

Statement of Net Position

Cash and investments (including cash equivalents)	<u><u>\$ 38,156,689</u></u>
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**NOTE 4 - INTERFUND ACTIVITY**

**A. Transfers**

The transfers were done to fund revolving capital project funds, and to subsidize operations.

	Transfers In			Total
	General Fund	2014A and 2015A G.O. Improvement Bonds	Other Governmental Funds	
Transfers Out				
Other governmental funds	\$ 853,368	\$ 277,851	\$ 22,789	\$ 1,154,008
Water Fund	-	560,700	-	560,700
Sewer Fund	-	234,525	-	234,525
Total	<u><u>\$ 853,368</u></u>	<u><u>\$ 1,073,076</u></u>	<u><u>\$ 22,789</u></u>	<u><u>\$ 1,949,233</u></u>

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 4 - INTERFUND ACTIVITY (CONTINUED)**

**B. Interfund Balances**

The following amounts are due from other funds to cover temporary deficit cash balances and internal financing of projects:

	Due to Other Funds		
	Capital Equipment Fund	Other Governmental Funds	Total
Due from Other Funds			
General	\$ -	\$ 29,981	29,981
Other Governmental Funds	249,203	349,552	598,755
Total	<u>\$ 249,203</u>	<u>\$ 379,533</u>	<u>\$ 628,736</u>

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 5 - CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 3,366,641	\$ -	\$ -	\$ 3,366,641
Construction in progress	6,853,513	2,901,532	1,726,400	8,028,645
Total capital assets not being depreciated	<u>10,220,154</u>	<u>2,901,532</u>	<u>1,726,400</u>	<u>11,395,286</u>
Other capital assets				
Buildings and improvements	5,958,302	48,244	-	6,006,546
Infrastructure	90,102,883	3,835,937	-	93,938,820
Machinery and equipment	7,430,080	1,793,834	490,440	8,733,474
Lease vehicles	-	167,613	-	167,613
Total other capital assets	<u>103,491,265</u>	<u>5,845,628</u>	<u>490,440</u>	<u>108,846,453</u>
Less accumulated depreciation for				
Buildings and improvements	1,772,606	187,962	-	1,960,568
Infrastructure	14,403,632	2,970,410	-	17,374,042
Machinery and equipment	3,201,248	471,460	490,440	3,182,268
Less accumulated amortization for				
Lease vehicles	-	11,217	-	11,217
Total accumulated depreciation and amortization	<u>19,377,486</u>	<u>3,641,049</u>	<u>490,440</u>	<u>22,528,095</u>
 Total other capital assets, net	 <u>84,113,779</u>	 <u>2,204,579</u>	 <u>-</u>	 <u>86,318,358</u>
 Governmental activities capital assets, net	 <u>\$ 94,333,933</u>	 <u>\$ 5,106,111</u>	 <u>\$ 1,726,400</u>	 <u>\$ 97,713,644</u>

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 5 - CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 113,767	\$ -	\$ -	\$ 113,767
Construction in progress	430,234	1,757,559	628,363	1,559,430
Total capital assets not being depreciated	<u>544,001</u>	<u>1,757,559</u>	<u>628,363</u>	<u>1,673,197</u>
Other capital assets				
Collection and distribution system	48,707,486	1,759,271	-	50,466,757
Machinery and equipment	172,784	239,625	17,013	395,396
Total other capital assets	<u>48,880,270</u>	<u>1,998,896</u>	<u>17,013</u>	<u>50,862,153</u>
Less accumulated depreciation for				
Collection and distribution system	11,281,060	1,444,245	-	12,725,305
Machinery and equipment	94,658	28,859	17,013	106,504
Total accumulated depreciation	<u>11,375,718</u>	<u>1,473,104</u>	<u>17,013</u>	<u>12,831,809</u>
Total other capital assets, net	<u>37,504,552</u>	<u>525,792</u>	<u>-</u>	<u>38,030,344</u>
Business-type activities capital assets, net	<u>\$ 38,048,553</u>	<u>\$ 2,283,351</u>	<u>\$ 628,363</u>	<u>\$ 39,703,541</u>

Depreciation and amortization expense was charged to functions/programs of the City as follows:

Governmental activities	
General government	\$ 60,445
Public safety	257,807
Public works	3,180,527
Parks and recreation	<u>142,270</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 3,641,049</u>
Business-type activities	
Water	\$ 711,371
Sewer	<u>761,733</u>
Total depreciation expense - business-type activities	<u>\$ 1,473,104</u>

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 6 - LEASE RECEIVABLE**

The City entered into a cell tower lease with New Cingular Wireless PCS, LLC. This lease was entered into in 2013 and will commence 2033. The lease payment was \$30,792 for 2023 and will increase by 4% yearly. The deferred inflow and receivable balance related to this lease is \$281,205 as of December 31, 2023.

**NOTE 7 - LONG-TERM DEBT**

**A. Components of Long-Term Liabilities**

	Issue Date	Interest Rates	Original Issue	Final Maturity	Principal Outstanding	Due Within One Year
Long-term liabilities						
Governmental activities						
Bonds payable						
2014A G.O. Refunding	09/09/14	2.0%-3.0%	\$ 9,685,000	02/01/30	\$ 6,300,000	\$ 465,000
2015A G.O. Refunding	01/08/15	2.25%-3.0%	7,430,000	02/01/27	3,505,000	805,000
2016A G.O. CIP	09/01/16	2.00%-2.75%	3,610,000	02/01/37	2,475,000	155,000
2020A G.O. Improvement						
Street reconstruction	06/04/20	2.0%-3.0%	1,935,000	02/01/30	1,400,000	185,000
2023A G.O. TIF Improvement	06/15/23	4.0%-5.0%	5,950,000	02/01/33	5,950,000	-
PFA notes from direct borrowing						
2010A Improvement Notes	05/06/10	1.65%	750,449	08/20/29	262,000	42,000
Unamortized premium					689,510	-
Lease liabilities					157,402	36,817
Compensated absences					375,743	37,574
Total government activities					<u>21,114,655</u>	<u>1,726,391</u>
Business-type activities						
Compensated absences					<u>67,369</u>	<u>6,737</u>
Total long-term liabilities					<u>\$ 21,182,024</u>	<u>\$ 1,733,128</u>

Long-term bonded indebtedness listed above were issued to finance acquisition and construction of capital infrastructure or facilities or to refinance (refund) previous bond issues.

**B. Lease Liabilities**

On February 27, 2023, the City entered into four lease agreements with Enterprise Fleet management for Dodge Durangos. The lease agreements include monthly principal and interest payments of \$1,005-\$1,105. The lease agreements are for four years and expire July 18, 2027 through December 19, 2027.



**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**C. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities				
Bonds payable				
G.O. Improvement Bonds	\$ 4,205,000	\$ -	\$ 330,000	\$ 3,875,000
G.O. Refunding Bonds	11,045,000	-	1,240,000	9,805,000
G.O. Tax Increment	-	5,950,000	-	5,950,000
G.O. Street Construction	350,000	-	350,000	-
Notes from direct borrowing	303,000	-	41,000	262,000
Unamortized premium	439,162	345,167	94,819	689,510
Lease liabilities	-	167,613	10,211	157,402
Compensated absences	301,352	310,699	236,308	375,743
Total governmental activities	<u>16,643,514</u>	<u>6,773,479</u>	<u>2,302,338</u>	<u>21,114,655</u>
Business-type activities				
Compensated absences	<u>33,422</u>	<u>61,149</u>	<u>27,202</u>	<u>67,369</u>
Total long-term liabilities	<u>\$ 16,676,936</u>	<u>\$ 6,834,628</u>	<u>\$ 2,329,540</u>	<u>\$ 21,182,024</u>

The General Fund typically liquidates the liability related to compensated absences and the Capital Equipment Fund liquidates the liability related to the lease liabilities.

**D. Long-Term Debt**

Minimum principal and interest payments required to retire long-term liabilities:

Year Ended December 31,	Governmental Activities			
	G.O. Improvement Bonds		PFA - Notes from Direct Borrowing	
	Principal	Interest	Principal	Interest
2024	\$ 340,000	\$ 88,138	\$ 42,000	\$ 4,333
2025	345,000	79,413	43,000	3,639
2026	355,000	70,488	43,000	2,928
2027	365,000	61,313	44,000	2,216
2028	370,000	52,963	90,000	2,233
2029-2033	1,310,000	166,581	-	-
2034-2037	790,000	43,900	-	-
Total	<u>\$ 3,875,000</u>	<u>\$ 562,796</u>	<u>\$ 262,000</u>	<u>\$ 15,349</u>

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**D. Long-Term Debt (Continued)**

Year Ended December 31,	Governmental Activities			
	G.O. Tax Increment		G.O. Refunding Bonds	
	Principal	Interest	Principal	Interest
2024	\$ -	\$ 297,790	\$ 1,270,000	\$ 265,731
2025	50,000	262,800	1,315,000	228,556
2026	410,000	251,300	1,360,000	191,587
2027	680,000	224,050	1,390,000	153,769
2028	715,000	189,175	1,495,000	111,675
2029-2033	4,095,000	426,450	2,975,000	90,075
Total	<u>\$ 5,950,000</u>	<u>\$ 1,651,565</u>	<u>\$ 9,805,000</u>	<u>\$ 1,041,393</u>

Year Ended December 31,	Governmental Activities			
	Lease Liabilities		Total Governmental Activities	
	Principal	Interest	Principal	Interest
2024	\$ 36,817	\$ 13,938	\$ 1,688,817	\$ 669,930
2025	40,354	10,401	1,793,354	584,809
2026	44,660	6,095	2,212,660	522,398
2027	35,571	1,541	2,514,571	442,889
2028	-	-	2,670,000	356,046
2029-2033	-	-	8,380,000	683,106
2033-2037	-	-	790,000	43,900
Total	<u>\$ 157,402</u>	<u>\$ 31,975</u>	<u>\$ 20,049,402</u>	<u>\$ 3,303,078</u>

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 8 - FUND BALANCE DETAIL**

Fund equity balances are classified as follows to reflect the limitations and restrictions of the respective funds:

	General Fund	2014 A and 2015A G.O. Improvement Bonds	2020A G.O. Improvement Bond	Capital Equipment Fund	Pavement Management and Improvements Fund	2022 TIF Street Improvement	Other Governmental Funds	Total
<b>Nonspendable</b>								
Inventory	\$ 28,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,785
Prepaid items	176,695	-	-	-	-	-	-	176,695
Total nonspendable	<u>205,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,480</u>
<b>Restricted</b>								
Debt service	-	2,953,481	256,693	-	-	-	409,173	3,619,347
Police forfeitures	-	-	-	-	-	-	12,745	12,745
TIF districts	-	-	-	-	-	-	239,928	239,928
Park dedication	-	-	-	-	-	-	2,536,890	2,536,890
Total restricted	<u>-</u>	<u>2,953,481</u>	<u>256,693</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,198,736</u>	<u>6,408,910</u>
<b>Committed</b>								
Cable fund	-	-	-	-	-	-	195,547	195,547
EDA	-	-	-	-	-	-	672,182	672,182
Gambling	-	-	-	-	-	-	2,265	2,265
Fire public safety	-	-	-	-	-	-	145,122	145,122
Police public safety	-	-	-	-	-	-	175,500	175,500
Park development	-	-	-	-	-	-	167,429	167,429
Total restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,358,045</u>	<u>1,358,045</u>
<b>Assigned</b>								
Park trails	-	-	-	-	-	-	2,631,969	2,631,969
Capital projects	-	-	-	-	3,075,836	80,203	6,169,548	9,325,587
Total unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,075,836</u>	<u>80,203</u>	<u>8,801,517</u>	<u>11,957,556</u>
<b>Unassigned</b>	<u>2,567,271</u>	<u>-</u>	<u>-</u>	<u>(262,495)</u>	<u>-</u>	<u>-</u>	<u>(1,028,265)</u>	<u>1,276,511</u>
Total fund balance	<u>\$ 2,772,751</u>	<u>\$ 2,953,481</u>	<u>\$ 256,693</u>	<u>\$ (262,495)</u>	<u>\$ 3,075,836</u>	<u>\$ 80,203</u>	<u>\$ 12,330,033</u>	<u>\$ 21,206,502</u>

**NOTE 9 - RISK MANAGEMENT**

The City purchases commercial insurance coverage through the League of Minnesota Cities Insurance Trust (LMCIT) with other cities in the state which is a public entity risk pool currently operating as a common risk management and insurance program. The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, however, retains the risk for the deductible portion of its 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's workers' compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after loss experience is known. The amount of premium adjustment for 2023 was estimated to be immaterial based on workers' compensation rates and salaries for the year.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 9 - RISK MANAGEMENT (CONTINUED)**

At December 31, 2023, there were no other claims liabilities reported in the fund based on the requirements of GASB Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**NOTE 10 - PENSION PLANS**

The City participates in various pension plans, total pension expense for the year ended December 31, 2023, was \$732,255. The components of pension expense are noted in the following plan summaries.

The General Fund and Water and Sewer Funds typically liquidate the liability related to pensions.

**Public Employees' Retirement Association**

**A. Plan Description**

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by PERA. 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 Plan**

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

**Public Employees Police and Fire Plan**

The Police and Fire Plan, 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 Police and Fire Plan also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to PERA.

**B. Benefits Provided**

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.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**B. Benefits Provided (Continued)**

**General Employees Plan Benefits**

General Employees Plan benefits are based on a member's highest average salary for any 5 successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for 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 members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% 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.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. 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.

**Police and Fire Plan Benefits**

Benefits for the Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after 10 years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50% after 10 years up to 100% after 20 years of credited service. The annuity accrual rate is 3% 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 is fixed at 1%. 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.

**C. Contributions**

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

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**C. Contributions (Continued)**

**General Employees Fund Contributions**

Coordinated Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2023 and the City was required to contribute 7.5% for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2023, were \$132,479. The City's contributions were equal to the required contributions as set by state statute.

**Police and Fire Fund Contributions**

Police and Fire Plan members were required to contribute 11.8% of their annual covered salary in fiscal year 2023 and the City was required to contribute 17.7% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2023, were \$204,069. The City's contributions were equal to the required contributions as set by state statute.

**D. Pension Costs**

**General Employees Fund Pension Costs**

At December 31, 2023, the City reported a liability of \$1,028,907 for its proportionate share of the General Employees Fund'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 \$28,353.

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 PERA's participating employers. The City's proportionate share was 0.0184% at the end of the measurement period and 0.0185% for the beginning of the period.

City's proportionate share of the net pension liability	\$ 1,028,907
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>28,353</u>
Total	<u><u>\$ 1,057,260</u></u>

For the year ended December 31, 2023, the City recognized pension expense of \$237,899 for its proportionate share of General Employees Plan's pension expense. Included in the amount, the City recognized \$127 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**General Employees Fund Pension Costs (Continued)**

At December 31, 2023, the City reported its proportionate share of the General Employees Plan'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	\$ 33,833	\$ 6,202
Changes in actuarial assumptions	146,611	282,014
Net difference between projected and actual investment earnings	5,005	-
Changes in proportion	69,232	5,940
Contributions paid to PERA subsequent to the measurement date	66,239	-
	<u>\$ 320,920</u>	<u>\$ 294,156</u>
Total		

The \$66,239 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 deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2024	\$ 66,693
2025	(106,608)
2026	22,760
2027	(22,320)
	<u>\$ (39,475)</u>
Total	

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**Police and Fire Fund Pension Costs**

At December 31, 2023, the City reported a liability of \$1,450,571 for its proportionate share of the Police and Fire Fund'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 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 PERA's participating employers. The City's proportionate share was 0.0840% at the end of the measurement period and 0.0690% for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund 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 meets 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 Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$58,441.

City's proportionate share of the net pension liability	\$ 1,450,571
State of Minnesota's proportionate share of the net pension liability associated with the City	58,441
	<hr/>
Total	\$ 1,509,012
	<hr/> <hr/>

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer 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 \$475,481 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized (\$3,520) as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund.

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 also recognized \$7,560 for the year ended December 31, 2023, as revenue and an offsetting reduction of the net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.



**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**Police and Fire Fund Pension Costs (Continued)**

At December 31, 2023, the City reported its proportionate share of the Police and Fire Plan'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
	<u>                    </u>	<u>                    </u>
Differences between expected and actual economic experience	\$ 366,610	\$ -
Changes in actuarial assumptions	1,355,458	2,037,273
Net difference between projected and actual investment earnings	-	56,098
Changes in proportion	593,114	7,251
Contributions paid to PERA subsequent to the measurement date	<u>102,034</u>	<u>-</u>
Total	<u><u>\$ 2,417,216</u></u>	<u><u>\$ 2,100,622</u></u>

The \$102,034 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:

Year Ending December 31,	Pension Expense Amount
	<u>                    </u>
2024	\$ 115,227
2025	68,280
2026	319,439
2027	(37,280)
2028	<u>(251,106)</u>
Total	<u><u>\$ 214,560</u></u>

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**E. Long-Term Expected Return on Investment**

The State Board of Investment, which manages the investments of 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real</u>
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	<u>100.0 %</u>	

**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 7.0%. 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 7.0% was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25% for the General Employees Plan and 2.25% for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan and 1% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75% after one year of service to 3.0% 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 PERA's experience.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**F. Actuarial Methods and Assumptions (Continued)**

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

**General Employees Fund**

**Changes in Actuarial Assumptions**

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

**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, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

**Police and Fire Fund**

**Changes in Actuarial Assumptions**

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.
- ◆ The single discount rate changed from 5.4% to 7.0%.

**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% vesting after five years, increasing incrementally to 100% after 10 years.
- ◆ A one-time, non-compounding benefit increase of 3.0% 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 7.0%. 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 positions of the General Employees and Police and Fire Plans 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.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**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 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's proportionate share of the General Employees Fund net pension liability	\$ 1,820,220	\$ 1,028,907	\$ 378,023
	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's proportionate share of the Police and Fire Fund net pension liability	\$ 2,878,105	\$ 1,450,571	\$ 276,946

**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 Internet at [www.mnpera.org](http://www.mnpera.org).

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association**

**A. Plan Description**

The Dayton Firefighter's Relief Association is the administrator of a single employer defined benefit pension plan established to provide benefits for members of the Dayton Fire Department per *Minnesota State Statutes*.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Dayton Firefighter's Association, 12260 South Diamond Lake Road, Dayton, MN 55327 or by calling 612-251-5935 or 763-242-7001.

**B. Benefits Provided**

Volunteer firefighters of the City are members of the Dayton Firefighter's Relief Association. Full retirement benefits are payable to members who have reached age 50 and have completed 20 years of service for lump sum service pension. Partial benefits are payable to members who have reached 50 and have completed 5 years of service. Disability benefits and widow and children's survivor benefits are also payable to members, or their beneficiaries based upon requirements set forth in the bylaws. These benefit provisions and all other requirements are consistent with enabling state statutes.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**C. Employees Covered by Benefit Terms**

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees entitled to but not yet receiving benefits	14
Active employees	27
	<hr/>
Total	41
	<hr/> <hr/>

**D. Contributions**

*Minnesota Statutes* Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aids are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers: therefore, there are no payroll expenditures (i.e., there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure an on behalf payment of \$70,940 made by the State of Minnesota for the Relief Association.

**E. Net Pension Liability**

The City's net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

*Actuarial Assumptions*

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %	
Investment rate of return	6.50 %	net of pensions plan investment expense: including inflation

The value of death benefits is similar to the value of the retirement pension. Mortality rates for active members, retirees, and disabilitants were based on Pub-2010 Public Safety Employee Mortality tables with projected mortality improvements based on scale MP-2021.

The value of death benefits is similar to the value of the retirement pension. Because of low retirement ages, the plan assumes no pre-retirement mortality. Post-retirement mortality does not apply as the benefit structure and form of payment do not reflect lifetime benefits.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**C. Employees Covered by Benefit Terms**

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees entitled to but not yet receiving benefits	14
Active employees	27
	<hr/>
Total	41
	<hr/> <hr/>

**D. Contributions**

*Minnesota Statutes* Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aids are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers: therefore, there are no payroll expenditures (i.e., there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure an on behalf payment of \$70,940 made by the State of Minnesota for the Relief Association.

**E. Net Pension Liability**

The City's net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

*Actuarial Assumptions*

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %	
Investment rate of return	6.50 %	net of pensions plan investment expense: including inflation

The value of death benefits is similar to the value of the retirement pension. Mortality rates for active members, retirees, and disabilitants were based on Pub-2010 Public Safety Employee Mortality tables with projected mortality improvements based on scale MP-2021.

The value of death benefits is similar to the value of the retirement pension. Because of low retirement ages, the plan assumes no pre-retirement mortality. Post-retirement mortality does not apply as the benefit structure and form of payment do not reflect lifetime benefits.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**F. Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2022	<u>\$ 412,997</u>	<u>\$ 534,614</u>	<u>\$ (121,617)</u>
Changes for the year			
Service cost	33,808	-	33,808
Interest	22,619	-	22,619
Difference between expected and actual experience	(55,060)	-	(55,060)
Changes in assumptions	(14,571)	-	(14,571)
State and municipal contributions	-	66,648	(66,648)
Net investment income	-	(73,867)	73,867
Benefit payments, including refunds of employee contributions	(106,867)	(106,867)	-
Administrative expense	-	(12,835)	12,835
Net changes	<u>(120,071)</u>	<u>(126,921)</u>	<u>6,850</u>
Balances at December 31, 2023	<u><u>\$ 292,926</u></u>	<u><u>\$ 407,693</u></u>	<u><u>\$ (114,767)</u></u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 6.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1% Decrease in Discount Rate (5.50%)	Current Discount Rate Rate (6.50%)	1% Increase in Discount Rate (7.50%)
City's net pension liability (asset)	<u><u>\$ (97,334)</u></u>	<u><u>\$ (114,767)</u></u>	<u><u>\$ (130,958)</u></u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued relief association financial report.

**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2023, the City recognized pension expense of \$18,875. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 15,532	\$ 127,096
Change of assumptions	6,265	15,036
Difference between expected and actual liability	27,367	-
Contributions paid to Relief subsequent to the measurement date	70,940	-
	<u>          </u>	<u>          </u>
Total	<u>\$ 120,104</u>	<u>\$ 142,132</u>

The \$70,940 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 shown in the following table:

Year Ending December 31,	Pension Expense Amount
2024	\$ (25,444)
2025	(10,716)
2026	(3,041)
2027	5,806
2028	(18,509)
Thereafter	<u>(41,064)</u>
Total	<u>\$ (92,968)</u>

**NOTE 11 TAX INCREMENT FINANCING**

The City has entered into three Tax Increment Financing agreements which meet the criteria for disclosure under *Governmental Accounting Standards Board Statement No. 77 Tax Abatement Disclosures*. The City's authority to enter into these agreements comes from *Minnesota Statutes* § 469. The City entered into these agreements for the purpose of economic development.



**City of Dayton**  
**Notes to Basic Financial Statements**

**NOTE 11 TAX INCREMENT FINANCING (CONTINUED)**

Under each agreement, the City and developer agree on an amount of development costs to be reimbursed to the developer by the City through tax revenues from the additional taxable value of the property generated by the development (tax increment). A "pay-as-you-go" note is established for this amount, on which the City makes payments for a fixed period of time with available tax increment revenue after deducting for certain administrative costs.

During the year ended December 31, 2023, the City generated \$394,907 in tax increment revenue and made \$270,720 in payments to developers.

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

At December 31, 2023, the City had outstanding construction contract commitments totaling \$7,076,655.

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## REQUIRED SUPPLEMENTARY INFORMATION

**City of Dayton**  
**Schedule of City's Proportionate Share**  
**of Net Pension Liability**  
**General Employees Retirement Fund**  
**Last Ten Years**

For Fiscal Year Ended June 30,	City's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Employee Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0090%	\$ 466,427	\$ -	\$ 466,427	\$ 518,613	89.9%	78.19%
2016	0.0097%	787,592	10,258	797,850	599,760	131.3%	68.91%
2017	0.0099%	632,009	7,914	639,923	635,107	99.5%	75.90%
2018	0.0111%	615,782	20,262	636,044	746,387	82.5%	79.53%
2019	0.0125%	691,097	21,499	712,596	887,280	77.9%	80.23%
2020	0.0149%	893,323	27,620	920,943	1,063,773	84.0%	79.06%
2021	0.0161%	687,542	21,007	708,549	1,159,987	59.3%	87.00%
2022	0.0185%	1,465,206	43,085	1,508,291	1,387,253	105.6%	76.67%
2023	0.0184%	1,028,907	28,353	1,057,260	1,462,347	70.4%	83.10%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Schedule of City's Proportionate Share**  
**of Net Pension Liability**  
**Public Employees Police and Fire Retirement Fund**  
**Last Ten Years**

For Fiscal Year Ended June 30,	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Employee Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0500%	\$ 568,117	\$ -	\$ 568,117	\$ 442,198	128.5%	86.61%
2016	0.0530%	2,126,982	-	2,126,982	512,105	415.3%	63.88%
2017	0.0510%	683,971	-	683,971	527,062	129.8%	85.43%
2018	0.0553%	584,464	-	584,464	583,309	100.2%	88.84%
2019	0.0608%	639,069	-	639,069	627,475	101.8%	89.26%
2020	0.0661%	865,320	20,539	885,859	730,339	118.5%	87.19%
2021	0.0650%	495,881	22,549	518,430	768,011	64.6%	93.66%
2022	0.0690%	3,002,607	131,144	3,133,751	837,746	358.4%	70.53%
2023	0.0840%	1,450,571	58,441	1,509,012	1,103,610	131.4%	86.47%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Dayton**  
**Schedule of City Contributions -**  
**General Employees Retirement Fund**  
**Last Ten Years**

Fiscal Year Ending December 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2015	\$ 37,484	\$ 37,484	\$ -	\$ 499,787	7.5%
2016	39,581	39,581	-	527,747	7.5%
2017	42,931	42,931	-	572,413	7.5%
2018	64,295	64,295	-	857,267	7.5%
2019	68,749	68,749	-	916,653	7.5%
2020	74,222	74,222	-	989,627	7.5%
2021	96,084	96,084	-	1,281,120	7.5%
2022	102,944	102,944	-	1,372,587	7.5%
2023	132,479	132,479	-	1,766,387	7.5%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Schedule of City Contributions -**  
**Public Employees Police and Fire Retirement Fund**  
**Last Ten Years**

Fiscal Year Ending December 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2015	\$ 79,181	\$ 79,181	\$ -	\$ 488,772	16.20%
2016	87,135	87,135	-	537,870	16.20%
2017	96,777	96,777	-	597,389	16.20%
2018	94,135	94,135	-	581,080	16.20%
2019	122,829	122,829	-	724,655	16.95%
2020	133,288	133,288	-	753,040	17.70%
2021	146,769	146,769	-	829,203	17.70%
2022	167,983	167,983	-	949,056	17.70%
2023	204,067	204,067	-	1,152,921	17.70%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Dayton**  
**Schedule of Employer Contributions**  
**and Non-Employer Contributing**  
**Entities - Fire Relief Association**

	2014	2015	2016	2017
Employer				
Statutorily determined contribution (SDC)	\$ 6,762	\$ -	\$ -	\$ -
Contribution in relation to the SDC	<u>6,762</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Non-employer				
2% aid	<u>\$ 34,832</u>	<u>\$ 33,529</u>	<u>\$ 31,212</u>	<u>\$ 38,803</u>
Covered employee payroll	n/a	n/a	n/a	n/a
Contributions as a percentage of covered employee payroll	n/a	n/a	n/a	n/a

2018	2019	2020	2021	2022	2023
\$ - -	\$ - -	\$ - -	\$ - -	\$ - -	\$ - -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 39,363	\$ 41,288	\$ 45,076	\$ 49,410	\$ 53,787	\$ 60,025
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

**City of Dayton**  
**Schedule of Changes in Net Pension Liability**  
**and Related Ratios - Fire Relief Association**

	Measurement Date			
	2014	2015	2016	2017
<b>Total Pension Liability (TPL)</b>				
Service cost	\$ 18,149	\$ 18,648	\$ 20,406	\$ 17,214
Interest	38,117	37,818	38,745	33,453
Differenced between expected and actual experien	-	-	(28,111)	-
Changes of assumptions	-	-	(42,311)	3,224
Changes of benefit terms	-	-	-	-
Benefit payments, including refunds or member contributions	(122,750)	-	(87,913)	(46,000)
Net change in total pension liability	(66,484)	56,466	(99,184)	7,891
Beginning of year	629,645	563,161	619,627	520,443
End of year	<u>\$ 563,161</u>	<u>\$ 619,627</u>	<u>\$ 520,443</u>	<u>\$ 528,334</u>
<b>Plan Fiduciary Net Pension (FNP)</b>				
Contributions - employer	\$ 6,762	\$ -	\$ -	\$ -
Contributions - non-employer	31,242	30,529	33,212	48,403
Net investment income	37,200	1,754	36,637	71,389
Other additions	-	-	-	-
Benefit payments, including refunds of member contributions	(122,750)	-	(87,913)	(46,000)
Administrative expense	(7,285)	(6,035)	(8,365)	(10,986)
Net change in plan fiduciary net position	(54,831)	26,248	(26,429)	62,806
Beginning of year	592,578	537,747	563,995	537,566
End of year	<u>\$ 537,747</u>	<u>\$ 563,995</u>	<u>\$ 537,566</u>	<u>\$ 600,372</u>
<b>Net Pension Liability (NPL)</b>	<u>\$ 25,414</u>	<u>\$ 55,632</u>	<u>\$ (17,123)</u>	<u>\$ (72,038)</u>
Plan fiduciary net position as a percentage of the total	95.49%	91.02%	103.29%	113.63%
Net pension liability as a percentage of covered payroll	n/a	n/a	n/a	n/a

The City implemented the provisions of Governmental Accounting Standards Board Statement No. 68 for the year ended December 31, 2015. The schedules within the Required Supplementary Information section required a ten-year presentation, but does not required retroactive reporting. Information prior to 2014 is not available.

Additional years will be reported as they become available.



Measurement Date				
2018	2019	2020	2021	2022
\$ 18,045	\$ 27,258	\$ 35,374	\$ 33,064	\$ 33,808
29,994	28,109	29,874	23,105	22,619
35,292	-	(112,314)	-	(55,060)
1,750	-	7,593	-	(14,571)
86,955	134,449	-	-	-
(132,958)	(252,359)	(84,688)	(23,880)	(106,867)
39,078	(62,543)	(124,161)	32,289	(120,071)
528,334	567,412	504,869	380,708	412,997
<u>\$ 567,412</u>	<u>\$ 504,869</u>	<u>\$ 380,708</u>	<u>\$ 412,997</u>	<u>\$ 292,926</u>
\$ -	\$ -	\$ -	\$ -	\$ -
56,363	60,288	78,897	74,889	66,648
(14,020)	81,278	58,746	69,181	(73,867)
-	200	-	-	-
(132,958)	(252,359)	(84,688)	(23,880)	(106,867)
(10,118)	(8,234)	(9,914)	(9,429)	(12,835)
(100,733)	(118,827)	43,041	110,761	(126,921)
600,372	499,639	380,812	423,853	534,614
<u>\$ 499,639</u>	<u>\$ 380,812</u>	<u>\$ 423,853</u>	<u>\$ 534,614</u>	<u>\$ 407,693</u>
<u>\$ 67,773</u>	<u>\$ 124,057</u>	<u>\$ (43,145)</u>	<u>\$ (121,617)</u>	<u>\$ (114,767)</u>
88.06%	75.43%	111.33%	129.45%	139.18%
n/a	n/a	n/a	n/a	n/a

**City of Dayton**  
**Notes to Required Supplementary Information**

**General Employees Fund**

**2023 Changes**

Changes in Actuarial Assumptions

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

Changes in Plan Provisions

- ◆ An additional one-time direct state aid contribution of \$170.1 million was 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, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

**2022 Changes**

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2021 Changes**

Changes in Actuarial Assumptions

- ◆ The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- ◆ The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2020 Changes**

Changes in Actuarial Assumptions

- ◆ The price inflation assumption was decreased from 2.5% to 2.25%.
- ◆ The payroll growth assumption was decreased from 3.25% to 3.0%.
- ◆ 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.

**City of Dayton**  
**Notes to Required Supplementary Information**

**General Employees Fund (Continued)**

**2020 Changes (Continued)**

**Changes in Actuarial Assumptions (Continued)**

- ◆ The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

**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% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

**2019 Changes**

**Changes in Actuarial Assumptions**

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

**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.

**2018 Changes**

**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% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

**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% to 3.00%, beginning July 1, 2018.
- ◆ Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- ◆ Contribution stabilizer provisions were repealed.
- ◆ Annual increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, 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.

**2017 Changes**

**Changes in Actuarial Assumptions**

- ◆ The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.

**City of Dayton**  
**Notes to Required Supplementary Information**

**General Employees Fund (Continued)**

**2017 Changes (Continued)**

**Changes in Actuarial Assumptions (Continued)**

- ◆ The assumed annual increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

**Changes in Plan Provisions**

- ◆ The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- ◆ The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The State's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

**2016 Changes**

**Changes in Actuarial Assumptions**

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

**Changes in Plan Provisions**

- ◆ There have been no changes since the prior valuation.

**2015 Changes**

**Changes in Actuarial Assumptions**

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

**Changes in Plan Provisions**

- ◆ On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees 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.

**City of Dayton**  
**Notes to Required Supplementary Information**

**Police and Fire Fund**

**2023 Changes**

**Changes in Actuarial Assumptions**

- ◆ The investment return assumption was changed from 6.5% to 7.0%.
- ◆ The single discount rate changed from 5.4% to 7.0%.

**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% vesting after five years, increasing incrementally to 100% after 10 years.
- ◆ A one-time, non-compounding benefit increase of 3.0% 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.

**2022 Changes**

**Changes in Actuarial Assumptions**

- ◆ The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.
- ◆ The single discount rate was changed from 6.5% to 5.4%.

**Changes in Plan Provisions**

- ◆ There have been no changes since the prior valuation.

**2021 Changes**

**Changes in Actuarial Assumptions**

- ◆ The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- ◆ The inflation assumption was changed from 2.5% to 2.25%.
- ◆ The payroll growth assumption was changed from 3.25% to 3.0%.
- ◆ 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 resulted 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 resulted in more assumed terminations.
- ◆ Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates resulted 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.

**City of Dayton**  
**Notes to Required Supplementary Information**

**Police and Fire Fund (Continued)**

**2021 Changes (Continued)**

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2020 Changes**

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2019 Changes**

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2018 Changes**

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ Annual increases were changed to 1.00% 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% funding, or July 1, 2048, if earlier.
- ◆ Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019, and 11.80% of pay, effective January 1, 2020.
- ◆ Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019, and 17.70% of pay, effective January 1, 2020.
- ◆ Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- ◆ Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- ◆ Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**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% lower than the previous rates.
- ◆ Assumed rates of retirement were changed, resulting in fewer retirements.
- ◆ The CSA load was 30% for vested and non-vested deferred members. The CSA has been changed to 33% for vested members and 2% for non-vested 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.

**City of Dayton**  
**Notes to Required Supplementary Information**

**Police and Fire Fund (Continued)**

**2017 Changes (Continued)**

**Changes in Actuarial Assumptions (Continued)**

- ◆ Assumed termination rates were decreased to 3% 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% to 60%.
- ◆ 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 annual increase rate was changed from 1% for all years to 1% per year through 2064 and 2.5% thereafter.
- ◆ The single discount rate was changed from 5.6% per annum to 7.5% per annum.

**Changes in Plan Provisions**

- ◆ There have been no changes since the prior valuation.

**2016 Changes**

**Changes in Actuarial Assumptions**

- ◆ The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- ◆ The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- ◆ The single discount rate changed from 7.90% to 5.60%.
- ◆ The assumed future salary increases, payroll growth, and inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

**Changes in Plan Provisions**

- ◆ There have been no changes since the prior valuation.

**2015 Changes**

**Changes in Actuarial Assumptions**

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

**Changes in Plan Provisions**

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

**City of Dayton**  
**Notes to Required Supplementary Information**

**Dayton Fire Relief Association**

**2023 Changes**

**Changes in Actuarial Assumptions**

- ◆ The **expected** investment return and discount rate increased from 5.75% to 6.50%.
- ◆ The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2020, Minnesota PERA Police & Fire Plan actuarial valuation to the rates used in the July 1, 2022, Minnesota PERA Police & Fire Plan actuarial valuation.
- ◆ The inflation assumption increased from 2.25% to 2.50%.

**2022 Changes**

**Changes in Actuarial Assumptions**

- ◆ None

**2021 Changes**

**Changes in Actuarial Assumptions**

- ◆ The expected investment return and discount rate decreased from 6.00% to 5.75%.
- ◆ The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2018, Minnesota PERA Police & Fire Plan actuarial valuation to the rates used in the July 1, 2020, Minnesota PERA Police & Fire Plan actuarial valuation.
- ◆ The inflation assumption decreased from 2.50% to 2.25%

**2020 Changes**

**Changes in Actuarial Assumptions**

- ◆ None

**2019 Changes**

**Changes in Actuarial Assumptions**

- ◆ The expected investment return and discount rate decreased from 6.25% to 6.00%.
- ◆ The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2016, Minnesota PERA Police & Fire Plan actuarial valuation to the rates used in the July 1, 2018, Minnesota PERA Police & Fire Plan actuarial valuation.

**Changes in Plan Provisions**

- ◆ The lump sum benefit amount increased from \$2,000 to \$2,500.



## SUPPLEMENTARY INFORMATION

City of Dayton  
Detailed Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
<b>Revenues</b>			
Property taxes	\$ 4,590,235	\$ 4,462,957	\$ (127,278)
Licenses and permits	1,205,100	946,146	(258,954)
Intergovernmental			
Market value homestead credit	-	10,628	10,628
PERA aid	1,400	(3,393)	(4,793)
Fire aid	50,000	70,940	20,940
Police aid	79,980	103,570	23,590
Federal grants	202,665	198,940	(3,725)
Other grants and aids	134,000	182,305	48,305
Total intergovernmental	<u>468,045</u>	<u>562,990</u>	<u>94,945</u>
Charges for services			
General government	323,000	214,394	(108,606)
Public safety	12,700	1,641	(11,059)
Public works	6,500	11,079	4,579
Parks and recreation	500	208	(292)
Total charges for services	<u>342,700</u>	<u>227,322</u>	<u>(115,378)</u>
Fines and forfeitures	40,000	28,376	(11,624)
Miscellaneous			
Investment income	10,000	86,111	76,111
Contributions and Donations	2,750	1,799	(951)
Other	35,000	136,537	101,537
Total miscellaneous	<u>47,750</u>	<u>224,447</u>	<u>176,697</u>
Total revenues	<u>6,693,830</u>	<u>6,452,238</u>	<u>(241,592)</u>
<b>Expenditures</b>			
General government			
Mayor and council	68,280	63,007	(5,273)
Administrative and finance	421,530	496,426	74,896
Other general government	690,130	877,559	187,429
Capital outlay	25,000	33,547	8,547
Total general government	<u>1,204,940</u>	<u>1,470,539</u>	<u>265,599</u>

City of Dayton  
Detailed Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
<b>Expenditures</b>			
Public safety			
Police			
Current	\$ 2,204,600	\$ 2,244,170	\$ 39,570
Capital outlay	18,000	17,427	(573)
Total police	<u>2,222,600</u>	<u>2,261,597</u>	<u>38,997</u>
Fire			
Current	595,750	700,535	104,785
Capital outlay	5,000	985	(4,015)
Total fire	<u>600,750</u>	<u>701,520</u>	<u>100,770</u>
Other public safety			
Current	675,870	600,696	(75,174)
Total public safety	<u>3,499,220</u>	<u>3,563,813</u>	<u>64,593</u>
Public works			
Streets and highways			
Street maintenance and storm sewers	1,192,090	1,339,681	147,591
Street lighting	68,500	95,907	27,407
Street construction capital outlay	35,000	-	(35,000)
Capital outlay	-	34,919	34,919
Total streets and highways	<u>1,295,590</u>	<u>1,470,507</u>	<u>174,917</u>
Sanitation			
Recycling	171,000	181,494	10,494
Total public works	<u>1,466,590</u>	<u>1,652,001</u>	<u>185,411</u>
Parks and recreation			
Current	491,080	475,991	(15,089)
Capital outlay	32,000	25,922	(6,078)
Total parks and recreation	<u>523,080</u>	<u>501,913</u>	<u>(21,167)</u>
Total expenditures	<u>6,693,830</u>	<u>7,188,266</u>	<u>494,436</u>
Excess of revenues over (under) expenditures	-	(736,028)	(736,028)
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	853,368	853,368
Net change in fund balance	<u>\$ -</u>	<u>117,340</u>	<u>\$ 117,340</u>
<b>Fund Balance</b>			
Beginning of year		<u>2,655,411</u>	
End of year		<u>\$ 2,772,751</u>	

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

	Special Revenue			
	Cable Fund (226)	EDA (225)	Police Forfeiture (235)	Gambling (227)
<b>Assets</b>				
Cash and investments	\$ 182,976	\$ 672,182	\$ 12,745	\$ 2,265
Accounts receivable	12,796	-	-	-
Due from other governments	-	-	-	-
Special assessments receivable				
Deferred	-	-	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>\$ 195,772</b>	<b>\$ 672,182</b>	<b>\$ 12,745</b>	<b>\$ 2,265</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 225	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
<b>Total liabilities</b>	<b>225</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>				
Advanced appropriations - State Shared Taxes	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>				
Restricted	-	-	12,745	-
Committed	195,547	672,182	-	2,265
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>195,547</b>	<b>672,182</b>	<b>12,745</b>	<b>2,265</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 195,772</b>	<b>\$ 672,182</b>	<b>\$ 12,745</b>	<b>\$ 2,265</b>

Special Revenue		Debt Service			Capital Projects
Fire Public Safety Aid (236)	Police Public Safety Aid (237)	2016A G.O. Bonds (355)	2023A CRG TIF Bond Fund (379)	2009A G.O. Improvement Bond and 2010A Improvement Notes (348)	Park Development Fund (404)
\$ 145,122	\$ 175,500	\$ 168,490	\$ -	\$ 240,683	\$ 167,429
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	376,568	-
-	-	-	-	-	-
<u>\$ 145,122</u>	<u>\$ 175,500</u>	<u>\$ 168,490</u>	<u>\$ -</u>	<u>\$ 617,251</u>	<u>\$ 167,429</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	22,789	-	-
-	-	-	-	-	-
-	-	-	22,789	-	-
-	-	-	-	-	-
-	-	-	-	376,568	-
-	-	-	-	376,568	-
-	-	168,490	-	240,683	-
145,122	175,500	-	-	-	167,429
-	-	-	-	-	-
-	-	-	(22,789)	-	-
<u>145,122</u>	<u>175,500</u>	<u>168,490</u>	<u>(22,789)</u>	<u>240,683</u>	<u>167,429</u>
<u>\$ 145,122</u>	<u>\$ 175,500</u>	<u>\$ 168,490</u>	<u>\$ -</u>	<u>\$ 617,251</u>	<u>\$ 167,429</u>

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

	Capital Projects			
	Park Dedication Fund (405)	Stormwater (415)	Capital Facilities Fund (410)	Temporary Financing Fund (409)
<b>Assets</b>				
Cash and investments	\$ 2,593,255	\$ 2,290,895	\$ 1,282,417	\$ 2,019,602
Accounts receivable	-	-	-	-
Due from other governments	-	8,503	-	-
Special assessments receivable				
Deferred	-	-	-	-
Due from other funds	-	588,314	-	-
<b>Total assets</b>	<u><u>\$ 2,593,255</u></u>	<u><u>\$ 2,887,712</u></u>	<u><u>\$ 1,282,417</u></u>	<u><u>\$ 2,019,602</u></u>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 56,365	\$ 5,388	\$ 14,795	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
<b>Total liabilities</b>	<u><u>56,365</u></u>	<u><u>5,388</u></u>	<u><u>14,795</u></u>	<u><u>-</u></u>
<b>Deferred Inflows of Resources</b>				
Advanced appropriations - State Shared Taxes	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Fund Balances</b>				
Restricted	2,536,890	-	-	-
Committed	-	-	-	-
Assigned	-	2,882,324	1,267,622	2,019,602
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u><u>2,536,890</u></u>	<u><u>2,882,324</u></u>	<u><u>1,267,622</u></u>	<u><u>2,019,602</u></u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u><u>\$ 2,593,255</u></u>	<u><u>\$ 2,887,712</u></u>	<u><u>\$ 1,282,417</u></u>	<u><u>\$ 2,019,602</u></u>

Capital Projects

Park Capital Equipment (406)	TIF No. 14 - Liberty Fund (438)	TIF No. 16 Sand Companies (435)	TIF No. 15 French Lake Industrial Park (477)	TIF No. 17 - Graco (436)	Park Trail Development (408)
\$ -	\$ 179,115	\$ 22,810	\$ 131,329	\$ -	\$ 2,636,467
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	10,441	-	-	-	-
<u>\$ -</u>	<u>\$ 189,556</u>	<u>\$ 22,810</u>	<u>\$ 131,329</u>	<u>\$ -</u>	<u>\$ 2,636,467</u>
\$ -	\$ 22,479	\$ 16,031	\$ 58,065	\$ -	\$ 4,498
134,350	-	-	7,192	10,441	-
-	-	-	-	-	-
<u>134,350</u>	<u>22,479</u>	<u>16,031</u>	<u>65,257</u>	<u>10,441</u>	<u>4,498</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	167,077	6,779	66,072	-	-
-	-	-	-	-	-
-	-	-	-	-	2,631,969
(134,350)	-	-	-	(10,441)	-
<u>(134,350)</u>	<u>167,077</u>	<u>6,779</u>	<u>66,072</u>	<u>(10,441)</u>	<u>2,631,969</u>
<u>\$ -</u>	<u>\$ 189,556</u>	<u>\$ 22,810</u>	<u>\$ 131,329</u>	<u>\$ -</u>	<u>\$ 2,636,467</u>

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

	Capital Projects			
	City Wide Transportation Project (485)	ROW Escrow Fund(421)	Dayton Parkway Interchange (480)	Total Other Governmental Funds
<b>Assets</b>				
Cash and investments	\$ -	\$ 39,000	\$ -	\$ 12,962,282
Accounts receivable	-	-	-	12,796
Due from other governments	-	-	-	8,503
Special assessments receivable				
Deferred	-	-	-	376,568
Due from other funds	-	-	-	598,755
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 39,000</b>	<b>\$ -</b>	<b>\$ 13,958,904</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ -	\$ 39,000	\$ 225,515	\$ 442,361
Due to other funds	-	-	204,761	379,533
Due to other governments	-	3,000	-	3,000
<b>Total liabilities</b>	<b>-</b>	<b>42,000</b>	<b>430,276</b>	<b>824,894</b>
<b>Deferred Inflows of Resources</b>				
Advanced appropriations - State Shared Taxes	427,409	-	-	427,409
Unavailable revenue - special assessments	-	-	-	376,568
<b>Total deferred inflows of resources</b>	<b>427,409</b>	<b>-</b>	<b>-</b>	<b>803,977</b>
<b>Fund Balances</b>				
Restricted	-	-	-	3,198,736
Committed	-	-	-	1,358,045
Assigned	-	-	-	8,801,517
Unassigned	(427,409)	(3,000)	(430,276)	(1,028,265)
<b>Total fund balances</b>	<b>(427,409)</b>	<b>(3,000)</b>	<b>(430,276)</b>	<b>12,330,033</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ -</b>	<b>\$ 39,000</b>	<b>\$ -</b>	<b>\$ 13,958,904</b>

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

	Special Revenue			
	Cable Fund (226)	EDA (225)	Police Forfeiture (235)	Gambling (227)
<b>Revenues</b>				
Property taxes	\$ -	\$ 100,000	\$ -	\$ -
Tax increments	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	52,781	-	-	-
Fines and forfeitures	-	-	4,780	-
Miscellaneous				
Investment income	9,059	28,329	-	-
Contributions and donations	-	-	-	-
Other	-	1,200	-	-
Total revenues	61,840	129,529	4,780	-
<b>Expenditures</b>				
Current				
General government	20,635	-	-	-
Public safety	-	-	1,693	-
Park and recreation	-	-	-	-
Economic development	-	16,615	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
General government	44,950	-	-	-
Public safety	-	-	562	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Total expenditures	65,585	16,615	2,255	-
Excess of revenues over (under) expenditures	(3,745)	112,914	2,525	-
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Proceeds from sale of capital asset	-	35,950	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	35,950	-	-
Net change in fund balances	(3,745)	148,864	2,525	-
<b>Fund Balances</b>				
Beginning of year	199,292	523,318	10,220	2,265
End of year	\$ 195,547	\$ 672,182	\$ 12,745	\$ 2,265

Special Revenue		Debt Service		
Fire Public Safety Aid (236)	Police Public Safety Aid (237)	2016A G.O. Bonds (355)	2023A CRG TIF Bond Fund (379)	2015B G.O. Street Reconstruction Bonds (376)
\$ -	\$ -	\$ 210,000	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
175,500	175,500	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	3,508	-	2,935
-	-	-	-	-
-	-	-	-	-
<u>175,500</u>	<u>175,500</u>	<u>213,508</u>	<u>-</u>	<u>2,935</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	150,000	-	350,000
-	-	58,737	-	6,500
-	-	-	-	-
30,378	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>30,378</u>	<u>-</u>	<u>208,737</u>	<u>-</u>	<u>356,500</u>
<u>145,122</u>	<u>175,500</u>	<u>4,771</u>	<u>-</u>	<u>(353,565)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	(22,789)	(61,551)
-	-	-	(22,789)	(61,551)
145,122	175,500	4,771	(22,789)	(415,116)
-	-	163,719	-	415,116
<u>\$ 145,122</u>	<u>\$ 175,500</u>	<u>\$ 168,490</u>	<u>\$ (22,789)</u>	<u>\$ -</u>

**City of Dayton**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2023**

	Debt Service	Capital Projects		
	2009A G.O. Improvement Bond and 2010A Improvement Notes (348)	Park Development Fund (404)	Park Dedication Fund (405)	Stormwater (415)
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Special assessments	91,157	-	-	-
Intergovernmental	-	-	50,000	-
Charges for services	-	-	632,230	421,737
Fines and forfeitures	-	-	-	-
Miscellaneous				
Investment income	9,876	8,707	108,568	141,796
Contributions and donations	-	17,009	-	-
Other	-	-	-	-
Total revenues	<u>101,033</u>	<u>25,716</u>	<u>790,798</u>	<u>563,533</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Park and recreation	-	-	11,803	-
Economic development	-	-	-	-
Debt service				
Principal	41,000	-	-	-
Interest and other charges	5,011	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	127,232
Parks and recreation	-	48,360	55,357	-
Total expenditures	<u>46,011</u>	<u>48,360</u>	<u>67,160</u>	<u>127,232</u>
Excess of revenues over (under) expenditures	<u>55,022</u>	<u>(22,644)</u>	<u>723,638</u>	<u>436,301</u>
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	(216,300)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(216,300)</u>
Net change in fund balances	55,022	(22,644)	723,638	220,001
<b>Fund Balances</b>				
Beginning of year	<u>185,661</u>	<u>190,073</u>	<u>1,813,252</u>	<u>2,662,323</u>
End of year	<u>\$ 240,683</u>	<u>\$ 167,429</u>	<u>\$ 2,536,890</u>	<u>\$ 2,882,324</u>

Capital Projects

Capital Facilities Fund (410)	Temporary Financing Fund (409)	Park Capital Equipment (406)	TIF No. 14 - Liberty Fund (438)	TIF No. 16 Sand Companies (435)	TIF No. 15 French Lake Industrial Park (477)
\$ 370,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -
-	-	-	209,380	35,624	149,903
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
52,879	134,516	2,035	5,580	494	3,639
-	-	-	-	-	-
-	-	-	-	-	-
<u>422,879</u>	<u>134,516</u>	<u>32,035</u>	<u>214,960</u>	<u>36,118</u>	<u>153,542</u>
-	-	-	-	-	-
-	37,714	-	-	-	-
-	-	-	-	-	-
-	-	-	126,838	34,217	118,723
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
89,007	-	-	-	-	-
-	-	195,927	-	-	-
<u>89,007</u>	<u>37,714</u>	<u>195,927</u>	<u>126,838</u>	<u>34,217</u>	<u>118,723</u>
333,872	96,802	(163,892)	88,122	1,901	34,819
-	-	-	-	-	-
-	-	-	-	-	-
-	(853,368)	-	-	-	-
-	(853,368)	-	-	-	-
333,872	(756,566)	(163,892)	88,122	1,901	34,819
933,750	2,776,168	29,542	78,955	4,878	31,253
<u>\$ 1,267,622</u>	<u>\$ 2,019,602</u>	<u>\$ (134,350)</u>	<u>\$ 167,077</u>	<u>\$ 6,779</u>	<u>\$ 66,072</u>

**City of Dayton**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2023**

	Capital Projects			
	TIF No. 17 - Graco (436)	Park Trail Development (408)	City Wide Transportation Project (485)	TIF No. 19 - CRG (428)
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	-	-	350,995	-
Charges for services	-	149,128	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous				
Investment income	-	122,674	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	-
Total revenues	-	271,802	350,995	-
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Park and recreation	-	-	-	-
Economic development	351	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	50,779	-	-
Total expenditures	351	50,779	-	-
Excess of revenues over (under) expenditures	(351)	221,023	350,995	-
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	-	-
Transfers in	-	-	-	22,789
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	22,789
Net change in fund balances	(351)	221,023	350,995	22,789
<b>Fund Balances</b>				
Beginning of year	(10,090)	2,410,946	(778,404)	(22,789)
End of year	<u>\$ (10,441)</u>	<u>\$ 2,631,969</u>	<u>\$ (427,409)</u>	<u>\$ -</u>

Capital Projects

TIF 18 - Scannell (429)	ROW Escrow Fund(421)	TIF 20 Graco 2 Fund (430)	Dayton Parkway Interchange (480)	Total Other Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 710,000
-	-	-	-	394,907
-	-	-	-	91,157
-	-	-	510,000	1,261,995
22,744	-	21,921	-	1,300,541
-	-	-	-	4,780
-	-	-	-	634,595
-	-	-	-	17,009
-	-	-	-	1,200
22,744	-	21,921	510,000	4,416,184
-	-	-	-	20,635
-	-	-	-	39,407
-	3,000	-	-	14,803
-	-	-	-	296,744
-	-	-	-	541,000
-	-	-	-	70,248
-	-	-	-	44,950
-	-	-	-	30,940
-	-	-	93,060	309,299
-	-	-	-	350,423
-	3,000	-	93,060	1,718,449
22,744	(3,000)	21,921	416,940	2,697,735
-	-	-	-	35,950
-	-	-	-	22,789
-	-	-	-	(1,154,008)
-	-	-	-	(1,095,269)
22,744	(3,000)	21,921	416,940	1,602,466
(22,744)	-	(21,921)	(847,216)	10,727,567
\$ -	\$ (3,000)	\$ -	\$ (430,276)	\$ 12,330,033

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**Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with  
*Government Auditing Standards***

**Independent Auditor's Report**

Honorable Mayor and Members  
of the City Council  
City of Dayton  
Dayton, Minnesota

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dayton, Minnesota as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 3, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings on Internal Control that we consider to be significant deficiencies, as Audit Finding 2023-01 .

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **City's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the finding identified in our audit as described in the accompanying Schedule of Findings on Internal Control. We identified a certain deficiency in internal control that we consider to be a significant deficiency. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bergan KDV Ltd.*

St. Cloud, Minnesota  
May 3, 2024



## Minnesota Legal Compliance

### Independent Auditor's Report

Honorable Mayor and Members  
of the City Council  
City of Dayton  
Dayton, Minnesota

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dayton, Minnesota as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 3, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting - bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to *Minnesota Statutes* § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

*Bergan KDV Ltd.*

St. Cloud, Minnesota  
May 3, 2024

**City of Dayton  
Schedule of Findings on Internal Control**

**CURRENT AND PRIOR YEAR INTERNAL CONTROL FINDING:**

**Significant Deficiency:**

**Audit Finding 2023-001 - Lack of Segregation of Accounting Duties**

The City had a lack of segregation of accounting duties due to a limited number of office employees. The lack of adequate segregation of accounting duties could adversely affect the City's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements.

Management and the City Council are aware of these conditions and have taken certain steps to compensate for the lack of segregation, but due to the small staff needed to handle all accounting duties, the costs of obtaining desirable segregation of accounting duties can often exceed benefits which could be derived. However, management and the City Council must remain aware of these situations and should continually monitor the accounting system, including changes that occur.

***City's Response:***

City staff are aware of the lack of segregation of accounting duties and make every effort to ensure that transactions are separated and monitored to the greatest extent possible. Staff will continue to examine and implement methods and processes that will address this issue.



**City of Dayton**  
**Communications Letter**  
**December 31, 2023**

**City of Dayton  
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## Report on Matters Identified as a Result of the Audit of the Basic Financial Statements

Honorable Mayor, Members  
of the City Council and Management  
City of Dayton  
Dayton, Minnesota

In planning and performing our audit of the basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Dayton, Minnesota as of and for the year ended December 31, 2023, 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, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error, or fraud may occur and not be detected by such controls. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the City's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- ◆ *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- ◆ *Probable.* The future event or events are likely to occur.

We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The significant deficiency identified is stated within this letter.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated May 3, 2024, on such statements.

This communication, which is an integral part of our audit, is intended solely for the information and use of the Members of the City Council and management and others within the City and state oversight agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

*Bergan KDV Ltd.*

St. Cloud, Minnesota  
May 3, 2024



## City of Dayton Significant Deficiency

### **Lack of Segregation of Accounting Duties**

The City has a lack of segregation of accounting duties due to a limited number of office employees. The lack of adequate segregation of accounting duties could adversely affect the City's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements.

During our audit, the following access, verification, and implementation issues were noted:

- ◆ The Finance Director's duties related to payroll include custody, recording, and reconciliation. This is mitigated to a certain extent by separate authorization and monitoring of the reconciliation process.
- ◆ Journal entries are posted by the Finance Director in the Utility Billing Software without review or approval.

Management and the City Council are aware of these conditions and have taken certain steps to compensate for the lack of segregation, but due to the number of staff needed to properly segregate all of the accounting duties, the costs of obtaining desirable segregation of accounting duties can often exceed benefits which could be derived. However, management and the City Council must remain aware of these situations and should continually monitor the accounting system, including changes that occur.

We recommend segregation or independent review be implemented whenever practical and cost effective.

## **City of Dayton Required Communication**

We have audited the basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2023. Professional standards require that we advise you of the following matters related to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express opinions about whether the basic financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the basic financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the basic financial statements are free of material misstatement. An audit of the basic financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Generally accepted accounting principles provide for certain Required Supplementary Information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Our Responsibility in Relation to *Government Auditing Standards***

As communicated in our engagement letter, part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## City of Dayton Required Communication

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

### **Significant Risks Identified**

We have identified the following significant risks of material misstatement:

- ◆ Risk of Improper Revenue Recognition - Revenue recognition is considered a fraud risk on substantially all engagements as it is generally the largest line item impacting a City's change in fund balance or net position.
- ◆ Risk of Misappropriation of Assets - Misappropriation of assets is considered a risk in substantially all engagements as assets may be misappropriated due to fraud or error.
- ◆ Risk of Management Override of Controls - Management override of internal control is considered a risk in substantially all engagements as management may be incentivized to produce better results.
- ◆ Risk of Improper Escrow Activity - Risk of Improper Escrow Activity is considered a risk in this engagement due to the large dollar amount of escrows and large amount of escrow activity.
- ◆ Significant Estimates - Depreciation, Net Pension Liability, Deferred Outflows of Resources Related to Pensions, Deferred Inflows of Resources Related to Pensions, Lease Liability and Right-to-Use Lease Assets - Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management's current judgements.

### **Qualitative Aspects of the City's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in the notes to the basic financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management's current judgements. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgements. The most sensitive estimates affecting the basic financial statements relate to:

Depreciation - The City is currently depreciating its capital assets over their estimated useful lives, as determined by management, using the straight-line method.

Net Pension Liability, Deferred Outflows/Inflows of Resources Relating to Pensions - These balances are based on an allocation by the pension plans using estimates based on contributions.

**City of Dayton  
Required Communication**

**Qualitative Aspects of the City's Significant Accounting Practices (Continued)**

*Significant Accounting Estimates (Continued)*

Lease Liability and Right-to-Use Lease Assets - These balances are based on estimates and judgments determined by the City related to the discount rate, lease term, and lease payments.

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

*Financial Statement Disclosures*

Certain basic financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The basic financial statement disclosures are neutral, consistent, and clear.

**Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

**Uncorrected and Corrected Misstatements**

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the basic financial statements taken as a whole and each applicable opinion unit.

Management did not identify, and we did not notify them of any uncorrected financial statement misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the basic financial statements taken as a whole.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's basic financial statements or the auditor's report. No such disagreements arose during the course of our audit.

**Representations Requested from Management**

We have requested certain written representations from management, which are included in the management representation letter.

**Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management has informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **City of Dayton Required Communication**

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the City, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditor.

### **Other Information Included in Annual Reports**

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

We applied certain limited procedures to the RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the basic financial statements.

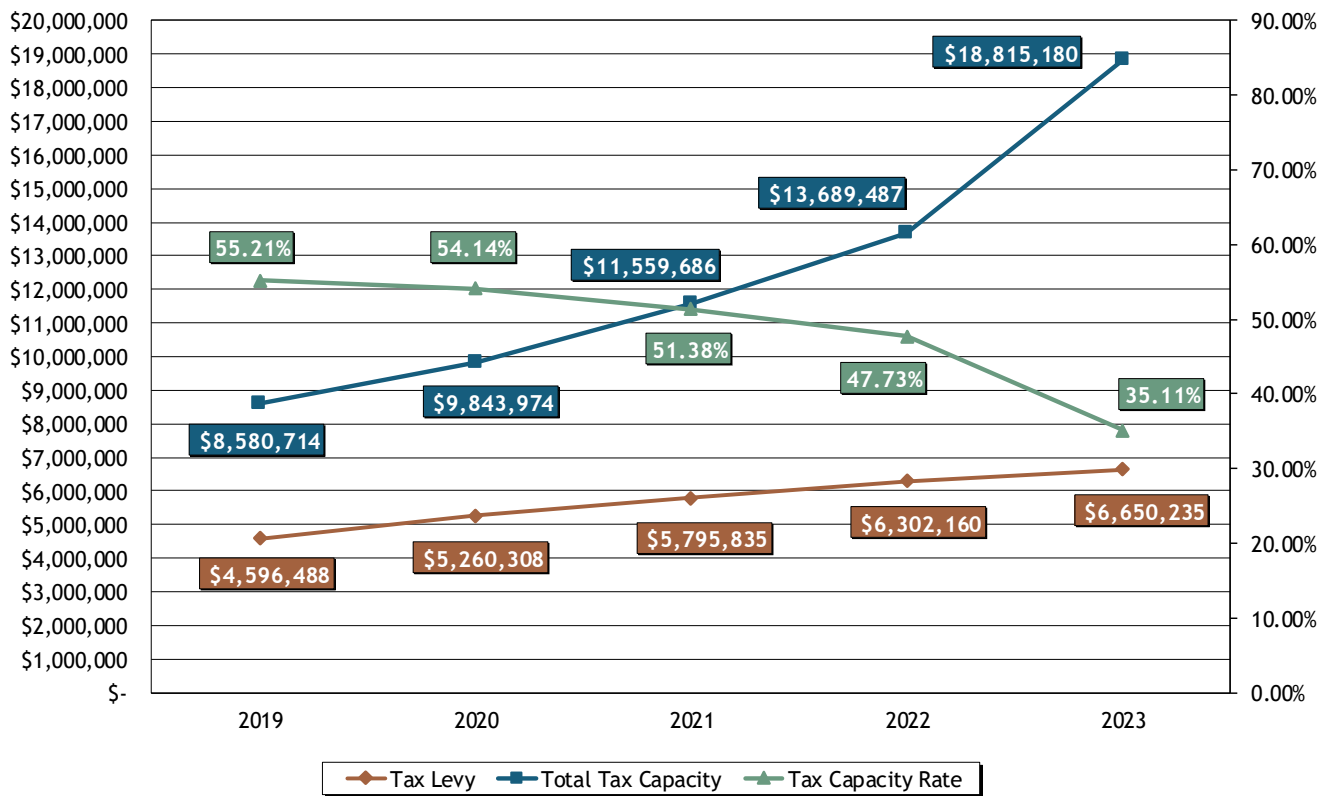
## City of Dayton Financial Analysis

The following pages provide graphic representation of select data pertaining to the financial position and operations of the City for the past five years. Our analysis of each graph is presented to provide a basis for discussion of past performance. We suggest you view each graph and document if our analysis is consistent with yours.

### Tax Levy, Tax Capacity, and Tax Capacity Rates

In basic terms, the City's tax capacity rate is a percentage amount, which when multiplied by the City's tax capacity, results in the gross property tax levy. Since 2019, the City's levy has increased 44.7% while the tax capacity has increased 119.3%. During 2023, the City's levy increased \$348,075, or 5.5%. The total tax capacity increased \$5,125,693 or 37.4%, resulting in a decrease in the tax capacity rate to 35.11% from 47.73%.

**Property Tax Levy and Tax Capacity**



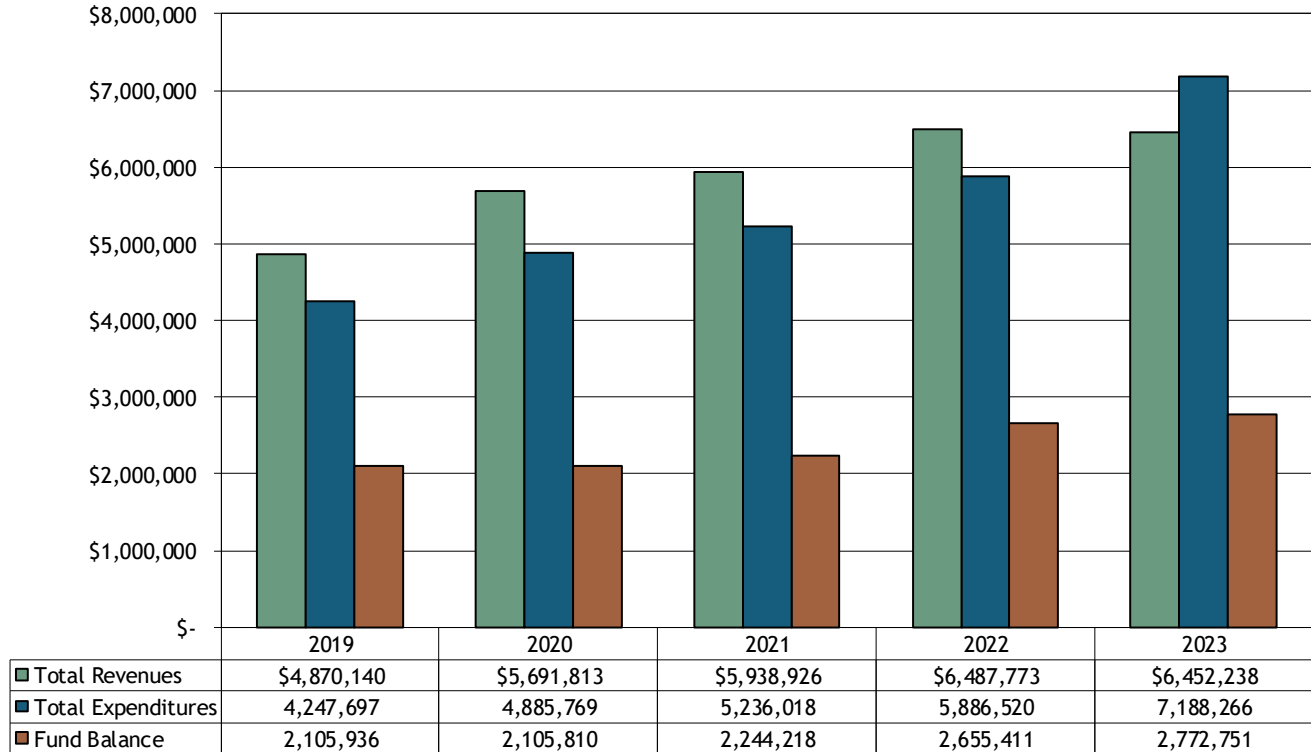
Data obtained from the *Hennepin County Taxing District Information* ([www.hennepin.us](http://www.hennepin.us)).

# City of Dayton Financial Analysis

## General Fund

The following chart presents the City's General Fund data for the past five years:

**General Fund Revenues,  
Expenditures, and Fund Balance**



In four of the five years presented above, revenues have exceeded expenditures in the General Fund. Details for revenues and expenditures are discussed on the following pages.

At year-end, the fund balance level increased \$117,340 from 2022, due to the excess of revenues and transfers in over expenditures. Revenues for the General Fund decreased \$35,535. There was an increase in general fund expenditures of \$1,301,746 from 2022. The Office of the State Auditor's recommended level for a city's fund balance is between 35% and 50%. The City's fund balance level was 38.6%, or five months of expenditures, based on 2023 spending levels. This level is down from 45.1% at December 31, 2022.

## City of Dayton Financial Analysis

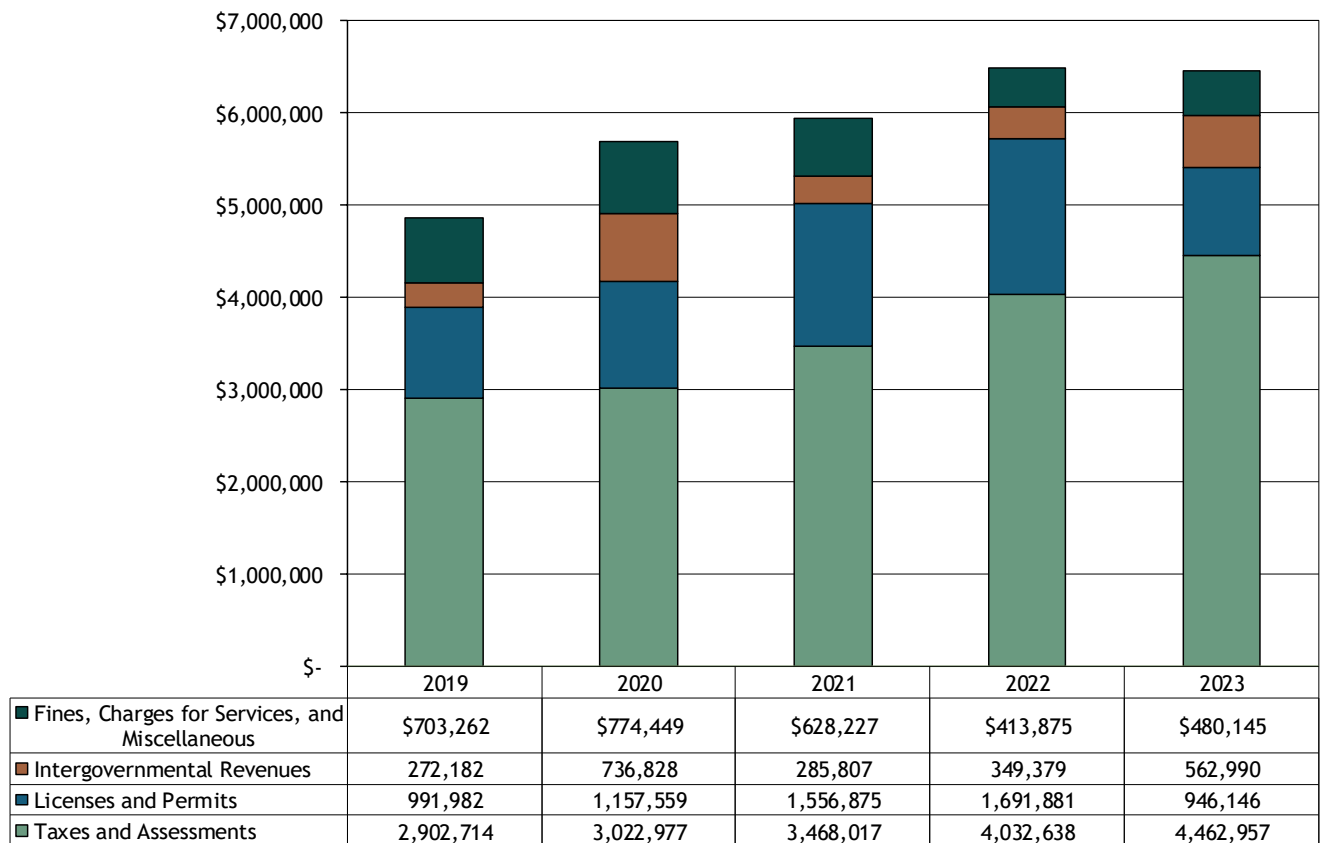
### General Fund Revenues

The chart below depicts the General Fund revenues by source for the past five years. Overall, revenues decreased from \$6,487,773 in 2022 to \$6,452,238 in 2023, or 0.60%.

The main factors contributing to this decrease were in the areas of licenses & permits and charges for services. License and permit revenue decreased due to a decrease in the number for building permits issued in 2023. Charges for services decreased due to less plan check fees in 2023. Partially offsetting the decreases were increases in property taxes, intergovernmental revenue, and miscellaneous revenue. Property tax revenues increased due to an increase in the levy allocated to the General Fund. Miscellaneous revenue increased due to better investment market conditions. Intergovernmental revenues increased due to the recognition of federal ARPA funds.

Property tax revenues increased due to an increase in the levy allocated to the General Fund.

**General Fund Revenues**





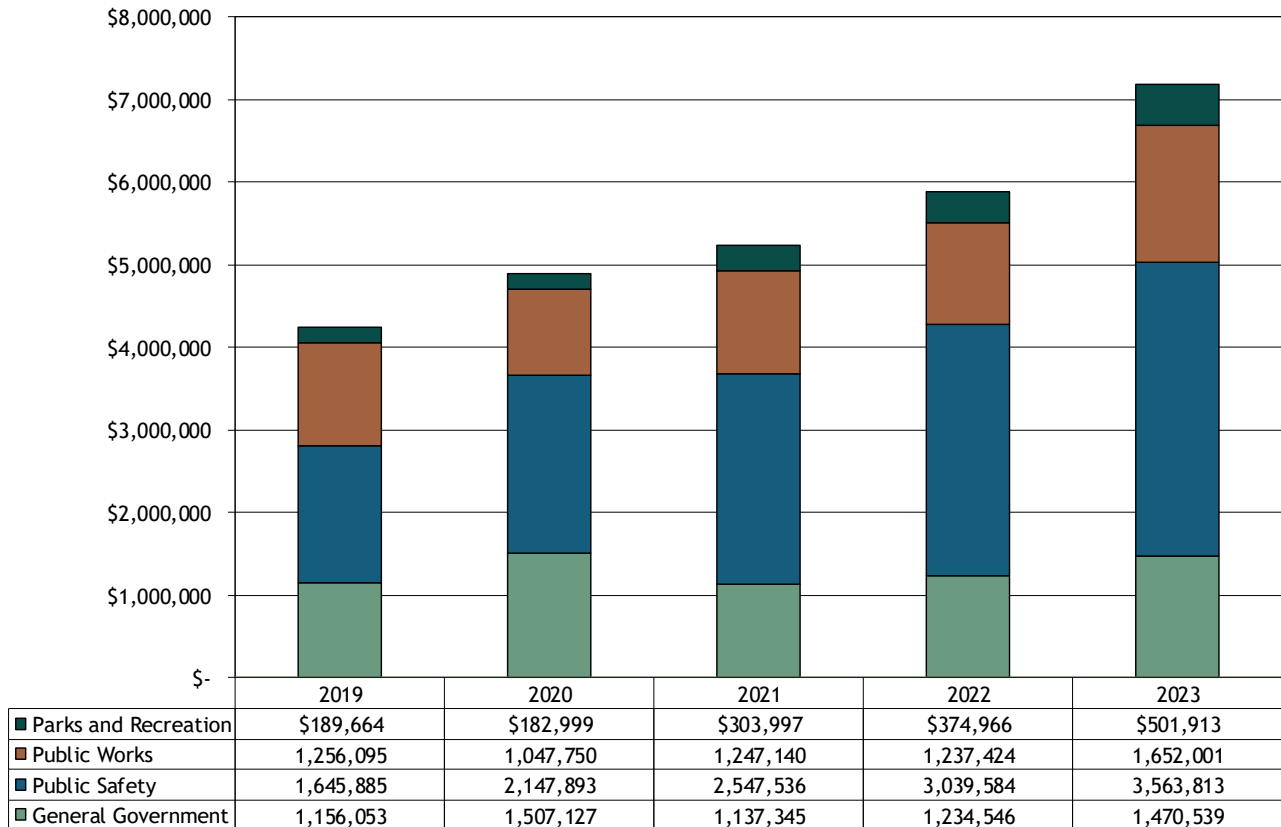
## City of Dayton Financial Analysis

### General Fund Expenditures

The chart below presents General Fund expenditures by function for the past five years. In total, General Fund expenditures increased by \$1,301,746 or 22.1%, from \$5,886,520 in 2022, to \$7,188,266 in 2023.

Public safety expenditures increased due to filling open positions, a full-time fire chief, as well as increases in insurance and repair and maintenance expenditures. General government expenditures increased due to a litigation settlement and planning services purchased by the City in 2023. Public Works expenditures increased due to increased staffing costs and increases in repairs and maintenance costs. Parks and recreation expenditures increased due to an increase in staff time in 2023.

### General Fund Expenditures



# **City of Dayton Financial Analysis**

## **General Fund Budget and Actual**

For the 2023 operating year, the City Council approved a balanced budget. In the end, revenues were 3.6% below budget and expenditures were 7.4% over budgeted amounts.

Overall, General Fund revenues were under budget by \$241,592. Property tax revenue were \$127,278 under budget due to an increase in uncollectible taxes. Licenses and permit revenues were under budget \$258,954 due to a decrease in development activity. Intergovernmental revenue was over budget by \$94,945 as a result of a conservative budget. Revenues from charges for services was under budget \$115,378 as plan check fees were less than anticipated. Miscellaneous revenue was over budget \$176,697 due to improved investment market conditions in 2023. All other revenue categories were in line with budgeted amounts.

In total, the City's expenditures were \$494,436 over the projected amounts. Public works was over budget \$185,411 as a result of a large increase in repairs and maintenance expenses. General Government was \$265,599 over budget due to spending additional dollars on consulting planner work and a litigation settlement. Public Safety expenditures were \$64,593 over budget, a result of repairs and maintenance being higher than budgeted as were fire relief contributions. All other revenue categories were in line with budgeted amounts.

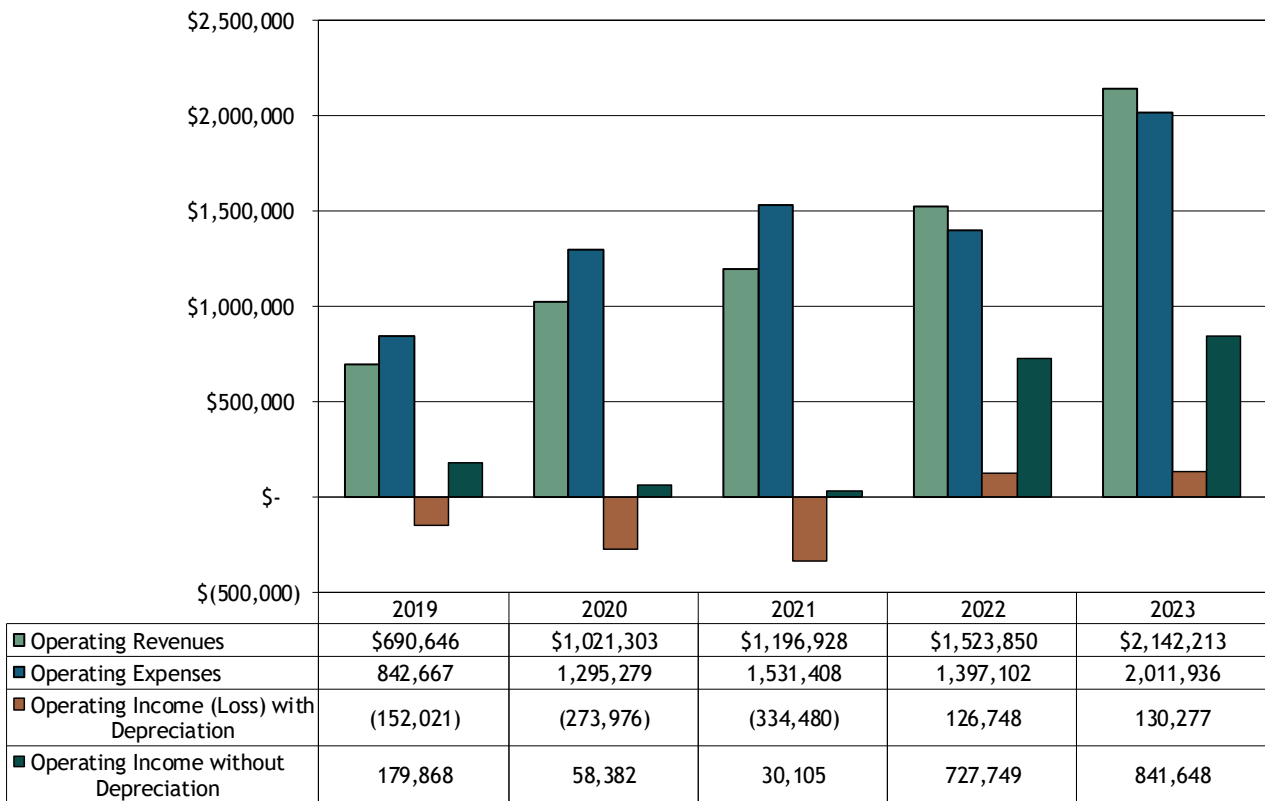
	Budget	Actual Amounts	Over (Under) Budget	Budget Variance
<b>Revenues</b>				
Property taxes	\$ 4,590,235	\$ 4,462,957	\$ (127,278)	-2.8%
Licenses and permits	1,205,100	946,146	(258,954)	-21.5%
Intergovernmental revenues	468,045	562,990	94,945	20.3%
Charges for services	342,700	227,322	(115,378)	-33.7%
Fines and forfeitures	40,000	28,376	(11,624)	-29.1%
Miscellaneous	47,750	224,447	176,697	370.0%
Total revenues	6,693,830	6,452,238	(241,592)	-3.6%
<b>Expenditures</b>				
General government	1,204,940	1,470,539	265,599	22.0%
Public safety	3,499,220	3,563,813	64,593	1.8%
Public works	1,466,590	1,652,001	185,411	12.6%
Parks and recreation	523,080	501,913	(21,167)	-4.0%
Total expenditures	6,693,830	7,188,266	494,436	7.4%
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	853,368	853,368	N/A
Total other financing sources (uses)	-	853,368	853,368	N/A
<b>Net change in fund balances</b>	\$ -	\$ 117,340	\$ 117,340	N/A

## City of Dayton Financial Analysis

### Water Fund

The financial activity of the City's Water Fund has increased significantly over the course of the last five years as new users continue to be added. 2022 was the first time in the five years presented that the Water Fund had operating income. The liquid, or unrestricted, net position of the fund increased approximately \$579,597 during 2023 to \$8.2 million.

### Water Fund

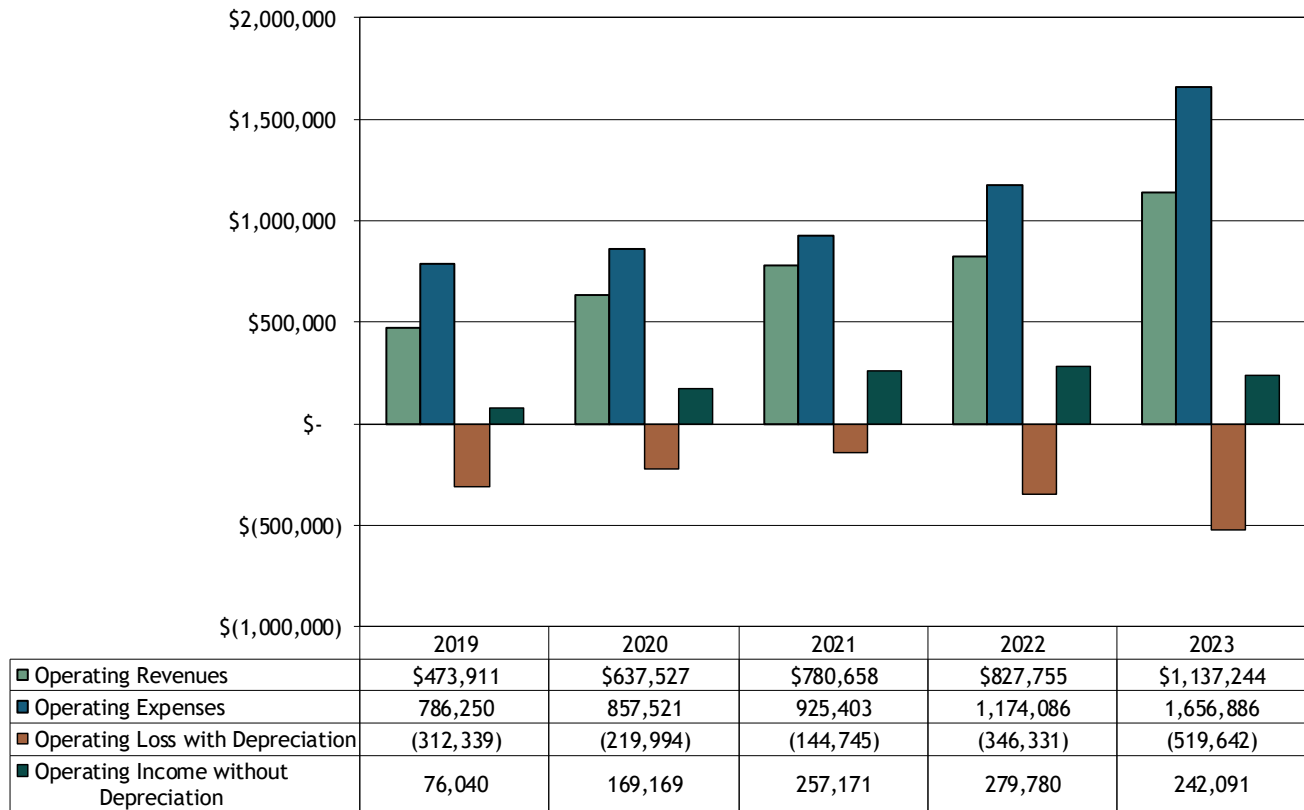


## City of Dayton Financial Analysis

### Sewer Fund

As with the Water Fund, financial activity of the City's Sewer Fund has increased significantly over the course of the last five years as new users continue to be added. Depreciation is a significant driver of the operating losses in the Sewer Fund. This fund also cash flows positively from operations, although its unrestricted net position at year-end of \$3.0 million is significantly below the reserves in the Water Fund.

#### Sewer Fund



## City of Dayton Emerging Issues

### Executive Summary

The following is an executive summary of financial related updates to assist you in staying current on emerging issues in accounting and finance. This summary will give you a preview of the new standards that have been recently issued and what is on the horizon for the near future. The most recent and significant updates include:

- ◆ **Implementation Guide No. 2021-1 - Amending Capitalization Requirements**  
GASB has issued Implementation Guide No. 2021-1, amending previously issued guidance regarding capitalization requirements for capital assets that are significant in the aggregate but below the government's capitalization threshold individually.
- ◆ **Accounting Standard Update - GASB Statement No. 100 - Accounting Changes and Error Corrections**  
GASB has issued GASB Statement No. 100 relating to accounting and financial reporting for accounting changes and error corrections. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability.
- ◆ **Accounting Standard Update - GASB Statement No. 101 - Compensated Absences**  
GASB has issued GASB Statement No. 101 relating to accounting and financial reporting for compensated absences. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The following are extensive summaries of the current updates. As your continued business partner, we are committed to keeping you informed of new and emerging issues. We are happy to discuss these issues with you further and their applicability to your City.

### Implementation Guide No. 2021-1 - Amending Capitalization Requirements

Implementation Guide No. 2021-1, amended previously issued guidance contained in Implementation Guide No. 2015-1 regarding capitalization requirements for capital assets that are significant in the aggregate.

Original guidance stated that it may be appropriate for a government to establish a capitalization policy that would require capitalization for certain types of assets with individual acquisition costs that are less than the threshold for an individual asset.

Amended guidance states that a government should capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant. Computers and classroom furniture are common examples of asset types that could be significant collectively. The amended guidance clarifies that if 100 computers costing \$1,500 each totaling a \$150,000 aggregate amount is significant, the government should capitalize the computers.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**City of Dayton  
Emerging Issues**

**Accounting Standard Update - GASB Statement No. 100 - *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62***

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting - understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.

This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in Required Supplementary Information (RSI) and Supplementary Information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB Statement No. 100 is effective for reporting periods beginning after June 15, 2023. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

## City of Dayton Emerging Issues

### **Accounting Standard Update - GASB Statement No. 101 - *Compensated Absences***

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave - not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

GASB Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).



## *1st Quarter Report*

***As of March 31, 2024***

**Presented by: Zach Doud, City Administrator**





**CITY OF DAYTON  
INCOME STATEMENT  
AS OF MARCH 31, 2024**

	Annual Budget	Budget thru 3/31/2024	Actual thru 3/31/2024	Variance - Favorable (Unfavorable)	Percent Received or Expended based on YTD Budget
<b>Revenues</b>					
Taxes	\$ 5,929,085	\$ 1,482,271	\$ 1,751	\$ (1,480,521) 1	0.1 %
Licenses and permits	1,204,200	301,050	238,247	(62,803) 2	79.1
Intergovernmental	550,665	137,666	251,743	114,076 3	182.9
Charges for services	13,500	3,375	3,715	340	110.1
Fines and forfeitures	80,000	20,000	3,104	(16,896)	15.5
Refunds and reimbursements	10,500	2,625	-	(2,625)	0.0
Miscellaneous	134,200	33,550	13,223	(20,327) 4	39.4
<b>Total Revenues</b>	<b>7,922,150</b>	<b>1,980,538</b>	<b>511,783</b>	<b>(1,468,755)</b>	<b>25.8</b>
<b>Expenditures</b>					
Mayor and city council	63,180	15,795	24,563	(8,768)	155.5
Committees and commissions	5,590	1,398	-	1,398	0.0
Administration	118,340	29,585	26,178	3,407	88.5
Elections	40,000	10,000	9,115	885	91.1
City clerk	120,660	30,165	41,860	(11,695)	138.8
Finance	309,160	77,290	92,663	(15,373)	119.9
Assessing	195,000	48,750	98,001	(49,251) 5	201.0
Audit	36,000	9,000	-	9,000	0.0
Engineering	75,000	18,750	-	18,750	0.0
Legal	56,000	14,000	21,002	(7,002)	150.0
Recycling	185,000	46,250	34,849	11,401	75.3
Inspections	614,270	153,568	90,466	63,101 6	58.9
Planning and economic development	212,180	53,045	67,877	(14,832)	128.0
Central services	84,200	21,050	29,922	(8,872)	142.1
Information technology	118,000	29,500	57,827	(28,327) 7	196.0
Activity center	94,820	23,705	17,291	6,414	72.9
Farmers market	-	-	-	-	0.0
Police patrol and investigation	2,826,080	706,520	627,910	78,610	88.9
Emergency management	29,030	7,258	5,058	2,199	69.7
Animal control	6,100	1,525	498	1,027	32.7
Fire suppression	926,280	231,570	133,839	97,731 8	57.8
Public works	1,319,790	329,948	368,953	(39,005)	111.8
Parks	472,470	118,118	57,334	60,784 9	48.5
Contingency	15,000	3,750	5,814	(2,064)	155.0
<b>Total Expenditures</b>	<b>7,922,150</b>	<b>1,980,538</b>	<b>1,811,019</b>	<b>169,518</b>	<b>91.4</b>
<b>Excess revenues (expenditures)</b>	<b>-</b>	<b>-</b>	<b>(1,299,236)</b>	<b>(1,638,273)</b>	
<b>Other financing sources (uses)</b>					
Transfers in	-	-	-	-	0.0
Transfers out	-	-	-	-	0.0
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other uses</b>	<b>-</b>	<b>-</b>	<b>(1,299,236)</b>	<b>(1,638,273)</b>	

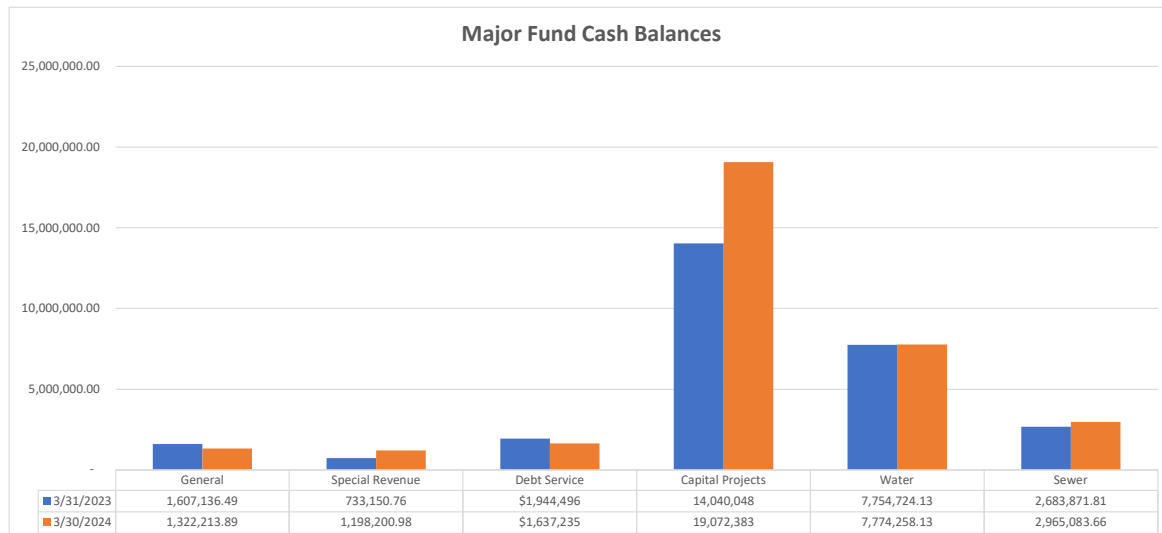
Item	Explanation of item for percentage less than 80% or greater than 120% and \$ variance greater than \$20,000
1	Taxes have not been received as of Q1 for 2024, expect these to arrive in Q3 2024.
2	Less homes have been built than budgeted for, this is opposite from what we have seen in prior years. Q1 is low building Quarter
3	Rec'd all Federal Grant \$'s (\$182k) in Q1 for the year
4	Cell Tower Lease payment comes Q4 for Year 2024 approx. \$30,000, No Donations received/Contributions, Interest is 15% of budget instead of 25%
5	Paid 1st Half of Assessments for Q1 and Q2, this will level out through the year
6	Budgeted for Planner and position is still open, There is some lag time in receiving Consulting Service Invoice
7	Paid all the subscriptions for the year in Q1, New Printer purchased (\$9k), Smartphone AP (\$4k paid for full year) in Qtr1
8	Asst. Fire Chief Pay started late in Q1 is 11.6% instead of 25% and Asst. Fire Chief Benefits started in Q2 . Timing of payrolls is part of the cause for the underbudget which March payroll was \$13,466.94 which would make budget closer.
9	Budget for PT/Seasonal employees and position's is still open in Q1, Work in the parks has not started yet so this is related to timing, will see it closer to budget in Q2

City of Dayton  
Unaudited Cash Balances by Fund

Fund		Balance 3/31/2023	Balance 12/31/2023	Balance 3/30/2024	YTD Change from 12/31/2023	Change from 3/31/2023	Percentage Change from 12/31/2023
101	General	\$ 1,607,136	\$ 2,743,512	\$ 1,322,214	\$ (1,421,298)	\$ (284,923)	1 -51.8 %
225	EDA	530,409	672,182	679,117	6,935	148,708	1.0
226	Cable	193,938	182,976	185,717	2,740	(8,222)	1.5
235	Police Forfeiture	8,803	12,745	12,745	-	3,942	0.0
236	Fire Public Safety Aid	-	145,122	145,122	-	145,122	0.0
237	Police Public Safety Aid	-	175,501	175,501	-	175,501	0.0
342	2014A & 2015A NE Utilities	1,632,994	2,952,443	1,546,502	(1,405,941)	(86,493)	2 -47.6
348	2009A & 2010 W French Lk Rd	185,802	240,683	240,977	294	55,175	0.1
355	2016A PW/PD Facility	(16,162)	168,490	(14,892)	(183,381)	1,270	-108.8
376	2015B Street Reconstruction	62,486	-	-	-	(62,486)	6 0.0
378	2020A Dayton Parkway Interchange	79,375	256,626	53,677	(202,949)	(25,698)	-79.1
379	2023A CRG TIF Bond	-	(22,789)	(189,028)	(166,240)	(189,028)	3 -729.5
401	Capital Equipment	561,885	-	(166,810)	(166,810)	(728,695)	0.0
404	Park Development	192,793	167,429	169,156	1,727	(23,637)	1.0
405	Park Dedication	2,078,980	2,593,255	2,562,053	(31,202)	483,073	-1.2
406	Park Capital Equipment	29,965	-	(133,907)	(133,907)	(163,871)	0.0
408	Park Trail Development	2,412,191	2,636,467	2,662,481	26,013	250,289	1.0
409	Temporary Financing	2,808,067	2,019,602	2,049,242	29,639	(758,825)	1.5
410	Capital Facilities	947,111	1,282,417	1,267,228	(15,190)	320,117	-1.2
411	Developer Escrows	2,859,747	2,646,239	2,681,349	35,110	(178,398)	1.3
414	Pavement Mgmt and Improvements	2,711,455	2,985,846	3,106,609	120,763	395,154	4.0
415	Stormwater	2,647,402	2,290,895	2,903,299	612,404	255,898	4 26.7
420	Landscape Escrows	2,426,000	1,466,000	1,559,000	93,000	(867,000)	6.3
421	ROW Escrows	112,000	39,000	23,000	(16,000)	(89,000)	5 -41.0
428	TIF 18 CRG	(22,789)	-	-	-	22,789	6 0.0
429	TIF 19 Scannell	(22,744)	-	-	-	22,744	6 0.0
430	TIF 20 Graco 2	(21,921)	-	-	-	21,921	0.0
435	TIF 16 Sand Companies	4,947	22,810	6,849	(15,961)	1,901	-70.0
436	TIF 17 Graco	(10,090)	-	(10,441)	(10,441)	(351)	0.0
438	TIF 14 Liberty	80,082	179,115	168,801	(10,314)	88,719	-5.8
459	2022 TIF Street Improvements	(5,120,042)	243,820	357,404	113,584	5,477,446	7 46.6
477	TIF 15 French Lk Industrial Park	41,599	131,329	74,018	(57,311)	32,420	-43.6
480	Dayton Parkway Interchange	(676,589)	-	(206,949)	(206,949)	469,640	0.0
601	Water	7,754,724	9,026,518	7,774,258	(1,252,260)	19,534	-13.9
602	Sewer	2,683,872	2,898,458	2,965,084	66,625	281,212	2.3
<b>Total</b>		<b>\$ 28,763,427</b>	<b>\$ 38,156,692</b>	<b>\$ 33,969,375</b>	<b>\$ (4,187,317)</b>	<b>\$ 5,205,949</b>	<b>-11.0 %</b>

**Item Explanation of changes greater than \$75,000 from prior year and change greater than 20% from year-end**

- 1 Changes in balance in General Fund, please look in the General Fund Income Statement within this report.
- 2 Slowly decreasing the balance of this fund so that we are able to pay off the debt but not have excess dollars in this fund
- 3 This is to cover the TIF set up costs from Ethers \$22,788.52 /Bond Interest-Series 2023A \$165,764.72 (Debt Service Fund)
- 4 Increase is related to minimal projects being funded out of this fund and additional dollars being received from new homes and building permits.
- 5 Q1 2023 had ROW activity for 2022 included that was released by 2023 year end, Q1 2024 has ROW activity just for 2024
- 6 All of these funds are closed but they are still listed due to having a balance a year ago. You can ignore these when reviewing overall funds.
- 7 Issued debt in 2023 for this project paid back by TIF dollars. The project used most of the cash already from that bond sale.

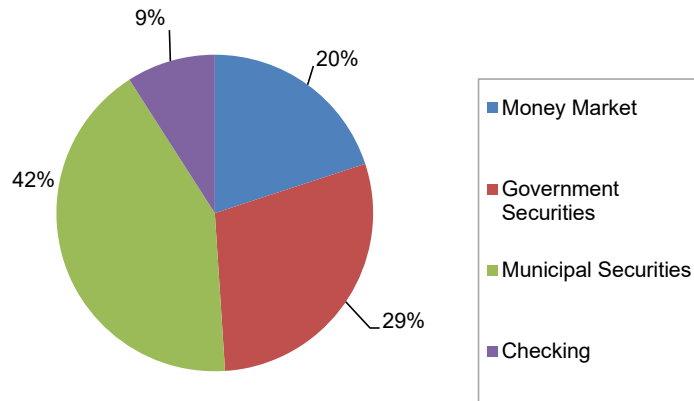
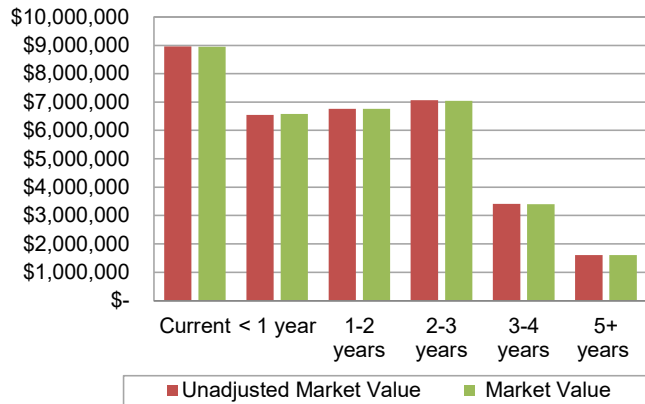


Institution	Description	Type	Maturity Year	Market Value 1/1/2024	Deposits - Purchases	Expenditures - Sales	Transfers	Interest	Unadjusted Market Value 3/31/2024	Market Value 3/31/2024	Unrealized gain / loss
21st Century Bank	Checking	Checking		\$ 4,005,307.08	\$ 221,672.16	\$ (1,616,344.22)	\$ -	\$ 2,063.30	\$ 2,794,035.09	\$ 2,794,035.09	\$ -
21st Century Bank	Savings	Savings			-	-	-	-	-	-	-
				4,005,307.08	221,672.16	(1,616,344.22)	-	2,063.30	2,794,035.09	2,794,035.09	-
MCM	First American Government	Money Market	2024	2,024,481.94	1,510,398.81	-	58,587.22	7,095.14	3,326,468.72	3,326,468.72	-
US Bank - LOC	First American Government - Airo LOC	Money Market	2023	2,714,959.42	-	-	-	11,477.16	2,776,002.60	2,776,002.60	-
MCM	US Treasury Bill	Government Securities	2024	2,517,070.95	-	-	-	-	-	-	-
MCM	FHLMC MTN	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	FHLMC Multiclass Mgt Partn CMO Ser K J37	Government Securities	2027	75,104.90	-	(245.25)	(113.24)	113.24	73,973.31	74,123.08	149.77
MCM	FHLMC Multiclass CMO Ser K 0258	Government Securities	2026	63,315.62	-	(3,791.56)	(118.92)	118.92	56,277.97	56,517.39	239.42
MCM	FHLMC Multiclass Mgt Partn CMO	Government Securities	2030	115,267.22	-	(638.05)	(239.28)	239.28	112,511.65	112,686.77	375.12
MCM	FHLMC Multiclass Mgt C191 12/25/23	Government Securities	2023	47,182.00	-	-	-	-	47,317.00	47,417.50	100.50
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2025	87,182.46	-	-	(169.37)	169.37	87,055.72	87,377.59	321.87
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2023	194,098.00	-	-	(461.67)	461.67	194,076.00	194,300.00	224.00
MCM	FHLMC Multiclass Mgt Partn CMO Ser KSMC	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	FHLMC Multiclass Mgt Partn 2475 03/25/2025 (FHL2425B)	Government Securities	2025	14,338.31	-	(3,290.60)	(11.93)	11.93	5,239.44	5,259.80	20.36
MCM	FHLMC Multiclass Mgt Partn CMO	Government Securities	2026	22,336.00	-	(202.69)	(175.36)	175.36	21,930.61	21,934.67	57.75
MCM	FHLMC Multiclass MGT Partn CMO Ser K191 Cl A1	Government Securities	2030	162,231.37	-	(848.50)	(128.53)	128.53	158,898.08	159,984.18	995.10
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2026	90,321.00	-	-	(111.33)	111.33	89,810.00	90,114.00	304.00
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2025	213,925.50	-	-	-	-	214,296.75	214,832.25	535.50
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2023	26,754.37	-	(420.71)	(18.59)	18.59	25,617.16	25,691.65	74.49
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2026	92,308.40	-	(164.61)	(235.43)	235.43	91,446.77	91,582.23	135.46
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2026	129,081.61	-	(335.50)	(266.04)	266.04	127,384.49	127,684.23	299.74
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2026	287,577.00	-	(618.67)	(618.67)	-	286,449.00	286,980.00	531.00
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2026	89,147.46	-	(158.60)	(175.36)	175.36	88,944.18	89,234.67	290.49
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2024	141,253.88	-	(220.01)	(271.23)	271.23	141,264.15	141,629.87	365.72
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2024	91,856.82	-	(158.04)	(165.61)	165.61	91,656.69	91,866.10	209.41
MCM	FHLMC Multiclass Mgt Partn	Government Securities	2023	82,811.33	-	(127.38)	(134.90)	134.90	82,408.51	82,643.99	235.38
MCM	Federal Farm Credit Bank	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	Federal Home Loan Bks	Government Securities	2025	79,479.25	-	-	(159.38)	159.38	79,532.80	79,821.80	289.00
MCM	Federal Home Loan Bank	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	Federal Home Loan Bank	Government Securities	2024	991,970.00	-	-	-	-	992,440.00	994,330.00	1,890.00
MCM	Federal Home Loan Bank	Government Securities	2025	993,660.00	-	-	-	-	987,500.00	998,010.00	510.00
MCM	Federal Home Loan Bank	Government Securities	2024	1,488,290.00	-	(1,500,000.00)	(35,625.00)	35,625.00	987,500.00	998,010.00	510.00
MCM	Federal Home Loan Bank	Government Securities	2026	-	-	-	-	-	-	-	-
MCM	Int Development Fin Corp	Government Securities	2025	97,744.00	-	-	-	-	98,200.00	98,560.00	360.00
MCM	US International Dev Fin COR	Government Securities	2028	44,986.00	-	-	-	-	44,760.00	44,953.00	93.00
MCM	US International Dev Fin	Government Securities	2027	97,527.00	-	-	-	-	97,981.00	98,341.00	360.00
MCM	US International Dev Fin	Government Securities	2027	191,838.00	-	-	-	-	192,284.00	192,946.00	662.00
MCM	US International Dev Fin COR	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	US Intl Dev Fin Corp	Government Securities	2028	45,228.00	-	-	-	-	44,989.50	45,078.50	89.00
MCM	US Treasury Note	Government Securities	2024	49,689.50	-	-	-	-	-	-	-
MCM	US Treasury Note	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	US Treasury	Government Securities	2025	83,926.00	-	-	-	-	94,102.00	94,406.00	304.00
MCM	US Treasury Note	Government Securities	2024	147,637.50	-	-	-	-	149,079.00	149,715.00	636.00
MCM	US Treasury Note	Government Securities	2026	115,873.25	-	-	-	-	115,576.25	115,820.25	243.00
MCM	US Treasury Note	Government Securities	2025	144,076.50	-	-	-	-	144,316.50	144,739.50	423.00
MCM	US Treasury Note	Government Securities	2027	137,387.00	-	-	-	-	138,288.50	138,582.50	294.00
MCM	US Treasury Note 1 250 8/31/2024	Government Securities	2024	195,102.00	-	-	-	-	196,052.00	196,290.00	628.00
MCM	US Treasury Note	Government Securities	2025	241,202.50	-	-	-	-	241,737.50	242,422.50	685.00
MCM	US Treasury Note	Government Securities	2027	139,236.00	-	-	-	-	138,082.50	138,326.50	246.00
MCM	US Treasury Note	Government Securities	2024	243,720.00	-	-	-	-	244,877.00	245,368.00	717.00
MCM	US Treasury Note	Government Securities	2024	242,480.00	-	-	-	-	243,262.50	243,952.50	690.00
MCM	US Treasury Note	Government Securities	2026	234,395.00	-	-	-	-	232,910.00	233,192.50	282.50
MCM	US Treasury Note	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	US Treasury Note	Government Securities	2024	1,213,112.50	-	-	-	-	1,215,875.00	1,218,850.00	2,975.00
MCM	US Treasury Note	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	US Treasury Note	Government Securities	2023	-	-	-	-	-	-	-	-
MCM	Bankwell Bk New Canaan Conn	Corporate Securities	2025	243,235.71	-	-	-	-	243,396.09	243,038.88	(357.21)
MCM	Discover Bk Greenwood Del	Corporate Securities	2025	238,830.90	-	-	-	-	239,644.30	239,607.55	(266.75)
MCM	Dnb Cmnty Bk CO	Corporate Securities	2026	248,357.58	-	(919.94)	919.94	-	248,571.72	247,916.50	(655.22)
MCM	First Fdntr Bk Irvine Ca	Corporate Securities	2026	238,842.64	-	-	-	-	238,778.26	238,102.34	(675.92)
MCM	Leader Bk Natl Assn Arlington CD	Corporate Securities	2025	237,134.00	-	-	-	-	237,355.13	237,116.13	(217.87)
MCM	State Bk India CD	Corporate Securities	2025	244,178.12	-	-	-	-	244,236.12	243,662.00	(574.12)
MCM	Synchrony Bank CD	Corporate Securities	2025	238,622.65	-	-	-	-	239,435.65	239,423.80	(31.85)
MCM	US International Dev Fin COR	Corporate Securities	2026	99,414.00	-	-	-	-	100,906.00	100,979.00	73.00
MCM	US International Dev Fin COR	Corporate Securities	2023	-	-	-	-	-	-	-	-
MCM	United Fd Bk FSB Evansville CD	Corporate Securities	2026	248,726.10	-	-	(949.61)	949.61	250,635.93	249,087.15	(1,548.78)
MCM	Western Alliance CD	Corporate Securities	2025	243,111.73	-	-	-	-	243,514.04	242,844.11	(669.93)
MCM	Andover MA Taxable Pension Bds	Municipal Securities	2024	97,015.05	-	-	-	-	97,291.00	97,613.00	322.00
MCM	Arizona ST Univ Revs Taxable Sys	Municipal Securities	2025	70,860.00	-	-	-	-	71,050.50	71,232.75	182.25
MCM	Bowling Green OH	Municipal Securities	2026	311,842.05	-	-	-	-	312,827.75	312,531.00	(296.75)
MCM	California ST Dept Wtr Res Cen	Municipal Securities	2024	48,046.50	-	-	-	-	48,358.00	48,515.50	157.50
MCM	California ST Wtr Res Systemwide	Municipal Securities	2026	45,811.00	-	-	-	-	45,577.50	45,762.00	(148.50)
MCM	Coast County College Dist	Municipal Securities	2027	91,081.00	-	-	-	-	91,002.00	91,461.00	459.00
MCM	Compton Calif Cmty Coll 2021	Municipal Securities	2027	157,932.25	-	-	-	-	157,099.25	158,940.25	1,841.00
MCM	Compton Calif Cmty Coll 2021	Municipal Securities	2026	156,301.40	-	-	-	-	156,049.80	157,418.30	1,368.50
MCM	Connecticut ST Taxable GO Bonds 2018A	Municipal Securities	2027	246,392.50	-	(4,812.50)	4,812.50	-	244,892.50	244,522.50	(370.00)
MCM	Cypress - Fairbanks Tax Indp Sc	Municipal Securities	2027	143,235.40	-	-	-	-	141,645.00	141,645.00	-
MCM	Easton Ia Cmnty	Municipal Securities	2025	525,190.10	-	-	-	-	524,088.35	525,721.20	1,632.85
MCM	Fort Lee N J BRO EIO REF GO Bds	Municipal Securities	2026	835,124.00	-	-	-	-	831,166.70	834,051.10	2,884.40
MCM	Glendale Calif Uni Sch Dist GO	Municipal Securities	2025	47,582.00	-	(409.25)	-	-	47,631.50	47,753.00	121.50
MCM	Granton WI Sch Dist	Municipal Securities	2026	205,444.80	-	-	-	-	205,147.80	205,768.20	620.40
MCM	Harbor Horsham PA Tax GO Bonds 2020A	Municipal Securities	2025	117,642.00	-	(625.00)	625.00	-	117,527.50	117,840.00	312.50
MCM	Highland Park NJ	Municipal Securities	2027	274,763.40	-	(4,350.00)	4,350.00	-	272,356.40	273,194.50	838.10
MCM	Lakota Ohio Loc School Dist	Municipal Securities	2025	829,915.60	-	-	-	-	828,263.45	829,638.80	1,375.35
MCM	Lane Cmty Cr Sch Dist No 4 J Eugene	Municipal Securities	2023	-	-	-	-	-	-	-	-
MCM	Louisiana ST Taxable GO Ref	Municipal Securities	2024	39,302.00	-	-	-	-	39,536.80	39,681.20	144.40
MCM	Lynchburg Twp NJ Tax GO Bonds 2021	Municipal Securities	2026	137,911.50	-	-	-	-	137,559.00	138,027.00	468.00
MCM	Metropolitan Govt Nashville	Municipal Securities	2024	-	-	-	-	-	-	-	-
MCM	Metropolitan Govt Nashville	Municipal Securities	2024	53,798.25	-	-	-	-	54,078.25	54,289.40	210.65
MCM	Metropolitan Govt Nashville	Municipal Securities	2024	4,880.45	-	-	-	-	4,918.70	4,937.85	19.15
MCM	Mississippi ST Taxable GO Ref Bds	Municipal Securities	2024	72,440.25	-	-	-	-	72,797.25	73,034.25	294.00
MCM	Monteary Penn Calif Cmty Election	Municipal Securities	2024	740,756.80	-	-	-	-	745,833.60	748,463.20	2,626.80
MCM	Neenah WI Taxable GO Ref Bds 2022 B	Municipal Securities	2025	190,182.00	-	(1,600.00)	1,600.00	-	190,310.00	190,704.00	394.00
MCM	New York NY Taxable GO Bonds	Municipal Securities	2025	94,589.00	-	-	-	-	94,418.00	94,590.00	172.00
MCM	New York St Dom Auth ST	Municipal Securities	2027	48,103.50	-	(722.00)	722.00	-	47,510.00	47,655.00	145.00
MCM	New York ST Taxable GO Bds 2021	Municipal Securities	2026	70,356.00	-	(562.50)	562.50	-	70,359.00	70,440.75	81.75
MCM	Norwich CT Taxable GO Bds	Municipal Securities	2023	-	-	-	-	-	-	-	-
MCM	Norwich CT Taxable GO Bds	Municipal Securities	2024	49,085.00	-	-	-	-	49,271.00	49,368.50	127.50
MCM	Ontario Calif WTR Reve Taxable	Municipal Securities	2023	-	-	-	-	-	-	-	-
MCM	Ontario Calif WTR Reve Taxable	Municipal Securities	2024	34,207.95	-	-	-	-	34,414.10	34,522.60	108.50
MCM	Oregon Cmnty	Municipal Securities	2026	442,896.00	-	-	-	-	441,979.20	443,448.00	1,468.80
MCM	Oregon ST Taxable GO Ref Bonds 2020	Municipal Securities	2024	48,755.00	-	-	-	-	49,018.50	49,194.50	176.00
MCM	Orward Calif Sch Dist Tax Ref GO Bonds 2020	Municipal Securities	2027	223,805.00	-	-	-	-	224,595.00	225,797.50	1,202.50
MCM											

City of Dayton, Minnesota  
Investments  
For the Month Ending March 31, 2024

ATTACHMENT C

**Maturities**



Maturity	Unadjusted Market Value 3/31/2024	Market Value 3/31/2024	Variance 3/31/2024
Current	\$ 8,961,718.32	\$ 8,954,646.41	\$ (7,072)
< 1 year	6,541,593.24	6,583,088.50	41,495.26
1-2 years	6,757,765.03	6,760,382.66	2,617.63
2-3 years	7,064,055.01	7,047,214.45	(16,840.56)
3-4 years	3,409,070.29	3,401,613.28	(7,457.01)
5+ years	1,599,667.93	1,600,144.96	477.03
	<u>\$ 34,333,869.82</u>	<u>\$ 34,347,090.26</u>	<u>\$ 13,220.44</u>
Weighted Average Rate of Return	3.55%	3/31/2024	
Average Maturity (years)	1.64	3/31/2024	

Investment Type	Market Value 3/31/2024
Money Market	\$ 6,160,611.32
Government Securities	8,939,870.00
Corporate Securities	3,505,184.55
Municipal Securities	12,947,389.30
Checking	2,794,035.09
	<u>\$ 34,347,090.26</u>

<b>Operating Account</b>	
O/S Deposits	\$ 264,879.88
O/S Checks	(642,594.80)
Reconciled Balance	<u>\$ 33,969,375.34</u>

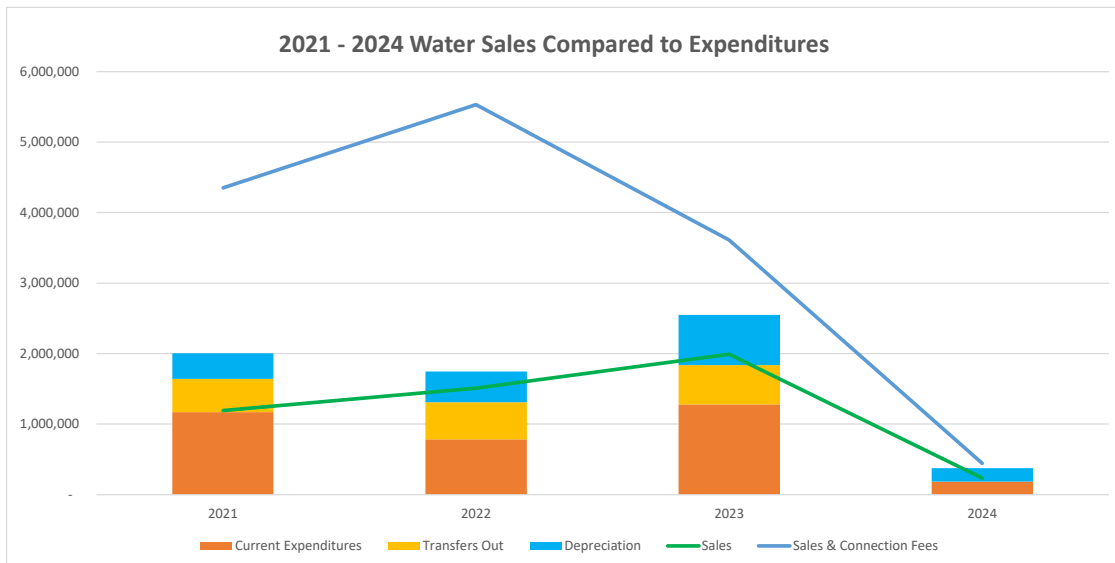
**CITY OF DAYTON  
INCOME STATEMENT  
AS OF MARCH 31, 2024**

**WATER FUND**

	Annual Budget	Budget thru 3/31/2024	Actual thru 3/31/2023	Actual thru 3/31/2024	Prior Year Variance - Favorable (Unfavorable)	Percent Received or Expended based on YTD Budget
<b>Revenues</b>						
Charges for services	\$ 2,293,000	\$ 573,250	\$ 260,529	\$ 233,655	\$ (26,874) <b>1</b>	40.8 %
Miscellaneous	85,000	21,250	125,173	95,382	(29,791) <b>2</b>	448.9
<b>Total Revenues</b>	<b>2,378,000</b>	<b>594,500</b>	<b>385,703</b>	<b>329,038</b>	<b>(56,665)</b>	<b>55.3</b>
<b>Expenditures</b>						
Salaries and benefits	280,820	70,205	33,596	37,255	(3,659)	53.1
Supplies	291,500	72,875	33,165	76,486	(43,321)	105.0
Professional services	85,000	21,250	23,292	1,609	21,683 <b>3</b>	7.6
Insurance	13,000	3,250	9,505	6,444	3,060	198.3
Utilities	301,000	75,250	4,446	33,647	(29,201) <b>4</b>	44.7
Repair and maintenance	60,000	15,000	9,381	31,789	(22,408) <b>5</b>	211.9
Depreciation	750,000	187,500	83,750	187,500	(103,750)	100.0
<b>Total Expenditures</b>	<b>1,781,320</b>	<b>445,330</b>	<b>197,134</b>	<b>374,729</b>	<b>(177,595)</b>	<b>84.1</b>
<b>Excess revenues (expenditures)</b>	<b>596,680</b>	<b>149,170</b>	<b>188,568</b>	<b>(45,692)</b>	<b>120,930</b>	
<b>Other financing sources (uses)</b>						
Connection charges	1,900,000	475,000	276,976	206,934	(70,042)	43.6
Transfers in	-	-	-	-	-	0.0
Transfers out	(590,000)	(147,500)	-	-	-	0.0
<b>Total other financing sources (uses)</b>	<b>1,310,000</b>	<b>327,500</b>	<b>276,976</b>	<b>206,934</b>	<b>(70,042)</b>	
<b>Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other uses</b>	<b>1,906,680</b>	<b>476,670</b>	<b>465,544</b>	<b>161,242</b>	<b>50,888</b>	

**Item**      **Explanation of item for percentage less than 80% or greater than 120% and \$ variance greater than \$10,000**

- 1**      Not a ton more new homes from last year to this year which is why there is little change from last year. The billing cycle for January and February is our lowest billing cycle typically. Additionally with only one billing cycle, we are missing a month worth of usage when compared to budget.
- 2**      Interest Earnings are still up from the current market, but not as high as prior year.
- 3**      Q1 2023 Had city projects Stantec fees, Water Supply/Distribution, Dayton Water Comp Plan & GIS Mapping \$'s, Q1 2024 very minimal activity thus far.
- 4**      Q1 2023 Maple Grove water Usage did not get paid until Q2 which was \$38,339.40 and in Q1 2024 Maple Grove Water Usage was \$25,105.08 but paid timely.
- 5**      Over Budget for Q1 due to AMI System Installation -wireless Utility readings



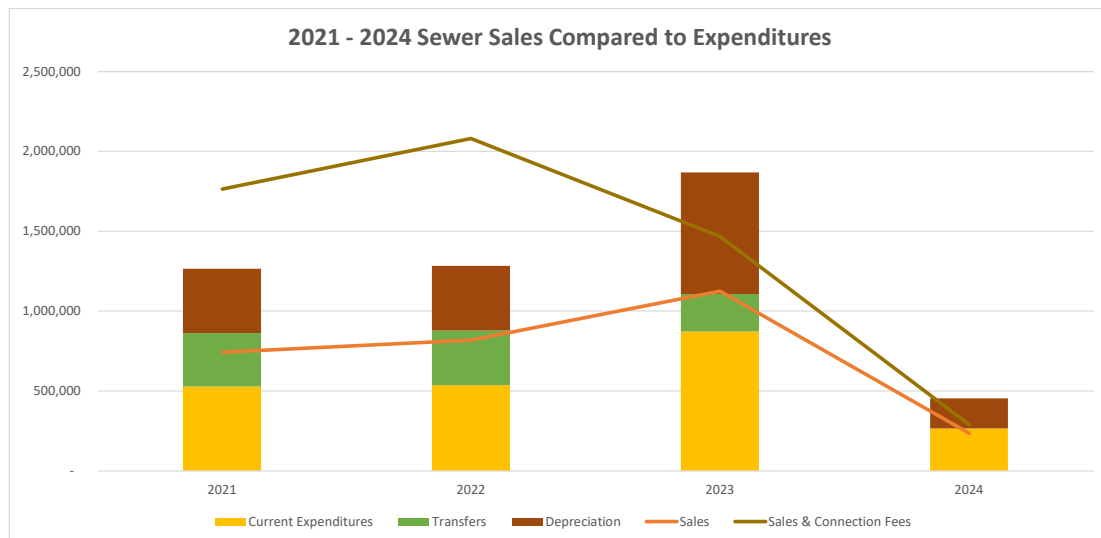
**CITY OF DAYTON  
INCOME STATEMENT  
AS OF MARCH 31, 2024**

**SEWER FUND**

	Annual Budget	Budget thru 3/31/2024	Actual thru 3/31/2023	Actual thru 3/31/2024	Prior Year Variance - Favorable (Unfavorable)	Percent Received or Expended based on YTD Budget
<b>Revenues</b>						
Charges for services	\$ 1,362,500	\$ 340,625	\$ 211,924	\$ 235,491	\$ 23,567 <sup>1</sup>	69.1 %
Miscellaneous	55,000	13,750	42,703	34,875	(7,828)	253.6
<b>Total Revenues</b>	<b>1,417,500</b>	<b>354,375</b>	<b>254,627</b>	<b>270,366</b>	<b>15,739</b>	<b>76.3</b>
<b>Expenditures</b>						
Salaries and benefits	257,370	64,343	30,296	37,067	(6,771)	57.6
Supplies	9,000	2,250	2,213	4,047	(1,834)	179.9
Professional services	584,795	146,199	140,153	172,098	(31,945)	117.7
Insurance	22,000	5,500	17,981	10,711	7,271	194.7
Utilities	40,000	10,000	6,611	1,854	4,757	18.5
Repair and maintenance	100,000	25,000	1,401	40,454	(39,053) <sup>2</sup>	161.8
Depreciation	750,000	187,500	101,250	187,500	(86,250)	100.0
<b>Total Expenditures</b>	<b>1,763,165</b>	<b>440,791</b>	<b>299,906</b>	<b>453,731</b>	<b>(153,825)</b>	<b>102.9</b>
<b>Excess revenues (expenditures)</b>	<b>(345,665)</b>	<b>(86,416)</b>	<b>(45,279)</b>	<b>(183,365)</b>	<b>169,564</b>	
<b>Other financing sources (uses)</b>						
Connection charges	605,000	151,250	46,011	54,843	8,832	36.3
Transfers in	-	-	-	-	-	0.0
Transfers out	(250,000)	(62,500)	-	-	-	0.0
<b>Total other financing sources (uses)</b>	<b>355,000</b>	<b>88,750</b>	<b>46,011</b>	<b>54,843</b>	<b>8,832</b>	
<b>Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other uses</b>	<b>9,335</b>	<b>2,334</b>	<b>732</b>	<b>(128,522)</b>	<b>178,397</b>	

**Item Explanation of item for percentage less than 80% or greater than 120% and \$ variance greater than \$10,000**

- 1** Not a ton more new homes from last year to this year which is why there is little change from last year. The billing cycle for January and February is our lowest billing cycle typically. Additionally with only one billing cycle, we are missing a month worth of usage when compared to budget.
- 2** Over Budget for Q1 due to KSB pump repair & Station Repairs along with the beginning of the AMI system for reading of meters which is a CIP item.



**PRESENTER:**

Jon Sevald, Community Development Director

**ITEM:**

Territorial Road and Rush Creek Parkway Intersection

**PREPARED BY:**

Jon Sevald, Community Development Director  
Jason Quisberg, Engineering

**POLICY DECISION / ACTION TO BE CONSIDERED:**

Consider pursuing acquisition of 16220 Territorial Road, and other properties.

**BACKGROUND:**

Off and on, 16220 Territorial Road (Duff Peddycoart) has been for sale. Staff have received several inquiries how the property can be developed. The property consists of 10.4 acres. Much of it is wetland and floodplain, but there is developable land along Rush Creek Parkway.

The property is at the intersection of Territorial Road & Rush Creek Parkway. During the April 23<sup>rd</sup> City Council Work Session, the Council reviewed an analysis of 30 intersections, including this one. Staff has considered how a development would affect the intersection and have explored options for improvements. Staff's recommended option (attached) is to realign Rush Creek Parkway such that it becomes the thru-road (not Territorial). This would consume a significant amount of land such that the City should acquire the parcel, plat the necessary right-of-way, and sell the remaining property for development by others.

Additionally, Staff has identified a potential north-south trail corridor along the creek, connecting Territorial Road, 117<sup>th</sup> Avenue, and eventually connecting into Elm Creek Park Reserve at 121<sup>st</sup> Avenue. Acquiring this property would help facilitate this trail.

**CRITICAL ISSUES:**

1. Acquire land from willing seller for a significant intersection improvement. Significant cost.
2. Wait to acquire ROW from developer at time of development. No cost, but significant time.

**COMMISSION REVIEW / ACTION (IF APPLICABLE):**

The Parks Commission reviewed this on May 7<sup>th</sup> (properties along north-south trail corridor), directing Staff to gather costs, and conduct a site visit.

**RELATIONSHIP TO COUNCIL GOALS:**

Planning Ahead to Manage Thoughtful Development  
Create a Sought After Community

**BUDGET IMPACT:**

TBD



**RECOMMENDATION:**

Staff recommends negotiating purchasing 16220 Territorial Road, and land along creek/trail corridor. If the Council wants to pursue this, any discussion regarding purchase price should be held in a Closed Session (not tonight).

**ATTACHMENT(S):**

Road Realignment (with & without median)  
Trail corridor



*Territorial Road (left) & Rush Creek Parkway (right) (photo May 10, 2024)*



*Territorial Road, looking east (photo May 10, 2024)*



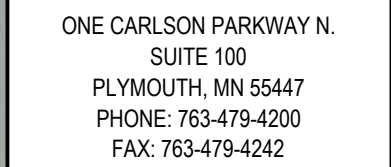


*Rush Creek Parkway, looking northeast (photo May 10, 2024).*



*Rush Creek Parkway median (photo May 10, 2024)*





CITY OF DAYON

DAYTON, MINNESOTA 55327

[illegible]

**CERTIFICATION:**

I HEREBY CERTIFY THAT THIS PLAN SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

LICENSE NO.: \_\_\_\_\_  
DATE: \_\_\_\_\_

PROJECT NO.:

ISSUE DATE:

ISSUE NO.:

SHEET TITLE:

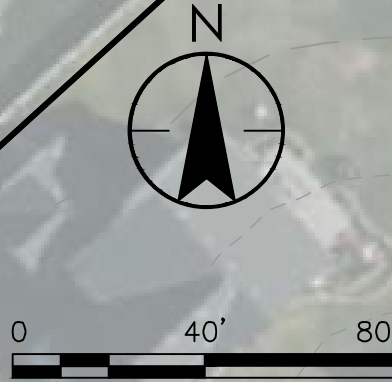
INTERMEDIATE  
LAYOUT

SHEET NO.:  
**FIG-1**



5/8/2024 9:48:51 PM

U:\2770470\103060624\Technical\650 - Transportation System\Territorial And Rush Creek Parkway Alignment\Design\CD\PLANS\FIG-2\Full Buildout Plan\Sheet.dwg 5/8/2024 FINOLEY, NICK



**Stantec**  
ONE CARLSON PARKWAY N.  
SUITE 100  
PLYMOUTH, MN 55447  
PHONE: 763-479-4200  
FAX: 763-479-4242

**Dayton**  
MINNESOTA  
CITY OF DAYTON

DAYTON, MINNESOTA 55327

PROJECT TITLE:										
ISSUE NO.:										
DESCRIPTION:										
DATE:										

CERTIFICATION:  
I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

LICENSE NO.:  
DATE:

PROJECT NO.:  
DWN BY:    CHK'D BY:    APP'D BY:

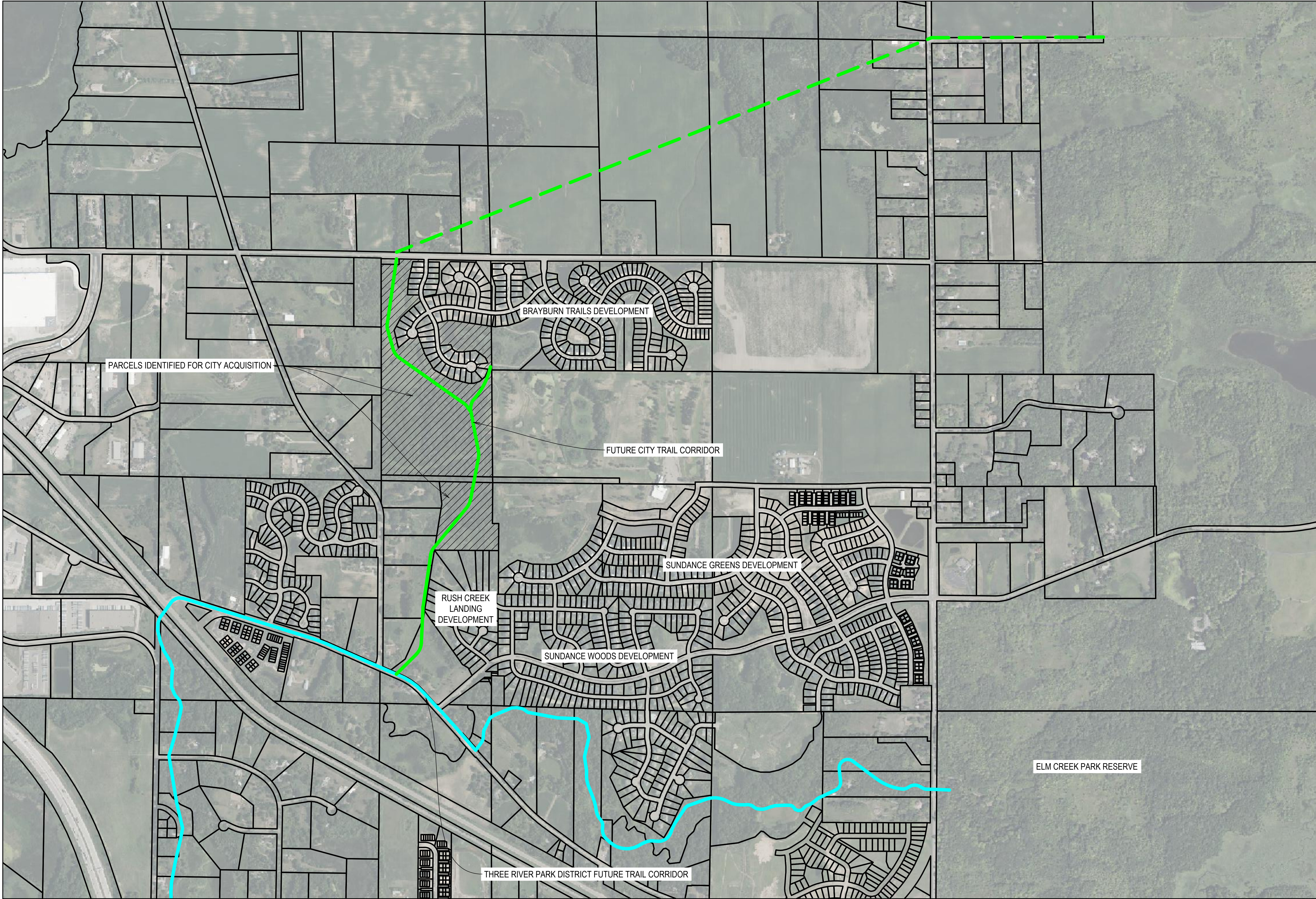
ISSUE DATE:  
ISSUE NO.:


SHEET TITLE:  
FULL BUILDOUT LAYOUT

SHEET NO.:  
**FIG-2**


NOT FOR CONSTRUCTION







ONE CARLSON PARKWAY N.  
SUITE 100  
PLYMOUTH, MN 55447  
PHONE: 763-479-4200  
FAX: 763-479-4242



CITY OF DAYTON

PROJECT TITLE:					
ISSUE NO.:					
DESCRIPTION:					
DATE:					

CERTIFICATION:  
I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

LICENSE NO.: \_\_\_\_\_  
DATE: \_\_\_\_\_

PROJECT NO.: \_\_\_\_\_

DWN BY: NMF	CHKD BY:	APP'D BY:
----------------	----------	-----------

ISSUE DATE: \_\_\_\_\_  
ISSUE NO.: \_\_\_\_\_

SHEET TITLE:  
TERRITORIAL ROAD  
FUTURE TRAIL CORRIDOR

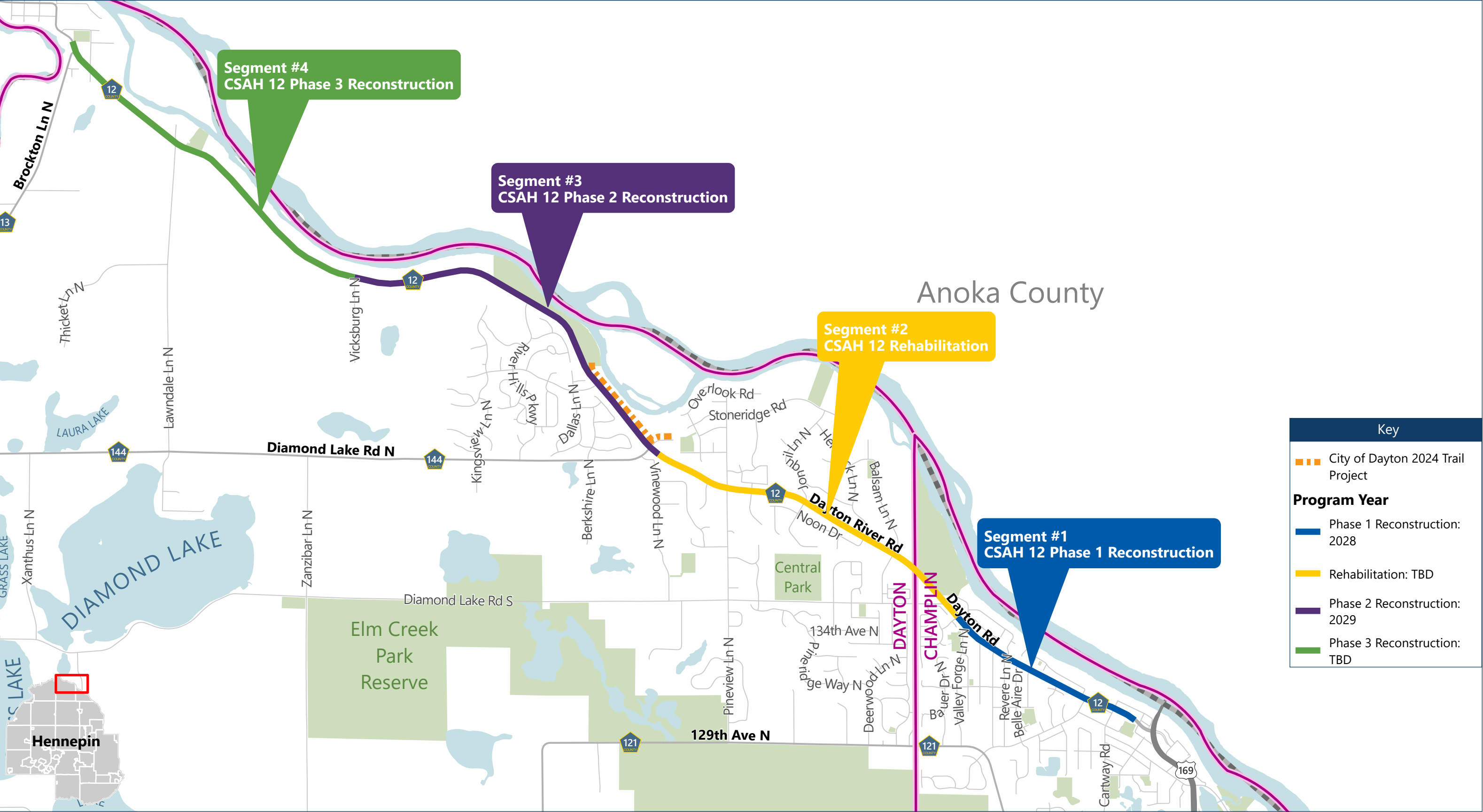
SHEET NO.:  
FIG-1

NOT FOR CONSTRUCTION



# TAA Work Plan Acceleration

CSAH 012 (Dayton River Rd) from TH 169 to the Crow River | Hennepin County Public Works



**Disclaimer:** This map (i) is furnished "AS IS" with no representation as to completeness or accuracy; (ii) is furnished with no warranty of any kind; and (iii) is not suitable for legal, engineering or surveying purposes. Hennepin County shall not be liable for any damage, injury or loss resulting from this map.

## Segment 2 Breakdown of Costs

Section 7   Anticipated Financial Obligations for CSAH 12 Rehabilitation from approximately Linwood Forest Dr to 300' South of CSAH 144 (North Diamond Lake Rd)									
	%	Federal	Hennepin County	Dayton					Total
CSL DESIGN <sup>1</sup>	12%	\$ -	\$ 996,000	\$ 188,000					\$ 1,184,000
ROW		\$ -	\$ 600,000	\$ 600,000					\$ 1,200,000
CRN		\$ -	\$ 4,963,000	\$ 1,567,000					\$ 6,530,000
CSL C/A <sup>2</sup>	10%	\$ -	\$ 395,000	\$ 157,000					\$ 552,000
CGY		\$ -	\$ 1,490,000	\$ 470,000					\$ 1,960,000
<b>Totals:</b>		<b>\$ -</b>	<b>\$ 8,444,000</b>	<b>\$ 2,982,000</b>	<b>\$ -</b>	<b>\$ -</b>			<b>\$ 11,426,000</b>
Key									
<sup>1</sup> Actual percentage for Design Engineering to be determined during project development									
<sup>2</sup> Actual percentage for Construction Administration to be determined during project development									
Fund 10	Financing within the county's Operating Budget								
Fund 53	Financing within the county's Capital Budget								

# Segment 3 Breakdown of Costs

Section 7   Anticipated Financial Obligations for CSAH 12 Phase 2 Reconstruction from approximately 300' S of CSAH 144 (North Diamond Lake Rd) to Vicksburg Ln									
	%	Federal	Hennepin County	Dayton					Total
CSL DESIGN <sup>1</sup>	12%	\$ -	\$ 3,010,000	\$ 361,000					\$ 3,371,000
ROW		\$ -	\$ 815,000	\$ 815,000					\$ 1,630,000
CRN		\$ -	\$ 12,024,000	\$ 3,006,000					\$ 15,030,000
CSL C/A <sup>2</sup>	10%	\$ -	\$ 1,200,000	\$ 301,000					\$ 1,501,000
CGY		\$ -	\$ 3,600,000	\$ 900,000					\$ 4,500,000
<b>Totals:</b>		<b>\$ -</b>	<b>\$ 20,649,000</b>	<b>\$ 5,383,000</b>	<b>\$ -</b>	<b>\$ -</b>			<b>\$ 26,032,000</b>
Key									
<sup>1</sup> Actual percentage for Design Engineering to be determined during project development									
<sup>2</sup> Actual percentage for Construction Administration to be determined during project development									
Fund 10	Financing within the county's Operating Budget								
Fund 53	Financing within the county's Capital Budget								



**ITEM:**

2024 Chip & Fog Seal

**PREPARED BY:**

Jason Quisberg, Engineering

**POLICY DECISION / ACTION TO BE CONSIDERED:**

Authorize Preparation of Plans and Specifications for the 2024 Chip & Fog Seal Project

**BACKGROUND:**

The Pavement Management Plan developed in 2023 identifies road improvement projects to be completed over the next five years (2024-2028) based on an identified strategy for management of the city roadway system. Council indicated the strategy to be considered is that which achieves an overall average PQI (Pavement Quality Index) of 70 by the year 2028.

Based on that strategy, a number of segments throughout the city are identified for crack seal improvements, followed by chip seal and fog seal applications. Being Public Works staff completes the crack sealing work in-house, only the chip seal and fog seal treatments are being considered for the project to be bid.

The City has indicated the chip and fog seal work for 2024 shall include the streets highlighted in blue on the map in Attachment A. The streets selected for inclusion in this project includes a combination of those initially identified for a 2024 project, as well as select streets from future project years. The intent of this is to: a) take advantage of what seems to currently be a competitive bidding environment, and b) help spread annual costs out over the 5-year project plan. Note: Other road improvement projects already bid came in lower than estimated. Additionally, some of the work identified for 2024 was pushed to future years, for various reasons.

Attached is a proposal for engineering services relating to a project consisting of these improvements. Additional project information, such as scope, budget, and schedule, is also included in the proposal.

**RECOMMENDATION:**

Approve the attached proposal authorizing the preparation of plans and specifications for the 2024 Chip & Fog Seal Project as proposed.

**ATTACHMENT(S):**

Stantec Proposal for Engineering Services – 2024 Chip & Fog Seal Project



**Stantec Consulting Services Inc.**  
One Carlson Parkway North, Suite 100  
Plymouth MN 55447-4440

April 12, 2024

**Dayton City Council**  
12260 S Diamond Lake Rd  
Dayton, MN 55327

Dear Dayton City Council,

As requested, Stantec has prepared a project scope, schedule, and budget for 2024 chip and fog seal improvements.

## **BACKGROUND AND IMPROVEMENTS**

In accordance with the 2023 Pavement Condition Assessment and Reporting recommendations, the City has expressed a desire to achieve a Pavement Quality Index (PQI) of 70 by 2028. In order to achieve this PQI, improvements such as bitumen crack seal (in-house work completed by City staff) and chip and fog seal are recommended for several streets. The City has indicated the chip and fog seal work for 2024 shall include the streets highlighted in blue on the map in Attachment A. The preliminary estimate for these chip and fog seal improvements is approximately \$774,000. This is a high-level calculated cost that will need to be verified through a more detailed design and eventually public bidding if the project were to move forward.

## **SCOPE OF WORK**

The scope for this project is broken down into three tasks.

### **TASK 1 – DESIGN/PLANS & SPECIFICATIONS - \$10,000**

Task 1 includes services related to the preparations of bidding documents for this project. This includes the collection of existing site data, design, and the production of construction plans and technical specifications.

**Deliverables will include construction figures, specifications, and a refined opinion of probable construction cost.**

Upon completion of work included in Task 1, Council will have the opportunity to direct if the project should continue to the bidding stage.

### **TASK 2 – BIDDING - \$3,000**

This task involves the coordination of soliciting contractor bids for the construction of the improvement project. This includes advertisement of the project, completion of the bid opening process, and preparation of a tabulation of the received bids along with a recommendation for award.

**Deliverables will include a contractor bid tabulation and award recommendation.**

**Reference:** 2024 Chip and Fog Seal Improvements

At the completion of bidding, should bids be found favorable, Council can award a contract and proceed with construction of the project. If bids are not found favorable or if other circumstances arise detrimental to the City, Council can reject the bid to avoid any further cost obligations to the project.

### **TASK 3 – CONSTRUCTION SERVICES -\$10,000**

If the project continues to construction, construction services can be provided to coordinate the project through this stage. Construction activities typically involved in construction projects such as this include:

- Coordinating and leading a preconstruction meeting and routine construction progress meetings
- Construction observation to verify compliance with city standards and technical specifications
- Quantity tracking and preparation of contractor pay requests
- Evaluation of contractor change order requests, and processing of these requests as appropriate
- Communications with project stakeholders, impacted property owners, and City staff as needed
- Documentation of material testing, plan deviations, events within the project area, etc.
- Project closeout and preparation of record plan drawings

The estimated total cost for the work described above is \$23,000.

### **SCHEDULE**

It is expected plans and specifications will be ready for Council approval in Spring/Summer 2024. If Council chooses to continue with the project at that time, bids could be solicited and opened Spring/Summer 2024. Then reviewed by Council, and if appropriate, awarded with construction being competed in the 2024 construction season, as weather allows.

### **TERMS AND CONDITIONS**

The scope of services will be performed in accordance with the Master Services agreement between Stantec and the City of Dayton. Please indicate your acceptance of this scope of work by signing the bottom of this page.

We appreciate the opportunity to continue to work with the City of Dayton and to contribute to the success of ongoing roadway infrastructure projects. Please do not hesitate to contact us with any questions

Reference: 2024 Chip and Fog Seal Improvements

Regards,

**STANTEC CONSULTING SERVICES INC.**



**Jason Quisberg** PE  
Senior Associate, Senior Civil Engineer  
Phone: 763-252-6873  
Mobile: 952-334-0542  
jason.quisberg@stantec.com



**Mark Schroeder** PE  
Associate, Senior Civil Engineer  
Direct: 651-395-5216  
Mobile: 952-334-2838  
mark.schroeder@stantec.com

[stantec.com](https://www.stantec.com)

**Reference:** 2024 Chip and Fog Seal Improvements

By signing this proposal, the City of Dayton authorizes Stantec to proceed with the services herein described.

This proposal is accepted and agreed on the \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_.  
Day Month Year

Per: \_\_\_\_\_  
Client Company Name

\_\_\_\_\_  
Print Name & Title

\_\_\_\_\_  
Signature



**Stantec Consulting Services Inc.**  
One Carlson Parkway North, Suite 100  
Plymouth MN 55447-4440

## **Attachment A: Project Location**



# City of Dayton, MN

## 2024 Chip and Fog Seal

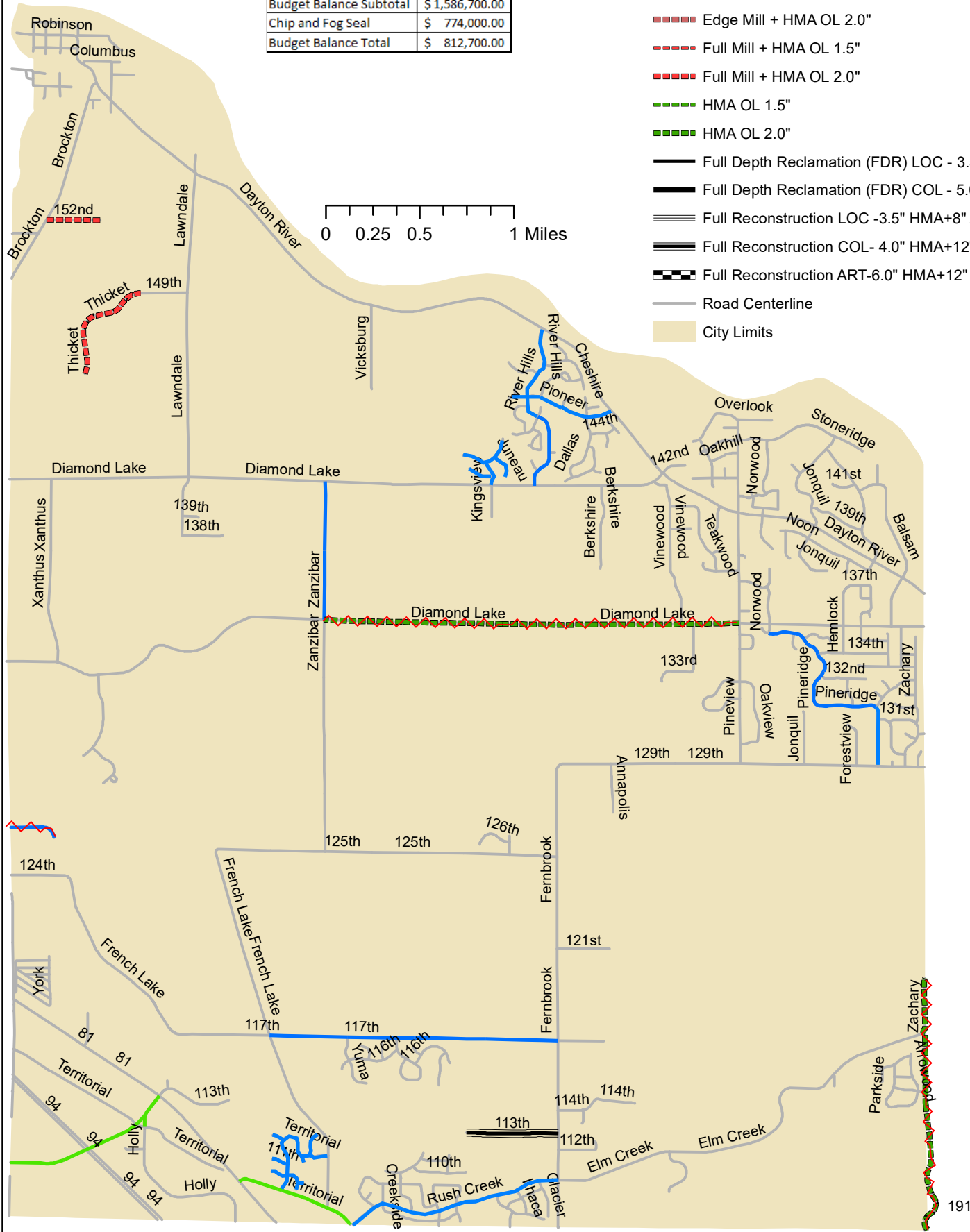
Total Budget	\$ 1,780,000.00
Mill and Overlay	\$ 193,300.00
Budget Balance Subtotal	\$ 1,586,700.00
Chip and Fog Seal	\$ 774,000.00
Budget Balance Total	\$ 812,700.00

Achieve PQI by 2028 - 2024 (\$1.78 M)

### Program

#### M&R Treatment Description

- Route and Bitumen Crack Seal
- Chip 1/4" + Fog Seal**
- Edge Mill + HMA OL 1.5"
- Edge Mill + HMA OL 2.0"
- Full Mill + HMA OL 1.5"
- Full Mill + HMA OL 2.0"
- HMA OL 1.5"
- HMA OL 2.0"
- Full Depth Reclamation (FDR) LOC - 3.5" HMA
- Full Depth Reclamation (FDR) COL - 5.0" HMA
- Full Reconstruction LOC -3.5" HMA+8" AB+12" SGB
- Full Reconstruction COL- 4.0" HMA+12" AB+12" SGB
- Full Reconstruction ART-6.0" HMA+12" AB+12" SGB
- Road Centerline
- City Limits



**ITEM:**Wellhouse #5**PREPARED BY:**

Jason Quisberg, Engineering

**POLICY DECISION / ACTION TO BE CONSIDERED:**

Award Contract for the Wellhouse #5 project

**BACKGROUND:**

City Well #5 was recently constructed on a city owned lot in the Riverwalk development.

Wellhouse #5 is to house the equipment and controls necessary for drawing water from Well #5 and pumping it to the water treatment facility being constructed near Wellhouse #4 (roughly 0.4 miles NNE). It should be noted that the project, as proposed, also includes a permanent generator to be used as needed for continuous service during interruptions in the power supply to the building.

Council approved plans and specifications for the Wellhouse #5 project on February 26<sup>th</sup>. Bids were opened April 30<sup>th</sup>. Five (5) bids were received. Ebert Construction was low bid in the amount of \$1,127,735.28.

This compares to the previously shared construction estimate of \$930,000-\$1,130,000. With an estimated \$240,000 for engineering and construction oversight, and \$30,000 for other indirect costs, the total project cost is estimated at \$1.4M.

See the attached letter for a summary the bids and award recommendation. Also attached is a tabulation of the bids for more detail.

**Schedule:**

Open Contractor Bids	April 30 <sup>th</sup>
Review Bids/Award Contract	May 14 <sup>th</sup>
Start Construction (Early)	May 2024
Substantial Completion	May 1, 2025
Final Completion	July 1, 2025

**RECOMMENDATION:**

See attached letter.

**ATTACHMENT(S):**

Engineer letter summarizing results and recommendation  
Wellhouse #5 Bid Tabulation





**Stantec Consulting Services Inc.**  
733 Marquette Avenue, Suite 1000  
Minneapolis MN 55402-2314

April 30, 2024

Honorable Mayor and City Council  
City of Dayton  
City Hall  
12260 S. Diamond Lake Rd.  
Dayton, MN 55327

Re: Dayton Wellhouse No. 5  
Stantec Project No. 227704873  
**Bid Results**

Dear Honorable Mayor and City Council:

Bids were opened for the Dayton Wellhouse No. 5 project on April 30, 2024. Transmitted herewith is a copy of the Bid Tabulation for your information and file. Copies will also be distributed to each Bidder once the Project has been awarded.

There was a total of 5 Bids. The following summarizes the results of the Bids received:

	<b><u>Contractor</u></b>	<b><u>Base Bid</u></b>
Low	Ebert Construction	\$1,127,735.28
#2	Municipal Builders, Inc.	\$1,258,000.00
#3	American Liberty Construction, Inc.	\$1,262,499.00
#4	Magney Construction, Inc.	\$1,427,897.00
#5	Rice Lake Construction Group	\$1,535,830.00

The low Bidder on the Project was Ebert Construction with a Total Base Bid in the Amount of \$1,127,735.28. These Bids have been reviewed and found to be in order.

If the City Council wishes to award the Project to the low Bidder, then **Ebert Construction.** should be awarded the Project on the Total Base Bid in the Amount of **\$1,127,735.28.**

Should you have any questions, please feel free to contact me.

Sincerely,

**STANTEC CONSULTING SERVICES INC.**

Jason Quisberg, PE

Enclosure

Project Name: **Wellhouse #5**I hereby certify that this is an exact  
reproduction of bids received.

City Project No.:

Stantec Project No.: 227704873

Bid Opening: Tuesday, April 23, 2024 at 10:00 AM CDT

Owner: **Dayton, Minnesota**Jason Quisberg, P.E.  
License No. 44315

## Bidder No. 1

## Bidder No. 2

## Bidder No. 3

## Bidder No. 4

## BID TABULATION

## Ebert Construction

## Municipal Builders, Inc.

## American Liberty Construction, Inc.

## Magney Construction, Inc.

Item Num	Item	Units	Qty	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
<b>BASE BID:</b>											
<b>PART 1 - UNIT PRICE ITEMS</b>											
1	MOBILIZATION, BONDS & INSURANCE	LS	1	\$687.55	\$687.55	\$100,000.00	\$100,000.00	\$30,246.00	\$30,246.00	\$70,000.00	\$70,000.00
2	DECIDUOUS TREE 2.5" B&B	EA	5	\$784.88	\$3,924.40	\$500.00	\$2,500.00	\$475.00	\$2,375.00	\$1,000.00	\$5,000.00
3	SHRUB #5 GAL. CONT.	EA	16	\$102.72	\$1,643.52	\$60.00	\$960.00	\$50.00	\$800.00	\$90.00	\$1,440.00
4	PERENNIAL GRASS #1 GAL. CONT.	EA	54	\$23.99	\$1,295.46	\$20.00	\$1,080.00	\$26.00	\$1,404.00	\$33.00	\$1,782.00
5	ROCK MULCH (3" DEPTH)	CY	5	\$183.75	\$918.75	\$225.00	\$1,125.00	\$195.00	\$975.00	\$155.00	\$775.00
6	METAL LANDSCAPE EDGER	LF	120	\$18.88	\$2,265.60	\$7.00	\$840.00	\$10.00	\$1,200.00	\$10.00	\$1,200.00
<b>TOTAL PART 1 - SITE WORK</b>					\$10,735.28		\$106,505.00		\$37,000.00		\$80,197.00
<b>PART 2 - WELLHOUSE FACILITY AND SITE WORK</b>											
7	CONSTRUCT WELLHOUSE FACILITY FOR WELL 5, INCLUDING INTERIOR PIPING AND ALL PIPING BELOW GRADE WITHIN BUILDING FOOT PRINT, VERTICAL LINE SHAFT WELL PUMP WITH SURFACE DISCHARGE HEAD, ELECTRICAL CONTROLS, HVAC EQUIPMENT, CORRELATED APPURTENANCES, DEMOLITION, EXCAVATION, EROSION CONTROL, UTILITIES, GRADING, PAVING, AND TURF ESTABLISHMENT.	LS	1	\$1,117,000.00	\$1,117,000.00	\$1,151,495.00	\$1,151,495.00	\$1,225,499.00	\$1,225,499.00	\$1,347,700.00	\$1,347,700.00
<b>TOTAL PART 2 - WELLHOUSE FACILITY AND SITE WORK</b>					\$1,117,000.00		\$1,151,495.00		\$1,225,499.00		\$1,347,700.00
<b>TOTAL PART 1 - SITE WORK</b>					\$10,735.28		\$106,505.00		\$37,000.00		\$80,197.00
<b>TOTAL PART 2 - WELLHOUSE FACILITY AND SITE WORK</b>					\$1,117,000.00		\$1,151,495.00		\$1,225,499.00		\$1,347,700.00
<b>TOTAL BASE BID</b>					\$1,127,735.28		\$1,258,000.00		\$1,262,499.00		\$1,427,897.00
<b>Contractor Name and Address:</b>											
				Ebert Construction		Municipal Builders, Inc.		American Liberty Construction, Inc.		Magney Construction, Inc.	
				23350 County Road 10		7900 Old Viking Blvd. NW		6011 Lone Oak Rd., Suite 101		1401 Park Road	
				Corcoran, MN 55357		Nowthen, MN 55303		Rockford, MN 55373		Chanhassen, MN 55317	
				Phone:							
				Email:							
				Signed By:		Jessica E. Wegner		Howard Jacobson		Mark Magney	
				Title:		CFO/Treasurer		President		President	
				Bid Security:		Bid Bond		Bid Bond		Bid Bond	
				Addenda Acknowledged:		1, 2, 3, 4, 5, 6		1, 2, 3, 4, 5, 6		1, 2, 3, 4, 5, 6	

Bidder No. 5

BID TABULATION				Rice Lake Construction Group	
Item Num	Item	Units	Qty	Unit Price	Total
<b>BASE BID:</b>					
<b>PART 1 - UNIT PRICE ITEMS</b>					
1	MOBILIZATION, BONDS & INSURANCE	LS	1	\$350,000.00	\$350,000.00
2	DECIDUOUS TREE 2.5" B&B	EA	5	\$2,500.00	\$12,500.00
3	SHRUB #5 GAL. CONT.	EA	16	\$960.00	\$15,360.00
4	PERENNIAL GRASS #1 GAL. CONT.	EA	54	\$1,080.00	\$58,320.00
5	ROCK MULCH (3" DEPTH)	CY	5	\$1,125.00	\$5,625.00
6	METAL LANDSCAPE EDGER	LF	120	\$840.00	\$100,800.00
<b>TOTAL PART 1 - SITE WORK</b>					\$542,605.00
<b>PART 2 - WELLHOUSE FACILITY AND SITE WORK</b>					
7	CONSTRUCT WELLHOUSE FACILITY FOR WELL 5, INCLUDING INTERIOR PIPING AND ALL PIPING BELOW GRADE WITHIN BUILDING FOOT PRINT, VERTICAL LINE SHAFT WELL PUMP WITH SURFACE DISCHARGE HEAD, ELECTRICAL CONTROLS, HVAC EQUIPMENT, CORRELATED APPURTENANCES, DEMOLITION, EXCAVATION, EROSION CONTROL, UTILITIES, GRADING, PAVING, AND TURF ESTABLISHMENT.	LS	1	\$993,225.00	\$993,225.00
<b>TOTAL PART 2 - WELLHOUSE FACILITY AND SITE WORK</b>					\$993,225.00
<b>TOTAL PART 1 - SITE WORK</b>					\$542,605.00
<b>TOTAL PART 2 - WELLHOUSE FACILITY AND SITE WORK</b>					\$993,225.00
<b>TOTAL BASE BID</b>					\$1,535,830.00
Contractor Name and Address:				Rice Lake Construction Group 22360 County Rd. 12 Deerwood, MN 56444	
Phone:				218-546-5519	
Email:				<a href="mailto:info@ricelake.org">info@ricelake.org</a>	
Signed By:				Wade Leonard	
Title:				President	
Bid Security:				Bid Bond	
Addenda Acknowledged:				1, 2, 3, 4, 5, 6	

**ITEM:**

Discussion of Ordinance from Employees on Council

**PREPARED BY:**

Zach Doud, City Administrator

**POLICY DECISION / ACTION TO BE CONSIDERED:**

Discuss a Potential Ordinance Related to Employees on Council

**BACKGROUND:**

Currently, we do not have an ordinance that pertains to employees that are not full-time from being prohibited from running for council or commissions. There are several communities around us that have this type of ordinance relating to no employees being able to run for council and/or commissions.

This is being brought up as we are entering another election season and we had one council member reach out to staff to see if this should be an ordinance or not. Being as my job is to take direction from all council members, I feel that it is important to have a discussion amongst the entire council if I receive direction from one council member on a specific topic before spending additional resources and time on the item for it to not have majority of the council's support.

Staff did look at all possibilities that would be potential questions for this discussion and have come up with a list of items that should be discussed or at least thought about when looking at this potential ordinance.

1. Does this apply to commissions or just council?
2. Does this apply to spouses of employees?
3. Does this apply to civic groups (Lions, Non-Profits, CDAA, etc.) for staff?
4. Does this apply to council with civic groups?
5. Is this retroactive or proactive? As in, does it apply to current members of the council?

**ACTION:**

Discuss potential ordinance on employees on council

**ATTACHMENT(S):**

None