

6/30/2025 FINANCIAL REPORT

City of Eden Prairie, Minnesota

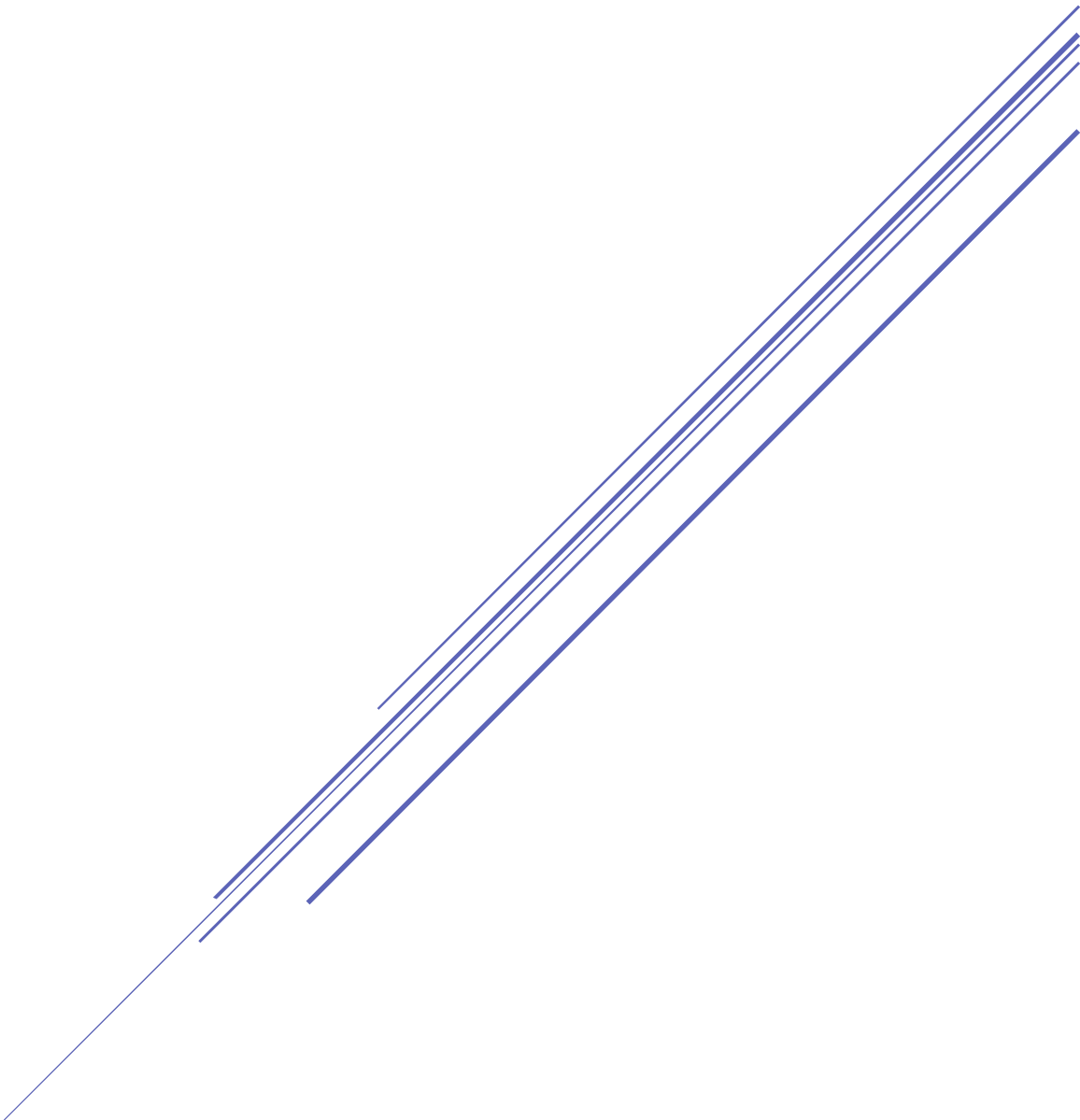


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Introduction

The City remains committed to delivering high-quality services to its residents while investing in crucial capital projects. This report outlines the costs associated with these services through June 30, 2025, and the revenues that support them. This report provides information for the general City operations, capital improvement projects, internal service funds, water, wastewater, stormwater, and liquor operations.

General Fund

The General Fund is the chief operating fund of the City of Eden Prairie. The General Fund accounts for a full range of municipal services including police and fire protection, street maintenance, recreation programs, park maintenance, community, and economic development, and building inspections.

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
REVENUES								
Taxes	\$ 46,264,072	\$ 23,988,589	52%	\$ 43,480,687	\$ 22,692,793	52%	\$ 1,295,796	6%
Licenses and Permits	4,159,200	2,995,351	72%	4,166,200	2,812,565	68%	182,786	6%
Intergovernmental Revenue	1,885,585	334,437	18%	1,868,175	133,551	7%	200,886	150%
Charges for Services	6,091,237	3,662,797	60%	5,984,215	3,340,548	56%	322,249	10%
Fines and Forfeitures	350,000	162,232	46%	350,000	192,154	55%	(29,922)	(16%)
Investment Income	50,000	-	0%	-	-	0%	-	0%
Other Revenue	156,725	203,402	130%	198,975	119,273	60%	84,129	71%
Total Revenues	58,956,819	31,346,808	53%	56,048,252	29,290,884	52%	2,055,924	7%
EXPENDITURES								
Administration	5,356,825	2,518,818	47%	5,465,649	2,547,093	47%	(28,275)	(1%)
Community Development	2,828,732	1,320,081	47%	2,709,805	1,276,282	47%	43,799	3%
Police	20,500,197	10,131,087	49%	19,500,731	9,547,227	49%	583,860	6%
Fire	8,067,386	3,533,575	44%	7,340,742	3,368,567	46%	165,008	5%
Public Works	7,051,708	3,338,404	47%	6,827,402	3,367,084	49%	(28,680)	(1%)
Parks and Recreation	16,091,087	7,640,144	47%	15,603,537	7,400,372	47%	239,772	3%
Debt Service	81,613	81,614	100%	81,614	99,790	122%	(18,176)	(18%)
Total Expenditures	59,977,548	28,563,723	48%	57,529,480	27,606,415	48%	957,308	3%
OTHER FINANCING SOURCES / (USES)								
Transfers In / (Out)	470,729	-	0%	473,203	-	0%	-	0%
Net Change in Fund Balance	\$ (550,000)	\$ 2,783,085		\$ (1,008,025)	\$ 1,684,469		\$ 1,098,616	

Revenues

As of June 30, revenues totaled \$31,346,808, representing 53% of the budget, and is \$2,055,924 more than the same period last year.

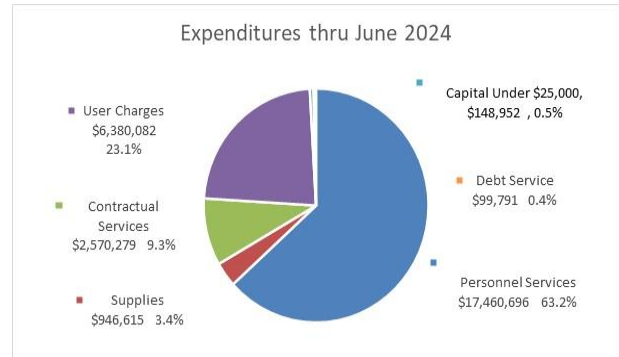
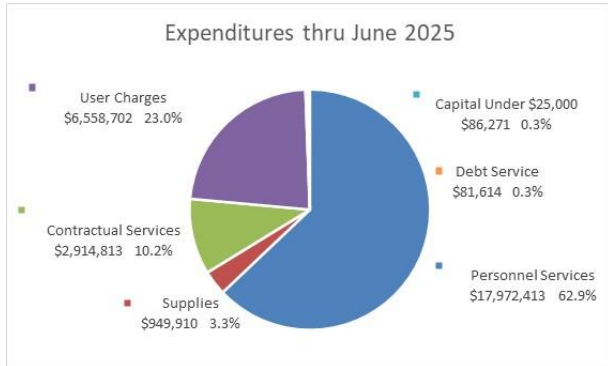
- Intergovernmental Revenue increased over 2024 due to several new grants including Safe Road Zones, Solar on Public Buildings, and Youth Activities. The majority of this revenue will be received later in the year.
- Charges for Services increased over 2024 due primarily to an increase in fees received for Police Public Safety and the Community Center.
- Other Revenue increases were for Police Officer reimbursement and the sale of assets.
- Offsetting the above increases was a decrease in the Police Fines revenue received.

Expenditures

As of June 30, city-wide spending totaled \$28,563,723, representing 48% of the budget, and is \$957,308 more than last year at this time. Below are expenditures by category.

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Expenditures	2025		2024		Dollar Change	Percent Change
	Annual Budget	YTD June Actual	YTD June Actual			
Personnel Services	\$ 38,614,907	\$ 17,972,413	\$ 17,460,696	\$ 511,717	3%	
Supplies	1,812,948	949,910	946,615	3,295	0%	
Contractual Services	5,998,852	2,914,813	2,570,279	344,535	13%	
User Charges	13,117,378	6,558,702	6,380,082	178,620	3%	
Capital Under \$25,000	351,850	86,271	148,952	(62,681)	(42%)	
Debt Service	81,613	81,614	99,791	(18,177)	(18.2%)	
	\$ 59,977,548	\$ 28,563,723	\$ 27,606,415	\$ 957,308	3%	



- Notable increases in Contractual Services include \$112,070 for solar installation on Fire Station #1 and Liquor Store #2 (reimbursed by grant revenue), \$64,402 for new license plate reader software and facilities software, and \$40,572 for timing of training/conferences for Police. These increases are partially offset by decreases in Public Work contract striping expenditures, as the project is still ongoing and the contractor invoices at project completion.
- Debt Service decreased due to the payoff of the Police Taser financing in 2024.

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Capital Projects

The City pays for capital projects out of various capital project funds. This helps to match the projects against the intended revenue source. The City spent \$12,333,537 on capital projects through June 30, 2025. This compares to \$4,127,423 in spending through June 30, 2024.

Capital Project Funds	Amount
Park Improvement	\$ 318,664
Improvement Projects	179,404
Capital Maintenance & Reinvestment	4,805,148
CIP Trails	22,195
Pavement Management Fund	491,659
Transportation Fund	146,131
Dell Rd (Crestwood to CSAH 61)	141,783
Willow Creek Street/Utilities	16,974
Police Remodel	3,893,945
Shady Oak Rd (Flying Cloud to Valley View)	81,194
Utility Fund - Water	1,278,925
Utility Fund - Wastewater	528,602
Utility Fund - Stormwater	37,902
IT Internal Service Fund	273,187
Facilities Internal Service Fund	117,824
	<u>\$ 12,333,537</u>

Significant capital projects through June 30, 2025 are listed below.

- \$3,980,000 for fire engines and rescue vehicle replacements from the Capital Maintenance and Reinvestment Fund
- \$3,893,945 for the police remodel at City Center
- \$772,521 for the water meter change out project from the Water Utility Fund
- \$458,295 for Washington Ave sewer lining from the Wastewater Fund
- \$304,050 for Miller Park outdoor courts from the Park Improvement Fund

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Pavement Management

	<u>2025</u>	<u>2024</u>		
	<u>YTD June</u>	<u>YTD June</u>	<u>Dollar</u>	<u>Percent</u>
	<u>Actual</u>	<u>Actual</u>	<u>Change</u>	<u>Change</u>
OPERATING REVENUE				
Franchise Fees	\$ 1,283,248	\$ 1,284,410	\$ (1,162)	(0%)
State Aid Streets	300,000	300,000	-	0%
Total Operating Revenues	1,583,248	1,584,410	(1,162)	(0%)
OPERATING EXPENSE				
Supplies	274,814	223,046	51,767	23%
Contractual Services	33,572	392,202	(358,631)	(91%)
Capital Outlay	183,274	-	183,274	0%
Total Operating Expenses	491,659	615,248	(123,589)	(20%)
Operating Income (Loss)	<u>\$ 1,091,589</u>	<u>\$ 969,162</u>	<u>\$ 122,427</u>	<u>13%</u>

- As of June 30, 2025, the pavement management fund balance is \$2.4M. The fund balance appears elevated for the second quarter but should reflect a more realistic level by the third quarter as project expenditures increase. The program aims to maintain a \$1M reserve for emergency repairs, enough to fix about 1/4 mile of a collector or 1/8 mile of an arterial roadway.
- As of June 30, 2025, franchise fees have only been collected through the first quarter.
- The 2025 Pavement Management Program includes about 38,156 tons of asphalt removal and replacement which is approximately 11% more than 2024. The Surface Seal Project, completed in June, saw a 24% increase in pavement sealed and a 30% rise in costs compared to 2024.

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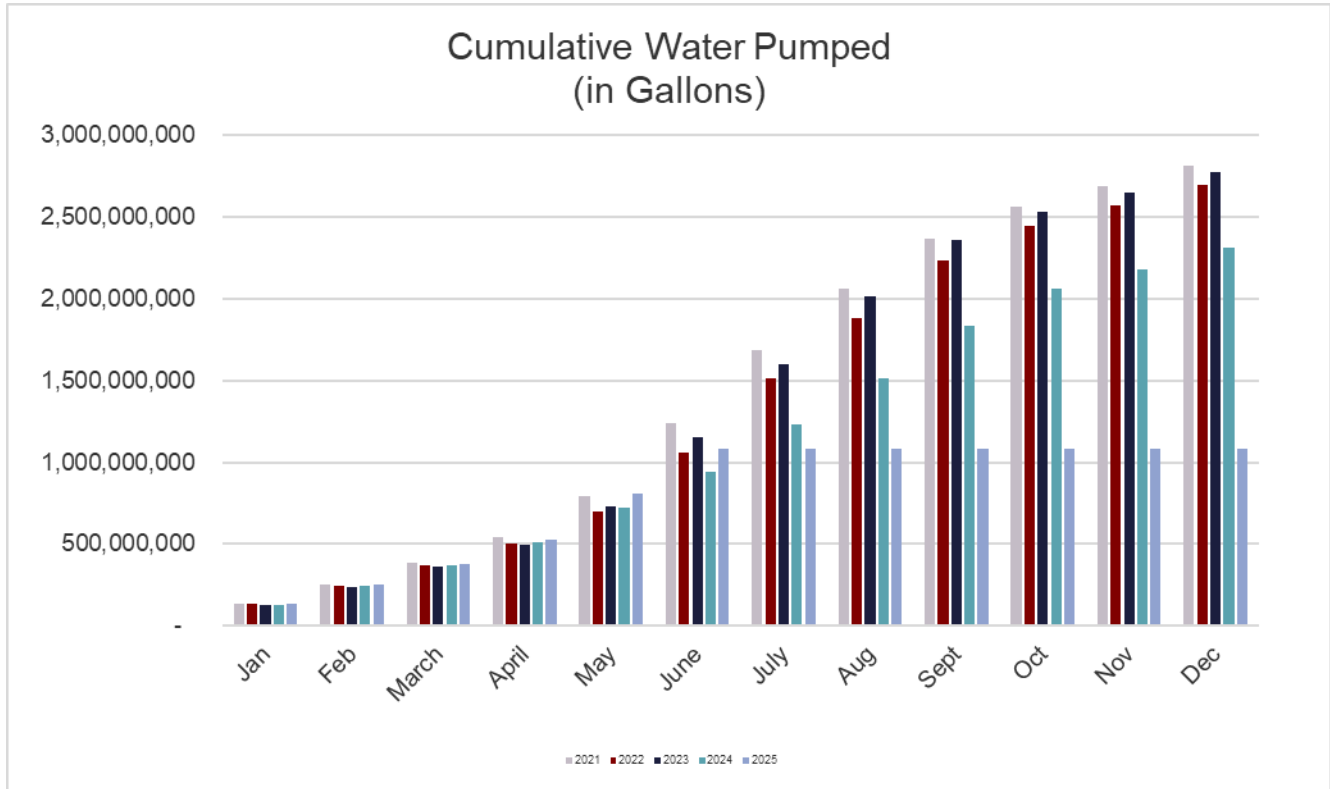
Utility Funds

Water Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
OPERATING REVENUE								
Operating Revenue	\$ 10,855,413	\$ 4,189,152	39%	\$ 10,544,804	\$ 3,684,313	35%	\$ 504,839	14%
Total Operating Revenue	10,855,413	4,189,152	39%	10,544,804	3,684,313	35%	504,839	14%
OPERATING EXPENSE								
Personnel Services	3,637,690	1,765,632	49%	3,481,263	1,684,576	48%	81,056	5%
Supplies	1,159,969	887,716	77%	1,128,506	606,622	54%	281,094	46%
Contractual Services	2,965,076	996,153	34%	2,951,957	953,684	32%	42,469	4%
User Charges	513,366	256,692	50%	495,521	247,758	50%	8,934	4%
Capital Under \$25,000	82,500	34,285	42%	125,500	27,925	22%	6,360	23%
Total Operating Expense	8,358,601	3,940,478	47%	8,182,747	3,520,565	43%	419,913	12%
Capital Outlay	633,000	766,732	121%	1,290,000	111,053	9%	655,679	590%
Depreciation	3,106,747	1,553,374	50%	3,114,333	1,557,167	50%	(3,793)	(0%)
NONOPERATING REVENUE (EXPENSE)								
Grants	-	440	0%	-	320	0%	120	38%
Investment Income	30,000	-	0%	30,000	-	0%	-	0%
Bonds Interest	(248,885)	(128,718)	52%	(272,010)	(140,143)	52%	11,425	(8%)
Fiscal Agent Fees	-	(787)	0%	-	(787)	0%	-	0%
Gain (Loss) on Disposition of Capital Assets	-	-	0%	-	(38,140)	0%	38,140	(100%)
Miscellaneous	-	14,489	0%	-	1,401	0%	13,088	934%
Total Nonoperating Revenue (Expense)	(218,885)	(114,576)	52%	(242,010)	(177,349)	73%	62,773	(35%)
Income (Loss) Before Contributions and Transfers	(1,461,820)	(2,186,008)	150%	(2,284,286)	(1,681,821)	74%	(504,187)	30%
Contributions	-	-	0%	-	142,173	0%	(142,173)	(100%)
Capital Access Charges	-	464,010	0%	-	633,440	0%	(169,430)	(27%)
Capital Special Assessments	-	216,792	0%	-	235,109	0%	(18,317)	(8%)
Transfer In (Out)	(235,364)	-	0%	(236,601)	-	0%	-	0%
Change in Net Position	\$ (1,697,184)	\$ (1,505,206)	89%	\$ (2,520,887)	\$ (671,099)	27%	\$ (834,107)	124%

- Operating revenue through June 30, 2025 totaled \$4,189,152 which is an increase of \$504,839 or 14% from 2024.
- Fixed charges have increased by \$45,353 or 3.5% due primarily to the rate increase.
- Water sales have increased by \$485,786 or 20%. This increase in sales is attributed to pumping 141M more gallons of water in January – June 2025 than the same period in 2024. The cumulative water use for 2021-2025 is shown on the graph on the next page.
- Thru June 30, 2025 the monthly average maximum temperature was 2.8 degrees cooler and the cumulative monthly precipitation was 13.2 inches less than the same period in 2024.
- Supplies show the largest increase over last year, primarily due to significant price hikes in chemicals and increased chemical usage resulting from higher water consumption compared to the previous year.
- Capital Outlay expenditures include \$286,458 in costs for the Water Meter Change Out Project and \$185,802 for Well Rehabilitation.
- Notable access charges through June 30, 2025 were received from ISD272 Tassle School, Lava Island, Wunderlich Malec Engineering, Classic Collision and Nexus West Building. In 2024, notable access charges were received from Crew Car Wash, Mister Car Wash, Grace Church, and North Star Regional Valley View.

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Wastewater Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
OPERATING REVENUE								
Operating Revenue	\$ 8,355,603	\$4,091,740	49%	\$ 8,112,771	\$3,882,067	48%	\$ 209,673	5%
Total Operating Revenue	8,355,603	4,091,740	49%	8,112,771	3,882,067	48%	209,673	5%
OPERATING EXPENSE								
Personnel Services	1,197,011	547,004	46%	1,144,592	521,863	46%	25,141	5%
Supplies	84,350	34,988	41%	82,476	71,020	86%	(36,032)	(51%)
Contractual Services	5,236,682	2,539,154	48%	5,093,098	2,449,676	48%	89,478	4%
User Charges	389,650	194,826	50%	376,100	188,052	50%	6,774	4%
Capital Under \$25,000	160,300	18,170	11%	160,000	-	0%	18,170	0%
Total Operating Expense	7,067,993	3,334,142	47%	6,856,266	3,230,611	47%	103,531	3%
Capital Outlay	1,247,000	459,124	37%	1,631,750	56,924	3%	402,201	707%
Depreciation	1,380,373	690,187	50%	1,384,137	692,069	50%	(1,882)	(0%)
NONOPERATING REVENUE (EXPENSE)								
Investment Income	10,000	-	0%	10,000	-	0%	-	0%
Gain (Loss) on Disposition of Capital Assets	-	-	0%	-	(67,598)	0%	67,598	(100%)
Miscellaneous	-	19,849	0%	-	7,232	0%	12,617	174%
Total Nonoperating Revenue (Expense)	10,000	19,849	198%	10,000	(60,366)	(604%)	80,215	(133%)
Income (Loss) Before Contributions and Transfers	(1,329,763)	(371,864)	28%	(1,749,382)	(157,903)	9%	(213,962)	136%
Contributions	-	-	0%	-	183,567	0%	(183,567)	(100%)
Capital Access Charges	-	134,250	0%	-	190,920	0%	(56,670)	(30%)
Special Assessments	-	41,368	0%	-	56,806	0%	(15,438)	(27%)
Transfer (out)	(164,755)	-	0%	(165,621)	-	0%	-	0%
Change in Net Position	<u>\$(1,494,518)</u>	<u>\$(196,246)</u>	<u>13%</u>	<u>\$(1,915,003)</u>	<u>\$ 273,390</u>	<u>(14%)</u>	<u>\$ (469,637)</u>	<u>(172%)</u>

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- Operating revenue through June 30, 2025 totaled \$4,091,740 which is an increase of \$209,673 or 5% from 2024. Fixed Charges increased by \$45,259 or 3.5% due primarily to a rate increase.
- Sewer consumption increased 3.5% from 656M gallons in January – June 2024 to 679M gallons in January – June 2025.
- Disposal charges (part of contractual services) are the largest expense totaling \$2,378,114 which is a 3.2% increase over last year.
- Capital Outlay this year includes \$458,295 for the Washington Ave Sanitary Lining project.
- Notable access charges through June 30, 2025 were received from ISD272 Tassle School, Lava Island, Wunderlich Malec Engineering, Classic Collision and Nexus West Building. In 2024, notable access charges were received from Crew Car Wash, Mister Car Wash, Grace Church, and North Star Regional Valley View.

Stormwater Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
OPERATING REVENUE								
Operating Revenue	\$4,008,561	\$2,050,086	51%	\$3,891,807	\$1,977,192	51%	\$ 72,894	4%
Total Operating Revenue	4,008,561	2,050,086	51%	3,891,807	1,977,192	51%	72,894	4%
OPERATING EXPENSE								
Personnel Services	863,383	387,668	45%	825,825	392,776	48%	(5,108)	(1%)
Supplies	166,650	89,593	54%	164,150	22,287	14%	67,306	302%
Contractual Services	414,158	163,242	39%	621,326	177,541	29%	(14,299)	(8%)
User Charges	188,551	94,272	50%	182,352	91,176	50%	3,096	3%
Capital Under \$25,000	1,500	-	0%	9,500	950	10%	(950)	(100%)
Total Operating Expense	1,634,242	734,775	45%	1,803,153	684,730	38%	50,045	7%
Capital Outlay	1,567,000	37,902	2%	1,427,500	336,451	24%	(298,549)	(89%)
Depreciation	1,051,917	525,959	50%	1,051,334	525,667	50%	292	0%
NONOPERATING REVENUE (EXPENSE)								
Grants	-	-	0%	-	(2,795)	0%	2,795	(100%)
Miscellaneous	-	4,722	0%	-	7,993	0%	(3,271)	(41%)
Total Nonoperating Revenue (Expense)	-	4,722	0%	-	5,198	0%	(476)	(9%)
Income (Loss) Before Contributions and Transfers	(244,598)	756,172	(309%)	(390,180)	435,542	(112%)	320,630	74%
Contributions	-	-	0%	-	2,087	0%	(2,087)	(100%)
Capital Special Assessments	-	5,645	0%	-	5,707	0%	(62)	(1%)
Transfer In (Out)	(70,610)	-	0%	(70,981)	-	0%	-	0%
Change in Net Position	\$ (315,208)	\$ 761,817	(242%)	\$ (461,161)	\$ 443,336	(96%)	\$ 318,481	72%

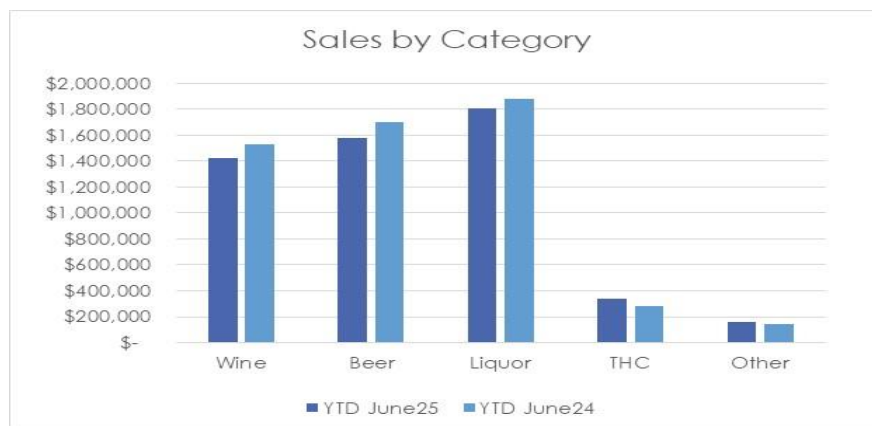
- Operating revenue through June 30, 2025 totaled \$2,050,086 which is an increase of \$72,894 or 4% from 2024 which is attributable to rates increasing in 2025.
- Operating expenses total \$734,775, which is 45% of the budget and \$50,045 more than last year. Expenses fluctuate annually depending on the projects undertaken.
- Last year Capital Outlay included \$269,860 for two pond dredging projects.

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Liquor Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
SALES AND COST OF SALES								
Net Sales	\$12,952,851	\$5,254,475	41%	\$12,557,762	\$5,475,591	44%	\$(221,116)	(4%)
Cost of Sales	9,307,458	3,678,144	40%	9,025,784	3,895,301	43%	(217,157)	(6%)
Gross Profit	3,645,393	1,576,331	43%	3,531,978	1,580,290	45%	(3,959)	(0%)
Gross Profit %	28.1%	30.0%		28.1%	28.9%			
OPERATING REVENUE								
Wine Club Memberships / Tasting Events	46,000	21,430	47%	45,000	20,159	45%	1,271	6%
Total Operating Revenue	46,000	21,430	47%	45,000	20,159	45%	1,271	6%
OPERATING EXPENSE								
Personnel Services	1,579,448	779,672	49%	1,507,321	762,662	51%	17,010	2%
Supplies	38,900	10,524	27%	38,750	9,536	25%	988	10%
Contractual Services	782,354	374,330	48%	762,754	338,850	44%	35,480	10%
User Charges	192,361	96,186	50%	186,142	93,078	50%	3,108	3%
Capital Under \$25,000	7,700	846	11%	7,700	-	0%	846	0%
Total Operating Expense	2,600,763	1,261,558	49%	2,502,667	1,204,126	48%	57,432	5%
Lease Amortization	217,345	126,786	58%	214,620	125,197	58%	1,589	1%
NONOPERATING REVENUE (EXPENSE)								
Other Nonoperating Revenue (Expense)	5,580	1,952	35%	5,580	3,022	54%	(1,070)	(35%)
Transfer In (Out)	(800,000)	-	0%	(800,000)	-	0%	-	0%
Total Nonoperating Revenue (Expense)	(794,420)	1,952	(0%)	(794,420)	3,022	(0%)	(1,070)	(35%)
Change in Net Position	\$ 78,865	\$ 211,369	268%	\$ 65,271	\$ 274,148	420%	\$(62,779)	(23%)

- Net sales totaled \$5,254,475 – down \$221,116 from last year. The loyalty rewards program offers \$10 off per 200 points (1 point per \$1 spent). As of June 2025, \$53,917 in rewards were redeemed, down from \$60,328 in June 2024. Sales by category are below.



- Operating expenses totaled \$1,261,558 – 49% of the \$2,600,763 budget and \$57,432 more than last year. Including \$15,000 for a rewards program consultant.

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Internal Service Funds

Facilities

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
OPERATING REVENUE								
Charges for Services	\$ 6,499,255	\$ 3,249,612	50%	\$ 6,280,877	\$ 3,140,424	50%	\$ 109,188	3%
Rental	764,549	6,336	1%	734,166	37,209	5%	(30,872)	(83%)
Total Operating Revenues	7,263,804	3,255,948	45%	7,015,043	3,177,633	45%	78,316	2%
OPERATING EXPENSE								
Personnel Services	1,532,725	748,027	49%	1,459,048	692,425	47%	55,602	8%
Supplies	520,229	219,094	42%	509,772	220,270	43%	(1,176)	(1%)
Contractual Services	4,258,067	1,641,468	39%	4,138,205	1,524,724	37%	116,744	8%
User Charges	47,825	23,910	50%	45,690	22,848	50%	1,062	5%
Capital Under \$25,000	154,500	57,341	37%	154,500	57,158	37%	183	0%
Total Operating Expense	6,513,346	2,689,840	41%	6,307,215	2,517,425	40%	172,415	7%
Operating Capital	-	117,824	0%	-	1,113	0%	116,711	10486%
Depreciation	112,954	56,477	50%	113,193	56,597	50%	(120)	(0%)
NONOPERATING REVENUE (EXPENSE)								
Miscellaneous	-	5,726	0%	-	747	0%	4,979	667%
Total Nonoperating Revenue (Expense)	-	5,726	-	-	747	0%	4,979	667%
Change in Net Position	\$ 637,504	\$ 397,533	62%	\$ 594,635	\$ 603,245	101%	\$(205,711)	(34%)

- Facilities operating revenues are \$78,316 or 2% more than the prior year due to 3% inflationary increases in charges for services and a reduction in rental income with tenant vacancy due to police remodeling at City Center
- Personnel Services are \$55,602 or 8% more than the prior year due to cost-of-living wage adjustments and increased health insurance benefit costs
- Contractual Services are \$116,744 or 8% more than the prior year due to increased snow removal in early winter 2025 along with building maintenance expenses such as air hose drops at the Fire Stations, door repairs at the Maintenance Facility, painting at the Park Shelters and Community Center, and window replacements at City Center
- Operating Capital is \$116,711 more than the prior year due to timing of operating capital project costs occurring later in 2024

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Fleet

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
OPERATING REVENUE								
Charges for Services	\$3,431,826	\$1,715,916	50%	\$3,325,857	\$1,662,924	50%	\$ 52,992	3%
Total Operating Revenues	3,431,826	1,715,916	50%	3,325,857	1,662,924	50%	52,992	3%
OPERATING EXPENSE								
Personnel Services	693,213	332,777	48%	665,322	324,689	49%	8,088	2%
Supplies	1,070,350	362,527	34%	1,053,350	503,428	48%	(140,901)	(28%)
Contractual Services	301,837	83,639	28%	303,746	214,612	71%	(130,973)	(61%)
Capital Under \$25,000	61,000	30,415	50%	60,500	6,387	11%	24,028	376%
Total Operating Expenses	2,126,400	809,358	38%	2,082,918	1,049,116	50%	(239,758)	(23%)
Operating Income (Loss) before Depreciation	1,305,426	906,558	69%	1,242,939	613,808	49%	292,750	48%
Capital Outlay	-	1,376	0%	-	-	0%	1,376	0%
Depreciation	1,345,775	672,888	50%	1,242,876	621,438	50%	51,450	8%
Operating Income (Loss) Before Nonoperating Revenue / Expense	(40,349)	232,295	(576%)	63	(7,630)	(12111%)	239,925	(3145%)
NONOPERATING REVENUE (EXPENSE)								
Investment Income	50,000	-	0%	50,000	(3)	(0%)	3	(100%)
Gain (Loss) on Disposition of Capital Assets	266,100	158,888	60%	438,280	100,575	23%	58,313	58%
Contributions	-	-	0%	-	47,278	0%	(47,278)	(100%)
Miscellaneous	-	70,456	0%	-	1,717	0%	68,739	4003%
Total Nonoperating Revenues (Expenses)	316,100	229,343	73%	488,280	149,568	31%	79,776	53%
Change in Net Position	\$ 275,751	\$ 461,638	167%	\$ 488,343	\$ 141,938	29%	\$ 319,700	225%

- Supplies and contractual services are significantly lower compared to last year, primarily due to reduced fuel prices, the timing of purchases of plow cutting edge inventory parts, and a decline in incidents involving crash vehicles and engine failures.
- Capital under \$25,000 includes a new floor scrubber for \$15,814.
- Miscellaneous revenues include a \$64,500 electric pay credit.

Information Technology

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
OPERATING REVENUE								
Charges for Services	\$ 3,508,568	\$ 1,754,274	50%	\$ 3,474,692	\$ 1,737,372	50%	16,902	1%
Total Operating Revenue	3,508,568	1,754,274	50%	3,474,692	1,737,372	50%	16,902	1%
OPERATING EXPENSE								
Personnel Services	908,454	465,599	51%	862,103	434,019	50%	31,579	7%
Supplies	18,600	1,520	8%	18,600	2,286	12%	(767)	(34%)
Contractual Services	1,958,231	1,312,072	67%	1,997,219	1,344,014	67%	(31,943)	(2%)
Capital under \$25,000	183,323	34,732	19%	177,760	92,204	52%	(57,472)	(62%)
Total Operating Expense	3,068,608	1,813,923	59%	3,055,682	1,872,523	61%	(58,602)	(3%)
Operating Capital	-	273,187	0%	-	127,634	0%	145,554	114%
Depreciation/Amortization	30,729	15,365	50%	39,000	19,500	50%	(4,135)	(21%)
NONOPERATING REVENUE (EXPENSE)								
Miscellaneous	-	223	0%	-	-	0%	223	0%
Total Nonoperating Revenue (Expense)	-	223	0%	-	-	0%	223	0%
Change in Net Position	\$ 409,231	\$ (347,978)	(85%)	\$ 380,010	\$ (282,285)	(74%)	(65,693)	23%

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- Information Technology operating revenues are \$16,902 or 1% more than the prior year with charges for services slightly increasing due to inflationary increases in technology expenses
- Personnel Services are \$31,579 or 7% more than the prior year due to cost-of-living wage adjustments and increases in health benefits
- Contractual Services are 67% spent as many of the City's software maintenance subscriptions are renewed in the first half of the year. Compared to the prior year, expenses are \$31,943 or 2% less as a result of an uninterruptable power supply replacement occurring in 2024.
- Capital under \$25,000 is \$57,472 or 62% less than the prior year due to the purchase of new fire software occurring in 2024 as well as reduced workstation replacements in 2025
- Operating Capital is \$145,554 more than the prior year due to the purchase of new police body cameras in 2025

Energy Consumption

City energy costs which include electricity and natural gas are 36% spent through June 30, 2025 and \$86,614 or 6% more than June 30, 2024.

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
Electric	\$ 3,525,274	\$ 1,249,631	35%	\$ 3,421,867	\$ 1,254,886	37%	\$ (5,255)	(0%)
Gas	792,837	318,503	40%	754,939	226,634	30%	91,869	41%
	<u>\$ 4,318,111</u>	<u>\$ 1,568,134</u>	<u>36%</u>	<u>\$ 4,176,806</u>	<u>\$ 1,481,520</u>	<u>35%</u>	<u>\$ 86,614</u>	<u>6%</u>

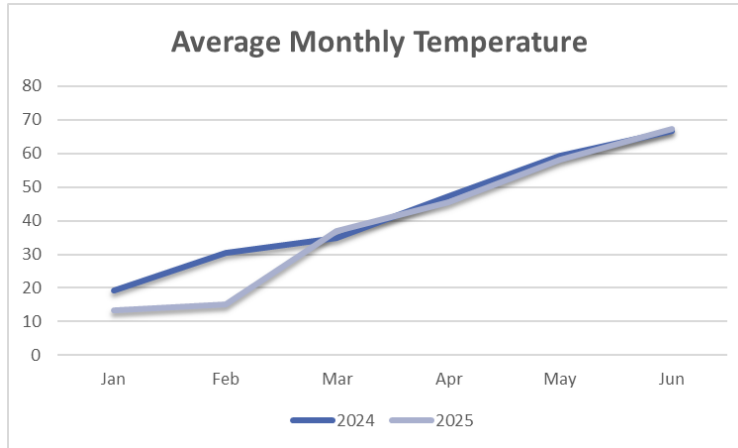
Electric

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
Street Lighting & Traffic Signals	\$ 1,107,971	\$ 521,085	47%	\$ 1,075,700	\$ 493,499	46%	\$ 27,586	6%
Water Treatment Plant	1,032,437	291,093	28%	1,002,365	291,046	29%	47	0%
Community Center	669,758	221,664	33%	650,250	229,307	35%	(7,643)	(3%)
City Center	404,806	116,727	29%	393,016	137,647	35%	(20,920)	(15%)
Maintenance Facility	47,813	20,345	43%	46,420	19,270	42%	1,075	6%
Park Lighting/Shelters	94,767	32,686	34%	92,008	28,625	31%	4,061	14%
Liquor Stores	69,782	17,473	25%	67,749	18,049	27%	(576)	(3%)
Fire Stations	68,677	21,589	31%	66,677	24,405	37%	(2,816)	(12%)
Community Solar Gardens	(25,000)	(12,695)	51%	(25,000)	(11,332)	45%	(1,363)	12%
All Other (Senior, Art, Outdoor Ctrs)	54,263	19,664	36%	52,682	24,370	46%	(4,706)	(19%)
	<u>\$ 3,525,274</u>	<u>\$ 1,249,631</u>	<u>35%</u>	<u>\$ 3,421,867</u>	<u>\$ 1,254,886</u>	<u>37%</u>	<u>\$ (5,255)</u>	<u>(0%)</u>

Electric is 35% spent at \$1,249,631 compared to a budget of \$3,525,274 and \$5,255 less than June 30, 2024. Street lighting and traffic signals are the largest part of the electric budget followed by the Water Treatment Plant (including wells and sewer lift stations), Community Center and City Center.

While usage and rates affect the City's overall energy costs, it is important to note that weather plays a role as well. Colder than average temperatures in the winter months and warmer temperatures in the summer months lead to increased energy use. The following chart illustrates the average monthly temperature comparison for 2024 and 2025. Overall, temperatures were cooler in the first two winter months of 2025 and comparable to the prior year throughout the spring and early summer.

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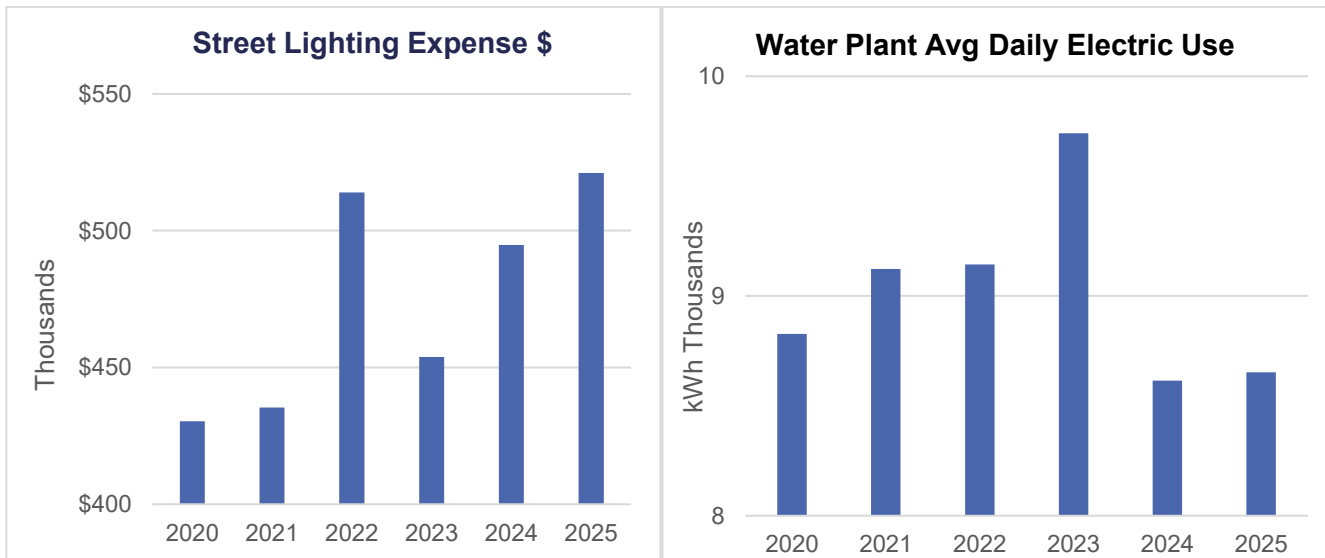


Street Lighting/Traffic Signals

In 2022, Xcel Energy electric rates increased 20% over 2021. Expenses for 2023 were less than 2022 due to reduced Xcel Energy resource adjustment rates in addition to a \$93,586 Xcel Energy interim rate refund. The refund is for the difference between what the City paid under interim rates in prior years and final approved rates by the Public Utilities Commission. For June 30, 2025, expenses are running 6% more than 2024. Xcel has increased their resource adjustment and interim rates. The resource adjustment recovers Xcel’s investments in adding, transmitting, and distributing renewable energy systems. The graph below illustrates street lighting and traffic signal expenses through June 30.

Water Treatment Plant

The Water Treatment Plant, including wells and sewer lift stations, is another large user of electricity. Through June 30, 2025, the electric budget is 28% spent and consistent with the prior year. The graph below illustrates average daily use for 2020-2025.



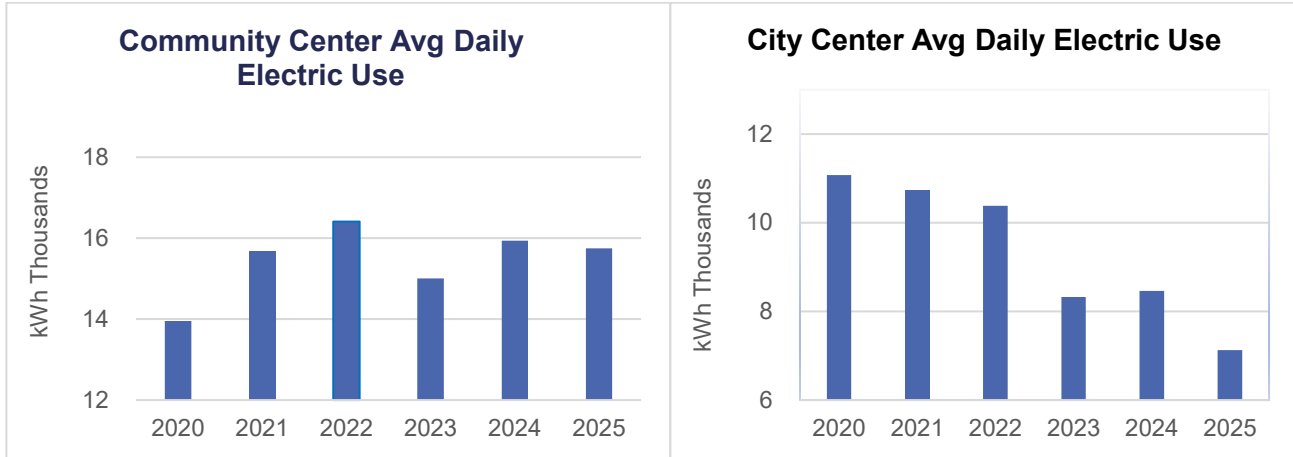
Community Center

The Community Center’s electric budget is 33% spent through June 30, 2025 and \$7,643 or 3% less than June 30, 2024. Average daily use is comparable to the prior year and depicted in the graph below.

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City Center

City Center electric is 29% spent and \$20,920 or 15% less than June 30, 2024. City Center is currently undergoing a significant remodel for the police department with part of the building's HVAC inactive. Building average daily use is 16% less than the prior year.



All Other Buildings

The remaining users of electric include the Maintenance Facility, Parks and Shelters, Liquor Stores, Fire Stations, Senior, Art, and Outdoor Centers. Total expenses through June 30, 2025, are 33% spent and 3% or \$2,962 less than June 30, 2024. Investments have been made in LED lights at the liquor stores and HVAC improvements at Fire Station 1.

Community Solar Gardens

The City executed contracts in 2018 to become a subscriber to community solar gardens in the Hennepin County and surrounding area. Four of the proposed five gardens began production in 2020. You will note on the first page of the energy analysis, a credit of \$12,695 for the community solar gardens. Per the executed contract, the City receives credits from Xcel Energy for participating in these gardens. This credit represents the City's savings through June 30, 2025.

Gas

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD June Actual	Percent of Budget	Annual Budget	YTD June Actual	Percent of Budget		
Community Center	\$ 454,145	\$ 150,474	33%	\$ 432,519	\$ 104,291	24%	\$ 46,183	44%
Water Treatment Plant	153,010	70,715	46%	145,581	49,728	34%	20,987	42%
City Center	52,125	18,222	35%	49,643	15,845	32%	2,377	15%
Maintenance Facility	39,465	31,548	80%	37,586	22,703	60%	8,845	39%
Fire Stations	30,062	13,381	45%	28,630	11,658	41%	1,723	15%
Park Shelters	24,651	12,192	49%	23,477	8,165	35%	4,027	49%
Liquor Stores	11,209	7,320	65%	10,675	4,646	44%	2,674	58%
All Other (Senior, Art, Outdoor Ctrs)	28,170	14,651	52%	26,828	9,598	36%	5,053	53%
	\$ 792,837	\$ 318,503	40%	\$ 754,939	\$ 226,634	30%	\$ 91,869	41%

Natural Gas is 40% spent with an actual expense of \$318,503 and a budget of \$792,837. This is a 41% increase over June 30, 2024. Natural gas prices are up 26% over 2024 with increased use noted in the early winter months of 2025 due to colder temperatures.