CITY COUNCIL AGENDA

COUNCIL CHAMBERS	TUESDAY, JUNE 13, 2023	6:00 PM

1. Call to Order/Roll Call/Pledge of Allegiance

2. Presentations/Introductions – None

3. Approve minutes of the May 23, 2023 City Council Meeting

A. May 23, 2023 City Council Meeting Minutes

4. Consent Agenda

A. List of Claims for Release

B. Resolution 2023-115 Accept Donations Made to the City of Faribault

C. Resolution 2023-117 Approve Appointments of Board and Commission Members

D. Accept Quote for Effluent Pump at Water Reclamation Facility

E. Accept Quote for HVAC Units at Water Pumping Station

F. Approve 2023 CIP Purchase Replacement - Street Department Service Truck

G. Approve Change Order No. 2 for Airfield Lighting Improvement Project at Municipal Airport

H. Resolution 2023-116 Authorize Execution of Minnesota Department of Transportation Grant Agreement No. 1053265 for Airport Maintenance and Operation

I. Resolution 2023-118 Approve Rice County Public Health Grant Application

J. Resolution 2023-119 Approve Electronic Signature Policy

K. Approve CIP Purchase - Toro Workman MDX Ball Cart

L. Resolution 2023-121 Authorize Submittal of Request for State Bonding Funds for Downtown (Viaduct Area) Park Improvements

M. Accept Professional Services Agreement with AET for TH 3 Roundabout Materials Testing

N. Approve Purchase of Rescue Air Bags

5. Requests to be Heard

6. Public Hearings

A. Resolution 2023-122 Modify Development District No. 1, Tax Increment Financing District No. 13: Hamilton Therein, the Development Program, and the Tax Increment Financing Plan Therefor

7. Items for Discussion

A. Presentation of the 2022 Annual Comprehensive Financial Report

B. Resolution 2023-120 Approve a Variance from Wetlands Setback Requirements at 1 Sage Way

C. Ordinance 2023-9 Repeal and Replace Chapter 31 of the Faribault City Code of Ordinances regarding Tall Grass and Weed Regulations (First Reading)

D. Ordinance 2023-10 Zoning Text Amendment to Reduce the Minimum Required Lot Size and Lot Width for Attached Single Family Dwellings in the R-3, Medium Density Residential Districts Citywide (First Reading)

E. Ordinance 2023-11 Rezone Property Located at 1008 and 1016 Division Street W. to R-2, Low Density Residential District (First Reading)

F. Ordinance 2023-12 Rezone Rice County Fairgrounds at 1900 Fairgrounds Drive to P-I, Public Institutional District (First Reading)

G. Ordinance 2023-13 Amending Chapter 19 PEDDLERS, SOLICITORS AND TRANSIENT MERCHANTS (First Reading)

8. Bids

A. Resolution 2023-123 Accept Bids for 2023 MSA Street Overlay Improvement Project - Contract 2023-03

B. Resolution 2023-124 Accept Bids for 2023 Trunk Highway 3 Roundabout Project - Contract 2023-04

9. Boards and Commissions Reports, Announcements and Project Updates

10. Adjournment

(The Council may meet as a group for dinner)

NOTE:

CC **Closed Captioning of Council meetings available on FCTV.**

Please contact the City Administrator's Office if you need special accommodations related to a disability while attending the City Council meeting.

CITY COUNCIL MINUTES

COUNCIL CHAMBERS TUESDAY, MAY 23, 2023 6:00 PM

Call to Order/Roll Call/Pledge of Allegiance
The regular meeting of the City Council was called to order by Mayor Kevin Voracek at 6:00 p.m. Councilors Sara Caron, Adama Doumbouya, Royal Ross, Peter van Sluis, Tom Spooner and Chuck Thiele were in attendance Also in attendance were City Administrator Tim Murray, City Clerk Heather Slechta, Public Works Director Travis Block, Parks and Recreation Director Paul Peanasky, Fire Chief Dustin Dienst, Community & Economic Development Director David Wanberg, Police Chief John Sherwin and City Attorney Scott Riggs.

Presentations/Introductions
The Safe Summer Kickoff Proclamation was read by the Mayor and presented to Police Chief John Sherwin. The Police Department has been planning a community event to kick off the summer. Sherwin stated that there will be 100 bikes to be given away as well as toys, t-shirts and food. The event will be from 6:00-8:00 p.m.

Approve minutes of the May 9, 2023 City Council Meeting
Motion by Ross, seconded by Doumbouya to approve the May 9, 2023 City Council Meeting Minutes and carried unanimously.

Consent Agenda

A. List of Claims for Release
B. Resolution 2023-102 Approve Credit Card Use Policy
C. Resolution 2023-103 Approve 2023-2024 Garbage and Refuse Hauler Licenses
D. Resolution 2023-104 Approve Hiring Public Works Superintendent
E. Resolution 2023-105 Approve Permanent Right of Way Easement for 1415 7th Street NW
F. Resolution 2023-107 Approve Bureau of Justice Assistance (BJA) Rural and Small Department Violent Crime Reduction Program Grant Application
G. Approve Professional Services Agreement with WSB for MS4 Permit Services - Pond Sediment Program
H. Approve 2023 CIP Purchase- Replacement of Sanitary Sewer Service Truck
I. Approve 2023 CIP Purchase - Replacement of Stormwater Service Truck
J. Approve Letter of Support for USDA Forest Service Urban and Community Forestry Grant
K. Resolution 2023-110 Approve Hiring Light Duty Custodian
L. Resolution 2023-111 Approve Hiring Library Receptionist
M. Resolution 2023-112 Approve Hiring Records Specialist
N. Resolution 2023-113 Adopting the Amended 2022-2024 Non-Union Compensation Plan
O. Approve Application and Permit for a 1 Day to 4 Day Temporary On-Sale Liquor License for the Rice County Fair

Motion by Caron, seconded by Doumbouya to approve Consent Agenda items A-O and carried unanimously.

Requests to be Heard – None

Public Hearings
City Council Support of Financial Incentive Applications to the Minnesota Department of Employment and Economic Development related to Faribault Mill's Proposed Improvements
Community and Economic Development Director David Wanberg explained that Faribault Mill is an iconic business in Faribault that brings widespread notoriety and tourism to Faribault. Faribault Mill is

growing and wishes to solidify its presence in Faribault. It proposed investing $2.25 million in equipment upgrades, building a 12,000 square foot, $1.9 million addition, and creating ten new jobs based in Faribault.

Faribault Mill intends this to be a multi-year project and it has not yet finalized its phasing plan. This proposed investment expresses the company's long-term commitment to Faribault. However, the proposed project has a financial gap. Consequently, Faribault Mill is requesting Minnesota Investment Fund (MIF) and Job Creation Fund (JCF) funding through the Department of Employment and Economic Development. Faribault Mill also intends to request funding through the EDA's Economic Development Investment Fund.

Wanberg stated that the City is required to submit the MIF application, which requests a $290,000 MIF loan at zero-percent interest. The JCF application requires a City Council resolution in support of Faribault Mill's application.

The City is waiting for additional due diligence information from Faribault Mill. Once the information is received, we will continue processing the applications, assuming there are no issues.

Ross Widmoyer, President and CEO of Faribault Mill, presented an overview of the project and the MIF and JCF applications.

Councilor Caron asked where the expansion would be located, Widmoyer explained that they would be expanding into the employee parking lot and that there would still be enough parking for their employees. She also asked what would happen if the $100,000.00 that was mentioned in the information was not approved by the EDA, Wanberg stated that the application may have to be modified. Councilors Spooner and Ross were in support of this project.

Motion by van Sluis, seconded by Thiele to open the public hearing and carried unanimously. The public hearing was opened at 6:16 p.m.

There were no comments received from the public.

Motion by van Sluis, seconded by Caron to close the public hearing and carried unanimously. The public hearing was closed at 6:16 p.m.

Motion by Ross, seconded by Spooner to approve Resolution 2023-108 Support of a Minnesota Investment Fund Program Application in Connection with FaribaultMill LLC and carried unanimously

Motion by Spooner, seconded by van Sluis to approve Resolution 2023-109 Support of a Job Creation Fund Application in Connection with FaribaultMill LLC and carried unanimously.

Items for Discussion

Resolution 2023-114 Approve Early Start Agreement for Vetrotech Expansion Project

Community and Economic Development Director David Wanberg stated that Vetrotech Saint-Gobain is relocating its North American headquarters to the SageGlass Campus at 1 Sage Way. The relocation requires expansion of an existing manufacturing building owned by MDC Development II LLC. The building expansion requires a variance from wetland buffer and setback requirements of the Unified Development Ordinance.

Wanberg explained that due to unforeseen scheduling issues, the property owners are seeking to start construction prior to completing the variance approvals. To address this issue, an early construction start agreement between the City and the property owners is proposed.

Motion by Ross, seconded by van Sluis to approve Resolution 2023-114 Approve Early Start Agreement for Vetrotech Expansion Project and carried unanimously.

Bids

Resolution 2023-106 Accept Bids for 2023 Lyndale Avenue Trail Project - Contract 2021-05

City Administrator Tim Murray informed the Council that on Wednesday, May 17, 2023, bids were

received for the proposed 2023 Lyndale Avenue Trail Project, Contract 2021-05, including removals, grading, aggregate base, bituminous trail paving, turf restoration and related improvements on the following streets:

Lyndale Avenue from Town Square Lane to 7th Street NW.

The bids were tabulated as follows:

RAW Construction, LLC, Faribault, MN	$360,343.80
BCM Construction, Inc., Faribault, MN	$384,685.00
Heselton Construction, Faribault, MN	$397,737.00
Engineer's Estimate	$345,262.72

Based on the low bidder's prices, the estimated funding for the project with 5% contingencies, right of way, and engineering fees will be paid for through the Municipal State Aid (MSAS) Fund for a total of $450,115.00

While the low bid is above the engineer's estimate for construction, the total project costs are within the budget presented to the Council and it was recommended to award to the low bidder, RAW Construction, LLC. Construction on the project is scheduled to begin in June and be substantially completed by the end of August 2023.

Motion by van Sluis, seconded by Ross to approve Resolution 2023-106 Accept Bids for 2023 Lyndale Avenue Trail Project - Contract 2021-05 and carried unanimously.

Boards and Commissions Reports, Announcements and Project Updates
The Monthly Financial Report was provided to the Council prior to the meeting.
City Administrator Tim Murray reminded the Council that a Special Work Session would follow this meeting, he also stated that there would be no meeting next Tuesday.
Mayor Voracek and Councilor Ross shared information regarding the Memorial Day activities, there will be a ceremony at Rice County at 9:00 a.m. with the parade following at 10:00 a.m.

Adjournment
Motion by Spooner, seconded by Ross to adjourn the City Council meeting and carried unanimously.

The meeting adjourned at 6:27 p.m.

Respectfully Submitted,

_____
Heather Slechta
City Clerk

Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Jeanne Schmuck, Finance Director
MEETING DATE: June 13, 2023
SUBJECT: List of Claims for Release

Background:
A copy of the list of claims is available for City Council review through the City Administrator, in the amount of $1,785,179.34, which includes check numbers 178075 to 178203 and automatic clearing house payments.

The description line for each claim provides information to assist readers in understanding the purpose of the purchase and the department making the purchase. Initials of the department making the purchase are included in the description when possible. At the bottom of each page is a key, listing the primary funds to help identify the fund associated with the claim.

Recommendation:
Approve the attached List of Claims for Release.

Attachments:
1. 06-13-2023 Council AP List

AP
AP Council Approval 06-13-2023

User: astadler
Printed: 6/8/2023 1:23:15 PM

Check Numb	Last Name	Acct 1	Amount	Description
178091	1st Line/Leewes Ventures LLC	101-45125-450-42990	788.00	Slush Flavoring for Resale at Aquatic Center
	1st Line/Leewes Ventures LLC		788.00	
0	5 Star Inspections Inc	101-42400-420-43090	7,705.06	May Electrical Inspections
	5 Star Inspections Inc		7,705.06	
0	A H Hermel Candy & Tobacco	101-45125-450-42990	1,212.02	Freezies/Candy/Etc for Resale at Aquatic Center
0	A H Hermel Candy & Tobacco	101-45125-450-42990	67.32	Hot Dogs/Etc for Resale at Aquatic Center
0	A H Hermel Candy & Tobacco	101-45125-450-42990	41.76	Concessions Items for Resale at Aquatic Center
	A H Hermel Candy & Tobacco		1,321.10	
178092	Advantage Educational Programs LLC	101-45130-450-43131	72.00	ACT Prep Class Instruction
	Advantage Educational Programs LLC		72.00	
0	Ag Partners Coop	101-45127-450-42110	640.00	Fertilizer-Soccer Fields
	Ag Partners Coop		640.00	
178093	Amazon Capital Services	101-00000-420-36240	-19.45	Credit for Duplicate Payment from 2021
178093	Amazon Capital Services	101-00000-420-36240	-74.79	Credit for Duplicate Payment from 2021
178093	Amazon Capital Services	101-45110-450-42010	17.98	Time Clock Ribbons
178093	Amazon Capital Services	101-42123-420-43135	39.23	Bags for Dog Waste / Thor
178093	Amazon Capital Services	101-45500-450-43130	57.94	Wood Burning Adventure Kit
178093	Amazon Capital Services	101-45125-450-42420	668.78	Receipt Printer/Cable-Aquatic Center
178093	Amazon Capital Services	101-45500-450-42190	16.99	Book
178093	Amazon Capital Services	101-45130-450-42110	214.68	Taekwondo Punching Pads
178093	Amazon Capital Services	101-45130-450-42110	94.95	Taekwondo Kicking Pads
178093	Amazon Capital Services	101-45500-450-43130	28.52	Adventure Kit Backpacks
178093	Amazon Capital Services	101-45500-450-42010	64.95	Ink Jet Cartridges-GoJo Hand Cleaner

Check Numb	Last Name	Acct 1	Amount	Description
178093	Amazon Capital Services	101-45500-450-42110	22.62	Tools and Screws
178093	Amazon Capital Services	101-43190-430-42210	134.89	Engineering #3 Sonnax Zip Kit
178093	Amazon Capital Services	101-42110-420-42110	42.92	Storage Organizer
178093	Amazon Capital Services	101-45500-450-42110	20.74	Sharps Containers
178093	Amazon Capital Services	101-45500-450-42190	25.98	Books
178093	Amazon Capital Services	101-45500-450-42410	27.99	Soaker Hose
178093	Amazon Capital Services	101-45126-450-42110	14.98	Headphone Jack Adapter
178093	Amazon Capital Services	101-45500-450-42190	41.97	Books
178093	Amazon Capital Services	101-45122-450-42110	71.98	Plastic Bags
178093	Amazon Capital Services	101-45140-450-42110	226.90	Fun Center & Washington Camp Supplies
178093	Amazon Capital Services	101-45500-450-42010	9.95	Stickers
178093	Amazon Capital Services	101-42220-420-42210	14.97	Carb Choke Rod for Husqvarna
178093	Amazon Capital Services	101-45140-450-42110	128.88	Fun Center Supplies
	Amazon Capital Services		1,894.55	
178094	American Red Cross	101-45130-450-43131	702.00	Lifeguarding/Babysitting Civic Certifications
	American Red Cross		702.00	
178096	Anderson & Lynn D	601-00000-000-20200	62.97	Refund Check 008987-000, 2139 Kennedy Dr
	Anderson & Lynn D		62.97	
178095	Anderson Dylan	101-42110-420-43090	105.00	ASL Interpreting Services-Safe Summer Kickoff
	Anderson Dylan		105.00	
0	APG Media of Southern Minnesota LLC	477-43121-430-45303	162.00	MSA Street Overlay 2023-03
0	APG Media of Southern Minnesota LLC	472-43121-430-45300	520.02	30th Street NW Roundabout 2023-04 Bid Ad
0	APG Media of Southern Minnesota LLC	101-41110-410-43510	423.20	Legal Notices-Agendas & Ordinances
0	APG Media of Southern Minnesota LLC	101-41910-410-43510	105.04	Legal Notices for Rezoning Sage/Fairgrounds/Division St & Zoning
0	APG Media of Southern Minnesota LLC	101-41910-410-43510	182.25	Publish Public Notice for Faribault Mill
	APG Media of Southern Minnesota LLC		1,392.51	
0	Arrow Electric LLC	601-49430-000-44010	23.95	Replace Light Fixture and Street Light Fixtures Estimate
0	Arrow Electric LLC	101-41940-410-44010	212.09	Replace Lights at City Hall
0	Arrow Electric LLC	602-49450-000-44010	23.95	Replace Light Fixture and Street Light Fixtures Estimate
0	Arrow Electric LLC	603-49500-000-44010	3.41	Replace Light Fixture and Street Light Fixtures Estimate
0	Arrow Electric LLC	101-43121-430-44010	230.13	Replace Light Fixture and Street Light Fixtures Estimate

Check Numb	Last Name	Acct 1	Amount	Description
	Arrow Electric LLC		493.53	
178097	Aspen Mills	101-42123-420-42180	67.66	Uniform Shirt / J Ryskoski
	Aspen Mills		67.66	
0	Austin Justin	101-42110-420-43090	225.00	DJ Services - Safe Summer Kickoff
178098	Austin Justin	101-43121-430-44450	50.00	Reissue Check #169779 - Mailbox Reimbursement
	Austin Justin		275.00	
0	Auto Value Parts Store	101-45200-450-42210	9.98	Wire Connectors
0	Auto Value Parts Store	602-49450-000-42210	58.99	Filter Kit Unit 10
0	Auto Value Parts Store	101-43121-430-42210	298.38	Batteries - Street #101
0	Auto Value Parts Store	225-49810-430-42210	4.49	Fuse for Ford Tractor
	Auto Value Parts Store		371.84	
178099	Baker & Taylor Entertainment	101-45500-450-42190	74.77	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	296.80	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	365.57	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	77.76	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	467.09	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	566.74	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	175.47	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	21.99	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	388.29	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	391.00	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	15.71	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	3.66	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	9.17	Books
178099	Baker & Taylor Entertainment	101-45500-450-42190	330.16	Books
	Baker & Taylor Entertainment		3,184.18	
178100	Bauer Bradley & JoAnn	601-00000-000-20200	47.00	Refund Check 013091-000, 30 Brand Ave
	Bauer Bradley & JoAnn		47.00	
0	BCM Construction Inc	601-49430-000-42110	2,653.00	12 Inch Butterfly Valve
0	BCM Construction Inc	601-49430-000-42110	5,166.00	16 Inch Butterfly Valve

Check Numb	Last Name	Acct 1	Amount	Description
	BCM Construction Inc		7,819.00	
178101	BECC Corporation	602-49480-000-42170	992.75	Gas Sensor
	BECC Corporation		992.75	
0	Blackburn Manufacturing Co	602-49450-000-42110	305.73	Locate Flags
0	Blackburn Manufacturing Co	601-49430-000-42110	305.73	Locate Flags
	Blackburn Manufacturing Co		611.46	
0	Bolton & Menk Inc	602-49480-000-45300	4,298.00	(2023-08) TH 3 Sanitary Sewer
0	Bolton & Menk Inc	601-49430-000-45300	3,775.00	NW Water Tower 4/15 - 5/12
	Bolton & Menk Inc		8,073.00	
0	Border States Industries Inc	101-42110-420-42230	46.64	Light Bulbs
0	Border States Industries Inc	602-49480-000-42110	23.80	Light Bulb
	Border States Industries Inc		70.44	
178102	Braun & Kelly Demars Cassandra	601-00000-000-20200	22.58	Refund Check 013036-000, 1029 1 St NE
	Braun & Kelly Demars Cassandra		22.58	
178103	Brinkman Revocable Trust Peter L	601-00000-000-20200	122.92	Refund Check 008047-006, 604 6 St NW
	Brinkman Revocable Trust Peter L		122.92	
178104	Broyhill Manufacturing Co The	101-45200-450-42210	130.75	Oil Gauge
	Broyhill Manufacturing Co The		130.75	
178082	c/o Teledoc Inc Healthiest You	101-00000-000-21707	880.00	Healthiest You - June 2023
	c/o Teledoc Inc Healthiest You		880.00	
178105	Capstick Companies LLC	101-45200-450-42110	27.54	Fence Ties
	Capstick Companies LLC		27.54	
0	Cardmember Service	101-42123-420-43135	75.00	PayPal: Kanine Software

Check Numb	Last Name	Acct 1	Amount	Description
0	Cardmember Service	101-42110-420-42110	73.00	SHIFFLER: Chair Slides for Lunchroom
0	Cardmember Service	101-42110-420-43250	15.00	Facebook
0	Cardmember Service	101-42110-420-43220	12.90	Certified Mail / 23-985
0	Cardmember Service	101-41580-410-43095	478.17	Atera Dyn Webroot
0	Cardmember Service	101-45127-450-42410	3,301.75	Epic Sports-Soccer Goals
0	Cardmember Service	101-42210-420-43310	112.39	Country Inn - Dienst HSEM Governor's Conference
0	Cardmember Service	101-41800-410-43140	-175.00	Credit LMC Annual Conference - K Bushard
0	Cardmember Service	101-45500-450-44330	170.00	MLA Membership for Allyn McColley
0	Cardmember Service	101-42123-420-43135	60.00	NPCA: Membershp and Narcotics Certification / Thor
0	Cardmember Service	101-41800-410-43410	375.00	APWA-Street Superintendent Job Posting
0	Cardmember Service	101-45110-450-44330	17.17	Spotify Subscription
0	Cardmember Service	101-42400-420-43140	45.00	Dept of Labor & Industry - J. Lawrenz Spring Seminar
0	Cardmember Service	101-42110-420-43250	2.77	Facebook
0	Cardmember Service	101-45500-450-42190	35.00	Rice Co Historical-Book
0	Cardmember Service	101-45122-450-42230	-27.04	Trudoor Refund Sales Tax from Prior Month
0	Cardmember Service	101-42123-420-43140	75.00	BCA: DMT-G Recertification / J Holm
0	Cardmember Service	101-45500-450-43130	97.54	JoAnn Stores-Supplies for Sew-n-Sew
0	Cardmember Service	101-45500-450-44330	15.00	Mn Youth Reading Membership Deni Buendorf
0	Cardmember Service	101-42110-420-43140	45.00	STAX: PLEAA Conference / C Holm
0	Cardmember Service	101-42121-420-43140	75.00	BCA: DMT-G Recertification / J Burbank
0	Cardmember Service	101-42210-420-42230	1,862.82	Super Vacuum Manufacturing - Command Light
0	Cardmember Service	101-41320-410-43140	15.00	League Mn Cities land Use Training - Murray
0	Cardmember Service	101-42400-420-44325	25.00	Authorize.Net - April Credit Card Transactions
0	Cardmember Service	101-45110-450-43095	238.94	Sling Software
0	Cardmember Service	101-42123-420-43310	220.74	Best Western: SOTA Conference / S Angle
0	Cardmember Service	101-45500-450-43096	477.36	Vengage Yearly Online Subscription
0	Cardmember Service	101-42121-420-43310	331.11	Best Western: SOTA Conference / J Sjodin
0	Cardmember Service	101-41910-410-43140	15.00	League MN Cities Wanberg Training-Land Use
0	Cardmember Service	101-42210-420-43310	3.00	City of Mankato-Parking Fee LMC Workshop
0	Cardmember Service	101-42123-420-43140	75.00	BCA: DMT-G Recertification / M Kolling
0	Cardmember Service	101-42121-420-42120	30.00	Holiday: Gas for #1
0	Cardmember Service	101-45110-450-43430	60.00	Faceboook-Summer Program Advertising
0	Cardmember Service	101-42110-420-44330	5.00	Reconyx
0	Cardmember Service	101-42110-420-42115	64.54	El Tequila: Lunch for CSO Interview Panel
0	Cardmember Service	101-42124-420-43140	45.00	STAX: PLEAA Conference / J Bestul
0	Cardmember Service	101-45110-450-44330	15.99	Zoom Subscription
0	Cardmember Service	101-45500-450-42010	26.52	Chicago Books-Poster
0	Cardmember Service	101-42123-420-43310	220.74	Best Western: SOTA Conference / J Holm
0	Cardmember Service	101-42123-420-43310	220.74	Best Western: SOTA Conference / T Wilson
0	Cardmember Service	101-42110-420-43095	7.99	ZOOM
0	Cardmember Service	101-42110-420-43220	20.10	Certified Mail

Check Numb	Last Name	Acct 1	Amount	Description
	Cardmember Service		8,859.24	
178106	Carrot-Top Industries Inc	101-42110-420-42110	127.54	US Flag and MN Flag
178106	Carrot-Top Industries Inc	101-42110-420-42110	58.45	MN Flag
	Carrot-Top Industries Inc		185.99	
178107	Cengage Learning Inc	101-45500-450-42190	38.50	Books
178107	Cengage Learning Inc	101-45500-450-42190	61.01	Books
	Cengage Learning Inc		99.51	
178081	CenturyLink	101-41940-410-43210	298.88	507-332-2400 019
178081	CenturyLink	902-00000-000-23935	577.15	Monthly Service 05/13/2023-06/12/2023
178081	CenturyLink	602-49450-000-43210	70.88	507-334-0586 787
178081	CenturyLink	101-45500-450-43210	50.49	507 334-0138 069 Elevator Phone
178081	CenturyLink	902-00000-000-23935	-577.15	Monthly Service 05/13/2023-06/12/2023
178081	CenturyLink	601-49430-000-43210	86.02	507-332-9045 313 Sensus Back-up Dialer
178081	CenturyLink	225-49810-430-43210	70.88	507-334-2850 219
178108	CenturyLink	101-41940-410-43210	61.88	507-334-8409 948
178108	CenturyLink	902-00000-000-23935	-318.40	507 Z01-0018 863 Monthly Phone Bill
178108	CenturyLink	225-49810-430-43210	61.88	507-334-3495 952 Airport
178108	CenturyLink	225-49810-430-43210	61.88	507-334-7494 946 Airport
178108	CenturyLink	902-00000-000-23935	318.40	507 Z01-0018 863 Monthly Phone Bill
178108	CenturyLink	101-41940-410-43210	325.00	City Hall - June
178108	CenturyLink	101-42210-420-43210	132.76	507-334-0486 496
178109	CenturyLink	101-41940-410-43210	12.60	Monthly Phone Bill - May
	CenturyLink		1,233.15	
178110	Chambers Joshua	601-00000-000-20200	44.16	Refund Check 023432-000, 613 Western Ave N
	Chambers Joshua		44.16	
178111	Charlie Victor Construction LLC	601-00000-000-20200	63.40	Refund Check 025049-000, 3201 8 Ave NW
	Charlie Victor Construction LLC		63.40	
0	Cintas Corporation	101-45122-450-44060	14.79	Laundry Services Mops
0	Cintas Corporation	101-43121-430-44060	26.55	Uniform Cleaning Streets
0	Cintas Corporation	603-49500-000-44060	6.43	Uniform Cleaning Storm
0	Cintas Corporation	602-49480-000-44060	6.43	Floor Mats Laundry

Check Numb	Last Name	Acct 1	Amount	Description
0	Cintas Corporation	601-49430-000-44060	25.86	Uniform Cleaning Water
0	Cintas Corporation	602-49480-000-44060	32.68	Uniform Laundry
0	Cintas Corporation	101-43126-430-44060	24.40	Shop Towels
0	Cintas Corporation	101-45200-450-44060	32.74	Uniform Cleaning
0	Cintas Corporation	101-43126-430-44060	10.24	Uniform Cleaning Mechanics
0	Cintas Corporation	602-49450-000-44060	12.72	Uniform Cleaning Sewer
0	Cintas Corporation	101-43121-430-42170	250.04	Safety Cabinet Restock
0	Cintas Corporation	101-43121-430-44060	102.51	Uniform Cleaning Streets
0	Cintas Corporation	602-49480-000-44060	37.84	Uniform Laundry
0	Cintas Corporation	601-49430-000-42170	26.02	Safety Cabinet Restock
0	Cintas Corporation	603-49500-000-42170	3.71	Safety Cabinet Restock
0	Cintas Corporation	603-49500-000-44060	6.43	Uniform Cleaning Storm
0	Cintas Corporation	602-49450-000-44060	12.72	Uniform Cleaning Sewer
0	Cintas Corporation	101-43126-430-44060	10.24	Uniform Cleaning Mechanics
0	Cintas Corporation	602-49480-000-44060	48.44	Lab Towels/Floor Mats
0	Cintas Corporation	602-49450-000-42170	26.02	Safety Cabinet Restock
0	Cintas Corporation	601-49430-000-44060	25.86	Uniform Cleaning Water
0	Cintas Corporation	101-45200-450-44060	32.74	Laundry
0	Cintas Corporation	101-43126-430-44060	24.40	Shop Towels
0	Cintas Corporation	601-49430-000-44060	25.86	Uniform Cleaning Water
0	Cintas Corporation	603-49500-000-42230	0.72	Dust Mop and Disposable Towels
0	Cintas Corporation	101-43126-430-44060	10.24	Uniform Cleaning Mechanics
0	Cintas Corporation	602-49480-000-44060	37.84	Uniform Laundry
0	Cintas Corporation	601-49430-000-42230	4.96	Dust Mop and Disposable Towels
0	Cintas Corporation	602-49450-000-42230	4.96	Dust Mop and Disposable Towels
0	Cintas Corporation	101-43126-430-44060	24.40	Shop Towels
0	Cintas Corporation	101-45200-450-44060	32.74	Laundry
0	Cintas Corporation	101-43121-430-44060	26.55	Uniform Cleaning Streets
0	Cintas Corporation	602-49480-000-44060	6.43	Floor Mats
0	Cintas Corporation	602-49450-000-44060	12.72	Uniform Cleaning Sewer
0	Cintas Corporation	603-49500-000-44060	6.43	Uniform Cleaning Storm
0	Cintas Corporation	101-43121-430-42230	47.70	Dust Mop and Disposable Towels
	Cintas Corporation		1,041.36	
178075	City of Faribault	101-00000-000-11500	41.67	PR Batch 00510.05.2023 Miscellaneous
178083	City of Faribault	101-00000-000-11500	41.67	PR Batch 00511.06.2023 Miscellaneous
	City of Faribault		83.34	
178112	CivicPlus	101-41110-410-43090	35.68	Closed Captioning

Check Numb	Last Name	Acct 1	Amount	Description
	CivicPlus		35.68	
0	CL Bensen Company Inc	101-45122-450-42230	364.68	HVAC Air Filters
0	CL Bensen Company Inc	101-41940-410-42230	2,361.59	HVAC Roof Top Unit Air Filters
	CL Bensen Company Inc		2,726.27	
178113	Clean Choice Energy	101-43170-430-43810	22.01	3041315032200 30 St NW Signal Lights
178113	Clean Choice Energy	101-45200-450-43810	52.07	302261595920 9th Ave SW
178113	Clean Choice Energy	601-49430-000-43810	4,319.31	302969048350 Alexander Park Well #6
178113	Clean Choice Energy	101-45200-450-43810	181.97	304017445900 Lyndale Ave N
178113	Clean Choice Energy	101-43160-430-43810	19.64	3041165121000 Lyndale Ave S
178113	Clean Choice Energy	902-00000-000-23935	-13,797.63	Solar Bill - April
178113	Clean Choice Energy	101-43160-430-43810	262.20	3041576453305 Highway 60
178113	Clean Choice Energy	101-45126-450-43810	587.84	303373970117 Shumway Ave
178113	Clean Choice Energy	902-00000-000-23935	13,797.63	Solar Bill - April
178113	Clean Choice Energy	101-45500-450-43810	1,749.71	30234228711 Division St E (Library)
178113	Clean Choice Energy	101-43160-430-43810	160.15	3041576321602 2nd Ave NW
178113	Clean Choice Energy	101-45200-450-43810	63.71	3043066891800 Alexander Dr Concession Stand
178113	Clean Choice Energy	101-43170-430-43810	177.81	3025252474050 Highway 60W Signal Lights
178113	Clean Choice Energy	101-45200-450-43810	16.91	3023211021000 7th Ave SW
178113	Clean Choice Energy	101-45200-450-43810	730.59	3025764661815 Alexander Dr
178113	Clean Choice Energy	602-49450-000-43810	17.78	3027721851150 Willow St Lift Station
178113	Clean Choice Energy	101-43170-430-43810	186.14	3034532651500 7th St NW Signal Lights
178113	Clean Choice Energy	601-49430-000-43810	3,267.97	3039299721904 Fairgrounds Dr Well
178113	Clean Choice Energy	101-43170-430-43810	35.04	3042653021990A Lyndale Ave N Signal
178113	Clean Choice Energy	101-43160-430-43810	10.41	3043806371690 Highway 60W Street Lighting
178113	Clean Choice Energy	101-42210-420-43810	986.84	302527702122 2nd St NW (Fire Hall)
178113	Clean Choice Energy	101-45200-450-43810	36.81	303510224520 3rd St NW (Central Pk Bandstand)
178113	Clean Choice Energy	101-43160-430-43810	203.15	303661815495 Heritage Place
178113	Clean Choice Energy	101-43160-430-43810	25.32	3041165101904 Grant St
178113	Clean Choice Energy	101-45200-450-43810	17.72	303239611330 9th Ave SW Sr High Tennis Cts
178113	Clean Choice Energy	101-45127-450-43810	118.37	304160080705 17 St SW (Soccer Complex)
178113	Clean Choice Energy	101-43160-430-43810	363.41	302767481210 3 St NE St Light
178113	Clean Choice Energy	101-43160-430-43810	22.74	304116511800 Lyndale Ave SW
178113	Clean Choice Energy	602-49450-000-43810	146.52	3036919802219 Grant St NW Lift Station
178113	Clean Choice Energy	602-49450-000-43810	15.49	303203605319 Lind St Lift Station
	Clean Choice Energy		13,797.63	
178114	Cockayne Shaunda	601-00000-000-20200	6.31	Refund Check 025405-000, 1150 Ivy Way

Check Numb	Last Name	Acct 1	Amount	Description
	Cockayne Shaunda		6.31	
178084	Colonial Life	101-00000-000-21711	80.00	PR Batch 00511.06.2023 Short Term Disability
	Colonial Life		80.00	
178115	Community Co-op Oil Assn	101-43126-430-42110	28.50	Propane Cylinder Exchange - Shop
178115	Community Co-op Oil Assn	101-45122-450-42120	40.00	Lawn Mower Gas
178115	Community Co-op Oil Assn	101-43121-430-44040	50.95	Tire Repair - Street #122
178115	Community Co-op Oil Assn	101-42220-420-42120	48.00	Fuel
178115	Community Co-op Oil Assn	101-00000-000-15520	12,954.18	Unleaded Fuel
178115	Community Co-op Oil Assn	101-00000-000-15520	11,896.61	Diesel Fuel
178115	Community Co-op Oil Assn	101-43121-430-44040	44.95	Tire Repair - Street #110
178115	Community Co-op Oil Assn	602-49450-000-44040	25.00	Tire Repair Utilities #3
178115	Community Co-op Oil Assn	101-43121-430-42120	10.00	Gas for Painter
178115	Community Co-op Oil Assn	101-43121-430-42220	245.90	Tires - Street #115
178115	Community Co-op Oil Assn	101-43121-430-42120	14.00	Gas
178115	Community Co-op Oil Assn	101-45122-450-42120	50.00	Lawn Mower Gas
178115	Community Co-op Oil Assn	101-45200-450-42220	169.00	Replaced Tire
	Community Co-op Oil Assn		25,577.09	
0	Continental Research Corporation	101-43126-430-42110	300.28	Acid Industrial Cleaner
	Continental Research Corporation		300.28	
178116	Core & Main LP	601-49430-000-42110	2,676.43	Iperl Meters
178116	Core & Main LP	601-49430-000-42110	116.88	Gaskets/Nuts & Bolts
178116	Core & Main LP	601-49430-000-44040	340.00	Command Link Repair
178116	Core & Main LP	601-49430-000-42110	1,338.21	IPerl Water Meters
	Core & Main LP		4,471.52	
0	Crane Creek Asphalt	601-49430-000-42240	3,711.84	Asphalt Mix Lyndale Ave
0	Crane Creek Asphalt	601-49430-000-42240	2,399.80	Asphalt Watermain Break Lyndale Ave
	Crane Creek Asphalt		6,111.64	
178117	Creative Co-Op	101-45122-450-42110	168.00	Garbage Bags
178117	Creative Co-Op	602-49450-000-42230	2.04	Garbage Bags
178117	Creative Co-Op	603-49500-000-42230	0.30	Garbage Bags
178117	Creative Co-Op	101-42110-420-42230	40.00	55 Gallon & Tall Kitchen Garbage Bags

Check Numb	Last Name	Acct 1	Amount	Description
178117	Creative Co-Op	101-43121-430-42230	19.62	Garbage Bags
178117	Creative Co-Op	101-45200-450-42110	24.00	Garbage Bags
178117	Creative Co-Op	601-49430-000-42230	2.04	Garbage Bags
178117	Creative Co-Op	101-45125-450-42110	312.00	Trash Bags for Aquatic Center
	Creative Co-Op		568.00	
0	Culligan	101-41940-410-44160	96.60	Drinking Water Equipment Rental
0	Culligan	101-42110-420-42230	158.65	Water
0	Culligan	101-45200-450-42110	91.00	Softener Salt and Rust Remover Salt
0	Culligan	101-45122-450-44160	39.35	Drinking Water Equipment Rental
0	Culligan	101-45500-450-44160	40.50	Drinking Water Equip Rental
	Culligan		426.10	
178118	Dakota County Technical College	101-42121-420-43140	500.00	Pursuit Refresher / Matt S
178118	Dakota County Technical College	101-42123-420-43140	1,000.00	Pursuit Refresher / B Arens - J Holm
	Dakota County Technical College		1,500.00	
0	Dakota Supply Group	601-49430-000-42110	625.64	Curb Box Lids
0	Dakota Supply Group	601-49430-000-42110	515.90	Curb Box Lids
0	Dakota Supply Group	601-49430-000-42110	-625.64	Curb Box Lid Credit
	Dakota Supply Group		515.90	
178119	Dalco	101-45200-450-42110	38.31	Cleaning Supplies
	Dalco		38.31	
178120	Diamond Mowers LLC	225-49810-430-42210	432.15	Belts/Idle Assembly/Capped Pin/Hex Cap/Lock Washer
	Diamond Mowers LLC		432.15	
178121	Diamond Vogel, Inc.	101-43121-430-42110	448.60	Glass Bead Dispenser/Pail Gasket
178121	Diamond Vogel, Inc.	101-43126-430-42110	81.50	Painter Tips
	Diamond Vogel, Inc.		530.10	
0	Donahues	101-45200-450-42110	5,862.83	Downtown Hanging Flower Baskets
0	Donahues	101-41940-410-42110	33.83	Flowers for City Hall

Check Numb	Last Name	Acct 1	Amount	Description
	Donahues		5,896.66	
0	E O Johnson Company Inc-Dallas	101-45500-450-44160	439.93	Copier IM C2500 Copier
0	E O Johnson Company Inc-Dallas	101-45110-450-44160	342.18	Copier Lease Payment
	E O Johnson Company Inc-Dallas		782.11	
178122	Emergency Apparatus Maintenance Inc	101-42220-420-42210	217.32	Lens for Scene Lights #2110
	Emergency Apparatus Maintenance Inc		217.32	
0	Empower Retirement-HCSP	101-00000-000-21720	106.58	PR Batch 00510.05.2023 Health Care Savings Plan
0	Empower Retirement-HCSP	101-00000-000-21720	1,546.96	PR Batch 00510.05.2023 Health Care Savings Plan 357
0	Empower Retirement-HCSP	101-00000-000-21720	1,628.39	PR Batch 00511.06.2023 Health Care Savings Plan 357
	Empower Retirement-HCSP		3,281.93	
0	Enterprise FM Trust	101-42121-420-44160	1,575.18	Squad #1
0	Enterprise FM Trust	101-42123-420-44160	1,062.92	K9 Squad #19
0	Enterprise FM Trust	101-42110-420-44160	902.64	Squad #22
0	Enterprise FM Trust	101-42700-420-44160	750.29	Squad #8
	Enterprise FM Trust		4,291.03	
178123	Erickson John	602-49450-000-44450	1,168.00	Sewer Backup Claim
	Erickson John		1,168.00	
0	Falkstone LLC	101-43121-430-42240	1,224.75	Seal Coat Rock
	Falkstone LLC		1,224.75	
178124	Fame Awards	101-45500-450-42010	20.00	Name Tag
	Fame Awards		20.00	
178125	Fareway Stores Inc #126	101-45110-450-42110	1.85	Thank You Card Long Time Employee Resigning
178125	Fareway Stores Inc #126	101-42110-420-42110	55.84	Paper Plates-Safe Summer Kickoff
178125	Fareway Stores Inc #126	101-41940-410-42110	72.51	Coffee/Paper Plates/Bowls/Plasticware/Paper Towels
178125	Fareway Stores Inc #126	101-42110-420-42110	114.00	Water for Parades/Etc

Check Numb	Last Name	Acct 1	Amount	Description
	Fareway Stores Inc #126		244.20	
178126	Faribault Ace Hardware	101-45140-450-42110	27.87	Plumbing Valves/Hose Clamp
178126	Faribault Ace Hardware	101-45200-450-42110	6.94	Fasteners
178126	Faribault Ace Hardware	602-49480-000-42110	53.95	Super Clean Degreaser/Nozzle
178126	Faribault Ace Hardware	101-45200-450-42110	14.30	Fasteners/Drill Bit
178126	Faribault Ace Hardware	101-45200-450-42160	161.99	Chlorine Tablets for Fountain
178126	Faribault Ace Hardware	101-45200-450-42110	0.30	Fasteners
178126	Faribault Ace Hardware	101-42110-420-42110	18.20	Febreze - Air Effects
178126	Faribault Ace Hardware	101-41940-410-42410	249.00	Trimmer for City Hall
178126	Faribault Ace Hardware	101-45125-450-42110	49.48	Weed Killer/Cleaning Supplies at Aquatic Center
178126	Faribault Ace Hardware	101-45125-450-42110	24.61	Fasteners at Aquatic Center
178126	Faribault Ace Hardware	101-41940-410-42110	83.18	Paper Towels and Fasteners
178126	Faribault Ace Hardware	602-49480-000-42110	108.66	Toilet Paper/Paper Towels
178126	Faribault Ace Hardware	101-42110-420-42110	31.49	Carbon Monoxide Alarm with Battery Backup
178126	Faribault Ace Hardware	101-41940-410-42230	31.49	Carbon Monoxide Detector
178126	Faribault Ace Hardware	101-45122-450-42230	31.49	Carbon Monoxide Detector
178126	Faribault Ace Hardware	101-45200-450-42410	17.09	Pliers
178126	Faribault Ace Hardware	101-45200-450-42110	9.89	Socket
178126	Faribault Ace Hardware	101-45122-450-42110	35.95	Cleaners and Weed Trimmer Line
178126	Faribault Ace Hardware	601-49430-000-42410	14.99	Tape Measure
178126	Faribault Ace Hardware	601-49430-000-42110	17.32	Plumbing Supplies
178126	Faribault Ace Hardware	101-45125-450-42110	39.19	Keys/Entry Knob
178126	Faribault Ace Hardware	601-49430-000-42110	2.95	Plumbing Supplies
178126	Faribault Ace Hardware	101-42220-420-42110	12.38	Bleach / Chain / Link
178126	Faribault Ace Hardware	602-49480-000-42110	6.88	Bolts
178126	Faribault Ace Hardware	602-49450-000-42110	63.85	Bug Spray and Plumbing Supplies
178126	Faribault Ace Hardware	101-45200-450-42110	13.45	Hose Clamp/Coupling
178126	Faribault Ace Hardware	101-45122-450-42110	36.27	Scour Pad/Trash Bags/Mop
178126	Faribault Ace Hardware	101-45125-450-42110	1.20	Fasteners
178126	Faribault Ace Hardware	101-45125-450-42110	15.81	Spray Bottle/Kitchen Timer
178126	Faribault Ace Hardware	101-42220-420-42210	25.19	Battery for Transfer Pump
178126	Faribault Ace Hardware	101-45200-450-42110	39.56	Restroom Signage
178126	Faribault Ace Hardware	101-42110-420-42110	3.41	Electrical Tape
178126	Faribault Ace Hardware	101-45122-450-42110	35.98	Power Strips
178126	Faribault Ace Hardware	602-49480-000-42110	71.93	Cleaning Supplies
178126	Faribault Ace Hardware	101-45122-450-42110	62.06	Insect Killer - Weed Killer - Electrical Tape
	Faribault Ace Hardware		1,418.30	
178127	Faribault Area Chamber of Commerce	101-41110-410-44384	7,713.76	Lodging Taxes - April

Check Numb	Last Name	Acct 1	Amount	Description
	Faribault Area Chamber of Commerce		7,713.76	
178128	Faribault Daily News	101-45500-450-42191	430.35	Yearly Subscription
	Faribault Daily News		430.35	
0	Faribault Fleet Supply Inc	601-49430-000-42110	75.21	Fertilizer Water Treatment Plant Lawn
0	Faribault Fleet Supply Inc	101-45200-450-42110	0.01	Paint Exchange
0	Faribault Fleet Supply Inc	602-49450-000-42110	19.66	Hardware/Wisk Broom/ RainX
0	Faribault Fleet Supply Inc	101-45200-450-42110	-0.01	Paint Exchange
0	Faribault Fleet Supply Inc	101-45200-450-42110	7.49	Paint
0	Faribault Fleet Supply Inc	101-43170-430-42410	35.99	Shovel
0	Faribault Fleet Supply Inc	225-49810-430-42210	9.98	Grease - Airport
0	Faribault Fleet Supply Inc	101-43121-430-42110	78.62	LP Gas/Oil 2 Cycle
0	Faribault Fleet Supply Inc	101-43121-430-42210	6.88	Hex Plug
0	Faribault Fleet Supply Inc	101-43190-430-42110	44.99	Shovel
0	Faribault Fleet Supply Inc	101-45200-450-42110	15.62	Nuts/Bolts
0	Faribault Fleet Supply Inc	101-42220-420-42410	589.47	Backpack Blower / Hardware
0	Faribault Fleet Supply Inc	101-45200-450-42110	99.98	Barrel Paint
0	Faribault Fleet Supply Inc	225-49810-430-42110	40.43	Nuts - Bolts - Washers - Propane Fill
0	Faribault Fleet Supply Inc	101-42220-420-42110	35.98	Tarp Strap
0	Faribault Fleet Supply Inc	101-45200-450-42110	3.58	Barbed Couplings
0	Faribault Fleet Supply Inc	101-43190-430-42110	10.99	Gong Brush
0	Faribault Fleet Supply Inc	601-49430-000-42110	15.57	Ziploc Bags for Lead and Copper Samples
	Faribault Fleet Supply Inc		1,090.44	
178129	Faribault Rental Equipment Inc	101-42110-420-44160	408.00	Tent/Cotton Candy Machine Rental-Safe Summer Kickoff
178129	Faribault Rental Equipment Inc	101-43121-430-42210	9.92	Fuel Tank Vent - Streets
178129	Faribault Rental Equipment Inc	101-41110-410-43130	67.50	Mayor's Reception Supplies
	Faribault Rental Equipment Inc		485.42	
0	Faribault Umpire Association	101-45130-450-43090	7,870.00	Adult Softball Umpire & Umpire in Chief Fee
	Faribault Umpire Association		7,870.00	
0	Fastenal Company	602-49480-000-42110	14.57	Glass Lens Wipes
0	Fastenal Company	602-49480-000-42170	75.12	Rain Suit
	Fastenal Company		89.69	

Check Numb	Last Name	Acct 1	Amount	Description
0	Fergus Power Pump Inc	602-49480-000-43090	162,512.94	Biosolids Hauling
	Fergus Power Pump Inc		162,512.94	
178130	Ferguson Enterprises Inc. #1657	101-45200-450-42110	34.57	Plumbing Fittings
178130	Ferguson Enterprises Inc. #1657	101-45200-450-42110	59.98	Sloan Valves
	Ferguson Enterprises Inc. #1657		94.55	
0	Fette Electronics Inc	101-45125-450-42420	449.99	Hard Drive/Power Supply
0	Fette Electronics Inc	101-45122-450-44010	310.00	Hook Up Wi-Fi at Community Center & Buckham West
0	Fette Electronics Inc	101-45125-450-43090	240.00	Alarm Service
0	Fette Electronics Inc	101-45126-450-44010	141.97	Repair Sound Jacks Washington Rec Center
	Fette Electronics Inc		1,141.96	
178131	Fire Safety USA Inc	101-42220-420-42170	400.00	Wildland Firefighting Boots
178131	Fire Safety USA Inc	101-42220-420-42410	350.00	Fire Hose 1.75" x 50'
	Fire Safety USA Inc		750.00	
178132	Francis Animal & Pest Control	101-42110-420-44010	135.00	Quarterly Pest Control
	Francis Animal & Pest Control		135.00	
0	Garlick Brothers LLC	101-42110-420-44160	40.00	Reverse Osmosis Rental
	Garlick Brothers LLC		40.00	
178133	Girards Business Solutions Inc	101-41940-410-44045	269.00	Service Rollers on Folder Inserter
	Girards Business Solutions Inc		269.00	
178076	GIS Benefits	101-00000-000-21711	643.60	Voluntary Short Term Disability - June
178076	GIS Benefits	101-00000-000-11510	30.73	T Manz Dental - June
178076	GIS Benefits	101-00000-000-11510	30.73	C Springer Dental - June
178076	GIS Benefits	101-00000-000-21716	1,059.24	Accident/Critical Illness - June
178076	GIS Benefits	101-00000-000-21717	515.54	Vision Insurance Prepaid - June
178076	GIS Benefits	101-00000-000-11510	76.72	J Remme Dental - June
178076	GIS Benefits	101-00000-000-11510	76.72	P Froman Dental - June
178076	GIS Benefits	101-00000-000-21710	1,704.26	Voluntary Life Insurance - June
178076	GIS Benefits	101-00000-000-11510	8.63	C Springer Vision - June
178076	GIS Benefits	101-00000-000-11510	8.63	T Manz Vision - June

Check Numb	Last Name	Acct 1	Amount	Description
178076	GIS Benefits	101-00000-000-21715	5,218.83	Dental Insurance Prepaid - June
	GIS Benefits		9,373.63	
178134	Glenn's Service LLC	101-42121-420-44040	25.00	Tire Repair
	Glenn's Service LLC		25.00	
0	Godfather's Pizza	101-45500-450-43130	52.09	Pizza for Library Program
0	Godfather's Pizza	101-45140-450-42115	79.35	Fun Center Training
0	Godfather's Pizza	101-45125-450-42990	330.00	Pizza for Resale at Aquatic Center
0	Godfather's Pizza	101-45140-450-42115	63.89	Meeting Ball Coaches
	Godfather's Pizza		525.33	
0	Gopher State One Call	602-49450-000-43090	148.95	One Call Locate Tickets for May 2023
0	Gopher State One Call	603-49500-000-43090	148.95	One Call Locate Tickets for May 2023
0	Gopher State One Call	601-49430-000-43090	148.95	One Call Locate Tickets for May 2023
	Gopher State One Call		446.85	
0	Governmentjobs.com Inc	101-41800-410-43095	12,994.12	2023 Neogov Subscription Fee/Insight/Onboard/Govt Jobs
	Governmentjobs.com Inc		12,994.12	
178135	Grainger Inc	101-45200-450-42110	685.92	Toilet Paper Dispensers
178135	Grainger Inc	101-45122-450-42110	52.23	Batteries
178135	Grainger Inc	101-41940-410-42110	35.64	Plastic Knives for City Hall
	Grainger Inc		773.79	
0	Gustafson Jay	101-45140-450-43090	270.00	Interpreter Services Youth Track
	Gustafson Jay		270.00	
178136	Hammel Green and Abrahamson Inc	437-45122-450-45201	11,361.73	New Community Center Concept Study
	Hammel Green and Abrahamson Inc		11,361.73	
0	Harry Brown's LLC	101-42123-420-44040	147.35	Car Washes
0	Harry Brown's LLC	215-42123-420-42210	74.95	Detailing of Forfeited Vehicle Prior to Selling

Check Numb	Last Name	Acct 1	Amount	Description
	Harry Brown's LLC		222.30	
0	Hawkins Inc	101-45125-450-42160	2,895.78	Pool Chemicals
0	Hawkins Inc	101-45125-450-42160	20.00	Pool Chemicals
0	Hawkins Inc	601-49430-000-42160	2,630.90	Ammonia and Sodium Silicate
0	Hawkins Inc	601-49430-000-42160	2,380.00	Chlorine
0	Hawkins Inc	601-49430-000-42160	-0.01	Chlorine Cylinder Return
0	Hawkins Inc	601-49430-000-42160	0.01	Chlorine Cylinder Return
0	Hawkins Inc	602-49480-000-42160	11,298.14	Ferric Phos Removal
0	Hawkins Inc	101-45122-450-42160	520.05	Pool Chemicals
0	Hawkins Inc	601-49430-000-42160	7,023.75	Fluoride Sodium Silicate Sodium Permanganate
0	Hawkins Inc	602-49480-000-42160	11,761.91	Ferric Phos. Removal
0	Hawkins Inc	601-49430-000-42160	2,380.00	Chlorine Water Treatment Plant
0	Hawkins Inc	601-49430-000-42160	4,367.13	Ammonia/Sodium Permanganate/Sodium Silicate for Water Treatment
0	Hawkins Inc	602-49480-000-42160	11,840.85	Ferric Phos. Removal
	Hawkins Inc		57,118.51	
178137	HCMP Inc	101-42123-420-43135	949.20	Dog Crate - Dog Pad
	HCMP Inc		949.20	
178138	HD Entertainment Inc	101-45130-450-43131	2,500.00	Concert in the Park 6/15/2023
	HD Entertainment Inc		2,500.00	
178139	Heselton Construction LLC	603-49500-000-44050	7,881.00	Storm Sewer Structure Repair
	Heselton Construction LLC		7,881.00	
0	Hiawathaland Transit	101-00000-000-20400	176.75	Bus Token Sales - May
	Hiawathaland Transit		176.75	
178140	Hildebrandt Gerald	601-00000-000-20200	2.75	Refund Check 010133-000, 614 Hulett Ave
	Hildebrandt Gerald		2.75	
178141	Hillyard Hutchinson	602-49450-000-42110	13.12	Paper Towels and Toilet Tissue
178141	Hillyard Hutchinson	602-49450-000-42110	13.12	Paper Towels and Toilet Tissue
178141	Hillyard Hutchinson	603-49500-000-42110	1.86	Paper Towels and Toilet Tissue
178141	Hillyard Hutchinson	101-45200-450-42110	76.17	Soap

Check Numb	Last Name	Acct 1	Amount	Description
178141	Hillyard Hutchinson	101-43121-430-42110	126.04	Paper Towels and Toilet Tissue
178141	Hillyard Hutchinson	101-45125-450-42110	181.89	Tissue/Paper Towels
178141	Hillyard Hutchinson	101-45122-450-42110	1,263.30	Paper Towels and Toilet Tissue
	Hillyard Hutchinson		1,675.50	
178142	Hy-Vee - Accounts Receivable	101-43121-430-42110	35.92	Water for Street Department
178142	Hy-Vee - Accounts Receivable	601-49430-000-42115	53.95	Plates - Napkins - Cookies/Meat and Cheese Tray for Water Plant
178142	Hy-Vee - Accounts Receivable	603-49500-000-42110	0.46	Plates and Paper Towels
178142	Hy-Vee - Accounts Receivable	602-49450-000-42110	3.25	Plates and Paper Towels
178142	Hy-Vee - Accounts Receivable	601-49430-000-42110	3.25	Plates and Paper Towels
178142	Hy-Vee - Accounts Receivable	101-43121-430-42110	31.20	Plates and Paper Towels
178142	Hy-Vee - Accounts Receivable	601-49430-000-42115	47.98	Meat & Cheese Tray-Water Plant Open House
178142	Hy-Vee - Accounts Receivable	101-43121-430-42110	39.68	Water
	Hy-Vee - Accounts Receivable		215.69	
178085	IAFF Local 665	101-00000-000-21708	720.00	PR Batch 00511.06.2023 IAFF Local 665
	IAFF Local 665		720.00	
0	Imperial Supplies Holdings Inc	101-43126-430-42410	461.69	Locking Pliers/Cordless Lights/Caster Wheels
0	Imperial Supplies Holdings Inc	101-43126-430-42110	243.63	Under Table Drawers - Shop
	Imperial Supplies Holdings Inc		705.32	
0	Innovative Office Solutions LLC	101-41510-410-42010	15.76	Legal Pads - Post It Notes - Pens - Highlighters - Page Flags
0	Innovative Office Solutions LLC	101-42110-420-42110	47.11	Forks for Lunch Room
0	Innovative Office Solutions LLC	101-45110-450-42010	47.18	Time Cards
0	Innovative Office Solutions LLC	101-45110-450-42010	4.00	Wall Hooks
0	Innovative Office Solutions LLC	101-41320-410-42010	8.57	Legal Pads - Post It Notes - Pens - Highlighters
0	Innovative Office Solutions LLC	101-41800-410-42010	8.57	Legal Pads - Post It Notes - Pens - Highlighters
0	Innovative Office Solutions LLC	240-46210-460-42010	104.26	Tissue/Folders/Flags/Notepads
0	Innovative Office Solutions LLC	101-43121-430-42010	83.67	Sharpies - Batteries - Card Stock and Post Its
0	Innovative Office Solutions LLC	601-49430-000-42010	8.71	Sharpies - Batteries - Card Stock and Post Its
0	Innovative Office Solutions LLC	602-49450-000-42010	8.71	Sharpies - Batteries - Card Stock and Post Its
0	Innovative Office Solutions LLC	603-49500-000-42010	1.23	Sharpies - Batteries - Card Stock and Post Its
0	Innovative Office Solutions LLC	101-45110-450-42020	53.98	Ink Cartridges
0	Innovative Office Solutions LLC	101-45500-450-42010	52.36	Command Strips Hooks & Velcro/White Out Tape Pen
0	Innovative Office Solutions LLC	101-45110-450-42010	63.79	Expo Markers/Scissors/Note Pads/Stapler
0	Innovative Office Solutions LLC	101-41320-410-42420	67.18	Computer Cameras

Check Numb	Last Name	Acct 1	Amount	Description
	Innovative Office Solutions LLC		575.08	
0	Internal Revenue Service	101-00000-000-21704	6,359.57	PR Batch 00510.05.2023 Medicare Employee
0	Internal Revenue Service	101-00000-000-21704	6,359.57	PR Batch 00510.05.2023 Medicare Employer
0	Internal Revenue Service	101-00000-000-21703	17,107.47	PR Batch 00510.05.2023 FICA Employee
0	Internal Revenue Service	101-00000-000-21701	39,807.43	PR Batch 00510.05.2023 Federal Income Tax
0	Internal Revenue Service	101-00000-000-21703	17,107.47	PR Batch 00510.05.2023 FICA Employer
0	Internal Revenue Service	101-00000-000-21701	38,278.48	PR Batch 00511.06.2023 Federal Income Tax
0	Internal Revenue Service	101-00000-000-21703	17,307.47	PR Batch 00511.06.2023 FICA Employer
0	Internal Revenue Service	101-00000-000-21704	6,212.24	PR Batch 00511.06.2023 Medicare Employee
0	Internal Revenue Service	101-00000-000-21704	6,212.24	PR Batch 00511.06.2023 Medicare Employer
0	Internal Revenue Service	101-00000-000-21703	17,307.47	PR Batch 00511.06.2023 FICA Employee
	Internal Revenue Service		172,059.41	
178086	IUOE Local 70	101-00000-000-21708	2,027.00	PR Batch 00511.06.2023 Local 70 Union Dues
	IUOE Local 70		2,027.00	
178143	John Henry Foster MN Inc	602-49480-000-44045	-0.01	Air Compressor Maintenance
178143	John Henry Foster MN Inc	602-49480-000-44045	0.01	Air Compressor Maintenance
178143	John Henry Foster MN Inc	602-49480-000-44045	925.59	Air Compressor Maintenance
	John Henry Foster MN Inc		925.59	
178144	Johnson Tricia	101-42110-420-43090	105.00	Interpreting Services-Safe Summer Kickoff
	Johnson Tricia		105.00	
178145	Kasper Deborah K	101-42110-420-43090	110.00	Interpreting Services-Safe Summer Kickoff
	Kasper Deborah K		110.00	
0	Kennedy & Graven, Chartered	101-41610-410-43040	79.50	FA105-00476 Forest to Fork
0	Kennedy & Graven, Chartered	601-49430-000-43040	43.30	FA105-00430 Well House #5 Claim
0	Kennedy & Graven, Chartered	101-41610-410-43040	368.00	FA105-00005 General Matters
0	Kennedy & Graven, Chartered	101-41610-410-43040	212.00	FA105-00260 Senior Center
0	Kennedy & Graven, Chartered	101-00000-000-22000	731.24	FA105-00475 LaRoche Annexation Matter
0	Kennedy & Graven, Chartered	101-41610-410-43040	128.80	FA105-00012 General Licensing Matters
0	Kennedy & Graven, Chartered	101-00000-000-22000	1,166.00	FA105-00481 2023 Faribault Sage Tax Abatement
0	Kennedy & Graven, Chartered	603-49500-000-45300	229.30	Purchase of Manz Property (PID No.: 18.31.4.75.002)
0	Kennedy & Graven, Chartered	101-41610-410-43040	106.00	FA105-00471 Midwest Recovery

Check Numb	Last Name	Acct 1	Amount	Description
0	Kennedy & Graven, Chartered	101-00000-000-22000	978.00	FA105-00457A Planning Matters for Aleph Development
0	Kennedy & Graven, Chartered	271-46500-462-43070	79.50	FA105-00378 Straight River Apartment Project
0	Kennedy & Graven, Chartered	101-00000-000-22000	251.30	FA105-00472 Cedar Lake Electric/Valentyn Development
0	Kennedy & Graven, Chartered	101-41610-410-43040	18.40	FA105-00474 2023 Planning Commission Meetings
0	Kennedy & Graven, Chartered	101-41610-410-43040	1,085.60	FA105-00473 2023 City Council Meetings
0	Kennedy & Graven, Chartered	290-46500-462-43040	79.50	EDA Legal Fees -- General Matters
0	Kennedy & Graven, Chartered	101-41610-410-43040	1,564.00	FA105-00028 General Planning Matters
0	Kennedy & Graven, Chartered	290-46500-462-43040	26.50	FA105-00469 Downtown Investment Group Matter
0	Kennedy & Graven, Chartered	225-49810-430-43040	128.80	FA105-00004 Faribault Municipal Airport
0	Kennedy & Graven, Chartered	101-00000-000-22000	185.50	FA105-00445 TIF Matters for Farmer Seed & Nursery
0	Kennedy & Graven, Chartered	101-41610-410-43040	736.00	FA105-00011 Public Works Department
0	Kennedy & Graven, Chartered	101-00000-000-22000	26.50	FA105-00453 C&S Vending Matter
0	Kennedy & Graven, Chartered	476-43121-430-45307	43.30	FA105-00477 Balchem Ponding/Drainage&Utility Easement
0	Kennedy & Graven, Chartered	476-43121-430-45300	2,171.15	FA105-00478 Purchase of 422 Park Avenue NW
	Kennedy & Graven, Chartered		10,438.19	
0	Kimley-Horn and Associates Inc	601-49430-000-45300	11,320.39	2023-09 Through 4-30-23
0	Kimley-Horn and Associates Inc	404-45200-450-45200	24,419.71	Viaduct Park Planning
	Kimley-Horn and Associates Inc		35,740.10	
0	Kline Distributing LLC	101-45125-450-42990	2,474.94	Cotton Candy/Candy/Chips/Etc for Resale at Aquatic Center
0	Kline Distributing LLC	101-45125-450-42990	93.16	Hot Dog Buns for Resale at Aquatic Center
0	Kline Distributing LLC	101-45125-450-42990	1,088.63	Chips/Ice Cream/Pretzels/Etc for Resale at Aquatic Center
	Kline Distributing LLC		3,656.73	
178146	Knecht's Nurseries & Landscaping	101-45200-450-42250	1,006.00	Arbor Day Trees
	Knecht's Nurseries & Landscaping		1,006.00	
178147	Kodru Mooney	602-49450-000-42110	2,815.00	Sanitary Relief Valve
	Kodru Mooney		2,815.00	
178148	Lamperts	101-45200-450-42110	48.99	Screws
	Lamperts		48.99	
0	Lano Equipment Inc	101-45200-450-42410	3,124.15	Virnig V-Blade

Check Numb	Last Name	Acct 1	Amount	Description
	Lano Equipment Inc		3,124.15	
178087	Law Enforcement Labor Services Inc	101-00000-000-21708	1,552.50	PR Batch 00511.06.2023 LELS 357 Union Dues
	Law Enforcement Labor Services Inc		1,552.50	
178149	League of Minnesota Cities Ins Trust	101-45130-450-41510	833.93	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-41800-410-41510	312.32	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-43121-430-41510	13,917.26	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	902-00000-000-23935	171,923.00	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-41910-410-41510	639.19	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42400-420-41510	674.82	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-45126-450-41510	254.81	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42121-420-41510	17,508.77	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-41510-410-41510	459.23	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-43110-430-41510	110.80	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-45140-450-41510	1,227.72	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-41320-410-41510	345.04	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42210-420-41510	3,155.96	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42220-420-41510	26,948.72	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-43126-430-41510	1,764.01	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	902-00000-000-23935	-171,923.00	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-41580-410-41510	207.83	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42123-420-41510	49,613.04	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-45500-450-41510	1,154.20	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-43190-430-41510	875.04	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	602-49450-000-41510	7,575.69	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-45200-450-41510	9,255.03	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-45110-450-41510	715.93	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-45122-450-41510	2,926.47	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-45125-450-41510	3,310.96	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42700-420-41510	2,862.65	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42124-420-41510	379.63	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	240-46210-460-41510	1,634.70	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	602-49480-000-41510	5,660.91	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-41940-410-41510	888.96	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-42110-420-41510	12,987.62	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	603-49500-000-41510	1,201.04	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	101-41110-410-41510	19.96	Work Comp Premium - 3rd Qtr
178149	League of Minnesota Cities Ins Trust	601-49430-000-41510	2,500.76	Work Comp Premium - 3rd Qtr

Check Numb	Last Name	Acct 1	Amount	Description
	League of Minnesota Cities Ins Trust		171,923.00	
178150	Lehmann Rodney	601-00000-000-20200	58.73	Refund Check 013374-000, 1122 Maple Ln
	Lehmann Rodney		58.73	
0	Lerner Publishing Group	101-45500-450-42190	680.66	Books
	Lerner Publishing Group		680.66	
178151	Linderkamp Charles	101-45130-450-43131	800.00	Concert in the Park 6/22/2023
	Linderkamp Charles		800.00	
0	Locators and Supplies Inc	603-49500-000-42110	381.40	Locate Marking Paint
0	Locators and Supplies Inc	602-49450-000-42110	450.00	Locate Marking Paint
0	Locators and Supplies Inc	601-49430-000-42110	450.00	Locate Marking Paint
0	Locators and Supplies Inc	101-43121-430-42110	317.75	Marking Paint
	Locators and Supplies Inc		1,599.15	
178152	Loffler Companies Inc	101-42400-420-44160	31.16	Copier Charges 5/1/23-5/31/23
178152	Loffler Companies Inc	601-49430-000-44160	4.75	Copies May 2023 PWP
178152	Loffler Companies Inc	101-42220-420-44160	17.54	Copy Machine Charges 05/01/2023 to 05/31/2023
178152	Loffler Companies Inc	603-49500-000-44160	0.67	Copies May 2023 PWP
178152	Loffler Companies Inc	602-49450-000-44160	4.75	Copies May 2023 PWP
178152	Loffler Companies Inc	240-46210-460-44160	201.49	3rd Floor Copier
178152	Loffler Companies Inc	101-41940-410-44160	147.59	Copier Lease
178152	Loffler Companies Inc	101-42124-420-44160	112.56	Black and White and Color Copies
178152	Loffler Companies Inc	101-43110-430-44160	45.61	Copies May 2023 PWP
	Loffler Companies Inc		566.12	
178153	Maas Kathleen Sydney	601-00000-000-20200	91.37	Refund Check 013579-002, 603 Shumway Ave
	Maas Kathleen Sydney		91.37	
0	MacQueen Equipment LLC	431-42220-420-42410	15,163.97	Paratech Air Bags
0	MacQueen Equipment LLC	603-49500-000-42210	-3,995.46	Camera Control Board Credit
0	MacQueen Equipment LLC	101-43121-430-42210	-1,513.29	Hopper Joystick/Pivot Pin/Gutter Broom/Etc - Street #115
0	MacQueen Equipment LLC	101-42220-420-42170	22,097.76	Turnout Gear - 6

Check Numb	Last Name	Acct 1	Amount	Description
	MacQueen Equipment LLC		31,752.98	
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	1,610.94	PR Batch 00510.05.2023 Long Term Disability
178077	Madison National Life Insurance Co Inc	101-42220-420-41330	71.52	Part-Time Firefighters Life Insurance
178077	Madison National Life Insurance Co Inc	101-00000-000-21710	3,172.39	Life Insurance - June
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	13.19	S Aman LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	0.27	L Anderson-Spieker LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	0.36	B Mueller LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	24.30	I Luker LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	19.04	B Glynn LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	1.31	B Phenow LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	10.99	D Pewowaruk LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	-28.60	S Smallen LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	0.06	M Hughey LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	0.50	D Hansen LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	1.76	K O'Brien LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	11.92	R Rand LTD
178078	Madison National Life Insurance Co Inc	101-00000-000-21711	-8.42	S Dieken LTD
	Madison National Life Insurance Co Inc		4,901.53	
178154	Maldonado Elsa N	601-00000-000-20200	99.10	Refund Check 018295-001, 715 6 St NW
	Maldonado Elsa N		99.10	
0	Marco Technologies LLC	240-46210-460-44045	30.02	Community & Economic Development Print Fee
0	Marco Technologies LLC	101-42110-420-44045	14.83	Police Administration Print Fee
0	Marco Technologies LLC	101-45200-450-44045	15.01	Parks Print Fee
0	Marco Technologies LLC	101-42123-420-44045	69.63	Police Patrol Print Fee
0	Marco Technologies LLC	101-42124-420-44045	38.46	Police Records and Evd. Print Fee
0	Marco Technologies LLC	101-45126-450-44045	15.01	Washinton Rec Print Fee
0	Marco Technologies LLC	101-43126-430-44045	15.01	Public Works Maintenance Shop Print Fee
0	Marco Technologies LLC	101-41510-410-44045	87.12	Finance Print Fee
0	Marco Technologies LLC	101-45110-450-44045	15.01	Community Center Back Desk Print Fee
0	Marco Technologies LLC	101-41320-410-44045	30.02	Administration Print Fee
0	Marco Technologies LLC	902-00000-000-23935	418.31	Printer Subscription
0	Marco Technologies LLC	101-43110-430-44045	15.01	Public Works Department Print Fee
0	Marco Technologies LLC	101-45500-450-44045	47.02	Library Print Fee
0	Marco Technologies LLC	101-41800-410-44045	26.16	HR Print Fee
0	Marco Technologies LLC	902-00000-000-23935	-418.31	Marco Main 1

Check Numb	Last Name	Acct 1	Amount	Description
	Marco Technologies LLC		418.31	
178155	Marie Ridgeway LICSW LLC	101-42123-420-43140	800.00	Peer Support Training / L Ulrich - Tyler Wilson - Officer Wellne
178155	Marie Ridgeway LICSW LLC	101-42121-420-43140	400.00	Peer Support Training / T Larson Officer Wellness Funds
178155	Marie Ridgeway LICSW LLC	101-00000-000-10108	-1,200.00	Peer Support Training-Wilson/Larson
178155	Marie Ridgeway LICSW LLC	101-00000-000-10100	1,200.00	Peer Support Training-Wilson/Larson
	Marie Ridgeway LICSW LLC		1,200.00	
178156	Martin Marietta Materials Inc	601-49430-000-42240	1,681.10	Asphalt for Watermain Break 11th @ Tatepaha
	Martin Marietta Materials Inc		1,681.10	
0	Matejcek Implement Company	225-49810-430-42210	1.09	Fitting
	Matejcek Implement Company		1.09	
178157	Mathews & Catherine A Jacob L	601-00000-000-20200	4.66	Refund Check 015820-000, 427 Tischler Ave
	Mathews & Catherine A Jacob L		4.66	
178158	Meisner Roofing & Building Maintenance Inc	101-00000-430-32262	25.00	Refund Grading Permit Fee
	Meisner Roofing & Building Maintenance Inc		25.00	
178159	Menards	101-45200-450-42110	251.98	Chain Link Fence (Maple Lawn)
	Menards		251.98	
0	Metronet Holdings LLC	602-49480-000-43250	378.72	Hosted Phone System
0	Metronet Holdings LLC	101-45126-450-43250	248.58	Hosted Phone System
0	Metronet Holdings LLC	101-45125-450-43250	551.36	Hosted Phone System
0	Metronet Holdings LLC	101-42210-420-43250	285.07	Hosted Phone System
0	Metronet Holdings LLC	101-42110-420-43250	870.78	Hosted Phone System
0	Metronet Holdings LLC	101-43110-430-43250	292.00	Hosted Phone System
0	Metronet Holdings LLC	601-49430-000-43250	406.38	Hosted Phone System
0	Metronet Holdings LLC	101-43126-430-43250	113.92	Hosted Phone System
0	Metronet Holdings LLC	101-42121-420-43250	159.10	Hosted Phone System
0	Metronet Holdings LLC	225-49810-430-43250	203.75	Hosted Phone System
0	Metronet Holdings LLC	101-41940-410-43250	617.14	Hosted Phone System
0	Metronet Holdings LLC	101-45500-450-43250	595.28	Hosted Phone System
0	Metronet Holdings LLC	240-46210-460-43250	225.28	Hosted Phone System

Check Numb	Last Name	Acct 1	Amount	Description
0	Metronet Holdings LLC	602-49450-000-43250	48.79	Hosted Phone System
0	Metronet Holdings LLC	101-45110-450-43250	446.16	Hosted Phone System
0	Metronet Holdings LLC	101-41800-410-43250	68.52	Hosted Phone System
0	Metronet Holdings LLC	101-42124-420-43250	139.36	Hosted Phone System
0	Metronet Holdings LLC	101-42400-420-43250	59.20	Hosted Phone System
0	Metronet Holdings LLC	101-41110-410-43250	29.04	Hosted Phone System
0	Metronet Holdings LLC	101-42700-420-43250	84.77	Hosted Phone System
0	Metronet Holdings LLC	101-41320-410-43250	39.47	Hosted Phone System
0	Metronet Holdings LLC	101-41580-410-43250	829.01	Hosted Phone System
0	Metronet Holdings LLC	101-43190-430-43250	211.54	Hosted Phone System
0	Metronet Holdings LLC	603-49500-000-43250	19.73	Hosted Phone System
0	Metronet Holdings LLC	101-43121-430-43250	155.67	Hosted Phone System
0	Metronet Holdings LLC	101-45200-450-43250	59.20	Hosted Phone System
0	Metronet Holdings LLC	902-00000-000-23935	8,279.86	Hosted Phone System
0	Metronet Holdings LLC	101-41510-410-43250	127.72	Hosted Phone System
0	Metronet Holdings LLC	101-41910-410-43250	39.47	Hosted Phone System
0	Metronet Holdings LLC	240-46210-460-43250	339.52	Hosted Phone System-Robinwood
0	Metronet Holdings LLC	902-00000-000-23935	-8,279.86	Hosted Phone System
0	Metronet Holdings LLC	101-42123-420-43250	635.33	Hosted Phone System
	Metronet Holdings LLC		8,279.86	
178160	Midlands Lawn Care Service LLC	601-49430-000-44010	420.00	Lawn Spraying WTP
	Midlands Lawn Care Service LLC		420.00	
0	Midwest Tape LLC	101-45500-450-42192	14.99	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	43.48	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	83.46	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	39.99	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	34.99	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	91.05	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	52.99	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	23.98	Audio/Visual
0	Midwest Tape LLC	101-45500-450-43096	456.96	Hoopla
	Midwest Tape LLC		841.89	
0	Minnesota Child Support Payment Center	101-00000-000-21716	711.11	PR Batch 00510.05.2023 Child Support
0	Minnesota Child Support Payment Center	101-00000-000-21716	711.11	PR Batch 00511.06.2023 Child Support
	Minnesota Child Support Payment Center		1,422.22	

Check Numb	Last Name	Acct 1	Amount	Description
178161	Minnesota City/County Mgmt Assoc	101-41320-410-44330	218.40	Membership - T Murray
	Minnesota City/County Mgmt Assoc		218.40	
178162	Minnesota Department of Health	601-00000-000-20800	17,933.00	Water Connection Service Fee
	Minnesota Department of Health		17,933.00	
0	Minnesota Department of Revenue	101-00000-000-21702	17,790.58	PR Batch 00510.05.2023 State Income Tax
0	Minnesota Department of Revenue	101-00000-000-21702	17,353.92	PR Batch 00511.06.2023 State Income Tax
	Minnesota Department of Revenue		35,144.50	
178163	Minnesota Fire Service Certification Board	101-42220-420-43140	125.00	Exam Fees-Part Time Voegele & Wunderlich
	Minnesota Fire Service Certification Board		125.00	
0	Minnesota Paving & Materials	101-43121-430-42240	188.96	Rock
	Minnesota Paving & Materials		188.96	
178088	Minnesota Public Employees Association	101-00000-000-21708	76.00	PR Batch 00511.06.2023 Police Support Services
	Minnesota Public Employees Association		76.00	
178089	Minnesota Teamsters Local 320	101-00000-000-21708	718.20	PR Batch 00511.06.2023 Teamsters 320 Union Dues
	Minnesota Teamsters Local 320		718.20	
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	223.30	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	495.22	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	223.30	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	223.30	SIU Lab Testing
	Minnesota Valley Testing Labs Inc		1,165.12	
178079	Mission Square 303492	101-00000-000-21706	50.00	PR Batch 00510.05.2023 Mission Square
178090	Mission Square 303492	101-00000-000-21706	50.00	PR Batch 00511.06.2023 Mission Square
	Mission Square 303492		100.00	
0	Mississippi Welders Supply Inc	101-43126-430-42110	204.00	Plasma Cutter Cup/Drag Tip - Shop

Check Numb	Last Name	Acct 1	Amount	Description
	Mississippi Welders Supply Inc		204.00	
178164	MN BCA Criminal Justice Training & Education Unit	101-42220-420-43140	375.00	DMT-G Certification / B McCarthy
	MN BCA Criminal Justice Training & Education Unit		375.00	
0	Motor Parts & Equipment Corp	101-43121-430-42210	38.60	Crankcase Filter - Street #317
0	Motor Parts & Equipment Corp	101-43126-430-42110	12.98	Electric Tape
0	Motor Parts & Equipment Corp	101-45126-450-42230	223.64	Battery for Washington Rec Floor Scrubber
0	Motor Parts & Equipment Corp	602-49480-000-42210	282.51	Drive Belts for Air Scrubber
0	Motor Parts & Equipment Corp	101-45200-450-42210	14.16	Fuel Filters
0	Motor Parts & Equipment Corp	101-42123-420-42210	7.08	Fuel Filters
0	Motor Parts & Equipment Corp	101-45122-450-42110	174.21	HVAC Roof Top Unit Belts
0	Motor Parts & Equipment Corp	601-49430-000-42210	10.63	Fuel Filters
0	Motor Parts & Equipment Corp	101-43121-430-42210	28.34	Fuel Filters
0	Motor Parts & Equipment Corp	602-49450-000-42210	10.63	Fuel Filters
0	Motor Parts & Equipment Corp	225-49810-430-42210	54.52	Oil and Air Filter
0	Motor Parts & Equipment Corp	101-45200-450-42210	3.40	Blister Pack Capsules for Stock
0	Motor Parts & Equipment Corp	101-45122-450-42110	26.72	HVAC Roof Top Unit Belts
0	Motor Parts & Equipment Corp	602-49450-000-42210	2.55	Blister Pack Capsules for Stock
0	Motor Parts & Equipment Corp	101-43121-430-42210	6.78	Blister Pack Capsules for Stock
0	Motor Parts & Equipment Corp	601-49430-000-42210	2.55	Blister Pack Capsules for Stock
0	Motor Parts & Equipment Corp	101-42123-420-42210	1.70	Blister Pack Capsules for Stock
0	Motor Parts & Equipment Corp	602-49480-000-42210	45.93	Fuel Filter
0	Motor Parts & Equipment Corp	225-49810-430-42210	2.42	Fuse for Ford Tractor
0	Motor Parts & Equipment Corp	101-42110-420-42210	86.28	Belts
0	Motor Parts & Equipment Corp	602-49480-000-42210	23.99	Reducer Sleeve Pickup Hitch
	Motor Parts & Equipment Corp		1,059.62	
178165	MSAB Inc	101-42121-420-43140	1,000.00	XRY Certification / K Willers
	MSAB Inc		1,000.00	
0	MTI Distributing Inc	101-45200-450-42110	154.75	Irrigation Solenoid
0	MTI Distributing Inc	101-45200-450-42210	395.26	Mower Blades
0	MTI Distributing Inc	101-45200-450-42210	31.54	V-Belt
0	MTI Distributing Inc	101-45200-450-42210	716.66	Fan Clutch
	MTI Distributing Inc		1,298.21	
178166	National Rec & Park Association	101-45110-450-44330	180.00	Annual Membership

Check Numb	Last Name	Acct 1	Amount	Description
	National Rec & Park Association		180.00	
178080	NCPERS Group Life Insur	101-00000-000-21710	208.00	PR Batch 00510.05.2023 PERA Life Insurance
178080	NCPERS Group Life Insur	101-00000-000-21710	16.00	I Luker - Life Insurance NCPERS
	NCPERS Group Life Insur		224.00	
178167	Neitzel Terry J	601-00000-000-20200	41.35	Reissue Ck#175184-Refund 023563-000 215 6 Ave NE
	Neitzel Terry J		41.35	
0	North Shore Analytical Inc	602-49480-000-43090	285.00	Mercury Lab Testing
	North Shore Analytical Inc		285.00	
0	Northern Safety Technology Inc	101-43121-430-42210	121.48	Lights LED
	Northern Safety Technology Inc		121.48	
178168	Northstar Title Group	601-00000-000-20200	5.20	Refund Check 025715-000, 1481 South Trail Cir
	Northstar Title Group		5.20	
178169	Olympic Fire Protection Corporation	101-42210-420-43090	195.00	Annual Inspection/Fire Protection
	Olympic Fire Protection Corporation		195.00	
0	On Target A & M Inc	602-49480-000-43090	608.25	Utility Bills - May
0	On Target A & M Inc	601-49430-000-43090	608.25	Utility Bills - May
0	On Target A & M Inc	603-49500-000-43090	608.25	Utility Bills - May
	On Target A & M Inc		1,824.75	
0	Orchard Trust Company	101-00000-000-21706	2,632.00	PR Batch 00510.05.2023 Roth Deferred Compensation
0	Orchard Trust Company	101-00000-000-21706	10,990.00	PR Batch 00510.05.2023 MN Deferred Comp
0	Orchard Trust Company	101-00000-000-21706	2,632.00	PR Batch 00511.06.2023 Roth Deferred Compensation
0	Orchard Trust Company	101-00000-000-21706	11,140.00	PR Batch 00511.06.2023 MN Deferred Comp
	Orchard Trust Company		27,394.00	
0	Paape Companies Inc	101-45122-450-44010	55.00	Reset Thermostat

Check Numb	Last Name	Acct 1	Amount	Description
	Paape Companies Inc		55.00	
0	Pepsi Cola of Mankato Inc	101-45125-450-42990	-209.05	Pepsi Returned Product
0	Pepsi Cola of Mankato Inc	101-00000-450-34721	209.05	Credit Balance Refunded-Receipt #857255 on 2/8/2022
0	Pepsi Cola of Mankato Inc	101-45125-450-42990	2,795.00	Soda for Resale at Aquatic Center
0	Pepsi Cola of Mankato Inc	101-45125-450-42990	244.00	Soda for Resale at Aquatic Center
	Pepsi Cola of Mankato Inc		3,039.00	
178170	Petty Cash	101-42110-420-43220	13.10	Postage
	Petty Cash		13.10	
0	Plunkett's Pest Control	101-45122-450-44010	42.12	Pest Control
	Plunkett's Pest Control		42.12	
0	Public Employees Retirement Association	101-00000-000-21705	19,593.53	PR Batch 00510.05.2023 PERA Police & Fire
0	Public Employees Retirement Association	101-00000-000-21705	17,412.88	PR Batch 00510.05.2023 PERA Coordinated
0	Public Employees Retirement Association	101-00000-000-21705	294.17	PR Batch 00510.05.2023 PERA Defined
0	Public Employees Retirement Association	101-00000-000-21705	29,390.31	PR Batch 00510.05.2023 PERA Police & Fire
0	Public Employees Retirement Association	101-00000-000-21705	20,091.82	PR Batch 00510.05.2023 PERA Coordinated
0	Public Employees Retirement Association	101-00000-000-21705	294.17	PR Batch 00510.05.2023 PERA Defined
0	Public Employees Retirement Association	101-00000-000-21705	18,730.22	PR Batch 00511.06.2023 PERA Police & Fire
0	Public Employees Retirement Association	101-00000-000-21705	17,287.39	PR Batch 00511.06.2023 PERA Coordinated
0	Public Employees Retirement Association	101-00000-000-21705	19,947.01	PR Batch 00511.06.2023 PERA Coordinated
0	Public Employees Retirement Association	101-00000-000-21705	28,095.33	PR Batch 00511.06.2023 PERA Police & Fire
	Public Employees Retirement Association		171,136.83	
0	Purfeerst Farms LLP	602-49480-000-43090	4,124.76	Sludge Haul Spring
	Purfeerst Farms LLP		4,124.76	
0	R C Bliss Inc	101-42220-420-42210	237.20	Rear Brake Parts #2120
0	R C Bliss Inc	101-45110-450-42210	234.54	Engineering #3 Tube Assembly Etc
0	R C Bliss Inc	101-45110-450-42210	-15.46	Engineering #3 Tube Assembly Credit
	R C Bliss Inc		456.28	
178171	R.A.W. Construction LLC	476-43121-430-45303	23,298.00	2022-03 Pay Request 6

Check Numb	Last Name	Acct 1	Amount	Description
	R.A.W. Construction LLC		23,298.00	
178172	Ramy Turf Products LLC	101-45200-450-42110	580.00	Grass Seed
	Ramy Turf Products LLC		580.00	
0	Rent 'N' Save Portable Services	101-45200-450-44160	363.40	Portable Restroom Rentals
0	Rent 'N' Save Portable Services	101-45200-450-44160	782.00	Portable Restroom Rentals
	Rent 'N' Save Portable Services		1,145.40	
178173	Rice County Historical Society	101-45500-450-42191	50.00	Newsletter Subscription
	Rice County Historical Society		50.00	
0	Rice County Recorder	101-41910-410-43520	46.00	Limited Use Agreement with 3 Ten Event Center
0	Rice County Recorder	101-41910-410-43520	380.00	Cedar Lake Electric Add'n Record Agmt/Consent/Ordinance
0	Rice County Recorder	101-41910-410-43520	46.00	Easement Agreement for Lyndale Trail
	Rice County Recorder		472.00	
178174	Rivercity Refrigeration, Inc	101-42110-420-44010	218.00	Maintenance at Evidence Building
	Rivercity Refrigeration, Inc		218.00	
178175	Rochester Sand & Gravel Inc	601-49430-000-42240	1,946.80	Asphalt Mix Prairie Ave
	Rochester Sand & Gravel Inc		1,946.80	
0	Ronco Engineering Sales	101-43126-430-42110	513.32	Hydraulic Hose/Fittings Stock - Shop
	Ronco Engineering Sales		513.32	
178176	Rosenbauer Minnesota LLC	101-42220-420-42210	129.77	Temp Control Switch #2155
178176	Rosenbauer Minnesota LLC	101-42220-420-42210	76.43	Seal for Miterbox #2110
	Rosenbauer Minnesota LLC		206.20	
178177	Safety Signs Inc	603-49500-000-43090	2,529.25	Division St Storm Repair Detour
	Safety Signs Inc		2,529.25	

Check Numb	Last Name	Acct 1	Amount	Description
178178	Safety-Kleen Systems Inc	101-43126-430-42110	103.15	Parts Washer Service - Shop
	Safety-Kleen Systems Inc		103.15	
0	Sanity Solutions Inc	101-41580-410-42420	1,620.00	Cluster Memory
	Sanity Solutions Inc		1,620.00	
0	Schilling Supply Company	101-45200-450-42110	899.07	Bath Tissue/Paper Towels
	Schilling Supply Company		899.07	
0	Schirmer Walter D	101-45122-450-44010	1,536.00	Custodial Services
0	Schirmer Walter D	101-45500-450-44010	340.00	Janitorial Services for Saturdays
0	Schirmer Walter D	101-45122-450-44010	2,640.00	Custodial Services
0	Schirmer Walter D	101-45122-450-44010	660.00	June Janitorial Service
	Schirmer Walter D		5,176.00	
0	Schumacher Excavating Inc	476-43121-430-45313	150,548.40	2022-13 Pay Request 3
	Schumacher Excavating Inc		150,548.40	
178179	SCP Distributors LLC	431-45125-450-45400	27,592.85	Pool Heater for Aquatic Center
	SCP Distributors LLC		27,592.85	
0	Selco	101-45500-450-43095	2,031.02	Public PC Management-Envisionware
	Selco		2,031.02	
0	SHI International Corp	101-45110-450-42420	750.00	Front Desk Check-In Computer
0	SHI International Corp	101-42400-420-42420	895.00	Wolf Pro/LED Monitor
0	SHI International Corp	101-45125-450-42420	915.00	LED Monitors
0	SHI International Corp	101-45110-450-42420	750.00	Desktop Computer for Fitness Instructor - Denise Stewart
	SHI International Corp		3,310.00	
178180	Shorewest Realtors	601-00000-000-20200	37.05	Reissue Ck #175558 - Refund 017748-001 2400 Hulett
	Shorewest Realtors		37.05	
0	Shred Right	101-42124-420-43090	40.00	Shredding Service

Check Numb	Last Name	Acct 1	Amount	Description
	Shred Right		40.00	
0	Slechta Heather	101-41320-410-43310	823.55	IIMC Training - Hotel/Mileage and Per Diems
	Slechta Heather		823.55	
0	Sophos Payment Resources	101-41580-410-43095	960.00	Sophos Subscription
	Sophos Payment Resources		960.00	
178181	Southern Minnesota Initiative Foundation	290-46500-462-44330	4,000.00	Dues for 2023
	Southern Minnesota Initiative Foundation		4,000.00	
178182	Southern Minnesota Inspection Co LLC	602-49450-000-44045	1,295.58	Safety Retrieval Repair
	Southern Minnesota Inspection Co LLC		1,295.58	
0	Southwest Service Cooperative	101-00000-000-11510	62.88	Dustin Delmonico Insurance
0	Southwest Service Cooperative	101-42123-420-41310	723.06	Dustin Delmonico Insurance
0	Southwest Service Cooperative	101-00000-000-11510	785.94	Nancy Andrist Insurance
0	Southwest Service Cooperative	101-43121-430-41310	4.00	J Marzahn Health Invest
0	Southwest Service Cooperative	101-00000-000-11510	785.94	Bill Rosenau Insurance
0	Southwest Service Cooperative	240-46210-460-41310	4.00	C Springer Health Invest
0	Southwest Service Cooperative	101-00000-000-11510	785.94	Jerry Marzahn Insurance
0	Southwest Service Cooperative	101-42220-420-41310	4.00	N Andrist Health Invest
0	Southwest Service Cooperative	101-00000-000-11510	785.94	Theresa Manz Insurance
0	Southwest Service Cooperative	101-42123-420-41310	4.00	D Delmonico Health Invest
0	Southwest Service Cooperative	101-42123-420-41310	4.00	M Hunt Health Invest
0	Southwest Service Cooperative	101-00000-000-21707	368.00	Health Invest
0	Southwest Service Cooperative	101-00000-000-11510	785.94	Carol Luczak-Dillerud Insurance
0	Southwest Service Cooperative	101-43110-430-41310	4.00	T Manz Health Invest
0	Southwest Service Cooperative	101-42123-420-41310	2,062.41	Maggie Hunt Insurance
0	Southwest Service Cooperative	101-00000-000-21707	145,277.49	Health Insurance Premiums
0	Southwest Service Cooperative	101-00000-000-11510	159.80	John Harmon Insurance
0	Southwest Service Cooperative	101-41320-410-41310	4.00	C Dillerud Health Invest
0	Southwest Service Cooperative	101-42123-420-41310	728.00	John Harmon Insurance
0	Southwest Service Cooperative	101-42123-420-41310	4.00	J Harmon Health Invest
0	Southwest Service Cooperative	101-00000-000-11510	785.94	Kimberly Lang Insurance
0	Southwest Service Cooperative	101-00000-000-11510	887.80	Connie Springer Insurance
0	Southwest Service Cooperative	101-00000-000-11510	452.70	Maggie Hunt Insurance
0	Southwest Service Cooperative	101-41510-410-41310	4.00	K Lang Health Invest

Check Numb	Last Name	Acct 1	Amount	Description
0	Southwest Service Cooperative	101-00000-000-11510	887.80	Paul Froman Insurance
0	Southwest Service Cooperative	101-43126-430-41310	4.00	P Froman Health Invest
0	Southwest Service Cooperative	101-43121-430-41310	4.00	W Rosenau Health Invest
	Southwest Service Cooperative		156,369.58	
178183	Star Sports & Apparel LLC	101-42110-420-43130	4,350.00	T-Shirts Safe Summer Kickoff
178183	Star Sports & Apparel LLC	240-46210-460-42180	30.00	Name Tags for Kari/Ian/Mathias
178183	Star Sports & Apparel LLC	101-45500-450-42010	10.00	Name Tag
178183	Star Sports & Apparel LLC	101-41320-410-42110	10.00	Plaque for Photo of Henry Mower Rice
	Star Sports & Apparel LLC		4,400.00	
178184	Star Tribune	101-45500-450-42191	699.30	Yearly Subscription
	Star Tribune		699.30	
0	Stargate Inc	603-49500-000-44010	145.50	Fuel System Repair
0	Stargate Inc	101-43121-430-44010	9,832.35	Fuel System Repair
0	Stargate Inc	602-49450-000-44010	1,023.28	Fuel System Repair
0	Stargate Inc	601-49430-000-44010	1,023.28	Fuel System Repair
	Stargate Inc		12,024.41	
178185	State of Minnesota	101-43126-430-42110	30.00	Dept of Transportation (DOT) Inspection Decals
	State of Minnesota		30.00	
178186	Stine Charles D	601-00000-000-20200	100.00	Refund Check 014058-000, 1017 1 St SE
	Stine Charles D		100.00	
178187	Storm Training Group	101-42121-420-43140	1,099.00	Foundation Instructor Training / J Sjodin
	Storm Training Group		1,099.00	
178188	Streicher's Inc.	101-00000-000-10108	-552.00	Tactical Assault Carriers (2) - Donated Funds
178188	Streicher's Inc.	101-00000-000-10100	552.00	Tactical Assault Carriers (2) - Donated Funds
178188	Streicher's Inc.	101-42123-420-42180	552.00	Tactical Assault Carriers (2) - Donated Funds
	Streicher's Inc.		552.00	
0	Svenby's Milling Inc.	101-45200-450-42110	175.00	Oak Planks/Bridge Deck

Check Numb	Last Name	Acct 1	Amount	Description
	Svenby's Milling Inc.		175.00	
178189	The Prophet Corporation	101-45126-450-42110	448.20	Basketball Rims at Washington Center Gym
178189	The Prophet Corporation	101-45200-450-42110	187.49	Basketball Nets
178189	The Prophet Corporation	101-45200-450-42110	119.50	Outdoor Basketball Nets
178189	The Prophet Corporation	101-45122-450-42194	212.63	Catchers Chest Gear and Team Bat Bag
	The Prophet Corporation		967.82	
0	The Retrofit Companies, Inc	101-42110-420-42230	248.82	Fluorescent Lamps - Lamp Fiber Barrell
	The Retrofit Companies, Inc		248.82	
178190	The UPS Store	101-42220-420-43250	28.39	Shipping Fee
178190	The UPS Store	101-42123-420-43250	14.18	Ship Test Firearms to S&W
178190	The UPS Store	101-42110-420-43250	14.83	Sent Radar Unit to Applied Concepts for Repairs
	The UPS Store		57.40	
0	Tifco Industries Inc	101-43126-430-42110	161.11	Scraper Blades/Emory Cloth Dispenser
	Tifco Industries Inc		161.11	
178191	T-Mobile	101-45500-450-43096	276.24	Hot Spots
	T-Mobile		276.24	
178192	Tom's Lock & Key, LLC	101-45200-450-42110	90.00	Padlock Keys
	Tom's Lock & Key, LLC		90.00	
0	Trembley Todd B	101-42123-420-44040	150.00	E-Bike Tune Ups
	Trembley Todd B		150.00	
178193	Truck Center Companies East LLC	101-43121-430-42210	6.18	Transmission Dipstick Tube Seal - Street #118
178193	Truck Center Companies East LLC	101-43121-430-42210	56.84	Coolant Hose and Clamp - Street #111
	Truck Center Companies East LLC		63.02	
0	Ultimate Safety Concepts Inc	101-42220-420-42170	1,200.00	Firefighter Helmet- Yellow

Check Numb	Last Name	Acct 1	Amount	Description
	Ultimate Safety Concepts Inc		1,200.00	
178194	US Bank	349-47000-470-46200	500.00	Fiscal Agent Fee 05-01-2023 - 04-30-2024
	US Bank		500.00	
0	US Bank - ACH Vendor	346-47000-470-46110	9,975.00	2015A G.O. SA Improvement Bonds
0	US Bank - ACH Vendor	347-47000-470-46110	9,531.25	2015A GO Improvement/Crossover-Refunding
0	US Bank - ACH Vendor	349-47000-470-46110	750.00	GO Refunding Bonds 2021B-2014A Equip
0	US Bank - ACH Vendor	349-47000-470-46110	18,375.00	GO Refunding Bonds 2021B-2014A SA Improvement
0	US Bank - ACH Vendor	349-47000-470-46110	47,000.00	GO Refunding Bonds 2021B-2012A-2006B
0	US Bank - ACH Vendor	349-47000-470-46110	46,975.00	GO Refunding Bonds 2021B-2012A-2008A
0	US Bank - ACH Vendor	348-47000-470-46110	11,490.00	2021A State Aid Bonds
	US Bank - ACH Vendor		144,096.25	
0	Utility Consultants Inc	602-49480-000-43090	1,548.53	Lab Testing
0	Utility Consultants Inc	601-49430-000-43090	260.00	Monthly Coliform Test
	Utility Consultants Inc		1,808.53	
178195	Valentyn Builders LLC	437-45125-450-45200	34,464.55	Aquatic Center Roof
	Valentyn Builders LLC		34,464.55	
178196	Verizon Wireless	101-41510-410-43210	82.22	Cell Phone Service - Finance
178196	Verizon Wireless	101-45500-450-43210	41.11	Cell Phone Service - Library
178196	Verizon Wireless	101-41580-410-43210	82.22	Cell Phone Service - IT
178196	Verizon Wireless	902-00000-000-23935	-3,405.32	Monthly Phone Bill-May
178196	Verizon Wireless	101-42400-420-43210	244.46	Cell Phone Service - Building Codes
178196	Verizon Wireless	101-41940-410-43210	82.22	Cell Phone Service - Building Maintenance
178196	Verizon Wireless	101-42123-420-43210	1,108.29	Cell Phone Service - Patrol
178196	Verizon Wireless	603-49500-000-43210	81.12	Cell Phone Service - Storm Water Utility
178196	Verizon Wireless	101-42700-420-43210	164.44	Cell Phone Service - Special Services
178196	Verizon Wireless	101-43110-430-43210	81.12	Cell Phone Service - PW Admin
178196	Verizon Wireless	240-46210-460-43210	123.33	Cell Phone Service - Community Development
178196	Verizon Wireless	602-49450-000-43210	162.24	Cell Phone Service - Sewer Collection
178196	Verizon Wireless	101-43190-430-43210	41.11	Cell Phone Service - Engineering
178196	Verizon Wireless	101-42210-420-43210	41.11	Cell Phone Service - Fire Administration
178196	Verizon Wireless	601-49430-000-43210	364.49	Cell Phone Service - Water Distribution
178196	Verizon Wireless	902-00000-000-23935	3,405.32	Monthly Phone Bill-May
178196	Verizon Wireless	101-45110-450-43210	130.30	Cell Phone Service - Parks & Rec

Check Numb	Last Name	Acct 1	Amount	Description
178196	Verizon Wireless	101-42110-420-43210	164.44	Cell Phone Service - Police Administration
178196	Verizon Wireless	101-42220-420-43210	123.33	Cell Phone Service - Fire Suppression
178196	Verizon Wireless	101-42121-420-43210	287.77	Cell Phone Service - Investigations
178196	Verizon Wireless	602-49450-000-43210	35.01	Data Air Cards- Sewer
178196	Verizon Wireless	101-42123-420-43210	855.46	Data Air Cards - MDC
178196	Verizon Wireless	101-42121-420-43210	40.01	Drone Jetpack
178196	Verizon Wireless	101-42220-420-43210	120.03	Data Fire Ipads (In Fire Trucks)
178196	Verizon Wireless	902-00000-000-23935	1,724.41	Data Charges 04/29/2023-05/28/2023
178196	Verizon Wireless	101-42110-420-43210	35.01	Data/Admin Ipad
178196	Verizon Wireless	602-49480-000-43210	66.90	WWTP Phones
178196	Verizon Wireless	101-42400-420-43210	40.01	Data-Building Codes
178196	Verizon Wireless	902-00000-000-23935	-1,724.41	Data Charges 04/29/2023-05/28/2023
178196	Verizon Wireless	603-49500-000-43210	140.04	Data Air Cards- Storm
178196	Verizon Wireless	601-49430-000-43210	241.90	Data Air Cards- Water
178196	Verizon Wireless	101-43121-430-43210	35.01	Data Sign Shop
178196	Verizon Wireless	101-41350-410-43210	40.01	Jetpack Brad
178196	Verizon Wireless	101-41580-410-43210	40.01	Data -IT
178196	Verizon Wireless	101-42210-420-43210	35.01	Data Fire Chief
	Verizon Wireless		5,129.73	
0	Vessco Inc	601-49430-000-42110	206.83	Foot Valve and Ball Valve
	Vessco Inc		206.83	
178197	Vininski Mark	601-00000-000-20200	20.14	Reissue Ck#172769-Refund 009642-000 - 2029 16th St NW
	Vininski Mark		20.14	
178198	Wal-Mart	101-42110-420-43130	1,626.00	Bikes Safe Summer Kickoff
178198	Wal-Mart	101-42110-420-43130	489.20	Helmets - Safe Summer Kickoff
178198	Wal-Mart	101-45122-450-42110	16.36	Spring Community Fair Trivia Game Materials
178198	Wal-Mart	101-45140-450-42110	146.18	Summer Camp Supplies
178198	Wal-Mart	101-45140-450-42110	375.05	Fun Center & Washington Camp Supplies
178198	Wal-Mart	101-45122-450-42110	12.29	Community Center General Supplies
178198	Wal-Mart	101-45125-450-42110	134.53	Aquatic Center General Supplies
178198	Wal-Mart	101-45125-450-42110	80.34	Can Opener/Thermometer/Etc for Aquatic Center
178198	Wal-Mart	101-45140-450-42110	133.56	Fun Center Camp Supplies
178198	Wal-Mart	101-42110-420-42110	17.76	Raffle Tickets-Safe Summer Kickoff
178198	Wal-Mart	101-45140-450-42110	161.58	Fun Center Supplies
	Wal-Mart		3,192.85	

Check Numb	Last Name	Acct 1	Amount	Description
178199	Waste Management of WI-MN	101-45126-450-43840	49.25	Washington Rec Center 117 Shumway
178199	Waste Management of WI-MN	101-45200-450-43840	795.60	North Alexander Park 1810 2nd Ave NW
178199	Waste Management of WI-MN	603-49500-000-43840	10.42	PW Facility 1200 Belview Trl
178199	Waste Management of WI-MN	101-45200-450-43840	379.20	Central Ave Refuse Disposal 5/1 - 5/31
178199	Waste Management of WI-MN	601-49430-000-43840	73.30	PW Facility 1200 Belview Trl
178199	Waste Management of WI-MN	101-43121-430-43840	704.32	PW Facility 1200 Belview Trl
178199	Waste Management of WI-MN	101-45122-450-43840	108.68	Community Center 15 Division St W
178199	Waste Management of WI-MN	902-00000-000-23935	4,831.85	Service 05/01/2023-05/31/2023
178199	Waste Management of WI-MN	101-45500-450-43840	108.68	Buckham Center 11 Division St E
178199	Waste Management of WI-MN	225-49810-430-43840	117.75	Aiport 3401 Hwy 21 W
178199	Waste Management of WI-MN	101-45200-450-43840	87.75	TeePee Tonka 10 3rd St NE
178199	Waste Management of WI-MN	101-45127-450-43840	87.75	Soccer Field 704 17th St SW
178199	Waste Management of WI-MN	602-49480-000-43840	1,695.92	Wastewater Facility 214 14th St NE
178199	Waste Management of WI-MN	101-42210-420-43840	107.75	Fire 122 2nd St NW
178199	Waste Management of WI-MN	902-00000-000-23935	-4,831.85	Service 05/01/2023-05/31/2023
178199	Waste Management of WI-MN	101-45125-450-43840	228.17	Aquatic Center 1820 2nd Ave NW
178199	Waste Management of WI-MN	101-45200-450-43840	40.96	Parking Lot Behind Post Office 26 3rd St NE
178199	Waste Management of WI-MN	101-42110-420-43840	329.20	Police 25 4th St NW
178199	Waste Management of WI-MN	602-49450-000-43840	73.30	PW Facility 1200 Belview Trl
178199	Waste Management of WI-MN	101-41940-410-43840	107.75	City Hall 208 1st Ave NW
178199	Waste Management of WI-MN	101-45200-450-43840	105.30	Dog Park 900 Lyndale Ave
	Waste Management of WI-MN		5,211.05	
0	Whirley Industries Inc	101-45125-450-42990	1,415.16	Popcorn Buckets-Aquatic Center Items for Resale
	Whirley Industries Inc		1,415.16	
178200	WIN-911 Software	601-49430-000-43210	2,880.00	Mobile Smartphone App Water Treatment Plant
	WIN-911 Software		2,880.00	
178201	Witte Brothers, Inc	101-43121-430-43090	1,393.08	Seal Coat Chips Trucking
	Witte Brothers, Inc		1,393.08	
0	WSB & Associates Inc	601-49430-000-45300	10,490.28	Professional Services 4/1-4/30/23
	WSB & Associates Inc		10,490.28	
178202	Xcel Energy	101-45200-450-43810	154.23	1800 Alexander Drive 51-8498418-5
178202	Xcel Energy	101-45200-450-43810	-212.93	1800 Alexander Drive 51-8498418-5 - Solar Credit
178202	Xcel Energy	101-45200-450-43810	175.66	1800 Alexander Drive 51-8498418-5

Check Numb	Last Name	Acct 1	Amount	Description
178202	Xcel Energy	101-45200-450-43810	-88.78	1800 Alexander Drive 51-8498418-5 - Solar Credit
	Xcel Energy		28.18	
178203	Zep Sales & Service	101-43126-430-42110	187.38	Hand Soap
	Zep Sales & Service		187.38	
0	Ziegler Inc	602-49480-000-43090	18,865.39	Testing and Service of Electrical Breakers
0	Ziegler Inc	101-43121-430-42210	1,246.67	Fuel Pump Gaskets/Crankcase Filter/Water Pump/Thermostat/Belt/Te
0	Ziegler Inc	101-43121-430-42210	332.71	Final Drive Seals and O-Rings - Street #208
	Ziegler Inc		20,444.77	
			1,785,179.34	

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Heather Slechta, City Clerk
MEETING DATE:	June 13, 2023
SUBJECT:	Resolution 2023-115 Accept Donations Made to the City of Faribault

Background:

The Police Department received a donation from Southern Heights Dental Group in the amount of $100.00 to be used towards the expenses for the Safe Summer Kickoff event.

The Parks and Recreation Department received donations in the amount of $3,250.00 to be used for the following events and programs:

Concerts in the Park

Cheryl Freund	$100.00
State Bank of Faribault	$100.00
Reliance Bank	$100.00
Kenneth and Barba Dubbels	$200.00
The River Community Church	$25.00
Gloria Carter	$25.00
Janet Tangren	$500.00
Cardinal Pointe of Faribault	$100.00
Donna Crowl	$50.00
Knights of Columbus	$250.00
Total	**$1,450.00**

Safety Camp

State Bank of Faribault	$250.00
Southern Heights Dental Group	$250.00
HomeTown Credit Uniion	$250.00
LaCanne Electric LLC	$300.00
Richie Eye Clinic	$250.00
Total	**$1,300.00**

Tommy Allen Scholarship

Faribault Hot Shots Granny Basketball	$500.00
Total	**$500.00**

Recommendation:
Accept Donations to the City of Faribault Police Department and Parks and Recreation Department

Attachments:
1. Resolution 2023-115 Accept Donations to the City of Faribault

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-115

ACCEPT DONATIONS MADE TO THE CITY OF FARIBAULT

WHEREAS, Faribault Parks and Recreation Department is responsible for providing programs and leisure activities to the City and surrounding townships; and

WHEREAS, Faribault Police Department is responsible for providing professional law enforcement services to the City; and

WHEREAS, the attached businesses and individuals would like to donate to the Faribault Parks and Recreation Department and the Faribault Police Department; and

WHEREAS, Faribault Parks and Recreation Department received the following donations to be used towards the listed accounts:

Tommy Allen Scholarship Fund: $500.00
Concerts in the Park: $1,450.00
Safety Camp: $1,300.00; and

WHEREAS, Faribault Police Department received the following donations to be used towards the listed account;

Safe Summer Kickoff Event: $100.00; and

NOW, THEREFORE BE IT RESOLVED, that the Faribault City Council authorizes the Faribault Parks and Recreation Department to accept the donations of $3,250.00.00 for the specified funds.

ALSO, BE IT RESOLVED, that the Faribault City Council authorizes the Faribault Police Department to accept the donation of $100.00 for the Safe Summer Kickoff Event.

Date Adopted: June 13, 2023

Faribault City Council

_____

Kevin F. Voracek, Mayor

ATTEST:

_____

Timothy C. Murray, City Administrator

DONATIONS

Concerts in the Park	
Cheryl Freund	$ 100.00
State Bank of Faribault	100.00
Reliance Bank	100.00
Kenneth & Barbara Dubbels	200.00
The River Community Church	25.00
Gloria Carter	25.00
Janet Tangren	500.00
Cardinal Pointe of Faribault	100.00
Donna Crowl	50.00
Knights of Columbus	250.00
Total	$1,450.00

Safety Camp	
State Bank of Faribault	$ 250.00
Southern Heights Dental Group	250.00
HomeTown Credit Union	250.00
LaCanne Electric LLC	300.00
Richie Eye Clinic	250.00
Total	$ 1,300.00

Tommy Allen Scholarship	
Faribault Hot Shots Granny Basketball	$ 500.00

Safe Summer Kickoff	
Southern Heights Dental Group	$ 100.00

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Heather Slechta, City Clerk
MEETING DATE:	June 13, 2023
SUBJECT:	Resolution 2023-117 Approve Appointments of Board and Commission Members

Background:

At their May 16, 2023 City Council Work Session, the Council reviewed and discussed Council appointment to the Rice County Community and Justice Council. From that discussion it was the consensus of the Council to appoint Sara Caron to the open seat. Councilor Caron's term will run through January 31, 2024. Councilor Royal Ross will serve as an alternate member to serve in Caron's absence.

The Economic Development Authority (EDA) has had a vacancy since January. At the time of the annual appointments, it was the desire of the Council to appoint an individual with a banking background to the Authority. Staff received an application from Christine Jeanes. Ms. Jeanes is the Vice President of Consumer Mortgages at The State Bank of Faribault. If appointed Ms. Jeanes term will expire on January 23, 2029.

Recommendation:

Approve Appointments of Board and Commission Members

Attachments:

1. Resolution 2023-117 Approve Appointment of Board and Commission Member
2. Board-Commission Appointments 2023-06-13
3. Jeanes, Christine - EDA

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-117

APPROVE APPOINTMENT OF BOARD AND COMMISSION MEMBER

WHEREAS, there exists a vacancy for a board and commission for the City of Faribault; and

WHEREAS, the City received applications from individuals interested in serving on this board and commission.

NOW, THEREFORE BE IT RESOLVED, that the Faribault City Council hereby appoints the following individual to the listed board or commission with the date of term expiration as identified:

Appointee	Board/Commission	Expiration
Sara Caron	Rice County Community and Justice Council	01/31/2024
Royal Ross (Alt.)	Rice County Community and Justice Council	01/31/2024
Christine Jeanes	Economic Development Authority	01/23/2029

Date Adopted: June 13, 2023

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

2023 CITY COUNCIL COMMITTEES – Working Copy

JOINT COMMITTEE (Work Session) (7)
Meets the first and third Tuesday of every month at 6:00 pm. Other meetings as needed.
Members: Mayor and all City Councilmembers

ANNEXATION COMMITTEE (3)
Meets as needed.
Members: Mayor Voracek, Councilmembers Ross and Spooner
Staff Liaison: City Administrator & CED Director

LABOR COMMITTEE (2)
Meets as needed.
Membe: Mayor Voracek and Councilmember Ross
Staff Liaison: City Administrator & Human Resources Director

AD HOC
Special committees established at Council discretion on an issue-by-issue basis. The Mayor serves on all established Ad Hoc Committees, along with two other Council members.

2023 COUNCIL APPOINTMENTS AND REPRESENTATIVES – Working Copy

Vice Mayor
Councilmember van Sluis

Committees/Boards/Commissions with all members appointed by City Council

Committee Name	Council Appointees	Staff Rep.
CHARITABLE GAMBLING ADVISORY BOARD	Caron	H. Slechta
ECONOMIC DEVELOPMENT AUTHORITY	Spooner, Mayor Voracek	D. Wanberg
HOUSING AND REDEVELOPMENT AUTHORITY	Caron	D. Wanberg
PARKS AND RECREATION ADVISORY BOARD	Thiele	P. Peanasky
TOURISM COMMISSION	Doumbouya	H. Slechta

Committees/Boards/Commissions with only Council/City representatives appointed by City Council

Committee Name	Council Appointees	Staff Rep.
ALEXANDER PARK COMMITTEE	Spooner, Mayor Voracek	P. Peanasky
BMX TRACK BOARD	Ross	P. Peanasky
BUCKHAM WEST (SENIOR CENTER)	Ross	P. Peanasky
FARIBAULT HOUSE BUILDING COMMITTEE	van Sluis	N/A
ICE ARENA BOARD	Thiele, Mayor Voracek	P. Peanasky
JOINT DISPATCH BOARD	van Sluis	D. Dienst
MAIN STREET COMMITTEE	Doumbouya	D. Wanberg
MILL TOWNS TRAIL BOARD	van Sluis, Doumbouya	M. Duchene
PARADISE CENTER FOR THE ARTS BOARD	van Sluis	N/A
RICE COUNTY COMMUNITY AND JUSTICE COUNCIL(RCCJC)	Caron	

RIVERBEND NATURE CENTER BOARD	Spooner	N/A
SOCCER COMPLEX BOARD	Thiele	P. Peanasky
TOWNSHIP FIRE CONTRACT COMMITTEE	Spooner, Mayor Voracek	D. Dienst

AIRPORT ADVISORY BOARD – Ch. 3, Art. II, City Code of Ordinances (Ord. A-368, 76-09, 95-19, 2021-1); Seven (7) members (a minimum of 5 members who reside or work in the city, and up to 2 residents of the county); Advises the City Council and City Administrator on the construction, improvement, maintenance and operation of the municipal airport, and general aviation activities affecting the community.

AIRPORT ADVISORY BOARD	Appointed	Term	Expiration
1. Mike Brown, Sr.	12/22/2009	3 yrs.	1/31/2024
2. (Robert) Pete Johnson	4/27/1976	3 yrs.	1/31/2024
3. Stein Bruch	1/25/2022	3 yrs.	1/31/2025
4. William Smith	2/12/2019	3 yrs.	1/31/2025
5. Tom Waarvik	2/9/1993	3 yrs.	1/31/2026
6. (James) Carl Hooper (county resident)	9/13/2001	3 yrs.	1/31/2026
7. Brian Paczosa	1/24/2023	3 yrs.	1/31/2026

CHARTER COMMISSION - Resolution 2011-089. The Charter Commission is responsible for reviewing and revising the City Charter to ensure that it meets all applicable State and Federal laws and meets the needs of the citizens. Appointments made by District Chief Judge. All members must be qualified voters of the City per state statute.

CHARTER COMMISSION	Appointed	Term	Expiration
1. Chuck Ackman	5/24/2011	4 yrs.	12/31/2024
2. Daniel Burns	5/24/2011	4 yrs.	12/31/2024
3. David Albers	5/23/2017	4 yrs.	12/31/2024
4. Tom Spooner (Council rep.)	1/12/2021	4 yrs.	12/31/2024
5. Kymn Anderson	5/24/2011	4 yrs.	12/31/2026
6. Dan Behrens	5/24/2011	4 yrs.	12/31/2026
7. John Jasinski	5/24/2011	4 yrs.	12/31/2026
8. Pat Rice	5/24/2011	4 yrs.	12/31/2026
9. Dave Miller	1/24/2023	4 yrs.	12/31/2026

CHILDREN'S FUND (AQUATIC CENTER) BOARD –Resolution 2003-226; Advises City Council and staff on the Aquatic Center Scholarship fund monies

CHILDREN'S FUND (AQUATIC CENTER) BOARD	Appointed	Term	Expiration
1. Ken Hubert	3/27/2018	3 yrs.	1/31/2024
2. Bethany Fuller	4/26/2022	3 yrs.	1/31/2025
3. VACANT		3 yrs.	1/31/2026

ECONOMIC DEVELOPMENT AUTHORITY – Enabling Resolution 2016-239 (Res. 86-77, 2001-98, 2005-35, and 2008-015); The EDA has authority to take action on economic development programs for business and industry. The EDA manages tax increment financing districts and multiple grant and loan programs. Its powers are defined by state law.

ECONOMIC DEVELOPMENT AUTHORITY	Appointed	Term	Expiration
1. Mayor Kevin Voracek (Council Rep.)	1/8/2019	4 yrs.	1/14/2025
2. Rodney Gramse	2/11/2014	6 yrs.	1/28/2025
3. Tom Spooner (Council Rep.)	1/24/2023	4 yrs.	1/26/2027
4. Will Fort*	8/24/2021	6 yrs.	1/26/2027
5. David Campbell	1/25/2022	6 yrs.	1/25/2028
6. Andrew (AJ) Smith	4/12/2022	6 yrs.	1/23/2029
7. Christine Jeanes	6/13/2023	6 yrs.	1/23/2029

*Appointed to partial term to fill vacancy due to resignation

ENVIRONMENTAL COMMISSION – Ordinance 2020-3. The Commission advises the City Council on environmental issues and opportunities affecting the City while respecting the City's economic and social environments. – Ordinance 2020-3. The Commission advises the City Council on environmental issues and opportunities affecting the City while respecting the City's economic and social environments. (Ordinance 2022-6; 7 members, at least four (4) City Residents, up to three (3) residents of bordering townships).

ENVIRONMENTAL COMMISSION	Appointed	Term	Expiration
1. Lee Nordmeyer*	4/12/2022	3 yrs.	1/31/2024
2. Sonny Wasilowski	1/26/2021	3 yrs.	1/31/2024
3. Martha Brown	1/25/2022	3 yrs.	1/31/2025
4. Theresa Demars*	1/24/2023	3 yrs.	1/31/2025
5. Richard Huston	4/14/2020	3 yrs.	1/31/2026
6. Roger Steinkamp	4/14/2020	3 yrs.	1/31/2026
7. Cynthia Diessner	1/24/2023	3 yrs.	1/31/2026

*Appointed to partial term to fill vacancy due to resignation

HERITAGE PRESERVATION COMMISSION - Ordinance 81-12, 83-05, 85-21, (Ord. 95-19 -7 members) The Commission advises City Council and staff on issues related to the preservation of the community's cultural, historical and architectural heritage. Must be a City resident (per MN Stat. 471.193, Subd. 5). The Commission is actively involved in a variety of educational efforts that highlight Faribault's past.

HERITAGE PRESERVATION COMMISSION	Appointed	Term	Expiration
1. Cori Weems	1/26/2021	3 yrs.	1/31/2024
2. Ron Dwyer	2/23/2021	3 yrs.	1/31/2024
3. Rob Kuhlman	1/25/2022	3 yrs.	1/31/2025

4.	Lee Nordmeyer	4/14/2020	3 yrs.	1/31/2025
5.	David Sauer	1/14/2020	3 yrs.	1/31/2026
6.	Sam Temple	1/14/2020	3 yrs.	1/31/2026
7.	Colton Hogan	1/24/2023	3 yrs.	1/31/2026

HOUSING AND REDEVELOPMENT AUTHORITY – Resolution 2001-029, MN Statute 469.003; Per State law the HRA handles a variety of housing programs. It also manages public housing units and Robinwood Manor senior housing. Seven members, including one councilmember. Must be a resident of the city. Limited to maximum of three (3) consecutive five (5) year terms for a total of fifteen (15) years.

HOUSING AND REDEVELOPMENT AUTHORITY	Appointed	Term	Expiration
1. Sara Caron (Council rep)	1/24/2023	1 yr.	1/31/2024
2. Matt Speckhals	4/26/2016	5 yrs.	1/31/2024
3. Brendan Kennedy	3/1/2015	5 yrs.	1/31/2025
4. Loni Ahlers	2/26/2013	5 yrs.	1/31/2026
5. Mandy Barnes*	2/28/2023	5 yrs.	1/31/2026
6. Travis McColley	11/9/2021	5 yrs.	1/31/2027
7. Travis Kath	2/22/2022	5 yrs.	1/31/2027

*Appointed to partial term to fill vacancy due to resignation

ICE ARENA BOARD (CITY REPRESENTATIVES) MEMBERS - The Ice Arena Board makes decisions regarding maintenance and operation for the Faribault Ice Arena, which is jointly owned by the City, School District, and Hockey Association, which each appoint three members to this board.

ICE ARENA BOARD (CITY REPS)	Appointed	Term	Expiration
1. Mayor Kevin Voracek (Council rep)	1/24/2023	1 yr.	1/31/2024
2. Chuck Thiele (Council rep)	2/28/2023	1 yr.	1/31/2024
3. Paul Peanasky (City rep)	1/24/2023	3 yrs.	1/31/2026

LIBRARY ADVISORY BOARD – Ch. 13, Art. II, City Code of Ordinances, MN Statute 134.09; This Board advises the Council and the City Administrator regarding the maintenance and operation of Buckham Memorial Library. The Council appoints six (6) members to the board, who must be city residents. The Rice County Board may appoint one additional (seventh) member, or the Council may appoint a student from a city high school to a 1- or 2-year term as the seventh member of the board.

LIBRARY ADVISORY BOARD	Appointed	Term	Expiration
1. Kate McGrogan*	4/25/2023	3 yrs.	1/31/2024
2. Melissa Kuhl	1/9/2018	3 yrs.	1/31/2024
3. Keri Simon	2/23/2016	3 yrs.	1/31/2025
4. Jayne Spooner	1/22/2019	3 yrs.	1/31/2025

5.	Gordon Liu	1/25/2022	3 yrs.	1/31/2026
6.	Anneke Musselman	1/24/2023	3 yrs.	1/31/2026
7.	Luella Coulter (student)	1/24/2023	1 yr.	1/31/2024

*Appointed to partial term to fill vacancy due to resignation

PARK & RECREATION ADVISORY BOARD – Resolution 2021-009; Seven (7) members, made up of one (1) City Council Member, minimum of five (5) City Residents, up to one (1) non-city resident residing within the school district, plus one (1) student member; This Board advises the City Council and staff on parkland dedication, park improvements, and recreation programs.

PARK & RECREATION ADVISORY BOARD		Appointed	Term	Expiration
1.	Chuck Thiele (Council rep)	2/28/2023	1 yr.	1/31/2024
2.	Sally Kramer	8/23/2011	3 yrs.	1/31/2024
3.	Chad Kreager	11/22/2005	3 yrs.	1/31/2025
4.	Troy Temple	1/22/2019	3 yrs.	1/31/2025
5.	Lola Brand	7/14/1998	3 yrs.	1/31/2026
6.	Mike Ross	1/14/2020	3 yrs.	1/31/2026
7.	Carrissa Glarner	1/24/2023	3 yrs.	1/31/2026
8.	VACANT (Student)	8/25/2020	1 yr.	1/31/2024

PETER SMITH ADVISORY COMMITTEE – Resolution 86-201; This committee advises the Council and the Parks and Recreation Advisory Board on expenditures from the Peter Smith trust fund for youth recreation programs.

PETER SMITH ADVISORY COMMITTEE		Appointed	Term	Expiration
1.	Kyle Murphy *	2/22/2022	3 yrs.	1/31/2024
2.	Gordon (Duffy) Elleby	2/9/2021	3 yrs.	1/31/2025
3.	George Cunniff	2/9/2021	3 yrs.	1/31/2026

*Appointed to partial term to fill vacancy due to resignation

PLANNING COMMISSION – Chapter 20, City Code of Ordinances, M.S. § 462.354, subd. 1. (Ord. A-405, 75-2, Ord 95-19 - 7 members); Makes recommendations to the City Council on land use related issues: variances, conditional use permits, subdivisions and zoning changes.

PLANNING COMMISSION		Appointed	Term	Expiration
1.	Chuck Ackman	12/22/2009	3 yrs.	1/31/2024
2.	Michael Salt*	1/24/2023	3 yrs.	1/31/2024
3.	David Campbell	10/11/2016	3 yrs.	1/31/2025
4.	Sam Temple	1/14/2020	3 yrs.	1/31/2025
5.	Steve White	12/10/1996	3 yrs.	1/31/2026
6.	Barton Jackson	1/26/2021	3 yrs.	1/31/2026
7.	Eric Delgado	1/24/2023	3 yrs.	1/31/2026

*Appointed to partial term to fill vacancy due to resignation

TOMMY ALLEN YOUTH ENDOWMENT FUND BOARD – Resolution 2003-225 - Advises City Council and staff on the Fund, administers program, determines guidelines to subsidize youth rec programs, and develop fundraising efforts.

TOMMY ALLEN YOUTH ENDOWMENT FUND BOARD	Appointed	Term	Expiration
1. Sharon Dell	2/14/2006	3 yrs.	1/31/2024
2. VACANT		3 yrs.	1/31/2025
3. VACANT		3 yrs.	1/31/2026

TOURISM COMMISSION – Ch. 14, Art. V, City Code of Ordinances (Ord. 2014-014; Res. 2014-218; Ord. 2019-7) - Advises City Council and staff on the Tourism issues and the expenditure of lodging tax funds.

TOURISM COMMISSION	Appointed	Term	Expiration
1. Adama Doubouya (Council Rep)	1/24/2023	1 yr.	1/31/2024
2. David Connelly	1/14/2020	3 yrs.	1/31/2024
3. Ashley Reller	1/26/2021	3 yrs.	1/31/2024
4. Heidi Nelson (Agency Rep)	3/27/2018	3 yrs.	1/31/2025
5. Miki Orr	3/12/2019	3 yrs.	1/31/2025
6. David Nichols (RCHS)	1/24/2023	3 yrs.	1/31/2026
7. Mark Kenney	1/24/2023	3 yrs.	1/31/2026

TREE BOARD – Est. 12/23/2008 - The Board advises the Park/Rec Board on issues related to trees.

TREE BOARD	Appointed
1. Ed Bastyr	12/23/2008
2. Pat Rice	12/23/2008
3. Pauline Schreiber	12/23/2008
4. Sally Kramer (Park/Rec Brd rep)	3/12/2019
5. Wendy Eckert	1/14/2020
6. Susan Erickson	1/14/2020
7. Mark Zentner	1/14/2020
8. Amanda Theis	1/25/2022
9. Elaine Feikema	1/24/2023
10. Kimberly Paczosa	1/24/2023

CHARITABLE GAMBLING ADVISORY BOARD – Ordinance 95-26 (Ord. 89-01) – The Board is made up of representatives of the holders of Gambling licenses. Board makes recommendations to Council on spending City's charitable gambling taxes.

CHARITABLE GAMBLING ADVISORY BOARD	Appointed	Term	Expiration
City Council Representative			
1. Sara Caron	1/24/2023	1 yr.	1/31/2024

American Legion			
1. Edward Little	2/14/2023	2 yrs.	1/31/2025
2. Alternate		2 yrs.	1/23/2024
Bethlehem Academy – Carbone's, Grampa Al's, Country Club			
1. Troy Marquardt	2017	2 yrs.	1/31/2025
2. Alternate		2 yrs.	1/31/2024
Divine Mercy School – Signature Bar, Carbone's			
1. Daniel Moyer	5/22/2022	2 yrs.	1/31/2025
2. Alternate		2 yrs.	1/31/2024
Eagles			
1. Jon Sirek	1/25/2012	2 yrs.	1/31/2024
2. Clayton LaCroix (Alternate)	2/28/2023	2 yrs.	1/31/2025
Elks			
1. Mike Donkers	6/8/2021	2 yrs.	1/31/2024
2. Alternate		2 yrs.	1/23/2025
Faribault Hockey Association – Depot, Bashers, Joe's, Carbones			
1. Rick Caron	9/13/2011	2 yrs.	1/31/2024
2. Alternate		2 yrs.	1/23/2025
Faribault Wrestling Club – J&J Bowling Center			
1. Jason Tobin	8/28/2007	2 yrs.	1/31/2024
2. Jamie Hausen (Alternate)	2/14/2023	2 yrs.	1/23/2025
Knights of Columbus			
1. Peter Dodge	1/9/2018	2 yrs.	1/31/2024
2. Alternate		2 yrs.	1/23/2025
Moose			
1. Horace Vogesaa	2/23/2021	2 yrs.	1/31/2024
2. David Schwichtenberg (Alternate)	2/28/2023	2 yrs.	1/31/2025
Morristown Fire Relief - Our Place on 3rd			
1. Terry Meschke	3/12/2019	2 yrs.	1/31/2024
2. Johnathan Chmelik (Alternate)	2/14/2023	2 yrs.	1/31/2025
Defeat of Jesse James Days Committee – Corks and Pints			
1. Shelia Radtke	3/12/2019	2 yrs.	1/23/2025
2. Alternate		2 yrs.	1/23/2024
Faribault Youth Rotary Services – Boxer's			
1. Brenda DeMars	6/8/2021	2 yrs.	1/23/2025
2. Chad Koepke (Alternate)	6/8/2021	2 yrs.	1/23/2024

Heather Slechta

From: noreply@civicplus.com
Sent: Thursday, June 1, 2023 5:06 PM
To: Heather Slechta
Subject: Online Form Submittal: Boards and Commissions Application

Boards and Commissions Application

Select the Board, Commission or Committee you wish to apply for	Economic Development Authority
First Name	Christine
Last Name	Jeanes
[redacted]	
Occupation	Vice President of Consumer Mortgages / The State Bank of Faribault
List the day and hours you are available for meetings	Thursday Mornings from 7 to 8 am
Are you currently serving on other Boards, Commissions, or Committees?	No
If yes, which one(s)?	*Field not completed.*
Have you served on a Board, Commission or Committee before>	No
If yes, which one(s)?	*Field not completed.*

Please list your reasons for your interest to serve on this board or commission	I'd like to be more involved with the economic trajectory/prosperity of Faribault.
Please list your experience or expertise you can provide if appointed	The foundation of every thriving economy is the consumer. As a mortgage banker, I have first hand exposure to how consumers are felling about the economy, their ability to spend and invest. What is the largest consumer expense/investment? A home which is exactly where I can bring knowledge/experience to the EDA. In 2020-2022 I originated 172 mortgage loans totaling $38,394,646.50.

[redacted]

Email not displaying correctly? View it in your browser.

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Travis Block, Public Works Director
MEETING DATE:	June 13, 2023
SUBJECT:	Accept Quote for Effluent Pump at Water Reclamation Facility

Background:

An effluent pump used to pump treated wastewater from the Water Reclamation Facility (WRF) to the Straight River under flood conditions has failed and needs replacement. A mechanical seal failure was the cause. The pump also serves as a back-up for the influent pumps and is a key component of redundancy measures at the facility.

Staff solicited quotes for a Flygt pump from two vendors. The low quote is from W.W. Goetsch, Minneapolis, MN for $74,948.00. Freight and labor for installation is not included. There is no sales tax on the pump. This is an unbudgeted expense for 2023, a budget adjustment to Fund 602-49480 will be necessary. Funding will be provided by the Sanitary Sewer Fund (602). Delivery time is approximately 6 months.

Recommendation:

Accept Quote for Effluent Pump at Water Reclamation Facility from W.W. Goetsch, Minneapolis, MN and Budget Adjustment to the Sewer Fund 602-49480

Attachments:

1. W.W. Goetsch Quote
2. Ford Construction Pump Quote

5250 West 74th Street
Minneapolis, MN 55439-2226

Phone: 952-831-4340, ext. 171
Fax: 952-831-2357

WW GOETSCH
ASSOCIATES, INC.

Quote

To:	Steve McDowell	**From:**	Dan Shimota 612-616-6741
Company:	City of Faribault	**Date:**	
Fax:		**Pages:**	1
Phone:		**CC:**	

SUBJECT: New Flygt 3202.090 462 45Hp with 50' cable

Steve,

Here is The price of the pump to replace a 45 HP raw sewage pump which can be used for the storm water as well with just changing the wet end.

1. **Price of new Flygt 3202.090 with 462 Impeller pump to match flows of the raw sewage pump. This pump would take 22-24 weeks to get $74,948.00 Plus Freight**

   All labor to install is separate

   If you have any Questions please feel free to contact me on my cell phone 612*616*6741

Best Regards,

W.W. Goetsch Associates, Inc.

Dan Shimota

From: Ford Construction <lrfcci@gmail.com>
Sent: Friday, May 19, 2023 5:34 AM
To: Steve McDowell <smcdowell@ci.faribault.mn.us>
Subject: Flygt Pump Model NP3202-462

Steve,

Per your request, Ford Construction offers the following scope and price for the above referenced pump.

Scope: Furnish 1- Flygt Model NP3202-462 impeller, 1750 rpm, 45 hp,460/3 ph, and 50 foot power cord.

Price: **$79,244.00** plus applicable taxes and freight

Shipment estimated to be 22-24 weeks after receipt of purchase order.

If you have any questions or need further information, please call me at your earliest convenience.

Thanks

Lance R. Ford
Ford Construction Co. Inc.
phone 952-201-3416
fax 952-470-9631

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Travis Block, Public Works Director
MEETING DATE:	June 13, 2023
SUBJECT:	Accept Quote for HVAC Units at Water Pumping Station

Background:

The old water plant building currently houses drinking water production well No.1. Previously, the building housed wells No.1 & No.2 and three high service distribution pumps that generated a large amount of heat when running. The HVAC system and ductwork that was sized for the use of the building at that time is no longer needed due to the elimination of the high service pumps and well No.2 with the construction of the new Water Treatment Plant. This results in an inefficient system and high maintenance and energy costs.

Staff has solicited a quote from Faribo Air Conditioning and Heating, Faribault, MN for $16,989.00 to furnish and install two Daikin mini-split heat pump units. The replacement units will increase efficiency by decreasing maintenance and energy costs. This is an unbudgeted cost for 2023, so a budget adjustment to the Water Fund (601) will be necessary.

Recommendation:

Accept Quote for HVAC Units from Faribo Air Conditioning and Heating, Faribault, MN and Budget Adjustment to the Water Fund 601

Attachments:

1. Faribo Air Quote

Faribo AIR CONDITIONING AND HEATING

18021 Cannon City Blvd,
Faribault, MN 55021-4322
Office: (507) 334-6408
Fax: (507) 334-8681

City of Faribault	507-838-5559 (Mike)	January 6, 2023
RE: Water Plant H.V.A.C		

We propose to furnish and install 2-Daikin 3-ton Ductless Mini-Split Heat Pumps. Quote includes removal and disposal of existing 25-ton unit, removal and disposal of existing ductwork, 2- condensing units, pads, heat pump stands, line-sets, thermostats, permit, start-up and labor. Quote does not include wiring or closing exterior wall where ductwork passes through. These units will heat to 5° Fahrenheit.

For the sum of; $16,989.00

NOTE: If this proposal is acceptable to you- please sign on the bottom and return one copy to our office. Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice.
Payment shall be made within 30 days from the date of the invoice. Any unpaid balance will be charged 1½% interest per month.
This proposal may be withdrawn by us if not accepted within 30 (thirty) days.

Authorized Signature: Bill Keelan

Acceptance of Proposal
The above prices, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature: _____ **Date of Acceptance:** _____

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Travis Block, Public Works Director
MEETING DATE:	June 13, 2023
SUBJECT:	Approve 2023 CIP Purchase Replacement - Street Department Service Truck

Background:

The 2023 Capital Improvement Plan (CIP) and budget have approved $80,000.00 for the purchase of a service truck used by the Street Department. The truck is scheduled to replace a 2006 F-550 with 25,918 miles and 1,847 engine hours. The truck is a diesel and is being replaced with a gas model that is better suited for municipal operations. The 2006 F-550 will be traded-in.

Staff solicited quotes from two local dealers. R.C. Bliss Ford submitted a quote for a F-550 chassis cab for $35,873.00 that is available in their inventory. Harry Brown's was unable to submit a quote due to supply chain issues. A box for the truck will be presented for Council approval at a future meeting. Funding will be provided by the Capital Replacement Fund (431).

Recommendation:

Approve 2023 CIP Purchase – Replacement Street Department Service Truck from R.C. Bliss Ford, Faribault, MN

Attachments:

1. Street Department Service Truck CIP Sheet
2. Bliss Quote

Project # STR E 23-01

Project Name Replacement - 2006 Ford F550 #106

Capital Asset # 20218

Unit # 106

Department Street
Contact Public Works Director
Type Vehicle
Useful Life 12 years
Category Equipment-Machinery/Vehicle
Priority 1 High

Description

2006 Ford F550 - Unit #106

Acquisition Date: 12/14/2005

Mileage: 25,076 as of 7/12/2022

Justification

Truck is used to transport equipment to job sites.

Expenditures	2023	2024	2025	2026	2027	Total
Vehicle	80,000					80,000
Total	**80,000**					**80,000**

Funding Sources	2023	2024	2025	2026	2027	Total
Capital Replacement Fund (431)	80,000					80,000
Total	**80,000**					**80,000**

R.C. BLISS Ford LINCOLN
FARIBAULT
901 Lyndale Ave N • Box 425 • Telephone 507-334-6478
FARIBAULT, MINNESOTA 55021
www.blissford.com

City of Faribault Streets Department 04/21/2023

Bid on 2023 Ford F-550 Chassis Cab, we are pleased to offer the following bid for you as follows:

$54,844 Base Price
-$21,000 Trade 2006 Ford F-550
$33,844
-$300 Concession
$33,544
+$2,329 Tax, Title and License
$35,873

Jeff Bliss
R.C Bliss Inc

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Travis Block, Public Works Director
MEETING DATE:	June 13, 2023
SUBJECT:	Approve Change Order No. 2 for Airfield Lighting Improvement Project at Municipal Airport

Background:

Attached is Change Order No. 2 for $15,525.00 for the Airfield Lighting Improvement Project at the Airport. The change order is for the installation of a constant current regulator to protect precision approach path indicator (PAPI) equipment after a power outage. The need for the regulator was identified during power cycle testing of the equipment for the project. The item has been reviewed by the Engineer, Contractor and staff and is recommended for approval.

The original contract for the project was $263,757.00. The approval of Change Order No. 1 revised the contract to $268,144.65 (1.66%). The approval of Change Order No. 2 revises the contract to $283,669.65 (5.89%). This is the final change order for the project. Funding for the change order will be provided by the Airport Fund (225).

Recommendation:

Approve Change Order No. 2 for the Airfield Lighting Improvement Project

Attachments:

1. Change Order 2 - Airfield Lighting - New Regulator

CHANGE ORDER NUMBER 2

OWNER: City of Faribault
208 First Avenue
Faribault, MN 55021

CONTRACTOR: Neo Electrical Solutions, LLC
1720 State Ave NW
Owatonna, MN 55060

PROJECT NAME: Airfield Lighting Improvements

CONTRACT DATE: August 9, 2022

PROJECT NO.: FAA A.I.P. No. 3-27-0030-016

NO WORK COVERED BY THIS CHANGE ORDER MAY PROCEED UNTIL CONTRACTOR IS IN RECEIPT OF A COPY FULLY EXECUTED BY THE CONTRACTOR, THE OWNER AND THE ENGINEER. IF CONTRACTOR IS IN AGREEMENT WITH THIS CHANGE, HE SHOULD EXECUTE ALL COPIES AND RETURN ALL COPIES TO THE CONSTRUCTION PROJECT MANAGER. THIS CHANGE WILL INCREASE OR DECREASE THE CONTRACT AMOUNT AND TIME TO COMPLETE BY THE AMOUNT SHOWN BELOW. THE GENERAL, SUPPLEMENTARY AND OTHER CONDITIONS OF THE CONTRACT SHALL APPLY TO THIS CHANGE ORDER UNLESS EXPRESSLY MODIFIED BY THIS CHANGE.

DESCRIPTION OF CHANGE: Supply and install a 2 KW Constant Current Regulator for the PAPI System at FBL

Back up support for this item **is** attached to and made part of this change order (Attachments A and B).

ORIGINAL TOTAL CONTRACT PRICE	$	263,757.00
APPROVED COST ADDITIONS (DELETIONS) TO DATE + or (-)	$	4,387.65
AMOUNT OF THIS CHANGE ORDER + or (-)	$	15,525.00
REVISED TOTAL CONTRACT PRICE	**$**	**283,669.65**
PERCENTAGE FOR THIS CHANGE ORDER OF ORIGINAL CONTRACT PRICE		5.89%
TOTAL CHANGE ORDER PERCENTAGE OF ORIGINAL CONTRACT PRICE		**7.55%**
ORIGINAL CONTRACT COMPLETION DATE		11/4/22
APPROVED CALENDAR DAY ADDITIONS (DELETIONS) TO DATE + or (-)		28
CALENDAR DAYS UNDER THIS CHANGE ORDER + or (-)		0
REVISED COMPLETION DATE		**12/02/22**

CONTRACTOR ACKNOWLEDGES, BY ITS EXECUTION AND ACCEPTANCE OF THIS CHANGE ORDER, THAT THE ADJUSTMENTS IN CONTRACT PRICE AND TIME SHOWN HEREON CONSTITUTES FULL AND COMPLETE COMPENSATION AND SATISFACTION FOR ALL COSTS AND MODIFICATIONS OF PERFORMANCE TIME INCURRED BY THE CONTRACTOR AS A RESULT OF THIS CHANGE ORDER. NO OTHER CLAIM FOR INCREASED COST OF PERFORMANCE OR MODIFICATIONS OF TIME WILL BE GRANTED BY THE OWNER FOR THIS WORK COVERED BY THIS CHANGE. THE CONTRACTOR HEREBY WAIVES AND RELEASE ANY FURTHER CLAIMS FOR COST OR TIME AGAINST THE OWNER ARISING FROM OR RELATING TO THE MATTERS OF WORK SET FORTH OR CONTEMPLATED BY THIS CHANGE ORDER.

CONTRACTOR'S ACCEPTANCE

Contractor: Neo Electric Solutions, LLC

Ben Melin — 6/1/2023

Signature — Date

Ben Melin — Project Manager

Typed Name — Title

A/E RECOMMENDED FOR APPROVAL

Engineer: Foth Infrastructure & Environment, LLC.

Adam Wilhelm — *June 1, 2023*

Signature — Date

Adam Wilhelm, P.E. — Project Manager

Typed Name — Title

OWNER RECOMMENDED FOR APPROVAL

Owner: City of Faribault

Signature — Date

Tim Murray — City Administrator

Typed Name — Title

CHANGE ORDER No. 2 – ATTACHMENT A

CONTRACT ITEM AND SCHEDULE DESCRIPTIONS

CONTRACT ITEM ADJUSTMENTS:

Add Item 1 Supply and Install a 2 KW Constant Current Regulator

Description:
New LED L-880 PAPI units were installed at Runway 12 and Runway 30 as part of this project. The existing PAPIs units were removed, and the new LED PAPIs were installed on the existing foundations. Five (5) of the eight (8) PAPI units did not function when the circuit was powered back on after installation. Airport Lighting Company stated that the PAPIs were tested and functioned prior to shipment.

Neo Electric and Airport Lighting Company troubleshooted this issue, and it was determined that there is an issue when the circuit is initially powered up from the existing constant current regulator (CCR). The PAPI circuit (circuit powers both PAPIs) are powered from an older 7.5 KW Crouse Hinds thyristor style CCR. Although the exact age of this CCR is unknown, it is at least 20 years old. The new LED PAPIs (from Airport Lighting Company) have drastically reduced the load on this circuit to just under 1 KW. Older thyristor style CCRs do not operate as efficiently when load on the circuit is drastically reduced. NEO Electric installed a delay contactor on the circuit at each PAPI unit to correct this issue. However, if the circuit is powered off and back on for any reason, and a specific process isn't followed to ensure a damage free startup, the new PAPIs are at risk for damage again.

Neo Electric and Airport Lighting Company recommends that a new ferro resonant style CCR be provided and installed to power the PAPI circuit. Per load readings and load calculations completed by NEO Electric, NEO recommends a 2 KW CCR to allow for load losses and cable connections, isolation transformers, etc. Branch circuiting, circuit breaker, pipe, and wiring at the electric vault room are also necessary for the installation of the new CCR.

Cost:
For the installation a new 2 KW ferro resonant Constant Current Regular Lighting Company, including labor:

1 LS at $15,525. = $15,525

Total Change in Contract Price this Change Order = $15,525

CONTRACT SCHEDULE:

The original contract had a completion date of November 4, 2022. The contract time was increased by 28 calendar days as part of Changer Order 1. Due to material lead time, the contract is extended to October 27, 2023.

October 27, 2023 Completion Date

CHANGE ORDER NO. 2 – ATTACHMENT B

ENGINEER'S INDEPENDENT COST ANALYSIS

Add Item 1 Supply and Install a 2 KW Constant Current Ferroresonant Regulator

The Contractor provided 2 KW CCR, branch circuiting, circuit breaker, pipe, and wiring necessary for the new CCR, and labor costs are in line with typical installation of a new CCR in an existing vault room/building. As such, the costs for this change order are representative of the work required, and are found to be reasonable.

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Travis Block, Public Works Director
MEETING DATE:	June 13, 2023
SUBJECT:	Resolution 2023-116 Authorize Execution of Minnesota Department of Transportation Grant Agreement No. 1053265 for Airport Maintenance and Operation

Background:

The State of Minnesota (through MNDOT) provides financial assistance for maintenance and operation of the City's Municipal Airport. The attached resolution and grant agreement are for the State's Fiscal Years (FY) 2024 and 2025. The amount of aid is based upon length of runways, taxiways, lighting, beacon, signage, etc. The maximum reimbursement each year is $32,136.00.

Each year, staff completes a credit application for eligible expenses such as utilities, telephone, janitorial services, parts, supplies, training, and audit. Previously, the City has received the full amount of the reimbursement amount each year.

Recommendation:

Approve Resolution 2023-116

Attachments:

1. Resolution 2023-116 Authorize Execution of Minnesota Department of Transportation Grant Agreement No. 1053265 for Airport Maintenance and Operatio
2. Faribault M&O 2024-2025

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-116

AUTHORIZE EXECUTION OF MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT NO. 1053265 FOR AIRPORT MAINTENANCE AND OPERATION

WHEREAS, the State of Minnesota provides financial assistance for operation and maintenance activities at the City's Municipal Airport; and

WHEREAS, a grant agreement has been prepared by the Minnesota Department of Transportation for State Fiscal Years 2024 & 2025 to provide for this assistance.

NOW, THEREFORE BE IT RESOLVED, that the State of Minnesota Agreement No.1053265, "State of Minnesota Airport Maintenance and Operation Grant Contract," State Projects A6601-MO24 & A6601-MO25 at the Faribault Municipal Airport is accepted.

ALSO, BE IT RESOLVED, that the Mayor and City Administrator are hereby authorized and directed to execute this Agreement and any amendments thereto on behalf of the City of Faribault.

Date Adopted: June 13, 2023

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

MnDOT Contract No. 1053265

STATE OF MINNESOTA

AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT

State Project Number (S.P.): A6601-MO24
State Project Number (S.P.): A6601-MO25

This contract is between the State of Minnesota, acting through its Commissioner of Transportation ("State") and City of Faribault acting through its City Council ("Recipient").

RECITALS

1. Minnesota Statutes §§360.015 and 360.305 authorize State to provide financial assistance to airports for maintenance and operation activities.
2. Recipient owns, operates, or controls an airport ("Airport") in the state system, and Recipient desires financial assistance from the State for maintenance and operation activities for State Fiscal Year 2024 and State Fiscal Year 2025.
3. Recipient represents that it is duly qualified and agrees to perform all services described in this contract to the satisfaction of the State.

CONTRACT TERMS

1. Term of Contract and Survival of Terms

1.1. **Effective Date:** This contract will be effective on July 1, 2023, or the date State obtains all required signatures under Minnesota Statutes §16B.98, subdivision 5, whichever is later. As required by Minnesota Statutes §16B.98 Subd. 7, no payments will be made to Recipient until this contract is fully executed.

1.2. **Expiration Date:** This contract will expire on June 30, 2025.

1.3. **Survival of Terms:** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this contract, including, but not limited to, the following clauses: 9. Indemnification; 10. State Audits; 11. Government Data Practices; 13. Governing Law, Jurisdiction and Venue; and 14. Data Disclosure.

2. Recipient's Duties

2.1. Recipient will operate and maintain the Airport in a safe, serviceable manner for aeronautical purposes only for the use and benefit of the public.

2.2. The Recipient will keep the runway and the area around the lights mowed at the Airport. The grass must be mowed at least 7 feet beyond the lights, and the grass must not exceed 6 inches in height on the landing area. The areas around any navigational aids will be mowed and plowed to keep the area clear for access by a vehicle.

2.3. If the Airport remains operational during the winter months, the Recipient will keep at least one runway, associated taxiway, and apron area cleared of snow and ice to the same priority as arterial roads. Snow banks must be limited in height so that aircraft wings, engines, and propellers will clear them. Landing strip markers and/or lights must remain visible.

2.4. If the State contracts for the periodic paint striping of the Airport's runways and taxiways during the term of this Contract, the Recipient will cooperate with the marking operation. The Recipient must coordinate seal coat pavement maintenance projects with the State to maximize the pavement marking life.

2.5. The Recipient will allow a representative of the State's Office of Aeronautics access to any area of the Airport necessary for the purpose of periodic inspections.

2.6. The Recipient will promptly pay all utility bills, including those required for navigational aids.

3. Recipient's Assurances

3.1. In accordance with Minnesota Statutes § 360.305, subdivision 4, Recipient assures the State that Recipient will operate and maintain the Airport in a safe, serviceable manner for public aeronautical purposes only for a period of one year from the date the Recipient receives final reimbursement under this contract.

3.2. Recipient represents and warrants that Recipient has established a zoning authority for the Airport, and such authority has completed, or is in the process of and will complete, with due diligence, an airport zoning ordinance in accordance with Minnesota Statutes §§ 360.061 to 360.074.

3.3. Recipient will comply with all required grants management policies and procedures set forth through Minnesota Statutes §16B.97, Subd. 4 (a) (1).

4. Third-Party Contracting

4.1. Recipient will comply with all applicable local, state, or federal laws, regulations, policies and procedures in the procurement of goods and services funded in whole or in part under this Contract.

5. Consideration and Payment

5.1. **Consideration.** State will pay for all eligible telecommunication, maintenance, and operation costs incurred by Recipient under this Contract as follows:

5.1.1. **Basis.** Recipient will be reimbursed for 100% of telecommunication costs associated with the operation of state-owned navigational aids. Recipient will be paid for 75% of all other eligible maintenance and operation costs not reimbursed by any other source. Eligible maintenance and operations costs will be determined at the sole discretion of State's Authorized Representative.

5.1.2. **Telecommunication Amount.** State has currently obligated $0.00 in each State fiscal year to reimburse eligible telecommunication costs at 100%.

5.1.3. **Maintenance and Operation Amount.** State has currently obligated $32,136.00 in each State fiscal year to reimburse other eligible costs at 75%.

5.1.4. **Total Obligation.** The total obligation of State for all compensation and reimbursements to Recipient under this contract will not exceed $64,272.00 (State fiscal years 2024 and 2025).

5.2. **Payment.**

5.2.1. **Invoices.** The Recipient must submit a reimbursement request of its eligible costs to the Director of the Office of Aeronautics on a quarterly basis or as directed by State's Authorized Representative. The State's Office of Aeronautics will supply the reimbursement request forms which Recipient must submit. Reimbursement requests must be submitted according to the following schedule:

- On or after October 1, **and no later than November 15**, for the period July 1 through September 30.
- On or after January 1, **and no later than February 15**, for the period October 1 through December 31.
- On or after April 1, **and no later than May 15**, for the period January 1 through March 31.
- On or after July 1, **and no later than August 15**, for the period April 1 through June 30.

The State may reject costs that the State determines are not eligible maintenance and operations expenses.

5.2.2. **All Invoices Subject to Audit.** All invoices are subject to audit, at State's discretion.

5.2.3. **State's Payment Requirements.** State will promptly pay all valid obligations under this contract as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Recipient's invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Recipient within ten days of discovering the error. After State receives the corrected invoice, State will pay Recipient within 30 days of receipt of such invoice.

5.2.4. **Grant Monitoring Visit and Financial Reconciliation.** If State's total obligation is greater than $50,000 in section 5.1.4, above, during the period of performance the State will make at least one monitoring visit and conduct annual financial reconciliations of Recipient's expenditures. The State's Authorized Representative will notify Recipient's Authorized Representative where and when any monitoring visit and financial reconciliation will take place, which State employees and/or contractors will participate, and which Recipient staff members should be present. Recipient will be provided notice prior to any monitoring visit or financial reconciliation. Following a monitoring visit or financial reconciliation, Recipient will take timely and appropriate action on all deficiencies identified by State. At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Recipient.

5.2.5. **Closeout.** The State will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.

6. Conditions of Payment

6.1. All services provided by Recipient under this contract must be performed to State's satisfaction, as determined at the sole discretion of State's Authorized Representative and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations, including business registration requirements of the Office of the Secretary of State. Recipient will not receive payment for work found by State to be unsatisfactory or performed in violation of federal, state or local law. In addition to the foregoing, Recipient will not receive payment for Airport's failure to pass periodic inspections by a representative of the State's Office of Aeronautics.

7. Authorized Representatives

7.1. **State's Authorized Representative.** State's Authorized Representative will be:

Name/Title:	Jenny Bahneman, Grants Specialist Coordinator
Address:	Office of Aeronautics,
	395 John Ireland Boulevard, Mail Stop 410
	Saint Paul, Minnesota 55155
E-Mail:	jenny.bahneman@state.mn.us

State's Authorized Representative or his /her successor, will monitor Recipient's performance and has the authority to accept or reject the services provided under this contract. If the Recipient's duties are performed in a satisfactory manner, the State's Authorized Representative will accept each reimbursement request submitted for payment.

7.2. **Recipient's Authorized Representative.** Recipient's Authorized Representative will be:

Name/Title:	Travis Block, Public Works Director
Address:	City of Faribault, 208 Northwest First Avenue, Faribault, MN 55021
Telephone:	(507) 333-0365
E-Mail:	tblock@ci.faribault.mn.us

If Recipient's Authorized Representative changes at any time during this contract, Recipient must immediately notify State.

8. Assignment, Amendments, Waiver and Contract Complete

8.1. **Assignment.** Recipient may neither assign nor transfer any rights or obligations under this contract without the prior consent of State and a fully executed Assignment Contract, executed and approved by the same parties who executed and approved this contract, or their successors in office.

8.2. **Amendments.** An amendment to this contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original contract, or their successors in office.

8.3. **Waiver.** If State fails to enforce any provision of this contract that failure does not waive the provision or State's right to subsequently enforce it.

8.4. **Contract Complete.** This contract contains all prior negotiations and agreements between State and Recipient. No other prior understanding regarding this contract, whether written or oral, may be used to bind either party.

8.5. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.

8.6. **Certification.** By signing this Agreement, the Recipient certifies that it is not suspended or debarred from receiving federal or state awards.

9. Indemnification

9.1. In the performance of this contract by Recipient, or Recipient's agents or employees, and to the extent permitted by law, Recipient must indemnify, save and hold State, its agents, and employees harmless from any and all claims or causes of action, including reasonable attorney's fees incurred by State, to the extent caused by Recipient's: 1) intentional, willful or negligent acts or omissions; 2) breach of contract or warranty; or 3) breach of the applicable standard of care. The indemnification obligations of this section do not apply if the claim or cause of action is the result of State's sole negligence. This clause will not be construed to bar any legal remedies Recipient may have for State's failure to fulfill its obligation pursuant to this contract.

10. State Audits

10.1. Under Minnesota Statutes § 16B.98, Subd.8, the Recipient's books, records, documents, and accounting procedures and practices of Recipient, or other party relevant to this grant contract or transaction, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this contract or receipt and approval of all final reports, whichever is later. Recipient will take timely and appropriate action on all deficiencies identified by an audit.

11. Government Data Practices

11.1. Recipient and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by State under this contract, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by Recipient under this contract. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either Recipient or State. If Recipient receives a request to release the data referred to in this Clause, Recipient must immediately notify State and consult with State as to how Recipient should respond to the request. Recipient's response to the request must comply with applicable law.

12. Workers' Compensation

12.1. Recipient certifies that it is in compliance with Minnesota Statutes §176.181, subdivision 2, pertaining to workers' compensation insurance coverage. Recipient's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

13. Governing Law, Jurisdiction and Venue

13.1. Minnesota law, without regard to its choice-of-law provisions, governs this contract. Venue for all legal proceedings arising out of this contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. Data Disclosure

14.1. Under Minnesota Statutes §270C.65, and other applicable law, Recipient consents to disclosure of its social security number, federal employer tax identification number and Minnesota tax identification number, already provided to State, to federal and state agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring Recipient to file state tax returns and pay delinquent state tax liabilities, if any, or pay other state liabilities.

15. Termination and Suspension

15.1. **Termination by the State.** The State may terminate this contract with or without cause, upon 30 days written notice to the Recipient. Upon termination, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

15.2. **Termination for Cause.** The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this contract, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Recipient has been convicted of a criminal offense relating to a state grant agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

15.3. **Termination for Insufficient Funding.** The State may immediately terminate this contract if: It does not obtain funding from the Minnesota Legislature; or If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Recipient. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Recipient notice of the lack of funding within a reasonable time of the State's receiving that notice.

15.4. **Suspension.** The State may immediately suspend this contract in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Recipient during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

16. Discrimination Prohibited by Minnesota Statutes §181.59

16.1. Recipient will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to grant contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.

17. Limitation.

17.1. Under this contract, the State is only responsible for disbursing funds. Nothing in this contract will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Recipient, however, the Recipient will remain responsible for providing direction to its contractors and consultants and for

administering its contracts with such entities. The Recipient's consultants and contractors are not intended to be third party beneficiaries of this contract.

STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statutes §16A.15 and §16C.05.*

Signed: _____

Date: _____

SWIFT Contract (SC) ID No. _____

Purchase Order (PO) ID No. _____

*PO staged and to be encumbered with future State fiscal year funds.

DEPARTMENT OF TRANSPORTATION

By: _____
(with delegated authority)

Title: _____

Date: _____

RECIPIENT

Recipient certifies that the appropriate person(s) have executed Contracts on behalf of Recipient as required by applicable articles, bylaws or resolutions.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

MnDOT CONTRACT MANAGEMENT

By: _____

Date: _____

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Travis Block, Public Works Director
MEETING DATE:	June 13, 2023
SUBJECT:	Resolution 2023-118 Approve Rice County Public Health Grant Application

Background:

The passing of Resolution 2022-208 approved the installation of a bump-out project on 7th St. NW at Lincoln Ave. NW. The project will install temporary measures in the spring through fall to improve the safety of the crosswalk, specifically during times when school children from Lincoln Elementary use the crosswalk.

The Statewide Health Improvement Partnership (SHIP), administered by Rice County Public Health, has funding available through mini-grants. Staff has prepared an application seeking $1,603.20 in funding for the traffic control materials required for the project. Staff time for the installation satisfies the required in-kind match.

Recommendation:

Approve Resolution 2023-118

Attachments:

1. Resolution 2023-118 Approve Rice County Public Health Grant Application
2. Grant Summary Form
3. SHIP 5 Year 3 Community Partner Award Application

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-118

APPROVE RICE COUNTY PUBLIC HEALTH GRANT APPLICATION

WHEREAS, a traffic study was received to make safety improvements at the intersection of 7th St. NW & Lincoln Ave. NW; and

WHEREAS, Resolution 2022-208 approved a temporary seasonal bump-out project at the intersection; and

WHEREAS, Rice County Public Health has grant funding available for the project; and

WHEREAS, the City of Faribault wishes to apply for the grant funding.

NOW, THEREFORE, BE IT RESOLVED, that the Public Works Director is hereby authorized to apply to Rice County Public Health for funding of this project on behalf of the applicant.

Date Adopted: June 13, 2023

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

City Of Faribault

GRANT SUMMARY FORM

Pre-Application ☐ Application ☑ Award Acceptance ☐ Amendment ☐

Department: Public Works

Contact Person: Public Works Director

Grant Name: Community Partner Award

Grantor: SHIP through RIce County Public Health

Total Project Cost: $ 1,603.20 Total Award Amount: $ 1,603.20

Total Cash Match: $ 0.00 Total In-Kind Match: $ 689.20

Application Date: 06/13/23 Grant Period From 06/13/23 To 10/31/23

Funding Type (Federal, State, Other): State/County

CFDA Number: _____ Electronic or Hardcopy Submission: Hardcopy

Project Description

Installation of Bump-Out Project at 7th St. NW & Lincoln Ave. NW

How is the Match Amount Determined::

The grant match model as set by the State of Minnesota

Fixed Amount: $ 1,603.20 or % of project cost 0.00% or Other ☐

Explanation of Other:

For this City fiscal year, how much of the required local cash match amount is:

Already In Department Budget: $ 0.00 Not Budgeted: $ 0.00

Proposed Source of Match: N/A

Director Approval

Administrator Approval

Approved: ☐ Initials:
Date:
Funding Awarded: $

RICE COUNTY PUBLIC HEALTH

COMPLETED COMMUNITY PARTNER AWARD APPLICATIONS MUST BE SUBMITTED BY EMAIL

Use this form to propose policy, system, and environmental change for SHIP funding
For more information, contact SHIP Coordinator Josh Ramaker

Josh Ramaker
SHIP Coordinator
josh.ramaker@ricecountymn.gov
507-332-5911

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*When filling out this form, please be as complete as possible

Today's Date: 6/5/2023

Organization Name: City of Faribault
Address: 208 1st Ave. NW Faribault, MN
County: Rice

Activity Name: Installation of Bump-Out Project at 7th St. NW & Lincoln Ave. NW
Amount of Funding Requested (must match the budget): $1603.2

Primary Contact Person: Travis Block
Title: Public Works Director
Phone: 507-333-0365
Email: tblock@ci.faribault.mn.us

Secondary Contact Person: Click here to enter text.
Title: Click here to enter text.
Phone: Click here to enter text.
Email: Click here to enter text.

Anticipated timeline of the proposed activity: Installation in June 2023 2 weeks.
Funds are available between November 1, 2022 and September 30, 2023

Describe the proposed activity and give a brief background of the need.

a. A traffic study was received for the intersection of 7th St. NW & Lincoln Ave. NW. The request is for measures to be put in place to improve the safety of the crosswalk, specifically during times when school children from Lincoln Elementary use the crosswalk. The school presently uses crossing guards before and after school. The measures are being requested to address motorists who pass on the right side of vehicles turning south on to Lincoln Ave. NW from 7th St. NW from both east and west, this could be a potential safety hazard. It should be noted that school zone speed limits were implemented in August of 2020 as part of an initial request to make safety improvements at this intersection. Staff has reviewed the area several times and has determined that a rapid flashing beacon crosswalk similar to the one in place by the government center is not recommended. One option would be to install a bump out to help prevent issues with drivers passing on the right. In this situation, a demonstration bump-out could be installed under guidance published by the Minnesota Department of Transportation. The installation will be designed and materials procured this fall/winter and be installed in the spring. The installation of the project would be pending compatibility with school bus operations.

2. What are the goals for this activity?
   To increase pedestrian safety at the intersection.

3. This activity is part of the following SHIP strategy (MUST select one):
   a. School

4. Is the proposed activity addressing policy or system and/or the environment where people live, work, learn and play? ***MUST ADDRESS AT LEAST ONE POLICY OR SYSTEM CHANGE IN ORDER TO OBTAIN FUNDING.*** Check all that apply.
   i. ☐**Policy**
   ii. ☒**System**
   iii. ☒Environment

   a. Explain the selection(s) above: The installation of the project will change the way motorists and pedestrians use the intersection.

5. Explain how the project includes equity.
   Anyone using the area will benefit from the project.

6. Lay out the action plan (please address what will be done, how it will be done, who is responsible, and a timeline with dates for completion). Include plans for sustaining the activity.
   City of Faribault Public Works staff will perform the installation. IT should take less than two weeks to complete. The project will be installed and removed seasonally.

7. Describe the target audience.
   All motorists and pedestrians using the intersection.

8. How many people will the proposed activity reach?
   100+

9. How will the activity be promoted and inform those affected about the activity?
   Marketing material.

10. Will there be a charge for individuals to participate in your proposed activity?
    Yes ☐ No ☒
    a. If yes, how much? Click here to enter text.
    b. How will those who can't afford it be able to participate? Click here to enter text.

11. Do you have/Are you seeking additional sources of funding for this activity?
    Yes ☐ No ☒
    a. If yes, please explain. Click here to enter text.

12. In addition to funding, are there other ways that Rice County SHIP can be of assistance to the proposed activity? Consider technical assistance, policy review, participation in Wellness Councils etc.
    Click here to enter text.

Budget: Please complete the following budget, listing and describing each item separately. Please include quantities and links to items you may be requesting funds to purchase. Rice County SHIP requires mini-grantees to provide a 10% minimum of leveraged funding. However, please also indicate any in-kind related to the project, since MDH requires SHIP to report both amounts.

In-Kind amount is the dollar equivalent of resource contributions provided by mini-grantees toward costs of the grant activities. Please, provide the dollar amount and a short description of each item.	
• Volunteer Time	$
• Staff Time	$689.28
• Donated Materials	$
• Donated Rent, Office or Meeting Space	$
• Donated Food	$
In-Kind Total	$
Leveraged funds are grant awards or cash that come from mini-grantees, partners or funding agencies, and support SHIP grant activities. Please, provide the dollar amount and a short description of each item. Add lines as needed.	
• Cash Match	$
• Other Grants	$
Leveraged Total	$
SHIP Funding Requested	$1603.20
	$
	$
	$
	$
	$
	$
SHIP Total	$1603.20
Project Total (In-Kind + Leveraged + SHIP)	$2292.48

Should the proposed activity be funded, the recipient will be expected to:

1) Use funds appropriately to implement the change by the end of the contract, October 31, 2023.
2) Participate in pre and post evaluation of the activity.
3) Share success stories with RCPH staff and their communications team, including photos if appropriate.
4) Incur the expense before requesting reimbursement.

5) Submit a SHIP reimbursement form for costs within 45 days of being incurred. All reimbursement forms must be accompanied by invoices/receipts. Failure to submit timely invoices may result in withholding funds.

Name: Travis Block Date: **6/5/2023**

Contact Josh Ramaker with questions

Josh Ramaker
SHIP Coordinator
josh.ramaker@ricecountymn.gov
507-332-5911

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Brad Phenow, Communications Manager Heather Slechta, City Clerk
MEETING DATE:	June 13, 2023
SUBJECT:	Resolution 2023-119 Approve Electronic Signature Policy

Background:

In order to increase efficiency, further sustainability measures and streamline processes, Communication Manager Brad Phenow and City Clerk Heather Slechta have worked with DocuSign to implement electronic signature software.

The attached policy authorizes the City to utilize electronic digital signatures as legally binding to the fullest extent permitted by law. The City may utilize electronic digital signatures as legally binding and equivalent to handwritten signatures whenever feasible, prudent, and efficient. The policy adopts the Definitions of Minnesota's Uniform Electronic Transactions Act (Minn. Stat. 325L.02). This policy does not apply to certain documents and transactions governed by the Uniform Commercial Code.

City staff and elected officials will be authorized to accept and use electronic signatures in all situations where the requirement of a signature or approval is stated or implied. This policy will not supersede situations where laws specifically require a written signature, nor the specific signature policies of other government agencies.

Recommendation:

Approve Electronic Signature Policy

Attachments:

1. Resolution 2023-119 Approve Electronic Signature Policy
2. 2023 Electronic Signature Policy

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-119

APPROVE ELECTRONIC SIGNATURE POLICY

WHEREAS, The City of Faribault continuously works to increase efficiencies and further sustainability measures. The purpose of this policy is to establish procedures to allow the use of electronic or digital signatures in place of handwritten (or 'wet') signatures pursuant to Minnesota's Uniform Electronic Transactions Act (Minn. Stat. § 325L); and

WHEREAS, The State of Minnesota authorizes and encourages the use of electronic signatures by governmental agencies, including municipalities, as an efficient and cost-effective method of operations. As more governmental services and forms are offered online, agencies and municipalities need the ability and authority to review, comment upon, approve, sign, and otherwise process these forms and information in a digital and paperless medium; and

WHEREAS, The Minnesota Legislature codified this encouragement with the passage of the Uniform Electronic Transactions Act (Minn. Stat. 325L, "The Act"). The Act provides the basis for electronic or digital signatures to be given the same legal recognition, function, and weight as handwritten ("wet") signatures in all circumstances outlined in the Act. The Act applies to any electronic record or electronic signature created, generated, communicated, received, or stored After August 1, 2000.

NOW, THEREFORE BE IT RESOLVED, that the attached Electronic Signature Policy is hereby adopted as written.

Date Adopted: June 13, 2023

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

_____

Timothy C. Murray, City Administrator

ELECTRONIC SIGNATURE POLICY

1. PURPOSE

The City of Faribault continuously works to increase efficiencies and further sustainability measures. The City's efforts include the reduction of printing and paper use, and the increase in paperless forms of communication and approval processes. The purpose of this policy is to establish procedures to allow the use of electronic or digital signatures in place of handwritten (or 'wet') signatures pursuant to Minnesota's Uniform Electronic Transactions Act (Minn. Stat. § 325L).

The State of Minnesota authorizes and encourages the use of electronic signatures by governmental agencies, including municipalities, as an efficient and cost-effective method of operations. Specifically, the State requires government agencies to determine whether and to what extent they will use and accept electronic signatures (Minn. Stat. § 325L.18). As more governmental services and forms are offered online, agencies and municipalities need the ability and authority to review, comment upon, approve, sign, and otherwise process these forms and information in a digital and paperless medium.

The Minnesota Legislature codified this encouragement with the passage of the Uniform Electronic Transactions Act (Minn. Stat. 325L, "The Act"). The Act provides the basis for electronic or digital signatures to be given the same legal recognition, function, and weight as handwritten ("wet") signatures in all circumstances outlined in the Act. The Act applies to any electronic record or electronic signature created, generated, communicated, received, or stored After August 1, 2000.

Under the Act, "electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. A record or signature may not be denied enforceability solely because it is in an electronic form (Minn. Stat. § 325L.07 (a)). Further, if a law requires a record to be in writing, an electronic record satisfies the law (Minn. Stat. § 325L.07(c)). If a law requires a signature, an electronic signature satisfies the law (Minn. Stat. § 325L.07(d)).

To recognize these efficiencies in City operations, the City Council authorizes the use of electronic and/or digital signatures as a valid signature to issue checks and other orders of public funds; issue administrative permits and licenses; and execute documents and agreements.

2. POLICY

To the fullest extent permitted by law, the City may utilize electronic digital signatures as legally binding and equivalent to handwritten signatures whenever feasible, prudent, and efficient. This policy hereby adopts the Definitions of Minnesota's Uniform Electronic Transactions Act (Minn. Stat. 325L.02). This policy does not apply to certain documents and transactions governed by the Uniform Commercial Code.

A legible and acceptable electronic signature should have the following components:

A. The name of the signer and is applied in a manner to execute or validate the document;
B. The typed or printed name of the signer below or adjacent to the signature when the signature uses a digitized or scanned version of the signer's hand scribed signature or the name is in a cursive font;
C. The signer's corporate, managerial, or partnership title as part of or adjacent to the digital signature when the signer is signing on behalf of an organization or legal entity;
D. When required or capable, evidence of authentication of the signer's identity such as the text "digitally signed by" along with the software provider's seal/watermark, date and time of execution; or, have an authentication code or key identifying the software provider; and,
E. A font, size and color density that is clearly legible and reproducible when reviewed, copied and scanned into a black on white format.

3. PROCEDURES

All legally binding electronic documents and agreements shall be executed in accordance with the Uniform Electronic Transactions Act (UETA) and the Minnesota Electronic Authentication Act (Minn. Stat. Chapter 325L).

A. City staff and elected officials are authorized to accept and use electronic signatures in all situations where requirement of a signature or approval is stated or implied. This policy does not supersede situations where laws specifically require a written signature, nor the specific signature policies of other government agencies.
B. City staff and elected officials are authorized to use electronic signatures for documents such as City resolutions, ordinances, minutes, building permits, business licenses, grant agreements, service agreements, purchase orders, inventory, receiving, accounting entries, payment records, timesheets, expense reports, credit card logs, time off requests, permitting/licensing applications, and other customary and routine documents that are electronically generated. Other documents may be deemed appropriate by the City Administrator or City Attorney.
C. City staff and elected officials may utilize third party certification methods to authenticate electronic or digital signatures with vendors, contractors, or other government departments and agencies whenever prudent or at the direction of the City Administrator or City Attorney.
D. Electronic signatures must apply to individuals only, and not for roles, positions, or titles.
E. The City reserves the right to refuse to use or accept an electronic or digital signature that does not comply with UETA (Minn. Stat. § 325L) or other Minnesota Statutes.
F. The City will retain an electronic copy of all electronically signed documents and agreements in accordance with the Record Retention Policy.

4. RESPONSIBILITY AND AUTHORITY

Administrative implementation of policy as permitted by the Minnesota Electronic Authentication Act (Minn. Stat. § 325K), Minnesota Statutes 47.41 and 47.42, and the Uniform Electronic Transactions Act (Minn. Stat. § 325L).

Approved:

_____ _____

Kevin Voracek, Mayor Tim Murray, City Administrator

_____, 2023

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Paul J. Peanasky, Parks and Recreation Director
MEETING DATE:	June 13, 2023
SUBJECT:	Approve CIP Purchase - Toro Workman MDX Ball Cart

Background:

The 2023 CIP has $30,000 budgeted to purchase a new ball cart for the Parks Department. We received a quote from MTI Distributing for a 2023 Toro Workman MDX Ball Cart at a cost of $24,895.10. This quote is the Minnesota State Contract price.

Recommendation:

Approve the quote from MTI Distributing to purchase a 2023 Toro Workman MDX ball cart for the Parks Department at a cost of $24,895.10.

Attachments:

1. Ball Cart Quote

MTI Distributing
Equipment Quote
May 1, 2023

City of Faribault
Keith Walker

Quote Expiration Date: 5/31/2023

MN State Contract #224320

Qty	Model Number	Description	State Contract Price Each	State Contract Price Extended
1	07235	**Toro Workman MDX**	$16,582.00	$16,582.00
1	07145	Brush Guard	$475.00	$475.00
1	07416	Front Reciever for Brush Guard	$257.00	$257.00
1	07389	Electric Lift Kit	$1,049.00	$1,049.00
1	120-5044	Brake, Tail and Signal Light Kit	$1,046.10	$1,046.10
1	07276	ROPS Kit	$1,088.00	$1,088.00
1	TC GL650MD-C	Rahn HD and Springtine Scarifier	$2,876.00	$2,876.00
1	TRK07334	Rear Lift Kit	$1,522.00	$1,522.00
		MN State Contract Pricing	Subtotal	$24,895.10
			Exempt Sales Tax	$0.00
			Total	**$24,895.10**

Quote validity: As a result of supply chain disruptions effecting availability and pricing, the pricing above cannot be guaranteed. Should you commit to a non-binding purchase commitment, a firm quote including finance rates will be provided when product becomes available.

Quote is valid for 30 days; pending product availability
Net 30 Terms with qualified credit
New Toro commercial equipment comes with a two-year manufacturer warranty
Equipment delivery and set-up at no additional charge
All commercial products purchased by a credit card will be subject to a 2.5% service fee.
State Contract Pricing is presuming acceptance by the State of MN. If pricing not accepted by MN, requote may be necessary.
Thank you for the opportunity to submit this quote. If you have any questions, please do not hesitate in contacting us.

Andy Keyes
Commercial Sales Rep
612-456-0709

Scott Esterby
Inside Sales Rep
763-592-5641

MTI Distributing, Inc. • 4830 Azelia Ave• Brooklyn Center, MN 55429

I commit to the purchase as detailed on quote above. I reserve the right to opt out of intended purchase at any time prior to scheduled delivery. I understand that the quoted pricing above is not guaranteed and that I will be provided a new proposal when product becomes available.

Name:

Signature:

Date:

Request for Council Action

TO: Mayor and City Council
THROUGH:
FROM: Tim Murray, City Administrator
MEETING DATE: June 13, 2023
SUBJECT: Resolution 2023-121 Authorize Submittal of Request for State Bonding Funds for Downtown (Viaduct Area) Park Improvements

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Background:
Local unit of government capital project requests are due to Minnesota Management and Budget (MMB) through the Capital Budget System (CBS) by June 16, 2023. As part of submitting a request for an appropriation of State funds, we are required to pass a resolution in support of the project and the request being made.

Attached is a resolution making such a request for the Downtown (Viaduct Area) Park project. This will be uploaded through the CBS, where we will also enter information on the park including Project Overview and Details, Project Costs, and Funding Sources. The request being made is for $2.7M of State funds, which represents about one third of the project cost.

Recommendation:
Approve Resolution 2023-121

Attachments:
1. Resolution 2023-121 Authorize Submittal of Request for State Bonding Funds for Downtown (Viaduct Area) Park Improvements
2. Final Layout - Schematic Design 2023-02-07
3. Grant Tracking Form - 2023-06-13

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-121

AUTHORIZE SUBMITTAL OF REQUEST FOR STATE BONDING FUNDS FOR DOWNTOWN (VIADUCT AREA) PARK IMPROVEMENTS

WHEREAS, the City of Faribault adopted a Downtown Master Plan in 2019 that includes the development of an all-season municipal park as a primary component of the implementation of the plan; and

WHEREAS, the City owns all of the property on which the park will be located; and

WHEREAS, the City, through a comprehensive process including numerous opportunities for public input, has completed conceptual design for the improvements in the park; and

WHEREAS, the preliminary cost estimate for the construction of the park is approximately $8,200,000; and

WHEREAS, due to the limited resources available, the City is seeking State funding assistance to allow construction of the improvements in the park.

NOW, THEREFORE BE IT RESOLVED, that the Faribault City Council authorizes and supports the submittal of a request for State funding in the amount of $2,700,000 for the design and construction of the Downtown (Viaduct Area) Park improvements.

ALSO, BE IT RESOLVED, that the Faribault City Council hereby directs City staff to submit all required documents to Minnesota Management and Budget through the Capital Budget System in accordance with the requirements established for such requests, with this project being the City's top-ranked request.

Date Adopted: June 13, 2023

Faribault City Council

_____

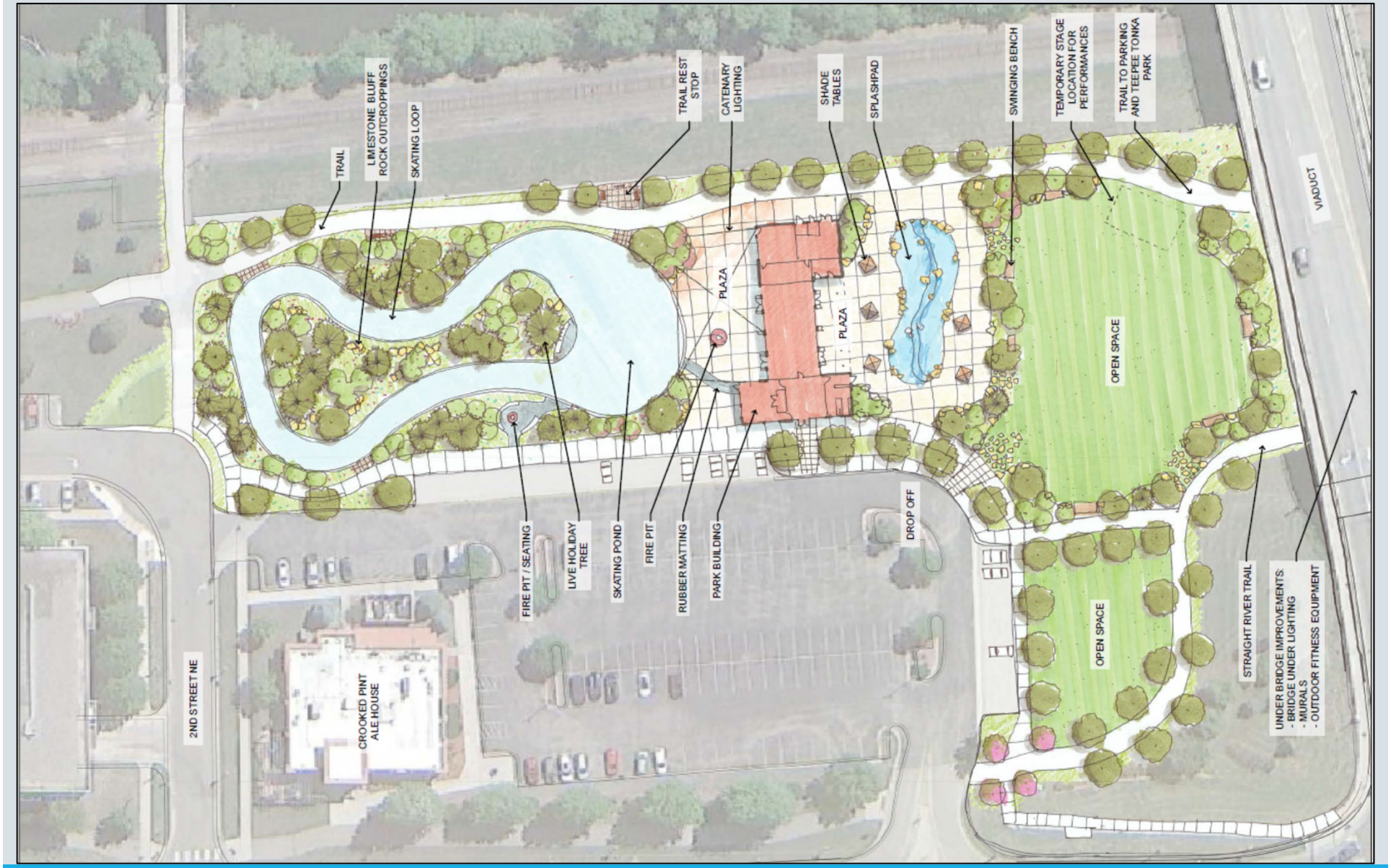
Kevin F. Voracek, Mayor

ATTEST:

_____

Timothy C. Murray, City Administrator

Downtown Park Improvements



Schematic Design Final Layout – 2/7/2023

City Of Faribault

GRANT SUMMARY FORM

Pre-Application ☐ Application ☑ Award Acceptance ☐ Amendment ☐

Department: Administration

Contact Person: Tim Murray, City Administrator

Grant Name: Downtown (Viaduct Area) Park Improvements

Grantor: State of Minnesota

Total Project Cost: $ 8,200,000.00 Total Award Amount: $ 2,700,000.00

Total Cash Match: $ 5,500,000.00 Total In-Kind Match: _____

Application Date: 06/16/23 Grant Period From 07/01/24 To 12/31/25

Funding Type (Federal, State, Other): State Bonding

CFDA Number: _____ Electronic or Hardcopy Submission: _____

Project Description

Design and construction of Downtown (Viaduct Area) Park including a multipurpose building, skating loop, splash pad, and site improvements.

How is the Match Amount Determined::

Fixed Amount: $ 2,700,000.00 or % of project cost 0.00% or Other ☐

Explanation of Other:

For this City fiscal year, how much of the required local cash match amount is:

Already In Department Budget: $ 500,000.00 Not Budgeted: _____

Proposed Source of Match: City Bonding/Borrowing

Director Approval

Administrator Approval

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Mark DuChene, City Engineer
MEETING DATE:	June 13, 2023
SUBJECT:	Accept Professional Services Agreement with AET for TH 3 Roundabout Materials Testing

Background:

As part of the TH 3 Roundabout Project, City Contract 2023-04, the City is required to follow the MnDOT Schedule of Materials Control for material testing on the project, some of which is outside of current City staff certifications. Due to the state and federal funds on the project and the required testing and reporting, the City is looking to hire a private testing firm to handle the materials testing and state reporting. City staff solicited quotes from two firms and after review of the quotes submitted is recommending accepting the proposal from American Engineering and Testing, Inc. (AET) AET has provided similar services in the past to the City and City staff has been satisfied with their work.

Recommendation:

Accept Professional Services Agreement with AET for TH 3 Roundabout Materials Testing

Attachments:

1. AET Proposal-30th St. and TH 3 Roundabout

May 12, 2023

City of Faribault
1200 Belview Trail
Faribault, MN 55021

Attn: Dale Drentlaw, Engineering Supervisor
ddrentlaw@ci.faribault.mn.us

RE: Proposal for Construction Testing Services
2023 30th St. and TH 3 Roudabout
Faribault, Minnesota
AET #P-0023145

Dear Mr. Drentlaw:

Introduction

American Engineering Testing, Inc. is pleased to offer you construction testing services for the 2023 30th St and TH 3 Roundabout Project in Faribault, Minnesota. This Proposal is intended to define our scope of work, and to present you with an estimate of our fees, the anticipated schedule and other information regarding our services.

Project Information

We understand that the project consists of the construction of a roundabout interchange at 30th St NW and TH3 as well as reconstruction of the 1st Ave and 30th St. intersection in the city of Faribault, Minnesota. The project includes the reconstruction of the roadway, including installation of drainage structures, utility lines, curb and gutter, sidewalks, new bituminous pavements, and concrete driveways.

Scope of Services

During construction, AET will provide experienced MnDOT certified technicians to perform material testing in accordance with the 2020 MnDOT Standarad Specfication and 2023 Schedule of Materials Control. Our testing services will be based out of our Mankato office. Our anticipated scope of services is outlined below.

Subgrade Preparation and Utility Trench Backfill Density Testing

During placement of backfill for the utility lines, an engineering technician will visit the site on an intermittent basis to test the backfill density with a nuclear density gauge. Based on the information provided, we have assumed the following number of backfill density tests for the utility trenches as shown in Table 1. We have assumed that City of Faribault personnel or representative will observe the test rolling of the pavement subgrade and aggregate base. If requested, AET can provide this service at the hourly unit rates included in the attached fee schedule.

This document shall not be reproduced, except in full, without written approval from American Engineering Testing, Inc.

Table 1. Utility Trenches Laboratory and Field Testing

Test	Testing Frequency	Number of Tests
Proctor	1 per soil type	4
Density-Utility Trenches	1 per 500'/3'Lift	20

Select Granular Embankment Laboratory and Field Testing

AET will perform laboratory and field testing on the select granular embankment. A summary of the required testing is provided in Table 2 below.

Table 2. Stabilizing Aggregate Laboratory and Field Testing

Test	Testing Frequency	Number of Tests
Sieve Analysis	1/40,000 CUYD	1
Density	1 per 5000 CUYD	5

Aggregate Base Laboratory and Field Testing

AET will perform laboratory and field testing on the Class 5 and Class 6 Aggregate Base material. A summary of the required testing is provided in Table 3 below.

Table 3. Class 5 Aggregate Base Laboratory Testing

Test	Testing Frequency	Number of Tests
Sieve Analysis	2/Lot,1 Lot/2,000 TON	10
DCP	1/4,000 TON	6

Concrete Testing

During the placement of concrete for curb and gutter, sidewalks, and driveways, personnel from AET will perform field testing (air content, slump and temperature) of the plastic concrete and cast test cylinders for laboratory testing. After initial curing, we will return the samples to our lab for compressive strength testing. Each set will consist of four cylinders, of which three will be tested at 28 days, and one kept as a hold cylinder. The results of our compressive strength testing will be presented as they become available. Our estimated number of tests on the fresh concrete placed for this project is provided in Table 4 below.

Table 4. Concrete Testing Summary

Item	Approximate Volume (cubic yards)	Testing Frequency	Assumed Number of Cylinder Sets
Curb & Gutter	300	1/day/mix type (Air, slump, temp) 1 Set of 4 cylinders/test	4
Driveways	13		1
Sidewalk	273		5

Bituminous Pavement Sampling and Testing

As bituminous paving is being completed, a certified Engineering Technician will obtain companion samples, provided by the contractor, during each day of paving. Samples will be tested in our laboratory for the following:

- Gyratory density, Rice specific gravity, Asphalt Film Thickness (AFT), Coarse Aggregate Angularity (CAA) and Fine Aggregate Angularity (FAA)
- Asphalt extraction and aggregate gradation
- Companion core thickness and density

Concrete and Bituminous Plant Inspections

AET will review the concrete and bituminous plant certifications prior to the beginning of work, including consulting with Mn/DOT Concrete and Bituminous Office to complete associated contact reports and certification documents.

During the concrete plant inspections, a representative from AET will observe and document quality control personnel performing the required quality control tests, verify and document batch weight proportions, and obtain and review material certifications. In addition AET personnel will also conduct verification gradation testing, as well as aggregate quality testing per the 2023 MnDOT SMC.

During the bituminous plant inspections, a representative from AET will observe and document quality control personnel performing the required quality control tests, verify and document batch weight proportions, and obtain and review material certifications.

Fees

Our services will be provided on a unit cost basis according to the unit rates provided in the attached Materials Testing Estimate. Our invoices will be determined by multiplying the number of personnel hours or tests by their respective unit rates.

We have estimated a “minimum required estimate” which estimates the tests needed to satisfy the requirements as defined in the project manual. The “likely needed estimate” is the cost that we anticipate will be required to complete the previously described testing services, based on our experience and assumed scheduling of the project. Therefore, we propose a budget cost estimate using the “likely needed” estimate of **$23,767.00.**

Often, variations in the overall cost of the services occur due to reasons beyond our control, such as weather delays, changes in the contractor’s schedule, unforeseen conditions or retesting. These variations will affect the actual invoice totals, either increasing or decreasing our total costs for the project from those estimated in this proposal. If more time or tests are required, additional fees may be needed to complete the project testing services.

AET currently operates as a non-union entity, and our Fee Schedule reflects this. Should we be required to provide unionized personnel on this project, we reserve the right to renegotiate appropriate fee increases from those shown on the attached Fee Schedule. If this is not possible, we reserve the right to terminate this contract on three (3) days written notice to the Client. We will not be liable for work performed by others after our services have been terminated and will not be responsible for any penalties or costs from the Client, Owner and their successors, assignees, joint-ventures, Contractors, Subcontractors or any other parties involved with the project related to claims, liabilities, damages or consequential damages directly or indirectly related to AET being required to provide unionized personnel on the project.

Terms and Conditions

All AET Services are provided subject to the Terms and Conditions set forth in the enclosed Service Agreement—Terms and Conditions, which, upon acceptance of this proposal, are binding upon you as the Client requesting Services, and your successors, assignees, joint venturers and third-party beneficiaries. Please be advised that additional insured status is granted upon acceptance of the proposal.

Acceptance

AET requests written acceptance of this proposal in the Proposal Acceptance box below, but the following actions shall constitute your acceptance of this proposal together with the Terms and Conditions and Amendments: 1) issuing an authorizing purchase order for any of the Services described above, 2) authorizing AET's presence on site or 3) written or electronic notification for AET to proceed with any of the Services described in this proposal. Please indicate your acceptance of this proposal by signing below and returning a copy to us. When you accept this proposal, you represent that you are authorized to accept on behalf of the Client.

Sincerely,

American Engineering Testing, Inc.	**Authorized Client Representative:**
	Signature:
	Printed Name:
	Company:
Manager – Mankato	PO No./Project No:
ssveine@teamAET.com	Invoice email:
W: 507.387.2222	Phone Number:
C: 507.508.6382	Date:

Attachments: Construction Materials Fee Itemization
Terms and Conditions

AMERICAN ENGINEERING TESTING, INC.

2023 30th St and TH 3 Roundabout-Faribault, MN: SP 125-010-017 Et Al

Material	Units	Qty.	Likely Trips	Likely Hrs	Agency Testing Freq.	# of Tests Minimum	# of Tests Likely	Cost per test ($)	Cost ($) Minimum	Cost ($) Likely
Utility trenches 2392 lf Water main	LF	6,364	5	20	Moisture Density 1 per soil type **(Proctor)**	1	4	175.00	175.00	700.00
Utility trenches 1710 lf Sanitary Sewer					Relative Density 1/500'/3'lift **(Nuclear) Hourly rate**	13	20	0.00	0.00	0.00
Utility trenches 2262 lf Storm Sewer										
Select Granular Embankment	CUYD	5,863	2	8	Gradation 1/40,000 cuyd	1	1	130.00	130.00	130.00
					Relative Density 1/5000cuyd **(Nuclear) Hourly rate**	2	5	0.00	0.00	0.00
					Moisture Density 1 per soil type **(Proctor)**	1	1	175.00	175.00	175.00
Aggregate Base-Class 5	TON	479	1	4	Gradation 1/1,000 ton	7	10	130.00	910.00	1300.00
Aggregate Base-Class 6	TON	6027	2	8						
					DCP 1/4000 Ton **(included in hourly rate)**	3	6	0.00	0.00	0.00
					Aggregate Quality or AC extraction	0	1	230.00	0.00	230.00
Bituminous Testing - SP WE/NW	TON	4,165			Mn/Dot Gyratory Mix Properties (1 test/day/mix type	3	4	595.00	1785.00	2380.00
Wearing Course SP 9.5-472 Ton										
Wearing Course SP 12.5-2162 Ton					Companion Core Density (estimate 1/600 ton)	8	8	55.00	440.00	440.00
Non-Wearing Course SP 12.5-1531 Ton										
Concrete	CU YD	586	10	35						
13 yds driveway, 300 yds curb, 273 yds sidewalk	*Estimated				Testing of Plastic Concrete (One per day per mix type) **(included in hourly rate)**					
Min 10 pours, likely 15 pours					Testing of hardened Concrete Cylinders	30	40	40.00	1200.00	1600.00
								Subtotal =	**4,815.00**	**6,955.00**

Bituminous Batch Plant Inspection	Plant Inspections Provided on a Will - Call basis	1 test/mix type/day (assumes 4 hours at plant)	3	4	400.00	1200.00	1600.00
Concrete Batch Plant Inspection		1 test/mix type/day (assumes 3 hours at plant)	3	6	300.00	900.00	1800.00
		Gradations (Coarse Aggregate)	3	3	130.00	390.00	390.00
		Gradations (Fine Aggregate)	3	3	130.00	390.00	390.00
		Aggregate Quality	4	4	175.00	700.00	700.00
					Subtotal =	**3,580.00**	**4,880.00**

Time and Mileage*	Unit	Rate ($)	Minimum Quantity	Likely Quantity	Minimum Cost	Likely Cost
Mileage	Mile	0.95	1850	2,160	1757.50	2052.00
Certified Engineering Technician Time	Hr	100.00	50	75	5000.00	7500.00
Project Management	Hr	140.00	5	17	700.00	2380.00
Senior Engineer	Hr	180.00	0	0	0.00	0.00
				Subtotal =	**7457.50**	**11932.00**

	Minimum	Likely
Total Cost Estimate =	**15,852.50**	**23,767.00**

Estimate prepared by: Sam Sveine

Mankato to Faribault mileage trip charge is (90 miles =$85.50/trip) Trips will be split with other jobs whenever possible.

SECTION 1 - RESPONSIBILITIES

1.1 – This Service Agreement – Terms and Conditions ("terms and conditions") is applicable to all services ("Services") provided by American Engineering Testing, Inc. (AET). As used herein "Services" refer to the scope of Services described in the proposal submitted by AET to Client. The proposal, these terms and conditions and any appendices attached hereto shall comprise the agreement ("Agreement") between AET and Client for Services described in the proposal and are binding upon the Client, its successors, assignees, joint ventures and third-party beneficiaries. **AET requests written acceptance of the Agreement, but the following actions shall also constitute Client's acceptance of the Agreement: 1) issuing an authorizing purchase order, task order, service order, or any other documentation for any of the Services, 2) authorizing AET's presence on site, or 3) written or electronic notification for AET to proceed with any of the Services. Issuance of a purchase order, task order or service order by Client which contains separate terms and conditions will not take precedence or modify the terms and conditions contained in this Service Agreement AND THE TERMS AND CONDITIONS OF THIS SERVICE AGREEMENT AND ANY CORRESPONDING PROPOSAL ISSUED BY AET SHALL GOVERN UNLESS AUTHORIZED IN WRITING IN ADVANCE BY AET.**

1.2 - Prior to AET performing Services, Client will provide AET with all information that may affect the cost, progress, safety and performance of the Services. This includes, but is not limited to, information on proposed and existing construction, all pertinent sections of contracts between Client and their client and/or Owner which contain flow-down provisions to AET, if they are included, site safety plans or other documents which may control or affect AET's Services. If new information becomes available or changes are made during AET's Services, Client will provide such information to AET in a timely manner. Failure of Client to timely notify AET of changes to the project including, but not limited to, location, elevation, loading, or configuration of the structure or improvement will constitute a release of any liability of AET. Client will provide a representative for timely answers to project-related questions by AET.

1.3 - AET observes and tests earthwork and other construction operations and materials, and may provide opinions, conclusions and recommendations regarding the same. However, AET's Services do not relieve the contractors of their contractual responsibility to perform their work in accordance with approved plans, specifications and building code requirements.

1.4 - AET personnel do not have authority to accept, reject, direct or otherwise approve the work of the contractor. AET cannot stop work or waive or alter the requirements of the project documents. Any authority given to AET by Client must be in writing prior to the start of Services.

1.5 - AET does not perform construction management, general contracting or surveying services and our involvement with the project does not constitute any assumption of those responsibilities.

1.6 - Services performed by AET often include sampling at specific locations. Client acknowledges the limitations inherent in sampling. Variations in conditions occur between and beyond sampled/tested locations. The passage of time, natural occurrences and direct or indirect human activities at the site or distant from it may alter the actual conditions. Client assumes all risks associated with such variations.

1.7 - AET is not responsible for interpretations or modifications of AET's recommendations by other persons.

1.8 - Should change in conditions be alleged, Client agrees to notify AET before evidence of alleged change is no longer accessible for evaluation.

1.9 - Test borings and/or cone penetration test soundings to a proper depth below foundation grade and the base of suitable bearing soils are recommended to explore the deeper unseen soil and ground water conditions. Judgments made by AET personnel regarding the suitability of materials and ground water conditions below the bottom of an excavation are limited if sufficiently deep test borings/soundings are not provided by the Client prior to our observations and judgments. AET's opinions, conclusions and recommendations are qualified to that extent.

1.10 – Pricing in the proposal assumes use of these terms and conditions. AET reserves the right to amend pricing if Client requests modifications to the Agreement or use of Client's alternate contract format. Any contract amendments made after Client has authorized the Services shall be applicable only to Services performed after the effective date of such amendment. The proposal and these terms and conditions, including terms of payment, shall apply to all Services performed prior to the effective date of such amendment.

1.11 – The AET proposal accompanying these terms and conditions is valid for thirty (30) days after the proposal issuance date to the Client. Any attempt to authorize Services after the expiration date is subject to AET's right to revise the proposal as necessary.

SECTION 2 – ON CALL SERVICES

2.1 - If AET's Services are performed on an on-call basis at the direction of the Client or its authorized representatives, Client acknowledges the inherent limitations associated with performing engineering judgments and testing Services on an on-call basis, including without limitation, the inability to completely evaluate, document or judge work and conditions not directly observed or tested by AET. AET's opinions, conclusions, and recommendations are qualified to the extent of those limitations.

2.2 - Density tests of fill soils represent conditions only at the locations and elevations tested and do not necessarily represent conditions laterally, above or below. AET can only provide judgments regarding the engineered fill system to adequately support the design construction loadings by monitoring the filling process on a continuous basis for consistency of soil type, moisture content, lift thickness, and compaction effort.

2.3 – AET requires a minimum of 24 hours' notice of the need for Services. AET will not be liable for claims, damages, or delays related to failure of Client to provide adequate advance notice to AET.

SECTION 3 - SITE ACCESS, UNDERGROUND FACILITIES AND CONSTRUCTION STAKING

3.1 - Client will furnish AET safe and legal site access.

3.2 – With the exception of public utilities which AET will contact state "call before you dig" notification centers (e.g. Gopher State One call in Minnesota), Client will mark or cause to be marked the location of all other underground utilities and structures (Facilities) that service or are located on the site. AET shall be entitled to rely upon the accuracy of all location information supplied by any source.

3.3 – Client shall hold harmless, indemnify and defend AET from all claims, damages, losses, fines, penalties and expenses (including attorney's fees) arising out of or related to the following: a) Facilities that are not shown or vary from the locations shown on any plans or drawings, b) Facilities that are not located by or vary from the locations marked by Client, governmental or quasi-governmental locator programs, or private utility locating services, or c) any other Facilities that are not disclosed or vary from locations provided by the Client. The obligation to defend AET shall be independent of the obligation to indemnify and hold harmless AET and shall be with independent counsel acceptable to AET.

3.4 - The location and elevation of a proposed structure or facility shall be staked (with offsets) and controlled by surveying or GPS equipment by others. AET's measurements are made in relation to that information. The reliability of any opinions, conclusions, and recommendations based on those measurements is strictly dependent on the accuracy of the staking or GPS information provided by others.

3.5 - During construction, observations and testing Services are based on the positioning of the formwork by the contractor or its subcontractor. AET will not be responsible for any errors or damages resulting from improper location or positioning of the formwork.

SECTION 4 - SAFETY

4.1 - Client shall inform AET of any known or suspected hazardous materials or unsafe conditions at the site. Client or its authorized representative(s) is responsible for the safety of the jobsite. If, during the course of AET's Services, such materials or conditions are discovered, AET reserves the right to take measures to protect AET personnel and equipment or to immediately terminate Services. Client shall be responsible for payment of such additional protection costs.

4.2 - AET shall only be responsible for safety of AET employees at the site; the safety of all others shall be Client's or other persons' responsibility.

SECTION 5 - SAMPLES

5.1 - Client shall inform AET of any known or suspected hazardous materials prior to submittal to AET. All samples obtained by or submitted to AET remain the property of the Client during and after the Services. Any known or suspected hazardous material samples will be returned to the Client at AET's discretion.

5.2 - Non-hazardous samples will be held for thirty (30) days and then discarded unless, within thirty (30) days of the report date, the Client requests in writing that AET store or ship the samples. Storage and shipping costs shall be borne solely by Client.

SECTION 6 - PROJECT RECORDS

The original project records prepared by AET will remain the property of AET. AET shall retain these original records for a minimum of three years following submission of the report, during which period the project records can be made available to Client at AET's office at reasonable times.

SECTION 7 - STANDARD OF CARE

AET performs its Services consistent with the level of care and skill normally performed by other firms in the profession at the time of this service and in this geographic area, under similar budgetary constraints.

SECTION 8 - INSURANCE

AET maintains insurance with coverage and minimum limits shown below. AET will furnish certificates of insurance to Client upon request.

8.1 –

Workers' Compensation	Statutory Limits
Employer's Liability	$100,000 each accident $500,000 disease policy limit $100,000 disease each employee
Commercial General Liability	$1,000,000 each occurrence $1,000,000 aggregate
Automobile Liability	$1,000,000 each accident
Professional/Pollution Liability Insurance	$1,000,000 per claim $1,000,000 aggregate

8.2 - Commercial General Liability insurance will include coverage for Products/Completed Operations extending one (1) year after completion of AET's Services as outlined in our proposal, Property Damage, Personal Injury, and Contractual Liability coverage applicable to AET's indemnity obligations under this Agreement.

8.3 - Automobile Liability insurance shall include coverage for all owned, hired and non-owned automobiles.

8.4 - Professional/Pollution Liability Insurance is written on a claims-made basis and coverage will be maintained for one (1) year after completion of AET's Services as outlined in our proposal. Renewal policies during this period shall maintain the same retroactive date.

8.5 - **To the extent permitted by applicable state law, and upon Client's signing of the proposal, which includes these Terms and Conditions, and return of the same to AET, or Client provided forms of acceptance as defined in Section 1.1; Client and Owner shall be named an "additional insured" on AET's Commercial General Liability Policy (Form CG D4 14, which includes blanket coverage for the Additional Insured on a Primary and Non-Contributory basis). Client and Owner shall also be named an "additional insured" on a Primary and Non-contributory basis on AET's Automobile Liability Policy (Form CA T4 74). Any other endorsement, coverage or policy requirement may result in additional charges.**

8.6 - AET will maintain insurance coverage required by this Agreement at its sole expense, provided such insurance is reasonably available, with insurance carriers licensed to do business in the state in which the project is located and having a current A.M. Best rating of no less than A minus (A-). Such insurance shall provide for thirty (30) days prior written notice to Client for notice of cancellation or material limitations for the policy or ten (10) days' notice for non-payment of premium.

8.7 - AET reserves the right to charge Client for AET's costs for additional coverage requirements unknown on the date of the proposal, e.g., coverage limits or policy modification including waiver of subrogation, additional insured endorsements and other project specific requirements.

SECTION 9 - DELAYS

If delays to AET's Services are caused by Client or Owner, other parties, strikes, natural causes, pandemic, weather, or other items beyond AET's control, a reasonable time extension for performance of the Services shall be granted, and AET shall receive an equitable fee adjustment.

SECTION 10 - PAYMENT, INTEREST AND BREACH

10.1 - Invoices are due net thirty (30) days from the date of receipt of an undisputed invoice. Invoices will be paid without reductions for bond or retention. Client will inform AET of invoice questions or disagreements within fifteen (15) days of invoice date; unless so informed, invoices are deemed correct.

10.2 – Invoices remaining unpaid for sixty (60) days shall constitute a material breach of this Agreement, permitting AET, in its sole discretion and without limiting any other legal or equitable remedies for such breach, to terminate performance of this Agreement and be relieved of any associated duties to the Client or other persons. Further, AET may withhold from Client data and reports in AET's possession. If Client fails to cure such breach, all reports associated with the unpaid invoices shall immediately upon demand be returned to AET and Client may neither use nor rely upon such reports or the Services.

10.3 – AET reserves the right to pursue any unpaid invoice utilizing available remedies at law. AET explicitly reserves its Mechanic Lien or Bond Claim rights for nonpayment of an undisputed invoice. Client is responsible for paying AET expenses and attorney fees related to collection of past due invoices.

10.4 – AET reserves the right to charge a 2.5% fee on any payment made using a credit card or debit card.

SECTION 11 - CHANGE ORDERS

AET's proposal associated with this project may provide an estimated cost for the work. If the proposal amount is a time and material estimate, or if changes occur affecting the project scope, estimated quantities, project schedule or other unforeseen conditions, AET will communicate with Client and request a change order. However, nothing in this agreement shall be construed in any way as a waiver of payment by Client to AET for Services authorized under this agreement. Approval of a change order may be in writing, by electronic communication, or any directive for additional Services.

SECTION 12 - MEDIATION

12.1 - Except for enforcement of AET's rights to payment for Services rendered or to assert and/or enforce its lien rights, including without limitation assertion and enforcement of mechanic's lien rights and foreclosure of the same, Client and AET agree that any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party; provided however that if either party fails to respond to a request for mediation within sixty (60) days, the party requesting mediation may without further notice, proceed to arbitration or the institution of legal or equitable proceedings.

12.2 - Mediation shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association. Request for mediation shall be in writing and the parties shall share the mediator's fee and any filing fees equally and each party shall pay their own legal fees. The mediator shall be acceptable to both parties and shall have experience in commercial construction matters.

SECTION 13 - LITIGATION REIMBURSEMENT

Except for matters relating to non-payment of fees, which is governed by Section 10 hereof, payment of attorney's fees and costs associated with lawsuits or arbitration of disputes between AET and Client, which are dismissed or are judged substantially in either party's favor, shall be paid by the non-prevailing party. Applicable costs include, but are not limited to, attorney and expert witness fees, court costs, and other direct costs.

SECTION 14 - MUTUAL INDEMNIFICATION

14.1 - Subject to the limitations contained in Sections 14 and 17, AET agrees to indemnify Client from and against damages and costs to the extent caused by AET's negligent performance of the Services.

14.2 - Client agrees to indemnify AET from and against damages and costs to the extent caused by the intentional acts or negligence of the Client, Owner, Client's contractors and subcontractors or other third parties.

14.3 - If Client has an indemnity agreement with other persons or entities relating to the project for which AET's Services are performed, the Client shall include AET as an Additional Insured.

14.4 - AET's indemnification to the Client, including any indemnity required or implied by law, is limited solely to losses or damages caused by its failure to meet the standard of care and only to the extent of its negligence.

SECTION 15 - NON-SOLICITATION

Each party to this Agreement (a "Party") agrees that it will not encourage, induce, or actively solicit any employee of the other party to leave their employment for any reason, provided that neither Party is precluded from (a) hiring any such employee who has been terminated by a Party or its subsidiaries prior to commencement of employment discussions between a Party and such employee, or (b) soliciting any such employee by means of a general advertisement or through an employment agency that does not specifically pursue the employee, or (c) hiring employees or former employees of the other Party who contact the Party on its own accord. This Non-Solicitation provision shall be effective and enforceable for six (6) months following termination of this Agreement.

SECTION 16- MUTUAL WAIVER OF CONSEQUENTIAL DAMAGES

Except as specifically set forth herein and to the extent permitted by applicable law, Client and AET waive against each other, and each other's officers, directors, members, subcontractor, agents, assigns, successors, partners, and employees any and all claims for or entitlement to special, incidental, indirect, punitive, or consequential damages arising out of, resulting from, or in any way related to the Services provided by AET under this Agreement. This mutual waiver of consequential damages includes, but is not limited to, the following: loss of profits; loss of revenue; rental costs/expenses incurred; loss of income; loss of use of property, equipment, materials or services; loss of opportunity; loss of rent; loss of good will; loss of financing; loss of credit; diminution of value; loss of business and reputation; loss of management or employee productivity or the services of such persons; increased financing costs; cost of substitute facilities; cost of substitute goods/property/equipment; cost of substitute services; and/or cost of capital. This mutual waiver is applicable, without limitation,

to all consequential damages due to either party's termination of this Agreement in accordance with the provisions of the Agreement and related documents and shall survive any such termination.

SECTION 17 - LIMITATION OF LIABILITY

To the fullest extent permitted by applicable law, the total aggregate liability of AET and its officers, directors, partners, employees, subcontractors, agents, and sub-consultants, to Client and/or Client's employees, officers, directors, members, agents, assigns, successors, or partners, or anyone claiming through Client, for any and all injuries, damages, claims, losses, or expenses (including attorney's fees and costs) arising out of, resulting from or in any way related to Services provided by *AET* from any cause or causes, including, but not limited to, its negligence, professional errors and omissions, strict liability, breach of contract, or breach of warranty shall not exceed the total compensation in excess of costs received by AET for Services or $50,000, whichever is greater. The limitation of liability set forth herein does not apply to claims arising solely out of or related to the willful or intentional acts of AET.

SECTION 18 - POSTING OF NOTICES ON EMPLOYEE RIGHTS

Effective June 21, 2010, prime contracts with a value of $100,000 or more and signed by federal contractors on projects with any agency of the United States government must comply with 29 CFR Part 471, which requires physical posting of a notice to employees of their rights under Federal labor laws. The required notice may be found at *29 Code of Federal Regulations Part 471, Appendix A to Subpart A*. The regulation also has a "flow-down" requirement for subcontractors under the prime agreement for subcontracts with a value of $10,000 or more. AET requires strict compliance of its subcontractors working on federal contracts subject to this regulation. The regulation has specific requirements for location of posting and language(s) for the poster.

SECTION 19 - TERMINATION

After 7 days' written notice, either party may elect to terminate work for justifiable reasons. In this event, the Client shall pay AET for all Services performed, including demobilization and reporting costs to complete the Services.

SECTION 20 - SEVERABILITY

Any provisions of this Agreement later held to violate a law or regulation shall be deemed void, and all remaining provisions shall continue in force. However, Client and AET will in good faith attempt to replace an invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing the intent of the original provision.

SECTION 21 - GOVERNING LAW

This Agreement shall be construed in accordance with the Laws of the State of Minnesota without regard to its conflicts of law provisions.

SECTION 22 - ENTIRE AGREEMENT

This Agreement, including these terms and conditions and attached proposal and appendices, is the entire agreement between AET and Client. Regardless of method of acceptance of this Agreement by the Client, this Agreement supersedes any written or oral agreements, including purchase/work orders or other Client agreements submitted to AET after the start of our Services. Any modifications to this Agreement must be mutually acceptable to both parties and accepted in writing. No considerations will be given to revisions to AET's terms and conditions or alternate contract format submitted by the Client as a condition for payment of AET's accrued Services.

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Dustin Dienst, Director of Fire & Code Services
MEETING DATE:	June 13, 2023
SUBJECT:	Approve Purchase of Rescue Air Bags

Background:

In the 2023, Capital Improvement Plan funding was approved for the purchase of air bags used in a variety of rescue situations. These air bags are replacing air bags that have served their useful life according to NFPA.

The Capital Improvement Plan has $28,000.00 for the purchase of air bags this year. We are purchasing the air bags from MacQueen Emergency Equipment. These air bags are direct replacements, which will allow us to utilize our existing hoses and regulators. Keeping with the same brand of air bags also maintains the continuity and ease of use between our Paratech equipment and these new bags.

Recommendation:

Approve Purchase of Rescue Air Bags

Attachments:

1. MacQueen Emergency Equipment Quote for Rescue Air Bags
2. CIP Sheet for Project FIR E 23-03
3. Asset Retirement-Transfer Form for Rescue Air Bags

MACQUEEN EQUIPMENT MACQUEEN EMERGENCY
350 Austin Circle
Delafield, WI 53018
(262) 646-5911
Fax: (262) 646-5912

Ship To: FARIBAULT FIRE DEPT
122 NW SECOND ST
FARIBAULT, MN 55021

Invoice To: CITY OF FARIBAULT
208 NW 1ST AVE
FARIBAULT MN 55021

Attention: JOEL HANSEN

Branch		
16 - DELAFIELD, WI		
Date	Time	Page
02/17/2023	13:15:16 (O)	1
Account No	Phone No	Est No 02
FARIB001	5073342222	007775
Ship Via	Purchase Order	
BEST WAY	PARATECH FOR FD	
Tax ID No		
	Salesperson	
	204 / 353	

ESTIMATE EXPIRY DATE: 03/12/2023

QUOTE - ORDER ACKNOWLEDGEMENT

Part#	Description	U	Qty	Price	Amount
Reference Number: 007775-PARATECH					
22-888110G2 Paratech MAXIFORCE® Air Lifting Bag (Only), Model KPI-1, 6 in x 6 in x 3/4 in, 1.5 US Ton Max Lifting Capacity	PARATECH MAXIFO	1		474.50	474.50
22-888130G2 PARATECH MAXIFORCE AIR LIFTING BAG (ONLY), MODEL KPI-5, 10 IN X 10 IN X 3/4 IN, 5.4 US TON MAX ...	PARATECH MAXIFO	1		844.43	844.43
22-888135G2 Paratech MAXIFORCE® Air Lifting Bag (Only), Model KPI-8, 12 in x 12 in x 7/8 in, 8.2 US Ton Max Lifting Capacity	PARATECH MAXIFO	1		940.12	940.12
22-887005K A/k Cushion 3.3 Ton (3.0mt)	A/k CUSHION 3.3	1		2887.45	2887.45
22-887010K PARATECH B/K CUSHION, 5.1 TON	PARATECH RESCUE	1		3224.82	3224.82
22-887015K PARATECH RESCUE AIR CUSHION C/K 7.4 TON CUSHION (ONLY)..*CARRY CASE, CONTROLLER, HOSE, AND KIT I...	PARATECH RESCUE	1		3610.54	3610.54
22-887020K D/K Cushion 13 Ton (11.9mt)	D/K CUSH	1		5132.69	5132.69
FREIGHT NOT INCLUDED					

Subtotal:	17114.55
Tax:	.00
TOTAL:	17114.55

Authorization: _____

Return/Exchange Policy
Returns/Exchanges are accepted within 30 days of the purchase date on stock items in original, re-sellable packaging, with tags. No writing is allowed on the packaging. Please contact our Inside Sales Support Team at 800-615-6789 for a Return Authorization Number. A copy of the Return Authorization Form should accompany the return. We will not accept returns without a Return Authorization Number. A credit will be issued after a full product inspection is complete on an eligible return. Returns are subject to a 25% restocking fee, which we may waive for exchanges. Purchaser is responsible for freight. Unfortunately, all special orders, custom items, and SCBA cylinders are non-returnable. Other restrictions may apply. MacQueen Emergency reserves the right to refuse returns not received in the 30-day return period.

Visit Us Online
www.MacQueenGroup.com

Department	Project #	Priority	2023	2024	2025	2026	2027	Total
Fire								
Replacement - Rescue Apparatus #2110	FIR E 23-01	1	877,250					877,250
Replacement - Trailer #1	FIR E 23-02	2	9,000					9,000
Replacement - Low Pressure Airbags	FIR E 23-03	1	28,000					28,000
Replacement - Fire Pumper Truck #2120	FIR E 23-04	1	225,000					225,000
Northern Industrial Area Outdoor Warning Siren	FIR E 23-05	1	35,000					35,000
Replacement - Fire Chief Squad #2104	FIR E 24-01	1		45,000				45,000
Replacement - Hose Washer	FIR E 24-02	3		20,000				20,000
Replacement - Lucas 1 Chest Compression Device	FIR E 25-01	1			20,000			20,000
Replacement - UTV	FIR E 26-01	1				30,000		30,000
Replacement - F350 Crew Cab #2130	FIR E 27-01	1					80,000	80,000
Fire Station Exterior Maintenance	FIR F 23-01	1	40,000					40,000
Replacement - Boiler	FIR F 27-01	1					50,000	50,000
	Fire Total		**1,214,250**	**65,000**	**20,000**	**30,000**	**130,000**	**1,459,250**
Capital Replacement Fund (431)			1,061,750	65,000	20,000	30,000	80,000	1,256,750
Public Facilities Fund (437)			40,000				50,000	90,000
Rural Fire Association			112,500					112,500
	Fire Total		**1,214,250**	**65,000**	**20,000**	**30,000**	**130,000**	**1,459,250**
IT								
Replacement - City Hall Camera System	IT T 23-01	1	20,000					20,000
Replacement - Council Chambers Audio & Video	IT T 23-02	1	140,000					140,000
	IT Total		**160,000**					**160,000**
Capital Replacement Fund (431)			160,000					160,000
	IT Total		**160,000**					**160,000**
Library								
Drive-thru Book Return	LIB E 23-01	2	35,000					35,000
Replacement - Library Furniture	LIB E 26-01	1				75,000		75,000
Replacement - Library Security Gate System	LIB E 27-01	4					25,000	25,000
Library Exterior Clean, Seal and Repair	LIB F 23-01	1	50,000					50,000
Replacement - Library Lower Level Storm Windows	LIB F 24-01	1		40,000				40,000
Library Elevator Modernization	LIB F 26-01	2				100,000		100,000
Clean & Restore Great Hall Murals	LIB F 27-01	1					40,000	40,000
	Library Total		**85,000**	**40,000**		**175,000**	**65,000**	**365,000**
Capital Replacement Fund (431)			35,000			75,000	25,000	135,000
Public Facilities Fund (437)			50,000	40,000		100,000	40,000	230,000
	Library Total		**85,000**	**40,000**		**175,000**	**65,000**	**365,000**
Parks								
Replacement - Toro 5910 16' Mower #14	PAR E 23-01	1	125,000					125,000

CITY OF FARIBAULT
ASSET RETIREMENT/TRANSFER FORM

ASSET DESCRIPTION: Rescue Airbags

BARCODE NUMBER: — SERIAL NUMBER: —

DEPARTMENT: Fire

LOCATION/ROOM NUMBER: —

DATE OF CHANGE: June 1, 2023

TYPE OF CHANGE:

SOLD: $_____ Attach copy of receipt and Barcode label

TRANSFERRED TO: Department Name _____ LOCATION/ROOM NUMBER: _____

TRADE IN: $_____ New Item Acquired _____

DESTROYED: $ _____ Attach copy of receipt and Barcode label

Explanation of deposition Expired per NFPA

DEPARTMENT DIRECTOR SIGNATURE: Dustin Dinst

FOR FINANCE OFFICER ONLY

ENTERED INTO CAPITAL ASSET SYSTEM YES NO DATE _____

NOTES INITIALS _____

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Economic Development Authority Tim Murray, City Administrator
FROM:	David Wanberg, Community and Economic Development Director
MEETING DATE:	June 13, 2023
SUBJECT:	Resolution 2023-122 Modify Development District No. 1, Tax Increment Financing District No. 13: Hamilton Therein, the Development Program, and the Tax Increment Financing Plan Therefor

Background:

The City Council established TIF District No. 13 in 2019 to facilitate the Hillside Apartments development at 10 Division Street (see Figure 1). The Council extended the TIF boundaries beyond the Hillside Apartment site for future apartment development and to allow the City to use any unobligated TIF to provide additional public parking.

Figure 1: Existing TIF District No. 13

The Council approved Faribault Buckham Center Addition plat in 2021, which platted multiple parcels into one lot and eliminated parcel lines crossing existing buildings. However, the City could not record the plat because TIF District No. 13 would no longer follow parcel lines as required by state statute. Therefore, the Council should decertify (remove) the four parcels identified in Figure 2 below from TIF District No. 13 (PIDs 1831426003, 1831426004, 1831426006, 1831426002). Removing these parcels from the district requires a public hearing, but it will not have a meaningful effect on TIF District No. 13, since the City has no development plans for the parcels. Refer to the Modification of the TIF Plan for more information (see attached).

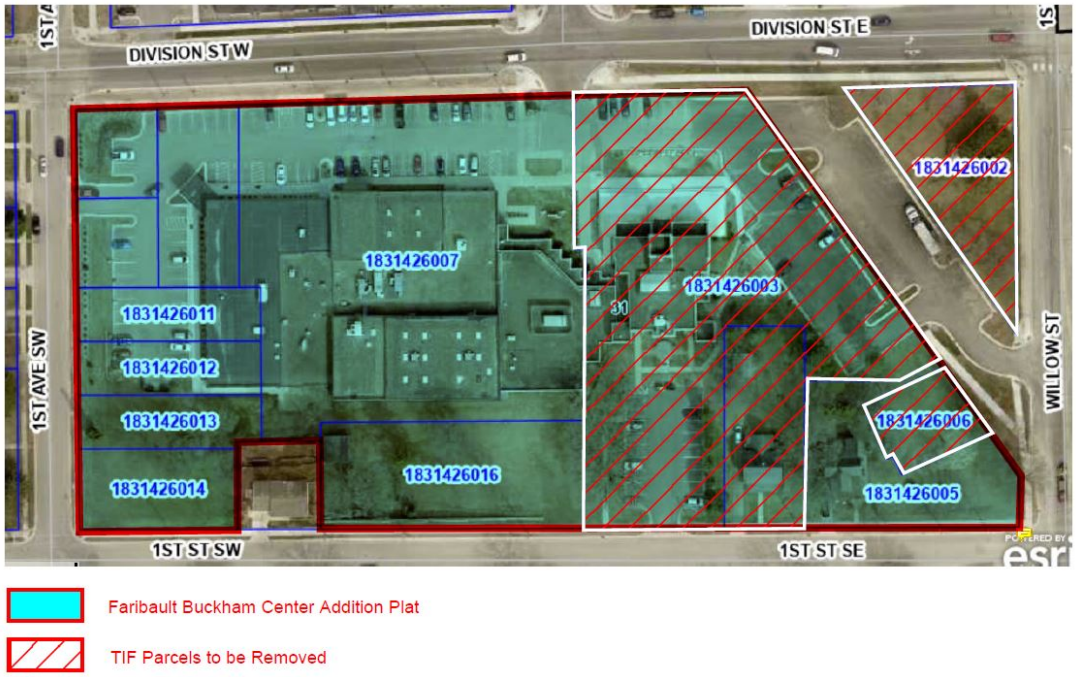


Figure 2: TIF Parcels to be Decertified (Removed)

Recommendation:
Approve Resolution 2023-122

Attachments:
1. Resolution 2023-122 Modify Development District No. 1, TIF District No. 13: Hamilton Therein, the Development Program, and the TIF Plan Therefor
2. Modified TIF Plan

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-122

MODIFY DEVELOPMENT DISTRICT NO. 1, TAX INCREMENT FINANCING DISTRICT NO. 13: HAMILTON THEREIN, THE DEVELOPMENT PROGRAM, AND THE TAX INCREMENT FINANCING PLAN THEREFOR

WHEREAS, there is a proposal to modify Development District No. 1, modify Tax Increment Financing District No. 13: Hamilton ("TIF District No. 13 Modification"), adopt a Modification to the Development Program (the "Development Program Modification"), and adopt a Modification to the Tax Increment Financing Plan (the "TIF Plan Modification") therefor (the TIF District No. 13 Modification, Development Program Modification and the TIF Plan Modification are referred to collectively herein as the "District Modification, Program Modification and TIF Plan Modification"), all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.134, and Sections 469.174 to 469.1799, inclusive, as amended (the "Act"); and

WHEREAS, the City of Faribault (the "City") has investigated the facts relating to the District Modification, Program Modification and TIF Plan Modification and has caused the District Modification, Program Modification and TIF Plan Modification to be prepared; and

WHEREAS, the City has performed all actions required by law to be performed prior to the adoption of the District Modification, Program Modification and TIF Plan Modification, including a public hearing on the District Modification, Program Modification and TIF Plan Modification upon published notice as required by law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Faribault as follows:

1. The City Council hereby finds that the District Modification, Program Modification and TIF Plan Modification conform in all respects to the requirements of the Act; will provide an impetus for residential development and provide safe and decent life cycle housing in the City.

2. The City Council further finds that the District Modification, Program Modification and TIF Plan Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 1 by private enterprise in that the intent is to provide only that public assistance necessary to make the private developments financially feasible.

3. The City Council hereby approves the District Modification, Program Modification and TIF Plan Modification, as presented to the City on this date.

Date Adopted: June 13, 2023.

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

DOCSOPEN\FA105\260\881182.v1-6/8/23

Adoption Date: March 26, 2019

Modification #1 Public Hearing: June 12, 2023

City of Faribault

Rice County, Minnesota

MODIFICATION to the Tax Increment Financing (TIF) Plan

Tax Increment Financing District No. 13: Hamilton
(a redevelopment district)

Located in Development District No. 1

Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, Minnesota 55113

BUILDING COMMUNITIES. IT'S WHAT WE DO.

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Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 13: Hamilton

FOREWORD

The City of Faribault (the "City"), staff and consultants have prepared the following information to expedite the Modification of Tax Increment Financing District No. 13: Hamilton (the "District"), a redevelopment tax increment financing district, located in Development District No. 1.

STATEMENT OF OBJECTIVES

As modified June 12, 2023

The TIF Plan is being modified to remove four (4) parcels from the District.

DESCRIPTION OF PROPERTY IN THE DISTRICT

As modified June 12, 2023

The District is being modified to remove the following parcels from the District since no development is anticipated on them:

Parcel number	Address	Owner
18.31.4.26.002	1 Park Place	City of Faribault
18.31.4.26.006	26 Park Place	City of Faribault
18.31.4.26.003	11 Division St. E.	City of Faribault
18.31.4.26.004	16 1st St. SE	City of Faribault

Parcel 18.31.4.26.004 had an original tax capacity of 1,147 and it is currently 0. The property was owned by the City at the time of certification of the District, but it did not become tax exempt until after the certification. Since the tax capacity on that parcel is lower than when the District was created, the City is required to hold a public hearing to remove the parcel. Due to the small tax capacity reduction, no updated fiscal impacts are being completed because it is deemed to have no impact on the City or the other taxing jurisdictions.

The following parcels will remain in the District:

Parcel number	Address	Owner
18.31.1.51.001	N/A	City of Faribault
18.31.1.51.002	10 Division Street W	Faribault Division LLC
18.31.1.26.511	21 1st Street NW	City of Faribault
18.31.1.26.587	12 Central Avenue	Crown Apartments LLC

Appendix A: March 26, 2019 TIF Plan

MODIFICATION TO THE DEVLEOPMENT PROGRAM
Development District No. 1

- AND -

TAX INCREMENT FINANCING PLAN
Establishment Tax Increment Financing No. 13: Hamilton
(a redevelopment district)

Faribault Economic Development Authority
City of Faribault, Rice County, Minnesota

Adopted: April 23, 2019

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Section 1 - Modification to the Development Program for Development District No. 1

Foreword

The following text represents a Modification to the Development Program for Development District No. 1. This modification represents a continuation of the goals and objectives set forth in the Development Program for Development District No. 1. Generally, the substantive changes include the establishment of Tax Increment Financing District No. 13: Hamilton.

For further information, a review of the Development Program for Development District No. 1 is recommended. It is available from the Director of Community and Economic Development at the City of Faribault. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts located within Development District No. 1.

Section 2 - Tax Increment Financing Plan for Tax Increment Financing District No. 13: Hamilton

Subsection 2-1. Foreword

The Faribault Economic Development Authority (the "EDA"), the City of Faribault (the "City"), staff and consultants have prepared the following information to expedite the establishment of Tax Increment Financing District No. 13: Hamilton (the "District"), a redevelopment tax increment financing district, located in Development District No. 1.

Subsection 2-2. Statutory Authority

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the EDA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.090 to 469.1082*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1794*, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Development Program for Development District No. 1.

Subsection 2-3. Statement of Objectives

The District currently consists of 12 parcels of land and adjacent and internal rights-of-way. The District is being created to facilitate the construction of up to 74-units of rental housing in the City in two separate buildings. Phase I will be constructed by Hamilton Real Estate Inc. and consists of a 44-unit apartment complex and the future Phase II will consist of approximately 30 units. In addition, the City anticipates developing additional public parking within the TIF district since an existing City lot is being sold for the Phase I development. Please see Appendix A for further District information. The EDA anticipates entering into an agreement with Hamilton Real Estate Inc. for the Phase I development and anticipates construction will commence in 2019. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Development District No. 1.

The activities contemplated in the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Development District No. 1 and the District.

Subsection 2-4. Development Program Overview

1. Property to be Acquired - The EDA or City currently owns five parcels of property within the District. The remaining property located within the District may be acquired by the EDA or City and is further described in this TIF Plan.

2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.

3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the EDA or City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.

4. The EDA or City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

Subsection 2-5. Description of Property in the District and Property To Be Acquired

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed below (Please also see the map in Appendix B for further information on the location of the District):

PID	Owner	Address
18.31.1.26.511	Steve Burkhartzmeyer	21 1st St. NW
18.31.1.26.512	Kirk Walker	29 1st St NW
18.31.1.26.513	City of Faribault	30 Division St W
18.31.1.26.514	City of Faribault	24 Division Street NW
18.31.1.26.515	City of Faribault	N/A
18.31.1.26.516	City of Faribault	N/A
18.31.1.26.517	Faribault EDA	4 Central Ave
18.31.1.26.510	Crown Apts LLC	12 Central Ave
18.31.4.26.002	City of Faribault	1 Park Place
18.31.4.26.006	City of Faribault	26 Park Place
18.31.4.26.003	Bucknam Library	11 Division St. E.
18.31.4.26.004	City of Faribault	16 1st St. SE

The EDA or City may acquire any parcel within the District including interior and adjacent street rights of way (The EDA and City currently own eight of the parcels to be included in the District). Any properties identified for acquisition will be acquired by the EDA or City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The EDA or City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to financing the acquisition and related costs.

Subsection 2-6. Classification of the District

The EDA and City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, find that the District, to be established, is a redevelopment district pursuant to *M.S., Section 469.174, Subd. 10(a)(1)*.

In meeting the statutory criteria the EDA and City rely on the following facts and findings:

- The District is a redevelopment district consisting of 12 parcels.
- An inventory shows that parcels consisting of more than 70 percent of the area in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures.

- An inspection of the buildings located within the District finds that more than 50 percent of the buildings are structurally substandard as defined in the TIF Act. (See Appendix D).

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111*, *273.112, or 273.114* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

Subsection 2-7. Duration and First Year of Tax Increment of the District

Pursuant to *M.S., Section 469.175, Subd. 1, and Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 25 years after receipt of the first increment by the EDA or City (a total of 26 years of tax increment). The EDA or City elects to receive the first tax increment in 2021, which is no later than four years following the year of approval of the District. Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2046, or when the TIF Plan is satisfied. The EDA or City reserves the right to decertify the District prior to the legally required date.

Subsection 2-8. Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2018 for taxes payable 2019.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2020) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the EDA or City.

The original local tax rate for the District will be the local tax rate for taxes payable 2019, assuming the request for certification is made before June 30, 2019. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Development District No. 1, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The EDA and City request 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2021. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Project Estimated Tax Capacity upon Completion (PTC)	**$142,515**	
Original Estimated Net Tax Capacity (ONTC)	**$5,275**	
Estimated Captured Tax Capacity (CTC)	**$137,240**	
Original Local Tax Rate	**1.12059**	Pay 2019
Estimated Annual Tax Increment (CTC x Local Tax Rate)	**$153,790**	
Percent Retained by the EDA	**100%**	

Tax capacity includes a 3% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 25. The tax capacity of the District in year one is estimated to be $21,092.

Pursuant to *M.S., Section 469.177, Subd. 4*, the EDA shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3.* The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City has reviewed the area to be included in the District and determined no building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City.

Subsection 2-9. Sources of Revenue/Bonds to be Issued

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The EDA or City reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by a possible bond issue for the public parking, pay-as-you-go note for the private development and interfund loan for land write down and potentially for the public parking, if not financed through a bond issue. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the EDA or City to incur debt. The EDA or City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES OF FUNDS	**TOTAL**
Tax Increment	$2,709,303
Interest	$270,930
TOTAL	**$2,980,233**

The EDA or City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of $1,898,020 bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Subsection 2-10. Uses of Funds

The EDA and City have determined that it will be necessary to provide assistance to the project(s) for certain District costs, as described. The EDA has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES OF TAX INCREMENT FUNDS	TOTAL
Land/Building Acquisition	$300,000
Site Improvements/Preparation	$500,000
Utilities	$100,000
Other Qualifying Improvements	$727,090
Administrative Costs (up to 10%)	$270,930
PROJECT COST TOTAL	**$1,898,020**
Interest	$1,082,213
PROJECT AND INTEREST COSTS TOTAL	**$2,980,233**

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in Subsection 2-9.

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. Pursuant to *M.S., Section 469.1763, Subd. 2*, no more than 25 percent of the tax increment paid by property within the District will be spent on activities related to development or redevelopment outside of the District but within the boundaries of Development District No. 1, (including administrative costs, which are considered to be spent outside of the District) subject to the limitations as described in this TIF Plan.

Subsection 2-11. Estimated Impact on Other Taxing Jurisdictions

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the EDA or City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is $0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

IMPACT ON TAX BASE

	2018/Pay 2019 Total Net Tax Capacity	Estimated Captured Tax Capacity (CTC) Upon Completion	Percent of CTC to Entity Total
Rice County	66,133,795	137,240	**0.2075%**
City of Faribault	17,143,897	137,240	**0.8005%**
Faribault Public ISD No. 656	29,987,216	137,240	**0.4577%**

IMPACT ON TAX RATES

	Pay 2019 Extension Rates	Percent of Total	CTC	Potential Taxes
Rice County	0.409790	36.57%	137,240	**56,240**
City of Faribault	0.548030	48.91%	137,240	**75,212**
Faribault Public ISD No. 656	0.14.823	12.49%	137,240	**19,214**
Other	0.022770	2.03%	137,240	**3,125**
Total	1.120590	100.00%		**153,790**

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the estimated Pay 2019 rate. The total net capacity for the entities listed above are based on estimated Pay 2019 figures. The District will be certified under the actual Pay 2019 rates, which were unavailable at the time this TIF Plan was prepared.

Pursuant to *M.S. Section 469.175 Subd. 2(b)*:

(1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is $2,709,303;

(2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. New developments add an increase in traffic, and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment.

The probable impact of the District on fire protection is not expected to be significant. Typically new buildings generate few calls, if any, and are of superior construction. The existing buildings, which will be eliminated by the new development, have public safety concerns that include several unprotected old buildings with issues such as access, hydrant locations, and converted structures.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks.

The probable impact of any District general obligation tax increment bonds on the ability to issue debt for general fund purposes is expected to be minimal.

(3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is $338,392;

(4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is $990,792;

(5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

Subsection 2-12. Supporting Documentation

Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District.

(i) In making said determination, reliance has been placed upon (1) written representation made by the developer to such effects; and (2) upon EDA and City staff awareness of the feasibility of developing the project site(s) within the District, which is further outlined in the City Council resolution approving establishment of the TIF District.

(ii) A comparative analysis of estimated market values both with and without establishment of the District and the use of tax increments has been performed as described above. Such analysis is included with the cashflow in Appendix C, and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

Subsection 2-13. Administration of the District

Administration of the District will be handled by the Director of Commuinty and Economic Development.

Appendix A

Project Description

The City is selling an existing public parking lot and additional property it owns adjacent to it to Hamilton Real Estate Inc. for the Phase I development of approximately 44 rental housing units. Phase II future development will be on additional city-owned land and will consist of approximately 30 units of rental housing. In addition, the City anticipates developing additional public parking within the TIF district, adjacent to the public Library since an existing City lot is being sold for the Phase I development. The EDA will be entering into a purchase and redevelopment agreement with the Hamilton Real Estate Inc. for the Phase I development and will be providing them with a pay-as-you-go TIF Note. In addition, the City intends to use tax increment to repay itself for a land write down of property being sold in Phase I and Phase II and for the future public parking. The City will be approving interfund loans for these expenditures prior to them being undertaken.

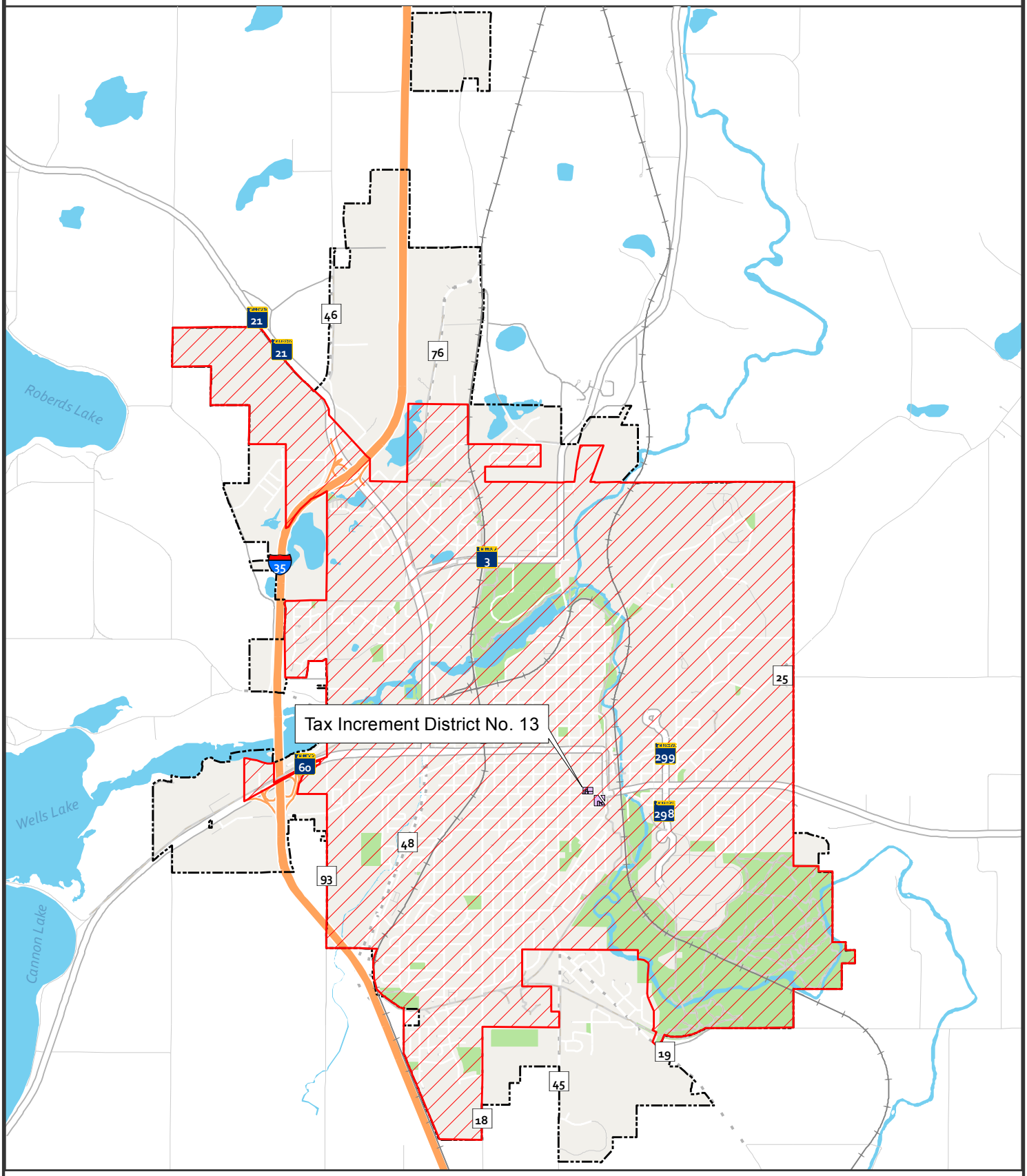
Appendix B

Map of Development District No. 1 and the District

City Of Faribault
February, 2019

Development District No. 1
Tax Increment District No. 13

This map is neither a legally recorded map nor a survey. This map is a compilation data affecting the area shown; and is for reference purposes only. In using the map, you assume responsibility for the correctness all information extracted from this map.



Appendix C

Estimated Cash Flow for the District

Hamilton Redevelopment - No Inflation

City of Faribault, MN

74 Apartment Units & Public Parking and other Public Improvements

ASSUMPTIONS AND RATES

DistrictType:	**Redevelopment**	
District Name/Number:		
County District #:		
First Year Construction or Inflation on Value	**2019**	
Existing District - Specify No. Years Remaining		
Inflation Rate - Every Year:	**3.00%**	
Interest Rate:	**4.00%**	
Present Value Date:	**1-Aug-20**	
First Period Ending	1-Feb-21	
Tax Year District was Certified:	**Pay 2019**	
Cashflow Assumes First Tax Increment For Development:	2021	
Years of Tax Increment	26	
Assumes Last Year of Tax Increment	2046	
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	**NA**	
Incremental or Total Fiscal Disparities	**Incremental**	
Fiscal Disparities Contribution Ratio	0.0000%	Pay 2019
Fiscal Disparities Metro-Wide Tax Rate	143.9920%	Pay 2019
Maximum/Frozen Local Tax Rate:	112.059%	Pay 2019
Current Local Tax Rate: (Use lesser of Current or Max.)	112.059%	Pay 2019
State-wide Tax Rate (Comm./Ind. only used for total taxes)	42.4160%	Pay 2019
Market Value Tax Rate (Used for total taxes)	0.17432%	Pay 2019

Tax Rates

Exempt Class Rate (Exempt)		0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)		
First	$150,000	1.50%
Over	$150,000	2.00%
Commercial Industrial Class Rate (C/I)		2.00%
Rental Housing Class Rate (Rental)		1.25%
Affordable Rental Housing Class Rate (Aff. Rental)		
First	$139,000	0.75%
Over	$139,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)		
First	$500,000	1.00%
Over	$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)		
First	$500,000	1.00%
Over	$500,000	1.25%
Agricultural Non-Homestead		1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/ Phase
1	18.31.1.26.511	Steve Burkhartzmeyer	21 1st St. NW	6,000	0	6,000	100%	6,000	Pay 2019	C/I Pref.	90	Rental	75	3
2	18.31.1.26.512	Kirk Walker	29 1st St NW	51,300	58,600	109,900	100%	109,900	Pay 2019	Hmstd. Res.	1,099	Rental	1,374	3
3	18.31.1.26.513	City of Faribault	30 Division St W	20,100	500	20,600	100%	20,600	Pay 2019	Exempt	-	Rental	258	1
4	18.31.1.26.514	City of Faribault	24 Division Street NW	28,400	80,400	108,800	100%	108,800	Pay 2019	Exempt	-	Rental	1,360	1
5	18.31.1.26.515	City of Faribault	N/A	12,100	0	12,100	100%	12,100	Pay 2019	Exempt	-	Rental	151	1
6	18.31.1.26.516	City of Faribault	N/A	3,500	0	3,500	100%	3,500	Pay 2019	Exempt	-	Rental	44	1
7	18.31.1.26.517	Faribault EDA	4 Central Ave	16,600	0	16,600	100%	16,600	Pay 2019	Exempt	-	Rental	208	1
8	18.31.1.26.510	Crown Apts LLC	12 Central Ave	198,000	524,500	722,500	20%	144,500	Pay 2019	Rental	1,806	Rental	1,806	1
9	18.31.4.26.002	City of Faribault	1 Park Place	53,600	0	53,600	100%	53,600	Pay 2019	Exempt	-	Exempt	-	2
10	18.31.4.26.006	City of Faribault	26 Park Place	22,000	0	22,000	100%	22,000	Pay 2019	Exempt	-	Exempt	-	2
11	18.31.4.26.003	Bucknam Library	11 Division St. E.	153,300	3,380,900	3,534,200	100%	3,534,200	Pay 2019	Exempt	-	Exempt	-	2
12	18.31.4.26.004	City of Faribault	16 1st St. SE	37,800	76,900	114,700	100%	114,700	Pay 2019	Non-H Res. 1 Unit	1,147	Exempt	-	2
				602,700	4,121,800	4,724,500		**4,146,500**			**4,142**		**5,275**	

Note:

1. Base values are for pay 2019 based upon review of County website on 1-2-19.

Hamilton Redevelopment - No Inflation

City of Faribault, MN

74 Apartment Units & Public Parking and other Public Improvements

PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2019	Percentage Completed 2020	Percentage Completed 2021	Percentage Completed 2022	First Year Full Taxes Payable
1	Apt	76,698	76,698	44	3,374,712	Rental	42,184	959	50%	100%	100%	100%	2022
2	Apt	76,698	76,698	30	2,300,940	Rental	28,762	959	0%	50%	100%	100%	2023
TOTAL					**5,675,652**		**70,946**						
Subtotal Residential				**74**	**5,675,652**		**70,946**						
Subtotal Commercial/Ind.				**0**	**0**		**0**						

Note:

1. Market values are based upon estimate from County Assessor on 12-27-19.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Apt	42,184	0	42,184	47,271	0	0	5,883	53,154	1,208.04
Apt	28,762	0	28,762	32,230	0	0	4,011	36,241	1,208.04
TOTAL	70,946	0	70,946	79,501	0	0	9,894	89,395	

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	89,395
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(9,894)
less Base Value Taxes	(5,911)
Annual Gross TIF	73,590

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	4,146,500
New Market Value - Est.	5,675,652
Difference	1,529,152
Present Value of Tax Increment	1,512,289
Difference	16,863
Value likely to occur without Tax Increment is less than:	**16,863**

EHLERS
LEADERS IN PUBLIC FINANCE

Hamilton Redevelopment - No Inflation
City of Faribault, MN
74 Apartment Units & Public Parking and other Public Improvements

TAX INCREMENT CASH FLOW

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
							-	-	-	-				02/01/21
100%	21,092	(5,275)	-	15,817	112.059%	17,724	8,862	(32)	(883)	7,947	7,639	0.5	2021	08/01/21
							8,862	(32)	(883)	7,947	15,127	1	2021	02/01/22
100%	56,565	(5,275)	-	51,290	112.059%	57,475	28,737	(103)	(2,863)	25,771	38,935	1.5	2022	08/01/22
							28,737	(103)	(2,863)	25,771	62,277	2	2022	02/01/23
100%	72,211	(5,275)	-	66,936	112.059%	75,008	37,504	(135)	(3,737)	33,632	92,141	2.5	2023	08/01/23
							37,504	(135)	(3,737)	33,632	121,420	3	2023	02/01/24
100%	74,378	(5,275)	-	69,103	112.059%	77,436	38,718	(139)	(3,858)	34,721	151,053	3.5	2024	08/01/24
							38,718	(139)	(3,858)	34,721	180,106	4	2024	02/01/25
100%	76,609	(5,275)	-	71,334	112.059%	79,936	39,968	(144)	(3,982)	35,842	209,509	4.5	2025	08/01/25
							39,968	(144)	(3,982)	35,842	238,335	5	2025	02/01/26
100%	78,907	(5,275)	-	73,632	112.059%	82,511	41,256	(149)	(4,111)	36,996	267,506	5.5	2026	08/01/26
							41,256	(149)	(4,111)	36,996	296,106	6	2026	02/01/27
100%	81,274	(5,275)	-	75,999	112.059%	85,164	42,582	(153)	(4,243)	38,186	325,046	6.5	2027	08/01/27
							42,582	(153)	(4,243)	38,186	353,419	7	2027	02/01/28
100%	83,713	(5,275)	-	78,438	112.059%	87,896	43,948	(158)	(4,379)	39,411	382,127	7.5	2028	08/01/28
							43,948	(158)	(4,379)	39,411	410,273	8	2028	02/01/29
100%	86,224	(5,275)	-	80,949	112.059%	90,711	45,355	(163)	(4,519)	40,673	438,751	8.5	2029	08/01/29
							45,355	(163)	(4,519)	40,673	466,670	9	2029	02/01/30
100%	88,811	(5,275)	-	83,536	112.059%	93,609	46,805	(168)	(4,664)	41,972	494,916	9.5	2030	08/01/30
							46,805	(168)	(4,664)	41,972	522,608	10	2030	02/01/31
100%	91,475	(5,275)	-	86,200	112.059%	96,595	48,297	(174)	(4,812)	43,311	550,624	10.5	2031	08/01/31
							48,297	(174)	(4,812)	43,311	578,090	11	2031	02/01/32
100%	94,219	(5,275)	-	88,944	112.059%	99,670	49,835	(179)	(4,966)	44,690	605,874	11.5	2032	08/01/32
							49,835	(179)	(4,966)	44,690	633,114	12	2032	02/01/33
100%	97,046	(5,275)	-	91,771	112.059%	102,837	51,419	(185)	(5,123)	46,110	660,669	12.5	2033	08/01/33
							51,419	(185)	(5,123)	46,110	687,683	13	2033	02/01/34
100%	99,957	(5,275)	-	94,682	112.059%	106,100	53,050	(191)	(5,286)	47,573	715,008	13.5	2034	08/01/34
							53,050	(191)	(5,286)	47,573	741,797	14	2034	02/01/35
100%	102,956	(5,275)	-	97,681	112.059%	109,460	54,730	(197)	(5,453)	49,080	768,892	14.5	2035	08/01/35
							54,730	(197)	(5,453)	49,080	795,457	15	2035	02/01/36
100%	106,045	(5,275)	-	100,770	112.059%	112,921	56,461	(203)	(5,626)	50,632	822,323	15.5	2036	08/01/36
							56,461	(203)	(5,626)	50,632	848,664	16	2036	02/01/37
100%	109,226	(5,275)	-	103,951	112.059%	116,486	58,243	(210)	(5,803)	52,230	875,302	16.5	2037	08/01/37
							58,243	(210)	(5,803)	52,230	901,419	17	2037	02/01/38
100%	112,503	(5,275)	-	107,228	112.059%	120,158	60,079	(216)	(5,986)	53,877	927,830	17.5	2038	08/01/38
							60,079	(216)	(5,986)	53,877	953,724	18	2038	02/01/39
100%	115,878	(5,275)	-	110,603	112.059%	123,940	61,970	(223)	(6,175)	55,572	979,909	18.5	2039	08/01/39
							61,970	(223)	(6,175)	55,572	1,005,581	19	2039	02/01/40
100%	119,354	(5,275)	-	114,079	112.059%	127,836	63,918	(230)	(6,369)	57,319	1,031,540	19.5	2040	08/01/40
							63,918	(230)	(6,369)	57,319	1,056,990	20	2040	02/01/41
100%	122,935	(5,275)	-	117,660	112.059%	131,848	65,924	(237)	(6,569)	59,118	1,082,724	20.5	2041	08/01/41
							65,924	(237)	(6,569)	59,118	1,107,954	21	2041	02/01/42
100%	126,623	(5,275)	-	121,348	112.059%	135,981	67,991	(245)	(6,775)	60,971	1,133,465	21.5	2042	08/01/42
							67,991	(245)	(6,775)	60,971	1,158,475	22	2042	02/01/43
100%	130,421	(5,275)	-	125,146	112.059%	140,238	70,119	(252)	(6,987)	62,880	1,183,762	22.5	2043	08/01/43
							70,119	(252)	(6,987)	62,880	1,208,554	23	2043	02/01/44
100%	134,334	(5,275)	-	129,059	112.059%	144,622	72,311	(260)	(7,205)	64,846	1,233,619	23.5	2044	08/01/44
							72,311	(260)	(7,205)	64,846	1,258,193	24	2044	02/01/45
100%	138,364	(5,275)	-	133,089	112.059%	149,138	74,569	(268)	(7,430)	66,871	1,283,037	24.5	2045	08/01/45
							74,569	(268)	(7,430)	66,871	1,307,394	25	2045	02/01/46
100%	142,515	(5,275)	-	137,240	112.059%	153,790	76,895	(277)	(7,662)	68,956	1,332,019	25.5	2046	08/01/46
							76,895	(277)	(7,662)	68,956	1,356,160	26	2046	02/01/47
Total							**2,719,092**	**(9,789)**	**(270,930)**	**2,438,373**				
	Present Value From	**08/01/2020**	**Present Value Rate**	**4.00%**			**1,512,289**	**(5,444)**	**(150,684)**	**1,356,160**				

Appendix D

Findings for Establishment of the District

Finding that Tax Increment Financing District No. 13: Hamilton is a redevelopment district as defined in M.S., Section 469.174, Subd. 10(a)(1).

The District consists of 12 parcels, with plans to redevelop the area for multi-family housing. At least 70 percent of the area of the parcels in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix C of the TIF Plan.)

Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan.

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City's objectives for redevelopment. Due to the high cost of redevelopment on the parcels currently occupied by substandard buildings, the limited amount of property for expansion adjacent to the existing project, the incompatible land uses at close proximity, and the cost of financing the proposed improvements, this project is feasible only through assistance, in part, from tax increment financing. The developer was asked for and provided a letter and a proforma as justification that the developer would not have gone forward without tax increment assistance. (See attachment in Appendix G of the TIF Plan.)

The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan: This finding is justified on the grounds that the cost of site and public improvements and utilities add to the total redevelopment cost. Historically, site and public improvements costs in this area have made redevelopment infeasible without tax increment assistance. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

Appendix E

Redevelopment Qualifications for the District

Report of Inspection Procedures and Results for
Determining Qualifications of a
Tax Increment Financing District as a Redevelopment District

Tax Increment District No. 13
Faribault, Minnesota

April 4, 2019

Prepared For the
City of Faribault

Prepared by:

LHB, Inc.
701 Washington Avenue North, Suite 200
Minneapolis, Minnesota 55401

LHB Project No. 190046

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PART 1 – EXECUTIVE SUMMARY

PURPOSE OF EVALUATION

LHB was hired by the City of Faribault to inspect and evaluate the properties within a Tax Increment Financing Redevelopment District ("TIF District") proposed to be established by the City. The proposed TIF District is bounded by 1st Avenue Northwest, 1st Street Northwest, Central Avenue, Division Street West, Willow Street, and 1st Street Southeast (Diagram 1). The purpose of LHB's work is to determine whether the proposed TIF District meets the statutory requirements for coverage, and whether five (5) buildings on twelve (12) parcels and two (2) right-of-way parcels, located within the proposed TIF District, meet the qualifications required for a Redevelopment District.

Diagram 1 – Proposed TIF District

SCOPE OF WORK

The proposed TIF District consists of twelve (12) parcels and two (2) right-of-way parcels with five (5) buildings. Two (2) buildings were inspected on the interior and exterior on January 14, 2019 and one (1) building was inspected on the interior and exterior on March 21, 2019. Two (2) buildings were assumed to not be substandard upon initial exterior inspection. Building Code and Condition Deficiency Reports for the buildings that were inspected and found substandard are located in Appendix B.

CONCLUSION

After inspecting and evaluating the properties within the proposed TIF District and applying current statutory criteria for a Redevelopment District under *Minnesota Statutes, Section 469.174, Subdivision 10*, it is our professional opinion that the proposed TIF District qualifies as a Redevelopment District because:

- The proposed TIF District has a coverage calculation of 91.6 percent which is above the 70 percent requirement.
- 60 percent of the buildings are structurally substandard which is above the 50 percent requirement.
- The substandard buildings are reasonably distributed.

The remainder of this report describes our process and findings in detail.

PART 2 – MINNESOTA STATUTE 469.174, SUBDIVISION 10 REQUIREMENTS

The properties were inspected in accordance with the following requirements under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, which states:

INTERIOR INSPECTION

"The municipality may not make such determination [that the building is structurally substandard] without an interior inspection of the property..."

EXTERIOR INSPECTION AND OTHER MEANS

"An interior inspection of the property is not required, if the municipality finds that

(1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and

(2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard."

DOCUMENTATION

"Written documentation of the findings and reasons why an interior inspection was not conducted must be made and retained under section 469.175, subdivision 3(1)."

QUALIFICATION REQUIREMENTS

Minnesota Statutes, Section 469.174, Subdivision 10 (a) (1) requires three tests for occupied parcels:

A. COVERAGE TEST

…"parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or paved or gravel parking lots…"

The coverage required by the parcel to be considered occupied is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which states: "For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar structures."

B. CONDITION OF BUILDINGS TEST

Minnesota Statutes, Section 469.174, Subdivision 10(a) states, "…and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;"

1. Structurally substandard is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, which states: "For purposes of this subdivision, 'structurally substandard' shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance."
    a. We do not count energy code deficiencies toward the thresholds required by *Minnesota Statutes, Section 469.174, Subdivision 10(b)* defined as "structurally substandard"*,* due to concerns expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

2. Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in Subdivision 10(c) which states:

    "A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence."

    "Items of evidence that support such a conclusion [that the building is not disqualified] include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence."

LHB counts energy code deficiencies toward the 15 percent code threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c)*) for the following reasons:

- The Minnesota energy code is one of ten building code areas highlighted by the Minnesota Department of Labor and Industry website where minimum construction standards are required by law.
- Chapter 13 of the 2015 *Minnesota Building Code* states, "Buildings shall be designed and constructed in accordance with the *International Energy Conservation Code*." Furthermore, Minnesota Rules, Chapter 1305.0021 Subpart 9 states, "References to the *International Energy Conservation Code* in this code mean the *Minnesota Energy Code*…"
- Chapter 11 of the 2015 Minnesota Residential Code incorporates Minnesota Rules, Chapters, 1322 and 1323 *Minnesota Energy Code.*
- The Senior Building Code Representative for the Construction Codes and Licensing Division of the Minnesota Department of Labor and Industry confirmed that the Minnesota Energy Code is being enforced throughout the State of Minnesota.
- In a January 2002 report to the Minnesota Legislature, the Management Analysis Division of the Minnesota Department of Administration confirmed that the construction cost of new buildings complying with the Minnesota Energy Code is higher than buildings built prior to the enactment of the code.
- Proper TIF analysis requires a comparison between the replacement value of a new building built under current code standards with the repairs that would be necessary to bring the existing building up to current code standards. In order for an equal comparison to be made, all applicable code chapters should be applied to both scenarios. Since current construction estimating software automatically applies the construction cost of complying with the Minnesota Energy Code, energy code deficiencies should also be identified in the existing structures.

C. DISTRIBUTION OF SUBSTANDARD BUILDINGS

Minnesota Statutes, Section 469.174, Subdivision 10, defines a Redevelopment District and requires one or more of the following conditions, "reasonably distributed throughout the district."

(1) "Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;

(2) the property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way;

(3) tank facilities, or property whose immediately previous use was for tank facilities…"

Our interpretation of the distribution requirement is that the substandard buildings must be reasonably distributed throughout the district as compared to the location of all buildings in the district. For example, if all of the buildings in a district are located on one half of the area of the district, with the other half occupied by parking lots (meeting the required 70 percent coverage for the district), we would evaluate the distribution of the substandard buildings compared with only the half of the district where the buildings are located. If all of the buildings in a district are located evenly throughout the entire area of the district, the substandard buildings must be reasonably distributed throughout the entire area of the district. We believe this is consistent with the opinion expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

PART 3 – PROCEDURES FOLLOWED

LHB inspected two (2) buildings during the day of January 14, 2019 and one (1) building during the day of March 21, 2019. Two (2) buildings were inspected on the exterior only and assumed to not be substandard.

PART 4 – FINDINGS

A. COVERAGE TEST

1. The total square foot area of the parcel in the proposed TIF District was obtained from City records, GIS mapping and site verification.

2. The total square foot area of buildings and site improvements on the parcels in the proposed TIF District was obtained from City records, GIS mapping and site verification.

3. The percentage of coverage for each parcel in the proposed TIF District was computed to determine if the 15 percent minimum requirement was met. The total square footage of parcels meeting the 15 percent requirement was divided into the total square footage of the entire district to determine if the 70 percent requirement was met.

FINDING:
The proposed TIF District met the coverage test under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which resulted in parcels consisting of 91.6 percent of the area of the proposed TIF District being occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures (Diagram 2). This exceeds the 70 percent area coverage requirement for the proposed TIF District under *Minnesota Statutes, Section 469.174, Subdivision (a) (1).*

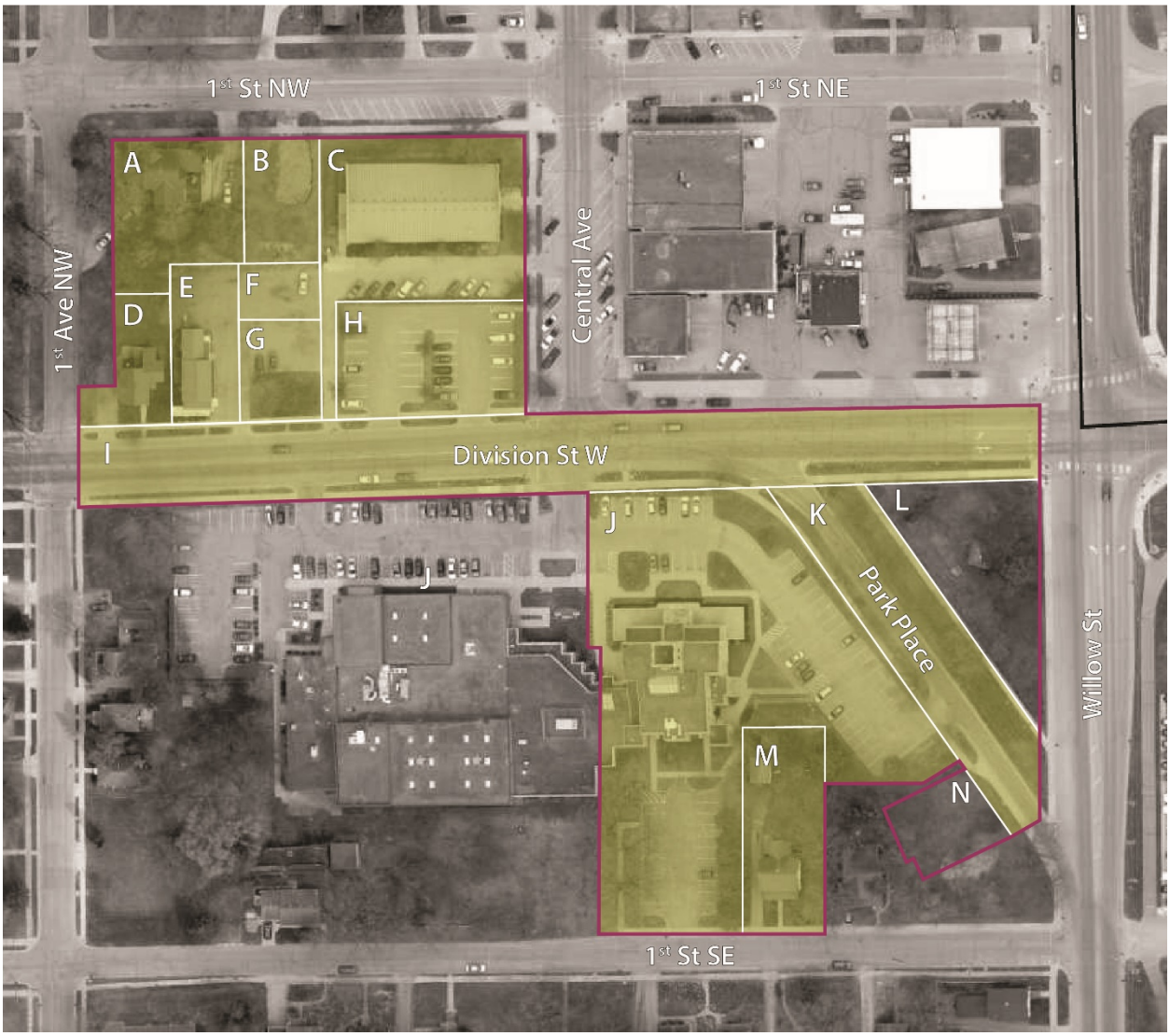

Diagram 2 – Coverage Diagram
Shaded area depicts a parcel more than 15 percent occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures

B. CONDITION OF BUILDING TEST

1. BUILDING INSPECTION

The first step in the evaluation process is the building inspection. After an initial walk-thru, the inspector makes a judgment whether or not a building "appears" to have enough defects or deficiencies of sufficient total significance to justify substantial renovation or clearance. If it does, the inspector documents with notes and photographs code and non-code deficiencies in the building.

2. REPLACEMENT COST

The second step in evaluating a building to determine if it is substandard to a degree requiring substantial renovation or clearance is to determine its replacement cost. This is the cost of constructing a new structure of the same square footage and type on site. Replacement costs were researched using R.S. Means Cost Works square foot models for 2019.

A replacement cost was calculated by first establishing building use (office, retail, residential, etc.), building construction type (wood, concrete, masonry, etc.), and building size to obtain the appropriate median replacement cost, which factors in the costs of construction in Faribault, Minnesota.

Replacement cost includes labor, materials, and the contractor's overhead and profit. Replacement costs do not include architectural fees, legal fees or other "soft" costs not directly related to construction activities. Replacement cost for each building is tabulated in Appendix A.

3. CODE DEFICIENCIES

The next step in evaluating a building is to determine what code deficiencies exist with respect to such building. Code deficiencies are those conditions for a building which are not in compliance with current building codes applicable to new buildings in the State of Minnesota.

Minnesota Statutes, Section 469.174, Subdivision 10(c), specifically provides that a building cannot be considered structurally substandard if its code deficiencies are not at least 15 percent of the replacement cost of the building. As a result, it was necessary to determine the extent of code deficiencies for each building in the proposed TIF District.

The evaluation was made by reviewing all available information with respect to such buildings contained in City Building Inspection records and making interior and exterior inspections of the buildings. LHB utilizes the current Minnesota State Building Code as the official code for our evaluations. The Minnesota State Building Code is actually a series of provisional codes written specifically for Minnesota only requirements, adoption of several international codes, and amendments to the adopted international codes.

After identifying the code deficiencies in each building, we used R.S. Means Cost Works 2019; Unit and Assembly Costs to determine the cost of correcting the identified deficiencies. We were then able to compare the correction costs with the replacement cost of each building to determine if the costs for correcting code deficiencies meet the required 15 percent threshold.

FINDING:

Three (3) out of five (5) buildings (60 percent) in the proposed TIF District contained code deficiencies exceeding the 15 percent threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c).* Building Code, Condition Deficiency and Context Analysis reports for the buildings in the proposed TIF District can be found in Appendix B of this report.

4. SYSTEM CONDITION DEFICIENCIES

If a building meets the minimum code deficiency threshold under *Minnesota Statutes, Section 469.174, Subdivision 10(c),* then in order for such building to be "structurally substandard" under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, the building's defects or deficiencies should be of sufficient total significance to justify "substantial renovation or clearance." Based on this definition, LHB re-evaluated each of the buildings that met the code deficiency threshold under *Minnesota Statutes, Section 469.174, Subdivision 10(c),* to determine if the total deficiencies warranted "substantial renovation or clearance" based on the criteria we outlined above.

System condition deficiencies are a measurement of defects or substantial deterioration in site elements, structure, exterior envelope, mechanical and electrical components, fire protection and emergency systems, interior partitions, ceilings, floors and doors.

The evaluation of system condition deficiencies was made by reviewing all available information contained in City records, and making interior and exterior inspections of the buildings. LHB only identified system condition deficiencies that were visible upon our inspection of the building or contained in City records. We did not consider the amount of "service life" used up for a particular component unless it was an obvious part of that component's deficiencies.

After identifying the system condition deficiencies in each building, we used our professional judgment to determine if the list of defects or deficiencies is of sufficient total significance to justify "substantial renovation or clearance."

FINDING:

In our professional opinion, three (3) out of five (5) buildings (60 percent) in the proposed TIF District are structurally substandard to a degree requiring substantial renovation or clearance, because of defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance. This exceeds the 50 percent requirement of Subdivision 10a(1).

C. DISTRIBUTION OF SUBSTANDARD STRUCTURES

Much of this report has focused on the condition of individual buildings as they relate to requirements identified by *Minnesota Statutes, Section 469.174, Subdivision 10*. It is also important to look at the distribution of substandard buildings throughout the geographic area of the proposed TIF District (Diagram 3).

FINDING:
The parcels with substandard buildings are reasonably distributed compared to all parcels that contain buildings.

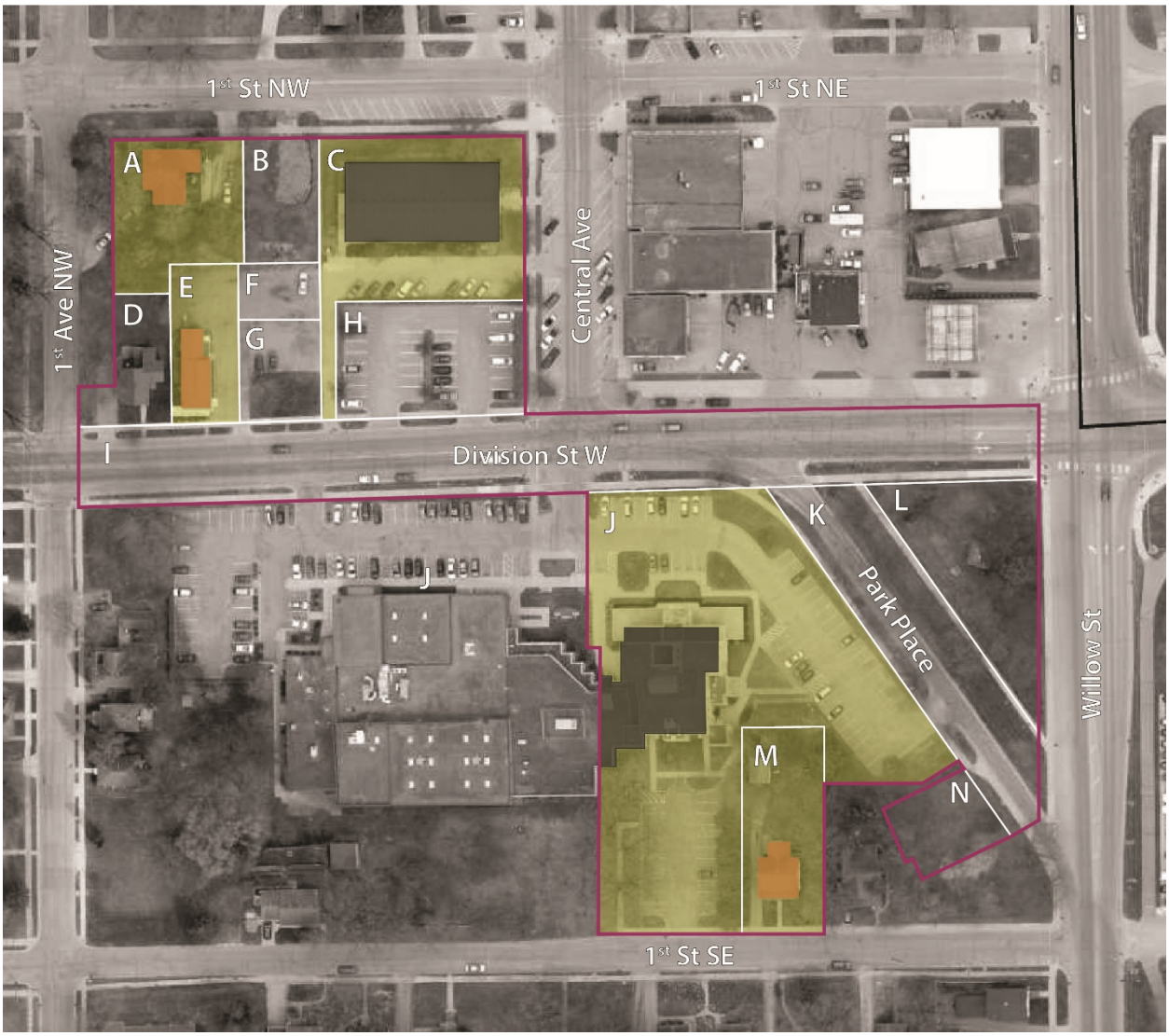

Diagram 3 – Substandard Buildings
Shaded green area depicts parcels with buildings.
Shaded orange area depicts substandard buildings.

PART 5 - TEAM CREDENTIALS

Michael A. Fischer, AIA, LEED AP - Project Principal/TIF Analyst

Michael has 30 years of experience as project principal, project manager, project designer and project architect on planning, urban design, educational, commercial and governmental projects. He has become an expert on Tax Increment Finance District analysis assisting over 100 cities with strategic planning for TIF Districts. He is an Architectural Principal at LHB and currently leads the Minneapolis office.

Michael completed a two-year Bush Fellowship, studying at MIT and Harvard in 1999, earning Masters degrees in City Planning and Real Estate Development from MIT. He has served on more than 50 committees, boards and community task forces, including a term as a City Council President and as Chair of a Metropolitan Planning Organization. Most recently, he served as Chair of the Edina, Minnesota planning commission and is currently a member of the Edina city council. Michael has also managed and designed several award-winning architectural projects, and was one of four architects in the Country to receive the AIA Young Architects Citation in 1997.

Philip Waugh – Project Manager/TIF Analyst

Philip is a project manager with 13 years of experience in historic preservation, building investigations, material research, and construction methods. He previously worked as a historic preservationist and also served as the preservation specialist at the St. Paul Heritage Preservation Commission. Currently, Phil sits on the Board of Directors for the Preservation Alliance of Minnesota. His current responsibilities include project management of historic preservation projects, performing building condition surveys and analysis, TIF analysis, writing preservation specifications, historic design reviews, writing Historic Preservation Tax Credit applications, preservation planning, and grant writing.

Phil Fisher – Inspector

For 35 years, Phil Fisher worked in the field of Building Operations in Minnesota including White Bear Lake Area Schools. At the University of Minnesota he earned his Bachelor of Science in Industrial Technology. He is a Certified Playground Safety Inspector, Certified Plant Engineer, and is trained in Minnesota Enterprise Real Properties (MERP) Facility Condition Assessment (FCA). His FCA training was recently applied to the Minnesota Department of Natural Resources Facilities Condition Assessment project involving over 2,000 buildings.

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APPENDICES

APPENDIX A	Property Condition Assessment Summary Sheet
APPENDIX B	Building Code and Condition Deficiencies Reports
APPENDIX C	Building Replacement Cost Reports Code Deficiency Cost Reports Photographs

APPENDIX A

Property Condition Assessment Summary Sheet

Property Condition Assessment Summary Sheet

TIF Map No.	PID #	Property Address	Improved or Vacant	Survey Method Used	Site Area (S.F.)	Coverage Area of Improvements (S.F.)	Coverage Percent of Improvements	Coverage Quantity (S.F.)	No. of Buildings	Building Replacement Cost	15% of Replacement Cost	Building Code Deficiencies	No. of Buildings Exceeding 15% Criteria	No. of buildings determined substandard
A	18.31.1.26.512	29 1ST ST NW	Improved	Interior/Exterior	11,558	4,442	38.4%	11,558	1	$225,064	$33,760	$69,406	1	1
B	18.31.1.26.511	21 1ST ST NW	Vacant	Exterior	6,000	1,494	24.9%	6,000	0					
C	18.31.1.26.510	12 CENTRAL AVE Unit 1-18	Improved	Exterior	22,812	17,652	77.4%	22,812	1	Note 1				
D	18.31.1.26.513	30 DIVISION ST W	Vacant	Exterior	5,663	2,304	40.7%	5,663	0					
E	18.31.1.26.514	24 DIVISION ST W	Improved	Interior/Exterior	6,922	6,808	98.4%	6,922	1	$209,513	$31,427	$36,342	1	1
F	18.31.1.26.516	N/A	Improved	Exterior	2,990	2,990	100.0%	2,990	0					
G	18.31.1.26.515	N/A	Improved	Exterior	4,778	3,486	73.0%	4,778	0					
H	18.31.1.26.517	4 CENTRAL AVE	Improved	Exterior	12,733	12,387	97.3%	12,733	0					
I	ROW 1	N/A	Improved	Exterior	47,154	47,154	100.0%	47,154	0					
J	18.31.4.26.003	11 DIVISION ST E	Improved	Exterior	56,628	48,749	86.1%	56,628	1	Note 1				
K	ROW 2	N/A	Improved	Exterior	20,331	7,980	39.3%	20,331	0					
L	18.31.4.26.002	1 PARK PL	Vacant	Exterior	14,350	0	0.0%	0	0					
M	18.31.4.26.004	16 1ST ST SE	Improved	Interior/Exterior	10,890	3,592	33.0%	10,890	1	$139,035	$20,855	$27,910	1	1
N	18.31.4.26.006	26 PARK PL	Vacant	Exterior	4,875	0	0.0%	0	0					
TOTALS					227,684			208,459	5				3	3

Total Coverage Percent: **91.6%**

Percent of buildings exceeding 15 percent code deficiency threshold: **60.0%**

Percent of buildings determined substandard: **60.0%**

Note 1: Upon initial exterior inspection this building was assumed to not be substandard.

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APPENDIX B

Building Code, Condition Deficiency and Context Analysis Reports

Tax Increment District No. 13

Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name:	Parcel A Residential Building
Address:	29 1st Street Northwest, Faribault, Minnesota 55021
Parcel ID:	18.31.1.26.512
Inspection Date(s) & Time(s):	January 14, 2019 9:50 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	$225,064
Estimated Cost to Correct Building Code Deficiencies:	$69,406
Percentage of Replacement Cost for Building Code Deficiencies:	30.84%

Defects in Structural Elements

1. Foundation is failing, allowing for water intrusion, contrary to code.

Combination of Deficiencies

1. Essential Utilities and Facilities
    a. Concrete entrance stairway does not comply with code.

2. Light and Ventilation
    a. Electrical wiring and fixtures do not comply with code.
    b. HVAC system does not comply with code.

3. Fire Protection/Adequate Egress
    a. Smoke detectors do not comply with current code.
    b. There are no code-required carbon monoxide detectors present.
    c. There are no code-compliant Ground Fault Circuit Interrupters in the building.
    d. There are no code-required Arc Fault Circuit Interrupters in the building.
    e. The basement stairway does not comply with code.
    f. The first-floor stairway is not code-compliant.
    g. The second-floor stairway does not comply with code.
    h. Exterior wood stairway does not comply with code.

4. Layout and Condition of Interior Partitions/Materials
    a. Interior walls and ceilings should be repaired/repainted.
    b. Asbestos flooring tile is damaged and should be replaced.
    c. Plumbing does not comply with code.
    d. The basement bathroom does not comply with code.

5. Exterior Construction
    a. Exterior wood siding should be repainted.
    b. Exterior wood siding has rotted, allowing for water intrusion, contrary to code.
    c. Windows have failed allowing for water intrusion, contrary to code.
    d. Foundation mortar joints have failed, allowing for water intrusion, contrary to code.
    e. Roofing material has failed, allowing for water intrusion, contrary to code.

Description of Code Deficiencies

1. Concrete stairway should be modified to comply with code.
2. Electrical wiring and fixtures should be replaced to comply with code.
3. HVAC systems should be replaced to comply with code.
4. Code-compliant smoke detectors should be installed.
5. Code-required carbon monoxide detectors should be installed.
6. Code-required AFCI's should be installed.
7. Code-required GFCI's should be installed.
8. Basement stairway should be modified to comply with code.
9. First floor stairway should be modified to comply with code.
10. Second floor stairway should be modified to comply with code.
11. Exterior wood stairway should be modified to comply with code.
12. Plumbing should be made code-compliant.
13. The basement bathroom is not code-compliant.
14. Wood siding should be repaired/replaced to prevent water intrusion per code.
15. Windows have failed and should be replaced to prevent water intrusion per code.
16. Foundation mortar joints should be repointed to prevent water intrusion per code.
17. Failed roofing material should be replaced to prevent water intrusion per code.

Overview of Deficiencies

Records indicate that this building was constructed in 1887. This multi-level residential dwelling needs significant repair. Exterior siding should be repaired/repainted to prevent water intrusion per code. Windows have failed and should be replaced. The roofing material is failing, allowing for water intrusion, contrary to code. Plumbing, HVAC and electrical systems do not comply with code. Stairways to all levels of the building do not comply with code. The interior carpet and tile are damaged/stained and should be replaced. Walls and ceiling should be repaired/repainted.

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Tax Increment District No. 13

Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name:	Parcel E Residential Building
Address:	24 Division Street West, Faribault, Minnesota 55021
Parcel ID:	18.31.1.26.514
Inspection Date(s) & Time(s):	January 14, 2019 10:20 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	$209,513
Estimated Cost to Correct Building Code Deficiencies:	$36,342
Percentage of Replacement Cost for Building Code Deficiencies:	17.35%

Defects in Structural Elements

1. None observed.

Combination of Deficiencies

1. Essential Utilities and Facilities
    a. Concrete stairway leading into the building is not code-compliant.
    b. Plumbing does not comply with current code.

2. Light and Ventilation
    a. Ceiling lights are water stained and should be cleaned.
    b. Electrical wiring does not comply with current code.
    c. The HVAC system does not comply with code.

3. Fire Protection/Adequate Egress
    a. Smoke detectors do not comply with current code.
    b. There are no code-required carbon monoxide detectors present.
    c. There are no code-compliant Ground Fault Circuit Interrupters in the building.
    d. There are no code-required Arc Fault Circuit Interrupters in the building.
    e. The basement stairway does not comply with code.
    f. The second-floor stairway does not comply with code.
    g. Secondary egress in the kitchen is blocked, which does not comply with code.

4. Layout and Condition of Interior Partitions/Materials
    a. Interior walls should be repaired/repainted.

5. Exterior Construction
    a. Roofing material is failing, allowing for water intrusion, contrary to code.
    b. The gutters need to be reattached.
    c. Exterior ramp needs to be repainted.
    d. Transite exterior panels are damaged/missing and should be repaired/replaced to prevent water intrusion, per code.
    e. Windows have failed, allowing for water intrusion, contrary to code.

Description of Code Deficiencies

1. Modify concrete stairway to comply with code for proper rise and run.
2. Plumbing does not comply with code.
3. Electrical wiring should comply with code.
4. The HVAC system does not comply with code.
5. Code-compliant smoke detectors should be installed.
6. Code-required carbon monoxide detectors should be installed.
7. Code-required AFCI's should be installed.
8. Code-required GFCI's should be installed.
9. Basement stairway should be modified to comply with code for proper rise and run.
10. Second floor stairway should be modified to comply with code for proper rise and run.
11. Secondary egress from kitchen should be cleared of obstruction per code.
12. Failing roofing material should be replaced to prevent water intrusion per code.
13. Transite siding panels should be repaired/replaced to prevent water intrusion per code.
14. Failed window system should be replaced to prevent water intrusion per code.

Overview of Deficiencies

This building was constructed in 1870 and appears to have several additions. The roofing material is failing, allowing for water intrusion, contrary to code. Gutters should be reattached. The asbestos containing Transite siding is damaged/missing, allowing for water intrusion, contrary to code. Windows are failing, allowing for water intrusion. The HVAC system and plumbing does not comply with current code. Code-required life safety devices are not code-compliant. Both the basement and second floor stairways do not comply with code for proper rise and run of treads. Interior walls should be repaired/repainted.

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Tax Increment District No. 13

Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name:	Parcel M Residential Building
Address and Parcel ID:	16 1st Street SE, Faribault, MN 55021
Parcel ID:	18.31.4.26.004
Inspection Date(s) & Time(s):	March 21, 2019 8:55 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	$139,036
Estimated Cost to Correct Building Code Deficiencies:	$27,910
Percentage of Replacement Cost for Building Code Deficiencies:	20.07%

Defects in Structural Elements

1. None observed.

Combination of Deficiencies

1. Essential Utilities and Facilities
    a. Basement stairway does not comply with code.
    b. Second floor stairway does not comply with code.

2. Light and Ventilation
    a. HVAC system does not comply with mechanical code.

3. Fire Protection/Adequate Egress
    a. Smoke detectors do not comply with code.
    b. There are no code-required ground fault circuit interrupters in the building.
    c. There are no code-required arc fault circuit interrupters in the building.
    d. There are no code-required carbon monoxide detectors in the building.

4. Layout and Condition of Interior Partitions/Materials
    a. Interior wood flooring should be sanded and refinished.
    b. Interior walls should be repainted.
    c. Interior ceilings should be repainted.
    d. There is mold on the ceiling in the bathroom.
    e. Foundation wall has failed, allowing for water intrusion, contrary to code.
    f. Basement shower is not plumbed per code.

5. Exterior Construction
    a. One half of the roof has failed, allowing for water intrusion, contrary to code.
    b. Windows are failing, allowing for water intrusion, contrary to code.
    c. Stucco is cracked, allowing for water intrusion, contrary to code.
    d. Wood soffits should be repainted.
    e. Wood siding should be repainted.
    f. Exterior wooden stairway does not comply with code.

Description of Code Deficiencies

1. Modify basement stairway to comply with code.
2. Modify second floor stairway to comply with code.
3. Install code-compliant HVAC system.
4. Install code-compliant smoke detectors.
5. Install code-required GFCI's.
6. Install code-required AFCI's.
7. Install code-required carbon monoxide detectors in the building.
8. Repair foundation wall to prevent water intrusion per code.
9. Install code-compliant plumbing for basement shower.
10. Replace half of the roof that has failed to prevent water intrusion, per code.
11. Replace failing windows to prevent water intrusion, per code.
12. Repair failed stucco to prevent water intrusion, per code.
13. Modify exterior stairway to comply with code.

Overview of Deficiencies

This structure is a two-story wood framed/stucco residential dwelling. The stucco is cracked, allowing for water intrusion, which is contrary to code. Windows are failing along with half of the roof, allowing for water intrusion. There are no code-compliant smoke detectors or code-required GFCI's, AFCI's or carbon monoxide detectors in the building. The HVAC system does not comply with code. The basement shower plumbing is not code-compliant. The stairways do not comply with code. Interior wood floors should be sanded and refinished. The walls and ceilings should be repaired and repainted. Exterior wood surfaces should be scraped and repainted.

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APPENDIX C

Building Replacement Cost Reports
Code Deficiency Cost Reports
Photographs

Tax Increment District No. 13

Replacement Cost Report

RSMeans data from GORDIAN **Square Foot Cost Estimate Report** Date: **1/14/2019**

Estimate Name:	**29 1st Street NW** City of Faribault 29 1st Street NW , Faribault , Minnesota , 55021
Building Type:	**Average 2 Story with Wood Siding - Wood Frame**
Location:	**SAINT PAUL, MN**
Story Count:	**2**
Story Height (L.F.):	**8**
Floor Area (S.F.):	**1324**
Labor Type:	**RES**
Basement Included:	**No**
Data Release:	**Year 2019**
Cost Per Square Foot:	**$169.99**
Building Cost:	**$225,064.03**

Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

** Perimeter entered is outside the range recommended by RSMeans.

		% of Total	Cost Per S.F.	Cost
01 Site Work		**1.67%**	**2.31**	**3,055.65**
	Footing excavation, building, 26' x 46', 4' deep		2.31	3,055.65
02 Foundation		**11.96%**	**16.53**	**21,891.08**
	Footing systems, 10" thick by 20" wide footing		1.89	2,506.24
	Block wall systems, 8" wall, grouted, full height		6.64	8,786.92
	Block wall systems, 8" wall, grouted, full height		5.81	7,688.55
	Floor slab systems, 4" thick slab		2.2	2,909.37
03 Framing		**13.44%**	**18.58**	**24,594.75**
	Floor framing systems, 2" x 10", 16" OC		4.81	6,374.02
	Floor framing, wood joists, #2 or better, pine, 2" x 8", 16" OC		1.05	1,385.52
	Floor framing, bridging, wood 1" x 3", joists 16" OC		0.2	268.23
	Box sills, #2 or better pine, 2" x 8"		0.16	208.29
	Girders, including lally columns, 3 pieces spiked together, 2" x 8"		0.85	1,128.52
	Exterior wall framing systems, 2" x 6", 16" OC		0.34	449.53
	Exterior wall framing systems, 2" x 6", 16" OC		7.17	9,489.39
	Partition framing systems, 2" x 4", 16" OC		3.2	4,239.91
	Partition framing, wood studs, #2 or better, 2" x 4", 24" OC		0.79	1,051.34
04 Exterior Walls		**19.32%**	**26.7**	**35,351.95**
	Wood siding systems, 1/2" x 8" beveled cedar siding, "A" grade		0.68	906.44
	Wood siding systems, 1/2" x 8" beveled cedar siding, "A" grade		14.45	19,134.38
	Non-rigid insul, batts, fbgls, kraft faced, 6" thick, R19, 15" wide		1.12	1,487.80
	Non-rigid insul, batts, fbgls, kraft faced, 12" thick, R38, 15" wide		0.79	1,049.75
	Double hung window systems, builder's quality wood window 2' x 3'		7.75	10,256.31
	Door systems, solid core birch, flush, 3' x 6'-8"		1.46	1,936.89
	Storm door, al, combination, storm & screen, anodized, 3'-0" x 6'-8"		0.44	580.38

05 Roofing		**2.01%**	**2.78**	**3,676.61**
	Gable end roofing, asphalt, roof shingles, class A		2.78	3,676.61
06 Interiors		**32.87%**	**45.42**	**60,136.97**
	Wall system, 1/2" drywall, taped & finished		2.04	2,699.38
	Wall system, 1/2" drywall, taped & finished		4.1	5,429.61
	Wall system, 1/2" drywall, taped & finished		9.32	12,340.03
	1/2" gypsum wallboard, taped & finished ceilings		2.8	3,705.11
	Suspended ceiling 2' x 4' grid, film faced fiberglass, 5/8" thick		2.68	3,550.11
	Birch, flush door, hollow core, interior		4.94	6,535.57
	Closet door, bi-fold, pine, louvered, 6'-0" x 6'-8"		4.4	5,829.22
	Carpet, Olefin, 22 oz		1.06	1,400.38
	Carpet, tile, foam backed, needle punch		2.72	3,597.96
	Padding, felt, 32 oz to 56 oz, minimum		0.46	610.23
	Resilient flooring, vinyl sheet goods, backed, .070" thick, maximum		1.03	1,370.22
	Resilient flooring, prefinished, oak, 2-1/2" wide		3.9	5,159.59
	Resilient flooring, sleepers, treated, 16" OC, 1" x 3"		0.54	720.97
	Resilient flooring, subfloor, plywood, 1/2" thick		0.87	1,151.42
	Resilient flooring, ceramic tile, color group 2, 1" x 1"		0.61	811.83
	Stairways 14 risers, oak treads, box stairs		3.05	4,036.30
	Basement stairs, open risers		0.9	1,189.04
07 Specialties		**5.70%**	**7.88**	**10,428.18**
	Kitchen, average grade		5.39	7,132.37
	Sinks, stainless steel, single bowl 22" x 25"		1.36	1,806.27
	Water heater, electric, 40 gallon		1.13	1,489.54
08 Mechanical		**6.64%**	**9.17**	**12,142.45**
	Three fixture bathroom installed with vanity		4.01	5,308.76
	Furnace, gas heating only, 100 MBH, area to 1200 SF		0.91	1,205.74
	Intermittent pilot, 100 MBH furnace		0.21	282.78
	Supply duct, rectangular, area to 1200 SF, rigid fiberglass		0.87	1,150.64
	Return duct, sheet metal galvanized, to 1500 SF		1.05	1,383.73
	Lateral ducts, flexible round 6" insulated, to 1200 SF		0.92	1,222.14
	Register elbows, to 1500 SF		0.53	702.06
	Floor registers, enameled steel w/damper, to 1500 SF		0.34	452.15
	Return air grille, area to 1500 SF 12" x 12"		0.1	130.08
	Thermostat, manual, 1 set back		0.1	127.41
	Plenum, heating only, 100 MBH		0.13	176.96

09 Electrical		**6.39%**	**8.83**	**11,690.57**
	200 amp electric service		1.61	2,126.28
	Electric perimeter heating system, 6' baseboard heater		2.28	3,024.99
	Duplex receptacles using non-metallic sheathed cable		0.86	1,142.57
	Wiring device systems, average to 1200 S.F.		2.42	3,197.50
	Fluorescent strip, recessed, 4' x 2', 4' lamps, economy		0.82	1,088.83
	Light fixture systems, average to 1200 S.F.		0.84	1,110.40
	1.00-Additional kitchen adjustment		7.76	10,268.00
	1.00-Additional bath adjustment		6.13	8,111.00
	1.00-Additional entry & exit adjustment		1.36	1,804.00
	1.00-Separate heating adjustment		1.32	1,748.00
	1.00-Separate electric adjustment		1.41	1,868.00
SubTotal		**100%**	**$156.17**	**$182,968.21**
Contractor Fees (General Conditions,Overhead,Profit)		**10.00%**	**$13.82**	**$18,296.82**
Architectural Fees		**0.00%**	**$0.00**	**$0.00**
User Fees		**0.00%**	**$0.00**	**$0.00**
Total Building Cost			**$169.99**	**$225,064.03**

Tax Increment District No. 13

Code Deficiency Cost Report

Parcel A - 29 1st Street Northwest, Faribault, Minnesota 55021 - PID 18.31.1.26.512

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
	Stairways				
	Exterior concrete stairway should be modified to comply with code	$ 1,200.00	Lump	1	$ 1,200.00
	Exterior wooden stairway should be modified to comply with code	$ 500.00	Lump	1	$ 500.00
Structural Elements					
	Foundation				
	Re-point foundation mortar joints to prevent water intrusion per code	$ 2.13	SF	1324	$ 2,820.12
Exiting					
	Stairways				
	Basement stairway should be modified to comply with code	$ 0.90	SF	1324	$ 1,191.60
	First floor stairway should be modified to comply with code	$ 1.36	SF	1324	$ 1,800.64
	Second floor stairway should be modified to comply with code	$ 3.05	SF	1324	$ 4,038.20
Fire Protection					
	Smoke Detectors				
	Install code compliant smoke detectors	$ 125.00	EA	8	$ 1,000.00
	Ground Fault Circuit Interrupters				
	Install code required GFCI's	$ 125.00	EA	6	$ 750.00
	Arc Fault Circuit Interrupters				
	Install code required AFCI's	$ 125.00	EA	12	$ 1,500.00
Exterior Construction					
	Wood Siding				
	Wood siding should be repaired/replaced to prevent water intrusion per code	$ 7.00	SF	1324	$ 9,268.00
	Windows				
	Failed windows should be replaced to prevent water intrusion per code	$ 7.75	SF	1324	$ 10,261.00
Roof Construction					
	Roofing Material				
	Remove failed roofing material	$ 1.12	SF	1324	$ 1,482.88
	Install roofing material to prevent water intrusion per code	$ 2.78	SF	1324	$ 3,680.72

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Mechanical- Electrical					
	Mechanical				
	A code compliant plumbing system should be installed	$ 3.00	SF	1324	$ 3,972.00
	The basement bathroom should be modified to comply with code	$ 6.13	SF	1324	$ 8,116.12
	Install code compliant HVAC system	$ 5.16	SF	1324	$ 6,831.84
	Electrical				
	Install code compliant electrical wiring and fixtures	$ 7.17	SF	1324	$ 9,493.08
	Install code compliant carbon monoxide detectors	$ 250.00	EA	6	$ 1,500.00
				Total Code Improvements	**$ 69,406**

Tax Increment District No. 13

Photos: Parcel A - 29 1st Street Northwest - Residential Building

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Tax Increment District No. 13

Photos: Parcel A - 29 1st Street Northwest - Residential Building

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Photos: Parcel A - 29 1st Street Northwest - Residential Building

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Photos: Parcel A - 29 1st Street Northwest - Residential Building

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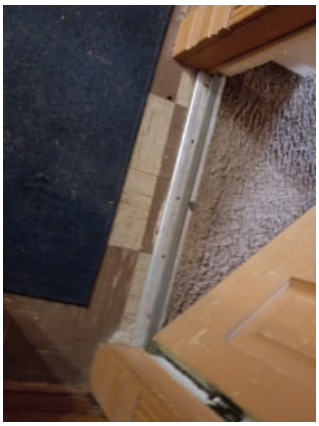
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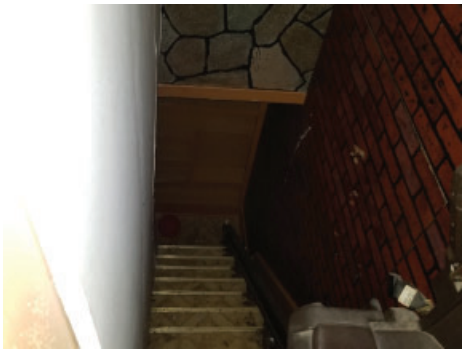
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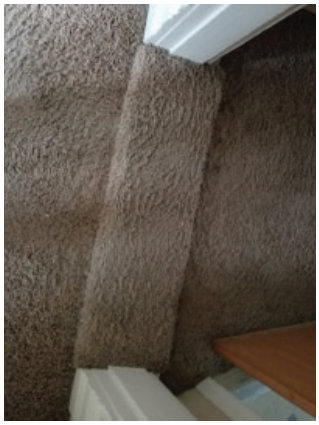
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Photos: Parcel A - 29 1st Street Northwest - Residential Building

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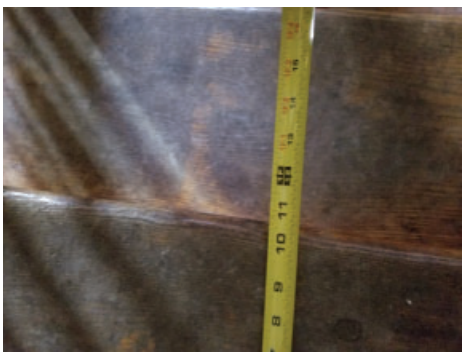
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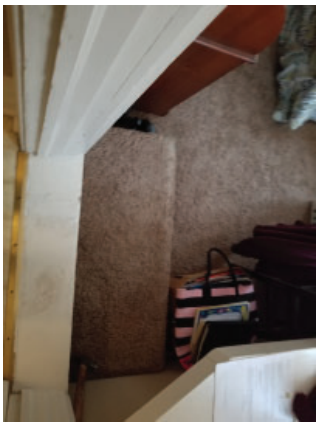
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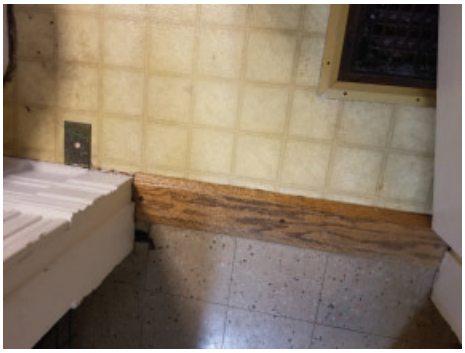
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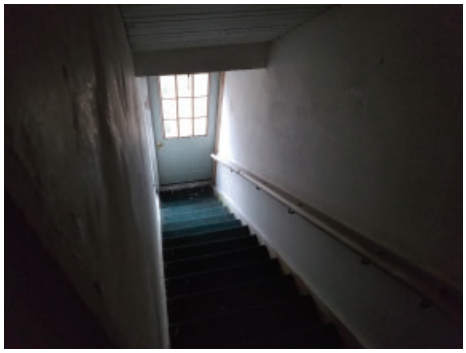
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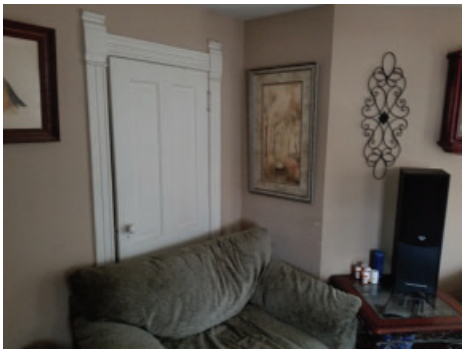
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Photos: Parcel A - 29 1st Street Northwest - Residential Building

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Tax Increment District No. 13

Replacement Cost Report

RSMeans data from GORDIAN **Square Foot Cost Estimate Report** Date: **1/14/2019**

Estimate Name:	**24 W Division St** City of Faribault 24 W Division Street , Faribault , Minnesota , 55021
Building Type:	**Average 2 Story with Wood Siding - Wood Frame**
Location:	**FARIBAULT, MN**
Story Count:	**2**
Story Height (L.F.):	**8**
Floor Area (S.F.):	**1428**
Labor Type:	**RES**
Basement Included:	**No**
Data Release:	**Year 2019**
Cost Per Square Foot:	**$146.72**
Building Cost:	**$209,513.61**

Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

		% of Total	Cost Per S.F.	Cost
01 Site Work		**1.76%**	**2.08**	**2,972.42**
	Footing excavation, building, 26' x 46', 4' deep		2.08	2,972.42
02 Foundation		**12.87%**	**15.21**	**21,722.85**
	Footing systems, 10" thick by 20" wide footing		1.73	2,465.14
	Block wall systems, 8" wall, grouted, full height		6.05	8,642.81
	Block wall systems, 8" wall, grouted, full height		5.3	7,562.46
	Floor slab systems, 4" thick slab		2.14	3,052.44
03 Framing		**14.24%**	**16.84**	**24,049.37**
	Floor framing systems, 2" x 10", 16" OC		4.68	6,687.45
	Floor framing, wood joists, #2 or better, pine, 2" x 8", 16" OC		1.02	1,453.65
	Floor framing, bridging, wood 1" x 3", joists 16" OC		0.2	281.42
	Box sills, #2 or better pine, 2" x 8"		0.15	218.53
	Girders, including lally columns, 3 pieces spiked together, 2" x 8"		0.83	1,184.01
	Exterior wall framing systems, 2" x 6", 16" OC		0.31	442.16
	Exterior wall framing systems, 2" x 6", 16" OC		6.54	9,333.76
	Partition framing systems, 2" x 4", 16" OC		3.12	4,448.39
04 Exterior Walls		**20.62%**	**24.38**	**34,813.71**
	Wood siding systems, 1/2" x 8" beveled cedar siding, "A" grade		0.62	891.57
	Wood siding systems, 1/2" x 8" beveled cedar siding, "A" grade		13.18	18,820.57
	Non-rigid insul, batts, fbgls, kraft faced, 6" thick, R19, 15" wide		1.02	1,463.39
	Non-rigid insul, batts, fbgls, kraft faced, 12" thick, R38, 15" wide		0.77	1,101.37
	Double hung window systems, builder's quality wood window 2' x 3'		7.06	10,088.10
	Door systems, solid core birch, flush, 3' x 6'-8"		1.32	1,884.14
	Storm door, al, combination, storm & screen, anodized, 3'-0" x 6'-8"		0.4	564.57

05 Roofing		**2.28%**	**2.7**	**3,857.40**
	Gable end roofing, asphalt, roof shingles, class A		2.7	3,857.40
06 Interiors		**30.80%**	**36.42**	**52,007.08**
	Wall system, 1/2" drywall, taped & finished		3.74	5,340.56
	Wall system, 1/2" drywall, taped & finished		9.07	12,946.82
	1/2" gypsum wallboard, taped & finished ceilings		2.72	3,887.30
	Birch, flush door, hollow core, interior		4.8	6,856.94
	Closet door, bi-fold, pine, louvered, 6'-0" x 6'-8"		4.28	6,115.86
	Carpet, Olefin, 22 oz		1.03	1,469.24
	Padding, felt, 32 oz to 56 oz, minimum		0.45	640.24
	Resilient flooring, vinyl sheet goods, backed, .070" thick, maximum		1.01	1,437.60
	Resilient flooring, prefinished, oak, 2-1/2" wide		3.79	5,413.30
	Resilient flooring, sleepers, treated, 16" OC, 1" x 3"		0.53	756.43
	Resilient flooring, subfloor, plywood, 1/2" thick		0.85	1,208.04
	Resilient flooring, ceramic tile, color group 2, 1" x 1"		0.6	851.74
	Stairways 14 risers, oak treads, box stairs		2.75	3,926.36
	Basement stairs, open risers		0.81	1,156.65
07 Specialties		**6.01%**	**7.1**	**10,144.14**
	Kitchen, average grade		4.86	6,938.10
	Sinks, stainless steel, single bowl 22" x 25"		1.23	1,757.07
	Water heater, electric, 40 gallon		1.01	1,448.97
08 Mechanical		**7.22%**	**8.54**	**12,196.89**
	Three fixture bathroom installed with vanity		3.62	5,164.16
	Furnace, gas heating only, 100 MBH, area to 1200 SF		0.82	1,172.90
	Intermittent pilot, 100 MBH furnace		0.19	275.08
	Supply duct, rectangular, area to 1200 SF, rigid fiberglass		0.85	1,207.22
	Return duct, sheet metal galvanized, to 1500 SF		1.02	1,451.77
	Lateral ducts, flexible round 6" insulated, to 1200 SF		0.9	1,282.24
	Register elbows, to 1500 SF		0.52	736.58
	Floor registers, enameled steel w/damper, to 1500 SF		0.33	474.38
	Return air grille, area to 1500 SF 12" x 12"		0.1	136.48
	Thermostat, manual, 1 set back		0.09	123.94
	Plenum, heating only, 100 MBH		0.12	172.14
09 Electrical		**4.19%**	**4.95**	**7,067.60**
	200 amp electric service		1.45	2,068.37
	Duplex receptacles using non-metallic sheathed cable		0.34	479.5
	Wiring device systems, average to 1200 S.F.		2.35	3,354.73
	Light fixture systems, average to 1200 S.F.		0.82	1,165.00
	1.00-Additional kitchen adjustment		7.19	10,268.00
	1.00-Additional bath adjustment		5.68	8,111.00
	1.00-Additional entry & exit adjustment		1.26	1,804.00
	1.00-Separate heating adjustment		1.22	1,748.00
	1.00-Separate electric adjustment		1.31	1,868.00

SubTotal	**100%**	**$134.90**	**$168,831.46**
Contractor Fees (General Conditions,Overhead,Profit)	**10.00%**	**$11.82**	**$16,883.15**
Architectural Fees	**0.00%**	**$0.00**	**$0.00**
User Fees	**0.00%**	**$0.00**	**$0.00**
Total Building Cost		**$146.72**	**$209,513.61**

Tax Increment District No. 13

Code Deficiency Cost Report

Parcel E - 24 Division Street West, Faribault, Minnesota 55021 - PID 18.31.1.26.514

Residential Building

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
	Exterior Concrete Stairway				
	Modify exterior concrete stairway to comply with code	$ 1,500.00	Lump	1	$ 1,500.00
Structural Elements					
					$ -
Exiting					
	Stairways				
	Modify basement stairway to comply with code	$ 0.81	SF	1428	$ 1,156.68
	Modify second-floor stairway to comply with code	$ 2.75	SF	1428	$ 3,927.00
	Secondary Exit				
	Remove obstructions from secondary exit to comply with code	$ 1.00	Lump	1	$ 1.00
Fire Protection					
	Smoke Detectors				
	Install code compliant smoke detectors	$ 125.00	EA	5	$ 625.00
	Ground Fault Circuit Interrupters				
	Install code required GFCI's	$ 125.00	EA	6	$ 750.00
	Arc Fault Circuit Interrupters				
	Install code required AFCI's	$ 125.00	EA	6	$ 750.00
Exterior Construction					
	Transite Siding				
	Repair/replace damaged transite siding to prevent water intrusion per code	$ 1,500.00	Lump	1	$ 1,500.00
	Windows				
	Replace failed window system to prevent water intrusion per code	$ 7.06	SF	1428	$ 10,081.68
Roof Construction					
	Roofing Material				
	Remove failed roofing material	$ 0.75	SF	1428	$ 1,071.00
	Replace failed roofing material to prevent water intrusion per code	$ 3.47	SF	1428	$ 4,955.16

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Mechanical- Electrical					
	Mechanical				
	Install code compliant HVAC system	$ 2.32	SF	1428	$ 3,312.96
	Install code compliant plumbing lines		SF	1428	$ -
	Electrical				
	Install code compliant electrical wiring circuits and fixtures	$ 4.00	SF	1428	$ 5,712.00
	Install code compliant carbon monoxide detectors	$ 250.00	EA	4	$ 1,000.00
				Total Code Improvements	**$ 36,342**

Tax Increment District No. 13

Photos: Parcel E - 24 Division Street West - Residential Building

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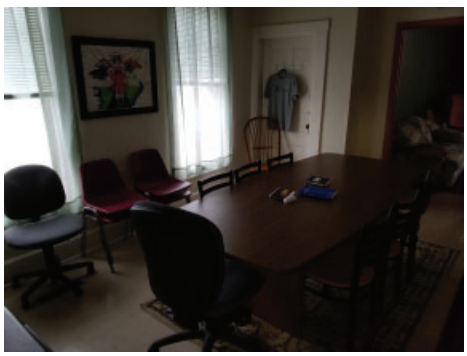
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Photos: Parcel E - 24 Division Street West - Residential Building

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Photos: Parcel E - 24 Division Street West - Residential Building

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Photos: Parcel E - 24 Division Street West - Residential Building

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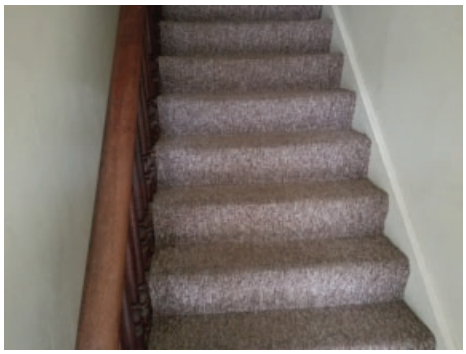
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Tax Increment District No. 13

Photos: Parcel E - 24 Division Street West - Residential Building

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Tax Increment District No. 13

Replacement Cost Report

RSMeans data from GORDIAN **Square Foot Cost Estimate Report** Date: **3/21/2019**

Estimate Name:	**16 1st Street SE** City of Faribault 16 1st Street SE , Faribault , Minnesota , 55021
Building Type:	**Economy 2 Story with Stucco on Wood Frame**
Location:	**FARIBAULT, MN**
Story Count:	**2**
Story Height (L.F.):	**8**
Floor Area (S.F.):	**1200**
Labor Type:	**RES**
Basement Included:	**No**
Data Release:	**Year 2019**
Cost Per Square Foot:	**$115.86**
Building Cost:	**$139,035.98**

Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

		% of Total	Cost Per S.F.	Cost
01 Site Work		**2.18%**	**2.2**	**2,636.17**
	Footing excavation, building, 26' x 46', 4' deep		2.2	2,636.17
02 Foundation		**14.81%**	**14.92**	**17,909.69**
	Footing systems, 10" thick by 20" wide footing		1.72	2,064.72
	Block wall systems, 8" wall, grouted, full height		5.97	7,159.62
	Block wall systems, 8" wall, grouted, full height		5.22	6,264.67
	Floor slab systems, 4" thick slab		2.02	2,420.68
03 Framing		**16.79%**	**16.91**	**20,293.63**
	Floor framing systems, 2" x 8", 16" OC		3.84	4,608.88
	Floor framing, bridging, wood 1" x 3", joists 16" OC		0.18	213.65
	Box sills, #2 or better pine, 2" x 8"		0.14	173.32
	Exterior wall framing systems, 2" x 4", 16" OC		5.63	6,757.41
	Truss roof framing systems, 24" OC, 4/12 pitch, 1' overhang, 26' span		3.32	3,985.73
	Furring, 1" x 3", 16" OC		0.93	1,117.34
	Partition framing systems, 2" x 4", 16" OC		2.86	3,437.30
04 Exterior Walls		**18.42%**	**18.56**	**22,273.99**
	Stucco, 2 coats		5.61	6,737.93
	Painting, lath, metal lath expanded 2.5 lb/SY, painted		1.22	1,468.38
	Non-rigid insul, batts, fbgls, kraft faced, 3-1/2" thick, R13, 15" W		0.92	1,098.72
	Non-rigid insul, batts, fbgls, kraft faced, 12" thick, R38, 23" wide		0.75	897.31
	Sliding window systems, builder's quality wood window, 3' x 2'		8.11	9,733.90
	Door systems, solid core birch, flush, 3' x 6'-8"		1.49	1,791.28
	Storm door, al, combination, storm & screen, anodized, 3'-0" x 6'-8"		0.46	546.47
05 Roofing		**2.50%**	**2.52**	**3,023.21**
	Gable end roofing, asphalt, roof shingles, class A		2.52	3,023.21

06 Interiors		**28.80%**	**29.01**	**34,817.54**
	Wall system, 1/2" drywall, taped & finished		8.41	10,091.71
	1/2" gypsum wallboard, taped & finished ceilings		2.49	2,986.01
	Lauan, flush door, hollow core, interior		7.54	9,042.57
	Carpet, Olefin, 15 oz		1.96	2,356.56
	Padding, sponge rubber cushion, minimum		0.72	866.01
	Underlayment plywood, 1/2" thick		1.99	2,385.73
	Resilient flooring, vinyl sheet goods, backed, .070" thick, minimum		1.32	1,585.29
	Resilient flooring, sleepers, treated, 16" OC, 1" x 3"		0.5	598.39
	Stairways 14 risers, oak treads, box stairs		3.15	3,780.31
	Basement stairs, open risers		0.94	1,124.96
07 Specialties		**4.66%**	**4.69**	**5,631.45**
	Kitchen, economy grade		2.27	2,722.94
	Sinks, stainless steel, single bowl 16" x 20"		1.33	1,592.90
	Water heater, electric, 30 gallon		1.1	1,315.61
08 Mechanical		**8.47%**	**8.54**	**10,242.94**
	Three fixture bathroom with wall hung lavatory		3.73	4,481.96
	Furnace, gas heating only, 100 MBH, area to 1200 SF		0.94	1,133.92
	Intermittent pilot, 100 MBH furnace		0.23	274.79
	Supply duct, rectangular, area to 1200 SF, rigid fiberglass		0.77	918.66
	Return duct, sheet metal galvanized, to 1500 SF		0.91	1,092.81
	Lateral ducts, flexible round 6" insulated, to 1200 SF		0.84	1,009.55
	Register elbows, to 1500 SF		0.48	570.31
	Floor registers, enameled steel w/damper, to 1500 SF		0.31	373.05
	Return air grille, area to 1500 SF 12" x 12"		0.09	108.47
	Thermostat, manual, 1 set back		0.1	114.99
	Plenum, heating only, 100 MBH		0.14	164.43
09 Electrical		**3.37%**	**3.39**	**4,072.23**
	100 amp electric service		0.92	1,104.87
	Duplex receptacles using non-metallic sheathed cable		0.15	185.1
	Wiring device systems, economy to 1200 S.F.		1.82	2,181.36
	Light fixture systems, economy to 1200 S.F.		0.5	600.9
SubTotal		**100%**	**$100.75**	**$120,900.85**
Contractor Fees (General Conditions,Overhead,Profit)		**15.00%**	**$15.11**	**$18,135.13**
Architectural Fees		**0.00%**	**$0.00**	**$0.00**
User Fees		**0.00%**	**$0.00**	**$0.00**
Total Building Cost			**$115.86**	**$139,035.98**

Tax Increment District No. 13

Code Deficiency Cost Report

Parcel M - 16 1st Street SE, Faribault, Minnesota, 55021 - PID 18.31.4.26.004

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
					$ -
Structural Elements					
					$ -
Exiting					
	Stairways				
	Modify exterior wood stairway to comply with code	$ 0.57	SF	1200	$ 684.00
	Modify basement stairway to comply with code	$ 0.94	SF	1200	$ 1,128.00
	Modify second floor stairway to comply with code	$ 3.15	SF	1200	$ 3,780.00
Fire Protection					
	Smoke Detectors				
	Install code compliant smoke detectors	$ 125.00	Ea	4	$ 500.00
	Ground Fault Circuit Interrupters				
	Install code required GFCI's	$ 125.00	Ea	4	$ 500.00
	Arc Fault Circuit Interrupters				
	Install code required AFCI's	$ 125.00	Ea	8	$ 1,000.00
	Carbon Monoxide Detectors				
	Install code required carbon monoxide detectors	$ 125.00	Ea	4	$ 500.00
Exterior Construction					
	Stucco				
	Repair cracked stucco to prevent water intrusion per code	$ 1.01	SF	1200	$ 1,212.00
	Windows				
	Replace failed windows to prevent water intrusion per code	$ 8.11	SF	1200	$ 9,732.00
Roof Construction					
	Roofing Material				$ -
	Remove damaged roofing material	$ 0.75	SF	600	$ 450.00
	Install roofing material on 1/2 of roof to prevent water intrusion per code	$ 2.52	SF	600	$ 1,512.00
Mechanical- Electrical					
	Mechanical				

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
	Install code compliant HVAC system	$ 4.81	SF	1200	$ 5,772.00
	Install code compliant plumbing for basement shower	$ 0.95	SF	1200	$ 1,140.00
				Total Code Improvements	**$ 27,910**

Tax Increment District No. 13

Photos: Parcel M - 16 1st Street SE - Residential Building

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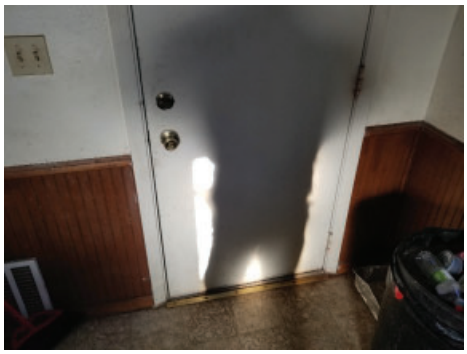

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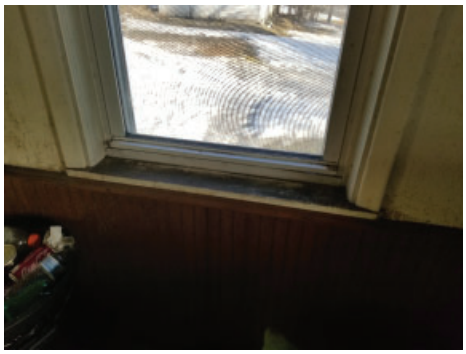

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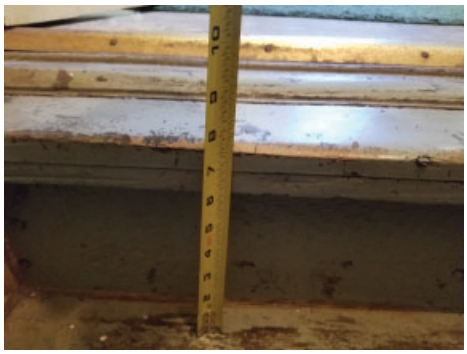

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Photos: Parcel M - 16 1st Street SE - Residential Building

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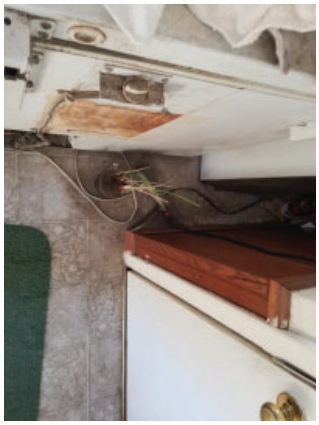
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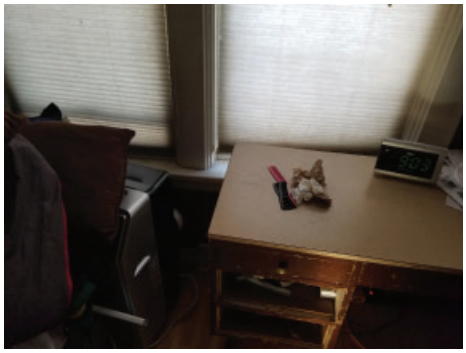
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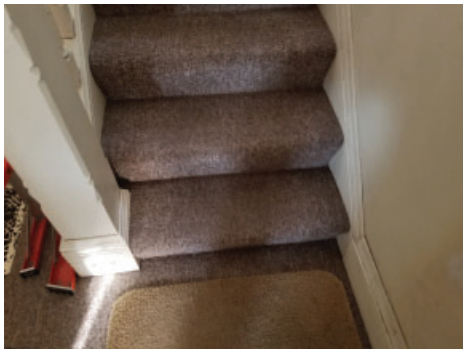
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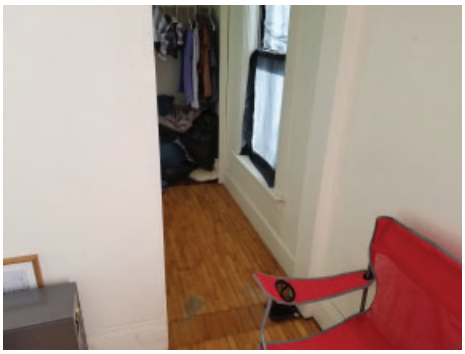
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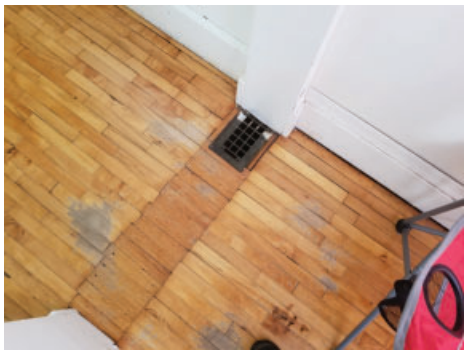
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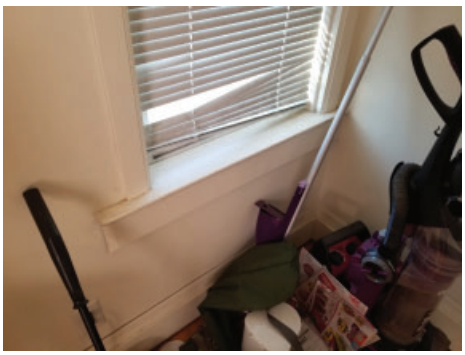
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Photos: Parcel M - 16 1st Street SE - Residential Building

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Tax Increment District No. 13

Photos: Parcel M - 16 1st Street SE - Residential Building

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Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Jeanne Schmuck, Finance Director
MEETING DATE:	June 13, 2023
SUBJECT:	Presentation of the 2022 Annual Comprehensive Financial Report

Background:
The City selected the audit firm of BerganKDV to audit the 2022 financial records of the City and assist the Finance Department in preparing the Annual Comprehensive Financial Report. This is the sixth year that the firm has completed the annual audit and the first year of a five-year contract. Matt Mayer, Audit Partner at BerganKDV, will be presenting summary data and reviewing the management letter related to the 2022 Annual Comprehensive Financial Report.

The ACFR has been prepared in accordance with the award program criteria set by the National Government Finance Officers Association (GFOA). The City has been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting for the past 31 years. The City will be submitting the 2022 Comprehensive Annual Financial Report for consideration of this award in anticipation of success for the 32nd year.

Recommendation:
Accept the 2022 Annual Comprehensive Financial Report, Communications Letter, and Reports on Compliance.

Attachments:
1. Faribault Council Presentation
2. 2022 Faribault Communications Letter
3. 2022 Faribault Legal Compliance
4. 2022 Faribault Annual Comprehensive Financial Report

City of Faribault

Annual Comprehensive Financial Report
and
Audit Presentation

June 13, 2023

Independent Auditor's Reports

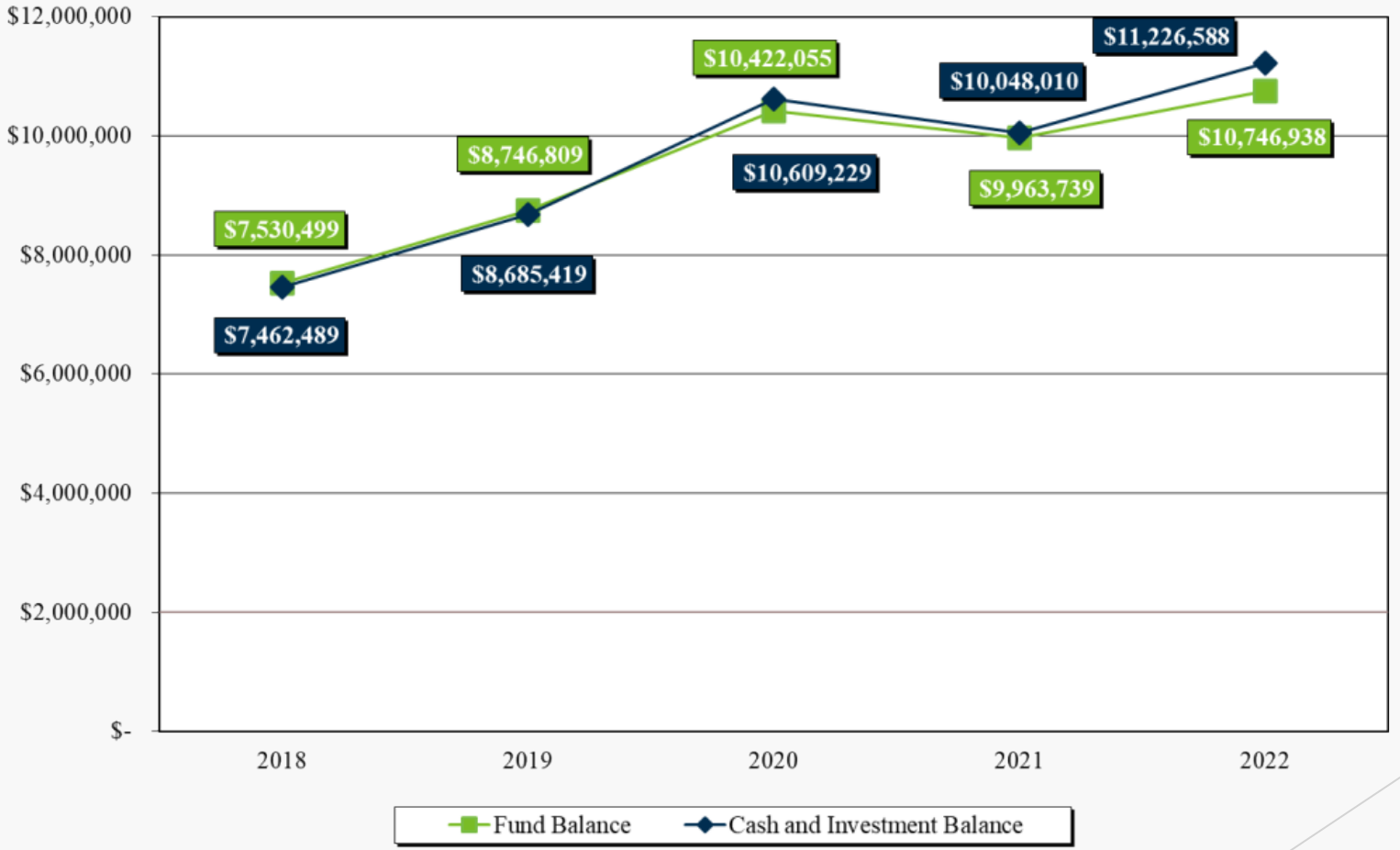
- Independent Auditor's Report "unmodified" or "clean" opinion.
- *Government Auditing Standards* Report– no findings
- Single Audit Report – no findings
- Minnesota Legal Compliance Report – no findings

General Fund
Budgetary Comparison

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget - Over (Under)
Revenues				
Property taxes	$ 9,143,005	$ 9,143,005	$ 9,150,827	$ 7,822
Special assessments	5,100	5,100	1,084	(4,016)
Licenses and permits	478,700	517,785	677,189	159,404
Intergovernmental	7,106,210	7,106,210	8,576,881	1,470,671
Charges for services	1,551,797	1,551,797	1,748,503	196,706
Fines and forfeitures	141,000	141,000	130,997	(10,003)
Miscellaneous revenues	96,450	239,392	(224,856)	(464,248)
Total revenue	18,522,262	18,704,289	20,060,625	1,356,336
Expenditures				
General government	2,775,650	2,862,721	2,793,212	(69,509)
Public safety	8,415,485	8,464,697	8,367,758	(96,939)
Public works	2,981,432	3,013,628	3,040,583	26,955
Culture and recreation	4,330,095	4,350,496	4,281,746	(68,750)
Mass transportation and airport	19,600	19,600	-	(19,600)
Debt service	-	-	19,688	19,688
Capital outlay	-	26,285	48,879	22,594
Total expenditures	18,522,262	18,737,427	18,551,866	(185,561)
Excess of revenue over (under) expenditures	-	(33,138)	1,508,759	1,541,897
Other Financing Sources (Uses)				
Lease proceeds	-	-	22,599	22,599
Net transfers	-	-	(748,159)	(748,159)
Net change in fund balances	$ -	$ (33,138)	$ 783,199	$ 816,337

General Fund

Cash and Investments and Fund Balance



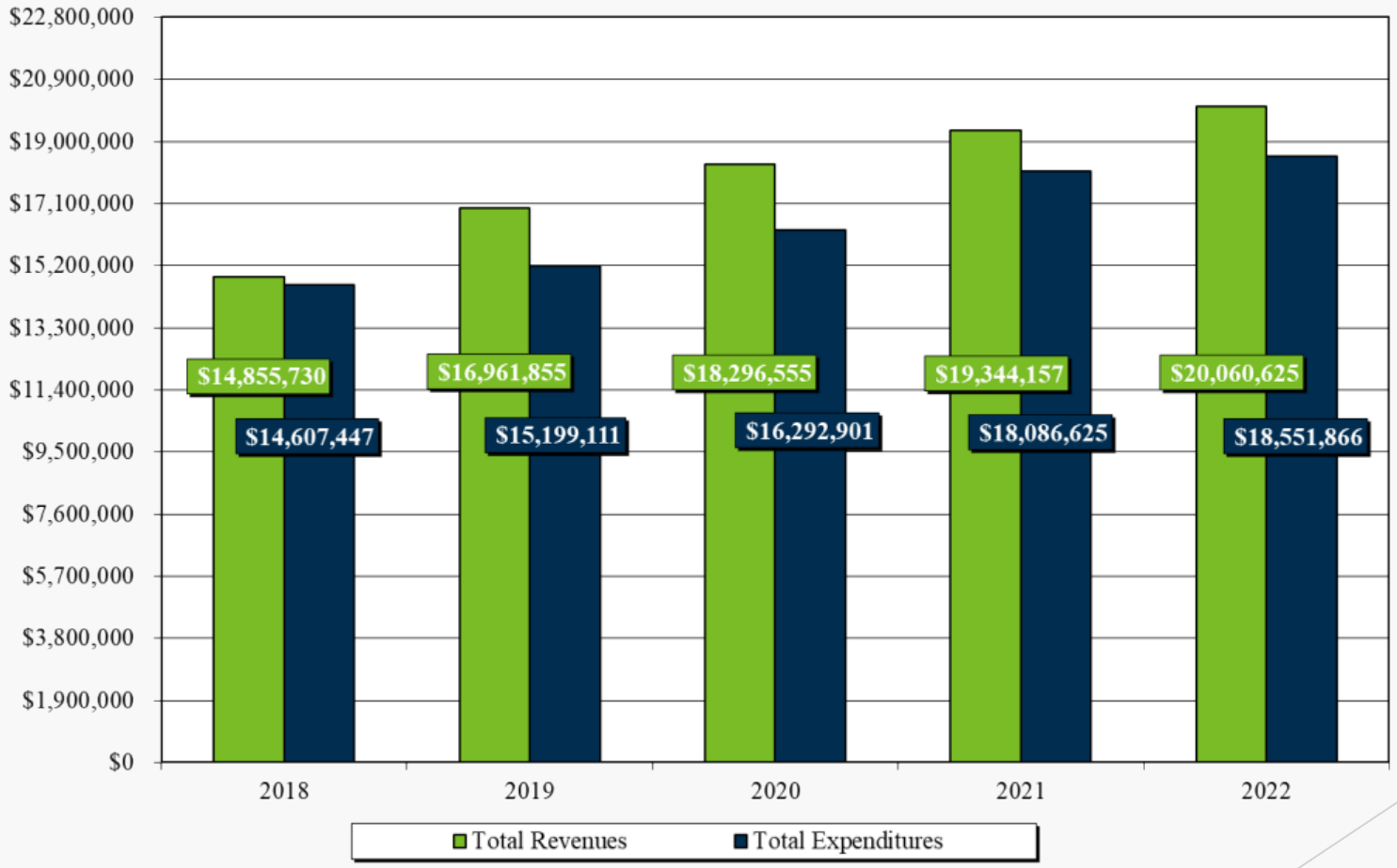
General Fund

Revenues and Expenditures

	2018	2019	2020	2021	2022
Revenues	$ 14,855,730	$ 16,961,855	$ 18,296,555	$ 19,344,157	$ 20,060,625
Expenditures	14,607,447	15,199,111	16,287,801	18,086,625	18,551,866
Proceeds from the sale of capital assets	-	-	1	-	-
Lease proceeds	-	-	-	-	22,599
Net transfers	(1,059,090)	(1,196,727)	(712,453)	(546,434)	(748,159)
Net change in fund balance	$ (810,807)	$ 566,017	$ 1,296,302	$ 711,098	$ 783,199

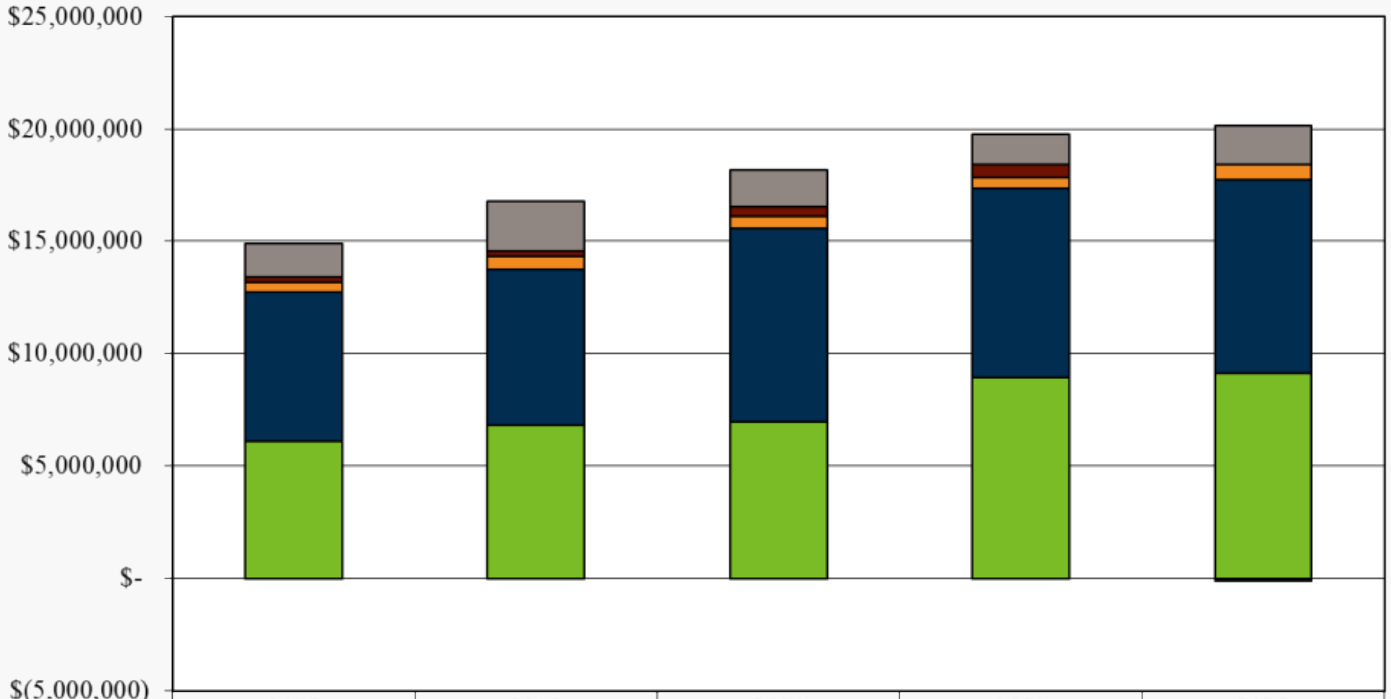
General Fund

Revenues and Expenditures



General Fund

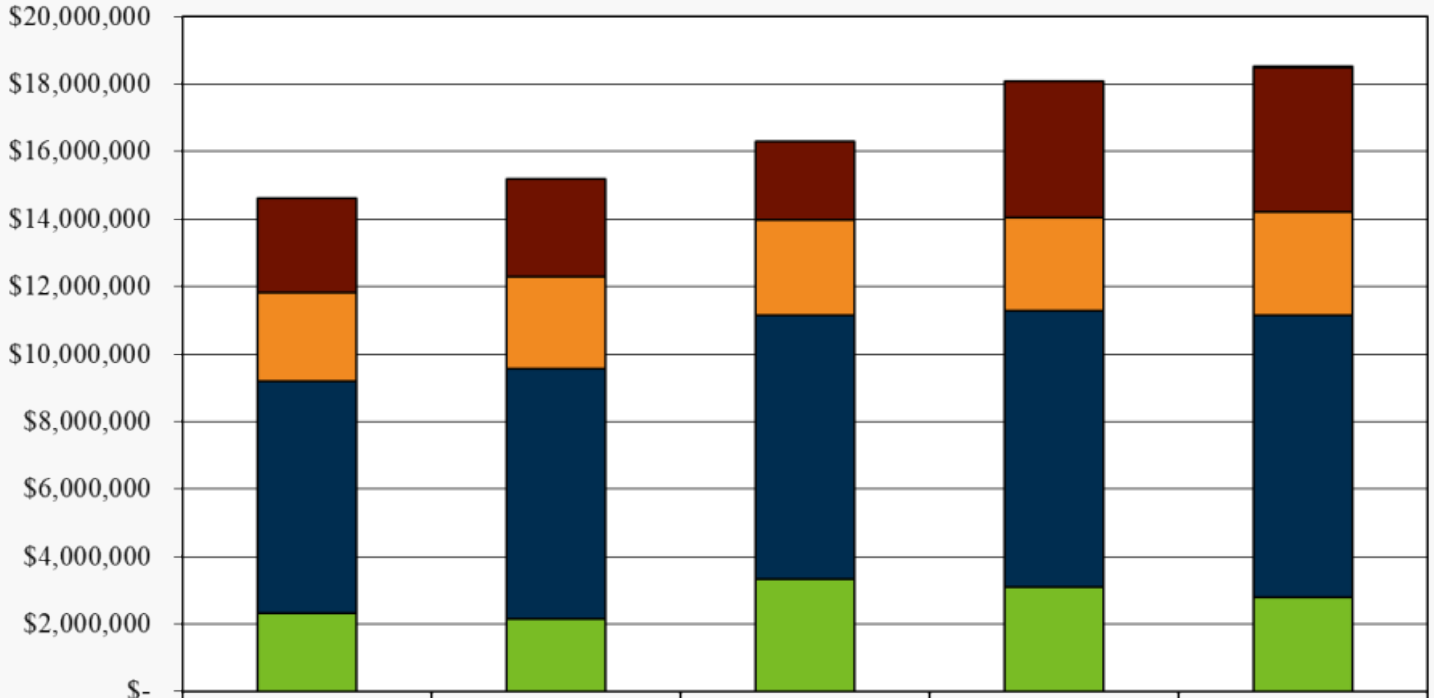
Revenues



	2018	2019	2020	2021	2022
Charges for Services	$1,467,207	$2,210,041	$1,617,503	$1,335,149	$1,731,065
Other	275,503	238,707	443,102	567,085	(92,775)
Licenses and Permits	435,191	573,029	546,332	489,278	694,627
Intergovernmental	6,601,424	6,919,966	8,604,031	8,417,838	8,576,881
Taxes	6,113,201	6,815,717	6,961,604	8,939,162	9,150,827

General Fund

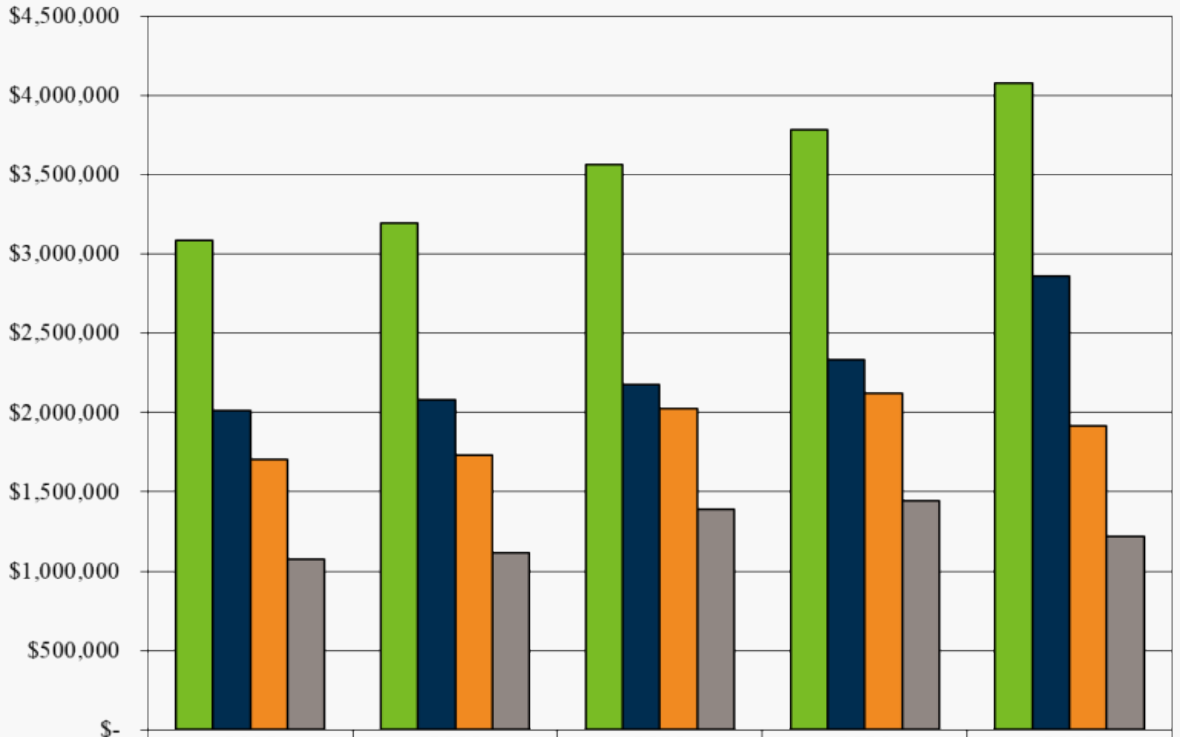
Expenditures



	2018	2019	2020	2021	2022
Debt Service	$-	$-	$-	$-	$19,688
Culture and Recreation	2,775,502	2,910,519	2,323,275	4,029,827	4,281,746
Public Works	2,652,060	2,722,556	2,820,181	2,768,296	3,040,583
Public Safety	6,865,656	7,420,405	7,812,609	8,183,596	8,367,758
General Government	2,314,229	2,145,631	3,331,736	3,104,906	2,793,212

Enterprise Fund

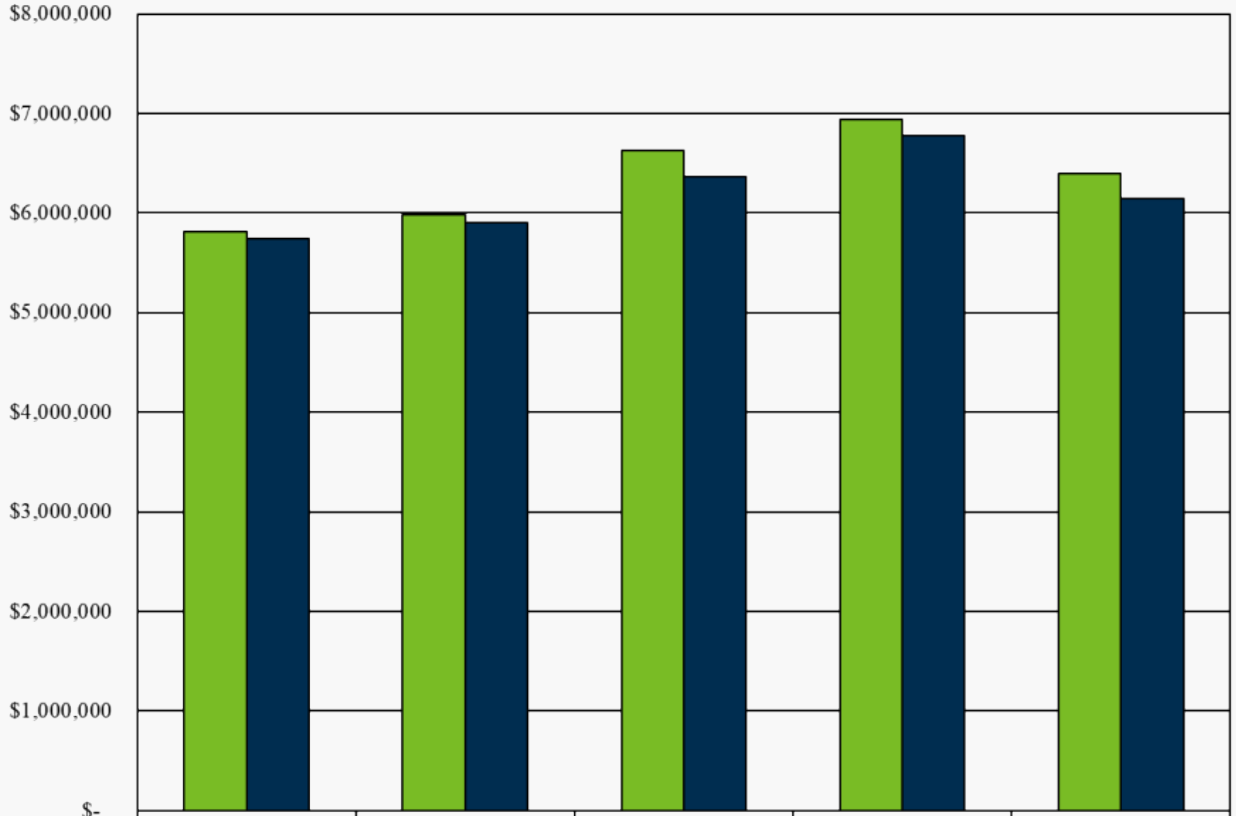
Water Operations



	2018	2019	2020	2021	2022
Operating Revenues	$3,087,620	$3,197,461	$3,567,199	$3,779,560	$4,075,971
Operating Expenses	2,015,307	2,079,099	2,173,882	2,334,161	2,860,077
Operating Income without Depreciation	1,702,392	1,730,797	2,022,942	2,122,269	1,917,347
Operating Income	1,072,313	1,118,362	1,393,317	1,445,399	1,215,894

Enterprise Fund

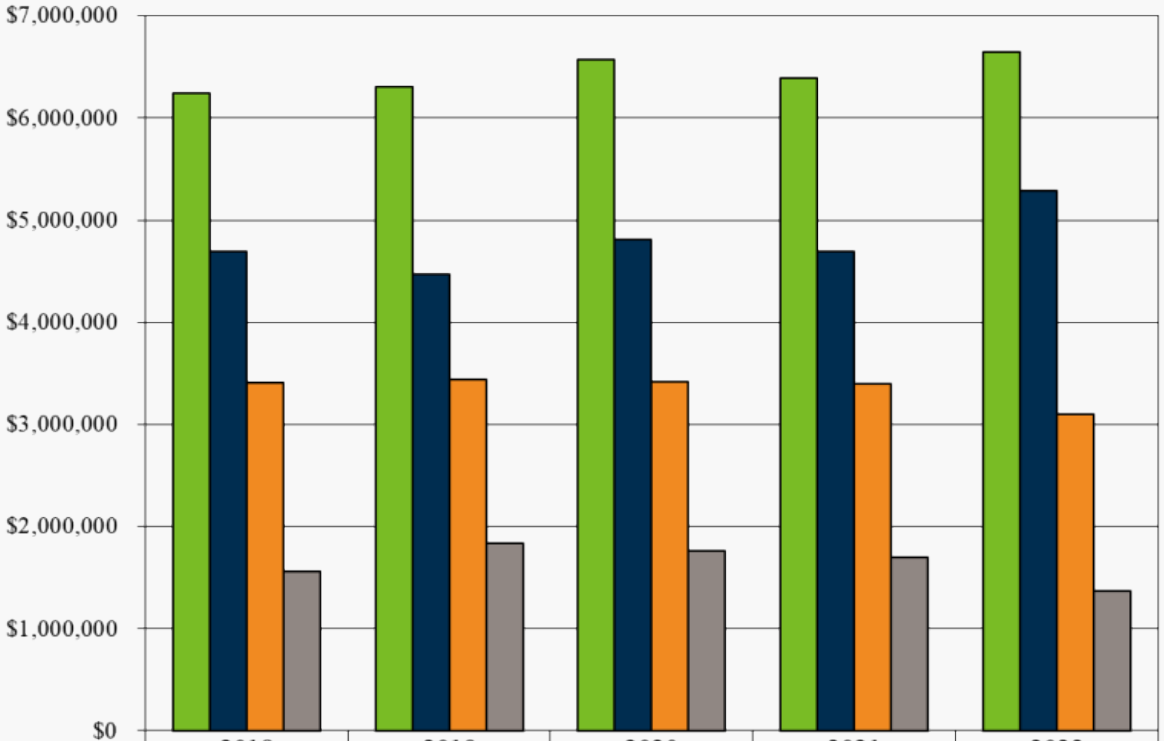
Water Fund



	2018	2019	2020	2021	2022
Cash and Investments	$5,810,825	$5,979,893	$6,625,396	$6,943,256	$6,399,630
Unrestricted Net Position	5,746,295	5,907,613	6,361,900	6,774,621	6,147,828

Enterprise Fund

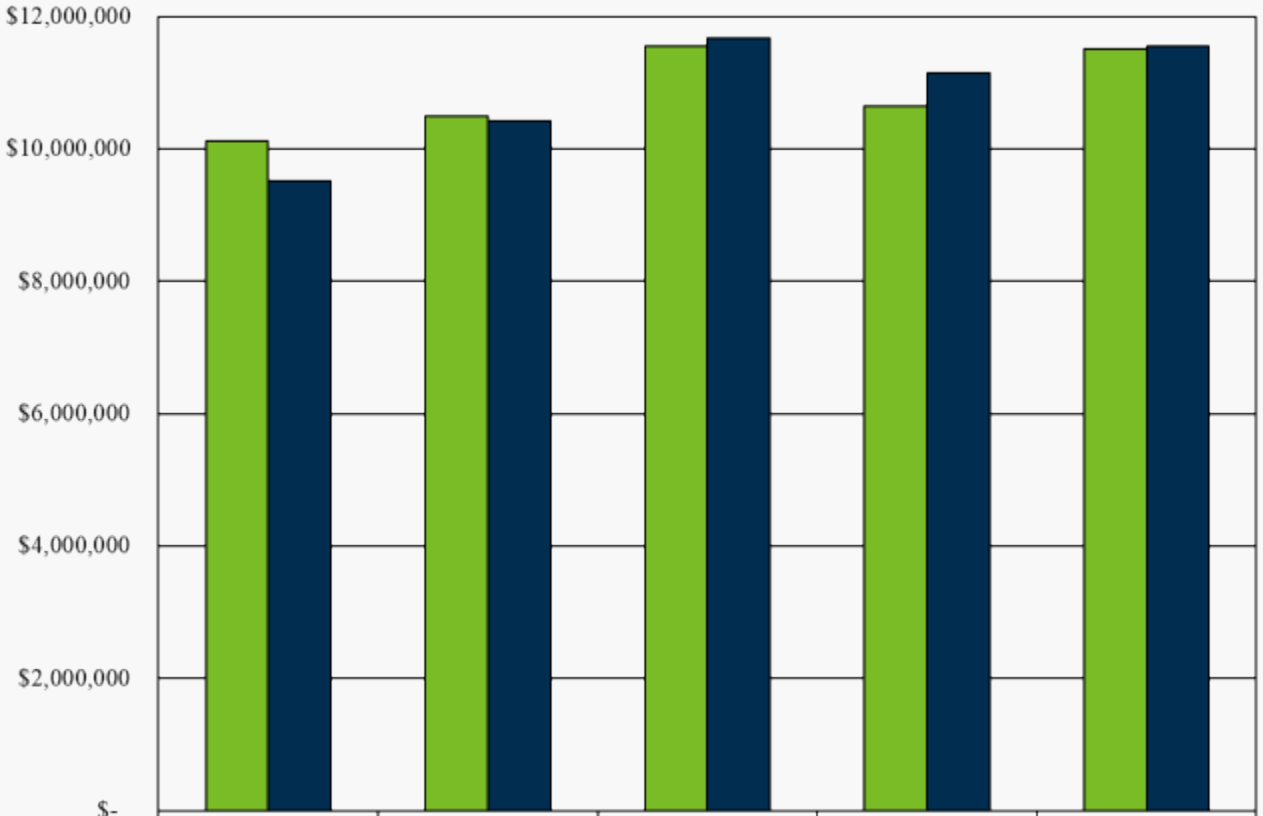
Sewer Operations



	2018	2019	2020	2021	2022
Operating Revenues	$6,246,397	$6,304,890	$6,572,471	$6,395,531	$6,649,472
Operating Expenses	4,687,340	4,471,285	4,805,381	4,694,029	5,281,929
Operating Income without Depreciation	3,406,262	3,443,578	3,414,255	3,398,512	3,096,213
Operating Income	1,559,057	1,833,605	1,767,090	1,701,502	1,367,543

Enterprise Fund

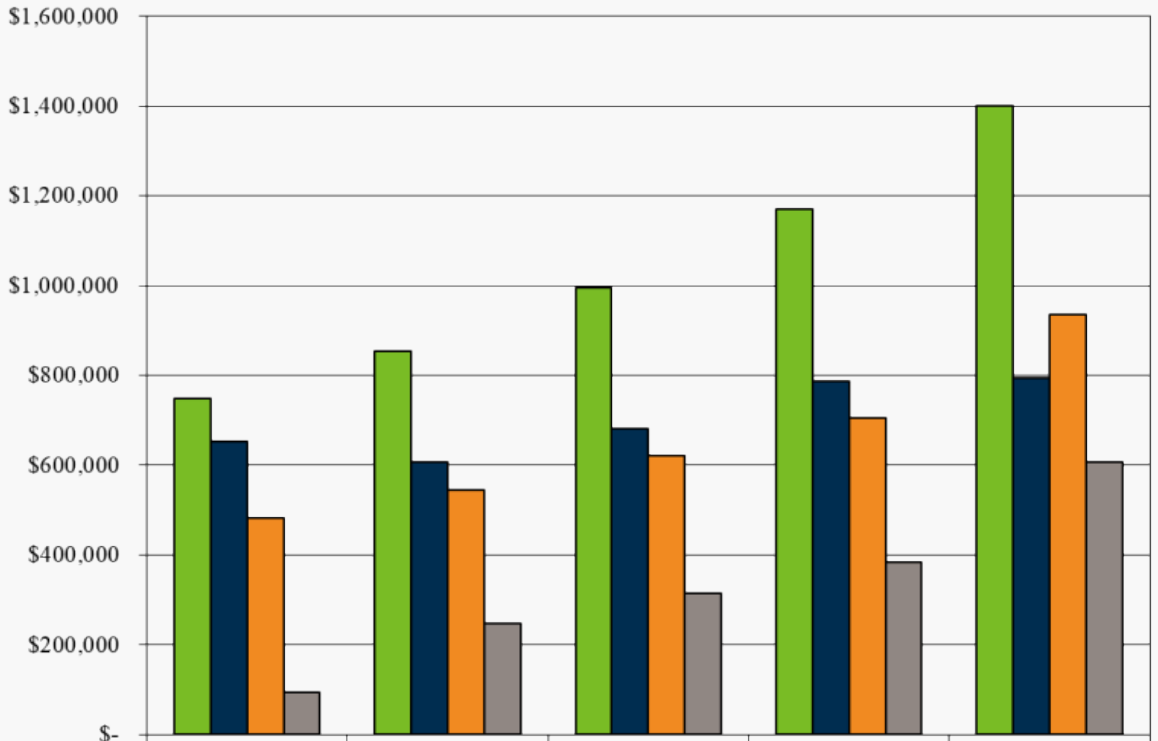
Sewer Fund



	2018	2019	2020	2021	2022
Cash and Investments	$10,122,703	$10,495,997	$11,554,342	$10,644,239	$11,510,360
Unrestricted Net Position	9,519,897	10,414,116	11,671,877	11,146,394	11,552,512

Enterprise Fund

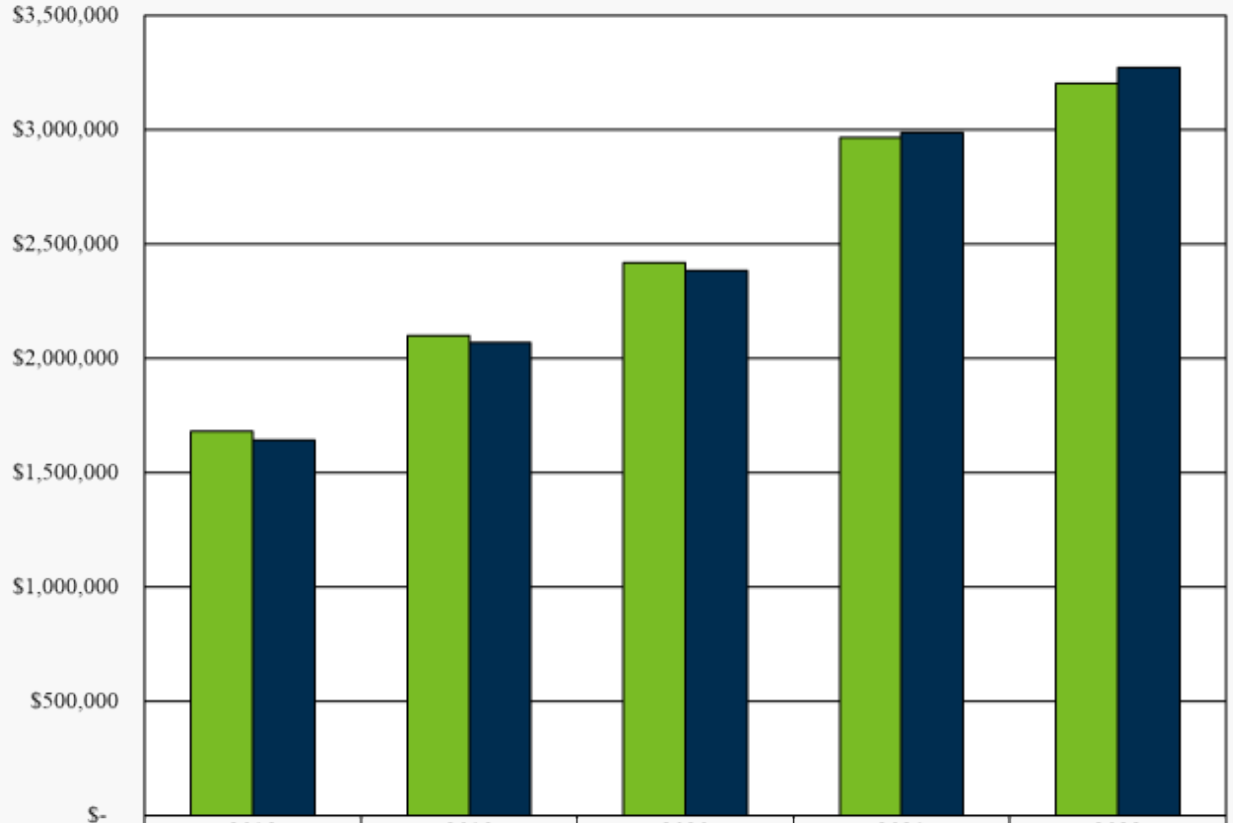
Storm Water Operations



	2018	2019	2020	2021	2022
Operating Revenues	$748,477	$853,256	$996,478	$1,171,138	$1,400,098
Operating Expenses	653,226	606,005	681,679	786,369	793,545
Operating Income without Depreciation	483,298	544,024	621,672	706,494	934,818
Operating Income	95,251	247,251	314,799	384,769	606,553

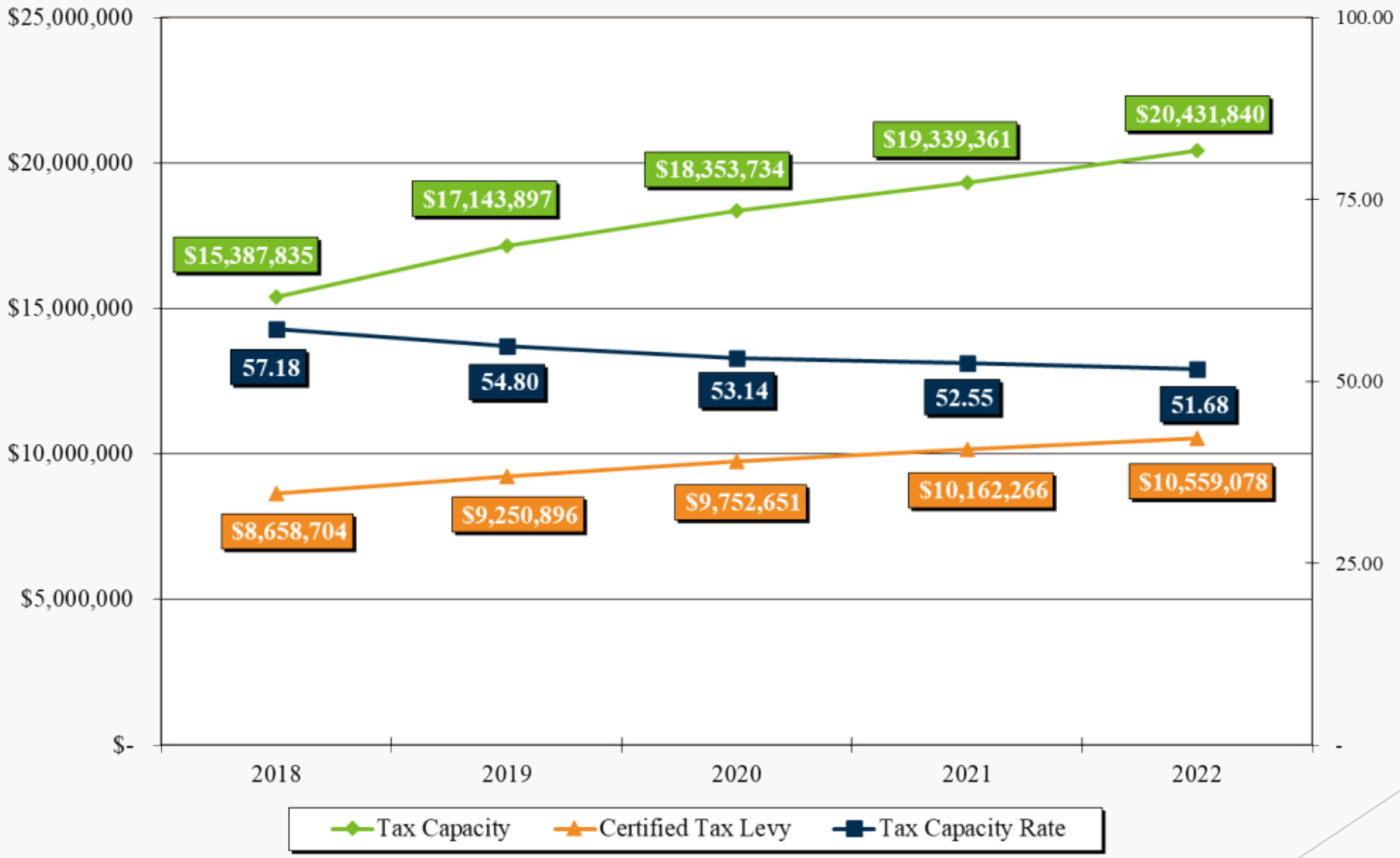
Enterprise Fund

Storm Water Fund



	2018	2019	2020	2021	2022
Cash and Investments	$1,680,813	$2,097,678	$2,419,382	$2,967,668	$3,201,603
Unrestricted Net Position	1,643,945	2,067,139	2,383,408	2,988,588	3,269,985

Tax Capacity, Levy, and Rates



Governmental Activities

Revenue Per Capita

Year	State-Wide* December 31, 2021			City of Faribault** 2020	2021	2022
Population	2,500-10,000	10,000-20,000	20,000-100,000	23,912	23,912	23,912
Property taxes	$ 560	$ 529	$ 557	$ 409	$ 445	$ 461
Tax increments	38	36	49	1	1	2
Franchise fees and other taxes	52	66	54	10	-	-
Special assessments	59	41	56	27	25	17
Licenses and permits	45	46	53	23	20	28
Intergovernmental revenues	421	293	202	494	445	443
Charges for services	136	111	108	112	114	177
Other	60	40	27	62	134	3
Total revenue	$ 1,371	$ 1,162	$ 1,106	$ 1,138	$ 1,184	$ 1,131

Governmental Activities

Expenditures Per Capita

	State-Wide*			City of Faribault**		
Year	December 31, 2021			2020	2021	2022
Population	2,500-10,000	10,000-20,000	20,000-100,000	23,912	23,912	23,912
Current						
General government	$ 168	$ 131	$ 116	$ 175	$ 133	$ 129
Public safety	326	296	327	330	342	369
Public works	144	124	112	123	125	133
Culture and recreation	108	124	107	144	173	194
Other	102	79	77	36	41	76
Total current	$ 848	$ 754	$ 739	$ 808	$ 814	$ 901
Capital outlay and construction	$ 523	$ 410	$ 317	$ 309	$ 247	$ 360
Debt service						
Principal	$ 168	$ 161	$ 110	$ 60	$ 108	$ 88
Interest and fiscal	48	41	34	11	13	17
Total debt service	$ 216	$ 202	$ 144	$ 71	$ 121	$ 105

Questions?

Matthew Mayer
612.239.9635
Matt.Mayer@berganKDV.com

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YOU

THANK
YOU
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City of Faribault
Rice County, Minnesota

Communications Letter

December 31, 2022

City of Faribault
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Report on Matters Identified as a Result of the Audit of the Basic Financial Statements

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

In planning and performing our audit of the basic financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota, as of and for the year ended December 31, 2022, 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.

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.

During our audit, we also became aware of deficiencies in internal control other than significant deficiencies or material weaknesses, and other matters that are opportunities for strengthening internal controls and operating efficiency. They are described in the accompanying letter under Other Deficiency and Recommendation for Management.

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 1, 2023, on such statements.

This communication, which is an integral part of our audit, is intended solely for the information and use 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.

BerganKDV, Ltd.

Minneapolis, Minnesota
May 1, 2023

City of Faribault
Other Deficiency

Public Purpose Expenditures

The Minnesota Public Purpose Doctrine provides that in order for an expenditure of public funds to be lawful, there must be specific or implied authority for the expenditure in state statute or the City's Charter and it must be a public purpose expenditure. To be considered a public purpose expenditure the activity must meet all of the following criteria:

1. It benefits the city as a body.
2. It is directly related to functions of government.
3. It does not have as its primary objective the benefit of a private interest but instead promotes the public health, safety, general welfare, security, prosperity, and contentment of all city residents.

During our audit, we noted disbursements that were not authorized within the City's Public Purpose Expenditure and Purchasing Policy.

We recommend the City refrain from paying for disbursements that have nonpublic purposes.

City of Faribault
Recommendation for Management

Improve Tenant Reporting Internal Control

During our audit, we analyzed the reporting process for the tenant information for the Robinwood Manor Elderly Housing Project and Faribault HRA, LLC. We noted inconsistencies in the reporting of tenant balances and security deposit information amongst the reports. Internal reports should be updated to remove old tenant balances that were previously written off with proper resolution and to reflect accurate security and pet deposit information.

To improve internal control over the reporting process and to prevent potential omissions and errors, we recommend the Project implement additional oversight procedures to ensure the accuracy and completeness of tenant reports.

City of Faribault
Required Communication

We have audited the basic financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2022. 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 with respect to the other information in documents containing the audited basic financial statements and auditor's report does not extend beyond the basic financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information was not audited, and we do not express an opinion or provide any assurance on it.

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.

Our Responsibility in Relation to Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)
As communicated in our engagement letter, in accordance with the Uniform Guidance, we examined on a test basis, evidence about the City's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit provided a reasonable basis for our opinion, it did not provide a legal determination on the City's compliance with those requirements.

In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

Planned Scope and Timing of the Audit
We conducted our audit consistent with the planned scope and timing we previously communicated to you.

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:

- 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.
- Misappropriation of Assets – If duties cannot be appropriately segregated, there is a risk of unauthorized disbursements being made by the City. In addition, generally this results in less review taking place as transactions are recorded in the financial statements.
- Improper Revenue Recognition – Revenue recognition is considered a fraud risk on substantially all engagements as it generally has a significant impact on the results of the government's operations. In addition, complexities exist surrounding the calculation and recording of various revenue sources.

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 basic financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2022. 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.

Expense Allocation – Certain expenses are allocated to programs based on an estimate of the benefit to that particular program. Examples are salaries, benefits, and supplies.

Total Other Post-Employment Benefits (OPEB) Liability, Deferred Outflows of Resources Related to OPEB, and Deferred Inflows of Resources Related to OPEB – These balances are based on an actuarial study using the estimates of future obligations of the City for post-employment benefits.

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

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 has corrected all such 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.

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.

Other Information Included in Annual Reports (Continued)
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.

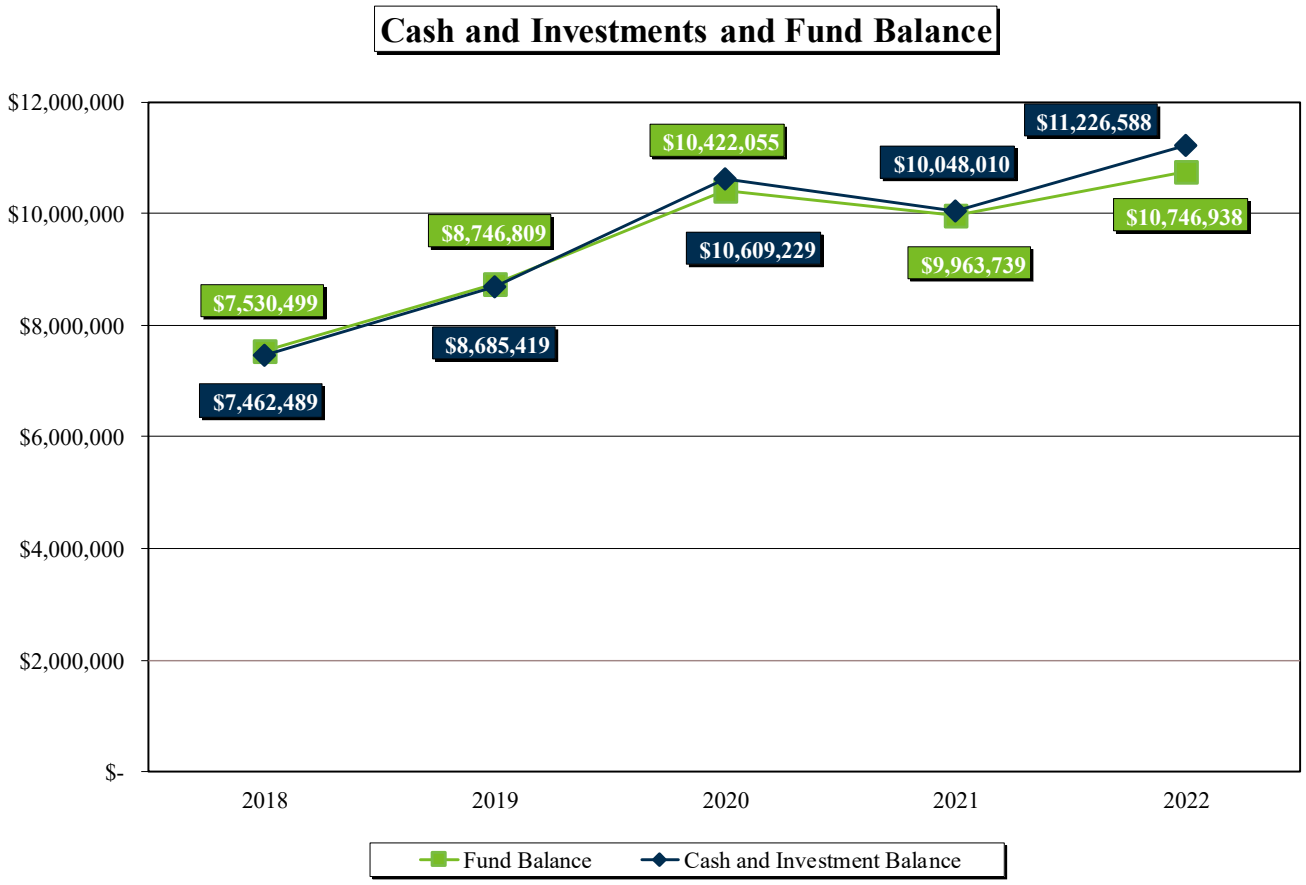
We were not engaged to report on the other information accompanying the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

City of Faribault
Financial Analysis

The following pages provide graphic representations 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 and how implementing certain changes may enhance future performance. We suggest you view each graph and document if our analysis is consistent with yours. A subsequent discussion of this information should be useful for planning purposes.

General Fund – Fund Balance

The following graph illustrates the relationship between cash and investments and fund balance over the past five years. At December 31, 2022, the General Fund balance consisted of $69,096 nonspendable, $74,861 restricted, $85,600 committed, $699,672 assigned, and $9,817,709 unassigned. The total unassigned fund balance represented over six months of expenditures at current levels. The City's Fund Balance Policy states that the City will maintain an unassigned fund balance amount not less than 35% and a maximum of 50% of the next year's budgeted expenditures in the General Fund. Based on the 2023 budgeted expenditures of $19,607,220, the City's unassigned General Fund balance was at 50% at December 31, 2022.

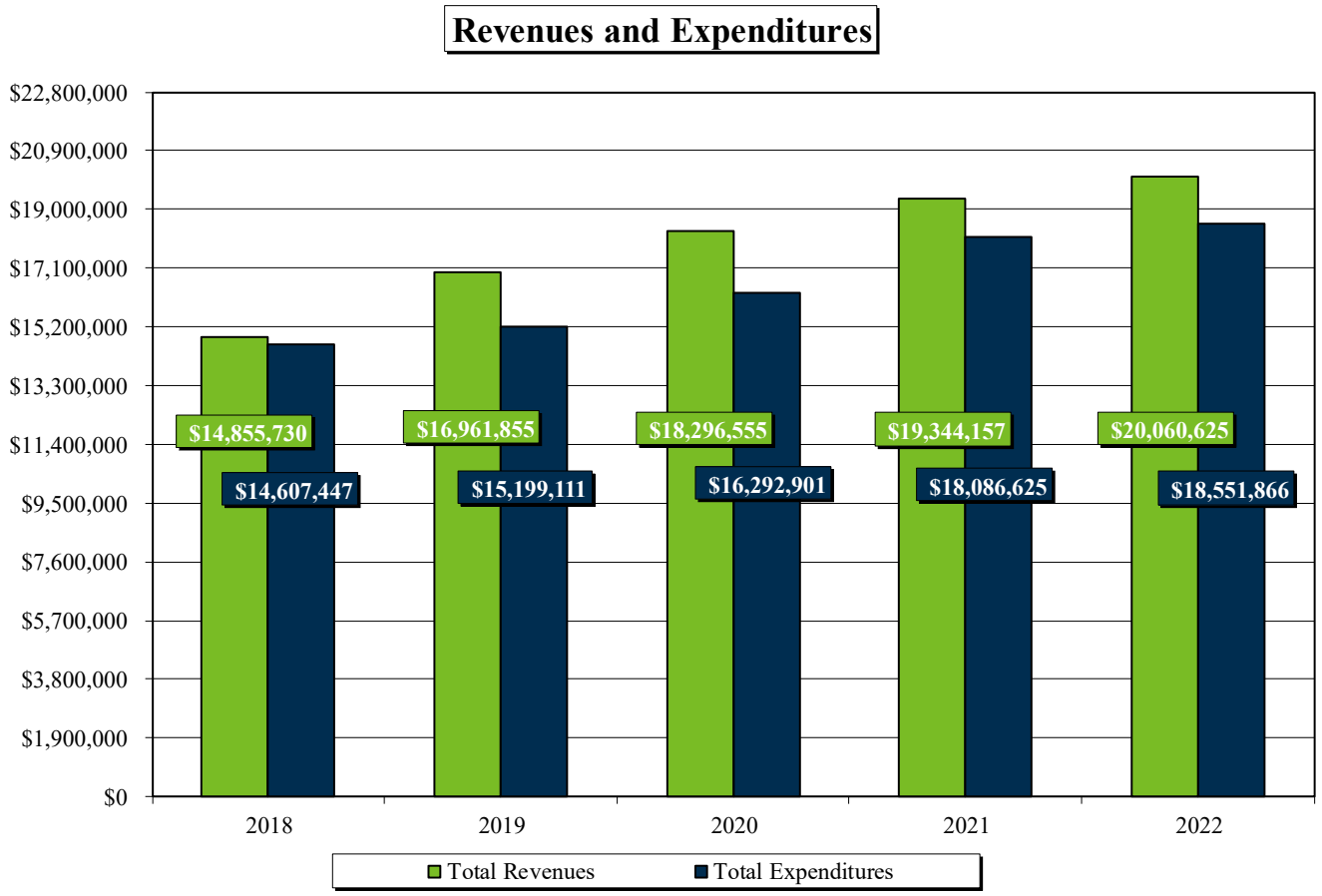


On the following pages, we will discuss the revenues and expenditures of the General Fund and the variations in the fund balance.

General Fund – Revenues and Expenditures

The following table and graph show the overall operations of the General Fund. Revenues have increased over each of the five years shown with a high in 2022 of $20,060,625. Overall, from 2018 to 2022, revenues have increased $5,204,985. Similarly, expenditures have increased over each of the five years presented. In 2022, expenditures were $18,551,866, an increase from the prior year expenditure total of $18,086,625. Since 2018, expenditures have increased $3,944,419. Transfers out were made for capital related items.

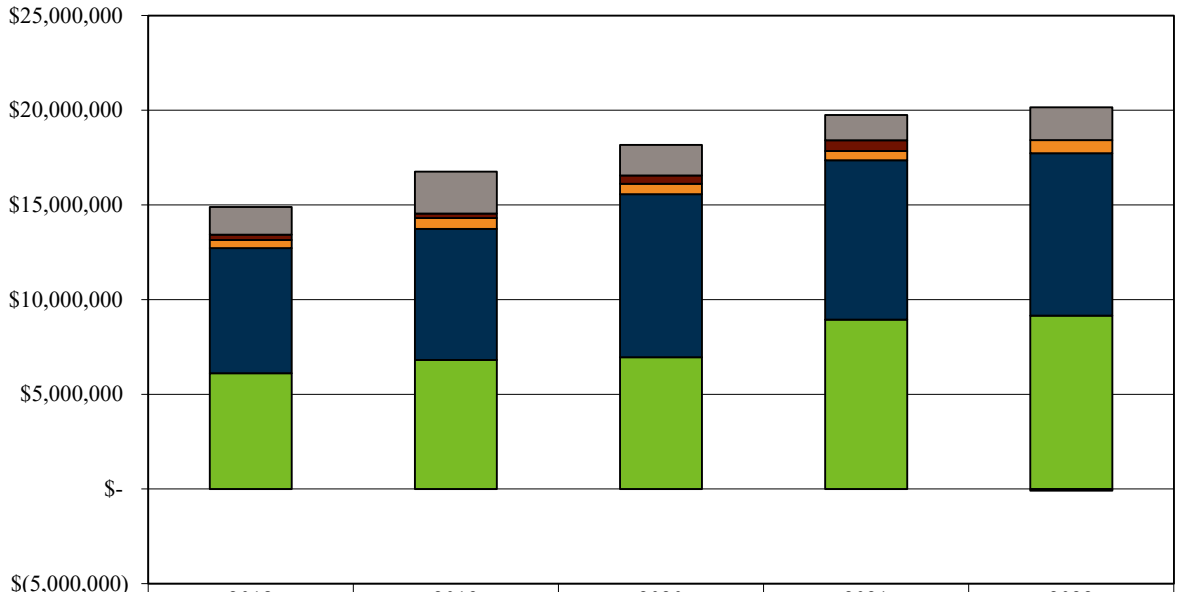
	2018	2019	2020	2021	2022
Revenues	$ 14,855,730	$ 16,961,855	$ 18,296,555	$ 19,344,157	$ 20,060,625
Expenditures	14,607,447	15,199,111	16,287,801	18,086,625	18,551,866
Proceeds from the sale of capital assets	-	-	1	-	-
Lease proceeds	-	-	-	-	22,599
Net transfers	(1,059,090)	(1,196,727)	(712,453)	(546,434)	(748,159)
Net change in fund balance	$ (810,807)	$ 566,017	$ 1,296,302	$ 711,098	$ 783,199



General Fund – Revenues

The following graph presents comparisons of revenues by type, illustrating the majority of revenue for the City is from taxes, intergovernmental sources, and charges for services. These three sources represent 45.6%, 42.8%, and 8.7% of total General Fund revenues, respectively. Other revenues include items such as licenses and permits, fines and forfeitures, special assessments, investment earnings, and other miscellaneous items.

Revenues of the General Fund increased from 2021 to 2022 by $716,468. Property taxes increased $211,665 due to an increase in the amount of property tax levied for the General Fund. The largest increase was in the charges for services category, which increased $395,916 primarily related to increased engineering fees collected based on project work in 2022. Intergovernmental revenue increased $159,043 due in part to additional funding received from the State for street maintenance along with an increase in Local Government Aid. Licenses and permits increased $205,349 based on building permit revenue and related activity during the year. The other revenue category decreased $659,860 due in large part to a decline in investment earnings in 2022 compared to 2021.



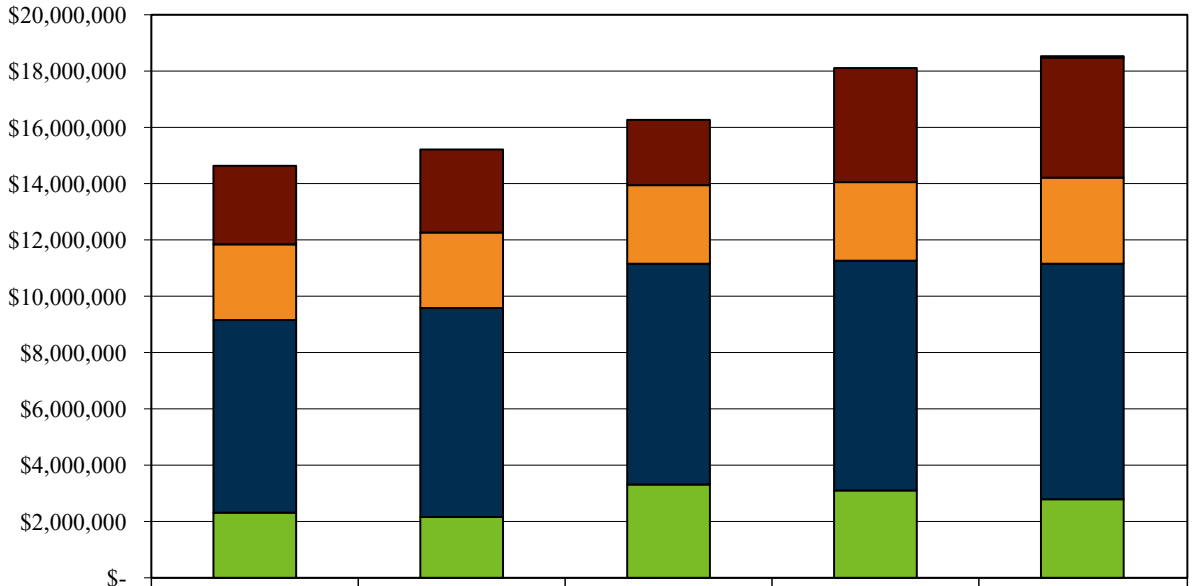
	2018	2019	2020	2021	2022
Charges for Services	$1,467,207	$2,210,041	$1,617,503	$1,335,149	$1,731,065
Other	275,503	238,707	443,102	567,085	(92,775)
Licenses and Permits	435,191	573,029	546,332	489,278	694,627
Intergovernmental	6,601,424	6,919,966	8,604,031	8,417,838	8,576,881
Taxes	6,113,201	6,815,717	6,961,604	8,939,162	9,150,827

General Fund – Expenditures

The graph below represents the breakdown of expenditures by department. Public safety continues to comprise the largest portion of General Fund expenditures, representing 45.1%. Overall, General Fund expenditures increased $465,241 from 2021.

Public works had the largest increase of $272,287 with noted increases in severance pay, fuel costs, utility expenditures, and other equipment needs. Culture and recreation had an increase of $251,919 due in part to increased temporary employee wages and utility costs. Public safety increased $184,162 as a result of increased severance pay, professional services, fire department wages, insurance costs, utility expenditures, and equipment purchases. These increases were offset by a decrease in general government of $311,694 related to tax abatements and donations to civic organizations being higher in 2021.

General Fund Expenditures



	2018	2019	2020	2021	2022
Debt Service	$-	$-	$-	$-	$19,688
Culture and Recreation	2,775,502	2,910,519	2,323,275	4,029,827	4,281,746
Public Works	2,652,060	2,722,556	2,820,181	2,768,296	3,040,583
Public Safety	6,865,656	7,420,405	7,812,609	8,183,596	8,367,758
General Government	2,314,229	2,145,631	3,331,736	3,104,906	2,793,212

General Fund – Budgetary Comparison

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget - Over (Under)
Revenues				
Property taxes	$ 9,143,005	$ 9,143,005	$ 9,150,827	$ 7,822
Special assessments	5,100	5,100	1,084	(4,016)
Licenses and permits	478,700	517,785	677,189	159,404
Intergovernmental	7,106,210	7,106,210	8,576,881	1,470,671
Charges for services	1,551,797	1,551,797	1,748,503	196,706
Fines and forfeitures	141,000	141,000	130,997	(10,003)
Miscellaneous revenues	96,450	239,392	(224,856)	(464,248)
Total revenue	18,522,262	18,704,289	20,060,625	1,356,336
Expenditures				
General government	2,775,650	2,862,721	2,793,212	(69,509)
Public safety	8,415,485	8,464,697	8,367,758	(96,939)
Public works	2,981,432	3,013,628	3,040,583	26,955
Culture and recreation	4,330,095	4,350,496	4,281,746	(68,750)
Mass transportation and airport	19,600	19,600	-	(19,600)
Debt service	-	-	19,688	19,688
Capital outlay	-	26,285	48,879	22,594
Total expenditures	18,522,262	18,737,427	18,551,866	(185,561)
Excess of revenue over (under) expenditures	-	(33,138)	1,508,759	1,541,897
Other Financing Sources (Uses)				
Lease proceeds	-	-	22,599	22,599
Net transfers	-	-	(748,159)	(748,159)
Net change in fund balances	$ -	$ (33,138)	$ 783,199	$ 816,337

Overall, actual revenue was $1,356,336, or 7.3%, over budget. The intergovernmental category was $1,470,671 over budget due to funding received through the American Rescue Plan Act that was not budgeted. Charges for services was $196,706 over budget based on engineering fees. Licenses and permits was $159,404 due to building permit activity coming in higher than budgeted. Miscellaneous revenues were $464,248 under budget due investment earnings falling below budgeted amounts. All other revenue categories were relatively consistent with the budget.

Overall, actual expenditures were less than budgeted amounts by $185,561, or 1.0%. All categories were relatively in line with budgeted amounts. Public safety had the largest budget variance being $96,939 under budget due in part to the budgeting for full-time and part-time employee salaries and benefits.

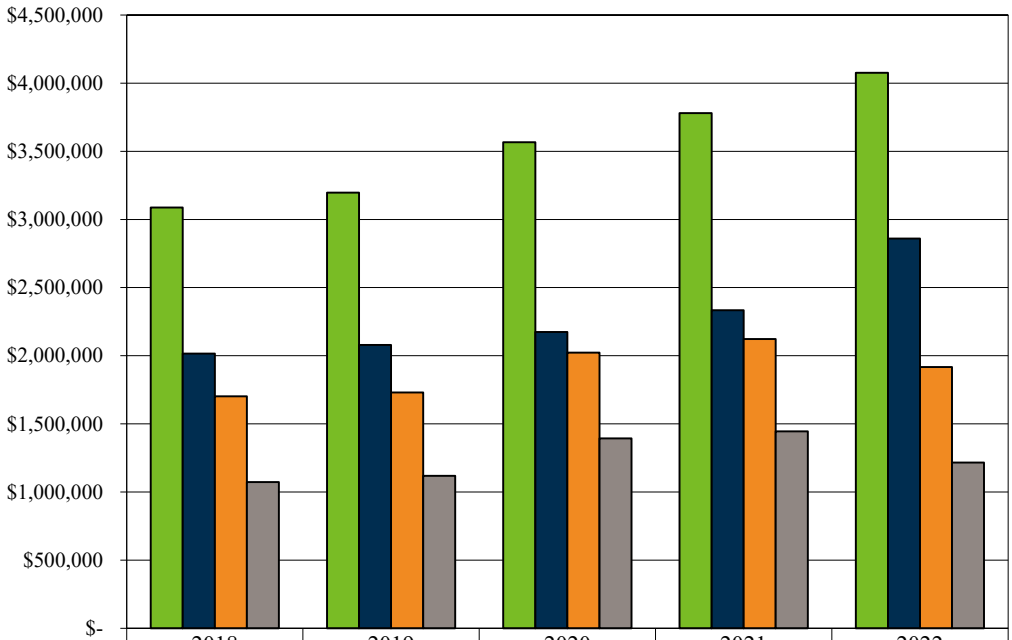
Water Enterprise Fund

The following graph illustrates the current operations of the Water Fund for the past five years. Operating income is shown with and without depreciation below.

Operating revenue increased $296,411, or 7.8%, from 2021 due to increased rates, number of meters, and water access charges in 2022. Operating expenses increased by $525,916, or 22.5%. The increase is due in part to increased expenses for maintenance costs, chemical product expenses, utility costs, and a higher pension expense recognized in 2022. The net effect of the increased revenues and increased expenses is operating income of $1,215,894.

Enterprise funds may be used to account for any activity in which a fee is charged. It is not required to have the fee support the entire activity; however, the basic premise in establishing an enterprise fund is that the activity will be operated similar to a business. Therefore, it is expected the enterprise fund would at least be able to meet its obligations currently and into the future.

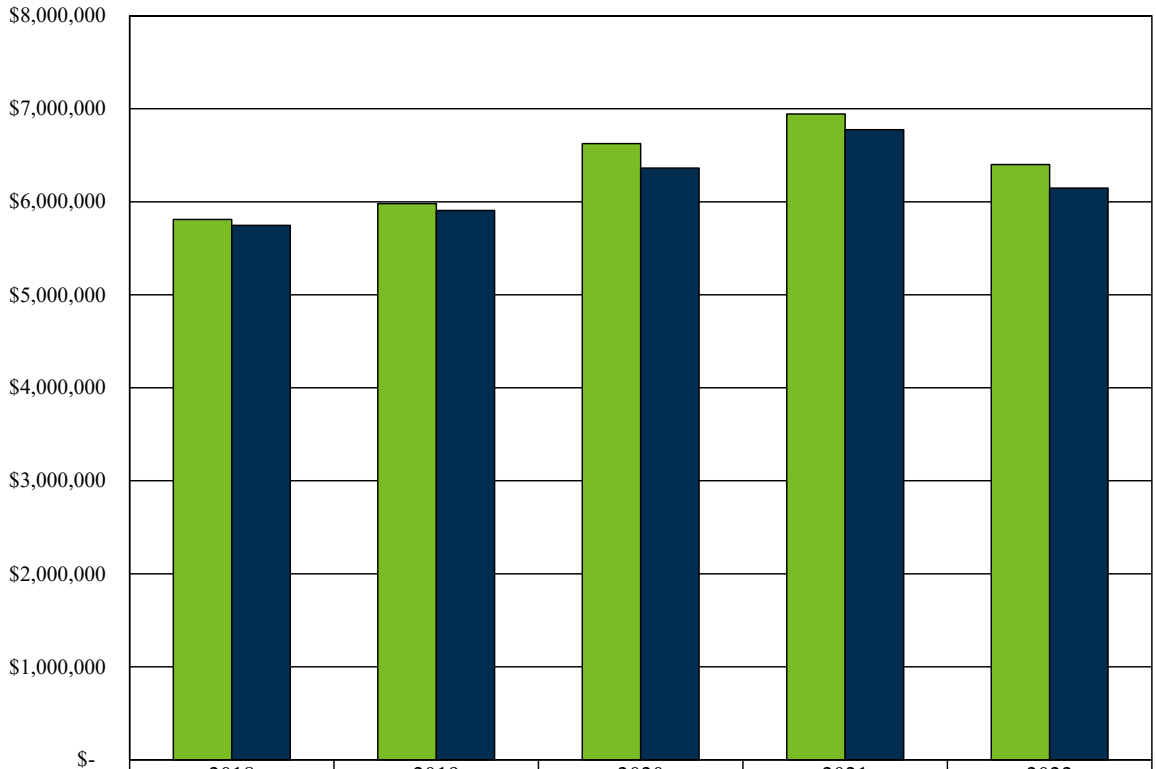
Water Operations



	2018	2019	2020	2021	2022
Operating Revenues	$3,087,620	$3,197,461	$3,567,199	$3,779,560	$4,075,971
Operating Expenses	2,015,307	2,079,099	2,173,882	2,334,161	2,860,077
Operating Income without Depreciation	1,702,392	1,730,797	2,022,942	2,122,269	1,917,347
Operating Income	1,072,313	1,118,362	1,393,317	1,445,399	1,215,894

Water Enterprise Fund (Continued)

This graph shows the cash and investment and unrestricted net position balances as of December 31 for the last five years. The Water Fund cash and investment balance has increased $588,805 since 2018 while unrestricted net position has decreased $33,299 over the last five years. The cash and investment balance decreased $543,626 during 2022 while the unrestricted net position for the Water Fund decreased $1,061,625 during the same time period.



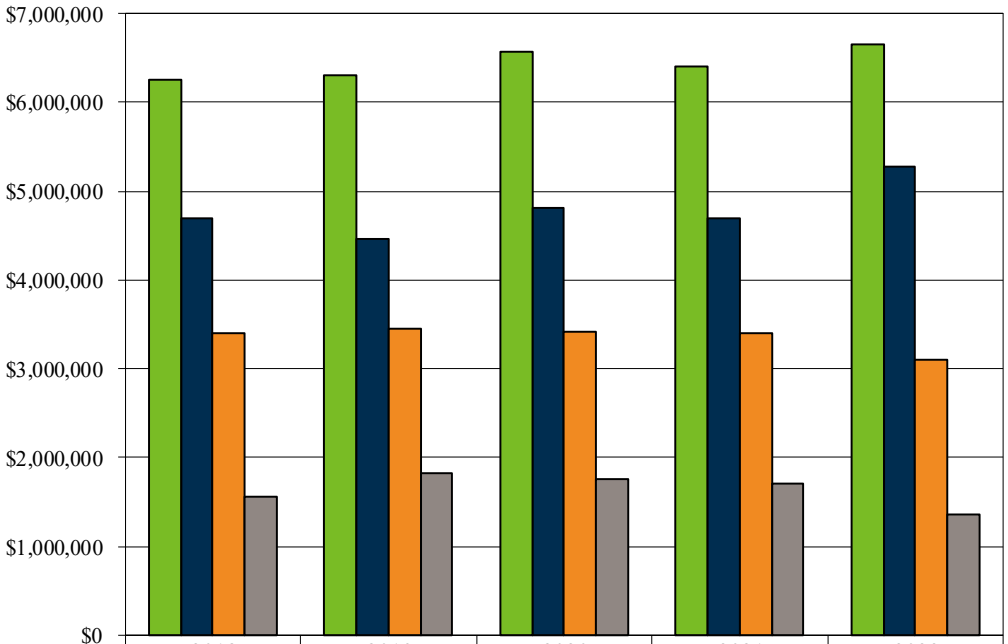
	2018	2019	2020	2021	2022
Cash and Investments	$5,810,825	$5,979,893	$6,625,396	$6,943,256	$6,399,630
Unrestricted Net Position	5,746,295	5,907,613	6,361,900	6,774,621	6,147,828

Sewer Enterprise Fund

The following graph illustrates the current operations of the Sewer Fund for the past five years. Operating income is shown with and without depreciation below.

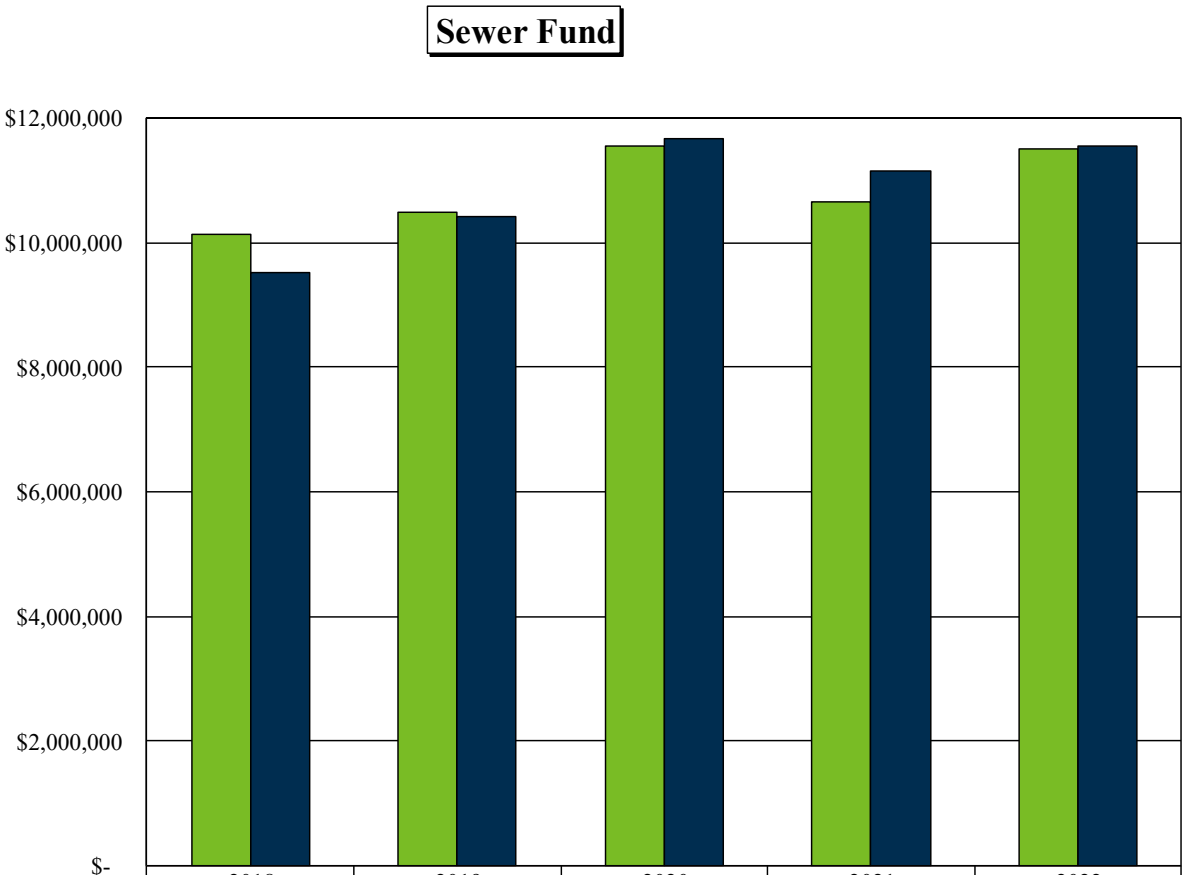
The Sewer Fund has shown an operating income in each of the five years presented. In 2022, the Fund showed an operating income of $1,367,543. This is an increase in operating income of $253,941 from 2021. The Fund experienced an increase in operating revenue due primarily to increases in sewer access charge revenue. Operating expenses increased $587,900 due in large part to an increase in the amount of pension expense recognized for 2022 along with additional professional service, utility, and maintenance costs.

Sewer Operations



	2018	2019	2020	2021	2022
Operating Revenues	$6,246,397	$6,304,890	$6,572,471	$6,395,531	$6,649,472
Operating Expenses	4,687,340	4,471,285	4,805,381	4,694,029	5,281,929
Operating Income without Depreciation	3,406,262	3,443,578	3,414,255	3,398,512	3,096,213
Operating Income	1,559,057	1,833,605	1,767,090	1,701,502	1,367,543

Sewer Enterprise Fund (Continued)

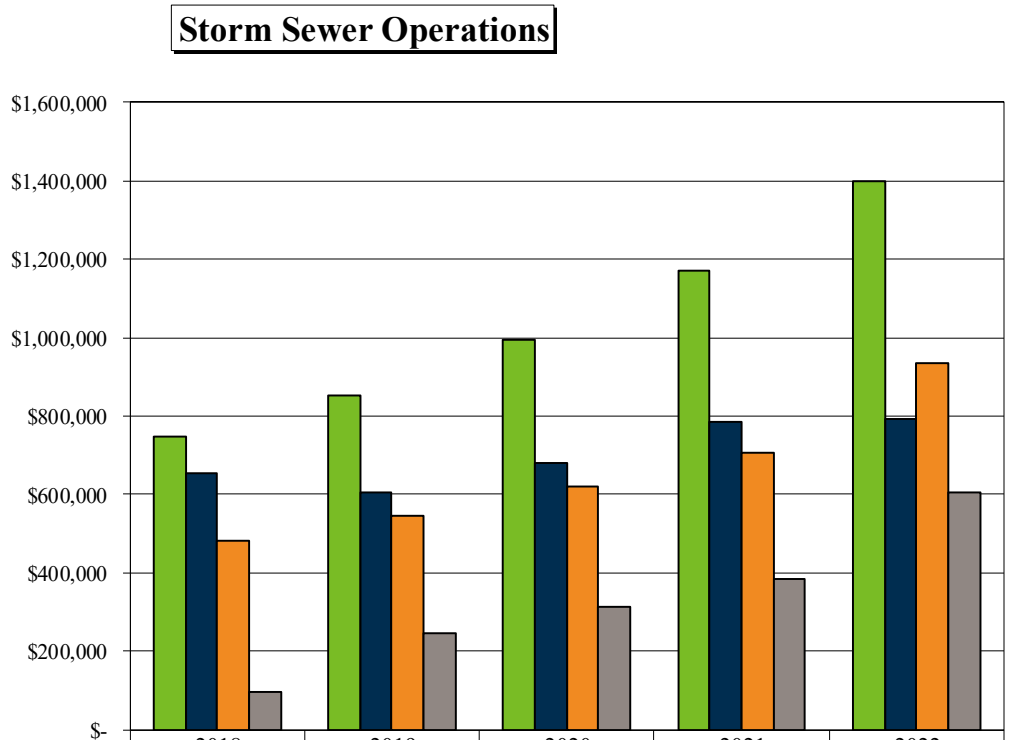


	2018	2019	2020	2021	2022
Cash and Investments	$10,122,703	$10,495,997	$11,554,342	$10,644,239	$11,510,360
Unrestricted Net Position	9,519,897	10,414,116	11,671,877	11,146,394	11,552,512

The graph above shows the cash and investment and unrestricted net position balances as of December 31 for the last five years. The cash and investment balance has increased $1,387,657 over the last five years while unrestricted net position has increased $2,032,615 over the same time period. The Sewer Fund cash and investment balance increased $866,121 in 2022 while the unrestricted net position increased $406,118 for the year.

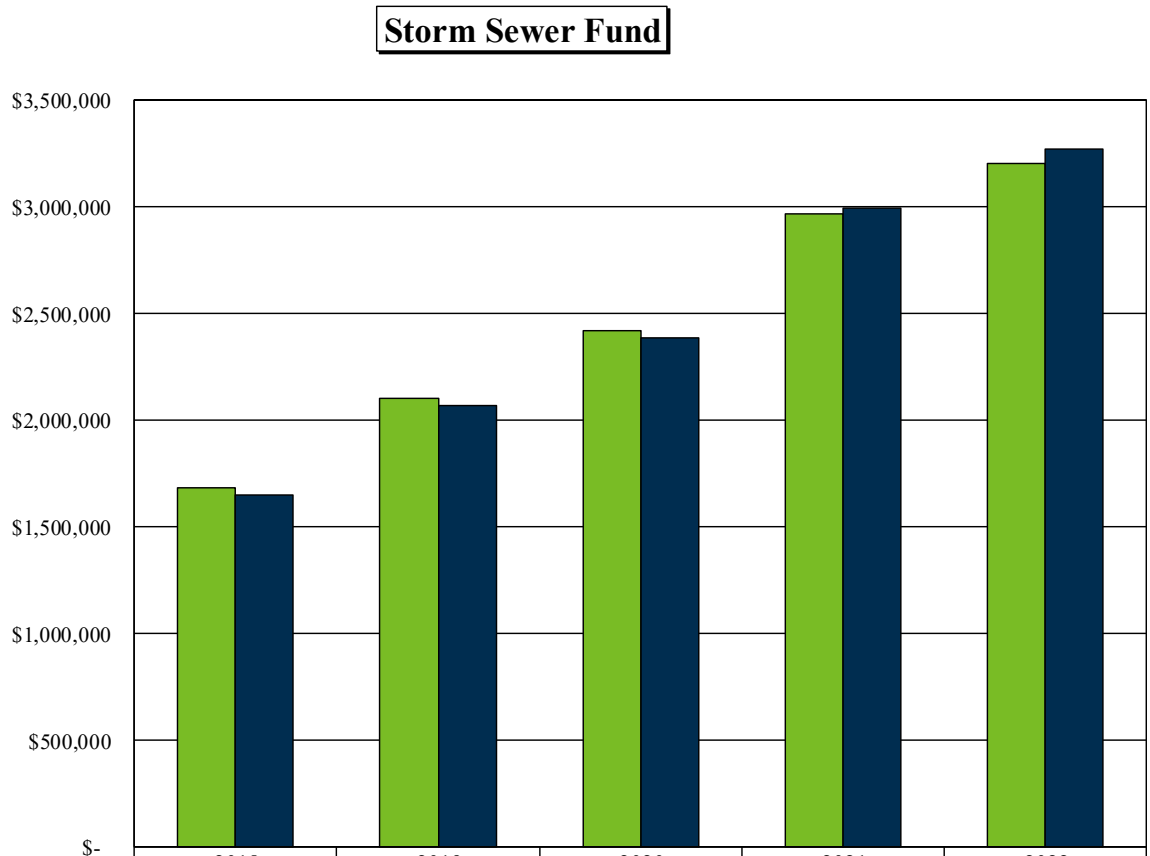
Storm Water Enterprise Fund

The following graph illustrates the current operations of the Storm Water Fund for the past five years. For all five years shown, the City's Storm Water Fund has generated an operating income with a high in 2022. Operating revenue increased $228,960 or 19.6%, while expenses increased $7,176, or 0.9%, compared to 2021. Revenue increased with increased rates and residential lot equivalents. The net effect of the changes in revenues and expenses is operating income of $606,553.



	2018	2019	2020	2021	2022
Operating Revenues	$748,477	$853,256	$996,478	$1,171,138	$1,400,098
Operating Expenses	653,226	606,005	681,679	786,369	793,545
Operating Income without Depreciation	483,298	544,024	621,672	706,494	934,818
Operating Income	95,251	247,251	314,799	384,769	606,553

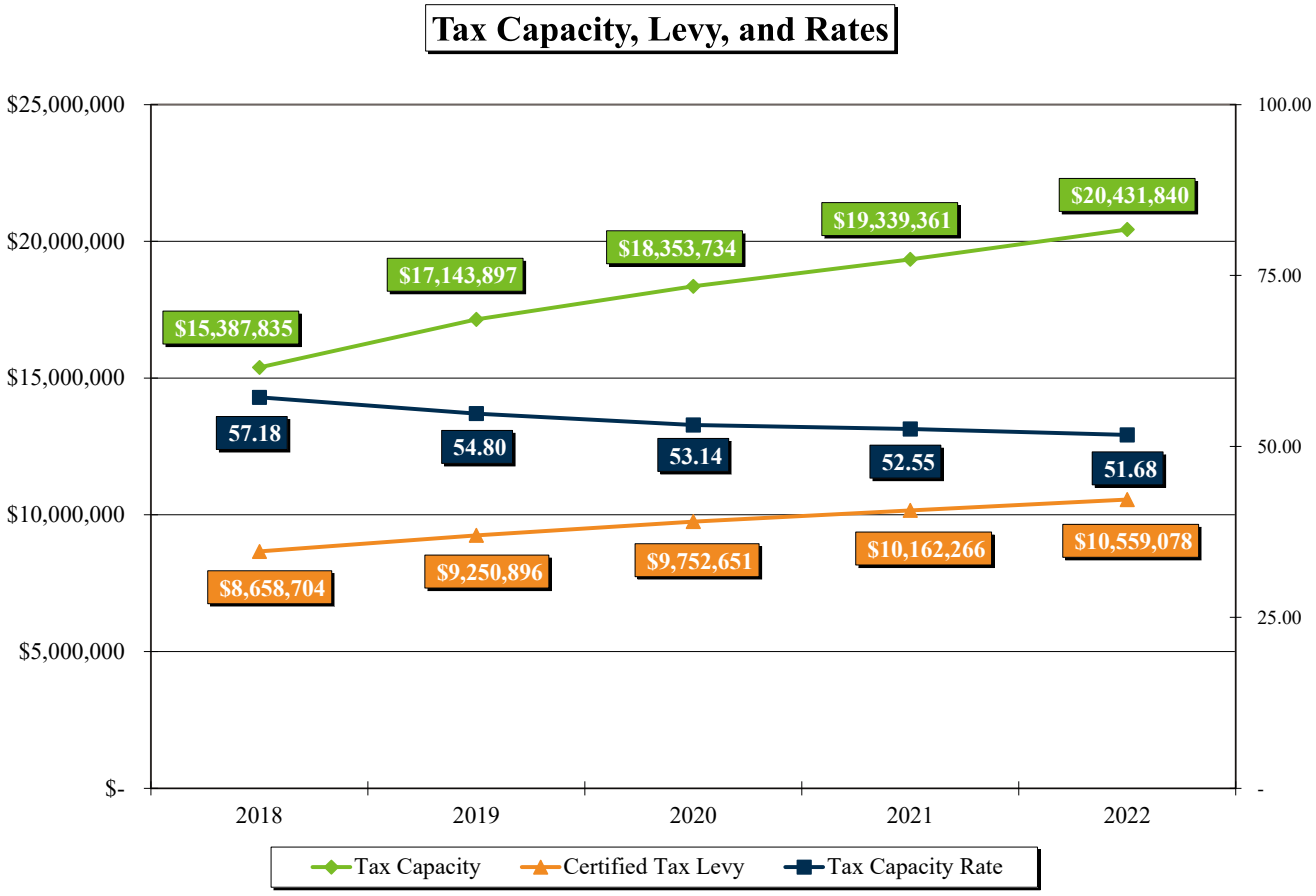
Storm Water Enterprise Fund (Continued)



	2018	2019	2020	2021	2022
Cash and Investments	$1,680,813	$2,097,678	$2,419,382	$2,967,668	$3,201,603
Unrestricted Net Position	1,643,945	2,067,139	2,383,408	2,988,588	3,269,985

As of December 31, 2022, the Storm Water Fund had an ending net cash and investment balance of $3,201,603. This is an increase of $233,935 compared to 2021. Unrestricted net position at year-end was $3,269,985, which increased $281,397 in 2022. Both cash and investments and unrestricted net position have nearly doubled over the past five-year period for the Storm Sewer Fund.

Tax Capacity, Levy, and Rates



The chart above graphs the tax capacity (not including Tax Increment Financing (TIF) Districts), tax capacity rate and certified tax levy for 2018 through 2022. The tax capacity is based on total tax capacity, prior to adjustments for captured TIF.

Comparing 2018 through 2022, the City's tax capacity has increased from $15,387,835 to $20,431,840 or $5,044,005 in five years. This is a 32.8% increase in tax capacity. The City's certified levy over this same time frame has increased $1,900,374, or 22.0%.

Governmental Activities

The tables below and on the following page illustrate the City's various sources of revenue and expenditures per capita over a three-year period in comparison to 2021 data for Minnesota cities ranked by various sizes.

Governmental Funds Revenue Per Capita
with State-Wide Averages by Population Class

	State-Wide*			City of Faribault**		
Year	December 31, 2021			2020	2021	2022
Population	2,500-10,000	10,000-20,000	20,000-100,000	23,912	23,912	23,912
Property taxes	$ 560	$ 529	$ 557	$ 409	$ 445	$ 461
Tax increments	38	36	49	1	1	2
Franchise fees and other taxes	52	66	54	10	-	-
Special assessments	59	41	56	27	25	17
Licenses and permits	45	46	53	23	20	28
Intergovernmental revenues	421	293	202	494	445	443
Charges for services	136	111	108	112	114	177
Other	60	40	27	62	134	3
Total revenue	$ 1,371	$ 1,162	$ 1,106	$ 1,138	$ 1,184	$ 1,131

* State-wide data obtained from the Office of the State Auditor's *2021 Minnesota City Finances Report.* Comparative data for 2022 is not yet available.

** Population was estimated based on latest available data.

The City traditionally receives sizeable intergovernmental revenues, including Local Government Aid and, thus, has consistently shown slightly lower tax revenues and lower special assessments revenues per capita and higher intergovernmental revenues per capita compared to the state averages.

Governmental Activities (Continued)

Governmental Funds Expenditures Per Capita with State-Wide Averages by Population Class

	State-Wide*			City of Faribault**		
Year	December 31, 2021			2020	2021	2022
Population	2,500-10,000	10,000-20,000	20,000-100,000	23,912	23,912	23,912
Current						
General government	$ 168	$ 131	$ 116	$ 175	$ 133	$ 129
Public safety	326	296	327	330	342	369
Public works	144	124	112	123	125	133
Culture and recreation	108	124	107	144	173	194
Other	102	79	77	36	41	76
Total current	$ 848	$ 754	$ 739	$ 808	$ 814	$ 901
Capital outlay and construction	$ 523	$ 410	$ 317	$ 309	$ 247	$ 360
Debt service						
Principal	$ 168	$ 161	$ 110	$ 60	$ 108	$ 88
Interest and fiscal	48	41	34	11	13	17
Total debt service	$ 216	$ 202	$ 144	$ 71	$ 121	$ 105

* State-wide data obtained from the Office of the State Auditor's *2021 Minnesota City Finances Report.* Comparative data for 2022 is not yet available.
** Population was estimated based on latest available data.

The City's debt service expenditures for 2019 and 2020 were less than the state-wide average for a city of a comparable population. Debt service expenditures increased in 2021 to a comparable level to the State-wide averages and increased higher in 2022 as additional bond debt was paid off. Overall, governmental expenditures increased $402 per capita when comparing 2021 to 2022. The increase was a result of the variance noted in debt service along with increases in capital outlay and construction as the City had significant expenditures on several large street improvement projects in 2022. Current expenditures also increased by $87 per capita from 2021 to 2022.

City of Faribault
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:

- **Accounting Standard Update – GASB Statement No. 96 – Subscription-Based Information Technology Arrangements**
  GASB has issued GASB Statement No. 96 relating to accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement will improve financial reporting by establishing a definition for subscription-based information technology arrangements and providing uniform guidance for accounting and financial reporting for transactions that meet that definition.
- **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.

Accounting Standard Update – GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*
This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

Accounting Standard Update – GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements* (Continued)

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option).

Under this Statement, a government generally should recognize a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, – which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly:

- Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred.
- Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset.
- Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria.

In classifying certain outlays into the appropriate stage, the nature of the activity should be the determining factor. Training costs should be expensed as incurred, regardless of the stage in which they are incurred.

Accounting Standard Update – GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements* (Continued)

If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or non subscription component and allocate the contract price to the different components. If it is not practicable to determine a best estimate for price allocation for some or all components in the contract, a government should account for those components as a single SBITA.

This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

GASB Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Earlier application is encouraged.

Information provided above was obtained from www.gasb.org.

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.

Accounting Standard Update – GASB Statement No. 100 – *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62* (Continued)

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.

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.

Accounting Standard Update – GASB Statement No. 101 – *Compensated Absences* (Continued)
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.

City of Faribault
Rice County, Minnesota

Reports on Compliance with *Government Auditing Standards*, Uniform Guidance, and Legal Compliance

December 31, 2022

City of Faribault
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City of Faribault
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

Federal Agency/Pass Through Agency/Program Title	Federal Assistance Listing Number	Federal Expenditures
U.S. Department of Housing and Urban Development		
Received directly		
Public and Indian Housing	14.850	$ 1,620
U.S. Department of Transportation		
Passed through the State of Minnesota		
Airport Improvement Program	20.106C	275,418
Highway Planning and Construction	20.205	101,579
State and Community Highway Safety	20.600	4,779
Towards Zero Deaths	20.608	15,783
DWI Enforcement	20.616	2,884
Total U.S. Department of Transportation		400,443
U.S. Department of Treasury		
Passed through the State of Minnesota		
Coronavirus State and Local Recovery Funds	21.027	1,305,759
Total Federal Expenditures		$ 1,707,822

See notes to schedule of expenditures and federal awards.

City of Faribault
Notes to Schedule of Expenditures of Federal Awards

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year-ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2 – PASS-THROUGH GRANT NUMBERS

All pass-through entities listed above use the same Assistance Listing numbers as the federal grantors to identify these grants and have not assigned any additional identifying numbers.

NOTE 3 – INDIRECT COST RATE

The City did not elect to use the 10 percent de minimis indirect cost rate, as allowed under the Uniform Guidance.

NOTE 4 – OUTSTANDING LOANS

As of December 31, 2022, the City had outstanding loans with the Minnesota Public Facilities Authority in the amount of $8,458,268 related to the Capitalization Grants for Drinking Water State Revolving Funds program (ALN 66.468).

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 Faribault
Faribault, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 1, 2023.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.*

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.

BerganKDV, Ltd.

Minneapolis, Minnesota
May 1, 2023

Report on Compliance for each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2022. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Report on Internal Control over Compliance (Continued)
Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance
We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota, as of and for the year ended December 31, 2022, and the related notes to financial statements which collectively comprise the City's basic financial statements. We issued our report thereon dated May 1, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BerganKDV, Ltd.

Minneapolis, Minnesota
May 1, 2023

City of Faribault
Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Type of auditor's report issued on compliance for major programs:	Unmodified
Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of Major Programs

Assistance Listing No.:	21.027
Name of Federal Program or Cluster:	Coronavirus State and Local Recovery Funds
Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low risk auditee?	Yes

City of Faribault
Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no financial statement findings.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal award findings.

There were no questioned costs.

SECTION IV – PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None

Minnesota Legal Compliance

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Faribault
Faribault, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the City′s basic financial statements, and have issued our report thereon dated May 1, 2023.

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 and bidding, deposits and 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 Statute* § 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.

BerganKDV, Ltd.

Minneapolis, Minnesota
May 1, 2023

City Of
Faribault

PREPARED BY:

FINANCE DEPARTMENT

Jeanne Schmuck
Finance Director

Member GFOA of U.S. and Canada
Published May 1, 2023

CITY OF FARIBAULT
FARIBAULT, MINNESOTA

Annual Comprehensive Financial Report

FOR THE YEAR ENDED
DECEMBER 31, 2022

City Of
Faribault

City of Faribault, Minnesota
Comprehensive Annual Financial Report
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INTRODUCTORY SECTION

CITY OF FARIBAULT
FARIBAULT, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2022

City Of
Faribault

May 9, 2023

To the Honorable Mayor, Council Members, and Citizens of the City of Faribault:

The Annual Comprehensive Financial Report (ACFR) for the City of Faribault for the fiscal year ended December 31, 2022, is hereby submitted. Minnesota State Statutes requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standard by a firm of licensed certified public accountants.

The report consists of management's representations concerning the finances of the City of Faribault. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Faribault has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Faribault's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Faribault's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Faribault's financial statements have been audited by BerganKDV, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Faribault for the fiscal year ended December 31, 2022, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Faribault's financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Faribault's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Faribault, incorporated in 1872, is the county seat of Rice County and is located approximately 50 miles south of Minneapolis/St. Paul on Interstate 35. The City encompasses an area of approximately 15.882 square miles and has a current estimated population of 24,298. The City of Faribault is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Governing Council.

Profile of the Government (Continued)

The City of Faribault operates under a home rule charter adopted in 1975 and has operated under a Council/Administrator form of government. The Faribault City Council is charged with exercising legislative power and determining local policy. The Governing Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and approving certain personnel actions as authorized in the City Charter and negotiated personnel contracts. The City Administrator is the Chief Administrative Officer directly accountable to the City Council for all matters of municipal operation. The Council is comprised of the Mayor, who serves a four-year term of office, and six City Council members who serve staggered four-year terms. All members are elected at large.

The City of Faribault provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; airport services; culture and recreational activities; and general administrative services. This report also includes the following entities as component units of the City of Faribault due to the nature of their relationship with the City in a discrete presentation.

Faribault Housing and Redevelopment Authority (HRA)
Faribault Economic Development Authority (EDA)

The annual budget serves as the foundation for the City of Faribault's financial planning and control. All departments of the City of Faribault are required to submit requests for appropriation to the City Administrator in July each year. The City's Administrator uses these requests as the starting point for developing a proposed budget. The City Administrator then presents this proposed budget to the City Council for review. The City Council is required to hold public meetings on the proposed budget and to adopt a final budget by no later than December 31, the close of the City of Faribault's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads prepare budget revisions that are reviewed by the City Administrator and require the special approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General fund, this comparison is presented on page 35 as part of the basic financial statements for the governmental funds. For governmental funds, other than the General fund, with appropriated annual budgets, this comparison is presented in the government fund subsection of this report, which starts on page 103.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Faribault operates.

Local economy. Faribault is the Rice County seat, with the Rice County Government Services Center and the County Courthouse located on the west edge of the city's downtown area. A number of state-owned institutions are also located in Faribault, which include the Minnesota Correctional Facility and the Minnesota Academies for the Deaf and Blind.

Labor force numbers increased in 2022 to 11,091 city residents in the labor work force, which is an increase of 240 from the prior year of 10,851, indicating a positive change in available workforce. In 2022, the average annual unemployment rate in Faribault was 3.5%, down from 4.2%, and is similar to the national unemployment rate of 3.5%.

The City has been working in conjunction with Rice County as they prepare for the new Rice County Public Safety Center. Rice County has acquired 109 acres within Faribault City limits for a 76-bed Public Safety Center. This has included negotiating a development agreement, public infrastructure, and land swaps with Rice County, a private business, and the City. Completion is anticipated by fall of 2024.

Overall, the City of Faribault continues to work to encourage positive growth and economic development. Due to the City's population, its location along Interstate 35, and its close proximity to the Minneapolis/Saint Paul metropolitan area, it is attractive to businesses that need affordable land and labor costs to expand their operations. A feasibility study for an additional interchange on Interstate 35 at County State Aid Highway 9 got underway, funded in part by $500,000 from the State of Minnesota. We believe the sustained activity by both new and expanding industries in the community will continue to contribute to retaining and adding retail business and housing options within the city and continue to provide stability to both the City and the region.

Major Initiatives. The City Council adopted a new funding mechanism for funding street improvements in 2021, which began with 2022 projects. In lieu of levying special assessments on benefiting properties for improvements such as street reconstructions, overlays, and new sidewalks, additional franchise fees will be collected from electric and natural gas utility customers. For individual property owners, businesses, and institutions, this effectively spreads the costs of those types of projects out over an indefinite period of time, rather than being burdened with a large assessment at a point in time.

At an event with nearly 900 commercial real estate professionals, the Minnesota Real Estate Journal named Faribault City of the Year for the second time in the last five years. A few projects helped contribute to the success. Trystar expanded an additional 75,000 square feet beyond its original 120,000-square-foot facility. Daikin added a new facility on the northside of Faribault. Faribault Foods invested in a biodigester to offset odor. The City was awarded a $2 million grant to construct a new water tower on the northside to meet the need of increased waterflow. With a rental vacancy rate under 1%, the City has focused on improving the rental housing rate by partnering with developers who have added 300+ apartments over two years. In addition, downtown Faribault's Cry Baby Craigs was awarded a finalist for the Restaurant/Retail in Greater Minnesota.

The City continued to see significant progress on several multifamily housing projects, including the completion of a 111-unit market rate building on former City property immediately south of the TH60/Viaduct Bridge, and negotiation of an agreement and sale for a 3-phase project on the former City-owned property at the corner of Willow Street and 17th Street Southwest. Construction began late in 2022 on the Riverchase apartments which is a 77-unit market-rate apartment building on the south side of the viaduct. Approvals have also been completed for Faribault Apartments which is a 192-unit, market-rate, three-phased apartment complex. The first phase of construction is scheduled for spring 2023. Midwest Flats has also completed all approval stages and construction will begin on the 54-unit apartment building at the former Farmer Seed and Nursery site in 2023 as well.

Two new economic development-workforce housing TIF districts have been created, as well as supporting Tru-Vue through a newly created Economic Development Investment Fund to retain jobs, upskill employees through automation and retain a long-standing business in Faribault. Provided through the EDA nearly $750,000 has been awarded through a downtown commercial exterior improvement program which has leveraged almost $2 million in investment since inception. The EDA also featured small business owners in Faribault's downtown that have succeeded in working with the City and the EDA through an Entrepreneurial Showcase.

Construction of a new water treatment filtration plant was completed and was fully operational in 2022 with successful results of the removal of iron and manganese. This new filtration system will also remove the radium if needed. The construction for a new 750,000-gallon water tower started in 2022 and will provide much needed fire flow capacity and consistent water pressure for the existing and future industrial development in the I-35 industrial park area. The concrete pedestal has been constructed and the majority of the metal bowl constructed on the ground, will be raised up when the construction resumes in 2023 and is projected to be online in late summer/early fall 2023.

Factors Affecting Financial Condition (Continued)

Long-term financial planning. The City of Faribault completes an annual update of a multi-year Financial Management Plan which is used to serve as a guide for the financial management of the City. The report projects cash requirements, revenue sources and debt needs in relation to the Capital Improvement Plan. A five-year Capital Improvement Plan (CIP) is developed as part of the budget process and long-range planning. The CIP is used to coordinate the location, timing, and financing of capital improvements over a multi-year period. The CIP is a working document which is reviewed and updated annually to reflect changing community needs, priorities, and funding opportunities.

Relevant Financial Policies. The City Council has adopted several financial management policies. The financial management policies include investment, debt, purchasing, revenues, and fund balance. The fund balance policy is relevant for management of adequate balances to operate during the period between tax collections, which are received by Rice County in two installments of June and December. The current policy requires unrestricted-unassigned fund balance for the General Fund to be not less than 35% and a maximum of 50% of the succeeding year's appropriations. The City has met this requirement at the 2022 fiscal year end.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Faribault, Minnesota for its Annual Comprehensive Financial Report for fiscal year ended December 31, 2021. This was the 31st consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both GAAP and other applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the professional, efficient services of many dedicated people. I would like to express my appreciation to all Finance Department personnel for their dedication and professional contributions put forth throughout the year and during the audit and reporting process, especially Ann Remold, Assistant Finance Director. I would also like to thank all City departments for their cooperation and ongoing support. Further recognition goes to the Administrator, Mayor, and the members of the Council for their interest and support in planning and conducting the financial operations of the City in a responsible and professional manner. The City's excellent financial status is a tribute to these unified efforts.

Respectfully Submitted,

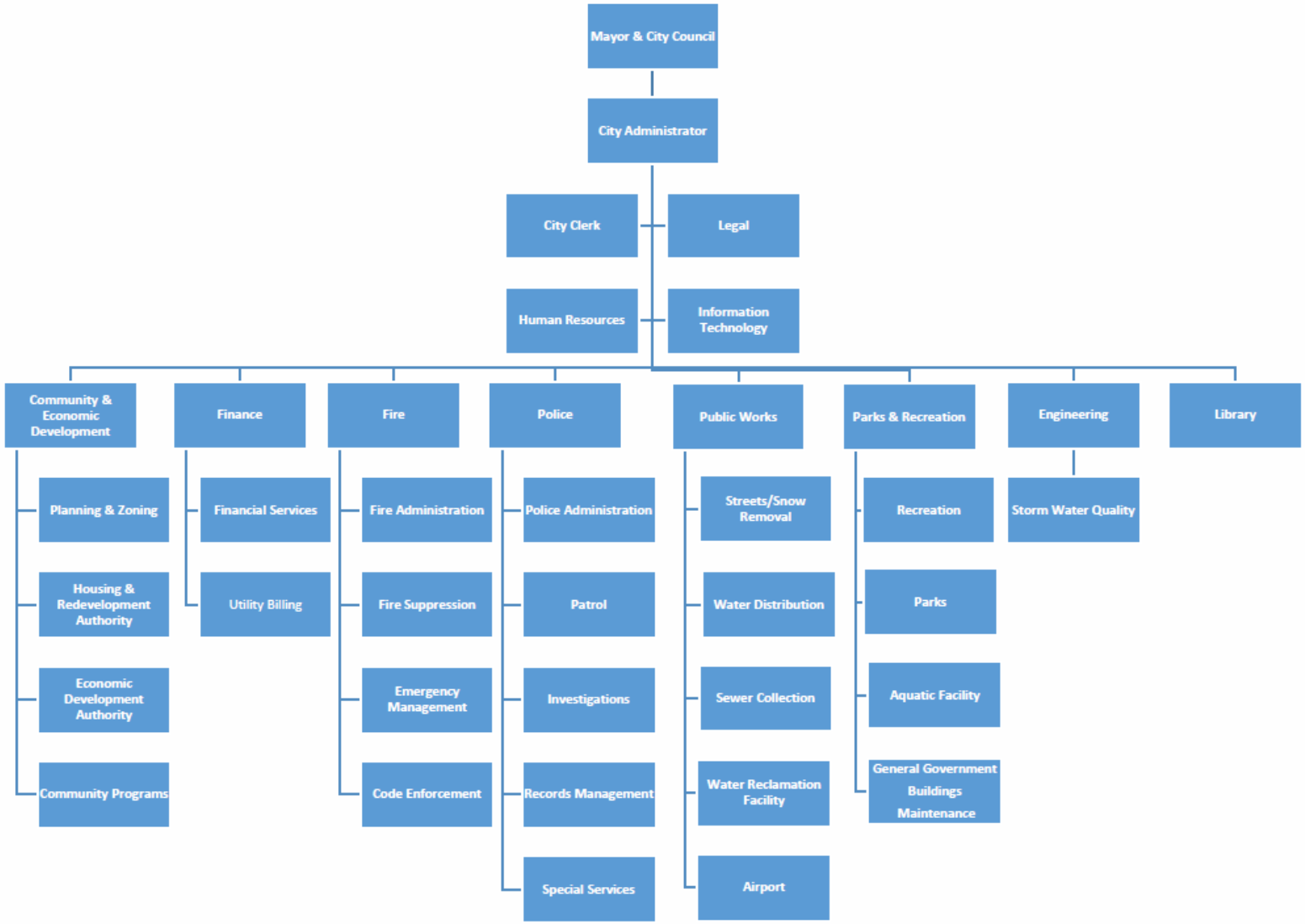
Jeanne Schmuck
Finance Director

City of Faribault, Minnesota
City Directory
December 31, 2022

Elected Officials	Position	Term Expires
Kevin Voracek	Mayor	December 31, 2024
Jonathan Wood	Council Member	December 31, 2024
Sara Caron	Council Member	December 31, 2024
Royal Ross	Council Member	December 31, 2024
Thomas Spooner	Council Member	December 31, 2022
Peter van Sluis	Council Member	December 31, 2022
Janna Viscomi	Council Member	December 31, 2022

Administration	
Timothy Murray	City Administrator
Jeanne Schmuck	Finance Director
Ann Remold	Assistant Finance Director
Travis Block	Public Works Director
John Sherwin	Chief of Police
Dustin Dienst	Fire Chief and Emergency Management Director
Mark DuChene	Director of Engineering
Delane James	Director of Library Services
David Wanberg	Community and Economic Development Director
Paul Peanasky	Parks and Recreation Director

City of Faribault
Organizational Chart
December 31, 2022



City of Faribault
GFOA Certificate of Achievement for Excellence in Financial Reporting

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Faribault
Minnesota

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

City Of
Faribault

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, as of and for the year ended December 31, 2022, and the related notes to the basic financial statements, which collectively comprise the City'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, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, as of December 31, 2022, 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Implementation of GASB 87

The City has adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City of Faribault'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.

Responsibilities of Management for the Financial Statements (Continued)
In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year 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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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 Faribault′s basic financial statements. The combining and individual fund statements and schedules identified in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

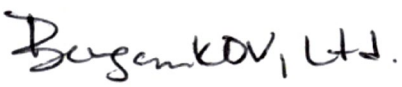
Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2023, on our consideration of the City of Faribault'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's internal control over financial reporting and compliance.



Minneapolis, Minnesota
May 1, 2023

As management of the City of Faribault, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022.

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 $189,837,323 (*net position*). Of this amount, $31,450,514 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by $2,421,209 over the prior year. The increase was largely due to an increase in charges for services of $2,469,052, which was mainly comprised of a new franchise fee collected from electric and natural gas customers to fund street improvements. An additional $1,305,759 in operating grants was also received from the Federal Coronavirus State and Local Fiscal Recovery Funds as part of the American Rescue Plan Act (ARPA), as well as an increase in property taxes of $428,103, and $216,876 in grant funding as well as $259,430 received as a gain on sale of capital assets. The enterprise funds also had income before capital contributions and transfers of $1,758,485. The increase was largely due to an operating income of $3,189,990 and intergovernmental non-operating revenue of $1,284,498, offset by a decrease in investment income of assets of $1,177,663 as the portfolio was marked to market. The remainder of the increase is due to various other changes in net activity.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $22,767,747, a decrease of $10,248,077 in comparison with the prior year. The decrease was mainly due to crossover refunding defeasance of $5,215,000 of restricted fund balance, and an additional reduction of $5,188,907 of assigned fund balance for capital improvements completed in 2022. Approximately 56.9% of the ending fund balances, or $12,949,343, is non-spendable, restricted, committed or assigned.
- At the end of the current fiscal year, unassigned fund balance for the General fund was $9,818,404 or 50% of total 2023 General fund budgeted expenditures.
- The City's total long-term liabilities increased $12,722,642 during the current fiscal year. The increase is due in large part to a higher pension expense being recognized in 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental 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* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *Net Position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide financial statements (Continued) - 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 revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, community development, and airport. The business-type activities of the City include water, sewer, and storm water operations.

The government-wide financial statements start on page 26 of this report.

Fund Financial Statements

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by 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 20 individual governmental funds, 7 of which are Debt Service 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, Street Improvement Projects fund, and Public Facility Projects fund all of which are considered to be 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 and schedules* elsewhere in this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

The City adopts an annual appropriated budget for all funds. The budgetary comparison statements have been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 30 of this report.

Proprietary funds **-** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and storm water operations. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for the funding of workers' compensation and property/liability insurance to other functions of the City.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and storm water, which are considered to be major funds of the City.

The basic proprietary fund financial statements start on page 36 of this report.

Fiduciary funds **-** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 42 of this report.

Notes to 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. The notes to the financial statements start on page 45 of this report.

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.

Required supplementary information can be found on page 86 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the required supplementary information.

Combining and individual fund statements and schedules start on page 98 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $189,837,323 at the close of the most recent fiscal year.

City of Faribault's Summary of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and other assets	$ 28,453,126	$ 37,647,931	$ 23,609,119	$ 23,023,555	$ 52,062,245	$ 60,671,486
Capital assets	99,616,230	96,476,480	82,699,982	80,694,159	182,316,212	177,170,639
Total assets	128,069,356	134,124,411	106,309,101	103,717,714	234,378,457	237,842,125
Deferred outflows of resources	12,682,574	7,753,213	620,409	672,195	13,302,983	8,425,408
Long-term liabilities outstanding	30,891,961	17,407,298	18,409,742	19,171,763	49,301,703	36,579,061
Other liabilities	3,946,924	8,897,168	2,982,918	2,454,495	6,929,842	11,351,663
Total liabilities	34,838,885	26,304,466	21,392,660	21,626,258	56,231,545	47,930,724
Deferred inflows of resources	1,364,929	10,110,011	247,643	810,684	1,612,572	10,920,695
Net position						
Net investment in capital assets	91,958,483	85,729,980	64,318,882	61,043,364	156,277,365	146,773,344
Restricted	2,109,444	5,206,636	-	-	2,109,444	5,206,636
Unrestricted	10,480,189	14,526,531	20,970,325	20,909,603	31,450,514	35,436,134
Total net position	$104,548,116	$105,463,147	$ 85,289,207	$ 81,952,967	$189,837,323	$187,416,114

A major portion of the City's net position ($156,277,365 or 82.32%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to 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 that 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 ($2,109,444 or 1.11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, ($31,450,514 or 16.57%), may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Governmental activities **-** Governmental activities decreased the City's net position by $915,031. Key elements of this decrease are as follows:

- Unrealized loss on Unrestricted Investment Earnings of $1,049,309 as the portfolio was marked to market.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental activities (Continued)

- Operating grants decreased in 2022 as there was a significant one-time donation received in 2021.
- Property tax revenue increase of $428,103.
- In 2022 the City increased gas and electric franchise fee charges for services in lieu of special assessments for street improvements.

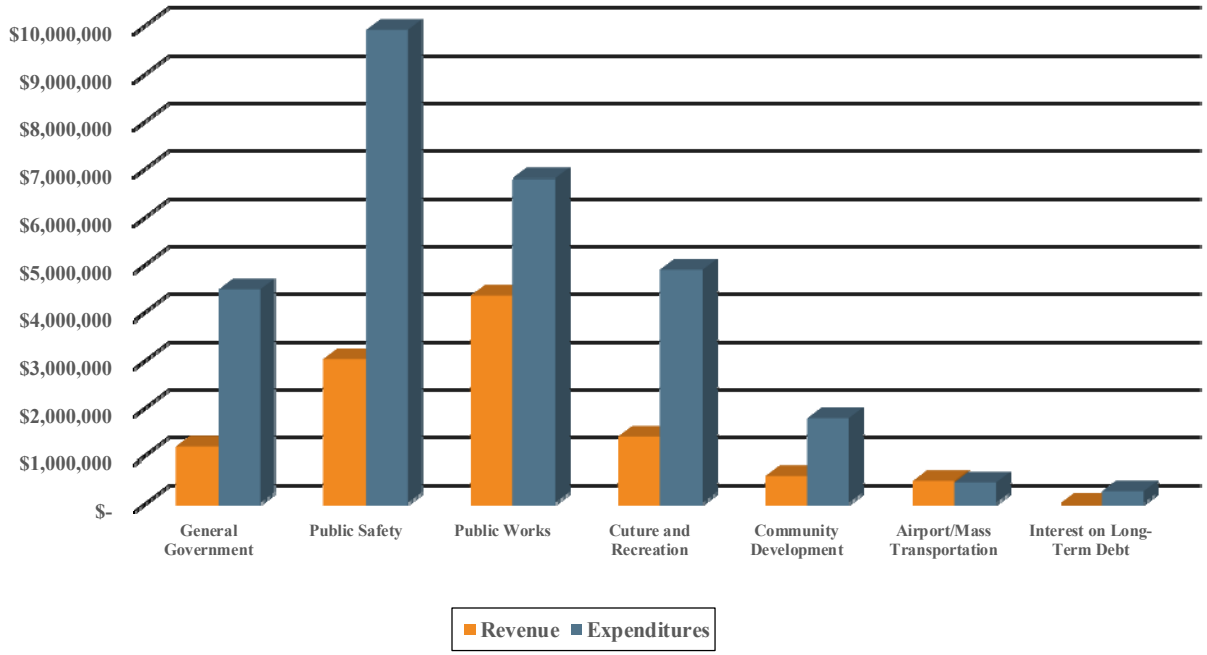
City of Faribault's Changes in Net Position

The following graphs depict various governmental activities and show the revenue and expenses directly related to those activities.

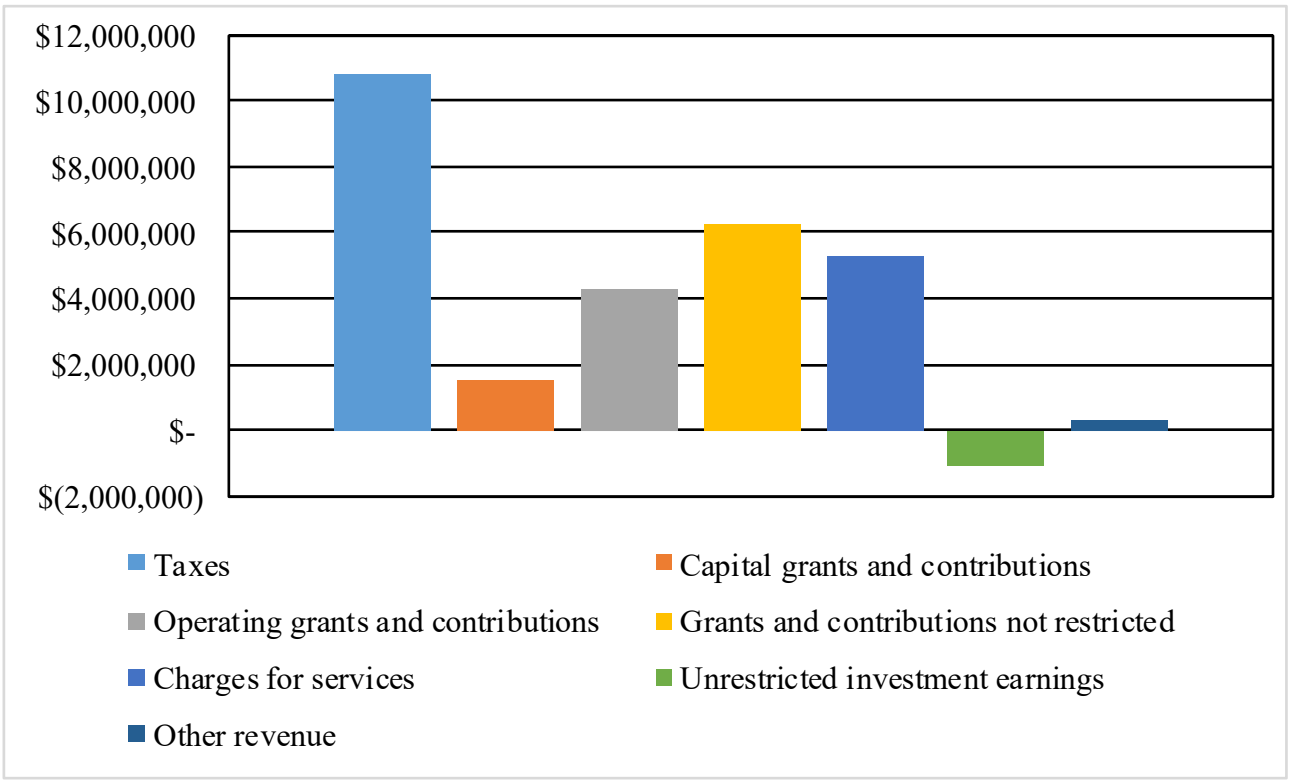
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues						
Charges for services	$ 5,232,469	$ 3,502,976	$ 12,128,510	$ 11,374,008	$ 17,360,979	$ 14,876,984
Operating grants and contributions	4,244,690	6,077,902	65,073	1,740,209	4,309,763	7,818,111
Capital grants and contributions	1,489,851	3,189,927	1,907,800	188,301	3,397,651	3,378,228
General revenues						
Property taxes/tax increments	10,630,173	10,202,070	-	-	10,630,173	10,202,070
Other taxes	199,770	180,295	-	-	199,770	180,295
Grants and contributions not restricted to specific programs	6,266,052	6,049,176	-	-	6,266,052	6,049,176
Unrestricted investment earnings	(1,049,309)	(117,163)	(1,177,663)	(121,859)	(2,226,972)	(239,022)
Gain/(loss) on sale of capital assets	276,977	15,300	(2,247)	-	274,730	15,300
Total revenues	27,290,673	29,100,483	12,921,473	13,180,659	40,212,146	42,281,142
Expenses						
General government	4,465,592	3,451,666	-	-	4,465,592	3,451,666
Public safety	9,897,831	7,723,127	-	-	9,897,831	7,723,127
Public works	6,791,025	6,040,400	-	-	6,791,025	6,040,400
Culture and recreation	4,883,533	4,057,914	-	-	4,883,533	4,057,914
Community development	1,774,560	839,840	-	-	1,774,560	839,840
Airport and mass transportation	439,371	124,849	-	-	439,371	124,849
Interest on long-term debt	253,792	310,497	-	-	253,792	310,497
Water	-	-	2,947,860	3,005,169	2,947,860	3,005,169
Sewer	-	-	5,543,828	5,034,296	5,543,828	5,034,296
Storm water	-	-	793,545	821,394	793,545	821,394
Total expenses	28,505,704	22,548,293	9,285,233	8,860,859	37,790,937	31,409,152
Transfers	300,000	300,000	(300,000)	(300,000)	-	-
Change in Net Position	(915,031)	6,852,190	3,336,240	4,019,800	2,421,209	10,871,990
Net Position, January 1	105,463,147	98,610,957	81,952,967	77,933,167	187,416,114	176,544,124
Net Position, December 31	$104,548,116	$105,463,147	$ 85,289,207	$ 81,952,967	$189,837,323	$187,416,114

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Expenditures and Revenues - Governmental Activities



Revenue by Source – Governmental Activities

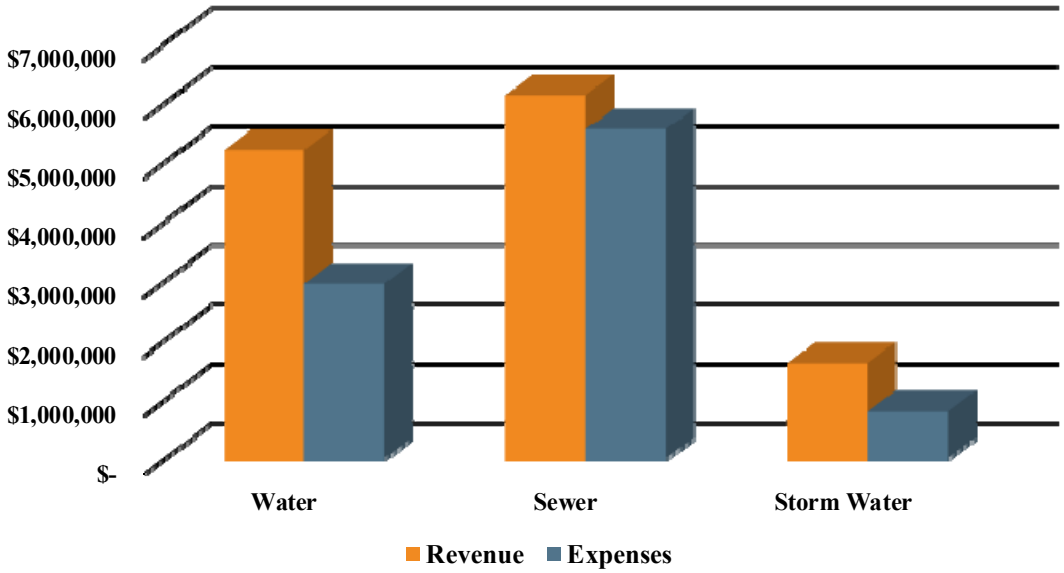


GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

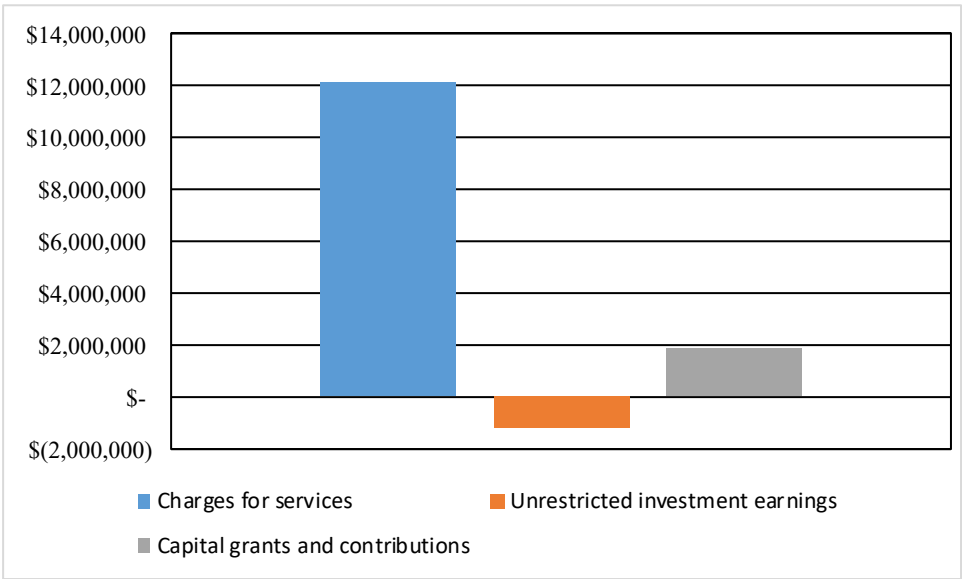
Business-type activities **-** Business-type activities increased the City's net position by $3,336,240. Key elements of this increase are as follows:

- Operating margins in all three business-type funds were favorable, providing for $3,189,990 of the increase mainly as a result of nominal fee increases.
- Contributed capital in all three business-type funds had a combined total of $1,877,755.

Expenditures and Revenues – Business-type Activities



Revenue by Source – Business Type Activities



GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

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 $22,767,747, a decrease of $10,248,077 in comparison with the prior year. Approximately 43.1 percent of this total amount, $9,818,404, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance consists of the following 1) nonspendable ($77,721), 2) restricted ($2,765,111), 3) committed ($5,107,855), or 4) assigned ($4,998,656) for specific purposes.

Major Funds	Fund Balance December 31, 2022	Fund Balance December 31, 2021	Increase (Decrease)
General	$ 10,746,938	$ 9,963,739	$ 783,199

Property taxes for the year increased due to a 6.69% levy increase and growth, as well as new construction, in taxable market values. Charges for services for Engineering Fees resulted in $305,637 more than the previous year due to increased significant projects. Charges for Building Permits increased due to additional multi-family construction activity in 2022 over 2021. There is also an unrealized interest loss of $486,617 as the portfolio was marked to market.

Street Improvement Projects	$ 2,407,511	$ 3,282,985	$ (875,474)

Fund balance decreased due to expenditures exceeding revenues by $1,125,474 which is offset by a transfer in of $250,000 from the enterprise funds. Several 2021 projects were not completed until 2022 along with the 2022 projects for increased expenditures.

Public Facility Projects	$ 857,088	$ 2,408,762	$ (1,551,674)

The City completed a major roof and HVAC project at the Community Center/Buckham West Library for $2,116,528 and $1,233,959 was expensed as part of property held for resale. Both of which were offset by $225,677 in proceeds from the sale and an additional $1,516,190 transfer in of General Fund surplus in accordance with the City's fund balance policy.

Nonmajor Government funds have a total fund balance of $8,756,210. The net decrease in fund balance during the current year was $8,604,128. The decrease is mainly attributable to the defeasance of crossover refunding debt of $5,215,000 an additional reduction of $1,761,981 for capital projects.

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

Unrestricted net position of the business-type activities at the end of the year amounted to $20,970,325. The total increase in net position for business-type activities was $3,336,240. Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

General Fund Budgetary Highlights

The City's General fund budget was amended during the year. The final budget reflected an increase in expenditures of $215,165, from the original budget. This increase in budget was primarily due to fees for a conduit debt housing project and several large severance payments. Actual revenues and other sources were over budget by $1,356,336, and expenditures were under budget by $185,561 (not including transfers).

- The largest positive variance for revenues was within Intergovernmental Revenue, which exceeded the budgeted amount by $1,470,671, with the majority of this variance due to $1,305,759 of Federal ARPA funds received that were not budgeted. Other Services and Charges was $196,706 over budget mainly due to engineering fees charged for a larger volume of construction projects than projected. Licenses and permits were also over budget by $176,842 primarily due to unanticipated building permits/construction. There was also a budget shortfall of $580,617 as the investment portfolio was marked to market.
- Most expenditure functions within the General fund were under budget for 2022. The largest positive expenditure variance was in Public Safety which was under budget by $96,939 mainly due to vacancies. Culture and Recreation was also under budget by $68,750. The variance was mainly attributed to temporary and part-time salaries in Parks and Library not fully expended as programs were reestablished following COVID shutdowns.

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, 2022, was $182,316,212 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the City's investment in capital assets for the current fiscal year was $5,145,573.

Major capital asset events during the current fiscal year included:

- The City started construction on the 2022 Street Reconstruction projects which are expected to be completed in 2023 in addition to the 2022 Bituminous Overlay project being completed. The 2nd Avenue Bridge project which was started in 2021 was also completed in 2022.
- Construction was completed of a water mitigation wall at the Waste Water Treatment Plant.
- Construction continued on the Northwest Area Water Tower Watermain Extension project.
- The City purchased several public works vehicles and equipment during the year.
- The Buckham Center/Library building was reroofed along with a new HVAC rooftop unit.
- Construction began on an airfield lighting project at the airport in 2022.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

City of Faribault's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	$ 10,575,386	$ 10,416,233	$ 594,574	$ 594,574	$ 11,169,960	$ 11,010,807
Construction in progress	1,912,868	6,983,514	16,018,023	15,687,837	17,930,891	22,671,351
Buildings and structures	20,754,587	16,839,396	20,101,703	21,313,745	40,856,290	38,153,141
Improvements other than buildings	7,549,300	7,315,046	44,837,242	41,871,515	52,386,542	49,186,561
Machinery and equipment	3,876,570	4,313,276	1,148,440	1,226,488	5,025,010	5,539,764
Infrastructure and airport	54,885,586	50,609,015	-	-	54,885,586	50,609,015
Leased assets	61,933	-	-	-	61,933	-
Total	$ 99,616,230	$ 96,476,480	$ 82,699,982	$ 80,694,159	$182,316,212	$177,170,639

Additional information on the City's capital assets can be found in Note 6.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of $28,494,412. The additional long-term debt is defined below related to bonded indebtedness and other long-term debt.

City of Faribault's Outstanding Debt

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
General obligation bonds	$ 6,120,000	$ 13,120,000	$ -	$ -	$ 6,120,000	$ 13,120,000
General obligation equipment certificates	30,000	60,000	-	-	30,000	60,000
General obligation assessment improvement bonds	1,640,000	1,840,000	-	-	1,640,000	1,840,000
General obligation revenue bonds			17,946,268	19,650,795	17,946,268	19,650,795
Bond premium	762,242	870,536	-	-	762,242	870,536
Loans payable	10,250	71,750	-	-	10,250	71,750
Lease liability	62,739	-	-	-	62,739	-
Compensated absences payable	1,632,338	1,601,987	290,575	254,443	1,922,913	1,856,430
Total	$ 10,257,569	$ 17,564,273	$ 18,236,843	$ 19,905,238	$ 28,494,412	$ 37,469,511

Credit Rating

AA The City maintains a long-term "AA/Stable" rating from Standard and Poor's for general obligation debt. The rating agency highlighted the City's very strong management, very strong budgetary flexibility with an available funds balance of 54% of operating expenditures, and strong debt and contingent liability position.

Minnesota statutes limit the amount of net general obligation debt a City may issue to 3% of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The current debt limitation for the City is $49,831,122 which is in excess of the City's outstanding general obligation debt of $7,790,000.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

City of Faribault's Outstanding Debt (Continued)

Additional information on the City's long-term debt can be found in Note 7.

Economic Factors and Next Year's Budgets and Rates

The following are key economic factors for the City of Faribault. These factors have been considered when preparing the budget for fiscal year ending December 31, 2022.

- The City Council adopted a new funding mechanism for funding street improvements in 2021, set to begin with 2022 projects. In lieu of levying special assessments on benefiting properties for improvements such as street reconstructions, overlays, and new sidewalks, additional franchise fees will be collected from electric and natural gas utility customers. For individual property owners, businesses, and institutions, this effectively spreads the costs of those types of projects out over an indefinite period of time, rather than being burdened with a large assessment at a point in time.
- Construction on a 111-unit market rate multifamily housing continued through 2022—this project is located on the northern edge of downtown, and adjacent to a new City park being developed along the Straight River.
- The former Farmer Seed parcel began redevelopment for the construction of a 52-unit multi-family market-rate apartment and 48,470 square foot climate-controlled storage building.
- A 77-unit market-rate apartment building on the south side of the viaduct began construction in late 2022. The second phase of the development would include a Memory Care and Senior Housing facility and a City-owned parking lot.
- A 192-unit, market-rate, three-phased apartment complex on a nine-acre parcel at the corner of 17th Street Southwest and Willow has completed all approval processes. The first phase of construction is scheduled for spring 2023.
- The City is working in cooperation with Rice County to complete public improvements related to the construction of the new Rice County 83,300 square-foot Public Safety Center which includes a 76-bed jail.
- Midwest Recovery campus, a drug and alcohol treatment center has been approved and will begin construction in spring 2023. The first phase of the development includes a two-story building with outpatient treatment on the first floor and supervised living facilities on the second floor. The second phase of the development is a 'detox' facility with high-intensity residential services and 15 withdrawal management beds for men and women.
- Tru Vue has met all approvals and will begin construction of a 70,000 square foot expansion to accommodate installation of automation that will provide greater efficiencies in their manufacturing processes of its current business operations.
- In the fall of 2022, Divine Mercy Catholic Church began construction of an elementary school.
- The City of Faribault was named municipality of the year by the Minnesota Real Estate Journal. Also nominated was Cry Baby Craig's for Business of the Year, which was a finalist in two categories.
- The City continues to utilize available funding assistance options (tax increment financing, tax abatement, etc.), pursue additional grants, and initiate new programs to stimulate economic growth in the commercial, industrial, and residential sectors of Faribault.
- Taxable market values increased in 2022 and are expected to continue to increase in 2023 based on the industrial, commercial, and housing improvements currently underway.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Economic Factors and Next Year's Budgets and Rates (Continued)

The City's governmental funds' primary revenue sources are property taxes and intergovernmental revenues. The property tax levy in 2023 was increased by 5.92 percent for the primary purpose of covering existing personnel costs and increased personnel costs associated with the various 2022-2024 collective bargaining agreements, as well as the 2022-2024 Non-Union Compensation Plan, completed in 2021. The property tax revenue generated by the estimated increase in tax capacity, along with the levy increase of 5.92 percent, were expected to generate an additional $625,254 in property taxes. Local Government Aid (LGA) received from the State of Minnesota increased by $73,049 in 2023 or 1.21% above the 2022 allocation.

Water base rates were increased by 4% to cover operating costs and a 4% increase in water consumption rates were approved effective January 1, 2023. Waste Water base rates increased 20% as they have not been raised for several years and the waste water flow rate was increased by 2%. Storm water rates were also increased by 14.5% as a result of the 2022 rate study. The rate increase will ensure adequate resources are available to meet permit requirements and ensure stormwater infrastructure maintenance is performed and operating properly.

Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Faribault, 208 1st Avenue NW, Faribault, MN 55021-5105, JSchmuck@ci.faribault.mn.us, or 507-334-2222.

BASIC FINANCIAL STATEMENTS

City of Faribault
Statement of Net Position
December 31, 2022

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Authority	Housing and Redevelopment Authority
Assets					
Cash and investments	$ 23,080,720	$ 21,111,593	$ 44,192,313	$ 2,496,171	$ 1,132,337
Cash and investments held in escrow	695	-	695	-	22,276
Restricted cash	74,166	-	74,166	-	-
Property tax receivable	204,036	-	204,036	15,264	5,841
Accounts receivable	830,410	1,287,010	2,117,420	-	8,816
Interest receivable	83,437	106,244	189,681	8,669	4,019
Notes receivable	78,033	-	78,033	57,792	55,274
Leases receivable	548,187	127,941	676,128	-	-
Special assessments receivable	2,050,550	269,664	2,320,214	-	-
Due from other governments	1,375,197	-	1,375,197	-	-
Due from component unit	49,974	546,023	595,997	-	-
Inventory	-	156,357	156,357	-	-
Land held for resale	-	-	-	193,379	-
Prepaid items	77,721	4,287	82,008	10,705	3,944
Capital assets not being depreciated					
Land	10,575,386	594,574	11,169,960	91,834	594,041
Construction in progress	1,912,868	16,018,023	17,930,891	-	-
Capital assets being depreciated					
Buildings and structures	32,505,500	39,166,938	71,672,438	-	3,525,546
Improvements other than buildings	11,462,518	69,422,279	80,884,797	-	-
Machinery and equipment	11,414,097	3,074,542	14,488,639	-	43,368
Infrastructure and airport	93,930,830	-	93,930,830	-	-
Less accumulated depreciation	(62,246,902)	(45,576,374)	(107,823,276)	-	(2,130,441)
Leased assets being amortized					
Machinery and equipment	80,489	-	80,489	-	-
Less accumulated amortization	(18,556)	-	(18,556)	-	-
Total assets	128,069,356	106,309,101	234,378,457	2,873,814	3,265,021
Deferred Outflows of Resources					
Deferred outflows of resources related to pensions	12,104,255	517,044	12,621,299	-	-
Deferred outflows of resources related to OPEB	578,319	103,365	681,684	-	-
Total deferred outflows of resources	12,682,574	620,409	13,302,983	-	-
Total assets and deferred outflows of resources	$ 140,751,930	$ 106,929,510	$ 247,681,440	$ 2,873,814	$ 3,265,021

See notes to basic financial statements.

City of Faribault
Statement of Net Position
December 31, 2022

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Authority	Housing and Redevelopment Authority
Liabilities					
Accounts payable	$ 713,870	$ 563,258	$ 1,277,128	$ 36,432	$ 64,197
Salaries and benefits payable	372,146	-	372,146	-	-
Deposits payable	223,958	-	223,958	-	21,797
Contracts payable	356,874	434,832	791,706	-	-
Due to other governments	390,117	11,861	401,978	46	11,256
Due to primary government	-	-	-	595,997	-
Interest payable	11,942	118,154	130,096	30,298	-
Unearned revenue	17,459	175	17,634	-	6,286
Estimated payable for outstanding claims loans	30,000	-	30,000	-	-
Net G.O. bonds payable					
Payable within one year	1,260,000	1,746,616	3,006,616	-	-
Payable after one year	7,292,242	16,199,652	23,491,894	-	-
Loans payable					
Payable within one year	10,250	-	10,250	-	-
Lease liability				-	-
Payable within one year	19,819	-	19,819	-	-
Payable after one year	42,920	-	42,920	-	-
Compensated absences payable					
Payable within one year	540,489	108,022	648,511	-	-
Payable after one year	1,091,849	182,553	1,274,402	-	-
Net pension liability					
Payable after one year	20,557,210	1,686,558	22,243,768	-	-
Total OPEB liability					
Payable after one year	1,907,740	340,979	2,248,719	-	-
Total liabilities	34,838,885	21,392,660	56,231,545	662,773	103,536
Deferred Inflows of Resources					
Deferred inflows of resources related to pensions	285,823	24,808	310,631	-	-
Deferred inflows of resources related to OPEB	530,919	94,894	625,813	-	-
Deferred inflows of resources related to leases receivable	548,187	127,941	676,128	-	-
Total deferred inflows of resources	1,364,929	247,643	1,612,572	-	-
Net Position					
Net investment in capital assets	91,958,483	64,318,882	156,277,365	91,834	2,032,514
Restricted for					
Debt service	1,127,666	-	1,127,666	-	-
Fire insurance escrow	695	-	695	-	-
Youth baseball (Peter Smith fund)	74,166	-	74,166	-	-
Charitable gambling	53,925	-	53,925	-	-
Public safety programs	40,016	-	40,016	-	-
Rehabilitation projects	179,374	-	179,374	-	-
Revolving loans	422,789	-	422,789	887,680	36,910
Park capital improvements	210,813	-	210,813	-	-
Mobile home rehab	-	-	-	-	72,396
Public housing	-	-	-	-	98,720
Unrestricted	10,480,189	20,970,325	31,450,514	1,231,527	920,945
Total net position	104,548,116	85,289,207	189,837,323	2,211,041	3,161,485
Total liabilities, deferred inflows of resources, and net position	$ 140,751,930	$ 106,929,510	$ 247,681,440	$ 2,873,814	$ 3,265,021

See notes to basic financial statements.

City of Faribault
Statement of Activities
Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	$ 4,465,592	$ 674,827	$ 499,604	$ -
Public safety	9,897,831	989,449	1,979,580	53,280
Public works	6,791,025	2,337,502	837,142	1,161,153
Culture and recreation	4,883,533	775,074	607,790	-
Community development	1,774,560	318,319	259,407	-
Mass transportation and airport	439,371	137,298	61,167	275,418
Interest on long-term debt	253,792	-	-	-
Total governmental activities	28,505,704	5,232,469	4,244,690	1,489,851
Business-type activities				
Water	2,947,860	4,077,358	-	1,510,686
Sewer	5,543,828	6,650,746	65,073	15,540
Storm Sewer	793,545	1,400,406	-	381,574
Total business-type activities	9,285,233	12,128,510	65,073	1,907,800
Total primary government	$ 37,790,937	$ 17,360,979	$ 4,309,763	$ 3,397,651
Component Units				
Economic Development Authority	$ 1,521,338	$ 84,933	$ 1,218,468	$ -
Housing and Redevelopment Authority	1,009,273	362,514	39,494	1,620
Total component units	$ 2,530,611	$ 447,447	$ 1,257,962	$ 1,620
General revenues				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Tax increments				
Other taxes				
Unrestricted investment income				
Grants and contributions not restricted to specific programs				
Gain (loss) on sale of assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning, as previously stated				
Net position - ending				

See notes to basic financial statements.

Net (Expense) Revenues and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Economic Development Authority	Housing and Redevelopment Authority
$ (3,291,161)	$ -	$ (3,291,161)	$ -	$ -
(6,875,522)	-	(6,875,522)	-	-
(2,455,228)	-	(2,455,228)	-	-
(3,500,669)	-	(3,500,669)	-	-
(1,196,834)	-	(1,196,834)	-	-
34,512	-	34,512	-	-
(253,792)	-	(253,792)	-	-
(17,538,694)	-	(17,538,694)	-	-
-	2,640,184	2,640,184	-	-
-	1,187,531	1,187,531	-	-
-	988,435	988,435	-	-
-	4,816,150	4,816,150	-	-
(17,538,694)	4,816,150	(12,722,544)	-	-
			(217,937)	-
			-	(605,645)
			(217,937)	(605,645)
10,367,538	-	10,367,538	305,231	310,438
262,635	-	262,635	-	-
-	-	-	183,052	-
199,770	-	199,770	399	407
(1,049,309)	(1,177,663)	(2,226,972)	(142,232)	(70,829)
6,266,052	-	6,266,052	-	-
276,977	(2,247)	274,730	-	24,900
300,000	(300,000)	-	-	-
16,623,663	(1,479,910)	15,143,753	346,450	264,916
(915,031)	3,336,240	2,421,209	128,513	(340,729)
105,463,147	81,952,967	187,416,114	2,082,528	3,502,214
$ 104,548,116	$ 85,289,207	$ 189,837,323	$ 2,211,041	$ 3,161,485

City of Faribault
Balance Sheet - Governmental Funds
December 31, 2022

	General	Street Improvement Projects	Public Facility Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	$ 11,151,727	$ 2,172,774	$ 798,800	$ 8,519,763	$ 22,643,064
Cash and investments held in escrow	695	-	-	-	695
Restricted cash	74,166	-	-	-	74,166
Taxes receivable - current	75,881	428	14	12,648	88,971
Taxes receivable - delinquent	96,498	1,037	200	17,330	115,065
Accounts receivable	198,051	488,981	43,870	99,508	830,410
Interest receivable	53,543	5,949	2,637	19,787	81,916
Due from other governments	111,583	736,955	210,669	315,990	1,375,197
Due from component unit	-	-	49,974	-	49,974
Notes receivable	-	-	-	78,033	78,033
Leases receivable	174,526	-	-	373,661	548,187
Special assessment receivable					
Current	162	9,406	-	5,296	14,864
Delinquent	24,652	2,376	-	4,316	31,344
Deferred	1,608	1,695,724	-	307,010	2,004,342
Prepaid items	69,096	-	-	8,625	77,721
Total assets	$ 12,032,188	$ 5,113,630	$ 1,106,164	$ 9,761,967	$ 28,013,949
Liabilities					
Accounts payable	$ 368,977	$ 12,566	$ 241,901	$ 82,504	$ 705,948
Salaries and benefits payable	372,146	-	-	-	372,146
Deposits payable	223,056	-	-	902	223,958
Contracts payable	-	140,641	6,975	209,258	356,874
Due to other governments	17,104	373,013	-	-	390,117
Unearned revenue	6,683	-	-	10,776	17,459
Total liabilities	987,966	526,220	248,876	303,440	2,066,502
Deferred Inflows of Resources					
Unavailable revenue - property taxes	96,498	1,037	200	17,330	115,065
Unavailable revenue - special assessments	26,260	1,698,100	-	311,326	2,035,686
Unavailable revenue - State shared taxes	-	480,762	-	-	480,762
Deferred inflows of resources related to leases receivable	174,526	-	-	373,661	548,187
Total deferred inflows of resources	297,284	2,179,899	200	702,317	3,179,700
Fund Balances					
Nonspendable	69,096	-	-	8,625	77,721
Restricted	74,166	-	-	2,690,945	2,765,111
Committed	85,600	822,590	48,160	4,151,505	5,107,855
Assigned	699,672	1,584,921	808,928	1,905,135	4,998,656
Unassigned	9,818,404	-	-	-	9,818,404
Total fund balances	10,746,938	2,407,511	857,088	8,756,210	22,767,747
Total liabilities, deferred inflows of resources, and fund balances	$ 12,032,188	$ 5,113,630	$ 1,106,164	$ 9,761,967	$ 28,013,949

See notes to basic financial statements.

City of Faribault
Reconciliation of the Balance Sheet to
the Statement of Net Position - Governmental Funds
December 31, 2022

Total fund balances - governmental funds	$ 22,767,747
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	161,801,199
Less accumulated depreciation	(62,246,902)
Cost of leased assets	80,489
Less accumulated amortization	(18,556)
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:	
G.O. bonds payable	(7,790,000)
Unamortized bond premiums	(762,242)
Loans payable	(10,250)
Lease liability	(62,739)
Compensated absences payable	(1,632,338)
Total OPEB liability	(1,907,740)
Net pension liability	(20,557,210)
Delinquent receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
Property taxes	115,065
Special assessments	31,344
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions and OPEB that are not recognized in the governmental funds.	
Deferred inflows of resources related to pensions	(285,823)
Deferred inflows of resources related to OPEB	(530,919)
Deferred outflows of resources related to pensions	12,104,255
Deferred outflows of resources related to OPEB	578,319
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Deferred special assessments	2,004,342
State shared taxes	480,762
Governmental funds do not report a liability for accrued interest on long-term debt until due and payable.	(11,942)
Internal service funds are used by management to charge the cost of services to individual funds. The assets and liabilities are included in the governmental activities Statement of Net Position.	401,255
Total net position - governmental activities	$ 104,548,116

See notes to basic financial statements.

City of Faribault
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2022

	General	Street Improvement Projects	Public Facility Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 9,150,827	$ 715	$ 69	$ 1,912,447	$ 11,064,058
Special assessments	1,084	341,430	-	70,441	412,955
Licenses and permits	694,627	-	-	-	694,627
Intergovernmental	8,576,881	1,055,328	210,669	761,070	10,603,948
Charges for services	1,731,065	1,470,134	162,000	855,027	4,218,226
Fines and forfeitures	130,997	-	-	60	131,057
Miscellaneous					
Investment income	(486,617)	(153,444)	(32,271)	(355,555)	(1,027,887)
Contributions and donations	44,399	-	-	306,287	350,686
Other	217,362	309,014	55,771	33,070	615,217
Total revenues	20,060,625	3,023,177	396,238	3,582,847	27,062,887
Expenditures					
Current					
General government	2,793,212	-	226,898	67,667	3,087,777
Public safety	8,367,758	-	-	461,330	8,829,088
Public works	3,040,583	145,458	-	-	3,186,041
Culture and recreation	4,281,746	-	110,026	256,518	4,648,290
Community development	-	-	-	1,702,632	1,702,632
Mass transportation and airport	-	-	-	123,530	123,530
Debt service					
Principal	17,751	-	-	2,076,500	2,094,251
Interest and other charges	1,937	-	-	413,340	415,277
Capital outlay					
General government	22,599	-	1,236,327	-	1,258,926
Public safety	26,280	-	-	97,695	123,975
Public works	-	4,003,193	-	99,646	4,102,839
Culture and recreation	-	-	2,116,528	690,545	2,807,073
Mass transportation and airport	-	-	-	315,841	315,841
Total expenditures	18,551,866	4,148,651	3,689,779	6,305,244	32,695,540
Excess of revenues over (under) expenditures	1,508,759	(1,125,474)	(3,293,541)	(2,722,397)	(5,632,653)
Other Financing Sources (Uses)					
Proceeds from sale of capital asset	-	-	225,677	51,300	276,977
Lease proceeds	22,599	-	-	-	22,599
Refunding bond payment	-	-	-	(5,215,000)	(5,215,000)
Transfers in	-	250,000	1,516,190	1,310,928	3,077,118
Transfers out	(748,159)	-	-	(2,028,959)	(2,777,118)
Total other financing sources (uses)	(725,560)	250,000	1,741,867	(5,881,731)	(4,615,424)
Net change in fund balances	783,199	(875,474)	(1,551,674)	(8,604,128)	(10,248,077)
Fund Balances					
Beginning of year	9,963,739	3,282,985	2,408,762	17,360,338	33,015,824
End of year	$ 10,746,938	$ 2,407,511	$ 857,088	$ 8,756,210	$ 22,767,747

See notes to basic financial statements.

City of Faribault
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances to the
Statement of Activities - Governmental Funds
Year Ended December 31, 2022

Total net change in fund balances - governmental funds	$ (10,248,077)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	7,130,807
Depreciation expense	(4,164,369)
Amortization expense	(18,556)
Loss on disposal of capital assets	(41,677)
Contributed assets	175,657
Some expenses are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.	
Compensated absences payable	(30,351)
Total OPEB liability	(195,409)
Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in the net position in the Statement of Activities.	
Bond principal payments	2,015,000
Loan payments	61,500
Lease payments	17,751
Governmental funds report the effects of bond premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	108,294
General obligation (G.O.) bonds were refunded during the year. The amount paid off with the new funding is reported in the governmental funds as an other financing use. However, the payments are not expenditures in the Statement of Activities, but rather a reduction on long-term liabilities in the Statement of Net Position.	5,215,000
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.	53,191
Proceeds from long-term debt are recognized as another financing source in the governmental funds but have no impact on the changes in net position in the Statement of Activities.	(22,599)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Special assessments	(330,664)
State shared taxes	45,079
Governmental funds recognize 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	(690,762)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (loss) of internal service funds are reported with governmental activities.	2,103
Delinquent receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
Property taxes	5,155
Special assessments	(2,104)
Change in net position - governmental activities	$ (915,031)

See notes to basic financial statements.

City Of
Faribault

City of Faribault
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Taxes	$ 9,143,005	$ 9,143,005	$ 9,150,827	$ 7,822
Special assessments	5,100	5,100	1,084	(4,016)
Licenses and permits	478,700	517,785	694,627	176,842
Intergovernmental	7,106,210	7,106,210	8,576,881	1,470,671
Charges for services	1,551,797	1,551,797	1,731,065	179,268
Fines and forfeitures	141,000	141,000	130,997	(10,003)
Miscellaneous revenues				
Investment income	94,000	94,000	(486,617)	(580,617)
Contributions and donations	-	10,200	44,399	34,199
Other	2,450	135,192	217,362	82,170
Total revenues	18,522,262	18,704,289	20,060,625	1,356,336
Expenditures				
Current				
General government	2,775,650	2,862,721	2,793,212	(69,509)
Public safety	8,415,485	8,464,697	8,367,758	(96,939)
Public works	2,981,432	3,013,628	3,040,583	26,955
Culture and recreation	4,330,095	4,350,496	4,281,746	(68,750)
Mass transportation and airport	19,600	19,600	-	(19,600)
Debt service				
Principal	-	-	17,751	17,751
Interest and other charges	-	-	1,937	1,937
Capital outlay				
General government	-	-	22,599	22,599
Public safety	-	26,285	26,280	(5)
Total expenditures	18,522,262	18,737,427	18,551,866	(185,561)
Excess of revenues over (under) expenditures	-	(33,138)	1,508,759	1,541,897
Other Financing Sources (Uses)				
Lease proceeds	-	-	22,599	22,599
Transfers out	-	-	(748,159)	(748,159)
Total other financing sources (uses)	-	-	(725,560)	(725,560)
Net change in fund balances	$ -	$ (33,138)	783,199	$ 816,337
Fund Balances				
Beginning of year			9,963,739	
End of year			$ 10,746,938	

See notes to basic financial statements.

City of Faribault
Statement of Net Position - Proprietary Funds
December 31, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Assets					
Current assets					
Cash and cash equivalents	$ 6,399,630	$ 11,510,360	$ 3,201,603	$ 21,111,593	$ 437,656
Accounts receivable	419,388	660,918	206,704	1,287,010	-
Interest receivable	24,202	69,307	12,735	106,244	1,521
Leases receivable	98,963	28,978	-	127,941	-
Due from component unit	-	546,023	-	546,023	-
Special assessments receivable					
Current	3,669	4,449	1,686	9,804	-
Delinquent	4,932	10,509	3,102	18,543	-
Inventory	148,813	7,544	-	156,357	-
Prepaid items	3,980	206	101	4,287	-
Total current assets	7,103,577	12,838,294	3,425,931	23,367,802	439,177
Noncurrent assets					
Special assessments receivable	114,211	89,758	37,348	241,317	-
Capital assets					
Land	34,483	218,847	341,244	594,574	-
Buildings and structures	2,756,117	36,410,821	-	39,166,938	-
Machinery and equipment	1,333,647	1,461,187	279,708	3,074,542	-
Improvements other than buildings	26,807,652	27,986,847	14,627,780	69,422,279	-
Construction in progress	15,065,441	328,360	624,222	16,018,023	-
Total capital assets	45,997,340	66,406,062	15,872,954	128,276,356	-
Less accumulated depreciation	(13,128,943)	(26,951,771)	(5,495,660)	(45,576,374)	-
Net capital assets	32,868,397	39,454,291	10,377,294	82,699,982	-
Total noncurrent assets	32,982,608	39,544,049	10,414,642	82,941,299	
Total assets	40,086,185	52,382,343	13,840,573	106,309,101	439,177
Deferred Outflows of Resources					
Deferred outflows of resources related to pensions	132,969	328,752	55,323	517,044	-
Deferred outflows of resources related to OPEB	26,628	65,644	11,093	103,365	-
Total deferred outflows of resources	159,597	394,396	66,416	620,409	-
Total assets and deferred outflows of resources	$ 40,245,782	$ 52,776,739	$ 13,906,989	$ 106,929,510	$ 439,177

See notes to basic financial statements.

City of Faribault
Statement of Net Position - Proprietary Funds
December 31, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Liabilities					
Current liabilities					
Accounts payable	$ 456,455	$ 101,090	$ 5,713	$ 563,258	$ 7,922
Contracts payable	434,832	-	-	434,832	-
Interest payable	30,896	87,258	-	118,154	-
Unearned revenue	175	-	-	175	
Due to other governments	11,854	-	7	11,861	-
Bonds payable due within one year	491,616	1,255,000	-	1,746,616	-
Current compensated absences	29,828	73,262	4,932	108,022	-
Total current liabilities	1,455,656	1,516,610	10,652	2,982,918	7,922
Noncurrent liabilities					
Compensated absences	48,984	114,401	19,168	182,553	-
Estimated payable for outstanding claims	-	-	-	-	30,000
Bonds payable	7,966,652	8,233,000	-	16,199,652	-
Total OPEB liability	87,840	216,546	36,593	340,979	-
Net pension liability	433,736	1,072,363	180,459	1,686,558	-
Total noncurrent liabilities	8,537,212	9,636,310	236,220	18,409,742	30,000
Total liabilities	9,992,868	11,152,920	246,872	21,392,660	37,922
Deferred Inflows of Resources					
Deferred inflows of resources related to pensions	6,380	15,774	2,654	24,808	-
Deferred inflows of resources related to OPEB	24,446	60,264	10,184	94,894	-
Deferred inflows of resources related to leases receivable	98,963	28,978	-	127,941	-
Total deferred inflows of resources	129,789	105,016	12,838	247,643	-
Net Position					
Net investment in capital assets	23,975,297	29,966,291	10,377,294	64,318,882	-
Unrestricted	6,147,828	11,552,512	3,269,985	20,970,325	401,255
Total net position	30,123,125	41,518,803	13,647,279	85,289,207	401,255
Total liabilities, deferred inflows of resources, and net position	$ 40,245,782	$ 52,776,739	$ 13,906,989	$ 106,929,510	$ 439,177

See notes to basic financial statements.

City Of
Faribault

City of Faribault
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Totals	
Operating revenues					
Charges for sales	$ 3,785,850	$ -	$ 1,399,096	$ 5,184,946	$ -
Charges for services	290,121	6,649,472	1,002	6,940,595	-
Total operating revenues	4,075,971	6,649,472	1,400,098	12,125,541	-
Operating expenses					
Personnel services	655,792	1,720,950	271,004	2,647,746	-
Materials and supplies	416,614	421,301	26,378	864,293	-
Depreciation	701,453	1,728,670	328,265	2,758,388	-
Claims	-	6,078	-	6,078	49,474
Other services and charges	1,086,218	1,404,930	167,898	2,659,046	-
Total operating expenses	2,860,077	5,281,929	793,545	8,935,551	49,474
Operating income (loss)	1,215,894	1,367,543	606,553	3,189,990	(49,474)
Nonoperating revenues (expenses)					
Investment income	(391,721)	(609,687)	(176,255)	(1,177,663)	(21,422)
Special assessment interest	1,387	1,274	308	2,969	-
Gain (loss) on sale of asset	-	(2,247)	-	(2,247)	-
Intergovernmental	-	21,268	-	21,268	-
Interest and other charges	(87,783)	(261,899)	-	(349,682)	-
Lease proceeds	14,505	15,540	-	30,045	-
Other income	-	43,805	-	43,805	72,999
Total nonoperating revenues (expenses)	(463,612)	(791,946)	(175,947)	(1,431,505)	51,577
Income before capital contributions and transfers	752,282	575,597	430,606	1,758,485	2,103
Capital contributions	1,496,181	-	381,574	1,877,755	-
Transfers out	(90,000)	(210,000)	-	(300,000)	-
Change in net position	2,158,463	365,597	812,180	3,336,240	2,103
Net position					
Beginning of year	27,964,662	41,153,206	12,835,099	81,952,967	399,152
End of year	$ 30,123,125	$ 41,518,803	$ 13,647,279	$ 85,289,207	$ 401,255

See notes to basic financial statements.

City of Faribault
Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Cash Flows - Operating Activities					
Receipts from customers and users	$ 4,030,121	$ 6,771,237	$ 1,345,022	$ 12,146,380	$ -
Payments to suppliers	(1,219,468)	(1,846,994)	(224,009)	(3,290,471)	7,948
Payments to employees	(550,004)	(1,476,120)	(229,984)	(2,256,108)	-
Other operating receipts	-	-	-	-	57,998
Net cash flows - operating activities	2,260,649	3,448,123	891,029	6,599,801	65,946
Cash Flows - Noncapital Financing activities					
Intergovernmental revenue	-	255,766	-	255,766	-
Due from component unit	-	(29,094)	-	(29,094)	-
Transfer to other funds	(90,000)	(210,000)	-	(300,000)	-
Net cash flows - noncapital financing activities	(90,000)	16,672	-	(73,328)	-
Cash Flows - Capital and Related Financing Activities					
Principal paid on debt	(480,527)	(1,224,000)	-	(1,704,527)	-
Interest paid on debt	(87,215)	(273,156)	-	(360,371)	-
Proceeds from leases	14,505	15,540	-	30,045	-
Intergovernmental revenue	1,496,181	-		1,496,181	-
Acquisition of capital assets	(3,264,086)	(470,570)	(477,474)	(4,212,130)	-
Net cash flows - capital and related financing activities	(2,321,142)	(1,952,186)	(477,474)	(4,750,802)	-
Cash Flows - Investing Activities					
Interest and dividends received	(393,133)	(646,488)	(179,620)	(1,219,241)	(21,741)
Net change in cash and cash equivalents	(543,626)	866,121	233,935	556,430	44,205
Cash and Cash Equivalents					
January 1	6,943,256	10,644,239	2,967,668	20,555,163	393,451
December 31	$ 6,399,630	$ 11,510,360	$ 3,201,603	$ 21,111,593	$ 437,656

See notes to basic financial statements.

City of Faribault
Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Reconciliation of Operating Income (Loss) to Net Cash Flows - Operating Activities					
Operating income (loss)	$ 1,215,894	$ 1,367,543	$ 606,553	$ 3,189,990	$ (49,474)
Adjustments to reconcile operating income (loss) to net cash flows - operating activities					
Other revenues	1,387	45,079	308	46,774	23,499
Depreciation expense	701,453	1,728,670	328,265	2,758,388	-
Net pension liability expense	81,330	196,162	32,202	309,694	-
OPEB expense	12,488	28,797	4,527	45,812	-
Accounts receivable	(21,701)	62,199	(57,936)	(17,438)	34,499
Special assessments receivable	(25,711)	14,487	2,552	(8,672)	-
Prepaid items	3,116	7,080	3,291	13,487	-
Inventory	(56,863)	4,467	-	(52,396)	-
Accounts payable	337,261	(26,196)	(33,016)	278,049	57,422
Due to other governmental units	(150)	(36)	(8)	(194)	-
Unearned revenue	175	-	-	175	-
Compensated absences payable	11,970	19,871	4,291	36,132	-
Total adjustments	1,044,755	2,080,580	284,476	3,409,811	115,420
Net cash flows - operating activities	$ 2,260,649	$ 3,448,123	$ 891,029	$ 6,599,801	$ 65,946
Noncash Capital Activities					
Contributions of capital assets from (to) government capital funds and developers	$ -	$ -	$ 381,574	$ 381,574	$ -

See notes to basic financial statements.

City of Faribault
Statement of Fiduciary Net Position
December 31, 2022

	Custodial Funds
Assets	
Current	
Cash and investments	$ 1,084,193
Restricted cash	14,436
Interest receivable	3,775
Accounts receivable	10,169
Total current assets	1,112,573
Capital assets	
Land	62,426
Buildings	1,888,852
Building equipment	226,297
Maintenance equipment	79,754
Less accumulated depreciation	(1,688,579)
Total capital assets	568,750
Total assets	$ 1,681,323
Liabilities	
Accounts payable	$ 26,883
Accrued property taxes	13,177
Unearned revenue	3,025
Deposits payable	14,238
Due to other governments	6,840
Total liabilities	$ 64,163
Net position	$ 1,617,160

See notes to basic financial statements.

City of Faribault
Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2022

	Custodial Funds
Additions	
Rental income	$ 490,304
Interest	(55,669)
Sewer charges	121,876
Other	6,765
Total additions	563,276
Deductions	
Administrative	80,912
Utilities	59,513
Operating and maintenance	158,835
Taxes and insurance	24,835
Sewer expenses	120,258
Depreciation	38,847
Total deductions	483,200
Change in net position	80,076
Net Position	
Beginning of year	1,537,084
End of year	$ 1,617,160

See notes to basic financial statements.

City Of
Faribault

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Faribault (the City) operates under the Home Rule Charter form of government in accordance with applicable State of *Minnesota Statutes*. The City was organized as a municipality in 1872 in Rice County.

The City provides a full range of municipal services including public safety (police and fire protection), highways and streets, public improvements, planning and zoning, culture, recreation and parks, water and sewer service, and general administrative services.

The form of government established by Section 1.01, Chapter 1, of the City's Charter is the "Council-Administrator Plan". The City Council is composed of a mayor and six City Council members who are qualified electors and elected at large. The City Council exercises the legislative power to the City and determines all matter of policy. The City Administrator is the head of the administrative branch of the City government and is responsible to the City Council for the proper administration of all affairs relating to the City.

The powers of the City include all powers, which a municipal corporation in this State may exercise in harmony with the constitutions of the State and of the United States. It is the intention of the City chapter that every power, which the people of the City might lawfully confer upon themselves as a municipal corporation, by specific enumeration in the charter, shall be deemed to have been so conferred by the provisions of Section 1.02, Chapter 1 of the City Charter. The Charter is to be construed liberally in favor of the City, and the specific mention of particular powers in the Charter shall not be construed as limiting in any way the generality of the power conferred.

The Mayor serves for a term of four years and until a successor is elected and qualifies. The Mayor presides at meetings of the City Council and votes as a member. The City Administrator is appointed for an indefinite term by the City Council. The City Administrator is the Chief Administrative Officer of the City, whose powers and duties are provided for in the Faribault Home Rule Charter, Chapter 6.

The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or (2) there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Component units for which the City has been determined to be financially accountable can be blended with the primary government or be included as a discrete presentation. Each discretely presented component unit is reported in a separate column in the government-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Included in the City's reporting entity, based upon the application of these criteria, are the following discretely presented component units.

Faribault Housing and Redevelopment Authority (HRA)
The HRA was created by the City to carry out certain redevelopment and low rent assistance programs pursuant to State law. The HRA is primarily responsible for residential development and redevelopment. The governing board is appointed by the City Council and approved the HRA's tax levy. The HRA is governed by seven board members, one of which is a City Council member and six are City residents. It is the criterion that results in the HRA being reported as a discretely presented component unit. The HRA is presented as a governmental fund type.

Faribault Economic Development Authority (EDA)
The EDA was created pursuant to *Minnesota Statutes* 469.090 through 469.108 to carry out economic and industrial development and redevelopment within the City in accordance with policies established by the City Council. The governing board is appointed by the City Council and approved the EDA's tax levy. The EDA is governed by seven board members, two of which are City Council members and five are City residents. It is the criterion that results in the EDA being reported as a discretely presented component unit. The EDA is presented as a governmental fund type.

Separate financial statements for the HRA and EDA are not prepared.

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. The fiduciary funds are only reported in the Statement of Fiduciary Net Position at the fund financial statement level. 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.

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Custodial Funds are presented in the fiduciary fund financial statements. Since, by definition, the assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the City, these Funds are not incorporated into the government-wide 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 and fiduciary 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. 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.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement, and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)
Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

Description of Funds:

The City reports the following Major Governmental Funds:

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

Street Improvement Projects – Capital Projects Fund – This fund is used to account for the costs associated with the street projects completed within the City.

Public Facility Projects – Capital Projects Fund - This fund is used to account for the costs associated with facility improvements and capital outlay

The City reports the following Major Proprietary Funds:

Water Fund – This fund accounts for the operating, maintenance, and capital improvement of the City's water distribution system.

Sewer Fund – This fund accounts for the operating, maintenance, and capital improvement of the City's sewer collection operations.

Storm Water Fund – This fund accounts for the operation, maintenance, and capital improvements of the City's storm water system.

Additionally, the City reports the following fund types:

Internal Service Funds – These funds account for insurance costs related to property and liability deductible expenses and reserved balance for one outstanding workers compensation claim.

Fiduciary Funds – These funds are used to account for assets held by the City in a custodial capacity for others. The City's Custodial Funds account for activities of Robinwood Manor and Roberds Lake Sewer District.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures, or expenses if they involved external organizations, such as buying goods and services or payment in lieu of taxes, such as 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 City's enterprise funds and of the City's internal service funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. 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

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds' portion in the government-wide cash and investments pool is considered to be cash and cash equivalents for purposes of the statements of cash flows.

Cash and investments include balances from all funds that are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from pooled investments are allocated to the individual funds based on the applicable participation by each of the funds.

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 2. 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.

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)

In accordance with GASB Statement No. 79, the Minnesota Municipal Investment Pool securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the 4M Liquid Asset Fund. Investments in the 4M Plus must be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period will be subject to a penalty equal to seven days interest on the amount withdrawn. Seven days' notice of redemption is required for withdrawals of investments in the 4M Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption.

2. Restricted Cash

The City has received monies restricted for specific purposes. The balance in restricted cash represents unspent deposits of $74,861 to be used for fire damage repairs and youth baseball activities.

3. Receivables

Accounts receivable include amounts billed for services provided before year end. Rent receivable of the primary government and the discretely presented housing and redevelopment component unit have been reported net of uncollectible amounts. Delinquent utility charges are annually certified to the county for collection. As a result, there is no allowance for uncollectable amounts in the other enterprise funds.

Property tax receivables are shown at a gross amount since they 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 Auditor 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. Rice County is the collecting agency for the levy and remits 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 Auditor prepares the tax list 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 Auditor also collects all special assessments, except for certain prepayments paid directly to the City.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

3. Receivables (Continued)

The County Auditor submits the list of taxes and special assessments to be collected on each parcel of property to the County Treasurer in January of each year. Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for taxes not received within 60 days after year end in the governmental fund financial statements.

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivable upon certification to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements.

4. 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.

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.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, 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 except for infrastructure which ranges from $25,000 to $100,000 and an estimated useful life in excess of one year. Such purchased assets are recorded at historical cost or estimated historical cost if historical cost is not available. Assets acquired prior to 1986 are recorded at estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements.

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

Major outlays for capital assets and improvement are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets (Continued)

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Classification	Years
Buildings and structures	15-75
Furniture and equipment	3-15
Licensed motor vehicle equipment	3-12
Machinery and equipment	3-15
Other improvements	15-30
Infrastructure	20-60

6. 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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has two items that qualify for reporting in this category. The City presents deferred outflows of resources on the Statement of Net Position for deferred outflows of resources related to pensions and OPEB for various estimate differences that will be amortized and recognized over future years.

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 a future period(s) 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 State shared taxes. 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 pensions and OPEB for various estimate differences that will be amortized and recognized over future years. Finally, deferred inflows of resources related to leases receivable are reported in both the government-wide Statement of Net Position and the Governmental Funds Balance Sheet.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of *Statement of Government Accounting Standards* No. 16, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that are estimated to be taken upon separation from the City. The General fund is typically used to liquidate governmental compensated absences.

8. 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 bonds using the straight-line method.

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.

9. 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. Classifications of fund balance that will be used are as follows:

- Nonspendable Fund Balances – These are amounts that cannot be spent because they are not in spendable form as they are legally or contractually required to be maintained intact and include prepaid items.

- Restricted Fund Balances – These are amounts subject to externally enforceable legal restrictions.

- Committed Fund Balances – The government's highest level of decision making authority is the City Council. These amounts are constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council. Committed amounts cannot be used for any other purpose.

- Assigned Fund Balances – These are amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General Fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General Fund, assigned amounts represent intended uses established by the City Council itself or by an official to which the governing body delegates the authority. The City Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Finance Director.

- Unassigned Fund Balances – The residual classification for the General Fund and also negative residual amounts in other funds.

The City will spend restricted funds first for expenditures that meet the intended purpose before using unrestricted fund balance. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made for the purposes intended.

The City has formally adopted a fund balance policy for the General fund. The City's policy is to maintain a minimum unassigned fund balance of not less than 35 percent and a maximum unassigned fund balance of not more than 50 percent of the following year's General Fund budgeted expenditures to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, unexpected expenditures increases due to local disasters, and unexpected revenue shortfalls.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

11. 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. 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.

E. 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 revenue and expenditures/expense during the reporting period. Actual results could differ from those estimates.

F. Budgetary Information

The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing on January 1 of the following year. At least one special City Council meeting is conducted to obtain public comments as required by the State Truth in Taxation Law.

The budgets are prepared by fund, function, and activities. The budgets are adopted on a basis consistent with general accepted accounting principles and all appropriations lapse at the end of the budget year to the extent that they have not been expended. The expenditures appropriated in the budget resolution may not legally exceed estimated revenues available from various sources.

The City Council annually adopts budgets prior to January 1 for the City's General and Special Revenue Funds with the exception of the Library Donations Fund. Budgets are also adopted for the Capital Project Funds, as well as the Debt Service Funds in accordance with the bond indenture provisions. A separate budget report is issued at the beginning of each year. Formal budgetary integration is employed as a management control device during the year. Budget revisions between functions or activities may be made by the City Administrator. Budget revisions at the fund level are authorized by the City Council in accordance with the City Charter at the request of the City Administrator. The legal level of budgetary control is therefore at the fund level.

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Deposits

In accordance with applicable *Minnesota Statutes*, the City maintains deposits at depository banks authorized by the City Council.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

The cash and investments for both of the discreetly presented component units are pooled with the City's cash and investments.

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 that requires the City′s deposits be collateralized in accordance with *Minnesota Statutes* 118A for an amount exceeding FDIC, SAIF, BIF, or FCUA coverage. As of December 31, 2022, the City′s bank balance was not exposed to custodial credit risk because it was insured and fully collateralized with securities held by the pledging financial institution′s trust department or agent and in the City′s name. The book balance as of December 31, 2022, was $10,540,878 for deposits.

B. Investments

As of December 31, 2022, the City had the following investments:

		Investment Maturities				
Investment Type	Fair Value	Less than One Year	1-2 Years	3-5 Years	Greater than 5 Years	Fair Value Measurement
Pooled investments						
4M	$ 488,597	$ 488,597	$ -	$ -	$ -	N/A
Brokered money market funds	22,877	22,877	-	-	-	N/A
Non-pooled investments						
Government securities	5,098,416	2,651,940	258,596	2,187,880	-	Level 2
Municipal bonds	28,730,312	2,404,901	10,963,343	14,148,683	1,213,385	Level 2
Negotiable certificates of deposit	4,134,522	733,701	2,970,234	430,587	-	Level 2
Total	$ 38,474,724	$ 6,302,016	$ 14,192,173	$ 16,767,150	$ 1,213,385	

An investment with a fair value measurement with a Level 1 input is valued using quoted market prices while a Level 2 input is valued using a matrix pricing model.

Government securities and Municipal Bonds were rated from A+ to AAA by Standard & Poor's. Other investments were not rated.

Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of an investment in a single issuer. Investments should be diversified to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

Credit Risk: This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. *Minnesota Statutes* limit investments that are in the top two ratings issued by nationally recognized statistical rating organizations.

Interest Rate Risk: This is the risk that market values of securities in a portfolio would decrease due to changes in market interest rates.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Custodial Credit Risk – Investments: For an investment, 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 typically limits its exposure by purchasing insured or registered investments.

Summary of cash deposits and investments as of December 31, 2022, were as follows:

Petty cash	$ 985
Deposits	10,540,878
Investments	38,474,724
Total	$ 49,016,587

Deposits and investments are presented in the December 31, 2022, basic financial statements as follows:

Statement of Net Position	
Cash and investments	$ 47,820,821
Restricted cash	74,166
Cash held in escrow	22,971
Statement of Fiduciary Net Position	
Cash and investments	1,084,193
Restricted cash	14,436
Total deposits and investments	$ 49,016,587

NOTE 3 – LOANS RECEIVABLE

Primary Government

The City has made loans to local businesses and individuals that qualify for the Minnesota small cities development program. The businesses and individuals pay varying installments on the loans. The loans balances at year end totaled $78,033.

Discretely Presented Component Units

The Housing and Redevelopment Authority has loans receivable from homeowners who qualified for the Minnesota Housing Finance Agency's CRV program and through the HRA's corridor rehab program. Homeowners are paying varying monthly installments. The balance at year end totals $55,274.

NOTE 3 – LOANS RECEIVABLE (CONTINUED)

Discretely Presented Component Units (Continued)

The Economic Development Authority has loans receivable from businesses that made improvements that qualified for the industrial development loan program, Minnesota Investment Fund and EDA Revolving Fund. The businesses and individuals make monthly payments. The balance at year end on the programs total $213,538. Additionally, there has been an allowance for uncollectible accounts of $155,746 that are not expected to be collected on.

NOTE 4 – LEASES RECEIVABLE

The City has various leases for radio towers, agricultural land, and private airport hangar land leases. At December 31, 2022, there were Governmental Activity leases that included sixteen airport hangar land leases and one airport agricultural land lease. In addition, Business-Type Activities include three water tower leases, and one sewer agricultural land lease. The lease agreements include annual principal and interest payments. Interest and discount rates on the loan agreements range from 2.0% to 5.0%. Revenues from these leases for the year ended December 31, 2022, was $73,328.

The City's schedule of future payments included in the measurement of the lease receivable is as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2023	$ 29,211	$ 11,701	$ 43,911
2024	29,788	13,853	43,641
2025	17,990	12,993	30,983
2026	17,564	12,486	30,050
2027	17,590	11,992	29,583
2028-2032	95,652	52,260	147,913
2033-2037	104,494	38,177	142,671
2038-2042	59,527	25,290	84,817
2043-2047	31,885	20,033	51,918
2048-2052	34,061	16,449	50,510
2053-2062	67,148	20,674	87,822
2063-2072	25,263	9,757	35,020
2073-2078	18,014	1,855	19,869
Total	$ 548,187	$ 247,521	$ 798,708

NOTE 4 – LEASES RECEIVABLE

Year Ending December 31,	Business-Type Activities		
	Principal	Interest	Total
2023	$ 16,858	$ 15,065	$ 31,923
2024	17,622	14,303	31,925
2025	2,877	13,506	16,383
2026	2,966	13,417	16,383
2027	3,058	13,325	16,383
2028-2032	15,302	65,114	80,416
2033-2037	11,619	62,796	74,415
2038-2042	9,153	59,899	69,052
2043-2047	5,734	43,900	49,634
2048-2052	18,814	42,386	61,200
2053-2054	23,938	8,702	32,640
Total	$ 127,941	$ 352,412	$ 480,354

NOTE 5 – INTERFUND ACTIVITY

A. Interfund Transfers

Transfers during the year ended December 31, 2022, were as follows:

	Transfers In			
	Street Improvement Projects Fund	Public Facility Projects	Nonmajor Governmental Funds	Total
Transfers out				
General Fund	$ -	$ 748,159	$ -	$ 748,159
Nonmajor Governmental Funds	-	718,031	1,310,928	2,028,959
Water Fund	75,000	15,000	-	90,000
Sewer Fund	175,000	35,000	-	210,000
Total	$ 250,000	$ 1,516,190	$ 1,310,928	$ 3,077,118

Transfers were made from the General Fund to the Public Facility Projects Fund for public facility projects and fund balance allocation purposes. Transfers were made between nonmajor governmental funds as debt service funds were closed, and the remaining equity was transferred. Transfers were made from the Water Fund and the Sewer Fund to the Street Improvement Projects Fund and Public Facility Projects Fund for operating purposes.

NOTE 6 – CAPITAL ASSETS

Governmental capital and leased asset activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 10,416,233	$ 174,796	$ (15,643)	$ 10,575,386
Infrastructure	6,983,514	1,542,286	(6,612,932)	1,912,868
Total capital assets not being depreciated	17,399,747	1,717,082	(6,628,575)	12,488,254
Other capital assets being depreciated				
Buildings and structures	27,853,590	4,651,910	-	32,505,500
Improvements other than buildings	10,849,014	613,504	-	11,462,518
Machinery and equipment	11,356,781	230,062	(172,746)	11,414,097
Infrastructure and airport	87,246,594	6,684,236	-	93,930,830
Total capital assets being depreciated	137,305,979	12,179,712	(172,746)	149,312,945
Less accumulated depreciation for				
Buildings and structures	11,014,194	736,719	-	11,750,913
Improvements other than buildings	3,533,968	379,250	-	3,913,218
Machinery and equipment	7,043,505	640,734	(146,712)	7,537,527
Infrastructure and airport	36,637,579	2,407,665	-	39,045,244
Total accumulated depreciation	58,229,246	4,164,368	(146,712)	62,246,902
Total capital assets being depreciated, net	79,076,733	8,015,344	(26,034)	87,066,043
Governmental activities capital assets, net	$ 96,476,480	$ 9,732,426	$ (6,654,609)	$ 99,554,297

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Leased assets being depreciated				
Machinery and equipment	$ -	$ 80,489	$ -	$ 80,489
Less accumulated amortization for				
Machinery and equipment	-	18,556	-	18,556
Total leased assets, net	$ -	$ 61,933	$ -	$ 61,933

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Business-type capital asset activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	$ 594,574	$ -	$ -	$ 594,574
Construction in progress	15,687,837	4,268,889	(3,938,703)	16,018,023
Total capital assets not being depreciated	16,282,411	4,268,889	(3,938,703)	16,612,597
Capital assets being depreciated				
Buildings and structures	39,166,938	-	-	39,166,938
Improvements other than buildings	65,137,631	4,303,171	(18,523)	69,422,279
Machinery and equipment	2,941,441	133,101	-	3,074,542
Total capital assets not being depreciated	107,246,010	4,436,272	(18,523)	111,663,759
Less accumulated depreciation for				
Buildings and structures	17,853,193	1,212,042	-	19,065,235
Improvements other than buildings	23,266,116	1,335,197	(16,276)	24,585,037
Machinery and equipment	1,714,953	211,149	-	1,926,102
Total accumulated depreciation	42,834,262	2,758,388	(16,276)	45,576,374
Total capital assets being depreciated, net	64,411,748	1,677,884	(2,247)	66,087,385
Business-type activities capital assets, net	$ 80,694,159	$ 5,946,773	$ (3,940,950)	$ 82,699,982

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

Governmental activities	
General government	$ 75,832
Public safety	420,034
Public works	3,229,811
Culture and recreation	452,250
Community development	4,997
Total depreciation and amortization expense - governmental activities	$ 4,182,924
Business-type activities	
Water	$ 701,453
Sewer	1,728,670
Storm water	328,265
Total depreciation and amortization expense - business-type activities	$ 2,758,388

Discretely presented component units

Activity for the EDA for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 170,134	$ -	$ (78,300)	$ 91,834

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Activity for the HRA for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	$ 594,041	$ -	$ -	$ 594,041
Capital assets being depreciated				
Buildings and structures	3,525,546	-	-	3,525,546
Machinery and equipment	-	43,368	-	43,368
Capital assets being depreciated	3,525,546	43,368	-	3,568,914
Less accumulated depreciation for				
Buildings and structures	2,049,693	80,701	-	2,130,394
Machinery and equipment	-	47	-	47
Total accumulated depreciation	2,049,693	80,748	-	2,130,441
Total capital assets being depreciated, net	1,475,853	(37,380)	-	1,438,473
Total HRA capital assets, net	$ 2,069,894	$ (37,380)	$ -	$ 2,032,514

Depreciation expense was charged to functions/programs of the discretely presented HRA as follows:

Housing and redevelopment authority	$ 80,748

NOTE 7 – LONG-TERM DEBT

A. General Obligation Bonds

The City issues general obligation (G.O.) bonds and equipment certificates to provide funds for the acquisition and construction of major capital facilities. G.O. bonds have been issued for both general government and proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, G.O. bonds have been issued to refund G.O. bonds. G.O. bonds are direct obligations and pledge the full faith and credit of the City.

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Primary Government

B. Components of Long-Term Liabilities

	Issue Date	Interest Rates	Original Issue	Final Maturity	Principal Outstanding	Due Within One Year
Long-term liabilities						
Governmental activities						
G.O. Bonds						
G.O. Crossover Refunding						
Bonds 2015A	11/18/2015	2.75 - 3.00 %	$ 1,685,000	12/15/2027	$ 830,000	$ 160,000
G.O. Improvement						
Bonds 2015A	11/18/2015	2.75 - 3.00 %	1,375,000	12/15/2030	805,000	95,000
G.O. State Aid						
Bonds 2021A	5/13/2021	1.20 - 2.00 %	1,505,000	12/15/2031	1,365,000	140,000
G.O. Refunding						
Bonds 2021B	12/2/2021	3.00 - 5.00 %	5,610,000	12/15/2029	4,790,000	865,000
Total G.O. Bonds					7,790,000	1,260,000
Bond premium					762,242	-
Loan payable						
Airport loan	3/1/2013	0.00%	615,000	3/1/2023	10,250	10,250
Lease liability					62,739	19,819
Compensated absences					1,632,338	540,489
Total governmental activities					10,257,569	1,830,558
Business-type activities						
Notes from direct borrowing						
G.O. Water Revenue						
PFA Note 2019	5/15/2019	1.00%	10,205,719	8/20/2039	7,986,443	469,791
G.O. Sewer Revenue						
PFA Note 2009	7/28/2009	2.55%	21,258,552	8/20/2029	9,488,000	1,255,000
G.O. Water Revenue						
PFA Note 2021	11/12/2021	1.00%	522,527	8/20/2042	471,825	21,825
Total notes from direct borrowing					17,946,268	1,746,616
Compensated absences					290,575	108,022
Total business-type activities					18,236,843	1,854,638
Total all long-term liabilities					$ 28,494,412	$ 3,685,196

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

C. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities					
Bonds payable					
G.O. bonds	$ 13,120,000	$ -	$ (7,000,000)	$ 6,120,000	$ 1,020,000
G.O. equipment certificates	60,000	-	(30,000)	30,000	30,000
G.O. improvement bonds	1,840,000	-	(200,000)	1,640,000	210,000
Total bonds payable	15,020,000	-	(7,230,000)	7,790,000	1,260,000
Bond premium	870,536	-	(108,294)	762,242	-
Loans payable	71,750	-	(61,500)	10,250	10,250
Lease liability	-	80,489	(17,750)	62,739	19,819
Compensated absences payable	1,601,987	619,980	(589,629)	1,632,338	540,489
Governmental activity long-term liabilities	$ 17,564,273	$ 700,469	$ (8,007,173)	$ 10,257,569	$ 1,830,558
Business-type activities					
Notes from direct borrowing					
G.O. PFA revenue notes	$ 19,650,795	$ -	$ (1,704,527)	$ 17,946,268	$ 1,746,616
Compensated absences payable	254,443	141,747	(105,615)	290,575	108,022
Total business-type activities	$ 19,905,238	$ 141,747	$ (1,810,142)	$ 18,236,843	$ 1,854,638

D. Lease Liability

The City's Governmental Activity has eight lease agreements for copier equipment and one lease agreement for a postage machine. The lease agreements include annual principal and interest payments as noted. Interest and discount rates on the lease agreements are 3.0%.

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

E. Minimum Debt Payments

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

Year Ending December 31,	Governmental Activities					
	G.O. Bonds			G.O. Equipment Certificates		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 1,020,000	$ 229,993	$ 1,249,993	$ 30,000	$ 1,500	$ 31,500
2024	1,055,000	186,393	1,241,393	-	-	-
2025	1,100,000	142,793	1,242,793	-	-	-
2026	1,155,000	97,093	1,252,093	-	-	-
2027	740,000	48,518	788,518	-	-	-
2028-2032	1,050,000	35,860	1,085,860	-	-	-
Total	$ 6,120,000	$ 740,650	$ 6,860,650	$ 30,000	$ 1,500	$ 31,500

Year Ending December 31,	Governmental Activities					
	G.O. Improvement Bonds			Loan Payable		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 210,000	$ 56,700	$ 266,700	$ 10,250	$ -	$ 10,250
2024	205,000	48,100	253,100	-	-	-
2025	210,000	40,700	250,700	-	-	-
2026	220,000	33,050	253,050	-	-	-
2027	225,000	24,800	249,800	-	-	-
2028-2032	570,000	30,238	600,238	-	-	-
Total	$ 1,640,000	$ 233,588	$ 1,873,588	$ 10,250	$ -	$ 10,250

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

E. Minimum Debt Payments (Continued)

Year Ending December 31,	Governmental Activities Lease Liability Principal	Interest	Total	Business-Type Activities Notes from direct borrowing Principal	Interest	Total
2023	$ 19,819	$ 1,611	$ 21,430	$ 1,746,616	$ 326,527	$ 2,073,143
2024	18,242	1,031	19,273	1,778,791	289,608	2,068,399
2025	15,600	521	16,121	1,811,791	251,872	2,063,663
2026	7,354	149	7,503	1,845,791	213,294	2,059,085
2027	1,724	19	1,743	1,879,791	173,849	2,053,640
2028-2032	-	-	-	5,346,955	361,507	5,708,462
2033-2037	-	-	-	2,469,955	127,448	2,597,403
2038-2042	-	-	-	1,066,578	17,934	1,084,512
Total	$ 62,739	$ 3,331	$ 66,070	$ 17,946,268	$ 1,762,039	$ 19,708,307

NOTE 8 – FUND BALANCE

A summary of governmental fund balance classifications at December 31, 2022, is as follows:

	General Fund	Street Improvement Projects	Public Facility Projects	Nonmajor Governmental Funds	Total
Primary Government					
Nonspendable					
Prepaid items	$ 69,096	$ -	$ -	$ 8,625	$ 77,721
Restricted					
Debt service	-	-	-	1,784,028	1,784,028
Charitable gambling	-	-	-	53,925	53,925
Park capital improvements	-	-	-	210,813	210,813
Public safety programs	-	-	-	40,016	40,016
Rehabilitation projects	-	-	-	179,374	179,374
Revolving loans	-	-	-	422,789	422,789
Youth baseball (Peter Smith fund)	74,166	-	-	-	74,166
Total restricted	74,166	-	-	2,690,945	2,765,111
Committed					
Hiawathaland Transit	85,600	-	-	-	85,600
Capital improvement encumbrances	-	822,590	48,160	837,951	1,708,701
Airport	-	-	-	91,918	91,918
Government buildings	-	-	-	85,112	85,112
Community development	-	-	-	195,597	195,597
Library	-	-	-	2,940,927	2,940,927
Total committed	85,600	822,590	48,160	4,151,505	5,107,855
Assigned					
K-9 program	2,271	-	-	-	2,271
Childrens program	8,145	-	-	-	8,145
Loan payment	-	-	-	10,250	10,250
Compensated absences	468,515	-	-	82,302	550,817
Hazardous properties	10,000	-	-	-	10,000
Library	-	-	-	11,272	11,272
Donations	210,741	-	-	-	210,741
Future capital improvements	-	1,584,921	808,928	1,801,311	4,195,160
Total assigned	699,672	1,584,921	808,928	1,905,135	4,998,656
Unassigned	9,818,404	-	-	-	9,818,404
Total fund balances	$ 10,746,938	$ 2,407,511	$ 857,088	$ 8,756,210	$ 22,767,747

NOTE 9 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters for which the City carries insurance. The City participates in the League of Minnesota Cities Insurance Trust (LMCIT) for workers' compensation and property and casualty insurance coverage. The LMCIT is a risk sharing pool with approximately 800 other governmental units.

NOTE 9 – RISK MANAGEMENT (CONTINUED)

The City pays an annual premium to the LMCIT for its workers' compensation and property and liability insurance. The LMCIT is self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNR). The City has a deductible under the LMCIT policy of $5,000 per occurrence.

The City has one open worker's compensation claim from 2013, when the City was self-insured, that has not been settled and estimated losses are retained in the City's Worker's Compensation internal service fund.

The general liability and property damage activities are accounted for in the Property/Liability Insurance internal service fund. For liability insurance, the first $50,000 for each occurrence and an annual aggregate of $100,000 is retained by the City. All property is insured at replacement value with a $50,000 deductible. These amounts are used to promote an aggressive maintenance program to help limit liability losses.

There were no significant reductions in insurance coverage from the previous year. There were no settlements in excess of insurance for any of the prior three years.

Amounts recorded in the Workers' Compensation Insurance internal service fund for 2022, 2021, and 2020 are as follows:

	2022	2021	2020
Claims liability - January 1	$ 30,000	$ 79,500	$ 79,500
Claims adjustment	-	(49,500)	-
Claims paid	-	-	-
Claims liability - December 31	$ 30,000	$ 30,000	$ 79,500

NOTE 10 – PENSION PLANS

The City participates in various pension plans. Total pension expense for the year ended December 31, 2022, was $2,458,220. The components of pension expense are noted in the following plan summaries.

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

NOTE 10 – PENSION PLANS (CONTINUED)

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.

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.

NOTE 10 – PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

B. Benefits Provided (Continued)

General Employees Plan Benefits (Continued)

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. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

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.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2022 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, 2022, were $520,237. The City's contributions were equal to the required contributions as set by state statute.

NOTE 10 – PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

C. Contributions (Continued)

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.8% of their annual covered salary in fiscal year 2022 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, 2022, were $734,717. 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, 2022, the City reported a liability of $7,365,631 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 $216,104.

The net pension liability was measured as of June 30, 2022, 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, 2021, through June 30, 2022, relative to the total employer contributions received from all of PERA′s participating employers. The City′s proportionate share was 0.0930% at the end of the measurement period and 0.0938% for the beginning of the period.

City's proportionate share of the net pension liability	$ 7,365,631
State of Minnesota's proportionate share of the net pension liability associated with the City	216,104
Total	$ 7,581,735

For the year ended December 31, 2022, the City recognized pension expense of $1,153,644 for its proportionate share of General Employees Plan′s pension expense. Included in the amount, the City recognized $32,291 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.

NOTE 10 – PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

At December 31, 2022, 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	$ 61,523	$ 79,126
Changes in actuarial assumptions	1,680,884	29,217
Net collective difference between projected and actual investment earnings	96,293	-
Changes in proportion	153,747	-
Contributions paid to PERA subsequent to the measurement date	265,619	-
Total	$ 2,258,066	$ 108,343

The $265,619 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, 2023. 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
2023	$ 738,068
2024	705,639
2025	(225,714)
2026	666,111
Total	$ 1,884,104

NOTE 10 – PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

Police and Fire Fund Pension Costs

At December 31, 2022, the City reported a liability of $14,878,137 for its proportionate share of the Police and Fire Fund′s net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2021, through June 30, 2022, relative to the total employer contributions received from all of PERA′s participating employers. The City′s proportionate share was 0.3419% at the end of the measurement period and 0.3365% 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, 2022. The contribution consisted of $9 million in direct state aid that does meet the definition of a special funding situation and $9 million in supplemental state aid that does not meet the definition of a special funding situation. The $9 million direct state aid was paid on October 1, 2021. 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 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, 2022, the City recognized pension expense of $1,301,926 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized $126,098 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 $30,771 for the year ended December 31, 2022, 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.

NOTE 10 – PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

Police and Fire Fund Pension Costs (Continued)

At December 31, 2022, 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
Differences between expected and actual economic experience	$ 904,372	$ -
Changes in actuarial assumptions	8,709,062	89,685
Net collected difference between projected actual investment earnings	264,494	-
Changes in proportion	117,946	112,603
Contributions paid to PERA subsequent to the measurement date	367,359	-
Total	$ 10,363,233	$ 202,288

The $367,359 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, 2023. 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
2023	$ 1,917,489
2024	1,904,643
2025	1,677,382
2026	3,049,238
2027	1,244,834
Total	$ 9,793,586

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:

Asset Class	Target Allocation	Long-Term
Domestic equity	33.5 %	5.10 %
International equity	16.5	5.30
Fixed income	25.0	0.75
Private markets	25.0	5.90
Total	100.0 %	

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2022, 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 6.5%. 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 6.5% 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. The Police and Fire Plan benefit increase is fixed at 1% per year and that increase was used in the valuation.

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.

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 2019. 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 2020 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 2022:

General Employees Fund

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 previous valuation.

Police and Fire Fund

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from MP-2020 to 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 previous valuation.

G. Discount Rate

The discount rate for the General Employees Plan used to measure the total pension liability in 2022 was 6.5%. 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 Fund was 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.

In the Police and Fire Fund, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2060. Beginning in the fiscal year ended June 30, 2061, projected benefit payments exceed the fund's projected fiduciary net position. Benefit payments projected after were discounted at the municipal bond rate of 3.69% (based on the weekly rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The resulting equivalent single discount rate of 5.4% for the Police and Fire Fund was determined to give approximately the same present value of projected benefits when applied to all years of projected benefits as the present value of projected benefits using 6.5% applied to all years of projected benefits through the point of asset depletion and 3.69% thereafter.

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 (5.5%)	Current Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
City's proportionate share of the General Employees Fund net pension liability	$ 11,634,400	$ 7,365,631	$ 3,864,582

	1% Decrease in Discount Rate (4.4%)	Current Discount Rate (5.4%)	1% Increase in Discount Rate (6.4%)
City's proportionate share of the Police and Fire Fund net pension liability	$ 22,516,153	$ 14,878,137	$ 8,703,259

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.

Public Employees Defined Contribution Plan (Defined Contribution Plan)

The City has City Council members that are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

NOTE 10 – PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

Public Employees Defined Contribution Plan (Defined Contribution Plan) (Continued)

The defined contribution plan consists of individual accounts paying a lump-sum benefit. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses; therefore, there is no future liability to the City. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official′s employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (.25%) of the assets in each member′s account annually.

Pension expense for the year is equal to the contributions made. Total contributions made by the City during fiscal year 2022 were:

Contribution Amount		Percentage of Covered Payroll		
Employee	Employer	Employee	Employer	Required Rate
$ 2,649	$ 2,649	5%	5%	5%

NOTE 11 – POST EMPLOYMENT HEALTH CARE PLAN

A. Plan Description

The City's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. Medical coverage is administered by Blue Cross Blue Shield. It is the City's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. No assets are accumulated in a trust.

B. Benefits Provided

Retirees receiving benefits contribute 100% of their premium costs, except those receiving disability benefits. Retirees and their spouses contribute to the health care plan at the same rate as active employees.

NOTE 11 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

C. Contributions

Contribution requirements are established by the City, based on the contract terms with Blue Cross Blue Shield. The required contributions are based on projected pay-as-you-go financing requirements. For 2022, the City contributed $50,174 for retirees receiving health care benefits.

D. Members

As of December 31, 2021, the following were covered by the benefit terms:

Active employees electing coverage	106
Active employees waiving coverage	21
Retirees electing coverage	7
Total	134

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation measured as of December 31, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Investment rate of return	1.84% net of investment expense
Salary increases	3.00% including inflation
Inflation	2.50%
Healthcare cost trend increases	7.5% for FY2022, gradually decreasing over several decades to an ultimate rate of 3.9% in FY2075 and later years
Mortality assumption	Pub-2010 General (General) and Public Safety (Police and Fire) mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments

The discount rate used to measure the total OPEB liability was 1.84% based on 20-year municipal bond rates.

NOTE 11 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

F. Total OPEB Liability

The City's total OPEB liability of $2,248,719 was measured as of December 31, 2021, and was determined by an actuarial valuation as of December 31, 2021.

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balances at January 1, 2022	$ 1,816,166
Changes for the year	
Service cost	121,663
Interest	38,255
Differences between expected and actual economic experience	83,878
Employer contributions	-
Changes of assumptions	238,931
Benefit payments	(50,174)
Net changes	432,553
Balances at December 31, 2022	$ 2,248,719

Changes of assumptions and other inputs reflect a change in the discount rate from 2.00% in 2021 to 1.84% in 2022.

The General Fund, and the Water, Sewer, and Storm Water Enterprise Funds typically liquidate the liability related to OPEB.

G. OPEB Liability Sensitivity

The following presents the City's total OPEB liability calculated using the discount rate of 1.84% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

Total OPEB Liability		
1% decrease (0.84%)	Current (1.84%)	1% increase (2.84%)
$ 2,520,983	$ 2,248,719	$ 2,014,212

NOTE 11 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

G. OPEB Liability Sensitivity (Continued)

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

Total OPEB Liability		
1% decrease (6.5% decreasing to 2.9%)	Current (7.5% decreasing to 3.9%)	1% increase (8.5% decreasing to 4.9%)
$ 1,936,336	$ 2,248,719	$ 2,625,774

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the City recognized OPEB expense of $172,060. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual liability	$ -	$ 625,813
Changes of assumptions	631,511	-
Contributions between measurement date and reporting date	50,173	-
Total	$ 681,684	$ 625,813

NOTE 11 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The amount of $50,174 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ending December 31,	Total
2023	$ 1,474
2024	1,474
2025	1,474
2026	(3,195)
2027	(23,702)
Thereafter	28,173
Total	$ 5,698

NOTE 12 – JOINTLY GOVERNED ORGANIZATIONS

The City participates in various jointly governed organizations that generally have separate governing boards composed of representative of each member organization. During 2022, the City did not have any related party transactions involving the jointly governed organizations. The City participated in the following jointly governed organizations in 2022:

- Cannon River Drug and Violent Offender Task Force (CRDVOTF)
- Dakota County Multi-Agency Assistance Group (DCMAAG)
- Consolidated Public Safety Answering Point

The City does not have a significant ongoing financial interest or responsibility with these organizations. The financial statements for the jointly governed organization can be obtained by contacting the City at City Hall, 208 NW 1st Avenue, Faribault, Minnesota, 55021-5105.

NOTE 13 – COMMITTED CONTRACTS

At December 31, 2022, the City had commitments of $1,446,431 for ongoing construction contracts that have not been completed.

NOTE 14 – CONTINGENT LIABILITIES

The Housing and Redevelopment Authority (HRA) in the course of business has obtained various deferred loans from governmental agencies. Generally, the entire loan amounts will be forgiven unless the HRA defaults on the conditions noted in the deferred loan agreements. HRA management has indicated that their intent is to meet their conditions. The deferred loans are not recorded as a liability in the HRA's financial statements; however, if the HRA were to default, the unforgiven portion would have to be repaid to the original funding source.

NOTE 15 – CONDUIT DEBT

The City of Faribault issued a Tax Exempt Refunding Note, Series 2022 for Shattuck St. Mary's to refinance the Taxable Refunding Note, Series 2021. The note is secured by the property financed and is payable solely from private sector entity revenues. Upon repayment of the note, ownership of the acquired facilities transfers to the private-sector entity served by the note issuance. Neither the City of Faribault or the State of Minnesota, or any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2022, the $24,300,000 Series 2022 Note remains outstanding.

NOTE 16 – NEW STANDARDS ISSUED BUT NOT YET IMPLEMENTED

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* establishes that a Subscription-Based Information Technology Arrangement (SBITA) results in a right-to-use subscription asset and a corresponding liability. Under this statement, a governmental entity generally should recognize a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability. This statement will be effective for the year ending December 31, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

City of Faribault
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 Liablility and the State's Proportionate Share of the Net Pension Liablility Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0835%	$ 4,327,404	$ -	$ 4,327,404	$ 4,747,243	91.2%	78.2%
2016	0.0826%	6,706,710	87,614	6,794,324	5,126,319	130.8%	68.9%
2017	0.0821%	5,241,210	65,935	5,307,145	5,291,600	99.0%	75.9%
2018	0.0847%	4,698,809	154,168	4,852,977	5,691,880	82.6%	79.5%
2019	0.0863%	4,771,334	148,160	4,919,494	6,105,160	78.2%	80.2%
2020	0.0907%	5,437,879	167,690	5,605,569	6,469,093	84.1%	79.1%
2021	0.0938%	4,005,680	122,370	4,128,050	6,752,613	59.3%	87.0%
2022	0.0930%	7,365,631	216,104	7,581,735	6,967,920	105.7%	76.7%

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 Liablility and the State's Proportionate Share of the Net Pension Liablility Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.3160%	$ 3,590,499	$ -	$ 3,590,499	$ 2,984,858	120.3%	86.6%
2016	0.3310%	13,283,606	-	13,283,606	3,113,844	426.6%	63.9%
2017	0.3290%	4,441,892	-	4,441,892	3,376,877	131.5%	85.4%
2018	0.3344%	3,534,264	-	3,534,264	3,524,494	100.3%	88.8%
2019	0.3544%	3,725,102	-	3,725,102	3,738,492	99.6%	89.3%
2020	0.3415%	4,470,600	106,060	4,576,660	3,854,378	118.7%	87.2%
2021	0.3365%	2,567,138	116,764	2,683,902	4,062,499	66.1%	93.7%
2022	0.3419%	14,878,137	650,076	15,528,213	4,153,757	373.8%	70.5%

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

See notes to required supplementary information.

City of Faribault
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 Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 376,725	$ 376,725	$ -	$ 5,023,000	7.50%
2016	396,870	396,870	-	5,291,600	7.50%
2017	390,596	390,596	-	5,207,947	7.50%
2018	440,818	440,818	-	5,877,573	7.50%
2019	490,385	490,385	-	6,538,467	7.50%
2020	538,375	538,375	-	7,178,333	7.50%
2021	616,151	616,151	-	8,215,347	7.50%
2022	531,237	531,237	-	7,083,161	7.50%

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 Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 483,547	$ 483,547	$ -	$ 2,984,858	16.20%
2016	547,054	547,054	-	3,376,877	16.20%
2017	583,424	583,424	-	3,601,383	16.20%
2018	585,729	585,729	-	3,615,611	16.20%
2019	630,783	630,783	-	3,721,434	16.95%
2020	695,780	695,780	-	3,930,960	17.70%
2021	648,105	648,105	-	3,661,610	17.70%
2022	734,718	734,718	-	4,150,946	17.70%

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

See notes to required supplementary information.

City of Faribault
Schedule of Changes in Total OPEB Liability
and Related Ratios

	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Total OPEB Liability					
Service cost	$ 61,075	$ 69,506	$ 81,896	$ 104,806	$ 121,663
Interest	70,363	67,670	87,373	45,784	38,255
Differences between expected and actual experience	-	-	(924,672)	(7,231)	83,878
Changes of assumptions	150,785	255,387	135,711	160,150	238,931
Benefit payments	(89,470)	(96,608)	(91,968)	(94,837)	(50,174)
Net change in total OPEB liability	192,753	295,955	(711,660)	208,672	432,553
Beginning of year	1,830,446	2,023,199	2,319,154	1,607,494	1,816,166
End of year	$ 2,023,199	$ 2,319,154	$ 1,607,494	$ 1,816,166	$ 2,248,719
Covered employee payroll	$ 9,371,206	$ 9,801,191	$ 9,154,947	$ 10,684,652	$ 12,053,650
Total OPEB liability as a percentage	21.6%	23.7%	17.6%	17.0%	18.7%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.
No assets are accumulated in a trust for OPEB.

See notes to required supplementary information.

General Employees Fund

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 changes as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retires 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.

General Employees Fund (Continued)

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.
- Postretirement benefit 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.
- The assumed post-retirement benefit 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.

General Employees Fund (Continued)

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.

Police and Fire Fund

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.

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.

Police and Fire Fund (Continued)

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

- Postretirement benefit 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.
- 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.

Police and Fire Fund (Continued)

2017 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit 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%.

Post Employment Health Care Plan

2022 Changes

Changes in Actuarial Assumptions

- The discount rate changed from 2.00% to 1.84%.

2021 Changes

Changes in Actuarial Assumptions

- The discount rate changed from 2.75% to 2.00%.

2020 Changes

Changes in Actuarial Assumptions

- The discount rate changed from 3.71% to 2.75%.

Changes in Plan Provisions

- Retiree premiums and disabled public safety contribution amounts were updated to current levels.

2019 Changes

Changes in Actuarial Assumptions

- The discount rate changed from 3.31% to 3.71%.

City Of
Faribault

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes					
Property taxes	$ 8,767,505	$ 8,767,505	$ 8,767,555	$ 50	$ 8,585,392
Franchise fees	250,000	250,000	239,270	(10,730)	237,281
Miscellaneous taxes	125,500	125,500	144,002	18,502	116,489
Total taxes	9,143,005	9,143,005	9,150,827	7,822	8,939,162
Special assessments	5,100	5,100	1,084	(4,016)	3,342
Licenses and permits					
Business	78,000	78,000	97,926	19,926	76,168
Non-business	400,700	439,785	596,701	156,916	413,110
Total licenses and permits	478,700	517,785	694,627	176,842	489,278
Intergovernmental revenue					
Local government aid	6,029,788	6,029,788	6,029,788	-	5,988,340
Agricultural market value credit	1,500	1,500	998	(502)	1,302
PERA aid	-	-	5,049	5,049	-
Fire aid	135,000	135,000	153,651	18,651	144,384
Police aid	338,000	338,000	370,348	32,348	345,282
MSA	199,220	199,220	297,804	98,584	227,285
Federal grants	-	-	1,329,205	1,329,205	1,314,942
County grants	236,207	236,207	230,807	(5,400)	230,306
School district public safety	113,000	113,000	117,045	4,045	114,472
Other grants and aids	53,495	53,495	42,186	(11,309)	51,525
Total intergovernmental revenue	7,106,210	7,106,210	8,576,881	1,470,671	8,417,838
Charges for services					
General government	48,329	48,329	82,097	33,768	57,256
Public safety	328,398	328,398	313,745	(14,653)	299,408
Public works	609,600	609,600	800,705	191,105	502,857
Culture and recreation	565,470	565,470	534,518	(30,952)	475,628
Total charges for services	1,551,797	1,551,797	1,731,065	179,268	1,335,149
Fines and forfeitures	141,000	141,000	130,997	(10,003)	148,970
Miscellaneous revenues					
Investment income	94,000	94,000	(486,617)	(580,617)	(70,081)
Contributions and donations	-	10,200	44,399	34,199	62,304
Other	2,450	135,192	217,362	82,170	18,195
Total miscellaneous revenues	96,450	239,392	(224,856)	(464,248)	10,418
Total revenues	18,522,262	18,704,289	20,060,625	1,356,336	19,344,157

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

Continued

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Expenditures					
Current					
General government					
Council					
Personnel services	$ 68,991	$ 68,991	$ 68,811	$ (180)	$ 68,814
Supplies	8,750	10,475	3,364	(7,111)	995
Other services and charges	371,205	377,473	383,681	6,208	574,790
Total council	448,946	456,939	455,856	(1,083)	644,599
Administrator and elections					
Personnel services	297,240	311,201	311,021	(180)	269,130
Supplies	8,250	6,750	6,181	(569)	3,984
Other services and charges	20,667	16,957	14,378	(2,579)	10,278
Total administrator and elections	326,157	334,908	331,580	(3,328)	283,392
Finance					
Personnel services	365,452	373,682	373,674	(8)	406,872
Supplies	5,875	5,875	5,231	(644)	3,126
Other services and charges	69,579	61,603	59,535	(2,068)	73,074
Total finance	440,906	441,160	438,440	(2,720)	483,072
Legal					
Other services and charges	282,650	252,650	242,618	(10,032)	231,411
Personnel administration					
Personnel services	254,348	254,570	253,346	(1,224)	225,793
Supplies	900	900	2,294	1,394	1,670
Other services and charges	47,019	61,619	63,646	2,027	30,110
Total personnel administration	302,267	317,089	319,286	2,197	257,573
Planning and zoning					
Personnel services	413,672	414,050	423,095	9,045	380,655
Supplies	1,600	1,600	1,288	(312)	406
Other services and charges	35,616	35,616	30,622	(4,994)	26,113
Total planning and zoning	450,888	451,266	455,005	3,739	407,174
City hall maintenance					
Personnel services	100,722	111,990	78,543	(33,447)	99,108
Supplies	13,850	13,850	13,603	(247)	10,731
Other services and charges	84,720	84,720	79,019	(5,701)	72,952
Total city hall maintenance	199,292	210,560	171,165	(39,395)	182,791
Information technology					
Personnel services	169,001	167,327	167,944	617	164,704
Supplies	12,225	9,125	8,450	(675)	1,103
Other services and charges	43,318	43,575	43,526	(49)	53,660
Total information technology	224,544	220,027	219,920	(107)	219,467

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

Continued

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Expenditures (Continued)					
Current (continued)					
General government (continued)					
Other					
Other services and charges	$ 100,000	$ 178,122	$ 159,342	$ (18,780)	$ 395,427
Total general government	2,775,650	2,862,721	2,793,212	(69,509)	3,104,906
Public safety					
Police					
Personnel services	5,236,068	5,160,988	5,106,623	(54,365)	5,107,346
Supplies	212,925	229,425	230,269	844	185,282
Other services and charges	414,363	476,663	477,849	1,186	487,969
Total police	5,863,356	5,867,076	5,814,741	(52,335)	5,780,597
Community services					
Personnel services	253,826	253,946	209,227	(44,719)	222,327
Supplies	17,350	17,350	12,271	(5,079)	11,675
Other services and charges	17,820	17,820	25,293	7,473	15,593
Total community services	288,996	289,116	246,791	(42,325)	249,595
Civil defense					
Supplies	600	600	404	(196)	142
Other services and charges	5,900	5,900	5,274	(626)	3,395
Total civil defense	6,500	6,500	5,678	(822)	3,537
Code enforcement					
Personnel services	453,423	453,915	436,186	(17,729)	415,096
Supplies	2,100	8,985	9,867	882	2,552
Other services and charges	94,564	126,764	123,607	(3,157)	92,874
Total code enforcement	550,087	589,664	569,660	(20,004)	510,522
Fire					
Personnel services	1,543,867	1,535,627	1,544,980	9,353	1,488,837
Supplies	88,200	99,635	109,984	10,349	85,995
Other services and charges	74,479	77,079	75,924	(1,155)	64,513
Total fire	1,706,546	1,712,341	1,730,888	18,547	1,639,345
Total public safety	8,415,485	8,464,697	8,367,758	(96,939)	8,183,596
Public works					
Administration					
Personnel services	106,256	106,358	101,502	(4,856)	101,296
Supplies	950	950	53	(897)	533
Other services and charges	9,217	9,217	3,668	(5,549)	3,936
Total administration	116,423	116,525	105,223	(11,302)	105,765

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

Continued

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Expenditures (Continued)					
Current (continued)					
Public works (continued)					
Maintenance					
Personnel services	$ 1,203,564	$ 1,194,291	$ 1,202,360	$ 8,069	$ 1,163,114
Supplies	483,750	535,887	553,837	17,950	467,956
Other services and charges	550,085	539,085	591,133	52,048	474,865
Total maintenance	2,237,399	2,269,263	2,347,330	78,067	2,105,935
Engineering					
Personnel services	586,280	586,510	550,501	(36,009)	524,972
Supplies	10,500	10,500	9,573	(927)	4,318
Other services and charges	30,830	30,830	27,956	(2,874)	27,306
Total engineering	627,610	627,840	588,030	(39,810)	556,596
Total public works	2,981,432	3,013,628	3,040,583	26,955	2,768,296
Culture and recreation					
Parks and recreation					
Personnel services	2,984,789	2,949,209	2,897,392	(51,817)	2,726,945
Supplies	501,450	519,931	474,774	(45,157)	469,211
Other services and charges	843,856	881,356	909,580	28,224	833,671
Total parks and recreation	4,330,095	4,350,496	4,281,746	(68,750)	4,029,827
Mass transportation and airport					
Airport					
Other services and charges	19,600	19,600	-	(19,600)	-
Total airport	19,600	19,600	-	(19,600)	-
Debt Service					
Principal	-	-	17,751	17,751	-
Interest and other charges	-	-	1,937	1,937	-
Total debt service	-	-	19,688	19,688	-
Capital outlay					
General government	-	-	22,599	22,599	-
Public safety					
Fire	-	26,285	26,280	(5)	-
Total capital outlay	-	26,285	48,879	22,594	-
Total expenditures	18,522,262	18,737,427	18,551,866	(185,561)	18,086,625
Excess of revenues over (under) expenditures	-	(33,138)	1,508,759	1,541,897	1,257,532
Other Financing Sources (Uses)					
Lease proceeds	-	-	22,599	22,599	-
Transfers out	-	-	(748,159)	(748,159)	(1,715,848)
Total other financing sources (uses)	-	-	(725,560)	(725,560)	(1,715,848)
Net change in fund balances	$ -	$ (33,138)	783,199	$ 816,337	(458,316)
Fund Balances					
Beginning of year			9,963,739		10,422,055
End of year			$ 10,746,938		$ 9,963,739

City Of
Faribault

City of Faribault
Nonmajor Governmental Funds

Nonmajor Special Revenue Funds
Special revenue funds are established to account for specific revenue or other sources that are designated for financing particular functions or activities as required by deferral regulations, *Minnesota Statute*, City charter provisions, local ordinances, or specific grant agreements. Most of the special revenue funds are related to specific federal and state housing programs or grants for specific activities.

Nonmajor Capital Projects Funds
Capital project funds are established to account for the resources used for the acquisition of capital facilities and infrastructure for the City with the exception of those financed by the enterprise funds.

Nonmajor Debt Service Funds
The Debt Service funds are established to account for the collection of ad valorem taxes, special assessments, and tax increment revenue transfers, as well as the payment of principal and interest of general long-term debt.

Internal Service Funds
The Internal Service Fund is to account for the financing of goods and services provided by one fund to the other departments of the City. These services are provided on a cost reimbursement basis or are partially or fully self-funded through interest earnings on dedicated reserves.

City of Faribault
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2022

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Assets				
Cash and investments	$ 4,378,032	$ 2,389,877	$ 1,751,854	$ 8,519,763
Taxes receivable - current	4,119	33	8,496	12,648
Taxes receivable - delinquent	4,669	923	11,738	17,330
Accounts receivable	5,208	80,500	13,800	99,508
Interest receivable	5,020	8,485	6,282	19,787
Due from other governments	315,990	-	-	315,990
Due from component unit	-	-	-	-
Notes receivable	78,033	-	-	78,033
Leases receivable	373,661	-	-	373,661
Special assessment receivable				
Current	-	-	5,296	5,296
Delinquent	-	-	4,316	4,316
Deferred	-	-	307,010	307,010
Prepaid items	8,625	-	-	8,625
Total assets	$ 5,173,357	$ 2,479,818	$ 2,108,792	$ 9,761,967
Liabilities				
Accounts payable	$ 25,158	$ 55,646	$ 1,700	$ 82,504
Deposits payable	902	-	-	902
Contracts payable	146,425	62,833	-	209,258
Unearned revenue	10,776	-	-	10,776
Total liabilities	183,261	118,479	1,700	303,440
Deferred Inflows of Resources				
Unavailable revenue - property taxes	4,669	923	11,738	17,330
Unavailable revenue - special assessments	-	-	311,326	311,326
Deferred inflows of resources related to leases receivable	373,661	-	-	373,661
Total deferred inflows of resources	378,330	923	323,064	702,317
Fund Balances				
Nonspendable	8,625	-	-	8,625
Restricted	696,104	210,813	1,784,028	2,690,945
Committed	3,313,554	837,951	-	4,151,505
Assigned	593,483	1,311,652	-	1,905,135
Total fund balances	4,611,766	2,360,416	1,784,028	8,756,210
Total liabilities, deferred inflows of resources, and fund balances	$ 5,173,357	$ 2,479,818	$ 2,108,792	$ 9,761,967

City of Faribault
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2022

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Revenues				
Taxes	$ 675,186	$ 168	$ 1,237,093	$ 1,912,447
Special assessments	-	-	70,441	70,441
Intergovernmental	594,865	-	166,205	761,070
Charges for services	466,574	336,953	51,500	855,027
Fines and forfeitures	60	-	-	60
Miscellaneous				
Investment income	(79,409)	(127,179)	(148,967)	(355,555)
Contributions and donations	240,927	65,360	-	306,287
Other	3,070	30,000	-	33,070
Total revenues	1,901,273	305,302	1,376,272	3,582,847
Expenditures				
Current				
General government	67,667	-	-	67,667
Public safety	4,720	456,610	-	461,330
Culture and recreation	-	256,518	-	256,518
Community development	1,702,632	-	-	1,702,632
Mass transportation and airport	123,530	-	-	123,530
Debt service				
Principal	61,500	-	2,015,000	2,076,500
Interest and other charges	-	-	413,340	413,340
Capital outlay				
General government	-	-	-	-
Public safety	-	97,695	-	97,695
Public works	-	99,646	-	99,646
Culture and recreation	-	690,545	-	690,545
Mass transportation and airport	315,841	-	-	315,841
Total expenditures	2,275,890	1,601,014	2,428,340	6,305,244
Excess of revenues under expenditures	(374,617)	(1,295,712)	(1,052,068)	(2,722,397)
Other Financing Sources (Uses)				
Proceeds from sale of capital asset	1,600	49,700	-	51,300
Refunding bond payment	-	-	(5,215,000)	(5,215,000)
Transfers in	-	234,031	1,076,897	1,310,928
Transfers out	-	(750,000)	(1,278,959)	(2,028,959)
Total other financing sources (uses)	1,600	(466,269)	(5,417,062)	(5,881,731)
Net change in fund balances	(373,017)	(1,761,981)	(6,469,130)	(8,604,128)
Fund Balances				
Beginning of year	4,984,783	4,122,397	8,253,158	17,360,338
End of year	$ 4,611,766	$ 2,360,416	$ 1,784,028	$ 8,756,210

City of Faribault
Nonmajor Special Revenue Funds
Combining Balance Sheet
December 31, 2022

	Special Revenue			
	Charitable Gambling (210)	General Government Buildings (211)	Public Safety Programs (215)	Library Donation (217)
Assets				
Cash and investments	$ 49,964	$ 86,122	$ 39,876	$ 2,952,199
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Accounts receivable	3,783	-	-	-
Interest receivable	178	302	140	-
Due from other governments	-	-	-	-
Notes receivable	-	-	-	-
Leases receivable	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 53,925	$ 86,424	$ 40,016	$ 2,952,199
Liabilities				
Accounts payable	$ -	$ 219	$ -	$ -
Deposits payable	-	902	-	-
Contracts payable	-	-	-	-
Unearned revenue	-	191	-	-
Total liabilities	-	1,312	-	-
Deferred Inflows of Resources				
Unavailable revenue - property taxes	-	-	-	-
Deferred inflows of resources related to leases receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted				
Charitable gambling	53,925	-	-	-
Forfeited and seized assets	-	-	40,016	-
Rehabilitation projects	-	-	-	-
Revolving loans	-	-	-	-
Committed				
General government buildings	-	85,112	-	-
Library donation	-	-	-	2,940,927
Airport	-	-	-	-
Community development	-	-	-	-
Assigned				
Capital improvements	-	-	-	-
Loan repayment	-	-	-	-
Library donation	-	-	-	11,272
Compensated absences	-	-	-	-
Total fund balances	53,925	85,112	40,016	2,952,199
Total liabilities, deferred inflows of resources, and fund balances	$ 53,925	$ 86,424	$ 40,016	$ 2,952,199

	Special Revenue				
Municipal Airport (225)	Community Development Fund (240)	Rental Housing Rehabilitation (244)	SCDP Revolving Loan Fund (247)	Total Nonmajor Special Revenue Funds
$ 453,481	$ 274,088	$ 178,745	$ 343,557	$ 4,378,032
63	4,056	-	-	4,119
197	4,472	-	-	4,669
1,425	-	-	-	5,208
1,613	959	629	1,199	5,020
315,990	-	-	-	315,990
-	-	-	78,033	78,033
373,661	-	-	-	373,661
8,625	-	-	-	8,625
$ 1,155,055	$ 283,575	$ 179,374	$ 422,789	$ 5,173,357
$ 23,735	$ 1,204	$ -	$ -	$ 25,158
-	-	-	-	902
146,425	-	-	-	146,425
10,585	-	-	-	10,776
180,745	1,204	-	-	183,261
197	4,472	-	-	4,669
373,661	-	-	-	373,661
373,858	4,472	-	-	378,330
8,625	-	-	-	8,625
-	-	-	-	53,925
-	-	-	-	40,016
-	-	179,374	-	179,374
-	-	-	422,789	422,789
-	-	-	-	85,112
-	-	-	-	2,940,927
91,918	-	-	-	91,918
-	195,597	-	-	195,597
489,659	-	-	-	489,659
10,250	-	-	-	10,250
-	-	-	-	11,272
-	82,302	-	-	82,302
600,452	277,899	179,374	422,789	4,611,766
$ 1,155,055	$ 283,575	$ 179,374	$ 422,789	$ 5,173,357

City of Faribault
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2022

	Special Revenue			
	Charitable Gambling (210)	General Government Buildings (211)	Public Safety Programs (215)	Library Donation (217)
Revenues				
Taxes	$ 42,791	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services				
Program fees	-	-	-	-
Rents	-	12,900	-	-
Fines and forfeitures	-	-	60	-
Miscellaneous				
Investment income	(3,348)	(4,721)	(2,568)	11,272
Contributions and donations	-	-	-	240,927
Other	-	-	-	-
Total revenues	39,443	8,179	(2,508)	252,199
Expenditures				
Current				
General government	61,714	5,953	-	-
Public safety	-	-	4,720	-
Community development	-	-	-	-
Mass transportation and airport	-	-	-	-
Debt service				
Principal	-	-	-	-
Capital outlay				
Mass transportation and airport	-	-	-	-
Total expenditures	61,714	5,953	4,720	-
Excess of revenues over (under) expenditures	(22,271)	2,226	(7,228)	252,199
Other Financing Sources (Uses)				
Proceeds from sale of capital asset	-	-	-	-
Net change in fund balances	(22,271)	2,226	(7,228)	252,199
Fund Balances				
Beginning of year	76,196	82,886	47,244	2,700,000
End of year	$ 53,925	$ 85,112	$ 40,016	$ 2,952,199

Special Revenue				
Municipal Airport (225)	Community Development Fund (240)	Rental Housing Rehabilitation (244)	SCDP Revolving Loan Fund (247)	Total Nonmajor Special Revenue Funds
$ 9,937	$ 622,458	$ -	$ -	$ 675,186
336,585	258,280	-	-	594,865
-	296,377	-	19,999	316,376
137,298	-	-	-	150,198
-	-	-	-	60
(33,789)	(17,534)	(10,468)	(18,253)	(79,409)
-	-	-	-	240,927
-	1,127	-	1,943	3,070
450,031	1,160,708	(10,468)	3,689	1,901,273
-	-	-	-	67,667
-	-	-	-	4,720
-	1,702,632	-	-	1,702,632
123,530	-	-	-	123,530
61,500	-	-	-	61,500
315,841	-	-	-	315,841
500,871	1,702,632	-	-	2,275,890
(50,840)	(541,924)	(10,468)	3,689	(374,617)
-	1,600	-	-	1,600
(50,840)	(540,324)	(10,468)	3,689	(373,017)
651,292	818,223	189,842	419,100	4,984,783
$ 600,452	$ 277,899	$ 179,374	$ 422,789	$ 4,611,766

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Charitable Gambling Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ 32,000	$ 32,000	$ 42,791	$ 10,791	$ 51,437
Miscellaneous					
Investment income	850	850	(3,348)	(4,198)	(315)
Total revenues	32,850	32,850	39,443	6,593	51,122
Expenditures					
Current					
General government					
Other services and charges	29,250	29,250	61,714	32,464	32,815
Net change in fund balances	$ 3,600	$ 3,600	(22,271)	$ (25,871)	18,307
Fund Balances					
Beginning of year			76,196		57,889
End of year			$ 53,925		$ 76,196

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
General Government Buildings Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Charges for services					
Rent	$ 12,900	$ 12,900	$ 12,900	$ -	$ 13,259
Miscellaneous					
Investment income	1,200	1,200	(4,721)	(5,921)	(507)
Other	-	-	-	-	30
Total revenues	14,100	14,100	8,179	(5,921)	12,782
Expenditures					
Current					
General government					
Supplies	500	500	-	(500)	-
Other services and charges	7,867	7,867	5,953	(1,914)	7,483
Total expenditures	8,367	8,367	5,953	(2,414)	7,483
Net change in fund balances	$ 5,733	$ 5,733	2,226	$ (3,507)	5,299
Fund Balances					
Beginning of year			82,886		77,587
End of year			$ 85,112		$ 82,886

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Public Safety Programs Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Fines and forfeitures	$ 2,700	$ 2,700	$ 60	$ (2,640)	$ 24,682
Miscellaneous					
Investment income	1,200	1,200	(2,568)	(3,768)	(279)
Total revenues	3,900	3,900	(2,508)	(6,408)	24,403
Expenditures					
Current					
Public safety					
Supplies	-	-	4,357	4,357	-
Other services and charges	1,000	1,000	363	(637)	627
Capital outlay					
Public safety	-	-	-	-	54,534
Total expenditures	1,000	1,000	4,720	3,720	55,161
Net change in fund balances	$ 2,900	$ 2,900	(7,228)	$ (10,128)	(30,758)
Fund Balances					
Beginning of year			47,244		78,002
End of year			$ 40,016		$ 47,244

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Municipal Airport Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ 10,000	$ 10,000	$ 9,937	$ (63)	$ 19,856
Charges for services					
Rents	129,932	129,932	137,298	7,366	119,048
Intergovernmental					
Federal	693,000	693,000	275,418	(417,582)	-
State of Minnesota	151,590	151,590	61,167	(90,423)	45,081
Miscellaneous					
Investment income	7,500	7,500	(33,789)	(41,289)	(231)
Other	-	-	-	-	3,426
Total revenues	992,022	992,022	450,031	(541,991)	187,180
Expenditures					
Current					
Mass transportation and airport					
Supplies	7,750	7,750	5,621	(2,129)	7,528
Other services and charges	124,424	124,424	117,909	(6,515)	117,321
Debt service					
Principal	61,500	61,500	61,500	-	61,500
Capital outlay					
Mass transportation and airport	975,000	975,000	315,841	(659,159)	42,356
Total expenditures	1,168,674	1,168,674	500,871	(667,803)	228,705
Net change in fund balances	$ (176,652)	$ (176,652)	(50,840)	$ 125,812	(41,525)
Fund Balances					
Beginning of year			651,292		692,817
End of year			$ 600,452		$ 651,292

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Community Development Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ 624,726	$ 624,726	$ 622,458	$ (2,268)	$ 264,335
Charges for services					
Program Fees	310,143	310,143	296,377	(13,766)	290,263
Intergovernmental	-	258,281	258,280	(1)	-
Miscellaneous					
Investment income	10,000	10,000	(17,534)	(27,534)	(5,978)
Other	-	-	1,127	1,127	100
Total revenues	944,869	1,203,150	1,160,708	(42,442)	548,720
Expenditures					
Current					
Community development					
Personnel services	555,316	555,316	507,940	(47,376)	521,696
Supplies	4,950	25,475	25,558	83	7,180
Other services and charges	462,732	1,179,440	1,169,134	(10,306)	226,966
Total expenditures	1,022,998	1,760,231	1,702,632	(57,599)	755,842
Excess of revenues over (under) expenditures	(78,129)	(557,081)	(541,924)	15,157	(207,122)
Other Financing Sources					
Proceeds from sale of capital asset	-	-	1,600	1,600	-
Net change in fund balances	$ (78,129)	$ (557,081)	(540,324)	$ 16,757	(207,122)
Fund Balances					
Beginning of year			818,223		1,025,345
End of year			$ 277,899		$ 818,223

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Rental Housing Rehabilitation Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Miscellaneous					
Investment income	$ 3,000	$ 3,000	$ (10,468)	$ (13,468)	$ (1,173)
Expenditures					
Current					
Culture and recreation					
Other services and charges	100,000	100,000	-	(100,000)	-
Net change in fund balances	$ (97,000)	$ (97,000)	(10,468)	$ 86,532	(1,173)
Fund Balances					
Beginning of year			189,842		191,015
End of year			$ 179,374		$ 189,842

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
SCDP Revolving Loan Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Charges for services					
Charges for services	$ -	$ -	$ 19,999	$ 19,999	$ -
Miscellaneous					
Investment income	5,100	5,100	(18,253)	(23,353)	(1,890)
Other	764	764	1,943	1,179	2,555
Total revenues	5,864	5,864	3,689	(2,175)	665
Expenditures					
Current					
Community development					
Other services and charges	84,000	84,000	-	(84,000)	-
Net change in fund balances	$ (78,136)	$ (78,136)	3,689	$ 81,825	665
Fund Balances					
Beginning of year			419,100		418,435
End of year			$ 422,789		$ 419,100

City of Faribault
Nonmajor Capital Projects Funds
Combining Balance Sheet -
December 31, 2022

	Capital Projects		
	Park Improvements (404)	Capital Replacement General (431)	Nonmajor Capital Projects Funds
Assets			
Cash and investments	$ 482,984	$ 1,906,893	$ 2,389,877
Taxes receivable - current	14	19	33
Taxes receivable - delinquent	206	717	923
Accounts receivable	62,100	18,400	80,500
Interest receivable	2,021	6,464	8,485
Due from other governments	-	-	-
Due from component unit	-	-	-
Total assets	$ 547,325	$ 1,932,493	$ 2,479,818
Liabilities			
Accounts payable	$ 49,205	$ 6,441	$ 55,646
Contracts payable	62,833	-	62,833
Total liabilities	112,038	6,441	118,479
Deferred Inflows of Resources			
Unavailable revenue - property taxes	206	717	923
Fund Balances			
Restricted			
Park capital improvements	210,813	-	210,813
Committed			
Encumbrances	224,268	613,683	837,951
Assigned			
Future capital improvements	-	1,311,652	1,311,652
Total fund balances	435,081	1,925,335	2,360,416
Total liabilities, deferred inflows of resources, and fund balances	$ 547,325	$ 1,932,493	$ 2,479,818

City of Faribault
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2022

	Capital Projects		
	Park Improvements (404)	Capital Replacement General (431)	Total Nonmajor Capital Projects Funds
Revenues			
Taxes	$ 71	$ 97	$ 168
Intergovernmental	-	-	-
Charges for services	261,953	75,000	336,953
Miscellaneous			
Investment income	(29,295)	(97,884)	(127,179)
Contributions and donations	-	65,360	65,360
Other	30,000	-	30,000
Total revenues	262,729	42,573	305,302
Expenditures			
Current			
General government	-	-	-
Public safety	-	456,610	456,610
Culture and recreation	205,772	50,746	256,518
Capital outlay			
General government	-	-	-
Public safety	-	97,695	97,695
Public works	-	99,646	99,646
Culture and recreation	586,226	104,319	690,545
Total expenditures	791,998	809,016	1,601,014
Excess of revenues under expenditures	(529,269)	(766,443)	(1,295,712)
Other Financing Sources (Uses)			
Proceeds from sale of capital asset	-	49,700	49,700
Transfers in	-	234,031	234,031
Transfers out	-	(750,000)	(750,000)
Total other financing sources (uses)	-	(466,269)	(466,269)
Net change in fund balances	(529,269)	(1,232,712)	(1,761,981)
Fund balances			
Beginning of year	964,350	3,158,047	4,122,397
End of year	$ 435,081	$ 1,925,335	$ 2,360,416

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Street Improvement Projects Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ -	$ -	$ 715	$ 715	$ 7,388
Special assessments	-	-	341,430	341,430	524,244
Intergovernmental	1,077,220	1,077,220	1,055,328	(21,892)	2,174,600
Charges for services	1,900,000	1,900,000	1,470,134	(429,866)	400,000
Investment income	24,000	24,000	(153,444)	(177,444)	5,139
Other	275,000	275,000	309,014	34,014	329,197
Total revenues	3,276,220	3,276,220	3,023,177	(253,043)	3,440,568
Expenditures					
Current					
Pubilc works	250,000	250,000	145,458	(104,542)	199,675
Capital outlay					
Pubilc works	4,428,000	4,809,783	4,003,193	(806,590)	4,229,442
Total expenditures	4,678,000	5,059,783	4,148,651	(911,132)	4,429,117
Excess of revenues over (under) expenditures	(1,401,780)	(1,783,563)	(1,125,474)	658,089	(988,549)
Other Financing Sources (Uses)					
Bond proceeds	-	-	-	-	1,489,818
Bond premium	-	-	-	-	66,572
Transfers in	250,000	250,000	250,000	-	262,141
Transfers out	-	-	-	-	(5,622)
Total other financing sources (uses)	250,000	250,000	250,000	-	1,812,909
Net change in fund balances	$ (1,151,780)	$ (1,533,563)	(875,474)	$ 658,089	824,360
Fund Balances					
Beginning of year			3,282,985		2,458,625
End of year			$ 2,407,511		$ 3,282,985

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Park Improvements Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ -	$ -	$ 71	$ 71	$ 1,426
Charges for services	301,500	301,500	261,953	(39,547)	290,407
Miscellaneous					
Investment income	11,100	11,100	(29,295)	(40,395)	(2,442)
Other	25,000	25,000	30,000	5,000	-
Total revenues	337,600	337,600	262,729	(74,871)	289,391
Expenditures					
Current					
Culture and recreation	-	-	205,772	205,772	55,909
Capital outlay					
Culture and recreation	270,000	903,678	586,226	(317,452)	880,062
Total expenditures	270,000	903,678	791,998	(111,680)	935,971
Excess of revenues over (under) expenditures	67,600	(566,078)	(529,269)	36,809	(646,580)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	538,446
Net change in fund balances	$ 67,600	$ (566,078)	(529,269)	$ 36,809	(108,134)
Fund Balances					
Beginning of year			964,350		1,072,484
End of year			$ 435,081		$ 964,350

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Capital Replacement Grant Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ -	$ -	$ 97	$ 97	$ 1,944
Charges for services	75,000	75,000	75,000	-	75,000
Miscellaneous					
Investment income	36,000	36,000	(97,884)	(133,884)	(13,318)
Contributions	-	65,360	65,360	-	-
Other	92,000	92,000	-	(92,000)	2,500
Total revenues	203,000	268,360	42,573	(225,787)	66,126
Expenditures					
Current					
Public safety	-	-	456,610	456,610	-
Culture and recreation	-	-	50,746	50,746	1,290
Capital outlay					
General government	-	-	-	-	-
Public safety	584,362	584,362	97,695	(486,667)	122,437
Public works	662,000	755,156	99,646	(655,510)	273,156
Culture and recreation	166,000	231,360	104,319	(127,041)	15,213
Total expenditures	1,412,362	1,570,878	809,016	(761,862)	412,096
Excess of revenues over (under) expenditures	(1,209,362)	(1,302,518)	(766,443)	536,075	(345,970)
Other Financing Sources (Uses)					
Proceeds from sale of capital asset	-	-	49,700	49,700	15,300
Transfers in	-	-	234,031	234,031	1,213,707
Transfers out	-	-	(750,000)	(750,000)	(10,000)
Total other financing sources (uses)	-	-	(466,269)	(466,269)	1,219,007
Net change in fund balances	$ (1,209,362)	$ (1,302,518)	(1,232,712)	$ 69,806	873,037
Fund Balances					
Beginning of year			3,158,047		2,285,010
End of year			$ 1,925,335		$ 3,158,047

City Of
Faribault

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Public Facility Projects Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ -	$ -	$ 69	$ 69	$ 1,387
Intergovernmental	-	-	210,669	210,669	-
Charges for services	162,000	162,000	162,000	-	162,000
Miscellaneous					
Investment income	38,000	38,000	(32,271)	(70,271)	(10,255)
Contributions and donations	-	-	-	-	24,566
Other	-	-	55,771	55,771	-
Total revenues	200,000	200,000	396,238	196,238	177,698
Expenditures					
Current					
General government	-	-	226,898	226,898	25,005
Public works	-	-	-	-	18,350
Culture and recreation	-	-	110,026	110,026	57,336
Capital outlay					
General government	58,000	58,000	1,236,327	1,178,327	215,342
Public safety	26,000	26,000	-	(26,000)	-
Culture and recreation	1,465,000	1,887,773	2,116,528	228,755	72,847
Total expenditures	1,549,000	1,971,773	3,689,779	1,718,006	388,880
Excess of revenues over (under) expenditures	(1,349,000)	(1,771,773)	(3,293,541)	(1,521,768)	(211,182)
Other Financing Sources (Uses)					
Proceeds from sale of capital asset	-	-	225,677	225,677	-
Transfers in	25,000	25,000	1,516,190	1,491,190	25,000
Transfers out	-	-	-	-	(32,824)
Total other financing sources (uses)	25,000	25,000	1,741,867	1,716,867	(7,824)
Net change in fund balances	$ (1,324,000)	$ (1,746,773)	(1,551,674)	$ 195,099	(219,006)
Fund Balances					
Beginning of year			2,408,762		2,627,768
End of year			$ 857,088		$ 2,408,762

City Of
Faribault

City of Faribault
Nonmajor Debt Service Funds
Combining Balance Sheet
December 31, 2022

	2015A G.O. S/A Imp Bond (346)	2015A G.O. Crossover Refunding Bond (347)	2021A G.O. Improvement Bond (348)	2021B G.O. Refunding Bond (349)	Total
Assets					
Cash and investments	$ 227,145	$ 582,177	$ 421	$ 942,111	$ 1,751,854
Taxes receivable - current	523	1,274	-	6,699	8,496
Taxes receivable - delinquent	711	1,745	-	9,282	11,738
Accounts receivable	-	-	-	13,800	13,800
Interest receivable	808	2,054	6	3,414	6,282
Special assessment receivable					
Current	3,395	16	-	1,885	5,296
Delinquent	2,970	170	-	1,176	4,316
Deferred	110,855	-	-	196,155	307,010
Total assets	$ 346,407	$ 587,436	$ 427	$ 1,174,522	$ 2,108,792
Liabilities					
Accounts payable	$ 425	$ 425	$ 425	$ 425	$ 1,700
Deferred Inflows of Resources					
Unavailable revenue - property taxes	711	1,745	-	9,282	11,738
Unavailable revenue - special assessments	113,825	170	-	197,331	311,326
Total deferred inflows of resources	114,536	1,915	-	206,613	323,064
Fund Balances					
Restricted	231,446	585,096	2	967,484	1,784,028
Total liabilities, deferred inflows of resources, and fund balances	$ 346,407	$ 587,436	$ 427	$ 1,174,522	$ 2,108,792

City of Faribault
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2022

	2012A G.O. Crossover Refunding Bond (344)	2014A G.O. Improvement Bond (345)	2015A G.O. S/A Imp Bond (346)
Revenues			
Taxes	$ -	$ -	$ 76,576
Special assessments	-	-	23,017
Intergovernmental	-	-	-
Charges for services	-	-	-
Miscellaneous			
Investment income	-	-	(15,112)
Total revenues	-	-	84,481
Expenditures			
Debt service			
Principal	810,000	-	90,000
Interest and other charges	60,927	-	23,791
Total expenditures	870,927	-	113,791
Excess of revenues under expenditures	(870,927)	-	(29,310)
Other Financing Sources			
Refunding bond payment	-	-	-
Transfers in	-	-	-
Transfers out	(759,202)	(292,695)	-
Total other financing sources (uses)	(759,202)	(292,695)	-
Net change in fund balances	(1,630,129)	(292,695)	(29,310)
Fund Balances			
Beginning of year	1,630,129	292,695	260,756
End of year	$ -	$ -	$ 231,446

2015A G.O. Crossover Refunding Bond (347)	2021A G.O. Improvement Bond (348)	2021B G.O. Refunding Bond (349)	Equipment Certificates (360)	Total
$ 187,542	$ -	$ 972,975	$ -	$ 1,237,093
92	-	47,332	-	70,441
-	166,205	-	-	166,205
-	-	51,500	-	51,500
(35,079)	6	(83,732)	(15,050)	(148,967)
152,555	166,211	988,075	(15,050)	1,376,272
155,000	140,000	820,000	-	2,015,000
24,137	26,209	278,276	-	413,340
179,137	166,209	1,098,276	-	2,428,340
(26,582)	2	(110,201)	(15,050)	(1,052,068)
-	-	(5,215,000)	-	(5,215,000)
-	-	1,076,897	-	1,076,897
-	-	-	(227,062)	(1,278,959)
-	-	(4,138,103)	(227,062)	(5,417,062)
(26,582)	2	(4,248,304)	(242,112)	(6,469,130)
611,678	-	5,215,788	242,112	8,253,158
$ 585,096	$ 2	$ 967,484	$ -	$ 1,784,028

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2012A G.O. Crossover Refunding Bond Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Taxes	$ 845,438	$ 845,438	$ -	$ (845,438)	$ 981,130
Special assessments	-	-	-	-	3,012
Charges for services	51,500	51,500	-	(51,500)	51,500
Miscellaneous					
Investment income	-	-	-	-	(2,622)
Total revenues	896,938	896,938	-	(896,938)	1,033,020
Expenditures					
Debt service					
Principal	810,000	810,000	810,000	-	790,000
Interest and other charges	61,428	61,428	60,927	(501)	130,936
Total expenditures	871,428	871,428	870,927	(501)	920,936
Excess of revenues over (under) expenditures	25,510	25,510	(870,927)	(896,437)	112,084
Other Financing Sources (Uses)					
Transfers in	25,000	25,000	-	(25,000)	25,000
Transfers out	-	-	(759,202)	(759,202)	-
Total other financing sources (uses)	25,000	25,000	(759,202)	(784,202)	25,000
Net change in fund balances	$ 50,510	$ 50,510	(1,630,129)	$ (1,680,639)	137,084
Fund Balances					
Beginning of year			1,630,129		1,493,045
End of year			$ -		$ 1,630,129

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2014A G.O. Improvement Bond Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Taxes	$ 94,109	$ 94,109	$ -	$ (94,109)	$ 97,220
Special assessments	-	-	-	-	39,960
Miscellaneous					
Investment income	-	-	-	-	(2,394)
Total revenues	94,109	94,109	-	(94,109)	134,786
Expenditures					
Debt service					
Principal	-	-	-	-	135,000
Interest and other charges	-	-	-	-	32,827
Total expenditures	-	-	-	-	167,827
Excess of revenues over (under) expenditures	94,109	94,109	-	(94,109)	(33,041)
Other Financing Sources (Uses)					
Transfers out	-	-	(292,695)	(292,695)	-
Net change in fund balances	$ 94,109	$ 94,109	(292,695)	$ (386,804)	(33,041)
Fund Balances					
Beginning of year			292,695		325,736
End of year			$ -		$ 292,695

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2015A G.O. S/A Imp Bond Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Taxes	$ 76,563	$ 76,563	$ 76,576	$ 13	$ 74,428
Special assessments	22,000	22,000	23,017	1,017	33,912
Miscellaneous					
Investment income	4,000	4,000	(15,112)	(19,112)	(1,796)
Total revenues	102,563	102,563	84,481	(18,082)	106,544
Expenditures					
Debt service					
Principal	90,000	90,000	90,000	-	85,000
Interest and other charges	25,700	25,700	23,791	(1,909)	26,776
Total expenditures	115,700	115,700	113,791	(1,909)	111,776
Net change in fund balances	$ (13,137)	$ (13,137)	(29,310)	$ (16,173)	(5,232)
Fund Balances					
Beginning of year			260,756		265,988
End of year			$ 231,446		$ 260,756

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2015A G.O. Crossover Refunding Bond Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Taxes	$ 187,648	$ 187,648	$ 187,542	$ (106)	$ 187,444
Special assessments	20,000	20,000	92	(19,908)	1,929
Miscellaneous					
Investment income	10,300	10,300	(35,079)	(45,379)	(4,117)
Total revenues	217,948	217,948	152,555	(65,393)	185,256
Expenditures					
Debt service					
Principal	155,000	155,000	155,000	-	150,000
Interest and other charges	24,213	24,213	24,137	(76)	28,593
Total expenditures	179,213	179,213	179,137	(76)	178,593
Net change in fund balances	$ 38,735	$ 38,735	(26,582)	$ (65,317)	6,663
Fund Balances					
Beginning of year			611,678		605,015
End of year			$ 585,096		$ 611,678

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2021A G.O. Improvement Bond
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Intergovernmental	$ 165,780	$ 165,780	$ 166,205	$ 425	$ -
Miscellaneous					
Investment income	-	-	6	6	-
Total revenues	165,780	165,780	166,211	431	-
Expenditures					
Debt service					
Principal	140,000	140,000	140,000	-	-
Interest and other charges	25,780	25,780	26,209	429	15,182
Total expenditures	165,780	165,780	166,209	429	15,182
Net change in fund balances	$ -	$ -	2	$ 2	-
Fund Balances					
Beginning of year			-		-
End of year			$ 2		$ -

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2021B G.O. Refunding Bond
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ -	$ -	$ 972,975	$ 972,975	$ -
Special assessments	38,800	38,800	47,332	8,532	-
Charges for services	-	-	51,500	51,500	-
Miscellaneous					
Investment income	-	-	(83,732)	(83,732)	-
Total revenues	38,800	38,800	988,075	949,275	-
Expenditures					
Debt service					
Principal	820,000	820,000	820,000	-	1,130,000
Interest and other charges	277,349	277,349	278,276	927	79,842
Total expenditures	1,097,349	1,097,349	1,098,276	927	1,209,842
Excess of revenues over (under) expenditures	(1,058,549)	(1,058,549)	(110,201)	948,348	(1,209,842)
Other Financing Sources (Uses)					
Bond proceeds	-	-	-	-	5,610,000
Payment to Refunding Escrow Agent	-	-	(5,215,000)	(5,215,000)	815,630
Transfers in	-	-	1,076,897	1,076,897	-
Total other financing sources (uses)	-	-	(4,138,103)	(4,138,103)	6,425,630
Net change in fund balances	$ (1,058,549)	$ (1,058,549)	(4,248,304)	$ (3,189,755)	5,215,788
Fund Balances					
Beginning of year			5,215,788		-
End of year			$ 967,484		$ 5,215,788

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Equipment Certificates
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Taxes	$ 32,839	$ 32,839	$ -	$ (32,839)	$ 39,099
Miscellaneous					
Investment income	-	-	(15,050)	(15,050)	(2,419)
Total revenues	32,839	32,839	(15,050)	(47,889)	36,680
Expenditures					
Debt service					
Principal	-	-	-	-	240,000
Interest and other charges	-	-	-	-	5,703
Total expenditures	-	-	-	-	245,703
Excess of revenues over (under) expenditures	$ 32,839	$ 32,839	(15,050)	$ (47,889)	(209,023)
Other Financing Sources (Uses)					
Transfers out	-	-	(227,062)	(227,062)	-
Net change in fund balances	$ 32,839	$ 32,839	(242,112)	$ (274,951)	(209,023)
Fund Balances					
Beginning of year			242,112		451,135
End of year			$ -		$ 242,112

City of Faribault
Internal Service Funds
Combining Statement of Net Position
December 31, 2022

	Workers Compensation (704)	Property/ Liability Insurance (705)	Total
Assets			
Cash and investments	$ 273,264	$ 164,392	$ 437,656
Interest receivable	945	576	1,521
Total assets	$ 274,209	$ 164,968	$ 439,177
Liabilities			
Accounts payable	$ -	$ 7,922	$ 7,922
Estimated payable for outstanding claims	30,000	-	30,000
Total liabilities	30,000	7,922	37,922
Net Position			
Unrestricted	244,209	157,046	401,255
Total liabilities and net position	$ 274,209	$ 164,968	$ 439,177

City of Faribault
Internal Service Funds
Combining Statement of Revenues, Expenses, and
Changes in Net Position
Year Ended December 31, 2022

	Workers Compensation (704)	Property/ Liability Insurance (705)	Total
Operating Expenses			
Claims	$ -	$ 49,474	$ 49,474
Nonoperating Revenues			
Investment income	(13,950)	(7,472)	(21,422)
Miscellaneous revenue	35,429	37,570	72,999
Total nonoperating revenues	21,479	30,098	51,577
Change in net position	21,479	(19,376)	2,103
Net position, January 1	222,730	176,422	399,152
Net position, December 31	$ 244,209	$ 157,046	$ 401,255

City of Faribault
Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2022

	Workers Compensation (704)	Property/ Liability Insurance (705)	Total
Cash Flows - Operating Activities			
Payments to suppliers	$ 49,500	$ (41,552)	$ 7,948
Other operating receipts	(14,071)	72,069	57,998
Net cash flows - operating activities	35,429	30,517	65,946
Cash Flows - Investing Activities			
Interest received	(14,227)	(7,514)	(21,741)
Net change in cash and cash equivalents	21,202	23,003	44,205
Cash and Cash Equivalents, January 1	252,062	141,389	393,451
Cash and Cash Equivalents, December 31	$ 273,264	$ 164,392	$ 437,656
Reconciliation of Operating Loss to Net Cash Flows - Operating Activities			
Operating loss	$ -	$ (49,474)	$ (49,474)
Adjustments to reconcile operating loss to net cash flows - loss to net cash flows - operating activities			
Other revenues	(14,071)	37,570	23,499
Accounts receivable	-	34,499	34,499
Accounts payable	49,500	7,922	57,422
Total adjustments	35,429	79,991	115,420
Net cash flows - operating activities	$ 35,429	$ 30,517	$ 65,946

City of Faribault
Combining Statement of Fiduciary Net Position
December 31, 2022

	Custodial Funds		
	Robinwood Manor	Roberds Lake Sewer District	Total
Assets			
Current			
Cash and investments	$ 1,074,360	$ 9,833	$ 1,084,193
Restricted cash	14,436	-	14,436
Interest receivable	3,775	-	3,775
Accounts receivable	434	9,735	10,169
Total current assets	1,093,005	19,568	1,112,573
Capital assets			
Land	62,426	-	62,426
Buildings	1,888,852	-	1,888,852
Building equipment	226,297	-	226,297
Maintenance equipment	79,754	-	79,754
Less accumulated depreciation	(1,688,579)	-	(1,688,579)
Total capital assets	568,750	-	568,750
Total assets	$ 1,661,755	$ 19,568	$ 1,681,323
Liabilities			
Accounts payable	$ 23,307	$ 3,576	$ 26,883
Accrued property taxes	13,177	-	13,177
Unearned revenue	3,025	-	3,025
Deposits payable	14,238	-	14,238
Due to other governments	583	6,257	6,840
Total liabilities	$ 54,330	$ 9,833	$ 64,163
Net position	$ 1,607,425	$ 9,735	$ 1,617,160

City of Faribault
Combining Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2022

	Custodial Funds		
	Robinwood Manor	Roberds Lake Sewer District	Total
Additions			
Rental income	$ 490,304	$ -	$ 490,304
Investment Income	(55,669)	-	(55,669)
Sewer charges	-	121,876	121,876
Other	6,765	-	6,765
Total additions	441,400	121,876	563,276
Deductions			
Administrative	80,912	-	80,912
Utilities	59,513	-	59,513
Operating and maintenance	158,835	-	158,835
Taxes and insurance	24,835	-	24,835
Sewer expenses	-	120,258	120,258
Depreciation	38,847	-	38,847
Total deductions	362,942	120,258	483,200
Change in net position	78,458	1,618	80,076
Net Position			
Beginning of year	1,528,967	8,117	1,537,084
End of year	$ 1,607,425	$ 9,735	$ 1,617,160

City of Faribault
Housing and Redevelopment Authority Component Unit
Combining Balance Sheet
December 31, 2022

	Special Revenue			
	Housing Redevelopment Authority Administration (280)	Public Housing (241)	CRV Mobile Home Rehab (254)	Total
Assets				
Cash and investments	$ 959,569	$ 118,926	$ 53,842	$ 1,132,337
Cash and investments held in escrow	-	22,276	-	22,276
Taxes receivable - current	2,530	-	-	2,530
Taxes receivable - delinquent	3,311	-	-	3,311
Accounts receivable	-	8,816	-	8,816
Interest receivable	3,399	430	190	4,019
Notes receivable	36,910	-	18,364	55,274
Prepaid expenses	3,944	-	-	3,944
Total assets	$ 1,009,663	$ 150,448	$ 72,396	$ 1,232,507
Liabilities				
Accounts payable	$ 51,808	$ 12,389	$ -	$ 64,197
Deposits payable	-	21,797	-	21,797
Due to other governments	-	11,256	-	11,256
Unearned revenue	-	6,286	-	6,286
Total liabilities	51,808	51,728	-	103,536
Deferred Inflows of Resources				
Unavailable revenue - property taxes	3,311	-	-	3,311
Fund Balances				
Restricted				
Public housing	-	98,720	-	98,720
Revolving loans	36,910	-	-	36,910
Mobile home rehab	-	-	72,396	72,396
Unassigned	917,634	-	-	917,634
Total fund balances	954,544	98,720	72,396	1,125,660
Total liabilities, deferred inflows of resources, and fund balances	$ 1,009,663	$ 150,448	$ 72,396	$ 1,232,507

Total fund balances reported above	$ 1,125,660
Amounts reported for the Housing and Redevelopment Authority in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds	
Cost of capital assets	4,162,955
Less: accumulated depreciation	(2,130,441)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable revenue in the funds	
Delinquent taxes receivable	3,311
Total net position - Housing and Redevelopment Authority	$ 3,161,485

City of Faribault
Housing and Redevelopment Authority Component Unit
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2022

	Housing Redevelopment Authority Administration (280)	Special Revenue: Public Housing (241)	Special Revenue: CRV Mobile Home Rehab (254)	Total
Revenues				
Property taxes	$ 311,674	$ -	$ -	$ 311,674
Intergovernmental	31	1,620	-	1,651
Charges for services	128,574	232,643	-	361,217
Miscellaneous				
Investment income	(58,352)	(9,312)	(3,165)	(70,829)
Other	26,124	13,614	-	39,738
Total revenues	408,051	238,565	(3,165)	643,451
Expenditures				
Current				
Housing and redevelopment				
Supplies	-	23,731	-	23,731
Other services and charges	242,669	360,163	-	602,832
Loans and grants	301,961	-	-	301,961
Capital outlay				
Housing and redevelopment	43,368	-	-	43,368
Total expenditures	587,998	383,894	-	971,892
Excess of revenues over (under) expenditures	(179,947)	(145,329)	(3,165)	(328,441)
Other Financing Sources (Uses)				
Proceeds from sale of capital asset	24,900	-	-	24,900
Net change in fund balances	(155,047)	(145,329)	(3,165)	(303,541)
Fund Balances				
Beginning of year	1,109,591	244,049	75,561	1,429,201
End of year	$ 954,544	$ 98,720	$ 72,396	$ 1,125,660

Amounts reported for the Housing and Redevelopment Authority in the Statement of Activities are different because:	
Net change in fund balances - Housing and Redevelopment Authority	$ (303,541)
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital outlay	43,368
Depreciation expense	(80,749)
Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.	
Property taxes	193
Change in net position - Housing and Redevelopment Authority	$ (340,729)

City of Faribault
Housing and Redevelopment Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
HRA Administration Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Property taxes	$ 309,820	$ 309,820	$ 311,674	$ 1,854	$ 297,670
Charges for service					
Administrative fees	125,734	125,734	128,574	2,840	127,877
Intergovernmental					
State of Minnesota	-	-	31	31	39
Miscellaneous					
Investment income	12,500	12,500	(58,352)	(70,852)	(4,916)
Other	13,937	13,937	26,124	12,187	57,717
Total revenues	461,991	461,991	408,051	(53,940)	478,387
Expenditures					
Current					
Housing and redevelopment					
Other services and charges	269,061	269,061	242,669	(26,392)	244,500
Loans and grants	280,000	280,000	301,961	21,961	6,432
Supplies	-	-	-	-	-
Capital outlay					
Housing and redevelopment	-	-	43,368	43,368	-
Total expenditures	549,061	549,061	587,998	38,937	250,932
Excess of revenues over (under) expenditures	(87,070)	(87,070)	(179,947)	(92,877)	227,455
Other Financing Sources					
Proceeds from sale of capital asset	-	-	24,900	24,900	1
Net change in fund balances	$ (87,070)	$ (87,070)	(155,047)	$ (67,977)	227,456
Fund Balances					
Beginning of year			1,109,591		909,379
Prior Period Adjustment			-		(27,244)
Beginning Balance Restated			1,109,591		882,135
End of year			$ 954,544		$ 1,109,591

City of Faribault
Housing and Redevelopment Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Public Housing Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Charges for service					
Rents	$ 260,000	$ 260,000	$ 232,643	$ (27,357)	$ 267,355
Intergovernmental					
Federal	250,000	250,000	1,620	(248,380)	402,074
Miscellaneous					
Investment income	1,100	1,100	(9,312)	(10,412)	(500)
Other	6,000	6,000	13,614	7,614	6,423
Total revenues	517,100	517,100	238,565	(278,535)	675,352
Expenditures					
Current					
Housing and redevelopment					
Other services and charges	530,132	530,132	360,163	(169,969)	392,668
Supplies	23,000	23,000	23,731	731	40,036
Total expenditures	553,132	553,132	383,894	(169,238)	432,704
Net change in fund balances	$ (36,032)	$ (36,032)	(145,329)	$ (109,297)	242,648
Fund Balances					
Beginning of year			244,049		1,401
End of year			$ 98,720		$ 244,049

City Of
Faribault

City of Faribault
Housing and Redevelopment Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - CRV Mobile Home Rehab
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Miscellaneous					
Investment income	$ 750	$ 750	$ (3,165)	$ (3,915)	$ (291)
Fund Balances					
Beginning of year			75,561		75,852
End of year			$ 72,396		$ 75,561

City of Faribault
Economic Development Authority Component Unit
Combining Balance Sheet
December 31, 2022

		Special Revenue		
	Economic Development Authority Administration (290)	Industrial Development Loan Program (243)	MN Investment Fund - Federal (248)	MN Investment Fund (249)
Assets				
Cash and investments	$ 1,060,223	$ 241,623	$ 592,371	$ 13,284
Taxes receivable - current	2,481	-	-	-
Taxes receivable - delinquent	3,250	-	-	-
Interest receivable	3,841	848	2,084	47
Notes receivable	10,829	37,423	-	-
Land held for resale	-	-	-	-
Prepaid items	10,705	-	-	-
Total assets	$ 1,091,329	$ 279,894	$ 594,455	$ 13,331
Liabilities				
Accounts payable	$ 317	$ -	$ -	$ -
Due to primary government	-	-	-	-
Due to other governments	46	-	-	-
Interest payable	-	-	-	-
Total liabilities	363	-	-	-
Deferred Inflows of Resources				
Unavailable revenue - property taxes	3,250	-	-	-
Fund Balances				
Restricted				
Revolving loans	-	279,894	594,455	13,331
Assigned for revolving loans	-	-	-	-
Unassigned	1,087,716	-	-	-
Total fund balances	1,087,716	279,894	594,455	13,331
Total liabilities, deferred inflows of resources, and fund balances	$ 1,091,329	$ 279,894	$ 594,455	$ 13,331

Total fund balances reported above

Amounts reported for the Economic Development Authority in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds
Cost of capital assets

Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable revenue in the fund
Delinquent taxes receivable

Total net position - Economic Development Authority

Capital Projects		
EDA Revolving Fund (292)	TIF Capital Projects	Total
$ 374,785	$ 213,885	$ 2,496,171
-	9,533	12,014
-	-	3,250
1,315	534	8,669
9,540	-	57,792
-	193,379	193,379
-	-	10,705
$ 385,640	$ 417,331	$ 2,781,980
$ -	$ 36,115	$ 36,432
-	595,997	595,997
-	-	46
-	30,298	30,298
-	662,410	662,773
-	-	3,250
-	-	887,680
385,640	-	385,640
-	(245,079)	842,637
385,640	(245,079)	2,115,957
$ 385,640	$ 417,331	$ 2,781,980
		$ 2,115,957
		91,834
		3,250
		$ 2,211,041

City of Faribault
Economic Development Authority Component Unit
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2022

		Special Revenue		
	Economic Development Authority Administration (290)	Industrial Development Loan Program (243)	MN Investment Fund - Federal (248)	MN Investment Fund (249)
Revenues				
Taxes	$ 305,444	$ -	$ -	$ -
Tax increments	-	-	-	-
Intergovernmental	1,216,690	-	-	-
Charges for services	3,199	-	-	-
Miscellaneous				
Investment income	(62,151)	(13,844)	(34,690)	(779)
Other	80,409	2,582	-	-
Total revenues	1,543,591	(11,262)	(34,690)	(779)
Expenditures				
Current				
Economic development				
Supplies	78	-	-	-
Other services and charges	1,233,493	-	-	-
Debt service				
Interest and other charges	-	-	-	-
Total expenditures	1,233,571	-	-	-
Excess of revenues over (under) expenditures	310,020	(11,262)	(34,690)	(779)
Fund Balances				
Beginning of year	777,696	291,156	629,145	14,110
End of year	$ 1,087,716	$ 279,894	$ 594,455	$ 13,331

Net change in fund balances - Economic Development Authority

Amounts reported for the Economic Development Authority in the statement of activities are different because:

A gain or loss on the disposal of capital assets, including the difference between carrying value and any related sales proceeds, is included in net position. However, only the sales proceeds are included in the change in fund balance.

Certain revenues are recognized as soon as they are earned. Under the modifed accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period
Property taxes

Change in net position - Economic Development Authority

Capital Projects		
EDA Revolving Fund (292)	TIF Capital Projects	Total
$ -	$ -	$ 305,444
-	183,052	183,052
-	-	1,216,690
-	-	3,199
(21,496)	(9,272)	(142,232)
521	-	83,512
(20,975)	173,780	1,649,665
-	-	78
-	179,169	1,412,662
-	30,298	30,298
-	209,467	1,443,038
(20,975)	(35,687)	206,627
406,615	(209,392)	1,909,330
$ 385,640	$ (245,079)	$ 2,115,957
		$ 206,627
		(78,300)
		186
		$ 128,513

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
EDA Administration Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Property taxes	$ 303,623	$ 303,623	$ 305,444	$ 1,821	$ 291,724
Charges for service	2,500	2,500	3,199	699	6,396
Intergovernmental	-	466,660	1,216,690	750,030	289,930
Miscellaneous					
Investment income	5,200	5,200	(62,151)	(67,351)	(2,665)
Other	883	883	80,409	79,526	9,112
Total revenues	312,206	778,866	1,543,591	764,725	594,497
Expenditures					
Current					
Economic development					
Other services and charges	1,226,479	1,226,479	1,233,493	7,014	164,064
Supplies	250	250	78	(172)	12
Total expenditures	1,226,729	1,226,729	1,233,571	6,842	164,076
Net change in fund balances	$ (914,523)	$ (447,863)	310,020	$ 757,883	430,421
Fund Balances					
Beginning of year			777,696		347,275
End of year			$ 1,087,716		$ 777,696

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Industrial Development Loan Program Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Miscellaneous					
Investment income	$ 3,900	$ 3,900	$ (13,844)	$ (17,744)	$ (1,506)
Other	-	-	2,582	2,582	2,848
Total revenues	3,900	3,900	(11,262)	(15,162)	1,342
Expenditures					
Current					
Economic development					
Other services and charges	100,000	100,000	-	(100,000)	-
Net change in fund balances	$ (96,100)	$ (96,100)	(11,262)	$ 84,838	1,342
Fund Balances					
Beginning of year			291,156		289,814
End of year			$ 279,894		$ 291,156

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Minnesota Investment Fund - Federal
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Miscellaneous					
Investment income	$ 9,000	$ 9,000	$ (34,690)	$ (43,690)	$ (3,886)
Fund Balances					
Beginning of year			629,145		633,031
End of year			$ 594,455		$ 629,145

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Minnesota Investment Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Miscellaneous					
Investment income	$ 200	$ 200	(779)	$ (979)	(88)
Fund Balances					
Beginning of year			14,110		14,198
End of year			$ 13,331		$ 14,110

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
EDA Revolving Fund
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Miscellaneous					
Investment income	$ 6,100	$ 6,100	$ (21,496)	$ (27,596)	$ (2,341)
Other	3,507	3,507	521	(2,986)	696
Total revenues	9,607	9,607	(20,975)	(30,582)	(1,645)
Expenditures					
Current					
Economic development					
Loans and grants	100,000	100,000	-	(100,000)	-
Net change in fund balances	$ (90,393)	$ (90,393)	(20,975)	$ 69,418	(1,645)
Fund Balances					
Beginning of year			406,615		408,260
End of year			$ 385,640		$ 406,615

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Tax Increment Financing Funds
Year Ended December 31, 2022
With Comparative Actual Amounts for the Year Ended December 31, 2021

	2022				2021
	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
Revenues					
Tax increments	$ 346,487	$ 346,487	$ 183,052	$ (163,435)	$ 207,312
Miscellaneous					
Investment income	1,175	1,175	(9,272)	(10,447)	(21)
Total revenues	347,662	347,662	173,780	(173,882)	207,291
Expenditures					
Current					
Economic development	330,363	355,363	179,169	(176,194)	125,912
Capital outlay					
Economic development	100,000	75,000	-	(75,000)	63,133
Debt service					
Interest and other charges	-	-	30,298	30,298	-
Total expenditures	430,363	430,363	209,467	(220,896)	189,045
Net change in fund balances	$ (82,701)	$ (82,701)	(35,687)	$ 47,014	18,246
Fund Balances					
Beginning of year			(209,392)		(227,638)
End of year			$ (245,079)		$ (209,392)

City of Faribault
Tax Increment Financing Funds
Sub Combining Balance Sheet
December 31, 2022

	TIF District #6 Housing (263)	TIF District #8 River Ridge (266)	TIF District #9 Faribault Road (267)	TIF District #13 Hamilton (270)
Assets				
Cash and investments	$ 66,677	$ 65,615	$ 47,347	$ 24,073
Taxes receivable - current	-	-	9,533	-
Interest receivable	103	232	214	85
Land held for resale	-	-	-	193,379
Total assets	$ 66,780	$ 65,847	$ 57,094	$ 217,537
Liabilities				
Accounts payable	$ -	$ -	$ 35,702	$ 413
Due to primary government	-	-	-	516,929
Interest payable	-	-	-	28,027
Total liabilities	-	-	35,702	545,369
Fund Balances				
Restricted for economic development	66,780	65,847	21,392	-
Unassigned	-	-	-	(327,832)
Total fund balances	66,780	65,847	21,392	(327,832)
Total liabilities and fund balances	$ 66,780	$ 65,847	$ 57,094	$ 217,537

TIF District #14 Straight River Apts (271)	TIF District #15 Lofts at Evergreen (272)	TIF District #16 Farmer Seed (273)	TIF District #17 Riverchase Apts (274)	TIF District #18 Willow St Apts (275)	Total
$ 21	$ 9,876	$ 86	$ 94	$ 96	$ 213,885
-	-	-	-	-	9,533
(3)	40	(22)	(66)	(49)	534
-	-	-	-	-	193,379
$ 18	$ 9,916	$ 64	$ 28	$ 47	$ 417,331
$ -	$ -	$ -	$ -	$ -	$ 36,115
49,974	-		14,203	14,891	595,997
2,271	-	-	-	-	30,298
52,245	-	-	14,203	14,891	662,410
-	9,916	64	-	-	163,999
(52,227)	-	-	(14,175)	(14,844)	(409,078)
(52,227)	9,916	64	(14,175)	(14,844)	(245,079)
$ 18	$ 9,916	$ 64	$ 28	$ 47	$ 417,331

City of Faribault
Tax Increment Financing Funds
Sub Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended December 31, 2022

	TIF District #6 Housing (263)	TIF District #8 River Ridge (266)	TIF District #9 Faribault Road (267)	TIF District Garage #11 (269)
Revenues				
Tax increments	$ 20,366	$ -	$ 88,871	$ -
Miscellaneous				
Investment income	(4,664)	(3,968)	(672)	-
Total revenues	15,702	(3,968)	88,199	-
Expenditures				
Current				
Economic development	26,163	1,245	81,342	52
Debt service				
Interest and other charges	-	-	-	-
Total expenditures	26,163	1,245	81,342	52
Excess of revenues over (under) expenditures	(10,461)	(5,213)	6,857	(52)
Fund Balances				
Beginning of year	77,241	71,060	14,535	52
End of year	$ 66,780	$ 65,847	$ 21,392	$ -

TIF District #13 Hamilton (270)	TIF District #14 Straight River Apts (271)	TIF District #15 Lofts at Evergreen (272)	TIF District #16 Farmer Seed (273)	TIF District #17 Riverchase Apts (274)	TIF District #18 Willow St Apts (275)	Total
$ 48,670	$ -	$ 25,145	$ -	$ -	$ -	$ 183,052
38	10	(44)	64	(30)	(6)	(9,272)
48,708	10	25,101	64	(30)	(6)	173,780
24,963	1,163	15,258	-	14,145	14,838	179,169
28,027	2,271	-	-	-	-	30,298
52,990	3,434	15,258	-	14,145	14,838	209,467
(4,282)	(3,424)	9,843	64	(14,175)	(14,844)	(35,687)
(323,550)	(48,803)	73	-	-	-	(209,392)
$ (327,832)	$ (52,227)	$ 9,916	$ 64	$ (14,175)	$ (14,844)	$ (245,079)

City Of
Faribault

STATISTICAL SECTION (UNAUDITED)

City of Faribault
Statistical Section (Unaudited)

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

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Table 1 – Net Position by Component
Table 2 – Changes in Net Position
Table 3 – Governmental Activities Tax Revenue by Source
Table 4 – Fund Balances of Governmental Funds
Table 5 – Changes in Fund Balances of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, property taxes.

Table 6 – General Government Tax Revenues by Source
Table 7 – Assessed Net Tax Capacity and Estimated Market Value of Taxable Property
Table 8 – Property Tax Rates-Direct and Overlapping Governments
Table 9 – Principal Property Taxpayers
Table 10 – Tax Levies and Collections

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

Table 11 – Legal Debt Margin Information
Table 12 – Ratios of Outstanding Debt by Type
Table 13 – Ratio of General Bonded Debt Outstanding
Table 14 – Computation of Direct and Overlapping Debt
Table 15 – Pledged Revenue Coverage

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Table 16 – Demographic and Economic Statistics
Table 17 – Employment and Unemployment Data
Table 18 – Principal Employers

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and activities it performs.

Table 19 – Full-time Equivalent City Government Employees by Function
Table 20 – Operating Indicators by Function
Table 21 – Capital Asset Statistics by Function

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

City of Faribault
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Governmental Activities				
Net investment in capital assets	$ 63,941,674	$ 63,567,659	$ 64,202,541	$ 67,488,244
Restricted	7,816,160	8,158,722	7,845,972	6,739,340
Unrestricted	14,530,161	18,214,503	13,017,748	10,719,739
Total governmental activities net position	$ 86,287,995	$ 89,940,884	$ 85,066,261	$ 84,947,323
Business-Type Activities				
Net investment in capital assets	$ 46,688,316	$ 47,312,684	$ 47,343,894	$ 47,111,389
Restricted	-	-	-	-
Unrestricted	10,275,585	10,625,438	11,835,723	14,619,101
Total business-type activities net position	$ 56,963,901	$ 57,938,122	$ 59,179,617	$ 61,730,490
Primary Government				
Net investment in capital assets	$ 110,629,990	$ 110,880,343	$ 111,546,435	$ 114,599,633
Restricted	7,816,160	8,158,722	7,845,972	6,739,340
Unrestricted	24,805,746	28,839,941	24,853,471	25,338,840
Total primary government net position	$ 143,251,896	$ 147,879,006	$ 144,245,878	$ 146,677,813

Table 1

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 73,260,607	$ 74,950,690	$ 79,601,458	$ 83,536,004	$ 85,729,980	$ 91,958,483
6,453,086	5,903,592	5,826,032	5,542,687	5,206,636	2,109,444
9,811,044	8,762,919	7,694,919	9,532,266	14,526,531	10,480,189
$ 89,524,737	$ 89,617,201	$ 93,122,409	$ 98,610,957	$ 105,463,147	$ 104,548,116
$ 47,495,068	$ 53,108,071	$ 55,404,002	$ 57,515,982	$ 61,043,364	$ 64,318,882
-	-				
16,314,469	16,910,137	18,388,868	20,417,185	20,909,603	20,970,325
$ 63,809,537	$ 70,018,208	$ 73,792,870	$ 77,933,167	$ 81,952,967	$ 85,289,207
$ 120,755,675	$ 128,058,761	$ 135,005,460	$ 141,051,986	$ 146,773,344	$ 156,277,365
6,453,086	5,903,592	5,826,032	5,542,687	5,206,636	2,109,444
26,125,513	25,673,056	26,083,787	29,949,451	35,436,134	31,450,514
$ 153,334,274	$ 159,635,409	$ 166,915,279	$ 176,544,124	$ 187,416,114	$ 189,837,323

City of Faribault
Changes in Net Position - Continued on the Following Pages
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Expenses				
Governmental activities				
General government	$ 3,084,536	$ 2,729,083	$ 3,417,037	$ 2,851,055
Public safety	5,108,451	5,630,027	6,410,355	8,658,872
Public works	5,579,165	4,924,654	5,121,505	5,120,421
Culture and recreation	3,540,498	3,724,231	4,124,948	3,821,787
Community development	985,265	1,105,751	468,410	388,888
Mass transportation and airport	393,784	339,854	583,060	625,844
Interest on long-term debt	883,826	849,245	652,853	661,745
Total governmental activities expenses	19,575,525	19,302,845	20,778,168	22,128,612
Business-type activities				
Water	1,997,225	1,880,020	1,837,580	1,952,799
Sewer	5,273,726	5,164,401	5,166,377	5,277,036
Storm water	553,694	642,554	556,120	510,763
Total business-type activities activities expenses	7,824,645	7,686,975	7,560,077	7,740,598
Total primary government expenses	$ 27,400,170	$ 26,989,820	$ 28,338,245	$ 29,869,210
Program Revenues				
Governmental activities				
Charges for services				
General government	$ 858,647	$ 816,844	$ 733,815	$ 635,666
Public safety	603,147	535,316	685,712	885,141
Public works	22,019	6,982	2,109,972	468,551
Culture and recreation	634,496	586,185	605,332	545,566
Community development	585,137	514,656	514,524	419,738
Mass transportation and airport	97,840	102,032	105,747	110,060
Interest on long-term debt	-	-	-	-
Operating grants and contributions	5,563,173	2,639,584	1,598,831	2,164,499
Capital grants and contributions	951,408	3,337,167	2,098,715	2,061,960
Total governmental activities program revenues	9,315,867	8,538,766	8,452,648	7,291,181
Business-type activities				
Charges for services				
Water	2,399,706	2,568,060	2,517,390	2,724,160
Sewer	5,319,280	5,884,447	5,631,142	6,046,637
Storm water	637,980	654,436	673,210	694,647
Operating grants and contributions	2,808	61,053	12,681	117,017
Capital grants and contributions	205,436	188,968	218,612	554,404
Total business-type activities program revenues	8,565,210	9,356,964	9,053,035	10,136,865
Total primary government program revenues	$ 17,881,077	$ 17,895,730	$ 17,505,683	$ 17,428,046

Table 2

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 2,131,092	$ 2,368,227	$ 2,721,903	$ 4,370,454	$ 3,451,666	$ 4,465,592
7,733,758	7,312,906	8,004,680	8,373,772	7,723,127	9,897,831
4,888,232	8,222,401	13,717,203	5,561,386	6,040,400	6,791,025
3,811,718	4,080,387	4,751,610	4,386,138	4,057,914	4,883,533
660,096	651,932	936,868	733,871	839,840	1,774,560
225,456	242,615	222,172	166,711	124,849	439,371
424,567	307,295	272,362	247,642	310,497	253,792
19,874,919	23,185,763	30,626,798	23,839,974	22,548,293	28,505,704
2,438,794	2,015,307	2,084,318	2,239,264	3,005,169	2,947,860
5,786,198	5,065,094	4,844,902	5,100,830	5,034,296	5,543,828
654,176	653,226	608,973	697,719	821,394	793,545
8,879,168	7,733,627	7,538,193	8,037,813	8,860,859	9,285,233
$ 28,754,087	$ 30,919,390	$ 38,164,991	$ 31,877,787	$ 31,409,152	$ 37,790,937
$ 169,182	$ 175,327	$ 201,483	$ 548,188	$ 623,072	$ 674,827
900,636	676,128	840,838	855,597	744,977	989,449
449,056	570,042	1,272,154	785,940	981,291	2,337,502
532,209	538,894	603,334	464,627	741,770	775,074
435,317	405,648	434,377	389,546	292,818	318,319
104,264	99,466	93,981	117,942	119,048	137,298
-	-	-	51,500	-	-
1,578,268	3,802,002	2,501,109	5,559,212	6,077,902	4,244,690
961,195	2,434,639	11,322,660	3,533,090	3,189,927	1,489,851
5,130,127	8,702,146	17,269,936	12,305,642	12,770,805	10,967,010
2,905,732	3,089,689	3,198,518	3,570,779	3,787,623	4,077,358
6,222,069	6,247,682	6,305,254	6,573,529	6,414,426	6,650,746
727,178	748,647	853,335	996,731	1,171,959	1,400,406
85,006	40,821	92,578	27,178	1,740,209	65,073
631,360	1,325,858	-	-	188,301	1,907,800
10,571,345	11,452,697	10,449,685	11,168,217	13,302,518	14,101,383
$ 15,701,472	$ 20,154,843	$ 27,719,621	$ 23,473,859	$ 26,073,323	$ 25,068,393

City of Faribault
Changes in Net Position - Continued
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Net (Expense)/Revenue				
Governmental activities	$ (10,259,658)	$ (10,764,079)	$ (12,325,520)	$ (14,837,431)
Business-type activities	740,565	1,669,989	1,492,958	2,396,267
Total primary government Net expense	$ (9,519,093)	$ (9,094,090)	$ (10,832,562)	$ (12,441,164)
General Revenues and Other Chanes in Net Position				
Governmental Activities				
Taxes				
Property taxes	$ 6,837,173	$ 6,850,823	$ 6,905,170	$ 7,567,441
Other taxes	1,274,893	1,254,487	1,264,643	1,312,839
Franchise Fees	-	-	-	-
Grants and contributions not restricted to specific programs	4,773,317	5,291,878	5,398,373	5,448,723
Unrestricted investment earnings	(632,676)	940,359	284,587	342,406
Gain on sale of assets	50,493	79,421	46,751	47,084
Capital transfers	-	-	-	-
Transfers	-	-	-	-
Total governmental activities	12,303,200	14,416,968	13,899,524	14,718,493
Business-type activities				
Unrestricted investment earnings	(270,848)	398,444	144,774	151,056
Other	-	-	-	-
Gain on disposal of capital assets	-	41,308	4,739	3,550
Capital transfers	-	-	-	-
Extraordinary item	-	(1,135,520)	-	-
Transfers	-	-	-	-
Total business-type activities	(270,848)	(695,768)	149,513	154,606
Total primary government	$ 12,032,352	$ 13,721,200	$ 14,049,037	$ 14,873,099
Change in Net Position				
Governmental activities	$ 2,043,542	$ 3,652,889	$ 1,574,004	$ (118,938)
Business-type activities	469,717	974,221	1,642,471	2,550,873
Total primary government	$ 2,513,259	$ 4,627,110	$ 3,216,475	$ 2,431,935

Table 2 (Continued)

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ (14,744,792)	$ (14,483,617)	$ (13,356,862)	$ (11,534,332)	$ (9,777,488)	$ (17,538,694)
1,692,177	3,719,070	2,911,492	3,130,404	4,441,659	4,816,150
$ (13,052,615)	$ (10,764,547)	$ (10,445,370)	$ (8,403,928)	$ (5,335,829)	$ (12,722,544)
$ 8,019,866	$ 8,709,587	$ 9,193,281	$ 9,779,553	$ 10,202,070	$ 10,630,173
1,333,459	1,058,594	1,164,118	44,890	180,295	199,770
-	-	-	250,579	-	-
5,410,978	5,608,821	5,686,466	5,987,725	6,049,176	6,266,052
255,037	197,058	785,447	596,563	(117,163)	(1,049,309)
121,877	132,050	219,490	731,606	15,300	276,977
-	-	-	-	-	-
-	247,547	(186,732)	(368,036)	300,000	300,000
15,141,217	15,953,657	16,862,070	17,022,880	16,629,678	16,623,663
159,000	162,182	676,438	641,857	(121,859)	(1,177,663)
-	-	-	-	-	-
-	45,700	-	-	-	(2,247)
-	-	-	-	-	-
-	-	-	-	-	-
-	(247,547)	186,732	368,036	(300,000)	(300,000)
159,000	(39,665)	863,170	1,009,893	(421,859)	(1,479,910)
$ 15,300,217	$ 15,913,992	$ 17,725,240	$ 18,032,773	$ 16,207,819	$ 15,143,753
$ 396,425	$ 1,470,040	$ 3,505,208	$ 5,488,548	$ 6,852,190	$ (915,031)
1,851,177	3,679,405	3,774,662	4,140,297	4,019,800	3,336,240
$ 2,247,602	$ 5,149,445	$ 7,279,870	$ 9,628,845	$ 10,871,990	$ 2,421,209

City Of
Faribault

City of Faribault
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Table 3

Fiscal Year	Property Tax	Franchise/Other Tax	Total
2013	$ 6,837,173	$ 1,274,893	$ 8,112,066
2014	6,850,823	1,254,487	8,105,310
2015	6,905,170	1,264,643	8,169,813
2016	7,567,441	1,312,839	8,880,280
2017	8,006,752	1,333,459	9,340,211
2018	8,709,587	1,058,594	9,768,181
2019	9,228,216	1,152,457	10,380,673
2020	9,776,001	280,002	10,056,003
2021	10,261,049	405,207	10,666,256
2022	10,637,995	426,063	11,064,058

City of Faribault
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable	$ 45,154	$ 37,616	$ 50,979	$ 28,558
Restricted	56,915	104,694	129,381	45,955
Committed	68,196	119,565	28,350	8,800
Assigned	844,287	1,093,886	1,149,341	1,200,294
Unassigned	8,217,466	9,442,877	6,860,969	7,105,050
Total general fund	$ 9,232,018	$ 10,798,638	$ 8,219,020	$ 8,388,657
All Other Governmental Funds				
Nonspendable	$ -	$ -	$ 750	$ 750
Restricted	16,217,299	16,988,376	12,332,784	11,491,037
Committed	136,556	331,777	1,585,301	336,364
Assigned	3,430,014	4,327,660	8,970,673	9,970,256
Unassigned	(447,482)	(114,088)	-	-
Total all other governmental funds	$ 19,336,387	$ 21,533,725	$ 22,889,508	$ 21,798,407

Table 4

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 144,522	$ 51,880	$ 63,952	$ 76,482	$ 76,053	$ 69,096
60,752	32,657	51,599	91,819	151,608	74,166
-	-	-	384,121	66,000	85,600
1,109,922	1,116,301	1,772,605	639,106	411,088	699,672
6,679,473	6,329,661	6,858,653	9,230,527	9,258,990	9,818,404
$ 7,994,669	$ 7,530,499	$ 8,746,809	$ 10,422,055	$ 9,963,739	$ 10,746,938
$ -	$ -	$ 1,570	$ 150	$ 10,090	$ 8,625
5,582,699	5,262,116	5,328,587	5,056,322	12,649,890	2,690,945
623,686	1,810,701	1,436,325	1,231,998	1,649,062	5,022,255
9,144,171	9,327,750	7,714,122	7,935,004	8,743,043	4,298,984
-	-	-	-	-	-
$ 15,350,556	$ 16,400,567	$ 14,480,604	$ 14,223,474	$ 23,052,085	$ 12,020,809

City of Faribault
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Taxes	$ 8,133,522	$ 8,111,546	$ 8,152,741	$ 8,892,617
Licenses and permits	366,413	336,451	450,594	579,910
Intergovernmental	8,804,178	8,723,808	8,036,997	8,194,106
Charges for services	2,253,367	2,034,943	4,206,074	2,487,899
Fines and forfeitures	157,824	146,034	146,555	139,988
Special assessments	943,409	978,880	795,413	676,339
Investment earnings	(515,257)	818,913	248,997	320,586
Miscellaneous	361,506	261,035	212,200	576,111
Total revenues	20,504,962	21,411,610	22,249,571	21,867,556
Expenditures				
General government	2,328,218	2,156,701	2,413,980	2,483,904
Public safety	4,994,589	5,189,189	5,613,683	6,173,674
Public works	2,107,509	2,254,844	2,563,315	2,508,656
Culture and recreation	3,318,552	3,278,408	3,295,935	3,386,036
Community development	855,779	1,097,367	495,267	368,414
Mass transportation and airport	255,568	217,499	160,702	157,408
Capital outlay	6,348,393	4,141,315	4,012,971	4,827,744
Debt service				
Principal	1,351,250	1,391,500	7,271,500	2,226,500
Interest and other	818,122	852,641	752,814	682,902
Total expenditures	22,377,980	20,579,464	26,580,167	22,815,238
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,873,018)	832,146	(4,330,596)	(947,682)
Other Financing Sources (Uses)				
Transfers in	2,763,506	658,940	4,085,485	1,068,224
Transfers out	(2,763,506)	(658,940)	(4,085,485)	(1,059,090)
Debt issued	-	2,295,000	1,375,000	-
Refunding Bond Payment	-	-	-	-
Premiums (discounts) on debt issued	-	-	-	-
Loans issued	615,000	-	1,685,000	-
Lease Proceeds	-	-	-	-
Insurance recoveries	-	-	-	-
Sale of capital assets	53,010	224,114	46,761	47,084
Total other financing sources (uses)	668,010	2,519,114	3,106,761	56,218
Prior Period Adjustments	-	412,698	-	-
Net Changes in Fund Balances	$ (1,205,008)	$ 3,763,958	$ (1,223,835)	$ (891,464)
Debt Service as a Percentage of Noncapital Expenditures	13.0%	13.6%	35.4%	15.8%

Table 5

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 9,340,211	$ 9,760,408	$ 10,380,673	$ 10,056,003	$ 10,666,256	$ 11,064,058
584,291	435,191	573,029	546,332	489,278	694,627
6,868,543	10,677,803	17,670,476	11,804,719	10,637,519	10,603,948
1,934,400	2,020,639	2,844,027	2,672,179	2,736,626	4,218,226
139,203	134,306	153,884	102,929	173,652	131,057
745,351	800,103	674,505	645,690	606,399	412,955
235,964	182,633	774,752	587,226	(112,123)	(1,027,887)
271,182	59,351	93,896	789,451	3,140,318	965,903
20,119,145	24,070,434	33,165,242	27,204,529	28,337,925	27,062,887
2,171,456	2,354,599	2,242,493	4,177,023	3,170,209	3,087,777
6,469,054	6,866,411	7,422,539	7,879,433	8,184,223	8,829,088
2,435,326	2,697,960	2,768,585	2,940,856	2,986,321	3,186,041
3,506,685	3,788,067	4,047,403	3,444,812	4,144,362	4,648,290
615,266	637,923	975,502	698,253	853,420	1,702,632
225,456	242,615	222,172	166,711	124,849	123,530
3,899,445	6,959,273	15,845,818	7,388,664	5,905,389	8,608,654
7,241,500	1,301,500	1,376,500	1,436,500	2,591,500	2,094,251
480,423	315,842	283,311	256,774	319,859	415,277
27,044,611	25,164,190	35,184,323	28,389,026	28,280,132	32,695,540
(6,925,466)	(1,093,756)	(2,019,081)	(1,184,497)	57,793	(5,632,653)
1,128,477	2,785,000	946,434	1,458,097	2,064,294	3,077,118
(1,196,727)	(1,237,453)	(671,434)	(1,158,097)	(1,764,294)	(2,777,118)
-	-	-	-	7,115,000	-
-	-	-	-	-	(5,215,000)
-	-	-	-	882,202	-
-	-	-	-	-	-
-	-	-	-	-	22,599
-	-	820,938	1,571,007	-	-
121,877	132,050	219,490	731,606	15,300	276,977
53,627	1,679,597	1,315,428	2,602,613	8,312,502	(4,615,424)
-	-	-	-	-	-
$ (6,871,839)	$ 585,841	$ (703,653)	$ 1,418,116	$ 8,370,295	$ (10,248,077)
32.9%	8.3%	6.0%	8%	13%	10%

City Of
Faribault

City of Faribault
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 6

Fiscal Year	Franchise Tax	Property Tax	Charitable Gambling Tax	Miscellaneous Taxes	Total
2013	$ 1,246,030	$ 6,858,629	$ 23,666	$ 5,197	$ 8,133,522
2014	1,226,781	6,857,059	22,669	5,037	8,111,546
2015	1,236,991	6,888,098	22,306	5,346	8,152,741
2016	1,291,883	7,579,778	20,956	-	8,892,617
2017	1,306,960	8,006,752	26,499	-	9,340,211
2018*	1,028,160	8,701,811	30,433	-	9,760,404
2019	1,117,811	9,228,216	34,646	-	10,380,673
2020	250,579	9,776,001	29,423	-	10,056,003
2021	237,281	10,261,049	51,437	116,489	10,666,256
2022	239,270	10,637,995	42,791	144,002	11,064,058

* Note: Beginning in 2018 internal franchise fees for the Water/Sewer Fund were classified as a transfer rather than a franchise Fee. Beginning in 2021 lodging taxes were reported as a revenue rather than a pass-through on the balance sheet.

City of Faribault
Assessed Net Tax Capacity and Estimated Market Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended December 31,	Assessed Net Tax Capacity				
	Real Property	Personal Property	Total Real and Personal Property	Less Tax Exempt Real Property	Net Tax Capacity
2013	$ 12,898,936	$ 550,898	$ 13,449,834	$ 234,404	$ 13,215,430
2014	12,807,436	549,742	13,357,178	226,348	13,130,830
2015	13,149,803	557,946	13,707,749	195,950	13,511,799
2016	13,539,891	581,532	14,121,423	200,218	13,921,205
2017	14,200,555	606,129	14,806,684	206,069	14,600,615
2018	14,929,623	665,254	15,594,877	207,042	15,387,835
2019	16,647,837	680,284	17,328,121	184,224	17,143,897
2020	17,854,012	686,874	18,540,886	187,152	18,353,734
2021	18,584,506	744,841	19,329,347	208,810	19,120,537
2022	20,038,004	393,836	20,431,840	254,980	20,176,860

Note: The county assessor must assess at least one-fifth of the listed parcels in the county each year. The county assesses property at approximately 95 to 105 percent of actual value for all types of real and personal property. Assessed Net Tax Capacity is determined by taking the market value multiplied by the statutory class rates for the property.

Property tax classifications are set by state statute and are amended regularly by the Legislature (*Minnesota Statute* 273.13).

Source: Rice County Department of Property Taxes

Table 7

Total Direct Tax Rate	Taxable Market Value	Ratio of Assessed Tax Capacity to Market Value
53.390	$ 1,066,488,000	1.24
53.810	1,055,158,800	1.24
53.168	1,090,176,900	1.24
56.253	1,118,578,500	1.25
55.696	1,174,945,200	1.24
57.182	1,241,695,100	1.24
54.803	1,361,660,500	1.26
53.137	1,474,959,900	1.24
52.574	1,554,252,000	1.23
51.680	1,661,037,400	1.22

City of Faribault
Property Tax Rates
Direct and Overlapping [1] Governments
Last Ten Fiscal years

Table 8

	City of Faribault			Overlapping Rates				
					School District ISD #656			
Fiscal Year	General Fund	Debt Service Fund	Total	Rice County	Tax Capacity Based	Market Value Based [2]	Other Districts	Total [3]
2013	0.42023	0.11368	0.53391	0.38253	0.29786	0.00113	0.04349	1.25779
2014	0.42487	0.11500	0.53987	0.38387	0.29813	0.00202	0.04860	1.27047
2015	0.42328	0.10840	0.53168	0.38847	0.19340	0.00191	0.03037	1.14392
2016	0.45044	0.11209	0.56253	0.42535	0.20267	0.00200	0.03025	1.22080
2017	0.45343	0.10353	0.55696	0.41566	0.22064	0.00171	0.02863	1.22189
2018	0.48175	0.09007	0.57182	0.41810	0.15812	0.00170	0.02851	1.17655
2019	0.48649	0.06154	0.54803	0.39515	0.14823	0.00174	0.02700	1.11841
2020	0.47307	0.05830	0.53137	0.39527	0.12747	0.00193	0.02718	1.08129
2021	0.45459	0.07115	0.52574	0.39852	0.15452	0.00189	0.03031	1.10909
2022	0.45627	0.06053	0.51680	0.39335	0.14591	0.00205	0.03002	1.08608

[1] Overlapping rates are those of local and county governments that apply to property owners within the City of Faribault. Not all overlapping rates apply to all City of Faribault property owners (e.g. the rates for the school district will only apply to the portion of the property owners located within the geographic boundaries of the school district.)

[2] Market value based property tax rates are based on $100 of market valuation.

[3] Total Direct and Overlapping Rates do not include the market value based tax rates for the School District.

Source: Rice County Department of Property Taxes

City of Faribault
Principal Property Taxpayers
Current Year and Ten Years Ago

Table 9

Taxpayer	Type of Business	2022 Taxable Assessed Value	2022 Rank	2022 Percentage of Total Taxable Assessed Value	2012 Taxable Assessed Value	2012 Rank	2012 Percentage of Total Taxable Assessed Value
Faribault Foods, Inc.	Manufacturing/Food Processing	$ 1,004,949	1	4.92 %	$ 131,676	5	0.88 %
Aldi, Inc	Commercial/Industrial	506,356	2	2.48	76,142	10	0.51
Xcel Energy/Northern States Power Co	Utility	397,401	3	1.95	390,424	1	2.60
Sage Electrochromics	Commercial/Industrial	331,156	4	1.62			
Daikin Applied Americas Inc.	Manufacturing	310,352	5	1.52			
Wal-Mart	Commercial	225,556	6	1.10	289,608	2	1.93
Allina Health System	Medical Clinic	221,305	7	1.08	118,354	7	0.79
McDonough Farms LLC	Commerical	184,118	8	0.90			
MN Municipal Power	Utility	142,370	9	0.70	166,312	3	1.11
Faribault Crossroads	Commercial	125,534	10	0.61	123,566	6	0.82
Tru Vue, Inc	Manufacturing				117,974	8	0.78
State Bank of Faribault	Commercial				116,505	9	0.77
Cashin, Patrick	Commercial/Residential				161,810	4	1.08
Total		$ 3,449,097		16.94 %	$ 1,692,371		11.27 %

Source: Rice County Department of Property Taxes

City Of
Faribault

City of Faribault
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 10

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected Within The Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	$ 6,775,308	$ 6,701,695	98.90 %	$ 73,036	$ 6,774,731	100.00 %
2014	6,758,722	6,691,643	98.91	65,618	6,757,261	99.99
2015	6,880,685	6,806,256	99.01	72,768	6,879,024	99.97
2016	7,503,833	7,451,568	98.92	51,051	7,502,619	99.97
2017	7,999,280	7,933,140	99.30	64,349	7,997,488	99.97
2018	8,658,704	8,566,760	99.17	90,791	8,657,551	99.98
2019	9,250,896	9,172,217	98.94	74,404	9,246,621	99.97
2020	9,752,651	9,676,424	99.15	70,756	9,747,180	99.94
2021	10,162,266	10,093,377	99.22	54,621	10,147,998	99.90
2022	10,559,078	10,496,766	99.32	(0)	10,496,766	99.32

Source: Rice County Department of Property Taxes

City of Faribault
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2013	2014	2015	2016
Debt limit	$ 31,994,640	$ 31,654,764	$ 32,705,307	$ 33,557,355
Total net debt applicable to limit	20,520,358	19,199,678	14,271,168	13,795,080
Legal debt margin	$ 11,474,282	$ 12,455,086	$ 18,434,139	$ 19,762,275
Total net debt applicable to the limit as a percentage of debt limit	64.1%	60.7%	43.6%	41.1%

Legal Debt Margin Calculation for Fiscal Year 2022

Taxable market value

Debt limit (Note A)

Debt applicable to limit
General obligation bonds
Less amount available in
Debt Service funds (Note B)

Total net debt applicable to limit

Legal debt margin

Note A: Under state law, the City's outstanding general obligation debt should not exceed 3 percent of the market value of taxable property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for the extinguishment of those obligations.

Note B: M.S.A. Section 475.51 (definitions) Subdivision 4. "Net debt" means the amount remaining after deduction from its gross debt the amount of current revenues which are applicable within the current fiscal year to the payment of any debt and the aggregate of the principal of the following:

1. Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.
2. Warrant or orders having no definite or fixed maturity.
3. Obligations payable wholly from the income from revenue producing conveniences.
4. Obligations issued to create or maintain a Permanent Improvement Revolving fund.
5. Obligations issued for the acquisition and betterment of public water works system and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.
6. Not applicable.
7. Amount of all money and face value of all securities held as a Debt Service fund for the extinguishment of obligations other than those deductible under this subdivision.
8. Obligation to repay loans made under section 216C37.
9. Obligations to repay loans made from money received from litigation or settlement of alleged violations of Federal petroleum pricing regulations.
10. Obligations issued to pay pension fund liabilities under section 457.52, subdivision 6, or any charter authority.
11. All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

Table 11

Fiscal Year						
2017	2018	2019	2020	2021	2022	
$ 35,248,356	$ 37,250,853	$ 40,849,815	$ 44,248,797	$ 46,627,560	$ 49,831,122	
9,990,997	7,556,534	12,201,584	7,255,000	12,013,974	6,038,146	
$ 25,257,359	$ 29,694,319	$ 28,648,231	$ 36,993,797	$ 34,613,586	$ 43,792,976	
28.3%	20.3%	29.9%	16.4%	25.8%	12.1%	
					$ 1,661,037,400	
					$ 49,831,122	
					7,790,000	
					(1,751,854)	
					6,038,146	
					$ 43,792,976	

City of Faribault
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities
	General Obligation Bonds	G.O. Special Assessment Bonds	Leases Payable	Loans Payable	General Obligation Revenue Bonds
2013	$ 25,620,000	$ 1,275,000	$ -	$ 563,750	$ 19,755,000
2014	24,930,000	2,930,000	-	502,250	18,469,000
2015	20,150,000	3,560,000	-	440,750	17,443,000
2016	18,600,000	2,945,000	-	379,250	16,391,000
2017	11,650,000	2,715,000	-	317,750	15,312,000
2018	10,540,000	2,585,000	-	256,250	14,205,000
2019	9,405,000	2,405,000	-	194,750	23,275,719
2020	8,250,000	2,185,000	-	133,250	20,191,417
2021	14,050,536	1,840,000	-	71,750	19,650,795
2022	6,912,242	1,640,000	62,739	10,250	17,946,269

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
*See the Schedule of Economic and Economic Statistics (Table 16) for personal income and population data.

Table 12

Total Primary Government	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income*	Per Capita*
$ 47,213,750	22.59	5.78	$ 2,015
46,831,250	22.53	5.79	2,000
41,593,750	26.21	4.71	1,759
38,315,250	29.19	4.59	1,619
29,994,750	39.17	3.58	1,262
27,586,250	45.01	3.29	1,161
35,280,469	38.60	4.21	1,479
30,759,667	47.95	2.54	1,286
35,613,081	43.64	2.72	1,489
26,571,500	62.51	1.98	1,094

City of Faribault
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 13

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Value of Taxable Property*	Per Capita**
2013	$ 26,895,000	$ 3,931,315	$ 22,963,685	2.1532	$ 978
2014	27,860,000	4,521,589	23,338,411	2.2118	988
2015	23,710,000	4,441,763	19,268,237	1.7674	813
2016	21,545,000	3,708,131	17,836,869	1.5946	752
2017	14,365,000	3,799,822	10,565,178	0.8992	444
2018	13,125,000	3,594,597	9,530,403	0.7675	399
2019	11,810,000	3,420,851	8,389,149	0.6161	351
2020	10,435,000	3,118,010	7,316,990	0.4961	306
2021	15,890,536	3,006,026	12,884,510	0.8290	539
2022	8,552,242	1,751,854	6,800,388	0.4094	280

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
*See the Schedule of Asssessed Net Tax Capacity and Estimate Market Value of Taxable Property (Table 7) for property value data.
**See the Schedule of Economic and Economic Statistics (Table 16) for population data.

City of Faribault
Computation of Direct and Overlapping Debt
December 31, 2022

Table 14

	Net General Obligation Debt	Percentage Applicable to City	Amount Applicable to City of Faribault Share of Debt
Direct debt			
City of Faribault	$ 8,625,231	100.00 %	$ 8,625,231
Overlapping debt			
Rice County	62,870,000	24.60	16,297,822
School District 656	5,480,000	53.98	3,132,954
Total overlapping debt	68,350,000		19,430,775
Total direct and overlapping debt	$ 76,975,231		$ 28,056,006

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

Source: Outstanding debt data provided by Rice County,

City of Faribault
Pledged-Revenue Coverage
Last Ten Fiscal Years

Table 15

Fiscal Year		General Obligation Revenue Bonds						
		Operating Revenue [1]	Operating Expenses [2]	Net Available Revenue	Debt Service [3] Principal	Interest	Total	Coverage
2013	*	$ 5,319,280	$ 2,613,335	$ 2,705,945	$ 2,376,461	$ 531,826	$ 2,908,287	93.04
2014	*	5,884,447	2,523,653	3,360,794	1,286,000	496,485	1,782,485	188.55
2015	*	5,631,142	2,539,869	3,091,273	1,026,000	470,960	1,496,960	206.50
2016	*	6,045,959	2,677,772	3,368,187	1,052,000	444,796	1,496,796	225.03
2017	*	6,221,970	3,230,187	2,991,783	1,079,000	417,970	1,496,970	199.86
2018	*	6,246,397	2,840,135	3,406,262	1,107,000	390,456	1,497,456	227.47
2019	**	9,502,351	4,327,976	5,174,375	1,135,000	362,228	1,497,228	345.60
2020	**	10,139,670	4,702,473	5,437,197	1,665,420	364,366	2,029,786	267.87
2021	**	10,175,091	4,654,310	5,520,781	1,660,000	382,796	2,042,796	270.26
2022	**	10,699,805	5,711,883	4,987,922	1,704,527	360,371	2,064,898	241.56

[1] Operating revenue includes connection charges.
[2] Total operating expenses exclusive of depreciation.
[3] Includes principal and interest on revenue bonds only.

* Includes Only Sewer Pledged Coverage
**Includes Water and Sewer Pledged Coverage

City of Faribault
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 16

Fiscal Year		Population [1]	Personal Income [2]	Personal Income Per Capita [3]	Median Age [4]	School Enrollment [5]	Unemployment Rate [6]
2013	Estimate	23,477	$ 833,574,362	$ 35,506	35.8	4,072	4.9
2014	Estimate	23,631	850,456,059	35,989	35.8	3,777	4.1
2015	Estimate	23,700	884,484,000	37,320	36.1	3,678	3.6
2016	Estimate	23,718	836,652,450	35,275	36.6	3,696	3.5
2017	Estimate	23,769	993,235,203	41,787	37.6	3,566	3.7
2018	Estimate	23,884	998,040,708	41,787	36.4	3,540	3.8
2019	Estimate	23,912	1,054,423,552	44,096	37.7	3,551	4.5
2020	Estimate	23,912	1,212,386,224	50,702	37.9	3,434	4.2
2021	Estimate	23,912	1,311,142,784	54,832	38.4	3,302	4.2
2022	Estimate	24,298	1,341,954,242	55,229	38.3	3,271	3.5

Source:
[1] *Minnesota State Demographic Center*
[2] *US Census Bureau*
[3] *US Census Bureau*
[4] *US Census Bureau*
[5] *Independent School District #656*
[6] *Minnesota Department of Employment and Economic Development*

City of Faribault
Employment/Unemployment Data
Last Ten Fiscal Years

Table 17

Fiscal Year	Average Employment Rice County	Average Unemployment Rice County	Average Unemployment State of Minnesota
2013	33,225	4.9	5.0
2014	33,529	4.1	4.2
2015	33,902	3.6	3.7
2016	34,815	3.5	3.9
2017	35,813	3.2	3.5
2018	35,826	3.1	3.2
2019	36,852	3.2	3.5
2020	37,376	4.2	4.9
2021	34,116	2.8	3.0
2022	37,472	2.6	3.6

Source: Minnesota Department of Employment and Economic Development.

City of Faribault
Principal Employers
Current Year and Ten Years Ago

Table 18

	2022			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jennie-O Turkey Store	750	1	7.02 %	475	3	2.03 %
Faribault Public Schools	600	2	5.61	650	1	2.78
MN State Corrections Facility	580	3	5.43	636	2	2.72
Faribault Foods Inc	536	4	5.01	300	7	1.28
Daikin Applied	505	5	4.72			
Aldi's	405	6	3.79			
Rice County	397	7	3.71	344	6	1.47
Allina Health Faribault Medical Center	336	8	3.14			
Sage Electrochromics	300	9	2.81			
Trystar	261	10	2.44			
McQuay International				450	4	1.92
City of Faribault				416	5	1.78
IFP				300	8	1.28
Genova				180	10	0.77
Crown Cork & Seal				225	9	0.96
Total	4,670		43.69 %	3,976		16.99 %

Sources: Minnesota Department of Employment and Economic Development. And Individual Phone Calls to Companies

City Of
Faribault

City of Faribault
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Table 19

Function	Full-time Equivalent Employees as of December 31									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	14.75	16.50	16.30	16.30	11.97	15.70	15.70	16.00	16.19	16.73
Public safety										
Police										
Officers	33.37	32.17	32.14	33.11	35.07	35.03	35.03	35.01	34.01	34.00
Civilians	7.00	7.53	9.35	10.36	9.67	9.85	9.65	9.92	9.44	9.67
Fire										
Firefighters and officers	10.99	10.81	10.67	11.23	11.39	11.22	11.26	10.48 *	10.95	10.99
Civilians	3.25	3.50	2.80	3.25	2.95	5.30	5.30	4.07 *	4.00	5.47
Streets and highways										
Engineering	5.50	5.47	4.27	4.21	4.48	4.42	4.47	5.44	6.00	6.00
Maintenance	14.22	12.45	12.25	12.00	11.91	14.44	14.61	14.50	14.46	15.38
Culture and recreation										
Parks	7.21	7.20	7.22	6.85	7.81	8.69	8.66	7.56 *	7.87	7.78
Library	10.37	10.05	9.95	9.07	10.53	11.13	10.22	8.50 *	8.47	10.80
Recreation programs	25.67	24.73	25.22	24.41	25.15	25.53	24.44	14.59 *	24.25	25.74
Housing and economic development	6.26	5.00	5.00	5.50	5.50	6.00	6.00	6.00	6.00	7.00
Water	3.53	3.97	3.75	3.44	6.60	3.57	3.00	3.25	3.26	3.31
Sewer	13.71	13.18	13.76	13.65	16.70	12.94	12.98	11.69	11.49	11.60
Total	155.83	152.56	152.68	153.38	159.73	163.82	161.32	147.01	156.39	164.47

* Number reflects COVID 19 layoffs/reduction in hours

Source: City Human Resource Records

City of Faribault
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year 2013	2014	2015	2016	2017	2018	2019
General government							
Ordinances and Resolutions adopted	252	260	240	315	305	301	291
Administration - Licenses processed	200	151	157	171	149	136	144
Police							
Total part I crimes most serious	911	702	821	576	641	498	551
Total part II crimes	1,245	875	961	978	869	900	917
Youth liaison cases	1,884	1,508	2,430	2,412	141	97	315
Investigative cases handled	240	271	372	443	346	406	413
Public safety calls for service	19,285	22,185	24,570	27,876	27,817	28,452	28,504
Traffic citations issued	1,829	1,661	2,136	2,216	2,479	2,285	2,597
Parking tickets issued	643	833	902	1,007	1,223	793	1,137
Fire							
Number of calls answered	2,069	2,121	2,151	2,348	2,280	2,560	2,728
Code enforcement							
Building permits issued	1,125	1,163	1,061	1,104	1,231	1,244	1,429
Highways and streets							
Seal coating (blocks)	147	70	100	100	80	95	51
Gravel maintenance (hours)	132	162	161	300	456	465	460
Bituminous materials (Rock) (Tons)	1,027	1,817	1,156	900	1,008	1,148	1,000
Culture and recreation							
Indoor pool attendance	27,839	26,734	24,048	23,826	21,879	22,751	27,559
Outdoor pool attendance	30,615	29,297	33,556	30,152	22,672	24,068	22,356
Athletics and sports program participation	5,923	8,159	9,419	3,164	2,954	3,112	5,062
Library circulation	223,413	197,738	188,858	172,584	162,473	159,894	160,404
Library program attendance	13,321	15,418	17,038	21,073	18,652	18,465	20,536
Water							
Water pumped (billion gallons)	1.10	1.20	1.28	1.37	1.25	1.35	1.27
Residential meters replaced/repaired	200	7,412 *	106	156	56	41	55
Water main breaks repaired	18	24	10	7	9	9	12
Wastewater							
Total Flow (billion gallons)	1.11	1.40	1.30	1.40	1.50	1.60	1.78
Miles of sewer mains cleaned	38	61	66	60	57	31	51

* Major meter replacement project
** Low attendance due to COVID-19 Restrictions
*** Several of the Library's Storytime Videos on YouTube and Facebook went Viral in 2022

Sources: Various government departments.

Table 20

Fiscal Year				
2020		2021	2022	
248		298	310	
146		159	157	
524		433	526	
778		640	593	
164		201	356	
325		234	304	
26,103		28,973	24,754	
2,691		2,887	1,979	
356		558	614	
2,543		2,953	2,966	
1,294		1,281	1,910	
52		55	78	
431		368	175	
1,155		1,105	894	
13,845	**	20,790	21,759	
-	**	18,086	23,170	
2,966	**	2,687	3,102	
79,727	**	160,404	108,950	
23,114		20,536	121,622	***
1.29		1.35	1.35	
82		65	116	
11		15	19	
1.61		1.40	1.35	
50		39	61	

City of Faribault
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 21

Function	Fiscal Year 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Public works										
Street division										
Miles of street	105	105	105	105	105	105	105	105	105	105
Culture and recreation										
Area in acres	392	392	392	392	392	392	392	392	392	392
Outdoor ice rinks	3	3	3	3	3	3	3	3	3	3
Swimming pools	2	2	2	2	2	2	2	2	2	2
Water										
Municipal water										
Water meters	7,242	7,240	7,350	7,371	7,242	7,422	7,482	7,512	7,370	7,574
Maximum production capacity	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Miles of water main	137.01	137.01	137.01	137.01	137.01	133.00	141.00	141.00	142.40	142.40
Municipal water treatment										
Lift stations	9	9	9	9	9	9	11	11	11	11
Miles of sanitary sewer	115.18	115.18	115.18	115.18	115.18	120.00	120.00	120.00	120.05	120.05
Storm drains										
Miles of storm sewer	65.00	68.40	68.90	72.00	86.00	88.00	88.00	88.00	89.46	89.46

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

Source: City of Faribault Financial Records.

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Planning Commission Tim Murray, City Administrator
FROM:	David Wanberg, Community and Economic Development Director
MEETING DATE:	June 13, 2023
SUBJECT:	Resolution 2023-120 Approve a Variance from Wetlands Setback Requirements at 1 Sage Way

Background:

Vetrotech Saint-Gobain is relocating its North American headquarters to the SageGlass Campus at 1 Sage Way. The relocation requires expanding their existing manufacturing building owned by MDC Development II LLC. The proposed 10,080-square-foot building expansion involves a variance from the required wetland setback specified in Chapter 28 of the Code of Ordinances and referenced in the Unified Development Ordinance. The property owners are working with Rice Soil and Water Conservation District to allow a de minimis impact on the wetlands. The application proposes a 17-foot building setback from the revised wetlands boundary where thirty feet would otherwise be required.

The Planning Commission held a public hearing on June 5, 2023, to consider this variance request. No one from the public spoke regarding this matter. The Planning Commission found that granting the variance would have minimal effect on the wetland. With a 5-1 vote, the Commission recommended that the City Council approve the variance request based on the findings in the attached draft resolution. The Commissioner that voted no on the motion to approve the variance felt that regardless of the allowed de minimus wetland impact, the developer should be required to buy wetland replacement credits or expand the existing wetland accordingly.

Recommendation:

Approve Resolution 2023-120

Attachments:

1. Resolution 2023-120
2. Planning Commission Staff Report and Attachments

[Space above saved for County Recorder]

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-120

APPROVE A VARIANCE FROM WETLANDS SETBACK REQUIREMENTS AT 1 SAGE WAY

WHEREAS, MDC Development II LLC. (the "Owner") is requesting approval of an application variance from wetlands setback and buffer area requirements to allow for an industrial building expansion located at 1 Sage Way legally described in Exhibit A; and

WHEREAS, the subject site has a low-quality wetland as determined by the Minnesota Routine Assessment Method (MnRAM), within close proximity to the building that the proposed expansion cannot avoid due to layout requirements of production equipment inside; and

WHEREAS, Section 6-160, of the City's Unified Development Ordinance states that no development, grading or filling, alteration of the natural character of the land, or construction of buildings or structures shall occur within any vegetated wetland, except in compliance with the Minnesota Wetland Conservation Act and by the regulations specified in Chapter 28, Section 28-232, Wetlands and Wetland Buffer Strips; and

WHEREAS, Chapter 28, Section 28-232 of the Faribault Code of Ordinances requires a fifteen (15) foot wetlands buffer and a fifteen (15) foot setback from the buffer area for wetlands classified as low quality using the MnRAM standard; and

WHEREAS, City Staff has completed a review of the application and made

a report to the Planning Commission pertaining to said requests, a copy of which has been presented to the City Council; and

WHEREAS*,* the Planning Commission, on the 5th day of June, 2023, following proper notice, held a public hearing regarding the requests, and following said public hearing made findings and recommended that the City Council approve the requested variances; and

WHEREAS, following said public hearing, the Planning Commission recommended conditional approval of the requested variances based on the following findings as required by Section 2-460 of the City's Unified Development Ordinance:

1. **The variance is in harmony with the general purposes and intent of the City's ordinances.**

   Expanded Finding: The variance is needed due to the original layout of the building on the site, which was constructed at an angle limiting the expansion options. The proposed expansion is in harmony with the general purposes and intent of the City's ordinances.

2. **The variance is consistent with the Comprehensive Plan.**

   Expanded Finding: Granting the requested variances will maintain current land uses, which fits in with the commercial / industrial mixed use as guided by the Comprehensive Plan for the site.

3. **The applicant proposes to use the property in a reasonable manner not permitted by the City's ordinances.**

   Expanded Finding: The subject property is used as an existing manufacturing facility and the variance will not alter the existing uses there.

4. **Unique circumstances apply to the property, which do not apply generally to other properties in the same zone or vicinity and result from lot size or shape, topography or other circumstances over which the owner of the property has not had control. The unique circumstances do not result from the actions of the applicant.**

Expanded Finding: The variance is needed as a result of the original layout of the building on the site, which was constructed at an angle limiting the expansion options. While this layout was well intended, it created unintended and unforeseen circumstances which are rather unique in the City.

5. The variance does not alter the essential character of the neighborhood.

Expanded Finding: The variance application will allow the existing development to continue and will not result in the alteration of the essential character of the neighborhood.

6. The variance requested is the minimum variance, which would alleviate the practical difficulties.

Expanded Finding: The proposed setback variance will not result in an encroachment into the protected wetland other than that allowed by the de minimis. The setback variance is the minimum necessary under the circumstances.

7. Economic conditions alone do not constitute practical difficulties.

Expanded Finding: The variances are not attributed to economic conditions.

WHEREAS, the City Council, at a public meeting, on the 13th day of June, 2023, considered the request, the report to the Planning Commission, and the results of the public hearing, and concurred with all findings of the Planning Commission as stated in the above recitals and hereby makes the identical findings.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY FARIBAULT, MINNESOTA AS FOLLOWS:

Section 1: Approval of the Requested Variances. The City Council hereby approves the requested variances from Sec. 6-160, of the Unified Development Ordinance and Chapter 28, Sec. 28-231 of the Faribault Code of Ordinances to allow a two (2) foot building setback from the wetlands buffer where fifteen (15) feet would otherwise be required. This variance

will result in a permitted separation from the revised edge of the wetland boundary by a distance of seventeen (17) feet, as depicted on Exhibit B of this resolution.

Said approval is based on the foregoing recitals, which are incorporated herein by reference, and which constitute the findings of the City Council, all of which are to protect the public's health, safety, and welfare.

Section 2. Conditions Attached to the Approval of the Variance. Approval of the requested variance includes the following conditions:

1. The Owner shall construct the proposed building expansion in a manner consistent with the site plan attached as Exhibit B.
2. The Owner shall comply with all requirements of Rice Soil and Water Conservation District for a de minimis impact on a protected wetland.

Section 3. Compliance. The City Council authorizes the Mayor, City Administrator, City Staff, and the City Attorney to take any additional steps and actions necessary or convenient to accomplish the intent of this resolution.

Section 4. Effective Date. This resolution shall become effective immediately upon its passage and without publication.

Date Adopted: June 13, 2023

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

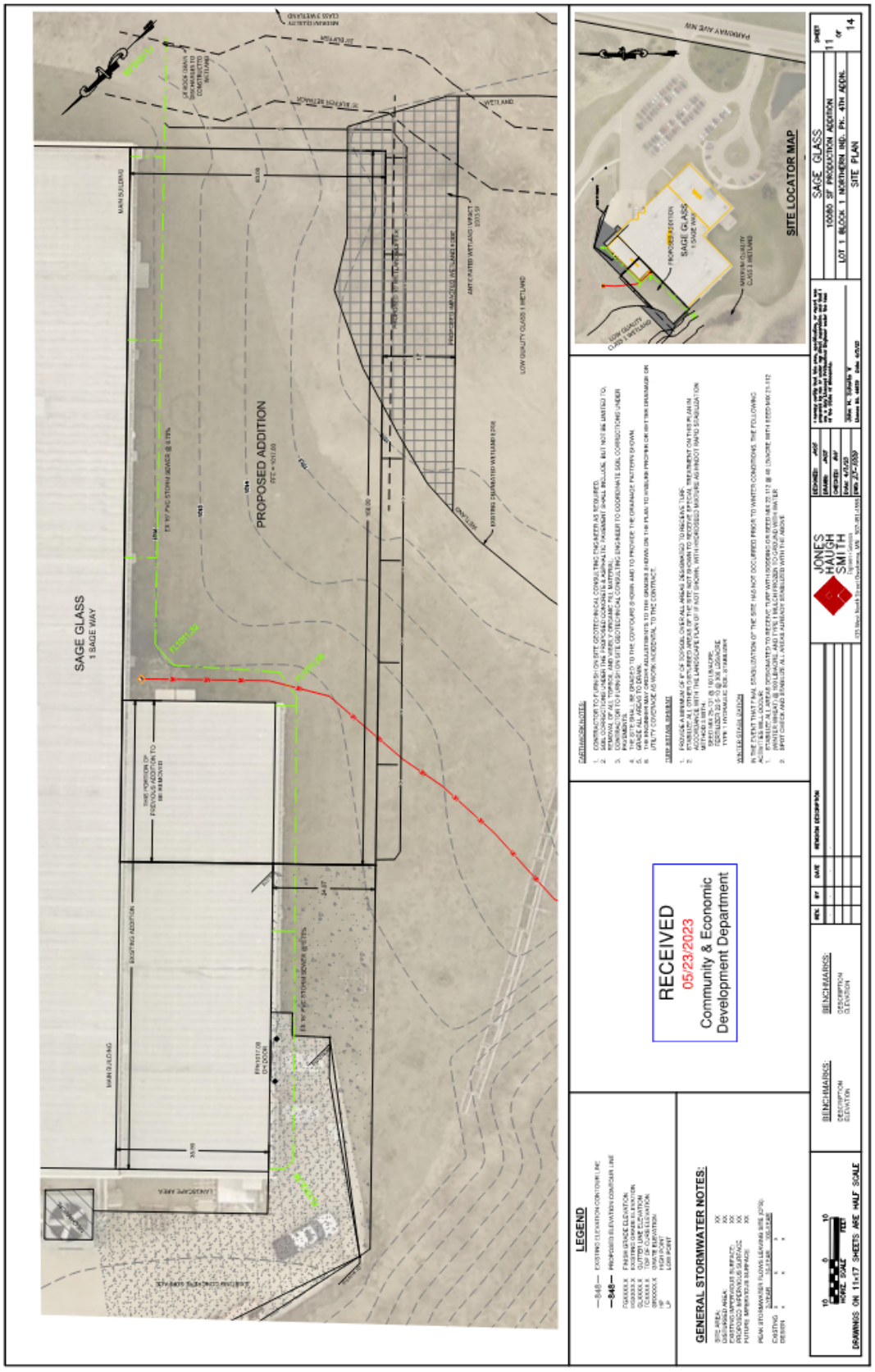
Exhibit A

Legal Description

Lot 1, Block 1, Northern Industrial Park Fourth Addition, City of Faribault, Rice County, Minnesota.

Property Address: 1 Sage Way
PID# 18.13.4.52.001

Exhibit B


SAGE GLASS
1 SAGE WAY
PROPOSED ADDITION
SITE LOCATOR MAP
RECEIVED
05/23/2023
Community & Economic
Development Department
JONES HAUGH SMITH
SAGE GLASS
10080 SF PRODUCTION ADDITION
LOT 1 BLOCK 1 NORTHERN IND. PK. 4TH ADDN.
SITE PLAN

REQUEST FOR PLANNING COMMISSION ACTION

TO:	Planning Commission
THROUGH:	Dave Wanberg, Community and Economic Development Director
FROM:	Peter Waldock, Planning and Zoning Coordinator
MEETING DATE:	June 5, 2023
SUBJECT:	Application for a variance from wetlands setback / buffer area requirements to allow for an industrial building expansion located at 1 Sage Way.

Background:

Vetrotech Saint-Gobain is relocating its North American headquarters to the SageGlass Campus at 1 Sage Way. The relocation requires expansion of their existing manufacturing building owned by MDC Development II LLC. The building expansion requires a variance from wetland buffer and setback requirements of the Unified Development Ordinance.

The applicants are working with Rice Soil and Water Conservation District for approval of a plan for de minimis wetlands impact on the protected low quality wetlands west of the building expansion area. The proposed 10,080 SF building expansion will be setback 2 feet from the wetlands buffer area where 15 feet is required. The building will be a total of 17' from the edge of the adjusted wetlands boundary when completed. The plan will meet the required setbacks from the medium quality wetlands to the south.

The Development Review Committee discussed this proposal at its meeting of May 23, 2023 and found that the request was reasonable under the circumstances in this case.

Recommendation:

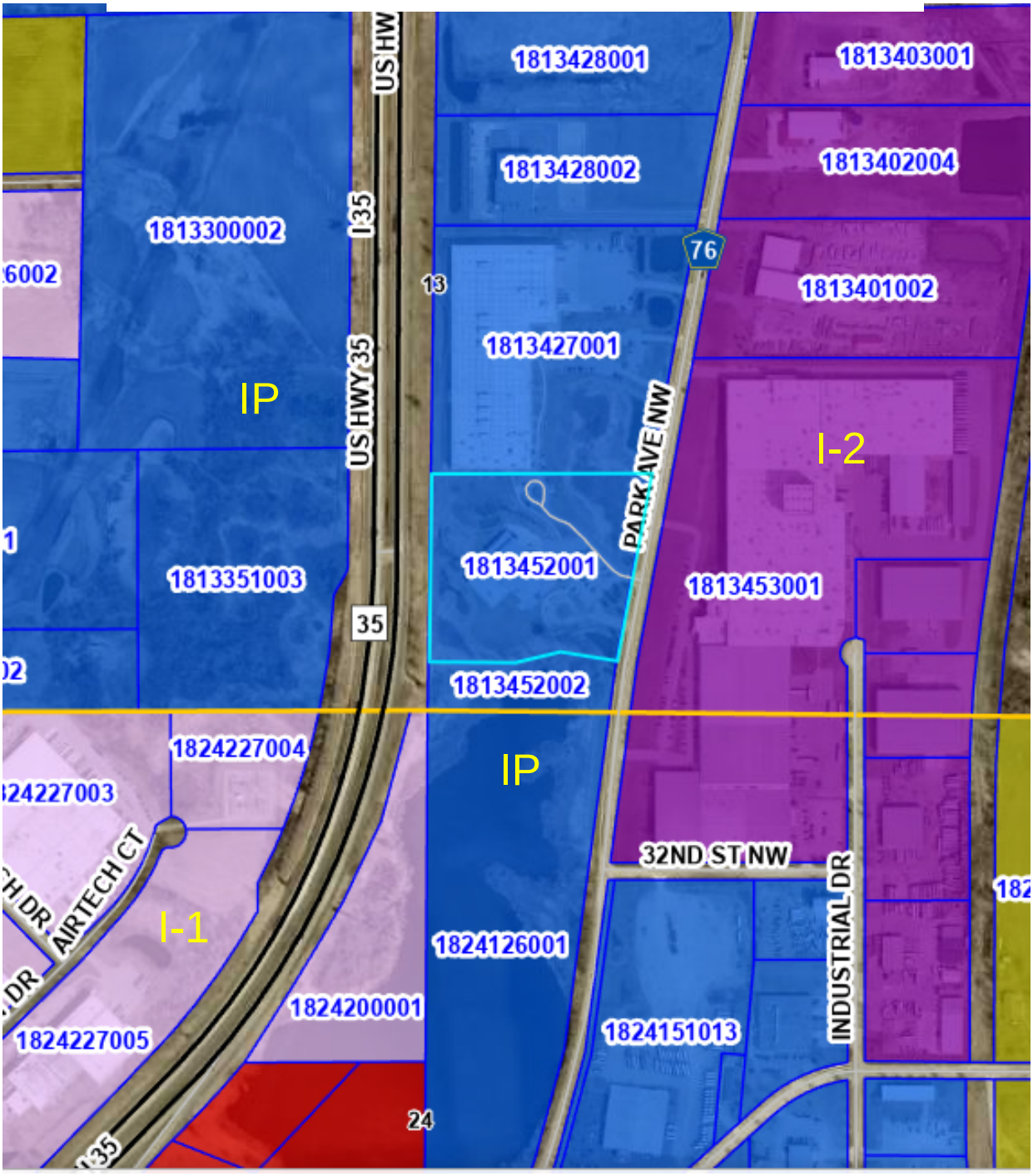
Approve findings in support of the variance application and forward a recommendation of approval to the City Council.

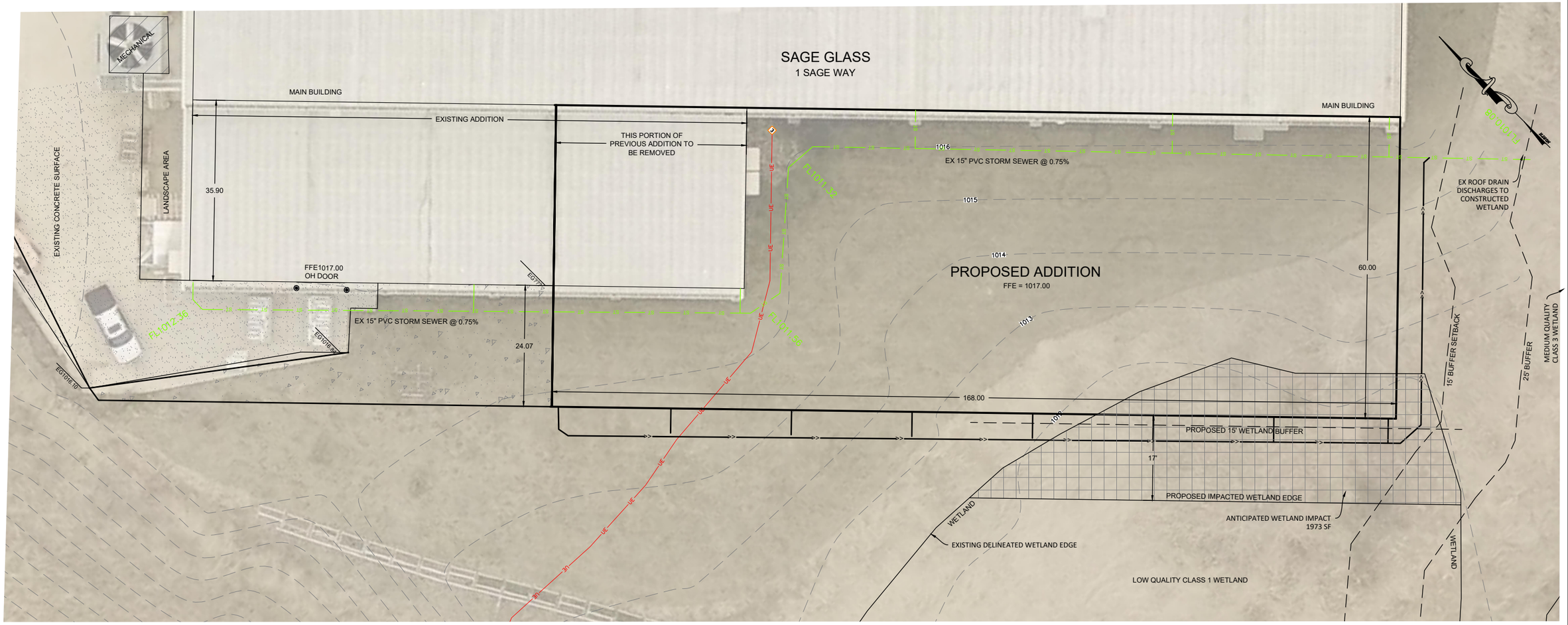
Attachments:

1. Maps
2. Site Plan

Location Map - Vetrotech Expansion - 1 Sage Way

Zoning Map
IP Industrial Park District





LEGEND

—848—	EXISTING ELEVATION CONTOUR LINE
—848—	PROPOSED ELEVATION CONTOUR LINE
FGXXXX.X	FINISH GRADE ELEVATION
EGXXXX.X	EXISTING GRADE ELEVATION
GLXXXX.X	GUTTER LINE ELEVATION
TCXXXX.X	TOP OF CURB ELEVATION
GRXXXX.X	GRATE ELEVATION
HP	HIGH POINT
LP	LOW POINT

GENERAL STORMWATER NOTES:

SITE AREA:	XX
DISTURBED AREA:	XX
EXISTING IMPERVIOUS SURFACE:	XX
PROPOSED IMPERVIOUS SURFACE:	XX
FUTURE IMPERVIOUS SURFACE:	XX

PEAK STORMWATER FLOWS LEAVING SITE (CFS):

	2-YEAR	10-YEAR	100-YEAR
EXISTING	x	x	x
DESIGN	x	x	x

EARTHWORK NOTES:

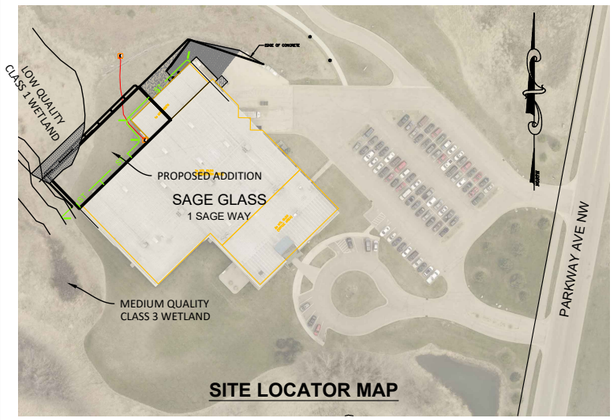
1. CONTRACTOR TO FURNISH ON SITE GEOTECHNICAL CONSULTING ENGINEER AS REQUIRED.
2. SOIL CORRECTIONS UNDER THE PROPOSED CONCRETE & ASPHALTIC PAVEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, REMOVAL OF ALL TOPSOIL AND VISIBLY ORGANIC FILL MATERIAL.
3. CONTRACTOR TO FURNISH ON SITE GEOTECHNICAL CONSULTING ENGINEER TO COORDINATE SOIL CORRECTIONS UNDER PAVEMENTS.
4. THE SITE SHALL BE GRADED TO THE CONTOURS SHOWN AND TO PROVIDE THE DRAINAGE PATTERN SHOWN.
5. GRADE ALL AREAS TO DRAIN.
6. THE ENGINEER MAY ORDER ADJUSTMENTS TO THE GRADES SHOWN ON THE PLAN TO ENSURE PROPER OR BETTER DRAINAGE OR UTILITY COVERAGE AS WORK INCIDENTAL TO THE CONTRACT.

TURF ESTABLISHMENT

1. PROVIDE A MINIMUM OF 6" OF TOPSOIL OVER ALL AREAS DESIGNATED TO RECEIVE TURF.
2. STABILIZE ALL OTHER DISTURBED AREAS OF THE SITE NOT SHOWN TO RECEIVE SPECIAL TREATMENT ON THIS PLAN IN ACCORDANCE WITH THE LANDSCAPE PLAN OF IF NOT SHOWN, WITH HYDROSEED MIXTURE AS MNDOT RAPID STABILIZATION METHOD 3 WITH:
   SEED MIX 25-131 @ 100 LB/ACRE,
   FERTILIZER 22-5-10 @ 300 LBS/ACRE
   TYPE 1 HYDRAULIC SOIL STABILIZER

WINTER STABILIZATION

IN THE EVENT THAT FINAL STABILIZATION OF THE SITE HAS NOT OCCURRED PRIOR TO WINTER CONDITIONS, THE FOLLOWING ACTIVITIES WILL OCCUR:
1. STABILIZE ALL AREAS DESIGNATED TO RECEIVE TURF WITH SODDING OR SEED MIX 22-112 @ 40 LB/ACRE WITH SEED MIX 21-112 (WINTER WHEAT) @ 100 LB/ACRE, AND TYPE 1 MULCH FROZEN TO GROUND WITH WATER
2. SPOT CHECK AND STABILIZE ALL AREAS ALREADY STABILIZED WITH THE ABOVE



SITE LOCATOR MAP

10 0 10
HORIZ. SCALE FEET

DRAWINGS ON 11x17 SHEETS ARE HALF SCALE

BENCHMARKS:
DESCRIPTION
ELEVATION

BENCHMARKS:
DESCRIPTION
ELEVATION

REV.	BY	DATE	REVISION DESCRIPTION
-	-	-	-

JONES HAUGH SMITH
Engineers + Surveyors
415 West North Street Owatonna, MN 507-451-4598

DESIGNED:	JHSS
DRAWN:	JHSS
CHECKED:	BJJ
Date:	4/3/23
DWG:	23-1009

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.

John H. Schulte V
License No. 44639 Date: 4/3/23

SAGE GLASS
10080 SF PRODUCTION ADDITION
LOT 1 BLOCK 1 NORTHERN IND. PK. 4TH ADDN.
SITE PLAN

SHEET 11 OF 14

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Environmental Commission Tim Murray, City Administrator
FROM:	David Wanberg, Community and Economic Development Director John Sherwin, Police Chief
MEETING DATE:	June 13, 2023
SUBJECT:	Ordinance 2023-9 Repeal and Replace Chapter 31 of the Faribault City Code of Ordinances regarding Tall Grass and Weed Regulations (First Reading)

Background:
Over the past several years, the Environmental Commission and City Council held multiple work sessions related to refining the City's Tall Grass and Weed Ordinance. Based, in part, on the recommendations of the Environmental Commission, the City Council directed that the ordinance be revised as follows:

1. Eliminate the requirements for a natural landscape permit, but require reasonable management regulations to protect the public's health, safety, and welfare.
2. Allow the City to issue citations to property owners violating the Tall Grass and Weed Ordinance.

The proposed ordinance repeals and replaces the existing Tall Grass and Weed Ordinance. See the attached existing ordinance for reference. Compared to the existing ordinance, the proposed ordinance provides more reasonable and enforceable regulations that more effectively address neglected nuisance sites. It also allows property owners to maintain attractive landscapes beyond traditional lawns. Chief Sherwin and Director Wanberg will be available to discuss the proposed ordinance in more detail.

Recommendation:
Approve the first reading of Ordinance 2023-9.

Attachments:
1. Ordinance 2023-9
2. Existing Chapter 31 to be Repealed and Replaced

CITY OF FARIBAULT
ORDINANCE No. 2023-9

REPEAL AND REPLACE CHAPTER 31 OF THE FARIBAULT CITY CODE OF ORDINANCES REGARDING TALL GRASS AND WEED REGULATIONS

THE CITY OF FARIBAULT ORDAINS: The City Code of Ordinances shall be amended as follows:

Section 1. Chapter 31 of the Faribault City Code of Ordinances is hereby repealed in its entirety.

Section 2. A new Chapter 31 of the Faribault City Code of Ordinances is hereby adopted as follows:

Chapter 31 TALL GRASS, WEED, AND OTHER VEGETATION MANAGEMENT

Sec. 31-1. Legislative intent.

This chapter is intended to help protect neighborhood aesthetics and the public's health, safety, and welfare by regulating turf grass over eight inches tall, noxious weeds, and other vegetation. The city council finds that appropriately managed and regulated turf grass and other vegetation add diversity and richness to the community and reduce fire hazards and rodent habitat.

Sec. 31-2. Definitions.

The following words, terms, and phrases have the following definitions in this chapter:

Buffer or buffer strip. A management area that separates landscapes and land uses to minimize the impact from adjacent land uses.

Landscaping. The encouragement of selected plants to grow on a site.

Meadow vegetation. Grasses and flowering broad-leaf plants (except weeds) that are native to or adapted to the State of Minnesota and commonly found in meadow and prairie plant communities.

Native grasses. Grasses that existed in the area before European settlement, including but not limited to beach grass, wood chess grass, sand reed grass, wheat grass, bluestem

grass, grama grass, brome grass, buffalo grass, switch grass, Indian grass, wild rye.

Native plants. Plants that existed in the area before European settlement.

Natural landscaping. Groups of native plants in a style resembling naturally occurring plant communities.

Naturalistic landscaping. Native and non-native plants in a style resembling naturally occurring plant communities.

Natural preserve. An undisturbed natural area designated by the city council where the land and vegetation appear to not have been graded, landscaped, or disturbed by human actions in recent times.

Noxious weeds. Plants identified by the commissioner of agriculture as "noxious weeds" pursuant to Minnesota Statutes Section 18.77, subdivision 8.

Prairie. A plant community dominated by diverse native perennial herbaceous plants and grasses.

Public nuisance. An activity, or failure to act, that unreasonably interferes or obstructs the public's health, safety, welfare and/or comfort.

Temporary erosion control grasses. Grasses (including but not limited to winter wheat, oats, or annual rye) that are used as single-growing season cover or nurse crops to establish permanent vegetation.

Transitional period. A period not to exceed three (3) growing seasons to change from one type of landscaping to another.

Turf grass. Grass commonly used in regularly cut and maintained lawns or play areas (including, but not limited to, bluegrass, fescue, and ryegrass blends) that is intended to be maintained at a height of no more than eight (8) inches.

Weeds. All noxious weeds and any undesirable or troublesome plants that are horticulturally out of place, especially profuse plants that grow where unwanted. This chapter does not define the common dandelion (Taraxacum spp.) as a weed.

Wetlands. Lands that are transitional between terrestrial and aquatic systems where the water table is near the surface. The

boundary of wetlands, for purposes of this chapter, shall be determined according to the U.S. Army Corps of Engineers Wetland Delineation Manual (1987).

Sec. 31-3: Public nuisance declared.

It is against the law and a public nuisance for any person responsible for maintaining any property in the city to permit or maintain on that property any of the following:

(1) Noxious weeds;

(2) Turf grass or weeds over eight (8) inches tall; and

(3) Other vegetation that presents a public health, safety, welfare, or nuisance concern.

Sec. 31-4. Exemptions.

This chapter exempts the following from the definition of a public nuisance:

(1) Non-noxious weeds and grasses in wetland and wetland buffer areas as defined in Chapter 28 of the City Code of Ordinances;

(2) Non-noxious weeds, grasses, and herbaceous vegetation that are within city-designated buffer areas of stormwater ponds, natural or altered creeks, rivers, and stream corridors, including riparian buffer strips that convey water;

(3) Non-noxious weeds and grasses growing in actively farmed areas;

(4) Temporary erosion control grasses as approved by the city engineer;

(5) Prairie, meadow, or natural vegetation that is maintained and includes the cultivation of native grasses and does not contain noxious weeds;

(6) Grass and non-noxious weed vegetation growing in areas designated by the city council as a natural preserve; and

(7) Grass, non-noxious weed vegetation, and ornamental grasses growing on slopes steeper than 2:1.

Sec. 31-5. Turf grass and other vegetation management.

(1) Turf grass must not exceed eight (8) inches in height unless expressly allowed by the city. Grass clippings are not allowed on impervious surfaces in the public right-of-way. Long grass clippings resulting in a public nuisance cannot remain on yards.

(2) Noxious weed must be immediately removed.

(3) Non-noxious weeds must not exceed eight (8) inches in height.

(4) In general, vegetation exceeding eight (8) inches in height should not be within eighteen (18) inches of a public sidewalk, trail, road, or alley. In no case shall vegetation hang over the public right-of-way in a manner that creates a public hazard or nuisance.

(5) In general, vegetation over eight (8) inches in height should not be located within four (4) feet of the neighboring property without the written consent of the neighboring property owner.

Sec. 31-6. Violations and abatement.

(1) *Inspection and citation.* An authorized agent of the city will inspect properties to determine whether weeds, grass, or other vegetation constitute a public nuisance, as outlined in section 3 in this chapter. The agent is authorized to enter onto private property to conduct these inspections. If the agent finds a public nuisance, they may cite the property owner for the violation. The agent will send a copy of the citation and notice to the record owner of the property by certified mail, U.S. mail, or personal service. The owner must abate the nuisance within five (5) business days of the issuance of the citation or notice. The citation or notice will inform the owner that if they fail to abate the nuisance on time, the city will abate the nuisance and charge the owner the cost of the abatement. If the owner does not pay the abatement costs, the city will levy any unpaid amounts against the property as a special assessment. A property owner's refusal to accept the citation does not constitute a defense that the property owner did not receive the notice.

(2) *Abatement by the city.* If the nuisance identified in the citation and notice is not abated within the time required,

the city may abate the nuisance. An authorized agent of the city will record the total cost of the abatement attributable to each property and report such information to the city clerk.

(3) *Owner liability for cost.* Once abated and the cost determined, the city will prepare a bill and mail it to the owner. The amount will be immediately due and payable. If the owner fails to pay the bill, the total charges may be levied as an assessment against the property. This will be an additional remedy and not in lieu of any other penalty provided for in the city code or state law.

Section 3. This ordinance amendment shall take effect and be in force after its passage and publication per Section 3.05 of the city charter.

First Reading: June 13, 2023

Second Reading:

Publication Date:

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

Chapter 31 TALL GRASS AND WEED REGULATION

Sec. 31-1. Legislative intent.

It is declared to be the purpose and intent of this chapter to protect and preserve the city's neighborhoods and the public health, safety and welfare of those who live there. The city council determines that keeping the city free of tall grass and noxious weeds improves the quality of life of all residents by improving aesthetics, by eliminating harbor for rodents and insects, and by eliminating fire hazards. At the same time, the city council recognizes that requiring the mowing of grasses and noxious weeds is sometimes unreasonable or impractical under certain circumstances.

The city council also determines that a variety of properly maintained landscaping treatments adds diversity and richness to the quality of life, and does not want to discourage the preservation, restoration and maintenance of diverse biologically stable natural plant communities or environmentally sound practices. The city council finds that the establishment of prairie, naturalistic and meadow plant communities are acceptable landscape treatments. However, as a protection for the larger community, these types of landscaping treatments must be properly planned, managed and maintained, and the length of transition period must be minimized or they are likely to cause a public nuisance.

(Ord. No. 2009-21, § 2, 12-22-09)

Sec. 31-2. Definitions.

For purposes of this chapter, the following words, terms and phrases shall have the following meanings respectively ascribed to them in this section:

Buffer or buffer strip. A management area used to separate differing landscapes and land uses in order to minimize the impact from adjacent land uses.

Landscaping. The encouragement of selected plants to grow on a site.

Meadow vegetation. Grasses and flowering broad-leaf plants that are native to, or adapted to, the State of Minnesota, and that are commonly found in meadow and prairie plant communities, with the exception of weeds.

Native grasses. Grasses that existed in the area prior to European settlement (Beach Grass, Wood Chess Grass, Sand Reed Grass, Wheat Grass, Bluestem Grass, Grama Grass, Brome Grass, Buffalo Grass, Switch Grass, Indian Grass, Wild Rye).

Native plants. Plants that existed in the area prior to European settlement.

Natural landscaping. The use of groups of native plants.

Naturalistic landscaping. The use of native and non-native plants.

Natural preserve. A natural undisturbed area designated by the city council where the land and vegetation appears to not have been graded, landscaped or otherwise disturbed by human or mechanical means in recent time.

Noxious weeds. Plants designated by the commissioner of agriculture as "noxious weeds" pursuant to Minnesota Statutes Section 18.77, subdivision 8.

Prairie. A plant community dominated by a diversity of native perennial herbaceous plants and grasses.

Existing to be Repealed and Replaced

Temporary erosion control grasses. Grasses (winter wheat, oats, annual rye or regreen) that are used as single growing season cover or nurse crops to assist in the establishment of permanent vegetation.

Transitional period. The amount of time needed to change from one type of landscaping to another. A transitional period must not extend beyond three (3) growing seasons for any specific area.

Weeds. All noxious weeds and any undesirable or troublesome plant that is horticulturally out of place, especially plants that grow profusely where they are not wanted. For the purposes of this chapter, Taraxacum spp (common dandelion) is not considered to be a weed.

Wetlands. Lands that are transitional between terrestrial and aquatic systems where the water table is near the surface. The boundary of wetlands, for purposes of this chapter, shall be determined according to the U.S. Army Corps of Engineers Wetland Delineation Manual (1987).

(Ord. No. 2009-21, § 2, 12-22-09)

Sec. 31-3. Nuisance declared.

It shall be unlawful and a public nuisance for any person having control over any property in the city to permit or maintain on such property any:

(1) Noxious weeds; or

(2) Growth of grass or weeds in excess of eight (8) inches in height, if the growth of grass or weeds occupies an area of at least one hundred forty-four (144) square feet and is located within two hundred (200) feet of a residence or developed property.

No property owner shall permit such weeds and grass to be a public nuisance. Any such public nuisance must be immediately abated by the property owner by removing the weeds, cutting the grass and removing the clippings.

(Ord. No. 2009-21, § 2, 12-22-09)

Sec. 31-4. Exemptions.

The following are not considered to be public nuisances:

(1) Non-noxious weeds and grass vegetation in wetland areas;

(2) Non-noxious weeds, grasses and herbaceous vegetation that are within fifty (50) feet of designated stormwater ponds, natural or altered creeks, rivers and stream corridors, including riparian buffer strips that convey water, provided that they are annually cut to less than eight (8) inches if the area is located within two hundred (200) feet of an occupied residence or developed property;

(3) Non-noxious weeds and grass vegetation growing on property located in any zoning district that is being actively farmed;

(4) Temporary erosion control grasses;

(5) Prairie, meadow or natural landscape vegetation that is maintained and includes the cultivation of native grasses and does not contain any noxious weed growth, provided that a natural landscape permit is obtained from the city;

(6) Grass and non-noxious weed vegetation growing in areas designated by the city council as a natural preserve; and

Existing to be Repealed and Replaced

(7) Grass, non-noxious weed vegetation and ornamental grasses growing on natural or altered slopes that are steeper than 2:1.

(Ord. No. 2009-21, § 2, 12-22-09)

Sec. 31-5. Natural landscape permits.

(a) *Permit required.* A natural landscape permit must be obtained from the city by a property owner desiring to use prairie, meadow or natural landscape vegetation which is not otherwise exempted by this chapter and is expected to exceed ten (10) inches in overall height.

(b) *Permit application contents.* The natural landscape permit application must contain the following information:

(1) The name and address of the applicant;

(2) The legal description of the property;

(3) A site plan showing lot lines, public right-of-way, buildings and the location of the proposed landscaping;

(4) A general description of the vegetation and plant types to be used, including the Latin and common names of all of the species; and

(5) A specific management and maintenance plan that includes the following information:

a. A planting diagram showing the location and mature height of all species of vegetation;

b. Detailed information on the upkeep of each species;

c. The estimated transitional period, if applicable; and

d. The plan for elimination of any non-native vegetation.

(6) The name, address, phone number and qualifications of the person or company that will be responsible for the management and maintenance of the vegetation.

(c) *Permit issuance.* The chief of police or his/her designee shall review the application and issue the natural landscape permit unless:

(1) The application is incomplete;

(2) The management and maintenance plan is incomplete or inconsistent with the requirements of this chapter;

(3) The plan proposes use of non-native grasses; or

(4) The transitional period for the area to be landscaped is longer than three (3) growing seasons.

A natural landscape permit shall be valid for five (5) years from the date of approval.

(d) *Permit denial; appeal.* If the chief of police or his/her designee denies an application for a natural landscape permit, he or she shall send written notice of the denial to the applicant. The applicant may appeal the decision to the city council by filing notice of such appeal with the city administrator within twenty (20) days of the date of the notice. Upon receipt of the notice of appeal, the city council shall set a public hearing date at which the applicant and any other party wishing to be heard may have an opportunity to present evidence as to the applicant's compliance with this chapter. If the city council determines that the applicant has complied with the provisions of this chapter, it shall direct the chief of police to issue the permit. The city council must affirm the city administrator's denial of the permit if it determines that the applicant has not complied with the provisions of this chapter.

Existing to be Repealed and Replaced

(e) *Permit revocation.* The city administrator may regularly inspect any property holding a natural landscape permit.

(1) A natural landscape permit may be revoked by the city administrator for any of the following reasons:

a. Weeds are not removed;

b. The vegetation is not being maintained to a height of ten (10) inches or less in areas located within eighteen (18) inches of a public street, sidewalk, trail or alley;

c. The vegetation is not being maintained to a height of ten (10) inches or less in areas located within four (4) feet of a side or rear lot line, unless the adjacent property owner has consented in writing;

d. The property owner fails to maintain the natural landscape area in a manner consistent with the management and maintenance plan that was submitted with the permit application.

(2) For any property that is not in compliance, the chief of police or his/her designee shall give notice to the holder of the permit by U.S. mail stating that the property must be in compliance within thirty (30) days. Should that period pass without action by the holder of the permit, the city administrator or his or her designee shall:

a. Revoke the natural landscape permit;

b. Remove all improperly maintained vegetation;

c. Declare the property ineligible for a natural landscape permit unless sold for a period of two (2) years; and

d. Assess the property for all fees associated with inspection of the property and any removal of improperly maintained vegetation in accordance with assessment provisions of this chapter.

(Ord. No. 2009-21, § 2, 12-22-09)

Sec. 31-6. Violations.

(a) *Inspection and notice.* The city weed inspector shall make such inspections as are necessary to determine whether weeds and grass constitute a public nuisance as defined in this chapter and is hereby authorized to enter onto private property for the purpose of conducting such inspection. Upon finding such public nuisance, the weed inspector shall send a notice to the record owner of the property by certified mail, U.S. mail or by personal service ordering the owner to abate the nuisance within ten (10) days of the date of the notice. The notice shall also state that if the owner fails to abate the nuisance, the city will abate the nuisance and the expense thereof, if unpaid by the owner, to be levied against the benefited property as a special assessment. Refusal to accept such notice by the owner of the property shall not constitute a defense that the notice was not received.

(b) *Abatement by the city.* If such nuisance is not abated within the time required, the city may abate the nuisance. The city weed inspector shall keep a record of the total cost of the abatement attributable to each property and report such information to the city clerk.

(c) *Owner liability for cost.* As soon as the abatement has been completed and the cost determined, the city shall prepare a bill and mail it to the owner and thereupon the amount shall be immediately due and payable. If the owner fails to pay the bill, the total charges may be levied as an assessment against the property. This shall be an additional remedy and not in lieu of any other penalty provided for in the City Code or state law.

(Ord. No. 2009-21, § 2, 12-22-09)

Existing to be Repealed and Replaced

Existing to be Repealed and Replaced

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Planning Commission Tim Murray, City Administrator
FROM:	David Wanberg, Community and Economic Development Director
MEETING DATE:	June 13, 2023
SUBJECT:	Ordinance 2023-10 Zoning Text Amendment to Reduce the Minimum Required Lot Size and Lot Width for Attached Single Family Dwellings in the R-3, Medium Density Residential Districts Citywide (First Reading)

Background:

The Planning Commission is proposing a zoning text amendment that reduces the minimum required lot size and minimum lot width for attached single-family dwellings in the R-3 District. During a recent work session, the Planning Commission heard from a local builder that the current R-3 District provisions limit options for twin home (side by side) units, particularly on redevelopment sites.

The Planning Commission noted that the existing ordinance allows duplexes with a minimum lot size of 4,800 square feet per unit and 66 feet of lot width. However, single-family attached dwellings (twin homes) require a minimum lot area of 6,000 square feet per unit and 120 feet in total width for the building lot. The Planning Commission recommended revising the zoning ordinance to allow attached single-family homes on lots with a minimum lot area of 4,800 square feet per unit to match the requirements for duplexes in the R-3 District. The Commission also recommended reducing the minimum lot width per unit for attached single-family homes to 30 feet.

The Planning Commission held a public hearing on June 5, 2023. No one from the public spoke regarding this matter. The Planning Commission felt the proposed text amendment increases affordable housing options for home buyers and will provide more options for redeveloping blighted areas in the R-3 District. The Planning Commission, by a 6-0 vote, recommended that the City Council approve the proposed text amendment based on the findings included in the proposed ordinance.

Recommendation:
Approve the first reading of Ordinance 2023-10

Attachments:
1. Ordinance 2023-10
2. Planning Commission Staff Report and Attachments

CITY OF FARIBAULT
ORDINANCE No. 2023-10

ZONING TEXT AMENDMENT TO REDUCE THE MINIMUM REQUIRED LOT SIZE AND LOT WIDTH FOR ATTACHED SINGLE FAMILY DWELLINGS IN THE R-3, MEDIUM-DENSITY RESIDENTIAL DISTRICTS CITYWIDE

WHEREAS, the City of Faribault Planning Commission initiated a zoning text amendment to reduce the minimum required lot size to 4,800 square feet for end units and lot width to 30 feet for attached single-family dwellings in the R-3, Medium Density Residential Districts citywide; and

WHEREAS, the Planning Commission, on June 5, 2023, following proper notice, held a public hearing regarding the proposed zoning text amendment; and

WHEREAS, following the public hearing, the Planning Commission recommended that the City Council approve the above-referenced zoning text amendment based on the following written findings outlined in Section 2-180 of the City's Unified Development Ordinance as follows:

1. **Criteria: Whether the amendment is consistent with the applicable policies of the City's Land Use Plan.**

   Finding: The Land Use Plan provides for an organized blend of compatible land uses in the City and supports the efficient use of infrastructure that ensures a range of housing options to meet the need of City residents. The proposed zoning text amendment is consistent with the Land Use Plan.

2. **Criteria: Whether the amendment is in the public interest and is not solely for the benefit of a single property owner.**

   Finding: The proposed zoning text amendment is not intended to benefit only one property owner. It will be effective citywide and benefit many different property owners and agencies.

3. **Criteria: Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The proposed text amendment does not change the zoning classification of property in the city. Therefore, this required finding does not apply to the proposed text amendment. The amendment

provides for attached single-family home lots at 4,800 SF and 30 feet in width in the R-3 Medium Density Residential District, which is a 20 percent reduction in lot area and about 50 percent reduction in lot width over existing standards in this district.

4. **Criteria: Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The proposed text amendment does not change the zoning classification of property in the city. Therefore, this required finding does not apply to the proposed text amendment. The amendment provides for attached single-family home lots at 4,800 SF and 30 feet in width in the R-3 Medium Density Residential District.

5. **Criteria: Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The proposed text amendment does not change the zoning classification of property in the city. Therefore, this required finding does not apply to the proposed text amendment. The amendment is needed to address a community demand for more affordable housing choices.

WHEREAS, the City Council held a public meeting on June 13, 2023, to consider approval of the first reading of Ordinance 2023-10; and

WHEREAS, the City Council also held a public meeting on _____, 2023 to consider approval of the second reading of Ordinance 2023-10; and

WHEREAS, based on the City Staff report, the results of the public hearing, and the written findings and recommendation of the Planning Commission, the City Council of the City of Faribault concurs with the written findings of the Planning Commission as stated in the above recitals and hereby makes the identical findings.

NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:

Section 1: Findings and Incorporation of Recitals and Exhibits. The recitals in this ordinance are part of this ordinance and, where applicable, constitute the written findings of the City Council of the City of Faribault.

Section 2: Text Amendment – Table 10-2 Lot dimension and setback requirements, residential districts. The Faribault City Council hereby amends Table 10-2 of the City's Unified Development Ordinance by adding new text (designated by the underlined text) and deleting existing text (designated by the ~~strikethrough~~ text) as follows:

[The balance of this page is intentionally blank]

Table 10-2. Lot dimension and setback requirements, residential districts.

District	R-1	R-1A	R-2	R-3	R-4
Minimum lot area (sq. ft.)					
Single-family detached dwelling:					
Served by municipal sewer/water	10,000	9,000	8,500	6,000	6,000
Not served by municipal sewer/water	1 acre	1 acre	1 acre	1 acre	1 acre
Single-family attached dwellings:					
End units	-	7,000	7,000	~~6,000~~ 4800	6,000
Interior units	-	-	4,000	4,000	4,000
Duplex, multi-family dwellings (per unit):					
Platted after 5/28/74	-	7,000	6,000	4,800	*
Platted prior to 5/28/74	-	-	4,800	4,800	*
All other uses (per lot):	20,000	15,000	15,000	12,000	10,000
Minimum lot width					
Single-family detached dwelling:	75 feet	70 feet	66 feet	66 feet	66 feet
Single-family attached dwelling:					
End units	-	60 feet	60 feet	~~60~~30 feet	60 feet
Interior units	-	-	35 feet	~~35~~30 feet	35 feet
Duplex (per building):	-	70 feet	66 feet	66 feet	66 feet
Multi-family (per building):	-	-	100 feet	100 feet	100 feet
All other uses	100 feet	100 feet	100 feet	100 feet	100 feet
Minimum lot depth	-	-	-	-	100 feet
Building setback requirements					
Front	25 feet	25 feet	25 feet	25 feet**	25 feet**
Side	10 feet	10 feet	10 feet	10 feet**	15 feet**
Corner side	25 feet	25 feet	25 feet	25 feet**	25 feet**
Rear	10 feet	10 feet	10 feet	10 feet**	15 feet**

* See section 10-100

** See section 10-110

Section 3: Effective Date. This ordinance shall be effective immediately upon its passage and publication per the provisions of the Faribault City Charter.

Public Hearing: June 5, 2023

First Reading: June 13, 2023

Second Reading: _____

Publication: _____

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

Agenda Item:

REQUEST FOR PLANNING COMMISSION ACTION

TO:	Planning Commission
THROUGH:	Dave Wanberg, Community and Economic Development Director
FROM:	Peter Waldock, Planning and Zoning Coordinator
MEETING DATE:	June 5, 2023
SUBJECT:	The City of Faribualt is proposing a Zoning Text Amendment to reduce the minimum required lot size to 4,800 square feet per unit and the minimum lot width to 30 feet per unit for attached single family dwellings in the R-3, Medium Density Residential Districts citywide.

Background:

Erick Warner of Warn Investments Inc. owns two adjoining vacant lots at 616-620 6th Street NW. The lots are in the R-3, Medium Density Residential District. This neighborhood is in the central core area of the city. A typical lot in this area is 66 feet wide and 165 feet deep (10890 square feet). The subdivision was platted in 1909 and the homes there are generally from that era, tall, two-story homes. The two lots had originally been occupied by two-story tall single-family homes that fell into disrepair and were demolished and the lots cleared. The owner would like to build a new twin home on each of the lots and subdivide the property to have each twin home unit on a separate lot.

The R-3 District permits multifamily dwellings, duplexes, attached and detached single family homes. The development density (number of units per lot) is limited by the minimum required lot area per unit. For multifamily dwellings and duplexes, the lot area per unit is 4800 square feet and the minimum lot width is 66 feet. Attached single family residences require 6000 square feet of lot area per unit and a minimum lot width of 60 feet per unit (for twin homes). Both of the lots are large enough and wide enough for a duplex (two-dwelling unit building), but they are not wide enough or large enough (in lot area) for an attached single-family home with each unit on its own lot.

The housing market has evolved in recent years with high construction costs, high demand for housing and a low supply of available housing. The city has a shortage of affordable housing. To help address these issues, the Planning Commission is willing to consider amending the zoning regulations in the R-3 District to allow twin homes on lots of 30 feet wide and 4800 square feet in area per unit to accommodate redevelopment of the existing lots in the older core area of the city. Currently there is a strong market for twin homes, which are sought after by buyers seeking a more affordable housing option than new detached single-family home.

The DRC discussed this matter at its meeting of May 23, 2023 and recommended approval.

Recommendation:
Approve findings in support of the proposed zoning text amendment and recommend City Council approval.

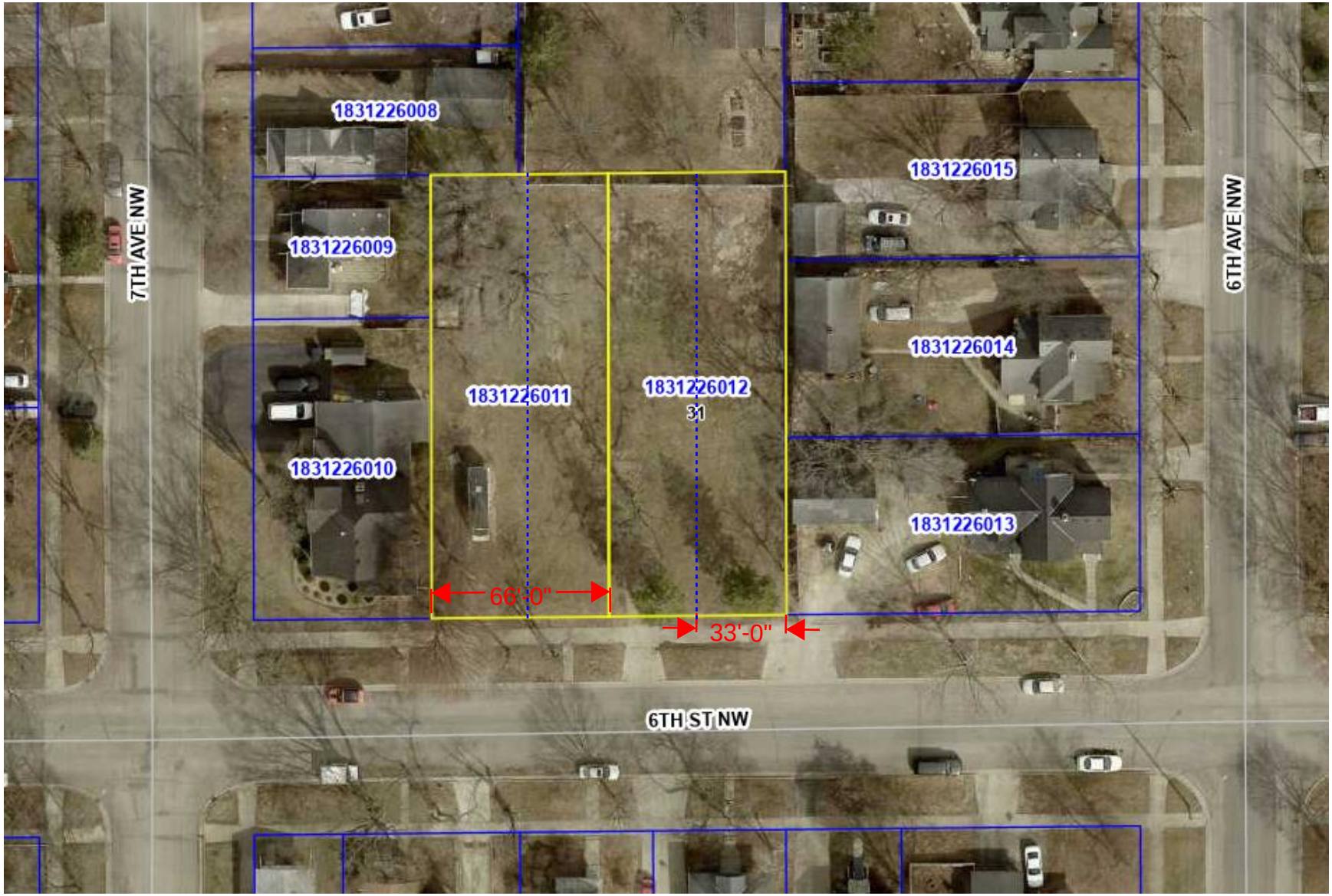
Attachments:
1. Red-lined Table 10-2
2. Example Site Map

Table 10-2. Lot dimension and setback requirements, residential districts.

District	R-1	R-1A	R-2	R-3	R-4
Minimum lot area (sq. ft.)					
Single-family detached dwelling:					
Served by municipal sewer/water	10,000	9,000	8,500	6,000	6,000
Not served by municipal sewer/water	1 acre	1 acre	1 acre	1 acre	1 acre
Single-family attached dwellings:					
End units	-	7,000	7,000	~~6,000~~ 4800	6,000
Interior units	-	-	4,000	4,000	4,000
Duplex, multi-family dwellings (per unit):					
Platted after 5/28/74	-	7,000	6,000	4,800	*
Platted prior to 5/28/74	-	-	4,800	4,800	*
All other uses (per lot):	20,000	15,000	15,000	12,000	10,000
Minimum lot width					
Single-family detached dwelling:	75 feet	70 feet	66 feet	66 feet	66 feet
Single-family attached dwelling:					
End units	-	60 feet	60 feet	~~60~~30 feet	60 feet
Interior units	-	-	35 feet	~~35~~30 feet	35 feet
Duplex (per building):	-	70 feet	66 feet	66 feet	66 feet
Multi-family (per building):	-	-	100 feet	100 feet	100 feet
All other uses	100 feet	100 feet	100 feet	100 feet	100 feet
Minimum lot depth	-	-	-	-	100 feet
Building setback requirements					
Front	25 feet	25 feet	25 feet	25 feet**	25 feet**
Side	10 feet	10 feet	10 feet	10 feet**	15 feet**
Corner side	25 feet	25 feet	25 feet	25 feet**	25 feet**
Rear	10 feet	10 feet	10 feet	10 feet**	15 feet**

* See section 10-100

** See section 10-110



Warn Investments LLC – 616 and 620 6th St NW

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Planning Commission Tim Murray, City Administrator
FROM:	David Wanberg, Community and Economic Development Director
MEETING DATE:	June 13, 2023
SUBJECT:	Ordinance 2023-11 Rezone Property Located at 1008 and 1016 Division Street W. to R-2, Low Density Residential District (First Reading)

Background:

The Planning Commission is proposing to rezone 1008 and 1016 Division St. W from C-1, Neighborhood Commercial District to R-2, Low Density Residential District to match adjoining parcels and follow the land use plan for Established Residential Uses in this area. The lots are half-sized, compared to other lots on the block, and are not suitable for commercial uses. The owners are renovating the existing buildings for single-family dwellings. Single-family dwellings and mixed commercial / residential uses are not permitted in the C-1 District.

The Planning Commission held a public hearing on June 5, 2023, to consider the proposed rezoning. No one from the public spoke regarding this matter. The Planning Commission by a vote of 6-0 approved the findings in the draft ordinance and recommended the City Council approve the proposed rezoning.

Recommendation:

Approve the first reading of Ordinance 2023-11.

Attachments:

1. Ordinance 2023-11 ezone Property Located at 1008 and 1016 Division Street W. to R-2, Low Density Residential District
2. Planning Commission Staff Report and Attachments

CITY OF FARIBAULT
ORDINANCE No. 2023-11

REZONE PROPERTY AT 1008 AND 1016 DIVISION STREET W TO R-2, LOW-DENSITY RESIDENTIAL DISTRICT

WHEREAS, the Faribault Planning Commission has proposed to rezone 1008 and 1016 Division Street W (legally described in Exhibit A), from C-1, Neighborhood Commercial District, to R-2, Low-Density Residential District, to match other properties and land uses in the area; and

WHEREAS, the subject site contains a single-family dwelling at 1016 Division St W and an outdated mixed residential / retail building at 1008 Division St. W that is being converted to a single-family dwelling; and

WHEREAS, rezoning the subject parcel to R-2, Low-Density Residential District is necessary as the subject parcels are undersized and no longer used for neighborhood commercial uses, and the proposed zoning classification will match surrounding properties and land uses; and

WHEREAS, the City's Development Review Committee reviewed the rezoning proposal and recommended approval of the request; and

WHEREAS, the Planning Commission, on June 5, 2023, following proper notice, held a public hearing regarding the rezoning request; and

WHEREAS, the Planning Commission finds that it is appropriate to rezone 1016 and 1018 Division Street W from C-1, Neighborhood Commercial, to R-2, Low-Density Residential, based on the following findings of the Planning Commission as required by Section 2-180 of the City's Unified Development Ordinance:

1. **Criteria: Whether the amendment is consistent with the applicable policies of the City's Land Use Plan.**

   Finding: The proposed zoning is consistent with the City's Land Use Plan, which guides the site and adjoining lots for Established Residential Neighborhood Uses.

2. **Criteria: Whether the amendment is in the public interest and is not solely for the benefit of a single property owner.**

   Finding: The proposed rezoning is the logical expansion of the R-2 District classification currently in place on the balance of the block. The current C-1, Neighborhood Commercial District classification is

out of place in this block, and the subject parcels cannot serve as commercial uses since the parcels are undersized and non-conforming for commercial lots in the City.

3. **Criteria: Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The subject properties include an existing single-family residence and a former retail building that also served as a dwelling unit. The properties have substandard lot width and area. The owners are renovating the existing buildings for single-family uses, which are not permitted in the current commercial zoning district.

4. **Criteria: Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The proposed rezoning accommodates the single-family dwelling uses.

5. **Criteria: Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The proposal will change the zoning classification from a non-conforming commercial designation to a residential district designation that matches neighboring properties and better fits the comprehensive land use plan. The rezoning application responds to an effort to reduce blighted buildings in the area.

WHEREAS, the City Council held a public meeting on June 13, 2023, to consider approval of the first reading of Ordinance 2023-11; and

WHEREAS, the City Council also held a public meeting on _____, to consider approval of the second reading of Ordinance 2023-11; and

WHEREAS, based on the City Staff report, the results of the public hearing, and the written findings of the Planning Commission, the City Council of the City of Faribault concurs with the written findings of the Planning Commission

and makes the identical findings.

NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:

Section 1: Findings and Incorporation of Recitals and Exhibits. Where applicable, the recitals and exhibits incorporated in this ordinance constitute the written findings of the City Council.

Section 2: Rezoning. The City Council hereby rezones the legally described on Exhibit A, and graphically depicted in Exhibit B to R-2, Low Density Residential District.

Section 3: Official Zoning Map. The City does not need to republish the City's official zoning map to show the rezoning. However, the City Planner shall show the rezoning on the official zoning map on file with the City.

Section 4: Authorization to take Additional Steps. The City Council authorizes and directs the Mayor, City Staff, and City Consultants to take any additional steps and actions necessary and convenient to accomplish the intent of this ordinance.

Section 5: Effective Date. This ordinance is effective immediately upon its passage and publication per the City Charter.

First Reading: June 13, 2023

Second Reading: _____

Published: _____

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

_____
Timothy C. Murray, City Administrator

Exhibit A
Legal Description

Parcel A. 1008 Division St W PID# 18.36.1.76.092

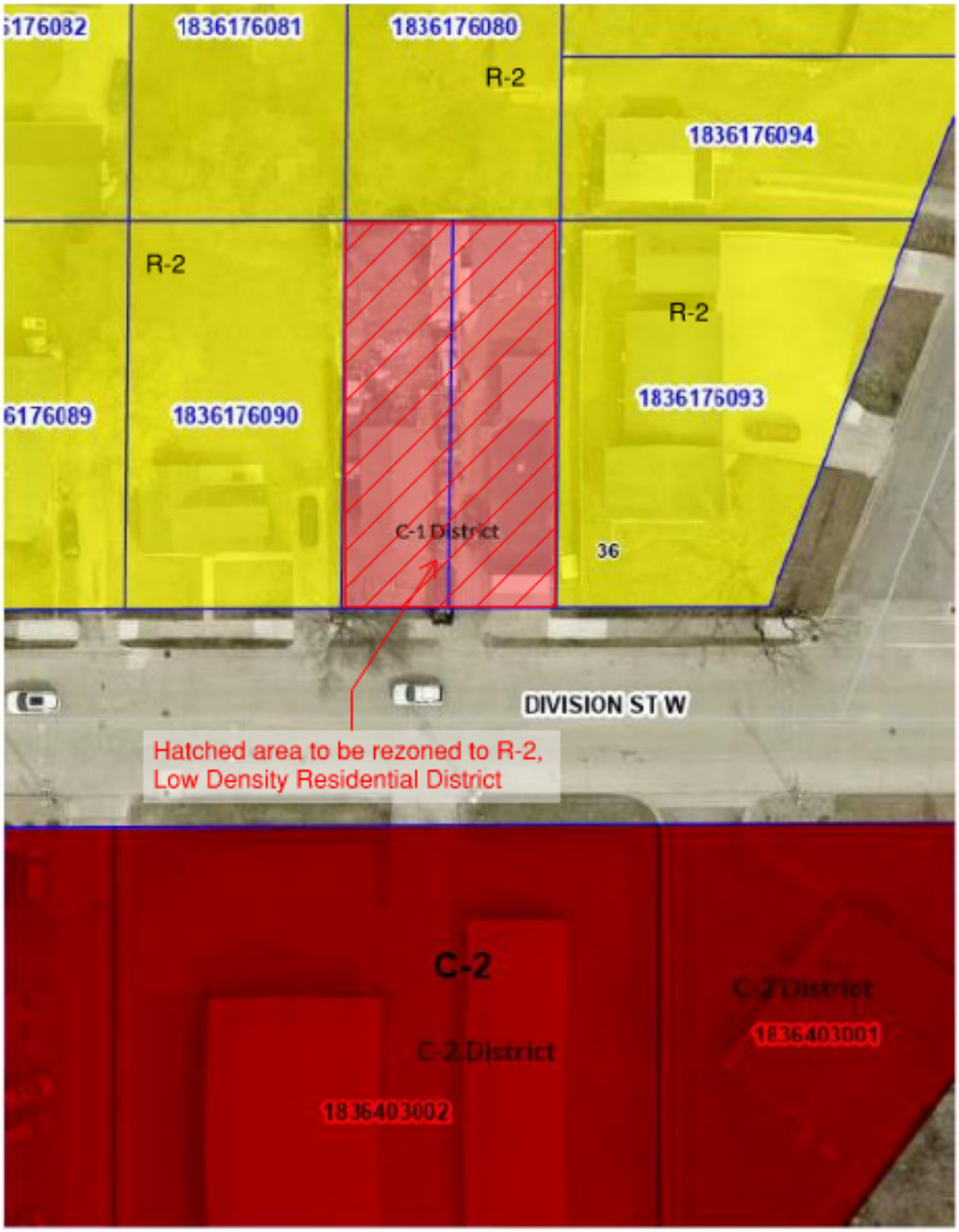
The East half(E½) of lot fourteen (14) in block ten (10) of Fuller's addition to Faribault, Rice County, minnesota; together with an easment for a right of way in, over and to the East four (4) feet of the South seventy (70) feet of the West half (w½) of said lot fourteen (14),and excepting and reserving a like easement in, over and to the West four (4) feet of the south (70) feet of the East half (e½) of said lot; said easements to constitute a right of way eight (8) feet in width from East to West and seventy (70) feet in length from Norht to South; to be used by the adjoining property owners and their successors and assigns and it is further understood that the adjoining owners will contribute equally at all times to the upkeep of said driveway, and failure of either party to do so, the defaulting party shall be deprived of the use of the same until paid by them or their successors or assigns.

Parcel B. 1016 Division St W PID# 18.36.1.76.091

The West One-half (W 1/2) of Lot 14, Block 10 in Fuller's Addition to Faribault, Rice County, Minnesota; Subject to an easement for a right of way in, over, and to the East 4 Feet of the South 70 Feet of the West One-half (W 1/2) of said Lot 14; and together with an easement in, over, and to the West 4 Feet of the South 70 Feet of the East One-half (E 1/2) of said Lot 14; said easements to constitute a right of way 8 Feet in width from East to West and 70 Feet in length from North to South, to be used by the adjoining property owners and their successors and assigns.

EXHIBIT B

Depiction of Rezoning Area to be reclassified from C-1 Neighborhood Commercial District to now be R-2, Low Density Residential District.



Zoning Map 1008 and 1016 Division St W

Agenda Item:

REQUEST FOR PLANNING COMMISSION ACTION

TO:	Planning Commission
THROUGH:	Dave Wanberg, Community and Economic Development Director
FROM:	Peter Waldock, Planning and Zoning Coordinator
MEETING DATE:	June 5, 2023
SUBJECT:	The City of Faribault is seeking to rezone 1008 and 1016 Division Street W, from C-1, Neighborhood Commercial District to R-2, Low Density Residential District to match other properties and land uses on the block.

Background:

The Planning Commission is proposing that the City rezone 1008 and 1016 Division St. W from C-1, Neighborhood Commercial District to R-2, Low Density Residential District to match adjoining parcels and follow the land use plan for Established Residential Uses in this area.

The subject site is made of two half-sized lots (when compared to adjoining residential lots on this block). The site appears to have been built as a neighborhood store with the proprietor's home on one side of the lot and a store on the other side of the lot.

At some point, the lot was split in two and sold to separate owners. There was a variety of small retail stores in the building at 1008 Division St. but the site has not been used for commercial use in many years. It is currently used as a dwelling. 1016 Division St has a home that is being renovated for use as a single-family home. This lot has most recently been used as a single-family home before falling into disrepair and going vacant.

Discussion:

1. Existing Uses. The lots are substandard compared to current zoning codes. They appear to be half-sized lots compared to the surrounding lots. Both lots are currently used or being remodeled for single family residential use. 1008 Division St has a store front that will be re-purposed for living space for the existing unit.

2. Comprehensive Plan. Established Residential Neighborhood.
3. Existing Zoning. The properties are zoned C-1 Neighborhood Commercial District. This zoning designation is problematic in that neither of two lots is developed for commercial uses with proper off-street parking and commercial buildings and the lots are too small for off-street parking areas that are required in this district for commercial uses.

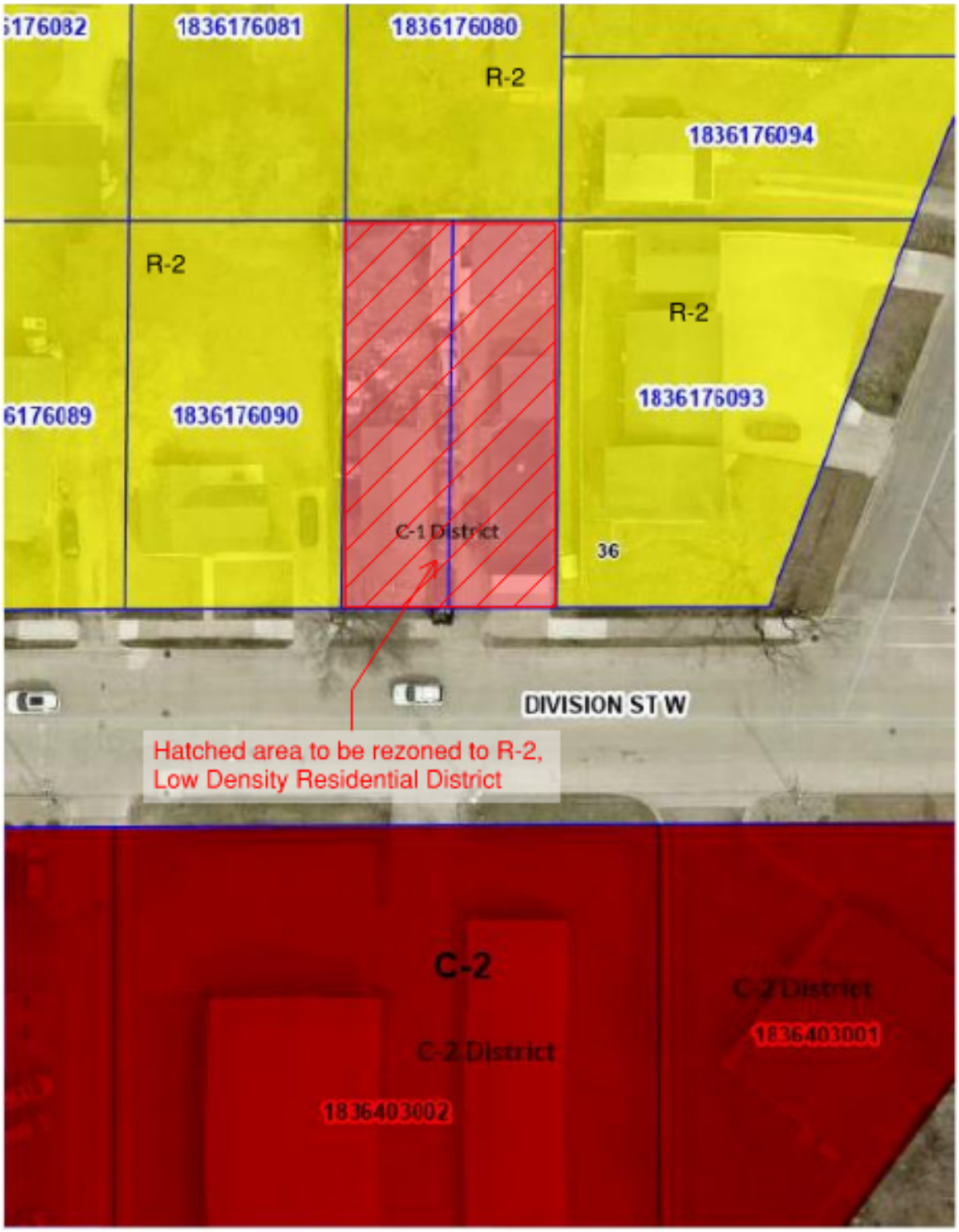
The DRC discussed this matter at its meeting of May 23, 2023 and recommends approval.

Recommendation:
Approve findings in support of the proposed rezoning and recommend City Council approval.

Attachment:
1. Map

EXHIBIT B

Depiction of Rezoning Area to be reclassified from C-1 Neighborhood Commercial District to now be R-2, Low Density Residential District.



Zoning Map 1008 and 1016 Division St W

Location Map 1008 and 1016 Division St W

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Planning Commission Tim Murray, City Administrator
FROM:	David Wanberg, Community and Economic Development Director
MEETING DATE:	June 13, 2023
SUBJECT:	Ordinance 2023-12 Rezone Rice County Fairgrounds at 1900 Fairgrounds Drive to P-I, Public Institutional District (First Reading)

Background:

The Planning Commission recommends that the City Council rezone the Rice County Fairgrounds from O, Agriculture/Open Space, to P/I, Public/Institutional. The proposed rezoning is consistent with the Journey to 2040 Comprehensive Plan, and the existing fairground uses are a better fit for the P/I, Public/Institutional District. Refer to the attached Planning Commission report for additional information.

The Planning Commission held a public hearing on June 5, 2023. No one from the public spoke in regard to the proposed rezoning. By a vote of 6-0, the Planning Commission approved the findings in the draft ordinance and recommended that the City Council approve the rezoning.

Recommendation:

Approve first reading of Ordinance 2023-12.

Attachments:

1. Ordinance 2023-12 Rezone Rice County Fairgrounds at 1900 Fairgrounds Drive to P-I, Public Institutional District
2. Planning Commission Staff Report and Attachments

CITY OF FARIBAULT
ORDINANCE No. 2023-12

REZONE RICE COUNTY FAIRGROUNDS AT 1900 FAIRGROUNDS DRIVE TO P-I, PUBLIC INSTITUTIONAL DISTRICT

WHEREAS, the City of Faribault Planning Commission recommends that the City Council rezone the Rice County Fairgrounds from O, Agriculture / Open Space, to P-I, Public Institutional District, to better fit the existing uses of the property. The Rice County Fairgrounds are located at 1900 Fairgrounds Drive (legally described in Exhibit A); and

WHEREAS, the proposed rezoning application is proposed as a part of implementation process of the Journey to 2040 Comprehensive Plan adopted by the City Council in 2022; and

WHEREAS, the proposed rezoning will not alter the existing uses at the site; and

WHEREAS, City zoning requirements at the site are subject to provisions of Minnesota Statute Section 38.16 that grant the County certain exceptions from City zoning ordinances; and

WHEREAS, the Development Review Committee of City Staff discussed this matter and made a report to the Planning Commission; and

WHEREAS, the Planning Commission, on June 5, 2023, following proper notice, held a public hearing regarding the proposed rezoning; and

WHEREAS, based on a review of the City Staff report and the results of the public hearing, the Planning Commission recommended that the City Counil rezone the Rice County Fairgrounds site at 1900 Fairgrounds Drive per the following findings as required by Section 2-180 of the City's Unified Development Ordinance:

1. **Criteria: Whether the amendment is consistent with the applicable policies of the City's Land Use Plan.**

   Finding: The City's Journey to 2040 Comprehensive Plan guides the Property for Institutional Uses. The proposed rezoning application to P-I, Public Institutional District, is consistent with the City's Land Use Plan.

2. **Criteria: Whether the amendment is in the public interest and is not solely for the benefit of a single property owner.**

   Finding: The proposed rezoning benefits the public by providing a zoning district that reflects the Fairgrounds' existing public/institutional uses. The proposed rezoning is consistent with the comprehensive plan and will benefit the public.

3. **Criteria: Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The proposed rezoning is consistent with the Journey to 2040 Comprehensive Plan and is compatible with adjoining uses.

4. **Criteria: Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The existing Fairgrounds fit better in the list of permitted uses in the Public/Institutional District rather than the current O, Agriculture and Open Space District.

5. **Criteria: Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of a particular property.**

   Finding: The proposed zoning is consistent with the Journey to 2040 Comprehensive Plan.

WHEREAS, the City Council conducted the first reading of this ordinance on June 13, 2023, and the second reading of this ordinance on _____, 2023; and

WHEREAS, based on City Staff's report, the results of the public hearing, and the written findings and recommendation of the Planning Commission, the City

Council concurred with the findings of the Planning Commission as stated in the above recitals and made identical findings.

NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:

Section 1. Findings. The recitals and exhibits in this ordinance are incorporated into this ordinance, and, where applicable, constitute the City Council's findings.

Section 2. Rezoning the Subject Property. The Property is hereby rezoned from O, Agriculture and Open Space District to P-I, Public Institutional District as proposed at 1900 Fairgrounds Drive at depicted on Exhibit B.

Section 3. Authorization to Execute Agreements. The Mayor and City Administrator are authorized and directed to execute and deliver any required additional agreements, certificates, or other documents the City Attorney determines necessary to implement this ordinance.

Section 4. Authorization to take Additional Steps. City Staff, City Consultants, and the City Attorney are authorized and directed to take any additional steps and actions necessary or convenient to accomplish the intent of this ordinance.

Section 5. Effective Date. This ordinance shall be effective immediately upon its passage and publication according to the Faribault City Charter.

First Reading: June 13, 2023

Second Reading: _____, 2023

Publication Date: _____ , 2023

Faribault City Council

_____
Kevin F. Voracek, Mayor

ATTEST:

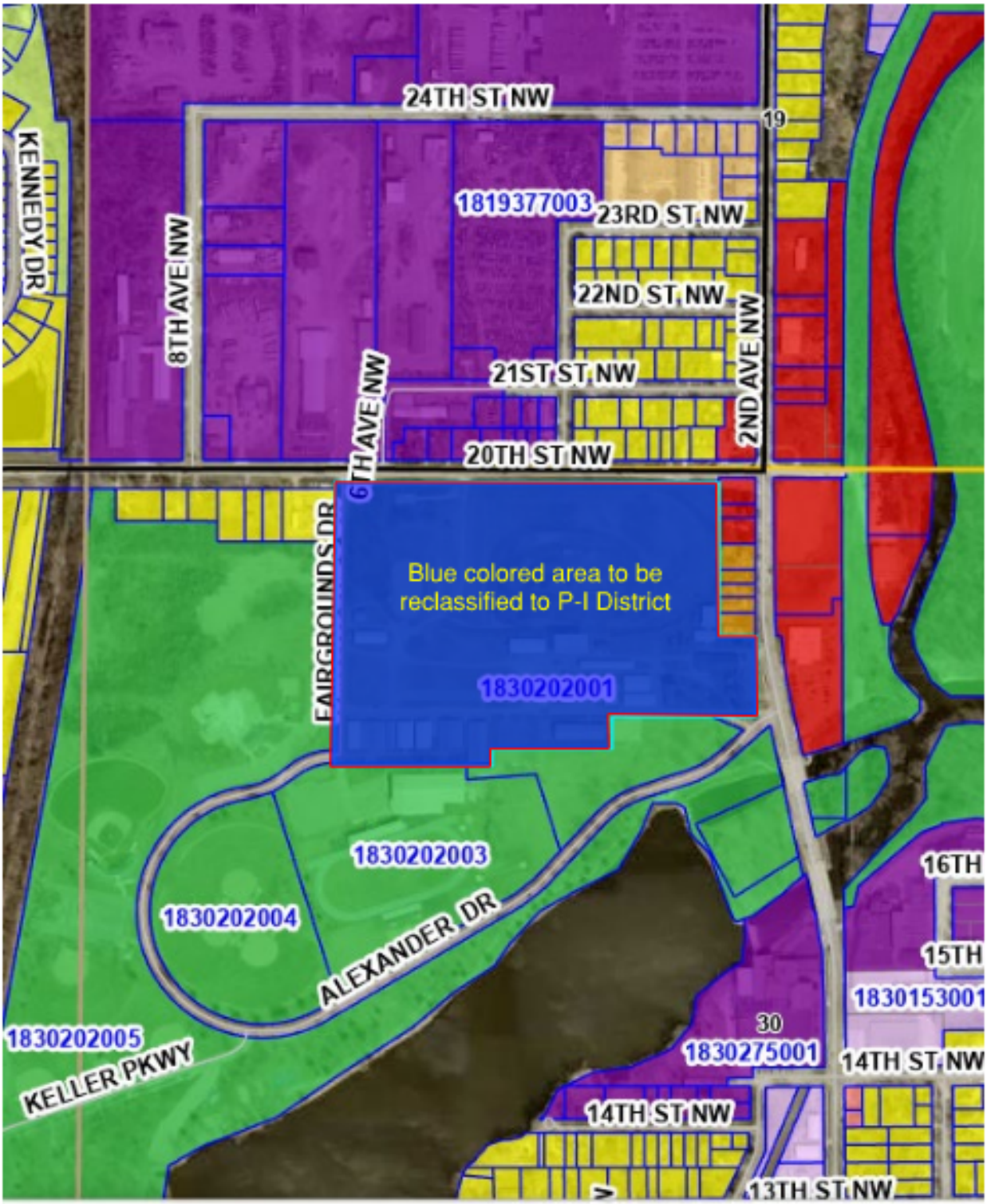
_____
Timothy C. Murray, City Administrator

EXHIBIT A:
LEGAL DESCRIPTION

LOT 1, BLOCK 1, NORTH ALEXANDER ADDITION, CITY OF FARIBUALT, COUNTY OF RICE, STATE OF MINNESOTA

PID# 18.30.2.02.001
ADDRESS: 1900 FAIRGROUNDS DRIVE

EXHIBIT B



Rice County Fairgrounds PID 1830202001
1900 Fairgrounds Dr.

REQUEST FOR PLANNING COMMISSION ACTION

TO:	Planning Commission
THROUGH:	Dave Wanberg, Community and Economic Development Director
FROM:	Peter Waldock, Planning and Zoning Coordinator
MEETING DATE:	June 5, 2023
SUBJECT:	The City of Faribault is proposing to reclassify the zoning district designation at the Rice County Fairgrounds from O, Agriculture / Open Space to P-I, Public Institutional District, to better fit the existing uses of the property. The Rice County Fairgrounds are located at 1900 Fairgrounds Dr.

Background:

The Rice County Fairgrounds is another use zoned as O, Agricultural / Open Space District that has uses not clearly listed as permitted under the current zoning. The uses there not only include the annual County Fair, but the site also serves as an entertainment venue, with outdoor concerts, rodeos, car shows and similar events. It also provides for indoor winter storage of RV's, boats and automobiles. It is noted that MN Statutes 38.16 exempt County Fairgrounds located inside the corporate boundaries of a City from municipal zoning regulations.

The Planning Commission considered this matter at a work session on May 1, 2023 and has directed staff to proceed with an application for the City to reclassify the zoning on the Rice County grounds to P/I, Public Institutional District. The DRC considered this proposal at its meeting of May 23, 2023 and recommends approval.

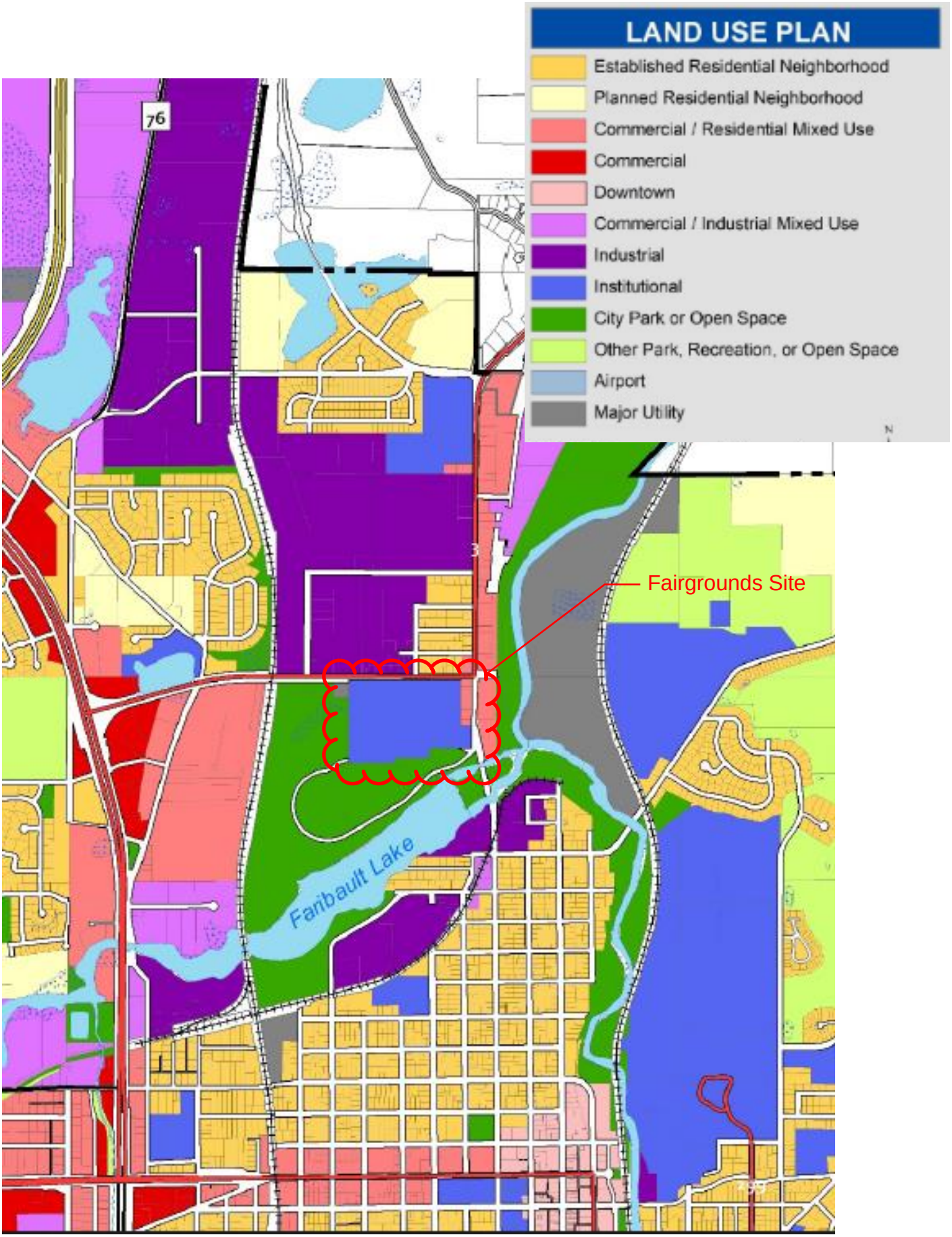
Recommendation:

Approve findings in support of the proposed rezoning and recommend City Council approval.

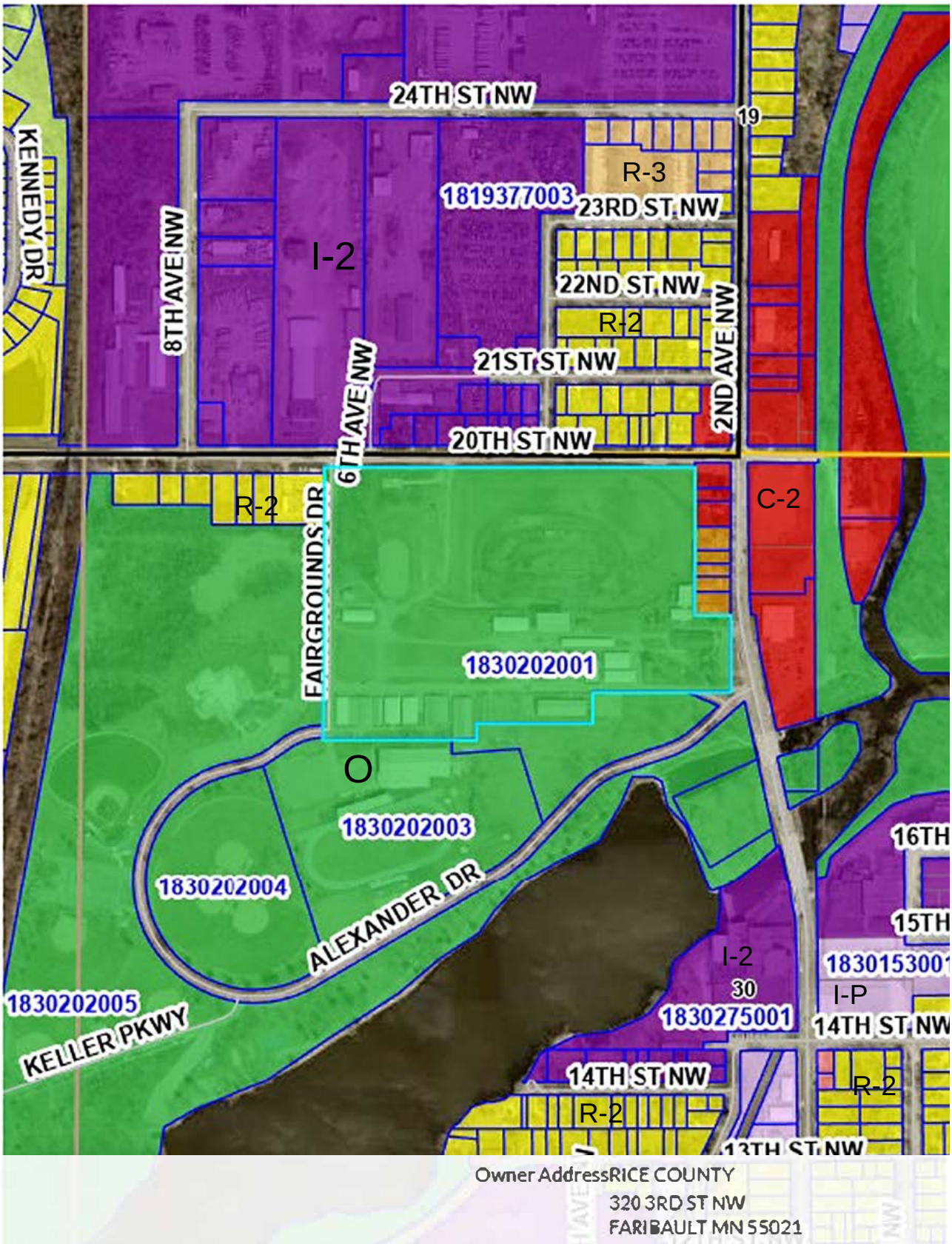
Attachments:

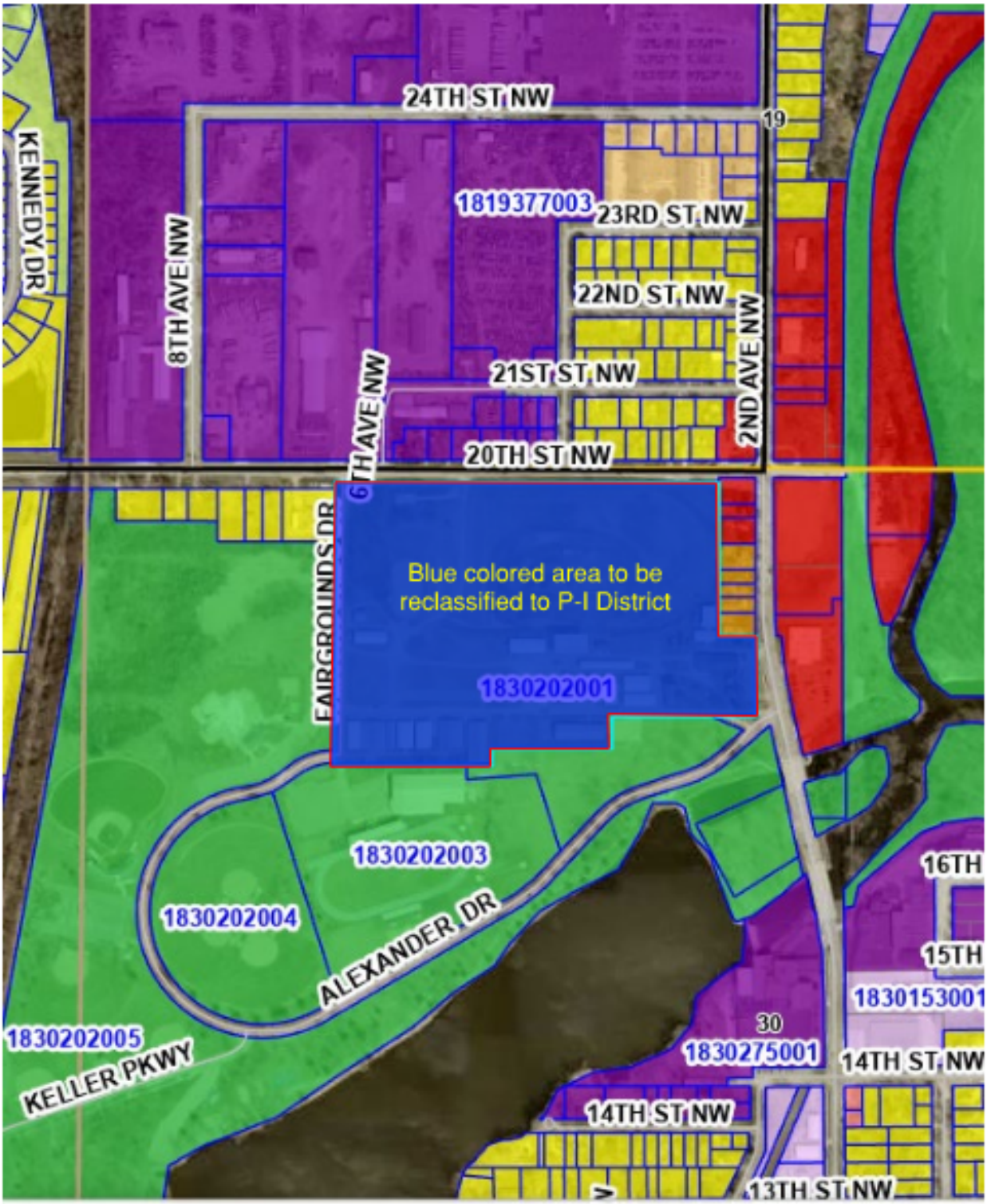
1. Location Map
2. Zoning Map
3. Land Use Plan
4. Rezoning Map

1819325001
1819301001
24TH ST NW
19
1819377003
23RD ST NW
22ND ST NW
8TH AVE NW
6TH AVE NW
21ST ST NW
2ND AVE NW
20TH ST NW
FAIRGROUNDS DR
1830202001
1830202003
1830202004
ALEXANDER DR
30
1830275001
14TH ST NW


LAND USE PLAN
Established Residential Neighborhood
Planned Residential Neighborhood
Commercial / Residential Mixed Use
Commercial
Downtown
Commercial / Industrial Mixed Use
Industrial
Institutional
City Park or Open Space
Other Park, Recreation, or Open Space
Airport
Major Utility
76
Fairgrounds Site
Fairbault Lake

Zoning Map


24TH ST NW
19
KENNEDY DR
8TH AVE NW
I-2
R-3
1819377003
23RD ST NW
22ND ST NW
R-2
21ST ST NW
6TH AVE NW
2ND AVE NW
20TH ST NW
R-2
C-2
FAIRGROUNDS DR
1830202001
O
1830202003
1830202004
ALEXANDER DR
16TH
15TH
I-2
30
1830275001
I-P
14TH ST NW
1830202005
KELLER PKWY
14TH ST NW
R-2
R-2
13TH ST NW
Owner AddressRICE COUNTY
320 3RD ST NW
FARIBAULT MN 55021



Rice County Fairgrounds PID 1830202001
1900 Fairgrounds Dr.

Request for Council Action

TO:	Mayor and City Council
THROUGH:	Tim Murray, City Administrator
FROM:	Heather Slechta, City Clerk
MEETING DATE:	June 13, 2023
SUBJECT:	Ordinance 2023-13 Amending Chapter 19 PEDDLERS, SOLICITORS AND TRANSIENT MERCHANTS (First Reading)

Background:

On May 9, 2023, the City Council adopted Ordinance 2023-8, which created a Mobile Food Unit Registration (MFUR) program. Since that time, Staff have reviewed other sections of Chapter 19 that regulate how Solicitors, Peddlers and Transient Merchants operate and are registered within the City. Currently, all Solicitors, Peddlers and Transient Merchants are permitted to operate in the City for a total of 14 days and then are required to reapply for an additional license/permit, where MFURs are registered annually. Solicitors, Peddlers and Transient Merchants are also only allowed to operate during regular business days, whereas MFURs are able to operate any day of the week at permitted locations.

Staff are requesting that the portion of Chapter 19 that regulates Solicitors, Peddlers and Transient Merchants be updated to allow for an annual registration as well as allow for operations all days of the week similar to the current Mobile Food Unit (Food Truck) Ordinance. The hours of operation would remain the same, 8 a.m-9 p.m.

Recommendation:

Approve first reading of Ordinance 2023-13

Attachments:

1. Ordinance 2023-13 Amending Chapter 19 PEDDLERS, SOLICITORS AND TRANSIENT MERCHANTS (First Reading)

CITY OF FARIBAULT
ORDINANCE No. 2023-13

AMENDING CHAPTER 19 PEDDLERS, SOLICITORS AND TRANSIENT MERCHANTS

THE CITY OF FARIBAULT ORDAINS that the City Code of Ordinances shall be amended by the deletion of the ~~stricken~~ language and the addition of the underlined language as follows:

Section 1. Chapter 19, Section 19-3 of the Code of Ordinances of the City of Faribault is hereby amended as follows:

- **Sec. 19-3. Licensing and exemptions.**

(a) *City license required.* Except as otherwise provided by this chapter, no person shall conduct business as either a peddler or a transient merchant without first having obtained a license from the city. Solicitors need not be licensed.

(b) *Exemptions.* The terms of this section do not include:

(1) The acts of merchants or their employees in delivering goods in the regular course of business.

(2) The sale of farm or garden products by the person producing the same or where the products are sold at a "farmer's market".

(3) Children, age eighteen or younger, soliciting for school sponsored activities.

(4) Children, age eighteen or younger, soliciting for such organizations as the "Boy Scouts" or "Girl Scouts" where the children soliciting are members of the organization and where the proceeds of the sale are mainly devoted to the benefit of children.

(5) Organizations selling Christmas trees at sites approved by the city.

(6) "Garage" or "estate" sales.

(7) Solicitations by any organization for the philanthropic, religious or educational causes if the following procedure has been accomplished: the requesting entity must file an application in writing, on a form to be furnished by the city clerk, which shall give the following information:

a. Name and purpose of the cause for which exemption is sought.

b. Name of the individual in the organization responsible for the peddling or solicitations.

c. Names and addresses of the individuals who will actually be doing the peddling or solicitation.

d. Period during which the peddling or solicitation is to be carried on.

e. Certificate of nonprofit status from the state where organized.

(c) *Application.* Application for a city license to conduct business as a peddler or transient merchant shall be made at least fourteen (14) regular business days before the applicant desires to begin conducting business. Notwithstanding that the business may be a corporation or other entity, each individual who will engage in the business of peddling or transient merchant shall make application on a form approved by the city council and available from the office of the city clerk. All applications shall be signed by the applicant. All applications shall include the following information:

(1) Applicant's full legal name.

(2) A physical description of the applicant (hair color, eye color, height, weight, distinguishing marks and features, and the like).

(3) Full address of applicant's permanent residence.

(4) Telephone number of applicant's permanent residence.

(5) Full legal name of any and all business operations owned, managed or operated by applicant, or for which the applicant is an employee or agent.

(6) Any and all business-related telephone numbers of the applicant.

(7) The dates during which the applicant intends to conduct business, ~~and if the applicant is applying for a daily license, the number of days he or she will be conducting business in the city. (maximum fourteen (14) consecutive days)~~.

(8) Any and all addresses and telephone numbers where the applicant can be reached while conducting business within the city, including the location where a transient merchant intends to set up business.

(9) A statement as to whether or not the applicant has been convicted within the last five years of any felony, gross misdemeanor, or misdemeanor for violation of any state or federal statute or any local ordinance, other than traffic offenses.

(10) A list of the three most recent locations where the applicant has conducted business as a peddler or transient merchant.

(d) Duration. An annual license granted under this subchapter shall be valid for one calendar year from the date of issuance. All other licenses

granted to peddlers and transient merchants under this subchapter shall be valid only during the time period indicated on the license.

Section 2. Chapter 19, Section 19-7 of the Code of Ordinances of the City of Faribault is hereby amended as follows:

Sec. 19-7. Prohibited activities.

No solicitor, peddler, or transient merchant while conducting business shall:

(1) Call attention to his or her business or items to be sold by means of blowing any horn or whistle, ringing any bell, crying out, or by any other noise, so as to be unreasonably audible within an enclosed structure.

(2) Obstruct the free flow of either vehicular or pedestrian traffic on any street, alley, sidewalk or other public right-of-way.

(3) Conduct business in a way as to create a threat to the health, safety and welfare of any individual or the general public.

(4) Conduct business before 8:00a.m. or after 9:00p.m. ~~on a regular business day~~except by appointment.

(5) Fail to provide proof of license or registration, and identification, when requested; or using the license or registration of another person.

(6) Make any false or misleading statements about the product or service being sold, including untrue statements of endorsement.

(7) Claim to have the endorsement of the city solely based on the city having issued a license or certificate of registration to that person.

(8) Remain on the property of another when requested to leave, or to otherwise conduct business in a manner a reasonable person would find obscene, threatening, intimidating or abusive.

Section 2. This ordinance amendment shall take effect and be in force after its passage and publication in accordance with Section 3.05 of the City Charter.

First Reading: June 13, 2023

Second Reading: June 27, 2023

Publication Date: July 1, 2023

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Timothy C. Murray, City Administrator

Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Mark DuChene, City Engineer
MEETING DATE: June 13, 2023
SUBJECT: Resolution 2023-123 Accept Bids for 2023 MSA Street Overlay Improvement Project - Contract 2023-03

Background:
On Wednesday, May 31, 2023, bids were received for the proposed 2023 MSA Street Overlay Improvements, Contract 2023-03, including curb and gutter replacement, concrete sidewalk replacement, storm sewer repairs, casting adjustment/replacement, pavement milling, bituminous paving, pavement markings, and related improvements on the following streets:

14th Street NW	(2nd Avenue NW to Central Avenue)
2nd Avenue NW	(4th Street NW to 14th Street NW)

The bids are tabulated as follows:

Crane Creek Asphalt, Faribault, MN	$1,310,198.26
Heselton Construction, Faribault, MN	$1,395,807.17
BCM Construction, Inc., Faribault, MN	$1,414,217.70
Engineer's Estimate	*$1,229,632.30*

Based on the low bidder's prices, the estimated funding for the project is as follows (includes 5% contingencies and engineering fees):

MSA Funds	$ 940,155.00	59.4%
LRIP Grant	$ 600,000.00	37.9%
Water Utility Fund (601)	$ 13,900.00	0.9%
Sanitary Sewer Utility Fund (602)	$ 28,015.00	1.8%
Total	$ 1,582,070.00	100.0%

While the lowest bid is above the engineer's estimate for construction, the total project costs are within the budget presented to the Council and it is recommended to award to the low bidder, Crane Creek

Construction. Construction on the project is scheduled to begin in July and be substantially completed by the end of August, 2023.

Recommendation:
Approve Resolution 2023-123

Attachments:
1. Resolution 2023-123 Accept Bids for 2023 MSA Street Overlay Improvement Project - Contract 2023-03
2. 2023-03 Location Map

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-123

ACCEPT BIDS FOR 2023 MSA STREET OVERLAY IMPROVEMENTS - CONTRACT 2023-03

WHEREAS, pursuant to the advertisement for bids for the 2023 MSA Street Overlay Improvements Project (Contract 2023-03), bids were received, opened, and tabulated according to law and the following bids were received complying with the advertisement for bids:

Crane Creek Asphalt, Faribault, MN	$1,310,198.26
Heselton Construction, Faribault, MN	$1,395,807.17
BCM Construction, Inc., Faribault, MN	$1,414,217.70

and;

WHEREAS, it appears that Crane Creek Asphalt of Faribault, MN is the lowest responsible bidder.

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Administrator are hereby authorized and directed to enter into contract with Crane Creek Asphalt in the name of the City of Faribault for 2023 MSA Street Overlay Improvements Project (Contract 2023-03) in the amount of $1,310,198.26 according to the Plans and Specifications prepared and on file in the office of the City Engineer.

ALSO, BE IT RESOLVED, that the City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposit of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

Date Adopted: June 13, 2023

Faribault City Council

_____

Kevin F. Voracek, Mayor

ATTEST:

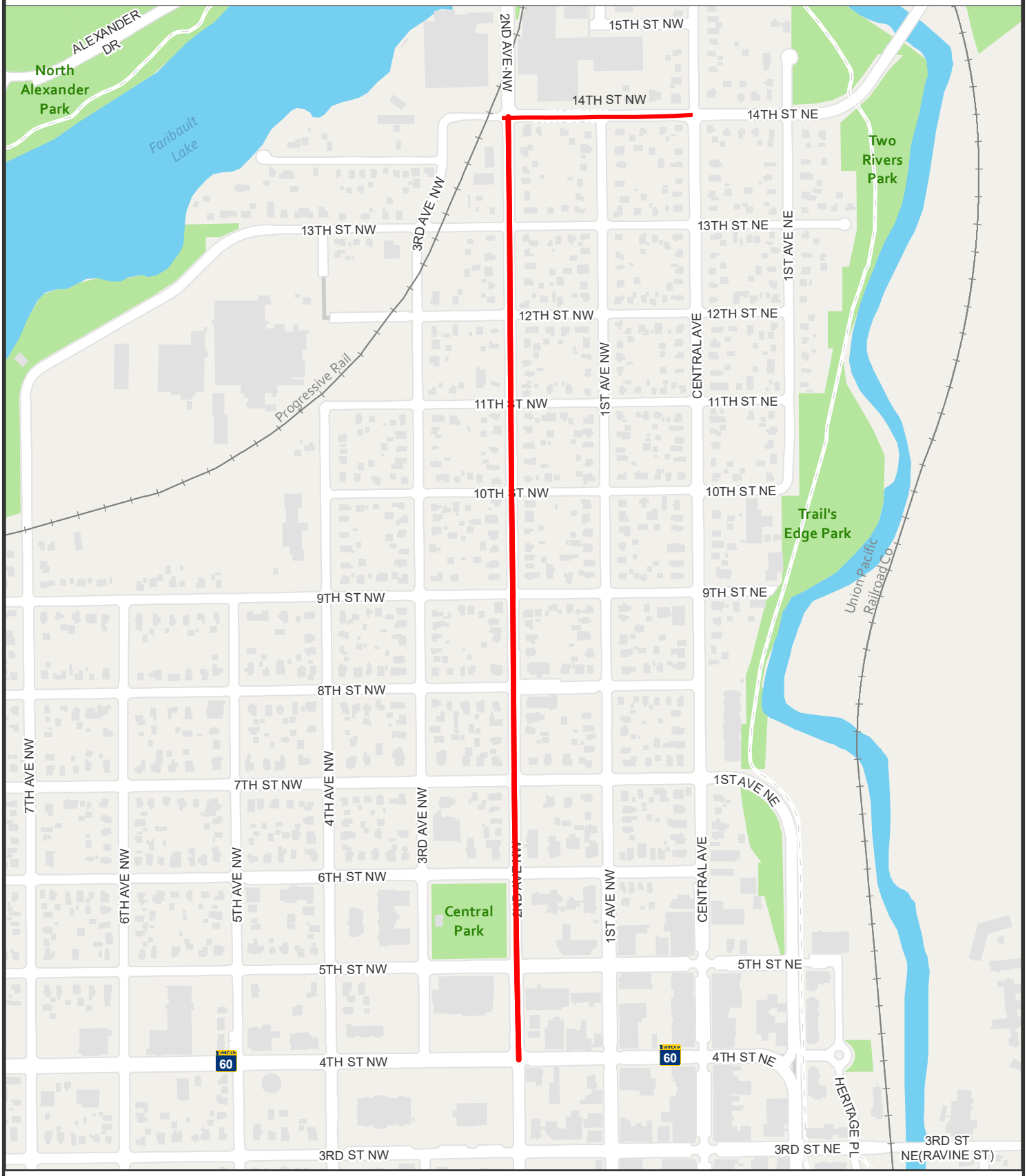
_____

Timothy C. Murray, City Administrator

City Of Faribault
February 2021

2023MSA Street Overlay Improvements
Project Location

This map is neither a legally recorded map nor a survey. This map is a compilation data affecting the area shown; and is for reference purposes only. In using the map, you assume responsibility for the correctness all information extracted from this map.



0 500 1,000 Feet

N

Project Location

Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Mark DuChene, City Engineer
MEETING DATE: June 13, 2023
SUBJECT: Resolution 2023-124 Accept Bids for 2023 Trunk Highway 3 Roundabout Project - Contract 2023-04

Background:

On Thursday, May 25, 2023, bids were received for the proposed 2023 Trunk Highway 3 Roundabout Project, Contract 2023-04, including removals, grading, aggregate base, concrete curb and gutter, bituminous paving, concrete walk, lighting, watermain, sanitary sewer, storm sewer, ADA improvements, turf restoration and related improvements on the following streets:

TH 3/2nd Ave NW	(500' S of 30th St NW to 350' N of 30th St NW)
30th St NW/East View Dr	(TH 3/2nd Ave NW to 1st Ave NW)
1st Ave NW	(275' S of East View Dr to East View Dr)

The bids are tabulated as follows:

Ryan Contracting Company, Elko-New Market, MN	$3,067,629.15
Ims Contracting, LLC, Dodge Center, MN	$3,116,990.25
BCM Construction, Inc., Faribault, MN	$3,256,300.69
Wencl Construction Inc., Owatonna, MN	$3,266,882.50
Heselton Construction, Faribault, MN	$3,280,567.75
Engineer's Estimate	*$3,008,769.90*

Based on the low bidder's prices, the estimated funding for the project is as follows (includes 5% contingencies and engineering fees):

Federal Funds	$	985,000.00	25.7%
State LPP Funds	$	900,000.00	23.4%
MSAS Funds	$	977,800.00	25.5%
Street Improvement Funds (401)	$	209,050.00	5.4%
Water Utility Funds (601)	$	430,300.00	11.2%

Sanitary Sewer Utility Funds (602)	$ 336,700.00	8.8%
Total	$3,838, 850.00	100%

Construction is scheduled to begin July 5, 2023, with substantial completion by November 1, 2023.

While the lowest bid is above the engineer's estimate for construction, the total project costs are within the budget presented to the Council and it is recommended to award to the low bidder, Ryan Contracting. At the time of this memo, the City had received a bid award concurrence letter from MNDOT but the contractor had not been cleared by the MnDOT Office of Civil Rights. This clearance is anticipated soon and so award of the contract per the attached resolution is contingent on receiving all necessary MnDOT approvals.

Recommendation:
Approve Resolution 2023-124 Contingent on MnDOT Approval

Attachments:
1. Resolution 2023-124 Accept Bids for 2023 Trunk Highway 3 Roundabout Project - Contract 2023-04
2. 6612-102 BID CONCURRENCE LETTER DRAFT
3. 2023-04 Project Location Map

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-124

ACCEPT BIDS FOR 2023 TRUNK HIGHWAY 3 ROUNDABOUT PROJECT - CONTRACT 2023-04

WHEREAS, pursuant to the advertisement for bids for the 2023 Trunk Highway 3 Roundabout Project - Contract 2023-04, bids were received, opened, and tabulated according to law and the following bids were received complying with the advertisement for bids:

Ryan Contracting Company, Elko, MN	$3,067,629.15
Ims Contracting, LLC, Dodge Center, MN	$3,116,990.25
BCM Construction, Inc., Faribault, MN	$3,256,300.69
Wencl Construction, Inc., Owatonna, MN	$3,266,882.50
Heselton Construction, Faribault, MN	$3,280,567.75

and;

WHEREAS, it appears that Ryan Contracting Company, Elko, MN is the lowest responsible bidder.

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Administrator, contingent on receiving all necessary approvals from the State of Minnesota Department of Transportation, are hereby authorized and directed to enter into contract with Ryan Contracting Company in the name of the City of Faribault for 2023 Trunk Highway 3 Roundabout Project - Contract 2023-04 in the amount of $3,067,629.15 according to the Plans and Specifications prepared and on file in the office of the City Engineer.

ALSO, BE IT RESOLVED, that the City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposit of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

Date Adopted: June 13, 2023

Faribault City Council

_____

Kevin F. Voracek, Mayor

ATTEST:

_____

Timothy C. Murray, City Administrator

DEPARTMENT OF TRANSPORTATION

District Office 6
Mail Stop 060
2900 48th St NW, Rochester, MN
Office Telephone: 507-286-7558

Date: June 8, 2023

Mr. Mark Duchene
Faribault City Engineer
1200 Belview Trail
Faribault, MN 55021

RE: State Concurrence of Low bid for SP 6612-102 (T.H. 03=001)
Agreement Number 1052530
City of Faribault

Dear Mr. Duchene:

I have received a copy of the certified low bid and Abstract of Bids for the above referenced project. The tabulation shows that the apparent low bidder is **Ryan Contracting Company** at $**3,067,629.15** or **1.7**% over the Engineer's Estimate of **$3,008,769.90** for the total project. I have reviewed the low bid price and the variance is acceptable.

However, the original bid certified by Ryan Contracting Company, proposes a DBE commitment of 1.7% of the total bid amount. This falls short of the DBE Goal of 9.7%, set by the MnDOT Office of Civil Rights (OCR). Therefore, OCR must review and approve the Ryan proposal prior to awarding the contract. I understand that Ryan Contracting Company is in the process of rectifying the DBE commitment.

The City of Faribault is hereby authorized to award this project **pending DBE Goal Clearance by OCR**.

Please contact me if you have any questions or additional comments by telephone at 507-286-7558 or by e-mail at craig.lenz@state.mn.us

Sincerely,

Craig Lenz
Digitally signed by Craig Lenz
Date: 2023.06.08 12:10:16 -05'00'

Craig Lenz
Project Management/ Agreements Coordinator

cc: Joe Denny Dana Myers

Level 1 LAYOUT APPROVAL

Prepared By:	Jon Hoffman, PE	03/30/2021
Reviewed By:	Jon Hoffman, PE	04/07/2021
Reviewed By:	Douglas Carter	04/07/2021
Reviewed By:	Mark Hoistad	04/07/2021
Reviewed By:	Tom Sorbaal	04/07/2021
Approved By:	Jon Hoffman, PE	04/07/2021
Approved By:	Tom Sorbaal	04/07/2021

LAYOUT No. 1 COPY No. 1 of 1
T.H. 3 FROM 400' S. OF 140TH ST. INTERSECTION TO 30TH ST. NW / 140TH ST. NW / 2ND AVE. NW INTERSECTION
FROM 400' S. OF CSAH 9 / 140TH ST. INTERSECTION TO 30TH ST. NW / 140TH ST. NW / 2ND AVE. NW INTERSECTION
BOUNDARY SURVEY: 2020, NOV. 30TH
Proposed Right of Way: 2020, NOV. 30TH
S.P. 125-010-017 & 6612-102 — T.H. 3, T.H. 3 & 30TH ST. NW & 2ND AVE. NW
City of Faribault — Rice County, Minnesota
Scale: 1" = 40' — Date: 03/30/2021

Stonebrooke

LAYOUT HISTORY:

S.P. 125-010-017 & S.P. 6612-102 (0) IN INTERSECTION REVISION (ROUNDABOUT). PROJECT AT THE INTERSECTION OF TH 3 AND 30TH STREET NW IN THE CITY OF FARIBAULT, MN.

LAYOUT 1 SUBMITTED TO MNDOT DISTRICT 6, SDSU, AND THE CITY OF FARIBAULT FOR REVIEW ON 11/09/2020.

PRELIMINARY LAYOUT REVIEW COMMENTS RECEIVED FROM SDSU ON 04/27/2021.

LAYOUT 1A (2021-08-13) - REVISED CURB TAPER, ROUNDABOUT ENTRY AND EXIT GEOMETRY, AND ISLAND SIZE AND SHAPE TO ACCOMMODATE WB-67 TRUCK PATHS. DESIGN VEHICLE IS CHANGED TO WB-62 AND CONTROL VEHICLE TO WB-67 BASED ON MNDOT DISTRICT 6 AND BUSINESS FEEDBACK ON TRUCK TYPES AND CONFIGURATIONS. THE WIDTH OF THE ENTRANCE AND EXIT LANES AT THE SOUTH LEG OF THE ROUNDABOUT IS REDUCED TO 1 FEET FROM 0 FEET TO PROVIDE ADDITIONAL BUFFER FROM THE EDGE OF THE RETAINING WALL.

DESIGN SPEED FOR THE NORTH LEG OF THE ROUNDABOUT WAS CHANGED FROM 45 MPH TO 50 MPH BASED ON SPEED DATA PROVIDED BY MNDOT DISTRICT 6. THIS ROUNDABOUT IS THE FIRST IN THE CITY OF FARIBAULT AND MNDOT DISTRICT 6 AND DRIVER EXPERIENCE AS THEY APPROACH THE CITY OF FARIBAULT URBAN AREA.

LAYOUT 1B (05-04-2022) - CEMETERY ACCESS IS RE-DESIGNED TO ACCOMMODATE SU-30 TRUCK TURNING MOVEMENTS. THE ENTRANCE IS MOVED FURTHER SOUTH AND FURTHER TO THE WEST TO PROVIDE A CONNECTION TO THE ROAD SHOULDER. THE RADIUS OF THE DRIVEWAY ACCESS TO ROADWAY MOTOR IS WIDENED AND SHIFTED TO THE SOUTH. THE SHOULDER WIDTH ON THE NORTH SIDE OF 30TH ST NW IS REDUCED TO 2 FEET FROM 4 FEET. THE 8' SHOULDER IS REDUCED TO 2' CURB REACTION ON THE SOUTH SIDE BETWEEN THE ROUNDABOUT AND 1ST AVE.

LAYOUT 1C (05-20-2022) - ROUNDABOUT, LT SHOULDER IS WIDENED TO 7' FROM 4'.

LAYOUT 1D (05-26-2022) - TYPICAL SECTION ADDED FOR SOUTH LEG OF ROUNDABOUT TO DEPICT RETAINING WALL AND STAMPED CONCRETE. MINOR REVISIONS TO OTHER TYPICAL SECTIONS. DESIGN UPDATE - VISUAL REVISION TO VARIOUS SHEETS. PROPOSED BASELAY 30TH ST. AND 1ST AVE INTERSECTION. ADDED LABELS TO START AND END OF CONSTRUCTION.

LAYOUT NOTES:

THERE ARE NO DESIGN EXCEPTIONS.

LAYOUT PURPOSE & NEED:

THE PURPOSE OF THIS PROJECT IS TO IMPROVE SAFETY AND TRAFFIC OPERATIONS AT THE 30TH ST NW AND TH 3 INTERSECTION IN THE CITY OF FARIBAULT BY REPLACING THE EXISTING STOP-THRU CONTROLLED INTERSECTION WITH A ROUNDABOUT. THE 30TH ST NW ALIGNMENT WILL BE REALIGNED SO THAT THE NORTH ROUNDABOUT AND 1ST AVE NW IS EXTENDED 330 FT TO THE NORTH AND BOTH ROAD WILL INTERSECT PERPENDICULARLY. THE INTERSECTION OF 30TH ST NW AND 1ST AVE NW IS ANTICIPATED TO HAVE FUTURE DEVELOPMENT GOING NORTH AND EAST.

MINOR RIGHT OF WAY WILL BE ACQUIRED FOR THE PROJECT IN THE VICINITY OF THE INTERSECTION. ADDITIONAL RIGHT OF WAY WILL BE ACQUIRED IN THE SOUTHEAST QUADRANT OF THE NEW INTERSECTION OF 30TH ST NW AND 1ST AVE NW.

INDEX MAP

RICE COUNTY

PROJECT LOCATION
S.P. 125-010-017
S.P. 6612-102

LEGEND

- INPLACE RIGHT OF WAY
- LOT LINES
- ACCESS CONTROL
- PROPOSED RIGHT OF WAY
- PROPOSED TEMPORARY EASEMENT
- PROPOSED PERMANENT EASEMENT
- CONSTRUCTION LIMITS
- PROPOSED ROADWAY
- SHOULDER
- CURB/PAVED MEDIAN
- CONCRETE TRUCK APRON
- VEGETATED CENTRAL ISLAND
- TRAIL
- STAMPED & COLORED CONCRETE
- DRIVEWAY ENTRANCE
- POND

TYPICAL SECTIONS

(NOT TO SCALE)

INPLACE 30TH ST NW

INPLACE TH 3

INPLACE TH 3

INPLACE TH 3

INPLACE 1ST AVE NW

PROPOSED 30TH ST NW

PROPOSED 30TH ST NW

PROPOSED 30TH ST NW

PROPOSED 30TH ST NW

PROPOSED TH 3

PROPOSED TH 3

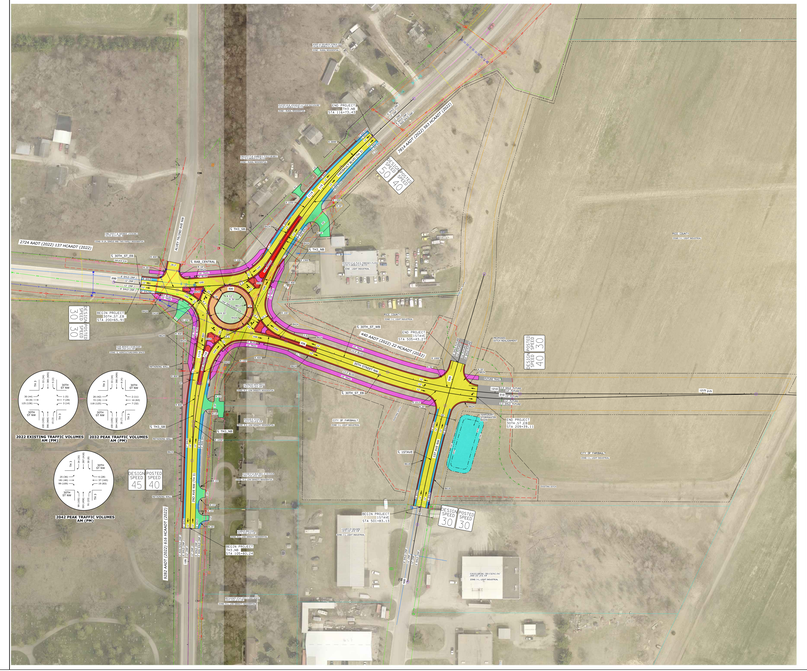
PROPOSED TH 3

PROPOSED TH 3

PROPOSED 1ST AVE NW

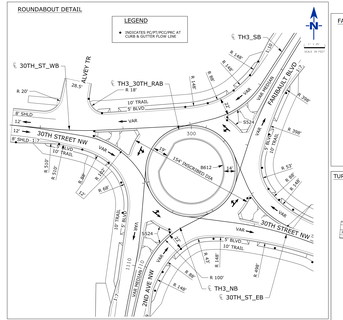
TH 3/30TH ST NW ROUNDABOUT

S.P. 125-010-017, S.P. 6612-102 - TH 3 CITY OF FARIBAULT, RICE COUNTY MN LEVEL 1 LAYOUT



ROUNDABOUT DETAIL

LEGEND
- INDICATES RC/PI/PCC/PT/CURB AT CURB & GUTTER FLOW LINE

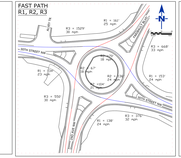


FAST PATH "R" CURVE CHART

		R (FT) SPEED (MPH)
NB TH 3	R1	138	15
	R2	336	21.0
	R3	576	26.5
	R4	881	32.0
SB TH 3	R5	74	10.1
	R6	193	20.0
	R7	407	30.2
	R8	702	40.3
EB 30TH ST NW	R1	90	12.5
	R2	187	24.8
	R3	324	30.2
	R4	497	35.7
	R5	576	37.7
WB 30TH ST NW	R1	80	12.5
	R2	166	24.8
	R3	133	24.8
	R4	329	30.2
	R5	1529	30.2
	R6	1529	37.7
	R7	71	17.6

SPEED BASED ON 2010 NCHRP REPORT 672, ROUNDABOUTS: AN INFORMATIONAL GUIDE SECOND EDITION

FAST PATH R1, R2, R3

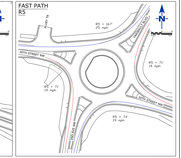


FAST PATH R4

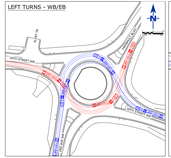
TURN TEMPLATE - SU-40 LT/RT

LEFT TURNS - NB/SB

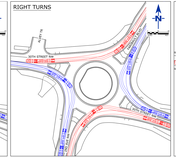
FAST PATH R5



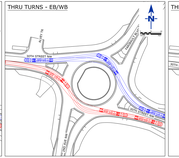
LEFT TURNS - WB/EB



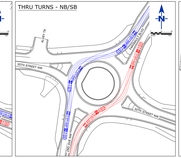
RIGHT TURNS



THRU TURNS - EB/WB



THRU TURNS - NB/SB

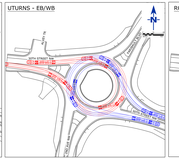


PHI ANGLE

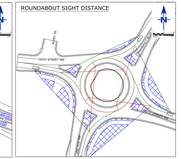
UTURNS - NB/SB

OSOW VEHICLE PATH
THRU TURNS - NB/SB
(13-AXLE WIND SCHNABLE)

UTURNS - EB/WB



ROUNDABOUT SIGHT DISTANCE



NOTES:

ALL TRUCK PATHS SHOWN ARE BASED ON WB-62 UNLESS OTHERWISE SHOWN.

WB-67 TRUCK PATHS CLEAR FACE OF CURB.

OSOW VEHICLE IS 13-AXLE WIND SCHNABLE.