

CITY OF ROSEVILLE, MINNESOTA COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2017



PREPARED BY: The Finance Department



Muriel Sahlin Arboretum: The Central Park Muriel Sahlin Arboretum offers a relaxed and serene setting to enjoy 8 acres of beautiful theme gardens, manicured grounds, walkways, water fountain, and wonderful architectural features.

The Arboretum also provides vistors a chance to explore ideas for their own lanscapes. Many of the trees and shrubs are native Minnesota species

Photo Credits:

Muriel Sahlin Arboretum - Roseville photo provided by - Garry Bownman - City of Roseville Communications Manager

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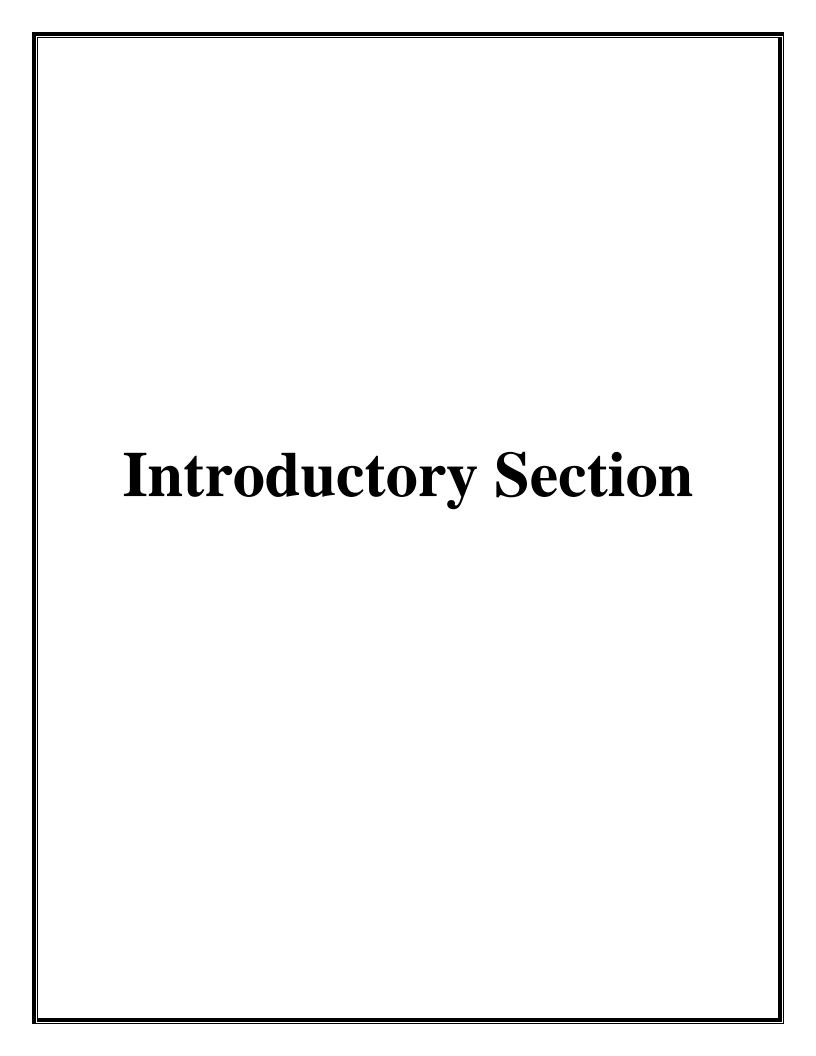
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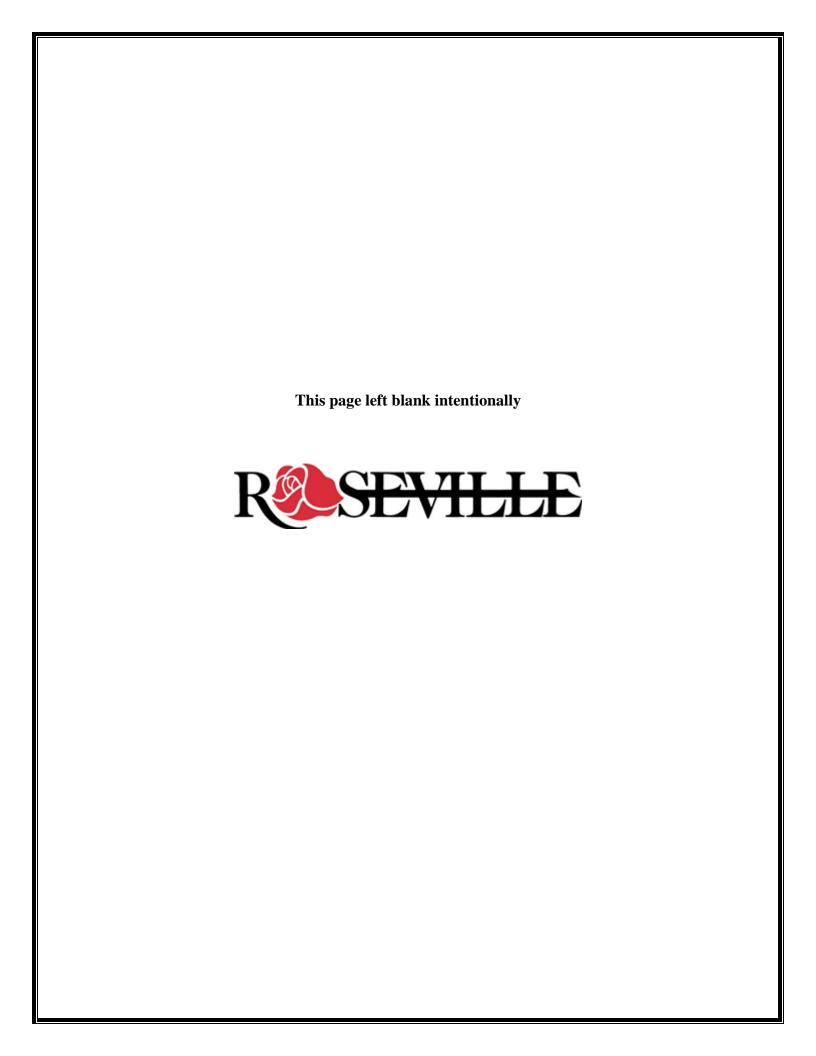
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May 9, 2018

To the City Council and Citizens of the City of Roseville:

Minnesota statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with generally accepted accounting principles in the United States of America (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Roseville for the fiscal year ended December 31, 2017.

This report consists of management's representations concerning the finances of the City of Roseville. 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 Roseville 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 Roseville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Roseville's internal controls have 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 Roseville's financial statements have been audited by Redpath and Company, 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 Roseville for the fiscal year ended December 31, 2017 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 unqualified opinion that the City of Roseville's financial statements for the fiscal year ended December 31, 2017, 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 requires 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 the MD&A and should be read in conjunction with it. The City of Roseville's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Roseville, incorporated in 1948, is a suburban community bordering both Minneapolis and St. Paul, Minnesota in the eastern part of the state. This area is considered to be the major population and economic growth area in the state, and among one of the highly ranked economic growth areas in the country. The City of Roseville currently occupies a land area of 13.7 square miles and serves a population of 35,836. The City of Roseville is empowered to levy a property tax on both real and personal properties located within its boundaries. While it also is empowered by state statute to extend its corporate limits by annexation, Roseville is a completely developed community and is bordered on all sides by other incorporated communities.

The City of Roseville has operated under the council-manager form of government since 1974. Policy-making and legislative authority are vested in a city council consisting of the mayor and four other members. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the city manager. The city manager is responsible for carrying out the policies and ordinances of the council, for overseeing the day-to-day operations of the city government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. The Mayor and Council members serve four-year staggered terms. The council and mayor are elected at large.

The City of Roseville provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; water and sewer services and recreational activities and cultural events.

The annual budget serves as the foundation for the City of Roseville's financial planning and control. All departments and agencies of the City of Roseville submit requests for appropriation to the City Manager in May of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the council for review prior to August 31st. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 31st, the close of the City of Roseville's fiscal year.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a fund. Transfers of appropriations between funds, however, 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 80 as part of the basic financial statements for the governmental funds. For governmental funds other than the general fund, and with appropriated annual budgets, this comparison is presented in the required supplementary information and the governmental fund subsection of this report, shown on pages 81-83 and 98-101.

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 Roseville operates.

Local Economy. The City of Roseville currently enjoys a favorable economic environment and local indicators point to continued stability and improvement. The region, while noted for a strong retail sector, enjoyed modest re-development in recent years. The re-development consisted of varied retail

that added to the relative stability of the unemployment rate. Major industries with headquarters or divisions located within the government's boundaries or in close proximity include computer hardware and software manufacturers, electrical controls and medical services, and several divisions of state government departments which administer the state highway system and the State's educational administration of K-12 operations.

The City of Roseville area has an employed labor force of approximately 40,000 which is anticipated to remain steady for the foreseeable future.

Because of the fully developed nature of the community, the opportunity for new and expanded housing is limited. The city's emphasis has been, in recent years, on assisting homeowners to redevelop and remodel the current available housing so that as the change-over from older residents occurs, younger families will continue to be attracted to Roseville.

Long-term Financial Planning. The city council annually participates in the development of the City's long-term goals and objectives. Recently adopted goals include; establishing adequate funding mechanisms for infrastructure replacement, redeveloping the City's housing options, and securing funds for new initiatives.

The city is also working closely with state, federal and neighboring communities to improve the area's state and county transportation network, which includes upgraded highways and strategically-placed pathways. Funding for most of the transportation improvements will need to come from state, county and federal sources, with a smaller portion supported by the local taxpayers.

Relevant Financial Policies. As part of the annual budget process, the City reviews a number of fiscal and budget policies. There have been no significant changes to these policies from the previous year.

Major Initiatives. Each year the goal of the City is to provide residents and businesses with the necessary and desired services in the most efficient manner while limiting the financial burden to taxpayers. Secondary goals center on the allocation of resources to uphold previously identified community aspirations, and meeting the needs identified in the most recent citizen survey. Those aspirations included the following:

City of Roseville Community Aspirations

Welcoming, inclusive, and respectful;
Safe and law-abiding;
Economically prosperous, with a stable and broad tax base;
Secure in our diverse and quality housing and neighborhoods;
Environmentally responsible, with well-maintained natural assets;
Physically and mentally active and healthy;
Well-connected through transportation and technology infrastructure; and
Engaged in our community's success as citizens, neighbors, volunteers, leaders,
and businesspeople.

Achieving these goals and strategies are not expected to have a significant financial impact however. It is expected that a portion of existing resources will be redirected to the extent possible. In addition, it is expected that future debt obligations will decline which will allow existing resources dedicated to debt service to be re-purposed.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Roseville for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2016. This was the 38th consecutive year that the city has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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.

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2017. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the dedicated services of the Finance Department Staff. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Roseville's finances.

Respectfully submitted

Christopher K. Miller Finance Director

Ctton K. mill



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Roseville Minnesota

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO

Utility Maintenance Street Maintenance • Fleet Maintenance Director Maintenance **Public** Works • Engineering Development • Facilities Economic Authority Public Works, Environment & Transportation Human Rights, Inclusion, and Engagement Police Chief Police Records Police Reserves Investigations • Community Relations • Patrol Finance Commission Planning Police Civil Service City of Roseville Organizational Chart Parks & Recreation Parks Maintenance Commissions Recreation • Skating Center Volunteer • Nature Center Director Parks & • Golf Course • Recreation Ethics Programs Administration Investigations Fire Chief Manager Inspections Operations City Training Council Support Executive Assistant General Accounting City Clerk City Council • License Center • Utility Billing Finance Director Technology • Building Codes Development Community Development Director • Economic • Planning • GIS Human Resources Communications Assistant City Attorney Manager City • Recycling • Elections



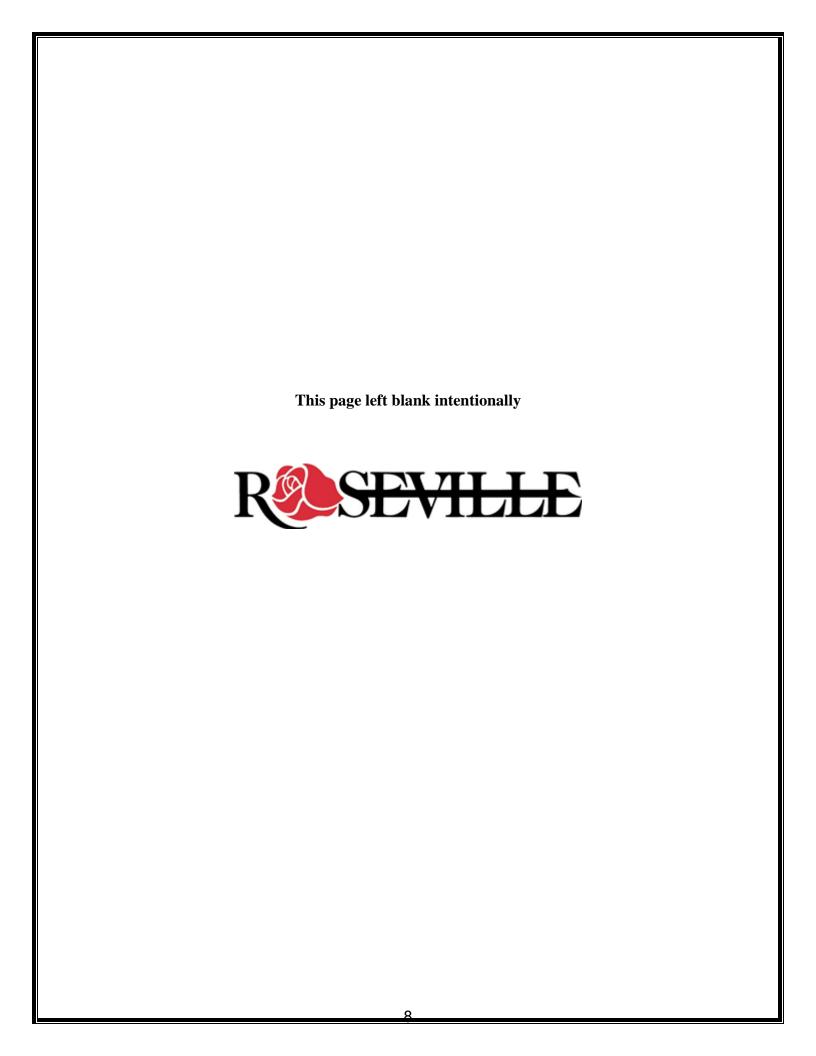
Elected and Appointed Officials December 31, 2017

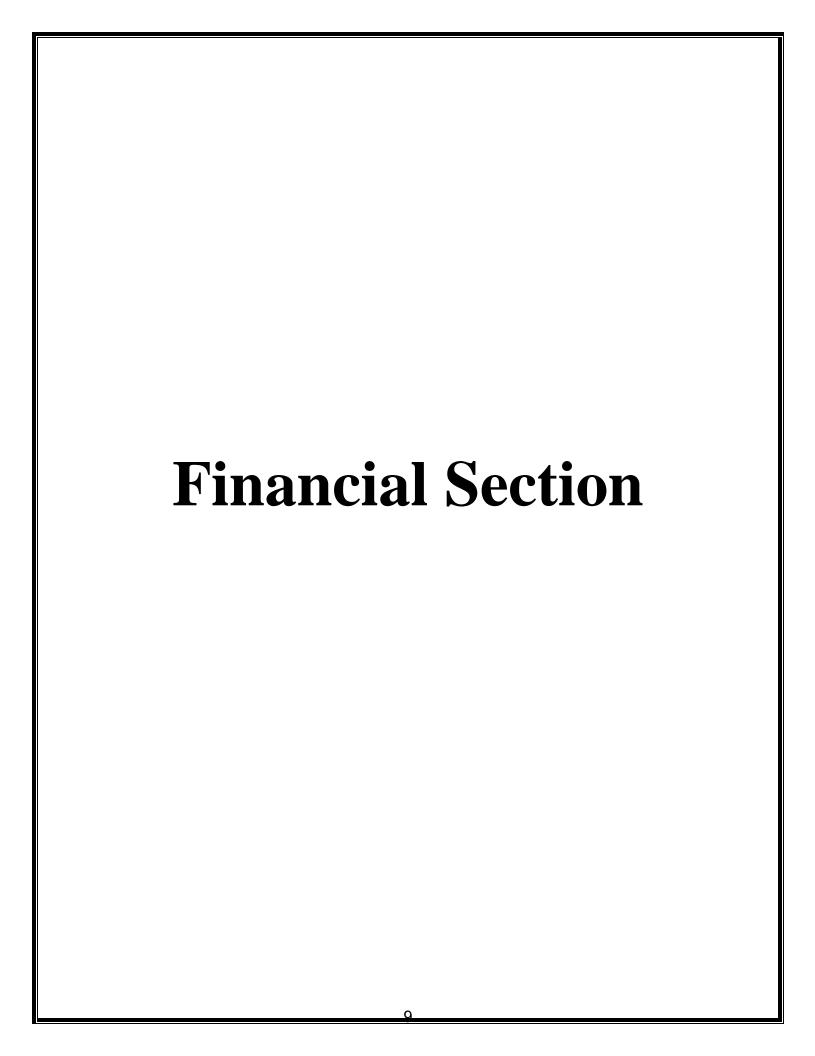
Elected Officials

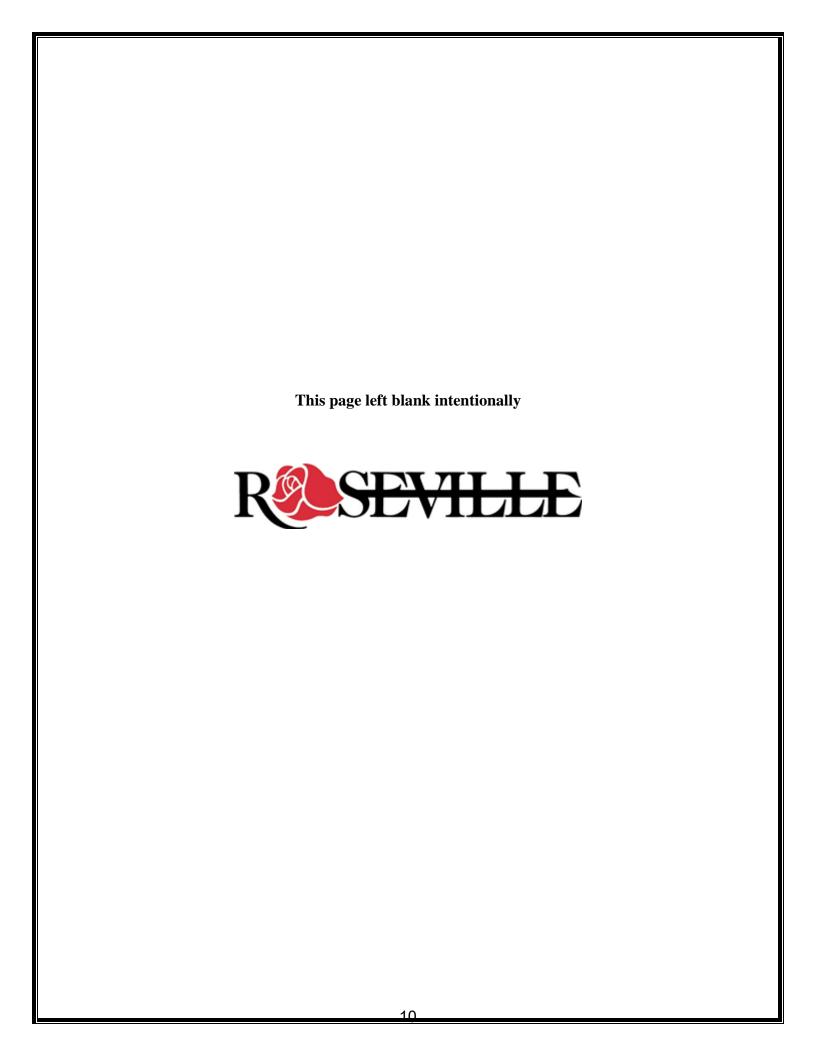
Mayor	Dan Roe	Term expires 12/31/2018
Council	Lisa Laliberte	Term expires 12/31/2020
Council	Jason Etten	Term expires 12/31/2020
Council	Tammy McGehee	Term expires 12/31/2018
Council	Robert Willmus	Term expires 12/31/2018

Appointed Officials

City Manager Pat Trudgeon
Finance Director Chris Miller
Police Chief Rick Mathwig
Fire Chief Tim O'Neill
Public Works Director Marc Culver
Parks & Recreation Director Lonnie Brokke
Community Development Director Kari Collins









INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council City of Roseville, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Roseville, Minnesota, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Roseville, Minnesota's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Roseville Visitors' Association, which represent 76 percent of the assets and liabilities of the City's Agency Funds. These statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Roseville Visitors' Association, is based soley on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Roseville, Minnesota, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information of the General Fund, Recreation Fund, and Community Development Fund, OPEB Schedule of Funding Progress and Pension Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Roseville, Minnesota's basic financial statements. The introductory section, supplementary information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

Other Reporting Required by Government Auditing Standards

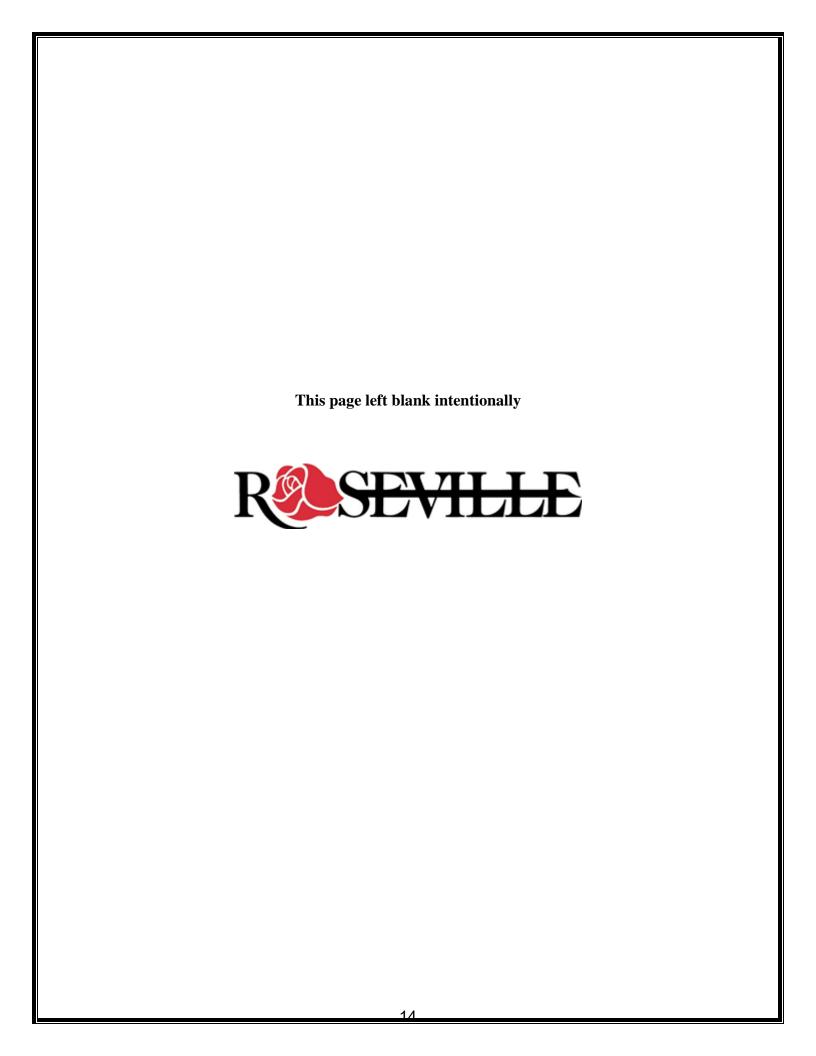
Kedpath and Company, UT.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 9, 2018, on our consideration of the City of Roseville, Minnesota'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Roseville, Minnesota's internal control over financial reporting and compliance.

REDPATH AND COMPANY, LTD.

St. Paul, Minnesota

May 9, 2018



MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS

As management of the City of Roseville, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the City's financial statements and the additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report.

Financial Highlights

- The assets and deferred outflows of the City of Roseville exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$180,697,281 (Net position). Of this amount, \$12,108,226 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position from operations decreased by \$2,049,382.
- As of the close of the current fiscal year, the City of Roseville's governmental activities reported combined ending unrestricted net position of \$13,371,438.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$5,803,701 or 39% of total general fund expenditures.
- The City of Roseville total bonded debt and certificates of indebtedness decreased by \$2,760,000 during the current fiscal year.

This discussion and analysis is 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 supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The Statement of Net Position presents information on all of the City's assets and deferred outflows, and liabilities and deferred inflows of resources, with the difference between the two 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. To assess the overall health of the City, one needs to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from 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, economic development and recreation. The business-type activities of the City of Roseville include water, sanitary sewer, golf, storm drainage and recycling.

The government-wide financial statements can be found in the Basic Financial Statements section 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 of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Recreation, License Center, Community Development, Debt Service, Revolving Improvements, Economic Increments Construction and Street Construction, 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 non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found in the Basic Financial Statements section 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 Sanitary Sewer, Water, Golf Course, Solid Waste, Storm Drainage and Recycling operations. Internal service

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS

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 Workers' Compensation Self Insurance and Risk Management. The services provided by these funds predominately benefit the governmental rather than the business-type functions. They have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sanitary Sewer, Water, Golf Course, Storm Drainage and Solid Waste Recycling since they are considered to be major funds of the City. Both internal service funds are combined into a separate single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found in the Basic Financial Statements section 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 statements 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 in the Basic Financial Statements section of this report.

Notes to the Financial Statements

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

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, *Required Supplementary Information*, presents a detailed budgetary comparison schedule for the General, Recreation and the Community Development Fund to demonstrate compliance with the budget. In accordance with the requirements of GASB Statement 45, it also includes other post-employment benefit plan schedule of funding progress. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds and other information related to the individual funds are presented immediately following the required supplementary information.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

The analysis of the City's financial position begins with a review of the *Statement of Net Position* and the *Statement of Activities*. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations. Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Roseville, assets and deferred outflows exceeded liabilities by \$180,697,281 as of December 31, 2017. This represents a decrease of \$2,049,382 from the previous year.

By far the largest portion of the City of Roseville's net position (85.8% percent) reflects its investment in capital assets (e.g. land, buildings, machinery, equipment and infrastructure) less any related debt used to acquire those assets that is still outstanding. The City of Roseville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Roseville'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.

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities 2017	Governmental Activities	Business-Type Activities 2017	Business-Type Activities 2016	Total	Total
	2017	2016	2017	2010	2017	2016
Current and other assets	\$ 52,250,897	\$ 56,560,295	\$ 4,830,402	\$ 5,902,691	\$ 57,081,299	\$ 62,462,986
Capital assets	145,900,233	146,696,875	34,767,437	30,729,106	180,667,670	177,425,981
Total Assets	198,151,130	203,257,170	39,597,839	36,631,797	237,748,969	239,888,967
Deferred outflows of resources	12,164,003	19,411,015	327,700	670,519	12,491,703	3,025,539
Long-term liabilities						
Outstanding	44,991,753	63,084,377	1,464,078	1,774,658	46,455,831	64,859,035
Other liabilities	5,577,816	5,368,779	3,449,545	3,047,431	9,027,361	8,416,210
Total Liabilities	50,569,569	68,453,156	4,913,623	4,822,089	55,483,192	73,275,245
Deferred inflows of resources	13,836,800	3,791,067	223,399	157,526	14,060,199	1,581,240
Net Position Invested in capital assets						
net of related debt	121,203,724	119,959,369	33,862,002	30,729,106	155,065,726	150,688,475
Restricted	13,523,329	13,847,317	_	_	13,523,329	13,847,317
Unrestricted	11,181,711	16,617,276	926,515	1,593,595	12,108,226	18,210,871
Total Net Position	\$145,908,764	\$150,423,962	\$ 34,788,517	\$ 32,322,701	\$180,697,281	\$182,746,663

A portion of the City of Roseville's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position - \$11,181,711 may be used to meet the City's ongoing obligations to citizens and creditors.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Analysis of the City's Operations – Governmental activities decreased the City of Roseville's net position by \$4,515,198. Business-type activities increased Roseville's net position by \$2,465,816, for an overall decrease of \$2,049,382. Key elements of this decrease are as follows:

CONDENSED STATEMENT OF CHANGES IN NET POSITION

Revenues 2017 2016 2017 2016 2017 2016 Program Revenues Charges for services \$9,324,201 \$9,817,035 \$14,556,431 \$14,000,057 \$23,880,632 \$23,817,092 Operating grants and Contributions 1,418,596 1,219,715 87,901 90,533 1,506,497 1,310,248 Capital grants and Contributions 1,209,349 2,137,095 - 277,055 1,209,349 2,414,150 General Revenues Property taxes 20,730,169 19,550,627 - - 2,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - - 2,701,169 2,221,477 Grants & contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305)
Program Revenues \$9,324,201 \$9,817,035 \$14,556,431 \$14,000,057 \$23,880,632 \$23,817,092 Operating grants and Contributions 1,418,596 1,219,715 87,901 90,533 1,506,497 1,310,248 Capital grants and Contributions 1,209,349 2,137,095 - 277,055 1,209,349 2,414,150 General Revenues 20,730,169 19,550,627 - - 20,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - - 20,730,169 19,550,627 Grants & contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues 35,186,966 <t< td=""></t<>
Charges for services \$ 9,324,201 \$ 9,817,035 \$ 14,556,431 \$ 14,000,057 \$ 23,880,632 \$ 23,817,092 Operating grants and Contributions 1,418,596 1,219,715 87,901 90,533 1,506,497 1,310,248 Capital grants and Contributions 1,209,349 2,137,095 - 277,055 1,209,349 2,414,150 General Revenues Property taxes 20,730,169 19,550,627 - - 20,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - - 20,730,169 19,550,627 Grants & contributions not Restricted to specific 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 <td< td=""></td<>
Operating grants and Contributions 1,418,596 1,219,715 87,901 90,533 1,506,497 1,310,248 Capital grants and Contributions 1,209,349 2,137,095 - 277,055 1,209,349 2,414,150 General Revenues 20,730,169 19,550,627 - - 20,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - - 20,730,169 19,550,627 Grants & contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Contributions 1,418,596 1,219,715 87,901 90,533 1,506,497 1,310,248 Capital grants and Contributions 1,209,349 2,137,095 - 277,055 1,209,349 2,414,150 General Revenues Property taxes 20,730,169 19,550,627 - - 20,730,169 19,550,627 Other taxes Other taxes Contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Capital grants and Contributions 1,209,349 2,137,095 - 277,055 1,209,349 2,414,150 General Revenues Property taxes 20,730,169 19,550,627 - - 20,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - - 1,701,906 2,221,477 Grants & contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Contributions 1,209,349 2,137,095 - 277,055 1,209,349 2,414,150 General Revenues Property taxes 20,730,169 19,550,627 - - 20,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - - 20,730,169 19,550,627 Grants & contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
General Revenues Property taxes 20,730,169 19,550,627 - - 20,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - - 1,701,906 2,221,477 Grants & contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Property taxes 20,730,169 19,550,627 20,730,169 19,550,627 Other taxes 1,701,906 2,221,477 - 1,701,906 2,221,477 Grants & contributions not Restricted to specific Programs 27,208 24,435 - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments Gain on Sale of capital asset Total Revenues 35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Other taxes 1,701,906 2,221,477 1,701,906 2,221,477 Grants & contributions not Restricted to specific Programs 27,208 24,435 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments Gain on Sale of capital asset Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Grants & contributions not Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Restricted to specific Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Programs 27,208 24,435 - - 27,208 24,435 Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Investment earnings 860,242 758,630 31,735 36,658 891,977 795,288 Net Increase (decrease) in fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Net Increase (decrease) in fair value of investments fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
fair value of investments (197,305) (897,640) 10,985 (46,107) (186,320) (943,747) Gain on Sale of capital asset 112,600 129,474 24,673 7,635 137,273 137,109 Total Revenues \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Gain on Sale of capital asset Total Revenues 112,600 129,474 24,673 7,635 137,273 137,109 \$35,186,966 \$34,960,848 \$14,711,725 \$14,365,831 \$49,898,691 \$49,326,679
Total Revenues \$35,186,966 \$34,960,848 \$ 14,711,725 \$ 14,365,831 \$ 49,898,691 \$ 49,326,679
Expenses
General government \$ 8,180,795 \$ 7,615,373 \$ - \$ - \$ 8,180,795 \$ 7,615,373
Public safety 12,490,251 13,102,041 - 12,490,251 13,102,041
Public works 7,759,394 9,676,272 - 7,759,394 9,676,272
Economic development 4,047,461 4,729,987 - 4,047,461 4,729,987
Recreation 6,315,824 5,185,845 6,315,824 5,185,845
Interest on debt 785,702 813,509 - 785,702 813,509
Sanitary sewer 3,982,565 3,815,857 3,982,565 3,815,857
Water 6,274,835 5,977,512 6,274,835 5,977,512
Golf - 367,665 340,677 367,665 340,677
Storm drainage - 1,237,523 1,327,856 1,237,523 1,327,856
Recycling 506,058 480,918 506,058 480,918
Total Expenses \$39,579,427 \$41,123,027 \$12,368,646 \$11,942,820 \$51,948,073 \$53,065,847
Total Expenses \$39,579,427 \$41,123,027 \$ 12,500,040 \$ 11,742,020 \$ 51,740,075 \$ 55,005,047
Change in Net Position before
Transfers \$ (4,392,461) \$ (6,162,179) \$ 2,343,079 \$ 2,423,011 \$ (2,049,382) \$ (3,739,168)
Transfers (122,737) 805,000 122,737 (805,000)
(122,737) 003,000 122,737 (003,000)
Increase (decrease) in
Net position (4,515,198) (5,357,179) 2,465,816 1,618,011 (2,049,382) (3,739,168)
(, , , (,, , ,, ,, (,)
Net position on January 1st 150,423,962 155,781,141 32,322,701 30,704,690 182,746,663 186,485,831
Net position on December 31st 145,908,764 150,423,962 34,788,517 32,322,701 180,697,281 182,746,663

MANAGEMENT'S DISCUSSION AND ANALYSIS

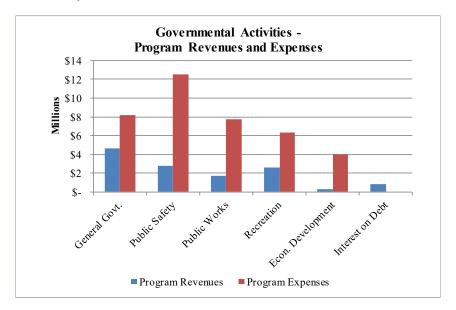
For Year Ended December 31, 2017

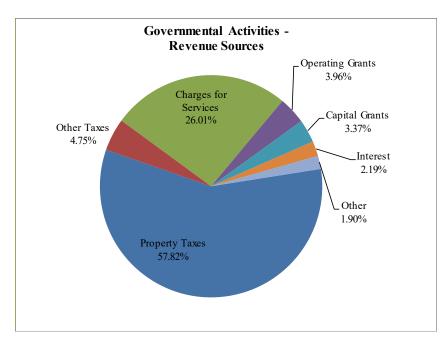
FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Governmental Activities

The decrease in net position resulted primarily from the one-time return of \$2.6 million of surplus monies previously held in the City's Economic Increments Fund. In accordance with State Statute, these monies were returned when the City decertified one of its larger tax increment financing districts. The decrease in net position was also from \$2.4 million of capital maintenance and improvement projects which were funded from reserves in the Street Construction Fund.

Below are specific graphs which provide comparisons of the governmental activities revenues and expenses for the last fiscal year.





MANAGEMENT'S DISCUSSION AND ANALYSIS

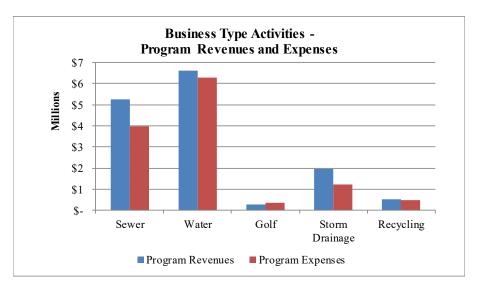
For Year Ended December 31, 2017

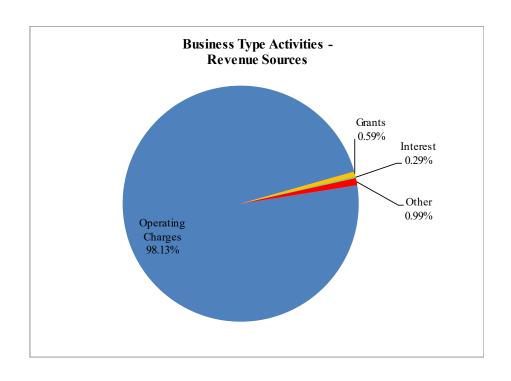
FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Business-type Activities

The increase in net position for business-type activities reflects improved cost containment. Water, Sewer, Storm Drainage and Recycling rate increases in 2017 were also implemented to offset declining interest earnings and other non-tax revenue sources. The rate increases were also implemented to provide yearly contributions for future funding of capital asset replacement.

Below are graphs showing the business-type activities revenue and expense comparisons for the past fiscal year.





MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

The focus of the City of Roseville'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 of Roseville's financing requirements. In particular, unrestricted fund balance may serve as useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Roseville's governmental funds reported combined ending fund balances of \$39,899,486. Approximately 65.2% of this total amount \$25,376,157; constitutes unrestricted fund balance. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it is legally restricted for; 1) various operating purposes - \$4,176,407, 2) for tax increment financing activities - \$6,686,918, 3) bond funded capital improvements - \$2,189,727, 4) debt service - \$2,6,26,667 and 5) housing and economic development - \$843,610.

The General Fund decreased \$962,397 due to a plan spend down of General Fund reserves in 2017.

The Economic Increments Construction Fund accounts for the activities in the City's Tax Increment Financing (TIF) Districts. The Fund's balance decreased by \$2,899,085. The decline is due to the one-time return of \$2.6 million of surplus monies previously held in the City's Economic Increments Fund for a decertified tax increment district. In addition, the City had \$.6 million of infrastructure improvements in its Twin Lakes Area.

The Street Construction Fund decreased by \$2,354,101 largely due a budgeted spend down of reserves for various capital improvement projects.

Proprietary Funds

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

The unrestricted net position in the respective proprietary funds is Sewer - \$495,493; Water – \$0; Golf - \$45,135; Storm - \$259,503 and Recycling - \$126,384. Overall, net position increased \$2,465,816 reflecting positive cash flow from utility rates, which were designated for future capital replacements.

General Fund Budgetary Analysis

The General Fund balance decreased by \$962,397 in 2017 which was primarily due to a transfer of \$928,000 to the Golf Course Fund to internally fund the City's new Cedarholm Community Building. The transfer was made with General Fund reserves from a release of \$1.1 million of excess tax increment by the county from the decertification of tax increment district No. 13 in 2016. The General Fund property tax revenue was \$987,908 greater than the final budget due to the City receiving its proportionate share of excess tax increment that was returned after a decertification of a tax increment district. The General Fund Public Works function was \$366,562 under budget because a decision was made not to do \$225,000 worth of street seal coating because of issues obtaining quality seal coating mix. This also resulted in less expenditures for professional services, supplies, and materials that would accompany this project. The \$225,000 was then transferred to the Street Fund to help fund street replacement projects, which also resulted in the General Fund being \$214,968 over budget for transfers out.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

CAPITAL ASSETS

The City of Roseville's investment in capital assets for its governmental and business type activities as of December 31, 2017, amounts to \$180,667,670 (net of accumulated depreciation) – a 1.8% increase from the previous year. This investment in capital assets includes land, buildings, infrastructure, machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- Completion of approximately \$1.6 million in the construction of projects for Roseville Parks and Recreation.
- Approximately \$2.6 million in improvements to the City's streets and sidewalks
- Approximately \$3.97 million in improvements to the City's sewer line, water lines, lift station and storm drainage infrastructure.

CAPITAL ASSETS AT YEAR-END NET OF ACCUMULATED DEPRECIATION

	Governmental Activities 2017	Governmental Activities 2016	Business-Type Activities 2017	Business-Type Activities 2016	Total 2017	Total 2016
Land & easements	\$ 35,746,188	\$ 35,638,651	\$ 893,298	\$ 893,298	\$ 36,639,486	\$ 36,531,949
Buildings	22,208,510	23,088,547	58,529	73,096	22,267,039	23,161,643
Improvements other						
Than buildings	6,224,419	6,515,740	447,366	499,434	6,671,785	7,015,174
Machinery & equipment	7,622,871	8,148,760	917,463	815,691	8,540,334	8,964,451
Infrastructure	60,024,686	60,373,620	29,575,477	26,920,823	89,600,163	87,294,443
Construction in progress	14,073,559	12,931,557	2,875,304	1,526,764	16,948,863	14,458,321
Total Capital Assets	\$145,900,233	\$146,696,875	\$ 34,767,437	\$ 30,729,106	\$180,667,670	\$177,425,981

Additional information on the City of Roseville's capital assets can be found in Notes 1D and Note 4-C in the Notes to the Financial Statements section of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

LONG-TERM OBLIGATIONS

At the end of the current fiscal year, The City of Roseville had total long-term debt outstanding of \$25,825,000. Of this amount:

- \$1,630,000 was for general obligation refunding bonds to refinance the debt originally issued to construct an expansion of City Hall
- \$7,575,000 for the general obligation to finance the construction of a new fire station and to make various park improvements
- \$12,560,000 for the general obligation for remaining construction of a new fire station and for various parks renewal projects
- \$700,000 for housing improvements
- \$3,035,000 in general obligation tax increment revenue bonds to finance public improvements within Tax Increment Financing District No. 17
- \$325,000 of general obligation certificate of indebtedness for the replacement of the Ice Arena refrigeration system.

OUTSTANDING DEBT GENERAL OBLIGATION IMPROVEMENT BONDS AND CERTIFICATES OF INDEBTEDNESS

Governmental	Governmental	Business-Type	Business-Type		
Activities	Activities	Activities	Activities	Total	Total
2017	2016	2017	2016	2017	2016
\$ 3,035,000	\$ 3,060,000	\$ -	\$ -	\$ 3,035,000	\$ 3,060,000
22,465,000	24,885,000	-	-	22,465,000	24,885,000
325,000	640,000	-	-	325,000	640,000
\$ 25,825,000	\$ 28,585,000	\$ -	\$ -	\$ 25,825,000	\$ 28,585,000
	Activities 2017 \$ 3,035,000 22,465,000 325,000	Activities 2017 2016 \$ 3,035,000 \$ 3,060,000 22,465,000 24,885,000 325,000 640,000	Activities Activities Activities 2017 2016 2017 \$ 3,035,000 \$ 3,060,000 \$ - 22,465,000 24,885,000 - 325,000 640,000 -	Activities Activities Activities Activities 2017 2016 2017 2016 \$ 3,035,000 \$ 3,060,000 \$ - \$ - 22,465,000 24,885,000 325,000 640,000	Activities Activities Activities Activities Total 2017 \$ 3,035,000 \$ 3,060,000 \$ - \$ - \$ 3,035,000 \$ 22,465,000 24,885,000 22,465,000 325,000 640,000 325,000

The City of Roseville maintains an Aaa rating from Moody's and an AAA from Standard and Poor's on all of its general obligation debt.

Minnesota State statutes limit the amount of general obligation debt a city may issue to 3% of total Estimated Market Value. The current debt limitation for the City of Roseville is \$128,818,170. \$25,825,000 of the City's outstanding debt is counted against the statutory limitation as the debt is wholly financed by a general tax levy.

Additional information on the City of Roseville's long-term debt can be found in Note 1-D and Note 4-H this

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2017

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

Financial Outlook

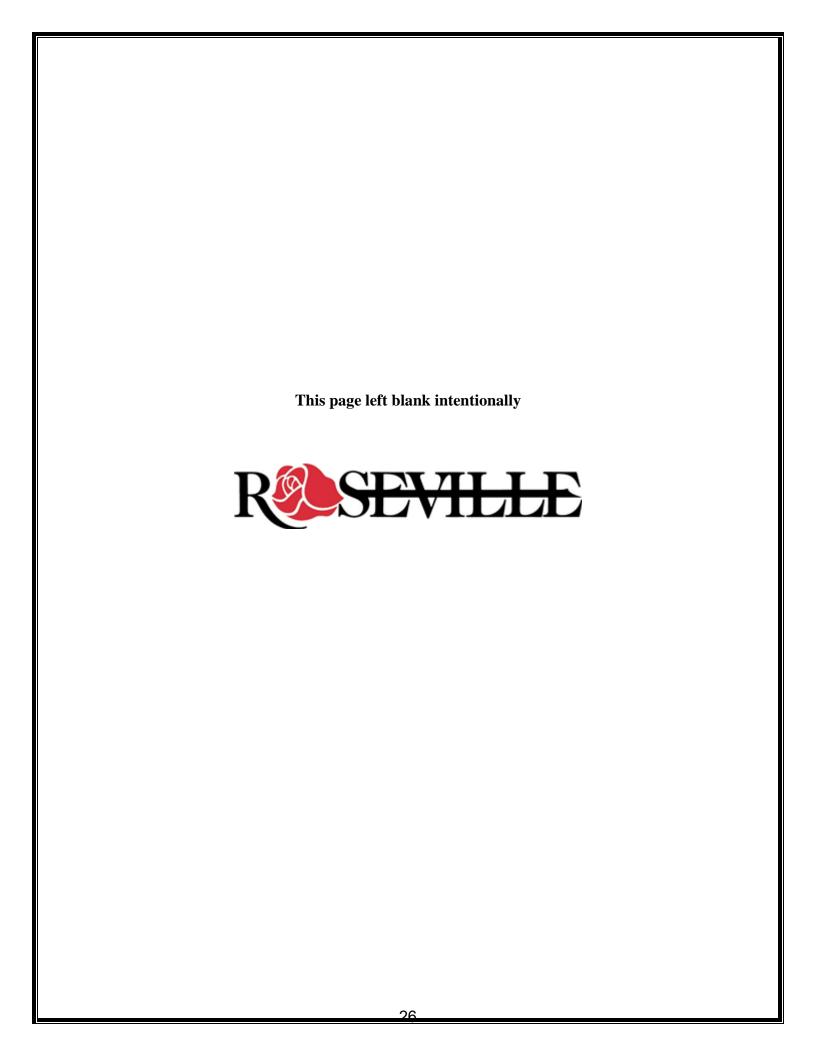
A number of local economic factors played a role in setting next year's budget, utility rates and fee schedule:

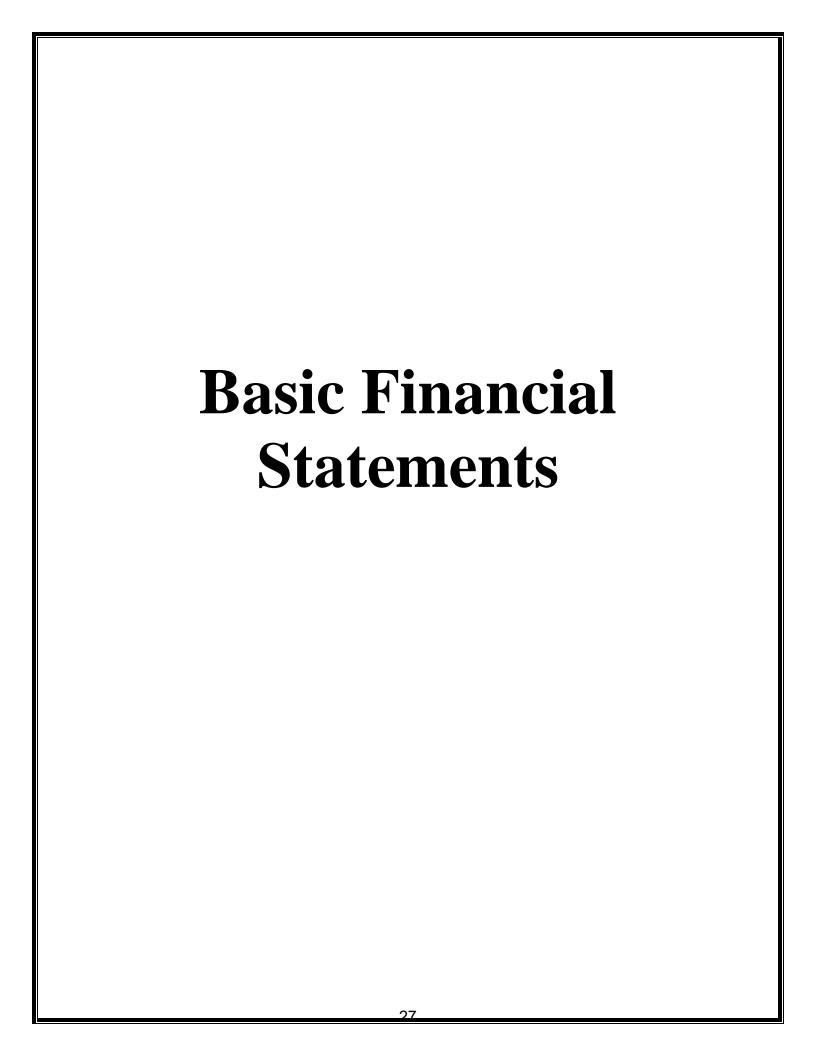
- ❖ The City made operational adjustments including a modest property tax increase and the limited use of cash reserves to ensure that the City's core services are funded in a manner that preserves the greatest value to the community.
- New building permit fees were added, existing permit fees and plan review fees were increased to reflect the rising administrative, attorney and inspection costs incurred by the City. In addition, user charges for proprietary funds were also changed to reflect current and anticipated conditions and asset replacement needs.

These factors were considered when the City of Roseville prepared its 2018 budget.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Office of the Finance Director, 2660 Civic Center Drive, Roseville, MN 55113.





		Primary Government			
	Governmental	Business-Type	Tatala		
100570	Activities	Activities	Totals		
ASSETS Contract and and antiquents	42 /20 7/0	1 007 200	42 /2/ 150		
Cash and cash equivalents	42,628,760	1,007,398	43,636,158		
Restricted investments		100 204	100 204		
Utility customer deposits	-	109,294	109,294		
Receivables Accounts	045 400	2 000 522	2.745.202		
	845,680	2,899,523	3,745,203		
Taxes Investment interest	1,264,667	3,443	1,264,667		
Special assessments	140,393 1,001,113	366,807	143,836 1,367,920		
Due from other goverments	576,439	201,182	777,621		
Notes	2,126,905	201,102	2,126,905		
Prepaids	13,950	242,755	256,705		
Net pension asset - fire relief	3,652,990	242,733	3,652,990		
Capital Assets Not Being Depreciated	3,032,770		3,032,770		
Land	28,014,295	893,298	28,907,593		
Easements	7,731,893	073,270	7,731,893		
Construction in Progress	14,073,559	2,875,304	16,948,863		
Capital Assets Net of Accumulated Depreciation	14,073,337	2,073,304	10,740,003		
Buildings	22,208,510	58,529	22,267,039		
Improvements other than Buildings	6,224,419	447,366	6,671,785		
Machinery, equipment, and vehicles	7.622.871	917,463	8,540,334		
Infrastructure	60,024,686	29,575,477	89,600,163		
Total Assets	198,151,130	39,597,839	237,748,969		
10(11/135(13	170,131,130	37,377,037	237,740,707		
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension resources	12,164,003	327,700	12,491,703		
LIABILITIES					
Accounts payable	763,613	895,343	1,658,956		
Accrued payroll	369,268	33,482	402,750		
Contracts and retainage payable	1,265,281	808,994	2,074,275		
Bond interest payable	256,353	-	256,353		
Due to other governmental units	2,114,446	439,891	2,554,337		
Deposits payable	808,855	1,271,835	2,080,690		
Noncurrent Liabilities:					
Due Within One Year	3,599,517	21,498	3,621,015		
Due in More than One Year	41,392,236	1,442,580	42,834,816		
Total Liabilities	50,569,569	4,913,623	55,483,192		
DEFERRED INFLOWS OF RESOURCES					
Deferred pension resources	13,836,800	223,399	14,060,199		
NET POSITION					
Net Investment in Capital Assets	121,203,724	33,862,002	155,065,726		
Restricted for:					
Law enforcement	407,132	-	407,132		
Telecommunication	431,608	-	431,608		
Lawful Gambling	110,672	-	110,672		
Community development	1,839,150		1,839,150		
Park dedication	1,387,845		1,387,845		
Tax increment	3,686,918	-	3,686,918		
Debt service	2,626,667	-	2,626,667		
DCDI SCIVICC					
Bond Funded Capital Improvements	2,189,727	-	2,189,727		
	2,189,727 843,610	-	2,189,727 843,610		
Bond Funded Capital Improvements		- - 926,515			

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

				Pro	gram Revenu	es			and C	t (Expense) Revenue Changes in Net Position			
Functions/Programs	Expenses		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions		Governmental Activities		Business-type Activities		tTotal	
Primary government:													
Governmental activities: General government Public safety Public works Economic development	1:	8,180,795 2,490,251 7,759,394 4,047,461	\$ 4,550,361 1,812,758 369,679 276,641	\$	49,714 944,786 340,736	\$	17,380 - 962,032	\$	(3,563,340) (9,732,707) (6,086,947) (3,770,820)	\$	- - -	(9 (0 (3	3,563,340) 9,732,707) 6,086,947) 3,770,820)
Recreation		6,315,824	2,314,762		83,360		229,937		(3,687,765)		-	(3	3,687,765)
Interest on long-term debt Total governmental		785,702	-		-		-		(785,702)		-		(785,702)
activities	3	9,579,427	9,324,201		1,418,596		1,209,349		(27,627,281)		-	(27	7,627,281)
Business-type activities:		2 002 565	5 270 629		117						1 200 100	,	1 200 100
Sewer Water		3,982,565 6,274,835	5,270,628 6,613,415		117 150				-		1,288,180 338,730	1	1,288,180 338,730
Golf	,	367,665	288,440		45		-		-		(79,180)		(79,180)
Storm Drainage		1,237,523	1,947,644		102		-		-		710,223		710,223
Recycling		506,058	436,304		87,487		_				17,733		17,733
Total business-		300,030	730,307		07,407						17,733		17,733
type activities	1	2,368,646	14,556,431		87,901		-		-		2,275,686	2	2,275,686
Total primary government	\$ 5	1,948,073	\$ 23,880,632	\$	1,506,497	\$	1,209,349	\$	(27,627,281)	\$	2,275,686	\$ (25	5,351,595)
	General re	evenues.											
		erty taxes							20,730,169		-	20),730,169
		increments							1,191,202		-		1,191,202
	Cable	e franchise	taxes						452,123		-		452,123
	Gam	bling taxes							58,581		-		58,581
	Gran	ts and conti	ributions not										
	res	stricted to s	pecific program	S					27,208		-		27,208
			estment earning						860,242		31,735		891,977
			increase(decrea	se) ii	the fair valu	e							
		investment							(197,305)		10,985		(186,320)
		on sale of	capital assets						112,600		24,673		137,273
	Transfers								(122,737)		122,737		-
		Total gener	ral revenues and	tran	sfers				23,112,083		190,130	23	3,302,213
	Change in	net positio	n						(4,515,198)		2,465,816	(2	2,049,382)
	Net position	on - beginn	ing						150,423,962		32,322,701	182	2,746,663
	Net position	on - ending						\$	145,908,764	\$	34,788,517	\$ 180),697,281

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

	General	Recreation	Special Revenue License Center	Community Development	Debt Service
ACCETC					
ASSETS Cash and investments	6.713.644	1,913,539	1,368,294	2,325,929	2,462,561
Investment interest receivable	20,977	5,962	4,261	7,089	7,669
Accounts receivable	9,188	141,288	394,230	1,413	-
Taxes receivable	641,649	147,432	-	-	193,464
Special assessments receivable	307	-	-	38	176,204
Due from other governments	43,747	-	-	-	-
Notes receivable	-	-	-	1,096,938	-
Prepaid items		1,875	<u> </u>		
TOTAL ASSETS	7,429,512	2,210,096	1,766,785	3,431,407	2,839,898
LIABILITIES, DEFERRED INFLOWS OF					
RESOURCES AND FUND BALANCES					
Liabilities	047 704	100 450	0/ 050	27.700	
Accounts payable	316,731	100,458	26,058	36,600	-
Accrued payroll	208,258	82,560	29,289	17,202	-
Contracts and retention payable Due to other governmental units	192,631	51,314	734,946	1,113,064	-
Deposits payable	378,002	500	-	425,353	-
Total Liabilities	1,095,622	234,832	790,293	1,592,219	-
Deferred Inflows of Resources					
Unavailable Revenue - due from other governments					
Unavailable Revenue - property taxes	122,805	28,217			37,027
Unavailable Revenue - special assessments	252	-		38	176,204
Total Deferred Inflows of Resoures	123,057	28,217	-	38	213,231
FUND BALANCE					
Nonspendable	-	1,875	-	-	-
Restricted					
Law Enforcement	407,132	-	-	-	-
Telecommunications	-	-	-	-	-
Lawful Gambling	-	-	-	- 1 000 150	-
Community Development Park Dedication	-	-	-	1,839,150	-
Tax Increment	-	-	-	-	-
Debt Service	_	-	_	_	2,626,667
Bond Funded Capital Improvements	-	-	-	_	-
Housing and Economic Development	-	-	-	-	-
Committed Parks and Recreation Programs and Maintenance		1 04E 170			
License Center Improvements	-	1,945,172	976,492	-	-
Equipment Replacement		-	-		-
Street Replacement	_	-	_	_	_
Assigned					
Engineering Services	938,020	-	-	-	-
Accounting Service	17,574	-	-	-	-
Capital Projects	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-
Unassigned	4,848,107		-	-	
Total Fund Balances	6,210,833	1,947,047	976,492	1,839,150	2,626,667
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	7,429,512	2,210,096	1,766,785	3,431,407	2,839,898

		Capital Projects		011	.
	Dovolvina	Economic	Street	Other Governmental	Total Governmental
	Revolving Improvements	Increments Construction	Construction	Funds	Funds
SSETS					
Cash and investments	8,978,767	3,457,148	7,818,745	4,752,227	39,790,854
vestment interest receivable	28,097	10,783	31,757	14,948	131,543
counts receivable	16,355	-	-	181,899	744,373
axes receivable	112,186	109,923	27,306	32,707	1,264,66
pecial assessments receivable	=	=	823,987	577	1,001,11
ue from other governments	=	329,937	101,307	202,755	677,74
otes receivable	=	-	-	1,029,967	2,126,90
repaid items				75	1,95
OTAL ASSETS	9,135,405	3,907,791	8,803,102	6,215,155	45,739,15
IABILITIES, DEFERRED INFLOWS OF					
ESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	15,605	-	4,749	252,060	752,26
Accrued payroll	-	-	-	31,959	369,26
Contracts and retention payable	383,369	10,950	870,962	- 22.202	1,265,28
Due to other governmental units Deposits payable	-	-	199 -	22,292 5,000	2,114,44 808,85
Fotal Liabilities	200.074	10.050	07E 010		5,310,11
ordi Liabilities	398,974	10,950	875,910	311,311	3,310,111
Deferred Inflows of Resources		100.000	101 207		201.20
Jnavailable Revenue - due from other governments	- 21 471	100,000	101,307	- / 5/0	201,30
Jnavailable Revenue - property taxes Jnavailable Revenue - special assessments	21,471 -	109,923	5,226 820,299	6,560 225	331,22 997,01
otal Deferred Inflows of Resoures	21,471	209,923	926,832	6,785	1,529,55
und Balance					, , , , , ,
Nonspendable	-	-	-	75	1,95
Restricted					
Law Enforcement	-	-	-	-	407,13
Telecommunications	-	-	-	431,608	431,60
Lawful Gambling	-	-	-	110,672	110,67
Community Development	-	-	-	-	1,839,15
Park Dedication	1,387,845	-	-	-	1,387,84
Tax Increment	-	3,686,918	-	-	3,686,91
Debt Service	-	-	-	-	2,626,66
Bond Funded Capital Improvements	2,189,727	-	-	-	2,189,72
Housing and Economic Development Committed	-	-	-	843,610	843,6
Parks and Recreation Programs and Maintenance	-	-	-	-	1,945,1
License Center Improvements	-	-	-	-	976,49
Equipment Replacement	-	-	-	1,125,426	1,125,42
Street Replacement	-	-	7,000,360	-	7,000,36
Assigned					
Engineering Services	-	-	-	-	938,02
Accounting Service	-	-	-	-	17,57
Capital Projects	5,137,388	-	-	-	5,137,38
Housing and Economic Development			-	3,385,668	3,385,66
Jnassigned	-	-		-	4,848,10
otal Fund Balances	8,714,960	3,686,918	7,000,360	5,897,059	38,899,48
OTAL LIABILITIES, DEFERRED INFLOWS OF					
ESOURCES AND FUND BALANCES	9,135,405	3,907,791	8,803,102	6,215,155	45,739,15
apital assets (net of depreciation) used in governmental activities and are not fina	ancial resources and therefore	are not reported in the	ne funds.		145,900,23
ong term liabilities including bonds payable, are not due and payable in the curren		•			(44,797,09
ternal service funds are used by management to charge the cost of insurance to		- parties an allo rand	-		2,396,39
her long term assets are not available to pay for current-period expenditures and		not reported in the f	unds.		5,182,54
overnmental funds do not report long term amounts related to pensions					
					12 164 00
Deferred outflow of resources Deferred inflow of resources					12,164,00 (13,836,80

City of Roseville, Minnesota STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Fiscal Year Ended December 31, 2017

			Special Revenue		
			License	Community	
	General	Recreation	Center	Development	Debt Service
REVENUES					
General property taxes	12,032,298	2,513,387	-	-	3,298,135
Tax increment			-	-	-
Intergovernmental revenue	1,107,228	-	-	-	-
Licenses and permits	544,957	-	-	1,417,479	-
Gambling taxes	-	-	-	-	-
Charges for services	285,867	2,050,264	1,692,014	200,902	-
Fines and forfeits	90,045	-	-	-	-
Cable franchise taxes	-	-	-	-	-
Rentals	-	70,998	-	-	-
Donations	33,680	68,590	-	-	-
Special assessments	-	-	-	-	40,844
Investment income	407.004	04.000	04.740	44700	0/ 050
Interest earned on investments	107,301	31,288	21,740	44,722	36,953
Increase (decrease) in fair value of investments	(21,093)	(14,537)	(5,562)	(14,191)	(11,591)
Miscellaneous Revenue	64,576	40,409	-	41,674	
Total Revenues	14,244,859	4,760,399	1,708,192	1,690,586	3,364,341
EXPENDITURES					
Current					
General government	2,624,414	_	1,582,436		
Public safety	9,593,726	_	-	878,511	-
Public works	2,402,973	-		-	-
Economic development	-,,	_	-	666,407	-
Recreation	-	4,450,517	-	=	-
Capital outlay	-	-	-	20,613	-
Debt service					
Bond principal		-	-	-	2,760,000
Interest and other charges - Bonds	-		-	-	789,204
Total Expenditures	14,621,113	4,450,517	1,582,436	1,565,531	3,549,204
Excess (Deficiency) of Revenues Over					
(Under) Expenditures	(376,254)	309,882	125,756	125,055	(184,863)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,068,825	-	-	-	118,031
Transfers out	(1,654,968)	(570)	(322,190)	(45,177)	
Sale of capital assets	-		-		
Total Other Financing Sources (Uses)	(586,143)	(570)	(322,190)	(45,177)	118,031
Net Change in Fund Balances	(962,397)	309,312	(196,434)	79,878	(66,832)
FUND BALANCES, January 1	7,173,230	1,637,735	1,172,926	1,759,272	2,693,499
FUND BALANCES, December 31	6,210,833	1,947,047	976,492	1,839,150	2,626,667

City of Roseville, Minnesota STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Fiscal Year Ended December 31, 2017

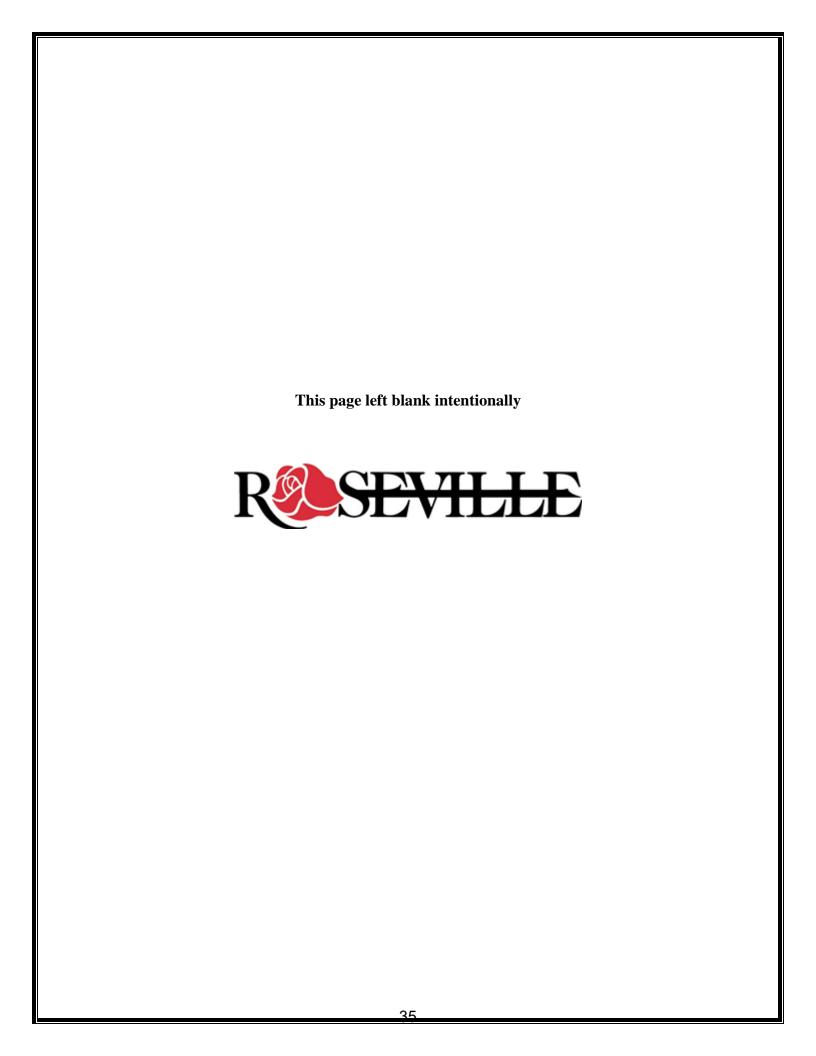
		Capital Projects		Other	T-1-1
	Revolving Improvements	Economic Increments Construction	Street Construction	Other Governmental Funds	Total Governmental Funds
REVENUES					
General property taxes	1,912,522	-	465,502	549,941	20,771,785
Tax increment	-	1,191,202	-	-	1,191,202
Intergovernmental revenue	83,360	229,937	962,032	-	2,382,557
Licenses and permits	-	-	-	-	1,962,436
Gambling taxes	-	-	-	58,581	58,581
Charges for services	-	-	8,875	1,913,104	6,151,026
Fines and forfeits	-	-	-	-	90,045
Cable franchise taxes	-	-	-	452,123	452,123
Rentals	-	-	-	-	70,998
Donations	80,000	-	-	115,387	297,657
Special assessments	-	-	89,705	-	130,549
Investment income					
Interest earned on investments	164,917	91,470	207,784	98,120	804,295
Increase (decrease) in fair value of investments	(61,581)	36,768	(59,406)	(30,701)	(181,894)
Miscellaneous Revenue	15,051	-	-	520,996	682,706
Total Revenues	2,194,269	1,549,377	1,674,492	3,677,551	34,864,066
EXPENDITURES					
Current					
General government	157,934	-	-	2,977,486	7,342,270
Public safety	207,225	-	-	-	10,679,462
Public works	210,388	-	2,320,792	-	4,934,153
Economic development	-	2,900,108	-	377,189	3,943,704
Recreation	234,100	-	-	-	4,684,617
Capital outlay	1,900,648	649,575	1,932,801	331,940	4,835,577
Debt service					
Bond principal	-	-	-	-	2,760,000
Interest and other charges - Bonds	-		<u> </u>		789,204
Total Expenditures	2,710,295	3,549,683	4,253,593	3,686,615	39,968,987
Excess (Deficiency) of Revenues Over					
(Under) Expenditures	(516,026)	(2,000,306)	(2,579,101)	(9,064)	(5,104,921)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,281,054	306	225,000	127,862	2,821,078
Transfers out	-	(899,085)	-	(21,825)	(2,943,815)
Sale of capital assets	144,189				144,189
Total Other Financing Sources (Uses)	1,425,243	(898,779)	225,000	106,037	21,452
Net Change in Fund Balances	909,217	(2,899,085)	(2,354,101)	96,973	(5,083,469)
FUND BALANCES, January 1	7,805,743	6,586,003	9,354,461	5,800,086	43,982,955
FUND BALANCES, December 31	8,714,960	3,686,918	7,000,360	5,897,059	38,899,486
TORO DILLINOLO, DOCCIDO OT	0,714,700	5,000,710	7,000,300	5,077,037	30,077,400

City of Roseville, MinnesotaStatement 5RECONCILIATION OF THE STATEMENT OF REVENUES,(Page 1 of 1)

EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds	\$ (5,083,469)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Net Position, the cost of these assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.	(765,052)
Net effect of sales, trade-ins and retirements of capital assets	(31,590)
Payments on general obligation debt	2,760,000
Premium on general obligation bonds amortized	140,996
Net change due to internal service funds incorporated into statement of activities	(228,123)
Net change in net pension obligation - City	(1,340,681)
Net change in net pension asset - Fire Relief	77,626
Net change in net pension obligation - OPEB	(66,441)
Change in compensated absences	(80,441)
Change in bond interest payable	3,502
Adjustment for modified accrual revenue recognition related to Special assessments, delinquent property tax and delinquent tax increment	 98,475
Change in Net Position of Governmental Activities	\$ (4,515,198)



	Business-Type Activities - Enterprise Funds					Governmental	
	Sanitary Sewer	Water	Golf Course	Storm Drainage	Solid Waste Recycling	Totals	Activities - Internal Service Funds
ASSETS							
Current Assets Cash and cash equivalents	83,306		591,964	249,082	83,046	1,007,398	2,837,906
Restricted cash and cash equivalents	63,300	-	391,904	249,002	63,040	1,007,396	2,037,900
and investments:							
Customer deposits	-	109,294	-	-	-	109,294	-
Investment interest receivable	259	397	1,844	684	259	3,443	8,850
Accounts receivable	1,136,703	1,223,787	4,097	416,547	96,520	2,877,654	-
Special assessments	314,154	52,653	-	-	-	366,807	-
Due from other governmental units	-	201,182	-	-	21,869	223,051	-
Prepaid Items	242,755	-	-	-		242,755	12,000
Total Current Assets	1,777,177	1,587,313	597,905	666,313	201,694	4,830,402	2,858,756
Noncurrent Assets							
Capital Assets							
Land	-	-	319,892	573,407	-	893,299	-
Buildings	50,566	1,490,784	155,637	-	-	1,696,987	-
Improvements other than buildings	-	11,972	394,039	1,005,018	-	1,411,029	-
Machinery, equipment, and vehicles	1,048,413	1,385,590	202,612	1,402,742	-	4,039,357	-
Infrastructure	18,190,968	16,850,701	-	18,228,997	-	53,270,666	-
Construction in Progress	105,370	1,320,696	894,001	555,236	-	2,875,303	-
Less: Accumulated Depreciation	(7,128,543)	(9,539,929)	(688,733)	(12,061,999)	- -	(29,419,204)	-
Total Noncurrent Assets	12,266,774	11,519,814	1,277,448	9,703,401	-	34,767,437	
TOTAL ASSETS	14,043,951	13,107,127	1,875,353	10,369,714	201,694	39,597,839	2,858,756
DEFERRED OUTFLOWS OF RESOURCES							
Deferred pension resources	88,990	116,557	36,439	77,974	7,740	327,700	-
LIABILITIES							
Current Liabilities (Payable from Current Assets)							
Accounts Payable	800,550	35,252	6,218	4,953	48,370	895,343	11,352
Accrued payroll	7,707	9,768	5,686	9,798	523	33,482	-
Compensated absences payable	4,493	6,352	5,680	4,973	-	21,498	-
Contracts and retainage payable	48,431	332,780	370,741	57,042	-	808,994	-
Customer deposits payable		1,271,835	-	-	-	1,271,835	-
Due to other governmental units	52,371	367,296	3,649	16,224	351	439,891	-
Insurance claims payable			-	<u> </u>			237,252
Total Current Liabilities	913,552	2,023,283	391,974	92,990	49,244	3,471,043	248,604
Noncurrent Liabilities							
Compensated absences payable	17,970	25,407	22,718	19,893	-	85,988	-
Net other postemployment benefits obligation	30,126	29,767	11,410	14,285	-	85,588	-
Net Pension liability	347,623	451,546	138,970	303,993	28,872	1,271,004	-
Insurance claims payable	-	-	-	-	-	-	213,758
Total Noncurrent Liabilities	395,719	506,720	173,098	338,171	28,872	1,442,580	213,758
TOTAL LIABILITIES	1,309,271	2,530,003	565,072	431,161	78,116	4,913,623	462,362
DEFERRED INFLOWS OF RESOURCES							
Deferred pension resources	61,403	79,302	24,137	53,623	4,934	223,399	
NET POSITION							
Net Investment in Capital Assets	12,266,774	10,614,379	1,277,448	9,703,401	_	33,862,002	_
Unrestricted	495,493	10,014,3/7 -	45,135	259,503	126,384	926,515	2,396,394
		10 / 14 070					
TOTAL NET POSITION	12,762,267	10,614,379	1,322,583	9,962,904	126,384	34,788,517	2,396,394

City of Roseville, Minnesota STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS For the Fiscal Year Ended December 31, 2017

	Business Type Activities - Enterprise Funds					Governmental	
	Sanitary Sewer	Water	Golf Course	Storm Drainage	Solid Waste Recycling	Totals	Activities - Internal Service Funds
SALES AND COST OF SALES Sales Cost of sales	<u>.</u> .	<u>-</u>	17,149 (9,763)	- -	74	17,223 (9,763)	<u>-</u>
Gross profit			7,386		74	7,460	
OPERATING REVENUES User charges Delinquency collections Miscellaneous	5,270,628 - -	6,557,086 - 56,329	257,088 - 23,966	1,877,805 40,000 29,839	393,907 - 42,323	14,356,514 40,000 152,457	305,855 - 26,620
Total Operating Revenues	5,270,628	6,613,415	281,054	1,947,644	436,230	14,548,971	332,475
OPERATING EXPENSES Personal service Supplies Other services and charges Depreciation	499,533 43,211 3,056,228 383,593	643,488 155,373 5,140,163 335,811	256,188 28,280 73,405 9,792	379,749 50,439 348,874 458,461	31,928 711 473,419	1,810,886 278,014 9,092,089 1,187,657	- 8,634 592,500 -
Total Operating Expenses	3,982,565	6,274,835	367,665	1,237,523	506,058	12,368,646	601,134
OPERATING INCOME (LOSS)	1,288,063	338,580	(79,225)	710,121	(69,754)	2,187,785	(268,659)
NON-OPERATING REVENUES (EXPENSES) Investment Income Interest Earned on Investments Increase (Decrease) in Fair Value of Investments Intergovernmental Revenue Gain on Sale of Capital Assets	6,847 8,553 117.00	11,737 11,133 150.00 11,673	5,410 (7,849) 45.00	6,685 232 102.00 13,000	1,056 (1,084) 87,487	31,735 10,985 87,901 24,673	55,947 (15,411) -
Total Non-Operating Revenues (Expenses)	15,517	34,693	(2,394)	20,019.00	87,459	155,294	40,536
Income (Loss) Before Capital Contributions and Transfers	1,303,580	373,273	(81,619)	730,140	17,705	2,343,079	(228,123)
Transfers In Transfers Out	- (285,114)	(385,000)	927,927 (20,076)	- (100,000)	(15,000)	927,927 (805,190)	-
Change in Net Position	1,018,466	(11,727)	826,232	630,140	2,705	2,465,816	(228,123)
NET POSITION, January 1	11,743,801	10,626,106	496,351	9,332,764	123,679	32,322,701	2,624,517
NET POSITION, December 31	12,762,267	10,614,379	1,322,583	9,962,904	126,384	34,788,517	2,396,394

	Business-ty	Business-type Activities - Enterprise Funds		
	Sanitary Sewer	Water	Golf Course	
CASH FLOWS FROM OPERATING ACTIVITIES	5 000 704		2/0.077	
Cash received from customers and users, including deposits	5,209,791 (3,526,898)	6,463,686 (4,906,098)	260,377 273,112	
Cash payments to suppliers for goods and services Cash payments to employees	(476,488)	(613,027)	(242,553)	
Other operating revenues		56,329	23,966	
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,206,405	1,000,890	314,902	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In From Other Funds	- (005 44.4)	- (005,000)	927,927	
Transfers Out to Other Funds Subsidy from governmental grants	(285,114)	(385,000)	(20,076)	
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(285,114)	(385,000)	907,851	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(1,588,298)	(1,524,178)	(894,001)	
Proceeds from sale of capital assets		11,673	<u>-</u>	
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED	(4.500.000)	(4.540.505)	(004.004)	
FINANCING ACTIVITIES	(1,588,298)	(1,512,505)	(894,001)	
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on investments Increase (Decrease) in Fair Value of Investments	8,075 8,553	13,331 11,133	4,109 (7,849)	
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	16,628	24,464	(3,740)	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(650,379)	(872,151)	325,012	
CASH AND CASH EQUIVALENTS, JANUARY 1	733,685	981,445	266,952	
CASH AND CASH EQUIVALENTS, DECEMBER 31	83,306	109,294	591,964	
RECONCILIATION OF OPERATING INCOME (LOSS) TO				
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	1,288,063	338,580	(79,225)	
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities				
Depreciation	383.593	335,811	9,792	
Pension related activity	22,968	29,446	8,834	
Changes in elements affecting cash:				
(Increase) Decrease in Accounts receivable	(77,480)	(33,202)	(4,097)	
(Increase) Decrease in Special assessments (Increase) Decrease in Due from other governmental untis	16,643	(52,653)	-	
(Increase) Decrease in Prepaid items	(8,070)	(7,545) -	700	
Increase (Decrease) in Accounts payable	(6,930)	260	3,487	
Increase (Decrease) in Accrued payroll	(2,411)	(4,241)	(658)	
Increase (Decrease) in Compensated absences	770	3,896	4,743	
Increase (Decrease) in Contracts payable	47,831	306,384	370,741	
Increase (Decrease) in Customer deposits	- (4/0.200)	77,832	- (101)	
Increase (Decrease) in Due to other governmental units Increase (Decrease) in Net other postemployment benefits obligation	(460,290) 1,718	4,962 1,360	(131) 716	
Increase (Decrease) in Insurance claim payable			-	
Total Adjustments	(81,658)	662,310	394,127	
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,206,405	1,000,890	314,902	
• • • • • • • • • • • • • • • • • • •	1===1		,	
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Increase/(Decrease) in fair market value of investments	8,553	11,133	(7,849)	

CASH FLOWS FROM OPERATING ACTIVITIES Cash received from customers and users, including deposits 1,932,820 385,992 14,252,666 (a.9s. payments to supplices for goods and services (378,10.3) (425,974) (a.9s.3911)	Internal Service Funds 305,85 (417,96 26,62 - (85,49
Cash received from customers and users, including deposits	(417,96 26,62
Cash received from customers and users, including deposits 1,932,820 385,992 14,252,666 (ash payments to suppliers for goods and services (378,10.3) (425,924) (8,963,911) (8,	(417,96 26,62
Cash payments to suppliers for goods and services (378,103) (425,924) (8,963,911) Cash payments to employees (361,448) (30,283) (1,723,779) Other operating revenues 29,839 42,323 152,457 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES 1,223,108 (27,892) 3,717,413 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES - 927,927 Transfers Out to Other Funds - - 927,927 Cash browwed from (repaid to) other funds (100,000) (15,000) (805,190) Subskidy from governmental grants - 87,478 87,478 NET CASH PROVIDED (USED) BY ONCAPITAL FINANCING ACTIVITIES (100,000) 72,478 210,215 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES (1,219,510) - (5,225,987) Proceeds from sale of capital assets (1,219,510) - (5,225,987) Proceeds from sale of capital assets (1,206,510) - (5,225,987) Proceeds from sale of capital assets (1,206,510) - (5,225,987) Proceeds from sale of capital assets (1,206,510) <td>(417,96 26,62</td>	(417,96 26,62
Cash payments to employees	26,62
Other operating revenues 29 839 42,323 152,457 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES 1,223,108 (27,892) 3,717,413 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES Transfers Out to Other Funds 0 927,927 Cash borrowed from (repaid to) other funds (100,000) (15,000) (805,190) Subsidy from governmental grants - 87,478 87,478 NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES (100,000) 72,478 210,215 Purchase of capital assets (1,219,510) - (5,225,987) Proceeds from sale of capital assets (1,219,510) - (5,225,987) Proceeds from sale of capital assets (1,206,510) - (5,201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments 6,663 875 33,053 Increase (Decrease) in Fair Value of Investments 232 (1,084) 10,985 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 6,895 (209) 44,038 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (7,507) 44,3	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES Transfers Out to Other Funds 1	(85,45
Transfers Out to Other Funds	-
Cash borrowed from (repaid to) other funds	
Subsidy from governmental grants -	
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES Proceeds from sale of capital assets (1.219,510) - (5.225,987) Proceeds from sale of capital assets (1.219,510) - (24,673) NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES (1.206,510) - (5.201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments (1.206,510) - (5.201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments (1.206,510) - (5.201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments (1.206,510) - (5.201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments (1.206,510) - (5.201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments (1.206,510) - (5.201,314) CASH FLOWS FROM INVESTING ACTIVITIES (1.206,510) - (5.201,314) CASH PROVIDED (USED) BY INVESTING ACTIVITIES (1.206,510) - (1.204,41) (1.229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	- - - -
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES Purchase of capital assets (1,219,510) - (5,225,987) Proceeds from sale of capital assets 13,000 - 24,673 NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES (1,206,510) - (5,201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments 6,663 875 33,053 Increase (Decrease) in Fair Value of investments 232 (1,084) 10,985 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 6,895 (209) 44,038 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (76,507) 44,377 (1,229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	<u>-</u> - -
Purchase of capital assets (1,219,510) - (5,225,987) Proceeds from sale of capital assets 13,000 - 24,673 NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES (1,206,510) - (5,201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments 6,663 875 33,053 Increase (Decrease) in Fair Value of Investments 232 (1,084) 10,985 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 6,895 (209) 44,038 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (76,507) 44,377 (1,229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	-
Proceeds from sale of capital assets 13,000 - 24,673 NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES (1,206,510) - (5,201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments 6,663 875 33,053 Increase (Decrease) in Fair Value of Investments 232 (1,084) 10,985 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 6,895 (209) 44,038 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (76,507) 44,377 (1,229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	- -
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES (1,206,510) - (5,201,314) CASH FLOWS FROM INVESTING ACTIVITIES Interest received on investments 6,663 875 33,053 Increase (Decrease) in Fair Value of Investments 232 (1,084) 10,985 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 6,895 (209) 44,038 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (76,507) 44,377 (1,229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) Operating Income (Loss) Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	-
FINANCING ACTIVITIES	
Interest received on investments	-
Increase (Decrease) in Fair Value of Investments 232 (1,084) 10,985 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 6,895 (209) 44,038 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (76,507) 44,377 (1,229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 6,895 (209) 44,038 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (76,507) 44,377 (1,229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	52,95
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (76,507) 44,377 (1,229,648) CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	(15,41
CASH AND CASH EQUIVALENTS, JANUARY 1 325,589 38,669 2,346,340 CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	37,54
CASH AND CASH EQUIVALENTS, DECEMBER 31 249,082 83,046 1,116,692 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	(47,95
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	2,885,85
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash: - - 1,767 83,039	2,837,90
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities 458,461 - 1,187,657 Depreciation 458,461 - 1,767 83,039 Changes in elements affecting cash: - - 1,767 83,039	
Operating Income (Loss) 710,121 (69,754) 2,187,785 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities 458,461 - 1,187,657 Depreciation 458,461 - 1,767 83,039 Changes in elements affecting cash: - - 1,767 83,039	
Net Cash Provided (Used) by Operating Activities Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	(268,65
Depreciation 458,461 - 1,187,657 Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash: - - 1,767 83,039	
Pension related activity 20,024 1,767 83,039 Changes in elements affecting cash:	
Changes in elements affecting cash:	-
	-
(Increase) Decrease in Accounts receivable 15,015 (7,199) (106,963)	_
(Increase) Decrease in Special assessments - (36,010)	_
(Increase) Decrease in Due from other governmental untis - (790) (8,335)	=
(Increase) Decrease in Prepaid items (7,370)	(12,00
Increase (Decrease) in Accounts payable (7,330) 48,250 37,737	6,45
Increase (Decrease) in Accrued payroll (4,016) (122) (11,448)	-
Increase (Decrease) in Compensated absences 933 - 10,342	-
Increase (Decrease) in Contracts payable 29,932 754,888	-
Increase (Decrease) in Customer deposits - 77,832	-
Increase (Decrease) in Due to other governmental units (1,392) (44) (456,895)	-
Increase (Decrease) in Net other postemployment benefits obligation 1,360 - 5,154	-
Increase (Decrease) in Insurance claim payable	188,71
Total Adjustments 512,987 41,862 1,529,628	183,16
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES 1,223,108 (27,892) 3,717,413	(85,49
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
Increase/(Decrease) in fair market value of investments 232 (1,084) 10,985	

City of Roseville, Minnesota STATEMENT OF FIDUCIARY NET POSITION AGENCY FUNDS December 31, 2017	Statement 9 (Page 1 of 1)
	_
ASSETS	
Cash and cash equivalents	664,438
Receivables	
Investment interest receivable	305
Special assessments receivable	99,196
Prepaid items	24,707
TOTAL ASSETS	844,476
LIABILITIES	
Accounts Payable	12,463
Accrued payroll	10,232
Due to other governmental units	107,044
Due to other organizations	714,737
TOTAL LIABILITIES	844,476

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

The City of Roseville is a municipal corporation formed under Section 412 of *Minnesota State Statutes* and operates under a Council-Manager form of government. The five-member Council and Mayor are elected on rotating terms in each even-numbered year.

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

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

As a result of applying the component unit definition criteria above, certain organizations are presented in this report as follows:

Blended Component unit. The Roseville Economic Development Authority (EDA) was established to facilitate development and redevelopment in the City. The governing board consists of the members of the City Council. The City approves the levy and appropriations for the EDA annually as part of the City's budget process. Any sale of bonds or obligations issued by the EDA must be approved by the City Council before issuance and the City Council may require the EDA to transfer any portion of the reserves generated by activities of the EDA to the City to reduce the tax levies for bonded indebtedness of the City. The EDA does not issue separate financial statements. Financial information may be obtained at the City's offices.

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 primary government and its component unit. 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 user fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, service 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.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Fiduciary fund financial statements also use the accrual basis of accounting. The City's fiduciary fund type, agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. With the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditure-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 fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

<u>General</u>

The general fund 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.

Special Revenue

The recreation fund accounts for resources and payments related to adult and youth programs, nature center, skating center, and park maintenance activities. Most revenues are derived from user fees of various programs and activities, room rentals, donations, and concessions.

The license center fund accounts for the revenue and expenditures used to provide state hunting, fishing and motor vehicle licenses, as well as pass ports.

The community development fund accounts for resources and payments related to the City's building codes enforcement, development, and redevelopment activities. The funds primary revenue sources are through permits, contractor licenses, and plan check fees.

Debt Service

The debt service fund accounts for resources accumulated and payments for principal and interest on long term general obligation debt.

Capital

The revolving improvements fund accounts for revenues and expenditures from replacement funds set aside for equipment and building replacement, and general land improvements. The economic increments construction fund accounts for tax increment payments to various developers as part of Pay-as-you-go TIF agreements and infrastructure improvements. The street construction fund accounts for revenues and expenditures related to street construction and improvements.

The City reports the following major proprietary funds:

The sanitary sewer fund and the water fund account for the activities related to the operation of a sanitary collection system and a water distribution system, respectively.

The golf course fund, accounts for resources and payments related to the operation and maintenance of a municipal golf course.

The storm drainage fund accounts for activities related to the operation of a surface water collection system.

The recycling fund accounts for the resources and expenditures related to the operation of a solid waste recycling collection system.

Additionally, the City reports the following fund types:

Internal service funds account for the worker's compensation and general insurance services provided to other departments or agencies of the City.

Agency funds account for resources held by the City in a purely custodial capacity for the East Metro SWAT, St. Paul Port Authority, Roseville Islamic Cemetery, and the Roseville Visitors Association.

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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

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

1. Deposits and investments

The enterprise and internal service funds participate in the pooling of City-wide cash and investments. Amounts from the pool are available to these funds on demand. As a result, the cash and investments of the enterprise and internal service funds are considered to be cash and cash equivalents for statement of cash flow purposes.

State statutes authorize investments in the following: direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 which receive the highest credit rating are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; municipal general obligations rated "A" or better; municipal revenue obligations rated "AA" or better, general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers acceptances of United States' banks eligible for purchase of by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories, repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualifies as a "depository" by the City entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

Investments for the City, the component unit, and the Roseville Visitor's Association are reported at fair value.

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

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loan).

All utility and property tax receivables, including those for the HRA, are shown at a gross amount, since both taxes and utility receivables are assessable to the property taxes and are collectible upon sale of the assessed property.

Property taxes are submitted to the County Auditor by December 28 of each year, to be levied on January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment is due on October 15.

3. Prepaid Items

Certain payments to vendors which reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Certain assets in the water fund are restricted to the extent of the customer deposits, which are carried as liabilities.

5. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets such as easements and computer software are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, except infrastructure assets, are defined by the City as assets with an initial, individual cost equal to or greater than \$5,000 and an estimated useful life in excess of 2 years. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount.

With the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City's Pavement Management Plan contained all historical costs for the City's general infrastructure assets. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. Donated capital assets are recorded at their acquisition value on the date of donation.

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

Assets	Years
Buildings	40
Building Improvements	25
Furniture and Equipment	5
Light Vehicles	5
Heavy Vehicles	10
Fire Trucks	20
Streets and public infrastructure	50
Utility distribution systems	80

The City implemented GASB 51, Accounting and Financial Reporting for Intangible Assets effective January 1, 2010, which required the City to capitalize intangible assets. Pursuant to GASB Statement 51, in the case of initial capitalization of intangible assets, the City chose to capitalize intangible assets retroactively to 1980. The City was able to obtain historical costs and estimated fair value of donated intangible assets as of the date of donation for the initial reporting of easements through public works project records.

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 consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until that time. The City has one item that qualifies for reporting in this category. The presents deferred outflows of resources on the Statement(s) of Net position for deferred outflows of resources related to pensions. Deferred outflows of resources related to pensions results from the difference between projected and actual earnings, changes in actuarial assumptions and employer contribution paid to PERA subsequent to the measurement date.

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, deferred inflows of resources, represents an acquisition of net position 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 two 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 two sources: property taxes and special assessments. 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(s) of Net Position for deferred inflows of resources related to pensions. Deferred inflows of resources related to pensions results from the net difference expected and actual economic experience and changes in proportion.

7. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation, paid time off (PTO), compensatory time, and sick pay benefits. There is an estimate for a liability for unpaid accumulated sick leave, as employees may receive up to 320 hours upon retirement only. Vacation, PTO, compensatory time, and estimated sick pay benefits are 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.

8. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and 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.

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, and proprietary fund type statement of net position. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the effective interest 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. Fund balance

a. Classification

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

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

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use, it is the City's policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

a. Minimum Fund Balance

It is the City's policy that at the end of each year, the City will maintain the unassigned portion of the fund balance for cash flow in a range equal to 35% to 45% of the General Fund operating expenditures.

10. Net position

The Statement of Net Position reports restrictions in net position for community development revenues which are used for building code enforcement, development and redevelopment activities. Telecommunication revenues are used for the administration and maintenance of telecommunication activities. Park dedication proceeds are used to create parks or park improvements within a new development area. Law Enforcement is proceeds received from

forfeitures generated from driving under the influence (DUI) or drug possession whose proceeds are restricted for specific law enforcement uses. Debt service is to pay for future debt service obligations, while tax increment revenues are used to pay for costs associated with the development within a tax increment district. Minnesota law governs park dedication, debt service, tax increment and law enforcement uses. Community development and telecommunication uses are governed by other third party entities.

Note 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the governmentwide statement of net position

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide of net position. Elements of that reconciliation are detailed as follows:

Long-term liabilities:		
Bonds payable	\$ (25,500,000)	
Premium on bonds payable	(1,201,509)	
Certificates of indebtedness	(325,000)	
Bond interest payable	(256,353)	
Net OPEB obligation	(1,098,165)	
Net Pension liabilty	(14,709,725)	
Compensated absences	(1,706,344)	
Net change due to long-term liabilities	\$ ((44,797,096)
Other long-term assets:		
Net pension obligation - fire relief	\$ 3,652,990	
Addition of long-term deferred inflows	1,529,554	
Net change in other long-term assets	\$	5,182,544

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the governmental-wide statement of activities governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances-total governmental funds and change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 4,60	02,737
Depreciation expense	(5,36	57,789)
Net change in fund-balances-total governmental funds and change		
in net position of governmental activities	\$ (76	65,052)

Note 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

1. Components of Cash and Investments

Cash and investments at year-end December 31, 2017 consist of the following:

Deposits	\$ 8,836,753
Investments	35,561,837
Cash on Hand	11,300
Total	\$ 44,409,890

Cash and investments are presented in the financial statements as follows:

Statement of Net Positions - Government Wide	
Cash and cash equivalents	\$ 43,636,158
Restricted investments	109,294
Statement of Fiduciary Net Posititons	
Cash and cash equivalents - Agency Funds	664,438
Total	\$ 44,409,890

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

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

Custodial credit risk – In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may be lost. Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial

institution furnishing the collateral. The City's investment policy has no additional deposit addressing custodial credit risk.

2. Deposits

At year-end, the carrying amount of the City's deposits was \$8,836,753 while the balance on the bank records was \$9,466,582. At December 31, 2017, all deposits were covered by federal depository insurance, or by collateral held by the City's agent in the City's name.

3. Investments

The City has the following investments at year-end December 31, 2017:

_]				
	Less			Over	
Investment Type	Than 1	1-5	6-10	10 Years	Total
U.S. agency securities	\$1,986,340	\$3,948,240	\$14,669,730	\$14,657,427	\$35,261,737
Stock funds-Fidelity	\$ -	\$194,112	\$ -	\$ -	\$194,112
Bond funds-Fidelity	\$ -	\$103,060	\$ -	\$ -	\$103,060
Short-term funds-Fidelity	\$ -	\$2,928	\$ -	\$ -	\$2,928
Total investments in cash and investment pool	\$1,986,340	\$4,248,340	\$14,669,730	\$14,657,427	\$35,561,837

Included in the total investment pool of \$35,561,837 is an investment pool with Fidelity Investments of \$300,100 of the Roseville Visitor's Association, in which the City is a fiduciary agent. The remaining amount of \$35,261,737 belongs to the City.

The City has the following recurring fair value measurements as of December 31, 2017:

- U.S. agency securities of \$35,261,737 are valued using a matrix pricing model (Level 2 inputs)
- Stock funds-Fidelity of \$194,112 are valued using a quoted market prices (Level 1 inputs)
- Bond funds-Fidelity of \$103,060 are valued using a quoted market prices (Level 1 inputs)
- Short -term funds-Fidelity of \$2,928 are valued using a quoted market prices (Level 1 inputs)

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

Credit risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments

have a final maturity of thirteen months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by Unite States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000 that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The City's investment policy addresses credit risk beyond what is prescribed by State Statute. The City's investment policy restricts investments to only Repurchase Agreements with national or state charted banks, U.S. Treasury and U.S. Government Agencies.

Custodial credit risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy does not further address this risk, but the City typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

Concentration risk – This is the risk associated with investing a significant portion of the City's investment (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. The City's investment policy does not limit the concentration of investments. The City holds 50.9% with Federal Home Bank, 35.2% with Fannie Mae and 13.9% with Federal Farm Credit Bank.

Interest rate risk – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City's investment policy does not address interest rate risk. The City holds all investments to maturity.

B. Receivables

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

	_U ₁	navailable
Unavailable revenue accounts receivable (Economic Increments Construction)	\$	100,000
Unavailable revenue accounts receivable (Street Construction)		101,307
Delinquent property taxes (General)		122,805
Delinquent property taxes (Recreation)		28,217
Delinquent property taxes (Debt service)		37,027
Delinqeunt property taxes (Revolving Improvlements)		21,471
Delinquent property taxes (Economic Development)		109,923
Delinquent property taxes (Street Construction)		5,226
Delinquent property taxes (Information Technology)		2,224
Delinquent property taxes (EDA)		4,336
Delinquent special assessments (General)		252
Delinquent special assessments (Community Development)		39
Delinquent special assessments (Debt Service)		125
Delinquent special assessments (Street Construction)		15,668
Delinquent special assessments (EDA)		225
Special assessments not yet due (G.O. Improvement Bonds)		176,078
Special assessments not yet due (Street Construction)		804,631
Total deferred inflows for governmental funds	\$1	,529,554

C. Capital assets

Capital asset activity for the year ended December 31, 2017 was as follows:

Governmental activities: Balance Increases Decreases & Transfers Balance Governmental activities: Capital assets not being depreciated: Land \$ 27,906,758 \$ - \$ - \$ 107,537 \$ 28,014,295 Permanent Easements 7,731,893 - - - 7,731,893 Construction in progress 12,931,557 3,318,171 - (2,176,169) 14,073,559 Total capital assets not being depreciated being depreciated 48,570,208 3,318,171 - (2,068,632) 49,819,747 Capital assets being depreciated Buildings 34,737,604 - - - 34,737,604 Improvements other than buildings 9,146,224 236,479 - - 9,382,703 Machinery and equipment 18,774,127 1,048,087 413,173 - 2,068,632 110,585,870 Total capital assets being depreciated 171,175,193					Completed	
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Capital assets being depreciated: Buildings 34,737,604 34,737,604 Improvements other than buildings 9,146,224 236,479 9,382,703 Machinery and equipment 18,774,127 1,048,087 413,173 - 19,409,041 Infrastructure 108,517,238 2,068,632 110,585,870 Total capital assets being depreciated 171,175,193 1,284,566 413,173 2,068,632 174,115,218	-					
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Buildings 34,737,604 34,737,604 Improvements other than buildings 9,146,224 236,479 9,382,703 Machinery and equipment 18,774,127 1,048,087 413,173 - 19,409,041 Infrastructure 108,517,238 2,068,632 110,585,870 Total capital assets being depreciated 171,175,193 1,284,566 413,173 2,068,632 174,115,218	Capital assets being depreciate	d:				
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Total capital assets being depreciated 171,175,193 1,284,566 413,173 2,068,632 174,115,218	Machinery and equipment	18,774,127	1,048,087	413,173	-	
being depreciated 171,175,193 1,284,566 413,173 2,068,632 174,115,218	Infrastructure	108,517,238	-	-	2,068,632	110,585,870
	Total capital assets					
	being depreciated	171,175,193	1,284,566	413,173	2,068,632	174,115,218
	Less accumulated					
depreciation for:	depreciation for:					
Buildings 11,649,057 880,037 - 12,529,094	Buildings	11,649,057	880,037	-	-	12,529,094
Improvements other	Improvements other					
than buildings 2,630,484 527,800 3,158,284	than buildings	2,630,484	527,800	-	-	3,158,284
Machinery and equipment 10,625,367 1,542,386 381,583 - 11,786,170	Machinery and equipment	10,625,367	1,542,386	381,583	-	11,786,170
Infrastructure 48,143,618 2,417,566 - 50,561,184	Infrastructure	48,143,618	2,417,566	_	-	50,561,184
Total accumulated	Total accumulated					
depreciation 73,048,526 5,367,789 381,583 - 78,034,732	depreciation	73,048,526	5,367,789	381,583	-	78,034,732
Total capital assets, being	Total canital assets heing					
depreciated, net 98,126,667 (4,083,223) 31,590 2,068,632 96,080,486		08 126 667	(4.083.223)	31 500	2 068 632	96 080 486
(4,003,223) 31,370 2,000,032 90,000,400	depreciated, net	70,120,007	(7,003,223)	31,390	2,000,032	70,000,700
Governmental activities	Governmental activities					
capital assets, net \$ 146,696,875 \$ (765,052) \$ 31,590 \$ - \$ 145,900,233	capital assets, net	\$ 146,696,875	\$ (765,052)	\$ 31,590	\$ -	\$ 145,900,233

				Completed	_
	Beginning			Construction	Ending
	Balance	Increases	Decreases	& Transfers	Balance
Business-type activities:					
Capital assets not					
being depreciated:					
Land	\$ 893,298	\$ -	\$ -	\$ -	\$ 893,298
Construction in progress	1,526,764	4,864,771	_	(3,516,232)	2,875,303
Total capital assets not	1,020,701	.,00.,771		(0,010,202)	2,070,000
being depreciated	2,420,062	4,864,771	_	(3,516,232)	3,768,601
being depreemted	2,120,002	1,001,771		(3,310,232)	3,700,001
Capital assets being depreciate	d:				
Buildings	1,696,987	_	_	_	1,696,987
Improvements other					, ,
than buildings	1,411,029	_	_	_	1,411,029
Machinery and equipment	3,784,823	361,216	106,681		4,039,358
Infrastructure	49,754,433	, -	_	3,516,232	53,270,665
Total capital assets					
being depreciated	56,647,272	361,216	106,681	3,516,232	60,418,039
Less accumulated					
depreciation for:					
Buildings	1,623,891	14,567	_	_	1,638,458
Improvements other	, ,	,			, ,
than buildings	911,595	52,068	_	_	963,663
Machinery and equipment	2,969,132	259,443	106,681	_	3,121,894
Infrastructure	22,833,610	861,578	_	_	23,695,188
Total accumulated					
depreciation	28,338,228	1,187,656	106,681	_	29,419,203
asprosaus:	20,220,220	1,107,000	100,001		25,115,200
Total capital assets, being					
depreciated, net	28,309,044	(826,440)	_	3,516,232	30,998,836
depreemed, net	20,307,074	(020,770)		3,510,232	50,770,030
Business-type activities					
capital assets, net	\$ 30,729,106	\$ 4,038,331	\$ -	\$ -	\$ 34,767,437
capital assets, net	Ψ 30,727,100	Ψ 1,030,331	Ψ	Ψ	Ψ 3π,/0/,π3/

Depreciation expense was charged to functions/programs of the City is follows:

Governmental activities:

Governmental activities.	
General government	\$ 493,867
Public safety	678,520
Public works including depreciation of infrastructure	2,727,598
Recreation	1,467,804
Total depreciation expense - governmental activities	\$5,367,789
Business-type activities:	
Sanitary sewer	\$ 383,593
Water	335,811
Golf	9,792
Storm drainage	458,461
Total depreciation expense - business-type activities	\$1,187,657

D. Construction commitments

The City has construction projects in progress as of December 31, 2017. The projects include the improvement and construction of streets, water, sewer, and storm systems. At year-end the commitments with these contractors are as follows:

		Remaining
Project	Spent-to-Date_	Commitment
Marion Street Park	\$ 10,720	\$ 18,181
2017 Trail \$ Parking Lot Improvements	171,652	22,028
Parks Renewal Project	8,690,434	613,439
Twin Lakes East Collector	79,511	6,671
2017 Pavement Management Project	2,189,442	71,367
Lounge Lift Station Update	30,312	37,470
Heinel Watermain Relining	587,079	51,198
Fairview & County Rd C Watermain	168,836	47,431
Water Booster Station Update	407,411	459,538
Cedarholm Coummunity Building	894,011	1,693,445
Walsh Lake Lift Station Replacement	57,683	2,535

E. Interfund receivables, payables, and transfers

The following is a schedule of interfund transfers as of December 31, 2017:

Interfund transfers:

interiund transfers:	Transfer In						
				Economic			
	~ .	Debt	Revolving	Increments			
Transfers Out	General	Service	Improvements	Construction			
General	\$ -	\$ -	\$ 500,000	\$ 306			
Recreation	-	-	-	-			
License Center	222,000	-	-	-			
Community Development	45,000	-	-	-			
Economic Increments Construction	-	118,031	781,054	-			
Non-major Governmental	21,825	-	-	-			
Sanitary Sewer	285,000	-	-	-			
Water	360,000	-	-	-			
Golf Course	20,000	-	-	-			
Storm Drainage	100,000	-	-	-			
Solid Waste Recycling	15,000	<u> </u>					
Total	\$1,068,825	\$118,031	\$ 1,281,054	\$ 306			
			ta	able continued below			
		Tr	ransfer In				
	Street	Non-major	Golf				
Transfers Out	Construction	Governmental	Course	Total			
General	\$ 225,000	\$ 1,735	\$ 927,927	\$ 1,654,968			
Recreation	φ 223,000	570	\$ JZ1,JZ1 -	570			
License Center	_	100,190	_	322,190			
Community Development	_	177	_	45,177			
Economic Increments Construction	_	-	_	899,085			
Non-major Governmental	_	_	_	21,825			
Sanitary Sewer	_	114	_	285,114			
Water	_	25,000	_	385,000			
Golf Course	_	76	_	20,076			
Storm Drainage	_	-	_	100,000			
Solid Waste Recycling				15,000			
Total	\$ 225,000	\$127,862	\$ 927,927	\$ 3,749,005			

Total transfers in/out are created to assist in financing various activities and/or projects.

F. Tax Increment Financing

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

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

During the year ended December 31, 2017, the City generated \$1,191,202 in tax increment revenue and made \$248,289 in payments to developers.

One agreement exceeded 10% of the total tax increment generated throughout the year.

• TIF District No. 19 was established in 2010 for the purpose of site improvements including landscaping, grading/earthwork, on site utilities, storm water ponding, etc. Under the agreement, up to \$659,000 of development costs will be reimbursed through tax increment over a 9-year period. During the year ended December 31, 2017, the City generated \$242,785 of tax increment revenue and made payments on the pay-as-you-go note of \$153,086. The note's balance at year-end was \$297,767.

G. Leases

1. Operating Leases

The City leases office facilities and copiers under non-cancelable operating leases. Total costs for such leases were \$119,452 for the year ended December 31, 2017. The future minimum lease payments for these leases are as follows:

Year Ending Dec. 31	Amount
2018	158,570
2019	168,414
2020	150,869
2021	129,511
2022	64,259
Total	\$ 671,623

2. Antenna Leases

The City received revenue from agreements for the lease of space for antennas placed on City owned property. Terms of each lease are as follows:

		2017	Annual Lease		
		Lease	Adjustment	Expiration	Renewal
Location	Lessee	Amount	Factor	Date	Options
1901 Alta Vista	AT&T	\$29,862	3% Increase on Aug 1	8/31/2021	5 year terms
1901 Alta Vista	Clearwire	\$23,173	1% Increase Apr 1 & 2% May 1	4/30/2020	5 year terms
1901 Alta Vista	Sprint	\$42,137	4% Increase Jan 1	12/31/2022	5 year terms
1901 Alta Vista	T-Mobile	\$21,985	4% Increase Jan 1	12/31/2027	10 year terms
1901 Alta Vista	Verizon	\$30,593	2.5% Increase on Jun 1	5/31/2018	5 year terms
2501 Fairview (Lattice Tower)	Clearwire	\$23,173	1% Increase Apr 1 & 2% May 1	4/30/2021	5 year terms
2501 Fairview (Lattice Tower)	Sprint	\$12,593	4% Increase Jan 1	12/31/2021	5 year terms
2501 Fairview (Lattice Tower)	T-Mobile	\$30,948	4% increase Jan 1	12/31/2018	5 year terms
2501 Fairview (Water Tower)	AT&T	\$33,844	3% Increase on Aug 1	7/31/2021	5 year terms
2501 Fairview (Water Tower)	Verizon	\$57,301	5% Increase on Aug 1	8/31/2020	5 year terms
2660 Civic Ceneter Dr (South Tower)	Sprint	\$32,631	3% Increase on Sep 1	9/15/2018	5 year terms
2660 Civic Ceneter Dr (South Tower)	T-Mobile	\$30,722	3% Increase on Sep 1	9/14/2019	5 year terms
2660 Civic Ceneter Dr (South Tower)	Verizon	\$31,680	3% Increase on Sep 1	8/31/2019	5 year terms
2660 Civic Ceneter Dr (North Tower)	AT&T	\$31,689	3% Increase on Aug 1	12/31/2019	5 year terms

H. Long-term debt

The City issues general obligation debt to provide for financing construction of major capital facilities and street improvements. Debt service for street improvements is covered by special assessments against benefited properties with any shortfalls being paid from general taxes.

General obligation bonds and certificates of indebtedness are direct obligations and pledge the full faith and credit of the government. The original amount of general obligation bonds and certificates of indebtedness for the issues listed below is \$36,430,000

General obligation debt currently outstanding is as follows:

		Net Interest	
	Purpose	Rates	Amount
-	Governmental activities	.85% - 5.6%	\$ 25,825,000

Annual debt service requirements to maturity for general obligation debt are as follows:

Government Activities

			Certific	ate of	
Year Ending	General Oblig	gation Bonds	Indebtedness		
December 31	Principal	Interest	Principal	Interest	
2018	\$ 2,555,000	\$ 723,778	\$ 325,000	\$ 5,769	
2019	2,675,000	666,071	-	-	
2020	1,900,000	603,881	-	-	
2021	2,020,000	540,786	-	-	
2022	2,050,000	472,987	-	-	
2023-2027	11,015,000	1,316,403	-	-	
2028-2032	3,285,000	117,572	_	-	
Total	\$ 25,500,000	\$4,441,478	\$ 325,000	\$ 5,769	

Changes in long-term liabilities

	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	One Year
Governmental Activities:					
Bonds payable:					
General Obligation Bonds	\$ 24,885,000	\$ -	\$2,420,000	\$ 22,465,000	\$2,460,000
Premium on Bonds Payable	1,342,505	-	140,996	1,201,509	140,996
Tax Increment Revenue Bonds	3,060,000		25,000	3,035,000	95,000
Total Bonds Payable	29,287,505	-	2,585,996	26,701,509	2,695,996
General Obligation Certificate					
of Indebtedness	640,000	-	315,000	325,000	325,000
Compensated Absences	1,625,903	1,540,939	1,460,498	1,706,344	341,269
Insurance Claims Payable	262,298	388,150	199,439	451,009	237,252
Governmental activities -					
Long-Term Liabilities	\$31,815,706	\$ 1,929,089	\$4,560,933	\$29,183,862	\$3,599,517
Business-Type Activities:					
Compensated Absences	97,144	103,842	93,500	107,486	21,498
Business type activities-					
Long-Term Liabilities	\$ 97,144	\$ 103,842	\$ 93,500	\$ 107,486	\$ 21,498

For governmental activities, other post-employment benefits are liquidated through the general fund. For compensated absences, payments are made from the fund to which the employee is assigned at the time employment ceases. In addition to the general fund, recreation, community development, and all non-major special revenue funds are involved in paying compensated absences. For Insurance claims payables, payments are made from the Worker's Compensation and Risk Management Funds.

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor 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, 2017, there were eight series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$40.3 million.

Note 4 OTHER INFORMATION

A. Risk management

The City is exposed to various risks of loss related to torts; theft of damage to, and the destruction of assets; errors and omissions; injuries to employees and natural disasters. During the fiscal years of 1980 and 1987, the City established a Workers' Compensation Fund and a Risk Management Fund, respectively (internal service funds) to account for and finance its uninsured risks of loss. For the year 2016, the Worker's Compensation Fund provided coverage up to a maximum of \$470,000 for each occurrence. The City purchases excess loss coverage from the Workers' Compensation Reinsurance Association, a nonprofit organization established by Minnesota State Statutes.

The Risk Management Fund provides comprehensive general liability and comprehensive automotive liability up to the statutory maximum of \$1,500,000. The City retains the risk of the first \$100,000 of each occurrence with an annual maximum exposure of \$200,000. Liabilities of the fund are reported it is probable that a loss has occurred and amount of the loss can be reasonably estimated.

Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. The City purchased commercial insurance for claims in excess of coverage provided by the Risk Management Fund and for all other risks of loss. Settled claims have not exceeded this coverage in any of the past three fiscal years. There were no significant reductions in the City's insurance coverage in 2017.

Enterprise fund charges and the property tax levy are based on a management estimate of claims history and the amount necessary to maintain catastrophic reserves. The reserves as of December 31, 2017, were \$1,198,600 and \$1,197,794 for the Workers' Compensation Fund and Risk Management Fund, respectively. The claims liability of \$74,674 and \$376,336, respectively, reported in both funds at December 31, 2017 are based on the requirements of Governmental Accounting Standards Board Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated (IBNR). Changes in the funds' claims liability amount in fiscal 2016 and 2017 were:

_	Workers' Compensation Fund				
	Beginning of	Current Year		Ending of	
	Fiscal Year	Claims and Changes	Claims	Fiscal Year	
	Liability	in Estimates	Payments	Liability	
2016	77,734	(3,377)	47,985	26,372	
2017	26,372	123,321	75,019	74,674	

_	Risk Management Fund			
	Beginning of	Current Year		Ending of
	Fiscal Year	Claims and Changes	Claims	Fiscal Year
	Liability	in Estimates	Payments	Liability
2016	276,871	88,163	129,108	235,926
2017	235,926	242,602	102,192	376,336

B. Contingent liabilities

The City had the usual and customary types of miscellaneous claims pending at year-end mostly of a minor nature, and usually all covered by insurance carried for that purpose or the City has reserved for settlement. The City also carries personal injury insurance against suits for false arrest, libel, slander, violation of privacy, wrongful entry, etc. which can arise from enforcement of the city code and general laws. Although the outcome of these lawsuits in not presently determinable, in the opinion of the government's legal counsel the resolution of these mater will not have a material adverse effect on the financial condition of the government.

C. Employee retirement systems and pension plans

The city participates in various pension plans, total pension expense for the year ended December 31, 2017 was \$3,056,106. The components of pension expense are noted in the following plan summaries.

1. 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 ad 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (General Employees Plan (accounted for in the General Employees Fund)

All full-time (with the exception of employees covered by the Police and Fire Plan) and certain part-time employees of the City are covered by the General Employees Plan. General Employees Plan members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

Public Employees Police and Fire Plan (Police and Fire Plan (accounted for in the Police and Fire Fund)

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 a local relief association 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.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90% funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. 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

Benefits are based on a member's highest average salary for any five successive years of allowable service, age and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year 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. 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 ten years of credited service. Benefits for the Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For Police and Fire Plan who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

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

Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.50%, respectively, of their annual covered salary in calendar year 2017. The City was required to contribute 11.78% of pay for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2017. The City's contributions to the General Employees Fund for the year ended December 31, 2017, were \$708,179. The City's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

Plan members were required to contribute 10.8% of their annual covered salary in calendar year 2017. The City was required to contribute 16.20% of pay for PEPFF members in calendar year 2017. The City's contributions to the Police and Fire Fund for the year ended December 31, 2017,

were \$874,916. 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, 2017, the City reported a liability of \$9,014,115 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 \$6 million to the fund in 2017. 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 \$113,368. The net pension liability was measured as of June 30, 2017, 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 proportion 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, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the City's proportion share was 0.1412%, which was an increase of 0.0017% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the City recognized pension expense of \$1,294,113 for its proportionate share of General Employees Plan's pension expense. In addition, the City recognized an additional \$3,274 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$6 million to the General Employees Fund.

At December 31, 2017, the City reported its proportionate share of General Employees Plan's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred	Deferred	
	Outflows of	Inflows of	
	Resources	Resources	
Differences between expected and actual economic experiences	\$ 297,078	\$ 580,641	
Changes in acturial assumptions	1,496,537	903,666	
Differences between projected and actual investment earnings	59,607	-	
Changes in proportion	111,634	100,072	
Contributions paid to PERA subsequent			
to the measurement date	359,217	-	
	\$ 2,324,073	\$ 1,584,379	

D. Pension Costs (Continued)

\$359,217 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, 2018. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Pension Expense		
December 31,	Amount		
2018	\$	343,895	
2019		565,088	
2020		(145,874)	
2021		(382,632)	
2022		-	
Thereafter		-	
Total	\$	380,477	

Police and Fire Fund Pension Costs

At December 31, 2017, the City reported a liability of \$6,966,614 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2017, 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 proportion 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, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the City's proportionate share was 0.5160%, which was an increase of 0.0050% from its proportion measured as of June 30, 2016. The City also recognized \$46,440 for the year ended December 31, 2017, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the Police and Fire Fund each year, starting in fiscal year 2014.

For the year ended December 31, 2017, the City recognized pension expense of \$1,758,719 for its proportionate share of the Police and Fire Fund pension expense.

At December 31, 2017, 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 experiences Changes in acturial assumptions Differences between projected and actual investment earnings Changes in proportion	\$ 160,357 9,117,204 97,331 196,119	\$ 1,863,827 9,890,863 - 11,349
Contributions paid to PERA subsequent to the measurement date	437,479 \$10,008,490	\$11,766,039

\$437,479 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, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Per	nsion Expense
December 31,		Amount
2018	\$	163,498
2019		163,499
2020		(92,709)
2021		(496,997)
2022		(1,932,319)
Thereafter		_
Total	\$	(2,195,028)

E. Actuarial Assumptions

The total pension liability in the June 30, 2017, actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.50% Per Year
Active Member Payroll Growth	3.25% Per Year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants were based on RP-2014 tables for both plans for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases for retirees are assumed to be 1% per year for the GERF through 2044 and PEPFF through 2064 and then 2.5% thereafter.

Actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2015. The most recent five year experience study for the Police and Fire Plan was completed in 2016.

The following changes in actuarial assumptions occurred in 2017:

General Employees Fund

- The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

Police and Fire Fund

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent 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 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65 percent to 60 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four year older) to the assumptions that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increases.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.5 percent thereafter.
- The assumed investment return was not changed (7.5%). The single discount rate changed from 5.6% to 7.5%.

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 buildingblock 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:

			Long-Term
		Target	Expected Real
Asset Class		Allocation	Rate of Return
Domestic Stocks		39%	5.10%
International Stock		19%	5.30%
Bonds		20%	0.75%
Alternative Assets		20%	5.90%
Cash		2%	0.00%
	Total	100%	

F. Discount Rate

The discount rate used to measure the total pension liability in 2017 was 7.5%. 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 those assumptions, the fiduciary net position of the General Employees Fund and the Police and Fire 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.

At June 30, 2016, the Police and Fire Fund projected benefit payments to exceed the funds projected fiduciary net position after June 30, 2056 and thereafter used a single discount rate of 5.6%, which as stated above, increased to 7.5% at June 30,2017.

G. Pension Liability Sensitivity

The following table presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate 6.5%	Discount Rate 7.5%	1% Increase in Discount Rate 8.5%
City's proportionate share of the GERF net pension liability	\$ 13,981,562	\$ 9,014,115	\$ 4,947,357
City's proportionate share of the PEPFF net pension liability	\$ 13,120,167	\$ 6,966,614	\$ 1,886,517

H. Pension Plan Fiduciary 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.

I. Defined Contribution Plan

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

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% 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% (.0025) of the assets in each member's account annually.

Total contributions made by the City during fiscal year 2017 were:

					Percent	age of		
		Amo	ount		Required			
	Emplo	yees	Empl	oyer	Employees	Employer	Rates	
2017 PEDCP	\$	816	\$	816	5.00%	5.00%	5.00%	

2. Defined Benefit Pension Plan – Volunteer Fire Fighter's Relief Association

A. Plan Description

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

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Roseville Firefighters' Relief Association, 2701 N. Lexington Ave., Roseville, MN 55113.

B. Benefits Provided

Volunteer firefighters of the City are members of the Roseville Firefighter Relief Association. Full retirement benefits are payable to members who have reached age 50 and have completed 15 years of service for monthly service pension, or 10 years of service for lump sum service pension. Partial benefits are payable to members who have reached 50 and have completed 10 years of service. Disability benefits, widow, and children's survivor benefits are also payable to members or their beneficiaries based upon requirements set forth in the bylaws. These benefit provisions and all other requirements are consistent with enabling state statutes.

C. Employees Covered by Benefit Terms

At December 31, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits		60
Inactive employees entitled to but not yet receiving benefits		15
Active employees		21
Te	otal	96

D. Contributions

Minnesota Statutes Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aids are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the

relief association. The Association is comprised of volunteers: therefore, there are no payroll expenditures (i.e. there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure an on behalf payment of \$ 222,882 made by the State of Minnesota for the Relief Association.

E. Net Pension Liability

The City's net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Discount rate	7.50% percent average, including inflation
Investment Rate of Return	7.50% percent, net of pension plan investment expense
	including inflation

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

The long-term return on assets has been set based on the plan's target investment allocation along with long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized in the following table:

	Target	Long-Term Expected
Asset Class	Allocation	Real Rate of Return
Domestic equity	69.80%	5.39%
International equity	5.52%	5.20%
Fixed income	22.08%	1.98%
Real estate and alternatives	0.00%	4.25%
Cash and equivalents	2.60%	0.79%
Total	100%	

Discount rate:

The discount rate used to measure the total pension liability was 7.50%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

F. Change in the Net Pension Liability

	Increase (Decrease)			
	Total	Plan Fiduciary	Net	
	Pension	Net	Pension	
	Liability	Position	Liability	
	(a)	(b)	(a) - (b)	
Balances at January 1, 2017	\$7,151,646	\$10,302,168	\$ (3,150,522)	
Changes for the year				
Service cost	48,898	-	48,898	
Interest	517,780	-	517,780	
Differences between expected				
and actual experience	138,754	-	138,754	
Changes in assumptions	111,219	-	111,219	
Contibutions - state and local	-	222,882	(222,882)	
Change of benefit terms	653,842	-	653,842	
Net investment income	-	1,775,014	(1,775,014)	
Benefit payments, including refunds			-	
of employee contibutions	(593,632)	(593,632)	-	
Administrative expense		(24,935)	24,935	
Net Charges	\$ 876,861	\$ 1,379,329	\$ (502,468)	
Balances at December 31, 2017	\$8,028,507	\$11,681,497	\$ (3,652,990)	

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:+

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net pension liability	\$ (2,858,649)	\$ (3,652,990)	\$ (4,325,317)

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

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

For the year ended December 31, 2017, the City recognized pension expense of \$145,256. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred	Deferred
	Outflows of	Inflows of
	Resources	Resources
Difference between expected and actual liability	\$ 63,344	\$ 20,303
Changes in acturial assumptions	95,796	25,673
Net difference between projected and actual investment earnings		663,805
	\$ 159,140	\$709,781

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

Year Ending		
June 30,		
2018	\$	2,767
2019	(110,395)
2020	(240,808)
2021	(202,205)
-		
Total	\$(550,641)

Note 5 OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described in Note 5, the City provides post-employment health—care benefits (as defined in paragraph B) for retired employees and police and firefighters disabled in the line of duty, through a single-employer defined benefit plan. The term *Plan* refers to the City's requirement by State Statute to provide retirees with access to health insurance. The OPEB plan is by the City. The authority to provide these benefits is established in Minnesota Statutes Sections 471.61 Subd. 2a, and 299A.465. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and collective bargaining agreements with employee groups. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The Plan does not issue a separate financial report.

B. Benefits Provided (Continued)

Retirees

The City is required by State Statute to allow retirees to continue participation in the City's group health insurance plan if the individual terminates service with the City through service retirement or disability retirement. Employees who satisfy the rule of 90 or attain age 55 and have completed 10 years of service at termination can immediately commence medical benefits. Retirees may obtain dependent coverage while the participating retiree is under age 65. Covered spouses may continue coverage after the retiree's death. The surviving spouse of an active employee may continue coverage in the group health insurance plan after the employee's death. All health care coverage is provided through the City's group health insurance plans. The retiree is required to pay 100% of their premium cost for the City-sponsored group health insurance plan in which they participate. The premium is a blended rate determined on the entire active and retiree population. Since the projected claims costs for retirees exceed the blended premium paid by retirees, the retirees are receiving an implicit rate subsidy (benefit). The coverage levels are the same as those afforded to active employees. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

Disabled police and firefighter

The City continues to pay the employer's contribution toward health coverage for Police or Firefighters disabled in the line of duty per Minnesota Statute 299A.465, until age 65. Dependent coverage is included, if the dependents were covered at the time of the disability. The January 1, 2017 to December 31, 2017 monthly premiums paid for Police or Firefighters disabled in the line of duty are:

Plan	S	ingle	Two	o Person	F	amily
Health Partners Choice	\$	548	\$	1,072	\$	1,491
Health Partners National One	\$	524	\$	1,027	\$	1,423
Heath Partners Empower High Deductible	\$	380	\$	754	\$	1,025

C. Participants

As of the actuarial valuation dated January 1, 2017, participants consisted of:

Retirees and beneficiaries currently	
purchasing health insurance through the City	13
Disabled police and firefighters	2
Active Employees	189
Total	204

D. Funding Policy

The additional cost of using a blended rate for actives and retirees is currently funded on a pay-as-you-go basis. The City Council may change the funding policy at any time.

E. Annual OPEB Cost and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The net OPEB obligation as of December 31, 2017, was calculated as follows:

Annual required contribution	\$	185,330
Interest on OPEB obligation		38,647
Adjustment to annual required contribution		(59,013)
Annual OPEB cost		164,964
Contributions made		(93,369)
Increase (decrease) in net OPEB obligation		71,595
Net OPEB obligation beginning of year	1	,112,158
Net OPEB obligation end of year	\$ 1	,183,753

For the governmental activities, other post-employment benefits are generally liquidated through the general fund.

The City first had an actuarial valuation performed for the plan as of January 1, 2017 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC). As of December 31, 2017, the City's annual OPEB cost (expense) is \$164,964. The

City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2017 was as follows:

	Annual			Percentage		Net
Fiscal	OPEB	Ε	Employer	of Annual OPEB		OPEB
Year Ended	Cost	Co	ntributions	Cost Contributed	Oł	oligation
2009	\$234,937	\$	119,317	50.8%	\$	244,063
2010	232,654		125,980	54.1%		350,737
2011	215,574		101,582	47.1%		464,729
2012	213,503		68,009	31.9%		610,223
2013	210,809		77,705	36.9%		743,327
2014	208,854		66,169	31.7%		886,012
2015	205,856		84,647	41.1%		1,007,221
2016	202,988		98,053	48.3%		1,112,158
2017	164,964		93,369	56.6%		1,183,753

F. Funded Status and Funding Progress

The City has no assets that have been irrevocably deposited in a trust for future health benefits; therefore, the actuarial value of assets is zero. The funded status of the plan was as follows:

						Unfunded			UAAL as
Actuarial				Actuarial		Actuarial		Annual	a Percentage
Valuation	A	Actuarial		Accrued		Accrued	Funded	Covered	of Annual
Date	Valu	e of Assets	Lia	Liability (AAL)*		bility (UAAL)	Ratio	Payroll	Covered Payroll
				_					
January 1, 2008	\$	-	\$	1,833,845	\$	1,833,845	0%	\$ 9,528,355	19.2%
January 1, 2011	\$	-	\$	1,709,742	\$	1,709,742	0%	\$ 10,169,482	16.8%
January 1, 2014	\$	-	\$	1,772,661	\$	1,772,661	0%	\$ 10,706,122	16.6%
January 1, 2017	\$	-	\$	1,399,828	\$	1,399,828	0%	\$ 12,632,592	11.1%

^{*}Using the projected unit credit actuarial pay cost method.

G. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions (ARC) of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2017 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.5% investment rate of return (net of investment expenses), salary increases of 3.0% (only used to bring salaries into the valuation year) and an initial annual health care cost trend rate of 7.5% reduced by .25% each year to arrive at an ultimate health care cost trend rate of 5.0% over 10 years. The health care cost trend rate includes a 2.5% inflation rate. The actuarial value of assets was \$0. The plan's unfunded actuarial accrued liability is being amortized using the level percentage of projected payroll method over 30 years on a closed basis. The remaining amortization period at December 31, 2017, is 20 years.

Note 6 SUBSEQUENT EVENTS

On January 29, 2018, the City Council approved moving forward with the acquisition of the strip center and property located at 2719 Lexington Avenue. The strip center is the current location of the Roseville License Center and the property was purchased on April 6, 2018 for \$2,245,799.

Note 7 GASB STATEMENTS ISSUED BUT NOT YET IMPLEMENTED

The Governmental Accounting Standards Boards (GASB) recently approved the following statements which were not implemented for these financial statements:

Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017.

Statement No. 83 *Certain Asset Retirement Obligations*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2018.

Statement No. 84 *Fiduciary Activities.* The provisions of this Statement are effective for reporting periods beginning after December 15, 2018.

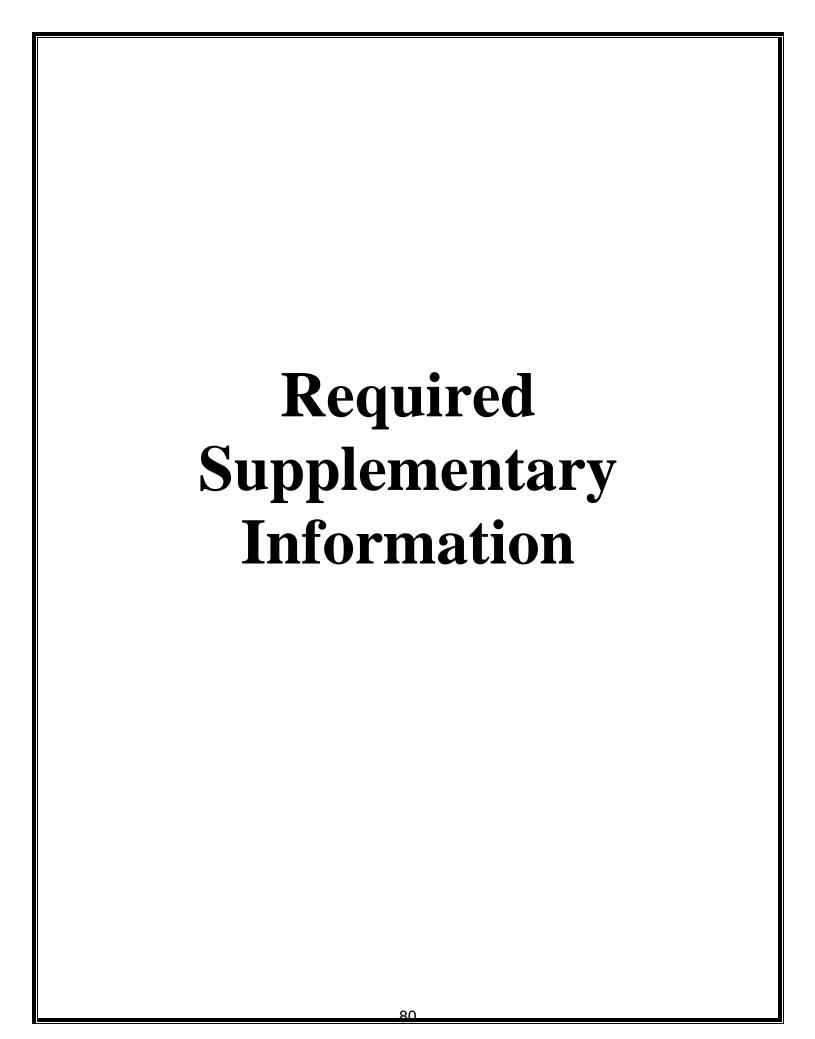
Statement No. 85 *Omnibus 2017*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2017.

Statement No. 86 Certain Debt Extinguishment Issues. The provisions of this Statement are effective for reporting periods beginning after June 15, 2017.

CITY OF ROSEVILLE, MINNESOTA NOTES TO FINANCIAL STATEMENTS December 31, 2017

Statement No. 87 *Leases.* The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

The effect these standards may have on future financial statements is not determinable at this time, but it is expected that Statement No. 75 will have a material impact.



Schedule 1

(Page 1 of 1)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL
GENERAL FUND

For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes				
General property taxes	11,044,390	11,044,390	12,032,298	987,908
Licenses and permits	323,000	323,000	544,957	221,957
Intergovernmental revenue	961,000	961,000	1,107,228	146,228
Charges for services	193,000	193,000	285,867	92,867
Fines and forfeits	168,000	168,000	90,045	(77,955)
Donations	-	-	33,680	33,680
Investment income				
Interest earned on investments	30,000	30,000	107,301	77,301
Increase (decrease) in fair value of investments	-	-	(21,093)	(21,093)
Miscellaneous Revenue	40,000	40,000	64,576	24,576
Total Revenues	12,759,390	12,759,390	14,244,859	1,485,469
EXPENDITURES				
Current				
General government	2,286,445	2,286,445	2,624,414	(337,969)
Public safety	9,487,320	9,487,320	9,593,726	(106,406)
Public works	2,845,235	2,845,235	2,402,973	442,262
Total Expenditures	14,619,000	14,619,000	14,621,113	(2,113)
Excess (Deficiency) of Revenue Over (Under) Expenditures	(1,859,610)	(1,859,610)	(376,254)	1,483,356
OTHER FINANCING SOURCES (USES)				
Transfers In	1,048,000	1,048,000	1,068,825	20,825
Transfers Out	-	(1,440,000)	(1,654,968)	(214,968)
Sale of Capital Assets		<u> </u>	<u> </u>	-
Total Other Financing Sources (Uses)	1,048,000	(392,000)	(586,143)	(194,143)
Net Change in Fund Balance	(811,610)	(2,251,610)	(962,397)	1,289,213
FUND BALANCE, January 1	7,173,230	7,173,230	7,173,230	-
FUND BALANCE, December 31	6,361,620	4,921,620	6,210,833	1,289,213

The notes to the required supplementary information are an integral part of this statement.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL
RECREATION FUND

For the Fiscal Year Ended December 31, 2017

	Budgeted Am	Budgeted Amounts		Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes				
General property taxes	2,537,670	2,537,670	2,513,387	(24,283)
Charges for services	1,980,970	1,980,970	2,050,264	69,294
Rentals	65,000	65,000	70,998	5,998
Donations	53,000	53,000	68,590	15,590
Special assessments	225	225	-	(225)
Investment income				
Interest earned on investments	10,300	10,300	31,288	20,988
Increase (decrease) in fair value of investments	-	-	(14,537)	(14,537)
Miscellaneous Revenue	21,000	21,000	40,409	19,409
Total Revenues	4,668,165	4,668,165	4,760,399	92,234
EXPENDITURES				
Current				
Recreation				
Personal services	2,996,410	2,996,410	2,925,904	70,506
Supplies and materials	325,855	325,855	284,341	41,514
Other services and charges	1,345,900	1,345,900	1,240,272	105,628
Total Expenditures	4,668,165	4,668,165	4,450,517	217,648
Net Change in Fund Balance	-	-	309,882	309,882
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u> </u>		(570)	(570)
Total Other Financing Sources (Uses)		<u> </u>	(570)	(570)
Net Change in Fund Balance	-	-	309,312	309,312
FUND BALANCE, January 1	1,637,735	1,637,735	1,637,735	<u>-</u>
FUND BALANCE, December 31	1,637,735	1,637,735	1,947,047	309,882
	.,55.,.66	.,00.,,00	177.17017	557,002

The notes to the required supplementary information are an integral part of this statement.

City of Roseville, Minnesota
SUPPLEMENTARY INFORMATION
Schedule 3

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

LICENSE CENTER FUND

	Budgeted A	Amounts	Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Charges for services	1,671,500	1,671,500	1,692,014	20,514
Investment income				
Interest earned on investments	12,000	12,000	21,740	9,740
Increase (decrease) in fair value of investments		<u> </u>	(5,562)	(5,562)
Total Revenues	1,683,500	1,683,500	1,708,192	24,692
EXPENDITURES				
Current				
General government				
Personal services	1,266,400	1,311,400	1,290,558	20,842
Supplies and materials	14,000	14,000	19,501	(5,501)
Other services and charges	133,950	243,950	272,377	(28,427)
Capital outlay	37,400	37,400	<u> </u>	37,400
Total Expenditures	1,451,750	1,606,750	1,582,436	24,314
Excess (Deficiency) of Revenue Over (Under) Expenditures	231,750	76,750	125,756	49,006
OTHER FINANCING SOURCES (USES)				
Transfers Out	(322,000)	(322,000)	(322,190)	(190)
Net Change in Fund Balance	(90,250)	(245,250)	(196,434)	48,816
FUND BALANCE, January 1	1,172,926	1,172,926	1,172,926	<u>-</u>
FUND BALANCE, December 31	1,082,676	927,676	976,492	48,816

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL COMMUNITY DEVELOPMENT FUND

For the Fiscal Year Ended December 31, 2017

	Budgeted Am	Budgeted Amounts		Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Licenses and permits	1,393,500	1,393,500	1,417,479	23,979
Charges for services	257,300	257,300	200,902	(56,398)
Investment income				
Interest earned on investments	15,000	15,000	44,722	29,722
Increase (decrease) in fair value of investments	-	-	(14,191)	(14,191)
Miscellaneous Revenue	20,000	20,000	41,674	21,674
Total Revenues	1,685,800	1,685,800	1,690,586	4,786
EXPENDITURES				
Current				
Public safety	951,805	951,805	899,124	52,681
Economic development	708,455	708,455	666,407	42,048
Total Expenditures	1,660,260	1,660,260	1,565,531	94,729
Excess (Deficiency) of Revenue Over (Under) Expenditures	25,540	25,540	125,055	99,515
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u> </u>		(45,177)	(45,177)
Total Other Financing Sources (Uses)			(45,177)	(45,177)
Net Change in Fund Balance	25,540	25,540	79,878	54,338
FUND BALANCE, January 1	1,759,272	1,759,272	1,759,272	
FUND BALANCE, December 31	1,784,812	1,784,812	1,839,150	54,338

The notes to the required supplementary information are an integral part of this statement.

For the Fiscal Year Ended December 31, 2017

Actuarial Valuation Date	Actuarial Value of Assets		Actuarial Accrued Liability (AAL)*		Unfunded Actuarial Accrued bility (UAAL)	Funded Ratio		Annual Covered Payroll		UAAL as a Percentage of Annual Covered Payroll	
January 1, 2011	\$ 0	\$	1,709,742	\$	1,709,742	(0%	\$	10,169,482	16.8%	
January 1, 2014	\$ 0	\$	1,772,661	\$	1,772,661	(0%	\$	10,706,122	16.6%	
January 1, 2017	\$ 0	\$	1,399,828	\$	1,399,828	(0%	\$	12,632,592	11.1%	

^{*} Using the projected unit credit actuarial pay cost method.

Note, the first OPEB actuarial valuation was conducted as of January 1, 2008. There is no data available prior to the first valuation.

 City of Roseville, Minnesota
 Schedule 6

 REQUIRED SUPPLEMENATRY INFORMATION
 (Page 1 of 1)

SCHEDULE OF EMPLOYER'S SHARE OF PERA NET PENSION LIABILITY - GENERAL EMPLOYEES RETIREMENT FUND

For the Fiscal Year Ended December 31, 2017

2017

2017

Measurment Date June 30	Fiscal Year Ending December 31	City's Proportion of the Net Pension Liability	1	City's roportionate Share of the Net Pension Liability (a)	Pro Shar Pensi Asso	State's portionate e of the Net on Liability ociated with e City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a % of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a % of the Total Pension Liability
2015	2015	0.1380%	\$	7,151,786	\$	-	\$ 7,151,786	\$7,974,720	89.7%	78.20%
2016	2016	0.1395%	\$	11,326,708	\$	147,908	\$ 11,474,616	\$8,657,720	132.5%	68.91%

113,368

\$ 9,127,483

\$9,101,177

100.3%

75.90%

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

9,014,115

0.1412%

REQUIRED SUPPLEMENATRY INFORMATION
SCHEDULE OF EMPLOYER'S PERA CONTRIBUTIONS

- GENERAL EMPLOYEES RETIREMENT FUND

For the Fiscal Year Ended December 31, 2017

Year Ending	F	tatutorily Required tibution (a)	Rel S I	tributions in ation to the tatutorily Required tibution (b)	Defi	ibution ciency ss) (a-b)	1	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2015	\$	619,013	\$	619,013	\$	0	\$	8,253,507	7.5%
12/31/2016	\$	659,339	\$	659,339	\$	0	\$	8,791,187	7.5%
12/31/2017	\$	708,179	\$	708,179	\$	0	\$	9,448,003	7.5%

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

 City of Roseville, Minnesota
 Schedule 8

 REQUIRED SUPPLEMENATRY INFORMATION
 (Page 1 of 1)

REQUIRED SUPPLEMENTALTY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF PERA NET PENSION
LIABILITY - PUBLIC EMPLOYEES POLICE AND FIRE FUND

For the Fiscal Year Ended December 31, 2017

								City's	
				St	ate's			Proportionate	
		City's	City's	Propo	ortionate			Share of the Net	Plan Fiduciary
	Fiscal	Proportion of	Proportionate	Share of	of the Net			Pension Liability	Net Position
Measurment	Year	the Net	Share of the	Pension	n Liability		City's	as a %	as a %
Date	Ending	Pension	Net Pension	Associ	iated with	Total	Covered	of Covered	of the Total
June 30	December 31	Liability	Liability (a)	the (City (b)	(a+b)	Payroll (c)	Payroll ((a+b)/c)	Pension Liability
						· · · · · · · · · · · · · · · · · · ·			
2015	2015	0.494%	\$ 5,612,996	\$	0	\$ 5,612,996	\$ 4,399,667	127.6%	86.6%
2016	2016	0.511%	\$20,507,319	\$	0	\$20,507,319	\$ 4,920,648	416.8%	63.88%
2017	2017	0.516%	\$ 6,966,614	\$	0	\$ 6,966,614	\$ 5,293,562	131.6%	85.43%

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

SCHEDULE OF EMPLOYER'S PERA CONTRIBUTIONS

- PUBLIC EMPLOYEES POLICE AND FIRE FUND For the Fiscal Year Ended December 31, 2017

Year Ending	F	tatutorily Required tibution (a)	Rel S I	tributions in ation to the tatutorily Required	Defi	ribution ciency ss) (a-b)	1	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2015	\$	763,596	\$	763,596	\$	0	\$	4,713,556	16.2%
12/31/2016	\$	825,632	\$	825,632	\$	0	\$	5,096,494	16.2%
12/31/2017	\$	874,916	\$	874,916	\$	0	\$	5,400,716	16.2%

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

REQUIRED SUPPLEMENATRY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS - FIRE RELIEF ASSOCIATION
For the Fiscal Year Ended December 31, 2017

	 2017		2016	2015	 2014
Total Pension Liability (TPL, actuarial accrued liability)		-		 	
Service cost	\$ 48,898	\$	85,626	\$ 69,632	\$ 67,768
Interest	517,780		525,989	509,635	508,985
Differences between expected and actual experience	138,754		(389,429)	-	-
Changes of assumptions	111,219		(492,447)	213,856	-
Changes of benefit terms	653,842			-	-
Benefit payments, including member contributions	(593,632)		(569,784)	(563,896)	(574,072)
Net change in total pension liability	876,861		(840,045)	229,227	 2,681
Total Pension Liability - beginning of year	7,151,649		7,991,694	7,762,467	7,759,786
Total Pension Liability - end of year	\$ 8,028,510	\$	7,151,649	\$ 7,991,694	\$ 7,762,467
Plan Fiduciary Net Position (FNP, assets)					
Contributions - State and local	\$ 222,882	\$	221,324	\$ 220,012	\$ 341,617
Contributions - donations and other income	-		-	-	-
Contributions - members	-		-	-	-
Net investment income	1,775,014		846,802	22,193	882,050
Other additions (e.g. receivables)	-		-	-	-
Benefit payments, including member contributions	(593,632)		(569,784)	(563,896)	(574,072)
Administrative expense	(24,935)		(25,100)	(20,569)	(23,479)
Other deductions (e.g. payables)	-		-	 -	 -
Net change in plan fiduciary net position	1,379,329		473,242	(342,260)	626,116
Plan Fiduciary Net Position - beginning of year	10,302,168		9,828,926	10,171,186	9,545,070
Plan Fiduciary Net Position - end of year	\$ 11,681,497	\$	10,302,168	\$ 9,828,926	\$ 10,171,186
Net Pension Liability (NPL) - end of year	\$ (3,652,990)	\$	(3,150,522)	\$ (1,837,232)	\$ (2,408,719)
Plan Fiduciary Net Position (FNP, assets)	145.50%		144.05%	122.99%	131.03%

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

City of Roseville, MinnesotaSchedule 11REQUIRED SUPPLEMENATRY INFORMATION(Page 1 of 1)

REQUIRED SUPPLEMENATRY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND NON-EMPLOYER
CONTRIBUTING ENTITIES - FIRE RELIEF ASSOCIATION

	2008	2009	2010	2011	2012
Employer					
Actuarially determined contribution (ADC)	\$ 128,137	\$ 128,137	\$ 128,137	\$353,384	\$ 353,384
Contribution in relation to the ADC	128,975	63,875	216,500	166,284	205,630
Contribution deficiency (excess)	(838)	64,262	(88,363)	187,100	147,754
					
Non-Employer					
Contribution	\$ 172,025	\$ 145,353	\$ 149,002	\$146,733	\$ 149,754
	,		,	,	
	2013	2014	2015	2016	2017
Employer					
Actuarially determined contribution (ADC)	\$ 298,233	\$ 173,096	\$ 115,204	\$ 55,689	\$ 55,689
Contribution in relation to the ADC	89,220	130,996	_	-	_
Condition in relation to the Fib c	07,220	150,550			
Contribution deficiency (excess)	209,013	42,100	115,204	55,689	55,689
Contribution deficiency (excess)	207,013	72,100	113,204	33,009	33,009
Non-Employer					
Contribution	\$ 210,012	\$ 210,621	\$ 220,012	\$221,324	\$ 222,882

CITY OF ROSEVILLE, MINNESOTA

NOTES TO REQUIRED SUPPLEMNTARY INFORMATION

For the Fiscal Year Ended December 31, 2017

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds classified as the general fund and special revenue funds. No budgets are prepared for other governmental funds which include the debt service and capital projects. All annual appropriations lapse at fiscal year-end.

On or before mid-May of each year, all departments and agencies of the City submit requests for appropriations to the City's manager so that a budget may be prepared. Before September 15, the proposed budget is presented to the city council for review and approval. By September 15, the proposed budget and tax levy must be submitted to the county auditor. The Council holds public hearings and a final budget and tax levy must be prepared, adopted and submitted to the county auditor, no later than December 28.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a fund with approval of the City's manager, without Council approval. Transfers of appropriations between funds require the approval of the Council. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the fund level. The Council made a supplementary budgetary appropriation for four funds in 2017. The supplementary budgetary appropriation increased expenditures in the General Fund by \$1,440,000, the Information Technology fund by \$347,000, the License Center Fund by \$155,000 and the Roseville EDA Fund by \$130,000.

Notes to Schedule of Changes in Net Pension Liabilities and Related Ratios

General Employee Fund

2017 Changes

Changes in Actuarial Assumptions:

- -The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability.
- -The assumed post-retirement benefit increase rate was changed from 1.0 percent for active for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 Changes

Changes in Actuarial Assumptions:

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

CITY OF ROSEVILLE, MINNESOTA

NOTES TO REQUIRED SUPPLEMNTARY INFORMATION

For the Fiscal Year Ended December 31, 2017

Police and Fire Fund

2017 Changes

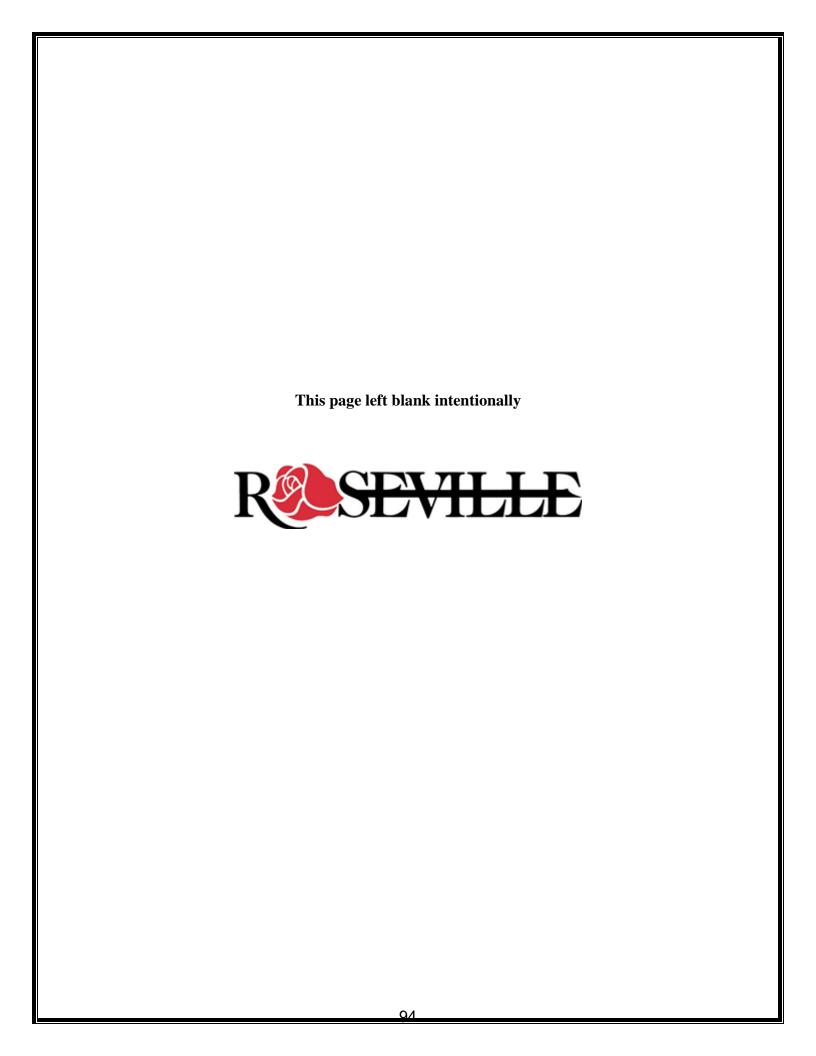
Changes in Actuarial Assumptions:

- -Assumed salary increases were changed as recommended in the June 30,2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- -Assumed rates of retirement were changed, resulting in fewer retirements.
- -The combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested member and 2 percent 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 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- -Assumed percentage of married female members was decreased from 65 percent to 60 percent.
- -Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- -The assumed percentage of female members electing Joint and Survivor annuities was increased.
- -The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.
- -The assumed investment return was not changed from 7.50 percent. The single discount rate was changed from 5.60 percent to 7.50 percent.

2016 Changes

Changes in Actuarial Assumptions:

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



Special Revenue Funds

Special revenue funds account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for secified purposes other than debt service or capital projects.

<u>Information Technology</u>: accounts for the revenue and expenditures used to provide information technology

<u>Telecommunications:</u> accounts for the revenue and expenditures in the administration, maintenance, and participant activities divisions for Telecommunications

Chartible Gambling: accounts for the revenue and expenditures used from chartible gambling

<u>Roseville Economic Development Authority</u>: accounts for the revenue and expenditures used for the activity of the Roseville Economic Development Authority general operations

	Information Technology	Tele- communications	Charitable Gambling	Roseville Economic Development Authority	Total Nonmajor Special Revenue Funds
ASSETS					
Cash and investments	1,094,653	331,513	110,571	3,215,490	4,752,227
Investment interest receivable	3,398	1,033	344	10,173	14,948
Accounts receivable	48,179	109,835	-	23,885	181,899
Taxes receivable	11,619	-	-	21,088	32,707
Special assessments receivable	-	-	-	577	577
Due from other governmental units Notes receivable	202,755	-	-	- 1,029,967	202,755 1,029,967
Prepaid items	75	-	<u>-</u>		75
TOTAL ASSETS	1,360,679	442,381	110,915	4,301,180	6,215,155
LIABILITIES					
Accounts payable	180,806	4,675	20	66,559	252,060
Accrued payroll	28,022	3,790	147	-	31,959
Due to other governmental units	19,126	2,308	76	782	22,292
Deposits payable	5,000	-	-		5,000
Total Liabilities	232,954	10,773	243	67,341	311,311
Deferred Inflows of Resources					
Unavailable Revenue - property taxes	2,224	-	-	4,336	6,560
Unavailable Revenue - special assessments	<u> </u>	<u> </u>		225	225
Total Deferred Inflows of Resoures	2,224		-	4,561	6,785
FUND BALANCE					
Nonspendable	75	-	-	-	75
Restricted					
Telecommunications	-	431,608	-	-	431,608
Lawful Gambling	-	-	110,672	-	110,672
Housing and Economic Development Committed	-	-	-	843,610	843,610
Equipment Replacement	1,125,426	-	-	-	1,125,426
Assigned Housing and Economic Development	-	-	-	3,385,668	3,385,668
Total Fund Balances	1,125,501	431,608	110,672	4,229,278	5,897,059
	1,120,001	101,000	. 10,012	.,227,270	5,077,007
TOTAL LIABILITIES AND FUND BALANCES	1,360,679	442,381	110,915	4,301,180	6,215,155
			-, -		

(Page 1 of 1)

	Information Technology	Tele- Communications	Charitable Gambling	Roseville Economic Development Authority	Total Nonmajor Special Revenue Funds
REVENUES					
Taxes	198,086	-	-	351,855	549,941
Gambling taxes	-	-	58,581	-	58,581
Charges for services	1,913,104	-	-		1,913,104
Cable franchise taxes	-	452,123	-	-	452,123
Donations	-	-	115,387	-	115,387
Investment income					
Interest earned on investments	18,615	7,166	2,267	70,072	98,120
Increase (decrease) in fair value of investments	(8,714)	(2,074)	(824)	(19,089)	(30,701)
Miscellaneous Revenue	451,936			69,060	520,996
Total Revenues	2,573,027	457,215	175,411	471,898	3,677,551
EXPENDITURES Current General Government Economic development Capital outlay	2,386,406 - 229,984	445,223 - -	145,857 - -	- 377,189 101,956	2,977,486 377,189 331,940
Total Expenditures	2,616,390	445,223	145,857	479,145	3,686,615
Excess (Deficiency) of Revenues Over					
(Under) Expenditures	(43,363)	11,992	29,554	(7,247)	(9,064)
OTHER FINANCING SOURCES (USES) Transfers In	127,862	-	-	-	127,862
Transfers Out		(17,000)		(4,825)	(21,825)
Total Other Financing Sources (Uses)	127,862	(17,000)		(4,825)	106,037
Net Change in Fund Balances	84,499	(5,008)	29,554	(12,072)	96,973
FUND BALANCES, January 1	1,041,002	436,616	81,118	4,241,350	5,800,086
FUND BALANCES, December 31	1,125,501	431,608	110,672	4,229,278	5,897,059

INFORMATION TECHNOLOGY FUND

	Budgeted Am	ounts	Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes	200,000	200,000	198,086	(1,914)
Charges for services	1,469,800	1,469,800	1,913,104	443,304
Investment income				
Interest earned on investments	2,900	2,900	18,615	15,715
Increase (decrease) in fair value of investments	-	-	(8,714)	(8,714)
Miscellaneous Revenue	436,900	436,900	451,936	15,036
Total Revenues	2,109,600	2,109,600	2,573,027	463,427
EXPENDITURES				
Current				
General government				
Personal services	1,767,100	1,767,100	1,745,496	21,604
Supplies and materials	36,000	36,000	11,184	24,816
Other services and charges	216,500	563,500	629,726	(66,226)
Capital outlay	250,000	250,000	229,984	20,016
Total Expenditures	2,269,600	2,616,600	2,616,390	210
Excess (Deficiency) of Revenue Over (Under) Expenditures	(160,000)	(507,000)	(43,363)	463,637
OTHER FINANCING SOURCES (USES)				
Transfers In	125,000	125,000	127,862	2,862
Total Other Financing Sources (Uses)	125,000	125,000	127,862	2,862
Net Change in Fund Balance	(35,000)	(382,000)	84,499	466,499
FUND BALANCE, January 1	1,041,002	1,041,002	1,041,002	<u>-</u>
FUND BALANCE, December 31	1,006,002	659,002	1,125,501	466,499

TELECOMMUNCATIONS FUND

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Cable franchise taxes	450,000	450,000	452,123	2,123
Investment income Interest earned on investments	3,500	3,500	7,166	3,666
Increase (decrease) in fair value of investments	3,500	3,500	(2,074)	(2,074)
increase (decrease) irriali valde or investments			(2,014)	(2,014)
Total Revenues	453,500	453,500	457,215	3,715
EXPENDITURES				
Current				
General government			005.470	05.004
Personal services	270,700	270,700	235,479	35,221
Supplies and materials	2,500	2,500	1,789	711
Other services and charges	222,875	222,875	207,955	14,920
Capital outlay Total Expenditures	10,000 506,075	10,000 506,075	445,223	10,000
Total Experiultures	500,075	500,075	443,223	00,032
Excess (Deficiency) of Revenue Over (Under) Expenditures	(52,575)	(52,575)	11,992	64,567
OTHER FINANCING SOURCES (USES)				
Transfers Out	(17,000)	(17,000)	(17,000)	-
Total Other Financing Sources (Uses)	(17,000)	(17,000)	(17,000)	-
Net Change in Fund Balance	(69,575)	(69,575)	(5,008)	64,567
FUND BALANCE, January 1	436,616	436,616	436,616	<u>-</u> _
FUND BALANCE, December 31	367,041	367,041	431,608	64,567

(Page 1 of 1) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

CHARTABLE GAMBLING FUND

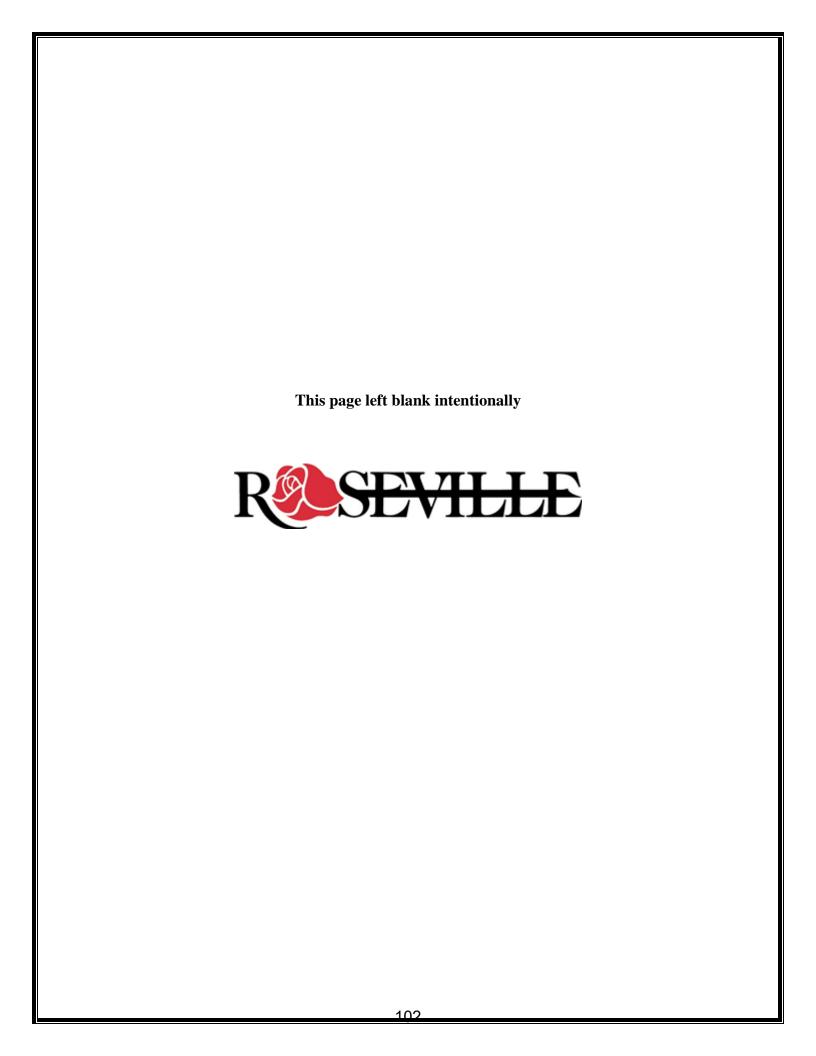
	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Gambling taxes	75,000	75,000	58,581	(16,419)
Donations	76,150	76,150	115,387	39,237
Investment income				
Interest earned on investments	200	200	2,267	2,067
Increase (decrease) in fair value of investments		<u> </u>	(824)	(824)
Total Revenues	151,350	151,350	175,411	24,061
EXPENDITURES				
Current				
General government				
Personal services	4,700	4,700	3,405	1,295
Other services and charges	146,650	146,650	142,452	4,198
Total Expenditures	151,350	151,350	145,857	5,493
Net Change in Fund Balance	-	-	29,554	29,554
FUND BALANCE, January 1	81,118	81,118	81,118	
FUND BALANCE, December 31	81,118	81,118	110,672	29,554

SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY FUND

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes	356,585	356,585	351,855	(4,730)
Investment income				
Interest earned on investments				
Increase (decrease) in fair value of investments	-	-	70,072	70,072
Interest Earned - Other	-	-	(19,089)	(19,089)
Miscellaneous Revenue		<u> </u>	69,060	69,060
Total Revenues	356,585	356,585	471,898	115,313
EXPENDITURES				
Current				
Economic development				
Personal services	159,500	159,500	151,600	7,900
Supplies and materials	-	-	222	(222)
Other services and charges	197,085	222,085	225,367	(3,282)
Capital outlay		105,000	101,956	3,044
Total Expenditures	356,585	486,585	479,145	7,440
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	(130,000)	(7,247)	122,753
OTHER FINANCING SOURCES (USES)				
Transfers Out		<u> </u>	(4,825)	(4,825)
Total Other Financing Sources (Uses)			(4,825)	(4,825)
Net Change in Fund Balance	-	(130,000)	(12,072)	122,753
Net Change in Fund Balance		, ,		
FUND BALANCE, January 1	4,241,350	4,241,350	4,241,350	-
FUND BALANCE, December 31	4,241,350	4,111,350	4,229,278	122,753



City of Roseville, Minnesota INTERNAL SERVICE FUNDS December 31, 2017

Internal Service funds account for the financing of goods or services provided by one department to other departments or to other governmental units.

<u>Workers' Compensation Self Insurance Fund-Outside Services</u>: accounts for revenue and expenditures in the administration and servicing of workers' compensation claims.

Risk Management Fund: accounts for the revenue and expenditures in the administration and servicing of general liability claims.

MBINING STATEMENT OF NET POSITION	(Page 1 of 1)
ERNAL SERVICE FUNDS	

	Workers' Compensation Self-Insurance	Risk Management	Total Internal Service Funds
ASSETS			
Current Assets			
Cash and cash equivalents	1,273,810	1,564,096	2,837,906
Investments interest receivable	3,967	4,883	8,850
Prepaid Items		12,000	12,000
Total Assets	1,277,777	1,580,979	2,858,756
LIABILITIES			
Current Liabilities			
Accounts payable	4,503	6,849	11,352
Insurance claims payable	46,400	190,852	237,252
Total Current Liabilities	50,903	197,701	248,604
Noncurrent Liabilities			
Insurance claims payable	28,274	185,484	213,758
Total Noncurrent Liabilities	28,274	185,484	213,758
TOTAL LIABILITIES	79,177	383,185	462,362
NET POSITION			
Unrestricted	1,198,600	1,197,794	2,396,394
	.,,,,,,,,,	.,,,,,,	2,0,0,071
TOTAL NET POSITION	1,198,600	1,197,794	2,396,394

City of Roseville, Minnesota

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION INTERNAL SERVICE FUNDS

For the Fiscal Year Ended December 31, 2017

	Workers' Compensation Self-Insurance	Risk Management	Total Internal Service Funds
OPERATING REVENUES			
Departmental charges	55,000	250,855	305,855
Employee charges	<u> </u>	26,620	26,620
Total Operating Revenues	55,000	277,475	332,475
OPERATING EXPENSES			
Professional services	19,719	19,208	38,927
Supplies	-	8,634	8,634
Insurance	14,933	162,658	177,591
Training	-	9,309	9,309
Administrative charges	-	750	750
Payment of claims	123,321	242,602	365,923
Total Operating Expenses	157,973	443,161	601,134
OPERATING INCOME (LOSS)	(102,973)	(165,686)	(268,659)
NON-OPERATING REVENUES (EXPENSES) Investment Income			
Interest Earned on Investments	25,900	30,047	55,947
Increase (Decrease) in Fair Value of Investments	(6,591)	(8,820)	(15,411)
Total Non-Operating Revenues (Expenses)	19,309	21,227	40,536
Change in Net Position	(83,664)	(144,459)	(228,123)
NET POSITION, January 1	1,282,264	1,342,253	2,624,517
NET POSITION, December 31	1,198,600	1,197,794	2,396,394

	Workers' Compensation Self-Insurance	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users, including deposits	55,000	250,855	305,855
Cash payments to suppliers for goods and services	(105,168)	(312,800)	(417,968)
Cash payments to employees and others for resolved claims	<u> </u>	26,620	26,620
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(50,168)	(35,325)	(85,493)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments received	24,605	28,348	52,953
Increase (Decrease) in Fair Value of Investments	(6,591)	(8,820)	(15,411)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	18,014	19,528	37,542
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(32,154)	(15,797)	(47,951)
CASH AND CASH EQUIVALENTS, JANUARY 1	1,305,964	1,579,893	2,885,857
CASH AND CASH EQUIVALENTS, DECEMBER 31	1,273,810	1,564,096	2,837,906
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES Operating Income (Loss) Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities Changes in Alemants of Cash and Cash	(102,973)	(165,686)	(268,659)
Changes in elements affecting cash (Increase) Decrease in Prepaid items		(12,000)	(12,000)
Increase (Decrease) in Accounts payable	4,503	1,951	6,454
Increase (Decrease) in Insurance claim payable	48,302	140,410	188,712
Total Adjustments	52,805	130,361	183,166
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(50,168)	(35,325)	(85,493)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Increase/(Decrease) in fair market value of investments	(6,591)	(8,820)	(15,411)

Agency funds account for assets held in a custodial capacity for others and/or other funds.

<u>East Metro SWAT</u>: This fund accounts for the fiscal activities of the East Metro SWAT which was formed as a separate nonprofit entity

<u>St Paul Port Authority:</u> The fund accounts for the fiscal activities for the Property Assessed Clean Energy Program as administered by the St Paul Port Authority on behalf of the City

<u>Roseville Islamic Cemetery</u>: This fund accounts for the fiscal activities of a cemetery under the ownership of the Islamic Cemetery Association

<u>Roseville Vistiors Association</u>: This fund accounts for the fiscal activities of the Roseville Vistors Association, formed as an independent nonprofit agency to enhance tourist and vistor traffic to the City

	East Metro SWAT			St Paul Port uthority	Roseville Islamic Cemetery Fund		Roseville Visitors Association			Total Agency Funds
ASSETS	φ	7 750	ф		ф	00.125	ф	F// F/0	ф	/// // 20
Cash and cash equivalents Receivables	\$	7,753	\$	-	\$	90,125	\$	566,560	\$	664,438
Investment interest receivable		24		-		281		-		305
Accounts receivable		-		-		-		55,830		55,830
Special assessments receivable		-		99,196		-		-		99,196
Prepaid items		-		-		-		24,707		24,707
TOTAL ASSETS	\$	7,777	\$	99,196	\$	90,406	\$	647,097	\$	844,476
LIABILITIES										
Accounts payable			\$	-	\$	-	\$	12,463	\$	12,463
Accrued payroll		-		-		-		10,232		10,232
Due to other governments units		7,777		99,196		-		71		107,044
Due to other organizations				-		90,406		624,331		714,737
TOTAL LIABILITIES	\$	7,777	\$	99,196	\$	90,406	\$	647,097	\$	844,476

	Janu	uary 1, 2017	 Additions	 Deductions	December 31, 2017	
ASSETS						
Cash and cash equivalents	\$	632,823	1,100,293	\$ 1,068,678	\$	664,438
Receivables						
Investment interest receivable		194	305	194		305
Accounts receivable		67,837	55,830	67,837		55,830
Special assessments receivable		119,291	4,919	25,014		99,196
Prepaid items		25,948	 24,707	 25,948		24,707
TOTAL ASSETS	\$	846,093	\$ 1,186,054	\$ 1,187,671	\$	844,476
LIABILITIES						
Accounts payable	\$	40,247	\$ 815,864	\$ 843,648	\$	12,463
Accrued payroll		8,823	295,418	294,009		10,232
Due to other governmental units		125,600	110,077	128,633		107,044
Due to other organizations		671,423	 (35,305)	 (78,619)		714,737
TOTAL LIABILITIES	\$	846,093	\$ 1,186,054	\$ 1,187,671	\$	844,476

East Metro SWAT	Janu	January 1, 2017 Additions		Additions	 eductions	December 31, 2017		
ASSETS Cash and cash equilvalents Investment interest receivable	\$	6,808 14	\$	17,552 24	\$ 16,607 14	\$	7,753 24	
TOTAL ASSETS	\$	6,822	\$	17,576	\$ 16,621	\$	7,777	
	<u>*</u>	0,022	<u> </u>	,6.6	 10,021	Ť	.,	
LIABILITIES Accounts payable Due to other governments units	\$	630 6,192	\$	15,826 1,750	\$ 16,456 165	\$	- 7,777	
TOTAL LIABILITIES	\$	6,822	\$	17,576	\$ 16,621	\$	7,777	
St Paul Port Authority	Janu	January 1, 2017		Additions	 eductions	December 31, 20		
ASSETS Special assessments receivable	\$	119,291	\$	4,919	\$ 25,014	\$	99,196	
TOTAL ASSETS	\$	119,291	\$	4,919	\$ 25,014	\$	99,196	
LIABILITIES								
Due to other governments units	\$	119,291	\$	4,919	\$ 25,014	\$	99,196	
TOTAL LIABILITIES	\$	119,291	\$	4,919	\$ 25,014	\$	99,196	
Roseville Islamic Cemetery	Janu	uary 1, 2017		Additions	 eductions	Decem	nber 31, 2017	
ASSETS								
Cash and cash equilvalents Investment interest receivable	\$	88,914 180	\$	2,970 281	\$ 1,759 180	\$	90,125 281	
TOTAL ASSETS	\$	89,094	\$	3,251	\$ 1,939	\$	90,406	
LIABILITIES								
Due to other organizations	\$	89,094	\$	3,251	\$ 1,939	\$	90,406	
TOTAL LIABILITIES	\$	89,094	\$	3,251	\$ 1,939	\$	90,406	
Roseville Vistors Association	Janu	uary 1, 2017		Additions	 eductions	Decem	nber 31, 2017	
ASSETS								
Cash and cash equilvalents	\$	537,101	\$	1,079,771	\$ 1,050,312	\$	566,560	
Accounts receivables Prepaid items		67,837 25,948		55,830 24,707	 67,837 25,948		55,830 24,707	
TOTAL ASSETS	\$	630,886	\$	1,160,308	\$ 1,144,097	\$	647,097	
LIABILITIES								
Accounts payable	\$	39,617	\$	800,038	\$ 827,192	\$	12,463	
Accrued payroll Due to other governmental units		8,823 117		295,418 103,408	294,009 103,454		10,232 71	
Due to other organizations		582,329		(38,556)	(80,558)		624,331	
TOTAL LIABILITIES	\$	630,886	\$	1,160,308	\$ 1,144,097	\$	647,097	

STATISTICAL SECTION

This part of the City of Roseville'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 of Roseville's overall financial health.

Contents:	Page
Financial Trends	113-119
These schedules contain trend information to help the reader understand how the City of Roseville's financial performance and well-being have changed over time.	
Revenue Capacity	121-127
These schedules contain information to help the reader assess the City of Roseville's most significant local revenue source, the property tax.	
Debt Capacity	128-131
These schedules present information to help the reader assess the affordability of the City of Roseville's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	132-134
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City of Roseville's financial activities take place.	
Operating Indicators	135-139

These schedules contain service and infrastructure data to help the reader understand how the information in the City of Roseville's financial report relates to the services the City provides, and the activities it performs.

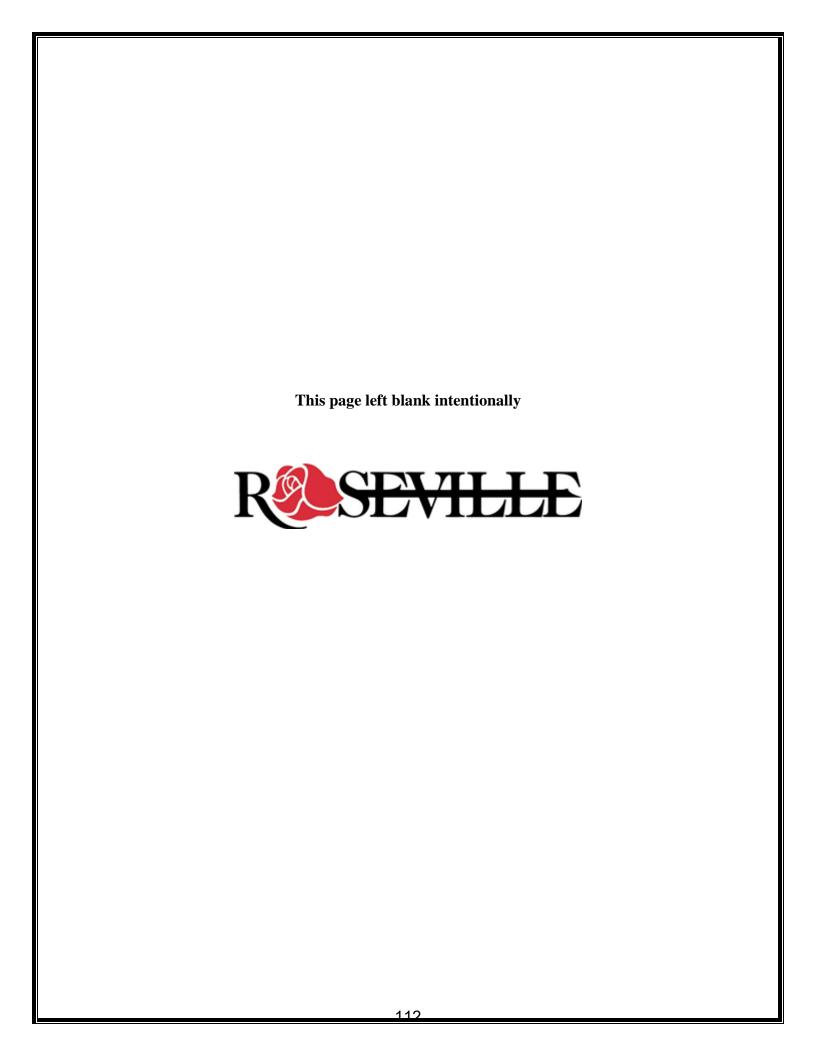


Table 1

(accrual basis of accounting)

		Fiscal Year								
		2008		2009		2010		2011		2012
Governmental Activities										
Net Investment in Capital Assets	\$	96,932,095	\$	103,987,033	\$	114,015,800	\$	114,666,064	\$	114,334,627
Restricted		13,648,619		10,789,610		4,438,169		8,733,361		10,796,300
Unrestricted		23,757,872		23,842,146		25,508,724		23,237,740		24,940,748
Total Governmental Activities Net Position		134,338,586		138,618,789		143,962,693		146,637,165		150,071,675
Business-Type Activities										
Net Investment in Capital Assets		17,799,877		19,019,599		18,803,521		19,493,159		20,244,092
Restricted		-		-		-		-		-
Unrestricted		7,098,164		5,180,356 24,199,955		5,734,880		5,150,432		5,543,380
Total Business-Type Activities Net Position		24,898,041		24, 199,955		24,538,401		24,643,591		25,787,472
Primary Government										
Net Investment in Capital Assets		114,731,972		123,006,632		132,819,321		134,159,223		134,578,719
Restricted		13,648,619		10,789,610		4,438,169		8,733,361		10,796,300
Unrestricted		30,856,036		29,022,502		31,243,604		28,388,172		30,484,128
Total Primary Government Net Position	\$	159,236,627	\$	162,818,744	\$	168,501,094	\$	171,280,756	\$	175,859,147
		2013		2014		Fiscal Year 2015		2016		2017
Governmental Activities		2013		2014		2013		2010		2017
Net Investment in Capital Assets	\$	114,983,470	\$	116,028,830	\$	120,125,324	\$	119,959,369	\$	121,203,724
Restricted	•	13,094,255	*	14,072,227	*	18,157,117	*	13,847,317	*	13,523,329
Unrestricted		23,751,419		25,475,158		12,948,135		16,617,276		11,181,711
Total Governmental Activities Net Position		151,829,144		155,576,215		151,230,576		150,423,962		145,908,764
Ducinose Type Activities										
Business-Type Activities Net Investment in Capital Assets		21,814,228		25,215,099		28,391,384		30,729,106		33,862,002
Restricted		21,014,220		25,215,099		20,391,304		30,729,100		33,002,002
Unrestricted		5,945,451		4,563,269		2,467,956		1,593,595		926,515
		27,759,679		29,778,368		30,859,340	-	32,322,701		34,788,517
Total Business-Type Activities Net Position		21,139,019		29,110,300		30,009,340		32,322,701		34,700,317
Primary Government										
Net Investment in Capital Assets		136,797,698		141,243,929		148,516,708		150,688,475		155,065,726
Net Investment in Capital Assets Restricted		13,094,255		14,072,227		18,157,117		13,847,317		13,523,329
Net Investment in Capital Assets			\$		\$		\$		\$	

	Fiscal Year									
Expenses	2008	2009	2010	2011	2012					
Governmental activities:										
General government	\$ 4,283,715	\$ 5,150,773	\$ 4,266,736	\$ 4,395,483	\$ 4,654,650					
Public safety	8,007,678	8,161,100	9,442,966	8,572,723	9,417,458					
Public works	4,720,546	4,470,830	2,800,235	4,868,114	4,475,774					
Parks and recreation Economic development	4,935,218 2,337,776	4,770,793 1,742,174	4,698,518 10,950,324	4,737,072 1,696,156	4,794,338 1,261,035					
Interest on long-term debt	392,527	508,970	429,094	427,003	685,377					
Total governmental activities expenses	24,677,460	24,804,640	32,587,873	24,696,551	25,288,632					
Business-type activities:										
Sewer	3,504,577	3,520,566	3,763,009	3,403,703	3,638,421					
Water	4,881,489	5,399,949	5,058,883	5,417,818	6,307,221					
Golf	344,445	318,890	338,860	332,480	360,518					
Storm Drainage	707,675	850,575 499,501	797,535	1,073,180	1,000,570					
Recycling Total business-type activities expenses	9,906,033	10,589,481	478,471 10,436,758	527,581 10,754,762	549,113 11,855,843					
Total primary government expenses	\$ 34,583,493	\$ 35,394,121	\$ 43,024,631	\$ 35,451,313	\$ 37,144,475					
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,445,389	\$ 2,869,646	\$ 2,611,668	\$ 2,857,048	\$ 3,007,628					
Public safety	549,931	1,454,107	1,545,830	1,890,436	1,807,988					
Parks and recreation	1,765,969	1,917,605	1,919,896	2,430,291	1,976,761					
Other activities	1,491,065	2,991,563	697,435	560,173	351,514					
Operating grants and contributions	877,723	819,160	870,158	983,149	905,922					
Capital grants and contributions	371,295	1,987,239	3,283,978	2,294,488	2,355,429					
Total governmental activities program revenues	7,501,372	12,039,320	10,928,965	11,015,585	10,405,242					
Business-type activities: Charges for Services:										
Sewer	2,893,260	3,090,778	3,600,334	3,087,514	3,740,826					
Water	5,024,591	5,144,355	5,048,473	5,580,048	6,607,234					
Golf	310,921	312,200	302,610	270,434	299,555					
Storm Drainage	736,688	812,831	840,743	956,350	1,526,792					
Recycling	426,249	345,218	499,773	545,695	453,259					
Operating grants and contributions	66,661	75,349	69,775	70,267	104,891					
Capital grants and contributions	- 450 270	0.700.721	321,188	250,858	20,858					
Total business-type activities program revenues	9,458,370	9,780,731	10,682,896	10,761,166	12,753,415					
Total primary government program revenues	\$ 16,959,742	\$ 21,820,051	\$ 21,611,861	\$ 21,776,751	\$ 23,158,657					
Net (expense)/revenue	d (17.17(.000)	d (12.765.220)	¢ (21 (50 000)	d (12 (20 0(C)	d (14.002.200)					
Governmental activities Business-type activities	\$ (17,176,088) (447,663)	\$ (12,765,320) (808,750)	\$ (21,658,908) 246,138	\$ (13,680,966) 6,404	\$ (14,883,390) 897,572					
Total primary government net expense	\$ (17,623,751)	\$ (13,574,070)	\$ (21,412,770)	\$ (13,674,562)	\$ (13,985,818)					
General Revenues and Other Changes in Net Assets	<u> </u>									
Governmental activities:										
Taxes	\$ 12,417,024	\$ 12,553,187	\$ 15,611,387	£ 12.501.069	\$ 15,085,154					
Property taxes Tax increments	\$ 12,417,024 2,956,413	\$ 12,553,187 3,288,562	\$ 15,611,387 1,966,665	\$ 13,501,068 1,592,214	\$ 15,085,154 2,342,447					
Cable franchisetaxes	372,706	375,551	380,108	393,657	415,385					
Gambling taxes	70,488	81,274	80,282	86,952	74,504					
Grants and contributions not restricted to specific programs	227,048	26,477	25,577	25,738	24,693					
Unrestricted investment earnings	1,353,641	695,472	1,122,891	730,809	350,717					
Unrestricted net increase (decrease) in the fair value of Investments	-	-	-	-	-					
Gain on sale of capital assets	-	-	-	-	-					
Transfers	25,000 17,422,320	25,000 17,045,523	84,007 19,270,917	25,000 16,355,438	25,000 18,317,900					
Total governmental activities	17,422,320	17,043,323	19,270,917	10,333,438	18,517,900					
Business-type activities: Unrestricted investment earnings	257,409	135,664	176,315	123,786	39,801					
Unrestricted net increase(decrease) in the fair value of investments	237,409	133,004	170,313	123,780	47,384					
Gain on sale of capital assets	_	_	_	_						
Transfers	(25,000)	(25,000)	(84,007)	(25,000)	(25,000)					
Total business-type activities	232,409	110,664	92,308	98,786	62,185					
Total primary government	\$ 17,654,729	\$ 17,156,187	\$ 19,363,225	\$ 16,454,224	\$ 18,380,085					
Change in Net Position										
Governmental activities Business-type activities	\$ 246,232 (215,254)	\$ 4,280,203 (698,086)	\$ (2,387,991) 338,446	\$ 2,674,472 105,190	\$ 3,434,510 959,757					
Total primary government	\$ 30,978	\$ 3,582,117	\$ (2,049,545)	\$ 2,779,662	\$ 4,394,267					
1 70		,- ,- ,- ,	. ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	. ,,2	,,,					

	Fiscal Year								
Expenses	_	2013		2014	2015		2016		2017
Governmental activities:				<u>.</u>			,		<u> </u>
General government	\$	5,376,860	\$	5,856,306	\$ 6,126,713	\$	7,615,373	\$	8,180,795
Public safety		9,792,587		9,254,988	10,307,351		13,102,041		12,490,251
Public works		4,399,267		5,249,925	4,834,914		9,676,272		7,759,394
Parks and recreation Economic development		5,523,875		5,690,332	4,653,377		5,185,845 4,729,987		6,315,824
Interest on long-term debt		954,315 1,160,953		1,671,768 881,887	2,603,186 886,950		4,729,987 813,509		4,047,461 785,702
Total governmental activities expenses		27,207,857		28,605,206	29,412,491		41,123,027		39,579,427
			-			-	,,		,-,-,
Business-type activities:		2.555.022		2 (51 151	2.541.051		2015055		2 002 565
Sewer		3,575,823		3,651,174	3,541,971		3,815,857		3,982,565
Water Golf		5,915,805 345,816		5,553,800 339,911	5,698,196 306,814		5,977,512 340,677		6,274,835 367,665
Storm Drainage		942,598		1,324,675	1,120,225		1.327.856		1,237,523
Recycling		550,285		449,490	463,018		480,918		506,058
Total business-type activities expenses		11,330,327		11,319,050	11,130,224		11,942,820		12,368,646
Total primary government expenses	\$	38,538,184	\$	39,924,256	\$ 40,542,715	\$	53,065,847	\$	51,948,073
	·								
Program Revenues									
Governmental activities:									
Charges for services: General government	\$	3,488,493	\$	3,382,230	\$ 3,738,297	\$	4,059,091	\$	4,550,361
Public safety	Ф	1,925,320	3	1,804,563	1,772,335	3	2,358,147	Ф	1.812.758
Parks and recreation		2,591,924		2,000,010	2,297,610		2,390,468		2,314,762
Other activities		1,173,925		292,365	405,930		1,009,329		646,320
Operating grants and contributions		1,029,327		967,703	1,055,810		1,219,715		1,418,596
Capital grants and contributions		1,046,150		1,013,102	2,368,626		2,137,095		1,209,349
Total governmental activities program revenues		11,255,139		9,459,973	11,638,608		13,173,845		11,952,146
Business-type activities:									
Charges for Services:		4 105 522		4 225 522	4.561.005		4 000 202		5 270 620
Sewer Water		4,105,523 6,628,378		4,225,532 6,662,997	4,561,235		4,808,303 6,687,934		5,270,628 6,613,415
Golf		271,095		291,036	6,643,628 325,460		333,222		288,440
Storm Drainage		1,647,924		1,722,757	1,696,055		1,798,727		1,947,644
Recycling		455,271		367,469	348,965		371,871		436,304
Operating grants and contributions		69,613		70,419	189,251		90,533		87,901
Capital grants and contributions		259,550		470,967	2,000		277,055		0
Total business-type activities program revenues		13,437,354		13,811,177	13,766,594		14,367,645		14,644,332
Total primary government program revenues	\$	24,692,493	\$	23,271,150	\$ 25,405,202	\$	27,541,490	\$	26,596,478
Net (expense)/revenue									
Governmental activities	\$	(15,952,718)	\$	(19,145,233)	\$ (17,773,883)	\$	(27,949,182)	\$	(27,627,281)
Business-type activities		2,107,027		2,492,127	2,636,370		2,424,825		2,275,686
Total primary government net expense	\$	(13,845,691)	\$	(16,653,106)	\$ (15,137,513)	\$	(25,524,357)	\$	(25,351,595)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes Property taxes	\$	16,895,804	\$	17,318,833	\$ 17,710,161	\$	19,550,627	\$	20,730,169
Tax increments	Ψ	1,607,882	Ψ	1,927,267	2,220,661	Ψ	1,677,742	Ψ	1,191,202
Cable franchisetaxes		424,812		448,088	436,851		449,920		452,123
Gambling taxes		76,272		77,604	83,879		93,815		58,581
Grants and contributions not restricted to specific programs		24,928		249,375	24,435		24,435		27,208
Unrestricted investment earnings		288,600		474,218	579,253		758,630		860,242
Unrestricted net increase (decrease) in the fair value of Investments		(1,535,227)		1,614,919	119,627		(897,640)		(197,305)
Gain on sale of capital assets		(50.004)		-	-		129,474		112,600
Transfers Total governmental activities	-	(72,884)		782,000	782,000		805,000 22,592,003		(122,737)
Total governmental activities	_	17,710,187	_	22,892,304	21,956,867	_	22,392,003		23,112,083
Business-type activities:									
Unrestricted investment earnings		25,662		56,806	45,199		36,658		31,735
Unrestricted net increase(decrease) in the fair value of investments		(233,366)		241,243	5,129		(46,107)		10,985
Gain on sale of capital assets Transfers		72,884		10,513 (782,000)	145,442 (782,000)		7,635 (805,000)		24,673 122,737
Total business-type activities		(134,820)		(473,438)	(586,230)		(806,814)		190,130
Total primary government	\$	17,575,367	\$	22,418,866	\$ 21,370,637	\$	21,785,189	\$	23,302,213
Change in Net Position	<u></u>	· · · ·		· · ·					<u> </u>
Governmental activities	\$	1 757 460	\$	2 747 071	¢ / 102.004	e	(5 257 170)	\$	(4.515.100)
Business-type activities	3	1,757,469 1,972,207	4	3,747,071 2,018,689	\$ 4,182,984 2,050,140	\$	(5,357,179) 1,618,011	•	(4,515,198) 2,465,816
Total primary government	\$	3,729,676	s	5,765,760	\$ 6,233,124	s	(3,739,168)	\$	(2,049,382)
1 0		-,,,,,,	-	-,,,,	,200,121	-	(=,.=/,100)	Ψ.	(=,= .7,500=)

	Fiscal Year											
		2008		2009		2010		2011 (1)		2012		
General Fund												
Reserved	\$	404,952	\$	402,564	\$	402,564	\$	-	\$	-		
Unreserved		3,305,144		3,171,949		5,234,095		-		-		
Nonspendable		-		-		-		-		-		
Restricted								247.004		202.025		
Law enforcement		-		-		-		346,904		383,025		
Assigned								(50.7/0		F0/ /0F		
Engineering services		-		-		-		658,760		596,685		
Accounting services		-		-		-		15,599		16,677		
Unassigned	-							5,190,027		5,568,600		
Total General Fund	\$	3,710,096	\$	3,574,513	\$	5,636,659	\$	6,211,290	\$	6,564,987		
All Other Governmental Funds												
Reserved	\$	13,243,667	\$	10,387,046	\$	4,035,605	\$	-	\$	-		
Unreserved, reported in:												
Special revenue funds		946,069		1,220,099		1,131,336		-				
Debt Service		(458,367)		843,046		1,452,411		-				
Capital projects funds		17,264,721		16,856,123		16,347,739		-				
Nonspendable		-		-		-		-				
Restricted												
Telecommunications		-		-		-		521,444		591,108		
Lawful Gambling		-		-		-		-		-		
Community Development		-		-		-		163,163		367,417		
Park Dedication		-		-		-		692,203		702,615		
Tax Increment		-		-		-		5,202,462		6,884,619		
Debt Service		-		-		-		1,425,518		6,884,619		
Bond Funded Capital Improvements		-		-		-		10,000,000		23,073,514		
Housing and Economic Development		-		-		-		-		-		
Committed												
Parks and Recreation Programs and Maintenance		-		-		-		643,912		922,537		
License Center Improvements		-		-		-		598,391		790,951		
Equipment Replacement		-		-		-		109,199		226,365		
Street Replacement		-		-		-		11,078,323		10,308,674		
Assigned												
Capital project funds		-		-		-		4,295,277		5,689,502		
Housing and Economic Development				-		-		-		-		
Unassigned		-		-		-		(47,403)		(29,777)		
Total All Other Governmental Funds	\$	30,996,090	\$	29,306,314	\$	22,967,091	\$	34,682,489	\$	56,412,144		

⁽¹⁾ The implementation of Governmental Accounting Standards Board Statement No. 54 in 2011 resulted in a significant change in the City's fund balance classifications.

			ı	Fiscal Year		
	2013	2014		2015	2016	2017
General Fund						
Reserved	\$ -	\$ -	\$	-	\$ -	\$ -
Unreserved	-	-		-	-	-
Nonspendable	-	-		25,891	80,717	-
Restricted						
Law enforcement	441,412	479,360		481,341	446,436	407,132
Assigned						
Engineering services	596,341	577,352		623,387	772,697	938,020
Accounting services	18,869	19,941		20,209	17,319	17,574
Unassigned	 5,151,271	 5,205,951		4,817,858	 5,856,061	 4,848,107
Total General Fund	\$ 6,207,893	\$ 6,282,604	\$	5,968,686	\$ 7,173,230	\$ 6,210,833
All Other Governmental Funds						
Reserved	\$ -	\$ -	\$	-	\$ -	\$ -
Unreserved, reported in:						
Special revenue funds	-	-		-	-	-
Debt Service	-	-		-	-	-
Capital projects funds	-	-		-	-	-
Nonspendable	-	-		2,165	410,081	1,950
Restricted						
Telecommunications	584,645	633,732		469,353	436,616	431,608
Lawful Gambling	-	5,820		42,615	81,118	110,672
Community Development	595,148	713,525		1,021,351	1,759,272	1,839,150
Park Dedication	1,287,496	1,094,437		1,247,663	1,373,738	1,387,845
Tax Increment	7,692,065	7,870,539		12,259,273	6,586,003	3,686,918
Debt Service	6,362,028	2,726,165		2,635,521	2,693,499	2,626,667
Bond Funded Capital Improvements	17,485,834	7,751,174		4,083,564	2,902,068	2,189,727
Housing and Economic Development	-	-		-	827,821	843,610
Committed						
Parks and Recreation Programs and Maintenance	1,111,161	1,099,011		1,282,896	1,637,111	1,945,172
License Center Improvements	925,567	1,154,394		1,243,903	1,172,926	976,492
Equipment Replacement	359,115	653,669		844,302	1,041,002	1,125,426
Street Replacement	9,393,137	9,965,641		10,098,522	9,354,461	-
Assigned						
Capital project funds	5,283,935	5,308,484		3,612,552	3,529,937	12,137,748
Housing and Economic Development	-	-		-	3,004,072	3,385,668
Unassigned	 (10,315)	 -		-	 -	-
Total All Other Governmental Funds	\$ 51,069,816	\$ 38,976,591	\$	38,843,680	\$ 36,809,725	\$ 32,688,653

(modified accrual basis of accounting)

(amounts expressed in thousands)

					F	iscal Year		
		2008		2009		2010	2011	2012
Revenues							 	
Taxes	\$	15,817	\$	16,299	\$	17,958	\$ 15,574	\$ 17,462
Intergovernmental		1,476		2,833		3,900	3,299	2,995
Licenses and permits		1,374		1,335		1,098	1,638	1,532
Charges for services		4,439		5,797		5,117	5,190	5,248
Fines and forfeits		232		197		214	227	314
Special assessments		423		1,542		530	295	308
Investment earnings		1,354		634		1,030	668	326
Miscellaneous		751		513		1,106	 1,338	 804
Total revenues	-	25,866	-	29,150		30,953	 28,229	 28,989
Expenditures								
General government	\$	4,236	\$	4,194	\$	4,525	\$ 4,590	\$ 4,821
Public safety		7,589		7,393		8,794	8,314	8,780
Public works		2,256		2,082		2,361	2,279	2,183
Economic development		2,310		1,756		8,639	1,190	1,052
Recreation		3,611		3,506		3,638	3,623	3,688
Capital outlay		4,988		11,899		5,668	4,078	6,996
Debt service								
Principal		935		984		1,246	1,385	1,435
Interest		385		439		447	401	509
Other Charges		25		48			 46	 118
Total expenditures		26,335		32,301		35,318	 25,906	 29,582
Excess of revenues								
over (under) expenditures		(469)		(3,151)		(4,365)	2,323	(593)
Other financing sources (uses)								
Transfers in	\$	133	\$	144	\$	203	\$ 1,115	\$ 257
Transfers out		(108)		(119)		(178)	(1,090)	(231)
Refunding bonds issued		-		1,070		-	-	-
Discount on bonds issued		-		(6)		-	(100)	-
Bonds issued		2,550		1,155		-	10,000	-
Premium on bonds issued		17		22		-	-	1,445
Payments to refunded bond escrow agent		-		(1,045)		-	-	-
Proceeds from letter of credit		-		-		-	-	15,685
Sale of assets		50		105		63	 42	 31
Total other financing sources (uses)		2,642		1,326		88	 9,967	 17,187
Net change in fund balances	\$	2,173	\$	(1,825)	\$	(4,277)	\$ 12,290	\$ 16,593
Debt service as a percentage of noncapital expenditures		6.18%		6.97%		5.71%	8.18%	8.61%

⁽¹⁾ General Obligation Bonds Series 2003A were refunded with the General Obligation Bonds Series 2013A issuance. This caused an unusually high debt service as a percentage of noncapital expenditures percentage.

Sale of assets

Total other financing sources (uses)

Debt service as a percentage of noncapital

Net change in fund balances

expenditures

Last Ten Fiscal Years (modified accrual basis of accounting) (amounts expressed in thousands)

		2013		2014		2015		2016	2017	
Revenues				_						_
Taxes	\$	18,844	\$	19,962	\$	20,042	\$	22,235	\$	22,474
Intergovernmental		1,880		1,523		3,515		3,381		2,383
Licenses and permits		1,630		1,514		1,755		2,414		1,962
Charges for services		5,665		4,743		5,188		5,888		6,151
Fines and forfeits		237		205		136		107		90
Special assessments		179		214		171		302		131
Investment earnings		280		444		661		(132)		622
Miscellaneous		980		2,450		1,204		1,168		1,051
Total revenues		29,695		31,055		32,672		35,363		34,864
Expenditures										
General government	\$	5,651	\$	5,339	\$	5,752	\$	6,822	\$	7,342
Public safety	Ψ	9,111	Ψ	9,353	Ψ	9,683	•	10,086	Ψ	10,679
Public works		2,334		2,397		2,488		2,499		4,934
Economic development		1,017		1,280		1,114		4,602		3,944
Recreation		3,808		4,070		4,617		4,380		4,685
Capital outlay		10,155		14,098		10,552		9,822		4,836
Debt service		,		,		Ź		,		ĺ
Principal		1,230		6,355		2,595		2,660		2,760
Interest		925		990		877		849		789
Other Charges		83		-						
Total expenditures		34,314		43,882		37,678		41,720		39,969
Excess of revenues										
over (under) expenditures		(4,619)		(12,827)		(5,006)		(6,357)		(5,105)
Other financing sources (uses)										
Transfers in	\$	75	\$	1,001	\$	1,419	\$	2,579	\$	2,821
Transfers out		(50)		(219)		(637)		(1,774)		(2,944)
Refunding bonds issued		-		-		-		-		_
Discount on bonds issued		-		-		-		-		-
Bonds issued		-		-		3,060		-		-
Premium on bonds issued		194		-		186		-		-
Payments to refunded bond escrow agent		-		-		-		-		-
Proceeds from letter of credit		3,980		-		-		-		-
~		• • •								

210

(210)

8.92%

4,409

Fiscal Year

27

809

(12,018)

24.66%

(1)

531

4,559

(447)

12.80%

173

978

(5,379)

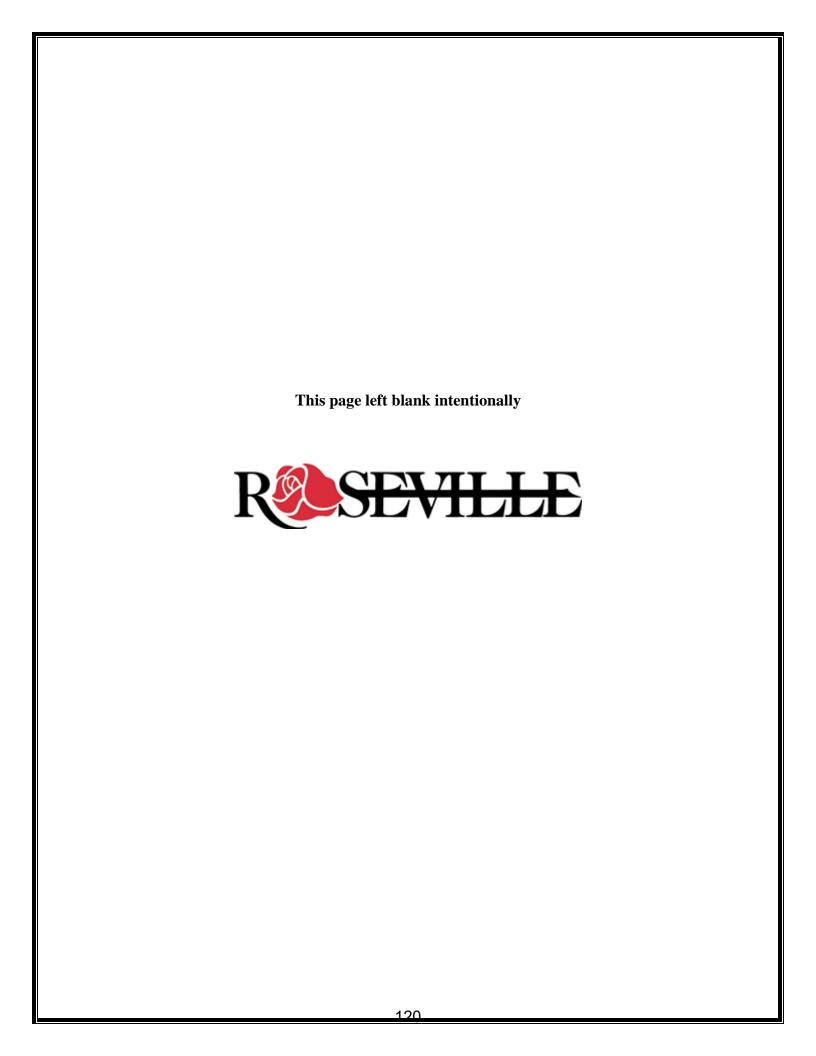
11.00%

144

21

(5,084)

10.10%



Fiscal Year	Property Tax	Tax Increments	Cable Franchise Taxes	Gambling Taxes	Total
2008	12,417,024	2,956,413	372,706	70,488	15,816,631
2009	12,553,187	3,288,562	375,551	81,274	16,298,574
2010	15,611,387	1,966,665	380,108	80,282	18,038,442
2011	13,501,068	1,592,214	393,657	86,952	15,573,891
2012	15,085,154	2,342,447	415,385	74,504	17,917,490
2013	16,895,804	1,607,882	424,812	76,272	19,004,770
2014	17,318,833	1,927,267	448,088	77,604	19,771,792
2015	17,710,161	2,220,661	436,851	83,879	20,451,552
2016	19,550,637	1,677,742	449,920	93,815	21,772,114
2017	20,730,169	1,191,202	452,123	58,581	22,432,075

	Real Property			Personal Property
Residential	Commercial		Gas &	Leased Machinery
Property	Property	Other	Electric	& Equipment
27,963,022	23,644,984	7,951,147	483,564	87,052
34,976,945	16,599,228	7,706,785	471,602	93,052
33,951,760	16,112,699	7,480,896	470,187	29,739
31,104,614	14,761,512	6,853,559	500,574	42,639
29,774,292	14,130,173	6,560,437	535,063	55,906
28,559,312	13,553,572	6,292,730	575,028	55,906
29,146,350	13,832,166	6,422,077	579,255	55,197
25,829,116	24,279,369	1,549,747	644,147	67,716
25,839,545	16,230,896	9,066,597	707,709	65,466
27,523,973	17,137,024	9,461,535	682,029	91,259
	27,963,022 34,976,945 33,951,760 31,104,614 29,774,292 28,559,312 29,146,350 25,829,116 25,839,545	Residential Property Commercial Property 27,963,022 23,644,984 34,976,945 16,599,228 33,951,760 16,112,699 31,104,614 14,761,512 29,774,292 14,130,173 28,559,312 13,553,572 29,146,350 13,832,166 25,829,116 24,279,369 25,839,545 16,230,896	Residential Property Commercial Property Other 27,963,022 23,644,984 7,951,147 34,976,945 16,599,228 7,706,785 33,951,760 16,112,699 7,480,896 31,104,614 14,761,512 6,853,559 29,774,292 14,130,173 6,560,437 28,559,312 13,553,572 6,292,730 29,146,350 13,832,166 6,422,077 25,829,116 24,279,369 1,549,747 25,839,545 16,230,896 9,066,597	Residential Property Commercial Property Other Gas & Electric 27,963,022 23,644,984 7,951,147 483,564 34,976,945 16,599,228 7,706,785 471,602 33,951,760 16,112,699 7,480,896 470,187 31,104,614 14,761,512 6,853,559 500,574 29,774,292 14,130,173 6,560,437 535,063 28,559,312 13,553,572 6,292,730 575,028 29,146,350 13,832,166 6,422,077 579,255 25,829,116 24,279,369 1,549,747 644,147 25,839,545 16,230,896 9,066,597 707,709

Sources: Ramsey County & League of MN Cities

Fiscal Year Ended December 31	Less: TIF & Fiscal Disparity Contribution (Net)	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assesed Value as a Percentage of Actual Value
2008	(8,447,095)	51,682,674	23.38%	4,522,375,200	1.11%
2009	(9,487,097)	48,558,184	24.54%	4,455,162,600	1.14%
2010	(8,191,870)	45,071,027	27.37%	4,288,071,400	1.13%
2011	(7,769,452)	45,459,056	29.76%	3,985,073,200	1.16%
2012	(8,386,165)	42,669,706	33.45%	3,751,962,400	1.14%
2013	(6,191,131)	42,845,417	38.90%	3,735,196,900	1.15%
2014	(7,114,388)	42,920,657	40.12%	3,814,082,800	1.13%
2015	(7,468,963)	44,901,131	39.33%	4,033,873,100	1.11%
2016	(6,700,122)	45,983,266	39.32%	4,067,077,000	1.13%
2017	(6,198,994)	49,475,356	38.56%	4,293,939,000	1.15%

		City of Roseville		Ramsey County		
Fiscal Year	Operating Tax Capacity	Debt Service Tax Capacity	Total City Tax Capacity	Total County Tax Capacity	Special Districts Tax Capacity	
2008	20.34%	3.04%	23.38%	44.02%	8.30%	
2009	21.11%	3.43%	24.54%	46.55%	8.13%	
2010	23.59%	3.78%	27.37%	50.25%	8.69%	
2011	26.82%	2.94%	29.76%	54.68%	9.11%	
2012	30.12%	3.33%	33.45%	61.32%	10.79%	
2013	33.42%	5.48%	38.90%	65.24%	12.05%	
2014	34.09%	6.03%	40.12%	63.74%	11.79%	
2015	33.78%	5.55%	39.33%	58.92%	11.13%	
2016	33.77%	5.55%	39.32%	58.89%	9.56%	
2017	33.38%	5.18%	38.55%	55.85%	9.04%	

Sources: Ramsey County & League of MN Cities

⁽¹⁾ Overlapping rates are those of local and county governments that apply to property owners within the City of Roseville. Not all overlapping rates apply to all City of Roseville property owners (e.g., the rates for special districts apply only to the portion of the government's property owners whose property is located within the geographic boundaries of the special district).

	Overlappin School District -		School Dist	Total	
Fiscal Year	Tax Capacity Based	Market Value Based Tax Rate	Total Capacity Based	Market Value Based Tax Rate	Direct & Overlapping Tax Capacity
2008	20.38%	0.18924%	10.62%	0.18134%	106.71%
2009	22.94%	0.18685%	12.98%	0.22290%	115.14%
2010	24.56%	0.18882%	13.07%	0.20374%	123.93%
2011	25.57%	0.19536%	14.57%	0.19715%	133.68%
2012	29.04%	0.21242%	17.07%	0.19591%	151.66%
2013	29.44%	0.22834%	15.46%	0.24553%	161.10%
2014	29.73%	0.21069%	16.25%	0.25826%	161.63%
2015	27.38%	0.21901%	17.18%	0.25930%	153.94%
2016	26.25%	0.22261%	20.96%	0.22104%	154.97%
2017	25.31%	0.20119%	18.89%	0.19350%	147.64%

		2017				2008	
Taxpayer	Taxes Levied	Rank	Percentage of Total Taxes Levied	-	Taxes Levied	Rank	Percentage of Total Taxes Levied
PPF Rtl Rosedale Shopping Ctr LLC	1,533,031	1	7.86%		102,729	4	0.80%
Gateway Washington Inc \$	427,116	2	2.19%	\$	171,610	2	1.33%
Magellan Pipeline Co LP	333,317	3	1.71%		_	-	-
St Paul Fire And Marine Ins Co	329,223	4	1.69%		-	-	-
Wilcal Crossroads LLC	323,457	5	1.66%		-	-	-
Rosedale Square LLC	270,456	6	1.39%		-	-	-
Rosedale Commons LP	211,092	7	1.08%		-	-	-
BRE Timberwolf Property Owner LLC	207,377	8	1.06%		-	-	-
Rosedale Marketplace Associate	188,692	9	0.97%		82,346	7	0.64%
Wal-mart Realty Company 2087	183,720	10	0.94%		-	-	-
Williams Bros Pipeline	-	-	-		124,579	3	0.97%
Veritas Technologies LLC	-	-	-		-	-	-
JTL Roseville Corp Center LLC	-	-	-		96,600	5	0.75%
Compass Retail, Inc.	-	-	-		426,287	1	3.31%
Kpers Realty Holding #41 INC	-	-	-		88,572	6	0.69%
Rosedale Properties LLC	-	-	-		76,277	8	0.59%
St Paul Properties	-	-	-		76,270	9	0.59%
Meritex Enterprises Inc.	-	-	-		74,777	10	0.58%
\$	4,007,482		20.54%	\$	1,320,047		10.25%

Source: Ramsey County

Collected within the Fiscal Year of the Levy

				Fiscal Year of th	e Levy		
	Fiscal Year	Total Tax			_	Total Collect	tions to Date
_	Ended Decemebr 31	Levy for Fiscal Year	Amount	Percentage of Levy	Collections from Homestead Credit	Amount	Percentage of Levy
	2008	12,896,360	12,305,759	95.42%	402,488	12,707,947	98.54%
	2009	13,138,860	12,553,187	95.54%	-	12,553,187	95.54%
	2010	14,282,404	14,099,407	98.72%	-	14,099,407	98.72%
	2011	14,703,044	13,501,068	91.82%	-	13,501,068	91.82%
	2012	14,962,294	14,814,570	99.01%	-	14,814,570	99.01%
	2013	17,319,826	16,861,841	97.36%	-	16,861,841	97.36%
	2014	18,028,721	17,318,833	96.06%	-	17,318,833	96.06%
	2015	18,276,902	17,592,866	96.26%	-	17,592,866	96.26%
	2016	18,944,720	17,663,506	93.24%	-	17,663,506	93.24%
	2017	19,513,060	18,131,382	92.92%	-	18,131,382	92.92%

	Gov	vernmental Activi	ties				
Fiscal Year	General Obligation Bonds	Special Assessment Bonds	Tax Increment Revenue Bonds	Certificate of Indebtedness	Total Primary Government	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2008	7,890,000	2,130,000	-	2,550,000	12,570,000	0.28%	369
2009	8,465,000	1,750,000	-	2,550,000	12,765,000	0.29%	374
2010	7,860,000	1,330,000	-	2,330,000	11,520,000	0.29%	337
2011	17,175,000	890,000	-	2,070,000	20,135,000	0.51%	598
2012	33,594,996	435,000	-	1,800,000	35,829,996	0.95%	1,060
2013	36,927,216	225,000	-	1,525,000	38,677,216	1.04%	1,122
2014	30,953,624	-	-	1,240,000	32,193,624	0.81%	934
2015	28,525,032	-	3,246,065	945,000	32,716,097	0.81%	927
2016	26,041,440	-	3,246,065	640,000	29,927,505	0.74%	849
2017	23,492,848	-	3,208,661	325,000	27,026,509	0.63%	754

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

⁽¹⁾ See the schedule of Assessed Value and Estimated Actual Value of Taxable Property for the estimated actual taxable value.

⁽²⁾ See Population on Demographic & Economic Statistics schedule.

Fiscal Year	General Obligation Debt	Resources Restricted for Repayment (4)	Net General Bonded Debt (4)	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)	Estimated (3) Personal Income (amounts expressed in whole dollars)	Outstanding Debt to Personal income
2008	12,570,000	N/A	N/A	0.28%	368.63	1,602,820,426	0.78%
2009	12,765,000	N/A	N/A	0.29%	374.35	1,632,080,437	0.78%
2010	11,520,000	N/A	N/A	0.27%	337.06	1,561,148,506	0.74%
2011	20,135,000	1,807,185	18,327,815	0.51%	598.19	1,582,289,280	1.27%
2012	35,829,996	1,683,056	36,994,160	0.95%	1,010.06	1,644,947,199	2.18%
2013	38,677,216	2,493,489	32,203,727	1.04%	933.82	1,590,632,264	2.43%
2014	30,780,000	3,024,612	27,755,388	0.81%	805.06	1,604,133,804	2.01%
2015	29,470,032	2,635,521	26,834,511	0.81%	760.06	1,660,052,814	1.97%
2016	26,681,440	2,693,499	23,987,941	0.74%	680.62	1,707,818,508	1.75%
2017	23,817,848	2,626,667	21,191,181	0.63%	591.34	1,784,095,260	1.51%

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

- (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
- (2) Population data can be found in the Schedule of Demographic and Economic Statistics.
- (3) This estimated personal income number is calculated by taking the per capita personal income of Ramsey County and multiplying it by the City population.
- (4) Implementation of GASB 54 in 2011

Unaudited

Governmental Unit	No	Gross Debt et of Refunding	Percentage Applicable to Roseville	Amount Applicable to Roseville	
Direct Debt:					
City of Roseville	\$	23,817,848	100%	\$	23,817,848
Overlapping Debt*					
School District #621	\$	993,335,000	8%	\$	79,466,800
School District #623		46,221,601	61%	\$	28,195,177
Special School District #916		79,875,000	8%	\$	6,390,000
Metropolitan Council		1,484,038,432	1%	\$	14,840,384
Metropolitan Airports Commission		1,496,190,000	1%	\$	14,961,900
Ramsey County		193,602,000	9%	\$	17,424,180
Total Overlapping Debt		4,293,262,033			161,278,441
Total Direct and Overlapping Debt	\$	4,317,079,881		\$	185,096,289

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

LEGAL DEBT MARGIN INFORMATION Last Ten Fiscal Years

	Fiscal Year								
	2008		2009		2010	2011	2012		
Debt Limit	\$ 135,671,256	\$	133,654,878	\$	128,642,142	\$ 119,552,196	\$ 112,558,872		
Total net debt applicable to limit	10,440,000		11,015,000		9,035,000	18,090,000	32,795,000		
Legal debt margin	\$ 125,231,256	\$	122,639,878	\$	119,607,142	\$ 101,462,196	\$ 79,763,872		
Total net debt applicable to the limit as a percentage of debt limit	7.70%		8.24%		8.24%	15.13%	29.14%		
				Fiscal Year					
				F	Fiscal Year				
	2013		2014	F	Fiscal Year 2015	2016	2017		
Debt Limit	2013 \$ 112,055,907	\$	2014 114,422,484	F		2016 \$ 122,012,310	2017 \$ 128,818,170		
Debt Limit Total net debt applicable to limit		\$			2015				
	\$ 112,055,907	\$ \$	114,422,484		2015 121,016,193	\$ 122,012,310	\$ 128,818,170		

Legal Debt Margin Calculation for Fiscal Year 2017

Eight 2 to thing in childhauton to	
Estimated Market Value	\$ 4,293,939,000
Debt Limit (3% of total estimated market value)	128,818,170
Debt applicable to limit:	
Total Bonded Debt	27,026,509
Less:	
Special Assessment Bonds	-
Housing Bonds	
Total net debt applicable to limit	27,026,509
Legal Debt Margin	\$ 101,791,661
Less: Special Assessment Bonds Housing Bonds Total net debt applicable to limit	27,026,50

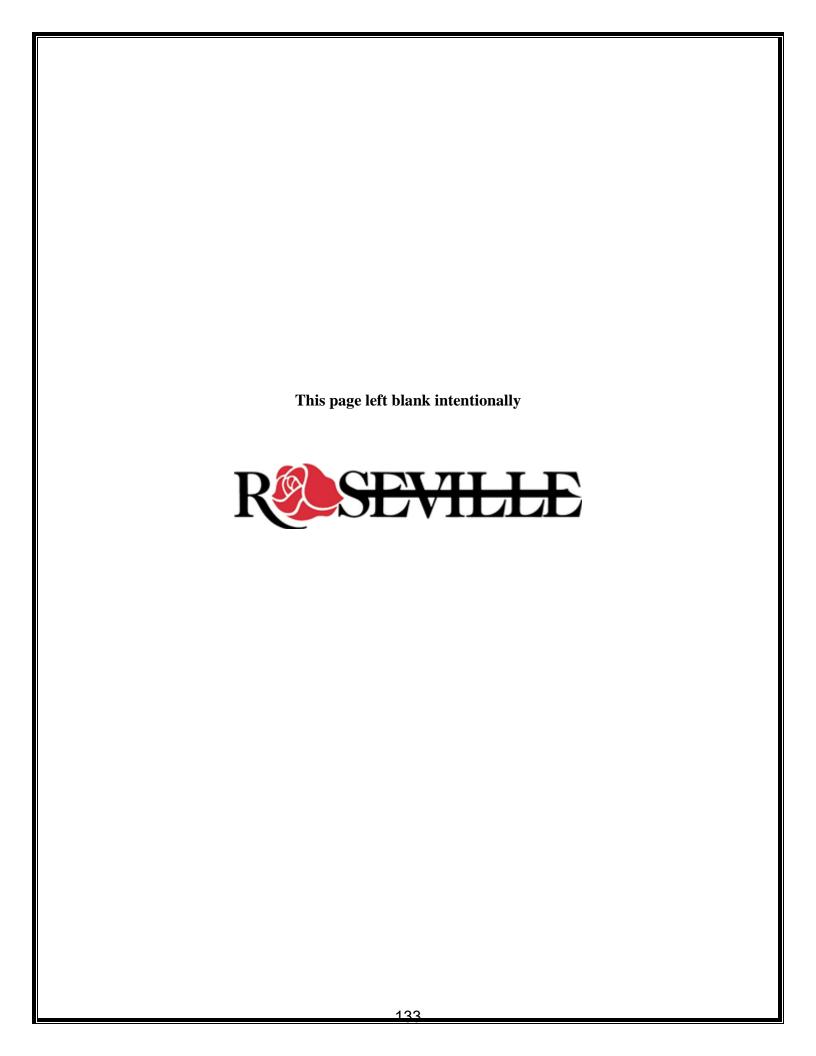
Note: Under Minnesota state law, the City of Roseville's net debt cannot exceed 3 percent of the estimated $market\ value\ of\ property.\ This\ limit\ increased\ from\ 2\%\ to\ 3\%\ in\ calendar\ 2008.$

Fiscal Year	Population (1)	Estimated Personal Income (2)	Per Capita Personal income (3)	School Enrollment District #623 (4)	School Enrollment District #621 (4)	Unemployment Rate (5)
2008	34,099	1,602,820,426	47,005	6,486	9,792	5.7%
2009	34,099	1,632,080,437	47,863	6,400	9,674	7.0%
2010	34,178	1,561,148,506	45,677	6,444	9,849	5.5%
2011	33,660	1,582,289,280	47,008	6,588	9,765	4.5%
2012	33,807	1,644,947,199	48,657	6,804	9,948	4.4%
2013	34,486	1,590,632,264	46,124	7,587	10,236	4.3%
2014	34,476	1,604,133,804	46,529	7,397	10,504	3.2%
2015	35,306	1,660,052,814	47,019	7,507	10,759	3.0%
2016	35,244	1,707,818,508	48,457	7,580	11,145	3.0%
2017	35,836	1,784,095,260	49,785	7,581	11,285	2.5%

- (1) Population and per capita income figures, other than census year, are estimates provided by the Metropolitan Council. The last census was taken in the year 2010.
- (2) This estimated personal income number is calculated by taking the per capita personal income of Ramsey County and multiplying it by the City population. Also see note (3) regarding the Per Capita Personal Income figures.
- (3) The per capita personal income used is for that of Ramsey County, in which the city resides, the smallest region applicable to the City that this information is available for. In addition, the 2009 2011 figures are an estimate for the State of Minnesota provided by the Bureau of Economic Analysis as there were no other relavent estimates available at the time of this report.
- (4) The City is served by two independent school districts.

 District #623 covers approximately 67% of the City, while District #621 covers approximately 33% of the City. Accordingly, not all students enrolled in District #621 live in the City of Roseville.

 Information is provided by the Roseville and Moundsview School Districts.
- (5) Annual average unemployment provided by the Minnesota Department of Employment & Economic Development



		2017		2008			
<u>Employer</u>	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	
A'Viands, LLC	1,900	1	9.78%	-	-	-	
Cernx MN, LLC	1,500	2	7.72%	-	-	-	
Kindred Healthcare, Inc	822	3	4.23%	-	-	-	
Roseville Area Schools	808	4	4.16%	950	3	5.19%	
MN Dept. of Transportation	650	5	3.35%	1500	1	8.19%	
Presbyterian Homes Housing	650	6	3.35%	1120	2	6.12%	
Symantec Corp	500	7	2.57%	430	6	2.35%	
University-Northwestern-St Pl	500	8	2.57%	553	4	3.02%	
Ignite Restaurant Groups, Inc.	438	9	2.25%				
Minnesota Department-Education	429	10	2.21%	430	5	2.35%	
McGough Construction	-	-	-	400	9	2.18%	
JC Penny	-	-	-	300	10	1.64%	
Macy's	-	-	-	400	8	2.18%	
Target	-	-	-	407	7	2.22%	
Total	8,197		42.19%	6,490		35.44%	

Sources: Minnesota Department of Employment and Economic Development Annual Dunn & Bradstreet Report

-	Fiscal Year									
_	2008	2009	2010	2011	2012	2013	2014	2015 (1)	2016	2017
Function										
General government	33.5	33.5	34	34	35.5	39.3	40.75	41.25	45.19	47.85
Public safety										
Police	58	58	56.5	56.5	57	54.25	54.5	63.5	62.99	58.66
Fire	8	8	8	7	6	6	11	26.5	26.88	18.35
Public Works	17.25	17.25	16.75	16.74	16.47	15.75	15.75	18.5	19.29	18.11
Recreation	22.25	22.25	21.25	20.25	22.25	23	24	45.25	48.76	49.16
Economic Development	10.9	10.9	10.9	10.9	9.9	10	11	13.5	14.06	13.16
Water	6.17	6.17	6.17	7.29	7.54	6.62	6.97	8.5	7.41	7.92
Sewer	5.16	5.16	5.66	3.71	3.71	5.47	5.12	5.75	5.41	5.21
Golf	2.5	2.5	2.5	2.5	1.75	1.75	1.75	4.5	3.28	3.82
Recycling	-	-	-	-	-	0.3	0.3	0.25	0.3	0.3
Storm Drainage	3.42	3.42	3.42	4.01	4.03	4.87	4.87	4.75	4.9	4.79
Total	160.40	165.15	167.15	167.15	164.15	167.31	176.01	232.25	238.47	227.33

⁽¹⁾ In 2015 the Finance Department discovered a new method to calculate and better represent the number of full-time equivalents employed by the City. The new calculation includes temporary or seasonal employee hours that were previously difficult to account for, which explains the large increase from 2014 to 2015.

	Fiscal Year				
	2008	2009	2010	2011	2012
Function					
Police					
Serious offenses	3,001	2,669	2,551	2,810	2,758
Public Assistance Calls	38,052	35,000	38,000	36,571	34,665
Traffic citations	8,062	8,138	8,551	8,404	10,503
Fire	0,002	0,150	0,001	0,.0.	10,000
Fire incidents	4,300	4,036	4,225	4,290	4,383
Fire inspections	1,800	1,051	1,011	1,050	473
Public Works	-,	-,	-,	-,	
Street patching (tons)	1,006	1,000	900	920	715
Sealcoating (miles)	15	14	14	15	14
Snow / ice control (miles)	125	125	125	125	125
Sign repair / replacements	197	300	524	254	150
Recreation					
Recreation and leisure participations	112,725	112,800	112,700	112,750	112,730
Facility usage permits	1,115	1,095	1,080	1,075	1,060
Economic Development	-,	-,	-,	-,-,-	-,
Building permits issued	1,254	1,307	1,146	1,714	1,508
Number of inspections	6,051	5,509	5,306	4,826	5,020
Planning / zoning cases	45	35	29	30	35
Water					
Meters repaired / replaced	554	519	592	780	590
Water main breaks	38	33	29	29	21
Hydrants repaired / flushed	1,706	1,711	1,711	1,836	1,799
Annual water pumped	,	,-	,	,	,
(thousands of gallons)	2,066,694	2,081,975	1,807,879	1,857,404	1,996,677
Sewer	,,	, ,	,,	,,	,,
Sewer pipes repaired / replaced (linear feet)	5,000	8,162	5,457	15,109	21,900
Sewer pipes cleaned (linear feet)	276,000	237,000	261,000	274,560	274,673
Sewer pipes televised (linear feet)	61,497	72,772	89,260	59,567	67,794
Annual sewer flow	. ,	. ,	,	,	,
(thousands of gallons)	2,066,694	2,081,976	1,157,210	1,399,720	1,213,440
Golf	, ,	, ,	, ,	, ,	, ,
Number of rounds played	31,147	30,458	28,325	25,518	25,929
Recycling	,	,	,	,	,
Materials collected (tons)	3,750	2,697	3,321	3,244	3,173
Storm Drainage	,	,	,	,	,
Sweeping (centerline miles)	125	125	125	125	125
Leaf collection (Cubic yards)	20,000	20,000	20,000	20,000	20,000
Structure inspections	71	350	258	500	400
Infrastructure repair / replace (linear feet)	188	242	96	128	70

Sources: Various city departments

(1) In 2015, the leaf collection program was cancelled and not used in 2016.

Public Normal		Fiscal Year				
Police		2013	2014	2015	2016	2017
Scrious offenses 2,522 3,008 3,096 3,243 3,263 Public Assistance Calls 34,942 32,624 33,549 36,058 36,378 Traffic citations 10,823 9,250 6,138 4,232 2,459 Fire incidents 4,668 4,701 4,746 4,997 4,793 Fire inspections 673 565 495 285 557 Public Works 810 7,70 655 402 262 Seacoating (miles) 13 10 0 0 0 Street patching (tons) 810 7,70 655 612 625 Sealcoating (miles) 13 10 0 0 0 Sing repair yeplacements 140 131 369 490 345 Recreation 12,825 113,000 115,000 110,000 137,000 Facility usage permits 1,170 1,200 1,440 1,509 1,619 Econemic Development 10	Function					
Scrious offenses 2,522 3,008 3,096 3,243 3,263 Public Assistance Calls 34,942 32,624 33,549 36,058 36,378 Traffic citations 10,823 9,250 6,138 4,232 2,459 Fire incidents 4,668 4,701 4,746 4,997 4,793 Fire inspections 673 565 495 285 557 Public Works 810 7,70 655 402 262 Seacoating (miles) 13 10 0 0 0 Street patching (tons) 810 7,70 655 612 625 Sealcoating (miles) 13 10 0 0 0 Sing repair yeplacements 140 131 369 490 345 Recreation 12,825 113,000 115,000 110,000 137,000 Facility usage permits 1,170 1,200 1,440 1,509 1,619 Econemic Development 10	Police					
Public Assistance Calls		2,522	3.008	3.096	3.243	3.263
Traffic citations 10,823 9,250 6,138 4,232 2,459 Fire Fire incidents 4,468 4,701 4,746 4,997 4,793 Fire inspections 673 565 495 285 557 Public Works 810 770 655 612 625 Scalcoating (miles) 13 10 0 0 0 Snow / ice control (miles) 125 125 125 125 Sign repair / replacements 140 131 369 490 342 Recreation 112,825 113,000 115,000 110,000 370 Recreation and leisure participations 112,825 113,000 1,440 1,595 1,691 Economic Development 112,825 113,000 1,600 1,595 1,691 Economic Development 11,601 5,246 5,685 5,543 4,716 Building permits issued 1,763 1,539 1,874 1,625 1,370			,	,		
Fire 4,468 4,701 4,746 4,997 4,793 Fire inspections 673 565 495 285 557 Public Works 810 770 655 612 625 Sealcoating (miles) 13 10 0 0 0 Sone/ rice control (miles) 125 125 125 125 125 Sign repair/ replacements 140 131 369 490 342 Recreation and leisure participations 112,825 113,000 115,000 110,000 37,000 Facility usage permits 1,170 1,200 1,440 1,595 137,000 Economic Development 1 1,763 1,539 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / Zoning cases 27 33 26 32 23 Water main breaks 27 49 31 40 35 Hydrants repair				,	,	
Fire incidents 4,468 4,701 4,746 4,997 4,793 Fire inspections 673 565 495 285 557 Public Works 810 770 655 612 625 Scalcoating (miles) 13 10 0 0 0 Snow / ice control (miles) 125 125 125 125 125 Sign repair / replacements 140 131 369 490 342 Recreation 112,825 113,000 115,000 110,000 37,000 Facility usage permits 1,170 1,200 1,440 1,595 1,691 Economic Development 1 1,620 1,640 1,595 1,691 Economic Development 1 1,633 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / Zoning cases 27 4 5,485 1,650 5,681 1,00 36		10,025	>,200	0,150	.,232	2,.55
Fire inspections 673 565 495 285 557 Public Works 810 770 655 612 625 Street patching (tons) 810 770 655 612 625 Seal coating (miles) 13 10 0 0 0 Sonow / ice control (miles) 125<		4,468	4.701	4.746	4.997	4.793
Public Works				,		
Street patching (tons) 810 770 655 612 625 Sealcoating (miles) 13 10 0 0 0 Snow / ice control (miles) 125 125 125 125 125 125 Sign repair / replacements 140 131 369 490 342 Recreation 112,825 113,000 115,000 110,000 137,000 Facility usage permits 1,170 1,200 1,440 1,595 1,691 Economic Development 1,176 1,539 1,874 1,625 1,370 Building permits issued 1,763 1,539 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / zoning cases 27 33 26 32 23 Water Meters repaired / replaced 900 1,100 5,836 1,000 780 Water main breaks 27 49 31 40 35	1					
Sealcoating (miles) 13 10 0 0 Snow / ice control (miles) 125 <		810	770	655	612	625
Snow / ice control (miles) 125 120 440 420 1270 1200	1 0 7	13	10	0	0	0
Sign repair / replacements 140 131 369 490 342 Recreation Recreation and leisure participations 112,825 113,000 115,000 110,000 137,000 Facility usage permits 1,170 1,200 1,440 1,595 1,691 Economic Development 1 1,763 1,539 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / zoning cases 27 33 26 32 23 Water Meters repaired / replaced 900 1,100 5,836 1,000 780 Mater main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 1,885 Annual water pumped (fluousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer pies repaired / replaced (linear feet) 39,827 33,312 30,348 31,042		125	125	125	125	125
Recreation and leisure participations 112,825 113,000 115,000 110,000 137,000 Facility usage permits 1,170 1,200 1,440 1,595 1,691 Economic Development 1,763 1,539 1,874 1,625 1,370 Building permits issued 1,763 1,539 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / zoning cases 27 33 26 32 23 Water 800 1,100 5,836 1,000 780 Meters repaired / replaced 900 1,100 5,836 1,000 780 Water main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer pipes repaired / replaced (linear feet) 39,827 33,312		140	131	369	490	342
Facility usage permits 1,170 1,200 1,440 1,595 1,691 Economic Development 1,763 1,539 1,874 1,625 1,370 Building permits issued 1,763 1,539 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / zoning cases 27 33 26 32 23 Water 800 1,100 5,836 1,000 780 Meters repaired / replaced 900 1,100 5,836 1,000 35 Hydrants repaired / flushed 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes televised (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet	Recreation					
Facility usage permits 1,170 1,200 1,440 1,595 1,691 Economic Development 1,763 1,539 1,874 1,625 1,370 Building permits issued 1,763 1,539 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / zoning cases 27 33 26 32 23 Water 800 1,100 5,836 1,000 780 Meters repaired / replaced 900 1,100 5,836 1,000 35 Hydrants repaired / flushed 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes televised (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet	Recreation and leisure participations	112,825	113,000	115,000	110,000	137,000
Economic Development Building permits issued 1,763 1,539 1,874 1,625 1,370 Number of inspections 5,574 5,246 5,685 5,543 4,716 Planning / zoning cases 27 33 26 32 23 Water Meters repaired / replaced 9900 1,100 5,836 1,000 780 Water main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 0 Structure inspections 200 113 169 181 322		1,170	1,200	1,440	1,595	1,691
Number of inspections Planning / zoning cases 5,574 5,246 5,685 5,543 4,716 Planning / zoning cases 27 33 26 32 23 Water Water repaired / replaced 900 1,100 5,836 1,000 780 Water main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Recycling Materials collected (tons) 3,26<						
Planning / zoning cases 27 33 26 32 23 Water Meters repaired / replaced 900 1,100 5,836 1,000 780 Water main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 39,827 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150	Building permits issued	1,763	1,539	1,874	1,625	1,370
Water Meters repaired / replaced 900 1,100 5,836 1,000 780 Water main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage 3 125 125	Number of inspections	5,574	5,246	5,685	5,543	4,716
Meters repaired / replaced 900 1,100 5,836 1,000 780 Water main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage 3,226 125 1	Planning / zoning cases	27	33	26	32	23
Water main breaks 27 49 31 40 35 Hydrants repaired / flushed 1,875 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer (thousands of gallons) 39,827 33,312 30,348 31,042 39,916 Sewer pipes repaired / replaced (linear feet) 39,827 230,923 282,740 258,564 241,031 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage 25,200 20,000	Water					
Hydrants repaired / flushed 1,875 1,875 1,875 1,885 1,885 Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 0 Structure inspections 200 113 169	Meters repaired / replaced	900	1,100	5,836	1,000	780
Annual water pumped (thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 125 125 125 125 125	Water main breaks	27	49	31	40	35
(thousands of gallons) 1,826,482 1,650,069 1,645,610 1,653,881 1,640,606 Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322	Hydrants repaired / flushed	1,875	1,875	1,875	1,885	1,885
Sewer Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322	Annual water pumped					
Sewer pipes repaired / replaced (linear feet) 39,827 33,312 30,348 31,042 39,916 Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 0 Structure inspections 200 113 169 181 322	(thousands of gallons)	1,826,482	1,650,069	1,645,610	1,653,881	1,640,606
Sewer pipes cleaned (linear feet) 255,672 230,923 282,740 258,564 241,031 Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322	Sewer					
Sewer pipes televised (linear feet) 40,166 15,312 95,044 71,804 79,844 Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322		39,827			,	
Annual sewer flow (thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 125 125 125 125 125		255,672	230,923	282,740	258,564	,
(thousands of gallons) 1,243,730 1,248,820 1,134,520 1,133,420 1,202,980 Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322		40,166	15,312	95,044	71,804	79,844
Golf Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322						
Number of rounds played 24,282 25,186 25,663 25,905 22,500 Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322		1,243,730	1,248,820	1,134,520	1,133,420	1,202,980
Recycling Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 0 Structure inspections 200 113 169 181 322						
Materials collected (tons) 3,226 3,150 3,305 3,241 3,261 Storm Drainage Sweeping (centerline miles) 125 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322		24,282	25,186	25,663	25,905	22,500
Storm Drainage Sweeping (centerline miles) 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322						
Sweeping (centerline miles) 125 125 125 125 Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 Structure inspections 200 113 169 181 322	. ,	3,226	3,150	3,305	3,241	3,261
Leaf collection (Cubic yards) (1) 20,000 20,000 20,000 0 0 Structure inspections 200 113 169 181 322	e					
Structure inspections 200 113 169 181 322						
			,			
Infrastructure repair / replace (linear feet) 1,049 1,233 2,074 2,940 809						
	Infrastructure repair / replace (linear feet)	1,049	1,233	2,074	2,940	809

Unaudited

	Fiscal Year					
	2008	2009	2010	2011	2012	
Function						
Public Safety						
Police:						
Stations	1	1	1	1	1	
Patrol Units	27	27	34	36	33	
Fire Stations	3	3	3	2	2	
Public Works						
Streets (miles)	123	123	122	125	125	
Street Lights	1,125	1,125	1,125	1,125	1,133	
Recreation						
Parks and playgrounds	30	30	30	30	30	
Lighted park shelters	8	8	8	8	8	
Parks Acreage	685	685	685	685	685	
Skating Rinks						
Outdoor	8	8	8	8	12	
Indoor	1	1	1	1	1	
Golf Course	1	1	1	1	1	
Ballfields	41	41	41	41	41	
Soccer/football fields	8	8	8	8	8	
Tennis Courts	17	17	17	17	17	
Volleyball Courts	9	9	9	9	6	
Basketball Courts	8	8	8	8	8	
Miles of Trails	69	69	69	69	69	
Water						
Number of connections	10,271	10,300	10,261	10,303	10,303	
Water mains (miles)	166	166	166	166	166	
Fire Hydrants	1,711	1,711	1,711	1,711	1,711	
Water purchased from St. Paul						
(thousands of gallons)	2,066,694	2,081,975	1,807,879	1,857,404	1,996,677	
Sewer						
Number of connections	10,015	10,021	10,188	10,200	10,130	
Sanitary sewers (miles)	156	156	156	156	156	
Storm drainage						
Storm sewers (miles)	145	145	145	145	145	

Sources: Various city departments

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

(Page 2 of 2) Unaudited

	Fiscal Year					
	2013	2014	2015	2016	2017	
Function						
Public Safety						
Police:						
Stations	1	1	1	1	1	
Patrol Units	38	38	38	38	37	
Fire Stations	1	1	1	1	1	
Public Works						
Streets (miles)	125	125	125	125	125	
Street Lights	1,133	1,133	1,133	1,145	1,145	
Recreation						
Parks and playgrounds	30	30	30	32	32	
Lighted park shelters	8	5	5	5	5	
Parks Acreage	685	685	685	685	685	
Skating Rinks						
Outdoor	10	10	11	11	11	
Indoor	1	1	1	1	1	
Golf Course	1	1	1	1	1	
Ballfields	41	21	21	21	21	
Soccer/football fields	8	19	19	19	19	
Tennis Courts	17	17	17	17	17	
Volleyball Courts	6	5	5	5	5	
Basketball Courts	9	15	15	15	15	
Miles of Trails	69	71	71	71	71	
Water						
Number of connections	10,303	10,303	10,311	10,224	10,278	
Water mains (miles)	166	166	166	166	166	
Fire Hydrants	1,711	1,711	1,711	1,711	1,711	
Water purchased from St. Paul						
(thousands of gallons)	1,826,482	1,650,069	1,645,610	1,653,881	1,640,606	
Sewer						
Number of connections	10,130	10,130	10,135	10,159	10,208	
Sanitary sewers (miles)	156	156	156	156	156	
Storm drainage						
Storm sewers (miles)	145	145	145	145	145	

