

CITY OF ROSEVILLE, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2021



PREPARED BY THE FINANCE DEPARTMENT



On the Cover: Oasis at Twin Lakes

Developer: Dominion/Launch Properties

Project: Affordable apartments and retail

Total Development Cost: \$130 million (housing only)

Public Financing:

Tax increment financing: \$7.4 million (PAYGO, 17 year term)

Met Council Tax Base Revitalization Account cleanup grant: \$722,500

MN DEED Contamination Cleanup Grant: \$179,514

Ramsey County Environmental Response Funds: \$210,260

The developers are redeveloping the Boater's Outlet site into two apartment projects (277 units of senior affordable and 224 units of family affordable housing) in combination with 56,000 sf of retail uses along County Road C. The City is providing assistance in the form of separate PAYGO tax increment financing notes for each apartment building. The remainder of the project's financing comes from federal 4% low income housing tax credits (LIHTC), bonds, and conventional mortgages.

As of October 21, the Oasis on the west is nearing completion and will start occupancy this winter. The environmental cleanup on the Harbor portion on the east is complete and footings/foundation has begun, with anticipated completion in 2022.

To learn more about the many development projects happening in Roseville, visit <https://www.growroseville.com/>.

City of Roseville, Minnesota
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June 15, 2022

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, 2021.

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, 2021 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, 2021, 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 36,787. 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 82 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 83-84 and 98-102.

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 annual comprehensive financial report (ACFR) for the fiscal year ended December 31, 2020. This was the 42th 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 ACFR. 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 ACFR 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 City also received its 26th GFOA Distinguished Budget Presentation Award for its annual budget document dated January 1, 2021. 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

A handwritten signature in black ink that reads "Michelle Pietrick". The script is cursive and fluid.

Michelle Pietrick
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Roseville
Minnesota**

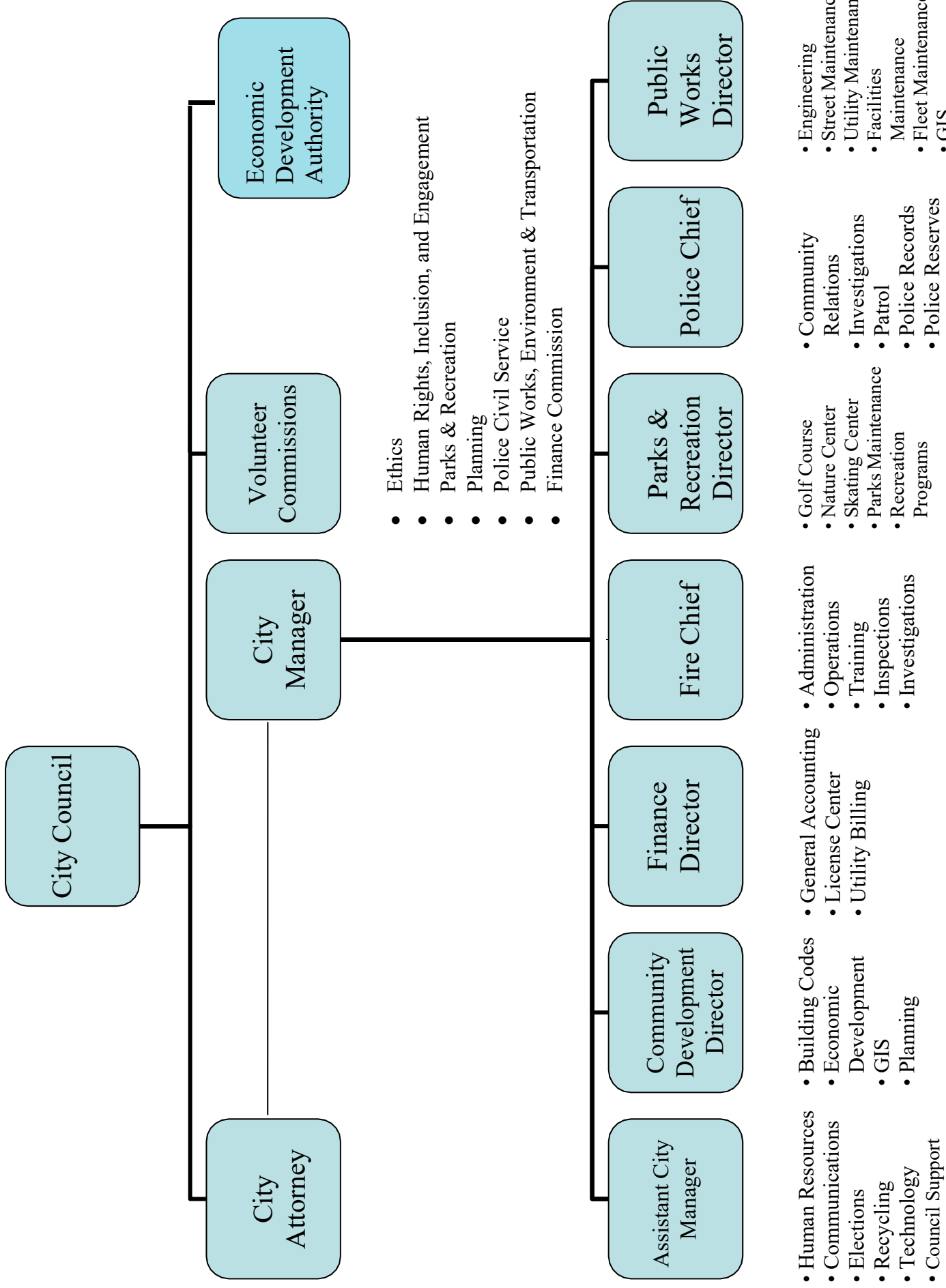
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

City of Roseville Organizational Chart



City of
ROSEVILLE
Minnesota, USA **Officials**
December 31, 2021

Elected Officials

Mayor	Dan Roe	Term expires 12/31/2022
Council	Julie Strahan	Term expires 12/31/2024
Council	Jason Etten	Term expires 12/31/2024
Council	Wayne Groff	Term expires 12/31/2022
Council	Robert Willmus	Term expires 12/31/2022

Appointed Officials

City Manager	Pat Trudgeon
Finance Director	Michelle Pietrick
Police Chief	Erika Scheider
Fire Chief	David Brosnahan
Public Works Director	Marc Culver
Parks & Recreation Director	Lonnie Brokke
Community Development Director	Janice Gundlach

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Financial Section

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Roseville, Minnesota, as of and for the year ended December 31, 2021, 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.

In our opinion, the accompanying 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, 2021, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Governmental Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and the schedules of OPEB and pension information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by 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 because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2022 on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Roseville, Minnesota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Roseville, Minnesota's internal control over financial reporting and compliance.

Redpath and Company, Ltd.

REDPATH AND COMPANY, LTD.
St. Paul, Minnesota

June 15, 2022

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CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

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, 2021. 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 through 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 \$206,461,952 (Net position). Of this amount, \$24,229,768 (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 increased by \$9,415,677.
- As of the close of the current fiscal year, the City of Roseville's governmental activities reported combined ending unrestricted net position of \$23,015,928.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$8,383,918 or 46% of total general fund expenditures.
- The City of Roseville total bonded debt decreased by \$7,040,000 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).

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-

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

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 13 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, ARPA, Community Development, Debt Service, Revolving Improvements, Economic Increments Construction and Street Construction, all of which are considered 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, Storm Drainage and Solid Waste Recycling operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for 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

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

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 75, 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

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

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 \$206,461,952 as of December 31, 2021. This represents an increase of \$9,415,677 from the previous year.

By far the largest portion of the City of Roseville's net position (81.9% 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 2021	Governmental Activities 2020	Business-Type Activities 2021	Business-Type Activities 2020	Total 2021	Total 2020
Current and other assets	\$64,920,956	\$62,301,392	\$7,689,503	\$8,658,053	\$72,610,459	\$70,959,445
Capital assets	139,607,360	142,559,123	47,345,020	41,906,633	186,952,380	184,465,756
Total Assets	204,528,316	204,860,515	55,034,523	50,564,686	259,562,839	255,425,201
Deferred outflows of resources		5,807,609		157,593	-	3,025,539
Long-term liabilities						
Outstanding	30,842,682	43,383,482	3,869,082	4,240,546	34,711,764	47,624,028
Other liabilities	8,170,205	5,401,100	3,475,711	3,074,723	11,645,916	8,475,823
Total Liabilities	39,012,887	48,784,582	7,344,793	7,315,269	46,357,680	56,099,851
Deferred inflows of resources		8,159,490		84,787	-	1,581,240
Net Position						
Net investment in capital assets	122,909,657	123,848,344	46,274,802	39,212,702	169,184,459	163,061,046
Restricted	13,047,725	19,318,584	-	-	13,047,725	19,318,584
Unrestricted	23,015,928	10,557,124	1,213,840	4,109,521	24,229,768	14,666,645
Total Net Position	\$158,973,310	\$153,724,052	\$47,488,642	\$43,322,223	\$206,461,952	\$197,046,275

A portion of the 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 - \$24,229,768 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.

Analysis of the City's Operations – Governmental activities increased the City of Roseville's net position by \$5,249,258; Business-type activities increased Roseville's net position by \$4,166,419; for an overall increase of \$9,415,677. Key elements of this increase are as follows:

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

CONDENSED STATEMENT OF CHANGES IN NET POSITION

	Governmental Activities 2021	Governmental Activities 2020	Business-Type Activities 2021	Business-Type Activities 2020	Total 2021	Total 2020
Revenues						
Program Revenues						
Charges for services	\$12,302,588	\$11,017,147	\$17,280,874	\$17,346,626	\$29,583,462	\$28,363,773
Operating grants and Contributions	4,816,658	4,905,134	280,245	236,960	5,096,903	5,142,094
Capital grants and Contributions	885,421	2,236,032	1,177,519	28,125	2,062,940	2,264,157
General Revenues						
Property taxes	24,252,351	23,376,184	-	-	24,252,351	23,376,184
Other taxes	1,634,490	1,338,047	-	-	1,634,490	1,338,047
Grants & contributions not Restricted to specific Programs	-	-	-	-	-	-
Investment earnings	436,027	319,237	19,226	6,574	455,253	325,811
Net Increase (decrease) in fair value of investments	(998,170)	285,640	(29,378)	8,827	(1,027,548)	294,467
Gain on Sale of capital asset	10,139	90,058	-	8,029	10,139	98,087
Total Revenues	\$43,339,504	\$43,567,479	\$18,728,486	\$17,635,141	\$62,067,990	\$61,202,620
Expenses						
General government	\$9,700,733	\$10,031,213	\$ -	\$ -	\$9,700,733	\$10,031,213
Public safety	12,199,339	13,334,603	-	-	12,199,339	13,334,603
Public works	5,784,692	5,804,335	-	-	5,784,692	5,804,335
Economic development	3,536,319	2,766,163	-	-	3,536,319	2,766,163
Recreation	6,345,259	5,847,653	-	-	6,345,259	5,847,653
Interest on debt	523,904	660,497	-	-	523,904	660,497
Sanitary sewer	-	-	4,569,332	4,748,858	4,569,332	4,748,858
Water	-	-	7,406,174	6,654,634	7,406,174	6,654,634
Golf	-	-	501,318	480,815	501,318	480,815
Storm drainage	-	-	1,498,814	1,814,662	1,498,814	1,814,662
Recycling	-	-	586,429	638,481	586,429	638,481
Total Expenses	\$ 38,090,246	\$ 38,444,464	\$ 14,562,067	\$ 14,337,450	\$ 52,652,313	\$ 52,781,914
Change in Net Position before Transfers	\$5,249,258	\$5,123,015	\$4,166,419	\$3,297,691	\$9,415,677	\$8,420,706
Transfers	-	-	-	-	-	-
Increase (decrease) in Net position	5,249,258	5,123,015	4,166,419	3,297,691	9,415,677	8,420,706
Net position, January 1	\$153,724,052	\$148,601,037	\$43,322,223	\$40,024,532	197,046,275	188,625,569
Net position on December 31st	\$158,973,310	\$153,724,052	\$47,488,642	\$43,322,223	\$206,461,952	\$197,046,275

CITY OF ROSEVILLE, MINNESOTA

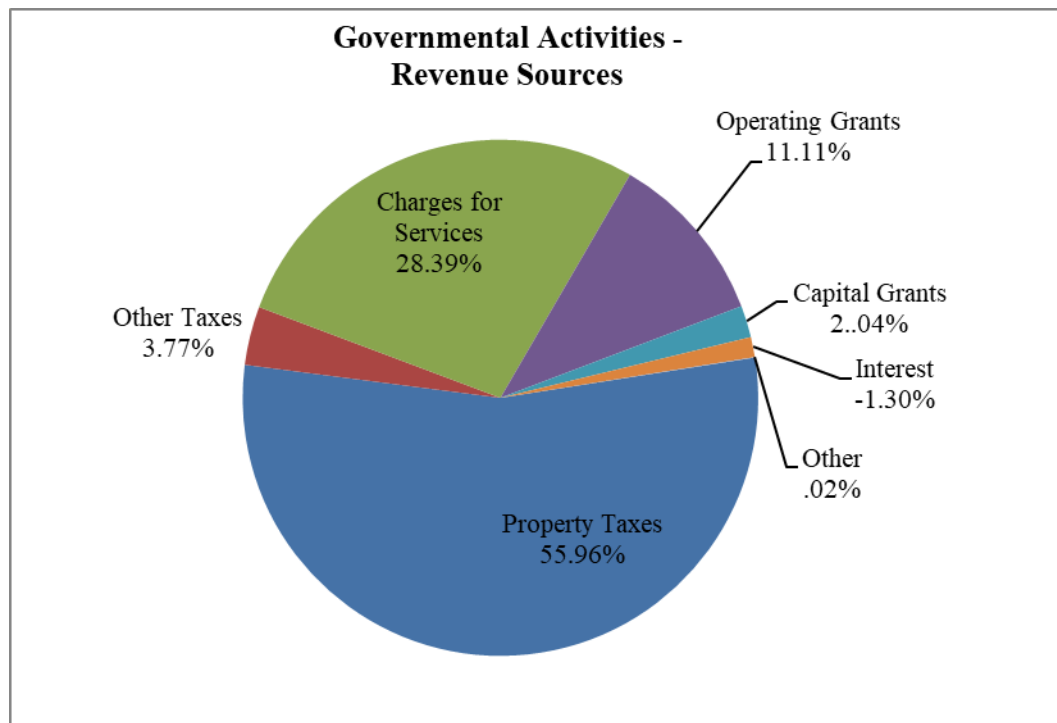
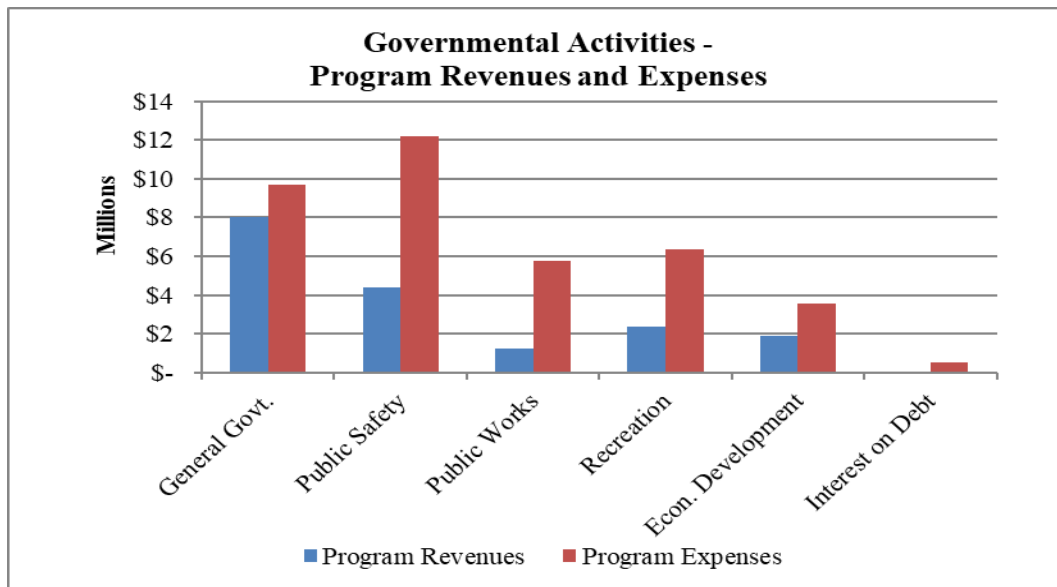
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Governmental Activities

The increase in net position resulted from a \$953,000 increase in recreation program charges for services, which is almost back to pre-pandemic levels. In addition, the city increased property taxes by \$876,000 in 2021.

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



CITY OF ROSEVILLE, MINNESOTA

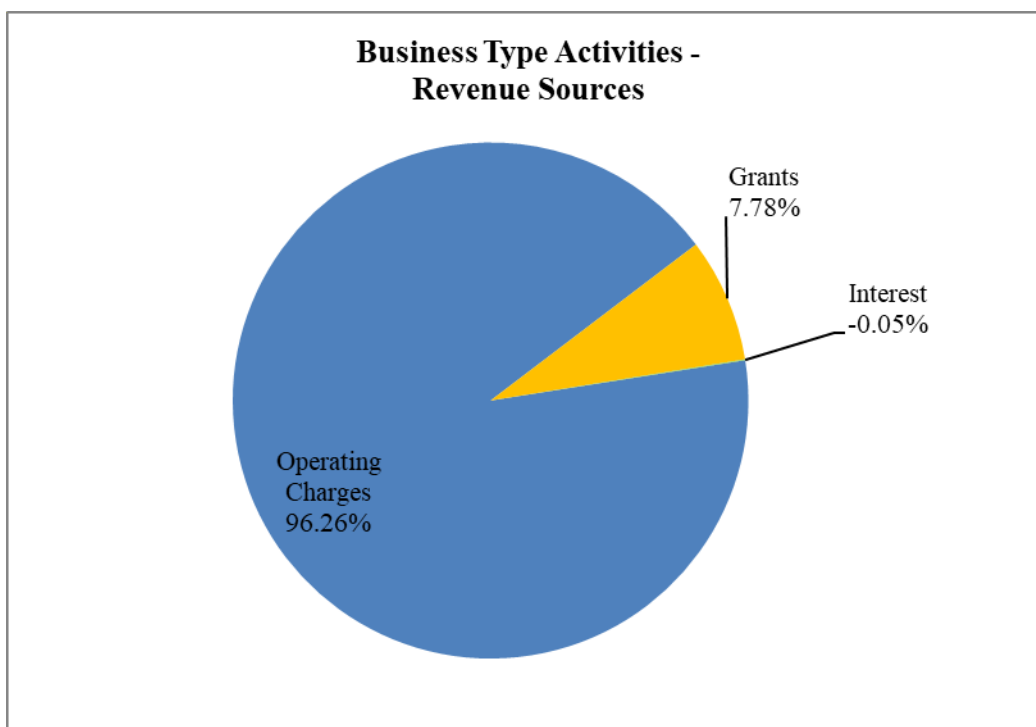
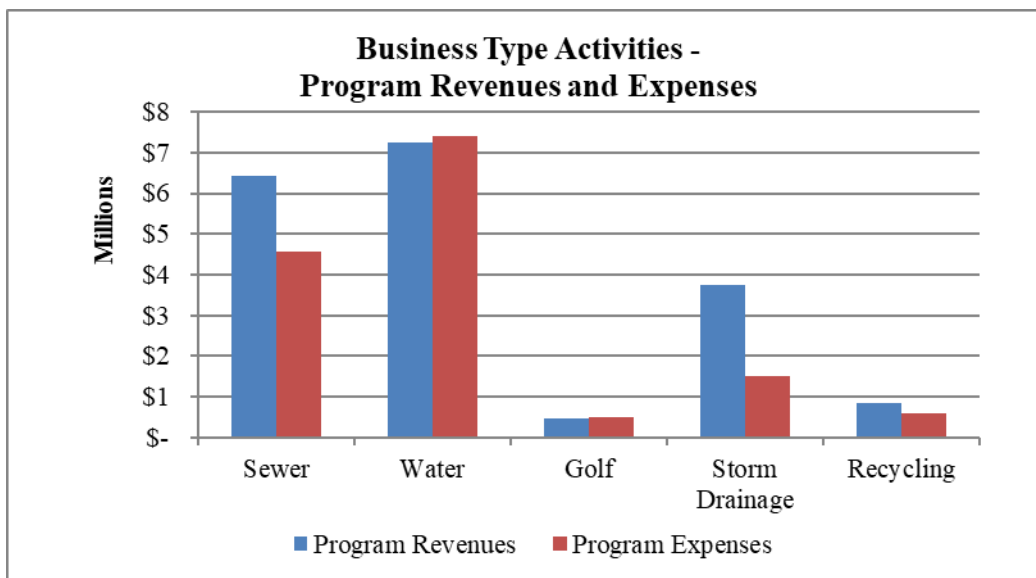
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

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 2021 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.



CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

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 \$46,092,615. Approximately 71.7% of this total amount \$33,044,890 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 - \$6,031,720, 2) for tax increment financing activities - \$3,733,220, 3) debt service - \$2,383,400 and 4) housing and economic development - \$899,385.

The General Fund increased \$1,194,211 due to planned increases in property tax revenues of 4.7%.

The Recreation Fund increased by \$310,011, due mainly to increased program charges for services as the participation rebounded from the pandemic in 2020.

The Community Development fund increased by \$287,549 due to license and permits revenue activity that was higher than anticipated in 2021. The increased revenue can be attributed to some development projects of multi-unit housing developments in 2021 as well as home remodeling projects.

The Debt Service Fund decreased by \$5,049,366 largely due to the refunding of the City's 2011A series general obligation bonds in 2021, with proceeds from a 2020 bond issue.

The Revolving Improvements Fund increased by \$151,221 mainly due to some capital asset expenditures delayed until 2022 due to supply chain issues.

The Economic Increments Construction Fund accounts for the activities in the City's Tax Increment Financing (TIF) Districts. The Fund's balance increased by \$369,266 due to receipt of new district tax increment received in 2021 but not scheduled to be expended until 2022.

The Street Construction Fund decreased by \$432,421 mainly due to planned use of reserves for capital projects in 2021.

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 Sanitary Sewer fund net position increased by \$1,860,353 in 2021. This was a result of an increase in sanitary sewer services used in 2021 and an increase in the rates charged.

The Water fund net position decreased by \$160,211, which was a result of increased repairs and maintenance costs for water main breaks.

The Golf fund net position decreased by \$47,353 in 2021. This fund historically has not covered depreciation costs, but increased usage fees covered half of the depreciation expense in 2021. As a comparison, in 2020 the net position decreased by \$116,838.

The Storm Drainage fund net position increased by \$2,250,135 in 2021. This was a result of an increase in the rates charged in 2021 and a reduction in maintenance costs in 2021.

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The Solid Waste Recycling fund net position increased by \$263,495 in 2021. This was a result of increased rates charged in 2021 and increased revenue sharing as prices achieved on disposal of recyclables were significantly better than 2020.

The unrestricted net position in the respective proprietary funds is Sewer - \$1,455,406; Water – \$0; Golf - \$0; Storm - \$1,352,499 and Recycling - \$370,681. Overall, net position increased \$4,166,419 reflecting positive cash flow from utility rates, which were designated for future capital replacements.

General Fund Budgetary Analysis

The General Fund balance increased by \$1,194,211 in 2021. The General Fund property tax revenue was \$169,079 more than the final budget due settlement of prior year property tax petitions. The general fund miscellaneous revenue was more than the final budget due to the receipt of \$350,000 of conduit debt fees, which are unusual in occurrence. The General Fund Public Safety function was \$68,570 under budget because of staffing vacancies. The Public works function was \$143,667 under budget due to reduction in maintenance and repairs needed during 2021. The General Fund was over budget in transfers in for 2021 primarily due to \$439,822 swept from Information technology and recreation funds based on the city's excess fund balance policy and transfer of \$141,988 from the ARPA fund to cover premium pay for police and fire personnel.

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

CAPITAL ASSETS

The City of Roseville's investment in capital assets for its governmental and business type activities as of December 31, 2021, amounts to \$186,952,380 (net of accumulated depreciation) – an increase of \$2,486,624 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:

- Approximately \$2 million in improvements to the City's streets and sidewalks
- Approximately \$6.9 million in improvements to the City's sewer line, water lines, lift stations and storm drainage infrastructure.

CAPITAL ASSETS AT YEAR-END NET OF ACCUMULATED DEPRECIATION

	Governmental Activities 2021	Governmental Activities 2020	Business-Type Activities 2021	Business-Type Activities 2020	Total 2021	Total 2020
Land & easements	\$37,072,750	\$37,072,750	\$893,298	\$893,299	\$37,966,048	\$37,966,049
Buildings	25,305,416	26,259,582	2,520,896	2,587,458	27,826,312	28,847,040
Improvements other Than buildings	5,691,661	5,979,415	266,088	327,697	5,957,749	6,307,112
Machinery & equipment	8,004,506	8,942,901	930,613	1,165,381	8,935,119	10,108,282
Infrastructure	61,439,457	60,681,783	39,620,077	35,852,833	101,059,534	96,534,616
Construction in progress	2,093,570	3,622,692	3,114,048	1,079,965	5,207,618	4,702,657
Total Capital Assets	<u>\$139,607,360</u>	<u>\$142,559,123</u>	<u>\$47,345,020</u>	<u>\$41,906,633</u>	<u>\$186,952,380</u>	<u>\$184,465,756</u>

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.

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2021

LONG-TERM OBLIGATIONS

At the end of the current fiscal year, The City of Roseville had total long-term debt outstanding of \$18,670,000. Of this amount:

- \$385,000 for housing improvements
- \$8,540,000 for the general obligation for remaining construction of a new fire station and for various parks renewal projects
- \$4,775,000 for the refunding of general obligation bonds that financed the original construction of a new fire station and to make various park improvements
- \$2,405,000 in general obligation tax increment revenue bonds to finance public improvements within Tax Increment Financing District No. 17
- \$2,565,000 in general obligation water revenue bonds to finance the replacement of water infrastructure capital assets

OUTSTANDING DEBT GENERAL OBLIGATION IMPROVEMENT BONDS AND CERTIFICATES OF INDEBTEDNESS

	Governmental Activities 2021	Governmental Activities 2020	Business-Type Activities 2021	Business-Type Activities 2020	Total 2021	Total 2020
General obligation						
Tax Increment Revenue Bonds	\$2,405,000	\$2,605,000	\$ -	\$ -	\$2,405,000	\$2,605,000
Municipal bonds	13,700,000	20,540,000	2,565,000	2,565,000	16,265,000	23,105,000
Total Outstanding Debt	<u>\$16,105,000</u>	<u>\$23,145,000</u>	<u>\$2,565,000</u>	<u>\$2,565,000</u>	<u>\$18,670,000</u>	<u>\$25,710,000</u>

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 \$163,774,434. \$16,105,000 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 report.

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 2022 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.

Basic Financial Statements

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and cash equivalents	\$ 50,244,781	\$ 2,572,554	\$ 52,817,335
Receivables			
Accounts	632,982	3,723,003	4,355,985
Taxes	1,088,842	-	1,088,842
Investment interest	173,362	5,156	178,518
Special assessments	1,383,493	449,589	1,833,082
Due from other governments	2,585,022	699,679	3,284,701
Notes	2,165,375	-	2,165,375
Inventories	3,716	-	3,716
Prepays	82,818	239,522	322,340
Assets held for resale	10,410	-	10,410
Net pension asset - fire relief	7,038,136	-	7,038,136
Capital Assets Not Being Depreciated			
Land	29,340,857	893,298	30,234,155
Easements	7,731,893	-	7,731,893
Construction in Progress	2,093,570	3,114,048	5,207,618
Capital Assets Net of Accumulated Depreciation			-
Buildings	25,305,416	2,520,896	27,826,312
Improvements other than Buildings	5,691,661	266,088	5,957,749
Machinery, equipment, and vehicles	8,004,506	930,613	8,935,119
Infrastructure	61,439,457	39,620,077	101,059,534
Total Assets	205,016,297	55,034,523	260,050,820
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension resources	12,081,073	591,825	12,672,898
LIABILITIES			
Accounts payable	1,821,574	1,836,812	3,658,386
Accrued payroll	690,889	59,177	750,066
Contracts and retainage payable	96,658	10,000	106,658
Bond interest payable	184,279	17,919	202,198
Due to other governmental units	1,378,146	45,928	1,424,074
Unearned revenue	3,090,226	-	3,090,226
Deposits payable	908,433	1,533,794	2,442,227
Noncurrent Liabilities:			
Due Within One Year	2,729,707	257,793	2,987,500
Due in More than One Year	28,112,975	3,583,370	31,696,345
Total Liabilities	39,012,887	7,344,793	46,357,680
DEFERRED INFLOWS OF RESOURCES			
Deferred pension resources	18,623,191	792,916	19,416,107
NET POSITION			
Net Investment in Capital Assets	122,812,999	46,264,802	169,077,801
Restricted for:			
Law enforcement	333,661	-	333,661
Telecommunication	94,361	-	94,361
Lawful Gambling	1,842	-	1,842
Community development	4,395,971	-	4,395,971
Park dedication	1,205,885	-	1,205,885
Tax increment	3,733,220	-	3,733,220
Debt service	2,383,400	-	2,383,400
Housing and Economic Development	899,385	-	899,385
Unrestricted	23,600,568	1,223,840	24,824,408
Total Net Position	\$ 159,461,292	\$ 47,488,642	\$ 206,949,934

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 9,700,733	\$ 7,169,949	\$ 888,307	\$ -	\$ (1,642,477)	\$ -	\$ (1,642,477)	
Public safety	12,199,338	2,503,363	1,807,440	101,923	\$ (7,786,612)	-	(7,786,612)	
Public works	5,784,692	273,086	388,278	583,308	\$ (4,540,020)	-	(4,540,020)	
Economic development	3,536,319	180,564	1,727,590	-	\$ (1,628,165)	-	(1,628,165)	
Recreation	6,345,259	2,175,626	5,043	200,190	\$ (3,964,400)	-	(3,964,400)	
Interest on long-term debt	523,904	-	-	-	\$ (523,904)	-	(523,904)	
Total governmental activities	38,090,245	12,302,588	4,816,658	885,421	\$ (20,085,578)	-	(20,085,578)	
Business-type activities:								
Sewer	4,569,332	6,162,785	-	274,096		1,867,549	1,867,549	
Water	7,406,174	7,244,014	2,108	-		(160,052)	(160,052)	
Golf	501,318	454,586	-	-		(46,732)	(46,732)	
Storm Drainage	1,498,814	2,654,349	190,624	903,423		2,249,582	2,249,582	
Recycling	586,429	765,140	87,513	-		266,224	266,224	
Total business-type activities	14,562,067	17,280,874	280,245	1,177,519	-	4,176,571	4,176,571	
Total primary government	\$ 52,652,312	\$ 29,583,462	\$ 5,096,903	\$ 2,062,940	\$ (20,085,578)	\$ 4,176,571	\$ (15,909,007)	
General revenues:								
Property taxes					24,252,351		24,252,351	
Tax increments					1,211,482		1,211,482	
Cable franchise taxes					385,750		385,750	
Gambling taxes					37,258		37,258	
Unrestricted investment earnings					436,027	19,226	455,253	
Unrestricted net increase(decrease) in the fair value of investments					(510,189)	(29,378)	(539,567)	
Gain on sale of capital assets					10,139	0	10,139	
Total general revenues					25,822,818	(10,152)	25,812,666	
Change in net position					5,737,240	4,166,419	9,903,659	
Net position, January 1					153,724,052	43,322,223	197,046,275	
Net position - ending					\$ 159,461,292	\$ 47,488,642	\$ 206,949,934	

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

	Special Revenue				
	General	Recreation	ARPA	Community Development	Debt Service
ASSETS					
Cash and investments	\$ 11,385,630	\$ 1,911,965	\$ 1,102,743	\$ 4,740,263	\$ 2,304,136
Investment interest receivable	36,896	6,894	6,634	16,230	7,983
Accounts receivable	43,823	233,922	-	170	-
Inventories	-	-	-	-	-
Taxes receivable	638,819	128,235	-	-	99,108
Special assessments receivable	25,109	528	-	-	75,385
Due from other governments	137,313	-	1,992,051	-	-
Due from other funds	-	-	-	-	-
Notes receivable	-	-	-	1,234,613	-
Property held for sale	-	-	-	-	-
Prepaid items	60,863	-	-	-	-
TOTAL ASSETS	12,328,453	2,281,544	3,101,428	5,991,276	2,486,612
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	762,460	219,431	11,202	54,161	-
Accrued payroll	456,114	79,304	-	43,437	-
Contracts and retention payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governmental units	83,276	21,973	-	1,248,718	-
Unearned Revenue	-	-	3,090,226	-	-
Deposits payable	683,219	1,058	-	197,501	-
Total Liabilities	1,985,069	321,766	3,101,428	1,543,817	-
Deferred Inflows of Resources					
Unavailable Revenue - due from other governments	-	-	-	-	-
Unavailable Revenue - property taxes	179,364	36,005	-	-	27,827
Unavailable Revenue - special assessments	-	-	-	-	75,385
Total Deferred Inflows of Resources	179,364	36,005	-	-	103,212
FUND BALANCE					
Nonspendable	60,863	-	-	-	-
Restricted					
Law Enforcement	333,661	-	-	-	-
Telecommunications	-	-	-	-	-
Lawful Gambling	-	-	-	-	-
Community Development	-	-	-	4,447,459	-
Park Dedication	-	-	-	-	-
Tax Increment	-	-	-	-	-
Debt Service	-	-	-	-	2,383,400
Housing and Economic Development	-	-	-	-	-
Committed					
Street Replacement	-	-	-	-	-
Assigned					
Parks and Recreation Programs and Maintenance	-	1,923,773	-	-	-
License Center Improvements	-	-	-	-	-
Information Technology	-	-	-	-	-
Engineering Services	538,106	-	-	-	-
Accounting Service	16,857	-	-	-	-
General Governmental Services	-	-	-	-	-
General Service Reserve	706,946	-	-	-	-
Capital Projects	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-
Unassigned	8,507,587	-	-	-	-
Total Fund Balances	10,164,020	1,923,773	-	4,447,459	2,383,400
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 12,328,453	\$ 2,281,544	\$ 3,101,428	\$ 5,991,276	\$ 2,486,612

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

	Revolving Improvements	Economic Increments Construction	Street Construction	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 11,937,761	\$ 3,763,219	\$ 4,549,527	\$ 6,565,090	\$ 48,260,334
Investment interest receivable	40,673	12,938	15,593	22,819	166,660
Accounts receivable	29,214	-	-	325,853	632,982
Inventories	-	-	-	3,716	3,716
Taxes receivable	137,877	7,939	47,899	28,965	1,088,842
Special assessments receivable	-	-	1,282,471	-	1,383,493
Due from other governments	128,577	-	139,191	187,890	2,585,022
Due from other funds	-	-	1,500,000	10,000	1,510,000
Notes receivable	-	-	-	930,762	2,165,375
Property held for sale	-	-	-	10,410	10,410
Prepaid items	20,855	-	-	1,100	82,818
TOTAL ASSETS	12,294,957	3,784,096	7,534,681	8,086,605	57,889,652
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	93,918	-	153,986	492,532	1,787,690
Accrued payroll	-	-	-	112,034	690,889
Contracts and retention payable	93,400	-	3,258	-	96,658
Due to other funds	1,500,000	10,000	-	-	1,510,000
Due to other governmental units	-	-	-	24,179	1,378,146
Unearned Revenue	-	-	-	-	3,090,226
Deposits payable	21,655	-	-	5,000	908,433
Total Liabilities	1,708,973	10,000	157,244	633,745	9,462,042
Deferred Inflows of Resources					
Unavailable Revenue - due from other governments	128,577	-	78,860	-	207,437
Unavailable Revenue - property taxes	38,712	-	13,449	7,919	303,276
Unavailable Revenue - special assessments	-	-	1,282,471	-	1,357,856
Total Deferred Inflows of Resources	167,289	-	1,374,780	7,919	1,868,569
FUND BALANCE					
Nonspendable	-	-	-	1,100	61,963
Restricted					
Law Enforcement	-	-	-	-	333,661
Telecommunications	-	-	-	94,607	94,607
Lawful Gambling	-	-	-	2,479	2,479
Community Development	-	-	-	-	4,447,459
Park Dedication	1,205,885	-	-	-	1,205,885
Tax Increment	-	3,774,096	-	-	3,774,096
Debt Service	-	-	-	-	2,383,400
Housing and Economic Development	-	-	-	899,385	899,385
Committed					
Street Replacement	-	-	6,002,657	-	6,002,657
Assigned					
Parks and Recreation Programs and Maintenance	-	-	-	-	1,923,773
License Center Improvements	-	-	-	364,574	364,574
Information Technology	-	-	-	1,897,601	1,897,601
Engineering Services	-	-	-	-	538,106
Accounting Service	-	-	-	-	16,857
General Governmental Services	-	-	-	-	-
General Service Reserve	-	-	-	-	706,946
Capital Projects	9,212,810	-	-	-	9,212,810
Housing and Economic Development	-	-	-	4,185,195	4,185,195
Unassigned	-	-	-	-	8,507,587
Total Fund Balances	10,418,695	3,774,096	6,002,657	7,444,941	46,559,041
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 12,294,957	\$ 3,784,096	\$ 7,534,681	\$ 8,086,605	\$ 57,889,652

Capital assets (net of depreciation) used in governmental activities and are not financial resources and therefore, are not reported in the funds. 139,607,360
Long term liabilities including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds. (30,704,780)
Internal service funds are used by management to charge the cost of insurance to individual funds. 1,635,084
Other long term assets are not available to pay for current-period expenditures and, therefore, are deferred or are not reported in the funds. 8,906,705
Governmental funds do not report long term amounts related to pensions
Deferred outflow of resources 12,081,073
Deferred inflow of resources (18,623,191)

Net position of governmental activities \$ 159,461,292

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

City of Roseville, Minnesota
**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021**
Statement 4

(Page 1 of 2)

	General	Special Revenue			
		Recreation	ARPA	Community Development	Debt Service
REVENUES					
General property taxes	\$ 14,439,519	\$ 2,878,856	\$ -	\$ -	\$ 2,224,959
Tax increment	-	-	-	-	-
Intergovernmental revenue	1,961,885	-	893,876	-	-
Licenses and permits	544,456	-	-	1,946,888	-
Gambling taxes	-	-	-	-	-
Charges for services	1,253,914	1,952,155	-	49,705	-
Fines and forfeits	62,025	-	-	-	-
Cable franchise taxes	-	-	-	-	-
Rentals	-	46,110	-	-	-
Donations	35,860	57,499	-	-	-
Special assessments	84	62	-	35	34,564
Investment income	-	-	-	-	-
Interest earned on investments	91,665	16,057	-	39,013	30,091
Increase (decrease) in fair value of investments	(120,867)	(38,231)	-	(44,925)	(45,881)
Miscellaneous Revenue	442,940	47,196	-	2,755	-
Total Revenues	18,711,481	4,959,704	893,876	1,993,471	2,243,733
EXPENDITURES					
Current					
General government	3,079,613	-	20,935	-	-
Public safety	12,428,765	-	-	954,953	-
Public works	2,644,033	-	-	-	-
Economic development	-	-	42,953	699,481	-
Recreation	-	4,570,031	-	-	-
Capital outlay	-	-	-	-	-
Debt service	-	-	-	-	-
Bond principal	-	-	-	-	7,040,000
Interest and other charges - Bonds	-	-	-	-	532,030
Total Expenditures	18,152,411	4,570,031	63,888	1,654,434	7,572,030
Excess (Deficiency) of Revenues Over (Under) Expenditures	559,070	389,673	829,988	339,037	(5,328,297)
OTHER FINANCING SOURCES (USES)					
Transfers in	758,810	-	-	-	278,931
Transfers out	-	(79,662)	(829,988)	-	-
Sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	758,810	(79,662)	(829,988)	-	278,931
Net Change in Fund Balances	1,317,880	310,011	-	339,037	(5,049,366)
FUND BALANCES, January 1	8,846,140	1,613,762	-	4,108,422	7,432,766
FUND BALANCES, December 31	\$ 10,164,020	\$ 1,923,773	\$ -	\$ 4,447,459	\$ 2,383,400

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

City of Roseville, Minnesota
**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**
GOVERNMENTAL FUNDS

For the Fiscal Year Ended December 31, 2021

Statement 4

(Page 2 of 2)

	Capital Projects			Other Governmental Funds	Intra Activity Eliminations	Total Governmental Funds
	Revolving Improvements	Economic Increments Construction	Street Construction			
REVENUES						
General property taxes	\$ 3,095,322	\$ -	\$ 1,075,323	\$ 656,960	\$ -	\$ 24,370,939
Tax increment	-	1,211,482	-	-	-	1,211,482
Intergovernmental revenue	214,437	100,000	485,904	1,727,590	-	5,383,692
Licenses and permits	141,573	-	-	-	-	2,632,917
Gambling taxes	-	-	-	37,258	-	37,258
Charges for services	354	-	-	4,791,607	-	8,047,735
Fines and forfeits	-	-	-	-	-	62,025
Cable franchise taxes	-	-	-	385,750	-	385,750
Rentals	170,076	-	-	460,212	-	676,398
Donations	-	-	-	129,731	-	223,090
Special assessments	-	-	101,979	206	-	136,930
Investment income						
Interest earned on investments	99,971	31,615	39,902	72,038	-	420,352
Increase (decrease) in fair value of investments	(98,573)	(32,463)	(53,405)	(58,736)	-	(493,081)
Miscellaneous Revenue	85,031	-	-	49,293	-	627,215
Total Revenues	3,708,191	1,310,634	1,649,703	8,251,909	-	43,722,702
EXPENDITURES						
Current						
General government	210,986	-	-	5,992,746	-	9,304,280
Public safety	243,232	-	-	-	-	13,626,950
Public works	233,189	-	71,947	-	-	2,949,169
Economic development	-	623,780	-	2,217,334	-	3,583,548
Recreation	281,399	-	-	-	-	4,851,430
Capital outlay	819,600	-	1,960,761	41,680	-	2,822,041
Debt service						
Bond principal	-	-	-	-	-	7,040,000
Interest and other charges - Bonds	-	-	-	-	-	532,030
Total Expenditures	1,788,406	623,780	2,032,708	8,251,760	-	44,709,448
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,919,785	686,854	(383,005)	149	-	(986,746)
OTHER FINANCING SOURCES (USES)						
Transfers in	125,000	2,219	-	688,000	(1,852,960)	-
Transfers out	(2,219)	(278,931)	-	(662,160)	1,852,960	-
Sale of capital assets	28,440	-	-	-	-	28,440
Total Other Financing Sources (Uses)	151,221	(276,712)	-	25,840	-	28,440
Net Change in Fund Balances	2,071,006	410,142	(383,005)	25,989	-	(958,306)
FUND BALANCES, January 1	8,347,689	3,363,954	6,385,662	7,418,952	-	47,517,347
FUND BALANCES, December 31	\$ 10,418,695	\$ 3,774,096	\$ 6,002,657	\$ 7,444,941	\$ -	\$ 46,559,041

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

City of Roseville, Minnesota**Statement 5**

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended December 31, 2021

(Page 1 of 1)

Net Change in Fund Balances - Total Governmental Funds	\$	(958,306)
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Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlay as expenditures and do not report capital contributions. 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 and capital contributions are reported as program revenue.	(2,853,784)
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Net effect of sales, trade-ins and retirements of capital assets	(97,979)
--	----------

Issuance of long-term debt (e.g., bonds)	-
--	---

Payments on general obligation debt	7,040,000
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Premium on general obligation bonds amortized	154,681
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Net change due to internal service funds incorporated into statement of activities	(172,366)
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Net change in net pension obligation - City	2,172,385
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Net change in net pension asset - Fire Relief	852,102
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Net change in net pension obligation - OPEB	31,322
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Change in compensated absences	(243,956)
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Change in bond interest payable	8,126
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Adjustment for modified accrual revenue recognition related to Special assessments, delinquent property tax and delinquent tax increment	(194,985)
--	-----------

Change in Net Position of Governmental Activities	\$	<u>5,737,240</u>
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The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Sanitary Sewer	Water	Golf Course	Storm Drainage	Solid Waste Recycling	Totals	
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 454,540	\$ 1,153,268	\$ 88,106	\$ 584,682	\$ 291,958	\$ 2,572,554	\$ 1,984,447
Investment interest receivable	2,037	-	315	1,824	980	5,156	6,702
Accounts receivable	1,300,534	1,464,889	-	796,245	161,335	3,723,003	-
Special assessments	400,499	15,904	-	33,186	-	449,589	-
Due from other funds	-	-	-	-	-	-	-
Due from other governmental units	274,096	-	-	425,583	-	699,679	-
Prepaid Items	239,522	-	-	-	-	239,522	-
Total Current Assets	2,671,228	2,634,061	88,421	1,841,520	454,273	7,689,503	1,991,149
Noncurrent Assets							
Capital Assets							
Land	-	-	319,892	573,406	-	893,298	-
Buildings	50,566	1,490,784	2,650,556	-	-	4,191,906	-
Improvements other than buildings	-	11,972	394,039	1,050,683	-	1,456,694	-
Machinery, equipment, and vehicles	1,122,873	1,526,805	369,438	2,015,429	-	5,034,545	-
Infrastructure	23,657,968	22,307,235	-	21,428,437	-	67,393,640	-
Construction in Progress	34,291	85,275	-	2,994,482	-	3,114,048	-
Less: Accumulated Depreciation	(8,870,661)	(11,057,965)	(785,111)	(14,025,374)	-	(34,739,111)	-
Total Noncurrent Assets	15,995,037	14,364,106	2,948,814	14,037,063	-	47,345,020	-
TOTAL ASSETS	18,666,265	16,998,167	3,037,235	15,878,583	454,273	55,034,523	1,991,149
DEFERRED OUTFLOWS OF RESOURCES							
Deferred pension resources	162,156	194,538	72,909	144,647	17,575	591,825	-
LIABILITIES							
Current Liabilities (Payable from Current Assets)							
Accounts Payable	828,827	799,934	12,673	138,315	57,063	1,836,812	33,884
Accrued payroll	16,189	17,229	8,626	15,675	1,458	59,177	-
Accrued interest	-	17,919	-	-	-	17,919	-
Compensated absences payable	4,794	5,642	10,330	7,027	-	27,793	-
Contracts and retainage payable	-	-	-	10,000	-	10,000	-
Customer deposits payable	-	1,533,794	-	-	-	1,533,794	-
Due to other governmental units	2,298	37,607	2,443	3,213	367	45,928	-
Bonds payable - current portion	-	230,000	-	-	-	230,000	-
Insurance claims payable	-	-	-	-	-	-	86,703
Total Current Liabilities	852,108	2,642,125	34,072	174,230	58,888	3,761,423	120,587
Noncurrent Liabilities							
Compensated absences payable	19,174	22,570	41,321	28,107	-	111,172	-
Net other postemployment benefits obligation	41,349	38,650	16,085	23,168	-	119,252	-
Net Pension liability	237,834	335,310	96,710	211,293	20,761	901,908	-
Bonds payable	-	2,451,038	-	-	-	2,451,038	-
Insurance claims payable	-	-	-	-	-	-	235,478
Total Noncurrent Liabilities	298,357	2,847,568	154,116	262,568	20,761	3,583,370	235,478
TOTAL LIABILITIES	1,150,465	5,489,693	188,188	436,798	79,649	7,344,793	356,065
DEFERRED INFLOWS OF RESOURCES							
Deferred pension resources	227,518	253,423	93,587	196,870	21,518	792,916	-
NET POSITION							
Net Investment in Capital Assets	15,995,037	13,293,888	2,948,814	14,027,063	-	46,264,802	-
Unrestricted	1,455,403	(1,844,297)	(120,446)	1,362,499	370,681	1,223,840	1,635,084
TOTAL NET POSITION	\$ 17,450,440	\$ 11,449,591	\$ 2,828,368	\$ 15,389,562	\$ 370,681	\$ 47,488,642	\$ 1,635,084

City of Roseville, Minnesota
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
 For the Fiscal Year Ended December 31, 2021

Statement 7
 (Page 1 of 1)

	Business Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Sanitary Sewer	Water	Golf Course	Storm Drainage	Solid Waste Recycling	Totals	
SALES AND COST OF SALES							
Sales	\$ -	\$ -	\$ 33,057	\$ -	\$ 59	\$ 33,116	\$ -
Cost of sales	-	-	(18,819)	-	-	(18,819)	-
Gross profit	-	-	14,238	-	59	14,297	-
OPERATING REVENUES							
User charges	6,141,776	7,242,642	365,224	2,080,754	619,578	16,449,974	353,585
Delinquency collections	21,009	-	-	1,900	-	22,909	-
Miscellaneous	-	1,372	75,124	571,695	145,503	793,694	58,002
Total Operating Revenues	6,162,785	7,244,014	440,348	2,654,349	765,081	17,266,577	411,587
OPERATING EXPENSES							
Personal service	512,436	575,178	300,535	433,789	33,603	1,855,541	-
Supplies	36,882	269,695	50,197	78,438	-	435,212	-
Other services and charges	3,597,020	6,107,345	61,567	405,038	552,826	10,723,796	582,520
Depreciation	422,994	423,669	89,019	581,549	-	1,517,231	-
Total Operating Expenses	4,569,332	7,375,887	501,318	1,498,814	586,429	14,531,780	582,520
OPERATING INCOME (LOSS)	1,593,453	(131,873)	(46,732)	1,155,535	178,711	2,749,094	(170,933)
NON-OPERATING REVENUES (EXPENSES)							
Investment Income							
Interest Earned on Investments	4,172	(159)	1,089	11,874	2,250	19,226	15,675
Increase (Decrease) in Fair Value of Investments	(11,368)	-	(1,710)	(11,321)	(4,979)	(29,378)	(17,108)
Intergovernmental Revenue	274,096	2,108	-	1,094,047	87,513	1,457,764	-
Bond interest payments	-	(30,287)	-	-	-	(30,287)	-
Total Non-Operating Revenues (Expenses)	266,900	(28,338)	(621)	1,094,600	84,784	1,417,325	(1,433)
Change in Net Position	1,860,353	(160,211)	(47,353)	2,250,135	263,495	4,166,419	(172,366)
NET POSITION, January 1	15,590,087	11,609,802	2,875,721	13,139,427	107,186	43,322,223	1,807,450
NET POSITION, December 31	\$ 17,450,440	\$ 11,449,591	\$ 2,828,368	\$ 15,389,562	\$ 370,681	\$ 47,488,642	\$ 1,635,084

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

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Sanitary Sewer	Water	Golf Course	Storm Drainage	Solid Waste Recycling	Total	
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from customers and users, including deposits	\$ 5,816,056	\$ 7,246,648	\$ 379,462	\$ 1,314,256	\$ 590,551	\$ 15,346,973	\$ 353,585
Cash payments to suppliers for goods and services	(3,715,611)	(5,943,179)	(111,372)	(434,594)	(536,187)	(10,740,943)	(470,448)
Cash payments to employees	(548,195)	(610,339)	(311,346)	(458,055)	(35,410)	(1,963,345)	58,002
Other operating revenues	-	1,372	75,124	571,695	145,503	793,694	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,552,250	694,502	31,868	993,302	164,457	3,436,379	(58,861)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Advance Repayment to Other Funds	-	-	-	-	-	-	-
Advance Repayment From Other Funds	-	-	-	-	-	-	-
Subsidy from governmental grants	-	2,108	-	190,623	87,513	280,244	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	2,108	-	190,623	87,513	280,244	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase of capital assets	(1,693,099)	(1,278,575)	-	(3,983,944)	-	(6,955,618)	-
Proceeds from Issuance of Bonds	-	-	-	-	-	-	-
Subsidy from governmental grants	274,096	-	-	903,423	-	1,177,519	-
Interest paid on capital debt	-	(25,263)	-	-	-	(25,263)	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	(1,419,003)	(1,303,838)	-	(3,080,521)	-	(5,803,362)	-
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received on investments	3,399	(159)	921	12,370	1,367	17,898	14,439
Increase (Decrease) in Fair Value of Investments	(11,368)	-	(1,710)	(11,321)	(4,979)	(29,378)	(17,108)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(7,969)	(159)	(789)	1,049	(3,612)	(11,480)	(2,669)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	125,278	(607,387)	31,079	(1,895,547)	248,358	(2,098,219)	(61,530)
CASH AND CASH EQUIVALENTS, JANUARY 1 as restated	329,262	1,760,655	57,027	2,480,229	43,600	4,670,773	2,045,977
CASH AND CASH EQUIVALENTS, DECEMBER 31	454,540	1,153,268	88,106	584,682	291,958	2,572,554	1,984,447
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating Income (Loss)	1,593,453	(131,873)	(46,732)	1,155,535	178,711	2,749,094	(170,933)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities							
Depreciation	422,994	423,669	89,019	581,549	-	1,517,231	-
Pension related activity	(25,164)	(28,659)	(11,184)	(22,368)	(2,096)	(89,471)	-
Changes in elements affecting cash:							
(Increase) Decrease in Accounts receivable	(55,859)	4,006	-	(347,030)	(29,086)	(427,969)	-
(Increase) Decrease in Special assessments	(16,774)	-	-	4,215	-	(12,559)	-
(Increase) Decrease in Due from other governmental units	(274,096)	-	-	(425,583)	-	(699,679)	-
(Increase) Decrease in Prepaid items	9,044	2,117	705	-	-	11,866	-
Increase (Decrease) in Accounts payable	(91,437)	347,131	(1,249)	37,782	16,495	308,722	4,828
Increase (Decrease) in Accrued payroll	1,106	325	795	2,274	289	4,789	-
Increase (Decrease) in Compensated absences	(10,486)	(5,865)	85	(3,210)	-	(19,476)	-
Increase (Decrease) in Contracts payable	-	-	-	10,000	-	10,000	-
Increase (Decrease) in Customer deposits	-	77,225	-	-	-	77,225	-
Increase (Decrease) in Due to other governmental units	684	7,388	936	1,100	144	10,252	-
Increase (Decrease) in Net other postemployment benefits obligation	(1,215)	(962)	(507)	(962)	-	(3,646)	-
Increase (Decrease) in Bonds payable	-	-	-	-	-	-	-
Increase (Decrease) in Insurance claim payable	-	-	-	-	-	-	107,244
Total Adjustments	(41,203)	826,375	78,600	(162,233)	(14,254)	687,285	112,072
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,552,250	694,502	31,868	993,302	164,457	3,436,379	(58,861)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES							
Increase/(Decrease) in fair market value of investments	\$ (11,368)	\$ -	\$ (1,710)	\$ (11,321)	\$ (4,979)	\$ (29,378)	\$ (17,108)

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

City of Roseville, Minnesota
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
For the Fiscal Year Ended December 31, 2021

Statement 9
(Page 1 of 1)

	<u>Roseville Islamic Cemetery Fund</u>
ASSETS:	
Cash and cash equivalents	\$ 88,656
Receivables	
Investment interest receivable	<u>304</u>
TOTAL ASSETS	<u><u>88,960</u></u>
LIABILITIES:	
Due to other organizations	<u>88,960</u>
Net Position:	
Restricted	<u><u>\$ -</u></u>

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

City of Roseville, Minnesota**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION****CUSTODIAL FUND**

For the Fiscal Year Ended December 31, 2021

Statement 10

(Page 1 of 1)

	<u>Roseville Islamic Cemetery Fund</u>
ADDITIONS:	
Investment Income	\$ 765
Interest earned on investments	(1,744)
Increase (decrease) in fair value of investments	<u>963</u>
 TOTAL ADDITIONS	 <u>(16)</u>
 DEDUCTIONS:	
Payments due to other entities	(16)
 TOTAL DEDUCTIONS	 <u>(16)</u>
 NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	 -
 Net position - beginning	 <u>-</u>
 Net position - ending	 <u><u>\$ -</u></u>

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

Note 1 SUMMARY DESCRIPTION OF THE PLAN

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. With the economic resource's 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:

General

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 American Rescue Plan (ARPA) fund accounts for revenues and expenditures related to the Coronavirus State and Local Fiscal Recovery Funds grant authorized by the American Rescue Plan Act. The City did not budget for these funds.

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.

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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.

Fiduciary Fund - Custodial funds are used to account for assets held by the City as an agent for other organizations and are not available to the City for general operations. The City's custodial fund accounts for resources held by the City for the Roseville Islamic Cemetery. The funds use the economic resources measurement focus.

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

Cash and investment balances from all funds are pooled and invested to the extent available in authorized investments. Investment income is allocated to individual funds on the basis of the fund's equity in the cash and investment pool

Investments are stated at fair value, except for investments in external investment pools that meet GASB 79 requirements, which are stated at amortized costs. Interest earnings are accrued at year-end.

For purposes of the Statement of Cash Flows, 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.

Authorized investments are pursuant to applicable Minnesota Statutes including Chapter 118A and the more restrictive City policy. Minnesota Statutes authorize the City to invest in the following:

- a) United States Treasury obligations and United States Government Agency securities (excluding high-risk mortgage-backed securities).
- b) Obligations of the State of Minnesota or any of its municipalities as follows:
 - 1. any security which a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;
 - 2. any security which is a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service; and
 - 3. a general obligation of the Minnesota housing finance agency which is a moral obligation of the State of Minnesota and is rated "A" or better by a national bond rating agency.
 - 4. Any security which is an obligation of a school district with an original maturity is not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in a credit enhancement program pursuant to section 126C.55.
- c) Bankers' acceptance of United States banks eligible for purchase by the Federal Reserve System.

- d) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.
- e) Repurchase or reverse repurchase agreements with U.S. government.
- f) General obligation temporary bonds of the same governmental entity issued under section 429.091, subdivision 7; 469.178, subdivision 5; or 475.61, subdivision 6.
- g) Time deposits that are fully insured by the Federal Deposit Insurance Corporation.
- h) Guaranteed Investment contracts issued or guaranteed by United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries, or domestic affiliates of any if the foregoing with a credit quality in in one of the two highest risk rating categories by at least one nationally recognized statistical rating organization.
- i) Shares of a Minnesota joint powers investment trust whose investments are restricted to securities described in Section 118A.04 and 118A.05.

Investments for the City and the component unit 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.

9. Long-term obligations

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

10. 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.

b. 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 50% of the General Fund operating expenditures.

11. 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

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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 use. 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 government-wide 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	(\$16,105,000)
Premium on bonds payable	(977,703)
Bond interest payable	(184,279)
Net OPEB obligation	(1,547,718)
Net Pension liability	(9,548,463)
Compensated absences	(2,341,617)
Deferred inflows of resources	<u>(16,754,622)</u>
Net change due to long-term liabilities	<u>(\$47,459,402)</u>
Other long-term assets:	
Net pension obligation - fire relief	\$7,038,136
Deferred outflows of resources	12,081,073
Capital assets - net of depreciation	<u>139,607,360</u>
Net change in other long-term assets	<u>\$158,726,569</u>

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

- 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	\$2,822,041
Capital asset contribution	-
Depreciation expense	<u>(5,675,825)</u>
Net change in fund-balances-total governmental funds and change in net position of governmental activities	<u><u>(\$2,853,784)</u></u>

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, 2021 consist of the following:

Deposits	\$2,043,805
Investments	50,361,942
MV Adjustment	488,944
Cash on Hand	<u>11,300</u>
Total	<u>\$52,905,991</u>

Cash and investments at year-end December 31, 2021 consist of the following:

Statement of Net Positions - Government Wide	
Cash and cash equivalents	\$52,817,335
Statement of Fiduciary Net Positions	
Cash and cash equivalents - Custodial Funds	<u>88,656</u>
Total	<u>\$52,905,991</u>

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

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

deposit insurance, corporate surety bond, or collateral. The City's deposits were fully insured and collateralized at December 31, 2021. The City's investment policy has no additional deposit policies addressing custodial credit risk.

2. Deposits

As of December 31, 2021 the City's bank balances of \$2,043,805 were covered by insurance or collateral pledged and held in the City's name.

3. Investments

The City has the following investments at year-end December 31, 2021:

Investment type	Rating	Rating Agency	Investment maturities				Total
			Less than one year	1-5 years	6-10 years	Over 10 Years	
Municipal securities	A-AAA	S&P	\$ 810,914	\$10,930,922	\$ 18,949,339	\$3,183,963	\$33,875,138
Municipal securities	A1-AAA	Moody's	-	923,642	3,628,156	432,790	4,984,588
Municipal securities	AAA	Fitch	-	519,516	-	-	519,516
U.S. Agency Securities	AA+	S&P	-	-	490,450	-	490,450
Certificates of Deposit	NA	-	-	245,210	239,570	-	484,780
Federated Hermes Mutual Fund	AAAm	S&P	1,110,615	-	-	-	1,110,615
First American Govt Obligation Fund	AAAmf	Fitch	8,896,855	-	-	-	8,896,855
Total			<u>\$10,818,384</u>	<u>\$ 12,619,290</u>	<u>\$ 23,307,515</u>	<u>\$ 3,616,753</u>	<u>\$ 50,361,942</u>

The City has the following recurring fair value measurements as of December 31, 2021:

- Municipal securities and US Agency securities of \$39,869,692 are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly (Level 2 inputs)
- The Federated Hermes mutual fund is an external investment pool. The fund seeks to maintain a constant net asset value (NAV) of \$1 per share. The securities held by each fund are valued on the basis of amortized cost.
- The First American Government Obligation money market fund is an external investment pool. The fund seeks to maintain a constant net asset value (NAV) of \$1 per share. The securities held by each fund are valued on the basis of amortized cost. Shares may be redeemed without penalty on any business day.

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

Credit risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's policy to minimize credit risk includes limiting investing funds to those allowable under Minnesota Statute 118A, annually appointing all financial institutions where investments are held, and diversifying the investment portfolio. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Custodial credit risk – For investments, this is the risk that in the event of failure of the counterparty to an investment transaction the City would not be able to recover the value of its

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
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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 – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. The City's investment policy does not limit the concentration of investments. At December 31, 2021, the City held 6% with New York Transit Authority and 7% with New York NY G.O.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. 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:

	Unavailable
Unavailable revenue due from other governments (Street Construction)	\$ 78,860
Unavailable revenue due from other governments (Revolving Improvements)	128,577
Delinquent property taxes (General)	179,364
Delinquent property taxes (Telecommunications)	628
Delinquent property taxes (Information Technology)	1,885
Delinquent property taxes (Recreation)	36,005
Delinquent property taxes (Debt service)	27,827
Delinquent property taxes (Revolving Improvements)	38,712
Delinquent property taxes (Street Construction)	13,449
Delinquent property taxes (EDA)	5,406
Special assessments not yet due (G.O. Improvement Bonds)	75,385
Special assessments not yet due (Street Construction)	1,282,471
Total deferred inflows for governmental funds	<u>\$ 1,868,569</u>

Significant receivable balances not expected to be collected within one year of December 31, 2021 are as follows:

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

	Special Assessments Receivable	Notes Receivable	Total
Major Funds:			
Community Development	\$ -	\$1,234,613	\$1,234,613
Debt Service	75,385	-	75,385
Street Construction	1,282,471	-	1,282,471
Roseville Economic Development Authority	-	887,954	887,954
	<u>\$1,357,856</u>	<u>\$2,122,567</u>	<u>\$3,480,423</u>

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

C. Capital asset

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Completed Construction & Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated					
Land	\$29,340,857	\$ -	\$ -	\$ -	\$29,340,857
Permanent easements	7,731,893	-	-	-	7,731,893
Construction in progress	3,622,692	2,224,341	(62,939)	(3,690,524)	2,093,570
Total capital assets not being depreciated	40,695,442	2,224,341	(62,939)	(3,690,524)	39,166,320
Capital assets being depreciated					
Buildings	41,738,754	-	-	-	41,738,754
Improvements other than buildings	10,868,566	-	-	330,631	11,199,197
Machinery and equipment	23,148,071	597,700	(325,758)	85,058	23,505,071
Infrastructure	118,858,743	-	-	3,274,835	122,133,578
Total capital assets being depreciated	194,614,134	597,700	(325,758)	3,690,524	198,576,600
Less accumulated depreciation for					
Buildings	15,479,172	954,166	-	-	16,433,338
Improvements other than buildings	4,889,151	618,385	-	-	5,507,536
Machinery and equipment	14,205,170	1,586,113	(290,718)	-	15,500,565
Infrastructure	58,176,960	2,517,161	-	-	60,694,121
Total accumulated depreciation	92,750,453	5,675,825	(290,718)	-	98,135,560
Total capital assets being depreciated, net	101,863,681	(5,078,125)	(35,040)	3,690,524	100,441,040
Governmental activities capital assets, net	\$142,559,123	(\$2,853,784)	(\$97,979)	\$ -	\$139,607,360

CITY OF ROSEVILLE, MINNESOTA
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	Beginning Balance	Increases	Decreases	Completed Construction & Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated					
Land	\$893,299	\$ -	\$ -	\$ -	\$893,299
Construction in progress	1,079,965	4,868,356	-	(2,834,273)	3,114,048
Total capital assets not being depreciated	1,973,264	4,868,356	-	(2,834,273)	4,007,347
Capital assets being depreciated					
Buildings	4,191,906	-	-	-	4,191,906
Improvements other than buildings	1,456,694	-	-	-	1,456,694
Machinery and equipment	5,080,643	48,586	(94,685)	-	5,034,544
Infrastructure	62,520,691	2,038,677	-	2,834,273	67,393,641
Total capital assets being depreciated	73,249,934	2,087,263	(94,685)	2,834,273	78,076,785
Less accumulated depreciation for					
Buildings	1,604,448	66,561	-	-	1,671,009
Improvements other than buildings	1,128,997	52,354	-	-	1,181,351
Machinery and equipment	3,915,262	292,609	(94,685)	-	4,113,186
Infrastructure	26,667,858	1,105,708	-	-	27,773,566
Total accumulated depreciation	33,316,565	1,517,232	(94,685)	-	34,739,112
Total capital assets being depreciated, net	39,933,369	570,031	-	2,834,273	43,337,673
Business-type activities capital assets, net	\$41,906,633	\$5,438,387	\$ -	\$ -	\$47,345,020

CITY OF ROSEVILLE, MINNESOTA
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Depreciation expense was charged to functions/programs of the City is follows:

Governmental activities:

General government	\$574,966
Public safety	643,386
Public works including depreciation of infrastructure	2,922,535
Recreation	<u>1,534,938</u>

Total depreciation expense - governmental activities \$5,675,825

Business-type activities:

Sanitary sewer	\$422,994
Water	423,669
Golf	89,019
Storm drainage	<u>581,550</u>

Total depreciation expense - business-type activities \$1,517,232

D. Construction commitments

The City has construction projects in progress as of December 31, 2021. 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:

Project	Spent-to-Date	Remaining Commitment
Parks Renewal Project	\$2,025,064	\$163,549
Marion Pathway - Phase 1	66,402	41,224
Water Booster Phase 3	84,447	3,504

CITY OF ROSEVILLE, MINNESOTA
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E. Interfund receivables, payables, and transfers

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move grant funds to specific funds where the grant dollars are used (specifically American Recovery Program Act dollars), 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. The following is a schedule of interfund transfers as of December 31, 2021:

Transfer out	Transfer In				Total
	General	Debt Service	Revolving Improvements	Non-major	
General	\$ -	\$ -	\$ -	\$ -	\$ -
Economic Increments Construction	-	278,931	2,219	-	281,150
ARPA	141,988	-	-	688,000	829,988
Recreation	79,662	-	-	-	79,662
Non-major Governmental	537,160	-	125,000	-	662,160
Total	<u>\$758,810</u>	<u>\$278,931</u>	<u>\$127,219</u>	<u>\$688,000</u>	<u>\$1,852,960</u>

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

The Street Construction fund loaned \$1.5 million to the Revolving Improvements fund in 2018 to purchase the 2719 Lexington Avenue Shopping Center for potential expansion of the civic campus. Sale proceeds from the sale of an old fire station will be used to repay the Street Construction fund. The Economic Development Authority loaned \$10,000 to the Economic Increments Construction fund to start a new tax increment financing district.

F. Tax Increment Financing

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

During the year ended December 31, 2021, the City generated \$1,211,482 in tax increment revenue and made \$599,346 in payments to developers.

CITY OF ROSEVILLE, MINNESOTA
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G. Leases

1. Operating Leases

The City leases copiers and a postage machine under non-cancelable operating leases. Total costs for such leases were \$28,544 for the year ended December 31, 2021. The future minimum lease payments for these leases are as follows:

<u>Year Ending Dec. 31</u>	<u>Amount</u>
2022	\$28,488
2023	12,152
2024	3,984
Total	<u>\$44,624</u>

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:

<u>Location</u>	<u>Lessee</u>	<u>2021 Lease Amount</u>	<u>Annual Lease Adjustment Factor</u>	<u>Expiration Date</u>	<u>Renewal Options</u>
1901 Alta Vista	AT&T	\$33,610	3% Increase on Aug 1	08/31/26	5 year terms
1901 Alta Vista	Clearwire	15,039	1% Increase Apr 1 & 2% May 1	04/30/25	5 year terms
1901 Alta Vista	Sprint	49,294	4% Increase Jan	12/31/22	5 year terms
1901 Alta Vista	T-Mobile	25,719	4% Increase Jan	12/31/27	10 year terms
1901 Alta Vista	Verizon	33,769	2.5% Increase on Jun 1	05/31/23	5 year terms
2501 Fairview (Lattice Tower)	Clearwire	26,097	1% Increase Apr 1 & 2% May 1	04/30/26	5 year terms
2501 Fairview (Lattice Tower)	Sprint	14,482	4% Increase Jan 1	12/31/26	5 year terms
2501 Fairview (Lattice Tower)	T-Mobile	34,833	3% Increase Jan 1	12/31/23	5 year terms
2501 Fairview (Water Tower)	AT&T	38,092	3% Increase on Aug 1	07/31/26	5 year terms
2501 Fairview (Water Tower)	Verizon	40,739	3% Increase on Jan 1	08/31/25	5 year terms
2660 Civic Center Dr (South Tower)	Sprint	42,639	3% Increase on Sep 1	09/15/23	5 year terms
2660 Civic Center Dr (South Tower)	T-Mobile	34,578	3% Increase on Sep 1	09/14/24	5 year terms
2660 Civic Center Dr (South Tower)	Verizon	35,657	3% Increase on Sep 1	08/31/24	5 year terms
2660 Civic Center Dr (North Tower)	AT&T	35,666	3% Increase on Sep 1	12/31/24	5 year terms

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3. 2719 Lexington Avenue Shopping Center Leases

The City received revenue from agreements for the lease of suite space in the City owned shopping center located at 2719 Lexington Avenue. Terms of each lease are as follows:

Lessee	2021 Lease Amount	Annual Lease Adjustment Factor	Expiration Date
Hule and Company, Inc.	\$63,308	3% Increase on Jan 1	Monthly
Huntington Learning Center	20,400	3% Increase on Nov 1	10/31/2023
TDM Salons, LLC	21,700	3% Increase on May 1	Monthly

In 2021, two Lessee's leases expired and they are now on a month-to-month agreement.

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 are direct obligations and pledge the full faith and credit of the government. The original amount of general obligation bonds for the issues listed below is \$37,240,000.

General obligation debt currently outstanding is as follows:

Purpose	Net Interest	
	Rates	Amount
Governmental activities	.85% - 5.6%	\$16,105,000
Business-Type activities	1.0% - 2.0%	2,565,000

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

Years ending December 31	Governmental activities		Business-Type activities	
	Principal	Interest	Principal	Interest
2022	\$ 2,020,000	\$ 437,306	\$ 230,000	\$ 40,800
2023	2,110,000	367,269	240,000	36,100
2024	2,145,000	299,871	245,000	31,250
2025	2,215,000	236,621	250,000	26,300
2026	2,155,000	174,556	255,000	21,250
2027-2031	5,215,000	224,884	1,345,000	39,300
2032	245,000	3,675	-	-
Total	\$16,105,000	\$1,744,183	\$2,565,000	\$195,000

a. CURRENT REFUNDING

CITY OF ROSEVILLE, MINNESOTA
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On December 29, 2020 the City issued \$4,775,000 in General Obligation Refunding Bonds, Series 2020A. The proceeds were used to current refund the City's General Obligation Bonds, Series 2011A. The City will realize a savings in interest costs of \$417,806 over the life of the bonds. The net present value cash flow savings of the transaction was \$410,030.

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable					
General Obligation Bonds	\$20,540,000	\$ -	\$6,840,000	\$13,700,000	\$1,820,000
Premium on Bonds Payable	1,132,384	-	154,681	977,703	-
Tax Increment Revenue Bonds	2,605,000	-	200,000	2,405,000	200,000
Total Bonds Payable	<u>24,277,384</u>	<u>-</u>	<u>7,194,681</u>	<u>17,082,703</u>	<u>2,020,000</u>
Compensated Absences	2,097,661	1,372,446	1,128,490	2,341,617	468,323
Insurance Claims Payable	214,937	311,698	204,454	322,181	86,703
Governmental activities Long-Term Liabilities	<u>\$26,589,982</u>	<u>\$1,684,144</u>	<u>\$8,527,625</u>	<u>\$19,746,501</u>	<u>\$2,575,026</u>
Business-Type Activities					
Bonds payable					
General Obligation Bonds	\$2,565,000	\$ -	-	\$2,565,000	\$230,000
Premium on Bonds Payable	128,931	-	12,893	116,038	-
Total Bonds Payable	<u>2,693,931</u>	<u>-</u>	<u>12,893</u>	<u>2,681,038</u>	<u>230,000</u>
Compensated Absences	158,441	102,120	121,597	138,964	27,793
Business type activities Long-Term Liabilities	<u>\$2,852,372</u>	<u>\$102,120</u>	<u>\$134,490</u>	<u>\$2,820,002</u>	<u>\$257,793</u>

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, 2021, there were seven series of Housing and Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$79.3 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 2021, 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 if 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 claim's 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 2021. 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, 2020, were \$944,188 and \$669,341 for the Workers' Compensation Fund and Risk Management Fund, respectively. The claims liability of \$103,542 and \$218,639, respectively, reported in both funds at December 31, 2021 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 2020 and 2021 were:

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Worker's Compensation Fund				
Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in estimates	Claims Payment	Ending of Fiscal Year Liability
2020	\$ 100,142	\$ 223,868	\$ 156,073	\$ 167,937
2021	167,937	124,402	188,797	103,542

Risk Management Fund				
Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in estimates	Claims Payment	Ending of Fiscal Year Liability
2020	\$ 232,443	\$ (102,948)	\$ 82,495	\$ 47,000
2021	47,000	191,054	19,415	218,639

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 is not presently determinable, in the opinion of the government's legal counsel the resolution of these matter will not have a material adverse effect on the financial condition of the government.

C. Employee retirement systems and pension plans

1. Public Employees' Retirement Association

A. Plan Description

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

1. General Employees Retirement Fund (GERF)

All full-time (with the exception of employees covered by PEPFF) and certain part-time employees of the City are covered by the General Employees Retirement Fund (GERF). GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Public Employees Police and Fire Fund (PEPFF)

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

B. Benefits Provided

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

1. GERS 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 members. Members hired prior to July 1, 1989 receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% of average salary for each of the first ten years of service and 1.7% of average salary for each additional year. Under Method 2, the accrual rate for Coordinated Plan members is 1.7% of average salary for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024 or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. PEPFF Benefits

Benefits for the PEPFF 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 PEPFF 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 PEPFF members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase will be fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. Contributions

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

1. GERS Contributions

Coordinated Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2021 and the City was required to contribute 7.5% for Coordinated Plan members. The City's contributions to the GERS for the year ended December 31, 2021 were \$831,049. The City's contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Police and Fire members were required to contribute 11.8% of their annual covered salary in fiscal year 2021 and the City was required to contribute 17.70% For PEPFF members. The City's contributions to the PEPFF for the year ended December 31, 2021 were \$1,265,887. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

1. GERS Pension Costs

At December 31, 2021, the City reported a liability of \$6,226,313 for its proportionate share of GERS's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing City 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 \$190,072. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.1458% at the end of the measurement period and 0.1512% for the beginning of the period.

City's proportionate share of the net pension liability	\$6,226,313
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>190,072</u>
Total	<u>\$6,416,385</u>

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For the year ended December 31, 2021, the City recognized pension expense of \$132,056 for its proportionate share of the GERS's pension expense. In addition, the City recognized an additional \$15,336 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the GERS.

At December 31, 2021, the City reported its proportionate share of the GERS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$37,544	\$190,543
Changes in actuarial assumptions	3,801,658	136,919
Difference between projected and actual investment earnings	-	5,389,753
Changes in proportion	245,825	295,300
Contributions paid to PERA subsequent to the measurement date	417,340	-
Total	<u>\$4,502,367</u>	<u>\$6,012,515</u>

The \$417,340 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, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense
2022	(\$288,037)
2023	(45,475)
2024	(123,227)
2025	(1,470,749)
2026	-
Thereafter	-

2. PEPFF Pension Costs

At December 31, 2021, the City reported a liability of \$4,223,804 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.5470% at the end of the measurement period and 0.5625% for the beginning of the period.

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The State of Minnesota also contributed \$18 million to PEPFF during the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The direct state aid was paid on October 1, 2020. Thereafter, by October 1 of each year, the state will pay \$9 million to the PEPFF until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

The State of Minnesota is included as a non-employer contributing City in the PEPFF Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. PEPFF employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2021, the City recognized pension expense of (\$247,729) for its proportionate share of the Police and Fire Plan's pension expense. The City recognized an additional \$34,582 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the PEPFF.

The State of Minnesota is not included as a non-employer contributing City in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City also recognized \$49,248 for the year ended December 31, 2021 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.

At December 31, 2021, the City reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$810,117	\$ -
Changes in actuarial assumptions	6,207,886	2,294,230
Difference between projected and actual investment earnings	-	8,066,603
Changes in proportion	506,611	276,203
Contributions paid to PERA subsequent to the measurement date	642,615	-
Total	<u>\$8,167,229</u>	<u>\$10,637,036</u>

The \$642,615 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

CITY OF ROSEVILLE, MINNESOTA
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the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as outflows:

<u>Year Ended December 31,</u>	<u>Pension Expense</u>
2022	(\$2,775,623)
2023	(352,321)
2024	(484,190)
2025	(831,643)
2026	1,331,355
Thereafter	-

The net pension liability will be liquidated by the general, water, sewer, storm, solid waste and golf funds.

E. Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.25% per year
Investment Rate of Return	6.50%

The long-term investment rate of return is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates deemed to be reasonable by the actuary. An investment return of 6.50% was deemed to be within that range of reasonableness for financial reporting purposes.

Salary growth assumptions in the GERS range in annual increments from 10.25% after one year of service to 3.0% after 29 years of service and 6.0% per year thereafter. In the PEPFF, salary growth assumptions range from 11.75% after one year of service to 3.0% after 24 years of service.

Mortality rates for GERS were based on the Pub-2010 General Employee Mortality Table. Mortality rates for PEPFF were based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience. Cost of living benefit increases after retirement are assumed to be 1.25% per year for GERS and 1.0% per year for PEPFF.

Actuarial assumptions for GERS are reviewed every four years. The most recent four-year experience study for GERS was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation. The most recent four-year experience study for PEPFF was completed in 2020 and adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

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

Police and Fire Fund

Changes in Actuarial Assumptions:

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	33.5%	5.10%
International equity	16.5%	5.30%
Fixed income	25%	0.75%
Private markets	25%	5.90%
Total	100%	

F. Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the GERP and the PEPFF 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.

G. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability, 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 one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (5.5%)	Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
Proportionate share of the GERF net pension liability	\$12,698,501	\$6,226,313	\$915,488
Proportionate share of the PEPFF net pension liability	\$13,409,864	\$4,223,804	(\$3,306,489)

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 at www.mnpera.org.

I. Pension Expense

Pension expense recognized by the City for the year ended December 31, 2021 is as follows:

GERF	\$147,392
PEPFF	<u>(213,147)</u>
Total	<u><u>(\$65,755)</u></u>

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, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	68
Inactive employees entitled to but not yet receiving benefits	15
Active employees	<u>7</u>
Total	<u><u>90</u></u>

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 \$ 264,259 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, 2021 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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25% Per year
Active member payroll growth	6.00% percent average, including inflation
Investment rate of return	6.00% 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 expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These asset class estimates are combined to produce the portfolio long-term expected rate of return by weighting the expected future real rates of return by the current asset allocation percentage (or target allocation, if available) and by adding expected inflation. All results are then rounded to the nearest quarter percent and are summarized in the following table.

Asset Class	Allocation at Measurement Date	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return
Domestic equity	75.33%	4.42%	6.67%
International equity	0.00%	4.91%	7.16%
Fixed income	21.69%	1.00%	3.25%
International equity - emerging	0.00%	3.98%	6.23%
Cash and equivalents	2.98%	-0.33%	1.92%
Total	100%		6.01%
Reduced for assumed investment expense			-0.10%
Net assumed investment return (rounded to quarter percent)			6.00%

Discount rate:

The discount rate used to measure the total pension liability was 6.00%. 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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net pension Liability (a) - (b)
Balances at January 1, 2021	<u>\$9,360,830</u>	<u>\$14,850,239</u>	<u>(\$5,489,409)</u>
Changes for the year			
Service cost	26,622		26,622
Interest	563,110		563,110
Differences between expected and actual experience	(61,093)		(61,093)
Changes in Assumptions	186,143		186,143
Contributions - state and local		264,259	(264,259)
Change of benefit terms	537,679		537,679
Net investment income		2,566,985	(2,566,985)
Benefit payments, including refunds of employee contributions	(755,377)	(755,377)	-
Administrative expense		(30,056)	30,056
Net Charges	<u>\$497,084</u>	<u>\$2,045,811</u>	<u>(\$1,548,727)</u>
Balances at December 31, 2021	<u>\$9,857,914</u>	<u>\$16,896,050</u>	<u>(\$7,038,136)</u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 6%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 5% or 1-percentage-point higher 7% than the current rate:

	1% decrease 5.0%	Current Discount Rate 6.0%	1% increase 7.0%
Net pension liability	\$6,040,489	\$7,038,136	\$7,879,141

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, 2021, the City recognized a reduction of pension expense of \$587,843. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual liability	\$ -	\$ -
Changes in actuarial assumptions	-	-
Net difference between projected and actual investment earnings	-	2,763,258
	<u>\$ -</u>	<u>\$2,763,258</u>

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 December 31,	
2022	(\$762,458)
2023	(1,025,772)
2024	(642,769)
2025	<u>(332,259)</u>
Total	<u>(\$2,763,258)</u>

Note 5 OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described in Note 4, 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

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, 2021 to December 31, 2021 monthly premiums paid for Police or Firefighters disabled in the line of duty are:

<u>Plan</u>	<u>Single</u>	<u>Two Person</u>	<u>Family</u>
Health Partners National One	\$646	\$1,258	\$1,757
Health Partners Empower High Deductible	\$467	\$919	\$1,263

C. Participants

As of the actuarial valuation dated January 1, 2021, participants consisted of:

Retirees and beneficiaries currently purchasing health insurance through the City	10
Disabled police and firefighters	2
Active Employees	<u>216</u>
Total	<u><u>228</u></u>

D. Total OPEB Liability and Changes in Total OPEB Liability

The City's total OPEB liability of \$1,668,186 was measured as of January 1, 2021 and was determined by an actuarial valuation dated January 1, 2021. Changes in the total OPEB liability during 2021 were:

Balances at January 1, 2021	\$1,701,938
Changes for the year	
Service cost	135,470
Interest	52,102
Plan changes	-
Differences between expected and actual experience	(149,745)
Changes in assumptions	10,616
Benefit payments	<u>(82,195)</u>
Net changes	<u>(33,752)</u>
Balance at December 31, 2021	<u>\$1,668,186</u>

There were no plan changes since the measurement date of January 1, 2021.

E. Actuarial Assumptions and Other Inputs

The total liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Salary increases	Service Graded Table
Discount rate	2.00%
20-year municipal bond yield	2.00%
Medical cost trend rates	6.5% in 2021 grading to 5% over 6 years and then 4% over the next 48 years

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

Salary Increase Rates

Years of Service	Public Safety Salary Increase	Other Salary Increase	Years of Service	Public Safety Salary Increase	Other Salary Increase
1	12.25%	10.25%	14	3.95%	3.70%
2	10.50%	7.25%	15	3.85%	3.65%
3	8.75%	6.00%	16	3.75%	3.60%
4	7.75%	5.50%	17	3.75%	3.50%
5	6.25%	5.00%	18	3.75%	3.40%
6	5.75%	4.70%	19	3.75%	3.40%
7	5.25%	4.50%	20	3.75%	3.40%
8	5.00%	4.40%	21	3.65%	3.30%
9	4.74%	4.30%	22	3.55%	3.30%
10	4.50%	4.20%	23	3.45%	3.30%
11	4.25%	4.00%	24 or 25	3.35%	3.20%
12	4.15%	3.90%	26	3.25%	3.10%
13	4.05%	3.80%	27 or More	3.25%	3.00%

Since the plan is funded on a pay-as-you-go basis, both the discount rate and the investment rate of return was based on published rate information for 20-year, tax exempt, and municipal bonds as of the measurement date.

The mortality tables were updated from the RP-2014 Mortality Tables (Blue Collar for Public Safety, White Collar for Others) with MP-2018 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2020 Generational Improvement Scale.

The salary increase rates were changed in 2021 from a flat 3.00% per year for all employees to rates which vary by service and contract group.

The actuarial assumptions used in the January 1, 2021 valuation are similar to those used to value pension liabilities for Minnesota public employees. The state pension plans base their assumptions on periodic experience studies.

Changes in assumptions and other inputs since the prior measurements date reflect change in the discount rate from 2.90% to 2.00%, 20-year municipal bond yield from 2.90% to 2.00% and health care trend rates, the mortality table, and the retirement and withdrawal tables were updated.

F. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.00%) or 1% higher (3.00%) than the current discount rate:

	1% Decrease (1.00%)	Discount Rate (2.00%)	1% Increase (3.00%)
Total OPEB liability	\$1,797,729	\$1,668,186	\$1,547,048

G. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.50% decreasing to 4.00% then 3.00%) or 1% higher (7.50% decreasing to 6.00% then 5.00%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$1,489,981	\$1,668,186	\$1,879,965

Note 6 GASB STATEMENTS ISSUED BUT NOT YET IMPLEMENTED

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

Statement No. 87 Leases. The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 91 Conduit Debt Obligations. The provisions of this Statement are effective for reporting periods beginning after December 15, 2021.

Statement No. 92 Omnibus 2020. The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 93 Replacement of Interbank Offered Rates. The provisions of this Statement contain multiple effective dates, the first being for reporting periods beginning after June 15, 2020.

Statement No. 94 Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

Statement No. 96 Subscription – Based Information Technology Arrangements. The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

The effect these standards may have on future financial statements is not determinable at this time, but it is expected that Statement No. 87 may have a material impact.

Note 7 SUBSEQUENT EVENTS

Transfer of Operations

The City of Roseville provided information technology (IT) services to 44 other local government agencies which started in 1999 and since that time has grown in participation. The City decided it was time to transform this arrangement into a joint powers authority. The joint powers authority established the North East Metropolitan Area Municipal Internetworking Collaborative to be known as “Metro-INET” (MIJPA) effective January 1, 2021. The transition plan recognized that 2021 would be a transition year to establish the MIJPA Board and to hire the MIJPA Executive Director. In 2022, all assets and personnel will be assigned to the MIJPA.

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Required Supplementary Information

City of Roseville, Minnesota

Schedule 1

REQUIRED SUPPLEMENTARY INFORMATION

(Page 1 of 1)

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

GENERAL FUND

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
General property taxes	\$ 14,270,440	\$ 14,270,440	\$ 14,439,519	\$ 169,079
Licenses and permits	542,000	542,000	544,456	2,456
Intergovernmental revenue	1,743,715	1,743,715	1,961,885	218,170
Charges for services	1,317,500	1,317,500	1,253,914	(63,586)
Fines and forfeits	92,000	92,000	62,025	(29,975)
Donations	-	-	35,860	35,860
Special assessments	-	-	84	84
Investment income				
Interest earned on investments	40,000	40,000	91,665	51,665
Increase (decrease) in fair value of investments	-	-	(120,867)	(120,867)
Miscellaneous Revenue	56,630	56,630	442,940	386,310
Total Revenues	18,062,285	18,062,285	18,711,481	649,196
EXPENDITURES				
Current				
General government	3,010,850	3,010,850	3,079,613	(68,763)
Public safety	12,497,335	12,497,335	12,428,765	68,570
Public works	2,787,700	2,787,700	2,644,033	143,667
Total Expenditures	18,295,885	18,295,885	18,152,411	143,474
Excess (Deficiency) of Revenue Over (Under) Expenditures	(233,600)	(233,600)	559,070	792,670
OTHER FINANCING SOURCES (USES)				
Transfers In	177,000	177,000	758,810	581,810
Transfers Out	-	-	-	-
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	177,000	177,000	758,810	581,810
Net Change in Fund Balance	(56,600)	(56,600)	1,317,880	1,374,480
FUND BALANCE, January 1	8,846,140	8,846,140	8,846,140	-
FUND BALANCE, December 31	\$ 8,789,540	\$ 8,789,540	\$ 10,164,020	\$ 1,374,480

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

City of Roseville, Minnesota

Schedule 2

REQUIRED SUPPLEMENTARY INFORMATION

(Page 1 of 1)

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

RECREATION FUND

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
General property taxes	\$ 2,864,605	\$ 2,864,605	\$ 2,878,856	\$ 14,251
Charges for services	2,148,575	2,148,575	1,952,155	(196,420)
Rentals	73,500	73,500	46,110	(27,390)
Donations	48,000	48,000	57,499	9,499
Special assessments	-	-	62	62
Investment income				
Interest earned on investments	15,000	15,000	16,057	1,057
Increase (decrease) in fair value of investments	-	-	(38,231)	(38,231)
Miscellaneous Revenue	22,000	22,000	47,196	25,196
Total Revenues	5,171,680	5,171,680	4,959,704	(211,976)
EXPENDITURES				
Current				
Recreation				
Personal services	3,390,115	3,390,115	3,111,020	279,095
Supplies and materials	331,960	331,960	286,890	45,070
Other services and charges	1,486,355	1,486,355	1,172,121	314,234
Total Expenditures	5,208,430	5,208,430	4,570,031	638,399
Net Change in Fund Balance	(36,750)	(36,750)	389,673	426,423
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(79,662)	(79,662)
Total Other Financing Sources (Uses)	-	-	(79,662)	(79,662)
Net Change in Fund Balance	(36,750)	(36,750)	310,011	346,761
FUND BALANCE, January 1	1,613,762	1,613,762	1,613,762	-
FUND BALANCE, December 31	\$ 1,577,012	\$ 1,577,012	\$ 1,923,773	\$ 426,423

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

REQUIRED SUPPLEMENTARY INFORMATION

(Page 1 of 1)

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

COMMUNITY DEVELOPMENT FUND

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Licenses and permits	\$ 1,460,710	\$ 1,460,710	\$ 1,946,888	\$ 486,178
Charges for services	41,000	41,000	49,705	8,705
Special assessments	-	-	35	35
Investment income				
Interest earned on investments	25,000	25,000	39,013	14,013
Increase (decrease) in fair value of investments	-	-	(44,925)	(44,925)
Interest Earned - Other				-
Miscellaneous Revenue	-	-	2,755	2,755
Total Revenues	1,526,710	1,526,710	1,993,471	466,761
EXPENDITURES				
Current				
Public safety	1,097,985	1,097,985	954,953	143,032
Economic development	679,190	679,190	699,481	(20,291)
Total Expenditures	1,777,175	1,777,175	1,654,434	122,741
Excess (Deficiency) of Revenue Over (Under) Expenditures	(250,465)	(250,465)	339,037	589,502
Net Change in Fund Balance	(250,465)	(250,465)	339,037	589,502
FUND BALANCE, January 1	4,108,422	4,108,422	4,108,422	-
FUND BALANCE, December 31	\$ 3,857,957	\$ 3,857,957	\$ 4,447,459	\$ 589,502

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

SCHEDULE OF CHANGES IN THE TOTAL

OPEB LIABILITY AND RELATED RATIOS

For the Fiscal Year Ended December 31, 2021

Total OPEB Liability:	2021	2020	2019	2018
Service cost	\$ 135,470	\$ 112,235	\$ 93,240	\$ 91,108
Interest cost	52,102	59,781	51,636	49,752
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(149,745)	-	(21,855)	-
Changes in assumptions	10,616	102,065	(61,560)	-
Benefit payments	(82,195)	(65,582)	(78,354)	(93,369)
Net changes in total OPEB liability	(33,752)	208,499	(16,893)	47,491
Total OPEB liability - beginning	1,701,938	1,493,439	1,510,332	1,462,841
Total OPEB liability - ending	<u>\$ 1,668,186</u>	<u>\$ 1,701,938</u>	<u>\$ 1,493,439</u>	<u>\$ 1,510,332</u>

Covered-employee payroll

Total OPEB liability as a percentage of covered-employee payroll

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be added as they become available.

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

City of Roseville, Minnesota
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF PERA NET PENSION
LIABILITY - GENERAL EMPLOYEES RETIREMENT FUND
For the Fiscal Year Ended December 31, 2021

Schedule 5
(Page 1 of 1)

Measurement Date June 30	Fiscal Year Ending December 31	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the 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%
2017	2017	0.1412%	\$ 9,014,115	\$ 113,368	\$ 9,127,483	\$ 9,101,177	100.3%	75.90%
2018	2018	0.1470%	\$ 8,154,957	\$ 267,459	\$ 8,422,416	\$ 9,445,284	89.2%	79.50%
2019	2019	0.1423%	\$ 7,867,448	\$ 244,489	\$ 8,111,937	\$ 10,059,973	80.6%	80.20%
2020	2020	0.1512%	\$ 9,065,131	\$ 279,604	\$ 9,344,735	\$ 10,785,733	86.6%	79.10%
2021	2021	0.1458%	\$ 6,226,313	\$ 190,072	\$ 6,416,385	\$ 10,472,613	61.3%	87.00%

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.

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

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER'S PERA CONTRIBUTIONS
 - GENERAL EMPLOYEES RETIREMENT FUND
 For the Fiscal Year Ended December 31, 2021

Schedule 6
 (Page 1 of 1)

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2015	\$ 619,013	\$ 619,013	\$ -	\$ 8,253,507	7.5%
12/31/2016	\$ 659,339	\$ 659,339	\$ -	\$ 8,791,187	7.5%
12/31/2017	\$ 708,179	\$ 708,179	\$ -	\$ 9,448,003	7.5%
12/31/2018	\$ 738,318	\$ 738,318	\$ -	\$ 9,844,240	7.5%
12/31/2019	\$ 802,161	\$ 802,161	\$ -	\$ 10,695,480	7.5%
12/31/2020	\$ 764,800	\$ 764,800	\$ -	\$ 10,197,333	7.5%
12/31/2021	\$ 831,049	\$ 831,049	\$ -	\$ 11,080,653	7.5%

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City of Roseville, Minnesota
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF PERA NET PENSION
LIABILITY - PUBLIC EMPLOYEES POLICE AND FIRE FUND
For the Fiscal Year Ended December 31, 2021

Schedule 7
(Page 1 of 1)

Measurement Date June 30	Fiscal Year Ending December 31	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the 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	0.4940%	\$ 5,612,996	\$ -	\$ 5,612,996	\$ 4,399,667	127.6%	86.6%
2016	2016	0.5110%	\$ 20,507,319	\$ -	\$ 20,507,319	\$ 4,920,648	416.8%	63.9%
2017	2017	0.5160%	\$ 6,966,614	\$ -	\$ 6,966,614	\$ 5,293,562	131.6%	85.4%
2018	2018	0.5259%	\$ 5,605,552	\$ -	\$ 5,605,552	\$ 5,542,123	101.1%	88.8%
2018	2019	0.5452%	\$ 5,804,205	\$ -	\$ 5,804,205	\$ 5,748,900	101.0%	89.3%
2020	2020	0.5625%	\$ 7,414,352	\$ 174,653	\$ 7,589,005	\$ 6,347,408	119.6%	87.2%
2021	2021	0.5472%	\$ 4,223,804	\$ 189,890	\$ 4,413,694	\$ 6,466,593	68.3%	93.7%

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.

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER'S PERA CONTRIBUTIONS

- PUBLIC EMPLOYEES POLICE AND FIRE FUND

For the Fiscal Year Ended December 31, 2021

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2015	\$ 763,596	\$ 763,596	\$ -	\$ 4,713,556	16.2%
12/31/2016	\$ 825,632	\$ 825,632	\$ -	\$ 5,096,494	16.2%
12/31/2017	\$ 874,916	\$ 874,916	\$ -	\$ 5,400,716	16.2%
12/31/2018	\$ 919,728	\$ 919,728	\$ -	\$ 5,677,333	16.2%
12/31/2019	\$ 1,031,508	\$ 1,031,508	\$ -	\$ 6,085,593	16.9%
12/31/2020	\$ 1,083,309	\$ 1,083,309	\$ -	\$ 6,120,390	17.7%
12/31/2021	\$ 1,265,887	\$ 1,265,887	\$ -	\$ 7,151,904	17.7%

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.

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

	2021	2020	2019	2018	2017
Total Pension Liability (TPL, actuarial accrued liability)					
Service cost	\$ 26,622	\$ 25,957	\$ 35,904	\$ 45,257	\$ 48,898
Interest	563,110	565,282	552,707	579,955	517,780
Differences between expected and actual experience	(61,093)	125,568	5,906	(16,259)	138,754
Changes of assumptions	186,143	382,673	(8,425)	533,565	111,219
Changes of benefit terms	537,679	265,019	299,036	-	653,842
Benefit payments, including member contributions	(755,377)	(704,524)	(673,245)	(682,053)	(593,632)
Net change in total pension liability	497,084	659,975	211,883	460,465	876,861
Total Pension Liability - beginning of year	2,209,184	1,549,209	1,337,326	876,861	-
Total Pension Liability - end of year	<u>\$ 2,706,268</u>	<u>\$ 2,209,184</u>	<u>\$ 1,549,209</u>	<u>\$ 1,337,326</u>	<u>\$ 876,861</u>
Plan Fiduciary Net Position (FNP, assets)					
Contributions - State and local	\$ 264,259	\$ 250,948	\$ 238,755	\$ 229,050	\$ 222,882
Contributions - donations and other income	-	-	-	-	-
Contributions - members	-	-	-	-	-
Net investment income	2,566,932	2,410,051	2,626,352	(454,151)	1,775,014
Other additions (e.g. receivables)	-	-	-	-	-
Benefit payments, including member contributions	(755,377)	(704,524)	(673,245)	(682,053)	(593,632)
Administrative expense	(30,056)	(22,314)	(25,433)	(24,694)	(24,935)
Other deductions (e.g. payables)	-	-	-	-	-
Net change in plan fiduciary net position	2,045,758	1,934,161	2,166,429	(931,848)	1,379,329
Plan Fiduciary Net Position - beginning of year	4,548,071	2,613,910	447,481	1,379,329	-
Plan Fiduciary Net Position - end of year	<u>\$ 6,593,829</u>	<u>\$ 4,548,071</u>	<u>\$ 2,613,910</u>	<u>\$ 447,481</u>	<u>\$ 1,379,329</u>
Net Pension Liability (NPL) - end of year	\$ (7,038,136)	\$ (5,489,409)	\$ (4,215,223)	\$ (2,260,677)	\$ (3,652,990)
Plan Fiduciary Net Position (FNP, assets)	171.40%	158.64%	148.45%	145.50%	145.50%

	2016	2015	2014
Total Pension Liability (TPL, actuarial accrued liability)			
Service cost	\$ 85,623	\$ 69,632	\$ 67,768
Interest	525,989	509,635	508,985
Differences between expected and actual experience	(389,429)	-	-
Changes of assumptions	(492,447)	213,856	-
Changes of benefit terms	-	-	-
Benefit payments, including member contributions	(569,784)	(563,896)	(574,072)
Net change in total pension liability	(840,048)	229,227	2,681
Total Pension Liability - beginning of year	7,991,694	7,762,467	7,759,786
Total Pension Liability - end of year	<u>\$ 7,151,646</u>	<u>\$ 7,991,694</u>	<u>\$ 7,762,467</u>
Plan Fiduciary Net Position (FNP, assets)			
Contributions - State and local	\$ 221,324	\$ 220,012	\$ 341,617
Contributions - donations and other income	-	-	-
Contributions - members	-	-	-
Net investment income	846,802	22,193	882,050
Other additions (e.g. receivables)	-	-	-
Benefit payments, including member contributions	(569,784)	(563,896)	(574,072)
Administrative expense	(25,100)	(20,569)	(23,479)
Other deductions (e.g. payables)	-	-	-
Net change in plan fiduciary net position	473,242	(342,260)	626,116
Plan Fiduciary Net Position - beginning of year	9,828,926	10,171,186	9,545,070
Plan Fiduciary Net Position - end of year	<u>\$ 10,302,168</u>	<u>\$ 9,828,926</u>	<u>\$ 10,171,186</u>
Net Pension Liability (NPL) - end of year	\$ (3,150,522)	\$ (1,837,232)	\$ (2,408,719)
Plan Fiduciary Net Position (FNP, assets)	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 Supplementary Information Section required a ten year presentation, but does not require retroactive reporting. Information prior to 2014 is not available.

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

City of Roseville, Minnesota

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS AND NON-EMPLOYER

CONTRIBUTING ENTITIES - FIRE RELIEF ASSOCIATION

For the Fiscal Year Ended December 31, 2021

Schedule 10

(Page 1 of 1)

	2012	2013	2014	2015	2016
Employer					
Actuarially determined contribution (ADC)	\$ 353,384	\$ 298,233	\$ 173,096	\$ 115,204	\$ 55,689
Contribution in relation to the ADC	205,630	89,220	130,996	-	-
Contribution deficiency (excess)	<u>147,754</u>	<u>209,013</u>	<u>42,100</u>	<u>115,204</u>	<u>55,689</u>
Non-Employer					
Contribution	\$ 149,754	\$ 210,012	\$ 210,621	\$ 220,012	\$ 221,324
	2017	2018	2019	2020	2021
Employer					
Actuarially determined contribution (ADC)	\$ 55,689	\$ 2,541	\$ -	\$ -	\$ -
Contribution in relation to the ADC	-	-	-	-	-
Contribution deficiency (excess)	<u>55,689</u>	<u>2,541</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-Employer					
Contribution	\$ 222,882	\$ 229,050	\$ 238,755	\$ 250,948	\$ 264,259

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

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.

For 2021 a budget was not adopted for the American Rescue Plan Act (ARPA) fund because the federal grant was not awarded until the third quarter of 2021. The City did not feel it was necessary to adopt an amended budget as the finance department was responsible for insuring all expenditures were in compliance with the grant guidelines.

Note A LEGAL COMPLIANCE – BUDGETS

The General Fund budget is legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the department level for the General Fund and the fund level for certain Special Revenue Funds.

Note B PENSION INFORMATION

PERA – General Employees Retirement Fund

2021 Changes in Actuarial Assumptions:

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

2020 Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- Base mortality tables were changed from RP-2014 tables to Pub-2010 tables, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2020 Changes in Plan Provisions:

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

2019 Changes in Actuarial Assumptions:

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

2019 Changes in the Plan Provisions:

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

2018 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00% per year through 2044 and 2.50% per year thereafter to 1.25% per year.

2017 Changes in Actuarial Assumptions:

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

2016 Changes in Actuarial Assumptions:

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

PERA – Public Employees Police and Fire Fund

2021 Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50% for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality tables for healthy annuitants, disabled annuitants and employees were changed from RP-2014 tables to Pub-2010 Public Safety Mortality tables. The mortality improvement scale was changed from MP-2019 to MN-2020.
- Assumed salary increase and retirement rates were modified as recommended in the July 14, 2020 experience study. The changes result in a decrease in gross salary increase rates, slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.

CITY OF ROSEVILLE, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
December 31, 2021

- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%.

2020 Changes in Actuarial Assumptions:

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

2019 Changes in Actuarial Assumptions:

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

2018 Changes in Actuarial Assumptions:

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

2017 Changes in Actuarial Assumptions:

- The single discount rate was changed from 5.6% to 7.5%.
- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30% for vested and non-vested deferred members. The CSA was changed to 33% for vested members and 2% for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65% to 60%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- 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% for all years to 1.00% per year through 2064 and 2.50% thereafter.

2016 Changes in Actuarial Assumptions:

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

Single Employer – Fire Relief Association

With only six years reported in the RSI, there is no additional information to include in the notes. Details can be obtained from the financial reports of the Fire Relief Association.

Special Revenue Funds

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

Information Technology: accounts for the revenue and expenditures used to provide information technology

Telecommunications: accounts for the revenue and expenditures in the administration, maintenance, and participant activities divisions for Telecommunications

Charitable Gambling: accounts for the revenue and expenditures used from charitable gambling

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

	Information Technology	Tele- communications	License Center	Charitable Gambling	Roseville Economic Development Authority	Total Nonmajor Special Revenue Funds
ASSETS						
Cash and investments	\$ 1,961,451	\$ 22,659	\$ 318,315	\$ 58,610	\$ 4,204,055	\$ 6,565,090
Investment interest receivable	8,156	77	-	202	14,384	22,819
Accounts receivable	85,749	95,667	143,067	-	1,370	325,853
Inventories	3,716	-	-	-	-	3,716
Taxes receivable	6,715	2,238	-	-	20,012	28,965
Due from other governmental units	-	-	-	-	187,890	187,890
Due from other funds	-	-	-	-	10,000	10,000
Notes receivable	-	-	-	-	930,762	930,762
Property held for sale	-	-	-	-	10,410	10,410
Prepaid items	-	-	1,100	-	-	1,100
TOTAL ASSETS	2,065,787	120,641	462,482	58,812	5,378,883	8,086,605
LIABILITIES						
Accounts payable	87,618	17,101	45,741	56,096	285,976	492,532
Accrued payroll	63,025	7,453	40,923	202	431	112,034
Due to other governmental units	10,658	852	10,144	35	2,490	24,179
Unearned Revenue	-	-	-	-	-	-
Deposits payable	5,000	-	-	-	-	5,000
Total Liabilities	166,301	25,406	96,808	56,333	288,897	633,745
Deferred Inflows of Resources						
Unavailable Revenue - property taxes	1,885	628	-	-	5,406	7,919
Total Deferred Inflows of Resources	1,885	628	-	-	5,406	7,919
FUND BALANCE						
Nonspendable	-	-	1,100	-	-	1,100
Restricted						
Telecommunications	-	94,607	-	-	-	94,607
Lawful Gambling	-	-	-	2,479	-	2,479
Housing and Economic Development	-	-	-	-	899,385	899,385
Assigned						
General Governmental Services	-	-	-	-	-	-
Information Technology	1,897,601	-	-	-	-	1,897,601
License center improvements	-	-	364,574	-	-	364,574
Housing and Economic Development	-	-	-	-	4,185,195	4,185,195
Unassigned	-	-	-	-	-	-
Total Fund Balances	1,897,601	94,607	365,674	2,479	5,084,580	7,444,941
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,065,787	\$ 120,641	\$ 462,482	\$ 58,812	\$ 5,378,883	\$ 8,086,605

	Information Technology	Tele- Communications	License Center	Charitable Gambling	Roseville Economic Development Authority	Total Nonmajor Special Revenue Funds
REVENUES						
Taxes	\$ 150,746	\$ 50,249	\$ -	\$ -	\$ 455,965	\$ 656,960
Intergovernmental revenue	-	-	-	-	1,727,590	1,727,590
Gambling taxes	-	-	-	37,258	-	37,258
Charges for services	3,238,355	-	1,548,412	-	4,840	4,791,607
Cable franchise taxes	-	385,750	-	-	-	385,750
Rentals	460,212	-	-	-	-	460,212
Donations	-	-	-	129,731	-	129,731
Special assessments	-	-	-	-	206	206
Investment income						
Interest earned on investments	20,060	397	60	575	50,946	72,038
Increase (decrease) in fair value of investments	(25,264)	(201)	3,458	(403)	(36,326)	(58,736)
Miscellaneous Revenue		23,083	-	-	26,210	49,293
Total Revenues	3,844,109	459,278	1,551,930	167,161	2,229,431	8,251,909
EXPENDITURES						
Current						
General Government	3,559,678	489,743	1,766,281	177,044	-	5,992,746
Economic development	-	-	-	-	2,217,334	2,217,334
Capital outlay	41,680	-	-	-	-	41,680
Total Expenditures	3,601,358	489,743	1,766,281	177,044	2,217,334	8,251,760
Excess (Deficiency) of Revenues Over (Under) Expenditures	242,751	(30,465)	(214,351)	(9,883)	12,097	149
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	688,000	-	-	688,000
Transfers Out	(360,160)	-	(302,000)	-	-	(662,160)
Sale of capital assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(360,160)	-	386,000	-	-	25,840
Net Change in Fund Balances	(117,409)	(30,465)	171,649	(9,883)	12,097	25,989
FUND BALANCES, January 1	2,015,010	125,072	194,025	12,362	5,072,483	7,418,952
FUND BALANCES, December 31	\$ 1,897,601	\$ 94,607	\$ 365,674	\$ 2,479	\$ 5,084,580	\$ 7,444,941

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

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 150,000	\$ 150,000	\$ 150,746	\$ 746
Charges for services	2,949,417	2,949,417	3,238,355	288,938
Rentals	451,683	451,683	460,212	8,529
Investment income				
Interest earned on investments	2,000	2,000	20,060	18,060
Increase (decrease) in fair value of investments	-	-	(25,264)	(25,264)
Total Revenues	3,553,100	3,553,100	3,844,109	291,009
EXPENDITURES				
Current				
General government				
Personal services	2,555,190	2,555,190	2,339,668	215,522
Supplies and materials	4,500	4,500	1,797	2,703
Other services and charges	845,911	845,911	1,218,213	(372,302)
Capital outlay	92,155	92,155	41,680	50,475
Total Expenditures	3,497,756	3,497,756	3,601,358	(103,602)
Excess (Deficiency) of Revenue Over (Under) Expenditures	55,344	55,344	242,751	187,407
OTHER FINANCING SOURCES (USES)				
Transfers In	118,741	118,741	-	(118,741)
Transfers Out	-	-	(360,160)	(360,160)
Total Other Financing Sources (Uses)	118,741	118,741	(360,160)	(478,901)
Net Change in Fund Balance	174,085	174,085	(117,409)	68,666
FUND BALANCE, January 1	2,015,010	2,015,010	2,015,010	-
FUND BALANCE, December 31	\$ 2,189,095	\$ 2,189,095	\$ 1,897,601	\$ 68,666

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

TELECOMMUNICATIONS FUND

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 50,000	\$ 50,000	\$ 50,249	\$ 249
Cable franchise taxes	384,740	384,740	385,750	1,010
Investment income				
Interest earned on investments	1,000	1,000	397	(603)
Increase (decrease) in fair value of investments	-	-	(201)	(201)
Miscellaneous Revenue	-	-	23,083	23,083
Total Revenues	435,740	435,740	459,278	23,538
EXPENDITURES				
Current				
General government				
Personal services	236,030	236,030	274,968	(38,938)
Supplies and materials	2,000	2,000	2,595	(595)
Other services and charges	214,131	214,131	212,180	1,951
Total Expenditures	452,161	452,161	489,743	(37,582)
Net Change in Fund Balance	(16,421)	(16,421)	(30,465)	(14,044)
FUND BALANCE, January 1	125,072	125,072	125,072	-
FUND BALANCE, December 31	\$ 108,651	\$ 108,651	\$ 94,607	\$ (14,044)

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

LICENSE CENTER FUND

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ 2,110,300	\$ 2,110,300	\$ 1,548,412	\$ (561,888)
Investment income				
Interest earned on investments	2,000	2,000	60	(1,940)
Increase (decrease) in fair value of investments	-	-	3,458	3,458
Total Revenues	2,112,300	2,112,300	1,551,930	(560,370)
EXPENDITURES				
Current				
General government				
Personal services	1,577,550	1,577,550	1,572,763	4,787
Supplies and materials	24,000	24,000	25,717	(1,717)
Other services and charges	191,200	191,200	167,801	23,399
Total Expenditures	1,792,750	1,792,750	1,766,281	26,469
Excess (Deficiency) of Revenue Over (Under) Expenditures	319,550	319,550	(214,351)	(533,901)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	688,000	688,000
Transfers Out	(302,000)	(302,000)	(302,000)	-
Net Change in Fund Balance	17,550	17,550	171,649	154,099
FUND BALANCE, January 1	194,025	194,025	194,025	-
FUND BALANCE, December 31	\$ 211,575	\$ 211,575	\$ 365,674	\$ 154,099

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

CHARTABLE GAMBLING FUND

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Gambling taxes	\$ 33,359	\$ 33,359	\$ 37,258	\$ 3,899
Donations	75,000	75,000	129,731	54,731
Investment income				
Interest earned on investments	-	-	575	575
Increase (decrease) in fair value of investments	-	-	(403)	(403)
Total Revenues	108,359	108,359	167,161	58,802
EXPENDITURES				
Current				
General government				
Personal services	33,359	33,359	36,044	(2,685)
Other services and charges	75,000	75,000	141,000	(66,000)
Total Expenditures	108,359	108,359	177,044	(68,685)
Net Change in Fund Balance	-	-	(9,883)	(9,883)
FUND BALANCE, January 1	12,362	12,362	12,362	-
FUND BALANCE, December 31	\$ 12,362	\$ 12,362	\$ 2,479	\$ (9,883)

SUPPLEMENTARY INFORMATION

(Page 1 of 1)

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

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY FUND

For the Fiscal Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 453,670	\$ 453,670	\$ 455,965	\$ 2,295
Intergovernmental revenue (Schedule 5)	-	-	1,727,590	1,727,590
Charges for services	-	-	4,840	4,840
Special assessments	-	-	206	206
Investment income				
Interest earned on investments	-	-	50,946	
Increase (decrease) in fair value of investments	-	-	(36,326)	(36,326)
Miscellaneous Revenue	23,125	23,125	26,210	3,085
Total Revenues	476,795	476,795	2,229,431	1,701,690
EXPENDITURES				
Current				
Economic development				
Personal services	188,170	188,170	195,074	(6,904)
Supplies and materials	-	-	459	(459)
Other services and charges	285,625	285,625	2,021,801	(1,736,176)
Total Expenditures	473,795	473,795	2,217,334	(1,743,539)
Net Change in Fund Balance	3,000	3,000	12,097	(41,849)
FUND BALANCE, January 1	5,072,483	5,072,483	5,072,483	-
FUND BALANCE, December 31	\$ 5,075,483	\$ 5,075,483	\$ 5,084,580	\$ (41,849)

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

Workers' Compensation Self Insurance Fund Outside Services: 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.

	Workers' Compensation Self-Insurance	Risk Management	Total Internal Service Funds
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 1,083,423	\$ 901,024	\$ 1,984,447
Investments interest receivable	3,616	3,086	6,702
Total Assets	<u>1,087,039</u>	<u>904,110</u>	<u>1,991,149</u>
LIABILITIES			
Current Liabilities			
Accounts payable	27,541	6,343	33,884
Insurance claims payable	39,703	47,000	86,703
Total Current Liabilities	<u>67,244</u>	<u>53,343</u>	<u>120,587</u>
Noncurrent Liabilities			
Insurance claims payable	63,839	171,639	235,478
Total Noncurrent Liabilities	<u>63,839</u>	<u>171,639</u>	<u>235,478</u>
TOTAL LIABILITIES	<u>131,083</u>	<u>224,982</u>	<u>356,065</u>
NET POSITION			
Unrestricted	<u>955,956</u>	<u>679,128</u>	<u>1,635,084</u>
TOTAL NET POSITION	<u>\$ 955,956</u>	<u>\$ 679,128</u>	<u>\$ 1,635,084</u>

COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended December 31, 2021

(Page 1 of 1)

	Workers' Compensation Self-Insurance	Risk Management	Total Internal Service Funds
OPERATING REVENUES			
Departmental charges	\$ 97,331	\$ 256,254	\$ 353,585
Employee charges	-	58,002	58,002
Total Operating Revenues	97,331	314,256	411,587
OPERATING EXPENSES			
Professional services	7,009	18,827	25,836
Supplies	-	-	-
Insurance	24,924	207,067	231,991
Training	-	8,926	8,926
Payment of claims	124,713	191,054	315,767
Total Operating Expenses	156,646	425,874	582,520
OPERATING INCOME (LOSS)	(59,315)	(111,618)	(170,933)
NON-OPERATING REVENUES (EXPENSES)			
Investment Income			
Interest Earned on Investments	8,948	6,727	15,675
Increase (Decrease) in Fair Value of Investments	(9,319)	(7,789)	(17,108)
Total Non-Operating Revenues (Expenses)	(371)	(1,062)	(1,433)
Income (Loss) Before Capital Contributions and Transfers	(59,686)	(112,680)	(172,366)
Transfers Out	-	-	-
Change in Net Position	(59,686)	(112,680)	(172,366)
NET POSITION, January 1	1,015,642	791,808	1,807,450
NET POSITION, December 31	\$ 955,956	\$ 679,128	\$ 1,635,084

	Workers' Compensation Self-Insurance	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users, including deposits	\$ 97,331	\$ 256,254	\$ 353,585
Cash payments to suppliers for goods and services	(210,200)	(260,248)	(470,448)
Cash payments to employees and others for resolved claims	-	58,002	58,002
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(112,869)	54,008	(58,861)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments received	8,519	5,920	14,439
Increase (Decrease) in Fair Value of Investments	(9,319)	(7,789)	(17,108)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(800)	(1,869)	(2,669)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(113,669)	52,139	(61,530)
CASH AND CASH EQUIVALENTS, JANUARY 1	1,197,092	848,885	2,045,977
CASH AND CASH EQUIVALENTS, DECEMBER 31	1,083,423	901,024	1,984,447
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	(59,315)	(111,618)	(170,933)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Changes in elements affecting cash			
Increase (Decrease) in Accounts payable	10,841	(6,013)	4,828
Increase (Decrease) in Insurance claim payable	(64,395)	171,639	107,244
Total Adjustments	(53,554)	165,626	112,072
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(112,869)	54,008	(58,861)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Increase/(Decrease) in fair market value of investments	\$ (9,319)	\$ (7,789)	\$ (17,108)

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	109-115
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	117-123
These schedules contain information to help the reader assess the City of Roseville's most significant local revenue source, the property tax.	
Debt Capacity	124-127
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	128-129
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	131-135
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.	

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City of Roseville, Minnesota
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

Table 1
(Page 1 of 1)
Unaudited

	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental Activities					
Net Investment in Capital Assets	\$ 114,334,627	\$ 114,983,470	\$ 116,028,830	\$ 120,125,324	\$ 119,959,369
Restricted	10,796,300	13,094,255	14,072,227	18,157,117	13,847,317
Unrestricted	24,940,748	23,751,419	25,475,158	12,948,135	16,617,276
Total Governmental Activities Net Position	150,071,675	151,829,144	155,576,215	151,230,576	150,423,962
Business-Type Activities					
Net Investment in Capital Assets	20,244,092	21,814,228	25,215,099	28,391,384	30,729,106
Restricted	-	-	-	-	-
Unrestricted	5,543,380	5,945,451	4,563,269	2,467,956	1,593,595
Total Business-Type Activities Net Position	25,787,472	27,759,679	29,778,368	30,859,340	32,322,701
Primary Government					
Net Investment in Capital Assets	134,578,719	136,797,698	141,243,929	148,516,708	150,688,475
Restricted	10,796,300	13,094,255	14,072,227	18,157,117	13,847,317
Unrestricted	30,484,128	29,696,870	30,038,427	15,416,091	18,210,871
Total Primary Government Net Position	\$ 175,859,147	\$ 179,588,823	\$ 185,354,583	\$ 182,089,916	\$ 182,746,663

	Fiscal Year				
	2017	2018	2019	2020	2021
Governmental Activities					
Net Investment in Capital Assets	\$ 121,203,724	\$ 121,613,755	\$ 122,449,714	\$ 123,848,344	\$ 122,812,999
Restricted	13,523,329	11,908,357	13,744,369	17,447,435	13,047,725
Unrestricted	11,181,711	10,192,853	12,256,314	12,428,273	23,600,568
Total Governmental Activities Net Position	145,908,764	143,714,965	148,450,397	153,724,052	159,461,292
Business-Type Activities					
Net Investment in Capital Assets	33,862,002	37,768,901	40,295,471	39,212,702	46,264,802
Restricted	-	-	-	-	-
Unrestricted	926,515	762,222	(370,939)	4,109,521	1,223,840
Total Business-Type Activities Net Position	34,788,517	38,531,123	39,924,532	43,322,223	47,488,642
Primary Government					
Net Investment in Capital Assets	155,065,726	159,382,656	162,745,185	163,061,046	169,077,801
Restricted	13,523,329	11,908,357	13,744,369	17,447,435	13,047,725
Unrestricted	12,108,226	10,955,075	11,885,375	16,537,794	24,824,408
Total Primary Government Net Position	\$ 180,697,281	\$ 182,246,088	\$ 188,374,929	\$ 197,046,275	\$ 206,949,934

City of Roseville, Minnesota
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2
(Page 1 of 2)
Unaudited

Expenses	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental activities:					
General government	\$ 4,654,650	\$ 5,376,860	\$ 5,856,306	\$ 6,126,713	\$ 7,615,373
Public safety	9,417,458	9,792,587	9,254,988	10,307,351	13,102,041
Public works	4,475,774	4,399,267	5,249,925	4,834,914	9,676,272
Parks and recreation	4,794,338	5,523,875	5,690,332	4,653,377	5,185,845
Economic development	1,261,035	954,315	1,671,768	2,603,186	4,729,987
Interest on long-term debt	685,377	1,160,953	881,887	886,950	813,509
Total governmental activities expenses	25,288,632	27,207,857	28,605,206	29,412,491	41,123,027
Business-type activities:					
Sewer	3,638,421	3,575,823	3,651,174	3,541,971	3,815,857
Water	6,307,221	5,915,805	5,553,800	5,698,196	5,977,512
Golf	360,518	345,816	339,911	306,814	340,677
Storm Drainage	1,000,570	942,598	1,324,675	1,120,225	1,327,856
Recycling	549,113	550,285	449,490	463,018	480,918
Total business-type activities expenses	11,855,843	11,330,327	11,319,050	11,130,224	11,942,820
Total primary government expenses	\$ 37,144,475	\$ 38,538,184	\$ 39,924,256	\$ 40,542,715	\$ 53,065,847
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 3,007,628	\$ 3,488,493	\$ 3,382,230	\$ 3,738,297	\$ 4,059,091
Public safety	1,807,988	1,925,320	1,804,563	1,772,335	2,358,147
Parks and recreation	1,976,761	2,591,924	2,000,010	2,297,610	2,390,468
Other activities	351,514	1,173,925	292,365	405,930	1,009,329
Operating grants and contributions	905,922	1,029,327	967,703	1,055,810	1,219,715
Capital grants and contributions	2,355,429	1,046,150	1,013,102	2,368,626	2,137,095
Total governmental activities program revenues	10,405,242	11,255,139	9,459,973	11,638,608	13,173,845
Business-type activities:					
Charges for Services:					
Sewer	3,740,826	4,105,523	4,225,532	4,561,235	4,808,303
Water	6,607,234	6,628,378	6,662,997	6,643,628	6,687,934
Golf	299,555	271,095	291,036	325,460	333,222
Storm Drainage	1,526,792	1,647,924	1,722,757	1,696,055	1,798,727
Recycling	453,259	455,271	367,469	348,965	371,871
Operating grants and contributions	104,891	69,613	70,419	189,251	90,533
Capital grants and contributions	20,858	259,550	470,967	2,000	277,055
Total business-type activities program revenues	12,753,415	13,437,354	13,811,177	13,766,594	14,367,645
Total primary government program revenues	\$ 23,158,657	\$ 24,692,493	\$ 23,271,150	\$ 25,405,202	\$ 27,541,490
Net (expense)/revenue					
Governmental activities	\$ (14,883,390)	\$ (15,952,718)	\$ (19,145,233)	\$ (17,773,883)	\$ (27,949,182)
Business-type activities	897,572	2,107,027	2,492,127	2,636,370	2,424,825
Total primary government net expense	\$ (13,985,818)	\$ (13,845,691)	\$ (16,653,106)	\$ (15,137,513)	\$ (25,524,357)
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	\$ 15,085,154	\$ 16,895,804	\$ 17,318,833	\$ 17,710,161	\$ 19,550,627
Tax increments	2,342,447	1,607,882	1,927,267	2,220,661	1,677,742
Cable franchise taxes	415,385	424,812	448,088	436,851	449,920
Gambling taxes	74,504	76,272	77,604	83,879	93,815
Grants and contributions not restricted to specific programs	24,693	24,928	249,375	24,235	24,435
Unrestricted investment earnings	350,717	288,600	474,218	579,253	758,630
Unrestricted net increase (decrease) in the fair value of Investments	-	(1,535,227)	1,614,919	119,627	(897,640)
Gain on sale of capital assets	-	-	-	-	129,474
Transfers	25,000	(72,884)	782,000	782,000	805,000
Total governmental activities	18,317,900	17,710,187	22,892,304	21,956,867	22,592,003
Business-type activities:					
Unrestricted investment earnings	39,801	25,662	56,806	45,199	36,658
Unrestricted net increase(decrease) in the fair value of investments	47,384	(233,366)	241,243	5,129	(46,107)
Gain on sale of capital assets	-	-	10,513	145,442	7,635
Transfers	(25,000)	72,884	(782,000)	(782,000)	(805,000)
Total business-type activities	62,185	(134,820)	(473,438)	(586,230)	(806,814)
Total primary government	\$ 18,380,085	\$ 17,575,367	\$ 22,418,866	\$ 21,370,637	\$ 21,785,189
Change in Net Position					
Governmental activities	\$ 3,434,510	\$ 1,757,469	\$ 3,747,071	\$ 4,182,984	\$ (5,357,179)
Business-type activities	959,757	1,972,207	2,018,689	2,050,140	1,618,011
Total primary government	\$ 4,394,267	\$ 3,729,676	\$ 5,765,760	\$ 6,233,124	\$ (3,739,168)

City of Roseville, Minnesota
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2
(Page 2 of 2)
Unaudited

Expenses	Fiscal Year				
	2017	2018	2019	2020	2021
Governmental activities:					
General government	\$ 8,180,795	\$ 8,435,979	\$ 8,890,774	\$ 10,031,213	\$ 9,700,733
Public safety	12,490,251	12,702,978	12,109,598	13,334,603	12,199,338
Public works	7,759,394	8,095,118	6,201,372	5,804,335	5,784,692
Parks and recreation	6,315,824	6,185,924	5,719,426	5,847,653	6,345,259
Economic development	4,047,461	1,229,029	1,653,281	2,766,163	3,536,319
Interest on long-term debt	785,702	708,583	643,081	660,497	523,904
Total governmental activities expenses	39,579,427	37,357,611	35,217,532	38,444,464	38,090,245
Business-type activities:					
Sewer	3,982,565	4,148,465	5,199,878	4,748,858	4,569,332
Water	6,274,835	5,919,239	6,134,757	6,654,634	7,406,174
Golf	367,665	448,514	430,186	480,815	501,318
Storm Drainage	1,237,523	1,272,724	1,422,743	1,814,662	1,498,814
Recycling	506,058	551,590	604,052	638,481	586,429
Total business-type activities expenses	12,368,646	12,340,532	13,791,616	14,337,450	14,562,067
Total primary government expenses	\$ 51,948,073	\$ 49,698,143	\$ 49,009,148	\$ 52,781,914	\$ 52,652,312
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 4,550,361	\$ 5,418,566	\$ 6,178,307	\$ 6,691,937	\$ 7,169,949
Public safety	1,812,758	2,018,293	3,132,557	2,696,195	2,503,363
Parks and recreation	2,314,762	2,567,059	2,837,337	1,216,481	2,175,626
Other activities	646,320	1,246,974	443,830	412,534	453,650
Operating grants and contributions	1,418,596	1,535,286	2,018,835	4,905,134	4,816,658
Capital grants and contributions	1,209,349	708,900	257,859	2,236,032	885,421
Total governmental activities program revenues	11,952,146	13,495,078	14,868,725	18,158,313	18,004,667
Business-type activities:					
Charges for Services:					
Sewer	5,270,628	5,458,020	5,733,880	5,837,210	6,162,785
Water	6,613,415	6,649,903	6,806,682	7,000,085	7,244,014
Golf	288,440	305,905	378,383	362,572	454,586
Storm Drainage	1,947,644	2,019,311	1,999,186	3,562,737	2,654,349
Recycling	436,304	427,065	477,805	584,022	765,140
Operating grants and contributions	87,901	124,248	540,008	236,960	280,245
Capital grants and contributions	0	50,000	8,492	28,125	1,177,519
Total business-type activities program revenues	14,644,332	15,034,452	15,944,436	17,611,711	18,738,638
Total primary government program revenues	\$ 26,596,478	\$ 28,529,530	\$ 30,813,161	\$ 35,770,024	\$ 36,743,305
Net (expense)/revenue					
Governmental activities	\$ (27,627,281)	\$ (23,862,533)	\$ (20,348,807)	\$ (20,286,151)	\$ (20,085,578)
Business-type activities	2,275,686	2,693,920	2,152,820	3,274,261	4,176,571
Total primary government net expense	\$ (25,351,595)	\$ (21,168,613)	\$ (18,195,987)	\$ (17,011,890)	\$ (15,909,007)
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	\$ 20,730,169	\$ 20,918,842	\$ 21,166,310	\$ 23,376,184	\$ 24,252,351
Tax increments	1,191,202	922,055	1,151,987	927,912	1,211,482
Cable franchisetaxes	452,123	403,224	383,550	379,648	385,750
Gambling taxes	58,581	38,018	41,535	30,487	37,258
Grants and contributions not restricted to specific programs	27,208	98,710	72,372	-	-
Unrestricted investment earnings	860,242	378,063	568,744	319,237	436,027
Unrestricted net increase (decrease) in the fair value of Investments	(197,305)	(115,486)	842,941	285,640	(510,189)
Gain on sale of capital assets	112,600	65,101	46,800	90,058	10,139
Transfers	(122,737)	(1,039,793)	810,000	0	-
Total governmental activities	23,112,083	21,668,734	25,084,239	25,409,166	25,822,818
Business-type activities:					
Unrestricted investment earnings	31,735	6,039	12,355	6,574	19,226
Unrestricted net increase(decrease) in the fair value of investments	10,985	872	15,544	8,827	(29,378)
Gain on sale of capital assets	24,673	1,982	22,690	8,029	0
Transfers	122,737	1,039,793	(810,000)	0	-
Total business-type activities	190,130	1,048,686	(759,411)	23,430	(10,152)
Total primary government	\$ 23,302,213	\$ 22,717,420	\$ 24,324,828	\$ 25,432,596	\$ 25,812,666
Change in Net Position					
Governmental activities	\$ (4,515,198)	\$ (2,193,799)	\$ 4,735,432	\$ 5,123,015	\$ 5,737,240
Business-type activities	2,465,816	3,742,606	1,393,409	3,297,691	4,166,419
Total primary government	\$ (2,049,382)	\$ 1,548,807	\$ 6,128,841	\$ 8,420,706	\$ 9,903,659

City of Roseville, Minnesota
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 3
(Page 1 of 2)
Unaudited

	Fiscal Year				
	2012	2013	2014	2015	2016
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	-	-	-	25,891	80,717
Restricted					
Law enforcement	383,025	441,412	479,360	481,341	446,436
Assigned					
Engineering services	596,685	596,341	577,352	623,387	772,697
Accounting services	16,677	18,869	19,941	20,209	17,319
General Service Reserve	-	-	-	-	-
Unassigned	5,568,600	5,151,271	5,205,951	4,817,858	5,856,061
Total General Fund	\$ 6,564,987	\$ 6,207,893	\$ 6,282,604	\$ 5,968,686	\$ 7,173,230
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	2,165	410,081
Restricted					
Telecommunications	591,108	584,645	633,732	469,353	436,616
Lawful Gambling	-	-	5,820	42,615	81,118
Community Development	367,417	595,148	713,525	1,021,351	1,759,272
Park Dedication	702,615	1,287,496	1,094,437	1,247,663	1,373,738
Tax Increment	6,884,619	7,692,065	7,870,539	12,259,273	6,586,003
Debt Service	6,884,619	6,362,028	2,726,165	2,635,521	2,693,499
Bond Funded Capital Improvements	23,073,514	17,485,834	7,751,174	4,083,564	2,902,068
Housing and Economic Development	-	-	-	-	827,821
Committed					
Street Replacement	10,308,674	9,393,137	9,965,641	10,098,522	9,354,461
Equipment Replacement	226,365	359,115	653,669	844,302	1,041,002
Assigned					
Parks and Recreation Programs and Maintenance	922,537	1,111,161	1,099,011	1,282,896	1,637,111
License Center Improvements	790,951	925,567	1,154,394	1,243,903	1,172,926
General Governmental Services	-	-	-	-	-
Information Technology	-	-	-	-	-
Capital project funds	5,689,502	5,283,935	5,308,484	3,612,552	3,529,937
Housing and Economic Development	-	-	-	-	3,004,072
Unassigned	(29,777)	(10,315)	-	-	-
Total All Other Governmental Funds	\$ 56,412,144	\$ 51,069,816	\$ 38,976,591	\$ 38,843,680	\$ 36,809,725

(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.

City of Roseville, Minnesota
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 3
(Page 2 of 2)
Unaudited

	Fiscal Year				
	2017	2018	2019	2020	2021
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	1,875	9,814	11,536	144,207	60,863
Restricted					
Law enforcement	407,132	373,225	364,145	353,541	333,661
Assigned					
Engineering services	938,020	805,269	760,929	617,125	538,106
Accounting services	17,574	17,687	17,439	17,649	16,857
General Service Reserve	-	886,000	756,498	366,054	706,946
Unassigned	4,848,107	4,136,116	5,006,928	7,347,564	8,507,587
Total General Fund	\$ 6,212,708	\$ 6,228,111	\$ 6,917,475	\$ 8,846,140	\$ 10,164,020
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	75	-	1,000	1,125	1,100
Restricted					
Telecommunications	431,608	345,056	160,316	125,072	94,607
Lawful Gambling	110,672	81,751	128,918	12,362	2,479
Community Development	1,839,150	2,139,763	3,502,984	4,108,422	4,447,459
Park Dedication	1,387,845	512,171	1,009,255	1,160,950	1,205,885
Tax Increment	3,686,918	4,135,280	4,611,087	3,363,954	3,774,096
Debt Service	2,626,667	2,533,920	2,390,172	7,432,766	2,383,400
Bond Funded Capital Improvements	2,189,727	929,573	734,374	-	-
Housing and Economic Development	843,610	857,618	875,223	890,368	899,385
Committed					
Street Replacement	-	6,115,052	4,960,459	6,385,662	6,002,657
Equipment Replacement	1,125,426	-	-	-	-
Assigned					
Parks and Recreation Programs and Maintenance	1,945,172	1,536,462	1,589,307	1,613,737	1,923,773
License Center Improvements	976,492	449,864	526,572	-	364,574
General Governmental Services	-	-	-	-	-
Information Technology	-	1,534,647	1,525,445	2,015,010	1,897,601
Capital project funds	12,137,748	4,679,926	6,009,217	7,186,739	9,212,810
Housing and Economic Development	3,385,668	3,461,361	3,784,430	4,182,115	4,185,195
Unassigned	-	-	-	192,925	-
Total All Other Governmental Funds	\$ 32,686,778	\$ 29,312,444	\$ 31,808,759	\$ 38,671,207	\$ 36,395,021

City of Roseville, Minnesota
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

Table 4

(Page 1 of 2)

Unaudited

	Fiscal Year				
	2012	2013	2014	2015	2016
Revenues					
Taxes	\$ 17,462	\$ 18,844	\$ 19,962	\$ 20,042	\$ 22,235
Intergovernmental	2,995	1,880	1,523	3,515	3,381
Licenses and permits	1,532	1,630	1,514	1,755	2,414
Charges for services	5,248	5,665	4,743	5,188	5,888
Fines and forfeits	314	237	205	136	107
Special assessments	308	179	214	171	302
Investment earnings	326	280	444	661	(132)
Miscellaneous	804	980	2,450	1,204	1,168
Total revenues	28,989	29,695	31,055	32,672	35,363
Expenditures					
General government	\$ 4,821	\$ 5,651	\$ 5,339	\$ 5,752	\$ 6,822
Public safety	8,780	9,111	9,353	9,683	10,086
Public works	2,183	2,334	2,397	2,488	2,499
Economic development	1,052	1,017	1,280	1,114	4,602
Recreation	3,688	3,808	4,070	4,617	4,380
Capital outlay	6,996	10,155	14,098	10,552	9,822
Debt service					
Principal	1,435	1,230	6,355	2,595	2,660
Interest	509	925	990	877	849
Other Charges	118	83	-	-	-
Total expenditures	29,582	34,314	43,882	37,678	41,720
Excess of revenues over (under) expenditures	(593)	(4,619)	(12,827)	(5,006)	(6,357)
Other financing sources (uses)					
Transfers in	\$ 257	\$ 75	\$ 1,001	\$ 1,419	\$ 2,579
Transfers out	(231)	(50)	(219)	(637)	(1,774)
Refunding bonds issued	-	-	-	-	-
Discount on bonds issued	-	0	-	-	-
Bonds issued	-	0	-	3,060	-
Premium on bonds issued	1,445	194	0	186	-
Payments to refunded bond escrow agent	-	-	-	-	-
Proceeds from letter of credit	15,685	3,980	0	0	-
Sale of assets	31	210	27	531	173
Total other financing sources (uses)	17,187	4,409	809	4,559	978
Net change in fund balances	\$ 16,593	\$ (210)	\$ (12,018)	\$ (447)	\$ (5,379)
Debt service as a percentage of noncapital expenditures	8.61%	8.92%	24.66%	12.80%	11.00%
			(1)	(1)	

(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.

City of Roseville, Minnesota
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

Table 4

(Page 2 of 2)

Unaudited

	Fiscal Year				
	2017	2018	2019	2020	2021
Revenues					
Taxes	\$ 22,474	\$ 22,252	\$ 22,710	\$ 24,688	\$ 26,005
Intergovernmental	2,383	2,004	2,018	6,563	5,384
Licenses and permits	1,962	2,035	3,131	2,605	2,633
Charges for services	6,151	6,859	7,508	6,858	8,048
Fines and forfeits	90	97	85	57	62
Special assessments	131	162	261	207	137
Investment earnings	622	244	1,327	580	(73)
Miscellaneous	1,051	1,218	1,806	1,427	1,527
Total revenues	34,864	34,871	38,846	42,985	43,723
Expenditures					
General government	\$ 7,342	\$ 7,814	\$ 8,226	\$ 9,307	\$ 9,304
Public safety	10,679	11,501	11,360	12,681	13,627
Public works	4,934	5,180	2,616	2,819	2,949
Economic development	3,944	1,179	1,538	2,758	3,584
Recreation	4,685	4,725	4,926	4,231	4,851
Capital outlay	4,836	3,822	4,669	5,238	2,822
Debt service					
Principal	2,760	2,880	2,675	1,900	7,040
Interest	789	730	666	680	532
Other Charges	-	-	-	-	-
Total expenditures	39,969	37,830	36,676	39,614	44,709
Excess of revenues over (under) expenditures	(5,105)	(2,959)	2,170	3,371	(986)
Other financing sources (uses)					
Transfers in	\$ 2,821	\$ 3,365	\$ 2,832	\$ -	\$ -
Transfers out	(2,944)	(3,884)	(2,022)	-	-
Refunding bonds issued	-	-	-	4,775	-
Discount on bonds issued	-	-	-	-	-
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	322	-
Payments to refunded bond escrow agent	-	-	-	-	-
Proceeds from letter of credit	-	-	-	-	-
Sale of assets	144	119	205	173	28
Total other financing sources (uses)	21	(400)	1,015	5,270	28
Net change in fund balances	\$ (5,084)	\$ (3,359)	\$ 3,185	\$ 8,641	\$ (958)
Debt service as a percentage of noncapital expenditures	10.10%	10.61%	10.44%	7.51%	18.08%

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City of Roseville, Minnesota
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
 Last Ten Fiscal Years
(accrual basis of accounting)

Table 5
 (Page 1 of 1)
Unaudited

Fiscal Year	Property Tax	Tax Increments	Cable Franchise Taxes	Gambling Taxes	Total
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
2018	20,918,842	922,055	403,224	38,018	22,282,139
2019	21,132,512	1,151,987	383,550	41,535	22,709,584
2020	23,376,184	927,912	379,648	30,487	24,714,231
2021	24,370,939	1,211,482	385,750	37,258	26,005,429

City of Roseville, Minnesota
ASSESSED VALUE AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Table 6
(Page 1 of 2)
Unaudited

Fiscal Year Ended December 31	Real Property			Gas & Electric	Personal Property Leased Machinery & Equipment
	Residential Property	Commercial Property	Other		
2012	\$ 29,774,292	\$ 14,130,173	\$ 6,560,437	\$ 535,063	\$ 55,906
2013	28,559,312	13,553,572	6,292,730	575,028	55,906
2014	29,146,350	13,832,166	6,422,077	579,255	55,197
2015	25,829,116	24,279,369	6,623,028	644,147	67,716
2016	25,839,545	16,230,896	9,066,597	707,709	65,466
2017	27,523,973	17,137,024	9,461,535	682,029	91,259
2018	29,331,022	18,261,950	10,082,719	739,086	72,205
2019	31,375,778	19,535,047	10,785,617	763,065	48,226
2020	28,115,372	28,604,783	7,669,585	783,764	89,799
2021	29,790,164	31,695,674	8,306,067	852,904	113,487

Sources: Ramsey County & League of MN Cities

City of Roseville, Minnesota
ASSESSED VALUE AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Table 6
(Page 2 of 2)
Unaudited

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
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%
2018	(6,237,582)	53,066,460	38.18%	4,539,121,600	1.17%
2019	(6,631,933)	56,719,579	37.42%	4,861,021,500	1.17%
2020	(6,981,638)	59,161,670	39.20%	5,087,172,300	1.16%
2021	(6,877,663)	64,854,004	37.07%	5,459,147,800	1.19%

City of Roseville, Minnesota
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Table 7
(Page 1 of 2)
Unaudited

Fiscal Year	City of Roseville			Ramsey County	Special Districts
	Operating Tax Capacity	Debt Service Tax Capacity	Total City Tax Capacity	Total County Tax Capacity	
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%
2018	33.35%	4.83%	38.18%	53.96%	9.20%
2019	33.53%	3.89%	37.42%	52.88%	8.74%
2020	35.45%	3.75%	39.20%	52.30%	8.74%
2021	33.67%	3.40%	37.07%	47.76%	8.38%

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).

City of Roseville, Minnesota
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Table 7
(Page 2 of 2)
Unaudited

Fiscal Year	Overlapping Rates (1)		School District - ISD#623		Total Direct & Overlapping Tax Capacity
	School District - ISD#621				
	Tax Capacity Based	Market Value Based Tax Rate	Total Capacity Based	Market Value Based Tax Rate	
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%
2018	28.46%	0.19725%	34.40%	0.21951%	164.20%
2019	26.33%	0.18765%	31.69%	0.22529%	157.06%
2020	24.96%	0.29347%	30.67%	0.19816%	155.87%
2021	23.86%	0.25290%	31.25%	0.16876%	148.32%

City of Roseville, Minnesota
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Ten Years Ago

Table 8
(Page 1 of 1)
Unaudited

Taxpayer	2021			2011		
	Taxes Levied	Rank	Percentage of Total Taxes Levied	Taxes Levied	Rank	Percentage of Total Taxes Levied
PPF Rtl Rosedale Shopping Ctr LLC	\$ 1,371,174	1	5.68%	\$ 598,184	2	4.07%
St Paul Fire And Marine Ins Co	498,178	2	2.06%	437,780	3	2.98%
Gateway Washington Inc	411,286	3	1.70%	425,678	4	2.90%
Wilcal Crossroads LLC	394,160	4	1.63%	308,371	5	2.10%
Rosedale Commons LP	347,094	5	1.44%			
Rosedale Square LLC	288,781	6	1.20%			
Magellan Pipeline Co LP	284,811	7	1.18%			
Arrow Lexington Apartments LLC	282,222	8	1.17%			
Meritex industrial Portfolio LLC	270,603	9	1.12%			
Rosedale Marketplace Associate	224,355	10	0.93%			
Compass Retail, Inc.	-	-	-	826,040	1	5.62%
Williams Bros Pipeline	-	-	-	245,188	7	1.67%
Target Corporation	-	-	-	196,295	9	1.34%
JTL Roseville Corp Center LLC	-	-	-	265,436	6	1.81%
KPERS Realty Holding #41 Inc.	-	-	-	216,734	8	1.47%
CSM Investors Inc.	-	-	-	194,527	10	1.32%
	\$ 4,372,664		18.10%	\$ 3,714,233		25.28%

Source: Ramsey County

Fiscal Year Ended 31-Dec	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Levy	Collections from Homestead Credit	Amount	Percentage of Levy
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%
2018	20,756,100	20,721,589	99.83%	-	20,721,589	99.83%
2019	21,551,650	21,105,455	97.93%	-	21,105,455	97.93%
2020	23,105,170	22,981,304	99.46%	-	22,981,304	99.46%
2021	24,152,660	24,091,198	99.75%	-	24,091,198	99.75%

Fiscal Year	Governmental Activities				Business-Type Activities		Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Special Assessment Bonds	Tax Increment Revenue Bonds	Certificate of Indebtedness	Water Revenue Bonds	Total Primary Government		
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
2018	20,904,256	-	3,101,257	-	-	24,005,513	0.63%	671
2019	18,265,665	-	2,923,852	-	-	21,189,517	0.44%	584
2020	21,535,936	-	2,741,448	-	2,693,931	26,971,315	0.53%	736
2021	14,553,659	-	2,529,044	-	2,681,038	19,763,741	0.36%	556

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
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%
2018	20,904,256	2,533,921	18,370,336	0.53%	513.20	1,871,808,636	1.28%
2019	18,265,665	2,390,172	15,875,492	0.44%	437.68	1,992,566,048	1.06%
2020	21,535,936	7,432,766	14,103,170	0.53%	384.87	2,036,783,452	1.32%
2021	14,553,659	2,383,399	12,170,260	0.36%	342.19	2,082,638,262	0.95%

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

City of Roseville, Minnesota**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

As of December 31, 2021

Table 12

(Page 1 of 1)

Unaudited

Governmental Unit	Gross Debt Net of Refunding	Percentage Applicable to Roseville	Amount Applicable to Roseville
Direct Debt:			
City of Roseville	\$ 14,553,659	100%	\$ 14,553,659
Overlapping Debt*			
School District #621	\$ 195,570,000	8%	\$ 15,645,600
School District #623	161,090,000	61%	\$ 98,264,900
Special School District #916	73,470,000	8%	\$ 5,877,600
Metropolitan Council	1,897,693,968	1%	\$ 18,976,940
Metropolitan Airports Commission	1,341,915,000	1%	\$ 13,419,150
Ramsey County	207,687,000	9%	\$ 18,691,830
Total Overlapping Debt	3,877,425,968		170,876,020
Total Direct and Overlapping Debt	\$ 3,891,979,627		\$ 185,429,679

*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, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt Limit	\$ 112,558,872	\$ 112,055,907	\$ 114,422,484	\$ 121,016,193	\$ 122,012,310
Total net debt applicable to limit	32,795,000	37,297,216	29,875,000	28,185,000	28,585,000
Legal debt margin	<u>\$ 79,763,872</u>	<u>\$ 74,758,691</u>	<u>\$ 84,547,484</u>	<u>\$ 92,831,193</u>	<u>\$ 93,427,310</u>
Total net debt applicable to the limit as a percentage of debt limit	29.14%	33.28%	26.11%	23.29%	23.43%

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt Limit	\$ 128,818,170	\$ 136,173,648	\$ 145,830,645	\$ 152,615,169	\$ 163,774,434
Total net debt applicable to limit	27,026,509	24,005,513	21,189,517	26,971,315	19,763,741
Legal debt margin	<u>\$ 101,791,661</u>	<u>\$ 112,168,135</u>	<u>\$ 124,641,128</u>	<u>\$ (26,971,315)</u>	<u>\$ 144,010,693</u>
Total net debt applicable to the limit as a percentage of debt limit	20.98%	17.63%	14.53%	17.67%	12.07%

Legal Debt Margin Calculation for Fiscal Year 2021

Estimated Market Value	<u>\$ 5,459,147,800</u>
Debt Limit (3% of total estimated market value)	163,774,434
Debt applicable to limit:	
Total Bonded Debt	19,763,741
Less:	
Special Assessment Bonds	-
Housing Bonds	-
Total net debt applicable to limit	<u>19,763,741</u>
Legal Debt Margin	<u>\$ 144,010,693</u>

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)
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%
2018	35,796	1,871,808,636	52,291	7,531	11,389	2.4%
2019	36,272	1,992,566,048	54,934	8,255	11,655	2.6%
2020	36,644	2,036,783,452	55,583	7,276	11,715	4.1%
2021	35,566	2,082,638,262	58,557	7,205	11,499	2.1%

- (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 relevant 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

City of Roseville, Minnesota
PRINCIPAL EMPLOYERS
Current Year and Ten Years Ago

Table 15
(Page 1 of 1)
Unaudited

<u>Employer</u>	<u>2021</u>			<u>2011</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Colder Products Company	1,081	1	5.69%			
Goodwill Industries, Inc	1,003	2	5.28%			
Presbyterian Homes Housing	650	3	3.42%	650	3	1.74%
Bare Escentuals Beauty, Inc	573	4	3.02%			
University-Northwestern-St Pl	500	5	2.63%	650	4	1.74%
Pediatric Home Respiratory Service	500	6	2.63%			
Wren Corporation	495	7	2.61%			
Northwestern College Radio Founda	400	8	2.11%			
Minnesota Department of Human S	384	9	2.02%			
Minnesota Department-Education	249	10	1.31%	530	6	1.42%
MN Dept. of Transportation			0.00%	700	1	1.87%
Roseville Area Schools			0.00%	683	2	1.83%
Unisys			0.00%	600	5	1.60%
Symantec Corp			0.00%	500	7	1.34%
JC Penny			0.00%	410	8	1.10%
McGough Construction			0.00%	402	9	1.07%
Lunds			0.00%	300	10	0.80%
Total	5,835		30.73%	5,425		14.51%

Sources: Minnesota Department of Employment and Economic Development
Reference USA

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Function	Fiscal Year									
	2012	2013	2014	2015 (1)	2016	2017	2018	2019	2020	2021
General government	35.5	39.3	40.75	41.25	45.19	47.85	50.15	51.5	50.57	55.65
Public safety										
Police	57	54.25	54.5	63.5	62.99	58.66	58.74	57.23	62.1	64.74
Fire	6	6	11	26.5	26.88	18.35	20.19	18.32	22.07	28.23
Public Works	16.47	15.75	15.75	18.5	19.29	18.11	18.79	18.92	19.3	20.35
Recreation	22.25	23	24	45.25	48.76	49.16	47.84	45.36	36.57	42.12
Economic Development	9.9	10	11	13.5	14.06	13.16	13.57	13.46	13.92	13.36
Water	7.54	6.62	6.97	8.5	7.41	7.92	7.34	7.02	5.4	5.50
Sewer	3.71	5.47	5.12	5.75	5.41	5.21	5.22	5.49	6.22	6.99
Golf	1.75	1.75	1.75	4.5	3.28	3.82	5.2	5.9	4.7	5.17
Recycling	-	0	0	0.25	0.3	0.3	0.3	0.54	0.29	0.30
Storm Drainage	4.03	4.87	4.87	4.75	4.9	4.79	4.31	4.27	4.7	4.89
Total	164.15	167.31	176.01	232.25	238.47	227.33	231.65	228.01	225.84	247.30

(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.

Function	Fiscal Year				
	2012	2013	2014	2015	2016
Police					
Serious offenses	2,758	2,522	3,008	3,096	3,243
Public Assistance Calls	34,665	34,942	32,624	33,549	36,058
Traffic citations	10,503	10,823	9,250	6,138	4,232
Fire					
Fire incidents	4,383	4,468	4,701	4,746	4,997
Fire inspections	473	673	565	495	285
Public Works					
Street patching (tons)	715	810	770	655	612
Sealcoating (miles)	14	13	10	0	0
Snow / ice control (miles)	125	125	125	125	125
Sign repair / replacements	150	140	131	369	490
Recreation					
Recreation and leisure participations	112,730	112,825	113,000	115,000	110,000
Facility usage permits	1,060	1,170	1,200	1,440	1,595
Economic Development					
Building permits issued	1,508	1,763	1,539	1,874	1,625
Number of inspections	5,020	5,574	5,246	5,685	5,543
Planning / zoning cases	35	27	33	26	32
Water					
Meters repaired / replaced	590	900	1,100	5,836	1,000
Water main breaks	21	27	49	31	40
Hydrants repaired / flushed	1,799	1,875	1,875	1,875	1,885
Annual water pumped (thousands of gallons)	1,996,677	1,826,482	1,650,069	1,645,610	1,653,881
Sewer					
Sewer pipes repaired / replaced (linear feet)	21,900	39,827	33,312	30,348	31,042
Sewer pipes cleaned (linear feet)	274,673	255,672	230,923	282,740	258,564
Sewer pipes televised (linear feet)	67,794	40,166	15,312	95,044	71,804
Annual sewer flow (thousands of gallons)	1,213,440	1,243,730	1,248,820	1,134,520	1,133,420
Golf					
Number of rounds played	25,929	24,282	25,186	25,663	25,905
Recycling					
Materials collected (tons)	3,173	3,226	3,150	3,305	3,241
Storm Drainage					
Sweeping (centerline miles)	125	125	125	125	125
Leaf collection (Cubic yards)	20,000	20,000	20,000	20,000	0
Structure inspections	400	200	113	169	181
Infrastructure repair / replace (linear feet)	70	1,049	1,233	2,074	2,940

Sources: Various city departments

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

Function	Fiscal Year				
	2017	2018	2019	2020	2021
Police					
Serious offenses	3,263	3,232	3,457	3,462	2,425
Public Assistance Calls	36,378	42,085	39,218	32,652	26,809
Traffic citations	2,459	5,373	4,123	1,775	1,824
Fire					
Fire incidents	4,793	4,969	5,540	5,528	6,245
Fire inspections	557	589	2,112	385	466
Public Works					
Street patching (tons)	625	1,150	1,200	1,422	1,673
Sealcoating (miles)	-	-	-	-	-
Snow / ice control (miles)	125	125	125	125	125
Sign repair / replacements	342	1,303	1,200	100	75
Recreation					
Recreation and leisure participations	137,000	145,210	151,290	103,514	193,974
Facility usage permits	1,691	2,041	2,211	737	585
Economic Development					
Building permits issued	1,370	1,568	1,629	1,480	1,559
Number of inspections	4,716	4,854	5,266	4,513	5,238
Planning / zoning cases	23	29	28	34	25
Water					
Meters repaired / replaced	780	620	716	371	882
Water main breaks	35	30	36	35	29
Hydrants repaired / flushed	1,885	1,990	2,100	7	1,913
Annual water pumped (thousands of gallons)	1,640,606	1,714,346	1,627,211	1,708,834	1,875,734
Sewer					
Sewer pipes repaired / replaced (linear feet)	39,916	31,152	34,343	37,846	37,622
Sewer pipes cleaned (linear feet)	241,031	257,350	259,110	102,719	173,067
Sewer pipes televised (linear feet)	79,844	79,841	28,213	35,736	42,280
Annual sewer flow (thousands of gallons)	1,202,980	1,246,420	1,175,780	1,203,420	1,024,525
Golf					
Number of rounds played	22,500	20,444	21,416	25,012	27,401
Recycling					
Materials collected (tons)	3,261	3,188	3,102	3,070	2,937
Storm Drainage					
Sweeping (centerline miles)	125	125	125	125	125
Leaf collection (Cubic yards) (1)	0	0			
Structure inspections	322	293	300	200	200
Infrastructure repair / replace (linear feet)	809	100	0	0	0

City of Roseville, Minnesota
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Table 18

(Page 1 of 2)

Unaudited

Function	Fiscal Year				
	2012	2013	2014	2015	2016
Public Safety					
Police:					
Stations	1	1	1	1	1
Patrol Units	33	38	38	38	38
Fire Stations	2	1	1	1	1
Public Works					
Streets (miles)	125	125	125	125	125
Street Lights	1,133	1,133	1,133	1,133	1,145
Recreation					
Parks and playgrounds	30	30	30	30	32
Lighted park shelters	8	8	5	5	5
Parks Acreage	685	685	685	685	685
Skating Rinks					
Outdoor	12	10	10	11	11
Indoor	1	1	1	1	1
Golf Course	1	1	1	1	1
Ballfields	41	41	21	21	21
Soccer/football fields	8	8	19	19	19
Tennis Courts	17	17	17	17	17
Volleyball Courts	6	6	5	5	5
Basketball Courts	8	9	15	15	15
Miles of Trails	69	69	71	71	71
Water					
Number of connections	10,303	10,303	10,303	10,311	10,224
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)	1,996,677	1,826,482	1,650,069	1,645,610	1,653,881
Sewer					
Number of connections	10,130	10,130	10,130	10,135	10,159
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

Function	Fiscal Year				
	2017	2018	2019	2020	2021
Public Safety					
Police:					
Stations	1	1	1	1	1
Patrol Units	37	36	36	36	38
Fire Stations	1	1	1	1	1
Public Works					
Streets (miles)	125	125	125	125	125
Street Lights	1,145	1,388	1,134	1,134	1,134
Recreation					
Parks and playgrounds	32	32	32	32	33
Lighted park shelters	5	5	5	5	5
Parks Acreage	685	685	685	685	686
Skating Rinks					
Outdoor	11	11	11	11	11
Indoor	1	1	1	1	1
Golf Course	1	1	1	1	1
Ballfields	21	21	21	21	21
Soccer/football fields	19	19	19	19	19
Tennis Courts	17	17	17	17	17
Volleyball Courts	5	5	5	5	5
Basketball Courts	15	15	15	15	15
Miles of Trails	71	71	71	71	71
Water					
Number of connections	10,278	10,303	10,311	10,340	10,385
Water mains (miles)	166	166	166	166	166
Fire Hydrants	1,711	1,784	1,784	1,784	1,746
Water purchased from St. Paul (thousands of gallons)	1,640,606	1,714,346	1,629,466	1,708,834	1,875,734
Sewer					
Number of connections	10,208	10,230	10,258	10,266	10,305
Sanitary sewers (miles)	156	156	156	156	156
Storm drainage					
Storm sewers (miles)	145	145	145	145	145