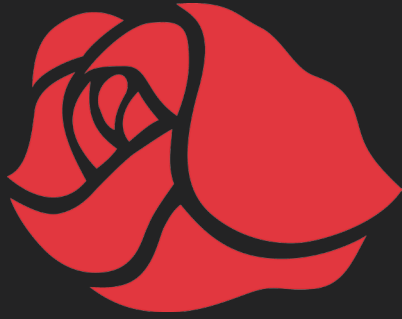




2025 Budget

CITY OF ROSEVILLE, MN



ROSEVILLE



TABLE OF CONTENTS

Letter of Transmittal 4

SECTION 1 – EXECUTIVE SUMMARY

Budget Presentation Award 6
Schedule of Elected and Appointed Officials 7
Organizational Chart 8
City Budget Summary 9
Schedule of Funding Sources 12
Consolidated Budget Summary 14
Tax Levy, Tax Capacity, and Tax Impact 15
Tax Levy Benchmarks 16
Overview of Financial Structure 18
Summary of Financial Trends 19
Budget Process Overview 24
Summary of Departmental Full-time Equivalent Employees 25

SECTION 2 – DEPARTMENT/PROGRAM BUDGETS

General Fund Budget Summary 26

General Government Functions

- City Council 28
- Administration 29
- Elections 30
- Legal 31
- Finance & Accounting 32
- Central Services 33
- General Insurance 34

Public Safety Functions

- Police Department 35
- Fire Administration 36
- Fire Operations 37
- Fire Relief Association 38
- Emergency Management 39

Public Works Functions

- Public Works Administration 40
- Streets 41
- Street Lighting 42
- Building Maintenance 43
- Central Garage 44

SECTION 2 – DEPARTMENT/PROGRAM BUDGETS (CONTINUED)

Parks & Recreation Fund Budget Summary 45

- Recreation Administration 46
- Recreation Fee Activities 47
- Recreation Non-Fee Activities 48
- Recreation Harriet Alexander Nature Center 49
- Recreation Roseville Skating Center 50
- Recreation Activity Center 51
- Recreation Park Maintenance 52

Community Development Fund Budget Summary 53

- City Planning 54
- Building Permits and Codes 55
- Nuisance Code Enforcement 56
- Geographic Information Systems 57
- Neighbor Enhancement Program 58

Special Purpose Special Revenue Funds

- Communications 59
- License Center 60
- Lawful Gambling 61

Capital Project Funds

- Vehicle and Equipment Fund 62
- Facilities Replacement Fund 63
- Streetscape Fund 64
- Pathway & Parking Lot Maintenance 65
- Street Light Replacement Fund 66
- Park Improvement Program 67
- Street Infrastructure Replacement Fund 68

Proprietary Funds

- Sanitary Sewer Fund 69
- Water Fund 70
- Storm Drainage Fund 71
- Environmental Recycling Fund 72
- Cedarholm Golf and Community Building 73



TABLE OF CONTENTS

SECTION 3 – STRATEGIC PLANS

Debt Management Plan 74
Capital Improvement Plan – Executive Summary 76
Major CIP Items 78
Financial Plan – Executive Summary 79

APPENDIX A

Mission Statement and Summary of Fiscal and Budget Policies 83

APPENDIX B

Overview of Budget Process, Legal and Policy Requirements, and
Description of Funds 101

APPENDIX C

Profile of the City of Roseville 110
Principal Property Taxpayers 112
Principal Employers 113
Demographic and Economic Statistics 114

APPENDIX D

Community Aspirations and Performance Measures 115

APPENDIX E

2024 Capital Improvement Projects 118
2025-2044 Summary of All Capital Projects 118

APPENDIX F

Glossary of Terms 120

Letter of Transmittal

December 2, 2024

To the Mayor and City Council,

Enclosed is the 2025 City Budget as prepared by City Staff and with City Council direction. The 2025 Budget culminates nearly a year's worth of planning, evaluation, and input from the City Council, advisory commissions, citizens, and staff. This process included over a dozen public meetings held to solicit input and to gauge citizen reaction to proposed program and service offerings. Great effort has been taken to ensure that the City's core services are funded in a manner that preserves the greatest value to the community. In addition, steps have been taken to account for the changing trends and impacts that will affect both next years and future year's budgets.

For 2025, the primary goal of the budget was to provide residents and businesses with the necessary and desired services in the most effective manner while limiting the financial burden to taxpayers. Secondary goals centered on the allocation of resources to uphold previously identified community aspirations and implementing the classification and compensation study to maintain the City workforce. 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.'
- Engaged in our community's success as citizens, neighbors, volunteers, leaders, and businesspeople.

In addition, specific *citywide* budgetary objectives were established including:

2025 Citywide Budget Objectives

- Investment in Maintaining City Programs and Workforce
- Investment in Infrastructure
- Strategic Use of Grant Funding and Reserves

For 2025, the City recognized continued strengthening of its tax base with overall market values up 1.10% during the past year and 40% over the past five years. This includes general market value appreciation across all property types as well as new housing units and commercial/retail development.

The City's overall financial condition remains strong with steady property tax and non-tax revenues and moderate overall spending increases. The City currently holds a triple-A bond rating from both Moody's and S&P and expects to retain this in 2024 and beyond. Despite the City's strong financial condition, on-going challenges will remain. The largest challenge will be securing additional resources for the City's asset

replacement programs. While these programs are funded for the short term, the City will need to increase levy support in future years.

Finally, the 2025 Budget reflects the adopted budget and financial policies that help guide budgeting and spending decisions. These policies can be found in *Appendix A*. This document summarizes the 2025 Budget for all City programs and services and is presented in three sections.

Section 1 – Executive Summary features a summary of the budget, funding sources, tax levy and tax impact, and a summary of financial trends. The purpose of this section is to provide a broad overview of city operations as a whole.

Section 2 – Fund and Program Budgets provides a fund budget summary accompanied by a summary of each major city program or division including goals and objectives, prior year accomplishments, and budget impact items that is accounted for in that fund. The purpose of this section is to provide a quick overview of the core programs and services provided by the city.

Section 3 – Strategic Financial Plans presents information regarding the City’s Debt Management Plan, 20-year Capital Improvement Plan (CIP), and a 10-Year Financial Plan which play an integral part in the City’s long-term financial planning as well as subsequent year’s budgets.

The **appendices** include supporting documentation that is designed to provide the reader with a greater understanding of the role the budget takes in the City’s operations, along with some supplemental demographic and statistical information.

We sincerely hope that residents and other interested parties will find this document useful in evaluating the City’s programs and services, and overall financial condition. Supplemental information can also be obtained from the City’s Finance Department.

We would like to express our thanks to all City Staff for their hard work and cooperation in preparing this budget. We would also like to express our appreciation for the guidance and direction provided by the City Council over the past year. Finally, it is an honor to serve the citizens of Roseville, whose trust and support are essential to fulfilling the commitments embedded in this budget.

Respectfully submitted,



Patrick Trudgeon
City Manager



Michelle Pietrick
Finance Director

Budget Presentation Award

The City of Roseville received its 28th Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada (GFOA) for its Annual Budget for the fiscal year beginning January 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION
Distinguished Budget Presentation Award

PRESENTED TO

**City of Roseville
Minnesota**

For the Fiscal Year Beginning

January 01, 2024

Christopher P. Morill

Executive Director

City of Roseville, Minnesota

Elected and Appointed Officials

Elected Officials

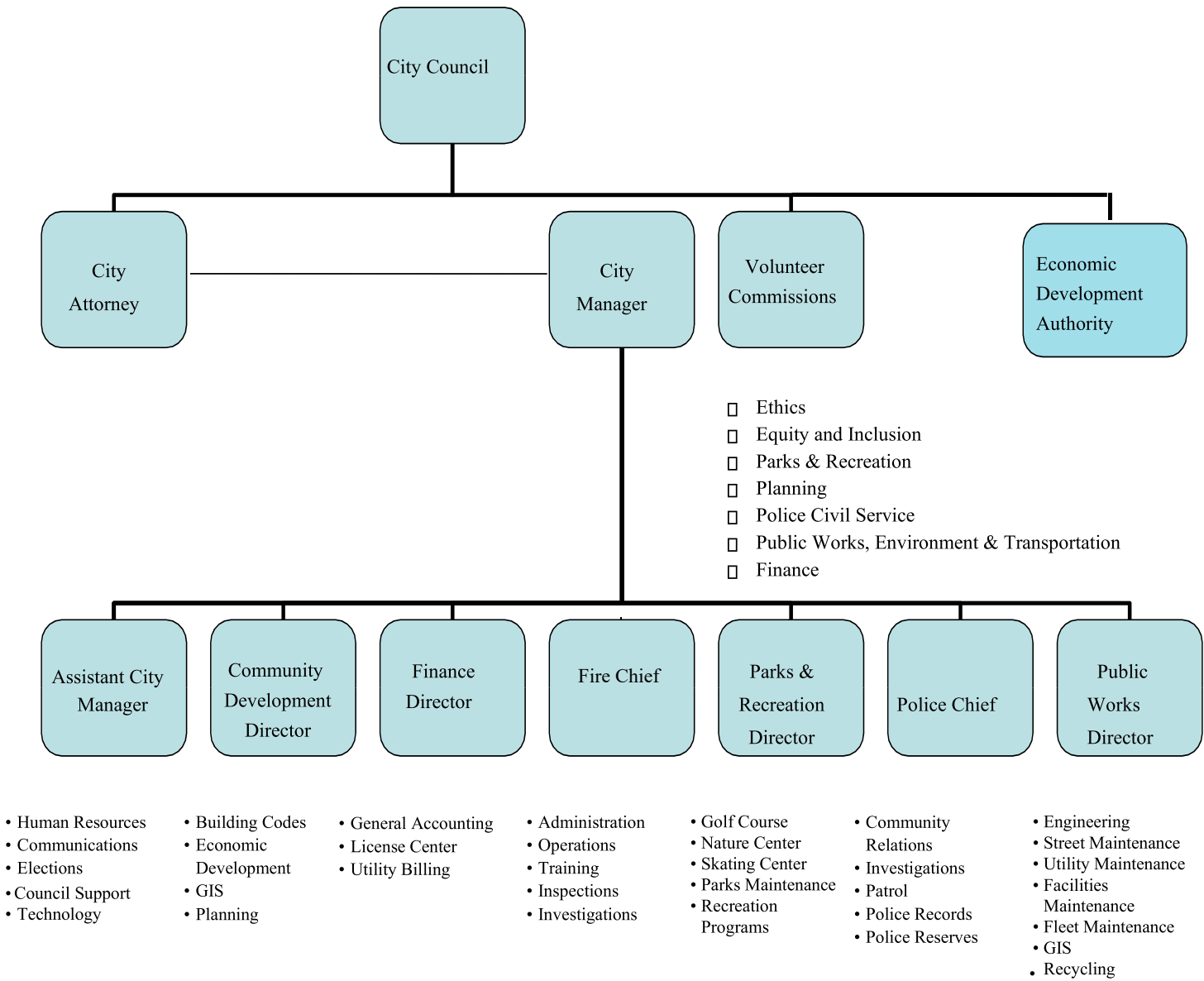
		Term of Office expires *
Mayor	Dan Roe	2027
Councilmember	Jason Etten	2025
Councilmember	Wayne Groff	2027
Councilmember	Robin Schroeder	2027
Councilmember	Julie Strahan	2025

* expires on the first official business day in January

Appointed Officials

City Manager	Patrick Trudgeon
Assistant City Manager	Rebecca Olson
Finance Director	Michelle Pietrick
Public Works Director	Jesse Freihammer
Police Chief	Erika Scheider
Fire Chief	David Brosnahan
Parks & Recreation Director	Matthew Johnson
Community Development Director	Janice Gundlach

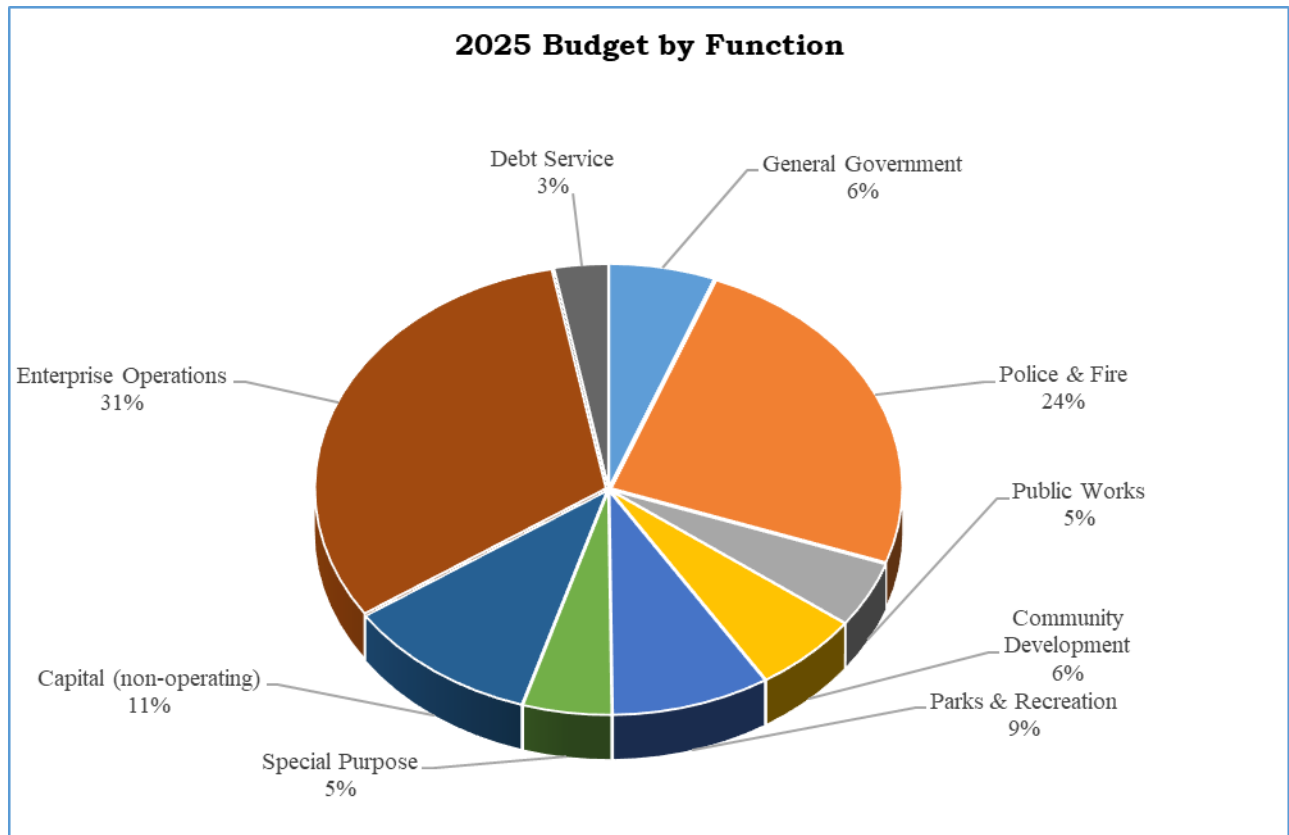
City of Roseville Organizational Chart



2025 Budget Summary

The 2025 Budget is \$73,663,434, an increase of \$3,519,083 or 5%.

The following graph and table provide a summary of the budget by **major program or function**.



			\$ Increase	% Increase
Program or Function	2024	2025	(Decrease)	(Decrease)
General Government	\$ 4,090,799	\$ 4,327,124	\$ 236,325	5.8%
Police & Fire	16,356,419	18,055,165	1,698,746	10.4%
Public Works	3,407,235	3,496,960	89,725	2.6%
Community Development	3,388,817	4,344,400	955,583	28.2%
Parks & Recreation	6,120,421	6,472,770	352,349	5.8%
Special Purpose	3,948,596	3,619,080	(329,516)	-8.3%
Capital (non-operating)	9,043,310	7,966,145	(1,077,165)	-11.9%
Enterprise Operations	21,563,332	23,172,590	1,609,258	7.5%
Debt Service	2,225,422	2,209,200	(16,222)	-0.7%
Total	\$ 70,144,351	\$ 73,663,434	\$ 3,519,083	5.0%

General Government includes activities related to City Council and advisory commissions, elections, legal, general administration, finance, and central services. General government expenditures are expected to increase due to continued implementation of the compensation and classification study completed in 2024 and also due to adding a Human Resources Manager position starting in July.

Police and Fire includes the costs associated with providing police and fire protection. Police and Fire expenditures are expected to increase due to settled contracts, increase in fire cadets, added Housing Inspector in Fire, added new Commander and two Mental Health Coordinators in the Police department.

Public Works includes engineering, street maintenance, street lighting, fleet maintenance, and building maintenance functions. An increase in expenditures is expected due to cost of living increases and step increases for eligible employees.

Parks and Recreation includes recreation administration and programs, leisure activities, parks maintenance and the skating center operation. An increase in expenditures is expected due to cost of living increases for personnel, increased utility and maintenance costs at the skating center, and increased inflationary costs related to programs offered.

Community Development includes planning and economic development, code enforcement, geographic information systems, and Tax Increment Financing (TIF) paid to developers. Expenditures are expected to increase primarily due to higher TIF payments, however, there are increases in personnel for cost-of-living adjustments.

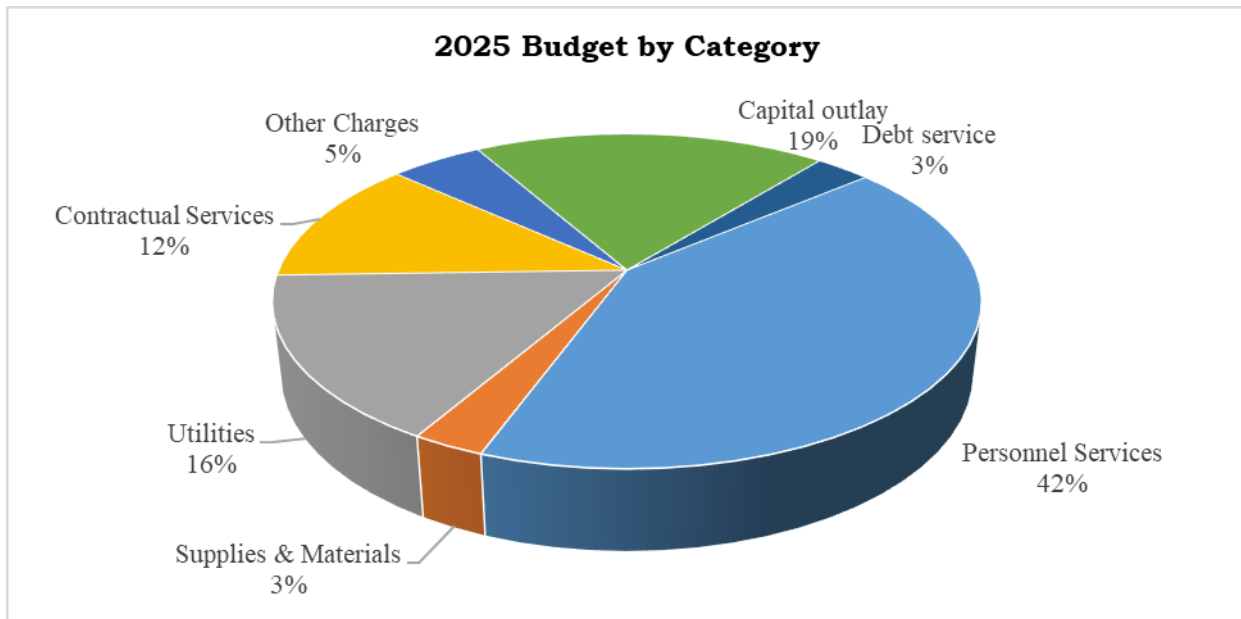
Special Purpose functions include information technology, communications, license center, and lawful gambling enforcement. Expenditures are expected to decrease due to moving the contractual service costs for information technology to general government. Remaining costs in the information technology fund are transfers of remaining fund balance to close the fund.

Capital Outlay includes scheduled replacement purchases of vehicles and equipment (non-operating budgets), as well as general infrastructure improvements. A decrease is expected due to lower municipal state aid street projects. In addition, there are fewer vehicles scheduled for replacement in 2025 versus 2024. There are no increases to the operating budget as a result of these projects in 2025. Capital outlay for Enterprise Operations is shown as Enterprise Operations.

Enterprise Operations includes water, sanitary sewer, storm drainage, environmental recycling, and the municipal golf course. Overall expenditures are expected to increase due to increased contractual costs in the purchase of water from St. Paul Regional Water and sanitary sewer processing costs from the Metropolitan Council. In addition, there are increases capital projects in the sanitary sewer fund and in the environmental fund, for purchase of recycling carts.

Debt Service includes the principal and interest paid on bonds used to finance infrastructure and facility improvement projects. The decrease is related to scheduled bond payments.

The following graph and table provide a summary of the budget by **major expense category**.



Expense Category	2024	2025	\$ Increase (Decrease)	% Increase (Decrease)
Personnel Services	28,538,639	30,743,988	\$ 2,205,349	7.7%
Supplies & Materials	1,942,221	2,072,005	129,784	6.7%
Utilities	11,183,817	11,844,455	660,638	5.9%
Contractual Services	7,983,188	8,945,120	961,932	12.0%
Other Charges	4,289,524	3,723,521	(566,003)	-13.2%
Capital outlay	14,454,900	14,125,145	(329,755)	-2.3%
Debt service	2,225,422	2,209,200	(16,222)	-0.7%
Total	\$ 70,617,711	\$ 73,663,434	\$ 3,045,723	4.3%

Personnel Services includes the wage, benefit, and insurance costs of employees. There is a 3% cost-of-living adjustment budgeted for city employees as well as wage step increases for eligible employees. An additional amount was budgeted for union contracts which were settled late in 2024. Additionally, new positions were approved for 2025: Police Commander, 2 Mental Health Coordinators in Police, Housing Officer/Inspector in Fire, Human Resources Manager to start July 1, Parks Maintenance Forester goes to full time from part time, 3 part time positions go to full time in the license center and an additional part time position is added there as well.

Supplies and Materials include office supplies, motor fuel and vehicle supplies, clothing and protective gear, street repair materials, and salt/sand purchases. Increases are a result of factoring in inflationary costs.

Utilities include electric and gas charges, solar lease payments, payments to Metropolitan Council for sanitary sewer costs, and payments to St. Paul Regional Water for purchase of water.

Contractual Services include professional services, dispatching services contractual maintenance and tax increment pay as you go payments to developers. Decrease is a result of the close out of the information technology fund in 2024 with a transfer out to the general fund.

Other Services and Charges include postage, telephone, memberships, inter-fund charges, credit card processing fees, training and conferences, tuition reimbursement, software maintenance costs and minor

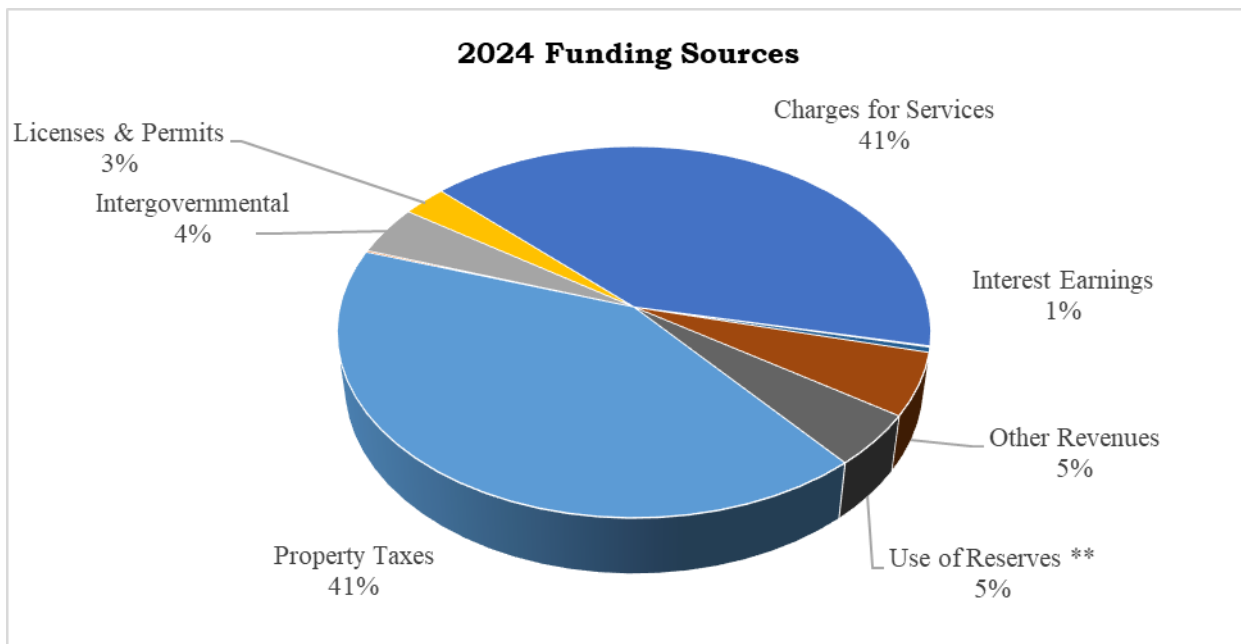
equipment. Decrease is do to elimination of some department software costs, reduced minor equipment needs, and other reductions made by various departments.

Capital Outlay includes scheduled replacement purchases of vehicles and equipment (non-operating budgets), as well as general infrastructure improvements. A decrease is expected due to lower municipal state aid street projects. In addition, there are fewer vehicles scheduled for replacement in 2025 versus 2024. This section does include the capital outlay from Enterprise Operations, which differs from the earlier chart.

Debt Service includes the principal and interest paid on bonds used to finance infrastructure and facility improvement projects.

Budget Funding Sources

The following graph and table summarize the funding sources for the Budget.



<u>Funding Source</u>	<u>2024</u>	<u>2025</u>	<u>\$ Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Property Taxes	\$ 28,785,280	\$ 30,352,603	\$ 1,567,323	5.44%
Special Assessments	153,247	108,000	(45,247)	-29.53%
Intergovernmental	5,486,509	3,153,414	(2,333,095)	-42.52%
Licenses & Permits	1,975,352	2,016,710	41,358	2.09%
Charges for Services	29,044,429	30,261,372	1,216,943	4.19%
Court Fines	60,000	70,000	10,000	16.67%
Interest Earnings	235,410	329,218	93,808	39.85%
Other Revenues	2,212,608	4,008,779	1,796,171	81.18%
Use of Reserves **	2,664,876	3,363,338	698,462	26.21%
Total	\$ 70,617,711	\$ 73,663,434	\$ 3,045,723	4.31%

** Represents planned spending/reserve building from capital replacement funds and operating funds.

Property Taxes include taxes levied against taxable property. The increase in property taxes is necessary to provide for increased personnel costs and to offset inflationary-type costs for day-to-day operations.

Special Assessments include assessments levied against benefiting properties for various infrastructure improvements.

Intergovernmental Revenues include MSA state aids (\$1,039,720), police, fire, grants and state aids (\$1,831,820), and some minor state and federal grants. The decrease is largely attributable to one-time public safety aid from the State (\$1,000,000) received in 2024, MSA state aid revenue (\$880,000) due to fewer MSA road projects, and state bonding (\$756,000) in 2024 which was not replicated in 2025.

Licenses & Permits include business licenses (\$459,260), right of way and erosion control permits (\$121,250) and building-related permits (\$1,436,200). A minimal increase is expected in 2025 due to increased permit fees to offset staff costs.

Charges for Services include wireless antenna lease revenues (\$451,000); recreation program fees (\$2,859,000); license center fees (\$2,600,000); user charges for: water (\$10,600,000), sanitary sewer (\$6,750,000), storm drainage (\$3,730,000), environmental recycling fees (\$1,010,000), and greens fees for the municipal golf course (\$487,000). The increase is attributable to increased recreation program and golf course participation and programmed increases in the utility fund rates to offset increased costs and to build capital reserves.

Court Fines include fines paid for traffic violations and criminal offenses occurring within the city limits. The increase reflects the trend over the past three years of alcohol and tobacco violations.

Interest Earnings include investment earnings on cash reserves. Increase is expected in 2025 due to higher investment earnings in the capital project funds.

Other Revenues include tax increment (\$2,305,000), lawful gambling taxes (\$150,000), cable franchise fees (\$354,000), and inter-fund transfers.

Use of Reserves denotes the fund reserves that are projected to be used to finance one-time capital replacements and other uses. An increase of planned uses of reserves is expected in 2025 for funding capital improvements as more projects are projected in certain areas.

Consolidated Budget Summary

The consolidated 2025 balanced budget is shown in the following chart, along with the prior three years of actual results and the prior year's budget.

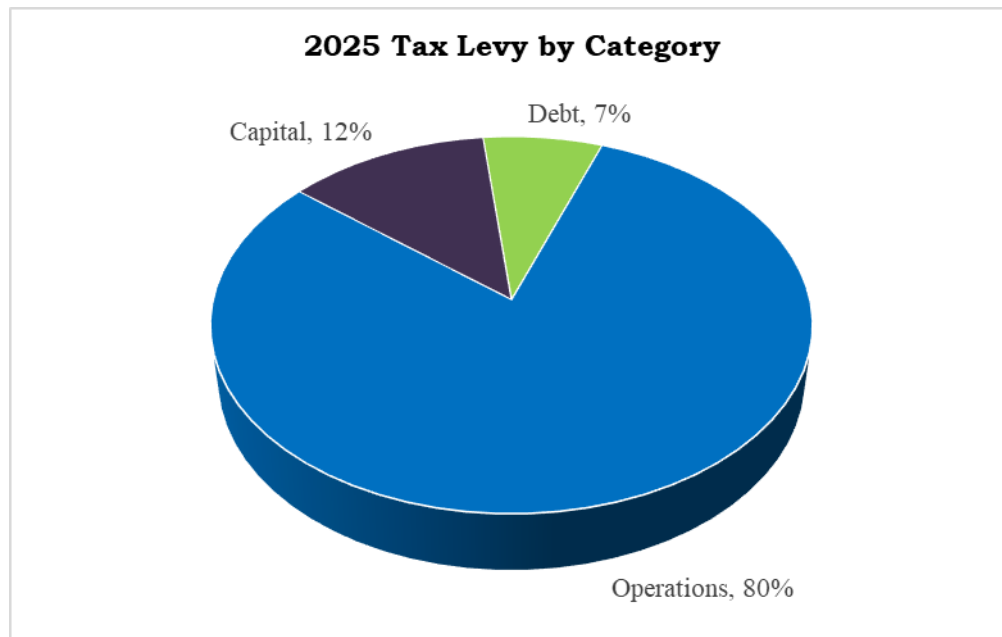
City of Roseville							
Combined Funds Financial Summary							
	2021	2022	2023	2024	2025	\$ Increase	
Revenues	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	
General Property Taxes	\$ 23,914,971	\$ 24,454,142	\$ 24,799,296	\$ 28,785,280	\$ 30,352,603	\$ 1,567,323	
Tax Increments	\$ 1,211,482	\$ 1,400,327	\$ 2,429,997	\$ 1,425,000	\$ 2,305,000	880,000	
Intergovernmental Revenue	\$ 4,066,737	\$ 8,223,843	\$ 5,877,061	\$ 5,486,509	\$ 3,153,414	(2,333,095)	
Licenses & Permits	\$ 2,491,345	\$ 2,259,932	\$ 2,391,403	\$ 1,975,352	\$ 2,016,710	41,358	
Charges for Services	\$ 25,538,567	\$ 24,217,376	\$ 28,178,291	\$ 29,044,429	\$ 30,261,372	1,216,943	
Fines and Forfeits	\$ 62,025	\$ 87,068	\$ 76,371	\$ 60,000	\$ 70,000	10,000	
Cable Franchise Fees	\$ 385,750	\$ 374,855	\$ 354,531	\$ 374,000	\$ 354,000	(20,000)	
Special Assessments	\$ 156,635	\$ 244,285	\$ 724,896	\$ 153,247	\$ 108,000	(45,247)	
Investment Income	\$ (45,588)	\$ (4,118,568)	\$ 2,423,806	\$ 235,410	\$ 329,218	93,808	
Miscellaneous	\$ 655,096	\$ 512,741	\$ 781,627	\$ 358,234	\$ 491,779	133,545	
Total Revenues	\$ 58,437,020	\$ 57,656,001	\$ 68,037,279	\$ 67,897,461	\$ 69,442,096	\$ 1,544,635	
Expenditures							
Personnel Services	\$ 24,923,805	\$ 24,114,238	\$ 25,193,684	\$ 28,334,319	\$ 30,743,988	\$ 2,409,669	
Supplies & Materials	\$ 1,513,639	\$ 1,749,984	\$ 1,874,572	\$ 1,942,221	\$ 2,072,005	129,784	
Utilities	\$ 8,933,136	\$ 9,814,977	\$ 10,901,383	\$ 11,183,817	\$ 11,844,455	660,638	
Contractual Services	\$ 5,552,709	\$ 5,505,673	\$ 6,496,133	\$ 7,481,588	\$ 8,668,820	1,187,232	
Other Charges	\$ 2,219,781	\$ 2,064,609	\$ 2,193,940	\$ 2,659,970	\$ 2,733,521	73,551	
Capital Outlay	\$ 9,047,791	\$ 16,315,224	\$ 9,460,471	\$ 13,622,500	\$ 14,125,145	502,645	
Debt Service	\$ 7,602,318	\$ 2,715,327	\$ 2,740,935	\$ 2,501,672	\$ 2,485,500	(16,172)	
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Total Expenditures	\$ 59,793,179	\$ 62,280,032	\$ 58,861,118	\$ 67,726,087	\$ 72,673,434	\$ 4,947,347	
Other Financing Sources (Uses)							
Transfers In /	\$ 1,476,416	\$ 641,056	\$ 2,782,851	\$ 2,426,364	\$ 858,000	\$(1,568,364)	
Transfers Out	(1,879,595)	(1,291,684)	(1,966,920)	(2,418,264)	(990,000)	1,428,264	
Sale of Assets/Bond Proceeds	-	-	-	-	-	-	
Total Other Financing Sources	\$ (403,179)	\$ (650,628)	\$ 815,931	\$ 8,100	\$ (132,000)	\$ (140,100)	
Net Chg. in Fund Balance / Net Assets	(1,759,338)	(5,274,659)	9,992,092	(2,664,876)	(3,363,338)		
Beginning Fund Balance / Net Assets	42,741,838	40,982,500	35,707,841	45,699,933	48,350,615		
Ending Fund Balance / Net Assets	\$ 40,982,500	\$ 35,707,841	\$ 45,699,933	\$ 43,035,056	\$ 44,025,280		

Tax Levy, Tax Capacity, and Tax Impact

The tax levy for 2025 is \$30,352,603, an increase of \$1,567,323 or 5.44%. The increase in property taxes is necessary to fund investment in personnel, offset higher capital replacement and inflationary-type operational costs.

For 2025, the median-valued single-family home experienced a 3% increase in their assessed market value: rising from \$349,900 to \$360,500. The overall tax capacity valuation decreased by 2.7% from \$71,587,958 to \$69,640,693. The decrease in overall tax capacity was mainly due to an increase in the market value exclusion for homesteaded single-family properties. This, along with the change in property tax levy, resulted in a monthly tax increase of \$9.73 or 9.1%.

The following graph and table summarize the 2025 tax levy.

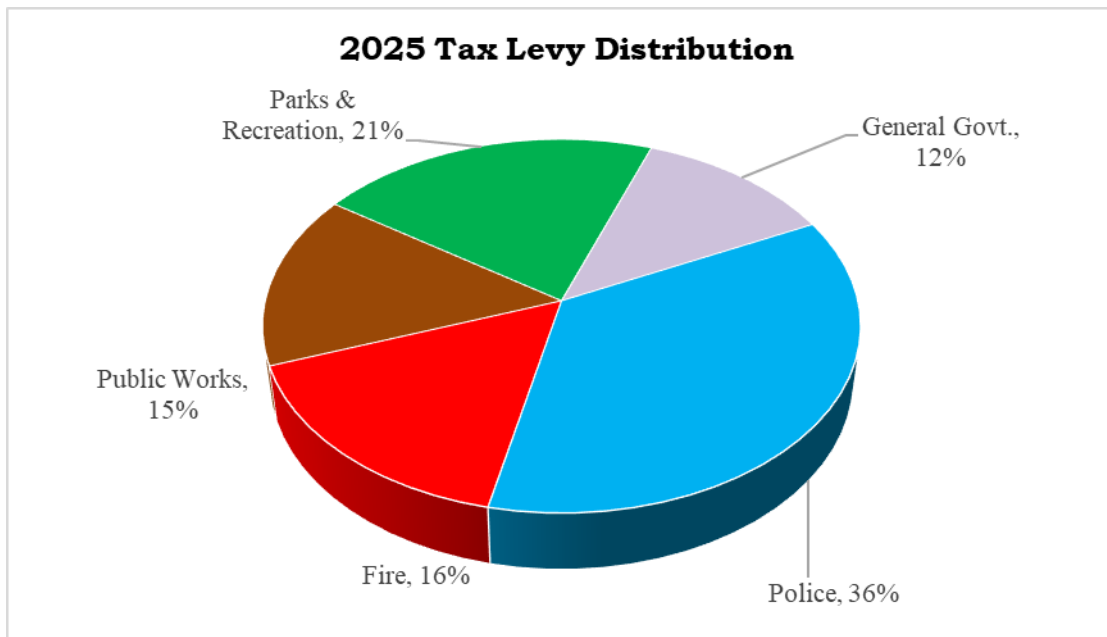


<u>Fund / Program</u>	<u>2024</u>	<u>2025</u>	<u>\$ Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>
General Fund Programs	\$ 18,911,398	\$ 20,427,468	\$ 1,516,070	8.02%
Communications	210,160	277,635	67,475	32.11%
Parks & Recreation - Programs & Maintenance	3,378,300	3,378,300	-	0.00%
Pathways & Parking Lots Maintenance	255,000	255,000	-	0.00%
Boulevard Landscaping	60,000	60,000	-	0.00%
Vehicle & Equipment Replacements	1,168,000	1,168,000	-	0.00%
General Facility Replacement	651,000	651,000	-	0.00%
Park Improvement Program	785,000	785,000	-	0.00%
Pavement Management Program	1,120,000	1,120,000	-	0.00%
Street Lighting Replacement	21,000	21,000	-	0.00%
Debt Service	2,225,422	2,209,200	(16,222)	-0.73%
	\$ 28,785,280	\$ 30,352,603	\$ 1,567,323	5.44%

The Citywide tax capacity represents the taxable property value within the City. It is determined by applying the State-wide property tax formula for each parcel, then adding each parcel's tax capacity. The citywide tax capacity is then applied to the proposed levy to determine the local tax rate. The citywide tax rate for 2024 and 2025 (estimated) is 37.348% and 40.086% respectively.

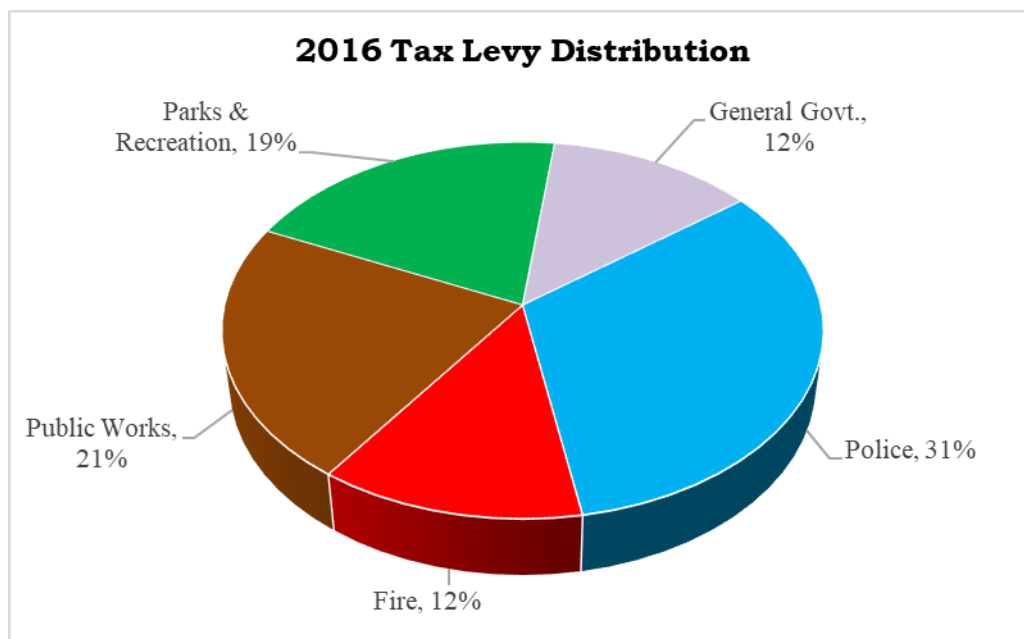
Tax Levy Benchmarks

The following graphs are presented to provide citizens with an understanding of where their property tax dollars are spent, and how current tax burdens compare to certain benchmarks. The majority of local tax monies provide funding for public safety, public works, and parks and recreation services. This can be shown in the following graph which highlights tax spending for these services as compared to other governmental services.

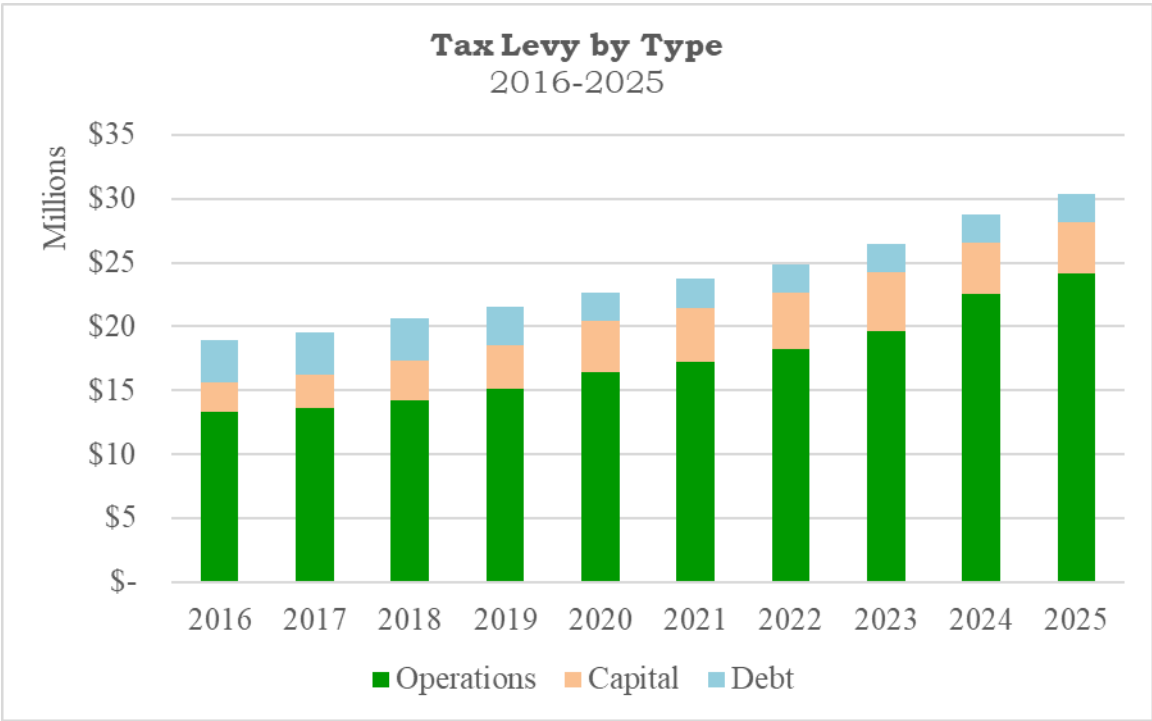


As depicted in the chart, police-related programs and services receive the highest level of tax levy support at 36% followed by Parks & Recreation at 21%. This distribution includes each function's proportionate share of debt service used to finance facilities, vehicles, and equipment.

It should be noted that this distribution represents a snapshot in time and can change from year to year depending on the timing of capital projects and other factors. The following graph depicts the same information from 2016.



We can also depict the year-by-year changes in the overall tax levy to not only gauge taxpayer impact over time, but to also demonstrate what’s driving property tax changes. The following chart depicts the tax levy by type since 2016.



As shown in this chart, the overall tax levy has risen significantly in the past 10 years. However, the major drivers behind these increases are due to three primary factors: 1) the need for capital reinvestment, 2) the need for more public safety personnel and 3) the need to invest in all personnel to retain and attract personnel in all areas.

Since 2016, the tax levy needed to support capital investment (including debt-financed capital replacements) has risen from \$2.3 million per year to \$4 million. The public safety budget increased from \$9.1 million in 2016 to \$18.1 million in 2025 with only slight increases in non-tax levy revenues.

Overview of Financial Structure

Like most governmental units, the City of Roseville operates under a financial structure that segregates programs and services within funds or functional units. This segregation is made to ensure that legally restricted funds are used in the manner in which they're prescribed, and to account for programs whose financial activities are tracked separately for management purposes. The table below outlines the financial relationship between the City's primary programs and services.

Program or Service	Type of Fund	Fund Name
City Council	Governmental	General
Fire Relief Association	Governmental	General
Administration and Information Tech	Governmental	General
Elections	Governmental	General
Legal	Governmental	General
Finance	Governmental	General
Central Services	Governmental	General
General Insurance	Governmental	General
Police – all divisions	Governmental	General
Fire – all divisions	Governmental	General
Public Works Administration	Governmental	General
Streets & Street Lighting	Governmental	General
General Building Maintenance	Governmental	General
Central Garage	Governmental	General
Recreation Programs	Governmental	Recreation
Skating Center	Governmental	Recreation
Park Maintenance	Governmental	Recreation
City Planning	Governmental	Community Development
Economic Development	Governmental	Community Development
Building Permits & Codes	Governmental	Community Development
Geographic Information Systems	Governmental	Community Development
Communications	Governmental	Communications
License Center	Governmental	License Center
Lawful Gambling	Governmental	Lawful Gambling
Pathway & Parking Lot Maintenance	Governmental	Pathway Maintenance
Park Improvements	Governmental	Park Improvement
Environmental Recycling	Proprietary	Environmental
Sanitary Sewer	Proprietary	Sanitary Sewer
Water	Proprietary	Water
Storm Drainage	Proprietary	Storm Drainage
Golf Course	Proprietary	Golf Course

Summary of Financial Trends

Governmental Funds

The table below shows a five-year comparison of funding sources, uses, and changes in fund balance for all governmental funds.

Governmental Funds					
	2021	2022	2023	2024	2025
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Property Taxes	\$ 24,370,939	\$ 24,880,844	\$ 26,006,742	\$ 26,822,889	\$ 29,150,515
Tax Increments	1,211,482	1,400,327	2,429,997	855,700	1,425,000
Special Assessments	136,930	245,732	697,681	135,668	128,247
Intergovernmental	5,383,692	11,541,492	6,468,591	3,203,884	5,148,769
Licenses & Permits	2,632,917	2,281,382	2,275,643	2,523,870	1,975,352
Charges for Services	8,047,735	9,897,772	6,290,326	6,526,390	7,187,771
Fines & Forfeits	62,025	87,068	76,371	72,500	60,000
Interest Earnings	(72,729)	(4,809,151)	2,977,976	294,000	233,410
Other Revenue	1,949,711	2,699,219	1,812,477	1,634,994	2,426,623
Total Sources	43,722,702	48,224,685	49,035,804	42,069,895	47,735,687
Funding Uses					
General Government	3,079,613	3,268,538	4,346,115	3,192,773	4,557,309
Public Safety	12,428,765	13,462,477	14,476,306	14,344,374	15,716,316
Public Works	2,644,033	3,037,505	3,088,741	3,176,088	3,364,258
Parks & Recreation	4,570,031	5,269,342	5,506,658	5,647,640	6,041,581
Community Development	1,654,434	1,686,821	1,746,594	1,811,629	1,913,817
Special Purpose	9,314,721	14,269,280	5,474,054	4,631,247	4,275,036
Capital Outlay	2,822,041	6,961,364	3,508,923	8,169,115	8,852,810
Debt Service	7,572,030	2,458,731	2,479,508	2,213,715	2,225,422
TIF-Related	623,780	510,879	830,043	905,700	1,475,000
Trust/Other Operations	-	-	-	-	-
Total Uses	44,709,448	50,924,937	41,456,942	44,092,281	48,421,549
Other Sources (Uses)					
Transfers in (out)	-	(5,179)	(500,000)	-	190,500
Sale of capital assets	28,440	1,328,441	249,985	-	-
Total Other Sources (Uses)	28,440	1,323,262	(250,015)	-	190,500
Special Item					
Disposal of government operations		(1,288,746)			
Net Change in Fund Balance	(958,306)	(2,665,736)	7,328,847	(2,022,386)	(495,362)
Fund Balance - Jan 1st	47,517,347	46,559,041	43,893,305	51,222,152	49,199,766
Fund Balance - Dec 31st	\$ 46,559,041	\$ 43,893,305	\$ 51,222,152	\$ 49,199,766	\$ 48,704,404

Discussion Items

From 2021-2025, overall funding sources for the City's governmental fund operations have remained fairly stable with a few exceptions. Most notable is the reduction in Information Technology expenditures as Metro-INET was created as a separate joint powers entity which occurred in 2022.

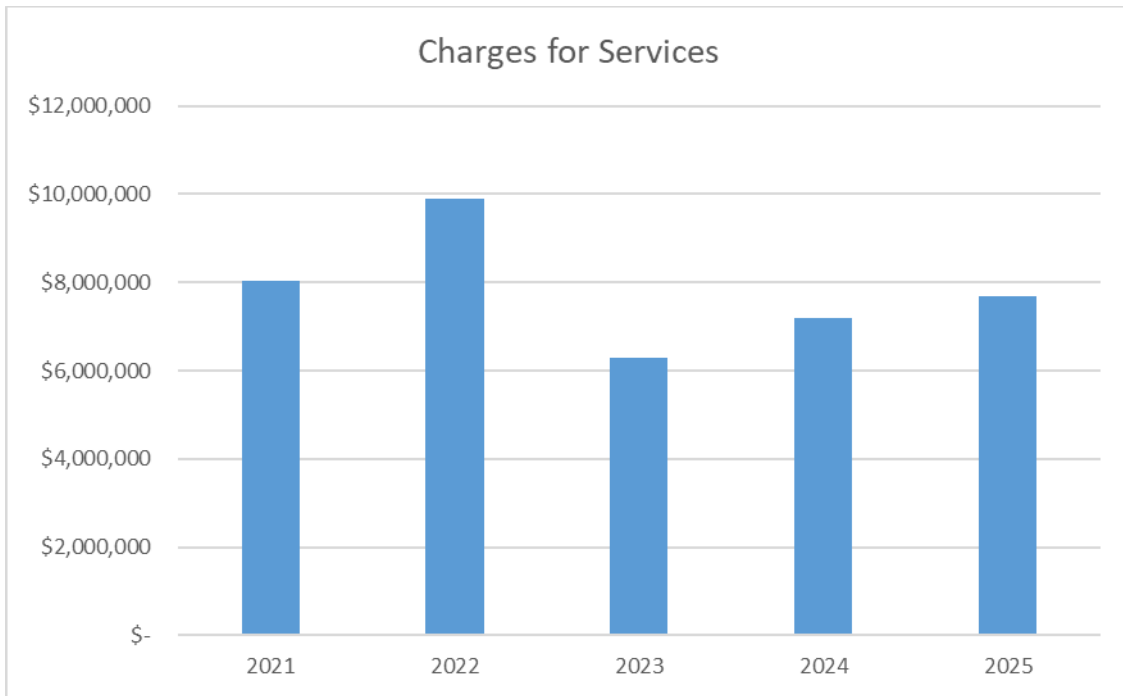
Since 2017, the City has become more reliant on property tax to fund current operations. This has resulted in large part due to the added costs associated with the City's asset replacement programs and additional public safety staff. The City's reliance on property tax also resulted from the decline in interest earnings and other non-tax revenue sources during this period. The chart below depicts the property tax levy for the past 5 years.



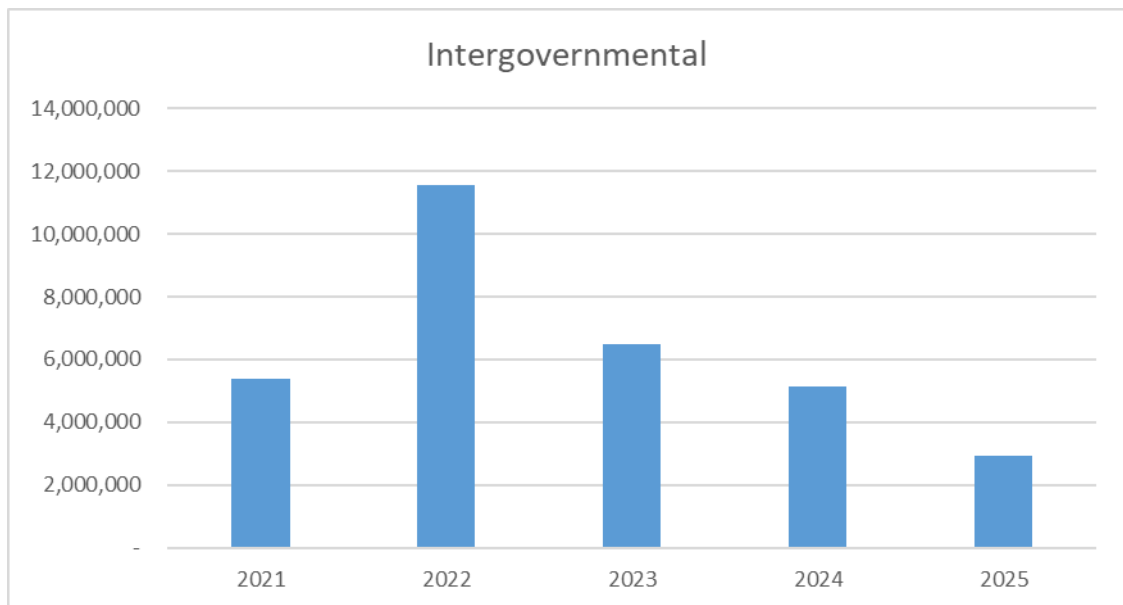
Over the next five years, it is expected that the City's tax levy will need to increase slightly above inflation. This will be necessary to offset expected increases in personnel-related costs and to continue strengthening the City's asset replacement funding mechanisms.

The city has realized a stabilization of its investment earnings excluding fluctuations in year-end market values, albeit at lower levels than a decade ago.

Charges for Services also remain a significant revenue source for the City, accounting for approximately 16% of total Governmental Fund revenues. These revenues include internal service charges from the General Fund to other general-purpose functions and recreation program fees. Prior to 2022, the city had joint powers agreements with 40 other municipalities to provide IT services. Starting in 2023, IT services were provided by Metro-INET, a joint powers authority that is a separate entity, which is why the City's charges for services decreased in 2023. Minor changes in fees charged reflects the cost of personnel increases in delivering services.



Another significant revenue source for the governmental funds is intergovernmental revenues accounting for approximately 11% of total revenues in 2024 but only 6% in 2025. This area of revenue has seen significant changes over the past five years, especially during the COVID pandemic when the city received a lot of federal funding to help mitigate the pandemic to provide funding for essential staffing, revenue loss recovery, and infrastructure needs. For 2024, the State of Minnesota provided additional public safety aids to help cities deal with increased needs for public safety capital equipment, staffing and other cost increases as cities address homelessness and increased crime. The following chart depicts the changes that have occurred over the years.



From a governmental fund expenditure standpoint, the City continues its emphasis on its core functions of public safety, public works, and parks & recreation. During the last five years, a substantial investment has been made in capital assets and technology. It is expected that these core costs will continue to increase in future budget years in order to maintain service levels.

The City's special purpose operations account for a variety of stand-alone functions including the City's License Center and Information Technology (IT) Support areas. In the IT area, prior to 2022, the City provided IT support services for 45 area municipalities and other governmental agencies. In 2021, a separate JPA entity was created (Metro-INET). For 2022 and 2023, the City of Roseville IT budget reflected only the Roseville share of costs for IT support, hence the large decrease in this area. For 2024, the city's costs were moved into the administration department and the remaining fund balance was transferred out to the capital equipment fund.

The City's debt service payments have begun to decline in recent years as older bonds have now been retired. The City will be issuing equipment notes later in 2025 to pay for the new electric fire engine which will be delivered by the end of 2025.

Overall fund balance levels in the City's governmental funds are expected to decline slightly in the next few years as a result of planned capital replacements. This follows a period of expanding cash reserves as the City systematically set aside funds to finance improvements on a pay-as-you-go basis.

Proprietary Funds

The table below shows a five-year comparison of funding sources, uses, and changes in fund balance for all proprietary funds, which includes Sanitary Sewer, Water, Storm Sewer, Environmental Recycling, and the Golf Course.

Proprietary Funds					
	2021	2022	2023	2024	2025
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Net Sales of Merchandise	\$ 14,297	\$ 17,411	\$ 14,340	\$ -	\$ -
User Charges	16,449,974	17,706,067	20,914,104	21,970,270	22,671,950
Other Revenue	816,603	103,365	273,504	25,000	25,000
Total Sources	17,280,874	17,826,843	21,201,948	21,995,270	22,696,950
Funding Uses					
Personal Services	1,855,541	2,064,349	2,090,087	2,243,910	2,467,940
Supplies & Maintenance	454,031	471,725	489,057	485,100	545,540
Utilities	8,427,304	8,908,484	10,021,962	10,325,567	10,941,520
Contractual Services	975,154	1,335,841	1,689,005	1,698,870	1,616,265
Other Charges	1,312,786	1,227,155	1,534,831	1,382,385	1,365,325
Depreciation	1,517,231	1,654,576	1,781,581	1,556,000	1,556,000
Total Uses	14,542,047	15,662,130	17,606,523	17,691,832	18,492,590
Other Sources (Uses)					
Interest Earnings	(10,152)	(286,420)	(11,762)	24,000	12,500
Sale of Assets	-	34,450	26,414	-	-
Grants / Other	1,457,764	194,138	531,854	181,370	226,690
Transfer In (out)	-	5,179	500,000	706,600	233,000
Total Other Sources (Uses)	1,447,612	(52,653)	1,046,506	911,970	472,190
Excess of Funding Sources					
Over (Under) Funding Uses	4,186,439	2,112,060	4,641,931	5,215,408	4,676,550
Net Position - Jan 1st	43,322,223	47,508,662	49,620,722	54,262,653	59,478,061
Net Position - Dec 31st	\$ 47,508,662	\$ 49,620,722	\$ 54,262,653	\$ 59,478,061	\$ 64,154,611

Discussion Items

Proprietary funds receive most of their funding from user fees. Funding sources for the City's proprietary operations have remained strong and are expected to continue for the next five years. Utility rate increases for 2025 were enacted for the water and environmental recycling funds which will result in increases in revenues to stabilize asset replacement programs in these funds. Other funds held study on rates as sufficient resources are derived from the current fees.

A significant portion of the revenues and expenditures are related to water consumption, which in turn is heavily correlated with weather conditions. This can cause significant fluctuations in water purchases and subsequent wastewater treatment charges. These expenditures are included in the 'Utilities' category.

Independent of weather impacts and water consumption, the City expects spending in its proprietary operations to increase somewhat higher than inflation in the next few years reflecting a comprehensive plan to upgrade its water distribution and sanitary sewer collection systems. Net assets of the City's proprietary operations are expected to increase steadily over the next few years as the City continues its long-term capital replacement program for the City's water and sewer infrastructure.

City of Roseville

Summary of the Budget Process

Budget Process Overview

The City of Roseville adheres to a comprehensive budgeting process that typically includes City Council budgeting goal-setting sessions, an extensive review and analysis by Staff of the general needs and available resources, and the eventual submittal of the City Manager's Recommended Budget.

This year's budgeting process was designed to continue promoting transparency on where financial resources were allocated. It also ensured that the programs and services that mattered the most to the community received sufficient funding.

The City's annual budgeting process is preceded and supplemented by a number of planning processes that are used to provide general direction for the City and to designate tentative resource allocations. These planning processes include the creation of a Comprehensive Plan, Park Master Plan, and the Capital Improvement Plan. Given their size, the text of these documents has been excluded from this Budget Document, however they can be found on the City's website at: www.cityofroseville.com. These planning processes forecast the eventual impact on the City budget by projecting the capital investments and redevelopment cycles that are needed to maintain service levels and achieve overall objectives.

The submittal of the Recommended Budget is followed by a series of public presentations to the City Council that is designed to give the Council and citizens an overview of the proposed Budget, and to prepare the Council in making informed budget decisions. Budget amendments are made in conjunction with the City's independent financial audit to ensure legal compliance. These amendments are made when actual expenditures exceed budgeted amounts at the Fund level.

The calendar of key budget dates was as follows:

2025 Budget Calendar

Discuss Annual Budget Process and establish Budget Calendar.....	February 12, 2024
Discussion on <i>Preliminary</i> Cash Reserve Levels.....	March 11, 2024
Discussion on 2024-2025 City Council Priorities and Legislative Impacts	June 17, 2024
Receive 2025-2044 Capital Improvement Plan	July 15, 2024
Receive Preliminary EDA Budget and Tax Levy Discussion	July 15, 2024
Receive City Manager Recommended Budget.....	August 19, 2024
Receive Budget Recommendations from the Finance Commission.....	September 16, 2024
Adopt the 2025 Preliminary Budget & Tax Levy	September 23, 2024
Review Proposed 2025 Utility Rates	November 4, 2024
Review 2025 Fee Schedule.....	November 4, 2024
Final Budget Hearing.....	November 25, 2024
Adopt the 2025 Utility Rates and Fee Schedule	December 2, 2024
Adopt the 2025 Final Budget & Tax Levy	December 2, 2024

City of Roseville - Summary of Departmental Full-time Equivalent Employees **
Additions will be discussed in the divisional budget sections

<u>Division</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Administration	7.00	7.00	6.95	6.95	7.45
Elections	0.05	0.05	0.05	0.05	0.05
Communications	1.95	2.65	3.00	3.00	3.00
Total Administration	9.00	9.70	10.00	10.00	10.50
Finance	5.05	5.05	5.55	5.55	5.55
Lawful Gambling	0.10	0.10	0.10	0.10	0.10
Information Technology *	22.00	-	-	-	-
License Center	18.75	18.75	18.75	19.00	20.50
Total Finance	45.90	23.90	24.40	24.65	26.15
Police Administration	8.00	8.00	8.40	9.00	12.00
Police Patrol	45.00	47.00	48.00	49.00	49.00
Police Investigations	10.00	10.00	10.00	11.00	11.00
Police Community Svcs.	2.30	2.30	1.80	2.00	2.00
Total Police	65.30	67.30	68.20	71.00	74.00
Fire Administration	3.00	3.00	3.00	3.00	4.00
Fire Operations	24.00	24.00	24.00	25.00	26.00
Total Fire	27.00	27.00	27.00	28.00	30.00
PW Administration	7.25	7.25	7.55	7.55	7.55
Street Maintenance	6.10	6.10	6.75	6.75	6.75
Central Garage	2.00	2.00	2.00	2.00	2.00
Engineering Services	2.00	2.00	2.00	2.00	2.00
Sanitary Sewer	5.05	5.05	4.06	4.15	4.15
Water	7.15	7.15	7.12	7.20	7.20
Storm Drainage	4.20	4.20	4.57	4.65	4.65
Recycling	0.35	0.35	0.70	0.70	0.70
Total Public Works	34.10	34.10	34.75	35.00	35.00
Recreation Administration	4.65	4.65	4.65	4.65	4.65
Recreation Programs	5.35	5.35	5.35	5.35	5.35
Skating Center	5.75	5.75	5.75	5.75	5.75
Park Maintenance	9.50	9.50	9.75	9.50	10.00
Golf Course	2.00	2.00	2.00	2.00	2.00
Total Parks & Recreation	27.25	27.25	27.50	27.25	27.75
Planning	4.05	4.05	4.40	4.40	4.40
Housing & Economic Development	1.50	1.50	1.50	1.50	1.50
GIS	0.30	0.30	0.30	0.30	0.30
Rental Licensing	-	-	-	-	-
Neighborhood Enhancement	0.30	0.30	0.20	0.20	0.20
Nuisance Code Enforcement	1.55	1.55	0.95	0.95	0.95
Code Enforcement	6.30	6.30	6.00	6.00	6.00
Total Community Development	14.00	14.00	13.35	13.35	13.35
Total Citywide	222.55	203.25	205.20	209.25	216.75
* Information Technology became separate entity in 2022					
** Excludes seasonal/long-term temporary employees					

General Fund

The table below shows a five-year comparison of funding sources, uses, and changes in fund balance for the General Fund, the City's primary operating fund.

General Fund					
	2021	2022	2023	2024	2025
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Property Taxes	\$ 14,439,519	\$ 14,710,409	\$ 15,739,337	\$ 18,911,398	\$ 20,427,468
Intergovernmental	1,743,180	2,103,619	3,961,552	2,016,955	2,296,540
Licenses & Permits	433,526	366,465	562,701	418,002	459,260
Charges for Services	1,157,782	1,221,738	1,568,997	1,296,000	1,957,980
Fines & Forfeits	62,025	87,068	76,371	60,000	70,000
Interest Earnings	(14,224)	(1,031,774)	808,177	40,000	50,000
Other Revenue	427,697	196,622	179,145	139,208	125,500
Total Sources	18,249,505	17,654,147	22,896,280	22,881,563	25,386,748
Funding Uses					
General Government	2,689,322	2,742,703	2,913,947	4,090,799	4,327,124
Police	8,492,029	9,446,622	10,197,569	11,818,189	13,210,946
Fire	3,822,131	3,888,209	4,117,622	4,538,230	4,844,219
Public Works	2,755,646	3,175,365	3,299,965	3,407,235	3,496,960
Total Uses	17,759,128	19,252,899	20,529,103	23,854,453	25,879,249
Other Sources (Uses)					
Transfer In (Out)	388,738	209,791	982,994	816,520	265,000
Total Other Sources (Uses)	388,738	209,791	982,994	816,520	265,000
Excess of Funding Sources					
Over (Under) Funding Uses	879,115	(1,388,961)	3,350,171	(156,370)	(227,501)
Fund Balance - Jan 1st	9,268,280	10,147,395	8,758,434	12,108,605	11,952,235
Fund Balance - Dec 31st	\$ 10,147,395	\$ 8,758,434	\$ 12,108,605	\$ 11,952,235	\$ 11,724,734

Discussion Items

Prior to 2018, the City had relied on excess cash reserves to fund operations. A phased reduction in the use of reserves during 2018-2020, resulted in increased property tax revenues to cover the City's core functions. The City's property tax levy has increased steadily since then, averaging 5.2% per year. In 2024, an 8.99% increase was primarily designated for investment in personnel and covering inflationary increases in supplies and capital investments, specifically vehicle replacements. In 2025, the tax levy increase of 8% is mainly to cover personnel costs which include 3% cost of living increases, step increases for eligible employees, and new or increased positions in Administration, Police, and Fire.

Beyond 2025, it is expected that the General Fund's tax levy will increase slightly above inflationary-type levels. This will be necessary to offset expected personnel-related costs and other inflationary impacts.

Charges for services revenue is expected to remain near current levels for the foreseeable future. The City is not anticipating any significant changes in the public safety and engineering fees that make up this revenue line. As such, overall revenues should remain largely unchanged.

During the period of 2021-2025, the city continued to emphasize its core functions of public safety and public works. These core functions have historically accounted for approximately 83% of General Fund spending. Additional staffing in the public safety area has been added over the past five years in the police and fire departments. The city was able to obtain grant funding for 6 firefighters that covered 2021 through 2023, the city raised property taxes slowly over these three years to reduce the burden in 2024 when these positions became fully levy supported. The police department has also been successful in obtaining grant funding over this same period of time to offset some additional officers and non-sworn staff who help homeless individuals navigate into permanent housing and provide mental health assistance. However, some of these positions are requiring tax levy support in 2025 in addition to grant funding.

For budgets starting in 2021, the General Fund budget was a balanced budget where revenues equal expenditures, without use of fund reserves. It is expected that future budgets will remain balanced without using cash reserves for operations. In 2022, 2023 and 2024, cash reserves were budgeted to cover a community visioning project, a recodification of the city code, a compensation study and strategic plan. These projects are anticipated to only occur every 15-20 years and are not considered part of regular operations. In 2025, cash reserves are budgeted to offset the commitment to diversity positions in the police and fire departments. The positions have only been utilized for a short period of time when these departments don't have a vacancy. The likelihood of actually using reserves is very slim at this time.

Department Description

The City Council promotes the health, safety and welfare of the citizens through the formulation of policy and the passage of ordinances governing the City. The Department's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Initiate Strategic Planning Process
- Ensuring success for Legislative Priorities

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>City Council Expenditures</u>							
Personnel Services	\$ 44,632	\$ 41,372	\$ 44,869	\$ 49,220	\$ 55,220	\$ 6,000	12.2%
Supplies & Materials	-			100	100	-	0.0%
Contractual Services	66,238	182,124	89,573	126,000	74,500	(51,500)	-40.9%
Other Charges	204,478	61,485	144,646	149,867	178,136	28,269	18.9%
	\$ 315,348	\$ 284,981	\$ 279,088	\$ 325,187	\$ 307,956	\$ (17,231)	-5.3%

2025 Budget Impact Items

- Personnel Services increased as the council increased their pay
- Professional Services decreased due to the removal of strategic planning contract
- Other Charges increased due to Community Grants allocated to Tubman to provide services to those experiencing relationship violence, homelessness and other trauma.

2024 Achievements

- Successful passage of Hotel Licensing and Local Sales Tax Option for Roseville by the Minnesota Legislature
- Approved the Classification and Compensation Study
- Completed community survey

Department Description

The Administration Department provides the City Council with information to make policy decisions and proposes recommendations concerning measures or actions considered necessary for effective and efficient operations. The Department's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Implement Strategic Plan
- Complete the recodification and legal review of City Code of Ordinances
- Implement, track and report on identified changes related to the city's Strategic Racial Equity Action Plan.
- Implement new Hotel Licensing system.
- Prepare for the state-wide implementation of Paid Family Medical Leave.

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Administration Expenditures							
Personnel Services	\$ 855,112	\$ 927,962	\$ 935,179	\$ 1,037,560	\$ 1,177,970	\$ 140,410	13.5%
Supplies & Materials	6,967	6,410	4,132	7,000	5,500	(1,500)	-21.4%
Contractual Services	147,471	44,435	116,093	989,629	1,031,797	42,168	4.3%
Other Charges	64,572	158,140	168,859	222,451	199,954	(22,497)	-10.1%
	\$ 1,074,122	\$ 1,136,947	\$ 1,224,263	\$ 2,256,640	\$ 2,415,221	\$ 158,581	53.8%
FTE's	5.50	6.95	6.95	6.95	7.45		

2025 Budget Impact Items

- Personnel Services increased due to inclusion of a new HR manager position with a July 1 start and 3% cost of living increase.
- Contractual Services increased due to increased costs associated with Metro INET.
- Other Charges decreased due to changes in the city's wellness plan, and training.

2024 Achievements

- Implemented a Classification and Compensation Study for non-union employees.
- Negotiated four union contracts.
- Created a vision roadmap for integrating equity and inclusion which included creating an Equity Leadership Team, a revised Equity and Inclusion Commission advisory commission, and integrated an equity toolkit into decision-making agenda items.
- Started the process for a full recodification of city code.
- Created a separate penalty schedule listing all penalties within the city code in one document to increase efficiency and transparency.
- Transitioned all recruitment and hiring to a new onboard system.
- Implemented several HR-related items such as Earned Sick and Safe Time that were passed by the Minnesota Legislature
- Posted 60 unique jobs and processed over 1700 resumes.

Function / Program: General Government - Elections
Organizational Responsibility: City Manager

Department Description

The Elections Department administers all federal, state, county, and municipal elections held in the City of Roseville. The Department's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Coordinate elections function with Ramsey County for the 2025 special election.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Elections Expenditures</u>							
Personnel Services	\$ 7,250	\$ 4,851	\$ 5,050	\$ 5,390	\$ 5,740	\$ 350	6.5%
Contractual Services	97,076	97,076	97,076	100,000	100,000	-	0.0%
	<u>\$ 104,326</u>	<u>\$ 101,927</u>	<u>\$ 102,126</u>	<u>\$ 105,390</u>	<u>\$ 105,740</u>	<u>\$ 350</u>	<u>0.3%</u>
FTE's	0.05	0.05	0.05	0.05	0.05		

2025 Budget Impact Items

- Not applicable.

2024 Achievements

- The city supported the successful completion of a primary and general election administered by the county.

Function / Program: General Government – Legal
Organizational Responsibility: City Manager

Department Description

The Legal Department guides the City’s decision-making with the best possible legal counsel to both the City Council and Staff. The Department’s activities are accounted for in the General Fund.

2025 Goals and Objectives

- Continue providing timely and thorough legal advice to the City Council and Staff.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Legal Expenditures</u>							
Contractual Services	\$ 381,199	\$ 381,889	\$ 372,833	\$ 385,000	\$ 390,000	\$ 5,000	1.3%
	\$ 381,199	\$ 381,889	\$ 372,833	\$ 385,000	\$ 390,000	\$ 5,000	1.3%

2025 Budget Impact Items

- The City’s legal costs are reflected in service contracts with selected law firms.

2024 Achievements

- The city’s legal team continued to provide legal services ensuring compliance with local, state, and federal laws, supporting policy development and addressing legal matters in a timely and effective manner.

Department Description

The Finance Department provides for the financial operations of the City and is responsible for all treasury operations, debt management, and risk management activities. The Department's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Full implementation of new financial software for the City.
- Promote cost effective and quality service to external and internal customers through continuous improvement.
- Maintain an AAA bond rating from Moody's and Standard & Poor's.
- Receive the GFOA's Financial Reporting and Budget Presentation awards.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Finance Expenditures</u>							
Personnel Services	\$ 621,550	\$ 642,231	\$ 719,644	\$ 797,770	\$ 843,400	\$ 45,630	5.7%
Supplies & Materials	3,837	6,169	2,784	4,600	4,600	-	0.0%
Contractual Services	64,405	62,108	73,641	73,855	116,824	42,969	58.2%
Other Charges	16,229	16,780	16,068	18,857	19,883	1,026	5.4%
	\$ 706,021	\$ 727,288	\$ 812,137	\$ 895,082	\$ 984,707	\$ 89,625	10.0%
FTE's	5.05	5.05	5.55	5.55	5.55		

2025 Budget Impact Items

- Personnel services includes a 3% cost-of-living increase. It also includes a wage-step increase for eligible employees.
- Contractual Services increase due to higher software maintenance costs.

2024 Achievements

- Maintained an AAA bond rating from Moody's and Standard & Poor's.
- Received the Award for Excellence in Financial Reporting for the 45th consecutive year.
- Implemented new financial software and automated accounts payable processes.
- Processed 9,670 vendor payments, 8,518 payroll payments, over 42,000 utility bills, and 55,415 cash receipts. The number of transactions going out (vendor payments plus payroll payments) along with the number of utility bills have remained consistent, with number of cash receipts increasing slightly compared to 2023.

Department Description

Central Services provides an efficient and effective control point for purchasing, printing, and central store activities. The Department's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Review citywide purchasing strategies to determine where potential savings exist.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Central Services Expenditures							
Supplies & Materials	17,189	13,189	25,000	25,000	20,000	(5,000)	-25.0%
Other Charges	21,117	26,482	28,500	28,500	33,500	5,000	14.9%
	\$ 38,306	\$ 39,671	\$ 53,500	\$ 53,500	\$ 53,500	\$ -	0.0%

2025 Budget Impact Items

- Not applicable.

2024 Achievements

- Not applicable.

Department Description

The General Insurance Program provides for the protection of capital assets and employees. Insurance is maintained through the League of Minnesota Cities Insurance Trust. The Department's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Continue to protect the City's assets by maintaining appropriate risk management programs and insurance coverage.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>General Insurance</u>							
Contractual Services	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ -	0.0%
	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ -	0.0%

2025 Budget Impact Items

- No changes.

2024 Achievements

- The General Fund's share of property/liability and workers compensation costs have remained flat for eleven consecutive years leading up to 2024.

Division / Program Description

The Police Department protects and serves the community through active and professional engagement. The department is committed to providing customized service, exercising discretion and fairness in enforcement, building public trust and promoting the professional development of its force. The patrol division encompasses all uniformed personnel, and they are the first to respond to emergency situations 24 hours a day. The investigations division is responsible for review, follow-up and case presentation to the city/county attorney on all criminal cases that are not resolved at the patrol division level. The community service unit handles various assignments that do not require a patrol/investigative position. This unit has been the source of internally growing the police force. Police Department activities are accounted for in the General Fund.

2024 Goals and Objectives

- Complete comprehensive staffing allocation study to meet current and evolving needs of the department
- Develop and engage in meaningful employee retention opportunities and expand recruitment efforts of police officers, cadets, community services officers (CSOs), interns and volunteers
- Enhance the Community Action Team’s (CAT) innovative solutions to quality-of-life issues including expanding behavioral health unit’s co-responder model through state crisis response grant
- Review policies and practices, develop and adopt operational standards through MCPA Accreditation
- Seek opportunities to fund new programs, emerging technologies and support diverse community needs

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Police Department							
Personnel Services	\$ 7,416,088	\$ 8,269,359	\$ 8,674,905	\$ 10,142,875	\$ 11,176,246	\$ 1,033,371	10.2%
Supplies & Materials	321,992	382,432	388,184	422,700	458,100	35,400	8.4%
Contractual Services	461,529	528,758	830,311	918,179	1,178,000	259,821	28.3%
Other Charges	292,420	266,073	304,169	334,435	398,600	64,165	19.2%
	\$ 8,492,029	\$ 9,446,622	\$ 10,197,569	\$ 11,818,189	\$ 13,210,946	\$ 1,392,757	11.8%
FTE's	61.50	66.30	68.20	70.00	74.00		

2025 Budget Impact Items

- Personnel increases include 3% cost-of-living and a wage-step increase for eligible employees.
- Contractual services increase due to rising costs including vehicle repairs and dispatch services.
- Other charges increase due to increased training, higher software and technology expenses.

2024 Achievements

- Partnered with People Incorporated to add additional social worker to CAT outreach services.
- Obtained grant funding for cadets and CSO (ICPOET & Pathways to Policing), first homeless outreach worker (MN Office of Justice) and Auto Theft Prevention Specialist (3-year State grant).
- Partnered with Rosedale Center to hire two officer to build relationships and prevent crime
- Collaborated with the MN BDCA to initiate new statewide Violent Crime Reduction Unit.
- Partnered with local retailers to integrate Flock license plate readers within Roseville.
- Bolstered engagement in the schools through a second School Resource Officer and Breaking Barriers Outreach events.
- Met firearms storage requirements of state’s new extreme risk protection order “ERPO” law.

Function / Program: Public Safety - Fire Administration
Organizational Responsibility: Fire Chief

Division / Program Description

Fire Administration assures that the community receives efficient and effective fire prevention, suppression, rescue and emergency services. The focus is on developing and implementing long-range plans that improve the quality of life for Roseville residents. The Division's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Assess and evaluate fire department staffing needs going into the medium and long-term future with consideration of EMS programs as well as ever-increasing call volume and demand of services.
- Continue to provide excellent internal wellness initiatives, including an embedded mental health professional and a mental health K9 therapy program; one of the only ones in the State of Minnesota.
- Implement departmental benchmark system to track and evaluate performance; response times, training requirements, fire suppression, and EMS operations.
- Establish training and implementation for personal protective equipment, new department equipment, and an EV command vehicle.
- Establish the project load, expectations, and responsibilities for the new Fire Inspector position within the Fire Department.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Fire Administration Expenditures							
Personnel Services	\$ 465,208	\$ 425,533	\$ 450,290	\$ 510,360	\$ 633,380	\$ 123,020	24.1%
Supplies & Materials	8,738	868	700	-	-	-	0.0%
Utilities	37,959	58,372	48,005	43,050	45,000	1,950	4.5%
Contractual Services	1,795	-	2,765	-	-	-	0.0%
Other Charges	19,991	16,416	7,967	12,500	14,230	1,730	13.8%
	\$ 533,691	\$ 501,189	\$ 509,727	\$ 565,910	\$ 692,610	\$ 126,700	22.4%
FTE's	3.00	3.00	3.00	3.00	4.00		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living and wage-step increase for eligible employees. A new Housing Officer/Inspector position was added to the 2025 budget.

2024 Achievements

- Provided training and development for leadership team to improve readiness for their positions.
- Received approval to hire a Monday-Friday Fire Inspector position which will significantly improve fire prevention and education efforts.
- Utilized new Records Management System (RMS) and Lexipol system for improved standard operating procedures and guidelines, in addition to providing enhanced view and understanding of professional benchmarks.

Division / Program Description

Fire Operations Division provides for the protection of the businesses, citizens, and visitors to Roseville through pre-emergency planning, fire suppression services, emergency medical services, water rescue, hazardous materials spill response and vehicle rescues. Division activities are accounted for in the General Fund.

2025 Goals and Objectives

- Continue to evaluate and assess opportunities for growth and improvements to the ALS First Response Program, including implementing additional medications and procedures.
- Continue to educate the community and city council on the need for additional staffing and retention.
- Increase live fire training and overall training expectations and requirements to continue to meet and exceed all certification and licensure requirements.
- Implement training for and operationalize the new EV Fire Engine, arriving spring/summer 2025.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Fire Operations Expenditures							
Personnel Services	\$ 2,746,485	\$ 3,050,609	\$ 3,232,026	\$ 3,545,321	\$ 3,683,445	\$ 138,124	3.9%
Supplies & Materials	92,614	97,825	106,246	109,800	116,500	6,700	6.1%
Contractual Services	112,044	108,712	124,342	169,000	190,000	21,000	0.0%
Other Charges	71,085	79,951	93,847	82,199	95,964	13,765	16.7%
	\$ 3,022,228	\$ 3,337,097	\$ 3,556,461	\$ 3,906,320	\$ 4,085,909	\$ 179,589	4.6%
FTE's	18.00	24.00	24.00	25.00	25.00		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living increase and wage-step increase for eligible employees.
- Contractual services and other charges increased due to contract maintenance on software, and contract vehicle and building maintenance cost increases.

2024 Achievements

- Responded effectively and with impact to a record number of emergency calls; over 7,544 total runs in 2024 versus 6,900 in 2023, which was a 9% increase.
- Continued to provide high level Advanced Life Support (ALS) First Response and added additional procedures and medications; this program has the on-going goal to improve immediate health and medical needs in the community.
- Hosted multiple live fire training sessions for internal staff as well as for our regional partners. We also hosted multiple regional training events at our fire station.
- Promoted two Fire Cadets to full-time firefighter positions and hired two new Fire Cadets.

Function / Program: **Public Safety - Fire Relief Association**
Organizational Responsibility: City Council & City Manager

Department Description

The Roseville Fire Relief Association provides for the oversight of the retirement plan available to Roseville paid-on-call firefighters. The retirement plan is separate from the City's pension plan. The City makes an annual contribution to the Association's pension fund. The Program's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Maintain adequate pension funding in accordance with the most recent actuarial study.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Fire Relief Expenditures</u>							
Personnel Services	264,259	48,815	47,725	46,500	47,700	-	0.0%
	\$ 264,259	\$ 48,815	\$ 47,725	\$ 46,500	\$ 47,700	\$ -	0.0%

2025 Budget Impact Items

- The amount shown above represents the City's share of the Association's Pension Fund. The Fund's unfunded liability has remained largely unchanged from the previous year.

2024 Achievements¹

- The city has maintained full actuarial funding of pension requirements.

Function / Program: Public Safety - Emergency Management
Organizational Responsibility: Fire Chief

Division / Program Description

The Emergency Management Program provides for the protection and assistance to Roseville citizens before, during, and after disasters, while maintaining the continuity of City Government. The Emergency Management Program includes volunteer police reserves. The Program's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Work and train with Ramsey County Emergency Management and Homeland Security on the new Comprehensive Emergency Operations Plan (CEOP).
- Continue to ensure that all city employees are trained to needed levels for position responsibilities per FEMA requirements.
- Host and facilitate a larger scale City department training session in fall 2025.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Emergency Mgmt. Expenditures							
Supplies & Materials	\$ 1,155	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Utilities	798	1,108	1,004	1,500	1,500	-	0.0%
Contractual Services	-	-	705	12,000	12,500	500	4.2%
Other Charges			2,000	6,000	4,000	(2,000)	-33.3%
	\$ 1,953	\$ 1,108	\$ 3,709	\$ 19,500	\$ 18,000	\$ (1,500)	-7.7%

2025 Budget Impact Items

- Not applicable.

2024 Achievements

- Hosted **two** Emergency Operations Center (EOC) drills with City leadership staff, one in early 2024 and one in fall 2024.
- Implemented the Comprehensive Emergency Operations Plan (CEOP) through Ramsey County Emergency Management and Homeland Security.
- Performed an assessment of the health of severe weather emergency sirens.

Division / Program Description

Public Works Administration provides for the coordination, administration, and engineering of the City's transportation and utility infrastructure. It also provides information to the public and reviews private development plans for conformance to city and cooperative agency guidelines. The Program's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Continue to implement the City's Comprehensive Asset Management Program into the daily workflow and Capital Improvement Plan development.
- Meet the challenge of reconstruction and rehabilitation as outlined in the 20-year Capital Improvement Plan.
- Continue to work on Energy Action Plan, B3/Green Step City and prepare for Ramsey County curbside organics pickup program.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
PW Administration Expenditures							
Personnel Services	\$ 949,653	\$ 919,111	\$ 949,641	\$ 1,095,200	\$ 1,132,480	\$ 37,280	3.4%
Supplies & Materials	10,076	14,963	11,864	13,000	14,000	1,000	7.7%
Contractual Services	11,939	25,568	27,125	20,700	10,000	(10,700)	-51.7%
Other Charges	15,538	21,382	18,713	72,660	53,610	(19,050)	-26.2%
	\$ 987,206	\$ 981,024	\$ 1,007,343	\$ 1,201,560	\$ 1,210,090	\$ 8,530	0.7%
FTE's	7.25	7.25	7.55	7.55	7.55		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living increase and includes a wage-step increase for eligible employees.
- Contractual services and other charges decreased due to reduced software operating costs and professional service contracts which were no longer required.

2024 Achievements

- Reconstructed 0.7 miles of roadway, repaved approximately 3.9 miles of roadway, resurface 1.12 miles of pathways, resurfaced two parking lot, and installed 0.3 miles of new pathways.
- Implemented city's Energy Action Plan and maintained Green Step Cities Step 5.
- Processed over 185 right-of-way permits in 2024 and 43 new erosion control permits.
- Provided 200 hours of engineering services to the City of Falcon Heights.
- Reviewed 283 building permits.
- Vacated 22 easements or rights of way.

Division / Program Description

The Streets Division provides maintenance services such as snow & ice control, pavement maintenance, right-of-way maintenance, street signage, and implementation of a proactive pavement management program for City streets, sidewalks, and pathways. The Program's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Continue to improve pavement maintenance, streetscape and right-of-way maintenance programs.
- Continue to implement the Comprehensive Asset Management Program for street division assets.
- Continue to implement industry leading techniques for snow and ice control by expanding and enhancing alternatives to chloride.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Streets Expenditures</u>							
Personnel Services	\$ 669,576	\$ 767,020	\$ 789,498	\$ 767,530	\$ 807,350	\$ 39,820	5.2%
Supplies & Materials	211,328	307,584	334,419	370,850	371,850	1,000	0.3%
Contractual Services	70,908	83,738	55,325	87,200	84,200	(3,000)	-3.4%
Other Charges	11,761	56,118	36,071	63,370	60,900	(2,470)	-3.9%
	<u>\$ 963,573</u>	<u>\$ 1,214,460</u>	<u>\$ 1,215,313</u>	<u>\$ 1,288,950</u>	<u>\$ 1,324,300</u>	<u>\$ 35,350</u>	<u>2.7%</u>
FTE's	6.10	6.10	6.75	6.75	6.75		

2025 Budget Impact Items

- Personnel increases includes new union contract increases and includes a wage-step increase for eligible employees.
- Contractual services and other charges decreased due to reduced software operating costs and professional service contracts which were no longer required.

2024 Achievements

- Managed 22 events for snow and ice. Plowed 33 inches of snow versus 94 inches in 2023.
- Maintained over 200,000 linear feet of pavement markings and 67 marked crosswalks.
- Trimmed 58.7 miles of City boulevard trees and replaced 414 street signs.
- Processed 20,000 cubic yards of leaves at the City's Leaf Recycling Center which turned into 6,000 cubic yards of compost. Delivered 268 cubic yards of compost to residents.

Function / Program: Public Works - Street Lighting
Organizational Responsibility: Public Works Director

Division / Program Description

Street Lighting provides for the maintenance of safe, well-lit signaled streets for the community and its visitors, customers, and guests. While Xcel Energy, through a leasing program, maintains the vast majority of the public streetlights within the City, the City does own and maintain 258 pedestrian and/or street lights and also pays for the electricity, lighting and some maintenance at numerous signalized intersections in the City. This division is also responsible for funding the replacement of the City's pedestrian flasher systems as well as the maintenance of the paint on the signal systems with the City. The Program's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Continue to replace or upgrade the oldest city-owned streetlight system components.
- Add intersection lighting to meet the updated lighting policy.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Street Lighting Expenditures</u>							
Utilities		\$ 207,680	\$ 201,746	\$ 210,000	\$ 205,000	\$ (5,000)	-2.5%
Other Charges	183,892	3,191	21,675	15,000	15,000	-	0.0%
	\$ 183,892	\$ 210,871	\$ 223,421	\$ 225,000	\$ 220,000	\$ (5,000)	-2.2%

2025 Budget Impact Items

- Decreased electricity costs as the city implements more energy efficient lights.

2024 Achievements

- Maintained city owned streetlights and supervised the maintenance of Xcel streetlights.
- Replaced Dale Street Tunnel Lights.

Division / Program Description

Building Maintenance provides general governmental building maintenance including janitorial services and HVAC maintenance. Building maintenance is continuing to be a decentralized operation with the City, and longer-term planning for the implementation of a stronger program is continuing. The Program's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Meet the demand for maintenance on City facilities due to wear and tear of use by community groups.
- Continue to input assets into the Asset Management Program for Building Maintenance and input actual condition ratings for each asset.
- Undergo isolated remodeling projects to convert City Hall areas into offices or other general use spaces to meet the evolving demands of the City's workforce.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Building Maintenance Expenditures</u>							
Supplies & Materials	\$ 24,276	\$ 26,089	\$ 20,098	\$ 27,000	\$ 29,000	\$ 2,000	7.4%
Utilities	127,613	163,472	159,646	165,900	168,300	2,400	1.4%
Contractual Services	236,092	330,508	374,963	260,315	283,620	23,305	9.0%
Other Charges	-	-	5,570	-	1,550	1,550	0.0%
	\$ 387,981	\$ 520,069	\$ 560,277	\$ 453,215	\$ 482,470	\$ 29,255	6.5%

2025 Budget Impact Items

- Contractual services increased due to maintenance contract increases.

2024 Achievements

- Replaced HVAC units at Police Department.
- Continued minor proactive and reactive repairs and maintenance on all Civic Campus facilities.

Division / Program Description

The Central Garage provides quality and effective vehicle maintenance to all City departments in a manner and cost that are competitive with outside service alternatives. The Central Garage maintains the vehicles for all departments. Direct expense of such maintenance is charged to each department. The Program's activities are accounted for in the General Fund.

2025 Goals and Objectives

- Continue focus on reducing fleet energy use and purchasing fleet fuel on a long-term contract to reduce price volatility impacts on budgets.
- Meeting the demand for increasing maintenance on City equipment due to increasing utilization and extended retention schedules.
- As part of the Partners in Energy collaboration with Xcel Energy, conduct a fleet analysis and identify good candidate vehicles for replacement with electric/hybrid vehicles.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Central Garage Expenditures							
Personnel Services	\$ 196,446	\$ 209,182	\$ 211,388	\$ 220,350	\$ 240,300	\$ 19,950	9.1%
Supplies & Materials	21,670	41,816	70,698	11,020	11,150	130	1.2%
Contractual Services	56	2,557	50	200	200	-	0.0%
Other Charges	14,822	(4,614)	11,475	6,940	8,450	1,510	21.8%
	\$ 232,994	\$ 248,941	\$ 293,611	\$ 238,510	\$ 260,100	\$ 21,590	9.1%
FTE's	2.00	2.00	2.00	2.00	2.00		

2025 Budget Impact Items

- Personnel increases includes new union contract wages and includes a wage-step increase for eligible employees.

2024 Achievements

- Completed approximately 783 service/repair work orders in 2024 versus 847 in 2023.
- Provided maintenance services & repairs to City fleet at competitive costs and provided excellent customer service with minimal down time.
- Provided assistance to other divisions on numerous repair/maintenance projects.
- Responded to snow and ice events and other emergencies as necessary.
- Installed new fuel pump software for better fuel management.

Parks & Recreation Fund

The table below shows a five-year comparison of funding sources, uses, and changes in fund balance for the Parks & Recreation Fund.

Park & Recreation Fund					
	2021	2022	2023	2024	2025
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Property Taxes	\$ 2,878,855	\$ 2,970,550	\$ 3,024,852	\$ 3,378,300	\$ 3,378,300
Charges for Services	1,952,155	2,320,634	2,549,644	2,725,591	2,859,442
Rentals	46,110	79,462	100,245	-	-
Donations	57,499	104,191	51,649	-	-
Interest Earnings	(22,174)	(175,599)	103,576	15,000	15,000
Other Revenue	47,258	74,385	68,502	-	-
Total Sources	4,959,703	5,373,623	5,898,468	6,118,891	6,252,742
Funding Uses					
Personnel	3,086,179	3,277,270	3,434,748	3,866,460	4,122,538
Supplies & Materials	274,698	328,110	359,437	387,401	408,515
Utilities	331,170	466,159	458,671	428,000	473,135
Contractual Services	578,008	780,812	868,572	955,190	982,622
Other Charges	299,976	416,991	385,230	483,370	485,960
Total Uses	4,570,031	5,269,342	5,506,658	6,120,421	6,472,770
Other Sources (Uses)					
Transfer In (Out)	(79,662)	(20,317)	(162,207)	1,530	-
Other	-	-	-	-	-
Total Other Sources (Uses)	(79,662)	(20,317)	(162,207)	1,530	-
Excess of Funding Sources					
Over (Under) Funding Uses	310,010	83,964	229,603	-	(220,028)
Fund Balance - Jan 1st	1,613,762	1,923,772	2,007,736	2,237,339	2,237,339
Fund Balance - Dec 31st	\$ 1,923,772	\$ 2,007,736	\$ 2,237,339	\$ 2,237,339	\$ 2,017,311

Discussion Items

In 2020 and 2021, programs were cancelled for a significant part of these years due to COVID restrictions which resulted in lower revenue collections. Since programming resumed in the latter half of 2021, the city has seen significant increases in participation in the various programs offered. There have been some slight increases in fees to offset some of the costs of these programs, but the primary driver of the increases is participation.

During this same period, operating expenses increased an average of 6% annually. The main cost driver is personnel and the ability to find part time/seasonal staff to operate the various programs has been a struggle. The city has increased wages to be competitive with part time hourly rates from businesses to attract and retain staff in order to provide the programs. It is expected that future revenues and expenditures will increase at a level commensurate with program activity levels.

Division / Program Description

Recreation Administration plans and administers a quality parks and recreation program based on the needs of the community and within the allocated resources. The Program's activities are accounted for in the Recreation Fund.

2025 Goals and Objectives

- Implement conversion of recreation management software to DaySmart technology.
- Support community engagement related to Rosebrook Park updates.
- Support community connection to natural spaces by completing initial planning regarding the potential of adding a nature playground to the Harriet Alexander Nature Center including identification of potential funding, preliminary engagement and development of a project timeline.
- Support the implementation of the Roseville Strategic Plan by creating and executing a departmental workplan with demonstrable results.
- Support planning for the Campus Master Plan project and ensure that community and departmental interest are integrated into the final design by including the Parks and Recreation Commission and staff involved in the process.
- Support implementation of the Natural Resources Master Plan update and workplan, including development a list of measurable benchmarks and reporting out on progress.
- Identify methodology and funding source for comprehensive recreational needs assessment.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Recreation Admin Expenditures							
Personnel Services	\$ 574,447	\$ 556,723	\$ 466,060	\$ 622,230	\$ 656,680	\$ 34,450	5.5%
Supplies & Materials	2,490	6,759	3,950	7,588	7,600	12	0.2%
Contractual Services	1,560	1,017	1,223	2,500	2,500	-	0.0%
Other Charges	128,926	134,659	261,018	152,915	152,815	(100)	-0.1%
	\$ 707,423	\$ 699,158	\$ 732,251	\$ 785,233	\$ 819,595	\$ 34,362	4.4%
FTE's	4.65	4.65	4.65	4.65	4.65		

2025 Budget Impact Items

- Personnel increases includes a cost-of-living increase and wage-step increases for eligible employees.

2024 Achievements

- Achieved Commission for Accreditation of Parks and Recreation reaccreditation.
- Completed construction of new Sunset Park at 2381 County Rd. B.
- Completed Natural Resources Master Plan update
- Increased use of Parks and Recreation scholarship fund by 30% (144 scholarship users); all users from historically underrepresented populations.

Division / Program: **Recreation Fee Activities**
Organizational Responsibility: **Parks and Recreation Director**

Division / Program Description

Recreation Fee Activities provide quality opportunities in adult classes, youth recreational classes, youth sports, gymnastics, senior citizen programs, arts, volunteer opportunities, and other activities in a way that meets the needs of city residents while being self-supporting in terms of direct costs. The Program's activities are accounted for in the Recreation Fund.

2025 Goals and Objectives

- Provide diverse, safe and financially viable programs and facilities that improve residents' quality of life, connect community members, and encourage activity.
- Conduct evaluations of recreation programs, events, services, and offerings, with a specific focus on Roseville's changing community, to identify opportunities for greater impact and make adjustments as needed.
- Evaluate and update Adult Sport program policies to incorporate language that promotes gender equity and inclusivity.
- Revise the structure of the SPEC program and day camps to enhance inclusivity, incorporating daily visual schedules, clear communication of expectations, transition countdowns, sensory kits, and other supportive strategies. These will be "pilot" programs in 2025.
- Implement a priority registration system in Gymnastics for Roseville to ensure that residents have first access to classes.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Recreation Fee Programs Expenditures							
Personnel Services	\$ 789,429	\$ 878,234	\$ 971,481	\$ 1,115,185	\$ 1,088,381	\$ (26,804)	-2.4%
Supplies & Materials	71,659	60,674	55,360	83,283	82,965	(318)	-0.4%
Utilities	23,739	35,087	32,491	40,000	42,135	2,135	5.3%
Contractual Services	266,501	354,108	390,220	410,440	417,947	7,507	1.8%
Other Charges	122,511	156,481	168,545	164,095	162,235	(1,860)	-1.1%
	\$ 1,273,839	\$ 1,484,584	\$ 1,618,097	\$ 1,813,003	\$ 1,793,663	\$ (19,340)	-1.1%
FTE's	5.35	5.35	5.35	5.35	5.35		

2025 Budget Impact Items

- Personnel cost decreased due to adjusting our staffing ratios, which will result in maximizing our staff while also ensuring the safety of participants.
- Increase in contractual services due to increased number of contract sports programs.

2024 Achievements

- Added almost 200 more participants to gymnastics, with new classes to meet the high demand. Added Sunday evening Adult Volleyball League (15 new teams) to accommodate the high demand.
- Self Defense classes offered in 2024 (47 participants), weren't able to offer in 2023.
- Partnered with high school track coach which result in increased youth participation from 68 in 2023 to 123 in 2024.
- 20% participation increase in the youth theater program in 2024.

Division / Program: **Recreation Non-Fee Activities**
Organizational Responsibility: **Parks and Recreation Director**

Division / Program Description

Recreation Non- Fee Activities provides quality recreational leisure time opportunities in the area of musical entertainment, community band programs, special needs programs, summer youth programs, teen activities, and special events in a manner that encourages broad participation through a combination of partial fees, donations, and public funding. The Program's activities are accounted for in the Recreation Fund.

2025 Goals and Objectives

- Improve inclusivity of existing events; for example, revise the Touch a Truck event to include a 30-minute period with no horn sounds, providing a more accommodating experience for individuals with Sensory Processing Disorder.
- Introduce evening Puppet Wagon shows to be more inclusive to those who are unable to attend the morning shows.
- Continue to use services such as Reach for Resources and the fee assistance program to increase participation for underrepresented populations.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Recreation Non-Fee Prog. Expenditures</u>							
Personnel Services	\$ 22,470	\$ 49,096	\$ 56,546	\$ 78,345	\$ 80,665	\$ 2,320	3.0%
Supplies & Materials	6,443	11,938	16,415	30,330	26,800	(3,530)	-11.6%
Contractual Services	21,121	61,771	80,205	80,550	89,905	9,355	11.6%
Other Charges	3,245	11,456	6,561	41,070	42,120	1,050	2.6%
	<u>\$ 53,279</u>	<u>\$ 134,261</u>	<u>\$ 159,727</u>	<u>\$ 230,295</u>	<u>\$ 239,490</u>	<u>\$ 9,195</u>	<u>4.0%</u>
FTE's	-	-	-	-	-		

2025 Budget Impact Items

- Increase in contractual services is due to increased number of contract sports programs.

2024 Achievements

- Updated Rosefest community celebration including improvements to popular events, creation of new events, and worked with the evolving needs of public safety in our community
- Leaders in Training program increased from 8 youth to 24 youth in 2024.
- Revised Live at the Rog yielded higher attendance per concert than previous year.

Division / Program: Recreation Harriet Alexander Nature Center

Organizational Responsibility: Parks and Recreation Director

Division / Program Description

To provide environmental education, recreational opportunities, and reflection for people of all ages and abilities at the Nature Center (HANC). The Program's activities are accounted for in the Recreation Fund.

2025 Goals and Objectives

- Seek new and creative ways to connect Roseville residents to natural resources and sustainability.
- Partner with Every Meal Garden to offer an additional 20 garden plots, on top of our current 120, to better accommodate residents.
- After gathering feedback from current participants, we will launch two additional nature-based programs for children 3-5.
- Continue improvements to the building, including updating the siding in 2025, to enhance its appeal for program attendees, visitors, and passersby, ensuring the facility remains as welcoming as possible.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Nature Center Expenditures</u>							
Personnel Services	\$ 20,541	\$ 36,295	\$ 48,603	\$ 45,450	\$ 71,411	\$ 25,961	57.1%
Supplies & Materials	8,596	7,856	4,963	9,800	9,800	-	0.0%
Utilities	8,664	10,092	9,556	11,000	11,000	-	
Contractual Services	18,726	19,317	17,300	24,200	24,200	-	0.0%
Other Charges	1,695	2,164	2,335	2,950	3,050	100	3.4%
	\$ 58,222	\$ 75,724	\$ 82,757	\$ 93,400	\$ 119,461	\$ 26,061	27.9%
FTE's	-	-	-	-	-		

2025 Budget Impact Items

- Seasonal staff wages and hours have been increased to offer new programs and improve the quality of HANC programming.

2024 Achievements

- Increased our Nature Camp participation from 86 in 2023 to 141 in 2024.
- Increased participation in HANC programs by 50% compared to 2023.
- Offered a wide variety of nature-based community events including the Wild Rice Festival, Tapping Time, Halloween Spooktacular, Holiday Craft Fair and more.
- Expanded school groups, partnership with U of M to offer summer programming and increased birthday party rentals to enhance our community offerings.

Division / Program: Recreation Roseville Skating Center
Organizational Responsibility: Parks and Recreation Director

Division / Program Description

To provide; multi-purpose indoor/outdoor skating opportunities, recreational classes, senior citizen programs, and miscellaneous other activities, in a way that meets the needs of the city and state residents. The Program's activities are accounted for in the Recreation Fund.

2025 Goals and Objectives

- Complete previously planned capital projects including, arena dehumidification system, arena roof top units, arena Zamboni, OVAL video board and County Rd C video board, banquet room heat pumps, ductwork cleaning, fire alarm system.
- Plan for future infrastructure needs that keep the buildings up to the City's expected level or service and improve efficiency, including roof replacements and additional rooftop heating units.
- Conduct an ice-time rate analysis and update hourly ice-time rate to keep up with increased costs and the market rates.
- Support the Friends of the OVAL in their strategic planning and reorganization efforts, including "light the OVAL" Campaign as we move forward with plans to light again in 2025 and beyond.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Skating Center Expenditures</u>							
Personnel Services	\$ 735,452	\$ 781,746	\$ 848,490	\$ 883,180	\$ 935,220	\$ 52,040	5.9%
Supplies & Materials	54,320	78,612	93,822	93,550	99,900	6,350	6.8%
Utilities	245,188	363,540	359,494	320,000	360,000	40,000	12.5%
Contractual Services	102,328	115,586	124,760	146,800	145,670	(1,130)	-0.8%
Other Charges	49,921	66,145	65,693	73,640	77,040	3,400	4.6%
	<u>\$ 1,187,209</u>	<u>\$ 1,405,629</u>	<u>\$ 1,492,259</u>	<u>\$ 1,517,170</u>	<u>\$ 1,617,830</u>	<u>\$ 100,660</u>	<u>6.6%</u>
FTE's	5.75	5.75	5.75	5.75	5.75		

2025 Budget Impact Items

- Personnel increases includes a cost-of-living increase and wage-step increases for eligible employees.
- Operating supplies and materials costs continue to increase.
- Utility costs continue to increase due to the increased cost of energy.

2024 Achievements

- Completed a number of capital updates including: repainted Arena exterior, remodel of the OVAL bathrooms, replaced the OVAL lobby rubber, flooring and updated blinds and chairs in the banquet rooms.
- Hosted several events at the facility including the John Rose MN Cup, USA Bandy Games and FOR Parks Tapped and Uncorked, hosted the Matt Dumba camp (Hockey Without Limits) for underprivileged skaters.
- Increased capacity in the Roseville Skate school to add 70 spots for a total of 995 program participants in 2024-25.
- Received donations to finance, and upgraded Arena sound system with the help of 4 user groups
- Upgraded Arena lighting from fluorescent to LED lighting to reduce electricity usage and improve the appearance of the facility.

Division / Program: **Recreation Activity Center**
Organizational Responsibility: **Parks & Recreation Director**

Division / Program Description

This division provides temporary staff for evening and weekend open hours at City Hall Campus and includes payment to Roseville School District to satisfy contractual arrangement for maintenance and upkeep at Brimhall, Central Park Community Gymnasiums and the Gymnastic Center.

2025 Goals and Objectives

- To continue to coordinate with the Roseville School District per agreement in the provision of Central Park and Brimhall Community Gymnasiums and the Roseville Gymnastic Center.
- To provide safe and adequate supervision at the City Hall Campus to open up facilities for community use as much as possible.
- Begin conversations with Roseville School District regarding long-term plan for Brimhall and Central Park Gymnasium, as the current agreement expires in 2028.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Activity Center Expenditures							
Personnel Services	\$ 727	\$ 3,189	\$ 2,994	\$ 12,380	\$ 8,905	\$ (3,475)	-28.1%
Supplies & Materials	283	1,646	617	3,350	3,350	-	0.0%
Contractual Services	-	98,177	105,206	117,700	129,400	11,700	9.9%
Other Charges	5,329	5,564	6,641	8,000	8,000	-	0.0%
	\$ 6,339	\$ 108,576	\$ 115,458	\$ 141,430	\$ 149,655	\$ 8,225	5.8%
FTE's	-	-	-	-	-		

2025 Budget Impact Items

- Contractual services increase is due to increased operation and maintenance costs shared with the Roseville school district.

2024 Achievements

- Provided quality community facilities at the Brimhall Community Gym, Central Park Community Gym and Roseville Gymnastics Center.
- Gyms provided home to adult recreation leagues, Roseville Youth Basketball, Indoor pickleball, open gym and more.
- More than 1,200 enrolments in recreational gymnastics classes held at the Roseville Gymnastics Center.

Division / Program: Recreation Park Maintenance
Organizational Responsibility: Parks & Recreation Director

Department Description

To develop and maintain public park areas and facilities at a level that provides for safe, quality recreational experiences for all users and participants. This division includes contract maintenance and Forestry. The Program's activities are accounted for in the Park Maintenance Fund.

2025 Goals and Objectives

- Provide high quality maintenance for the highly used/recognized programs and facilities.
- Ensure safe conditions and proper training as a top priority for users, spectators and employees
- Complete and closeout the accelerated Emerald Ash Borer Program.
- Review, analyze and document maintenance program while considering recent improvements.
- Implement the newly adopted Natural Resources Master Plan Update through workplan and budget.
- Systemically review and invest in the updating of aging assets and infrastructure to ensure long term sustainability.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Park Maintenance Expenditures							
Personnel Services	\$ 943,113	\$ 971,987	\$ 1,040,574	\$ 1,109,690	\$ 1,281,276	\$ 171,586	15.5%
Supplies & Materials	130,907	160,625	184,310	159,500	178,100	18,600	11.7%
Utilities	53,579	57,440	57,130	57,000	60,000	3,000	5.3%
Contractual Services	167,772	130,836	149,658	173,000	173,000	-	0.0%
Other Charges	64,036	33,152	30,877	40,700	40,700	-	0.0%
	\$ 1,359,407	\$ 1,354,040	\$ 1,462,549	\$ 1,539,890	\$ 1,733,076	\$ 193,186	12.5%
FTE's	9.50	9.50	9.75	9.50	10.00		

2025 Budget Impact Items

- Personnel services increased due to a cost-of-living increase and wage-step increases for eligible employees and increasing the forester position to full time.

2024 Achievements

- 93 % of residents rate the upkeep of Roseville's parks as good or excellent in community service survey.
- Hosted more than 20 volunteer natural resources events.
- Completed removal of all public ash trees (except for those being treated)
- Added more than 500 trees to the public tree canopy through the EAB program, public tree sales and grant funded trees.
- Completed construction of Sunset Park.

Community Development Fund

The table below shows a five-year comparison of funding sources, uses, and changes in fund balance for the Community Development Fund.

Community Development Fund					
	2021	2022	2023	2024	2025
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Licenses & Permits	\$ 1,946,888	\$ 1,726,677	\$ 1,687,232	\$ 1,420,900	\$ 1,436,200
Charges for Services	49,705	54,715	50,940	42,500	50,000
Interest Earnings	(5,912)	(419,602)	277,142	25,000	25,000
Other Revenue	2,790	5,595	2,750	-	-
Total Sources	1,993,471	1,367,385	2,018,064	1,488,400	1,511,200
Funding Uses					
Planning	609,646	597,401	606,106	679,507	708,810
Building Permits and Codes	830,700	842,048	945,539	1,037,100	1,065,530
Nuisance Code Enforcement	64,111	171,140	111,065	114,510	126,780
Geographic Information Systems	25,735	38,580	39,276	42,120	45,410
Neighborhood Enhancement	124,242	37,652	44,607	40,580	42,870
Total Uses	1,654,434	1,686,821	1,746,593	1,913,817	1,989,400
Excess of Funding Sources					
Over (Under) Funding Uses	339,037	(319,436)	271,471	(425,417)	(478,200)
Fund Balance - Jan 1st	4,108,422	4,447,459	4,128,023	4,399,494	3,974,077
Fund Balance - Dec 31st	\$ 4,447,459	\$ 4,128,023	\$ 4,399,494	\$ 3,974,077	\$ 3,495,877

Discussion Items

During the period 2021-2023, the Community Development Fund realized decreasing overall activity, which is a result of slower development for both housing and commercial properties. It is expected that over the next several years, development will continue to take place, but at a slower pace. The Fund has a very healthy fund balance and is anticipated to remain healthy and to weather the decreasing development.

Division / Program Description

The Planning Division's mission is to develop effective recommendations on comprehensive land use planning and zoning programs in a manner consistent with City policies. City Planning works closely with all departments, Planning Commission, Variance Board, EDA and Council in preparation and design of development projects as well as providing guidance to property owners. City Planning provides well-planned development and anticipates continued process refinement to keep up with current and increasing project demands. The Program's activities are accounted for in the Community Development Fund.

2025 Goals and Objectives

- Track progress towards creation of missing middle housing types and identify the strengths and weaknesses of various regulations in terms of their effectiveness in the creation of more units.
- Monitor the office market and the market's impact on development/redevelopment of key parcels that are currently in transition.
- Review and implement redevelopment proposals within Twin Lakes and Rosedale Center.
- Actively participate in, and support the efforts of, the Rice and Larpenteur Alliance.
- Be mindful of equity impacts of existing zoning regulations and advance equity related goals such as participating in Just Deeds.
- Take an active role in the recodification of the City Code, including the zoning and subdivision codes.
- Monitor existing Zoning Code requirements related to sustainability and identify any additional regulations that promote more sustainably built environments.
- Effectively implement newly adopted adult-use cannabis regulations.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Planning Expenditures</u>							
Personnel Services	\$ 495,130	\$ 515,692	\$ 555,275	\$ 598,007	\$ 637,310	\$ 39,303	6.6%
Supplies & Materials	360	435	66	1,000	1,000	\$ -	0.0%
Contractual Services	10,418	9,615	4,546	15,500	10,000	\$ (5,500)	-35.5%
Other Charges	103,738	71,660	46,219	65,000	60,500	\$ (4,500)	-6.9%
Capital Outlay	-		1,150			-	0.0%
	<u>\$ 609,646</u>	<u>\$ 597,402</u>	<u>\$ 607,256</u>	<u>\$ 679,507</u>	<u>\$ 708,810</u>	<u>\$ 29,303</u>	<u>4.3%</u>
FTE's	4.05	4.05	4.40	4.40	4.40		

2025 Budget Impact Items

- Personnel increases include a 3% cost-of-living increase and wage-step increases for eligible employees.
- Other budget areas remain status-quo with no significant increases or decreases.

2024 Achievements

- Processed land use applications for 22 different projects in 2024, versus 16 in 2023, both residential and commercial uses..
- In cooperation with the Administration Department and the City Attorney, drafted three different ordinances related to the legalization of Adult-Use Cannabis and worked with the Planning Commission and City Council to get them enacted.

Division / Program Description

The Code Enforcement Program ensures public safety and health standards related to building construction and land use are maintained for the general welfare of the community. This provides a safer community for all citizens through proper construction methods and provides for enhanced neighborhood livability and property values. The Program's activities are accounted for in the Community Development Fund.

2025 Goals and Objectives

- Continue training staff on, and expand the use of, electronic plan review (Bluebeam).
- Continue to improve existing procedures to increase efficiency and effectiveness.
- Continue to promote and refine the use of Accela permitting software to provide greater access and transparency in the permitting process for numerous city departments and the general public, with the goal of maintaining nearly 100% of all permits and payments conducted online and also creating and posting reports online related to routine public data requests.
- Provide greater opportunity for internal training to increase depth of knowledge in regard to Building Codes and to aid in succession planning.
- Assist the Administration Department with inspection of hotels under the Hotel Licensing Program.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Code Enforcement Expenditures							
Personnel Services	\$ 585,688	\$ 573,169	\$ 671,090	\$ 701,470	\$ 754,330	\$ 52,860	7.5%
Supplies & Materials	6,514	8,476	9,512	9,500	10,300	800	8.4%
Contractual Services	158,416	121,871	150,045	130,000	135,000	5,000	3.8%
Other Charges	80,082	110,335	114,892	128,130	120,900	(7,230)	-5.6%
Capital Outlay	-	28,196	-	68,000	45,000	(23,000)	-33.8%
	\$ 830,700	\$ 842,047	\$ 945,539	\$ 1,037,100	\$ 1,065,530	\$ 28,430	2.7%
FTE's	5.60	6.30	6.00	6.00	6.00		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living increase and wage-step increase for eligible employees.
- Capital outlay decreased as there are fewer inspection vehicles due for replacement in 2025.

2024 Achievements

- The Department issued 4,300 permits in 2023 which generated \$1.7 million in permit revenue in 2024, this is comparable to the permits and permit revenue in 2023.
- Inspections staff completed over 4,800 inspections which is 1000 less than 2023.
- Conducted inspections of over 2,700 hotel rooms in conjunction with the City's Hotel Licensing Program.
- The valuation of construction exceeded \$93 million, consisting of 8 new single-family homes, 1 new apartment building (96 units), 1 new commercial/industrial buildings, 177 commercial remodels and over 1,300 residential alteration permits. Valuation is down from \$109 million in 2023 and a slightly different mix of projects.
- Online permit creation through Accela exceeded 96%, with online payments exceeding 93%.

Division / Program: **Nuisance Code Enforcement**
Organizational Responsibility: **Community Development Director**

Division / Program Description

The Nuisance Code Enforcement Program provides for the general welfare of the community by ensuring citizens can have public nuisance issues addressed and eliminated, and, ensuring that various public safety and health standards are maintained. This provides a healthier and safer community for all citizens and provides for enhanced neighborhood livability and property values. The Program's activities are accounted for in the Community Development Fund.

2025 Goals and Objectives

- Obtain greater public awareness and compliance with city codes and ordinances through education, cooperation and enforcement.
- Minimize the negative effects of public nuisance violations upon surrounding homes and neighborhoods.
- Enhanced property values and livability of neighborhoods.
- Increase proactive measures at repeat nuisance properties.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Nuisance Code Enforcement</u>							
Personnel Services	\$ 64,111	\$ 168,433	\$ 107,993	\$ 111,710	\$ 123,580	\$ 11,870	10.6%
Other Services & Charges	-	2,707	3,072	2,800	3,200	400	14.3%
	\$ 64,111	\$ 171,140	\$ 111,065	\$ 114,510	\$ 126,780	\$ 12,270	10.7%
FTE's	1.25	1.55	0.95	0.95	0.95		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living increase and wage-step increases for eligible employees.

2024 Achievements

- Addressed over 283 public nuisance concerns brought to the City by residents with 90% of cases resolved by year-end.
- With proactive education efforts, enforcement efforts, and the introduction of the Neighborhood Enhancement Program, the overall numbers of nuisance complaints received from residents continues to decline.
- Staff continues to receive, and promptly address, concerns that require immediate response in neighborhoods, such as, unguarded pools, dangerous building conditions and abandoned refrigerators.

Division / Program: **Geographic Information Systems**
Organizational Responsibility: **Community Development Director**

Division / Program Description

The GIS division coordinates the intra-departmental geographic data base system. The division is responsible for improving city mapping and data management, linking GIS to permits, creating web versions of maps, and using GIS technology for long range planning. The division collaborates with other governmental units to maximize the accuracy of GIS data and to improve overall efficiency. The Program's activities are accounted for in the Community Development Fund.

2025 Goals and Objectives

- Provide ongoing administration and user support for the Accela permitting system.
- Continue updating the interactive Public Financing Dashboard on Grow Roseville that highlights development projects that have received public financing support.
- Continue publication of interactive City Development Activity map and report.
- Provide technical assistance in regard to mapping needs related to land use applications needing Variance Board and/or Planning Commission review.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>GIS Expenditures</u>							
Personnel Services	\$ 20,795	\$ 34,040	\$ 34,532	\$ 36,470	\$ 39,670	\$ 3,200	8.8%
Other Charges	4,940	4,540	4,744	5,650	5,740	90	1.6%
	<u>\$ 25,735</u>	<u>\$ 38,580</u>	<u>\$ 39,276</u>	<u>\$ 42,120</u>	<u>\$ 45,410</u>	<u>\$ 3,290</u>	<u>7.8%</u>
FTE's	0.30	0.30	0.30	0.30	0.30		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living increase and wage-step increases for eligible employees.

2024 Achievements

- Continue to maintain and update the Public Financing Dashboard on Grow Roseville's webpage, highlighting development projects that have received public finance support.
- Continued monthly publication of interactive City Development Activity map and report.
- Provided mailing and mapping support for the Neighborhood Enhancement program.
- Provided mailing and mapping support for the processing of land use applications.

Division / Program: **Neighborhood Enhancement Program**
Organizational Responsibility: **Community Development Director**

Division / Program Description

The Neighborhood Enhancement Program raises community awareness regarding the value of keeping homes and business properties in good repair in-order to maintain quality neighborhoods, maintain profitable business areas, and protect property values. This provides a safer community for all residents and provides for enhanced neighborhood livability and property values. The Program's activities are accounted for in the Community Development Fund.

2025 Goals and Objectives

- Implement the City's policy surrounding inspection of 50% of all residential, business and public properties in the City for maintenance and/or public nuisance violations semi-annually.
- Raise awareness of the importance of keeping homes and properties in good repair, which maintains quality neighborhoods and protects property values.
- Encourage residents and business owners to address building/property maintenance and nuisance issues when they are small. This approach will result in simpler, less expensive repairs.
- Conduct all visits and inspections from the public right of way.

Financial Summary

	2021	2022	2023	2024	2025	\$ Increase	% Increase
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
<u>Neighborhood Enhancement</u>							
Personnel Services	\$ 117,979	\$ 32,043	\$ 39,439	\$ 34,230	\$ 36,420	\$ 2,190	6.4%
Supplies & Materials	1,752	81	-	650	650	-	0.0%
Contractual Services	2,633	28	6	-	-	-	0.0%
Other Charges	1,878	4,381	5,006	5,700	5,800	100	1.8%
	<u>\$ 124,242</u>	<u>\$ 36,533</u>	<u>\$ 44,451</u>	<u>\$ 40,580</u>	<u>\$ 42,870</u>	<u>\$ 2,290</u>	<u>5.6%</u>
FTE's	0.30	0.30	0.20	0.20	0.20		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living increase and wage-step increases for eligible employees.

2024 Achievements

- Continued utilization of a post-card mailing to inform residents of the program prior to commencing inspections, which keeps marketing and postage costs down.
- Provided education to residents and business owners about the processes of the program and explained the benefits the program intends to provide.
- Most residents, business owners, and property managers have been cooperative and have expressed support for the program.
- Inspected 4,128 residential and business properties in 2024, with 120 total violations; in 2023 conducted 5,569 inspections, resulting in 326 total violations. Of all properties inspected, 3% of residential and 7% of business properties had one or more violations in 2024. In 2023, 6% of residential and 1% of business properties had one or more violations observed. The number of inspections is down 25%, and violations are down 63%.

Function / Program: Communications
Organizational Responsibility: City Manager

Department Description

The Communications Program provides timely information to residents regarding city issues, activities, and services through the use of all available media resources. The Program's activities are accounted for in the Communications Fund.

2025 Goals and Objectives

- Continue evaluating and improving all communication and media produced by the city.
- Continue to manage and implement Microsoft 365 Integration with website and intranet.
- Continue to enhance engagement through IAP2 principles and best practices.

Communications Fund Financial Summary							
	2021	2022	2023	Amended 2024	2025	\$ Increase (Decrease)	% Incr. (Decr.)
Revenues	Actual	Actual	Actual	Budget	Budget		
General Property Taxes	\$ 50,249	\$ 104,207	\$ 122,815	\$ 210,160	\$ 277,635	\$ 67,475	32.1%
Charges for Services	23,084	46,000	46,000	47,000	47,000	-	100.0%
Cable Franchise Fees	385,750	374,855	354,531	374,000	354,000	(20,000)	-5.3%
Investment Income	196	66	(5,089)	100	100	-	0.0%
Total Revenues	\$ 459,279	\$ 525,128	\$ 518,257	\$ 631,260	\$ 678,735	\$ 47,475	7.5%
Expenditures							
Personnel Services	\$ 274,968	\$ 280,176	\$ 331,412	\$ 382,140	\$ 406,000	\$ 23,860	6.2%
Supplies & Materials	2,595	1,086	-	1,000	1,000	\$ -	0.0%
Contractual Services	46,127	37,939	39,284	47,600	49,592	\$ 1,992	4.2%
Other Charges	166,053	213,162	214,045	200,520	222,143	\$ 21,623	10.8%
Total Expenditures	\$ 489,743	\$ 532,363	\$ 584,741	\$ 631,260	\$ 678,735	\$ 47,475	7.5%
Other Financing Sources (Uses)							
Transfers In	\$ -	\$ 31,436	\$ 20,444	\$ -	\$ -	\$ -	0.0%
Total Other Financing Sources	\$ -	\$ 31,436	\$ 20,444	\$ -	\$ -	\$ -	0.0%
Net Change in Fund Balance	(30,464)	24,201	(46,040)	-	-		
Beginning Fund Balance	125,072	94,608	118,809	72,769	72,769		
Ending Fund Balance	\$ 94,608	\$ 118,809	\$ 72,769	\$ 72,769	\$ 72,769		
FTE's	1.95	2.65	3.00	3.00	3.00		

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living increase and wage-step increases for eligible employees.
- Other charges increased due to increases in printing, postage and cable commission costs.

2024 Achievements

- Completed a website redesign.
- Supported the transition of the internal city intranet to a new SharePoint site.
- Updated equipment in the city council chambers.
- Provided support and resources for various departmental engagement initiatives.
- Collaborated with consultant on communication for the city's local option sales tax initiative.

Function / Program: License Center
Organizational Responsibility: Finance Director

Department Description

The License Center serves the general public as a MN Department of Public Safety Deputy, offering State auto, drivers, and DNR licenses. It also serves as a Passport Acceptance Agency in conjunction with the U.S. State Department. The Program's activities are accounted for in the License Center Fund.

2025 Goals and Objectives

- Maintain a minimum 98% compliance rating on passport policies and procedures.
- Explore new ways to generate revenues and continue evaluating and adjusting the facility and staff to create optimal efficiencies when assisting customers.

License Center Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
	Charges for Services	1,548,412	2,035,841	2,248,442	2,500,000	2,600,000	100,000	4.0%
	Investment Income	3,518	(5,665)	(19,154)	1,000	1,000	-	0.0%
	Total Revenues	\$ 1,551,930	\$ 2,030,176	\$ 2,229,288	\$ 2,501,000	\$ 2,601,000	\$ 100,000	4.0%
Expenditures								
	Personnel Services	\$ 1,572,764	\$ 1,584,536	\$ 1,621,265	\$ 1,832,480	\$ 2,044,930	\$ 212,450	11.6%
	Supplies & Materials	25,717	30,212	35,535	35,500	38,200	2,700	7.6%
	Utilities	8,292	9,702	10,349	9,800	10,000		
	Contractual Services	34,442	34,764	49,913	46,600	48,000	1,400	3.0%
	Other Charges	125,065	127,104	132,510	139,426	147,976	8,550	6.1%
	Total Expenditures	\$ 1,766,280	\$ 1,786,318	\$ 1,849,572	\$ 2,063,806	\$ 2,289,106	\$ 225,100	10.9%
	Transfers In (Out) net	\$ 386,000	\$ (177,000)	\$ (504,318)	\$ (200,000)	\$ (200,000)	\$ -	0.0%
	Net Change in Fund Balance	171,650	66,858	(124,602)	237,194	111,894		
	Beginning Fund Balance	174,870	346,520	413,378	288,776	525,970		
	Ending Fund Balance	\$ 346,520	\$ 413,378	\$ 288,776	\$ 525,970	\$ 637,864		
	FTE's	16.75	17.25	18.75	19.00	20.50		

2025 Budget Impact Items

- Personnel services increase is due to cost-of-living increases and increasing 3 part time to full time and adding one part time position to address increased volume of customers.

2024 Achievements

- Implemented upgrade to MNDRIVE system for all transactions processed for the Department of Public Safety for driver and vehicle services.
- Received a "Trusted" office rating from DVS due to low errors on DL and ID applications.
- Received 100% compliance rating for the US State Department audit on Passport Center policies and procedures.

Function / Program: Lawful Gambling
Organizational Responsibility: Finance Director

Department Description

The Lawful Gambling Regulation operation provides for the regulation of lawful gambling activities within the City, in accordance with State Statutes and City Ordinance. The City has designated the North Suburban Community Foundation, with the assistance of the Roseville Donor Advisory Board, with the responsibility to allocate 10% of the net gambling profits to Roseville-based non-profit organizations. The Program's activities are accounted for in the Lawful Gambling Fund.

2025 Goals and Objectives

- Continue allocating proceeds to Roseville area organizations to support local charities, youth scholarships and athletic programs.

Financial Summary

<u>Lawful Gambling Expenditures</u>	2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
Investment Income	172	(946)		-	-	-	0.0%
Miscellaneous	166,988	144,933	140,309	158,026	149,279	(8,747)	-5.5%
Total Revenues	\$ 167,160	\$ 143,987	\$ 140,309	\$ 158,026	\$ 149,279	\$ (8,747)	-5.5%
Expenditures							
Personnel Services	\$ 36,045	\$ 36,755	\$ 27,100	\$ 36,736	\$ 29,279	\$ (7,457)	-20.3%
Contractual Services	141,000	111,000	113,209	120,000	120,000	-	0.0%
Total Expenditures	\$ 177,045	\$ 147,755	\$ 140,309	\$ 156,736	\$ 149,279	\$ (7,457)	-4.8%
Net Change in Fund Balance	(9,885)	(3,768)	-	1,290	-		
Beginning Fund Balance	12,363	2,478	(1,290)	(1,290)	-		
Ending Fund Balance	\$ 2,478	\$ (1,290)	\$ (1,290)	\$ -	\$ -		
FTE's	0.2	0.2	0.2	0.2	0.2		

2025 Budget Impact Items

- Personnel services decrease is due to a reduction in staff time needed in this area.

2024 Achievements

- Distributed over \$120,000 and \$129,000 from net proceeds to Roseville area organizations in 2024 and 2023 respectively.

Division / Program: **Vehicle & Equipment Replacement Fund**
Organizational Responsibility: All Department Heads

Division / Program Description

The Vehicle and Equipment Replacement fund accounts for the purchase of replacing vehicles and equipment as identified in the capital improvement plan. Each department head is responsible for budgeting their individual department needs (police, fire, public works, parks, administration and finance).

The main source of funding is general property taxes. Detailed itemization of specific equipment identified for replacement in 2025 can be found in the 2025 Capital Improvement Plan which can be found in Appendix E.

Vehicle & Equipment Funds Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
General Property Taxes		\$ 1,198,934	\$ 1,372,788	\$ 1,551,514	\$ 1,168,000	\$ 1,168,000	\$ -	0.0%
Intergovernmental Revenue		39,125			1,000,000	-	(1,000,000)	100.0%
Investment Income		(23,310)	(190,211)	121,612	23,334	15,000	(8,334)	0.0%
Miscellaneous		38,879	89,675	270,897	39,000	30,000	(9,000)	100.0%
Total Revenues		\$ 1,253,628	\$ 1,272,252	\$ 1,944,023	\$ 2,230,334	\$ 1,213,000	\$ (1,017,334)	-45.6%
Expenditures								
Capital Outlay		\$ 884,870	\$ 993,418	\$ 1,990,081	\$ 1,658,800	\$ 2,294,250	635,450	38.3%
Total Expenditures		\$ 884,870	\$ 993,418	\$ 1,990,081	\$ 1,658,800	\$ 2,294,250	\$ 635,450	38.3%
Other Financing Sources (Uses)								
Transfers In		\$ -	\$ -	\$ 200,000	\$ 510,214	\$ 400,000	\$ (110,214)	-21.6%
Transfers Out		-	-	-	(832,400)	-	\$ 832,400	100.0%
Total Other Financing Sources		\$ -	\$ -	\$ 200,000	\$ (322,186)	\$ 400,000	\$ 722,186	
Net Change in Fund Balance		368,758	278,834	153,942	249,348	(681,250)		
Beginning Fund Balance		1,545,387	1,914,145	2,192,979	2,346,921	2,596,269		
Ending Fund Balance		\$ 1,914,145	\$ 2,192,979	\$ 2,346,921	\$ 2,596,269	\$ 1,915,019		

2024 Budget Impact Items

- The increase in capital outlay is due to more replacements needed in 2025.

Division / Program: **Facilities Replacement Fund**
Organizational Responsibility: All Department Heads

Division / Program Description

The Facilities Replacement fund accounts for the maintenance and replacement of equipment related to the various city facilities. The facilities that are covered in this fund include city hall, public works maintenance building, community gym/gymnastics, skating center, fire station and the Cedarholm community building. Types of capital projects include replacement of HVAC equipment, replacement of flooring, communications equipment, etc. The department heads that are primarily responsible for budgeting individual building needs include Public Works, Fire, Parks, and Administration.

The main source of funding is general property taxes. The City was able to obtain State Bonding funds to cover major renovations at the Ice OVAL which is the speedskating rink attached to the skating center in 2021 through 2023. Detailed itemization of specific equipment identified for replacement in 2025 can be found in the 2025 Capital Improvement Plan which can be found in Appendix E.

Building Replacement Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
Revenues								
	General Property Taxes	\$ 779,860	\$ 759,289	\$ 751,076	\$ 651,000	\$ 651,000	\$ -	0.0%
	Intergovernmental Revenue	128,576	3,233,022	508,079	756,000	77,184	(678,816)	0.0%
	Investment Income	96,816	(427,964)	184,290	3,000	3,000	-	0.0%
	Miscellaneous	-	700		-	-	-	0.0%
	Total Revenues	\$ 1,005,252	\$ 3,565,047	\$ 1,443,445	\$ 1,410,000	\$ 731,184	\$ (678,816)	-48.1%
Expenditures								
	Capital Outlay	\$ 301,062	\$ 3,824,750	\$ 253,953	\$ 1,842,900	\$ 1,601,595	\$ (241,305)	-13.1%
	Total Expenditures	\$ 301,062	\$ 3,824,750	\$ 253,953	\$ 1,842,900	\$ 1,601,595	\$ (241,305)	-13.1%
Other Financing Sources (Uses)								
	Transfers In	\$ -	\$ -	\$ 16,851	\$ -	\$ -	\$ -	0.0%
	Total Other Financing Sources	\$ -	\$ -	\$ 16,851	\$ -	\$ -	\$ -	0.0%
	Net Change in Fund Balance	704,190	(259,703)	1,206,343	(432,900)	(870,411)		
	Beginning Fund Balance	2,493,271	3,197,461	2,937,758	4,144,101	3,711,201		
	Ending Fund Balance	\$ 3,197,461	\$ 2,937,758	\$ 4,144,101	\$ 3,711,201	\$ 2,840,790		

2025 Budget Impact Items

- The decrease in capital outlay is mainly related to fewer projects planned for 2025.

Division / Program: Streetscape Fund
Organizational Responsibility: Public Works Director

Division / Program Description

The Streetscape fund accounts for the maintenance of boulevards and streetscape items in designated areas of the city, specifically on Twin Lakes Parkway, Larpenteur Avenue and County Road C. Streetscape items include turf management and retaining walls.

The main source of funding is general property taxes.

2025 Goals and Objectives

- Maintain streetscapes in Twin Lakes Parkway, Larpenteur Avenue and County Road C.
- Replace Hand Avenue retaining wall.

Streetscape Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
Revenues								
	General Property Taxes	\$ 60,298	\$ 58,708	\$ 58,073	\$ 60,000	\$ 60,000	\$ -	0.0%
	Investment Income	(2,076)	(14,952)	11,468	2,000	2,000	-	0.0%
	Total Revenues	\$ 58,222	\$ 43,756	\$ 69,541	\$ 62,000	\$ 62,000	\$ -	0.0%
Expenditures								
	Personnel Services	\$ 7,774	\$ -	\$ -	\$ 6,910	\$ -	\$ (6,910)	-100.0%
	Supplies & Materials	24,542	12,370	15,136	30,000	35,000		
	Contractual Services	33,765	41,225	50,386	47,000	87,000	40,000	85.1%
	Total Expenditures	\$ 66,081	\$ 53,595	\$ 65,522	\$ 83,910	\$ 122,000	\$ 33,090	39.4%
	Net Change in Fund Balance	(7,859)	(9,839)	4,019	(21,910)	(60,000)		
	Beginning Fund Balance	194,357	186,498	176,659	180,678	158,768		
	Ending Fund Balance	\$ 186,498	\$ 176,659	\$ 180,678	\$ 158,768	\$ 98,768		

2025 Budget Impact Items

- No significant changes.

2024 Achievements

- Maintained existing streetscapes in Twin Lakes Parkway, Larpenteur Avenue and County Road C..

Division / Program: Pathway & Parking Lot Maintenance
Organizational Responsibility: Public Works Director

Division / Program Description

During the past 10 years, the city has installed 14.4 miles of pathways in the city for a total of 46.5 miles. The City Council has implemented a program of methodical and intentional maintenance. This program is intended to bring existing pathways and parking lots up to an acceptable user standard and maintain that standard. The Program's activities are accounted for in the Pathway Maintenance Fund.

2025 Goals and Objectives

- Rehabilitate 1-2 miles pathway annually.
- Perform routine pavement maintenance on all City lots and trails.

Pathways & Parking Lots Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
General Property Taxes	\$	246,219	\$ 249,509	\$ 246,810	\$ 255,000	\$ 255,000	\$ -	0.0%
Investment Income		(686)	(11,921)	2,434	2,036	2,557	521	25.6%
Total Revenues	\$	245,533	\$ 237,588	\$ 249,244	\$ 257,036	\$ 257,557	\$ 521	0.2%
Expenditures								
Capital Outlay	\$	127,878	\$ 171,569	\$ 148,484	\$ 233,800	\$ 289,300	\$ 55,500	23.7%
Total Expenditures	\$	127,878	\$ 171,569	\$ 148,484	\$ 233,800	\$ 289,300	\$ 55,500	23.7%
Other Financing Sources (Uses)								
Transfers In	\$	-	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	100.0%
Total Other Financing Sources	\$	-	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	100.0%
Net Change in Fund Balance		117,655	66,019	100,760	23,236	68,257		
Beginning Fund Balance		(51,943)	65,712	131,731	232,491	255,727		
Ending Fund Balance	\$	65,712	\$ 131,731	\$ 232,491	\$ 255,727	\$ 323,984		

2025 Budget Impact Items

- The increase in capital outlay is due to materials and planned projects.

2024 Achievements

- Repaved 2 parking lots and approximately 1.12 miles of trails within the city.

Division / Program: **Street Light Replacement Fund**
Organizational Responsibility: Public Works Director

Division / Program Description

The Street Light Replacement fund accounts for the replacement of city owned streetlights throughout the city.

The main source of funding is general property taxes. In 2024 a one-time infusion of \$300,000 went into this fund from the closeout of the Information Technology Fund to assist with future capital infrastructure needs. Detailed itemization of specific projects identified for replacement in 2025 can be found in the 2025 Capital Improvement Plan which can be found in Appendix E.

Street Light Replacement Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
General Property Taxes	\$	21,104	\$ 20,548	\$ 20,326	\$ 21,000	\$ 21,000	\$ -	0.0%
Intergovernmental Revenue		18,543	-	(18,543)	-	-	-	100.0%
Investment Income		(1,284)	(10,430)	6,456	500	4,188	3,688	737.6%
Miscellaneous		2,695	-	-	-	-	-	0.0%
Total Revenues	\$	41,058	\$ 10,118	\$ 8,239	\$ 21,500	\$ 25,188	\$ 3,688	100.0%
Expenditures								
Capital Outlay	\$	35,576	\$ -	\$ -	\$ 52,500	\$ 57,500	\$ 5,000	9.5%
Total Expenditures	\$	35,576	\$ -	\$ -	\$ 52,500	\$ 57,500	\$ 5,000	9.5%
Other Financing Sources (Uses)								
Transfers In	\$	-	\$ -	\$ -	\$ 300,000	\$ 25,000	\$ (275,000)	-91.7%
Total Other Financing Sources	\$	-	\$ -	\$ -	\$ 300,000	\$ 25,000	\$ (275,000)	-91.7%
Net Change in Fund Balance		5,482	10,118	8,239	269,000	(7,312)		
Beginning Fund Balance		123,817	129,299	139,417	147,656	416,656		
Ending Fund Balance	\$	129,299	\$ 139,417	\$ 147,656	\$ 416,656	\$ 409,344		

2024 Budget Impact Items

- The increase in capital outlay is mainly due to increased cost of street light poles.

Division / Program: **Park Improvement Program**
Organizational Responsibility: Parks & Recreation Director

Department Description

The Park Improvement Program (PIP) provides for the preservation of parks, open space, and related recreational areas. The purpose of this fund is to renew and reconstruct existing park facilities. The main source of funding is general property taxes.

2025 Goals and Objectives

- Complete the update of the Lexington Park Playground
- Complete engagement and begin construction on the Rosebrook park splashpad and playground replacement.
- Solidify budget for 10 year work plan on the Natural Resources Master Plan Update
- Begin the process of an Urban Forestry Master Plan
- Begin engagement for 2026 projects including Autumn Grove and Sandcastle Park playground updates

Park Improvement Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
General Property Taxes	\$	788,905	768,095	759,787	\$ 785,000	\$ 785,000	\$ -	0.0%
Intergovernmental Revenue		-	75,000	50,000	-	-	-	0.0%
Investment Income		(29,675)	(221,637)	187,570	5,000	28,246	23,246	464.9%
Miscellaneous		-	9,000	-	-	-	-	0.0%
Total Revenues	\$	759,230	630,458	997,357	\$ 790,000	\$ 813,246	\$ 23,246	2.9%
Expenditures								
Capital Outlay	\$	118,988	726,700	788,118	\$ 1,434,000	\$ 1,476,500	\$ 42,500	3.0%
Total Expenditures	\$	118,988	726,700	788,118	\$ 1,434,000	\$ 1,476,500	\$ 42,500	3.0%
Other Financing Sources (Uses)								
Transfers In	\$	-	-	548,492	\$ -	\$ -	\$ -	0.0%
Total Other Financing Sources	\$	-	-	548,492	\$ -	\$ -	\$ -	0.0%
Net Change in Fund Balance		640,242	(96,242)	757,731	(644,000)	(663,254)		
Beginning Fund Balance		2,144,201	2,784,443	2,688,201	3,445,932	2,801,932		
Ending Fund Balance		\$ 2,784,443	\$ 2,688,201	\$ 3,445,932	\$ 2,801,932	\$ 2,138,678		

2025 Budget Impact Items

- Capital Outlay provides for the scheduled replacement and rehabilitation of parks infrastructure and equipment which can fluctuate from year to year.

2024 Achievements

- Continued progress on the Accelerated Emerald Ash Borer program.
- Installed a new fountain at the Muriel Sahlin Arboretum
- Completed the planning process for a Natural Resources Plan update
- Completed engagement process for new playground at Lexington Park.
- Worked with a consulting arborist to strengthen and preserve Heritage Oaks within our parks system by doing mulch beds around the root system and injecting the trunks to ensure long term health.

Division / Program: **Street Infrastructure Replacement Fund**
Organizational Responsibility: Public Works Director

Division / Program Description

This fund accounts for the replacement of street infrastructure including pavement and curbs.

The main sources of funding are general property taxes and Municipal State Aid. Municipal State Aid is used to pay for those improvements that are on the State Aid System. Detailed itemization of specific projects identified for replacement in 2025 can be found in the 2025 Capital Improvement Plan which can be found in Appendix E.

2025 Goals and Objectives

- Goal is to have an average pavement condition index of 70 or greater.

Street Infrastructure Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
General Property Taxes		\$ 1,075,323	\$ 1,095,881	\$ 1,084,027	\$ 1,120,000	\$ 1,120,000	\$ -	0.0%
Intergovernmental Revenue		485,905	2,546,616	602,152	1,455,000	575,000	(880,000)	0.0%
Investment Income		101,978	213,171	668,333	128,247	83,000	(45,247)	-35.3%
Special Assessments		(13,503)	(580,616)	364,308	54,440	110,627	56,187	103.2%
Total Revenues		\$ 1,649,703	\$ 3,275,052	\$ 2,718,820	\$ 2,757,687	\$ 1,888,627	\$ (869,060)	-31.5%
Expenditures								
Capital Outlay		\$ 2,032,708	\$ 4,569,024	\$ 2,191,077	\$ 2,905,000	\$ 2,125,000	\$ (780,000)	-26.9%
Total Expenditures		\$ 2,032,708	\$ 4,569,024	\$ 2,191,077	\$ 2,905,000	\$ 2,125,000	\$ (780,000)	-26.9%
Net Change in Fund Balance		(383,005)	(1,293,972)	527,743	(147,313)	(236,373)		
Beginning Fund Balance		6,385,662	6,002,657	4,708,685	5,236,428	5,089,115		
Ending Fund Balance		\$ 6,002,657	\$ 4,708,685	\$ 5,236,428	\$ 5,089,115	\$ 4,852,742		

2025 Budget Impact Items

- The decrease in capital outlay is mainly due to fewer street replacement projects planned for 2025.

Division / Program: Sanitary Sewer Fund
Organizational Responsibility: Public Works Director

Division / Program Description

The Sanitary Sewer Fund provides for the maintenance of the sanitary sewer collection system to assure the public's health and general welfare. This fund also provides for the payment to the Met Council Environmental Services for treatment of wastewater generated by Roseville customers.

2025 Goals and Objectives

- Rehabilitate utility infrastructure in conjunction with street improvement projects and through the use of trenchless technologies to ensure uninterrupted operations and reliable infrastructure.
- Evaluate additional inflow and infiltration reduction strategies.
- Replace the Long Lake Lift Station.
- Begin design of Dale/Owasso Lift Station
- Complete analysis of major sewer crossings

Sewer Fund Financial Summary								
	2021	2022	2023	2024	2025	\$ Increase	% Incr.	
Revenues	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>	
Intergovernmental Revenue	\$ 274,096	\$ 5,270	\$ 349,840	\$ -	\$ -	-	0.0%	
Charges for Services	6,042,776	6,287,511	6,624,922	6,757,420	6,757,420	-	0.0%	
Special Assessments	18,047	(2,842)	(4,003)			-	0.0%	
Investment Income	(5,048)	(160,170)	(18,137)	1,000	-	(1,000)	-100.0%	
Miscellaneous	-	-	3,961	-	165,000	165,000	100.0%	
Total Revenues	\$ 6,329,871	\$ 6,129,769	\$ 6,956,583	\$ 6,758,420	\$ 6,922,420	\$ 164,000	2.4%	
Expenditures								
Personnel Services	\$ 512,436	\$ 484,353	\$ 393,795	\$ 452,900	\$ 490,430	\$ 37,530	8.3%	
Supplies & Materials	36,882	44,086	86,341	51,700	53,400	1,700	3.3%	
Utilities	3,008,750	2,898,402	3,088,627	3,536,631	3,717,240	180,609	5.1%	
Contractual Services	85,005	72,446	157,368	117,500	115,500	(2,000)	-1.7%	
Other Charges	185,369	239,141	225,940	257,610	249,940	(7,670)	-3.0%	
Capital Outlay	2,111,168	1,716,165	948,463	1,615,000	2,250,000	635,000	39.3%	
Total Expenditures	\$ 5,939,610	\$ 5,454,593	\$ 4,900,534	\$ 6,031,341	\$ 6,876,510	\$ 845,169	14.0%	
Transfers In (Out) net	\$ (285,000)	\$ (285,000)	\$ (285,000)	\$ (285,000)	\$ (285,000)	\$ -	0.0%	
Net Change in Fund Balance	105,261	390,176	1,771,049	442,079	(239,090)			
Beginning Fund Balance	1,350,142	1,455,403	1,845,579	3,616,628	4,058,707			
Ending Fund Balance	\$ 1,455,403	\$ 1,845,579	\$ 3,616,628	\$ 4,058,707	\$ 3,819,617			
FTE's	5.05	5.05	4.06	4.15	4.15			

2025 Budget Impact Items

- Personnel increases includes new union contract wage increase and includes a wage-step increase for eligible employees.
- Increase in Utilities is primarily due to a 5.6% increase in wastewater treatment costs.
- Capital Outlay provides for the scheduled replacement and rehabilitation of infrastructure, vehicles, and equipment which can fluctuate from year to year.

2024 Achievements

- Cleaned all lift stations quarterly and 241,000 linear feet, or one-third, of the sanitary sewer system and all higher frequency areas.

Division / Program: **Water Fund**
Organizational Responsibility: Public Works Director

Division / Program Description

The Water Fund provides city residents with potable water in quantities sufficient to provide fire protection and general public health.

2025 Goals and Objectives

- Continue to rehabilitate utility infrastructure in conjunction with street improvement projects and through the use of trenchless technologies to ensure uninterrupted operations and the most cost-effective infrastructure replacement.
- Evaluate, and replace as necessary, meters serving large volume commercial properties.
- Continued replacement of failing meter radios.

Water Fund Financial Summary		2021	2022	2023	2024	2025	\$ Increase	% Incr.
		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
Revenues								
	Intergovernmental Revenue	\$ -	\$ (5,736)	\$ 11,280	\$ -	\$ -	-	0.0%
	Charges for Services	7,239,868	7,979,421	9,961,145	9,949,619	10,677,499	727,880	7.3%
	Special Assessments	-	-	29,775	23,000	23,000	-	0.0%
	Investment Income	(159)	12,573	(47,420)		-	-	0.0%
	Miscellaneous	6,255	11,275	156,314	22,000	22,000	-	100.0%
	Total Revenues	\$ 7,245,964	\$ 7,997,533	\$ 10,111,094	\$ 9,994,619	\$ 10,722,499	\$ 727,880	7.3%
Expenditures								
	Personnel Services	\$ 575,180	\$ 707,241	\$ 689,466	\$ 788,980	\$ 864,710	\$ 75,730	9.6%
	Supplies & Materials	269,695	276,277	233,096	276,000	277,000	1,000	0.4%
	Utilities	5,393,523	5,982,647	6,897,660	6,751,636	7,186,480	434,844	6.4%
	Contractual Services	173,849	35,837	60,673	44,000	44,000	-	0.0%
	Other Charges	153,032	121,323	115,979	166,425	157,905	(8,520)	-5.1%
	Capital Outlay	1,697,527	1,815,240	1,021,505	1,519,000	1,444,000	(75,000)	-4.9%
	Debt Service	30,288	256,596	261,427	276,250	276,300	50	0.0%
	Total Expenditures	\$ 8,293,094	\$ 9,195,161	\$ 9,279,806	\$ 9,822,291	\$ 10,250,395	\$ 428,104	4.4%
	Transfers In (Out) net	\$ (385,000)	\$ (385,000)	\$ 115,000	\$ 253,600	\$ (385,000)	\$ -	0.0%
	Net Change in Fund Balance	(1,432,130)	(1,582,628)	946,288	425,928	87,104		
	Beginning Fund Balance	794,533	(637,597)	(2,220,225)	(1,273,937)	(848,009)		
	Ending Fund Balance	\$ (637,597)	\$ (2,220,225)	\$ (1,273,937)	\$ (848,009)	\$ (760,905)		
	FTE's	7.15	7.15	7.12	7.20	7.20		

2025 Budget Impact Items

- Personnel increases includes new union contract and wage-step increase for eligible employees.
- Utilities increased due to St Paul Water contract.

2024 Achievements

- Distributed over 1.8 billion gallons of water to Roseville and Arden Hills utility customers.
- Repaired 12 hydrants, 7 water main gate valves, and maintained 1800 fire hydrants.
- Replaced 539 radios on meters in 2024 versus 521 radios in 2023.
- Repaired 16 water main breaks in 2024 versus 26 breaks in 2023.

Division / Program: **Storm Drainage Fund**
Organizational Responsibility: Public Works Director

Division / Program Description

Storm Drainage division provides for the management of storm water drainage in the City; including flood control, pollution and contamination prevention, street sweeping, and the leaf-pickup program.

2025 Goals and Objectives

- Apply for watershed district, state, and/or other cost share funding for the implementation or expansion of storm water best management practices.
- Sweep all City streets at minimum bi-annually focusing on environmentally sensitive areas first with vacuum sweeper.
- Will partner with major development projects and other agency projects to expand storm water retention and water quality improvements throughout the City.

Storm Drainage Fund Financial Summary								
		2021	2022	2023	2024	2025	\$ Increase	% Incr.
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>(Decr.)</u>
Intergovernmental Revenue		\$ 1,241,191	\$ 98,211	\$ 81,908	\$ -	\$ -	-	0.0%
Charges for Services		2,503,754	2,224,606	2,950,670	3,815,593	3,739,281	(76,312)	-2.0%
Special Assessments		1,900	1,730	1,443	2,000	2,000	-	0.0%
Investment Income		553	(103,498)	19,300	2,000	10,000	8,000	400.0%
Miscellaneous		1,551	37,340	15,109	-	-	-	100.0%
Total Revenues		\$ 3,748,949	\$ 2,258,389	\$ 3,068,430	\$ 3,819,593	\$ 3,751,281	\$ (68,312)	-1.8%
Expenditures								
Personnel Services		\$ 433,789	\$ 520,333	\$ 517,326	\$ 542,070	\$ 602,050	\$ 59,980	11.1%
Supplies & Materials		78,438	65,859	84,312	76,500	109,000	32,500	42.5%
Utilities		12,310	10,819	18,962	20,000	20,000	-	0.0%
Contractual Services		141,584	150,572	394,166	241,500	214,500	(27,000)	-11.2%
Other Charges		58,122	50,535	47,247	115,330	113,360	(1,970)	-1.7%
Capital Outlay		1,696,334	2,377,227	1,831,095	2,199,000	1,824,000	(375,000)	-17.1%
Total Expenditures		\$ 2,420,577	\$ 3,175,345	\$ 2,893,108	\$ 3,194,400	\$ 2,882,910	\$ (311,490)	-9.8%
Transfers In (Out) net		\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ -	0.0%
Net Change in Fund Balance		1,228,372	(1,016,956)	75,322	525,193	768,371		
Beginning Fund Balance		2,274,141	3,502,513	2,485,557	2,560,879	3,086,072		
Ending Fund Balance		\$ 3,502,513	\$ 2,485,557	\$ 2,560,879	\$ 3,086,072	\$ 3,854,443		
FTE's		4.20	4.20	4.57	4.65	4.65		

2025 Budget Impact Items

- Personnel increases includes new union contract and wage-step increase for eligible employees.
- Capital Outlay provides for the scheduled replacement and rehabilitation of infrastructure, vehicles, and equipment which can fluctuate from year to year.

2024 Achievements

- Surveyed several ponds to analyze sediment load and water quality functional performance.
- Partnered with Concordia Meadows Atrium Townhome Association to expand an existing pond to help improve water quality and reduce localized flooding.
- Drainage improvements completed in 2024 include: County. Rd. B, Fulham Pond, Cleveland Ave.

Division / Program: **Environmental Recycling Fund**
Organizational Responsibility: Public Works Director

Division / Program Description

The Environmental Recycling Fund's mission is to encourage and promote recycling of household materials on a community-wide basis.

2025 Goals and Objectives

- Continue single-sort recycling and continue providing a high level of service to our residents.
- Enhance collaborative opportunities for zero waste events and other special events.
- Continue to work with Ramsey County to identify opportunities and timing for a curb side organics collection program.

Environmental Recycling Fund Financial Summary							
		2021	2022	2023	2024	2025	\$ Increase
Revenues		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>(Decrease)</u>
	Intergovernmental Revenue	\$ 87,513	\$ 90,657	\$ 88,826	\$ 181,370	\$ 204,690	23,320
	Charges for Services	765,140	861,343	965,219	960,638	1,010,750	50,112
	Investment Income	(2,729)	(27,844)	13,873	-	-	-
	Total Revenues	\$ 849,924	\$ 924,156	\$ 1,067,918	\$ 1,142,008	\$ 1,215,440	\$ 73,432
Expenditures							
	Personnel Services	\$ 33,603	\$ 43,273	\$ 67,585	\$ 89,080	\$ 93,000	\$ 3,920
	Supplies & Materials	-	1,284	2,261	5,000	5,000	-
	Contractual Services	528,415	795,642	772,393	987,420	935,665	(51,755)
	Other Charges	4,410	6,910	7,728	11,010	11,010	-
	Capital Outlay	-	-	-	-	650,000	650,000
	Total Expenditures	\$ 566,428	\$ 847,109	\$ 849,967	\$ 1,092,510	\$ 1,694,675	\$ 602,165
	Transfers In (Out) net	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ -
	Net Change in Fund Balance	263,496	57,047	197,951	29,498	(499,235)	
	Beginning Fund Balance	107,185	370,681	427,728	625,679	655,177	
	Ending Fund Balance	\$ 370,681	\$ 427,728	\$ 625,679	\$ 655,177	\$ 155,942	
	FTE's	0.35	0.35	0.70	0.70	0.70	

2025 Budget Impact Items

- Personnel increases includes a 3% cost-of-living and wage-step increase for eligible employees.
- Decrease in 'Contractual services is due to a new contract for recycling pickup charges.
- Increase in Capital Outlay is for recycling carts purchase, resulted in lower cost for recycling pickup.

2024 Achievements

- Roseville was awarded the LMC Sustainable City Award & the Home Energy Squad Intercity Challenge Award.
- The city is a GreenStep Cities Step 5 & participated in the GreenStep Cities Gold Leaf Pilot program.
- The City participated in the EV Smart Communities program.
- Roseville had a diversion rate of 94% (material that is recycled or composted).

Division / Program Description

The Cedarholm Community Building and Golf Course provides for golf operations and year-round recreational opportunities in the Cedarholm Community Building.

2025 Goals and Objectives

- Continue to enhance summer community patio event(s) by adding at least one additional event.
- Strategically and systematically remove diseased ash trees and update a Master Landscaping Plan,
- Identify general cost of updating the Cedarholm Maintenance building.
- Improve Cedarholm's Golf Tournament Operations: to enhance golf tournaments and improve open golf tee operations.

Cedarholm Community Building & Golf Course					
	2021	2022	2023	2024	2025
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Charges for Services	\$ 466,841	\$ 473,722	\$ 515,552	\$ 458,388	\$ 487,000
Interest Earnings	(621)	(7,482)	7,194	-	2,500
Other Revenue	6,564	12,380	3,832	94,500	68,000
Total Sources	472,784	478,620	526,578	552,888	557,500
Funding Uses					
Personnel Services	300,533	309,149	388,346	370,880	417,750
Supplies & Materials	69,016	84,219	83,047	75,900	101,140
Utilities	12,721	16,616	16,713	17,300	17,800
Contractual Services	16,013	24,748	21,551	32,200	30,300
Other Charges	121,853	19,246	34,235	42,010	43,110
Capital Outlay	-	87,784	106,154	94,500	68,000
Total Uses	520,136	541,762	650,046	632,790	678,100
Net Change in Assets	(47,352)	(63,142)	(123,468)	(79,902)	(120,600)
Beginning Net Assets-Unrestricted	(134,472)	(120,446)	(106,045)	(133,834)	(213,736)
Ending Net Assets-Unrestricted	\$ (120,446)	\$ (106,045)	\$ (133,834)	\$ (213,736)	\$ (334,336)

2025 Budget Impact Items

- Personnel increases include increased hours and wages for seasonal staff.
- Supplies & Materials operating costs have increased due to the larger facility footprint associated with the new Cedarholm Golf & Community building.

2024 Achievements

- 29,749 rounds of golf were played in 2024, the highest golf participation since 2010.
- Held first Cedarholm Party on the Patio during Rosefest.
- Increased online tee reservations by 10% over 2023 to a total of 44%. Golf membership increased from 1,161 in 2023 to 1,184 in 2024, added 23 golfers per week for 10 to 24 weeks a season.
- 283 events were hosted in the Cedarholm Community Building, an increase of 11% over 2023.
- Removed 12 diseased Ash trees and continued treatment of 13 ash trees.

Debt Management Plan

The City's Debt Policy was affirmed by formal Council action in 2017, and is included in Appendix A. A major highlight of this policy includes confining the city's borrowing to capital improvements which have a life that is greater than or equal to the length of debt service.

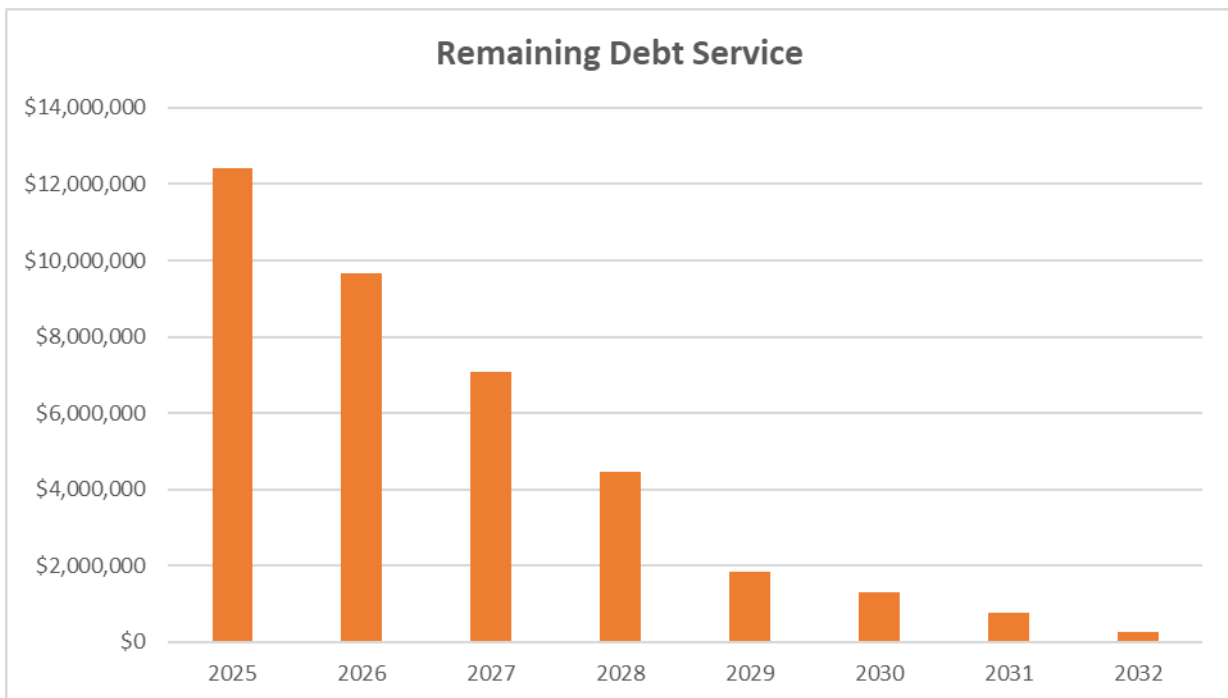
The City currently has three types of debt; 1) general obligation facility and utility debt, 2) general obligation tax increment financing debt, and 3) general obligation taxable housing debt. Facility debt accounts for the debt service on city campus facilities, as well as a park renewal program. Tax increment financing debt provides for redevelopment in the City's Twin Lakes Redevelopment Area, and the housing debt accounts for debt issued to finance a public/private partnership with a local townhome association for their improvements. The city will have four general obligation debt issues outstanding at the beginning of 2024. They are depicted below.

	Principal	Net Interest	Date of Final	Eligible
<u>Description</u>	<u>Outstanding</u>	<u>Rate</u>	<u>Maturity</u>	<u>Call Date</u>
2009A Housing Bonds	105,000	5.06%	3/1/2025	3/1/2020
2012A Park Improvement	5,105,000	2.11%	3/1/2028	3/1/2023
2015A Twin Lakes TIF	1,805,000	2.47%	3/1/2032	3/1/2027
2020A Refunding & Utility Imp	4,665,000	0.57%	3/1/2031	3/1/2027
Total	\$ 11,680,000			

The following table depicts the City's combined debt service payments by year.

<u>Year</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2025	2,465,000	262,921	2,727,921
2026	2,410,000	195,806	2,605,806
2027	2,490,000	131,706	2,621,706
2028	2,545,000	67,509	2,612,509
2029	500,000	30,738	530,738
2030	510,000	21,906	531,906
2031	515,000	12,325	527,325
2032	245,000	3,675	248,675
	\$ 11,680,000	\$ 726,587	\$ 12,406,587

The following graph depicts the remaining balance of the City's outstanding debt by year.



Legal Debt Limit

Minnesota State Statutes Section 475.51 generally limits net debt to no more than three percent of the estimated market value of the taxable property within the municipality. Under State Law a number of categories of debt are excluded from the net debt calculation, one of which (private housing bonds) is a factor in the City's calculation. The City's debt limit is calculated as follows:

Estimated Market Value	\$ 6,900,143,300
Debt Limit (3% of total estimated market value)	207,004,299
Total Outstanding Debt	11,680,000
Less Amount Exempted from Limit	(105,000)
Total Net Debt Applicable To Limit	11,575,000
% of Allowable Limit	6%

As shown in the table, the City is only at 6% of its allowable debt limit. At this time the City does plan to issue equipment notes in 2025 of about \$1.8 million to pay for a new electric fire engine which will still keep the allowable debt limit at 6%.

General Obligation Pledge

The City's general obligation pledge is associated with all outstanding bond issues. However, both the private activity housing bonds and the TIF Bonds are expected to be repaid with project-related revenues and will not require a separate tax levy.

Debt Retirement Strategy

The City maintains a relatively rapid debt retirement schedule to provide for a strong bond rating (currently Aaa Moody's and AAA S&P) and for future debt capacity. The city's debt on a per capita basis at the end of 2023 will be \$337. The City expects to issue less than \$2 million in equipment notes in 2025..

Capital Improvement Plan – Executive Summary

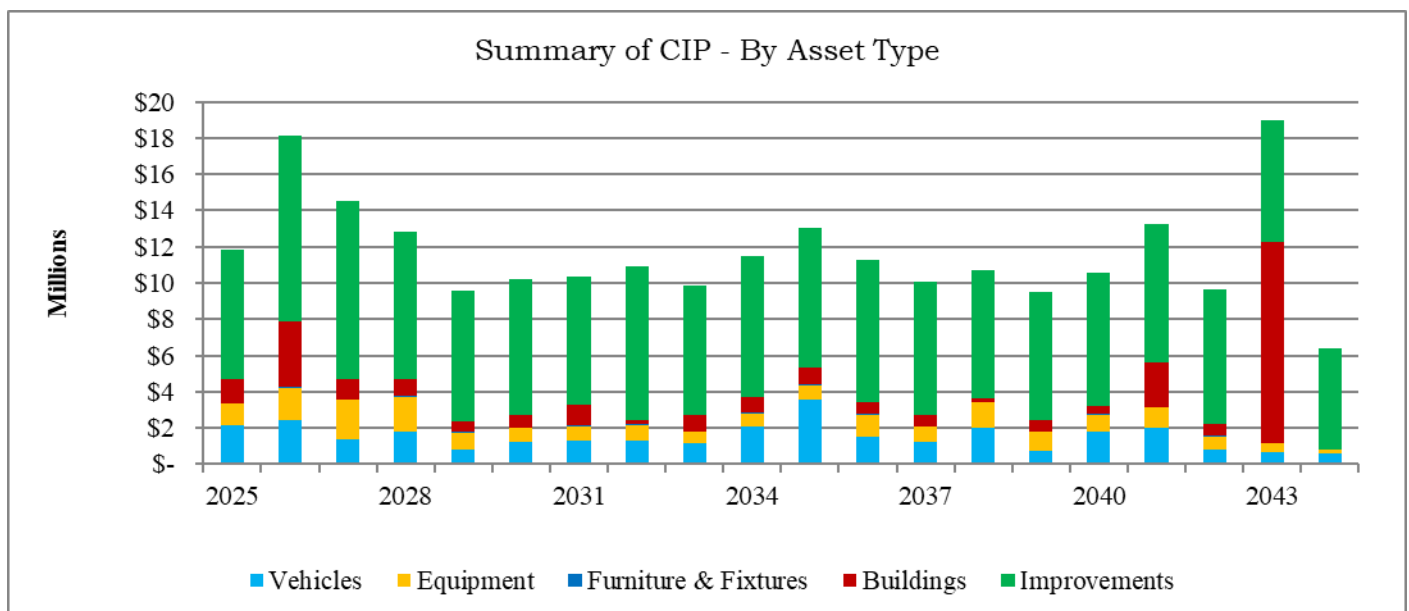
Enclosed is an executive summary of the 2025-2044 Capital Improvement Plan (CIP) as prepared in accordance with the goals and aspirations identified by the City Council, and applicable requirements set forth under federal and state mandates. The CIP also incorporates the valued contributions made by the City’s advisory commissions, and other citizen groups.

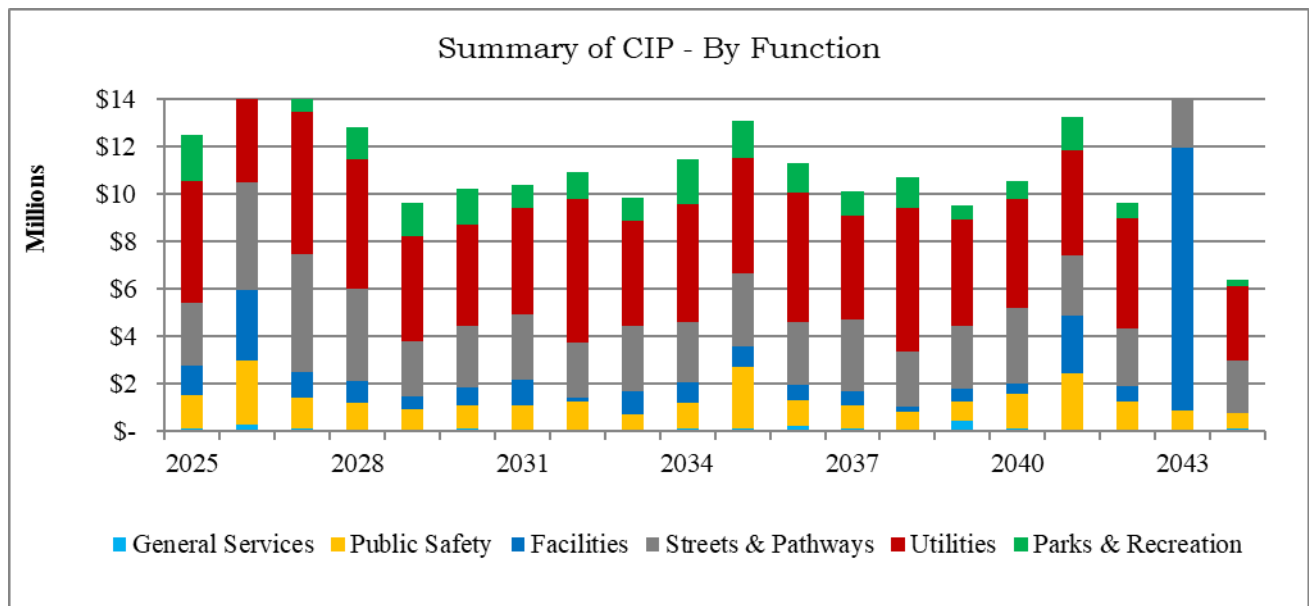
With the exception of the upcoming fiscal year, the CIP should not be construed as a request for funding; rather it is designed to serve as a planning tool that can be used to make informed financial decisions. Only after further discussion and Council approval will capital items be considered funded. However, the inclusion of these items into the CIP signals general support for meeting established service levels.

Over the next 20 years, the City expects to spend approximately \$234 million to replace existing vehicles, equipment, and infrastructure which will allow the City to maintain or enhance its programs and services. This assumes that the City will have available funding and that all existing assets will be replaced at the end of their useful lives. It’s recognized that some assets may not be replaced.

The largest asset type is the City’s public infrastructure which represents 65% of the total, followed by vehicles at 13% The largest asset by City function is the utility funds which represents 41% of the total amount, followed by streets and pathways at 25%, and facilities assets at 12%.

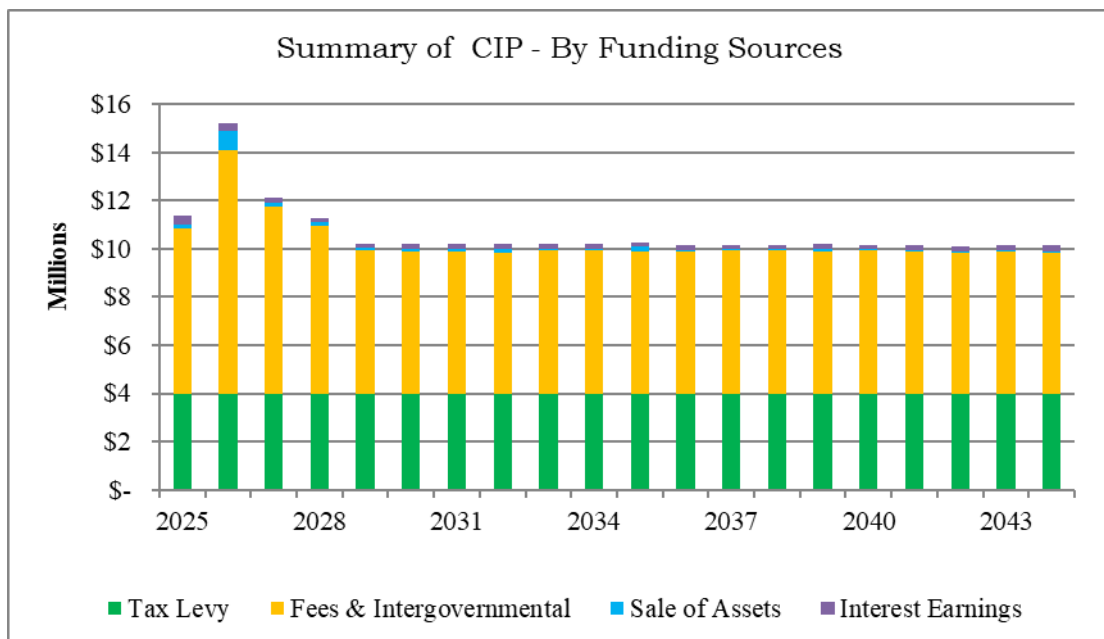
The following charts depict the City’s 20-year capital needs first by asset type and then by function.





Funding for the CIP is expected to come from numerous sources depending on the asset type. The largest single funding source for the CIP is Fees and Intergovernmental revenues which currently represents 59% of the total amount needed. At 38%, property taxes are the next largest funding source. Each year the CIP is reviewed and updated to reflect current needs and costs, along with funding strategies.

The following chart depicts the funding sources for the City's 20-year CIP.



Major CIP Items

The CIP identifies a number of major capital items that are expected to be needed in order to sustain current programs and service levels. Over the next five years, these major items include:

- \$25 million in water, sewer and storm infrastructure
- \$15 million in streets and pathways
- \$12 million in vehicles and equipment
- \$7 million in general facilities improvements
- \$6 million in parks & recreation-related improvements

The 2025 detailed projects can be found in Appendix E along with the 20 year CIP summary. Greater detail on these projects can be found in the full version of the Capital Improvement Plan, but a brief overview is presented below.

Five-Year Capital Improvement Plan Overview

As noted above, the largest planned capital investment over the next five years is associated with the City's water, sewer and storm infrastructure, much of which was originally installed in the 1960's and 70's. Some segments of this original infrastructure have already been replaced or undergone re-lining procedures. The remaining improvements are expected to take place over the next 20-25 years.

Another significant investment will take place with the City's streets and pathways as these infrastructure components proceed through their normal resurfacing and replacement cycles. This includes \$8 million for the mill & overlay of neighborhood streets, as well as another \$5 million for the replacement of major thoroughfares including Municipal State-Aid streets.

As noted earlier, the City's general vehicles and equipment replacement needs are expected to total roughly \$12 million over the next five years as part of the City's normal asset replacement cycle. \$7 million of this amount is for police and fire vehicles and equipment.

Five-Year Financial Impact

With approximately \$67 million in new capital investments over the next five years, the CIP is expected to have an impact on property taxpayers and on utility customers. The City tries to moderate these increases by reducing/delaying some projects where possible and also through pursuit of state bonding and other grant resources. For 2025 and beyond inflationary-type rate increases will be necessary.

As the City continues to refine the Capital Improvement Plan, funding sources may change as grants and State funding options are pursued. The goal is to keep property tax increases to a minimum and any expiring debt levy will be re-purposed to fund the Capital Improvement Plan, per City policy. With these re-purposed levies, the CIP will be financially sustainable holding all other factors constant.

Financial Plan – Executive Summary

Enclosed is an executive summary of the 2025-2034 Financial Plan as prepared in accordance with the goals and aspirations identified by the City Council. Similar to the Capital Improvement Plan (CIP), the Financial Plan should not be construed as a request for funding; rather it is designed to serve as a planning tool that can be used to make informed financial decisions.

While the CIP addresses the City's long-term capital needs, the Financial Plan focuses on day-to-day operations. The Plan makes the distinction between *general-purpose* operations and enterprise/special purpose or *business-type* activities. General Purpose operations are typically supported by property taxes and include the following functions:

- Public Safety (Police and Fire)
- Public Works (Streets and Engineering)
- General Government (Administration, Finance, Communications & Information Technology)
- Parks & Recreation

In contrast, special purpose and business-type functions are generally supported by fees and permits and include the following functions:

- Water
- Sanitary Sewer
- Storm Sewer
- Golf Course
- Environmental Recycling
- Community Development
- License Center

Each of these separate operational categories is discussed in greater detail below.

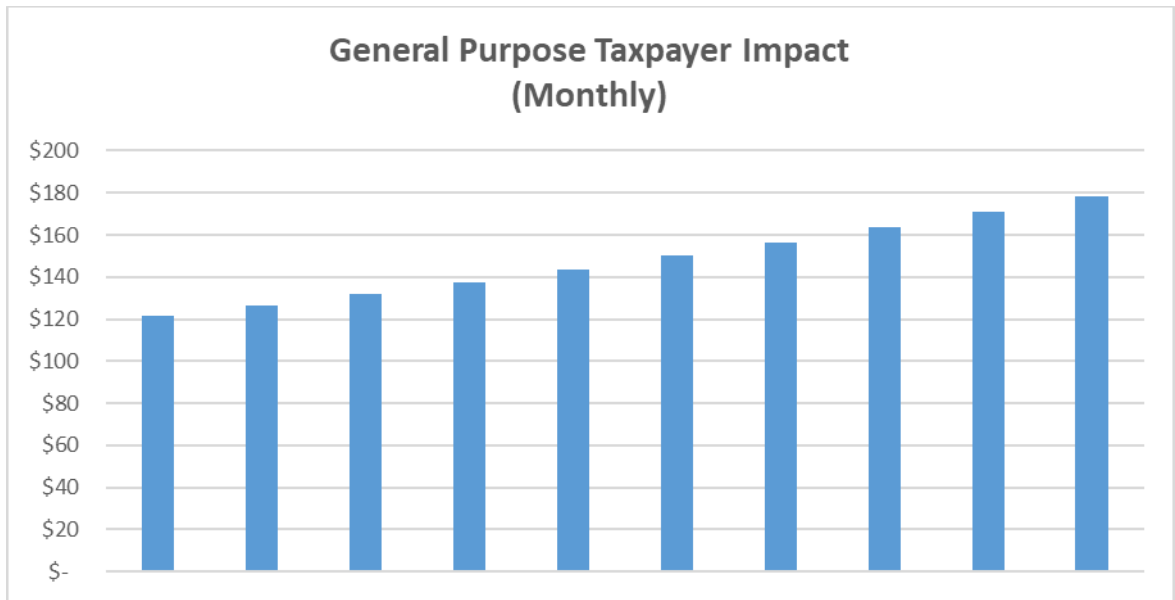
General Purpose Operations

Over the next 10 years, the City's *general-purpose* operations are projected to collectively grow 3.6% per year, from \$33 million in estimated expenditures in 2025 to \$45 million in 2034. This assumes that the City will continue providing the same programs and service levels as it currently does. The projections incorporate increases in personnel, supplies & materials, and other operating costs including technology-related equipment.

These projections also include the following annual assumptions:

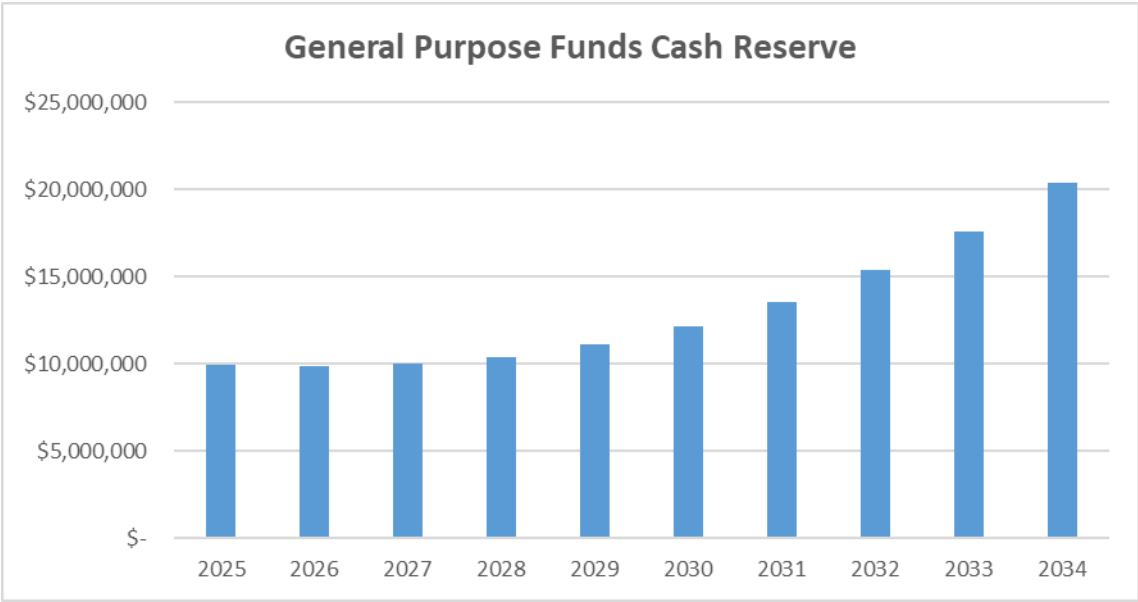
- 4.0% increase in personnel costs
- 2.0% increase in supplies, utilities, contractual services and other charges
- 5.5% growth in property tax revenues
- 2-2.5% growth in non-tax revenues
- 2.0% earnings on investments

As suggested above, there will be an increasing reliance on property taxes to sustain *general purpose* operations due to projected lower growth in non-tax revenues. As a result, the impact on taxpayers is projected to increase more rapidly than the inflation rate. The impact on single-family homeowners is depicted in the chart below.



The impacts depicted in the chart assume that operations will be funded through existing revenue sources and that no other alternative funding sources will be available. And again, it also assumes that the City will continue providing the same programs and service levels as it currently does.

A gradual increase in cash reserves is expected over the next few years reflecting planned tax levy increases to provide for asset replacement and to maintain proper cash reserve levels. Projected cash reserve levels for the City’s *general-purpose* operations are depicted below.



Business-Type Operations

As highlighted earlier, the City's *business-type* functions include a number of functions that are provided to all residents and property owners including water and sewer services. However, they also include a number of functions that are somewhat voluntary in nature where residents make a conscious decision whether to utilize those services. These include the City's community development and license center functions.

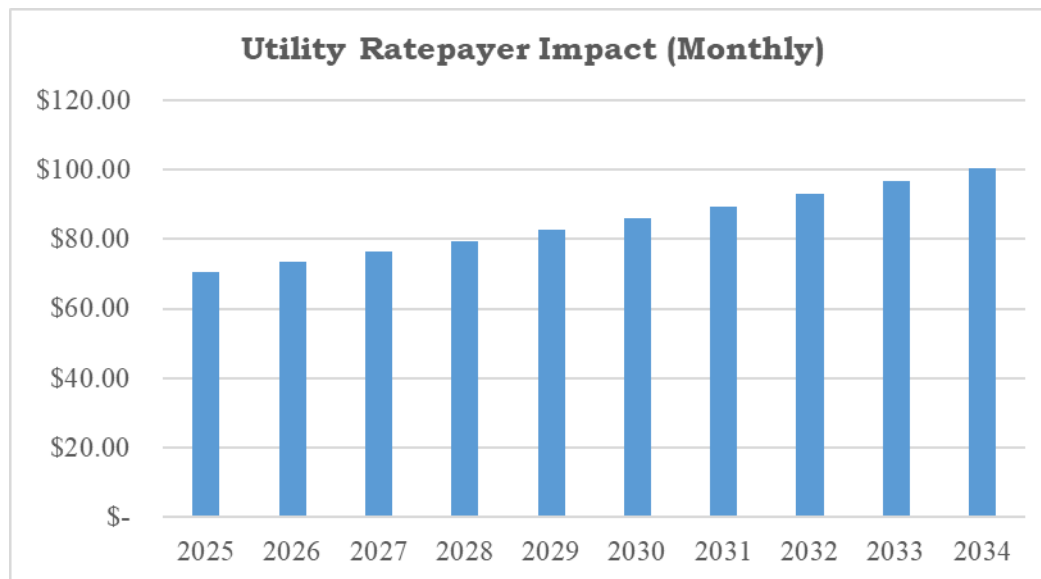
Over the next 10 years, the City's *business-type* operations are projected to collectively grow 2.2% per year, from \$25.7 million in estimated expenditures in 2025 to \$31.5 million in 2034. This assumes that the City will continue providing the same programs and service levels as it currently does. The projections incorporate increases in personnel, supplies & materials, utilities and other operating costs including technology-related equipment.

These projections also include the following annual assumptions:

- 4.0% increase in personnel
- 2.0% increase in supplies & other charges
- 5.0% increase in utilities which includes purchase of water from St. Paul
- 1.0-5.0% growth in fees & permits
- 2.0% earnings on investments

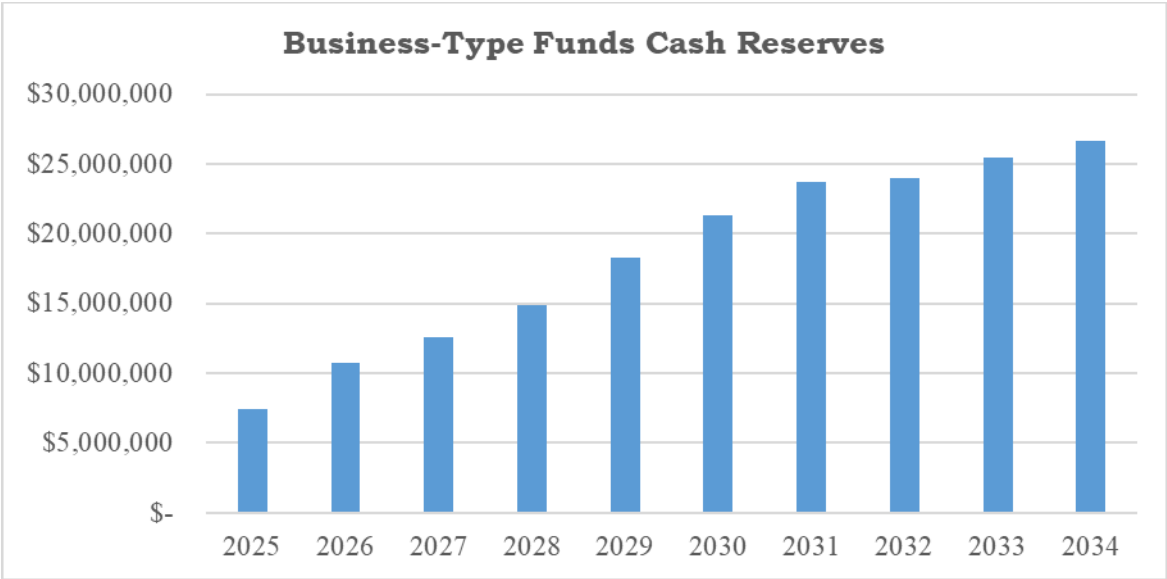
As suggested above, there will be an increasing reliance on fees & permits to sustain *business-type* operations due to projected lower growth in non-fee/permit revenues. Due to the diverse functions captured in the *business-type* operations, the impact on citizens and taxpayers will vary dependent on the fee-based services that are utilized. As a result, only the water, sewer, stormwater, & environmental recycling operational impact for single-family homes will be measured.

The Utility rates (water, sewer, stormwater & environmental recycling) operational monthly impact on single-family homeowners is depicted in the chart below.



As shown in the chart, a typical single-family home can expect to pay approximately 4.2% more each year in their utility bills to sustain current operations. The city has a utility rate study done and it is updated every two years so the rate increases may moderate in the future years. The update done for 2025 yielded increases of 5.5% in the water fund rates only, sewer rates did not increase and stormwater rates were decreased by 2%.

Projected cash reserve levels for the City’s *business-type* operations is depicted below. These projections do not reflect any increases in capital outlay which the funds need to pay for in addition to operations.



City of Roseville, Minnesota Mission Statement

To provide ethical, efficient, and responsive local government in support of community aspirations, guided by policies of the City Council, and implemented by professional staff, to ensure that Roseville remains strong, vibrant, and sustainable for current and future generations.

City of Roseville, Minnesota

Fiscal Policies

The following set of fiscal policies provides a framework to guide the City's budget and financial planning.

- Operating Budget Policy
- Debt Policy
- Revenue Policy
- Capital Investment Policy
- Operating Fund Reserve Policy
- Purchasing Policy

Each of these policies is explained in greater detail below.

Operating Budget Policy *(revised 4/10/2017)*

Purpose

The purpose of the City's Operating Budget Policy is to ensure that the City's annual operating expenditures are based on a stable stream of revenues. The policies are designed to encourage a long-term perspective to avoid pursuing short-term benefits at the expense of future impacts. The intent of this policy is to enable a sustainable level of services, expenditures, property tax levies, and other revenue sources including fee revenue.

Scope

This policy applies most critically to those programs funded through the property tax, as fluctuations in this revenue source can have substantial impacts.

Policy

- The city will pay for all current expenditures with current revenues. The city will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses. Specifically, accruing future year's revenues shall be prohibited. Practices to be avoided include postponing expenditures, rolling over short-term debt, and drawing down reserves beyond targeted levels to balance the operating budget.
- The operating budget will provide for adequate maintenance and periodic replacement of capital equipment.
- A proportionate share of the administrative and general government costs incurred by the general operating fund of the City shall be borne by all funds as is practicable. Such administrative charges shall be predetermined and budgeted annually.
- New programs or proposals shall be reviewed in detail by City staff and both a policy and fiscal analysis shall be prepared prior to budgetary inclusion and provided to the City Council for review.
- A request for a program or service expansion or reduction must be supported by an analysis of public policy implications of the change.
- A request for new personnel must be supported by an analysis demonstrating the need for the position based on workload measures, comparative staffing levels, and City and department priorities.
- A request for the purchase of new (additional) capital equipment must be supported by an analysis demonstrating that the value of the benefits of the equipment is greater than the cost of the equipment over its expected life.
- As specified under City Code section 103.05 all general purchases and/or contracts in excess of \$10,000 must be separately approved by the Council.

In recognition of industry-recommended budgeting practices, the City has established the following budget controls:

- The City will maintain a budgetary control system to ensure adherence to the budget

- The Finance Department will prepare regular reports comparing actual expenditures to budgeted amounts as part of the budgetary control system. These reports shall be distributed to the City Council on a periodic basis.
- Department heads shall be primarily responsible for maintaining expenditures within approved budget guidelines that are consistent with approved financial policies.

Implementation

The budget as approved meets the above criteria and as a result, the above policies are considered to be implemented.

Debt Policy *(revised 4/10/2017)*

Purpose

- To define the role of debt in the City's total financial strategy so as to avoid using debt in a manner that weakens the City's overall financial condition.
- To establish limits on the amount of City debt which will allow for manageable debt service costs.
- To maintain the best possible Moody's and Standard and Poor's credit rating

Policy

- The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. The City shall not use debt for the purchase of vehicles and other rolling stock.
- When the City finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project.
- The City will try to keep the average maturity of general obligation bonds at or below ten years
- As published in the Annual Budget document, the City will strive to keep the direct debt per capita and direct debt as a percent of estimated market value at or below the median set out by the credit rating agencies
- Total general obligation debt shall not exceed two percent of the market value of taxable property as required by State law.
- The City shall not use debt for current operations.
- The City will maintain good communications about its financial condition with credit rating agencies.
- The City will follow a policy of full disclosure on every financial report and bond prospectus.
- Refinancing or bond refunding will only be undertaken when there is significant economic advantage to the City, and when it does not conflict with other fiscal or credit policies
- The maintenance of the best possible credit rating shall be a major factor in all financial decisions. For the purposes of issuing debt, bond rating categories shall be used as a means of assessing the City's financial condition.

Implementation

The debt management section of this approved Budget and Capital Improvement Program demonstrates compliance toward achieving the city's debt policy.

Revenue Policy *(revised 4/10/2017)*

Purpose

- To provide a diversified and strong set of revenues to ensure a stable revenue system for City programs and services.
- To match revenues with similar uses to ensure adequate funding for the various City services and programs over the long-term.

Policy

- The City will try to maintain a diversified and stable revenue system and to shelter it from short run fluctuations in any one revenue source
- Absent any outside legal restrictions, all Federal, State, County, or other governmental financial aids should be formally designated, by resolution, towards a specific program or service. General purpose aids shall only be used for capital or non-recurring expenditures and not for on-going operations.
- Each year the City will recalculate the full costs of activities supported by user fees, to identify the impact of inflation and other cost changes, and will set those fees as appropriate. Fees will be established and adopted annually on the Fee Schedule.
- The City will set fees and user charges for each enterprise fund, such as water and sewer, at a level that fully supports the total direct and indirect cost of the activity. Indirect costs include the estimated replacement cost of capital assets and each fund's share of the administrative and general government costs incurred by the general operating fund.
- Absent public policy reasons to the contrary, the City will set fees and user charges for non-enterprise funds, at a level that fully supports the total direct and indirect cost of the activity. Indirect costs include the cost of annual straight life depreciation of capital assets.

Implementation

The Budget accurately allocates the revenues and expenditures of City programs and services.

Capital Investment Policy *(revised 9/19/2022)*

The purpose of the City's Capital Investment Policy is to ensure future capital improvements and replacements are made when needed in a manner which is both fiscally and operationally prudent. The Policy also outlines the general process for considering higher-cost capital asset additions or replacement of existing assets that feature substantial changes from their original size, functionality, or purpose.

The goal of this policy is to provide a stable funding mechanism for the City's infrastructure by setting aside specific resources on a periodic basis. This will ease the burden on present and future taxpayers, without significant fluctuations in annual property tax levies.

It is not the intent of the Capital Improvement Plan to fund major new facilities, which have not had the original funding established either through tax increment, general taxes, bonding or other such sources. The replacement funds and corresponding fund interest earnings are expected to be only for replacement purposes.

Scope

All City departments are included in this Policy

Policy

- The City will develop a 20-year Plan for capital investments and update it at least every 2 years.
- All capital investments shall be made in accordance with an adopted Capital Improvement Plan or in conjunction with a strategic or other long-term planning process.
- The City will coordinate development of the capital improvement budget with development of the operating budget. Future operational costs associated with new capital improvements will be projected and included in operating budget forecasts.
- The City will provide ongoing preventative maintenance and upkeep on all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The City should periodically review and follow industry-recommended replacement schedules for all City capital assets.
- The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the Council for approval.
- The City will determine the least costly financing and acquisition method for all new projects.
- For future development or redevelopment proposals that require public infrastructure and/or public financing assistance and/or City support services, a fiscal analysis shall be prepared identifying the project sources and uses. The analysis should also demonstrate the costs and benefits of the project. The cost of this analysis shall be borne by the developer.
- The City will establish departmental Vehicle and Equipment Replacement Funds. The City will appropriate monies to them annually to provide for timely replacement of vehicles and equipment.

The amount will be maintained at an amount equal to the proportion of useful life expired multiplied by estimated replacement cost.

- The City will establish a Building Capital Fund and will appropriate funds to it annually to provide for timely preservation of all buildings supported by general governmental funding. Only preservation which meets the capitalization threshold shall be paid for out of this fund. Preservation includes major items such as roof repair and HVAC replacement.
- The City shall establish a Street Infrastructure Replacement Fund to provide for the general replacement of streets and related infrastructure throughout the community. The annual MSA capital allocation will be included as a part of the source of funds for computing the adequacy of this fund. This fund has been formally categorized by the Council as a permanent fund, whereby the interest proceeds are only used for the stated purpose. This fund will maintain five to ten years of construction projects in reserves as identified in the City's approved Capital Improvement Plan.
- The City shall establish a Park Improvement Capital Fund to provide for the general replacement of parks and related infrastructure throughout the community. The funding should equal the proportion of useful life expired multiplied by estimated replacement cost for all park system assets.
- Within each enterprise fund, the City shall establish a funding mechanism to provide for the general replacement of related infrastructure throughout the community. The funding should equal the proportion of useful life expired multiplied by estimated replacement cost for all enterprise fund system assets.
- From time to time the City Council shall establish additional replacement funds as the need becomes apparent.
- The Finance Commission will annually oversee and report to the City Council a review and analysis of planned capital investments and related reserve balances. The purpose of such analysis will be to gauge the health and sustainability of City reserves related to capital investments for the short (1-3 years), medium (4-9 years), and long term (10+ years). It will also take into account related borrowing and repayment costs.
- Capital Replacements should be considered using the following priority guidelines (in order):
 - 1) Projects necessary for the public's health and safety, or to meet legal mandates.
 - 2) Projects that responsibly preserve or replace existing assets to either extend remaining service life or to create efficiency.
 - 3) Projects that expand existing assets or services in order to benefit the Public Good.
 - 4) Projects that purchase new assets or services in order to benefit the Public Good.
- Higher-cost capital asset additions or replacement of existing assets that feature substantial changes from their original size, functionality, or purpose should be as separate Council actions with detailed fiscal analysis.

Definitions

Capital assets – Assets which cost \$10,000 or more and have a useful life of two or more years.

Capital Improvement Plan – A comprehensive 20 year outlook itemizing all capital assets and their replacement funding requirements. The plan will take into account useful asset lives and salvage values.

Replacement Cost– In today’s dollars, the cost to replace the asset. If it is expected the retired asset will have a salvage value, the estimated salvage value should be deducted from the expected replacement cost.

Asset Life – The number of years which is the asset is in use, also known as the useful life of a capital asset.

Bonding – The amount of debt incurred to obtain capital assets.

Capital Asset Maintenance – Expenditures which protect the City’s investment in capital assets and provide for ongoing upkeep.

Equipment – A tangible capital asset which does not qualify as a vehicle, building, street, or park asset. Examples are mowers, tools, etc.

MSA Capital Allocation – Municipal State Aid is money the City receives from the State to help pay for maintenance of MSA-designated streets. MSA streets are collector or arterial streets that interconnect to other cities or major thoroughfares.

Enterprise Fund – A separate accounting and financial reporting mechanism for municipal services for which they are primarily fee supported. Examples are Water, Sewer, and Golf Course.

General Governmental Fund – A separate accounting and financial reporting mechanism for spending in which a property tax is generally levied. Examples are police, fire, streets, parks and recreation.

Enterprise Fund System Asset – Assets which support enterprise services such as water, sewer, and golf course.

Park System Asset – All assets within city parks excluding buildings. Examples would be trails, equipment, and courts.

Implementation

The City shall use replacement funds to assist in the replacement of equipment, vehicles, and capital building maintenance. New equipment or buildings are to be funded from new dollars, unless they are designated to replace currently owned assets. Funds may be used up to the amount of the replacement funds set aside for that particular asset. Any additional funding shall be from new sources.

Operating Fund Reserve Policy *(revised 9/20/2021)*

Purpose

- To provide a cushion against unexpected revenue and income interruptions.
- To provide working capital by ensuring sufficient cash flow to meet the City's needs throughout the year.
- To provide funds to address unexpected or unplanned events.

Policy

- The City will maintain a general fund reserve of 35-50% of the general fund's total annual operating budget. This ensures that the City has adequate funds on hand to provide for operations between bi-annual property tax collection periods. Any surplus beyond the required general fund reserve may be transferred to another reserve fund with a funding shortfall.
- The City will strive to create a reserve in the Recreation Fund to 20-30% of the annual recreation budget. This reserve will provide a cash flow cushion and reduce the inter-fund borrowing expense to the Recreation Fund. Because of more frequent cash inflows, a 20-30% reserve will be adequate to support the daily cash needs of the fund.
- The Community Development Fund is supported solely by building permit fees and charges. Because the economic environment has a major effect on this Fund, a fund balance of 25-50 % of the annual budget is a reasonable target. It is expected that as economic downturns take place, this reserve will provide for a transition period during which the Council will be able to assess and to better match operations with the economic need.
- City enterprise funds shall have operating cash reserves sufficient to provide for monthly cash flow, and for a reasonable level of equipment and infrastructure replacement. Major reconstruction or system upgrades may need to be funded from enterprise revenue bonds. Annual utility rate reviews will be made in regard to projected operating expenses and capital improvements. The Council will, on an annual basis, establish rates in accordance with operating cost recovery and the projected capital improvements. A minimum cash reserve level of 25% of the operating budget is a target that the City of Roseville will strive to maintain, though major capital projects may cause periodic deviations from this reserve level.
- The Communications Fund has greater cash flow variability than in prior years and now receives a small amount of property tax levy support. The Fund is expected to operate with reserve balances of 10-30% of the annual operating budget.
- The License Center fund has consistently demonstrated strong cash flows which allowed for a lower overall reserve level. Based on the experiences of 2020, these fund reserves may need to be increased in the future. At this time the License Center fund will operate with balances of 10-15% of the annual operating budget.
- The Information Technology fund will operate with positive reserve balances of 10-15% which will eventually be eliminated once Metro-INET is fully established at which time, the IT function will simply be a division of the General Fund.
- Capital Project funds are identified in the Capital investment policy. Annual property tax levies supply funding for the various projects and fund balances increases over time to pay for equipment and infrastructure projects, the balances then drop and rebuild over time to cover the next projects.
- For the EDA, its General Operating Fund should maintain a reserve level of 35% of the annual budget to ensure that it has sufficient funds to provide for operations in-between property tax collection periods.
- In the event the minimum fund balance drops below prescribed levels, the City shall dedicate new incoming property tax or program revenues (where applicable) in an amount sufficient to bring fund balance levels back into compliance within three fiscal years.

- Unless otherwise directed by the City Council, monies held in individual Funds shall be expended first from restricted fund balances, second from committed fund balances, then from assigned fund balances, before using unassigned fund balance

Implementation

All fund reserves shall be reviewed each year at the time of the annual budget preparation and during the annual audit for the purpose of complying with this policy. Budgets shall be prepared on an "All Resources" basis, so that the City Council and Community can readily discern the current and projected management of all reserves.

If aggregate unrestricted reserves in the tax-supported operating funds are outside of targeted goals, the Council is advised to create a plan to get reserves into targeted goal ranges by committing reserve funds, using aggregate excess reserves to reduce the levy, or making appropriate budget or tax levy adjustments. With the creation of the Cash Reserve Fund, certain funds will have their reserves swept if they exceed the high target range, see the next section.

Cash Reserve Fund

The City has established a Cash Reserve Fund that will take the excess cash reserves from selected funds that are over the maximum reserve levels as defined under this policy, less funds needed for capital expenditures or funds donated to the City. The following funds are subject to the Cash Reserve Fund policy:

- General Fund (unrestricted portion)
- Parks and Recreation Fund
- Communication Fund
- Information Technology Fund
- License Center Fund

As part of the annual audit, the excess funds above the maximum reserve level at December 31 of the previous year (less funds needed for capital expenditures and funds donated to these accounts) shall be transferred to the Cash Reserve Fund before the books are closed for that particular year. The funds transferred to the Cash Reserve Fund shall be tracked on an annual basis and reported to the Finance Commission and approved by the City Council by April of the subsequent year.

Any expenditures from the Cash Reserve Fund must be authorized by the City Council.

Purchasing Policy *(revised 10/25/2021)*

Purpose

The purpose of the Purchasing Policy is to ensure the procurement process uses established procedures that comply with all applicable legal requirements and federal and state regulations; maximizes the use of disadvantaged business whenever possible, is as efficient as possible without eliminating needed financial controls; and is understandable to all users and administratively consistent with other City policies and procedures. The City's policy is to provide a fair and equitable process by which diverse businesses can compete on the basis of their service delivery and pricing in order to purchase goods and services at the most cost effective and competitive rates, yielding the desired service, turnaround and value for the dollar. This policy has the following objectives:

1. Ensure that all purchases comply with applicable laws, in particular the Uniform Municipal Contracting Law, Minnesota State Statute Section 471.345
2. Comply with Minnesota Public Purpose Doctrine and City Policy on Public Purpose Expenditures.
3. Make the best possible use of tax dollars by purchasing goods and services with the best value to the City while considering goals and values of the City and community.
4. Provide clear and consistent guidelines for City staff to follow in making purchasing decisions.

For purchases made under Federal or State grant funded programs, additional restrictions are identified within the uniform grant guidance regulations (2 CFR 200.318).

Definitions

Best Value - is an alternative procurement method allowed under Minnesota state law for the purposes of construction, building, alteration, improvement, or repair services compared to the current low-bid system of procurement. "Best value" describes the results determined by a method that considers proposals based on price and other criteria, which may include, but are not limited to: past performance, ability to minimize cost overruns/change orders, ability to prepare appropriate plans, technical capabilities, qualifications of key personnel and subcontractors, ability to limit and minimize risk and the ability to foster the use of small and minority businesses.

"Best Overall Value" – is a city approach to procurement of professional services that is comparable to the statutory Best Value procurement method in that it also considers comparable criteria in addition to price.

Contract – refers to a written document that establishes the rights and responsibilities of two or more parties and includes the consideration for each party to enter into the contract. Contracts include all City agreements, no matter what they are called, for the procurement of commodities, materials, equipment, real or personal property, labor, work, services or construction, including an amendment to or extension of a contract. While a purchase order is a contract, it is distinguishable from other written contracts by the brevity and commercial nature of its terms and the application of Article Two of the Uniform Commercial Code to supplement its written terms.

Cooperative Purchasing Agreement - refers to a contract for the purchase of supplies, materials, equipment and certain specified services (i) that are available through a State of Minnesota cooperative purchasing venture authorized by Minnesota Statutes 16C.11, or (ii) available through a national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations. Cooperative Purchase Agreements cannot be used for the construction or alternation of real or personal property.

Joint Powers Agreement – refers to a written contract governed by Minnesota Statutes Section 471.59 where two or more governmental units, working together by agreement to exercise any power common to them; or an agreement between governmental units where one unit performs a service or activity on behalf of another unit(s).

Open Market Purchase – refers to a purchase, usually of a limited monetary amount, from any available source.

Request for Proposals (RFP) – refers to both formal (including a public notice) and informal procurements requesting vendors, contractors or consultants to submit proposals to provide goods and/or services to the city when a quote or sealed bid is not required and is not advantageous to the City. The City is not required to select the lowest cost proposal, however many take into consideration all identified relevant criteria that will result in the best overall value to the City. The City and the selected contractor often engage in detailed contract negotiations to further define the goods and/or services that will be provided and the price and obligations of each party.

Sealed Bid – refers to a bid that is sealed by the contractor prior to submission to the City and which will not be opened until the date and time for the public bid opening. Public openings are not required for Requests for Proposals.

Disadvantaged Business Enterprise: A Disadvantaged Business Enterprise (DBE) is a for-profit small business where socially and economically disadvantaged individuals own at least a 51% interest in the firm and control the management and daily business operations. A DBE may be certified with the Minnesota Unified Certification Program (MNUCP) or through other agencies.

Policy

The Minnesota Public Purpose Doctrine permits a governmental entity to expend public funds only when the primary purpose of the expenditure is public, and the expenditure relates to the governmental purposes for which the entity was created. There must also be statutory authority allowing for the expenditure of such funds and there must be a benefit to the community. Proper documentation must be maintained by the City to establish that all expenditures serve a public purpose.

All federal grant expenditures will be in compliance with OMB 2CFR200 (Uniform Guidance). All federal grant expenditures must be reasonable, necessary, and adequately documented. All federal grant expenditures must be deemed to be allowable under specific grant agreements and in accordance with 2CFR200, subpart E.

Budget and Capital Plans as Basis for Procurement

The approved operating and capital budget provides detail on goods and services that are expected in a given year. Any goods or services required that were not budgeted must be approved by the City Manager or the City Council, depending on the dollar amount of the purchase and the rationale behind the non-budgeted good or service. The Finance Director will report budget status to the City Council on a quarterly basis. Payment details for all goods and services will be listed on Accounts Payable reports and presented to the City Council for approval twice a month.

Per City Code Section 103.05, the City Manager has the authority to approve purchases and contracts of \$10,000 or less. Exceptions include:

- Expenditures where the City Council has already approved the contract for goods or services.
- Regular budget items that are based on previous decisions – examples include gas and electric payments, software maintenance support, lease or bonded debt payments, city attorney, workers

comp reimbursements, payroll related items, State and local obligations, postage, etc. Requests for Council approval of purchases over \$10,000 will be via reports presented for approval at City Council meetings.

Methods of Procurement:

The Uniform Municipal Contracting Law, Minnesota Statutes Section 471.345 outlines certain bid and quotation requirements based on the amount of the purchase. In addition, when a purchase is funded through federal dollars, there are different dollar thresholds for bids/quotations. Usual and customary purchases must have sufficient funds available within the approved department budget.

City purchases will not be divided into smaller amounts for the purpose of avoiding state, federal, or City procurement requirements that are based on purchase amounts.

Micro Purchases

Procurements valued at less than \$25,000 (\$10,000 for federally funded) will be considered *Micro Purchases* and can be made on the open market without obtaining competitive quotations or proposals. City staff will ensure that the price is fair and reasonable.

Small Purchases

Procurements valued between \$25,000 and \$175,000 will be considered *Small Purchases* and will be made after obtaining at least two (2) quotes or proposals from qualified sources, in accordance with City procurement procedures.

Major Purchases

Procurements valued at greater than \$175,000 will be considered *Major Purchases* and will be made by publicly soliciting bids or proposals in accordance with City procurement procedures and as required by Minnesota Statutes 471.345. For Federally funded projects, the value is higher than the State limit, as such the City will follow the State limit of \$175,000 for federally funded purchases as well.

Joint Purchasing/Cooperative Purchasing Agreements

The City has the authority to enter into *Joint Purchasing or Cooperative Purchasing Agreements* with other governmental units as provided for in Minnesota Statutes. Procurements made through *Joint Purchasing or Cooperative Purchasing Agreements* will satisfy the City's competitive procurement requirements.

Noncompetitive Purchases

Noncompetitive Purchases can be made under the following circumstances:

- When the City Council has declared an emergency, in accordance with State Statute, City Policies and Procedures. (See Exceptions below).
- When a sole source of the good or service exists and has been verified by City Manager
- When the procurement is for goods or services not available competitively, such as utilities, subscriptions, professional dues and memberships, insurance, conference and seminar registration, permits and licenses, advertisements in publications, taxes, required federal, state and local fees and charges, etc.

Disadvantaged Businesses

The City will utilize businesses owned and controlled by socially and economically disadvantaged individuals in the procurement of goods and services, and the award of contracts when possible. The City will, in accordance with authority granted by federal regulations, state statute, and local laws and ordinances, act affirmatively to create a “level playing field” for women-owned, minority-owned and disadvantaged business enterprises to achieve the goal of equal opportunity.

Assistance to Small and Minority Businesses

1. Required Effort. Staff must make good faith efforts to ensure small businesses, minority-owned businesses, and women’s business enterprises are used when possible. Such efforts may include, but shall not be limited to:

- a. Including such firms, when qualified, on solicitation mailing lists.
- b. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources.
- c. Dividing total requirements, when economically feasible and in compliance with state law, into smaller tasks or quantities to permit maximum participation by such firms.
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms.
- e. Using the services and assistance of the Small Business Administration.
- f. Requiring prime contractors, when subcontracting is anticipated, to take the steps listed in a. through e. above.

Environmentally Preferable Purchasing

In 2019 the City Council adopted the Environmentally Preferable Purchasing Policy which establishes procedures to consider products that are generally better for the environment, and which reduces the City’s impact on the environment in many ways. This policy does not supersede any other provisions of the overall Purchasing Policy except that it does establish some criteria for over budget purchases with City Manager approval. The Environmentally Preferable Purchasing Policy is attached in Appendix A.

Prohibited Interest in Contracts

Minnesota State Statutes 471.87 and 471.88 prohibit the purchase of goods or services whenever a conflict of interest may exist. If any employee becomes involved in a possible conflict situation, the employee shall disclose the nature of the possible conflict to his or her supervisor and the City Manager.

The City cannot enter into any contract or purchase order for goods or services in which an employee, elected official, officer or agent, or their immediate family members, has an indirect or direct personal financial interest or will personally benefit financially from the contract or purchase. In exceptional cases and if permitted by applicable law or regulation, this policy may be waived by the City Manager for employees for good cause after consulting with the City Attorney. The City Manager shall promptly notify the employee in writing of the decision.

Substantial state and federal requirements exist pertaining to standards of conduct and conflict of interest. It is the intent of the City for all employees, officers, or agents to conduct all activities associated with procurements in compliance with the highest ethical standards, including the avoidance of any real or perceived conflict of interest. It is also the intent of the City to impose appropriate sanctions or disciplinary actions, including but not limited to termination and/or prosecution, for any employees or officers who violate any of these requirements.

Purchasing Processes

By the City Code, the City Manager is the Chief Purchasing Officer of the city and has delegated purchasing and budgetary control to each department. The department head may designate other staff within their department to purchase goods and services in compliance with the annual budget. The City Council has delegated authority to staff to make usual and customary purchases as approved in the annual budget in compliance with all bidding requirements and the City's purchasing policy. Formal Council approval of budgeted, routine purchases is not necessary. Council approval is required on capital improvement projects of \$10,000 or greater.

Purchase Orders and Contracts

The Assistant Finance Director will issue purchase orders for items over \$10,000 that are not handled via a contract. All contracts issued for goods or services are reviewed and approved by the City Council.

Contract Amendments

Contract amendments valued at greater than 25% of the original value of the contract will be considered separate procurements and the appropriate process above shall be utilized.

Credit Card Use

The use of credit cards (purchasing cards) is an authorized payment method. These purchases must follow the purchasing policy and are a more efficient method of paying vendors than the check payment process. See the purchasing card policy for detailed procedures.

Reviewing for Contractors under Suspension or Debarment

In all cases the City will review the excluded parties list (<https://www.sam.gov>), to ensure that no tentative parties, suspended and/or debarred contractors are contracted with when using federal or City dollars.

Professional Service Contracts

Professional service contracts such as those provided by engineers, lawyers, architects, accountants and other services requiring technical, scientific, or other professional training, do not require competitive bidding. Selection of firms shall be through a competitive process, using a "best overall value" approach, whenever applicable and appropriate. Contracts for professional services shall be for terms of not more than three (3) years and include provision for a one-time extension of not more than three years, based on satisfactory performance. All professional service contracts and extensions shall be approved by the City Council. The City Council should be represented in the interviews and evaluation of candidate firms for Civil Attorney services, including the determination of evaluation criteria.

Firms selected to provide professional services to the City of Roseville:

- Will avoid any conflicts of interest and commit to the principles of the Professional Code of Ethics for their profession and the City of Roseville Code of Ethics for Public Officials.
- Will conduct their business through designated Roseville City staff as approved by the City Manager.
- Will not represent any individual or corporation involved in litigation against the City of Roseville.
- Will comply with all applicable state and federal laws and local ordinances.

Deviations

Approval to deviate from this policy must be documented and authorized by the City Manager, or by other City staff as delegated by the City Manager in accordance with City policies and procedures.

Exceptions

Minnesota State Statute 12.37 gives the City the ability to declare an emergency situation for a limited period of time. During such an emergency, the City is not required to use the typical mandated procedures for purchasing and contracting. Emergency purchases require approval by the City Manager, Finance Director and when necessary, because of the dollar amount, formal City Council action. An emergency purchase is defined as one where an immediate response is required to protect the health, welfare or safety of the public or public property.

Ethics and Acceptance of Gifts

Employees shall not make any purchases for personal use utilizing City funds. Employees shall not be allowed to take advantage of special pricing offered to the City by vendors to make personal purchases. Employees may not take advantage of government discounts for non-city related purchases, including bidding on city auctions. The general rule to be applied is if a discount is not available to a member of the public, the employee should not take advantage of it. Gifts offered by vendors to staff responsible for making purchasing decisions may only be accepted if they are considered to be a trinket or memento costing \$5 or less.

Authority for Implementation and Enforcement

All employees are responsible for adhering to this policy when purchasing goods or services. Department heads are responsible for monitoring performance within their areas of jurisdiction.

Responsibility for administering established purchasing policies and procedures has been delegated to the Finance Director in conjunction with the City Manager who is the Chief Purchasing Officer of the City.

APPENDIX A

City of Roseville Environmentally Preferable Purchasing Policy Council Approved – May 6, 2019

Purpose and Scope

Environmentally preferable products and services, according to definitions from the United States Environmental Protection Agency, have less or reduced impact on human health and the environment than other products and services that serve the same purpose. Adopting this policy demonstrates the City of Roseville's continued commitment to sustainability, as well as its recognition of the many benefits of following these guidelines. These benefits include:

- Supporting and rewarding businesses that provide environmentally preferable products and services.
- Support for recycling markets and practices.
- Setting an example of sustainability for residents and local businesses
- Lower overall costs by utilizing full-cost accounting and choosing products that are durable, long-lasting, reusable, refillable, and recyclable.
- Minimizing negative environmental impacts such as pollution, resource depletion, water usage, and energy waste

Policy

Recycled-Content Products

Under the advisement of Minnesota Statute 16C.073 and the Federal Environmental Protection Agency's (EPA) recommendations, the City will purchase paper products containing the highest post-consumer recycled content practicable, but no less than 30% recycled content for copy paper, the minimum standard established by the EPA Comprehensive Procurement Guidelines (www.epa.gov). The City will purchase other products made with recycled material when available, practicable, and cost-effective.

Energy Saving Products

All appliances and products purchased by the City will meet US EPA Energy Star certification, provided that such products are available and financially feasible (www.energystar.gov). Such products typically include lighting systems, exhaust fans, water heaters, computers, exit signs, and appliances such as refrigerators, dishwashers, and microwave ovens. When Energy Star certified products are not available, products in the upper 25% of energy efficiency as designated by the Federal Energy Management Program will have preferred consideration for purchase.

Water Saving Products

Water-saving products purchased by the City will meet WaterSense certification when such products are available and financially feasible (www.epa.gov). This includes, but is not limited to, high-performing fixtures such as toilets, urinals, low-slow faucets and aerators, and upgraded irrigation systems.

Cleaning Products

Cleaning products purchased by the City will meet Green Seal, EcoLogo, and/or EPA Design for the Environment standards whenever such products are available, practicable, and perform to an acceptable standard.

Waste Minimization

The City's purchasing practices will reflect an attempt to reduce packaging and other unnecessary waste. Such practices may include buying items in bulk whenever practicable and preferring reusable, recyclable, and compostable products and packaging when suitable products are available.

Implementation

This policy will not be construed as requiring any department, buyer, or contractor to purchase products that do not perform adequately for their intended use, exclude adequate competition, or are not available at a reasonable price in a reasonable period of time.

City staff will ensure that specifications support the use of reusable, recycled, or environmentally preferable products by following these guidelines. All city departments are responsible for implementation of this policy and ensuring their respective employees are fully aware and supportive of the City's policy to purchase environmentally preferable goods and services.

The City will accept up to a 10% increased cost for purchasing environmentally preferable products indicated in this policy, a standard that is widely used around the state. Authorization is required from the City Manager if the additional cost is greater than \$1,000.

These guidelines are subject to the requirements and preferences in the Municipal Contracting Law (MN Statute 471.345) and all other applicable laws and ordinances.

The Public Works department will assist with and monitor the efforts of implementation and report annually to the City's Green Team on the outcomes of this purchasing policy.

City of Roseville, Minnesota

Annual Budget Process, Legal and Policy Requirements, and Description of Funds

The City adopts an annual budget for the General and selected Special Revenue funds that are prepared on the modified accrual basis of accounting. The adopted budget indicates the amount that can be expended by each fund based on detailed budget estimates for individual expenditure accounts.

Budget Process (General)

The formal budget process begins in the spring of each year. At that time the budget materials and guidelines are distributed to the various department heads. Informally, aspects of the upcoming budget are discussed throughout the year with the City Council, Staff and residents.

Departmental budgets are submitted to the Finance Department where they are compiled, verified and put into a format for the City Manager's review. The City Manager meets with each department to review submitted budgets. When the final review is completed, a proposed budget document is prepared and submitted to the City Council.

The City Council conducts a series of budget meetings over the next several months, allowing for citizen participation and Staff presentations.

As required by State Statute, the City Council must then take formal action to approve a proposed budget and tax levy before September 30th. Staff submits the proposed budget to the County Auditor who then compiles all tax data from all levying entities for preparation of a parcel specific mailing to each county property taxpayer by mid-November.

The City schedules a 'Truth-in-Taxation' hearing between the end of November and December 20th, at which time the city's taxpayers are invited to attend and express their opinions regarding the proposed tax levy and budget. The city council approves the final budget and levy for the succeeding year at a subsequent meeting.

Budget Amendments

Periodically, it becomes necessary to modify the adopted budget during the fiscal year. When there is no effect on the total budget, the procedure for modification from one line item within a budget to another line-item is an application by the department head to the City Manager or designee.

Modifications that affect the total budget on a fund basis are only approved by the action of the City Council. The City Council, under Minnesota State Statutes Section 412.731, can modify or amend the budget at any time if funds are available. Budget appropriations are at the fund level.

Fund Accounting

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the Comprehensive Annual Financial Report (CAFR) into three broad fund categories and six generic fund types as follows:

Governmental Funds Subject to Financial Planning and Appropriation

General Fund - the General fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of certain specific revenue sources that are legally restricted to expenditures for specified purposes.

Governmental Funds Subject to Financial Planning, but not Subject to Appropriation

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Other Funds Subject to Financial Planning and Appropriation (Proprietary Funds)

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. With these, the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has five Enterprise Funds: Water Utility Fund, Sewer Utility Fund, Storm Drainage Fund, Cedarholm Golf and Community Building Fund, and Environmental Recycling.

Internal Service funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City. The City has two Internal Service Funds including the Workers' Compensation Self-Insurance Fund which accounts for the City's Workers' compensation claims, and the Risk Management Fund which accounts for all of the City's general insurance costs. These funds are not part of the budget process.

Basis of Accounting

The modified accrual basis of accounting is used by governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The city considers property taxes as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, special assessments, licenses, interest revenue and charges for services. State aid held by the state at year-end on behalf of the government also are recognized as revenue. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

The government reports deferred revenue on its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal

claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except for principal and interest on general long-term debt which is recognized when due and accumulated unpaid vacation and compensatory time off which are recognized when paid.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Unbilled utility service receivables are recorded at year-end.

Basis of Budgeting

The City adopts an annual budget for the general and special revenue funds that are prepared on the modified accrual basis of accounting. This is consistent with the City's basis of accounting for governmental funds. Proprietary funds are budgeted on an accrual basis, which is also consistent with the City's basis of accounting for those fund types.

The adopted budget indicates the amount that can be expended by each fund based on detailed budget estimates for individual expenditure accounts. Management may make budget modifications within the fund level. All budget revisions at the fund level must be authorized by the City Council at the request of the City Manager. The Council, under *Minnesota Statutes*, Section 412.731, can modify or amend the budget if funds are available. All supplemental appropriations are financed either by transfers from the contingency section of the general fund budget or by revenues received in excess of the budgeted amounts. All budget amounts lapse at the end of the year to the extent they have not been expended. The level at which expenditures may not legally exceed appropriations is at the fund level.

Long Range Planning - Capital Improvement Program (CIP) Overview

As part of the annual budget and the long-range planning process, the city also updates a 20-year Capital Improvement Program (CIP).

The Capital Improvement Program process is on-going throughout the year, as the City Council studies and approves various projects. The document preparation is an affirmation of those approvals as well as a projection of potential projects that may be approved within the 20-year period.

The general guideline for CIP inclusion would be equipment of a capital nature, and construction project cost generally in excess of \$10,000. Items may appear in the CIP that are under the minimum amount, but they are evaluated on the basis of the substance of the expenditure.

Budget Procedures (Specific)

A budget calendar is developed in early February of each year with the departmental budget material going out to departments in March or early April.

Prior to departmental distribution, the Council typically sets overall goals for the City Management team to aid in their budget preparation. Those goals typically consist of:

- Infrastructure goals
- City service goals
- City performance goals
- City property tax goals

These goals are then to be incorporated to the greatest extent possible within each department's submittal.

In early April the budget materials are distributed to all departments. The budgetary requests are then returned to the Finance Department for compilation and preparation for the City Manager review.

The Finance Department usually meets with each department during the preparation process to work out any details or clarifications. Areas which cannot be resolved or are particularly affected by management policy are set aside for a meeting with the City Manager.

Upon final resolution of the major issues, the City Manager, with the assistance of the Finance Department, presents the recommended budget to the City Council. The presentation is intended to provide the Council with the type of information, to assure that Council policy direction is being followed with particular emphasis on the Council's objectives set for the budget year.

Finance Compilation and Preparation Procedures.

The City Finance Director prepares an estimate of revenues including the property tax revenue based on the Council's tax objectives for the budget year.

A review of the budget submittals, include an allocation of capital requests with respect to funding: e.g. items which are replacement in nature and could be funded from the respective replacement funds, or items which are new and would require a property tax levy for a first-time purchase. In addition, requests are reviewed in light of departmental goals, City Manager policy directions and the City Council's overall objectives.

The objective is to have a balanced budget to be presented to the City Council and that the budget has been prepared to not negatively affect net reserve operating balances or to create future financial obligations for which the Council is not prepared to meet.

Description of Funds

The City maintains a number of major and minor funds for recording the fiscal transactions and to meet legal accounting requirements. Within each fund, there may be a number of sub-funds, which are used during the fiscal year to assist in monitoring and managing allocations, grants or specific projects. At year-end, all sub-funds are rolled up into the primary fund for reporting purposes.

Below are general descriptions of the fund-types and a brief description of each fund within each type.

Fund Type: General Fund

The ***General Fund*** provides for accounting of general governmental functions related to the City's statutory obligations. Those functions include public works, fire services, police services, city council, city administration, finance, insurance and legal. This fund has been designated a major fund for reporting purposes.

The major sources of revenue for the general fund consist of property taxes, intergovernmental revenues, fines and forfeits, federal and state grants, investment income and charges for services rendered to citizens and to other city functions.

Expenditures for the general fund operations include wages, salaries and benefits, supplies, and other charges, which include utilities, professional services, memberships, and other similar uses of funds. Certain capital expenditures are included, if they are made up of items which are new and for which the City has not previously set aside depreciation (replacement funds).

Fund Type: Special Revenue

Special Revenue Funds include funds in which revenues are collected for specific purposes and expenditures for those specific purposes are recorded.

The ***Parks & Recreation Fund*** accounts for resources and payments related to the parks and recreation functions of the City. This fund has been designated a major fund for reporting purposes.

Revenues generally consist of property tax dollars levied specifically for parks and recreation as well as fees and charges collected from users of the city's parks and recreation facilities. Other revenues include investment income, donations and other miscellaneous revenues sources. Expenditures recorded include wages, salaries and employee benefits for staff directly providing parks and recreational services, supplies, and other charges. Certain capital expenditures are included, if they are made up of items which are new and for which the City has not previously set aside depreciation (replacement funds).

This fund is composed of the Recreation Fund and the Parks Maintenance Fund.

The ***Community Development Fund*** accounts for resources and payments related to the building safety inspection and land use functions of the City. This fund has been designated a major fund for reporting purposes.

Revenues generally consist of fees and charges collected from users of the city's building inspection and permits as well as fees collected for land use and zoning changes. Other revenues include investment income, and other miscellaneous revenues sources.

Expenditures recorded include wages, salaries and employee benefits for staff directly providing community development and inspection services, supplies, and other charges. Certain capital expenditures are included, if they are made up of items which are new and for which the City has not previously set aside depreciation (replacement funds).

It is expected that this fund is to be self-supporting.

The ***Communications Fund*** accounts for resources and payments related to the city's communication functions including the periodic newsletters and cable television of city meetings. This fund has been designated a minor fund for reporting purposes.

Revenues generally consist of franchise fees collected from the cable television users. Other revenues include investment income, and other miscellaneous revenues sources. Starting in 2021 a portion of property tax revenue was dedicated into this fund as franchise fees have started to decrease.

Expenditures recorded include wages, salaries and employee benefits for staff directly providing communication services, supplies, and other charges.

It is expected that this fund is to be self-supporting with a small amount of property tax levy support.

The ***License Center Fund*** accounts for resources and payments related to the State License Center and Passport Office of the City. This fund has been designated a minor fund for reporting purposes.

Revenues generally consist of fees collected from the State Motor Vehicle and Drivers licenses, Passport acceptance fees in conjunction with the US State Department and from issuance of licenses from the Department of Natural Resources. Other revenues include investment income and other miscellaneous revenues sources.

Expenditures recorded include wages, salaries and employee benefits for staff directly providing passport and license services, supplies, and other charges. Certain capital expenditures are included, if they are made up of items which are new and for which the City has not previously set aside depreciation (replacement funds).

It is expected that this fund is to be self-supporting including payment of management and resource fees to the City's general fund.

The ***Lawful Gambling Fund*** accounts for resources and payments related to the enforcement and management of charitable gambling within the City. This fund has been designated a minor fund for reporting purposes.

Revenues generally consist of taxes collected from city licensed charitable gambling organizations. Other revenues include investment income, and other miscellaneous revenues sources. A majority of the Revenues are set aside with the Roseville Community Fund to provide for grants to non-gambling groups within the Community.

Expenditures recorded include wages, salaries and employee benefits for staff directly providing accounting and enforcement services, supplies, and other charges. It is expected that this fund is to be self-supporting.

Fund Type: Debt Service

Debt Service Funds include funds which revenues are collected for the retirement of city incurred debt and from which interest, principal payments and other related expenses in relation to outstanding debt are paid.

The ***General Obligation Improvement Bonds*** accounts for resources and payments related to the payment of general obligation debt issued for special assessments are collected and property taxes levied. This fund has been designated a major fund for reporting purposes.

Revenues generally consist of property taxes collected and special assessments from benefited property. Other revenues include investment income, and other miscellaneous revenues sources.

Expenditures recorded include bond interest payments, bond principal payments and other expenses related to debt management. It is expected that this fund is to be self-supporting from the related tax levies and the special assessments.

Fund Type: Capital Projects

Capital Project Funds include funds in which revenues are collected for the construction and replacement of city facilities, equipment and infrastructure.

The ***Vehicle and Equipment Revolving Fund(s)*** accounts for resources and payments related to the replacement of vehicles, fixtures and equipment within the city departments. This fund has been designated as part of a major fund (Revolving Improvements) for reporting purposes.

Revenues generally consist of property taxes collected from levies specified for vehicles and equipment, investment income, and other miscellaneous revenues sources. Expenditures recorded include certain capital expenditures if they have been purchased previously and have been depreciated. An expenditure would also qualify, if it were replacing a previously depreciated asset. It is expected that this fund is to be self-supporting from the related revenue sources.

The ***General Building Improvement and Replacement Fund*** accounts for resources and payments related to the replacement and major repair of buildings and structures within the city departments. This fund has been designated as part of a major fund (Revolving Improvements) for reporting purposes.

Revenues generally consist of property taxes collected from levies specified for improvements, investment income, and other miscellaneous revenues sources. Expenditures recorded include certain capital repairs and improvements on buildings and structures (general governmental) if they have been purchased previously and have been depreciated. An expenditure would also qualify, if it were replacing a previously depreciated asset.

It is expected that this fund be kept at an amount approximately equal to the accumulated depreciation recorded for buildings and structures in the general fixed assets. It is expected that this fund is to be self-supporting from the related revenue sources.

The ***Pathways Maintenance Fund*** accounts for resources and payments related to the pathway maintenance program which began in 2000. This fund has been designated as part of a major fund (Revolving Improvements) for reporting purposes.

Revenues generally consist of property taxes collected from levies specified for maintenance. Other revenues include investment income, and other miscellaneous revenues sources. Expenditures recorded include certain capital expenditures for existing pathways.

It is expected that this fund is to be self-supporting from the related revenue sources.

The ***Boulevard Streetscape Maintenance Fund*** accounts for resources and payments related to the boulevard maintenance program which began in 2000. This fund has been designated as part of a major fund (Revolving Improvements) for reporting purposes.

Revenues generally consist of property taxes collected from levies specified for maintenance. Other revenues include investment income, and other miscellaneous revenues sources. Expenditures recorded include certain maintenance expenditures for maintaining existing boulevard landscapes.

It is expected that this fund is to be self-supporting from the related revenue sources.

The ***Tax Increments Pay-As-You-Go Fund*** accounts for resources and payments related to the tax increment pay-as-you-go districts. This fund has been designated as a major fund for reporting purposes.

Revenues generally consist of tax increment property taxes collected. Other revenues include investment income, and other miscellaneous revenues sources. It is expected that this fund is to be self-supporting from the related revenue sources.

The ***Parks Improvement Program Fund*** accounts for resources and payments related to the Park Improvement Program (PIP). The intent of this fund is not to add new assets but to primarily replace those park assets, which have completed their useful life. This fund has been designated as part of a major fund (Revolving Improvements) for reporting purposes.

Revenues generally consist of a property tax levy specifically for park improvements. Other revenues include investment income, and other miscellaneous revenues sources. Expenditures recorded include certain capital expenditures for park improvement replacement in accordance with the City's Park Improvement Program. It is expected that this fund is to be self-supporting from the related revenue sources.

The ***Street Infrastructure Replacement Fund*** accounts for resources and payments related to the Pavement Management Program (PMP). This fund has been designated as a minor fund for reporting purposes.

Revenues generally consist of property tax revenues and Municipal State Aid revenues. Other revenues include investment income, and special assessment revenues sources. Expenditures recorded include certain capital expenditures for street improvements in accordance with the City's Paving Management Program. It is expected that this fund is to be self-supporting from the related revenue sources.

Fund Type: Internal Service Funds

Internal Service Funds are funds which account for specific service operations of the City which are provided to other departments and divisions of the City.

The ***Worker's Compensation Fund*** accounts for revenues and expenditures related to servicing the City's Worker Compensation needs.

Revenues primarily consist of fees collected from user departments and property tax levies, when needed. Other revenues include investment income, and other miscellaneous revenues sources. Expenditures recorded include medical payments and compensation payments to workers who qualify for worker's compensation benefits. This fund is not part of the budgeted funds.

The ***Risk Management Fund*** accounts for revenues and expenditures related to servicing the City's general insurance and risk management needs.

Revenues primarily consist of fees collected from user departments and property tax levies, when needed. Other revenues include investment income, and other miscellaneous revenues sources. Expenditures recorded include payments for liabilities within the City's deductible limit and payments to the City's insurance carrier, League of Minnesota Insurance Trust. This fund is not part of the budgeted funds.

Fund Type: Proprietary Funds

Enterprise Funds are funds which account for specific operations of the City in a manner similar to the private sector. All Enterprise Funds have been designated major funds for reporting purposes.

The ***Sewer Fund*** accounts for revenues and expenditures related to City's sewer distribution system operations.

Revenues primarily consist of sewer fees collected from system users. Other revenues include; investment income, and other miscellaneous revenues sources. Expenditures recorded include sewer system operating expenditures such as wages, salaries and benefits, supplies, and other charges, which include utilities, professional services, memberships, and other similar uses. Major expenditures also include waste treatment fees to the Metropolitan Council Department of Environmental Services and certain capital expenditures for maintaining the system.

The ***Water Fund*** accounts for revenues and expenditures related to City's water distribution system operations. Revenues primarily consist of water fees collected from system users. Other revenues include investment income, and other miscellaneous revenues sources.

Expenditures recorded include sewer system operating expenditures such as wages, salaries and benefits, supplies, and other charges, which include utilities, professional services, memberships, and other similar uses. Major expenditures also include the purchase of wholesale water from the St. Paul Regional Water System Authority and certain capital expenditures for maintaining the system.

The ***Cedarholm Golf and Community Building Fund*** accounts for revenues and expenditures related to the City's nine-hole golf course and the Cedarholm Community Building.

Revenues primarily consist of greens fees collected from course users. Other revenues include investment income, room rental charges and other miscellaneous revenues sources. Expenditures recorded include golf course operating expenditures such as wages, salaries and benefits, supplies, and other charges, which include utilities, professional services, memberships, and other similar uses and certain capital expenditures for maintaining the course in a reasonable condition.

The ***Storm Drainage Fund*** accounts for revenues and expenditures related to City's storm drainage distribution system operations.

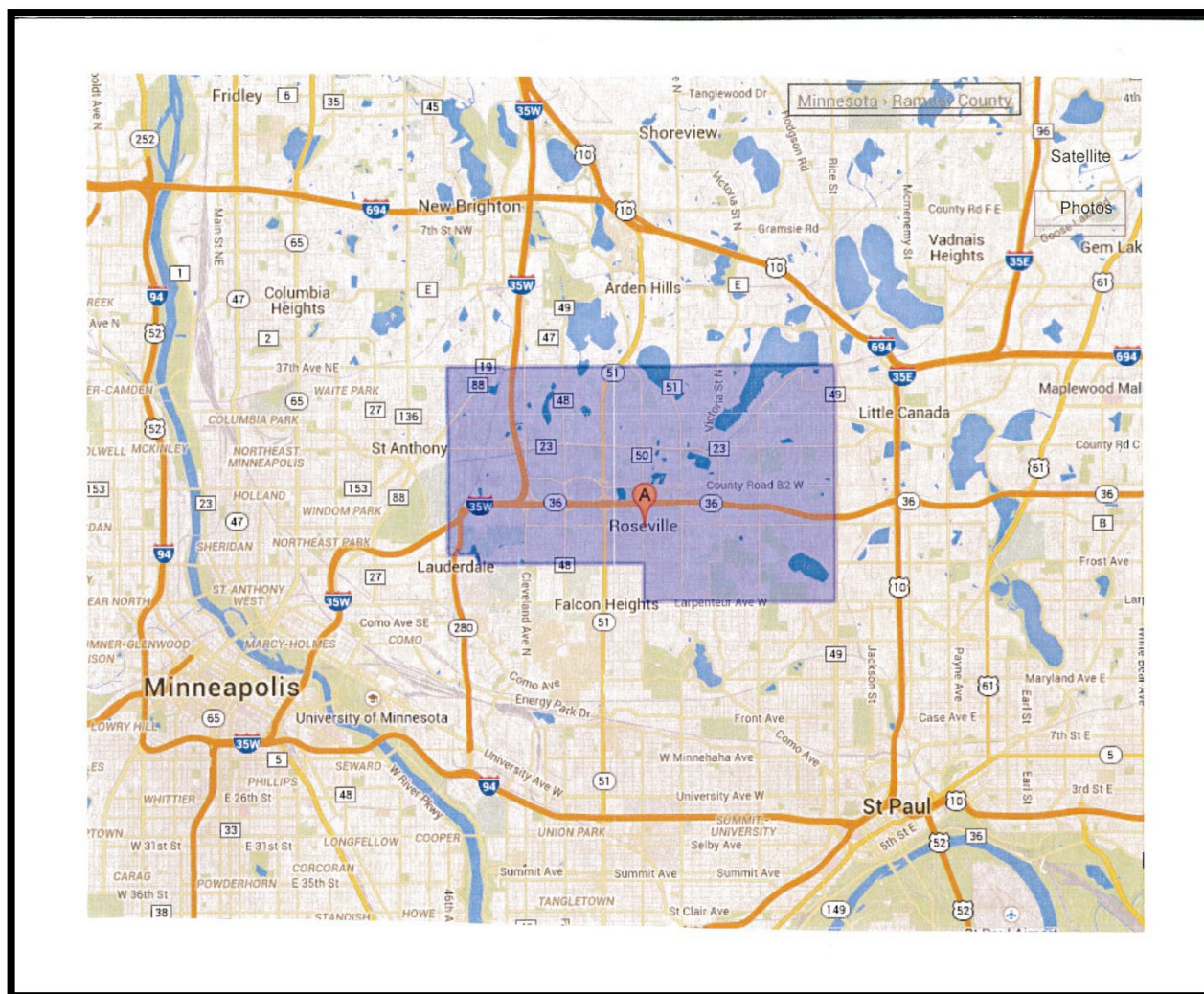
Revenues primarily consist of storm drainage fees collected from system users. Other revenues include investment income, and other miscellaneous revenues sources. Expenditures recorded include storm system operating expenditures such as wages, salaries and benefits, supplies, and other charges, which include utilities, professional services, memberships, and other similar uses and certain capital expenditures for maintaining the system.

The ***Environmental Recycling Fund*** accounts for revenues and expenditures related to the City's recycling operations and sustainability efforts.

Revenues primarily consist of recycling fees collected from system users and grants from by Ramsey County. Other revenues include investment income, and other miscellaneous revenues sources. Expenditures recorded include recycling operating expenditures, collection fees paid to the contracted hauler\collector and certain capital expenditures for maintaining the system.

Profile of the City of Roseville

The City of Roseville, incorporated in 1948, is a suburban community bordering both Minneapolis and St Paul Minnesota. A map of Roseville's location is shown below.



The City of Roseville stands on land that was once home to the Dakota and Ojibwa Indians. The Dakota believed their land superior because it was located at the juncture of the Minnesota and Mississippi Rivers, which they poetically claimed, was immediately over the center of the earth and beneath the center of heaven.

Many years later in 1940, Ramsey County Surveyors bolstered this claim when they placed a boulder on the spot, they determined was exactly one-half the distance between the equator and the North Pole. That spot is on the east side of Cleveland Avenue, just north of Roselawn Avenue in Roseville.

The first non-Indians settled in the Roseville area in 1843, six years before Minnesota became a territory. In 1850 Rose Township was established, named after Isaac Rose, one of the first white settlers, who conducted the area survey. Rose Township included the areas now known as Roseville, Lauderdale, and Falcon Heights, as well as parts of present-day St. Paul and Minneapolis.

Farms and nurseries dominated the area until the 1930s when commercial development arrived, attracted by the wide-open space, convenient location, and the railroad. At the same time, people began leaving the inner cities for the more spacious, less congested lifestyle of the suburbs.

By 1948 the township form of government could no longer accommodate the area's rapid growth. Roseville incorporated as a village in May of 1948, followed by Falcon Heights and Lauderdale, which led to Rose Township ceasing to exist.

Roseville's population and commercial development grew dramatically during the 1950's and 1960's. The City then turned its focus from planning to redevelopment and preservation. Today Roseville is a mixed land use community with a strong residential base and vibrant retail. It has become the commercial hub of the northeastern metro area.

This area is considered to be a major population and economic growth area in the state, and among one of the highly ranked economic growth areas in the country. The City of Roseville currently occupies a land area of 13.7 square miles and serves a population of 35,306. 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. Council members serve four-year staggered terms, with three council members elected every four years and the mayor and one council member elected in staggered four-year 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.

Supplemental demographic and statistical information is shown below.

[illegible]

[illegible]

Last Ten Fiscal Years

114

City of Roseville Community Aspirations: 2023-2024 Results & Accomplishments

Each year, the Mayor of Roseville presents a State of the City Address to highlight various results and accomplishments over the past year. These achievements are summarized in the spirit of the City's Mission Statement and in the context of the City's Community Aspirations, both of which are identified in other sections of this document. The State of the City Address is typically given in late February or March of each year but was moved to the summer of 2024 to better showcase the city's parks and other assets. As of the date of this publication, the results and accomplishments for the most recent year have not yet been compiled. The results of the previous year grouped by community aspiration category are shown below.

Welcoming, inclusive, and respectful

- The city spent the past year on building a new neighborhood park at 2381 County Road B on the western edge of the city. The park is named Sunset Park based on resident input and the fact that sunset can be seen from this park due to its location.
- The city is working diligently to ensure facilities and programs are accessible to all residents. Partnering with the Central Park Foundation, the city paved the paths at the Arboretum, which makes the gardens easier to navigate for visitors of all abilities.
- The city implemented Reach for Resources Inclusion Services Program to offer on-site inclusion support for Parks and Recreation program participants with physical or cognitive disabilities. The program provided 244 hours of inclusion services, and the city increased funding for this year to meet the growing demand.

Safe and law-abiding

- The Fire Department became the first department in the State to offer Advance Life Support level emergency medical response. This level of response means that firefighter paramedics can administer certain treatments as first responders. The department added additional skills and medications to better meet the emergency medical needs of the community. This evolution of the department is saving lives in the pre-hospital setting.
- The Police Department launched the Letters Instead program where officers send letters to motorist observed with minor equipment violations such as burnt-out headlights instead of initiating stress-inducing traffic stops. This program was implemented after a review showed that traffic stops based solely on equipment violations disproportionately impacted communities of color, which undermined law enforcement's legitimacy.
- More than 1,800 letters were sent out under the new Letters instead program. The city has received positive feedback from the community. The program frees up time for traffic enforcement efforts that improved roadway safety and curtailing distracted driving, excessive speeding, street racing and impaired driving.

Economically prosperous, with a stable and broad tax base

- While development slowed in 2023, there were projects in 2024 with the reinvestment in our retail and entertainment hubs including Rosedale Center.
- 2024 was a good year for the number of building permits in the city, although the dollar value of the projects was down a bit from previous years, at \$109 million versus \$105 million in 2023. Permits consisted of 8 new single-family homes, 8 new townhomes, 9 new commercial/industrial buildings, 158 commercial remodels and over 1,880 residential alteration permits.

Secure in our diverse and quality housing and neighborhoods

- The city secured grant funding to continue the Housing Navigator position on the police department Community Action Team. This position has helped connect homeless people with housing and resources and has been quite successful in helping to house several people.
- The Harbor senior affordable apartments were completed and opened in the spring of 2023. Fully leased up by 2024.
- The City established a Land Trust in partnership with Habitat for Humanity late in 2021. There has been a high level of continued interest in this program by homeowners looking to sell. This program aims to promote affordability by owning the underlying property so that buyers need only finance the home itself.

Environmentally responsible, with well-maintained natural assets

- The city has invested over \$1 million into the mitigation plan to address Emerald Ash Borer during the past two years. The mitigation plan includes aggressive removal and replacement of diseased trees, with some targeted treatment as appropriate. A variety of trees are being planted to replace those removed. The project is nearing completion.
- The city ordered an electric fire engine which will be delivered in 2025. The new engine will, be quieter, more nimble and less polluting than its diesel counterparts. While the cost of the engine is higher upfront, the engine comes with longer warranties and will run longer than the conventional diesel fire engine. Fuel and maintenance costs are expected to be lower with the electric engine.

Physically and mentally active and healthy

- With the support of the most significant State investment of \$3.9 million in the Guidant John Rose Minnesota OVAL since it was built, the city completed a major rehab of the OVAL refrigeration system, safety padding, and the apron around the skating surface. In addition, access for those of all abilities was improved with the installation of a ramp adjacent to the entrance stairway. This investment will sustain the facility for many years for Roseville and all the regional, national, and international users. The Oval was selected as the number one outdoor ice skating rink in the United States in a USA Today readers' poll.
- Completed engagement process and installation of new playgrounds at Keya Park.
- Installed new paved trails at the Muriel Sahlin Arboretum with donations from Roseville Central Park Foundation.
- Through donations, the Fire Department has received a silver lab who is training to become a certified service and therapy dog. She comforts firefighters and first responders as a part of our health and wellness efforts. She will also eventually offer comfort to members of the public including those displaced by house fires.

Well-connected through transportation and technology infrastructure

- In 2022, Roseville continued its annual reinvestment in the streets, water, sewer and stormwater infrastructure. Nearly 6 miles of street were rehabbed, replaced 521 radios on meters, repaired 26 water main breaks, repaired 15 fire hydrants and 6 water main gate valves, Storm drainage repairs occurred at several segments of the storm water system. Repaved 1.5 miles of trails and 1 parking lot.
- The City had two questions on the ballot in November regarding implementation of a ½ cent local sales tax for 20 years for (1) a new right-sized maintenance facility across Woodhill Drive from the current site and (2) a new license and passport center on the south side of the street. This funding approach would be responsive to requests the City has heard from local property taxpayers to shift more of the funding of City costs to those who use our infrastructure and services while not being local residents or businesses. The State legislature gave approval to a local sales tax for Roseville in 2023. The first question passed; the second question did not pass. The city will spend 2025 evaluating alternatives for the license and passport center and will proceed with collecting the local sales tax to pay for the new maintenance facility.

Engaged in our community's success as citizens, neighbors, volunteers, leaders, and businesspeople.

- One measure to determine how engaged our residents and businesses are in our community is the amount of volunteering that occurs. In 2024 we had 2,292 active volunteers, worked a total of 5,446 hours which is equivalent to 2.62 FTEs and a value over \$197,000 in volunteer time. There were 1,557 separate volunteer shifts, 88 Green team volunteers spent over 850 hours keeping the city green and growing. 18 Harriet Alexander Nature Center volunteers kept the Interpretive Center building open 6 days a week by volunteering over 1,500 hours. Volunteers included advisory commission and committee members, tree planters, buckthorn haulers, phone answerers, and a host of other tasks that keep the city running and serving our community.
- The city intensively and intentionally reached out to engage all of our residents and businesses and even visitors in the first update of the community visioning project since the last one occurred in 2006 which was called “Envision Roseville” which was completed in early 2024. In 2024 the city started a Strategic planning process and will be adopting performance measures to align the city work results with the aspirations from Envision Roseville. This project will be completed in 2025 to help inform the 2026 budget process.

Capital Improvement Budget with Narrative Descriptions

The 2025 Capital Improvement Budget with narrative descriptions for each item budgeted in 2025 can be found by using the following link:



2025 CIP Budget with
Narrative Descriptions

A summary of the 20-year capital improvement plan is found below. Items are shown based on the fund then summarized by function and finally by asset type.

City of Roseville										
Capital Improvement Plan: Summary of All Capital Funds										page 1 of 2
2025-2044										
Summary by Function										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Tax Levy: Current	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Fees, MSA, Asmnts, Trfs, ARPA	6,842,742	10,089,000	7,758,285	6,974,000	5,919,000	5,899,000	5,879,000	5,860,000	5,963,000	5,930,000
Sale of Assets/Internal Loan	167,000	785,000	165,500	133,000	148,500	123,000	130,000	143,000	30,000	64,500
Interest Earnings	370,538	351,031	182,026	158,484	161,511	178,882	187,318	195,451	203,374	222,205
Revenues	\$ 11,380,280	\$ 15,225,031	\$ 12,105,811	\$ 11,265,484	\$ 10,229,011	\$ 10,200,882	\$ 10,196,318	\$ 10,198,451	\$ 10,196,374	\$ 10,216,705
Vehicle & Equipment Funds	\$ 2,319,763	\$ 3,195,510	\$ 2,391,980	\$ 2,235,345	\$ 1,426,350	\$ 1,619,870	\$ 1,569,610	\$ 1,885,660	\$ 1,668,120	\$ 2,015,345
Facility Improvements	1,276,595	2,986,000	1,073,925	927,744	572,500	715,000	1,099,000	186,000	981,300	837,500
Park Improvements	1,386,500	2,152,500	805,000	940,000	945,000	1,022,500	895,000	663,000	557,500	1,397,000
Street Improvements	1,920,000	3,960,000	3,350,000	2,650,000	1,650,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Street Lighting	57,500	120,000	285,000	-	185,000	347,500	170,000	22,500	22,500	-
Pathways	289,300	336,300	551,300	441,300	321,300	411,300	371,300	341,300	351,300	341,300
Community Development	45,000	100,000	45,000	-	-	45,000	-	-	-	45,000
Cedarholm Golf & Cmty. Buildin	68,000	672,000	69,500	134,000	94,500	49,000	17,000	30,000	84,000	104,500
Environmental Recycling	650,000	-	-	-	-	-	-	-	-	-
Water	944,000	854,000	2,484,500	1,956,000	1,243,000	1,284,000	1,209,000	2,619,000	1,254,000	1,187,000
Sanitary Sewer	2,429,715	1,654,000	1,642,000	1,743,500	1,510,000	1,154,000	1,121,500	1,089,000	1,054,000	1,204,000
Storm Sewer	1,124,000	2,090,000	1,835,500	1,781,000	1,665,000	1,814,000	2,162,000	2,349,000	2,109,000	2,585,000
Expenditures	\$ 12,510,373	\$ 18,120,310	\$ 14,533,705	\$ 12,808,889	\$ 9,612,650	\$ 10,212,170	\$ 10,364,410	\$ 10,935,460	\$ 9,831,720	\$ 11,466,645
Beginning Cash Balance	\$ 20,269,595	\$ 19,139,502	\$ 16,244,223	\$ 13,816,329	\$ 12,272,924	\$ 12,889,286	\$ 12,877,998	\$ 12,709,906	\$ 11,972,898	\$ 12,337,551
Annual Surplus (deficit)	(1,130,093)	(2,895,279)	(2,427,894)	(1,543,405)	616,361	(11,288)	(168,092)	(737,009)	364,654	(1,249,940)
Ending Cash Balance	\$ 19,139,502	\$ 16,244,223	\$ 13,816,329	\$ 12,272,924	\$ 12,889,286	\$ 12,877,998	\$ 12,709,906	\$ 11,972,898	\$ 12,337,551	\$ 11,087,611
Summary by Function										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
General Services	\$ 126,500	\$ 283,500	\$ 148,500	\$ 81,500	\$ 78,500	\$ 123,500	\$ 78,500	\$ 78,500	\$ 78,500	\$ 126,500
Public Safety	1,401,750	2,703,010	1,300,980	1,113,845	857,350	998,370	1,010,110	1,190,160	656,620	1,105,845
Facilities	1,276,595	2,986,000	1,073,925	927,744	572,500	715,000	1,099,000	186,000	981,300	837,500
Streets & Pathways	2,607,800	4,533,300	4,969,800	3,887,300	2,321,300	2,623,800	2,757,300	2,283,800	2,756,800	2,519,300
Utilities	5,147,715	4,598,000	5,962,000	5,480,500	4,418,000	4,252,000	4,492,500	6,057,000	4,417,000	4,976,000
Parks & Recreation	1,950,013	3,016,500	1,078,500	1,318,000	1,365,000	1,499,500	927,000	1,140,000	941,500	1,901,500
Expenditures	\$ 12,510,373	\$ 18,120,310	\$ 14,533,705	\$ 12,808,889	\$ 9,612,650	\$ 10,212,170	\$ 10,364,410	\$ 10,935,460	\$ 9,831,720	\$ 11,466,645
Summary by Asset Type										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Vehicles	\$ 2,127,513	\$ 2,464,000	\$ 1,363,000	\$ 1,825,000	\$ 822,500	\$ 1,234,000	\$ 1,323,000	\$ 1,279,000	\$ 1,130,000	\$ 2,074,000
Equipment	\$ 1,866,650	\$ 1,752,410	\$ 2,192,880	\$ 1,903,245	\$ 897,450	\$ 743,770	\$ 792,010	\$ 901,560	\$ 637,020	\$ 730,745
Furniture & Fixtures	\$ 40,600	\$ 63,100	\$ 13,100	\$ 77,600	\$ 62,400	\$ 44,100	\$ 58,100	\$ 8,100	\$ 11,100	\$ 47,600
Buildings	\$ 1,291,595	\$ 3,600,000	\$ 1,113,425	\$ 894,744	\$ 572,000	\$ 702,000	\$ 1,096,000	\$ 213,000	\$ 975,300	\$ 859,000
Improvements	7,184,015	10,240,800	9,851,300	8,108,300	7,258,300	7,488,300	7,095,300	8,533,800	7,078,300	7,755,300
Expenditures	\$ 12,510,373	\$ 18,120,310	\$ 14,533,705	\$ 12,808,889	\$ 9,612,650	\$ 10,212,170	\$ 10,364,410	\$ 10,935,460	\$ 9,831,720	\$ 11,466,645

City of Roseville										
Capital Improvement Plan: Summary of All Capital Funds										page 2 of 2
<u>2025-2044</u>										
Summary by Function										
	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>	<u>2042</u>	<u>2043</u>	<u>2044</u>
Tax Levy: Current	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Fees, MSA, Asmnts, Trfs, ARPA	5,900,000	5,874,000	5,938,000	5,917,000	5,914,000	5,923,000	5,874,000	5,860,000	5,904,000	5,860,000
Sale of Assets/Internal Loan	177,000	85,000	60,000	67,000	94,500	50,000	50,000	30,000	30,000	30,000
Interest Earnings	211,599	186,662	179,145	188,988	188,278	195,336	207,537	203,129	219,550	242,511
Revenues	\$ 10,288,599	\$ 10,145,662	\$ 10,177,145	\$ 10,172,988	\$ 10,196,778	\$ 10,168,336	\$ 10,131,537	\$ 10,093,129	\$ 10,153,550	\$ 10,132,511
Vehicle & Equipment Funds	\$ 3,685,700	\$ 1,718,830	\$ 1,972,260	\$ 1,564,300	\$ 1,585,120	\$ 2,526,695	\$ 2,974,060	\$ 1,464,380	\$ 950,400	\$ 750,300
Facility Improvements	872,000	607,000	575,000	167,000	544,000	426,000	2,419,000	635,000	11,087,000	4,000
Park Improvements	1,041,000	1,010,000	860,000	640,000	405,000	535,000	1,115,000	560,000	250,000	250,000
Street Improvements	1,750,000	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000
Street Lighting	175,000	30,000	20,000	50,000	85,000	155,000	50,000	65,000	-	-
Pathways	456,300	451,300	321,300	321,300	451,300	366,300	376,300	391,300	371,300	341,300
Community Development	45,000	100,000	45,000	-	-	45,000	-	-	-	45,000
Cedarholm Golf & Cmty. Buildin	187,000	69,000	108,000	75,000	118,500	64,000	34,000	-	44,000	-
Environmental Recycling	-	-	-	-	-	-	-	-	-	-
Water	1,154,000	1,354,000	1,134,000	1,234,000	1,108,000	1,114,000	1,139,000	1,109,000	1,176,000	-
Sanitary Sewer	1,292,000	1,194,000	1,061,500	2,029,000	1,173,500	1,054,000	1,054,000	1,454,000	1,106,000	1,074,000
Storm Sewer	2,414,000	2,925,000	2,156,500	2,794,000	2,203,000	2,443,000	2,234,000	2,110,000	2,121,000	2,085,000
Expenditures	\$ 13,072,000	\$ 11,309,130	\$ 10,103,560	\$ 10,724,600	\$ 9,523,420	\$ 10,578,995	\$ 13,245,360	\$ 9,638,680	\$ 18,955,700	\$ 6,399,600
Beginning Cash Balance	\$ 11,087,611	\$ 8,304,210	\$ 7,140,742	\$ 7,214,327	\$ 6,662,714	\$ 7,336,072	\$ 6,925,412	\$ 3,811,589	\$ 4,266,038	\$ (4,536,112)
Annual Surplus (deficit)	(2,783,401)	(1,163,468)	73,585	(551,612)	673,358	(410,659)	(3,113,823)	454,449	(8,802,150)	3,732,911
Ending Cash Balance	\$ 8,304,210	\$ 7,140,742	\$ 7,214,327	\$ 6,662,714	\$ 7,336,072	\$ 6,925,412	\$ 3,811,589	\$ 4,266,038	\$ (4,536,112)	\$ (803,202)
Summary by Function										
	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>	<u>2042</u>	<u>2043</u>	<u>2044</u>
General Services	\$ 123,500	\$ 233,500	\$ 126,500	\$ 78,500	\$ 478,500	\$ 126,500	\$ 78,500	\$ 78,500	\$ 81,500	\$ 123,500
Public Safety	2,597,200	1,111,230	995,260	779,800	773,120	1,450,195	2,363,560	1,186,880	803,900	651,800
Facilities	872,000	607,000	575,000	167,000	544,000	426,000	2,419,000	635,000	11,087,000	4,000
Streets & Pathways	3,052,300	2,642,400	3,048,800	2,331,300	2,666,300	3,209,300	2,573,300	2,426,300	2,286,300	2,211,300
Utilities	4,860,000	5,473,000	4,352,000	6,057,000	4,484,500	4,611,000	4,427,000	4,673,000	4,403,000	3,159,000
Parks & Recreation	1,567,000	1,242,000	1,006,000	1,311,000	577,000	756,000	1,384,000	639,000	294,000	250,000
Expenditures	\$ 13,072,000	\$ 11,309,130	\$ 10,103,560	\$ 10,724,600	\$ 9,523,420	\$ 10,578,995	\$ 13,245,360	\$ 9,638,680	\$ 18,955,700	\$ 6,399,600
Summary by Asset Type										
	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>	<u>2042</u>	<u>2043</u>	<u>2044</u>
Vehicles	\$ 3,598,000	\$ 1,490,000	\$ 1,221,000	\$ 2,034,000	\$ 762,500	\$ 1,794,000	\$ 1,979,000	\$ 814,000	\$ 689,000	\$ 565,000
Equipment	\$ 752,300	\$ 1,223,730	\$ 881,160	\$ 1,364,200	\$ 1,024,020	\$ 939,095	\$ 1,167,660	\$ 706,280	\$ 448,300	\$ 245,200
Furniture & Fixtures	\$ 93,400	\$ 58,100	\$ 14,100	\$ 17,100	\$ 43,100	\$ 49,600	\$ 17,400	\$ 63,100	\$ 16,100	\$ 8,100
Buildings	\$ 889,000	\$ 624,000	\$ 599,000	\$ 189,000	\$ 605,500	\$ 433,000	\$ 2,433,000	\$ 632,000	\$ 11,084,000	\$ 1,000
Improvements	7,739,300	7,913,300	7,388,300	7,120,300	7,088,300	7,363,300	7,648,300	7,423,300	6,718,300	5,580,300
Expenditures	\$ 13,072,000	\$ 11,309,130	\$ 10,103,560	\$ 10,724,600	\$ 9,523,420	\$ 10,578,995	\$ 13,245,360	\$ 9,638,680	\$ 18,955,700	\$ 6,399,600

Glossary of Terms

Accrual – An accounting practice of matching expenses with related revenues. Generally, expenses are reflected when the obligation is incurred, while revenue is reflected when earned, not when payment is received.

Appropriation – an appropriation represents a specific amount of money formally designed for a particular purpose.

Assessment – Refers to a financial lien placed by the City against a property to pay for the property's fair share of any street or utility improvement.

Asset – generally refers to property, plant, or equipment that has an extended useful life and therefore can be relied upon to assist in the provision of programs or services beyond the current calendar year.

Audit – an examination of city records and accounts by an external source to check their validity and accuracy.

Balanced Budget – A budget adopted by the City Council and authorized by resolution where the proposed expenditures are equal to or less than the proposed revenues plus fund balances.

Bonds – A method of borrowing (similar to a loan) used by the City to finance the construction or reconstruction of City facilities or infrastructure. See also, 'Debt Service'.

Budget – Refers to the City's planned use available monies for the upcoming fiscal year. The budget is considered 'balanced' when expected revenues are equivalent to planned expenditures.

Capital Improvement Plan - A long-term projection of all planned capital replacements of City facilities, street and utility infrastructure, vehicles and rolling stock, and other improvements.

Charges for Services include administrative charges between funds, wireless antenna lease revenues, recreation program fees, user charges for; water, sanitary sewer, storm drainage, and solid waste recycling fees, and greens fees for the municipal golf course.

Community Development includes planning and economic development, code enforcement, and geographic information systems.

Comprehensive Plan - A defined land use and zoning plan that was developed and placed into Roseville's City ordinances.

Contractual Services include professional services, dispatching services and contractual maintenance costs.

Debt Management Plan – A schedule of the City's debt service payments and an overview of the general principles that governs the issuance of City debt.

Debt Service – Refers to the principle and interest paid on bonds used to finance City facility and infrastructure improvement projects.

Depreciation - The systematic allocation of the cost of an asset over its useful life.

Economic Development Authority (EDA) – is a separate legal entity approved by the Council and charged with furthering economic development and the various housing programs of the City.

Enterprise Operations includes water, sanitary sewer, storm drainage, environmental recycling, and the Cedarholm golf and community building. They are specifically segregated from other City Funds due to their unique revenue stream and accounting practices.

Financial Plan – refers to the long-term financial picture based on the general direction of the City, 10-Year Capital Improvement Plan, and general budgeting decisions. The Plan also forecasts financial impacts on residents based on projected trends.

Fines & Forfeits include fines paid for traffic violations and criminal offenses occurring within the City limits.

Fiscal Disparities – is a wealth-sharing tool, somewhat unique to Minnesota that represents the portion of Commercial/Industrial property value added since 1974. This captured property value is shared amongst municipalities within the Twin Cities Metropolitan Area.

Full-time Equivalent – or FTE, represents a calculation of total staffing resources using the conversion that each full-time employee who works 40 hours per week, or 2,080 per year, would equal 1.0 FTE. An employee that works only 20 hours per week would equate to 0.50 FTE.

Fund – a separate account of assets, liabilities, revenues, and expenditures that was created for legal or management purposes, as a mean of segregating specific financial activity from other governmental operations.

Fund Balance – represents the cumulative reserves (surplus monies) that have been realized within the City's general and special-purpose operations and are available for future appropriations.

General Fund – the primary fund for the City of Roseville, which includes most State, or County mandated functions that are supported primarily by property taxes.

General Government – refers to those programs and services that are associated with general centralized City functions. They include, but are not limited to; Administration, Legal, Finance, Elections, and City Council expenditures.

Geographic Information Systems (GIS) – refers to the study of relationships between geographic parcels or areas. It is primarily used in the City's Community Development Program.

Governmental Funds – refers to the fund group that is used to account for the City's general operations. These operations are normally supported by taxes and intergovernmental revenues.

Inflation – A general measure of the change in prices and/or the costs of providing programs and services.

Infrastructure – Refers to City facilities, streets, parks, and utilities that have a useful life of at least ten (10) years.

Interest Earnings include investment earnings on cash reserves.

Inter-fund Charges – Represent administrative support charges that are assessed by internal service functions against other city functions to more accurately represent the true cost of providing City programs and services.

Intergovernmental Revenue – Includes Federal, State, or local monies received from other public entities.

Joint Powers Agreements (JPA) – Agreements entered into by public entities that are mutually beneficial. The JPA typically involves a contractual relationship whereby one entity provides a service to another in exchange for payment.

Lawful Gambling - Charitable gambling done by non-profit organization that is regulated by the State of Minnesota and the City of Roseville. The City of Roseville taxes gross revenues at 1% and gross profits at 10%.

Licenses & Permits include business licenses, building-related permits and fees, and licenses and fees collected at the License Center.

Net Assets - represents the cumulative reserves (surplus monies) that have been realized within the City's business-type operations (proprietary funds) and are available for future appropriations.

Operating Fund – a fund type that typically accounts for the on-going and day-to-day activities of specific programs or services. The General Fund is the primary operating fund of the City.

Other Charges include memberships, inter-fund charges, and training and conferences.

Park Master Plan – Refers to the City's long-range plan for developing and redeveloping the Park system including facilities, trails, and natural amenities.

Parks and Recreation includes recreation administration and programs, leisure activities, and the Skating Center operation.

Pavement Management Program – Refers to the City's long-range plan for repairing and reconstruction local streets.

Permanent Fund - a fund which have been legally established where only the investment income may be used for which the Fund was established.

Personal Services includes the wage, benefit, and insurance costs of employees.

Personnel Costs – See 'Personal Services'.

Public Safety includes the costs associated with providing police and fire protection.

Public Works includes engineering, street maintenance, street lighting, fleet maintenance, and building maintenance functions.

Property Taxes include taxes levied against taxable property.

Proprietary Funds – refers to the fund group that is used to account for the City's business-type operations. These operations are normally supported by user fees and operate more like a private business would.

Reserves – monies held in interest-bearing accounts that are set aside for some future purpose but are not necessarily needed in the current fiscal year. Reserves are also referred to as ‘fund balance’ or ‘sinking funds’.

Sinking Funds – See ‘Reserves’.

Special Assessment - A charge made against certain properties to defray all or part of the cost of a specific capital improvement that benefits primarily those properties.

Special Purpose functions include information technology, communications, license center, lawful gambling enforcement, and parks maintenance.

State Aid monies refer to a variety of both general and specific aids provided by the State of Minnesota. It includes funding for police training, fire equipment, street maintenance and repair, and others.

Supplies and Materials include office supplies, motor fuel and vehicle supplies, clothing and protective gear, street repair materials, and salt/sand purchases.

Tax Capacity – a formula used to represent the taxable property value of a parcel(s) within the City and is used to determine the local tax rate.

Tax Levy – See ‘Property Taxes’.

Tax Increment Financing (TIF) - A method of financing by which improvements made in a designated area are paid by the taxes generated from the added taxable value of the improvements.

Trust Operations includes endowment funds used to offset general taxes, and to maintain the City-owned Roseville Lutheran Cemetery. A decrease in available funds will result due to falling interest rates, which in turn generate less interest earnings. The principal endowment of these funds remains intact.

User Fees – Refers to charges paid by end users for the purchase of City services. User fees are typically associated with recreational programs and water and sewer services.

Utilities – includes costs of gas and electric usage in the buildings. It also includes the costs attributable to the purchase of water from the City of St. Paul and wastewater treatment costs paid to the Met Council.

Variance Board – is a Council-appointed Board charged with the task of reviewing requests by Roseville landowners for variances under the City’s Land Use Code(s).

Vehicle Replacement Program – Through departmental depreciation charges, the City establishes a Vehicle Replacement Fund that is used to replace City vehicles at the end of their useful life. For each vehicle class, a replacement schedule is determined based on the vehicle’s use and expected wear and tear.