



2010 Budget and Capital Improvement Plan

2010 Budget
2010-2019 Capital Improvement Plan
Adopted December 21, 2009

Prepared by the Department of Finance

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Letter of Transmittal

December 21, 2009

To the Mayor and City Council,

Enclosed is the 2010 City Budget as prepared by City Staff, in accordance with City Council direction. The 2010 Budget culminates nearly a year's worth of planning, evaluation, and input from the City Council, advisory commissions, and citizens. 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 year's and future year's budgets.

For 2010, the City initiated a new outcome-based budgeting approach that was designed to better equate desired outcomes with spending decisions. This process was also designed to give greater transparency on where financial resources were allocated. In addition, it ensured through a prioritization process, that the programs and services that mattered the most to the community received sufficient funding.

This new process included multiple community meetings as well as several public hearings for the purposes of soliciting input and to gauge citizen reaction to proposed service offerings. The level of public participation during the budgeting process was significantly more than in previous years – a specific objective outlined in the City's Imagine Roseville 2025 (IR2025) long-term visioning process.

For 2010, the City projects a significant decline in state aid monies, interest earnings, and other revenues that support the City's Police, Fire, Public Works, and Parks & Recreation functions. In addition, the City's vehicle replacement program lacked the appropriate resources to replace vehicles at the optimal time. These financial realities necessitated a larger-than usual increase in the property tax levy. Despite this increase, Roseville residents still pay less for city services than most peer cities, and as a percentage of household income, residents pay less than they did in 2002.

The City expects to face a number of financial challenges for 2010 and beyond. They include:

- Volatility in fuel and energy costs
- Maintaining a competitive employee compensation and benefit package
- Strengthening the City's asset replacement funding mechanisms
- Positioning the City to continue implementing recommendations set forth in the Imagine Roseville 2025 process
- Responding to reductions in state-aid monies

With the exception of the challenge pertaining to the IR2025 process, all of these impacts have been generally on-going for the past several years. Each of these impacts is addressed in greater detail below.

Many of the City's largest service inputs - such as fuel and energy related costs remain volatile and are outpacing general inflation. The City spends over \$550,000 annually for fuel and energy costs alone. And although these costs are below all time levels, the City recognizes the need to remain committed to reducing overall consumption in 2010 and beyond.

Also, in an effort to attract and retain high-performing employees, the City makes great effort to ensure that the City's compensation and benefit package is commensurate with peer communities. However, given the current economic situation, the City does not expect to award an employee cost-of-living adjustment (COLA) in 2010. It is recognized that this may not necessarily be an option in subsequent years.

The City's asset replacement funding mechanisms, while strong in some areas, do not have sufficient revenue streams to replace the City's vehicles, park system assets or city facilities at the optimal time. The City was limited in its ability to improve this situation in 2009; therefore additional emphasis in this area was provided for in 2010. This included the re-establishment of vehicle replacement funding, as well as continued funding for street and utility infrastructure replacement.

The City's cash reserves, while strong overall, are below target levels in a few of the City's key operating funds. Like the City's asset replacement mechanisms, additional emphasis on improving key reserve levels will be needed in 2011 and beyond.

The 2010 Budget attempts to continue incorporating the goals and strategies that were identified in the IR2025 visioning process completed in 2007. This process resulted in the citizen recommendation of the following goals:

- 1) Roseville is a welcoming community that appreciates differences and fosters diversity
- 2) Roseville is a desirable place to live, work, and play
- 3) Roseville has a strong and inclusive sense of community
- 4) Roseville residents are invested in their community
- 5) Roseville is a safe community
- 6) Roseville housing meets community needs
- 7) Roseville is an environmentally healthy community
- 8) Roseville has world-renowned parks, open space, and multi-generational recreation programs and facilities
- 9) Roseville supports the health and wellness of community members
- 10) Roseville supports high quality, lifelong learning
- 11) Roseville has a comprehensive, safe, efficient, and reliable transportation system
- 12) Roseville has well-maintained, efficient, and cost-effective public infrastructure
- 13) Roseville has technology that gives us a competitive advantage
- 14) Roseville has a growing, diverse, and stable revenue base
- 15) Roseville responsibly funds programs, services, and infrastructure to meet long-term needs

During the past few years, the City has achieved some short term objectives outlined in the IR2025 process. In early 2010, the City Council is expected to develop an action plan to achieve stated longer-range goals. However, given current economic conditions future appropriations for IR2025 initiatives will be especially challenging in 2011 and perhaps longer. It does however, remain an important guideline for determining services and service levels.

For 2009-2011, the State Legislature imposed levy limits which established a maximum operating levy increase for all municipalities in the state. While the City's 2010 levy is below that maximum amount, the limit for 2011 may inhibit the City's ability to maintain service levels. For 2009 and 2010, the City froze spending for many budgeted areas, and eliminated a number of one-time appropriations in an effort to minimize tax levy increases.

Finally, the 2010 Budget reflects the adopted budget and financial policies that help guide budgeting and spending decisions. These policies were reaffirmed in 2008 and can be found in Appendix A of this document.

The following budget document summarizes the 2010 Budget for all City programs and services. The information 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 – Program Budgets Includes a summary of each major city program or division including goals and objectives, prior year accomplishments, and budget impact items. The purpose of this section is to provide a quick overview of the individual programs and services provided by the City.

Section 3 – Strategic Financial Plan presents information regarding the City’s Debt Management Plan, 10-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 budget.

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.

The remaining portions of this budget document provide greater detail on the funding sources and uses. We sincerely hope that all interested parties will find this document useful in evaluating the City’s programs and services. 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 in fulfilling the promises embedded in this budget.

Respectfully submitted,

William J. Malinen
City Manager

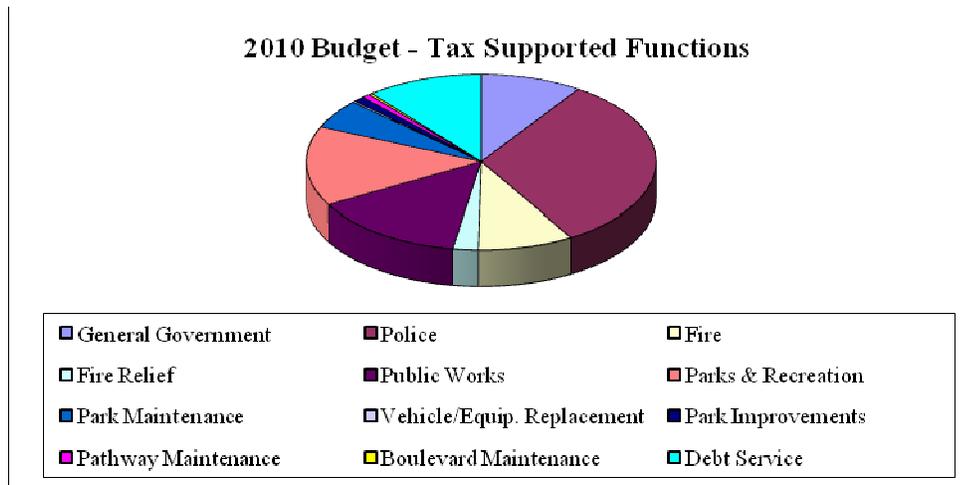
Christopher K. Miller
Finance Director

City of Roseville – 2010 Budget

2010 Budget Summary

The 2010 Budget is \$37,703,959, an increase of \$212,984 or 0.6%. The combined budget for the tax-supported funds is \$16,363,514, an increase of \$ 345,319 or 2.1%.

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



Program or Function	2009 Budget	2010 Budget	\$ Increase (decrease)	% Increase (decrease)
General Government	1,716,800	1,726,895	\$ 10,095	0.6 %
Public Safety	7,750,975	7,948,425	197,450	2.6 %
Public Works	2,385,375	2,619,585	234,210	9.8 %
Parks & Recreation	2,818,105	2,694,695	(123,410)	(4.4) %
Community Development	1,317,055	1,260,295	(56,760)	(4.3)%
Special Purpose	3,615,795	3,561,830	(53,965)	(1.5)%
Capital Outlay (non-oper.)	3,363,095	2,254,109	(1,108,986)	(33.0) %
Enterprise Operations	11,929,275	12,753,625	824,350	6.9 %
Debt Service	1,690,000	1,980,000	290,000	17.2 %
TIF Pay-as-you-Go	900,000	900,000	-	0.0 %
Trust Operations	4,500	4,500	-	0.0 %
Total	\$ 37,490,975	\$ 37,703,959	\$ 212,984	0.6 %

General Government includes activities related to City Council and Commissions, elections, legal, general administration, finance, and central services. General government expenditures are expected to remain largely unchanged. Base wages have been frozen at existing levels. This has offset rising employee healthcare costs and other inflationary-type costs.

Public Safety includes the costs associated with providing police and fire protection. Public safety expenditures are expected to increase due to the increased costs for the Fire Relief Association's unfunded liability as well as the re-establishment of vehicle depreciation charges. This has been partially offset by the planned vacancy of a number of employee positions.

Public Works includes engineering, street maintenance, street lighting, fleet maintenance, and building maintenance functions. Expenditures are expected to increase due to the re-establishment of vehicle depreciation charges and added street maintenance supplies and materials.

Parks and Recreation includes recreation administration and programs, leisure activities, and the Skating Center operation. Consistent with other departments, wages have been frozen at existing levels and a number of positions have been left vacant, resulting in an overall reduction.

Community Development includes planning and economic development, code enforcement, and geographic information systems. Expenditures are expected to decrease due to a one-time appropriation in 2009 for the City's Zoning Code rewrite that was no longer needed in 2010.

Special Purpose functions include information technology, communications, license center, lawful gambling enforcement, and parks maintenance. Staffing increases in the IT function have been offset by employee reductions in the License Center. In addition, budgeted transfers from the License Center to the General Fund have been eliminated for 2010 due to a reduction in the projected operating surplus.

Capital Outlay includes scheduled replacement purchases of vehicles and equipment (non-operating budgets), as well as general infrastructure improvements. An overall reduction is shown reflecting a general downturn in capital replacements.

Enterprise Operations includes water, sanitary sewer, storm drainage, solid waste recycling, and the municipal golf course. Added contractual services will place added pressure on these operating budgets. This includes a projected 4.5% increase in costs related to the purchase of wholesale water from St. Paul, and a 4.5% increase in wastewater treatment costs through the Metropolitan Council Environmental Services (MCES) Division.

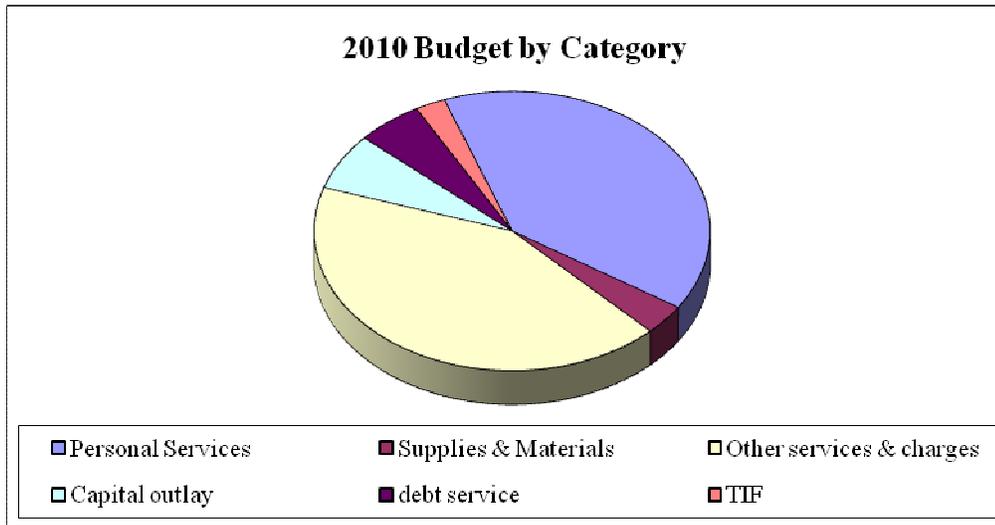
Debt Service includes the principal and interest paid on bonds used to finance infrastructure and facility improvement projects. The increase reflects the additional debt service to repay the bonds used to finance the replacement of the Ice Arena refrigeration system.

TIF Pay-as-you-Go refers to tax increment paid to developers as specified in Tax Increment Financing (TIF) agreements between the City and various developers.

Trust Operations includes funds set aside to maintain a City-owned Cemetery.

City of Roseville – 2010 Budget

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



Type of Expense	2009 Budget	2010 Budget	\$ Increase (decrease)	% Increase (decrease)
Personal Services	\$ 15,279,825	\$ 15,336,410	\$ 56,585	0.4 %
Supplies & Materials	1,282,650	1,477,650	195,000	15.2 %
Other Services & Charges	14,975,405	15,755,790	780,385	5.2 %
Capital Outlay	3,363,095	2,254,109	(1,108,986)	(33.0) %
Debt Service	1,690,000	1,980,000	290,000	17.2 %
TIF Pay-as-you-Go	900,000	900,000	-	0.0 %
Total	\$ 37,490,000	\$ 37,703,959	\$ 212,984	0.6 %

Personal Services includes the wage, benefit, and insurance costs of employees. Base wages are expected to remain at current levels, although the City will be incurring additional healthcare costs.

Supplies and Materials include office supplies, motor fuel and vehicle supplies, clothing and protective gear, street repair materials, and salt/sand purchases. Additional monies were appropriated for added street maintenance efforts and general citywide inflationary costs.

Other Services and Charges include professional services, contractual maintenance and repair, utilities, memberships, interfund charges, and training and conferences. 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. The City is expecting a 4.5% increase in rates paid to St. Paul and the Met Council for these services.

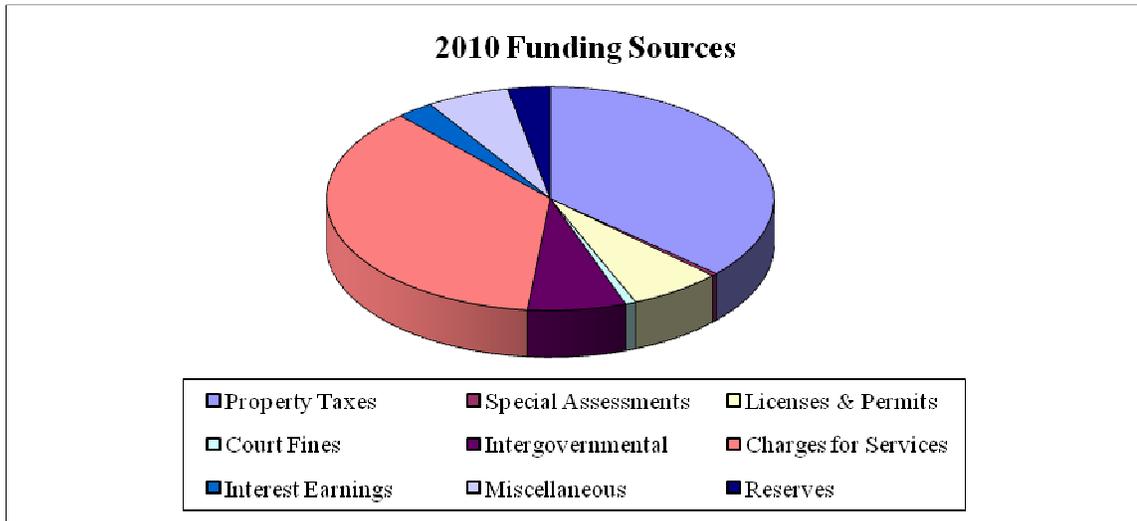
Capital Outlay includes both new and scheduled replacement purchases of vehicles and equipment, water meters, and infrastructure improvements. An overall reduction is shown reflecting a general downturn in capital replacements.

Debt Service includes the principal and interest paid on bonds used to finance infrastructure and facility improvement projects. The increase reflects the additional debt service to repay the bonds used to finance the replacement of the Ice Arena refrigeration system.

TIF Pay-as-you-Go refers to tax increment paid to developers as specified in Tax Increment Financing (TIF) agreements between the City and various developers.

Budget Funding Sources

The following graph and table summarizes the funding sources for the 2009 Budget.



Funding Source	2009 Budget	2010 Budget	\$ Increase (decrease)	% Increase (decrease)
Property Taxes *	\$ 13,138,860	\$ 13,832,404	\$ 693,544	5.3 %
Special Assessments	150,000	150,000	-	0.0 %
Intergovernmental Rev.	2,632,775	2,668,144	70,139	2.7 %
Licenses & Permits	2,598,005	2,517,775	(115,000)	(4.4) %
Charges for Services	14,617,495	13,834,995	(782,500)	(5.4) %
Fines & Forfeits	286,000	288,770	2,770	1.0 %
Interest Earnings	1,072,860	1,005,795	(67,065)	(6.3) %
Other Revenues	1,964,300	2,258,450	294,150	15.0 %
Use of Reserves **	1,030,680	1,147,626	116,946	11.3 %
Total	\$ 37,490,975	\$ 37,703,959	\$ 212,984	0.6 %

* 2010 amount has been reduced by \$450,000 to reflect the expected loss of state aid.

** Represents planned spending from capital replacement funds

Property Taxes include taxes levied against taxable property. The increase in property taxes will offset the expected loss of \$450,000 in State Market Value Homestead Credit Aid, reinstate funding for the City’s vehicle replacement program, and provide for some inflationary costs.

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

Intergovernmental Revenues include MSA state aids (\$1,050,000), police, fire, and street maintenance aid (\$900,000) and monies received under joint powers agreements (\$660,000). The increase is expected due to added revenues from Joint Powers Agreements related to the City’s IT support functions.

Licenses & Permits include business licenses (\$260,000), building-related permits and fees (\$1,175,000), and licenses and fees collected at the License Center (\$1,075,000). Business license fees and building permit fees are expected to remain fairly constant, however license center revenues are expected to decline.

Charges for Services include administrative charges between funds (\$930,000), wireless antenna lease revenues (\$285,000), recreation program fees (\$1,850,000), user charges for; water (\$5,515,000), sanitary sewer (\$3,690,000), storm drainage (\$792,000), solid waste recycling fees (\$386,000), and greens fees for the municipal golf course (\$372,000). A decrease is shown reflecting a change in how the City budgets for planned utility capital replacements. These are now included in the ‘use of reserves’ category.

Fines & Forfeits include fines paid for traffic violations and criminal offenses occurring within the City limits. A slight increase is expected due to increased prosecution efforts.

Interest Earnings include investment earnings on cash reserves. Earnings are expected to decline in 2010 due to stagnant interest rates and a smaller investment portfolio.

Other Revenues include tax increment (\$900,000), lawful gambling taxes (\$150,000), cable franchise fees (\$320,000), and interfund transfers.

Use of Reserves denotes the amount of reserves that is projected to be used to finance one-time capital replacements and other uses.

City of Roseville – 2010 Budget

Tax Levy, Tax Capacity, and Tax Impact

The tax levy for 2010 is \$14,282,404; an increase of \$1,143,544 or 8.7%. The increase in property taxes will help offset the expected \$450,000 loss in state aid and to re-establish funding for the City's vehicle replacement program.

With the proposed tax levy and estimated changes in the City's tax base, an average-valued home of \$235,000 would see an increase of \$37 or 6.5% in their local property taxes.

The following table summarizes the 2010 tax levy.

Program or Service	2009 Actual Levy	2010 Actual Levy	\$ Increase (decrease)	% Increase (decrease)
General Fund – Programs	\$ 8,910,360	\$ 9,569,735	\$ 659,375	7.4 %
General Fund – lost MVHC	-	450,000	450,000	n/a
Parks & Recreation	926,560	833,755	(92,805)	(10.0) %
Parks Maintenance	931,940	994,805	62,865	6.7 %
Park Improvements	215,000	185,000	(30,000)	(14.4) %
Pathways Maintenance	140,000	135,876	(4,124)	(2.9) %
Streetscape Improvements	60,000	58,233	(1,767)	(2.9) %
Building Replacement	25,000	25,000	-	0.0 %
Information Systems	50,000	50,000	-	0.0 %
Debt Service – Streets	800,000	800,000	-	0.0 %
Debt Service – City Hall, PW	825,000	825,000		
Debt Service - Arena	255,000	355,000	100,000	39.2 %
Total	\$ 13,138,860	\$ 14,282,404	\$ 1,143,544	8.7 %

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 2009 and 2010 (estimated) is 24.546% and 27.505% respectively.

To determine an individual property's tax, the local tax rate is applied to the property's net tax capacity. For example, a \$235,000 home has a tax capacity of 2,350 (235,000 multiplied by 1% - the Statewide tax formula for homestead property). This tax capacity figure is then multiplied by the local tax rate.

$$2,350 \times .27505 = \$646$$

In 2010 a \$235,000 home will pay an estimated \$646 in city taxes. A similar calculation for other property valuations is shown in the tables below.

City of Roseville – 2010 Budget

The following table summarizes the estimated tax impact on **residential** homes, based on the 2010 tax levy and budget, estimates provided by Ramsey County, and assuming no increase in property valuation.

Value of Home	2009 Actual	2010 Estimated	\$ Increase (decrease)	% Increase (decrease)
\$ 175,000	\$ 430	\$ 481	\$ 52	12.0 %
200,000	491	550	59	12.0 %
235,000	577	646	70	12.0 %
275,000	675	756	81	12.0 %
300,000	736	825	89	12.0 %

* Note: Property valuations are determined by the Ramsey County Assessor's Office

As shown above, an average-valued home of \$235,000 would see an increase of \$70 or 12.0%, holding all other factors constant.

The following table summarizes the estimated tax impact on **residential** homes, based on the 2010 tax levy and budget, estimates provided by Ramsey County, and assuming a 5% decrease in property valuation – the typical change for 2010.

Value of Home	2009 Actual	2010 Estimated	\$ Increase (decrease)	% Increase (decrease)
\$ 175,000 *	\$ 430	\$ 457	\$ 28	6.5 %
200,000	491	523	32	6.5 %
235,000	577	614	37	6.5 %
275,000	675	719	44	6.5 %
300,000	736	784	48	6.5 %

* Original value shown. 2009 Impact reflects a 5% valuation decrease.

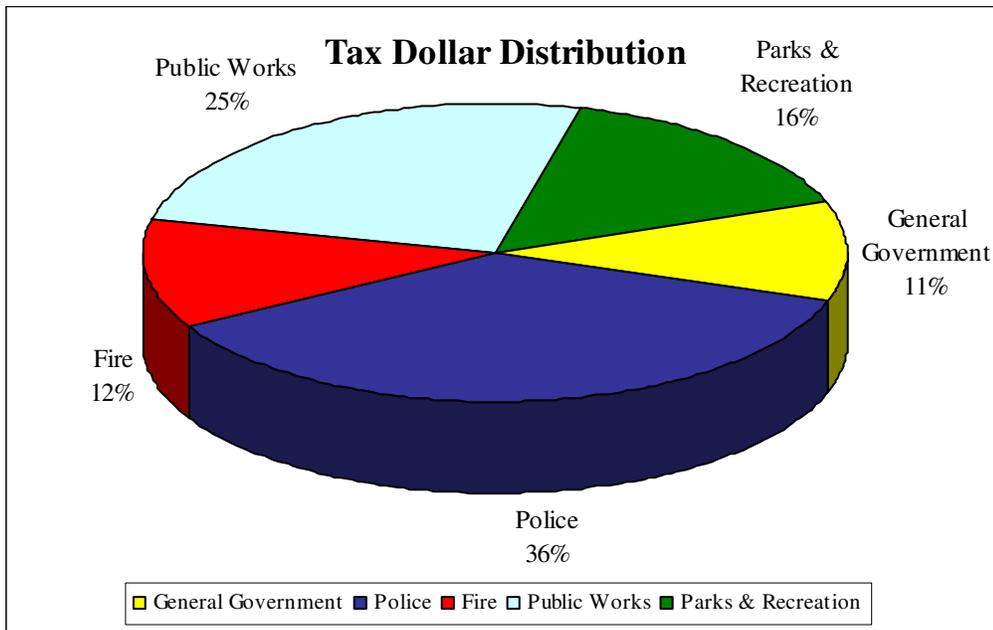
The following table summarizes the estimated tax impact on **commercial** property, based on the 2010 tax levy and budget, estimates provided by Ramsey County, and assuming no increase in property valuation.

Value of Property	2009 Actual	2010 Estimated	\$ Increase (decrease)	% Increase (decrease)
\$ 200,000	\$ 798	\$ 894	\$ 96	12.0 %
300,000	1,289	1,444	155	12.0 %
500,000	2,271	2,544	274	12.0 %
1,000,000	4,725	5,295	570	12.0 %
2,000,000	9,634	10,796	1,161	12.0 %

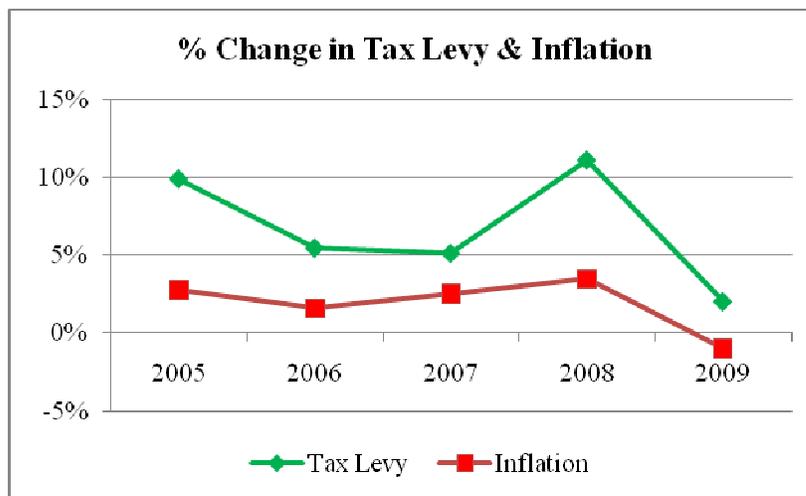
Tax Levy Benchmarks

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.

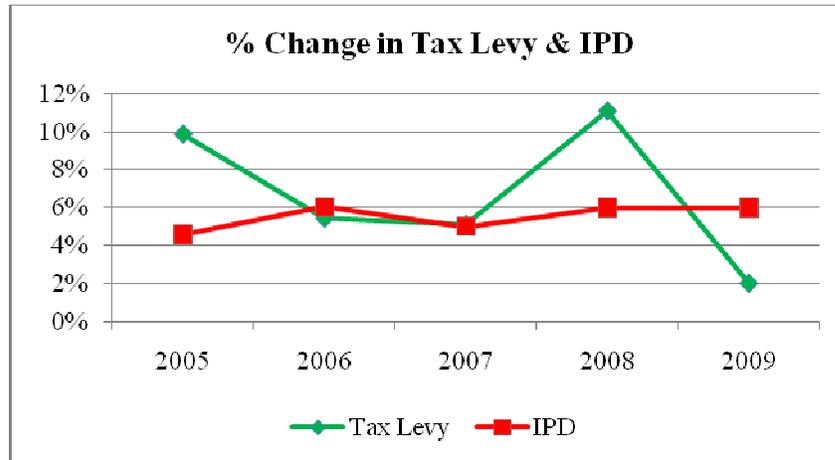
The majority of local tax monies provide funding for police & fire, public works, and parks and recreation services. This can be shown in the following graph which highlights tax spending for these services as compared to other governmental services.



A 5-year summary of the tax levy increases as compared to the local inflation rate is shown below. The local inflation rate represents the price increase in a typical household’s purchases.



A similar comparison can be made using the Implicit Price Deflator (IPD) for state and local governments. The IPD measures the amounts paid for service inputs specific to governmental operations which oftentimes includes supplies, materials, or other costs that are unique and therefore less comparable to a household's purchase. A 5-year summary of the tax levy increases as compared to the IPD is shown below.



For the last 5 years, the increase in the tax levy has outpaced the inflation rate. This is largely the result of higher-than inflation personnel costs and other service inputs such as fuel and energy-related costs. In addition, the City has had to increase its levy to offset reductions in state-aid. However, as depicted in the second chart which incorporates the IPD, Roseville compares much more favorably to other local governments. Over the past 5 years, the tax levy has increased approximately 1% more than the IPD.

Another benchmark that is oftentimes used is a comparison of local property taxes among comparable cities. Although the comparison somewhat masks local needs and preferences, it nonetheless provides a general picture of each City's tax burden.

2009 Local Property Taxes

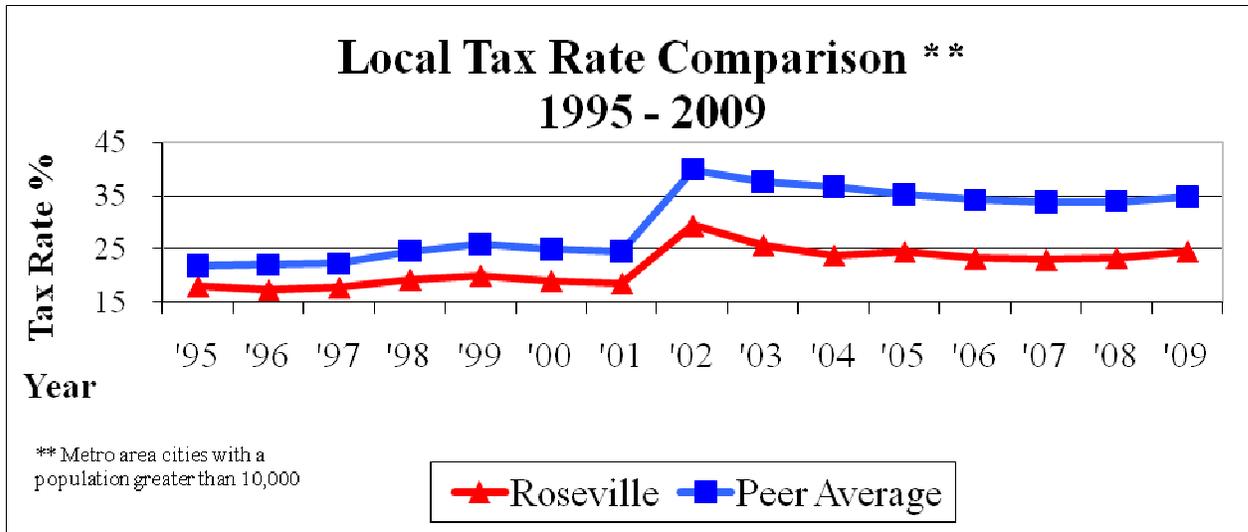
City *	City Taxes
Brooklyn Center	\$ 1,117
Savage	1,081
Richfield	999
Inver Grove Heights	902
St. Louis Park	862
Cottage Grove	812
Shakopee	767
Maplewood	765
Andover	759
Oakdale	712
Fridley	674
Shoreview	591
Roseville	577

* For cities within the Twin Cities Metropolitan Area, serving populations between 25,000 – 45,000; and for a home valued at \$235,000

City of Roseville – 2010 Budget

As shown in the above table, Roseville has the lowest property tax burden amongst cities within the metro area that serve a population between 25,000 and 45,000. Even with the property tax levy increase of 8.7%, Roseville would still remain the lowest taxed City for this comparison group.

If an expanded comparison were made to include all cities in the metro area that serve a population in excess of 10,000, Roseville would have the 9th lowest taxes out of 60 cities. The tax burden on Roseville homeowners has consistently remained below the average for this peer group. This is summarized in the chart below.



In 1995, Roseville's tax rate was 18% lower than the peer average. In 2000, Roseville's tax rate was 24% lower than the average. Today, we're 30% lower.

City of Roseville – 2010 Budget

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 programs and services.

Program or Service	Type of Fund	Fund Name
City Council	Governmental	General
Human Rights	Governmental	General
Fire Relief Association	Governmental	General
Administration	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
Community Development - all	Governmental	Community Development
Communications	Governmental	Communications
Information Technology	Governmental	Information Technology
License Center	Governmental	License Center
Lawful Gambling	Governmental	Lawful Gambling
Pathway & Parking Lot Maintenance	Governmental	Pathway Maintenance
Park Maintenance	Governmental	Park Maintenance
Park Improvements	Governmental	Park Improvement
Recycling	Proprietary	Recycling
Sanitary Sewer	Proprietary	Sanitary Sewer
Water	Proprietary	Water
Storm Drainage	Proprietary	Storm Drainage
Golf Course	Proprietary	Golf Course

City of Roseville – 2010 Budget

Summary of Financial Trends

Governmental Funds

The table below shows a 5-year comparison of funding sources, uses, and changes in fund balance for all governmental funds.

	2006	2007	2008	2009	2010
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Property Taxes	\$ 10,684,683	\$ 11,246,116	\$ 12,417,024	\$ 13,138,860	\$ 13,832,404
Tax Increments	2,535,830	2,765,844	2,956,413	900,000	900,000
Special Assessments	561,329	589,047	423,053	150,000	150,000
Intergovernmental	1,160,324	1,903,993	1,476,064	2,523,005	2,603,144
Licenses & Permits	2,620,323	2,512,813	2,409,827	2,632,775	2,517,775
Charges for Services	3,610,219	3,386,256	3,402,802	3,087,720	3,071,905
Fines & Forfeits	255,585	242,630	232,250	286,000	288,770
Interest Earnings	1,205,188	1,888,916	1,353,641	912,860	845,795
Other Revenue	4,192,854	1,357,669	1,195,255	1,930,480	740,551
Total Sources	26,826,335	25,893,284	25,866,329	25,561,700	24,950,344
Funding Uses					
General Government	1,860,332	1,897,890	4,235,862	1,716,800	1,726,895
Public Safety	7,038,424	7,260,374	7,588,822	7,750,975	7,948,425
Public Works	1,933,040	2,074,778	2,255,799	2,385,375	2,619,585
Parks & Recreation	3,358,817	3,510,091	3,610,862	3,965,045	3,689,500
Community Development	994,850	1,103,384	1,230,407	1,317,055	1,260,295
Special Purpose	2,020,363	2,967,858	2,902,212	2,683,855	2,567,035
Capital Outlay	5,543,286	1,998,326	2,086,139	3,148,095	2,254,109
Debt Service	1,688,871	1,331,327	1,345,430	1,690,000	1,980,000
TIF Pay-as-you-go	920,529	540,665	1,079,740	900,000	900,000
Trust Operations	-	-	-	4,500	4,500
Total Uses	25,358,512	22,684,693	26,335,273	25,561,700	24,950,344
Other Sources (Uses)					
Early Debt Retirement	-	-	-	-	-
Bond Proceeds	-	-	2,550,000	-	-
Sale of capital assets	24,270	78,050	49,988	-	-
Other	839,898	28,729	41,874	-	-
Total Other Sources (Uses)	864,168	106,779	2,641,862	-	-
Excess of Funding Sources Over (Under) Funding Uses	2,331,991	3,315,370	2,172,918	-	-
Fund Balance - Jan 1st	26,885,907	29,217,898	32,533,268	34,706,186	34,706,186
Fund Balance - Dec 31st	\$ 29,217,898	\$ 32,533,268	\$ 34,706,186	\$ 34,706,186	\$ 34,706,186

Discussion Items

From 2006-2010, overall funding sources for the City’s governmental fund operations have remained fairly stable with a few exceptions.

Since 2006, the City has become more reliant on the property tax to fund current operations. This has resulted in large part due to the loss in Homestead Credit State-Aid. This was an intended effect resulting from the State Legislature’s decision to remove the homestead credit reimbursement to help finance the State’s takeover of the general education (per pupil) funding. In 2004, the tax levy was increased to accommodate new debt service on voter-approved bonds issued the previous year. The growth in the property tax levy is depicted below. For 2010, the increase in the tax levy was used to offset a further reduction in state aid, and to reinstate funding for the City’s Vehicle Replacement Program.



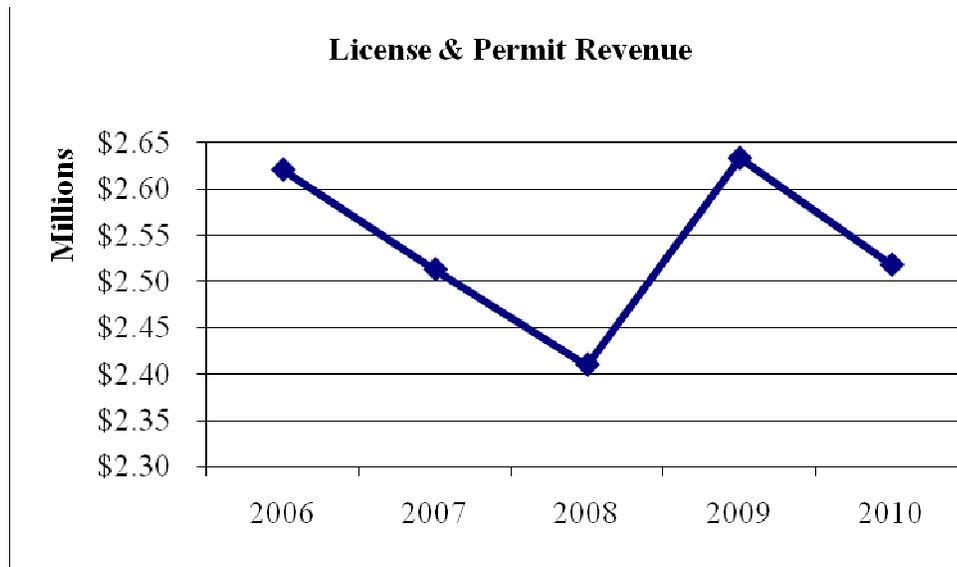
From 2011-2015, it is expected that the City’s tax levy will need to increase at levels that are above inflation. This will be necessary to offset expected increases in personnel-related costs and to strengthen the City’s asset replacement funding mechanisms. Beginning in 2011 or 2012 the City will be able to reduce the portion of the levy that is set aside to pay debt service.

Special assessments are expected to remain the same or decline in 2010. Beginning in the mid 80’s, the City embarked on a comprehensive street replacement program which resulted in a substantial amount of new assessment activity. These assessments have largely been paid off resulting in lower assessment revenues for 2010 and beyond.

The City expects to continue to see fluctuations in investment earnings in the coming years. While cash reserve levels are expected to remain relatively unchanged, price fluctuations on portfolio holdings and required accounting practices have resulted in market or ‘on-paper’ adjustments each year. 100% of the principal investment remains intact.

Although some fluctuations have occurred, the City has generally maintained its license and permits revenues during the past 5 years and expects that to continue in 2010 and beyond. Building permit revenue is expected to remain fairly steady as several major redevelopment projects get underway in the City's Twin Lakes Redevelopment Area. The City's License Center operation is expected to remain stable at 2009 levels.

License and permit revenue is shown below. It should be noted that the year 2009 and 2010 depicts the amount that was originally budgeted for.



From 2006-2010, the City continued to emphasize its core functions of public safety and public works. During this period, a substantial investment was made in police and fire information and communication systems including a new records management system and conversion to the 800mhz radio system. The public works area is realizing higher operating costs due to higher energy costs and service input costs such as fuel. It is expected that these 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. As noted above, the License Center continues to experience relative stability despite a challenging economic environment. The IT area has seen substantial growth in recent years as the City has not only emphasized greater investment in IT for its own needs, but it also provides IT support services for 23 area municipalities and other governmental agencies. The City expects these IT partnerships to continue in future years.

The City's debt service payments have been dropping since 2003. However, increases are expected in 2009 and 2010 as the City begins repaying debt issued to finance the replacement of the ice arena refrigeration system.

From 2006-2010, fund balance in the governmental funds increased by \$7.8 million. This largely resulted from the capture of excess tax increments in advance of closing selected Tax Increment Financing (TIF) Districts. Many of these districts will be closed by 2010 and the excess increment will be refunded.

City of Roseville – 2010 Budget

With the exception of the City’s TIF Districts, Fund balance levels are expected to remain unchanged in future fiscal years. However, it is recognized that changing priorities and unforeseen events may require the use of City reserves.

Proprietary Funds

The table below shows a 5-year comparison of funding sources, uses, and changes in fund balance for all proprietary funds, which includes Sanitary Sewer, Water, Storm Sewer, Recycling, and the Golf Course.

	2006	2007	2008	2009	2010
Funding Sources	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Net Sales of Merchandise	\$ 9,213	\$ 11,153	\$ 9,703	\$ -	\$ -
User Charges	8,352,987	8,862,154	9,223,601	10,601,307	10,763,090
Other Revenue	95,860	124,274	158,405	164,500	154,500
Total Sources	8,458,060	8,997,581	9,391,709	10,765,807	10,917,590
Funding Uses					
Personal Services	1,208,111	1,187,367	1,193,620	1,373,350	1,423,150
Supplies & Maintenance	165,739	178,659	208,905	185,950	199,250
Other Services & Charges	7,008,737	7,337,991	7,786,538	8,178,475	8,559,225
Depreciation	712,631	695,183	716,970	848,000	843,000
Total Uses	9,095,218	9,399,200	9,906,033	10,585,775	11,024,625
Other Sources (Uses)					
Interest Earnings	177,813	356,442	257,409	160,000	160,000
Sale of Assets	-	-	-	-	-
Grants / Other	64,216	63,861	66,661	-	-
Transfer In (out)	-	-	(25,000)	-	-
Total Other Sources (Uses)	242,029	420,303	299,070	160,000	160,000
Excess of Funding Sources					
Over (Under) Funding Uses	(395,129)	18,684	(215,254)	340,032	52,965
Net Assets - Jan 1st	25,523,825	25,128,696	25,147,380	24,898,041	25,238,073
Prior Period Adjustment	-	-	(34,085)	-	-
Net Assets - Dec 31st	\$ 25,128,696	\$ 25,147,380	\$ 24,898,041	\$ 25,238,073	\$ 25,291,038

Discussion Items

Proprietary funds receive most of their funding from user fees. Funding sources for the City’s Proprietary operations remain stable as the City’s water and sewer customers continue their strong presence. 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 ‘Other Services & Charges’ 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 begin upgrading its water distribution and sanitary sewer collection systems. Net assets of the City’s proprietary operations are expected to remain fairly steady over the next couple of years.

City of Roseville – 2010 Budget

General Fund

The table below shows a 5-year comparison of funding sources, uses, and changes in fund balance for the General Fund; the City’s primary operating fund.

Funding Sources	2006 <u>Actual</u>	2007 <u>Actual</u>	2008 <u>Actual</u>	2009 <u>Budget</u>	2010 <u>Budget</u>
Property Taxes	\$ 7,244,962	\$ 7,578,944	\$ 8,566,208	\$ 8,910,360	\$ 9,569,735
Intergovernmental	896,118	1,408,823	963,577	909,000	884,000
Licenses & Permits	322,444	286,218	295,005	282,400	267,400
Charges for Services	1,142,105	1,190,422	1,103,904	930,000	930,000
Fines & Forfeits	255,585	242,630	232,208	286,000	288,770
Interest Earnings	170,368	173,533	42,296	257,360	200,000
Other Revenue	158,201	278,043	212,246	278,030	155,000
Total Sources	10,189,783	11,158,613	11,415,444	11,853,150	12,294,905
Funding Uses					
General Government	1,860,332	1,897,890	2,086,833	1,716,800	1,726,895
Police	5,034,595	5,125,277	5,582,042	5,900,845	5,892,625
Fire	1,655,159	1,884,197	1,705,780	1,643,130	1,622,800
Fire Relief	348,670	250,900	301,000	207,000	433,000
Public Works	1,933,040	2,074,778	2,255,799	2,385,375	2,619,585
Other	-	-	-	-	-
Total Uses	10,831,796	11,233,042	11,931,454	11,853,150	12,294,905
Other Sources (Uses)					
Transfer In (Out)	1,973,674	(240,000)	8,000	-	-
Other	827,650	(866,935)	-	-	-
Total Other Sources (Uses)	2,801,324	(1,106,935)	8,000	-	-
Excess of Funding Sources Over (Under) Funding Uses	2,159,311	(1,181,364)	(508,010)	-	-
Fund Balance - Jan 1st	3,240,159	5,399,470	4,218,106	3,710,096	3,710,096
Fund Balance - Dec 31st	\$ 5,399,470	\$ 4,218,106	\$ 3,710,096	\$ 3,710,096	\$ 3,710,096

Discussion Items

During the period 2006-2010, overall funding sources for the City’s General fund operations increased at an average of 5% annually. The City’s tax levy increased substantially during this period. A portion of the increase was to offset the loss in homestead credit state-aid resulting from the State Legislature’s decision to remove the homestead credit reimbursement to help finance the State’s takeover of the general education (per pupil) funding. Further reductions in state-aid were made in 2009 and 2010 requiring additional levy increases

Beyond 2010, it is expected that the City’s tax levy will need to increase at levels that are higher than expected inflation. This will be necessary to offset expected personnel-related costs and other inflationary impacts, and to fully fund the City’s Vehicle and other Asset Replacement Programs.

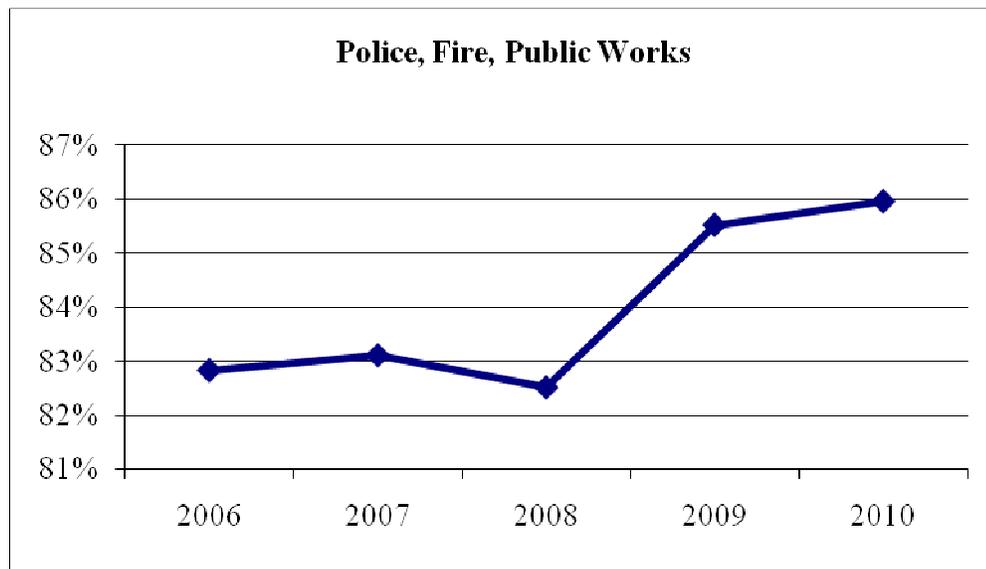
City of Roseville – 2010 Budget

As noted earlier, the City expects to continue to see fluctuations in investment earnings in the coming years. While cash reserve levels are expected to remain relatively unchanged, price fluctuations on portfolio holdings and required accounting practices have resulted in market or ‘on-paper’ adjustments each year. 100% of the principal investment remains intact.

License and permits revenue is also expected to remain near current levels for the foreseeable future. The City is not anticipating any significant changes in the issuance of business licenses and permits, nor do we project that the regulatory costs incurred by the City will change in any significant manner. As such, overall revenues should remain largely unchanged.

From 2006-2010, the City continued to emphasize its core functions of public safety and public works. During this period, a substantial investment was made in police and fire information systems including a new records management system and conversion to the 800 MHz radio system. Also, the public works area is realizing higher operating costs due to higher energy-related costs and service input costs such as fuel. It is expected that these costs will continue to increase in future budget years in order to maintain service levels.

Reflecting the emphasis described above, as a percentage of the General Fund; Police, Fire, and Public Works costs have generally increased during the past 5 years. This is depicted below.



Higher public safety and public works-related costs have been somewhat offset by lower general administrative costs, which have declined by 2% since 2006.

Since 2007, the General Fund balance declined by \$1.7 million due largely to the drawdown of reserves to offset state aid losses as well less-than-expected interest earnings. It is expected that future budgets will allow for planned surpluses that can be dedicated to replenishing these reserves.

City of Roseville – 2010 Budget

Recreation Fund

The table below shows a 5-year comparison of funding sources, uses, and changes in fund balance for the Recreation Fund.

Funding Sources	2006 <u>Actual</u>	2007 <u>Actual</u>	2008 <u>Actual</u>	2009 <u>Budget</u>	2010 <u>Budget</u>
Property Taxes	\$ 1,515,555	\$ 1,612,878	\$ 1,702,654	\$ 1,858,500	\$ 1,828,560
Charges for Services	1,610,987	1,632,153	1,564,056	1,885,045	1,854,440
Rentals	71,329	59,332	67,579	-	-
Donations	27,977	78,543	50,367	-	-
Interest Earnings	19,141	16,780	17,657	-	-
Other Revenue	80,536	128,897	104,161	6,500	6,500
Total Sources	3,325,525	3,528,583	3,506,474	3,750,045	3,689,500
Funding Uses					
Personnel	2,072,255	2,189,110	2,265,146	2,407,680	2,317,775
Supplies & Materials	249,999	253,501	263,740	264,745	277,675
Other Services & Charges	905,413	1,017,869	1,040,812	1,061,485	1,077,915
Capital Outlay	131,150	49,611	41,164	16,135	16,135
Total Uses	3,358,817	3,510,091	3,610,862	3,750,045	3,689,500
Other Sources (Uses)					
Transfer In (Out)	96,100	428,729	-	-	-
Other	-	-	-	-	-
Total Other Sources (Uses)	96,100	428,729	-	-	-
Excess of Funding Sources Over (Under) Funding Uses	62,808	447,221	(104,388)	-	-
Fund Balance - Jan 1st	(7,094)	55,714	502,935	398,547	398,547
Fund Balance - Dec 31st	\$ 55,714	\$ 502,935	\$ 398,547	\$ 398,547	\$ 398,547

Discussion Items

From 2006-2010, the City's Recreation Fund realized a steady increase in revenues at approximately 3% annually. This was somewhat due to a significant increase in the portion of the property tax dedicated for parks and recreation activities. Prior year financials clearly indicated that current service levels could not be maintained by user charges alone. User charges have increased at approximately 4% per year keeping pace with inflation and activity levels.

During this same period, operating expenses increased at approximately 2% annually – or less than the growth in revenues. This reflected a dedicated effort to find new cost efficiencies.

It is expected that future revenues and expenditures will increase at a commensurate level to account for activity levels and operating costs. In late 2007, the City Council agreed to transfer monies from the City's Taxpayer Reduction Fund – a separately held permanent fund that was discontinued in 2006. This provided a one-time increase in Fund Balance for the Recreation Fund.

City of Roseville – 2010 Budget

Community Development Fund

The table below shows a 5-year comparison of funding sources, uses, and changes in fund balance for the Community Development Fund.

Funding Sources	2006 <u>Actual</u>	2007 <u>Actual</u>	2008 <u>Actual</u>	2009 <u>Budget</u>	2010 <u>Budget</u>
Licenses & Permits	\$ 1,137,555	\$ 940,192	\$ 1,036,575	\$ 1,101,575	\$ 1,175,000
Charges for Services	3,626	1,307	65,000	-	-
Interest Earnings	34,095	24,113	10,000	10,000	15,295
Other Revenue	26,096	55,755	-	-	70,000
Total Sources	1,201,372	1,021,367	1,111,575	1,111,575	1,260,295
Funding Uses					
Personnel	784,944	830,297	906,000	906,000	1,017,940
Supplies & Materials	11,856	12,881	13,850	13,850	14,750
Other Services & Charges	195,673	258,770	365,395	365,395	219,855
Capital Outlay	2,377	1,436	17,000	17,000	7,750
Total Uses	994,850	1,103,384	1,302,245	1,302,245	1,260,295
Other Sources (Uses)					
Transfer In (Out)	(600)	-	-	-	-
Other	-	-	-	-	-
Total Other Sources (Uses)	(600)	-	-	-	-
Excess of Funding Sources Over (Under) Funding Uses	205,922	(82,017)	(190,670)	(190,670)	-
Fund Balance - Jan 1st	137,107	343,029	261,012	70,342	(120,328)
Fund Balance - Dec 31st	\$ 343,029	\$ 261,012	\$ 70,342	\$ (120,328)	\$ (120,328)

Discussion Items

During the period 2006-2010, the Community Development Fund realized some fluctuation in overall activity which was indicative of changing market conditions for both housing and commercial development. It is expected that beginning in late 2009 and continuing into 2010, development at several major areas will take place, which should stabilize the Fund's operations.

Staffing levels increased in the past couple of years reflecting the City's broader commitment to Housing Programs. The Roseville HRA reimburses the City for a portion of the personnel costs shown above.

Although not shown above, preliminary 2009 financial were stronger than projected, which provided for a positive fund balance. This should allow the City to continue planned Community Development activities in 2010 without resorting to any internal borrowing or significant operational changes.

City of Roseville, Minnesota

Elected and Appointed Officials

January 1, 2010

Elected Officials

		Term of Office expires *
Mayor	Craig Klausing	2011
Councilmember	Amy Ihlan	2011
Councilmember	Tammy Pust	2013
Councilmember	Dan Roe	2011
Councilmember	Jeff Johnson	2013

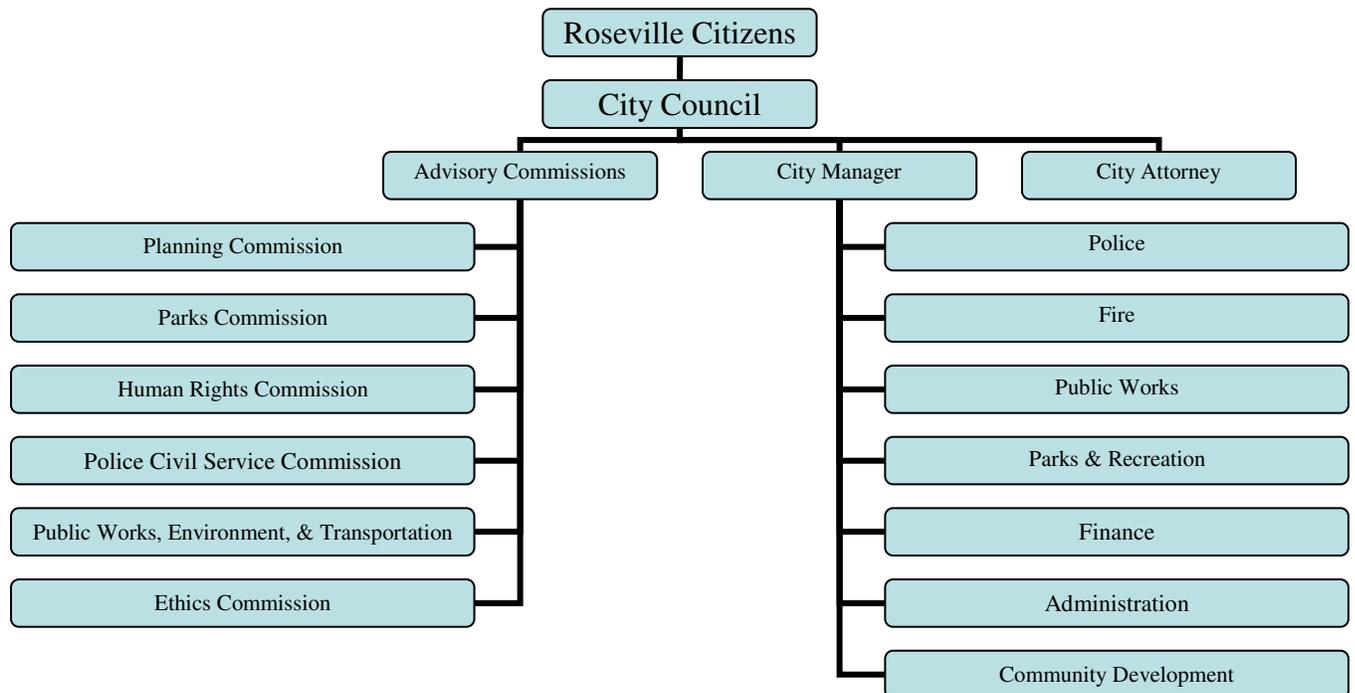
* expires on the first official business day in January

Appointed Officials

City Manager	William J. Malinen
Finance Director	Christopher K. Miller
Public Works Director	Duane Schwartz
Interim Police Chief	Rick Mathwig
Interim Fire Chief	Tim O'Neill
Parks & Recreation Director	Lonnie Brokke
Community Development Director	Patrick Trudgeon

City of Roseville, Minnesota

Organizational Chart



City of Roseville
Summary of the Budget Process

Budget Process Overview

The City of Roseville adheres to a comprehensive budgeting process that typically includes an initial Council budgeting goal-setting session(s), 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 to the City Council.

This year’s budgeting process was modified to incorporate a ‘budgeting for outcomes’ approach that was designed to give greater transparency on where financial resources were allocated. It also ensured through a prioritization process, that 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.ci.roseville.mn.us. 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:

2010 Budget Calendar

Council discussion on budget goals and priorities.....	February 7th, 2009
Discussion on Budgeting Process	February - July, 2009
Public Hearing to solicit Community Input	August 24th, 2009
Staff reports on Budgeting priorities.....	September - October, 2009
Adopt the 2009 Preliminary Budget	September 14th, 2009
Receive Final City Manager Recommended Budget.....	November 9th, 2009
Adopt the 2009 Water & Sewer Rates & Fee Schedule	November 16th, 2009
Truth-in-Taxation Hearing.....	December 7th, 2009
Adopt the 2010 Final Budget.....	December 21st, 2009

City of Roseville – 2010 Budget

City of Roseville Summary of Departmental Full-time Equivalent Employees

Department / Function	2008	2009	2010
Administration	3.75	3.75	3.75
Elections	0.25	0.25	0.25
Communications	1.25	1.25	1.25
Recycling	0.50	0.50	0.50
Finance	5.50	5.50	5.50
Information Technology	7.00	7.00	8.50
License Center	14.75	14.75	13.75
Lawful Gambling	0.50	0.50	0.50
Police Administration	5.00	5.00	5.00
Police Operations	40.00	40.00	39.00
Police Investigations	12.00	12.00	12.00
Police Community Services	1.00	1.00	0.50
Fire Administration	3.00	3.00	3.00
Fire Prevention	2.00	2.00	2.00
Fire Operations	3.00	3.00	3.00
Public Works Administration	7.75	7.75	7.25
Street Maintenance	7.50	7.50	7.50
Central Garage	2.00	2.00	2.00
Sanitary Sewer	5.16	5.16	5.66
Water	6.17	6.17	6.17
Storm Drainage	3.42	3.42	3.42
Recreation Administration	7.50	7.50	7.50
Recreation Fee Activities	0.50	0.50	0.50
Recreation Non-Fee Activities	1.00	1.00	1.00
Park Maintenance	6.25	6.25	5.25
Nature Center	1.00	1.00	1.00
Skating Center	6.00	6.00	6.00
Golf Course Clubhouse	1.00	1.00	1.00
Golf Course Maintenance	1.50	1.50	1.50
Planning	2.00	2.00	2.00
Economic Development	2.00	2.00	2.00
Code Enforcement	1.00	1.00	1.00
Geographic Information Systems	5.90	5.90	5.90
Total	166.15	166.15	164.05

Department / Program: **City Council**
Organizational Responsibility: **City Council & City Manager**

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.

2010 Goals and Objectives

- Continue evaluating redevelopment of the Twin Lakes area
- Address the unique service issues and housing needs for young families as well as senior citizens.
- Build relationships with community groups and governmental entities

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 40,887	\$ 39,364	\$ 42,880	\$ 42,880	\$ -	0.0 %
Supplies & Materials	22	367	-	-	-	0.0 %
Other Services & Charges	123,441	130,296	137,680	136,680	(1,000)	(0.7) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 164,350	\$ 170,027	\$ 180,560	\$ 179,560	\$ 1,000	(0.6) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable.

2008/2009 Achievements

- Conducted Imagine Roseville 2025 community visioning process

Department / Program: Human Rights Commission
Organizational Responsibility: City Council & City Manager

Department Description

The Human Rights Commission works for equal opportunity employment, non-discrimination in housing and public accommodations, and the fostering of a diverse community. The Program’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Increase the Commission’s visibility in the community including upgrading their presence on the City’s website

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	1,453	3,243	2,250	2,000	(500)	(11.1) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 1,453	\$ 3,243	\$ 2,250	\$ 2,000	\$ (500)	(11.1) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Increased participation in the middle school essay contest
- Organized community-wide Diversity Forum
- Enhanced the focus of the Commission to include neighborhood diversity

Department / Program: Fire Relief Association
Organizational Responsibility: City Council & Finance Director

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.

2010 Goals and Objectives

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

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	250,900	301,000	207,000	433,000	226,000	109.2 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 250,900	\$ 301,000	\$ 207,000	\$ 433,000	\$ 226,000	109.2 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- An increase is necessary to pay the City’s share of the Association’s Pension unfunded liability, caused by a decline in investment portfolio returns.

2008/2009 Achievements

- Full actuarial funding of pension requirements

Department / Program: Administration
Organizational Responsibility: City Manager

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.

2010 Goals and Objectives

- Establish Imagine Roseville 2025 action plan
- Evaluate quality of services, further an alternative budgeting process
- Establish performance measures

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 367,078	\$ 407,107	\$ 419,800	\$ 420,850	\$ 1,050	0.3 %
Supplies & Materials	1,829	1,382	2,100	1,500	(600)	(28.6) %
Other Services & Charges	37,396	48,044	62,340	41,890	(20,450)	(32.8) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 406,303	\$ 456,533	\$ 484,240	\$ 464,240	\$ (20,000)	(4.1) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	3.75	3.75	3.75	3.75

2010 Budget Impact Items

- Other services & charges include reductions in employee training, and hiring costs

2008/2009 Achievements

- Successfully coordinated Imagine Roseville 2025 process
- Redesigned City website
- Successfully promoted OVAL bonding bill request
- Enhanced citizen outreach through the Roseville University program and other venues

Department / Program: 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.

2010 Goals and Objectives

- Continue transition efforts to new re-districting requirements

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 17,316	\$ 27,381	\$ 25,425	\$ 30,425	\$ 5,000	19.7 %
Supplies & Materials	1,503	1,478	2,200	2,140	(60)	(2.7) %
Other Services & Charges	2,667	47,696	4,950	48,090	43,140	871.5 %
Capital Outlay	-	-	-	-	-	- %
Total	\$ 21,486	\$ 76,555	\$ 32,575	\$ 80,655	\$ 48,080	147.6 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	0.25	0.25	0.25	0.25

2010 Budget Impact Items

- Increases in ‘Other services & charges’ due to an election year

2008/2009 Achievements

- Successfully informed voters of new voting precincts created due to re-districting
- Adopted new polling locations for two districts to provide better access

Department / Program: **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.

2010 Goals and Objectives

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

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	-	-	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	267,515	284,261	272,500	285,000	12,500	4.6 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 267,515	\$ 284,261	\$ 272,500	\$ 285,000	\$ 12,500	4.6 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Increase reflects new contract for services that is based on a monthly flat rate which will eliminate ‘non-retainer’ costs

2008/2009 Achievements

- Led organizational ethics training

Department / 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 Communications Fund.

2010 Goals and Objectives

- Continue evaluating and improving the Roseville Wrap, News Fax, City website, Roseville Cable Channel 16, and other vehicles for communicating with residents
- Assist and guide City Departments in their public communication efforts through the use of newsletters, press releases, video productions and brochures

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 120,439	\$ 126,296	\$ 126,200	\$ 128,650	\$ 2,450	1.9 %
Supplies & Materials	899	1,945	6,000	3,000	(3,000)	(50.0) %
Other Services & Charges	163,457	150,980	181,300	186,000	4,700	2.6 %
Capital Outlay	12,412	9,665	10,000	10,000	-	0.0 %
Total	\$ 297,207	\$ 288,886	\$ 323,500	\$ 327,650	\$ 4,150	1.3 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	1.25	1.25	1.25	1.25

2010 Budget Impact Items

- Increase in ‘Other services & charges’ reflects increased web-hosting charges

2008/2009 Achievements

- Successfully conducted an RFP process for newsletter design and printing that resulted in an improved newsletter and a reduction in costs of 30%
- Received awards from the Minnesota Association of Government Communicators
- Developed Annual City Report (non-financial)
- Coordinated annual ‘State of the City’ address.

Division / Program: Recycling
Organizational Responsibility: City Manager

Division / Program Description

The Solid Waste Recycling Fund’s mission is to encourage and promote recycling of household materials on a community-wide basis. The Program’s activities are accounted for in the Recycling Fund.

2010 Goals and Objectives

- Continue expanding the recycling program at multi-family complexes
- Continue overseeing the recycling and clean-up day contracts
- Continue coordinated programs with Ramsey County including publicity about the Household Hazardous Waste Program and yard waste compost sites

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 34,938	\$ 38,947	\$ 46,900	\$ 48,900	\$ 2,000	4.3 %
Supplies & Materials	423	3,577	200	400	200	100 %
Other Services & Charges	403,786	424,952	435,540	449,700	14,250	3.3 %
Capital Outlay	4,837	371	-	-	-	- %
Total	\$ 443,984	\$ 467,847	\$ 482,550	\$ 499,000	\$ 16,450	3.4 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	0.5	0.5	0.5	0.5

2010 Budget Impact Items

- Net costs with revenue sharing is estimated to be \$449,000
- Increase in ‘Other services & charges’ due to higher contractor costs

2008/2009 Achievements

- Successfully added multi-family complexes to the City’s recycling program
- Successfully implemented a new recycling services contract for 2006-2010 which includes an expansion of the types of material collected and revenue sharing
- Completed a pilot program to measure the effectiveness of various collection methods
- Received an Award of Excellence for informative recycling brochures

Department / Program: Finance Department
Organizational Responsibility: Finance Director

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.

2010 Goals and Objectives

- Continue review feasibility and potential benefits of multi-year and outcome-based budgeting
- Research and design performance measures, benchmarks, and standards
- Continue exploring partnership opportunities with area cities for Finance/Risk Management functions
- Revise the 10-Year Financial Plan and Capital Improvement Plan

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 452,931	\$ 504,233	\$ 514,000	\$ 522,300	\$ 8,300	1.6 %
Supplies & Materials	3,084	4,660	2,700	2,700	-	0.0 %
Other Services & Charges	29,890	31,741	35,830	38,030	2,700	7.6 %
Capital Outlay	-	-	-	-	-	- %
Total	\$ 485,905	\$ 540,634	\$ 552,030	\$ 563,030	\$ 11,000	2.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	5.5	5.5	5.5	5.5

2010 Budget Impact Items

- ‘Other services & charges’ increased due to higher software maintenance costs

2008/2009 Achievements

- Received the Award for Excellence in Financial Reporting for the 29th consecutive year
- Received the Distinguished Budget Presentation Award for the 10th consecutive year
- Established the City’s first JPA for accounting-related services with the City of Lake Elmo
- Developed a departmental employee training program to identify core competencies needed to successfully perform all departmental functions
- Prepared Citywide Strategic Plan and 10-Year CIP, and coordinated a new alternative budgeting process

Department / Program: Central Services
Organizational Responsibility: Finance Director

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.

2010 Goals and Objectives

- Review citywide purchasing strategies to determine whether potential savings exist

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	25,923	34,274	27,000	24,747	(2,253)	(8.3) %
Other Services & Charges	440,467	42,791	49,520	49,520	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 61,390	\$ 77,065	\$ 76,520	\$ 74,267	\$ (2,253)	(2.9) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

Not applicable

Department / Program: General Insurance
Organizational Responsibility: Finance Director

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.

2010 Goals and Objectives

- Continue to protect the City’s assets by maintaining appropriate risk management programs and insurance coverage
- Transition to a new third-party administrator to achieve \$10,000 in annual savings

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	62,000	80,000	80,000	77,643	(2,357)	(2.95) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 62,000	\$ 80,000	\$ 80,000	\$ 77,643	\$ (2,357)	(2.95) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Not applicable

Department / Program: Information Technology
Organizational Responsibility: Finance Director

Department Description

The Information Technology provides for the purchasing, installation, and support of communication and information systems in city buildings. The Program’s activities are accounted for in the Information Technology Fund.

2010 Goals and Objectives

- Continue exploring additional Joint Powers Agreements with over governmental agencies
- Continue developing a 10-year Technology and Staffing Plan
- Identify possible sites within the City for new communications towers

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 497,030	\$ 533,894	\$ 642,000	\$ 733,900	\$ 91,900	14.3 %
Supplies & Materials	15,801	15,208	10,200	12,300	2,100	20.6 %
Other Services & Charges	98,208	93,449	142,480	122,500	(19,980)	(14.0) %
Capital Outlay	149,247	120,982	167,000	132,000	(35,000)	(21.0) %
Total	\$ 760,286	\$ 763,533	\$ 961,680	\$1,000,700	\$ 39,020	4.1 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	7.00	7.00	7.00	8.50

2010 Budget Impact Items

- Personnel costs include the addition of 1.5 FTE’s to provide for contract cities
- Decrease in ‘Other Services & Charges’ reflects reduced internet service and phone charges.

2008/2009 Achievements

- Added four (4) additional Joint Powers Agreements
- Established 24x7x365 service to the City and other business partners

Department / 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. The License Center operation provides approximately \$160,000 in funds to support other City services. The Program’s activities are accounted for in the License Center Fund.

2010 Goals and Objectives

- Assess long-term facility options for a new License Center
- Update the License Center Strategic Plan

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 747,446	\$ 786,560	\$ 917,000	\$ 877,000	\$ (40,000)	(4.4) %
Supplies & Materials	12,144	10,813	15,000	11,600	(3,400)	(22.7) %
Other Services & Charges	345,428	242,425	313,375	196,775	(116,600)	(37.2) %
Capital Outlay	6,919	-	-	-	-	0.0 %
Total	\$ 1,111,937	\$ 1,039,798	\$ 1,245,375	\$1,085,375	\$ (160,000)	(12.8) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	13.75	14.75	14.75	13.75

2010 Budget Impact Items

- Personnel costs reflects the decision to leave 1 FTE vacant
- Reduction in ‘Other Services & Charges’ reflects reduced transfers of operating surplus monies to support other programs and services

2008/2009 Achievements

- Maintained second highest volume in the State for all Deputy Registrar Offices
- Generated \$75,000 annually in net annual proceeds to support other City programs and services

Department / 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.

2010 Goals and Objectives

- Continue monitoring all lawful gambling activities

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 22,386	\$ 6,045	\$ 29,300	\$ 29,300	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	150,640	138,246	124,000	124,000	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 173,026	\$ 144,291	\$ 153,300	\$ 153,300	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	0.50	0.50	0.50	0.50

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Distributed over \$100,000 to Roseville-area organizations.
- Maintained over \$600,000 in a permanent endowment fund.

Division / Program: Police Administration
Organizational Responsibility: Chief of Police

Division / Program Description

The Police Administration Department is responsible for ensuring continuous, innovative, and effectual public safety services by anticipating, planning, and fulfilling the needs of citizens and Department Staff. Police Administration’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Exchange information with Code Enforcement on problem residents or properties; initiate a neighborhood by neighborhood survey of code violations in conjunction with Code Enforcement
- Utilize the department’s website to educate citizens on current code issues, changes, and reminders due to seasonal weather changes
- Use of real time statistical information to increase intelligence based policing services
- Use all forms of communication to continue to encourage citizens to keep themselves and property secure

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 270,041	\$ 287,209	\$ 424,000	\$ 362,365	\$ (61,635)	(14.5) %
Supplies & Materials	19,654	20,392	19,680	19,680	-	0.00 %
Other Services & Charges	85,873	73,079	95,220	71,255	(23,965)	(25.2) %
Capital Outlay	-	-	-	-	-	- %
Total	\$ 375,568	\$ 380,680	\$ 538,900	\$ 543,300	\$ (85,600)	(15.9) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	5.00	5.00	5.00	5.00

2010 Budget Impact Items

- Personnel costs reduced by leaving a position temporarily vacant

2008/2009 Achievements

- The Department received in excess of \$700,000 in grant funding
- Complete revision of the Department’s Policy and Procedure Manual
- Policy and Procedure now in digital format and searchable by subject

Division / Program: **Police Patrol Operations**
Organizational Responsibility: **Chief of Police**

Division / Program Description

The Operations Division encompasses all uniformed personnel and is the largest division of the Police Department. This division is on duty 24 hours per day. The division members are the most visible members of the department and are the first to respond to emergency situations. The Operation Division’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Initiate crime reaction team to disrupt ongoing criminal activities
- Have another dedicated traffic enforcement unit to handle citizen complaints
- Expand Crime Impact Teams—more specialization, more planned/proactive activities
- Implement electronic citation module in all squads
- Increase participation in park and community events
- Increased use of volunteers

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 3,367,520	\$ 3,723,238	\$ 3,858,070	\$3,788,905	\$ (69,165)	(1.8) %
Supplies & Materials	178,428	182,064	178,445	187,590	9,145	5.1 %
Other Services & Charges	238,819	230,369	286,280	477,525	191,245	66.8 %
Capital Outlay	3,516	47,671	-	-	-	0.0 %
Total	\$ 3,788,283	\$ 4,183,342	\$ 4,322,795	\$4,454,020	\$ 131,225	3.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	40.00	40.00	40.00	39.00

2010 Budget Impact Items

- Personnel costs declined due to the planned vacancy of 1 FTE
- ‘Other services & charges increase due to the reestablishment of vehicle depreciation charges previously not represented in this divisional budget

2008/2009 Achievements

- Officers work various Dept of Public Safety traffic enforcement details: Safe & Sober, Click It or Ticket, Operation Nightcap, and commercial vehicle inspections
- In 2009, responded top 35,000 calls for service.
- In 2009, Department issued 8,138 moving citations, 11092 warnings and 972 administrative tickets.
- In April 2009, the East Metro SWAT named the Special Operations and Training Association (SOTA) SWAT Team of the Year for 2008.

Division / Program: Police Investigations
Organizational Responsibility: Chief of Police

Division / Program Description

The Criminal Investigation Unit is responsible for the review, follow-up and case presentation to the County/City attorney on all criminal cases that are not resolved at the Department’s Patrol Unit Level. The Investigation Unit’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Implement a year-round park patrol
- Encourage a network of user groups among law enforcement levels in the seven county metro area
- Design a diversion program for juveniles
- Continue to expand Neighborhood Watch program
- Institute virtual meetings to share information between municipalities, counties, states, etc.

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 669,728	\$ 758,570	\$ 829,260	\$ 844,760	\$ 15,500	1.9 %
Supplies & Materials	35,995	33,375	48,605	38,935	(9,670)	(19.9) %
Other Services & Charges	33,346	4,837	24,545	18,830	(5,715)	(23.3) %
Capital Outlay	-	-	20,000	-	(20,000)	(100) %
Total	\$ 739,069	\$ 796,782	\$ 922,410	\$ 902,525	\$ (19,885)	(2.2) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	11.00	12.00	12.00	12.00

2010 Budget Impact Items

- Reduced supplies for community events.
- ‘Other services & charges’ reduced for decreased contributions to community organizations

2008/2009 Achievements

- Detective Sikorra elected president of Minnesota Association of Women Police (MAWP)
- Detective Engh awarded MAWP Officer of the Year.
- Property Room/Investigative Aide Julie Griffin awarded MAWP Excellence in Service.
- The Department tanked 6th place nationwide for its National Night Out and Family Night Out Programs
- 11th Annual Citizen’s Academy is held
- The Department now utilizes an online service (property.com) for the sale of forfeited items.
- The Department facilitates a Citizens’ Park Patrol Program that has expanded from eight to fourteen volunteers in 2009.

Division / Program: Community Service
Organizational Responsibility: Chief of Police

Division / Program Description

Community Service works in conjunction with the other divisions within the Police Department, and interacts with the City Administration. Community Service has been an excellent source for potential candidates for police officer. The Community Service Division's activities are accounted for in the General Fund.

2010 Goals and Objectives

- Return complement of CSO's from two to four
- Reinstate CADET program
- Implement a Blight Enforcement Program

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 54,912	\$ 83,642	\$ 67,395	\$ 32,005	\$ (35,390)	(52.5) %
Supplies & Materials	11,149	20,122	15,810	17,240	1,430	9.0 %
Other Services & Charges	5,735	8,095	11,850	11,850	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 71,796	\$ 111,859	\$ 95,055	\$ 61,095	\$ (33,960)	(35.7) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	1.50	1.00	1.00	0.50

2010 Budget Impact Items

- Personnel services reduction due to the elimination of 2 part-time CSO positions

2008/2009 Achievements

- In 2009, the CSO's responded to 2,895 calls, generated 114 reports, and issued 375 administrative tickets.

Division / Program: **Lake Patrol**
Organizational Responsibility: **Chief of Police**

Division / Program Description

The Lake Patrol Program provides for supplemental support to the Ramsey County Sheriff’s Office for enforcement of recreational water use at Lake Owasso and Lake Josephine. The Program’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Continue providing increased safety efforts for the water recreational season

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	-	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	1,659	1,659	1,900	1,900	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 1,659	\$ 1,659	\$ 1,900	\$ 1,900	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Not applicable

Division / Program: 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.

2010 Goals and Objectives

- 2010 will be a year of opportunity for Fire Administration. As 2009 saw a mid-year change in leadership 2010 presents an opportunity for a complete evaluation of process and direction
- Implement recently revised Fire Department Operational Standards
- Overhaul and rewrite Fire Department strategic plan
- Establish 12 and 36 month goals

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 265,853	\$ 267,441	\$ 333,765	\$ 272,130	\$ (61,635)	(18.5) %
Supplies & Materials	9,808	15,331	4,400	4,595	195	4.4 %
Other Services & Charges	59,830	60,121	16,665	16,665	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 335,491	\$ 342,893	\$ 354,830	\$ 293,390	\$ (61,440)	(17.3) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	2.50	3.00	3.00	3.00

2010 Budget Impact Items

- Personnel costs reduced due to a temporary vacancy

2008/2009 Achievements

- Developed and implemented a pandemic flu plan for City Emergency Operations to deal with the H1N1 flu outbreak. The plan allowed the city to track the progression of the outbreak and adjust emergency planning accordingly
- Implemented a new fire and medical incident reporting and tracking software system to better allow the department to document critical incident information. The software will also allow for better analysis of statistical data
- 2009 was a transitional year within the Fire Department with a change in leadership. The Department is in the process of evaluating operations and look forward to a fresh vibrant 2010

Division / Program: Fire Operations
Organizational Responsibility: Fire Chief

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.

2010 Goals and Objectives

- Maintain shift staffing levels of a minimum of five firefighters per shift
- Take delivery and place into operation a new fire engine
- Complete Insurance Services Office (ISO) evaluation and become the State’s first Class-2 Fire Department
- Develop a communications plan regarding the future building needs of the Fire Department

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 755,858	\$ 865,998	\$ 898,550	\$ 852,100	\$ (46,450)	(5.2) %
Supplies & Materials	79,008	75,356	59,000	60,525	1,525	2.6 %
Other Services & Charges	136,510	149,977	103,000	187,000	84,000	81.6 %
Capital Outlay	68,881	52,832	-	-	-	0.0 %
Total	\$ 1,040,258	\$ 1,144,164	\$ 1,060,550	\$1,099,625	\$ 39,075	3.7 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	3.0	3.0	3.0	3.0

2010 Budget Impact Items

- Personnel costs declined due to reduced on-duty staffing
- Increase in ‘Other Services & Charges’ due to the re-establishment of depreciation charges for the replacement of fire vehicles and equipment

2008/2009 Achievements

- Responded to over 4,000 Fire & Medical emergencies reducing property loss, and directly affecting the lives of the community.
- The Fire Department vehicle replacement committee spent the majority of the year researching and planning for a replacement fire engine which will be delivered in 2010
- Began the process of restructuring Department promotional process

Division / Program: Fire Training
Organizational Responsibility: Fire Chief

Division / Program Description

The Fire Training Division provides training and development in firefighting skills, medical skills, hazardous material handling, weapons of mass destruction and other emergency skills. This training ensures that the firefighters are efficiently and effectively able to protect lives and property. The Division’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Increase training opportunities for off shift training related to multi-company training sessions
- Provide monthly officer training
- Review methods and current procedures for Fire Department training

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 32,905	\$ 25,329	\$ 27,550	\$ 27,550	\$ -	0.0 %
Supplies & Materials	3,510	172	2,000	2,000	-	0.0 %
Other Services & Charges	21,208	18,114	10,600	10,600	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 57,623	\$ 43,615	\$ 40,150	\$ 40,150	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Fire Department completed over 4,000 hours of fire and EMS training
- Conducted free medical and safety training for police, public works and parks personnel

Division / Program: **Fire Prevention**
Organizational Responsibility: **Fire Chief**

Division / Program Description

The Fire Prevention Division’s goal is to decrease the occurrence of fires and promote fire and accident prevention safety throughout the community with education, investigation, inspection, and enforcement. Inspections are in addition to time spent in plan review and related educational programming with schools. The Division’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Continue to reduce the loss associated with fire within the City
- Continue to achieve a zero loss of fire related deaths

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 160,464	\$ 168,724	\$ 183,500	\$ 186,700	\$ 3,200	1.7 %
Supplies & Materials	4,291	3,164	1,700	1,935	235	13.8 %
Other Services & Charges	2,682	3,218	2,400	1,000	(1,400)	(58.3) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 167,437	\$ 175,106	\$ 187,600	\$ 189,635	\$ 2,035	1.1 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	2.00	2.00	2.00	2.00

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Conducted 105 plan reviews, issued 258 permits, completed 179 multi-family and commercial fire safety inspections and completed 350 pre-plan inspections in 2009
- Generated \$22,200 in fee revenue in 2009

Division / Program: Public Works Administration
Organizational Responsibility: Public Works Director

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.

2010 Goals and Objectives

- Continue fostering our engineering services agreements with other adjacent communities where this type of arrangement can result in win-win results. The objective for our staff is to help offset costs of overhead to reduce demand on the City’s tax levy.
- Meet the demand of unfunded mandates in water quality, erosion control, inflow/infiltration reduction, and infrastructure replacement in the most cost effective measure possible.
- Meet the challenge of securing funding for the reconstruction of infrastructure despite declining state aid revenues and energy cost related increases in construction projects.

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 616,076	\$ 654,344	\$ 704,000	\$ 644,000	\$ (60,000)	(8.5) %
Supplies & Materials	6,705	5,730	7,150	7,500	350	4.9 %
Other Services & Charges	24,780	27,052	27,100	37,100	10,000	36.9 %
Capital Outlay	2,388	-	-	-	-	0.0 %
Total	\$ 649,949	\$ 687,128	\$ 738,250	\$ 688,600	\$ (49,650)	(6.7) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	7.00	7.00	7.00	6.50

2010 Budget Impact Items

- Personnel costs declined due to reallocation of salaries to other funds
- Increase in ‘Other Services & Charges’ results from the reestablishment of depreciation charges for vehicle replacement

2008/2009 Achievements

- Delivered project management, design, and construction services for Co. Rd. C streetscape project
- Provided engineering services for mill and overlay projects, several drainage improvements, rain garden design, and Neighborhood 10 reconstruction
- Cooperated with other divisions, departments, with technical assistance and engineering review
- Completed Twin Lakes infrastructure cost allocation study

Division / Program: Streets
Organizational Responsibility: Public Works Director

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.

2010 Goals and Objectives

- Evaluate our pavement maintenance programs in light of energy driven cost escalation and increasing demands of streetscape and right-of-way maintenance needs. Find cost effective ways to maintain the infrastructure and pavement ratings within the constraints of the available budget

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 534,615	\$ 588,020	\$ 565,500	\$ 580,500	\$ 15,000	2.7 %
Supplies & Materials	291,909	376,716	297,300	382,160	84,860	28.5 %
Other Services & Charges	175,952	181,400	52,500	227,500	175,000	333 %
Capital Outlay	-	12,559	-	-	-	0.0 %
Total	\$ 1,002,476	\$ 1,158,695	\$ 915,300	\$1,190,160	\$ 274,860	30.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	7.00	7.00	7.00	7.00

2010 Budget Impact Items

- Supplies & materials increased for added maintenance efforts
- Increase in ‘Other Services & Charges’ results from the reestablishment of depreciation charges for vehicle replacement

2008/2009 Achievements

- Completed all street maintenance programs on time and within budgets
- Completed tree trimming along 20% of boulevards & corrected several visibility issues
- Met or exceeded snow and ice control policy goals at expected service levels
- Met pavement management goals, resurveyed 20% of street network
- Reconstructed .5 miles of pathway and two city parking lots

Division / Program:

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. Xcel Energy maintains public streetlights under contract with the City. Ramsey County contractually maintains city owned intersection signal lights. The Program’s activities are accounted for in the General Fund.

2010 Goals and Objectives

- Consider establishing a street light utility

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	187,143	172,584	200,000	200,000	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 187,143	\$ 172,584	\$ 200,000	\$ 200,000	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Evaluation of older city owned lighting for future replacement project

Division / Program: Building Maintenance
Organizational Responsibility: Public Works Director

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.

2010 Goals and Objectives

- Focus on reducing energy use or using energy wisely through management systems and policy and through purchasing energy efficient equipment
- Meeting the demand for maintenance on City facilities due to the tremendous increase in after hours use by community groups and paying customers within budgetary restraints.

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 7,935	\$ 7,407	\$ 7,000	\$ 7,000	\$ -	0.0 %
Supplies & Materials	22,935	21,606	21,500	24,000	2,500	11.6 %
Other Services & Charges	325,593	323,570	345,200	351,700	6,500	1.9 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 358,040	\$ 352,584	\$ 374,400	\$ 383,400	\$ 9,000	2.4 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Increase attributable to the higher costs of energy and its impacts on the cost of goods and services

2008/2009 Achievements

- Provided building maintenance services at a reasonable cost to the public
- Maintained a clean environment for city staff and the public
- Evaluated janitorial services contract for cost containment and re-bid in 2009
- Worked to minimize disruption to all city operations and functions with maintenance program

Division / Program: **Central Garage**
Organizational Responsibility: **Public Works Director**

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.

2010 Goals and Objectives

- Focus on reducing energy use or using energy wisely through management systems and policy and through purchasing energy efficient vehicles and equipment
- Meeting the demand for increasing maintenance on City equipment due to increasing utilization and extended retention schedules

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 136,191	\$ 140,704	\$ 154,000	\$ 154,000	\$ -	0.0 %
Supplies & Materials	925	(33,906)	2,500	2,500	-	0.0 %
Other Services & Charges	5,611	23,461	925	925	-	0.0 %
Capital Outlay	4,135	-	-	-	-	0.0 %
Total	\$ 146,862	\$ 130,259	\$ 157,425	\$ 157,425	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	2.00	2.00	2.00	2.00

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Completed approximately 1,000 service/repair work orders
- Provided 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

Division / Program: **Sanitary Sewer**
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. The Program’s activities are accounted for in the Sanitary Sewer Fund.

2010 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

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 394,773	\$ 414,106	\$ 467,500	\$ 506,500	\$ 39,000	8.3 %
Supplies & Materials	30,230	42,249	32,350	35,500	3,150	9.7 %
Other Services & Charges	2,639,743	3,070,213	3,075,150	3,217,800	142,650	4.6 %
Capital Outlay	(29,471)	(17,571)	510,000	657,500	147,500	28.9 %
Total	\$ 3,035,275	\$ 3,508,997	\$ 4,085,000	\$4,417,300	\$ 332,300	8.1 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	6.15	6.15	6.15	6.55

2010 Budget Impact Items

- Personnel costs increased due to reallocated salaries
- ‘Capital Outlay’ provides for the scheduled replacement and rehabilitation of infrastructure, vehicles, and equipment, which can fluctuate from year to year
- Increase in ‘Other Services & Charges’ due to expected increase in wastewater treatment costs

2008/2009 Achievements

- Monitored/maintained 13 sanitary and 4 stormwater lift stations
- Cleaned one-third of the sanitary sewer system and all higher frequency areas
- Repaired/replaced several sewer line problem areas as identified by maintenance staff through the Pavement Management Program and rehabilitation lining program

Division / Program: Water
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. The Program’s activities are accounted for in the Water Fund.

2010 Goals and Objectives

- Rehabilitate utility infrastructure in conjunction with street improvement projects and through the use of trenchless technologies to ensure uninterrupted operations
- Replace aged infrastructure at the water pumping station. Move slowly into automated meter reading for commercial accounts using technology that may integrate into other City network efforts

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 320,979	\$ 314,290	\$ 358,800	\$ 378,800	\$ 20,000	5.6 %
Supplies & Materials	76,625	70,655	55,250	65,750	10,500	19.0 %
Other Services & Charges	4,317,932	4,468,679	4,863,900	5,038,600	174,700	3.6 %
Capital Outlay	23,791	56,733	347,000	510,000	163,000	47.0 %
Total	\$ 4,739,327	\$ 4,910,358	\$ 5,624,950	\$5,993,150	\$ 368,200	6.5 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	5.15	5.15	5.15	5.15

2010 Budget Impact Items

- ‘Capital Outlay’ provides for the scheduled replacement of infrastructure, vehicles and equipment, which can fluctuate from year to year
- Increase in ‘Other Services & Charges’ due to expected increase in water purchase costs

2008/2009 Achievements

- Distributed nearly 2.0 billion gallons of water to Roseville and Arden Hills utility customers
- Repaired over 40 water main leaks, breaks, and replaced 4,000 lineal feet of main
- Flushed, inspected, and maintained 1,750 fire hydrants
- Responded to nearly 4,000 utility locate requests from Gopher State One Call
- Completed all annual major maintenance programs in a timely manner
- Replaced over 500 water meters

Division / Program: **Storm Drainage**
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. The Program’s activities are accounted for in the Storm Drainage Fund.

2010 Goals and Objectives

- Sweep all City streets bi-annually focusing on environmentally sensitive areas first
- Improve at least two storm ponding areas per year removing sediment resulting in improved water
- Continue catch basin repair and cleaning program
- Continue storm sewer inspection an inventory program as required by NPDES permit
- Implement revised Watershed District rules as mandated

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 202,196	\$ 170,690	\$ 232,500	\$ 232,500	\$ -	0.0 %
Supplies & Materials	37,453	49,680	47,600	50,200	2,600	5.5 %
Other Services & Charges	485,159	522,380	566,975	614,675	47,700	8.4 %
Capital Outlay	101,489	(16,615)	610,500	613,500	3,000	0.5 %
Total	\$ 826,297	\$ 726,135	\$ 1,457,575	\$1,510,875	\$ 53,300	3.7 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	3.4	3.4	3.4	3.4

2010 Budget Impact Items

- ‘Capital Outlay’ provides for the scheduled replacement of infrastructure, vehicles and equipment, which can fluctuate from year to year
- ‘Other services & charges’ increased to provide for a wetland inventory study

2008/2009 Achievements

- Continued structure inspections and updating of infrastructure records utilizing GPS and GIS
- Worked with residents resolving backyard drainage issues
- Provided technical assistance to residents and property owners installing rain gardens and other water quality improvements

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

Division / Program Description

During the past 22 years, the City has installed 10 miles of pathways through its parks and an additional 37 miles as part of the street system. 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.

2010 Goals and Objectives

- Rehabilitate 1-2 miles pathway
- Reconstruct one City-owned parking lot
- Perform routine pavement maintenance on all City lots and trails

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	91,475	87,766	10,000	10,000	-	0.0 %
Other Services & Charges	22,150	15,453	130,000	125,876	(4,124)	(3.1) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 113,625	\$ 103,219	\$ 140,000	\$ 135,876	\$ (4,124)	(3.1) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Reconstruction or preventative maintenance on over 4.0 miles of pathway pavement
- Reconstructed Central Park Lexington and north Skating Center vehicle lots

Division / Program: **Recreation Administration**
Organizational Responsibility: **Director of Parks and Recreation**

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.

2010 Goals and Objectives

- Maintain current community partners and secure new community partners
- Support Master Plan Update and implementation
- Finalize Recreation and Maintenance Division reorganizations
- Align department services and programs with City priorities using performance measurement
- Implement Emerald Ash Borer EAB Grant
- To seek outside, non-traditional funding sources
- Develop a department training and succession program

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 587,251	\$ 622,665	\$ 668,000	\$ 648,895	\$ (19,105)	(2.9) %
Supplies & Materials	7,027	6,948	7,100	7,100	-	0.0 %
Other Services & Charges	73,593	81,766	194,000	94,000	(100,000)	(51.5) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 667,871	\$ 711,379	\$ 869,100	\$ 749,995	\$ (119,105)	(13.7) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	7.50	7.50	7.50	7.50

2010 Budget Impact Items

- ‘Other services & charges’ in 2009 included a one-time appropriation for the update of a Park Master Plan

2008/2009 Achievements

- Successfully completed 15 year accreditation review with 100% compliance.
- Reorganized Recreation and Maintenance Staff Responsibilities resulting in \$70,000 savings (loss of 1.25 FTE)
- Secured \$10,000 grant from Xcel Energy Foundation for environmental education at HANC
- Successfully managed \$8,000 public art project at the Frank Rog Amphitheatre
- Regularly utilized industry webinars to gain efficiency and knowledge to maximize usage of ActiveNet database system

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

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.

2010 Goals and Objectives

- Improve scope of Marketing to include non traditional methods Website enhancements, become a fluent user of Facebook, Twitter, Craigslist (MN), and any other forms of social networking
- Enhance Roseville Parks and Recreation Volunteer Program
- Pursue non-traditional revenue sources, i.e., sponsorships and partnerships
- Evaluate appropriate level of program offerings; service, safe facilities and program areas, etc

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 236,299	\$ 234,217	\$ 244,580	\$ 244,580	\$ -	0.0 %
Supplies & Materials	68,295	63,154	79,355	79,355	-	0.0 %
Other Services & Charges	270,842	310,995	250,105	250,105	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 575,436	\$ 608,366	\$ 574,040	\$ 574,040	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	0.50	0.50	0.50	0.50

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Realigned recreation staff responsibilities to streamline operations, coordinate scheduling and maximize resources
- Partnered with the City of Lauderdale to offer recreation experiences in Lauderdale Community Park.
- Partnered with the cities of St. Anthony and New Brighton to offer a variety of adult excursions.
- Expanded dance program to include preschool dance camp, Baby Ballerina class, Daddy & Daughter class,
- Converted Friday Arts in the Park program to a Friday Adventures program that introduced youth to outdoor recreation experiences.
- Incorporated SaJai, healthy kids, program into Summer Spectacular activities resulting in increased knowledge of importance of physical activity and healthy nutrition.
- Initiated city-wide garage sale that involved 133 community residences.

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

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.

2010 Goals and Objectives

- Continue to provide volunteer opportunities to the community
- Continue to survey similar local facilities to evaluate current rate structure.
- Initiated additional partnerships to create additional youth/teen activities
- Pursue non-traditional revenue sources, i.e. sponsorships, partnerships, etc.

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 36,766	\$ 34,054	\$ 28,000	\$ 28,000	\$ 7,115	25.4 %
Supplies & Materials	15,350	12,972	12,100	12,100	2,800	10.0 %
Other Services & Charges	21,689	24,015	23,535	23,535	(9,915)	(42.1) %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 73,805	\$ 71,041	\$ 63,645	\$ 63,645	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Market rate of program offerings.
- Volunteer involvement

2008/2009 Achievements

- “Discover Your Parks” events featured special fitness and sport components resulting in increased participation
- Hosted July 4th celebration in Central Park with over 20,000 participants and spectators throughout the day
- Successful summer of festivals
- Supported 2nd Annual Roseville Rotary Taste of Rosefest event

Division / Program: **Harriet Alexander Nature Center**
Organizational Responsibility: **Director of Parks and Recreation**

Division / Program Description

To provide environmental education, recreational opportunities, and reflection for people of all ages and abilities. The Program’s activities are accounted for in the Recreation Fund.

2010 Goals and Objectives

- Pursue avenues for improving, enhancing and developing HANC educational exhibits
- To evaluate current program effectiveness and adjust as financially appropriate
- To continue to consider the HANC Planning Committee recommendations

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 81,203	\$ 86,198	\$ 93,000	\$ 93,000	\$ -	0.0 %
Supplies & Materials	4,604	4,164	4,000	5,000	1,000	25.0 %
Other Services & Charges	22,058	22,682	23,960	24,890	930	3.9 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 107,865	\$ 113,044	\$ 120,960	\$ 122,890	\$ 1,930	1.6 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	1.00	1.00	1.00	1.0

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Expanded Central Park School contracted learning experiences thanks to a \$4200 FORHANC sponsorship
- Hosted the Great American Backyard Campout (a National Wildlife Federation initiative)
- Collaborated with FORHANC to establish and Exhibits Committee to develop and maintain new educational displays and activities, as well as an integrated stylistic appearance in the exhibit area.
- Added two new theme camps to the contracted Kids U lineup
- Created a Fishing Clinic modeled after the DNR MinnAqua program (which was discontinued in 2009)

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

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.

2010 Goals and Objectives

- Continue to successfully plan, communicate and coordinate improvements designated by 2008 bonding funds
- Improve aesthetics of the banquet facility
- Review concession contract and determine best approach
- Maximize dasher board, resurfacers and scoreboard advertising accounts
- Continue to consider the RSC- OVAL task force recommendations

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 580,056	\$ 569,903	\$ 665,000	\$ 640,000	\$ (25,000)	(3.8) %
Supplies & Materials	63,786	60,740	61,300	69,065	7,765	12.7 %
Other Services & Charges	334,523	642,677	337,925	348,925	11,000	3.3 %
Capital Outlay	45,315	33,860	16,135	16,135	-	- %
Total	\$ 1,023,682	\$ 1,007,180	\$ 1,080,360	\$1,074,125	\$ (6,235)	(0.6) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	6.00	6.00	6.00	6.00

2010 Budget Impact Items

- Personnel costs reduced to reflect lower part-time salaries
- ‘Other services & charges’ increased due to additional facility maintenance costs

2008/2009 Achievements

- Installed video display message board , marquee sign, carpeting in banquet room and OVAL Tarmac as part of the 2008 State Bond Award
- Successful transition of Skate Park from Tier II to Tier I park resulting \$18k in savings
- Successful transition of City Hall room scheduling and rentals to Skating Center Staff
- Consolidated staff to allow a shared customer service position with Parks and Recreation reception office
- Hosted 2009 Schwan Cup HS Hockey Tournament and 2009 National Long Track Speedskating Competition.

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

Division / Program Description

This division leases limited storage space and a dance studio at Fairview Community Center, 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

2010 Goals and Objectives

- To retain the storage and dance studio space for 2009 and beyond
- To continue to cooperate and 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

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 13,484	\$ 19,296	\$ 15,900	\$ 15,900	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	74,032	78,316	94,100	94,100	-	0.0 %
Capital Outlay	-	-	-	-	-	0.0 %
Total	\$ 87,516	\$ 97,612	\$ 110,000	\$ 110,000	\$ -	0.0 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	0	0	0	0

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Provision of storage space for Parks and Recreation and affiliated groups and studio space for the Roseville School of Dance.
- Provision of two community gymnasiums and one gymnastic center in cooperation with the Roseville School District per agreement
- Exceptional space availability for affiliated groups to offer community programs

Department / Program: 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.

2010 Goals and Objectives

- Develop stronger relationship with MSHS
- Define existing landscape areas within parks and develop maintenance strategies
- Determine long-term strategy for Forestry issues and EAB
- Provide high quality, safe, clean and well groomed park and play areas and timely and effective service
- Ensure safe conditions as a top priority for users and employees
- Continue to assess and investigate organic fertilizer use

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 598,971	\$ 684,530	\$ 693,200	\$ 647,400	\$ (45,800)	(6.6) %
Supplies & Materials	79,450	100,383	100,880	105,045	4,165	4.1 %
Other Services & Charges	152,809	192,697	137,860	242,360	104,500	75.8 %
Capital Outlay	500	-	-	-	-	0.0 %
Total	\$ 831,730	\$ 977,610	\$ 931,940	\$ 994,805	\$ 62,865	6.7 %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	7.25	7.25	7.25	6.25

2010 Budget Impact Items

- Personnel costs due to the planned vacancy of a position
- Increase in ‘Other Services & Charges’ due to the reestablishment of depreciation charges for vehicle replacement, and increased funds for diseased and hazardous tree removal

2008/2009 Achievements

- Developed field maintenance program resulting in better maintained facilities and improved turf
- Completed inventory and analysis of several maintenance areas including, irrigation systems, playground amenities, landscape areas, equipment needs, turf maintenance strategies and seasonal employee management.
- Re-constructed deck and bench system at the Frank Rog Amphitheater
- Constructed restroom facility in cooperation with the Roseville Central Park Foundation
- Completed irrigation system upgrades

Department / 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 Program’s activities are accounted for in the Park Improvement Fund.

2010 Goals and Objectives

- To update a 10 year parks and recreation capital improvement plan
- To update a 10 year project priority listing
- To focus on safety and aesthetics as a high priority

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.0 %
Supplies & Materials	-	-	-	-	-	0.0 %
Other Services & Charges	-	-	-	-	-	0.0 %
Capital Outlay	47,793	219,823	215,000	185,000	(30,000)	(13.9) %
Total	\$ 47,793	\$ 219,823	\$ 215,000	\$ 185,000	\$ (30,000)	(13.9) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	-	-	-	-

2010 Budget Impact Items

- Not applicable.

2008/2009 Achievements

- Re-constructed Rosebrook pool drain
- Replaced Lower Villa Play Equipment
- Replaced Dale Street Athletic Complex Play Area in partnership with FORParks
- Replaced Valley Park Play Equipment
- Renovated the Roseville Central Park Frank Rog Amphitheater
- Installed new concrete service areas at RSC
- Reconstructed Central Park Waterfall and surrounding retaining walls
- Installed concrete pads for 1,000 Bench Program
- Maintained playground safety surfacing system wide
- Mulched all beds at Lexington Park using volunteer labor

Division / Program: **Golf Course Clubhouse**
Organizational Responsibility: **Parks & Recreation Director**

Division / Program Description

The golf course clubhouse provides a quality golf experience for Roseville citizens by offering superior turf and a pleasing clubhouse designed for beginners, senior citizens, youth, and those desiring a minimal time commitment. Plans for a physical upgrade to the clubhouse are being explored. The Program’s activities are accounted for in the Golf Course Fund.

2010 Goals and Objectives

- Examine staffing and operational needs, continually focus on providing quality customer service and utilize in-house staff and talent on projects, repairs and programs
- Maintain number of rounds played and overall revenue during the recession
- Pursue alternative revenue streams
- Continue to assess the golf industry staying competitive with rates and conditions

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 115,482	\$ 121,469	\$ 118,000	\$ 106,800	\$ (11,200)	(9.5) %
Supplies & Materials	22,635	22,027	23,300	21,100	(2,200)	(9.4) %
Other Services & Charges	33,372	33,373	45,425	41,175	(4,250)	(9.4) %
Capital Outlay	3,481	3,480	1,000	-	(1,000)	(100) %
Total	\$ 174,970	\$ 177,149	\$ 187,725	\$ 169,075	\$ (18,650)	(9.9) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	1.0	1.0	1.0	1.0

2010 Budget Impact Items

- General reductions made in conjunction with overall use

2008/2009 Achievements

- Reduced seasonal staffing costs by 13%
- Compiled 30,457 rounds
- Maintained financial projections through difficult economic times
- Realigned staffing levels for economy and effectiveness
- Achieved MRPA Award of Excellence for exceptional marketing strategies at Golf Course

Division / Program: **Golf Course Maintenance**
Organizational Responsibility: **Parks & Recreation Director**

Division / Program Description

Golf course maintenance provides Roseville citizens with a golf recreational facility that is maintained with quality and managed with excellent customer service. Maintenance and playability will be very important to keeping this course competitive in the coming years. Plans for a physical upgrade to the maintenance facility are being explored. The Program’s activities are accounted for in the Golf Course Fund.

2010 Goals & Objectives

- Continue to explore new, cost effective ways and procedures to maintain golf course and clubhouse
- Develop Emerald Ash Borer program and evaluate landscape projects
- Update capital improvement / equipment replacement schedule for course, grounds & clubhouse
- Continue to manage the golf course budget to offer reasonable fees and get the best possible value on projects and repairs utilizing existing staff
- Continue to assess and investigate organic fertilizer use

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 119,001	\$ 120,535	\$ 149,650	\$ 149,650	\$ -	0.0 %
Supplies & Materials	22,977	20,715	27,250	26,300	(950)	(3.5) %
Other Services & Charges	49,055	42,394	39,575	40,275	700	1.8 %
Capital Outlay	-	5,045	-	-	-	0.0 %
Total	\$ 191,033	\$ 188,689	\$ 216,475	\$ 216,225	\$ (250)	(0.1) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	1.50	1.50	1.50	1.50

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Completed several major landscaping improvements;
- Replaced numerous storm damaged trees utilizing Arboretum tree nursery
- Reestablished three fairways after extensive winter kill
- Developed and implemented sign management program for tee boxes and course
- Reduced part-time labor costs

Division / Program: **City and Project Planning**
Organizational Responsibility: **Community Development Director**

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, HRA 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.

2010 Goals and Objectives

- Review and update Department policies and procedures to ensure that they are meeting the needs of the departments, the City as an organization, and the citizens of Roseville.
- Improve and increase public and community outreach to allow for a better understanding of the City’s processes and decisions.
- Undertake a review of the department’s organizational structure and implement to ensure that the department’s services are delivered effectively and efficiently.
- Create methods and adopt policies to ensure consistent department funding.

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 182,138	\$ 222,390	\$ 207,000	\$ 213,190	\$ 6,190	0.0 %
Supplies & Materials	444	299	500	500	-	0.0 %
Other Services & Charges	82,937	138,806	104,650	50,755	(53,895)	(51.5) %
Capital Outlay	19	404	-	2,000	-	0.0 %
Total	\$ 265,538	\$ 361,899	\$ 312,150	\$ 266,445	\$ (45,705)	(14.6) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	2.00	2.00	2.00	2.00

2010 Budget Impact Items

- Decrease in ‘Other Services & Charges’ due to one-time funding in the ’09 Budget for the Zoning Code re-write

2008/2009 Achievements

- Oversaw approvals of Twin Lakes developments, the Cent Venture hotel, the Metro Transit park and ride facility, and coordinated the planning of Phase I Twin Lakes Infrastructure
- Participated in the Comprehensive Plan annual update process and Code updates
- Coordinated and expanded the role of the Development Review Committee and setback permit process

Division / Program: **Economic Development**
Organizational Responsibility: **Community Development Director**

Division / Program Description

The Economic Development Program’s mission is to manage and encourage new development and redevelopment in Roseville, pursuant to the City Council’s guidelines. The budget year of 2006 will continue to focus on housing and the redevelopment of major business parks and mixed use neighborhood plans. The retention and communication with businesses will be reduced to reflect limited funding and staff resources. Existing partnerships will be strengthened. The Program’s activities are accounted for in the Community Development Fund.

2010 Goals and Objectives

- Update the Economic Development Division’s strategic plan (in coordination with outcomes of the community visioning process) and define an implementation strategy to advance community goals and objectives
- Improve records management and information tracking of all files and correspondence to ensure easy and efficient access to information.

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 104,834	\$ 130,504	\$ 177,000	\$ 182,350	\$ 5,350	3.0 %
Supplies & Materials	5,358	5,904	6,500	6,000	(500)	(7.7) %
Other Services & Charges	25,873	20,623	33,230	25,725	(7,505)	(22.6) %
Capital Outlay	1,416		-	750	750	N/A %
Total	\$ 137,481	\$ 157,031	\$ 216,730	\$ 214,825	\$ (1,905)	(0.9) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	2.00	2.00	2.00	2.00

2010 Budget Impact Items

- ‘Other services & charges’ reduced to reflect lower professional services needs

2008/2009 Achievements

- Led preparation of the 2030 Comprehensive Plan with project consultants, city staff, the steering committee, advisory commissions, and the City Council.
- Coordinated the submission of brownfields grants in the Twin Lakes area with project developers; the Metropolitan Council awarded the City \$189,000 to assist with asbestos abatement at the Old Dominion and Xtra Lease Sites.
- Prepared a successful Redevelopment Grant application for the construction of a segment of Twin Lakes Parkway and Mount Ridge Road; the City was awarded \$528,000 by the Department of Employment and Economic Development.

Division / Program: **Building Permits and Codes**
Organizational Responsibility: **Community Development Director**

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 City expects to maintain a high level of public-encouraged redevelopment and construction in 2005 through the various housing programs, business redevelopment, and residential remodeling/improvements. The Program’s activities are accounted for in the Community Development Fund.

2010 Goals and Objectives

- Create opportunities and provide resources for department personnel’s Professional Development.
- Create methods and adopt policies to ensure consistent Department Funding.
- Continually monitor existing Regulations to ensure that the community needs are being met.

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 477,227	\$ 475,163	\$ 547,000	\$ 547,200	\$ 200	0.0 %
Supplies & Materials	7,077	7,188	7,650	8,150	500	6.5 %
Other Services & Charges	116,063	121,557	136,700	138,900	2,200	1.6 %
Capital Outlay	-	24,295	17,000	5,000	(12,000)	(70.6) %
Total	\$ 600,367	\$ 628,203	\$ 708,350	\$ 699,250	\$ (9,100)	(1.3) %

Human Resource Allocation	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Full-Time Equivalent Positions	6.00	6.00	6.00	6.00

2010 Budget Impact Items

- ‘Capital Outlay’ in ’08, ’09 included vehicle replacements. None are planned in 2010

2008/2009 Achievements

- Issued 4,165 permits bringing in \$1,069,491,000 in revenue.
- Valuation of construction in 2008 was \$63 million (5% over the 5-year avg.):
 \$5.8 million residential new, \$11.2 million residential renovation.
 \$14.8 million commercial new, \$30.8 million commercial renovation.
- Staff initiated a Neighborhood Enhancement Program which involved communicating with and canvassing 2,000 properties for City Code violations (from the public right-of-way). Staff observed 143 violations, notified owners, and obtained compliance in 98% of the cases.

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.

2010 Goals and Objectives

- Assist (as time permits) Engineering, Police, and other City Departments in the use of property database, GIS, and web technologies
- Participate in the MetroGIS address standardization working group and pilot project
- Continue the transition to using the ESRI geodatabase as the storage mechanism for city GIS data
- Update and support the Roseville and Ramsey County GIS online mapping site
- Assist in the expansion of content in the city’s Laserfiche repository

Budget Category	2007 Actual	2008 Actual	2009 Budget	2010 Budget	\$ Increase (decrease)	% Incr. (decr.)
Personnel Services	\$ 61,809	\$ 66,099	\$ 73,000	\$ 75,200	\$ 2,200	3.0 %
Supplies & Materials	-	-	100	100	-	0.0 %
Other Services & Charges	7,406	3,840	6,725	4,475	(2,250)	(33.5) %
Capital Outlay	2,377	-	-	-	-	0.0 %
Total	\$ 71,592	\$ 69,939	\$ 79,825	\$ 79,775	\$ (50)	(0.1) %

Human Resource Allocation	2006 Actual	2007 Actual	2008 Budget	2009 Budget
Full-Time Equivalent Positions	1.00	1.00	1.00	1.00

2010 Budget Impact Items

- Not applicable

2008/2009 Achievements

- Coordinated the City's submission of materials to the US Census Bureau for the Local Update of Census Addresses (LUCA) program in preparation for Census 2010.
- Maintained an up-to-date list and map of Roseville foreclosures using Ramsey County Sheriff's data.
- Joined the Governor's Council for Geographic Information Standards Committee
- Added access to Pictometry aerial imagery for building inspectors, formatted Comprehensive Plan on CD-Rom; mapping for 90+ planning/zoning projects
- Included and added to the access to city maps, demography, and economic development opportunities on the City’s website

City of Roseville – 2010 Budget

Debt Management Plan

By formal Council action, the City of Roseville affirmed its debt policy in 2008. The policy can be found in Appendix A. A major highlight of this policy includes confining the city’s borrowing to capital improvements. Those improvements must have a life that is greater than or equal to the length of debt retirement.

The City currently has three types of debt; 1) general obligation improvement debt, 2) general obligation facility debt, and 3) General Obligation Taxable Housing debt. Improvement debt is used for financing the city’s street improvement program. Facility debt accounts for the debt service on City Campus facilities, and the Housing debt accounts for debt issued to finance a public/private partnership with a local townhome association’s improvements. The city will have five general obligation debt issues outstanding at the beginning of 2010. The following schedule depicts the City’s outstanding debt as of 01/01/2010.

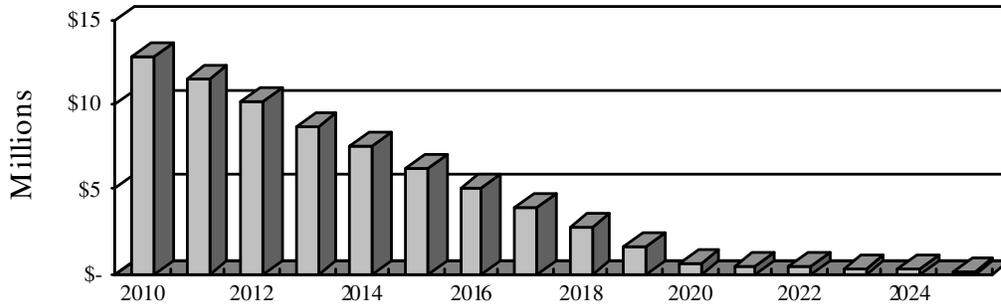
Description	Principal Outstanding	Net Interest Rate	Date of Final Maturity	Eligible Call Date
Series 23	\$ 680,000	4.90 %	03/01/2012	Bi-annually
Series 25	1,070,000	4.24 %	03/01/2014	Bi-annually
Series 27	7,310,000	3.72 %	3/01/2019	3/01/2013
Series 28	2,550,000	3.31 %	3/01/2018	3/01/2016
Series 29	1,155,000	5.06 %	3/01/2025	3/01/2020
Total	\$ 12,765,000			

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

Year	Principal	Interest	Total
2010	\$ 1,245,000	\$ 446,911	\$ 1,691,911
2011	1,385,000	400,936	1,785,936
2012	1,435,000	356,656	1,791,656
2013	1,230,000	312,830	1,542,830
2014	1,280,000	269,435	1,549,435
2015	1,100,000	226,750	1,326,750
2016	1,145,000	185,158	1,330,158
2017	1,190,000	141,134	1,331,134
2018	1,245,000	94,144	1,339,144
2019	960,000	49,659	1,009,659
2020	80,000	27,625	107,625
2021	85,000	23,500	108,500
2022	90,000	18,900	108,900
2023	95,000	13,813	108,813
2024	95,000	8,540	103,540
2025	105,000	2,940	107,940
Total	\$ 12,765,000	\$ 2,578,931	\$ 15,343,931

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

Outstanding Bonded Debt Schedule



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. A number of categories of debt are not included within the net debt calculation. The City’s debt limit is calculated as follows:

Estimated market value	\$ 4,522,375,200
Debt Limit (3% of total estimated market value)	135,671,256
Total Outstanding Debt	12,765,000
Less amount backed by special assessments	(1,750,000)
Total net debt applicable to limit	\$ 11,015,000

As shown in the above table, the City is well below its allowable debt limit.

Debt Retirement Strategy

The City has established and is maintaining a relatively rapid debt retirement schedule to provide both a better bond rating in the future (currently Aa1 Moody’s and AA S&P) and to provide for future debt capacity. The city’s debt on a per capita basis at the end of 2009 will be \$378. The debt repayment schedule remains on a steady pace and the city is well below the median debt level as established by the rating agencies. The median level is currently at \$750 for cities the size of Roseville.

Capital Improvement Plan

An executive summary of the 2010-2019 Capital Improvement Plan (CIP) is presented below. The majority of planned capital expenditures for the current year (2010) have been incorporated into the Budget. The remaining years are provided as estimates for planning purposes only. Only after incorporation within successive budgets or as approved separately by the City Council will these items be considered funded.

Beyond 2010, purchases or projects are included in the CIP if they are somewhat expected to occur and for which cost estimates can be reasonably obtained. Under current budgetary restraints, it is recognized that the annual budget could not absorb all of the purchases noted in the CIP. Each individual purchase or project will be evaluated at a subsequent date, at which time it will be determined if it is financially feasible. Generally speaking, capital items include physical assets that have a value of at least \$5,000 and have an expected useful life of at least 2 years.

Many of the items contained in the CIP will require on-going operational costs and in some cases produce operational savings. However, given the speculative nature of latter-year purchases, the exact costs cannot be reasonably quantified beyond next year. The additional net operating costs resulting from 2010 CIP items are approximately \$20,000. This relatively small impact is the result of the City's practice to establish sinking funds (asset replacement funds) through annual depreciation charges, which minimizes the impact on on-going operating budgets. The additional amount, albeit small, reflects general price increases for enhanced technology in many asset classes including vehicles and equipment.

Major capital projects for 2010 include:

- 1) \$1,800,000 mill and overlay for selected neighborhood and MSA streets
- 2) \$460,000 for water line and meter replacements and an automated meter reading system
- 3) \$650,000 for sewer line repairs and replacements
- 4) \$500,000 for stormwater system improvements

Funding for all projects will be provided for with sinking funds (reserve funds) that have been systematically set aside over a number of years.

With the exception of the automated meter reading system, all of the expenditures are designed to replace existing infrastructure. The automated meter reading system will allow the City to read commercial water meters using radio frequency technology which is expected to save the City tens of thousands of dollars annually. This is the only capital purchase that would be considered non-routine.

Executive Summary - CIP

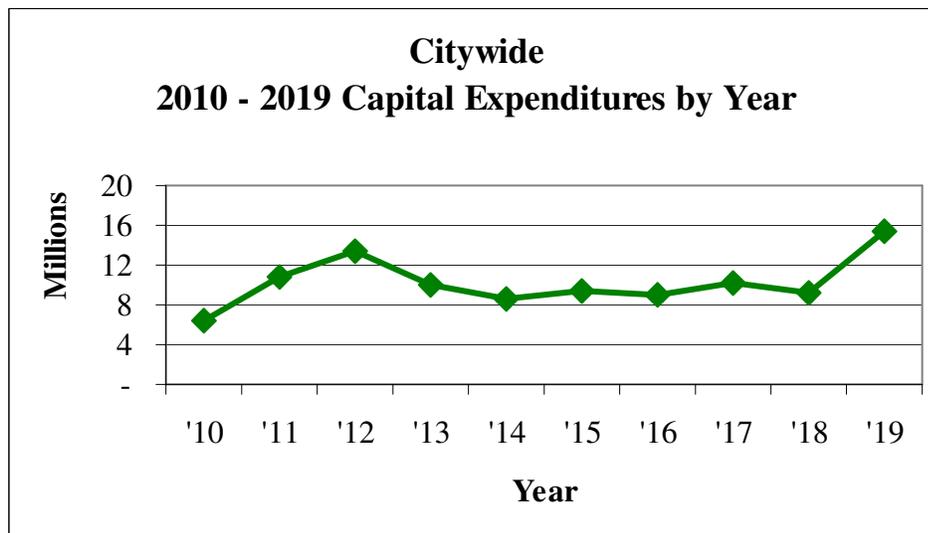
Enclosed is the 2010-2019 Capital Investment Plan (CIP) as prepared in accordance with the goals and strategies identified in the Imagine Roseville 2025 initiative and in consideration of the goals and objectives identified by the City Council earlier this year. The CIP also incorporates the valued contributions made by the City’s advisory commissions, and other citizen groups. Finally, the CIP also addresses a number of federal and state mandates that require capital outlays.

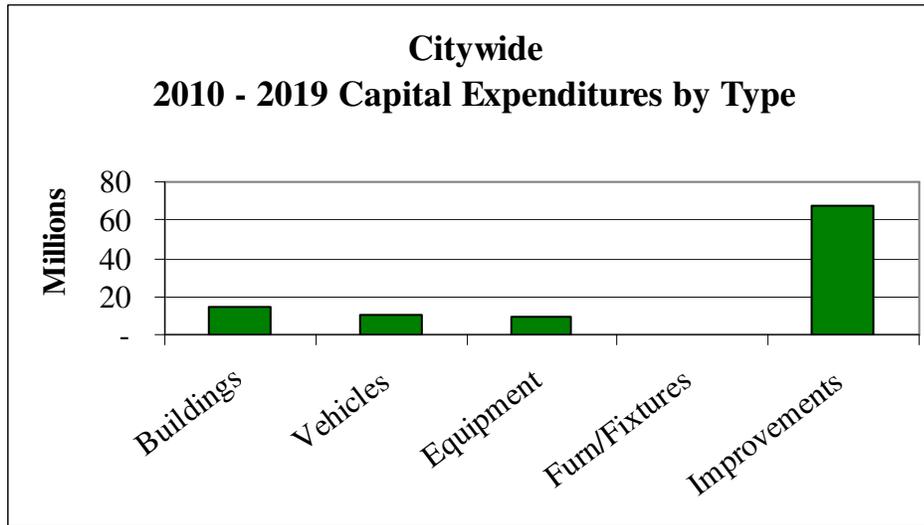
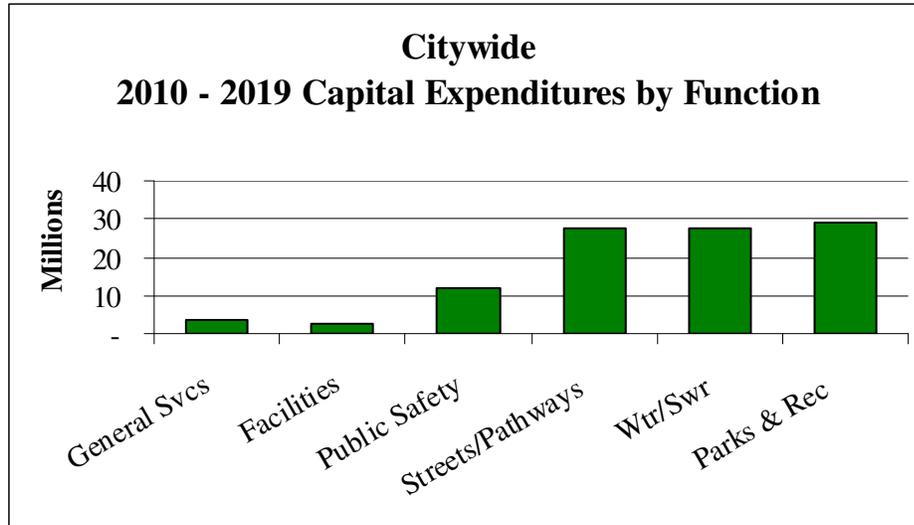
The CIP should not be construed as a request for funding; rather it is designed to serve as a planning tool that can be used to make informed budgeting decisions. Only after further discussion and Council approval will these items be considered funded. However, the inclusion of these items into the CIP signals general support for a particular service delivery model(s).

Over the next 10 years, the City expects to expend approximately \$97 million to replace existing vehicles, equipment, and infrastructure and has earmarked approximately \$5 million to allow for the purchase of new assets that would enhance the City’s 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 is conceivable that some of these items will not be replaced. By contrast, over the 10 previous years, the City expended only \$30 million to replace its capital assets; a reflection of both the general need and available funding during this time.

On average, the City expects to expend approximately \$10.2 million per year on capital assets over the next 10 years. The largest asset category is system improvements, which represents 66% of the total amount. The largest asset by City function is parks and recreation, which represents 27% of the total amount, followed closely by streets and pathways.

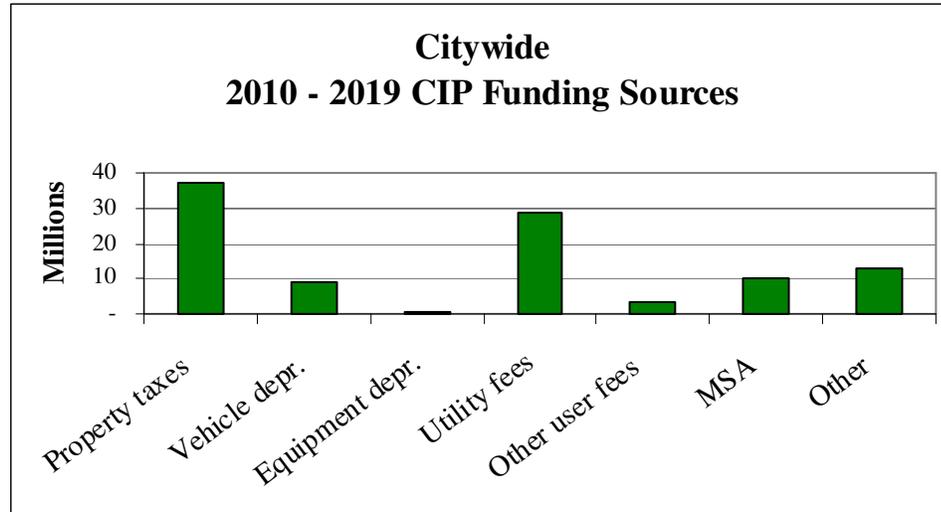
The following charts depict the City’s 10-year capital needs.





Funding for the CIP is expected to come from numerous sources depending on the asset type. The largest expected funding source for the CIP is property taxes, which represents 36% of the total amount needed. The property tax burden can be lessened if alternative funding sources are secured.

The following chart depicts the funding sources for the City’s 10-year CIP.



The CIP identifies a number of major capital items that are expected to be needed over the next 10 years to sustain current service levels. They include (in no particular order):

- ❖ \$29 million in park system improvements.
- ❖ \$28 million in streets and pathways.
- ❖ \$20 million in water and sewer infrastructure
- ❖ \$12 million in public safety vehicles and equipment and fire stations.
- ❖ \$7 million in stormwater infrastructure
- ❖ \$4 million in general facilities improvements including a new fire station.
- ❖ \$2 million in information systems

Financial Impact

The CIP will have a substantial impact on utility customers and taxpayers. Assuming all of the utility systems items contained in the CIP are funded, the City’s water, sanitary sewer, and storm sewer rates will increase approximately 1-2% each year for the next 10 years. This is in addition to any inflationary-type increases that will be needed for general operations.

The impact on taxpayers is even greater. If all of the property tax-supported items contained in the CIP are funded including; vehicles, equipment, building improvements, and park improvements, taxpayers can expect to pay 3-4% more each year for the next 10 years. Again, this is in addition to any inflationary-type increases that will be needed. This assumes that all property tax-supported capital items will be funded through systematic increases in cash reserves, and that no other alternative funding sources are identified. The City may choose instead to issue voter-approved bonds to finance some items such as a new fire station or park improvements. In addition, it also assumes that all existing assets will be replaced with something similar at the end of their useful lives. It is likely that some assets will be retired with no intent of replacing it.

City of Roseville – 2010 Budget

The combined financial impact to Roseville homeowners if all items contained in the CIP are funded would result in an increase of approximately 4-5% per year above and beyond what they're currently paying in property taxes and utility charges. Again, these same homeowners will also face inflationary-type increases for general operations as well.

For a single-family home with a property value of \$235,000 and average water consumption, the approximate impact is as follows:

Current	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
\$ 1,084	1,139	1,196	1,255	1,318	1,384	1,453	1,526	1,602	1,682	\$ 1,766

As the table indicates, a typical household would pay an additional \$682 or 63% more in 2019 than it does today if all items in the CIP are funded.

More detailed information can be found in the sections that follow this executive summary including impacts on future operating costs.

Financial Plan

Enclosed is the 2010-2019 Financial Plan as prepared in accordance with the goals and strategies identified in the Imagine Roseville 2025 initiative and in consideration of the policies, goals and objectives identified by the City Council. Like 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.

The Financial Plan is segregated into two portions; operations and capital investments. While both portions are crucial for maintaining services, the potential for alternative funding sources and the flexibility in making operational adjustments can vary significantly for each. Therefore they are looked at separately for financial planning purposes.

In addition, the Financial Plan makes the distinction between general-purpose operations that are used to provide police, fire, streets, and parks & recreation, and are typically funded by property taxes; and enterprise or business-type operations that are used to provide for water, sewer, storm, and golf course operations which are typically funded by user fees. Each of these separate categories is discussed in greater detail below.

If current operational trends continue and if the City makes all planned capital replacements over the next 10 years, it will create a sizeable impact on Roseville property owners. In order to maintain programs and services at existing levels and to replace infrastructure at the optimal time, property tax levies will need to increase by 17% per year for the next 10 years. Water and Sewer rates will need to increase by 10% per year during this same period. Under this scenario, a typical single-family home will see their combined City property tax and utility bill increase from \$1,101 in 2009 to \$3,018 in 2019, an increase of \$192 per year. These impacts can be lessened if the City chooses to eliminate programs, reduce service levels, or delay capital replacements.

With these projections, Roseville would no longer be among the lowest taxed cities in the Twin Cities Metropolitan Area. It is estimated that Roseville will go from having the 7th lowest taxes out of 60 comparative cities, to having the 25th to 30th lowest. This would place Roseville near the median taxation level. For comparison purposes, the cities currently near the median include: Bloomington, St. Louis Park, Burnsville, New Brighton, and Mounds View.

The impacts noted above can also be portrayed as a percentage of household income. Based on the projections above, it is estimated that each household will pay 2.0-2.5% of their income to the City for property taxes and their utility bill in 2019. By comparison, Roseville households paid 1.5% of their income in 2002 and an estimated 1.3% in 2009.

More detailed information is presented below.

Enterprise Operations

The City's enterprise or business-type operations include the City's water, sanitary sewer, storm sewer, solid waste recycling, and golf course operations. They are categorized as enterprise operations because they are run much like a private, stand-alone business that is sustained solely by the direct revenues they receive. These operations do not receive any property tax monies.

Enterprise operations are funded by user fees, a portion of which is set aside for future capital replacements. The remaining is used for day-to-day operations. For financial planning purposes, the City looks at operations and capital investments separately. The financial plan for each of these categories is discussed in greater detail below.

Operations

Over the next 10 years, the City's enterprise operations are projected to collectively grow 5% per year, from \$9.8 million in estimated expenditures in 2009 to \$14.8 million in 2019. This assumes that the City will continue providing the same services and levels of services as it currently does. The projections incorporate increases in personnel, supplies & materials, and other operating costs including the purchase of water from the City of St. Paul and wastewater treatment costs paid to the Metropolitan Council.

Projected cost increases by major category for the enterprise functions are as follows:

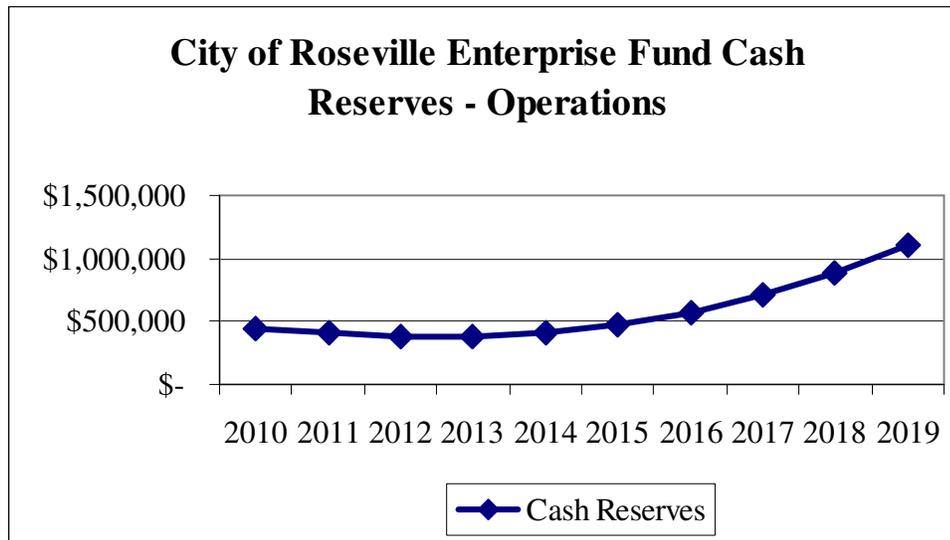
- ❖ Personnel costs - 5% thru 2012; and 4% thereafter
- ❖ Supplies and materials - 3%
- ❖ Other services and charges - 3%

The projected cost increases through 2019 are comparable to actual increases realized in prior years. To accommodate these additional costs, operating revenues rates will need to increase by a corresponding amount. User fee increases will fluctuate greatly depending on the enterprise function, with golf course and recycling fees rising at 3% annually. By contrast, stormwater fees will need to rise at 8% annually to offset projected cost increases and to equate current revenues with current expenditures. Water and sanitary sewer fees will need to rise at approximately 4% per year.

Cash reserves held in the enterprise funds are expected to generate an investment return of 5% annually which can be used to partially offset operational costs.

Additional user fee increases will be needed to offset capital investment needs. These increases are discussed in greater detail below.

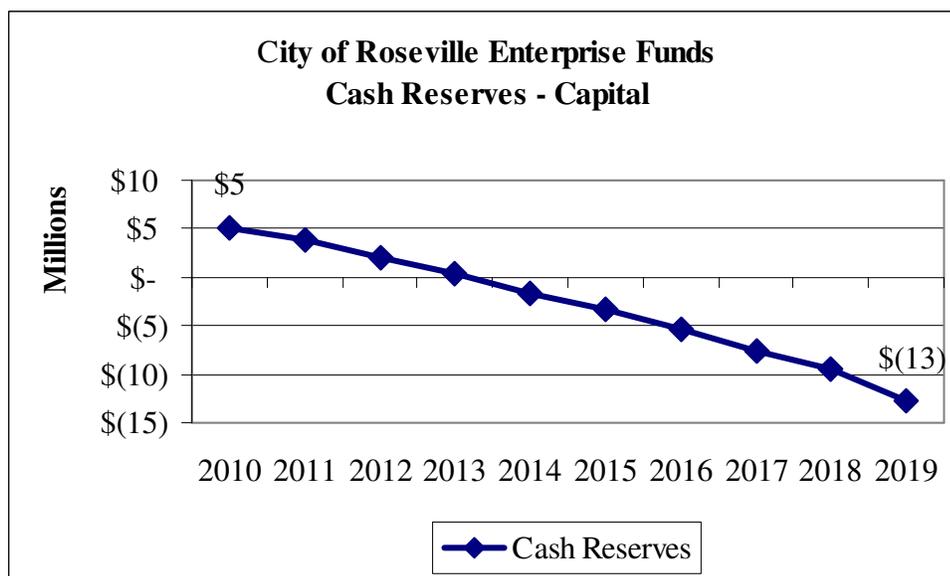
Based on the projected cost increases and added revenues, the cash reserve levels for operations in the City’s enterprise-type functions are depicted in the following chart:



Capital Investment

The 2009-2018 CIP identified approximately \$26.9 million in asset replacement needs including the replacement of vehicles, water and sanitary sewer mains, stormwater mains and retention ponds, and golf course improvements. By contrast, using the current funding source of asset depreciation charges, only \$8.5 million of available monies were identified, leaving a funding gap of \$18.4 million over the next 10 years. If existing reserves in the enterprise funds are also applied, the funding gap drops to \$12.7 million over the next 10 years.

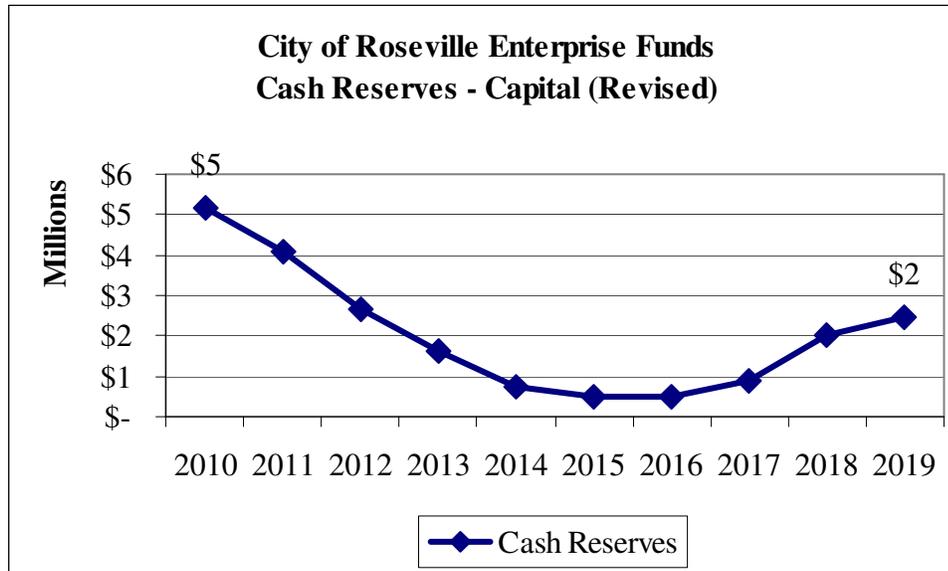
Based on the CIP, the City will exhaust its dedicated asset replacement funds for its enterprise-type operations by 2014. This is depicted in the following chart.



To prevent a deficit from occurring, the City must; divest some city assets, defer asset replacements, or increase user fees. If the City chooses to rely solely on increased user fees; water and sewer rates will

need to increase by 3-5% annually over the next 10 years. This is above and beyond any increase that will be needed to offset increasing operational costs. Green fees at the Golf Course will need to increase by 4.5% annually to afford planned infrastructure improvements. These user fee increases can be somewhat mitigated if the City defers some capital replacements. However, this will likely necessitate greater investment in asset maintenance.

With the user fee increases, and following the asset replacement schedules identified in the CIP, the cash reserves in the City’s enterprise funds dedicated for capital needs will be as follows:



Financial Impact

Based on the projections noted above, the following table depicts the annual water, sanitary sewer, storm sewer, and recycling charges for a typical household:

Current	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
\$ 519	555	593	634	677	724	774	828	886	948	\$ 1,015

As shown in the above table, over the next 10 years a typical household will incur an average increase of \$49 or 9.5% annually on their utility bill. Green fees at the golf course will need to increase 7.5% per year. Again, these increases can be mitigated somewhat if the City defers the replacement of some capital assets beyond 10 years.

General Purpose Operations

The City's general purpose operations include the City's police, fire, streets and pathways, parks and recreation, and general administrative and finance functions. For purposes of this financial plan, it excludes general facilities such as City Hall, Public Works Building, and all fire stations. Which have typically been financed with voter-approved bonds.

In contrast to the City's water and sewer operations, general purpose functions are provided for by a variety of funding sources most notably, property taxes.

Each year, a portion of the property tax levy is set aside for future capital replacements. The remaining is used for day-to-day operations. For financial planning purposes, the City looks at operations and capital investments separately. The financial plan for each of these categories is discussed in greater detail below.

Operations

Over the next 10 years, the City's general purpose operations are projected to collectively grow 4.9% per year, from \$15.6 million in estimated expenditures in 2009 to \$23.3 million in 2019. This assumes that the City will continue providing the same services and levels of services as it currently does. The projections incorporate increases in personnel, supplies & materials, and other operating costs including contracted legal and other professional services.

Projected cost increases by major category for the general purpose functions are as follows:

- ❖ Personnel costs - 5% thru 2012; and 4% thereafter
- ❖ Supplies and materials - 2%
- ❖ Other services and charges - 2%
- ❖ Minor equipment – 50% thru 2014; and 25% thereafter

The projected cost increases through 2019 are comparable to actual increases realized in prior years. To accommodate these additional costs, operating revenues rates will need to increase by a corresponding amount. For General Fund activities including police, fire, streets, etc., revenues will need to increase as follows:

- ❖ Property taxes – 5%
- ❖ Licenses and permits – 2%
- ❖ Court fines – 2%
- ❖ Intergovernmental – 2%
- ❖ Charges for services – 2%
- ❖ Other – 1%

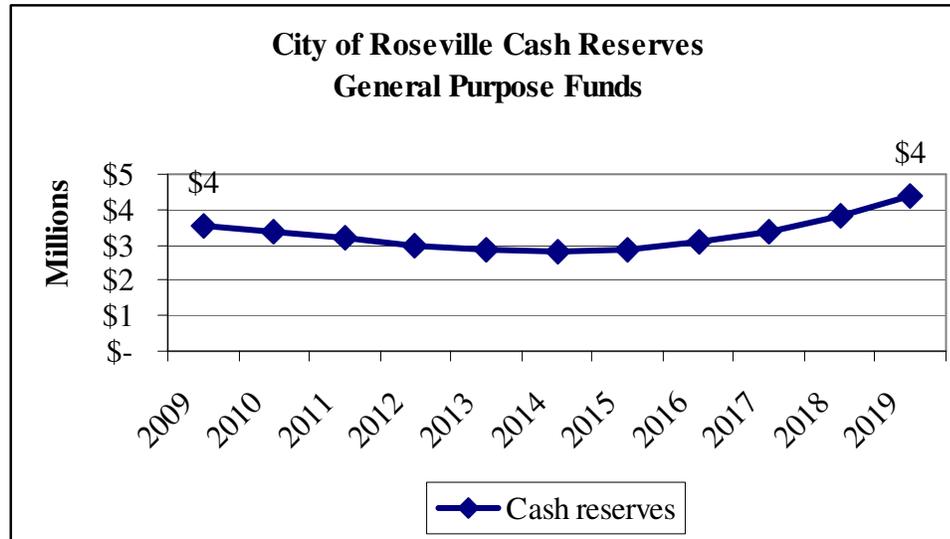
For Parks & Recreation activities including recreation programs and park maintenance, revenues will need to increase as follows:

- ❖ Property taxes – 5.5%
- ❖ Charges for services – 3%

Property taxes are needed to increase at a faster rate for the Parks & Recreation activities because it lacks any substantive cash reserves to buffer cost increases.

Cash reserves held in the general purpose funds are expected to generate an investment return of 5% annually which can be used to partially offset operational costs. Additional property tax increases will be needed to offset general purpose capital investment needs. These increases are discussed in greater detail below.

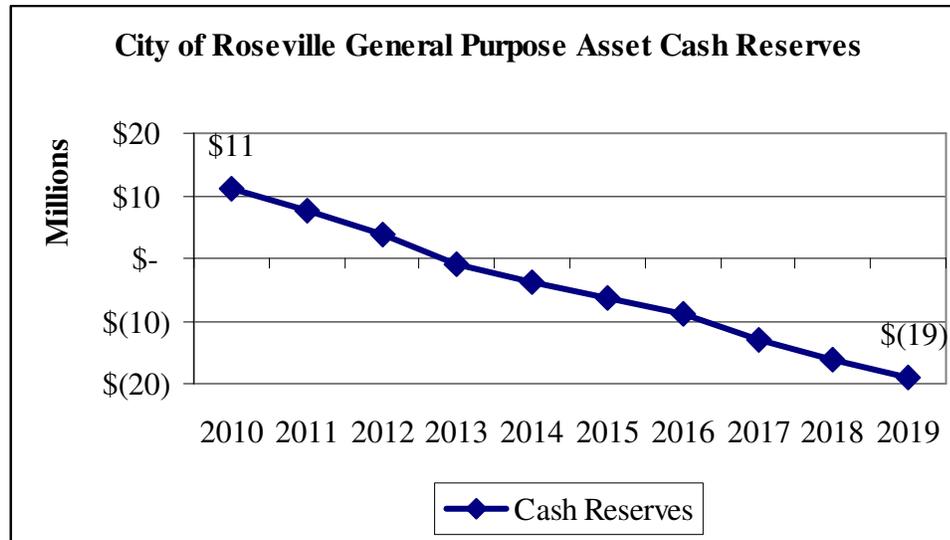
Based on the projected cost increases and added revenues, the cash reserve levels for operations in the City's general purpose functions are depicted in the following chart:



Capital Investments

The 2009-2018 CIP identified approximately \$73.4 million in general purpose asset replacement needs including the replacement of buildings, streets, parks and trails, and vehicles and equipment. By contrast, using the current funding sources of property taxes, MSA monies, and interest earnings on the City's Street Infrastructure Replacement Fund, only \$34.7 million of available monies were identified, leaving a funding gap of \$38.7 million over the next 10 years. If existing reserves in the City's general purpose asset replacement funds are also applied, the funding gap drops to \$29.9 million over the next 10 years.

Based on the asset replacement schedules identified in the CIP, the City will exhaust its dedicated asset replacement funds for its general purpose operations by 2013. This is depicted in the following chart.



To prevent this deficit from occurring, the City must; divest some city assets, defer asset replacements, or increase property taxes. If the City chooses to rely solely on increased property taxes; the City’s property tax levy will need to increase by 11.9% annually over the next 10 years. This is above and beyond any increase that will be needed to offset operational costs.

Again, this is the amount necessary to fully fund all streets, parks and trails, and vehicles and equipment over the next 10 years while preserving the City’s Street Infrastructure Replacement Fund at existing levels. All other asset replacement funds will have nominal reserves by 2019. These property tax increases can be somewhat mitigated if the City defers some capital replacements. However, this will likely necessitate greater investment in asset maintenance.

It may be prudent to rely on voter-approved bonds to finance the replacement of park system assets in addition to general facilities. Removing these two large categories would reduce the need for a tax levy increase of only 5.3% per year.

Financial Impact

Based on the projections noted above, the following table depicts the annual property tax impact necessary to finance the operational and capital needs for the City’s general purpose functions including all streets, parks and trails, and vehicles and equipment:

Annual Household Property Tax Bill										
Current	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
\$ 582	645	716	823	965	1,128	1,303	1,478	1,653	1,828	\$ 2,003

As shown in the above table, over the next 10 years a typical household will incur an average increase of \$142 or 24.4% annually on their property tax bill – holding all other factors constant.

City of Roseville, Minnesota
Mission Statement

To provide the Citizens of Roseville with an ethical local government structure which ensures the Community's public safety, health, quality of life, and general welfare in a manner that is accountable to both 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. The policies are separated into three categories:

- ❑ Budget Policies—these policies are more typically directly related to budgeting guidelines and specific details
- ❑ City Operational Policies—these policies apply to general directions and methods, which may not be specific to the budget but do have an ultimate impact on the process since the budget is a reflection of the Council's community goals and priorities
- ❑ Special Program Policies—the City may have special programs, which require specific policies not normally covered in the previous categories but have significant impacts on the annual budget.

Budget Policies

The City's Budget Policies were reaffirmed in 2008 and include:

- a) Operating Budget Policy
- b) Capital Improvement Policy
- c) Debt Policy
- d) Revenue Policy
- e) Capital Replacement Policy
- f) Operating Fund Reserve Policy

Operational Policies

The City's Operational Policies include:

- a) Open Government Policy
- b) Community Participation Policy
- c) Collaboration Policy
- d) Community Technology Policy
- e) Legislative Program Policy
- f) Professional Services Policy
- g) Accounting & Auditing Policy
- h) Investment Policy

Special Program Policies

The City's Special Program Policies include:

- a) Housing Policy
- b) Pavement Management Policy
- c) Park Improvement Policy
- d) Revenue Policy

Each of these policies is explained in greater detail below.

Operating Budget Policy

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, and property tax levies.

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 using reserves to balance the operating budget
- The operating budget will provide for adequate maintenance of capital plant and equipment, and for their orderly replacement.
- 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 its 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 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 \$5,000 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

Capital Improvement Policy

Purpose

The purpose of the City's Capital Improvement Policy is to ensure that capital expenditures are well planned and enable the city to replace capital items when needed, without requiring significant fluctuations in the property tax levy.

Scope

All departments and City funds are included in the 10-Year Capital Improvement Program (CIP). The CIP identifies the timing and financing of all capital items.

Policy

- All capital improvements shall be made in accordance with an adopted Capital Improvement Program
- The City will develop a 10-year Plan for capital improvements and update it annually
- 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 will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval
- The City will determine the least costly financing 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.

Implementation

The Capital Improvement Program has been updated to reflect capital expenditures through the next five years.

Debt Policy

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
- 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 demonstrate compliance toward achieving the city's debt policy.

Revenue Policy

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 increases, 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 cost of annual straight life depreciation 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 Replacement Policy

Purpose

The Roseville City Council has set in place a stable funding mechanism for much of the city's infrastructure. The intent of the Council in having Replacement Policies is to provide for easing the burden on both present and future taxpayers and to assure the replacement of the city's infrastructure in a manner that is both fiscally and operationally prudent.

The primary purpose of this policy is to have specific resources set aside on a periodic basis, to create funding for the major equipment and infrastructure needs of the community, without encountering major tax increases for maintenance and replacement.

It is not the intent of the City Council to fund major new facilities, which have not had the original funding established either through tax increment, general taxes or other such sources. The replacement funds are expected to be only for replacement purposes. (See the Implementation section below)

Policy

- ❑ The City will establish a General Vehicle Replacement Fund and a Fire Vehicle Replacement Fund. The City will appropriate funds to them annually to provide for timely replacement of vehicles. The amount will be maintained at an amount equal to the accumulated depreciation including annual fund interest earnings to provide for vehicle replacement
- ❑ The City will establish a General Plant Replacement Fund to provide for non-vehicular equipment replacement; i.e., mowers, tools, etc. Funding should equal the amount of accumulated depreciation recorded on all general governmental equipment including annual fund interest earnings
- ❑ The City will establish a Building Replacement Fund, and will appropriate funds to it annually to provide for timely maintenance of all buildings and plants supported by general governmental funding. Maintenance 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 funding should equal the amount of accumulated depreciation recorded on all general governmental streets and related structures including annual fund interest earnings. The annual MSA capital allocation, will be included as 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 only the interest proceeds are used each year for the stated purpose. The original principal amount remains intact
- ❑ The City shall establish a Park Improvement Fund to provide for the general replacement of parks and related infrastructure throughout the community. The funding should equal the amount of accumulated depreciation recorded on 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 amount of accumulated depreciation recorded on all enterprise fund system assets.
- ❑ From time to time the City Council shall establish additional replacement funds as the need and funding ability becomes available
- ❑ The City should periodically review and follow industry-recommended replacement schedules for all City capital assets.

Implementation

The City shall use replacement funds to assist in the replacement of equipment, vehicles, and building maintenance. New equipment or buildings are to be funded from new dollars, unless they are designated to replace currently depreciated assets. Funds from the replacement funds may be used up to the amount available from depreciation of the replaced asset. Any additional funding shall be from new sources.

Operating Fund Reserve Policy

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

Policy

- ❑ The City will maintain a general fund reserve of 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 equal 25% 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 25% 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 to operating cost recovery and the projected capital improvements
- ❑ All other operational funds e.g. License Center, Information Technology, etc are expected to operate with positive reserve balances of 10-25% of the annual operating budget. Each operational fund shall be reviewed on an annual basis to assure the fund balance is in line with the fund's objectives

Implementation

All fund reserves shall be reviewed each year at the time of the annual budget preparation 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.

Open Government Policy

The City has always had the policy of openness and disclosure. To ensure that city related groups such as commissions, committees, associations, and joint powers organizations are aware and reflect this openness, it is understood that any policy-making which directly impacts the fiscal health of the community is expected to be disclosed properly and timely to the public. This policy includes disclosure in both the spirit of openness and within the requirements of the appropriate state statutes.

Policy

Coverage

- ❑ The City will conduct the governmental fiscal and budgetary policy deliberations in a public space, preferably either in City Hall, or other city halls, libraries, etc. and in a space which is accessible.
- ❑ The proceedings are to be broadcast or recorded in either video or voice mode.
- ❑ The City will prepare and provide summaries of proposed and final documents related to fiscal issues, which will be presented and discussed in an open meeting setting as described above.
- ❑ All City committees, commissions, joint power organizations and other groups on which any person from the city staff or any member of the City Council is either requested or is required to serve and establishes fiscal policies regarding City Funds, will adhere to the same open government procedures and process outlined above.
- ❑ Committees, commissions and other groups which do not make fiscal policy regarding City Funds, are expected to provide for at least a 72 hour advance meeting notice, to hold the meetings at locations which are readily accessible to all.

Proceedings of Required Groups

- ❑ Copies of minutes and either a video or audio tape of fiscal policy deliberations shall be kept on file with the City Manager's office for at least a 1-year period of time.
- ❑ Where possible reports, budgets and other approved documents shall be kept at an accessible place in City Hall, at the Roseville Branch of the Ramsey County Library, and where feasible and practical, as part of the City's web page.

Implementation

This policy will become effective upon formal approval of the City Council and shall be in force and considered as part of the City's fiscal policies.

Community Participation Policy

Purpose

While the City Council is elected to represent the community in making choices of public safety, public works and the providing of general governmental services, the Council will make every effort to involve the community in the decision-making process where major community interests are concerned and where state and local statutes permit.

It has been the practice of the Council, and will continue to be, to appoint commissions, task forces, and other work groups from the community to explore and present ideas and alternatives with regard to issues, which are of importance to the community.

In addition, any expenditure of funds in excess of \$3 million of local property tax dollars and which involves community facilities will be brought to the community in the form of a referendum.

Scope

The scope of the policy is to actively involve the community in those major facilities issues which include the addition of parks, pathways, public facilities, zoning, neighborhood development issues, and any other areas deemed appropriate.

Policy

The City of Roseville will endeavor to involve representative citizen groups, including student representation, in the discussion and advising on issues which require more input as to the wishes and needs of the community than can be provided by staff, consultants, or the City Council. It is the intent of the Council that all study groups, commissions, and committees will consist of at least 5 members unless otherwise specified by statute.

Implementation

The City Council will work with staff to assist in defining those issues which require more community guidance and input. Those issues will be presented to representative community work group to assist in the ascertaining the need, fact-finding, and determining feasible alternatives, before the City Council deliberates a final resolution of those issues.

Collaboration Policy

Purpose

The intent of this policy is to make clear to staff and the community that the City Council encourages the searching out of opportunities to join with other governments, schools, and private organizations both for-profit and non-profit, to provide needed services to the community.

It is expected that those services will be of high value to the community and ultimately a wiser use of all resources including but not limited to property taxes, human resources and existing city infrastructure.

Scope

The scope of the policy is not to limit the areas of collaboration and cooperation as to encourage reasonable exploration of any and all areas where Roseville taxpayers and other organizations can mutually benefit.

Policy

The City of Roseville encourages staff to seek out and bring forward, areas and ideas which may be explored and discussed in a public manner so that our community may benefit in both an improved quality of life and a better economic use of all resources.

Implementation

The City will work with other communities, public entities and applicable private parties to search out, review, fund and implement where feasible, any areas of cooperation or collaboration which would prove to be significant benefit to all parties and which would fulfill the above stated policy of the City of Roseville.

Community Technology Policy

Purpose

With the explosive growth in computer and related technology, it is of critical importance that the Citizens of Roseville not be excluded from the benefits that access to internet communications and information can accrue.

It is the intent of this Policy, to establish that the City Council of the City of Roseville recognizes the importance of emerging technology and will make every effort to assure that the citizens of Roseville have reasonable access and service where technically feasible and financially viable.

Scope

The scope of this policy is to include a wide range of technologies. Those technologies may consist of a combination of existing infrastructure and the use of new and developing infrastructure. The City will strive is to keep up-to-date and current as is reasonably possible in knowing what applications may exist. The City will additionally review the potential and available resources which may be needed to provide better public service and community access.

Policy

The City of Roseville will strive to provide an ever-improving system of public safety and service. In the current environment of growing technology options, the City will explore and find those systems or providers of systems, which will:

- Provide current service at better value
- Explore the potential to provide improved ways of providing basic city services in ways that will enhance and better protect the community
- Allow the citizens of Roseville to continue to have technology access to the internet regarding information and communications

Implementation

The City will work with other communities, public entities and applicable private parties to search out, review, fund and implement where feasible, any new technology or application of current technology which would fulfill the above stated technology policy of the City of Roseville.

City legislative Program Policy

Purpose

Because cities are a creation of the state, municipal rights and responsibilities usually require legislative support to amend, add to or to eliminate those duties. It is the intent of the City Council of the City of Roseville to approach such issues in a positive and proactive manner and to support changes which it believes to be in the best interest of the community. It is the intent of the Council to take steps which make it very clear to all parties, what the City's position is on any proposed changes and how staff has been directed to respond.

Scope

The scope of this policy is to include specific, well thought-out changes initiated by the Council and issues which have been brought forth by citizens or groups representing cities such as the National League of Cities, League of Minnesota Cities, the Legislative Municipal Commission, and the Association of Metropolitan Cities. The Council will also intend to review and respond appropriately to any ad hoc issues, which may arise at the 11th hour of a legislative, congressional or county session.

Policy

It is the policy of the City of Roseville to provide a positive role of leadership on legislative issues which may affect the Community and to articulate clearly what that position, if any, may be.

Implementation

The City Council of the City of Roseville will meet at least once annually, in an open work session or in an official meeting, to discuss any legislative issues which may be deemed to affect the Community and requires a stated position. In addition to initiated legislation, discussion will include any pending or proposed legislative issues which may be at the County, State, or National Level. The intent of the annual session is to outline the Council's official position of such issues and to instruct staff in their related work.

The Council may meet at other times as may be required to respond to legislative or county issues which arise on a non-scheduled basis.

Professional Services Policy

Background

The City of Roseville retains outside firms or individuals to provide professional services in many areas including:

- Legal (Prosecution, Civil, Economic Development, and Bond Counsel)
- Appraisal
- Planning and Landscape Design
- Audit
- Engineering, Architectural, and Environmental

The City enters into professional services contracts for specific projects or services, for a specific period of time.

Purpose

The City of Roseville has determined that it is good public policy to utilize a method of selecting and retaining professional services in order to:

- Ensure Citywide consistency in the process of selecting and retaining professional services
- Ensures public confidence in process integrity by providing maximum transparency and avoiding long-term relationships that are insulated from the economic market forces of open competition
- Ensure that the City obtains the best overall value for its investment when retaining professional services.
- Ensure a regular, consistent fiscal review of professional services

Policy

Contracts for professional services shall be for terms of not more than three (3) years. Multi-year contracts shall not be renewed at their expiration except as a result of a competitive selection process consistent with this policy, unless this requirement is waived by a vote of the City Council.

Multi-year contracts shall include an annual performance review to ensure that the purposes of the contract are being met with reporting of results to the City Council. All contracts shall, by their terms, allow the City to terminate the contract prior to completion if the City determines that the contract does not continue to serve the City's purposes.

Selection of firms shall be through a competitive process using a 'best overall value' approach whenever applicable and appropriate. All professional services contracts 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

City of Roseville – 2010 Budget

- 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

Amended – August 17, 2009

Accounting & Auditing Policy

Purpose

To ensure accurate and consistent accounting practices that conform to generally accepted accounting principles to ensure public confidence in and ensure the integrity of the City's financial system.

Policy

- ❑ The City will establish and maintain a high standard of accounting practices.
- ❑ The accounting system will maintain records on a basis consistent with accepted standards for local government accounting as established by State law and GAAFR.
- ❑ Regular monthly and annual financial reports will present a summary of financial activity by major types of funds.
- ❑ Where possible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by fund.
- ❑ An independent public accounting firm shall be engaged to perform an annual audit of all accounts, funds, and activities, and will publicly issue a financial opinion.
- ❑ Independent accounting firms shall be engaged for a period of not more than three years, selected through an open request for proposal process, and shall not be allowed to renew the City's account for more than three years.

Implementation

The City has earned the GFOA Excellence in Financial Reporting award for the past 29 years (1979 - 2007).

Investment Policy

Purpose

To ensure the most efficient use of the City's idle funds, and to ensure the best return on these funds while making only those investments allowed by law.

Policy

- The City will make a cash flow analysis of all funds on a regular basis. Disbursement, collection, and deposit of all funds will be scheduled to ensure maximum cash availability.
- When permitted by law, the City will pool cash from several different funds for investment purposes.
- The City will invest 99 percent of its idle cash on a continual basis.
- The City will obtain the best possible return on all cash investments. Such investments will only be those legally permissible under Minnesota law.
- The accounting system will provide regular information concerning cash position and investment performance.
- The City will make arrangements for banking services on a contractual basis for a specified period of three years, with specified fees for each service rendered.
- The City includes interest earnings and investment summaries as part of the Comprehensive Annual Financial Report (CAFR).

Implementation

See Investment and Portfolio procedures.

Investment and Portfolio Procedures

Scope

These investment and portfolio procedures apply to the activities of the City with regard to investing the financial assets of all funds, including the following:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Debt Service Funds
- Special Assessment Funds
- Internal Service Funds
- Trust and Agency Funds

Objectives

Funds of the City will be invested in accordance with Minnesota Statutes, 1999 fiscal policies and these administrative procedures. The City's investment portfolio shall be managed in a manner to attain a market rate of return throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio. The market rate of return shall be to the same rate as the target portfolio. Investments shall be made based on statutory and policy constraints.

Funds held for future capital projects (i.e. bond proceeds) shall be invested to produce enough income to offset increases in construction costs due to inflation. Where possible, prepayment funds for long-term

debt service shall be invested to ensure a rate of return at least equal to the interest being paid on the bonds.

Delegation of Authority

The finance director is designated as investment officer of the City and is responsible for investment decisions and activities, under the direction of the City manager.

Prudence

The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule. This rule states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

Monitoring and Adjusting the Portfolio

The investment officer will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments and will adjust the portfolio accordingly.

Internal Controls

The Finance Director shall establish a system of internal controls, which shall be reviewed annually by an independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. Investments shall be done on a pooled funds basis with interest allocated on a cash balance method. Those internal controls shall consist of competitive bids on investments, and division of duties among the staff.

- Investments made by investment officer
- Records maintenance by a finance staff member other than investment officer
- Review and reconciliation by the assistant finance director

Portfolio Management

Under the 1999 Fiscal Policies, it shall be the City's procedure to restrict investments to only Repurchase Agreements with national or state chartered banks, U.S. Treasury and U.S. Government Agencies.

The procedures shall consist of yield curve analysis and implemented with the appropriate purchase of the above investments.

Maturity scheduling shall be within those investments and in a manner that will maximize yield and liquidity and minimize interest rate risk.

Competitive Selection of Investment Instruments

Before the City invests any surplus funds, a competitive "bid" process shall be conducted. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested for instruments that meet the maturity requirement. If no specific maturity is required, a market trend (yield curve) analysis will be conducted to determine which maturities would be most advantageous. Bids will be requested from financial institutions for various options with regards to term and instrument. The City will accept the bid that provides the highest rate of return within the maturity required and within the parameters of these procedures.

Bids for purchases through the treasury auctions are not required.

Records will be kept of the bids offered, the bids accepted and a brief explanation of the decision that was made regarding the investment.

Settlement

All settlements of investments shall be on a "Delivery vs. Payment" (DVP) basis. Physical delivery shall be avoided if at all possible, with book-entry being the preferred method of safekeeping.

Safekeeping and Collateralization

All investment securities purchased by the City shall be held in third-party safekeeping by an institution designated as primary agent. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information.

Reporting Requirements

The investment officer shall generate daily and monthly reports for management purposes. The annual investment report shall be completed on a time-weighted basis and shall be included as part of the Comprehensive Annual Financial Report to the City Council. The target portfolio shall be the U.S. Government Bond Yield Index for the comparable period.

Housing Policy

Purpose

The City of Roseville’s Housing Improvement Plan (the “Housing Plan”) is a document established to guide planning and policies related to providing a community rich in housing quality and choices for all residents. The Housing Plan is reviewed and revised annually by the City Council to ensure that the programs established are effectively and efficiently serving the current housing needs of the community. It is understood that as housing structures age and the market needs change so will the programs and policies in the Housing Plan. The main components of the Housing Plan include the VISION OF Vista 2002 and goals and policies of the City’s Comprehensive Plan and Livable Communities Action Plan. Each program within the Housing Plan strives to meet the current needs of the community by collaborating with other agencies and filling gaps that might exist within more traditional housing programs.

- ❑ Roseville has over 15,000 housing units of which 59 percent are detached single-family, owner/occupied homes. The second largest category of housing in Roseville is the combination of apartments and condominiums that make up 36 percent of the housing units in the City. Townhomes represent almost five percent of the housing units in the community. Over 70 percent of all housing units are owner-occupied. There are approximately 100 mobile homes remaining in Roseville, most of which are at least 20 years in age. The annual overall turnover rate for single family residents is less than three percent (3%) while the rental multifamily turnover rate is nearly 30 percent per year. The number of housing units built prior to 1950 in Roseville represents nine percent (8%) of the entire housing stock. Many of these units offer affordable housing opportunities, or at least, since they are generally on large lots, an opportunity to redevelop the housing/lot into a number of housing sites. The housing stock built in Roseville prior to 1960 (40 or more years old) is 37 percent of the total. In the housing boom years from 1960 to 1970, almost 30 percent of the dwelling units in the community were constructed. Some structural or maintenance repair work is required of each home after 20 years of use; in Roseville 85% of the homes are over 20 years of age. From 1970 to 1979, Roseville added another 2,726 units, 18 percent of the current housing. Slightly more than 16% of the housing has been constructed since 1980. The housing in the community (38 percent of the land area) represents 65 percent of the total private sector investment in Roseville and pays 49 percent of the property taxes.
- ❑ The following principles are useful to guide in the planning and economic development efforts for the community as it pertains to housing. The guiding principles help orient discussion, analysis and decision-making regarding policies and strategies that are used to complete the Roseville Housing Improvement Plan.

The Roseville Housing Improvement Plan:

- ❑ is consistent with the comprehensive plan by providing a variety of housing for all residents;
- ❑ encourages community self-reliance, collaboration with other housing providers and education to create and retain housing value;
- ❑ uses expert “coaches” to start the programs; and
- ❑ Remains small and incremental, not creating large bureaucratic staff-driven programs.

Housing Goals

The City will consider the following four housing goals when evaluating current and future housing programs:

- ❑ Roseville will strive to provide a variety of housing types (owner occupied and rental) that balances affordability, maintains quality of housing and the urban environment has access to public infrastructure, services and employment and enhances neighborhood viability.
- ❑ Continuously strive to improve the quality of approximately 200 existing units which are below the average physical condition and less than 75 percent of the median value of housing units within the community (currently 55 single family and 160 multi-family units).
- ❑ Fill the gaps in the city's housing portfolio by providing housing for all stages of the life cycle such as the needs for entry level housing and more affordable senior housing. Specifically, assist in the provision of entry level family housing to regenerate the community, schools and our neighborhoods.
- ❑ Meet the Metropolitan Livable Communities Act benchmarks, and city indexes (subject to market conditions and resource availability) as outlined in Roseville's action plan for the period from 1996 to 2010.

Implementation

The following strategies have been developed and are annually refined as part of the Comprehensive Planning process and work plan review. These strategies strive to achieve maximum housing diversity and regeneration of housing stock by encouraging private investment, discouraging deferred maintenance and disinvestment, stabilizing property values and strengthening neighborhoods.

- ❑ Enhance relationships with School Districts, Social Service offices, Churches and Charitable organizations to provide continuous funding and services for the preservation and enhancement of Roseville's neighborhoods and to retain a minimum of 2400 to 2600 households with school aged children.
- ❑ When reviewing new housing developments, evaluate the proposal based upon its fit into the existing housing mix and encourage housing quality, accessibility and affordability. Create Planned Unit Developments (PUDs) that offer a mix of housing types including single family, townhome, and condominium housing.
- ❑ Enhance Roseville's public infrastructure. Provide accessibility from housing to local parks and services, schools, churches, transit and employment. Support state legislation that enables communities to establish road and housing infrastructure/neighborhood revitalization impact fees on new development in the community.
- ❑ Encourage adequate transition between residential neighborhoods and business developments using the Border and Buffers Program.
- ❑ Strengthen the city's relationship with local banks with housing rehabilitation and reinvestment programs in local neighborhoods.

- ❑ Work with rental property owners to encourage continuous improvements that contribute to the quality living environment of its tenants and the sustainability of mixed-use neighborhoods. Strengthen tenant/landlord relationships and upkeep of rental properties through education, inspections, permits, and rehabilitation loan programs.
- ❑ Support housing programs that fund housing renovations and improvements for single family homes with grants and low or deferred interest rate loans.
- ❑ Create an education environment that promotes quality housing renovation and housing assistance through the Home & Garden show and technical assistance.
- ❑ Adopt a housing preservation code in coordination with other communities along the I-35W Corridor.
- ❑ Work with the Police Department Neighborhood Watch Program to provide information about Roseville's residential inspection and code enforcement program and provide rehabilitation information at neighborhood meetings.
- ❑ Support affordable senior housing through the use of tax increment financing, Ramsey County Home Funds, HUD, Minnesota Housing Finance programs, and Federal Home Loan Bank dollars.
- ❑ Work with developers to utilize tax credit programs and revenue bonds to reduce the cost of financing for affordable housing.
- ❑ Annually review and revise Roseville's Livable Communities Action Plan.
- ❑ When appropriate, submit applications for Livable Communities Demonstration Account grants where the proposed projects provide a mix of housing choices.

Pavement Management Program

Purpose

The City was finding in the late 70's and early 80's that the community's streets were deteriorating at a steady rate and under the current policy, the problem streets would continue to increase.

Scope

To begin to bring the City's streets back up to standard, a program was undertaken to reconstruct all 28 miles of "problem" streets within an 8-year period.

Policy

The City Council set out in 1986, a paving management program to reduce and maintain the problem streets of the Community to be no more than 10% of the City's total street mileage.

Implementation

The City Council has undertaken and nearly completed the current scope of work needed to bring city streets up to a standard where the overall rating is approximately 80% where 100% is the highest rating a street can receive.

Park Improvement Program

Purpose

Because of the effectiveness of the Paving Management Program, the City began to look at the community's park system to set standards of development, and redevelopment.

Scope

Over the years, the emphasis had been on parkland purchase and development. Because of the age and the newer park facility technology and materials, the City Council established a goal of renewing and updating the City's park system over the next 25 years.

Policy

The City Council has established a Park Improvement Program to better bring the existing Park facilities into a safe and attractive condition.

Implementation

Beginning in 1991, the City has implemented a Park Improvement Program and has dedicated \$150,000-\$250,000 of property tax dollars each year to that end. In addition, additional funds have been made available as they become available.

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 citizens.

The submitted 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 weeks, allowing for citizen participation and Staff presentations.

As required by State Statute, the City Council must then take a formal action to approve a proposed budget and tax levy before September 15th. 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.

Although no longer required by State Statute, the City schedules a “Truth-in-Taxation” hearing between the end of November and December 20, 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, at a subsequent meeting, approves the final budget and levy for the succeeding year.

Budget Amendments

Periodically, during an operating year, it becomes necessary to modify the adopted budget. 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 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 but not Subject to 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, Golf Course Fund, and Solid Waste 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, they are: 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.

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 aids 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. Proprietary funds are budgeted on an accrual basis. 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 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 10-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 10-year period.

The general guideline for CIP inclusion would be equipment of a capital nature, and construction project cost generally in excess of \$5,000. 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 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 usually 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 City Finance team 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 affirm.

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 prime 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

Description: 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

General Description: Special Revenue: Funds in which revenues are collected for specific purposes and expenditures for those specific purposes are recorded.

Description: Recreation and Parks 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 and it is expected to be self-supporting.

Description: 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.

Description: 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.

Expenditures recorded include wages, salaries and employee benefits for staff directly providing communication 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.

Description: Information Technology Fund accounts for resources and payments related to the information technology functions of the City. This fund has been designated a minor fund for reporting purposes

Revenues generally consist of rents collected from wireless tower leases and intergovernmental revenues collected from other cities for services rendered. Other revenues include an annual allocation from the city's license center, investment income, and other miscellaneous revenues sources.

Expenditures recorded include wages, salaries and employee benefits for staff directly providing information technology 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).

Description: License Center Fund accounts for resources and payments related to the State License Center 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 licenses 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 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 and to the Information Technology fund.

Description: Charitable 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 portion 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

General Description: Debt Service: Funds in 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.

Description: 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

General Description: Capital Projects: Funds in which revenues are collected for the construction and replacement of city facilities, equipment and infrastructure.

Description: Equipment Revolving Fund accounts for resources and payments related to the replacement of furniture, 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 equipment, from depreciation charges to various operating departments. Other revenues include; 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.

Description: 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, from depreciation charges to various operating departments. Other revenues include; 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.

Description: Vehicle Revolving Fund accounts for resources and payments related to the replacement of vehicles and heavy licensed equipment within the city departments. This fund has been designated a minor fund for reporting purposes

Revenues generally consist of property taxes collected from levies specified for vehicles, from depreciation charges to various operating departments. Other revenues include; investment income, and other miscellaneous revenues sources.

Expenditures recorded include replacement of vehicles and heavy licensed equipment if they had been purchased previously and have been depreciated. An expenditure would also qualify, if it were replacing previously depreciated asset.

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

Description: 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.

Description: Pathways Construction Fund accounts for resources and payments related to the pathway additions program. 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 pathways construction. Other revenues include; investment income, and other miscellaneous revenues sources.

Expenditures recorded include construction of new pathways in accordance with the pathways plan.

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

Description: 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.

Description: Economic 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 property taxes collected from levies specified for maintenance. 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.

Description: 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 a minor fund for reporting purposes

Revenues generally consist of a property tax levy specifically for park improvements. Other revenues include, investment income, allocations from the Parks and Recreation Infrastructure Fund 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.

Description: *Special Assessment Construction Fund* accounts for resources and payments related to the Paving Management Program (PMP). This fund has been designated as a minor fund for reporting purposes

Revenues generally consist of allocations from the Infrastructure Replacement Fund. Other revenues include; investment income, and other miscellaneous 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: Permanent Funds

General Description: *Permanent Funds*: Funds which have been legally established as funds from which only the investment income may be used for which the Fund was established.

Description: *Infrastructure Replacement Fund* accounts for endowment funds set aside for the long-term replacement and maintenance of the City streets. This fund has been designated as a major fund for reporting purposes

Revenues generally consist of investment income.

Expenditures are limited to approximately 2/3 of the annual investment income to be allocated to the Special Assessment Construction Fund

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

Fund Type: Internal Service Funds

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

Description: *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.

Description: *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.

Fund Type: Trust Funds

General Description: Trust Funds: Funds which account for specific operations for which the City has a fiduciary responsibility and the funds are held in trust for a third party.

Description: Investment Trust Fund accounts for revenues and expenditures related to the investment activities for a not-for-profit organization devoted to providing cable television oversight for a group of communities.

Revenues consist of payments received from the licensed cable company, investment income and other miscellaneous revenues.

Expenditures from the trust are only transfers to the agency's general account upon request. No direct expenditures are made from the trust.

Fund Type: Proprietary Funds

General Description: Proprietary (Enterprise) Funds: 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.

Description: 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.

Description: 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.

Description: Golf Fund accounts for revenues and expenditures related to City's 9-Hole golf course.

Revenues primarily consist of greens fees collected from course users. Other revenues include; investment income, 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.

Description: 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.

Description: Recycling Fund accounts for revenues and expenditures related to the City's recycling operations.

Revenues primarily consist of recycling fees collected from system users and grants from assessments collected 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.

Fund Type: Agency Funds

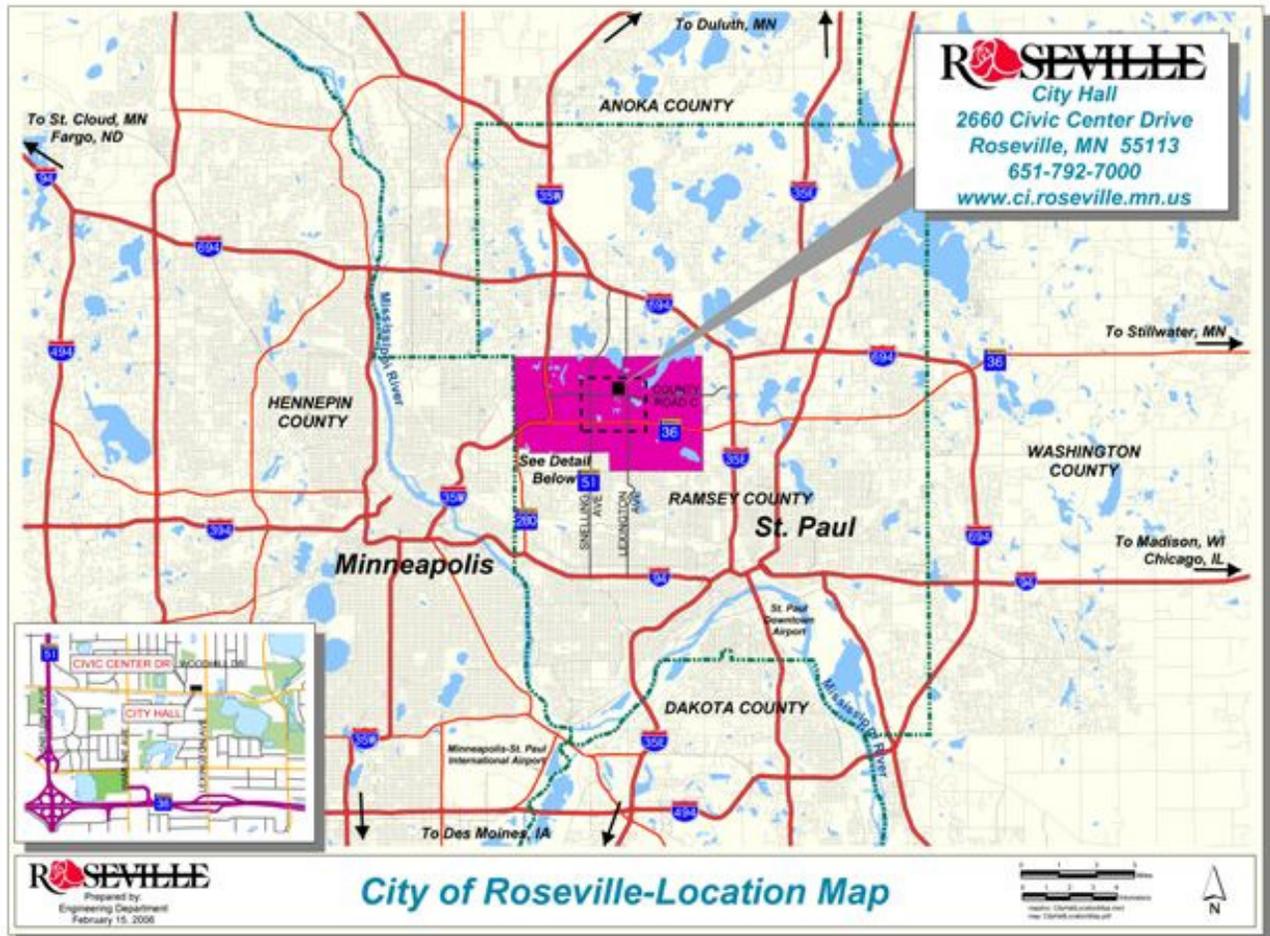
General Description: Agency Funds: Funds used to report resources held by the City in a purely custodial capacity.

Description: Cemetery Fund accounts for the fiscal activities of a cemetery under the ownership of the Islamic Cemetery Association.

Revenues consist of interest earnings on investments. Expenditures include general grounds maintenance.

Profile of the City of Roseville

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



This area is considered to be the major population and economic growth area in the state, and among one of the highly ranked economic growth areas in the country. The City of Roseville currently occupies a land area of 13.7 square miles and serves a population of 33,690. The City of Roseville is empowered to levy a property tax on both real and personal properties located within its boundaries. While it also is empowered by state statute to extend its corporate limits by annexation, Roseville is a completely developed community and is bordered on all sides by other incorporated communities.

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

The annual budget serves as the foundation for the City of Roseville's financial planning and control. All departments and agencies of the City of Roseville submit requests for appropriation to the city manager in May of each year. The city manager uses these requests as the starting point for developing a proposed budget. The city manager then presents this proposed budget to the council for review prior to August 1st. The council typically holds a public hearing on the proposed budget and must adopt a final budget no later than December 31st, the close of the City of Roseville's fiscal year.

Supplemental demographic and statistical information is shown below.

City of Roseville – 2010 Budget

City of Roseville
Principal Property Taxpayers
December 31, 2008 Compared to December 31, 1999
 (amounts expressed in whole dollars)

Taxpayer	2008			1999		
	Taxes Levied	Rank	Percentage of Total Taxes Levied	Taxes Levied	Rank	Percentage of Total Taxes Levied
Compass Retail, Inc.	426,287	1	3.31%	-	-	-
Gateway Washington Inc.	171,610	2	1.33%	-	-	-
Williams Bros Pipeline	124,579	3	0.97%	61,931	9	0.49%
PPF Rosedale Shopping Center	102,729	4	0.80%	-	-	-
JTL Roseville Corp Center LLC	96,600	5	0.75%	-	-	-
Kpers Realty Holding #41 INC	88,572	6	0.69%	-	-	-
Rosedale Marketplace Associate	82,346	7	0.64%	-	-	-
Rosedale Properties LLC	76,277	8	0.59%	-	-	-
St Paul Properties	76,270	9	0.59%	-	-	-
Meritex Enterprises Inc.	74,777	10	0.58%	-	-	-
Tanurb Developments, Inc.	-	-	-	135,056	3	1.06%
M & J Crossroads LP	-	-	-	121,139	5	0.95%
Equitable Life Assurance	-	-	-	525,331	1	4.13%
Bradley Real Estate Trust	-	-	-	169,218	2	1.33%
Dayton Hudson Corp.	-	-	-	104,645	6	0.82%
Space Center Enterprises	-	-	-	125,448	4	0.99%
Sterling Roseville LLC	-	-	-	75,510	7	0.59%
Bit Holding Thirty Two Inc.	-	-	-	68,548	8	0.54%
Arrow Lexington Apartments LLC	-	-	-	65,055	10	0.51%
	1,320,046		10.24%	1,451,879		11.40%

Source: Ramsey County

City of Roseville – 2010 Budget

**City of Roseville
Principal Employers
Current Year and Nine Years Ago**

<u>Employer</u>	<u>2008</u>			<u>1999</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
MN Dept. of Transportation	1,500	1	4.05%	450	8	1.29%
Presbyterian Homes Housing	1,120	2	3.03%	-	-	-
Roseville Area Schools	950	3	2.57%	-	-	-
Northwestern College	553	4	1.49%	-	-	-
MN Department of Education	430	5	1.16%	450	7	1.29%
Symantic	430	6	1.16%	-	-	-
Target	407	7	1.10%	500	5	1.43%
Macy's	400	8	1.08%	-	-	-
McGough Construction	400	9	1.08%	-	-	-
JC Penny	300	10	0.81%	500	4	1.43%
Dayton's	-	-	-	800	1	2.29%
Health Span Home Care	-	-	-	600	2	1.71%
MN State Lottery	-	-	-	525	3	1.50%
Advance Circuits	-	-	-	500	6	1.43%
Deltak Corporation	-	-	-	335	9	0.96%
Stone Container	-	-	-	330	10	0.94%
Total	6,490		17.54%	4,990		14.26%

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

**City of Roseville
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal		Estimated (2)	Per	School	School	Unemployment
Year	Population (1)	Personal Income (amounts expressed in whole dollars)	Capita Personal income (3)	Enrollment District #623 (4)	Enrollment District #621 (4)	Rate (5)
1999	34,548	\$ 1,080,488,700	\$ 31,275	6,795	11,617	1.6%
2000	33,690	1,125,043,860	33,394	6,705	11,426	2.4%
2001	33,949	1,171,070,755	34,495	6,738	11,095	3.2%
2002	34,100	1,214,232,800	35,608	6,638	10,742	3.9%
2003	34,080	1,252,780,800	36,760	6,522	10,316	3.8%
2004	34,080	1,341,695,520	39,369	6,255	10,006	3.8%
2005	33,882	1,385,197,806	40,883	6,383	10,456	3.4%
2006	33,969	1,315,007,728	38,712	6,396	9,929	3.4%
2007	33,969	1,593,883,946	44,852	6,420	9,705	3.9%
2008	34,099	1,602,820,426	47,005	6,486	9,792	5.7%

- (1) Population and per capita income figures, other than census year, are estimates provided by the Metropolitan Council. The last census was taken in the year 2000.
- (2) This estimated personal income number is calculated by taking the per capita personal income of Ramsey County and multiplying it by the City population. Also see note (3) regarding the Per Capita Personal Income figures.
- (3) The per capita personal income used is for that of Ramsey County, in which the city resides, the smallest region applicable to the City that this information is available for. In addition, the 2007 - 2008 figures are an estimate for the State of Minnesota provided by the Bureau of Economic Analysis as there were no other relevant estimates available At the time of this report.
- (4) The City is served by two independent school districts.
District #623 covers approximately 67% of the City, while District #621 covers approximately 33% of the City. Accordingly, not all students enrolled in District #621 live in the City of Roseville.
Information is provided by the Roseville and Moundsview School Districts.
- (5) Annual average unemployment provided by the Minnesota Department of Employment & Economic Development

Glossary of Terms

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.

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.

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.

Enterprise Operations includes water, sanitary sewer, storm drainage, solid waste recycling, and the municipal golf course operations.

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.

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 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.

Homestead Credit Aid – general purpose State aid designed to give property tax relief to homeowners. The aid is provided to the City after a corresponding deduction is made to a homeowner's property tax bill.

Housing & Redevelopment Authority (HRA) – is a separate legal entity approved by the Council and charged with furthering the various housing programs of the City.

Imagine Roseville 2025 (IR2025) – refers to the City's community-led, long-term visioning process. The process was completed in early 2007 and will be used to guide policy, strategic, operational, and budgeting decisions.

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 3% 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 Services and Charges include professional services, contractual maintenance and repair, utilities, memberships, interfund charges, and training and conferences. 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.

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.

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 principle 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..

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.