

City of



COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Fiscal Year Ended  
December 31, 2004

Prepared by the Department  
of Finance

City of Roseville, Minnesota  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended December 31, 2004

Table of Contents

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	<u>1</u>
Certificate of Achievement	<u>5</u>
Organizational Chart	<u>6</u>
List of Elected and Appointed Officials	7
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report	<u>11</u>
Management's Discussion and Analysis	13
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Assets	<u>26</u>
Statement of Activities	27
Fund Financial Statements	
Balance Sheet – Governmental Funds	<u>28</u>
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	<u>30</u>
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	<u>32</u>
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	<u>33</u>
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Recreation Fund	34
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Community Development Fund	35
Statement of Net Assets – Proprietary Funds	36
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	<u>38</u>
Statement of Cash Flows – Proprietary Funds	40
Statement of Fiduciary Net Assets – Fiduciary Funds	42
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	43
Notes to the Financial Statements	<u>45</u>
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet-Nonmajor Governmental Funds	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances-Nonmajor Governmental Funds	<u>76</u>

Schedules of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual:	
Telecommunications Fund	78
License Center Fund	79
Charitable Gambling Fund	80
Information Technology Fund	81
Combining Statement of Net Assets- Internal Service Funds	84
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets- Internal Service Funds	85
Combining Statement of Cash Flows-Internal Service Funds	86
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet-Agency Funds	88
Combining Statement of Changes in Assets and Liabilities-Agency Funds	89
Schedules of Statements of Changes in Assets and Liabilities	
Grass Lake Water Management Organization	90
Community Development Block Grant	90
Local Development Corporation	90
Roseville Lutheran Cemetery	91
Roseville Visitors Association	91

## STATISTICAL SECTION

Net assets by component	94
Changes in net assets	96
Governmental activities tax revenues by source	97
Fund balances of governmental funds	98
Changes in fund balances of governmental funds	100
General governmental tax revenues by source	101
Assessed value and estimated actual value of taxable property	102
Property tax rates –Direct and overlapping governments	104
Principal property taxpayers	106
Property tax levies and collections	108
Ratios of outstanding debt by type	110
Ratios of general bonded debt outstanding	111
Direct and overlapping governmental activities debt	112
Legal debt margin information	114
Demographic and economic statistics	116
Principal employers	117
Full-time equivalent city government employees by function	118
Operating indicators by function	120
Capital assets statistics by function	122

# **INTRODUCTORY SECTION**

(this page left blank intentionally)

City of



May 23, 2005

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

Minnesota statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Roseville for the fiscal year ended December 31, 2004.

This report consists of management's representations concerning the finances of the City of Roseville. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Roseville has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Roseville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Roseville's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Roseville's financial statements have been audited by Kern, DeWenter, Viere Ltd. a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Roseville for the fiscal year ended December 31, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Roseville's financial statements for the fiscal year ended December 31, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Roseville's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

The City of Roseville, incorporated in 1948, is a suburban community bordering both Minneapolis and St Paul Minnesota in the eastern part of the state. This area is considered to be the major population and economic growth area in the state, and among one of the highly ranked economic growth areas in the country. The City of Roseville currently occupies a land area of 13.7 square miles and serves a population of 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 31. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 31, the close of the City of Roseville's fiscal year.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between funds, however, require the special approval of the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 33 as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, are shown on pages 34-35, and 78-81.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Roseville operates.

**Local economy.** The City of Roseville currently enjoys a favorable economic environment and local indicators point to continued stability and improvement, in conjunction with an improving national economy. The region while noted for a strong retail sector, enjoyed considerable re-development in recent years. The re-development consisted of varied manufacturing, medical and high-tech base that adds to the relative stability of the unemployment rate. Major industries with headquarters or divisions located within the government's boundaries or in close proximity include computer hardware and software manufacturers, electrical controls and medical services, and several divisions of state government departments which administer the state highway system and the states' educational administration of K-12 operations.

The City of Roseville area has an employed labor force of approximately 45,000 which is anticipated to grow at a rate of 2-3 percent each year for the next several years.

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

**Long-term financial planning.** The city council is in the planning stages of establishing the City's long-term goals and objectives. Plans include; establishing adequate funding mechanisms for infrastructure and securing funds for recreational facilities.

In 2004, \$11 million of facility improvements were completed to equip a public safety addition to City Hall, and an expanded Public Works Facility. The improvements are expected to satisfy general facility needs for the foreseeable future.

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

**Cash management policies and practices.** Cash temporarily idle during the year was invested in certificates of deposit, obligations of the US Treasury, and government agencies. The maturities of the investments range from 7 days to 10 years, with an average maturity of 36 months. The investment income return for 2004 on all investments was 4.5 percent.

**Risk management.** The City has actively worked to limit both its liability risk and insurance costs since 1980. The City has self-insured its workers' compensation risk by maintaining a fund of approximately \$2 million and securing stop loss coverage through the state's reinsurance fund. The general liability of the City has been placed with the League of Minnesota Cities Insurance Trust. However, to limit its cost, the City has maintained a deductible of \$100,000 with the appropriate limits. These deductibles are funded from the Risk Management Fund, which maintains a balance of approximately \$1 million. The funding for the insurance programs is from a combination of property taxes, insurance rebates, and departmental charges. In 2000 the City added an umbrella policy which will protect the City in the event the state's statutory liability limit would not apply to a claim.

**Awards and Acknowledgements**

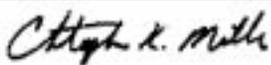
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Roseville for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2003. This was the 25th consecutive year that the city has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2004. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

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

Respectfully submitted



Christopher K. Miller  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Roseville,  
Minnesota

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



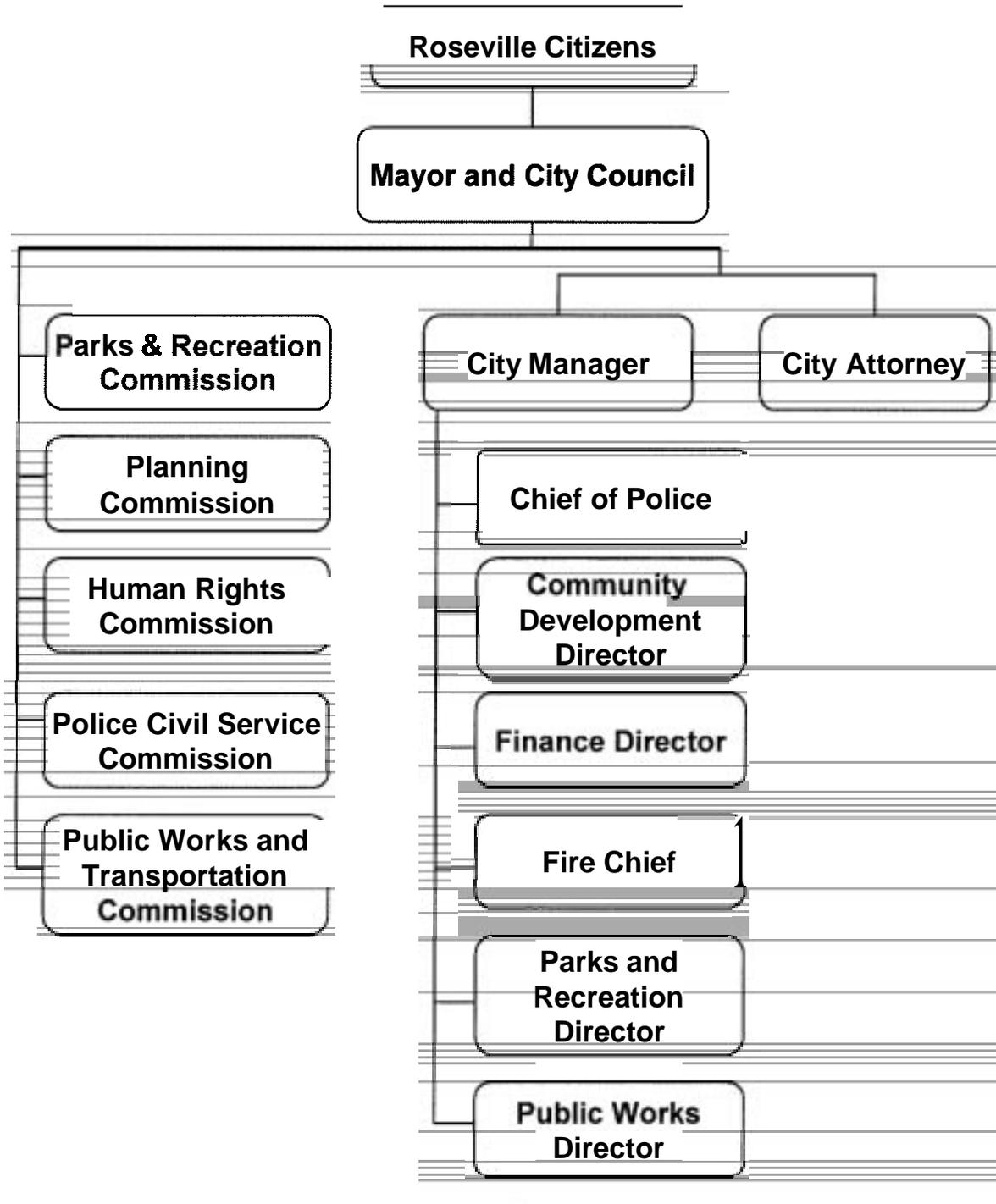
*Nancy L. Zjelke*

President

*Jeffrey R. Enos*

Executive Director

## Organizational Chart





## Elected and Appointed Officials December 31, 2004

### Elected Officials

Mayor	Craig Klausung	Term expires 12/31/2006
Council	Tom Kough	Term expires 12/31/2005
Council	Greg Schroeder	Term expires 12/31/2005
Council	Dean Maschka	Term expires 12/31/2006
Council	Amy Ihlan	Term expires 12/31/2005

### Appointed Officials

City Manager	Neal Beets
Finance Director	Chris Miller
Police Chief	Carol Sletner
Fire Chief	Rich Gasaway
Public Works Director	Duane Schwartz
Parks & Recreation Director	Lonnie Brokke
Community Development Director	Dennis Welsch

(this page left blank intentionally)

# Financial Section

(this page left blank intentionally)



## INDEPENDENT AUDITORS' REPORT

April 13, 2005

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of the City of Roseville, Minnesota, as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of the City of Roseville, Minnesota, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Recreation Special Revenue Fund and Community Development Special Revenue Fund for the year then ended in conformity with U.S. generally accepted accounting principles.



The Management's Discussion and Analysis on pages 13 through 23 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining and Individual Fund Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Combining and Individual Fund Statements and Schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Introductory and Statistical Sections have not been subjected to the audit procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

---

*Kern, DeWenter, Viere, Ltd*

KERN, DEWENTER, VIERE, LTD  
Minneapolis, Minnesota

## Management's Discussion and Analysis

As management of the City of Roseville, we offer readers of the City of Roseville's financial statements this narrative overview and analysis of the financial activities of the City of Roseville for the fiscal year ended December 31, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report.

### Financial Highlights

- The assets of the City of Roseville exceeded its liabilities at the close of the most recent fiscal year by \$153,360,963 (Net assets). Of this amount, \$19,103,131 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net assets from operations decreased by \$1,979,190.
- As of the close of the current fiscal year, the City of Roseville's governmental funds reported combined ending unreserved fund balances of \$10,668,994.
- At the end of the current fiscal year, undesignated fund balance for the general fund was \$4,004,398, or 41% percent of total general fund expenditures.
- The City of Roseville total bonded debt decreased by \$1,320,000 during the current fiscal year.

### Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City of Roseville's basic financial statements. The City of Roseville's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net assets presents information on all of the City of Roseville's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Roseville is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Roseville that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Roseville include general government, public safety, public works, economic development, and recreation. The business-type activities of the City of Roseville include water, sanitary sewer, golf, recycling and storm drainage.

The government-wide financial statements can be found on pages 26-27 of this report.

**Fund** financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Roseville, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Roseville can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statement. By doing so, readers may better understand the long-term impact of the City's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Roseville maintains nine individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, two special revenue funds, the debt service fund, three capital funds, and two permanent funds, all of which are considered to be major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Roseville adopts an annual appropriated budget for its general and special revenue funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28-35 of this report.

**Proprietary funds.** The City of Roseville maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City of Roseville uses enterprise funds to account for its sanitary sewer, water, golf, recycling and storm drainage operations. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City of Roseville's various functions. The City of Roseville uses internal service funds to account for its workers' compensation and general risk management. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitary sewer, water, golf, recycling and storm drainage operations. All of which are considered to be major funds of the City of Roseville. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 36-41 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Roseville's own program. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 42-43 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-72 of this report.

**Other information.** Combining and individual fund statements and schedules can be found on pages 74-91 of this report.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Roseville, assets exceeded liabilities by \$153,360,963 at the close of the most recent fiscal year.

By far the largest portion of the City of Roseville's net assets (76% percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of Roseville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Roseville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### CITY OF ROSEVILLE'S NET ASSETS

	Governmental Activities 2003	Governmental Activities 2004	Business- Type 2003	Business- Type 2004	Total 2003	Total 2004
Current and other Assets	\$41,449,289	\$33,115,414	\$9,346,017	\$9,227,709	\$50,795,306	\$42,343,123
Capital assets	109,166,564	112,212,534	18,191,864	17,950,057	127,358,428	130,162,591
Total assets	150,615,853	145,327,948	27,537,881	27,177,766	178,153,734	172,505,714
Long-term liabilities outstanding	14,726,162	14,901,583	-	-	14,726,162	14,901,583
Other liabilities	5,427,372	2,540,168	1,199,543	1,287,000	6,626,915	3,827,168
Total liabilities	20,153,534	17,441,751	1,199,543	1,287,000	21,353,077	18,728,751
Net assets:						
Invested in fixed Assets net of related debt	98,124,347	98,037,804	18,191,864	17,950,057	116,316,211	115,987,861
Restricted	19,069,579	18,269,971			19,069,579	18,269,971
Unrestricted	13,268,393	11,162,422	8,146,474	7,940,709	21,414,867	19,103,131
Total net assets	\$130,462,319	\$127,470,197	\$26,338,338	\$25,890,766	\$156,800,657	\$153,360,963

A portion of the of the City of Roseville's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$19,103,131) may be used to meet the City's ongoing obligations to citizens and creditors.

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

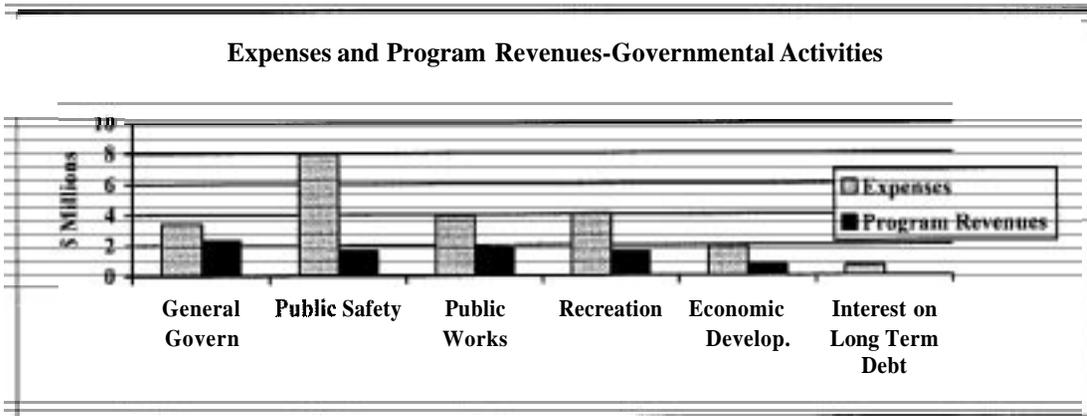
### Governmental activities

Governmental activities decreased the City of Roseville's net assets by \$1,686,013. Business-type activities decreased Roseville's net assets by \$293,177, for an overall decrease of \$1,979,190. Key elements of this increase are as follows:

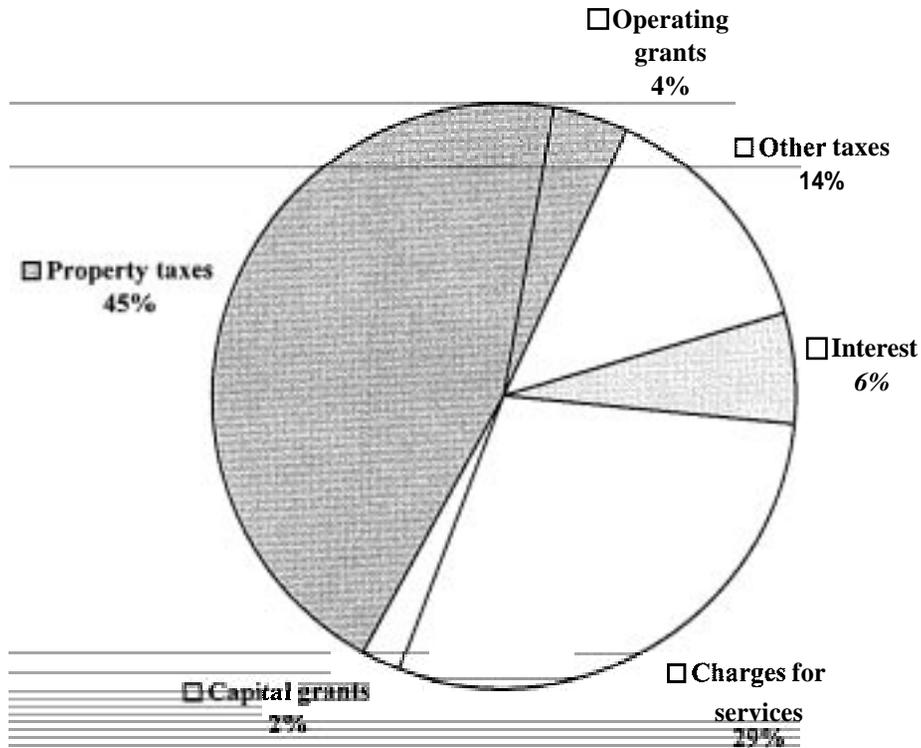
### City of Roseville's Changes in Net Assets

	Governmental Activities 2003	Governmental Activities 2004	Business- Type 2003	Business- Type 2004	Total 2003	Total 2004
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$5,515,530	\$6,022,519	\$7,704,607	\$7,639,549	\$13,220,137	\$13,662,068
Operating grants and Contributions	863,338	830,643	29,291	29,291	892,629	859,934
Capital grants and Contributions	524,071	484,147	366,184	3,450	890,255	487,597
General revenues:						
Property taxes	8,031,962	9,249,016	-	-	8,031,962	9,249,016
Other taxes	2,808,720	2,847,451	-	-	2,808,720	2,847,451
Grants & Contributions not Restricted to specific Programs	25,353	25,653	-	-	25,353	25,653
Investment earnings	1,322,877	1,236,808	317,371	236,689	1,640,248	1,473,497
Other	-	(736,777)	-	-	-	(736,777)
<b>Total revenues</b>	<b>\$19,091,851</b>	<b>\$19,959,460</b>	<b>\$8,417,453</b>	<b>\$7,908,879</b>	<b>\$27,509,304</b>	<b>\$27,868,339</b>
<b>Expenses:</b>						
General government	\$2,756,291	\$3,386,266	\$-	\$-	\$2,756,291	\$3,386,266
Public safety	6,542,900	7,969,508			6,542,900	7,969,508
Streets	3,709,870	3,941,178			3,709,870	3,941,178
Economic Development	2,970,466	1,954,642	-	-	2,970,466	1,954,642
Culture & recreation	3,926,557	4,055,505	-	-	3,926,557	4,055,505
Interest on debt	557,984	626,641	-	-	557,984	626,641
Sanitary Sewer	-	-	2,489,956	2,539,180	2,489,956	2,539,180
Water	-	-	4,069,841	3,909,172	4,069,841	3,909,172
Golf	-	-	358,726	310,629	358,726	310,629
Recycling	-	-	235,179	236,740	235,179	236,740
Storm drainage	-	-	696,187	643,828	696,187	643,828
<b>Total expenses</b>	<b>20,464,068</b>	<b>21,933,740</b>	<b>7,849,889</b>	<b>7,639,549</b>	<b>28,313,957</b>	<b>29,573,289</b>
Increase (decrease) in net assets	(1,372,217)	(1,686,013)	567,564	(293,177)	(804,653)	(1,979,190)
Net assets on Jan 1 <sup>st</sup>	130,493,084	130,462,319	34,341,504	26,338,336	164,834,588	156,800,656
Change in Accounting Principles		(704,267)				(704,267)
Prior Period Adjustment	1,341,452	(601,842)	(8,570,732)	(154,393)	(7,229,280)	(756,235)
<b>Net assets on Dec 31<sup>st</sup></b>	<b>\$130,462,319</b>	<b>\$127,470,197</b>	<b>\$26,338,336</b>	<b>\$25,890,766</b>	<b>\$156,800,656</b>	<b>\$154,065,230</b>

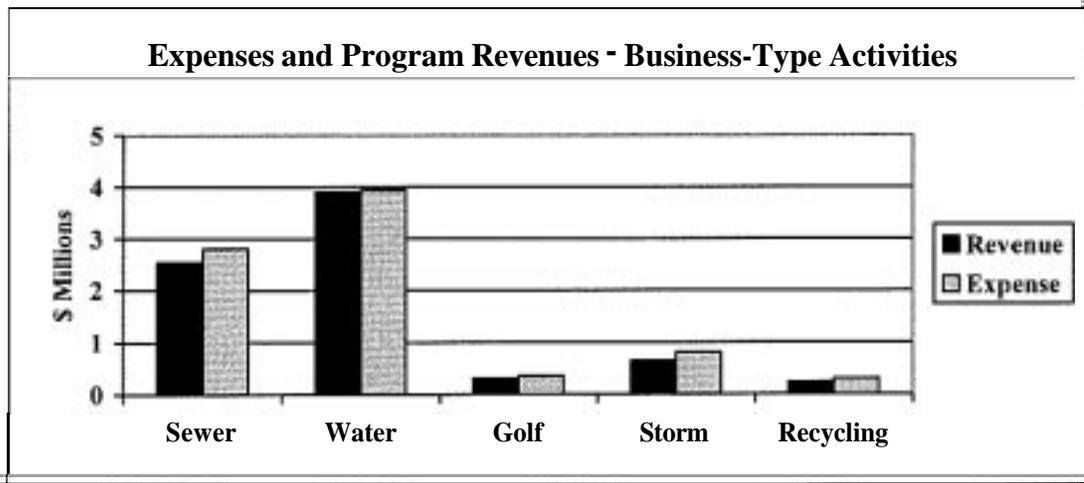
Below are specific graphs which provide comparisons of the governmental activities revenues and expenditures for the last fiscal year.



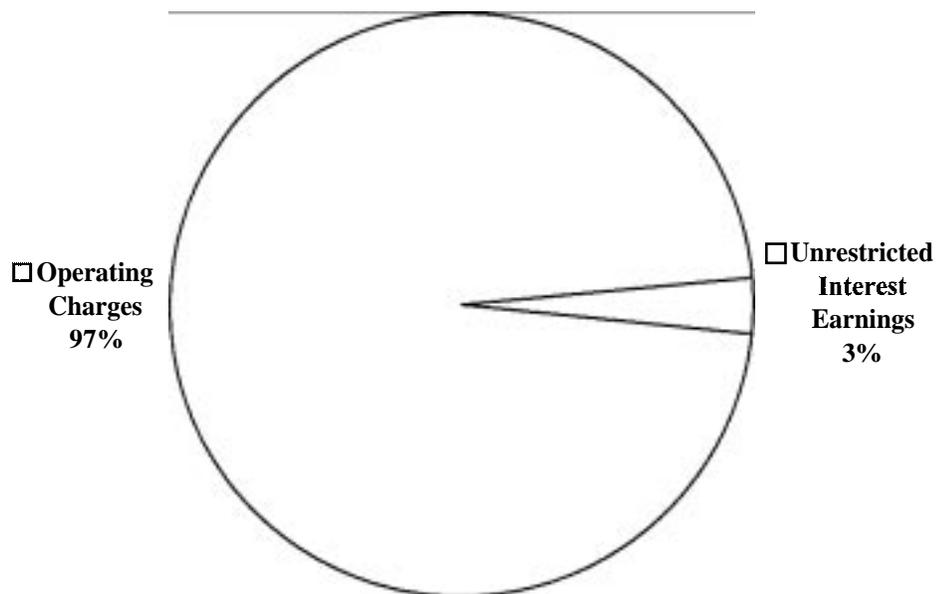
### Revenue Sources-Governmental Activities



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



**Revenue Sources-Business-Type Activities**



## Financial Analysis of the Government's funds

**Governmental funds.** The focus of the City of Roseville's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Roseville's financing requirements. In particular, unreserved fund balance may serve as useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Roseville's governmental funds reported combined ending fund balances of \$25,036,585. Approximately 43% of this total amount (\$10,668,994) constitutes unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed; 1) for tax reduction (\$1,937,526), 2) for future infrastructure replacement (\$12,240,311), and 3) for law enforcement activities (\$189,754).

The General Fund decreased by \$1,474,896 in 2004, largely due to the loss of \$700,000 in state aid that had been originally pledged by the State of Minnesota but was rescinded in response to their own budget reduction plan. A significant loss was also recorded due to the overall market-value declines in the City's investments. The market value declines were "paper" losses and do not constitute any loss of principle. The Recreation Fund increased substantially by \$1,132,029 thanks to a transfer of funds from the City's Parks Infrastructure Fund. This transfer offset the operating losses of the fund. The Community Development fund decreased in 2004 by \$150,686 primarily due to less than expected building permit fees. The General Improvement Debt Service Bond Fund increased in 2004, thanks to refunding activity during the fiscal year. The City's Revolving Improvements Fund decreased \$5,816,999 in 2004. The decrease was due to the expenditure of funds for expansion of City Hall and the Public Works Building.

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

The unrestricted net assets in the respective proprietary funds are Sewer - \$4,929,259, Water - \$55,302, Golf - \$384,920, Recycling - \$66,345 and Storm - \$2,504,883. Due to timing differences in the user fees and capital improvements, increases (or decreases) in net assets can occur from year to year.

## Capital Asset and Debt Administration

**Capital assets.** The City of Roseville's investment in capital assets for its governmental and business type activities as of December 31, 2004, amounts to \$130,162,861 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, machinery and equipment.

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

- Completion of a \$220 thousand in upgrades to parks facilities.
- Construction of \$4 million for the expansion of City Hall and the Public Works Building

### City of Roseville's Capital Assets (Net of Depreciation)

	Governmental Activities 2003	Governmental Activities 2004	Business- Type 2003	Business- Type 2004	Total 2003	Total 2004
Land	\$5,832,511	\$5,832,511	\$475,714	\$352,993	\$6,308,225	\$6,185,504
Buildings	17,471,010	22,592,179	608,133	551,853	18,079,143	23,144,032
Machinery & equipment	6,780,869	6,142,994	779,860	743,543	7,560,729	6,886,537
Infrastructure	53,487,576	66,376,903	15,488,591	16,179,236	68,976,167	82,556,139
Construction in progress	6,137,111	11,268,217	422,432	422,432	6,559,543	11,690,649
Total capital assets	\$109,166,564	\$112,212,804	\$18,191,864	\$17,950,057	\$127,358,734	\$130,162,861

Additional information on the City of Roseville's capital assets can be found in Note 1-D on page 50 of this report, and Note 4-C on page 57.

**Long-term debt.** At the end of the current fiscal year, the City of Roseville had total long-term debt outstanding of \$14,175,000; of which \$4,475,000 was for general obligation improvement debt which has financed special assessment construction as part of the City's paving management program, as well as \$9,700,000 for the general obligation municipal building debt which financed the construction of the expansion of City Hall and the Public Works Building. In addition, the City also has long-term debt in the amount of \$25,001 for the improvement of energy efficiency in the governmental buildings, and \$701,582 for compensated absences.

**City of Roseville's Outstanding Debt  
General Obligation Improvement Bonds, Long-Term Notes and Compensated  
Absences**

	Governmental Activities 2003	Governmental Activities 2004	Business- Type 2003	Business- Type 2004	Total 2003	Total 2004
General Obligation Improvement bonds	\$5,795,000	\$4,475,000	\$-	\$-	\$5,795,000	\$4,475,000
General Obligation Municipal bonds	9,700,000	9,700,000			9,700,000	9,700,000
Long-term notes pay	45,378	25,001			45,378	25,001
Compensated absences	595,611	701,582			595,611	701,582
Total	\$16,135,989	\$14,901,583	\$-	\$-	\$16,135,989	\$14,901,583

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

State statutes limit the amount of general obligation debt a Minnesota city may issue to 2% of total Estimated Market Value. The current debt limitation for the City of Roseville is \$55,241,138. \$9,700,000 of the City's outstanding debt is counted against the statutory limitation as the debt is wholly financed by general tax levy.

Additional information on the City of Roseville's long-term debt can be found in Note I-D on page 51 of this report, and Note 4-G on page 61.

**Economic Factors and next year's Budgets and Rates**

- Due to property tax reforms and continued projected budget deficits at the State Level, the City made efforts to provide for the reduction in State-aid and a shift in overall tax burden
- Recreation program fees were increased to reflect the rising costs of individual programs. In addition, user charges for proprietary funds were also changed to reflect current and anticipated conditions

These factors were considered when the City of Roseville prepared its 2005 budget.

**Requests for information.** This financial report is designed to provide a general overview of the City of Roseville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 2660 Civic Center Drive, Roseville, MN 55113.

(this page left blank intentionally)

# **Basic Financial Statements**

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF NET ASSETS**  
**December 31, 2004**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing & Redevelopment Authority
<b>ASSETS</b>				
Cash and cash equivalents	\$ 29,647,440	\$ 6,920,549	\$ 36,567,989	\$ 779,128
Restricted investments				
Utility customer deposits	0	748,803	748,803	0
Receivables				
Accounts	304,013	1,387,080	1,691,093	490,000
Taxes	47,949	0	47,949	6,136
Investment interest	128,293	30,102	158,395	3,076
Special assessments	2,607,446	2,179	2,609,625	0
Due from other governments	380,003	138,996	518,999	4,443
Notes Receivable	0	0	0	288,009
Property and equipment, net of depreciation:				
Land	5,832,511	352,993	6,185,504	0
Buildings	11,323,962	551,853	11,875,815	0
Improvements other than buildings	19,032,424	913,112	19,945,536	0
Machinery and Equipment	6,142,994	743,545	6,886,539	0
Infrastructure	58,612,696	15,388,554	74,001,250	0
Construction in progress	11,268,217	0	11,268,217	0
Total Assets	\$ 145,327,948	\$ 27,177,766	\$ 172,505,714	\$ 1,570,792
<b>LIABILITIES</b>				
Accounts payable	918,009	440,423	1,358,432	67
Accrued payroll	320,506	78,428	398,934	0
Contracts payable	473,522	0	473,522	0
Band interest payable	169,025	0	169,025	0
Due to other governments	268,315	15,903	284,218	770,245
Deferred Revenue	416,000	0	416,000	0
Insurance claim payable	191,580	0	191,580	0
Deposits payable	199,211	748,803	948,014	3,600
Notes Payable	0	3,443	3,443	0
Noncurrent liabilities:				
Due within one year	1,145,626	0	1,145,626	0
Due in more than one year	13,755,957	0	13,755,957	0
Total Liabilities	17,857,751	1,287,000	19,144,751	773,912
<b>NET ASSETS</b>				
Invested in capital assets net of related debt	98,037,804	17,950,057	115,987,861	0
Restricted for				
Tax increment	3,902,380	0	3,902,380	0
Infrastructure replacement				
Expendable	1,417,019	0	1,417,019	0
Nonexpendable	10,823,292	0	10,823,292	0
Tax reduction				
Nonexpendable	1,937,526	0	1,937,526	0
Law enforcement	189,754	0	189,754	0
Unrestricted	11,162,422	7,940,709	19,103,131	796,880
Total Net Assets	\$ 127,470,197	\$ 25,890,766	\$ 153,360,963	\$ 796,880

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

CITY OF ROSEVILLE, MINNESOTA  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2004

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units Housing & Redevelopment Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
<b>Primary government:</b>								
<b>Governmental activities:</b>								
General government	\$ 3,386,266	\$ 2,296,912	\$ 0	\$ 0	\$ (1,089,354)	\$ 0	\$ (1,089,354)	\$ 0
Public safety	8,002,018	1,088,309	552,873	5,598	(6,355,238)	0	(6,355,238)	0
Public works	3,780,222	459,549	241,066	478,549	(2,601,058)	0	(2,601,058)	0
Recreation	4,055,505	1,549,105	0	0	(2,506,400)	0	(2,506,400)	0
Economic development	1,954,642	29,570	36,704	0	(1,888,368)	0	(1,888,368)	0
Interest on long-term debt	604,523	0	0	0	(604,523)	0	(604,523)	0
<b>Total governmental activities</b>	<b>21,783,176</b>	<b>5,427,445</b>	<b>830,643</b>	<b>484,147</b>	<b>(15,044,941)</b>	<b>0</b>	<b>(15,044,941)</b>	<b>0</b>
<b>Business-type activities:</b>								
Sewer	2,806,813	2,539,180	0	0	0	(267,633)	(267,633)	0
Water	3,938,498	3,909,172	0	0	0	(29,326)	(29,326)	0
Golf	352,023	310,629	0	0	0	(41,394)	(41,394)	0
Recycling	299,456	236,740	29,291	0	0	(33,425)	(33,425)	0
Storm Drainage	805,366	643,828	0	3,450	0	(158,088)	(158,088)	0
<b>Total business-type activities</b>	<b>8,202,156</b>	<b>7,639,549</b>	<b>29,291</b>	<b>3,450</b>	<b>0</b>	<b>(529,866)</b>	<b>(529,866)</b>	<b>0</b>
<b>Total primary government</b>	<b>\$ 29,985,332</b>	<b>\$ 13,066,994</b>	<b>\$ 859,934</b>	<b>\$ 487,597</b>	<b>\$ (15,044,941)</b>	<b>\$ (529,866)</b>	<b>\$ (15,574,807)</b>	<b>\$ 0</b>
<b>Component unit:</b>								
<b>Housing &amp; Redevelopment Authority</b>	<b>\$ 156,797</b>	<b>\$ 47,445</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (109,352)</b>
<b>General revenues:</b>								
Property taxes					9,249,016	0	9,249,016	179,153
Tax increments					2,521,708	0	2,521,708	0
Cable franchise Tares					259,808	0	259,808	0
Gambling taxes					65,935	0	65,935	0
Grants and contributions not restricted to specific programs					25,653	0	25,653	12,252
Unrestricted investment earnings					1,236,808	236,689	1,473,497	16,682
<b>Total general revenues</b>					<b>13,358,928</b>	<b>236,689</b>	<b>13,595,617</b>	<b>208,087</b>
Change in net assets					(1,686,013)	(293,177)	(1,979,190)	-98,735
Net assets - beginning as previously stated					190,462,319	26,338,336	196,800,655	0
Change in accounting principles					(704,267)	0	(704,267)	704,267
Prior period adjustment					(601,842)	(154,393)	(756,235)	(6,122)
<b>Not assets - beginning as restated</b>					<b>129,156,210</b>	<b>26,183,943</b>	<b>155,340,153</b>	<b>698,145</b>
<b>Net assets - ending</b>					<b>\$ 127,470,197</b>	<b>\$ 25,890,766</b>	<b>\$ 153,360,963</b>	<b>\$ 796,400</b>

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

**CITY OF ROSEVILLE, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2004**

	Special Revenue			Debt Service
	General	Recreation	Community Development	General Obligation Improvement Bonds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,130,442	\$ 137,792	\$ 222,331	\$ 304,706
Investment interest receivable	15,869	626	873	8,285
Accounts receivable	17,387	16,617	9,327	21,748
Taxes receivable:				
Current	0	0	0	0
Delinquent	0	0	0	0
Special assessments receivable:				
Deferred	39	12,860	0	1,276,286
Due from other governments	22,648	0	0	0
Due from other funds	568,000	0	0	0
<b>Total assets</b>	<b>\$ 4,754,385</b>	<b>\$ 167,895</b>	<b>\$ 232,531</b>	<b>\$ 1,611,025</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 272,455	\$ 78,459	\$ 27,067	\$ 0
Accrued payroll	196,190	71,321	25,033	0
Contracts payable	0	0	0	0
Due to other funds	0	0	0	2,309,000
Due to other governments	43,815	11,260	568	10,892
Deferred revenue	0	16,709	0	1,230,207
Deposits payable	47,773	0	146,438	0
<b>Total liabilities</b>	<b>560,233</b>	<b>177,749</b>	<b>199,106</b>	<b>3,550,099</b>
<b>Fund Balance:</b>				
Reserved for tax reduction endowment	0	0	0	0
Reserved for future infrastructure replacement endowment	0	0	0	0
Reserved far future infrastructure replacement	0	0	0	0
Reserved for law enforcement	189,754	0	0	0
Unreserved, designated for working capital	0	0	33,425	0
Unreserved, designated for subsequent expenditures	0	0	0	0
Unreserved reported in special revenue funds	0	0	0	0
Undesignated	4,004,398	(9,854)	0	(1,939,074)
<b>Total fund balances</b>	<b>4,194,152</b>	<b>(9,854)</b>	<b>33,425</b>	<b>(1,939,074)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,754,385</b>	<b>\$ 167,895</b>	<b>\$ 232,531</b>	<b>\$ 1,611,025</b>

Capital assets (net of depreciation) used in governmental activities and are not financial resources and therefore, are not reported in the funds.

Long term liabilities including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.

Internal service funds are used by management to charge the cost of insurance to individual funds.

Other long term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds

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

Revolving Improvements	Capital Projects		Permanent		Other Governmental Funds	Total
	Economic Increments Construction	Street Construction	Tax Reduction	Infrastructure Replacement		
\$ 113,416	\$ 4,240,239	\$ 1,928,832	\$ 1,929,950	\$ 12,192,454	\$ 1,657,841	\$ 26,858,003
3,127	20,032	7,571	7,576	47,857	5,528	117,344
14,280	0	0	0	0	85,901	165,260
0	799	0	0	0	0	799
0	47,150	0	0	0	0	47,150
121,140	0	1,197,121	0	0	0	2,607,446
197,798	0	156,257	0	0	3,300	380,003
2,009,000	0	0	0	0	0	2,577,000
<u>\$ 2,458,761</u>	<u>\$ 4,308,220</u>	<u>\$ 3,289,781</u>	<u>\$ 1,937,526</u>	<u>\$ 12,240,311</u>	<u>\$ 1,752,570</u>	<u>\$ 32,753,005</u>

\$ 102,972	\$ 405,840	\$ 0	\$ 0	\$ 0	\$ 10,981	\$ 897,774
0	0	0	0	0	27,962	320,506
329,349	0	144,173	0	0	0	473,522
0	0	0	0	0	268,000	2,577,000
2,699	0	366	0	0	198,715	268,315
121,140	0	1,612,036	0	0	0	2,980,092
0	0	0	0	0	5,000	199,211
<u>556,160</u>	<u>405,840</u>	<u>1,756,575</u>	<u>0</u>	<u>0</u>	<u>510,658</u>	<u>7,716,420</u>

0	0	0	1,937,526	0	0	1,937,526
0	0	0	0	10,823,292	0	10,823,292
0	0	0	0	1,417,019	0	1,417,019
0	0	0	0	0	0	189,754
0	0	0	0	0	0	33,425
1,902,601	3,902,380	1,533,206	0	0	1,286,586	8,624,773
0	0	0	0	0	(44,674)	(44,674)
0	0	0	0	0	0	2,055,470
<u>1,902,601</u>	<u>3,902,380</u>	<u>1,533,206</u>	<u>1,937,526</u>	<u>12,240,311</u>	<u>1,241,912</u>	<u>25,036,585</u>
<u>\$ 2,458,761</u>	<u>\$ 4,308,220</u>	<u>\$ 3,289,781</u>	<u>\$ 1,937,526</u>	<u>\$ 12,240,311</u>	<u>\$ 1,752,570</u>	

~~112,212,804~~

(15,070,608)

2,727,324

2,564,092

Net Assets of governmental activities \$ 127,470,197

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended December 31, 2004

	Special Revenue			Debt Service	
	General	Recreation	Community Development	General Obligation Improvement Bonds	General Obligation Tax Increment Bonds
<b>REVENUES</b>					
General property taxes	\$ 5,980,478	\$ 1,202,815	\$ 0	\$ 1,539,817	\$ 0
Tax increments	0	0	0	0	0
Intergovernmental revenue	825,190	0	0	0	0
Licenses & permits	247,682	0	748,131	0	0
Gambling taxes	0	0	0	0	0
Charges for services	1,009,498	1,400,578	25,327	0	0
Fines and forfeits	147,140	0	0	0	0
Franchise fees	0	0	0	0	0
Rentals	0	42,645	0	0	0
Donations	1,500	36,706	0	0	0
Special assessments	1,916	0	134	498,371	0
Investment income	(154,202)	12,477	(2,164)	301,871	(1,943)
Miscellaneous	67,746	66,128	37,944	0	0
Total revenues	<u>8,126,948</u>	<u>2,761,349</u>	<u>809,372</u>	<u>2,340,059</u>	<u>(1,943)</u>
<b>EXPENDITURES</b>					
<b>Current:</b>					
General government	1,675,630	0	0	0	0
Public safety	6,281,298	0	0	0	0
Public works	1,709,263	0	0	0	0
Economic development	0	0	0	0	0
Recreation	0	3,078,500	0	0	0
Community development	0	0	959,970	0	0
Debt service	0	0	0	2,103,194	0
Capital outlay	72,848	29,398	4	0	0
Total expenditures	<u>9,739,039</u>	<u>3,107,898</u>	<u>959,974</u>	<u>2,103,194</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(1,612,091)</u>	<u>(346,549)</u>	<u>(150,602)</u>	<u>236,865</u>	<u>(1,943)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	137,195	2,479,393	0	0	2,216,254
Transfers (out)	0	(815)	(84)	(12,035)	0
Sale of capital assets	0	0	0	0	0
Refunding bonds issued	0	0	0	1,725,000	0
Payment to refund bonds	0	0	0	(1,715,000)	0
Premium on refunding bonds	0	0	0	22,118	0
Total other financing sources (uses)	<u>137,195</u>	<u>1,478,578</u>	<u>(84)</u>	<u>20,083</u>	<u>2,216,254</u>
Net change in fund balances	(1,474,896)	1,132,029	(150,686)	256,948	2,214,311
Fund balances - <del>beginning</del> - as previously stated	5,750,438	(1,138,675)	188,587	(2,153,527)	(2,214,311)
Adjustment for prior year's <del>activity</del>	(81,390)	(3,208)	(4,476)	(42,495)	0
Fund balances - <del>beginning</del> - restated	5,669,048	(1,141,883)	184,111	(2,196,022)	(2,214,311)
Fund balances - ending	<u>\$ 4,194,152</u>	<u>\$ (9,854)</u>	<u>\$ 33,425</u>	<u>\$ (1,939,074)</u>	<u>\$ 0</u>

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

Revolving Improvements	Capital Projects		Permanent		Other Governmental Funds	Total
	Economic Increments Construction	Sheet Construction	Tax Reduction	Infrastructure Replacement		
\$ 360,080	\$ 0	\$ 0	\$ 0	\$ 0	\$ 165,826	\$ 9,249,016
0	2,521,708	0	0	0	0	2,521,708
380,145	2,413	132,695	0	0	0	1,340,443
0	0	0	0	0	941,074	1,936,887
0	0	0	0	0	65,935	65,935
(2,592)	0	145,328	0	0	195,779	2,773,918
0	0	0	0	0	0	147,140
0	0	0	0	0	259,808	259,808
0	0	0	0	0	0	42,645
0	0	0	0	0	55,899	94,105
30,285	0	312,790	0	0	0	843,496
199,261	334,332	137,142	63,720	411,283	(54,969)	1,236,808
85,293	1,644	0	0	0	70,200	328,955
<u>1,052,472</u>	<u>2,850,097</u>	<u>727,955</u>	<u>63,720</u>	<u>411,283</u>	<u>1,699,552</u>	<u>20,840,864</u>
0	0	0	0	0	1,406,277	3,081,907
0	0	0	0	0	0	6,281,298
0	0	0	0	0	0	1,709,263
0	1,416,795	0	0	0	0	1,416,795
0	0	0	0	0	0	3,078,500
0	0	0	0	0	0	959,970
0	0	0	0	0	0	2,103,194
6,832,270	0	242,732	0	43,447	443,894	7,664,593
<u>6,832,270</u>	<u>1,416,795</u>	<u>242,732</u>	<u>0</u>	<u>43,447</u>	<u>1,850,171</u>	<u>26,295,520</u>
<u>(5,779,798)</u>	<u>1,433,302</u>	<u>485,223</u>	<u>63,720</u>	<u>367,436</u>	<u>(130,610)</u>	<u>(5,454,656)</u>
1,000,899	0	112,035	0	0	70,000	5,015,776
(1,045,000)	(2,216,254)	0	(37,195)	(100,000)	(1,604,393)	(5,015,776)
6,900	0	0	0	0	65,454	72,354
0	0	0	0	0	0	1,725,000
0	0	0	0	0	0	(1,715,000)
0	0	0	0	0	0	22,118
<u>(37,201)</u>	<u>(2,216,254)</u>	<u>112,035</u>	<u>(37,195)</u>	<u>(100,000)</u>	<u>(1,468,939)</u>	<u>104,472</u>
(5,816,999)	(782,952)	597,258	26,525	267,836	(1,619,558)	(5,350,184)
7,735,638	4,788,074	974,779	1,949,855	12,217,933	2,889,820	30,988,611
(16,038)	(102,742)	(38,831)	(38,854)	(245,458)	(28,350)	(601,842)
<u>7,719,600</u>	<u>4,685,332</u>	<u>935,948</u>	<u>1,911,001</u>	<u>11,972,475</u>	<u>2,861,470</u>	<u>30,386,769</u>
<u>\$ 1,902,601</u>	<u>\$ 3,902,380</u>	<u>\$ 1,533,206</u>	<u>\$ 1,937,526</u>	<u>\$ 12,240,311</u>	<u>\$ 1,241,912</u>	<u>\$ 25,036,585</u>

**CITY OF ROSEVILLE, MINNESOTA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31,2004**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances--total governmental funds	\$ (5,350,184)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	3,883,387
The net effect of various miscellaneous transactions involving capital assets including disposal , which decrease net assets.	(837,148)
Payments on general obligation debt	3,045,000
Payments on notes payable	20,377
Refunding Bonds Proceeds	(1,725,000)
Net change due to internal service funds incorporated into statement of activities	(186,071)
Changes in compensated absences	(105,971)
Changes in bond interest payable	146,553
Special assessments, property tax and tax increment collected for prior years	(576,956)
Change in net assets of governmental activities	\$ (1,686,013)

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

**CITY OF ROSEVILLE, MINNESOTA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended December 31, 2004**

	Budget		Actual Amounts	Variance with Final Budget-
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
General property taxes	\$ 6,311,319	\$ 6,311,319	\$ 5,980,478	\$ (330,841)
Intergovernmental revenue	715,000	715,000	825,190	110,190
Licenses and permits	287,500	287,500	247,682	(39,818)
Charges for services	1,035,370	1,035,370	1,009,498	(25,872)
Fines and forfeits	222,400	222,400	147,140	(75,260)
Donations	0	0	1,500	1,500
Special Assessments	0	0	1,916	1,916
Investment Income	300,000	300,000	(154,202)	(454,202)
Miscellaneous	50,000	50,000	67,746	17,746
Total revenues	<u>8,921,589</u>	<u>8,921,589</u>	<u>8,126,948</u>	<u>(794,641)</u>
<b>EXPENDITURES</b>				
Current				
General government	1,788,035	1,788,035	1,675,630	112,405
Public safety	6,186,940	6,186,940	6,281,298	(94,358)
Public works	1,659,085	1,659,085	1,709,263	(50,178)
Capital outlay	83,950	83,950	72,848	11,102
Total expenditures	<u>9,718,010</u>	<u>9,718,010</u>	<u>9,739,039</u>	<u>(21,029)</u>
Excess of revenue over (under) expenditures	<u>(796,421)</u>	<u>(796,421)</u>	<u>(1,612,091)</u>	<u>(815,670)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	300,000	300,000	137,195	(162,805)
Total other financing sources	<u>300,000</u>	<u>300,000</u>	<u>137,195</u>	<u>(162,805)</u>
Net change in fund balances	<u>(496,421)</u>	<u>(496,421)</u>	<u>(1,474,896)</u>	<u>(978,475)</u>
Fund balances - beginning - as previously stated	<u>5,750,438</u>	<u>5,750,438</u>	<u>5,750,438</u>	<u>0</u>
Adjustment for prior year's activity	<u>0</u>	<u>0</u>	<u>(81,390)</u>	<u>(81,390)</u>
Fund balances - beginning -restated	<u>5,750,438</u>	<u>5,750,438</u>	<u>5,669,048</u>	<u>(81,390)</u>
Fund balances - ending	<u>\$ 5,254,017</u>	<u>\$ 5,254,017</u>	<u>\$ 4,194,152</u>	<u>\$ (1,059,865)</u>

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

**CITY OF ROSEVILLE, MINNESOTA  
RECREATION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended December 31,2004**

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
General property taxes	\$ 1,269,355	\$ 1,269,355	\$ 1,202,815	\$ (66,540)
Charges for services	1,471,000	1,471,000	1,400,578	(70,422)
Rentals	36,765	36,765	42,645	5,880
Donations	66,585	66,585	36,706	(29,879)
Investment income	0	0	12,477	12,477
Miscellaneous	57,200	57,200	66,128	8,928
Total revenues	<u>2,900,905</u>	<u>2,900,905</u>	<u>2,761,349</u>	<u>(139,556)</u>
<b>EXPENDITURES</b>				
Personal services	1,989,885	1,989,885	2,015,126	(25,241)
Supplies & materials	237,465	242,465	241,974	491
Other services & charges	856,520	896,520	821,400	75,120
Capital outlay	19,000	19,000	29,398	(10,398)
Total expenditures	<u>3,102,870</u>	<u>3,147,870</u>	<u>3,107,898</u>	<u>39,972</u>
Excess of revenues over (under) expenditures	<u>(201,965)</u>	<u>(246,965)</u>	<u>(346,549)</u>	<u>(99,584)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	261,010	306,010	1,479,393	1,173,383
Transfers (out)	0	0	(815)	(815)
Total other financing sources	<u>261,010</u>	<u>306,010</u>	<u>1,478,578</u>	<u>1,172,568</u>
Net change in fund balances	<u>59,045</u>	<u>59,045</u>	<u>1,132,029</u>	<u>1,072,984</u>
Fund deficit - beginning - as previously stated	<u>(1,138,675)</u>	<u>(1,138,675)</u>	<u>(1,138,675)</u>	<u>0</u>
Adjustment for prior year's activity	<u>0</u>	<u>0</u>	<u>(3,208)</u>	<u>(3,208)</u>
Fund deficit - beginning - restated	<u>(1,138,675)</u>	<u>(1,138,675)</u>	<u>(1,141,883)</u>	<u>(3,208)</u>
Fund deficit - ending	<u>\$ (1,079,630)</u>	<u>\$ (1,079,630)</u>	<u>\$ (9,854)</u>	<u>\$ 1,069,776</u>

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

**CITY OF ROSEVILLE, MINNESOTA  
COMMUNITY DEVELOPMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended December 31, 2004**

	<u>Budget</u>			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
<b>REVENUES</b>				
Licenses and permits	\$ 855,000	\$ 855,000	\$ 748,131	\$ (106,869)
Charges for services	0	0	25,327	25,327
Investment income	30,000	30,000	(2,164)	(32,164)
Special Assessments	0	0	134	134
Miscellaneous	<u>65,000</u>	<u>65,000</u>	<u>37,944</u>	<u>(27,056)</u>
Total revenues	<u>950,000</u>	<u>950,000</u>	<u>809,372</u>	<u>(140,628)</u>
<b>EXPENDITURES</b>				
Personal services	<u>765,000</u>	<u>765,000</u>	<u>783,571</u>	<u>(18,571)</u>
Supplies and materials	<u>11,760</u>	<u>11,760</u>	<u>14,134</u>	<u>(2,374)</u>
Other services and charges	<u>220,880</u>	<u>220,880</u>	<u>162,265</u>	<u>58,615</u>
Capital outlay	<u>0</u>	<u>0</u>	<u>4</u>	<u>(4)</u>
Total expenditures	<u>997,640</u>	<u>997,640</u>	<u>959,974</u>	<u>37,666</u>
Excess of revenues over (under) expenditures	<u>(47,640)</u>	<u>(47,640)</u>	<u>(150,602)</u>	<u>(102,962)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer out	<u>0</u>	<u>0</u>	<u>(84)</u>	<u>(84)</u>
Net change in fund balances	(47,640)	(47,640)	(150,686)	(103,046)
Fund balances - beginning - as previously stated	<u>188,587</u>	<u>188,587</u>	<u>188,587</u>	<u>0</u>
Adjustment for prior year's activity	<u>0</u>	<u>0</u>	<u>(4,476)</u>	<u>(4,476)</u>
Fund balances - beginning -restated	<u>188,587</u>	<u>188,587</u>	<u>184,111</u>	<u>(4,476)</u>
Fund balances - ending	<u>\$ 140,947</u>	<u>\$ 140,947</u>	<u>\$ 33,425</u>	<u>\$ (107,522)</u>

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

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF FUND NET ASSETS**  
**PROPRIETARY FUNDS**

December 31, 2004

With Comparative Totals for Year Ended December 31, 2003

	Sanitary Sewer		Water		Business-Type Golf Course
	Current Year	Prior Year	Current Year	Prior Year	Current Year
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 3,976,810	\$ 4,147,307	\$ 109,890	\$ 18,111	\$ 405,312
Investment interest receivable	15,704	0	3,276	0	1,590
Restricted cash, cash equivalents and investments:					
Customer deposits	0	0	748,803	735,879	0
Accounts receivable	512,943	473,632	688,493	539,569	81
Special Assessments	2,179	4,009	0	0	0
Due from other funds	649,481	849,481	0	0	0
Due from other governments	0	0	138,996	397,219	0
Total current assets	<u>5,157,117</u>	<u>5,474,429</u>	<u>1,689,458</u>	<u>1,690,778</u>	<u>406,983</u>
Property and equipment					
Property and equipment	9,345,332	9,132,492	12,364,092	12,321,489	1,130,312
Less accumulated depreciation	(4,519,485)	(4,406,400)	(6,563,689)	(6,345,445)	(514,924)
Net property and equipment	<u>4,825,847</u>	<u>4,726,092</u>	<u>5,800,403</u>	<u>5,976,044</u>	<u>615,388</u>
Total assets	<u>9,982,964</u>	<u>10,200,521</u>	<u>7,489,861</u>	<u>7,666,822</u>	<u>1,022,371</u>
<b>LIABILITIES AND FUND EQUITY</b>					
Current liabilities					
Accounts payable	186,515	135,722	208,216	225,959	2,363
Customer deposits payable	0	0	748,803	735,879	0
Accrued payroll	37,281	33,610	16,050	15,410	16,229
Due to other funds	0	0	649,481	849,481	0
Due to other governments	4,062	19	11,606	12,148	28
Contracts payable	0	3,982	0	1,366	0
Insurance claims payable	0	0	0	0	0
Notes payable	0	0	0	0	3,443
Total current liabilities	<u>227,858</u>	<u>173,333</u>	<u>1,634,156</u>	<u>1,840,243</u>	<u>22,063</u>
NET ASSETS					
Invested in capital assets, net of related debt	4,825,847	4,726,092	5,800,403	5,976,044	615,388
Unrestricted	4,929,259	5,301,096	55,302	(149,465)	384,920
Total Net Assets	<u>\$ 9,755,106</u>	<u>\$ 10,027,188</u>	<u>\$ 5,855,705</u>	<u>\$ 5,826,579</u>	<u>\$ 1,000,308</u>

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

Activities--Enterprise Funds

Golf Course Prior Year	Solid Waste Recycling Current Year	Solid Waste Recycling Prior Year	Storm Drainage Current Year	Storm Drainage Prior Year	Totals Current Year	Governmental Activities- Internal Service Funds
\$ 410,033	\$ 46,941	\$ 53,631	\$ 2,381,596	\$ 2,401,483	\$ 6,920,549	\$ 2,789,437
0	184	0	9,348	0	30,102	10,949
0	0	0	0	0	748,803	0
41	54,371	45,040	131,192	120,063	1,387,080	138,753
0	0	0	0	0	2,179	0
0	0	0	0	0	649,481	0
0	0	0	0	0	138,996	0
<u>410,074</u>	<u>101,496</u>	<u>98,671</u>	<u>2,522,136</u>	<u>2,521,546</u>	<u>9,877,190</u>	<u>2,939,139</u>
1,142,900	0	0	15,005,996	14,873,372	37,845,732	0
(494,470)	0	0	(8,297,577)	(8,032,076)	(19,895,675)	0
<u>648,430</u>	<u>0</u>	<u>0</u>	<u>6,708,419</u>	<u>6,841,296</u>	<u>17,950,057</u>	<u>0</u>
<u>1,058,504</u>	<u>101,496</u>	<u>98,671</u>	<u>9,230,555</u>	<u>9,362,842</u>	<u>27,827,247</u>	<u>2,939,139</u>
1,746	35,151	5	8,178	7,176	440,423	20,235
0	0	0	0	0	748,803	0
13,029	0	0	8,868	7,628	78,428	0
0	0	0	0	0	649,481	0
47	0	0	207	7	15,903	0
0	0	0	0	463	0	0
0	0	0	0	0	0	191,580
5,347	0	0	0	0	3,443	0
<u>20,169</u>	<u>35,151</u>	<u>5</u>	<u>17,253</u>	<u>15,274</u>	<u>1,936,481</u>	<u>211,815</u>
648,430	0	0	6,708,419	6,841,296	17,950,057	0
<u>389,905</u>	<u>66,345</u>	<u>98,666</u>	<u>2,504,883</u>	<u>2,506,272</u>	<u>7,940,709</u>	<u>2,727,324</u>
<u>\$ 1,038,335</u>	<u>\$ 66,345</u>	<u>\$ 98,666</u>	<u>\$ 9,213,302</u>	<u>\$ 9,347,568</u>	<u>\$ 25,890,766</u>	<u>\$ 2,727,324</u>

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**  
**With Comparative Totals for Year Ended December 31, 2003**

	Business-Type				
	Sanitary Sewer Current Year	Sanitary Sewer Prior Year	Water Current Year	Water Prior Year	Golf Course Current Year
Sales and cost of sales					
Sales	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,094
Cost of sales	0	0	0	0	13,199
Gross profit	0	0	0	0	9,895
Operating revenues					
User charges	2,474,544	2,449,171	3,908,071	4,082,006	291,403
Delinquency collections	64,136	60,816	0	0	0
Other	500	2,295	1,101	2,410	9,331
Total operating revenues	2,539,180	2,512,282	3,909,172	4,084,416	300,734
Operating expense					
Personal service	380,555	360,651	283,845	309,885	215,805
Supplies	28,890	26,257	40,038	28,416	27,309
Other services and charges	2,274,235	1,974,842	3,390,975	3,503,511	71,556
Depreciation	123,133	121,535	223,640	222,878	37,353
Total operating expenses	2,806,813	2,483,285	3,938,498	4,064,690	352,023
Operating income (loss)	(267,633)	28,997	(29,326)	19,726	(41,394)
Nonoperating revenues (expenses)					
Investment income	76,095	60,638	75,253	118,438	11,524
Intergovernmental operating grants	0	0	0	0	0
Loss on disposal of assets	0	(6,671)	0	(5,151)	0
Total nonoperating revenues before contributions	76,095	53,967	75,253	113,287	11,524
Capital contributions	0	0	0	0	0
Change in net assets	(191,538)	82,964	45,927	133,013	(29,870)
Total net assets - beginning - as previously stated	10,027,188	10,928,245	5,826,579	8,221,589	1,038,335
Adjustment for prior year's activity	(80,544)	(984,021)	(16,801)	(2,528,023)	(8,157)
Total net assets beginning -restated	9,946,644	9,944,224	5,809,778	5,693,566	1,030,178
Total net assets - ending	\$ 9,755,106	\$ 10,027,188	\$ 5,855,705	\$ 5,826,579	\$ 1,000,308

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

Activites--Enterprise Funds						Governmental
Golf Course Prior Year	Solid Waste Recycling Current Year	Solid Waste Recycling Prior Year	Storm Drainage Current Year	Storm Drainage Prior Year	Totals Current Year	Activities- Internal Service Funds
\$ 33,828	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,094	\$ 0
14,713	0	0	0	0	13,199	0
19,115	0	0	0	0	9,895	0
282,347	236,740	208,170	640,868	592,556	7,551,626	231,360
0	0	0	0	0	64,136	0
2,246	0	0	2,960	3,475	13,892	425
284,593	236,740	208,170	643,828	596,031	7,629,654	231,785
209,554	0	0	178,987	173,710	1,059,192	0
24,942	0	546	31,972	47,304	128,209	0
73,803	299,456	229,413	327,423	218,463	6,363,645	422,329
36,699	0	0	266,984	247,232	651,110	0
344,998	299,456	229,959	805,366	686,709	8,202,156	422,329
(41,290)	(62,716)	(21,789)	(161,538)	(90,678)	(562,607)	(190,544)
14,896	2,049	1,901	71,768	121,498	236,689	60,630
0	29,291	29,291	0	0	29,291	0
(13,728)	0	(5,220)	0	(9,478)	0	0
1,168	31,340	25,972	71,768	112,020	265,980	60,630
0	0	0	3,450	366,184	3,450	0
(40,122)	(31,376)	4,183	(86,320)	387,526	(293,177)	(129,914)
1,074,730	98,666	94,483	9,347,568	14,022,457	26,338,336	2,913,395
3,727	(945)	0	(47,946)	(5,062,415)	(154,393)	(56,157)
1,078,457	97,721	94,483	9,299,622	8,960,042	26,183,943	2,857,238
\$ 1,038,335	\$ 66,345	\$ 98,666	\$ 9,213,302	\$ 9,347,568	\$ 25,890,766	\$ 2,727,324

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2004**

	Sanitary Sewer Current Year	Sanitary Sewer Prior Year	Water Current Year	Water Prior Year	Business-Type Golf Course Current Year
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers and users, including deposits	\$ 2,435,233	\$ 2,694,788	\$ 3,772,071	\$ 4,103,838	\$ 314,457
Cash received from delinquent charges collected	65,966	57,995	0	0	0
Cash received from other governments	0	0	258,223	(397,219)	0
Cash payments to suppliers for goods and services	(2,252,271)	(2,331,406)	(3,450,664)	(3,533,777)	(111,466)
Cash payments to employees	(376,884)	(352,620)	(283,205)	(306,974)	(212,605)
Other operating revenues (expenses)	500	2,295	1,101	2,410	9,331
Net cash provided (used) by operating activities	<u>\$ (127,456)</u>	<u>\$ 71,052</u>	<u>\$ 297,526</u>	<u>\$ (131,722)</u>	<u>\$ (283)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Principal payments on notes payable	0	0	0	0	(1,904)
Purchase of capital assets	(222,888)	(37,221)	(47,999)	(22,071)	(4,311)
Net Cash used for capital and related financing activities	<u>(222,888)</u>	<u>(37,221)</u>	<u>(47,999)</u>	<u>(22,071)</u>	<u>(6,215)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>					
Cash borrowed from (repaid to) other funds	200,000	(18,000)	(200,000)	18,000	0
Net Cash provided (used) by non-capital financing activities	<u>200,000</u>	<u>(18,000)</u>	<u>(200,000)</u>	<u>18,000</u>	<u>0</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received on investments	(20,153)	60,638	55,176	118,438	1,777
Net cash provided by investing activities	<u>(20,153)</u>	<u>60,638</u>	<u>55,176</u>	<u>118,438</u>	<u>1,777</u>
Net increase in cash and cash equivalents	(170,497)	76,469	104,703	(17,355)	(4,721)
Cash and cash equivalents, January 1	4,147,307	4,070,838	753,990	771,345	410,033
Cash and cash equivalents, December 31	<u>\$ 3,976,810</u>	<u>\$ 4,147,307</u>	<u>\$ 858,693</u>	<u>\$ 753,990</u>	<u>\$ 405,312</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (267,633)	\$ 28,997	\$ (29,326)	\$ 19,726	\$ (41,394)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	123,133	121,535	223,640	222,878	37,353
Changes in elements affecting cash:					
Accounts receivable	(39,311)	245,617	(148,924)	17,434	(40)
Special assessments	1,830	(2,821)	0	0	0
Due from other governments	0	0	258,223	(397,219)	0
Accounts payable	50,793	(334,308)	(17,743)	(15,364)	617
Accrued payroll	3,671	8,031	640	2,911	3,200
Due to other governments	4,043	19	(542)	12,148	(19)
Contracts payable	(3,982)	3,982	(1,366)	1,366	0
Other non-operating revenue	0	0	0	0	0
Insurance claim payable	0	0	0	0	0
Customer deposits	0	0	12,924	4,398	0
Total adjustments	<u>140,177</u>	<u>42,055</u>	<u>326,852</u>	<u>(151,448)</u>	<u>41,111</u>
Net cash provided (used) by operating activities	<u>\$ (127,456)</u>	<u>\$ 71,052</u>	<u>\$ 297,526</u>	<u>\$ (131,722)</u>	<u>\$ (283)</u>

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

Activities--Enterprise Funds

Golf Course Prior Year	Solid Waste Recycling Current Year	Solid Waste Recycling Prior Year	Storm Drainage Current Year	Storm Drainage Prior Year	Totals Current Year	Governmental Activities- Internal Service Funds
\$ 316,294	\$ 227,409	\$ 217,935	\$ 629,739	\$ 614,958	\$ 7,378,909	\$ 236,266
0	0	0	0	0	65,966	0
0	29,291	45,776	0	0	287,514	0
(120,352)	(264,310)	(267,961)	(358,656)	(314,135)	(6,437,367)	(140,741)
(207,641)	0	0	(177,747)	(173,450)	(1,050,441)	(404,073)
2,246	0	0	2,960	3,475	13,892	425
<u>\$ (9,453)</u>	<u>\$ (7,610)</u>	<u>\$ (4,251)</u>	<u>\$ 96,296</u>	<u>\$ 130,848</u>	<u>\$ 258,473</u>	<u>\$ (308,123)</u>

(1,904)	0	0	0	0	(1,904)	0
(4,756)	0	(511)	(130,637)	(27,708)	(405,855)	0
<u>(6,600)</u>	<u>0</u>	<u>(511)</u>	<u>(130,637)</u>	<u>(27,708)</u>	<u>(407,759)</u>	<u>0</u>

0	0	0	0	0	0	0
0	0	0	0	0	0	0

14,896	920	1,901	14,474	121,498	52,194	(6,476)
14,896	920	1,901	14,474	121,498	52,194	(6,476)
(1,217)	(6,690)	(2,860)	(19,887)	224,638	(97,092)	(314,599)
411,249	53,631	56,491	2,401,483	2,176,845	7,766,444	3,104,036
<u>\$ 410,033</u>	<u>\$ 46,941</u>	<u>\$ 53,631</u>	<u>\$ 2,381,596</u>	<u>\$ 2,401,483</u>	<u>\$ 7,669,352</u>	<u>\$ 2,789,437</u>

\$ (41,290)	\$ (62,716)	\$ (21,789)	\$ (161,538)	\$ (90,678)	\$ (562,607)	\$ (190,544)
-------------	-------------	-------------	--------------	-------------	--------------	--------------

36,697	0	0	266,984	247,232	651,110	0
119	(9,331)	9,765	(11,129)	22,402	(208,735)	4,906
0	0	0	0	0	1,830	0
0	0	16,485	0	0	258,223	(138,753)
(6,941)	35,146	(38,002)	1,002	(48,838)	69,815	2,270
(4,913)	0	0	1,240	260	8,751	0
47	0	0	200	7	3,682	0
0	0	0	(463)	463	(5,811)	0
0	29,291	29,291	0	0	29,291	0
0	0	0	0	0	0	13,998
0	0	0	0	0	12,924	0
<u>31,837</u>	<u>55,106</u>	<u>17,538</u>	<u>257,834</u>	<u>221,526</u>	<u>821,080</u>	<u>(117,579)</u>
<u>\$ (9,453)</u>	<u>\$ (7,610)</u>	<u>\$ (4,251)</u>	<u>\$ 96,296</u>	<u>\$ 130,848</u>	<u>\$ 258,473</u>	<u>\$ (308,123)</u>

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**December 31,2004**

	Investment Trust	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 964,137	\$ 749,419
Investment interest receivable	3,784	3,103
Accounts receivable	0	33,866
Net capital assets	0	26,304
Net Assets held in trust	967,921	812,692
<b>LIABILITIES</b>		
Accounts payable	0	23,193
Accrued Payroll	0	9,165
Due to other governments	0	780,334
Total Liabilities	0	812,692
<b>NET ASSETS</b>		
Held in trust for pool participants	\$ 967,921	\$ 0

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

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**For the Year Ended December 31,2004**

	<u>Investment Trust</u>
<b>ADDITIONS:</b>	
Operations	
Purchase of units from participant	<u>\$ 93,798</u>
<b>DEDUCTIONS:</b>	
Net Investment Loss	<u>(28,367)</u>
Capital share transactions (dollar amounts and number of shares are the same)	
Redemption of shares by participant	<u>(665,094)</u>
Total decrease from operations	<u>(693,461)</u>
Change in Net Assets	<u>(599,663)</u>
Total net assets - beginning - as previously stated	<u>1,586,994</u>
Adjustment for prior year's activity	<u>(19,410)</u>
Total net assets beginning - restated	<u>1,567,584</u>
Total net assets - ending	<u>\$ 967,921</u>

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

(this page left blank intentionally)

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting entity

The City of Roseville is a municipal corporation formed under Section 412 of *Minnesota State Statutes* and operates under a Council-Manager form of government. The five-member Council and Mayor are elected on rotating terms in each odd-numbered year. The accompanying financial statements present the government entities for which the City is considered to be financially accountable. The City does not have any blended component units.

**Discretely presented component unit.** The Housing & Redevelopment Authority (HRA) is responsible for providing housing programs and promoting safe, decent and affordable housing options for the community. The HRA Board of Directors is appointed by a recommendation of the Mayor and approval of the City Council. The HRA can give, sell, buy and transfer property, provide grants, loans, leases and abatements and raise funds through several financing tools. The HRA may levy a special property tax to fund housing improvement plans within the City. The levy is separate from the City's general fund levy. The HRA annually submits a budget to the City Council who has the final authority to approve the HRA levy each year. Complete financial statements for the HRA may be obtained from the City's Finance Department.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, service or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead of general revenues.

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

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds are not reported using the economic resources measurement focus; they are reported using the accrual basis. With the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditure-related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General

The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue

The recreation fund accounts for resources and payments related to the parks and recreation functions and the community development fund accounts for resources and payments related to the City's building codes enforcement, development and redevelopment activities

Debt Service

The general improvement and tax increment debt service funds accounts for resources accumulated and payments for principal and interest on long term general obligation tax increment debt and general obligation special assessment debt.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation (Continued)

The City reports the following major governmental funds: (Continued)

Capital

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

Permanent

The funds for tax reduction provide resources for maintaining a reduced property tax levy. The infrastructure replacement fund provides for the street paving management program of the City.

The City reports the following major proprietary funds:

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

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

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

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

Additionally, the City reports the following fund types:

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

The trust fund accounts for the investment activities for a not-for profit organization devoted to providing cable television oversight for a group of communities of which the City is a member.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation (Continued)

Agency funds account for resources held by the City in a purely custodial capacity for the Grass Lake Water Management Organization, Roseville Lutheran Cemetery, and the Roseville Visitors Association.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

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

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

Investments for the City and the component unit are reported at fair value.

2. Receivables and payables

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

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, liabilities, and net assets or equity (Continued)

2. Receivables and payables (Continued)

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

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

Unpaid taxes at December 31 become liens on the respective property and are classified in the financial statements as delinquent taxes receivable.

3. Restricted Assets

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

4. Capital Assets

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

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, liabilities, and net assets or equity (Continued)

4. Capital Assets (Continued)

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

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

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

5. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. There is an estimate for a liability for unpaid accumulated sick leave, as employees may receive 320 hours upon retirement only. Other categories of employee separation qualify for no severance. All vacation and compensatory time, and estimated retirement severance are accrued when incurred in government-wide, proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, liabilities, and net assets or equity (Continued)

6. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, and proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Fund equity and net assets

In the fund financial statements, governmental funds reported reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative Council plans that are subject to change.

The Statement of Net Assets reports restrictions in net assets for tax increment whose revenues are used to pay for costs associated with the development of a district. Law Enforcement is proceeds generated from fines and forfeitures generated from driving under the influence (DUI) or drugs. These proceeds are restricted for specific law enforcement uses. Minnesota law governs both tax increment and law enforcement uses. Infrastructure replacement and tax reduction are investments set aside by city resolution. Interest earned from the investments helps reduce the funding for street construction and lowers the amount levied.

8. Comparative data

Comparative total data for the prior year have presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

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

Bonds payable	\$ (14,175,000)
Bond interest payable	(169,025)
Notes payable	(25,001)
Compensated absences	(701,582)
	<u>\$ (15,070,608)</u>
Change to Net Assets	
Internal service funds	2,727,324
Capital assets (net of depreciation)	112,212,804
Addition of long-term deferred revenues	<u>2,564,092</u>
Net change to net assets - governmental activities	<u><u>\$ 102,433,612</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the governmental-wide statement of activities

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

Capital outlay	\$ 7,334,844
Depreciation expense	<u>(3,451,457)</u>
Net change in fund-balances-total governmental funds and change in net assets of governmental activities	<u><u>\$ 3,883,387</u></u>

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

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

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

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department with approval of the City's manager. Transfers of appropriations between funds require the approval of the Council. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the fund level. The Council made several supplementary budgetary appropriations for various special revenue funds in 2004. Those supplementary budgetary appropriations were not material.

Encumbrance accounting is employed in governmental funds. There were no encumbrances (e.g., purchase orders, contracts) outstanding at year-end.

B. Deficit fund equity

The recreation, general obligation improvement bonds, charitable gambling, and information technology funds had deficit balances of \$ 9,854, \$ 1,939,074, \$ 135,781, and \$ 72,350, respectively. These fund deficits are expected to be covered from future fund revenues or transfers from other funds

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

At year-end, the City's carrying amount of deposits was \$11,139,837 of which, \$9,503,256 is certificates of deposits, and the bank balances were \$1,638,847. All balances were covered by federal depository insurance or by perfected collateral held by the City's agent in the City's name.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 4 - DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and investments (Continued)

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the City or its agent in the City's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the City's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the City's name.

At year-end, the City's investment balances were as follows:

	Category			Reported Amount Fair Value
	1	2	3	
U.S. Government securities	<u>\$ 28,669,639</u>	<u>\$ 0</u>	<u>\$ 0</u>	\$ 28,669,639
Deposits				<u>11,139,837</u>
Total Cash and Investments				<u>\$ 39,809,476</u>

B. Receivables

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

Special assessments, unearned rental fees, shelter rentals, and Weyerhauser Grant revenue (Recreation)	<u>16,709</u>
Special assessments (Revolving improvements)	<u>121,140</u>
Special assessments (G.O. improvement bonds)	<u>1,230,207</u>
Special assessments, unearned MSA Construction revenue (Street construction)	<u>1,612,036</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 2,980,092</u>

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 4 - DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital assets

Capital asset activity for the year ended December 31, 2004 was as follows:

	Balance	Increases	Decreases	Balance
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 5,832,511	\$ 0	\$ 0	\$ 5,832,511
Land improvements	16,015,786	0	0	16,015,786
Construction in progress	6,137,111	5,792,789	661,683	11,268,217
Total capital assets not being depreciated	27,985,408	5,792,789	661,683	33,116,514
Capital assets being depreciated:				
Buildings	16,520,401	<del>465,761</del>	<del>62,478</del>	<del>16,923,684</del>
Improvements other than buildings	4,522,982	236,721	<del>551,961</del>	4,207,742
Machinery and equipment	12,817,413	628,082	<del>863,915</del>	12,581,580
Infrastructure	80,273,131	873,174	<del>0</del>	81,146,305
Total capital assets being depreciated	114,133,927	<del>2,203,738</del>	<del>1,478,354</del>	<del>114,859,311</del>
Less accumulated depreciation for:				
Buildings	5,186,502	<del>462,310</del>	<del>49,090</del>	<del>5,599,722</del>
Improvements other than buildings	1,081,281	168,124	<del>58,301</del>	1,191,104
Machinery and equipment	6,036,544	935,858	<del>533,816</del>	6,438,586
Infrastructure	20,648,444	1,885,165	<del>0</del>	22,533,609
Total accumulated depreciation	32,952,771	<del>3,451,457</del>	<del>641,207</del>	<del>35,763,021</del>
Total capital assets, being depreciated, net	81,181,156	(1,247,719)	837,147	79,096,290
Governmental activities capital assets, net	<u>\$ 109,166,564</u>	<u>\$ 4,545,070</u>	<u>\$ 1,498,830</u>	<u>\$ 112,212,804</u>

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 4 - DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 475,714	\$ 0	\$ 122,721	\$ 352,993
Land improvements	121,017	0	301	120,716
Construction in progress	422,432	0	422,432	0
Total capital assets not being depreciated	1,019,163	0	545,454	473,709
Capital assets being depreciated:				
Buildings	1,707,667	<del>0</del>	<del>0</del>	<del>1,707,667</del>
Improvements other than buildings	517,491	543,912	0	1,061,403
Machinery and equipment	2,929,192	109,810	41,167	2,997,835
Infrastructure	31,296,742	308,376	0	31,605,118
Total capital assets being depreciated	36,451,092	<del>962,098</del>	<del>41,167</del>	<del>37,372,023</del>
Less accumulated depreciation for:				
Buildings	1,099,537	<del>56,277</del>	<del>0</del>	1,155,814
Improvements other than buildings	221,375	47,632	0	269,007
Machinery and equipment	2,149,329	138,788	33,827	2,254,290
Infrastructure	15,808,151	408,413	0	16,216,564
Total accumulated depreciation	19,278,392	651,110	33,827	19,895,675
Total capital assets being depreciated, net	17,172,700	310,988	7,340	17,476,348
Business-type activities capital assets, net	<u>\$ 18,191,863</u>	<u>\$ 310,988</u>	<u>\$ 552,794</u>	<u>\$ 17,950,057</u>

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 4 - DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital assets (Continued)

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

**Governmental activities:**

General government	\$ 194,676
Public safety	415,495
Streets and highways including depreciation of infrastructure	2,054,359
Culture and recreation	760,437
Community Development	<u>26,490</u>

Total depreciation expense - governmental activities	<u>\$ 3,451,457</u>
--	---------------------

**Business-type activities:**

Sanitary sewer	\$ 123,133
Water	223,640
Golf	37,353
Storm drainage	<u>266,984</u>

Total depreciation expense - business-type activities	<u>\$ 651,110</u>
---	-------------------

D. Construction commitments

The City has active construction projects as of December 31, 2004. The projects include repairing the ice arena roof, a public safety addition to city hall, and the renovation of the public works building and grounds. At year- end the commitments with contractors is as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Public safety addition and public works renovation	10,938,868	329,349
Ice arena roof repair	224,613	24,215

CITY OF ROSEVILLE  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2004

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund receivables, payables, and transfers

The composition of interfund balances as of December 31, 2004, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	
General	Non-major Governmental funds	\$ 268,000
Sanitary Sewer Fund	Water Fund	649,481
Revolving Improvement Fund	General Obligation Improvement Bonds	2,009,000
General	General Obligation Improvement Bonds	300,000
 Total		\$ 3,226,481

In the financial statements, due to/from other funds are used to cover temporary cash deficits,

Interfund transfers:

Transfers out	Transfers In							Total
	█	█	GO Tax Incre- ment	Revolving Improv- ments	Street Construct- ion	Non- major Govern- mental funds		
Community Development	\$ 0	\$ 0	\$ 0	\$ 84	\$ 0	\$ 0	\$ 84	
Recreation	0	0	0	815	0	0	815	
GO Improvement Bonds	0	0	0	0	12,035	0	12,035	
Revolving Improvements	0	45,000	0	1,000,000	0	0	1,045,000	
Economic Increments Construction	0	0	2,216,254	0	0	0	2,216,254	
Tax Reduction	37,195	0	0	0	0	0	37,195	
Infrastructure Replacement	0	0	0	0	100,000	0	100,000	
Non-major governmental funds	100,000	1,434,393	0	0	0	70,000	1,604,393	
Total	<u>\$137,195</u>	<u>\$1,479,393</u>	<u>\$2,216,254</u>	<u>\$1,000,899</u>	<u>\$ 112,035</u>	<u>\$ 70,000</u>	<u>\$5,015,776</u>	

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

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 4 - DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

The City leases office facilities under noncancelable operating leases. Total costs for such leases were \$48,234 for the year ended December 31, 2004. The future minimum lease payments for these leases are as follows:

<u>Year Ending Dec. 31</u>	<u>Amount</u>
2005	\$24,996
2006	29,583
2007	30,000
2008	30,000
2009	2,500
Total	<u>\$117,079</u>

G. Long-term debt

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

General obligation bonds are direct obligations and pledge the ~~full~~ faith and credit of the government. These bonds generally are issued as 15-year bonds with equal debt service payments each year. The original amount of general obligation bonds for the issues listed below is \$28,790,000. During the year, general obligation bonds totaling \$1,725,000 were issued to refund general obligation bond series 23. This refunding realized a net present value benefit of \$163,275.

General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Net Interest</u>	
	<u>Rates</u>	<u>Amount</u>
Governmental activities	3.78% - 5.94%	14,175,000

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 4 - DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-term debt (Continued)

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

Year Ending December 31	Government Activities			
	General Obligation Bonds		Special Assessment Debt with Government Commitment	
	Principal	Interest	Principal	Interest
2005	165,000	340,310	890,000	142,256
2006	535,000	331,559	710,000	112,312
2007	545,000	317,378	375,000	93,950
2008	565,000	302,115	370,000	83,232
2009	580,000	285,646	405,000	71,375
2010-2014	3,265,000	1,107,281	1,725,000	150,149
2015-2019	4,045,000	419,408	0	0
Total	\$9,700,000	\$3,103,697	\$4,475,000	\$ 653,274

Changes in long-term liabilities

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	\$ 9,700,000	\$ 0	\$ 0	\$ 9,700,000	\$ 165,000
Special assessment debt with gov't commitment	5,795,000	1,725,000	3,045,000	4,475,000	890,000
Total bonds payable	15,495,000	1,725,000	3,045,000	14,175,000	1,055,000
Long-term notes payable	45,378	0	20,377	25,001	15,838
Compensated absences	595,611	530,018	424,047	701,582	74,788
Governmental activities - Long-term liabilities	\$ 16,135,989	\$ 2,255,018	\$ 3,489,424	\$ 14,901,583	\$ 1,145,626

Compensated absences are liquidated by the fund in which an employee is assigned, but roughly, half the employees are assigned to the general fund.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 4 - DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-term debt (Continued)

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2004, there were ten series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$63.3 million.

H. Restricted assets

The balances of the restricted asset accounts in the enterprise funds are as follows:

Customer deposits - Water fund                      \$748,803

I. Change in accounting principle

Due to changes with the organizational structure of the governing body and its mission, along with GASB 14, the City has decided to present the Housing and Redevelopment Authority as a discretely presented component unit.

J. Prior period adjustment

In 2004, the City made a prior period adjustment to more accurately reflect the investment earnings of its Federal Agency Discounted Amortizing Bonds. This resulted in:

<u>Fund</u>	<u>Amount</u>	<u>Fund</u>	<u>Amount</u>
General	(\$81,390)	Sanitary Sewer	(80,544)
Recreation	(3,208)	Water	\$(16,801)
Community Development	(4,476)	Golf	(8,157)
GO Improvement Bonds	(42,495)	Solid Waste	(945)
Revolving Improvements	(16,038)	Storm	<u>(47,946)</u>
Economic Increments		Total Business-	
Construction	<u>(102,742)</u>	type activities	<u>(154,393)</u>
Street Construction	(38,831)		
Tax Reduction	(38,854)	Housing &	
Infrastructure Replacment	(245,458)	Redevelopment	
Nonmajor Funds	<u>(28,350)</u>	Authority	<u>(6,122)</u>
Total Governmental Activities	<u>(\$601,842)</u>		

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 5 - OTHER INFORMATION

A. Risk management

The City is exposed to various risks of loss related to torts; theft of damage to, and the destruction of assets; errors and omissions; injuries to employees and natural disasters. During the fiscal years of 1980 and 1987, the City established a Workers' Compensation Fund and a Risk Management Fund, respectively (internal service funds) to account for and finance its uninsured risks of loss. Under this program, for the year 2004, the Worker's Compensation Fund provided coverage up to a maximum of \$360,000 for each occurrence. The City purchases excess loss coverage from the Workers' Compensation Reinsurance Association, a nonprofit organization established by Minnesota State Statutes.

The Risk Management Fund provides comprehensive general liability and comprehensive automotive liability up to the statutory maximum of \$1,000,000. The City retains the risk of the first \$100,000 of each occurrence with an annual maximum exposure of \$300,000. Liabilities of the fund are reported when it is probable that a loss has occurred and amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. The City purchased commercial insurance for claims in excess of coverage provided by the Risk Management Fund and for all other risks of loss. Settled claims have not exceeded this coverage in any of the past three fiscal years. There were no significant reductions in the City's insurance coverage in 2004.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 5 - OTHER INFORMATION (Continued)

A. Risk management (Continued)

Enterprise fund charges and the property tax levy are based on a management estimate of claims history and the amount necessary to maintain catastrophic reserves. The reserves as of December 31, 2004, were \$ 1,948,210 and \$ 779,114 for the Workers' Compensation Fund and Risk Management Fund, respectively. The claims liability of \$ 123,750 and \$67,830, respectively, reported in both funds at December 31, 2004 are based on the requirements of Governmental Accounting Standards Board Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated (IBNR). Changes in the funds' claims liability amount in fiscal 2003 and 2004 were:

	Workers' Compensation Fund			
	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Ending of Fiscal Year Liability
2003	\$ 56,000	\$ 104,413	\$ 78,027	\$ 82,386
2004	82,386	205,425	164,061	123,750

	Risk Management Fund			
	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Ending of Fiscal Year Liability
2003	\$ 14,000	\$ 97,647	\$ 16,451	\$ 95,196
2004	95,196	73,893	101,259	67,830

B. Contingent liabilities

The City had the usual and customary types of miscellaneous claims pending at year end mostly of a minor nature, and usually all covered by insurance carried for that purpose or the City has reserved funds for settlement. The City also carries personal injury insurance against suits for false arrest, libel, slander, violation of privacy, wrongful entry, etc. which can arise from enforcement of the city code and general laws.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 5 - OTHER INFORMATION (Continued)

C. Employee retirement systems and pension plans

1. Defined benefit pension plans - statewide employees plan

a. Plan Description

All full-time and certain part-time employees of the City of Roseville are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund (PERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, chapters 353 and 356.

PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire fighters, and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for PERF's Coordinated and Basic Plan members. The retiring member receives the higher of step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For all PEPFF members and PERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31.2004

NOTE 5 - OTHER INFORMATION (Continued)

C. Employee retirement systems and pension plans

1. Defined benefit pension plans - statewide employees plan

a. Plan Description (Continued)

Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree—no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees, who are entitled to benefits but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for PERF and PEPFF. That report may be obtained on the web at [mnpera.org](http://mnpera.org), by writing to PERA, 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088, or by calling (651) 296-7460 or (800) 652-9026.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31.2004

NOTE 5 - OTHER INFORMATION (Continued)

C. Employee retirement systems and pension plans (Continued)

1. Defined benefit pension plans - statewide employees plan (Continued)

b. Funding policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by State Statutes. PEW Basic Plan members and Coordinated Plan members are required to contribute 9.1% and 5.1%, respectively, of their annual covered salary. PEPFF members are required to contribute 6.20% of their annual covered salary. The City of Roseville is required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan PEW members, 5.53% for Coordinated Plan PEW members, and 9.30% for PEPFF members. The City's contributions to the Public Employees Retirement Fund for the years ending December 31, 2004, 2003, and 2002 were \$294,717, \$276,606, and \$256,407, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ending December 31, 2004, 2003 and 2002 were \$296,826, \$275,818, and \$268,469, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

2. Defined Contribution Plan

a. Plan description

Four council members and the mayor of the City of Roseville are covered by the defined contribution pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Defined Contribution Plan (PEDCP), which is a multiple-employer deferred compensation plan.

b. Funding policy

The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary, which is matched by the elected official's employer.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 5 - OTHER INFORMATION (Continued)

C. Employee retirement systems and pension plans (Continued)

2. Defined contribution plan (Continued)

b. Funding policy (Continued)

For salaried employees contributions must be a fixed percentage of salary. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the six accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2 percent of employer contributions and four-tenths of one percent of the assets in each member's account annually.

Total contributions made by the City during fiscal year 2004 were:

	Amount		Percentage of Covered Payroll		Required Rates
	Employees	Employer	Employees	Employer	
PEDCP	\$ 1,518	\$ 1,518	5.00%	5.00%	5.00%

3. Single employer defined benefit pension plan – volunteer fire relief association

a. Plan description

The City of Roseville (employer) firefighters are covered by a non-employee contributory defined benefit retirement plan administered by the Roseville Firefighter Relief Association (Association), a single employer public employee retirement system. The Association is organized under the Minnesota State Statutes 424A, as amended and provides benefits in accordance with those statutes.

The Association provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by the Association with approval by the Roseville City Council under the applicable state statutes. The defined retirement benefits are based on a members' years of service. Vesting begins after the 10th year of service with a 40% benefit increasing to 100% after the 20th year of service.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 5 - OTHER INFORMATION (Continued)

C. Employee retirement systems and pension plans (Continued)

3. Single employer defined benefit pension plan – volunteer fire relief association (Continued)

a. Plan description (Continued)

Full benefits are available after 20 years of service by the member and having attained the age of 50. The current benefit is calculated at \$27 per year of service per month up to a maximum of 30 years. The retiree may also select a one-time lump-sum payment upon retirement of \$2,700 per year of service.

There are various types of joint and survivor annuity options available which will reduce the monthly normal annuity amount, because the annuity is payable over joint lives.

The benefit provisions stated in the previous paragraphs of this section are current provisions which apply to active plan participants. Vested, terminated firefighters, who are entitled to benefits and are not receiving them yet, are bound by the provisions in effect at the time they choose to start their benefit.

The Association issues a publicly available financial report that includes financial statements and required supplementary information for the Roseville Firefighters' Relief Association. That report may be obtained by writing to the Roseville Firefighters' Relief Association, 2700 N. Lexington Ave., Roseville, MN 55113.

b. Funding policy

Minnesota Statutes Chapter 424A sets out the employer requirements for contributions. The annual employer contribution level for any given year is a combination of the normal cost for that year and an amount to reduce the unfunded actuarial liability. The minimum obligation is the normal cost plus the amount needed to amortize fully the unfunded liability. The City funding requirements equal the minimum obligation less the Minnesota State fire aid. Under state statutes, if the City fails to provide the required funding, the Association may submit a levy to the county auditor in an amount equal to the city requirement, to be levied on all property within the city. A six year schedule of contributions follows:

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 5 - OTHER INFORMATION (Continued)

C. Employee retirement systems and pension plans (Continued)

3. Single employer defined benefit pension plan – volunteer fire relief association (Continued)

b. Funding policy (Continued)

<u>Year</u>	Schedule of Contributions Six Year Period			
	Minnesota State Aid Contributions	City of Roseville Contributions	Total Contributions	Percent Contributed
1999	127,393	125,000	252,393	135.9%
2000	132,626	100,000	232,626	251.9%
2001	134,220	100,000	234,220	118.4%
2002	152,658	179,295	331,953	100.0%
2003	186,223	298,670	484,893	104.9%
2004	238,102	210,568	448,670	133.4%

The Roseville Firefighters' Relief Association is comprised of volunteers, therefore, there are no payroll expenditures, nor covered payroll expenditure calculations.

D. Annual pension cost

For 2004, the City's' annual pension cost of \$448,670 is equal to the City's required and actual contributions. The required contribution was determined as part of the January 1, 2004 actuarial valuation. The actuarial assumptions included (a) 5% investment rate of return (net of administrative expenses); (b) a mortality table of the 1983 Group Annuity Mortality Table for Males and Females; (c) termination of 3 percent rate from age 20-30, grading to no terminations after age 45; (d) disability rates based upon 75 percent of the Railroad Retirement Board Disability Rates; (e) entry age based upon age on employment date; (f) retirement age based upon the later of age 55 or 20 years of service; (g) 85 percent of members are assumed to be married, with wives three years younger than husbands; (h) normal form of payment based upon joint and 100 percent to survivor annuity; (i) asset basis based upon market value; and (j) level dollar amortization which is sufficient to amortize the unfunded actuarial accrued liability by a closed period ending December 31, 2010 and a closed period of 20 years for Plan amendments.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 5 – OTHER INFORMATION (Continued)

D. Annual pension cost (Continued)

The latest actuarial value of plan liability on January 1, 2004 was \$7,760,496. The value of the plan assets, valued at market, totaled \$6,195,089 on January 1, 2004. A six-year summary of Assets, Liabilities and funding ratios are listed below:

Schedule of Funding Progress December 31, 2004				
Year	Actuarial Value of Assets	Actuarial Accrued Liability (Entry Age)	Unfunded (Overfunded) Accrued Liability	Funded Ratio
1998	5,956,146	6,029,019	72,873	98.8%
1999	6,741,180	6,200,077	(541,103)	108.7%
2000	6,263,506	6,787,517	524,011	92.3%
2001	5,743,650	7,372,974	1,629,324	77.9%
2002	5,127,888	7,489,194	2,361,306	68.5%
2003	6,195,089	7,760,496	1,565,407	79.8%
2004	NIA	N/A	N/A	N/A

Covered payroll is not an actuarial factor in determining benefits or funding obligations under applicable Minnesota statutes.

NOTE 6 - INVESTMENT TRUST

The North Suburban Cable Commission, a separate joint-powers agency, which includes Roseville and nine other cities, voluntarily maintains its excess funds with the City to invest and earn interest. The City provides for an investment trust and accounts for the funds accordingly. There is no direct regulatory oversight of the fund by any other agency, except the investments are in accordance with Minnesota State Statutes, which provides for public funds treatment, and thus are restricted within the statutes. The Trust's cash is pooled with the City's funds and is classified in Category I.

The fair value is determined on a monthly basis but is only booked to the investment trust at the end of the calendar fiscal year of the City. The method of determining the values and shares of the Commission in the investment trust is the same pro-rata monthly average cash method employed with all other city funds. The City provides no other guarantees other than the underlying securities, which are restricted as per state statutes.

As of December 31, 2004, the fair value (carrying value) of the commission investment trust is \$967,921. No separate report is issued.

CITY OF ROSEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

NOTE 7 - SUBSEQUENT EVENT

In early 2005, the City entered into binding arbitration with a developer to settle a dispute over amounts owed on a contract. The contract was for improvements made by the developer to be reimbursed in part by the City. The City expects a final decision on the arbitration to be made by mid 2005. Settlement amounts, if any, will be paid out of the City's Economic Increments Fund, and will have minimal impact on the Fund's overall financial position.

# **NonMajor Funds**

## **Special Revenue**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes

Tele-Communications - accounts for the revenue and expenditures in the administration, maintenance, and participant activities divisions for the culture and recreation functions.

License Center Fund - accounts for the revenue and expenditures used to provide state hunting, fishing and motor vehicle licenses

Charitable Gambling - accounts for the revenue and expenditures used to promote economic development

Information Technology - accounts for the revenue and expenditures used to promote economic development

## **Capital Projects**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Equipment Fund - used for the purchase of heavy machinery and motorized equipment

Parks and Recreation Infrastructure Replacement - accounts for the cost of maintaining specific facilities funded by the Series 1995 bond tax increment bond issue

**CITY OF ROSEVILLE, MINNESOTA  
COMBINING BALANCE SHEET  
NON-MAJOR FUNDS  
December 31, 2004**

SPECIAL REVENUE

	Tele- Communications	License Center	Charitable Gambling	Information Technology	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 59,373	\$ 262,372	\$ 670	\$ 52,548	\$ 374,963
Investment interest receivable	233		24	235	492
Accounts receivable	67,616	0	8,500	9,785	85,901
Due from other governments	0	0	0	3,300	3,300
Total assets	<u>\$ 127,222</u>	<u>\$ 262,372</u>	<u>\$ 9,194</u>	<u>\$ 65,868</u>	<u>\$ 464,656</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 4,985	\$ 2,221	\$ 1,975	\$ 1,655	\$ 10,836
Accrued payroll	4,212	17,187	0	6,563	27,962
Due to other funds	0	0	143,000	125,000	268,000
Due to other Governments	0	197,532	0	0	197,532
Deposits	0	0	0	5,000	5,000
Total liabilities	<u>9,197</u>	<u>216,940</u>	<u>144,975</u>	<u>138,218</u>	<u>509,330</u>
<b>FUND BALANCE</b>					
Unreserved					
Designated for subsequent years expenditures	0	0	0	0	0
Undesignated	118,025	45,432	(135,781)	(72,350)	(44,674)
Total fund balances	<u>118,025</u>	<u>45,432</u>	<u>(135,781)</u>	<u>(72,350)</u>	<u>(44,674)</u>
Total liabilities and fund balances	<u>\$ 127,222</u>	<u>\$ 262,372</u>	<u>\$ 9,194</u>	<u>\$ 65,868</u>	<u>\$ 464,656</u>

CAPITAL  
PROJECTS  
FUND

Equipment	Total Nonmajor Funds
\$ 1,282,878	\$ 1,657,841
5,036	5,528
0	85,901
0	3,300
<u>\$ 1,287,914</u>	<u>\$ 1,752,570</u>

\$ 145	\$ 10,981
0	27,962
0	268,000
1,183	198,715
0	5,000
<u>1,328</u>	<u>510,658</u>

1,286,586	1,286,586
0	(44,674)
<u>1,286,586</u>	<u>1,241,912</u>

<u>\$ 1,287,914</u>	<u>\$ 1,752,570</u>
---------------------	---------------------

**CITY OF ROSEVILLE, MINNESOTA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR FUNDS**  
**For the Year Ended December 31, 2004**

SPECIAL REVENUE FUNDS

	Tele- Communications	License Center	Charitable Gambling	Information Technology	Total
<b>REVENUES</b>					
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Licenses & permits	0	940,874	200	0	941,074
Gambling taxes	0	0	65,935	0	65,935
Franchise fees	259,808	0	0	0	259,808
Charges for services	0	0	0	195,779	195,779
Donations	0	0	55,899	0	55,899
Investment income	5,512	(505)	(160)	3,954	8,801
Miscellaneous	0	0	0	0	0
Total revenues	<u>265,320</u>	<u>940,369</u>	<u>121,874</u>	<u>199,733</u>	<u>1,527,296</u>
<b>EXPENDITURES</b>					
Current					
General government	<u>282,659</u>	<u>715,127</u>	<u>123,337</u>	<u>285,154</u>	<u>1,406,277</u>
Capital outlay	<u>48,601</u>	<u>0</u>	<u>0</u>	<u>62,232</u>	<u>110,833</u>
Total expenditures	<u>331,260</u>	<u>715,127</u>	<u>123,337</u>	<u>347,386</u>	<u>1,517,110</u>
Excess of revenues over (under) expenditures	<u>(65,940)</u>	<u>225,242</u>	<u>(1,463)</u>	<u>(147,653)</u>	<u>10,186</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	0	0	0	70,000	70,000
Transfer (out)	0	(170,000)	0	0	(170,000)
Sale of capital assets	0	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>(170,000)</u>	<u>0</u>	<u>70,000</u>	<u>(100,000)</u>
Net change in fund balances	(65,940)	55,242	(1,463)	(77,653)	(89,814)
Fund balances -beginning - as previously stated	<u>185,160</u>	<u>(9,810)</u>	<u>(134,196)</u>	<u>6,509</u>	<u>47,663</u>
Adjustment for prior year's activity	<u>(1,195)</u>	<u>0</u>	<u>(122)</u>	<u>(1,206)</u>	<u>(2,523)</u>
Fund balances - beginnig -restated	<u>183,965</u>	<u>(9,810)</u>	<u>(134,318)</u>	<u>5,303</u>	<u>45,140</u>
Fund balances - ending	<u>\$ 118,025</u>	<u>\$ 432</u>	<u>\$ (135,781)</u>	<u>\$ (72,350)</u>	<u>\$ (44,674)</u>

CAPITAL PROJECT FUNDS

Equipment	Parks and Recreation Infrastructure Replacement	Total	Total NonMajor Funds
\$ 165,826	\$ 0	\$ 165,826	\$ 165,826
0	0	0	941,074
0	0	0	65,935
0	0	0	259,808
0	0	0	195,779
0	0	0	55,899
(31,906)	(31,864)	(63,770)	(54,969)
70,200	0	70,200	70,200
<u>204,120</u>	<u>(31,864)</u>	<u>172,256</u>	<u>1,699,552</u>

0	0	0	1,406,277
<u>333,061</u>	<u>0</u>	<u>333,061</u>	<u>443,894</u>
<u>333,061</u>	<u>0</u>	<u>333,061</u>	<u>1,850,171</u>

<u>(128,941)</u>	<u>(31,864)</u>	<u>(160,805)</u>	<u>(150,619)</u>
------------------	-----------------	------------------	------------------

0	0	0	70,000
0	(1,434,393)	(1,434,393)	(1,604,393)
<u>65,454</u>	<u>0</u>	<u>65,454</u>	<u>65,454</u>

<u>65,454</u>	<u>(1,434,393)</u>	<u>(1,368,939)</u>	<u>(1,468,939)</u>
---------------	--------------------	--------------------	--------------------

<u>(63,487)</u>	<u>(1,466,257)</u>	<u>(1,529,744)</u>	<u>(1,619,558)</u>
-----------------	--------------------	--------------------	--------------------

<u>1,375,900</u>	<u>1,466,257</u>	<u>2,842,157</u>	<u>2,889,820</u>
------------------	------------------	------------------	------------------

<u>(25,827)</u>	<u>0</u>	<u>(25,827)</u>	<u>(28,350)</u>
-----------------	----------	-----------------	-----------------

<u>1,350,073</u>	<u>1,466,257</u>	<u>2,816,330</u>	<u>2,861,470</u>
------------------	------------------	------------------	------------------

<u>\$ 1,286,586</u>	<u>\$ 0</u>	<u>\$ 1,286,586</u>	<u>\$ 1,241,912</u>
---------------------	-------------	---------------------	---------------------

**CITY OF ROSEVILLE, MINNESOTA  
TELECOMMUNICATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended December 31, 2004**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Franchise fees	\$ 250,000	\$ 250,000	\$ 259,808	\$ 9,808
Investment Income	5,000	5,000	5,512	512
Total revenues	<u>255,000</u>	<u>255,000</u>	<u>265,320</u>	<u>10,320</u>
<b>EXPENDITURES</b>				
Current				
General government				
Personal services	142,400	142,400	145,552	(3,152)
Supplies & materials	<del>7,000</del>	<del>7,000</del>	<del>6,697</del>	<del>303</del>
Other services & charges	148,990	148,990	130,410	18,580
Capital outlay	<del>64,600</del>	<del>64,600</del>	<del>48,601</del>	<del>15,999</del>
Total expenditures	<u>362,990</u>	<u>362,990</u>	<u>331,260</u>	<u>31,730</u>
Excess of revenues over (under) expenditures	<u>(107,990)</u>	<u>(107,990)</u>	<u>(65,940)</u>	<u>42,050</u>
Fund balances - beginning - as previously stated	<u>185,160</u>	<u>185,160</u>	<u>185,160</u>	<u>0</u>
Adjustment for prior year's activity	<u>0</u>	<u>0</u>	<u>(1,195)</u>	<u>(1,195)</u>
Fund balances - beginnig - restated	<u>185,160</u>	<u>185,160</u>	<u>183,965</u>	<u>(1,195)</u>
Fund balances - ending	<u>\$ 77,170</u>	<u>\$ 77,170</u>	<u>\$ 118,025</u>	<u>\$ 40,855</u>

**CITY OF ROSEVILLE, MINNESOTA  
 LICENSE CENTER FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended December 31, 2004**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
License and permits	\$ 788,100	\$ 938,100	\$ 940,874	\$ 2,774
Investment Income	0	0	(505)	(505)
Total revenues	<u>788,100</u>	<u>938,100</u>	<u>940,369</u>	<u>2,269</u>
<b>EXPENDITURES</b>				
Current				
General government				
Personal services	540,700	638,000	637,233	767
Supplies & materials	9,000	9,000	10,957	(1,957)
Other services & charges	68,400	68,400	66,937	1,463
Total expenditures	<u>618,100</u>	<u>715,400</u>	<u>715,127</u>	<u>273</u>
Excess of revenues over (under) expenditures	<u>170,000</u>	<u>222,700</u>	<u>225,242</u>	<u>2,542</u>
<b>Other Financing Uses</b>				
Transfer (out)	<u>(170,000)</u>	<u>(170,000)</u>	<u>(170,000)</u>	<u>0</u>
Net change in fund balances	0	52,700	55,242	2,542
Fund deficit - beginning	<u>(9,810)</u>	<u>(9,810)</u>	<u>(9,810)</u>	<u>0</u>
Fund balances - ending	<u>\$ (9,810)</u>	<u>\$ 42,890</u>	<u>\$ 45,432</u>	<u>\$ 2,542</u>

**CITY OF ROSEVILLE, MINNESOTA  
 CHARITABLE GAMBLING FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended December 31,2004**

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Licenses & permits	\$ 4,000	\$ 4,000	\$ 200	\$ (3,800)
Gambling taxes	64,850	64,850	65,935	1,085
Donations	50,000	53,000	55,899	2,899
Investment income	0	0	(160)	(160)
Total revenues	<u>118,850</u>	<u>121,850</u>	<u>121,874</u>	<u>24</u>
<b>EXPENDITURES</b>				
Current				
General government	43,350	43,350	43,508	(158)
Personal services	75,500	80,000	79,829	171
Other services & charges	<u>118,850</u>	<u>123,350</u>	<u>123,337</u>	<u>13</u>
Total expenditures				
Excess of revenues over (under) expenditures	0	(1,500)	(1,463)	37
Fund deficit - beginning - as previously stated	(134,196)	(134,199)	(134,196)	0
Adjustment for prior year's activity	0	0	(122)	(122)
Fund deficit - beginnig - restated	(134,196)	(134,196)	(134,318)	(122)
Fund deficit - ending	<u><del>\$ (134,196)</del></u>	<u>\$ (135,696)</u>	<u>\$ (135,781)</u>	<u>\$ (85)</u>

**CITY OF ROSEVILLE, MINNESOTA  
INFORMATION TECHNOLOGY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended December 31, 2004**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 213,625	\$ 213,625	\$ 195,779	\$ (17,846)
Investment income	4,875	4,875	3,954	(921)
Total revenues	<u>218,500</u>	<u>218,500</u>	<u>199,733</u>	<u>(18,767)</u>
<b>EXPENDITURES</b>				
Personal services	210,300	224,300	224,512	(212)
Supplies	5,200	5,200	5,644	(444)
Other services & charges	33,000	55,000	54,998	2
Capital outlay	40,000	63,000	62,232	768
Total expenditures	<u>288,500</u>	<u>347,500</u>	<u>347,386</u>	<u>114</u>
Excess of revenues over (under) expenditures	<u>(70,000)</u>	<u>(129,000)</u>	<u>(147,653)</u>	<u>(18,653)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer in	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>0</u>
Net change in fund balances	0	(59,000)	(77,653)	(18,653)
Fund balances - beginning - as previously stated	<u>6,509</u>	<u>6,509</u>	<u>6,509</u>	<u>0</u>
Adjustment for prior year's activity	<u>0</u>	<u>0</u>	<u>(1,206)</u>	<u>(1,206)</u>
Fund balances - beginnig - restated	<u>6,509</u>	<u>6,509</u>	<u>5,303</u>	<u>(1,206)</u>
Fund deficit - ending	<u>\$ 6,509</u>	<u>\$ (52,491)</u>	<u>\$ (72,350)</u>	<u>\$ (19,859)</u>

(this page left blank intentionally)

## 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 on a cost reimbursement basis.

Workers' Compensation Self Insurance Fund -accounts for the revenue and expenditures in the administration and servicing of workers' compensation claims.

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

**CITY OF ROSEVILLE, MINNESOTA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
December 31, 2004**

	Workers' Compensation Self-Insurance	Risk Management	Total
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 1,929,286	\$ 860,151	\$ 2,789,437
Investment interest receivable	7,573	3,376	10,949
Due From Other Governments	<u>138,753</u>	<u>0</u>	<u>138,753</u>
Total assets	<u>\$ 2,075,612</u>	<u>\$ 863,527</u>	<u>\$ 2,939,139</u>
 <b>LIABILITIES</b>			
Current liabilities			
Accounts payable	<u>3,652</u>	<u>16,583</u>	<u>20,235</u>
Insurance claims payable	<u>123,750</u>	<u>67,830</u>	<u>191,580</u>
Total liabilities	<u>127,402</u>	<u>84,413</u>	<u>211,815</u>
 <b>NET ASSETS</b>			
Unrestricted	<u>\$ 1,948,210</u>	<u>\$ 779,114</u>	<u>\$ 2,727,324</u>

CITY OF ROSEVILLE, MINNESOTA  
**INTERNAL SERVICE FUNDS**  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN FUND NET ASSETS  
 For the Year Ended December **31.2004**

	Workers' Compensation Self-Insurance Fund	Risk Management	Total
Operating revenues:			
Departmental charges	\$ 100,000	\$ 131,360	\$ 231,360
Other	0	425	425
Total operating revenues	100,000	131,785	231,785
Operating expenses:			
Professional Services	10,420	12,989	23,409
Insurance	8,290	102,239	110,529
Training	0	8,298	8,298
Administrative charges	23	752	775
Payment of claims	205,425	73,893	279,318
Total operating expense	224,158	198,171	422,329
Operating income (loss)	(124,158)	(66,386)	(190,544)
Nonoperating revenues			
Investment income	38,876	21,754	60,630
Net income (loss)	(85,282)	(44,632)	(129,914)
Total net assets - beginning - as previously stated	2,072,332	841,063	2,913,395
Adjustment for prior year's activity	(38,840)	(17,317)	(56,157)
Total net assets - beginning - restated	2,033,492	823,746	2,857,238
Total net assets - ending	\$ 1,948,210	\$ 779,114	\$ 2,727,324

CITY OF ROSEVILLE, MINNESOTA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2004

	Workers' Compensation Self-Insurance Fund	Risk Management	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from users, including deposits	\$ 100,000	\$ 136,266	\$ 236,266
Cash payments to suppliers for good and services	(31,995)	(108,746)	(140,741)
Cash payments to employees and others for resolved claims	(302,814)	(101,259)	(404,073)
Other operating revenues	0	425	425
Net cash (used) by operating activities	<u>(234,809)</u>	<u>(73,314)</u>	<u>(308,123)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	<u>(7,537)</u>	<u>1,061</u>	<u>(6,476)</u>
Net cash provided from investing activities	<u>(7,537)</u>	<u>1,061</u>	<u>(6,476)</u>
Net increase (decrease) in cash and cash equivalents	<u>(242,346)</u>	<u>(72,253)</u>	<u>(314,599)</u>
Cash and cash equivalents, January 1	<u>2,171,632</u>	<u>932,404</u>	<u>3,104,036</u>
Cash and cash equivalents, December 31	<u>\$ 1,929,286</u>	<u>\$ 860,151</u>	<u>\$ 2,789,437</u>
Reconciliation of operating income (loss) to net cash (used) by operating income:			
Operating (loss)	<u>\$ (124,158)</u>	<u>\$ (66,386)</u>	<u>\$ (190,544)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Changes in elements affecting cash			
(Increase) Decrease in Accounts Receivable	<u>0</u>	<u>4,906</u>	<u>4,906</u>
(Increase) Decrease in Due from Other Governments	<u>(138,753)</u>	<u>0</u>	<u>(138,753)</u>
Increase (Decrease) in accounts payable	<u>(13,262)</u>	<u>15,532</u>	<u>2,270</u>
Increase (Decrease) in insurance claim payable	<u>41,364</u>	<u>(27,366)</u>	<u>13,998</u>
Net cash provided (used) by operating activities	<u>\$ (234,809)</u>	<u>\$ (73,314)</u>	<u>\$ (308,123)</u>

## **Agency Funds**

Agency funds are used to report resources held by the city in a purely custodial capacity (assets equal liabilities).

Grass Lake Water Management Organization -This fund accounts for the fiscal activities of an agency which is a separate nonprofit entity.

Community Development Block Grant – accounts for funds awarded to the City through Ramsey County for qualified projects that benefit low and moderate income residents.

Local Development Corporation – accounts for fund received from block grants and other sources for the special housing needs related to low and moderate income resident's

Roseville Lutheran Cemetery - accounts for the fiscal activities of a cemetery under the ownership of the Islamic Cemetery Association

Roseville Visitors Association – accounts for revenues and expense of the Roseville Visitors Association, formed as an independent nonprofit agency to enhance tourist and visitor traffic to the City.

**CITY OF ROSEVILLE, MINNESOTA**  
**COMBINING BALANCE SHEET - ALL AGENCY FUNDS**  
**Year Ended December 31,2004**

	Grass Lake Water Management Fund	Roseville Lutheran Cemetery Fund	Roseville Visitors Association	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 173,310	\$ 108,006	\$ 468,103	\$ 749,419
Investment interest receivable	680	424	1,999	3,103
Accounts receivable	0	0	33,866	33,866
Net capital assets	0	0	26,304	26,304
 Total Assets	<u>\$ 173,990</u>	<u>\$ 108,430</u>	<u>\$ 530,272</u>	<u>\$ 812,692</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 0	\$ 2,483	\$ 20,710	\$ 23,193
Accrued Payroll	0	0	9,165	9,165
Due to other organizations	173,990	105,947	500,397	780,334
 Total Liabilities	<u>\$ 173,990</u>	<u>\$ 108,430</u>	<u>\$ 530,272</u>	<u>\$ 812,692</u>

**CITY OF ROSEVILLE, MINNESOTA  
 COMBINING STATEMENT OF CHANGES IN  
 ASSETS AND LIABILITIES - ALL AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2004**

	Balance January 1, 2004	Additions	Deductions	Balance December 31, 2004
<b>ASSETS</b>				
Cash and cash equivalents	\$ 586,877	\$ 887,475	\$ 724,933	\$ 749,419
Investment interest receivable	0	3,103	0	3,103
Accounts receivable	29,521	35,751	31,406	33,866
Due from other governments	31,000	35,000	66,000	0
Net capital assets	39,222	5,113	18,031	26,304
<b>Total assets</b>	<b>\$ 686,620</b>	<b>\$ 966,442</b>	<b>\$ 840,370</b>	<b>\$ 812,692</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 6,910	\$ 367,947	\$ 351,664	\$ 23,193
Accrued Payroll	2,940	9,165	9,535	9,165
Due to other organizations	676,770	589,330	479,171	780,334
<b>Total liabilities</b>	<b>\$ 686,620</b>	<b>\$ 966,442</b>	<b>\$ 840,370</b>	<b>\$ 812,692</b>

CITY OF ROSEVILLE, MINNESOTA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND - GRASS LAKE WATER MANAGEMENT ORGANIZATION  
Year Ended December 31,2004

	Balance January 1,2004	Additions	Deductions	Balance December 31,2004
<b>ASSETS</b>				
Cash and cash equivalents	\$ 65,055	\$ 147,345	\$ 39,090	\$ 173,310
Investment interest receivable	0	680	0	680
Due from other governments	31,000	35,000	66,000	0
<b>Total assets</b>	<u>\$ 96,055</u>	<u>\$ 183,025</u>	<u>\$ 105,090</u>	<u>\$ 173,990</u>
<b>LIABILITIES</b>				
Due to Grass Lake Water Management Organization	<del>\$ 96,055</del>	<del>\$ 183,025</del>	<del>\$ 105,090</del>	<del>\$ 173,990</del>
<b>Total liabilities</b>	<del>\$ 96,055</del>	<del>\$ 183,025</del>	<del>\$ 105,090</del>	<del>\$ 173,990</del>

CITY OF ROSEVILLE, MINNESOTA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND - COMMUNITY DEVELOPMENT BLOCK GRANT  
Year Ended December 31,2004

	Balance January 1,2004	Additions	Deductions	Balance December 31,2004
<b>ASSETS</b>				
Cash and cash equivalents	<del>\$ 253,589</del>	<del>\$ 0</del>	<del>\$ 253,589</del>	<del>\$ 0</del>
Notes Receivable	<del>218,000</del>	<del>0</del>	<del>218,000</del>	<del>0</del>
<b>Total assets</b>	<del>\$ 471,589</del>	<del>\$ 0</del>	<del>\$ 471,589</del>	<del>\$ 0</del>
<b>LIABILITIES</b>				
Due to other organizations	<del>\$ 471,589</del>	<del>\$ 0</del>	<del>\$ 471,589</del>	<del>\$ 0</del>
<b>Total liabilities</b>	<del>\$ 471,589</del>	<del>\$ 0</del>	<del>\$ 471,589</del>	<del>\$ 0</del>

CITY OF ROSEVILLE, MINNESOTA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND - LOCAL DEVELOPMENT CORPORATION  
Year Ended December 31,2004

	Balance January 1,2004	Additions	Deductions	Balance December 31,2004
<b>ASSETS</b>				
Cash and cash equivalents	<del>\$ 219,313</del>	<del>\$ 0</del>	<del>\$ 219,313</del>	<del>\$ 0</del>
Notes Receivable	<del>70,009</del>	<del>0</del>	<del>70,009</del>	<del>0</del>
<b>Total assets</b>	<del>\$ 289,322</del>	<del>\$ 0</del>	<del>\$ 289,322</del>	<del>\$ 0</del>
<b>LIABILITIES</b>				
Due to other organizations	<del>\$ 289,322</del>	<del>\$ 0</del>	<del>\$ 289,322</del>	<del>\$ 0</del>
<b>Total liabilities</b>	<del>\$ 289,322</del>	<del>\$ 0</del>	<del>\$ 289,322</del>	<del>\$ 0</del>

**CITY OF ROSEVILLE, MINNESOTA**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - ROSEVILLE LUTHERAN CEMETERY**  
**Year Ended December 31,2004**

	Balance		Balance	
	January 1,2004	Additions	Deductions	December 31, 2004
<b>ASSETS</b>				
Cash and cash equivalents	\$ 106,828	\$ 31,079	\$ 29,901	\$ 108,006
Investment interest receivable	0	424	0	424
<b>Total assets</b>	<b>\$ 106,828</b>	<b>\$ 31,503</b>	<b>\$ 29,901</b>	<b>\$ 108,430</b>
<b>LIABILITIES</b>				
Accounts Payable	0	2,483	0	2,483
Due to other organizations	106,828	29,020	29,901	105,947
<b>Total liabilities</b>	<b>\$ 106,828</b>	<b>\$ 31,503</b>	<b>\$ 29,901</b>	<b>\$ 108,430</b>

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - ROSEVILLE VISITORS ASSOCIATION**  
**Year Ended December 31,2004**

	Balance		Balance	
	January 1,2004	Additions	Deductions	December 31,2004
<b>ASSETS</b>				
Cash and cash equivalents	\$ 414,994	\$ 709,051	\$ 655,942	\$ 468,103
Investment interest receivable	0	1,999	0	1,999
Accounts receivable	29,521	35,751	31,406	33,866
Net capital assets	39,222	5,113	18,031	26,304
<b>Total assets</b>	<b>\$ 483,737</b>	<b>\$ 751,914</b>	<b>\$ 705,379</b>	<b>\$ 530,272</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 6,910	\$ 365,464	\$ 351,664	\$ 20,710
Accrued Payroll	9,535	9,165	9,535	9,165
Due to other organizations	467,292	377,285	344,180	500,397
<b>Total liabilities</b>	<b>\$ 483,737</b>	<b>\$ 751,914</b>	<b>\$ 705,379</b>	<b>\$ 530,272</b>

(this page left blank intentionally)

# Statistical Section

**City of Roseville**  
**Net Assets by Component**  
**Last Five Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in whole dollars)**

	<b>2000</b>	<b>2001</b>
Governmental activities		
Invested in capital assets, net of related debt	71,853,301	93,183,644
Restricted	15,169,812	4,060,495
Unrestricted	31,362,604	31,451,743
Total governmental activities net assets	<u>\$ 118,385,717</u>	<u>\$ 128,695,882</u>
Business-type activities		
Invested in capital assets, net of related debt	27,787,522	27,622,610
Restricted	0	0
Unrestricted	8,099,574	8,142,501
Total business-type activities net assets	<u>\$ 35,887,096</u>	<u>\$ 35,765,111</u>
Primary government		
Invested in capital assets, net of related debt	99,640,823	120,806,254
Restricted	15,169,812	4,060,495
Unrestricted	39,462,178	39,594,244
Total primary government net assets	<u>\$ 154,272,813</u>	<u>\$ 164,460,993</u>

2002	2003	2004
96,613,757	98,124,347	98,037,804
17,636,917	19,069,579	18,269,971
16,242,410	13,268,393	11,162,422
<u>\$ 130,493,084</u>	<u>\$ 130,462,319</u>	<u>\$ 127,470,197</u>

26,972,178	18,191,864	17,950,057
0	0	0
7,369,326	8,146,474	7,940,709
<u>\$ 34,341,504</u>	<u>\$ 26,338,338</u>	<u>\$ 25,890,766</u>

123,585,935	116,316,211	115,987,861
17,636,917	19,069,579	18,269,971
23,611,736	21,414,867	19,103,131
<u>\$ 164,834,588</u>	<u>\$ 156,800,657</u>	<u>\$ 153,360,963</u>

**City of Roseville**  
**Changes In Net Assets**  
**Last Five Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in whole dollars)**

Expenses	2000	2001	2002	2003	2004
<b>Governmental activities:</b>					
General government	\$ 2,547,714	\$ 3,093,209	\$ 2,670,864	\$ 2,756,291	\$ 3,386,266
Public safety	5,375,589	4,788,431	5,139,220	6,542,900	8,002,018
Public works	4,354,892	4,747,838	4,438,832	3,709,870	3,780,222
Parks and recreation	4,301,848	3,075,464	3,462,058	3,926,557	4,055,505
Economic development	1,901,045	2,620,988	2,744,125	2,970,466	1,954,642
Interest on long-term debt	1,472,535	1,167,809	1,509,635	557,984	604,523
<b>Total governmental activities expenses</b>	<b>19,953,623</b>	<b>19,493,739</b>	<b>19,964,734</b>	<b>20,464,068</b>	<b>21,783,176</b>
<b>Business-type activities:</b>					
Sewer	2,550,163	3,096,717	2,984,055	2,489,956	2,806,813
Water	3,851,875	4,202,803	3,701,411	4,069,841	3,938,498
Golf	326,769	320,316	331,368	358,726	352,023
Recycling	474,742	208,891	292,617	235,179	299,456
Storm Drainage	233,384	563,376	1,404,576	696,187	805,366
<b>Total business-type activities expenses</b>	<b>7,436,933</b>	<b>8,392,103</b>	<b>8,714,027</b>	<b>7,849,889</b>	<b>8,202,156</b>
<b>Total primary government expenses</b>	<b>\$ 27,390,556</b>	<b>\$ 27,885,842</b>	<b>\$ 28,678,761</b>	<b>\$ 28,313,957</b>	<b>\$ 29,985,332</b>
<b>Program Revenues</b>					
<b>Governmental activities:</b>					
Charges for services:					
General government	\$ 1,906,633	\$ 2,241,053	\$ 1,845,248	\$ 1,788,963	\$ 2,296,912
Public safety	74,868	1,187,551	1,333,556	1,345,874	1,088,309
Parks and recreation	1,623,855	1,642,602	1,583,019	1,596,571	1,549,105
Other activities	1,058,463	1,281,272	1,145,009	784,122	489,119
Operating grants and contributions	871,511	993,065	824,173	863,338	830,643
Capital grants and contributions	4,990,008	2,987,122	494,392	524,071	484,147
<b>Total governmental activities program revenues</b>	<b>10,525,338</b>	<b>10,332,665</b>	<b>7,225,397</b>	<b>6,902,939</b>	<b>6,738,235</b>
<b>Business-type activities:</b>					
Charges for Services:					
Sewer	3,247,466	2,718,972	2,743,879	2,512,282	2,539,180
Water	4,238,244	4,067,477	3,368,871	4,084,416	3,909,172
Golf	320,817	278,568	267,922	303,708	310,629
Recycling	184,172	184,342	199,008	208,170	236,740
Storm Drainage	568,416	592,418	585,013	596,031	643,828
Operating grants and contributions	103,894	0	117,992	29,291	29,291
Capital grants and contributions	0	0	0	366,184	3,450
<b>Total business-type activities program revenues</b>	<b>8,663,009</b>	<b>7,841,777</b>	<b>7,282,685</b>	<b>8,100,082</b>	<b>7,672,290</b>
<b>Total primary government program revenues</b>	<b>\$ 19,188,347</b>	<b>\$ 18,174,442</b>	<b>\$ 14,508,082</b>	<b>\$ 15,003,021</b>	<b>\$ 14,410,525</b>
<b>Net (expense)/revenue</b>					
Governmental activities	(9,428,285)	(9,161,074)	(12,739,337)	(13,561,129)	(15,044,941)
Business-type activities	1,226,076	(550,326)	(1,431,342)	250,193	(529,866)
<b>Total primary government net expense</b>	<b>\$ (8,202,209)</b>	<b>\$ (9,711,400)</b>	<b>\$ (14,170,679)</b>	<b>\$ (13,310,936)</b>	<b>\$ (15,574,807)</b>
<b>General Revenues and Other Changes in Net Assets</b>					
<b>Governmental activities:</b>					
Taxes					
Property taxes	\$ 6,497,037	\$ 6,883,908	\$ 7,870,430	\$ 8,031,962	\$ 9,249,016
Tax increments	7,701,875	8,658,076	2,827,790	2,509,792	2,521,708
Cable franchise taxes	207,928	0	234,658	241,053	259,808
Gambling taxes	59,331	0	50,531	57,875	65,935
Unrestricted grants and contributions	1,959,161	1,932,765	816,482	25,353	25,653
Unrestricted investment earnings	4,593,167	2,462,733	3,015,307	1,322,877	1,236,808
Miscellaneous	151,833	(466,243)	(254,460)	0	0
Transfers	0	0	(24,200)	0	0
<b>Total governmental activities</b>	<b>21,170,332</b>	<b>19,471,239</b>	<b>14,536,538</b>	<b>12,188,912</b>	<b>13,358,928</b>
<b>Business-type activities:</b>					
Unrestricted investment earnings	743,574	394,036	523,927	317,371	236,689
Miscellaneous	12,548	34,305	558	0	0
Transfers	0	0	24,200	0	0
<b>Total business-type activities</b>	<b>756,122</b>	<b>428,341</b>	<b>548,685</b>	<b>317,371</b>	<b>236,689</b>
<b>Total primary government</b>	<b>\$ 21,926,454</b>	<b>\$ 19,899,580</b>	<b>\$ 15,085,223</b>	<b>\$ 12,506,283</b>	<b>\$ 13,595,617</b>
<b>Change in Net Assets</b>					
Governmental activities	\$ 11,742,047	\$ 10,310,165	\$ 1,797,201	\$ (1,372,217)	\$ (1,686,013)
Business-type activities	1,982,198	(121,985)	(882,657)	567,564	(293,177)
<b>Total primary government</b>	<b>\$ 13,724,245</b>	<b>\$ 10,188,180</b>	<b>\$ 914,544</b>	<b>\$ (804,653)</b>	<b>\$ (1,979,190)</b>

**City of Roseville**  
**Governmental Activities Tax Revenues By Source**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in whole dollars)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Tax Increments</b>	<b>Cable Franchise Taxes</b>	<b>Gambling Taxes</b>	<b>Total</b>
1995	4,256,988	5,449,945	117,333	70,021	9,894,287
1996	4,569,183	6,529,692	120,426	66,573	11,285,874
1997	6,077,167	6,992,703	139,624	66,528	13,276,022
1998	6,257,192	5,757,813	152,135	72,311	12,239,451
1999	6,378,973	6,362,839	294,427	66,932	13,103,171
2000	6,497,037	7,701,875	207,928	59,331	14,466,171
2001	6,883,908	8,658,076	242,292	23,623	15,807,899
2002	7,870,430	2,827,790	234,658	50,531	10,983,409
2003	8,031,962	2,509,792	241,053	57,875	10,840,682
2004	9,249,016	2,521,708	259,808	65,935	12,096,467

**City of Roseville**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in whole dollars)**

	<b>Fiscal Year</b>			
	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>
General Fund				
Reserved	\$ 18,550	\$ 24,546	\$ 24,063	\$ 6,838
Unreserved	<u>3,518,979</u>	<u>3,702,679</u>	<u>4,003,657</u>	<u>4,559,752</u>
Total general fund	<u>\$ 3,537,529</u>	<u>\$ 3,727,225</u>	<u>\$ 4,027,720</u>	<u>\$ 4,566,590</u>
All other governmental funds				
Reserved	\$ 0	\$ 0	\$ 0	\$ 3,498,491
Unreserved, reported in:				
Special revenue funds	(1,011,144)	(969,049)	(951,233)	(986,678)
Debt Service	0	0	0	0
Capital projects funds	20,240,017	24,216,875	20,929,325	20,104,958
Permanent funds	1,735,993	2,063,032	2,155,364	2,292,431
Total all other governmental funds	<u>\$ 20,964,866</u>	<u>\$ 25,310,858</u>	<u>\$ 22,133,456</u>	<u>\$ 24,909,202</u>

1999	2000	2001	2002	2003	2004
\$ 4,907	\$ 8,746	\$ 8,746	\$ 122,689	\$ 113,717	\$ 189,754
4,604,103	4,627,744	4,644,801	4,784,397	5,636,721	4,004,398
<u>\$ 4,609,010</u>	<u>\$ 4,636,490</u>	<u>\$ 4,653,547</u>	<u>\$ 4,907,086</u>	<u>\$ 5,750,438</u>	<u>\$ 4,194,152</u>
\$ 5,336,209	\$ 7,569,388	\$ 14,123,604	\$ 14,520,616	\$ 14,167,788	\$ 14,177,837
(686,045)	439,946	(78,477)	(565,527)	(902,425)	(21,103)
0	0	(1,378,721)	(3,531,006)	(4,367,838)	(1,939,074)
12,367,992	16,038,906	12,223,266	12,023,475	17,044,915	8,624,773
10,823,292	12,004,181	0	0	0	0
<u>\$ 27,841,448</u>	<u>\$ 36,052,421</u>	<u>\$ 24,889,672</u>	<u>\$ 22,447,558</u>	<u>\$ 25,942,440</u>	<u>\$ 20,842,433</u>

City of **Roseville**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified **accrual** basis of accounting)  
(amounts expressed in whole dollars)

Fiscal Year

	1995	1996	1997	1998	1999	2000 (1)	2001	2002	2003	2004
<b>Revenues</b>										
Taxes	\$ 9,894,287	\$ 11,285,874	\$ 13,276,022	\$ 12,239,451	\$ 13,103,171	\$ 14,466,171	\$ 15,807,899	\$ 10,983,409	\$ 10,840,682	\$ 12,096,467
Intergovernmental	2,895,562	2,671,989	4,060,476	5,449,204	3,553,368	5,225,996	5,922,067	2,075,741	1,412,762	1,340,443
Licenses and permits	1,550,065	1,481,027	1,564,711	1,538,112	1,572,052	1,784,060	1,767,291	1,813,263	2,017,417	1,936,887
Charges for services	2,162,160	2,125,768	2,327,848	2,648,592	2,213,681	2,611,852	2,843,523	3,092,152	2,956,205	2,773,918
Fines and forfeits	109,415	104,520	125,783	145,514	175,099	187,199	203,164	203,353	181,567	147,140
Special assessments	1,559,216	1,740,872	1,539,649	1,898,422	1,437,914	1,363,072	1,121,568	920,038	885,226	843,496
Investment earnings	2,738,787	2,594,837	3,029,200	3,378,956	1,077,193	4,583,751	2,462,733	2,667,321	1,322,877	1,236,808
Miscellaneous	3,158,515	4,046,862	2,501,399	2,248,608	1,754,359	2,202,725	950,685	772,552	696,319	465,705
<b>Total revenues</b>	<b>24,068,007</b>	<b>26,051,749</b>	<b>28,425,088</b>	<b>29,546,859</b>	<b>24,886,837</b>	<b>32,424,826</b>	<b>31,078,930</b>	<b>22,527,829</b>	<b>20,313,055</b>	<b>20,840,864</b>
<b>Expenditures</b>										
General government	\$ 2,749,143	\$ 2,746,237	\$ 2,009,795	\$ 2,223,335	\$ 2,251,863	\$ 2,257,557	\$ 2,919,031	\$ 2,819,465	\$ 2,879,022	\$ 3,081,907
Public safety	4,013,809	4,089,010	4,120,790	4,521,238	4,530,375	4,853,978	5,245,869	5,570,040	5,984,321	6,281,298
Public works	1,294,337	1,359,370	1,357,997	1,426,909	1,457,823	1,560,077	1,655,133	1,645,242	1,573,348	1,709,263
Economic development	0	0	0	0	0	1,130,399	1,111,106	1,118,300	1,462,118	1,416,795
Recreation	2,399,159	2,466,728	2,530,978	2,633,965	2,817,793	3,133,691	2,919,061	3,112,957	2,913,099	3,078,500
Community development	0	0	1,006,782	928,679	1,049,035	1,047,283	1,409,856	1,543,160	1,467,002	959,970
Other	225,632	184,095	193,248	207,989	244,996	242,852	0	0	0	0
Capital outlay	11,499,360	5,983,104	16,187,432	8,998,137	6,518,585	8,835,054	6,117,144	2,353,542	8,584,582	7,664,593
Debt service										
Principal	5,065,000	2,835,000	3,195,000	4,365,000	3,035,000	4,920,000	11,674,992	5,310,000	1,765,000	1,330,000
Interest	2,257,671	2,200,597	2,201,105	2,348,663	1,670,121	1,542,348	855,735	880,089	300,237	742,442
Other Charges	297,312	331,006	530,895	793,792	495,512	655,458	294,059	3,940	55,000	30,752
<b>Total expenditures</b>	<b>29,801,423</b>	<b>22,195,147</b>	<b>33,334,022</b>	<b>28,447,707</b>	<b>24,071,103</b>	<b>30,178,697</b>	<b>34,201,986</b>	<b>24,356,735</b>	<b>26,983,729</b>	<b>26,295,520</b>
<b>Excess of revenues</b>										
over (under) expenditures	(5,733,416)	3,856,602	(4,908,934)	1,099,152	815,734	2,246,129	(3,123,056)	(1,828,906)	(6,670,674)	(5,454,656)

	Fiscal Year									
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Other financing sources (uses)										
Transfers in	\$ 1,537,688	\$ 95,181	\$ 1,045,751	\$ 4,010,678	\$ 1,499,825	\$ 2,638,197	\$ 9,993,648	\$ 2,785,928	\$ 2,671,056	\$ 5,015,776
Transfers out	(1,537,688)	(334,063)	(1,159,637)	(3,809,219)	(1,499,825)	(2,638,197)	(9,993,648)	(2,810,127)	(2,671,056)	(5,015,776)
Abatement for Rosedale Mall	(1,143,214)	0	0	0	0	0	0	0	0	0
Refunding bonds issued	0	0	0	(14,780,000)	0	0	0	0	0	1,725,000
Bonds issued	9,070,368	2,084,670	2,732,125	13,209,138	2,477,563	0	0	0	9,700,000	0
Premium on bonds issued	0	0	0	0	0	0	0	0	0	22,118
Discount on bonds issued	0	0	0	0	0	0	0	0	0	0
Payments to refunded bond escrow agent	2,739,255	0	0	0	0	0	(8,045,000)	(355,000)	0	(1,715,000)
Capital leases	0	0	0	0	0	0	0	0	0	0
Sale of capital assets	0	0	0	0	0	0	33,664	19,532	1,308,908	72,354
Total other financing sources (uses)	10,666,409	1,845,788	2,618,239	(1,369,403)	2,477,563	0	(8,011,336)	(359,667)	11,008,908	104,472
Net change in fund balances	4,912,993	5,702,390	(2,290,695)	(270,251)	3,293,297	2,246,129	(11,134,392)	(2,188,573)	4,338,234	(5,350,184)
Debt service as a percentage of noncapital expenditures	41.63%	33.10%	34.57%	38.60%	29.63%	33.35%	45.66%	28.15%	11.52%	11.29%

**City of Roseville**  
**General Governmental Tax Revenues By Source**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

Fiscal Year	Property Tax	Tax Increments	Franchise Taxes	Gambling Taxes	Total
1995	4,256,988	5,449,945	117,333	70,021	9,894,287
1996	4,569,183	6,529,692	120,426	66,573	11,285,874
1997	6,077,167	6,992,703	139,624	66,528	13,276,022
1998	6,257,192	5,757,813	152,135	72,311	12,239,451
1999	6,378,973	6,362,839	294,427	66,932	13,103,171
2000	6,497,037	7,701,875	207,928	59,331	14,466,171
2001	6,883,908	8,658,076	242,292	23,623	15,807,899
2002	7,870,430	2,827,790	234,658	50,531	10,983,409
2003	8,031,962	2,509,792	241,053	57,875	10,840,682
2004	9,249,016	2,521,708	259,808	65,935	12,096,467

(1) The City adopted the GASB 34 Reponing Model in the year 2000. Accordingly, the reporting for certain expense categories was changed from prior years.

City of **Roseville**  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years  
 (amounts expressed in whole dollars)

Fiscal Year Ended December 31	Real Property			Personal Property	
	Residential Property	Commercial Property	Other	Commercial (1)	Gas & Electric
1995	13,270,974	21,499,733	7,212,760	820,459	0
1996	13,834,351	21,414,174	7,502,870	879,238	0
1997	14,610,602	21,310,977	8,073,006	945,300	0
1998	15,430,455	19,632,667	15,430,455	842,133	0
1999	15,396,350	18,264,258	6,675,651	751,838	0
2000	16,335,726	20,372,438	7,216,886	756,878	0
2001	18,141,101	23,327,095	7,922,223	0	706,621
2002	15,274,319	15,452,817	5,701,004	0	419,260
2003	16,846,793	16,947,191	6,365,236	0	439,808
2004	18,758,099	18,019,249	6,684,420	0	446,312

Source: Ramsey County

(1) The Commercial Personal Property column represents both Gas & Electric, and Leased Machinery & Equipment columns for years prior to 2001.

<u>Personal Properly Leased Machinery &amp; Equipment</u>	<u>Less: TIF &amp; Fiscal Disparity Contribution (Net)</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assesed Value as a Percentage of Actual Value</u>
<u>0</u>	<u>(9,922,756)</u>	<u>32,881,170</u>	18.00%	1,517,368,279	2.17%
<u>0</u>	<u>(9,331,625)</u>	<u>34,299,008</u>	17.31%	1,715,346,550	2.00%
<u>0</u>	<u>(10,535,804)</u>	<u>34,404,081</u>	17.75%	1,790,558,400	1.92%
<u>0</u>	<u>(9,470,607)</u>	<u>41,865,102</u>	19.25%	1,868,114,050	2.24%
<u>0</u>	<u>(9,352,951)</u>	<u>31,735,145</u>	19.99%	2,003,074,080	1.58%
<u>0</u>	<u>(11,287,553)</u>	<u>33,394,375</u>	19.03%	2,187,737,052	1.53%
<u>64,971</u>	<u>(13,018,254)</u>	<u>37,143,757</u>	18.52%	2,412,333,500	1.54%
<u>60,381</u>	<u>(6,721,553)</u>	<u>30,186,228</u>	29.41%	2,649,745,900	1.14%
<u>69,832</u>	<u>(6,697,449)</u>	<u>33,971,411</u>	25.73%	2,954,240,000	1.15%
<u>70,994</u>	<u>(6,898,473)</u>	<u>37,080,600</u>	23.83%	3,247,056,900	1.14%

**City of Roseville  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City of Roseville</b>			<b>Overlapping Rates (1)</b>			
	<b>Operating Millage</b>	<b>Debt Service Millage</b>	<b>Total City Millage</b>	<b>Ramsey County</b>	<b>School District - ISD#621</b>		
				<b>Total County Millage (2)</b>	<b>Operating Millage</b>	<b>Debt Service Millage</b>	<b>Total School Millage</b>
1995	14.220	3.780	18.000	44.692	60.393	4.271	64.664
1996	14.106	3.200	17.306	43.785	58.345	3.716	62.061
1997	13.941	3.810	17.751	44.226	56.061	4.410	60.471
1998	15.214	4.040	19.254	46.618	44.172	5.992	50.164
1999	16.057	3.940	19.997	47.021	42.601	5.640	48.241
2000	15.718	3.310	19.028	44.839	42.401	4.020	46.421
2001	15.312	3.210	18.522	42.166	40.592	8.993	49.585
2002	25.570	3.840	29.410	55.659	11.400	13.979	25.379
2003	23.224	2.510	25.734	54.603	9.428	12.556	21.984
2004	19.109	4.724	23.833	53.135	20.649	1.194	21.843

Source: Ramsey County and Roseville Area Schools

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

(2) The break down between operating and debt service tax rates were not available at the time of this report.

**School District - ISD#623**

<b>Total School Millage (2)</b>	<b>Special Districts</b>	<b>Total Direct &amp; Overlapping Rates</b>
74.170	5.547	207.07
75.237	5.421	203.81
74.650	6.024	203.12
45.028	6.604	167.67
57.014	6.743	179.02
51.942	6.687	168.92
41.129	7.069	158.47
10.447	4.964	125.86
12.486	6.559	121.37
15.431	6.028	120.27

**City of Roseville  
Principal Property Taxpayers  
December 31, 2004**  
(amounts expressed in whole dollars)

<u>Taxpayer</u>	<u>2004</u>			<u>1995</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Compass Retail, Inc.	4,153,382	1	11.20%			
Bradley Operating LP	1,268,170	2	3.42%	868,214	3	2.07%
M & J Crossroads LP	972,860	3	2.62%	711,402	5	1.69%
North Prior LLC	784,554	4	2.12%	-		
First Security Bank Trustee	662,404	5	1.79%	-		
Rosedale Commons LP	617,776	6	1.67%	-		
The May Dept. Stores	598,762	7	1.61%	-		
Meritex Enterprises, Inc.	514,782	8	1.39%	-		
MN Industrial Properties LP	503,364	9	1.36%	-		
Williams Bros Pipeline	502,312	10	1.35%	461,469	10	1.10%
Equitable Life Assurance Society of the United States	-			3,909,910	1	9.31%
Dayton-Hudson Corp.	-			988,539	2	2.35%
Tanurb Developments, Inc.	-			764,532	4	1.82%
Space Center Enterprises	-			608,011	6	1.45%
Roseville Properties	-			542,908	7	1.29%
Everest Investments	-			534,926	8	1.27%
NCR Corporation	-			507,041	9	1.21%
	<u>10,578,366</u>		<u>28.53%</u>	<u>9,896,952</u>		<u>23.56%</u>

Source: Ramsey County

(this page left blank intentionally)

**City of Roseville**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
(amounts expressed in whole dollars)

<b>Fiscal Year Ended Decemebr 31</b>	<b>Total Tax Levy for Fiscal Year(1)</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>
		<b>Amount</b>	<b>Percentage of Levy</b>	
1995	\$ 11,651,657	\$ 10,980,996	94.24	\$ 219,501
1996	12,685,493	12,378,067	97.58	91,221
1997	13,085,665	<del>12,623,041</del>	<del>96.46</del>	<del>446,829</del>
1998	11,883,474	<del>11,881,218</del>	<del>99.98</del>	<del>133,787</del>
1999	12,732,207	12,701,252	99.76	40,560
2000	14,199,751	14,034,114	98.83	12,545
2001	16,679,271	15,541,984	93.18	53,337
2002	8,922,884	7,870,430	88.21	0
2003	8,827,884	8,031,962	90.98	0
2004	9,760,674	9,249,016	94.76	0

(1) Starting in 2002 tax levy amounts do not include tax increments, as in previous years

**Total Collections to Date**

<b>Amount</b>	<b>Percentage of Levy</b>
\$ 11,200,497	96.13
<hr/>	<hr/>
12,469,288	98.30
13,069,870	99.88
12,015,005	101.11
12,741,812	100.08
14,046,659	98.92
15,595,321	93.50
7,870,430	88.21
8,031,962	90.98
9,249,016	94.76

**City of Roseville**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(amounts expressed in whole dollars)**

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>Total Primary Government</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Special Assessment Bonds</b>	<b>General Obligation Tax Increment Bonds</b>			
1995	\$ 0	\$ 19,085,000	\$ 25,320,000	\$ 44,405,000	2.93%	\$ 1,318.67
1996	0	19,910,000	23,760,000	43,670,000	2.55%	1,286.61
1997	0	21,110,000	22,115,000	43,225,000	2.41%	1,270.80
1998	0	18,480,000	18,880,000	37,360,000	2.00%	1,092.59
1999	0	18,275,000	18,550,000	36,825,000	1.84%	1,073.43
2000	0	15,380,000	16,525,000	31,905,000	1.46%	947.02
2001	0	11,055,000	1,815,000	12,870,000	0.53%	379.10
2002	0	7,560,000	0	7,560,000	0.29%	222.69
2003	9,700,000	5,795,000	0	15,495,000	0.52%	454.40
2004	9,700,000	4,475,000	0	14,175,000	0.44%	415.93

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

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

**City of Roseville**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
(amounts expressed in whole dollars, except per capita amounts)

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Per Capita (2)</b>
1995	\$ 44,405,000	\$ 6,048,925	\$ 38,356,075	2.53%	\$ 1,139.04
1996	43,670,000	7,215,626	36,454,374	2.13%	1,074.02
1997	43,225,000	7,801,838	35,423,162	1.98%	1,041.43
1998	37,360,000	5,614,470	31,745,530	1.70%	928.39
1999	36,825,000	5,993,095	30,831,905	1.54%	898.73
2000	31,905,000	5,427,156	26,477,844	1.21%	785.93
2001	12,870,000	0	12,870,000	0.53%	379.10
2002	7,560,000	0	7,560,000	0.29%	222.69
2003	15,495,000	0	15,495,000	0.52%	454.40
2004	14,175,000	0	14,175,000	0.44%	415.93

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Roseville  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2004  
(amounts expressed in whole dollars)

Governmental Unit	Gross Debt Net of Refunding	Debt Service	Net Debt Outstanding	Percentage Applicable to <b>Roseville</b>	Amount Applicable to <b>Roseville</b>
<b>Direct Debt:</b>					
City of Roseville	\$ 14,175,000	\$ 0	\$ 14,175,000	100%	\$ 14,175,000
Total Direct Debt					<u>\$ 14,175,000</u>
<b>Overlapping Debt*</b>					
School District #621	<del>\$ 136,058,495</del>	<del>\$ 9,088,903</del>	<del>\$ 126,969,592</del>	<del>8%</del>	<del>10,157,567</del>
School District #623	<del>40,890,000</del>	<del>861,356</del>	<del>40,028,644</del>	<del>61%</del>	<del>\$ 24,417,473</del>
Special School District #916	<del>13,885,000</del>	<del>410,795</del>	<del>13,474,205</del>	<del>8%</del>	<del>1,077,936</del>
Metropolitan Council	<del>962,747,216</del>	<del>108,642,000</del>	<del>854,105,216</del>	<del>1%</del>	<del>8,541,052</del>
Metropolitan Airports Commission	<del>330,970,000</del>	<del>72,488,471</del>	<del>258,481,529</del>	<del>1%</del>	<del>2,584,815</del>
Ramsey County Library	<del>9,750,000</del>	<del>1,192,443</del>	<del>8,557,557</del>	<del>17%</del>	<del>1,454,785</del>
Ramsey County	<del>210,242,000</del>	<del>15,633,756</del>	<del>194,608,244</del>	<del>9%</del>	<del>17,514,742</del>
Total Overlapping Debt	<u><del>\$ 1,704,542,711</del></u>	<u><del>\$ 208,317,724</del></u>	<u><del>\$ 1,496,224,987</del></u>		<u><del>\$ 65,748,371</del></u>
Total Direct and Overlapping Debt	<u>\$ 1,718,717,711</u>	<u>\$ 208,317,724</u>	<u>\$ 1,510,399,987</u>		<u>\$ 79,923,371</u>

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

(this page left blank intentionally)

**City of Roseville  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 (amounts expressed in whole dollars)**

	<b>Fiscal Year</b>			
	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>
Debt Limit	<del>\$ 30,347,366</del>	<del>\$ 34,306,931</del>	<del>\$ 35,811,168</del>	<del>\$ 37,362,281</del>
Total net debt applicable to limit	0	0	0	0
Legal debt margin	\$ 30,347,366	\$ 34,306,931	\$ 35,811,168	\$ 37,362,281
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Note: Under Minnesota state law, the City of Roseville's net debt cannot exceed 2 percent of the estimated market value of property.

1999	2000	2001	2002	2003	2004
\$ 39,630,406	\$ 43,754,741	\$ 48,246,670	\$ 52,994,918	\$ 59,084,800	\$ 64,941,138
0	0	0	0	9,700,000	9,700,000
\$ 39,630,406	\$ 43,754,741	\$ 48,246,670	\$ 52,994,918	\$ 49,384,800	\$ 55,241,138
0.00%	0.00%	0.00%	0.00%	16.42%	14.94%

#### Legal Debt Margin Calculation for Fiscal Year 2004

Estimated Market Value	<u>\$ 3,247,056,900</u>
Debt Limit (2% of total estimated market value)	64,941,138
Debt applicable to limit:	
Total Bonded Debt	14,175,000
Less:	
Special Assessment Bonds	<u>(4,475,000)</u>
Total net debt applicable to limit	<u><del>9,700,000</del></u>

City of Roseville  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Fiscal Year	Population (1)	Estimated (2)	Per	School	School	Unemployment Rate (5)
		Personal Income (amounts expressed in whole dollars)	Capita Personal income (3)	Enrollment District #623 (4)	Enrollment District #621 (4)	
1995	33,942	897,765,900	26,450	6,712	11,700	1.9%
1996	34,014	949,840,950	27,925	6,794	11,773	1.9%
1997	34,194	980,581,338	28,677	6,826	11,799	1.6%
1998	34,306	1,048,803,032	30,572	6,766	11,767	1.2%
1999	34,548	1,080,488,700	31,275	6,795	11,617	1.2%
2000	33,690	1,125,043,860	33,394	6,705	11,426	2.5%
2001	33,949	1,171,070,755	34,495	6,738	11,095	2.5%
2002	34,100	1,214,232,800	35,608	6,638	10,742	3.1%
2003	34,080	1,252,780,800	36,760	6,522	10,316	3.2%
2004	34,080	1,222,142,880	35,861	6,255	10,006	3.8%

- (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.
- (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 2004 figure is an estimate for the State of Minnesota provided by the Bureau of Economic Analysis as there are no other relevant estimates available.
- (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 Bureau of Economic Analysis.

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

<b>Employer</b>	<b>2004</b>			<b>1995</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
MN Dept. of Transportation	1,500	1	3.96%	450	8	1.27%
Beltman Group	956	2	2.52%	-	-	-
Unisys	900	3	2.37%	-	-	-
Health Span Home Care	800	4	2.11%	600	3	1.69%
McGough Construction	800	5	2.11%	-	-	-
Target	700	6	1.85%	500	6	1.41%
Sara Lee Baking Company	500	7	1.32%	-	-	-
MN Dept. of Education	500	8	1.32%	-	-	-
JC Penny	400	9	1.05%	500	5	1.41%
Veritas	400	10	1.05%	-	-	-
Dayton's	-	-	-	800	1	2.26%
NCR Comten	-	-	-	750	2	2.12%
MN State Lottery	-	-	-	525	4	1.48%
Advance Circuits	-	-	-	500	7	1.41%
Deltak Unit of Jason	-	-	-	335	9	0.95%
Stone Container	-	-	-	330	10	0.93%
<b>Total</b>	<b>7,456</b>		<b>19.66%</b>	<b>5,290</b>		<b>14.94%</b>

Source: Minnesota Department of Employment and Economic Development

**City of Roseville**  
**Full-Time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Full-time Equivalent Employees as of December 31</b>						
	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
General government	24.75	24.15	23.15	23.15	23.25	26.5	26.5
Public safety							
Police	50	50	51	51	51	52	54
Fire	2.5	2.5	2.5	2.5	3.5	3.5	3.5
Public Works	17.75	17.5	18	18	18	16.75	16.75
Recreation	22.5	22.75	23.75	23.75	24.25	24.25	24.25
Economic Development	10	10	11	11	11	11	11
Water	6	6.16	6.16	6.16	6.16	6.16	6.16
Sewer	5	5.16	5.16	5.16	5.16	5.16	5.16
Golf	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Recycling	0	0	0	0	0	0	0
Storm Drainage	2.5	3.17	3.17	3.17	3.17	3.17	3.17
<b>Total</b>	<b>143.5</b>	<b>143.89</b>	<b>146.39</b>	<b>146.39</b>	<b>147.99</b>	<b>150.99</b>	<b>152.99</b>

2002	2003	2004
-28.5	27.5	27.5
54	55	56
4.5	4.5	4.5
18	18.25	18.25
25.25	24.25	24.25
11	10.9	10.9
6.17	6.17	6.17
5.16	5.16	5.16
2.5	2.5	2.5
0	0	0
3.17	3.42	3.42
158.25	157.65	158.65

City of Roseville  
Operating Indicators **by** Function  
Last Ten Fiscal Years

Function	1995	1996	1997	1998	1999
<b>Police</b>					
Serious offenses	NIA*	NIA*	N/A*	3,384	3,296
Public assistance calls	NIA*	N/A*	N/A*	18,243	19,523
Traffic citations	NIA*	NIA*	N/A*	6,725	7,654
<b>Fire</b>					
Fire incidents	739	681	679	647	626
Fire inspections	1,155	1,280	1,325	1,350	1,405
<b>Public Works</b>					
Street patching (tons)	600	700	750	825	875
Sealcoating (miles)	14	16	15	13	15
Snow I ice control (miles)	116	116	116	119	119
Sign repair / replacements	370	3,753	210	294	61
<b>Recreation</b>					
Recreation and leisure participations	NIA*	94,717	96,160	99,941	100,858
Facility usage permits	NIA*	850	813	885	794
<b>Economic Development</b>					
Building permits issued	1,172	1,204	1,414	1,564	2,019
Number of inspections	5,581	5,773	6,733	7,448	9,614
Planning I zoning cases	59	60	71	83	88
<b>Water</b>					
Meters repaired I replaced	475	480	440	423	431
Water main breaks	22	33	28	33	38
Hydrants repaired I flushed	1,652	1,658	1,658	1,666	1,675
Annual water pumped (gallons)	1,802,135	1,963,457	2,267,500	3,019,944	2,270,460
<b>Sewer</b>					
Sewer pipes repaired I replaced (lineal feet)	460	335	264	530	196
Sewer pipes cleaned (linear feet)	239,600	241,600	252,300	245,200	231,000
Sewer pipes televised (linear feet)	22,000	21,550	20,100	21,200	19,400
Annual sewer flow (gallons)	1,802,135	1,963,457	2,267,500	3,019,944	2,270,460
<b>Golf</b>					
Number of green fees sold	N/A*	N/A*	N/A*	N/A*	NIA*
<b>Recycling</b>					
Materials collected (tons)	2,693	2,619	2,399	2,855	3,032
<b>Storm Drainage</b>					
Sweeping (centerline miles)	125	125	125	125	125
Leaf collection (Cubic yards)	20,000	20,000	20,000	20,000	20,000
Structure inspections	3,000	3,000	3,000	3,000	3,000
Infrastructure repair / replace (lineal feet)	4,890	3,650	3,965	2,410	1,942

Sources: Various city departments

NIA\* - Information not available for these years

2000	2001	2002	2003	2004
3,163	3,523	3,146	2,596	3,075
19,805	20,144	18,492	22,770	33,092
7,264	9,043	8,461	6,281	3,679
584	831	681	609	634
1,420	1,480	1,500	1,530	1,550
900	950	950	1,000	1,000
14	16	12	15	14
120	120	120	123	123
234	289	290	81	194
103,243	104,391	107,310	108,112	110,466
732	783	810	849	964
1,607	1,599	1,578	1,584	1,378
7,127	7,639	7,880	7,255	7,151
88	77	86	106	69
411	426	408	415	412
20	32	32	28	41
1,679	1,686	1,691	1,696	1,702
2,272,080	2,352,300	1,988,600	2,136,020	1,421,732
246	160	220	310	1,740
215,893	240,900	233,506	242,729	242,475
16,900	17,200	14,400	12,300	13,600
2,272,080	2,352,300	1,988,600	2,136,020	1,421,732
39,800	34,300	28,000	35,000	36,000
2,977	2,789	2,840	2,815	2,902
125	125	125	125	125
20,000	20,000	20,000	20,000	20,000
3,000	3,000	3,000	3,000	3,000
1,770	1,995	2,940	1,860	1,400

City of Roseville  
Capital Assets Statistics **by** Function  
Last Ten Fiscal Years

Function	Fiscal Year						
	1995	1996	1997	1998	1999	2000	2001
Public Safety							
Police:							
Stations	1	1	1	1	1	1	1
Patrol Units	24	24	24	24	24	26	26
Fire Stations	3	3	3	3	3	3	3
Public Works							
Streets (miles)	115	115	115	115	115	115	120
Street Lights	1,028	1,049	1,157	1,161	1,161	1,160	1,466
Recreation							
Parks and playgrounds	26	26	28	28	28	28	28
Lighted park shelters	8	8	8	8	8	8	8
Parks Acreage	504	504	635	644	680	680	680
Skating Rinks							
Outdoor	18	18	18	18	18	14	14
Indoor	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1
Ballfields	34	34	34	34	34	51	34
Soccer/football fields	7	7	7	7	7	5	5
Tennis Courts	17	17	17	17	17	17	17
Volleyball Courts	8	8	8	8	8	9	8
Basketball Courts	10	10	10	10	10	8	10
Miles of Trails	N/A*	N/A*	9	55.5	45	47	50
Water							
Number of connections	9,486	9,639	9,733	10,378	10,378	10,378	10,045
Water mains (miles)	183	160	180	180	180	180	180
Fire Hydrants	1,750	1,698	1,700	1,671	1,671	1,671	1,691
Water purchased from St. Paul (thousands of gallons)	1,802,135	1,963,457	2,267,500	3,019,944	2,270,460	2,272,080	2,352,300
Sewer							
Number of connections	9,559	9,695	9,775	10,524	10,524	10,524	10,173
Sanitary sewers (miles)	152	180	190	190	190	200	141
Storm drainage							
Storm sewers (miles)	91	85	100	125	125	125	137

Sources: Various city departments

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

N/A\* - Information on the miles of trails within the city was not available for these years.

2002	2003	2004
1	1	1
26	26	26
<del>3</del>	<del>3</del>	<del>3</del>
122	123	123
1,466	1,195	1,144
<del>28</del>	<del>28</del>	<del>30</del>
8	8	8
680	680	685
14	11	11
1	1	1
1	1	1
41	41	41
5	5	5
17	17	17
9	9	9
8	8	8
50	50	69
10,097	10,060	10,196
164	165	168
1,696	1,692	1,702
1,988,600	2,136,020	1,421,732
9,978	9,931	10,053
153	153	156
<del>139</del>	<del>139</del>	<del>141</del>

(this page left blank intentionally)