



CITY OF ROSEVILLE, MINNESOTA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER
31, 2015

PREPARED BY
THE FINANCE
DEPARTMENT

Photo and Design Credits

On June 29, 2015, Roseville held its 25th annual Roseville Rose Parade. The Rose Parade is a long-standing Roseville tradition that is built on community pride. In 1990 community volunteers started the parade tradition, and volunteers have continued to maintain the tradition throughout the years. Prior to each annual parade, a committee is formed and meets monthly, November through June, to plan, coordinate, and implement parade festivities. The Rose Parade attracts thousands of people that gather along the one-mile parade route for family fun. In 2015 there were over 90 parade units which included marching band performances, crazy clown antics, and hometown businesses.

Photo Credits:

Roseville 2015 Rose Parade. Photo provided by – City of Roseville

Parks and Recreation Department

Cover Assembled by: Katy Coyle - City of Roseville Utility Billing Clerk

City of Roseville, Minnesota
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Introductory Section

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May 9, 2016

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

Minnesota statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with generally accepted accounting principles in the United States of America (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Roseville for the fiscal year ended December 31, 2015.

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 Bergan KDV, 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, 2015 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, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Government

The City of Roseville, incorporated in 1948, is a suburban community bordering both Minneapolis and St. Paul, Minnesota in the eastern part of the state. This area is considered to be the major population and economic growth area in the state, and among one of the highly ranked economic growth areas in the country. The City of Roseville currently occupies a land area of 13.7 square miles and serves a population of 35,306. The City of Roseville is empowered to levy a property tax on both real and personal properties located within its boundaries. While it also is empowered by state statute to extend its corporate limits by annexation, Roseville is a completely developed community and is bordered on all sides by other incorporated communities.

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

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

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

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a fund. Transfers of appropriations between funds, however, require the special approval of the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 80 as part of the basic financial statements for the governmental funds. For governmental funds other than the general fund, and with appropriated annual budgets, this

comparison is presented in the required supplementary information and the governmental fund subsection of this report, shown on pages 81-82 and 94-97.

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 recent nationwide economic downturn did have some effects on the City of Roseville including a slight decline in jobs and overall tax base. However, the City of Roseville has seen strong improvement of these local indicators during the past few years. The region, while noted for a strong retail sector, enjoyed modest re-development in recent years. The re-development consisted of varied retail that added to the relative stability of the unemployment rate. Major industries with headquarters or divisions located within the government's boundaries or in close proximity include computer hardware and software manufacturers, electrical controls and medical services, and several divisions of state government departments which administer the state highway system and the State's educational administration of K-12 operations.

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

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

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

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

Relevant Financial Policies. As part of the annual budget process, the City reviews a number of fiscal and budget policies. There have been no significant changes to these policies from the previous year. However, the City's policy on cash reserve levels for some operating funds is not being met based on current reserve levels. Future compliance is expected through planned systematic operating surpluses.

Major Initiatives. In 2006-2007, the City conducted a long-term community visioning process. This process resulted in the establishment of 15 distinct goals and strategies that have been used

to guide future decisions and to direct financial and other resources. It is expected that this community vision will continue to serve as a guiding tool for the next year or two, with a new strategic planning effort underway in 2015.

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

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Roseville for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. This was the 36th 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, 2015. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

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

Respectfully submitted



Christopher K. Miller
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

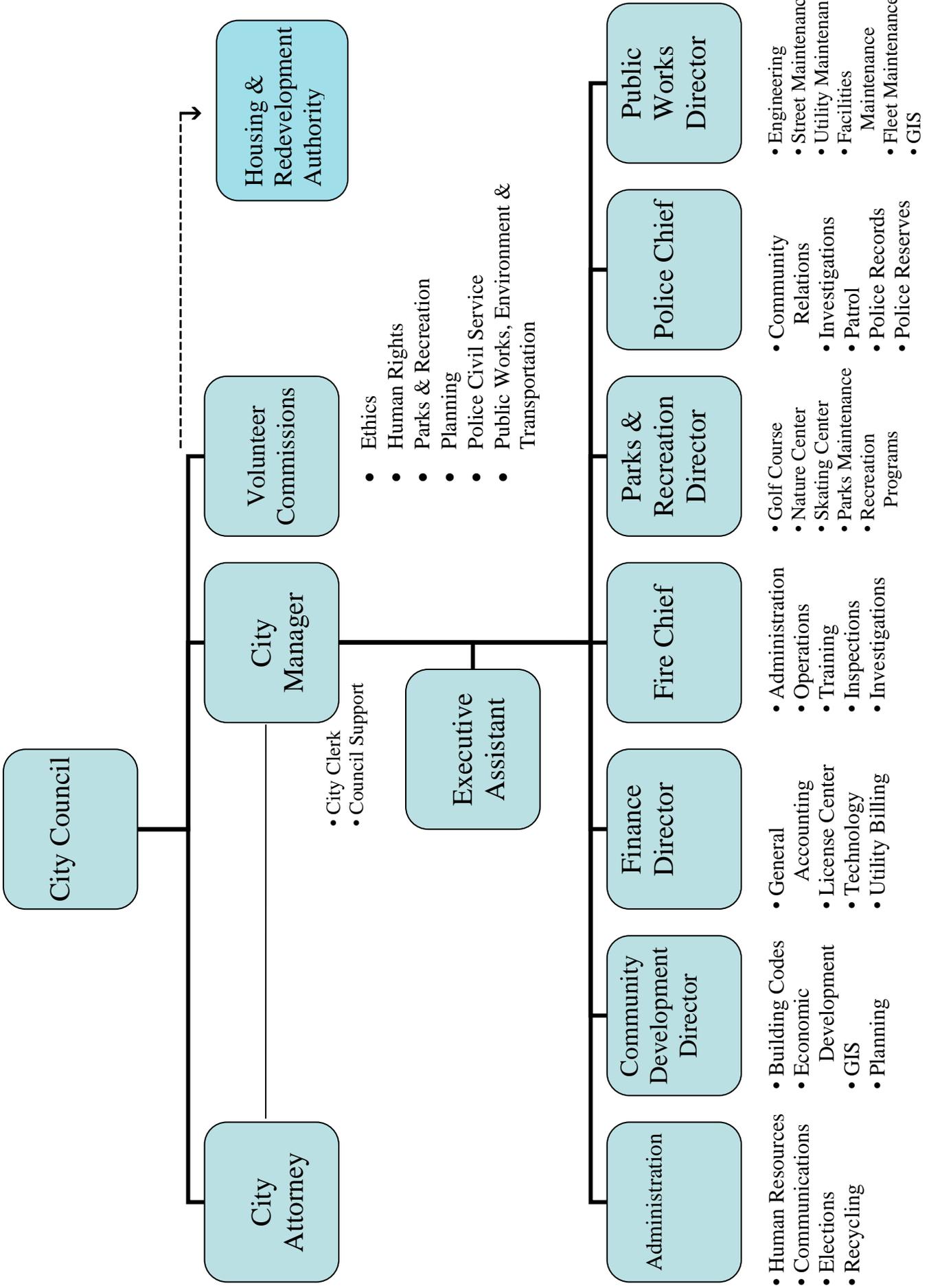
**City of Roseville
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

City of Roseville Organizational Chart





Elected and Appointed Officials December 31, 2015

Elected Officials

Mayor	Dan Roe	Term expires 12/31/2018
Council	Lisa Laliberte	Term expires 12/31/2016
Council	Jason Etten	Term expires 12/31/2016
Council	Tammy McGehee	Term expires 12/31/2018
Council	Robert Willmus	Term expires 12/31/2018

Appointed Officials

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

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Financial Section

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Independent Auditor's Report

BergankDV, Ltd.

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of the City Council
City of Roseville

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Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Roseville, Minnesota, as of and for the year ended December 31, 2015, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Roseville, Minnesota, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Implementation of GASB 68 and GASB 71

As discussed in Note 6 to the financial statements, the City has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and the remaining required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Roseville's basic financial statements. The Introductory Section, combining and individual nonmajor fund financial statements and schedules and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.



Other Matters (Continued)

Other Information (Continued)

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 9, 2016, on our consideration of the City of Roseville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Roseville's internal control over financial reporting and compliance.

Bergan KDV Ltd.

Minneapolis, Minnesota

May 9, 2016

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CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

OVERVIEW OF THE FINANCIAL STATEMENTS

As management of the City of Roseville, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the City's financial statements and the additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report.

Financial Highlights

- The assets and deferred outflows of the City of Roseville exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$182,089,916 (Net position). Of this amount, \$15,416,091 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position from operations increased by \$6,233,124.
- As of the close of the current fiscal year, the City of Roseville's governmental activities reported combined ending unrestricted net position of \$8,864,571.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,817,858 or 36% of total general fund expenditures.
- The City of Roseville total bonded debt and certificates of indebtedness increased by \$465,000 during the current fiscal year.

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

Government-wide Financial Statements

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

The *Statement of Net Position* presents information on all of the City's and liabilities inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City, one needs to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

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

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The government-wide financial statements include not only the City of Roseville itself (known as the primary government), but also the Housing and Redevelopment Authority of the City of Roseville, which is a separate legal entity for which the City of Roseville is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found in the Basic Financial Statements section of this report.

Fund Financial Statements

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

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

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

The City maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Recreation, Community Development, Debt Service, Revolving Improvements, Economic Increments Construction and Street Construction, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Sanitary Sewer, Water, Golf Course, Solid Waste Recycling, and Storm Drainage operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for Workers' Compensation Self Insurance and Risk Management. The services provided by these funds predominately benefit the governmental rather than the business-type functions. They have been included within governmental activities in the government-wide financial statements.

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

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

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

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

Notes to the Financial Statements

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

Other Supplementary Information

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

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2015

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

The analysis of the City's financial position begins with a review of the *Statement of Net Position* and the *Statement of Changes in Net Position*. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations. Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Roseville, assets and deferred outflows exceeded liabilities by \$182,089,916 as of December 31, 2015. This represents an increase of \$6,233,124 from the previous year.

By far the largest portion of the City of Roseville's net position (81.6% 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.

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities 2015	Governmental Activities 2014	Business-Type Activities 2015	Business-Type Activities 2014	Total 2015	Total 2014
Current and other assets	\$ 55,905,714	\$ 57,182,443	\$ 6,278,106	\$ 7,109,821	\$ 62,183,820	\$ 64,292,264
Capital assets	145,928,212	140,471,280	28,391,384	25,215,099	174,319,596	165,686,379
Total Assets	<u>201,833,926</u>	<u>197,653,723</u>	<u>34,669,490</u>	<u>32,324,920</u>	<u>236,503,416</u>	<u>229,978,643</u>
Deferred outflows of resources	2,880,401	-	145,138	-	3,025,539	-
Long-term liabilities						
Outstanding	47,271,067	34,557,086	1,216,284	179,484	48,487,351	34,736,570
Other liabilities	4,727,511	7,520,422	2,642,937	2,367,068	7,370,448	9,887,490
Total Liabilities	<u>51,998,578</u>	<u>42,077,508</u>	<u>3,859,221</u>	<u>2,546,552</u>	<u>55,857,799</u>	<u>44,624,060</u>
Deferred inflows of resources	1,485,173	-	96,067	-	1,581,240	-
Net Position						
Invested in capital assets net of related debt	120,125,324	116,028,830	28,391,384	25,215,099	148,516,708	141,243,929
Restricted	18,157,117	14,072,227	-	-	18,157,117	14,072,227
Unrestricted	12,948,135	25,475,158	2,467,956	4,563,269	15,416,091	30,038,427
Total Net Position	<u>\$ 151,230,576</u>	<u>\$ 155,576,215</u>	<u>\$ 30,859,340</u>	<u>\$ 29,778,368</u>	<u>\$ 182,089,916</u>	<u>\$ 185,354,583</u>

A portion of the of the City of Roseville's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position - \$15,416,091, may be used to meet the City's ongoing obligations to citizens and creditors.

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

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Analysis of the City's Operations – Governmental activities increased the City of Roseville's net position by \$4,182,984. Business-type activities increased Roseville's net position by \$2,050,140, for an overall increase of \$6,233,124. Key elements of this increase are as follows:

CONDENSED STATEMENT OF CHANGES IN NET POSITION

	Governmental Activities 2015	Governmental Activities 2014	Business-Type Activities 2015	Business-Type Activities 2014	Total 2015	Total 2014
Revenues						
Program Revenues						
Charges for services	\$ 8,214,172	\$ 7,479,168	\$ 13,575,343	\$ 13,269,791	\$ 21,789,515	\$ 20,748,959
Operating grants and Contributions	1,055,810	967,703	189,251	70,419	1,245,061	1,038,122
Capital grants and Contributions	2,368,626	1,013,102	2,000	470,967	2,370,626	1,484,069
General Revenues						
Property taxes	17,710,161	17,318,833	-	-	17,710,161	17,318,833
Other taxes	2,741,391	2,452,959	-	-	2,741,391	2,452,959
Grants & contributions not Restricted to specific Programs	24,435	249,375	-	-	24,435	249,375
Investment earnings	579,253	474,218	45,199	56,806	624,452	531,024
Net Increase (decrease) in fair value of investments	119,627	1,614,919	5,129	241,243	124,756	1,856,162
Gain on Sale of capital asset	-	-	145,442	10,513	145,442	10,513
Total Revenues	<u>\$32,813,475</u>	<u>\$31,570,277</u>	<u>\$ 13,962,364</u>	<u>\$ 14,119,739</u>	<u>\$ 46,775,839</u>	<u>\$ 45,690,016</u>
Expenses						
General government	\$ 6,126,713	\$ 5,856,306	\$ -	\$ -	\$ 6,126,713	\$ 5,856,306
Public safety	10,307,351	9,254,988	-	-	10,307,351	9,254,988
Public works	4,834,914	5,249,925	-	-	4,834,914	5,249,925
Economic development	2,603,186	1,671,768	-	-	2,603,186	1,671,768
Recreation	4,653,377	5,690,332	-	-	4,653,377	5,690,332
Interest on debt	886,950	881,887	-	-	886,950	881,887
Sanitary sewer	-	-	3,541,971	3,651,174	3,541,971	3,651,174
Water	-	-	5,698,196	5,553,800	5,698,196	5,553,800
Golf	-	-	306,814	339,911	306,814	339,911
Recycling	-	-	463,018	449,490	463,018	449,490
Storm drainage	-	-	1,120,225	1,324,675	1,120,225	1,324,675
Total Expenses	<u>\$29,412,491</u>	<u>\$28,605,206</u>	<u>\$ 11,130,224</u>	<u>\$ 11,319,050</u>	<u>\$ 40,542,715</u>	<u>\$ 39,924,256</u>
Change in Net Position before Transfers						
Transfers	\$ 3,400,984	\$ 2,965,071	\$ 2,832,140	\$ 2,800,689	\$ 6,233,124	\$ 5,765,760
Transfers	782,000	782,000	(782,000)	(782,000)	-	-
Increase (decrease) in Net position	<u>4,182,984</u>	<u>3,747,071</u>	<u>2,050,140</u>	<u>2,018,689</u>	<u>6,233,124</u>	<u>5,765,760</u>
Net position on January 1st, as restated	147,047,592	151,829,144	28,809,200	27,759,679	175,856,792	179,588,823
Net position on December 31st	<u>151,230,576</u>	<u>155,576,215</u>	<u>30,859,340</u>	<u>29,778,368</u>	<u>182,089,916</u>	<u>185,354,583</u>

CITY OF ROSEVILLE, MINNESOTA

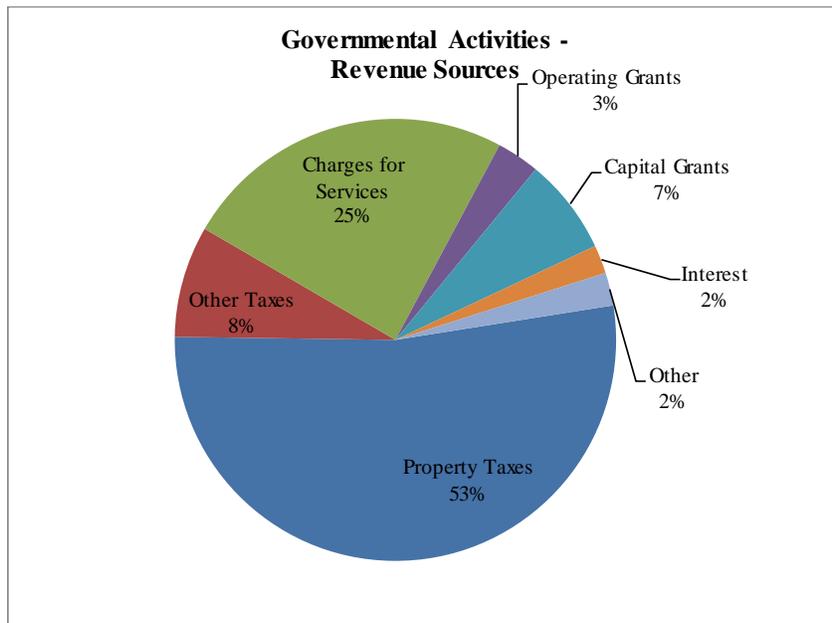
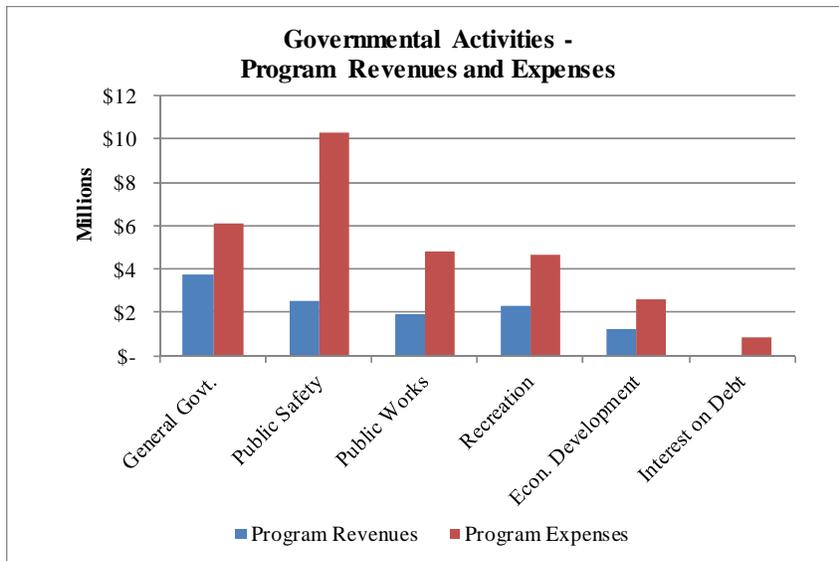
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Governmental Activities

The increase in net position reflects a general strategy of cost containment and the commitment to properly funding general government asset replacements. Tax increases were also implemented to offset declining interest earnings and other non-tax revenue sources. Beginning in 2013, the change in fair value of investments is shown separately. Previously it had been included in the 'investment earnings' category.

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



CITY OF ROSEVILLE, MINNESOTA

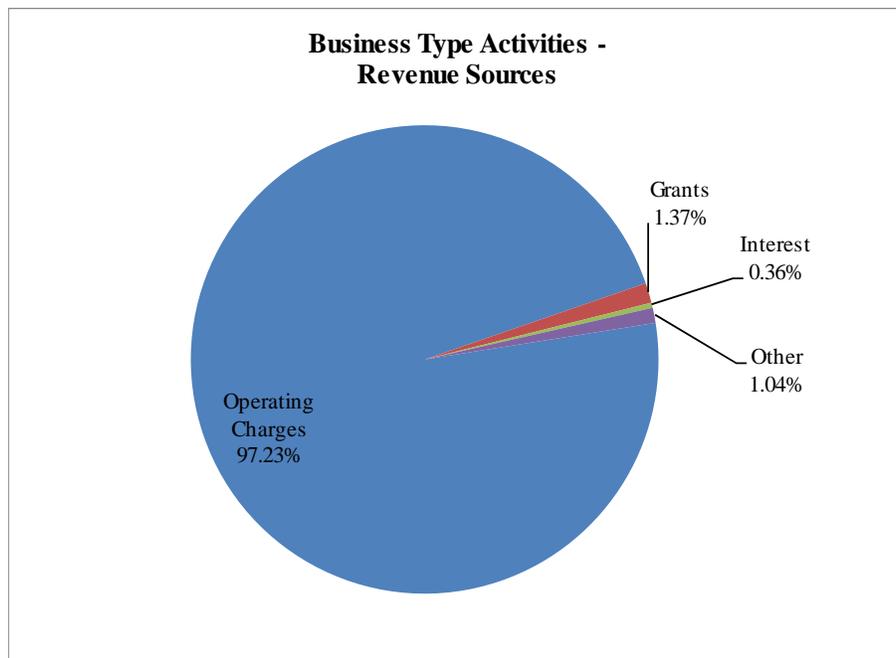
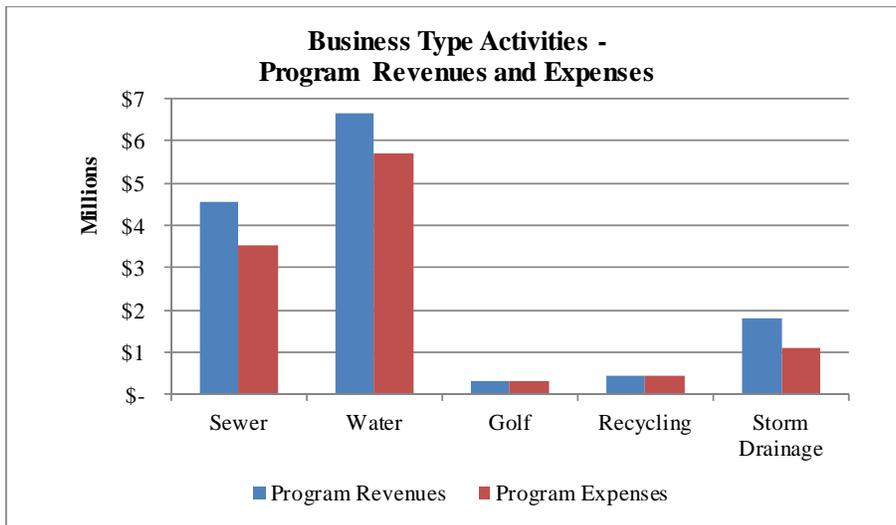
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Business-type Activities

Like the governmental activities, the increase in net position for business-type activities reflects improved cost containment. Utility rate increases were also implemented to offset declining interest earnings and other non-tax revenue sources.

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



CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Component Unit

The City incorporates the Roseville Housing and Redevelopment Authority (HRA) as a component unit into its financial statements. The HRA accounts for the City's housing-related programs. In 2015, the HRA's net position increased by \$544,104 reflecting strong program income.

Governmental Funds

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

At the end of the current fiscal year, the City of Roseville's governmental funds reported combined ending fund balances of \$44,812,366. Approximately 50.3% of this total amount \$22,543,629; constitutes unrestricted fund balance. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it is legally restricted for; 1) various operating purposes - \$3,262,323, 2) for tax increment financing activities - \$12,259,273, 3) bond funded capital improvements - \$4,083,564, and 4) debt service - \$2,635,521.

The fund balances of governmental funds declined by \$446,829 in 2015. The decline is due to the increases in capital improvements and a budgeted reduction of the General Fund balance.

The Economic Increments Construction Fund accounts for the activities in the City's Tax Increment Financing (TIF) Districts. The Fund's balance increased by \$4,388,734 resulting from the continued collection of tax increment to repay TIF-related infrastructure investments made in prior years and the proceeds from a tax increment revenue bonds issuance in 2015. The entire fund balance of \$12,259,273 is restricted for TIF-related activities.

The Debt Service Fund decreased by \$90,644 largely due to an issuance cost for the 2015 tax increment revenue bonds. The decrease was mitigated by the collections of special assessments and tax levies in advance of making debt payments.

The Revolving Improvements Fund decreased \$3,697,759 due to capital spending of previously issued bond proceeds.

Proprietary Funds

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

The unrestricted net position in the respective proprietary funds is Sewer - \$664,991; Water - \$558,214; Golf - \$114,091; Recycling - \$163,407 and Storm - \$967,253. Overall net position increased \$2,050,140 reflecting positive cash flow from utility rate increases which were designated for future capital replacements.

General Fund Budgetary Highlights

The General Fund balance decreased by \$313,918 in 2015 which was \$105,582 less than the budgeted reduction, largely due to revenues and expenditures being generally as expected.

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

CAPITAL ASSETS

The City of Roseville's investment in capital assets for its governmental and business type activities as of December 31, 2015, amounts to \$174,319,596 (net of accumulated depreciation) – a 5.2% increase from the previous year. This investment in capital assets includes land, buildings, infrastructure, machinery and equipment.

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

- Completion of approximately \$13.8 million (of a total \$19 million) in the construction of projects for the Parks Renewal Program.
- Approximately \$3.4 million in improvements to the City's streets and sidewalks
- Approximately \$1.8 million in improvements to the City's sewer lines and lift station.

CAPITAL ASSETS AT YEAR-END NET OF ACCUMULATED DEPRECIATION

	Governmental Activities 2015	Governmental Activities 2014	Business-Type Activities 2015	Business-Type Activities 2014	Total 2015	Total 2014
Land & easements	\$ 34,322,821	\$ 33,842,539	\$ 893,298	\$ 796,155	\$ 35,216,119	\$ 34,638,694
Buildings	23,550,973	24,421,861	87,664	104,048	23,638,637	24,525,909
Improvements other Than buildings	3,584,737	2,313,254	557,645	607,944	4,142,382	2,921,198
Machinery & equipment	6,266,532	5,721,510	1,080,160	828,318	7,346,692	6,549,828
Infrastructure	62,369,789	58,038,528	24,236,458	19,013,997	86,606,247	77,052,525
Construction in progress	15,833,360	16,133,588	1,536,159	3,864,637	17,369,519	19,998,225
Total Capital Assets	<u>\$145,928,212</u>	<u>\$140,471,280</u>	<u>\$ 28,391,384</u>	<u>\$ 25,215,099</u>	<u>\$174,319,596</u>	<u>\$165,686,379</u>

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

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

LONG-TERM OBLIGATIONS

At the end of the current fiscal year, the City of Roseville had total long-term debt outstanding of \$31,245,000.

In September, 2015 the City issued \$3.06 million in general obligation tax increment revenue bonds to finance certain capital and administration costs for public improvements within Tax Increment Financing District No. 17. In addition, the City also has long-term liabilities in the amount of \$1,644,556 for compensated absences, \$1,007,221 for the net obligation for OPEB and \$12,764,872 for the PERA pension liability.

OUTSTANDING DEBT GENERAL OBLIGATION IMPROVEMENT BONDS AND CERTIFICATES OF INDEBTEDNESS

	Governmental Activities 2015	Governmental Activities 2014	Business-Type Activities 2015	Business-Type Activities 2014	Total 2014	Total 2013
General obligation						
Tax Increment Revenue Bonds	\$ 3,060,000	\$ -	\$ -	\$ -	\$ 3,060,000	\$ -
Municipal bonds	27,240,000	29,540,000	-	-	27,240,000	29,540,000
Certificates of						
Indebtedness	945,000	1,240,000	-	-	945,000	1,240,000
Total Outstanding Debt	<u>\$ 31,245,000</u>	<u>\$ 30,780,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,245,000</u>	<u>\$ 30,780,000</u>

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

Minnesota State statutes limit the amount of general obligation debt a city may issue to 3% of total Estimated Market Value. The current debt limitation for the City of Roseville is \$121,016,193. \$28,185,000 of the City's outstanding debt is counted against the statutory limitation as the debt is wholly financed by a general tax levy.

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

CITY OF ROSEVILLE, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2015

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

Financial Outlook

A number of local economic factors played a role in setting next year's Budget and utility rates:

- ❖ The City made operational adjustments including a modest property tax increase and the limited use of cash reserves in recognition of declining interest earnings and stagnant non-tax revenues.
- ❖ 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 and asset replacement needs.

These factors were considered when the City of Roseville prepared its 2015 budget.

REQUESTS FOR INFORMATION

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

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Basic Financial Statements

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Totals	Housing & Redevelopment Authority
ASSETS				
Cash and cash equivalents	50,028,049	2,242,400	52,270,449	2,937,050
Restricted investments				
Utility customer deposits	-	1,132,714	1,132,714	-
Cash held in escrow		-	-	668,552
Receivables				
Accounts	514,595	2,390,228	2,904,823	10,985
Taxes	1,080,721	-	1,080,721	18,617
Investment interest	85,305	5,760	91,065	6,151
Special assessments	1,133,324	277,887	1,411,211	3,754
Due from other governments	164,463	229,117	393,580	-
Notes	1,033,969	-	1,033,969	920,267
Prepays	28,056	-	28,056	-
Net pension obligation fire relief	1,837,232	-	1,837,232	-
Capital Assets Not Being Depreciated				
Land	26,590,928	893,298	27,484,226	-
Easements	7,731,893	-	7,731,893	-
Construction in Progress	15,833,360	1,536,159	17,369,519	-
Capital Assets Net of Accumulated Depreciation				
Buildings	23,550,973	87,664	23,638,637	-
Improvements other than Buildings	3,584,737	557,645	4,142,382	-
Machinery, equipment, and vehicles	6,266,532	1,080,160	7,346,692	-
Infrastructure	62,369,789	24,236,458	86,606,247	-
Total Assets	201,833,926	34,669,490	236,503,416	4,565,376
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension resources	2,880,401	145,138	3,025,539	-
LIABILITIES				
Accounts payable	800,677	823,956	1,624,633	4,700
Accrued payroll	351,128	34,154	385,282	69
Contracts and retainage payable	706,475	208,897	915,372	-
Bond interest payable	295,169	-	295,169	-
Due to other governmental units	1,888,714	443,216	2,331,930	12
Unearned revenue	2,451	-	2,451	-
Deposits payable	682,897	1,132,714	1,815,611	-
Noncurrent Liabilities:				
Due Within One Year	3,275,535	17,959	3,293,494	-
Due in More than One Year	43,995,532	1,198,325	45,193,857	-
Total Liabilities	51,998,578	3,859,221	55,857,799	4,781
DEFERRED INFLOWS OF RESOURCES				
Deferred pension resources	1,485,173	96,067	1,581,240	-
NET POSITION				
Net Investment in Capital Assets	120,125,324	28,391,384	148,516,708	-
Restricted for:				
Law enforcement	481,341	-	481,341	-
Telecommunication	469,353	-	469,353	-
Lawful Gambling	42,615	-	42,615	-
Community development	1,021,351	-	1,021,351	-
Park dedication	1,247,663	-	1,247,663	-
Tax increment	12,259,273	-	12,259,273	-
Debt service	2,635,521	-	2,635,521	-
Unrestricted	12,948,135	2,467,956	15,416,091	4,560,595
Total Net Position	151,230,576	30,859,340	182,089,916	4,560,595

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units Housing & Redevelopment Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 6,126,713	\$ 3,738,297	\$ -	\$ -	\$ (2,388,416)	\$ -	\$ (2,388,416)	\$ -
Public safety	10,307,351	1,772,335	720,237	-	(7,814,779)	-	(7,814,779)	-
Public works	4,834,914	184,979	330,898	1,375,597	(2,943,440)	-	(2,943,440)	-
Economic development	2,603,186	220,951	-	993,029	(1,389,206)	-	(1,389,206)	-
Recreation	4,653,377	2,297,610	4,675	-	(2,351,092)	-	(2,351,092)	-
Interest on long-term debt	886,950	-	-	-	(886,950)	-	(886,950)	-
Total governmental activities	29,412,491	8,214,172	1,055,810	2,368,626	(17,773,883)	-	(17,773,883)	-
Business-type activities:								
Sewer	3,541,971	4,561,235	-	2,000	-	1,021,264	1,021,264	-
Water	5,698,196	6,643,628	-	-	-	945,432	945,432	-
Golf	306,814	325,460	-	-	-	18,646	18,646	-
Recycling	463,018	348,965	89,251	-	-	(24,802)	(24,802)	-
Storm Drainage	1,120,225	1,696,055	100,000	-	-	675,830	675,830	-
Total business- type activities	11,130,224	13,575,343	189,251	2,000	-	2,636,370	2,636,370	-
Total primary government	\$ 40,542,715	\$ 21,789,515	\$ 1,245,061	\$ 2,370,626	\$ (17,773,883)	\$ 2,636,370	\$ (15,137,513)	\$ -
Component unit:								
Housing & Redevelopment Authority	\$ 269,877	\$ 89,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (180,475)
General revenues:								
Property taxes					17,710,161	-	17,710,161	671,476
Tax increments					2,220,661	-	2,220,661	-
Cable franchise taxes					436,851	-	436,851	-
Gambling taxes					83,879	-	83,879	-
Grants and contributions not restricted to specific programs					24,435	-	24,435	-
Unrestricted investment earnings					579,253	45,199	624,452	40,441
Unrestricted net increase(decrease) in the fair value of investments					119,627	5,129	124,756	12,662
Gain on sale of capital assets					-	145,442	145,442	-
Transfers					782,000	(782,000)	-	-
Total general revenues and transfers					21,956,867	(586,230)	21,370,637	724,579
Change in net position					4,182,984	2,050,140	6,233,124	544,104
Net position, January 1, as restated (Note 6)					147,047,592	28,809,200	175,856,792	4,016,491
Net position - ending					\$ 151,230,576	\$ 30,859,340	\$ 182,089,916	\$ 4,560,595

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

	Special Revenue			Debt Service
	General	Recreation	Community Development	
ASSETS				
Cash and cash equivalents	6,568,449	1,377,602	1,278,303	2,585,791
Investment interest receivable	11,225	2,347	2,172	5,368
Accounts receivable	15,533	190,662	1,570	-
Taxes receivable	334,715	71,528	-	110,612
Special assessments receivable	8,341	1,197	2,051	435,837
Due from other governments	29,785	-	-	-
Notes receivable	-	-	1,033,969	-
Prepays	25,891	1,965	200	-
TOTAL ASSETS	6,993,939	1,645,301	2,318,265	3,137,608
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	362,291	186,207	26,365	-
Accrued payroll	210,770	76,301	17,915	-
Contracts and retention payable	-	-	-	-
Due to other governmental units	137,618	52,991	1,060,963	-
Unearned Revenue	-	-	-	-
Deposits payable	114,099	2,100	190,652	-
Total Liabilities	824,778	317,599	1,295,895	-
Deferred Inflows of Resources				
Unavailable Revenue - property taxes	200,475	42,841	-	66,250
Unavailable Revenue - special assessments	-	-	819	435,837
Total Deferred Inflows of Resources	200,475	42,841	819	502,087
FUND BALANCE				
Nonspendable	25,891	1,965	200	-
Restricted				
Law Enforcement	481,341	-	-	-
Telecommunications	-	-	-	-
Lawful Gambling	-	-	-	-
Community Development	-	-	1,021,351	-
Park Dedication	-	-	-	-
Tax Increment	-	-	-	-
Debt Service	-	-	-	2,635,521
Bond Funded Capital Improvements	-	-	-	-
Committed				
Parks and Recreation Programs and Maintenance	-	1,282,896	-	-
License Center Improvements	-	-	-	-
Equipment Replacement	-	-	-	-
Street Replacement	-	-	-	-
Assigned				
Engineering Services	623,387	-	-	-
Accounting Service	20,209	-	-	-
Capital Projects	-	-	-	-
Unassigned	4,817,858	-	-	-
Total Fund Balances	5,968,686	1,284,861	1,021,551	2,635,521
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	6,993,939	1,645,301	2,318,265	3,137,608

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

	Capital Projects			Other Governmental Funds	Total Governmental Funds
	Revolving Improvements	Economic Increments Construction	Street Construction		
ASSETS					
Cash and cash equivalents	9,152,228	12,719,715	10,440,850	3,033,727	47,156,665
Investment interest receivable	15,628	21,644	17,792	4,237	80,413
Accounts receivable	-	-	6,563	300,267	514,595
Taxes receivable	51,047	499,787	5,086	7,946	1,080,721
Special assessments receivable	-	56,013	629,885	-	1,133,324
Due from other governments	18,423	106,103	-	10,152	164,463
Notes receivable	-	-	-	-	1,033,969
Prepays	-	-	-	-	28,056
TOTAL ASSETS	9,237,326	13,403,262	11,100,176	3,356,329	51,192,206
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	57,772	64,495	4,497	97,628	799,255
Accrued payroll	-	-	-	46,142	351,128
Contracts and retention payable	491,929	134,778	79,768	-	706,475
Due to other governmental units	-	30,226	-	600,176	1,881,974
Unearned Revenue	-	-	-	2,451	2,451
Deposits payable	-	371,046	-	5,000	682,897
Total Liabilities	549,701	600,545	84,265	751,397	4,424,180
Deferred Inflows of Resources					
Unavailable Revenue - property taxes	30,574	487,431	3,046	4,759	835,376
Unavailable Revenue - special assessments	-	56,013	627,615	-	1,120,284
Total Deferred Inflows of Resources	30,574	543,444	630,661	4,759	1,955,660
Fund Balance					
Nonspendable	-	-	-	-	28,056
Restricted					
Law Enforcement	-	-	-	-	481,341
Telecommunications	-	-	-	469,353	469,353
Lawful Gambling	-	-	-	42,615	42,615
Community Development	-	-	-	-	1,021,351
Park Dedication	1,247,663	-	-	-	1,247,663
Tax Increment	-	12,259,273	-	-	12,259,273
Debt Service	-	-	-	-	2,635,521
Bond Funded Capital Improvements	4,083,564	-	-	-	4,083,564
Committed					
Parks and Recreation Programs and Maintenance	-	-	-	-	1,282,896
License Center Improvements	-	-	-	1,243,903	1,243,903
Equipment Replacement	-	-	-	844,302	844,302
Street Replacement	-	-	10,098,522	-	10,098,522
Assigned					
Engineering Services	-	-	-	-	623,387
Accounting Service	-	-	-	-	20,209
Capital Projects	3,325,824	-	286,728	-	3,612,552
Unassigned	-	-	-	-	4,817,858
Total Fund Balances	8,657,051	12,259,273	10,385,250	2,600,173	44,812,366
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	9,237,326	13,403,262	11,100,176	3,356,329	51,192,206
Capital assets (net of depreciation) used in governmental activities and are not financial resources and therefore, are not reported in the funds. 145,928,212					
Long term liabilities including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds. (47,211,631)					
Internal service funds are used by management to charge the cost of insurance to individual funds. 2,513,509					
Other long term assets are not available to pay for current-period expenditures and, therefore, are deferred or are not reported in the funds. 3,792,892					
Governmental funds do not report long term amounts related to pensions					
Deferred outflow of resources 2,880,401					
Deferred inflow of resources (1,485,173)					
Net position of governmental activities					
<u>\$ 151,230,576</u>					

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

	Special Revenue			
	General	Recreation	Community Development	Debt Service
REVENUES				
General property taxes	10,236,716	2,136,995	-	3,304,705
Tax increment	-	-	-	-
Intergovernmental revenue	1,031,110	4,675	-	-
Licenses and permits	396,247	-	1,358,426	-
Gambling taxes	-	-	-	-
Charges for services	212,120	1,908,640	258,412	-
Fines and forfeits	135,479	-	287	-
Cable franchise taxes	-	-	-	-
Rentals	-	52,796	-	-
Donations	17,449	166,416	-	-
Special assessments	-	233	-	45,158
Investment income				
Interest earned on investments	58,907	13,925	12,811	24,305
Increase (decrease) in fair value of investments	15,524	3,610	3,641	7,605
Miscellaneous Revenue	66,099	49,094	14,734	-
Total Revenues	12,169,651	4,336,384	1,648,311	3,381,773
EXPENDITURES				
Current				
General government	2,323,882	-	-	-
Public safety	8,909,931	-	661,482	-
Public works	2,211,904	-	-	-
Economic development	-	-	638,803	-
Recreation	-	4,150,534	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Bond principal	-	-	-	2,595,000
Interest and other charges - Bonds	-	-	-	877,417
Total Expenditures	13,445,717	4,150,534	1,300,285	3,472,417
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,276,066)	185,850	348,026	(90,644)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,178,148	-	-	-
Transfers out	(216,000)	-	(40,000)	-
Bonds Issued	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Sale of capital assets	-	-	-	-
Total Other Financing Sources (Uses)	962,148	-	(40,000)	-
Net Change in Fund Balances	(313,918)	185,850	308,026	(90,644)
FUND BALANCES, January 1	6,282,604	1,099,011	713,525	2,726,165
FUND BALANCES, December 31	5,968,686	1,284,861	1,021,551	2,635,521

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

City of Roseville, Minnesota
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2015

Statement 4
(Page 2 of 2)

	Capital Projects			Other Governmental Funds	Total Governmental Funds
	Revolving Improvements	Economic Increments Construction	Street Construction		
REVENUES					
General property taxes	1,525,102	-	151,940	237,407	17,592,865
Tax increment	-	1,928,239	-	-	1,928,239
Intergovernmental revenue	18,423	993,029	1,468,197	-	3,515,434
Licenses and permits	-	-	-	100	1,754,773
Gambling taxes	-	-	-	83,879	83,879
Charges for services	-	-	6,563	2,802,492	5,188,227
Fines and forfeits	-	-	-	-	135,766
Cable franchise taxes	-	-	-	436,851	436,851
Rentals	-	-	-	-	52,796
Donations	20,000	-	-	88,320	292,185
Special assessments	-	-	125,450	-	170,841
Investment income					
Interest earned on investments	170,118	122,629	118,961	26,996	548,652
Increase (decrease) in fair value of investments	11,645	40,938	23,425	6,380	112,768
Miscellaneous Revenue	191,681	-	14,945	522,195	858,748
Total Revenues	1,936,969	3,084,835	1,909,481	4,204,620	32,672,024
EXPENDITURES					
Current					
General government	69,030	-	-	3,359,442	5,752,354
Public safety	111,520	-	-	-	9,682,933
Public works	271,190	-	5,320	-	2,488,414
Economic development	-	474,676	-	-	1,113,479
Recreation	466,107	-	-	-	4,616,641
Capital outlay	5,247,933	1,467,490	3,499,837	336,472	10,551,732
Debt service					
Bond principal	-	-	-	-	2,595,000
Interest and other charges - Bonds	-	-	-	-	877,417
Total Expenditures	6,165,780	1,942,166	3,505,157	3,695,914	37,677,970
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,228,811)	1,142,669	(1,595,676)	508,706	(5,005,946)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	216,000	25,000	1,419,148
Transfers out	-	-	-	(381,148)	(637,148)
Bonds Issued	-	3,060,000	-	-	3,060,000
Premium on Bonds Issued	-	186,065	-	-	186,065
Sale of capital assets	531,052	-	-	-	531,052
Total Other Financing Sources (Uses)	531,052	3,246,065	216,000	(356,148)	4,559,117
Net Change in Fund Balances	(3,697,759)	4,388,734	(1,379,676)	152,558	(446,829)
FUND BALANCES, January 1	12,354,810	7,870,539	11,764,926	2,447,615	45,259,195
FUND BALANCES, December 31	8,657,051	12,259,273	10,385,250	2,600,173	44,812,366

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

City of Roseville, Minnesota
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Fiscal Year Ended December 31, 2015

Statement 5
 (Page 1 of 1)

Net Change in Fund Balances - Total Governmental Funds	\$	(446,829)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Net Position, the cost of these assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.

Capital outlay and improvements	10,355,842	
Depreciation expense	<u>(4,429,264)</u>	5,926,578

Net book value on sales of capital assets	(469,646)
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Issuance of long-term debt (e.g., bonds)	(3,060,000)
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Payments on general obligation debt	2,595,000
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Premium on general obligation bonds issued	(57,473)
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Net change due to internal service funds incorporated into statement of activities	243,327
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Net change in net pension obligation - City	(361,502)
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Net change in net pension obligation - Fire Relief	(112,271)
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Net change in net pension obligation - OPEB	(113,937)
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Change in compensated absences	(10,261)
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Change in bond interest payable	(9,533)
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Adjustment for modified accrual revenue recognition related to Special assessments, delinquent property tax and delinquent tax increment	<u>59,531</u>
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Change in Net Position of Governmental Activities	\$	<u><u>4,182,984</u></u>
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The notes to the financial statements are an integral part of this statement.

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	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds	
	Sanitary Sewer	Water	Golf Course	Solid Waste Recycling	Storm Drainage		Totals
ASSETS							
Current Assets							
Cash and cash equivalents	639,578	263,208	267,372	91,017	981,225	2,242,400	2,871,384
Restricted cash and cash equivalents and investments:							
Customer deposits	-	1,132,714	-	-	-	1,132,714	-
Investment interest receivable	1,097	2,377	456	155	1,675	5,760	4,892
Accounts receivable	904,889	1,016,583	-	69,014	399,742	2,390,228	-
Special assessments	277,887	-	-	-	-	277,887	-
Due from other governmental units	-	206,804	-	22,313	-	229,117	-
Total Current Assets	1,823,451	2,621,686	267,828	182,499	1,382,642	6,278,106	2,876,276
Noncurrent Assets							
Capital Assets							
Land	-	-	319,892	-	573,406	893,298	-
Buildings	50,566	1,490,784	155,637	-	-	1,696,987	-
Improvements other than buildings	-	11,972	394,039	-	1,005,018	1,411,029	-
Machinery, equipment, and vehicles	1,026,550	1,323,187	202,612	-	1,240,874	3,793,223	-
Infrastructure	15,086,976	15,203,637	-	-	15,987,258	46,277,871	-
Construction in Progress	305,938	607,562	-	-	622,659	1,536,159	-
Less: Accumulated Depreciation	(6,375,893)	(8,894,523)	(662,996)	-	(11,283,771)	(27,217,183)	-
Total Noncurrent Assets	10,094,137	9,742,619	409,184	-	8,145,444	28,391,384	-
TOTAL ASSETS	11,917,588	12,364,305	677,012	182,499	9,528,086	34,669,490	2,876,276
DEFERRED OUTFLOWS OF RESOURCES							
Deferred pension resources	39,858	53,570	16,560	2,654	32,496	145,138	-
LIABILITIES							
Current Liabilities (Payable from Current Assets)							
Accounts Payable	706,452	106,626	3,488	45	7,345	823,956	1,422
Accrued payroll	7,397	9,833	4,959	417	11,548	34,154	-
Compensated absences payable	4,461	5,000	3,591	-	4,907	17,959	-
Contracts and retainage payable	77,317	5,694	-	-	125,886	208,897	-
Customer deposits payable	-	1,132,714	-	-	-	1,132,714	-
Due to other governmental units	43,150	386,995	2,698	288	10,085	443,216	6,740
Insurance claims payable	-	-	-	-	-	-	175,991
Total Current Liabilities	838,777	1,646,862	14,736	750	159,771	2,660,896	184,153
Noncurrent Liabilities							
Compensated absences payable	17,843	19,999	14,365	-	19,630	71,837	-
Net other postemployment benefits obligation	26,370	26,369	10,185	-	11,397	74,321	-
Pension liability	288,946	388,354	120,050	19,239	235,578	1,052,167	-
Insurance claims payable	-	-	-	-	-	-	178,614
Total Noncurrent Liabilities	333,159	434,722	144,600	19,239	266,605	1,198,325	178,614
TOTAL LIABILITIES	1,171,936	2,081,584	159,336	19,989	426,376	3,859,221	362,767
DEFERRED INFLOWS OF RESOURCES							
Deferred pension resources	26,382	35,458	10,961	1,757	21,509	96,067	-
NET POSITION							
Net Investment in Capital Assets	10,094,137	9,742,619	409,184	-	8,145,444	28,391,384	-
Unrestricted	664,991	558,214	114,091	163,407	967,253	2,467,956	2,513,509
TOTAL NET POSITION	10,759,128	10,300,833	523,275	163,407	9,112,697	30,859,340	2,513,509

City of Roseville, Minnesota
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended December 31, 2015

Statement 7
(Page 1 of 1)

	Business Type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Sanitary Sewer	Water	Golf Course	Solid Waste Recycling	Storm Drainage		
SALES AND COST OF SALES							
Sales	-	-	38,823	51	138	39,012	-
Cost of sales	-	-	(15,507)	-	-	(15,507)	-
Gross profit	-	-	23,316	51	138	23,505	-
OPERATING REVENUES							
User charges	4,541,941	6,626,116	278,893	336,851	1,692,305	13,476,106	313,020
Delinquency collections	18,857	-	-	-	-	18,857	-
Miscellaneous	437	17,512	23,251	12,063	3,612	56,875	75,742
Total Operating Revenues	4,561,235	6,643,628	302,144	348,914	1,695,917	13,551,838	388,762
OPERATING EXPENSES							
Personal service	434,335	575,240	220,434	28,418	392,436	1,650,863	-
Supplies	34,268	95,980	29,714	1,534	81,503	242,999	-
Other services and charges	2,839,082	4,711,602	37,553	433,066	250,391	8,271,694	182,895
Depreciation	234,286	315,374	19,113	-	395,895	964,668	-
Total Operating Expenses	3,541,971	5,698,196	306,814	463,018	1,120,225	11,130,224	182,895
OPERATING INCOME (LOSS)	1,019,264	945,432	18,646	(114,053)	575,830	2,445,119	205,867
NON-OPERATING REVENUES (EXPENSES)							
Investment Income							
Interest Earned on Investments	8,182	7,441	2,984	979	25,613	45,199	30,601
Increase (Decrease) in Fair Value of Investments	764	5,593	682	190	(2,100)	5,129	6,859
Intergovernmental Revenue	2,000	-	-	89,251	100,000	191,251	-
Gain on Sale of Capital Assets	96,167	3,584	1,424	-	44,267	145,442	-
Total Non-Operating Revenues (Expenses)	107,113	16,618	5,090	90,420	167,780	387,021	37,460
Income (Loss) Before Capital Contributions and Transfers	1,126,377	962,050	23,736	(23,633)	743,610	2,832,140	243,327
Transfers In	-	2,500,000	-	-	-	2,500,000	-
Transfers Out	(285,000)	(385,000)	(20,000)	(12,000)	(2,580,000)	(3,282,000)	-
Change in Net Position	841,377	3,077,050	3,736	(35,633)	(1,836,390)	2,050,140	243,327
NET POSITION, January 1, as restated (Note 6)	9,917,751	7,223,783	519,539	199,040	10,949,087	28,809,200	2,270,182
NET POSITION, December 31	10,759,128	10,300,833	523,275	163,407	9,112,697	30,859,340	2,513,509

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

	Business-type Activities - Enterprise Funds		
	Sanitary Sewer	Water	Golf Course
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users, including deposits	4,601,289	7,000,446	303,145
Cash payments to suppliers for goods and services	(2,782,794)	(4,665,253)	(69,138)
Cash payments to employees	(433,647)	(557,471)	(224,377)
Other operating revenues	437	17,512	23,251
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,385,285	1,795,234	32,881
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In from Other Funds	-	2,500,000	-
Transfers Out to Other Funds	(285,000)	(385,000)	(20,000)
Cash borrowed from (repaid to) other funds	-	(2,519,132)	-
Subsidy from governmental grants	2,000	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(283,000)	(404,132)	(20,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(1,476,197)	(1,067,970)	-
Proceeds from sale of capital assets	-	2,418	1,424
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	(1,476,197)	(1,065,552)	1,424
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on investments	8,305	5,064	2,790
Increase (Decrease) in Fair Value of Investments	764	5,593	682
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	9,069	10,657	3,472
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(364,843)	336,207	17,777
CASH AND CASH EQUIVALENTS, JANUARY 1	1,004,421	1,059,715	249,595
CASH AND CASH EQUIVALENTS, DECEMBER 31	639,578	1,395,922	267,372
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	1,019,264	945,432	18,646
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Depreciation	234,286	315,374	19,113
Pension related activity	9,318	12,523	3,871
Changes in elements affecting cash:			
(Increase) Decrease in Accounts receivable	2,396	81,673	936
(Increase) Decrease in Special assessments	38,095	-	-
(Increase) Decrease in Due from other governmental units	-	292,657	-
Increase (Decrease) in Accounts payable	68,528	63,548	(1,746)
Increase (Decrease) in Accrued payroll	1,126	2,467	(769)
Increase (Decrease) in Compensated absences	(12,180)	355	(7,651)
Increase (Decrease) in Contracts payable	33,353	(11,918)	-
Increase (Decrease) in Customer deposits	-	72,999	-
Increase (Decrease) in Due to other governmental units	(11,325)	17,700	(125)
Increase (Decrease) in Net other postemployment benefits obligation	2,424	2,424	606
Increase (Decrease) in Insurance claim payable	-	-	-
Total Adjustments	366,021	849,802	14,235
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,385,285	1,795,234	32,881
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Increase/(Decrease) in fair market value of investments	764	5,593	682

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Solid Waste Recycling	Storm Drainage	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users, including deposits	343,859	1,654,157	13,902,896	313,020
Cash payments to suppliers for goods and services	(434,613)	(292,243)	(8,244,041)	(535,376)
Cash payments to employees	(27,730)	(383,860)	(1,627,085)	75,742
Other operating revenues	12,063	3,612	56,875	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(106,421)	981,666	4,088,645	(146,614)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In from Other Funds	-	-	2,500,000	-
Transfers Out to Other Funds	(12,000)	(2,580,000)	(3,282,000)	-
Cash borrowed from (repaid to) other funds	-	2,519,132	-	-
Subsidy from governmental grants	89,251	100,000	191,251	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	77,251	39,132	(590,749)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	-	(1,493,786)	(4,037,953)	-
Proceeds from sale of capital assets	-	38,600	42,442	-
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	-	(1,455,186)	(3,995,511)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on investments	941	27,994	45,094	28,833
Increase (Decrease) in Fair Value of Investments	190	(2,100)	5,129	6,859
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,131	25,894	50,223	35,692
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(28,039)	(408,494)	(447,392)	(110,922)
CASH AND CASH EQUIVALENTS, JANUARY 1	119,056	1,389,719	3,822,506	2,982,306
CASH AND CASH EQUIVALENTS, DECEMBER 31	91,017	981,225	3,375,114	2,871,384
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	(114,053)	575,830	2,445,119	205,867
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities				
Depreciation	-	395,895	964,668	-
Pension related activity	620	7,596	33,928	-
Changes in elements affecting cash:				
(Increase) Decrease in Accounts receivable	11,665	(38,311)	58,359	-
(Increase) Decrease in Special assessments	-	-	38,095	-
(Increase) Decrease in Due from other governmental units	(4,708)	25	287,974	-
Increase (Decrease) in Accounts payable	(75)	(51,658)	78,597	(6,939)
Increase (Decrease) in Accrued payroll	68	2,325	5,217	-
Increase (Decrease) in Compensated absences	-	(3,163)	(22,639)	-
Increase (Decrease) in Contracts payable	-	86,696	108,131	-
Increase (Decrease) in Customer deposits	-	-	72,999	-
Increase (Decrease) in Due to other governmental units	62	4,613	10,925	5,360
Increase (Decrease) in Net other postemployment benefits obligation	-	1,818	7,272	-
Increase (Decrease) in Insurance claim payable	-	-	-	(350,902)
Total Adjustments	7,632	405,836	1,643,526	(352,481)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(106,421)	981,666	4,088,645	(146,614)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Increase/(Decrease) in fair market value of investments	190	(2,100)	5,129	6,859

ASSETS

Cash and cash equivalents	528,727
Receivables	
Investment interest receivable	955
Special assessments receivable	119,000
Prepaid items	37,310
Due from Other Governmental Units	<u>307</u>
TOTAL ASSETS	<u><u>725,327</u></u>

LIABILITIES

Accounts Payable	21,659
Accrued payroll	7,269
Due to other governmental units	119,191
Due to other organizations	<u>577,208</u>
TOTAL LIABILITIES	<u><u>725,327</u></u>

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

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

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

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

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

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

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. Separate financial statements are not prepared for the HRA.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

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

Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, service or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Fiduciary fund financial statements also use the accrual basis of accounting. The City's fiduciary fund type, agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. With the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The City reports the following major governmental funds:

General

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

Special Revenue

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

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

Debt Service

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

Capital

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

The City reports the following major proprietary funds:

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

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

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

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.

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

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

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

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

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

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

1. Deposits and investments

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

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

capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

Investments for the City 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).

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

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

3. Prepaid Items

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

4. Restricted Assets

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

Cash held in escrow in the economic increments construction fund is classified as restricted assets on the balance sheet because they are maintained and administered by an escrow agent. These funds are held for the purpose of guaranteeing the City's obligation to purchase property relating to a settlement agreement.

Cash held in escrow in the debt service fund is classified as restricted assets on the balance sheet because they are maintained and administered by an escrow agent. These funds are held for the purpose of refunding a G.O. Municipal Building Bond.

Cash held in escrow for the Housing Redevelopment Authority is classified as restricted assets on the balance sheet because they are maintained and administered by a third party lending administrator. Use of these funds is limited to providing housing loans to qualified residents.

5. Capital Assets

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

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

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

6. Deferred outflows/inflows of resources

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

In addition to liabilities, the statement of financial position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. The City presents deferred inflows of resources on the Governmental Fund Balance Sheet as unavailable revenue. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City presents deferred inflows of resources on the Statement(s) of Net Position for deferred inflows of resources related to pensions. Deferred inflows of resources related to pensions results from the net difference expected and actual economic experience and changes in proportion.

7. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation, paid time off (PTO), compensatory time, and sick pay benefits. There is an estimate for a liability for unpaid accumulated sick leave, as employees may receive up to 320 hours upon retirement only. Vacation, PTO, compensatory time, and estimated sick pay benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

8. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the relief association and additions to/deductions from PERA's and the relief association's fiduciary net position have been determined on the same basis as they are reported by PERA and the relief association except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

8. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, and proprietary fund type statement of net position. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the effective interest method.

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

9. Fund balance

a. Classification

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

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

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

a. Minimum Fund Balance

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

10. Net position

The Statement of Net Position reports restrictions in net position for community development revenues which are used for building code enforcement, development and redevelopment activities. Telecommunication revenues are used for the administration and maintenance of telecommunication activities. Park dedication proceeds are used to create parks or park improvements within a new development area. Law Enforcement is proceeds received from forfeitures generated from driving under the influence (DUI) or drug possession whose proceeds are restricted for specific law enforcement uses. Debt service is to pay for future debt service obligations, while tax increment revenues are used to pay for costs associated with the development within a tax increment district. Minnesota law governs park dedication, debt service, tax increment and law enforcement uses. Community development and telecommunication uses are governed by other third party entities.

Note 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FIANANCIAL STATEMENTS

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

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

Long-term liabilities:

Bonds payable	\$ (30,300,000)
Premium on bonds payable	(1,471,097)
Certificates of indebtedness	(945,000)
Bond interest payable	(295,169)
Net pension obligation - OPEB	(932,900)
Pension liability	(11,712,705)
Compensated absences	<u>(1,554,760)</u>

Net change due to long-term liabilities \$ (47,211,631)

Other long-term assets:

Net pension obligation - fire relief	\$ 1,837,232
Addition of long-term deferred inflows	<u>1,955,660</u>

Net change in other long-term assets \$ 3,792,892

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

Capital outlay	\$ 10,355,842
Depreciation expense	<u>(4,429,264)</u>
Net change in fund-balances-total governmental funds and change in net position of governmental activities	<u><u>\$ 5,926,578</u></u>

Note 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

1. Components of Cash and Investments

Cash and investments at year-end December 31, 2015 consist of the following:

Deposits	\$ 21,118,297
Investments	36,408,395
Cash on Hand	<u>10,800</u>
Total	<u><u>\$ 57,537,492</u></u>

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

Statement of Net Positions - Government Wide	
Cash and cash equivalents - Primary Government	\$ 52,270,449
Cash and cash equivalents - Component Unit	2,937,050
Restricted investments - Primary Government	1,132,714
Restricted investments - Component Unit	668,552
Statement of Fiduciary Net Positions	
Cash and cash equivalents - Agency Funds	<u>528,727</u>
Total	<u><u>\$ 57,537,492</u></u>

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

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

Custodial credit risk – In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may be lost. Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated “A” or better; revenue obligations rated “AA” or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The City’s investment policy has no additional deposit addressing custodial credit risk.

2. Deposits

At year-end, the carrying amount of the City’s deposits was \$21,118,297 while the balance on the bank records was \$21,125,369. At December 31, 2015, all deposits were covered by federal depository insurance, or by collateral held by the City’s agent in the City’s name.

3. Investments

The City has the following investments at year end December 31, 2015:

Investment Type	Rating	Agency	Investment Maturities (in Years)				Total
			Less Than 1	1-5	6-10	Over 10 Years	
U.S. agency securities	AA+	S&P	\$ -	\$9,399,220	\$10,004,977	\$17,004,198	\$36,408,395
Total investments in cash and investment pool			\$0	\$9,399,220	\$10,004,977	\$17,004,198	\$36,408,395

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

Credit risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers’ acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian

subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000 that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The City’s investment policy addresses credit risk beyond what is prescribed by State Statute. The City’s investment policy restricts investments to only Repurchase Agreements with national or state chartered banks, U.S. Treasury and U.S. Government Agencies.

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

Concentration risk – This is the risk associated with investing a significant portion of the City’s investment (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. The City’s investment policy does not limit the concentration of investments. The City holds 51.4% with Federal Home Bank, 42.5% with Fannie Mae and 6.1% with Federal Farm Credit Bank.

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

B. Receivables

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

	<u>Unavailable</u>
Delinquent property taxes (General)	\$ 200,475
Delinquent property taxes (Recreation)	42,841
Delinquent property taxes (Debt service)	66,250
Delinquent property taxes (Revolving Improvements)	30,574
Delinquent property taxes (Economic Development)	487,431
Delinquent property taxes (Street Construction)	3,046
Delinquent property taxes (Information Technology)	4,759
Delinquent special assessments (Community Development)	819
Delinquent special assessments (Debt Service)	9,947
Delinquent special assessments (Street Construction)	8,062
Special assessments not yet due (G.O. Improvement Bonds)	481,903
Special assessments not yet due (Street Construction)	<u>619,553</u>
Total deferred inflows for governmental funds	<u>\$ 1,955,660</u>

CITY OF ROSEVILLE, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

C. Capital assets

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Completed Construction & Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 26,180,289	\$ 410,639	\$ -	\$ -	\$ 26,590,928
Permanent Easements	7,662,250	69,643	-	-	7,731,893
Construction in progress	16,133,588	8,151,691	365,583	(8,086,336)	15,833,360
Total capital assets not being depreciated	49,976,127	8,631,973	365,583	(8,086,336)	50,156,181
Capital assets being depreciated:					
Buildings	35,325,329	-	-	-	35,325,329
Improvements other than buildings	4,428,766	9,698	-	1,466,135	5,904,599
Machinery and equipment	15,413,223	1,714,171	997,738	9,885	16,139,541
Infrastructure	101,493,449	-	-	6,610,316	108,103,765
Total capital assets being depreciated	156,660,767	1,723,869	997,738	8,086,336	165,473,234
Less accumulated depreciation for:					
Buildings	10,903,468	870,888	-	-	11,774,356
Improvements other than buildings	2,115,512	204,350	-	-	2,319,862
Machinery and equipment	9,691,713	1,074,971	893,675	-	9,873,009
Infrastructure	43,454,921	2,279,055	-	-	45,733,976
Total accumulated depreciation	66,165,614	4,429,264	893,675	-	69,701,203
Total capital assets, being depreciated, net	90,495,153	(2,705,395)	104,063	8,086,336	95,772,031
Governmental activities capital assets, net	\$ 140,471,280	\$ 5,926,578	\$ 469,646	\$ -	\$ 145,928,212

CITY OF ROSEVILLE, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

	Beginning Balance	Increases	Decreases	Completed Construction & Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 796,155	\$ 97,143	\$ -	\$ -	\$ 893,298
Construction in progress	3,864,637	3,281,904	87,432	(5,522,950)	1,536,159
Total capital assets not being depreciated	<u>4,660,792</u>	<u>3,379,047</u>	<u>87,432</u>	<u>(5,522,950)</u>	<u>2,429,457</u>
Capital assets being depreciated:					
Buildings	1,696,987	-	-	-	1,696,987
Improvements other than buildings	1,411,029	-	-	-	1,411,029
Machinery and equipment	3,528,064	465,240	200,081	-	3,793,223
Infrastructure	40,381,329	373,592	-	5,522,950	46,277,871
Total capital assets being depreciated	<u>47,017,409</u>	<u>838,832</u>	<u>200,081</u>	<u>5,522,950</u>	<u>53,179,110</u>
Less accumulated depreciation for:					
Buildings	1,592,940	16,383	-	-	1,609,323
Improvements other than buildings	793,830	59,554	-	-	853,384
Machinery and equipment	2,709,000	214,650	210,587	-	2,713,063
Infrastructure	21,367,332	674,081	-	-	22,041,413
Total accumulated depreciation	<u>26,463,102</u>	<u>964,668</u>	<u>210,587</u>	<u>-</u>	<u>27,217,183</u>
Total capital assets, being depreciated, net	<u>20,554,307</u>	<u>(125,836)</u>	<u>(10,506)</u>	<u>5,522,950</u>	<u>25,961,927</u>
Business-type activities capital assets, net	<u>\$ 25,215,099</u>	<u>\$ 3,253,211</u>	<u>\$ 76,926</u>	<u>\$ -</u>	<u>\$ 28,391,384</u>

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

Governmental activities:

General government	\$ 417,812
Public safety	633,209
Public works including depreciation of infrastructure	2,490,797
Recreation	<u>887,446</u>
 Total depreciation expense - governmental activities	 <u><u>\$ 4,429,264</u></u>

Business-type activities:

Sanitary sewer	
Water	234,286
Golf	315,374
Storm drainage	19,113
	<u>395,895</u>
 Total depreciation expense - business-type activities	 <u><u>\$ 964,668</u></u>

D. Construction commitments

The City has construction projects in progress as of December 31, 2015. The projects include the improvement and construction of streets, water, sewer, and storm systems. At year-end the commitments with these contractors are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Parks renewal project	\$ 13,775,598	\$ 875,640
Twin Lakes Parkway Phase 3	\$ 186,791	\$ 2,443,903
Twin Lakes I-35W Ramp	\$ 91,303	\$ 1,552,418
2015 Pavement Project	\$ 1,670,714	\$ 115,555
Stormwater Drainage Improvements	\$ 273,627	\$ 15,112
St. Croix Lift Station Rehab	\$ 233,785	\$ 685,154

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E. Interfund receivables, payables, and transfers

The following is a schedule of interfund transfers as of December 31, 2015:

Interfund transfers:

Transfers Out	Transfer In				Total
	General	Street Construction	Non-major Governmental	Water	
General	\$ -	\$ 216,000	\$ -	\$ -	\$ 216,000
Information Technology	25,000	-	-	-	25,000
Telecommunications	14,000	-	-	-	14,000
Community Development	40,000	-	-	-	40,000
License Center	342,148	-	-	-	342,148
Sanitary Sewer	285,000	-	-	-	285,000
Water	360,000	-	25,000	-	385,000
Golf Course	20,000	-	-	-	20,000
Solid Waste Recycling	80,000	-	-	2,500,000	2,580,000
Storm Drainage	12,000	-	-	-	12,000
Total	\$ 1,178,148	\$ 216,000	\$ 25,000	\$ 2,500,000	\$ 3,919,148

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

F. Leases

The City leases office facilities and copiers under noncancelable operating leases. Total costs for such leases were \$97,346 for the year ended December 31, 2015. The future minimum lease payments for these leases are as follows:

<u>Year Ending Dec. 31</u>	<u>Amount</u>
2016	99,200
2017	10,688
Total	<u>\$ 207,234</u>

G. Long-term debt

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

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

General obligation debt currently outstanding is as follows:

<u>Purpose</u>	<u>Net Interest Rates</u>	<u>Amount</u>
Governmental activities	.85% - 5.6%	<u>\$ 31,245,000</u>

CITY OF ROSEVILLE, MINNESOTA
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Annual debt service requirements to maturity for general obligation debt are as follows:

Government Activities				
Year Ending December 31	General Obligation Bonds		Certificate of Indebtedness	
	Principal	Interest	Principal	Interest
2016	\$ 2,355,000	\$ 821,312	\$ 305,000	\$ 27,509
2017	2,445,000	772,308	315,000	16,893
2018	2,555,000	723,778	325,000	5,769
2019	2,675,000	666,071	-	-
2020	1,900,000	603,881	-	-
2021-2025	10,625,000	2,007,059	-	-
2026-2030	7,260,000	426,064	-	-
2031-2032	485,000	14,625	-	-
Total	<u>\$ 30,300,000</u>	<u>\$ 6,035,098</u>	<u>\$ 945,000</u>	<u>\$ 50,171</u>

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General Obligation Bonds	\$ 29,540,000	\$ -	\$ 2,300,000	\$ 27,240,000	\$ 2,355,000
Premium on GO Bonds	1,413,624	186,065	128,592	1,471,097	128,592
Tax Increment Revenue Bonds	-	3,060,000	-	3,060,000	-
Total Bonds Payable	<u>30,953,624</u>	<u>3,246,065</u>	<u>2,428,592</u>	<u>31,771,097</u>	<u>2,483,592</u>
General Obligation Certificate of Indebtedness	1,240,000	-	295,000	945,000	305,000
Compensated Absences	1,544,499	1,239,474	1,229,213	1,554,760	310,952
Net Pension Obligation OPEB	818,963	113,937	-	932,900	-
Pension Liability	-	11,712,705	-	11,712,705	-
Insurance Claims Payable	705,507	116,643	467,545	354,605	175,991
Governmental activities - Long-Term Liabilities	<u>\$ 35,262,593</u>	<u>\$ 16,428,824</u>	<u>\$ 4,420,350</u>	<u>\$ 47,271,067</u>	<u>\$ 3,275,535</u>
Business-Type Activities:					
Compensated Absences	112,435	88,906	111,545	89,796	17,959
Net Pension Obligation OPEB	67,049	7,272	-	74,321	-
Pension Liability	-	1,052,167	-	1,052,167	-
Business type activities- Long-Term Liabilities	<u>\$ 179,484</u>	<u>\$ 1,148,345</u>	<u>\$ 111,545</u>	<u>\$ 1,216,284</u>	<u>\$ 17,959</u>

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

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2015, there were ten series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$49.3 million.

Note 4 OTHER INFORMATION

A. Risk management

The City is exposed to various risks of loss related to torts; theft of damage to, and the destruction of assets; errors and omissions; injuries to employees and natural disasters. During the fiscal years of 1980 and 1987, the City established a Workers' Compensation Fund and a Risk Management Fund, respectively (internal service funds) to account for and finance its uninsured risks of loss. For the year 2013, the Worker's Compensation Fund provided coverage up to a maximum of \$470,000 for each occurrence. The City purchases excess loss coverage from the Workers' Compensation Reinsurance Association, a nonprofit organization established by Minnesota State Statutes.

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

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

Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. The City purchased commercial insurance for claims in excess of coverage provided by the Risk Management Fund and for all other risks of loss. Settled claims have not

exceeded this coverage in any of the past three fiscal years. There were no significant reductions in the City's insurance coverage in 2015.

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, 2015, were \$1,256,255 and \$1,257,254 for the Workers' Compensation Fund and Risk Management Fund, respectively. The claims liability of \$77,734 and \$276,871, respectively, reported in both funds at December 31, 2015 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 2014 and 2015 were:

Workers' Compensation Fund					
	Beginning of Fiscal Year Liability		Current Year Claims and Changes in Estimates	Claims Payments	Ending of Fiscal Year Liability
2014	\$ 224,774	\$	12,396	\$ 95,576	\$ 141,594
2015	141,594		55,438	119,298	77,734

Risk Management Fund					
	Beginning of Fiscal Year Liability		Current Year Claims and Changes in Estimates	Claims Payments	Ending of Fiscal Year Liability
2014	\$ 205,239	\$	779,847	\$421,173	\$ 563,913
2015	563,913		(76,617)	210,425	276,871

B. Contingent liabilities

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

C. Employee retirement systems and pension plans

1. Public Employees' Retirement Association

A. Plan Description

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

General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City are covered by the GERF. GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

Public Employees Police and Fire Fund (PEPFF)

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

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

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

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

GERF Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual

formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. Disability benefits are available for vested members, and are based upon years of service and average high-five salaries.

PEPFF Benefits

Benefits for the PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For PEPFF who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

C. Contributions

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

GERF Contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.50%, respectively, of their annual covered salary in calendar year 2015. The City was required to contribute 11.78% of pay for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2015. The City's contributions to the GERF for the year ended December 31, 2015, were \$619,013. The City's contributions were equal to the required contributions as set by state statute.

PEPFF Contributions

Plan members were required to contribute 10.8% of their annual covered salary in calendar year 2015. The City was required to contribute 16.20% of pay for PEPFF members in calendar year 2015. The City's contributions to the PEPFF for the year ended December 31, 2015, were \$763,596. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

GERF Pension Costs

At December 31, 2015, the City reported a liability of \$7,151,876 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportion was 0.1380%.

For the year ended December 31, 2015, the City recognized pension expense of \$855,854 for its proportionate share of GERF's pension expense.

At December 31, 2015, the City reported its proportionate share of GERF's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experiences	\$ -	\$ 360,576
Differences between projected and actual investment earnings	677,035	-
Changes in proportion	-	292,419
Contributions paid to PERA subsequent to the measurement date	309,506	-
	<u>\$ 986,541</u>	<u>\$ 652,995</u>

D. Pension Costs (Continued)

\$309,506 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2016	\$ (48,406)
2017	(48,406)
2018	(48,406)
2019	169,258

PEPFF Pension Costs

At December 31, 2015, the City reported a liability of \$5,612,996 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportion was 0.494%.

For the year ended December 31, 2015, the City recognized pension expense of \$963,652 for its proportionate share of the PEPFF's pension expense. The City also recognized \$44,460 for the year ended December 31, 2015, as pension expense and grant revenue for its proportionate share of the State of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014.

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At December 31, 2015, the City reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experiences	\$ -	\$ 910,244
Differences between projected and actual investment earnings	977,972	-
Changes in proportion	-	18,001
Contributions paid to PERA subsequent to the measurement date	<u>381,798</u>	<u>-</u>
	<u>\$ 1,359,770</u>	<u>\$ 928,245</u>

\$381,798 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Pension Expense Amount</u>
2016	\$ 12,432
2017	12,432
2018	12,432
2019	12,431

E. Actuarial Assumptions

The total pension liability in the June 30, 2015, actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.75% Per Year
Active Member Payroll Growth	3.50% Per Year
Investment Rate of Return	7.90%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. Benefit increases for retirees are assumed to be 1% effective every January 1st through 2026 and 2.5% thereafter.

Actuarial assumptions used in the June 30, 2015 valuation were based on the results of actuarial experience studies. The experience study in the GERS was for the period July 1, 2004 through June 30, 2008, with an update of economic assumptions in 2014. Experience studies have not been prepared for PERA's other plans, but assumptions are reviewed annually.

The long-term expected rate of return on pension plan investments is 7.9%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	45%	5.00%
International Stock	15%	6.00%
Bonds	18%	1.45%
Alternative Assets	20%	6.40%
Cash	2%	0.50%
Total	100%	

F. Discount Rate

The discount rate used to measure the total pension liability was 7.9%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability Sensitivity

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

	1% Decrease in Discount Rate █ (6.9%)	Discount Rate █ (7.9%)	1% Increase in Discount Rate █ (8.9%)
City's proportionate share of the GERF net pension liability	\$ 11,245,292	\$ 7,151,876	\$ 3,771,344
City's proportionate share of the PEPFF net pension liability	\$ 10,939,788	\$ 5,612,996	\$ 1,212,138

H. Pension Plan Fiduciary Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

I. Defined Contribution Plan

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

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (.0025) of the assets in each member's account annually.

Total contributions made by the City during fiscal year 2015 were:

	Amount		Percentage of Covered Payroll		Required Rates
	Employees	Employer	Employees	Employer	
2015 PEDCP	\$ 816	\$ 816	5.00%	5.00%	5.00%

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

A. Plan Description

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

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

B. Benefits Provided

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

C. Employees Covered by Benefit Terms

At December 31, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	9
Active employees	38
Total	<u>106</u>

D. Contributions

Minnesota Statutes Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aids are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers: therefore, there are no payroll expenditures (i.e. there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure an on behalf payment of \$ 220,012 made by the State of Minnesota for the Relief Association.

E. Net Pension Liability

The City's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Discount rate	6.75% percent average, including inflation
Investment Rate of Return	6.75% percent , net of pension plan investment expense including inflation

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	64.50%	5.25%
International equity	5.74%	5.25%
Fixed income	27.54%	1.75%
Real estate and alternatives	0.00%	3.75%
Cash and equivalents	2.22%	0.25%
Total	<u>100%</u>	

Discount rate:

The discount rate used to measure the total pension liability was 6.75%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

F. Change in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2014	<u>\$ 7,762,467</u>	<u>\$ 10,171,186</u>	<u>\$ (2,408,719)</u>
Changes for the year			
Service cost	69,632	-	69,632
Interest	-	-	-
Differences between expected and actual experience	509,635	-	509,635
Changes in assumptions	213,856	-	213,856
Contributions - state and local	-	220,012	(220,012)
Contributions - employee	-	-	-
Net investment income	-	22,193	(22,193)
Benefit payments, including refunds of employee contributions	(563,896)	(563,896)	-
Administrative expense	-	(20,569)	20,569
Other charges	-	-	-
Net Charges	<u>\$ 229,227</u>	<u>\$ (342,260)</u>	<u>\$ 571,487</u>
Balances at December 31, 2015	<u><u>\$ 7,991,694</u></u>	<u><u>\$ 9,828,926</u></u>	<u><u>\$ (1,837,232)</u></u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:+

	1% Decrease <u>5.75%</u>	Current Discount Rate 6.75%	1% Increase <u>7.75%</u>
Net pension liability	<u>\$ (991,970)</u>	<u>\$ (1,837,232)</u>	<u>\$ (2,548,083)</u>

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual liability	\$ -	\$ -
Changes in actuarial assumptions	157,578	-
Net difference between projected and actual investment earnings	<u>521,650</u>	-
	<u>\$ 679,228</u>	\$ -

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

Year Ending <u>June 30,</u>	
2016	\$ 186,690
2017	186,690
2018	175,434
2019	<u>130,414</u>
Total	<u>\$ 679,228</u>

Note 5 OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

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

B. Benefits Provided (Continued)

Retirees

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

Disabled police and firefighter

The City continues to pay the employer's contribution toward health coverage for Police or Firefighters disabled in the line of duty per Minnesota Statute 299A.465, until age 65. Dependent coverage is included, if the dependents were covered at the time of the disability. The January 1, 2015 to December 31, 2015 monthly premiums paid for Police or Firefighters disabled in the line of duty are:

Plan	Single	Two Person	Family
Health Partners Choice	\$ 528	\$ 1,032	\$ 1,436
Health Partners National One	\$ 504	\$ 989	\$ 1,371
Heath Partners Empower High Deductible	\$ 367	\$ 728	\$ 991

C. Participants

As of the actuarial valuation dated January 1, 2014, participants consisted of:

Retirees and beneficiaries currently purchasing health insurance through the City	13
Disabled police and firefighters	1
Active Employees	<u>146</u>
Total	<u><u>160</u></u>

D. Funding Policy

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

E. Annual OPEB Cost and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The net OPEB obligation as of December 31, 2015, was calculated as follows:

Annual required contribution	\$ 221,969
Interest on OPEB obligation	39,871
Adjustment to annual required contribution	<u>(55,984)</u>
Annual OPEB cost	205,856
Contributions made	<u>(84,647)</u>
Increase (decrease) in net OPEB obligation	121,209
Net OPEB obligation beginning of year	<u>886,012</u>
Net OPEB obligation end of year	<u><u>\$ 1,007,221</u></u>

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

The City first had an actuarial valuation performed for the plan as of January 1, 2014 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC). As of December 31, 2015, the City's annual OPEB cost (expense) is \$205,856. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2015 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 234,937	\$ 119,317	50.8%	\$ 244,063
2010	232,654	125,980	54.1%	350,737
2011	215,574	101,582	47.1%	464,729
2012	213,503	68,009	31.9%	610,223
2013	210,809	77,705	36.9%	743,327
2014	208,854	66,169	31.7%	886,012
2015	205,856	84,647	41.1%	1,007,221

F. Funded Status and Funding Progress

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)*	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Annual Covered Payroll
January 1, 2008	\$ -	\$ 1,833,845	\$ 1,833,845	0%	\$ 9,528,355	19.2%
January 1, 2011	\$ -	\$ 1,709,742	\$ 1,709,742	0%	\$ 10,169,482	16.8%
January 1, 2014	\$ -	\$ 1,772,661	\$ 1,772,661	0%	\$ 10,706,122	16.6%

*Using the projected unit credit actuarial pay cost method.

G. Actuarial Methods and Assumptions

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

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

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of investment expenses), salary increases of 3.0% (only used to bring salaries into the valuation year) and an initial annual health care cost trend rate of 7.5% reduced by .25% each year to arrive at an ultimate health care cost trend rate of 5.0% over 10 years. The health care cost trend rate includes a 2.5% inflation rate. The actuarial value of assets was \$0. The plan's unfunded actuarial accrued liability is being amortized using the level percentage of projected payroll method over 30 years on a closed basis. The remaining amortization period at December 31, 2015, is 22 years.

Note 6 CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date*. This resulted in an adjustment to the beginning net position on the Statement of Activities of \$ (8,528,623) to add the beginning net pension liability, and an adjustment to the beginning net position on the Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds of \$ (969,168) to add the beginning net pension liability.

Note 7 GASB STATEMENTS ISSUED BUT NOT YET IMPLEMENTED

GASB has issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The new statement requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about OPEB liabilities.

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Required Supplementary Information

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL
 GENERAL FUND
 For the Fiscal Year Ended December 31, 2015

Schedule 1
 (Page 1 of 1)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
General property taxes	10,530,552	10,530,552	10,236,716	(293,836)
Licenses and permits	413,500	413,500	396,247	(17,253)
Intergovernmental revenue	934,000	934,000	1,031,110	97,110
Charges for services	173,730	173,730	212,120	38,390
Fines and forfeits	240,000	240,000	135,479	(104,521)
Donations	-	-	17,449	17,449
Investment income				
Interest earned on investments	26,000	26,000	58,907	32,907
Increase (decrease) in fair value of investments	-	-	15,524	15,524
Miscellaneous Revenue	62,500	62,500	66,099	3,599
Total Revenues	12,380,282	12,380,282	12,169,651	(210,631)
EXPENDITURES				
Current				
General government	2,428,095	2,428,095	2,323,882	104,213
Public safety	9,100,415	9,100,415	8,909,931	190,484
Public works	2,449,420	2,449,420	2,211,904	237,516
Total Expenditures	13,977,930	13,977,930	13,445,717	532,213
Excess (Deficiency) of Revenue Over (Under) Expenditures	(1,597,648)	(1,597,648)	(1,276,066)	321,582
OTHER FINANCING SOURCES (USES)				
Transfers In	1,178,148	1,178,148	1,178,148	-
Transfers Out	-	-	(216,000)	(216,000)
Total Other Financing Sources (Uses)	1,178,148	1,178,148	962,148	(216,000)
Net Change in Fund Balance	(419,500)	(419,500)	(313,918)	105,582
FUND BALANCE, January 1	6,282,604	6,282,604	6,282,604	-
FUND BALANCE, December 31	5,863,104	5,863,104	5,968,686	105,582

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

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL
 RECREATION FUND
 For the Fiscal Year Ended December 31, 2015

Schedule 2
 (Page 1 of 1)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
General property taxes	2,250,350	2,250,350	2,136,995	(113,355)
Intergovernmental revenue	-	-	4,675	4,675
Charges for services	1,879,170	1,879,170	1,908,640	29,470
Rentals	65,000	65,000	52,796	(12,204)
Donations	61,000	61,000	166,416	105,416
Special assessments	500	500	233	(267)
Investment income				
Interest earned on investments	3,000	3,000	13,925	10,925
Increase (decrease) in fair value of investments	-	-	3,610	3,610
Miscellaneous Revenue	24,300	24,300	49,094	24,794
Total Revenues	4,283,320	4,283,320	4,336,384	53,064
EXPENDITURES				
Current				
Recreation				
Personal services	2,758,255	2,758,255	2,664,519	93,736
Supplies and materials	316,430	316,430	297,316	19,114
Other services and charges	1,205,635	1,205,635	1,179,001	26,634
Capital outlay	3,000	3,000	9,698	(6,698)
Total Expenditures	4,283,320	4,283,320	4,150,534	132,786
Net Change in Fund Balance	-	-	185,850	185,850
FUND BALANCE, January 1	1,099,011	1,099,011	1,099,011	-
FUND BALANCE, December 31	1,099,011	1,099,011	1,284,861	185,850

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

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Licenses and permits	1,249,110	1,249,110	1,358,426	109,316
Charges for services	186,000	186,000	258,412	72,412
Fines and forfeits	-	-	287	
Investment income				
Interest earned on investments	-	-	12,811	
Increase (decrease) in fair value of investments	-	-	3,641	3,641
Miscellaneous Revenue	25,000	25,000	14,734	(10,266)
Total Revenues	1,460,110	1,460,110	1,648,311	175,103
EXPENDITURES				
Current				
Public safety	654,000	654,000	661,482	(7,482)
Economic development	798,490	798,490	638,803	159,687
Total Expenditures	1,452,490	1,452,490	1,300,285	152,205
Excess (Deficiency) of Revenue Over (Under) Expenditures	7,620	7,620	348,026	327,308
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(40,000)	(40,000)
Total Other Financing Sources (Uses)	-	-	(40,000)	(40,000)
Net Change in Fund Balance	7,620	7,620	308,026	287,308
FUND BALANCE, January 1	713,525	713,525	713,525	-
FUND BALANCE, December 31	721,145	721,145	1,021,551	287,308

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)*	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Annual Covered Payroll
January 1, 2008	\$ 0	\$ 1,833,845	\$ 1,833,845	0%	\$ 9,528,355	19.2%
January 1, 2011	\$ 0	\$ 1,709,742	\$ 1,709,742	0%	\$ 10,169,482	16.8%
January 1, 2014	\$ 0	\$ 1,772,661	\$ 1,772,661	0%	\$ 10,706,122	16.6%

* Using the projected unit credit actuarial pay cost method.

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

<u>Fiscal Year Ending</u>	<u>City's Proportion of the Net Pension Liability</u>	<u>City's Proportionate Share of the Net Pension Liability (a)</u>	<u>State's Proportionate Share of the Net Pension Liability Associated with the City (b)</u>	<u>Total (a+b)</u>	<u>City's Covered Payroll (c)</u>	<u>City's Proportionate Share of the Net Pension Liability as a % of Covered Payroll ((a+b)/c)</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
6/30/2015	0.1380%	\$ 7,151,786	\$ 0	\$ 7,151,786	\$ 7,974,720	89.7%	78.2%

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

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER'S PERA CONTRIBUTIONS
 - GENERAL EMPLOYEES RETIREMENT FUND
 For the Fiscal Year Ended December 31, 2015

<u>Year Ending</u>	<u>Statutorily Required Contribution (a)</u>	<u>Contributions in Relation to the Statutorily Required Contribution (b)</u>	<u>Contribution Deficiency (Excess) (a-b)</u>	<u>City's Covered Payroll (c)</u>	<u>Contributions as a Percentage of Covered Payroll (b/c)</u>
12/31/2015	\$ 619,013	\$ 619,013	\$ 0	\$ 8,253,507	7.5%

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

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER'S SHARE OF PERA NET PENSION
 LIABILITY - PUBLIC EMPLOYEES POLICE AND FIRE FUND
 For the Fiscal Year Ended December 31, 2015

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a % of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a % of the Total Pension Liability
6/30/2015	0.494%	\$ 5,612,996	\$ 0	\$ 5,612,996	\$ 4,399,667	127.6%	86.6%

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

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER'S PERA CONTRIBUTIONS
 - PUBLIC EMPLOYEES POLICE AND FIRE FUND
 For the Fiscal Year Ended December 31, 2015

<u>Year Ending</u>	<u>Statutorily Required Contribution (a)</u>	<u>Contributions in Relation to the Statutorily Required Contribution (b)</u>	<u>Contribution Deficiency (Excess) (a-b)</u>	<u>City's Covered Payroll (c)</u>	<u>Contributions as a Percentage of Covered Payroll (b/c)</u>
12/31/2015	\$ 763,596	\$ 763,596	\$ 0	\$ 4,713,556	16.2%

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

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY
 AND RELATED RATIOS - FIRE RELIEF ASSOCIATION
 For the Fiscal Year Ended December 31, 2015

	2015	2014
Total Pension Liability (TPL, actuarial accrued liability)		
Service cost	\$ 69,632	\$ 67,768
Interest	509,635	508,985
Differences between expected and actual experience	-	-
Changes of assumptions	213,856	-
Changes of benefit terms	-	-
Benefit payments, including member contributions	(563,896)	(574,072)
Net change in total pension liability	<u>229,227</u>	<u>2,681</u>
Total Pension Liability - beginning of year	7,762,467	7,759,786
Total Pension Liability - end of year	<u>\$ 7,991,694</u>	<u>\$ 7,762,467</u>
Plan Fiduciary Net Position (FNP, assets)		
Contributions - State and local	\$ 220,012	\$ 341,617
Contributions - donations and other income	-	-
Contributions - members	-	-
Net investment income	22,193	882,050
Other additions (e.g. receivables)	-	-
Benefit payments, including member contributions	(563,896)	(574,072)
Administrative expense	(20,569)	(23,479)
Other deductions (e.g. payables)	-	-
Net change in plan fiduciary net position	<u>(342,260)</u>	<u>626,116</u>
Plan Fiduciary Net Position - beginning of year	10,171,186	9,545,070
Plan Fiduciary Net Position - end of year	<u>\$ 9,828,926</u>	<u>\$ 10,171,186</u>
Net Pension Liability (NPL) - end of year	\$ (1,837,232)	\$ (2,408,719)
Plan Fiduciary Net Position (FNP, assets)	122.99%	131.03%

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

City of Roseville, Minnesota
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS AND NON-EMPLOYER
 CONTRIBUTING ENTITIES - FIRE RELIEF ASSOCIATION
 For the Fiscal Year Ended December 31, 2015

Schedule 10
 (Page 1 of 1)

	2006 (1)	2007	2008	2009	2010
Employer					
Statutorily determined contribution (SDC)		\$ 265,246	\$ 128,137	\$ 128,137	\$ 128,137
Contribution in relation to the SDC		49,870	128,975	63,875	216,500
Contribution deficiency (excess)	-	215,376	(838)	64,262	(88,363)
Non-Employer					
Contribution	\$ 0	\$ 201,120	\$ 172,025	\$ 145,353	\$ 149,002
	2011	2012	2013	2014	2015
Employer					
Statutorily determined contribution (SDC)	\$ 353,384	\$ 353,384	\$ 298,233	\$ 173,096	\$ 115,204
Contribution in relation to the SDC	166,284	205,630	89,220	130,996	-
Contribution deficiency (excess)	187,100	147,754	209,013	42,100	115,204
Non-Employer					
Contribution	\$ 146,733	\$ 149,754	\$ 210,012	\$ 210,621	\$ 220,012

(1) Information for 2006 was not available

Budgetary Information

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

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

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a fund with approval of the City's manager, without Council approval. Transfers of appropriations between funds require the approval of the Council. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the fund level. The Council made a supplementary budgetary appropriation for the onespecial revenue fund in 2015. The supplementary budgetary appropriation increased expenditures in the Telecommunications Fund by \$55,000.

Special Revenue Funds

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

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

License Center: 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 from charitable gambling

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

	Tele- communications	License Center	Charitable Gambling	Information Technology	Total Nonmajor Special Revenue Funds
ASSETS					
Cash and cash equivalents	367,664	1,704,790	48,948	912,325	3,033,727
Investment interest receivable	627	1,950	83	1,577	4,237
Accounts receivable	110,333	164,270	-	25,664	300,267
Taxes receivable	-	-	-	7,946	7,946
Due from other governmental units	-	-	-	10,152	10,152
TOTAL ASSETS	478,624	1,871,010	49,031	957,664	3,356,329
LIABILITIES					
Accounts payable	3,603	19,395	6,210	68,420	97,628
Accrued payroll	3,573	22,394	136	20,039	46,142
Due to other governmental units	2,095	585,318	70	12,693	600,176
Unearned Revenue	-	-	-	2,451	2,451
Deposits payable	-	-	-	5,000	5,000
Total Liabilities	9,271	627,107	6,416	108,603	751,397
Deferred Inflows of Resources					
Unavailable Revenue - property taxes	-	-	-	4,759	4,759
Total Deferred Inflows of Resources	-	-	-	4,759	4,759
FUND BALANCE					
Restricted					
Telecommunications	469,353	-	-	-	469,353
Lawful Gambling	-	-	42,615	-	42,615
Committed					
License Center Improvements	-	1,243,903	-	-	1,243,903
Equipment Replacement	-	-	-	844,302	844,302
Total Fund Balances	469,353	1,243,903	42,615	844,302	2,600,173
TOTAL LIABILITIES AND FUND BALANCES	478,624	1,871,010	49,031	957,664	3,356,329

	Tele- Communications	License Center	Charitable Gambling	Information Technology	Total Nonmajor Special Revenue Funds
REVENUES					
Taxes	-	-	-	237,407	237,407
Licenses and permits	-	-	100	-	100
Gambling taxes	-	-	83,879	-	83,879
Charges for services	-	1,621,751	-	1,180,741	2,802,492
Cable franchise taxes	436,851	-	-	-	436,851
Donations	-	-	88,320	-	88,320
Investment income					
Interest earned on investments	4,219	13,489	479	8,809	26,996
Increase (decrease) in fair value of investments	633	2,832	173	2,742	6,380
Miscellaneous Revenue	-	-	-	522,195	522,195
Total Revenues	441,703	1,638,072	172,951	1,951,894	4,204,620
EXPENDITURES					
Current					
General Government	443,098	1,206,415	136,156	1,573,773	3,359,442
Capital outlay	148,984	-	-	187,488	336,472
Total Expenditures	592,082	1,206,415	136,156	1,761,261	3,695,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,379)	431,657	36,795	190,633	508,706
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	25,000	25,000
Transfers Out	(14,000)	(342,148)	-	(25,000)	(381,148)
Total Other Financing Sources (Uses)	(14,000)	(342,148)	-	-	(356,148)
Net Change in Fund Balances	(164,379)	89,509	36,795	190,633	152,558
FUND BALANCES, January 1	633,732	1,154,394	5,820	653,669	2,447,615
FUND BALANCES, December 31	469,353	1,243,903	42,615	844,302	2,600,173

REQUIRED SUPPLEMENTARY INFORMATION

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

TELECOMMUNICATIONS FUND

For the Fiscal Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Cable franchise taxes	445,000	445,000	436,851	(8,149)
Investment income				
Interest earned on investments	3,000	3,000	4,219	1,219
Increase (decrease) in fair value of investments	-	-	633	633
Total Revenues	448,000	448,000	441,703	(6,297)
EXPENDITURES				
Current				
General government				
Personal services	244,000	244,000	220,992	23,008
Supplies and materials	2,500	2,500	1,706	794
Other services and charges	204,825	204,825	220,400	(15,575)
Capital outlay	90,000	145,000	148,984	(3,984)
Total Expenditures	541,325	596,325	592,082	4,243
Excess (Deficiency) of Revenue Over (Under) Expenditures	(93,325)	(148,325)	(150,379)	(2,054)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(14,000)	(14,000)	(14,000)	-
Total Other Financing Sources (Uses)	(14,000)	(14,000)	(14,000)	-
Net Change in Fund Balance	(107,325)	(162,325)	(164,379)	(2,054)
FUND BALANCE, January 1	633,732	633,732	633,732	-
FUND BALANCE, December 31	526,407	471,407	469,353	(2,054)

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

REQUIRED SUPPLEMENTARY INFORMATION

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

LICENSE CENTER FUND

For the Fiscal Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Charges for services	1,410,500	1,410,500	1,621,751	211,251
Investment income				
Interest earned on investments	3,000	3,000	13,489	10,489
Increase (decrease) in fair value of investments	-	-	2,832	2,832
Total Revenues	<u>1,413,500</u>	<u>1,413,500</u>	<u>1,638,072</u>	<u>224,572</u>
EXPENDITURES				
Current				
General government				
Personal services	1,092,000	1,092,000	1,066,715	25,285
Supplies and materials	11,600	11,600	13,742	(2,142)
Other services and charges	126,175	126,175	125,958	217
Capital outlay	10,000	10,000	-	10,000
Total Expenditures	<u>1,239,775</u>	<u>1,239,775</u>	<u>1,206,415</u>	<u>33,360</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	173,725	173,725	431,657	257,932
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(315,000)</u>	<u>(315,000)</u>	<u>(342,148)</u>	<u>(27,148)</u>
Net Change in Fund Balance	(141,275)	(141,275)	89,509	230,784
FUND BALANCE, January 1	<u>1,154,394</u>	<u>1,154,394</u>	<u>1,154,394</u>	-
FUND BALANCE, December 31	<u><u>1,013,119</u></u>	<u><u>1,013,119</u></u>	<u><u>1,243,903</u></u>	<u><u>230,784</u></u>

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

REQUIRED SUPPLEMENTARY INFORMATION

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

CHARTABLE GAMBLING FUND

For the Fiscal Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Licenses and permits	-	-	100	100
Gambling taxes	60,250	60,250	83,879	23,629
Donations	90,000	90,000	88,320	(1,680)
Investment income				
Interest earned on investments	-	-	479	479
Increase (decrease) in fair value of investments	-	-	173	173
Total Revenues	150,250	150,250	172,951	22,701
EXPENDITURES				
Current				
General government				
Personal services	3,600	3,600	3,289	311
Other services and charges	146,650	146,650	132,867	13,783
Total Expenditures	150,250	150,250	136,156	14,094
Net Change in Fund Balance	-	-	36,795	36,795
FUND BALANCE, January 1	5,820	5,820	5,820	-
FUND BALANCE, December 31	5,820	5,820	42,615	36,795

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

REQUIRED SUPPLEMENTARY INFORMATION

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

INFORMATION TECHNOLOGY FUND

For the Fiscal Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	250,000	250,000	237,407	(12,593)
Charges for services	1,305,285	1,305,285	1,180,741	(124,544)
Investment income				
Interest earned on investments	3,000	3,000	8,809	5,809
Increase (decrease) in fair value of investments	-	-	2,742	2,742
Miscellaneous Revenue	380,910	380,910	522,195	141,285
Total Revenues	1,939,195	1,939,195	1,951,894	12,699
EXPENDITURES				
Current				
General government				
Personal services	1,385,000	1,385,000	1,228,497	156,503
Supplies and materials	55,500	55,500	55,027	473
Other services and charges	194,020	194,020	290,249	(96,229)
Capital outlay	356,640	356,640	187,488	169,152
Total Expenditures	1,991,160	1,991,160	1,761,261	229,899
Excess (Deficiency) of Revenue Over (Under) Expenditures	(51,965)	(51,965)	190,633	242,598
OTHER FINANCING SOURCES (USES)				
Transfers In	25,000	25,000	25,000	-
Transfers Out	(25,000)	(25,000)	(25,000)	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(51,965)	(51,965)	190,633	242,598
FUND BALANCE, January 1	653,669	653,669	653,669	-
FUND BALANCE, December 31	601,704	601,704	844,302	242,598

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

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

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

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

	Workers' Compensation Self-Insurance	Risk Management	Total Internal Service Funds
ASSETS			
Current Assets			
Cash and cash equivalents	1,338,812	1,532,572	2,871,384
Investments interest receivable	2,281	2,611	4,892
Total Assets	<u>1,341,093</u>	<u>1,535,183</u>	<u>2,876,276</u>
LIABILITIES			
Current Liabilities			
Accounts payable	364	1,058	1,422
Due to other governmental units	6,740	-	6,740
Insurance claims payable	35,059	140,932	175,991
Total Current Liabilities	<u>42,163</u>	<u>141,990</u>	<u>184,153</u>
Noncurrent Liabilities			
Insurance claims payable	42,675	135,939	178,614
Total Noncurrent Liabilities	<u>42,675</u>	<u>135,939</u>	<u>178,614</u>
TOTAL LIABILITIES	<u>84,838</u>	<u>277,929</u>	<u>362,767</u>
NET POSITION			
Unrestricted	<u>1,256,255</u>	<u>1,257,254</u>	<u>2,513,509</u>
TOTAL NET POSITION	<u><u>1,256,255</u></u>	<u><u>1,257,254</u></u>	<u><u>2,513,509</u></u>

City of Roseville, Minnesota
 COMBINING STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended December 31, 2015

	Workers' Compensation Self-Insurance	Risk Management	Total Internal Service Funds
OPERATING REVENUES			
Departmental charges	50,000	263,020	313,020
Employee charges	-	75,742	75,742
Total Operating Revenues	<u>50,000</u>	<u>338,762</u>	<u>388,762</u>
OPERATING EXPENSES			
Professional services	15,249	24,944	40,193
Insurance	25,310	138,318	163,628
Training	-	30	30
Administrative charges	-	750	750
Payment of claims	55,438	(77,144)	(21,706)
Total Operating Expenses	<u>95,997</u>	<u>86,898</u>	<u>182,895</u>
OPERATING INCOME (LOSS)	<u>(45,997)</u>	<u>251,864</u>	<u>205,867</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment Income			
Interest Earned on Investments	14,601	16,000	30,601
Increase (Decrease) in Fair Value of Investments	3,143	3,716	6,859
Total Non-Operating Revenues (Expenses)	<u>17,744</u>	<u>19,716</u>	<u>37,460</u>
Change in Net Position	<u>(28,253)</u>	<u>271,580</u>	<u>243,327</u>
NET POSITION, January 1	<u>1,284,508</u>	<u>985,674</u>	<u>2,270,182</u>
NET POSITION, December 31	<u><u>1,256,255</u></u>	<u><u>1,257,254</u></u>	<u><u>2,513,509</u></u>

	Workers' Compensation Self-Insurance	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users, including deposits	50,000	263,020	313,020
Cash payments to suppliers for goods and services	(154,133)	(381,243)	(535,376)
Cash payments to employees and others for resolved claims	-	75,742	75,742
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(104,133)</u>	<u>(42,481)</u>	<u>(146,614)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments received	13,814	15,019	28,833
Increase (Decrease) in Fair Value of Investments	3,143	3,716	6,859
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	16,957	18,735	35,692
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(87,176)	(23,746)	(110,922)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,425,988</u>	<u>1,556,318</u>	<u>2,982,306</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>1,338,812</u></u>	<u><u>1,532,572</u></u>	<u><u>2,871,384</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	<u>(45,997)</u>	<u>251,864</u>	<u>205,867</u>
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Changes in elements affecting cash			
Increase (Decrease) in Accounts payable	364	(7,303)	(6,939)
Increase (Decrease) in Due to other governmental units	5,360	-	5,360
Increase (Decrease) in Insurance claim payable	(63,860)	(287,042)	(350,902)
Total Adjustments	<u>(58,136)</u>	<u>(294,345)</u>	<u>(352,481)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>(104,133)</u></u>	<u><u>(42,481)</u></u>	<u><u>(146,614)</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Increase/(Decrease) in fair market value of investments	3,143	3,716	6,859

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	<u>General</u>
ASSETS	
Cash and cash equivalents	2,937,050
Restricted investments	
Cash held in escrow	668,552
Receivables	
Investment interest	6,151
Accounts receivable	10,985
Taxes	18,617
Special assessments	3,754
Notes	<u>920,267</u>
TOTAL ASSETS	<u><u>4,565,376</u></u>
LIABILITIES	
Accounts payable	4,700
Accrued payroll	69
Due to other governmental units	12
Total Liabilities	<u>4,781</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue - property taxes	9,773
Unavailable Revenue - special assessments	<u>257</u>
Total Deferred Inflows of Resources	<u>10,030</u>
FUND BALANCE	
Nonspendable for:	
Long term receivables	920,267
Unassigned	<u>3,630,298</u>
Total Fund Balances	<u>4,550,565</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>4,565,376</u></u>
Other long term assets are not available to pay for current-period expenditures and therefore, are deferred or are not reported in the fund	<u>10,030</u>
Net position of governmental activities	<u><u>4,560,595</u></u>

City of Roseville, Minnesota
 HOUSING & REDEVELOPMENT AUTHORITY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - DISCRETELY PRESENTED COMPONENT UNIT
 For the Fiscal Year Ended December 31, 2015

Statement 16
 (Page 1 of 1)

	<u>General</u>
REVENUES	
General property taxes	668,853
Charges for services	2,937
Investment income	
Interest earned on investments	40,441
Increase (decrease) in fair value of investments	12,662
Miscellaneous Revenue	<u>86,465</u>
 Total Revenues	 <u>811,358</u>
EXPENDITURES	
Current	
General Government	<u>269,877</u>
 Net Change in Fund Balance	 541,481
 FUND BALANCES, January 1	 <u>4,009,084</u>
 FUND BALANCES, December 31	 <u><u>4,550,565</u></u>

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES -
DISCRETELY PRESENTED COMPONENT UNIT

For the Fiscal Year Ended December 31, 2015

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

Net change in fund balance	\$	541,481
Adjustment for modified accrual revenue recognition related to delinquent property tax and delinquent tax increment		<u>2,623</u>
Change in net assets of governmental activities	\$	<u><u>544,104</u></u>

City of Roseville, Minnesota

AGENCY FUNDS

December 31, 2015

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

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

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

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

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

	East Metro SWAT	St Paul Port Authority	Roseville Islamic Cemetery Fund	Roseville Visitors Association	Total Agency Funds
ASSETS					
Cash and cash equivalents	\$ 2,813	\$ -	\$ 91,088	\$ 434,826	\$ 528,727
Receivables					
Investment interest receivable	5	-	155	795	955
Accounts receivable	-	-	-	39,028	39,028
Special assessments receivable	-	119,000	-	-	119,000
Prepaid items	-	-	-	37,310	37,310
Due from Other Governmental Units	307	-	-	-	307
TOTAL ASSETS	\$ 3,125	\$ 119,000	\$ 91,243	\$ 511,959	\$ 725,327
LIABILITIES					
Accounts payable	\$ 3,125.00	\$ -	\$ -	\$ 18,534	\$ 21,659
Accrued payroll	-	-	-	7,269	7,269
Due to other governments units	-	119,000	-	191	119,191
Due to other organizations	-	-	91,243	485,965	577,208
TOTAL LIABILITIES	\$ 3,125	\$ 119,000	\$ 91,243	\$ 511,959	\$ 725,327

	January 1, 2015	Additions	Deductions	December 31, 2015
ASSETS				
Cash and cash equivalents	\$ 480,162	\$ 777,609	\$ 729,044	\$ 528,727
Receivables				
Investment interest receivable	567	955	567	955
Accounts receivable	43,289	39,028	43,289	39,028
Special assessments receivable	-	119,000	-	119,000
Due from Other Governmental Units	-	307	-	307
Prepaid items	44,252	37,810	44,752	37,310
TOTAL ASSETS	\$ 568,270	\$ 974,709	\$ 817,652	\$ 725,327
LIABILITIES				
Accounts payable	\$ 14,902	\$ 572,802	\$ 566,045	\$ 21,659
Accrued payroll	6,148	312,201	311,080	7,269
Due to other governmental units	191	119,383	383	119,191
Due to other organizations	547,029	66,489	36,310	577,208
TOTAL LIABILITIES	\$ 568,270	\$ 1,070,875	\$ 913,818	\$ 725,327

<u>East Metro SWAT</u>	<u>January 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2015</u>
ASSETS				
Cash and cash equivalents	\$ 2,625	\$ 16,464	\$ 16,276	\$ 2,813
Investment interest receivable	3	5	3	5
Due from other governmental units	-	307	-	307
TOTAL ASSETS	\$ 2,628	\$ 16,776	\$ 16,279	\$ 3,125
LIABILITIES				
Accounts payable	\$ -	\$ 19,325	\$ 16,200	\$ 3,125
Due to other organizations	\$ 2,628	\$ -	\$ 2,628	\$ -
TOTAL LIABILITIES	\$ 2,628	\$ 19,325	\$ 18,828	\$ 3,125
<u>St Paul Port Authority</u>	<u>January 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2015</u>
ASSETS				
Special assessments receivable	-	119,000	-	119,000
TOTAL ASSETS	\$ -	\$ 119,000	\$ -	\$ 119,000
LIABILITIES				
Due to other governments units	\$ -	\$ 119,000	\$ -	\$ 119,000
TOTAL LIABILITIES	\$ -	\$ 119,000	\$ -	\$ 119,000
<u>Roseville Islamic Cemetery</u>	<u>January 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2015</u>
ASSETS				
Cash and cash equivalents	\$ 89,941	\$ 3,726	\$ 2,579	\$ 91,088
Investment interest receivable	94	155	94	155
TOTAL ASSETS	\$ 90,035	\$ 3,881	\$ 2,673	\$ 91,243
LIABILITIES				
Due to other organizations	\$ 90,035	\$ 3,881	\$ 2,673	\$ 91,243
TOTAL LIABILITIES	\$ 90,035	\$ 3,881	\$ 2,673	\$ 91,243
<u>Roseville Vistors Association</u>	<u>January 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2015</u>
ASSETS				
Cash and cash equivalents	\$ 387,596	\$ 757,419	\$ 710,189	\$ 434,826
Investment interest receivable	470	795	470	795
Accounts receivables	43,289	39,028	43,289	39,028
Prepaid items	44,252	37,810	44,752	37,310
TOTAL ASSETS	\$ 475,607	\$ 835,052	\$ 798,700	\$ 511,959
LIABILITIES				
Accounts payable	\$ 14,902	\$ 553,477	\$ 549,845	\$ 18,534
Accrued payroll	6,148	312,201	311,080	7,269
Due to other governmental units	191	383	383	191
Due to other organizations	454,366	62,608	31,009	485,965
TOTAL LIABILITIES	\$ 475,607	\$ 928,669	\$ 892,317	\$ 511,959

STATISTICAL SECTION

This part of the City of Roseville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Roseville's overall financial health.

<u>Contents:</u>	<u>Page</u>
Financial Trends	113-121
These schedules contain trend information to help the reader understand how the City of Roseville's financial performance and well-being have changed over time.	
Revenue Capacity	123-129
These schedules contain information to help the reader assess the City of Roseville's most significant local revenue source, the property tax.	
Debt Capacity	130-133
These schedules present information to help the reader assess the affordability of the City of Roseville's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	134-135
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City of Roseville's financial activities take place.	
Operating Indicators	137-141
These schedules contain service and infrastructure data to help the reader understand how the information in the City of Roseville's financial report relates to the services the City provides, and the activities it performs.	

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

Table 1
 (Page 1 of 1)
Unaudited

	Fiscal Year				
	2006	2007	2008	2009	2010
Governmental Activities					
Net Investment in Capital Assets	\$ 100,584,976	\$ 98,813,670	\$ 96,932,095	\$ 103,987,033	\$ 114,015,800
Restricted	8,468,097	11,095,142	13,648,619	10,789,610	4,438,169
Unrestricted	24,354,100	24,743,085	23,757,872	23,842,146	25,508,724
Total Governmental Activities Net Position	<u>133,407,173</u>	<u>134,651,897</u>	<u>134,338,586</u>	<u>138,618,789</u>	<u>143,962,693</u>
Business-Type Activities					
Net Investment in Capital Assets	17,906,632	17,892,424	17,799,877	19,019,599	18,803,521
Restricted	-	-	-	-	-
Unrestricted	7,222,064	7,254,956	7,098,164	5,180,356	5,734,880
Total Business-Type Activities Net Position	<u>25,128,696</u>	<u>25,147,380</u>	<u>24,898,041</u>	<u>24,199,955</u>	<u>24,538,401</u>
Primary Government					
Net Investment in Capital Assets	118,491,608	116,706,094	114,731,972	123,006,632	132,819,321
Restricted	8,468,097	11,095,142	13,648,619	10,789,610	4,438,169
Unrestricted	31,576,164	31,998,041	30,856,036	29,022,502	31,243,604
Total Primary Government Net Position	<u>158,535,869</u>	<u>\$ 159,799,277</u>	<u>\$ 159,236,627</u>	<u>\$ 162,818,744</u>	<u>\$ 168,501,094</u>

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental Activities					
Net Investment in Capital Assets	\$ 114,666,064	\$ 114,334,627	\$ 114,983,470	\$ 116,028,830	\$ 120,125,324
Restricted	8,733,361	10,796,300	13,094,255	14,072,227	18,157,117
Unrestricted	23,237,740	24,940,748	23,751,419	25,475,158	12,948,135
Total Governmental Activities Net Position	<u>146,637,165</u>	<u>150,071,675</u>	<u>151,829,144</u>	<u>155,576,215</u>	<u>151,230,576</u>
Business-Type Activities					
Net Investment in Capital Assets	19,493,159	20,244,092	21,814,228	25,215,099	28,391,384
Restricted	-	-	-	-	-
Unrestricted	5,150,432	5,543,380	5,945,451	4,563,269	2,467,956
Total Business-Type Activities Net Position	<u>24,643,591</u>	<u>25,787,472</u>	<u>27,759,679</u>	<u>29,778,368</u>	<u>30,859,340</u>
Primary Government					
Net Investment in Capital Assets	134,159,223	134,578,719	136,797,698	141,243,929	148,516,708
Restricted	8,733,361	10,796,300	13,094,255	14,072,227	18,157,117
Unrestricted	28,388,172	30,484,128	29,696,870	30,038,427	15,416,091
Total Primary Government Net Position	<u>\$ 171,280,756</u>	<u>\$ 175,859,147</u>	<u>\$ 179,588,823</u>	<u>\$ 185,354,583</u>	<u>\$ 182,089,916</u>

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

Table 2
(Page 1 of 2)
Unaudited

Expenses	Fiscal Year				
	2006	2007	2008	2009	2010
Governmental activities:					
General government	\$ 3,664,716	\$ 3,830,814	\$ 4,283,715	\$ 5,150,773	\$ 4,266,736
Public safety	7,147,499	8,296,894	8,007,678	8,161,100	9,442,966
Public works	4,716,980	4,604,463	4,720,546	4,470,830	2,800,235
Parks and recreation	4,210,261	4,380,187	4,935,218	4,770,793	4,698,518
Economic development	1,931,016	2,469,226	2,337,776	1,742,174	10,950,324
Interest on long-term debt	427,191	400,498	392,527	508,970	429,094
Total governmental activities expenses	<u>22,097,663</u>	<u>23,982,082</u>	<u>24,677,460</u>	<u>24,804,640</u>	<u>32,587,873</u>
Business-type activities:					
Sewer	3,112,372	3,035,274	3,504,577	3,520,566	3,763,009
Water	4,410,178	4,739,327	4,881,489	5,399,949	5,058,883
Golf	347,153	354,318	344,445	318,890	338,860
Recycling	366,769	443,984	467,847	499,501	478,471
Storm Drainage	858,746	826,297	707,675	850,575	797,535
Total business-type activities expenses	<u>9,095,218</u>	<u>9,399,200</u>	<u>9,906,033</u>	<u>10,589,481</u>	<u>10,436,758</u>
Total primary government expenses	<u>\$ 31,192,881</u>	<u>\$ 33,381,282</u>	<u>\$ 34,583,493</u>	<u>\$ 35,394,121</u>	<u>\$ 43,024,631</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 2,377,143	\$ 2,700,261	\$ 2,445,389	\$ 2,869,646	\$ 2,611,668
Public safety	568,337	566,899	549,931	1,454,107	1,545,830
Parks and recreation	1,946,946	1,926,806	1,765,969	1,917,605	1,919,896
Other activities	1,932,849	1,802,012	1,491,065	2,991,563	697,435
Operating grants and contributions	881,421	872,349	877,723	819,160	870,158
Capital grants and contributions	3,182,023	806,147	371,295	1,987,239	3,283,978
Total governmental activities program revenues	<u>10,888,719</u>	<u>8,674,474</u>	<u>7,501,372</u>	<u>12,039,320</u>	<u>10,928,965</u>
Business-type activities:					
Charges for Services:					
Sewer	2,693,983	2,796,265	2,893,260	3,090,778	3,600,334
Water	4,445,284	4,809,523	5,024,591	5,144,355	5,048,473
Golf	302,406	315,372	310,921	312,200	302,610
Recycling	348,946	387,706	426,249	345,218	499,773
Storm Drainage	667,441	688,715	736,688	812,831	840,743
Operating grants and contributions	64,216	63,861	66,661	75,349	69,775
Capital grants and contributions	-	-	-	-	321,188
Total business-type activities program revenues	<u>8,522,276</u>	<u>9,061,442</u>	<u>9,458,370</u>	<u>9,780,731</u>	<u>10,682,896</u>
Total primary government program revenues	<u>\$ 19,410,995</u>	<u>\$ 17,735,916</u>	<u>\$ 16,959,742</u>	<u>\$ 21,820,051</u>	<u>\$ 21,611,861</u>
Net (expense)/revenue					
Governmental activities	\$ (11,208,944)	\$ (15,307,608)	\$ (17,176,088)	\$ (12,765,320)	\$ (21,658,908)
Business-type activities	<u>(572,942)</u>	<u>(337,758)</u>	<u>(447,663)</u>	<u>(808,750)</u>	<u>246,138</u>
Total primary government net expense	<u>\$ (11,781,886)</u>	<u>\$ (15,645,366)</u>	<u>\$ (17,623,751)</u>	<u>\$ (13,574,070)</u>	<u>\$ (21,412,770)</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	\$ 10,684,683	\$ 11,246,116	\$ 12,417,024	\$ 12,553,187	\$ 15,611,387
Tax increments	2,535,830	2,765,844	2,956,413	3,288,562	1,966,665
Cable franchisetaxes	310,790	337,069	372,706	375,551	380,108
Gambling taxes	81,152	88,890	70,488	81,274	80,282
Grants and contributions not restricted to specific programs	53,562	225,497	227,048	26,477	25,577
Unrestricted investment earnings	1,205,188	1,888,916	1,353,641	695,472	1,122,891
Miscellaneous	827,650	-	-	-	-
Unrestricted net increase (decrease) in the fair value of Investments	-	-	-	-	-
Transfers	-	-	25,000	25,000	84,007
Total governmental activities	<u>15,698,855</u>	<u>16,552,332</u>	<u>17,422,320</u>	<u>17,045,523</u>	<u>19,270,917</u>
Business-type activities:					
Unrestricted investment earnings	177,813	356,442	257,409	135,664	176,315
Unrestricted net increase(decrease) in the fair value of investments	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-
Transfers	-	-	(25,000)	(25,000)	(84,007)
Total business-type activities	<u>177,813</u>	<u>356,442</u>	<u>232,409</u>	<u>110,664</u>	<u>92,308</u>
Total primary government	<u>\$ 15,876,668</u>	<u>\$ 16,908,774</u>	<u>\$ 17,654,729</u>	<u>\$ 17,156,187</u>	<u>\$ 19,363,225</u>
Change in Net Position					
Governmental activities	\$ 4,489,911	\$ 1,244,724	\$ 246,232	\$ 4,280,203	\$ (2,387,991)
Business-type activities	<u>(395,129)</u>	<u>18,684</u>	<u>(215,254)</u>	<u>(698,086)</u>	<u>338,446</u>
Total primary government	<u>\$ 4,094,782</u>	<u>\$ 1,263,408</u>	<u>\$ 30,978</u>	<u>\$ 3,582,117</u>	<u>\$ (2,049,545)</u>

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

Table 2
(Page 2 of 2)
Unaudited

Expenses	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental activities:					
General government	\$ 4,395,483	\$ 4,654,650	\$ 5,376,860	\$ 5,856,306	\$ 6,126,713
Public safety	8,572,723	9,417,458	9,792,587	9,254,988	10,307,351
Public works	4,868,114	4,475,774	4,399,267	5,249,925	4,834,914
Parks and recreation	4,737,072	4,794,338	5,523,875	5,690,332	4,653,377
Economic development	1,696,156	1,261,035	954,315	1,671,768	2,603,186
Interest on long-term debt	427,003	685,377	1,160,953	881,887	886,950
Total governmental activities expenses	<u>24,696,551</u>	<u>25,288,632</u>	<u>27,207,857</u>	<u>28,605,206</u>	<u>29,412,491</u>
Business-type activities:					
Sewer	3,403,703	3,638,421	3,575,823	3,651,174	3,541,971
Water	5,417,818	6,307,221	5,915,805	5,553,800	5,698,196
Golf	332,480	360,518	345,816	339,911	306,814
Recycling	527,581	549,113	550,285	449,490	463,018
Storm Drainage	1,073,180	1,000,570	942,598	1,324,675	1,120,225
Total business-type activities expenses	<u>10,754,762</u>	<u>11,855,843</u>	<u>11,330,327</u>	<u>11,319,050</u>	<u>11,130,224</u>
Total primary government expenses	<u>\$ 35,451,313</u>	<u>\$ 37,144,475</u>	<u>\$ 38,538,184</u>	<u>\$ 39,924,256</u>	<u>\$ 40,542,715</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 2,857,048	\$ 3,007,628	\$ 3,488,493	\$ 3,382,230	\$ 3,738,297
Public safety	1,890,436	1,807,988	1,925,320	1,804,563	1,772,335
Parks and recreation	2,430,291	1,976,761	2,591,924	2,000,010	2,297,610
Other activities	560,173	351,514	1,173,925	292,365	405,930
Operating grants and contributions	983,149	905,922	1,029,327	967,703	1,055,810
Capital grants and contributions	2,294,488	2,355,429	1,046,150	1,013,102	2,368,626
Total governmental activities program revenues	<u>11,015,585</u>	<u>10,405,242</u>	<u>11,255,139</u>	<u>9,459,973</u>	<u>11,638,608</u>
Business-type activities:					
Charges for Services:					
Sewer	3,087,514	3,740,826	4,105,523	4,225,532	4,561,235
Water	5,580,048	6,607,234	6,628,378	6,662,997	6,643,628
Golf	270,434	299,555	271,095	291,036	325,460
Recycling	545,695	453,259	455,271	367,469	348,965
Storm Drainage	956,350	1,526,792	1,647,924	1,722,757	1,696,055
Operating grants and contributions	70,267	104,891	69,613	70,419	189,251
Capital grants and contributions	250,858	20,858	259,550	470,967	2,000
Total business-type activities program revenues	<u>10,761,166</u>	<u>12,753,415</u>	<u>13,437,354</u>	<u>13,811,177</u>	<u>13,766,594</u>
Total primary government program revenues	<u>\$ 21,776,751</u>	<u>\$ 23,158,657</u>	<u>\$ 24,692,493</u>	<u>\$ 23,271,150</u>	<u>\$ 25,405,202</u>
Net (expense)/revenue					
Governmental activities	\$ (13,680,966)	\$ (14,883,390)	\$ (15,952,718)	\$ (19,145,233)	\$ (17,773,883)
Business-type activities	6,404	897,572	2,107,027	2,492,127	2,636,370
Total primary government net expense	<u>\$ (13,674,562)</u>	<u>\$ (13,985,818)</u>	<u>\$ (13,845,691)</u>	<u>\$ (16,653,106)</u>	<u>\$ (15,137,513)</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	\$ 13,501,068	\$ 15,085,154	\$ 16,895,804	\$ 17,318,833	\$ 17,710,161
Tax increments	1,592,214	2,342,447	1,607,882	1,927,267	2,220,661
Cable franchisetaxes	393,657	415,385	424,812	448,088	436,851
Gambling taxes	86,952	74,504	76,272	77,604	83,879
Grants and contributions not restricted to specific programs	25,738	24,693	24,928	249,375	24,435
Unrestricted investment earnings	730,809	350,717	288,600	474,218	579,253
Miscellaneous	-	-	-	-	-
Unrestricted net increase (decrease) in the fair value of Investments	-	-	(1,535,227)	1,614,919	119,627
Transfers	25,000	25,000	(72,884)	782,000	782,000
Total governmental activities	<u>16,355,438</u>	<u>18,317,900</u>	<u>17,710,187</u>	<u>22,892,304</u>	<u>21,956,867</u>
Business-type activities:					
Unrestricted investment earnings	123,786	39,801	25,662	56,806	45,199
Unrestricted net increase(decrease) in the fair value of investments	-	47,384	(233,366)	241,243	5,129
Gain on sale of capital assets	-	-	-	10,513	145,442
Transfers	(25,000)	(25,000)	72,884	(782,000)	(782,000)
Total business-type activities	<u>98,786</u>	<u>62,185</u>	<u>(134,820)</u>	<u>(473,438)</u>	<u>(586,230)</u>
Total primary government	<u>\$ 16,454,224</u>	<u>\$ 18,380,085</u>	<u>\$ 17,575,367</u>	<u>\$ 22,418,866</u>	<u>\$ 21,370,637</u>
Change in Net Position					
Governmental activities	\$ 2,674,472	\$ 3,434,510	\$ 1,757,469	\$ 3,747,071	\$ 4,182,984
Business-type activities	105,190	959,757	1,972,207	2,018,689	2,050,140
Total primary government	<u>\$ 2,779,662</u>	<u>\$ 4,394,267</u>	<u>\$ 3,729,676</u>	<u>\$ 5,765,760</u>	<u>\$ 6,233,124</u>

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

Table 3
 (Page 1 of 1)
Unaudited

Fiscal Year	Property Tax	Tax Increments	Cable Franchise Taxes	Gambling Taxes	Total
2006	10,684,683	2,535,830	310,790	81,152	13,612,455
2007	11,246,116	2,765,844	337,069	88,890	14,437,919
2008	12,417,024	2,956,413	372,706	70,488	15,816,631
2009	12,553,187	3,288,562	375,551	81,274	16,298,574
2010	15,611,387	1,966,665	380,108	80,282	18,038,442
2011	13,501,068	1,592,214	393,657	86,952	15,573,891
2012	15,085,154	2,342,447	415,385	74,504	17,917,490
2013	16,895,804	1,607,882	424,812	76,272	19,004,770
2014	17,318,833	1,927,267	448,088	77,604	19,771,792
2015	17,710,161	2,220,661	436,851	83,879	20,451,552

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

Table 4
 (Page 1 of 2)
Unaudited

	Fiscal Year				
	2006	2007	2008	2009	2010
General Fund					
Reserved	\$ 279,959	\$ 356,130	\$ 404,952	\$ 402,564	\$ 402,564
Unreserved	5,119,511	3,861,976	3,305,144	3,171,949	5,234,095
Nonspendable	-	-	-	-	-
Restricted					
Law enforcement	-	-	-	-	-
Assigned					
Engineering services	-	-	-	-	-
Accounting services	-	-	-	-	-
Unassigned	-	-	-	-	-
Total General Fund	\$ 5,399,470	\$ 4,218,106	\$ 3,710,096	\$ 3,574,513	\$ 5,636,659
All Other Governmental Funds					
Reserved	\$ 7,796,425	\$ 10,739,012	\$ 13,243,667	\$ 10,387,046	\$ 4,035,605
Unreserved, reported in:					
Special revenue funds	389,451	921,554	946,069	1,220,099	1,131,336
Debt Service	(1,471,817)	(916,039)	(458,367)	843,046	1,452,411
Capital projects funds	17,104,369	17,570,635	17,264,721	16,856,123	16,347,739
Nonspendable	-	-	-	-	-
Restricted					
Telecommunications	-	-	-	-	-
Lawful Gambling	-	-	-	-	-
Community Development	-	-	-	-	-
Park Dedication	-	-	-	-	-
Tax Increment	-	-	-	-	-
Debt Service	-	-	-	-	-
Bond Funded Capital Improvements	-	-	-	-	-
Committed					
Parks and Recreation Programs and Maintenance	-	-	-	-	-
License Center Improvements	-	-	-	-	-
Equipment Replacement	-	-	-	-	-
Street Replacement	-	-	-	-	-
Assigned					
Capital project funds	-	-	-	-	-
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	\$ 23,818,428	\$ 28,315,162	\$ 30,996,090	\$ 29,306,314	\$ 22,967,091

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

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

Table 4
 (Page 2 of 2)
Unaudited

	Fiscal Year				
	2011 (1)	2012	2013	2014	2015
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	-	-	-	-	25,891
Restricted					
Law enforcement	346,904	383,025	441,412	479,360	481,341
Assigned					
Engineering services	658,760	596,685	596,341	577,352	623,387
Accounting services	15,599	16,677	18,869	19,941	20,209
Unassigned	5,190,027	5,568,600	5,151,271	5,205,951	4,817,858
Total General Fund	\$ 6,211,290	\$ 6,564,987	\$ 6,207,893	\$ 6,282,604	\$ 5,968,686
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	2,165
Restricted					
Telecommunications	521,444	591,108	584,645	633,732	469,353
Lawful Gambling	-	-	-	5,820	42,615
Community Development	163,163	367,417	595,148	713,525	1,021,351
Park Dedication	692,203	702,615	1,287,496	1,094,437	1,247,663
Tax Increment	5,202,462	6,884,619	7,692,065	7,870,539	12,259,273
Debt Service	1,425,518	6,884,619	6,362,028	2,726,165	2,635,521
Bond Funded Capital Improvements	10,000,000	23,073,514	17,485,834	7,751,174	4,083,564
Committed					
Parks and Recreation Programs and Maintenance	643,912	922,537	1,111,161	1,099,011	1,282,896
License Center Improvements	598,391	790,951	925,567	1,154,394	1,243,903
Equipment Replacement	109,199	226,365	359,115	653,669	844,302
Street Replacement	11,078,323	10,308,674	9,393,137	9,965,641	10,098,522
Assigned					
Capital project funds	4,295,277	5,689,502	5,283,935	5,308,484	3,612,552
Unassigned	(47,403)	(29,777)	(10,315)	-	-
Total All Other Governmental Funds	\$ 34,682,489	\$ 56,412,144	\$ 51,069,816	\$ 38,976,591	\$ 38,843,680

City of Roseville, Minnesota
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

Table 5
 (Page 1 of 2)
Unaudited

	Fiscal Year				
	2006	2007	2008	2009	2010
Revenues					
Taxes	\$ 13,613	\$ 14,438	\$ 15,817	\$ 16,299	\$ 17,958
Intergovernmental	4,117	1,904	1,476	2,833	3,900
Licenses and permits	2,620	2,513	1,374	1,335	1,098
Charges for services	3,610	3,386	4,439	5,797	5,117
Fines and forfeits	256	242	232	197	214
Special assessments	561	589	423	1,542	530
Investment earnings	1,205	1,889	1,354	634	1,030
Miscellaneous	844	932	751	513	1,106
Total revenues	26,826	25,893	25,866	29,150	30,953
Expenditures					
General government	\$ 3,881	\$ 3,999	\$ 4,236	\$ 4,194	\$ 4,525
Public safety	7,039	7,260	7,589	7,393	8,794
Public works	1,933	2,075	2,256	2,082	2,361
Economic development	1,915	2,511	2,310	1,756	8,639
Recreation	3,359	3,510	3,611	3,506	3,638
Capital outlay	5,543	1,998	4,988	11,899	5,668
Debt service					
Principal	1,245	920	935	984	1,246
Interest	443	411	385	439	447
Other Charges	-	-	25	48	-
Total expenditures	25,358	22,684	26,335	32,301	35,318
Excess of revenues over (under) expenditures	1,468	3,209	(469)	(3,151)	(4,365)
Other financing sources (uses)					
Transfers in	\$ 297	\$ 649	\$ 133	\$ 144	\$ 203
Transfers out	(284)	(620)	(108)	(119)	(178)
Refunding bonds issued	-	-	-	1,070	-
Discount on bonds issued	-	-	-	(6)	-
Bonds issued	-	-	2,550	1,155	-
Premium on bonds issued	-	-	17	22	-
Payments to refunded bond escrow agent	-	-	-	(1,045)	-
Proceeds from letter of credit	827	-	-	-	-
Sale of assets	24	78	50	105	63
Total other financing sources (uses)	864	107	2,642	1,326	88
Net change in fund balances	\$ 2,332	\$ 3,315	\$ 2,173	\$ (1,825)	\$ (4,277)
Debt service as a percentage of noncapital expenditures	9.35%	6.81%	6.60%	7.14%	5.92%

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

	Fiscal Year				
	2011	2012	2013	2014	2015
Revenues					
Taxes	\$ 15,574	\$ 17,462	\$ 18,844	\$ 19,962	\$ 20,042
Intergovernmental	3,299	2,995	1,880	1,523	3,515
Licenses and permits	1,638	1,532	1,630	1,514	1,755
Charges for services	5,190	5,248	5,665	4,743	5,188
Fines and forfeits	227	314	237	205	136
Special assessments	295	308	179	214	171
Investment earnings	668	326	280	444	549
Miscellaneous	1,338	804	980	2,450	1,316
Total revenues	<u>28,229</u>	<u>28,989</u>	<u>29,695</u>	<u>31,055</u>	<u>32,672</u>
Expenditures					
General government	\$ 4,590	\$ 4,821	\$ 5,651	\$ 5,339	\$ 5,752
Public safety	8,314	8,780	9,111	9,353	9,683
Public works	2,279	2,183	2,334	2,397	2,488
Economic development	1,190	1,052	1,017	1,280	1,114
Recreation	3,623	3,688	3,808	4,070	4,617
Capital outlay	4,078	6,996	10,155	14,098	10,552
Debt service					
Principal	1,385	1,435	1,230	6,355	2,595
Interest	401	509	925	990	877
Other Charges	46	118	83	-	
Total expenditures	<u>25,906</u>	<u>29,582</u>	<u>34,314</u>	<u>43,882</u>	<u>37,678</u>
Excess of revenues over (under) expenditures	2,323	(593)	(4,619)	(12,827)	(5,006)
Other financing sources (uses)					
Transfers in	\$ 1,115	\$ 257	\$ 75	\$ 1,001	\$ 1,419
Transfers out	(1,090)	(231)	(50)	(219)	(637)
Refunding bonds issued	-	-	-	-	-
Discount on bonds issued	(100)	-	-	-	-
Bonds issued	10,000	-	-	-	3,060
Premium on bonds issued	-	1,445	194	-	186
Payments to refunded bond escrow agent	-	-	-	-	-
Proceeds from letter of credit	-	15,685	3,980	-	-
Sale of assets	42	31	210	27	531
Total other financing sources (uses)	<u>9,967</u>	<u>17,187</u>	<u>4,409</u>	<u>809</u>	<u>4,559</u>
Net change in fund balances	<u>\$ 12,290</u>	<u>\$ 16,593</u>	<u>\$ (210)</u>	<u>\$ (12,018)</u>	<u>\$ (447)</u>
Debt service as a percentage of noncapital expenditures	8.87%	9.83%	9.94%	31.39%	14.56%
				(1)	

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City of Roseville, Minnesota
GOVERNMENTAL FUNDS TAX REVENUES BY SOURCE
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

Table 6
 (Page 1 of 1)
Unaudited

<u>Fiscal Year</u>	<u>General Property Taxes (1)</u>	<u>Tax Increment Districts</u>	<u>Franchise Fee</u>	<u>Gambling Taxes</u>	<u>Total Taxes</u>
2006	\$ 10,685	\$ 2,536	\$ 311	\$ 81	\$ 13,613
2007	11,246	2,766	337	89	14,438
2008	12,417	2,956	373	70	15,816
2009	12,553	3,289	375	81	16,298
2010	15,611	1,967	380	80	18,038
2011	13,501	1,592	394	87	15,574
2012	14,815	2,158	415	75	17,463
2013	16,862	1,481	425	76	18,844
2014	17,393	2,043	448	78	19,962
2015	17,593	1,928	437	84	20,042

(1) General Property Taxes excludes Market Value Homestead Credit.
 General Property Taxes includes current and prior year collections.

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

Table 7
(Page 1 of 2)
Unaudited

Fiscal Year Ended December 31	Real Property			Gas & Electric	Personal Property Leased Machinery & Equipment
	Residential Property	Commercial Property	Other		
2006	24,486,956	19,534,538	6,929,309	476,114	50,436
2007	27,000,307	20,573,742	7,027,178	501,988	49,406
2008	27,963,022	23,644,984	7,951,147	483,564	87,052
2009	34,976,945	16,599,228	7,706,785	471,602	93,052
2010	33,951,760	16,112,699	7,480,896	470,187	29,739
2011	31,104,614	14,761,512	6,853,559	500,574	42,639
2012	29,774,292	14,130,173	6,560,437	535,063	55,906
2013	28,559,312	13,553,572	6,292,730	575,028	55,906
2014	29,146,350	13,832,166	6,422,077	579,255	55,197
2015	25,829,116	24,279,369	1,549,747	644,147	67,716

Sources: Ramsey County & League of MN Cities

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

Table 7
(Page 2 of 2)
Unaudited

Fiscal Year Ended December 31	Less: TIF & Fiscal Disparity Contribution (Net)	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assesed Value as a Percentage of Actual Value
2006	(7,286,743)	44,190,610	23.21%	3,918,199,200	1.13%
2007	(8,158,721)	46,993,900	23.01%	4,225,611,500	1.11%
2008	(8,447,095)	51,682,674	23.38%	4,522,375,200	1.14%
2009	(9,487,097)	48,558,184	24.55%	4,455,162,600	1.13%
2010	(8,191,870)	45,071,027	27.37%	4,288,071,400	1.16%
2011	(7,769,452)	45,459,056	29.76%	3,985,073,200	1.14%
2012	(8,386,165)	42,669,706	33.45%	3,751,962,400	1.14%
2013	(6,191,131)	42,845,417	38.90%	3,735,196,900	1.15%
2014	(7,114,388)	42,920,657	40.12%	3,814,082,800	1.13%
2015	(7,468,963)	44,901,131	38.91%	4,033,873,100	1.11%

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

Table 8
(Page 1 of 2)
Unaudited

Fiscal Year	City of Roseville			Ramsey County	Special Districts
	Operating Tax Capacity	Debt Service Tax Capacity	Total City Tax Capacity	Total County Tax Capacity	Tax Capacity
2006	19.29%	3.93%	23.21%	46.62%	7.93%
2007	19.31%	3.70%	23.01%	44.94%	8.25%
2008	20.34%	3.04%	23.38%	44.02%	8.30%
2009	21.11%	3.43%	24.54%	46.55%	8.13%
2010	23.59%	3.78%	27.37%	50.25%	8.69%
2011	26.82%	2.94%	29.76%	54.68%	9.11%
2012	30.12%	3.33%	33.45%	61.32%	10.79%
2013	33.42%	5.48%	38.90%	65.24%	12.05%
2014	34.09%	6.03%	40.12%	63.74%	11.79%
2015	33.78%	5.55%	39.33%	58.92%	11.13%

Sources: Ramsey County & League of MN Cities

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

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

Table 8
 (Page 2 of 2)
 Unaudited

Fiscal Year	Overlapping Rates (1)		School District - ISD#623		Total Direct & Overlapping Tax Capacity
	School District - ISD#621		School District - ISD#623		
	Tax Capacity Based	Market Value Based Tax Rate	Total Capacity Based	Market Value Based Tax Rate	
2006	23.42%	0.12803%	16.66%	0.15115%	117.85%
2007	23.26%	0.18163%	12.37%	0.16932%	111.85%
2008	20.38%	0.18924%	10.62%	0.18134%	106.71%
2009	22.94%	0.18685%	12.98%	0.22290%	115.14%
2010	24.56%	0.18882%	13.07%	0.20374%	123.93%
2011	25.57%	0.19536%	14.57%	0.19715%	133.68%
2012	29.04%	0.21242%	17.07%	0.19591%	151.66%
2013	29.44%	0.22834%	15.46%	0.24553%	161.10%
2014	29.73%	0.21069%	16.25%	0.25826%	161.63%
2015	27.38%	0.21901%	17.18%	0.25930%	153.94%

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

Table 9
 (Page 1 of 1)
Unaudited

Taxpayer	2015			2006		
	Taxes Levied	Rank	Percentage of Total Taxes Levied	Taxes Levied	Rank	Percentage of Total Taxes Levied
PPF Rtl Rosedale Shopping Ctr LLC	\$ 1,679,439	1	9.19%	\$ -	-	-
Gateway Washington Inc	434,871	2	2.38%	-	-	-
St Paul Fire And Marine Ins Co	369,845	3	2.02%	-	-	-
Wilcal Crossroads LLC	332,842	4	1.82%	-	-	-
Magellan Pipeline Co LP	327,068	5	1.79%	-	-	-
Rosedale Square LLC	246,587	6	1.35%	-	-	-
Rosedale Commons LP	215,320	7	1.18%	58,265	9	0.52%
Veritas Technologies LLC	212,340	8	1.16%	-	-	-
BRE Timberwolf Property Owner LLC	203,081	9	1.11%	-	-	-
CSM Investors Inc	192,698	10	1.05%	-	-	-
Compass Retail, Inc.	-	-	-	369,555	1	3.31%
Bradley Operating LP	-	-	-	149,628	2	1.34%
M & J Crossroads LP	-	-	-	119,142	3	1.07%
AEW Capital Management LP	-	-	-	77,605	4	0.69%
Unisys Corp.	-	-	-	74,536	5	0.67%
Tanurb Developments, Inc.	-	-	-	71,691	6	0.64%
Williams Bros Pipeline	-	-	-	68,914	7	0.62%
JLT Roseville Corporate Center	-	-	-	60,201	8	0.54%
The May Dept. Stores	-	-	-	57,329	10	0.51%
	<u>\$ 4,214,091</u>		<u>23.06%</u>	<u>\$ 1,106,866</u>		<u>9.91%</u>

Source: Ramsey County

Fiscal Year Ended Decemebr 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy	Collections from Homestead Credit		Amount	Percentage of Levy
2006	11,169,865	10,684,682	95.66%	-	-	10,684,682	95.66%
2007	11,696,360	11,246,116	96.15%	423,246	-	11,669,362	99.77%
2008	12,896,360	12,305,759	95.42%	402,488	-	12,707,947	98.54%
2009	13,138,860	12,553,187	95.54%	-	-	12,553,187	95.54%
2010	14,282,404	14,099,407	98.72%	-	-	14,099,407	98.72%
2011	14,703,044	13,501,068	91.82%	-	-	13,501,068	91.82%
2012	14,962,294	14,814,570	99.01%	-	-	14,814,570	99.01%
2013	17,319,826	16,861,841	97.36%	-	-	16,861,841	97.36%
2014	18,028,721	17,318,833	96.06%	-	-	17,318,833	96.06%
2015	18,276,902	17,592,866	96.26%	-	-	17,592,866	96.26%

Fiscal Year	Governmental Activities			Certificate of Indebtedness	Total Primary Government	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Special Assessment Bonds	Tax Increment Revenue Bonds				
2006	9,000,000	2,875,000	-	-	11,875,000	0.30%	350
2007	8,455,000	2,500,000	-	-	10,955,000	0.26%	323
2008	7,890,000	2,130,000	-	2,550,000	12,570,000	0.28%	369
2009	8,465,000	1,750,000	-	2,550,000	12,765,000	0.29%	374
2010	7,860,000	1,330,000	-	2,330,000	11,520,000	0.29%	337
2011	17,175,000	890,000	-	2,070,000	20,135,000	0.51%	598
2012	33,594,996	435,000	-	1,800,000	35,829,996	0.95%	1,060
2013	36,927,216	225,000	-	1,525,000	38,677,216	1.04%	1,122
2014	29,540,000	-	-	1,240,000	30,780,000	0.81%	893
2015	27,240,000	-	3,060,000	945,000	31,245,000	0.77%	885

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

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

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

Fiscal Year	General Obligation Debt	Resources Restricted for Repayment (4)	Net General Bonded Debt (4)	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)	Estimated (3) Personal Income (amounts expressed in whole dollars)	Outstanding Debt to Personal income
2006	11,875,000	N/A	N/A	0.30%	349.58	1,315,007,728	0.90%
2007	10,955,000	N/A	N/A	0.26%	322.50	1,593,883,946	0.69%
2008	12,570,000	N/A	N/A	0.28%	368.63	1,602,820,426	0.78%
2009	12,765,000	N/A	N/A	0.29%	374.35	1,632,080,437	0.78%
2010	11,520,000	N/A	N/A	0.27%	337.06	1,561,148,506	0.74%
2011	20,135,000	1,807,185	18,327,815	0.51%	598.19	1,582,289,280	1.27%
2012	35,829,996	1,683,056	36,994,160	0.95%	1,010.06	1,644,947,199	2.18%
2013	38,677,216	2,493,489	32,203,727	1.04%	933.82	1,590,632,264	2.43%
2014	30,780,000	2,726,165	28,053,835	0.81%	813.72	1,604,133,804	1.92%
2015	31,245,000	2,695,402	28,549,598	0.77%	808.63	1,660,052,814	1.88%

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

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

Governmental Unit	Gross Debt Net of Refunding	Cash Held in Debt Service Fund	Net Debt Outstanding	Percentage Applicable to Roseville	Amount Applicable to Roseville
Direct Debt:					
City of Roseville	\$ 31,245,000	\$ 2,645,672	\$ 28,599,328	100%	\$ 28,599,328
Overlapping Debt*					
School District #621	\$ 118,030,000	\$ 19,742,100	\$ 98,287,900	8%	\$ 7,863,032
School District #623	39,470,000	1,917,895	37,552,105	61%	22,906,784
Special School District #916	82,995,000	475,823	82,519,177	8%	6,601,534
Metropolitan Council	1,419,891,649	205,989,809	1,213,901,840	1%	12,139,018
Metropolitan Airports Commission	1,346,640,000	212,285,184	1,134,354,816	1%	11,343,548
Ramsey County	207,722,000	27,937,674	179,784,326	9%	16,180,589
Total Overlapping Debt	3,214,748,649	468,348,485	2,746,400,164		77,034,506
Total Direct and Overlapping Debt	\$ 3,245,993,649	\$ 470,994,157	\$ 2,774,999,492		\$ 105,633,834

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

	Fiscal Year				
	2006	2007	2008	2009	2010
Debt Limit	\$ 78,363,984	\$ 84,512,230	\$ 135,671,256	\$ 133,654,878	\$ 128,642,142
Total net debt applicable to limit	9,000,000	8,455,000	10,440,000	11,015,000	9,035,000
Legal debt margin	<u>\$ 69,363,984</u>	<u>\$ 76,057,230</u>	<u>\$ 125,231,256</u>	<u>\$ 122,639,878</u>	<u>\$ 119,607,142</u>
Total net debt applicable to the limit as a percentage of debt limit	11.48%	10.00%	7.70%	8.24%	8.24%

	Fiscal Year				
	2011	2012	2013	2014	2015
Debt Limit	\$ 119,552,196	\$ 112,558,872	\$ 112,055,907	\$ 114,422,484	\$ 121,016,193
Total net debt applicable to limit	18,090,000	32,795,000	37,297,216	29,875,000	28,185,000
Legal debt margin	<u>\$ 101,462,196</u>	<u>\$ 79,763,872</u>	<u>\$ 74,758,691</u>	<u>\$ 84,547,484</u>	<u>\$ 92,831,193</u>
Total net debt applicable to the limit as a percentage of debt limit	15.13%	29.14%	33.28%	26.11%	23.29%

Legal Debt Margin Calculation for Fiscal Year 2015

Estimated Market Value	<u>\$ 4,033,873,100</u>
Debt Limit (3% of total estimated market value)	121,016,193
Debt applicable to limit:	
Total Bonded Debt	31,245,000
Less:	
Special Assessment Bonds	3,060,000
Housing Bonds	
Total net debt applicable to limit	<u>28,185,000</u>
Legal Debt Margin	<u>\$ 92,831,193</u>

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

Fiscal Year	Population (1)	Estimated Personal Income (2)	Per Capita Personal income (3)	School Enrollment District #623 (4)	School Enrollment District #621 (4)	Unemployment Rate (5)
2006	33,969	1,315,007,928	38,712	6,396	9,929	3.4%
2007	33,969	1,593,883,946	44,852	6,420	9,705	3.9%
2008	34,099	1,602,820,426	47,005	6,486	9,792	5.7%
2009	34,099	1,632,080,437	47,863	6,400	9,674	7.0%
2010	34,178	1,561,148,506	45,677	6,444	9,849	5.5%
2011	33,660	1,582,289,280	47,008	6,588	9,765	4.5%
2012	33,807	1,644,947,199	48,657	6,804	9,948	4.4%
2013	34,486	1,590,632,264	46,124	7,587	10,236	4.3%
2014	34,476	1,604,133,804	46,529	7,397	10,504	3.2%
2015	35,306	1,660,052,814	47,019	7,507	10,759	3.0%

- (1) Population and per capita income figures, other than census year, are estimates provided by the Metropolitan Council. The last census was taken in the year 2010.
- (2) This estimated personal income number is calculated by taking the per capita personal income of Ramsey County and multiplying it by the City population. Also see note (3) regarding the Per Capita Personal Income figures.
- (3) The per capita personal income used is for that of Ramsey County, in which the city resides, the smallest region applicable to the City that this information is available for. In addition, the 2009 - 2011 figures are an estimate for the State of Minnesota provided by the Bureau of Economic Analysis as there were no other relevant estimates available at the time of this report.
- (4) The City is served by two independent school districts.
 District #623 covers approximately 67% of the City, while District #621 covers approximately 33% of the City. Accordingly, not all students enrolled in District #621 live in the City of Roseville.
 Information is provided by the Roseville and Moundview School Districts.
- (5) Annual average unemployment provided by the Minnesota Department of Employment & Economic Development

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<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
MN Dept. of Transportation	800	1	4.37%	450	10	2.05%
University-Northwestern-St Pl	700	2	3.82%	500	6	2.27%
Metz Baking Co	600	3	3.28%	-	-	-
Minnesota Department-Education	500	4	2.73%	-	-	-
Symantec Corp	500	5	2.73%	-	-	-
MEDTOX Scientific Inc	400	6	2.18%	-	-	-
Old Dutch Foods LTD	400	7	2.18%	-	-	-
Byerly's Inc	377	8	2.06%	-	-	-
Pentair Hypro	375	9	2.05%	-	-	-
Eagle Crest Retirement Community	330	10	1.80%	-	-	-
McGough Construction	-	-	-	800	1	3.64%
Unisys	-	-	-	800	2	3.64%
Presbyterian Homes Housing	-	-	-	560	3	2.55%
Roseville Area Schools	-	-	-	547	4	2.49%
Marshall Fields	-	-	-	531	5	2.41%
Sara Lee Baking Company	-	-	-	500	7	2.27%
Target	-	-	-	500	8	2.27%
Veritas Corporation	-	-	-	500	9	2.27%
Total	4,982		27.20%	4,738		21.54%

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

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 (1)
General government	31.25	32.5	33.5	33.5	34	34	35.5	39.3	40.75	41.25
Public safety										
Police	57.5	57.5	58	58	56.5	56.5	57	54.25	54.5	63.5
Fire	4.5	7.5	8	8	8	7	6	6	11	26.5
Public Works	17.25	17.25	17.25	17.25	16.75	16.74	16.47	15.75	15.75	18.5
Recreation	22.25	22.25	22.25	22.25	21.25	20.25	22.25	23	24	45.25
Economic Development	10.4	10.9	10.9	10.9	10.9	10.9	9.9	10	11	13.5
Water	6.17	6.17	6.17	6.17	6.17	7.29	7.54	6.62	6.97	8.5
Sewer	5.16	5.16	5.16	5.16	5.66	3.71	3.71	5.47	5.12	5.75
Golf	2.5	2.5	2.5	2.5	2.5	2.5	1.75	1.75	1.75	4.5
Recycling	-	-	-	-	-	-	-	0.3	0.3	0.25
Storm Drainage	3.42	3.42	3.42	3.42	3.42	4.01	4.03	4.87	4.87	4.75
Total	159.65	157.90	160.40	165.15	167.15	167.15	164.15	167.31	176.01	232.25

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

Function	Fiscal Year				
	2006	2007 (1)	2008	2009	2010
Police					
Serious offenses	3,068	3,036	3,001	2,669	2,551
Public Assistance Calls	37,632	38,598	38,052	35,000	38,000
Traffic citations	9,312	9,219	8,062	8,138	8,551
Fire					
Fire incidents	931	4,313	4,300	4,036	4,225
Fire inspections	1,740	1,740	1,800	1,051	1,011
Public Works					
Street patching (tons)	800	900	1,006	1,000	900
Sealcoating (miles)	16	13	15	14	14
Snow / ice control (miles)	123	123	125	125	125
Sign repair / replacements	250	335	197	300	524
Recreation					
Recreation and leisure participations	112,061	113,250	112,725	112,800	112,700
Facility usage permits	1,093	1,125	1,115	1,095	1,080
Economic Development					
Building permits issued	1,270	1,302	1,254	1,307	1,146
Number of inspections	6,532	7,313	6,051	5,509	5,306
Planning / zoning cases	100	69	45	35	29
Water					
Meters repaired / replaced	402	407	554	519	592
Water main breaks	30	39	38	33	29
Hydrants repaired / flushed	1,701	1,711	1,706	1,711	1,711
Annual water pumped (thousands of gallons)	2,115,219	2,156,057	2,066,694	2,081,975	1,807,879
Sewer					
Sewer pipes repaired / replaced (linear feet)	5,098	4,849	5,000	8,162	5,457
Sewer pipes cleaned (linear feet)	257,000	235,000	276,000	237,000	261,000
Sewer pipes televised (linear feet)	9,400	43,755	61,497	72,772	89,260
Annual sewer flow (thousands of gallons)	2,115,219	2,156,057	2,066,694	2,081,976	1,157,210
Golf					
Number of rounds played	31,139	31,794	31,147	30,458	28,325
Recycling					
Materials collected (tons)	3,402	3,681	3,750	2,697	3,321
Storm Drainage					
Sweeping (centerline miles)	125	125	125	125	125
Leaf collection (Cubic yards)	20,000	20,000	20,000	20,000	20,000
Structure inspections	171	167	71	350	258
Infrastructure repair / replace (linear feet)	3,072	625	188	242	96

Sources: Various city departments

(1) In 2007 the Fire Department changed their policy in responding to medical calls. The Fire Department now responds to ALL medical calls, no matter their severity. The large increase of fire incidents in 2007 includes these additional calls.

Function	Fiscal Year				
	2011	2012	2013	2014	2015
Police					
Serious offenses	2,810	2,758	2,522	3,008	3,096
Public Assistance Calls	36,571	34,665	34,942	32,624	33,549
Traffic citations	8,404	10,503	10,823	9,250	6,138
Fire					
Fire incidents	4,290	4,383	4,468	4,701	4,746
Fire inspections	1,050	473	673	565	495
Public Works					
Street patching (tons)	920	715	810	770	655
Sealcoating (miles)	15	14	13	10	0
Snow / ice control (miles)	125	125	125	125	125
Sign repair / replacements	254	150	140	131	369
Recreation					
Recreation and leisure participations	112,750	112,730	112,825	113,000	115,000
Facility usage permits	1,075	1,060	1,170	1,200	1,440
Economic Development					
Building permits issued	1,714	1,508	1,763	1,539	1,874
Number of inspections	4,826	5,020	5,574	5,246	5,685
Planning / zoning cases	30	35	27	33	26
Water					
Meters repaired / replaced	780	590	900	1,100	5,836
Water main breaks	29	21	27	49	31
Hydrants repaired / flushed	1,836	1,799	1,875	1,875	1,875
Annual water pumped (thousands of gallons)	1,857,404	1,996,677	1,826,482	1,650,069	1,645,610
Sewer					
Sewer pipes repaired / replaced (linear feet)	15,109	21,900	39,827	33,312	30,348
Sewer pipes cleaned (linear feet)	274,560	274,673	255,672	230,923	282,740
Sewer pipes televised (linear feet)	59,567	67,794	40,166	15,312	95,044
Annual sewer flow (thousands of gallons)	1,399,720	1,213,440	1,243,730	1,248,820	1,134,520
Golf					
Number of rounds played	25,518	25,929	24,282	25,186	25,663
Recycling					
Materials collected (tons)	3,244	3,173	3,226	3,150	3,305
Storm Drainage					
Sweeping (centerline miles)	125	125	125	125	125
Leaf collection (Cubic yards)	20,000	20,000	20,000	20,000	20,000
Structure inspections	500	400	200	113	169
Infrastructure repair / replace (linear feet)	128	70	1,049	1,233	2,074

Function	Fiscal Year				
	2006	2007	2008	2009	2010
Public Safety					
Police:					
Stations	1	1	1	1	1
Patrol Units	27	27	27	27	34
Fire Stations	3	3	3	3	3
Public Works					
Streets (miles)	123	123	123	123	122
Street Lights	1,125	1,125	1,125	1,125	1,125
Recreation					
Parks and playgrounds	30	30	30	30	30
Lighted park shelters	8	8	8	8	8
Parks Acreage	685	685	685	685	685
Skating Rinks					
Outdoor	10	10	8	8	8
Indoor	1	1	1	1	1
Golf Course	1	1	1	1	1
Ballfields	41	41	41	41	41
Soccer/football fields	8	8	8	8	8
Tennis Courts	17	17	17	17	17
Volleyball Courts	9	9	9	9	9
Basketball Courts	8	8	8	8	8
Miles of Trails	69	69	69	69	69
Water					
Number of connections	10,135	10,256	10,271	10,300	10,261
Water mains (miles)	166	166	166	166	166
Fire Hydrants	1,701	1,711	1,711	1,711	1,711
Water purchased from St. Paul (thousands of gallons)	2,115,219	2,156,057	2,066,694	2,081,975	1,807,879
Sewer					
Number of connections	10,083	10,199	10,015	10,021	10,188
Sanitary sewers (miles)	156	156	156	156	156
Storm drainage					
Storm sewers (miles)	145	145	145	145	145

Sources: Various city departments

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

Function	Fiscal Year				
	2011	2012	2013	2014	2015
Public Safety					
Police:					
Stations	1	1	1	1	1
Patrol Units	36	33	38	38	38
Fire Stations	2	2	1	1	1
Public Works					
Streets (miles)	125	125	125	125	125
Street Lights	1,125	1,133	1,133	1,133	1,133
Recreation					
Parks and playgrounds	30	30	30	30	30
Lighted park shelters	8	8	8	5	5
Parks Acreage	685	685	685	685	685
Skating Rinks					
Outdoor	8	12	10	10	11
Indoor	1	1	1	1	1
Golf Course	1	1	1	1	1
Ballfields	41	41	41	21	21
Soccer/football fields	8	8	8	19	19
Tennis Courts	17	17	17	17	17
Volleyball Courts	9	6	6	5	5
Basketball Courts	8	8	9	15	15
Miles of Trails	69	69	69	71	71
Water					
Number of connections	10,303	10,303	10,303	10,303	10,311
Water mains (miles)	166	166	166	166	166
Fire Hydrants	1,711	1,711	1,711	1,711	1,711
Water purchased from St. Paul (thousands of gallons)	1,857,404	1,996,677	1,826,482	1,650,069	1,645,610
Sewer					
Number of connections	10,200	10,130	10,130	10,130	10,135
Sanitary sewers (miles)	156	156	156	156	156
Storm drainage					
Storm sewers (miles)	145	145	145	145	145

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