



City of Arden Hills Minnesota

2019 Adopted Budget



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**CITY OF ARDEN HILLS
MINNESOTA**

2019 BUDGET

2019 CITY OFFICIALS

**TERM OF OFFICE EXPIRES
DECEMBER 31ST**

Mayor.....David Grant	2022
Councilperson.....Brenda Holden	2020
Councilperson.....Fran Holmes	2022
Councilperson.....David McClung	2020
Councilperson.....Steve Scott	2022
City Administrator.....Dave Perrault	
City Clerk.....Julie Hanson	
Finance Director.....Gayle Bauman	
Public Works Director.....Sue Polka	

**CITY OF ARDEN HILLS, MINNESOTA
2019 BUDGET**

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Guide to the Document

A budget serves many purposes. It is the City's annual financing and spending plan, providing a means for allocating resources to meet the needs and desires of the residents of the City. The budget balances City revenues with community priorities and requirements. The annual budget serves as a communication device, a policy document, a resource allocation tool, an accountability tool, and a management tool. The budget document grants spending authority to City staff, as well as providing the spending plan for the City of Arden Hills.

Document Organization

Pertinent Information on Arden Hills

This section relays the Vision Statement of the City and a brief history of our community. A Citywide organizational chart and maps are included.

Budget Message

The City Administrator's and Finance Director's Budget Message summarizes the budget by outlining critical issues and challenges for the fiscal year and accomplishments of the prior year. The budget overview summarizes the financial components of the City, including revenue trends and significant new expenditures.

Staffing

This section contains a list of all authorized positions for the City by department and provides historical staffing information.

Policies

This section contains budget policies and procedures adopted by the City Council and followed by staff.

Summary Information

This section of the budget contains summary information about the structure of the City government. It includes budget practices and policies, the City's budget process, as well as budget assumptions and summary financial tables.

General Fund

The accounts of the city are organized on the basis of funds and account groups. These funds and account groups are organized to segregate and account for restricted resources.

Each fund and account group is a separate accounting entity. The General Fund is the primary revenue source for most parks and recreation and neighborhood and community services. Department detail is included.

Other Funds

The other funds section contains non-general fund sources of revenues. These funds are grouped into Special Revenue Funds, Debt Service Funds, Capital Project Funds, and Enterprise Funds. Each fund type is described in this section and a financial summary is provided for each.

Capital Improvement Plan

The capital improvement projects scheduled for funding in the budget year are summarized in this section. The capital improvement budgets for the budget year are included in the Department and Capital Fund sections to present a comprehensive view of all funds of the City.

Long Term Financial Forecasting

Long term forecasting is an important tool for a City to use in developing programs and project schedules. This section will include the status of the City's ten-year forecast.

Glossary

Budget terms and acronyms used in the budget document are provided for the reader's reference.

Pertinent Information on the City of Arden Hills



VISION

A strong community that values its unique environmental setting, strong residential neighborhoods, vital business community, well-maintained infrastructure, fiscal soundness, and our long-standing tradition as a desirable City in which to live, work, and play.

CORE VALUES

In bringing our vision into the future, we are committed to maintaining and building on our core values:

- ◆ ***Strong neighborhoods and businesses***
- ◆ ***Community development and integration of old and new***
 - ◆ ***Fiscal responsibility***
 - ◆ ***Environmental awareness and stewardship***
 - ◆ ***Effective, timely, and inclusive communication***
- ◆ ***Responsible stewardship of infrastructure, parks, and trails***
 - ◆ ***Community-based planning***
 - ◆ ***Efficient and effective police and fire protection***

A Brief History

The City of Arden Hills is located in the northwest corner of Ramsey County. The city sits north of Roseville, south and west of Shoreview, and east of Mounds View and New Brighton. Interstate 35W runs along the Western boundary of the city, Lexington Avenue runs along the eastern boundary, County Road I forms the northern boundary and County Road D is the southern boundary. In total the city is approx. 9.6 square miles.

The name of the City is said to have come from billionaire Senator Joseph Hackey's hobby farm, Arden Farms. Hackey started the farm within the city limits back in 1906. Hackey was not the first to start farming the area though. The first actual settler was Charles Perry, who ran a small potato farm adjacent to Lake Johanna in the 1850's. Lake Johanna sits at the southern end of the city and has been a popular location for swimming, fishing and boating since the late 1800's.

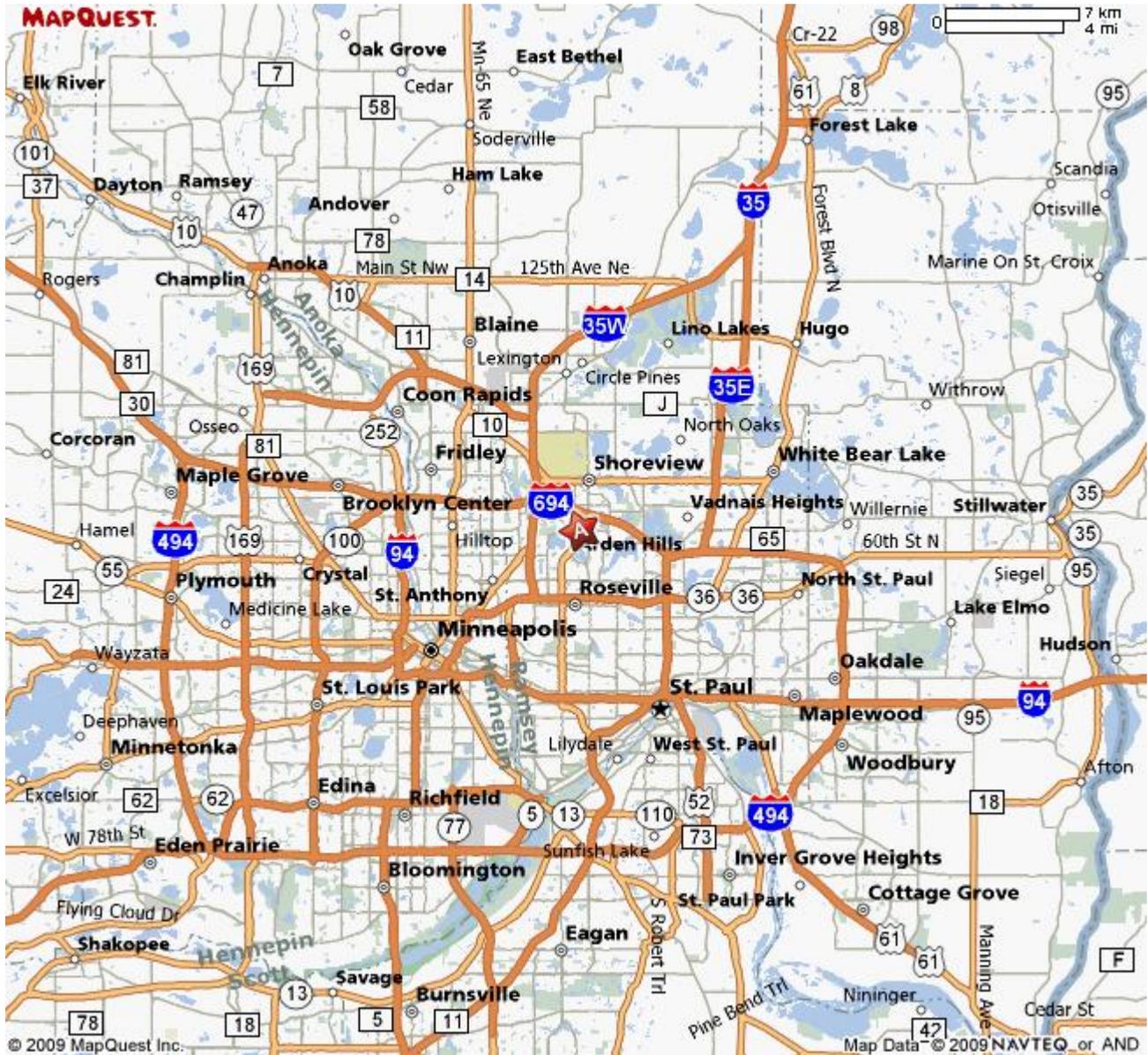
The city was originally part of the Mounds View Township. When the township was organized, it included the present Shoreview, Arden Hills, New Brighton, Mounds View, and parts of North Oaks and St. Anthony. Arden Hills was incorporated on February 14, 1951, in response to New Brighton's request for annexation of the area. Over the next 20 years the boundaries of the city were formed through other annexation deals and land trades, forming the city as it currently stands.

In 1941 the Federal government purchased 2,530 acres of farmland, approx 1/3 of the city, for the establishment of an ammunition manufacturing site. At its peak, during World War II, the arsenal employed 26,000 people, producing 4 billion rounds of ammunition. The plant remained active throughout WWII, Korea and Vietnam. In 1994 the land was declared by the United States Army as excess federal land. The Minnesota National Guard still controls and uses the east half of the site for training.

Arden Hills experienced a rapid growth from 1970-1979, during which a total of 1,065 new housing units were constructed. This is about a third of the present number of housing units in the city. Arden Hills is also home to 2 major corporations, Boston Scientific and Land O' Lakes. The direct access to Interstate 35W, Interstate 694, U.S. Highway 10, Minnesota Highway 51, and County Highway 96 make the city an ideal location for both business and residents. The city is also home to Bethel University and Northwestern College, which is partially within city limits. Mounds View High School is also located within the city boundary.

The current city population is estimated at 10,066 residents. In 1996 the city conducted a Quality of Life study and found that residents are very satisfied with their community. Location, high quality schools and available housing were found to be the most important reasons for living in Arden Hills. Parks, a small town feeling, and lower taxes are also important to the residents of Arden Hills.

MAP OF ARDEN HILLS AND SURROUNDING AREA





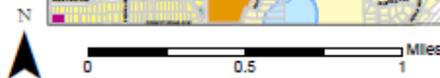
Zoning Map

- TRC CC – Campus Commercial
- TRC – Civic/Open Space
- TRC FO – Flex Office
- TRC RMU – Retail Mixed Use
- TRC NR-1 – Residential
- TRC NR-2 – Residential
- TRC NR-3 – Residential
- TRC NR-4 – Residential
- TRC NT – Neighborhood Transition
- TRC OMU – Office Mixed Use
- TRC OS – Open Space
- TRC TC – Town Center
- TRC – Water Infrastructure
- R-1 - Single Family Residential District
- R-2 - Single & Two Family Residential District
- R-3 - Townhouse & Low Density Multiple Dwelling District
- R-4 - Multiple Dwelling District
- B-1 - Limited Business District
- B-2 - General Business District
- B-3 - Service Business District
- B-4 - Retail Center District
- NB - Neighborhood Business District
- CC - Civic Center District
- GB - Gateway Business
- I-1 - Limited Industrial District
- I-2 - General Industrial District
- I-FLEX District
- POS - Parks and Open Space District
- CD - Conservation District
- Railroad
- ROW
- WATER

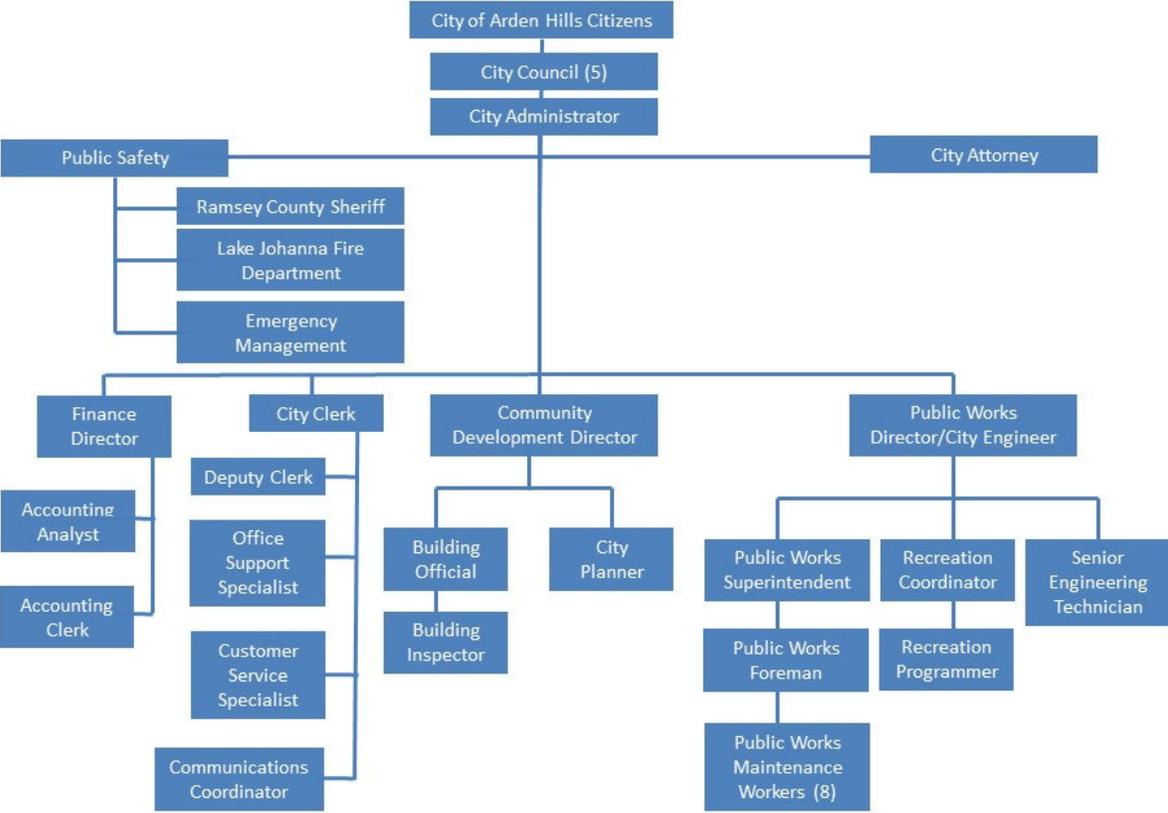


The zoning district designations represented on this map correspond to the City of Arden Hills official Zoning Map. Questions concerning the Zoning Map should be directed to City Hall. Zoning designations are subject to change. Please refer to the Zoning Code for complete information.

Adopted: April 12, 1993
 Printed: April 1, 2016



City of Arden Hills Organizational Chart



Budget Message

Honorable Mayor and Council Members:

Annually, the City Administrator must prepare a budget and present it to the City Council. The following budget report represents a summary of the adopted proposals for all services to be provided by the City in 2019. The 2019 budget includes the operations of the General Fund which is supported by property taxes and the memorandum budgets for the Special Revenue Funds, Debt Service Fund, Capital Project Funds, Internal Service Funds, and Enterprise Funds. The City Council has reviewed the budget in work sessions over the past months. On September 10, 2018, the City Council adopted the preliminary property tax levy. The proposed 2019 budget and final property tax levy were adopted at the December 10, 2018 City Council Meeting.

The budget is more than a financial document, as it reflects the City's plans, policies, procedures, and objectives regarding services to be provided in fiscal year 2019 and beyond. The following segments will serve to highlight the focal points of these plans for the 2019 budget.

Priorities & Initiatives

The primary objective of the City is stated within its Vision Statement (See Page 3). This statement also describes Arden Hills. The budget provides a plan to help achieve the City's vision for 2019 and beyond. It includes priorities and initiatives for the current year, as well as a focus for the future. The following represent the main ongoing priorities of the City:

- Active Living – Enhance the health, safety, and well-being of all who live, work, and play in the City.
- Land Use – Develop and maintain a land use pattern that strengthens the vitality, quality, and character of our residential neighborhoods, commercial districts, and industrial areas while protecting the community's natural resources and developing a sustainable pattern for future development.
- Housing – Develop and maintain a strong, vital, diverse and stable housing supply for all members of the community.
- Economic Development and Redevelopment – Promote the development, redevelopment, and maintenance of a viable, innovative, and diverse business environment serving Arden Hills and the metropolitan area.
- Parks and Recreation – Create a comprehensive, maintained, and interconnected system of parks, pathways, and open spaces as well as a balanced program of recreational activities for residents of all ages, incomes, and abilities.
- Protected Resources – Preserve, protect, and restore the community's natural resources, including open spaces, lakes, wetlands, other significant natural features, and historic resources.

- Transportation – Provide a transportation system that has convenient and effective multi-modal connections within Arden Hills and to adjacent municipalities, the remainder of the Twin Cities metropolitan area and greater Minnesota.
- Environmental Conservation and Sustainability – Promote conservation and sustainable design practices in the preservation, development, redevelopment, and maintenance of the City’s natural and built environment.
- Public Facilities, Infrastructure, and Services – Provide efficient and high-quality public facilities, services and infrastructure.
- Twin Cities Army Ammunition Plant (TCAAP) redevelopment or “Rice Creek Commons” – The City continues to work with the County and Master Developer on the redevelopment of this 427 acre site.

Impact of Legislation

The 2018 legislature did not enact levy limits for 2019. However, the minimum wage was increased effective January 1, 2019, to \$9.86 an hour. The City has verified that we are in compliance with this law.

Highlights of the Past Year

Several significant accomplishments were achieved during the past year. Following is a list of noteworthy accomplishments for the last year:

- Received award for Distinguished Budget Presentation.
- Received Certificate of Achievement for Excellence in Financial Reporting.
- Received award for Outstanding Achievement in Popular Annual Financial Reporting.
- Filled vacancies including the City Administrator, Finance Director and Public Works Director positions.
- Added two new positions – Senior Engineering Technician and Recreation Programmer.
- Completed numerous Public Works projects, both planned and unplanned.

Budget Initiatives

The 2019 budget document has been prepared after analyzing and evaluating requests from the various departments, and represents the requested financial support for the operations of the City of Arden Hills for the upcoming fiscal year. Revenue estimates are conservative, yet realistic. The importance of a sound revenue picture cannot be overstated. Revenue estimates are based on historical trends and projected conservatively.

The City of Arden Hills provides a wide range of services to the community, including police and fire protection, street and park maintenance, snow and ice removal, water and sewer utility services, and administrative and planning services. The level of service provided by the

proposed budget is similar to that currently enjoyed by the community and in some cases increased.

Major Initiatives

The City of Arden Hills provides a full range of municipal services, as listed in the previous paragraph and as authorized by State Statute. Arden Hills has been blessed with many assets, including a beautiful setting, an excellent location, a rich heritage, and a talented population. The City seeks to use, preserve and enhance these assets in building a great place to live, work, and play. The City will fulfill the goals below to achieve this mission:

1. Maintain a low tax rate while providing a high level of City services.
2. Provide an excellent system of parks, trails and recreational facilities.
3. Maintain the City streets by following a Pavement Management Program.
4. Improve traffic flow around and through the City.
5. Seek to develop and attract a wide range of employment opportunities with an emphasis on jobs at higher pay levels.

Total Budget

The following 2019 budget was established for the City with comparative totals for 2018:

Funds	Revenue		Expenditures	
	2018	2019	2018	2019
General	\$ 4,939,531	\$ 5,292,620	\$ 5,176,756	\$ 5,479,590
Special Revenue	456,300	591,430	520,457	497,680
Debt Service	-	-	-	-
Capital Project	1,649,361	1,417,670	4,855,358	1,423,450
Enterprise	4,932,600	5,379,850	8,999,511	5,994,960
Internal Service	991,381	545,180	996,218	577,310
Total	\$ 12,969,173	\$ 13,226,750	\$ 20,548,300	\$ 13,972,990

Property Taxes

The State of Minnesota has granted local municipalities the authority to levy taxes to fund operations and debt payments. For the City of Arden Hills, the property tax levy accounts for approximately 74% of the General Fund revenues. For 2019, the City's property tax levy will be \$3,938,420, an increase of 4.0% from 2018. Historically, the City does not use reserves to balance the City's budget; however, reserves have been proposed to be used to balance the 2019 budget in the amount of \$186,970 to minimize the tax burden on property owners. The following table provides a historical view of the City's property tax levies:

Year	Tax Levy	% Change
2010	3,016,465	2.30%
2011	3,040,964	0.81%
2012	3,096,994	1.84%
2013	3,191,230	3.04%
2014	3,257,456	2.08%
2015	3,359,775	3.10%
2016	3,478,775	3.54%
2017	3,641,290	4.70%
2018	3,786,942	4.00%
2019	3,938,420	4.00%

The Ramsey County Assessor values all property in the City. It is this market value that is applied to the class rates assigned by the State to determine a property's tax capacity. The County estimates the City's tax capacity for taxes payable in 2019 at \$14,263,717, which is a 5.0% increase. The City's property tax levy is divided by the tax capacity to determine the City's tax rate, which is applied to each property's tax capacity to determine that property's City property tax amount before any credits are applied. For 2019, the City's tax rate is expected to decrease from 25.532% to 25.431%.

The City at this time does not have the authority to levy or collect local sales taxes or other types of taxes under the State's tax system. A summary of the State's property tax system is in the appendix of this document.

Personal Services

The City's 2019 budget includes a 2.50% cost-of-living (COLA) increase for both union employees and non-union City staff. The City's Public Works employees are union employees.

The City is switching health insurance plans in 2019. With this change and the small increases proposed for dental and life insurance, the City is realizing a savings of about \$30,000 for insurance benefits over 2018. No change was budgeted for Short Term Disability and Long Term Disability.

Finally, in 2005 the State Legislature passed a pension bill, which phased in increases for both the employee and employer contributions to the Public Employees Retirement Association (PERA). For 2019 the employee contributions rate will be 6.50% of wages, while the employer contribution rate will be 7.50%.

The remainder of this letter will describe the major initiatives for 2019 for each of the fund types and their activities.

General Fund

Expenditures

The overall General Fund budget is increasing 5.85% over the 2018 budget. The General Fund expenditure budget consists of the following departments:

Expenditures by Department	2018 Budget	2019 Budget	% Change 18 vs 19
Mayor & Council	\$67,500	\$68,760	1.9%
Administration	327,500	326,810	-0.2%
Elections	23,000	23,000	0.0%
Finance	176,300	181,740	3.1%
TCAAP	170,000	171,190	0.7%
Planning & Zoning	266,250	217,320	-18.4%
Government Buildings	275,000	271,010	-1.5%
Police & Animal Services	1,194,775	1,242,250	4.0%
Dispatch	65,175	68,500	5.1%
Fire Protection	544,000	573,680	5.5%
Emergency Management	9,476	3,910	-58.7%
Protective Inspections	342,746	333,610	-2.7%
Street Maintenance	587,872	719,300	22.4%
Recreation	266,650	340,540	27.7%
Park Maintenance	440,512	517,970	17.6%
Transfers	420,000	420,000	0.0%
Total Expenditures	\$5,176,756	\$5,479,590	5.8%

The largest percentage of change in the budget are increases to Recreation (27.7%) and Street Maintenance (22.4%), and decreases to Emergency Management (58.7%) and Planning & Zoning (18.4%). A new Recreation Programmer position was added to the Recreation budget. The Street Maintenance budget was increased by \$100,000 to assist with extending the life City streets. The total dollar amount of the decrease in Emergency Management was \$5,566. Planning and Zoning decreased due to reducing the amount budgeted for contracted services.

Public Safety is the largest area in terms of budgeted expenditures. The City contracts police services and animal control from the Ramsey County Sheriff and fire services from the Lake Johanna Fire Department. Contract policing costs increased 4.0% over 2018. Contracted fire service costs reflect a 5.5% increase over 2018. 911 dispatch services increased by 5.1%.

Revenues

The revenues to support these expenditures are classified as follows:

Revenues	2018 Budget	2019 Budget	% Change 18 vs 19
Taxes	\$3,795,042	\$3,919,750	3.3%
Licenses & Permits	324,600	443,020	36.5%
Intergovernmental	133,179	153,220	15.0%
Charges for Services	585,704	683,300	16.7%
Fines & Forfeits	34,000	30,420	-10.5%
Special Assessments	2,000	1,220	-39.0%
Miscellaneous	65,006	61,690	-5.1%
Total Revenues	\$4,939,531	\$5,292,620	7.1%

Special Assessments increase or decrease based on the size and scope of capital projects as many times assessments are prepaid. Fines and forfeitures decreased based on an analysis data from recently completed years. Licenses and permits are increasing mainly due to anticipated building permit fee revenues.

The Property Tax Levy generates 74% of the revenues in the General Fund and was based on the operating needs of the City after all other revenues have been subtracted from expenditures. The City does not have the ability to use other taxing methods, such as local sales taxes or income taxes as a revenue source. Therefore, the City will continue to be dependent on its property tax revenue as its major revenue source into the future. For this reason, the City Council must use its judgment as to the proper level of service and which services to provide when determining the proper level of property taxes to levy.

Special Revenue Funds

The City of Arden Hills currently operates Special Revenue Funds for its EDA, and Cable. These expenditures fluctuate from year to year due to a variety of factors; for example, in 2015 one of the City's Tax Increment Financing (TIF) districts expired, which led to a decrease in revenue. Also, in 2015 the City began making conduit debt payments to Presbyterian Homes, therefore increasing expenditures.

Debt Service Fund

The City of Arden Hills issued G.O. Utility Revenue bonds in 2018 which will mature in 2029. Arden Hills was assigned a rating of "AAA" by Standard & Poor's, the highest rating available.

Capital Project Funds

The budget for the capital project funds is based on the 2019 project expenditures listed in the City's five-year capital improvement plan. The City maintains five Capital Funds; Permanent Improvement Revolving (PIR), TCAAP Capital, Public Safety Capital, Parks Fund, and Equipment, Buildings and Replacement. The revenue source for 2019 is transfers from other City funds, special assessments, state aid, trade-in values, Bethel College, charitable gambling funds and interest revenue.

The City has a successful program for maintaining the life of Arden Hills' streets. The Pavement Management Program (PMP) identifies, inventories, and tracks street conditions to ensure that the proper maintenance is done at the appropriate time. The results are prolonged pavement life and reduced overall costs to property owners. The Permanent Improvement Revolving Fund funds the PMP program. The primary projects for 2019 relate to park improvements, and street and road improvements.

The Lake Johanna Fire Department provides fire services to the cities of Arden Hills, Shoreview, and North Oaks. The Public Safety Capital Fund is used to accumulate reserves to pay for the City's share of capital costs. Arden Hills' estimated cost for capital to Lake Johanna Fire is \$73,450 in 2019.

In 2008, the Equipment, Building and Replacement Fund was established to build reserves for capital equipment and building expenditures. A one-time transfer from the General Fund of \$500,000 was done in 2008. The 2019 revenue budget includes transfers from the General Fund, Water Fund, Sanitary Sewer Fund, and the Surface Water Management Fund in the amount of \$350,000. The 2019 expenditure budget includes City Hall maintenance, the purchase of an Easement Sewer Cleaning Machine, Bobcat Milling attachment, Camera Trailer and two pickup trucks.

Enterprise Funds

The City completed a comprehensive utility rate study in 2018. Rate increases of 6.5% are budgeted in 2019 for the city's Water and Sewer Funds. A rate increase of 1% is budgeted in 2019 for the city's Surface Water Management Fund. Utility revenue levels are not sufficient to cover both the operating and capital expenses in 2019. The rate structure will generate sufficient revenues over time to cover these expenses. Water revenues are budgeted at \$2,384,550 while the operating expense budget, including depreciation, is \$2,054,510. Sanitary Sewer revenues are \$1,973,450 compared to operating expenses, including depreciation, of \$1,695,160. Surface Water revenues are \$863,570 compared to operating expenses, including depreciation, of \$605,960. The 2019 CIP projects impact the Water, Sanitary Sewer and Surface Water Management funds with capital outlay of \$562,500, \$312,500, and \$200,000 respectively. Transfers out for Equipment Replacement are \$100,000 from Water, \$126,000 from Sanitary Sewer, and \$74,000 from Surface Water Management.

The Recycling fund has budgeted revenue of \$158,280 while the expense budget is \$173,030.

Fund Balances

The 2019 budget proposes that expenses are to exceed revenues by \$746,240, with the majority of the difference coming from the General, Water and Sewer Funds. While the budgeted revenue levels are sufficient to cover the operating expenses of the Enterprise funds they are not sufficient to cover the capital expenses, but the utility rate structure that has been adopted will be sufficient to cover both the operating and capital expenses of these funds over time.

The City's 2019 General Fund budget is not a balanced budget; meaning revenues, including operating transfers in from other funds, do not equal expenditures including any operation transfers out to other funds. The 2019 budget includes the use of \$186,970 in reserves. The General Fund's fund balance is projected at 60% of 2019 budgeted expenditures. The City strives to maintain the General Fund's working capital fund balance at 50% of the next year's operating budget because the City receives its tax payments in July and December and needs this fund balance to provide the necessary cash flow to pay for City operations. However, economic conditions may cause this to fluctuate slightly from time-to-time.

Fund balances in the Special Revenue Funds are used for capital expenditures, communication expenditures and tax increment obligations.

Fund balances in the City's Capital Funds will be used on City infrastructure projects in 2019, public safety equipment, capital equipment, and building repairs.

Overall, the City's fund balances are within City guidelines and are sufficient to meet current and future operations and obligations of the City.

Conclusion

With 2019, the City continues to face many challenges in maintaining its current service level to its citizens as well as keeping taxes manageable. Actions at the State Legislature continue to play a part in municipal finances. The City is committed to continuing its capital improvement program to improve its infrastructure and equipment. In addition, the City will continue to review its current level and mix of services on an on-going basis.

We would like to recognize the efforts of the City Council, and City Staff for their contributions to the budget process. The City will continue to assure the citizens of Arden Hills get the best value for their tax dollar.

Respectfully Submitted



Dave Perrault
City Administrator

Staffing

The following chart shows the staffing comparison by department for the City of Arden Hills in full-time equivalents.

Full-time Equivalents for regular employees are calculated by taking the total number of hours worked (up to 2080) divided by 2080. Seasonal and Interns are calculated by adding up total hours each employee worked based on department then dividing by 2080.

	2016 Actual	2017 Actual	2018 Adopted	2018 Projected	2019 Proposed
ADMINISTRATION					
Administrator	1.00	-	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Communications Coordinator	-	0.63	0.50	0.63	0.63
Office Support Specialist	1.00	1.00	1.00	1.00	1.00
Customer Service Representative	1.00	1.00	1.00	1.00	1.00
FTE's	5.00	4.63	5.50	5.63	5.63
FINANCE					
Finance Director	1.00	1.00	1.00	1.00	1.00
Accounting Analyst	1.00	1.00	-	1.00	1.00
Finance Analyst	1.00	1.00	1.00	-	-
Accounting Clerk	1.00	1.00	1.00	1.00	1.00
FTE's	4.00	4.00	3.00	3.00	3.00
COMMUNITY DEVELOPMENT					
Community Dev. Director	1.00	-	1.00	-	1.00
Building Official	1.00	1.00	1.00	1.00	1.00
Building Inspector	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	-	-	-	-
City Planner	1.00	1.00	1.00	1.00	1.00
FTE's	5.00	3.00	4.00	3.00	4.00
PUBLIC WORKS					
Public Works Director	1.00	-	1.00	1.00	1.00
Assistant City Engineer	1.00	-	-	-	-
Senior Engineering Technician	-	-	-	1.00	1.00
Public Works Superintendent	1.00	1.00	1.00	1.00	1.00
Public Works Foreman	-	-	1.00	-	1.00
Recreation Coordinator	1.00	1.00	1.00	1.00	1.00
Recreation Programmer	1.00	1.00	-	1.00	1.00
PW Maintenance Workers	8.00	8.00	8.00	8.00	8.00
FTE's	13.00	11.00	12.00	13.00	14.00
SEASONAL AND INTERNS					
Public Works	2.06	1.95	2.25	2.00	2.00
Parks and Recreation	2.43	1.46	2.25	2.00	2.25
Finance and Administration	-	-	-	0.03	-
Engineering	-	-	-	-	-
Community Development	-	-	-	-	-
FTE's	4.49	3.41	4.50	4.03	4.25
TOTAL FTE's	31.49	26.04	29.00	28.66	30.88

In comparison to the chart above, the chart below shows the total number of employees hired to work for the City that compose the FTE's listed above.

Head Count of Total Number of Employees

	2016	2017	2018	2019
	Actual	Actual	Adopted	Proposed
Full Time Employees	27	22	24	26
Part Time Employees	-	1	1	1
Public Works Seasonal	8	9	9	9
Parks & Rec Seasonal	36	31	37	37
Interns	-	-	-	-
Total Employees	71	63	71	73

The following page shows the 2019 payroll and benefit allocation by position to each department. This information is also used to allocate the Administrative Charge for the Administration, Finance, and Government Building departments to other funds.

2019 Payroll Allocation

	Admin	Finance	TCAAP	Planning	Govt Bldg	Emergency Mgmt	Prct Inspect	Streets	Rec	Parks	Cable	EDA	Water	Sewer	Recycling	Wtr Mgmt	Engr	Central Garage	Tech	Total	FTE	
	41300	41500	41600	41910	41940	42300	42400	43100	45120	45200	41960	47300	49440	49490	49520	49550	49600	49700	49900			
Administration																						
Administrator	50.25%	3.50%	10.00%	3.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	10.00%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	0.00%		100.00%	
City Clerk	40.00%						42.50%	5.00%			25.00%	2.50%	2.50%	2.50%	2.50%	10.00%					100.00%	
Office Support Specialist	10.00%			20.00%				7.50%	15.00%	2.50%	15.00%	5.00%	15.00%	15.00%	5.00%	15.00%					100.00%	
Deputy Clerk	10.00%			5.00%							20.00%		10.00%	10.00%	10.00%	10.00%					100.00%	
Communications Coordinator (FT)	40.00%						5.00%		35.00%				10.00%	10.00%	10.00%	10.00%					100.00%	
Customer Service Specialist	20.00%	5.00%																			100.00%	
FTEs	1.5625	0.085	0.1	0.285	0.0675	0.0175	0.4925	0.1425	0.5175	0.0425	0.5925	0.175	0.455	0.455	0.155	0.455	0.0175	0.0175	0	5.63	5.625	
Finance																						
Finance Director	10.00%	15.00%									5.00%	5.00%	18.00%	18.00%	5.00%	18.00%	2.00%	2.00%	2.00%		100.00%	
Accounting Analyst		18.00%											24.00%	24.00%	2.25%	24.00%	2.25%	2.25%	2.25%		100.00%	
Accounting Clerk		6.50%									1.75%		30.00%	30.00%	1.75%	30.00%					100.00%	
FTEs	0.1	0.405	0	0	0	0	0	0	0	0	0.0675	0.05	0.72	0.72	0.09	0.72	0.0425	0.0425	0.0425	3.00	3.000	
Community Development																						
Comm Dev Director	15.00%	40.00%	25.00%				10.00%					10.00%									100.00%	
Bldg Official							85.00%														100.00%	
Bldg Inspector							100.00%														100.00%	
City Planner	5.00%	10.00%	80.00%											5.00%							100.00%	
FTEs	0.2	0	0.5	1.05	0.05	0	2.05	0	0	0	0	0.1	0	0	0.05	0	0	0	0	0	4.00	4.000
Public Works																						
Public Works Director			3.00%					12.00%	5.00%	10.00%			20.00%	20.00%		20.00%	5.00%	5.00%			100.00%	
Sr. Engineering Tech								22.50%		22.50%			22.50%	22.50%		10.00%					100.00%	
Public Works Superintendent								20.00%		20.00%			20.00%	20.00%		10.00%					100.00%	
Public Works Foreman								18.75%		25.00%			18.75%	25.00%		11.25%					100.00%	
Recreation Coordinator								90.00%													100.00%	
Recreation Programmer								100.00%													100.00%	
PW Maint Workers (8)								18.75%	100.00%	25.00%			18.75%	25.00%		11.25%					100.00%	
FTEs	0	0	0.03	0	0.2625	0	0	2.2325	1.95	2.775	0	0	2.3125	2.875	0	1.4125	0.05	0.1	0	14.00	14.000	
Total FTEs	1.8625	0.49	0.63	1.335	0.38	0.0175	2.5425	2.375	2.4675	2.8175	0.66	0.325	3.4875	4.05	0.295	2.5875	0.11	0.16	0.0425	26.63	26.625	

Employee Benefits

The City of Arden Hills has one employee association which represents the Public Works union employees. All other employees of the City are unrepresented. The current contract expires December 31, 2019, and was approved by Council in April 2018. The assumed salary and benefit increases for budgeting purposes are as follows:

Salary increases throughout the budget include step increases for employees and a 2.5% COLA for union employees and a 2.5% COLA for non-union employees.

The City is switching health insurance plans in 2019. With this change and the small increases proposed for dental and life insurance, the City is realizing a savings of about \$30,000 for insurance benefits over 2018. The City picks up all of the health insurance premium for the lowest cost single plan and contributes \$900 towards employees that opt for a family plan. No change was budgeted for Short Term Disability and Long Term Disability.

All of the above costs are included in the budget as presented.



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Budget Practices and Policies

General Description and Form of Government

The City of Arden Hills is located in Ramsey County, and is part of the Twin Cities metropolitan area. The City provides a full range of municipal services authorized by State Statute. These services include police and fire protection, construction and maintenance of streets, water, sanitary sewer, recycling, and storm sewer systems, recreation programs and activities, maintenance and development of a park system, community development activities (planning and zoning), inspection services, and general administrative services.

The City of Arden Hills is a “Statutory A” city according to Chapter 412 of Minnesota Statutes. The City Council consists of a Mayor and four Council members all elected “at-large”.

Fund Accounting

A fund is a separate fiscal and accounting entity with a separate set of accounting records. For example, a separate fund is used to account for the monies received by the City for Park Dedication Fees.

The use of Fund Accounting is one of the basic requirements of generally accepted accounting principles (GAAP) for government, and one of the major differences between government and commercial accounting. It requires separate record keeping for each individual fund that a government uses.

Accounting Practices

The accounting and reporting policies of the City conform to generally accepted accounting principles (GAAP) as applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), which includes all statements and interpretations of the National Council on Governmental Accounting unless modified by GASB, and those principles prescribed by the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units. The section entitled “Fiscal Policies” summarizes the policies and practices used by the City.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The governmental fund types and the agency funds use the modified accrual basis of accounting. Under this method, revenues are recognized when they become available and measurable. “Measurable” means the amount can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred.

All enterprise and internal service fund types use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

Budgetary Basis of Accounting

The budgetary basis of accounting determines when a government charges expenditures to a budget appropriation, or when it credits revenue to its Funds for budgeting purposes. Although the City presents financial statements in its Comprehensive Annual Financial Report (CAFR) in accordance with GAAP, the budget is adopted on a modified cash basis. The major difference between the two basis' of accounting is as follows:

- For budgetary purposes, revenues are recorded when received. Under GAAP, revenues are recorded when susceptible to accrual.
- For budgetary purposes, interfund loans and repayments are recorded as revenues and expenditures. Under GAAP, these transactions are reclassified as increases or reductions in the "due to/due from" accounts.
- Capital expenditures are budgeted as an expense in the enterprise funds. Under GAAP these expenditures are reclassified as fixed assets.

Basis of Budgeting

The City of Arden Hills uses a base budget budgeting method. Each department requests an annual appropriation sufficient to fund current service levels and other costs the department is responsible for managing. The budget base year is the prior year's adopted budget, reducing it for any one-time expenditures, increasing it for known impacts (such as increased utility costs, and salary and benefit negotiated increases) and adding new proposed programs or activities.

Reserves

The City has three types of reserves, contingencies, capital reserves, and cash and emergency reserves. These reserve policy requirements can be found in the "Fiscal Policies" section of this document.

Appropriation Authority

The City Council adopts the budget after a Public Hearing (as required by State Statute), prior to December 30 through passage of an adopting resolution. This resolution sets expenditures limits at the fund level for the City's General Fund, special revenue funds, debt service funds, capital project funds, and all enterprise and internal service funds.

Supplemental appropriations may be adopted by the City Council during the year.

Other Policies

Additional Fiscal Policies are found on pages 29 through 36.

Budget Process and Calendar

The budget process enables the City Council to make choices about staffing, equipment and priorities to be addressed in the upcoming year. The City Council reviews the budget for the first time in August; however, the budget process is started in May of each year with budget parameters set and approved by the City Council. This lays the groundwork for the expenditure requests from each department based on the priorities set by the strategic issues identified by the City Council during the strategic planning process.

This process includes formulation, preparation, implementation, administration and evaluation. Annually the City Administrator must prepare a budget and present it to the City Council. Minnesota State Law requires that a preliminary property tax levy resolution be certified to the County Auditor by September 30th each year. Once the City adopts the proposed tax levy, the final tax levy can be decreased, but not increased, over the certified proposed tax levy.

The budget is prepared on an annual basis, and follows the calendar year, January 1st to December 31st. The budget document is prepared using the following established procedures:

CITY OF ARDEN HILLS
2019 BUDGET CALENDAR

April 23, 2018	City Council Approval of Budget Calendar.
April 23, 2018 – June 1, 2018	Department Heads Prepare 2019-2023 CIP requests and background material.
June 1, 2018	Department Heads Submit CIP Requests to Finance Department.
June 4, 2018 – June 8, 2018	City Administrator and Finance Director review Department CIP Requests and confer with Departments.
June 15, 2018	2019-2023 CIP is drafted and distributed to City Council for review.
June 18, 2018	City Council Work Session to discuss 2019 Operating Budget parameters and 2019-2023 CIP.
June 18, 2018	Forms Distributed to all Department Heads for 2019 Operating Budget.
June 18, 2018 – July 6, 2018	Department Heads Prepare Budgets and Background Material.
July 6, 2018	Department Heads Submit Budget Requests to Finance Department.
July 9, 2018 – August 3, 2018	City Administrator and Finance Director review Department Budgets and Confer with Departments.
August 10, 2018	Finance Department completes Preliminary Revenue Estimates.
August 17, 2018	City Administrator Budget is drafted for Presentation to Council at Work Session and distributed to Council for review.
August 20, 2018 & September 17, 2018	City Council Work Sessions to discuss Preliminary 2019 Budget.
September 21, 2018	City Administrator’s recommended Preliminary 2019 Budget distributed to the City Council.
September 24, 2018	City Council adopts the Preliminary 2018 Property Tax Levy (Payable 2019).
September 24, 2018	Council Certifies date for public (TNT) hearing and continuation hearing (if necessary) to county.
September 28, 2018	Finance Director submits preliminary 2018 Property Tax Levy (Payable 2019) to County for certification.
October through November	City Council Work Sessions as needed.
Mid-November	Truth in Taxation Notices and Public Hearings Schedule distributed by County.
Early December	Public Hearing for Budget and Levy consideration.
Mid-December	Continuation Hearing, Approval of Budget and Certification of Property Tax Levy For submission to County.
Late December	Finance Director Submits final Levy to County and prepares Final Budget Document.

Other Planning Processes

There are no other government agencies, commissions, or advisory boards that have a direct role in the City's budget process. However, there are government agencies, commissions, and/or advisory boards which play a role in the City's budget process.

Minnesota State Statutes provide the steps the City must follow to pass the budget including when the City must certify its levies to the County Auditor and when public hearings must be held. In addition, the State may pass laws governing the City's budget, such as cities have been under levy limits at times, which restricts the possible increase of property tax levies from one year to the next. The State must also approve, by mid-November, any City levies which fall outside levy limits (when levy limits exist). Finally the State must certify to the City the amounts of State Aids the City will receive, if any, by mid-August. The County must notify the cities of the amount of Fiscal Disparity dollars the City will be receiving by mid-August for cities in the Seven-County Metro Area.

The only affect the County has on the City's budget would be if the County or City was planning any road improvement projects that would require joint cooperation. The City would work with the County to budget any City share of costs and any additional improvements the City would like included in the project.

Finally, the City itself has various advisory boards and commissions, such as the Parks, Trails, and Recreation Committee, Planning Commission, Economic Development Commission, Communications Committee, and Financial Planning and Analysis Committee. These advisory boards and commissions, as part of their charge, work with staff to set priorities and goals for the coming year. Based on their goals and priorities, along with the City Council's goals and priorities, the various advisory boards or commissions work with staff to make funding recommendations for programs and/or improvements they would like to see included in or removed from the budget. These boards and commissions are only advisory and the City Council may or may not include recommendations by these boards and commissions in the final budget depending on available funds or other criteria.

Fund Structure

Purpose and Accounting Basis

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Certain funds have varying levels of restrictions, imposed either by legal requirements or policy choices, and as such, it can be helpful to see a broad overview of the City's finances to show summaries of different funds.

The City's funds are grouped into seven basic types:

- General
- Special Revenue
- Capital
- Debt Service
- Proprietary (Enterprise)
- Internal Service
- Fiduciary

The budgeted funds of the City are grouped into two broad categories as follows:

- **Governmental Funds** – Governmental Funds are used to account for “government-type” activities of the City (e.g., activities that receive a significant portion of their funding from property taxes, state aids, and various grants). The Governmental Funds budgeted for the City are the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.
- **Proprietary Funds** – Proprietary funds are used to account for the “business-type” activities of the City (e.g., activities that receive a significant portion of their funding through user charges). The proprietary funds budgeted by the City are Enterprise Funds and Internal Service Funds.

The first three fund types listed above comprise the majority of the day-to-day operating activities of the City. The remaining fund types are more specialized funds, and typically account for one-time and/or specific activities rather than ongoing and recurring services. Brief descriptions of each fund type follow. A detailed chart is found on page 28.

General Fund

The General fund is the primary revenue source and operating fund for most services cities typically offer. These include public safety (police and fire), street maintenance, parks and recreation, and neighborhood and community services, etc. In addition, the City Council,

Administrative Services and City Attorney budgets are predominately funded by the General Fund.

These activities are financed through general tax dollars from property taxes and by revenues generated from permits, fees and investment earnings.

Special Revenue Funds

Special revenue funds account for activities funded by special purpose revenue, that is, revenues that are legally restricted to expenditures for a specific purpose. The City maintains five special revenue funds which include: Cable Fund, EDA General Fund, EDA Revolving Loan Fund, EDA TIF District #3 Cottage Villas, and EDA TIF District #4 Presbyterian Homes.

Capital Project Funds

These funds include the Equipment and Building Replacement Fund, Public Safety Capital Fund, Parks Fund, TCAAP Capital, and the Permanent Improvement Revolving Fund (PIR). They are used to account for financial resources to be used for the acquisition of equipment or construction of major capital facilities (other than those financed by proprietary funds such as the Water and Sewer funds), i.e., the development of a new neighborhood park, or a fire station.

Proprietary (Enterprise) Funds

These funds account for City activities that operate as public enterprises. Revenues come from fees charged to programs, customers, or other department users. Enterprise funds that provide for sewer and water services are proprietary funds. The City currently has four enterprise funds (water, sanitary sewer, recycling, and surface water management) that represent separate business activities for the City.

- Water – The City provides water service to its citizens and commercial entities.
- Sanitary Sewer – The City’s sewers protect public health and preserve wastewater solids. The City is connected to the Metropolitan Council’s sewer system.
- Recycling – The City provides recycling services to its citizens to protect public health and the environment.
- Surface Water Management – The City’s surface water management system collects storm water runoff, protects the environment, and manages the discharge of water to holding ponds and the water shed.

Proprietary (Internal Service) Funds

These funds account for City activities that operate as public enterprises and provide services internally to other departments. Revenues come from fees charged to programs, customers, or other department users. Internal Service funds that provide for engineering and IT services are internal funds. The City currently has four internal service funds (Risk Management, Engineering, Central Garage & Equipment, and Technology) that represent activities for the City.

- Risk Management – This fund provides insurance to all departments within the City.
- Engineering – This fund provides engineering services for City projects, developments, and all departments within the City.
- Central Garage & Equipment – This fund provides the services and equipment repair for the Public Works Department which consists of Street Maintenance, Park Maintenance, Water Utility, Sewer Utility, and the Surface Water Management Utility.
- Technology – This fund provides technology software and equipment to all departments within the City.

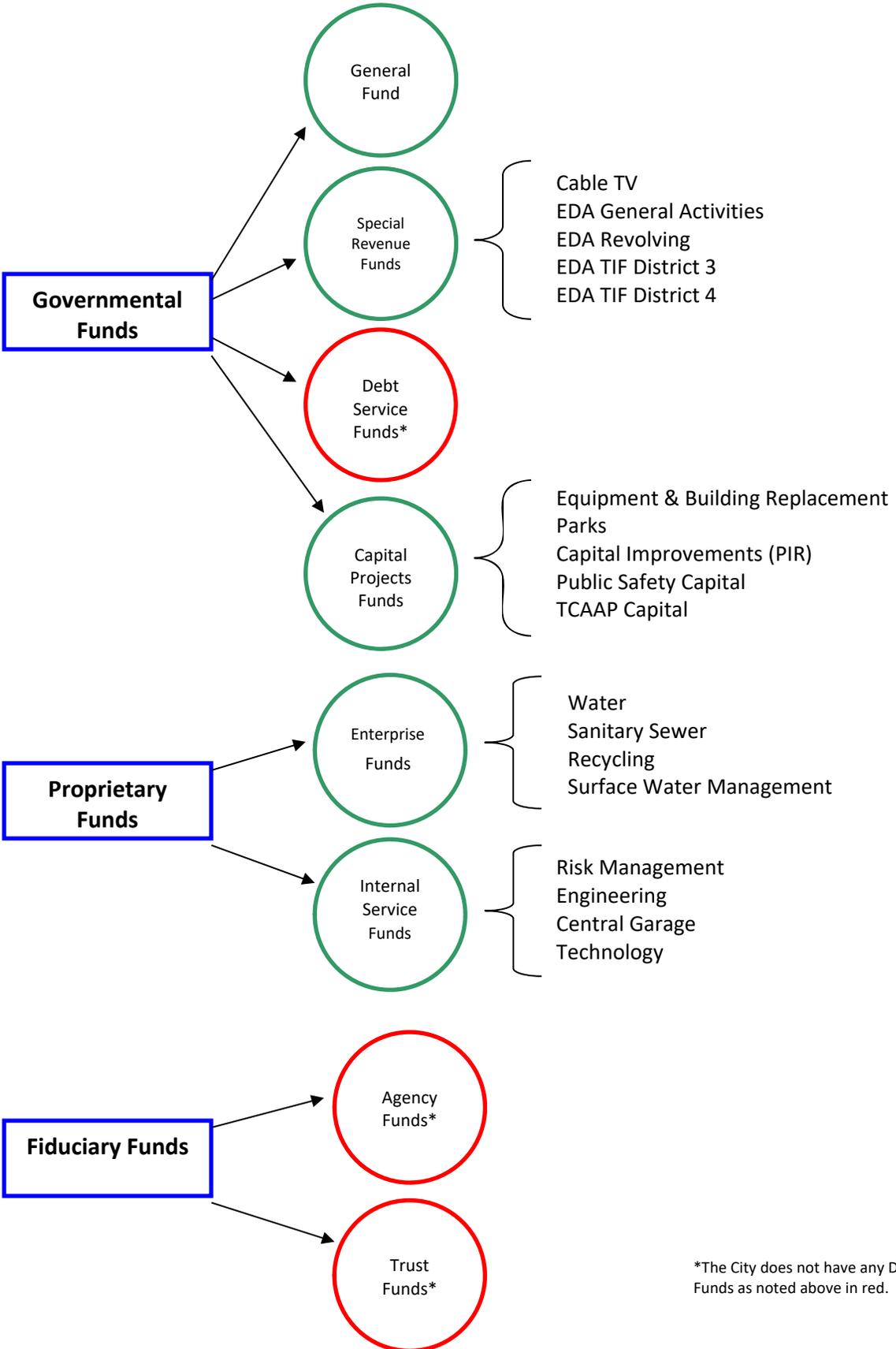
Debt Service Funds

Funds for debt service track revenues and expenditures related to repayment of principal and interest costs associated with borrowing money for long-term obligations. The reader can find a separate debt service schedule in this budget that provides details on all outstanding debt owed by the City.

Fiduciary Fund Types

Trust and Agency Funds are used to account for assets held by the City as an agent or trustee for individuals, private organizations, other governments and/or funds. These include Agency and Expendable Trust Funds. Agency funds are custodial in nature (assets and liabilities) and do not involve Measurement of results of operations. The City currently does not have any fiduciary funds.

FUND STRUCTURE



*The City does not have any Debt, Agency or Trust Funds as noted above in red.

Fiscal Policies

Financial Management Policies

Arden Hills has an important responsibility to its citizens to plan the adequate funding of services desired by the public, including the provision and maintenance of public facilities, to manage municipal finances wisely, and to carefully account for public funds. The City strives to ensure that it is capable of adequately funding and providing local government services needed by the community. The City will maintain or improve its infrastructure on a systematic basis to insure its citizens will maintain quality neighborhoods.

In order to achieve this purpose, this plan has the following objectives for the City's fiscal performance:

- 1) To protect the City Council's policy-making ability by ensuring that important decisions are not controlled by financial problems or emergencies.
- 2) To enhance the City Council's policy-making ability by providing accurate information on the full cost of various authority or service levels.
- 3) To assist sound management of the City government by providing accurate and timely information on financial condition.
- 4) To provide sound principles to guide the important decisions of the City Council and of management which have significant fiscal impact.
- 5) To set forth operational principals which minimize the cost of local government, to the extent consistent with services desired by the public, and which minimize financial risk.
- 6) To employ revenue policies and forecasting tools to prevent undue or unbalanced reliance on certain revenues, especially property taxes, which distribute the cost of municipal services fairly, and which provide adequate funds to operate desired programs.
- 7) To provide essential public facilities and prevent deterioration of the City's infrastructure including its various facilities.
- 8) To protect and enhance the City's credit rating and prevent default on any municipal debts.
- 9) Ensure the legal use and protection of all City funds through a good system of financial and accounting controls.
- 10) Record expenditures in a manner, which allocates to current taxpayers and/or users the full cost of providing current services.

To achieve these objectives the following fiscal policies have been adopted by the City or are unwritten policies followed by staff to guide the City's budgeting and financial planning process. The City recognizes that additional policies need to be adopted in the future to reflect on-going procedures and City practices that have never been written down or formally approved by City Council. Each fiscal policy section includes the purpose and a description. The policies below are summaries of the actual adopted or unwritten policies.

Operating Budget Policies

Purpose

The operating budget policies ensure that the City's annual operating expenditures are consistent with past expenditures and respond to long-term objectives rather than short-term benefits. The policies allow the City to maintain a stable level of service, expenditures and tax levies over time. The policy is most critical to programs funded with property tax revenue because accommodating large fluctuations in this revenue source can be difficult.

Goals

1. Maintain a stable level of City services
2. Avoid large property tax fluctuations
3. Maintain sound budgetary controls

Policy

The City will strive to adopt a balanced operating budget for the General Fund. The definition of a balanced budget is that budgeted revenues equal budgeted expenditures and thus, creating no change to the fund balance for the fund. The City's various other funds may have unbalanced budgets based on the timing of revenues and expenditures. The City will pay for current expenditures with current revenues. The City will avoid balancing current revenues with funds necessary for future expenses. Left over revenue from a given fiscal year will be placed in the City's reserves according to the City's reserve policies. The City will avoid postponing expenditures, rolling over short-term debt and using reserves to balance the operating budget. To protect against unforeseen events, the City will budget a contingency and maintain reserves according to the City's reserve policies. The City staff will monitor revenues and departmental expenditures to adhere to their budgeted amounts. Line items within a fund may be overspent as long as the total fund budget is not overspent. Only the City Council can approve a fund be overspent. City staff will prepare for Council review quarterly financial summary reports.

Revenue Policies

Purpose

The revenue policies are designed to ensure 1) diversified and stable revenue sources, 2) adequate long-term funding by using specific revenue sources to fund related programs and services, and 3) funding levels to accommodate all City services and programs equitable.

Goals

1. Provide adequate funding sources for funding City services and programs.
2. Avoid large budget fluctuations.
3. Provide a diversified revenue source and limit dependency on one or two revenue sources.

Policy

The City will maintain a diversified and stable revenue system in order to avoid short-term fluctuations in a single revenue source. The City will conservatively estimate its annual revenues by an objective, analytical process. All existing and potential revenue sources will be re-examined annually. The City will use one-time or special purpose revenue for capital expenditures or for expenditures required by the revenue, and not to subsidize recurring personnel, operation and maintenance costs. The City will establish all fees and charges at a level related to the cost of providing the services, or as adjusted for particular program goals. Each year, the City will review the full cost of activities supported by fees and charges to identify the impact of inflation and other cost increases and will review these fees and charges along with resulting net tax costs with City Council at budget time. The City will seek a balanced tax base through support of a sound mix of residential, commercial, and industrial development. The City will set Enterprise Fund fees at a level that fully supports the total direct and indirect cost of the activity (net of any grants or similar revenues), including depreciation of capital assets and debt service, to maintain a positive cash flow and provide adequate working capital. Replacement (or bonding for replacement) of enterprise infrastructure will be paid for from accumulated (or annual) earnings of the particular fund. The City will offset reduced revenues with reduced expenditures.

Expenditure Policies

Purpose

The expenditure policies are designed to ensure proper funding of services.

Goals

1. Maintain a stable level of services provided.
2. Respond to long-term objectives of the City.

Policy

The City will strive to adopt and maintain a balanced General Fund budget in which expenditures will not exceed reasonable estimated resources and revenue. The City will pay for all current operation and maintenance expenses from current revenue sources. The operating budget will provide for the adequate maintenance of capital assets and equipment. The City will maintain a budgetary control system, which will enable it to adhere to the adopted budget. This includes a centralized record keeping system to be adhered to by all departments receiving annual appropriations. Proposed major budgeted expenditures such as new positions, equipment acquisitions, and capital improvements will have City Council approval. The Finance Department will prepare and maintain at least quarterly financial reports comparing actual revenues and expenditures to budgeted amounts for Council review. The City will develop and implement an effective risk management program to minimize losses and reduce costs. The City will cooperate and coordinate with other governmental agencies in an effort to provide maximum services at minimum costs.

Accounting, Auditing and Financial Reporting Policy

Purpose

The accounting, auditing and financial reporting policies are designed to maintain a system of financial monitoring, control and reporting for all operations and funds in order to provide effective means of ensuring that overall City goals and objectives will be met and to assure the City's residents and investors that the City is well managed and fiscally sound.

Goals

1. Maintain a financial system that is sound, effective, well managed, and open to City staff, Council, and residents.

Policy

The City will adhere to a policy of full and open public discourse of all financial activity. The proposed budget will be prepared in a manner to maximize its understanding by citizens and elected officials. Financial documents will be available to all interested parties on the City's website or copies can be provided. Opportunities will be provided for full citizen participation prior to adopting the budget.

The City will maintain its accounting records and report on its financial condition and results of operations in accordance with City, State and Federal law and regulations, and Generally Accepted Accounting Principles (GAAP), and standards established by the Governmental Accounting Standard Board (GASB). Budgetary reporting will be in accordance with City and State budget laws, regulations, and guidelines.

An independent firm of certified public accountants will annually perform a financial and compliance audit of the City's financial statements. Their opinions will be contained in the City's Comprehensive Annual Financial Report (CAFR).

As an additional independent confirmation of the quality of the City's financial reporting, the City will annually seek to obtain the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting (CAFR). The City will also annually seek to obtain the GFOA's award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR). The CAFR and PAFR will be presented in a way designed to communicate with citizens about the financial affairs of the City.

Reserve Policies

Purpose

The purpose of the City's reserve funds are to provide 1) a stable funding source for expenditures that fluctuate significantly each year, for example, equipment acquisitions and replacements, 2) working capital to maintain a sufficient cash flow, 3) provide funding of

services during periods of budget shortfalls or other revenue reductions during a budget year, and 4) a stable or improved credit rating.

Goals

1. Maintain a stable level of services provided by the City.
2. Provide working capital during the fiscal year.
3. Maintain or improve the City's credit rating.

Policy

The City's goal is to maintain a General Fund balance reserve of 50 percent of the General Fund's operating budget as assigned for working capital to provide cash flow between its two semiannual tax payments (July and December).

At the end of the fiscal year, if the General Fund's fund balance has a reserve for working capital at a minimum balance of 50% of next year's operating budget, the remaining fund balance can be assigned for a specific use or transferred to other funds for the funding of future improvement projects or equipment purchases as approved by the City Council.

Special Revenue Funds will commit fund balances for the intended use that created the fund. Committed fund balances will first be used when paying expenditures, then assigned fund balances, and lastly unassigned fund balances.

Fund balances in Debt Service Funds are restricted for future debt payments.

Excess balances in Capital Funds will be used to reduce debt issues or be used to fund future capital projects. The fund balances in these funds will fluctuate based on the timing of funding sources and expenditures.

Enterprise Funds shall maintain a fund balance to help finance infrastructure replacements and the addition of new capital facilities, such as water towers or lift stations.

Investment Policies

Purpose

The purpose of this policy is to set forth the investment objectives and parameters for the management of public funds.

Goals

1. Safeguard funds on behalf of the City.
2. Meet the daily operating cash flow demands.
3. Assure the availability of Capital Funds when needed.
4. Conform to all applicable Federal, State and/or Local statutes governing the investment of public funds.
5. Invest public funds in a manner which maximizes returns.

Policy

The City will regularly analyze its cash flow need of all funds. The City will seek to place all of its deposits and investments with Minnesota depositories and/or brokers. A market average rate of return will be sought throughout budgetary and economic cycles. The investment strategy will take into account the constraints on risk and cash flow characteristics of the investment portfolio.

The City will pool cash from its different funds and invest the idle funds with compliance to State and Federal laws at the highest rate of return possible, while maintaining a diversified investment portfolio. Interest earnings and market value adjustment will be credited to the source of the invested monies at the end of each year based on the average cash balances during the year. The City Council will be provided a listing of the City's investment portfolio at the end of each quarter.

Debt Policies

Purpose

The debt policies ensure that the City's debt 1) does not weaken the City's financial structure; and 2) provide limits on debt to avoid problems in servicing debt. This policy is critical for maintaining the best possible credit rating.

Goals

1. Maintain the City's financial integrity.
2. Maintain or improve the City's credit rating.
3. Avoid large property tax increases due to debt payment requirements.

Policy

The City will not use long-term debt for current operations. The City will avoid the issuance of short-term debt, such as Budget, Tax and Revenue Anticipation Notes. The City will confine long-term borrowing to capital improvements, equipment or projects that have a life of more than 5 years and cannot be financed from current revenues. The City will use special assessments, revenue bonds, and/or any other available self-liquidating debt measures instead of general obligation bonds where and when possible, applicable and practical. The City will pay back debt within a period not to exceed the expected life of the project. The City will not exceed three percent of the market value of taxable property for general obligation debt per state statutes.

The City will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure in every financial report and bond prospectus. The City will comply with Securities Exchange Commission (SEC) reporting requirements. The City will refinance or call any debt issue when beneficial for future savings. The City will follow a policy of full disclosure on financial reports and bond prospectus.

Capital Asset Policies

Purpose

The Capital Asset Policy is designed to provide guidance to City staff involved in purchasing, recording, tracking, and disposing of capital assets by specifying procedures to be followed.

Goals

1. To ensure that capital assets are tracked and recorded consistently and according to policy.
2. To provide an internal control structure over capital assets.
3. To provide accurate capital asset values and records to annual financial statements and reporting.

Policy

A capital asset is an asset or item with a cost of at least \$5,000 per asset and a life expectancy of greater than one year. The classes of capital assets will be: land, building and structures, infrastructure improvements, machinery and equipment, office furniture and equipment, vehicles, and construction in progress.

Donations of capital assets are recorded at estimated fair market value at the date of acquisition. Depreciation is the allocation of the cost of a depreciable capitalized asset over its estimated useful life. Straight-line depreciation will be the method used to allocate the cost on an annual basis. Land, easements and construction in progress are not considered depreciable assets. Department heads shall be responsible for reporting disposal of capital assets to the Finance Department. The Finance Department will distribute a list of inventory, by department, to each department head annually during the fall of each year for the purpose of conducting an inventory. Physical inventory will be conducted at least every four years by the Finance Department staff. Random inventories maybe conducted at any time.

Capital Improvement Program Policies

Purpose

The purpose of the capital improvement policy is to plan for the construction and replacement of infrastructure, along with the purchase and replacement of capital equipment of the City with as little impact to the City's funds and taxpayers as possible.

Goals

1. Avoid large budget and property tax fluctuations due to capital improvements and equipment purchase.
2. Strategically plan the replacement and construction of infrastructure and the purchase or replacement of capital equipment so that improvements and purchases are not needed in one fiscal year but spread out over time.

Policy

The City will develop a multi-year plan for capital improvements and equipment and update it annually. The City will identify the estimated cost and potential funding sources for each capital project. The City will coordinate development of the Capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in the operating budget. The city will use inter-governmental assistance to finance those capital improvements that are consistent with the capital improvement plan and City priorities. The City will maintain all its assets at a level adequate to protect the City's and its citizens' capital investment and to minimize future maintenance and replacement costs. Federal, State and other intergovernmental and private funding sources of a special revenue nature shall be sought out and used to assist in financing capital improvements

Risk Management Policies

Purpose

The risk management policy assures proper insurance coverage of City assets while minimizing risk and cost.

Goals

1. Build a fund balance that would allow the City to increase deductible limits in order to reduce premium costs.

Policy

Insurance policies will be analyzed regularly to assure proper coverage and deductibles on City assets. The City will maintain the highest deductible amount, considered prudent in light of the relationship between the cost of insurance and the City's ability to sustain the loss.

Besides these policies, the City follows many unwritten practices and procedures when it comes to handling the City's finances and budgeting. In the future more of the unwritten practices will be formatted into written formal policies to guide current and future City staff and Councils.



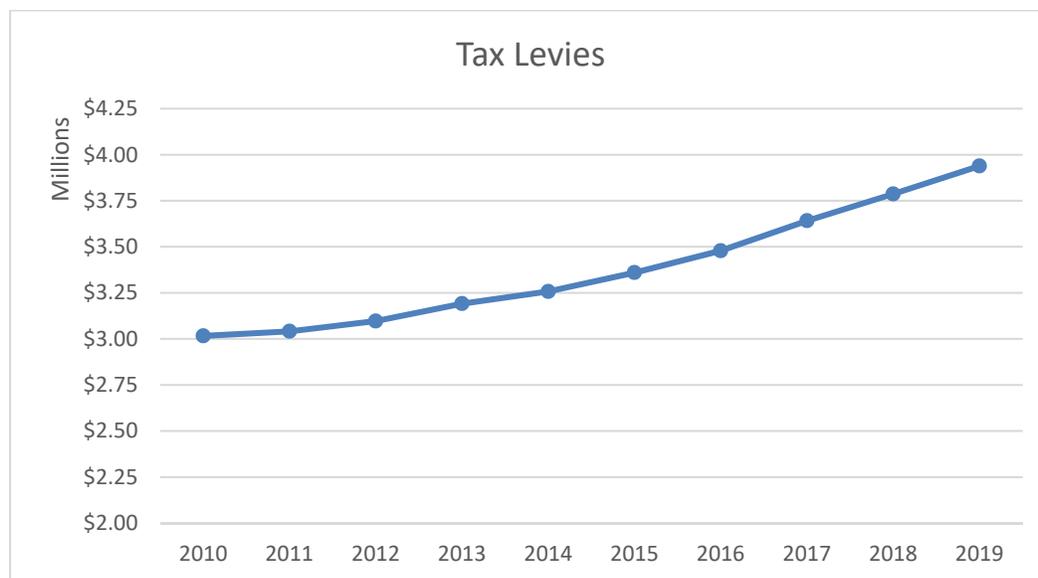
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Revenues

The City of Arden Hills collects revenues from a variety of sources. The revenues usually relate to the type of service being provided. Below is a list of major revenue sources and general trends:

Property Taxes

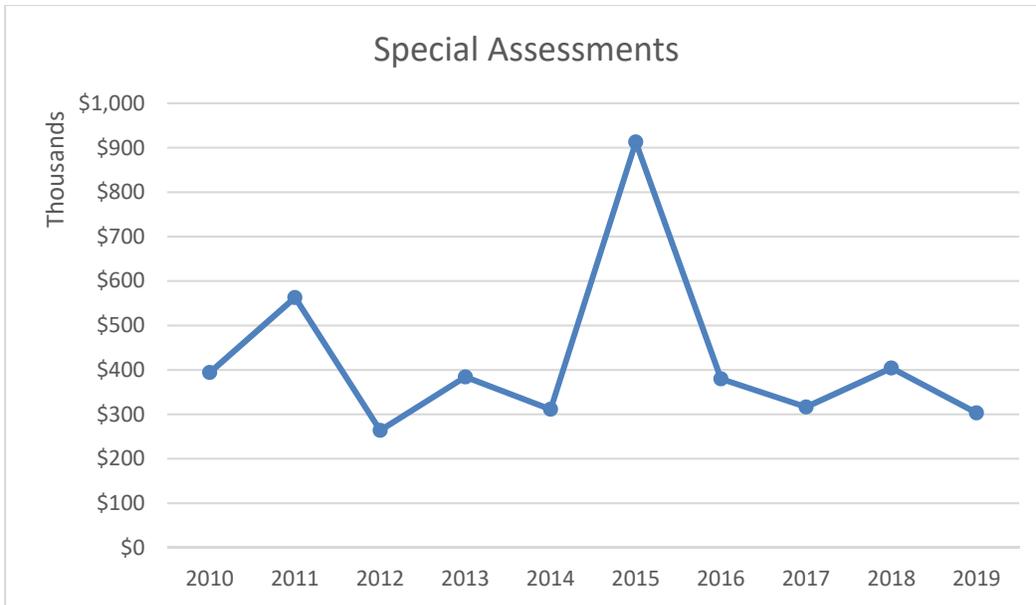
This revenue source is primarily used in the General Fund and is set at a level to raise adequate revenue for the operating budget when combined with other expected revenues. The final level of expected revenue should be sufficient to conduct City business in accordance with Council policy and directives and result in a projected year-end fund balance to cover possible emergencies and contingencies.



Trends: Property tax levies have been increasing due to cuts in State Aid that began in 2001. A more in depth discussion of the Property Tax Levies is found on page 42.

Special Assessments

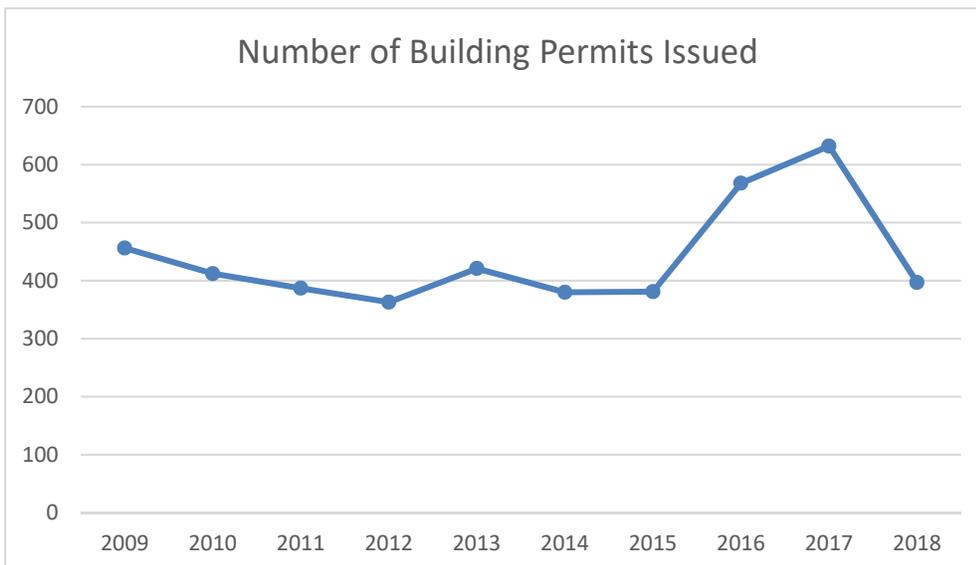
A portion of the costs for public improvements is recovered by assessment charges to the benefiting property owners. These collections are used to pay bond principal and interest on the outstanding improvement bonds or to reimburse the City if no bonds were issued. A majority of the special assessments are associated with road reconstruction projects within the Capital Improvement Plan, but they also include charges against property for the collection of delinquent utility bills or miscellaneous charges.



Trends: Special Assessment Revenues fluctuate due to the timing of Pavement Management Plan (PMP) projects. The 2011 and 2015 PMP projects were larger than average and there were more prepaid special assessments. There was no PMP project in 2012. 2014 included Round Lake Road which had some assessments and also used Tax Increment funds.

Licenses & Permits

These fees are normally charged as a means of recovering the cost of regulation in the interest of the overall community. Business license fees are required to be paid annually in order to operate a business within the City. Non-business license and permit fees are levied to finance the cost of inspecting and regulating new construction and to cover a portion of the administrative costs associated with monitoring activities. Building permit fees generate most of the revenue in this category.



Trends: License revenue is expected to remain static. Building permit revenue is expected to decrease as the City is primarily built out but commercial activity will cause fluctuations as seen in 2016 and 2017 as existing facilities go through upgrades. 2009 numbers reflect construction activities for additions at one of the colleges located in the City. 2016 and 2017 numbers reflect a major renovation at the Land O'Lakes headquarters facility and Boston Scientific.

Intergovernmental

This represents monies from other governments in the form of grants, entitlements, and shared revenues. The City receives a variety of shared revenues from the State of Minnesota. Prior to 2011, the major revenue within this category was Market Value Homestead Credit Aid. The 2011 legislature eliminated this program. The major revenue source is now Municipal State Aid (MSA) maintenance for streets.

All other amounts represent small grants and aids that the City receives under various established programs.

MSA Maintenance is a program for urban municipalities with populations of 5,000 or more. 20% of a City's County Roads and local improved mileage are included. This includes County Roads and County State Aid Highways (CSAH) that have reverted back to the municipality.

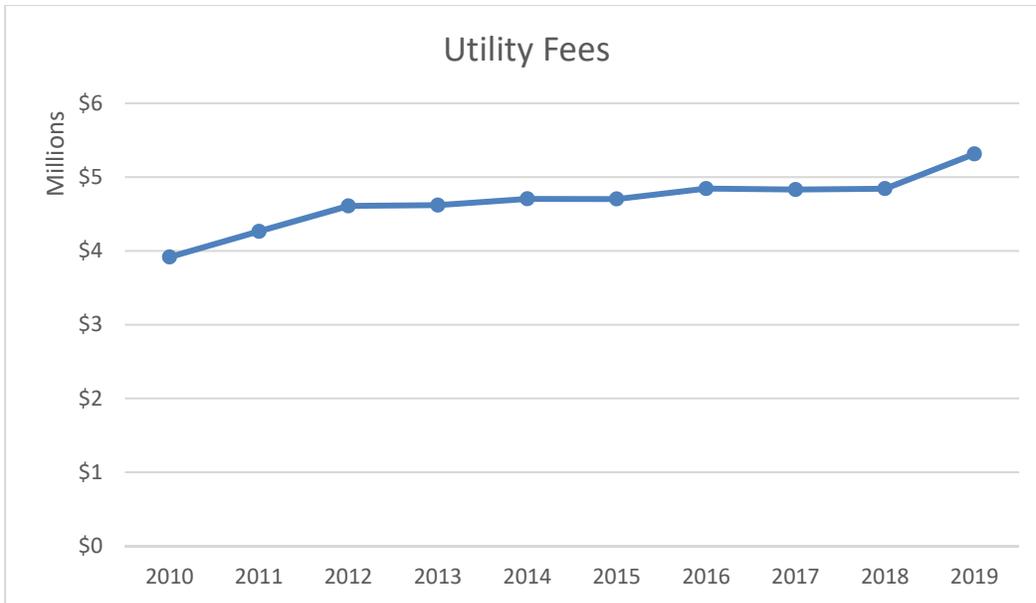
Police Aid is money received from the State to help with police personnel training costs. Since Arden Hills contracts with the Ramsey County Sheriff for this service, a part of this revenue is allocated back to Arden Hills each year to offset part of the contract costs for policing.

Trends: MSA Maintenance dollars have remained relatively static over the last six years and are expected to remain so. Police Aid has also remained fairly static over the last six years and is also expected to remain so.

Charges for Services

This category reflects fees collected for contractual services and general services that the City charges directly for. Included in this category are the following:

- General Fund charges for services include contractual and service fee services related to general government, public safety, and recreation.
- Services to property (Utility Fees) – are collected by the utility funds from customers (residents and business within the City) for services. See page 100 for more information on these fees.

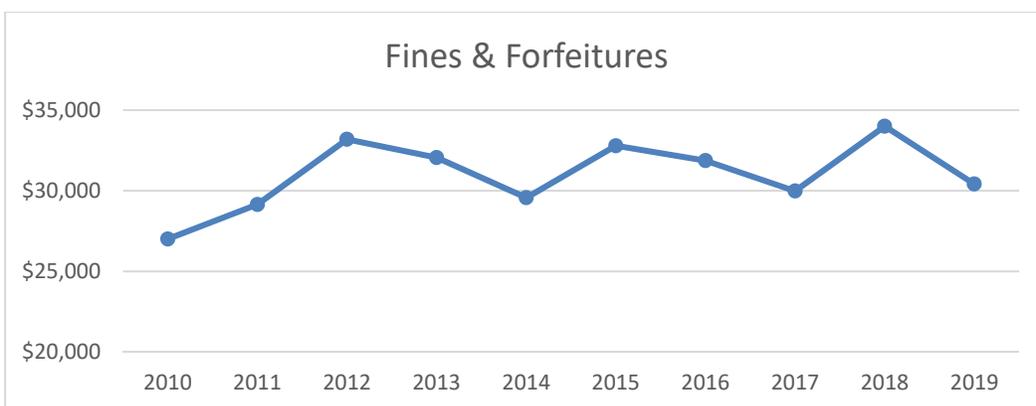


Trends: Charges for Services have been increasing as a whole. This is in part due to rising utility fees to help pay for needed infrastructure improvements. (See the Capital Improvement Plan section). Fluctuations in the General Fund fees are primarily due to Plan Check Fee revenue associated with building permits.

Fines and Forfeitures

Fines and forfeitures represent the City’s portion of traffic and code violation fees and are collected in the General Fund. When a violation is issued by a City, Sheriff, or State Trooper within the City Limits, a portion of the fee paid to the County is distributed to the City (based on State Statute).

In 2011, the City adopted Administrative Fines which are seen for the first time in 2012 revenues. These are fines for violations that are 10 miles per hour (MPH) or under and also rolling stops through stop signs. These fines are collected at the local level and serve a purpose by providing education to the community.



Trends: Fines and Forfeiture revenue are remaining fairly flat. Major road projects are coming to an end and highways are now open as seen in the trend lines between 2009 through 2011.

Franchise Fees

Franchise fees are derived from a fee imposed on cable TV revenues collected by the utilities for usage within the City. The fees are deposited in the Special Revenue Cable Fund. Cable TV franchise fees are used to cover communication and AV equipment costs.

Trends: The fee currently is estimated to generate approximately \$105,000 per year for the Cable Fund.

Developer Reimbursements

The County has purchased the TCAAP property. Once plans and phasing have been determined, estimates can be made on developer reimbursements and expenditures for the property. A Development Agreement will be entered into in which the City is reimbursed for its expenses incurred with this acquisition.

Trends: No revenues have been budgeted at this time but once plans and phasing have been determined, significant revenues are expected to offset costs incurred in connection with this project. (This will happen as part of the Joint Development Authority with Ramsey County).

Investment Earnings

Investment earnings are allocated to all funds based upon a weighted average of their daily cash balance. For budgeting purposes, the interest earnings are projected and the allocation from the latest Comprehensive Annual Financial Report is used. Market value changes related to the required recognition of unrealized gains / losses are included in the estimate for budgetary purposes.

Trends: Investment earnings are subject to the interest rate, economy and are dependent on what rates are available at the time investments were made. Overall interest earnings are projected to decrease from the 2018 budget. As always, investment earnings are subject to sudden shifts in the economy.

Other Revenues

Miscellaneous sources which do not fit into any of the above mentioned revenue categories. These sources include donations, other small unexpected payments, and non-operating revenues (Proprietary Funds) such as sale of scrap or surplus.

Trends: These revenues are expected to remain constant over the next several years.

Property Tax

The City of Arden Hills levies property taxes for its General Fund Operations. The levies are allowed by State Law, and are collected from property owners by Ramsey County and distributed to the City in July, December, and January.

Property Tax Reform

During 2001, the State Legislature passed a major Property Tax Reform Bill that dramatically impacted State funding to local governments. Levy limits returned, and a major shift in the State Funding of school districts resulted in the elimination of some aids for cities. The intention of the State Legislature was to have cities make up for this lost aid through the property tax levy. This reduced the reliance of cities on State Aid, and allows the property tax levy to make up a larger share of the General Fund Revenues. Arden Hills did not receive a significant portion of Local Government Aid, thus was not impacted.

As the Legislature entered the 2003 session, the situation with the economy was creating a State Deficit of over \$4 billion. The State enacted many reductions in order to balance the budget. As part of those reductions, cities had their property tax aid decreased for 2003 and 2004. The Market Value Homestead Credit (MVHC) reduction amount for 2003 was \$100,979 or 100% of the aid amount the city was initially certified to receive. The cities were then only allowed to levy back for 60% of the permanent LGA losses from 2003 and 2004. In 2005, the Legislature readjusted the formula for State Aid and increased the overall State Aid to cities by \$48 million. The formula change was detrimental to most inner ring suburbs and most cities in turn saw a total elimination of its LGA.

In 2008, the State again was facing a deficit and the Government chose to unallot the second half payments of LGA and MVHC which were to be distributed in December 2008. This was a loss of \$26,272 to the City. As the State economic forecast did not improve in 2009 or 2010, all LGA and MVHC aid was unallotted, this was a loss of \$55,923 and \$61,774 for the City. In mid-2010, the Governor unallotted the 2011 MVHC aid which was estimated at \$61,774 for Arden Hills.

The 2011 legislature eliminated the MVHC program for 2012, thus taking local governments out of the equation. A new program gives homesteaded property owners a Market Value Exclusion (MVE) on the value of their property and gives these property owners basically the same effect. However, this shifts taxes to non-homesteaded property as each local jurisdiction is now receiving its full levy, including the City. This results in shifting a significant portion of the City's levy (and other local jurisdiction's levy) to Commercial/Industrial property and those homesteads whose value is over \$413,800 where the exclusion is eliminated.

Property Values (Tax Burden)

City's Market Value and Tax Capacity

Due to the current economic conditions, the taxable market value for the City is projected to increase by \$57.9 million or 4.7% to \$1.29 billion. From this, the Tax Capacity is calculated (for residential properties it equates to 1% of Taxable Market Value, and varies by property type for all others). The City's Tax Capacity for calculating taxes was projected to increase by 5.0% to \$14.3 million. This decreased the City's tax rate from 25.532% to 25.431%.

Median Valued Home

Due to current economic conditions, the Taxable Market Value of the median valued home within the City is projected to increase 3.9% from \$333,800 to \$346,900. The overall City Tax burden increase on the median valued home is projected to be approximately 4.0% or \$33.04.

A chart depicting the projected basic governmental service annual costs for the median valued home is located on page 58.

Property Tax Levies

The total levy being proposed is \$3,938,420. This represents a \$151,478 or 4.0% increase over the 2018 levy of \$3,786,942.

Anoka County sets the Fiscal Disparities levy for the entire Seven County Metropolitan Area. This was established by the legislature in the 1970's as a means to more evenly distribute the property tax benefit derived by commercial properties. Cities are either a "net" gainer or a "net" contributor. Arden Hills is a "net" gainer and will collect \$311,064 in 2019 as opposed to \$320,003 in 2018, which is a decrease of 2.8%.

City Tax Rate

There are two types of tax rates that are calculated for the City. One is a net tax capacity based rate, and the other is a market value based rate. Both rates use the market value as the starting point for determining the rate.

Net Tax Capacity Based Rate

The Net Tax Capacity based rate is calculated by taking the levy and dividing it by the Net Tax Capacity. Net Tax Capacity calculation is regulated by the State Legislature, which has created twenty-eight (28) classifications of property and a "class rate percentage" for each classification. The Net Tax Capacity is determined by multiplying the market value of each property by the appropriate class rate percentage. The sum total of all parcel tax capacities less adjustments for the City's Fiscal Disparity contribution, those parcels that have been certified in a Tax Increment Financing (TIF) development district, and the MVE represent the New Tax Capacity for the city. Currently, the General Fund Levy is Net Tax Capacity based.

Tax Capacity	2017	2018	2019
Real Estate/Personal Property	14,934,582	16,028,202	16,783,893
Tax Increment Districts	(256,243)	(308,152)	(345,318)
Sub-Total	14,678,339	15,720,050	16,438,575
Fiscal Disparities:			
Contribution	(2,365,021)	(2,141,470)	(2,174,858)
Distribution	1,095,402	1,176,005	1,218,312
Total Tax Capacity	13,408,720	14,754,585	15,482,029
Percent Change	2.5%	10.0%	4.9%

Market Value based rate

Market Value based rates are calculated by dividing the levy by the taxable market value of all properties within the city. Taxable market value is calculated by taking the market value of all properties less exclusions and limitations as set by the State Legislature.

Market Value Determination

The county Assessor determines the market value of properties through assessment, the use of actual sales data, and economic trends. The taxes that are collected in 2019 are based on the assessment of market values for 2018, which are certified to the County Assessor on January 2, 2018 and relate to sales and data information from 2017. All assessments are subject to review by the Minnesota Department of Revenue. The State requires that property values be within 90% to 105% of actual sales overall.

Truth-In-Taxation Public Hearing

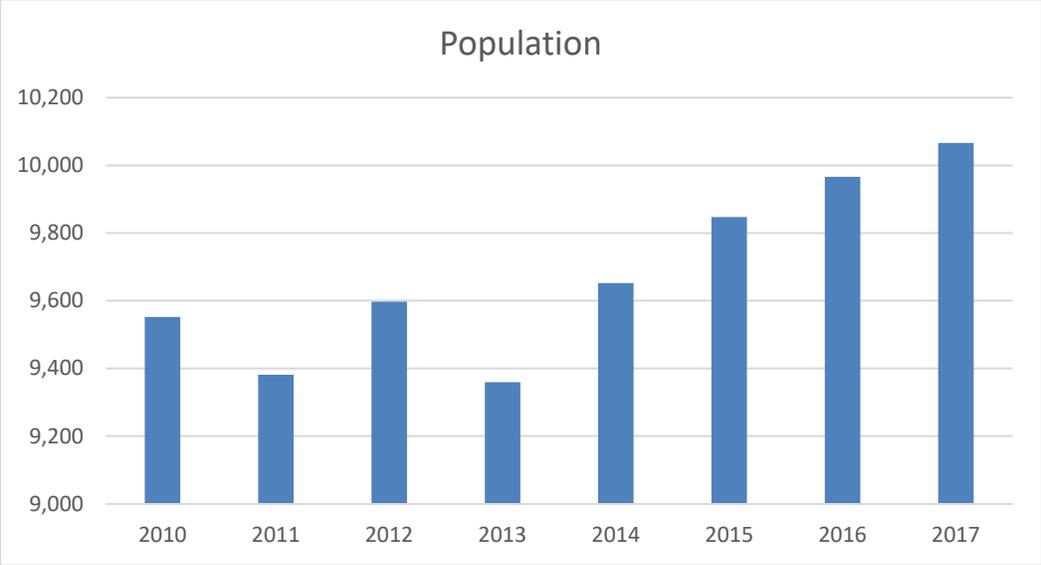
Each year in late November or early December, Statutes require all counties, school districts, and cities with a population over 2,500 to hold a public hearing to discuss the proposed budget and property tax levies. As part of this process, each property is sent by the county a Truth-In-Taxation notice which shows the impacts of the proposed levies on their individual property. The public hearing is set as a forum for citizens to come and discuss their views on the proposed budget and property tax levies with the public officials of each jurisdiction. The City held the Truth-In-Taxation Public Hearing on Monday, December 10, 2018.

Budget Assumptions

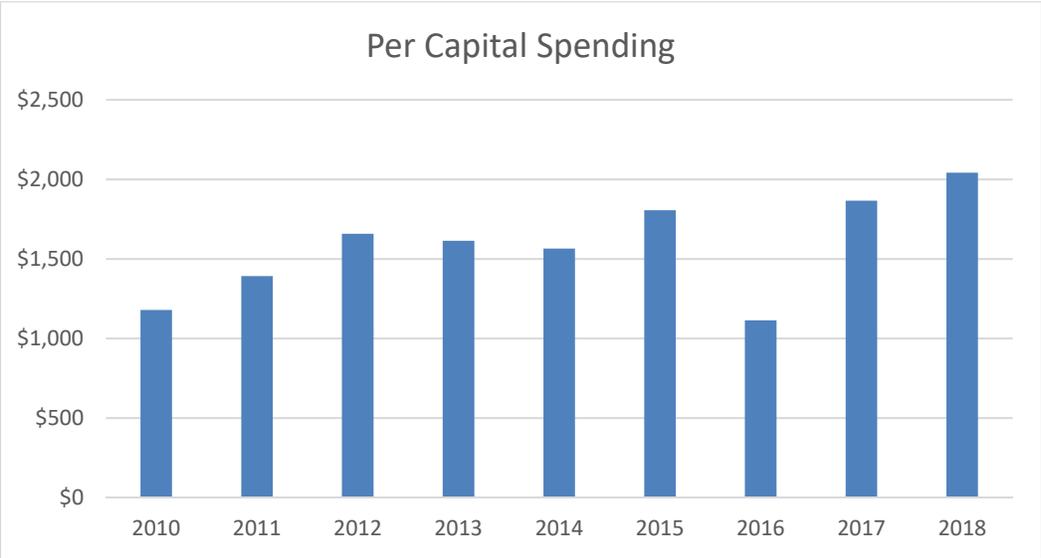
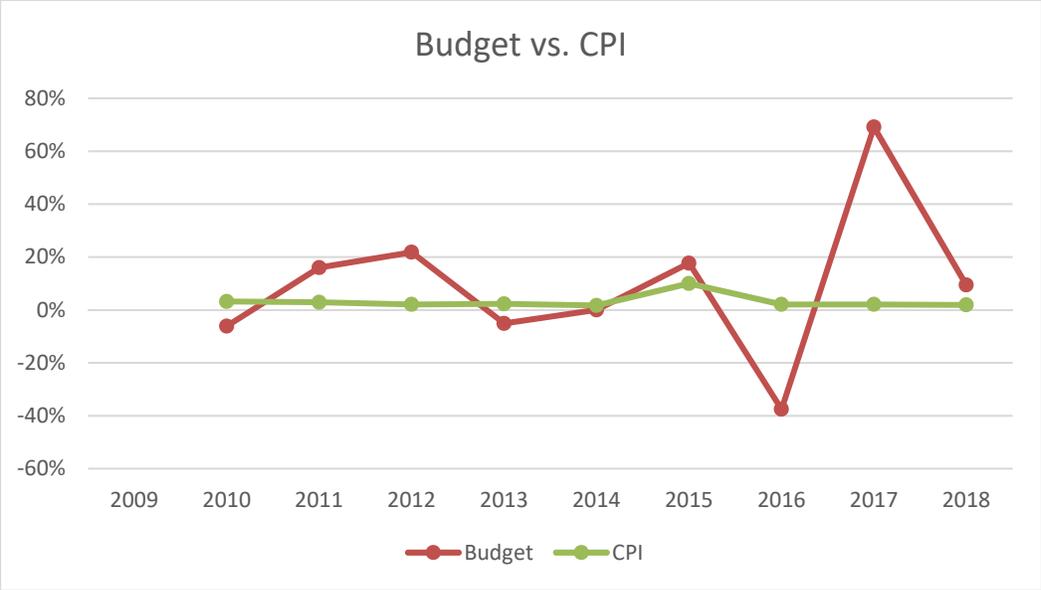
Certain assumptions are decided on as a foundation for developing a budget. These assumptions guide the City in determining the level of service that will be provided to residents and how those services will be funded. The City’s budget practice is to use conservative revenue estimates to assure adequate funding of expenditures.

2019 Assumptions

Since 2010 the city has estimated a population growth of about 0.8% a year. The City expects the population growth to continue below 1% in the future until the TCAAP development occurs. The Chart below demonstrates the City’s population growth over the last eleven years. After the 2010 Census the City’s population was reported as 9,552.

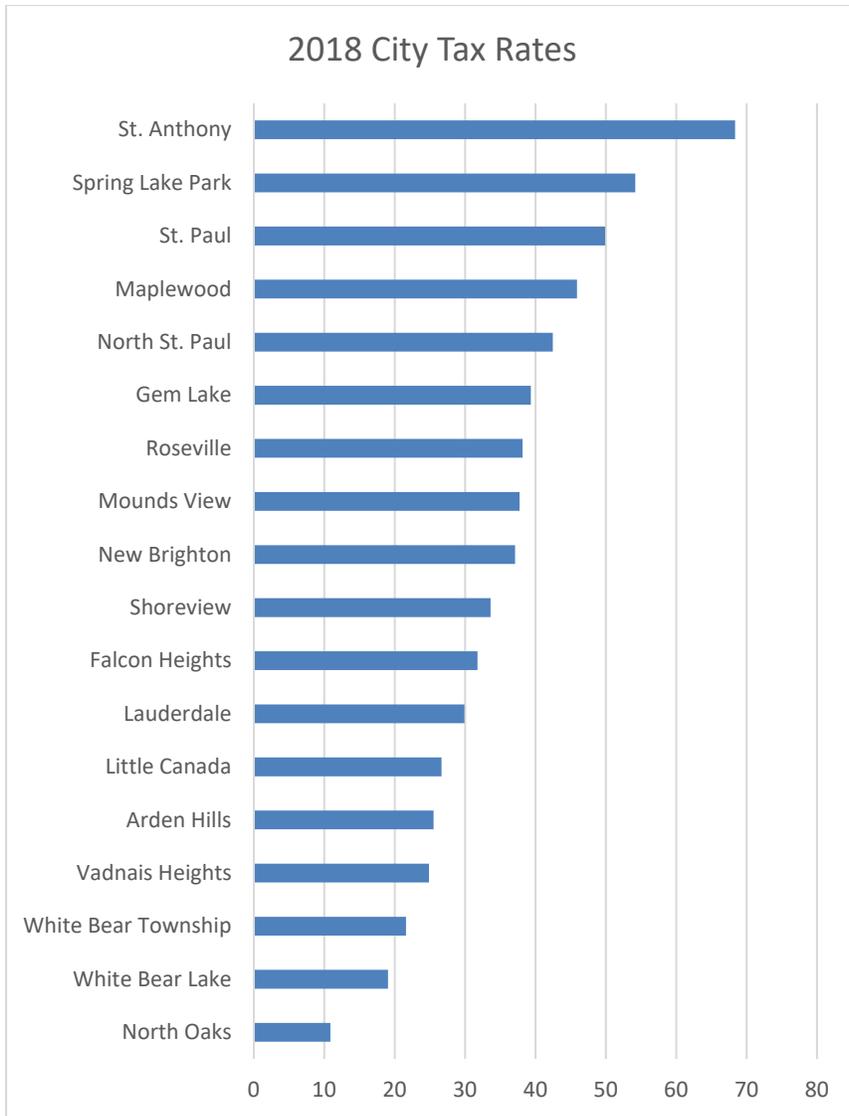


As the City’s population grows, so does the demand for services. This increase in demand for services also requires increases in parks, miles of streets, water mains and sewer lines that need to be maintained. In 2019, the City continues various infrastructure improvements as the City’s infrastructure ages. This growth and demand has resulted in the City’s operating budgets to grow faster than the Consumer Price Index (CPI) the last few years and the increased infrastructure improvements has also caused the City’s per capita spending to increase over the last few years as shown in the following two charts. (Note: The decrease in the 2001 and 2002 budget is a result of the building of the new City Hall. The increase in the 2003 budget is a result of the refinancing of Tax Increment Bonds and paying off the old bonds. Reserves were used to balance the 2011 budget.)



As the City becomes more developed and has less land available for new residential development, the City’s operating expenditures should increase with increases in the CPI with the exception of a “catch-up” in infrastructure improvements.

Current economic conditions have caused the City’s market values to increase by 3.9%. In 2002 the State Legislature enacted major property tax reform which lowered all property class rates. The City’s tax capacity has allowed the city to maintain a tax rate that is one of the lowest in the Minneapolis/St. Paul Metropolitan area. Currently, the City has one of the lowest rates in the northeast metropolitan area as shown in the graph.



As other revenue sources decrease or remain at past levels, the City becomes more reliant on property taxes as its main revenue source. The following table summarizes the City's property tax levy over the last ten years.

<u>Year</u>	<u>Levy</u>	<u>% Change</u>
2010	\$3,016,465	2.3%
2011	\$3,040,964	0.8%
2012	\$3,096,994	1.8%
2013	\$3,191,230	3.0%
2014	\$3,257,456	2.1%
2015	\$3,359,775	3.1%
2016	\$3,478,775	3.5%
2017	\$3,641,290	4.7%
2018	\$3,786,942	4.0%
2019	\$3,938,420	4.0%

Minnesota's property tax system is described in more detail on pages 42 through 44. (Note: the Minnesota State Legislature enacted Market Value Homestead Credit reductions to property owners in 2003-2004. This credit was not reimbursed to local governments, which in effect reduced tax revenues so local governments did not receive the full amount of their certified levies. In 2005 the legislature reinstated these credit reductions for 2005 and 2006.) The credits were reinstated in 2007. However, due to the current economic conditions, the second half payment for 2008 and all of the 2009 and 2010 payments were unallotted by the Governor. All of the 2011 payments were unallotted. The 2011 legislature eliminated the program for 2012 and replaced it with the Market Value Exclusion program previously discussed, taking local governments out of the formula. The City began receiving its full levy in 2012, however, the full effect was seen in 2013 as Fiscal Disparities caught up with the formula change.

Currently there is little land available for residential development and new home construction within the City except with the addition of the TCAAP property. Most development is commercial/industrial and as these areas are developed there will be a decline of permit revenues in the future. This is expected to increase in the future depending on the timing of how the TCAAP property develops.

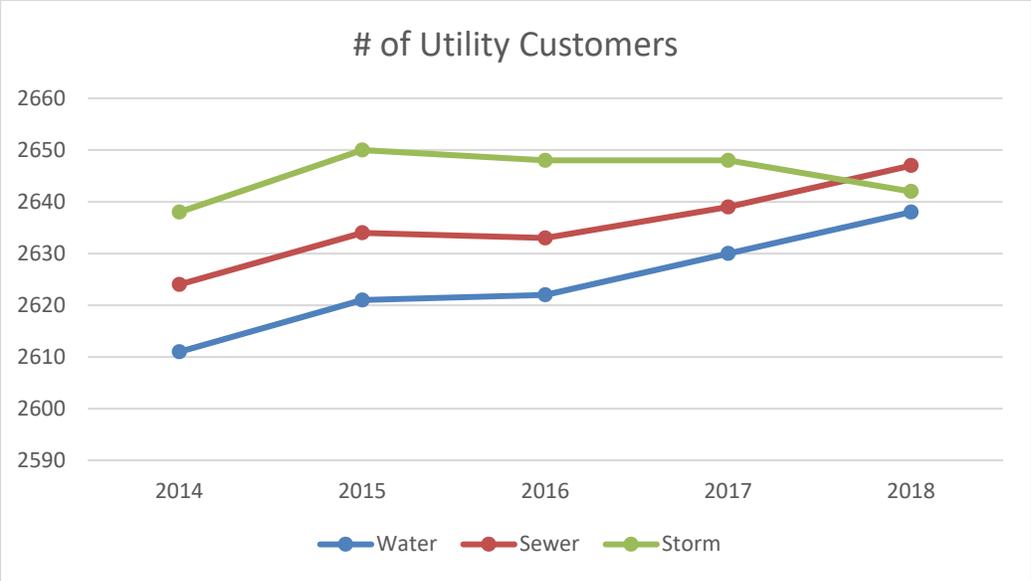
The City pools its cash reserves for investment purposes. This is described in more detail in the investment policy on pages 33-34 of this document.

The City's largest expenditure classification is personnel services. Personnel services include salaries and fringe benefits for all employees. For 2019, the salaries have been budgeted at a 2.5% increase for COLA for both non-union employees and union employees.

The City is switching health insurance plans in 2019. With this change and the small increases proposed for dental and life insurance, the City is realizing a savings of about \$30,000 for insurance benefits over 2018. No change was budgeted for Short Term Disability and Long Term Disability.

The City's staffing levels are detailed on pages 16 - 19.

Finally, the population growth does not only affect the City's General fund, it also affects the City's Water, Sewer, and the Surface Water Management operating funds. As the population has increased, so has the number of utility customers. As the number of customers increase, so does the revenue, the demand for service and the cost of providing the service. The chart below shows the customer increases over the last five years.

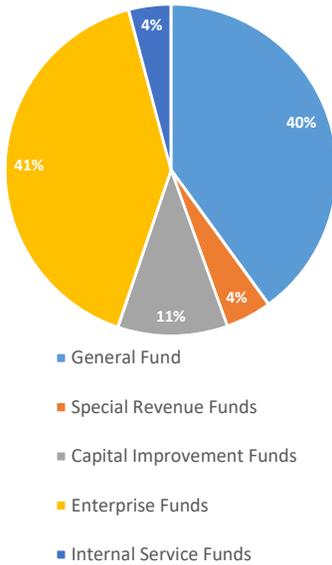


BUDGET SUMMARY

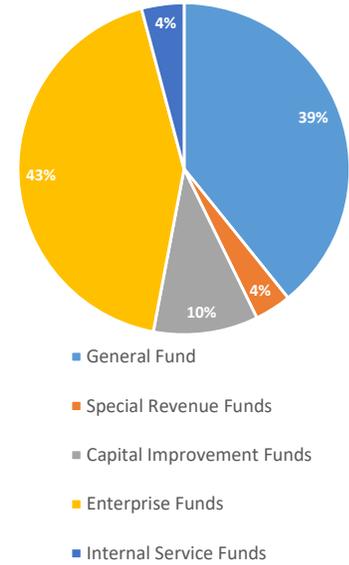
By Fund Type

	2016 Actual	2017 Actual	10/31/2018 YTD	2018 Budget	2019 Budget	\$ Increase (Decrease)	% Increase (Decrease)
CITY-WIDE SUMMARY							
REVENUES							
General Fund	\$ 4,802,989	\$ 5,231,139	\$ 2,736,848	\$ 4,939,531	\$ 5,292,620	\$ 353,089	7.1%
Special Revenue Funds	453,485	513,774	258,202	456,300	591,430	135,130	29.6%
Capital Improvement Funds	1,729,262	3,222,222	739,669	1,649,361	1,417,670	(231,691)	-14.0%
Enterprise Funds	5,205,026	4,967,248	3,942,452	4,932,600	5,379,850	447,250	9.1%
Internal Service Funds	727,725	811,569	472,351	991,381	545,180	(446,201)	-45.0%
TOTAL REVENUES	\$ 12,918,488	\$ 14,745,953	\$ 8,149,522	\$ 12,969,173	\$ 13,226,750	\$ 257,577	2.0%
EXPENDITURES/EXPENSES							
General Fund	\$ 4,940,589	\$ 4,536,635	\$ 3,645,984	\$ 5,176,756	\$ 5,479,590	\$ 302,834	5.8%
Special Revenue Funds	341,951	379,706	278,575	520,457	497,680	(22,777)	-4.4%
Capital Improvement Funds	986,057	1,178,306	4,022,728	4,855,358	1,423,450	(3,431,908)	-70.7%
Enterprise Funds	4,187,604	4,799,840	5,498,636	8,999,511	5,994,960	(3,004,551)	-33.4%
Internal Service Funds	779,569	905,608	607,601	996,218	577,310	(418,908)	-42.0%
TOTAL EXPENDITURES/EXPENSES	\$ 11,235,771	\$ 11,800,094	\$ 14,053,524	\$ 20,548,300	\$ 13,972,990	\$ (6,575,310)	-32.0%
NET CHANGES IN FUND BALANCE	\$ 1,682,717	\$ 2,945,858	\$ (5,904,001)	\$ (7,579,127)	\$ (746,240)	\$ 6,832,887	

2019 Revenues by Fund Type



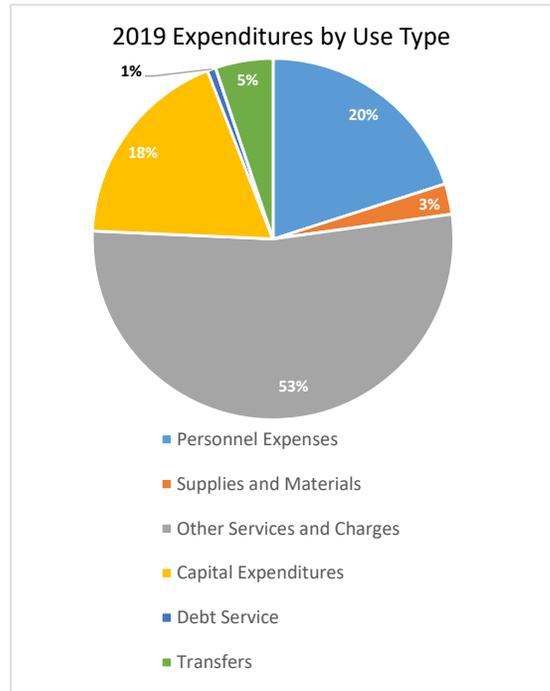
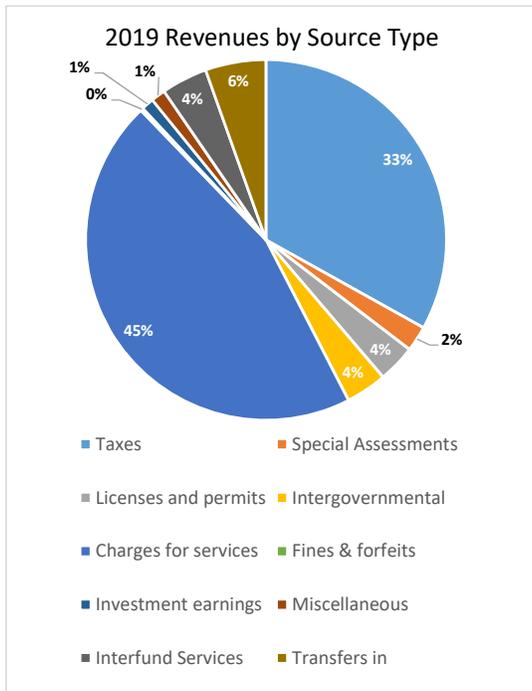
2019 Expenditures by Fund Type



BUDGET SUMMARY

By Source/Use Type

	2016	2017	10/31/2018	2018	2019	\$ Increase	% Increase
CITY-WIDE SUMMARY	Actual	Actual	YTD	Budget	Budget	(Decrease)	(Decrease)
REVENUES							
Taxes	\$ 3,635,629	\$ 3,946,562	\$ 2,136,216	\$ 4,110,042	\$ 4,377,680	\$ 267,638	6.5%
Special Assessments	379,696	316,399	445,455	404,200	303,220	(100,980)	-25.0%
Licenses and permits	602,259	732,358	395,867	330,100	448,640	118,540	35.9%
Intergovernmental	481,846	2,149,069	130,905	558,540	485,930	(72,610)	-13.0%
Charges for services	5,780,986	5,601,644	4,235,818	5,454,104	5,997,360	543,256	10.0%
Fines & forfeits	31,868	29,988	16,480	34,000	30,420	(3,580)	-10.5%
Investment earnings	173,026	172,102	51,158	226,800	148,070	(78,730)	-34.7%
Miscellaneous	128,915	187,499	266,012	165,296	170,250	4,954	3.0%
Interfund Services	698,376	798,742	471,611	966,091	545,180	(420,911)	-43.6%
Transfers in	1,005,886	811,590	-	720,000	720,000	-	0.0%
TOTAL REVENUES	\$ 12,918,488	\$ 14,745,953	\$ 8,149,522	\$ 12,969,173	\$ 13,226,750	\$ 257,577	2.0%
EXPENDITURES/EXPENSES							
Personnel Expenses	\$ 2,220,865	\$ 1,995,867	\$ 1,809,744	\$ 2,574,831	\$ 2,803,280	\$ 228,449	8.9%
Supplies and Materials	255,288	374,665	331,570	304,496	382,050	77,554	25.5%
Other Services and Charges	7,420,617	7,834,498	5,792,410	7,760,615	7,392,910	(367,705)	-4.7%
Capital Expenditures	318,115	1,024,299	6,067,467	9,173,358	2,568,450	(6,604,908)	-72.0%
Debt Service	15,000	-	52,333	15,000	106,300	91,300	608.7%
Transfers	1,005,886	570,765	-	720,000	720,000	-	0.0%
TOTAL EXPENDITURES/EXPENSES	\$ 11,235,771	\$ 11,800,094	\$ 14,053,524	\$ 20,548,300	\$ 13,972,990	\$ (6,575,310)	-32.0%
NET CHANGES IN FUND BALANCE	\$ 1,682,717	\$ 2,945,858	\$ (5,904,001)	\$ (7,579,127)	\$ (746,240)	\$ 6,832,887	



CITY OF ARDEN HILLS, MINNESOTA

ALL FUNDS
REVENUE SUMMARY

	2016	2017	2018	2019	PERCENT
<u>Total by Source</u>	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2018 BUDGET
Taxes	3,635,629	3,946,562	4,110,042	4,377,680	6.5%
Special Assessments	379,696	316,399	404,200	303,220	-25.0%
Licenses and permits	602,259	732,358	330,100	448,640	35.9%
Intergovernmental	481,846	2,149,069	558,540	485,930	-13.0%
Charges for services	5,780,986	5,601,644	5,454,104	5,997,360	10.0%
Fines & forfeits	31,868	29,988	34,000	30,420	-10.5%
Investment earnings	173,026	172,102	226,800	148,070	-34.7%
Miscellaneous	128,915	187,499	165,296	170,250	3.0%
Interfund Services	698,376	798,742	966,091	545,180	-43.6%
Transfers in	1,005,886	811,590	720,000	720,000	0.0%
Totals	12,918,488	14,745,953	12,969,173	13,226,750	2.0%
<u>Total by Fund</u>					
General	4,802,989	5,231,139	4,939,531	5,292,620	7.1%
Cable TV	136,879	113,506	105,000	108,000	2.9%
EDA	69,684	99,309	125,600	123,500	-1.7%
EDA Revolving	2,652	2,601	3,000	-	-100.0%
TIF #3	74,064	94,086	72,000	104,530	45.2%
TIF #4	170,205	204,271	150,700	255,400	69.5%
Equip & Bldg Replacement	299,201	317,265	350,000	360,000	2.9%
Parks	-	6,500	-	-	N/A
Capital (PIR)	1,404,223	2,873,865	1,220,361	983,670	-19.4%
Public Safety Capital	25,690	24,591	79,000	74,000	-6.3%
TCAAP Capital	148	-	-	-	N/A
Water	2,179,070	2,149,460	2,186,900	2,384,550	9.0%
Sanitary Sewer	2,049,444	1,796,500	1,755,000	1,973,450	12.4%
Recycling	159,836	177,065	161,500	158,280	-2.0%
Storm Water Management	816,675	844,223	829,200	863,570	4.1%
Risk Management	347,220	346,317	433,276	-	-100.0%
Engineering	106,430	73,394	154,764	58,420	-62.3%
Central Garage	137,920	244,703	231,341	266,150	15.0%
Technology	136,154	147,156	172,000	220,610	28.3%
Totals	12,918,488	14,745,953	12,969,173	13,226,750	2.0%

CITY OF ARDEN HILLS, MINNESOTA

ALL FUNDS

EXPENDITURE SUMMARY

<u>Total by Use</u>	2016	2017	2018	2019	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2018 BUDGET
Personnel Expenses	2,220,865	1,995,867	2,574,831	2,803,280	8.9%
Supplies and Materials	255,288	374,665	304,496	382,050	25.5%
Other Services and Charges	7,420,617	7,834,498	7,760,615	7,392,910	-4.7%
Capital Expenditures	318,115	1,024,299	9,173,358	2,568,450	-72.0%
Debt Service	15,000	-	15,000	106,300	608.7%
Transfers	1,005,886	570,765	720,000	720,000	0.0%
Totals	11,235,771	11,800,094	20,548,300	13,972,990	-32.0%

Total by Fund

General	4,940,589	4,536,635	5,176,756	5,479,590	5.8%
Cable TV	112,265	113,148	158,770	172,770	8.8%
EDA	72,645	79,904	217,437	130,280	-40.1%
EDA Revolving	-	-	-	-	N/A
TIF #3	1,894	1,549	4,725	2,000	-57.7%
TIF #4	155,147	185,105	139,525	192,630	38.1%
Equip & Bldg Replacement	155,798	539,433	473,500	525,000	10.9%
Parks	-	-	-	-	N/A
Capital (PIR)	631,073	532,786	4,296,000	810,000	-81.1%
Public Safety Capital	47,880	100,215	70,858	73,450	3.7%
TCAAP Capital	151,307	5,872	15,000	15,000	0.0%
Water	1,901,862	2,228,272	4,917,586	2,796,020	-43.1%
Sanitary Sewer	1,610,091	1,877,129	2,523,007	2,145,950	-14.9%
Recycling	141,188	147,917	155,954	173,030	10.9%
Storm Water Management	534,464	546,522	1,402,964	879,960	-37.3%
Risk Management	387,054	354,920	433,362	33,730	-92.2%
Engineering	105,518	148,010	136,081	58,420	-57.1%
Central Garage	140,597	250,846	253,988	266,150	4.8%
Technology	146,400	151,833	172,787	219,010	26.8%
Totals	11,235,771	11,800,094	20,548,300	13,972,990	-32.0%



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General Fund Summary

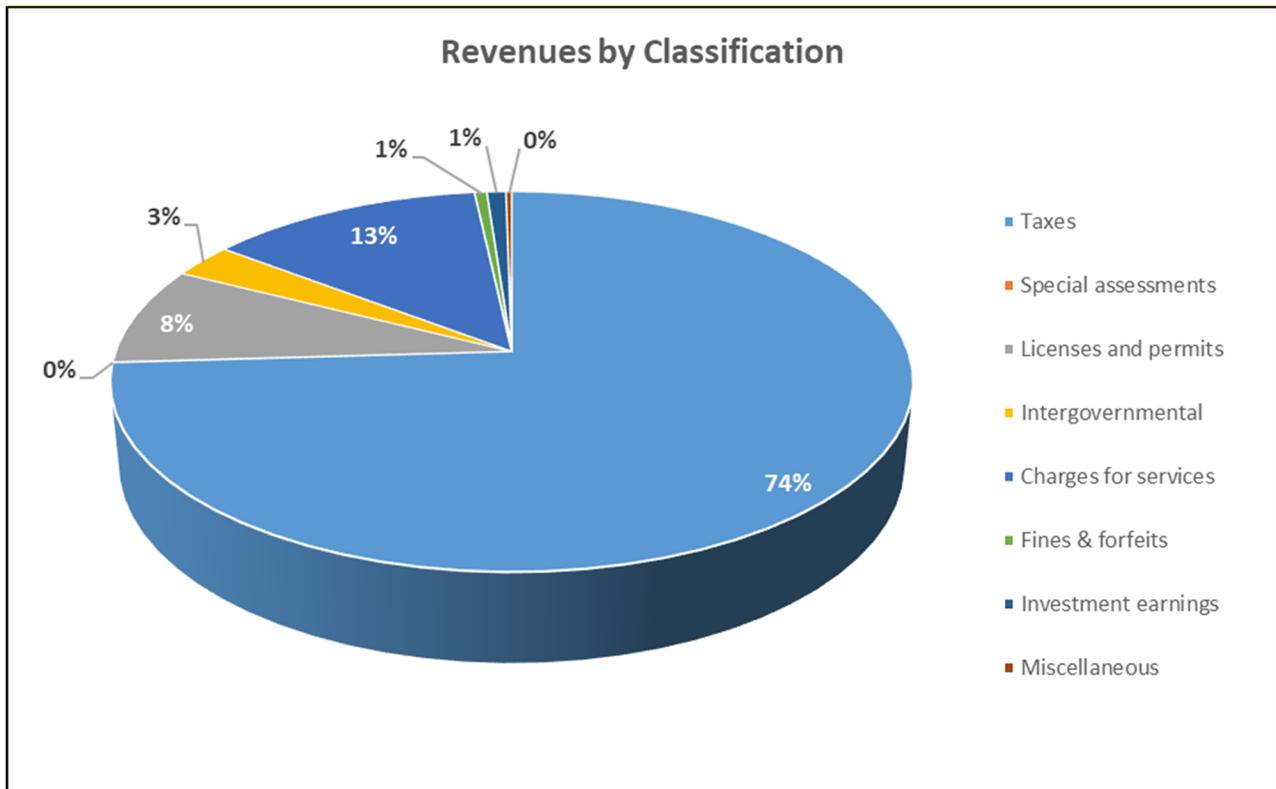
GENERAL FUND SUMMARY

Fund Description

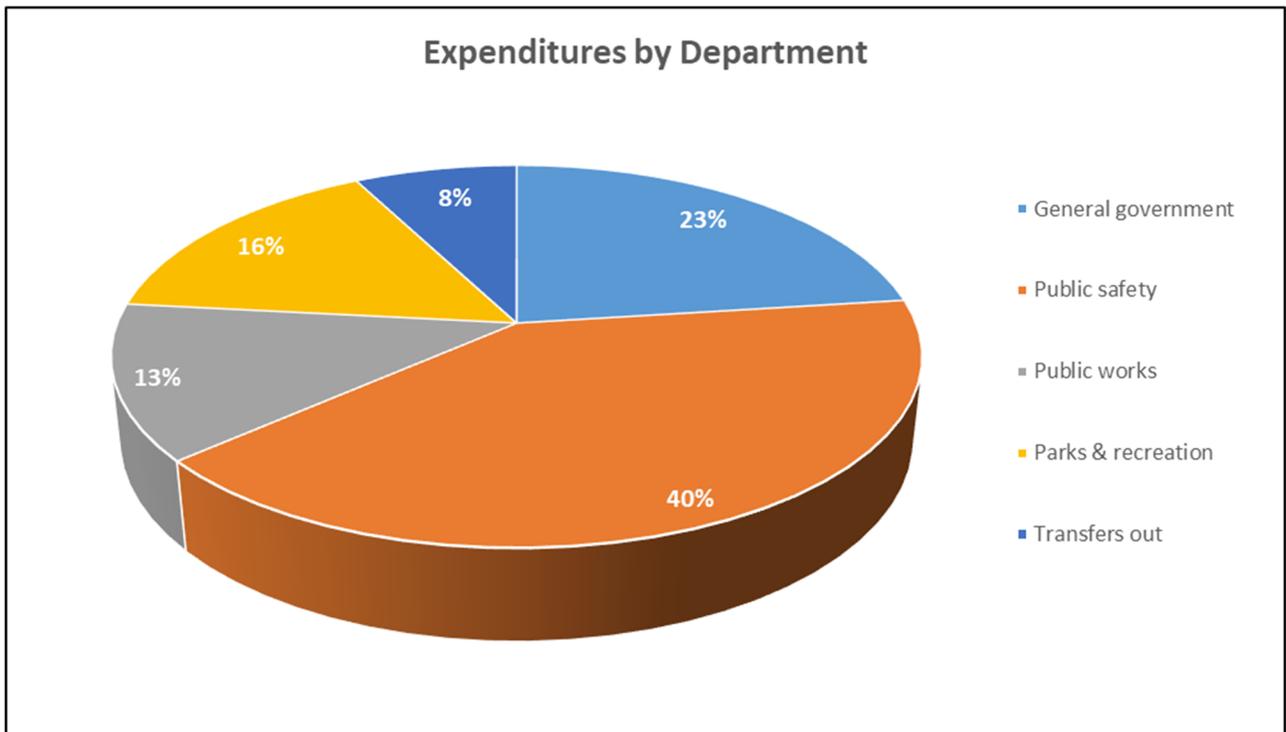
The General Fund is used to account for the ordinary operations of the City, which are financed from taxes and other general revenues, which are not accounted for in another fund. The modified accrual basis of accounting is used in the General Fund. That is, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received. However, compensated absences are expended “when paid” for budgetary purposes.

Budget Summary

Total General Fund estimated revenues for 2019 are \$5,292,620. The three largest revenue sources for the City are property taxes, charges for services, and license fees and permits. Property taxes are the largest revenue source with 73.9% of the revenue, charges for current services are 12.9%, license fees and permits are 8.4%, intergovernmental revenues are 2.9%, court fines are 0.6% and miscellaneous revenues are 1.2%. The graph below illustrates the projected revenue by type.



The 2019 General Fund budget of \$5,479,590 is a 5.85% increase over the City's 2018 budget. Public Safety and General Government expenditures represent the largest expenditure areas with 40% and 23% respectively, while Park & Recreation represents 16%. These areas account for 79% of the budgeted expenditures within the City. The remaining expenditures are represented by Public Works at 13% and Transfers at 8%. Economic Development revenues and expenses are located in the EDA General Fund budget. Capital Outlay expenses are located in the Capital Improvement Plan and are not included in the General Fund. The following graph illustrates the budgeted expenditures by department.



What Do You Get for Your Arden Hills Tax Dollar?

**Parks &
Recreation
11.3 Cents**

**Public Safety
29.3 Cents**

**Public Works
9.5 Cents**

**General Government
16.6 Cents**



**Transfers
5.5 Cents**

A \$346,900 home generates \$867 in annual property taxes:
This comes to \$72 per month for 2019.

What could you purchase for \$72.00 a month?

ONE OF THESE...

- One month of cable service
- One hardback book
- One month at a gym
- Dinner for two
- Movie and snacks for a family of four

ALL OF THESE...

- 24 hours Police Protection
- 24 hours Fire Protection
- Zoning and Subdivision Service
- Curbside Recycling
- Paved and Maintained City Streets
- Snow and Ice Removal
- Street Lighting
- Parking Lot Maintenance
- Well Groomed Park and Lake
- Right-of-Way Mowing
- Special Events

**Estimated Cost of City Services
\$346,900 Homestead in 2019**

Cost of City Services Pay 2019 Property Tax Support for \$346,900 Homestead				
City Service Category	Actual	Percent of Levy	Amount of Levy	Monthly Cost
General Government Mayor/Council, Administration, Communications, Elections, Auditor, Assessor, Legal, Planning	\$1,259,830	23.0%	\$199	\$16.61
Public Safety Building Inspection/Code Enforcement, Court, Police Contract, Fire, Ambulance, Human Services, Animal Control	\$2,221,950	40.5%	\$352	\$29.29
Public Works Engineering, Streets, Street Lighting, City Buildings	\$719,300	13.1%	\$114	\$9.48
Parks	\$517,970	9.5%	\$82	\$6.83
Recreation	\$340,540	6.2%	\$54	\$4.49
Transfers - EDA	\$120,000	2.2%	\$19	\$1.58
Transfers - Capital	\$300,000	5.5%	\$47	\$3.96
Totals	\$5,479,590	100.0%	\$867	\$72

GENERAL FUND	2016 Actual	2017 Actual	2018 Budget	2019 Budget	\$ Increase (Decrease)	% Increase (Decrease)
REVENUES						
Taxes	\$ 3,260,537	\$ 3,541,704	\$ 3,795,042	\$ 3,919,750	\$ 124,708	3.29%
Special assessments	1,332	1,265	2,000	1,220	(780)	-39.00%
Licenses and permits	598,687	729,198	324,600	443,020	118,420	36.48%
Intergovernmental	131,914	151,425	133,179	153,220	20,041	15.05%
Charges for services	700,855	718,906	585,704	683,300	97,596	16.66%
Fines & forfeits	31,868	29,988	34,000	30,420	(3,580)	-10.53%
Investment earnings	52,161	36,012	55,000	47,230	(7,770)	-14.13%
Miscellaneous	25,636	22,642	10,006	14,460	4,454	44.51%
TOTAL REVENUES	\$ 4,802,989	\$ 5,231,139	\$ 4,939,531	\$ 5,292,620	\$ 353,089	7.15%
EXPENDITURES						
Mayor & council	\$ 65,051	\$ 56,513	\$ 67,500	\$ 68,760	\$ 1,260	1.87%
Administration	173,781	260,304	327,500	326,810	(690)	-0.21%
Elections	21,137	21,137	23,000	23,000	-	0.00%
Finance	172,268	192,663	176,300	181,740	5,440	3.09%
TCAAP	242,663	98,883	170,000	171,190	1,190	0.70%
Planning & Zoning	173,853	197,976	266,250	217,320	(48,930)	-18.38%
Government Buildings	233,560	248,879	275,000	271,010	(3,990)	-1.45%
Police	1,089,185	1,177,494	1,194,775	1,242,250	47,475	3.97%
Dispatch	67,780	68,832	65,175	68,500	3,325	5.10%
Fire	495,216	514,468	544,000	573,680	29,680	5.46%
Emergency Management	2,966	3,364	9,476	3,910	(5,566)	-58.74%
Protective Inspections	326,360	293,877	342,746	333,610	(9,136)	-2.67%
Street Maintenance	479,814	443,632	587,872	719,300	131,428	22.36%
Recreation	275,039	250,898	266,650	340,540	73,890	27.71%
Park Maintenance	346,795	367,715	440,512	517,970	77,458	17.58%
Transfers out	775,121	340,000	420,000	420,000	-	0.00%
TOTAL EXPENDITURES	\$ 4,940,589	\$ 4,536,635	\$ 5,176,756	\$ 5,479,590	\$ 302,834	5.85%
NET CHANGE IN FUND BALANCE	\$ (137,600)	\$ 694,505	\$ (237,225)	\$ (186,970)	\$ 50,255	-21.18%

2019 BUDGET - GENERAL FUND - SCHEDULE OF EXPENDITURES - DETAIL BY FUNCTION

	2016 Actual	2017 Actual	2018 Budget	2019 Proposed	\$ Increase (Decrease)	% Increase (Decrease)
Mayor & council						
Personnel Expenses	\$ 31,160	\$ 31,165	\$ 31,200	\$ 37,210	\$ 6,010	19.26%
Supplies and Materials	48	166	50	150	100	200.00%
Other Services and Charges	33,842	25,182	36,250	31,400	(4,850)	-13.38%
	<u>\$ 65,051</u>	<u>\$ 56,513</u>	<u>\$ 67,500</u>	<u>\$ 68,760</u>	<u>\$ 1,260</u>	<u>1.87%</u>
Administration						
Personnel Expenses	\$ 83,780	\$ 83,423	\$ 194,200	\$ 211,100	\$ 16,900	8.70%
Supplies and Materials	423	448	500	550	50	10.00%
Other Services and Charges	89,578	176,433	132,800	115,160	(17,640)	-13.28%
	<u>\$ 173,781</u>	<u>\$ 260,304</u>	<u>\$ 327,500</u>	<u>\$ 326,810</u>	<u>\$ (690)</u>	<u>-0.21%</u>
Elections						
Other Services and Charges	\$ 21,137	\$ 21,137	\$ 23,000	\$ 23,000	\$ -	0.00%
	<u>\$ 21,137</u>	<u>\$ 21,137</u>	<u>\$ 23,000</u>	<u>\$ 23,000</u>	<u>\$ -</u>	<u>0.00%</u>
Finance						
Personnel Expenses	\$ 61,677	\$ 66,312	\$ 51,000	\$ 52,540	\$ 1,540	3.02%
Supplies and Materials	16,490	19,000	23,100	23,100	-	0.00%
Other Services and Charges	94,102	107,351	102,200	106,100	3,900	3.82%
	<u>\$ 172,268</u>	<u>\$ 192,663</u>	<u>\$ 176,300</u>	<u>\$ 181,740</u>	<u>\$ 5,440</u>	<u>3.09%</u>
TCAAP						
Personnel Expenses	\$ 61,188	\$ 43,726	\$ 107,700	\$ 85,090	\$ (22,610)	-20.99%
Supplies and Materials	555	-	1,000	-	(1,000)	-100.00%
Other Services and Charges	180,920	55,156	61,300	86,100	24,800	40.46%
	<u>\$ 242,663</u>	<u>\$ 98,883</u>	<u>\$ 170,000</u>	<u>\$ 171,190</u>	<u>\$ 1,190</u>	<u>0.70%</u>
Planning & Zoning						
Personnel Expenses	\$ 111,751	\$ 40,044	\$ 83,500	\$ 139,200	\$ 55,700	66.71%
Supplies and Materials	14	-	200	-	(200)	-100.00%
Other Services and Charges	62,088	157,933	182,550	78,120	(104,430)	-57.21%
	<u>\$ 173,853</u>	<u>\$ 197,976</u>	<u>\$ 266,250</u>	<u>\$ 217,320</u>	<u>\$ (48,930)</u>	<u>-18.38%</u>
Government Buildings						
Personnel Expenses	\$ 22,156	\$ 42,720	\$ 40,500	\$ 39,960	\$ (540)	-1.33%
Supplies and Materials	3,951	4,426	6,000	6,000	-	0.00%
Other Services and Charges	207,453	201,733	228,500	225,050	(3,450)	-1.51%
	<u>\$ 233,560</u>	<u>\$ 248,879</u>	<u>\$ 275,000</u>	<u>\$ 271,010</u>	<u>\$ (3,990)</u>	<u>-1.45%</u>
Police						
Other Services and Charges	\$ 1,089,185	\$ 1,177,494	\$ 1,194,775	\$ 1,242,250	\$ 47,475	3.97%
	<u>\$ 1,089,185</u>	<u>\$ 1,177,494</u>	<u>\$ 1,194,775</u>	<u>\$ 1,242,250</u>	<u>\$ 47,475</u>	<u>3.97%</u>
Dispatch						
Other Services and Charges	\$ 67,780	\$ 68,832	\$ 65,175	\$ 68,500	\$ 3,325	5.10%
	<u>\$ 67,780</u>	<u>\$ 68,832</u>	<u>\$ 65,175</u>	<u>\$ 68,500</u>	<u>\$ 3,325</u>	<u>5.10%</u>
Fire						
Other Services and Charges	\$ 495,216	\$ 514,468	\$ 544,000	\$ 573,680	\$ 29,680	5.46%
	<u>\$ 495,216</u>	<u>\$ 514,468</u>	<u>\$ 544,000</u>	<u>\$ 573,680</u>	<u>\$ 29,680</u>	<u>5.46%</u>
Emergency Management						
Personnel Expenses	\$ 11	\$ 30	\$ 2,726	\$ 2,810	\$ 84	3.08%
Other Services and Charges	2,955	3,335	6,750	1,100	(5,650)	-83.70%
	<u>\$ 2,966</u>	<u>\$ 3,364</u>	<u>\$ 9,476</u>	<u>\$ 3,910</u>	<u>\$ (5,566)</u>	<u>-58.74%</u>
Protective Inspections						
Personnel Expenses	\$ 233,395	\$ 218,543	\$ 270,500	\$ 260,260	\$ (10,240)	-3.79%
Supplies and Materials	645	171	3,046	750	(2,296)	-75.38%
Other Services and Charges	92,319	75,163	69,200	72,600	3,400	4.91%
	<u>\$ 326,360</u>	<u>\$ 293,877</u>	<u>\$ 342,746</u>	<u>\$ 333,610</u>	<u>\$ (9,136)</u>	<u>-2.67%</u>
Street Maintenance						
Personnel Expenses	\$ 177,551	\$ 171,591	\$ 234,200	\$ 256,030	\$ 21,830	9.32%
Supplies and Materials	67,524	47,424	25,600	25,600	-	0.00%
Other Services and Charges	234,739	224,617	328,072	437,670	109,598	33.41%
	<u>\$ 479,814</u>	<u>\$ 443,632</u>	<u>\$ 587,872</u>	<u>\$ 719,300</u>	<u>\$ 131,428</u>	<u>22.36%</u>
Recreation						
Personnel Expenses	\$ 175,833	\$ 163,332	\$ 174,000	\$ 233,070	\$ 59,070	33.95%
Supplies and Materials	21,938	19,223	22,250	26,250	4,000	17.98%
Other Services and Charges	77,267	68,343	70,400	81,220	10,820	15.37%
	<u>\$ 275,039</u>	<u>\$ 250,898</u>	<u>\$ 266,650</u>	<u>\$ 340,540</u>	<u>\$ 73,890</u>	<u>27.71%</u>
Park Maintenance						
Personnel Expenses	\$ 191,823	\$ 183,904	\$ 236,200	\$ 271,480	\$ 35,280	14.94%
Supplies and Materials	37,104	26,384	36,100	44,550	8,450	23.41%
Other Services and Charges	117,868	157,426	168,212	201,940	33,728	20.05%
	<u>\$ 346,795</u>	<u>\$ 367,715</u>	<u>\$ 440,512</u>	<u>\$ 517,970</u>	<u>\$ 77,458</u>	<u>17.58%</u>
Transfers Out	\$ 775,121	\$ 340,000	\$ 420,000	\$ 420,000	\$ -	0.00%
TOTAL EXPENDITURES	<u>\$ 4,940,589</u>	<u>\$ 4,536,635</u>	<u>\$ 5,176,756</u>	<u>\$ 5,479,590</u>	<u>\$ 302,834</u>	<u>5.85%</u>

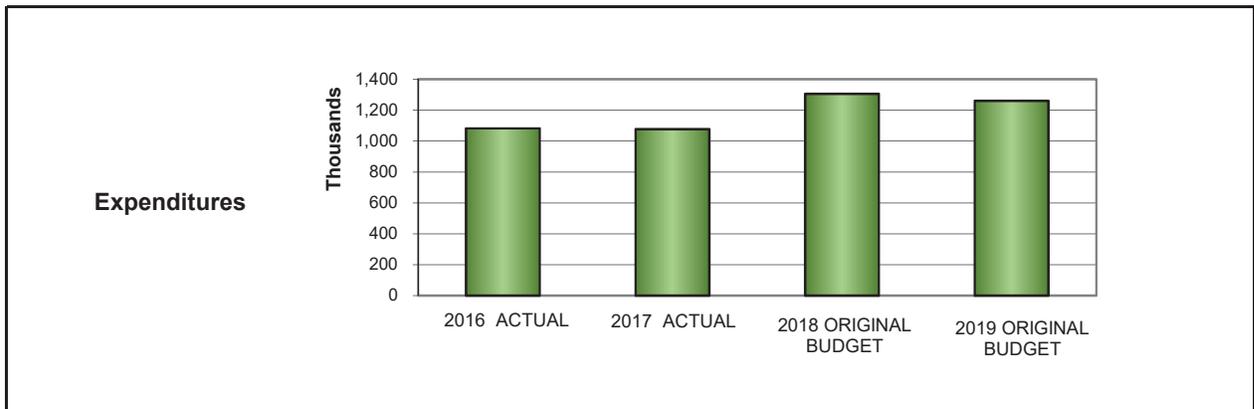
CITY OF ARDEN HILLS, MINNESOTA
GENERAL GOVERNMENT SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2019 BUDGET	PERCENT OVER(UNDER) 2018 BUDGET
City Council	\$ 65,051	\$ 56,513	\$ 67,500	\$ 68,760	1.9%
City Administration	173,781	260,304	327,500	326,810	-0.2%
Elections	21,137	21,137	23,000	23,000	0.0%
Finance	172,268	192,663	176,300	181,740	3.1%
TCAAP	242,663	98,883	170,000	171,190	0.7%
Planning & Zoning	173,853	197,976	266,250	217,320	-18.4%
Government Buildings	233,560	248,879	275,000	271,010	-1.5%
Totals	1,082,313	1,076,354	1,305,550	1,259,830	-3.5%

Total By Classification	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2019 BUDGET	PERCENT OVER(UNDER) 2018 BUDGET
Personnel Services	371,712	307,389	508,100	565,100	11.2%
Commodities	21,481	24,040	30,850	29,800	-3.4%
Contractual Services	689,119	744,926	766,600	664,930	-13.3%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	1,082,313	1,076,354	1,305,550	1,259,830	-3.5%

Staffing

Full-time equivalents	4.51	4.69
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Function: General Government
Activity: Mayor & Council

Fund # : 101
Activity # : 41100

Activity Scope

The Mayor and City Council are responsible for the formulation of policy and the passage of laws governing the City of Arden Hills. Members participate in various committees, as well as direct staff, through the City Administrator, as to their overall goals for the City. This department provides for Mayor and Council compensation, Council meetings and work sessions, management consultants, memberships, and publishing legal notices. Participation in NYFS is included in this budget, as is funding for the City Council Retreat Facilitator.

Objectives

1. Adopt policies and ordinances consistent with Council's position on growth, zoning and financial strategy.
2. Continue to work on the redevelopment of the TCAAP property.

Issues

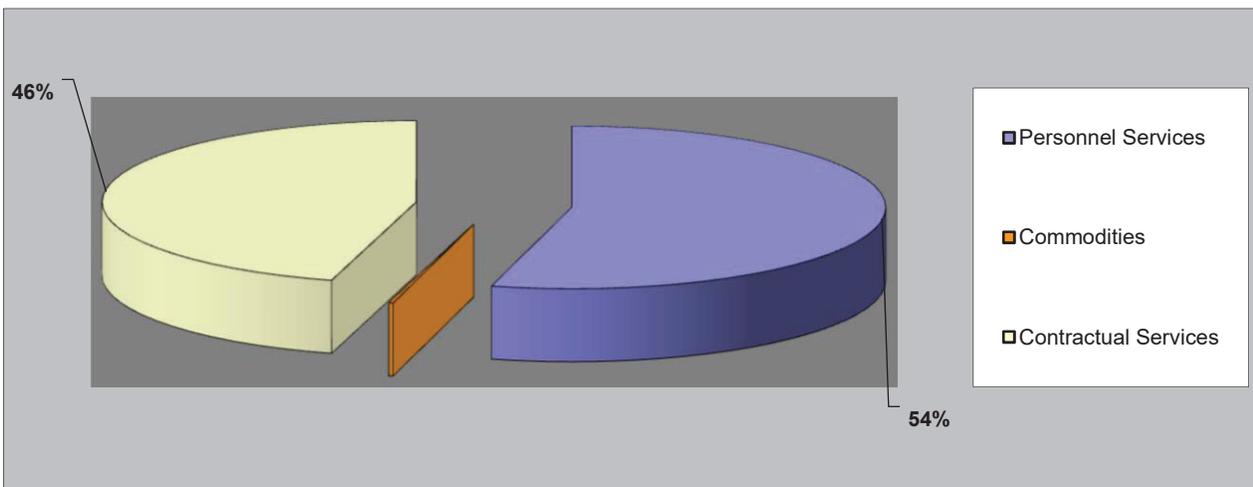
Creating funding sources to build reserve balances to fund future capital improvements while maintaining current City services.

Budget Commentary

In 2019, the Mayor and Council budget is proposed to increase by 1.9% or \$1,260.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 31,160	\$ 31,165	\$ 31,200	\$ 37,210
Commodities	48	166	50	150
Contractual Services	33,842	25,182	36,250	31,400
Total	\$ 65,051	\$ 56,513	\$ 67,500	\$ 68,760
Percent Change		(-13.1%)	19.4%	1.9%

Expenditures by Classification



Function: General Government
Activity: Administration

Fund # : 101
Activity # : 41300

Activity Scope

City Administration provides the overall direction of the City, as determined by the City Council. The City Administrator serves as Chief Administrative Officer for the City, ensuring that laws, ordinances, and resolutions of the City Council are enforced and implemented. The Administration Department is responsible for administering Council policies, coordinating Council agendas, and providing support to other functional areas within the City.

Objectives

1. Assist City Council in setting policies and procedures in accordance with Council's position.
2. Provide direction and leadership on major city projects, budget management, oversee performance evaluation and long-range planning.

Issues

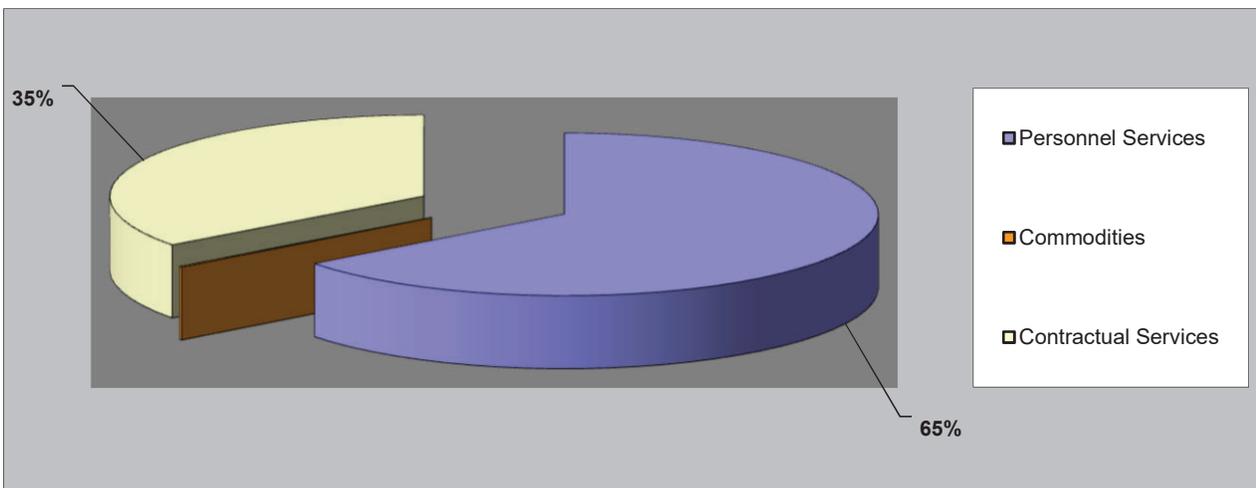
1. Long-range planning to maintain current City services while creating funding sources for reserves.
2. Long-range comprehensive TCAAP planning.

Budget Commentary

The 2019 Administration budget is decreasing by 0.2% over 2018. The department is fully staffed and consultant costs have been removed.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 83,780	\$ 83,423	\$ 194,200	\$ 211,100
Commodities	423	448	500	550
Contractual Services	89,578	176,433	132,800	115,160
Total	\$ 173,781	\$ 260,304	\$ 327,500	\$ 326,810
Percent Change		49.8%	25.8%	(-0.2%)
Full-Time Equivalent positions	-	-	1.80	1.85

Expenditures by Classification



Function: General Government
Activity: Elections

Fund # : 101
Activity # : 41410

Activity Scope

This department covers the cost of administering all Federal, State and Municipal elections. This includes the preparation of any and all absentee ballots, organizing the polling places, election judges, and vote tabulations. The City contracts with Ramsey County for all the required election services.

Objectives

Stay current on election laws.

Issues

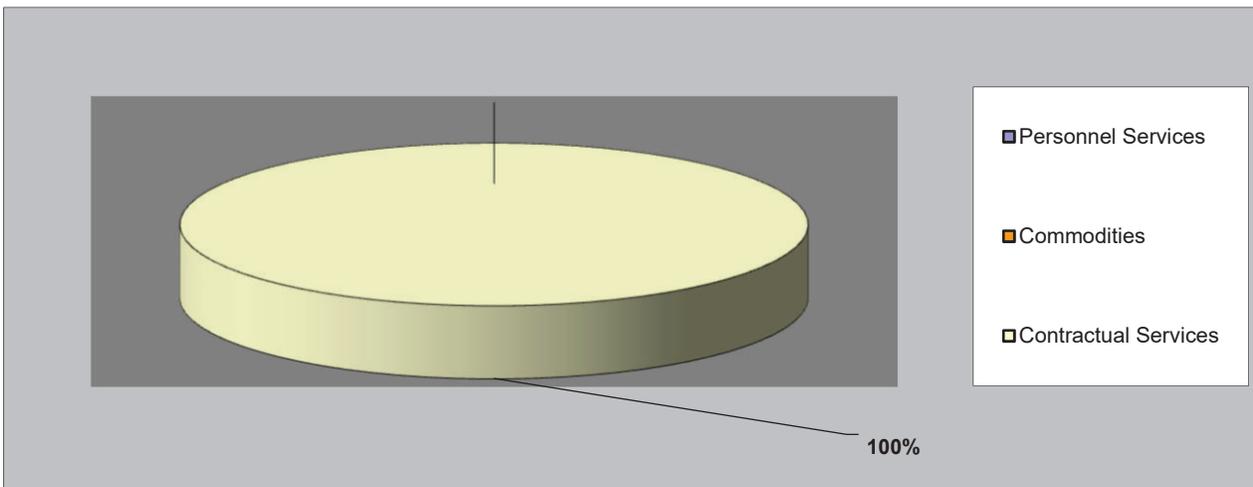
Stay current on election laws.

Budget Commentary

The Elections budget has a zero percent increase for FY19.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	21,137	21,137	23,000	23,000
Total	\$ 21,137	\$ 21,137	\$ 23,000	\$ 23,000
Percent Change		0.0%	8.8%	0.0%

Expenditures by Classification



Function: General Government
Activity: Finance

Fund # : 101
Activity # : 41500

Activity Scope

Conducts the financial affairs of the City in accordance with the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). This includes protecting the assets of the City, the initiation of financial plans, investment and debt management, review and implementation of internal controls, and accounting for financial transactions including accounts payable, accounts receivable and payroll.

Objectives

1. Continue working to refine the financial management plan for the City.
2. Continue to produce a Comprehensive Annual Financial Report (CAFR) and reports for the public (Popular Annual Finance Report - PAFR) that receive the GFOA's award for excellence in reporting.
3. Provide meaningful and timely financial reports and information to Council, Commissions and other City Departments.

Issues

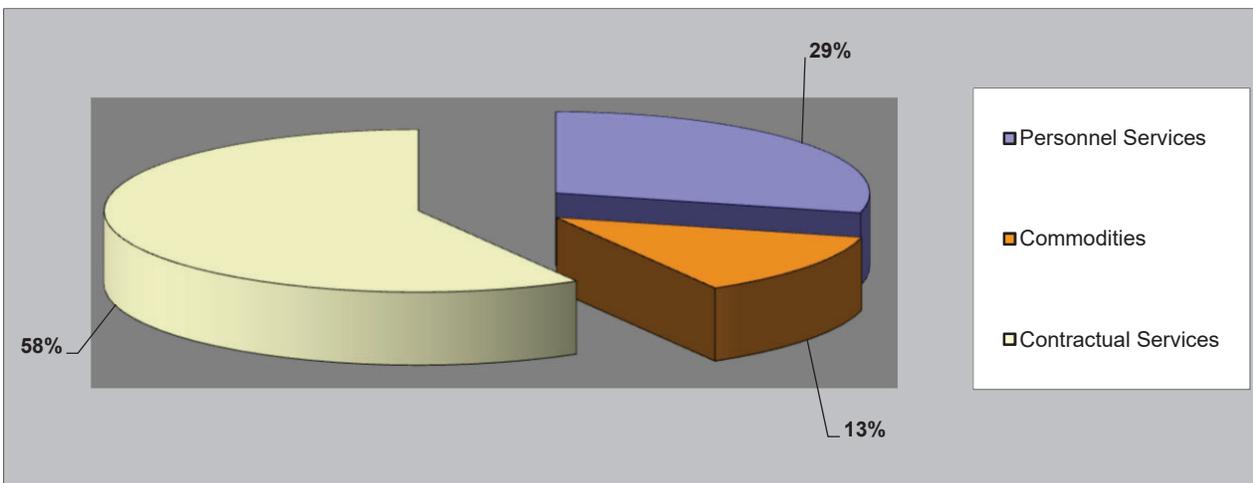
1. Implement improved reporting procedures to inform Council, Commissions and Departments.
2. Work with other Departments to find ways to reduce costs of City operations.
3. Analyze and implement ways to reduce transaction processing and costs.

Budget Commentary

This budget increased by 3.1% in 2019. Contractual services is increasing due to the Technology Fund allocation.

Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 61,677	\$ 66,312	\$ 51,000	\$ 52,540
Commodities	16,490	19,000	23,100	23,100
Contractual Services	94,102	107,351	102,200	106,100
Total	\$ 172,268	\$ 192,663	\$ 176,300	\$ 181,740
Percent Change		11.8%	(-8.5%)	3.1%
Full-Time Equivalent positions	-	-	0.47	0.49

Expenditures by Classification



Function: General Government
Activity: TCAAP

Fund # : 101
Activity # : 41600

Activity Scope

This department was established to account for revenue and expenditure activity related to the City's comprehensive re-use planning at the Twin Cities Army Ammunition Plant (TCAAP) site.

Objectives

1. Coordination of TCAAP redevelopment planning activities while continuing to meet the needs of the City of Arden Hills.
2. Work with Ramsey County through the Joint Development Authority (JDA).

Issues

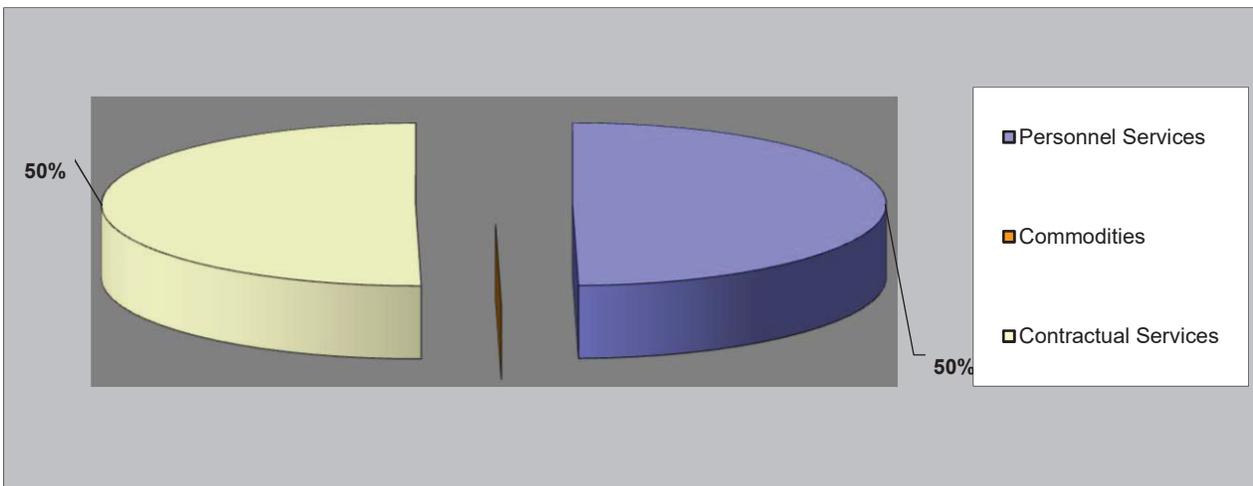
1. Economic conditions.
2. Coordinating with multiple entities/players.

Budget Commentary

Ramsey County purchased the property and established a Joint Development Authority (JDA) with the City. Revenues and expenditures are for City costs and are estimated, but placeholders have been included for consulting costs, and staff time has been allocated for the City Administrator, Community Development Director, Planner, and Public Works Director as they act as the City's support staff to this Authority. The 2019 budget shows an increase of 0.7%, largely due to staff changes and a better estimate of forecasted expenditures.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 61,188	\$ 43,726	\$ 107,700	\$ 85,090
Commodities	555	-	1,000	-
Contractual Services	180,920	55,156	61,300	86,100
Total	\$ 242,663	\$ 98,883	\$ 170,000	\$ 171,190
Percent Change		(-59.3%)	71.9%	0.7%
Full-Time Equivalent positions	-	-	0.43	0.63

Expenditures by Classification



Function: General Government
Activity: Planning & Zoning

Fund # : 101
Activity # : 41910

Activity Scope

Responsible for all planning and zoning related functions of the City. Activities administered by this department include requests for variances, subdivisions, re-zonings, zoning code amendments, signs, conditional use permits, compliance with City Ordinances and other land use issues. The Planners work closely with Protective Inspections, Code Enforcement, and Community Development.

The Planning Commission, consisting of seven members appointed annually by the City Council, meets monthly to review the above requests and to make recommendations to the City Council in an advisory capacity.

Objectives

1. Continue to work on Rental Housing registrations.
2. Continue improvements of the City's planning process.

Issues

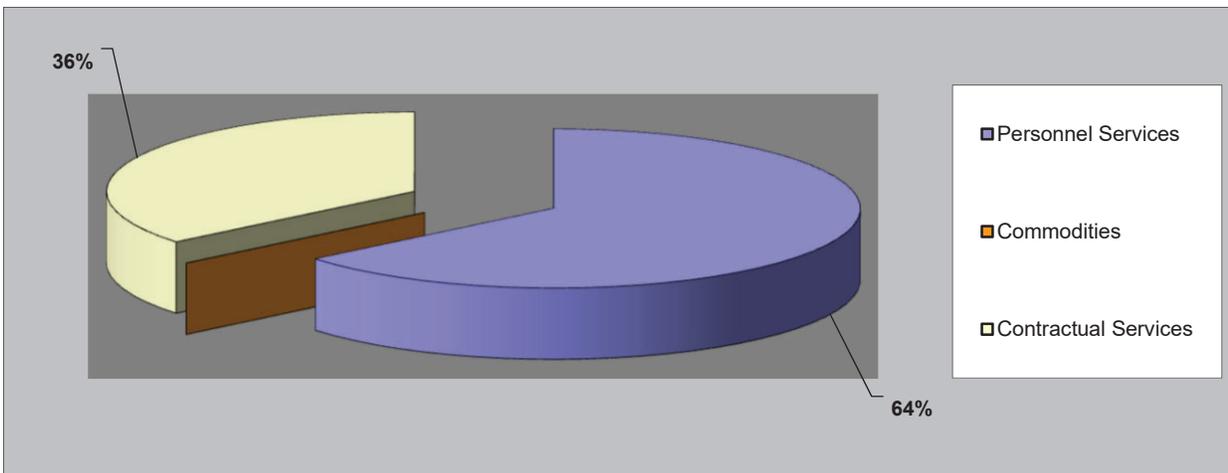
1. Rental Housing registrations.
2. Refine Building Permit process.
3. Research and refine an Administrative Fines process.

Budget Commentary

The budget for 2019 is a total decrease of 18.4% over the 2018 budget. Personnel includes a Director and Planner and related consultant costs have been reduced.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 111,751	\$ 40,044	\$ 83,500	\$ 139,200
Commodities	14	-	200	-
Contractual Services	62,088	157,933	182,550	78,120
Total	<u>\$ 173,853</u>	<u>\$ 197,976</u>	<u>\$ 266,250</u>	<u>\$ 217,320</u>
Percent Change		13.9%	34.5%	(-18.4%)
Full-Time Equivalent positions	-	-	1.43	1.34

Expenditures by Classification



Function: General Government
Activity: Government Buildings

Fund # : 101
Activity # : 41940

Activity Scope

This department captures all of the operation/maintenance related costs for the City Hall and Government Building facilities.

The City entered into a contract with Ramsey County for a joint maintenance facility located just west of City Hall off County Road 96 on Paul Kirkwold Drive. The new facility was completed and occupied as of October 2004. The City's portion of the Ramsey County maintenance facility is charged to this budget.

Objectives

Maintain a reputable facility to house meetings and staff.

Issues

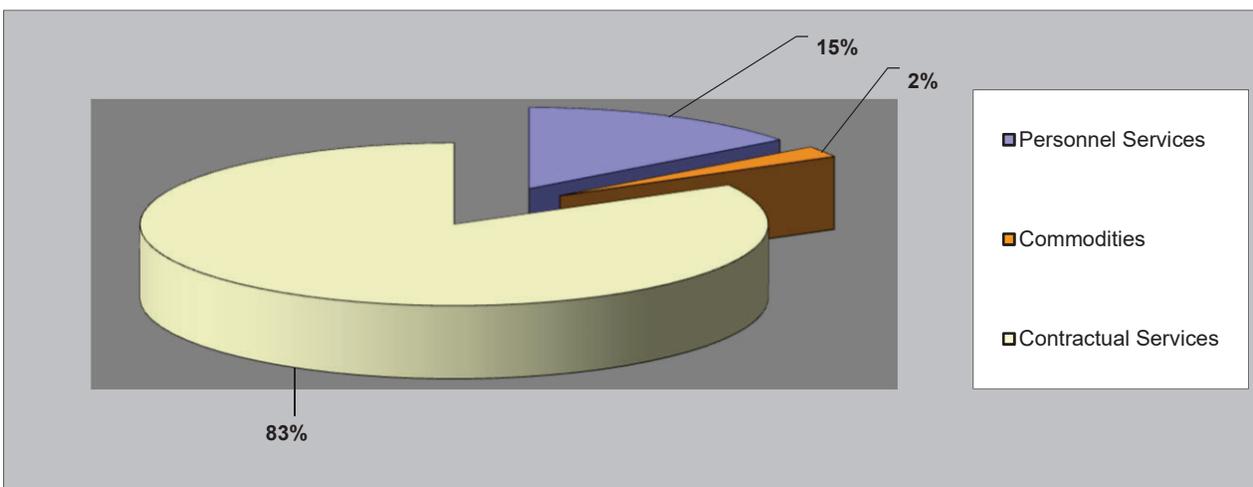
Normal maintenance and repair issues as the building (City Hall) has now been in operation since 2002.

Budget Commentary

The 2019 budget is a decrease of 1.5% from the previous year's budget.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 22,156	\$ 42,720	\$ 40,500	\$ 39,960
Commodities	3,951	4,426	6,000	6,000
Contractual Services	207,453	201,733	228,500	225,050
Total	\$ 233,560	\$ 248,879	\$ 275,000	\$ 271,010
Percent Change		6.6%	10.5%	(-1.5%)
Full-Time Equivalent positions	-	-	0.38	0.38

Expenditures by Classification

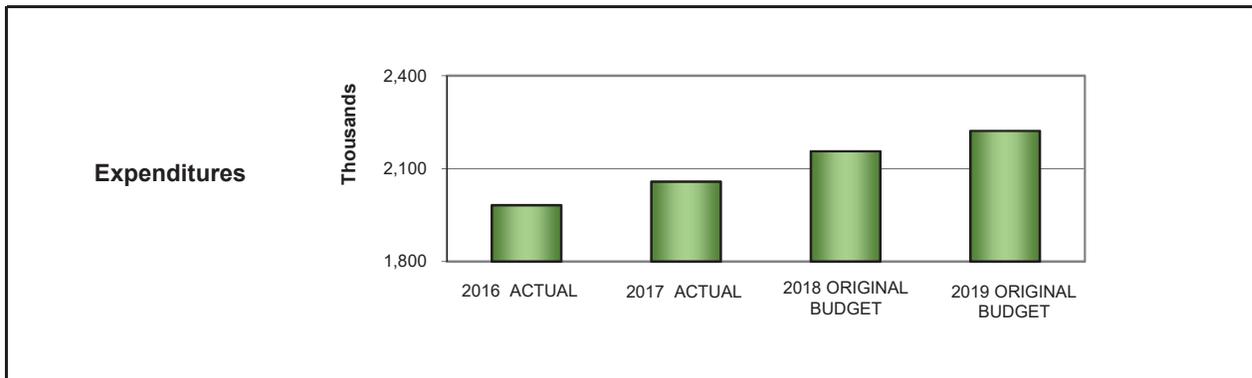


CITY OF ARDEN HILLS, MINNESOTA
PUBLIC SAFETY SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2019 BUDGET	PERCENT OVER(UNDER) 2018 BUDGET
Police	\$ 1,089,185	\$ 1,177,494	\$ 1,194,775	\$ 1,242,250	4.0%
Dispatch	67,780	68,832	65,175	68,500	5.1%
Fire	495,216	514,468	544,000	573,680	5.5%
Emergency Management	2,966	3,364	9,476	3,910	-58.7%
Protective Inspections	326,360	293,877	342,746	333,610	-2.7%
Totals	1,981,507	2,058,035	2,156,172	2,221,950	3.1%

Total By Classification	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2019 BUDGET	PERCENT OVER(UNDER) 2018 BUDGET
Personnel Services	233,406	218,572	273,226	263,070	-3.7%
Commodities	645	171	3,046	750	-75.4%
Contractual Services	1,747,456	1,839,292	1,879,900	1,958,130	4.2%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	1,981,507	2,058,035	2,156,172	2,221,950	3.1%

Staffing	2018 ORIGINAL BUDGET	2019 BUDGET
Full-time equivalents	2.61	2.56



Function: Public Safety
Activity: Police

Fund # : 101
Activity # : 42100

Activity Scope

Law Enforcement services for Arden Hills are provided on a contractual basis with the Ramsey County Sheriff's Department. Animal control services are included in this budget.

Objectives

Continue contracting for law enforcement and animal control services through the Ramsey County Sheriff's Department.

Issues

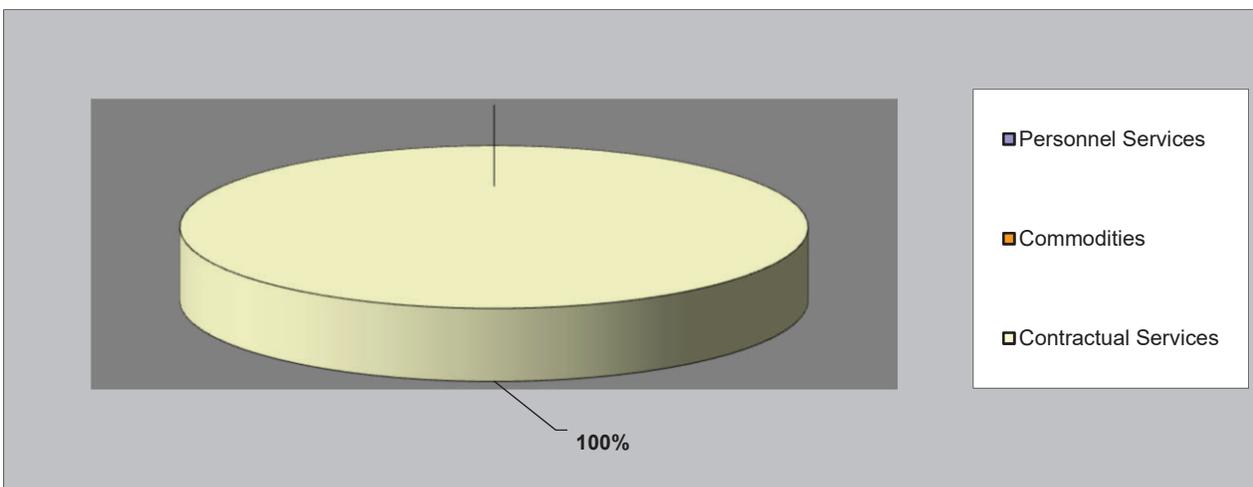
1. Resident concerns over police coverage and visibility.
2. Response times.

Budget Commentary

Arden Hills portion of the Ramsey County Sheriff's Contracting Communities 2019 budget increased 4.0% over 2018. Animal control costs and boarding are included within this budget.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	1,089,185	1,177,494	1,194,775	1,242,250
Total	\$ 1,089,185	\$ 1,177,494	\$ 1,194,775	\$ 1,242,250
Percent Change		8.1%	1.5%	4.0%

Expenditures by Classification



Function: Public Safety
Activity: Dispatch

Fund # : 101
Activity # : 42150

Activity Scope

Emergency dispatch services are provided by Ramsey County.

Objectives

Continue contracting dispatch services though Ramsey County.

Issues

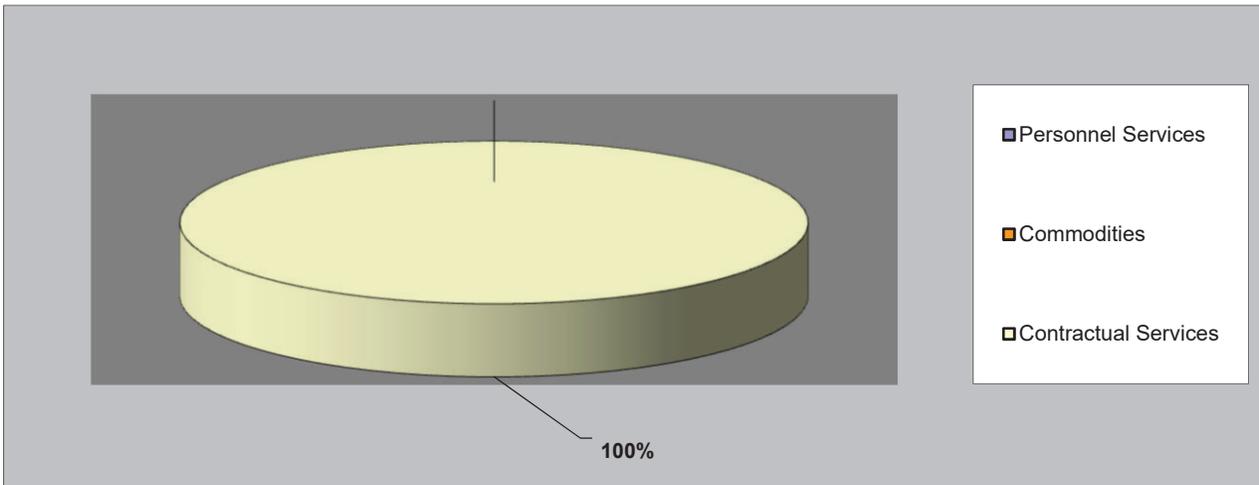
Continue to maintain service levels at a reasonable cost.

Budget Commentary

Arden Hills portion of the Ramsey County 911 Dispatch Department operation budget increased by 5.1%. Dispatch saw a significant increase in the 2014 and 2015 budget due to CAD costs, but those costs are now leveling out and appropriately budgeted for.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	67,780	68,832	65,175	68,500
Total	\$ 67,780	\$ 68,832	\$ 65,175	\$ 68,500
Percent Change		1.6%	(-5.3%)	5.1%

Expenditures by Classification



Function: Public Safety **Fund # :** 101
Activity: Fire **Activity # :** 42200

Activity Scope

Fire protection for Arden Hills is provided by the Lake Johanna Volunteer Fire Department on a contractual basis. Lake Johanna Volunteer Fire Department presently provides services to the cities of Arden Hills, Shoreview, and North Oaks. Arden Hills pays a percentage of operating and capital costs based on a formula approved by the Lake Johanna Fire Department and Arden Hills City Council.

Objectives

Continue contracting for fire protection services through Lake Johanna Volunteer Fire Department.

Issues

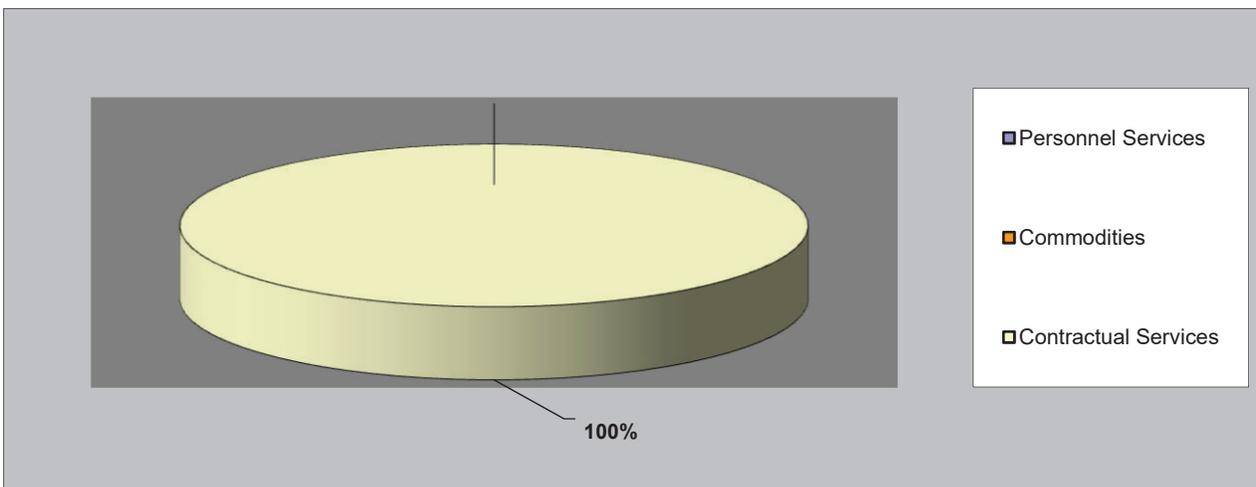
Continue to maintain service levels at a reasonable cost.

Budget Commentary

Arden Hills's portion of the Lake Johanna Fire Department operating budget increased 5.5%. This budget reflects increases to operating costs.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	495,216	514,468	544,000	573,680
Total	\$ 495,216	\$ 514,468	\$ 544,000	\$ 573,680
Percent Change		3.9%	5.7%	5.5%

Expenditures by Classification



Function: Public Safety
Activity: Emergency Management

Fund # : 101
Activity # : 42300

Activity Scope

Emergency Management coordination for the City is required by the Federal Government. This department works closely with Ramsey County Department of Homeland Security, as well as the Ramsey County Sheriff and Lake Johanna Fire Department. The City contracts with a consultant to provide these services.

Objectives

1. Update City's Emergency Response Policy and Procedures.
2. Train staff in emergency management procedures.

Issues

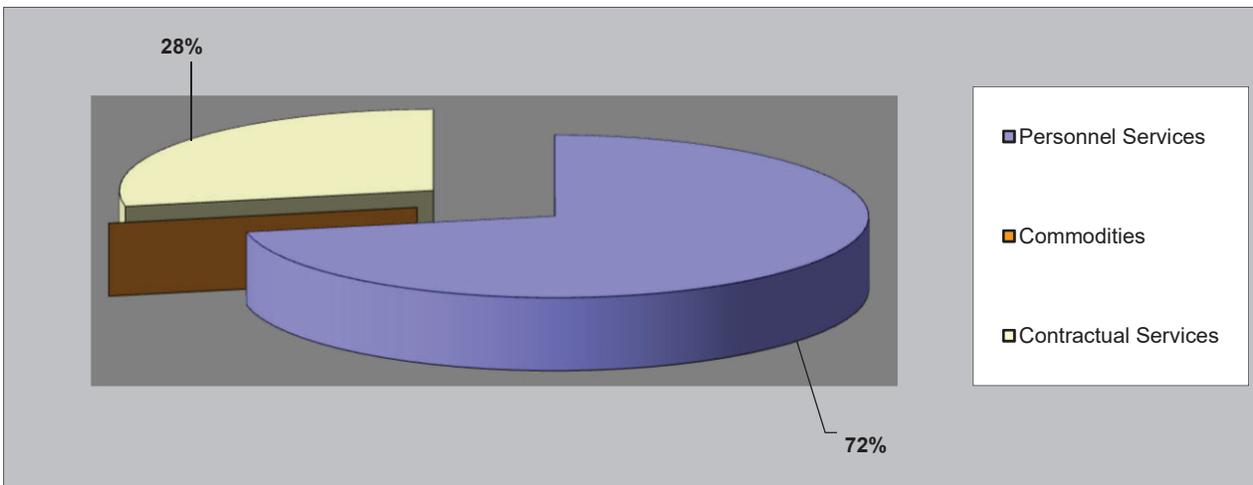
Coordinate with Ramsey County's emergency response procedures and policies.

Budget Commentary

The 2019 budget is a decrease of 58.7% from the 2018 budget or \$5,566. This is based on historical costs and a shifting of the emergency services.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 11	\$ 30	\$ 2,726	\$ 2,810
Commodities	-	-	-	-
Contractual Services	2,955	3,335	6,750	1,100
Total	\$ 2,966	\$ 3,364	\$ 9,476	\$ 3,910
Percent Change		13.4%	181.7%	(-58.7%)
Full-Time Equivalent positions	-	-	0.02	0.02

Expenditures by Classification



Function: Public Safety **Fund # :** 101
Activity: Protective Inspections **Activity # :** 42400

Activity Scope

This department is responsible for all building construction, plumbing, sewer, water and mechanical inspections within the City. Electrical inspections are contracted for with an independent inspection firm. This department is also responsible for enforcement of the Zoning Code and other sections of the City Code of Ordinances.

Objectives

1. Continue implementation of the building codes.
2. Continue to work on Building Permit software to produce Council reports.

Issues

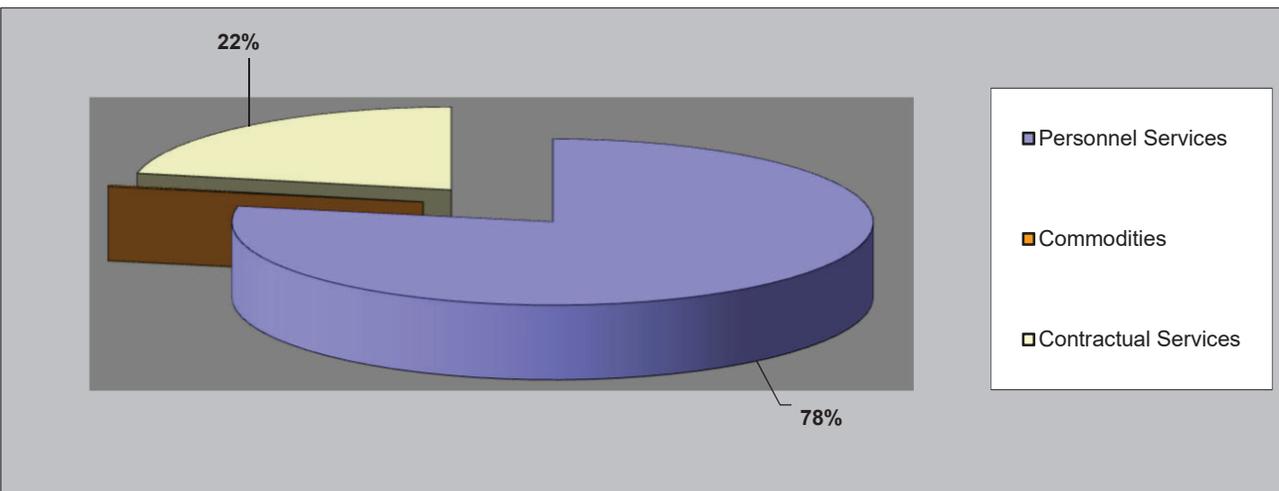
1. Managing and prioritizing department workloads.
2. Keep up with rental license inspections of investor owned residential properties.
3. Continue implementation and design of new Building Permit software and reports.

Budget Commentary

The 2019 operating budget is an decrease of 2.7% from the previous year's budget.

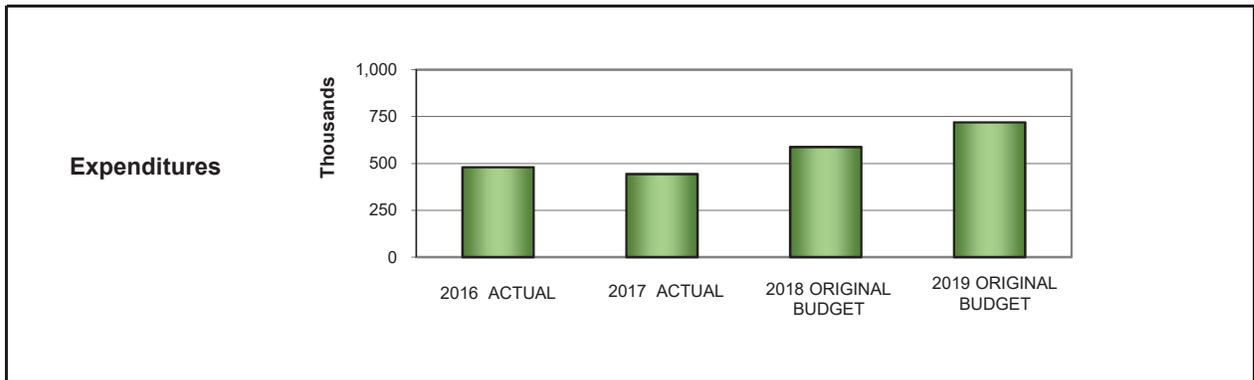
Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 233,395	\$ 218,543	\$ 270,500	\$ 260,260
Commodities	645	171	3,046	750
Contractual Services	92,319	75,163	69,200	72,600
Total	\$ 326,360	\$ 293,877	\$ 342,746	\$ 333,610
Percent Change		(-10.0%)	16.6%	(-2.7%)
Full-Time Equivalent positions	-	-	2.59	2.54

Expenditures by Classification



CITY OF ARDEN HILLS, MINNESOTA
PUBLIC WORKS SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2019 BUDGET	PERCENT OVER(UNDER) 2018 BUDGET
Streets	\$ 479,814	\$ 443,632	\$ 587,872	\$ 719,300	22.4%
Totals	479,814	443,632	587,872	719,300	22.4%
Total By Classification					
Personnel Services	177,551	171,591	234,200	256,030	9.3%
Commodities	67,524	47,424	25,600	25,600	0.0%
Contractual Services	234,739	224,617	328,072	437,670	33.4%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	479,814	443,632	587,872	719,300	22.4%
Staffing					
Full-time equivalents			2.15	2.37	



Function: Public Works
Activity: Street Maintenance

Fund # : 101
Activity # : 43100

Activity Scope

This department is responsible for maintaining City streets, including snowplowing, minor street repair, street signs, and street sweeping.

Objectives

1. Maintain street infrastructure utilizing all available techniques including crack sealing, seal coating, patching and overlays.
2. Recommend a cost effective program for reconstructing/reclaiming street surfaces when maintenance techniques no longer provide the desired results.
3. Maintain and update equipment and vehicles.

Issues

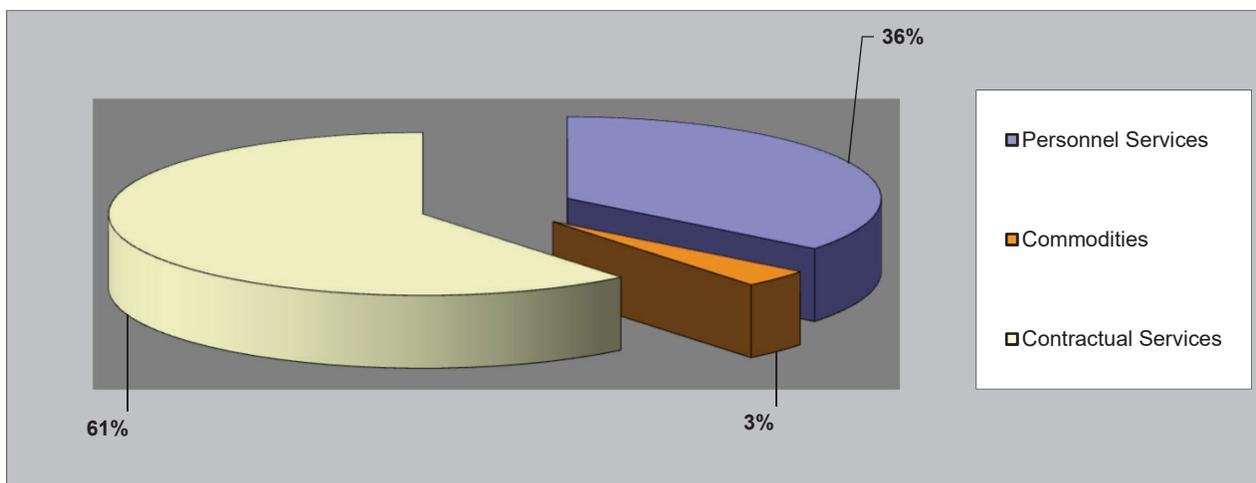
1. Implement a capital improvement program for City infrastructure.
2. Balance the public works department needs with available funds.
3. Aging equipment.
4. Increased safety regulation for equipment and vehicles.

Budget Commentary

The 2019 operating budget is an increase of 22.4% from the previous year’s budget. An Engineering Tech was added for 2019 and \$100,000 was added for additional patching and overly work.

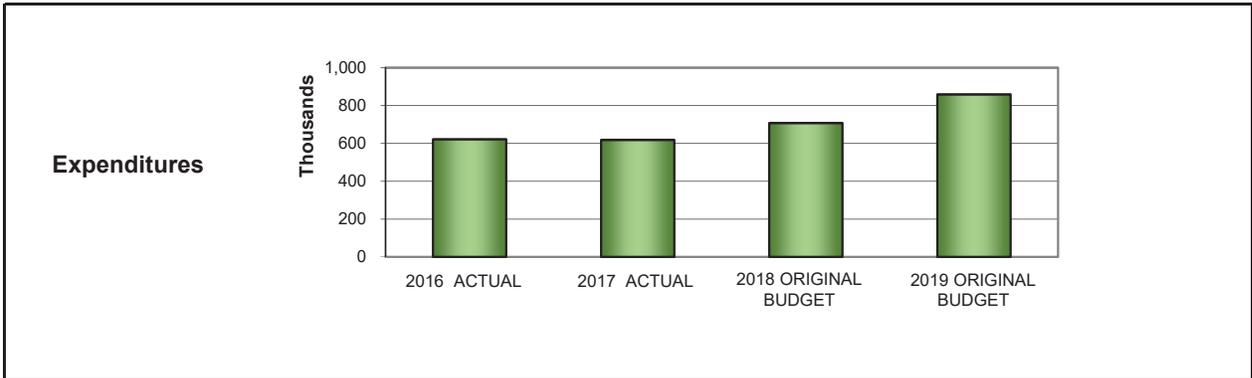
<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 177,551	\$ 171,591	\$ 234,200	\$ 256,030
Commodities	67,524	47,424	25,600	25,600
Contractual Services	234,739	224,617	328,072	437,670
Total	\$ 479,814	\$ 443,632	\$ 587,872	\$ 719,300
Percent Change		(-7.5%)	32.5%	22.4%
Full-Time Equivalent positions	-	-	2.15	2.37

Expenditures by Classification



CITY OF ARDEN HILLS, MINNESOTA
CULTURE & RECREATION SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2019 BUDGET	PERCENT OVER(UNDER) 2018 BUDGET
Recreation	\$ 275,039	\$ 250,898	\$ 266,650	\$ 340,540	27.7%
Parks	346,795	367,715	440,512	517,970	17.6%
Totals	621,834	618,613	707,162	858,510	21.4%
Total By Classification					
Personnel Services	367,657	347,237	410,200	504,550	23.0%
Commodities	59,042	45,607	58,350	70,800	21.3%
Contractual Services	195,135	225,769	238,612	283,160	18.7%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	621,834	618,613	707,162	858,510	21.4%
Staffing					
Full-time equivalents			4.06	5.29	



Function: Parks and Recreation
Activity: Recreation

Fund # : 101
Activity # : 45120

Activity Scope

This department provides all recreational activities to residents of Arden Hills, as well as residents from neighboring communities.

Objectives

To provide recreational activities to residents of Arden Hills.

Issues

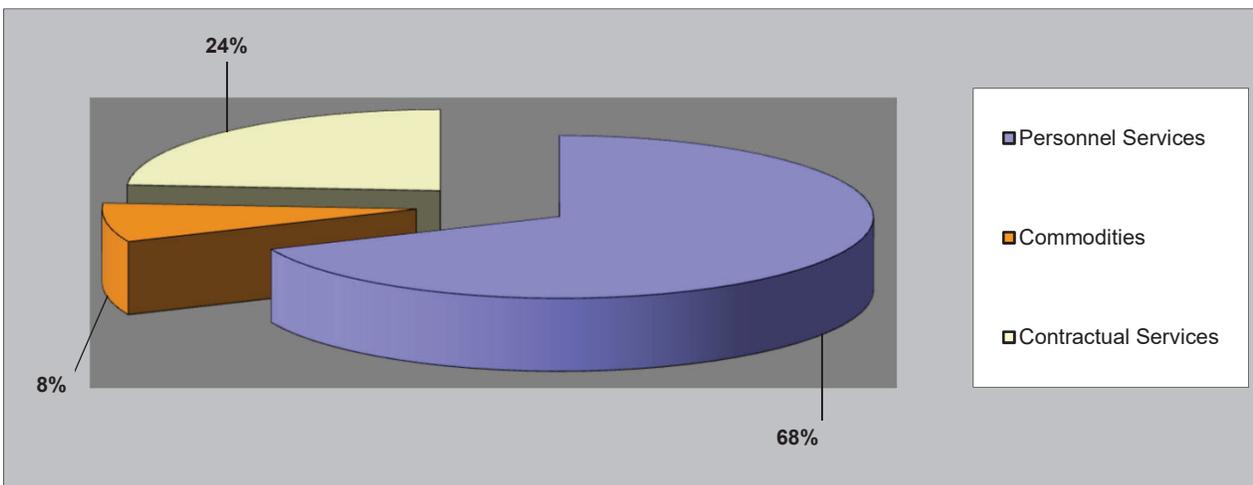
1. Develop senior programming.
2. Budget constraints.

Budget Commentary

The 2019 operating budget is an increase of 27.7% from the previous year's budget. The Recreation Programmer position has been added back to the budget.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 175,833	\$ 163,332	\$ 174,000	\$ 233,070
Commodities	21,938	19,223	22,250	26,250
Contractual Services	77,267	68,343	70,400	81,220
Total	\$ 275,039	\$ 250,898	\$ 266,650	\$ 340,540
Percent Change		(-8.8%)	6.3%	27.7%
Full-Time Equivalent positions	-	-	1.47	2.47

Expenditures by Classification



Function: Parks and Recreation
Activity: Park Maintenance

Fund # : 101
Activity # : 45200

Activity Scope

Responsible for maintenance of City parks and trails as well as administration of the diseased tree/forestry program. This includes maintaining and improving playground and picnic facilities, fertilizing and mowing of grass, maintaining athletic fields, flooding and maintenance of outdoor ice rinks, snow and ice removal, and tree preservation within the parks system of the City. These assets of the City are extensively used by the residents, and improvements must be made to uphold the safety, functionality and beauty the City represents.

Objectives

1. Continue pathway maintenance.
2. Continue implementing City's Comprehensive Park and Trails plan.

Issues

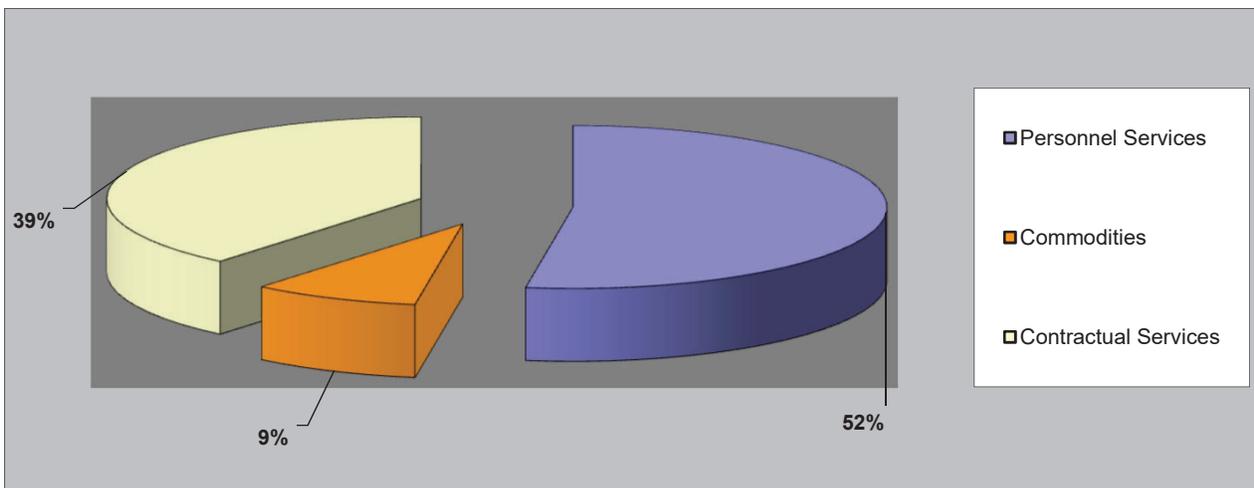
1. Other maintenance concerns coming up and not allowing completion of existing projects.
2. Budget constraints for future and existing projects.

Budget Commentary

The 2019 operating budget is an increase of 17.6% from the previous year's budget. Changes are due to a portion of the new Sr. Engineering Tech being allocated here, \$10,000 for Perry Park parking lot and the allocations from the Central Garage and Technology funds have increased.

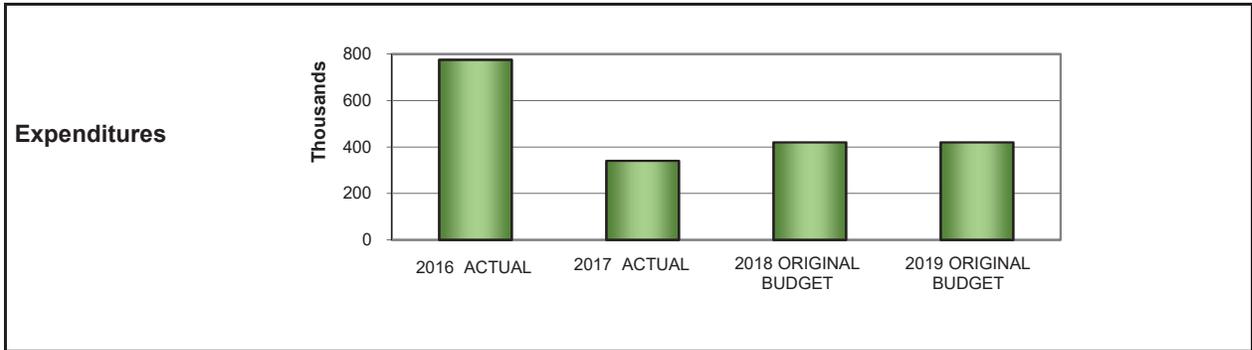
Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 191,823	\$ 183,904	\$ 236,200	\$ 271,480
Commodities	37,104	26,384	36,100	44,550
Contractual Services	117,868	157,426	168,212	201,940
Total	\$ 346,795	\$ 367,715	\$ 440,512	\$ 517,970
Percent Change		6.0%	19.8%	17.6%
Full-Time Equivalent positions	-	-	2.59	2.82

Expenditures by Classification



CITY OF ARDEN HILLS, MINNESOTA
MISCELLANEOUS SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2019 BUDGET	PERCENT OVER(UNDER) 2018 BUDGET
Unallocated	\$ 775,121	\$ 340,000	\$ 420,000	\$ 420,000	0.0%
Totals	775,121	340,000	420,000	420,000	0.0%
Total By Classification					
Personnel Services	0	0	0	0	N/A
Commodities	0	0	0	0	N/A
Contractual Services	0	0	0	0	N/A
Capital Outlay	0	0	0	0	N/A
Other Charges	775,121	340,000	420,000	420,000	0.0%
Totals	775,121	340,000	420,000	420,000	0.0%
Staffing					
Full-time equivalents			0.00	0.00	



Function: Unallocated
Activity: Transfers

Fund # : 101
Activity # : 49300

Activity Scope

The transfers to other funds budget is utilized to account for the transfer of general fund revenues to other funds within the City financial structure.

Objectives

1. To build reserves for capital equipment replacement.
2. To subsidize infrastructure improvements.

Issues

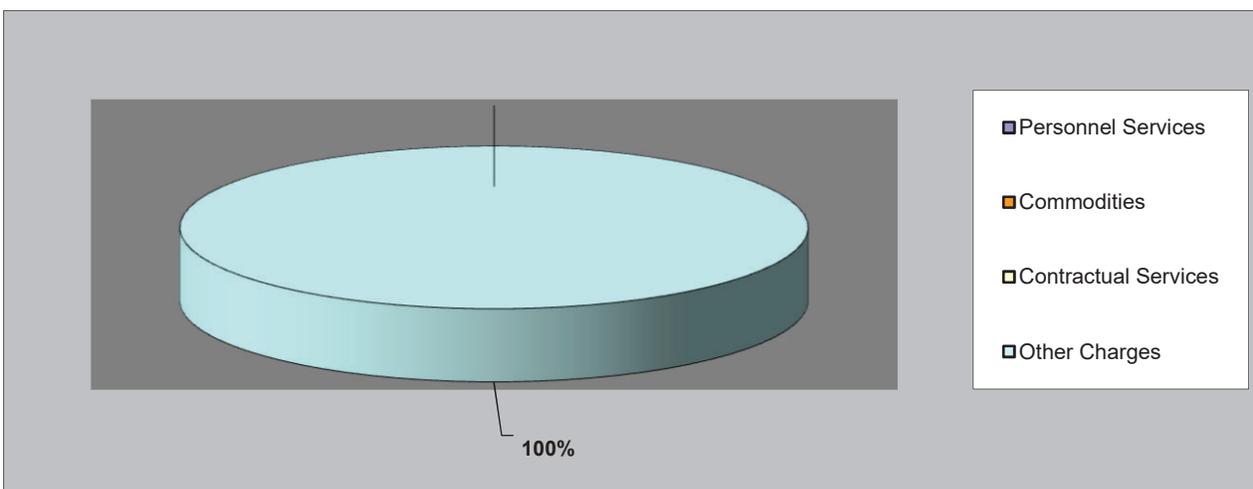
Budget constraints.

Budget Commentary

2019 includes a transfer of \$50,000 to fund Equipment Replacement, \$50,000 to fund Public Safety Capital, \$120,000 to fund EDA activities, and \$200,000 to the PIR Fund.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Other Charges	775,121	340,000	420,000	420,000
Total	\$ 775,121	\$ 340,000	\$ 420,000	\$ 420,000
Percent Change		(-56.1%)	23.5%	0.0%

Expenditures by Classification

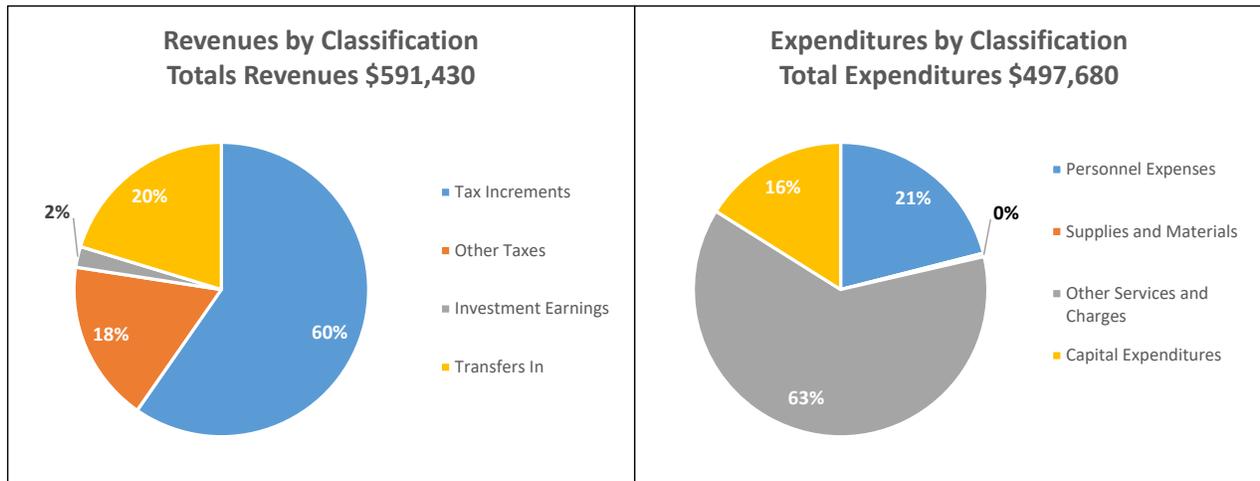




Special Revenue Funds Summary

A Special Revenue Fund is used to account for revenue sources that are legally restricted for a specific purpose. The modified accrual basis of accounting is used for Special Revenue Funds. That is, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received. However, compensated absences are expensed when paid for budgetary purposes. Special Revenue Fund budgets are not always balanced, meaning budgeted revenues may be greater or less than budgeted expenditures. In these circumstances, reserves will show an increase or decrease in the fund's balance.

SPECIAL REVENUE FUNDS	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2018 to 2019 Increase (Decrease)	2018 to 2019 Increase (Decrease)
REVENUES						
Cable TV Fund	\$ 136,879	\$ 113,506	\$ 105,000	\$ 108,000	\$ 3,000	2.86%
EDA General Activities Fund	69,684	99,309	125,600	123,500	(2,100)	-1.67%
EDA Revolving	2,652	2,601	3,000	-	(3,000)	-100.00%
EDA TIF Dist 3 Cottage Villas	74,064	94,086	72,000	104,530	32,530	45.18%
EDA TIF Dist #4 Pres Homes	170,205	204,271	150,700	255,400	104,700	69.48%
TOTAL REVENUES	\$ 453,485	\$ 513,774	\$ 456,300	\$ 591,430	\$ 135,130	29.61%
EXPENDITURES						
Cable TV Fund	\$ 112,265	\$ 113,148	\$ 158,770	\$ 172,770	\$ 14,000	8.82%
EDA General Activities Fund	72,645	79,904	217,437	130,280	(87,157)	-40.08%
EDA Revolving	-	-	-	-	-	N/A
EDA TIF Dist 3 Cottage Villas	1,894	1,549	4,725	2,000	(2,725)	-57.67%
EDA TIF Dist #4 Pres Homes	155,147	185,105	139,525	192,630	53,105	38.06%
TOTAL EXPENDITURES	\$ 341,951	\$ 379,706	\$ 520,457	\$ 497,680	\$ (22,777)	-4.38%
NET CHANGES IN FUND BALANCE	\$ 111,534	\$ 134,068	\$ (64,157)	\$ 93,750	\$ 157,907	
FUND BALANCE JANUARY 1,	\$ 1,125,798	\$ 1,237,332	\$ 1,371,400	\$ 1,487,075		
FUND BALANCE DECEMBER 31	\$ 1,237,332	\$ 1,371,400	\$ 1,307,243	\$ 1,580,825		



	228	250	251	253	254	
	Cable TV	EDA	EDA Revolving	TIF #3	TIF #4	Total
REVENUES						
Tax Increments	\$ -	\$ -	\$ -	\$ 99,030	\$ 253,900	\$ 352,930
Other Taxes	105,000	-	-	-	-	105,000
Investment Earnings	3,000	3,500	-	5,500	1,500	13,500
Transfers In	-	120,000	-	-	-	120,000
TOTAL REVENUES	\$ 108,000	\$ 123,500	\$ -	\$ 104,530	\$ 255,400	\$ 591,430
EXPENDITURES						
Personnel Expenses	\$ 61,730	\$ 42,910	\$ -	\$ -	\$ -	\$ 104,640
Supplies and Materials	1,500	400	-	-	-	1,900
Other Services and Charges	69,540	46,970	-	2,000	192,630	311,140
Capital Expenditures	40,000	40,000	-	-	-	80,000
TOTAL EXPENDITURES	\$ 172,770	\$ 130,280	\$ -	\$ 2,000	\$ 192,630	\$ 497,680
NET CHANGES IN FUND BALANCE	\$ (64,770)	\$ (6,780)	\$ -	\$ 102,530	\$ 62,770	\$ 93,750
FUND BALANCE JANUARY 1,	228,354	346,633	172,387	665,717	73,984	1,487,075
FUND BALANCE DECEMBER 31	\$ 163,584	\$ 339,853	\$ 172,387	\$ 768,247	\$ 136,754	\$ 1,580,825

Function: General Government
Activity: Cable TV

Fund # : 228
Activity # : 41960

Activity Scope

This Special Revenue Fund accounts for revenue and expenditures related to cable TV, internet, and other forms of communication. Revenue for this fund comes primarily from cable owner franchise fees.

Objectives

1. Completion of the transferring of City files to Laserfiche.
2. Maintaining audio equipment in Council chambers.

Issues

1. Workloads and budget constraints.
2. Maintaining state-of-the-art equipment for Council meetings and televising.

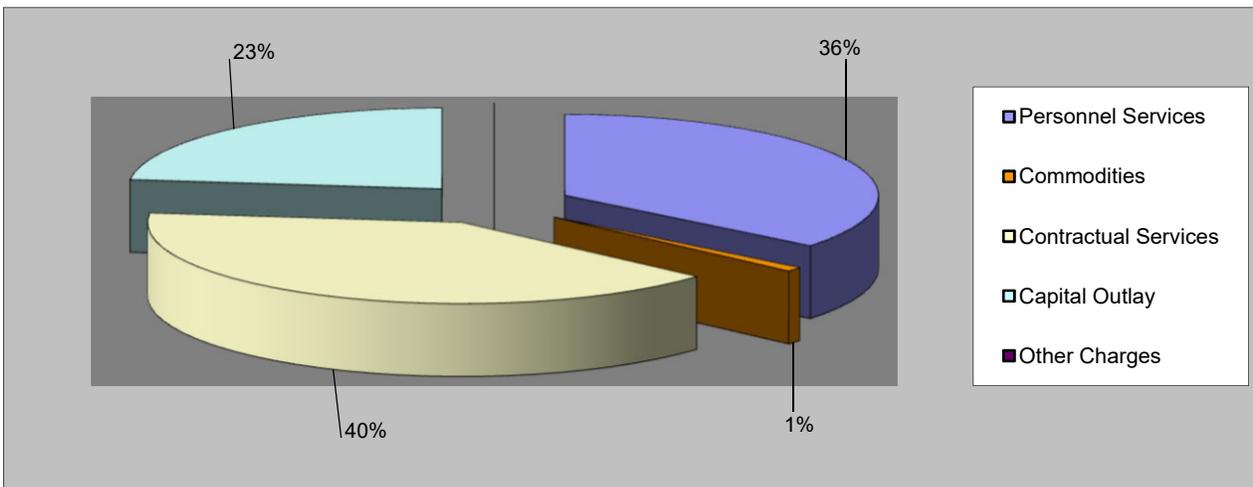
Budget Commentary

The 2019 budget has increased overall by 8.8%. The \$40,000 in Capital Outlay is needed to start updating the audio/video equipment at City Hall. An additional \$40,000 will be budgeted in 2020.

Budget Summary

	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 43,353	\$ 47,965	\$ 58,085	\$ 61,730
Commodities	-	1,285	-	1,500
Contractual Services	68,912	63,898	98,685	69,540
Capital Outlay	-	-	2,000	40,000
Other Charges	-	-	-	-
Total	\$ 112,265	\$ 113,148	\$ 158,770	\$ 172,770
Percent Change		0.8%	40.3%	8.8%
Full-Time Equivalent positions	-	-	0.64	0.66

Expenditures by Classification



Function: Economic Development **Fund # :** 250
Activity: EDA General **Activity # :** 47300

Activity Scope

This Special Revenue Fund accounts for general administration activities that are not specific to any individual Tax Increment Financing (TIF) District, as well as activities associated with the Economic Development Commission and Economic Development Authority.

Objectives

1. Consider placement and construction of Gateway Signs.
2. Consider the use of TIF District 3 funds for low to moderate housing needs.
3. Review the operating budget and identify a sustainable funding source.
4. Continue to grow and evolve the business retention program.

Issues

1. Consistent administration of the City's polices, plan, ordinances, guidelines, statues, etc.
2. Promotion of available industrial property.

Budget Commentary

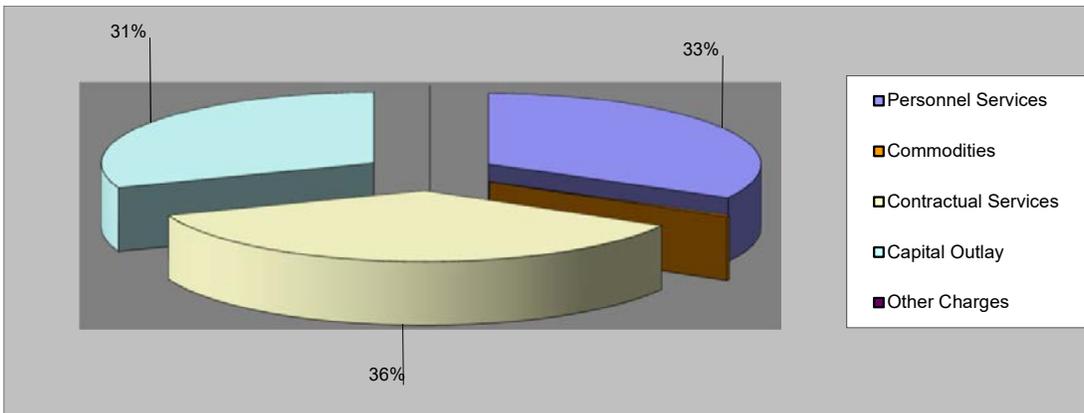
Historically, the revenue to this fund has been primarily excess increment and interest income with transfers from the General Fund. A transfer was made in 2012 and 2013 for the Conduit Debt revenue received in 2011 and 2012 from the Presbyterian Homes project. The tax increment excess funding source expired in 2015. Transfers from the General Fund are now the prime funding source.

An administrative charge was established in 2008 and all funds are charged back for overhead costs associated with Administration, Finance and Administrative Services, and Government Building departments in the General Fund. Other costs such as auditing, financial software, IT and insurance have been allocated to this fund also.

Capital outlay relates to Gateway Signs.

Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 42,842	\$ 33,609	\$ 70,550	\$ 42,910
Commodities	290	290	650	400
Contractual Services	29,513	44,358	66,237	46,970
Capital Outlay	-	1,647	80,000	40,000
Other Charges	-	-	-	-
Total	\$ 72,645	\$ 79,904	\$ 217,437	\$ 130,280
Percent Change		10.0%	172.1%	(-40.1%)
Full-Time Equivalent positions	-	-	0.36	0.33

Expenditures by Classification



Function: Economic Development
Activity: EDA Revolving Loan

Fund # : 251
Activity # : 47306

Activity Scope

This Special Revenue Fund was established to administer economic development loans. The primary revenue source is from investment income.

Objectives

To assist local businesses that meet the loan criteria established by the EDA.

Issues

1. The current economy is starting to rebound and is slowly lending itself to expansion or improvements.
2. Promoting the program to the community businesses.

Budget Commentary

There are currently no planned expenditures at this time. Activity in this fund would occur if the Economic Development Authority authorized a loan after an application is made.

<u>Budget Summary</u>	2016 <u>ACTUAL</u>	2017 <u>ACTUAL</u>	2018 <u>BUDGET</u>	2019 <u>BUDGET</u>
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Percent Change		0.0%	0.0%	0.0%

Expenditures by Classification



Function: Economic Development **Fund # :** 253
Activity: TIF #3 Cottage Villas **Activity # :** 47305

Activity Scope

TIF District No. 3, Cottage Villas Housing, was originally certified as a Housing District on May 10, 1993. This district is located on the east side of Cleveland Avenue, just south of County Road E-2/Cleveland Avenue intersection. This 64 unit Cottage Villas Apartment complex is available for low-moderate income seniors. Originally, this district was set to decertify on December 31, 2009. In December 2009, the City Council extended this district until December 31, 2019, to allow the City the possibility of using these funds for other affordable housing projects within the City.

The City entered into a “pay-as-you-go” agreement with Cottage Villas of Arden Hills Limited Partnership on February 28, 1994. The Development Agreement called for the developer to be reimbursed for certain public development activities initially estimated at \$834,286. Repayment to the developer would only be from tax increment actually received from the district. Payments were to be 90% of the tax increment received not-to-exceed a total annual payment of \$57,557. The City is no longer obligated to make payments after February 1, 2010.

Objectives

Utilize available funds for low to moderate income housing projects.

Issues

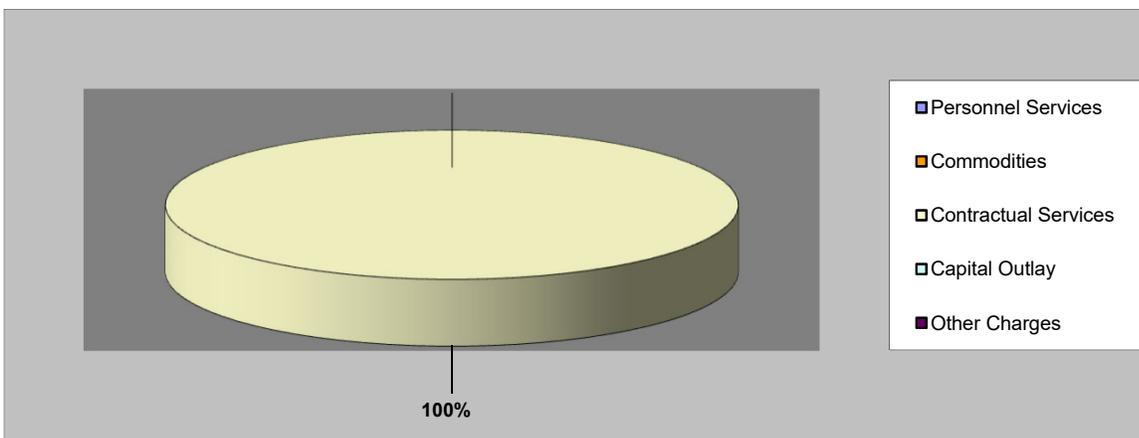
Ensure use of funds is consistent with TIF laws.

Budget Commentary

The City no longer has any obligations to pay the developer as of February 1, 2010. Only administrative costs have been planned for 2019.

Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	1,894	1,549	4,725	2,000
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 1,894	\$ 1,549	\$ 4,725	\$ 2,000
Percent Change		(-18.2%)	205.1%	(-57.7%)

Expenditures by Classification



Function: Economic Development **Fund # :** 254
Activity: TIF #4 Presbyterian Homes **Activity # :** 47308

Activity Scope

TIF district No. 4, Presbyterian Homes, was established as a 15 year renewal and renovation district to facilitate the redevelopment of existing senior housing units and replacement of existing nursing home units. The first increment was received in 2014 with the districted expiring on December 31, 2029.

Objectives

Utilize funds for Presbyterian Homes project per the development agreement.

Issues

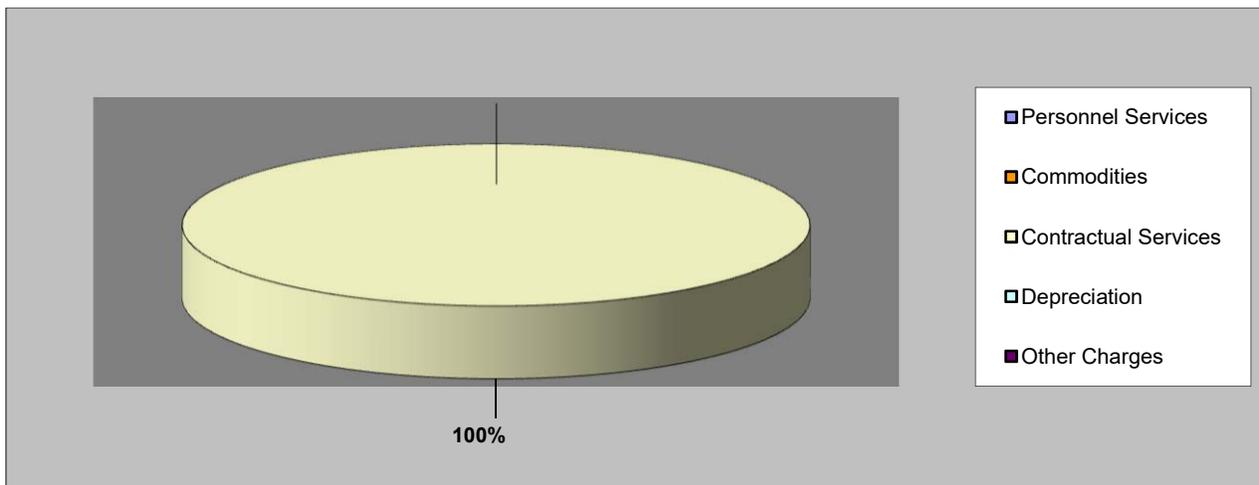
Ensure compliance with TIF laws for uses of available funds.

Budget Commentary

Increment was received starting in 2014 and is estimated for 2019. Payments are based on 75% of increment received to the developer and estimated for 2019. The only other charges budgeted are administrative charges.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	155,147	185,105	139,525	192,630
Depreciation	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 155,147	\$ 185,105	\$ 139,525	\$ 192,630
Percent Change		19.3%	(-24.6%)	38.1%

Expenditures by Classification





Debt Service Fund Summary

The Debt Service funds repay the City's outstanding debt obligations. Debt service funds use the modified accrual basis of accounting; however, the cash basis of accounting will be used for budgetary purposes only. The cash basis is used for budgeting to ensure that sufficient cash will be available to make the required payments on the City's bonded indebtedness.

Bond Rating:

All bonds issued by the City are assigned ratings by Standard and Poor’s. The City maintains an “AAA” rating from Standard & Poor’s for general obligation debt.

Debt Limitations:

All Minnesota municipalities (counties, cities, towns and school districts) are subject to statutory “net debt” limitations under the provisions of Minnesota Statutes, Section 475.53. Under this provision, the legal debt limit is 3.0% of the assessor’s market value of the municipalities’ tax base. Bond issues covered by this limit are those financed by property taxes unless at least 20% of the annual debt service costs are financed by special assessments or tax increments. At present the City has no bond issue that is subject to the debt limit. The City’s current legal debt limit and debt margin is as follows:

Estimated Market Value	\$ 1,260,228,800
Debt limit (3% of EMV)	37,806,864
Less amount of debt applicable to debt limit	-
Legal debt margin	\$ 37,806,864

Outstanding Debt:

The City has one bond issue outstanding. The 2018A General Obligation Utility Revenue Bonds were issued in July 2018 to finance the construction of various utility system improvements within the City. These bonds will be repaid from net revenues of the water and sewer funds. Future payments due are as follows:

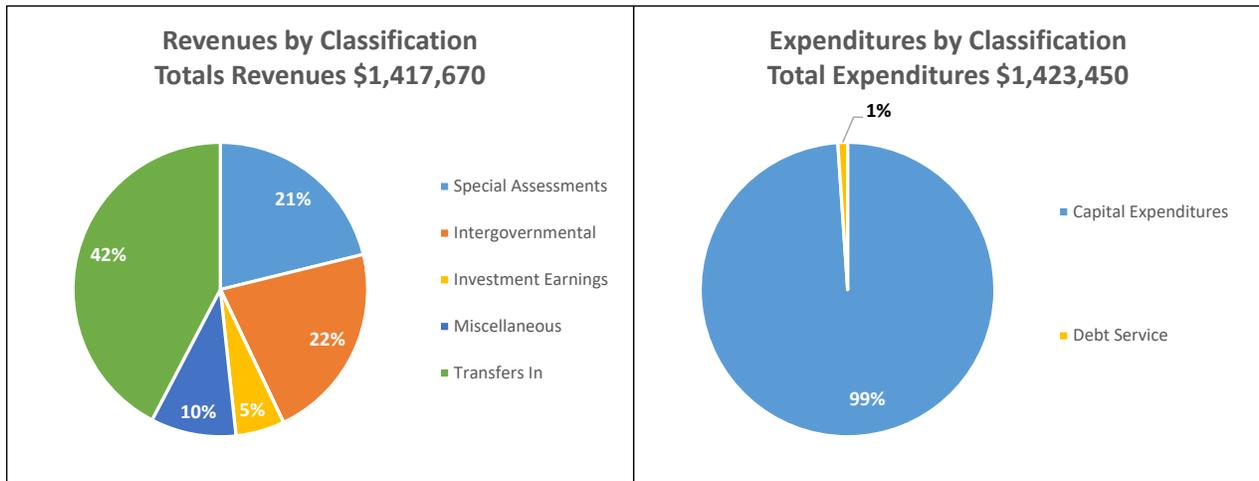
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>TOTAL</u>
2019-2023	855,000	391,586	1,246,586
2024-2028	1,275,000	161,875	1,436,875
2029	285,000	4,275	289,275
	<u>\$ 2,415,000</u>	<u>\$ 557,736</u>	<u>\$ 2,972,736</u>



Capital Projects Funds Summary

The Capital Project Funds account for the financial resources and appropriations of constructing and replacing the City's infrastructure, including streets and City buildings or facilities, except those financed by Enterprise Funds. Capital project funds use the modified accrual basis of accounting; however, the cash basis of accounting will be used for budgetary purposes only. The cash basis is used for budgeting to ensure that sufficient cash will be available to make all required payments.

CAPITAL PROJECT FUNDS	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2018 to 2019 Increase (Decrease)	2018 to 2019 Increase (Decrease)
REVENUES						
Equipmt Bldg & Replacemt Fund	\$ 299,201	\$ 317,265	\$ 350,000	\$ 360,000	\$ 10,000	2.86%
Park Fund	-	6,500	-	-	-	N/A
Capital Improvement Fund (PIR)	1,404,223	2,873,865	1,220,361	983,670	(236,691)	-19.40%
Public Safety Cap Equip Fund	25,690	24,591	79,000	74,000	(5,000)	-6.33%
TCAAP Capital	148	-	-	-	-	N/A
TOTAL REVENUES	\$ 1,729,262	\$ 3,222,222	\$ 1,649,361	\$ 1,417,670	\$ (231,691)	-14.05%
EXPENDITURES						
Equipmt Bldg & Replacemt Fund	\$ 155,798	\$ 539,433	\$ 473,500	\$ 525,000	\$ 51,500	10.88%
Park Fund	-	-	-	-	-	N/A
Capital Improvement Fund (PIR)	631,073	532,786	4,296,000	810,000	(3,486,000)	-81.15%
Public Safety Cap Equip Fund	47,880	100,215	70,858	73,450	2,592	3.66%
TCAAP Capital	151,307	5,872	15,000	15,000	-	0.00%
TOTAL EXPENDITURES	\$ 986,057	\$ 1,178,306	\$ 4,855,358	\$ 1,423,450	\$ (3,431,908)	-70.68%
NET CHANGES IN FUND BALANCE	\$ 743,205	\$ 2,043,915	\$ (3,205,997)	\$ (5,780)	\$ 3,200,217	
FUND BALANCE JANUARY 1,	\$ 2,912,126	\$ 3,655,331	\$ 5,699,246	\$ 2,385,634		
FUND BALANCE DECEMBER 31	\$ 3,655,331	\$ 5,699,246	\$ 2,493,249	\$ 2,379,854		



	408	409	411	412	413	
	Equip & Bldg	Parks	Capital (PIR)	Public Safety	TCAAP Capital	Total
	Replacement			Capital		
REVENUES						
Special Assessments	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ 300,000
Intergovernmental	-	-	308,670	-	-	308,670
Charges for Services	-	-	-	-	-	-
Investment Earnings	-	-	75,000	1,000	-	76,000
Miscellaneous	10,000	-	100,000	23,000	-	133,000
Transfers In	350,000	-	200,000	50,000	-	600,000
TOTAL REVENUES	\$ 360,000	\$ -	\$ 983,670	\$ 74,000	\$ -	\$ 1,417,670
EXPENDITURES						
Supplies and Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Services and Charges	-	-	-	-	-	-
Capital Expenditures	525,000	-	810,000	73,450	-	1,408,450
Debt Service	-	-	-	-	15,000	15,000
TOTAL EXPENDITURES	\$ 525,000	\$ -	\$ 810,000	\$ 73,450	\$ 15,000	\$ 1,423,450
NET CHANGES IN FUND BALANCE	\$ (165,000)	\$ -	\$ 173,670	\$ 550	\$ (15,000)	\$ (5,780)
FUND BALANCE JANUARY 1,	(382,769)	(29,516)	3,004,819	(41,538)	(165,362)	2,385,634
FUND BALANCE DECEMBER 31	\$ (547,769)	\$ (29,516)	\$ 3,178,489	\$ (40,988)	\$ (180,362)	\$ 2,379,854

Function: General Government **Fund # :** 408
Activity: Equipment & Building Replacement **Activity # :** 48100

Activity Scope

This Capital Fund was created in 2008 with the intent of building a reserve to fund equipment replacement, building improvements, office equipment, and technology improvements. This use of the fund would level future levy spikes caused by acquisition of costly capital expenditures. A one-time transfer of \$500,000 was done in 2008 from the General Fund to establish the reserve. Annual transfers from the General Fund and Enterprise Funds provide on-going revenues in addition to interest income.

Objectives

Provide adequate equipment to insure operations and services for the residents of Arden Hills.

Issues

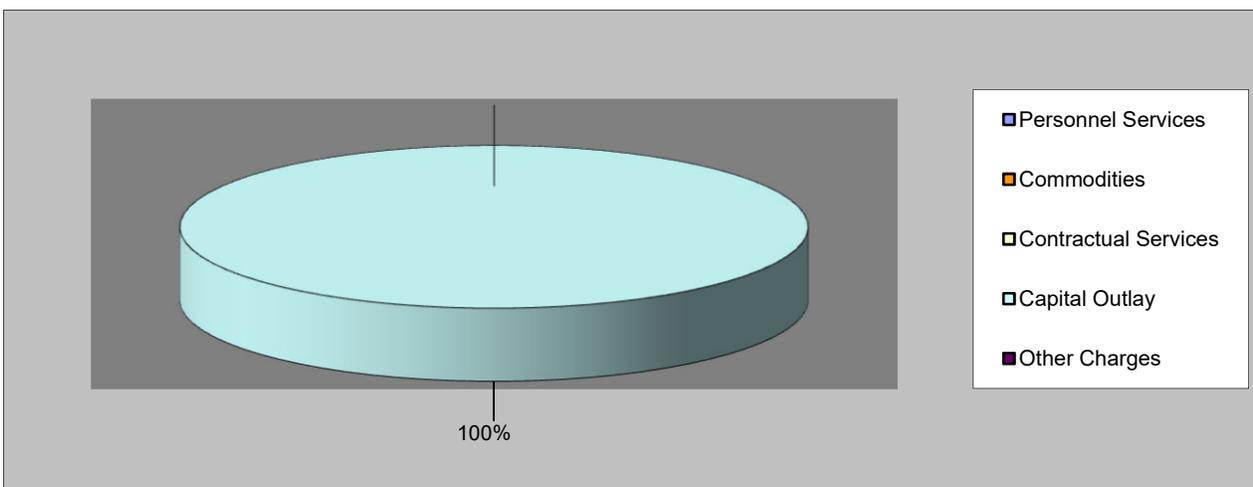
Budget constraints.

Budget Commentary

Anticipated 2019 expenses included the replacement or addition of a Easement Sewer Cleaning Machine, Camera trailer, Chiller and other equipment (see CIP).

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	155,798	539,433	473,500	525,000
Other Charges	-	-	-	-
Total	\$ 155,798	\$ 539,433	\$ 473,500	\$ 525,000
Percent Change		246.2%	(-12.2%)	10.9%

Expenditures by Classification



Function: Parks and Recreation **Fund # :** 409
Activity: Parks **Activity # :** 45200

Activity Scope

This Fund was established for park/trail acquisition and development. Revenue for the Parks Fund comes from developer park dedication fees, contributions, state grants, and investment income. For the past few years, very little new funds have been contributed to this fund. As a result of the lack of new revenue, the balance in this fund is currently at a negative balance and no new projects have been budgeted for. This balance will be replenished either through new park dedication fees or a transfer from the Permanent Revolving Fund.

Objectives

1. Playground structure replacement.
2. Mounds View High School trail connection.
3. Implementation of a Park Bench program.

Issues

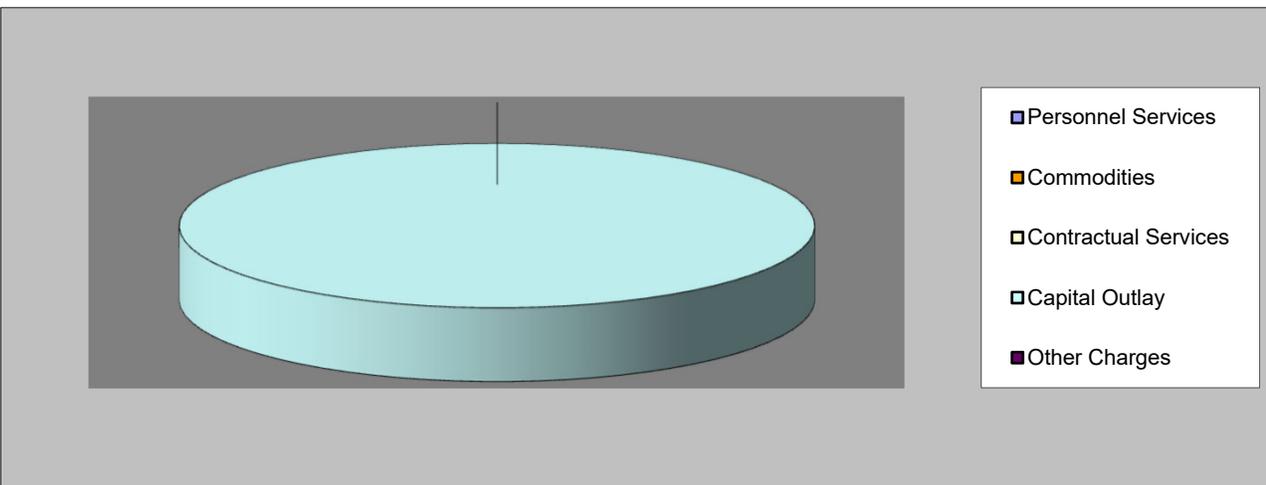
1. Securing funding for improvements.
2. Adhering to grant requirements and local matches.
3. Budget constraints.

Budget Commentary

There is no budget for this fund in 2019.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -
Percent Change		0.0%	0.0%	0.0%

Expenditures by Classification



Function: Public Works
Activity: Capital Improvement (PIR)

Fund # : 411
Activity # : 48500

Activity Scope

This fund was established to temporarily finance pavement management projects being partially financed by special assessments or for high cost improvements for which bonds have not been issued. In 2006, the Municipal Land and Buildings Fund, Non-Assessable Road Improvement Fund, and Capital Improvements Fund were consolidated into the PIR Fund.

Objectives

1. To maintain the City's streets and roadways.
2. To maintain City infrastructure.

Issues

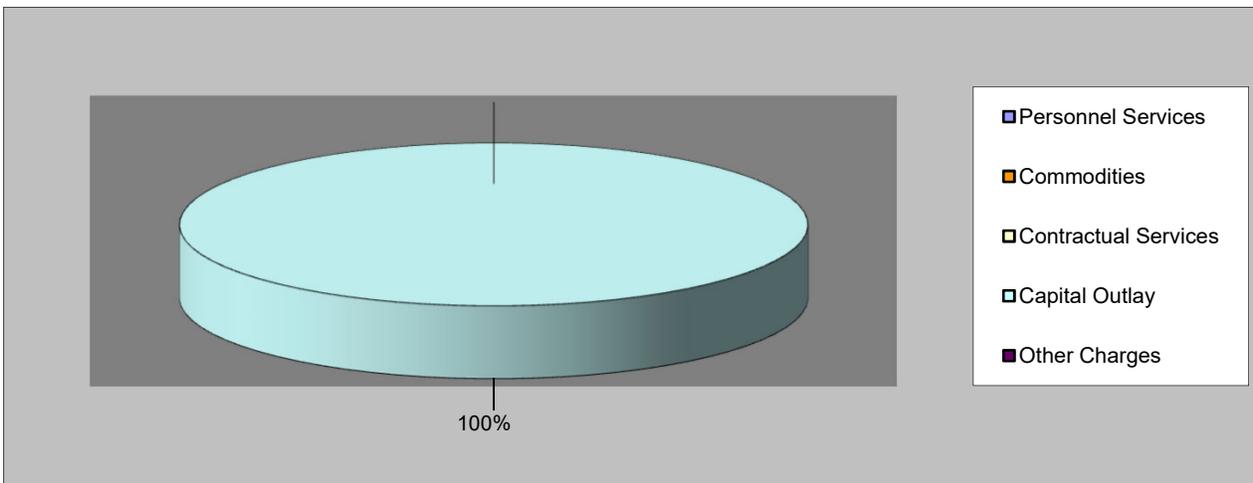
Finding adequate funding resources for the various projects.

Budget Commentary

The 2019 projects are listed in the proposed five-year capital improvement plan.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	1,410	-	-
Contractual Services	516,635	231,736	-	-
Capital Outlay	114,438	299,640	4,296,000	810,000
Other Charges	-	-	-	-
Total	\$ 631,073	\$ 532,786	\$ 4,296,000	\$ 810,000
Percent Change		(-15.6%)	706.3%	(-81.1%)

Expenditures by Classification



Function: Public Safety **Fund # :** 412
Activity: Public Safety Capital Equipment **Activity # :** 48120

Activity Scope

This Capital Fund was created in 1995 with the intent of building a reserve to fund General Fund public safety capital equipment requirements. This use of the fund would level future levy spikes caused by acquisition of costly specialized police and fire capital requirements. Arden Hills pays for a portion (24.5%) of Lake Johanna Fire Department equipment according to a formula which has been updated for 2019, with the balance funded by the other member cities of Shoreview and North Oaks.

Objectives

Provide adequate equipment to insure public safety for the residents of Arden Hills.

Issues

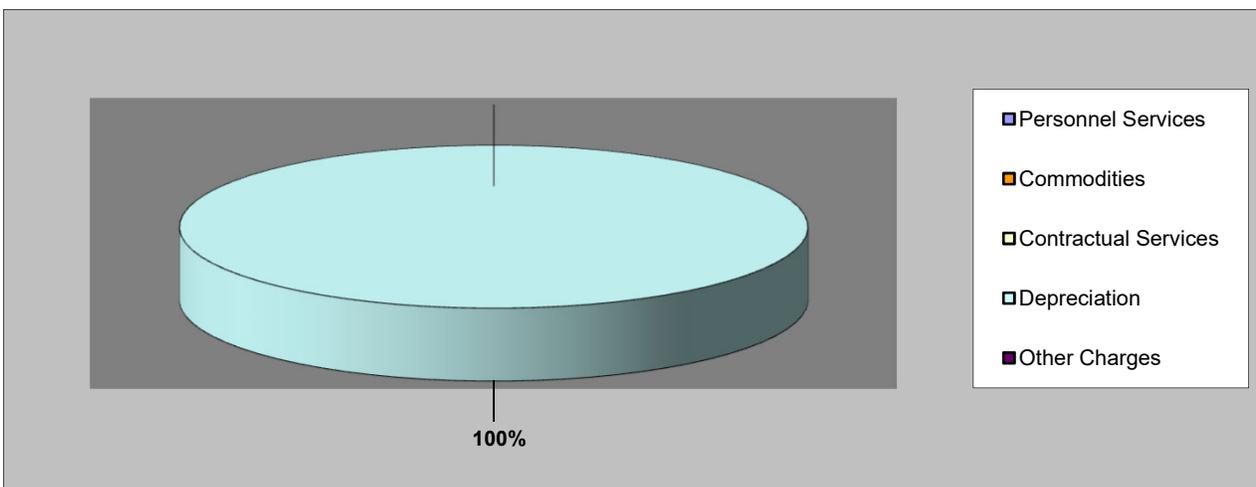
1. Budget constraints.
2. Arden Hills is only one member on each of the joint powers boards. Decisions are not always made on what Arden Hills sees as important, but rather the group as a whole.
3. Due to the current economy, revenues may be impacted.

Budget Commentary

Expenditures have increased 3.7% based on the numbers provided by LJFD. A transfer from the General Fund has been established in this fund per staff recommendation.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Depreciation	47,880	100,215	70,858	73,450
Other Charges	-	-	-	-
Total	\$ 47,880	\$ 100,215	\$ 70,858	\$ 73,450
Percent Change		109.3%	(-29.3%)	3.7%

Expenditures by Classification



Function: Economic Development
Activity: TCAAP Capital

Fund # : 413
Activity # : 41600

Activity Scope

This fund was established to account for revenue and expenditure activity related to the City comprehensive re-use planning at the Twin Cities Army Ammunition Plant (TCAAP) site as it relates to infrastructure and re-use.

Objectives

1. Coordination of the TCAAP redevelopment planning activities while continuing to meet the needs of the City of Arden Hills.
2. Work with Ramsey County through the Joint Development Authority (JDA).

Issues

1. Economic conditions.
2. Coordinating with multiple entities/players.

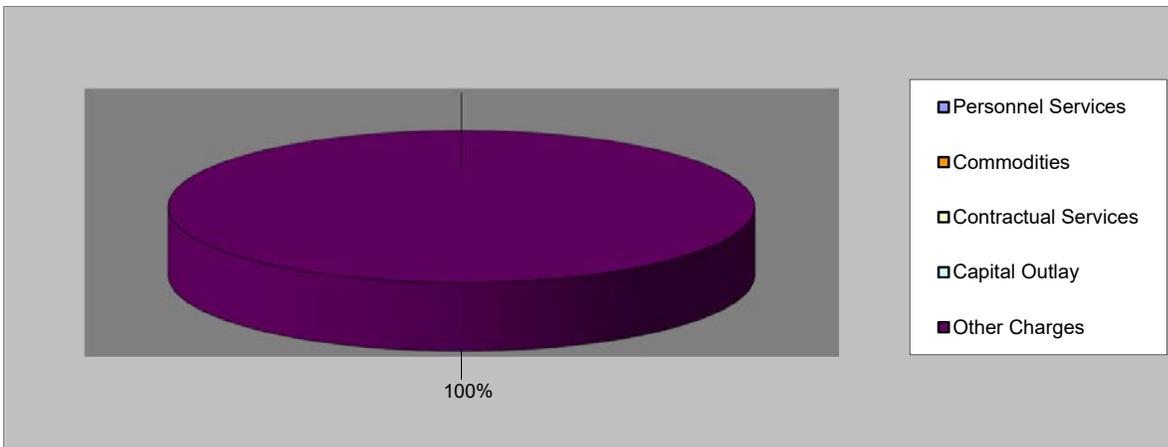
Budget Commentary

Since the City's private development partner pulled out of the project in April of 2009, Ramsey County purchased the property and established a Joint Development Authority (JDA) with the City. Revenues and expenditures are for City costs and future costs are not known at this time, except for \$15,000 in interest payable to the PIR Fund.

A budget amendment was done in 2014 to reclassify the City's costs for infrastructure development under the JDA into the TCAAP Capital Fund. An interfund loan was made in 2013 from the PIR to be paid back as the property develops.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	136,307	5,872	-	-
Capital Outlay	-	-	-	-
Other Charges	15,000	-	15,000	15,000
Total	\$ 151,307	\$ 5,872	\$ 15,000	\$ 15,000
Percent Change		(-96.1%)	155.4%	0.0%

Expenditures by Classification





Enterprise Funds Summary

An Enterprise Fund is a fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services, which are entirely or predominantly self-supporting by user charges. The City operates four Enterprise Funds. The accrual basis of accounting is used for these funds. However, capital outlay items are recorded as expenses during the year and reclassified to assets during audit preparation.

ENTERPRISE FUNDS	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2018 to 2019 Increase (Decrease)	2018 to 2019 Increase (Decrease)
REVENUES						
Licenses and Permits	\$ 3,572	\$ 3,160	\$ 5,500	\$ 5,620	\$ 120	2.18%
Intergovernmental	85,571	24,655	20,000	24,040	4,040	20.20%
Special Assessments	6,280	7,409	2,200	2,000	(200)	-9.09%
Investment Earnings	17,835	32,755	26,500	11,340	(15,160)	-57.21%
Miscellaneous	11,637	23,032	10,000	22,790	12,790	127.90%
Charges for Services	<u>5,080,130</u>	<u>4,876,238</u>	<u>4,868,400</u>	<u>5,314,060</u>	<u>445,660</u>	<u>9.15%</u>
TOTAL REVENUES	\$ 5,205,026	\$ 4,967,248	\$ 4,932,600	\$ 5,379,850	\$ 447,250	9.07%
EXPENSES						
Personnel Expenses	\$ 874,139	\$ 839,960	\$ 967,125	\$ 1,068,260	\$ 101,135	10.46%
Supplies and Materials	20,751	106,310	38,000	48,200	10,200	26.84%
Other Services and Charges	2,600,680	3,050,559	2,968,386	2,863,550	(104,836)	-3.53%
Depreciation	461,270	488,881	475,000	543,650	68,650	14.45%
Capital Expenditures	-	83,364	4,251,000	1,080,000	(3,171,000)	-74.59%
Debt Service	-	-	-	91,300	91,300	N/A
Transfers	<u>230,765</u>	<u>230,765</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>0.00%</u>
TOTAL EXPENSES	\$ 4,187,604	\$ 4,799,840	\$ 8,999,511	\$ 5,994,960	\$ (3,004,551)	-33.39%
NET CHANGES IN FUND BALANCE	\$ 1,017,422	\$ 167,409	\$ (4,066,911)	\$ (615,110)	\$ 3,451,801	
FUND BALANCE JANUARY 1,	\$16,405,920	\$17,423,342	\$17,590,751	\$20,445,790		
FUND BALANCE DECEMBER 31	\$17,423,342	\$17,590,751	\$17,774,840	\$20,905,680		

Function: Public Works **Fund # :** 601
Activity: Water **Activity # :** 49440

Activity Scope

The Water Utility Fund is a self-sustaining fund, or enterprise fund of the City. The City maintains its own water distribution system. Water is purchased from the City of Roseville, who in turn, purchases water on a wholesale basis from St. Paul Regional Water Services. Metering devices are also maintained to account for usage.

Objectives

1. Provide a safe and reliable water system for the users.
2. Maintain the water utility infrastructure including pipes, valves, hydrants and towers.

Issues

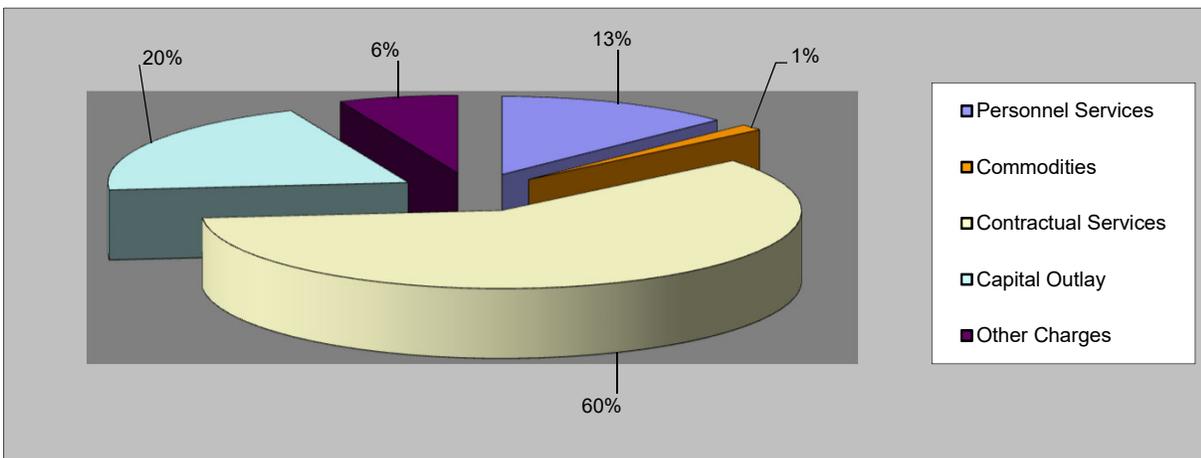
1. Staff time demands on many projects.
2. Aging water system.
3. Increased State and Federal regulations.

Budget Commentary

The 2019 operating budget is an increase of 3.2% from the previous year's adopted budget and a decrease of 43.1% overall with capital outlay and debt service. Currently, capital expenses relate to upgrading a booster station, watermain replacement and a new utility communication system. An operating transfer (\$100,000) has also been budgeted to the Equipment, Building, and Replacement Fund.

Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 287,348	\$ 282,634	\$ 320,400	\$ 355,770
Commodities	15,872	93,437	30,500	35,500
Contractual Services	1,530,246	1,700,440	1,640,686	1,663,240
Capital Outlay	-	83,364	2,826,000	562,500
Other Charges	68,396	68,396	100,000	179,010
Total	\$ 1,901,862	\$ 2,228,272	\$ 4,917,586	\$ 2,796,020
Percent Change		17.2%	120.7%	(-43.1%)
Full-Time Equivalent positions	-	-	3.24	3.49

Expenditures by Classification



Function: Public Works **Fund # :** 602
Activity: Sanitary Sewer **Activity # :** 49490

Activity Scope

The Sanitary Sewer Utility Fund is a self-sustaining fund, or enterprise fund of the City. The maintenance of the sanitary sewer lines and lift stations are the responsibility of the Public Works Department. The maintenance program involves inspections, flushing and cleaning of sewer lines and routine maintenance of the lift stations. Wastewater flows into the Metropolitan Council’s system to be treated.

Objectives

1. Work to eliminate inflow and infiltration from the sanitary sewer system.
2. Maintain the sanitary sewer so as to provide dependable service for the users.

Issues

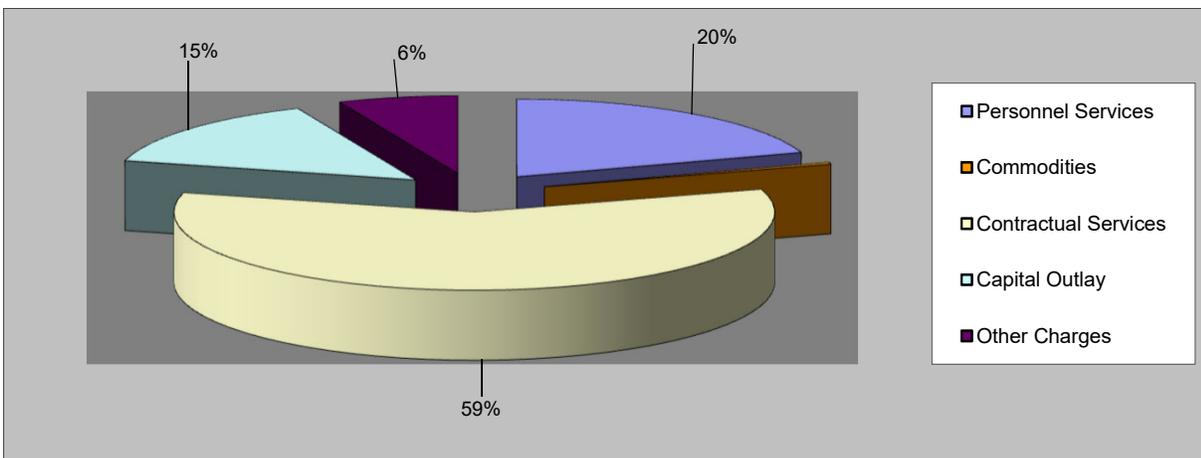
1. Ground water inflow and infiltration problems.
2. Aging system.

Budget Commentary

The 2019 operating budget is a decrease of 1.8% from the previous year’s adopted budget and an overall decrease of 14.9% with capital outlay and debt service. Capital outlay costs for 2019 are related to sewer lining, lift station rehabilitation and a new utility communication system. An operating transfer (\$126,000) has also been budgeted to the Equipment, Building, and Replacement Fund.

Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 358,231	\$ 340,181	\$ 389,800	\$ 427,470
Commodities	3,962	11,190	2,500	7,700
Contractual Services	1,151,029	1,428,889	1,334,707	1,259,990
Capital Outlay	-	-	670,000	312,500
Other Charges	96,870	96,870	126,000	138,290
Total	\$ 1,610,091	\$ 1,877,129	\$ 2,523,007	\$ 2,145,950
Percent Change		16.6%	34.4%	(-14.9%)
Full-Time Equivalent positions	-	-	3.81	4.05

Expenditures by Classification



Function: General Government
Activity: Recycling

Fund # : 603
Activity # : 49520

Activity Scope

The City contracts with a private company to pick up recycling for residents within the City. The City of Arden Hills participates in a Joint Powers Agreement with Ramsey County to assist with funding the residential curbside recycling program. The County Department of Property Taxation directly places a city recycling fee on residents' property tax statements. Ramsey County then collects the fees and distributes them to the City with the July and December tax settlements. Charges for recycling costs to residents include all costs associated with recycling including the cooperative spring and fall joint cleanup day effort with the City of Shoreview.

Objectives

Provide efficient and cost effective recycling for the residents of Arden Hills.

Issues

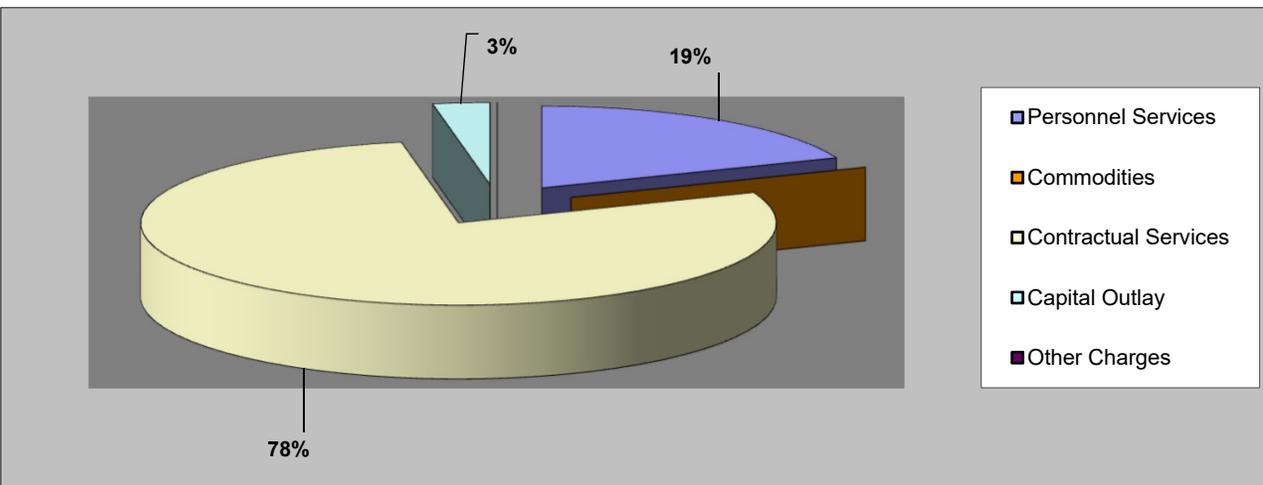
Budget constraints.

Budget Commentary

The 2019 operating budget is an increase of 10.9% from the previous year's budget. The changes are primarily due to personnel costs and anticipated bin/cart purchases.

<u>Budget Summary</u>	2016 <u>ACTUAL</u>	2017 <u>ACTUAL</u>	2018 <u>BUDGET</u>	2019 <u>BUDGET</u>
Personnel Services	\$ 17,274	\$ 17,795	\$ 19,125	\$ 32,860
Commodities	-	-	-	-
Contractual Services	123,914	130,122	136,829	135,170
Capital Outlay	-	-	-	5,000
Other Charges	-	-	-	-
Total	\$ 141,188	\$ 147,917	\$ 155,954	\$ 173,030
Percent Change		4.8%	5.4%	10.9%
Full-Time Equivalent positions	-	-	0.23	0.29

Expenditures by Classification



Function: Public Works **Fund # : 604**
Activity: Surface Water Management **Activity # : 49550**

Activity Scope

The Surface Water Management Utility Fund is a self-sustaining fund, or enterprise fund of the City. The function of the Surface Water Management (SWM) utility is the collection, treatment and disposition of storm water as well as the maintenance of the storm sewers. The current fee structure is based upon zoning classification and parcel acreage. Collection of these fees is done through the utility billing process.

Objectives

1. Maintain the storm water system including pipes and ponds in an appropriate manner.
2. Continue to make environmental improvements to the surface water system whenever cost-effectively possible.

Issues

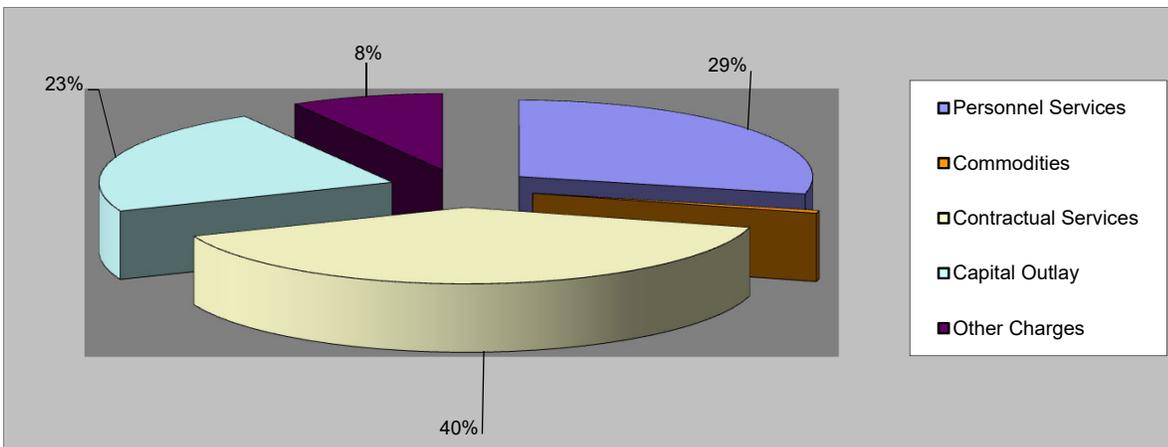
1. Budget constraints.
2. Increased State and Federal regulations.

Budget Commentary

The 2019 operating budget is an increase of 5.6% from the previous year's budget and a decrease of 37.3% overall with capital outlay. The capital outlay budgeted for in 2019 includes a storm water project and the Karth Lake retaining wall. An operating transfer (\$74,000) has also been budgeted to the Equipment, Building, and Replacement Fund.

Budget Summary	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 211,285	\$ 199,350	\$ 237,800	\$ 252,160
Commodities	918	1,683	5,000	5,000
Contractual Services	256,762	279,990	331,164	348,800
Capital Outlay	-	-	755,000	200,000
Other Charges	65,499	65,499	74,000	74,000
Total	\$ 534,464	\$ 546,522	\$ 1,402,964	\$ 879,960
Percent Change		2.3%	156.7%	(-37.3%)
Full-Time Equivalent positions	-	-	2.47	2.59

Expenditures by Classification





Internal Service Fund Summary

An Internal Service Fund is a fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services, which are entirely or predominantly self-supporting by user charges. The City operates four Internal Service Funds. The accrual basis of accounting is used for these funds. However, Capital Outlay items are recorded as expenses.

INTERNAL SERVICE FUNDS	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2018 to 2019 Increase (Decrease)	2018 to 2019 Increase (Decrease)
REVENUES						
Investment Earnings	\$ 6,512	\$ 6,116	\$ 5,000	\$ -	\$ (5,000)	-100.00%
Miscellaneous	22,837	6,711	20,290	-	(20,290)	-100.00%
Interfund Services	<u>698,376</u>	<u>798,742</u>	<u>966,091</u>	<u>545,180</u>	<u>(420,911)</u>	<u>-43.57%</u>
TOTAL REVENUES	\$ 727,725	\$ 811,569	\$ 991,381	\$ 545,180	\$ (446,201)	-45.01%
EXPENSES						
Personnel Expenses	\$ 110,206	\$ 29,543	\$ 53,345	\$ 41,630	\$ (11,715)	-21.96%
Supplies and Materials	85,553	148,128	148,000	205,000	57,000	38.51%
Other Services and Charges	583,810	727,937	794,873	330,680	(464,193)	-58.40%
Capital Expenditures	-	-	-	-	-	N/A
TOTAL EXPENSES	<u>\$ 779,569</u>	<u>\$ 905,608</u>	<u>\$ 996,218</u>	<u>\$ 577,310</u>	<u>\$ (418,908)</u>	<u>-42.05%</u>
NET CHANGES IN FUND BALANCE	\$ (51,844)	\$ (94,039)	\$ (4,837)	\$ (32,130)	\$ (27,293)	
FUND BALANCE JANUARY 1,	<u>\$ 478,951</u>	<u>\$ 427,107</u>	<u>\$ 333,069</u>	<u>\$ 398,592</u>		
FUND BALANCE DECEMBER 31	<u>\$ 427,107</u>	<u>\$ 333,069</u>	<u>\$ 328,232</u>	<u>\$ 366,462</u>		

Function: General Government
Activity: Risk Management

Fund # : 725
Activity # : 49800

Activity Scope

This Fund was established to pool dividends received from the League of Minnesota Cities for positive claims experience. This fund tracks dividend revenues and deductible costs for claims. The goal of this fund is to build a fund balance that would allow the City to increase deductible limits in order to reduce premium costs. Dividends received from the health insurance Co-op are also deposited in this fund to use for employee wellness activities and to supplement the City's contribution to health/dental insurance.

Objectives

1. Cover deductible costs on claims.
2. Establish employee Wellness programs to minimize health insurance costs.

Issues

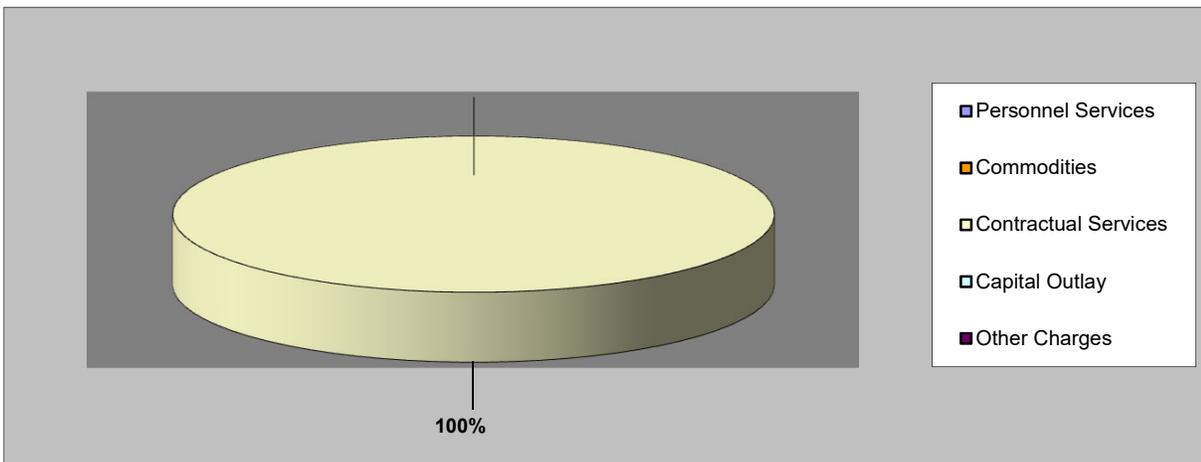
Maintain the proper level of insurance coverage and deductibles to assure the best possible coverage at the lowest possible cost.

Budget Commentary

Will discontinue the entry for employee benefits to this fund as it had no effect on the financial statements. Will continue to accumulate funds to cover potential future insurance claims.

<u>Budget Summary</u>	2016 <u>ACTUAL</u>	2017 <u>ACTUAL</u>	2018 <u>BUDGET</u>	2019 <u>BUDGET</u>
Personnel Services	\$ 8,433	\$ 8,649	\$ 11,825	\$ -
Commodities	205	-	-	-
Contractual Services	378,417	346,271	421,537	33,730
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 387,054	\$ 354,920	\$ 433,362	\$ 33,730
Percent Change		(-8.3%)	22.1%	(-92.2%)
Full-Time Equivalent positions	-	-	0.10	-

Expenditures by Classification



Function: Public Works **Fund # : 726**
Activity: Engineering **Activity # : 49600**

Activity Scope

The Engineering Fund is a self-sustaining fund, or internal service fund of the City. The Assistant Engineer performs work on various City projects, reviews development plans, represents the City at various meetings on projects which are County or State led. Detailed records are kept of time and the costs are charged out to various projects, escrow accounts or City departments.

Objectives

1. Provide Engineering services to the City.
2. Look out for the City's best interests in projects involving multiple jurisdictions.
3. Provide review of new developments and projects.

Issues

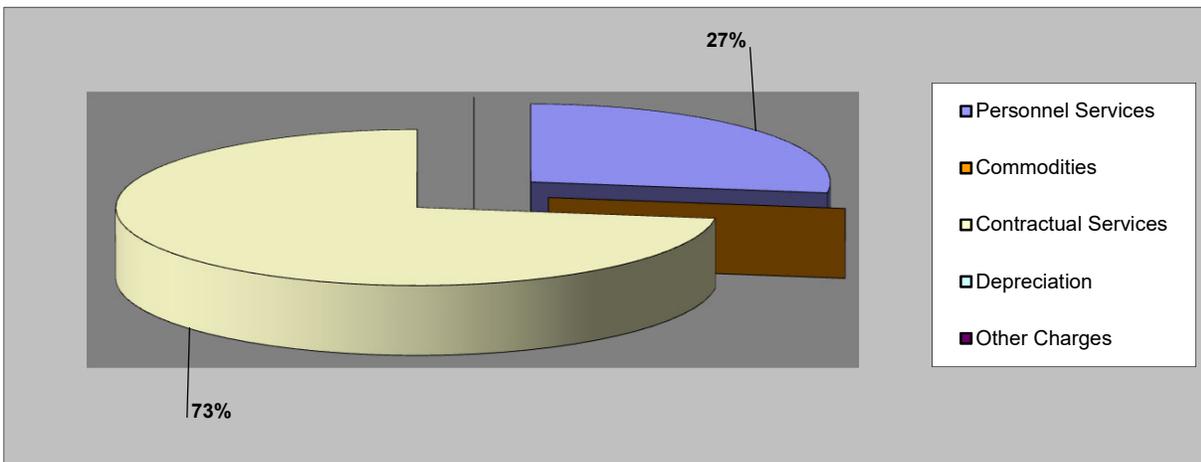
Provide cost effective services vs. using an independent contractor.

Budget Commentary

This was a new fund in 2012. Previously City Engineer services were provided by the City of Roseville. The budgeted costs in this department are comparable to the engineering contract the City previously held with Roseville. The costs are charged back to the other funds based on usage per fund, as was previously done when contracting with Roseville.

<u>Budget Summary</u>	2016 <u>ACTUAL</u>	2017 <u>ACTUAL</u>	2018 <u>BUDGET</u>	2019 <u>BUDGET</u>
Personnel Services	\$ 87,918	\$ 5,065	\$ 15,120	\$ 15,920
Commodities	-	-	-	-
Contractual Services	17,599	142,945	120,961	42,500
Depreciation	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 105,518	\$ 148,010	\$ 136,081	\$ 58,420
Percent Change		40.3%	(-8.1%)	(-57.1%)
Full-Time Equivalent positions	-	-	0.11	0.11

Expenditures by Classification



Function: Public Works
Activity: Central Garage

Fund # : 727
Activity # : 49700

Activity Scope

The Central Garage and Equipment Fund is a self-sustaining fund, or internal service fund of the City. The Public Works Department works on Streets, Parks, Water, Sanitary Sewer, and Surface Water Management. All costs are compiled in this fund and charged out to the departments based on usage.

Objectives

1. Maintain cost effective control of multi-purpose department.
2. Manage costs involving multiple departments.

Issues

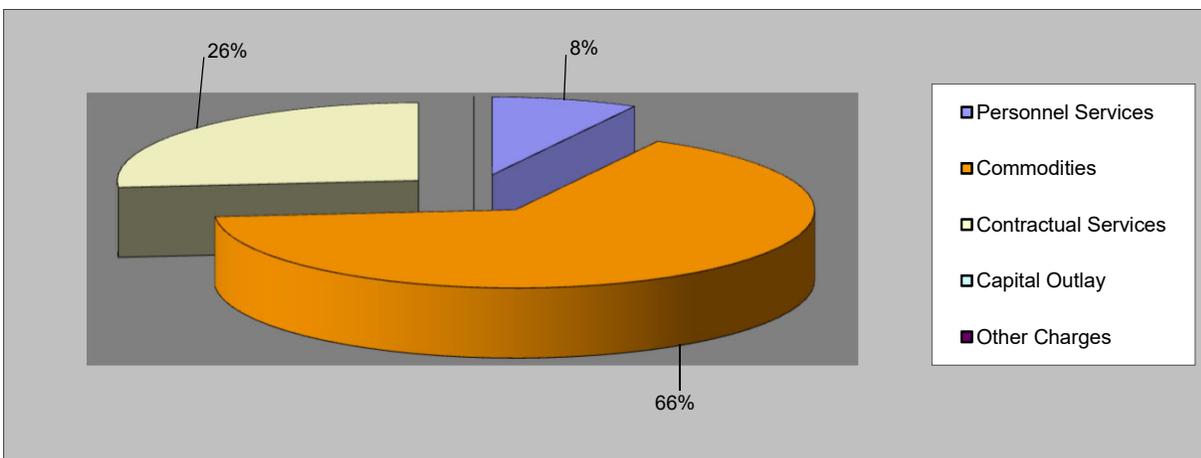
1. Aging equipment.
2. Balance the Public Works Department needs with available funds.
3. Managing an effective cost allocation structure.

Budget Commentary

This was a new fund in 2013. Previously these services were split into all five public works departments, Streets, Parks, Water, Sanitary Sewer, and Surface Water Management. Setting up one fund to manage these costs is more effective and will save administrative time. The total impact is the same as if budgeting these costs across each individual fund.

	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 7,596	\$ 9,136	\$ 20,600	\$ 20,880
Commodities	74,306	138,051	148,000	175,000
Contractual Services	58,695	103,659	85,388	70,270
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 140,597	\$ 250,846	\$ 253,988	\$ 266,150
Percent Change		78.4%	1.3%	4.8%
Full-Time Equivalent positions	-	-	0.16	0.16

Expenditures by Classification



Function: General Government
Activity: Technology

Fund # : 728
Activity # : 49900

Activity Scope

The Technology Fund is a self-sustaining fund, or internal service fund of the City. All departments use technology. All costs are compiled in this fund and charged out to the departments based on usage.

Objectives

1. Maintain cost effective control of multi-purpose department.
2. Manage costs involving multiple departments.

Issues

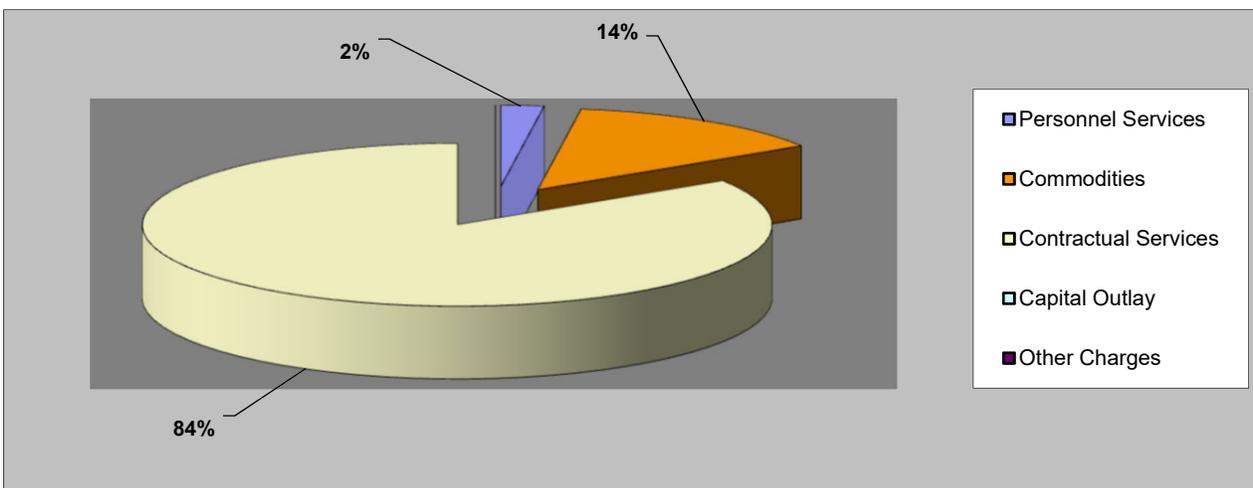
1. Aging equipment.
2. Balance department needs with available funds.
3. Managing an effective cost allocation structure.

Budget Commentary

This was a new fund in 2013. Previously these services were split into all departments. Setting up one fund to manage these costs is more effective and will save administrative time. The total impact is the same as if budgeting these costs across each individual fund.

<u>Budget Summary</u>	2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 BUDGET
Personnel Services	\$ 6,259	\$ 6,694	\$ 5,800	\$ 4,830
Commodities	11,042	10,077	-	30,000
Contractual Services	129,099	135,062	166,987	184,180
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 146,400	\$ 151,833	\$ 172,787	\$ 219,010
Percent Change		3.7%	13.8%	26.8%
Full-Time Equivalent positions	-	-	0.05	0.04

Expenditures by Classification



Capital Improvement Plan

Included in the budget are capital expenditures and capital improvements. The following information is the City of Arden Hills' Capital Improvement Plan for 2019.

The City has developed a 5-year Capital Improvement Plan, approved by the City Council. This plan includes detailed policies and procedures for budgeting and managing the projects included in the plan.

Included in this document are the project sheets for projects included in plan. The budgeted amounts for 2019 of each project are included in the appropriate fund as indicated on the project sheet.

As funding is approved, budget adjustments will be requested when the project is approved and contracts awarded.

City of Arden Hills, Minnesota
Capital Improvement Plan
2019 thru 2023

DEPARTMENT SUMMARY

Department	2019	2020	2021	2022	2023	Total
Economic Development	40,000		246,130		40,000	326,130
Equipment	295,000	10,000	262,000	203,000	15,000	785,000
Government Buildings	230,000	50,000	50,000	50,000	50,000	430,000
Parks Department	510,000	120,000	245,000	120,000	120,000	1,115,000
Public Safety	73,451	57,918	35,525	189,140	55,125	411,159
Sanitary Sewer Department	325,000	1,560,000	480,000	100,000		2,465,000
Street Department	300,000	5,250,000		2,500,000		8,050,000
Surface Water Management Dept	200,000	100,000	150,000	100,000	100,000	650,000
Water Department	550,000	2,250,000	5,050,000	250,000		8,100,000
TOTAL	2,523,451	9,397,918	6,518,655	3,512,140	380,125	22,332,289

City of Arden Hills, Minnesota

Capital Improvement Plan

2019 thru 2023

PROJECTS BY DEPARTMENT

Department	Project #	Priority	2019	2020	2021	2022	2023	Total
Economic Development								
Gateway Signs	19-EDA-001	n/a	40,000		246,130		40,000	326,130
Economic Development Total			40,000		246,130		40,000	326,130
Equipment								
Replace Easement Sewer Cleaning Machine (Unit 310)	19-Eqp-001	3	70,000					70,000
Replace 2005 Felling Trailer Unit (414)	19-Eqp-003	4		10,000				10,000
Bobcat milling attachment	19-Eqp-004	3	16,000					16,000
Replace Camera Trailer	19-Eqp-007	4	125,000					125,000
Replace 2008 F-350 Pick-up w/plow (unit 430)	19-EqpV-002	4	55,000					55,000
Add 1/2 Ton Truck	19-EqpV-008	3	29,000					29,000
Add Two Toro "Z" Lawn Mowers (TCAAP)	20-Eqp-001	3			15,000		15,000	30,000
Add Felling Trailer (TCAAP)	20-Eqp-004	3			10,000			10,000
Add Plow Truck w/Plow, Wing, Sander (TCAAP)	20-EqpV-001	4			125,000	125,000		250,000
Add One-Ton Truck w/Plow and Sander (TCAAP)	20-EqpV-002	4			82,000			82,000
Add Pick-up Truck (TCAAP)	20-EqpV-004	3			30,000			30,000
Add F350 Pick-up with Lift Gate (TCAAP)	21-EqpV-003	4				42,000		42,000
Building Inspector Vehicle	22-EqpV-002	n/a				36,000		36,000
Equipment Total			295,000	10,000	262,000	203,000	15,000	785,000
Government Buildings								
City Hall Maintenance	19-Bldg-005	2	230,000	50,000	50,000	50,000	50,000	430,000
Government Buildings Total			230,000	50,000	50,000	50,000	50,000	430,000
Parks Department								
Hard Court Reconstruction	19-Park-001	3	175,000		125,000		120,000	420,000
Hazelnut Park Improvements	19-Park-002	3	155,000					155,000
Playground Structure Replacement	19-Park-003	3	180,000	120,000	120,000	120,000		540,000
Parks Department Total			510,000	120,000	245,000	120,000	120,000	1,115,000
Public Safety								
LJFD General Equipment	19-Pub-001	n/a	16,562	7,007	8,575	5,390		37,534
LJFD Rescue/Chief/Utility Vehicle Replacement	19-Pub-002	n/a	33,075	35,525	19,600		55,125	143,325
LJFD Station Capital	19-Pub-004	n/a	23,814	15,386	7,350			46,550
LJFD Engine/Ladder Replacement	22-Pub-001	n/a				183,750		183,750
Public Safety Total			73,451	57,918	35,525	189,140	55,125	411,159
Sanitary Sewer Department								
Lift Station Rehabilitation	19-Sew-001	3	100,000	60,000	80,000	100,000		340,000
Sewer Lining/Rehabilitation	19-Sew-002	3	200,000	200,000	400,000			800,000
Utility Communication System	19-Sew-003	3	25,000	100,000				125,000
TCAAP Trunk Sanitary Sewer & Lift Station	20-Sew-001	3		1,200,000				1,200,000

Department	Project #	Priority	2019	2020	2021	2022	2023	Total
Sanitary Sewer Department Total			325,000	1,560,000	480,000	100,000		2,465,000
Street Department								
Old Snelling Ave PMP w/ Intersection Impr at CR E	20-Str-004	2	300,000	2,450,000				2,750,000
Future PMP	20-Str-005	2		2,500,000		2,500,000		5,000,000
Lexington Improvements	20-Str-006	2		300,000				300,000
Street Department Total			300,000	5,250,000		2,500,000		8,050,000
Surface Water Management Dept								
Karth Lake Shoreline retaining wall	19-Storm-001	2	100,000					100,000
Storm Pond and Outfall Maintenance	19-Storm-002	2	100,000	100,000	150,000	100,000	100,000	550,000
Surface Water Management Dept Total			200,000	100,000	150,000	100,000	100,000	650,000
Water Department								
Booster Station Repair/Upgrade - Roseville	19-W-001	2	300,000					300,000
Watermain Replacement	19-W-002	3	250,000	250,000	250,000	250,000		1,000,000
TCAAP New Booster Station	20-W-001	3		1,000,000				1,000,000
TCAAP Trunk Water Improvements (Spine Road)	20-W-005	3		1,000,000				1,000,000
TCAAP Water Tower	21-W-003	3			4,800,000			4,800,000
Water Department Total			550,000	2,250,000	5,050,000	250,000		8,100,000
GRAND TOTAL			2,523,451	9,397,918	6,518,655	3,512,140	380,125	22,332,289

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Economic Development
 Contact Community Devl Dir
 Type Improvement
 Useful Life
 Category Economic Devl Improvement
 Priority n/a

Project # 19-EDA-001
 Project Name Gateway Signs

TCAAP No

Total Project Cost: \$326,130

Description

Install gateway signs at major entry points to the City. Potential locations for signs include: (1) Highway 96 at Round Lake Road, (2) Highway 96 at Lexington Avenue, (3) County Road E at Highway 51, (4) County Road E at Lexington Avenue, (5) Lexington Avenue at County Road F, and (6) Lexington Avenue at County Road D. Potential sign location are not listed in order of priority and are subject to change.

There are three existing gateway signs in the following locations: (1) County Road E2 at I-35W, (2) County Road D at Cleveland Avenue, and (3) Lake Johanna Boulevard at the Roseville border.

The cost for a typical sign is \$25,000, including installation, lighting and landscaping. Actual costs will vary depending on the amount of site improvements and/or landscaping that is necessary in a specific location.

The City has discussed completing the gateway sign at Highway 96 and Lexington Avenue as being a priority. Based on preliminary cost estimates completed for the sign in 2018, staff has budgeted \$246,130 for completing this gateway sign in 2021. This amount includes final design, construction and inspection costs as well as a contingency.

Staff has budgeted \$40,000 for the completion of an additional gateway sign in 2019 and 2023 at locations to be determined.

Justification

Advance the economic development goals in the 2030 Comprehensive Plan. Implement the Guiding Plan for the B2 District. Work to better identify the entrance points to the City for businesses and visitors. Foster civic pride and community identity.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	40,000		246,130		40,000	326,130
Total	40,000		246,130		40,000	326,130
Funding Sources	2019	2020	2021	2022	2023	Total
EDA General Fund	40,000		246,130		40,000	326,130
Total	40,000		246,130		40,000	326,130

Budget Impact/Other

Annual maintenance costs for sign cleaning and care of landscaping is estimated by the Public Works Department at \$500 per sign annually.

Budget Items	2019	2020	2021	2022	2023	Total
Annual Maintenance Charge	1,500	2,000	2,000	2,500	2,500	10,500
Total	1,500	2,000	2,000	2,500	2,500	10,500

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 20
 Category Equipment: Public Works
 Priority 3 Important

Project # 19-Eqp-001
 Project Name Replace Easement Sewer Cleaning Machine (Unit 310)

TCAAP No

Description Total Project Cost: \$70,000
 The current easement sewer cleaning machine is jointly owned by Arden Hills and White Bear Lake. In 2019 it will be 20 years old.

Justification
 The easement sewer cleaning machine will be 20 years old in 2019. Being jointly owned by Arden Hills and White Bear Township this piece of equipment gets significant use every year. The City is proposing to purchase its own machine this time around. It is not always available when needed under the current situation.

Repairs
 2014 \$120
 2015 \$452
 2016 \$0

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	70,000					70,000
Total	70,000					70,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund	70,000					70,000
Total	70,000					70,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 13-15
 Category Equipment: Public Works
 Priority 4 Less Important

Project # 19-Eqp-003
 Project Name Replace 2005 Felling Trailer Unit (414)

TCAAP No

Description Total Project Cost: \$10,000
 Replace 2005 Felling trailer
 Moved to 2020 due to slowing of TCAAP schedule.

Justification
 Replace the 2005 Felling trailer with a 22 foot trailer with better ergonomics

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings		10,000				10,000
Total		10,000				10,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund		10,000				10,000
Total		10,000				10,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life
 Category Equipment: Public Works
 Priority 3 Important

Project # 19-Eqp-004
 Project Name Bobcat milling attachment

TCAAP No

Description Total Project Cost: \$16,000
 Purchase of an attachment for milling pavement.

Justification
 New equipment for efficiency in street operations.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	16,000					16,000
Total	16,000					16,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund	16,000					16,000
Total	16,000					16,000

Budget Impact/Other
 Reduce equipment rental costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life
 Category Equipment: Public Works
 Priority 4 Less Important

Project # 19-Eqp-007
 Project Name Replace Camera Trailer

TCAAP No

Total Project Cost: \$125,000

Description
 Replace 2003 Camera Trailer

Justification
 Replace trailer and equipment due to corrosion and aging/wear; upgraded camera equipment, computer, software update and trade-in of current trailer is included.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	125,000					125,000
Total	125,000					125,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund	125,000					125,000
Total	125,000					125,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 10-12
 Category Vehicles
 Priority 4 Less Important

Project # 19-EqpV-002
 Project Name Replace 2008 F-350 Pick-up w/plow (unit 430)

TCAAP No

Description Total Project Cost: \$55,000
 Replace Pick-up truck (unit 85430)
 2008 - F-350 with plow and power tail gate - 4x4
 VIN #1FTSF31558EE35324
 purchased in 2009
 mileage 60,751 (2016)

Justification
 truck will be 10 years old in 2019, Pick -up trucks are programed to be replaced on a 10-12 year cycle with plowing trucks such as this needing replacement closer to the 10 year mark.
 Repairs
 2013 - \$1,542
 2014 - \$596
 2015 - \$142
 2016 - \$1,648

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	55,000					55,000
Total	55,000					55,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund	45,000					45,000
Trade-In Value	10,000					10,000
Total	55,000					55,000

Budget Impact/Other
 reduced maintenace costs / maximize resale value

Budget Items	2019	2020	2021	2022	2023	Total
Equipment and Vehicle repair costs		200	200	200	200	800
Total		200	200	200	200	800

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 10
 Category Vehicles
 Priority 3 Important

Project # 19-EqpV-008
 Project Name Add 1/2 Ton Truck

TCAAP No

Description Total Project Cost: \$29,000
 Ford extended cab - 1/2 ton truck

Justification
 The primary use of this truck would be for the newly created Senior Engineering Tech position to do site visits and haul equipment. The Public Works Department would also utilize it as needed.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	29,000					29,000
Total	29,000					29,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund	29,000					29,000
Total	29,000					29,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 5
 Category Equipment: Public Works
 Priority 3 Important

Project # 20-Eqp-001
 Project Name Add Two Toro "Z" Lawn Mowers (TCAAP)

TCAAP Yes

Total Project Cost: \$30,000

Description
 Add a third and fourth Toro "Z" mower to the fleet anticipating the start to development of what will ultimately be approximately 20 acres of park area in TCAAP along with medians and boulevard along the Spine Road and Thumb Road .
 Moved to 2021/2023 due to slowing of TCAAP schedule.

Justification
 Expansion of the grass area to be mowed and maintain due to TCAAP development is anticipated to have begun by 2020 and continue to grow as TCAAP builds out. At full development it is anticipated a second mowing crew will be needed to keep up.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings			15,000		15,000	30,000
Total			15,000		15,000	30,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund			15,000		15,000	30,000
Total			15,000		15,000	30,000

Budget Impact/Other

Budget Items	2019	2020	2021	2022	2023	Total
Equipment and Vehicle repair costs		250	250	500	500	1,500
Total		250	250	500	500	1,500

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 10-12
 Category Equipment: Public Works
 Priority 3 Important

Project # 20-Eqp-004
 Project Name Add Felling Trailer (TCAAP)

TCAAP Yes

Description Total Project Cost: \$10,000
 Add a Felling trailer to the fleet to allow for a second mowing crew.
 Moved to 2021 due to slowing of TCAAP Schedule.

Justification
 Over the course of the development of TCAAP a second mowing crew will need to be added. The trailer will be necessary to carry the mowers and other grass maintenance equipment.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings			10,000			10,000
Total			10,000			10,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund			10,000			10,000
Total			10,000			10,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 15
 Category Vehicles
 Priority 4 Less Important

Project # 20-EqpV-001
 Project Name Add Plow Truck w/Plow, Wing, Sander (TCAAP)

TCAAP Yes

Description Total Project Cost: \$250,000
 Add the fourth plow truck with plow, wing and sander due to the start of the development of TCAAP.
 Note: 7/21/14 Council Worksession moved to 2019, will continue to evaluate as TCAAP starts to develop
 Moved to 2021 delivery with 18 month build period.

Justification
 As TCAAP develops the City will have more streets to plow and maintain. In order for the same level of service to be maintained in the existing City at some point a fourth plow route will need to be established. As this date comes closer, the development of TCAAP will be reviewed and this addition to the fleet will be pushed out if appropriate.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings			125,000	125,000		250,000
Total			125,000	125,000		250,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund			125,000	125,000		250,000
Total			125,000	125,000		250,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 10-12
 Category Vehicles
 Priority 4 Less Important

Project # 20-EqpV-002
 Project Name Add One-Ton Truck w/Plow and Sander (TCAAP)

TCAAP Yes

Description Total Project Cost: \$82,000
 Add a one-ton truck with plow and sander to the City fleet for the maintance of new infrastructure in TCAAP
 Moved to 2021 with the slowing of the TCAAP schedule

Justification
 With the development of TCAAP it will be necessary to add to the City fleet in order to maintain the same level of service. As 2019 nears the development in TCAAP will be reviewed and the year of purchase may be adjusted.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings			82,000			82,000
Total			82,000			82,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund			82,000			82,000
Total			82,000			82,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 13-15
 Category Vehicles
 Priority 3 Important

Project # 20-EqpV-004
 Project Name Add Pick-up Truck (TCAAP)

TCAAP Yes

Description Total Project Cost: \$30,000
 Add pick-up truck to the public works fleet.
 Moved to 2021 per Public Works.

Justification
 With the need to start a second mowing crew for the TCAAP development a truck will be needed to pull the equipment trailer and transport the workers.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings			30,000			30,000
Total			30,000			30,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund			30,000			30,000
Total			30,000			30,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 10-12
 Category Vehicles
 Priority 4 Less Important

Project # 21-EqpV-003
 Project Name Add F350 Pick-up with Lift Gate (TCAAP)

TCAAP Yes

Description Total Project Cost: \$42,000
 Add a F350 pickup with lift gate to the fleet for the infrastructure in TCAAP
 NOTE: 7/21/14 Council Work Session moved to 2019, will continue to evaluate as TCAAP starts to develop.
 Moved to 2022 with the slowing of the TCAAP schedule

Justification
 With the development of TCAAP infrastructure a pickup will need to be added to the fleet to maintain the same level of services throughout the City. As 2019 nears the development in TCAAP will be reviewed and the purchase date will be modified if appropriate.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings				42,000		42,000
Total				42,000		42,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund				42,000		42,000
Total				42,000		42,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Equipment
 Contact City Administrator
 Type Equipment
 Useful Life 10
 Category Vehicles
 Priority n/a

Project # 22-EqpV-002
 Project Name Building Inspector Vehicle

TCAAP No

Description Total Project Cost: \$36,000
 Purchase a new inspection vehicle in 2022 to replace 2013 Ford Escape.

Justification
 The current vehicle will be 9 years old. A multipurpose vehicle, like an Escape, will serve other City employees when they want to use a City vehicle to attend meetings and conferences - especially when they are out of town.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings				36,000		36,000
Total				36,000		36,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund				36,000		36,000
Total				36,000		36,000

Budget Impact/Other
 Cost of Maintenance.

Budget Items	2019	2020	2021	2022	2023	Total
Equipment and Vehicle repair costs	500	500	500	500	500	2,500
Total	500	500	500	500	500	2,500

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Government Buildings
 Contact Finance Director
 Type Maintenance
 Useful Life 10
 Category Building Repair & Maint
 Priority 2 Very Important

Project # 19-Bldg-005
 Project Name City Hall Maintenance

TCAAP No

Total Project Cost: \$430,000

Description

City Hall will require ongoing maintenance and replacement of items to maintain operational duties.

It was previously discussed the City purchase new condensing units to replace the current ones; however, due to building design it is recommended the City purchase one Chiller in place of all the condensing units. The Chiller is priced at approximately \$180,000. The Chiller would be more efficient and have a greater longevity than the condensing units (25-30 years versus 15-20 years) leading to a cost savings in the long run.

Note: This equipment purchase and maintenance costs are dependent on City Hall remaining in its current location.

Justification

These items are due for replacement, and will save the City future repair costs by replacing them in the near-term.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	230,000	50,000	50,000	50,000	50,000	430,000
Total	230,000	50,000	50,000	50,000	50,000	430,000

Funding Sources	2019	2020	2021	2022	2023	Total
Equipment/Building Replacement Fund	230,000	50,000	50,000	50,000	50,000	430,000
Total	230,000	50,000	50,000	50,000	50,000	430,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Parks Department
 Contact Public Works Director
 Type Improvement
 Useful Life 20-25
 Category Park Capital Improvements
 Priority 3 Important

Project # 19-Park-001
 Project Name Hard Court Reconstruction

TCAAP No

Description	Total Project Cost: \$420,000
Hazelnut Tennis Court/Basketball Court – Reconstruct 2019 \$87,500	
Royal Hills Tennis Court/Basketball Court – Reconstruct 2019 \$87,500	
Cummings Park Tennis Courts/Basketball Court – Reconstruct 2021 \$125,000	

Justification
 The cracks at some parks cannot be resolved with a basic resurface. Having a maintenance schedule that includes reconstruction and resurfacing of the courts will keep the costs down for years to come. The court life with the proper maintenance is 25-30 years. Resurfacing should take place every 5-7 years to keep the courts in good shape before they need to be completely reconstructed.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	175,000		125,000		120,000	420,000
Total	175,000		125,000		120,000	420,000

Funding Sources	2019	2020	2021	2022	2023	Total
Capital Improvement Funds (PIR)	175,000		125,000		120,000	420,000
Total	175,000		125,000		120,000	420,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Parks Department
 Contact Public Works Director
 Type Improvement
 Useful Life
 Category Park Maintenance
 Priority 3 Important

Project # 19-Park-002
 Project Name Hazelnut Park Improvements

TCAAP No

Description Total Project Cost: \$155,000
 Hazelnut Park improvements including parking lot acquisition and reconstruction, building improvements and amenities to be determined.

Justification
 The parking lot has deteriorated to the point that routine maintenance is no longer effective. Reconfiguration of the parking lot will allow for additional amenities and park beautification.

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	15,000					15,000
Construction/Maintenance	140,000					140,000
Total	155,000					155,000

Funding Sources	2019	2020	2021	2022	2023	Total
Capital Improvement Funds (PIR)	155,000					155,000
Total	155,000					155,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Parks Department
 Contact Park & Recreation Mgr
 Type Improvement
 Useful Life
 Category Park Capital Equipment
 Priority 3 Important

Project # 19-Park-003
 Project Name Playground Structure Replacement

TCAAP No

Description Total Project Cost: \$540,000
 Play Structures are placed on a 20 year replacement pattern.

Justification
 In order to maintain playground structures that meet current safety guidelines, require a minimum amount of maintenance, and have replacement parts available, a 20 year replacement schedule was established for play structures

Cummings Park and Floral Park are scheduled to be replaced in 2019. Both structures were last replaced in 1998.
 \$180,000

Arden Manor Park and Arden Oaks Park are scheduled to be replaced in 2020. Both structures were last replaced in 1999.
 \$120,000

Freeway Park & Sampson Park are scheduled to be replaced in 2021. Last replaced 1998.
 \$120,000

Royal Hills Park is scheduled to be replaced in 2022. Last replaced in 2002.
 \$120,000

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	180,000	120,000	120,000	120,000		540,000
Total	180,000	120,000	120,000	120,000		540,000

Funding Sources	2019	2020	2021	2022	2023	Total
Capital Improvement Funds (PIR)	180,000	120,000	120,000	120,000		540,000
Total	180,000	120,000	120,000	120,000		540,000

Budget Impact/Other
 By replacing playground structures the City will see future cost savings by not having to purchase replacement parts for aging playground structures.

Budget Items	2019	2020	2021	2022	2023	Total
Maintenance of Parks and Trails	-200	-200	-200	-200	-200	-1,000
Total	-200	-200	-200	-200	-200	-1,000

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Public Safety
 Contact City Administrator
 Type Equipment
 Useful Life
 Category Public Safety
 Priority n/a

Project # 19-Pub-001
 Project Name LJFD General Equipment

TCAAP No

Total Project Cost: \$37,534

Description

Lake Johanna Fire Department provides a detailed capital budget which includes the costs to each City.

2019 - Tire replacement, computer equipment, SCBA bottle testing, helmets, Engine 141 maintenance
 Total Cost: \$67,600
 Arden Hills Cost: \$16,562

2020 - Computer equipment, rescue boat
 Total Cost: \$28,600
 Arden Hills Cost: \$7,007

2021 - Rescue tools
 Total Cost: \$35,000
 Arden Hills Cost: \$8,575

2022 - Replace air bags
 Total Cost: \$22,000
 Arden Hills Cost: \$5,390

Justification

These expenditures are for:
 General Equipment

More detailed explanations can be found in the Lake Johanna Capital Budget.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	16,562	7,007	8,575	5,390		37,534
Total	16,562	7,007	8,575	5,390		37,534

Funding Sources	2019	2020	2021	2022	2023	Total
Public Safety Capital Fund	16,562	7,007	8,575	5,390		37,534
Total	16,562	7,007	8,575	5,390		37,534

Budget Impact/Other

There are no impacts to the operating budget of the City as it contracts for Fire Services from Lake Johanna Fire Department. Any savings as a result of this project would be reflected in the fire services contract in reduced building maintenance costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Public Safety
 Contact City Administrator
 Type Equipment
 Useful Life
 Category Public Safety
 Priority n/a

Project # 19-Pub-002
 Project Name LJFD Rescue/Chief/Utility Vehicle Replacement

TCAAP No

Description Total Project Cost: \$143,325

Lake Johanna Fire Department provides the City with a Capital Budget each year outlining expected capital outflows, the fire department has budgeted for the replacement of a Rescue/Chief/Utility vehicles in future years.

2019
 Vehicle Replacement
 Total Cost: \$135,000
 Arden Hills Cost: \$33,075

2020
 Vehicle Replacement
 Total Cost: \$145,000
 Arden Hills Cost: \$35,525

2021
 Vehicle Replacement
 Total Cost: \$80,000
 Arden Hills Cost: \$19,600

2023
 Vehicle Replacement
 Total Cost: \$225,000
 Arden Hills Cost: \$55,125

Justification

These expenditures are for:
 Replacements of vehicles other than engines and ladders.

More detailed explanations can be found in the Lake Johanna Capital Budget.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	33,075	35,525	19,600		55,125	143,325
Total	33,075	35,525	19,600		55,125	143,325

Funding Sources	2019	2020	2021	2022	2023	Total
Public Safety Capital Fund	33,075	35,525	19,600		55,125	143,325
Total	33,075	35,525	19,600		55,125	143,325

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Public Safety
 Contact City Administrator
 Type Equipment
 Useful Life
 Category Public Safety
 Priority n/a

Project # 19-Pub-004
 Project Name LJFD Station Capital

TCAAP No

Description Total Project Cost: \$46,550

Lake Johanna Fire Department provides the City with a Capital Budget each year outlining expected capital outflows, below shows what the fire department expects to spend on station related capital expenditures.

2019
 Kitchen table/chairs; replace parking lot; resurface bay floors; training room furniture; conference room chairs.
 Total Cost: \$97,200
 Arden Hills Cost: \$23,814

2020
 Lounge chairs; replace windows; interior painting; white board; pallet rack; kitchen table & chairs
 Total Cost: \$62,800
 Arden Hills Cost: \$15,386

2021
 Interior painting
 Total Cost: \$30,000
 Arden Hills Cost: \$7,350

No expenditures budgeted after 2021

Justification

These expenditures are for:
 Station capital expenditures

More detailed explanations can be found in the Lake Johanna Capital Budget.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings	23,814	15,386	7,350			46,550
Total	23,814	15,386	7,350			46,550

Funding Sources	2019	2020	2021	2022	2023	Total
Public Safety Capital Fund	23,814	15,386	7,350			46,550
Total	23,814	15,386	7,350			46,550

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Public Safety
 Contact City Administrator
 Type Equipment
 Useful Life
 Category Public Safety
 Priority n/a

Project # 22-Pub-001
 Project Name LJFD Engine/Ladder Replacement

TCAAP No

Total Project Cost: \$183,750

Description
 Lake Johanna Fire Department provides the City with a Capital Budget each year outlining expected capital outflows, the fire department has budgeted for the replacement of a fire engine in future years.
 2022
 Engine Replacement
 Total Cost: \$750,000
 Arden Hills Cost: \$183,750

Justification
 These expenditures are for:
 Engine and ladder replacements
 More detailed explanations can be found in the Lake Johanna Capital Budget.

Expenditures	2019	2020	2021	2022	2023	Total
Equip/Vehicles/Furnishings				183,750		183,750
Total				183,750		183,750

Funding Sources	2019	2020	2021	2022	2023	Total
Public Safety Capital Fund				183,750		183,750
Total				183,750		183,750

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Sanitary Sewer Department
 Contact Public Works Director
 Type Maintenance
 Useful Life 20
 Category Sanitary Sewer Maintenance
 Priority 3 Important

Project # 19-Sew-001
 Project Name Lift Station Rehabilitation

TCAAP No

Description Total Project Cost: \$340,000
 Rehabilitation of lift stations to standardize and replace aging equipment, including pumps and electrical panels. Lift stations 10, 3 and 14.

Justification
 Standardization of equipment provides more efficiency in the maintenance of the lift stations.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	100,000	60,000	80,000	100,000		340,000
Total	100,000	60,000	80,000	100,000		340,000

Funding Sources	2019	2020	2021	2022	2023	Total
Sanitary Sewer Utility Fund	100,000	60,000	80,000	100,000		340,000
Total	100,000	60,000	80,000	100,000		340,000

Budget Impact/Other
 Reduced maintenance costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Sanitary Sewer Department
 Contact Public Works Director
 Type Maintenance
 Useful Life 30
 Category Sanitary Sewer Maintenance
 Priority 3 Important

Project # 19-Sew-002
 Project Name Sewer Lining/Rehabilitation

TCAAP No

Description Total Project Cost: \$800,000
 Sewer Lining and Rehabilitation.
 Note: An analysis of our system shows that we still have approximately 18 miles (40%) that are old clay lines subject to infiltration and root intrusion. It was estimated it would cost \$3,500,000 to line all of these clay lines over the next 20 years. Estimated expenditures have been extended for 20 years to reflect this cost.

Justification
 As part of our sanitary sewer program, lines found with holes and cracks allowing for infiltration should be lined or repaired as needed. As the sewer infrastructure is aging, we should plan for a rehabilitation project on an annual basis.
 2016 estimates show a remaining need of 1.6 to 2.2 million. Set a funding level of \$200K every year.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	200,000	200,000	400,000			800,000
Total	200,000	200,000	400,000			800,000

Funding Sources	2019	2020	2021	2022	2023	Total
Sanitary Sewer Utility Fund	200,000	200,000	400,000			800,000
Total	200,000	200,000	400,000			800,000

Budget Impact/Other
 This project will help the overall I&I reduction program. Savings are estimated at this time based on part of the surcharge fees for I&I by the Metropolitan Council.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Sanitary Sewer Department
 Contact Public Works Director
 Type Improvement
 Useful Life
 Category Sanitary Sewer Maintenance
 Priority 3 Important

Project # 19-Sew-003
 Project Name Utility Communication System

TCAAP No

Description Total Project Cost: \$125,000
 Evaluation, purchase and implementation of supervisory control and data acquisition (SCADA) technology for communications with the City's sewer and water infrastructure including lift stations, booster stations and water towers.

Justification
 New equipment for efficiency in utility operations. The City's current system is web based and needs to be assessed for a more reliable system as additional facilities are added to the City's system.

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	25,000					25,000
Construction/Maintenance		100,000				100,000
Total	25,000	100,000				125,000

Funding Sources	2019	2020	2021	2022	2023	Total
Sanitary Sewer Utility Fund	12,500	50,000				62,500
Water Utility Funds	12,500	50,000				62,500
Total	25,000	100,000				125,000

Budget Impact/Other
 Improving communications will provide efficient response for infrastructure needs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Sanitary Sewer Department
 Contact Public Works Director
 Type Improvement
 Useful Life 30
 Category Utility Improvements
 Priority 3 Important

Project # 20-Sew-001
 Project Name TCAAP Trunk Sanitary Sewer & Lift Station

TCAAP Yes

Description

Total Project Cost: \$1,200,000

As the TCAAP site develops it will be served by a trunk sanitary sewer system and a lift station that collects all of TCAAP sewer flow (only TCAAP flow) and carries it through Mounds View to a MCES regional lift station.

Justification

As Ramsey County starts to develop TCAAP infrastructure the City's sanitary sewer system will be placed in the Spine Road right-of-way.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance		1,200,000				1,200,000
Total		1,200,000				1,200,000

Funding Sources	2019	2020	2021	2022	2023	Total
TCAAP -WAC/SAC Charges		1,200,000				1,200,000
Total		1,200,000				1,200,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Street Department
 Contact Public Works Director
 Type Improvement
 Useful Life 20-25
 Category Streets: Reconstruction
 Priority 2 Very Important

Project # 20-Str-004
 Project Name Old Snelling Ave PMP w/ Intersection Impr at CR E

TCAAP No

Total Project Cost: \$2,750,000

Description

The existing roadway has a minimal storm water management system in place. Records indicate that Snelling Avenue was crack sealed and seal coated in 1996. City staff will televise the utility lines to determine the extent of any necessary repairs.

Snelling Ave (Co Rd E - TH51)

Estimated Residential Equivalent Units: 24

2013 AADT: 1000
 2017 AADT: 1200

Cummings Lane and Bussard Court will also be part of this project.

Justification

Records indicate Snelling Avenue was crack sealed and seal coated in 1996. The existing roadway currently has a minimal storm water management system in place.

Snelling from TH51 to Co Rd E, 2018 PCI = 1

Utilities
 Watermain - no history of problems
 Sanitary Sewer - no history of problems, install chimney seals on all manholes; correct any I&I deficiencies.
 Storm Sewer - project must meet Rice Creek Watershed District requirements; improvements will improve water quality to Lake Johanna.

In order to better understand the project costs for this road segment, staff completed a field survey and some preliminary analysis for this project in 2010. Results of the survey and knowledge of existing conditions will assist in determining potential rehabilitation measures and associated construction cost estimates. The level of improvement will determine the storm water requirements.

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	300,000					300,000
Construction/Maintenance		2,450,000				2,450,000
Total	300,000	2,450,000				2,750,000

Funding Sources	2019	2020	2021	2022	2023	Total
Assessments		240,000				240,000
Capital Improvement Funds (PIR)	300,000	1,360,000				1,660,000
Ramsey County		750,000				750,000
Surface Water Mgmt Utility Funds		100,000				100,000
Total	300,000	2,450,000				2,750,000

Budget Impact/Other

The street has deteriorated past the point where other forms of maintenance are cost-effective. Long-term, reconstruction will provide a consistent roadway section that will reduce costs associated with patching potholes and other pavement failures. Monitoring/maintenance will be required for new storm water features that are not resident-maintained rain gardens.

Anticipated costs included here are for a Municipal State Aid fundable street urban, reconstruction and detached trail.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Street Department
 Contact Public Works Director
 Type Improvement
 Useful Life 30
 Category Streets: Reconstruction
 Priority 2 Very Important

Project # 20-Str-005
 Project Name Future PMP

TCAAP No

Description Total Project Cost: \$5,000,000
 2020 PMP - Lake Valentine Rd / Glenpaul Ave / Jerrold Ave / Prior Ave / Edgewater Ave (Mill & Overlay)
 2022 PMP -

Justification
 To plan for future PMP's, every other year on the even year.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance		2,500,000		2,500,000		5,000,000
Total		2,500,000		2,500,000		5,000,000

Funding Sources	2019	2020	2021	2022	2023	Total
Capital Improvement Funds (PIR)		1,500,000		1,500,000		3,000,000
Sanitary Sewer Utility Fund		400,000		400,000		800,000
Surface Water Mgmt Utility Funds		200,000		200,000		400,000
Water Utility Funds		400,000		400,000		800,000
Total		2,500,000		2,500,000		5,000,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Street Department
 Contact Public Works Director
 Type Improvement
 Useful Life
 Category Streets:Misc
 Priority 2 Very Important

Project # 20-Str-006
 Project Name Lexington Improvements

TCAAP No

Description Total Project Cost: \$300,000
 Ramsey County has plans to reconstruct Lexington Ave from County Road E to 694.

Justification
 Improvements to Lexington Ave will improve access, circulation and safety for the traveling public.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance		300,000				300,000
Total		300,000				300,000

Funding Sources	2019	2020	2021	2022	2023	Total
Capital Improvement Funds (PIR)		300,000				300,000
Total		300,000				300,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Surface Water Management D
 Contact Public Works Director
 Type Improvement
 Useful Life 20
 Category Storm Water Maintenance
 Priority 2 Very Important

Project # 19-Storm-001
 Project Name Karth Lake Shoreline retaining wall

TCAAP No

Description Total Project Cost: \$100,000
 Replace failing retaining wall on Karth Lake shoreline with added safety features. Utilize Department of Corrections labor for this project.

Justification
 Existing retaining wall is in need of repairs.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	100,000					100,000
Total	100,000					100,000

Funding Sources	2019	2020	2021	2022	2023	Total
Surface Water Mgmt Utility Funds	100,000					100,000
Total	100,000					100,000

Budget Impact/Other
 Prevent erosion and address park safety issues.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Surface Water Management D

Contact Public Works Director

Type Maintenance

Useful Life 20-25

Category Storm Water Maintenance

Priority 2 Very Important

Project # 19-Storm-002
 Project Name Storm Pond and Outfall Maintenance

TCAAP No

Total Project Cost: \$550,000

Description

Perform maintenance on pond outfalls as required by the City's MS4 permit. Re-inspection of outfalls in 2021.

Justification

Outfall maintenance is required by the City's MS4 permit issued by the MPCA.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	100,000	100,000	150,000	100,000	100,000	550,000
Total	100,000	100,000	150,000	100,000	100,000	550,000

Funding Sources	2019	2020	2021	2022	2023	Total
Surface Water Mgmt Utility Funds	100,000	100,000	150,000	100,000	100,000	550,000
Total	100,000	100,000	150,000	100,000	100,000	550,000

Budget Impact/Other

Annual maintenance.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Water Department
 Contact Public Works Director
 Type Improvement
 Useful Life
 Category Utility Maintenance
 Priority 2 Very Important

Project # 19-W-001
 Project Name Booster Station Repair/Upgrade - Roseville

TCAAP No

Total Project Cost: \$300,000

Description
 Improvements to the booster station in Roseville including structural, electrical, mechanical, pumps, meters, piping and security. The City currently has an agreement with Roseville to cost share in a proportionate the amount of billing usage based on SPRWS bills to Roseville. Based on a 3-year average, that share is 20.03%.
 Total estimated cost (Design and construction)= \$2,861,500
 Cost to Arden Hills = \$554,000. Work was started in 2017.

Justification
 To ensure that the City's water supply is compliant with State and Federal requirements.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	300,000					300,000
Total	300,000					300,000

Funding Sources	2019	2020	2021	2022	2023	Total
Water Utility Funds	300,000					300,000
Total	300,000					300,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Water Department
 Contact Public Works Director
 Type Improvement
 Useful Life
 Category Utility Improvements
 Priority 3 Important

Project # 19-W-002
 Project Name Watermain Replacement

TCAAP No

Description Total Project Cost: \$1,000,000
 Placeholder for watermain replacements throughout the City.

Justification
 Water breaks are expected to continue throughout the City as the pipe material continues to wear thin.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	250,000	250,000	250,000	250,000		1,000,000
Total	250,000	250,000	250,000	250,000		1,000,000

Funding Sources	2019	2020	2021	2022	2023	Total
Water Utility Funds	250,000	250,000	250,000	250,000		1,000,000
Total	250,000	250,000	250,000	250,000		1,000,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 thru 2023

Department Water Department
 Contact Public Works Director
 Type Improvement
 Useful Life 30
 Category Utility Improvements
 Priority 3 Important

Project # 20-W-001
 Project Name TCAAP New Booster Station

TCAAP Yes

Description Total Project Cost: \$1,000,000
 This item would construct an additional Water Booster Station near Old Highway 10 and I-694 to pump water from the low pressure zone to the high pressure zone. The booster station would be built on excess Ramsey County right of way and the structure would be made to look like a residential house due to its location.

Justification
 The City's water system currently only has one booster station providing water to the high pressure zone through a single crossing of I-694. If anything (lighting strike, wind storm, etc.) knocked out the current booster station for any length on time the high pressure zone could be out of water after the half million gallon tower is drained.
 Construction of a second booster station will provide needed redundancy in the system so if one booster station fails or is taken down for service the high pressure zone will still be provided water.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance		1,000,000				1,000,000
Total		1,000,000				1,000,000

Funding Sources	2019	2020	2021	2022	2023	Total
TCAAP -WAC/SAC Charges		1,000,000				1,000,000
Total		1,000,000				1,000,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Water Department
 Contact Public Works Director
 Type Improvement
 Useful Life 30
 Category Utility Improvements
 Priority 3 Important

Project # 20-W-005
 Project Name TCAAP Trunk Water Improvements (Spine Road)

TCAAP Yes

Description Total Project Cost: \$1,000,000
 With the Ramsey County construction of the Spine Road, a TCAAP City trunk water main will also be installed. This will be funded via assessments or access charges.

Justification
 In order to prepare the TCAAP site for development the City needs to extend trunk utilities into through the site with the construction of the Spine Road.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance		1,000,000				1,000,000
Total		1,000,000				1,000,000

Funding Sources	2019	2020	2021	2022	2023	Total
TCAAP -WAC/SAC Charges		1,000,000				1,000,000
Total		1,000,000				1,000,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2019 *thru* 2023

Department Water Department
 Contact Public Works Director
 Type Improvement
 Useful Life 30
 Category Utility Improvements
 Priority 3 Important

Project # 21-W-003
 Project Name TCAAP Water Tower

TCAAP Yes

Description Total Project Cost: \$4,800,000
 Construct a new 1.0 million gallon water tower on the TCAAP site.

Justification
 TCAAP will be served with water by expanding the City's current high pressure zone. Currently the high pressure zone only has a half million gallons of elevated storage. This amount of storage is not sufficient to provide for domestic consumption and fire flow. The additional tower will provide the needed storage. A site for the tower will be provided by Ramsey County on the TCAAP site.

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance			4,800,000			4,800,000
Total			4,800,000			4,800,000

Funding Sources	2019	2020	2021	2022	2023	Total
TCAAP -WAC/SAC Charges			4,800,000			4,800,000
Total			4,800,000			4,800,000

Budget Impact/Other

City of Arden Hills, Minnesota
Capital Improvement Plan
 2019 thru 2023

FUNDING SOURCE SUMMARY

Source	2019	2020	2021	2022	2023	Total
Assessments		240,000				240,000
Capital Improvement Funds (PIR)	810,000	3,280,000	245,000	1,620,000	120,000	6,075,000
EDA General Fund	40,000		246,130		40,000	326,130
Equipment/Building Replacement Fund	515,000	60,000	312,000	253,000	65,000	1,205,000
Public Safety Capital Fund	73,451	57,918	35,525	189,140	55,125	411,159
Ramsey County		750,000				750,000
Sanitary Sewer Utility Fund	312,500	710,000	480,000	500,000		2,002,500
Surface Water Mgmt Utility Funds	200,000	400,000	150,000	300,000	100,000	1,150,000
TCAAP -WAC/SAC Charges		3,200,000	4,800,000			8,000,000
Trade-In Value	10,000					10,000
Water Utility Funds	562,500	700,000	250,000	650,000		2,162,500
GRAND TOTAL	2,523,451	9,397,918	6,518,655	3,512,140	380,125	22,332,289

City of Arden Hills, Minnesota

Capital Improvement Plan

2019 thru 2023

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	2019	2020	2021	2022	2023	Total
Assessments								
Old Snelling Ave PMP w/ Intersection Impr at CR E	20-Str-004	2		240,000				240,000
Assessments Total				240,000				240,000
Capital Improvement Funds (PIR)								
Hard Court Reconstruction	19-Park-001	3	175,000		125,000		120,000	420,000
Hazelnut Park Improvements	19-Park-002	3	155,000					155,000
Playground Structure Replacement	19-Park-003	3	180,000	120,000	120,000	120,000		540,000
Old Snelling Ave PMP w/ Intersection Impr at CR E	20-Str-004	2	300,000	1,360,000				1,660,000
Future PMP	20-Str-005	2		1,500,000		1,500,000		3,000,000
Lexington Improvements	20-Str-006	2		300,000				300,000
Capital Improvement Funds (PIR) Total			810,000	3,280,000	245,000	1,620,000	120,000	6,075,000
EDA General Fund								
Gateway Signs	19-EDA-001	n/a	40,000		246,130		40,000	326,130
EDA General Fund Total			40,000		246,130		40,000	326,130
Equipment/Building Replacement Fund								
City Hall Maintenance	19-Bldg-005	2	230,000	50,000	50,000	50,000	50,000	430,000
Replace Easement Sewer Cleaning Machine (Unit 310)	19-Eqp-001	3	70,000					70,000
Replace 2005 Felling Trailer Unit (414)	19-Eqp-003	4		10,000				10,000
Bobcat milling attachment	19-Eqp-004	3	16,000					16,000
Replace Camera Trailer	19-Eqp-007	4	125,000					125,000
Replace 2008 F-350 Pick-up w/plow (unit 430)	19-EqpV-002	4	45,000					45,000
Add 1/2 Ton Truck	19-EqpV-008	3	29,000					29,000
Add Two Toro "Z" Lawn Mowers (TCAAP)	20-Eqp-001	3			15,000		15,000	30,000
Add Felling Trailer (TCAAP)	20-Eqp-004	3			10,000			10,000
Add Plow Truck w/Plow, Wing, Sander (TCAAP)	20-EqpV-001	4			125,000	125,000		250,000
Add One-Ton Truck w/Plow and Sander (TCAAP)	20-EqpV-002	4			82,000			82,000
Add Pick-up Truck (TCAAP)	20-EqpV-004	3			30,000			30,000
Add F350 Pick-up with Lift Gate (TCAAP)	21-EqpV-003	4				42,000		42,000
Building Inspector Vehicle	22-EqpV-002	n/a				36,000		36,000
Equipment/Building Replacement Fund Total			515,000	60,000	312,000	253,000	65,000	1,205,000
Public Safety Capital Fund								
LJFD General Equipment	19-Pub-001	n/a	16,562	7,007	8,575	5,390		37,534
LJFD Rescue/Chief/Utility Vehicle Replacement	19-Pub-002	n/a	33,075	35,525	19,600		55,125	143,325
LJFD Station Capital	19-Pub-004	n/a	23,814	15,386	7,350			46,550

Source	Project #	Priority	2019	2020	2021	2022	2023	Total
LJFD Engine/Ladder Replacement	22-Pub-001	n/a				183,750		183,750
Public Safety Capital Fund Total			73,451	57,918	35,525	189,140	55,125	411,159
Ramsey County								
Old Snelling Ave PMP w/ Intersection Impr at CR E	20-Str-004	2		750,000				750,000
Ramsey County Total				750,000				750,000
Sanitary Sewer Utility Fund								
Lift Station Rehabilitation	19-Sew-001	3	100,000	60,000	80,000	100,000		340,000
Sewer Lining/Rehabilitation	19-Sew-002	3	200,000	200,000	400,000			800,000
Utility Communication System	19-Sew-003	3	12,500	50,000				62,500
Future PMP	20-Str-005	2		400,000		400,000		800,000
Sanitary Sewer Utility Fund Total			312,500	710,000	480,000	500,000		2,002,500
Surface Water Mgmt Utility Funds								
Karth Lake Shoreline retaining wall	19-Storm-001	2	100,000					100,000
Storm Pond and Outfall Maintenance	19-Storm-002	2	100,000	100,000	150,000	100,000	100,000	550,000
Old Snelling Ave PMP w/ Intersection Impr at CR E	20-Str-004	2		100,000				100,000
Future PMP	20-Str-005	2		200,000		200,000		400,000
Surface Water Mgmt Utility Funds Total			200,000	400,000	150,000	300,000	100,000	1,150,000
TCAAP -WAC/SAC Charges								
TCAAP Trunk Sanitary Sewer & Lift Station	20-Sew-001	3		1,200,000				1,200,000
TCAAP New Booster Station	20-W-001	3		1,000,000				1,000,000
TCAAP Trunk Water Improvements (Spine Road)	20-W-005	3		1,000,000				1,000,000
TCAAP Water Tower	21-W-003	3			4,800,000			4,800,000
TCAAP -WAC/SAC Charges Total				3,200,000	4,800,000			8,000,000
Trade-In Value								
Replace 2008 F-350 Pick-up w/plow (unit 430)	19-EqpV-002	4	10,000					10,000
Trade-In Value Total			10,000					10,000
Water Utility Funds								
Utility Communication System	19-Sew-003	3	12,500	50,000				62,500
Booster Station Repair/Upgrade - Roseville	19-W-001	2	300,000					300,000
Watermain Replacement	19-W-002	3	250,000	250,000	250,000	250,000		1,000,000
Future PMP	20-Str-005	2		400,000		400,000		800,000
Water Utility Funds Total			562,500	700,000	250,000	650,000		2,162,500
GRAND TOTAL			2,523,451	9,397,918	6,518,655	3,512,140	380,125	22,332,289

City of Arden Hills, Minnesota

Capital Improvement Plan

2019 thru 2023

SOURCES AND USES OF FUNDS

Source	2019	2020	2021	2022	2023	
Capital Improvement Funds (PIR)						
Beginning Balance	3,004,818	3,178,488	837,849	1,532,210	851,571	
Revenues and Other Fund Sources						
<i>Revenue</i>						
Donations - Bethel	100,000	100,000	100,000	100,000	100,000	
Estimated Rev from Assessments	300,000	300,000	300,000	300,000	300,000	
Interest Income	75,000	75,000	75,000	75,000	75,000	
State Aid Funding	308,670	264,361	264,361	264,361	264,361	
<i>Total</i>	783,670	739,361	739,361	739,361	739,361	
<i>Other Fund Sources</i>						
Transfer from General Fund	200,000	200,000	200,000	200,000	200,000	
<i>Total</i>	200,000	200,000	200,000	200,000	200,000	
Total Revenues and Other Fund Sources	983,670	939,361	939,361	939,361	939,361	
Total Funds Available	3,988,488	4,117,849	1,777,210	2,471,571	1,790,932	
Expenditures and Uses						
<i>Capital Projects & Equipment</i>						
<u>Parks Department</u>						
Hard Court Reconstruction	19-Park-001	(175,000)	0	(125,000)	0	(120,000)
Hazelnut Park Improvements	19-Park-002	(155,000)	0	0	0	0
Playground Structure Replacement	19-Park-003	(180,000)	(120,000)	(120,000)	(120,000)	0
<i>Total</i>		(510,000)	(120,000)	(245,000)	(120,000)	(120,000)
<u>Street Department</u>						
Old Snelling Ave PMP w/ Intersection Impr at CR E	20-Str-004	(300,000)	(1,360,000)	0	0	0
Future PMP	20-Str-005	0	(1,500,000)	0	(1,500,000)	0
Lexington Improvements	20-Str-006	0	(300,000)	0	0	0
<i>Total</i>		(300,000)	(3,160,000)	0	(1,500,000)	0
Total Expenditures and Uses		(810,000)	(3,280,000)	(245,000)	(1,620,000)	(120,000)
Change in Fund Balance	173,670	(2,340,639)	694,361	(680,639)	819,361	
Ending Balance	3,178,488	837,849	1,532,210	851,571	1,670,932	

Source	2019	2020	2021	2022	2023	
EDA General Fund						
Beginning Balance	346,633	339,853	370,363	151,453	175,803	
<u>Revenues and Other Fund Sources</u>						
<i>Revenue</i>						
Miscellaneous Revenues	3,500	3,500	3,000	3,000	3,000	
<i>Total</i>	3,500	3,500	3,000	3,000	3,000	
<i>Other Fund Sources</i>						
Transfer from General Fund	120,000	120,000	120,000	120,000	120,000	
<i>Total</i>	120,000	120,000	120,000	120,000	120,000	
Total Revenues and Other Fund Sources	123,500	123,500	123,000	123,000	123,000	
Total Funds Available	470,133	463,353	493,363	274,453	298,803	
<u>Expenditures and Uses</u>						
<i>Capital Projects & Equipment</i>						
<i>Economic Development</i>						
Gateway Signs	19-EDA-001	(40,000)	0	(246,130)	0	(40,000)
<i>Total</i>		(40,000)	0	(246,130)	0	(40,000)
<i>Other Uses</i>						
Operating Expenditures		(90,280)	(92,990)	(95,780)	(98,650)	(101,610)
<i>Total</i>		(90,280)	(92,990)	(95,780)	(98,650)	(101,610)
Total Expenditures and Uses		(130,280)	(92,990)	(341,910)	(98,650)	(141,610)
Change in Fund Balance		(6,780)	30,510	(218,910)	24,350	(18,610)
Ending Balance		339,853	370,363	151,453	175,803	157,193

Source		2019	2020	2021	2022	2023
Equipment/Building Replacement Fund						
Beginning Balance		(382,769)	(547,769)	(257,769)	(219,769)	(122,769)
Revenues and Other Fund Sources						
<i>Other Fund Sources</i>						
Transfer from General Fund		50,000	50,000	50,000	50,000	50,000
Transfer from Sanitary Sewer Fund		126,000	126,000	126,000	126,000	126,000
Transfer from Surface Water Fund		74,000	74,000	74,000	74,000	74,000
Transfer from Water Fund		100,000	100,000	100,000	100,000	100,000
	<i>Total</i>	350,000	350,000	350,000	350,000	350,000
Total Revenues and Other Fund Sources		350,000	350,000	350,000	350,000	350,000
Total Funds Available		(32,769)	(197,769)	92,231	130,231	227,231
Expenditures and Uses						
<i>Capital Projects & Equipment</i>						
<u>Equipment</u>						
Replace Easement Sewer Cleaning Machine (Unit 310)	19-Eqp-001	(70,000)	0	0	0	0
Replace 2005 Felling Trailer Unit (414)	19-Eqp-003	0	(10,000)	0	0	0
Bobcat milling attachment	19-Eqp-004	(16,000)	0	0	0	0
Replace Camera Trailer	19-Eqp-007	(125,000)	0	0	0	0
Replace 2008 F-350 Pick-up w/plow (unit 430)	19-EqpV-002	(45,000)	0	0	0	0
Add 1/2 Ton Truck	19-EqpV-008	(29,000)	0	0	0	0
Add Two Toro "Z" Lawn Mowers (TCAAP)	20-Eqp-001	0	0	(15,000)	0	(15,000)
Add Felling Trailer (TCAAP)	20-Eqp-004	0	0	(10,000)	0	0
Add Plow Truck w/Plow, Wing, Sander (TCAAP)	20-EqpV-001	0	0	(125,000)	(125,000)	0
Add One-Ton Truck w/Plow and Sander (TCAAP)	20-EqpV-002	0	0	(82,000)	0	0
Add Pick-up Truck (TCAAP)	20-EqpV-004	0	0	(30,000)	0	0
Add F350 Pick-up with Lift Gate (TCAAP)	21-EqpV-003	0	0	0	(42,000)	0
Building Inspector Vehicle	22-EqpV-002	0	0	0	(36,000)	0
	<i>Total</i>	(285,000)	(10,000)	(262,000)	(203,000)	(15,000)
<u>Government Buildings</u>						
City Hall Maintenance	19-Bldg-005	(230,000)	(50,000)	(50,000)	(50,000)	(50,000)
	<i>Total</i>	(230,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Expenditures and Uses		(515,000)	(60,000)	(312,000)	(253,000)	(65,000)
Change in Fund Balance		(165,000)	290,000	38,000	97,000	285,000
Ending Balance		(547,769)	(257,769)	(219,769)	(122,769)	162,231

Source	2019	2020	2021	2022	2023	
Public Safety Capital Fund						
Beginning Balance	(41,538)	(40,989)	(24,907)	13,568	(101,572)	
Revenues and Other Fund Sources						
<i>Revenue</i>						
Interest Revenue	1,000	3,000	3,000	3,000	3,000	
<i>Total</i>	1,000	3,000	3,000	3,000	3,000	
<i>Other Fund Sources</i>						
Charitable Gambling	23,000	21,000	21,000	21,000	21,000	
Transfer from General Fund	50,000	50,000	50,000	50,000	50,000	
<i>Total</i>	73,000	71,000	71,000	71,000	71,000	
Total Revenues and Other Fund Sources	74,000	74,000	74,000	74,000	74,000	
Total Funds Available	32,462	33,011	49,093	87,568	(27,572)	
Expenditures and Uses						
<i>Capital Projects & Equipment</i>						
<i>Public Safety</i>						
LJFD General Equipment	19-Pub-001	(16,562)	(7,007)	(8,575)	(5,390)	0
LJFD Rescue/Chief/Utility Vehicle Replacement	19-Pub-002	(33,075)	(35,525)	(19,600)	0	(55,125)
LJFD Station Capital	19-Pub-004	(23,814)	(15,386)	(7,350)	0	0
LJFD Engine/Ladder Replacement	22-Pub-001	0	0	0	(183,750)	0
<i>Total</i>		(73,451)	(57,918)	(35,525)	(189,140)	(55,125)
Total Expenditures and Uses		(73,451)	(57,918)	(35,525)	(189,140)	(55,125)
Change in Fund Balance	549	16,082	38,475	(115,140)	18,875	
Ending Balance	(40,989)	(24,907)	13,568	(101,572)	(82,697)	

Source	2019	2020	2021	2022	2023	
Sanitary Sewer Utility Fund						
Beginning Balance	(468,547)	(465,587)	(808,607)	(836,637)	(853,857)	
Revenues and Other Fund Sources						
<i>Revenue</i>						
Operating Revenue	1,973,450	2,095,010	2,230,860	2,308,840	2,389,550	
<i>Total</i>	1,973,450	2,095,010	2,230,860	2,308,840	2,389,550	
Total Revenues and Other Fund Sources	1,973,450	2,095,010	2,230,860	2,308,840	2,389,550	
Total Funds Available	1,504,903	1,629,423	1,422,253	1,472,203	1,535,693	
Expenditures and Uses						
<i>Capital Projects & Equipment</i>						
<u>Sanitary Sewer Department</u>						
Lift Station Rehabilitation	19-Sew-001	(100,000)	(60,000)	(80,000)	(100,000)	0
Sewer Lining/Rehabilitation	19-Sew-002	(200,000)	(200,000)	(400,000)	0	0
Utility Communication System	19-Sew-003	(12,500)	(50,000)	0	0	0
<i>Total</i>		(312,500)	(310,000)	(480,000)	(100,000)	0
<u>Street Department</u>						
Future PMP	20-Str-005	0	(400,000)	0	(400,000)	0
<i>Total</i>		0	(400,000)	0	(400,000)	0
<i>Other Uses</i>						
Debt Service		(12,290)	(36,750)	(40,650)	(39,450)	(38,250)
Operating Expenditures		(1,519,700)	(1,565,280)	(1,612,240)	(1,660,610)	(1,710,420)
Operating transfer to Equipment Fund		(126,000)	(126,000)	(126,000)	(126,000)	(126,000)
<i>Total</i>		(1,657,990)	(1,728,030)	(1,778,890)	(1,826,060)	(1,874,670)
Total Expenditures and Uses		(1,970,490)	(2,438,030)	(2,258,890)	(2,326,060)	(1,874,670)
Change in Fund Balance	2,960	(343,020)	(28,030)	(17,220)	514,880	
Ending Balance	(465,587)	(808,607)	(836,637)	(853,857)	(338,977)	

Source	2019	2020	2021	2022	2023
Surface Water Mgmt Utility Funds					
Beginning Balance	(57,996)	33,784	(80,866)	47,904	19,704
Revenues and Other Fund Sources					
<i>Revenue</i>					
Operating Revenue	863,570	872,070	880,870	889,750	898,720
<i>Total</i>	863,570	872,070	880,870	889,750	898,720
Total Revenues and Other Fund Sources	863,570	872,070	880,870	889,750	898,720
Total Funds Available	805,574	905,854	800,004	937,654	918,424
Expenditures and Uses					
<i>Capital Projects & Equipment</i>					
<u>Street Department</u>					
Old Snelling Ave PMP w/ Intersection Impr at CR E 20-Str-004	0	(100,000)	0	0	0
Future PMP 20-Str-005	0	(200,000)	0	(200,000)	0
<i>Total</i>	0	(300,000)	0	(200,000)	0
<u>Surface Water Management Dept</u>					
Karth Lake Shoreline retaining wall 19-Storm-001	(100,000)	0	0	0	0
Storm Pond and Outfall Maintenance 19-Storm-002	(100,000)	(100,000)	(150,000)	(100,000)	(100,000)
<i>Total</i>	(200,000)	(100,000)	(150,000)	(100,000)	(100,000)
<i>Other Uses</i>					
Operating Expenditures	(497,790)	(512,720)	(528,100)	(543,950)	(560,270)
Transfer to Equipment Fund	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)
<i>Total</i>	(571,790)	(586,720)	(602,100)	(617,950)	(634,270)
Total Expenditures and Uses	(771,790)	(986,720)	(752,100)	(917,950)	(734,270)
Change in Fund Balance	91,780	(114,650)	128,770	(28,200)	164,450
Ending Balance	33,784	(80,866)	47,904	19,704	184,154

Source		2019	2020	2021	2022	2023
Water Utility Funds						
Beginning Balance		546,719	395,269	27,439	218,309	122,019
Revenues and Other Fund Sources						
<i>Revenue</i>						
Operating Revenue		2,384,550	2,530,750	2,692,800	2,865,350	2,922,870
	<i>Total</i>	2,384,550	2,530,750	2,692,800	2,865,350	2,922,870
Total Revenues and Other Fund Sources		2,384,550	2,530,750	2,692,800	2,865,350	2,922,870
Total Funds Available		2,931,269	2,926,019	2,720,239	3,083,659	3,044,889
Expenditures and Uses						
<i>Capital Projects & Equipment</i>						
<u>Sanitary Sewer Department</u>						
Utility Communication System	19-Sew-003	(12,500)	(50,000)	0	0	0
	<i>Total</i>	(12,500)	(50,000)	0	0	0
<u>Street Department</u>						
Future PMP	20-Str-005	0	(400,000)	0	(400,000)	0
	<i>Total</i>	0	(400,000)	0	(400,000)	0
<u>Water Department</u>						
Booster Station Repair/Upgrade - Roseville	19-W-001	(300,000)	0	0	0	0
Watermain Replacement	19-W-002	(250,000)	(250,000)	(250,000)	(250,000)	0
	<i>Total</i>	(550,000)	(250,000)	(250,000)	(250,000)	0
<i>Other Uses</i>						
Debt Service		(79,010)	(250,250)	(248,150)	(250,750)	(248,050)
Operating Expenditures		(1,794,490)	(1,848,330)	(1,903,780)	(1,960,890)	(2,019,710)
Transfer to Equipment Fund		(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
	<i>Total</i>	(1,973,500)	(2,198,580)	(2,251,930)	(2,311,640)	(2,367,760)
Total Expenditures and Uses		(2,536,000)	(2,898,580)	(2,501,930)	(2,961,640)	(2,367,760)
Change in Fund Balance		(151,450)	(367,830)	190,870	(96,290)	555,110
Ending Balance		395,269	27,439	218,309	122,019	677,129

Future Financial Forecasting

As discussed earlier in this document, the City of Arden Hills has been focusing on the financial well being of the community, and in doing so has completed a preliminary ten-year forecast for the City. The purpose of a ten-year forecast is to provide a long-term view of General Fund revenues, expenditures, and the assessment districts in the City. The information provided in this section of the budget will enable the City Council to evaluate the impact of policy choices on the long-term fiscal health of the City.

The City Council can change the City's long-term financial outlook based upon actions taken or policies enacted. The ten-year forecast will enable the City Council to act more strategically and to understand the impact of its decisions.

The City Council is often faced with making decisions that have long-term fiscal impacts. Some of these decisions include:

- Long-term consequences of employee pay and benefit policies.
- Long-term financial responsibilities for increased City maintained parks.
- Financial implications of growth policies adopted by the City Council.
- Long-term consequences of water usage and continuing the current rate structure.

Forecasting Assumptions

The overall fiscal strategy will be based on compliance with the City's General Plan and the achievement of a variety of community service and infrastructure goals.

CITY OF ARDEN HILLS												
General Fund												
Financial Management Plan Summary												
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	Actual	Budget	Budget	Budget	3.00% 5.00%							
						Projected						
REVENUE												
1 GENERAL PROPERTY TAX AND FISCAL DISPARITIES	3,250,394	3,475,039	3,608,666	4,012,046	4,239,987	4,480,079	4,732,952	4,989,263	5,279,725	5,575,052	5,886,019	6,213,434
2 Adjust for fiscal disp	290,710	320,003	310,064	310,064	310,064	310,064	310,064	310,064	310,064	310,064	310,064	310,064
3 LICENSE AND PERMIT	729,198	324,600	443,020	456,311	470,000	484,100	498,623	513,982	528,989	544,899	561,204	578,041
4 INTERGOVERNMENTAL	151,425	133,179	153,220	153,220	153,220	153,220	153,220	153,220	153,220	153,220	153,220	153,220
5 CHARGES FOR SERVICES	718,906	585,704	683,300	703,799	724,313	746,660	769,060	792,132	816,896	840,373	865,584	891,552
6 FINES/FEES	29,988	34,000	30,420	31,333	32,273	33,241	34,238	35,265	36,323	37,413	38,535	39,691
7 INTEREST EARNINGS	36,012	55,000	47,230	48,647	50,106	51,609	53,158	54,753	56,395	58,087	59,830	61,624
8 MISCELLANEOUS	23,906	12,006	15,680	16,150	16,635	17,124	17,618	18,117	18,723	19,284	19,863	20,459
9 SALE OF ASSETS	0	0	0	0	0	0	0	0	0	0	0	0
10 TOTAL REVENUE	5,231,139	4,939,531	5,292,620	5,732,570	5,998,198	6,277,107	6,563,963	6,877,462	7,200,335	7,539,352	7,895,319	8,269,085
11 EXPENDITURES												
12 GENERAL GOVERNMENT	1,076,354	1,305,550	1,259,530	1,322,822	1,388,963	1,458,411	1,531,331	1,607,898	1,689,293	1,772,707	1,861,343	1,954,410
13 PUBLIC SAFETY	2,058,035	2,155,172	2,221,950	2,333,048	2,443,700	2,572,185	2,700,794	2,835,834	2,977,626	3,126,507	3,282,832	3,446,374
14 PUBLIC WORKS	443,632	587,872	719,300	795,265	793,028	832,680	874,314	918,029	963,931	1,012,127	1,062,734	1,115,870
15 CULTURE AND RECREATION	618,614	707,152	858,510	901,436	946,507	993,833	1,043,524	1,095,700	1,150,486	1,208,010	1,268,410	1,331,831
16 ECONOMIC DEVELOPMENT	0	0	0	0	0	0	0	0	0	0	0	0
17 MISCELLANEOUS	0	0	0	0	0	0	0	0	0	0	0	0
18 CAPITAL OUTLAY	0	0	0	0	0	0	0	0	0	0	0	0
19 GENERAL GOVERNMENT	0	0	0	0	0	0	0	0	0	0	0	0
20 PUBLIC SAFETY	0	0	0	0	0	0	0	0	0	0	0	0
21 PUBLIC WORKS	0	0	0	0	0	0	0	0	0	0	0	0
22 CULTURE AND RECREATION	0	0	0	0	0	0	0	0	0	0	0	0
23 TRANSFER OUT	0	0	0	0	0	0	0	0	0	0	0	0
24 CAPITAL EQUIPMENT	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
25 PUBLIC SAFETY CAPITAL	0	0	0	0	0	0	0	0	0	0	0	0
26 PUBLIC SAFETY CAPITAL	90,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
27 TCAAP	0	0	0	0	0	0	0	0	0	0	0	0
28 STREET RECONSTRUCTION	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
29 TOTAL EXPENDITURES	4,536,635	5,176,756	5,479,590	5,732,570	5,998,198	6,277,108	6,563,963	6,877,462	7,200,335	7,539,352	7,895,319	8,269,085
30 REVENUE OVER (UNDER) EXPENSES	694,504	(237,225)	(186,970)	0	(0)	(0)	(0)	0	0	0	0	(0)
31 BEGINNING FUND BALANCE	2,944,811	3,639,315	3,402,090	3,215,120	3,215,120	3,215,120	3,215,119	3,215,119	3,215,119	3,215,119	3,215,120	3,215,120
32 TRANSFER IN	0	0	0	0	0	0	0	0	0	0	0	0
33 TRANSFER OUT	0	0	0	0	0	0	0	0	0	0	0	0
34 ENDING FUND BALANCE	3,639,315	3,402,090	3,215,120	3,215,120	3,215,120	3,215,119	3,215,119	3,215,119	3,215,119	3,215,120	3,215,120	3,215,120
35 GENERAL FUND OPERATING TAX LEVY	3,641,290	3,786,942	3,938,420	4,323,110	4,551,051	4,791,143	5,044,016	5,310,333	5,590,789	5,886,116	6,197,083	6,524,498
36 ANNUAL INCREASE		4.0%	4.0%	9.8%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%

Glossary of Budget Terms

Account

A term used to identify an individual asset, liability, expenditure controls, revenue control, or fund balance.

Accounts Payable

Amounts owed to others for goods or services received.

Accounts Receivable

Amounts due from others for goods furnished or services rendered.

Accounting System

The total set of records and procedures which are used to record, classify and report information on financial status and operations of an entity.

Accrual Basis of Accounting

The method of accounting under which revenues are recorded when they are earned and expenditures are recorded when goods and services are received.

Activity

A specific and distinguishable line of work performed by one or more organizational components of a governmental unit for the purpose of accomplishing a function for which the governmental unit is responsible. For example, "Code Enforcement" is an activity performed in the discharge of the "Public Safety" function.

Adoption

The formal action taken by the City Council to authorize or approve the budget.

Ad Valorem

In proportion to value, a basis for levying taxes upon property.

Agency Fund

A fund consisting of resources received and held by the governmental unit as an agent for others or other funds of the governmental unit.

Appropriation

An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is limited in amount to the time it may be expended.

Assessed Valuation

Value placed upon real estate or other property as a basis for levying taxes.

Assessments

Charges made to parties for actual services or benefits received.

Assets

Property owned by a governmental unit, which has a monetary value.

Audit

The examination of documents, records, reports, systems of internal control, accounting and financial procedures, and other evidence for one or more of the following purposes:

- a) To ascertain whether the statements prepared from the accounts present fairly the financial position and the results of financial operations of the constituent funds and balanced account groups of the governmental unit in accordance with generally accepted accounting principles applicable to governmental units and on a basis consistent with that of the preceding year.
- b) To determine the propriety, legality, and mathematical accuracy of a governmental unit's financial transactions.
- c) To ascertain whether all financial transactions have been properly recorded.
- d) To ascertain the stewardship of public officials who handle and are responsible for the financial resources of a governmental unit.

B2 District

Zoning District, which only exists in the vicinity of County Road E between Lexington Avenue and Minnesota Highway 51.

Balanced Budget

A budget in which estimated revenues equal estimated expenditures.

Bond

A written promise, generally under seal, to pay a specified sum of money, called the face value or principal amount, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically.

Bonded Indebtedness

Outstanding debt by issues of bonds, which is paid by ad valorem or other revenue.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Document

The official written statement prepared by the Administrator and Finance Director of the City which presents the proposed budget to the City Council.

Budget Body Message

A general discussion of the proposed budget presented in writing as a part of the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the City Administrator and Finance Director.

Budget Calendar

The schedule of key dates, which a government follows in the preparation and adoption of the budget.

Budgetary Control

The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitation of available appropriations and available revenues.

Capital Assets

Assets with a value of \$5,000 or more.

Capital Expenditures

Capital expenditures are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Capital Improvement Budget

A plan of proposed capital expenditures and a means of financing them. The capital budget is enacted as part of the complete annual budget.

Capital Program

A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Projects Funds

To account for financial resources to be used for the acquisition or construction of major capital facilities.

Cash Basis

The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

Certified Levy

Total tax levy of a jurisdiction, which is certified to the County Auditor.

Charges for Services

Charges for current services rendered.

Chart of Accounts

The classification system used by a City to organize the accounting for various funds.

Consumer Price Index (CPI)

A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation.)

Contingency

Budget for expenditures which cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. The contingency also serves as a hedge against shortfalls in revenues or unexpected expenditures.

Current

A term which, applied to budgeting and accounting, designates the operations of the present fiscal period as opposed to past or future periods.

Debt

An obligation resulting from the borrowing of money or from the purchase of goods and services.

Debt Limit

The maximum amount of gross or net debt, which is legally permitted.

Debt Margin

The amount of available debt, which may be issued by a governmental unit before reaching its debt limit.

Debt Service Funds

To account for the accumulation of resources for payment of general long-term debt.

Department

Basic organizational unit of government, responsible for carrying out related functions.

Depreciation

Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Distinguished Budget Presentation Awards Program

A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Effective Buying Income (EBI)

A statistical measure of buying power of an area or group of individuals.

Enterprise Funds

To account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost of providing services are to be recovered primarily on a user-charged basis to the general public.

Estimated Market Value

Represents the selling price of a property if it were on the market. Estimated market value is converted to tax capacity before property taxes are levied.

Expenditure

Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payment have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

Fines

Revenues from penalties imposed for violation of laws or regulations.

Fiscal Disparities

A Minnesota law enacted in 1975 which provides for the pooling or 40 percent of all new commercial and industrial property valuation in the seven county metropolitan area and then redistributed to taxing jurisdictions according to specific criteria.

Fiscal Policy

A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal Policy provides an agreed-upon set of principles for the planning and programming of budgets and their funding.

Fiscal Year

The budget and accounting year that begins on the first day of January and ends on the last day of December of each year.

Fixed Assets

Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Full Time Equivalent (FTE)

The number of employee hours (2080) needed to be equal to one full-time employee. Several part-time employees may be combined to make one full-time equivalent.

Function

A group of related activities aimed at accomplishing a major service or regulatory program for which the government unit is responsible.

Fund

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance

The difference between a funds' assets and liabilities (the equity) in governmental funds.

General Fund

Accounts for the general operation of the City and all financial resources except those to be accounted for in another fund.

General Government

Expenditures, which represents a set of accounts, to which are charged the expenditures for operating the City.

General Obligation Bonds

When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds.

Goal

A statement of broad direction, purpose, or intent based on the need of a community. A goal is general and timeless; that is it is not concerned with a specific achievement in a given period.

Governmental Accounting

The composite of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governmental units and agencies.

Governmental Fund Types

Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities – except those accounted for in proprietary funds and fiduciary funds. In essence, these funds are accounting segregation of financial resources. Under current GAAP, there are four governmental funds types: general, special revenue, debt service, and capital projects.

Grant

A contribution of assets by one governmental unit or other organization to another. Grants are usually made for specified purposes.

Homestead and Agricultural Credit (HACA)

A form of state paid property tax relief for farm property and owner occupied homes.

Improvement Bonds

Bonds payable from the proceeds of special assessments from properties benefiting from an improvement.

Improvements

Buildings, other structures, and other attachments or annexations to land which are intended to remain so attached or annexed, such as sidewalks, trees, drains, and sewers.

Inflow/Infiltration (I&I)

The term used to describe clean water entering into the sanitary sewer system.

Interfund Transfers

Amounts transferred from one fund to another.

Infrastructure

Assets which are immovable and of value only to the governmental unit (i.e., roads, gutters, sewer lines).

Intergovernmental Revenues

Revenues from other governments in the form of grants, entitlement, or shared revenues.

Investments

Securities held for the production of income in the form of interest.

Levy

(Verb) To impose taxes, special assessments, or service charges for the support of governmental activities.

(Noun) The total amount of taxes, special assessments, or service charges imposed by a governmental unit.

Licenses

Revenues received from the sale of business and non-business licenses.

Limited Market Value

The amount the market value of a property can increase from one year to the next for calculating property taxes. The limited market value system is currently being phased-out by the State of Minnesota.

Line Item

A specific item or group of similar items defined by detail in a unique account in the financial records.

Local Government Aid (LGA)

Intergovernmental revenue from the State to municipalities to help fund general expenditures.

Long-Term Debt

Debt with a maturity of more than one year after the date of issuance.

Maintenance

The upkeep of physical properties in condition for use or occupancy.

Market Value Homestead Credit (MVCH)

State paid property tax reduction on owner occupied homes based on the property's market value.

Miscellaneous

Revenues or expenditures not classified in any other revenue or expenditure category.

Modified Accrual Basis

The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues, which should be accrued to reflect properly the tax levied and revenue earned.

Object of Expenditure

Expenditure classifications based upon the types or categories of goods and services purchased.

Objective

Desired output oriented accomplishments, which can be measured and achieved within a given time frame.

Operating Budget

A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them.

Operating Expense

The cost for personnel, material and equipment required for a department to function.

Operating Revenue

Funds that the government receives as income to pay for ongoing operations. Operating revenues are used to pay for day-to-day services.

Operating Transfers

Amounts transferred from one fund to another, shown as an expenditure in the originating fund and revenue in the receiving fund.

Ordinance

A formal legislative enactment by the City Council.

Pay-As-You-Go Basis

A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Measure

See Service Levels.

Personal Services

Expenditures for salaries, wages, and fringe benefits of employees.

Program

A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the governmental unit is responsible.

Project

A plan of work, job assignment, or task.

Proprietary Accounts

Those accounts which show actual financial position and operation, such as actual assets, liabilities, reserve, fund balances, revenues, and expenditures, as distinguished from budgetary accounts.

Public Safety

To account for expenditures related to the protection of persons and property.

Public Works

To account for expenditures for the maintenance of City property and infrastructure.

Purpose

A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

Refunding Bonds

Bonds issued to retire bonds already outstanding.

Reimbursement

Cash or other assets received as a repayment of the cost of work or services performed or of other expenditures made for or on behalf of another governmental unit or department or for an individual, firm, or corporation.

Reserve

An account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure.

Resolution

A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources

The actual assets of a governmental unit, such as cash, plus contingent assets such as estimated revenues applying to the current fiscal year not accrued or collected, and bonds authorized and not issued.

Revenue

The term designates an increase to a fund's assets which: 1) does not increase a liability; 2) does not represent a repayment of an expenditure already made; 3) does not represent a cancellation of certain liabilities; and 4) does not represent an increase in contributed capital.

Revenue Bond

A bond that is backed by a particular revenue source such as water user fees.

Service Levels

Data to determine how effective or efficient a program is in achieving its objective.

Special Assessment

A compulsory levy made by a local government against certain properties to defray part or all of the cost of a specific improvement or service which is presumed to be of general benefit to the public and of special benefit to such properties.

Special Revenue Fund

To account for revenue derived from specific revenue sources that are legally restricted for specific purposes.

SY

Abbreviation for square yard, which is how seal coating and street overlay projects are measured.

Tax Capacity

An amount determined by a percentage of a property's market value, which is then applied to the tax rates of taxing jurisdictions affecting the property to determine the amount of property taxes owed.

Tax Capacity Rate

Tax rate applied to tax capacity to generate property tax revenue. The rate is obtained by dividing the property tax levy by the available tax capacity.

Tax Classification Rate

Rate at which estimated market values are converted into the property tax base. The classification rates are assigned to properties depending on their type (residential, commercial, farm, etc.) and, in some cases, there are two tiers of classification rates, with the rate increasing as the estimated market values increases.

Tax Increment Financing (TIF)

Financing tool originally intended to combat severe blight in areas, which would not be redeveloped "but for" the availability of government subsidies derived from locally generated property tax revenues.

Tax Levy

The total amount to be raised by general property taxes for the purpose stated in the resolution certified to the County Auditor.

Tax Rate

The amount applied to properties tax capacity to determine the taxes generated by the property.

Taxes

Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

Trust and Agency Funds

Funds used to account for assets held by a government in a trust capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Trust Fund

A fund consisting of resources received and held by the governmental unit as trustee, to be expended or invested in accordance with the conditions of the trust.

Unbalanced Budget

A budget which undesignated fund balance or reserves are used or increased, in order to balance estimated revenues to estimated expenditures or expenses.

Unreserved Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Fees

The payment of a charge for direct receipt of a public service by the party benefiting from the service.

Utility Valuation Transition Aid (UVTA)

A State financial aid program for 2009 and 2010 paid to local governments to offset the reduced property tax revenue generated by utility properties due to the State reducing the tax rate paid on utility property.

Workload Data

A unit of work to be done.

Acronyms

ACS	Animal Control Services
CAFR	Comprehensive Annual Financial Report
CD	Certificate of Deposit
CIP	Capital Improvement Plan
CP	Commercial Paper
CPI	Consumer Price Index
HACA	Homestead and Agricultural Credit Aid
EBI	Effective Buying Income
EDA	Economic Development Authority
EMV	Estimated Market Value
FHLB	Federal Home Loan Bank
FNMA	Federal National Mortgage Association
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principals
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GO	General Obligation
I&I	Inflow & Infiltration
JDA	Joint Development Authority
LGA	Local Government Aid
MCES	Metropolitan Council Environmental Services
MVHC	Market Value Homestead Credit
SAC	Sewer Availability Charge
SCBA	Self-contained Breathing Apparatus
SY	Square Yard
TCAAP	Twins Cities Army Ammunition Plant
TIF	Tax Increment Financing
TRC	TCAAP Redevelopment Code
UVTA	Utility Valuation Transition Aid
WAC	Water Availability Charge