



City of Arden Hills Minnesota

2022 Adopted Budget



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**CITY OF ARDEN HILLS
MINNESOTA**

2022 BUDGET

2022 CITY OFFICIALS

**TERM OF OFFICE EXPIRES
DECEMBER 31ST**

Mayor.....David Grant	2022
Councilperson.....Brenda Holden	2024
Councilperson.....Fran Holmes	2022
Councilperson.....David Radziej	2022
Councilperson.....Steve Scott	2022
City Administrator.....Dave Perrault	
City Clerk.....Julie Hanson	
Finance Director.....Gayle Bauman	
Public Works Director.....David Swearingen	

**CITY OF ARDEN HILLS, MINNESOTA
2022 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.

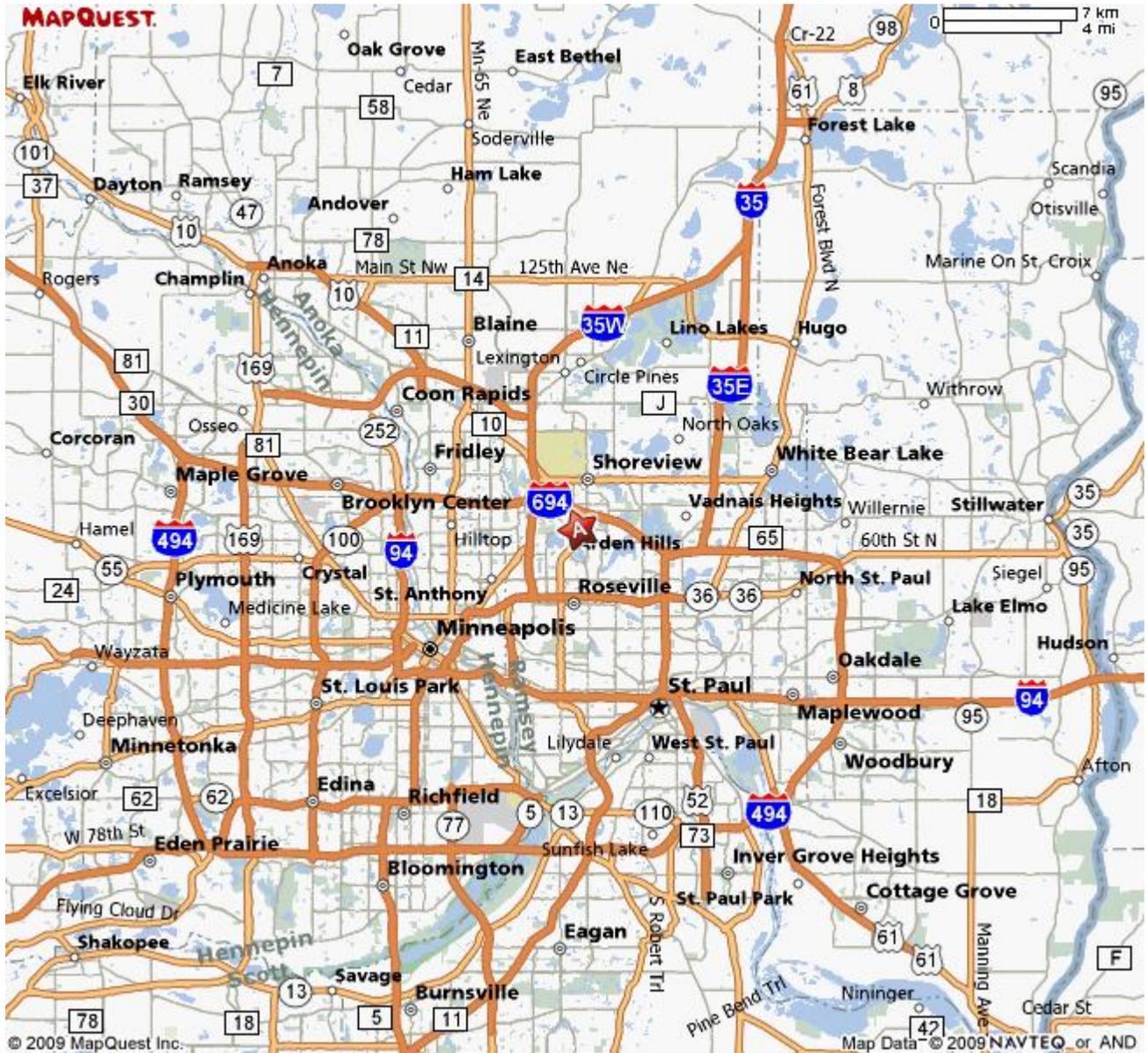
The city was originally part of the Mounds View Township. When the township was organized, it included the present Shoreview, Arden Hills, New Brighton, Mounds View, and parts of North Oaks and St. Anthony. Arden Hills was incorporated on February 14, 1951, in response to New Brighton's request for annexation 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, approximately 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 10,108 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.

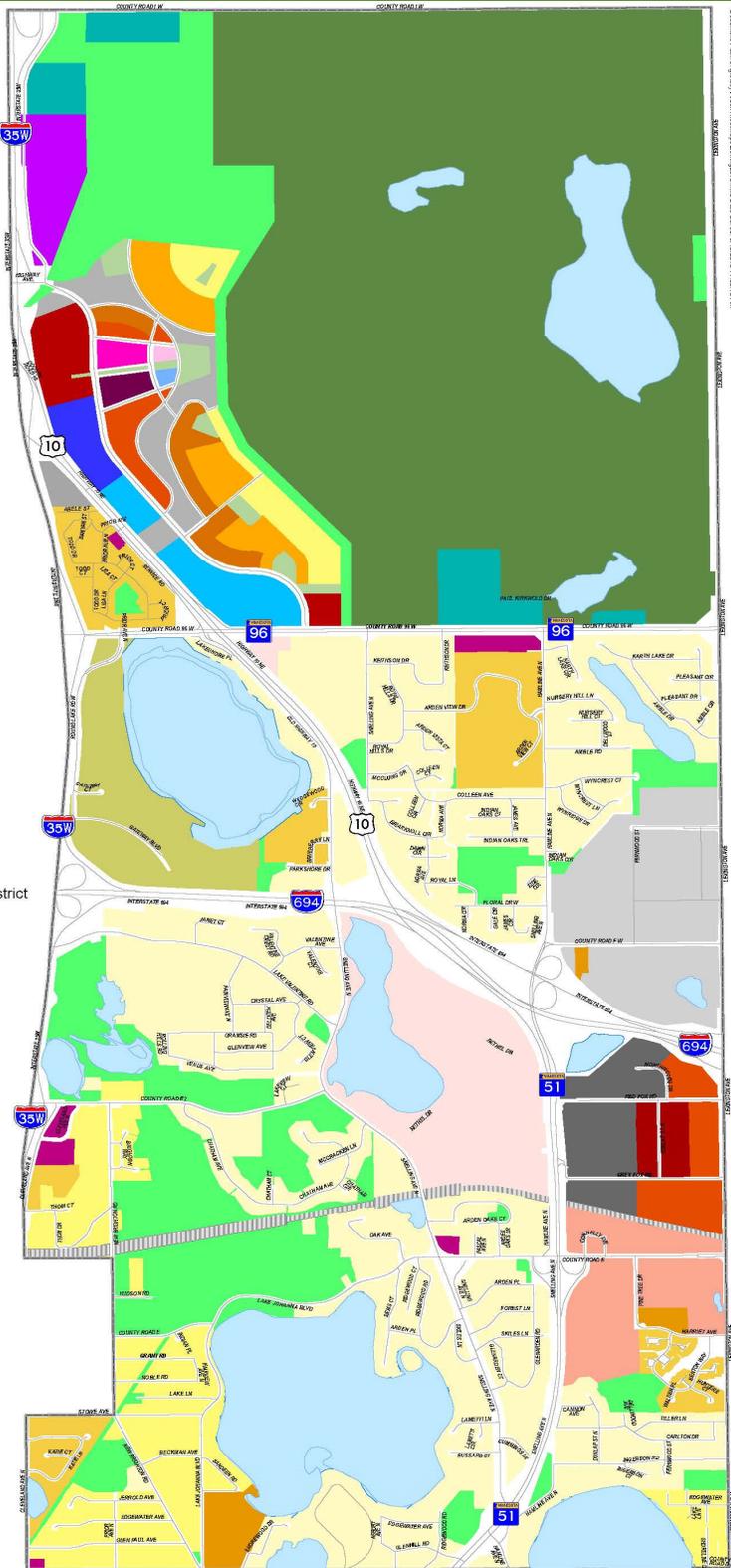
MAP OF ARDEN HILLS AND SURROUNDING AREA





Zoning Map

- TRC CC - Campus Commercial
- TRC CO - Civil/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 OMU - Office Mixed Use
- TRC OS - Open Space
- TRC TC-1 - Town Center
- TRC TC-2 - Town Center
- TRC TC-3 - 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
- G-B - 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
- WATER

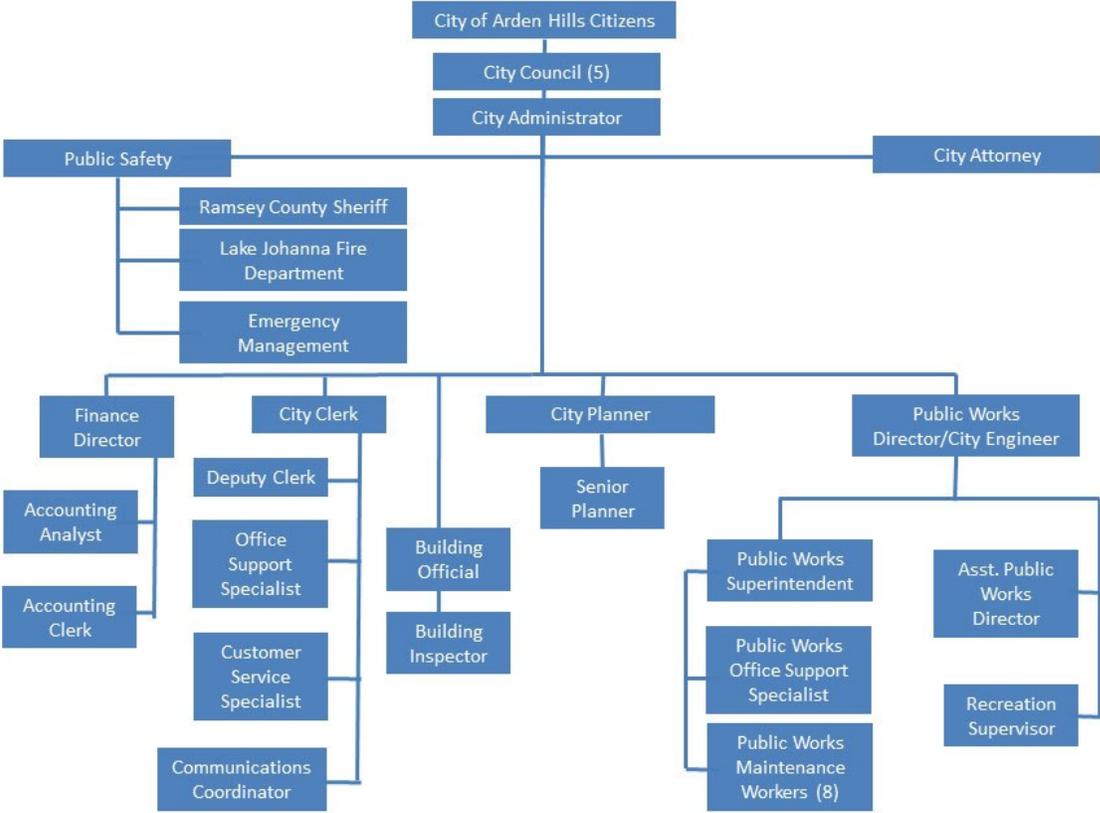


The zoning district designations represented on this map correspond to the City of Arden Hills official Zoning Map. Questions concerning the Zoning Map should be directed to City Hall. Zoning designations are subject to change. Please refer to the Zoning Code for complete information.

Adopted: April 12, 1993
Updated: September 13, 2018



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 2022. The 2022 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 13, 2021, the City Council adopted the preliminary property tax levy. The proposed 2022 budget and final property tax levy were adopted at the December 13, 2021 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 2022 and beyond. The following segments will serve to highlight the focal points of these plans for the 2022 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 2022 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 2021 legislature did not enact levy limits for 2022. However, the minimum wage was increased effective January 1, 2022, to \$10.33 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 Certificate of Achievement for Excellence in Financial Reporting.
- Received award for Outstanding Achievement in Popular Annual Financial Reporting.
- Completed numerous Public Works projects, both planned and unplanned.
- Upgraded the HVAC equipment at City Hall.
- Brought forward approvals for construction to start on six new commercial and residential projects.

Budget Initiatives

The 2022 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 2022 budget was established for the City with comparative totals for 2021:

Funds	Revenues		Expenditures	
	2021	2022	2021	2022
General	\$ 5,122,260	\$ 5,099,510	\$ 5,212,980	\$ 5,239,510
Special Revenue	508,840	590,580	505,790	504,690
Debt Service	-	-	-	-
Capital Project	1,114,290	2,046,320	2,492,220	3,859,890
Enterprise	5,666,590	6,333,430	7,515,540	6,587,180
Internal Service	629,980	636,280	646,570	648,380
Total	\$ 13,041,960	\$ 14,706,120	\$ 16,373,100	\$ 16,839,650

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 76% of the General Fund revenues. For 2022, the City's property tax levy will be \$4,472,680, an increase of 4.5% from 2021. Historically, the City does not use reserves to balance the City's budget; however, reserves have been proposed to be used to balance the 2022 budget in the amount of \$140,000 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
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%
2020	4,135,340	5.00%
2021	4,280,080	3.50%
2022	4,472,680	4.50%

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 2022 at \$15,393,512, which is a 1.8% decrease. 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 2022, the City’s tax rate is expected to increase from 25.089% to 26.551%.

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 2022 budget includes a 3.00% cost-of-living (COLA) increase for union employees and a 3.00% COLA for non-union City staff. The City’s Public Works employees are union employees.

This will be the fourth year of the city’s new health insurance plan. Health insurance is set to increase by about 9.0% and dental is set to increase by 3.3%. There are no changes to Life, Short Term or 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 2022 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 2022 for each of the fund types and their activities.

General Fund

Expenditures

The overall General Fund budget is increasing 0.5% over the 2021 budget. The General Fund expenditure budget consists of the following departments:

Expenditures by Department	2021 Budget	2022 Budget	% Change 21 vs 22
Mayor & Council	\$73,960	\$55,070	-25.5%
Administration	371,920	401,070	7.8%
Elections	31,850	32,350	1.6%
Finance	185,900	184,220	-0.9%
TCAAP	85,130	87,260	2.5%
Planning & Zoning	230,130	242,010	5.2%
Government Buildings	197,030	203,840	3.5%
Police & Animal Services	1,390,240	1,396,130	0.4%
Dispatch	55,800	61,810	10.8%
Fire Protection	656,400	696,670	6.1%
Emergency Management	5,790	6,200	7.1%
Protective Inspections	347,980	349,860	0.5%
Street Maintenance	755,540	759,040	0.5%
Recreation	262,730	234,740	-10.7%
Park Maintenance	562,580	529,240	-5.9%
Total Expenditures	\$5,212,980	\$5,239,510	0.5%

The largest percentage of change in the budget are increases to Dispatch (10.8%), Administration (7.8%) and Emergency Management (7.1%), and decreases to Mayor & Council (25.5%). The dispatch contract with Ramsey County is increasing by 10.8%, or \$6,010, due to an error in the way report queries undercounted medical calls in previous years for cities served by Allina. This means an increase in call counts and an increase in cost sharing for the years 2021 - 2023. The increase to Administration is mainly due to an increase in property insurance. The increase in Emergency Management amounts to \$410. The decrease to Mayor & Council is due to the elimination of the Northeast Youth and Family Services contract.

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.

Revenues

The revenues to support these expenditures are classified as follows:

Revenues	2021 Budget	2022 Budget	% Change 21 vs 22
Taxes	\$3,715,930	\$3,858,370	3.8%
Licenses & Permits	594,510	504,800	-15.1%
Intergovernmental	147,730	158,250	7.1%
Charges for Services	599,650	519,510	-13.4%
Fines & Forfeits	27,650	23,750	-14.1%
Special Assessments	1,060	1,510	42.5%
Miscellaneous	35,730	33,320	-6.7%
Total Revenues	\$5,122,260	\$5,099,510	-0.4%

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 of data from recently completed years. Licenses and permits are decreasing mainly due to anticipated building permit fee revenues. Miscellaneous is decreasing mainly due to a projected decrease in investment earnings.

The Property Tax Levy generates 76% 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, Cable, TIF Districts and the Karth Lake Special Taxing District. These expenditures fluctuate from year to year due to a variety of factors. For example, approximately \$80,000 was spent out of the Cable TV Fund in 2019 to upgrade equipment in the council chambers. This is not a recurring expenditure.

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 2022 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 Replacement. The revenue sources for 2022 are property taxes, 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 2022 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 \$230,130 in 2022.

In 2008, the Equipment, Building and Replacement Fund was established to build reserves for capital equipment and building expenditures. The 2022 revenue budget includes transfers from the Water Fund, Sanitary Sewer Fund, and the Surface Water Management Fund in the amount of \$300,000 and a property tax levy in the amount of \$50,000. The 2022 expenditure budget includes replacing a trailer and a Toro Workman.

Enterprise Funds

The City completed a comprehensive utility rate study in 2018. The 2022 rate increases are as follows: Water – 4.5%; Sewer – 3.5%; Storm – 3%. Utility revenue levels are not sufficient to cover both the operating and capital expenses in 2022 for the Water Fund. The rate structure will generate sufficient revenues over time to cover these expenses.

	<u>Water</u>	<u>Sewer</u>	<u>Surface Water</u>
Revenues	3,031,590	2,191,220	930,450
Operating Expenses	1,899,940	1,622,750	514,520
Depreciation	365,450	194,430	145,010
Capital Outlay	741,110	164,380	172,100
Debt Service	250,750	39,450	-
Transfers Out	100,000	126,000	74,000
Net revenue/expense	<u>(325,660)</u>	<u>44,210</u>	<u>24,820</u>

The Recycling fund has budgeted revenue of \$180,170 while the expense budget is \$177,290.

Fund Balances

The 2022 budget proposes that expenses are to exceed revenues by \$2,133,530, with the majority of the difference coming from the Capital PIR, Water, Sewer and Surface Water Funds due to the timing of capital projects. While budgeted revenue levels are sufficient to cover the operating expenses of the Enterprise funds, they are not always sufficient to cover the capital expenses and debt service, 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 2022 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 2022 budget includes the use of \$140,000 in reserves. The City strives to maintain the General Fund's working capital fund balance at 50% of the next year's operating budget and this budget will exceed that goal. Because the City receives its tax payments in July and December, this fund balance is necessary to provide cash flow for City operations. 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 2022, 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 2022, 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.

	2019 Budget	2020 Budget	2021 Budget	2022 Proposed
ADMINISTRATION				
Administrator	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00
Communications Coordinator	0.63	0.63	0.63	0.63
Office Support Specialist	1.00	1.00	1.00	1.00
Customer Service Representative	1.00	1.00	1.00	1.00
FTE's	5.63	5.63	5.63	5.63
FINANCE				
Finance Director	1.00	1.00	1.00	1.00
Accounting Analyst	1.00	1.00	1.00	1.00
Accounting Clerk	1.00	1.00	1.00	1.00
FTE's	3.00	3.00	3.00	3.00
COMMUNITY DEVELOPMENT				
Community Dev Director	1.00	-	-	-
CD Manager/City Planner	-	1.00	1.00	-
Building Official	1.00	1.00	1.00	1.00
Building Inspector	1.00	1.00	1.00	1.00
City Planner	1.00	-	-	1.00
Associate Planner	-	1.00	1.00	-
Senior Planner	-	-	-	1.00
FTE's	4.00	4.00	4.00	4.00
PUBLIC WORKS				
Public Works Director	1.00	1.00	1.00	1.00
Assistant Public Works Director	-	-	-	1.00
Assistant City Engineer	-	-	1.00	-
Public Works Office Support Spec	-	1.00	1.00	1.00
Senior Engineering Technician	1.00	1.00	-	-
Public Works Superintendent	1.00	1.00	1.00	1.00
Public Works Foreman	1.00	-	-	-
Recreation Coordinator	1.00	1.00	1.00	-
Recreation Programmer	1.00	1.00	1.00	-
Recreation Supervisor	-	-	-	1.00
PW Maintenance Workers	8.00	8.00	8.00	8.00
FTE's	14.00	14.00	14.00	13.00
SEASONAL AND INTERNS				
Public Works	2.00	2.00	2.00	2.00
Parks and Recreation	2.25	2.25	2.25	2.25
FTE's	4.25	4.25	4.25	4.25
TOTAL FTE's	30.88	30.88	30.88	29.88

In comparison to the chart above, the chart below shows a count of the authorized positions for the City that were filled at some point during the year.

Head Count of Total Number of Employees

	2019 Actual	2020 Actual	2021 Adopted	2022 Proposed
Full Time Employees	26	26	26	25
Part Time Employees	1	3	1	3
Public Works Seasonal	7	5	9	9
Parks & Recreation Seasonal	28	12	35	35
Interns	2	-	-	-
Total Employees	64	46	71	72

The following page shows the 2022 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.

2022 Payroll Allocation

Administration

	Admin 41300	Finance 41500	TCAAP 41600	Planning 41910	Govt Bldg 41940	Emergency Mgmt 42300	Prot Inspect 42400	Streets 43100	Rec 45120	Parks 45200	Cable 41960	EDA 47300	Water 49440	Sewer 49490	Recycling 49520	Storm Wtr Mgmt 49550	Total	FTE
Administrator	50.25%	3.50%	10.00%	3.50%	1.75%	1.75%	1.75%	2.55%	1.75%	2.55%	1.75%	10.00%	2.55%	2.55%	1.75%	2.05%	100.00%	1.000
City Clerk	40.00%	10.00%		10.00%			55.00%	2.50%			25.00%	2.50%	10.00%	10.00%	2.50%	10.00%	100.00%	1.000
Office Support Specialist (Permits)	48.00%			15.00%				1.00%	5.00%	5.00%	5.00%	5.00%	4.00%	4.00%	4.00%	4.00%	100.00%	1.000
Deputy Clerk	40.00%			7.50%				7.50%			20.00%		5.00%	5.00%	10.00%	5.00%	100.00%	0.625
Communications Coordinator (PT)	20.00%	5.00%			5.00%	5.00%			35.00%				10.00%	10.00%	10.00%	10.00%	100.00%	1.000
Customer Service Specialist																		
FTE's	1.9325	0.085	0.1	0.331875	0.0675	0.0175	0.6175	0.107375	0.4175	0.0755	0.4425	0.175	0.37175	0.37175	0.145	0.36675	5.63	5.625

Finance

Finance Director	10.00%	21.50%										5.00%	20.00%	20.00%	5.00%	18.50%	100.00%	1.000
Accounting Analyst		22.50%											25.00%	25.00%	2.50%	25.00%	100.00%	1.000
Accounting Clerk		6.50%								1.75%			30.00%	30.00%	1.75%	30.00%	100.00%	1.000
FTE's	0.1	0.505	0	0.0175	0.05	0.75	0.75	0.75	0.0925	0.735	3.00	3.000						

Community Development

City Planner	5.00%		10.00%	60.00%														
Bldg Official					5.00%							15.00%						
Bldg Inspector																		
Senior Planner				80.00%														
FTE's	0.05	0	0.1	1.4	0.05	0	2.15	0	0	0	0	0.15	0	0	0.1	0	4.00	4.000

Public Works

Public Works Director			3.00%					14.25%	5.00%	12.25%			22.25%	22.25%		21.00%	100.00%	1.000
Asst. Public Works Director								22.50%		22.50%			22.50%	22.50%		10.00%	100.00%	1.000
Public Works Superintendent					5.00%			21.00%		21.00%			21.00%	21.00%		11.00%	100.00%	1.000
Public Works Admin Asst					1.25%			18.75%		25.00%			18.75%	25.00%		11.25%	100.00%	1.000
Recreation Supervisor								80.00%		20.00%							100.00%	1.000
PW Maint Workers (8)					1.25%			18.75%		25.00%			18.75%	25.00%		11.25%	100.00%	8.000
FTE's	0	0	0.03	0	0.1625	0	0	2.265	0.85	3.0075	0	0	2.345	2.9075	0	1.4325	13.00	13.000

Total FTE's

Total FTE's	2.0825	0.59	0.23	1.731875	0.28	0.0175	2.7675	2.372375	1.2675	3.083	0.46	0.375	3.46675	4.02925	0.3375	2.53425	25.63	25.625
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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 union contract expires December 31, 2023, and was approved by Council in December 2021.

The assumed salary and benefit increases for budgeting purposes are as follows:

Salary increases throughout the budget include step increases for employees, a 3.0% COLA for union employees and a 3.0% COLA for non-union employees.

This will be the fourth year of the city's new health insurance plan. Health insurance is set to increase by about 9.0% and dental is set to increase by 3.3%. There are no changes to Life, Short Term or Long Term Disability. The City picks up all of the health insurance premium for the lowest cost single plan and contributes \$1,090.61 towards employees that opt for a family plan.

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 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
2022 BUDGET CALENDAR

April 26, 2021	City Council Approval of Budget Calendar.
April 26, 2021 – May	Department Heads Prepare 2022-2026 CIP requests and background material.
May 28, 2021	Department Heads Submit CIP Requests to Finance Department.
June	City Administrator and Finance Director review Department CIP Requests and confer with Departments.
June	2022-2026 CIP is drafted and distributed to City Council for review.
June	Forms Distributed to all Department Heads for 2022 Operating Budget.
June	Department Heads Prepare Budgets and Background Material.
July 2, 2021	Department Heads Submit Budget Requests to Finance Department.
July 19, 2021	City Council Work Session to discuss 2022 Operating Budget parameters and 2022-2026 CIP.
July	City Administrator and Finance Director review Department Budgets and Confer with Departments.
August	Finance Department completes Preliminary Revenue Estimates.
August	City Administrator Budget is drafted for Presentation to Council at Work Session and distributed to Council for review.
August & September	City Council Work Sessions to discuss Preliminary 2022 Budget.
September	City Administrator’s recommended Preliminary 2022 Budget distributed to the City Council.
September	City Council adopts the Preliminary 2021 Property Tax Levy (Payable 2022).
September	Council Certifies date for public (TNT) hearing and continuation hearing (if necessary) to county.
September	Finance Director submits preliminary 2021 Property Tax Levy (Payable 2022) 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.

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 six active special revenue funds which include: Karth Lake Taxing District, Cable Fund, EDA General Fund, EDA TIF District #3 Cottage Villas, EDA TIF District #4 Presbyterian Homes, and EDA TIF District #5 TCAAP.

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.

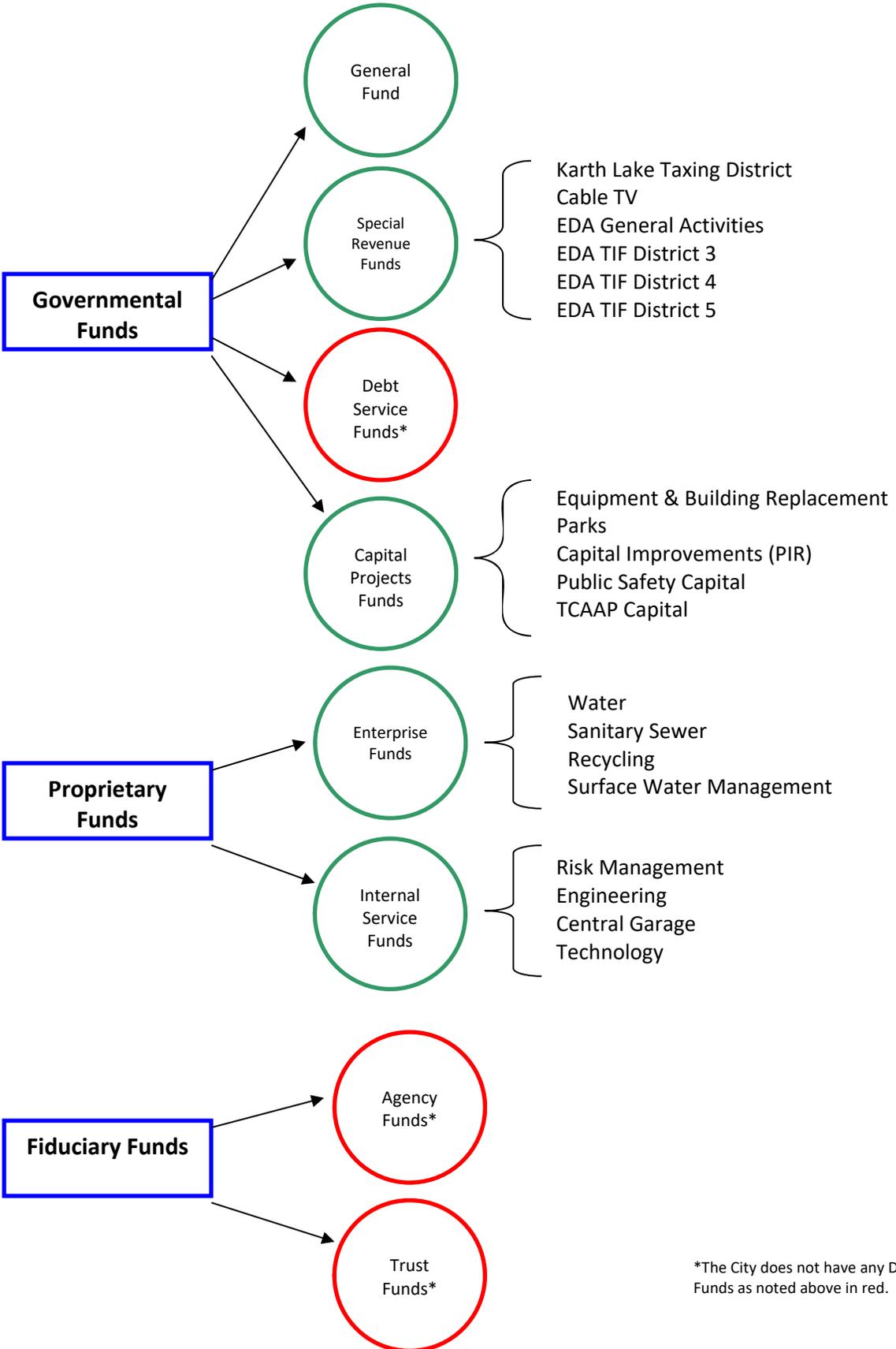
Debt Service Funds

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.

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. The City will also annually seek to obtain the GFOA's award for Outstanding Achievement in Popular Annual Financial Reporting. The Comprehensive Annual Financial Report and Popular Annual Financial Report 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 may be 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.



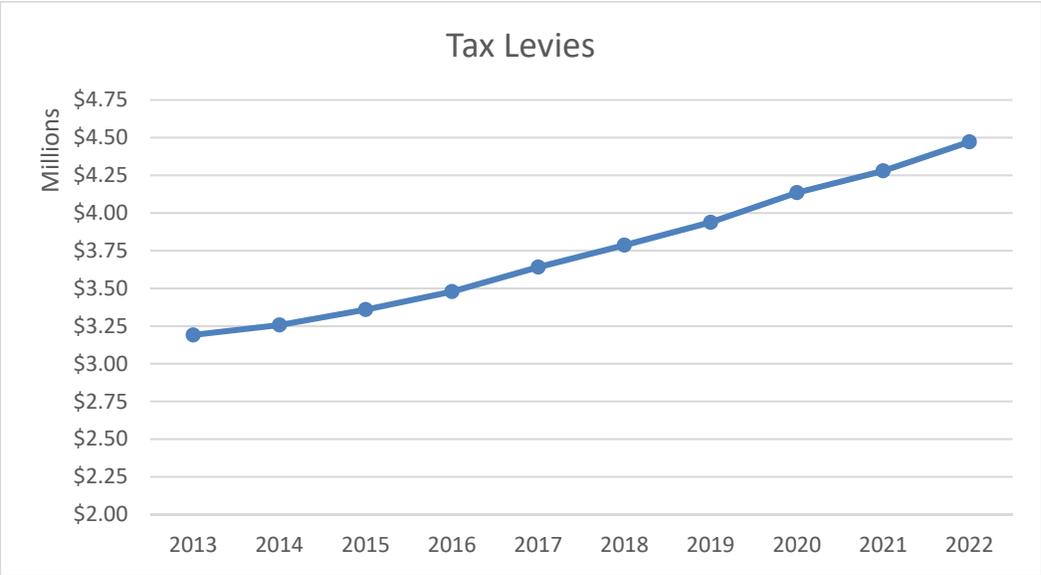
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Revenues

The City is dependent on the resources that generate revenue to provide for the different services that our residents receive. This dependency is the limiting factor on what service can be provided. These services range from the basic services of public safety and road maintenance to services enhancing the quality of life such as parks and community events. Our resources to generate revenue are affected by a number of factors, including City, State and Federal laws, rates, demographics, and economic conditions. The following provides a summary of major revenue sources and general trends:

Property Taxes

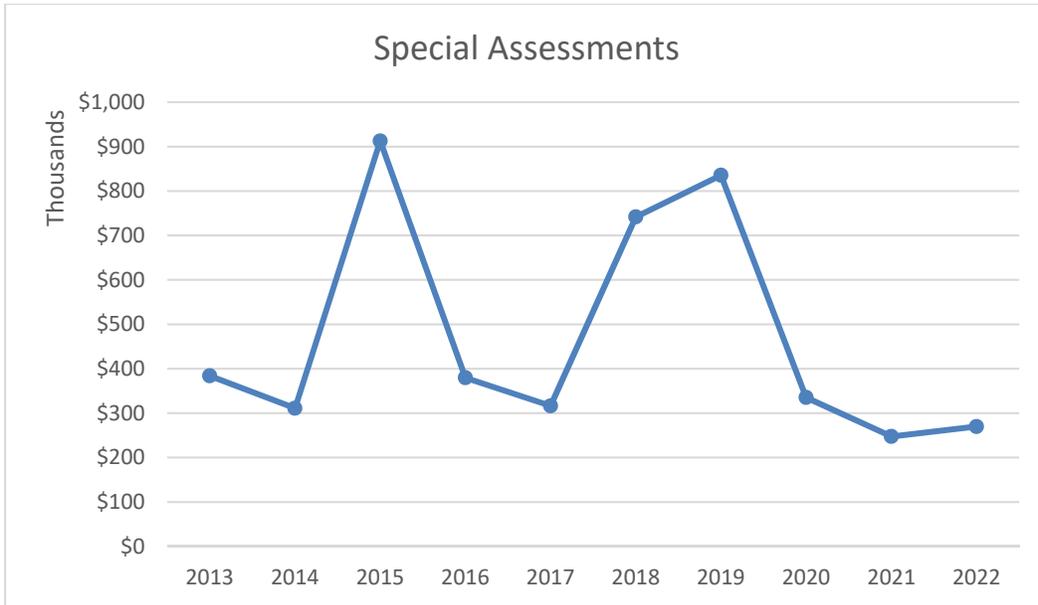
This revenue source is primarily used in the General Fund and is set at a level to raise adequate revenue for the operating budget when combined with other expected revenues. The final level of expected revenue should be sufficient to conduct City business in accordance with Council policy and directives 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

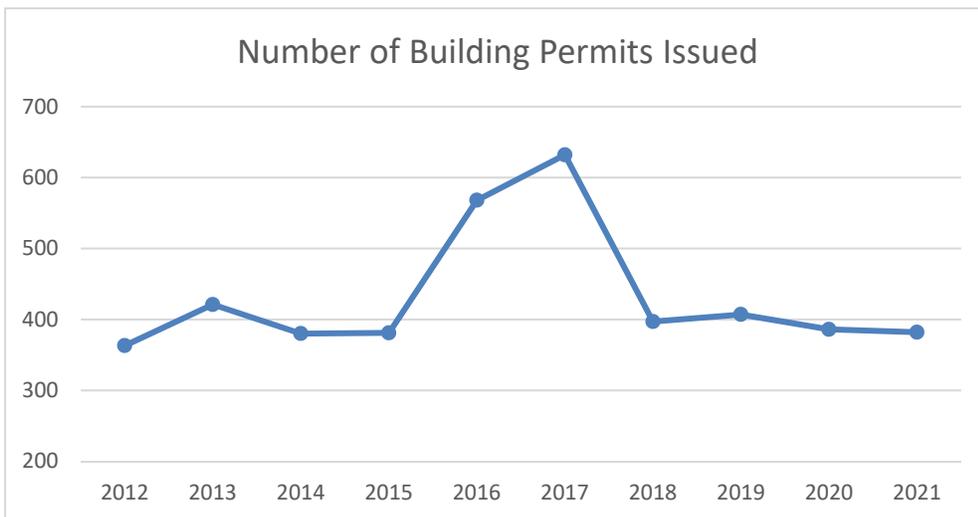
A portion of the costs for public improvements is recovered by assessment charges to the benefiting property owners. These collections are used to pay bond principal and interest on the outstanding improvement bonds or to reimburse the City if no bonds were issued. A majority of the special assessments 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 2015, 2018 and 2019 collections were larger than average as there were more prepaid special assessments.

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. This will all change once the Rice Creek Commons (TCAAP) project begins construction. 2016 and 2017 numbers reflect major renovations 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.

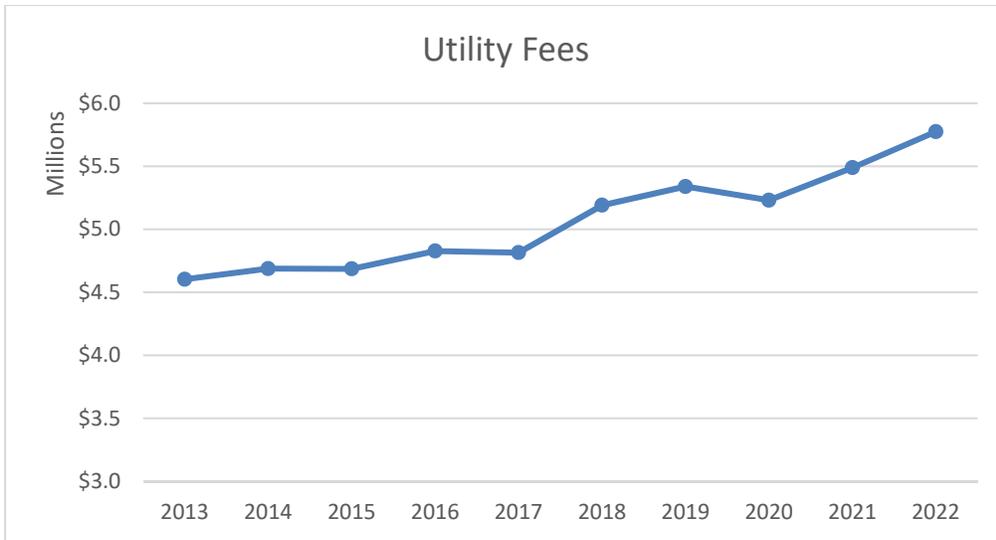
Police Aid is money received from the State to help with police personnel training costs. Since Arden Hills contracts with the Ramsey County Sheriff for this service, a part of this revenue is allocated back to Arden Hills each year to offset part of the contract costs for policing.

Trends: MSA Maintenance dollars had been gradually increasing through 2020 but declined in 2021 due to COVID-19. Police Aid has remained fairly static over the last six years and is 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 101 for more information on these fees.

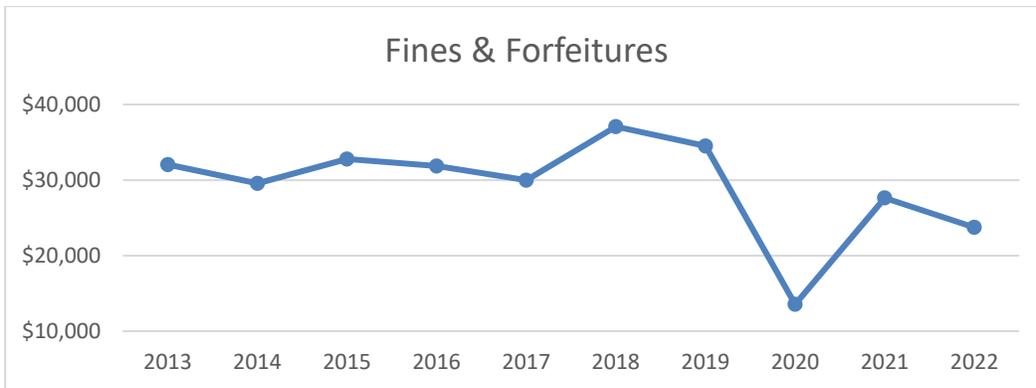


Trends: Charges for Services have been increasing as a whole. This is in part due to rising utility fees to help pay for needed infrastructure improvements (see the Capital Improvement Plan section). Fluctuations in the General Fund fees are primarily due to Plan Check Fee revenue associated with building 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 usually fairly flat. The drop of in 2020 is due to COVID-19.

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 \$98,340 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, 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, shifts in the economy and are dependent on what rates are available at the time investments were made.

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 \$2.7 million or 0.2% to \$1.44 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 decrease by 1.8% to \$15.4 million. This plus the change in the levy is increasing the City's tax rate from 25.0893% to 26.5508%.

Median Valued Home

Due to current economic conditions, the Taxable Market Value of the median valued home within the City is projected to decrease 0.75% from \$387,500 to \$384,600. The overall City Tax burden increase on the median valued home is projected to be approximately 5.0% or \$48.05.

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 \$4,472,680. This represents a \$192,600 or 4.50% increase over the 2021 levy of \$4,280,080.

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 \$385,578 in 2022 as opposed to \$345,787 in 2021, which is an increase of 11.5%.

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	2020	2021	2022
Real Estate/Personal Property	17,860,900	18,669,913	18,693,579
Tax Increment Districts	(273,444)	(362,116)	(367,689)
Sub-Total	17,587,456	18,307,797	18,325,890
Fiscal Disparities:			
Contribution	(2,627,733)	(2,626,688)	(2,932,378)
Distribution	1,304,870	1,360,649	1,536,822
Total Tax Capacity	16,264,593	17,041,758	16,930,334
Percent Change	5.5%	4.8%	-0.7%

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 2022 are based on the assessment of market values for 2021, which are certified to the County Assessor on January 2, 2021 and relate to sales and data information from 2020. 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

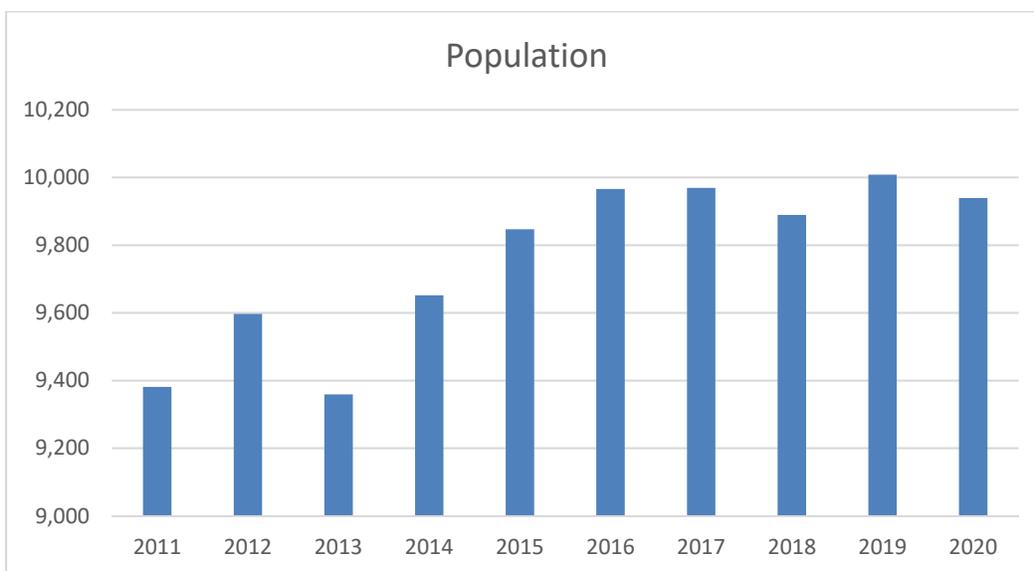
Each year in late November or early December, Statutes require all counties, school districts, and cities with a population over 2,500 to hold a public hearing to discuss the proposed budget and property tax levies. As part of this process, each property is sent by the county a Truth-In-Taxation notice 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 13, 2021.

Budget Assumptions

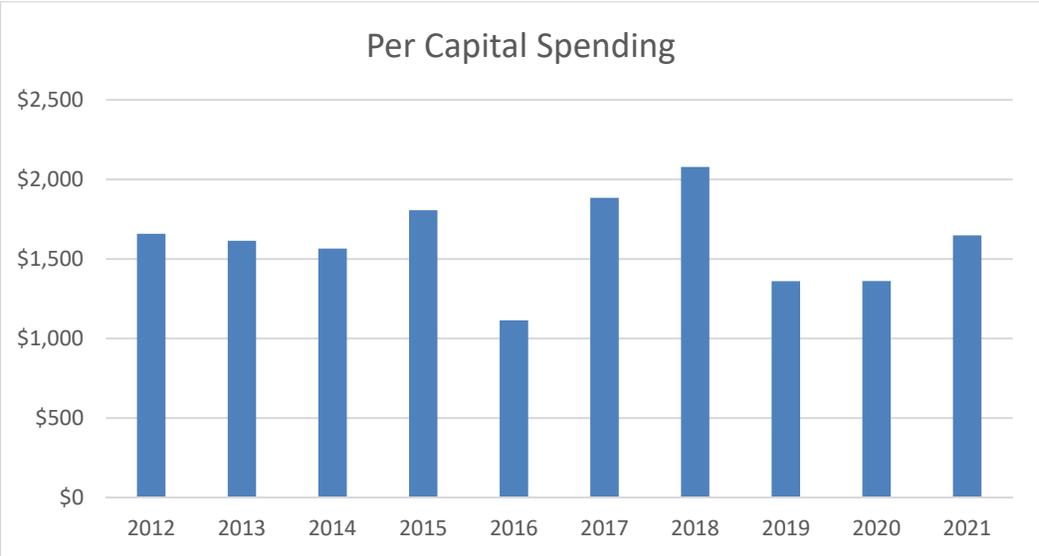
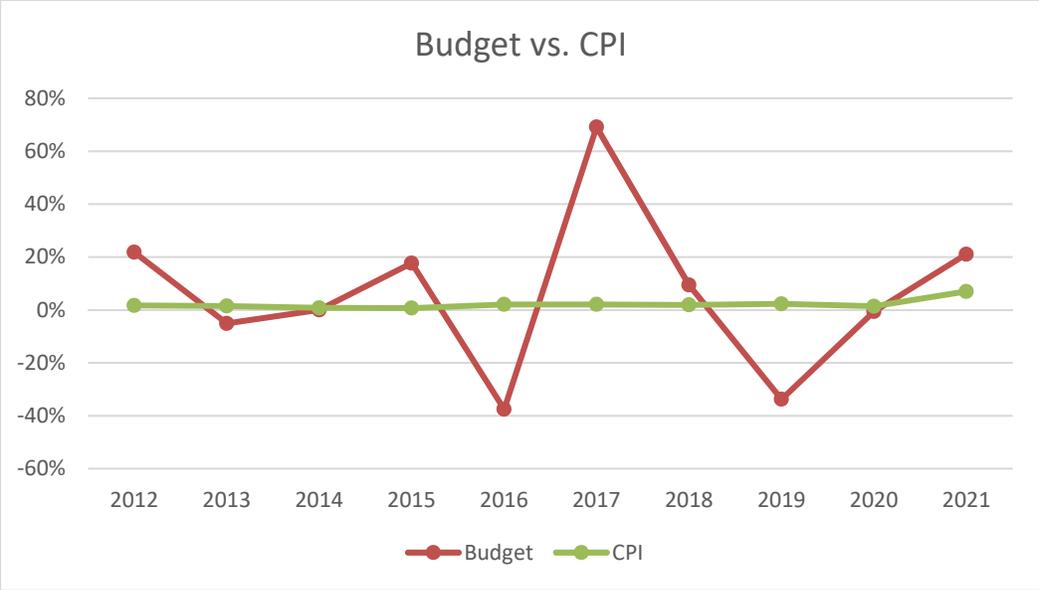
Certain assumptions are decided on as a foundation for developing a budget. These assumptions guide the City in determining the level of service that will be provided to residents and how those services will be funded. The City's budget practice is to use conservative revenue estimates to assure adequate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

2022 Assumptions

The City is assuming a population growth of 1% per year until the TCAAP development occurs. The Chart below demonstrates the City's population growth over the last nine years. After the 2010 Census, the City's population was reported as 9,552.

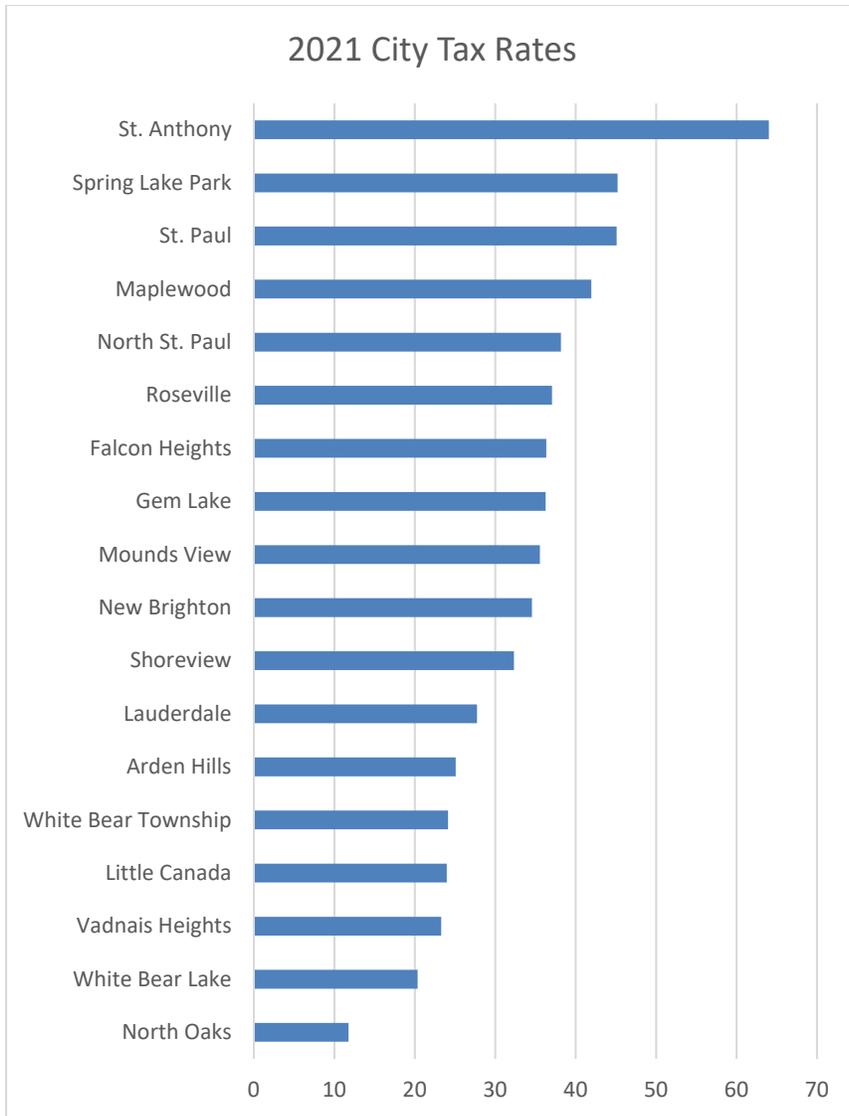


As the City's population grows, so does the demand for services. This increase in demand for services also requires increases in parks, miles of streets, water mains and sewer lines that need to be maintained. In 2022, the City continues various infrastructure improvements as the City's infrastructure ages. This growth and demand can result in the City's operating budgets growing faster than the Consumer Price Index (CPI) and increased infrastructure improvements can cause the City's per capita spending to increase.



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 decrease by 0.75%. 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.

Year	Levy	% Change
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%
2020	\$4,135,340	5.0%
2021	\$4,280,080	3.5%
2022	\$4,472,680	4.5%

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 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.

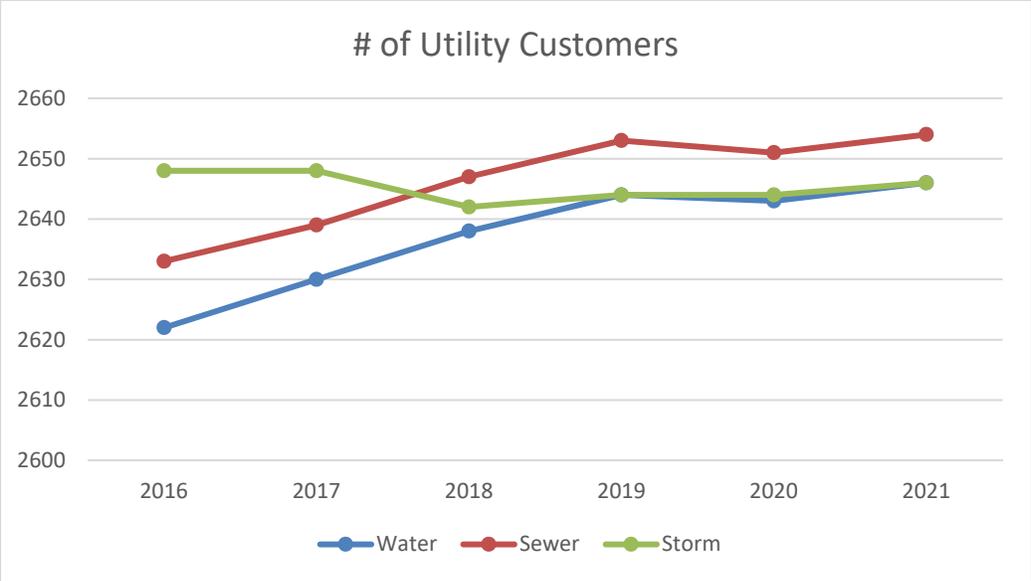
The City pools its cash reserves for investment purposes. This is described in more detail in the investment policy on pages 33-34 of this document.

One of the City's largest expenditure classifications is personnel services. Personnel services include salaries and fringe benefits for all employees. For 2022, the salaries have been budgeted with a 3.0% COLA increase for non-union employees and a 3.0% COLA increase union employees.

This will be the fourth year of the city's health insurance plan. The increase in premiums for 2022 is about 9.0%. Dental will be increasing by 3.3% and there are no changes to Life, Short Term or Long Term Disability.

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

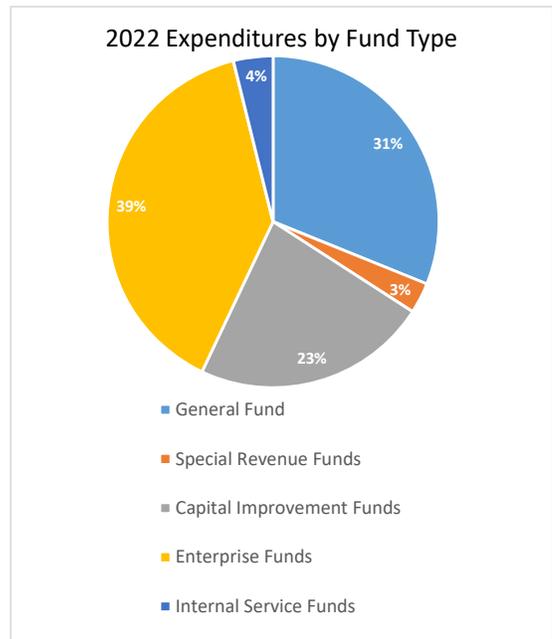
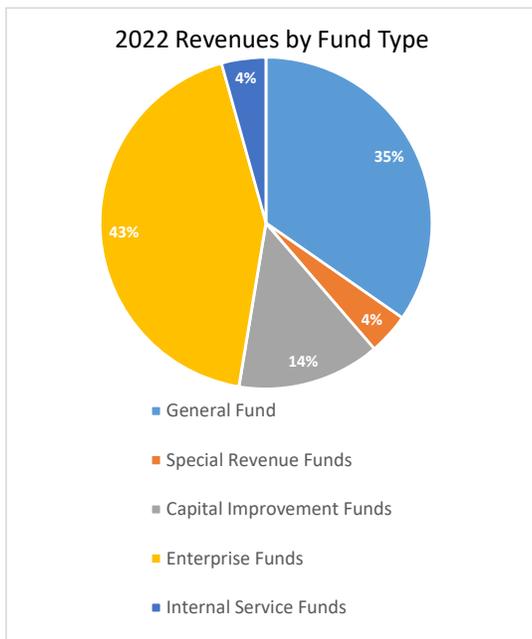
Finally, the population growth does not only affect the City's General fund, it also affects the City's Water, Sewer, and the Surface Water Management operating funds. As the population has increased, so has the number of utility customers. As the number of customers increase, so does the revenue, the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



BUDGET SUMMARY

By Fund Type

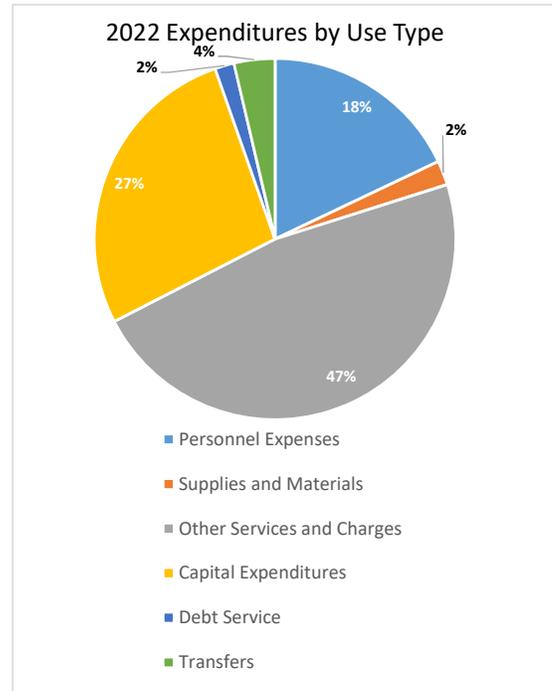
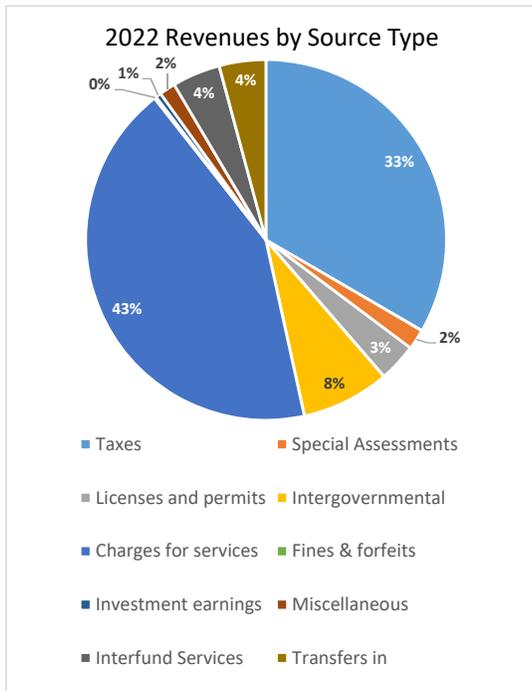
	2019 Actual	2020 Actual	11/30/2021 YTD	2021 Budget	2022 Budget	\$ Increase (Decrease)	% Increase (Decrease)
CITY-WIDE SUMMARY							
REVENUES							
General Fund	\$ 5,004,904	\$ 5,229,541	\$ 4,949,900	\$ 5,122,260	\$ 5,099,510	\$ (22,750)	-0.4%
Special Revenue Funds	661,554	526,687	326,319	508,840	590,580	81,740	16.1%
Capital Improvement Funds	2,530,060	2,298,152	1,611,237	1,114,290	2,046,320	932,030	83.6%
Enterprise Funds	5,782,865	5,371,496	5,115,600	5,666,590	6,333,430	666,840	11.8%
Internal Service Funds	621,073	541,495	515,690	629,980	636,280	6,300	1.0%
TOTAL REVENUES	\$ 14,600,455	\$ 13,967,371	\$ 12,518,747	\$ 13,041,960	\$ 14,706,120	\$ 1,664,160	12.8%
EXPENDITURES/EXPENSES							
General Fund	\$ 5,129,687	\$ 5,064,623	\$ 4,909,265	\$ 5,212,980	\$ 5,239,510	\$ 26,530	0.5%
Special Revenue Funds	525,587	456,419	287,723	505,790	504,690	(1,100)	-0.2%
Capital Improvement Funds	1,363,379	581,595	3,338,932	2,492,220	3,859,890	1,367,670	54.9%
Enterprise Funds	4,930,101	4,599,982	3,925,636	7,515,540	6,587,180	(928,360)	-12.4%
Internal Service Funds	673,275	654,330	578,496	646,570	648,380	1,810	0.3%
TOTAL EXPENDITURES/EXPENSES	\$ 12,622,029	\$ 11,356,949	\$ 13,040,053	\$ 16,373,100	\$ 16,839,650	\$ 466,550	2.8%
NET CHANGES IN FUND BALANCE	\$ 1,978,425	\$ 2,610,422	\$ (521,306)	\$ (3,331,140)	\$ (2,133,530)	\$ 1,197,610	



BUDGET SUMMARY

By Source/Use Type

	2019 Actual	2020 Actual	11/30/2021 YTD	2021 Budget	2022 Budget	\$ Increase (Decrease)	% Increase (Decrease)
CITY-WIDE SUMMARY							
REVENUES							
Taxes	\$ 4,284,785	\$ 4,473,917	\$ 4,153,663	\$ 4,634,870	\$ 4,910,500	\$ 275,630	5.9%
Special Assessments	835,556	335,282	429,664	247,550	269,900	22,350	9.0%
Licenses and permits	716,665	430,943	727,542	596,710	506,200	(90,510)	-15.2%
Intergovernmental	693,249	971,191	123,026	171,570	1,164,590	993,020	578.8%
Charges for services	5,995,649	5,865,333	5,930,965	6,114,430	6,294,540	180,110	2.9%
Fines & forfeits	34,512	13,581	12,465	27,650	23,750	(3,900)	-14.1%
Investment earnings	376,024	417,627	(78,933)	75,000	75,000	-	0.0%
Miscellaneous	420,881	238,791	154,750	245,900	212,210	(33,690)	-13.7%
Interfund Services	583,133	505,707	517,605	628,280	634,430	6,150	1.0%
Transfers in	660,000	715,000	548,000	300,000	615,000	315,000	105.0%
TOTAL REVENUES	\$ 14,600,455	\$ 13,967,371	\$ 12,518,747	\$ 13,041,960	\$ 14,706,120	\$ 1,664,160	12.8%
EXPENDITURES/EXPENSES							
Personnel Expenses	\$ 2,528,004	\$ 2,586,382	\$ 2,214,695	\$ 2,968,390	\$ 3,019,700	\$ 51,310	1.7%
Supplies and Materials	316,759	230,738	198,285	374,250	368,750	(5,500)	-1.5%
Other Services and Charges	7,541,474	7,263,087	6,559,695	7,752,440	7,973,520	221,080	2.9%
Capital Expenditures	1,484,491	478,075	3,230,578	4,689,220	4,572,480	(116,740)	-2.5%
Debt Service	91,301	83,667	288,800	288,800	290,200	1,400	0.5%
Transfers	660,000	715,000	548,000	300,000	615,000	315,000	105.0%
TOTAL EXPENDITURES/EXPENSES	\$ 12,622,029	\$ 11,356,949	\$ 13,040,053	\$ 16,373,100	\$ 16,839,650	\$ 466,550	2.8%
NET CHANGES IN FUND BALANCE	\$ 1,978,425	\$ 2,610,422	\$ (521,306)	\$ (3,331,140)	\$ (2,133,530)	\$ 1,197,610	



CITY OF ARDEN HILLS, MINNESOTA

ALL FUNDS
REVENUE SUMMARY

	2019	2020	2021	2022	PERCENT
<u>Total by Source</u>	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2021 BUDGET
Taxes	4,284,785	4,473,917	4,634,870	4,910,500	5.9%
Special Assessments	835,556	335,282	247,550	269,900	9.0%
Licenses and permits	716,665	430,943	596,710	506,200	-15.2%
Intergovernmental	693,249	971,191	171,570	1,164,590	578.8%
Charges for services	5,995,649	5,865,333	6,114,430	6,294,540	2.9%
Fines & forfeits	34,512	13,581	27,650	23,750	-14.1%
Investment earnings	376,024	417,627	75,000	75,000	0.0%
Miscellaneous	420,881	238,791	245,900	212,210	-13.7%
Interfund Services	583,133	505,707	628,280	634,430	1.0%
Transfers in	660,000	715,000	300,000	615,000	105.0%
Totals	14,600,455	13,967,371	13,041,960	14,706,120	12.8%

Total by Fund

General	5,004,904	5,229,541	5,122,260	5,099,510	-0.4%
Karth Lake Taxing District	-	-	-	6,610	N/A
Cable TV	108,064	105,063	97,500	98,840	1.4%
EDA	137,709	117,969	103,400	102,850	-0.5%
TIF #3	129,293	(3,997)	4,800	3,600	-25.0%
TIF #4	286,487	307,651	303,140	378,680	24.9%
Equip & Bldg Replacement	377,390	314,374	351,900	352,500	0.2%
Parks	125	252,732	-	1,100	N/A
Capital (PIR)	2,068,620	1,301,118	627,390	1,492,170	137.8%
Public Safety Capital	83,925	429,927	135,000	200,550	48.6%
TCAAP Capital	-	-	-	-	N/A
Water	2,458,454	2,406,257	2,425,470	3,031,590	25.0%
Sanitary Sewer	2,298,986	1,915,616	2,066,670	2,191,220	6.0%
Recycling	166,995	163,634	180,830	180,170	-0.4%
Storm Water Management	858,430	885,989	993,620	930,450	-6.4%
Risk Management	164,275	172,884	146,700	163,480	11.4%
Engineering	50,057	11,430	20,670	35,670	72.6%
Central Garage	202,095	178,519	244,980	246,580	0.7%
Technology	204,646	178,662	217,630	190,550	-12.4%
Totals	14,600,455	13,967,371	13,041,960	14,706,120	12.8%

CITY OF ARDEN HILLS, MINNESOTA
ALL FUNDS
EXPENDITURE SUMMARY

	2019	2020	2021	2022	PERCENT OVER(UNDER) 2021 BUDGET
<u>Total by Use</u>	ACTUAL	ACTUAL	BUDGET	BUDGET	
Personnel Expenses	2,528,004	2,586,382	2,968,390	3,019,700	1.7%
Supplies and Materials	316,759	230,738	374,250	368,750	-1.5%
Other Services and Charges	7,541,474	7,263,087	7,752,440	7,973,520	2.9%
Capital Expenditures	1,484,491	478,075	4,689,220	4,572,480	-2.5%
Debt Service	91,301	83,667	288,800	290,200	0.5%
Transfers	660,000	715,000	300,000	615,000	105.0%
Totals	12,622,029	11,356,949	16,373,100	16,839,650	2.8%
<u>Total by Fund</u>					
General	5,129,687	5,064,623	5,212,980	5,239,510	0.5%
Karth Lake Taxing District	-	13,222	-	-	N/A
Cable TV	222,236	137,359	124,980	128,940	3.2%
EDA	65,706	75,519	148,730	87,170	-41.4%
TIF #3	1,570	1,850	1,800	1,900	5.6%
TIF #4	214,075	228,469	228,480	284,780	24.6%
TIF #5	22,000	-	1,800	1,900	5.6%
Equip & Bldg Replacement	299,847	147,238	503,960	346,650	-31.2%
Parks	125	-	-	315,000	N/A
Capital (PIR)	962,994	135,251	1,888,000	2,968,110	57.2%
Public Safety Capital	69,667	299,106	100,260	230,130	129.5%
TCAAP Capital	30,747	-	-	-	N/A
Water	2,409,279	2,109,538	3,139,340	3,357,250	6.9%
Sanitary Sewer	1,761,381	1,730,242	2,769,100	2,147,010	-22.5%
Recycling	172,230	139,841	189,500	177,290	-6.4%
Storm Water Management	587,210	620,362	1,417,600	905,630	-36.1%
Risk Management	217,363	285,352	164,000	181,130	10.4%
Engineering	50,057	11,430	20,670	35,670	72.6%
Central Garage	202,095	178,519	244,980	246,580	0.7%
Technology	203,760	179,030	216,920	185,000	-14.7%
Totals	12,622,029	11,356,949	16,373,100	16,839,650	2.8%



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General Fund Summary

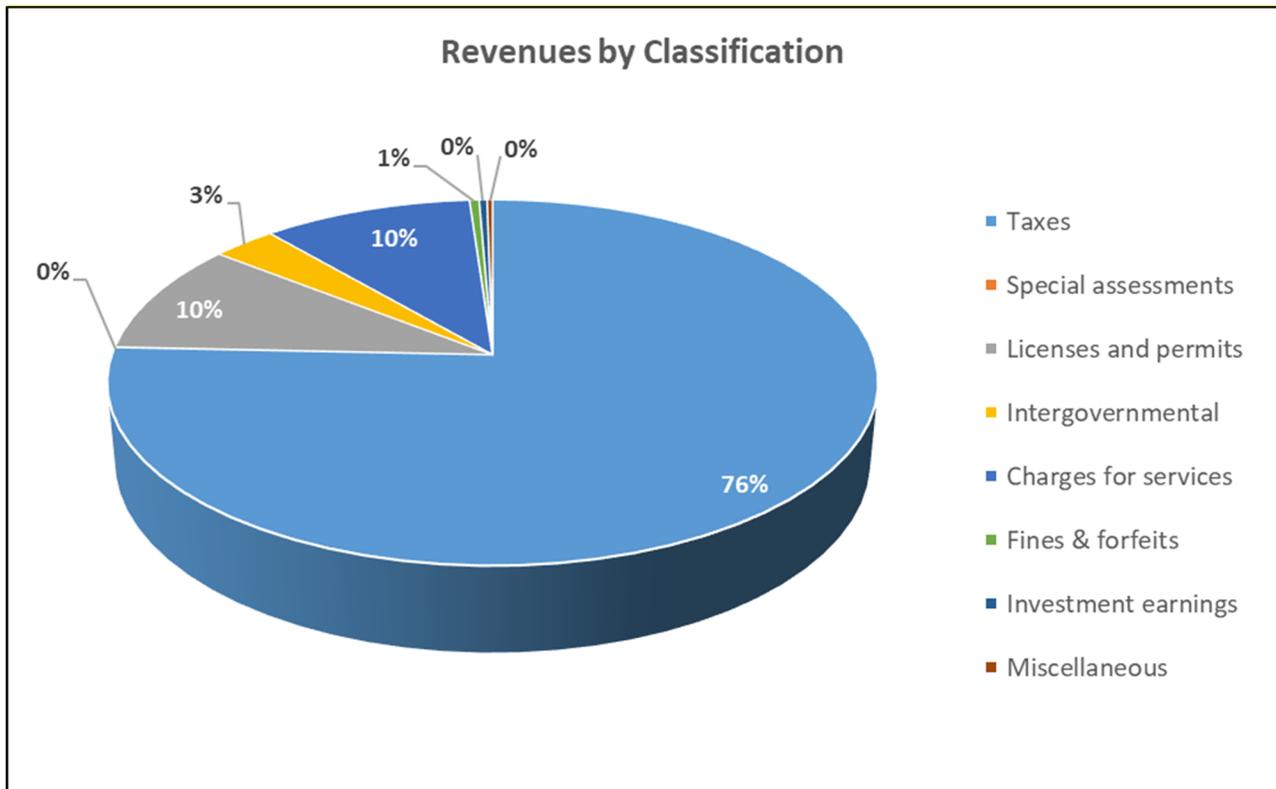
GENERAL FUND SUMMARY

Fund Description

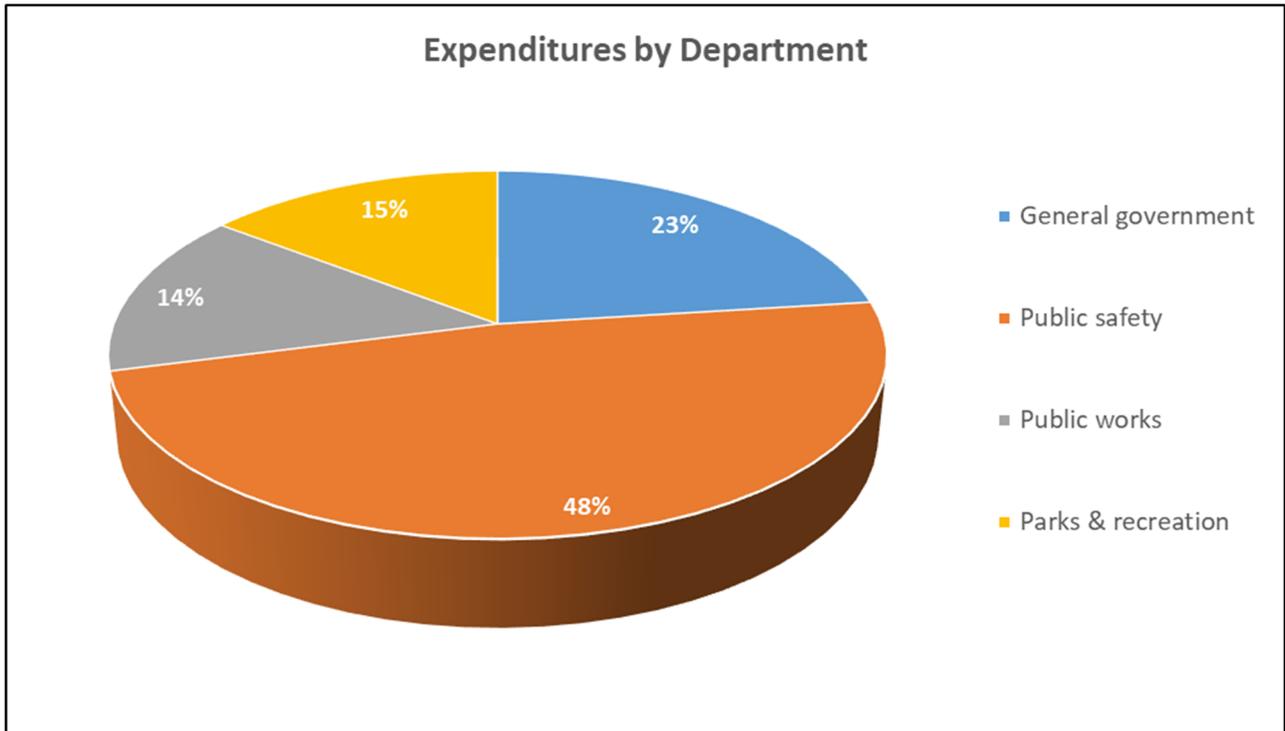
The General Fund is used to account for the ordinary operations of the City, which are financed from taxes and other general revenues, which are not accounted for in another fund. The modified accrual basis of accounting is used in the General Fund. That is, expenditures are recorded at the time liabilities 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 2022 are \$5,099,510. 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 75.7% of the revenue, charges for current services are 10.2%, license fees and permits are 9.9%, intergovernmental revenues are 3.1%, court fines are 0.5% and miscellaneous revenues are 0.6%. The graph below illustrates the projected revenue by type.



The 2022 General Fund budget of \$5,239,510 is a 0.5% increase over the City's 2021 budget. Public Safety and General Government expenditures represent the largest expenditure areas with 48% and 23% respectively, while Park & Recreation represents 15% and Public Works represents 14%. 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
11.1 Cents**

**Public Safety
36.5 Cents**

**Public Works
11.1 Cents**

**General Government
17.5 Cents**



**Economic Development and Capital
8.3 Cents**

A \$384,600 home generates \$1,014 in annual property taxes:
This comes to \$84.50 per month for 2022.

What could you purchase for \$84.50 a month?

ONE OF THESE...

- One month at a gym
- One hardback book
- One month of cable service
- 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
- 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
\$384,600 Homestead in 2022**

Cost of City Services Pay 2022 Property Tax Support for \$384,600 Homestead				
City Service Category	Actual	Percent of Levy	Amount of Levy	Monthly Cost
General Government Mayor/Council, Administration, Communications, Elections, Auditor, Assessor, Legal, Planning	\$1,205,820	20.8%	\$211	\$17.54
Public Safety Building Inspection/Code Enforcement, Court, Police Contract, Fire, Ambulance, Human Services, Animal Control	\$2,510,670	43.2%	\$438	\$36.53
Public Works Engineering, Streets, Street Lighting, City Buildings	\$759,040	13.1%	\$133	\$11.04
Parks	\$529,240	9.1%	\$92	\$7.70
Recreation	\$234,740	4.0%	\$41	\$3.42
EDA	\$100,000	1.7%	\$17	\$1.45
Capital	\$470,000	8.1%	\$82	\$6.84
Totals	\$5,809,510	100.0%	\$1,014	\$85

GENERAL FUND	2019 Actual	2020 Actual	11/30/2021 YTD	2021 Budget	2022 Budget	\$ Increase (Decrease)	% Increase (Decrease)
REVENUES							
Taxes	\$ 3,375,624	\$ 3,629,818	\$ 3,608,578	\$ 3,715,930	\$ 3,858,370	\$ 142,440	3.8%
Special assessments	772	4,759	2,257	1,060	1,510	450	42.5%
Licenses and permits	714,530	431,628	724,357	594,510	504,800	(89,710)	-15.1%
Intergovernmental	162,041	629,432	96,895	147,730	158,250	10,520	7.1%
Charges for services	575,119	356,626	527,065	599,650	519,510	(80,140)	-13.4%
Fines & forfeits	34,512	13,581	12,465	27,650	23,750	(3,900)	-14.1%
Investment earnings	119,231	101,743	(24,100)	18,600	19,500	900	4.8%
Miscellaneous	23,073	61,955	2,384	17,130	13,820	(3,310)	-19.3%
TOTAL REVENUES	\$ 5,004,904	\$ 5,229,541	\$ 4,949,900	\$ 5,122,260	\$ 5,099,510	\$ (22,750)	-0.4%
EXPENDITURES							
Mayor & council	\$ 66,988	\$ 65,219	\$ 66,390	\$ 73,960	\$ 55,070	\$ (18,890)	-25.5%
Administration	318,670	314,912	304,895	371,920	401,070	29,150	7.8%
Elections	23,777	25,443	24,773	31,850	32,350	500	1.6%
Finance	155,637	144,397	182,571	185,900	184,220	(1,680)	-0.9%
TCAAP	96,152	42,707	23,798	85,130	87,260	2,130	2.5%
Planning & Zoning	200,771	154,972	184,808	230,130	242,010	11,880	5.2%
Government Buildings	196,279	179,674	163,481	197,030	203,840	6,810	3.5%
Police	1,356,029	1,427,395	1,272,850	1,390,240	1,396,130	5,890	0.4%
Dispatch	51,369	45,578	45,236	55,800	61,810	6,010	10.8%
Fire	573,680	620,986	656,401	656,400	696,670	40,270	6.1%
Emergency Management	5,659	6,308	5,237	5,790	6,200	410	7.1%
Protective Inspections	412,558	335,502	378,294	347,980	349,860	1,880	0.5%
Street Maintenance	632,530	675,740	510,480	755,540	759,040	3,500	0.5%
Recreation	284,893	168,895	129,047	262,730	234,740	(27,990)	-10.7%
Park Maintenance	394,694	378,893	413,006	562,580	529,240	(33,340)	-5.9%
Transfers out	360,000	478,000	548,000	-	-	-	N/A
TOTAL EXPENDITURES	\$ 5,129,687	\$ 5,064,623	\$ 4,909,265	\$ 5,212,980	\$ 5,239,510	\$ 26,530	0.5%
NET CHANGE IN FUND BALANCE	\$ (124,783)	\$ 164,918	\$ 40,635	\$ (90,720)	\$ (140,000)	\$ (49,280)	54.3%

2022 BUDGET - GENERAL FUND - SCHEDULE OF EXPENDITURES - DETAIL BY FUNCTION

	2019 Actual	2020 Actual	2021 Budget	2022 Proposed	\$ Increase (Decrease)	% Increase (Decrease)
Mayor & council						
Personnel Expenses	\$ 37,203	\$ 37,208	\$ 37,220	\$ 37,220	\$ -	0.0%
Supplies and Materials	-	108	150	150	-	0.0%
Other Services and Charges	29,785	27,903	36,590	17,700	(18,890)	-51.6%
	\$ 66,988	\$ 65,219	\$ 73,960	\$ 55,070	\$ (18,890)	-25.5%
Administration						
Personnel Expenses	\$ 194,459	\$ 211,484	\$ 234,470	\$ 246,340	\$ 11,870	5.1%
Supplies and Materials	389	180	650	650	-	0.0%
Other Services and Charges	123,822	103,248	136,800	154,080	17,280	12.6%
	\$ 318,670	\$ 314,912	\$ 371,920	\$ 401,070	\$ 29,150	7.8%
Elections						
Supplies and Materials	\$ -	\$ 758	\$ -	\$ -	\$ -	0.0%
Other Services and Charges	23,777	24,685	31,850	32,350	500	1.6%
	\$ 23,777	\$ 25,443	\$ 31,850	\$ 32,350	\$ 500	1.6%
Finance						
Personnel Expenses	\$ 52,839	\$ 58,488	\$ 68,420	\$ 73,370	\$ 4,950	7.2%
Supplies and Materials	12,816	8,170	20,500	18,000	(2,500)	-12.2%
Other Services and Charges	89,982	77,738	96,980	92,850	(4,130)	-4.3%
	\$ 155,637	\$ 144,397	\$ 185,900	\$ 184,220	\$ (1,680)	-0.9%
TCAAP						
Personnel Expenses	\$ 29,444	\$ 36,316	\$ 34,130	\$ 36,260	\$ 2,130	6.2%
Supplies and Materials	-	-	-	-	-	0.0%
Other Services and Charges	66,709	6,391	51,000	51,000	-	0.0%
	\$ 96,152	\$ 42,707	\$ 85,130	\$ 87,260	\$ 2,130	2.5%
Planning & Zoning						
Personnel Expenses	\$ 128,979	\$ 136,151	\$ 166,900	\$ 200,230	\$ 33,330	20.0%
Supplies and Materials	-	24	-	-	-	0.0%
Other Services and Charges	71,792	18,797	63,230	41,780	(21,450)	-33.9%
	\$ 200,771	\$ 154,972	\$ 230,130	\$ 242,010	\$ 11,880	5.2%
Government Buildings						
Personnel Expenses	\$ 42,037	\$ 34,927	\$ 31,750	\$ 34,000	\$ 2,250	7.1%
Supplies and Materials	10,828	4,347	9,500	9,500	-	0.0%
Other Services and Charges	143,414	140,401	155,780	160,340	4,560	2.9%
	\$ 196,279	\$ 179,674	\$ 197,030	\$ 203,840	\$ 6,810	3.5%
Police						
Other Services and Charges	\$ 1,356,029	\$ 1,427,395	\$ 1,390,240	\$ 1,396,130	\$ 5,890	0.4%
	\$ 1,356,029	\$ 1,427,395	\$ 1,390,240	\$ 1,396,130	\$ 5,890	0.4%
Dispatch						
Other Services and Charges	\$ 51,369	\$ 45,578	\$ 55,800	\$ 61,810	\$ 6,010	10.8%
	\$ 51,369	\$ 45,578	\$ 55,800	\$ 61,810	\$ 6,010	10.8%
Fire						
Other Services and Charges	\$ 573,680	\$ 620,986	\$ 656,400	\$ 696,670	\$ 40,270	6.1%
	\$ 573,680	\$ 620,986	\$ 656,400	\$ 696,670	\$ 40,270	6.1%
Emergency Management						
Personnel Expenses	\$ 4,768	\$ 5,009	\$ 4,840	\$ 5,200	\$ 360	7.4%
Supplies and Materials	-	-	-	-	-	0.0%
Other Services and Charges	891	1,299	950	1,000	50	5.3%
	\$ 5,659	\$ 6,308	\$ 5,790	\$ 6,200	\$ 410	7.1%
Protective Inspections						
Personnel Expenses	\$ 226,861	\$ 265,191	\$ 281,460	\$ 283,960	\$ 2,500	0.9%
Supplies and Materials	415	2,065	1,000	1,000	-	0.0%
Other Services and Charges	185,283	68,247	65,520	64,900	(620)	-0.9%
	\$ 412,558	\$ 335,502	\$ 347,980	\$ 349,860	\$ 1,880	0.5%
Street Maintenance						
Personnel Expenses	\$ 267,797	\$ 269,671	\$ 303,480	\$ 319,070	\$ 15,590	5.1%
Supplies and Materials	57,623	33,903	50,000	50,000	-	0.0%
Other Services and Charges	307,111	372,166	402,060	389,970	(12,090)	-3.0%
	\$ 632,530	\$ 675,740	\$ 755,540	\$ 759,040	\$ 3,500	0.5%
Recreation						
Personnel Expenses	\$ 208,158	\$ 153,774	\$ 178,660	\$ 150,490	\$ (28,170)	-15.8%
Supplies and Materials	18,785	1,314	24,250	24,250	-	0.0%
Other Services and Charges	57,950	13,807	59,820	60,000	180	0.3%
	\$ 284,893	\$ 168,895	\$ 262,730	\$ 234,740	\$ (27,990)	-10.7%
Park Maintenance						
Personnel Expenses	\$ 241,972	\$ 259,311	\$ 371,370	\$ 338,180	\$ (33,190)	-8.9%
Supplies and Materials	35,151	23,786	37,600	37,600	-	0.0%
Other Services and Charges	117,571	95,795	153,610	153,460	(150)	-0.1%
	\$ 394,694	\$ 378,893	\$ 562,580	\$ 529,240	\$ (33,340)	-5.9%
Transfers Out	\$ 360,000	\$ 478,000	\$ -	\$ -	\$ -	0.0%
TOTAL EXPENDITURES	<u>\$ 5,129,687</u>	<u>\$ 5,064,623</u>	<u>\$ 5,212,980</u>	<u>\$ 5,239,510</u>	<u>\$ 26,530</u>	<u>0.5%</u>

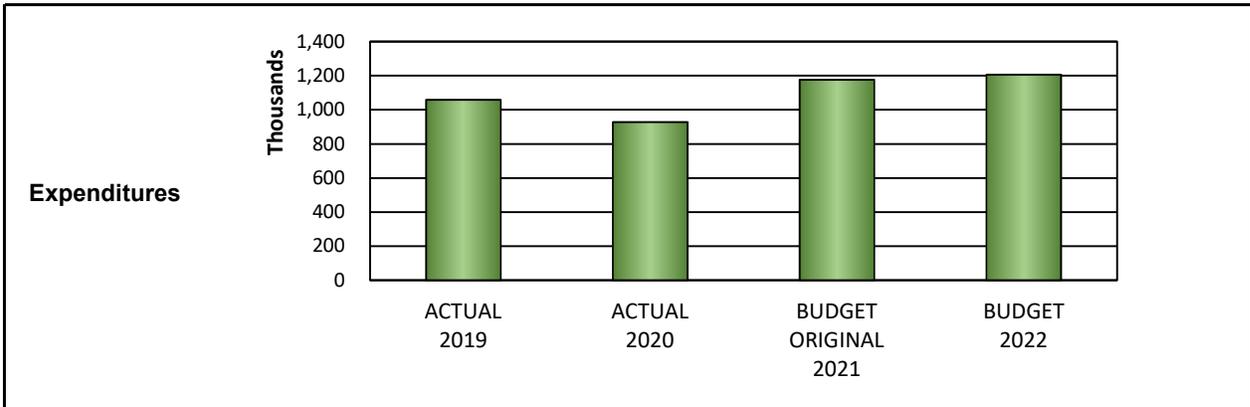
CITY OF ARDEN HILLS, MINNESOTA
GENERAL GOVERNMENT SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2019 ACTUAL	2020 ACTUAL	2021 ORIGINAL BUDGET	2022 BUDGET	PERCENT OVER(UNDER) 2021 BUDGET
City Council	\$ 66,988	\$ 65,219	\$ 73,960	\$ 55,070	-25.5%
City Administration	318,670	314,912	371,920	401,070	7.8%
Elections	23,777	25,443	31,850	32,350	1.6%
Finance	155,637	144,397	185,900	184,220	-0.9%
TCAAP	96,152	42,707	85,130	87,260	2.5%
Planning & Zoning	200,771	154,972	230,130	242,010	5.2%
Government Buildings	196,279	179,674	197,030	203,840	3.5%
Totals	1,058,274	927,325	1,175,920	1,205,820	2.5%

Total By Classification	2019 ACTUAL	2020 ACTUAL	2021 ORIGINAL BUDGET	2022 BUDGET	PERCENT OVER(UNDER) 2021 BUDGET
Personnel Services	484,961	514,575	572,890	627,420	9.5%
Commodities	24,033	13,586	30,800	28,300	-8.1%
Contractual Services	549,280	399,163	572,230	550,100	-3.9%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	1,058,274	927,325	1,175,920	1,205,820	2.5%

Staffing

Full-time equivalents	2019	2020	2021	2022
	4.14	4.52	4.80	4.91



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 and memberships. When applicable, 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

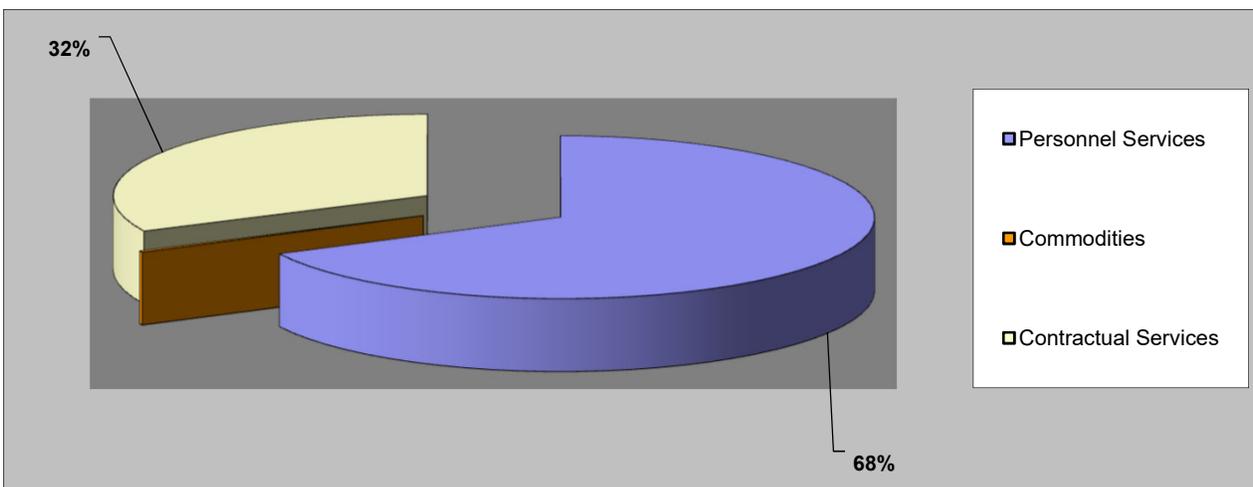
Creating funding sources to build reserve balances to fund future capital improvements while maintaining current City services.

Budget Commentary

In 2022, the Mayor and Council budget is proposed to decrease by 25.5% or \$18,890. The budget for NYFS is being eliminated.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 37,203	\$ 37,208	\$ 37,220	\$ 37,220
Commodities	-	108	150	150
Contractual Services	29,785	27,903	36,590	17,700
Total	\$ 66,988	\$ 65,219	\$ 73,960	\$ 55,070
Percent Change		(-2.6%)	13.4%	(-25.5%)
NYFS amount included above	16,282	17,389	18,590	-

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 evaluations and long-range planning.

Issues

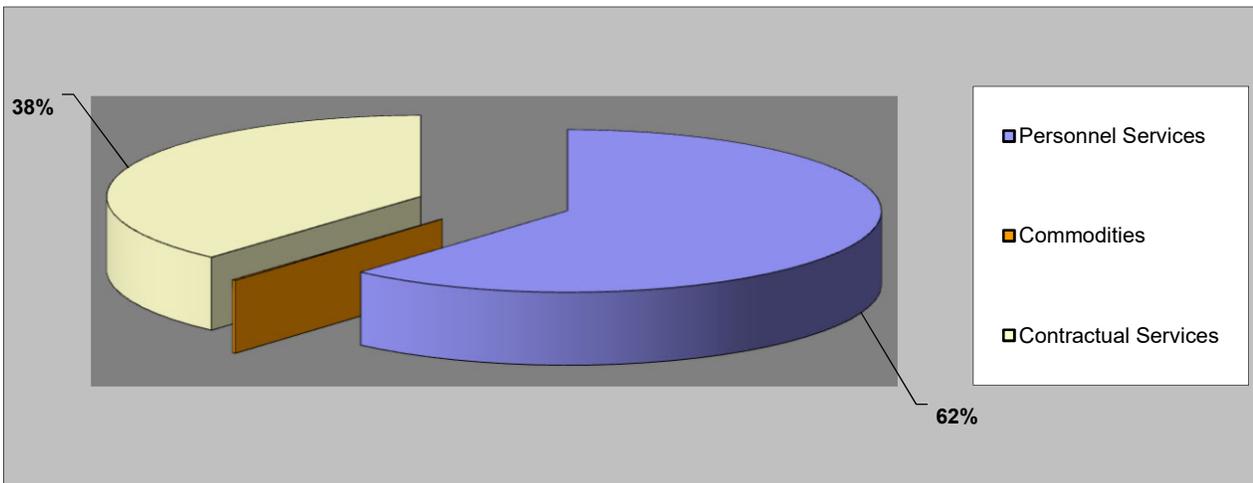
1. Long-range planning to maintain current City services while creating funding sources for reserves.
2. Long-range comprehensive TCAAP planning.

Budget Commentary

The 2022 Administration budget is increasing by 7.8% over 2021. The increase in personnel services is partly due to an increase in fte allocations. The increase in contractual services is mainly due to an increase in property insurance.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 194,459	\$ 211,484	\$ 234,470	\$ 246,340
Commodities	389	180	650	650
Contractual Services	123,822	103,248	136,800	154,080
Total	\$ 318,670	\$ 314,912	\$ 371,920	\$ 401,070
Percent Change		(-1.2%)	18.1%	7.8%
Full-Time Equivalent positions	1.73	1.93	1.99	2.08

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

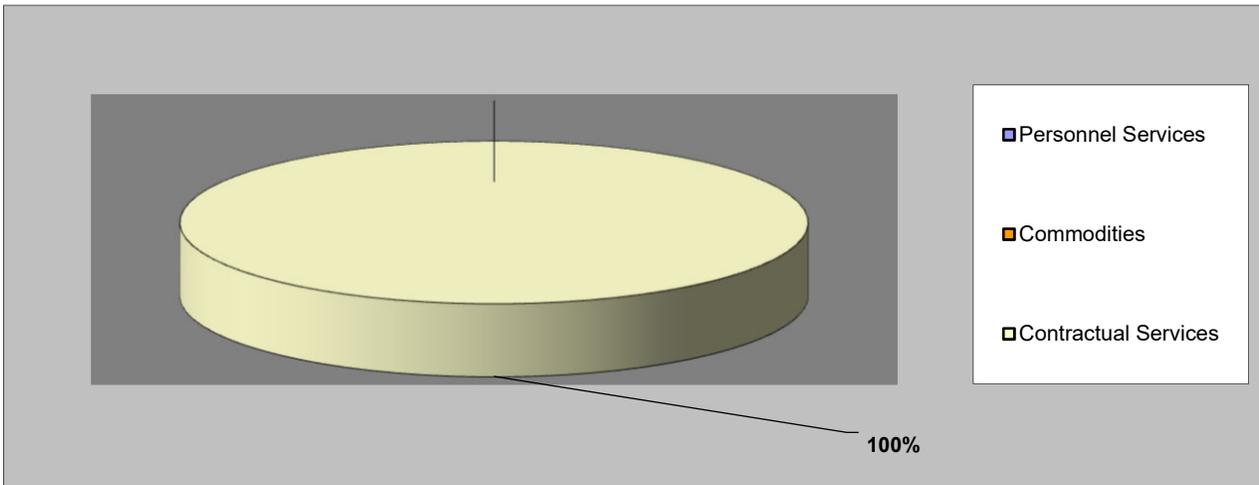
Stay current on election laws.

Budget Commentary

The Elections budget has a 1.6% increase for FY22.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	758	-	-
Contractual Services	23,777	24,685	31,850	32,350
Total	\$ 23,777	\$ 25,443	\$ 31,850	\$ 32,350
Percent Change		7.0%	25.2%	1.6%

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

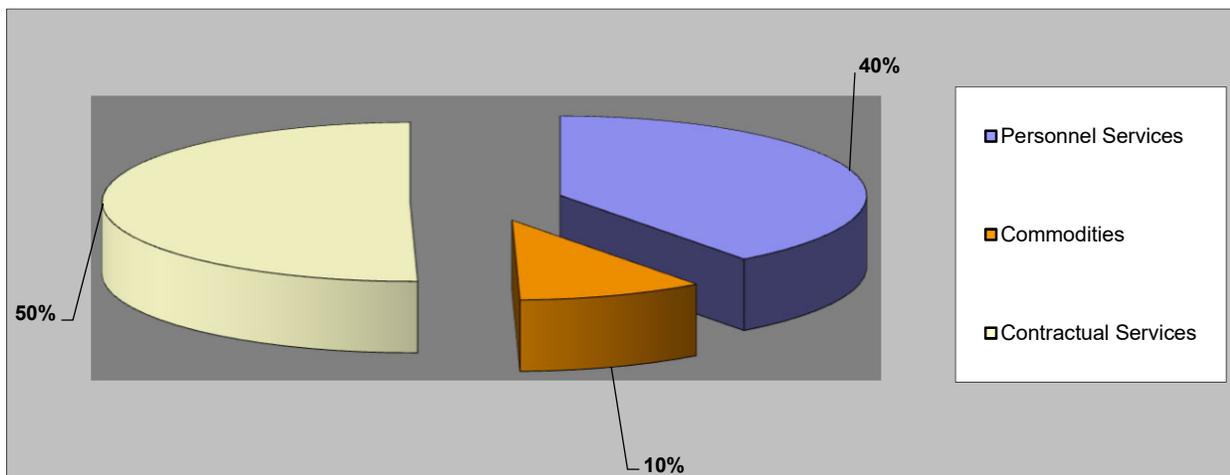
1. Implement improved reporting procedures to inform Council, Commissions and Departments.
2. Work with other Departments to find ways to reduce costs of City operations.
3. Analyze and implement ways to reduce transaction processing and costs.

Budget Commentary

This budget decreased by 0.9% in 2022, or \$1,680.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 52,839	\$ 58,488	\$ 68,420	\$ 73,370
Commodities	12,816	8,170	20,500	18,000
Contractual Services	89,982	77,738	96,980	92,850
Total	<u>\$ 155,637</u>	<u>\$ 144,397</u>	<u>\$ 185,900</u>	<u>\$ 184,220</u>
Percent Change		(-7.2%)	28.7%	(-0.9%)
Full-Time Equivalent positions	<u>0.49</u>	<u>0.52</u>	<u>0.57</u>	<u>0.59</u>

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

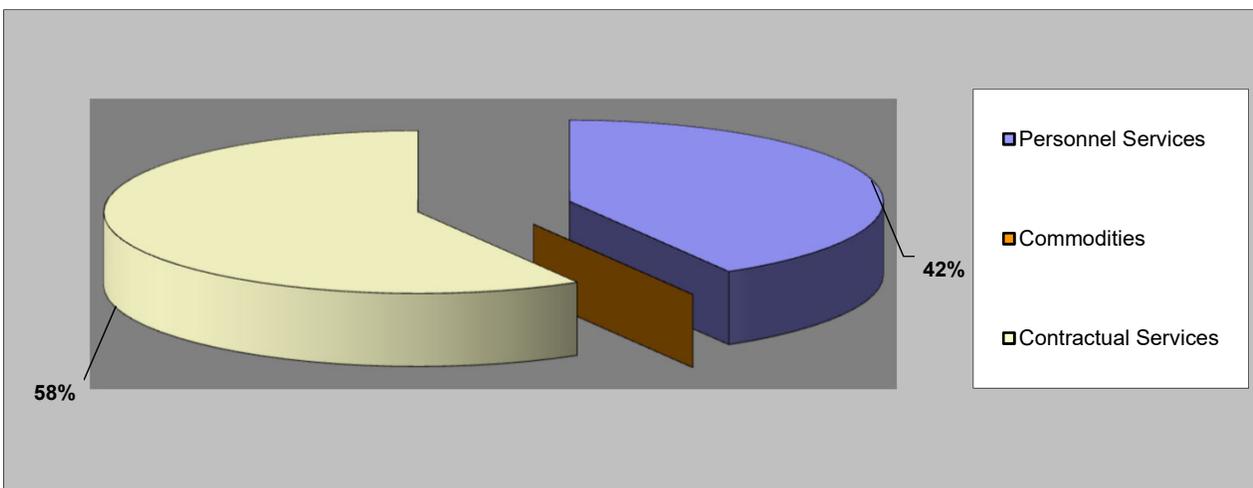
1. Economic conditions.
2. Coordinating with multiple entities/players.

Budget Commentary

Ramsey County purchased the property and established a Joint Development Authority (JDA) with the City. Placeholders for consultant costs have been included, and staff time has been allocated for the City Administration, Community Development, and Public Works as they act as the City's support staff to this Authority. The 2022 budget shows an increase of 2.5% due to an increase in personnel costs.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 29,444	\$ 36,316	\$ 34,130	\$ 36,260
Commodities	-	-	-	-
Contractual Services	66,709	6,391	51,000	51,000
Total	\$ 96,152	\$ 42,707	\$ 85,130	\$ 87,260
Percent Change		(-55.6%)	99.3%	2.5%
Full-Time Equivalent positions	0.22	0.28	0.23	0.23

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

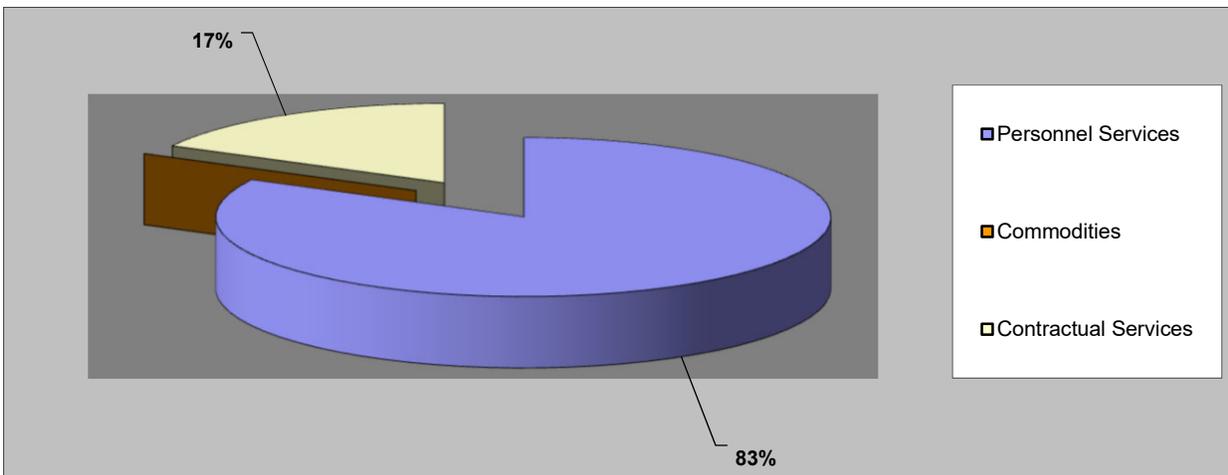
1. Rental Housing registrations.
2. Refine Building Permit process.
3. Research and refine an Administrative Fines process.

Budget Commentary

The budget for 2022 is an increase of 5.2% over the 2021 budget. The two positions for this program have different titles and are at different grade levels compared to last year.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 128,979	\$ 136,151	\$ 166,900	\$ 200,230
Commodities	-	24	-	-
Contractual Services	71,792	18,797	63,230	41,780
Total	\$ 200,771	\$ 154,972	\$ 230,130	\$ 242,010
Percent Change		(-22.8%)	48.5%	5.2%
 Full-Time Equivalent positions	 1.34	 1.49	 1.73	 1.73

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. 45% of 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

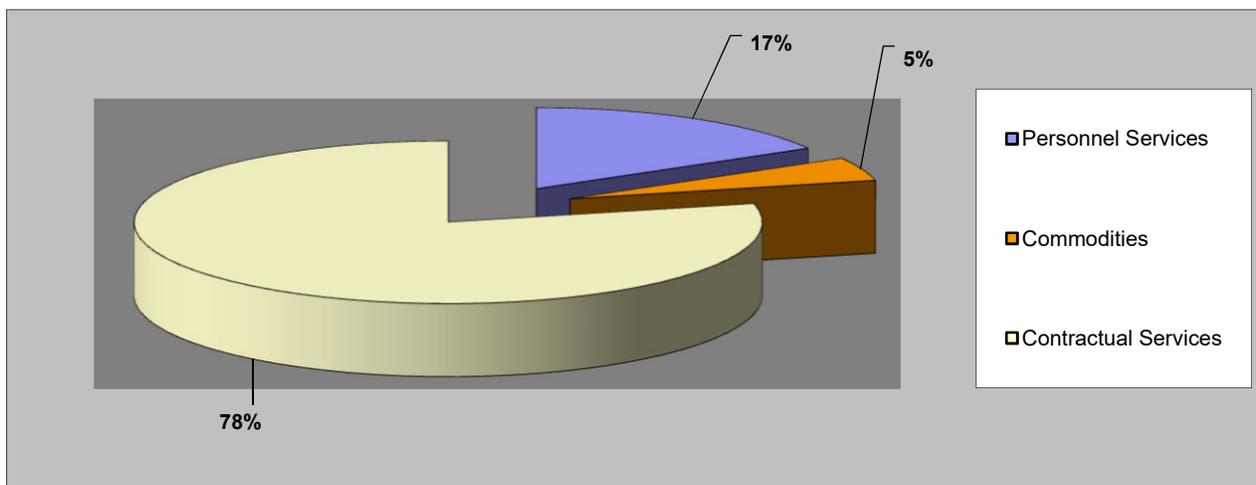
Normal maintenance and repair issues as the building (City Hall) has now been in operation since 2002.

Budget Commentary

The 2022 budget is an increase of 3.5% from the previous year's budget mainly due to an increase for trash removal at the Public Works maintenance facility.

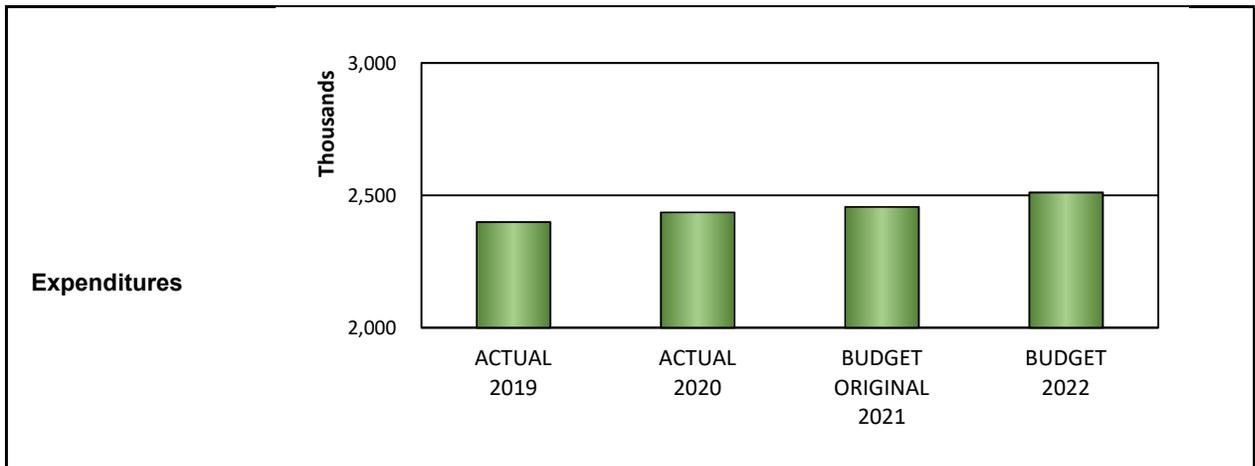
<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 42,037	\$ 34,927	\$ 31,750	\$ 34,000
Commodities	10,828	4,347	9,500	9,500
Contractual Services	143,414	140,401	155,780	160,340
Total	\$ 196,279	\$ 179,674	\$ 197,030	\$ 203,840
Percent Change		(-8.5%)	9.7%	3.5%
Full-Time Equivalent positions	0.35	0.31	0.28	0.28

Expenditures by Classification



CITY OF ARDEN HILLS, MINNESOTA
PUBLIC SAFETY SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2019 ACTUAL	2020 ACTUAL	2021 ORIGINAL BUDGET	2022 BUDGET	PERCENT OVER(UNDER) 2021 BUDGET
Police	\$ 1,356,029	\$ 1,427,395	\$ 1,390,240	\$ 1,396,130	0.4%
Dispatch	51,369	45,578	55,800	61,810	10.8%
Fire	573,680	620,986	656,400	696,670	6.1%
Emergency Management	5,659	6,308	5,790	6,200	7.1%
Protective Inspections	412,558	335,502	347,980	349,860	0.5%
Totals	2,399,295	2,435,771	2,456,210	2,510,670	2.2%
Total By Classification					
Personnel Services	231,629	270,200	286,300	289,160	1.0%
Commodities	415	2,065	1,000	1,000	0.0%
Contractual Services	2,167,251	2,163,506	2,168,910	2,220,510	2.4%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	2,399,295	2,435,771	2,456,210	2,510,670	2.2%
Staffing					
Full-time equivalents	2.34	2.66	2.79	2.79	



Function: Public Safety **Fund # :** 101
Activity: Police **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

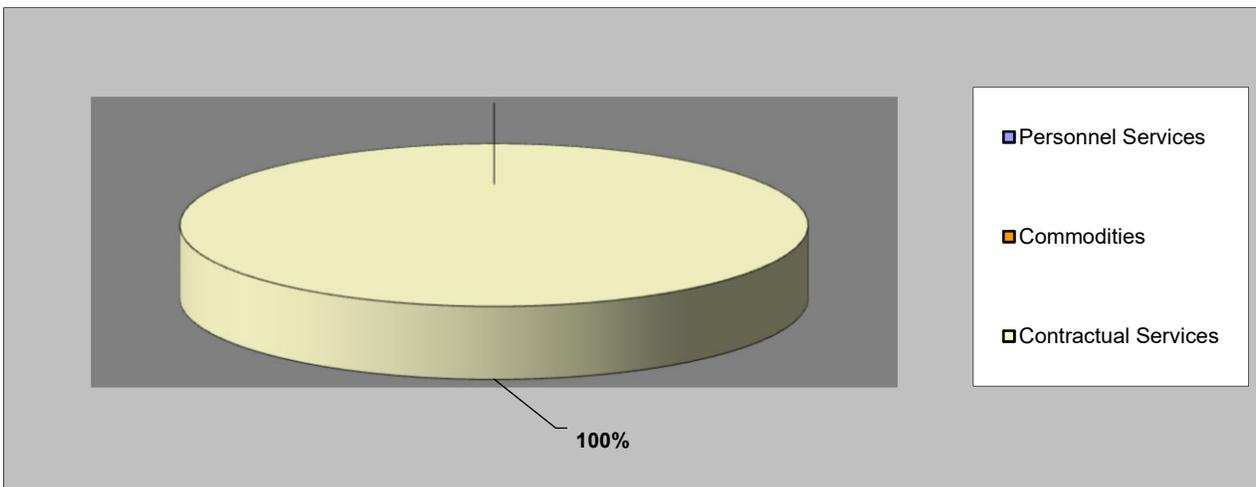
1. Resident concerns over police coverage and visibility.
2. Response times.

Budget Commentary

Arden Hills' portion of the Ramsey County Sheriff's Contracting Communities 2022 budget increased 0.4% over 2021. Animal control costs and boarding are included within this budget.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	1,356,029	1,427,395	1,390,240	1,396,130
Total	\$ 1,356,029	\$ 1,427,395	\$ 1,390,240	\$ 1,396,130
Percent Change		5.3%	(-2.6%)	0.4%

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

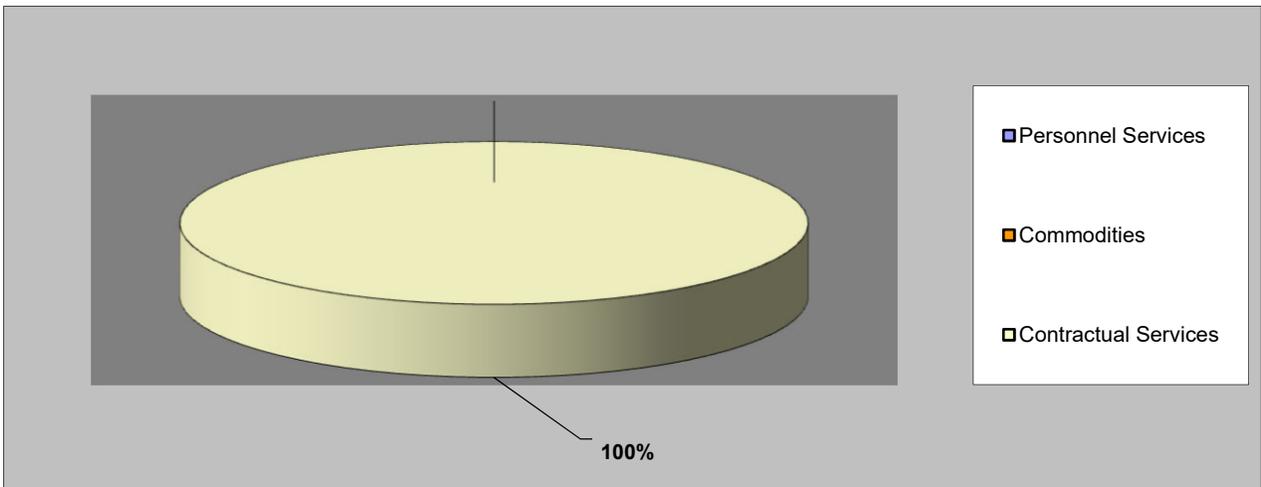
Continue to maintain service levels at a reasonable cost.

Budget Commentary

Arden Hills' portion of the Ramsey County 911 Dispatch Department operation budget increased by 10.8%.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	51,369	45,578	55,800	61,810
Total	\$ 51,369	\$ 45,578	\$ 55,800	\$ 61,810
Percent Change		(-11.3%)	22.4%	10.8%

Expenditures by Classification



Function: Public Safety
Activity: Fire

Fund # : 101
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

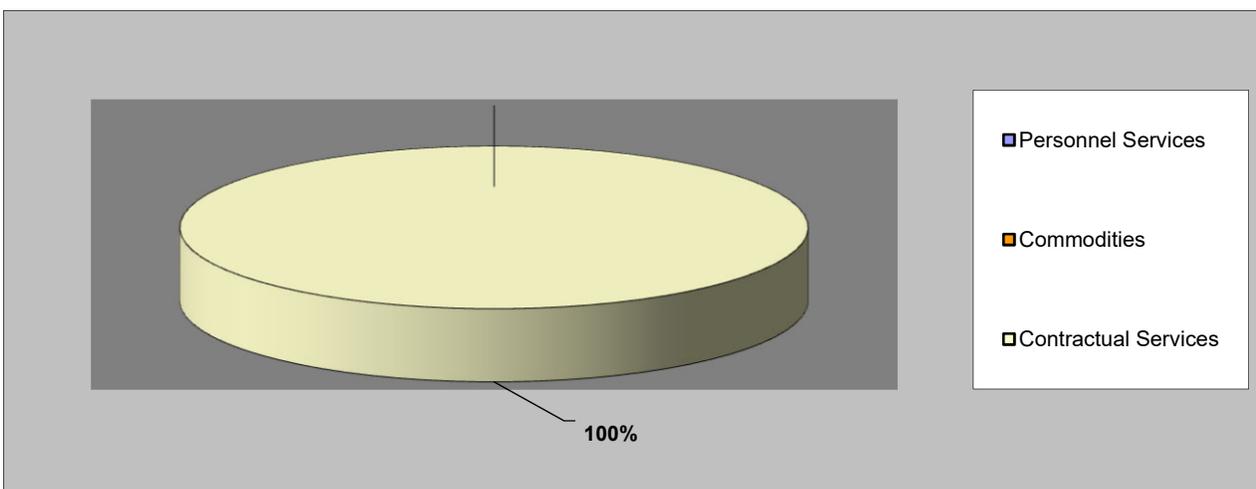
Continue to maintain service levels at a reasonable cost.

Budget Commentary

Arden Hills' portion of the Lake Johanna Fire Department operating budget increased 6.1%. This budget reflects increases to operating costs.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	573,680	620,986	656,400	696,670
Total	\$ 573,680	\$ 620,986	\$ 656,400	\$ 696,670
Percent Change		8.2%	5.7%	6.1%

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

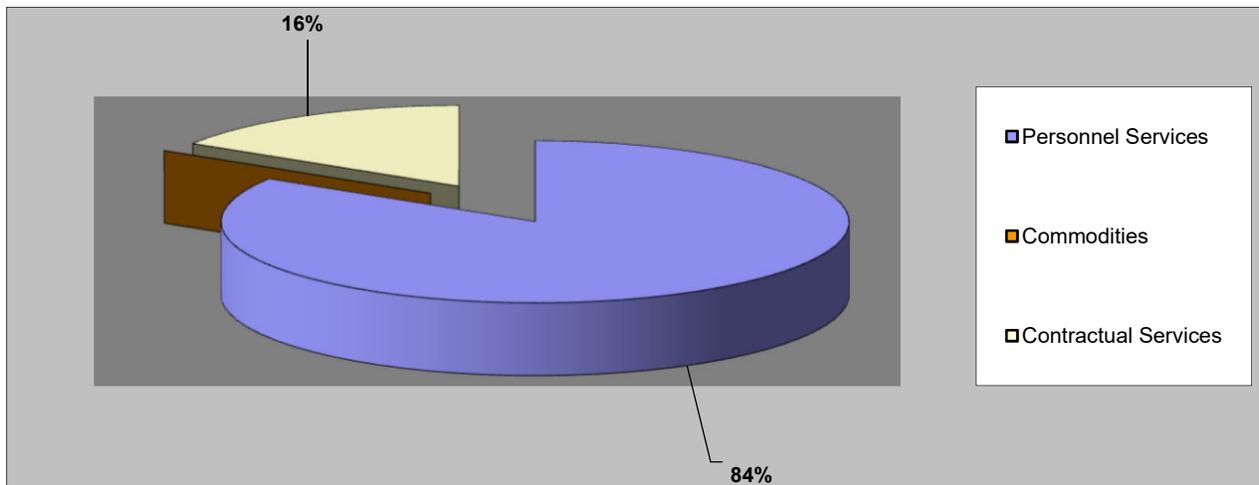
Coordinate with Ramsey County's emergency response procedures and policies.

Budget Commentary

The 2022 budget is an increase of 7.1% from the 2021 budget or \$410.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 4,768	\$ 5,009	\$ 4,840	\$ 5,200
Commodities	-	-	-	-
Contractual Services	891	1,299	950	1,000
Total	\$ 5,659	\$ 6,308	\$ 5,790	\$ 6,200
Percent Change		11.5%	(-8.2%)	7.1%
Full-Time Equivalent positions	0.02	0.02	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 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

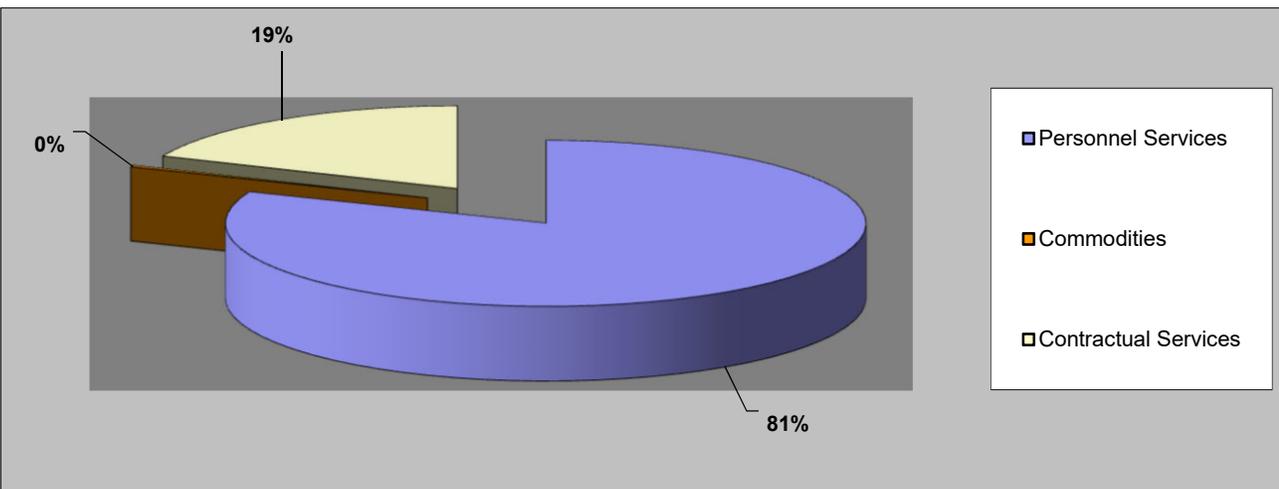
1. Managing and prioritizing department workloads.
2. Keep up with rental license inspections of investor owned residential properties.
3. Continue implementation and design of new Building Permit software and reports.

Budget Commentary

The 2022 operating budget is an increase of 0.5% from the previous year's budget mainly due to step, COLA and insurance benefit increases.

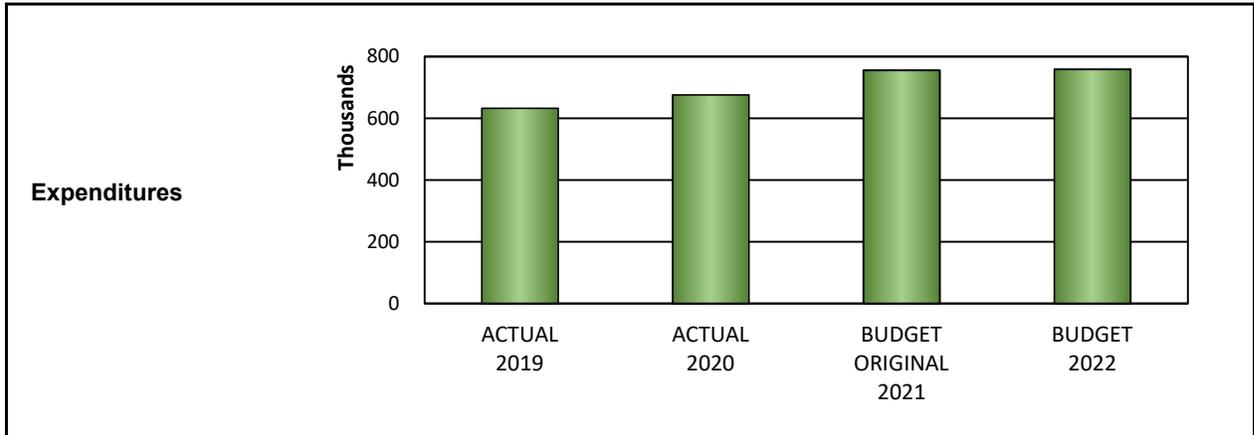
<u>Budget Summary</u>	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>BUDGET</u>	2022 <u>BUDGET</u>
Personnel Services	\$ 226,861	\$ 265,191	\$ 281,460	\$ 283,960
Commodities	415	2,065	1,000	1,000
Contractual Services	185,283	68,247	65,520	64,900
Total	\$ 412,558	\$ 335,502	\$ 347,980	\$ 349,860
Percent Change		(-18.7%)	3.7%	0.5%
 Full-Time Equivalent positions	 2.32	 2.64	 2.77	 2.77

Expenditures by Classification



CITY OF ARDEN HILLS, MINNESOTA
PUBLIC WORKS SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2019 ACTUAL	2020 ACTUAL	2021 ORIGINAL BUDGET	2022 BUDGET	PERCENT OVER(UNDER) 2021 BUDGET
Streets	\$ 632,530	\$ 675,740	\$ 755,540	\$ 759,040	0.5%
Totals	632,530	675,740	755,540	759,040	0.5%
Total By Classification					
Personnel Services	267,797	269,671	303,480	319,070	5.1%
Commodities	57,623	33,903	50,000	50,000	0.0%
Contractual Services	307,111	372,166	402,060	389,970	-3.0%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	632,530	675,740	755,540	759,040	0.5%
Staffing					
Full-time equivalents	2.04	2.22	2.37	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

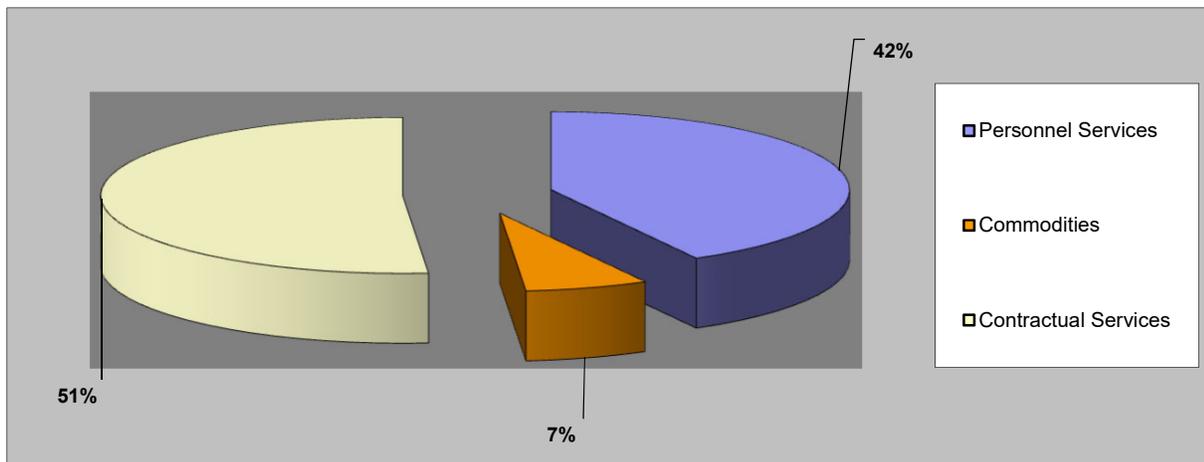
1. Implement a capital improvement program for City infrastructure.
2. Balance the public works department needs with available funds.
3. Aging equipment.
4. Increased safety regulation for equipment and vehicles.

Budget Commentary

The 2022 operating budget is an increase of \$3,500 from the previous year’s budget. Personnel service increases are due to step, COLA, insurance benefit increases and upgrading the position of Senior Engineering Technician to Assistant Public Works Director. Adjustments were made to contractual services based on historical analysis.

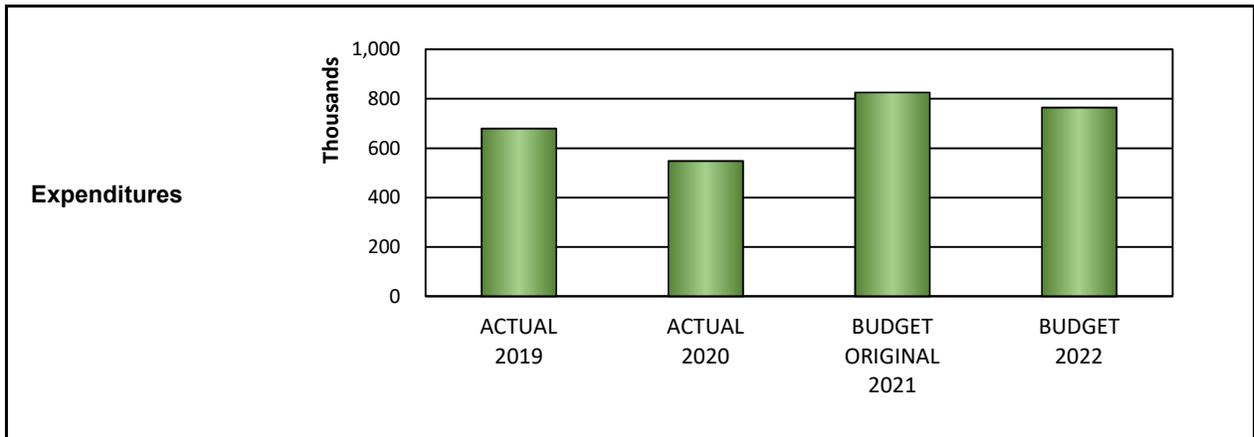
<u>Budget Summary</u>	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>BUDGET</u>	2022 <u>BUDGET</u>
Personnel Services	\$ 267,797	\$ 269,671	\$ 303,480	\$ 319,070
Commodities	57,623	33,903	50,000	50,000
Contractual Services	307,111	372,166	402,060	389,970
Total	\$ 632,530	\$ 675,740	\$ 755,540	\$ 759,040
Percent Change		6.8%	11.8%	0.5%
Full-Time Equivalent positions	<u>2.04</u>	<u>2.22</u>	<u>2.37</u>	<u>2.37</u>

Expenditures by Classification



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

Total By Program	2019 ACTUAL	2020 ACTUAL	2021 ORIGINAL BUDGET	2022 BUDGET	PERCENT OVER(UNDER) 2021 BUDGET
Recreation	\$ 284,893	\$ 168,895	\$ 262,730	\$ 234,740	-10.7%
Parks	394,694	378,893	562,580	529,240	-5.9%
Totals	679,587	547,788	825,310	763,980	-7.4%
Total By Classification					
Personnel Services	450,130	413,085	550,030	488,670	-11.2%
Commodities	53,937	25,100	61,850	61,850	0.0%
Contractual Services	175,521	109,603	213,430	213,460	0.0%
Capital Outlay	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	679,587	547,788	825,310	763,980	-7.4%
Staffing					
Full-time equivalents	4.77	4.56	5.35	4.35	



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

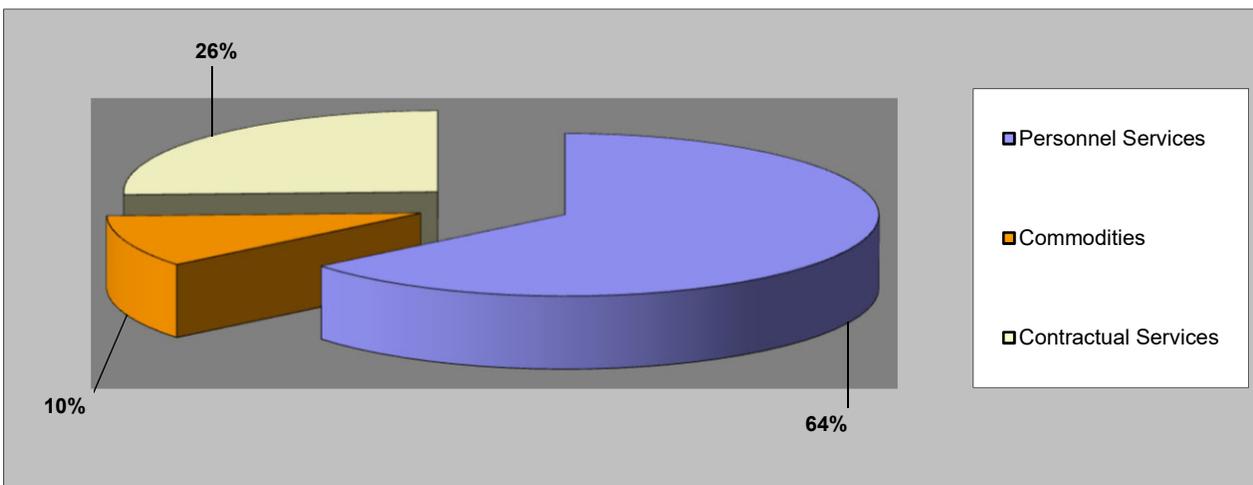
1. Develop senior programming.
2. Budget constraints.

Budget Commentary

The 2022 operating budget is a decrease of 10.7% from the previous year's budget. This is mainly due to the elimination of the Recreation Coordinator position. Commodities and contractual services were adjusted based on historical analysis.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 208,158	\$ 153,774	\$ 178,660	\$ 150,490
Commodities	18,785	1,314	24,250	24,250
Contractual Services	57,950	13,807	59,820	60,000
Total	\$ 284,893	\$ 168,895	\$ 262,730	\$ 234,740
Percent Change		(-40.7%)	55.6%	(-10.7%)
Full-Time Equivalent positions	2.39	1.96	1.72	1.27
% of costs covered by revenue	35.2%	3.5%	44.4%	44.2%

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

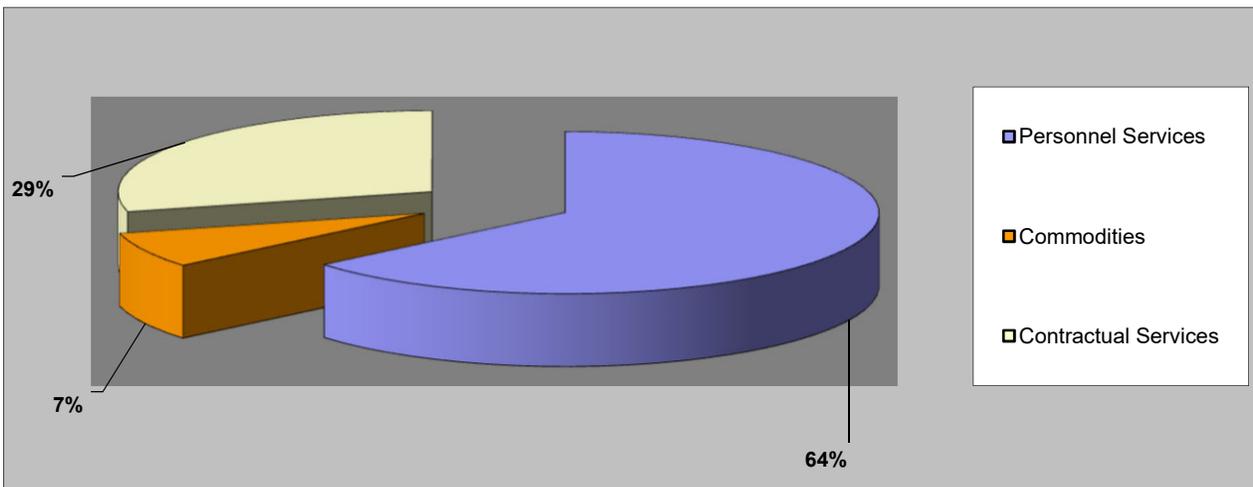
1. Other maintenance concerns coming up and not allowing completion of existing projects.
2. Budget constraints for future and existing projects.

Budget Commentary

The 2022 operating budget is a decrease of 5.9% from the previous year's budget. This is mainly due to the elimination of the Recreation Coordinator position.

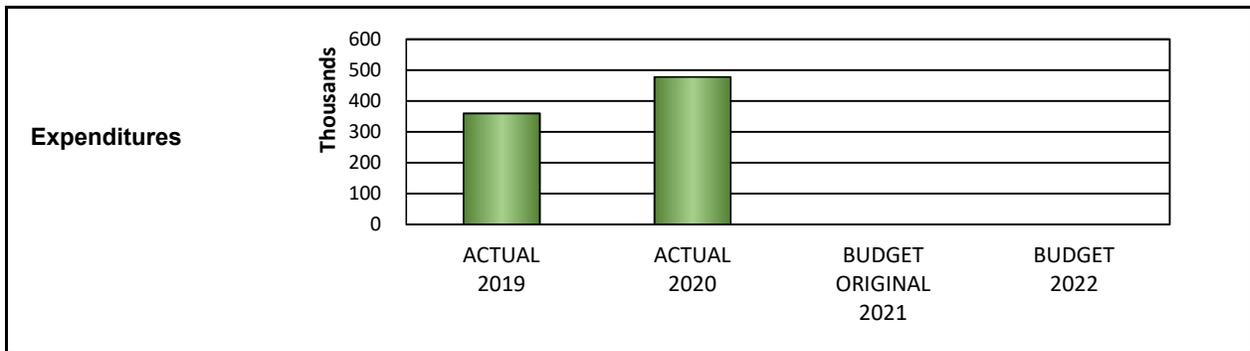
<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 241,972	\$ 259,311	\$ 371,370	\$ 338,180
Commodities	35,151	23,786	37,600	37,600
Contractual Services	117,571	95,795	153,610	153,460
Total	\$ 394,694	\$ 378,893	\$ 562,580	\$ 529,240
Percent Change		(-4.0%)	48.5%	(-5.9%)
Full-Time Equivalent positions	2.39	2.60	3.63	3.08

Expenditures by Classification



CITY OF ARDEN HILLS, MINNESOTA
MISCELLANEOUS SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2019 ACTUAL	2020 ACTUAL	2021 ORIGINAL BUDGET	2022 BUDGET	PERCENT OVER(UNDER) 2021 BUDGET
Unallocated	\$ 360,000	\$ 478,000	\$ -	\$ -	N/A
Totals	360,000	478,000	0	0	N/A
Total By Classification					
Personnel Services	-	-	-	-	N/A
Commodities	-	-	-	-	N/A
Contractual Services	-	-	-	-	N/A
Capital Outlay	-	-	-	-	N/A
Other Charges	360,000	478,000	-	-	N/A
Totals	360,000	478,000	0	0	N/A
Staffing					
Full-time equivalents	0.00	0.00	0.00	0.00	



Function: Unallocated **Fund # :** 101
Activity: Transfers **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

This budget is used to account for transfers out of the General Fund to other funds of the City. \$360,000 was transferred to the PIR Fund in 2019. \$137,000 was transferred to the PIR Fund and \$341,000 was transferred to the Public Safety Capital Fund in 2020.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Other Charges	360,000	478,000	-	-
Total	\$ 360,000	\$ 478,000	\$ -	\$ -
Percent Change		32.8%	(-100.0%)	0.0%

Expenditures by Classification

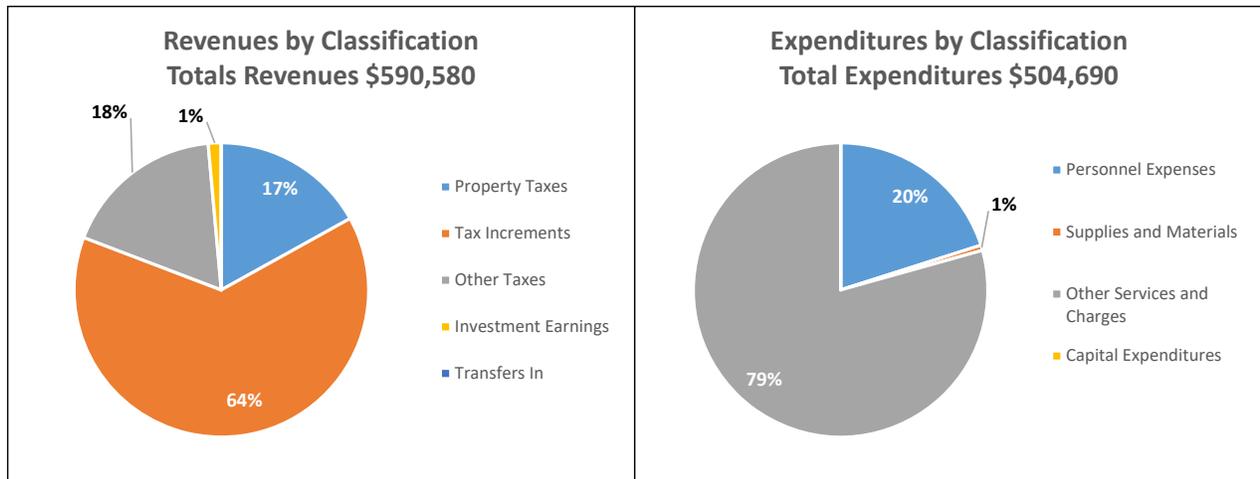




Special Revenue Funds Summary

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	2019 Actual	2020 Actual	2021 Budget	2022 Budget	2021 to 2022 Increase (Decrease)	2021 to 2022 Increase (Decrease)
REVENUES						
Karth Lake	\$ -	\$ -	\$ -	\$ 6,610	\$ 6,610	N/A
Cable TV Fund	108,064	105,063	97,500	98,840	1,340	1.4%
EDA General Activities Fund	137,709	117,969	103,400	102,850	(550)	-0.5%
EDA TIF Dist 3 Cottage Villas	129,293	(3,997)	4,800	3,600	(1,200)	-25.0%
EDA TIF Dist #4 Pres Homes	286,487	307,651	303,140	378,680	75,540	24.9%
TOTAL REVENUES	\$ 661,554	\$ 526,687	\$ 508,840	\$ 590,580	\$ 81,740	16.1%
EXPENDITURES						
Karth Lake	\$ -	\$ 13,222	\$ -	\$ -	\$ -	N/A
Cable TV Fund	222,236	137,359	124,980	128,940	3,960	3.2%
EDA General Activities Fund	65,706	75,519	148,730	87,170	(61,560)	-41.4%
EDA TIF Dist 3 Cottage Villas	1,570	1,850	1,800	1,900	100	5.6%
EDA TIF Dist #4 Pres Homes	214,075	228,469	228,480	284,780	56,300	24.6%
EDA TIF Dist #5	22,000	-	1,800	1,900	100	5.6%
TOTAL EXPENDITURES	\$ 525,587	\$ 456,419	\$ 505,790	\$ 504,690	\$ (1,100)	-0.2%
NET CHANGES IN FUND BALANCE	\$ 135,967	\$ 70,267	\$ 3,050	\$ 85,890	\$ 82,840	
FUND BALANCE JANUARY 1,	\$ 1,518,976	\$ 1,654,942	\$ 1,725,210	\$ 1,799,873		
FUND BALANCE DECEMBER 31	\$ 1,654,942	\$ 1,725,210	\$ 1,728,260	\$ 1,885,763		



	201	228	250	253	254	255	
	Karth Lake	Cable TV	EDA	TIF #3	TIF #4	TIF #5	Total
REVENUES							
Property Taxes	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Tax Increments	-	-	-	-	377,180	-	377,180
Other Taxes	6,610	98,340	-	-	-	-	104,950
Investment Earnings	-	500	2,850	3,600	1,500	-	8,450
Transfers In	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 6,610	\$ 98,840	\$ 102,850	\$ 3,600	\$ 378,680	\$ -	\$ 590,580
EXPENDITURES							
Personnel Expenses	\$ -	\$ 47,570	\$ 53,780	\$ -	\$ -	\$ -	\$ 101,350
Supplies and Materials	-	2,500	400	-	-	-	2,900
Other Services and Charges	-	78,870	32,990	1,900	284,780	1,900	400,440
Capital Expenditures	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 128,940	\$ 87,170	\$ 1,900	\$ 284,780	\$ 1,900	\$ 504,690
NET CHANGES IN FUND BALANCE	\$ 6,610	\$ (30,100)	\$ 15,680	\$ 1,700	\$ 93,900	\$ (1,900)	\$ 85,890
FUND BALANCE JANUARY 1,	(6,610)	88,890	642,363	794,392	304,638	(23,800)	1,799,873
FUND BALANCE DECEMBER 31	\$ -	\$ 58,790	\$ 658,043	\$ 796,092	\$ 398,538	\$ (25,700)	\$ 1,885,763

Function: General Government **Fund # :** 201
Activity: Karth Lake Taxing District **Activity # :** 48410

Activity Scope

This fund accounts for revenue sources, including taxes, that are restricted to finance capital and other improvements within the Karth Lake Improvement District.

Objectives

Controlling lake levels.

Issues

No funding mechanism in place to fund future projects. Costs identified here are charged back to the Karth Lake properties through a special taxing district.

Budget Commentary

The pump was replaced in 2020 with taxes being assessed to property owners in 2021 and 2022.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	-	13,222	-	-
Other Charges	-	-	-	-
Total	\$ -	\$ 13,222	\$ -	\$ -
Percent Change		100.0%	(-100.0%)	0.0%
Full-Time Equivalent positions	-	-	-	-

Expenditures by Classification



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

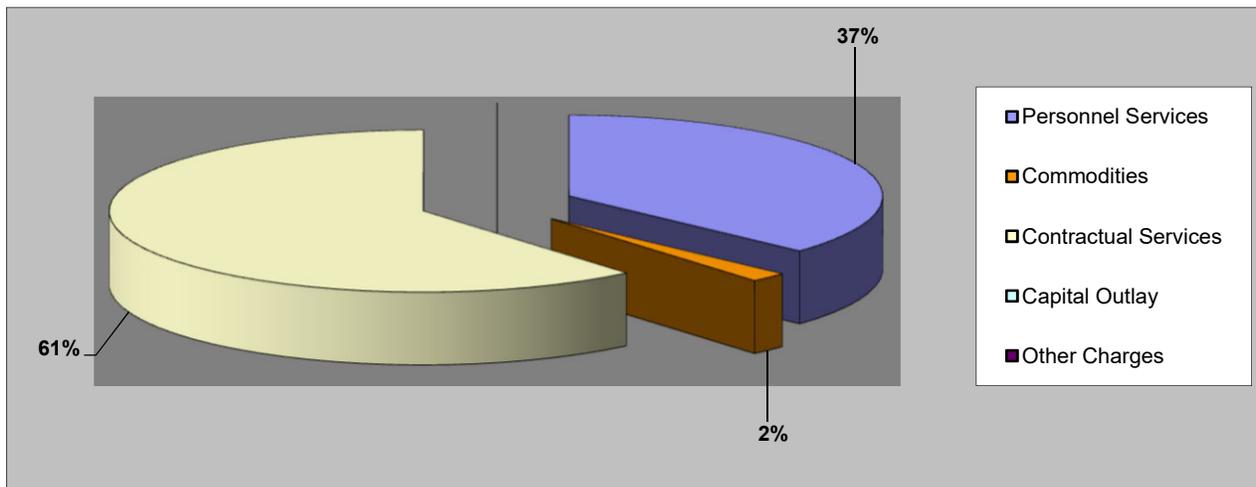
1. Workloads and budget constraints.
2. Maintaining equipment for Council meetings and televising.

Budget Commentary

The 2022 budget has increased overall by 3.2%. The 2019 Capital Outlay budget was used to update the audio/video equipment at City Hall. This is not a recurring cost.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 62,899	\$ 63,373	\$ 48,750	\$ 47,570
Commodities	983	4,745	2,500	2,500
Contractual Services	73,177	69,241	73,730	78,870
Capital Outlay	85,177	-	-	-
Other Charges	-	-	-	-
Total	\$ 222,236	\$ 137,359	\$ 124,980	\$ 128,940
Percent Change		(-38.2%)	(-9.0%)	3.2%
Full-Time Equivalent positions	0.66	0.64	0.46	0.46

Expenditures by Classification



Function: Economic Development
Activity: EDA General

Fund # : 250
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

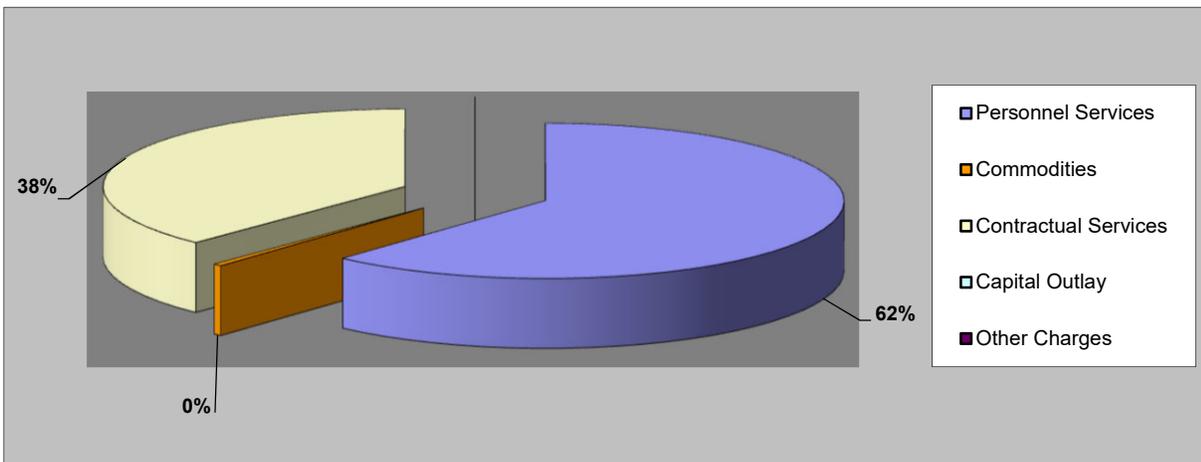
1. Consistent administration of the City's polices, plan, ordinances, guidelines, statutes, etc.
2. Promotion of available industrial property.

Budget Commentary

The primary revenue source for this fund is property taxes. The biggest contributor to Contractual Services is an administrative charge for overhead costs associated with Administration, Finance and Government Building departments in the General Fund.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 31,126	\$ 51,301	\$ 49,760	\$ 53,780
Commodities	-	-	400	400
Contractual Services	34,581	24,218	98,570	32,990
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 65,706	\$ 75,519	\$ 148,730	\$ 87,170
Percent Change		14.9%	96.9%	(-41.4%)
Full-Time Equivalent positions	0.24	0.42	0.38	0.38

Expenditures by Classification



Function: Economic Development
Activity: TIF #3 Cottage Villas

Fund # : 253
Activity # : 47305

Activity Scope

TIF District No. 3, Cottage Villas Housing, was originally certified as a Housing District on May 10, 1993. 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.

Objectives

Utilize available funds for low to moderate income housing projects.

Issues

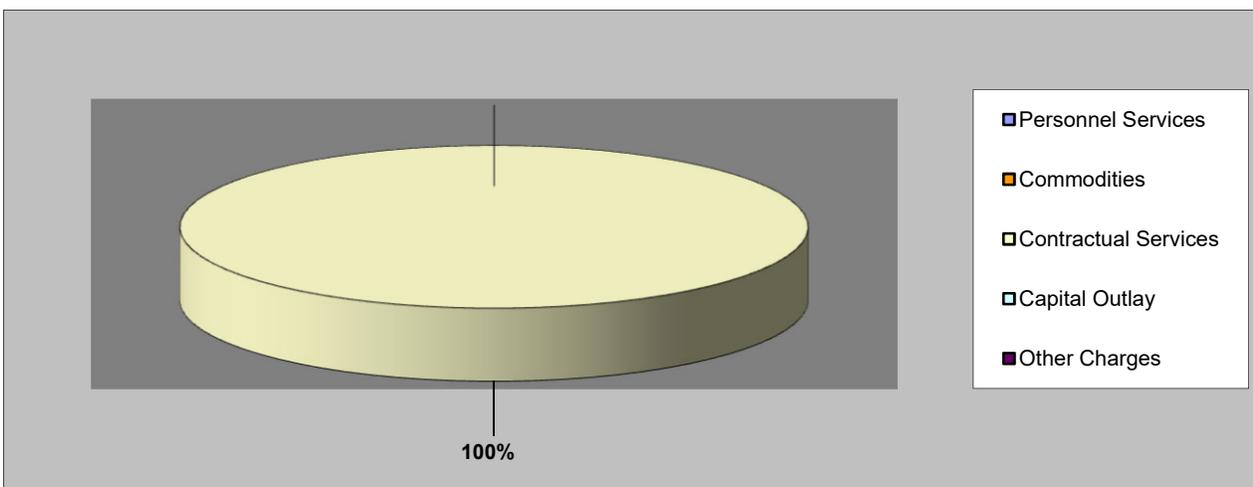
Ensure use of funds is consistent with TIF laws.

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 2022.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	1,570	1,850	1,800	1,900
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 1,570	\$ 1,850	\$ 1,800	\$ 1,900
Percent Change		17.9%	(-2.7%)	5.6%

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

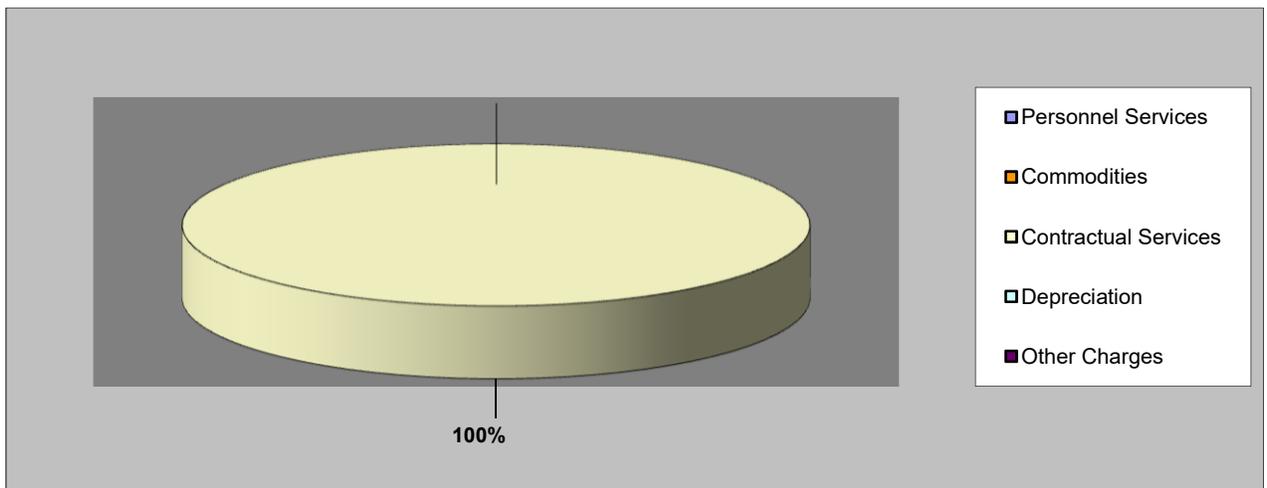
Ensure compliance with TIF laws for uses of available funds.

Budget Commentary

Increment was received starting in 2014 and is estimated for 2022. Payments are based on 75% of increment received to the developer and estimated for 2022. The only other charges budgeted are administrative charges.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	214,075	228,469	228,480	284,780
Depreciation	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 214,075	\$ 228,469	\$ 228,480	\$ 284,780
Percent Change		6.7%	0.0%	24.6%

Expenditures by Classification



Function: Economic Development
Activity: TIF #5

Fund # : 255
Activity # : 47309

Activity Scope

TIF district No. 5, TCAAP, was established pursuant to special legislation as a 30 year redevelopment district to facilitate a mixed-use development. The first increment is anticipated in 2023 with the districted terminating no later than 2053.

Objectives

Utilize funds as able for mixed-use development on the TCAAP property. The City first needs to ensure they have sufficient tax revenues to cover increased costs due to the development. Once it is determined those costs are covered, TIF applications can be considered.

Issues

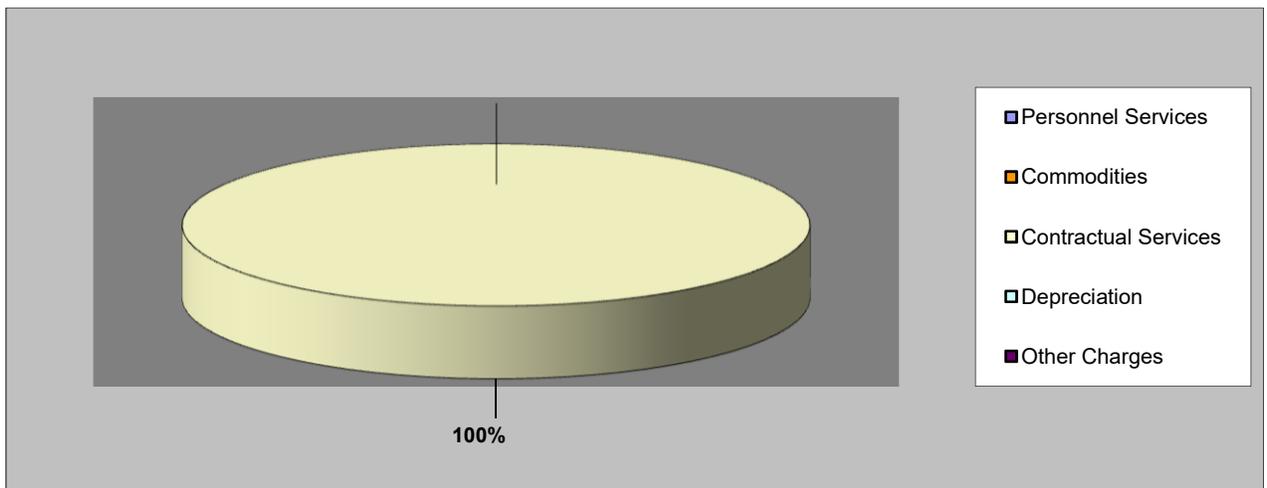
Ensure compliance with TIF laws for uses of available funds.

Budget Commentary

This district was established in December 2019. Only administrative costs are anticipated at this time.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	22,000	-	1,800	1,900
Depreciation	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 22,000	\$ -	\$ 1,800	\$ 1,900
Percent Change		(-100.0%)	100.0%	5.6%

Expenditures by Classification





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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	\$ 1,462,809,500
Debt limit (3% of EMV)	43,884,285
Less amount of debt applicable to debt limit	<u>-</u>
Legal debt margin	\$ 43,884,285

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:

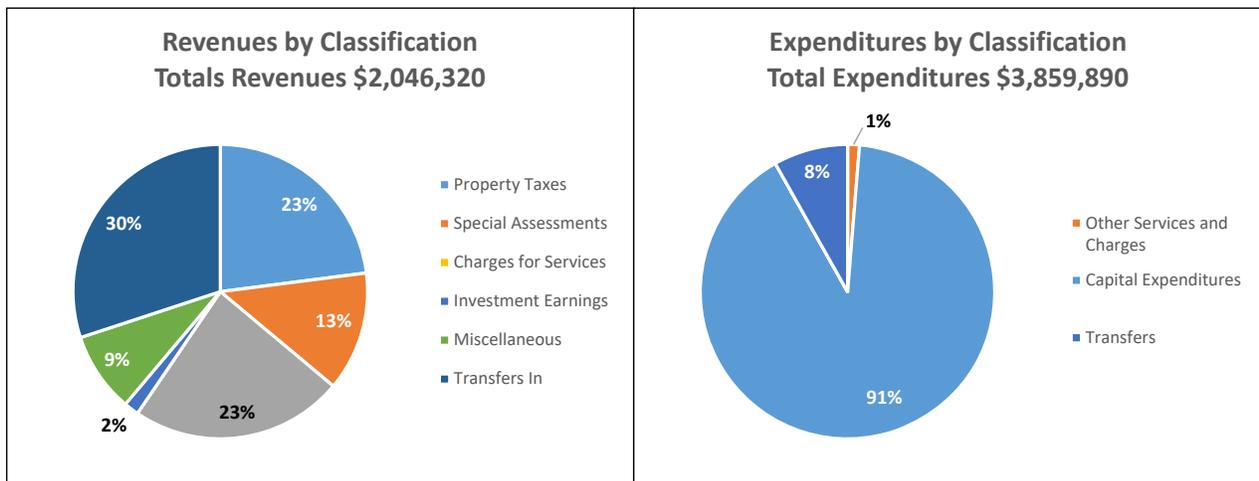
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>TOTAL</u>
2022-2026	1,180,000	258,600	1,438,600
2027-2029	<u>825,000</u>	<u>39,050</u>	<u>864,050</u>
	<u>\$ 2,005,000</u>	<u>\$ 297,650</u>	<u>\$ 2,302,650</u>



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	2019 Actual	2020 Actual	2021 Budget	2022 Budget	2021 to 2022 Increase (Decrease)	2021 to 2022 Increase (Decrease)
REVENUES						
Equipmt Bldg & Replacemt Fund	\$ 377,390	\$ 314,374	\$ 351,900	\$ 352,500	\$ 600	0.2%
Park Fund	125	252,732	-	1,100	1,100	N/A
Capital Improvement Fund (PIR)	2,068,620	1,301,118	627,390	1,492,170	864,780	137.8%
Public Safety Cap Equip Fund	83,925	429,927	135,000	200,550	65,550	48.6%
TCAAP Capital	-	-	-	-	-	N/A
TOTAL REVENUES	\$ 2,530,060	\$ 2,298,152	\$ 1,114,290	\$ 2,046,320	\$ 932,030	83.6%
EXPENDITURES						
Equipmt Bldg & Replacemt Fund	\$ 299,847	\$ 147,238	\$ 503,960	\$ 346,650	\$ (157,310)	-31.2%
Park Fund	125	-	-	315,000	315,000	N/A
Capital Improvement Fund (PIR)	962,994	135,251	1,888,000	2,968,110	1,080,110	57.2%
Public Safety Cap Equip Fund	69,667	299,106	100,260	230,130	129,870	129.5%
TCAAP Capital	30,747	-	-	-	-	N/A
TOTAL EXPENDITURES	\$ 1,363,379	\$ 581,595	\$ 2,492,220	\$ 3,859,890	\$ 1,367,670	54.9%
NET CHANGES IN FUND BALANCE	\$ 1,166,681	\$ 1,716,558	\$ (1,377,930)	\$ (1,813,570)	\$ (435,640)	
FUND BALANCE JANUARY 1,	\$ 2,684,477	\$ 3,851,157	\$ 5,567,715	\$ 4,846,480		
FUND BALANCE DECEMBER 31	\$ 3,851,157	\$ 5,567,715	\$ 4,189,785	\$ 3,032,910		



	408	409	411	412	413	
	Equip & Bldg	Parks	Capital (PIR)	Public Safety	TCAAP Capital	Total
	Replacement			Capital		
REVENUES						
Property Taxes	\$ 50,000	\$ -	\$ 250,000	\$ 170,000	\$ -	\$ 470,000
Special Assessments	-	-	268,390	-	-	268,390
Intergovernmental	-	-	479,530	-	-	479,530
Charges for Services	-	-	-	-	-	-
Investment Earnings	2,500	1,100	29,250	550	-	33,400
Miscellaneous	-	-	150,000	30,000	-	180,000
Transfers In	300,000	-	315,000	-	-	615,000
TOTAL REVENUES	\$ 352,500	\$ 1,100	\$ 1,492,170	\$ 200,550	\$ -	\$ 2,046,320
EXPENDITURES						
Supplies and Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Services and Charges	-	-	50,000	-	-	50,000
Capital Expenditures	346,650	-	2,918,110	230,130	-	3,494,890
Debt Service	-	-	-	-	-	-
Transfers	-	315,000	-	-	-	315,000
TOTAL EXPENDITURES	\$ 346,650	\$ 315,000	\$ 2,968,110	\$ 230,130	\$ -	\$ 3,859,890
NET CHANGES IN FUND BALANCE	\$ 5,850	\$ (313,900)	\$ (1,475,940)	\$ (29,580)	\$ -	\$ (1,813,570)
FUND BALANCE JANUARY 1,	36,702	430,799	4,438,430	135,428	(194,879)	4,846,480
FUND BALANCE DECEMBER 31	\$ 42,552	\$ 116,899	\$ 2,962,490	\$ 105,848	\$ (194,879)	\$ 3,032,910

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 completed in 2008 from the General Fund to establish the reserve. Annual transfers from the Enterprise Funds and property taxes provide on-going revenues in addition to interest income.

Objectives

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

Issues

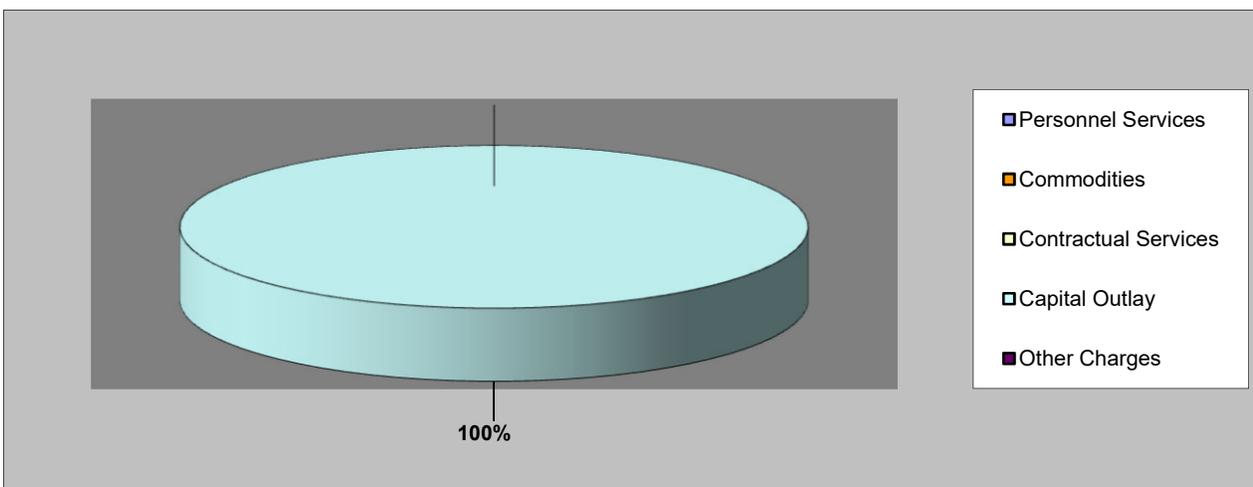
Budget constraints.

Budget Commentary

Anticipated 2022 expenditures include the replacement of a trailer and a mower. Also included is the City Hall parking lot and City Hall maintenance (see CIP).

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	299,847	147,238	503,960	346,650
Other Charges	-	-	-	-
Total	\$ 299,847	\$ 147,238	\$ 503,960	\$ 346,650
Percent Change		(-50.9%)	242.3%	(-31.2%)

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.

Objectives

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

Issues

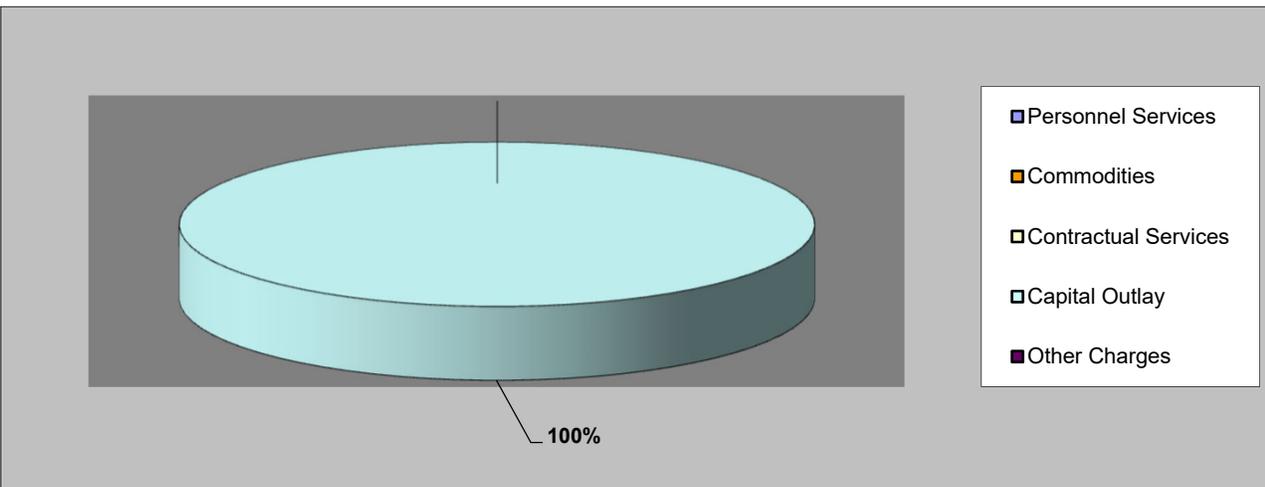
1. Securing funding for improvements.
2. Adhering to grant requirements and local matches.
3. Budget constraints.

Budget Commentary

The 2022 budget consists of a transfer out of Park Dediction Fees to the PIR Fund to help fund park improvement projects.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	125	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	-	-	-	-
Other Charges	-	-	-	315,000
Total	\$ 125	\$ -	\$ -	\$ 315,000
Percent Change		(-100.0%)	0.0%	100.0%

Expenditures by Classification



Function: Public Works **Fund # :** 411
Activity: Capital Improvement (PIR) **Activity # :** 48500

Activity Scope

This fund was originally 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

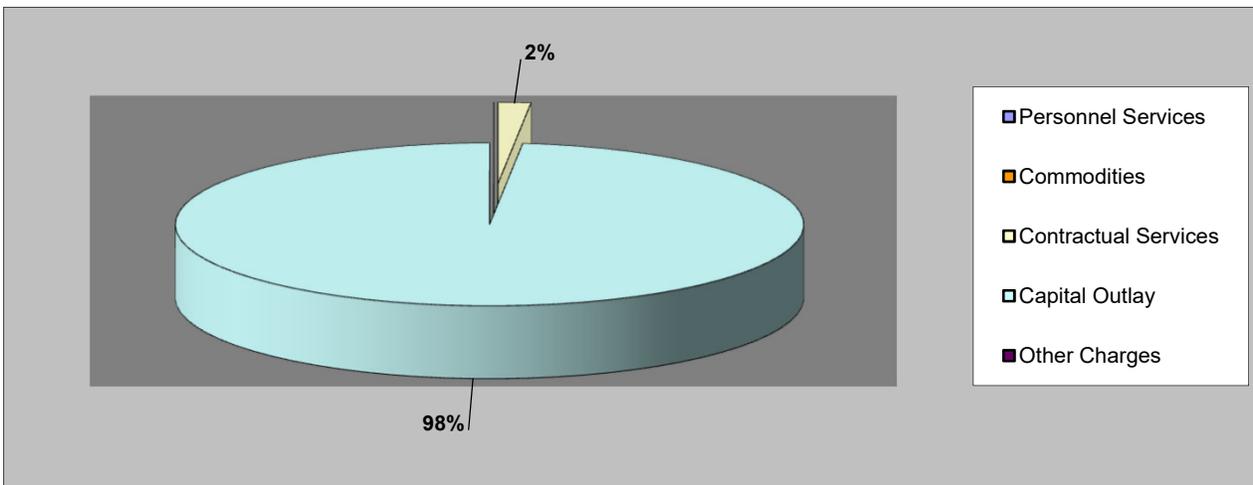
Finding adequate funding resources for the various projects.

Budget Commentary

The 2022 projects are listed in the proposed five-year capital improvement plan.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	185,713	116,742	-	50,000
Capital Outlay	777,281	18,509	1,888,000	2,918,110
Other Charges	-	-	-	-
Total	\$ 962,994	\$ 135,251	\$ 1,888,000	\$ 2,968,110
Percent Change		(-86.0%)	1295.9%	57.2%

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 (25.0%) of Lake Johanna Fire Department equipment according to a formula which has been updated for 2022, 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

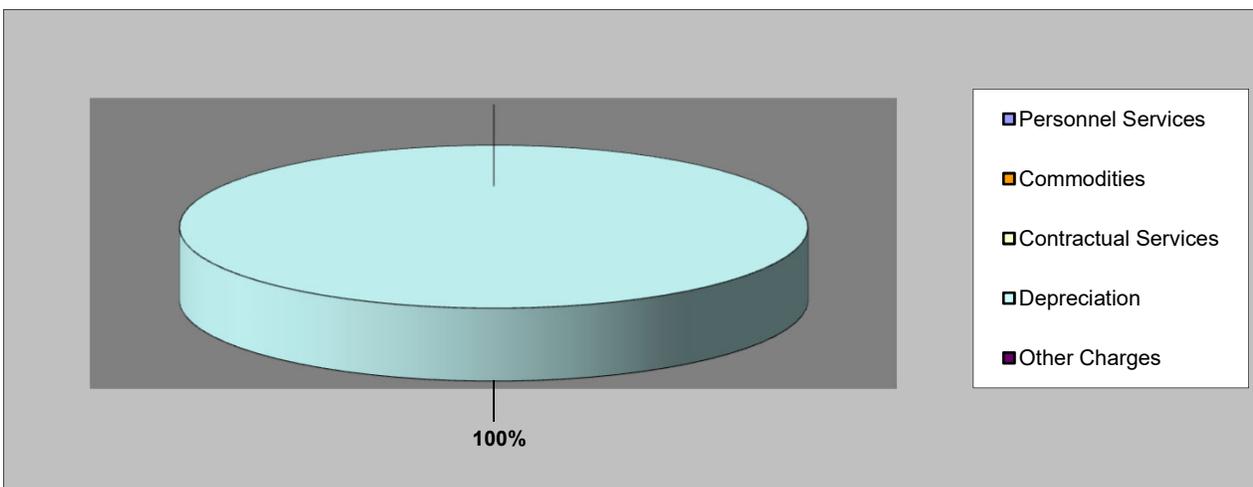
1. Budget constraints.
2. Arden Hills is only one member on each of the joint powers boards. Decisions are not always made on what Arden Hills sees as important, but rather the group as a whole.
3. Due to the current economy, revenues may be impacted.

Budget Commentary

Expenditures have increased 129.5% based on the numbers provided by LJFD. A property tax levy has been implemented as the main revenue source for this fund.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Depreciation	69,667	299,106	100,260	230,130
Other Charges	-	-	-	-
Total	\$ 69,667	\$ 299,106	\$ 100,260	\$ 230,130
Percent Change		329.3%	(-66.5%)	129.5%

Expenditures by Classification



Function: Economic Development **Fund # :** 413
Activity: TCAAP Capital **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.

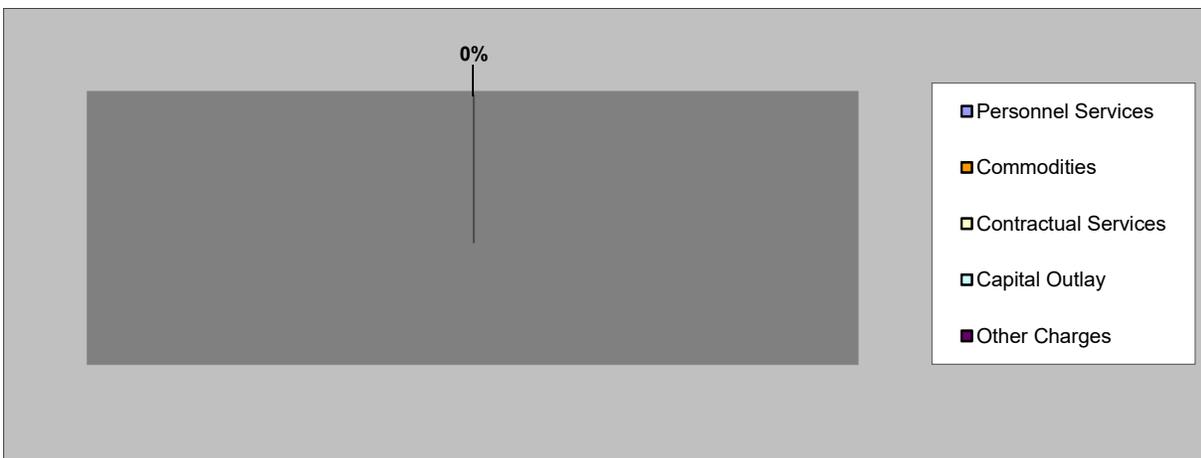
Budget Commentary

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.

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.

	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>BUDGET</u>	2022 <u>BUDGET</u>
Personnel Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	30,747	-	-	-
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 30,747	\$ -	\$ -	\$ -
Percent Change		(-100.0%)	0.0%	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	2019 Actual	2020 Actual	2021 Budget	2022 Budget	2021 to 2022 Increase (Decrease)	2021 to 2022 Increase (Decrease)
REVENUES						
Licenses and Permits	\$ 2,135	\$ (685)	\$ 2,200	\$ 1,400	\$ (800)	-36.36%
Intergovernmental	89,284	25,365	23,840	526,810	502,970	2109.77%
Special Assessments	7,068	5,500	-	-	-	N/A
Investment Earnings	53,679	68,781	12,000	11,800	(200)	-1.67%
Miscellaneous	210,293	15,738	113,770	18,390	(95,380)	-83.84%
Charges for Services	5,420,405	5,256,797	5,514,780	5,775,030	260,250	4.72%
TOTAL REVENUES	\$ 5,782,865	\$ 5,371,496	\$ 5,666,590	\$ 6,333,430	\$ 666,840	11.77%
EXPENSES						
Personnel Expenses	\$ 969,245	\$ 1,000,235	\$ 1,151,550	\$ 1,194,030	\$ 42,480	3.69%
Supplies and Materials	63,149	49,782	85,300	85,800	500	0.59%
Other Services and Charges	2,680,304	2,614,502	2,878,090	2,934,670	56,580	1.97%
Depreciation	573,581	614,795	614,800	704,890	90,090	14.65%
Capital Expenditures	252,520	-	2,197,000	1,077,590	(1,119,410)	-50.95%
Debt Service	91,301	83,667	288,800	290,200	1,400	0.48%
Transfers	300,000	237,000	300,000	300,000	-	0.00%
TOTAL EXPENSES	\$ 4,930,101	\$ 4,599,982	\$ 7,515,540	\$ 6,587,180	\$ (928,360)	-12.35%
NET CHANGES IN FUND BALANCE	\$ 852,764	\$ 771,514	\$ (1,848,950)	\$ (253,750)	\$ 1,595,200	
FUND BALANCE JANUARY 1,	\$ 18,625,180	\$ 19,477,944	\$20,249,458	\$ 20,483,254		
FUND BALANCE DECEMBER 31	\$ 19,477,944	\$ 20,249,458	\$20,597,508	\$ 21,302,094		

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

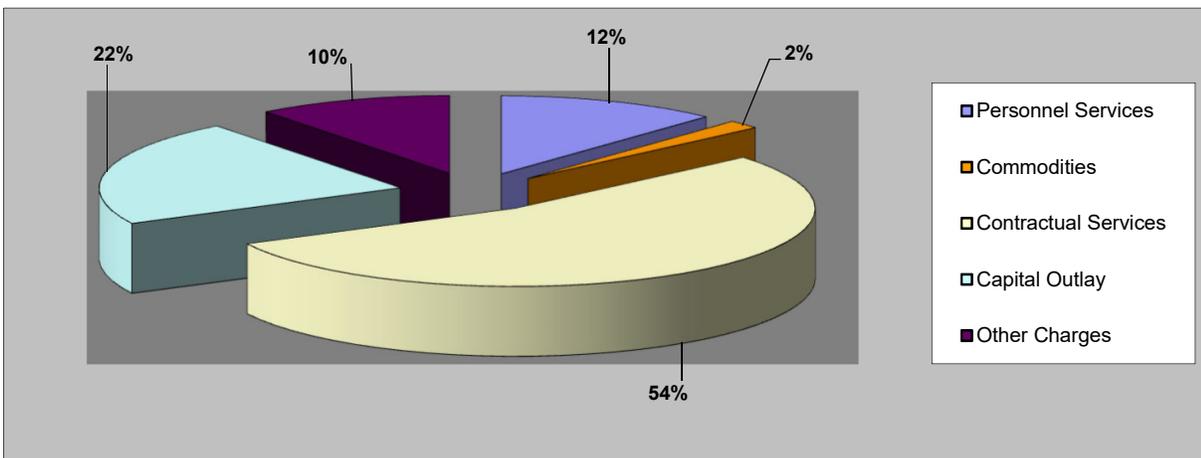
1. Staff time demands on many projects.
2. Aging water system.
3. Increased State and Federal regulations.

Budget Commentary

The 2022 operating budget is an increase of 6.3% from the previous year's adopted budget with an increase of 6.9% overall with capital outlay and debt service. Capital expenses relate to the water portion of future street improvements and water tower maintenance. An operating transfer (\$100,000) has also been budgeted to the Equipment, Building, and Replacement Fund.

Budget Summary	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 318,538	\$ 336,738	\$ 385,190	\$ 400,250
Commodities	41,043	28,436	59,500	59,500
Contractual Services	1,618,167	1,572,031	1,686,500	1,805,640
Capital Outlay	252,520	-	660,000	741,110
Other Charges	179,011	172,333	348,150	350,750
Total	\$ 2,409,279	\$ 2,109,538	\$ 3,139,340	\$ 3,357,250
Percent Change		(-12.4%)	48.8%	6.9%
Full-Time Equivalent positions	3.08	3.33	3.49	3.47

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

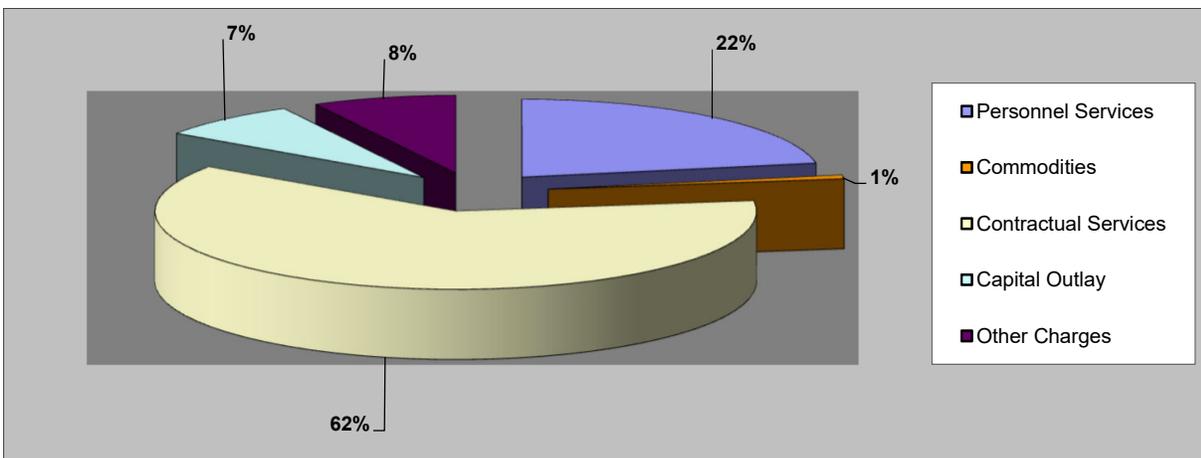
1. Ground water inflow and infiltration problems.
2. Aging system.

Budget Commentary

The 2021 operating budget is a decrease of less than 0.1% from the previous year’s adopted budget with an overall decrease of 22.5% with capital outlay and debt service. Capital outlay costs for 2022 are related to lift station rehabilitation and the sewer portion of future street improvements. An operating transfer (\$126,000) has also been budgeted to the Equipment, Building, and Replacement Fund.

Budget Summary	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 395,204	\$ 398,952	\$ 455,670	\$ 474,610
Commodities	14,738	14,780	16,500	16,500
Contractual Services	1,213,149	1,242,176	1,345,280	1,326,070
Capital Outlay	-	-	785,000	164,380
Other Charges	138,291	74,333	166,650	165,450
Total	\$ 1,761,381	\$ 1,730,242	\$ 2,769,100	\$ 2,147,010
Percent Change		(-1.8%)	60.0%	(-22.5%)
Full-Time Equivalent positions	3.57	3.83	4.05	4.03

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 clean up days.

Objectives

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

Issues

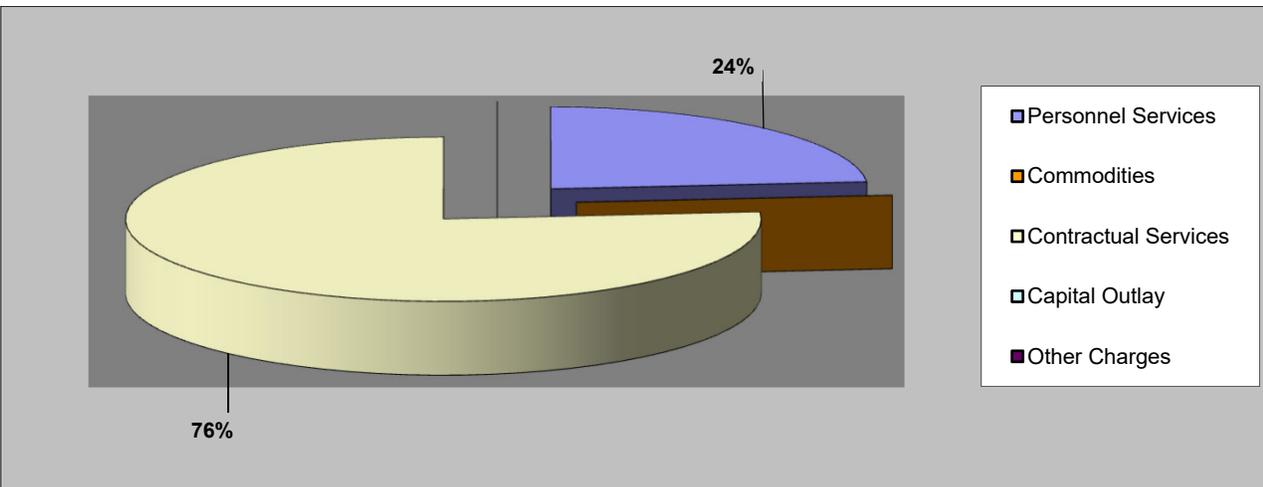
Budget constraints.

Budget Commentary

The 2022 operating budget is a decrease of 6.4% from the previous year's budget. The changes are primarily due to recycling charges.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 34,963	\$ 29,966	\$ 41,110	\$ 41,880
Commodities	-	-	-	-
Contractual Services	137,268	109,875	143,390	135,410
Capital Outlay	-	-	5,000	-
Other Charges	-	-	-	-
Total	\$ 172,230	\$ 139,841	\$ 189,500	\$ 177,290
Percent Change		(-18.8%)	35.5%	(-6.4%)
Full-Time Equivalent positions	0.32	0.29	0.35	0.34

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

Issues

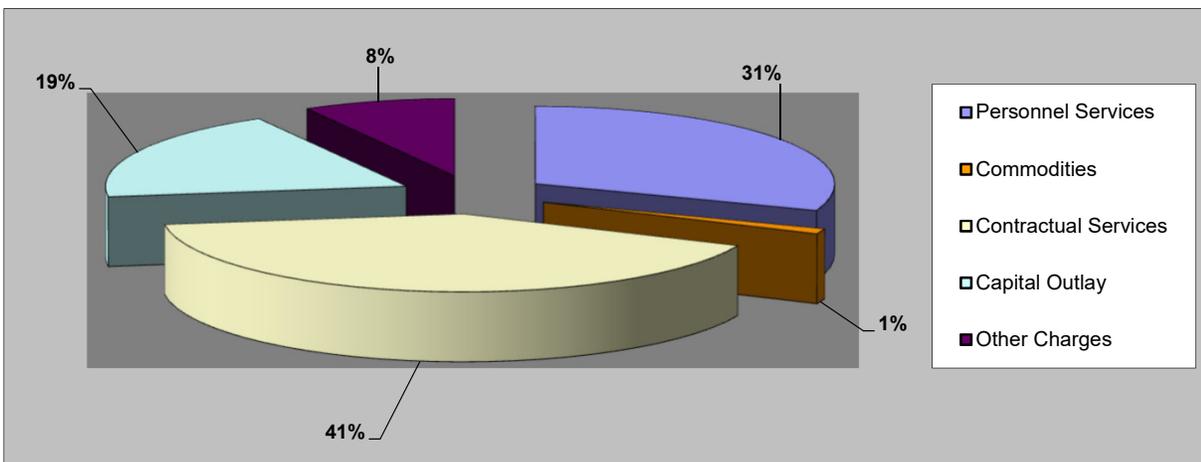
1. Budget constraints.
2. Increased State and Federal regulations.

Budget Commentary

The 2022 operating budget is an increase of 10.5% from the previous year's budget with a decrease of 36.1% overall with capital outlay. The capital outlay budgeted for in 2022 includes storm sewer structure rehabilitation and the storm water portion of future street improvements. An operating transfer (\$74,000) has also been budgeted to the Equipment, Building, and Replacement Fund.

Budget Summary	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 220,540	\$ 234,580	\$ 269,580	\$ 277,290
Commodities	7,369	6,567	9,300	9,800
Contractual Services	285,301	305,215	317,720	372,440
Capital Outlay	-	-	747,000	172,100
Other Charges	74,000	74,000	74,000	74,000
Total	\$ 587,210	\$ 620,362	\$ 1,417,600	\$ 905,630
Percent Change		5.6%	128.5%	(-36.1%)
Full-Time Equivalent positions	2.28	2.48	2.54	2.53

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	2019 Actual	2020 Actual	2021 Budget	2022 Budget	2021 to 2022 Increase (Decrease)	2021 to 2022 Increase (Decrease)
REVENUES						
Investment Earnings	\$ 11,738	\$ 10,442	\$ 1,700	\$ 1,850	\$ 150	8.82%
Miscellaneous	26,201	25,346	-	-	-	N/A
Interfund Services	583,133	505,707	628,280	634,430	6,150	0.98%
TOTAL REVENUES	\$ 621,073	\$ 541,495	\$ 629,980	\$ 636,280	\$ 6,300	1.00%
EXPENSES						
Personnel Expenses	\$ 30,218	\$ 3,942	\$ 5,630	\$ -	\$ (5,630)	-100.00%
Supplies and Materials	116,494	101,556	142,400	138,900	(3,500)	-2.46%
Other Services and Charges	526,564	548,832	498,540	509,480	10,940	2.19%
Capital Expenditures	-	-	-	-	-	N/A
TOTAL EXPENSES	\$ 673,275	\$ 654,330	\$ 646,570	\$ 648,380	\$ 1,810	0.28%
NET CHANGES IN FUND BALANCE	\$ (52,203)	\$ (112,835)	\$ (16,590)	\$ (12,100)	\$ 4,490	
FUND BALANCE JANUARY 1,	\$ 384,213	\$ 332,010	\$ 219,175	\$ 176,125		
FUND BALANCE DECEMBER 31	\$ 332,010	\$ 219,175	\$ 202,585	\$ 164,025		

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

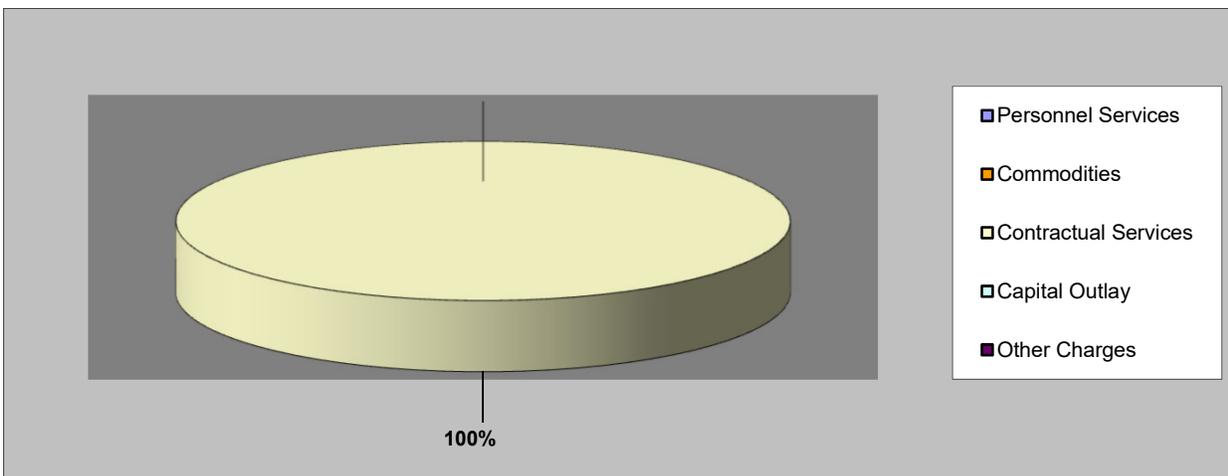
Maintain the proper level of insurance coverage and deductibles to assure the best possible coverage at the lowest possible cost.

Budget Commentary

Have discontinued 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>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 19	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	217,344	285,352	164,000	181,130
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 217,363	\$ 285,352	\$ 164,000	\$ 181,130
Percent Change		31.3%	(-42.5%)	10.4%
Full-Time Equivalent positions	-	-	-	-

Expenditures by Classification



Function: Public Works
Activity: Engineering

Fund # : 726
Activity # : 49600

Activity Scope

The Engineering Fund is a self-sustaining fund, or internal service fund of the City. Staff engineers perform work on various City projects, review development plans and represent the City at various meetings on projects which are County or State led. 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

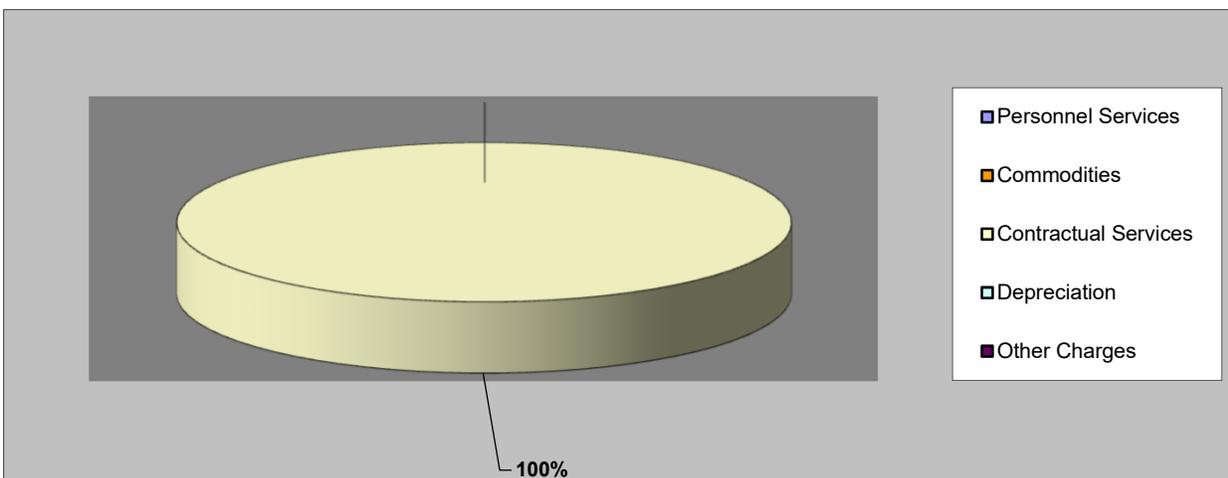
Provide cost effective services vs. using an independent contractor.

Budget Commentary

This was a new fund in 2012. Previously City Engineer services were provided by the City of Roseville. The 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>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 9,858	\$ (586)	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	40,199	12,015	20,670	35,670
Depreciation	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 50,057	\$ 11,430	\$ 20,670	\$ 35,670
Percent Change		(-77.2%)	80.8%	72.6%
 Full-Time Equivalent positions	 0.07	 0.00	 -	 -

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

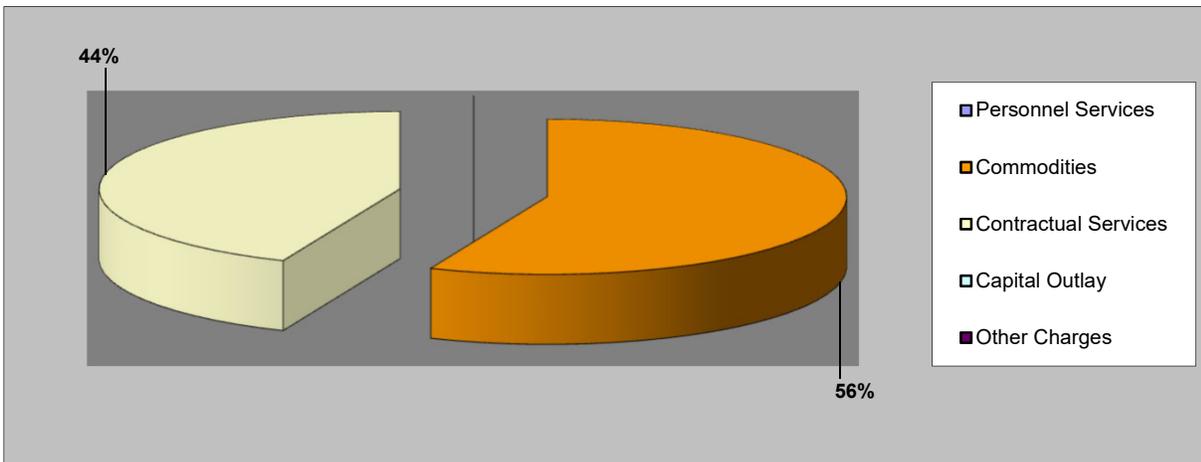
1. Aging equipment.
2. Balance the Public Works Department needs with available funds.
3. Managing an effective cost allocation structure.

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 department.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 15,295	\$ (1,040)	\$ -	\$ -
Commodities	113,895	101,541	142,400	138,900
Contractual Services	72,906	78,018	102,580	107,680
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 202,095	\$ 178,519	\$ 244,980	\$ 246,580
Percent Change		(-11.7%)	37.2%	0.7%
Full-Time Equivalent positions	0.12	0.00	-	-

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

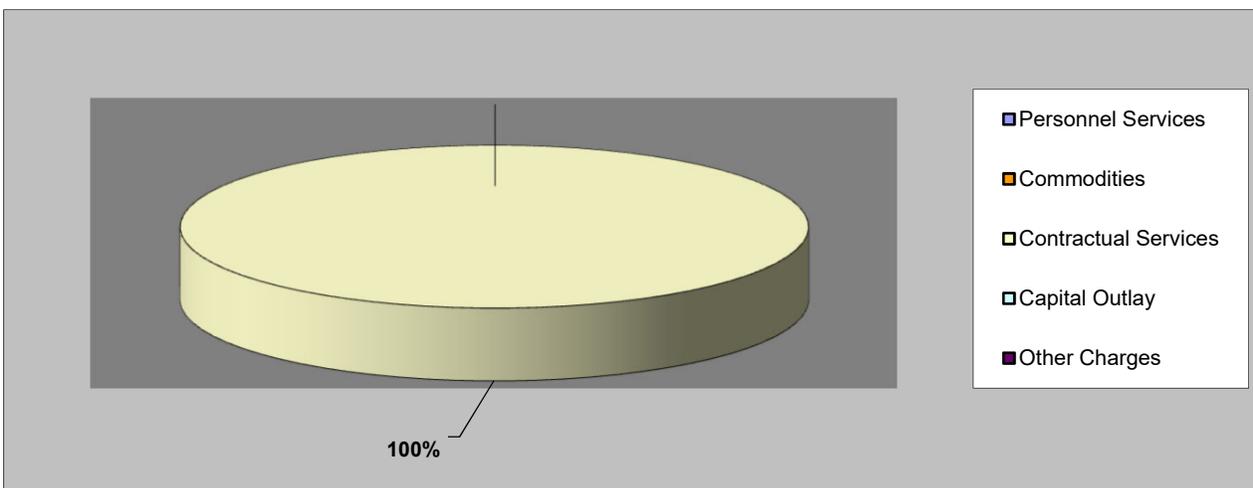
1. Aging equipment.
2. Balance department needs with available funds.
3. Managing an effective cost allocation structure.

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 department.

<u>Budget Summary</u>	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Personnel Services	\$ 5,046	\$ 5,568	\$ 5,630	\$ -
Commodities	2,599	15	-	-
Contractual Services	196,115	173,447	211,290	185,000
Capital Outlay	-	-	-	-
Other Charges	-	-	-	-
Total	\$ 203,760	\$ 179,030	\$ 216,920	\$ 185,000
Percent Change		(-12.1%)	21.2%	(-14.7%)
Full-Time Equivalent positions	0.04	0.04	0.05	-

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 2022.

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 2022 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
2022 thru 2026

DEPARTMENT SUMMARY

Department	2022	2023	2024	2025	2026	Total
Economic Development		270,000		40,000		310,000
Equipment	42,000	80,000	316,000	230,000	160,000	828,000
Government Buildings	304,650	50,000	50,000	200,000	50,000	654,650
Parks Department	675,700	55,000		336,000	720,000	1,786,700
Public Safety	230,130	27,000	82,750	622,500	363,000	1,325,380
Sanitary Sewer Department	90,000	460,000		330,000		880,000
Street Department	3,090,000	1,687,000	1,885,000		1,385,000	8,047,000
Surface Water Management Dept	65,000	145,000	305,000	90,000	250,000	855,000
Water Department	75,000		1,260,000	90,000	300,000	1,725,000
TOTAL	4,572,480	2,774,000	3,898,750	1,938,500	3,228,000	16,411,730

City of Arden Hills, Minnesota

Capital Improvement Plan

2022 thru 2026

PROJECTS BY DEPARTMENT

Department	Project #	Priority	2022	2023	2024	2025	2026	Total
Economic Development								
Gateway Signs	23-EDA-001	n/a		270,000		40,000		310,000
Economic Development Total				270,000		40,000		310,000
Equipment								
Replace 2005 Felling Trailer (Unit 414)	22-Eqp-006	4	12,000					12,000
Replace 2001 Toro Workman (Unit 411)	22-Eqp-007	3	30,000					30,000
Replace F-450 Truck (Unit 211)	23-EqpV-002	3		80,000				80,000
Replace 1996 Wacker 880 Roller (Unit 106)	24-Eqp-002	3			15,000			15,000
Replace Sterling Acterra Truck (Unit 431)	24-EqpV-001	3			165,000			165,000
Replace 2012 Int'l Plow Wing Truck (115)	24-EqpV-002	n/a			100,000	150,000		250,000
Building Inspector Vehicle (Unit 504)	24-EqpV-003	n/a			36,000			36,000
Replace 2018 Toro Large Area Mower (Unit 457)	25-Eqp-001	3				80,000		80,000
Replace 1993 Case 621 Loader (Unit 103)	26-Eqp-001	n/a					160,000	160,000
Equipment Total			42,000	80,000	316,000	230,000	160,000	828,000
Government Buildings								
City Hall Maintenance	22-Bldg-005	2	50,000	50,000	50,000	50,000	50,000	250,000
City Hall parking lot	22-Bldg-006	3	254,650					254,650
City Hall roof	25-Bldg-002	3				150,000		150,000
Government Buildings Total			304,650	50,000	50,000	200,000	50,000	654,650
Parks Department								
Hard Court Reconstruction	22-Park-001	3	426,000			80,000		506,000
Arden Manor Park Improvements	22-Park-003	3	249,700					249,700
Perry & Cummings Park Roof Maintenance	23-Park-004	3		55,000				55,000
Playground Structure Replacement	25-Park-003	3				256,000		256,000
Park Shelter Roof Replacements	26-Park-004	4					120,000	120,000
MN-51 Trail Connection	26-Park-005	n/a					600,000	600,000
Parks Department Total			675,700	55,000		336,000	720,000	1,786,700
Public Safety								
LJFD Engine/Ladder Replacement	22-Pub-001	n/a	187,500			400,000		587,500
LJFD Rescue/Chief/Utility Vehicle Replacement	22-Pub-002	n/a	20,500	2,000	57,750		143,000	223,250
LJFD General Equipment	22-Pub-003	n/a	17,050	15,000	15,000	15,000	15,000	77,050
LJFD Station Capital	22-Pub-004	n/a	5,080	10,000	10,000	12,500	10,000	47,580
Lake Johanna Fire Dept Fire Station	25-Pub-005	n/a				195,000	195,000	390,000
Public Safety Total			230,130	27,000	82,750	622,500	363,000	1,325,380
Sanitary Sewer Department								
Lift Station Rehabilitation	22-Sew-001	2	90,000	210,000				300,000
Sewer Lining/Rehabilitation	22-Sew-002	2		250,000		330,000		580,000

Department	Project #	Priority	2022	2023	2024	2025	2026	Total
Sanitary Sewer Department Total			90,000	460,000		330,000		880,000
Street Department								
Arden Oaks Neighborhood Streets	22-Str-001	2	583,000					583,000
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	2	1,497,000					1,497,000
Lexington Ave, CR E to 694	22-Str-006	2	1,010,000					1,010,000
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	3		1,687,000				1,687,000
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	2			1,885,000			1,885,000
Karth Lake East Neighborhood Streets and Stowe Ave	26-Str-001	2					1,385,000	1,385,000
Street Department Total			3,090,000	1,687,000	1,885,000		1,385,000	8,047,000
Surface Water Management Dept								
Storm Sewer Structure Rehabilitation	22-Storm-001	2	65,000	80,000	80,000	90,000	90,000	405,000
Karth Lake retaining wall	23-Storm-001	2		65,000				65,000
Storm Pond and Outfall Maintenance	24-Storm-001	2			225,000		160,000	385,000
Surface Water Management Dept Total			65,000	145,000	305,000	90,000	250,000	855,000
Water Department								
Water Tower Maintenance	22-W-001	2	75,000		60,000			135,000
Water Meter Replacement	24-W-003	3			1,200,000			1,200,000
Booster Station Improvements	25-W-002	2				90,000		90,000
Trunk Water Main Improvements	26-W-003	2					300,000	300,000
Water Department Total			75,000		1,260,000	90,000	300,000	1,725,000
GRAND TOTAL			4,572,480	2,774,000	3,898,750	1,938,500	3,228,000	16,411,730

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 23-EDA-001
 Project Name Gateway Signs

TCAAP No

Description Total Project Cost: \$310,000

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 locations 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 City has discussed completing the gateway sign at Highway 96 and Lexington Avenue as being a priority.

Staff has budgeted for the completion of an additional gateway sign in 2025 at a location 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	2022	2023	2024	2025	2026	Total
Construction/Maintenance		270,000		40,000		310,000
Total		270,000		40,000		310,000
Funding Sources	2022	2023	2024	2025	2026	Total
EDA General Fund		270,000		40,000		310,000
Total		270,000		40,000		310,000

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.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Eqp-006
 Project Name Replace 2005 Felling Trailer (Unit 414)

TCAAP No

Description Total Project Cost: \$12,000
 Replace 2005 Felling lift gate trailer due to corrosion.

Justification
 Replace the 2005 Felling trailer with a 22 foot trailer with better ergonomics, due to corrosion.
 Parts and labor costs (provided by AH PW crew):
 2019 - \$430
 2020 - \$252

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings	12,000					12,000
Total	12,000					12,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund	12,000					12,000
Total	12,000					12,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Eqp-007
 Project Name Replace 2001 Toro Workman (Unit 411)

TCAAP No

Description Total Project Cost: \$30,000
 Replace the 2001 Toro Workman with field painter (unit 411).
 Hours 2,079

Justification
 The workman will be 21 years old in 2022 and is used almost every day during the summer. It is reaching the end of its useful (dependable) life. The paint sprayer will also be replaced.
 Parts and labor costs (provided by AH PW crew):
 2018 - \$1,700
 2019 - \$ 825
 2020 - \$ 885

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings	30,000					30,000
Total	30,000					30,000

Funding Sources	2022	2023	2024	2025	2026	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

2022 *thru* 2026

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 8-10
 Category Vehicles
 Priority 3 Important

Project # 23-EqpV-002
 Project Name Replace F-450 Truck (Unit 211)

TCAAP No

Description Total Project Cost: \$80,000
 Replace Vehicle #211 - 2011 Ford F450 crane truck.
 VIN #8243
 Mileage 75,060

Justification
 Parts and labor costs:
 2018 - \$1,117
 2019 - \$ 308
 2020 - \$3,163
 This vehicle is used when dealing with emergency lift station work. Reliability is a major concern. The condition of the current vehicle will be evaluated prior to replacement.

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings		80,000				80,000
Total		80,000				80,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund		80,000				80,000
Total		80,000				80,000

Budget Impact/Other
 Reduced repair and maintenance costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 15-17
 Category Equipment: Public Works
 Priority 3 Important

Project # 24-Eqp-002
 Project Name Replace 1996 Wacker 880 Roller (Unit 106)

TCAAP No

Description Total Project Cost: \$15,000
 Replace Equipment #106 - 1996 Wacker Roller.
 VIN # 673603994
 Hours: 936
 This piece of equipment was included in previous CIP's but has been deferred to allow time to determine the size roller that would work best based on the amount of work the PW staff is able to complete. Also, staff evaluates its condition each year to evaluate its reliability.

Justification
 Equipment will be 28 years old. Roller is used for small pothole patching.
 Parts and labor costs (provided by AH PW crew):
 2018 - \$425
 2019 - \$130
 2020 - \$635

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings			15,000			15,000
Total	15,000					15,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund			15,000			15,000
Total	15,000					15,000

Budget Impact/Other
 Reduced equipment repair costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Equipment
 Contact Community Devl Dir
 Type Equipment
 Useful Life 10
 Category Vehicles
 Priority 3 Important

Project # 24-EqpV-001
 Project Name Replace Sterling Acterra Truck (Unit 431)

TCAAP No

Description Total Project Cost: \$165,000
 Replace 2009 1,500 gallon tanker truck used for watering, sweeping, dust control and rink flooding.
 Mileage 23,697
 Hours 3,017

Justification
 Current vehicle will be 15 years old in 2024.
 Corrosion due to winter operations and availability of parts.
 Parts and labor costs:
 2018 - \$2,112
 2019 - \$2,618
 2020 - \$3,303

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings			165,000			165,000
Total			165,000			165,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund			165,000			165,000
Total			165,000			165,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 10-12
 Category Vehicles
 Priority n/a

Project # 24-EqpV-002
 Project Name Replace 2012 Int'l Plow Wing Truck (115)

TCAAP No

Description Total Project Cost: \$250,000
 Vehicle #115 - 2012 International Plow Wing Truck
 Mileage 21,934
 Hours 2,013

Justification
 Vehicle will be 13 years old.
 Repair costs for parts and labor:
 2018 - \$ 8,445
 2019 - \$10,672
 2020 - \$ 2,685
 This is one of our three large dump trucks used primarily for plowing and de-icing streets. While the mileage on this vehicle is relatively low, due to the corrosiveness of salt, the frame and bodies are beginning to deteriorate. With only three dump trucks in the snow plow fleet it is imperative that they be dependable during snow events.

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings			100,000	150,000		250,000
Total			100,000	150,000		250,000
Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund			100,000	150,000		250,000
Total			100,000	150,000		250,000

Budget Impact/Other
 Reduce repair and maintenance costs and improve reliability of our primary snow removal equipment.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 24-EqpV-003
 Project Name Building Inspector Vehicle (Unit 504)

TCAAP No

Description Total Project Cost: \$36,000
 Replace 2013 Ford Escape.
 2021 mileage 59,850

Justification
 The current vehicle will be 11 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.
 Parts and labor costs:
 2018 - \$ 429
 2019 - \$1,205
 2020 - \$ 0

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings			36,000			36,000
Total			36,000			36,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund			36,000			36,000
Total			36,000			36,000

Budget Impact/Other
 Cost of maintenance.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 25-Eqp-001
 Project Name Replace 2018 Toro Large Area Mower (Unit 457)

TCAAP No

Description Total Project Cost: \$80,000
 Replacement of the 2018 Toro large area mower.
 Hours 931

Justification
 The Toro large area mower will be 7 years old in 2025.
 Parts and labor costs (provided by AH PW crew):
 2019 - \$230
 2020 - \$739

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings				80,000		80,000
Total				80,000		80,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund				80,000		80,000
Total				80,000		80,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Equipment
 Contact Public Works Director
 Type Equipment
 Useful Life 20-25
 Category Vehicles
 Priority n/a

Project # 26-Eqp-001
 Project Name Replace 1993 Case 621 Loader (Unit 103)

TCAAP No

Description Total Project Cost: \$160,000
 Vehicle #103 - 1993 Case 621 Loader

Justification
 Vehicle will be 33 years old.
 This piece of equipment is used year round for loading trucks, stock pile management, and is a backup to our snow plow fleet. Also, during emergencies, it is used for clearing trees to open roadways and access utilities. Do to its age, this loader is showing deterioration and some significant corrosion. Staff recommends replacement in 2026.

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings					160,000	160,000
Total					160,000	160,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund					160,000	160,000
Total					160,000	160,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Bldg-005
 Project Name City Hall Maintenance

TCAAP No

Description Total Project Cost: \$250,000
 City Hall will require ongoing maintenance and replacement of items to maintain operational duties (carpet, painting, HVAC, etc.).

Justification
 Items will be due for replacement, and will save the City future repair costs by replacing them in the near-term.

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings	50,000	50,000	50,000	50,000	50,000	250,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund	50,000	50,000	50,000	50,000	50,000	250,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Government Buildings
 Contact Building Official
 Type Improvement
 Useful Life 20
 Category Building Repair & Maint
 Priority 3 Important

Project # 22-Bldg-006
 Project Name City Hall parking lot

TCAAP No

Description Total Project Cost: \$300,000
 Reconstruct City Hall parking lot including sidewalk repairs. Replace five parking lot lights.

Justification
 The parking lot is in need of repairs including subgrade corrections and replacement of damaged curbing.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	254,650					254,650
Total	254,650					254,650

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund	254,650					254,650
Total	254,650					254,650

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Government Buildings
 Contact Building Official
 Type Improvement
 Useful Life 20-25
 Category Building Repair & Maint
 Priority 3 Important

Project # 25-Bldg-002
 Project Name City Hall roof

TCAAP No

Description Total Project Cost: \$150,000
 Replace 9000 sq ft roof at City Hall.

Justification
 Placeholder for future project.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance				150,000		150,000
Total				150,000		150,000

Funding Sources	2022	2023	2024	2025	2026	Total
Equipment/Building Replacement Fund				150,000		150,000
Total				150,000		150,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Park-001
 Project Name Hard Court Reconstruction

TCAAP No

Description	Total Project Cost: \$586,000
Floral Park Tennis and Basketball Courts - Reconstruct 2022 \$426,000	
Freeway Park Basketball Court - Reconstruct 2025 \$80,000	
Arden Oaks Basketball Court - Reconstruct 2028 \$80,000	

Justification
 Proposed improvements are intended to maintain existing court surfaces. In general, a court surface life is approximately 25 years before cracks and pavement deformation require full reconstruction. Routine crack filling to prolong court surfaces is being performed.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	426,000			80,000		506,000
Total	426,000			80,000		506,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)	426,000			80,000		506,000
Total	426,000			80,000		506,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Park-003
 Project Name Arden Manor Park Improvements

TCAAP No

Total Project Cost: \$249,700

Description
 Arden Manor Park last replaced in 1999.
 City has received grant funding to increase the scope of this project to include the play structure, fiber bedding, concrete work and drainage issues.

Justification
 In order to maintain playground structures that meet current safety guidelines, require a minimum amount of maintenance, and have replacement parts available, the City is attempting to maintain a replacement schedule for playground facilities based on available funds.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	249,700					249,700
Total	249,700					249,700

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)	60,000					60,000
Grants	189,700					189,700
Total	249,700					249,700

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 23-Park-004
 Project Name Perry & Cummings Park Roof Maintenance

TCAAP No

Description Total Project Cost: \$55,000
 Repair or replace roof shingles at these two parks.

Justification
 Roofing materials are aging and deteriorating towards the end of the expected service life.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance		55,000				55,000
Total		55,000				55,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)		55,000				55,000
Total		55,000				55,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 thru 2026

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

Project # 25-Park-003
 Project Name Playground Structure Replacement

TCAAP No

Description	Total Project Cost: \$806,000
Play Structures are replaced on a 20 year replacement schedule.	
2025 Arden Oaks Park last replaced in 1999 - \$126,000 Freeway Park last replaced in 1998 - \$130,000	
2027 Ingerson Park last replaced in 2000 - \$130,000	
2028 Floral Park last replaced in 2001 - \$138,000 Sampson Park last replaced 2001- \$138,000	
2030 Royal Hills Park last replaced 2002 - \$144,000	

Justification
In order to maintain playground structures that meet current safety guidelines, require a minimum amount of maintenance, and have replacement parts available, the City is attempting to maintain a replacement schedule for playground facilities based on available funds.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance				256,000		256,000
Total				256,000		256,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)				256,000		256,000
Total				256,000		256,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Parks Department
 Contact Public Works Director
 Type Improvement
 Useful Life
 Category Park Capital Improvements
 Priority 4 Less Important

Project # 26-Park-004
 Project Name Park Shelter Roof Replacements

TCAAP No

Description Total Project Cost: \$120,000
 Replace steel roofs on 6 park shelters:
 Cummings, Floral, Hazelnut, Royal, Ingerson, Arden Manor

Justification
 Shelter roofs are deteriorating and reaching the end of service life.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance					120,000	120,000
Total					120,000	120,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)					120,000	120,000
Total					120,000	120,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Parks Department
 Contact Public Works Director
 Type Improvement
 Useful Life 20
 Category Park Capital Improvements
 Priority n/a

Project # 26-Park-005
 Project Name MN-51 Trail Connection

TCAAP No

Description Total Project Cost: \$600,000
 Proposed new trail construction. Involves 1,700-feet of 8-foot wide bituminous trail along the west side of MN-51 from the Roseville border to Snelling Avenue North.

Justification
 This trail segment is identified as a proposed pathway on the City's master trail system map. It is also identified in the Metropolitan Council Regional Bicycle Transportation Network (RBTN) and is eligible for funding. MnDOT is scheduled to resurface MN-51 in 2026 within the proximity of this proposed trail segment.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance					600,000	600,000
Total					600,000	600,000
Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)					400,000	400,000
Grants					200,000	200,000
Total					600,000	600,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Description Total Project Cost: \$1,020,000

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: \$187,500

2025
 Ladder Replacement
 Total Cost: \$1,600,000
 Arden Hills Cost: \$400,000

Justification

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

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings	187,500			400,000		587,500
Total	187,500			400,000		587,500

Funding Sources	2022	2023	2024	2025	2026	Total
Public Safety Capital Fund	187,500			400,000		587,500
Total	187,500			400,000		587,500

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 maintenance costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 thru 2026

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

Project # 22-Pub-002
 Project Name LJFD Rescue/Chief/Utility Vehicle Replacement

TCAAP No

Description Total Project Cost: \$331,300

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 Rescue/Chief/Utility vehicles in future years.

2022
 Vehicle Replacement
 Total Cost: \$82,000
 Arden Hills Cost: \$20,500

2023
 Tire Replacement
 Total Cost: \$8,000
 Arden Hills Cost: \$2,000

2024
 Vehicle Replacement
 Total Cost: \$231,000
 Arden Hills Cost: \$57,750

2026
 Vehicle Replacement
 Total Cost: \$572,000
 Arden Hills Cost: \$143,000

Justification

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

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings	20,500	2,000	57,750		143,000	223,250
Total	20,500	2,000	57,750		143,000	223,250

Funding Sources	2022	2023	2024	2025	2026	Total
Public Safety Capital Fund	20,500	2,000	57,750		143,000	223,250
Total	20,500	2,000	57,750		143,000	223,250

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 maintenance costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Pub-003
 Project Name LJFD General Equipment

TCAAP No

Description Total Project Cost: \$243,345

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

2022 - Network access devices, medical supplies/bags, rescue tools, air bags
 Total Cost: \$68,200
 Arden Hills Cost: \$17,050

2023 - Fire hose tester, thermal imaging camera, rehab equipment, gas monitors
 Total Cost: \$23,000
 Arden Hills Cost: \$5,750

2024 - Radios, SCBA bottles
 Total Cost: \$9,600
 Arden Hills Cost: \$2,400

2025 - Mobile tablets
 Total Cost: \$45,000
 Arden Hills Cost: \$11,250

There is a placeholder each year of up to \$15,000 based on historical analysis.

Justification

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

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings	17,050	15,000	15,000	15,000	15,000	77,050
Total	17,050	15,000	15,000	15,000	15,000	77,050

Funding Sources	2022	2023	2024	2025	2026	Total
Public Safety Capital Fund	17,050	15,000	15,000	15,000	15,000	77,050
Total	17,050	15,000	15,000	15,000	15,000	77,050

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 maintenance costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 thru 2026

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

Project # 22-Pub-004
 Project Name LJFD Station Capital

TCAAP No

Description	Total Project Cost: \$87,580
Lake Johanna Fire Department provides the City with a Capital Budget each year outlining expected capital outflows.	
2022 Interior painting, exterior concrete repairs, landscaping, stove, grills Total Cost: \$20,300 Arden Hills Cost: \$5,075	
2023 Ice machine Total Cost: \$3,000 Arden Hills Cost: \$750	
2024 Convert office to bedrooms Total Cost: \$30,000 Arden Hills Cost: \$7,500	
2025 Stucco redashing Total Cost: \$50,000 Arden Hills Cost: \$12,500	
There is a placeholder each year of up to \$10,000 based on historical analysis.	

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

Expenditures	2022	2023	2024	2025	2026	Total
Equip/Vehicles/Furnishings	5,080	10,000	10,000	12,500	10,000	47,580
Total	5,080	10,000	10,000	12,500	10,000	47,580

Funding Sources	2022	2023	2024	2025	2026	Total
Public Safety Capital Fund	5,080	10,000	10,000	12,500	10,000	47,580
Total	5,080	10,000	10,000	12,500	10,000	47,580

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 maintenance costs.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 25-Pub-005
 Project Name Lake Johanna Fire Dept Fire Station

TCAAP

Description Total Project Cost: \$1,170,000
 Construction of a new fire station.

Justification
 Maintaining the fire station is critical to public safety.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance				195,000	195,000	390,000
Total				195,000	195,000	390,000

Funding Sources	2022	2023	2024	2025	2026	Total
Public Safety Capital Fund				195,000	195,000	390,000
Total				195,000	195,000	390,000

Budget Impact/Other

Capital Improvement Plan
City of Arden Hills, Minnesota

2022 *thru* 2026

Department Sanitary Sewer Department
 Contact Public Works Director
 Type Maintenance
 Useful Life 20
 Category Sanitary Sewer Maintenance
 Priority 2 Very Important

Project # 22-Sew-001
 Project Name Lift Station Rehabilitation

TCAAP No

Description	Total Project Cost: \$670,000
Rehabilitation of lift stations to standardize and replace aging equipment, including pumps and electrical panels.	
Lift Station 14 - Pumps and panel (2022) \$90,000	
Lift Station 5 - Forcemain (2023) \$210,000	
Lift Station 8 - Pumps, base and electronics (2027) \$90,000	
Lift Station 2 - Pumps, base and electronics (2028) \$75,000	
Lift Station 5 - Pumps, base and electronics (2029) \$77,000	
Lift Station 7 - Pumps, base and electronics (2030) \$80,000	

Justification
The City has maintained a program to refurbish and update sanitary sewer lift stations on a 10-year cycle for reliability, technology and risk management. The proposed improvements continue this program for the 14 sanitary lift stations within the City's wastewater collection system.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	90,000	210,000				300,000
Total	90,000	210,000				300,000

Funding Sources	2022	2023	2024	2025	2026	Total
Sanitary Sewer Utility Fund	90,000	210,000				300,000
Total	90,000	210,000				300,000

Budget Impact/Other
Reduced maintenance costs.

Capital Improvement Plan
City of Arden Hills, Minnesota

2022 *thru* 2026

Department Sanitary Sewer Department
 Contact Public Works Director
 Type Maintenance
 Useful Life 30
 Category Sanitary Sewer Maintenance
 Priority 2 Very Important

Project # 22-Sew-002
 Project Name Sewer Lining/Rehabilitation

TCAAP No

Description Total Project Cost: \$1,500,000
 Sewer Lining and Rehabilitation of the sanitary sewer system on a 2-year cycle.
 Phase 1 (2021): Lift Station 4 area, Lift Station 5 area, Oak Avenue and Lake Valentine Road
 Phase 2 (2023): Arden View Drive Neighborhood
 Phase 3 (2025): Venus Avenue Neighborhood

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, staff will continue to perform sewer inspections and identify locations needing sewer lining and other sewer improvements.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance		250,000		330,000		580,000
Total		250,000		330,000		580,000

Funding Sources	2022	2023	2024	2025	2026	Total
Sanitary Sewer Utility Fund		250,000		330,000		580,000
Total		250,000		330,000		580,000

Budget Impact/Other
 This project will help the overall I&I reduction program.

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Str-001
 Project Name Arden Oaks Neighborhood Streets

TCAAP No

Description Total Project Cost: \$583,000
 Arden Oaks Dr / Arden Oaks Ct
 Proposed improvements include spot repair to existing curb, repairs to storm sewer catch basins, hydrant repairs, and sanitary sewer manhole and casting repairs. Full depth reclamation is proposed with new bituminous pavement.

Justification
 Existing street pavement conditions are declining with ratings below 35. Proposed improvements are necessary to continue safe and reliable street and utility services. These improvements will address the increasing costs for patching and maintaining highly deteriorated street pavement within the City.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	583,000					583,000
Total	583,000					583,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)	263,010					263,010
Other	262,400					262,400
Sanitary Sewer Utility Fund	12,380					12,380
Surface Water Mgmt Utility Funds	42,100					42,100
Water Utility Funds	3,110					3,110
Total	583,000					583,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Str-003
 Project Name Old Snelling Ave PMP, CR E - Hwy 51

TCAAP No

Description Total Project Cost: \$1,497,000
 Reconstruction of Old Snelling Avenue from County Road E to Highway 51 (Snelling Ave).
 Reclamation of roadway pavement and placement of new pavement, and limited spot repairs to water and sanitary sewer.

Justification
 This segment of roadway is highly deteriorated and requires significant maintenance each year by the Public Works Department. Proposed improvements are necessary to continue safe and reliable street and utility services.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	1,497,000					1,497,000
Total	1,497,000					1,497,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)	1,052,000					1,052,000
Other	155,000					155,000
Sanitary Sewer Utility Fund	62,000					62,000
Surface Water Mgmt Utility Funds	65,000					65,000
Water Utility Funds	163,000					163,000
Total	1,497,000					1,497,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 22-Str-006
 Project Name Lexington Ave, CR E to 694

TCAAP No

Description Total Project Cost: \$1,010,000
 Ramsey County has plans to reconstruct Lexington Ave from County Road E to 694. This project includes a new traffic signal at the Target/Lexington Station entrance and replacement of 12-inch diameter city water main along Lexington from Grey Fox to Red Fox Road. Lexington Station property is responsible for Arden Hills' portion of the new traffic signal per PUD agreement 13-003.

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

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	1,010,000					1,010,000
Total	1,010,000					1,010,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)	323,000					323,000
Grants	500,000					500,000
Other	187,000					187,000
Total	1,010,000					1,010,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Street Department
 Contact Public Works Director
 Type Improvement
 Useful Life 20-25
 Category Streets: Reconstruction
 Priority 3 Important

Project # 23-Str-002
 Project Name Old Snelling Ave/CR E Intersection Improvements

TCAAP No

Description Total Project Cost: \$1,687,000

The City and County have identified improvements for the intersection of County Road E and Old Snelling Road, including the potential construction of a roundabout. The Ramsey County TIP currently identifies project funding for this intersection improvement. The anticipated improvements include the following:

- Construction of a single lane roundabout at the intersection of County Road E and Old Snelling Avenue in partnership with Ramsey County;
- Replacement of watermain, sanitary sewer and storm sewer based on a condition assessment.

Justification

Sanitary sewer within the intersection is identified as an elevated priority for repairs/replacement. The County has identified segments for storm sewer within the intersection and extending north as needing replacement. A 2018 Intersection Control Evaluation study evaluated intersection options, including a 4-Way Stop, Traffic Signal, and Roundabout, and recommended construction of a single lane roundabout.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance		1,687,000				1,687,000
Total		1,687,000				1,687,000

Funding Sources	2022	2023	2024	2025	2026	Total
Other		20,000				20,000
Ramsey County		1,050,000				1,050,000
Sanitary Sewer Utility Fund		127,000				127,000
State Aid		330,000				330,000
Water Utility Funds		160,000				160,000
Total		1,687,000				1,687,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 24-Str-001
 Project Name Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista

TCAAP No

Description Total Project Cost: \$1,885,000
 Pavement Management Program (PMP) improvements consisting of spot curb repair, resurfacing or full depth reclamation and new bituminous pavement, repairs to storm sewer inlets, repairs to sanitary sewer manholes and castings, hydrant and valve repairs. Street segments include Colleen Avenue/McClung (Hamline to Snelling), Brian Knoll Drive & Ct, Norma Avenue (Colleen to Dawn Circle), Arden Vista Ct, and Royal Hills (Snelling to Arden View Dr).

Justification
 Pavement conditions are deteriorating with condition ratings from 25 to 52. Proposed improvements are necessary to continue safe and reliable street and utility services. These improvements will address the increasing costs for patching and maintaining highly deteriorated street pavement within the City.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance			1,885,000			1,885,000
Total			1,885,000			1,885,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)			900,000			900,000
Other			900,000			900,000
Sanitary Sewer Utility Fund			20,000			20,000
Surface Water Mgmt Utility Funds			45,000			45,000
Water Utility Funds			20,000			20,000
Total			1,885,000			1,885,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 26-Str-001
 Project Name Karth Lake East Neighborhood Streets and Stowe Ave

TCAAP No

Total Project Cost: \$1,385,000

Description
 Pavement Management Program (PMP) improvements consisting of spot curb repair, resurfacing or full depth reclamation and new bituminous pavement, repairs to storm sewer inlets, repairs to sanitary sewer manholes and castings, hydrant and valve repairs. Street segments include: Karth Lake Dr (Pleasant Dr to Cul-de-Sac), Pleasant Drive (Amble to Karth Lake Dr), Pleasant Circle, Amble Drive (Karth Lake Dr to Lexington Avenue), and Stowe Ave (New Brighton to Lake Johanna).

Justification
 Pavement conditions are showing distress with condition ratings from 33 to 59, with exception of one segment of Pleasant Dr. Pavement conditions will continue to decline. Proposed improvements are necessary to continue safe and reliable street and utility services. These improvements will address the increasing costs for patching and maintaining highly deteriorated street pavement within the City.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance					1,385,000	1,385,000
Total					1,385,000	1,385,000

Funding Sources	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)					650,000	650,000
Other					650,000	650,000
Sanitary Sewer Utility Fund					35,000	35,000
Surface Water Mgmt Utility Funds					30,000	30,000
Water Utility Funds					20,000	20,000
Total					1,385,000	1,385,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Surface Water Management D
 Contact Public Works Director
 Type Maintenance
 Useful Life 20-25
 Category Storm Water Maintenance
 Priority 2 Very Important

Project # 22-Storm-001
 Project Name Storm Sewer Structure Rehabilitation

TCAAP No

Description Total Project Cost: \$765,000
 Proposed improvements to storm sewer structures and Best Management Practices (BMPs).
 Reconstruct locations would coordinate with street improvement projects.
 Lining locations 2015 PMP, 2018 PMP, 2021 PMP, Arden Oaks Neighborhood.

Justification
 Maintenance is required by the City's MS4 permit issued by the MPCA.
 Inspections have identified storm sewer structures that are beginning to fail which leads to sink holes and deterioration in the street, which results in reconstruction becoming necessary. Lining the adjustment rings in newer structures prevents this type of deterioration.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	65,000	80,000	80,000	90,000	90,000	405,000
Total	65,000	80,000	80,000	90,000	90,000	405,000

Funding Sources	2022	2023	2024	2025	2026	Total
Surface Water Mgmt Utility Funds	65,000	80,000	80,000	90,000	90,000	405,000
Total	65,000	80,000	80,000	90,000	90,000	405,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

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

Project # 23-Storm-001
 Project Name Karth Lake retaining wall

TCAAP No

Description Total Project Cost: \$65,000
 Replace failing retaining wall adjacent to the west bank of Karth Lake at the lake outlet pump. Staff will investigate alternatives, including repair/replacement of wall and removal of wall with bank stabilization measures. Short term repairs will be made to redirect drainage from being conveyed over the top of the wall.

Justification
 Existing retaining wall is in need of repairs.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance		65,000				65,000
Total		65,000				65,000

Funding Sources	2022	2023	2024	2025	2026	Total
Surface Water Mgmt Utility Funds		65,000				65,000
Total		65,000				65,000

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

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Surface Water Management D
 Contact Public Works Director
 Type Maintenance
 Useful Life 20-25
 Category Storm Water Maintenance
 Priority 2 Very Important

Project # 24-Storm-001
 Project Name Storm Pond and Outfall Maintenance

TCAAP No

Description

Total Project Cost: \$495,000

This project is the first phase of a program to address accumulated sediment within stormwater ponds in the City's drainage system to maintain system compliance with State MS4 requirements. Staff measured sediment accumulation in several ponds in 2019/2020 and identified the Benton Way pond in 2024 (\$225,000) and the Glen Arden pond in 2026 (\$160,000) as the higher priority maintenance locations within the drainage system.

Justification

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

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance			225,000		160,000	385,000
Total			225,000		160,000	385,000

Funding Sources	2022	2023	2024	2025	2026	Total
Surface Water Mgmt Utility Funds			225,000		160,000	385,000
Total			225,000		160,000	385,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Water Department
 Contact Public Works Director
 Type Unassigned
 Useful Life 10
 Category Utility Maintenance
 Priority 2 Very Important

Project # 22-W-001
 Project Name Water Tower Maintenance

TCAAP No

Total Project Cost: \$135,000

Description

2022 - South Water Tower maintenance.
 Clean, inspect and repair tank interior of this 1 million gallon storage facility in accordance with MN Department of Health guidelines.

2024 - North Water Tower maintenance.
 Clean, inspect and repair tank interior of this 500,000 gallon storage facility in accordance with MN Department of Health guidelines.

Listed costs are estimates only. Inspections will determine the extent of minor repairs required.

Justification

The MN Department of Health recommends that storage facilities for public water supply systems are inspected and maintained on a 5-year cycle.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance	75,000		60,000			135,000
Total	75,000		60,000			135,000

Funding Sources	2022	2023	2024	2025	2026	Total
Water Utility Funds	75,000		60,000			135,000
Total	75,000		60,000			135,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Water Department
 Contact Public Works Director
 Type Improvement
 Useful Life 20
 Category Utility Improvements
 Priority 3 Important

Project # 24-W-003
 Project Name Water Meter Replacement

TCAAP No

Total Project Cost: \$1,200,000

Description
 Commercial water meters were replaced in 1997. Residential water meters were replaced in 1999-2000. This is a placeholder for replacing them throughout the City.

Justification

Expenditures	2022	2023	2024	2025	2026	Total
Other			1,200,000			1,200,000
Total			1,200,000			1,200,000

Funding Sources	2022	2023	2024	2025	2026	Total
Water Utility Funds			1,200,000			1,200,000
Total			1,200,000			1,200,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Water Department
 Contact Public Works Director
 Type Unassigned
 Useful Life 20
 Category Utility Maintenance
 Priority 2 Very Important

Project # 25-W-002
 Project Name Booster Station Improvements

TCAAP No

Description Total Project Cost: \$90,000
 Rehabilitation of pumps, motors, electrical system and building components. This project begins a proactive process to address aging mechanical equipment to minimize station failures and unscheduled outages. Staff will conduct further evaluation of system components to identify specific improvements and refine cost estimates.

Justification
 The booster station is a critical component of the water distribution system to supply water to the northern portion of the City. Proactive rehabilitation will better manage risks associated with water supply disruptions.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance				90,000		90,000
Total				90,000		90,000

Funding Sources	2022	2023	2024	2025	2026	Total
Water Utility Funds				90,000		90,000
Total				90,000		90,000

Budget Impact/Other

Capital Improvement Plan
 City of Arden Hills, Minnesota

2022 *thru* 2026

Department Water Department
 Contact Public Works Director
 Type Unassigned
 Useful Life 10
 Category Utility Maintenance
 Priority 2 Very Important

Project # 26-W-003
 Project Name Trunk Water Main Improvements

TCAAP No

Description Total Project Cost: \$300,000
 Evaluated the condition of 16" water main between North and South towers to determine the degree of corrosion and deterioration in 2020-2021. The evaluation will develop a long-term plan for rehabilitation of this critical water main segment.

Justification
 The trunk water main extending between the north and south elevated storage tanks is one of the most important and critical segments of the water distribution system for supplying water to the northern portion of the City. Segments of the water main have been in service for more than 52 years.

Expenditures	2022	2023	2024	2025	2026	Total
Construction/Maintenance					300,000	300,000
Total					300,000	300,000

Funding Sources	2022	2023	2024	2025	2026	Total
Water Utility Funds					300,000	300,000
Total					300,000	300,000

Budget Impact/Other

City of Arden Hills, Minnesota
Capital Improvement Plan
 2022 thru 2026

FUNDING SOURCE SUMMARY

Source	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)	2,124,010	55,000	900,000	336,000	1,170,000	4,585,010
EDA General Fund		270,000		40,000		310,000
Equipment/Building Replacement Fund	346,650	130,000	366,000	430,000	210,000	1,482,650
Grants	689,700				200,000	889,700
Other	604,400	20,000	900,000		650,000	2,174,400
Public Safety Capital Fund	230,130	27,000	82,750	622,500	363,000	1,325,380
Ramsey County		1,050,000				1,050,000
Sanitary Sewer Utility Fund	164,380	587,000	20,000	330,000	35,000	1,136,380
State Aid		330,000				330,000
Surface Water Mgmt Utility Funds	172,100	145,000	350,000	90,000	280,000	1,037,100
Water Utility Funds	241,110	160,000	1,280,000	90,000	320,000	2,091,110
GRAND TOTAL	4,572,480	2,774,000	3,898,750	1,938,500	3,228,000	16,411,730

City of Arden Hills, Minnesota

Capital Improvement Plan

2022 thru 2026

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	2022	2023	2024	2025	2026	Total
Capital Improvement Funds (PIR)								
Hard Court Reconstruction	22-Park-001	3	426,000			80,000		506,000
Arden Manor Park Improvements	22-Park-003	3	60,000					60,000
Arden Oaks Neighborhood Streets	22-Str-001	2	263,010					263,010
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	2	1,052,000					1,052,000
Lexington Ave, CR E to 694	22-Str-006	2	323,000					323,000
Perry & Cummings Park Roof Maintenance	23-Park-004	3		55,000				55,000
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	2			900,000			900,000
Playground Structure Replacement	25-Park-003	3				256,000		256,000
Park Shelter Roof Replacements	26-Park-004	4					120,000	120,000
MN-51 Trail Connection	26-Park-005	n/a					400,000	400,000
Karth Lake East Neighborhood Streets and Stowe Ave	26-Str-001	2					650,000	650,000
Capital Improvement Funds (PIR) Total			2,124,010	55,000	900,000	336,000	1,170,000	4,585,010
EDA General Fund								
Gateway Signs	23-EDA-001	n/a		270,000		40,000		310,000
EDA General Fund Total				270,000		40,000		310,000
Equipment/Building Replacement Fund								
City Hall Maintenance	22-Bldg-005	2	50,000	50,000	50,000	50,000	50,000	250,000
City Hall parking lot	22-Bldg-006	3	254,650					254,650
Replace 2005 Felling Trailer (Unit 414)	22-Eqp-006	4	12,000					12,000
Replace 2001 Toro Workman (Unit 411)	22-Eqp-007	3	30,000					30,000
Replace F-450 Truck (Unit 211)	23-EqpV-002	3		80,000				80,000
Replace 1996 Wacker 880 Roller (Unit 106)	24-Eqp-002	3			15,000			15,000
Replace Sterling Acterra Truck (Unit 431)	24-EqpV-001	3			165,000			165,000
Replace 2012 Int'l Plow Wing Truck (115)	24-EqpV-002	n/a			100,000	150,000		250,000
Building Inspector Vehicle (Unit 504)	24-EqpV-003	n/a			36,000			36,000
City Hall roof	25-Bldg-002	3				150,000		150,000
Replace 2018 Toro Large Area Mower (Unit 457)	25-Eqp-001	3				80,000		80,000
Replace 1993 Case 621 Loader (Unit 103)	26-Eqp-001	n/a					160,000	160,000
Equipment/Building Replacement Fund Total			346,650	130,000	366,000	430,000	210,000	1,482,650
Grants								
Arden Manor Park Improvements	22-Park-003	3	189,700					189,700
Lexington Ave, CR E to 694	22-Str-006	2	500,000					500,000
MN-51 Trail Connection	26-Park-005	n/a					200,000	200,000
Grants Total			689,700				200,000	889,700

Source	Project #	Priority	2022	2023	2024	2025	2026	Total
Other								
Arden Oaks Neighborhood Streets	22-Str-001	2	262,400					262,400
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	2	155,000					155,000
Lexington Ave, CR E to 694	22-Str-006	2	187,000					187,000
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	3		20,000				20,000
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	2			900,000			900,000
Karh Lake East Neighborhood Streets and Stowe Ave	26-Str-001	2					650,000	650,000
Other Total			604,400	20,000	900,000		650,000	2,174,400

Public Safety Capital Fund								
LJFD Engine/Ladder Replacement	22-Pub-001	n/a	187,500			400,000		587,500
LJFD Rescue/Chief/Utility Vehicle Replacement	22-Pub-002	n/a	20,500	2,000	57,750		143,000	223,250
LJFD General Equipment	22-Pub-003	n/a	17,050	15,000	15,000	15,000	15,000	77,050
LJFD Station Capital	22-Pub-004	n/a	5,080	10,000	10,000	12,500	10,000	47,580
Lake Johanna Fire Dept Fire Station	25-Pub-005	n/a				195,000	195,000	390,000
Public Safety Capital Fund Total			230,130	27,000	82,750	622,500	363,000	1,325,380

Ramsey County								
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	3		1,050,000				1,050,000
Ramsey County Total				1,050,000				1,050,000

Sanitary Sewer Utility Fund								
Lift Station Rehabilitation	22-Sew-001	2	90,000	210,000				300,000
Sewer Lining/Rehabilitation	22-Sew-002	2		250,000		330,000		580,000
Arden Oaks Neighborhood Streets	22-Str-001	2	12,380					12,380
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	2	62,000					62,000
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	3		127,000				127,000
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	2			20,000			20,000
Karh Lake East Neighborhood Streets and Stowe Ave	26-Str-001	2					35,000	35,000
Sanitary Sewer Utility Fund Total			164,380	587,000	20,000	330,000	35,000	1,136,380

State Aid								
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	3		330,000				330,000
State Aid Total				330,000				330,000

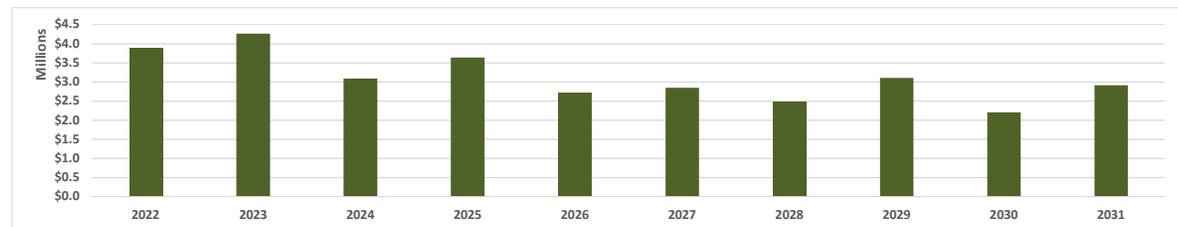
Surface Water Mgmt Utility Funds								
Storm Sewer Structure Rehabilitation	22-Storm-001	2	65,000	80,000	80,000	90,000	90,000	405,000
Arden Oaks Neighborhood Streets	22-Str-001	2	42,100					42,100
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	2	65,000					65,000
Karh Lake retaining wall	23-Storm-001	2		65,000				65,000
Storm Pond and Outfall Maintenance	24-Storm-001	2			225,000		160,000	385,000
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	2			45,000			45,000
Karh Lake East Neighborhood Streets and Stowe Ave	26-Str-001	2					30,000	30,000
Surface Water Mgmt Utility Funds Total			172,100	145,000	350,000	90,000	280,000	1,037,100

Water Utility Funds

Source	Project #	Priority	2022	2023	2024	2025	2026	Total
Arden Oaks Neighborhood Streets	22-Str-001	2	3,110					3,110
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	2	163,000					163,000
Water Tower Maintenance	22-W-001	2	75,000		60,000			135,000
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	3		160,000				160,000
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	2			20,000			20,000
Water Meter Replacement	24-W-003	3			1,200,000			1,200,000
Booster Station Improvements	25-W-002	2				90,000		90,000
Karth Lake East Neighborhood Streets and Stowe Ave	26-Str-001	2					20,000	20,000
Trunk Water Main Improvements	26-W-003	2					300,000	300,000
Water Utility Funds Total			241,110	160,000	1,280,000	90,000	320,000	2,091,110
GRAND TOTAL			4,572,480	2,774,000	3,898,750	1,938,500	3,228,000	16,411,730

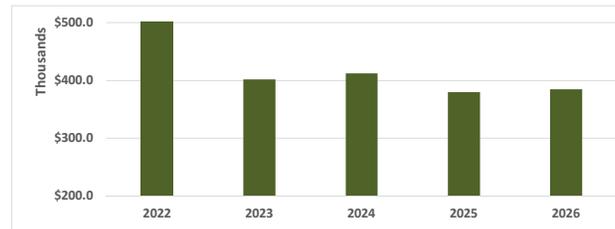
City of Arden Hills, Minnesota
Capital Improvement Plan
SOURCES AND USES OF FUNDS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Capital Improvement Funds (PIR)											
Beginning Balance	6,153,826	5,663,784	3,898,014	4,265,924	3,086,294	3,642,494	2,722,044	2,846,634	2,487,394	3,110,894	2,205,404
Revenues and Other Fund Sources											
Donations - Bethel	100,000	150,000	150,000	-	-	-	-	-	-	-	-
Transfers	548,000	315,000	-	-	-	-	-	-	-	-	-
Interest Income	30,900	29,250	30,000	25,000	5,000	-	-	-	-	-	5,000
Special Assessments	496,095	268,390	342,910	345,370	377,300	349,450	429,590	379,260	373,500	373,500	458,880
MSA State Street Aid	-	-	-	-	259,900	300,100	-	227,500	-	-	-
Grants	60,000	189,700	1,050,000	-	-	200,000	-	-	-	-	-
Tax Levy	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Revenues and Other Fund Sources	1,484,995	1,202,340	1,822,910	620,370	892,200	1,099,550	679,590	856,760	623,500	623,500	713,880
Total Funds Available	7,638,821	6,866,124	5,720,924	4,886,294	3,978,494	4,742,044	3,401,634	3,703,394	3,110,894	3,734,394	2,919,284
Expenditures and Uses											
Prior year projects - final costs	(100,000)	-	-	-	-	-	-	-	-	-	-
Feasibility study - Lake Valentine to CR 96 Trail	-	(50,000)	-	-	-	-	-	-	-	-	-
Hard Court Reconstruction		(426,000)	-	-	(80,000)	-	-	(80,000)	-	-	-
Arden Manor Park Improvements		(249,700)	-	-	-	-	-	-	-	-	-
Perry & Cummings Park Roof Maintenance		-	(55,000)	-	-	-	-	-	-	-	-
Playground Structure Replacement		-	-	-	(256,000)	-	(130,000)	(276,000)	-	(144,000)	-
Park Shelter Roof Replacements		-	-	-	-	(120,000)	-	-	-	-	-
MN-51 Trail Connection		-	-	-	-	(600,000)	-	-	-	-	-
Hazelnut Park Parking Lot		-	-	-	-	-	(185,000)	-	-	-	-
Perry Park Parking Lot		-	-	-	-	-	(240,000)	-	-	-	-
Hamline Avenue crosswalks	(102,490)	-	-	-	-	-	-	-	-	-	-
2021 PMP - Hazelnut Neighborhood	(1,772,547)	-	-	-	-	-	-	-	-	-	-
Arden Oaks Neighborhood Streets		(525,410)	-	-	-	-	-	-	-	-	-
Old Snelling Ave PMP, CR E - Hwy 51		(1,207,000)	-	-	-	-	-	-	-	-	-
Lexington Improvements		(510,000)	-	-	-	-	-	-	-	-	-
Old Snelling Ave/CR E Intersection Improvements		-	(1,400,000)	-	-	-	-	-	-	-	-
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista		-	-	(1,800,000)	-	-	-	-	-	-	-
Karth Lake East Neighborhood Streets		-	-	-	-	(1,300,000)	-	-	-	-	-
Tiller/Dunlap/Benton Way Resurface/Replace		-	-	-	-	-	-	(860,000)	-	-	-
Cummings/Northwoods/Red Fox/Grey Fox Resurface		-	-	-	-	-	-	-	-	(930,000)	-
Lake Valentine Road Street Improvements		-	-	-	-	-	-	-	-	(454,990)	-
Chatham/McCracken/Fairview/Brighton Way Resurface		-	-	-	-	-	-	-	-	-	-
Total Expenditures and Uses	(1,975,037)	(2,968,110)	(1,455,000)	(1,800,000)	(336,000)	(2,020,000)	(555,000)	(1,216,000)	-	(1,528,990)	-
Change in Fund Balance	(490,042)	(1,765,770)	367,910	(1,179,630)	556,200	(920,450)	124,590	(359,240)	623,500	(905,490)	713,880
Ending Balance	5,663,784	3,898,014	4,265,924	3,086,294	3,642,494	2,722,044	2,846,634	2,487,394	3,110,894	2,205,404	2,919,284



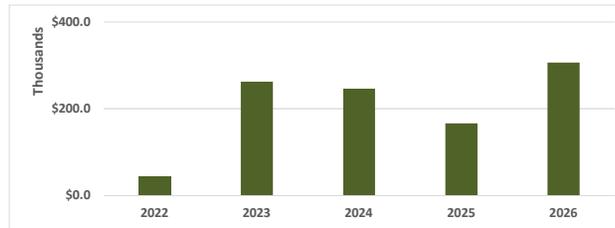
City of Arden Hills, Minnesota
Capital Improvement Plan
SOURCES AND USES OF FUNDS

	2021	2022	2023	2024	2025	2026
EDA General Fund						
Beginning Balance	622,693	642,363	658,043	401,263	411,793	379,553
Revenues and Other Fund Sources						
Interest Income	3,400	2,850	3,000	3,000	3,000	3,000
Tax Levy	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenues and Other Fund Sources	103,400	102,850	103,000	103,000	103,000	103,000
Total Funds Available	726,093	745,213	761,043	504,263	514,793	482,553
Expenditures and Uses						
Gateway Signs	-	-	(270,000)	-	(40,000)	-
Operating Expenditures	(83,730)	(87,170)	(89,780)	(92,470)	(95,240)	(98,090)
Total Expenditures and Uses	(83,730)	(87,170)	(359,780)	(92,470)	(135,240)	(98,090)
Change in Fund Balance	19,670	15,680	(256,780)	10,530	(32,240)	4,910
Ending Balance	642,363	658,043	401,263	411,793	379,553	384,463



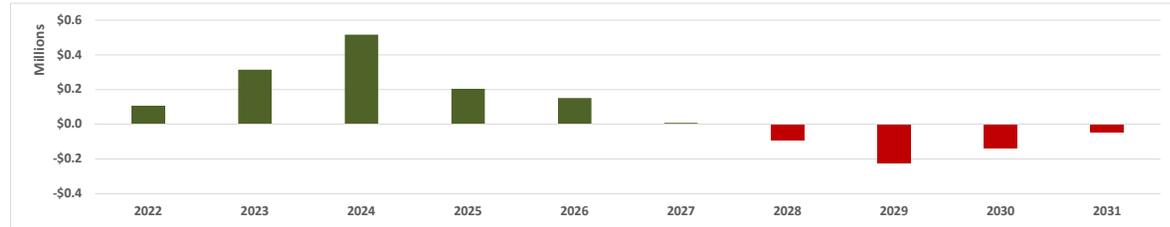
City of Arden Hills, Minnesota
Capital Improvement Plan
SOURCES AND USES OF FUNDS

	2021	2022	2023	2024	2025	2026
Equipment/Building Replacement Fund						
Beginning Balance	461,582	36,702	42,552	262,552	246,552	166,552
Revenues and Other Fund Sources						
Transfers from Utility funds	300,000	300,000	300,000	300,000	300,000	300,000
Interest Income	1,900	2,500	-	-	-	-
Tax Levy	50,000	50,000	50,000	50,000	50,000	50,000
Total Revenues and Other Fund Sources	351,900	352,500	350,000	350,000	350,000	350,000
Total Funds Available	813,482	389,202	392,552	612,552	596,552	516,552
Expenditures and Uses						
HVAC	(272,820)	-	-	-	-	-
Parking Lot	-	(254,650)	-	-	-	-
Roof	-	-	-	-	(150,000)	-
Maintenance/repair placeholder	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Vehicles	(337,960)	-	(80,000)	(301,000)	(150,000)	-
Equipment	(116,000)	(42,000)	-	(15,000)	(80,000)	(160,000)
Total Expenditures and Uses	(776,780)	(346,650)	(130,000)	(366,000)	(430,000)	(210,000)
Change in Fund Balance	(424,880)	5,850	220,000	(16,000)	(80,000)	140,000
Ending Balance	36,702	42,552	262,552	246,552	166,552	306,552



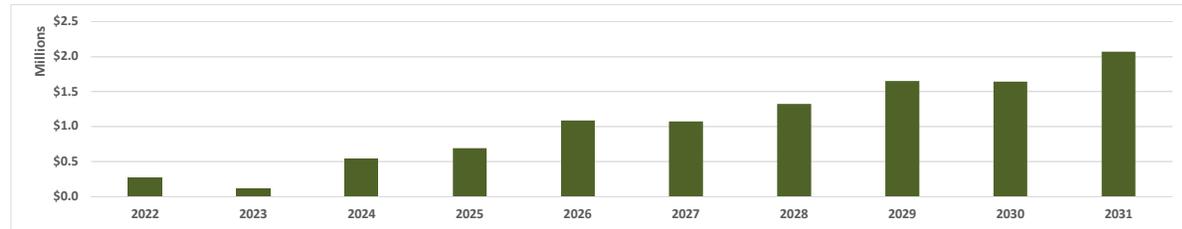
City of Arden Hills, Minnesota
Capital Improvement Plan
SOURCES AND USES OF FUNDS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Public Safety Capital Fund											
Beginning Balance	125,623	135,423	105,843	313,843	516,093	203,593	150,593	8,043	(93,752)	(226,252)	(136,252)
Revenues and Other Fund Sources											
Charitable Gambling	15,000	30,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Interest Income	-	550	-	-	-	-	-	-	-	-	-
Tax Levy	120,000	170,000	220,000	270,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000
Total Revenues and Other Fund Sources	135,000	200,550	235,000	285,000	310,000						
Total Funds Available	260,623	335,973	340,843	598,843	826,093	513,593	460,593	318,043	216,248	83,748	173,748
Expenditures and Uses											
LJFD Engine/Ladder Replacement	22-Pub-001	-	(187,500)	-	-	(400,000)	-	(210,000)	-	(222,500)	-
LJFD Rescue/Chief/Utility Vehicle Replacement	22-Pub-002	(26,220)	(20,500)	(2,000)	(57,750)	-	(143,000)	(22,550)	(85,500)	-	-
LJFD General Equipment	22-Pub-003	(17,190)	(17,050)	(15,000)	(15,000)	(15,000)	(15,000)	(121,295)	(15,000)	(15,000)	(15,000)
LJFD Station Capital	22-Pub-004	(1,190)	(5,080)	(10,000)	(10,000)	(12,500)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Lake Johanna Fire Dept Fire Station	25-Pub-005	(80,600)	-	-	-	(195,000)	(195,000)	(195,000)	(195,000)	(195,000)	(195,000)
Total Expenditures and Uses		(125,200)	(230,130)	(27,000)	(82,750)	(622,500)	(363,000)	(452,550)	(411,795)	(442,500)	(220,000)
Change in Fund Balance	9,800	(29,580)	208,000	202,250	(312,500)	(53,000)	(142,550)	(101,795)	(132,500)	90,000	90,000
Ending Balance	135,423	105,843	313,843	516,093	203,593	150,593	8,043	(93,752)	(226,252)	(136,252)	(46,252)



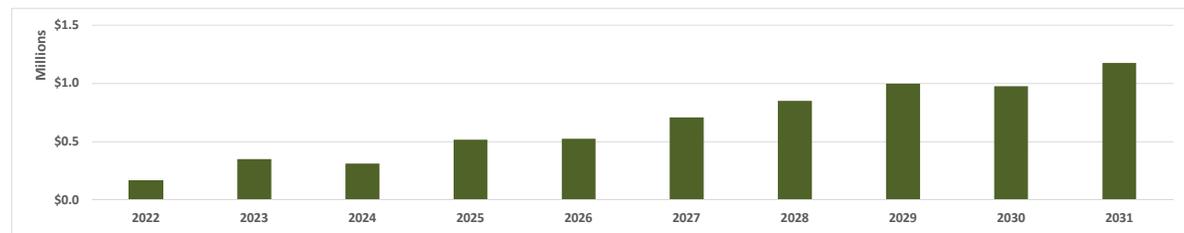
City of Arden Hills, Minnesota
Capital Improvement Plan
SOURCES AND USES OF FUNDS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Sanitary Sewer Utility Fund											
Beginning Balance	667,738	26,124	262,664	102,014	538,204	690,584	1,086,284	1,071,864	1,321,479	1,652,339	1,642,179
Revenues and Other Fund Sources											
Operating Revenue	2,064,570	2,189,120	2,262,040	2,340,830	2,422,380	2,422,500	2,470,780	2,520,030	2,570,270	2,621,520	2,673,790
Total Revenues and Other Fund Sources	2,064,570	2,189,120	2,262,040	2,340,830	2,422,380	2,422,500	2,470,780	2,520,030	2,570,270	2,621,520	2,673,790
Total Funds Available	2,732,308	2,215,244	2,524,704	2,442,844	2,960,584	3,113,084	3,557,064	3,591,894	3,891,749	4,273,859	4,315,969
Expenditures and Use											
Lift Station Rehabilitation	22-Sew-001	(294,225)	(90,000)	(210,000)	-	-	(90,000)	(75,000)	(77,000)	(80,000)	-
Sewer Lining/Rehabilitation	22-Sew-002	(220,000)	-	(250,000)	-	(330,000)	(350,000)	-	-	(350,000)	-
2021 PMP - Hazelnut Neighborhood	21-Str-005	(397,319)	-	-	-	-	-	-	-	-	-
Arden Oaks Neighborhood Streets	22-Str-001	-	(12,380)	-	-	-	-	-	-	-	-
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	-	(62,000)	-	-	-	-	-	-	-	-
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	-	-	(127,000)	-	-	-	-	-	-	-
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	-	-	-	(20,000)	-	-	-	-	-	-
Karth Lake East Neighborhood Streets	26-Str-001	-	-	-	-	(35,000)	-	-	-	-	-
Tiller/Dunlap/Benton Way Resurface/Replace	28-Str-001	-	-	-	-	-	-	(95,000)	-	-	-
Cummings/Northwoods/Red Fox/Grey Fox Resurface	30-Str-001	-	-	-	-	-	-	-	-	(10,000)	-
Lake Valentine Road Street Improvements	30-Str-002	-	-	-	-	-	-	-	-	(10,000)	-
Chatham/McCracken/Fairview/Brighton Way Resurface	32-Str-001	-	-	-	-	-	-	-	-	-	-
Debt Service		(40,650)	(39,450)	(38,250)	(37,050)	(40,750)	(39,350)	(37,950)	(36,725)	(40,600)	-
Operating Expenses		(1,627,990)	(1,622,750)	(1,671,440)	(1,721,590)	(1,773,250)	(1,826,450)	(1,881,250)	(1,937,690)	(1,995,810)	(2,055,680)
Operating transfer to Equipment Fund		(126,000)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)
Total Expenditures and Uses	(2,706,184)	(1,952,580)	(2,422,690)	(1,904,640)	(2,270,000)	(2,026,800)	(2,485,200)	(2,270,415)	(2,239,410)	(2,631,680)	(2,243,360)
Change in Fund Balance	(641,614)	236,540	(160,650)	436,190	152,380	395,700	(14,420)	249,615	330,860	(10,160)	430,430
Ending Balance	26,124	262,664	102,014	538,204	690,584	1,086,284	1,071,864	1,321,479	1,652,339	1,642,179	2,072,609



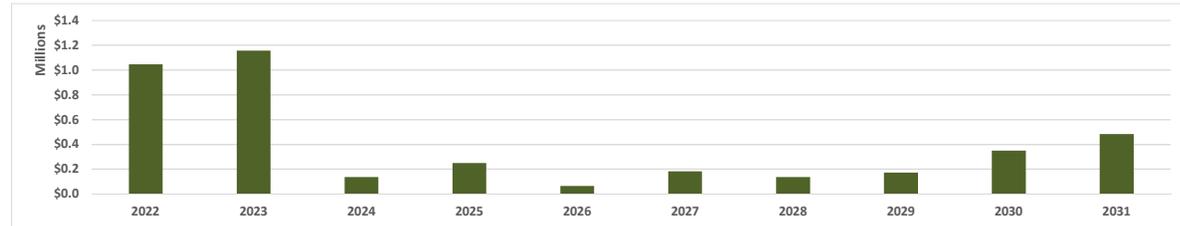
City of Arden Hills, Minnesota
Capital Improvement Plan
SOURCES AND USES OF FUNDS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Surface Water Mgmt Utility Funds											
Beginning Balance	321,801	(1,328)	168,502	350,302	311,512	516,662	525,272	706,852	850,892	996,862	976,222
Revenues and Other Fund Sources											
Operating Revenue	903,620	930,450	930,450	930,450	930,450	930,450	930,450	930,450	930,450	930,450	930,450
Total Revenues and Other Fund Sources	903,620	930,450									
Total Funds Available	1,225,421	929,122	1,098,952	1,280,752	1,241,962	1,447,112	1,455,722	1,637,302	1,781,342	1,927,312	1,906,672
Expenditures and Uses											
2021 PMP - Hazelnut Neighborhood	21-Str-005	(535,449)	-	-	-	-	-	-	-	-	-
Arden Oaks Neighborhood Streets	22-Str-001	-	(42,100)	-	-	-	-	-	-	-	-
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	-	(65,000)	-	-	-	-	-	-	-	-
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	-	-	-	(45,000)	-	-	-	-	-	-
Karth Lake East Neighborhood Streets	26-Str-001	-	-	-	-	(30,000)	-	-	-	-	-
Tiller/Dunlap/Benton Way Resurface/Replace	28-Str-001	-	-	-	-	-	-	(20,000)	-	-	-
Cummings/Northwoods/Red Fox/Grey Fox Resurface	30-Str-001	-	-	-	-	-	-	-	-	(23,000)	-
Lake Valentine Road Street Improvements	30-Str-002	-	-	-	-	-	-	-	-	(15,000)	-
Chatham/McCracken/Fairview/Brighton Way Resurface	32-Str-001	-	-	-	-	-	-	-	-	-	-
Karth Lake runoff control	21-Storm-001	(56,210)	-	-	-	-	-	-	-	-	-
Shorewood Drive drainage	20-Storm-003	(71,790)	-	-	-	-	-	-	-	-	-
Storm Sewer Structure Rehabilitation	22-Storm-001	-	(65,000)	(80,000)	(80,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	-
Karth Lake retaining wall	23-Storm-001	-	-	(65,000)	-	-	-	-	-	-	-
Storm Pond and Outfall Maintenance	24-Storm-002	-	-	-	(225,000)	-	(160,000)	-	-	(110,000)	-
Operating Expenses	(489,300)	(514,520)	(529,650)	(545,240)	(561,300)	(567,840)	(584,870)	(602,410)	(620,480)	(639,090)	(658,260)
Transfer to Equipment Fund	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)
Total Expenditures and Uses	(1,226,749)	(760,620)	(748,650)	(969,240)	(725,300)	(921,840)	(748,870)	(786,410)	(784,480)	(951,090)	(732,260)
Change in Fund Balance	(323,129)	169,830	181,800	(38,790)	205,150	8,610	181,580	144,040	145,970	(20,640)	198,190
Ending Balance	(1,328)	168,502	350,302	311,512	516,662	525,272	706,852	850,892	996,862	976,222	1,174,412



City of Arden Hills, Minnesota
Capital Improvement Plan
SOURCES AND USES OF FUNDS

		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Water Utility Funds												
Beginning Balance		1,352,952	1,021,682	1,048,012	1,156,392	138,092	249,412	63,742	183,662	137,422	171,767	350,937
Revenues and Other Fund Sources												
Operating Revenue		2,412,010	2,518,130	2,630,080	2,747,050	2,747,430	2,747,820	2,802,370	2,858,010	2,858,420	2,858,840	2,859,270
Grants		-	500,000	-	-	-	-	-	-	-	-	-
Total Revenues and Other Fund Sources		2,412,010	3,018,130	2,630,080	2,747,050	2,747,430	2,747,820	2,802,370	2,858,010	2,858,420	2,858,840	2,859,270
Total Funds Available		3,764,962	4,039,812	3,678,092	3,903,442	2,885,522	2,997,232	2,866,112	3,041,672	2,995,842	3,030,607	3,210,207
Expenditures and Uses												
2021 PMP - Hazelnut Neighborhood	21-Str-005	(581,980)	-	-	-	-	-	-	-	-	-	-
Arden Oaks Neighborhood Streets	22-Str-001	-	(3,110)	-	-	-	-	-	-	-	-	-
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	-	(163,000)	-	-	-	-	-	-	-	-	-
Lexington Avenue, CR E to 694	22-Str-006	-	(500,000)	-	-	-	-	-	-	-	-	-
Old Snelling Ave/CR E Intersection Improvements	23-Str-002	-	-	(160,000)	-	-	-	-	-	-	-	-
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001	-	-	-	(20,000)	-	-	-	-	-	-	-
Karth Lake East Neighborhood Streets	26-Str-001	-	-	-	-	-	(20,000)	-	-	-	-	-
Tiller/Dunlap/Benton Way Resurface/Replace	28-Str-001	-	-	-	-	-	-	-	(150,000)	-	-	-
Cummings/Northwoods/Red Fox/Grey Fox Resurface	30-Str-001	-	-	-	-	-	-	-	-	-	(20,000)	-
Lake Valentine Road Street Improvements	30-Str-002	-	-	-	-	-	-	-	-	-	(10,000)	-
Chatham/McCracken/Fairview/Brighton Way Resurface	30-Str-001	-	-	-	-	-	-	-	-	-	-	-
Water Tower Maintenance	22-W-001	-	(75,000)	-	(60,000)	-	-	-	-	-	-	-
Booster Station Improvements	25-W-002	-	-	-	-	(90,000)	-	-	-	-	-	-
Trunk Water Main Improvements	26-W-003	-	-	-	-	-	(300,000)	-	-	-	-	-
Water Meters		-	-	-	(1,200,000)	-	-	-	-	-	-	-
Debt Service		(248,150)	(250,750)	(248,050)	(250,050)	(246,750)	(248,150)	(249,150)	(250,950)	(248,675)	-	-
Operating Expenses		(1,813,150)	(1,899,940)	(2,013,650)	(2,135,300)	(2,199,360)	(2,265,340)	(2,333,300)	(2,403,300)	(2,475,400)	(2,549,670)	(2,626,160)
Transfer to Equipment Fund		(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Total Expenditures and Uses		(2,743,280)	(2,991,800)	(2,521,700)	(3,765,350)	(2,636,110)	(2,933,490)	(2,682,450)	(2,904,250)	(2,824,075)	(2,679,670)	(2,726,160)
Change in Fund Balance		(331,270)	26,330	108,380	(1,018,300)	111,320	(185,670)	119,920	(46,240)	34,345	179,170	133,110
Ending Balance		1,021,682	1,048,012	1,156,392	138,092	249,412	63,742	183,662	137,422	171,767	350,937	484,047



City of Arden Hills, Minnesota

Capital Improvement Plan

2022 thru 2031

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Street Department												
Arden Oaks Neighborhood Streets	22-Str-001	583,000										583,000
Old Snelling Ave PMP, CR E - Hwy 51	22-Str-003	1,497,000										1,497,000
Lexington Ave, CR E to 694	22-Str-006	1,010,000										1,010,000
Old Snelling Ave/CR E Intersection Improvements	23-Str-002		1,687,000									1,687,000
Colleen/Norma/Briar Knoll/Royal Hills/Arden Vista	24-Str-001			1,885,000								1,885,000
Karth Lake East Neighborhood Streets and Stowe Ave	26-Str-001					1,385,000						1,385,000
Tiller/Dunlap/Benton Way Resurface/Replace	28-Str-001							1,125,000				1,125,000
Cummings/Northwoods/Red Fox/Grey Fox Resurface	30-Str-001									983,000		983,000
Lake Valentine Road Street Improvements	30-Str-002									489,990		489,990
Street Department Total		3,090,000	1,687,000	1,885,000		1,385,000		1,125,000		1,472,990		10,644,990
Capital Improvement Funds (PIR)		1,638,010		900,000		650,000		430,000		235,000		3,853,010
Grants		500,000										500,000
Other		604,400	20,000	900,000		650,000		430,000		692,490		3,296,890
Ramsey County			1,050,000									1,050,000
Sanitary Sewer Utility Fund		74,380	127,000	20,000		35,000		95,000		20,000		371,380
State Aid			330,000							457,500		787,500
Surface Water Mgmt Utility Funds		107,100		45,000		30,000		20,000		38,000		240,100
Water Utility Funds		166,110	160,000	20,000		20,000		150,000		30,000		546,110
Street Department Total		3,090,000	1,687,000	1,885,000		1,385,000		1,125,000		1,472,990		10,644,990



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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.

Glossary of Budget Terms

Account

A term used to identify an individual asset, liability, expenditure control, 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 has 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 of 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 needs 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 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 (MVHC)

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 value 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
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