



# City of Arden Hills Minnesota

## 2012 Adopted Budget



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**CITY OF ARDEN HILLS  
MINNESOTA**

**2012 PROPOSED BUDGET**

2012 CITY OFFICIALS

TERM OF OFFICE  
EXPIRES DECEMBER 31<sup>ST</sup>

Mayor .....	David Grant	2014
Councilperson .....	Fran Holmes	2014
Councilperson .....	Brenda Holden	2012
Councilperson .....	Ed Werner	2014
Councilperson .....	Nicholas Tamble	2012
City Administrator/Clerk .....	Patrick Klaers	
Director of Finance and Administrative Services .....	Susan Iverson	

# CITY OF ARDEN HILLS, MINNESOTA 2012 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.

### **Strategic Plan**

The City Council and management staff held strategic planning sessions in 2011 to identify goals. The facilitator held individual meetings with each council and staff member prior to the first planning session to develop a list of issues and priorities. Three planning sessions were held from February – May with eighteen (18) goals established.

### **Summary Information**

This section of the budget contains of 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

# **Guide to the Document**

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.

## **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.

## **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 five-year forecast.

## **Appendix**

This section contains information of interest such as, a community profile, statutory formula conversion of estimated market value to net tax capacity, historical property tax information and levies.

## **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. In total the city is approx. 9.6 square miles.

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

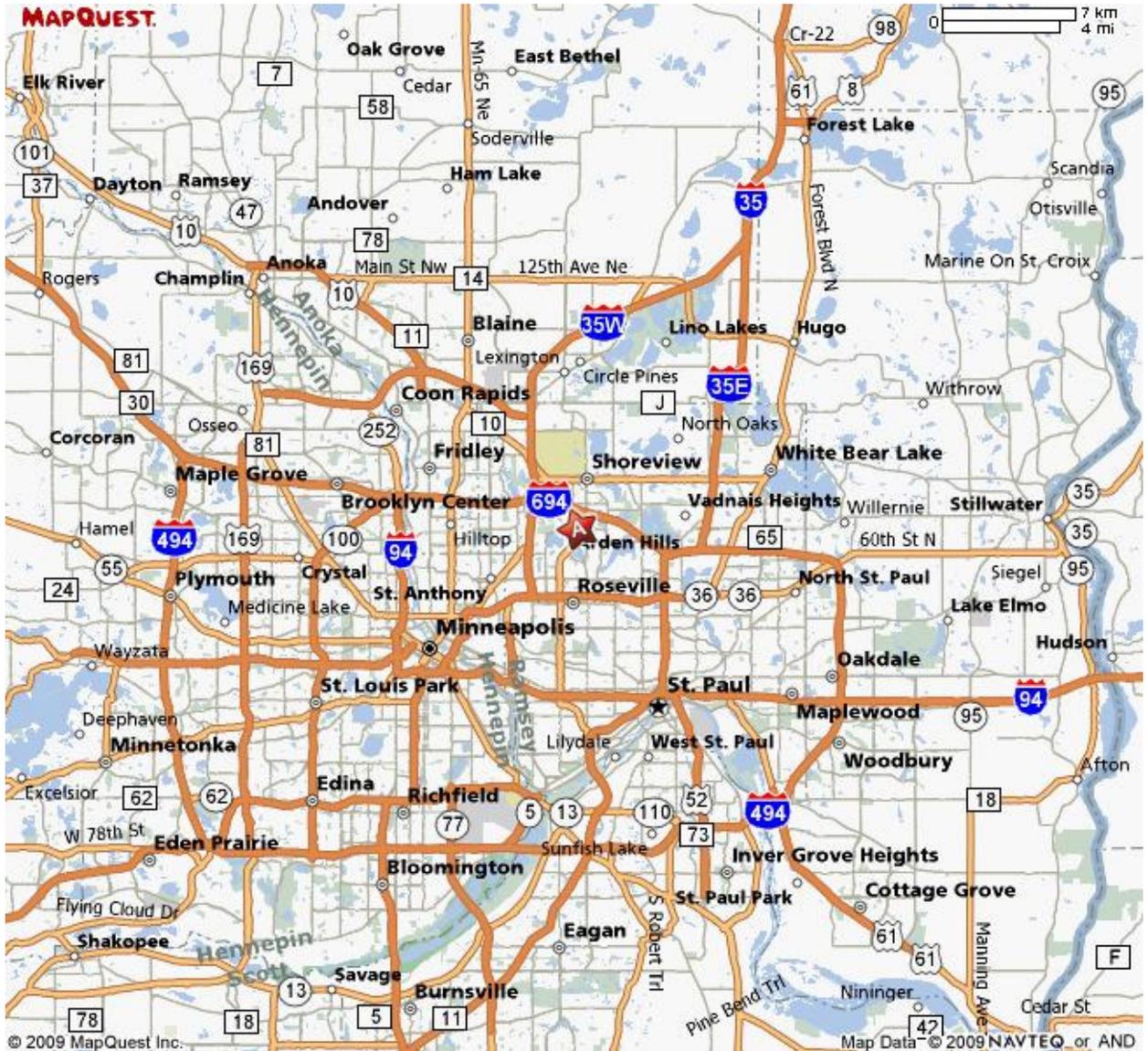
The city was originally part of the Mounds View Township. When the township was organized, it included the present Shoreview, Arden Hills, New Brighton, Mounds View, and parts of North Oaks and St. Anthony. Arden Hills was incorporated on February 14, 1951, in response to New Brighton's request for annexation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

In 1941 the federal government purchased 2,530 acres of farmland, approx 1/3 of the city, for the establishment of an ammunition manufacturing site. At its peak, during World War II, the arsenal employed 26,000 people, producing 4 billion rounds of ammunition. The plant remained active throughout WWII, Korea and Vietnam. In 1994 the land was declared by the United State 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 3 major corporations, Boston Scientific, Land O' Lakes, and Syntegra. 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.

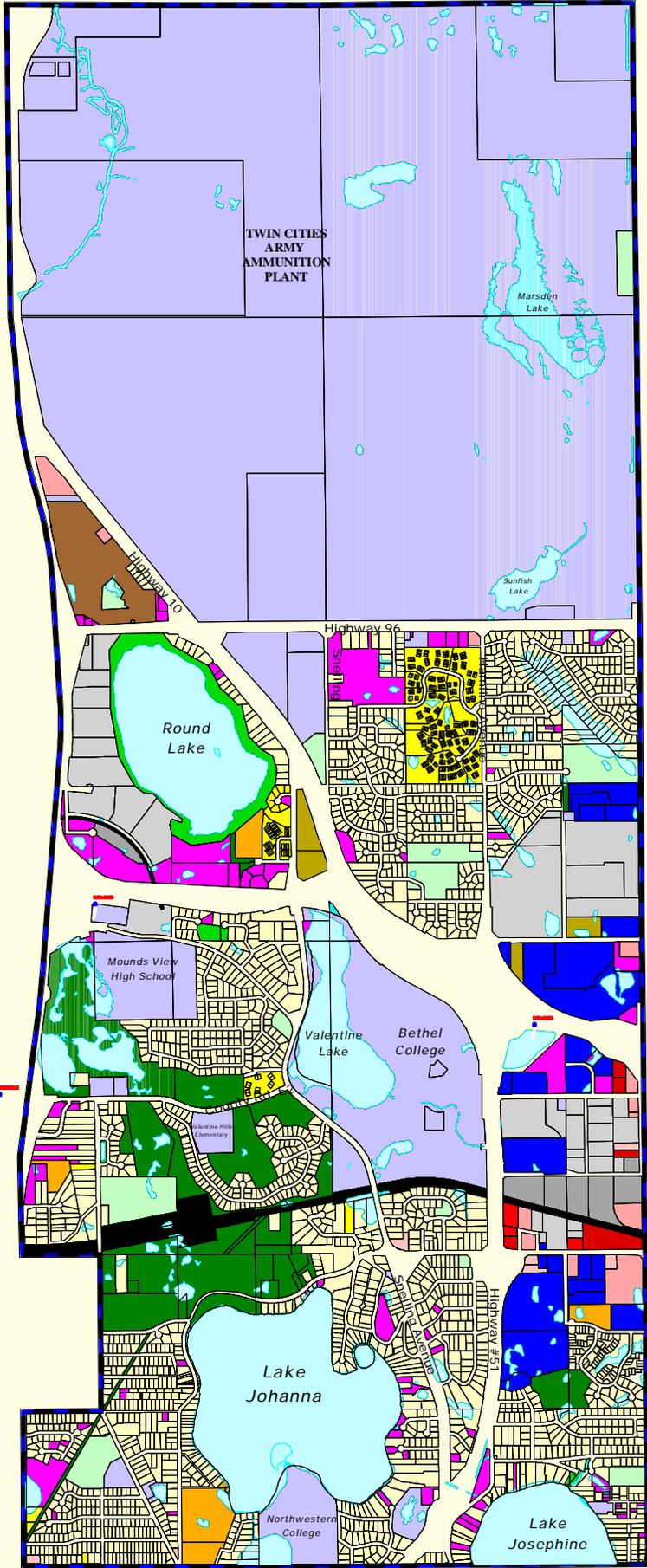
The current city has a population of 9,552 residents. In 1996 the city conducted a Quality of Life study and found that residents are very satisfied with their community. Location, high quality schools and available housing were found to be the most important reasons for living in Arden Hills. Parks, a small town feeling, and lower taxes are also important to the residents of Arden Hills.

# MAP OF ARDEN HILLS AND SURROUNDING AREA





# Existing Land Use Map



Legend	
Existing Land Use	
	SFD: Single Family Detached Residential
	SFA: Single Family Attached Residential
	MF: Multiple Family Residential
	MH: Mobile Home
	NC: Neighborhood Commercial
	CC: Community Commercial
	RC: Regional Commercial
	HC: Highway Convenience
	OFC: Office
	LI: Light Industrial
	HI: Heavy Industrial
	IN: Institutional
	SRO: Outdoor Sport/Recreation
	OSN: Natural Open Space
	OSP: Passive Open Space
	RR: Rail Road
	UTL: Utility
	VAC : Vacant
	Water Features
	Right-of-Way

**Disclaimer:**

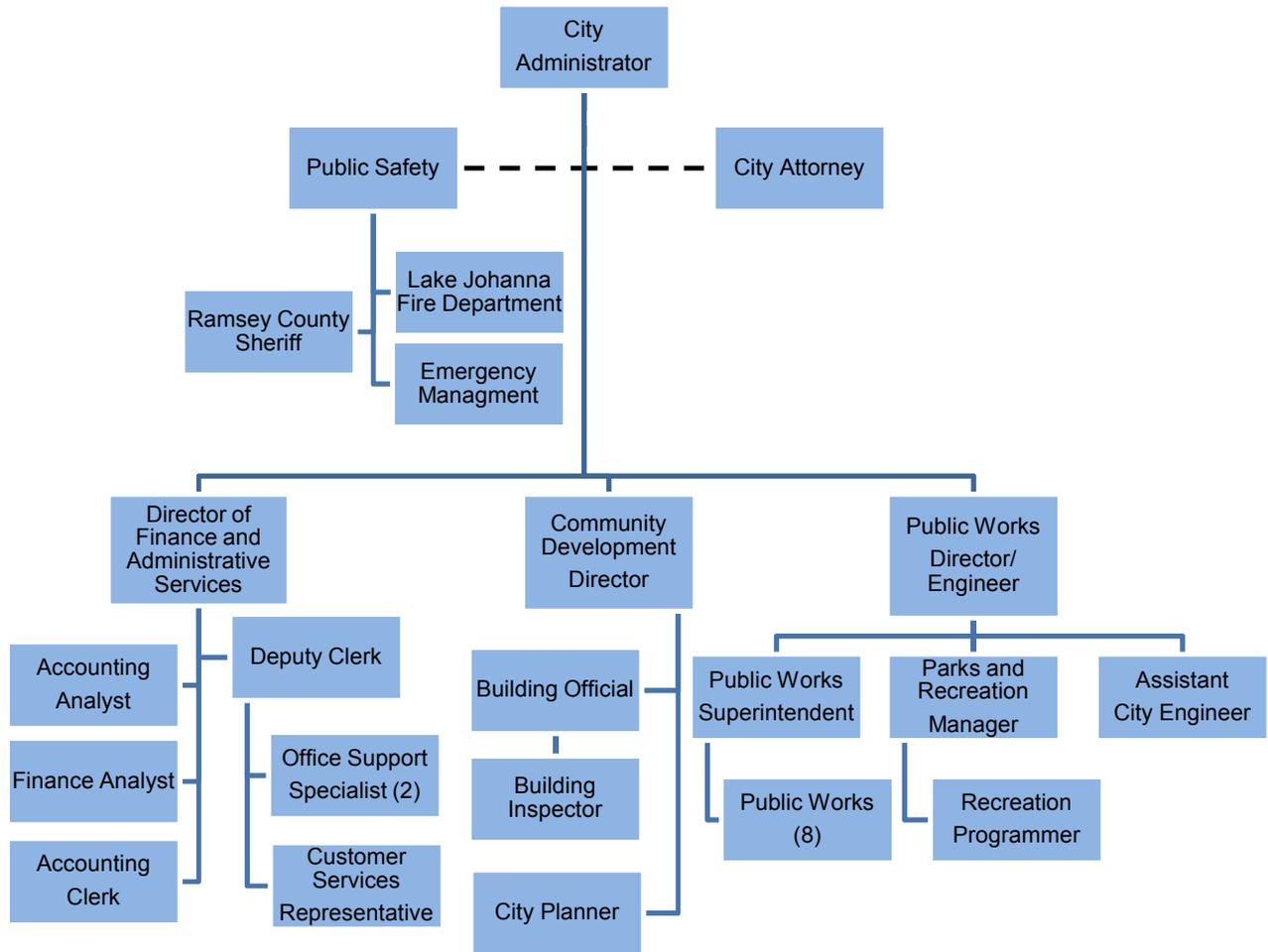
The Comprehensive Plan Designations represented on this map correspond to the City of Arden Hills Policy for Land Use Management. Questions concerning the Land Use Map should be directed to the City of Arden Hills. Land Use Designations are subject to change, please refer to the Comprehensive Plan for complete Land Use Descriptions.

Sources:  
 Ramsey County  
 City of Arden Hills



Map Date: December 20, 2001

# City of Arden Hills Organization Chart





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# 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 2012. The adopted 2012 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 12, 2011, the City Council adopted the preliminary property tax levy. The proposed 2012 budget and final property tax levy were adopted at the December 12, 2011 City Council Meeting. The final property tax levy was submitted to Ramsey County on December 20, 2011.

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 2012 and beyond. The following segments will serve to highlight the focal points of these plans for the 2012 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 2012 and beyond. It includes priorities and initiatives for the current year, as well as a focus for the future. The following represents the main on-going priorities of the City:

- Active Living – Enhance the health, safety, and well-being of all who live, work, and play in the City.
- Twin Cities Army Ammunition Plant (TCAAP) redevelopment - Develop TCAAP in a way that accommodates a mix of land uses that is sensitive to the natural environment, economically sustainable, and a benefit to the community.
- 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.

Some of the challenges the City faced in 2011 were working with a new staff and City Council. In 2010, three of the four key management positions turned over (City Administrator, Community Development Director, and Public Works Director). 2011 saw a new makeup to the City Council with a new Mayor (who was formerly a City Council member) and two new Council members (one of whom was appointed to fill the vacated position with the Mayor’s election). Strategic planning and goal setting were a top priority to get everyone on the same page.

Strategic planning and goal setting had not been formally done with Council and staff since late 2008 and early 2009. The City found itself needing to step back and redefine what priorities were and what direction needed to be taken. The City hired a facilitator who met individually with each Council member and the upper management staff. Any topic that was mentioned more than twice was put on the list and reviewed at the first Goal Setting meeting on February 12, 2011. The purpose of this meeting was to discuss and identify all the top issues/goals of the City Council based on the information received during the interviews.

Prior to this meeting, Ramsey County announced that it was dealing with the Minnesota Vikings to possibly locate a new stadium on the Twin Cities Army Ammunition Plant (TCAAP) property. TCAAP dates back to the 1940’s and is currently a Federal Superfund Site that is surplus property. Several portions of the property have been transferred, but 430 acres is still available for development and requires major clean-up. There are over 110 substandard buildings, miles of existing roads, railroad tracks, and utility lines that need to be removed. Many of the buildings require hazardous materials abatement prior to demolition.

The location of this property on major highways and close to core cities, provides excellent opportunities for the land after clean-up. The City had been pursuing a negotiated sale from the Army through the early transfer process. In order to control the development of this property, the City had partnered with a development partner. In April of 2009, due to economic conditions, the development partner pulled out of the project and the early transfer process with the Army was terminated. The Army is now pursuing selling the property through Public Auction. The City has set up zoning on the property and continues to work with all agencies involved to enable a purchase and development to proceed.

With this new information from Ramsey County, the February 12, 2011, the Goal Setting meeting was primarily dedicated to the TCAAP property and the City's concerns. A list of action items or priorities was developed to protect the City should this partnership with Ramsey County and the Minnesota Vikings move forward.

On March 16, 2011, a meeting to discuss the City-wide issues took place. The Council discussed the items that were generated from the informational interviews at this meeting and formulated them into groups of common or "like" issues. Staff compiled these into voting sheets and another meeting was held on May 2, 2011, where the Council ranked the identified these issues/goals.

Staff compiled the results and put them into a Goal Setting document. Staff was asked to list the tasks involved, give an estimated timeline to complete each goal, and to prioritize them. On July 11, 2011, the Council met with staff in a workshop to review the document and make any final changes. The document in its final form was formally adopted at the July 11, 2011 regular City Council meeting. This document is intended to be a Guiding Plan and outlines work goals and projects for the next few years. The plan reflects the collective decision of the City Council on the ranking of their goals. The Guiding Plan is a flexible plan that can be changed by the City Council as priorities for projects and goals change. This plan can be found on pages 26 to 33 in the Strategic Planning section of this document.

It was discussed that there are limited amounts of City resources (staff time and money) available to accomplish all of the 18 goals that were identified. It was noted that "we cannot do it all at once". The plan helped everyone understand the City Council priorities and activities and projects that staff should be spending time on. Everyone realized that all of the goals are important and will get worked on, but some will need to be worked on later depending on workloads. The plan helps identify the "pecking order" for work projects and one can almost look at this document as a resource allocation plan for staff time.

It was also discussed that if the Ramsey County partnership with the Minnesota Vikings became a reality, that the timelines in the Guiding Plan would have to be modified as TCAAP was not listed in the Guiding Plan as a priority project.

In May, Ramsey County and the Minnesota Vikings publicly announced their partnership. This then took a tremendous amount of staff time and the City hired a lobbyist in the latter part of the year to keep abreast of discussions at the legislature. No special session was called in 2011 by the Governor to discuss this topic, it is expected to be discussed in the 2012 legislative session.

Staff did begin work on the goals established in the Guiding Plan, but the first deadlines are not until 2012. For progress on these goals, please refer to the document found on pages 26 to 33

## *Impact of Legislation*

The 2008 Minnesota State legislature instituted levy limits for 2009 – 2011. These limits restricted city levies to the lower of 3.9 percent or the implicit price deflator (IPD) for local governments. Special levies, which are levies outside of the levy limit, were allowed for debt service, disaster response, abatement, increased public safety personnel costs, and levies needed to fund matching requirements needed to qualify for federal or state grants. In December 2008, the Governor unallotted the Market Value Homestead Credit (MVHC) and Local Government Aid (LGA) payments to cities for the second half of the year, in 2009, 2010 and 2011 all payments were unallotted. The impact to the City of Arden Hills was approximately \$61,774 in 2010 and \$61,774 for 2011.

The 2011 legislature did not enact levy limits for 2012. However, they did repeal the MVHC program and instituted a new Market Value Exclusion (MVE) program. This program reduced the local taxable value of homestead properties that are valued under \$413,800 at which point the credit is phased out. This affected the City’s tax rates in 2012 as a result of this change.

Under the old MVHC program, home property taxes were reduced by a State credit. The program was designed to hold local governments harmless by a reimbursement from the State of Minnesota for the sum of all credits provided. This credit had been reduced or eliminated altogether in most years due to State budget cuts. (It was only fully funded one year out of the nine that it was in effect.) Another complicating component of the old MVHC program was that the estimated amount of credits needed to be included in the City’s levy, even though no reimbursement from the State would occur. This caused a mismatch between the adopted levy and the actual levy collections.

Under the new MVE program, a portion of the home’s market value is excluded for tax purposes. This created a new Taxable Market Value (which was lower than the estimated Market Value), as well as a reduced value for tax computations (taxable value). One big advantage of this program is that the state credits are eliminated, which means there is no need to add estimated MVHC credits to the overall levy amount.

The following table provides an example of how the new program works for five different home values. Homes valued at \$76,000 receive the maximum value reduction, and homes valued at \$413,800 (value at which the exclusion is phased out) and above receive no value reduction.

Home Market Value	\$ 76,000	\$ 150,000	\$ 272,800	\$ 350,000	\$ 413,800
Market Value Exclusion	(30,400)	(23,740)	(12,688)	(5,740)	-
Market Value After Exclusion	\$ 45,600	\$ 126,260	\$ 260,112	\$ 344,260	\$ 413,800
Taxable Capacity Value - OLD	\$ 760	\$ 1,500	\$ 2,728	\$ 3,500	\$ 4,138
Taxable Capacity Value - NEW	\$ 456	\$ 1,263	\$ 2,601	\$ 3,443	\$ 4,138
Difference in Taxable Capacity	-40.0%	-15.8%	-4.7%	-1.6%	0.0%

In order to evaluate the true impact to the residential property owner, you need to take into account the decrease in fiscal disparities, the change in the taxable value before the MVE, and the effects of the new MVE program. To help illustrate this, staff calculated the effects of the impact to the residential property owner due to the reduction in fiscal disparity dollars, changes in the assess market value, and changes in the City’s overall taxable value **before** the new legislation. This gives an “apples-to-apples” comparison as it is the same formula used in 2011 if we use a 0% levy increase. Staff then calculated the effects of the new MVE program which reduced the taxable value of the City as the new program “excluded” a portion of the taxable value of qualifying homesteaded property in the City and used a 0% increase to calculate this effect. Finally staff calculated the effects of the adopted levy of 1.8% to show the effect of the actual levy increase. The chart below depicts these effects.

Taxable Value B/4 Credit	Before Legislative Change Impact from Market Shifts		Impact from Legislative Chg		Impact from 1.8% Levy Incr		Total Change	
	Annual Increase	Monthly incr.	Annual Increase	Monthly incr.	Annual Increase	Monthly incr.	Annual Increase	Monthly incr.
150,000	(\$2.33)	\$ (0.19)	\$1.17	\$0.10	\$6.38	\$ 0.53	\$5.22	\$ 0.43
272,800	(\$4.06)	\$ (0.34)	\$14.28	\$1.19	\$13.14	\$ 1.10	\$23.36	\$ 1.95
350,000	(\$5.18)	\$ (0.43)	\$22.72	\$1.89	\$17.39	\$ 1.45	\$34.93	\$ 2.91
500,000	(\$10.04)	\$ (0.84)	\$35.65	\$2.97	\$25.25	\$ 2.10	\$50.86	\$ 4.24
750,000	(\$13.84)	\$ (1.15)	\$57.93	\$4.83	\$41.03	\$ 3.42	\$85.12	\$ 7.09

2011 Tax Rate'	Before Legislative Change Impact from Market Shifts		Impact from Legislative Chg		Impact from 1.8% Levy Incr		2012 Rate Total Change	
	Rate	Incr	Rate	Incr.	Rate	Incr.	Rate	Incr.
24.180%	24.337%	0.157%	25.050%	0.870%	25.555%	0.348%	25.555%	1.375%

This exclusion reduces a property’s taxable market value, which in turn reduces the City’s tax capacity and thus increases the City’s tax rate. This again resulted in property owners paying more in 2012 in order to generate the same amount of tax dollars as it did in 2011 and it shifts tax burden from residential homesteaded properties to non-homestead properties, including commercial and industrial properties.

Arden Hills was hit especially hard by this change, as it not only affected the City’s levy but the County, School District, and other local taxing districts. Arden Hills has very little homestead property which qualifies for this exclusion compared to the rest of Ramsey County, so Arden Hill’s residents picked up the shift of county, school, and special taxing district levy amounts. This amounted to approximately a 10.6% increase overall on the median value residential property of \$272,800. This was a significant factor in how the City Council set its levy.

### ***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:

- Completed 2011 Pavement Management Plan (PMP) Nursery Hill/Wyncrest/Arden View projects.
- Completed a sanitary sewer lining project.
- Received award for Distinguished Budget Presentation
- Received Certificate of Achievement for Excellence in Financial Reporting
- Received award for Outstanding Achievement in Popular Annual Financial Reporting
- Established a Safety Committee
- Established a Committee to work on design of a new website
- Completed improvements to the City's newsletter
- Completed numerous public works projects, both planned and emergency, including I&I reduction projects

### ***Budget Initiatives***

The 2012 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. The importance of a sound revenue picture cannot be overstated. Revenues must be estimated realistically. Revenue estimates are based on historical trends and projected conservatively.

The City of Arden Hills provides a 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 2012 budget was established for the City:

Funds	Revenue		Expenditures	
	2011	2012	2011	2012
General	3,967,217	4,044,127	3,917,217	4,044,126
Special Revenue	639,600	742,881	510,346	540,790
Debt Service	284,375	286,698	284,375	286,698
Capital Project	1,013,000	963,200	2,827,014	1,630,711
Enterprise	4,299,200	4,436,379	5,494,104	4,864,661
Internal Service	15,000	831,815	27,000	855,125
<b>Total</b>	<b>\$10,218,392</b>	<b>\$11,305,100</b>	<b>\$13,060,056</b>	<b>\$12,222,111</b>

## ***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 78% of the General Fund revenues. For 2012, the City's property tax levy will be \$3,096,994 an increase of 1.84% from 2011. Historically, the City does not use reserves to balance the City's budget, however due to the current economic environment \$41,201 was used to balance the budget for 2010 and \$20,000 in 2011. None were used in 2012. The following table provides a historical view of the City's property tax levies:

Year	Tax Levy	% Change
2002	\$2,201,002	-
2003	2,265,712	2.94%
2004	2,333,337	2.98%
2005	2,440,453	4.59%
2006	2,537,520	3.98%
2007	2,688,944	5.97%
2008	2,797,348	4.03%
2009	2,948,646	5.41%
2010	3,016,465	2.30%
2011	3,040,964	0.81%
2012	3,096,994	1.84%

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 2012 at \$11,092,334, which is a 2.1% 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 2012, the city's tax rate is expected to increase from 24.180% up to 25.555%.

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.

### *Personnel Services*

The City's 2012 budget includes no cost-of-living increase for union employees and a 1.5% COLA increase for non-union City staff. The City's public works employees are union employees.

In 2010, the City received a check in the amount of \$24,289 from our health insurance carrier based on the favorable claims experience of the City. This led to a decrease in the City's health insurance premiums by 13.1% over 2010. Due to legislative restrictions on small groups, the City's health insurance premium increased by 3.6% for 2012, but our health insurance carrier did give the City a check in the amount of \$18,374 in 2011 as a result of our claims history for 2010. Dental insurance premiums increased 3.5% over 2011. The City contribution was increased from \$680.21 to \$697.42 per employee toward insurance benefits, as the City shares equally with the employee in increases, but as a result of the favorable rates, part of the dividend received from our health insurance carrier was used to offset the increase so the actual cost to the City's budget stayed steady with the 2011 contribution. For 2010, the City accepted price quotes from other insurance vendors and looked at other plan options, but decided to remain with the current vendor, so to the favorable rates we are receiving and dividends the City again decided to remain with the current vendor, however, staff continues to work with the City's insurance agent to find ways to reduce future premium increases to both the City and employees.

For 2012, the position of Assistant Engineer was added to the budget. This change added an additional headcount, but is expected to offset the costs of contracting for engineering services with Roseville.

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 2012 the employee contributions rate will remain the same as 2011 rates at 6.25% of wages, while the employer contribution rate will remain at 7.25%.

The remainder of this letter will describe the major initiatives for 2012 for each of the fund types and their activities.

## *General Fund*

### Expenditures

The overall General Fund budget is increasing 1.43% over the 2011 budget. The General Fund expenditure budget consists of the following departments:

	2011 Budget	2012 Budget	%
	\$	\$	Change
Mayor & Council	69,706	74,511	6.89%
Elections	1,720	18,068	950.47%
Administration	338,828	342,236	1.01%
Finance & Administrative Service	139,745	164,749	17.89%
TCCAP	70,000	60,000	-14.29%
Planning & Zoning	270,806	249,441	-7.89%
Government Buildings	237,870	209,321	-12.00%
Police & Animal Services	940,655	978,955	4.07%
Dispatch	42,166	49,219	16.73%
Fire Protection	379,402	392,869	3.55%
Emergency Management	26,445	15,533	-41.26%
Protective Inspections	259,302	270,753	4.42%
Street Maintenance	280,983	304,556	8.39%
Park Maintenance	412,825	425,239	3.01%
Recreation	218,953	223,676	2.16%
Celebrating Arden Hills	25,000	25,000	0.00%
Reserves/Contingency	20,211	-	-100.00%
Transfers	252,600	240,000	-4.99%
Capital Outlay	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 3,987,217</b>	<b>\$ 4,044,126</b>	<b>1.43%</b>

The largest percentage of change in the budget are increases to Elections of 950.47%, Finance and Administrative Services of 17.89%, Dispatch of 16.73%, decreases to TCAAP of 14.29%, Government Buildings of 12.00%, Emergency Management of 41.26%, and Reserves/Contingency of 100.00%. Elections up as it is an election year, the City does not hold elections in odd years so there was minimal budgeting in 2011. The City is now contracting with Ramsey County to do all of our election work with will be spread over two years and will make for a more stable budget from year-to-year. Finance and Administrative Services is up due to the lease on the new copy machine, we previously owned a machine that was past its useful life and we have now entered into a contract to lease a machine. Dispatch is up as a result of increased staffing and the County allocating costs back to the participating jurisdictions. TCAAP is down as there is no potential activity expected in the near future. Government Buildings is down as a closer look was done on actual maintenance and utility costs. Emergency Management costs are down as we have entered into a contract for services that had greatly reduced our costs. Reserves/Contingency is down as there is none in the 2012 budget. All other departments had minimal changes.

A “soft salary freeze” was budgeted for union employees. This freeze assumes a 0% COLA but does give salary step to those eligible. The current contract expires on

December 31, 2012. Non-union employees have a 1.5% COLA in the budget which budgets a 1% increase on January 1, 2012 and 1% on July 1, 2012. Council has approved the January 1, 2012 increase, but will revisit the July 1, 2012 increase later in the year.

Public Safety is the largest department in terms of budgeted expenditures. The City contracts police services from the Ramsey County Sheriff, fire services from the Lake Johanna Fire Department, and animal control from Animal Control Services, Inc. Contract policing costs increased 3.63% over 2011. Contracted fire service costs reflect a 3.55% increase over 2011 to fund a duty crew program which will be implemented over a seven year period and is currently in the third year. 911 Dispatch services increased by 16.73% as the new consolidated dispatch center is in the third year of fully charging the participating agencies (there were no increases for 2008 and 2009). Animal Control costs are now being handled by the Ramsey County Sheriff with the contract policing and the budget is estimated to increase by 72.23% over 2011 as there will be one-time expenditures to set this system up.

Transfers have decreased as there is no transfer budgeted in 2012 for the EDA.

## **Revenues**

The revenues to support these expenditures are classified as follows:

	2011 Budget	2012 Budget	% Change
Taxes	3,069,925	3,126,555	1.84%
Licenses and Permits	252,600	256,850	1.68%
Intergovernmental	61,000	115,582	89.48%
Charges for Service	386,601	425,546	10.07%
Fines & forfeits	50,441	45,462	-9.87%
Miscellaneous	76,650	73,922	-3.56%
Transfers	-	-	0.00%
<b>Total Revenues</b>	<b>\$3,897,217</b>	<b>4,044,126</b>	<b>3.77%</b>

The increase in Intergovernmental Revenues is the result of the elimination of the Market Value Homestead Credit program. We no longer have to plan for the reduction in our levy for the credit.

The decrease in Fines and Forfeits are the result of fewer revenues being collected.

The increase in Charges for Services is due to the new Fox Ridge development and building permit revenue.

The Property Tax Levy generates 78% of the revenues in the General Fund and was based on the operating needs of the City after all other revenues have been subtracted from expenditures. The City does not have the ability to use other taxing methods, such as local sales taxes or income taxes as a revenue source. Therefore, the City will continue to be dependent on its property tax revenue as its major revenue source into the

future. For this reason, the City Council must use its judgment as to the proper level of service and which services to provide when determining the proper level of property taxes to levy.

### ***Special Revenue Funds***

The City of Arden Hills currently operates Special Revenue Funds for its EDA, and Cable.

These expenditures fluctuate from year to year.

### ***Debt Service Fund***

The City's debt obligation for 2012 is \$286,698 with the funding coming through the collection of tax increments. Arden Hills maintains an "AA+" rating from Standard & Poor's and Fitch and an "Aa" rating from Moody's for general obligation debt. The City issued G.O. Tax Increment bonds in 1998, which are budgeted to be paid in full the 2015 fiscal year. In 2004, the City decided to refinance its debt because of lower interest rates.

### ***Capital Project Funds***

The budget for the capital project funds is based on the 2012 project expenditures listed in the City's five-year capital improvement plan. The City maintains four Capital Funds; Permanent Improvement Revolving, Public Safety Capital, Parks Fund, and Equipment, Buildings and Replacement. The revenue source for 2012 is transfers from other City funds, special assessments, Park Dedication Fees, 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. There is no PMP project planned for 2012.

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 \$192,211 in 2012.

In 2008, the Equipment, Building and Replacement Fund was established to build reserves for capital equipment and building expenditures. A onetime transfer from the General Fund of \$500,000 was done in 2008. The 2012 budget includes transfers from the General Fund, Water Fund, Sanitary Sewer Fund, and the Surface Water Management Fund in the amount of \$183,000. The 2012 budget includes expenditures from this fund to replace the Toro Workman with Sprayer, replace the Jetter and Vac truck with a combo machine, replace the F250 Pickup Truck with Plow, financial and human resource software upgrades, technology and office equipment.

## ***Enterprise Funds***

The City completed a comprehensive utility rate study in 2008. As a result of this study, the City chose to change its rate structure to a tiered system effective January 1, 2009. As a result of legislation in 2008, all cities in the Twin Cities metropolitan area were mandated to charge for water in a manner that promotes conservation. The new tiered system meets these criteria.

The rate increases for 2012 are 7% for water, 2% for Sanitary Sewer, and 3% for Surface Water Management. The new system eliminated the senior citizen discount in 2011 (three year phase out), most of these users are now in the lowest tier of the new system. Utility revenues are budgeted with the new rate structure for 2012, but revenue levels are not sufficient to cover the operating expenditures in 2012. The new rate structure will generate sufficient revenues over time to cover the operating expenditures. Water revenues are budgeted at \$2,065,205 while the operating expenditure budget, including depreciation, is \$1,909,981. Sanitary Sewer revenues are \$1,662,547 compared to operating expenditures of \$1,479,027. Surface Water revenues are \$558,055 compared to operating expenditures of \$408,599. The 2012 CIP projects impact the Water, Sanitary Sewer and Surface Water Management funds with capital expenditures of \$302,000, \$27,000, and \$452,500 respectively. Transfers out for Equipment Replacement are \$43,000 – Water, \$62,000 – Sanitary Sewer, and \$38,000 – Surface Water Management.

The Recycling fund has budgeted revenue of \$150,572 while the expenditure budget is \$142,554.

## ***Fund Balances***

The 2012 budget proposed that expenditures exceed revenues by \$917,011. However in the Enterprise funds, reserves will be used to fund depreciation of assets and capital expenditures. The budgeted revenue levels are not sufficient to cover the operating expenditures of the Enterprise funds, but the new utility rates that were adopted effective January 1, 2009 will be sufficient to cover the operating expenditures of these funds over time.

The City's 2012 General Fund budget is a balanced budget; meaning revenues, including operating transfers in from other funds, equal expenditures including any operation transfers out to other funds. The General Fund's fund balance is projected at 54% of 2012 budgeted expenditures. The City strives to maintain the General Fund's working capital fund balance at 50% of the next year's operating budget because the City receives its tax payments in July and December and need this fund balance to provide the necessary cash flow to pay for City operations.

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

The fund balance in the City's Debt Service Fund is used to retire the City's debt on a timely basis.

Fund balances in the City's Capital Funds will be used on City infrastructure projects in 2012, 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.

### ***Distinguished Budget Presentation Award***

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Arden Hills, Minnesota for its annual budget for the fiscal year beginning January 1, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and a communications device.

This award is valid for a period of one year only. The City believes the current budget continues to conform to the program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

### ***Conclusion***

With 2012, 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,



Patrick Klaers  
City Administrator



Susan K. Iverson  
Director of Finance and  
Administrative Services

# Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Arden Hills  
Minnesota**

For the Fiscal Year Beginning

**January 1, 2011**

*Linda C. Davison Jeffrey R. Egan*

President

Executive Director

## Strategic Planning

The City of Arden Hills has experienced staff turnover in a number of positions over the last two years. All but one of the department director positions (Community Development Director, and the Public Works Director) and the City Administrator have changed since 2010. Two of the five City Council positions changed on January 1, 2011 (with the Mayor moving from a Council member seat and a Council member appointed to the Mayor's vacant seat). Strategic planning has been challenging as these turnovers/changes have occurred. The major focus was to hold a goal setting session with the new City Council and management staff to develop a work plan for the next two-five years.

Four strategic planning sessions were held; February 12, 2011, March 16, 2011, and May 2, 2011. Prior to holding the first session, the facilitator met individually with each Council and management team member to come up with a list of issues, problems, and priorities as a starting point for discussion and brainstorming.

The first session (February 12, 2011) was originally scheduled to go over the results of the individual meetings and the issues/priorities that came out of those meetings for discussion. Once these were introduced, the remainder of the meeting was primarily dedicated to the Twin Cities Army Ammunition Plant (TCAAP) and a possible stadium project, as Ramsey County had just announced a possible deal with the Minnesota Vikings on a stadium on the TCAAP property.

The second session (March 16, 2011) was a brainstorming session that focused on the issues/priorities that came from the interviews with the Council and management team members.

The third session (May 2, 2011) consisted of the Council ranking the identified issues/goals discussed at the March 16, 2011 meeting.

At the fourth session (July 11, 2011) the Council finalized the goals into a document that is intended to be a Guiding Plan and outlines work goals and projects for the next few years. The plan reflects the collective decision of the City Council on the ranking of their goals. The Guiding Plan is a flexible plan that can be changed by the City Council as priorities for projects and goals change.

Since there are limited amounts of City resources (staff time and money) available to accomplish all eighteen (18) goals that have been identified. It stated that "we cannot do it all at

## Strategic Planning

once.” This plan helps everyone understand the City Council priorities and the activities and projects that staff should be spending time on. All of the goals are important and will get worked on, but this plan helps us identify the “pecking order” for work projects. This document is somewhat of a resource allocation plan for staff time. It was also noted that if a Vikings Stadium Plan ends up coming to Arden Hills, the timing for accomplishing the eighteen (18) goals listed may change as TCAAP and the Vikings Stadium is not listed in this Guiding Plan.

On July 11, 2011, the City Council formally adopt the following plan at its regularly scheduled Council meeting. Staff responsible for the plan are:

**Finance and Administrative Services:**

Sue Iverson, Director of Finance and  
Administrative Services Director

**Administration:**

Patrick Klaers, City Administrator

**Community Development:**

Jill Hutmacher, Community Development  
Director

**Public Works:**

Terry Maurer, Public Works Director, City  
Engineer



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<b>FINANCE AND ADMINISTRATIVE SERVICES</b>		<b>Staff</b>	<b>Priority</b>		
<b>1</b>	<b>Maintain City Records</b>	<b>Sue</b>			
1a	Develop policies and procedures for records management including Central files		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
1b	Review Records Retention schedule and revise as needed on an annual basis		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
1c	Train staff on records retention		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
1d	Develop policy for storing records on laserfiche		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
1e	Develop a system for scanning and retention of historical documents now housed in the basement		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>2</b>	<b>Establish and refine Human Resource functions within the City</b>	<b>Sue</b>			
2a	Draft operating procedures, forms, and policies		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
2b	Train all supervisors on proper procedures		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
2c	Organize employee files		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
2d	Review/update personnel policy		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
2e	Provide staff and Council training on:				
	Sexual Harassment		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Hostile Work Environment		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Technology Use		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>3</b>	<b>Enhance employee relations and development</b>	<b>Sue</b>			
3a	Establish Safety Committee		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
3b	Establish Wellness Committee		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
<b>4</b>	<b>Use current technology to further enhance efficiencies and communications</b>	<b>Sue</b>			
4a	Complete employee intranet (SharePoint) set-up		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
4b	Draft procedures on use of technology		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>5</b>	<b>Provide training to staff and Council on technology use</b>	<b>Sue</b>			
5a	Train staff and Council on use of intranet (SharePoint)		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
5b	Provide on-going support and training on current and new technology on:				
	SharePoint				
	Messages		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Forms		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Information		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Resources		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Departments uses		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Office		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Office Applications				
	Excel		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Word		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Access		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low

Estimated Length to Complete						
Year Initiated	Time Frame	Current Status				
2011	1 Yr	<input type="checkbox"/> Initiated	<input checked="" type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2011	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input checked="" type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	1 Yr	<input checked="" type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	2 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2013	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2011	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input checked="" type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2011	1 Yr	<input type="checkbox"/> Initiated	<input checked="" type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2011	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2012	1 Yr	<input checked="" type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2012	1 Yr	<input checked="" type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2012	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2012	1 Yr	<input checked="" type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2013	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2013	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2013	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going
2013	1 Yr	<input type="checkbox"/> Initiated	<input type="checkbox"/> In Progress	<input type="checkbox"/> Abandoned	<input type="checkbox"/> Completed	<input checked="" type="checkbox"/> On-Going

<b>ADMINISTRATION</b>		<b>Staff</b>	<b>Priority</b>		
<b>6</b>	<b>Establish guidelines for how Council Liaisons interact with Commissions and Committees</b>	<b>Pat</b>			
6a	Place topic on Council work session agenda for City Council discussion and feedback		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
6b	Define the role and responsibilities of the Council Liaison for the:				
	Planning Commission		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Communications Committee		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Parks, Trails, and Recreation Committee		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Economic Development Commission		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Financial Planning and Analysis Committee		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	Karth Lake Improvement District		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
6c	Draft Council Liaison Policy		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
6d	Adopt Council Liaison Policy		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>7</b>	<b>Review Police Contract and increase public awareness of public safety/crime issues</b>	<b>Pat</b>			
7a	Review Police Contract				
	Invite Sheriff to City Council work session to discuss the Police Contract and the Police Budget		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	City Council to review options for increasing services		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	City Council to review options for reducing expenses		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	City Council to discuss options for changing providers of police services		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	City Council decides on direction to take regarding police services		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
7b	Increase public awareness of public safety/crime issues				
	Invite Sheriff to City Council work session to discuss crime prevention and public awareness programs		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Promote participation in public awareness and crime prevention programs		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Based on input from Sheriff, City Council decides if increased funding for programs is appropriate		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>8</b>	<b>Review Fire Joint Powers Agreement</b>	<b>Pat</b>			
8a	Invite Fire Chief to City Council work session to discuss JPA and the Lake Johanna Fire Department (LJFD) capital and operating budgets		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
8b	City Council to review options for increasing services		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
8c	City Council to review options for reducing expenses		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
8d	City Council to discuss options for changing providers of fire protection services		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
8e	City Council decides on direction to take regarding fire protection services		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
<b>9</b>	<b>Clarify City Council position on various communication issues</b>	<b>Pat</b>			
9a	Council to meet in work session to discuss and review:				
	a policy on what content of Mayor and Council Newsletter articles is "disallowed"		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	a policy on what "public information" is allowed or not allowed on the City website		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	if the benefits of a City compliant tracking program and procedure is worth the cost and the required staff time to implement		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
	a policy for when it is appropriate for Council members to directly contract City staff versus going through the City Administrator		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
9b	Staff drafts policies per direction of the Council		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
9c	Council adopts policies on communication issues		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low

Estimated Length to Complete		Current Status				
Year Initiated	Time Frame	Initiated	In Progress	Abandoned	Completed	On-Going
2012	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2012	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2012	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2012	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2012	1 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2012	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2012	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2012	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2011	2 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2011	2 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2011	2 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2014	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2014	1 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2014	1 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2014	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2014	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2011	1 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2013	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2013	1 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2013	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2013	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>COMMUNITY DEVELOPMENT</b>		<b>Staff</b>	<b>Priority</b>		
<b>10</b>	<b>Minimize complaints regarding single-family rental properties</b>	Jill			
10a	Maximize participation in the 2011 rental registration program		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
10b	Educate the community on the rental registration program		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
10c	Work with Ramsey County on enforcement issues		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
10d	Research legal constraints and opportunities for enforcement		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
10e	Research rental registration and licensing programs in other cities		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>11</b>	<b>Establish a detailed plan for private and public investment in the B2 District</b>	Jill			
11a	Determine a process for selection of a consultant for a B2 Implementation Plan		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
11b	Create realistic short- and long-term development goals for the B2 District		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
11c	Align public funding to the City's development vision and goals		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>12</b>	<b>Maximize the efficiency and effectiveness of the City's commissions, committees, and processes related to economic and community development</b>	Jill			
12a	Work with the City Council to determine the role, mission, and goals for each commission and committee		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
12b	Research development coordination in other cities		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
12c	Create a process to evaluate and form policy on development issues		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
12d	Align available financial tools with achievement of City goals and vision		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>13</b>	<b>Foster civic pride and an awareness of the City's distinct character and attributes</b>	Jill			
13a	Install Gateway signs		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
13b	Create a new, updated City website		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
13c	Consider enhanced electronic communications options		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
13d	Create a commercial community identity		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>14</b>	<b>Develop relationships with the business community and establish a reputation as a business- and development-friendly City</b>	Jill			
14a	Increase contacts with the business community		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
14b	Support Arden Hills businesses		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
14c	Research economic development and business outreach efforts in other cities		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
14d	Complete an economic conditions survey to determine whether additional programs are needed to maintain a healthy economic environment		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low



<b>PUBLIC WORKS</b>		<b>Staff</b>	<b>Priority</b>		
<b>15</b>	<b>Establish policies/procedures for the maintenance of city streets</b>	<b>Terry</b>			
15a	Annual Review of PMP (5 Year CIP)		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
15b	Maintain PCI Rating System		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
15c	Review/Amend/Adopt Policies				
	Street Maintenance Policy		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Snow Removal/Ice Control Policy		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Street Sweeping Policy		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Sign Management Policy		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Assessment Policy		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>16</b>	<b>Establish policies/procedures for maintenance of City utilities</b>	<b>Terry</b>			
16a	Sanitary Sewers				
	Develop/Adopt Sewer Maintenance Policy		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Sewer Cleaning/Televising		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Lift Stations		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
16b	Development Long-term Sewer Lining/Replacement Plan				
	Elimination of Inflow and Infiltration (I&I)		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Inspection of Sump Pumps		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Monitor Grant Opportunities		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
16c	Lift Stations				
	Rehabilitate Four Lift Stations (1,2,11,13)		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Standardize Operations of 14 Lift Stations		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
16d	Consider If and When to Implement SCADA System		<input type="checkbox"/> High	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> Low
16e	Water				
	Develop/Adopt Water Maintenance Policy				
	Flushing System		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Exercising Valves		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Lining Technology		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Develop and Implement Water Tower Maintenance				
	Periodic Inspections		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Minor/Major Repairs		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Repainting		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
16f	Storm Water/Storm Sewer				
	Implementation of MS4 Permit BMP				
	MS4 Permit Renewal in 2011		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Update Surface Water Plan				
	(required to be approved RCWD by 6/9/12)		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Develop Long-Term Pond Maintenance Policy				
	Pond Inventory		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Pond Testing and Prioritization		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Pond Maintenance Funding		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
<b>17</b>	<b>Establish policies/procedures for maintenance of City parks and trails</b>	<b>Terry</b>			
17a	Policies				
	Implement Park Maintenance Policy		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
	Develop/Adopt Trail Maintenance Policy				
	Prioritize Trail Maintenance Activities		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
	Program Trail Maintenance Activities		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
	Develop/Adopt Emerald Ash Bore Policy				
	Implement Policy		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
17b	Monitor/Present Grant Opportunities		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
<b>18</b>	<b>Establish miscellaneous policies/procedures for operation of Public Works Department</b>	<b>Terry</b>			
18a	Develop/Adopt Fleet Management Policy				
	Program 10 Year Fleet Expenditures		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
	Develop/Implement Service/Repair Tracking		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
18b	Safety Committee				
	Ergonomic Analysis of Activities		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
	Identify Ergonomic Risks		<input checked="" type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
	Develop Ergonomic Program		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
18c	Training/Mentoring Internal Policy				
	Safety Training (required)		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low
	Technical Training (how many, who, how often)				
	Licenses (Sewer, Wter, Forestry, pesticide Sprayer, Playground Inspector, Etc)		<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input checked="" type="checkbox"/> Low

Estimated Length to Complete		Current Status					
Year Initiated	Time Frame	Initiated	In Progress	Abandoned	Completed	On-Going	
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	3 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	2 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	5 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	4 Yr	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	4 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	3 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	3 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2012	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2012	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2013	3 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	2 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	2 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	2 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	2 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	2 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	2 Yr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2014	4 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	2 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	3 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2011	1 Yr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2011	1 Yr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	



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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 service.

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 funds 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

## **Budget Practices and Policies**

of the measurements made, regardless of the measurement focus applied.

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

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

### **Budgetary Basis of Accounting**

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

- For budgetary purposes, revenues are recorded when received. Under GAAP, revenues are recorded when susceptible to accrual.
- For budgetary purposes, interfund loans and repayments are recorded as revenues and expenditures. Under GAAP, these transactions are reclassified as increased of 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 years 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.

## **Budget Practices and Policies**

### **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 159 through 168.

## **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 begun 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 15<sup>th</sup> 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 1<sup>st</sup> to December 31<sup>st</sup>. The budget document is prepared using the following established procedures:

**CITY OF ARDEN HILLS  
2012 BUDGET CALENDAR**

April 25, 2011	City Council Approval of Budget Instructions and Parameters.
April 26, 2011 – June 3, 2011	Department Heads Prepare 2012-2016 CIP Requests and Background Material.
June 3, 2011	Department head Submit CIP Requests to Finance Department.
June 6, 2011 – June 10, 2011	City Administrator and Finance Director review Department CIP Requests and Confer with Departments.
June 10, 2011	Forms Distributed to all Department Heads for 2012 Operating Budget.
June 15, 2011	2012-2016 CIP is drafted for Presentation to Council at work session
June 20, 2011	City Council Work session to discuss 2012-2016 CIP
June 13, 2011 – July 8, 2011	Department Heads Prepare Budgets and Background Material.
July 8, 2011	Department Heads Submit Budget Requests to Finance department.
July 18, 2011 - July 22, 2011	City Administrator and Finance Director review Department Budgets and Confer with Departments.
July 29, 2011	Finance department completes Preliminary Revenue Estimates.
August 1, 2011	City Administrator Budget is drafted for Presentation to Council at work session
August 15, 2011	City Council work session to discuss Preliminary 2012 Budget
September 6, 2011	City Administrator's recommended Preliminary 2012 Budget distributed to the City Council
September 12, 2011	City Council adopts the Preliminary 2011 Property Tax Levy (Payable 2012)
September 12, 2011	Council Certifies date for public (TNT) hearing and continuation hearing (if necessary) to county
September 15, 2011	Finance Director submits preliminary 2011 property tax levy (Payable 2012) to County for certification
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 Budget Document. Property Tax Levy for submission to County.
Late December	Finance Director Submits final levy to County and prepares Final

## **Other Planning Processes**

There are no other government agencies, commission, or advisory boards that have a direct role in the City's budget process. However, there are government agencies, commissions, and/or advisory 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 received by mid-August to 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, Economic Development Authority, 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

### 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 Structure**

fund type follow. A detailed chart is found on page 248 of the appendix. A list of major funds is included on page 249.

### **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 expenditure for a specific purpose. The City maintains six special revenue funds.

### **Capital Project Funds**

These funds include the Equipment and Building Replacement Fund, Public Safety Capital Fund, Parks Fund 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. The city has four capital project funds.

### **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 water wastewater solids. The City is connected to the Metropolitan Council’s sewer system

## **Fund Structure**

- 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 department 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 detail 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 current does not have any fiduciary funds.

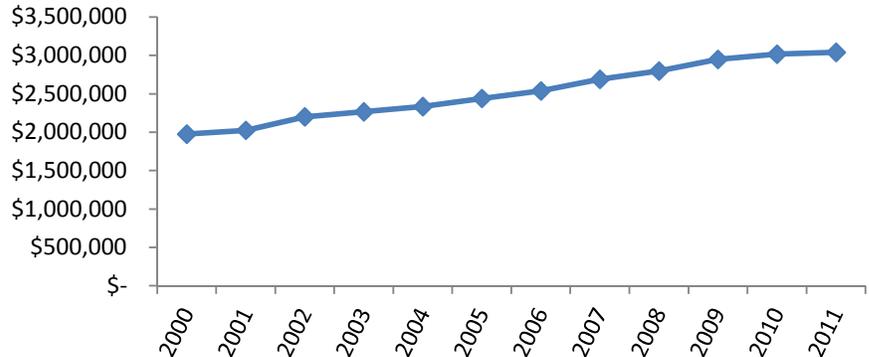
# Revenues

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

## Property Taxes

Property taxes are collected from properties to pay for general government services funded through the General Fund.

### Tax Levies

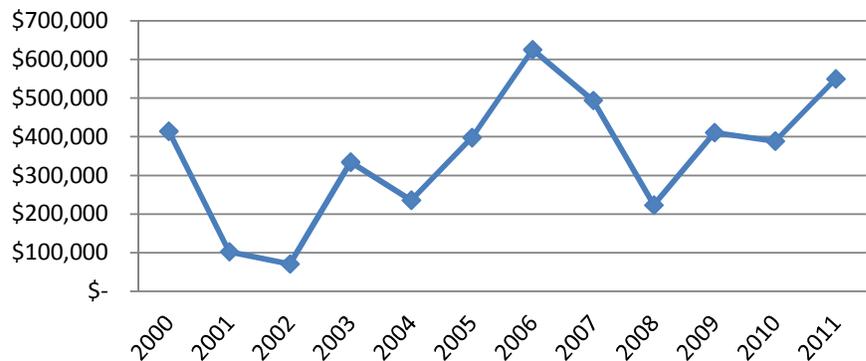


*Trends:* Property tax levies have been increasing due to cuts in State Aid that began in 2001. A more in depth discussion of the Property Tax Levies is found on page 48.

## Special Assessments

Special Assessments are revenues collected to pay for improvements benefiting property. A majority of the special assessments are associated with road reconstruction projects within the Capital Improvement Plan.

### Special Assessments



## Revenues

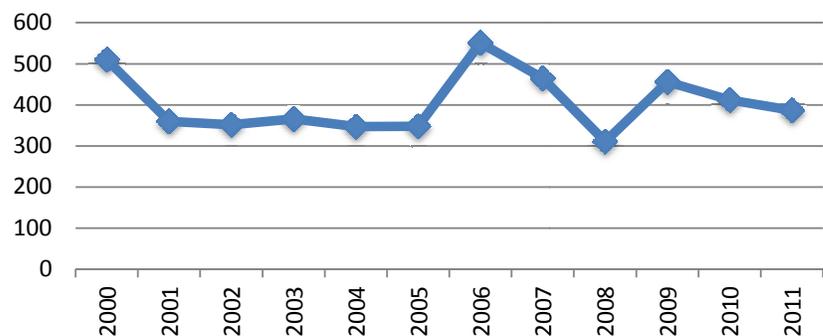
*Trends:* Special Assessment Revenues fluctuate due to the timing of Pavement Management Plan (PMP) projects. The 2006 PMP project was larger than average and there were more prepaid special assessments, there was no PMP project in 2008. The City has had aggressive plans in 2010 and 2011. See the Capital Improvement Plan on pages 169-238.

### **Licenses & Permits**

License revenue results from the City requiring specific businesses to register with the City and provide information to meet requirements prior to being able to operate within the City. The license fees are intended to cover a portion of the administrative costs associated with monitoring the business activities.

Building permit revenue is derived from fees and enforcement of construction activity within the City.

### **# of Building Permits Issued**



*Trends:* License revenue is expected to remain static. Building permit revenue is expected decrease as the City is primarily built out. The increase shown in 2006 was the result of storm damage and increased permits pulled for repairs to roofs and siding. 2007 and 2009 numbers reflect construction activities for additions at the two colleges located in the City. The new Fox Ridge addition is generating some new activity.

### **Intergovernmental**

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.

## Revenues

The Market Value Homestead Credit Aid (MVHC) was established by the Legislature in 2002 to replace the Homestead Credit Aid (HACA) that was eliminated in 2001. The MVHC is a direct reduction of the City's General Property Tax Levy. It is a credit to each homeowner and is computed on a sliding scale based on a home's value. The MVHC phases out for homes valued greater than \$443,000. The elimination of HACA in 2001, created a permanent shift from aids to property taxes in the City's General Fund revenue sources.

In late 2008, the State of Minnesota experienced a budget deficit and unallotted the December MVHC payment to the City in the amount of \$26,272. The 2009 and 2010 MVHC payments were also unallotted in the amount of \$55,923 and \$61,774. The 2011 MVHC is estimated at \$61,774 and will also be cut. These cuts are a direct reduction in the City's levy as they are given to the homeowner and reimbursed to the City by the State.

In 2011, the State legislature eliminated this program and replaced it with a Market Value Exclusion (MVE) program which excludes part of a homesteaded property's value, thus creating an effect similar to the MVHC program to property owners, but removing local entities from the formula. This is no longer a factor in Arden Hills Intergovernmental revenues.

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

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

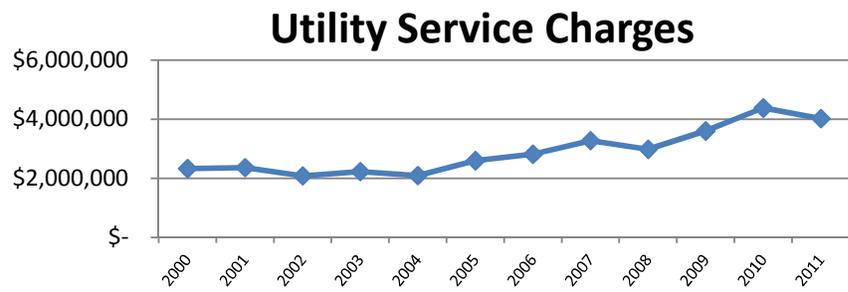
Trends: MSA Maintenance dollars have remained relatively static over the last six years and are expected to remain so. Police Aid has also remained fairly static over the last six years and is also expected to remain so. Since the MVHC program is no longer in existence, future intergovernmental revenues are expected to remain stable.

# Revenues

## Charges for Services

This category reflects fees collected for contractual services and general services that the City charges directly for. A list of categories is listed below:

- General Fund charges for services include contractual and service fee services related to general government, public safety, and recreation (see page 70 for more detail).
- Services to property (Utility Fees) – are collected by the utility funds from customers (Residents and business within the City) for services. See page 132 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). The General Fund fees appear to be static, with no significant changes foreseen.

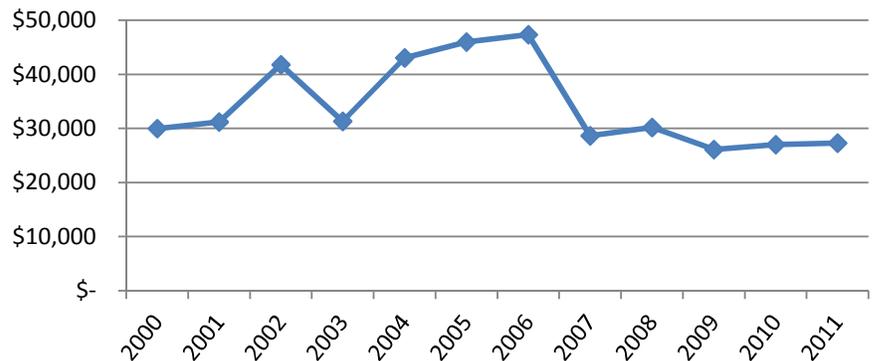
## Fines and Forfeitures

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. 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 dual purpose by providing education to the community.

## Revenues

### Fines & Forfeits



*Trends:* While Fines and Forfeitures have been decreasing over the five years, Administrative Fines is a new revenue source that increase revenue back to 2006 levels and then are estimated to remain somewhat static.

#### **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 \$85,000 per year for the Cable Fund.

#### **Developer Reimbursements**

The City had been negotiating with the Federal Government for the purchase of the former Twins Cities Army Ammunition Plant (TCAAP). As part of the long-range plan, the City was working with a developer to develop this property. In April of 2009, the developer pulled out of the project due to economic conditions. If a new developer purchases the property, the City would enter into a developer agreement in which the City is reimbursed for its expenses incurred with this acquisition.

*Trends:* No revenues have been budgeted at this time but if a new developer comes on board significant revenues are expected to offset costs incurred in the TCAAP Fund in connection with this project.

## Revenues

### 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 not reflected or estimated for budgetary purposes.

*Trends:* Investment earnings are subject to the interest rate economy and are dependent on what rates are available at the time investments were made. Overall interest earnings are projected to be decreasing slightly over 2010 levels, with a flat trend for 2012. As always, investment earnings are subject to sudden shifts in the economy.

### Other Revenues

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

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

## Property Tax

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

### Property Tax Reform

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

## Property Tax

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 owner 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 decrease by \$95.3 Million or 8.1% to \$1.07 Billion. From this, the Tax Capacity is calculated (for residential properties it equates to 1% of Taxable Market Value, and varies by property type for all others). The City's Tax Capacity for calculating taxes was projected to increase by 0.7% to \$11.4 Million.

## Property Tax

Since the State Legislature repealed the MVHC program and replaced it with the MVE program, the City's Tax Capacity for calculating taxes was decreased by 2.1% over 2011 to \$11.1 Million. This increased the City's tax rate from 24.828% to 25.555%.

### **Median Valued Home**

Due to current economic conditions, the Taxable Market Value of the median valued home within the City is projected to decrease 1.16% from \$276,000 to \$278,800. The overall City Tax burden increase on the median valued home is projected to be approximately 3.6% or \$23.36. (2.2% or \$14.28 of this change was a direct result of the MVE program)

A chart depicting the projected basic governmental service annual costs for the median valued home is located on page 69.

### **Property Tax Levies**

The total levy being proposed is \$3,096,994. This represents a \$56,030 or 1.84% increase over the 2010 levy of \$3,040,964.

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 \$262,344 in 2011. More information on this can be found in the Appendix on page 243.

### **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)

## **Budget Assumptions**

development district, and the MVE represent the New Tax Capacity for the city. Currently, the General Fund Levy is Net Tax Capacity based.

### **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 2012 are based on the assessment of market values for 2011, which are certified to the County Assessor on January 2, 2011 and relate to sales and data information from 2010. 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**

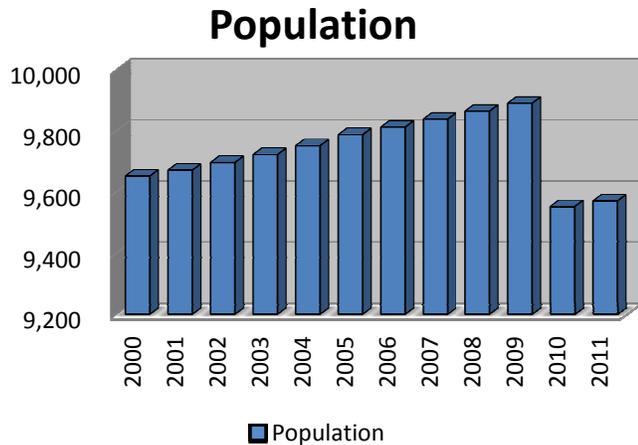
Each year in late November or early December, Statutes require all counties, school districts, and cities with a population over 2,500 hold a public hearing to discuss the proposed budget and property tax levies. As part of this process, each property is sent by the county a Truth-In-Taxation notice 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 Tuesday, December 5, 2011.

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.

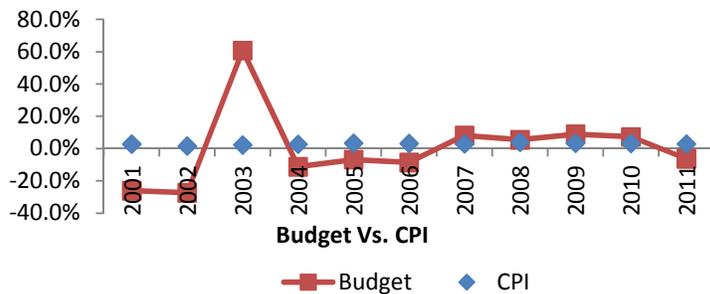
# Budget Assumptions

## 2012 Assumptions

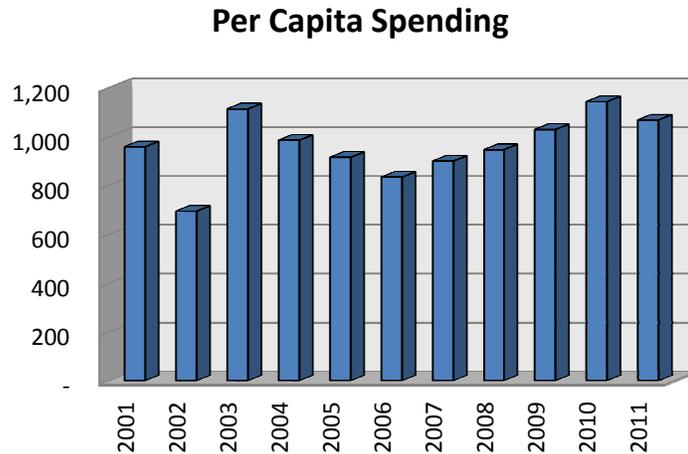
Since 2000 the city has assumed a population growth of about 0.3% a year. The City expects the population growth to continue below 1% in the future until the TCAAP development occurs. The Chart below demonstrates the City's population growth over the last eleven years. After the 2010 Census the City's population was shown as only being 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 2012, the City continues various infrastructure improvements as the City's infrastructure ages. This growth and demand has resulted in the City's operating budgets to grow faster than the Consumer Price Index (CPI) the last few years and the increased infrastructure improvements has also caused the City's per capita spending to increase over the last few years as shown in the following two charts. (Note: The decrease in the 2001 and 2002 budget is a result of the building of the new City Hall. The increase in the 2003 budget is a result of the refinancing of Tax Increment Bonds and paying off the old bonds, reserves were used to balance the 2011 budget.)



## Budget Assumptions

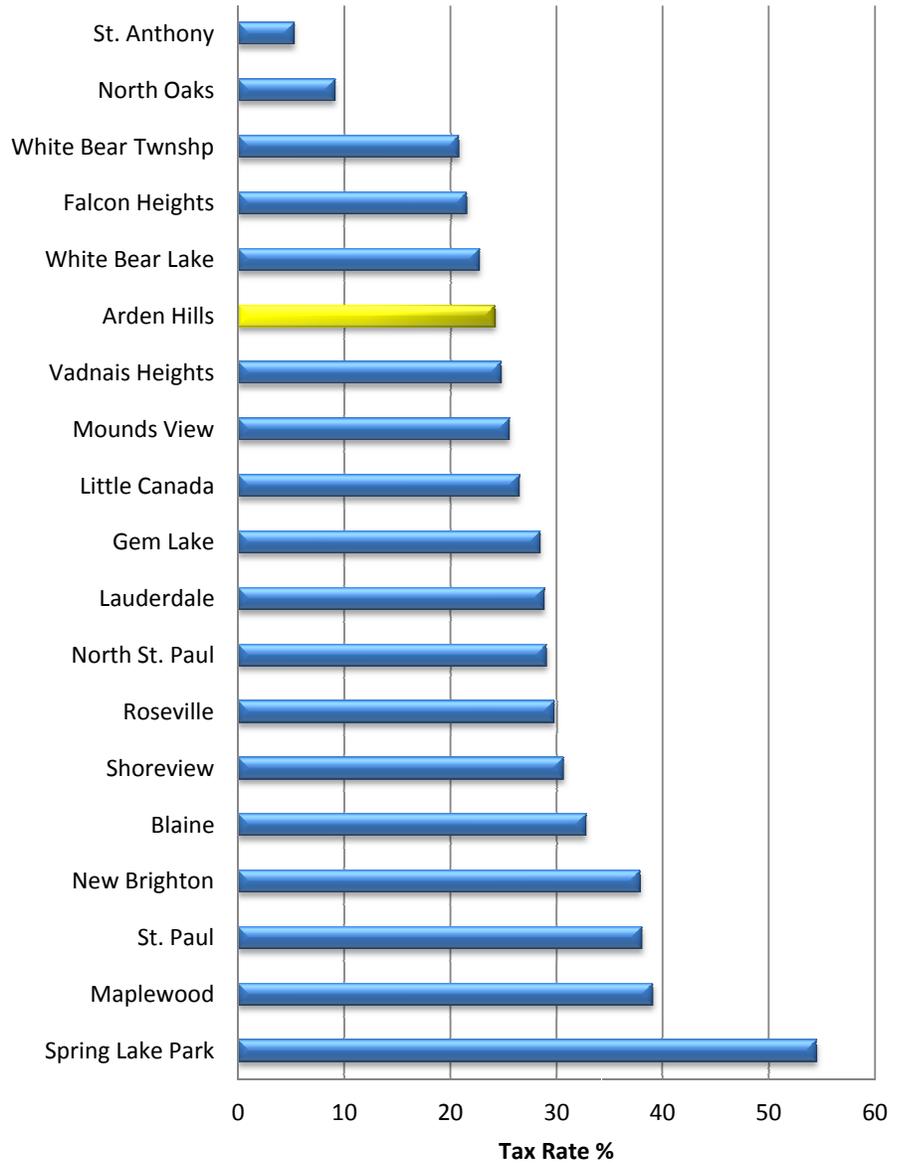


As the City becomes more developed and has less land available for new residential development, the City's operating expenditures should increase with increases in the CPI with the exception of a "catch-up" in infrastructure improvements.

Current economic conditions have caused the City's market values to decrease by 1.16%. Previous growth in the City's market values had caused the City's tax capacity to increase, and tax capacity is estimated to decrease by 2.15% for taxes payable in 2012. 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, in 2008 Arden Hills ranked 53 out of 113 Metropolitan Communities in "Effective Tax Rate". Currently, the City has one of the lowest rates in the northeast metropolitan area as shown in the graph.

# Budget Assumptions

## Ramsey County Tax Rate Comparison



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.

# Budget Assumptions

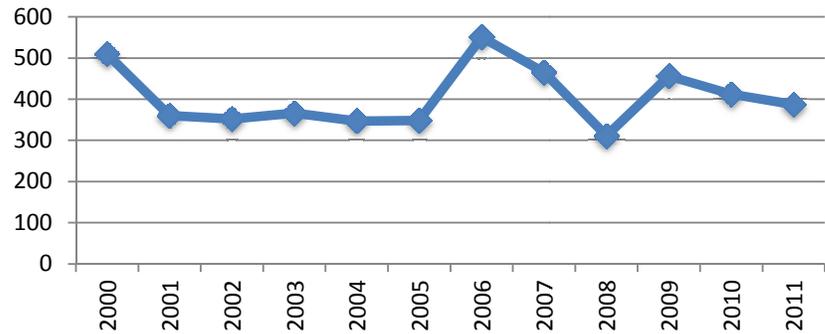
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Levy	2,265,712	2,333,337	2,426,670	2,523,737	2,675,161	2,797,348	2,948,646	3,016,465	3,040,964	3,096,994
Karth Lake Levy	-	-	13,783	13,783	13,783	-	-	-	-	-
G.O. Improvement Bonds	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,265,712</b>	<b>2,333,337</b>	<b>2,440,453</b>	<b>2,537,520</b>	<b>2,688,944</b>	<b>2,797,348</b>	<b>2,948,646</b>	<b>3,016,465</b>	<b>3,016,465</b>	<b>3,096,994</b>
Percentage Change	2.90%	3.00%	4.60%	4.00%	6.00%	4.00%	5.40%	2.3%	0.8%	1.8%

The Minnesota property tax system is described in more detail on pages 243 through 247. (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 will receive its full levy in 2012.

Currently there is little land available for residential development and new home construction within the City. Most development is commercial/industrial and as these areas are developed there will be a decline of permit revenues in the future. A small development, Fox Ridge, is currently being developed, for this reason the City has budgeted a small increase in permit revenue for 2012. This activity is not expected to increase in the future until the TCAAP property develops. The chart below demonstrates that permits have remained static since 2001 with the exception of 2006, 2007 and 2009 as Bethel University and Northwestern College have both had major expansions.

## Budget Assumptions

### # of Building Permits Issued



The City pools its cash reserves for investment purposes. This is described in more detail in the investment policy on page 164 of this document.

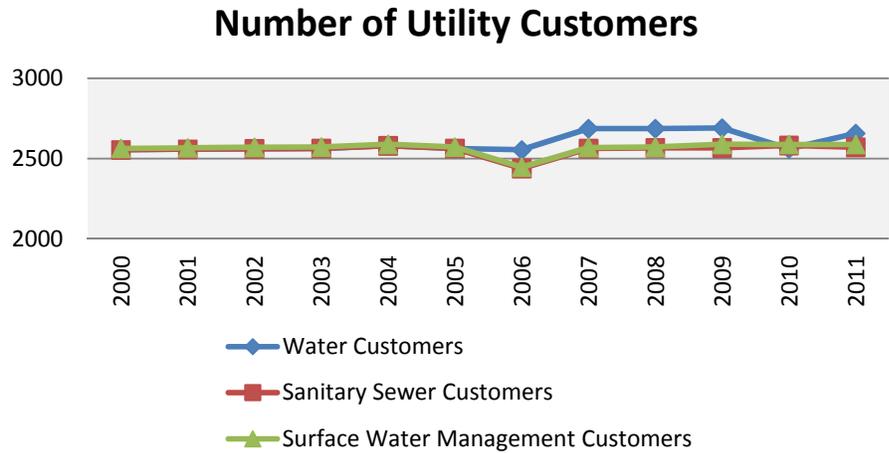
The City's largest expenditure classification is personnel services. Personnel services include salaries and fringe benefits for all employees. For 2012, the salaries have been budgeted at a 1.5% increase for COLA (1% January 1, 2012 and 1% July 1, 2012) for non-union employees and 1% increase for COLA for union employees per union contract.

The City has received a 3.6% increase in its health insurance premium for 2012 (this was the lowest allowable by law for a small group employer in our plan) and dental insurance premiums increased by 3.5%. Currently, the City pays \$697.42 per month toward health benefits for each employee. As a result of its favorable experience ratings the Co-op through which the City contracts its health insurance gave the City a dividend which was used to keep the City Cost of health and dental at the same level as 2011. The City has moved toward a "high deductible" medical plan with a health savings account (HSA) to better manage rising health costs which has been successful as shown by the decrease in premiums for 2011 and dividend received from the Co-op in both 2010 and 2011.

The City's staffing levels are detailed on pages 155-157.

## Budget Assumptions

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 and the demand for service and the cost of providing the service. The chart below shows the customer increases over the last ten years.



# Budget Summary

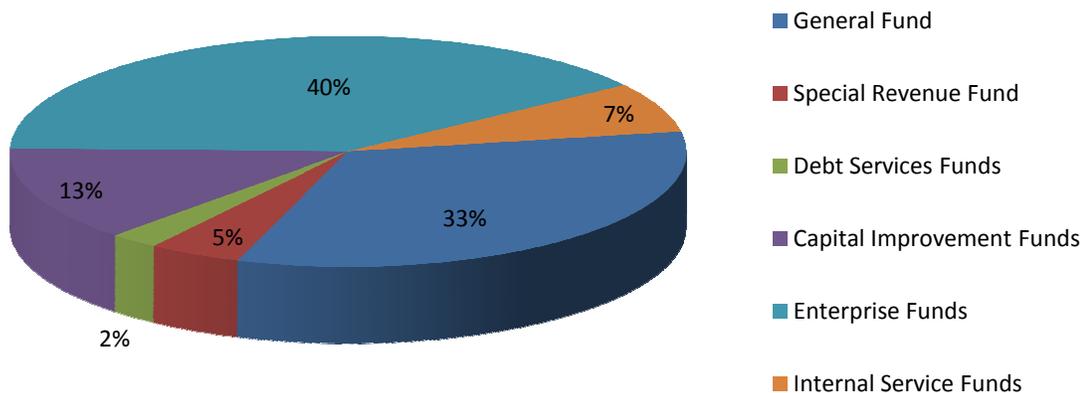
## Budget Summary by Fund Type

<u>REVENUE BUDGET</u>	Actual FY 2009	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012	% Change 11 vs 12
General Fund	3,813,115	3,710,416	3,967,217	4,041,969	4,044,127	1.94%
Special Revenue Funds	698,099	695,683	599,200	485,310	742,881	23.98%
Debt Service Funds	278,425	281,525	284,375	284,325	286,698	0.82%
Capital Improvement Fund	1,032,603	1,748,112	1,028,400	1,411,901	963,200	-6.34%
Enterprise Fund	3,689,278	4,112,712	4,299,200	4,137,159	4,436,379	3.19%
Internal Service Funds	27,560	48,377	15,000	49,996	831,815	5445.43%
<b>Total Revenues</b>	<b>9,539,080</b>	<b>10,596,825</b>	<b>10,193,392</b>	<b>10,410,660</b>	<b>11,305,100</b>	<b>10.91%</b>

### EXPENDITURE BUDGET

General Fund	3,860,417	3,769,157	3,987,217	3,862,133	4,044,126	1.43%
Special Revenue Fund	396,477	380,250	485,346	90,224	540,790	11.42%
Debt Services Funds	278,425	281,525	284,375	284,325	286,698	0.82%
Capital Improvement Funds	1,657,051	2,131,385	2,827,014	1,663,494	1,630,711	-42.32%
Enterprise Funds	3,437,093	3,640,213	5,494,104	4,121,826	4,864,661	-11.46%
Internal Service Funds	26,598	7,523	27,000	8,896	855,125	3067.13%
<b>Total Expenditures</b>	<b>9,656,061</b>	<b>10,210,053</b>	<b>13,105,056</b>	<b>10,030,897</b>	<b>12,222,111</b>	<b>-6.74%</b>
Fund Balance - January 1	18,172,321	18,055,341	18,442,113	18,442,113	18,821,875	2.06%
Excess Revenues Over Expenditures	(116,980)	386,772	(2,911,664)	379,763	(917,011)	-68.51%
Fund Balance - December 31	18,055,341	18,442,113	15,530,449	18,821,875	17,904,865	15.29%

## 2012 Expenditures By Fund Type



# Budget Summary

## 2012 Budget Summary of all Fund Types (With 2011 Budget Comparative Totals)

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Internal Service</u>	<u>2012 Total Budget</u>	<u>2011 Total Budget</u>	
<b>Revenues:</b>									
Taxes	3,126,555	652,381	-	-	-	-	3,778,936	3,635,025	
Special Assessments	210	-	-	400,000	-	-	400,210	400,000	
Licenses & Permits	256,850	-	-	-	-	-	256,850	252,600	
Intergovernmental Revenues	115,582	-	-	-	19,802	-	135,384	81,846	
Charges for Services	425,546	-	-	-	-	823,815	1,249,361	386,601	
Park Dedication Fees	-	-	-	-	-	-	-	-	
Utility Charges	-	-	-	-	4,378,477	-	4,378,477	4,242,854	
Interest on Investments	35,000	25,500	-	147,200	38,100	8,000	253,800	312,400	
Fines & Forfeits	45,462	-	-	-	-	-	45,462	50,411	
Miscellaneous	38,922	-	-	33,000	-	-	71,922	151,650	
<b>Total Revenues</b>	<b>4,044,127</b>	<b>677,881</b>	<b>-</b>	<b>580,200</b>	<b>4,436,379</b>	<b>831,815</b>	<b>10,570,402</b>	<b>9,513,387</b>	
<b>Expenditures:</b>									
General Government	1,118,326	84,394	-	-	-	514,675	1,717,395	1,234,346	
Public Safety	1,707,329	-	-	-	-	-	1,707,329	1,647,970	
Public Works	304,556	-	-	-	3,940,161	340,450	4,585,167	4,078,847	
Park & Recreation	673,915	-	-	-	-	-	673,915	656,778	
Economic Development	-	69,697	-	-	-	-	69,697	17,300	
Miscellaneous	-	2	-	-	-	-	2	-	
Capital Outlay	-	100,000	-	1,565,711	781,500	-	2,447,211	4,415,254	
Debt Service	-	-	286,698	-	-	-	286,698	284,375	
<b>Total Expenditures</b>	<b>3,804,126</b>	<b>254,094</b>	<b>286,698</b>	<b>1,565,711</b>	<b>4,721,661</b>	<b>855,125</b>	<b>11,487,415</b>	<b>12,334,870</b>	
<b>Revenues Over (Under) Expenditures</b>	<b>240,001</b>	<b>423,787</b>	<b>(286,698)</b>	<b>(985,511)</b>	<b>(285,282)</b>	<b>(23,310)</b>	<b>(917,013)</b>	<b>(2,821,483)</b>	
<b>Other Financing Sources (Uses)</b>									
Operating Transfers In	-	65,000	286,698	383,000	-	-	734,698	704,975	
Operating Transfers Out	240,000	286,698	-	65,000	143,000	-	734,698	704,975	
Reserves/Contingency	-	-	-	-	-	-	-	20,211	
<b>Total Other Financing Sources (Uses)</b>	<b>240,000</b>	<b>351,698</b>	<b>286,698</b>	<b>448,000</b>	<b>143,000</b>	<b>-</b>	<b>1,469,396</b>	<b>1,430,161</b>	
<b>Revenues &amp; Other Financing Sources Over (Under) Expenditures &amp; Other Financing Uses</b>									
	<b>1</b>	<b>202,089</b>	<b>1</b>	<b>(667,511)</b>	<b>(428,282)</b>	<b>(23,310)</b>	<b>(917,013)</b>	<b>(2,841,694)</b>	
<b>Fund Balances (Deficit) Beginning of Year</b>									
	<b>2,169,533</b>	<b>2,669,007</b>	<b>2,056</b>	<b>5,273,535</b>	<b>13,793,474</b>	<b>362,769</b>	<b>24,270,374</b>	<b>23,896,512</b>	
<b>Fund Balances (Deficit) End of Year</b>									
	<b>2,169,534</b>	<b>2,871,096</b>	<b>2,057</b>	<b>4,606,024</b>	<b>13,365,191</b>	<b>339,459</b>	<b>23,353,361</b>	<b>21,054,818</b>	
							*	*	*
<b>Balance without Enterprise Fund Capital Outlay*</b>					<b>14,146,691</b>	<b>-</b>	<b>24,134,861</b>	<b>21,183,458</b>	

\* Capital Outlays in Enterprise Funds are reclassified at Assets, thus having no effect on the Fund Balance/Net Assets

# Budget Summary

## 2010 – 2012 Summary of Estimated Financial Sources and Uses

	General Fund			Special Revenue Funds		
	2010 <u>Actual</u>	2011 <u>Estimated</u>	2012 <u>Budget</u>	2010 <u>Actual</u>	2011 <u>Estimated</u>	2012 <u>Budget</u>
<b>Revenues:</b>						
Taxes	2,867,028	2,918,158	3,126,555	651,855	409,341	652,381
Special Assessments	-	442	210	-	-	-
Licenses & Permits	255,265	311,127	256,850	-	-	-
Intergovernmental Revenues	118,981	126,691	115,582	64	77	-
Charges for Services	388,737	441,172	425,546	-	-	-
Park Dedication Fees	-	-	-	-	-	-
Utility Charges	-	-	-	-	-	-
Interest on Investments	29,867	34,858	35,000	31,164	63,292	25,500
Fines & Forfeits	27,013	27,286	45,462	-	-	-
Miscellaneous	23,524	155,812	38,922	-	-	-
<b>Total Revenues</b>	<b>3,710,416</b>	<b>4,015,546</b>	<b>4,044,126</b>	<b>683,083</b>	<b>472,710</b>	<b>677,881</b>
<b>Expenditures:</b>						
General Government	1,027,504	975,933	1,118,326	92,663	71,324	84,394
Public Safety	1,561,047	1,644,654	1,707,329	-	-	-
Public Works	322,795	271,229	304,556	-	-	-
Park & Recreation	605,211	661,390	673,915	-	32,753	-
Economic Development	-	-	-	3,312	-	69,697
Capital Outlay	-	56,327	-	2,750	10,051	100,000
Debt Service	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>3,516,557</b>	<b>3,609,533</b>	<b>3,804,126</b>	<b>98,725</b>	<b>114,128</b>	<b>254,094</b>
<b>Revenues Over (Under) Expenditures</b>	<b>193,859</b>	<b>406,013</b>	<b>240,000</b>	<b>584,358</b>	<b>358,582</b>	<b>423,787</b>
<b>Other Financing Sources (Uses)</b>						
Operating Transfers In	-	-	-	12,600	12,600	65,000
Operating Transfers Out	252,600	-	240,000	281,525	-	286,698
Reserves/Contingency	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(252,600)</b>	<b>-</b>	<b>(240,000)</b>	<b>(268,925)</b>	<b>12,600</b>	<b>(221,698)</b>
<b>Revenues &amp; Other Financing Sources Over (Under) Expenditures &amp; Other Financing Uses</b>	<b>(58,741)</b>	<b>406,013</b>	<b>(0)</b>	<b>315,433</b>	<b>371,182</b>	<b>202,089</b>
<b>Fund Balances (Deficit) Beginning of Year</b>						
	1,822,261	1,763,520	2,169,533	1,982,391	2,297,824	2,669,007
<b>Fund Balances (Deficit) End of Year</b>						
	1,763,520	2,169,533	2,169,533	2,297,824	2,669,007	2,871,096

# Budget Summary

## 2010 – 2010 Summary of Estimated Financial Sources and Uses

Debt Service Funds			Capital Project Funds			Total Government Funds		
2010 <u>Actual</u>	2011 <u>Estimated</u>	2012 <u>Budget</u>	2010 <u>Actual</u>	2011 <u>Estimated</u>	2012 <u>Budget</u>	2010 <u>Actual</u>	2011 <u>Estimated</u>	2012 <u>Budget</u>
-	-	-	-	-	-	3,518,884	3,327,500	3,778,936
-	-	-	388,768	549,790	400,000	388,768	550,232	400,210
-	-	-	-	-	-	255,265	311,127	256,850
-	-	-	759,899	119,647	-	878,944	246,415	115,582
-	-	-	-	-	-	388,737	441,172	425,546
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
53	(18)	-	162,390	170,083	147,200	223,474	268,215	207,700
-	-	-	-	-	-	27,013	27,286	45,462
-	-	-	52,855	179,168	33,000	76,379	334,980	71,922
53	(18)	-	1,363,912	1,018,689	580,200	5,757,464	5,506,928	5,302,208
-	-	-	-	-	-	1,120,167	1,047,257	1,202,720
-	-	-	-	-	-	1,561,047	1,644,654	1,707,329
-	-	-	-	-	-	322,795	271,229	304,556
-	-	-	-	-	-	605,211	694,142	673,915
-	-	-	-	-	-	3,312	-	69,697
-	-	-	2,131,385	1,663,494	1,565,711	2,134,136	1,729,872	1,665,711
281,525	284,325	286,698	-	-	-	281,525	284,325	286,698
281,525	284,325	286,698	2,131,385	1,663,494	1,565,711	6,028,192	5,671,480	5,910,629
(281,472)	(284,343)	(286,698)	(767,473)	(644,805)	(985,511)	(270,728)	(164,552)	(608,421)
281,525	284,325	286,698	384,200	393,212	383,000	678,325	690,137	734,698
-	-	-	-	-	65,000	534,125	-	591,698
-	-	-	-	-	-	-	-	-
281,525	284,325	286,698	384,200	393,212	318,000	144,200	690,137	143,000
53	(18)	1	(383,273)	(251,593)	(667,511)	(126,528)	525,585	(465,421)
2,021	2,074	2,056	5,908,401	5,525,128	5,273,535	9,715,074	9,588,546	10,114,131
2,074	2,056	2,057	5,525,128	5,273,535	4,606,024	9,588,546	10,114,131	9,648,710

# Budget Summary

## 2010 – 2012 Summary of Estimated Revenues, Expenses and Changes in Retained Earnings

	Enterprise Funds			Internal Service Funds		
	2010 <u>Actual</u>	2011 <u>Projected</u>	2012 <u>Budget</u>	2010 <u>Actual</u>	2011 <u>Projected</u>	2012 <u>Budget</u>
<b>Operating Revenues</b>						
Utility Charges	4,039,143	4,026,746	4,378,477	-	-	-
Internal Charges	-	-	-	40,528	38,476	823,815
<b>Total Operating Revenues</b>	<b>4,039,143</b>	<b>4,026,746</b>	<b>4,378,477</b>	<b>40,528</b>	<b>38,476</b>	<b>823,815</b>
<b>Operating Expenses</b>						
Personnel Expense	692,219	782,485	807,828	-	-	123,616
Other Services & Charges	2,281,914	2,441,873	2,768,108	7,523	8,896	587,168
Supplies	83,831	97,220	6,050	-	-	144,341
Depreciation Expense	353,481	-	358,175	-	-	-
<b>Total Operating Expenses</b>	<b>3,411,445</b>	<b>3,321,578</b>	<b>3,940,161</b>	<b>7,523</b>	<b>8,896</b>	<b>855,125</b>
<b>Operating Income (Loss)</b>	<b>627,697</b>	<b>705,168</b>	<b>438,316</b>	<b>33,005</b>	<b>29,580</b>	<b>(31,310)</b>
<b>Nonoperating Revenues (Expenses)</b>						
Taxes	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-
Investment Income	53,456	81,256	38,100	7,849	11,520	8,000
Intergovernmental	20,114	29,157	19,802	-	-	-
Interest Expense	-	-	-	-	-	-
Capital Outlay	85,766	657,045	781,500	-	-	-
Bond Discount	-	-	-	-	-	-
<b>Total Nonoperating Revenue (net)</b>	<b>(12,196)</b>	<b>(546,632)</b>	<b>(723,598)</b>	<b>7,849</b>	<b>11,520</b>	<b>8,000</b>
<b>Income Before Operating Transfers</b>						
<b>Transfers</b>	<b>615,501</b>	<b>158,536</b>	<b>(285,282)</b>	<b>40,854</b>	<b>41,100</b>	<b>(23,310)</b>
<b>Without Capital Outlay*</b>	<b>701,267</b>	<b>815,581</b>	<b>496,218</b>	<b>40,854</b>	<b>41,100</b>	<b>(23,310)</b>
<b>Operating Transfers</b>						
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	143,000	143,000	143,000	-	-	-
<b>Net Operating Transfers</b>	<b>(143,000)</b>	<b>(143,000)</b>	<b>(143,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income (Loss)</b>	<b>472,501</b>	<b>15,536</b>	<b>(428,282)</b>	<b>40,854</b>	<b>41,100</b>	<b>(23,310)</b>
<b>Without Capital Outlay*</b>	<b>558,267</b>	<b>672,581</b>	<b>353,218</b>	<b>40,854</b>	<b>41,100</b>	<b>(23,310)</b>
<b>NET ASSETS</b>						
<b>BEGINNING OF YEAR</b>	<b>12,562,626</b>	<b>13,120,893</b>	<b>13,793,474</b>	<b>280,815</b>	<b>321,669</b>	<b>362,769</b>
<b>NET ASSETS</b>						
<b>END OF YEAR</b>	<b>13,120,893</b>	<b>13,793,474</b>	<b>14,146,691</b>	<b>321,669</b>	<b>362,769</b>	<b>339,459</b>

\*Capital Outlays are reclassified as Assets thus having no effect on the Net Assets Balance



## **General Fund Summary**

# GENERAL FUND SUMMARY

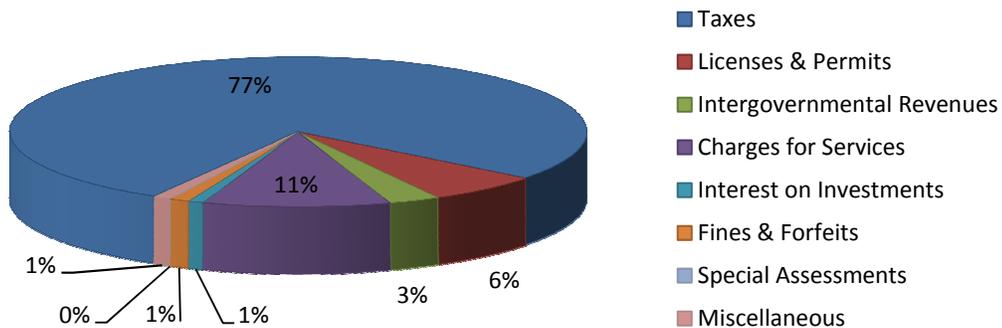
## Fund Description:

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. This 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:

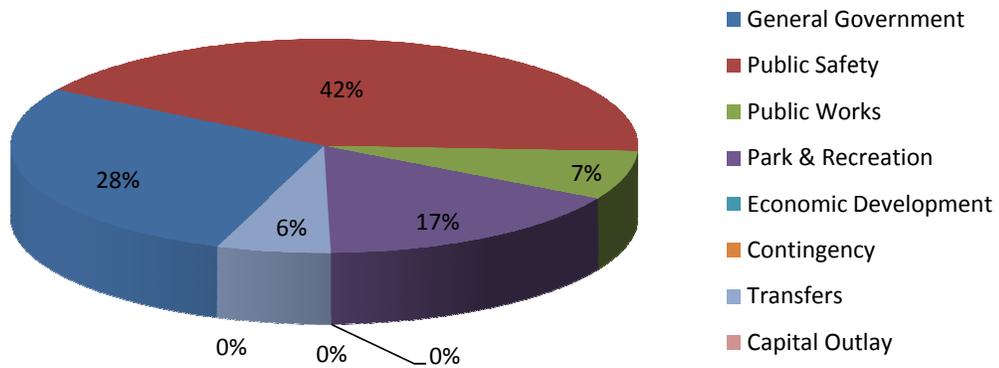
The three largest revenue sources for the City are property taxes, charges for current services, and license fees and permits. Property taxes are the largest revenue source with 77% of the revenue, charges for current services are 11%, license fees and permits are 6%, intergovernmental revenues are 3%, investment revenues are 1%, court fines are 1% and miscellaneous revenues are 1%. The graph below illustrates the projected revenue by type.

### 2012 Proposed Revenues By Classification



The 2012 General Fund budget of \$4,044,126 is a 1.43% Increase over the City's 2011 budget. Public Safety and General Government expenditures represent the largest expenditure areas with 42% and 28% respectively, while Park & Recreation represents 17%. These areas account for 87% of the budgeted expenditures within the City. The remaining expenditures are represented by Public Works at 7 %, Economic Development at 0.0%, Transfers at 6%, Capital Outlay at 0.0%, and Contingency budgeted at 0%. The graph below illustrates the budgeted expenditures by department.

### 2012 Proposed Expenditures By Department



**General Fund Summary  
2012 Budget**

	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Taxes	2,835,253	2,867,028	3,069,925	3,069,925	2,918,158	3,126,555	1.84%
Licenses and Permits	318,849	255,265	252,600	252,600	311,127	256,850	1.68%
Other Intergovernmental	130,557	118,981	61,000	61,000	126,691	115,582	89.48%
Charges for Services	395,290	388,637	386,601	386,601	441,172	425,546	10.07%
Fines & Forfeits	29,668	28,549	50,441	50,441	27,286	45,462	-9.87%
Special Assessments	-	-	-	-	442	210	0.00%
Miscellaneous	42,945	53,054	76,650	76,650	216,381	73,922	-3.56%
Transfers	-	-	-	-	-	-	0.00%
<b>Total Revenues</b>	<b>\$ 3,752,563</b>	<b>\$ 3,711,515</b>	<b>\$ 3,897,217</b>	<b>\$ 3,897,217</b>	<b>\$ 4,040,815</b>	<b>\$ 4,044,126</b>	<b>3.77%</b>
<b>Expenditures by Department</b>							
Mayor & Council	\$ 76,760	\$ 67,839	\$ 69,706	\$ 69,706	\$ 71,153	\$ 74,511	6.89%
Elections	1,656	16,156	1,720	1,720	17,038	18,068	950.47%
Administration	370,599	391,510	338,828	338,828	313,397	342,236	1.01%
Finance & Administrative Services	132,039	150,727	139,745	139,745	127,504	164,749	17.89%
TCAAP	206,549	17,341	70,000	70,000	27,898	60,000	-14.29%
Planning & Zoning	182,688	188,552	270,806	270,806	216,536	249,441	-7.89%
Government Buildings	219,465	195,378	237,870	237,870	202,407	209,321	-12.00%
Police & Animal Services	903,741	907,144	940,655	940,655	943,575	978,955	4.07%
Dispatch	30,678	36,025	42,166	42,166	42,166	49,219	16.73%
Fire Protection	337,873	356,778	379,402	379,402	379,402	392,869	3.55%
Emergency Management	7,408	6,859	26,445	26,445	9,719	15,533	-41.26%
Protective Inspections	247,119	254,240	259,302	259,302	269,794	270,753	4.42%
Street Maintenance	282,019	322,795	280,983	280,983	271,229	304,556	8.39%
Park Maintenance	397,752	366,906	412,825	412,825	437,207	425,239	3.01%
Recreation	209,070	218,889	218,953	218,953	204,289	223,676	2.16%
Celebrating Arden Hills	-	19,416	25,000	25,000	19,894	25,000	0.00%
Reserves/Contingency	-	-	20,211	20,211	-	-	-100.00%
Transfers	255,000	252,600	252,600	252,600	252,600	240,000	-4.99%
Capital Outlay	-	-	-	-	56,327	-	0.00%
<b>Total Expenditures</b>	<b>\$ 3,860,417</b>	<b>\$ 3,769,157</b>	<b>\$ 3,987,217</b>	<b>\$ 3,987,217</b>	<b>\$ 3,862,133</b>	<b>\$ 4,044,126</b>	<b>1.43%</b>
Fund Balance - January 1	2,145,930	2,038,076	1,980,434	1,980,434	1,980,434	1,890,434	
Excess Revenue Over Expenditure	(107,854)	(57,642)	(90,000)	(90,000)	178,682	(0)	
Fund Balance - December 31	\$ 2,038,076	\$ 1,980,434	\$ 1,890,434	\$ 1,890,434	\$ 2,159,116	\$ 1,890,434	

The previous table summarizes the General Fund Revenues by classification and expenditures by departments, while the table below summarizes the General Fund revenues and expenditures both by classification.

**City of Arden Hills  
General Fund**

	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Taxes	2,835,253	2,867,028	3,069,925	3,069,925	2,918,158	3,126,555	1.84%
Licenses and Permits	318,849	255,265	252,600	252,600	311,127	256,850	1.68%
Other Intergovernmental	130,557	118,981	61,000	61,000	126,691	115,582	89.48%
Charges for Services	395,290	388,637	386,601	386,601	441,172	425,546	10.07%
Fines & Forfeits	29,668	28,549	50,441	50,441	27,286	45,462	-9.87%
Special Assessments	-	-	-	-	442	210	0.00%
Miscellaneous	42,945	53,054	76,650	76,650	216,381	73,922	-3.56%
Transfers	-	-	-	-	-	-	0.00%
<b>Total Revenues</b>	<b>\$ 3,752,563</b>	<b>\$ 3,711,515</b>	<b>\$ 3,897,217</b>	<b>\$ 3,897,217</b>	<b>\$ 4,040,815</b>	<b>\$ 4,044,126</b>	<b>3.77%</b>
<b>Expenditures by Category</b>							
Personal Services	\$ 1,305,357	\$ 1,358,506	\$ 1,319,470	\$ 1,319,470	\$ 1,325,247	\$ 1,336,195	1.27%
Materials and Supplies	162,905	226,136	195,130	195,130	205,870	125,850	-35.50%
Other Services and Charges	2,142,178	1,931,933	2,199,806	2,199,806	2,023,244	2,342,081	6.47%
Capital Outlay	-	-	-	-	56,327	-	0.00%
Transfers	255,000	252,600	252,600	252,600	252,600	240,000	-4.99%
Contingency/Reserves	-	-	20,211	20,211	-	-	-100.00%
<b>Total Expenditures</b>	<b>\$ 3,865,441</b>	<b>\$ 3,769,175</b>	<b>\$ 3,987,217</b>	<b>\$ 3,987,217</b>	<b>\$ 3,863,288</b>	<b>\$ 4,044,126</b>	<b>1.43%</b>
Fund Balance - January 1	2,145,930	2,033,052	1,975,392	1,975,392	1,975,392	1,885,392	
Excess Revenue Over Expenditure	(112,878)	(57,660)	(90,000)	(90,000)	177,527	(0)	
Fund Balance - December 31	<b>\$ 2,033,052</b>	<b>\$ 1,975,392</b>	<b>\$ 1,885,392</b>	<b>\$ 1,885,392</b>	<b>\$ 2,152,919</b>	<b>\$ 1,885,392</b>	

## What Do You Get for Your Arden Hills Tax Dollar?

**Parks &  
Recreation**  
16 ½ Cents

**Public Safety**  
42 Cents

**Public Works**  
7 ½ Cents

**General Government**  
28 Cents



**Transfers**  
6 Cents

A \$272,800 home generates \$667 in annual property taxes:  
This comes to \$56.00 per month for 2012.

### *What could you purchase for \$56.00 a month?*

**ONE OF THESE...**

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

**ALL OF THESE...**

- 24 hours Police Protection
- 24 hours Fire Protection
- Zoning and Subdivision Service
- Curbside Recycling
- Leaf and Brush Collection
- 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 \$272,800 Homestead in 2012

<b>Actual Cost of City Services Pay 2012 Property Tax Support for \$272,800 Homestead</b>				
<b>City Service Category</b>	<b>Actual</b>	<b>Percent of Levy</b>	<b>Amount of Levy</b>	<b>Monthly Cost</b>
<b>General Government</b> Mayor/Council, Administration, Communications, Elections, Auditor, Assessor, Legal, Planning	<b>\$1,118,326</b>	<b>27.7%</b>	<b>\$184</b>	<b>\$15</b>
<b>Public Safety</b> Building Inspection/Code Enforcement, Court, Police Contract, Fire, Ambulance, Human Services, Animal Control	<b>\$1,707,329</b>	<b>42.2%</b>	<b>\$282</b>	<b>\$23</b>
<b>Public Works</b> Engineering, Streets, Street Lighting, City Buildings	<b>\$304,556</b>	<b>7.5%</b>	<b>\$50</b>	<b>\$4</b>
<b>Parks</b>	<b>\$425,239</b>	<b>10.5%</b>	<b>\$70</b>	<b>\$6</b>
<b>Recreation</b>	<b>\$248,676</b>	<b>6.1%</b>	<b>\$41</b>	<b>\$3</b>
<b>Transfers</b>	<b>\$240,000</b>	<b>5.9%</b>	<b>\$40</b>	<b>\$3</b>
<b>Reserves</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$0</b>
<b>Capital Projects</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$0</b>
<b>Totals</b>	<b>\$4,044,126</b>	<b>100.0%</b>	<b>\$667</b>	<b>\$56</b>

## REVENUES

### **Activity Description**

To record and maintain all general operating revenues of the City. The general fund is used to account for all financial resources except those required to be accounted for in another fund. These revenues will be used to finance the general operating expenditures of the City.

### **2012 Objectives**

1. Maintain stable, constant revenue sources.
2. Maintain a low tax rate by reviewing the costs of services provided and charge appropriately for those services.

### **2012 Budget Issues**

The General Fund's main revenue source is property taxes. Property taxes made up 77% of the 2010 budget and 78% of the 2011 budget. For 2012 property taxes make up 77% of the total General Fund revenues. Beginning in 2012 there will no longer be a Market Value Homestead (MVHC) tax credit. The 2011 legislature did away with the program and has replaced it with a new program which reduces the taxable value of a homesteaded property. The old system gave the homeowner a credit on their tax bill and then the State reimbursed the local units of government for the credit, however in the last four years the credit was either unallotted by the Governor or cut as part of the Tax Bill to balance the budget. The City of Arden Hills had not received this credit for some time and had been budgeting for the loss in revenue. The new law gives a reduction directly to the homesteaded property by reducing the taxable value of the property, thus taking the State and local governments out of the equation. This change did, however, spread the reduction in taxes on the homesteaded properties to all other properties in the jurisdiction.

Other revenues beside the are budgeted at the relatively the same level with the exceptions of Water Tower Antenna Rentals based on the current contracts; Fines & Forfeits which has seen a decrease in Highway Patrol fines the last few years; and Intergovernmental Revenues are increasing as we are no longer budgeting for the "loss" in MVHC.

In 2008, Charges for Services were increased as administrative charges to other funds are now being charged – these fluctuate based on the estimated expenditures in each of these departments.

### **Budget Summary**

See next two pages.

## General Fund Revenues

Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b><u>Taxes</u></b>							
101-41300-31010	\$ 2,558,094	\$ 2,646,702	\$ 3,040,964	\$ 3,040,964	\$ 2,662,036	\$ 3,096,994	1.84%
101-41300-31011	-	174	-	-	174	-	0.00%
101-41300-31020	25,924	(25,313)	21,461	21,461	(7,721)	21,461	0.00%
101-41300-31030	6,416	7,064	7,500	7,500	2,207	7,500	0.00%
101-41300-31040	244,684	240,799	-	-	265,220	-	0.00%
101-41300-31510	(497)	(2,999)	-	-	(3,757)	-	0.00%
101-41300-31910	632	602	-	-	-	600	0.00%
101-41300-31920	-	-	-	-	-	-	0.00%
<b>Total Taxes</b>	<b>2,835,253</b>	<b>2,867,028</b>	<b>3,069,925</b>	<b>3,069,925</b>	<b>2,918,158</b>	<b>3,126,555</b>	<b>1.84%</b>
<b><u>Licenses and Permits</u></b>							
101-41300-32110	24,750	23,820	25,000	25,000	24,100	25,000	0.00%
101-41300-32111	440	950	-	-	640	-	0.00%
101-41300-32150	-	-	-	-	900	-	0.00%
101-41300-32160	4,890	4,856	5,500	5,500	6,750	5,500	0.00%
101-41910-32170	3,080	2,520	3,400	3,400	3,280	2,600	-23.53%
101-41300-32180	10,521	11,686	13,000	13,000	10,286	13,000	0.00%
101-41300-32181	300	3,465	4,000	4,000	1,690	4,000	0.00%
101-41300-32182	-	-	-	-	1,000	-	0.00%
101-42400-32210	171,253	123,746	128,000	128,000	151,644	133,000	3.91%
101-42400-32220	42,084	25,661	26,000	26,000	29,499	26,000	0.00%
101-42400-32230	16,896	8,066	10,000	10,000	23,194	10,000	0.00%
101-41300-32240	1,345	1,999	3,500	3,500	1,640	2,000	-42.86%
101-41910-32250	800	800	1,300	1,300	1,850	850	-34.62%
101-41300-32250	-	1,800	-	-	1,640	2,000	0.00%
101-42400-32260	25,853	27,748	20,000	20,000	31,672	20,000	0.00%
101-42400-32270	6,720	5,879	300	300	4,375	300	0.00%
101-42400-32275	5,392	7,176	6,000	6,000	6,955	6,000	0.00%
101-42400-32278	1,811	-	3,000	3,000	2,662	3,000	0.00%
101-41910-32279	1,080	3,575	1,600	1,600	6,250	1,600	0.00%
101-41300-32280	1,635	1,520	2,000	2,000	1,100	2,000	0.00%
<b>Total Licenses and Permits</b>	<b>318,849</b>	<b>255,265</b>	<b>252,600</b>	<b>252,600</b>	<b>311,127</b>	<b>256,850</b>	<b>1.68%</b>
<b><u>Intergovernmental Revenues</u></b>							
101-41300-33402	68	(56)	(61,774)	(61,774)	-	-	-100.00%
101-41300-33403	3,683	3,522	-	-	3,773	-	0.00%
101-41300-33420	5,179	5,179	5,179	5,179	5,179	5,179	0.00%
101-42100-33416	43,978	41,777	49,946	49,946	41,722	41,844	-16.22%
101-43100-33418	67,649	68,559	67,649	67,649	76,017	68,559	1.35%
101-41910-33422	10,000	-	-	-	-	-	0.00%
101-41410-33621	-	-	-	-	-	-	0.00%
<b>Other Intergovernmental</b>	<b>130,557</b>	<b>118,981</b>	<b>61,000</b>	<b>61,000</b>	<b>126,691</b>	<b>115,582</b>	<b>89.48%</b>
<b><u>Charges for Services</u></b>							
101-41910-34103	-	50	-	-	-	-	0.00%
101-41910-34104	82,608	47,403	42,000	42,000	64,572	42,000	0.00%
101-41300-34105	21	12	-	-	9	-	0.00%
101-41910-34106	10,772	11,355	11,000	11,000	10,025	11,000	0.00%
101-41300-34108	18,802	31,647	23,310	23,310	19,647	24,762	6.23%
101-41500-34108	28,168	40,890	40,117	40,117	34,813	54,338	35.45%
101-41940-34108	85,346	77,860	97,474	97,474	81,118	103,711	6.40%
101-41910-34110	1,257	-	1,200	1,200	640	850	-29.17%
101-41500-34250	-	2,000	-	-	-	2,000	0.00%
101-41300-34120	63,009	65,759	65,000	65,000	103,981	75,655	16.39%
101-41300-34121	2,670	3,385	3,300	3,300	3,401	3,400	3.03%
101-42100-34202	350	850	2,000	2,000	150	1,000	-50.00%
101-42100-34206	-	-	-	-	-	-	0.00%
101-42400-34207	9,821	8,751	8,000	8,000	10,941	8,000	0.00%
101-42400-34208	1,016	-	1,000	1,000	1,292	1,000	0.00%
101-41940-34101	-	130	-	-	60	-	0.00%
101-45200-34300	3,722	1,636	3,500	3,500	3,242	3,500	0.00%
101-45200-34301	-	-	-	-	-	4,230	0.00%
101-45200-34302	-	-	-	-	-	1,600	0.00%
101-45120-34730	10,704	12,484	12,000	12,000	13,537	12,000	0.00%
101-45120-34740	34	(34)	-	-	-	-	0.00%
101-45120-34781	14,860	31,835	17,000	17,000	35,105	23,000	35.29%
101-45120-34782	43,048	36,884	42,000	42,000	43,107	39,000	-7.14%
101-45120-34785	1,840	-	-	-	-	-	0.00%
101-45120-34790	12,800	11,855	14,000	14,000	11,997	11,000	-21.43%
101-45120-34791	4,298	3,735	3,500	3,500	3,181	3,500	0.00%
101-41910-34950	97	250	200	200	355	-	-100.00%
<b>Total Charges for Services</b>	<b>395,240</b>	<b>388,737</b>	<b>386,601</b>	<b>386,601</b>	<b>441,172</b>	<b>425,546</b>	<b>10.07%</b>

Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b><u>Fines &amp; Forfeits</u></b>							
101-42100-35110	788	733	10,000	10,000	1,762	4,000	-60.00%
101-42100-35130	1,132	-	1,000	1,000	-	1,000	0.00%
101-42100-35140	23,844	21,675	23,000	23,000	13,087	23,000	0.00%
101-42100-35150	-	700	-	-	100	-	0.00%
101-42100-35160	-	-	11,000	11,000	12,001	12,000	9.09%
101-42100-35200	347	3,905	5,441	5,441	336	5,462	0.39%
Total Fines & Forfeits	26,111	27,013	50,441	50,441	27,286	45,462	-9.87%
<b><u>Special Assessments</u></b>							
101-41300-36100	-	-	-	-	438	210	0.00%
101-41300-36101	-	-	-	-	-	-	0.00%
101-41300-36102	-	-	-	-	4	-	0.00%
101-41300-36103	-	-	-	-	-	-	0.00%
Total Special Assessments	-	-	-	-	442	210	0.00%
<b><u>Miscellaneous</u></b>							
101-41300-36210	31,941	29,867	40,000	40,000	34,858	35,000	-12.50%
101-41300-36230	1,385	581	3,600	3,600	-	3,600	0.00%
101-41940-36230	-	-	-	-	-	-	0.00%
101-45120-36230	500	2,350	-	-	750	-	0.00%
101-45400-36230	-	6,000	15,000	15,000	10,025	15,000	0.00%
101-45200-36230	-	1,800	-	-	-	-	0.00%
101-41600-36230	-	-	-	70,000	-	-	-100.00%
101-41300-36215	-	12	-	-	-	-	0.00%
101-41910-36240	-	-	-	-	-	-	0.00%
101-41500-36245	500	-	500	500	500	-	-100.00%
101-41500-36246	-	4,778	10,000	10,000	134,955	9,522	-4.78%
101-43100-36277	-	250	-	-	-	-	0.00%
101-41910-36280	-	-	-	-	-	-	0.00%
101-43100-36270	468	468	550	550	429	550	0.00%
101-41300-36270	1,245	962	4,000	4,000	1,292	1,250	-68.75%
101-41500-36270	3,797	337	3,000	3,000	347	3,000	0.00%
101-41940-36270	-	-	-	-	-	-	0.00%
101-43100-36275	-	-	-	-	-	-	0.00%
101-42100-36280	3,109	5,985	-	-	7,513	6,000	0.00%
101-42400-36280	-	-	-	-	-	-	0.00%
Total Miscellaneous	42,945	53,391	76,650	146,650	190,670	73,922	-49.59%
<b>Total Operating Revenues</b>	<b>3,748,956</b>	<b>3,710,416</b>	<b>3,897,217</b>	<b>3,967,217</b>	<b>4,015,546</b>	<b>4,044,126</b>	<b>1.94%</b>
<b><u>Other Financing Sources</u></b>							
101-42100-39101	-	-	-	-	-	-	0.00%
101-45200-39203	-	-	-	-	-	-	0.00%
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Total General Fund Revenue</b>	<b>\$ 3,748,956</b>	<b>\$ 3,710,416</b>	<b>\$ 3,897,217</b>	<b>\$ 3,967,217</b>	<b>\$ 4,015,546</b>	<b>\$ 4,044,126</b>	<b>1.94%</b>



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## **MAYOR AND COUNCIL**

**Function:** General Government  
**Supervisor:** Mayor & City Council  
**Fund #:** 101  
**Activity#:** 41100

### **Activity Scope**

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

### **Issues**

1. Reduced tax capacity and levy limits which place pressure on the ability to finance City operations at current levels.
2. Public sale of the TCAAP property.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The 2012 the Mayor and Council Budget is proposed to increase by 6.89%. In 2011, the Mayor and City Council began using laptops and wireless cards, \$1,610 has been budgeted for the monthly cost of the wireless cards. Ten six-page newsletters have been included which is an increase from the previous year's budget of \$1,100. Training has been increased by \$2,200 as more Council members are now attending training and conferences.

## **Budget Summary**

Function: General Government

Department: Mayor & Council

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	31,176	31,199	31,186	31,186	31,230	31,171	-0.05%
Materials and Supplies	-	881	-	-	133	-	0.00%
Services and Charges	45,584	35,759	38,520	38,520	39,790	43,340	12.51%
<b>Total Operating Expenses</b>	<b>76,760</b>	<b>67,839</b>	<b>69,706</b>	<b>69,706</b>	<b>71,153</b>	<b>74,511</b>	<b>6.89%</b>
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Department Total</b>	<b>76,760</b>	<b>67,839</b>	<b>69,706</b>	<b>69,706</b>	<b>71,153</b>	<b>74,511</b>	<b>6.89%</b>
Funding Source:	General Fund						

## **ADMINISTRATION**

**Function:** General Government  
**Supervisor:** City Administrator  
**Fund #:** 101  
**Activity#:** 41300

### **Activity Scope**

City Administration provides the overall direction of the City, as determined by the Council and Mayor. 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.

The City Attorney acts as an advisor to the Council and staff on legal matters and represents the City in the legal actions. He prepares the contracts, ordinances, legal opinions and legal documents needed for the operation of City government. The City Attorney also serves as City Prosecutor.

City Engineer services have historically been provided by the City of Roseville. In 2012, the City is planning to hire an Assistant City Engineer and phase out services from Roseville. General Engineering expenses are included in the Administration budget as they will be charged out from the Engineering Internal Service Fund.

### **Objectives**

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

### **Issues**

1. Implications due to the decrease in tax capacity and levy limits for the City.
2. Long-range comprehensive TCAAP planning.
3. Long-range comprehensive public safety planning.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The 2012 Administration operating budget is increasing by 1.01% over 2011. This is a result of organizational changes, Administrative Services have been transferred to the Finance department. This change includes transferring all costs associated with the

Deputy Clerk and Human Resources. Liability and Property insurance costs have been reduced as some costs have been shifted to the EDA for its share of costs from this department which previously had been absorbed by the General Fund for this department. Since administration benefits all areas within the City, an administrative charge was established in 2008 to recover costs from all funds based on the support provided from this department.

**Budget Summary**

Function: General Government		Department: Administration					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Total Personal Services	224,971	236,475	197,028	197,028	205,630	193,271	-1.91%
Total Materials and Supplies	1,903	2,658	-	-	2,718	-	0.00%
Other Services and Charges	143,725	152,377	141,800	141,800	105,049	148,965	5.05%
<b>Total Operating Expenses</b>	370,599	391,510	338,828	338,828	313,397	342,236	1.01%
<b>Total Capital</b>	-	-	-	-	(461)	-	0.00%
<b>Department Total</b>	370,599	391,510	338,828	338,828	312,936	342,236	1.01%
Funding Source:	General Fund						

# ELECTIONS

**Function:** General Government  
**Supervisor:** Deputy City Clerk  
**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.

## Objectives

1. Stay current on election laws.

## Issues

1. Stay current on election laws.

## Measurable Workload Data

None developed at this time.

## Budget Commentary

City elections are held in even numbered years, coinciding with general elections. This creates a 950.47% increase over last year's budget. Permanent voter registrations files are maintained by Ramsey County. The City is contracting with Ramsey County to conduct our elections.

## Budget Summary

Function: General Government		Department: Elections					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	-	11,856	-	-	(170)	68	0.00%
Materials and Supplies	-	876	-	-	-	-	0.00%
Other Services and Charges	1,656	3,424	1,720	1,720	17,208	18,000	946.51%
<b>Total Operating Expenses</b>	1,656	16,156	1,720	1,720	17,038	18,068	950.47%
<b>Total Capital</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	1,656	16,156	1,720	1,720	17,038	18,068	950.47%
Funding Source: General Fund							

## **FINANCE & ADMINISTRATIVE SERVICES**

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 101  
**Activity#:** 41500

### **Activity Scope**

The Finance Department conducts the financial affairs of the City of Arden Hills 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 every financial transaction of the City including accounts payable, accounts receivable, payroll, and accounting control. The preparation of the annual audited financial report and annual budget document are also facilitated through finance.

The Finance and Administrative Services Department is responsible for coordinating Council agendas, issuing business licenses and providing administrative support to other functional areas within the City. Costs captured in this department include auditor fees, software maintenance, network support fees, office supplies and postage.

The Deputy City Clerk's responsibilities involve the management and retention of all official records and documents of the City as well as all election procedures. Finance and Administrative Services department staff includes the Director of Finance and Administrative Services, Finance Analyst, Accounting Analyst, Accounting Clerk, Deputy Clerk, and Office Support Staff.

### **Objectives**

1. Continue working to develop a financial management plan for the City.
2. Continue to produce a budget document in a format that received the GFOA's Distinguished Budget Presentation Award.
3. Continue to produce a Comprehensive Annual Financial Report (CAFR) and report for the public (Popular Annual Financial Report – PAFR) that receives the GFOA's award for excellence in reporting.
4. Provide meaningful and timely financial reports and information to Council, Commissions and other City Departments.
5. Develop a financial model to analyze developer Performa.
6. Conduct City elections.
7. Management information technology and train personnel.
8. Manage human resource functions and employee benefits.

## **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 implement ways to reduce transaction processing and costs.

## **Measurable Workload Data**

None developed at this time.

## **Budget Commentary**

The Finance and Administrative Services budget includes funds to handle the financial transactions of the City, in an efficient manner, while maintaining the highest level of internal controls and segregation of duties. It also includes funds to manage the administrative support and human resource functions of the City. This budget increases by 17.89% in 2012.

Personal Services increased by 10.60% primarily due to the student worker being transferred from the Administration department. Materials and Supplies have remained fairly steady with inflationary adjustments.

Other Services and Charges are increasing to a number of factors: deputy clerk and human resource functions along with the associated costs of training, memberships, and dues have been transferred into this department from the Administration department accounting for \$5,335 or 31% of the increase; \$10,000 has been included for the lease of a new copy machine accounting for 57% of the increase. Other factors include: Springbrook (City's financial software) costs have increased 33% and technology costs from Metro-INet (Roseville) have increased 6.5%. A shift of \$4,420 has been made to the EDA Fund for its share of costs which previously had been absorbed by the General Fund for this department. Since administrative support and finance benefit all areas within the City, an administrative charge was established in 2008 to recover costs from all funds based on the support provided from this department. Various line items in Other Services and Charges were increased or reduced in an effort to more accurately reflect expected expenditures.

## **Budget Summary**

Function: General Government

Department: Finance & Administrative Services

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	65,156	78,614	66,564	66,564	56,910	73,618	10.60%
Materials and Supplies	24,965	23,346	24,495	24,495	21,981	24,800	1.25%
Other Services and Charges	41,918	48,767	48,686	48,686	48,613	66,331	36.24%
<b>Total Operating Expenses</b>	132,039	150,727	139,745	139,745	127,504	164,749	17.89%
<b>Total Capital</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	132,039	150,727	139,745	139,745	127,504	164,749	17.89%
Funding Source: General Fund							



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## TCAAP

**Function:** General Government  
**Supervisor:** City Administrator  
**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. Revenues for this department are primarily developer escrow reimbursements and investment interest.

### Objectives

1. Coordination of TCAAP redevelopment activities while continuing to meet the needs of the City of Arden Hills.
2. Continue working with the GSA for a successful sale of the property.
3. Structure TCAAP to be successful (agreements, operating costs, etc.)

### Issues

1. Economic conditions.
2. Coordinating with multiple entities/players to complete transaction.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

Since the City's development partner pulled out of the project in April of 2009. The GSA is planning on selling the property through an "Open Bid" process. Revenues and expenditures are unknown at this time, but placeholders have be included for consulting costs.

### Budget Summary

Function: General Government		Department: TCAAP					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	5,024	18	-	-	-	-	0.00%
Materials and Supplies	-	-	-	-	1,155	-	0.00%
Other Services and Charges	201,525	17,323	70,000	70,000	26,743	60,000	-14.29%
<b>Total Operating Expenses</b>	<b>206,549</b>	<b>17,341</b>	<b>70,000</b>	<b>70,000</b>	<b>27,898</b>	<b>60,000</b>	<b>-14.29%</b>
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Department Total</b>	<b>206,549</b>	<b>17,341</b>	<b>70,000</b>	<b>70,000</b>	<b>27,898</b>	<b>60,000</b>	<b>-14.29%</b>
Funding Source: General Fund							

## **PLANNING & ZONING**

**Function:** General Government  
**Supervisor:** Community Development Director  
**Fund#:** 101  
**Activity#:** 41910

### **Activity Scope**

The City's Planning and Zoning Department is 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
3. Develop zoning on the TCAAP property before the "Open Bid" process by the GSA.

### **Issues**

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

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The budget for 2012 is a total decrease of -7.89% over the 2011 budget. This increase is primarily due to a shift of a portion of the Community Development Director's salary and benefits to the EDA to more accurately reflect economic development activities.

## **Budget Summary**

Function: General Government

Department: Planning & Zoning

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	156,681	161,425	183,606	183,606	191,054	161,741	-11.91%
Materials and Supplies	500	1,217	1,300	1,300	1,690	1,000	-23.08%
Other Services and Charges	25,507	25,910	85,900	85,900	23,792	86,700	0.93%
<b>Total Operating Expenses</b>	<b>182,688</b>	<b>188,552</b>	<b>270,806</b>	<b>270,806</b>	<b>216,536</b>	<b>249,441</b>	<b>-7.89%</b>
<b>Capital Outlay</b>	-	-	-	-	13	-	0.00%
<b>Department Total</b>	<b>182,688</b>	<b>188,552</b>	<b>270,806</b>	<b>270,806</b>	<b>216,548</b>	<b>249,441</b>	<b>-7.89%</b>
Funding Source: General Fund							

## **GOVERNMENT BUILDINGS**

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**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 on County Road 96. The new facility was completed and occupied as of October, 2004. The City's portion of the Ramsey County maintenance facility is charged to this budget.

### **Objectives**

1. Maintain a reputable facility to house meetings and staff.

### **Issues**

1. Normal maintenance and repair issues as the building (City Hall) has now been in operation for ten years.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The 2012 budget is a decrease of 12.00% from the previous year's budget. An increase in the Ramsey County maintenance facility charge is budgeted for the increased costs associated with the heated storage that was previously charged as cold storage. The Public Works Director's salary and benefits charged to this department have been removed and more accurately reflects actual salaries and benefits to this department. Materials and Supplies and Other Services and Charges have been reduced in an effort to more accurately reflect expected expenditures. An administrative charge has been established to recover costs from other funds benefiting from this department including the maintenance facility.

## **Budget Summary**

Function: General Government

Department: Government Buildings

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	30,871	37,390	32,220	32,220	35,549	29,604	-8.12%
Materials and Supplies	5,458	4,660	7,000	7,000	9,385	4,500	-35.71%
Other Services and Charges	183,136	153,329	198,650	198,650	157,473	175,217	-11.80%
<b>Total Operating Expenses</b>	219,465	195,378	237,870	237,870	202,407	209,321	-12.00%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	219,465	195,378	237,870	237,870	202,407	209,321	-12.00%
Funding Source: General Fund							

## **POLICE AND ANIMAL CONTROL**

**Function:** Public Safety  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 42100

### **Activity Scope**

Law Enforcement services for Arden Hills are provided on a contractual basis with Ramsey County Sheriff's Department. In 2011, animal control services are provided by a contract with Animal Control Services, an independent contractor – the 2012 budget reflects a change to the Ramsey County Sheriff's Department.

### **Objectives**

1. Continue contracting for law enforcement service through the Ramsey County Sheriff's Department.
2. Establish contracting animal control services through Ramsey County Sheriff's Department.

### **Issues**

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

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

Arden Hills portion of the Ramsey County Sheriff's Contracting Communities budget increased 3.63% over 2011.

Animal control will now be provided by the Ramsey County Sheriff's Department as part of the Contracting Communities. The budget for this contract is estimated to be \$9,634 (which includes start-up costs) plus the cost of boarding animals estimated to be \$700 based on 2010 actual. This represents a 72.23% increase in animal control costs.

## **Budget Summary**

Function: Public Safety

Department: Police and Animal Services

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Other Services and Charges	903,741	907,144	940,655	940,655	943,575	978,955	4.07%
<b>Total Operating Expenses</b>	903,741	907,144	940,655	940,655	943,575	978,955	4.07%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	903,741	907,144	940,655	940,655	943,575	978,955	4.07%
Funding Source: General Fund							

# DISPATCH

**Function:** Public Safety  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 42100

## Activity Scope

Emergency dispatch services are provided by Ramsey County.

## Objectives

1. Continue contracting dispatch services though Ramsey County.

## Issues

## Measurable Workload Data

None developed at this time.

## Budget Commentary

Arden Hills portion of the Ramsey County 911 Dispatch Department operation budget increased by 16.73% as there were not increases in this amount for both 2008 and 2009. This was delayed until there was some history with which to more accurately project these costs. It now uses a three year average of which we are in the third year of the average with actual costs.

## Budget Summary

Function: Public Safety		Department: Dispatch					
		Appropriation Detail					
Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Other Services and Charges	30,678	36,025	42,166	42,166	42,166	49,219	16.73%
<b>Total Operating Expenses</b>	30,678	36,025	42,166	42,166	42,166	49,219	16.73%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	30,678	36,025	42,166	42,166	42,166	49,219	16.73%
Funding Source: General Fund							

## FIRE PROTECTION

**Function:** Public Safety  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 42100

### 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 direct costs associated with Station No. 1, located at 3246 New Brighton Road, and a percentage of operating costs based on a formula approved by the Lake Johanna Fire Department and Arden Hills City Council.

### Objectives

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

### Issues

1. Fire coverage with the future of the Fire Station in Arden Hills and implementation of the "Duty Crew".

### Measurable Workload Data

None developed at this time.

### Budget Commentary

Arden Hills portion of the Lake Johanna Fire Department operating budget increased 3.55%. This budget reflects the third year of implementation of a full-time duty crew, as well as increases to capital and operating costs.

### Budget Summary

Function: Public Safety		Department: Fire Protection					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Other Services and Charges	337,873	356,778	379,402	379,402	379,402	392,869	3.55%
<b>Total Operating Expenses</b>	337,873	356,778	379,402	379,402	379,402	392,869	3.55%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	337,873	356,778	379,402	379,402	379,402	392,869	3.55%
Funding Source: General Fund							

## EMERGENCY MANAGEMENT

**Function:** Public Safety  
**Supervisor:** City Administrator  
**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

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

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2012 budget is a 41.26% decrease from the previous as the Public Works Director's salary and benefit allocation was removed from this budget to more accurately reflect the true costs associated with this department as it is contracted with a consultant. Only the City Administrator has a portion of salary and benefits allocated to this department at this time. Other Services and Charges have been reduced in an effort to more accurately reflect expected expenditures.

### Budget Summary

Function: Public Safety		Department: Emergency Management					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	5,127	5,035	7,795	7,795	8,190	2,533	-67.50%
Materials and Supplies	226	-	-	-	-	-	0.00%
Other Services and Charges	2,056	1,824	18,650	18,650	1,529	13,000	-30.29%
<b>Total Operating Expenses</b>	<b>7,408</b>	<b>6,859</b>	<b>26,445</b>	<b>26,445</b>	<b>9,719</b>	<b>15,533</b>	<b>-41.26%</b>
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Department Total</b>	<b>7,408</b>	<b>6,859</b>	<b>26,445</b>	<b>26,445</b>	<b>9,719</b>	<b>15,533</b>	<b>-41.26%</b>
Funding Source: General Fund							

## PROTECTIVE INSPECTIONS

**Function:** Public Safety  
**Supervisor:** Building Official  
**Fund#:** 101  
**Activity#:** 42400

### Activity Scope

This department is responsible for all building construction, plumbing, sanitary sewer, water and mechanical inspections within the City. Electrical inspections are contracted for by 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. Sign Ordinance.
2. Continue implementation of the building codes.
3. 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. Continued implementation and design of new Building Permit software and reports.

### Measureable Workload Data

None developed at this time.

### Budget Commentary

The 2012 operating budget is an increase of 4.42% from the previous year's budget. This increase is primarily salary steps increased legal fees due to code enforcement activities.

### Budget Summary

Function: Public Safety		Department: Protective Inspections					
		Appropriation Detail					
Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	202,644	208,311	216,977	216,977	217,504	226,578	4.42%
Materials and Supplies	2,790	3,390	3,200	3,200	2,640	3,650	14.06%
Other Services and Charges	41,684	42,540	39,125	39,125	49,650	40,525	3.58%
<b>Total Operating Expenses</b>	<b>247,119</b>	<b>254,240</b>	<b>259,302</b>	<b>259,302</b>	<b>269,794</b>	<b>15,533</b>	<b>4.42%</b>
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	<b>247,119</b>	<b>254,240</b>	<b>259,302</b>	<b>259,302</b>	<b>269,794</b>	<b>270,753</b>	<b>4.42%</b>
Funding Source: General Fund							

## **STREET MAINTENANCE**

**Function:** Public Works  
**Supervisor:** Public Works Superintendent  
**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. Continue street reconstruction of older road surfaces by evaluating road wear.
2. Maintain streets with seal coating, crack repair, etc.
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. Increased costs of fuel and street products due to fuel costs.
4. Staffing and budgeting for unpredictable circumstances.
5. Aging equipment.
6. Increased safety regulation for equipment and vehicles.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The 2012 operating budget is an increase of 8.39% from the previous year's budget. This increase is primarily due to increases in overtime and temporary/seasonal employee wages based on 2009 and 2010 actual. (Snow plowing and intern)

## **Budget Summary**

Function: Public Works

Department: Street Maintenance

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	179,245	182,908	170,353	170,353	171,519	190,818	12.01%
Materials and Supplies	60,488	85,969	67,880	67,880	57,115	37,625	-44.57%
Other Services and Charges	42,286	53,918	42,750	42,750	42,594	76,113	78.04%
<b>Total Operating Expenses</b>	282,019	322,795	280,983	280,983	271,229	304,556	8.39%
<b>Capital Outlay</b>	-	-	-	-	56,776	-	0.00%
<b>Department Total</b>	282,019	322,795	280,983	280,983	328,004	304,556	8.39%

Funding Source: General Fund

## **PARKS MAINTENANCE**

**Function:** Parks and Recreation  
**Supervisor:** Parks and Recreation Manager/Public Works Superintendent  
**Fund#:** 101  
**Activity#:** 45200

### **Function**

This department is 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.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The 2012 operating budget is an increase of 3.01% from the previous year's budget. This is primarily due to salary step increases.

## **Budget Summary**

Function: Parks and Recreation

Department: Park Maintenance

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	262,695	258,327	266,113	266,113	282,432	274,442	3.13%
Materials and Supplies	51,847	65,030	55,980	55,980	71,784	19,000	-66.06%
Other Services and Charges	83,210	43,550	90,732	90,732	82,992	131,797	45.26%
<b>Total Operating Expenses</b>	397,752	366,906	412,825	412,825	437,207	425,239	3.01%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	397,752	366,906	412,825	412,825	437,207	425,239	3.01%

Funding Source: General Fund

## RECREATION PROGRAM

**Function:** Parks and Recreation  
**Supervisor:** Park and Recreation Manager  
**Fund#:** 101  
**Activity#:** 45120

### Activity Scope

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

### Objectives

1. To provide recreation activities to residents of Arden Hills.

### Issues

1. Develop Senior programming.
2. Budget constraints.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2012 operating budget is an increase of 2.16% from the previous year's budget. This increase is primarily due to salary step increases.

### Budget Summary

Function: Parks and Recreation		Department: Recreation					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	141,768	146,948	147,628	147,628	125,399	152,351	3.20%
Materials and Supplies	14,729	19,756	16,275	16,275	18,493	16,275	0.00%
Other Services and Charges	52,573	52,184	55,050	55,050	60,397	55,050	0.00%
<b>Total Operating Expenses</b>	209,070	218,889	218,953	218,953	204,289	223,676	2.16%
<b>Total Capital</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	209,070	218,889	218,953	218,953	204,289	223,676	2.16%
Funding Source: General Fund							

## CELEBRATING ARDEN HILLS

**Function:** Parks and Recreation  
**Supervisor:** Parks and Recreation Manager  
**Fund#:** 101  
**Activity#:** 45400

### Activity Scope

This department provides all the activities and costs associated with the City-wide celebration, "Celebrating Arden Hills".

### Objectives

1. To provide a City-wide celebration for all residents of Arden Hills.

### Issues

1. Budget constraints.
2. Economic conditions which effect donations from the business community.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

This department was created to monitor activities and funding for the Celebrating Arden Hills. The budgeted cost is \$25,000 and offset by revenue of \$15,000 in donations.

### Budget Summary

Function: General Government	Department: Celebrating Arden Hills						
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
Personal Services	-	-	-	-	-	-	0.00%
Materials and Supplies	-	18,354	19,000	19,000	18,776	19,000	0.00%
Other Services and Charges	-	1,062	6,000	6,000	1,118	6,000	0.00%
<b>Total Operating Expenses</b>	-	19,416	25,000	25,000	19,894	25,000	0.00%
<b>Department Total</b>	-	19,416	25,000	25,000	19,894	25,000	0.00%
Funding Source: General Fund							

## TRANSFERS TO OTHER FUNDS

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 101  
**Activity#:** 49300

### Activity Scope

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

### Objectives

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

### Issues

1. Budget constraints.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2012 budget reduced by 4.99% or \$12,600 as the transfer to the EDA has been eliminated for this budget cycle.

### **Budget Summary**

Function: General Government		Department: Transfers					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b><u>Operating Transfers</u></b>							
Transfer to Storm Water Mgmt	-	-	-	-	-	-	0.00%
Transfer to Park Fund	-	-	-	-	-	-	0.00%
Transfer to EDA General Fund	15,000	12,600	12,600	12,600	12,600	-	-100.00%
Transfer to Equipment Fund	-	-	-	-	-	-	0.00%
Transfer to Public Safety Capital	40,000	40,000	40,000	40,000	40,000	40,000	0.00%
Transfer to PIR	-	-	-	-	-	-	0.00%
Transfer to Debt Service	200,000	200,000	200,000	200,000	200,000	200,000	0.00%
<b>Department Total</b>	255,000	252,600	252,600	252,600	252,600	240,000	-4.99%

## RESERVES/CONTINGENCY

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 101  
**Activity#:** n/a

### Activity Scope

The reserves/unallocated contingency department is utilized to budget present reserves to be used for future expenditures and to set aside funds for unexpected occurrences or items whose costs cannot be readily estimated.

### Objectives

1. To set aside funds for unexpected occurrences.
2. Allow funding for items which costs cannot be readily estimated.

### Issues

1. Budget constraints.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

This budget is to provide designated funding for unanticipated expenses. No reserves/contingency has been budgeted for 2012.

### Budget Summary

Function: General Government		Department: Reserves/Contingency					
		Appropriation Detail					
Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Reserves</b>							
Contingency	-	-	20,211	20,211	-	-	0.00%
<b>Department Total</b>	-	-	20,211	20,211	-	-	0.00%
General Fund							

Contingency for unforeseen expenses



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## **Special Revenue Funds Summary**

## SPECIAL REVENUE FUNDS SUMMARY

### Description

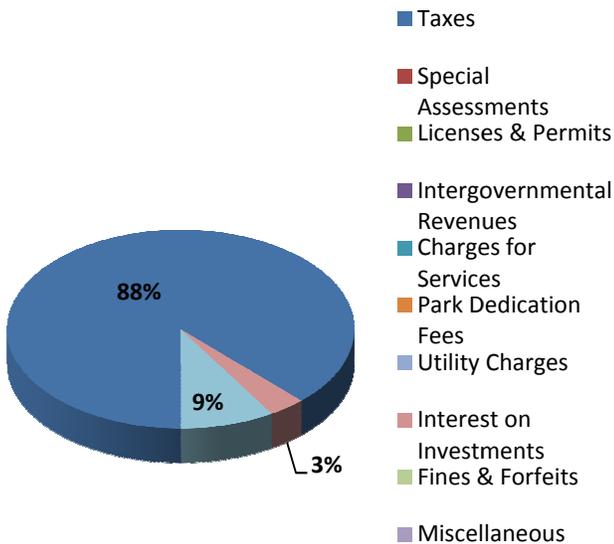
The City of Arden Hills currently maintains eight active Special Revenue Funds. A special revenue fund is used to account for revenue sources that are legally restricted for a specific purpose. The modified accrual basis of accounting issued for special revenue funds. That is, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received. However, compensated absences are expensed when paid for budgetary purposes. Special revenue funds 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 fund balances.

### Budget Issues

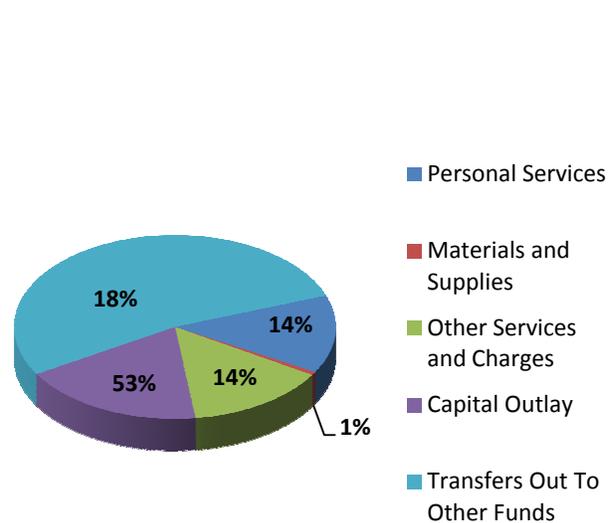
See individual fund's for budget issues, because each fund will have its own unique budget issues. Due to changes in GASB standards, the Community Service Fund has been folded into the Public Safety Capital Fund as its revenue source (Charitable Gambling Proceeds) can only be used for Public Safety Capital as restricted by State Statute.

### Budget Summary

#### Revenues By Cassification Total Revenues \$742,881



#### Expenditures By Classification Total Expenditures \$540,790



**City of Arden Hills  
Special Revenue Fund Summary**

**Special Revenue Funds**

	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b><u>Operating Revenue</u></b>							
TCAAP	\$ 64,557	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Cable Fund	111,249	91,079	83,000	83,000	75,165	91,131	9.80%
EDA General Fund	18,512	36,201	9,100	9,100	31,994	35,250	287.36%
EDA TIF Dist #3 Cottage Villas	38,540	40,672	32,000	32,000	43,348	40,500	26.56%
EDA Revolving Fund	3,998	3,392	2,500	2,500	4,483	2,500	0.00%
EDA TIF Dist #2 Round Lake	510,799	511,739	460,000	460,000	317,721	508,500	10.54%
Operating Revenues	747,656	683,083	586,600	586,600	472,710	677,881	15.56%
<b><u>Other Financing Sources</u></b>							
TCAAP	123,696	17,666	-	-	-	-	0.00%
EDA General Fund	15,000	12,600	12,600	12,600	12,600	65,000	415.87%
Other Financing Sources	138,696	30,266	12,600	12,600	12,600	65,000	415.87%
<b>Total Revenues</b>	<b>\$ 886,352</b>	<b>\$ 713,349</b>	<b>\$ 599,200</b>	<b>\$ 599,200</b>	<b>\$ 485,310</b>	<b>\$ 742,881</b>	<b>23.98%</b>
<b><u>Operating Expenses</u></b>							
TCAAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Cable Fund	66,912	92,663	78,671	78,671	71,324	84,394	7.28%
EDA General Fund	2,184	545	12,000	12,000	3,285	64,397	436.64%
EDA TIF Dist #3 Cottage Villas	45,547	1,673	4,000	4,000	1,640	4,000	0.00%
EDA Revolving Fund	-	-	-	-	-	-	0.00%
EDA TIF Dist #2 Round Lake	591	1,094	1,300	1,300	1,716	1,300	0.00%
Operating Expenses	115,233	95,975	95,971	95,971	77,965	154,092	60.56%
<b><u>Capital Outlay</u></b>							
TCAAP	-	-	-	-	-	-	0.00%
Cable Fund	1,144	2,750	20,000	20,000	12,259	35,000	75.00%
EDA General Fund	-	-	15,000	15,000	-	65,000	333.33%
Total Capital Outlay	1,144	2,750	35,000	35,000	12,259	100,000	185.71%
<b><u>Other Finance Uses</u></b>							
EDA TIF Dist #2 Round Lake	280,100	281,525	284,375	284,375	-	286,698	0.82%
Other Financing Uses	280,100	281,525	284,375	284,375	-	286,698	0.82%
<b>Total Expenditures</b>	<b>\$ 396,477</b>	<b>\$ 380,250</b>	<b>\$ 415,346</b>	<b>\$ 415,346</b>	<b>\$ 90,224</b>	<b>\$ 540,790</b>	<b>30.20%</b>
Fund Balances - January 1	1,757,211	2,247,086	2,580,186	2,580,186	2,580,186	2,975,272	
Excess Revenue Over Expenditure	489,875	333,099	183,854	183,854	395,086	202,091	
Fund Balances - December 31	\$ 2,247,086	\$ 2,580,186	\$ 2,764,040	\$ 2,764,040	\$ 2,975,272	\$ 3,177,363	

## CABLE FUND

**Function:** General Government  
**Supervisor:** Community Development Director  
**Fund#:** 228  
**Activity#:** 41960

### Function

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

### Objectives

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

### Issues

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

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2012 budget has decreased by 0.4%. Personal services have increased as a result of salary and step increases. Administrative Charges to other funds have decreased as a result of the decrease in Government Buildings budget.

### Budget Summary

Function: General Government		Department: Cable Fund					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Taxes	104,148	85,131	76,000	76,000	67,232	85,131	12.01%
Miscellaneous	7,102	5,948	7,000	7,000	7,933	6,000	-14.29%
Total Revenues	\$ 111,249	\$ 91,079	\$ 83,000	\$ 83,000	\$ 75,165	\$ 91,131	9.80%
<b>Expenditures</b>							
Total Personal Services	28,436	33,308	32,208	32,208	32,808	32,642	1.35%
Total Materials and Supplies	-	-	-	-	-	-	0.00%
Other Services and Charges	38,476	59,355	46,463	46,463	38,515	51,752	11.38%
Capital Outlay	1,144	2,750	20,000	20,000	12,259	35,000	75.00%
Total Expenditures	\$ 68,056	\$ 95,413	\$ 98,671	\$ 98,671	\$ 83,583	\$ 119,394	21.00%
Fund Balance - January 1	315,965	359,159	354,825	354,825	354,825	339,154	
Excess Revenue Over Expenditure	43,194	(4,334)	(15,671)	(15,671)	(8,418)	(28,263)	
Fund Balance - December 31	\$ 359,159	\$ 354,825	\$ 339,154	\$ 339,154	\$ 346,407	\$ 310,890	



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## **EDA GENERAL**

**Function:** Economic Development  
**Supervisor:** Community Development Director  
**Fund#:** 701  
**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. Continue to market the City of Arden Hills
2. Gateway signs at City entrances

### **Issues**

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

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The revenue to this fund has been primarily excess increment and interest income in the past years with transfer from the General Fund since 2008. The tax increment excess has risen substantially over the past three years.

In 2008, the salary and benefit costs for this activity were transferred to the General Fund in the Planning department. At that time, there was a negative fund balance and a transfer from the General Fund was set up to correct the negative balance fund Gateway signs. Transfers have been routinely made since 2008 and the revenue sources have risen.

With the 2012 budget, the salary and benefit costs have been transferred back to the fund as before. An administrative charge has also been added as this was established in 2008 and all funds are charged back for overhead costs associated with Administration, Finance and Administrative Services, and Government Building departments in the General Fund. Other costs such as auditing, financial software, IT, and insurance have been allocated to this fund also. The expenditure budget shows an increase of 379.25% over the 2011 budget due to these changes.

## **Budget Summary**

Function: Economic Development

Department: EDA General Fund

Activity	Appropriation Detail						% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	
<b>Revenues</b>							
Taxes	18,218	35,250	9,100	9,100	29,281	35,250	287.36%
Intergovernmental	-	-	-	-	-	-	0.00%
Miscellaneous	294	951	-	-	2,713	-	0.00%
Other Financing Sources	15,000	12,600	12,600	12,600	12,600	65,000	415.87%
<b>Total Revenues</b>	<b>\$ 33,512</b>	<b>\$ 48,801</b>	<b>\$ 21,700</b>	<b>\$ 21,700</b>	<b>\$ 44,594</b>	<b>\$ 100,250</b>	<b>361.98%</b>
<b>Expenditures</b>							
Total Personal Services	-	-	-	-	-	41,638	0.00%
Total Materials and Supplies	977	-	3,000	3,000	210	3,000	0.00%
Other Service Charges	1,207	545	9,000	9,000	3,075	19,759	119.55%
Capital Outlay	-	-	15,000	15,000	-	65,000	333.33%
<b>Total Expenditures</b>	<b>\$ 2,184</b>	<b>\$ 545</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 3,285</b>	<b>\$ 129,397</b>	<b>379.25%</b>
Fund Balance - January 1	16,012	47,340	95,597	95,597	95,597	136,906	
Excess Revenue Over Expenditure	31,328	48,257	(5,300)	(5,300)	41,309	(29,147)	
<b>Fund Balance - December 31</b>	<b>\$ 47,340</b>	<b>\$ 95,597</b>	<b>\$ 90,297</b>	<b>\$ 90,297</b>	<b>\$ 136,906</b>	<b>\$ 107,758</b>	

## EDA REVOLVING LOAN FUND

**Function:** Economic Development  
**Supervisor:** Community Development Director  
**Fund#:** 702  
**Activity#:** 47306

### Activity Scope

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

### Objectives

1. To assist local businesses meeting loan criteria established by the EDA.

### Issues

1. Current economy does not lend itself to expansion or improvements.
2. Promoting the program to the community businesses.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

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

### Budget Summary

Function: Economic Development		Department: EDA Revolving Fund					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 3011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Total Miscellaneous	3,998	3,392	2,500	2,500	4,483	2,500	0.00%
Total Revenues	\$ 3,998	\$ 3,392	\$ 2,500	\$ 2,500	\$ 4,483	\$ 2,500	0.00%
Fund Balance - January 1	140,596	144,594	147,986	147,986	147,986	152,469	
Excess Revenue Over Expenditure	3,998	3,392	2,500	2,500	4,483	2,500	
Fund Balance - December 31	\$ 144,594	\$ 147,986	\$ 150,486	\$ 150,486	\$ 152,469	\$ 154,969	



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## **EDA TIF DISTRICT #2 – ROUND LAKE**

**Function:** Economic Development  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 704  
**Activity#:** 47307

### **Activity Scope**

TIF District No. 2, Round Lake Office, was established as a twenty-five year Redevelopment District on June 29, 1989. This district is located on the northeast quadrant of the I-35W/I694 intersection. This district will decertify on December 31, 2015.

Improvements for this district were funded with the issuance of \$3,100,000 General Obligation Tax Increment Bonds on March 1, 1998. Debt Service Fund No. 325 created to track repayment of the bond principal and interest. An inter-fund loan from the Permanent Revolving Fund No. 411 was needed for the acquisition of the Indykiewicz property. This loan was repaid in full in 2004.

### **Objectives**

N/A

### **Issues**

N/A

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

There are no significant changes in this fund in 2012. Annual transfers are made to Debt Service Fund No. 325 for principal and interest payments on the G.O. Tax Increment Refunding Bonds, 2004A.

## **Budget Summary**

Function: Economic Development

Department: EDA TIF District #2 Round Lake Office Park

Activity	Appropriation Detail							% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012		
<b><u>Revenue</u></b>								
Taxes	486,563	493,112	450,000	450,000	273,765	493,500		9.67%
Miscellaneous	24,237	18,627	10,000	10,000	43,956	15,000		50.00%
Total Revenue	\$ 510,799	\$ 511,739	\$ 460,000	\$ 460,000	\$ 317,721	\$ 508,500		10.54%
<b><u>Expenditures</u></b>								
Other Services and Charges	591	1,094	1,300	1,300	1,716	1,300		0.00%
Operating Trans To Debt Services	280,100	281,525	284,375	284,375	-	286,698		0.82%
Total Expenditures	\$ 280,691	\$ 282,619	\$ 285,675	\$ 285,675	\$ 1,716	\$ 287,998		0.81%
Fund Balance - January 1	773,137	1,003,246	1,232,365	1,232,365	1,232,365	1,548,369		
Excess Revenue Over Expenditure	230,109	229,119	174,325	174,325	316,004	220,502		
Fund Balance - December 31	\$ 1,003,246	\$ 1,232,365	\$ 1,406,690	\$ 1,406,690	\$ 1,548,369	\$ 1,768,871		

## **EDA TIF DISTRICT #3 – COTTAGE VILLAS**

**Function:** Economic Development  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 705  
**Activity#:** 47305

### **Activity Scope**

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

The City entered into a “pay-as-you-go” agreement with Cottage Villas of Arden Hills Limited Partnership on February 28, 1994. The Development Agreement calls for the developer to be reimbursed for certain public development activities initially estimated at \$834,286. Repayment to the developer will only be from tax increment actually received from the district. Payments will be 90% of the tax increment received not-to-exceed a total annual payment of \$57,557. The City is not obligated to make payments after February 1, 2010.

### **Objectives**

N/A

### **Issues**

N/A

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The City no longer has any obligations to pay the development as of February 1, 2010. Only administrative costs have been planned for 2012.

## **Budget Summary**

Function: Economic Development

Department: EDA TIF District #3 Cottage Villas

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Taxes	35,627	38,363	30,000	30,000	39,063	38,500	28.33%
Intergovernmental	65	64	-	-	77	-	0.00%
Miscellaneous	2,849	2,245	2,000	2,000	4,208	2,000	0.00%
Total Revenues	\$ 38,540	\$ 40,672	\$ 32,000	\$ 32,000	\$ 43,348	\$ 40,500	26.56%
<b>Expenditures</b>							
Other Services and Charges	45,547	1,673	4,000	4,000	1,640	4,000	0.00%
Total Expenditures	\$ 45,547	\$ 1,673	\$ 4,000	\$ 4,000	\$ 1,640	\$ 4,000	0.00%
Fund Balance - January 1	80,220	73,214	112,213	112,213	112,213	153,920	
Excess Revenue Over Expenditure	(7,006)	38,999	28,000	28,000	41,707	36,500	
Fund Balance - December 31	\$ 73,214	\$ 112,213	\$ 140,213	\$ 140,213	\$ 153,920	\$ 190,420	



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## **Debt Service Fund Summary**

# DEBT SERVICE FUND

## Fund Description:

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.

## Budget Summary:

### DEBT SERVICE FUNDS SUMMARY

Function: Debt Service

Department: GO Tax Increment Bonds of 1998A

Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Interest Income	1	53	-	-	(18)	-	-
Transfer	278,425	281,525	284,375	284,375	284,325	286,698	0.82%
<b>Total Revenues</b>	<b>\$ 278,426</b>	<b>\$ 281,578</b>	<b>\$ 284,375</b>	<b>\$ 284,375</b>	<b>\$ 284,307</b>	<b>\$ 286,698</b>	<b>0.82%</b>
<b>Expenditures</b>							
Bond Principal	225,000	235,000	245,000	245,000	245,000	255,000	4.08%
Bond Interest	52,975	46,075	38,875	38,875	38,875	31,248	-19.62%
Fiscal Agents' Fees	450	450	500	500	450	450	-10.00%
<b>Total Expenditures</b>	<b>\$ 278,425</b>	<b>\$ 281,525</b>	<b>\$ 284,375</b>	<b>\$ 284,375</b>	<b>\$ 284,325</b>	<b>\$ 286,698</b>	<b>0.82%</b>
Fund Balance - January 1	2,020	2,021	2,074	2,074	2,074	2,057	
Excess Revenue Over Expenditures	1	53	-	-	(18)	-	
<b>Fund Balance - December 31</b>	<b>\$ 2,021</b>	<b>\$ 2,074</b>	<b>\$ 2,074</b>	<b>\$ 2,074</b>	<b>\$ 2,057</b>	<b>\$ 2,057</b>	

The City's debt consists of general obligation tax increment refinancing bonds.

The City defeased (Called for redemption) the original 1998 bond issue in 2005 and issued refunding bonds in 2004. The City currently does not have any plans to issue additional debt.

## Bond Rating:

All bonds issued by the City are assigned ratings by Moody's Investor Services. The City maintains an "AA+" rating from Standard & Poor's and Fitch and an "Aa" rating from Moody's Investment Services 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:

Legal Debt Limit (3% of Estimated Market Value)	\$35,132,043
Less: Outstanding Debt Subject to Limit	\$ <u>0</u>
Legal Debt margin as of January 1, 2012	\$35,132,043

**Service Levels:**

	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Estimate</u>
<b>Bond Rating</b>	A+	A+	AA+	AA+
<b>Dec. 31 Debt Outstanding</b>				
(\$'s in thousands)	\$1,770	\$1,545	\$1,310	\$1,165
<b>Net Debt Per Capita</b>	\$179	\$152	\$137	\$121

**Bonds Payable:**

**General Obligation Tax Increment Bonds**

<u>Issue</u>	<u>Net</u> <u>Interest</u> <u>Rate</u>	<u>Due</u> <u>Dates</u>	<u>Issue</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Authorized</u> <u>And Issued</u>	<u>Retired</u>	<u>Outstanding</u> <u>12/31/2011</u>	<u>Principal</u> <u>due in</u> <u>2012</u>	<u>Interest</u> <u>due in</u> <u>2012</u>
2004A	3.2171%	2-1/8-1	11/4/2004	2/1/2015	\$ 2,395,000	\$ 1,230,000	\$ 1,165,000	\$ 255,000	\$ 31,248

## G.O. TAX INCREMENT BONDS OF 1998A

**Function:** Debt Service  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 325  
**Activity#:** 46300

### Activity Scope

Issuance of \$3,100,000 General Obligation Tax Increment Bonds dated March 1, 1998 were to finance various public improvements within TIF District No. 2. The improvements were generally the relocated 14<sup>th</sup> Street project and the Round Lake Road intersection improvements project. The seventeen year bonds mature on February 1, 2015. The City defeased these bonds in 2005 and issued refunding bonds in 2004. This significantly reduced the interest cost over the life of the bonds.

### Objectives

1. Make debt payments as scheduled in a timely manner.

### Issues

1. Watch market conditions for opportunities to refund or fund balances to pay off the bonds as soon as possible to save interest expense.

### Measurable Workload Data

N/A

### Budget Commentary

Tax increment revenue is the main revenue source. A transfer is made from the EDA TIF district No. 2 (Round Lake) each time a payment is due. Annual debt payments, interest, and fiscal agent fees are the only expenditures budgeted in 2012.

### Budget Summary

Function: Debt Service		Department: GO Tax Increment Bonds of 1998A						
Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12	
<b>Revenues</b>								
Interest Income	1	53	-	-	(18)	-	-	
Transfer	278,425	281,525	284,375	284,375	284,325	286,698	0.82%	
<b>Total Revenues</b>	<b>\$ 278,426</b>	<b>\$ 281,578</b>	<b>\$ 284,375</b>	<b>\$ 284,375</b>	<b>\$ 284,307</b>	<b>\$ 286,698</b>	<b>0.82%</b>	
<b>Expenditures</b>								
Bond Principal	225,000	235,000	245,000	245,000	245,000	255,000	4.08%	
Bond Interest	52,975	46,075	38,875	38,875	38,875	31,248	-19.62%	
Fiscal Agents' Fees	450	450	500	500	450	450	-10.00%	
<b>Total Expenditures</b>	<b>\$ 278,425</b>	<b>\$ 281,525</b>	<b>\$ 284,375</b>	<b>\$ 284,375</b>	<b>\$ 284,325</b>	<b>\$ 286,698</b>	<b>0.82%</b>	
Fund Balance - January 1	2,020	2,021	2,074	2,074	2,074	2,057		
Excess Revenue Over Expenditures	1	53	-	-	(18)	-		
<b>Fund Balance - December 31</b>	<b>\$ 2,021</b>	<b>\$ 2,074</b>	<b>\$ 2,074</b>	<b>\$ 2,074</b>	<b>\$ 2,057</b>	<b>\$ 2,057</b>		



## **Capital Projects Funds Summary**

# CAPITAL PROJECT FUNDS

## **Description:**

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.

## **Budget Issues**

The City of Arden Hills uses a pay-as-you go philosophy for most capital improvements. The major issue the City deals with is finding adequate funding resources for the various projects.

## **Budget Commentary**

The active and proposed projects for 2012 include:

- Gateway Signs
- Springbrook Software Update
- Playground Structure Replacement
- Valentine Park Improvements
- Mounds View High School Trail Connection
- Old Snelling Avenue Trail – Legacy
- 2012 Crack and Seal Coating
- Highway 96 (Old Highway 8 to US Highway 10)
- Snelling Ave PMP
- I-694/TH 51 Interchange Project
- Sanitary Sewer Pipe & Access Road at Lift Station 7
- Water Meter Upgrades
- SCADA System
- Storm Pond Maintenance
- Water Tower Repainting
- Hazelnut Irrigation
- Innovation Way/County Road F pond Dredging

Some of these project costs for 2012 include feasibility studies for future projects, Pavement Management Program (PMP) costs to preserve streets and infrastructure. These projects have a number of funding sources including special assessments, grants, the Water Fund, Sanitary Sewer Fund, and Surface Water Management Fund. At this time the City does not anticipate issuing debt to finance these projects.

# CAPITAL PROJECTS FUNDS SUMMARY

## City of Arden Hills Capital Fund Summary

	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Operating Revenue</b>							
Equipment, Bldg & Replacement	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ -	-100.00%
Public Safety Capital	58,609	45,163	55,400	55,400	42,519	45,200	-18.41%
Park Fund	10,669	779,363	-	-	252,895	-	0.00%
Capital Improvement Fund (PIR)	590,825	539,386	580,000	580,000	723,274	535,000	-7.76%
Total Operating Revenues	660,103	1,363,912	645,400	645,400	1,018,689	580,200	-10.10%
<b>Other Financing Sources</b>							
Equipment, Bldg & Replacement	172,500	184,200	183,000	183,000	193,212	183,000	0.00%
Public Safety Capital	-	-	-	-	-	-	0.00%
Park Fund	-	-	-	-	-	-	0.00%
Capital Improvement Fund (PIR)	200,000	200,000	200,000	200,000	200,000	200,000	0.00%
Total Other Financing Sources	372,500	384,200	383,000	383,000	393,212	383,000	0.00%
<b>Total Revenues</b>	<b>\$ 1,032,603</b>	<b>\$ 1,748,112</b>	<b>\$ 1,028,400</b>	<b>\$ 1,028,400</b>	<b>\$ 1,411,901</b>	<b>\$ 963,200</b>	<b>-6.34%</b>
<b>Expenditures</b>							
Equipment, Bldg & Replacement	\$ 283,884	\$ 200,003	\$ 755,638	\$ 755,638	\$ 498,079	\$ 388,000	-48.65%
Public Safety Capital	156,543	18,926	95,376	95,376	91,579	192,211	101.53%
Park Fund	128,037	1,141,300	5,000	5,000	30,544	5,000	0.00%
Capital Improvement Fund (PIR)	1,088,586	771,156	1,971,000	1,971,000	1,043,291	980,500	-50.25%
Total Expenditures	1,657,051	2,131,385	2,827,014	2,827,014	1,663,494	1,565,711	-44.62%
<b>Other Finance Uses</b>							
Equipment, Bldg & Replacement	-	-	-	-	-	-	0.00%
Public Safety Capital	-	-	-	-	-	-	0.00%
Capital Improvement Fund (PIR)	-	-	-	-	-	65,000	0.00%
Total Other Financing Uses	-	-	-	-	-	65,000	0.00%
Total Expenditures	\$ 1,657,051	\$ 2,131,385	\$ 2,827,014	\$ 2,827,014	\$ 1,663,494	\$ 1,630,711	-42.32%
Fund Balance - January 1	6,532,849	5,908,401	5,525,128	5,525,128	5,525,128	3,726,514	
Excess Revenue Over Expenditure	(624,448)	(383,273)	(1,798,614)	(1,798,614)	(251,593)	(667,511)	
Fund Balance - December 31	\$ 5,908,401	\$ 5,525,128	\$ 3,726,514	\$ 3,726,514	\$ 5,273,535	\$ 3,059,003	

## PERMANENT IMPROVEMENT REVOLVING FUND (PIR)

**Function:** Public Works  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 411  
**Activity#:** N/A

### Activity Scope

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

### Objectives

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

### Issues

1. Finding adequate funding resources for the various projects.

### Measurable Workload Data

N/A

### Budget Commentary

The 2012 projects are listed in the proposed five-year capital improvement plan. (All expenditures are reclassified as capital outlay, but actual show in categories such as Engineering, etc. on the budget below.)

### Budget Summary

Function: Public Works		Department: Pavement Mgmt Programs					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Special Assessments	410,935	388,768	400,000	400,000	549,790	400,000	0.00%
Miscellaneous	179,890	150,618	180,000	180,000	173,484	135,000	-25.00%
Transfer	200,000	200,000	200,000	200,000	200,000	200,000	0.00%
Department Total	\$ 790,825	\$ 739,386	\$ 780,000	\$ 780,000	\$ 923,274	\$ 735,000	-5.77%
<b>Expenditures</b>							
Total Materials and Supplies	381	949	-	-	1,360	-	0.00%
Other Services and Charges	179,478	193,107	-	-	178,017	-	0.00%
Capital Outlay	908,727	577,100	1,971,000	1,971,000	863,914	980,500	-50.25%
Department Total	\$ 1,088,586	\$ 771,156	\$ 1,971,000	\$ 1,971,000	\$ 1,043,291	\$ 1,045,500	-46.96%
Fund Balance - January 1	6,059,072	5,761,311	5,729,541	5,729,541	5,729,541	5,609,523	
Excess Revenue Over Expenditure	(297,761)	(31,770)	(1,191,000)	(1,191,000)	(120,017)	(310,500)	
Fund Balance - December 31	\$ 5,761,311	\$ 5,729,541	\$ 4,538,541	\$ 4,538,541	\$ 5,609,523	\$ 5,299,023	



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## **PUBLIC SAFETY CAPITAL EQUIPMENT**

**Function:** Public Safety  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 412  
**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 (28.0%) of Lake Johanna Fire Department equipment according to a formula which has been updated for 2011, with the balance funded by the other member cities of Shoreview and North Oaks. Arden Hills is responsible for all capital expenses relating to the maintenance and upkeep of Fire Station #1.

In 2012, the Community Services Fund was folded into this fund as it is the primary funding source. This change was necessitated by new GASB standards. The revenues are from the required 10% contribution of net profit from charitable gambling organizations operating within the City.

### **Objectives**

1. 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.

### **Measurable Workload Data**

N/A

### **Budget Commentary**

Anticipated 2012 purchases for the fire department include the following: truck replacement, ladders, tire replacement, badges, response jumpsuits, computers, self contained breathing apparatus, cold water rescue equipment, and fire extinguisher training system. The total capital budgeted for 2012 is \$613,986. The Arden Hills portion of this is \$165,162 plus our reimbursement to the City of Shoreview of \$13,165 for a grand total of \$178,327.

## **Budget Summary**

Function: Public Safety		Department: Public Safety Capital Equipment					
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b><u>Revenue</u></b>							
Total Miscellaneous	58,609	45,163	55,400	55,400	42,519	45,200	-18.41%
Transfer	-	-	-	-	-	-	0.00%
<b>Total Revenues</b>	<b>\$ 58,609</b>	<b>\$ 45,163</b>	<b>\$ 55,400</b>	<b>\$ 55,400</b>	<b>\$ 42,519</b>	<b>\$ 45,200</b>	<b>-18.41%</b>
<b><u>Expenditures</u></b>							
Capital Outlay	156,543	18,926	95,376	95,376	91,579	192,211	101.53%
<b>Department Total</b>	<b>\$ 156,543</b>	<b>\$ 18,926</b>	<b>\$ 95,376</b>	<b>\$ 95,376</b>	<b>\$ 91,579</b>	<b>\$ 192,211</b>	<b>101.53%</b>
Fund Balance - January 1	415,159	317,225	414,681	343,462	343,462	294,402	
Excess Revenue Over Expenditure	(97,934)	26,237	(39,976)	(39,976)	(49,059)	(147,011)	
<b>Fund Balance - December 31</b>	<b>\$ 317,225</b>	<b>\$ 343,462</b>	<b>\$ 374,705</b>	<b>\$ 303,486</b>	<b>\$ 294,402</b>	<b>\$ 147,391</b>	

## **PARKS FUND**

**Function:** Parks and Recreation  
**Supervisor:** Park and Recreation Manager  
**Fund#:** 409  
**Activity#:** 45200

### **Activity Scope**

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

### **Objectives**

1. Playground Structure Replacement
2. Valentine Park Improvements
3. Mounds View High School Trail Connection
4. Implementation of a Park Bench program.

### **Issues**

1. Securing funding for improvements.
2. Adhering to grant requirements and local match.
3. Budget restraints.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The budget includes funding for park benches as part of the CIP.

## Budget Summary

Function: Parks and Recreation

Department: Park Fund

Activity	Appropriation Detail							% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012		
<b>Revenues</b>								
Intergovernmental	-	759,899	-	-	119,647	-	-	0.00%
Miscellaneous	10,669	19,464	-	-	133,248	-	-	0.00%
Total Revenues	\$ 10,669	\$ 779,363	\$ -	\$ -	\$ 252,895	\$ -	-	0.00%
<b>Expenditures</b>								
Other Services and Charges	126,867	215,279	-	-	32,753	-	-	0.00%
Capital Outlay	1,170	901,077	5,000	5,000	(2,209)	5,000	-	0.00%
Total Expenditures	\$ 128,037	\$ 1,141,300	\$ 5,000	\$ 5,000	\$ 30,544	\$ 5,000	-	0.00%
Fund Balance - January 1	74,987	(42,382)	(404,319)	(404,319)	(404,319)	(409,319)	-	
Excess Revenue Over Expenditure	(117,369)	(361,937)	(5,000)	(5,000)	222,351	(5,000)	-	
Fund Balance - December 31	\$ (42,382)	\$ (404,319)	\$ (409,319)	\$ (409,319)	\$ (181,967)	\$ (414,319)	-	

## EQUIPMENT, BUILDING, AND REPLACEMENT

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 408  
**Activity#:** N/A

### Activity Scope

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

### Objectives

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

### Issues

1. Budget constraints.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

Anticipated 2012 expenses are to replace the Jetter and Vactor Truck with dual purpose machine, replacement of the 1997 Toro Workman w/Sprayer and F250 Pickup Truck w/Plow.

### Budget Summary

Function: General Government	Department: Equipment Building and Replacement						
Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Transfers	172,500	184,200	193,000	193,000	193,212	183,000	-5.18%
Department Total	\$ 172,500	\$ 184,200	\$ 193,000	\$ 193,000	\$ 193,212	\$ 183,000	-5.18%
<b>Expenditures</b>							
Capital Outlay	283,884	200,003	755,638	755,638	498,079	388,000	-48.65%
Department Total	\$ 283,884	\$ 200,003	\$ 755,638	\$ 755,638	\$ 498,079	\$ 388,000	-48.65%
Fund Balance - January 1	(111,384)	(222,768)	(238,571)	(238,571) <sup>█</sup>	(238,571)	(543,438)	
Excess Revenue Over Expenditure	(111,384)	(15,803)	(562,638)	(562,638)	(304,867)	(205,000)	
Fund Balance - December 31	\$ (222,768)	\$ (238,571)	\$ (801,209)	\$ (801,209)	\$ (543,438)	\$ (748,438)	



## **Enterprise Funds Summary**

## ENTERPRISE FUNDS

### Description

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. These pages are a summary of the Enterprise Funds.

### Budget Issues

See the individual funds for the various budget issues facing each fund.

### Budget Summary

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b>Revenues</b>							
Taxes	-	-	-	-	-	-	
Licenses and Permits	3,386	5,479	4,000	4,000	4,666	4,000	0.00%
Intergovernmental	19,866	20,114	20,846	20,846	29,157	19,802	-5.01%
Special Assessment	5,146	5,369	4,900	4,900	161,447	2,500	-48.98%
Miscellaneous	58,102	72,296	50,500	50,500	127,683	68,100	34.85%
Charges for Services	3,602,779	3,972,000	4,218,954	4,218,954	3,790,354	4,341,977	2.92%
<b>Total Revenues</b>	<b>3,689,278</b>	<b>4,075,431</b>	<b>4,299,200</b>	<b>4,299,200</b>	<b>4,137,159</b>	<b>4,436,379</b>	<b>3.19%</b>
<b>Expenditures</b>							
Personal Services	638,327	692,219	774,279	774,279	782,485	807,828	4.33%
Materials and Supplies	89,446	83,831	81,085	81,085	97,220	6,050	-92.54%
Other Services and Charges	2,572,320	2,635,395	2,942,500	2,942,500	2,441,873	3,126,283	6.25%
Capital Outlay	4,500	85,766	1,553,240	1,553,240	657,045	781,500	-49.69%
Transfers	132,500	143,000	143,000	143,000	143,000	143,000	0.00%
<b>Total Expenditures</b>	<b>3,437,093</b>	<b>3,640,213</b>	<b>5,494,104</b>	<b>5,494,104</b>	<b>4,121,826</b>	<b>4,864,661</b>	<b>-11.46%</b>
Fund Balance - January 1	12,573,567	12,830,253	13,351,236	13,351,236	13,351,236	13,366,569	
Excess Revenue Over Expenditures	252,185	435,217	(1,194,904)	(1,194,904)	15,333	(428,282)	
Fund Balance - December 31	\$ 12,825,752	\$ 13,265,470	\$ 12,156,332	\$ 12,156,332	\$ 13,366,569	\$ 12,938,287	
Balance Without Capital Outlay	\$ 12,830,253	\$ 13,351,236	\$ 13,709,572	\$ 13,709,572	\$ 14,023,614	\$ 13,719,787	

(Note: Capital Outlays are reclassified as Assets thus having no effect on the Net Assets or Fund Balance – these balances include capital outlay for budget purposes.)



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## **WATER UTILITY**

**Function:** Public Works  
**Supervisor:** Public Works Superintendent  
**Fund#:** 601  
**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. Continue long-range planning for infrastructure repair of wells and pipes.

### **Issues**

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

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The City conducted a rate study in 2008, with implementation in 2009. Due to new mandates, the City converted to a tiered rate system and is also phasing out the Senior Citizen Discount by the year 2011. Actual rate increases under the new system were effective January 1, 2009. The 2012 rate increase is 7% and the overall revenue increase budgeted in the fund for 2012 is 12.97% over 2011.

The 2012 operating budget is an increase of 5.18% from the previous year's budget and 1.26% overall increase with capital outlay. Capital Outlay costs include 2012 PMP – Nursery Hills/Wyncrest/Arden View neighborhoods, installation of a SCADA system water tower repair and repainting, and water meter upgrades. An operating transfer has also been budgeted to the Equipment, Building, and Replacement Fund.

## **Budget Summary**

Function: Public Works

Department: Water Utility

Activity	Appropriation Detail						% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	
<b>Revenues</b>							
Licenses and Permits	2,193	3,137	2,000	2,000	2,892	2,000	0.00%
Intergovernmental	-	-	-	-	-	-	0.00%
Special Assessment	4,536	2,098	4,500	4,500	24,358	2,000	-55.56%
Miscellaneous	21,448	30,623	15,000	15,000	41,319	25,000	66.67%
Charges for Services	1,702,821	1,818,290	1,806,660	1,806,660	1,726,837	2,036,205	12.71%
<b>Total Revenues</b>	<b>1,730,998</b>	<b>1,854,148</b>	<b>1,828,160</b>	<b>1,828,160</b>	<b>1,795,405</b>	<b>2,065,205</b>	<b>12.97%</b>
<b>Expenditures</b>							
Total Personal Services	228,881	234,522	265,786	265,786	258,956	271,924	2.31%
Total Materials and Supplies	44,006	51,409	30,905	30,905	38,824	800	-97.41%
Other Services and Charges	1,375,028	1,392,764	1,519,168	1,519,168	1,097,786	1,637,257	7.77%
Capital Outlay	900	258	368,140	368,140	123,659	302,000	-17.97%
Transfers	39,500	43,000	43,000	43,000	43,000	43,000	0.00%
<b>Total Expenditures</b>	<b>1,688,316</b>	<b>1,721,953</b>	<b>2,226,999</b>	<b>2,226,999</b>	<b>1,562,225</b>	<b>2,254,981</b>	<b>1.26%</b>
Fund Balance - January 1	6,061,641	6,105,223	6,237,676	6,237,676	6,237,676	6,470,855	
Excess Revenue Over Expenditures	42,682	132,194	(398,839)	(398,839)	233,180	(189,776)	
<b>Fund Balance - December 31</b>	<b>\$ 6,104,323</b>	<b>\$ 6,237,418</b>	<b>\$ 5,838,837</b>	<b>\$ 5,838,837</b>	<b>\$ 6,470,855</b>	<b>\$ 6,281,079</b>	
Balance Without Capital Outlay	\$ 6,105,223	\$ 6,237,676	\$ 6,206,977	\$ 6,206,977	\$ 6,594,514	\$ 6,583,079	

(Note: Capital Outlays are reclassified as Assets thus having no effect on the Net Assets or Fund Balance – these balances include capital outlay for budget purposes.)

## **SANITARY SEWER UTILITY**

**Department: Public Works**  
**Supervisor: Public Works Superintendent**  
**Fund#: 602**  
**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. Monitor infiltration of ground water into the sanitary sewer system.

### **Issues**

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

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The City conducted a rate study in 2008, with implementation in 2009. Due to new mandates, the City converted to a tiered rate system and is also phasing out the Senior Citizen Discount by the year 2011. Actual rate increases under the new system were effective January 1, 2009. The 2012 rate increase is 2%, the overall revenue budgeted for 2012 is a decrease of 7.32% over 2011.

The 2012 operating budget is an increase of 0.16% from the previous year's budget and an overall decrease of 27.53% with capital outlay. Capital Outlay costs include Sewer Lining/Rehabilitation, Inflow & Infiltration (I&I) Mitigation, and the I-694/TH 51 Interchange Project. An operating transfer has also been budgeted to the Equipment, Building, and Replacement Fund.

## **Budget Summary**

Function: Public Works

Department: Sanitary Sewer Utility

Activity	Appropriation Detail						
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12
<b><u>Revenues</u></b>							
Licenses and Permits	1,193	2,342	2,000	2,000	1,774	2,000	0.00%
Special Assessments	313	2,789	400	400	32,368	400	0.00%
Miscellaneous	11,915	9,276	5,000	5,000	15,982	5,000	0.00%
Charges for Services	1,312,391	1,569,362	1,786,433	1,786,433	1,586,877	1,655,147	-7.35%
<b>Total Revenues</b>	<b>1,325,812</b>	<b>1,583,770</b>	<b>1,793,833</b>	<b>1,793,833</b>	<b>1,660,852</b>	<b>1,662,547</b>	<b>-7.32%</b>
<b><u>Expenditures</u></b>							
Total Personal Services	276,197	285,820	309,010	309,010	324,991	319,098	3.26%
Total Materials and Supplies	31,637	24,498	33,605	33,605	47,559	3,500	-89.58%
Other Services and Charges	958,974	971,861	1,134,102	1,134,102	1,058,444	1,156,429	1.97%
Capital Outlay	1,210	85,250	625,100	625,100	406,388	27,000	-95.68%
Transfers	58,500	62,000	62,000	62,000	62,000	62,000	0.00%
<b>Total Expenditures</b>	<b>1,326,518</b>	<b>1,429,430</b>	<b>2,163,817</b>	<b>2,163,817</b>	<b>1,899,382</b>	<b>1,568,027</b>	<b>-27.53%</b>
Fund Balance - January 1	4,142,185	4,142,689	4,382,279	4,382,279	4,382,279	4,143,749	
Excess Revenue Over Expenditures	(706)	154,340	(369,984)	(369,984)	(238,530)	94,520	
Fund Balance - December 31	4,141,479	4,297,029	4,012,295	4,012,295	4,143,749	4,238,269	
Balance Without Capital Outlay	4,142,689	4,382,279	4,637,395	4,637,395	4,550,137	4,265,269	

(Note: Capital Outlays are reclassified as Assets thus having no effect on the Net Assets or Fund Balance – these balances include capital outlay for budget purposes.)

## **RECYCLING PROGRAM**

**Function:** General Government  
**Supervisor:** City Planner  
**Fund#:** 603  
**Activity#:** 49520

### **Activity Scope**

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

### **Objectives**

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

### **Issues**

1. Budget constraints.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The revenue budget for 2012 is increasing 5.96%. This is a result increased revenue sharing that is expected from the Recycling contractor (100.0%) based on 2011 results and current economic conditions. Revenues are expected to closely match expenses.

The 2012 operating budget is a increase of 4.86% from the previous year's budget. Personal Services decreased by -3.70% due to salary allocation changes across departments and funds and salary and step increases. The remaining decrease is an effort to more accurately reflect expected expenditures.

## **Budget Summary**

Function: General Government

Department: Recycling

Activity	Appropriation Detail						% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	
<b><u>Revenues</u></b>							
Intergovernmental	19,866	20,114	20,846	20,846	20,846	19,802	-5.01%
Special Assessments	249	195	-	-	101,299	-	0.00%
Miscellaneous	3,871	18,537	15,500	15,500	47,558	30,100	94.19%
Charges for Services	84,544	65,963	100,539	100,539	-	100,670	0.13%
Total Revenues	\$ 108,530	\$ 104,982	\$ 136,885	\$ 136,885	\$ 169,703	\$ 150,572	10.00%
<b><u>Expenditures</u></b>							
Total Personal Services	12,849	14,142	17,288	17,288	17,461	16,649	-3.70%
Other Services and Charges	105,348	114,993	118,662	118,662	134,564	125,905	6.10%
Total Expenditures	\$ 118,196	\$ 129,138	\$ 135,950	\$ 135,950	\$ 152,228	\$ 142,554	4.86%
Fund Balance - January 1	37,823	28,157	4,001	4,001	4,001	21,476	
Excess Revenue Over Expenditures	(9,666)	(24,156)	935	935	17,475	8,018	
Fund Balance - December 31	\$ 28,157	\$ 4,001	\$ 4,936	\$ 4,936	\$ 21,476	\$ 29,494	

## **SURFACE WATER MANAGEMENT UTILITY**

**Function:** Public Works  
**Supervisor:** Public Works Superintendent  
**Fund#:** 604  
**Activity#:** 49550

### **Function**

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. Collection, treatment, and disposition of storm water.
2. Maintenance of storm sewers.

### **Issues**

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

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The City conducted a rate study in 2008, with implementation in 2009. Due to new mandates, the City converted to a tiered rate system and is also phasing out the Senior Citizen Discount by the year 2011. Actual rate increases under the new system were effective January 1, 2009. The rate increase for 2012 is 3%. The overall revenue increase for the fund is 3.28% over 2011.

The 2012 operating budget is an increase of 10.63% from the previous year's budget and a decrease of 7.05% overall with capital outlay. Personal Services increased by 9.86% due to salary allocation changes as the Public Works Director was moved out of Emergency Management and Government Buildings into this fund to more accurately reflect actual salary and benefit costs. Salary step increases were also a contribution factor to the increase. The remainder of the decrease in the operating budget is an effort to more accurately reflect expected expenditures. Capital Outlay costs include Storm Pond Maintenance, the Surface Water Management Plan update, Valentine Park improvements, County Road 96 improvements (County Road 8 to US 10), the County Road E improvements between Highway 51 and Lexington Avenue, and the 2011 PMP –

Nursery Hills/Wyncrest/Arden View neighborhoods. An operating transfer has also been budgeted to the Equipment, Building, and Replacement Fund.

## **Budget Summary**

Function: Public Works		Department: Surface Water Management					
Activity	Appropriation Detail						% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	
<b><u>Revenues</u></b>							
Taxes	-	-	-	-	-	-	0.00%
Intergovernmental	-	-	-	-	8,311	-	0.00%
Special Assessments	47	287	-	-	3,422	100	0.00%
Miscellaneous	20,868	13,859	15,000	15,000	22,824	8,000	-46.67%
Charges for Services	503,023	518,385	525,322	525,322	476,641	549,955	4.69%
<b>Total Revenues</b>	<b>\$ 523,938</b>	<b>\$ 532,531</b>	<b>\$ 540,322</b>	<b>\$ 540,322</b>	<b>\$ 511,199</b>	<b>\$ 558,055</b>	<b>3.28%</b>
<b><u>Expenditures</u></b>							
Total Personal Services	120,399	157,734	182,195	182,195	181,077	200,157	9.86%
Total Materials and Supplies	13,803	7,924	16,575	16,575	10,837	1,750	-89.44%
Other Services and Charges	132,970	155,777	170,568	170,568	151,080	206,692	21.18%
Capital Outlay	2,390	258	560,000	560,000	126,997	452,500	-19.20%
Transfers	34,500.00	38,000.00	38,000	38,000	38,000	38,000	0.00%
<b>Total Expenditures</b>	<b>\$ 304,063</b>	<b>\$ 359,693</b>	<b>\$ 967,338</b>	<b>\$ 967,338</b>	<b>\$ 507,990</b>	<b>\$ 899,099</b>	<b>-7.05%</b>
Fund Balance - January 1	2,331,918	2,554,184	2,727,280	2,727,280	2,727,280	2,730,489	
Excess Revenue Over Expenditures	219,875	172,838	(427,016)	(427,016)	3,209	(341,044)	
<b>Fund Balance - December 31</b>	<b>\$ 2,551,793</b>	<b>\$ 2,727,022</b>	<b>\$ 2,300,264</b>	<b>\$ 2,300,264</b>	<b>\$ 2,730,489</b>	<b>\$ 2,389,445</b>	

(Note: Capital Outlays are reclassified as Assets thus having no effect on the Net Assets or Fund Balance – these balances include capital outlay for budget purposes.)



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## **Internal Service Fund Summary**

## INTERNAL SERVICE FUNDS

### Description

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. These pages are a summary of the Internal Service Funds

### Budget Issues

See the individual funds for the various budget issues facing each fund.

### Budget Summary

Activity	Appropriation Detail						% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	
<b>Revenue</b>							
Charges for Services	-	-	-	-	-	808,539	0.00%
Micellaneous	27,560	48,377	15,000	15,000	49,996	23,276	55.17%
Operating Revenues	\$ 27,560	\$ 48,377	\$ 15,000	\$ 15,000	\$ 49,996	\$ 831,815	55.17%
<b>Expenditures</b>							
Personal Services	-	-	-	-	-	123,616	0.00%
Materials and Supplies	-	-	-	-	-	144,341	0.00%
Other Services and Charges	26,598	7,523	27,000	27,000	8,896	587,168	1437.85%
Total Expenditures	\$ 26,598	\$ 7,523	\$ 27,000	\$ 27,000	\$ 8,896	\$ 855,125	1437.85%
Fund Balance - January 1	279,853	280,815	321,669	321,669	321,669	362,769	
Excess Revenue Over Expenditure	962	40,854	(12,000)	(12,000)	41,100	(23,310)	
Fund Balance - December 31	280,815	321,669	309,669	309,669	362,769	339,459	



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## **RISK MANAGEMENT**

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**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. Dividend 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**

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

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The insurance dividend was budgeted as a conservative amount for 2012. Expenditures have been reduced to reflect the City's exposure as these are charges for the City's deductible against claims.

## **Budget Summary**

General Government		Department: Risk Management						
		Appropriation Detail						
Activity	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012	% Change 11 vs 12	
<b><u>Revenues</u></b>								
Charges for Services	-	-	-	-	-	373,841	0.00%	
Miscellaneous	27,560	48,377	15,000	15,000	49,996	23,276	55.17%	
Total Revenues	\$ 27,560	\$ 48,377	\$ 15,000	\$ 15,000	\$ 49,996	\$ 397,117	2547.45%	
<b><u>Expenditures</u></b>								
Personal Services	-	-	-	-	-	5,207	0.00%	
Other Services and Charges	26,598	7,523	27,000	27,000	8,896	415,220	1437.85%	
Total Expenditures	\$ 26,598	\$ 7,523	\$ 27,000	\$ 27,000	\$ 8,896	\$ 420,427	1457.14%	
Fund Balance - January 1	279853	280,815	321,669	321,669	321,669	362,769		
Excess Revenue Over Expenditure	962	40,854	(12,000)	(12,000)	41,100	(23,310)		
Fund Balance - December 31	280,815	321,669	309,669	309,669	362,769	339,459		

## **ENGINEERING**

**Function:** General Government  
**Supervisor:** Public Works Director  
**Fund#:** 726  
**Activity#:** 49600

### **Activity Scope**

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

### **Objectives**

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

### **Issues**

1. Provide cost effective services vs. using an independent contractor.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

This is a new department in 2012. Previously City Engineer services were provided by the City of Roseville. The budgeted costs in this department are comparable to the engineering contract the City previously held with Roseville.

## **Budget Summary**

Public Works

Department: Engineering

Activity	Appropriation Detail							% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012		
<b><u>Revenues</u></b>								
Charges for Services	-	-	-	-	-	117,467		0.00%
Miscellaneous	-	-	-	-	-	-		0.00%
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 117,467		0.00%
<b><u>Expenditures</u></b>								
Personal Services	-	-	-	-	-	103,161		0.00%
Materials and Supplies	-	-	-	-	-	250		0.00%
Other Services and Charges	-	-	-	-	-	14,056		0.00%
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 117,467		0.00%
Fund Balance - January 1	-	-	-	-	-	-		
Excess Revenue Over Expenditure	-	-	-	-	-	-		
Fund Balance - December 31	-	-	-	-	-	-		

## **CENTRAL GARAGE & EQUIPMENT**

**Function:** General Government  
**Supervisor:** Public Works Superintendent  
**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.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

This is a new department in 2012. Previously these services were split into all five public works departments, Streets, Parks, Water, Sanitary Sewer, and Surface Water Management. Setting up one fund to manage these costs is more effective and will save administrative time. The total impact is the same as if budgeting these costs across each individual fund.

## **Budget Summary**

Public Works

Department: Central Garage & Equipment

Activity	Appropriation Detail							% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012		
<b><u>Revenues</u></b>								
Charges for Services	-	-	-	-	-	222,983		0.00%
Miscellaneous	-	-	-	-	-	-		0.00%
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,983		0.00%
<b><u>Expenditures</u></b>								
Personal Services	-	-	-	-	-	15,248		0.00%
Materials and Supplies	-	-	-	-	-	144,091		0.00%
Other Services and Charges	-	-	-	-	-	63,644		0.00%
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,983		0.00%
Fund Balance - January 1	-	-	-	-	-	-		
Excess Revenue Over Expenditure	-	-	-	-	-	-		
Fund Balance - December 31	-	-	-	-	-	-		

## TECHNOLOGY

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 728  
**Activity#:** 49900

### Activity Scope

The Technology Fund is a self-sustaining fund, or internal service fund of the City. All department 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.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

This is a new department in 2012. Previously these services were split into all departments. Setting up one fund to manage these costs is more effective and will save administrative time. The total impact is the same as if budgeting these costs across each individual fund.

## **Budget Summary**

General Government

Department: Technology

Activity	Appropriation Detail							% Change 11 vs 12
	Actual FY 2009	Actual FY 2010	Budget FY 2011	Amended FY 2011	Projected FY 2011	Adopted FY 2012		
<b><u>Revenue</u></b>								
Charges for Services	-	-	-	-	-	94,248		0.00%
Miscellaneous	-	-	-	-	-	-		0.00%
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,248		0.00%
<b><u>Expenditures</u></b>								
Personal Services	-	-	-	-	-	-		-
Materials and Supplies	-	-	-	-	-	-		-
Other Services and Charges	-	-	-	-	-	94,248		-
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,248		0.00%
Fund Balance - January 1	-	-	-	-	-	-		-
Excess Revenue Over Expenditure	-	-	-	-	-	-		-
Fund Balance - December 31	-	-	-	-	-	-		-



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# Staffing

The following chart shows the staffing comparison by department for the City of Arden Hills in full-time equivalents. (Note: interns and seasonal employees are not included in this chart)

	2009 Actual	2010 Actual	2011 Adopted	2011 Projected	2012 Proposed
<b>Administration</b>					
Administrator	1.00	1.00	1.00	1.00	1.00
Assistant City Administrator	-	-	-	-	-
Assistant to the City Administrator	-	-	-	-	-
Deputy Clerk	1.00	1.00	1.00	1.00	1.00
FTE's	2.00	2.00	2.00	2.00	2.00
<b>Finance &amp; Administrative Services</b>					
Finance Director	1.00	1.00	1.00	1.00	1.00
Accounting Analyst	1.00	1.00	1.00	1.00	1.00
Finance Analyst	-	-	1.00	1.00	1.00
Finance/HR Assistant	-	-	-	-	-
Accounting Clerk	1.00	1.00	1.00	1.00	1.00
Utility Billing Clerk	-	-	-	-	-
Office Support Specialist	2.00	2.00	2.00	2.00	2.00
Customer Service Representative	1.00	1.00	1.00	1.00	1.00
FTE's	6.00	6.00	7.00	7.00	7.00
<b>Community Development</b>					
Comm Dev Director	1.00	1.00	1.00	1.00	1.00
Bldg Official	1.00	1.00	1.00	1.00	1.00
Bldg Inspector	1.00	1.00	1.00	1.00	1.00
Planner	1.00	1.00	1.00	1.00	1.00
Assistant Planner	-	-	-	-	-
FTE's	4.00	4.00	4.00	4.00	4.00
<b>Public Works</b>					
Public Works Director	1.00	1.00	1.00	1.00	1.00
Assistant City Engineer	-	-	-	-	1.00
Public Works Superintendent	-	1.00	1.00	1.00	1.00
Parks & Rec Manager	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor	-	-	-	-	-
Recreation Programmer	1.00	1.00	1.00	1.00	1.00
PW Maint Workers (8)	8.00	8.00	8.00	8.00	8.00
FTE's	11.00	12.00	12.00	12.00	13.00
<b>Total FTE's</b>	23.00	24.00	25.00	25.00	26.00

The following page shows the 2012 payroll and benefit allocation by person to each department. This page also shows the how the Administrative Charge is calculated for the Administration, Finance, and Government Buildings Departments to other funds.

**2012 Payroll Allocation**

	Admin 41300	Comm/Dev 41900	Planning 41910	Emergency Mgmt 2012	Prot Inspect 2012	Govt Bldg 2012	Finance 41900	Streets 43100	Parks 45200	Rec 42120	Cable 41960	TCAAP 41600	Water 49440	Sewer 49490	Recycling 49520	Storm Wtr Mgmt 49550	EDA 47300	Engr 49600	Risk Mgmt 49800	Central Garage 49700	Total	FTE	
<b>Administration</b>	55.25%	0.00%	8.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	10.00%	1.75%	1.75%	1.75%	1.75%	100.00%	1.00
Assistant City Administrator	60.00%										10.00%		10.00%	10.00%		10.00%						100.00%	0.00
<b>FTE's</b>	0.5525	0	0.085	0.0175	0.0175	0.0175	0.0175	0.0175	0.0175	0.0175	0.0175	0	0.0175	0.0175	0.0175	0.0175	0.1	0.0175	0.0175	0.0175	0.0175	1.00	1.00
<b>Finance &amp; Support Services</b>																							
Finance Director	15.00%	0.00%	0.00%				15.00%				2.00%		18.25%	18.25%	2.00%	18.25%		2.00%	2.25%	2.00%		100.00%	1.00
Accounting Analyst							20.00%				2.50%		25.00%	25.00%	2.50%	25.00%						100.00%	1.00
Finance Analyst							20.00%				2.50%		25.00%	25.00%	2.50%	25.00%						100.00%	1.00
Accounting Clerk							6.50%				1.75%	0.00%	30.00%	30.00%	1.75%	30.00%						100.00%	1.00
Deputy Clerk	60.00%										10.00%		10.00%	10.00%		10.00%						100.00%	1.00
CS Off SupSpec	10.00%	0.00%	20.00%		42.50%			5.00%		15.00%	15.00%		2.50%	2.50%		2.50%		0.00%	0.00%			100.00%	1.00
O&M Off SupSpec	10.00%		5.00%		0.00%			7.50%	2.50%	15.00%	5.00%		15.00%	15.00%	5.00%	15.00%		5.00%				100.00%	1.00
CSR I	20.00%				5.00%	5.00%	5.00%		35.00%				10.00%	10.00%		10.00%						100.00%	1.00
<b>FTE's</b>	1.15	0	0.25	0	0.475	0.05	0.665	0.125	0.025	0.5	0.3875	0	1.3575	1.3575	0.1375	1.3575	0.1	0.02	0.0225	0.02		8.00	8.00
<b>Community Development</b>																							
Comm Dev Director	20.00%	0.00%	45.00%		20.00%												15.00%					100.00%	1.00
Bldg Official					95.00%	5.00%																100.00%	1.00
Bldg Inspector					100.00%																	100.00%	1.00
Planner	5.00%		85.00%			0.00%					5.00%				5.00%							100.00%	1.00
Assistant Planner																						0.00%	0.00
<b>FTE's</b>	0.25	0	1.3	0	2.15	0.05	0	0	0	0	0.05	0	0	0	0.05	0	0.15	0	0	0		4.00	4.00
<b>Public Works</b>																							
Public Works Director				0.00%		0.00%		15.00%	10.00%	5.00%			20.00%	20.00%		20.00%		5.00%		5.00%		100.00%	1.00
Public Works Superintendent						5.00%		20.00%	20.00%				20.00%	20.00%		10.00%				5.00%		100.00%	1.00
Assistant Engineer			0.00%					0.00%					0.00%	0.00%		0.00%		100.00%				100.00%	1.00
Parks & Rec Manager	0.00%					5.00%		60.00%	35.00%				5.00%	5.00%		5.00%						100.00%	1.00
Recreation Programmer						1.25%		5.00%	80.00%				18.75%	25.00%		11.25%						100.00%	1.00
PW Maint Workers (8)							18.75%	25.00%		1.2			18.75%	25.00%		11.25%		105.00%	0.00%	0.1		100.00%	8.00
<b>FTE's</b>	0	0	0	0	0	0.2	0	1.9	2.95	1.2	0	0	1.95	2.45	0	1.2	0	105.00%	0.00%	0.1	13.00	13.00	13.00
<b>Total FTE's</b>	1.9525	0	1.635	0.0175	2.6425	0.3175	0.6825	2.0425	2.9925	1.7175	0.455	0	3.325	3.825	0.205	2.575	0.35	1.0875	0.04	0.1375		26.00	26.00

## **Employee Compensation**

The City of Arden Hills has one employee association which represents the Public Works union employees. All other employees of the City are unrepresented. The current contract expires December 31, 2012. The assumed salary and benefit increases for budgeting purposes are as follows:

Salary increases throughout the budget include step increases for new employees and a 1.0% COLA for union employees and a 1.5% COLA (1% Jan, 1, 2012 – 1% Jul 1, 2012) for non-union employees. The city pays \$697.42 toward health insurance premiums and dental.

Health	3.6%
Dental	3.5%
Life	0.0%
Disability	5.0%

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



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## **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.

## **Fiscal Policies**

To achieve these objectives the following fiscal policies have been adopted by the City or unwritten followed policies 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, which will be available on the City's website in the future.

### **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 always 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

## **Fiscal Policies**

may be over spent as long as the total fund budget is not over spent. 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

## **Fiscal Policies**

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 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.

# **Fiscal Policies**

## **Goals**

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

## **Policy**

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

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

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

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

## **Reserve Policies**

### **Purpose**

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

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

### **Goals**

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

### **Policy**

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

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

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

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.

# Fiscal Policies

## 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,

## **Fiscal Policies**

equipment or projects that have a life of more than 5 years and cannot be financed from current revenues. The City will use special assessments, revenue bonds, and/or any other available self-liquidating debt measures instead of general obligation bonds where and when possible, applicable and practical. The City will pay back debt within a period not to exceed the expected life of the project. The City will not exceed three percent of the market value of taxable property for general obligation debt per state statutes.

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

## **Capital Asset Policies**

### **Purpose**

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

### **Goals**

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

### **Policy**

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

Donations of capital assets are recorded at estimated fair market value at the date of acquisition. Depreciation is the allocation of the cost of a depreciable capitalized asset over its estimated useful life. Straight-line depreciation will be the

Method used to allocate the cost on an annual basis. Land, easements and construction in progress are not considered depreciable assets.

Department heads shall be responsible for reporting disposal of capital assets to the finance department. The finance department will distribute a list of inventory, by department, to each department head annually during the fall of each year for the purpose of conducting an inventory. Physical inventory will be conducted at least every four years by the finance department staff. Random inventories maybe conducted at any time.

## **Capital Improvement Program Policies**

### **Purpose**

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

### **Goals**

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

### **Policy**

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

## **Fiscal Policies**

be sought out and used as available 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.

## **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 2011.

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. The Plan is available in a separate document.

Included in this document are the project sheets for projects included in plan. The budgeted amounts for 2011 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.

Capital Projects are listed on pages 173 through 214.

Capital Equipment is listed on pages 215 through 238.

City of Arden Hills, Minnesota  
*Capital Improvement Plan*  
 2012 thru 2016

**PROJECTS BY CATEGORY**

Category	Project#	Priority	2012	2013	2014	2015	2016	Total
<b>Economic Devl Improvement</b>								
Gateway Signs	16-EDA-001	n/a	65,000	50,000	25,000	0	0	140,000
<b>Economic Devl Improvement Total</b>			<b>65,000</b>	<b>50,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>140,000</b>
<b>Equipment: Office</b>								
Springbrook Software Upgrades	12-Tec-001	n/a	15,000					15,000
Technology and Office Equipment	12-Tec-002	n/a	13,000	13,000	13,000	13,000	13,000	65,000
Communications Equipment	12-Tec-003	n/a	35,000	18,000	18,000	18,000	18,000	107,000
<b>Equipment: Office Total</b>			<b>63,000</b>	<b>31,000</b>	<b>31,000</b>	<b>31,000</b>	<b>31,000</b>	<b>187,000</b>
<b>Equipment: Public Works</b>								
Brush Chipper	12-Eqp-001	n/a			26,500			26,500
Replace 1997 Toro Workman w/Sprayer	12-Eqp-004	n/a	26,500					26,500
Replace J Type Tamper	12-Eqp-005	n/a					5,000	5,000
Replace 1996 Roller	12-Eqp-006	n/a		10,000				10,000
Replace 1993 Toro Turf Aerator	13-Eqp-001	n/a					10,000	10,000
Replace 2002 Groundsmaster with Snow Blower	13-Eqp-003	n/a		35,500				35,500
Replace 1997 Street Sweeper	13-Eqp-004	n/a				138,000		138,000
Replace 2000 Backhoe	15-Eqp-003	n/a		100,000				100,000
Large Area Mower	16-Eqp-001	n/a					70,000	70,000
Purchase Mini-Excavator	16-Eqp-002	n/a					45,000	45,000
1996 Trailer Replacement (Skidsteer/Roller)	16-Eqp-003	n/a					10,000	10,000
Replace Air Compressor	16-Eqp-004	n/a					25,000	25,000
<b>Equipment: Public Works Total</b>			<b>26,500</b>	<b>145,500</b>	<b>26,500</b>	<b>138,000</b>	<b>165,000</b>	<b>501,500</b>
<b>Park Capital Equipment</b>								
Playground Structure Replacement	11-Park-003	n/a	60,000				60,000	120,000
<b>Park Capital Equipment Total</b>			<b>60,000</b>				<b>60,000</b>	<b>120,000</b>
<b>Park Capital Improvements</b>								
Valentine Park Improvements	10-Park-005	n/a	582,000					582,000
Park Bench Implementation	10-Park-031	n/a	5,000	5,000				10,000
Mounds View HS Trail Connection	11-Park-001	n/a	200,000					200,000
Forestry Implementation Plan	11-Park-004	n/a	5,000	10,000	10,000	10,000	5,000	40,000
Park Amenities	11-Park-005	n/a	3,000	3,000	3,000	3,000	3,000	15,000

Category	Project#	Priority	2012	2013	2014	2015	2016	Total
Trail Rehabilitation	12-Park-002	n/a	50,000	50,000	50,000	50,000	50,000	250,000
Hazelnut Irrigation	12-Park-005	n/a	26,000					26,000
County Road E Trail	13-Park-010	n/a	25,000	96,587	121,463	1,278,253		1,521,303
<b>Park Capital Improvements Total</b>			<b>896,000</b>	<b>164,587</b>	<b>184,463</b>	<b>1,341,253</b>	<b>58,000</b>	<b>2,644,303</b>

### Public Safety

Lake Johanna Fire Dept Equipment	09-Pub-001	n/a	192,211	160,720	121,100	6,594	43,834	524,459
<b>Public Safety Total</b>			<b>192,211</b>	<b>160,720</b>	<b>121,100</b>	<b>6,594</b>	<b>43,834</b>	<b>524,459</b>

### Streets: Cracksealing & Sealcoat

2012 Crackseal and Sealcoat	12-StrS-061	n/a	215,000					215,000
2013 Crack Fill and Seal Coat	13-StrS-XXX	n/a		140,000				140,000
2014 Crackseal and Sealcoat	14-StrS-063	n/a			145,000			145,000
2015 Crack Fill and Seal Coat	15-StrS-XXX	n/a				145,000		145,000
2016 Crackseal and Sealcoat	16-StrS-066	n/a					150,000	150,000
<b>Streets: Cracksealing &amp; Sealcoat Total</b>			<b>215,000</b>	<b>140,000</b>	<b>145,000</b>	<b>145,000</b>	<b>150,000</b>	<b>795,000</b>

### Streets: Reconstruction

Nursery Hill/Wyncrest/Arden View PMP (2011)	11-Str-025	n/a	81,500					81,500
Highway 96 (Old Highway 8 to US Highway 10)	11-Str-055	n/a		490,000				490,000
Snelling Avenue PMP	12-Str-007	n/a	1,749,500					1,749,500
Co Rd E Impr between Hwy 51 & Lexington Ave	12-Str-060	n/a	278,000		2,334,000			2,612,000
Ridgewood Asbury --2013 PMP	14-Str-064	n/a	55,000	1,393,500	85,500			1,534,000
Indian Oaks PMP --2017 PMP	16-Str-065	n/a					275,000	275,000
Glenview Neighborhood --2015 PMP	17-Str-039	n/a			539,500	2,880,500	180,000	3,600,000
<b>Streets: Reconstruction Total</b>			<b>2,164,000</b>	<b>1,883,500</b>	<b>2,959,000</b>	<b>2,880,500</b>	<b>455,000</b>	<b>10,342,000</b>

### Streets: Misc

Regulatory Street Sign Replacement Program	11-Str-001	n/a	15,000	5,000	5,000	15,000	10,000	50,000
Co. Rd. E Bridge over TH 51	14-Str-061	n/a			150,000			150,000
I-694/TH 10 Landscaping	14-Str-062	n/a			5,000			5,000
<b>Streets: Misc Total</b>			<b>15,000</b>	<b>5,000</b>	<b>160,000</b>	<b>15,000</b>	<b>10,000</b>	<b>205,000</b>

### Utility Improvements

Sanitary Sewer Pipe & Access Road at LS #7	11-Sew-001	n/a	150,000					150,000
Water Meter Upgrades	11-W-003	n/a	175,000	115,000	115,000			405,000
Install SCADA System	12-Sew-004	n/a			200,000			200,000
Reconstruct Lift Stations 1 and 12	14-Sew-001	n/a		410,000				410,000
<b>Utility Improvements Total</b>			<b>325,000</b>	<b>525,000</b>	<b>315,000</b>			<b>1,165,000</b>

### Utility Maintenance

Sanitary Sewer (I&I) Mitigation	09-Sew-001	n/a		100,100	100,100	100,100		300,300
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Category	Project#	Priority	2012	2013	2014	2015	2016	Total
Sewer Lining/Rehabilitation	09-Sew-002	n/a		125,000	125,000			250,000
Storm Pond Maintenance	09-Storm-001	n/a	50,000	50,000	50,000	50,000	50,000	250,000
Innovation Way/Co Rd F pond Dredging	12-Storm-001	n/a	12,500					12,500
Water Tower Repair and Repainting	12-W-001	n/a	75,000		500,000		50,000	625,000
<b>Utility Maintenance Total</b>			<b>137,500</b>	<b>275,100</b>	<b>775,100</b>	<b>150,100</b>	<b>100,000</b>	<b>1,437,800</b>
<b>Vehicles</b>								
New Dump Truck w/Plow/Wing/Sander	10-EqpV-005	n/a					150,000	150,000
Replace Jetter and Vactor Truck with Combo Machine	11-EqpV-004	n/a	300,000					300,000
Replace 1997 Dump Truck w/Plow/Wing Plow/Sander	12-EqpV-002	n/a		140,000				140,000
Replace F250 Pickup Truck with Plow	12-EqpV-003	n/a	33,500					33,500
Replace 2001 F450 One Ton Dump/Plow/Sander	13-EqpV-002	n/a		56,000				56,000
Replace Trailer	13-EqpV-010	n/a		10,000				10,000
Replace 2002 F450 One-Ton w/Dump/Plow/Sander	14-EqpV-001	n/a			60,000			60,000
Replace Turf Sweeper	14-EqpV-005	n/a					18,000	18,000
Replace Pick up Truck #201	14-EqpV-010	n/a					35,000	35,000
Replace 2001 Used Dump Truck with Used Dump Truck	15-EqpV-000	n/a				40,000		40,000
Replace One-Ton Truck	16-EqpV-005	n/a					42,000	42,000
<b>Vehicles Total</b>			<b>333,500</b>	<b>206,000</b>	<b>60,000</b>	<b>40,000</b>	<b>245,000</b>	<b>884,500</b>
<b>GRAND TOTAL</b>			<b>4,492,711</b>	<b>3,586,407</b>	<b>4,802,163</b>	<b>4,747,447</b>	<b>1,317,834</b>	<b>18,946,562</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Improvement  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 10-Park-005  
**Project Name** Valentine Park Improvements

**Description**

**Total Project Cost:** \$624,000

The City completed a drainage study of this park. A second opinion was also conducted of the original study. The elevation of Lake Valentine has improved due to removal of the beaver dam and cleaning of the culverts. The Council approved a park improvement process on January 31, 2011 that included the PTRC reviewing and recommending potential park improvements as well as seeking neighborhood input. On September 19, 2011, preliminary concepts and budgets were presented to Council. Direction was to proceed to design up until 75% and an accurate budget. The numbers listed for this project are based on the September 19th preliminary budget, NOT at the 75% completion point. Numbers were set as a placeholder.

**Justification**

This park is in poor shape. The parking lot is in need of replacement and there is no shelter, as it was moved due to the flooding. The park drainage needs to be addressed before amenities are replaced. The park improvement process approved by Council includes PTRC review and neighborhood input.

Prior	Expenditures	2012	2013	2014	2015	2016	Total
42,000	Planning/Design	44,000					44,000
	Construction/Maintenance	538,000					538,000
<b>Total</b>	<b>Total</b>	<b>582,000</b>					<b>582,000</b>

Prior	Funding Sources	2012	2013	2014	2015	2016	Total
42,000	Capital Improvement Funds (PI)	282,000					282,000
	Surface Water Mgmt Utility Fu	300,000					300,000
<b>Total</b>	<b>Total</b>	<b>582,000</b>					<b>582,000</b>

**Budget Impact/Other**

The park improvement will help with maintenance because the park is usually so wet, it is difficult to mow and when done, one large area is not able to be mowed at all. Savings estimated to be \$200 per year for parts and labor.

Budget Items	2012	2013	2014	2015	2016	Total
Maintenance of Parks and Trail	-200	-200	-200	-200	-200	-1,000
<b>Total</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-1,000</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Improvement  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 10-Park-031  
**Project Name** Park Bench Implementation

**Description** **Total Project Cost:** \$20,000

The PTRC recommended and established a 4 year implementation schedule.

\$5,000 - 2010  
 \$5,000 - 2011  
 \$5,000 - 2012  
 \$5,000 - 2013

The PTRC recommends locations each spring/summer and benches are installed in May/June.

Benches will be durable benches made out of recycled plastic. The benches will be one standard style for consistency. Each bench is typically \$500 plus shipping and therefore, the City could add up to approximately 7-10 each year.

**Justification**

The City Council directed the Parks, Trails and Recreation Committee to consider recommending additional benches in the parks and trail system to meet the aging population in Arden Hills and also families visiting our parks and using our play structures.

Prior	Expenditures	2012	2013	2014	2015	2016	Total
10,000	Construction/Maintenance	5,000	5,000				10,000
<b>Total</b>	<b>Total</b>	<b>5,000</b>	<b>5,000</b>				<b>10,000</b>

Prior	Funding Sources	2012	2013	2014	2015	2016	Total
10,000	Special Revenue Park Fund	5,000	5,000				10,000
<b>Total</b>	<b>Total</b>	<b>5,000</b>	<b>5,000</b>				<b>10,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Improvement  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 11-Park-001  
**Project Name** Mounds View HS Trail Connection

**Description**

**Total Project Cost:** \$200,000

A petition was submitted for a sidewalk on the south side of Lake Valentine Road from the 35W bridge to a sidewalk in front of Mounds View High School. This section is 1,250 feet (0.24 miles). There is an existing guard rail for approximately half of this section, 625 feet, that will need to be relocated in order to construct a 6-foot concrete sidewalk.

Stormwater will also need to be considered and adressed at any portions of the sidewalk where drainage patterns would change due to an elevated sidewalk.

Project costs were revised to include cost of retaining walls, which will be needed in some sections.

**Justification**

This is a busy road and is utilized daily by students from Mounds View High School. A petition was brought to the City Council asking for consideration of a trail in this area. The added library at the New Brighton Family Service Center may increase the need for this connection. The PTRC recommended this sidewalk be considered for construction in 2012.

State Aid Funds can be utilized for this sidewalk. In addition, the City Council may consider assessing the school district for a portion of the improvement.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Planning/Design	40,000					40,000
Construction/Maintenance	160,000					160,000
<b>Total</b>	<b>200,000</b>					<b>200,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	40,000					40,000
State Aid Funds	160,000					160,000
<b>Total</b>	<b>200,000</b>					<b>200,000</b>

**Budget Impact/Other**

Plowing and maintaining this sidewalk would cost approximately \$2 per foot to maintain which equals \$2,500.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Improvement  
**Useful Life**  
**Category** Park Capital Equipment  
**Priority** n/a

**Project #** 11-Park-003  
**Project Name** Playground Structure Replacement

**Description** **Total Project Cost:** \$120,000  
 Play Structures are placed on a 20 year replacement pattern.

**Justification**  
 Valentine Park was up for replacement in 2010. This will be done in conjunction with the planned park improvements in 2011/2012. Perry Park is up for replacement in 2016. This structure was last replaced in 1996.

Expenditures	2012	2013	2014	2015	2016	Total
Construction/Maintenance	60,000				60,000	120,000
<b>Total</b>	<b>60,000</b>				<b>60,000</b>	<b>120,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Capital Improvement Funds (PI)	60,000				60,000	120,000
<b>Total</b>	<b>60,000</b>				<b>60,000</b>	<b>120,000</b>

**Budget Impact/Other**  
 Replacement Part Costs

Budget Items	2012	2013	2014	2015	2016	Total
Maintenance of Parks and Trail	-200	-200	-200	-200	-200	-1,000
<b>Total</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-1,000</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Operational Maintenance  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 11-Park-004  
**Project Name** Forestry Implementation Plan

**Description**

**Total Project Cost:** \$70,000

With the Emerald Ash Borer identified in St. Paul in the spring of 2009, the studies show that the beetles will move out at a rate of one to two miles per year. At that rate, the City could be completely infested in approximately 8-10 years. Staff budgeted for a complete City inventory in 2011 and now will need to have extra removal/replacement funds for the diseased trees.

**Justification**

The City will have impacts to the Forestry with the Emerald Ash Borer Treatment, Removal and Replacement on the horizon.

Prior	Expenditures	2012	2013	2014	2015	2016	Total
30,000	Construction/Maintenance	5,000	10,000	10,000	10,000	5,000	40,000
<b>Total</b>	<b>Total</b>	<b>5,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>5,000</b>	<b>40,000</b>

Prior	Funding Sources	2012	2013	2014	2015	2016	Total
30,000	Capital Improvement Funds (PI)	5,000	10,000	10,000	10,000	5,000	40,000
<b>Total</b>	<b>Total</b>	<b>5,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>5,000</b>	<b>40,000</b>

**Budget Impact/Other**

Removal and Replacement will be a large impact. An inventory of the City was budgeted for in 2011 to help determine the exact impacts.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Improvement  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 11-Park-005  
**Project Name** Park Amenities

**Description** **Total Project Cost:** \$20,000  
 Amenities such as picnic tables, benches, pavilion equipment needs.

**Justification**  
 Picnic tables, pavilion building needs and general park amenities. Picnic tables are always in need of replacement and as the pavilion buildings age, replacement needs will come up.  
 The PTRC has a goal to look at trail signage for some of our remote trails. The recommendation is to utilize this funding for trail signage in 2012.

Prior	Expenditures	2012	2013	2014	2015	2016	Total
5,000	Construction/Maintenance	3,000	3,000	3,000	3,000	3,000	15,000
<b>Total</b>	<b>Total</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>15,000</b>

Prior	Funding Sources	2012	2013	2014	2015	2016	Total
5,000	Capital Improvement Funds (PI)	3,000	3,000	3,000	3,000	3,000	15,000
<b>Total</b>	<b>Total</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>15,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

**2012 thru 2016**

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Maintenance  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 12-Park-002  
**Project Name** Trail Rehabilitation

**Description** **Total Project Cost: \$250,000**  
 The Public Works Department will be establishing a Trail Maintenance Program in 2011 for Council review. The trail system is being rated in 2011 and this data will help the staff put priorities on resurfacing and reconstructing of trails for the future.

**Justification**  
 The City has added multiple trails in the last few years. It will be crucial for the City to establish a Trail Maintenance Program and rehabilitate trails when needed. If trails are properly maintained, they will have an extended life.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	50,000	50,000	50,000	20,000	50,000	220,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>20,000</b>	<b>50,000</b>	<b>220,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Parks Department  
**Contact** Park & Recreation Mgr  
**Type** Improvement  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 12-Park-005  
**Project Name** Hazelnut Irrigation

**Description**

**Total Project Cost:** \$26,000

Hazelnut Park has a soccer field and a ball field. In the past, improvements to the soccer field have not been done because the property belonged to Trinity Lutheran. The City Council agreed to purchase property from the church. The field is in poor condition due to the lack of irrigation. Staff estimates the addition of irrigation to the ballfield and soccer field to cost between \$23,000-\$26,000.

**Justification**

The PTRC tours our parks and have indicated that irrigation for our main sport fields and landscaping would be beneficial to users and aesthetically pleasing. The new approved Maintenance Plan has a fertilizing schedule for our sport fields that would benefit greatly from irrigation. Staff discussed this project with NSSA - North Suburban Soccer Association and they have sent an email to the City indicating that they would like to donate \$8,000 toward this project in 2012. This funding is not guaranteed to be available in 2013 and therefore, the PTRC recommends taking advantage in 2012 of this donation from the association.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	26,000					26,000
<b>Total</b>	<b>26,000</b>					<b>26,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	18,000					18,000
Donations/Developer Reimburs	8,000					8,000
<b>Total</b>	<b>26,000</b>					<b>26,000</b>

**Budget Impact/Other**

Improvement of this field will decrease the amount of labor devoted for maintenance and field repair costs. This field will be better quality and able to be used more often with less impact on the grass. Estimated savings is \$1,500 per year.

<b>Budget Items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Maintenance of Parks and Trail	-1,500	-1,500	-1,500	-1,500	-1,500	-7,500
<b>Total</b>	<b>-1,500</b>	<b>-1,500</b>	<b>-1,500</b>	<b>-1,500</b>	<b>-1,500</b>	<b>-7,500</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Parks Department  
**Contact** Engineer  
**Type** Improvement  
**Useful Life**  
**Category** Park Capital Improvements  
**Priority** n/a

**Project #** 13-Park-010  
**Project Name** County Road E Trail

**Total Project Cost:** \$1,521,303

**Description**

The project calls for construction of an 8 foot trail extending from the Cty Road E bridge over Hwy 51 to Old Highway 10. The City Council selected the north side for this trail when it was brought in for discussion. The Ramsey County Parks and Recreation Department agreed to participate in a cooperative trail all the way from the Cty Rd E bridge to Tony Schmidt Regional Park and the Elmer L. Andersen Memorial Trail. The overall project costs are estimated at \$1,521,303. Below is the breakdown of costs:

CONSTRUCTION - \$1,156,791 total  
 Federal Grant \$925,433  
 City match - \$159,497  
 County match - \$71,861

ENGINEERING - \$364,512 Total  
 City - \$242,190  
 County - \$122,322

TOTAL LOCAL COST- after federal match  
 City - \$401,687  
 County - \$194,183

**Justification**

The Parks, Trails, and Recreation Committee identified this trail as a priority in the 2030 Comprehensive Plan. If the bridge is put into the 2015 maintenance program, the City may choose to advance construct the bridge. The City applied for Transportation Enhancement Funding for the years 2015-2016 through Mn/DOT and the Met Council. This project may be delayed, depending on if the TE Grant is successful.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Planning/Design	25,000	96,587	121,463	121,462		364,512
Construction/Maintenance				1,156,791		1,156,791
<b>Total</b>	<b>25,000</b>	<b>96,587</b>	<b>121,463</b>	<b>1,278,253</b>		<b>1,521,303</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	25,000	55,587	80,802	240,298		401,687
Grant Revenue				925,433		925,433
Ramsey Co Donation				194,183		194,183
<b>Total</b>	<b>25,000</b>	<b>55,587</b>	<b>80,802</b>	<b>1,359,914</b>		<b>1,521,303</b>

**Budget Impact/Other**

Yearly maintenance on this trail is estimated at \$2 a linear foot. The sidewalk is 4,250 feet = \$8,500 per year.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

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

**Project #** 09-Pub-001  
**Project Name** Lake Johanna Fire Dept Equipment

**Description** **Total Project Cost:** \$524,459  
 Lake Johanna Fire Board provides a detailed capital budget which includes the costs to each City.

**Justification**  
 These expenditures are for:  
 Truck replacement, Ladders, tire replacement, badges, response jumpsuits, compters, SCBA, technical rescue equipment, cold water rescue equipment, and fire extinguisher training system.  
 More detailed explanations can be found in the Lake Johanna Capital Budget.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings	192,211	160,720	121,100	6,594	43,834	524,459
<b>Total</b>	<b>192,211</b>	<b>160,720</b>	<b>121,100</b>	<b>6,594</b>	<b>43,834</b>	<b>524,459</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Public Safety Capital Fund	192,211	160,720	121,100	6,594	43,834	524,459
<b>Total</b>	<b>192,211</b>	<b>160,720</b>	<b>121,100</b>	<b>6,594</b>	<b>43,834</b>	<b>524,459</b>

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

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Sanitary Sewer Department  
**Contact** Public Works Director  
**Type** Maintenance  
**Useful Life**  
**Category** Utility Maintenance  
**Priority** n/a

**Project #** 09-Sew-001  
**Project Name** Sanitary Sewer (I&I) Mitigation

**Description** **Total Project Cost:** \$400,400  
 Identify and mitigate sources of inflow and infiltration to reduce/prevent a surcharge from the Metropolitan Council for excessive flows.

**Justification**  
 The City currently has excess flow in the sanitary sewer system due to infiltration and inflow issues. These flows are costly as the City is charged for the treatment of these flows. The Metropolitan Council has also instituted a surcharge to the City of \$100,100 because of these excess flows.  
 Dollars spent on this project can be applied towards the surcharge amount issued by the Metropolitan Council.  
 NOTE: 2012 estimated expenditure was spent in 2011 to maximize a grant from the MCES

Prior	Expenditures	2012	2013	2014	2015	2016	Total
100,100	Construction/Maintenance		100,100	100,100	100,100		300,300
<b>Total</b>	<b>Total</b>		<b>100,100</b>	<b>100,100</b>	<b>100,100</b>		<b>300,300</b>

Prior	Funding Sources	2012	2013	2014	2015	2016	Total
100,100	Sanitary Sewer Utility Fund		100,100	100,100	100,100		300,300
<b>Total</b>	<b>Total</b>		<b>100,100</b>	<b>100,100</b>	<b>100,100</b>		<b>300,300</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Sanitary Sewer Department  
**Contact** Public Works Director  
**Type** Maintenance  
**Useful Life**  
**Category** Utility Maintenance  
**Priority** n/a

**Project #** 09-Sew-002  
**Project Name** Sewer Lining/Rehabilitation

**Description** **Total Project Cost:** \$550,000  
 Sewer Lining and Rehabilitation.

**Justification**  
 As part of our sanitary sewer program, lines found with holes and cracks allowing for infiltration should be lined or repaired as needed. As the sewer infrastructure is aging, we should plan for a rehabilitation project on an annual basis.

Prior	Expenditures	2012	2013	2014	2015	2016	Total
300,000	Construction/Maintenance		125,000	125,000			250,000
<b>Total</b>	<b>Total</b>		125,000	125,000			250,000

Prior	Funding Sources	2012	2013	2014	2015	2016	Total
300,000	Sanitary Sewer Utility Fund		125,000	125,000			250,000
<b>Total</b>	<b>Total</b>		125,000	125,000			250,000

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

Prior	Budget Items	2012	2013	2014	2015	2016	Total
-15,000	Surcharge		-5,000	-5,000	-5,000	-5,000	-20,000
<b>Total</b>	<b>Total</b>		-5,000	-5,000	-5,000	-5,000	-20,000

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Sanitary Sewer Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life**  
**Category** Utility Improvements  
**Priority** n/a

**Project #** 11-Sew-001  
**Project Name** Sanitary Sewer Pipe & Access Road at LS #7

**Description** **Total Project Cost: \$150,000**  
 This is a placeholder for future work. No specific project has been identified or studied yet.

**Justification**  
 Pending future expansion of the site by Presbyterian Homes. This project would provide for some type of an access road to Lift Station #7 that would be able to withstand heavy vehicles. Currently our maintenance vehicles need to drive across turf to access the Lift Station, causing large ruts durin wet periods.  
 This is planned to be paid for through developer reimbursements from Presbyterian Homes.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Donations/Developer Reimburs	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Sanitary Sewer Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life**  
**Category** Utility Improvements  
**Priority** n/a

**Project #** 12-Sew-004  
**Project Name** Install SCADA System

**Description**

**Total Project Cost:** \$200,000

Install SCADA (Supervisory Controlled Data Acquisition) in all of the City’s lift stations, booster stations, and water towers. All lift station and booster stations are SCADA compatible and ready to go for installation. The SCADA will assist staff members by sending information to the City’s computer system. A laptop computer will allow staff members to monitor the lift stations, booster stations, and water tower from a remote location.

NOTE: PUSHED SCADA TO 2014 TO MOVE LIFT STATION REPLACEMENT UP TO 2012 (TJM)

**Justification**

The SCADA system would cut down on the number of call outs during non-business hours and eliminate the need to visually check the City’s 14 lift stations and booster stations on a daily basis. This would be free up manpower for other city functions.

The new SCADA system would allow the Public Works staff to view level readings from a computer. In addition corrections can be made to the pumps or equipment through the SCADA computer system, thus saving staff members a trip to the site.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings			200,000			200,000
<b>Total</b>			<b>200,000</b>			<b>200,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Sanitary Sewer Utility Fund			175,000			175,000
Water Utility Funds			25,000			25,000
<b>Total</b>			<b>200,000</b>			<b>200,000</b>

**Budget Impact/Other**

This project will provide a savings on labor for public works. It is estimated that this would be four hours on weekends and two hours daily Monday thru Friday. Since these hours could be used for other purposes, there is no estimated dollar impact to the budget at this time.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Sanitary Sewer Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life**  
**Category** Utility Improvements  
**Priority** n/a

**Project #** 14-Sew-001  
**Project Name** Reconstruct Lift Stations 1 and 12

**Description** **Total Project Cost: \$410,000**  
 Projected to replace lift stations 1 (3196 North Cleveland Avenue) and 12 (1965 Thom Drive). The average life expectancy for a lift station is 25 years. New pumps and electrical panels would be installed. The new pumps and panels would be compatible with the other 14 lift stations located throughout the City.  
 Engineering/Design already completed, however, a review should be completed to ensure no design modifications are needed.  
 NOTE: MOVED SCADA FROM 2012 TO 2014 AND MOVED LIFT STATION RECONSTRUCTION UP FROM 2014 TO 2013 (TJM)

**Justification**  
 The lift stations are over 40 years old and in need of replacement.

Expenditures	2012	2013	2014	2015	2016	Total
Planning/Design		10,000				10,000
Construction/Maintenance		400,000				400,000
<b>Total</b>		<b>410,000</b>				<b>410,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Sanitary Sewer Utility Fund		410,000				410,000
<b>Total</b>		<b>410,000</b>				<b>410,000</b>

**Budget Impact/Other**  
 Pump repair costs should decrease as a result of this project.

Budget Items	2012	2013	2014	2015	2016	Total	Future
Equipment and Vehicle repair			-1,250	-1,250	-1,250	-3,750	-2,500
<b>Total</b>			<b>-1,250</b>	<b>-1,250</b>	<b>-1,250</b>	<b>-3,750</b>	<b>Total</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Operational Maintenance  
**Useful Life** 8-10  
**Category** Streets:Misc  
**Priority** n/a

**Project #** 11-Str-001  
**Project Name** Regulatory Street Sign Replacement Program

**Description**

**Total Project Cost:** \$50,000

In December 2008, the FHWA adopted changes to the Manual for Uniform Traffic Control Devices (MUTCD) as they relate to reflectivity of regulatory, warning, and guide signs on streets. These changes were adopted to Federal Law. These changes effectively make Engineer Grade signs no longer compliant after 2014. This will be a phased in project beginning with inspection and inventory of our existing signs. This review must be complete before January 2012. After the inspection, a systematic replacement will be developed. All non-compliant regulatory, warning, and ground mounted guide signs must be replaced before January 2015. All non-compliant street name and overhead guide signs must be replaced by January 2018. It is estimated that to maintain the new reflectivity requirements signs will be replaced with Diamond Grade material and replaced at the end of the warranty period; 8-10 years.

Sign posts will also be inventoried and replaced as needed to be in compliance with the Federal law.

**Justification**

To meet new Federal Law requirements.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings	15,000	5,000	5,000	15,000	10,000	50,000
<b>Total</b>	<b>15,000</b>	<b>5,000</b>	<b>5,000</b>	<b>15,000</b>	<b>10,000</b>	<b>50,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	15,000	5,000	5,000	15,000	10,000	50,000
<b>Total</b>	<b>15,000</b>	<b>5,000</b>	<b>5,000</b>	<b>15,000</b>	<b>10,000</b>	<b>50,000</b>

**Budget Impact/Other**

Increased costs for more frequent replacement to meet new retroreflectivity standards

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Engineer  
**Type** Maintenance  
**Useful Life**  
**Category** Streets: Reconstruction  
**Priority** n/a

**Project #** 11-Str-025  
**Project Name** Nursery Hill/Wyncrest/Arden View PMP (2011)

Description	Total Project Cost: \$81,500
<p>Reconstruction:                      Amble Road (Hamline - dead end)</p> <p>Estimated Residential Equivalent Units = 24</p> <p>Full Depth Mill/Reclaim                      Wyncrest Ct from Hamline to Wynridge Drive                      Wyncrest Ct Wynridge Drive to cul de sac                      Wyncrest Lane from Wyncrest Ct to Wynridge Drive                      Wynridge Drive from Wyncrest Ct to cul de sac                      Nursery Hill Lane from Hamline to 713' east                      Nursery Hill Lane from Nursery Hill Ct to 393' north                      Nursery Hill Court from Hurserly Hill Lane to cul de sac                      Dellwood St from Nursery Hill Ct to Amble Dr                      Janet Court (deleted from 2010 PMP)</p> <p>Estimated Residential Equivalent Units = 101</p> <p>Full depth mill/Reclaim:                      Arden View Court from Arden View Drive to cul de sac                      Arden View Drive- North from Hamline to Arden View Dr.                      Arden View Drive- South from Hamline to Arden View Dr.                      Arden View Drive- Arden View to 761' e. of Royal Hills</p> <p>304 townhome units</p>	

Justification
<p>Amble Road 2005 PCI = 69, 2008 PCI = 62, projected 2011 PCI = 33</p> <p>Wyncrest Court 2005 PCI = 53, 2008 PCI = 48, projected 2011 PCI = 25                      Wyncrest Court 2005 PCI = 76, 2008 PCI = 66, projected 2011 PCI = 38                      Wyncrest Lane 2005 PCI = 79, 2008 PCI = 69, projected 2011 PCI = 43                      Wynridge Drive 2005 PCI = 79, 2008 PCI = 65, projected 2011 PCI= 38                      Nursery Hill Lane 2005 PCI = 85, 2008 PCI = 59, projected 2011 PCI = 49                      Nursery Hill Lane 2005 PCI = 89, 2008 PCI = 79, projected 2011 PCI = 56                      Nursery Hill Court 2005 PCI = 69, 2008 PCI = 67, projected 2011 PCI = 41                      Dellwood St 2005 PCI = 85, 2008 PCI = 79, projected 2011 PCI = 56                      Janet Court 2005 PCI = 82, 2008 PCI = 72, projected 2011 = 61                      Arden View Court 2005 PCI= 62, 2008 PCI = 60, projected 2011 PCI= 31                      Arden View Drive- North 2005 PCI= 65, 2008 PCI = 62, projected 2011 PCI = 34                      Arden View Drive- South 2005 PCI= 73, 2008 PCI= 55, projected 2011 PCI = 24                      Arden View Drive 2005 PCI= 56, 2008 PCI= 53, projected 2011 PCI = 22</p> <p>Project must meet Rice Creek Watershed District requirement. The project is projected to make storm sewer improvements as determined to improve water quality of Karth Lake and sanitary sewer improvements to correct any I&amp;I deficiencies.                      Watermain in Arden View Townhomes has a continous history of watermain breaks (25 watermain breaks in 30 years). Due to the location of watermain (between townhomes, under private drives, etc.) this watermain is a good candidate for lining, however, lining is still a relatively new technology and is expensive. Given the number of underground utilities in the area, open trench replacement would also be expensive. It is recommended to replace the sections of watermain under the public streets as part of the PMP, and pursue a separate watermain project for the remaining watermain segments.</p>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Engineer

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	81,500					81,500
<b>Total</b>	<b>81,500</b>					<b>81,500</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	67,500					67,500
Sanitary Sewer Utility Fund	1,000					1,000
Surface Water Mgmt Utility Fu	3,000					3,000
Water Utility Funds	10,000					10,000
<b>Total</b>	<b>81,500</b>					<b>81,500</b>

**Budget Impact/Other**

Milling creates an even surface to ensure a uniform overall thickness to the new overlay. An asphalt overlay forms a smooth crown, renews the street surface, restores structural capacity and proper drainage, which reduces the number of potholes that develop and extends the life cycle of the original pavement.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Street Department  
**Contact** Engineer  
**Type** Improvement  
**Useful Life** 20  
**Category** Streets: Reconstruction  
**Priority** n/a

**Project #** 11-Str-055  
**Project Name** Highway 96 (Old Highway 8 to US Highway 10)

**Description**

**Total Project Cost:** \$490,000

Ramsey County reconstruction project for Highway 96 (Interstate 35-W to match point west of North Snelling) including an interchange at the intersection with TH10 is scheduled for construction in 2012-2013. City costs may include trails, landscaping, any City utility work, add-ons, and possibly some right-of-way.

Lakeshore Place will be impacted during this project and will be reconstructed in conjunction with the other improvements. Estimated Residential Equivalent Units: 5

**Justification**

This project is included in the Ramsey County road construction projects for 2011-2012.

Lakeshore Place 2005 PCI= 19, 2011 PCI= 17

(Estimates of the City cost according to Ramsey County cost participation policy were from County personnel)

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance		490,000				490,000
<b>Total</b>		<b>490,000</b>				<b>490,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)		415,000				415,000
Surface Water Mgmt Utility Fu		75,000				75,000
<b>Total</b>		<b>490,000</b>				<b>490,000</b>

**Budget Impact/Other**

The City will be responsible for snow and ice removal from the trails. Any landscaping features will require annual maintenance.

<b>Budget Items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Annual Maintenance Charge		1,000	1,000	1,000	1,000	4,000
<b>Total</b>		<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>4,000</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life** 30  
**Category** Streets: Reconstruction  
**Priority** n/a

**Project #** 12-Str-007  
**Project Name** Snelling Avenue PMP

**Description** **Total Project Cost: \$1,749,500**

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

A preliminary Scoping Document was prepared in December 2010. Several options for reconstruction were discussed. No major sanitary sewer or water problems were identified.

There is a bridge at the south end that will need to be replaced at some time.

Snelling Ave (Co Rd E - Dead end)

Estimated Residential Equivalent Units: 24

2005 AADT: 1650  
 2009 AADT: 950

**Justification**

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

Snelling from TH51 to Co Rd E, 2005 PCI = 34, 2008 PCI = 31

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

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

Although this roadway has a low ADT it will likely be a significant detour when the CR E bridge is replaced in 2014 or 2015. In its current condition Snelling Ave will not likely hold up under increase traffic during the CR E bridge replacement. This segment is also listed as a PTRC high priority for a detached trail (Segment I).

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Planning/Design	333,500					333,500
Construction/Maintenance	1,416,000					1,416,000
<b>Total</b>	<b>1,749,500</b>					<b>1,749,500</b>

# Capital Improvement Plan

2012 *thru* 2016

## City of Arden Hills, Minnesota

**Department** Street Department  
**Contact** Public Works Director

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Sanitary Sewer Utility Fund	1,000					1,000
State Aid Funds	1,000,000	727,500				1,727,500
Surface Water Mgmt Utility Fu	20,000					20,000
Water Utility Funds	1,000					1,000
<b>Total</b>	<b>1,022,000</b>	<b>727,500</b>				<b>1,749,500</b>

### Budget Impact/Other

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

Anticipated costs included here are for a Municipal State Aid fundable street rural reconditioning/reconstruction, bridge replacement and detached trail.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Street Department  
**Contact** Engineer  
**Type** Improvement  
**Useful Life**  
**Category** Streets: Reconstruction  
**Priority** n/a

**Project #** 12-Str-060  
**Project Name** Co Rd E Impr between Hwy 51 & Lexington Ave

**Description** **Total Project Cost: \$2,642,000**

Prepare a specific plan and improvement for traffic, landscaping, lighting and pedestrian improvements along both sides of County Road E from the eastern ramp terminals of Highway 51 to and including the Lexington Avenue intersection.

The preliminary improvements planned for transforming County Road E into Lake Johanna Boulevard include:  
 A traffic signal system at the future intersection located between Pine Tree Drive and Lexington Ave.  
 Replacement signal, arms and poles for the existing signal systems at (all optional):  
 - The eastern ramp terminals of Highway 51  
 - Pine Tree Drive  
 - Lexington Avenue  
 Boulevard trees spaced at an average of 40 feet  
 A planted median that will include trees and possibly shrubs, tall grasses and annual flowers  
 Decorative lighting at the automobile scale (on the existing bases, located 200 feet apart); optional extra: decorative lighting at the pedestrian scale located approximately 50 to 70 feet apart)  
 Benches and trash receptacles  
 A pair of new continuous concrete sidewalks (6 feet wide)  
 Bollards  
 Seasonal banners on the light poles  
 Striped or colored pedestrian crossings  
 Bus waiting shelters

**Justification**

Implement the Guiding Plan for the B2 District.

Prior	Expenditures	2012	2013	2014	2015	2016	Total
30,000	Planning/Design	278,000					278,000
	Construction/Maintenance			2,334,000			2,334,000
<b>Total</b>	<b>Total</b>	<b>278,000</b>		<b>2,334,000</b>			<b>2,612,000</b>

Prior	Funding Sources	2012	2013	2014	2015	2016	Total
30,000	Capital Improvement Funds (PI)	175,000		1,538,000			1,713,000
	Sanitary Sewer Utility Fund	20,000		160,000			180,000
	Surface Water Mgmt Utility Fu	52,000		371,000			423,000
	Water Utility Funds	31,000		265,000			296,000
<b>Total</b>	<b>Total</b>	<b>278,000</b>		<b>2,334,000</b>			<b>2,612,000</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department

**Contact** Engineer

**Budget Impact/Other**

The landscaping and other features will require annual maintenance. Removing snow and ice from the sidewalks could be the responsibility of the adjoining property owners. Maintenance costs begin the year following construction.

<b>Budget Items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Annual Maintenance Charge	0	0	0	10,000	10,000	20,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>	<b>20,000</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

**2012 thru 2016**

**Department** Street Department  
**Contact** Public Works Director  
**Type** Operational Maintenance  
**Useful Life** 5 to 10 yrs  
**Category** Streets: Cracksealing & Sealco  
**Priority** n/a

**Project #** 12-StrS-061  
**Project Name** 2012 Crackseal and Sealcoat

**Description** **Total Project Cost: \$215,000**

No seal coating or crack filling was performed in 2011 as the street system was being analyzed. The \$100,000 budget for this work in 2011 has been moved to 2012 and combined with the \$115,000 already budgeted in 2012 for a total of \$215,000.

Generally the areas planned to be crack filled/seal coated in 2012 are the 2006 PMP, 2007 PMP and mill/overlay project, 2009 PMP and Arden Oaks Dr area.

**Justification**

Seal coats waterproof the surface to keep the pavement from becoming brittle, cracking, and prevent water from seeping through the pavement and causing problems to the base material. Seal coats also provide low-severity crack sealing, and restore surface friction. It is a maintenance practice to extend the life of pavement. Seal coating can be performed at any time in the life of a pavement and lasts an average of five to ten years.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	215,000					215,000
<b>Total</b>	<b>215,000</b>					<b>215,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	215,000					215,000
<b>Total</b>	<b>215,000</b>					<b>215,000</b>

**Budget Impact/Other**

Seal coats help waterproof the pavement to prevent water from seeping through to the base material. It is a maintenance practice to extend the life of pavement. This reduces the number of potholes that develop, thereby reducing patching costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Unassigned  
**Useful Life** 5 to 10 yrs  
**Category** Streets: Cracksealing & Sealco  
**Priority** n/a

**Project #** 13-StrS-XXX  
**Project Name** 2013 Crack Fill and Seal Coat

**Description** **Total Project Cost:** \$140,000

Generally the areas planned for crack filling/Seal Coating are:  
 2009 PMP  
 Janet Ct  
 Fairview Ave between Gramsie Rd and Lake Valentine Rd  
 Cummings Park Dr  
 Karth Lake Cir  
 Amble Dr/Karth Lake Dr/Pleasant Dr Area  
 Eide Cir  
 McClung Dr/Colleen/James Ave  
 Royal Hills/Arden View Dr/Arden Vista Ct

**Justification**

Seal coats waterproof the surface to keep the pavement from becoming brittle, cracking, and prevent water from seeping through the pavement and causing problems to the base material. Seal coats also provide low-severity crack sealing, and restore surface friction. It is a maintenance practice to extend the life of pavement. Seal coating can be performed at any time in the life of a pavement and lasts an average of five to ten years.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance		140,000				140,000
<b>Total</b>		<b>140,000</b>				<b>140,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)		140,000				140,000
<b>Total</b>		<b>140,000</b>				<b>140,000</b>

**Budget Impact/Other**

Seal coats help waterproof the pavement to prevent water from seeping through to the base material. It is a maintenance practice to extend the life of pavement. This reduces the number of potholes that develop, thereby reducing patching costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life** 30  
**Category** Streets:Misc  
**Priority** n/a

**Project #** 14-Str-061  
**Project Name** Co. Rd. E Bridge over TH 51

**Description** **Total Project Cost:** \$150,000  
Mn/DOT has programmed the replacement of the County Road E bridge over TH 51 in 2015. The project can be advance constructed if an interm funding source can be identified.

**Justification**  
Ramsey County and the City are working with Mn/DOT Brdge Section regarding what the new bridge should include. Also, Ramsey County is taking the lead in an STP Funding application for a portion of the construction cost.  
With or without STP funds the City will likely have some financial responsibility for a portion of the project cost.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance			150,000			150,000
<b>Total</b>			<b>150,000</b>			<b>150,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)			150,000			150,000
<b>Total</b>			<b>150,000</b>			<b>150,000</b>

**Budget Impact/Other**  
When the bridge is reconstructed with pedestrian facilities the City will be responsible for maintenance of the these facilities.

<b>Budget Items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Annual Maintenance Charge				200	200	400
<b>Total</b>				<b>200</b>	<b>200</b>	<b>400</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Unassigned  
**Useful Life**  
**Category** Streets:Misc  
**Priority** n/a

**Project #** 14-Str-062  
**Project Name** I-694/TH 10 Landscaping

**Description** **Total Project Cost:** \$5,000  
Mn/DOT has a landscaping project programmed for the I-694/TH 51 interchange area in 2014-2015. It is anticipated that Mn/DOT will spend approximately \$200,000 on landscaping along the project corridor. The City expects to be consulted on the species of trees and the locations.

**Justification**  
The City wants a place saver in the CIP so that if Mn/DOT's budget is not sufficient to adequately plant along the project corridor the City may consider adding to the project budget to get more vegetation along the residential properties adjacent to the interchange project.

Expenditures	2012	2013	2014	2015	2016	Total
Other			5,000			5,000
<b>Total</b>			<b>5,000</b>			<b>5,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Capital Improvement Funds (PI)			5,000			5,000
<b>Total</b>			<b>5,000</b>			<b>5,000</b>

**Budget Impact/Other**  
The City should have no ongoing maintenance involved in the landscaping placed by Mn/DOT or City funding.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life** 30  
**Category** Streets: Reconstruction  
**Priority** n/a

**Project #** 14-Str-064  
**Project Name** Ridgewood Asbury --2013 PMP

**Description** **Total Project Cost:** \$1,534,000  
 Asbury Ave from City Limits to Edgewater  
 Ridgewood Rd from City Limits to dead end  
 Edgewater from Asbury to Ridgewood Rd  
 Glenhill from Asbury to Snelling  
 Estimated Residential Equivalent Units: 37

**Justification**  
 Asbury Ave, City limits to Glenhill, 2005 PCI = 75, 2008 PCI = 76, 2011 PCI = 74  
 Asbury Ave, Glenhill to Edgewater, 2008 PCI = 82, 2011 PCI = 70  
 Ridgewood Rd, City limits to Glenhill, 2005 PCI = 47, 2008 PCI = 58, 2011 PCI = 66  
 Ridgewood Rd, Glenhill to dead end, 2008 PCI = 67, 2011 PCI = 36  
 Edgewater, Asbury to Ridgewood, 2005 PCI = 59, 2008 PCI = 38, 2011 PCI = 34  
 Glenhill, Asbury to Snelling (TH 51) 2005 PCI = 68, 2008 PCI = 66, 2011 PCI = 51  
 There is a minimal existing storm sewer system. The project must meet Rice Creek Watershed District requirements. The proposed storm sewer system will take into account runoff from the City of Roseville (to be cost-shared). The project will also improve water quality to Lake Johanna. Improvements will be made to the sanitary sewer system as needed to correct any I&I deficiencies.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Planning/Design	55,000	120,000				175,000
Construction/Maintenance		1,273,500	85,500			1,359,000
<b>Total</b>	<b>55,000</b>	<b>1,393,500</b>	<b>85,500</b>			<b>1,534,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)	25,000	788,500	55,500			869,000
Sanitary Sewer Utility Fund	5,000	47,500	2,500			55,000
Surface Water Mgmt Utility Fu	15,000	317,500	17,500			350,000
Water Utility Funds	10,000	240,000	10,000			260,000
<b>Total</b>	<b>55,000</b>	<b>1,393,500</b>	<b>85,500</b>			<b>1,534,000</b>

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

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

**2012 thru 2016**

**Department** Street Department  
**Contact** Public Works Director  
**Type** Operational Maintenance  
**Useful Life** 5 to 10 yrs  
**Category** Streets: Cracksealing & Sealco  
**Priority** n/a

**Project #** 14-StrS-063  
**Project Name** 2014 Crackseal and Sealcoat

**Description** **Total Project Cost: \$145,000**  
 Generally the area of the City to be crack filled/Seal coated this year is all streets south of County Road E and east of TH 51 (Snelling Ave). However, this will be reweived as the year approaches relative to the condition ogf other City streets.

**Justification**  
 Seal coats waterproof the surface to keep the pavement from becoming brittle, cracking, and prevent water from seeping through the pavement and causing problems to the base material. Seal coats also provide low-severity crack sealing, and restore surface friction. It is a maintenance practice to extend the life of pavement. Seal coating can be performed at any time in the life of a pavement and lasts an average of three to six years.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance			145,000			145,000
<b>Total</b>			<b>145,000</b>			<b>145,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)			145,000			145,000
<b>Total</b>			<b>145,000</b>			<b>145,000</b>

**Budget Impact/Other**  
 Seal coats help waterproof the pavement to prevent water from seeping through to the base material. It is a maintenance practice to extend the life of pavement. This reduces the number of potholes that develop, thereby reducing patching costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department

**Contact**

**Type** Unassigned

**Useful Life** 5 to 10 yrs

**Category** Streets: Cracksealing & Sealco

**Priority** n/a

**Project #** 15-StrS-XXX  
**Project Name** 2015 Crack Fill and Seal Coat

**Description**

**Total Project Cost:** \$145,000

Generally the areas planned for crack filling/seal coating this year are:

- 2011 PMP
- Keithson Dr
- Chatham/McCracken Area
- Lake Valentine Rd

However, these recommendations will be reviewed as the year approaches relative to the condition of all City streets

**Justification**

Seal coats waterproof the surface to keep the pavement from becoming brittle, cracking, and prevent water from seeping through the pavement and causing problems to the base material. Seal coats also provide low-severity crack sealing, and restore surface friction. It is a maintenance practice to extend the life of pavement. Seal coating can be performed at any time in the life of a pavement and lasts an average of five to ten years.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance				145,000		145,000
<b>Total</b>				<b>145,000</b>		<b>145,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)				145,000		145,000
<b>Total</b>				<b>145,000</b>		<b>145,000</b>

**Budget Impact/Other**

Seal coats help waterproof the pavement to prevent water from seeping through to the base material. It is a maintenance practice to extend the life of pavement. This reduces the number of potholes that develop, thereby reducing patching costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Engineer  
**Type** Improvement  
**Useful Life**  
**Category** Streets: Reconstruction  
**Priority** n/a

**Project #** 16-Str-065  
**Project Name** Indian Oaks PMP --2017 PMP

**Description** **Total Project Cost:** \$1,774,000  
 Indian Oaks Court from James Ave to cul de sac  
 Indian Oaks Trail from Hamline to cul de sac  
 Floral Drive from Hamline to deadend  
 Norma Circle from Floral to cul de sac  
 Gale Cir from Floral to cul de sac  
 James Cir from Floral to cul de sac

**Justification**  
 Indian Oaks Court 2005 PCI = 55, 2008 PCI = 56, 2011 PCI = 50  
 Indian Oaks Trail 2005 PCI = 47, 2008 PCI = 48, 2011 PCI = 55  
 Floral Drive 2005 PCI = 44, 2008 PCI = 42, 2011 PCI = 40  
 Norma Cir 2005 PCI = 33, 2008 PCI = 27, 2011 PCI = 26  
 Gale Cir 2005 PCI = 62, 2008 PCI = 56, 2011 PCI = 45  
 James Cir 2005 PCI = 59, 2008 PCI = 53, 2011 PCI = 47  
 There is a minimal existing storm sewer system. The project must meet Rice Creek Watershed District requirements. Improvements will be made to the sanitary sewer system as needed to correct any I&I deficiencies.

Expenditures	2012	2013	2014	2015	2016	Total	Future
Planning/Design					275,000	275,000	1,499,000
<b>Total</b>					<b>275,000</b>	<b>275,000</b>	<b>Total</b>

Funding Sources	2012	2013	2014	2015	2016	Total	Future
Capital Improvement Funds (PI)					42,500	42,500	1,699,000
Sanitary Sewer Utility Fund					7,500	7,500	<b>Total</b>
Surface Water Mgmt Utility Fu					20,000	20,000	
Water Utility Funds					5,000	5,000	
<b>Total</b>					<b>75,000</b>	<b>75,000</b>	

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

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Operational Maintenance  
**Useful Life** 5 to 10 yrs  
**Category** Streets: Cracksealing & Sealco  
**Priority** n/a

**Project #** 16-StrS-066  
**Project Name** 2016 Crackseal and Sealcoat

**Description** **Total Project Cost: \$150,000**  
 Streets planned for crack filling/seal coating this year are generally streets in the southwest corner of the City together with the Red Fox Grey Fox Area. However, these recommendations will be reviewed as the year approaches relative to the condition of all City streets.

**Justification**  
 Seal coats waterproof the surface to keep the pavement from becoming brittle, cracking, and prevent water from seeping through the pavement and causing problems to the base material. Seal coats also provide low-severity crack sealing, and restore surface friction. It is a maintenance practice to extend the life of pavement. Seal coating can be performed at any time in the life of a pavement and lasts an average of three to six years.

Expenditures	2012	2013	2014	2015	2016	Total
Construction/Maintenance					150,000	150,000
<b>Total</b>					<b>150,000</b>	<b>150,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Capital Improvement Funds (PI)					150,000	150,000
<b>Total</b>					<b>150,000</b>	<b>150,000</b>

**Budget Impact/Other**  
 Seal coats help waterproof the pavement to prevent water from seeping through to the base material. It is a maintenance practice to extend the life of pavement. This reduces the number of potholes that develop, thereby reducing patching costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Street Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life** 30  
**Category** Streets: Reconstruction  
**Priority** n/a

**Project #** 17-Str-039  
**Project Name** Glenview Neighborhood --2015 PMP

Description	Total Project Cost: \$3,600,000
Rolling Hills Rd from Venus to Gramsie Venus Ave from Rolling Hills to Dellview Fairview from Venus to Gramsie Glenview Ave from Fairview to Lake Valentine Rd Gramsie Rd from Rolling Hills to Dellview Dellview Ave from Crystal to Gramsie Dellview Ave from Venus to Gramsie Glenview Court from Glenview Ave to cul de sac Crystal Ave from Fairview to Lake Valentine Rd	

Justification
Rolling Hills Rd 2005 PCI = 23, 2008 PCI = 23, 2011 PCI = 22 Venus Ave 2005 PCI = 34, 2008 PCI = 32, 2011 PCI = 31 Fairview 2005 PCI = 49, 2008 PCI = 40, 2011 PCI = 35 Glenview Ave 2005 PCI = 49, 2008 PCI = 44, 2011 PCI = 25 Gramsie Rd 2005 PCI = 38, 2008 PCI = 38, 2011 PCI = 37 Dellview Ave, Crystal to Gramsie 2005 PCI = 22, 2008 PCI = 21, 2011 PCI = 20 Dellview Ave, Venus to Gramsie 2005 PCI = 36, 2008 PCI = 35, 2011 PCI = 31 Glenview Court 2005 PCI = 66, 2008 PCI = 61, 2011 PCI = 56 Crystal Ave 2005 PCI = 46, 2008 PCI = 40, 2011 PCI = 38
There is a minimal existing storm sewer system. The project must meet Rice Creek Watershed District requirements. The project will also reduce volume to Valentine Park.
Improvements will be made to the sanitary sewer system as needed to correct any I&I deficiencies.
There is a significant history of watermain breaks in the neighborhood, therefore it is anticipated that all watermain needs to be replaced.

Expenditures	2012	2013	2014	2015	2016	Total
Planning/Design			539,500			539,500
Construction/Maintenance				2,880,500	180,000	3,060,500
<b>Total</b>			<b>539,500</b>	<b>2,880,500</b>	<b>180,000</b>	<b>3,600,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Capital Improvement Funds (PI)			367,000	1,960,500	122,500	2,450,000
Sanitary Sewer Utility Fund			7,500	40,000	2,500	50,000
Surface Water Mgmt Utility Fu			75,000	400,000	25,000	500,000
Water Utility Funds			90,000	480,000	30,000	600,000
<b>Total</b>			<b>539,500</b>	<b>2,880,500</b>	<b>180,000</b>	<b>3,600,000</b>

## Capital Improvement Plan

2012 *thru* 2016

**Department** Street Department

## City of Arden Hills, Minnesota

**Contact** Public Works Director

### Budget Impact/Other

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

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Surface Water Management De  
**Contact** Public Works Director  
**Type** Maintenance  
**Useful Life**  
**Category** Utility Maintenance  
**Priority** n/a

**Project #** 09-Storm-001  
**Project Name** Storm Pond Maintenance

**Description** **Total Project Cost:** \$250,000  
 Development of a maintenance plan to be implemented to meet MPCA SWPPP requirements.  
 Due to new regulations from the MPCA regarding disposal of materials removed from ponds, staff is reviewing best management practices and costs related to these types of projects.

**Justification**  
 Storm pond cleaning and rehabilitation projects to meet surface water quality requirements.

Expenditures	2012	2013	2014	2015	2016	Total
Construction/Maintenance	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Surface Water Mgmt Utility Fu	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

**Budget Impact/Other**  
 There are no operational impacts associated with this project at this time.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Surface Water Management De  
**Contact** Public Works Director  
**Type** Maintenance  
**Useful Life**  
**Category** Utility Maintenance  
**Priority** n/a

**Project #** 12-Storm-001  
**Project Name** Innovation Way/Co Rd F pond Dredging

**Description** **Total Project Cost: \$12,500**  
 Boston Scientific and Xcel Energy are working with Rice creek Watershed to clean sediment out of the pond located at the intersection of Innovation Way and Co Rd F. Some of the drainage to the pond comes from Innovation Way which use to be Fernwood Ave; a public street. As such the City is being asked to participate one third in the cost of the dredging.

**Justification**  
 Fernwood Ave use to be a public street before it was turned back to Guidant Corp (now Boston Scientific) in 2003. Attorney Filla has reviewed the 2003 agreement and determined the City has some responsibility for the pond cleaning.  
 After this pond cleaning, the city should have no more responsibility for sediment in this pond.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	12,500					12,500
<b>Total</b>	<b>12,500</b>					<b>12,500</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Surface Water Mgmt Utility Fu	12,500					12,500
<b>Total</b>	<b>12,500</b>					<b>12,500</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Technology  
**Contact** Finance Director  
**Type** Technology  
**Useful Life**  
**Category** Equipment: Office  
**Priority** n/a

**Project #** 12-Tec-001  
**Project Name** Springbrook Software Upgrades

**Description** **Total Project Cost: \$15,000**  
 The Finance Suite was upgraded in 2010 to the .Net version of the software. The City purchased Springbrook software in 2001-2002. In 2011-2012 we were implementing the Human Resource module and the Central Services modules. As future enhancements are available we will be implementing this as well as upgrading the software, future modules include Project Management, licensing, business analytics, and dashboards.

**Justification**  
 The current software was purchased in 2001-2002. Updating the software as updates become available continue to help us streamline our processes and tighten internal controls.  
 Funding will come from the Equipment Building and Replacement Fund but operating transfers will be made from each of the enterprise funds (Water, Sewer & Surface Water) to account for their cost of the software. This is consistent with the support and maintenance fee charges in the operating budget.

Expenditures	2012	2013	2014	2015	2016	Total
Technology	15,000					15,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Equipment/Building Replacem	15,000					15,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

**Budget Impact/Other**  
 While there is no hard concrete cost savings, it will provide greater reporting capabilities, reduce staff time spent on running reports as this software will allow for department access to monitor activity. Future costs and efficiency can be achieved by eventually consolidating all City services to one software system, thus eliminating paper flow and double entry.  
 Annual maintenance fees for the new modules will be added as we add modules.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Technology  
**Contact** Finance Director  
**Type** Technology  
**Useful Life**  
**Category** Equipment: Office  
**Priority** n/a

**Project #** 12-Tec-002  
**Project Name** Technology and Office Equipment

**Description** **Total Project Cost:** \$65,000  
 Equipment replacement of copiers, computers, and other various equipment and software

**Justification**  
 Maintenance on all office equipment, computers, and machines plus software upgrades

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings	13,000	13,000	13,000	13,000	13,000	65,000
<b>Total</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>65,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem	13,000	13,000	13,000	13,000	13,000	65,000
<b>Total</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>65,000</b>

**Budget Impact/Other**  
 None

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Technology  
**Contact** Community Devl Dir  
**Type** Technology  
**Useful Life**  
**Category** Equipment: Office  
**Priority** n/a

**Project #** 12-Tec-003  
**Project Name** Communications Equipment

**Description** **Total Project Cost: \$107,000**  
 Redesign City website (2012). Replace and upgrade audio visual and communications equipment as necessary.

**Justification**  
 Communicate information to residents and businesses in a manner and format that is up-to-date, efficient, and professional.

Expenditures	2012	2013	2014	2015	2016	Total
Technology	35,000	18,000	18,000	18,000	18,000	107,000
<b>Total</b>	<b>35,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>107,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Special Revenue Cable Fund	35,000	18,000	18,000	18,000	18,000	107,000
<b>Total</b>	<b>35,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>107,000</b>

**Budget Impact/Other**  
 Annual maintenance of \$3,000 is currently included in the Cable Fund budget. No additional budget impact is anticipated.

Budget Items	2012	2013	2014	2015	2016	Total
Annual Maintenance Charge	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Water Department  
**Contact** Public Works Director  
**Type** Improvement  
**Useful Life**  
**Category** Utility Improvements  
**Priority** n/a

**Project #** 11-W-003  
**Project Name** Water Meter Upgrades

**Description** **Total Project Cost: \$405,000**  
 The Badger Water Meters need to be upgraded for all commercial (approximately 230) and residential (approximately 2,422). The current system is obsolete and batteries are beginning to fail. There are two systems - each with different advantages. Staff will be reviewing each system and presenting options to Council.

**Justification**  
 The current water meter system is obsolete and they are not making this type of battery any longer. The current water meter batteries are beginning to fail. Once their stock is out, there will be no batteries available to replace. The recommendation will be to incorporate the upgrade in a 3-4 year cycle. The estimate is based on the upfront start up costs and commercial being done in the first year.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Other	175,000	115,000	115,000			405,000
<b>Total</b>	<b>175,000</b>	<b>115,000</b>	<b>115,000</b>			<b>405,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Water Utility Funds	175,000	115,000	115,000			405,000
<b>Total</b>	<b>175,000</b>	<b>115,000</b>	<b>115,000</b>			<b>405,000</b>

**Budget Impact/Other**  
 3-4 year implementation plan. The two different systems will have various cost savings on staff time. This will be presented with the recommendation.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Water Department  
**Contact** Public Works Director  
**Type** Unassigned  
**Useful Life**  
**Category** Utility Maintenance  
**Priority** n/a

**Project #** 12-W-001  
**Project Name** Water Tower Repair and Repainting

**Description** **Total Project Cost: \$625,000**

The City has two water towers; a 500,000 gallon north tower and a 1,000,000 gallon south tower. Based on a 2005 inspection report some improvements are needed at the south tower. The north tower was last inspected in 2000 and repairs were undertaken in 2001.

The expenditure in 2012 is to prepare plans for and undertake repair of the south tower (based on the 2005 report) and to do a routine inspection of the north tower to gage its condition. Expenditures in future years are only "place savers" for anticipated future repair/painting needs for the two towers.

**Justification**

In order to proceed with the repairs at the south tower plans and specs need to be prepared based on an actualy current inspection of the tower. The north tower should also be inspected in the normal course of monitoring the condition.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	75,000		500,000		50,000	625,000
<b>Total</b>	<b>75,000</b>		<b>500,000</b>		<b>50,000</b>	<b>625,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Water Utility Funds	75,000		500,000		50,000	625,000
<b>Total</b>	<b>75,000</b>		<b>500,000</b>		<b>50,000</b>	<b>625,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 16-EDA-001  
**Project Name** Gateway Signs

**Description**

**Total Project Cost: \$140,000**

Install gateway signs at the major entrance points to the City. Potential locations for the signs include: (1) Highway 96 at Round Lake Boulevard and (2) at Lexington Avenue; (3) County Road E2 at I-35W; (4) County Road E at Highway 51 and (5) at Lexington Avenue; (6) County Road D at Cleveland Avenue (7) Lake Johanna Boulevard at the Roseville border; and (8) Lexington Avenue at the Roseville border. Potential sign locations are listed from north to south and are not in priority order.

A cost of \$20,000 to \$25,000 per sign is assumed. This includes a masonry base similar to the graphic depicted. Eight potential locations are identified. Six signs are included in the CIP.

The sign on County Road E at Lexington Avenue will be installed at the time of the Arden Plaza redevelopment. The developer has agreed to construct and install the sign base. The City will install and fund the sign face. It is assumed that this sign will be installed in 2012 at a cost of approximately \$15,000.

**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.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Construction/Maintenance	65,000	50,000	25,000	0	0	140,000
<b>Total</b>	<b>65,000</b>	<b>50,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>140,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
EDA Revenues	65,000	50,000	25,000	0	0	140,000
<b>Total</b>	<b>65,000</b>	<b>50,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>140,000</b>

**Budget Impact/Other**

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

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15-17  
**Category** Vehicles  
**Priority** n/a

**Project #** 10-EqpV-005  
**Project Name** New Dump Truck w/Plow/Wing/Sander

**Description** **Total Project Cost: \$150,000**  
 Purchase an additional dump truck with plow, wing and sander.

**Justification**

Expenditures	2012	2013	2014	2015	2016	Total
Equip/Vehicles/Furnishings					150,000	150,000
<b>Total</b>					<b>150,000</b>	<b>150,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Equipment/Building Replacem					150,000	150,000
<b>Total</b>					<b>150,000</b>	<b>150,000</b>

**Budget Impact/Other**  
 Maintenance and repairs on an additional truck.

Budget Items	2012	2013	2014	2015	2016	Total	Future
Equipment and Vehicle repair					500	500	1,000
<b>Total</b>					<b>500</b>	<b>500</b>	<b>Total</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

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

**Project #** 11-EqpV-004  
**Project Name** Replace Jetter and Vactor Truck with Combo Machine

Description	Total Project Cost: \$300,000
<p>Replace Vehicle #304 - 1987 Ford F800                      VIN # 1FDXT84A9HVA58089                      Mileage 17,309 (has not worked for three years).                      Hours 202 - 2007, 463 - 2008, 509 - 2009, 678 - 2010</p> <p>Used for cleaning and cutting roots in our sanitary sewer mains, flushing catchbasins, and manholes.</p> <p>Replace Vehicle # 303 Vactor - 1998 Sterling                      2FGHRJAA5XAA46353                      Mileage: 20,800                      Hours: 759.6 (Hr meter added a few yrs ago)</p> <p>Truck is used for grit chamber/storm sewer, catch basin and lift station wet well maintenance.</p>	

Justification
<p>The Jetter is 25 years old and has significant rust and deterioration on the chassis and compartment body.</p> <p>Repair costs for parts and labor:                      2006 - \$3,951.64                      2007 - \$511.06                      2008 - \$536.47                      2009 - \$4,895.03                      2010 - \$887.07</p> <p>The Vactor is 13 years old and has had significant rust and deterioration of the inside components. The computer had to be completely replaced in 2010.</p> <p>Repair costs for parts and labor:                      2006-\$11,642.14                      2007-\$432.11                      2008 - \$337.11                      2009 - \$561.42                      2010 - \$15,569                      2011 - \$357.00 To Date</p> <p>A combination jet/vac unit will allow for one full time staff and one seasonal to go out and do jetting and vac operations. Without that capability, it would be a minimum of 3 full time staff to operate both vehicles. The City will see a significant labor and fuel savings and efficiency and speed of service will increase. The size of the vehicle was a concern but after research, it was found that the version our City would purchase does comfortably fit in the warm storage area.</p>

Expenditures	2012	2013	2014	2015	2016	Total
Equip/Vehicles/Furnishings	330,000					330,000
Estimated Trade-In Value	-30,000					-30,000
<b>Total</b>	<b>300,000</b>					<b>300,000</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem	300,000					300,000
<b>Total</b>	<b>300,000</b>					<b>300,000</b>

**Budget Impact/Other**

Reduced equipment, vehicle repair costs, labor cost, fuel costs.

<b>Budget Items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment and Vehicle repair	-1,000	-1,000	-2,000	-2,000	-2,000	-8,000
<b>Total</b>	<b>-1,000</b>	<b>-1,000</b>	<b>-2,000</b>	<b>-2,000</b>	<b>-2,000</b>	<b>-8,000</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15-17  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 12-Eqp-001  
**Project Name** Brush Chipper

**Description** **Total Project Cost:** \$26,500  
 Replace equipment # 426 - 1996 Vermeer Chipper  
 VIN # iVRK1513-10000799  
 Hours 466.4  
 #85426

**Justification**  
 Equipment will be 15 years old.  
 Repair costs for parts and labor:  
 2006 - 150.00  
 2007 - 142.61  
 2008 - \$476.63  
 2009 - \$0  
 2010 - \$0  
 2011  
 2012  
 This piece of equipment will be 18 years old. However this piece of equipment is not used often and is in good condition. Condition will be monitored and replacement will be adjusted as deemed appropriate.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings			30,000			30,000
Estimated Trade-In Value			-3,500			-3,500
<b>Total</b>			<b>26,500</b>			<b>26,500</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem			26,500			26,500
<b>Total</b>			<b>26,500</b>			<b>26,500</b>

**Budget Impact/Other**  
 Reduce repair costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 13-15  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 12-Eqp-004  
**Project Name** Replace 1997 Toro Workman w/Sprayer

**Description**

**Total Project Cost:** \$26,500

Replace equipment #410 - 1997 Toro Workman, ball field line sprayer.  
 VIN #07202-70317  
 Hours 1,346  
 #85410

**Justification**

Equipment will be 15 years old.  
 Repair costs for parts and labor:  
 2006 - \$317.09  
 2007 - \$55.89  
 2008 - \$0  
 2009 - \$253.12  
 2010 - \$300.43  
 2011 - None to date

This vehicle will be monitored due to low hours and replacement adjusted as needed.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings	28,000					28,000
Estimated Trade-In Value	-1,500					-1,500
<b>Total</b>	<b>26,500</b>					<b>26,500</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem	26,500					26,500
<b>Total</b>	<b>26,500</b>					<b>26,500</b>

**Budget Impact/Other**

Reduce repair costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 12-Eqp-005  
**Project Name** Replace J Type Tamper

**Description**

**Total Project Cost:** \$5,000

Replace the 1997 J Type Asphalt Tamper #109

**Justification**

Equipment will be 16 years old.  
 Due to constant pounding, this equipment is prone to many minor repairs.

Repair Costs:  
 2006 - \$0  
 2007 - \$0  
 2008 - \$282.23  
 2009 - \$30  
 2010 - \$0 to date

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings					5,000	5,000
<b>Total</b>					<b>5,000</b>	<b>5,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem					5,000	5,000
<b>Total</b>					<b>5,000</b>	<b>5,000</b>

**Budget Impact/Other**

Reduced repair costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15-17  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 12-Eqp-006  
**Project Name** Replace 1996 Roller

**Description** **Total Project Cost:** \$10,000  
 Replace Equipment #106 - 1996 Wacker Roller  
 VIN # 673603994  
 Hours: 468.2

**Justification**  
 Equipment will be 17 years old.  
 Repair costs for parts and labor:  
 2006 - \$107.69  
 2007 - \$75.00  
 2008 - \$0  
 2009 - \$182.69  
 2010 - \$0  
 2011  
 2012  
 Place holder for ongoing review. Will be pushed further out if equipment condition is deemed reliable.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings		10,000				10,000
<b>Total</b>		<b>10,000</b>				<b>10,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem		10,000				10,000
<b>Total</b>		<b>10,000</b>				<b>10,000</b>

**Budget Impact/Other**  
 Reduced equipment repair costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 12-EqpV-002  
**Project Name** Replace 1997 Dump Truck w/Plow/Wing Plow/Sander

**Description** **Total Project Cost:** \$140,000  
 Vehicle #101 - 1997 Ford F-8513 dump truck with plow/wing/sander.  
 VIN # Ifd4580e9vva34855  
 Mileage 28,829  
 Hours 2,901  
 #85101

**Justification**  
 Vehicle will be 14 years old.  
 Repair costs for parts and labor:  
 2006 - \$150.21  
 2007 - \$1,260.33  
 2008 - \$6,808.66  
 2009 - \$6,883.76  
 2010 - \$21,647  
 2011 - \$140.00 to date

This one of our two large dump trucks are used primarily for plowing and de-icing streets will be sixteen years old. While the mileage on this vehicle is relatively low due to the corrosiveness of salt, the frame and bodies are beginning to deteriorate. The repair costs for this vehicle have begun to rise significantly the last three years. With only two dump trucks in the snow plow fleet it is imperative that they be dependable during snow events.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings		160,000				160,000
Estimated Trade-In Value		-20,000				-20,000
<b>Total</b>		<b>140,000</b>				<b>140,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem		140,000				140,000
<b>Total</b>		<b>140,000</b>				<b>140,000</b>

**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**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 8-10  
**Category** Vehicles  
**Priority** n/a

**Project #** 12-EqpV-003  
**Project Name** Replace F250 Pickup Truck with Plow

**Description**

**Total Project Cost:** \$33,500

Vehicle #202 - 2002 Ford F250 3/4 ton pickup and plow - diesel tank (aux)  
 VIN #1FDXT84A9HVA58  
 Mileage 82,042  
 #85202

**Justification**

Vehicle will be ten years old.  
 Repair costs for parts and labor:  
 2006 - \$1,319.00  
 2007 - \$254.96  
 2008 - \$5,684.65  
 2009 - \$2,209.89  
 2010 - \$1,283.77  
 2011 - \$749.52

This vehicle is 20 years old, well beyond its expected useful life

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings	35,000					35,000
Estimated Trade-In Value	-1,500					-1,500
<b>Total</b>	<b>33,500</b>					<b>33,500</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem	33,500					33,500
<b>Total</b>	<b>33,500</b>					<b>33,500</b>

**Budget Impact/Other**

Reduced maintenance costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 13-Eqp-001  
**Project Name** Replace 1993 Toro Turf Aerator

**Description** **Total Project Cost:** \$10,000  
 Replace Toro Turf Aerator  
 Equipment # 419  
 SN 686452

**Justification**  
 This equipment will be 23 years old.  
 No repair costs notes  
 2006-2008  
 Equipment will be monitored and adjusted as needed.

Expenditures	2012	2013	2014	2015	2016	Total
Equip/Vehicles/Furnishings					10,000	10,000
<b>Total</b>					<b>10,000</b>	<b>10,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Equipment/Building Replacem					10,000	10,000
<b>Total</b>					<b>10,000</b>	<b>10,000</b>

**Budget Impact/Other**  
 Reduced repair costs.

Budget Items	2012	2013	2014	2015	2016	Total
Equipment and Vehicle repair					-500	-500
<b>Total</b>					<b>-500</b>	<b>-500</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

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

**Project #** 13-Eqp-003  
**Project Name** Replace 2002 Groundsmaster with Snow Blower

**Description**

**Total Project Cost:** \$35,500

Replace equipment # 409 - 2002 Toro Groundsmaster - with blower.  
 VIN # 220000338  
 Hours 2257  
 Used in summer for mowing and winter for rinks and trails.  
 #85409

**Justification**

Equipment will be ten years old.  
 Repair costs for parts and labor:  
 2006 - \$1,119.75  
 2007 - \$5,409.19  
 2008 - \$849.70  
 2009 - \$225.10  
 2010 - \$712.55  
 2011  
 2012

Our midsized groundmaster type mowers have been adjusted from a 10 year replacement to a 10-12 year replacement. With the addition of the large area mower in 2009 and "zero turn" mowers in 2011, we will monitor use and repairs, as well as what type of machine will be best for the replacement.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings		39,000				39,000
Estimated Trade-In Value		-3,500				-3,500
<b>Total</b>		<b>35,500</b>				<b>35,500</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem		35,500				35,500
<b>Total</b>		<b>35,500</b>				<b>35,500</b>

**Budget Impact/Other**

Reduced repair and maintenance costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 13-Eqp-004  
**Project Name** Replace 1997 Street Sweeper

**Description** **Total Project Cost:** \$138,000  
 Equipment #105 - 1997 Elgin Street Sweeper.  
 VIN # 585165  
 Hours 1,931.7  
 Mileage 9,610.6  
 #85105

**Justification**  
 Equipment will be 18 years old.  
 Repair costs for parts and labor:  
 2006 - \$634.96  
 2007 - \$764.53  
 2008 - \$657.95  
 2009 - \$7,627.62  
 2010 - \$352.70  
 Equipment is relatively good condition and receives limited use which allows replacement to be pushed out to 2015  
 This vehicle will be monitored for hours and repairs and adjusted as needed. Previous sweeper increased maintenance costs substantially after Year 15.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings				150,000		150,000
Estimated Trade-In Value				-12,000		-12,000
<b>Total</b>				<b>138,000</b>		<b>138,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem				138,000		138,000
<b>Total</b>				<b>138,000</b>		<b>138,000</b>

**Budget Impact/Other**  
 Reduce repair and maintenance costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 13-EqpV-002  
**Project Name** Replace 2001 F450 One Ton Dump/Plow/Sander

**Description** **Total Project Cost:** \$56,000  
 Vehicle #301 - 2001 Ford F450 1 ton dump truck with plow and sander  
 VIN #1FDXF47F61EC92462  
 Mileage 48,072  
 #85301

**Justification**  
 Vehicle will be twelve years old.  
 Repair costs for parts and labor:  
 2006 - \$812.38  
 2007 - \$1,544.89  
 2008 - \$1,591.24  
 2009 - \$1,539.67  
 2010 - \$1,371.00  
 Vehicle has been adjusted from a 10 year replacement to a 12 year replacement. Currently set as a placeholder. Staff will continue to monitor vehicle condition and maintenance costs.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings		65,000				65,000
Estimated Trade-In Value		-9,000				-9,000
<b>Total</b>		<b>56,000</b>				<b>56,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem		56,000				56,000
<b>Total</b>		<b>56,000</b>				<b>56,000</b>

**Budget Impact/Other**  
 Reduce repair and maintenance expenses

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15-17  
**Category** Vehicles  
**Priority** n/a

**Project #** 13-EqpV-010  
**Project Name** Replace Trailer

**Description** **Total Project Cost:** \$10,000  
 1996 Redihaul Trailer #108  
 VIN 47SS122T2V1013037

**Justification**  
 Trailer will be 17 years old. It is beginning to deteriorate. The replacement will be a multi-use trailer able to be used to haul the skid-steer.  
  
 Annual Maintenance Costs  
 2006 - \$365.37  
 2007 - \$120  
 2008 - \$0  
 2009 - \$161.38 to date

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings		10,000				10,000
<b>Total</b>		<b>10,000</b>				<b>10,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem		10,000				10,000
<b>Total</b>		<b>10,000</b>				<b>10,000</b>

**Budget Impact/Other**  
 Reduced maintenance costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 14-EqpV-001  
**Project Name** Replace 2002 F450 One-Ton w/Dump/Plow/Sander

**Description** **Total Project Cost:** \$60,000  
 Replace Unit #302 - 2002 Ford F-450  
 VIN # 1FDXF47F92EC89315  
 Mileage 45,526  
 #85302

**Justification**  
 Mileage is 32,951  
 Vehicle will be twelve years old.  
 Parts and Labor repair costs:  
 2006 - \$2,221.02  
 2007 - 1,691.52  
 2008 - \$2,653.47  
 2009 - \$796.58  
 2010 - \$2,228.00  
 2011 - None to date  
 2012  
 2013  
 Vehicle has been adjusted from a 10 year replacement to a 12 year replacement. Currently set as a placeholder. Staff will continue to monitor vehicle condition and maintenance costs.

Expenditures	2012	2013	2014	2015	2016	Total
Equip/Vehicles/Furnishings			70,000			70,000
Estimated Trade-In Value			-10,000			-10,000
<b>Total</b>			<b>60,000</b>			<b>60,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Equipment/Building Replacem			60,000			60,000
<b>Total</b>			<b>60,000</b>			<b>60,000</b>

**Budget Impact/Other**  
 Replacing vehicle will reduce repair costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 14-EqpV-005  
**Project Name** Replace Turf Sweeper

**Description** **Total Project Cost:** \$18,000  
 Replace 1989 Olathe Turf Sweeper #412  
 VIN 48HL-481275LDO

**Justification**  
 Equipment will be 25 years old  
 No hour meter installed on equipment  
  
 Annual Repair Costs  
 2006 - \$57.50  
 2007 - \$550.27  
 2008 - \$0  
 2009 - \$0  
 2010 - \$0  
 2011 - None to date  
  
 This equipment will be monitored and adjusted in the schedule as needed based on repair costs and condition.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings					18,000	18,000
<b>Total</b>					<b>18,000</b>	<b>18,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem					18,000	18,000
<b>Total</b>					<b>18,000</b>	<b>18,000</b>

**Budget Impact/Other**  
 Reduced maintenance costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 8-10  
**Category** Vehicles  
**Priority** n/a

**Project #** 14-EqpV-010  
**Project Name** Replace Pick up Truck #201

**Total Project Cost:** \$35,000

**Description**

Replace Pick up truck #201, 2004 F-250  
 Vin #1FTNF21L24EB72967  
 Mileage

**Justification**

Truck will be 10 years old  
 55,472 (2009)  
 Annual Repair Costs:  
 2006 - \$89.75  
 2007 - \$132.61  
 2008 - \$1,775.15  
 2009 - \$425.59  
 2010 - \$80.26  
 2011 - None to date

Will be monitored and adjusted based on mileage and repairs. THIS THE BUILDING INSPECTION VEHICLE

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings					35,000	35,000
<b>Total</b>					<b>35,000</b>	<b>35,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem					35,000	35,000
<b>Total</b>					<b>35,000</b>	<b>35,000</b>

**Budget Impact/Other**

Reduced maintenance costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 thru 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 15-Eqp-003  
**Project Name** Replace 2000 Backhoe

**Description** **Total Project Cost: \$100,000**  
 Equipment # 204 - 2000 Case 590 Backhoe.  
 VIN # 2260285353  
 Hours 2,487.1  
 #85204

**Justification**  
 Equipment will be 15 years old.  
 Repair costs for parts and labor:  
 2006 - 244.37  
 2007 - 415.45  
 2008 - \$2,933.45  
 2009 - \$250.24  
 2010 - \$2,417.00  
 2011 - None to date  
 Included in the purchase of the new backhoe would be two additon attachable tools; a Rapid-Ram for breaking up frost and a Plate Compactor for compacting treches. Currently, the City has no equipment for breaking up frost so a contractor is hired for this work at a cost of \$3-4,000 per time.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings		115,000				115,000
Estimated Trade-In Value		-15,000				-15,000
<b>Total</b>		<b>100,000</b>				<b>100,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem		100,000				100,000
<b>Total</b>		<b>100,000</b>				<b>100,000</b>

**Budget Impact/Other**  
 Reduce maintenance and repair costs.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 5  
**Category** Vehicles  
**Priority** n/a

**Project #** 15-EqpV-000  
**Project Name** Replace 2001 Used Dump Truck with Used Dump Truck

**Description** **Total Project Cost:** \$40,000  
 In 2011 a used dump truck with plow and de-icing equipment was added to the fleet by purchasing one of Ramsey County's 10 year old vehicles. In 2015 the 2001 used dump truck will be replaced the same way with a 2005 vehicle purchased from Ramsey County.

**Justification**  
 The 2001 dump truck will be 14 years old. A 10 year old used dump truck can be purchased from the Ramsey County fleet.

Expenditures	2012	2013	2014	2015	2016	Total
Equip/Vehicles/Furnishings				40,000		40,000
<b>Total</b>				<b>40,000</b>		<b>40,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Capital Improvement Funds (PI)				40,000		40,000
<b>Total</b>				<b>40,000</b>		<b>40,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 16-Eqp-001  
**Project Name** Large Area Mower

**Description** **Total Project Cost:** \$70,000  
 Replacement of the 1999 Jacobson (model R-5111) 11 foot mower.  
 Ser # 6912902371  
 Hours 2093

**Justification**  
 The Jacobson large area mower will be 17 years old in 2016. We have been spending a significant amount on repairs annually

Expenditures	2012	2013	2014	2015	2016	Total
Equip/Vehicles/Furnishings					75,000	75,000
Estimated Trade-In Value					-5,000	-5,000
<b>Total</b>					<b>70,000</b>	<b>70,000</b>

Funding Sources	2012	2013	2014	2015	2016	Total
Capital Improvement Funds (PI)					70,000	70,000
<b>Total</b>					<b>70,000</b>	<b>70,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 15-17  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 16-Eqp-002  
**Project Name** Purchase Mini-Excavator

**Description**

**Total Project Cost:** \$45,000

This would be an addition to the fleet of the City. Mini-excavator is a small backhoe that can be moved over grass yards without causing damage.

**Justification**

The addition of a mini-excavator to the City fleet would allow the Public Works crew do accomplish small storm water pond maintenance projects in house; such as repair erosion, remove built up sediment at inlets, reestablish riprap erosion protection at inlets and cleaning of ditches or swales. This piece of equipment could also be used to break up frost for watermain break repairs.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings					45,000	45,000
<b>Total</b>					<b>45,000</b>	<b>45,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)					45,000	45,000
<b>Total</b>					<b>45,000</b>	<b>45,000</b>

**Budget Impact/Other**

Would reduce the need to use contractors for small storm water pond maintenance projects.

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 20  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 16-Eqp-003  
**Project Name** 1996 Trailer Replacement (Skidsteer/Roller)

**Description** **Total Project Cost:** \$10,000  
 Replace equipment # 108 - 1996 Redihaul Trailer 12'.  
 VIN #4755122T2V1013037  
 #85108

**Justification**  
 Equipment will be 20 years old.  
 Repair costs for parts and labor:  
 2006 - \$365.37  
 2007 - \$120.96  
 2008 - none to date

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings					10,000	10,000
<b>Total</b>					<b>10,000</b>	<b>10,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment/Building Replacem					10,000	10,000
<b>Total</b>					<b>10,000</b>	<b>10,000</b>

**Budget Impact/Other**  
 Reduce repair costs.

<b>Budget Items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equipment and Vehicle repair					-200	-200
<b>Total</b>					<b>-200</b>	<b>-200</b>

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

**Department** Equipment  
**Contact** Public Works Director  
**Type** Equipment  
**Useful Life** 20  
**Category** Equipment: Public Works  
**Priority** n/a

**Project #** 16-Eqp-004  
**Project Name** Replace Air Compressor

**Description** **Total Project Cost:** \$25,000  
 Replace a 1998 air compressor

**Justification**  
 The current air compressor will be 18 years old in 2016. The air compressor is used for maintaining irrigation systems, jack hammering, installing street sign post, and blowing out cracks prior to crack filling material being applied.

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings					30,000	30,000
Estimated Trade-In Value					-5,000	-5,000
<b>Total</b>					<b>25,000</b>	<b>25,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)					25,000	25,000
<b>Total</b>					<b>25,000</b>	<b>25,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**City of Arden Hills, Minnesota**

2012 *thru* 2016

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

**Project #** 16-EqpV-005  
**Project Name** Replace One-Ton Truck

**Description**

**Total Project Cost:** \$42,000

Replace unit #401 2005 one-ton 4-door diesel truck  
 Vin # 1FTWW31PX6EA41754  
 Milage 52123  
 This truck is equiped with a tailgate lift and winch

**Justification**

This truck will be 11 years old in 2016

<b>Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Equip/Vehicles/Furnishings					48,000	48,000
Estimated Trade-In Value					-6,000	-6,000
<b>Total</b>					<b>42,000</b>	<b>42,000</b>

<b>Funding Sources</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Capital Improvement Funds (PI)					42,000	42,000
<b>Total</b>					<b>42,000</b>	<b>42,000</b>

**Budget Impact/Other**

# 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. A rate analysis was completed in 2008 on the Water, Sanitary Sewer and Surface Water Management Funds. These funds provide the services that most impact the citizens of Arden Hills. The information provided in this section of the budget will enable the City Council to evaluate the impact of policy choices on the long-term fiscal health of the City.

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

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

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

## **Forecasting Assumptions**

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

**CITY OF ARDEN HILLS  
Financial Management Plan Summary DRAFT ONLY**

	2010 Actual	2011		2012		2013		2014		2015		2016 Projected		2017		2018		2019		2020		2021	
		Budget	Budget	Budget	Budget	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%
<b>REVENUE</b>																							
1 GENERAL PROPERTY TAX AND FISCAL DISPARITIES	2,626,229	2,769,892	2,864,211	3,429,817	3,599,335	3,814,351	4,002,877	4,239,709	4,449,286	4,710,170	4,943,054												
2 Adjust for fiscal disp	240,799	300,033	262,344	262,344	262,344	262,344	262,344	262,344	262,344	262,344	262,344												
3 LICENSE AND PERMIT	255,265	252,600	256,850	272,492	280,667	289,087	297,760	306,692	315,893	325,370	335,131												
4 INTERGOVERNMENTAL	118,981	61,000	115,582	115,582	115,582	115,582	115,582	115,582	115,582	115,582	115,582												
5 CHARGES FOR SERVICES	388,737	386,601	425,546	451,462	465,006	478,956	493,324	508,124	523,368	539,069	555,241												
6 FINES/FOREFEITS	27,013	50,441	45,462	48,231	49,678	51,168	52,703	54,284	55,913	57,590	59,318												
7 INTEREST EARNINGS	29,867	40,000	35,000	37,132	38,245	39,383	40,575	41,792	43,046	44,337	45,667												
8 MISC. (See note 1 below)	23,524	36,650	73,712	75,923	78,201	80,547	82,964	85,452	88,016	90,656	93,376												
9 SALE OF ASSETS	0	0	0	0	0	0	0	0	0	0	0												
<b>10 TOTAL REVENUE</b>	<b>3,710,415</b>	<b>3,897,217</b>	<b>4,078,707</b>	<b>4,474,181</b>	<b>4,695,260</b>	<b>4,891,404</b>	<b>5,133,844</b>	<b>5,350,617</b>	<b>5,616,543</b>	<b>5,866,088</b>	<b>6,147,838</b>												
11																							
<b>12 EXPENDITURES</b>																							
13 GENERAL GOVERNMENT	1,010,162	1,058,675	1,118,326	1,174,242	1,232,954	1,294,602	1,359,332	1,427,269	1,498,664	1,573,597	1,652,277												
14 PUBLIC SAFETY	1,561,046	1,647,970	1,707,329	1,792,695	1,882,330	1,976,447	2,075,269	2,179,033	2,287,984	2,402,363	2,522,603												
15 PUBLIC WORKS	322,795	280,983	304,556	295,032	319,784	309,784	335,773	325,273	352,562	341,537	370,190												
16 CULTURE AND RECREATION	605,211	656,778	673,915	707,611	742,991	780,141	819,148	860,105	903,111	948,266	995,679												
17 ECONOMIC DEVELOPMENT	0	0	0	0	0	0	0	0	0	0	0												
18 MISCELLANEOUS	0	20,211	0	0	0	0	0	0	0	0	0												
19 CAPITAL OUTLAY	0	0	0	0	0	0	0	0	0	0	0												
20 GENERAL GOVERNMENT	0	0	0	0	0	0	0	0	0	0	0												
21 PUBLIC SAFETY	0	0	0	0	0	0	0	0	0	0	0												
22 PUBLIC WORKS	0	0	0	0	0	0	0	0	0	0	0												
23 CULTURE AND RECREATION	0	0	0	0	0	0	0	0	0	0	0												
24 TRANSFER OUT	0	0	0	0	0	0	0	0	0	0	0												
25 CAPITAL EQUIPMENT	40,000	40,000	40,000	42,000	44,100	46,305	48,620	51,051	53,604	56,284	59,098												
26 1988 GO BONDS	0	0	0	0	0	0	0	0	0	0	0												
EDA	12,600	12,600	0	0	0	0	0	0	0	0	0												
27 TCAAP	0	0	0	0	0	0	0	0	0	0	0												
28 STREET RECONSTRUCTION	200,000	200,000	200,000	210,000	220,500	231,525	243,101	255,256	268,019	281,420	295,491												
29	0	0	0	0	0	0	0	0	0	0	0												
<b>30 TOTAL EXPENDITURES</b>	<b>3,751,814</b>	<b>3,917,217</b>	<b>4,044,126</b>	<b>4,221,561</b>	<b>4,442,660</b>	<b>4,638,803</b>	<b>4,881,244</b>	<b>5,098,017</b>	<b>5,363,943</b>	<b>5,603,487</b>	<b>5,895,238</b>												
31																							
<b>32 REVENUE OVER (UNDER) EXPENSES</b>	<b>(41,399)</b>	<b>(20,000)</b>	<b>34,581</b>	<b>252,600</b>																			
33																							
<b>34 BEGINNING FUND BALANCE</b>	<b>1,850,765</b>	<b>1,430,670</b>	<b>1,410,670</b>	<b>1,663,270</b>	<b>1,915,870</b>	<b>2,168,471</b>	<b>2,421,071</b>	<b>2,673,671</b>	<b>2,926,271</b>	<b>3,178,871</b>	<b>3,431,472</b>												
35																							
36 Transfer In																							
37 Transfers Out																							
<b>38 ENDING FUND BALANCE</b>	<b>378,696</b>	<b>270,266</b>	<b>252,600</b>																				
39																							
<b>40</b>	<b>1,430,670</b>	<b>1,410,670</b>	<b>1,663,270</b>	<b>1,915,870</b>	<b>2,168,471</b>	<b>2,421,071</b>	<b>2,673,671</b>	<b>2,926,271</b>	<b>3,178,871</b>	<b>3,431,472</b>	<b>3,684,072</b>												
41																							
42																							
<b>43 GENERAL FUND OPERATING TAX LEVY</b>	<b>2,948,646</b>	<b>3,016,465</b>	<b>3,040,964</b>	<b>3,496,932</b>	<b>3,692,161</b>	<b>3,861,679</b>	<b>4,076,695</b>	<b>4,265,221</b>	<b>4,502,053</b>	<b>4,711,630</b>	<b>4,972,514</b>												
44																							
<b>44 ANNUAL INCREASE</b>		<b>2.3%</b>	<b>0.8%</b>	<b>15.0%</b>	<b>5.6%</b>	<b>4.6%</b>	<b>5.6%</b>	<b>4.6%</b>	<b>5.6%</b>	<b>4.7%</b>	<b>5.6%</b>												





**Notes:**

## APPENDIX

### SUMMARY OF TAX LEVIES, PAYMENT PROVISIONS, AND MINNESOTA REAL PROPERTY VALUATION

The following is a summary of certain statutory provisions effective 2005 relative to tax levy procedures, tax payment and credit procedures, and the mechanics of real property valuation. The summary does not purport to be inclusive of all such provisions or of the specific provisions discussed, and is qualified by reference to the complete text of applicable statutes, rules and regulations of the State of Minnesota.

Chapter 21, Laws of Minnesota Special Session 2003-1 was passed by the 2003 Minnesota Legislature and signed by the Governor on June 8, 2003. The enactment of this legislation caused changes for payable years 2003 and thereafter. These changes are incorporated in the following discussions.

#### **Property Valuations (Chapter 273, Minnesota Statutes)**

##### Assessor's Estimated Market Value

Each parcel of real property subject to taxation must, by statute, be appraised at least once every five years as of January 2, of the year of appraisal. With certain exceptions, all property is valued at its market value, which is the value the assessor determines to be the price the property to be fairly worth, and which is referred to as the "Estimated Market Value."

##### Indicated Market Value

Because the Estimated Market Value as determined by an assessor may not represent the price of real property in the marketplace, the "Indicated Market Value" is generally regarded as more representative of full value. The Indicated Market Value is determined by dividing the Estimated Market Value of a given year by the same year's sales ratio determined by the State Department of Revenue. The sales ratio represents the overall relationship between the Estimated Market Value of property within the taxing unit and the actual selling price.

##### Net Tax Capacity

The Net Tax Capacity is the value upon which net taxes are levied, extended and collected. The Net Tax Capacity is computed by applying the class rate percentages specific to each type of property classification against the Estimated Market Value. Class rate percentages vary depending on the type of property as shown on page 250 of the Appendix. The formulas and class rates for converting Estimated Market Value to Net Tax Capacity represent a basic element of the State's property tax relief system and are subject to annual revisions by the State Legislature.

Property taxes are determined by multiplying the Net Tax Capacity by the tax capacity rate, expressed as a percentage.

**Property Tax payments and Delinquencies  
(Chapters 276, 279-282 and 549, Minnesota Statutes)**

Ad valorem property taxes levied by local governments in Minnesota are extended and collected by the various counties within the State. Each taxing jurisdiction is required to certify the annual tax levy to the county auditor within five (5) working days after December 20 of the year proceeding the collection year. A listing of property taxes due is prepared by the county auditor and turned over to the county treasurer on or before the first business day in March.

The county treasurer is responsible for collecting all property taxes within the county. Real estate and personal property tax statements are mailed out by March 31. One-half (1/2) of the taxes on real property is due on or before May 15. The remainder is due on or before October 15. Real property taxes not paid by their due date are assessed a penalty which, depending on the type of property, increases from 2% to 4% on the day after the due date. In the case of the first installment of real property taxes due May 15, the penalty increases to 4% or 8% on June 1. Thereafter, an additional 1% penalty shall accrue each month through October 1 of the collection year for unpaid real property taxes. In the case of the second installment of real property taxes due October 15, the penalty increases to 6% or 8% on November 1 and increases again to 8% or 12% on December 1. Personal property taxes remaining unpaid on May 16 are deemed to be delinquent and a penalty of 8% attaches to the unpaid tax. However, personal property owned by a tax-exempt entity, but which is treated as taxable by virtue of a lease agreement, is subject to the same delinquent property tax penalties as real property.

On the first business day of January of the year following collection, all delinquencies are subject to an additional 2% penalty; those delinquencies outstanding as of February 15 are filed for a tax lien judgment with the district court. By March 20 the clerk of court files a publication of legal action and a mailing notice of action to delinquent parties. Those property interests not responding to this notice have judgment entered for the amount of the delinquency and associated penalties. The amount of the judgment is subject to a variable interest determined annually by the Department of Revenue, and equal to the adjusted prime rate charged by banks, but in no event is the rate less than 10% or more than 14%.

Property owners subject to a tax lien judgment generally have five years (5) in the case of all property located outside of cities or in the case of residential homestead, agricultural homestead and seasonal residential recreational property located within cities or three (3) years with respect to other types of property to redeem the property. After expiration of the redemption period, unredeemed properties are declared tax forfeit with title held in trust by the State of Minnesota for the respective taxing districts. The county auditor, or equivalent thereof, then sells those properties not claimed for a public purpose at auction. The net proceeds of the sale are first dedicated to the satisfaction of outstanding special assessments on the parcel, with any remaining balance in most cases being divided on the following basis: county – 40%; Township or City – 20%; and school district – 40%.

## **Property Tax Credits (Chapter 273, Minnesota Statutes)**

In addition to adjusting the taxable value for various property types, primary elements of Minnesota's property tax relief system are: property tax levy reduction aids; the circuit breaker credit, which relates property taxes to income and provides relief on a sliding income scale; and targeted tax relief, which is aimed primarily at easing the effect of significant tax increases. The circuit breaker credit and targeted credits are reimbursed to the taxpayer upon application by the taxpayer. Property tax levy reduction aid includes educational aids, local governmental aid, equalization aid, market value homestead credit and disparity reduction aid.

Beginning in 2012 the State has eliminated the market value homestead credit (MVHC) program and replaced it with a market value exclusion (MVE) program. Under the MVHC, local governments levied the amount needed in property taxes to operate their jurisdiction. The State then provided residential property owners a credit of \$304 on homes valued \$76,000 or less in market value and decreased the credit by 0.09% of market value until \$0 credit was provided on homes valued \$413,800 or above. The State then reimbursed the local government for the total credit amount. However the State only fully funded the program twice in the ten years the program existed.

The MVE will exclude a portion of a homestead market value from taxation. The exclusion equals 40% of the first \$76,000 in market value and is reduced by 9% of the market value over \$76,000 until it hits \$0 at \$413,800 of market value.

## **Levy Limitations for Counties and Cities (M.S. 275.70 to 275.74)**

The 2008 State Governor and Legislature re-imposed levy limits for the budget years 2009, 2010, and 2011. Tax increases are limited to 3.9% or the increase in the implicit price deflator – whichever is less but cannot go below 0%. The tax levy can also be increased by ½ the increase in growth.

Certain property tax levies are authorized outside of the new overall levy limitation ("special levies"). Special levies do not include levies for bonded indebtedness on installment payments on conditional sales contracts, state-aid road bonds, contracts for deed, tax increment revenue bonds, and lease payments under certificates of participation. In order to receive approval for any special levy claims outside of the overall levy limitation, requests for such special levies must be submitted to the Property Tax Division of the Department of Revenue on or before September 15<sup>th</sup> in the year in which the levy is to be made for collection in the following year. The Department of Revenue has the authority to approve, reduce or deny a special levy request. Home-rule charter cities are authorized to exceed any levy limits and referendum requirements contained in their city charters and increase their property tax levies if such increases are necessary to offset the 2004 LGA reductions. Final adjustments to all levies must be made to the Department of Revenue on or before December 10<sup>th</sup>.

Levy limits were removed for taxes payable beginning in 2012, but could be reinstated in future years.

## **Debt Limitations**

All Minnesota municipalities (county, cities, townships and school districts) are subject to statutory “net debt” limitations under the provisions of Minnesota Statutes, Section 475.53. Net debt is defined as the amount remaining after deducting from gross debt the amount of current revenues which are applicable within the current fiscal year to the payment of any debt and the aggregation of the principal of the following:

1. Obligations issued for improvements which are payable wholly or partially from the proceeds of special assessments levied upon benefited property.
2. Warrants or orders having no definite or fixed maturity.
3. Obligations payable wholly from the income from revenue producing conveniences.
4. Obligations issued to create or maintain a permanent improvement revolving fund.
5. Obligations issued for the acquisition and betterment of public waterworks systems and public lighting, heating or power systems, and any combination thereof, or for any other public convenience from which revenue is or may be derived.
6. Certain debt service loans and capital loans made to school districts.
7. Certain obligations to repay loans.
8. Obligations specifically excluded under the provision of law authorizing their issuance.
9. Certain obligations to pay pension fund liabilities.
10. Debt service funds for the payment of principal and interest on obligations other than those described above.

## **Levies for General Obligation Debt (Sections 475.61 and 475.74, Minnesota Statutes)**

Any municipality which issues general obligation debt must, at the time of issuance, certify levies to the county auditor of the county(ies) within which the municipality is situated. Such levies shall be in an amount that if collected in full will, together with estimates of other revenues pledged for payment of the obligations, produce at least five percent in excess of the amount needed to pay principal and interest when due. Notwithstanding any other limitations upon the ability of a taxing unit to levy taxes, its ability to levy taxes for a deficiency in prior levies for payment of general obligation indebtedness is without limitation as to rate or amount.

## **Metropolitan Revenue Distribution (Chapter 473F, Minnesota Statutes) “Fiscal Disparities Law”**

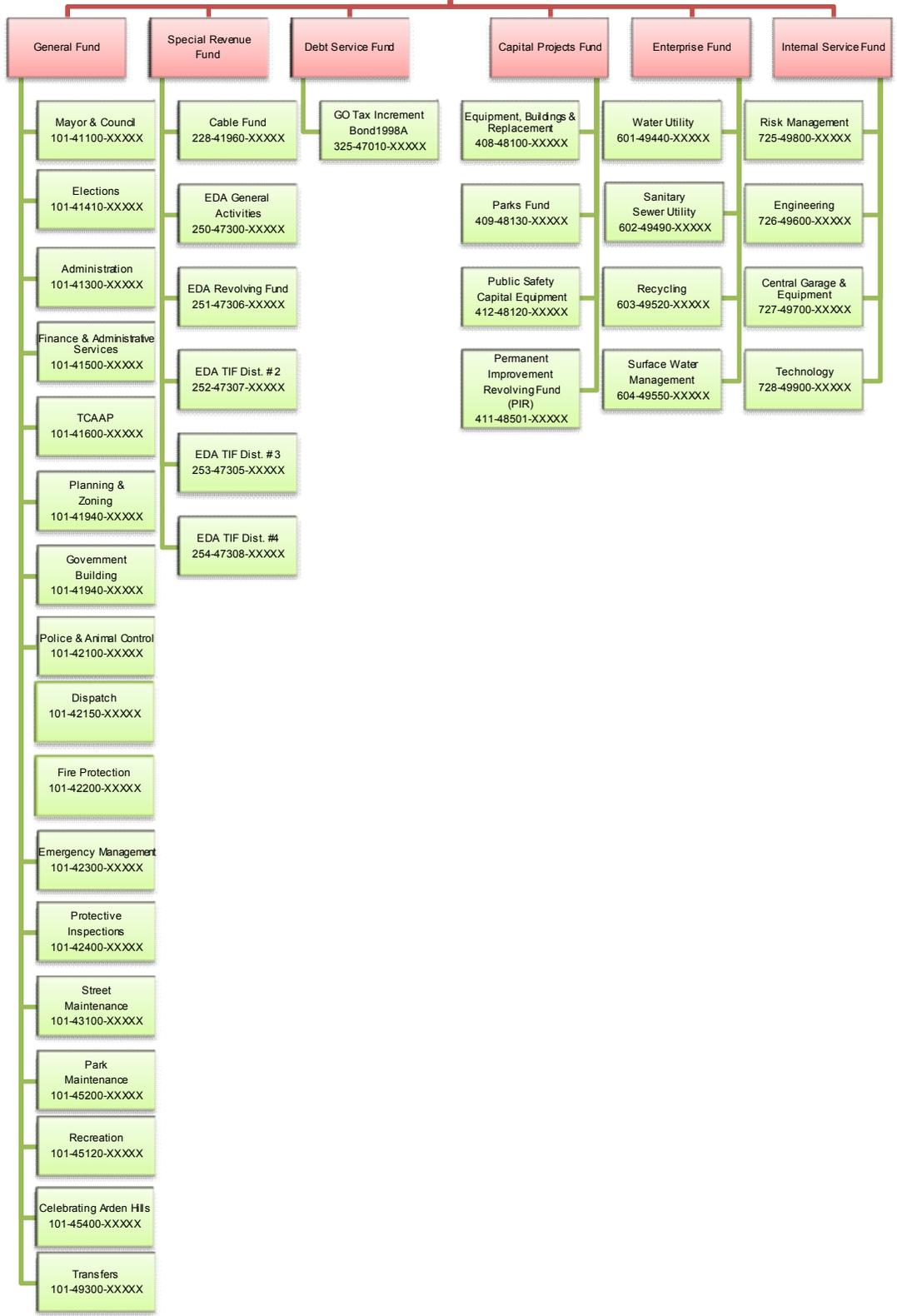
The Charles R. Weaver Metropolitan Revenue Distribution Act, more commonly known as “Fiscal Disparities” was first implemented for taxes payable in 1975. Forty percent of the increase in commercial-industrial (including public utility and railroad) net tax capacity valuation since 1971 in each assessment district in the Minneapolis/St. Paul

seven-county metropolitan area (Anoka, Carver, Dakota excluding the City of Northfield, Hennepin, Ramsey, Scott excluding the City of New Prague, and Washington Counties) is contributed to an area-wide tax base. A distribution index, based on the factors of population and real property market value per capita, is employed in determining what proportion of the net tax capacity value in the area-wide tax base shall be distributed back to each assessment district.

**STATUTORY FORMULAE CONVERSION OF ESTIMATED MARKET VALUE  
(EMV) TO NET TAX CAPACITY FOR MAJOR PROPERTY  
CLASSIFICATIONS**

<u>General Classification</u>	<u>Net Tax Capacity Levy Year 1999</u>	<u>Net Tax Capacity Levy Year 2000 &amp; 2001</u>	<u>Net Tax Capacity Levy Year 2002 – 2012</u>
Residential Homestead	First \$75,000 of EMV at 1%. EMV in excess of \$75,000 at 1.7%.	First \$76,000 of EMV at 1%. EMV in excess of \$76,000 at 1.65%.	First \$500,000 of EMV at 1%. Over \$500,000 at 1.25%.
Residential Non-Homestead	2.5% of EMV.	2.4% of EMV.	1.8% of EMV.
Agricultural Land Homestead	First \$115,000 of EMV on first 320 acres at .35%. EMV in excess of \$115,000 on first 320 acres at .8%. EMV in excess of \$115,000 over 320 acres at 1.25%.	First \$115,000 of EMV on first 320 acres at .35%. EMV in excess of \$115,000 on first 320 acres at .8%. EMV in excess of \$115,000 over 320 acres at .80%.	First \$600,000 of EMV at .55%. Over \$600,000 at 1%.
Agricultural Land Non-Homestead	1.25% of EMV.	1.20% of EMV.	1.00% of EMV.
Commercial/ Industrial/Utility	First \$150,000 of EMV at 2.45%. EMV in excess of \$150,000 at 3.5%.	First \$150,000 of EMV at 2.40%. EMV in excess of \$150,000 at 3.4%.	First \$150,000 of EMV at 1.5%. EMV in excess of \$150,000 at 2.0%.

City of Arden Hills  
Financial System 2012



The City has the following Major Funds

General Fund	Page 63
EDA Operating Fund	Page 108
Tax Increment Bonds	Page 117
Permanent Improvement Revolving Fund	Page 124
Parks Fund	Page 128



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## **Glossary of Budget Terms**

### **Account**

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

### **Accounts Payable**

Amounts owed to others for goods or services received.

### **Accounts Receivable**

Amounts due from others for good 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.

# Glossary of Budget Terms

## **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.

# Glossary of Budget Terms

## **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.

# Glossary of Budget Terms

## **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.

# Glossary of Budget Terms

## **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-charge 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.

# Glossary of Budget Terms

## **Expenditure**

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

## **Fines**

Revenues from penalties imposed for violation of laws or regulations.

## **Fiscal Disparities**

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

## **Fiscal Policy**

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

## **Fiscal Year**

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

## **Fixed Assets**

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

## **Full Time Equivalent (FTE)**

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

## **Function**

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

# Glossary of Budget Terms

## **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 fund's assets and fund liabilities (the equity) in governmental funds.

## **General Fund**

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

## **General Government**

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

## **General Obligation Bonds**

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

## **Goal**

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

## **Governmental Accounting**

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

## **Governmental Fund Types**

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

## **Grant**

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

# Glossary of Budget Terms

## **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.

# Glossary of Budget Terms

## **Limited Market Value**

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

## **Line Item**

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

## **Local Government Aid (LGA)**

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

## **Long-Term Debt**

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

## **Maintenance**

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

## **Market Value Homestead Credit (MVCH)**

State paid property tax reduction on owner occupied homes based on the properties 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.

## **Glossary of Budget Terms**

### **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 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.

# Glossary of Budget Terms

## **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.

# Glossary of Budget Terms

## **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. The current tax rates and property classifications can be found on page 36.

## **Tax Capacity Rate**

Tax rate applied to tax capacity to generate property tax revenue. The rate is obtained by dividing the property tax levy by the available tax capacity.

## **Tax Classification Rate**

Rate at which estimated market values are converted into the property tax base. The classification rates are assigned to properties depending on their type (residential, commercial, farm, etc.) and, in some cases there are two tiers of classification rates, with the rate increasing as the estimated market values increases.

## **Glossary of Budget Terms**

### **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.

# Glossary of Budget Terms

**Workload Data**

A unit of work to be done.

## Acronyms

ACS	Animal Control Services
CAFR	Comprehensive Annual Financial Report
CD	Certificate of Deposit
CIP	Capital Improvement Plan
CP	Commercial Paper
CPI	Consumer Price Index
HACA	Homestead and Agricultural Credit Aid
EBI	Effective Buying Income
EDA	Economic Development Authority
EMV	Estimated Market Value
FHLB	Federal Home Loan Bank
FNMA	Federal National Mortgage Association
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principals
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officer's Association
GO	General Obligation
I&I	Inflow & Infiltration
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
UVTA	Utility Valuation Transition Aid
WAC	Water Availability Charge