

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. APPROVAL OF AGENDA

3. PRESENTATIONS AND PROCLAMATIONS

- a. 2025 Management and Annual Comprehensive Financial Report
- b. Leprechuan Days Update

4. RESPONSE TO PUBLIC COMMENT

5. PUBLIC COMMENT

Individuals will be allowed to address the Council on subjects that are not a part of the meeting agenda. Typically, replies to the concerns expressed will be made via letter or phone call within a week or at the following council meeting.

6. CONSENT AGENDA

- a. Bill Listings
- b. Minutes of the June 23, 2026 City Council and Plan
- c. Minutes of the July 7, 2026 Regular Meeting Minutes
- d. Minutes of the July 7, 2026 Work Session Proceedings
- e. City Council Compensation
- f. Authorization for Temporary Street Closings and Adding of Events to Service Agreement
- g. Request by Marcus Ramos and KDP Biscayne, LLC for a Conditional Use Permit for a Major Auto Repair Business located within the Biscayne Business Park.
- h. 2027 SIP - Engineering Services & Feasibility Report
- i. Re-Designation of Precinct 1 Polling Place for 2026 Elections
- j. Donation Acceptance from American Legion

7. PUBLIC HEARINGS

8. UNFINISHED BUSINESS

9. NEW BUSINESS

- a. Dunmore Greenway Trail - Accept Bids and Award a Contract

10. ANNOUNCEMENTS

- a. City Staff Updates
- b. Upcoming Community Calendar

11. ADJOURNMENT

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: 2025 Management and Annual Comprehensive Financial Report	AGENDA SECTION: PRESENTATIONS AND PROCLAMATIONS
PREPARED BY: Teah Malecha, Administrative Services Director	AGENDA NO. 3.a.
ATTACHMENTS: 2025 Annual Comprehensive Financial Report, 2025 Management Report, 2025 Special Purpose Report	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to accept the 2025 financial reports.	

BACKGROUND

Each year the City's financial records are audited by an independent public accounting firm. The goal of an independent audit is to provide reasonable assurance that the City's financial statements are free of material misstatement. The audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

Management assumes full responsibility for the completeness, accuracy, and reliability of the information presented in the Annual Report. To provide a reasonable basis for making these representations, management has established a comprehensive internal framework that is designed both to protect the government's assets from loss, theft or misuse, and to provide sufficient, reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The cost of internal controls should not outweigh their benefits. Therefore, the City of Rosemount's comprehensive framework of internal control has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, the financial report is complete and reliable in all material respects.

The City's financial records have been audited by LB Carlson LLP. Based upon their audit, they concluded there was reasonable basis for rendering an unmodified opinion that the City of Rosemount's financial statements for the fiscal year ended December 31, 2025 are fairly presented in conformity with GAAP. An unmodified opinion is issued when the independent auditor believes that the City's financial statements are sound; that is, the statements are free from material misstatement. Representatives of the audit firm will be at the City Council meeting to review this year's audit, provide a financial overview of the City's 2025 results, and answer questions. A copy of this year's Management Report, Special Purpose Reports, and the Annual Report are attached.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rosemount for its Annual Report for the year ended

December 31, 2024. This was the 29th year the city received this prestigious national award. In order to be awarded this Certificate of Achievement, the government needs to publish an easily readable and efficiently organized Annual Report and has satisfied both GAAP and applicable legal requirements. The Certificate of Achievement is valid for a period of only one year and we believe the current Annual Report continues to meet the Certificate of Achievement program requirements. We have submitted the 2025 report to the GFOA to determine eligibility for another certificate.

As stated earlier, the responsibility for both accuracy and completeness of the financial records rests with the City. This is not accomplished by one person. It takes everyone working together to make this possible. The Finance Division has done an excellent job of maintaining the City's financial records. The division continues to undergo changes to increase efficiency which results in new processes to learn. Staff continues to do all work with a high degree of accuracy and should be proud of what they do.

City staff members diligently code and/or review invoices for payment, enter receipts, submit supporting documentation, answer our many questions and are conscientious and conservative with their spending. These activities directly contribute to the accuracy and completeness of the City's financial records and improved financial strength. Thank you to staff for paying close attention to detail, patience with complying with our numerous accounting requirements, some of which seem very tedious to those outside of Finance, and their willingness to learn new ways to process information.

The auditors did an excellent job. They were organized and asked great questions. The process went smoothly, and they continue to expand their depth and understanding of the City and its processes and policies.

Thank you, Mayor and members of the City Council for your willingness to do what you believe is best for the City long-term. It is not easy as it is a constant balancing act. You work hard to continue strengthening the City while maintaining the services we provide.

RECOMMENDATION

Staff recommends the Council accept the 2025 financial reports.

ANNUAL COMPREHENSIVE FINANCIAL REPORT

2025



Year ended Dec 31, 2025
City of Rosemount, Minnesota



CITY OF ROSEMOUNT
DAKOTA COUNTY, MINNESOTA

Annual Comprehensive
Financial Report

Year Ended
December 31, 2025

Prepared by the Departments of
Administration and Finance

Logan Martin, City Administrator
Teah Malecha, Administrative Services Director

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CITY OF ROSEMOUNT

Table of Contents

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	i–x
GFOA Certificate of Achievement	xi
Organizational Chart	xii
City Officials	xiii
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1–3
MANAGEMENT’S DISCUSSION AND ANALYSIS	4–15
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	16
Statement of Activities	17–18
Fund Financial Statements	
Governmental Funds	
Balance Sheet	19–20
Reconciliation of the Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	22–23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	25–26
Proprietary Funds	
Statement of Net Position	27–28
Statement of Revenues, Expenses, and Changes in Fund Net Position	29–30
Statement of Cash Flows	31–32
Notes to Basic Financial Statements	33–68
REQUIRED SUPPLEMENTARY INFORMATION	
PERA – General Employees Retirement Fund	
Schedule of City’s and Nonemployer Proportionate Share of Net Pension Liability	69
Schedule of City Contributions	69
PERA – Public Employees Police and Fire Fund	
Schedule of City’s and Nonemployer Proportionate Share of Net Pension Liability	70
Schedule of City Contributions	70
Rosemount Fire Department Relief Association	
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios	71–72
Schedule of City Contributions	73
Other Post-Employment Benefits Plan	
Schedule of Changes in the City’s Total OPEB Liability and Related Ratios	74
Notes to Required Supplementary Information	75–84

CITY OF ROSEMOUNT

Table of Contents (continued)

	Page
SUPPLEMENTARY INFORMATION	
Combining and Individual Fund Statements and Schedules	
Nonmajor Special Revenue Funds	
Combining Balance Sheet	85–86
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	87–88
Budgetary Comparison Schedules	
Building CIP Capital Project Sub-Fund	89
Street CIP Capital Project Sub-Fund	90
Equipment CIP Capital Project Sub-Fund	91
Nonmajor Enterprise Funds	
Combining Statement of Net Position	92
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	93
Combining Statement of Cash Flows	94
STATISTICAL SECTION (UNAUDITED)	
STATISTICAL TABLES	
Net Position by Component	95–96
Changes in Net Position	97–100
Fund Balances of Governmental Funds	101–102
Changes in Fund Balances of Governmental Funds	103–104
Tax Capacity Value and Estimated Actual Value of Taxable Property	105–106
Property Tax Rates – Direct and Overlapping Governments	107
Principal Property Taxpayers	108
Property Tax Levies and Collections	109
Ratios of Outstanding Debt by Type	110–111
Ratios of Net General Bonded Debt Outstanding	112–113
Direct and Overlapping Governmental Activities Debt	114
Legal Debt Margin Information	115–116
Pledged Revenue Coverage	117
Demographic and Economic Statistics	118
Principal Employers	119
Full-Time Equivalent City Government Employees by Function	120–121
Operating Indicators by Function	122–123
Capital Asset Statistics by Function	124–125

INTRODUCTORY SECTION

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June 25, 2026

To the Honorable Mayor, Council Members, and the Citizens of the City of Rosemount:

Minnesota Statutes require that all cities issue an annual financial report on their financial position and activity prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Rosemount, Minnesota (the City) for the fiscal year ended December 31, 2025.

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

As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The City's financial statements have been audited by LB Carlson, LLP a professional firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City was established as a municipal corporation in 1858 and became a statutory City in 1974. The City has a Mayor-Council form of government, with the four City Council members being elected to overlapping four-year terms of office and the Mayor serving a four-year term coinciding with the terms of two of the City Council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's chief administrative officer. The City's chief administrative officer is the City Administrator, who is appointed by and serves at the discretion of the City Council. The City Administrator is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the heads of the City's various departments, with the City Council's final approval.

The City is a growing southern suburb in the Minneapolis/St. Paul metropolitan area, located in Dakota County. The City encompasses approximately 36 square miles. With an approximate population of 28,000 residents, the City is one of the fastest growing communities in the seven-county Minneapolis/St. Paul metropolitan area as demonstrated by the following population trend. In May of 2025, the U.S. Census Bureau released data noting the City as the ninth fastest growing city in the United States in cities with populations of 20,000 or more. Between July 1, 2023 and July 1, 2024, the City experienced a 10.6 percent population increase, reaching an estimated total population of 30,581. The following shows recent population trends:

	<u>Population</u>	<u>Population Increase</u>	<u>Percent Increase</u>
2020 Census	25,650	3,776	17%
2010 Census	21,874	7,255	50%
2000 Census	14,619	5,997	70%
1990 Census	8,622	3,539	70%
1980 Census	5,083	1,049	26%
1970 Census	4,034		

The City has an extensive system of state and county highways and 139 miles of city streets that continue to contribute to the community's growth. This extensive highway network and large tracts of attractive, developable land have made the City an ideal location for residential development and increasingly commercial/industrial development. There are approximately 3,044 acres of industrial and commercially designated property guided for development. There are also slightly less than 830 acres within the Municipal Service Area (MUSA) to permit future residential growth. Rail, air, barge, and freeway access provides the City's economic community with an expedient transportation system. Four major highways link the City to Minneapolis, St. Paul, and the rest of the metropolitan area.

The City provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; water, sewer, and storm water services; and recreational activities and cultural events. Certain economic development services are provided through the Rosemount Port Authority. The Rosemount Port Authority's financial data has been presented in this financial report as a blended component unit.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City submit requests for appropriation to the City Administrator on or before May 15th of each year. The City Administrator uses these requests as the starting point for developing a proposed budget. The City Administrator then presents this proposed budget to the City Council for review and adoption of a preliminary levy by September 30th. The City Council holds a public hearing on the proposed budget and must adopt a final budget and levy by no later than December 28th, prior to the close of the City's fiscal year.

The approved budget is prepared by fund, department, and function. The City's department heads may make transfers of appropriations within a department; transfers of appropriation between departments require approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted. For the General Fund, this comparison is presented as a part of the basic financial statements.

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy – The City is a growing community experiencing rapid growth within the last decade. 2025 had the third-highest year in new permit valuation with a total exceeding \$201 million. In total, there were 572 new dwelling units in 2025 (up from 517 in 2024); 280-single family, 149 townhome units, and 143 apartments.

While the community continues to grow, ample land for residential, commercial, and industrial development is still available, with the community projected to keep expanding post 2050. Growth is focused on the central portion of the City, centered near County Road 42/County Road 73. This area contains nearly 1,000 recently completed or under construction multi-family homes, and three actively developing commercial quadrants.

Additional development opportunities exist in the southeastern portion of the developing area, within the University of Minnesota (UMore) 3,000-acre landholding, and to the east, which is primarily farmed until future pressures modify the land uses. The first mixed-use development in UMore was approved in 2021. Amber Fields consists of 435 acres, which will build out to approximately 2,000 new housing units. Subsequently, the University of Minnesota sold approximately 280 acres of business park land to Meta (dba Jimnist, LLC) in 2023 for a 715,000 square foot data center currently under construction. Completion of the \$800 million facility is expected in late 2026. In 2004, the University of Minnesota sold 70 acres to Independent School District 196 for a new Rosemount Middle School currently under construction and scheduled to open in the fall of 2027. In late 2025, the University of Minnesota sold 60 acres to North Wind Test, LLC for a \$1.4 billion aerospace testing and research facility. These large projects continue to bolster the City's tax base and add to the resiliency of the local economy.

Recent multifamily projects include a 212-unit market rate development by Roers (Wicklows Apartments) on the northwest corner of Akron Avenue and County Road 42, a 160-unit affordable apartment project from Real Estate Equities (The Landing at Amber Fields) on the southwest corner of Akron and 42, and construction of 164 affordable units and approval of 141 market rate units by Schafer Richardson (Croft and Copper at Rosecott) just northeast of Akron Avenue and Connemara Trail.

On the commercial and industrial side of development, projects continue at a steady pace. Significant projects include completion and opening of a 560,000 square foot FedEx distribution facility and Spectro Alloys completed a \$70 million expansion of their aluminum recycling business. Approval, start of construction, or recent completion occurred on three daycares, a bank with an interior bakery and coffee shop, a credit union, a car wash, and several other projects also took place in 2025.

Community leadership has preserved 623 beautiful acres of land for 34 parks. In 2025, the playground was replaced at Dallara. Bordered by the scenic Mississippi River, the City also contains 270 acres of the Spring Lake Regional Park Preserve, owned and operated by Dakota County. The City's Community Center, a part of the Army National Guard, provides a variety of indoor recreation opportunities and meeting spaces, including an ice arena, gymnasium, classrooms, auditorium, and banquet facility. In 2015, the City opened a 10,000 square foot addition to the Steeple Center to house a variety of senior activities and community events.

Given the underlying strength of the economy in the seven-county metropolitan area, the diversification of tax and employment bases and the City's desirable location, the outlook is very optimistic.

Long-Term Financial Planning – Growth and development in the City are guided by the approved 2040-Comprehensive Plan. That plan is generally consistent with the goals and objectives of the previous 2030 Plan with the exception that additional land has been brought into the MUSA to permit further residential development within the community. The City's population for the 2020 Census was 25,650 with the projections for 2030 and 2040 at 32,500 and 38,000, respectively.

Asset Management and GIS – In 2025, we successfully completed the transition to our cloud-based GIS infrastructure. This migration enhanced system stability, security, and accessibility while positioning the organization for long term scalability and improved disaster recovery. With the cloud environment fully operational, staff shifted focus from implementation to optimization, ensuring departments are effectively leveraging the new platform.

Further integration between OpenGov Enterprise Asset Management and our enterprise GIS environment remained a priority. Strengthening this connection improved data synchronization, reporting accuracy, and cross departmental visibility into asset conditions and work activities. We also began integrating OpenGov with a new Automated Vehicle Location system, expanding real time operational awareness and improving coordination of fleet and field operations.

To support more strategic decision making, we launched the Scenario Builder module within OpenGov. This tool enhances our ability to evaluate infrastructure and fleet investment options, model long term impacts, and support Capital Improvement Plan development with defensible, data driven analysis.

We continued prioritizing data quality, quality assurance and quality control, and ongoing maintenance of citywide datasets. As the City continues to experience rapid growth, sustained attention to data governance, accuracy, and system maintenance remains essential to supporting reliable analysis, operational efficiency, and high-quality services for residents.

Capital Improvement Projects – The Public Works Department Operational Divisions coordinated and/or completed the following capital improvement projects in 2025:

- Contracted cleaning and televising of approximately 3 miles of large diameter sanitary sewers.
- Installed brand new VFD's at Well #8 and #9.
- Implemented a new telematics product called Precise MRM into the Public Works vehicles and equipment. It assists in recording snow plowing data such as material usage, plow location, speed, plow up or down and helps monitor possible issues in the equipment.
- 141st and Addison Avenue intersection improvement and pedestrian crossing adjustment
- New Well pump and rehab at Well #8 .
- Purchased new Cold Planer.
- Power washed East side tower.
- Televised 1/3 of the city sanitary sewer system.
- Replaced two large area turf mowers (lease program).
- Replaced a zero-turn mower (lease program).
- Continued bleacher replacement program.
- Painted Birch Park shelter.
- Replaced six 1-ton trucks.
- Replaced one ½ ton truck.

City Construction Projects

- 2025 Neighborhood Infrastructure Improvements – Street reclamation project of 143rd Street West, Upper 143rd Street West, 144th Street West, Chili Avenue, Cantata Avenue, Canada Avenue, and Cameo Avenue. Scope also included spot repair of curb and gutter, minor utility work, pedestrian crossing improvements and sewer lining. Most work was completed by the fall of 2025.
- Minnesota Trunk Highway 3 Roundabout – This was a cooperative project between the Minnesota Department of Transportation and the City to construct a roundabout at the entrance to the Rosemount High School. Scope also included the relocation of a City water main to the west of the improvements.
- Pavement Management Program – In 2025, there were 9.08 miles of local roads that were seal coated and an additional 4.27 miles treated with Reclamite pavement rejuvenator. Maintenance also included routing and seal of cracks along 5.37 miles of roadway.
- Well No. 17 – drilling of this new water supply well was completed in early summer of 2025 and transitioned to construction of the well house. The project is expected to be completed in the spring of 2026, with activation of the well in summer of 2026.

Private Developer Construction Projects

- Amber Fields Commercial Road (147th Street West) – This is a future public street that connects Abbeyfield Avenue to Akron Avenue along the south side of a future commercial site. Maplewood Development is the developer.
- Amber Fields 20th Addition – This subdivision is the 20th phase of Amber Fields development along the southern portion of the master development and consists of 49 single family homes by developer Maplewood Development. There will be a mix of builders.
- Amber Fields 21st Addition – This subdivision is the 21st phase of Amber Fields development at the southeastern edge of the master development and consists of 91 single family homes by developer Maplewood Development. Lennar Homes will be the builder.
- Aspen Fields – This subdivision is located east of Aspen Avenue and consists of a mix of multifamily and commercial uses. Aspen Field, LLC is the developer.
- Kwik Trip (in Prestwick Place 24th Addition).
- My Credit Union (in Rosewood Commons 3rd Addition).
- O2B Child Care (in Prestwick Place 24th Addition).
- Meta Data Center – Began construction in early 2024, with site preparation and heavy grading activity. Civil infrastructure within the site, and also within the future public street corridors of Blaine Avenue and Audrey Avenue alongside the project site were all partially completed. Vertical construction on the site, as well as additional civil infrastructure continued in 2025, and public infrastructure elements have been completed, with turnover to the City thereafter expected in 2026.
- Rosemount Middle School – Site grading began for this project in December of 2024 for the construction of a new Independent School District No. 196 middle school in the City. This facility is expected to open to students in fall of 2027 and will relocate the middle school student body to the southeast corner of the intersection of Biscayne Avenue and CSAH 42 on land formerly owned by the University of Minnesota. The project will feature a 1,000' extension of Boulder Trail east from Biscayne Avenue, along with city municipal utility infrastructure within the corridor.

PUBLIC SAFETY

Fire Department – The Fire Department is responsible for protecting the lives, property, and environment. The community-based organization is made up of 50 individuals who are trained to respond to calls for fire suppression, rescue operations, first aid, and hazardous materials response. Our mission is to “Serve Rosemount with professionalism and compassion while maintaining trust through effective emergency response, proactive fire prevention, and comprehensive public education.” In 2025, the Fire Department completed its first full year as a combination style department. Staffing levels are continually evaluated to meet the needs of a growing community. The specific service functions within the Fire Department are highlighted below.

Emergency Response – Call volume has doubled over the past decade. In 2025, the Fire Department responded to 1,388 calls. In July of 2025, the Fire Department went to “split station” calls. Split station calls help prevent the over utilization of our firefighters and apparatuses and provide a more effective emergency response model. The split station model, while an improvement, highlighted an opportunity to improve emergency response time while reducing strain on personnel and utilizing our operational resources. 2025 served as a time to design as we prepare to launch a duty crew program for 2026. The program allows firefighters to schedule shifts in advance and will provide the City with a designated crew ready to respond immediately. Duty crews will handle most initial responses, while additional firefighters will be paged for incidents that require additional staffing.

Training – In 2025, the Fire Departments demonstrated a strong commitment to maintaining the highest standards of service and readiness by logging over 4,100 hours of training to meet state certification requirements. All personnel are State Certified Firefighters and hold a minimum certification as Emergency Medical Responders (EMRs). New recruits undergo comprehensive training through an accredited Fire Training Academy to ensure they meet the necessary qualifications. In addition to their regular department trainings, Firefighters elected to attend state schools, specialized rescue trainings, fire inspector training and pump operator training. In 2025, the Fire Department hosted an in-house Emergency Medical Technician Class that certified eight of their firefighters.

Fire Prevention and Public Education – Our vision is “To be a trusted, professional fire service that inspires public confidence, strengthens community resilience, and leads with excellence in emergency response, education and prevention.” Over 4,300 hours were invested by department members engaging in public education and outreach. Fire Prevention Open House and National Night Out to block party and daycare visits are just a few examples of the Fire Departments significant efforts made to build relationships with the community. These initiatives play a critical role in reducing risk, improving public awareness and strengthening relationships.

As our community continues to grow, the need for a comprehensive fire prevention program has become increasingly important. The department has identified the need for a proactive fire inspection and preplanning program to enhance life safety and property protection. A detailed database will improve pre-planning, response time, and overall operational safety. A full-time Deputy Fire Marshall has been added to the department. They will oversee Fire Inspection and Preplanning program, fire investigations and public education. A full-time Firefighter/Administrative Specialist has been added to manage public education, inspection requests while also serving as a responding firefighter to strengthen daytime coverage. These new positions reflect the department’s proactive approach to reducing risks and fostering a safer environment for residents.

Police Department – The Police Department is responsible for policing services to the community to ensure safety and response to service calls. A mission statement guides the actions of the Police Department: “In partnership with the community, the Police Department assists and educates the public, resolves problems, prevents crimes, and enforces laws. We pursue our mission and serve with honor, integrity, and courage.” Staffing levels are continually evaluated to meet the needs of a growing community. The specific service functions within the Police Department are described on the following pages.

Police Administration – This budget provides for the overall leadership, planning, coordination, and management of personnel and administration of activities within the Police Department. This includes the investigation, data collection, preparation, and filing of crime data and miscellaneous reports with the state of Minnesota; preparation and oversight of the operating and capital improvements budgets; and strategic planning for the future needs of the Police Department and community engagement. Police Department leadership and staff are also involved in many consolidated services and governance boards that contribute to policing for the City. The Dakota 911 Communications Center (DCC), Criminal Justice Network (CJN), Local Government Information Systems (LOGIS), Dakota County Drug Task Force, South Metro SWAT, Dakota County Domestic Preparedness Committee, the Dakota County Coordinated Response program, Special Operation Task (SOT) Force, Dakota County Social Services, Bureau of Criminal Apprehension (BCA), and the Dakota County Electronic Crimes Unit are consolidated services organizations that contribute to the City’s policing services.

Records Unit – The Police Department’s Records Unit is responsible for the processing of over 2,500 case reports each year. Reports require transcription and compilation for transmittal to the City or County prosecutor’s office or any other agency (i.e. Social Services, Department of Human Services, Probation and Parole, etc.) requiring information for service to the community. Records staff ensure the Police Department is compliant with all Minnesota Bureau of Criminal Apprehension data management laws, regulations, and reporting requirements. Administrative support is provided to the entire Police Department for gun permit applications, criminal background checks, city licensing requirements, and data requests among others.

Patrol Operations – Uniformed patrol is the core function of the Police Department and the most visible in the community. Through 24-hour daily patrols in marked police vehicles, patrol officers respond to calls for service, investigate traffic accidents, regulate traffic control, conduct preliminary criminal investigations, enforce traffic laws, enforce criminal laws, perform foot/bike patrol, and provide general and specific deterrence to crime. In addition, Patrol Officers respond to medical calls as trained in First Aid and CPR. Through patrol operations the Police Department meets its goal of the protection of life and property and creating a sense of safety and security in the community. Equally important, a significant amount of time is spent developing relationships within the community and partnering with members of community organizations. Patrol Officers perform additional specialty assignments as Crime Scene Technicians, Use-of-Force Instructors, South Metro SWAT Tactical Officers, Drug Recognition Experts, Special Operations Team operators (SOT), Community Resource Officer (CRO), School Resource Officer (SRO), Field Training Officers, and as various committee members (i.e. Uniform Committee, Recognition Committee, Technology, etc.).

Criminal Investigations – Patrol Officers and investigators are responsible for the investigation of criminal incidents through evidence gathering and analysis, interviews, and court preparation and testimony. Complex investigations or those requiring a multi-jurisdiction or agency involvement are coordinated by the investigator. This is accomplished by working cooperatively with other police agencies, the County Attorney’s Office, the City Attorney’s Office, Dakota County Social Services, victim services, electronic crimes unit (ECU), and other local, state and federal law enforcement agencies. One investigator is assigned to the Dakota County Drug Task Force, a multi-jurisdiction joint powers entity, whose mission is to investigate drug crimes in the City and throughout Dakota County.

Animal Control – The Police Department is responsible for the enforcement of ordinances related to the control and care of domestic animals. These tasks are mainly handled by Community Service Officers. Their duties include the licensing of dogs and ferrets, assisting in the handling of stray, lost or injured animals, and other complaints about animals causing a nuisance.

Code Enforcement – The Police Department assists the Community Development Department with code enforcement of city ordinances related to property maintenance and outside storage. The Police Department's Community Service Officers primarily handle this effort. Property owners that are observed to be in violation of an ordinance are notified of the violation and explained how to remedy the violation. The enforcement of city ordinances is important to maintain community standards, which helps the City attain provide a safe, healthy, and pleasant community.

Emergency Management – The City has an all-hazards emergency plan, and the Chief of Police serves as the City's Emergency Manager. The Emergency Manager is responsible for the development of emergency plans in the event of a chemical, technical, or natural disaster in the community (i.e., tornado, flooding, school shooting, or hazardous materials release). The Chief of Police represents the City on the Dakota County Domestic Preparedness Committee (DPC). The DPC is comprised of police, fire, dispatch, EMS, public health, and medical facility representatives to aid all Dakota County cities and Dakota County with all-hazards emergency planning and leadership.

Crime Prevention and Community Education – A significant effort is made by the Police Department to build relationships with the community to build trust, share perspectives, ensure transparency, and create partnerships to serve the community together. Moreover, the Police Department works to inform residents of crime within the community, methods/strategies to help prevent crimes, and keep open channels of communications to receive input/feedback about crime that is occurring. While these objectives are part of each officer's daily responsibilities, there are specific programs that are more associated with community policing; these programs emphasize the need for the police and citizens to work together to prevent criminal activity and reduce the opportunities for criminals to commit crimes.

Crime Analyst – The Police Department has a full-time crime analyst who partners with all divisions of the police department to provide tactical, strategic, administrative, and operational intelligence analysis of data relating to crime to support the police department, other city departments, and the overall community. The analyst is responsible for collecting and analyzing data from multiple sources, describing crime patterns, trends, and potential suspects and threats to determine the relevance of the data to aid in crime prevention and enhancing the investigation process.

K9 Handler and Partner – The City recognized the most valuable part of a community are the people. In order to provide the next level of safety, service, and security, the City made the decision to start a K9 unit in 2025. K9 Jet was trained through Aspen Kennels in Wisconsin in the area of firearm detection and article searches. Jet and his handler are a city, county, and state-wide asset and available to anyone who needs their service.

School Resource Officer (SRO) – Officers serve as a liaison to the Rosemount Middle and the Rosemount High School. The liaison officer investigates criminal incidents that occur at the schools or that involve students at the schools. In addition, the liaisons work with the school staff to enhance the safety and security for both staff and students, specifically providing school safety planning, and hostile event prevention and response planning. Presentations on a variety of topics are made by the liaison to classes at all grade levels.

Community Resource Officer (CRO) – In order to work together with the community, the Police Department must share information concerning criminal activity and crime prevention with the community. While all officers are available to make presentations to community groups and organizations on a variety of topics, the Community Resource Officer focuses on acting as a primary liaison to the community. Several events are also held throughout the year to build relationships with the residents and local businesses. These include Night-to-Unity block parties, Neighborhood Watch meetings, Shop with a Cop, Guns vs. Hoses Hockey Game, Ballin' in Dakota County Basketball Tournament, Pink Patch Project, Public Safety in the Park, Special Olympics Polar Plunge, citizen police academy, and several events throughout the annual Leprechaun Days events (i.e. Kids Dance, Police Booth, etc.). Finally, the Police Department also utilizes a Facebook page to inform the community on a variety of issues surrounding the community and public safety.

Coordinated Community Response (CCR) – One officer is assigned to partner with an embedded social worker from Dakota County Social Services. The model provides a coordinated response by the parties to address increased law enforcement involvement in calls for service that may require the need for services and programs offered by Dakota County. This collaboration of a police officer and embedded social services allows for better follow-up, service coordination, and crisis stabilization services following a mental health crisis event. In 2025, the CCR team followed up on 292 calls to bring services and help provide voluntary resources for short and long-term stabilization that are an essential component of an effective crisis services continuum.

Officer Wellness and Peer Support Program – The Police Department recognizes the significant stressors that officers face and the serious implications they can have on health and longevity. The Department continues to build out wellness programming to enhance resiliency, improve heart health, and offer support to everyday stressors of the public safety profession. Specifically, the Police Department hires a professional mental health consultant that offers a confidential POWER (Police Officer Wellness through Enhanced Resiliency) program. Officers are provided with up to six confidential therapy sessions a year, critical incident follow-up, and other on-site services. In addition, a Peer Support Counseling Program allows selected and specially trained officers to confidentially help and support their peers when personal or professional matters may negatively affect their work performance, family unit, or self. Lastly, the Police Department offers opportunities to physically work out and a law enforcement-focused heart health monitoring program.

Reserve Officer Program – Reserve officers are volunteers who supplement the staff of sworn officers of the Police Department to serve the mission. The Reserve officers are utilized to handle traffic and crowd control duties at accident scenes, city festivals, community gatherings, or other emergencies. The reserve officers work a variety of community events (i.e., Leprechaun Days, Food Truck Festival, high school football games, etc.), hazardous materials spills or leaks, damage resulting from tornadoes or other severe weather, and major criminal incidents. Reserve officers patrol on some evenings, handle calls for service, such as motorist assists and animal complaints, and they often help with arrestee transports. Reserve officers regularly provide crime prevention information to citizens at community events or through other programs.

Chaplain Program – The police chaplains assist in a variety of situations in which individuals or families are having difficulties. Chaplains provide support to persons that are experiencing stress as a result of the death of a loved one, marital or family problems, financial struggles, or any other event. By utilizing the chaplains to console and counsel persons in crisis, police officers can focus on their primary duties, while the chaplains are able to remain with the persons involved in the crisis.

Adult Citizen Academy Program – The Police Department partners with the Apple Valley Police Department to conduct an Adult Citizen Academy. It is a way to offer those who live or work in the City an inside look at the operation of their police department. It also allows them an opportunity to meet the officers who serve them. The Adult Citizen Academy covers topics such as recruiting, ethics, criminal investigations, the charging process, drug task force, use of force, traffic enforcement, forensics, and includes a citizen ride-along with a patrol officer. As such, it helps fulfill the Police Department's educational mission.

Teen Citizen Academy Program – The Police Department partners with the Apple Valley Police Department to conduct a Teen Citizen Academy. The Teen Citizen Academy covers topics similar to the Adult Citizen Academy, but it is geared towards teens.

City's Financial Policies

During the current year, none of the City's financial policies had a significant impact on the financial statements.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended December 31, 2024. This was the 29th consecutive year that the City has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been completed without the talented and dedicated services of the entire staff of the Finance Division and other city personnel. We would like to express our appreciation to all members of city staff who assisted and contributed to the preparation of this report. We would also like to express our appreciation to the Mayor and the members of the City Council for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, reading "Teah Malecha". The signature is fluid and cursive, with a stylized "T" and "M".

Teah Malecha
Administrative Services Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

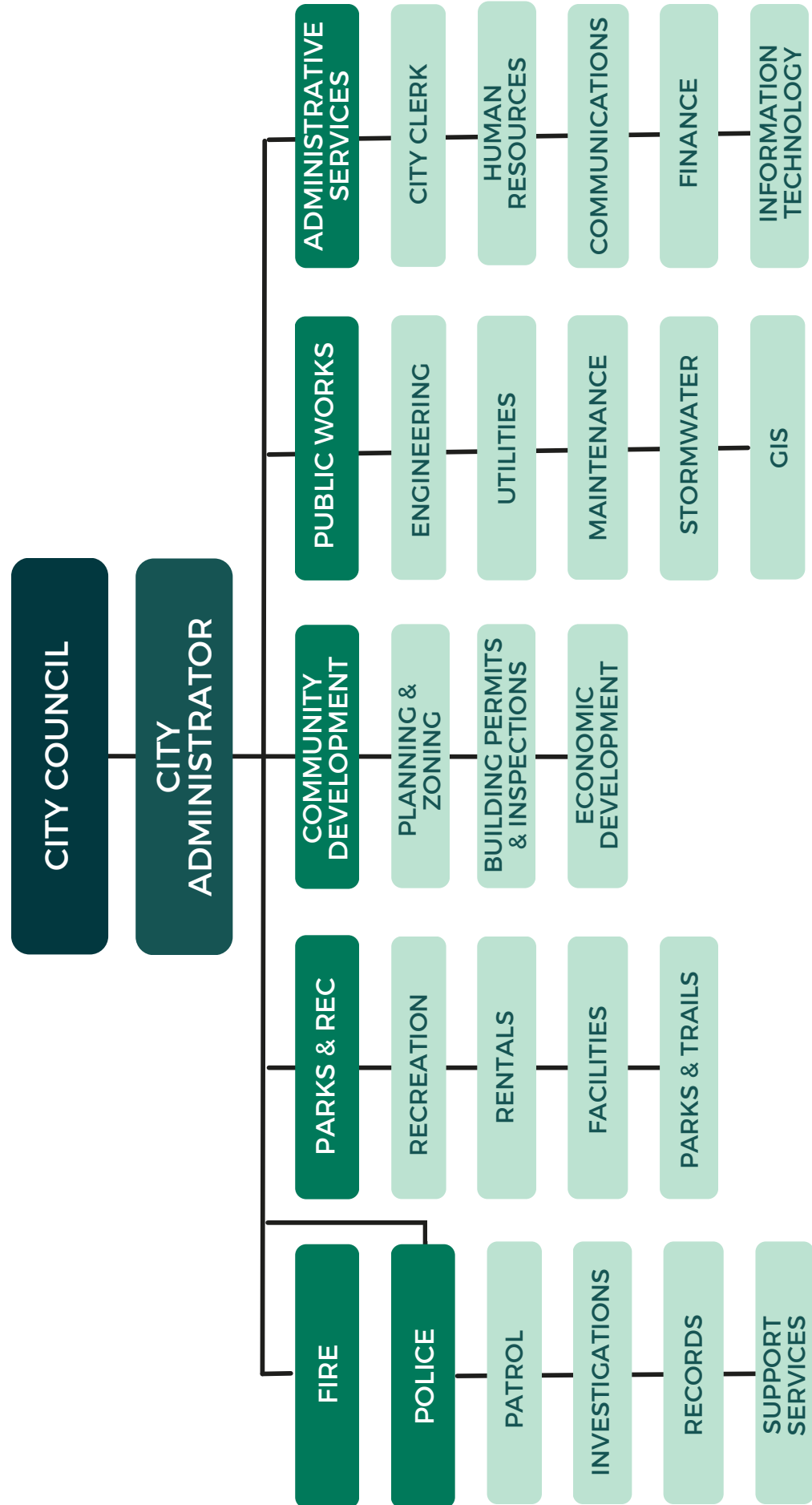
**City of Rosemount
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO



CITY OF ROSEMOUNT

City Officials
December 31, 2025

ELECTED OFFICIALS

		<u>Term Expires</u>
Jeffery D. Weisensel	Mayor	December 31, 2026
Paul Essler	Councilmember	December 31, 2026
Heidi Freske	Councilmember	December 31, 2028
Tami Klimpel	Councilmember	December 31, 2026
Paul Theisen	Councilmember	December 31, 2028

APPOINTED OFFICIALS

Logan Martin	City Administrator
Teah Malecha	Administrative Services Director
Adam Kienberger	Community Development Director
Dan Schultz	Parks and Recreation Director
Nick Egger	Public Works Director
Kip Springer	Fire Chief
Carson Thomas	Police Chief

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Rosemount, Minnesota

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINIONS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rosemount, Minnesota (the City) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINIONS

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

(continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

REQUIRED SUPPLEMENTARY INFORMATION

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

(continued)

SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER INFORMATION

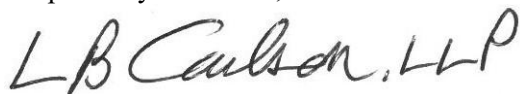
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in dark ink that reads "LB Carlson, LLP". The signature is written in a cursive, flowing style.

LB CARLSON, LLP
Minneapolis, Minnesota

June 25, 2026

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CITY OF ROSEMOUNT

Management's Discussion and Analysis Year Ended December 31, 2025

As management of the City of Rosemount, Minnesota (the City), we offer readers of the City's Annual Comprehensive Financial Report (ACFR) this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which is presented in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded their liabilities and deferred inflows of resources by \$382,403,581 (*net position*) at the close of the most recent fiscal year. Of this amount, \$100,461,448 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$40,679,123. This increase is partially attributable to an increase in capital assets funded by grants and developers.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$47,973,676, a decrease of \$2,137,772. The City spent a significant portion of bond proceeds issued in a previous year on two major construction projects completed in the current year, which contributed to the decrease in fund balance in the Capital Projects Fund.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$11,104,078, or 50.0 percent, of 2026 budgeted expenditure and transfer out levels.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These financial statements include not only the City itself (known as the primary government), but also the Rosemount Port Authority (the Port Authority). The Port Authority has been presented as a blended component unit on the City's financial statements in accordance with accounting principles generally accepted in the United States of America.

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

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows, as applicable, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for the City's individual major governmental funds. They are as follows:

- General Fund
- Capital Projects Fund
- Debt Service Fund
- Port Authority Debt Service Fund
- Port Authority Special Revenue Fund

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and certain capital project sub-funds. Budgetary comparison statements or schedules have been provided for these funds to demonstrate compliance with their respective budgets.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its public utilities and ice arena operations. The internal service fund is an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses its internal service fund to account for insurance premiums and deductibles and to accumulate resources for the risk of uninsured loss. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and storm water utilities, which are considered to be major funds of the City, and combined information on the street lighting utility and arena funds, which are considered nonmajor funds. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report. The internal service fund is also presented separately in the proprietary fund financial statements.

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

Other Information – In addition to the basic financial statements and accompanying notes, the financial section also presents required supplementary information, following the basic financial statements, and the combining and individual fund statements and schedules (presented as supplementary information) referred to earlier in connection with nonmajor funds, which are presented immediately following the required supplementary information.

Furthermore, a statistical section has been included as part of the ACFR to facilitate additional analysis and is the third and final section of the report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the City's net position and changes in net position. It should be noted that the financial position can also be affected by nonfinancial factors, including economic conditions, population growth, and new regulations.

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. As presented in the following condensed version of the Statement of Net Position, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$382,403,581 on December 31, 2025.

City of Rosemount's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 89,518,523	\$ 95,941,886	\$ 75,896,850	\$ 67,104,531	\$ 165,415,373	\$ 163,046,417
Capital assets, net	227,234,150	197,453,950	151,052,497	148,621,828	378,286,647	346,075,778
Total assets	<u>\$ 316,752,673</u>	<u>\$ 293,395,836</u>	<u>\$ 226,949,347</u>	<u>\$ 215,726,359</u>	<u>\$ 543,702,020</u>	<u>\$ 509,122,195</u>
Deferred outflows of resources	<u>\$ 5,365,101</u>	<u>\$ 5,865,895</u>	<u>\$ 203,558</u>	<u>\$ 151,965</u>	<u>\$ 5,568,659</u>	<u>\$ 6,017,860</u>
Current and other liabilities	\$ 7,430,819	\$ 12,733,144	\$ 1,405,516	\$ 795,855	\$ 8,836,335	\$ 13,528,999
Long-term liabilities	93,618,867	94,715,724	29,669,044	30,028,145	123,287,911	124,743,869
Total liabilities	<u>\$ 101,049,686</u>	<u>\$ 107,448,868</u>	<u>\$ 31,074,560</u>	<u>\$ 30,824,000</u>	<u>\$ 132,124,246</u>	<u>\$ 138,272,868</u>
Deferred inflows of resources	<u>\$ 33,685,575</u>	<u>\$ 33,904,122</u>	<u>\$ 1,057,277</u>	<u>\$ 1,238,607</u>	<u>\$ 34,742,852</u>	<u>\$ 35,142,729</u>
Net position						
Net investment in capital assets	\$ 142,098,604	\$ 115,808,127	\$ 122,340,780	\$ 119,743,207	\$ 264,439,384	\$ 235,551,334
Restricted	17,502,749	14,204,974	—	—	17,502,749	14,204,974
Unrestricted	27,781,160	27,895,640	72,680,288	64,072,510	100,461,448	91,968,150
Total net position	<u>\$ 187,382,513</u>	<u>\$ 157,908,741</u>	<u>\$ 195,021,068</u>	<u>\$ 183,815,717</u>	<u>\$ 382,403,581</u>	<u>\$ 341,724,458</u>

The largest portion of the City's net position, \$264,439,384, or 69.2 percent, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure); less any outstanding related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$17,502,749, or 4.6 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance representing unrestricted net position of \$100,461,448 may be used to meet the government's ongoing obligations to citizens and creditors. Certain balances within unrestricted net position may have internally imposed commitments or limitations, which may further limit the purpose for which such net position may be used.

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

Increases in development activity in the City and changes in state-wide pension obligations contributed to the fluctuations in the above table. The City also completed two major capital projects in the current year, which is also impacting current and other assets, capital assets, and current and other liabilities.

CHANGES IN NET POSITION

The following table provides a condensed version of the Statement of Activities for the year ended December 31, 2025, with comparative totals for the year ended December 31, 2024. The City's total net position increased by \$40,679,123, or 11.9 percent, during the current fiscal year.

City of Rosemount's Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Charges for services	\$ 9,209,312	\$ 10,871,533	\$ 16,680,320	\$ 18,805,096	\$ 25,889,632	\$ 29,676,629
Operating grants and contributions	1,923,787	1,408,626	5,795	47,813	1,929,582	1,456,439
Capital grants and contributions	30,610,500	7,898,901	505,179	1,823,250	31,115,679	9,722,151
Taxes	20,568,570	18,788,981	—	—	20,568,570	18,788,981
Grants and contributions not restricted to specific programs	2,149,888	2,666,861	—	—	2,149,888	2,666,861
Interest earnings	1,839,185	3,826,716	2,617,674	2,567,986	4,456,859	6,394,702
Other	6,262	84,671	—	—	6,262	84,671
Total revenues	66,307,504	45,546,289	19,808,968	23,244,145	86,116,472	68,790,434
Expenses						
General government	4,052,080	3,604,010	—	—	4,052,080	3,604,010
Public safety	11,321,918	9,840,767	—	—	11,321,918	9,840,767
Public works	9,565,564	9,404,249	—	—	9,565,564	9,404,249
Culture, education, and recreation	3,440,678	2,770,742	—	—	3,440,678	2,770,742
Conservation and economic development	2,086,699	789,836	—	—	2,086,699	789,836
Interest and fiscal charges	3,963,438	5,172,216	—	—	3,963,438	5,172,216
Water	—	—	3,265,761	2,870,784	3,265,761	2,870,784
Sewer	—	—	4,584,394	3,811,244	4,584,394	3,811,244
Storm water	—	—	2,277,059	2,496,960	2,277,059	2,496,960
Street lighting	—	—	257,819	218,401	257,819	218,401
Arena	—	—	621,939	582,022	621,939	582,022
Total expenses	34,430,377	31,581,820	11,006,972	9,979,411	45,437,349	41,561,231
Change in net position before transfers	31,877,127	13,964,469	8,801,996	13,264,734	40,679,123	27,229,203
Transfers	(2,403,355)	4,785,344	2,403,355	(4,785,344)	—	—
Change in net position	29,473,772	18,749,813	11,205,351	8,479,390	40,679,123	27,229,203
Net position – beginning	157,908,741	139,158,928	183,815,717	175,336,327	341,724,458	314,495,255
Net position – ending	\$ 187,382,513	\$ 157,908,741	\$ 195,021,068	\$ 183,815,717	\$ 382,403,581	\$ 341,724,458

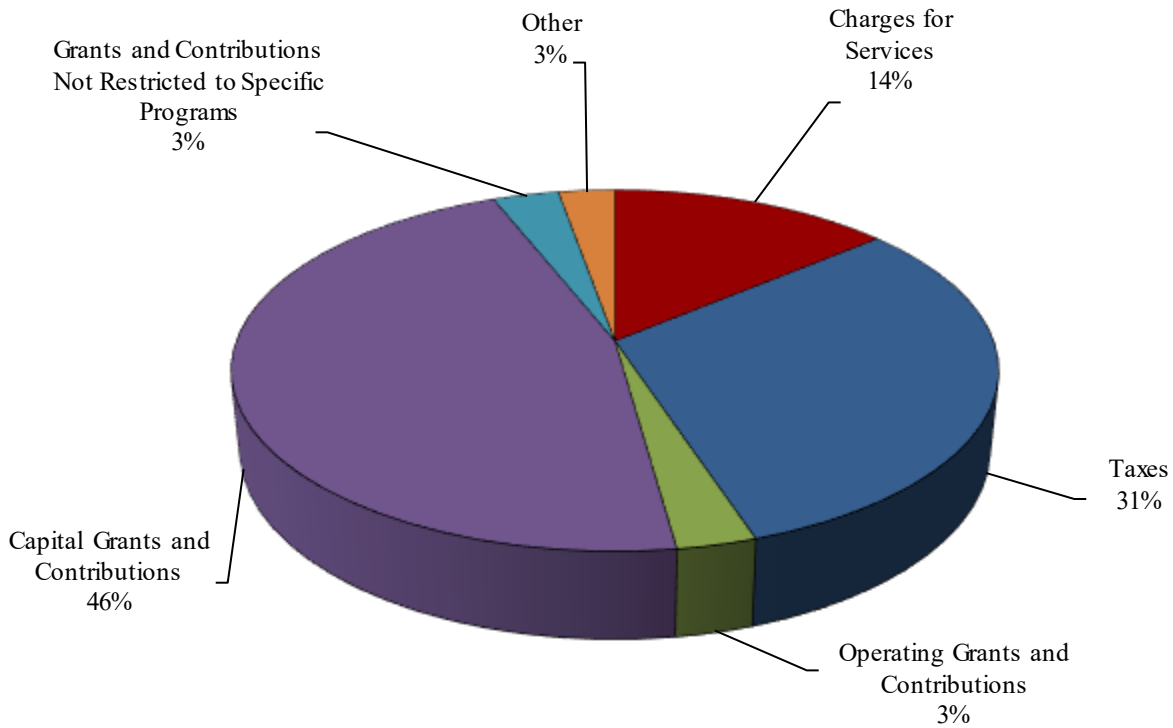
Governmental Activities – Governmental activities increased the City's net position by \$29,473,772, accounting for approximately 72.5 percent of the total growth in the government's net position. This compares to an increase (from governmental activities) of \$18,749,813 in 2024. Revenues increased by \$20,761,215, mainly with an increase in the approved levy for operations and significant development increasing capital grants and contributions. Interest earnings decreased with the spending of bond proceeds. Total expenses increased \$2,848,557 over 2024, with the largest spending increases in public safety, culture, education, and recreation, and conservation and economic development. Natural inflationary increases and changes in state-wide pension obligations contributed to the change compared to the prior year. Ongoing growth and development in the City also contributed to the spending increase with more demand for city services. Net transfers between governmental activities and business-type activities changed, largely due to projects completed between governmental activities and business-type activities with the completion of capital projects in the current year compared to the prior year.

Business-Type Activities – Business-type activities increased the City's net position by \$11,205,351, accounting for approximately 27.5 percent of the total growth in the government's net position. This compares to an increase of \$8,479,390 in 2024. The primary reason for the change in net position, compared to the prior year change, was due to the decrease in connection charges and an offsetting swing for transfers of capital assets from governmental activities.

GOVERNMENTAL ACTIVITIES

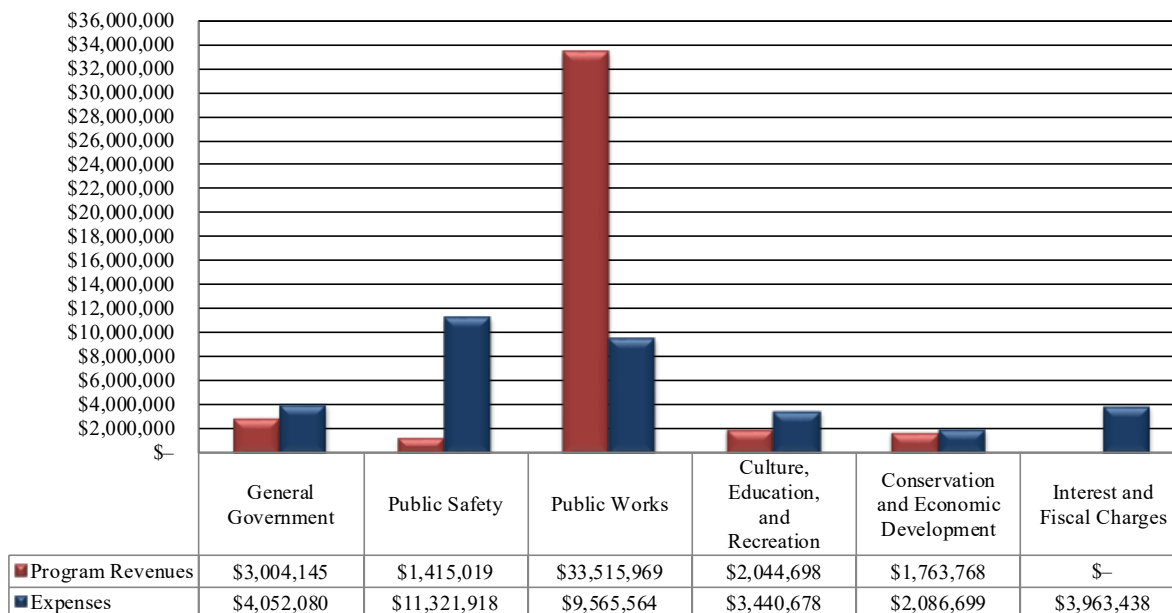
Revenues – The following chart illustrates the City’s revenues by source for its governmental activities:

Revenues by Source – Governmental Activities



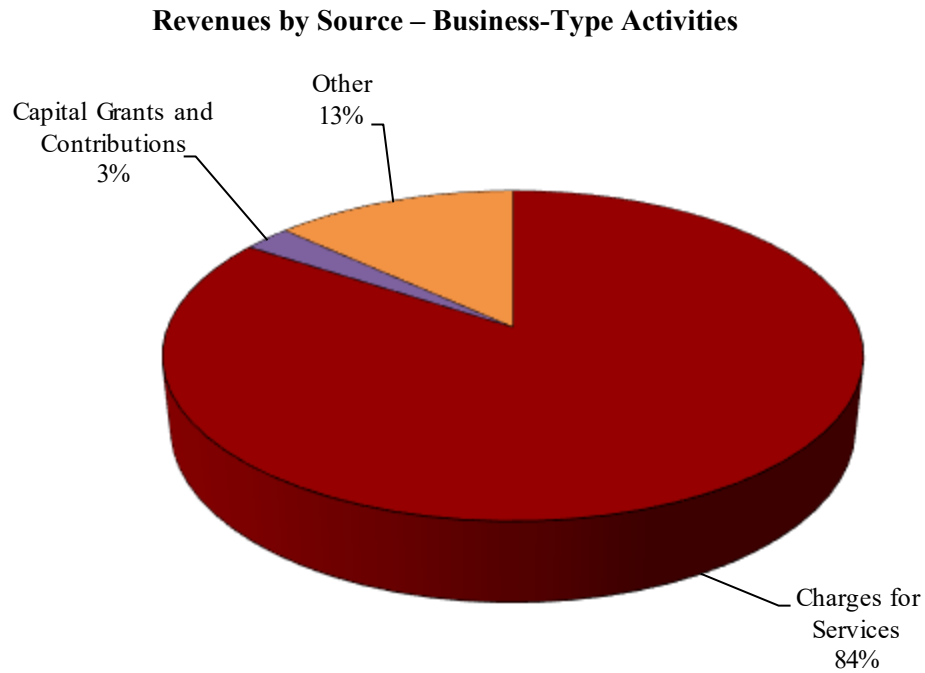
Expenses – The following chart illustrates the City’s governmental expenses and corresponding program revenues, excluding transfers, for its governmental activities:

Expenses and Program Revenues – Governmental Activities

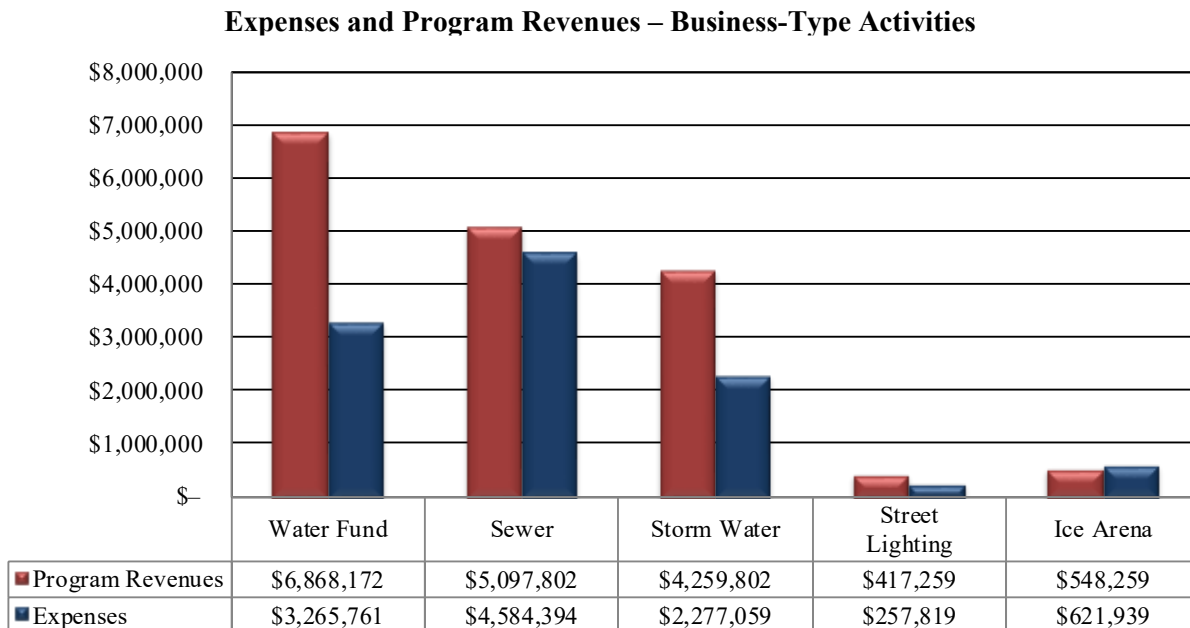


BUSINESS-TYPE ACTIVITIES

Revenues – The following chart illustrates the City’s revenues by source for its business-type activities:



Expenses – Below is a graph showing the City’s program revenues and expenses, excluding transfers, for its business-type activities:



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$47,973,676, a decrease of \$2,137,772 from 2024.

Financial highlights for the City's major governmental funds are as follows:

General Fund – The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund totaled \$11,104,078, while the total fund balance equaled \$13,914,407.

The City has determined, through the adoption of a formal Fund Balance Policy, it would like to maintain an unassigned fund balance between 45.0–55.0 percent of the next General Fund operating expenditure and other financing uses budget. This percentage normally provides adequate working capital to finance General Fund operations until property taxes and state aids are received. The desired unassigned fund balance level also provides a certain amount of comfort that unforeseen emergencies can be addressed without causing an immediate financial crisis.

At year-end, the unassigned fund balance for the General Fund was \$11,104,078, or 50.0 percent, of the total General Fund expenditures and transfers budgeted for the upcoming year, which is available to meet working capital needs. A further discussion of the current year's activity in the General Fund can be found under the General Fund Budgetary Highlights section, later in this report.

Other Major Funds – The Capital Projects Fund reported a reduction in fund balance of \$2,580,180 in the current year. This decrease was largely driven by two significant construction projects completed in the current year. The City issued debt to finance a new public safety and public works facility. The City also issued debt related to a joint partnership agreement with Life Time Fitness. During fiscal 2025, major capital outlay spending of prior year bond proceeds was ongoing on these two projects, contributing to the decrease in the Capital Projects Fund. The Debt Service and Port Authority Debt Service Funds reported a combined increase in year-end fund balance of \$849,853. The required current year revenues and transfers from other funds exceeded the debt service payments. The Port Authority Special Revenue Fund recognized a fund balance increase of \$884,534, due to approved transfers of resources to other funds to finance certain debt service payments being less than the amount of tax increment revenue generated in the current year.

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

Unrestricted net position in the respective proprietary funds includes: \$32,441,255 for water, \$19,038,078 for sewer, \$19,984,550 for storm water, \$409,189 for street lighting, and \$807,216 for arena. Water net position increased \$6,305,236, sewer net position decreased \$2,575,400, storm water net position increased \$7,216,532, street lighting net position increased \$171,016, and arena net position increased by \$87,967 during the year.

The ongoing development in the City continues to contribute to the increase in net position, with significant capital contributions to the enterprise operations in the current year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City adopted a balanced budget in the current year, with revenues and other financing sources matching expenditures and other financing uses. There were no changes between the original and final budget.

Actual revenues were \$1,493,175 over the final budget. The majority of this favorable revenue variance was due to significant development with new projects contributing to public charges for services and licenses and permits surpassing amounts anticipated in the budget. Conservative budgeting for other local sources also contributed to the overall favorable revenue variance.

Expenditures were \$1,560,604 more than the budgeted amount. The largest variance was in public safety for police and fire protection. Public works was also over budget for fleet maintenance and street maintenance. Culture, education, and recreation spending also exceeded budget with higher participation levels than expected.

Transfers in were lower than the amount anticipated in the final budget. After considering the variances in revenues, expenditures, other financing sources/uses, fund balance in the General Fund was down \$431,461 compared to a balanced budget.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to \$378,286,647 (net of accumulated depreciation/amortization). This investment in capital assets includes land, buildings and structures, machinery and equipment, leased machinery and equipment, technology subscriptions, water, sewer, and storm water systems, infrastructure, and construction in progress.

City of Rosemount's Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Capital assets, not depreciated/amortized						
Land	\$ 13,062,203	\$ 12,248,159	\$ 4,818,394	\$ 4,675,656	\$ 17,880,597	\$ 16,923,815
Land improvements	14,296,752	5,769,942	—	—	14,296,752	5,769,942
Construction in progress	13,467,966	93,771,165	3,445,379	25,163,508	16,913,345	118,934,673
Subtotal	40,826,921	111,789,266	8,263,773	29,839,164	49,090,694	141,628,430
Capital assets, depreciated/amortized						
Land improvements	13,388,003	6,667,602	—	—	13,388,003	6,667,602
Buildings	101,893,809	19,831,797	13,243,015	12,696,638	115,136,824	32,528,435
Machinery and equipment	23,842,350	17,521,251	5,308,016	5,484,061	29,150,366	23,005,312
Lease machinery and equipment	1,361,735	1,226,945	60,664	60,664	1,422,399	1,287,609
Technology subscriptions	380,372	233,997	—	—	380,372	233,997
Infrastructure	92,791,643	82,756,580	206,594,303	179,540,098	299,385,946	262,296,678
Accumulated depreciation and amortization	(47,250,683)	(42,573,488)	(82,417,274)	(78,998,797)	(129,667,957)	(121,572,285)
Subtotal	186,407,229	85,664,684	142,788,724	118,782,664	329,195,953	204,447,348
Total (net of depreciation and amortization)	\$ 227,234,150	\$ 197,453,950	\$ 151,052,497	\$ 148,621,828	\$ 378,286,647	\$ 346,075,778

Consistent with the ongoing and active development activities occurring in the City as previously discussed, capital assets increased largely with contributions from developers and ongoing projects as approved and managed by the City.

Additional information on the City's capital assets can be found in Note 5 of the notes to basic financial statements.

LONG-TERM DEBT

At the end of the current fiscal year, the City had total bonded debt outstanding (excluding unamortized bond premium) of \$110,195,000 (including debt recorded in the Port Authority).

City of Rosemount's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Improvement bonds	\$ —	\$ 90,000	\$ —	\$ —	\$ —	\$ 90,000
Utility revenue bonds	—	—	170,000	335,000	170,000	335,000
Capital improvement bonds	34,750,000	34,920,000	27,380,000	27,425,000	62,130,000	62,345,000
Port Authority tax increment bonds	2,840,000	3,205,000	—	—	2,840,000	3,205,000
Recreational facilities bonds	45,055,000	45,390,000	—	—	45,055,000	45,390,000
Unamortized bond premium	1,285,444	1,343,351	1,060,460	1,108,124	2,345,904	2,451,475
Compensated absences	1,784,076	1,714,788	338,319	369,041	2,122,395	2,083,829
Lease obligations	797,262	664,174	—	10,497	797,262	674,671
Subscription liabilities	119,544	101,241	—	—	119,544	101,241
Financed purchase	292,788	432,178	—	—	292,788	432,178
Net pension liability – PERA	5,036,681	5,255,235	720,265	780,483	5,756,946	6,035,718
Total OPEB obligation	1,658,072	1,599,757	—	—	1,658,072	1,599,757
Total long-term debt outstanding	<u>\$ 93,618,867</u>	<u>\$ 94,715,724</u>	<u>\$ 29,669,044</u>	<u>\$ 30,028,145</u>	<u>\$ 123,287,911</u>	<u>\$ 124,743,869</u>

The decrease in long-term bonded debt outstanding was primarily related to scheduled debt service payments.

The difference in the net pension liability reflects the change in the City's proportionate share of the state-wide pension obligations for the Public Employees Retirement Association (PERA).

State statutes limit the amount of general obligation debt a governmental entity may issue to 3.0 percent of its total market valuation. A complete calculation of the City's legal debt margin can be found in the statistical section of this report.

Additional information on the City's long-term debt can be found in Note 6 of the notes to basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Dramatic increases in local government aids and other state sources are not anticipated based on legislation at the time of writing this report.
- Property tax collection rates are expected to remain strong, at or near the 2025 level.
- The City is anticipating the continued trend of ongoing development.

REQUESTS FOR INFORMATION

This ACFR is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this ACFR, or requests for additional financial information, should be directed to the Administrative Services Director, City of Rosemount, 2875 145th Street West, Rosemount, Minnesota 55068-4997.

BASIC FINANCIAL STATEMENTS

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CITY OF ROSEMOUNT

Statement of Net Position
as of December 31, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 53,491,571	\$ 70,401,573	\$ 123,893,144
Restricted cash and investments	1,020,611	—	1,020,611
Receivables			
Accounts	555,558	2,475,910	3,031,468
Interest	92,699	153,288	245,987
Internal balances	(1,556,285)	1,556,285	—
Taxes	911,774	—	911,774
Special assessments	2,158,059	438,011	2,596,070
Due from other governments	3,105,543	404	3,105,947
Leases	26,155,620	595,393	26,751,013
Prepaid items	514,269	275,986	790,255
Net pension asset – fire relief	3,069,104	—	3,069,104
Capital assets			
Not depreciated/amortized	40,826,921	8,263,773	49,090,694
Depreciated, net of accumulated depreciation/amortization	186,407,229	142,788,724	329,195,953
Total capital assets, net of accumulated depreciation/amortization	<u>227,234,150</u>	<u>151,052,497</u>	<u>378,286,647</u>
Total assets	316,752,673	226,949,347	543,702,020
Deferred outflows of resources			
Pension plan deferments – PERA	5,242,052	203,558	5,445,610
Pension plan deferments – fire relief	68,740	—	68,740
OPEB plan deferments	54,309	—	54,309
Total deferred outflows of resources	<u>5,365,101</u>	<u>203,558</u>	<u>5,568,659</u>
Total assets and deferred outflows of resources	<u>\$ 322,117,774</u>	<u>\$ 227,152,905</u>	<u>\$ 549,270,679</u>
Liabilities			
Accounts and contracts payable	\$ 2,286,258	\$ 766,132	\$ 3,052,390
Accrued salaries and employee benefits payable	388,671	70,224	458,895
Accrued interest payable	652,103	500,609	1,152,712
Due to other governmental units	103,343	—	103,343
Deposits payable	3,372,295	21,672	3,393,967
Unearned revenue	628,149	46,879	675,028
Long-term liabilities			
Due within one year	2,450,283	907,947	3,358,230
Due in more than one year	84,473,831	28,040,832	112,514,663
Net pension liability – due in more than one year	5,036,681	720,265	5,756,946
Total OPEB liability – due within one year	54,309	—	54,309
Total OPEB liability – due in more than one year	1,603,763	—	1,603,763
Total long-term liabilities	<u>93,618,867</u>	<u>29,669,044</u>	<u>123,287,911</u>
Total liabilities	101,049,686	31,074,560	132,124,246
Deferred inflows of resources			
Lease revenue for subsequent years	26,155,620	595,393	26,751,013
Pension plan deferments – PERA	6,589,605	461,884	7,051,489
Pension plan deferments – fire relief	940,350	—	940,350
Total deferred inflows of resources	<u>33,685,575</u>	<u>1,057,277</u>	<u>34,742,852</u>
Net position			
Net investment in capital assets	142,098,604	122,340,780	264,439,384
Restricted for			
Debt service	6,097,858	—	6,097,858
TIF requirements	3,606,655	—	3,606,655
PEG fees	209,803	—	209,803
Forfeiture spending	63,444	—	63,444
Local affordable housing aid	232,875	—	232,875
Public safety police expenses	1,190,358	—	1,190,358
State-funded street projects	3,032,652	—	3,032,652
Fire relief pensions	3,069,104	—	3,069,104
Unrestricted	<u>27,781,160</u>	<u>72,680,288</u>	<u>100,461,448</u>
Total net position	<u>187,382,513</u>	<u>195,021,068</u>	<u>382,403,581</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 322,117,774</u>	<u>\$ 227,152,905</u>	<u>\$ 549,270,679</u>

See notes to basic financial statements

CITY OF ROSEMOUNT

Statement of Activities
Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 4,052,080	\$ 2,999,542	\$ 4,603	\$ —
Public safety	11,321,918	280,106	1,134,913	—
Public works	9,565,564	2,438,486	466,983	30,610,500
Culture, education, and recreation	3,440,678	2,044,698	—	—
Conservation and economic development	2,086,699	1,446,480	317,288	—
Interest and fiscal charges	3,963,438	—	—	—
Total governmental activities	34,430,377	9,209,312	1,923,787	30,610,500
Business-type activities				
Water	3,265,761	6,823,303	5,795	39,074
Sewer	4,584,394	4,957,828	—	139,974
Storm water	2,277,059	4,012,749	—	247,053
Street lighting	257,819	338,181	—	79,078
Arena	621,939	548,259	—	—
Total business-type activities	11,006,972	16,680,320	5,795	505,179
Total primary government	\$ 45,437,349	\$ 25,889,632	\$ 1,929,582	\$ 31,115,679
General revenues				
Property taxes				
Tax increments				
Franchise and other taxes				
Grants and contributions not restricted to specific programs				
Investment earnings				
Other				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position – beginning				
Net position – ending				

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (1,047,935)	\$ —	\$ (1,047,935)
(9,906,899)	—	(9,906,899)
23,950,405	—	23,950,405
(1,395,980)	—	(1,395,980)
(322,931)	—	(322,931)
(3,963,438)	—	(3,963,438)
7,313,222	—	7,313,222
—	3,602,411	3,602,411
—	513,408	513,408
—	1,982,743	1,982,743
—	159,440	159,440
—	(73,680)	(73,680)
—	6,184,322	6,184,322
7,313,222	6,184,322	13,497,544
18,191,971	—	18,191,971
1,979,386	—	1,979,386
397,213	—	397,213
2,149,888	—	2,149,888
1,839,185	2,617,674	4,456,859
6,262	—	6,262
(2,403,355)	2,403,355	—
22,160,550	5,021,029	27,181,579
29,473,772	11,205,351	40,679,123
157,908,741	183,815,717	341,724,458
\$ 187,382,513	\$ 195,021,068	\$ 382,403,581

CITY OF ROSEMOUNT

Balance Sheet
Governmental Funds
as of December 31, 2025

	General	Capital Projects	Debt Service
Assets			
Cash and investments	\$ 15,931,293	\$ 23,977,259	\$ 5,895,100
Restricted cash and investments	—	1,020,611	—
Receivables			
Accounts	379,658	—	170,000
Interest	41,799	50,900	—
Taxes	907,406	—	—
Special assessments	33,631	1,931,855	192,573
Due from other governments	72,891	3,032,652	—
Leases	—	—	26,155,620
Prepaid items	35,290	—	—
	<u>\$ 17,401,968</u>	<u>\$ 30,013,277</u>	<u>\$ 32,413,293</u>
Liabilities			
Accounts and contracts payable	\$ 999,858	\$ 1,016,119	\$ —
Accrued salaries and employee benefits payable	384,165	—	—
Due to other governments	103,343	—	—
Deposits payable	1,835,266	1,496,099	—
Unearned revenue	32,189	595,960	—
Advances from other funds	—	—	—
Total liabilities	<u>3,354,821</u>	<u>3,108,178</u>	<u>—</u>
Deferred inflows of resources			
Unavailable revenue – property taxes	99,364	—	—
Unavailable revenue – special assessments	33,376	1,918,564	192,573
Unavailable revenue – long-term receivables	—	3,032,652	—
Unavailable revenue – lease revenue for subsequent years	—	—	26,155,620
Total deferred inflows of resources	<u>132,740</u>	<u>4,951,216</u>	<u>26,348,193</u>
Fund balances (deficit)			
Nonspendable	35,290	—	—
Restricted	—	1,020,611	6,065,100
Committed	—	—	—
Assigned	2,775,039	20,933,272	—
Unassigned	11,104,078	—	—
Total fund balances	<u>13,914,407</u>	<u>21,953,883</u>	<u>6,065,100</u>
	<u>\$ 17,401,968</u>	<u>\$ 30,013,277</u>	<u>\$ 32,413,293</u>
Total liabilities, deferred inflows of resources, and fund balances			
	<u>\$ 17,401,968</u>	<u>\$ 30,013,277</u>	<u>\$ 32,413,293</u>

Port Authority Debt Service	Port Authority Special Revenue	Nonmajor	Total
\$ 495,288	\$ 2,472,219	\$ 4,667,867	\$ 53,439,026
—	—	—	1,020,611
—	—	5,900	555,558
—	—	—	92,699
—	4,368	—	911,774
—	—	—	2,158,059
—	—	—	3,105,543
—	—	—	26,155,620
—	—	4,388	39,678
<u>\$ 495,288</u>	<u>\$ 2,476,587</u>	<u>\$ 4,678,155</u>	<u>\$ 87,478,568</u>
\$ 3,000	\$ —	\$ 5,023	\$ 2,024,000
—	—	4,506	388,671
—	—	—	103,343
—	—	40,930	3,372,295
—	—	—	628,149
—	1,256,285	300,000	1,556,285
<u>3,000</u>	<u>1,256,285</u>	<u>350,459</u>	<u>8,072,743</u>
—	—	—	99,364
—	—	—	2,144,513
—	—	—	3,032,652
—	—	—	26,155,620
—	—	—	31,432,149
—	—	4,388	39,678
492,288	1,220,302	4,082,833	12,881,134
—	—	350,122	350,122
—	—	—	23,708,311
—	—	(109,647)	10,994,431
<u>492,288</u>	<u>1,220,302</u>	<u>4,327,696</u>	<u>47,973,676</u>
<u>\$ 495,288</u>	<u>\$ 2,476,587</u>	<u>\$ 4,678,155</u>	<u>\$ 87,478,568</u>

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CITY OF ROSEMOUNT

Reconciliation of the Balance Sheet to the Statement of Net Position Governmental Funds as of December 31, 2025

Total fund balances – governmental funds	\$ 47,973,676
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.

Cost of capital assets	274,484,833
Less accumulated depreciation/amortization	(47,250,683)

Net pension assets are only recorded in the government-wide financial statements as they are not current financial resources to governmental funds.

3,069,104

Long-term liabilities are not payable with current financial resources and, therefore, are not reported in governmental funds.

Bonds payable	(82,645,000)
Unamortized bond premium	(1,285,444)
Compensated absences	(1,784,076)
Lease obligations	(797,262)
Subscription liabilities	(119,544)
Financed purchase	(292,788)
Net pension liability – PERA	(5,036,681)
Total OPEB liability	(1,658,072)

Interest on long-term debt is included in the change in net position as it accrues, regardless of when payment is due. However, it is included in the change in fund balances when due.

(652,103)

The internal service fund is used by management to charge certain costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.

264,878

Due to availability, certain revenues are not recognized under the governmental fund statements until received; however, under full accrual in the government-wide Statement of Activities, revenues are recorded when earned regardless of when received.

Unavailable revenue – property taxes	99,364
Unavailable revenue – special assessments	2,144,513
Unavailable revenue – long-term receivables	3,032,652

Governmental funds do not report certain long-term amounts related to pensions that are included in net position.

Deferred outflows of resources – pension plan deferments	5,310,792
Deferred outflows of resources – OPEB plan deferments	54,309
Deferred inflows of resources – pension plan deferments	(7,529,955)

Total net position – governmental activities	<u>\$ 187,382,513</u>
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CITY OF ROSEMOUNT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2025

	General	Capital Projects	Debt Service
Revenues			
Taxes	\$ 14,672,254	\$ 1,910,923	\$ 1,247,689
Intergovernmental	1,569,525	276,258	—
Public charges for services	1,723,345	3,222,911	—
Licenses and permits	2,075,330	—	—
Fines and forfeits	146,232	—	—
Special assessments	6,128	994,998	—
Investment earnings	364,102	1,077,557	157,771
Other	741,758	450,009	3,069,514
Donations/contributions	29,416	—	—
Total revenues	21,328,090	7,932,656	4,474,974
Expenditures			
Current			
General government	2,517,454	67,084	—
Public safety	10,261,699	—	—
Public works	5,577,516	—	—
Culture, education, and recreation	2,596,430	—	—
Conservation and economic development	680,820	—	—
Capital outlay	—	10,501,229	—
Debt service			
Principal	—	536,740	595,000
Interest and fiscal charges	—	75,161	3,867,381
Total expenditures	21,633,919	11,180,214	4,462,381
Excess (deficiency) of revenues over expenditures	(305,829)	(3,247,558)	12,593
Other financing sources (uses)			
Issuance of debt	—	586,582	—
Sale of capital assets	—	39,957	—
Transfers in	4,990	1,203,806	824,534
Transfers out	(130,622)	(1,162,967)	(8,615)
Total other financing sources (uses)	(125,632)	667,378	815,919
Net change in fund balances	(431,461)	(2,580,180)	828,512
Fund balances			
Beginning of year	14,345,868	24,534,063	5,236,588
End of year	\$ 13,914,407	\$ 21,953,883	\$ 6,065,100

Port Authority Debt Service	Port Authority Special Revenue	Nonmajor	Total
\$ —	\$ 1,979,386	\$ 230,984	\$ 20,041,236
—	—	283,447	2,129,230
—	—	71,674	5,017,930
—	—	—	2,075,330
—	—	—	146,232
—	—	—	1,001,126
3,029	75,100	154,806	1,832,365
—	—	13,732	4,275,013
—	—	51,109	80,525
<u>3,029</u>	<u>2,054,486</u>	<u>805,752</u>	<u>36,598,987</u>
—	709,952	—	3,294,490
—	—	127,592	10,389,291
—	—	51,745	5,629,261
—	—	32,703	2,629,133
—	—	1,442,031	2,122,851
—	—	—	10,501,229
365,000	—	37,841	1,534,581
85,303	—	1,022	4,028,867
<u>450,303</u>	<u>709,952</u>	<u>1,692,934</u>	<u>40,129,703</u>
(447,274)	1,344,534	(887,182)	(3,530,716)
—	—	—	586,582
—	—	—	39,957
468,615	—	26,664	2,528,609
—	(460,000)	—	(1,762,204)
<u>468,615</u>	<u>(460,000)</u>	<u>26,664</u>	<u>1,392,944</u>
21,341	884,534	(860,518)	(2,137,772)
<u>470,947</u>	<u>335,768</u>	<u>5,188,214</u>	<u>50,111,448</u>
<u>\$ 492,288</u>	<u>\$ 1,220,302</u>	<u>\$ 4,327,696</u>	<u>\$ 47,973,676</u>

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CITY OF ROSEMOUNT

Reconciliation of the Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
Year Ended December 31, 2025

Net change in fund balances – total governmental funds \$ (2,137,772)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay and improvements	9,964,317
Capital assets contributed to the City from developers	28,380,058
Capital assets contributed from business-type activities	24,280,879
Depreciation/amortization expense	(5,335,969)
Capital assets constructed by governmental activities contributed to business-type activities	(27,450,639)

A gain or loss on the disposal of capital assets, including the difference between the carrying value and any related sale proceeds, is included in the change in net position. However, only the sale proceeds are included in the change in fund balances. (58,446)

Net pension assets are included in net position, but are excluded from fund balances because they do not represent financial resources. 798,385

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Other long-term adjustments are also made between the governmental funds and the Statement of Activities for debt premiums, compensated absences, pension liabilities, and OPEB obligations.

Issuance of debt	(586,582)
Principal payments for debt	1,534,581
Debt premiums	57,907
Compensated absences	(69,288)
Net pension liability	218,554
Total OPEB liability	(58,315)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 7,522

The internal service fund is used by management to charge certain costs to individual funds. The net change of the internal service fund is reported with governmental activities in the government-wide financial statements. (305,124)

Certain revenues included in net position as soon as they are earned are not included in the change in fund balances until available to liquidate liabilities of the current period.

Property taxes receivable	(22,666)
Special assessments receivable	(310,124)
Long-term receivables	1,024,340

Governmental funds do not report additions or deletions to certain long-term amounts related to pensions that are included in the change in net position.

Deferred outflows of resources – pension plan deferments	(505,633)
Deferred outflows of resources – OPEB plan deferments	4,839
Deferred inflows of resources – pension plan deferments	42,948

Change in net position – governmental activities \$ 29,473,772

CITY OF ROSEMOUNT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
Year Ended December 31, 2025

	Original and Final Budget	Actual	Over (Under) Final Budget
Revenues			
Taxes			
General property tax	\$ 12,750,466	\$ 12,798,998	\$ 48,532
Fiscal disparities	1,582,289	1,560,049	(22,240)
Other	410,000	313,207	(96,793)
Total taxes	14,742,755	14,672,254	(70,501)
Intergovernmental			
Federal grants	—	2,688	2,688
State aid – police	330,000	521,939	191,939
State aid – general government	548,800	350,085	(198,715)
State aid – highway	420,000	467,588	47,588
Other	178,500	227,225	48,725
Total intergovernmental	1,477,300	1,569,525	92,225
Public charges for services			
General government	878,100	896,618	18,518
Public safety	66,350	76,954	10,604
Highways and streets	126,200	242,602	116,402
Culture, education, and recreation	403,900	492,012	88,112
Sewer availability charge	12,000	15,159	3,159
Total public charges for services	1,486,550	1,723,345	236,795
Licenses and permits			
Business	66,500	69,265	2,765
Nonbusiness	1,239,710	2,006,065	766,355
Total licenses and permits	1,306,210	2,075,330	769,120
Fines and forfeitures	105,100	146,232	41,132
Special assessments	—	6,128	6,128
Investment earnings	305,000	364,102	59,102
Other	412,000	741,758	329,758
Donations/contribution	—	29,416	29,416
Total revenues	19,834,915	21,328,090	1,493,175

CITY OF ROSEMOUNT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (continued)
General Fund
Year Ended December 31, 2025

	Original and Final Budget	Actual	Over (Under) Final Budget
Expenditures			
Current			
General government			
Mayor and council	189,600	190,262	662
Executive	1,170,045	1,011,114	(158,931)
Finance	354,170	466,064	111,894
Communications	413,865	396,814	(17,051)
Human resources	339,402	395,647	56,245
Other general government	399,850	57,553	(342,297)
Total general government	2,866,932	2,517,454	(349,478)
Public safety			
Police department	7,358,683	8,097,778	739,095
Fire department	1,196,400	1,365,870	169,470
Building inspections	826,700	798,051	(28,649)
Total public safety	9,381,783	10,261,699	879,916
Public works			
Government building maintenance	729,800	759,046	29,246
Fleet maintenance	931,800	1,197,374	265,574
Street maintenance	2,026,900	2,372,765	345,865
Park maintenance	1,295,200	1,248,331	(46,869)
Total public works	4,983,700	5,577,516	593,816
Culture, education, and recreation	2,177,400	2,596,430	419,030
Conservation and economic development	663,500	680,820	17,320
Total expenditures	20,073,315	21,633,919	1,560,604
Excess (deficiency) of revenues over expenditures	(238,400)	(305,829)	(67,429)
Other financing sources (uses)			
Transfers in	368,400	4,990	(363,410)
Transfers out	(130,000)	(130,622)	(622)
Total other financing sources (uses)	238,400	(125,632)	(364,032)
Net change in fund balances	\$ —	(431,461)	\$ (431,461)
Fund balances			
Beginning of year		14,345,868	
End of year		\$ 13,914,407	

See notes to basic financial statements

CITY OF ROSEMOUNT

Statement of Net Position
Proprietary Funds
as of December 31, 2025

	Business-Type Activities – Enterprise Funds		
	Water	Sewer	Storm Water
Assets			
Current assets			
Cash and investments	\$ 31,050,381	\$ 18,239,013	\$ 19,831,194
Receivables			
Accounts	898,261	1,068,751	438,275
Interest	81,484	40,654	31,150
Special assessments	95,554	151,043	111,516
Due from other governments	404	–	–
Leases	595,393	–	–
Prepaid items	38,698	199,257	23,011
Total current assets	32,760,175	19,698,718	20,435,146
Noncurrent assets			
Advances to other funds	1,556,285	–	–
Capital assets			
Land	1,603,342	–	3,215,052
Construction in progress	2,385,650	–	1,059,729
Buildings	7,830,220	588,482	2,351,769
Machinery and equipment	2,406,628	1,234,972	1,468,144
Lease assets - vehicles	25,236	17,714	17,714
Infrastructure, mains and lines, and other improvements	65,191,119	75,089,831	66,313,353
Less accumulated depreciation/amortization	(23,875,521)	(38,707,125)	(18,183,316)
Total capital assets (net of accumulated depreciation/amortization)	55,566,674	38,223,874	56,242,445
Total noncurrent assets	57,122,959	38,223,874	56,242,445
Total assets	89,883,134	57,922,592	76,677,591
Deferred outflows of resources			
Pension plan deferrals – PERA	61,126	61,200	55,971
Total assets and deferred outflows of resources	\$ 89,944,260	\$ 57,983,792	\$ 76,733,562
Liabilities			
Current liabilities			
Accounts and contracts payable	\$ 671,741	\$ 20,567	\$ 23,777
Accrued salaries and employee benefits payable	21,277	21,277	19,397
Accrued interest payable	224,500	225,398	50,711
Deposits payable	20,000	1,672	–
Unearned revenue	46,879	–	–
Compensated absences payable – current	54,566	54,566	52,139
Bonds payable – current	415,000	255,000	50,000
Total current liabilities	1,453,963	578,480	196,024
Noncurrent liabilities			
Compensated absences payable	42,946	42,946	40,794
Bonds payable (net of unamortized premiums)	12,445,041	12,588,154	2,857,265
Net pension liability – PERA	216,288	216,548	198,047
Total noncurrent liabilities	12,704,275	12,847,648	3,096,106
Total liabilities	14,158,238	13,426,128	3,292,130
Deferred inflows of resources			
Lease revenues for subsequent years	595,393	–	–
Pension plan deferrals – PERA	138,699	138,866	127,001
Total deferred inflows of resources	734,092	138,866	127,001
Net position			
Net investment in capital assets	42,610,675	25,380,720	53,329,881
Unrestricted	32,441,255	19,038,078	19,984,550
Total net position	75,051,930	44,418,798	73,314,431
Total liabilities, deferred inflows of resources, and net position	\$ 89,944,260	\$ 57,983,792	\$ 76,733,562

See notes to basic financial statements

Nonmajor Funds	Total	Governmental Activities – Internal Service Fund
\$ 1,280,985	\$ 70,401,573	\$ 52,545
70,623	2,475,910	–
–	153,288	–
79,898	438,011	–
–	404	–
–	595,393	–
15,020	275,986	474,591
1,446,526	74,340,565	527,136
–	1,556,285	–
–	4,818,394	–
–	3,445,379	–
2,472,544	13,243,015	–
198,272	5,308,016	–
–	60,664	–
–	206,594,303	–
(1,651,312)	(82,417,274)	–
1,019,504	151,052,497	–
1,019,504	152,608,782	–
2,466,030	226,949,347	527,136
25,261	203,558	–
<u>\$ 2,491,291</u>	<u>\$ 227,152,905</u>	<u>\$ 527,136</u>
\$ 50,047	\$ 766,132	\$ 262,258
8,273	70,224	–
–	500,609	–
–	21,672	–
–	46,879	–
26,676	187,947	–
–	720,000	–
84,996	2,313,463	262,258
23,686	150,372	–
–	27,890,460	–
89,382	720,265	–
113,068	28,761,097	–
198,064	31,074,560	262,258
–	595,393	–
57,318	461,884	–
57,318	1,057,277	–
1,019,504	122,340,780	–
1,216,405	72,680,288	264,878
2,235,909	195,021,068	264,878
<u>\$ 2,491,291</u>	<u>\$ 227,152,905</u>	<u>\$ 527,136</u>

CITY OF ROSEMOUNT

Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Funds
 Year Ended December 31, 2025

	Business-Type Activities – Enterprise Funds		
	Water	Sewer	Storm Water
Operating revenue			
Charges for services	\$ 3,243,472	\$ 3,850,864	\$ 2,046,359
Surcharges and penalties	497,927	43,037	26,460
Water meters	278,757	–	–
Other	29,459	–	1,807
Total operating revenue	4,049,615	3,893,901	2,074,626
Operating expenses			
Personal services	640,085	628,629	586,350
Supplies	401,635	3,747	6,560
Professional services and charges	83,362	134,718	159,749
Other services and charges	477,367	218,456	242,304
Metro sewer charges	–	1,894,346	–
Depreciation/amortization	1,127,983	1,176,621	1,154,409
Total operating expenses	2,730,432	4,056,517	2,149,372
Operating income (loss)	1,319,183	(162,616)	(74,746)
Nonoperating revenues (expenses)			
Connection fees	2,773,688	1,063,927	1,938,123
Taxes	–	–	–
Intergovernmental	5,795	–	–
Investment earnings	1,155,421	761,319	654,323
Gain (loss) on sale of capital assets	(14,998)	–	(8,240)
Capital contributions to governmental funds	(10,653,047)	(10,653,047)	(2,974,785)
Interest and fiscal charges	(520,331)	(527,877)	(119,447)
Total nonoperating revenues (expenses)	(7,253,472)	(9,355,678)	(510,026)
Income (loss) before contributions and transfers	(5,934,289)	(9,518,294)	(584,772)
Capital contributions, including special assessments	39,074	139,974	247,053
Capital contributions from governmental funds	12,131,814	7,559,819	7,759,006
Transfers in	692,133	113,965	51,293
Transfers out	(623,496)	(870,864)	(256,048)
Change in net position	6,305,236	(2,575,400)	7,216,532
Net position			
Beginning of year	68,746,694	46,994,198	66,097,899
End of year	\$ 75,051,930	\$ 44,418,798	\$ 73,314,431

Nonmajor Funds	Total	Governmental Activities – Internal Service Fund
\$ 883,327	\$ 10,024,022	\$ –
3,113	570,537	–
–	278,757	–
–	31,266	6,262
<u>886,440</u>	<u>10,904,582</u>	<u>6,262</u>
300,697	2,155,761	–
26,038	437,980	–
6,409	384,238	16,868
485,809	1,423,936	851,338
–	1,894,346	–
60,805	3,519,818	–
<u>879,758</u>	<u>9,816,079</u>	<u>868,206</u>
6,682	1,088,503	(861,944)
–	5,775,738	–
–	–	550,000
–	5,795	–
46,611	2,617,674	6,820
–	(23,238)	–
–	(24,280,879)	–
–	(1,167,655)	–
<u>46,611</u>	<u>(17,072,565)</u>	<u>556,820</u>
53,293	(15,984,062)	(305,124)
79,078	505,179	–
–	27,450,639	–
130,112	987,503	–
<u>(3,500)</u>	<u>(1,753,908)</u>	<u>–</u>
258,983	11,205,351	(305,124)
<u>1,976,926</u>	<u>183,815,717</u>	<u>570,002</u>
<u>\$ 2,235,909</u>	<u>\$ 195,021,068</u>	<u>\$ 264,878</u>

CITY OF ROSEMOUNT

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities – Enterprise Funds		
	Water	Sewer	Storm Water
Cash flows from operating activities			
Cash received from customers	\$ 3,978,936	\$ 3,589,285	\$ 2,011,721
Cash payments to suppliers	(476,458)	(2,407,845)	(418,911)
Cash payments to employees for services	(704,478)	(692,669)	(640,122)
Net cash flows from operating activities	2,798,000	488,771	952,688
Cash flows from noncapital financing activities			
Taxes	–	–	–
Intergovernmental revenue	5,795	–	–
Advances to other funds	(122,155)	–	–
Transfers in	150,123	113,965	46,191
Transfers out	(623,496)	(323,640)	(256,048)
Net cash flows from noncapital financing activities	(589,733)	(209,675)	(209,857)
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(2,403,706)	(125,099)	(1,502)
Proceeds from sale of capital assets	19,899	–	–
Capital contributions	39,074	139,974	54,753
Capital contributions – connection fees received	2,773,688	1,063,927	1,938,123
Principal payment on bonds	(185,000)	(25,000)	–
Principal payment on leases	(3,499)	(3,499)	(3,499)
Interest and fiscal charges paid	(548,940)	(546,400)	(122,850)
Net cash flows from capital and related financing activities	(308,484)	503,903	1,865,025
Cash flows from investing activities			
Interest and changes in fair value on investments	1,131,199	773,166	650,544
Net increase (decrease) in cash and cash equivalents	3,030,982	1,556,165	3,258,400
Cash and cash equivalents			
Beginning of year	28,019,399	16,682,848	16,572,794
End of year	\$ 31,050,381	\$ 18,239,013	\$ 19,831,194
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	\$ 1,319,183	\$ (162,616)	\$ (74,746)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Depreciation/amortization	1,127,983	1,176,621	1,154,409
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources			
Accounts and special assessments receivable	(80,913)	(304,616)	(62,905)
Due from other governments	1,353	–	–
Prepaid items	(4,025)	(169,037)	(999)
Accounts and contracts payable	489,931	12,459	(9,299)
Accrued salaries and employee benefits payable	5,781	5,781	5,253
Deposits payable	(2,000)	–	–
Unearned revenue	10,881	–	–
Compensated absences payable	(13,391)	(13,391)	(12,188)
Pension-related deferrals and liabilities	(56,783)	(56,430)	(46,837)
Total adjustments	1,478,817	651,387	1,027,434
Net cash flows from operating activities	\$ 2,798,000	\$ 488,771	\$ 952,688
Schedule of noncash capital and related financing activities			
Amortization of bond premium	\$ 26,254	\$ 18,007	\$ 3,403
Transfers in – capital assets contributed by other enterprise funds	\$ 542,010	\$ –	\$ 5,102
Transfers out – capital assets contributed to other enterprise funds	\$ –	\$ (547,224)	\$ –
Capital assets contributed by governmental funds	\$ 12,131,814	\$ 7,559,819	\$ 7,759,006
Capital assets contributed to governmental funds	\$ (10,653,047)	\$ (10,653,047)	\$ (2,974,785)
Capital assets contributed by developers	\$ –	\$ –	\$ 192,300
Capital assets purchased on account	\$ 95,958	\$ –	\$ 5,299
Net book value of capital asset disposals	\$ 34,897	\$ –	\$ 8,240

See notes to basic financial statements

Nonmajor Funds	Total	Governmental Activities – Internal Service Fund
\$ 841,446	\$ 10,421,388	\$ 6,262
(519,316)	(3,822,530)	(617,785)
(328,893)	(2,366,162)	—
(6,763)	4,232,696	(611,523)
—	—	550,000
—	5,795	—
—	(122,155)	—
130,000	440,279	—
(3,500)	(1,206,684)	—
126,500	(882,765)	550,000
—	(2,530,307)	—
—	19,899	—
79,078	312,879	—
—	5,775,738	—
—	(210,000)	—
—	(10,497)	—
—	(1,218,190)	—
79,078	2,139,522	—
48,945	2,603,854	6,820
247,760	8,093,307	(54,703)
1,033,225	62,308,266	107,248
\$ 1,280,985	\$ 70,401,573	\$ 52,545
\$ 6,682	\$ 1,088,503	\$ (861,944)
60,805	3,519,818	—
(44,994)	(493,428)	—
—	1,353	—
41	(174,020)	18,723
(1,101)	491,990	231,698
(6,411)	10,404	—
—	(2,000)	—
—	10,881	—
8,248	(30,722)	—
(30,033)	(190,083)	—
(13,445)	3,144,193	250,421
\$ (6,763)	\$ 4,232,696	\$ (611,523)
\$ —	\$ 47,664	\$ —
\$ 112	\$ 547,224	\$ —
\$ —	\$ (547,224)	\$ —
\$ —	\$ 27,450,639	\$ —
\$ —	\$ (24,280,879)	\$ —
\$ —	\$ 192,300	\$ —
\$ —	\$ 101,257	\$ —
\$ —	\$ 43,137	\$ —

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CITY OF ROSEMOUNT

Notes to Basic Financial Statements December 31, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The City of Rosemount, Minnesota (the City) was formed and operates pursuant to applicable Minnesota laws and statutes. The governing body consists of a five-member City Council elected at large by voters of the City. City Council members serve four-year staggered terms and the mayor serves a four-year term coinciding with the terms of two of the Council members. Elections take place every two years.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if: (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blending or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantially the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantially the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government. The financial statements include the Rosemount Port Authority (the Port Authority) as a blended component unit. The Port Authority serves all the citizens of the government and is governed by a board comprised of three of five of the primary government's elected council and four citizens appointed at large. The bond issuance authorizations are approved by the primary government's council and the legal liability for the general obligation portion of the Port Authority's debt remains with the primary government. The Port Authority is reported in a special revenue fund and debt service fund. The Port Authority does not issue separate financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-Wide Financial Statement Presentation

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all of the financial activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon sales, fees, and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes and special assessments are recognized as revenues in the fiscal year for which they are certified for levy. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, charges between the City's enterprise funds and other functions are not eliminated, as that would distort the direct costs and program revenues reported in those functions. Depreciation and amortization expense is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Fund Financial Statement Presentation

Separate fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor funds is reported in a single column in the respective fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction 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. For this purpose, the City considers revenues to be available if they are collected within 60 days after year-end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Proceeds of long-term debt are reported as other financing sources.

Major revenues susceptible to accrual include property taxes, special assessments, intergovernmental revenue, charges for services, and interest earned on investments. Major revenue that is not susceptible to accrual includes licenses and permits, fees, and miscellaneous revenue. Such revenues are recorded only when received because they are not measurable until collected.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. **Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred, except for principal and interest on long-term debt and other long-term liabilities, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds.

Proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting, similar to the government-wide financial statements. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service fund are charges to customers for sales and services. The operating expenses for the enterprise funds and internal service fund include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues and expenses.

Aggregated information for the internal service fund is reported in a single column in the proprietary fund financial statements. Because the principal user of the internal services is the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Description of Funds

The City reports the following major governmental funds:

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

Capital Projects Fund – The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Fund consists of one primary fund and three separate internal sub-funds maintained by the City.

Debt Service Fund – This fund accounts for the financial resources accumulated and payments made for principal and interest on long-term debt of the City, other than Port Authority debt service and enterprise fund debt.

Port Authority Debt Service Fund – This fund is a debt service fund type used to account for and report financial resources that are restricted to expenditures related to the City's Port Authority.

Port Authority Special Revenue Fund – This fund is a special revenue fund type used to account for and report financial resources that are restricted, committed, or assigned to expenditures related to the activities of the City's Port Authority TIF Districts.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City reports the following major enterprise funds:

Water Fund – The Water Fund accounts for operations of the water system.

Sewer Fund – The Sewer Fund accounts for operations of the sewer system.

Storm Water Fund – The Storm Water Fund accounts for operations of the storm water drainage system.

Additionally, the City reports the following fund type:

Internal Service Fund – Internal service funds account for the financing of goods and services provided to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service Insurance Fund accumulates resources to pay deductibles and uninsured claims, and pays for a majority of the general liability insurance and workers' compensation insurance premiums for the City.

E. Budgets and Budgetary Accounting

Annual budgets have been adopted for the General Fund and the capital projects sub-funds by the following sub-funds, Building CIP, Street CIP, and Equipment CIP. The remaining capital project sub-funds adopt project-length budgets and, therefore, are not included in the annual budgeting process. Formal budgetary integration is not employed for debt service funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

The budgeted amounts presented include any amendments made. The appropriated budget is prepared by fund, department and function. The legal level of budgetary control is at the department level. The City Council may authorize department heads to transfer budgeted appropriations within departments.

Appropriations lapse at year-end unless specifically carried over.

For the year ended December 31, 2025, expenditures exceeded budget for the following departments/funds:

	<u>Final Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Over Budget</u>
Fund			
General Fund			
Public safety	\$ 9,381,783	\$ 10,261,699	\$ 879,916
Public works	4,983,700	5,577,516	593,816
Culture, education, and recreation	2,177,400	2,596,430	419,030
Conservation and economic development	663,500	680,820	17,320
Capital Projects Fund			
Equipment CIP Sub-Fund	928,358	2,061,875	1,133,517

Expenditures over budget were funded by available fund balance and revenues more than budget. Expenditures in excess of budget were approved by the City Council either through the disbursement process or separate City Council action.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Investments

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the respective funds based on month-end outstanding balances for each fund. Restricted cash and investments in the Capital Projects Fund are held in segregated accounts that are established for capital projects. Interest on restricted cash and investments is allocated directly to the fund.

For purposes of the Statement of Cash Flows, the City considers all highly liquid instruments with an original maturity from the time of purchase by the City of three months or less to be cash equivalents. The proprietary funds' portion in the government-wide cash and investment management pool is considered cash equivalent.

It is the City's policy to invest in a manner that seeks to ensure preservation of capital in the overall portfolio. Safety of principal is the foremost objective, but liquidity and yield are also important considerations. The objective will be to mitigate credit risk by purchasing only highly rated securities or with adequate collateral and interest rate risk by matching maturities to cash flow needs and holding securities to maturity.

The City reports all investments at fair value. The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See Note 2 for the City's recurring fair value measurements as of the current year-end.

G. Receivables

Utility and miscellaneous accounts receivable are reported at gross. Since the City is generally able to certify delinquent amounts to the county for collection as special assessments; no allowance for uncollectible accounts has been provided on current receivables. All receivables other than leases receivable, property taxes and deferred special assessments are expected to be collected within one year.

H. Interfund Balances and Transfers

In the fund financial statements, activity between funds that is representative of lending or borrowing arrangements is reported as either "due to/from other funds" (current portion) or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Interfund balances and transfers reported in the fund financial statements are eliminated to the extent possible in the government-wide financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Property Taxes

Property tax levies are set by the City Council in December of each year and certified to Dakota County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes, spreading the levies over all taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the City on that date. Tax levies on real property are payable in two equal installments on May 15 and October 15. Personal property taxes are due in full on May 15. The county provides tax settlements to cities and other taxing districts four times a year: in June, July, December, and January.

Property taxes are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, taxes are recognized as revenue when received in cash or within 60 days after year-end. Taxes which remain unpaid on December 31 are classified as delinquent taxes receivable and are offset by a deferred inflow of resources in the governmental fund financial statements.

J. Special Assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. Special assessments are recorded as receivables upon certification to the county. Special assessments are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, special assessments are recognized as revenue when received in cash or within 60 days after year-end. Governmental fund special assessments receivable which remain unpaid on December 31, are offset by a deferred inflow of resources in the governmental fund financial statements. At year-end, the City recorded \$29,046 of delinquent special assessments receivable.

K. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

L. Subscription-Based Information Technology Arrangements (SBITAs)

A SBITA is a contract that conveys control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The City has entered into certain SBITAs for financial and public safety technology. Capital assets associated with SBITAs are presented separately from other capital assets in Note 5 and are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets. When applicable, a subscription liability is reported in Note 6 to include the terms and related disclosures associated with any subscription liability.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Groups of similar assets acquired at or near the same time for a single objective, with individual costs below this threshold, are also capitalized if the aggregate cost of the assets is considered significant. Donated assets are recorded as capital assets at their estimated acquisition value on the date of donation. Lease capital assets are recorded based on the measurement of payments applicable to the lease term. SBITA capital assets are recorded based on the measurement of any subscription liability plus the payments due to a SBITA vendor at the commencement of the subscription term, including any applicable initial implementation costs as defined in the standard. The City defines capital assets as those with an initial, individual cost of \$5,000 or more with an estimated useful life in excess of one year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the government-wide and proprietary fund financial statements, but are not reported in the governmental fund financial statements.

Land, land improvements, and construction in progress are not depreciated. Leased assets are amortized over the term of the lease or over the useful life of the applicable asset class listed below, if future ownership is anticipated. SBITAs are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets. The other classes of capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	30–65 years
Machinery and equipment	4–20 years
Other improvements	60 years
Utility system	65 years
Infrastructure	35–50 years

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, statements of financial position or balance sheets may report separate financial statement elements called deferred outflows or inflows of resources. These separate financial statement elements represent a consumption or acquisition of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources (revenue) until then.

Deferred outflows and inflows of resources related to pension and other post-employment benefits (OPEB) plans are reported in the government-wide and enterprise funds Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual experience, changes in proportion, changes of assumptions, net collective difference between projected and actual earnings on plan investments, and from contributions to the plans subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under applicable pension or OPEB standards.

The City reports deferred inflows of resources related to leases receivable in the government-wide and enterprise funds Statement of Net Position, which requires lessors to recognize deferred inflows of resources to correspond to lease receivables. These amounts are deferred and amortized in a systematic and rationale manner over the term of the lease.

Unavailable revenue arises only under a modified accrual basis of accounting and, therefore, is only reported in the governmental funds Balance Sheet. The governmental funds report unavailable revenue from the following sources: property taxes, special assessments, and long-term receivables. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

O. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

P. State-Wide Pension Plans

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Compensated Absences

Under terms of employment, employees are granted vacation, sick and comp time benefits in varying amounts. These benefits are based upon union contracts and city actions as applicable. Amounts carried forward for vacation and comp time accruals are governed by these contracts and actions. Sick pay accruals may be carried forward indefinitely. Amounts included in the accrual for sick pay is the portion estimated to be utilized during an employee's career and for the portion anticipated to be paid in cash or settled through noncash means upon termination.

All vested vacation, sick leave and comp time pay is accrued when incurred in the government-wide and proprietary fund financial statements, as it is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for these amounts is reported in governmental funds only if they have matured, for example, because of employee resignations and retirements, and are payable with expendable available resources.

Payments for vacation, sick and comp time leave will be made at rates in effect when the benefits are used. Accumulated vacation, sick and comp time leave liabilities at year-end are determined based on current salary rates and include salary related payments.

R. Risk Management

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City continues to carry commercial insurance for risks of loss, including workers' compensation, property and general liability, and employee health and accident insurance. The City retains risk for the deductible portions of the insurance policies. The amount of these deductibles is considered immaterial to the financial statements. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The City has established an internal service fund (Insurance Fund) to account for and finance uninsured risks of loss related to torts, theft of, damage to and destruction of assets, including deductibles. The majority of the City's general liability and workers' compensation insurance premiums are paid for by this fund. At year-end, there are no claims liabilities in the Insurance Fund based on the requirements of GASB standards, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

S. Net Position and Flow Assumptions

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation and amortization, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Unrestricted Net Position** – All other elements of net position that do not meet the definition of "restricted" or "net investment in capital assets."

The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Fund Balance Classifications and Flow Assumptions

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints for amounts intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. These constraints are established by the City Council and/or management. The City Council has adopted a fund balance policy, which delegates the authority to assign amounts for specific purposes to the city administrator and/or the administrative services director.
- **Unassigned** – The residual classification for the General Fund, which also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, the City first uses restricted resources, then unrestricted resources as needed.

When committed, assigned, or unassigned resources are available for use, the City uses resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

The City has a formal minimum fund balance policy. That policy is to maintain a working capital fund of 45.0 to 55.0 percent of the subsequent year's General Fund budgeted expenditures and transfers out. The unassigned General Fund balance at year-end was \$11,104,078, or 50.0 percent.

U. Restricted Assets

Restricted assets are cash, investments, and interest accrued thereon, if applicable; the use of which is limited by external requirements, such as a bond indenture or trust agreement.

V. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Components of Cash and Investments

Cash and investments at year-end consist of the following:

Deposits	\$ 62,282,563
Investments	62,628,092
Petty cash	<u>3,100</u>
Total	<u>\$ 124,913,755</u>

Cash and investments are included in the basic financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 123,893,144
Restricted cash and investments	<u>1,020,611</u>
Total	<u>\$ 124,913,755</u>

B. Deposits

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

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

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may be lost.

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

At year-end, the carrying amount of the City’s deposits was \$62,282,563, while the balance on the bank records was \$62,572,804. At December 31, 2025, all deposits were fully covered by federal deposit insurance, surety bonds, or by collateral held by the City’s agent in the City’s name.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

C. Investments

The City has the following investments at year-end:

Deposits/Investments	Credit Risk		Fair Value Measurement Using	Interest Risk – Maturity Duration in Years				Total
	Rating	Agency		Less Than 1	1 to 5	6 to 10	Greater Than 10	
U.S. agency securities	AA	Moody's	Level 2	\$ –	\$ 1,781,295	\$ –	\$ –	\$ 1,781,295
U.S. agency securities	AA	S&P	Level 2	1,832,664	4,741,281	2,228,805	639,510	9,442,260
Negotiable certificates of deposit	N/R	N/A	Level 2	1,956,245	11,579,216	711,194	–	14,246,655
State and local bonds (G.O. bonds)	Aaa	Moody's	Level 2	49,918	1,425,722	–	–	1,475,640
State and local bonds (G.O. bonds)	Aa	Moody's	Level 2	1,388,060	2,465,692	507,495	–	4,361,247
State and local bonds (G.O. bonds)	AAA	S&P	Level 2	505,050	592,438	382,059	–	1,479,547
State and local bonds (G.O. bonds)	AA	S&P	Level 2	2,044,169	1,900,612	2,444,429	–	6,389,210
State and local bonds (Revenue bonds)	Aaa	Moody's	Level 2	–	1,475,635	–	–	1,475,635
State and local bonds (Revenue bonds)	Aa	Moody's	Level 2	938,977	534,237	796,933	–	2,270,147
State and local bonds (Revenue bonds)	AAA	S&P	Level 2	–	493,183	–	–	493,183
State and local bonds (Revenue bonds)	AA	S&P	Level 2	1,421,179	4,643,246	–	–	6,064,425
				<u>\$ 10,136,262</u>	<u>\$ 31,632,557</u>	<u>\$ 7,070,915</u>	<u>\$ 639,510</u>	49,479,244
Investment pools/mutual funds								
Western Asset Institutional								
Government Reserves	AAA	S&P	Level 1					13,148,848
Total investments								<u>62,628,092</u>
Deposits								62,282,563
Petty cash								<u>3,100</u>
Total deposits and investments								<u>\$124,913,755</u>

N/A – Not Applicable

N/R – Not Rated

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

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy follows state statutes for allowable investments except that it does not permit the purchase of shares of investment companies registered under the Federal Investment Company Act of 1940 whose only investments are direct obligations guaranteed by the United States or its agencies.

Concentration Risk – This is the risk associated with investing a significant portion of the City's investments (considered 5.0 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The City's investment policy places no limit on the amount the City may invest in any one issuer. However, it discusses the need to diversify investments to minimize risk.

As of December 31, 2025, the City's investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Total
Federal Farm Credit Bank	U.S. agency securities	6%

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers’ acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or certain Minnesota securities broker-dealers. The City’s investment policies do not further address credit risk.

Interest Rate Risk – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City’s investment policy states the investment portfolio should be structured to meet cash requirements for ongoing operations. The policy limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates, stating that no more than 35 percent of total investments should extend beyond 5 years.

NOTE 3 – INTERFUND TRANSACTIONS

A. Interfund Balances

Advances to and from other funds at year-end were as follows:

Receivable Fund	Payable Fund	Amount	Purpose
Major Enterprise Fund Water Fund	Major Special Revenue Fund Port Authority Fund	\$ 1,256,285	Internally finance construction loan
Major Enterprise Fund Water Fund	Nonmajor Special Revenue Fund Port Authority General Fund	300,000	Internally finance land purchase loan
	Total Interfund Advances	<u>\$ 1,556,285</u>	

NOTE 3 – INTERFUND TRANSACTIONS (CONTINUED)

B. Interfund Transfers

The following transfers were made during the year in accordance with budget appropriations or as approved by City Council resolution to fund administrative overhead costs, fund debt service payments, or close funds:

Transfers Out	Transfers In									
	Governmental Funds					Enterprise Funds				
	General	Capital Projects	Debt Service	Port Authority Debt Service	Nonmajor	Water	Sewer	Storm Water	Nonmajor	Total
Governmental funds										
General	\$ –	\$ 622	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 130,000	\$ 130,622
Capital Projects	1,490	–	824,534	–	26,664	150,123	113,965	46,191	–	1,162,967
Debt Service	–	–	–	8,615	–	–	–	–	–	8,615
Port Authority Special Revenue	–	–	–	460,000	–	–	–	–	–	460,000
Enterprise funds										
Water	–	623,496	–	–	–	–	–	–	–	623,496
Sewer	–	323,640	–	–	–	542,010	–	5,102	112	870,864
Storm Water	–	256,048	–	–	–	–	–	–	–	256,048
Nonmajor	3,500	–	–	–	–	–	–	–	–	3,500
Total	<u>\$ 4,990</u>	<u>\$ 1,203,806</u>	<u>\$ 824,534</u>	<u>\$ 468,615</u>	<u>\$ 26,664</u>	<u>\$ 692,133</u>	<u>\$ 113,965</u>	<u>\$ 51,293</u>	<u>\$ 130,112</u>	<u>\$ 3,516,112</u>

Generally, transfers are used to: (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the Statement of Activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated to the extent possible.

NOTE 4 – LEASES RECEIVABLE

The City has entered into lease receivable agreements for rental of buildings and cell tower space on city property. These leases are reported using an incremental borrowing rate of 2.55–5.12 percent with a final maturity in fiscal 2053. During the current year, the City recognized principal and interest payments on these leases of \$1,545,578.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

A. Changes in Capital Assets Used in Governmental Activities

	Beginning Balance	Additions	Deletions	Completed Construction/ Transfers	Ending Balance
Capital assets, not depreciated/amortized					
Land	\$ 12,248,159	\$ 636,944	\$ –	\$ 177,100	\$ 13,062,203
Land improvements	5,769,942	–	–	8,526,810	14,296,752
Construction in progress	93,771,165	35,212,158	–	(115,515,357)	13,467,966
Total capital assets, not depreciated/amortized	111,789,266	35,849,102	–	(106,811,447)	40,826,921
Capital assets, depreciated/amortized					
Land improvements	6,667,602	902,764	(52,395)	5,870,032	13,388,003
Buildings	19,831,797	192,548	–	81,869,464	101,893,809
Machinery and equipment	17,521,251	813,379	(359,408)	5,867,128	23,842,350
Lease machinery and equipment	1,226,945	440,207	(305,417)	–	1,361,735
Technology subscriptions	233,997	146,375	–	–	380,372
Infrastructure	82,756,580	–	–	10,035,063	92,791,643
Total capital assets, depreciated/amortized	128,238,172	2,495,273	(717,220)	103,641,687	233,657,912
Less accumulated depreciation/amortization					
Land improvements	3,113,637	515,990	(52,395)	–	3,577,232
Buildings	8,202,483	1,508,382	–	–	9,710,865
Machinery and equipment	9,873,886	1,138,898	(300,962)	–	10,711,822
Lease machinery and equipment	581,361	346,596	(305,417)	–	622,540
Technology subscriptions	139,648	96,100	–	–	235,748
Infrastructure	20,662,473	1,730,003	–	–	22,392,476
Total accumulated depreciation/amortization	42,573,488	5,335,969	(658,774)	–	47,250,683
Total capital assets, depreciated/amortized	85,664,684	(2,840,696)	(58,446)	103,641,687	186,407,229
Net capital assets	\$ 197,453,950	\$ 33,008,406	\$ (58,446)	\$ (3,169,760)	\$ 227,234,150

B. Changes in Capital Assets Used in Business-Type Activities

	Beginning Balance	Additions	Deletions	Completed Construction/ Transfers	Ending Balance
Capital assets, not depreciated/amortized					
Land	\$ 4,675,656	\$ 192,300	\$ –	\$ (49,562)	\$ 4,818,394
Construction in progress	25,163,508	2,385,650	–	(24,103,779)	3,445,379
Total capital assets, not depreciated/amortized	29,839,164	2,577,950	–	(24,153,341)	8,263,773
Capital assets, depreciated/amortized					
Buildings	12,696,638	–	–	546,377	13,243,015
Machinery and equipment	5,484,061	245,914	(144,478)	(277,481)	5,308,016
Lease machinery and equipment	60,664	–	–	–	60,664
Infrastructure	179,540,098	–	–	27,054,205	206,594,303
Total capital assets, depreciated/amortized	197,781,461	245,914	(144,478)	27,323,101	225,205,998
Less accumulated depreciation/amortization on					
Buildings	5,807,788	283,604	–	–	6,091,392
Machinery and equipment	3,430,689	224,161	(101,341)	–	3,553,509
Lease machinery and equipment	47,377	13,287	–	–	60,664
Infrastructure	69,712,943	2,998,766	–	–	72,711,709
Total accumulated depreciation/amortization	78,998,797	3,519,818	(101,341)	–	82,417,274
Total capital assets, depreciated/amortized	118,782,664	(3,273,904)	(43,137)	27,323,101	142,788,724
Net capital assets	\$ 148,621,828	\$ (695,954)	\$ (43,137)	\$ 3,169,760	\$ 151,052,497

NOTE 5 – CAPITAL ASSETS (CONTINUED)

C. Depreciation/Amortization Expense by Function

Depreciation/amortization expense was charged to the following functions:

Governmental activities	
General government	\$ 781,981
Public safety	532,507
Public works	3,302,289
Culture, education, and recreation	<u>719,192</u>
Total depreciation/amortization expense – governmental activities	<u>\$ 5,335,969</u>
Business-type activities	
Water	\$ 1,127,983
Sewer	1,176,621
Storm water	1,154,409
Arena (nonmajor fund)	<u>60,805</u>
Total depreciation/amortization expense – business-type activities	<u>\$ 3,519,818</u>

NOTE 6 – LONG-TERM DEBT

A. Components of Long-Term Debt

	Original Issue	Interest Rate	Issue Date	Final Maturity Date	Balance – End of Year
Governmental activities					
General obligation bonds					
Port Authority TIF Refunding Bonds, Series 2015A	\$ 3,335,000	3.00%	2015	2032	\$ 2,840,000
Improvement Bonds, Series 2023A	\$ 34,750,000	3.50–6.00%	2023	2053	34,750,000
Recreational Facilities Bonds, Series 2023B	\$ 45,390,000	4.76–5.33%	2023	2053	<u>45,055,000</u>
Total bonds payable					82,645,000
Unamortized bond premium					1,285,444
Compensated absences					1,784,076
Lease obligations					797,262
Subscription liabilities					119,544
Financed purchase					292,788
Net pension liability – PERA					5,036,681
Total OPEB liability					<u>1,658,072</u>
Total governmental activities					<u>\$ 93,618,867</u>
Business-type activities					
General obligation bonds					
Water Revenue Bonds, Series 2015A	\$ 1,525,000	1.50–3.00%	2015	2026	\$ 170,000
Improvement Bonds, Series 2023A	\$ 27,425,000	3.50–6.00%	2023	2053	<u>27,380,000</u>
Total bonds payable					27,550,000
Unamortized bond premium					1,060,460
Compensated absences					338,319
Net pension liability – PERA					<u>720,265</u>
Total business-type activities					<u>\$ 29,669,044</u>

NOTE 6 – LONG-TERM DEBT (CONTINUED)

B. Changes in Long-Term Debt

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities					
Improvement bonds	\$ 90,000	\$ –	\$ 90,000	\$ –	\$ –
Capital improvement bonds	34,920,000	–	170,000	34,750,000	85,000
Port Authority tax increment bonds	3,205,000	–	365,000	2,840,000	375,000
Recreational facilities bonds	45,390,000	–	335,000	45,055,000	520,000
Subtotal bonds payable	83,605,000	–	960,000	82,645,000	980,000
Unamortized bond premium	1,343,351	–	57,907	1,285,444	–
Compensated absences	1,714,788	1,045,074	975,786	1,784,076	993,874
Lease obligations	664,174	440,207	307,119	797,262	272,283
Subscription liabilities	101,241	146,375	128,072	119,544	60,284
Financed purchase	432,178	–	139,390	292,788	143,842
Net pension liability – PERA	5,255,235	10,212,051	10,430,605	5,036,681	–
Total OPEB liability	1,599,757	162,248	103,933	1,658,072	54,309
Total governmental activities	94,715,724	12,005,955	13,102,812	93,618,867	2,504,592
Business-type activities					
Utility revenue bonds	335,000	–	165,000	170,000	170,000
Capital improvement bonds	27,425,000	–	45,000	27,380,000	550,000
Subtotal bonds payable	27,760,000	–	210,000	27,550,000	720,000
Unamortized bond premium	1,108,124	–	47,664	1,060,460	–
Compensated absences	369,041	176,419	207,141	338,319	187,947
Lease obligations	10,497	–	10,497	–	–
Net pension liability – PERA	780,483	1,354,220	1,414,438	720,265	–
Total business-type activities	30,028,145	1,530,639	1,889,740	29,669,044	907,947
Total government-wide	\$ 124,743,869	\$ 13,536,594	\$ 14,992,552	\$ 123,287,911	\$ 3,412,539

C. Minimum Bonded Debt Payments

Debt service requirements to maturity are as follows:

Year Ending December 31,	General Obligation Bonds			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 980,000	\$ 3,915,163	\$ 720,000	\$ 1,192,950
2027	1,150,000	3,872,200	585,000	1,156,350
2028	1,735,000	3,806,500	620,000	1,120,200
2029	1,840,000	3,724,395	650,000	1,085,350
2030	1,940,000	3,640,370	690,000	1,051,850
2031–2035	10,220,000	16,802,592	3,960,000	4,696,750
2036–2040	12,650,000	14,118,895	4,850,000	3,608,100
2041–2045	15,910,000	10,882,815	5,050,000	2,605,400
2046–2050	20,805,000	6,642,425	6,135,000	1,490,300
2051–2053	15,415,000	1,396,251	4,290,000	261,800
Total	\$ 82,645,000	\$ 68,801,606	\$ 27,550,000	\$ 18,269,050

D. Lease Obligations

Since 2018, the City has been acquiring assets through multiple lease agreements. Lease payments are due through November 2030, with interest rates ranging from zero to 3.13 percent. The gross amount of these assets under leases is presented in Note 5 to the basic financial statements. A portion of these capital assets were not financed through lease arrangements but rather paid by the City upon purchase.

NOTE 6 – LONG-TERM DEBT (CONTINUED)

A corresponding liability is recorded in the government-wide Statement of Net Position. Annual principal and interest in these agreements will be paid from the Equipment CIP Capital Project Sub-Fund. The lease agreement contains certain provisions that in the event of default the lessor may demand and receive immediate position of the leased property, or recover all amounts owed by the City.

A schedule for future lease payments as of December 31, 2025, is as follows:

Year Ending December 31,	Lease Obligations	
	Governmental Activities	
	Principal	Interest
2026	\$ 272,283	\$ 58,803
2027	233,074	55,566
2028	184,654	45,659
2029	97,288	25,234
2030	9,963	2,256
Total	<u>\$ 797,262</u>	<u>\$ 187,518</u>

E. Subscription Liabilities

The City entered into agreements to finance the use of software, which calls for annual principal and interest payments through December 2028. These agreements are paid for by the General Fund and Equipment CIP Capital Project Sub-Fund. The total amount of the underlying subscription assets and the related accumulated amortization is presented in Note 5 of the notes to basic financial statements.

A schedule of future subscription payments as of December 31, 2025, is as follows:

Year Ending December 31,	Subscription Liabilities	
	Governmental Activities	
	Principal	Interest
2026	\$ 60,284	\$ 3,483
2027	29,193	1,772
2028	30,067	899
Total	<u>\$ 119,544</u>	<u>\$ 6,154</u>

F. Financed Purchase Payable

During fiscal year 2020, the City financed the purchase of an aerial platform fire truck. The assets acquired through this agreement are included in the machinery and equipment asset category of capital assets. The amount financed totaled \$925,671 with an interest rate of 3.2 percent, which will be paid by the Equipment CIP Capital Project Sub-Fund. The agreement requires payments through November 2027 as follows:

Year Ending December 31,	Financed Purchase	
	Governmental Activities	
	Principal	Interest
2026	\$ 143,842	\$ 9,335
2027	148,946	4,741
Total	<u>\$ 292,788</u>	<u>\$ 14,076</u>

NOTE 6 – LONG-TERM DEBT (CONTINUED)

The agreement is secured by the machinery and equipment. If the City fails to make the required payments specified in this agreement or otherwise defaults, the lender may 1) declare all payments due or to become due, to be immediately due and payable, 2) take possession without terminating the agreement, holding the City responsible for the difference in the net income derived from such possession and the amount due under this agreement, 3) take legal action to force performance under the terms of the agreement.

F. Revenue Pledged

Future revenue pledged for the payment of long-term debt is as follows:

Bond Issue	Use of Proceeds	Type	Revenue Pledged		Remaining Principal and Interest	Current Year	
			Percent of Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
G.O. Water Revenue Bonds 2015A	Utility improvements	Utility charges	100%	2015–2026	\$ 172,550	\$ 172,451	\$ 3,243,472
G.O. Improvement Bonds 2023A (water)	Utility improvements	Utility charges	100%	2023–2053	\$ 20,345,638	\$ 558,925	\$ 3,243,472
G.O. Improvement Bonds 2023A (sewer)	Utility improvements	Utility charges	100%	2023–2053	\$ 20,542,800	\$ 571,325	\$ 3,850,864
G.O. Improvement Bonds 2023A (storm water)	Utility improvements	Utility charges	100%	2023–2053	\$ 4,758,062	\$ 122,775	\$ 2,046,359

G. Other Debt Information

The City provides its employees with various benefits, including compensated absences, pension benefits, and OPEB as further described elsewhere in these notes. The General, Water, Sewer, Storm Water, and Arena Funds will be used to liquidate these liabilities.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The City believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At year-end, the aggregate principal amount for the three issues outstanding could not be determined; however, their original issue amounts totaled \$8,294,720.

NOTE 7 – NET POSITION/FUND BALANCES

A. Net Investment in Capital Assets

The government-wide statement of net position on December 31, 2025, includes the City's net investment in capital assets calculated as follows:

	Governmental Activities	Business-Type Activities	Total
Net investment in capital assets			
Capital assets			
Nondepreciable	\$ 40,826,921	\$ 8,263,773	\$ 49,090,694
Depreciable, net of accumulated depreciation/amortization	186,407,229	142,788,724	329,195,953
Less capital-related long-term debt outstanding	(85,140,038)	(28,610,460)	(113,750,498)
Less capital-related accounts, contracts, and retainage payables	(1,016,119)	(101,257)	(1,117,376)
Plus unspent bond proceeds	1,020,611	—	1,020,611
Total net investment in capital assets	<u>\$ 142,098,604</u>	<u>\$ 122,340,780</u>	<u>\$ 264,439,384</u>

NOTE 7 – NET POSITION/FUND BALANCES (CONTINUED)

B. Governmental Fund Balance Classifications

Governmental fund balances reported on December 31, 2025, include the following:

	General	Capital Projects	Debt Service	Port Authority Debt Service	Port Authority Special Revenue	Nonmajor	Total
Nonspendable							
Prepaid items	\$ 35,290	\$ —	\$ —	\$ —	\$ —	\$ 4,388	\$ 39,678
Restricted							
Local affordable housing aid	—	—	—	—	—	232,875	232,875
Capital improvements	—	1,020,611	—	—	—	—	1,020,611
Debt service	—	—	6,065,100	492,288	—	—	6,557,388
TIF requirements	—	—	—	—	1,220,302	2,386,353	3,606,655
PEG fees	—	—	—	—	—	209,803	209,803
Forfeiture spending	—	—	—	—	—	63,444	63,444
Public safety aid	—	—	—	—	—	1,190,358	1,190,358
Total restricted	—	1,020,611	6,065,100	492,288	1,220,302	4,082,833	12,881,134
Committed							
Fire safety education	—	—	—	—	—	4,242	4,242
GIS	—	—	—	—	—	282,441	282,441
Wellness	—	—	—	—	—	40,015	40,015
Parks and recreation	—	—	—	—	—	23,424	23,424
Total committed	—	—	—	—	—	350,122	350,122
Assigned							
Compensated absences	1,769,281	—	—	—	—	—	1,769,281
Parking lot maintenance	459,000	—	—	—	—	—	459,000
Economic development projects	81,312	—	—	—	—	—	81,312
Compensation and benefits	150,000	—	—	—	—	—	150,000
Park maintenance	119,046	—	—	—	—	—	119,046
Various projects	196,400	—	—	—	—	—	196,400
Various projects/equipment	—	18,406,964	—	—	—	—	18,406,964
Park improvements	—	1,314,429	—	—	—	—	1,314,429
Building CIP	—	587,859	—	—	—	—	587,859
Street CIP	—	321,816	—	—	—	—	321,816
Equipment CIP	—	302,204	—	—	—	—	302,204
Total assigned	2,775,039	20,933,272	—	—	—	—	23,708,311
Unassigned	11,104,078	—	—	—	—	(109,647)	10,994,431
Total	\$ 13,914,407	\$ 21,953,883	\$ 6,065,100	\$ 492,288	\$ 1,220,302	\$ 4,327,696	\$ 47,973,676

NOTE 8 – DEFINED BENEFIT PENSION PLANS

Employees of the City participate in three defined benefit pension plans. Two of the plans are state-wide, cost-sharing, multiple-employer defined benefit pension plans administered by the Public Employee Retirement Association (PERA) of Minnesota: the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF). The third is a single-employer defined benefit pension plan administered through the Rosemount Fire Department Relief Association (the Association). The details of the City's participation in each of these plans are presented later in these notes. The following table summarizes the impact of these plans on the City's government-wide financial statements:

	State-Wide PERA Pension Plans			Rosemount Fire Department Relief Association	Total All Plans
	GERF	PEPFF	Total		
Net pension asset	\$ –	\$ –	\$ –	\$ 3,069,104	\$ 3,069,104
Deferred outflows of resources	\$ 736,463	\$ 4,709,147	\$ 5,445,610	\$ 68,740	\$ 5,514,350
Net pension liability	\$ 2,605,878	\$ 3,151,068	\$ 5,756,946	\$ –	\$ 5,756,946
Deferred inflows of resources	\$ 1,671,070	\$ 5,380,419	\$ 7,051,489	\$ 940,350	\$ 7,991,839
Pension expense	\$ (84,016)	\$ 936,436	\$ 852,420	\$ 152,566	\$ 1,004,986

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

A. Plan Description

The City participates in the following cost-sharing, multiple-employer defined benefit pension plans administered by the PERA of Minnesota. These plan provisions are established and administered according to Minnesota Statutes, Chapters 353 and 356. Minnesota Statutes Chapter 356 defines each plan's financial reporting requirements. The PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code (IRC).

1. General Employees Retirement Fund (GERF)

Membership in the GERF includes employees of counties, cities, townships, schools in noncertified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

2. Public Employees Police and Fire Fund (PEPFF)

Membership in the PEPFF includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes Section 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide PEPFF coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

B. Benefits Provided

The PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statutes and can only be modified by the State Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

1. GERF Benefits

The GERF requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for GERF members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, GERF members receive 1.20 percent of the highest average salary for each of the first 10 years of service, and 1.70 percent for each additional year. Under the Level formula, GERF members receive 1.70 percent of highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90, and normal retirement age is 65. Members can receive a reduced retirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by 0.25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25 percent for each month the member is younger than age 62. The Level formula allows GERF members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is equal to 50.00 percent of the cost of living adjustment (COLA) announced by the Social Security Administration, with a minimum increase of at least 1.00 percent and a maximum of 1.50 percent. The 2025 annual increase was 1.25 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase, will receive the full increase. Recipients receiving the annuity or benefit for at least one month, but less than a full year as of the June 30 before the effective date of the increase, will receive a prorated increase.

2. PEPFF Benefits

Benefits for PEPFF members first hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50.00 percent vested after five years of service, and 100.00 percent vested after 10 years. After five years, vesting increases by 10.00 percent each full year of service until members are 100.00 percent vested after 10 years. Police and Fire Plan members receive 3.00 percent of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417 percent each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is fixed at 1.00 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase, will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months, but less than 36 months, as of the June 30 before the effective date of the increase, will receive a prorated increase.

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

C. Contributions

Minnesota Statutes, Chapter 353 and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

1. GERP Contributions

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2025, and the City was required to contribute 7.50 percent for General Plan members. The City's contributions to the GERP for the year ended December 31, 2025 were \$569,443. The City's contributions were equal to the required contributions as set by state statutes.

2. PEPFF Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2025, and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the PEPFF for the year ended December 31, 2025 were \$786,942. The City's contributions were equal to the required contributions as set by state statutes.

D. Pension Costs

1. GERP Pension Costs

At December 31, 2025, the City reported a liability of \$2,605,878 for its proportionate share of the GERP's net pension liability. The City's net pension liability reflected a reduction, due to the state of Minnesota's contribution of \$16.0 million. The state of Minnesota is considered a nonemployer contributing entity and the state's contribution meets the definition of a special funding situation. The state of Minnesota's proportionate share of the net pension liability associated with the City totaled \$62,862.

City's proportionate share of the net pension liability	\$ 2,605,878
State's proportionate share of the net pension liability associated with the City	<u>62,862</u>
Total	<u><u>\$ 2,668,740</u></u>

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.0786 percent at the end of the measurement period and 0.0756 percent for the beginning of the period.

For the year ended December 31, 2025, the City recognized negative pension expense of \$74,374 for its proportionate share of the GERP's pension expense. In addition, the City recognized an additional \$9,642 as negative pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16.0 million to the GERP.

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 248,283	\$ –
Changes in actuarial assumptions	62,787	599,604
Net difference between projected and actual earnings on pension plan investments	–	1,036,904
Changes in proportion	135,631	34,562
Employer contributions subsequent to the measurement date	289,762	–
Total	<u>\$ 736,463</u>	<u>\$ 1,671,070</u>

The \$289,762 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2026	\$ (262,223)
2027	\$ (463,785)
2028	\$ (313,133)
2029	\$ (185,228)

2. PEPFF Pension Costs

At December 31, 2025, the City reported a liability of \$3,151,068 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.2689 percent at the end of the measurement period and 0.2464 percent for the beginning of the period.

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

The state of Minnesota contributed \$18.0 million to the PEPFF in the plan fiscal year ended June 30, 2025. The contribution consisted of \$9.0 million in direct state aid that meets the definition of a special funding situation and \$9.0 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9.0 million direct state aid was paid on October 1, 2024. The direct state aid payment will increase by \$17.7 million, which was paid on October 1, 2025. Thereafter, by October 1 of each year, the state will pay \$26.7 million to the Police and Fire Fund until the fund is 110.00 percent funded for a minimum of three consecutive years (on an actuarial value of assets basis). The \$9.0 million in supplemental state aid will continue until the fund and the State Patrol Plan (administered by the Minnesota State Retirement System) are 100.00 percent funded for three consecutive years (on an actuarial value of assets basis). The state of Minnesota's proportionate share of the net pension liability associated with the City totaled \$109,232.

City's proportionate share of the net pension liability	\$ 3,151,068
State's proportionate share of the net pension liability associated with the City	<u>109,232</u>
Total	<u><u>\$ 3,260,300</u></u>

For the year ended December 31, 2025, the City recognized pension expense of \$883,584 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$52,852 as grant revenue and pension expense for its proportionate share of the state of Minnesota's pension expense for the contribution of \$9.0 million to the PEPFF special funding situation.

The state of Minnesota is not included as a nonemployer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9.0 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$71,807 for the year ended December 31, 2025, as revenue and an offsetting reduction of net pension liability for its proportionate share of the state of Minnesota's on-behalf contributions to the PEPFF.

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,455,893	\$ –
Changes in actuarial assumptions	2,389,520	3,948,156
Net difference between projected and actual earnings on pension plan investments	–	1,406,366
Changes in proportion	448,410	25,897
Employer contributions subsequent to the measurement date	<u>415,324</u>	<u>–</u>
Total	<u><u>\$ 4,709,147</u></u>	<u><u>\$ 5,380,419</u></u>

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

The \$415,324 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2026	\$ 880,997
2027	\$ (608,845)
2028	\$ (1,477,919)
2029	\$ (28,090)
2030	\$ 147,261

E. Long-Term Expected Return on Investments

The Minnesota State Board of Investment, which manages the investments of the PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best-estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	35.50 %	5.10 %
International equity	16.50	5.30 %
Fixed income	25.00	0.75 %
Private markets	25.00	5.90 %
Total	<u>100.00 %</u>	

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2025, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.00 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.00 percent is within that range.

Inflation is assumed to be 2.25 percent for the General Employees Plan and the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.50 percent for the General Employees Plan and 1.00 percent for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 11.50 percent after one year of service to 3.00 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 10.75 percent after one year of service to 3.00 percent after 23 years of service.

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit the PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation. The Police and Fire Plan was reviewed in 2024. The assumption changes were adopted by the Board and became effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

1. GERF

CHANGES IN ACTUARIAL ASSUMPTIONS

- The combined service annuity loading factors increased from 15.00 percent to 19.00 percent for vested terminated members and from 3.00 percent to 44.00 percent for nonvested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25 percent to 1.50 percent.

CHANGES IN PLAN PROVISIONS

- The post-retirement benefit increase formula changed to 100.00 percent of the Social Security annual increase, between 1.00 percent and 1.75 percent, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85.00 percent for the last two consecutive annual valuations or is less than 80.00 percent in the most recent actuarial valuation, the maximum is reduced to 1.50 percent. Previously, the benefit increase was 50.00 percent of the Social Security annual increase, between 1.00 percent and 1.50 percent.
- The 1.00 percent additional employer contribution is eliminated when the plan reaches 98.00 percent funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100.00 percent funded status.

2. PEPFF

CHANGES IN ACTUARIAL ASSUMPTIONS

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued use of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70.00 percent to 65.00 percent.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33.00 percent to 13.00 percent for vested, terminated members and from 2.00 percent to 38.00 percent for nonvested, terminated members.

NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

CHANGES IN PLAN PROVISIONS

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026 benefit increase changed from 1.00 percent to 3.00 percent; subsequent January 1 increases will be 1.00 percent.
- The threshold to end the \$9.0 million annual state aid contribution changed from the earlier of July 1, 2048 or 90.00 percent funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100.00 percent funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional \$9.0 million annual state aid contribution changed from the earlier of July 1, 2048 or 100.00 percent funded for a minimum of three consecutive years to 110.00 percent funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional \$17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

G. Discount Rate

The discount rate used to measure the total pension liability in 2025 was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund and the Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity

The following table presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding section, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.00 percentage point lower or 1.00 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
City's proportionate share of the GERF net pension liability (asset)	\$ 6,329,269	\$ 2,605,878	\$ (414,630)
City's proportionate share of the PEPFF net pension liability (asset)	\$ 8,256,466	\$ 3,151,068	\$ (1,041,269)

I. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the internet at www.mnpera.org.

NOTE 10 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION

A. Plan Description

All members of the Rosemount Fire Department (the Department) are covered by a defined benefit plan administered by the Association. As of December 31, 2024, the plan covered 54 active firefighters and 3 vested terminated firefighters whose pension benefits are deferred. The plan is a single-employer retirement plan and is established and administered in accordance with Minnesota Statutes, Chapter 69.

The Association maintains a separate Special Fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (Chapter 261 as amended by Chapter 509 of Minnesota Statutes 1980). Funds are also derived from investment income and city contributions.

B. Benefits Provided

Individuals with at least 20 years of service who have reached age 50 are entitled to a lump sum payment of \$10,200 per year of service plus a supplemental benefit of 10 percent of the regular lump sum distributions, but not more than \$1,000. In the event an otherwise qualified member has less than 20 years of service, the member is eligible for a pension payment of 60 percent after 10 years of service, increasing 4 percent for each year of service after 10 years to a maximum of 100 percent. Members retiring before 50 do not receive distributions until age 50, but interest at 5 percent per year is added to their retirement benefit until paid.

C. Contributions

Minnesota Statutes, Chapters 424 and 424A, authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings, and, if necessary, employer contributions as specified in Minnesota Statutes and voluntary city contributions (if applicable). The firefighters have no obligation to contribute to the plan. Nonemployer pension contributions include state aid from the state of Minnesota and municipal contributions from the City. On behalf of state aid payments from the state of Minnesota are received initially by the City and subsequently remitted to the Association. These on behalf of state aid payments, in addition to the City's municipal contribution payments to the Association plan, are recognized as revenues and expenditures in the City's General Fund during the period received.

The state of Minnesota contributed \$295,776 in fire state aid to the plan on behalf of the Department for the year ended December 31, 2025, which was recorded as revenue. Required employer contributions are calculated annually based on statutory provisions. The City's statutorily required contributions to the plan for the year ending December 31, 2025, were \$0; however, the City made a voluntary contribution of \$30,000 to the plan.

D. Pension Costs

On December 31, 2025, the City reported a net pension liability (asset) of (\$3,069,104) for the plan. The net pension liability (asset) was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability (asset) in accordance with GASB Statement No. 68 was determined by applying an actuarial formula to specific census data certified by the Department as of December 31, 2024.

**NOTE 10 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

The following table presents the changes in net pension liability (asset) during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning balance	\$ 3,351,713	\$ 5,622,432	\$ (2,270,719)
Changes for the year			
Service cost	204,809	—	204,809
Interest	193,943	—	193,943
Difference between projected and actual earnings on pension plan investments	(211,310)	—	(211,310)
Changes of assumptions	(103,202)	—	(103,202)
Changes of benefit terms	276,138	—	276,138
Contributions (state and local)	—	277,921	(277,921)
Net investment income	—	886,951	(886,951)
Benefit payment	(60,568)	(60,568)	—
Administrative costs	—	(6,109)	6,109
Total net changes	299,810	1,098,195	(798,385)
Ending balance	\$ 3,651,523	\$ 6,720,627	\$ (3,069,104)

For the year ended December 31, 2025, the City recognized pension expense of \$152,566.

At December 31, 2025, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ —	\$ 422,126
Changes in actuarial assumptions	38,740	111,415
Net difference between projected and actual earnings on pension plan investments	—	406,809
Employer contributions subsequent to the measurement date	30,000	—
Total	\$ 68,740	\$ 940,350

Deferred outflows of resources totaling \$30,000 related to pensions resulting from city contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2026	\$ (153,763)
2027	\$ (66,987)
2028	\$ (296,711)
2029	\$ (179,495)
2030	\$ (58,115)
Thereafter	\$ (146,539)

**NOTE 10 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

E. Actuarial Methods and Assumptions

The total pension liability on December 31, 2025, was determined using the entry-age normal actuarial cost method and the following actuarial assumptions:

20-year municipal bond yield	4.08%
Expected return on plan assets	6.50%
Discount rate	6.50%
Inflation rate	2.50%

Mortality rates were based on July 1, 2023, PERA Police and Fire Plan actuarial valuation as described below:

- **Healthy Pre-Retirement** – Pub-2010 Public Safety Employee Mortality Tables with projected mortality improvements based on Scale MP-2021.
- **Healthy Post-Retirement** – Pub-2010 Healthy Retired Public Safety Mortality Tables with projected mortality improvements based on Scale MP-2021. Male rates are adjusted by a factor of 0.98.
- **Disabled** – Pub-2010 Public Safety Disabled Retiree Mortality Tables with projected mortality improvements based on Scale MP-2021. Male rates are adjusted by a factor of 1.05.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

- **Changes in Actuarial Assumptions** – The expected investment return and discount rate increased from 5.50 percent to 6.50 percent to reflect updated capital market assumptions.
- **Changes in Plan Provisions** – The lump sum benefit amount increased from \$9,400 to \$10,200 per year.

The 6.50 percent long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using the plan’s target investment allocation, along with long-term return expectations by asset class. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

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

Asset Class	Measurement Date Allocation	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return
Domestic equity	71.74 %	4.52 %	7.02 %
Fixed income	16.18	2.44 %	4.94 %
Cash and equivalents	12.08	0.99 %	3.49 %
Total	100.00 %		6.50 %

**NOTE 10 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

F. Discount Rate

The discount rate used to measure the total pension liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in state statutes. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability (Asset) Sensitivity

The following presents the City’s net pension liability (asset) for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City’s net pension liability (asset) would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

	1% Decrease in Discount Rate (5.50%)	Current Discount Rate (6.50%)	1% Increase in Discount Rate (7.50%)
Net pension liability (asset)	\$ (2,957,873)	\$ (3,069,104)	\$ (3,176,555)

H. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the City of Rosemount, 2875 145th Street West, Rosemount, Minnesota 55068-4997, or by calling (651) 423-4411.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Description

The City provides post-employment insurance benefits to certain eligible employees through its OPEB Plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. Eligibility for these benefits is based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The Plan does not issue a publicly available financial report. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

B. Benefits Provided

All retirees of the City have the option under state law to continue their medical insurance coverage through the City from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of all employee groups, the retiree must pay the full premium to continue coverage for medical and dental insurance.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees until the retiree reaches Medicare eligibility, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City’s younger and statistically healthier active employees.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

For police officers or firefighters disabled in the line-of-duty, Minnesota Statutes require the City to continue payment of the employer's contribution toward health coverage for the police officer or firefighter and their spouse, if the spouse was covered at the time of disability, until age 65.

C. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City's current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$54,309.

D. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

Active employees electing coverage	68
Active employees waiving coverage	28
Retirees electing coverage	<u>3</u>
Total	<u><u>99</u></u>

E. Total OPEB Liability of the City

The City's total OPEB liability of \$1,658,072 was measured as of December 31, 2024, and was determined in accordance with the Alternative Measurement Method, prescribed by GASB Statement No. 75 for employers with under 100 plan participants, as of the December 31, 2023, valuation date, in place of an actuarial valuation.

F. Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2023, valuation rolled forward for the December 31, 2024 measurement date was determined using the following valuation assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.08%
20-year municipal bond yield	4.08%
Inflation rate	2.50%
Healthcare trend rate	6.90% initially, gradually decreasing over several decades to an ultimate rate of 3.90% in 2075 and later years

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield rate of 4.08 percent, which was set by considering published rate information for 20-year high quality, tax-exempt, general obligation municipal bonds as of the measurement date. The City discount rate used in the prior measurement date was 3.77 percent.

Mortality rates were based on the Pub-2010 Mortality Table, with projected mortality improvements using projection Scale MP-2021 and other adjustments.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

G. Changes in the Total OPEB Liability

	Total OPEB Liability
Beginning balance	\$ 1,599,757
Changes for the year	
Service cost	99,104
Interest	63,114
Differences between expected and actual experience	30
Changes in assumptions	(54,434)
Benefit payments	(49,499)
Total net changes	<u>58,315</u>
Ending balance	<u>\$ 1,658,072</u>

Assumption changes since the prior measurement date include the following:

- The discount rate was changed from 3.77 percent to 4.08 percent based on updated 20-year municipal bond rates.

H. Total OPEB Liability Sensitivity to Discount and Healthcare Cost Trend Rate Changes

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB discount rate	3.08%	4.08%	5.08%
Total OPEB liability	\$ 1,842,133	\$ 1,658,072	\$ 1,497,043

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease in Healthcare Cost Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB healthcare cost trend rate	5.90%, decreasing to 2.90% over several decades	6.90%, decreasing to 3.90% over several decades	7.90%, decreasing to 4.90% over several decades
Total OPEB liability	\$ 1,460,656	\$ 1,658,072	\$ 1,890,345

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

I. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

This year the City recognized OPEB expense of \$107,814. At year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to the measurement date	\$ 54,309	\$ –

Deferred outflows of resources reported \$54,309 related to OPEB resulting from city contributions subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2026.

NOTE 12 – TAX INCREMENT PAY-AS-YOU-GO FINANCING NOTES

In 2007, the City, through the Port Authority TIF (the Authority) which was established under Minnesota Statutes Chapter 469.0813, entered into an agreement with 146th Street Partners, Limited Partnership (Developer) in the form of a tax incremental revenue note to stimulate economic development. The amount of the obligation is \$1,500,000 and is payable to the developer solely from available tax increments collected from a specific portion of the development. Payments are scheduled through the year 2032 and carry an interest rate of 4.96 percent. The agreement is authorized through the Contract for Private Redevelopment between the Authority and Developer. The Developer pays property taxes as they become due, and since they met the criteria established in the development agreement, is entitled to incentive payments that directly correlate to the taxes paid. The incentive is based on the repayment schedule in the tax incremental revenue note but only to the extent of available tax increment, defined as 90.00 percent of the tax increment that is received by the Authority in the six-month period immediately before each payment date. If future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. Incentive payments for the year ending December 31, 2025, were \$167,345 with a remaining balance of \$703,990.

In 2020, the City, through the Port Authority TIF (the Authority) which was established under Minnesota Statutes Chapter 469.0813, entered into an agreement with the Morrison Project, LLC (Developer) in the form of a tax incremental revenue note to stimulate economic development. The amount of the obligation is \$3,400,000 and is payable to the developer solely from available tax increments collected from a specific portion of the development. Payments are scheduled through the year 2049 and carry an interest rate of 4.35 percent. In addition, the Authority agreed to pay the Developer \$600,000, with no obligation to repay, for the acquisition of the property to be developed. The agreement is authorized through the Contract for Private Redevelopment between the Authority and Developer. The Developer pays property taxes as they become due, and since they met the criteria established in the development agreement, is entitled to incentive payments that directly correlate to the taxes paid. The incentive is based on the repayment schedule in the tax incremental revenue note but only to the extent of available tax increment, defined as 95.00 percent of the tax increment that is received by the Authority in the six-month period immediately before each payment date. If future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. Incentive payments for the year ended December 31, 2025, were \$365,220 with a remaining balance of \$3,315,314.

NOTE 12 – TAX INCREMENT PAY-AS-YOU-GO FINANCING NOTES (CONTINUED)

In 2021, the City, through the Port Authority TIF (the Authority) which was established under Minnesota Statutes Chapter 469.0813, entered into an agreement with the Home Depot U.S.A. (Developer) in the form of a tax incremental revenue note to stimulate economic development. The amount of the obligation is \$670,996 and is payable to the developer solely from available tax increments collected from a specific portion of the development. Payments are scheduled through the year 2032 and carry an interest rate of 4.00 percent. The agreement is authorized through the Contract for Private Redevelopment between the Authority and Developer. The Developer pays property taxes as they become due, and since they met the criteria established in the development agreement, is entitled to incentive payments that directly correlate to the taxes paid. The incentive is based on the repayment schedule in the tax incremental revenue note but only to the extent of available tax increment, defined as 25.00 percent of the tax increment that is received by the Authority in the six-month period immediately before each payment date. If future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. Incentive payments for the year ended December 31, 2025, were \$81,985 with a remaining balance of \$607,617.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

A. Federal and State Funding

Amounts recorded or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of claims which may be disallowed by the grantor agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

B. Legal Claims

The City has the usual and customary type of miscellaneous legal claims pending at year-end. Although the outcome of these lawsuits is not presently determinable, the City's management believes that the City will not incur any material monetary loss resulting from these claims. No loss has been recorded on the City's financial statements relating to these claims.

C. Tax Increment Districts

Tax increment districts are subject to review by the Minnesota Office of the State Auditor. Any disallowed claims or misuse of tax increments could become a liability for the applicable fund. Management is not aware of any instances of noncompliance, which would have a material effect on the financial statements.

D. Construction Contracts

As of December 31, 2025, the City has contracts with completed work on projects but not yet paid for (including contract retainages) which is reflected as accounts payable and expenditures. The remaining amounts of commitments on signed contracts that were not yet complete as of year-end totaled \$3,065,100.

E. Purchase Power Commitment – Solar Gardens

The City entered into several subscription agreements with community solar garden operators to purchase the right to receive bill credits associated with energy production of the solar community garden projects. The term of the agreement is set to match the term of the power purchase agreement between Xcel Energy and each solar garden operator of 25 years from the date of commercial operations. Commercial operations commenced in 2019 for most projects.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROSEMOUNT

PERA – General Employees Retirement Fund
Schedule of City's and Nonemployer Proportionate Share of Net Pension Liability
Year Ended December 31, 2025

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2016	06/30/2016	0.0653%	\$ 5,302,014	\$ 69,191	\$ 5,371,205	\$ 4,004,601	132.40%	68.9%
12/31/2017	06/30/2017	0.0651%	\$ 4,155,941	\$ 52,248	\$ 4,208,189	\$ 4,192,648	99.12%	75.9%
12/31/2018	06/30/2018	0.0688%	\$ 3,816,742	\$ 125,096	\$ 3,941,838	\$ 4,622,170	82.57%	79.5%
12/31/2019	06/30/2019	0.0701%	\$ 3,875,672	\$ 120,495	\$ 3,996,167	\$ 4,937,666	78.49%	80.2%
12/31/2020	06/30/2020	0.0725%	\$ 4,346,706	\$ 133,973	\$ 4,480,679	\$ 5,170,027	84.08%	79.1%
12/31/2021	06/30/2021	0.0767%	\$ 3,275,434	\$ 100,098	\$ 3,375,532	\$ 5,522,894	59.31%	87.0%
12/31/2022	06/30/2022	0.0764%	\$ 6,050,907	\$ 177,530	\$ 6,228,437	\$ 5,725,361	105.69%	76.7%
12/31/2023	06/30/2023	0.0767%	\$ 4,288,978	\$ 118,211	\$ 4,407,189	\$ 6,097,622	70.34%	83.1%
12/31/2024	06/30/2024	0.0756%	\$ 2,794,427	\$ 72,258	\$ 2,866,685	\$ 6,392,929	43.71%	89.1%
12/31/2025	06/30/2025	0.0786%	\$ 2,605,878	\$ 62,862	\$ 2,668,740	\$ 7,129,697	36.55%	90.8%

PERA – General Employees Retirement Fund
Schedule of City Contributions
Year Ended December 31, 2025

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2016	\$ 308,184	\$ 308,184	\$ —	\$ 4,109,750	7.50%
12/31/2017	\$ 331,224	\$ 331,224	\$ —	\$ 4,417,884	7.50%
12/31/2018	\$ 356,724	\$ 356,724	\$ —	\$ 4,756,318	7.50%
12/31/2019	\$ 397,839	\$ 397,839	\$ —	\$ 5,303,999	7.50%
12/31/2020	\$ 392,643	\$ 392,643	\$ —	\$ 5,235,241	7.50%
12/31/2021	\$ 410,766	\$ 410,766	\$ —	\$ 5,476,877	7.50%
12/31/2022	\$ 446,310	\$ 446,310	\$ —	\$ 5,950,809	7.50%
12/31/2023	\$ 461,581	\$ 461,581	\$ —	\$ 6,154,166	7.50%
12/31/2024	\$ 504,086	\$ 504,086	\$ —	\$ 6,724,790	7.50%
12/31/2025	\$ 569,443	\$ 569,443	\$ —	\$ 7,592,566	7.50%

CITY OF ROSEMOUNT

PERA – Public Employees Police and Fire Fund
Schedule of City's and Nonemployer Proportionate Share of Net Pension Liability
Year Ended December 31, 2025

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2016	06/30/2016	0.2060%	\$ 8,267,138	\$ –	\$ 8,267,138	\$ 1,895,019	436.26%	63.9%
12/31/2017	06/30/2017	0.2050%	\$ 2,767,744	\$ –	\$ 2,767,744	\$ 2,107,072	131.35%	85.4%
12/31/2018	06/30/2018	0.2179%	\$ 2,322,590	\$ –	\$ 2,322,590	\$ 2,297,620	101.09%	88.8%
12/31/2019	06/30/2019	0.2255%	\$ 2,400,675	\$ –	\$ 2,400,675	\$ 2,381,224	100.82%	89.3%
12/31/2020	06/30/2020	0.2156%	\$ 2,841,839	\$ 66,955	\$ 2,908,794	\$ 2,436,061	116.66%	87.2%
12/31/2021	06/30/2021	0.2342%	\$ 1,807,777	\$ 81,296	\$ 1,889,073	\$ 2,769,791	65.27%	93.7%
12/31/2022	06/30/2022	0.2460%	\$ 10,704,949	\$ 467,749	\$ 11,172,698	\$ 2,988,604	358.19%	70.5%
12/31/2023	06/30/2023	0.2486%	\$ 4,292,999	\$ 172,916	\$ 4,465,915	\$ 3,264,145	131.52%	86.5%
12/31/2024	06/30/2024	0.2464%	\$ 3,241,291	\$ 123,557	\$ 3,364,848	\$ 3,411,609	95.01%	90.2%
12/31/2025	06/30/2025	0.2689%	\$ 3,151,068	\$ 109,232	\$ 3,260,300	\$ 4,081,666	77.20%	91.8%

PERA – Public Employees Police and Fire Fund
Schedule of City Contributions
Year Ended December 31, 2025

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2016	\$ 326,037	\$ 326,037	\$ –	\$ 2,012,572	16.20%
12/31/2017	\$ 356,264	\$ 356,264	\$ –	\$ 2,199,164	16.20%
12/31/2018	\$ 384,894	\$ 384,894	\$ –	\$ 2,375,890	16.20%
12/31/2019	\$ 418,417	\$ 418,417	\$ –	\$ 2,468,538	16.95%
12/31/2020	\$ 446,860	\$ 446,860	\$ –	\$ 2,524,631	17.70%
12/31/2021	\$ 509,584	\$ 509,584	\$ –	\$ 2,879,006	17.70%
12/31/2022	\$ 552,278	\$ 552,278	\$ –	\$ 3,120,219	17.70%
12/31/2023	\$ 589,525	\$ 589,525	\$ –	\$ 3,330,651	17.70%
12/31/2024	\$ 649,578	\$ 649,578	\$ –	\$ 3,669,968	17.70%
12/31/2025	\$ 786,942	\$ 786,942	\$ –	\$ 4,446,002	17.70%

CITY OF ROSEMOUNT

Rosemount Fire Department Relief Association
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios
Year Ended December 31, 2025

	December 31,				
City fiscal year-end date	2016	2017	2018	2019	2020
Measurement date	2015	2016	2017	2018	2019
Total pension liability					
Service cost	\$ 116,471	\$ 133,433	\$ 136,040	\$ 141,612	\$ 135,927
Interest	137,850	148,293	167,555	164,841	158,132
Differences between projected and earnings on pension plan investments	–	(76,515)	–	(133,406)	–
Changes of assumptions	32,190	(68,607)	–	57,836	16,431
Changes of benefits terms	22,230	52,512	24,100	62,194	35,343
Benefit payments	(88,394)	–	(576,871)	(170,088)	(17,800)
Net change in total pension liability	220,347	189,116	(249,176)	122,989	328,033
Total pension liability					
Beginning of year	2,225,232	2,445,579	2,634,695	2,385,519	2,508,508
End of year	<u>\$ 2,445,579</u>	<u>\$ 2,634,695</u>	<u>\$ 2,385,519</u>	<u>\$ 2,508,508</u>	<u>\$ 2,836,541</u>
Plan fiduciary net position					
Contributions (state and local)	\$ 244,269	\$ 171,178	\$ 170,267	\$ 180,579	\$ 180,583
Net investment income	(44,297)	271,652	502,429	(147,171)	725,014
Benefit payments	(88,394)	–	(576,871)	(170,088)	(17,800)
Administrative costs	(13,285)	(8,570)	(8,500)	(8,805)	(10,280)
Net change in plan fiduciary net position	98,293	434,260	87,325	(145,485)	877,517
Plan fiduciary net position					
Beginning of year	3,348,776	3,447,069	3,881,329	3,968,654	3,823,169
End of year	<u>\$ 3,447,069</u>	<u>\$ 3,881,329</u>	<u>\$ 3,968,654</u>	<u>\$ 3,823,169</u>	<u>\$ 4,700,686</u>
Net pension liability (asset) – ending	<u>\$(1,001,490)</u>	<u>\$(1,246,634)</u>	<u>\$(1,583,135)</u>	<u>\$(1,314,661)</u>	<u>\$(1,864,145)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>140.95%</u>	<u>147.32%</u>	<u>166.36%</u>	<u>152.41%</u>	<u>165.72%</u>

<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 145,421	\$ 153,888	\$ 165,361	\$ 182,916	\$ 204,809
161,410	162,990	166,076	160,544	193,943
(155,156)	—	(130,834)	—	(211,310)
15,242	—	9,615	—	(103,202)
134,027	150,018	120,548	272,186	276,138
(349,664)	(214,200)	(635,216)	—	(60,568)
(48,720)	252,696	(304,450)	615,646	299,810
2,836,541	2,787,821	3,040,517	2,736,067	3,351,713
<u>\$ 2,787,821</u>	<u>\$ 3,040,517</u>	<u>\$ 2,736,067</u>	<u>\$ 3,351,713</u>	<u>\$ 3,651,523</u>
\$ 194,799	\$ 200,246	\$ 226,759	\$ 245,186	\$ 277,921
597,195	731,187	(820,930)	783,387	886,951
(349,664)	(214,200)	(635,216)	—	(60,568)
(8,795)	(9,253)	(9,160)	(9,795)	(6,109)
433,535	707,980	(1,238,547)	1,018,778	1,098,195
4,700,686	5,134,221	5,842,201	4,603,654	5,622,432
<u>\$ 5,134,221</u>	<u>\$ 5,842,201</u>	<u>\$ 4,603,654</u>	<u>\$ 5,622,432</u>	<u>\$ 6,720,627</u>
<u>\$(2,346,400)</u>	<u>\$(2,801,684)</u>	<u>\$(1,867,587)</u>	<u>\$(2,270,719)</u>	<u>\$(3,069,104)</u>
<u>184.17%</u>	<u>192.14%</u>	<u>168.26%</u>	<u>167.75%</u>	<u>184.05%</u>

CITY OF ROSEMOUNT

Rosemount Fire Department Relief Association
Schedule of City Contributions
Year Ended December 31, 2025

City Fiscal Year-End Date	City Contributions			Non-Employer Contribution State 2% Fire Aid
	Statutorily Determined Contributions	Actual Contributions	Contribution Excess	
12/31/2016	\$ —	\$ 30,000	\$ 30,000	\$ 141,178
12/31/2017	\$ —	\$ 30,000	\$ 30,000	\$ 140,267
12/31/2018	\$ —	\$ 30,000	\$ 30,000	\$ 150,579
12/31/2019	\$ —	\$ 30,000	\$ 30,000	\$ 150,583
12/31/2020	\$ —	\$ 30,000	\$ 30,000	\$ 164,799
12/31/2021	\$ —	\$ 30,000	\$ 30,000	\$ 170,246
12/31/2022	\$ —	\$ 30,000	\$ 30,000	\$ 196,759
12/31/2023	\$ —	\$ 30,000	\$ 30,000	\$ 215,186
12/31/2024	\$ —	\$ 30,000	\$ 30,000	\$ 247,921
12/31/2025	\$ —	\$ 30,000	\$ 30,000	\$ 295,776

CITY OF ROSEMOUNT

Other Post-Employment Benefits Plan
Schedule of Changes in the City's Total
OPEB Liability and Related Ratios
Year Ended December 31, 2025

	Fiscal Year							
City fiscal year-end date	2018	2019	2020	2021	2022	2023	2024	2025
Measurement date	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability								
Service cost	\$ 59,324	\$ 68,385	\$ 67,726	\$ 67,181	\$ 78,401	\$ 109,848	\$ 77,762	\$ 99,104
Interest	29,170	28,211	32,453	22,077	18,094	18,430	67,414	63,114
Differences between expected and actual experience	—	—	(91,750)	—	190,990	1,086,676	(206,941)	30
Changes in assumptions	32,417	(28,245)	(34,127)	53,502	(166,333)	(461,458)	106,792	(54,434)
Benefit payments	(41,850)	(44,738)	(45,758)	(45,646)	(58,520)	(52,830)	(64,126)	(49,499)
Net change in total OPEB liability	79,061	23,613	(71,456)	97,114	62,632	700,666	(19,099)	58,315
Total OPEB liability – beginning balance	727,226	806,287	829,900	758,444	855,558	918,190	1,618,856	1,599,757
Total OPEB liability – ending balance	<u>\$ 806,287</u>	<u>\$ 829,900</u>	<u>\$ 758,444</u>	<u>\$ 855,558</u>	<u>\$ 918,190</u>	<u>\$1,618,856</u>	<u>\$1,599,757</u>	<u>\$ 1,658,072</u>
Covered-employee payroll	<u>\$6,514,100</u>	<u>\$7,102,494</u>	<u>\$7,349,777</u>	<u>\$7,852,649</u>	<u>\$8,508,385</u>	<u>\$9,237,065</u>	<u>\$9,853,863</u>	<u>\$10,634,214</u>
Total OPEB liability as a percentage of covered employee payroll	<u>12.38%</u>	<u>11.68%</u>	<u>10.32%</u>	<u>10.90%</u>	<u>10.79%</u>	<u>17.53%</u>	<u>16.23%</u>	<u>15.59%</u>

Note 1: The City has not established a trust fund to finance GASB Statement No. 75-related benefits.

Note 2: The City implemented GASB Statement No. 75 in fiscal 2018. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

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CITY OF ROSEMOUNT

Notes to Required Supplementary Information December 31, 2025

PERA – GENERAL EMPLOYEES RETIREMENT FUND

2025 CHANGES IN ACTUARIAL ASSUMPTIONS

- The combined service annuity loading factors increased from 15.00 percent to 19.00 percent for vested terminated members and from 3.00 percent to 44.00 percent for nonvested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25 percent to 1.50 percent.

2025 CHANGES IN PLAN PROVISIONS

- The post-retirement benefit increase formula changed to 100.00 percent of the Social Security annual increase, between 1.00 percent and 1.75 percent, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85.00 percent for the last two consecutive annual valuations or is less than 80.00 percent in the most recent actuarial valuation, the maximum is reduced to 1.50 percent. Previously, the benefit increase was 50.00 percent of the Social Security annual increase, between 1.00 percent and 1.50 percent.
- The 1.00 percent additional employer contribution is eliminated when the plan reaches 98.00 percent funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100.00 percent funded status.

2024 CHANGES IN ACTUARIAL ASSUMPTIONS

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 General Mortality Table, with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

2024 CHANGES IN PLAN PROVISIONS

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors were updated to reflect the changes in assumptions.

2023 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return assumption and single discount rate were changed from 6.50 percent to 7.00 percent.

2023 CHANGES IN PLAN PROVISIONS

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, noncompounding benefit increase of 2.50 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2022 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

2020 CHANGES IN PLAN PROVISIONS

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020, through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2017 to MP-2018.

2019 CHANGES IN PLAN PROVISIONS

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044, and 2.50 percent per year thereafter, to 1.25 percent per year.

2018 CHANGES IN PLAN PROVISIONS

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to zero percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years, to 1.00 percent per year through 2044, and 2.50 percent per year thereafter.

2017 CHANGES IN PLAN PROVISIONS

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter, to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND

2025 CHANGES IN ACTUARIAL ASSUMPTIONS

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued use of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70.00 percent to 65.00 percent.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33.00 percent to 13.00 percent for vested, terminated members and from 2.00 percent to 38.00 percent for nonvested, terminated members.

2025 CHANGES IN PLAN PROVISIONS

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026 benefit increase changed from 1.00 percent to 3.00 percent; subsequent January 1 increases will be 1.00 percent.
- The threshold to end the \$9.0 million annual state aid contribution changed from the earlier of July 1, 2048, or 90.00 percent funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100.00 percent funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional \$9.0 million annual state aid contribution changed from the earlier of July 1, 2048, or 100.00 percent funded for a minimum of three consecutive years to 110.00 percent funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional \$17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

2024 CHANGES IN PLAN PROVISIONS

- The state contribution of \$9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.00 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.00 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048, if earlier).

2023 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return assumption was changed from 6.50 percent to 7.00 percent.
- The single discount rate changed from 5.40 percent to 7.00 percent.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND (CONTINUED)

2023 CHANGES IN PLAN PROVISIONS

- Additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50.00 percent vesting after five years, increasing incrementally to 100.00 percent after 10 years.
- A one-time, noncompounding benefit increase of 3.00 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

2022 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- This single discount rate changed from 6.50 percent to 5.40 percent.

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 Public Safety Mortality Table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 Healthy Annuitant Mortality Table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety Disabled Annuitant Mortality Table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25–44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60.00 percent to 70.00 percent. Minor changes to form of payment assumptions were applied.

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2018 to MP-2019.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2017 to MP-2018.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND (CONTINUED)

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2016 to MP-2017.

2018 CHANGES IN PLAN PROVISIONS

- Post-retirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter, until the plan reaches 100.00 percent funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019, and 11.80 percent of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019, and 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to zero percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The CSA load was 30.00 percent for vested and nonvested deferred members. The CSA has been changed to 33.00 percent for vested members, and 2.00 percent for nonvested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 Fully Generational Table to the RP-2014 Fully Generational Table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 Disabled Mortality Table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years, to 1.00 percent per year through 2064, and 2.50 percent thereafter.
- The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2037, and 2.50 percent per year thereafter, to 1.00 percent per year for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent.
- The single discount rate changed from 7.90 percent to 5.60 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

ROSEMOUNT FIRE DEPARTMENT RELIEF ASSOCIATION

2025 CHANGES IN ACTUARIAL ASSUMPTIONS

- The expected investment return and discount rate increased from 5.50 percent to 6.50 percent to reflect updated capital market assumptions.

2025 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$9,400 to \$10,200 per year.

2024 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$8,600 to \$9,400 per year.

2023 CHANGES IN ACTUARIAL ASSUMPTIONS

- The expected investment return and discount rate decreased from 5.75 percent to 5.50 percent to reflect updated capital market assumptions.
- The disability, mortality, and withdrawal assumptions were updated from the rates used in the July 1, 2020, Minnesota PERA Police and Fire Plan actuarial valuation to the rates used in the July 1, 2022, Minnesota PERA Police and Fire Plan actuarial valuation.
- The inflation assumption increased from 2.25 percent to 2.50 percent.

2023 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$8,200 to \$8,600 per year.

2022 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$7,800 to \$8,200 per year.

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality assumptions were updated from the rates used in the July 1, 2018, Minnesota PERA Police and Fire Plan actuarial valuation to the rates used in the July 1, 2020, Minnesota PERA Police and Fire Plan actuarial valuation.
- The inflation assumption decreased from 2.50 percent to 2.25 percent.

2021 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$7,400 to \$7,800 per year.

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The expected investment return and discount rate decreased from 6.00 percent to 5.75 percent to reflect updated capital market assumptions.

2020 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$7,300 to \$7,400 per year.

ROSEMOUNT FIRE DEPARTMENT RELIEF ASSOCIATION (CONTINUED)

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The expected investment return and discount rate decreased from 6.75 percent to 6.00 percent to reflect updated capital market assumptions.
- The mortality, withdrawal, and disability assumptions were updated from the rates used in the July 1, 2016, Minnesota PERA Police and Fire Plan actuarial valuation.
- The inflation assumption decreased from 2.75 percent to 2.50 percent.

2019 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$7,200 to \$7,300 per year.

2018 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$7,100 to \$7,200 per year.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The expected investment return and discount rate increased from 5.75 percent to 6.75 percent to reflect updated capital market assumptions.

2017 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$7,000 to \$7,100 per year.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The expected investment return and discount rate decreased from 6.00 percent to 5.75 percent to reflect updated capital market assumptions.

2016 CHANGES IN PLAN PROVISIONS

- The lump sum benefit amount increased from \$6,900 to \$7,000 per year.

OTHER POST-EMPLOYMENT BENEFITS PLAN

2025 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.77 percent to 4.08 percent based on updated 20-year municipal bond rates.

2024 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 4.05 percent to 3.77 percent based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, mortality, and salary increase rates were updated from the rates used in the July 1, 2021, PERA General Employees Plan and July 1, 2021, PERA Police and Fire Plan valuations to the rates used in the July 1, 2023, valuations.
- The inflation assumption was changed from 2.25 percent to 2.50 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.
- The payroll growth assumption was changed from 3.00 percent to 3.25 percent to reflect the increase in the underlying inflation assumption.

2023 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 1.84 percent to 4.05 percent based on updated 20-year municipal bond rates.

2022 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 2.00 percent to 1.84 percent based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, mortality, and salary increase rates were updated from the rates used in the July 1, 2019, PERA General Employees Plan and July 1, 2019, PERA Police and Fire Plan valuations to the rates used in the July 1, 2021, valuations.
- The percent of future police and fire retirees assumed to elect coverage at retirement changed from 40 percent to 35 percent to reflect recent plan experience.
- The percent of future General Employees Plan retirees assumed to elect coverage at retirement changed from 65 percent to 55 percent to reflect recent plan experience.
- The inflation assumption was changed from 2.50 percent to 2.25 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 2.75 percent to 2.00 percent based on updated 20-year municipal bond rates.

OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.71 percent to 2.75 percent based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations, including the repeal of the Affordable Care Act's Excise Tax on high-cost health insurance plans.
- Medical per capita claims costs were updated to reflect recent experience, including an adjustment to reflect age/gender-based risk scores published by the Society of Actuaries.
- Salary increase rates were updated from the July 1, 2017, PERA of Minnesota General Employees and Police and Fire actuarial valuations to the rates used in the July 1, 2019, valuations.
- Mortality rates were updated from the RP-2014 headcount-weighted tables to the rates used in the July 1, 2019, PERA of Minnesota General Employees and Police and Fire actuarial valuations to reflect recently-published mortality rates.
- Coverage elections and assumed retirement ages were updated for police and non-police employees to reflect recent plan experience.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.31 percent to 3.71 percent based on updated 20-year municipal bond rates.

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.78 percent to 3.31 percent based on updated 20-year municipal bond rates.

SUPPLEMENTARY INFORMATION

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NONMAJOR SPECIAL REVENUE FUNDS

The City reports the following nonmajor special revenue funds:

Special Revenue Funds – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

- PEG Fees Fund
- Fire Safety Education Fund
- DUI Forfeiture Fund
- GIS Fund
- Port Authority General Fund
- TIF Spending Plan Fund
- Public Safety Aid Fund
- Wellness Fund
- Parks and Recreation Donations Fund

CITY OF ROSEMOUNT

Nonmajor Special Revenue Funds
Combining Balance Sheet
as of December 31, 2025

	PEG Fees	Fire Safety Education	DUI Forfeiture	GIS
Assets				
Cash and investments	\$ 209,803	\$ 4,242	\$ 71,244	\$ 283,398
Receivables				
Accounts	—	—	—	—
Prepaid items	—	—	—	—
Total assets	<u>\$ 209,803</u>	<u>\$ 4,242</u>	<u>\$ 71,244</u>	<u>\$ 283,398</u>
Liabilities				
Accounts and contracts payable	\$ —	\$ —	\$ —	957
Accrued salaries and employee benefits payable	—	—	—	—
Deposits payable	—	—	7,800	—
Advances from other funds	—	—	—	—
Total liabilities	—	—	7,800	957
Fund balances (deficit)				
Nonspendable	—	—	—	—
Restricted	209,803	—	63,444	—
Committed	—	4,242	—	282,441
Unassigned	—	—	—	—
Total fund balances	<u>209,803</u>	<u>4,242</u>	<u>63,444</u>	<u>282,441</u>
Total liabilities and fund balances	<u>\$ 209,803</u>	<u>\$ 4,242</u>	<u>\$ 71,244</u>	<u>\$ 283,398</u>

Port Authority General	TIF Spending Plan	Public Safety Aid	Wellness	Parks and Recreation Donations	Total
\$ 456,537	\$ 2,386,353	\$ 1,190,358	\$ 42,332	\$ 23,600	\$ 4,667,867
5,900	—	—	—	—	5,900
4,388	—	—	—	—	4,388
<u>\$ 466,825</u>	<u>\$ 2,386,353</u>	<u>\$ 1,190,358</u>	<u>\$ 42,332</u>	<u>\$ 23,600</u>	<u>\$ 4,678,155</u>
\$ 3,140	\$ —	\$ —	\$ 750	\$ 176	\$ 5,023
2,939	—	—	1,567	—	4,506
33,130	—	—	—	—	40,930
300,000	—	—	—	—	300,000
339,209	—	—	2,317	176	350,459
4,388	—	—	—	—	4,388
232,875	2,386,353	1,190,358	—	—	4,082,833
—	—	—	40,015	23,424	350,122
(109,647)	—	—	—	—	(109,647)
<u>127,616</u>	<u>2,386,353</u>	<u>1,190,358</u>	<u>40,015</u>	<u>23,424</u>	<u>4,327,696</u>
<u>\$ 466,825</u>	<u>\$ 2,386,353</u>	<u>\$ 1,190,358</u>	<u>\$ 42,332</u>	<u>\$ 23,600</u>	<u>\$ 4,678,155</u>

CITY OF ROSEMOUNT

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended December 31, 2025

	PEG Fees	Fire Safety Education	DUI Forfeiture	GIS
Revenues				
Taxes	\$ 100,084	\$ —	\$ —	\$ —
Intergovernmental	—	—	13,092	—
Public charges for services	—	—	—	63,649
Investment earnings	8,454	173	5,515	11,483
Other	—	—	—	—
Donations/contributions	—	—	21,859	—
Total revenues	<u>108,538</u>	<u>173</u>	<u>40,466</u>	<u>75,132</u>
Expenditures				
Current				
Public safety	—	—	83,623	—
Public works	—	—	—	43,130
Culture, education, and recreation	23,386	—	—	—
Conservation and economic development	—	—	—	—
Debt service				
Principal	—	—	—	37,841
Interest and fiscal charges	—	—	—	1,022
Total expenditures	<u>23,386</u>	<u>—</u>	<u>83,623</u>	<u>81,993</u>
Excess (deficiency) of revenues over expenditures	85,152	173	(43,157)	(6,861)
Other financing sources				
Transfers in	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	85,152	173	(43,157)	(6,861)
Fund balances				
Beginning of year	<u>124,651</u>	<u>4,069</u>	<u>106,601</u>	<u>289,302</u>
End of year	<u>\$ 209,803</u>	<u>\$ 4,242</u>	<u>\$ 63,444</u>	<u>\$ 282,441</u>

Port Authority General	TIF Spending Plan	Public Safety Aid	Wellness	Parks and Recreation Donations	Total
\$ 130,900	\$ —	\$ —	\$ —	\$ —	\$ 230,984
270,355	—	—	—	—	283,447
8,025	—	—	—	—	71,674
14,639	61,594	49,934	1,889	1,125	154,806
13,732	—	—	—	—	13,732
—	—	—	25,000	4,250	51,109
437,651	61,594	49,934	26,889	5,375	805,752
—	—	43,969	—	—	127,592
—	—	—	—	8,615	51,745
—	—	—	9,317	—	32,703
942,031	500,000	—	—	—	1,442,031
—	—	—	—	—	37,841
—	—	—	—	—	1,022
942,031	500,000	43,969	9,317	8,615	1,692,934
(504,380)	(438,406)	5,965	17,572	(3,240)	(887,182)
—	—	—	—	26,664	26,664
(504,380)	(438,406)	5,965	17,572	23,424	(860,518)
631,996	2,824,759	1,184,393	22,443	—	5,188,214
\$ 127,616	\$ 2,386,353	\$ 1,190,358	\$ 40,015	\$ 23,424	\$ 4,327,696

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BUDGETARY COMPARISON SCHEDULES

Building CIP Capital Project Sub-Fund

Street CIP Capital Project Sub-Fund

Equipment CIP Capital Project Sub-Fund

CITY OF ROSEMOUNT

Building CIP Capital Project Sub-Fund
 Budgetary Comparison Schedule
 Year Ended December 31, 2025

	Original and Final Budget	Actual	Over (Under) Final Budget
Revenues			
Investment earnings	\$ 20,000	\$ 319,379	\$ 299,379
Expenditures			
Current			
General government	2,500	33,327	30,827
Capital outlay	712,000	357,718	(354,282)
Total expenditures	714,500	391,045	(323,455)
Excess (deficiency) of revenues over expenditures	(694,500)	(71,666)	622,834
Other financing sources (uses)			
Transfers out	—	(200,666)	(200,666)
Net change in fund balances	\$ (694,500)	(272,332)	\$ 422,168
Fund balances			
Beginning of year		5,056,191	
End of year		\$ 4,783,859	

CITY OF ROSEMOUNT

Street CIP Capital Project Sub-Fund
Budgetary Comparison Schedule
Year Ended December 31, 2025

	Original and Final Budget	Actual	Over (Under) Final Budget
Revenues			
Taxes	\$ 1,017,723	\$ 1,017,723	\$ —
Intergovernmental	—	2,083	2,083
Special assessments	125,000	992,126	867,126
Investment earnings	25,000	145,952	120,952
Other	125,000	362,925	237,925
Total revenues	<u>1,292,723</u>	<u>2,520,809</u>	<u>1,228,086</u>
Expenditures			
Current			
General government	2,500	3,665	1,165
Capital outlay	<u>1,910,000</u>	<u>28,152</u>	<u>(1,881,848)</u>
Total expenditures	<u>1,912,500</u>	<u>31,817</u>	<u>(1,880,683)</u>
Excess (deficiency) of revenues over expenditures	(619,777)	2,488,992	3,108,769
Other financing sources (uses)			
Transfers out	<u>—</u>	<u>(2,353,192)</u>	<u>(2,353,192)</u>
Net change in fund balances	<u>\$ (619,777)</u>	<u>135,800</u>	<u>\$ 755,577</u>
Fund balances			
Beginning of year		<u>4,017,181</u>	
End of year		<u>\$ 4,152,981</u>	

CITY OF ROSEMOUNT

Equipment CIP Capital Project Sub-Fund
 Budgetary Comparison Schedule
 Year Ended December 31, 2025

	Original and Final Budget	Actual	Over (Under) Final Budget
Revenues			
Taxes	\$ 893,200	\$ 893,200	\$ —
Investment earnings	10,000	19,344	9,344
Other	—	1,869	1,869
Total revenues	<u>903,200</u>	<u>914,413</u>	<u>11,213</u>
Expenditures			
Current			
General government	2,500	30,092	27,592
Capital outlay	772,679	1,419,882	647,203
Debt service			
Principal retirement	139,390	536,740	397,350
Interest and fiscal charges	13,789	75,161	61,372
Total expenditures	<u>928,358</u>	<u>2,061,875</u>	<u>1,133,517</u>
Excess (deficiency) of revenues over expenditures	(25,158)	(1,147,462)	(1,122,304)
Other financing sources			
Issuance of debt	—	586,582	586,582
Sale of capital assets	25,000	39,957	14,957
Transfers in	—	104,840	104,840
Total other financing sources	<u>25,000</u>	<u>731,379</u>	<u>706,379</u>
Net change in fund balances	<u>\$ (158)</u>	<u>(416,083)</u>	<u>\$ (415,925)</u>
Fund balances			
Beginning of year		<u>926,456</u>	
End of year		<u>\$ 510,373</u>	

NONMAJOR ENTERPRISE FUNDS

The City reports the following nonmajor enterprise funds:

Enterprise Funds – Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

- The Street Lighting Fund accounts for the activities of the City's street lighting operations.
- The Arena Fund accounts for the activities of the City's ice arena operations.

CITY OF ROSEMOUNT

Nonmajor Enterprise Funds
Combining Statement of Net Position
as of December 31, 2025

	<u>Street Lighting</u>	<u>Arena</u>	<u>Total</u>
Assets			
Current assets			
Cash and investments	\$ 284,782	\$ 996,203	\$ 1,280,985
Receivables			
Accounts	70,623	–	70,623
Special assessments	79,898	–	79,898
Prepaid items	–	15,020	15,020
Total current assets	<u>435,303</u>	<u>1,011,223</u>	<u>1,446,526</u>
Noncurrent assets			
Capital assets			
Buildings	–	2,472,544	2,472,544
Machinery and equipment	–	198,272	198,272
Less accumulated depreciation/amortization	–	(1,651,312)	(1,651,312)
Total capital assets	<u>–</u>	<u>1,019,504</u>	<u>1,019,504</u>
Total assets	<u>435,303</u>	<u>2,030,727</u>	<u>2,466,030</u>
Deferred outflows of resources			
Pension plan deferments – PERA	–	25,261	25,261
Total assets and deferred outflows of resources	<u>\$ 435,303</u>	<u>\$ 2,055,988</u>	<u>\$ 2,491,291</u>
Liabilities			
Current liabilities			
Accounts and contracts payable	\$ 26,114	\$ 23,933	\$ 50,047
Accrued salaries and employee benefits payable	–	8,273	8,273
Compensated absences payable – current	–	26,676	26,676
Total current liabilities	<u>26,114</u>	<u>58,882</u>	<u>84,996</u>
Noncurrent liabilities			
Compensated absences payable	–	23,686	23,686
Net pension liability – PERA	–	89,382	89,382
Total noncurrent liabilities	<u>–</u>	<u>113,068</u>	<u>113,068</u>
Total liabilities	<u>26,114</u>	<u>171,950</u>	<u>198,064</u>
Deferred inflows of resources			
Pension plan deferments – PERA	–	57,318	57,318
Net position			
Investment in capital assets	–	1,019,504	1,019,504
Unrestricted	409,189	807,216	1,216,405
Total net position	<u>409,189</u>	<u>1,826,720</u>	<u>2,235,909</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 435,303</u>	<u>\$ 2,055,988</u>	<u>\$ 2,491,291</u>

CITY OF ROSEMOUNT

Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses,
and Changes in Fund Net Position
Year Ended December 31, 2025

	Street Lighting	Arena	Total
Operating revenues			
Charges for services	\$ 335,068	\$ 548,259	\$ 883,327
Surcharges and penalties	3,113	—	3,113
Total operating revenues	<u>338,181</u>	<u>548,259</u>	<u>886,440</u>
Operating expenses			
Personal services	—	300,697	300,697
Supplies	88	25,950	26,038
Professional services and charges	409	6,000	6,409
Other services and charges	257,322	228,487	485,809
Depreciation/amortization	—	60,805	60,805
Total operating expenses	<u>257,819</u>	<u>621,939</u>	<u>879,758</u>
Operating income (loss)	80,362	(73,680)	6,682
Nonoperating revenue			
Investment earnings	<u>11,576</u>	<u>35,035</u>	<u>46,611</u>
Income (loss) before contributions and transfers	91,938	(38,645)	53,293
Capital contributions	79,078	—	79,078
Transfers in	—	130,112	130,112
Transfers out	<u>—</u>	<u>(3,500)</u>	<u>(3,500)</u>
Change in net position	171,016	87,967	258,983
Net position			
Beginning of year	<u>238,173</u>	<u>1,738,753</u>	<u>1,976,926</u>
End of year	<u>\$ 409,189</u>	<u>\$ 1,826,720</u>	<u>\$ 2,235,909</u>

CITY OF ROSEMOUNT

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
Year Ended December 31, 2025

	Street Lighting	Arena	Total
Cash flows from operating activities			
Cash received from customers	\$ 262,049	\$ 579,397	\$ 841,446
Cash payments to suppliers	(255,610)	(263,706)	(519,316)
Cash payments to employees for services	—	(328,893)	(328,893)
Net cash flows from operating activities	<u>6,439</u>	<u>(13,202)</u>	<u>(6,763)</u>
Cash flows from noncapital financing activities			
Transfers in	—	130,000	130,000
Transfers out	—	(3,500)	(3,500)
Net cash flows from noncapital financing activities	—	126,500	126,500
Cash flows from capital and related financing activities			
Capital contributions	<u>79,078</u>	—	<u>79,078</u>
Cash flows from investing activities			
Interest and changes in fair value on investments	<u>12,069</u>	<u>36,876</u>	<u>48,945</u>
Net increase in cash and cash equivalents	97,586	150,174	247,760
Cash and cash equivalents			
Beginning of year	<u>187,196</u>	<u>846,029</u>	<u>1,033,225</u>
End of year	<u><u>\$ 284,782</u></u>	<u><u>\$ 996,203</u></u>	<u><u>\$ 1,280,985</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	\$ 80,362	\$ (73,680)	\$ 6,682
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Depreciation/amortization	—	60,805	60,805
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources			
Accounts and special assessments receivable	(76,132)	31,138	(44,994)
Prepaid items	—	41	41
Accounts and contracts payable	2,209	(3,310)	(1,101)
Accrued salaries and employee benefits payable	—	(6,411)	(6,411)
Compensated absences payable	—	8,248	8,248
Pension-related deferrals and liabilities	—	(30,033)	(30,033)
Total adjustments	<u>(73,923)</u>	<u>60,478</u>	<u>(13,445)</u>
Net cash flows from operating activities	<u><u>\$ 6,439</u></u>	<u><u>\$ (13,202)</u></u>	<u><u>\$ (6,763)</u></u>
Schedule of noncash capital and related financing activities			
Capital assets contributed by other enterprise funds	\$ —	\$ 112	\$ 112

STATISTICAL SECTION

(UNAUDITED)

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STATISTICAL TABLES

(UNAUDITED)

This part of the City of Rosemount, Minnesota's (the City) Annual Comprehensive Financial Report (ACFR) presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information has not been audited by the independent auditor.

The contents of the statistical section include:

Financial Trends – These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.

Revenue Capacity – These tables contain information to assist the reader in assessing the City's most significant local revenue source—property taxes.

Debt Capacity – These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information – These tables offer economic and demographic indicators that are commonly used for financial analysis and that can assist the reader in understanding the City's present and ongoing financial status.

Operating Information – These tables contain service and infrastructure indicators that can assist the reader in understanding how the information in the City's financial report relates to the services the City provides and the activities it performs.

Source – Unless otherwise noted, the information in these tables is derived from the City's ACFR for the relevant year.

CITY OF ROSEMOUNT

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	Fiscal Year 2019
Governmental activities				
Net investment in capital assets	\$ 69,942,544	\$ 74,294,033	\$ 80,094,490	\$ 85,993,734
Restricted	7,113,065	7,151,722	8,108,470	6,255,555
Unrestricted	13,100,682	14,090,028	14,596,678	18,205,045
Total governmental activities net position	<u>\$ 90,156,291</u>	<u>\$ 95,535,783</u>	<u>\$102,799,638</u>	<u>\$110,454,334</u>
Business-type activities				
Net investment in capital assets	\$ 98,722,624	\$ 97,328,281	\$ 97,977,645	\$ 98,007,299
Unrestricted	21,739,120	23,521,090	26,994,489	28,881,892
Total business-type activities net position	<u>\$120,461,744</u>	<u>\$120,849,371</u>	<u>\$124,972,134</u>	<u>\$126,889,191</u>
Primary government				
Net investment in capital assets	\$168,665,168	\$171,622,314	\$178,072,135	\$184,001,033
Restricted	7,113,065	7,151,722	8,108,470	6,255,555
Unrestricted	34,839,802	37,611,118	41,591,167	47,086,937
Total primary government net position	<u>\$210,618,035</u>	<u>\$216,385,154</u>	<u>\$227,771,772</u>	<u>\$237,343,525</u>

2020	2021	2022	2023	2024	2025
\$ 89,980,056	\$ 93,890,840	\$ 92,676,025	\$ 98,814,701	\$115,808,127	\$142,098,604
6,372,033	7,888,401	7,654,670	13,519,213	14,204,974	17,502,749
24,068,714	24,881,502	27,945,657	26,825,014	27,895,640	27,781,160
<u>\$120,420,803</u>	<u>\$126,660,743</u>	<u>\$128,276,352</u>	<u>\$139,158,928</u>	<u>\$157,908,741</u>	<u>\$187,382,513</u>
\$ 99,300,829	\$102,152,720	\$114,082,422	\$125,338,784	\$119,743,207	\$122,340,780
32,661,481	37,150,043	43,725,821	49,997,543	64,072,510	72,680,288
<u>\$131,962,310</u>	<u>\$139,302,763</u>	<u>\$157,808,243</u>	<u>\$175,336,327</u>	<u>\$183,815,717</u>	<u>\$195,021,068</u>
\$189,280,885	\$196,043,560	\$206,758,447	\$224,153,485	\$235,551,334	\$264,439,384
6,372,033	7,888,401	7,654,670	13,519,213	14,204,974	17,502,749
56,730,195	62,031,545	71,671,478	76,822,557	91,968,150	100,461,448
<u>\$252,383,113</u>	<u>\$265,963,506</u>	<u>\$286,084,595</u>	<u>\$314,495,255</u>	<u>\$341,724,458</u>	<u>\$382,403,581</u>

CITY OF ROSEMOUNT

Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Expenses				
Governmental activities				
General government	\$ 4,426,817	\$ 3,859,090	\$ 3,605,197	\$ 3,826,860
Public safety	5,629,866	5,170,637	5,235,993	5,332,313
Public works	4,765,115	5,822,738	5,163,908	5,692,171
Culture, education, and recreation	1,959,224	2,042,299	2,119,418	2,217,403
Conservation and economic development	3,968	4,315	61,637	56,611
Interest and fiscal charges	476,121	308,567	295,431	281,999
Total governmental activities expenses	<u>\$ 17,261,111</u>	<u>\$ 17,207,646</u>	<u>\$ 16,481,584</u>	<u>\$ 17,407,357</u>
Business-type activities				
Water	\$ 2,075,460	\$ 2,175,626	\$ 2,156,694	\$ 2,845,741
Sewer	2,742,402	2,837,550	3,029,482	3,053,021
Storm water	1,228,697	1,275,073	1,330,580	1,732,753
Street lighting	—	—	—	—
Arena	510,968	484,903	659,827	550,487
Total business-type activities	<u>6,557,527</u>	<u>6,773,152</u>	<u>7,176,583</u>	<u>8,182,002</u>
Total primary government expenses	<u>\$ 23,818,638</u>	<u>\$ 23,980,798</u>	<u>\$ 23,658,167</u>	<u>\$ 25,589,359</u>
Program revenues				
Governmental activities				
Charges for services				
General government	\$ 3,128,969	\$ 3,286,273	\$ 4,226,249	\$ 3,915,953
Public safety	150,571	134,893	136,077	149,992
Public works	54,893	100,038	107,057	153,036
Culture, education, and recreation	392,102	779,541	1,321,699	1,151,077
Conservation and economic development	—	—	—	—
Operating grants and contributions				
General government	20,631	1,509	—	—
Public safety	547,505	366,654	384,207	418,138
Public works	41,235	42,495	42,960	300,431
Culture, education, and recreation	2,617	1,337	3,326	410
Conservation and economic development	24,000	25,000	30,263	30,263
Capital grants and contributions				
Public safety	3,918	6,358	16,632	11,846
Public works	3,170,374	3,538,480	4,819,520	3,925,601
Culture, education, and recreation	419	293	250,973	2,777
Conservation and economic development	7,000	33,629	600	1,200
Total governmental activities program revenues	<u>\$ 7,544,234</u>	<u>\$ 8,316,500</u>	<u>\$ 11,339,563</u>	<u>\$ 10,060,724</u>

2020	2021	2022	2023	2024	2025
\$ 4,972,215	\$ 4,103,373	\$ 2,971,915	\$ 3,548,030	\$ 3,604,010	\$ 4,052,080
5,259,828	5,921,296	7,327,325	8,746,821	9,840,767	11,321,918
7,089,996	8,598,676	10,471,901	7,886,423	9,404,249	9,565,564
1,982,191	2,282,462	2,786,447	2,765,827	2,770,742	3,440,678
1,160,449	167,994	1,521,954	1,608,804	789,836	2,086,699
241,623	256,608	195,474	2,831,486	5,172,216	3,963,438
<u>\$ 20,706,302</u>	<u>\$ 21,330,409</u>	<u>\$ 25,275,016</u>	<u>\$ 27,387,391</u>	<u>\$ 31,581,820</u>	<u>\$ 34,430,377</u>
\$ 2,381,646	\$ 2,435,714	\$ 2,370,105	\$ 3,080,960	\$ 2,870,784	\$ 3,265,761
3,309,194	3,248,320	3,430,121	3,845,859	3,811,244	4,584,394
1,935,245	1,977,377	1,680,565	1,794,345	2,496,960	2,277,059
193,114	206,117	258,002	237,402	218,401	257,819
501,011	540,369	669,074	690,170	582,022	621,939
8,320,210	8,407,897	8,407,867	9,648,736	9,979,411	11,006,972
<u>\$ 29,026,512</u>	<u>\$ 29,738,306</u>	<u>\$ 33,682,883</u>	<u>\$ 37,036,127</u>	<u>\$ 41,561,231</u>	<u>\$ 45,437,349</u>
\$ 4,083,135	\$ 4,643,537	\$ 5,094,283	\$ 6,652,690	\$ 5,872,472	\$ 2,999,542
109,511	155,462	169,726	191,194	283,554	280,106
138,741	215,879	243,398	117,310	302,093	2,438,486
1,374,009	1,420,951	1,847,556	1,986,346	4,404,639	2,044,698
—	—	—	—	8,775	1,446,480
—	2,301	5,629	92	35,780	4,603
383,354	551,252	792,616	1,817,172	874,983	1,134,913
330,711	315,579	367,217	362,735	471,177	466,983
2,710	3,659	48,709	97,090	26,686	—
38,339	46,109	155,122	51,679	—	317,288
18,553	—	—	—	—	—
8,022,818	4,885,404	8,271,736	10,656,942	7,898,901	30,610,500
155,223	—	15,000	698,996	—	—
1,200	1,200	1,500	1,200	—	—
<u>\$ 14,658,304</u>	<u>\$ 12,241,333</u>	<u>\$ 17,012,492</u>	<u>\$ 22,633,446</u>	<u>\$ 20,179,060</u>	<u>\$ 41,743,599</u>

CITY OF ROSEMOUNT

Changes in Net Position (continued)
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Program revenues (continued)				
Business-type activities				
Charges for services				
Water	\$ 2,692,740	\$ 3,041,642	\$ 3,567,275	\$ 3,301,002
Sewer	1,996,130	2,126,771	2,351,986	2,425,548
Storm water	1,387,817	1,693,845	1,981,312	1,757,747
Street lighting	—	—	—	—
Arena	430,103	441,059	448,445	437,842
Operating grants and contributions				
Water	24,248	84,042	58,411	720
Sewer operations	—	—	—	712
Storm water	—	—	—	2,521
Arena	—	—	—	314
Capital grants and contributions				
Water	1,041,806	216,454	402,788	635,944
Sewer operations	1,153,536	204,114	417,279	483,220
Storm water	989,073	210,802	525,305	1,012,992
Street lighting	—	—	—	—
Total business-type activities program revenues	<u>9,715,453</u>	<u>8,018,729</u>	<u>9,752,801</u>	<u>10,058,562</u>
Total primary government program revenues	<u>\$ 17,259,687</u>	<u>\$ 16,335,229</u>	<u>\$ 21,092,364</u>	<u>\$ 20,119,286</u>
Net (expense) revenue				
Governmental activities	\$ (9,716,877)	\$ (8,891,146)	\$ (5,142,021)	\$ (7,346,633)
Business-type activities	<u>3,157,926</u>	<u>1,245,577</u>	<u>2,576,218</u>	<u>1,876,560</u>
Total primary government net expense	<u>\$ (6,558,951)</u>	<u>\$ (7,645,569)</u>	<u>\$ (2,565,803)</u>	<u>\$ (5,470,073)</u>
General revenues and other changes in net position				
Governmental activities				
Property, franchise, and other taxes	\$ 11,442,397	\$ 11,851,837	\$ 12,266,224	\$ 12,699,478
Tax increments	764,268	832,533	863,105	865,476
Grants and contributions not restrict to specific programs	—	—	—	—
Investment earnings (charges)	122,731	287,393	328,692	667,734
Gain on the sale of capital assets	—	—	—	33,783
Other	103,394	171,294	89,672	79,694
Transfers	85,921	1,127,581	(1,141,817)	655,164
Total governmental activities	<u>12,518,711</u>	<u>14,270,638</u>	<u>12,405,876</u>	<u>15,001,329</u>
Business-type activities				
Investment earnings (charges)	204,429	269,631	404,728	695,661
Transfers	(85,921)	(1,127,581)	1,141,817	(655,164)
Total business-type activities	<u>118,508</u>	<u>(857,950)</u>	<u>1,546,545</u>	<u>40,497</u>
Total primary government	<u>12,637,219</u>	<u>13,412,688</u>	<u>13,952,421</u>	<u>15,041,826</u>
Change in net position				
Governmental activities	2,801,834	5,379,492	7,263,855	7,654,696
Business-type activities	<u>3,276,434</u>	<u>387,627</u>	<u>4,122,763</u>	<u>1,917,057</u>
Total primary government	<u>\$ 6,078,268</u>	<u>\$ 5,767,119</u>	<u>\$ 11,386,618</u>	<u>\$ 9,571,753</u>

2020	2021	2022	2023	2024	2025
\$ 4,438,036	\$ 5,093,320	\$ 5,859,588	\$ 6,140,418	\$ 7,314,446	\$ 6,823,303
3,004,901	3,217,751	3,631,564	4,487,177	4,731,447	4,957,828
2,553,747	2,750,826	3,693,256	3,023,579	5,903,719	4,012,749
246,554	235,641	277,200	251,370	323,447	338,181
312,742	443,353	468,363	539,572	532,037	548,259
6,302	3,348	11,489	15,467	18,745	5,795
926	593	1,990	40	11,472	—
3,289	574	34,612	39	12,872	—
343	254	827	17	4,724	—
230,905	1,361,359	1,389,535	2,247,599	564,999	39,074
599,016	1,278,463	3,818,076	1,569,234	674,347	139,974
611,862	1,604,603	1,822,082	2,732,752	573,693	247,053
3,620	6,473	7,492	9,077	10,211	79,078
12,012,243	15,996,558	21,016,074	21,016,341	20,676,159	17,191,294
<u>\$ 26,670,547</u>	<u>\$ 28,237,891</u>	<u>\$ 38,028,566</u>	<u>\$ 43,649,787</u>	<u>\$ 40,855,219</u>	<u>\$ 58,934,893</u>
\$ (6,047,998)	\$ (9,089,076)	\$ (8,262,524)	\$ (4,753,945)	\$ (11,402,760)	\$ 7,313,222
3,692,033	7,588,661	12,608,207	11,367,605	10,696,748	6,184,322
<u>\$ (2,355,965)</u>	<u>\$ (1,500,415)</u>	<u>\$ 4,345,683</u>	<u>\$ 6,613,660</u>	<u>\$ (706,012)</u>	<u>\$ 13,497,544</u>
\$ 13,397,823	\$ 13,914,510	\$ 14,405,184	\$ 15,180,708	\$ 16,835,032	\$ 18,589,184
959,586	1,076,647	1,138,526	1,348,580	1,953,949	1,979,386
1,833,933	—	2,756,805	51,660	2,666,861	2,149,888
495,367	(46,924)	(1,104,124)	2,125,669	3,826,716	1,839,185
25,155	—	—	—	—	—
49,133	161,863	90,371	205,438	84,671	6,262
(746,530)	222,920	(7,408,629)	(3,275,534)	4,785,344	(2,403,355)
16,014,467	15,329,016	9,878,133	15,636,521	30,152,573	22,160,550
634,556	(25,288)	(1,511,356)	2,884,945	2,567,986	2,617,674
746,530	(222,920)	7,408,629	3,275,534	(4,785,344)	2,403,355
1,381,086	(248,208)	5,897,273	6,160,479	(2,217,358)	5,021,029
17,395,553	15,080,808	15,775,406	21,797,000	27,935,215	27,181,579
9,966,469	6,239,940	1,615,609	10,882,576	18,749,813	29,473,772
5,073,119	7,340,453	18,505,480	17,528,084	8,479,390	11,205,351
<u>\$ 15,039,588</u>	<u>\$ 13,580,393</u>	<u>\$ 20,121,089</u>	<u>\$ 28,410,660</u>	<u>\$ 27,229,203</u>	<u>\$ 40,679,123</u>

CITY OF ROSEMOUNT

Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
General Fund				
Nonspendable	\$ —	\$ —	\$ 33,484	\$ —
Restricted	—	—	—	—
Assigned	2,969,701	2,222,507	2,458,337	2,665,850
Unassigned	6,918,833	7,333,743	7,503,588	7,893,190
Total General Fund	<u>\$ 9,888,534</u>	<u>\$ 9,556,250</u>	<u>\$ 9,995,409</u>	<u>\$ 10,559,040</u>
All other governmental funds				
Nonspendable	\$ 10,113	\$ 444	\$ 548	\$ 529
Restricted	9,301,251	4,854,162	5,375,931	4,921,523
Committed	181,276	230,162	223,619	517,102
Assigned	8,397,771	10,804,425	11,300,057	13,856,932
Unassigned	—	—	—	—
Total all other governmental funds	<u>\$ 17,890,411</u>	<u>\$ 15,889,193</u>	<u>\$ 16,900,155</u>	<u>\$ 19,296,086</u>
Total all funds	<u>\$ 27,778,945</u>	<u>\$ 25,445,443</u>	<u>\$ 26,895,564</u>	<u>\$ 29,855,126</u>

2020	2021	2022	2023	2024	2025
\$ —	\$ —	\$ 44,016	\$ 97,867	\$ 64,183	\$ 35,290
—	—	—	—	42,524	—
4,150,243	3,575,041	3,465,566	3,376,983	3,164,691	2,775,039
8,143,687	9,129,028	8,815,419	10,034,945	11,074,470	11,104,078
<u>\$ 12,293,930</u>	<u>\$ 12,704,069</u>	<u>\$ 12,325,001</u>	<u>\$ 13,509,795</u>	<u>\$ 14,345,868</u>	<u>\$ 13,914,407</u>
\$ 455	\$ 2,267	\$ 4,001	\$ 3,943	\$ 5,444	\$ 4,388
4,563,428	4,666,788	4,959,849	60,470,480	21,316,709	12,881,134
590,017	634,527	733,182	820,560	899,842	350,122
17,844,916	16,180,855	20,015,043	12,788,238	13,543,585	20,933,272
—	—	—	(696,435)	—	(109,647)
<u>\$ 22,998,816</u>	<u>\$ 21,484,437</u>	<u>\$ 25,712,075</u>	<u>\$ 73,386,786</u>	<u>\$ 35,765,580</u>	<u>\$ 34,059,269</u>
<u>\$ 35,292,746</u>	<u>\$ 34,188,506</u>	<u>\$ 38,037,076</u>	<u>\$ 86,896,581</u>	<u>\$ 50,111,448</u>	<u>\$ 47,973,676</u>

CITY OF ROSEMOUNT

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Taxes	\$ 11,167,397	\$ 11,591,837	\$ 11,986,223	\$ 12,319,478
Tax increments	794,268	832,533	863,105	865,476
Intergovernmental	674,220	1,216,200	1,570,847	3,130,311
Public charges for services	2,826,231	3,457,253	4,811,376	4,309,059
Licenses and permits	792,557	741,243	884,165	925,938
Fines and forfeits	108,561	101,327	94,281	109,083
Special assessments	1,035,044	718,051	1,895,665	639,203
Investment earnings and other	508,130	1,546,665	1,886,005	1,966,868
Total revenues	17,906,408	20,205,109	23,991,667	24,265,416
Expenditures				
Current				
General government	2,009,570	2,211,340	2,051,296	2,173,466
Public safety	4,072,189	4,306,808	4,651,700	4,702,502
Public works	3,005,419	4,395,373	3,125,886	3,825,266
Culture, education, and recreation	1,516,720	1,546,723	1,663,618	1,752,993
Conservation and economic development	967,948	1,042,468	1,163,973	1,186,112
Capital outlay	5,087,107	5,422,617	9,276,566	7,112,935
Debt service				
Principal	2,165,000	2,240,000	1,426,727	1,567,033
Interest and fiscal charges	495,638	384,544	337,407	324,042
Total expenditures	19,319,591	21,549,873	23,697,173	22,644,349
Excess (deficiency) of revenues over expenditures	(1,413,183)	(1,344,764)	294,494	1,621,067
Other financing sources (uses)				
Issuance of debt	—	1,055,000	1,111,848	166,131
Premium on debt issued	—	61,287	83,871	—
Payment of refunded debt	—	(3,275,000)	—	—
Sale of capital assets	407,581	42,394	68,130	269,903
Transfers in	851,403	1,743,745	226,703	1,273,584
Transfers out	(130,093)	(616,164)	(334,925)	(371,123)
Total other financing sources (uses)	1,128,891	(988,738)	1,155,627	1,338,495
Net change in fund balances	\$ (284,292)	\$ (2,333,502)	\$ 1,450,121	\$ 2,959,562
Debt service as a percentage of noncapital expenditures	18.7%	16.3%	12.2%	12.2%

2020	2021	2022	2023	2024	2025
\$ 12,972,824	\$ 13,505,741	\$ 13,948,046	\$ 14,699,508	\$ 16,318,791	\$ 18,061,850
959,586	1,076,647	1,138,526	1,348,580	1,953,949	1,979,386
4,965,309	943,105	6,657,974	2,780,968	2,071,840	2,129,230
4,545,981	4,919,011	5,984,786	6,649,106	6,364,428	5,017,930
1,098,631	1,374,330	1,380,855	2,162,254	3,904,383	2,075,330
75,452	86,802	97,024	120,522	131,167	146,232
2,742,173	1,327,324	1,184,338	345,427	759,788	1,001,126
2,912,156	1,301,910	2,034,262	6,571,687	11,363,450	6,187,903
30,272,112	24,534,870	32,425,811	34,678,052	42,867,796	36,598,987
3,073,849	2,404,411	2,422,438	2,679,377	3,116,513	3,294,490
4,954,705	5,825,736	6,207,003	6,751,204	8,340,232	10,389,291
3,861,369	3,957,642	4,240,019	4,818,952	4,971,997	5,629,261
1,534,088	1,746,798	2,054,552	2,145,233	2,174,161	2,629,133
1,884,516	1,368,915	1,437,394	1,477,961	809,210	2,122,851
10,302,698	10,849,802	11,172,883	46,112,127	57,138,449	10,501,229
1,729,931	1,197,325	1,261,775	1,500,362	1,369,122	1,534,581
291,068	300,152	238,907	1,289,155	6,247,156	4,028,867
27,632,224	27,650,781	29,034,971	66,774,371	84,166,840	40,129,703
2,639,888	(3,115,911)	3,390,840	(32,096,319)	(41,299,044)	(3,530,716)
1,182,844	300,222	176,175	80,545,301	351,337	586,582
—	—	—	1,355,133	—	—
—	—	—	—	—	—
144,594	92,443	73,014	20,384	300	39,957
1,738,582	1,749,006	6,406,073	6,496,508	7,226,968	2,528,609
(268,288)	(130,000)	(6,197,532)	(7,461,502)	(3,064,694)	(1,762,204)
2,797,732	2,011,671	457,730	80,955,824	4,513,911	1,392,944
\$ 5,437,620	\$ (1,104,240)	\$ 3,848,570	\$ 48,859,505	\$ (36,785,133)	\$ (2,137,772)
11.7%	7.9%	8.2%	12.9%	25.6%	18.4%

CITY OF ROSEMOUNT

Tax Capacity Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Payable Year	Residential Property	Commercial/ Industrial, Public Utility, Railroads, and Personal Property	Apartments	Agricultural Property	Less Captured Tax Increment Tax Capacity
2016	\$ 18,556,869	\$ 6,750,576	\$ 439,562	\$ 472,228	\$ (787,267)
2017	19,796,192	7,047,420	554,489	477,044	(850,929)
2018	21,114,107	7,310,391	648,226	487,076	(932,688)
2019	22,783,981	7,748,234	663,731	526,943	(973,157)
2020	24,952,114	7,896,314	720,361	523,763	(1,110,017)
2021	26,853,788	8,422,200	790,874	549,661	(1,291,286)
2022	28,559,326	8,461,890	893,465	574,297	(1,392,393)
2023	35,297,241	8,831,717	1,180,866	703,773	(1,895,547)
2024	38,310,987	10,565,711	1,483,241	620,756	(2,685,257)
2025	39,105,108	11,972,048	1,779,920	549,665	(2,653,479)

Note: The tax capacity (assessed taxable value) of the property is calculated by applying a statutory formula to the estimated market value of the property.

Source: Dakota County

Less Contributions to Fiscal Disparities Pool	Plus Distributions From Fiscal Disparities Pool	Total Net Tax Capacity Value	Total Direct Tax Capacity Rate	Estimated Actual Taxable Value	Tax Capacity Value as a Percentage of Actual Value
\$ (2,446,807)	\$ 2,483,763	\$ 25,468,924	43.149 %	\$ 2,287,080,004	1.11 %
(2,515,404)	2,723,425	27,232,237	41.832	2,434,763,942	1.12
(2,654,383)	2,955,189	28,927,918	40.961	2,589,101,527	1.12
(2,760,359)	3,186,770	31,176,143	39.355	2,782,042,325	1.12
(2,900,702)	3,460,783	33,542,616	38.580	3,007,550,443	1.12
(2,949,134)	3,787,267	36,163,370	36.954	3,230,193,428	1.12
(3,180,320)	4,044,531	37,960,796	36.949	3,413,351,588	1.11
(3,172,246)	4,105,339	45,051,143	32.345	4,117,690,488	1.09
(3,285,523)	4,399,398	49,409,313	33.360	4,500,786,036	1.10
(4,040,774)	4,743,054	51,455,542	35.265	4,676,640,767	1.10

CITY OF ROSEMOUNT

Property Tax Rates (1)
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City Direct Rates (2)			Overlapping Rates (3)						Total Direct
	Operating	Debt Service	Total City	Dakota County	Independent School District			Other Special	Overlapping Tax Rate	
					No. 196	No. 199	No. 200	Districts		
2016	43.149 %	— %	43.149 %	28.570 %	24.317 %	30.272 %	20.938 %	5.063 %	101.099 %	
2017	41.832	—	41.832	28.004	23.336	28.572	20.305	4.907	98.079	
2018	40.961	—	40.961	26.580	21.352	26.680	20.545	4.307	93.200	
2019	39.355	—	39.355	25.386	20.613	26.537	19.079	4.227	89.581	
2020	38.580	—	38.580	24.133	19.860	22.896	17.924	4.030	86.603	
2021	36.954	—	36.954	22.716	20.046	23.368	16.757	3.802	83.518	
2022	36.949	—	36.949	21.630	19.971	22.296	16.214	3.729	82.279	
2023	32.345	—	32.345	18.816	17.904	20.009	14.207	3.201	72.266	
2024	33.360	—	33.360	18.323	23.624	20.100	16.733	3.264	78.571	
2025	35.265	—	35.265	19.948	22.968	20.742	16.316	3.325	81.506	

- (1) Information reflects total tax rates levied by each entity. Tax rates are expressed in terms of “net tax capacity.” A property’s tax capacity is determined by multiplying its taxable market value by a state determined class rate. Class rates vary by property type and change periodically based on state legislation.
- (2) Dakota County no longer provides a breakdown between operating and debt service tax rates beginning in 2020, prior year rates were not readily available.
- (3) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all of the City’s property owners.

Source: Dakota County

CITY OF ROSEMOUNT

Principal Property Taxpayers
Current Fiscal Year and Nine Years Prior

Taxpayer	2025			2016		
	Net Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value	Net Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value
Flint Hills Resources Pine Bend, LLC	\$3,725,274	1	6.98 %	\$ 2,985,514	1	11.39 %
SP MIM Rosemount, LLC	1,023,430	2	1.92	—	—	—
Bel Rosemount, LLC	692,226	3	1.30	—	—	—
Morrison Partners, LLC	334,986	4	0.63	—	—	—
Northern States Power Co.	309,026	5	0.58	351,754	2	1.34
Hawkins, Inc.	275,232	6	0.52	101,700	7	0.39
Earl Street Partners II, LLC	251,790	7	0.47	—	—	—
146th Street Partners, LP (Waterford Commons)	239,858	8	0.45	168,986	5	0.64
Clarel Corporation (Cub Foods)	232,098	9	0.43	185,686	3	0.71
Rosemount Crossing, LLC (Aldi)	215,694	10	0.40	87,704	10	0.33
Northern Natural Gas Co.	—	—	—	176,376	4	0.67
CF Industries, Inc. (Cenex)	—	—	—	128,806	6	0.49
Minnesota Pipeline Co.	—	—	—	100,410	8	0.38
Minnesota Energy Corp.	—	—	—	99,648	9	0.38
	<u>\$7,299,614</u>		<u>13.67 %</u>	<u>\$ 4,386,584</u>		<u>16.73 %</u>

Source: Dakota County

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CITY OF ROSEMOUNT

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year (1)	Collected Within the Fiscal Year of Levy (2)		Delinquent Tax Collections (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 11,465,695	\$ 11,417,277	99.58 %	\$ 48,418	\$ 11,465,695	100.00 %
2017	11,833,975	11,802,700	99.74	31,275	11,833,975	100.00
2018	12,311,425	12,253,448	99.53	57,977	12,311,425	100.00
2019	12,730,971	12,667,353	99.50	63,618	12,730,971	100.00
2020	13,433,951	13,362,417	99.47	70,667	13,433,084	99.99
2021	14,885,966	14,840,607	99.70	43,402	14,884,009	99.99
2022	15,521,191	15,479,728	99.73	37,088	15,516,816	99.97
2023	16,284,886	16,222,072	99.61	44,145	16,266,217	99.89
2024	16,501,479	16,375,497	99.24	108,959	16,484,456	99.90
2025	18,132,267	18,036,049	99.47	—	18,036,049	99.47

(1) Includes fiscal disparity revenues.

(2) Includes fiscal disparity revenues and is net of county/state adjustments.

Source: Dakota County

CITY OF ROSEMOUNT

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						
	General Obligation Bonds	Special Assessment Bonds	Tax Increment Bonds	Financed Purchase	Lease Obligations	Subscription Liabilities	Net Premiums (Discounts)
2016	\$ 1,345,000	\$ 4,150,000	\$ 9,665,000	\$ —	\$ —	\$ —	\$ 166,750
2017	1,215,000	3,460,000	6,025,000	—	—	—	152,863
2018	1,075,000	3,430,000	5,635,000	—	245,121	—	222,848
2019	935,000	2,535,000	5,225,000	—	289,219	—	194,982
2020	795,000	1,775,000	4,495,000	925,671	446,461	—	167,116
2021	645,000	1,320,000	4,195,000	824,482	555,547	—	139,250
2022	495,000	850,000	3,880,000	697,639	531,790	—	111,385
2023	80,475,000	360,000	3,550,000	567,253	611,450	256,675	1,419,531
2024	80,310,000	90,000	3,205,000	432,178	664,174	101,241	1,343,351
2025	79,805,000	—	2,840,000	292,788	797,262	119,544	1,285,444

Note 1: Details regarding the City's outstanding debt can be found in the notes to basic financial statements.

Note 2: See Demographic and Economic Statistics schedule for population and personal income information.

Business-Type Activities				Total Primary Government	Per Capita	Percentage of Personal Income
Revenue Bonds	General Obligation Bonds	Lease Obligations	Net Premiums (Discounts)			
\$ 2,090,000	\$ —	\$ —	\$ 82,292	\$ 17,499,042	\$ 743	1.4 %
1,645,000	—	—	74,063	12,571,926	525	0.9
1,255,000	—	30,252	65,834	11,959,055	491	0.8
1,110,000	—	18,804	57,605	10,365,610	411	0.7
965,000	—	79,727	49,376	9,698,351	378	0.6
815,000	—	60,664	41,147	8,596,090	329	0.5
660,000	—	40,994	32,917	7,299,725	271	0.4
500,000	27,425,000	26,065	1,154,089	116,345,063	4,315	6.2
335,000	27,425,000	10,497	1,108,124	115,024,565	4,266	5.7
170,000	27,380,000	—	1,060,460	113,750,498	4,096	5.3

CITY OF ROSEMOUNT

Ratios of Net General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Less Amounts Restricted for Repaying Principal	Total	Market Value of Property	Percentage of Market Value of Property
2016	\$ 1,345,000	\$ 709,894	\$ 635,106	\$2,287,080,004	0.03 %
2017	1,215,000	734,785	480,215	2,434,763,942	0.02
2018	1,075,000	753,685	321,315	2,589,101,527	0.01
2019	935,000	716,769	218,231	2,782,042,325	0.01
2020	795,000	289,724	505,276	3,007,550,443	0.02
2021	645,000	295,849	349,151	3,230,193,428	0.01
2022	495,000	316,899	178,101	3,413,351,588	0.01
2023	80,475,000	6,130,249	74,344,751	4,117,690,488	1.81
2024	80,310,000	5,236,588	75,073,412	4,500,786,036	1.67
2025	79,805,000	6,065,100	73,739,900	4,676,640,767	1.58

(1) Includes governmental activities general obligation bonds per the table for outstanding debt by type.

(2) See Demographic and Economic Statistics schedule for population and personal income information.

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

Source: Dakota County website and Dakota County Assessor's Office

Total City Tax Capacity Value	Percentage of Total City Tax Capacity Value	Population (2)	Percentage of Personal Income (2)	Per Capita
\$ 26,219,235	2.42 %	23,559	0.05 %	\$ 27
27,875,145	1.72	23,965	0.03	20
29,559,800	1.09	24,342	0.02	13
31,722,889	0.69	25,202	0.01	9
34,092,552	1.48	25,650	0.03	20
36,616,523	0.95	26,133	0.02	13
38,488,978	0.46	26,943	0.01	7
46,013,597	161.57	26,965	3.94	2,757
50,980,695	147.26	26,965	3.71	2,784
53,406,741	138.07	27,769	3.41	2,655

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CITY OF ROSEMOUNT

Direct and Overlapping Governmental Activities Debt
December 31, 2025

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Overlapping debt			
Dakota County (2)	\$ —	— %	\$ —
ISD No. 196, Rosemount-Apple Valley-Eagan	372,305,000	16.127	60,041,226
ISD No. 199, Inver Grove Heights	43,930,000	4.914	2,158,787
ISD No. 200, Hastings	62,284,420	0.116	72,543
Metropolitan Council (3)	1,558,153,207	6.182	96,319,613
Total overlapping debt	<u>2,036,672,627</u>		<u>158,592,169</u>
Direct debt			
City of Rosemount direct debt	<u>85,140,038</u>	100.000	<u>85,140,038</u>
Total direct and overlapping debt	<u>\$ 2,121,812,665</u>		<u>\$ 243,732,207</u>

(1) The percentage of overlapping debt applicable is estimated using tax capacity. Applicable percentages were estimated by determining the portion of the governmental unit's tax capacity that is within the City's boundaries and dividing it by the governmental unit's total tax capacity.

(2) Dakota County did not have any outstanding general obligation debt supported by taxes at year-end.

(3) The above debt includes all outstanding general obligation debt of the Metropolitan Council supported by taxes. The Metropolitan Council also has general obligation sewer revenue, wastewater revenue, and radio revenue bonds and lease obligations outstanding, all of which are supported entirely by revenues and are not included in the overlapping debt or debt ratios sections above.

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

Source: Dakota County Property Taxation Office and related Annual Comprehensive Financial Reports

CITY OF ROSEMOUNT

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
Debt limit	\$ 68,612,400	\$ 73,042,918	\$ 77,673,046	\$ 83,461,270
Total net debt applicable to the limit	1,345,000	1,215,000	1,075,000	935,000
Legal debt margin	<u>\$ 67,267,400</u>	<u>\$ 71,827,918</u>	<u>\$ 76,598,046</u>	<u>\$ 82,526,270</u>
Total net debt applicable to the limit as a percentage of debt limit	1.96%	1.66%	1.38%	1.12%

2020	2021	2022	2023	2024	2025
\$ 90,226,513	\$ 96,905,803	\$ 102,400,548	\$ 123,530,715	\$ 135,023,581	\$ 140,299,223
795,000	645,000	495,000	81,826,851	80,310,000	79,805,000
<u>\$ 89,431,513</u>	<u>\$ 96,260,803</u>	<u>\$ 101,905,548</u>	<u>\$ 41,703,864</u>	<u>\$ 54,713,581</u>	<u>\$ 60,494,223</u>
0.88%	0.67%	0.48%	66.24%	59.48%	56.88%

Legal Debt Margin Calculations for Fiscal Year 2025

Market value	\$ 4,676,640,767
Debt limit (3% of market value)	140,299,223
Debt applicable to the limit	<u>79,805,000</u>
Legal debt margin	<u>\$ 60,494,223</u>

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CITY OF ROSEMOUNT

Pledged Revenue Coverage Last Ten Fiscal Years

Fiscal Year	Gross Revenue (a)	Less Direct Operating Expenses (b)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2016	\$4,778,063	\$3,587,124	\$1,190,939	\$ 425,000	\$ 52,360	\$ 477,360	249.48 %
2017	5,528,083	3,740,785	1,787,298	445,000	50,560	495,560	360.66
2018	5,634,576	3,954,469	1,680,107	390,000	39,108	429,108	391.53
2019	5,632,784	4,982,808	649,976	145,000	31,993	176,993	367.23
2020	2,814,871	1,441,351	1,373,520	145,000	28,730	173,730	790.61
2021	3,372,672	1,507,801	1,864,871	150,000	25,043	175,043	1,065.38
2022	3,462,750	1,446,668	2,016,082	155,000	21,036	176,036	1,145.27
2023	8,670,873	4,907,286	3,763,587	160,000	16,705	176,705	2,129.87
2024	8,940,832	6,132,133	2,808,699	165,000	1,221,304	1,386,304	202.60
2025	10,018,142	5,477,308	4,540,834	210,000	1,215,476	1,425,476	318.55

(a) Includes operating revenues of the Water Enterprise Fund through 2022. Includes Water, Sewer, and Storm Water beginning in 2023.

(b) Exclusive of depreciation.

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

CITY OF ROSEMOUNT

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population (1)	Households (1)	School Enrollment (3)	Unemployment Rate (2)	Total Personal Income (5)	Per Capita Income (4)
2016	23,559	8,296	4,944	3.4%	\$1,295,156,025	\$ 54,975
2017	23,965	8,455	4,867	2.7%	1,381,294,670	57,638
2018	24,342	8,609	4,973	2.6%	1,473,640,338	60,539
2019	25,202	8,837	5,022	2.9%	1,561,944,354	61,977
2020	25,650	8,931	4,995	4.3%	1,660,786,200	64,748
2021	26,133	8,931	4,944	2.3%	1,711,345,638	65,486
2022	26,943	9,123	4,772	2.5%	1,830,157,161	67,927
2023	26,965	9,474	4,700	2.2%	1,887,118,560	69,984
2024	26,965	9,567	5,282	3.0%	2,022,887,335	75,019
2025	27,769	9,897	5,077	3.8%	2,162,816,334	77,886

- (1) Numbers for 2016–2019 are from the Minnesota State Demographic Center. The 2020–2025 numbers are from the Metropolitan Council, which uses a more scientific and in-depth approach to estimating these values. They also have a one-year lag in reporting.
- (2) Minnesota Department of Employment and Economic Development – Dakota County Annual Rate.
- (3) Independent School District No. 196 students that attend the schools located in Rosemount.
- (4) U.S. Bureau of Economic Analysis – Per capita personal income for Dakota County residents.
- (5) Per capita personal income for Dakota County residents multiplied by the estimated city population.

CITY OF ROSEMOUNT

Principal Employers Current Fiscal Year and Nine Years Prior

Taxpayer	2025			2016		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
ISD No. 196, Rosemount-Apple Valley-Eagan	4,470	1	48.4 %	—	—	— %
Flint Hills Resources Pine Bend, LLC	1,530	2	16.6	—	—	—
Mortenson/Meta	1,000	3	10.8	—	—	—
ISD No. 917	536	4	5.8	—	—	—
FedEx	403	5	4.4	—	—	—
Wayne Transport	335	6	3.6	—	—	—
Proto Labs	310	7	3.4	—	—	—
Dakota County Technical College	230	8	2.5	—	—	—
City of Rosemount	221	9	2.4	—	—	—
Spectro Alloys	200	10	2.2	—	—	—
Total	9,235		100.0 %	—		— %

Note 1: This is a new table being tracked for the City beginning in 2021.

Note 2: Percentage of the top 10 employers because total employment is not readily available.

CITY OF ROSEMOUNT

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

	Fiscal Year			
	2016	2017	2018	2019
General government				
Administration	4.50	4.50	4.50	4.50
Communications	—	—	—	—
Human resources	—	—	—	—
Finance	4.55	4.55	5.05	5.10
Community development	9.50	9.50	9.50	10.50
Total general government	18.55	18.55	19.05	20.10
Public safety				
Sworn officers	23.00	24.00	25.00	24.00
Nonsworn employees	3.00	3.00	3.00	3.00
Firefighters and officers	52.00	47.00	47.00	42.00
Building inspections	—	—	—	—
Total public safety	78.00	74.00	75.00	69.00
Public works				
Building maintenance	0.85	1.25	1.25	1.25
Fleet maintenance	2.30	2.30	2.30	2.30
Street maintenance	6.00	6.00	6.30	6.30
Parks maintenance	4.65	4.65	5.05	5.05
Total public works	13.80	14.20	14.90	14.90
Parks and recreation				
Parks maintenance	10.25	10.25	10.25	10.25
Arena	1.85	1.85	1.88	1.90
Total parks and recreation	12.10	12.10	12.13	12.15
Utilities				
Water	4.88	4.88	5.11	4.55
Sewer	4.88	4.88	5.06	4.50
Storm water	2.30	2.55	2.88	4.30
Total employees	134.51	131.16	134.13	129.50

Source: Finance Department

2020	2021	2022	2023	2024	2025
4.50	4.50	5.50	5.50	4.80	5.60
—	—	—	—	2.00	2.00
—	—	—	—	2.00	2.00
5.10	5.10	5.20	5.20	2.90	3.10
10.50	10.50	10.00	11.00	5.00	5.00
20.10	20.10	20.70	21.70	16.70	17.70
25.00	28.00	30.68	30.68	35.68	36.00
3.00	3.00	3.00	3.00	4.00	4.00
50.00	46.00	45.00	47.00	55.00	51.00
—	—	—	—	6.00	6.00
78.00	77.00	78.68	80.68	100.68	97.00
1.25	1.25	1.25	1.25	1.00	1.00
2.20	2.40	2.40	2.40	3.70	4.70
6.10	6.85	7.35	8.35	8.25	8.25
5.85	5.90	5.90	3.85	4.75	4.75
15.40	16.40	16.90	15.85	17.70	18.70
10.25	10.30	11.25	12.10	11.25	11.25
1.90	1.90	1.85	1.55	1.90	2.25
12.15	12.20	13.10	13.65	13.15	13.50
5.10	5.05	5.00	5.00	5.10	4.75
5.05	5.05	5.00	5.00	5.10	4.75
4.70	4.75	4.75	4.75	4.75	4.60
140.50	140.55	144.13	146.63	163.18	161.00

CITY OF ROSEMOUNT

Operating Indicators by Function
Last Ten Years

Function/Program	Fiscal Year			
	2016	2017	2018	2019
General government				
Elections	2	N/A	2	N/A
Registered voters	15,818	N/A	15,756	N/A
Number of votes cast	18,654	N/A	Unknown	N/A
Voter participation (registered)	84.0%	N/A	77.0%	N/A
Inspections				
Building permits issued	3,033	3,136	3,503	3,997
Inspections conducted	5,927	5,425	6,317	8,001
Police				
Adult arrests	326	406	375	355
Number of calls for service	16,691	16,194	15,166	17,533
Number of patrol miles	185,101	186,155	227,530	199,931
Juvenile arrests	105	85	87	74
Traffic violations	1,939	1,372	1,187	1,088
Parking violations	271	88	178	264
Fire				
Number of calls answered	720	744	820	894
Fires extinguished	38	60	46	48
Public works				
Street resurfacing (miles)	1.20	1.95	3.15	1.20
Street seal coating (miles)	2.90	3.70	4.90	5.00
Park acres maintained	160	160	167	167
Parks and recreation				
Total hours of use at community center	16,068	14,577	15,361	16,022
Arena rental hours	2,670	2,805	2,704	2,999
Water				
Connections	7,152	7,212	7,360	7,538
Water main breaks	1	1	1	1
Average daily consumption (in gallons)	2,520,915	2,530,849	2,250,066	2,136,434
Sewer				
Connections	6,959	7,050	7,198	7,376

N/A – Not Applicable

Source: Various city departments

2020	2021	2022	2023	2024	2025
2	N/A	2	1	3	N/A
17,843	N/A	18,127	17,869	19,984	N/A
Unknown	N/A	12,860	584	16,972	N/A
89.0%	N/A	71.0%	3.3%	84.0%	N/A
4,426	6,921	4,925	5,582	5,842	6,008
8,198	9,531	9,605	10,359	12,707	12,899
252	309	366	303	309	345
16,512	17,691	17,895	18,865	18,930	20,935
243,685	171,127	271,544	307,565	312,510	320,814
23	12	32	46	58	83
848	648	978	1,485	1,756	1,893
191	23	128	217	127	217
848	972	1,103	1,101	1,088	1,388
20	21	14	40	55	31
4.14	3.39	1.63	0.89	1.40	1.34
12.50	10.70	7.50	8.00	8.85	13.35
181	205	550	550	550	550
4,325	19,473	17,100	17,210	3,613	2,642
1,992	2,738	2,950	3,084	3,107	3,183
7,742	7,942	9,996	8,490	10,963	9,175
—	1	1	1	1	1
2,585,996	3,060,333	3,002,054	3,151,153	2,809,556	3,122,636
7,580	7,780	8,058	8,231	8,502	9,014

CITY OF ROSEMOUNT

Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	Fiscal Year			
	2016	2017	2018	2019
General government				
City Hall/other buildings	1	1	1	1
Police				
Stations	1	1	1	1
Patrol units	15	16	16	16
Fire				
Stations	2	2	2	2
Fire units (vehicles and trailer)	16	16	16	17
Public works				
Buildings	3	3	3	3
City maintained streets (miles)	110	113	114	115
Street lights	1,568	1,599	1,601	1,622
Parks and recreation				
Community centers	2	2	2	2
Shelters/other buildings	3	3	3	3
Acreage	540	540	540	540
Parks	30	30	30	30
Playgrounds	21	21	21	21
Baseball/softball diamonds	24	24	24	24
Soccer/football fields	20	20	24	24
Tennis courts	12	12	12	12
Pickle ball courts (Built and added in 2025)	—	—	—	—
Water				
Water mains (miles)	134	135	135	138
Wells (municipal/rural)	8	8	9	9
Water towers	4	4	4	4
Fire hydrants	1,445	1,450	1,452	1,560
Storage capacity	3,500,000	3,500,000	3,500,000	3,500,000
Maximum pumping capacity	12,384,000	12,384,000	14,976,000	14,976,000
Sewer				
Sanitary sewer mains (miles)	100	103	103	105
Storm sewer mains (miles)	91	105	105	111
Public education facilities				
Elementary schools	2	2	2	2
Secondary schools	2	2	2	2
Special education schools (Dakota County Technical College)	2	2	2	2

Source: Various city departments

2020	2021	2022	2023	2024	2025
1	1	1	1	1	1
1	1	1	1	1	1
16	15	21	21	21	21
2	2	2	2	2	2
17	17	17	17	18	18
3	3	3	3	5	6
117	123	128	131	134	139
1,704	1,707	1,880	1,972	2,044	2,164
2	2	2	2	2	2
3	3	4	4	4	5
540	542	542	542	543	622
30	30	30	30	32	34
21	21	21	21	23	27
24	26	28	28	28	28
24	24	24	24	24	24
12	12	12	12	12	12
—	—	—	—	—	12
145	145	151	154	162	163
9	9	9	9	9	9
4	4	4	4	4	4
1,571	1,604	1,660	1,761	1,677	1,711
3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
14,976,000	14,976,000	14,976,000	14,976,000	14,976,000	14,976,000
118	127	124	126	117	119
123	123	152	148	138	141
2	2	2	2	2	3
2	2	2	2	2	2
2	2	2	2	2	2

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Management Report
for
City of Rosemount
Dakota County, Minnesota
December 31, 2025



Certified Public Accountants Business Consultants

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To the City Council and Management
City of Rosemount, Minnesota

We have prepared this management report in conjunction with our audit of the City of Rosemount, Minnesota's (the City) financial statements for the year ended December 31, 2025. We have organized this report into the following sections:

- Audit Summary
- Governmental Funds Overview
- General Fund Overview
- Enterprise Funds Overview
- Government-Wide Financial Statements
- Accounting and Auditing Updates

We would be pleased to further discuss any of the information contained in this report or any other concerns that you would like us to address. We would also like to express our thanks for the courtesy and assistance extended to us during the course of our audit.

The purpose of this report is solely to provide those charged with governance of the City, management, and those who have responsibility for oversight of the financial reporting process comments resulting from our audit process and information relevant to city finances in Minnesota. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads 'LB Carlson, LLP'.

LB CARLSON, LLP
Minneapolis, Minnesota

June 25, 2026

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AUDIT SUMMARY

The following is a summary of our audit work, key conclusions, and other information that we consider important or that is required to be communicated to the City Council, administration, or those charged with governance of the City.

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA AND *GOVERNMENT AUDITING STANDARDS*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you verbally and in our audit engagement letter. Professional standards also require that we communicate the following information related to our audit.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously discussed and coordinated in order to obtain sufficient audit evidence and complete an effective audit.

AUDIT OPINIONS AND FINDINGS

Based on our audit of the City's financial statements for the year ended December 31, 2025:

- We have issued unmodified opinions on the City's basic financial statements.
- We reported no deficiencies in the City's internal control over financial reporting that we considered to be material weaknesses. It should be understood that internal controls are never perfected, and those controls which protect the City's funds from such things as fraud and accounting errors need to be continually reviewed by management and modified as necessary.
- The results of our testing disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.
- We reported two findings based on our testing of the City's compliance with Minnesota laws and regulations.
 - **Contracting and Bidding** – Minnesota Statutes § 471.345 requires contracts from \$25,000 to \$175,000 be made on sealed bids, by direct negotiations based on quotations, or through best value procurement. The City did not obtain two or more quotes for one of three contracts tested; the City obtained a quote but did not obtain two or more quotes as required by statute.
 - **Payment of Invoices** – Minnesota Statutes § 471.425, requires prompt payment of local government bills within a standard payment period of 35 days from receipt for governing boards that meet at least once a month. During our audit, 4 of 25 disbursements tested were not paid within the statutory time requirement and interest was not paid on the unpaid obligations.

OTHER OBSERVATIONS AND RECOMMENDATIONS

Internal Controls Over Vendors

A relatively common method of attempting to defraud local governments involves inducing them to pay claims from fictitious vendors for goods or services that were never provided. Strong safeguards over adding new vendors or making changes to existing vendors within the government's accounts payable system is an important control to mitigate this risk. Some considerations in this area include:

- Limiting the number of employees with access to add or alter vendor records within the accounts payable system,
- Requiring vendor additions or changes to be reviewed and approved by supervisory personnel, preferably one not directly involved in processing accounts payable,
- Verifying the legitimacy of vendors by obtaining a W-9 or other means,
- Verifying any changes to vendor address or banking information prior to processing payments, and
- Periodically reviewing the vendor listing to remove inactive vendors from the system.

Uniform Guidance Revisions

Although the City did not earn enough federal funding to require a Single Audit of its expenditures of federal awards this year, if the City receives any federal funding it is obligated to maintain a comprehensive system of internal controls over federal grant compliance that is up to date with current requirements. The U.S. Office of Management and Budget issued a revision to Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) in 2024, aiming to streamline grant management and reduce grantor agency and recipient burden. The revised guidance is effective for new federal grant entitlements awarded on or after October 1, 2024.

The revision includes a number of significant changes to the federal Single Audit process, including: an increase in dollar threshold for requiring a Single Audit from \$750,000 to \$1,000,000; changes to the thresholds and process used for determining major programs; an increase in the threshold for the disposition of equipment and remitting unused supplies from \$5,000 to \$10,000; and an increase in the federal de minimis indirect cost rate from 10 percent to 15 percent. Key changes to written policy requirements for recipients include: enhancement of cybersecurity controls, inclusion of veteran-owned businesses to the group of entities for procurement preference, and a broadened scope for reporting of mandatory disclosures. We recommend the City review its internal control policies to ensure compliance with current guidance.

SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 of the notes to basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- **Depreciation/Amortization** – Management's estimates of depreciation and amortization expense are based on the estimated useful lives of the assets.
- **OPEB and Pension Benefits** – The City has recorded liabilities and activity for other post-employment benefits (OPEB) and pension benefits. Actuarial estimates of these obligations are calculated using actuarial methodologies described in Governmental Accounting Standards Board Statement Nos. 68 and 75. The actuarial calculations include significant assumptions, including projected changes, healthcare insurance costs, investment returns, retirement ages, proportionate share, and employee turnover.
- **Compensated Absences** – Management's estimate is based on current rates of pay, unused compensated absence balances, and the likelihood that these leave balances will ultimately be paid out over the course of employment or at termination.

We evaluated the key factors and assumptions used by management to develop these accounting estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures included in the notes to basic financial statements related to OPEB and pension benefits are particularly sensitive, due to the materiality of the liabilities, and the large and complex estimates involved in determining the disclosures.

The financial statement disclosures are neutral, consistent, and clear.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing and completing our audit.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this report, a disagreement with management is a financial accounting, reporting, or auditing matter whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated June 25, 2026.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

We applied certain limited procedures to the management’s discussion and analysis and the pension and OPEB-related required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information, as described in the table of contents, which accompanies the financial statements, but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and statistical section, which accompany the financial statements, but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

GOVERNMENTAL FUNDS OVERVIEW

This section of the report provides you with an overview of the financial trends and activities of the City's governmental funds, which includes the General, special revenue, debt service, and capital project funds. These funds are used to account for the basic services the City provides to all of its citizens, which are financed primarily with property taxes. The governmental fund information in the City's financial statements focuses on budgetary compliance and the sufficiency of each governmental fund's current assets to finance its current liabilities.

GOVERNMENTAL FUND BALANCES

The following table summarizes the changes in the fund balances of the City's governmental funds during the year ended December 31, 2025, presented both by fund balance classification and by major fund:

Governmental Funds Change in Fund Balance			
	Fund Balance as of December 31,		
	2025	2024	Change
Fund balances of governmental funds			
Total by classification			
Nonspendable	\$ 39,678	\$ 69,627	\$ (29,949)
Restricted	12,881,134	21,359,233	(8,478,099)
Committed	350,122	899,842	(549,720)
Assigned	23,708,311	16,708,276	7,000,035
Unassigned	10,994,431	11,074,470	(80,039)
Total governmental funds	<u>\$ 47,973,676</u>	<u>\$ 50,111,448</u>	<u>\$ (2,137,772)</u>
Total by fund			
General	\$ 13,914,407	\$ 14,345,868	\$ (431,461)
Capital Projects	21,953,883	24,534,063	(2,580,180)
Debt Service	6,065,100	5,236,588	828,512
Port Authority Debt Service	492,288	470,947	21,341
Port Authority Special Revenue	1,220,302	335,768	884,534
Nonmajor funds	4,327,696	5,188,214	(860,518)
Total governmental funds	<u>\$ 47,973,676</u>	<u>\$ 50,111,448</u>	<u>\$ (2,137,772)</u>

In total, the fund balances of the City's governmental funds decreased by \$2,137,772 during the year. The largest change was the decrease in the Capital Projects Fund, due to ongoing and completed construction projects in the current year. The shift between restricted and assigned fund balances was also largely within the Capital Projects Fund. The City spent restricted bond proceeds to complete two major capital projects in the year while recognizing new sources of revenues in the current year that are assigned for future projects and equipment.

GOVERNMENTAL FUNDS REVENUE

The following table presents the City's governmental funds revenue by source for the last two fiscal years.

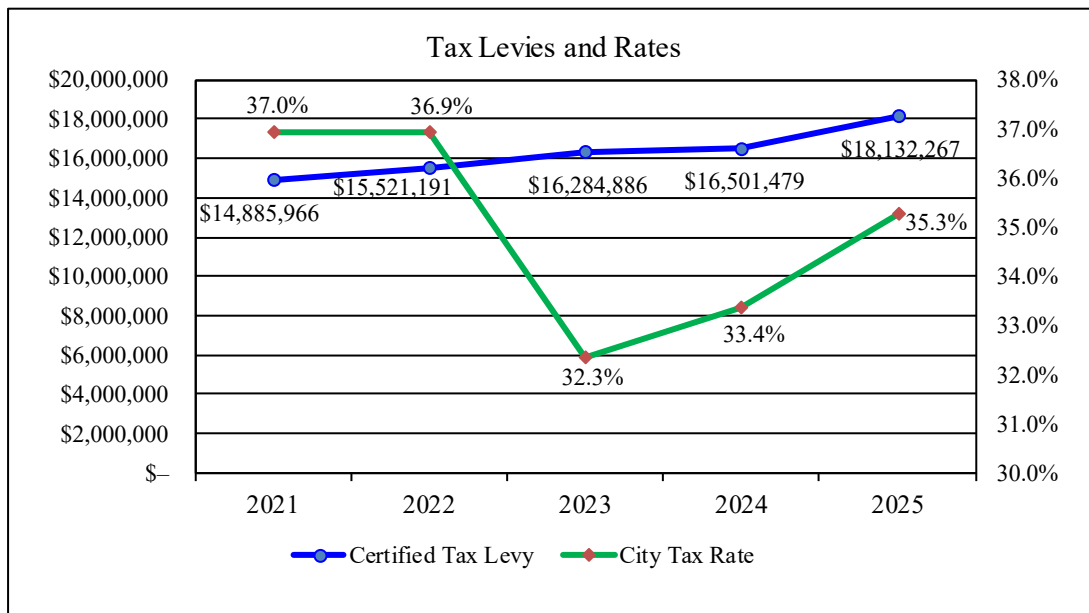
Governmental Funds Revenue by Source						
	2025		2024		Year-to-Year Change	
	Revenue	Percent of Total	Revenue	Percent of Total	Dollar Change	Percent Change
Property taxes	\$ 17,657,124	48.3 %	\$ 15,955,427	37.3 %	\$ 1,701,697	10.7 %
Tax increments	1,980,997	5.4	1,953,949	4.6	27,048	1.4 %
Franchise and other taxes	403,115	1.1	363,364	0.8	39,751	10.9 %
Special assessments	1,001,126	2.7	759,788	1.8	241,338	31.8 %
Licenses and permits	2,075,330	5.7	3,904,383	9.1	(1,829,053)	(46.8) %
Intergovernmental	2,129,230	5.8	2,071,840	4.8	57,390	2.8 %
Charges for services	5,017,930	13.7	6,364,428	14.8	(1,346,498)	(21.2) %
Other	6,334,135	17.3	11,494,617	26.8	(5,160,482)	(44.9) %
Total revenue	<u>\$ 36,598,987</u>	<u>100.0 %</u>	<u>\$ 42,867,796</u>	<u>100.0 %</u>	<u>\$ (6,268,809)</u>	<u>(14.6) %</u>

The City's governmental fund revenues for 2025 were \$36,598,987, a decrease of \$6,268,809 (14.6 percent) from the prior year. The largest change occurred with decreases in licenses and permits, charges for services, and other revenues, due to a reduction in development and related fees received compared to the prior year.

PROPERTY TAXES

Minnesota cities rely heavily on local property taxes to support governmental fund activities. In the 2025 fiscal year, property taxes provided 48.3 percent of the City's total governmental funds revenue.

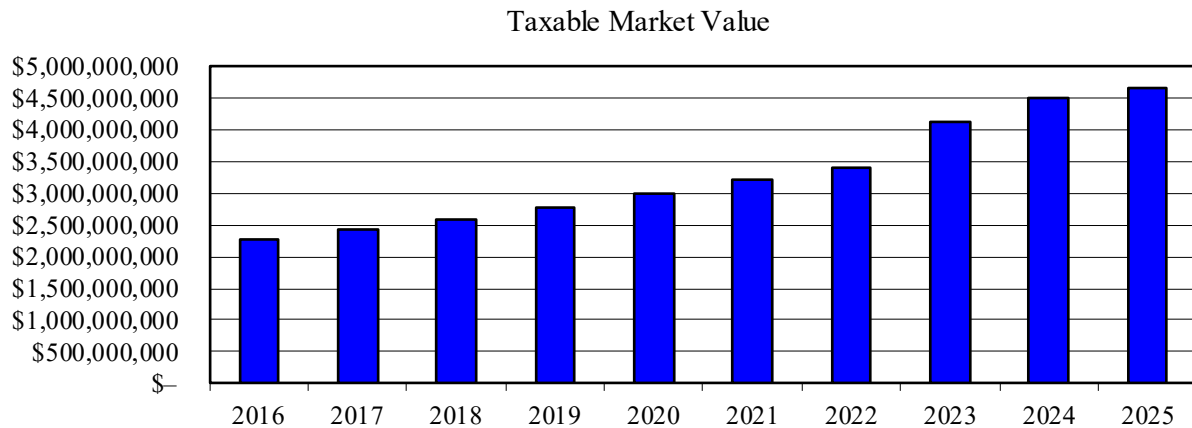
The following graph presents the City's certified tax levy and resulting tax rates applied to city residents for each of the last five levy years:



The City's certified levy has continued to grow over the last five years, while the tax rate has also changed due to the change of the tax base.

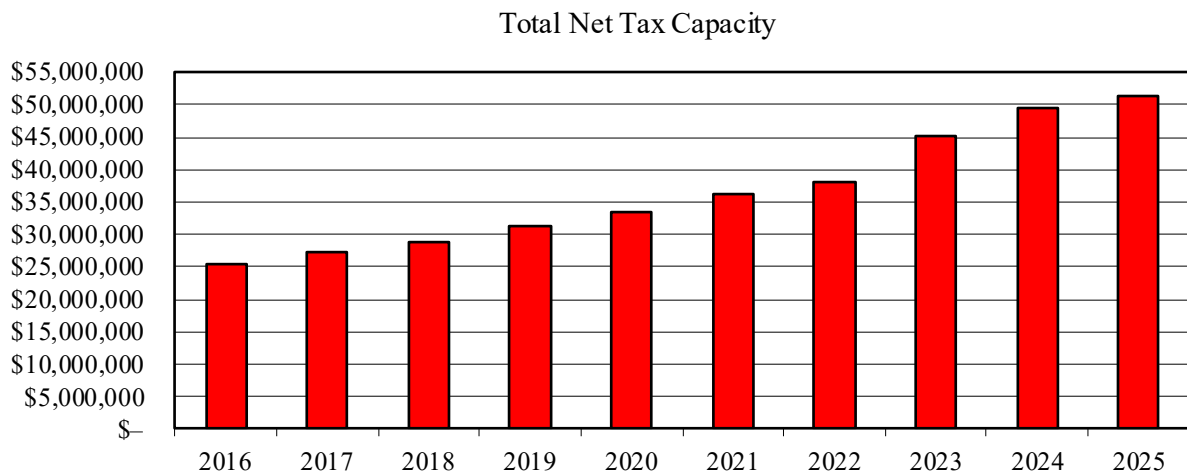
PROPERTY TAX VALUES

The City's taxable market value increased 9.3 percent for taxes payable in 2024 and 3.9 percent for taxes payable in 2025. The following graph shows the City's changes in taxable market value over the past 10 years:



Tax capacity is considered the actual base available for taxation. It is calculated by applying the state's property classification system to each property's market value. Each property classification, such as commercial or residential, has a different calculation and uses different rates. Consequently, a city's total tax capacity will change at a different rate than its total market value, as tax capacity is affected by the proportion of its tax base that is in each property classification from year-to-year, as well as legislative changes to tax rates. The City's tax capacity increased 9.7 percent and 4.1 percent for taxes payable in 2024 and 2025, respectively.

The following graph shows the City's change in tax capacities over the past 10 years:



GOVERNMENTAL FUNDS EXPENDITURES

The expenditures of governmental funds will also vary from year-to-year, based on the City's circumstances. Expenditures are classified into three types as follows:

- **Current** – These are typically the general operating type expenditures occurring on an annual basis, and are primarily funded by general sources, such as taxes and intergovernmental revenues.
- **Capital Outlay** – These expenditures do not occur on a consistent basis, more typically fluctuating significantly from year-to-year. Many of these expenditures are project-oriented, and are often funded by specific sources that have benefited from the expenditure, such as special assessment improvement projects.
- **Debt Service** – Although the expenditures for debt service may be relatively consistent over the term of the respective debt, the funding source is the important factor. Some debt may be repaid through specific sources, such as special assessments or redevelopment funding, while other debt may be repaid with general property taxes.

The following table presents the City's governmental funds expenditures by type for the last two fiscal years:

Governmental Funds Expenditures by Type						
	2025		2024		Year-to-Year Change	
	Expenditures	Percent of Total	Expenditures	Percent of Total	Dollar Change	Percent Change
Current						
General government	\$ 3,294,490	8.2 %	\$ 3,116,513	3.7 %	\$ 177,977	5.7 %
Public safety	10,389,291	25.9	8,340,232	9.9	2,049,059	24.6 %
Streets and highways	5,629,261	14.0	4,971,997	5.9	657,264	13.2 %
Culture, education, and recreation	2,629,133	6.6	2,174,161	2.6	454,972	20.9 %
Conservation and economic development	2,122,851	5.3	809,210	1.0	1,313,641	162.3 %
Total current	24,065,026	60.0	19,412,113	23.1	4,652,913	24.0 %
Capital outlay	10,501,229	26.1	57,138,449	67.9	(46,637,220)	(81.6) %
Debt service	5,563,448	13.9	7,616,278	9.0	(2,052,830)	(27.0) %
Total expenditures	<u>\$ 40,129,703</u>	<u>100.0 %</u>	<u>\$ 84,166,840</u>	<u>100.0 %</u>	<u>\$(44,037,137)</u>	<u>(52.3) %</u>

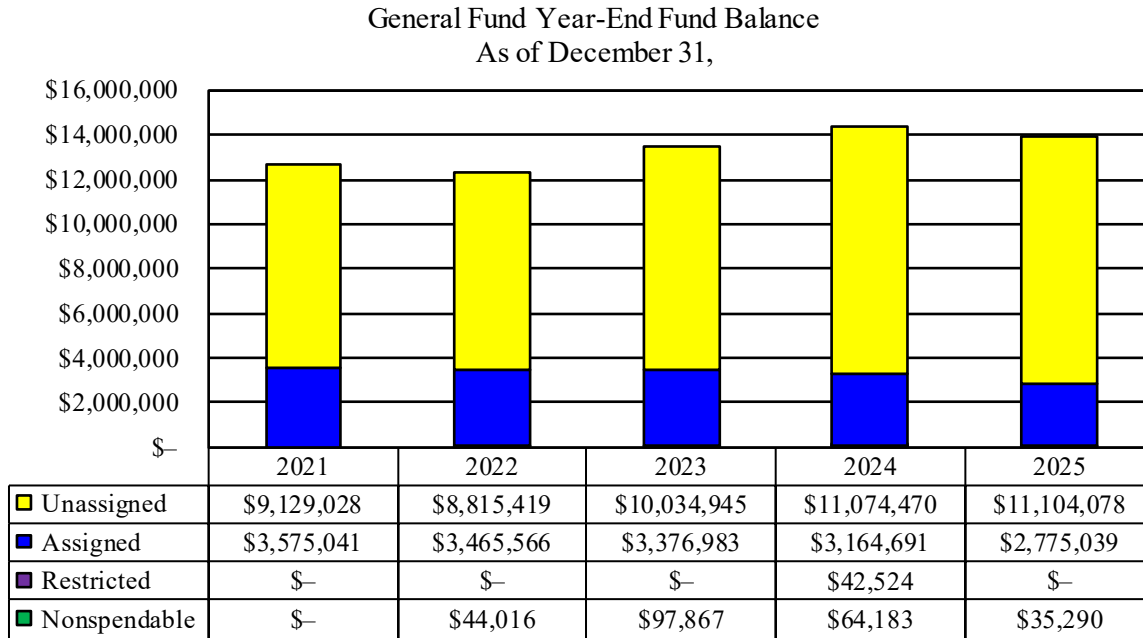
Total expenditures in the City's governmental funds for 2025 were \$40,129,703, a decrease of \$44,037,137 (52.3 percent) from the prior year. The decrease in expenditures was primarily due to a decrease in capital outlay compared to the prior year, which was significantly lower due to higher than average construction activity in 2024 on two major projects.

GENERAL FUND OVERVIEW

This section of the report focuses specifically on the financial trends and activities of the General Fund, which accounts for the financial activity of the basic services provided to the community. The primary services included within this fund include the administration of municipal operations, police and fire protection, permitting and building inspection, streets and highway maintenance, culture and recreation, and economic development.

GENERAL FUND FINANCIAL POSITION

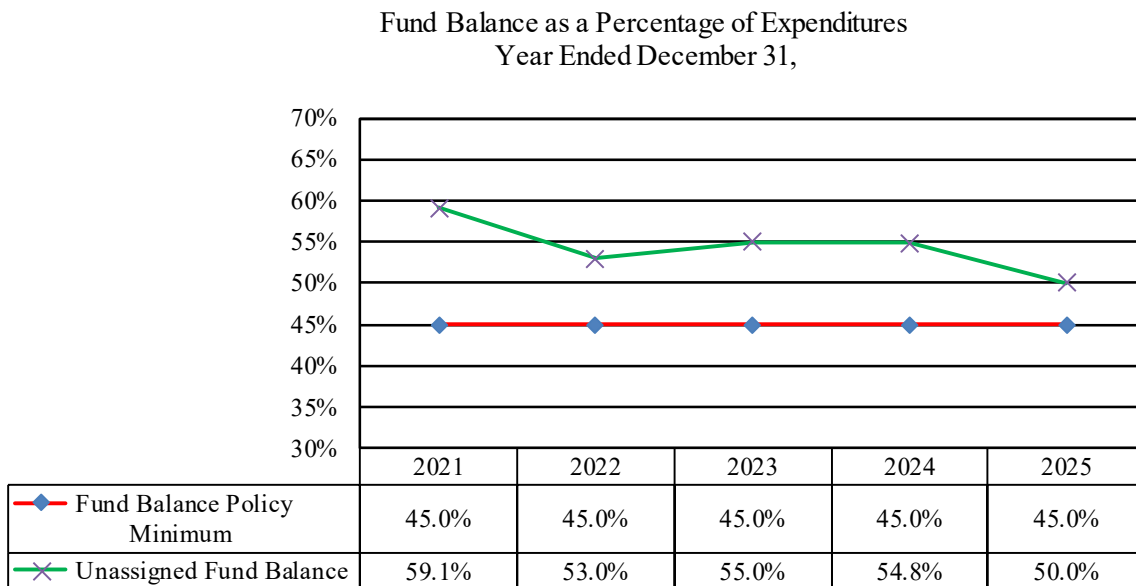
The graph below illustrates the change in the fund balances of the General Fund over the last five years:



The total fund balance of the City's General Fund at year-end was \$13,914,407, which represents a decrease of \$431,461 in 2025, as compared to balance budget projected in the final budget.

The City's unassigned General Fund balance of \$11,104,078 at the end of the 2025 fiscal year represents 50.0 percent of expenditures and transfers out projected in the 2026 adopted budget.

The City has adopted a fund balance policy that calls for maintaining a minimum year-end unassigned fund balance in the General Fund equal to 45 to 55 percent of the subsequent year's budgeted expenditures and transfers out. The following graph presents this ratio for the last five years compared to this policy minimum:



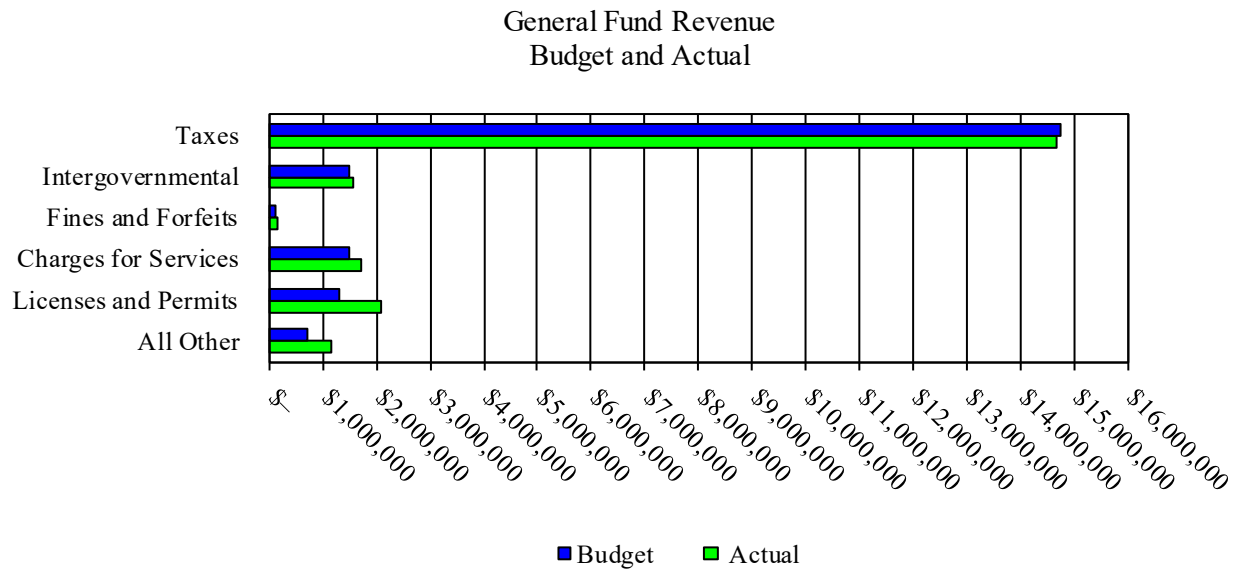
As the graph illustrates, the City has been meeting this policy by maintaining a year-end fund balance above the minimum set range.

A government, like any organization, requires a certain amount of equity to operate. A healthy financial position allows the City to avoid volatility in tax rates; helps minimize the impact of state funding changes; allows for the adequate and consistent funding of services, repairs, and unexpected costs; and is a factor in determining the City's bond rating and resulting interest costs.

A trend that is typical of Minnesota local governments, especially the General Fund of cities, is the unusual cash flow experienced throughout the year. The City's General Fund cash disbursements are spread relatively evenly throughout the year, other than the impact of seasonal services such as snowplowing, street maintenance, and recreation activities. Cash receipts of the General Fund are quite a different story. Taxes comprise about 68.8 percent of the fund's total annual revenue. Approximately half of the City's annual property tax levy is collected and remitted to the City by the end of June and the rest by December. Consequently, cities depend on the resources this fund balance represents to provide adequate cash reserves to finance their everyday operations between these collections.

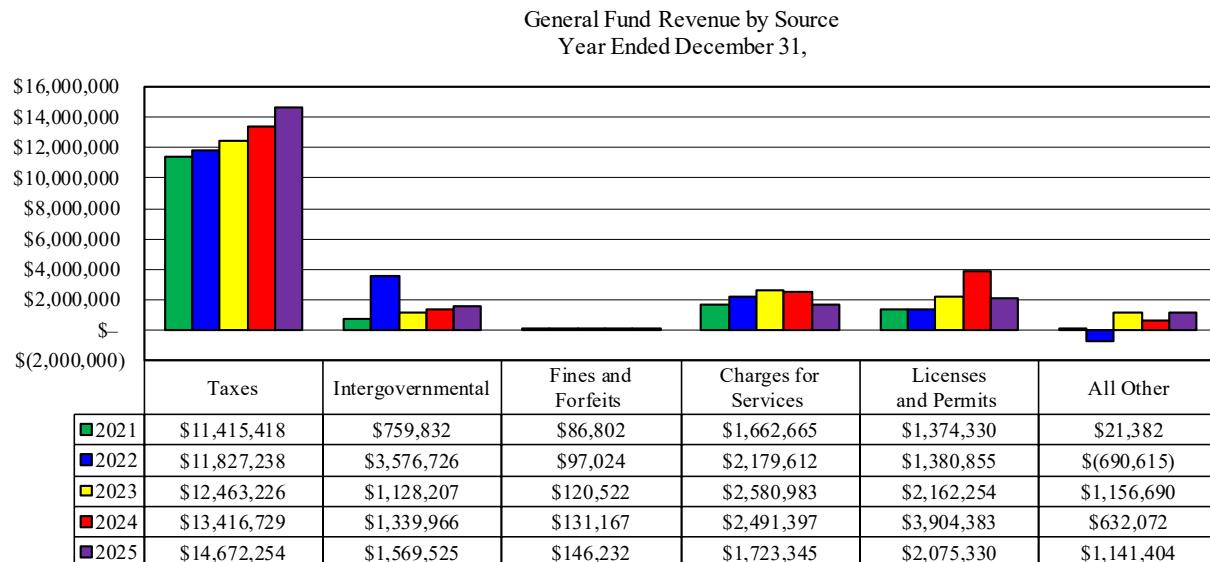
GENERAL FUND REVENUES

The following graph reflects the City's General Fund revenue sources for 2025 compared to budget:



General Fund revenue for 2025 was \$21,328,090, which was \$1,493,175 (7.5 percent) more than budget. Most revenue over budget came from nonbusiness licenses and permits, charges for services, and other local sources, due to more than anticipated building activity and conservative budgeting.

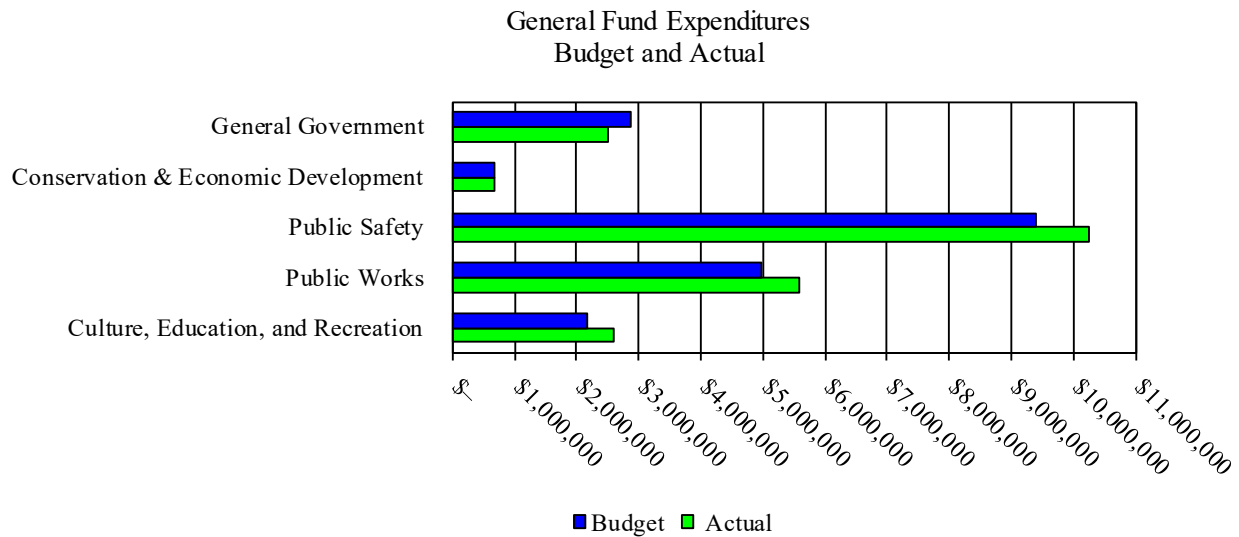
The following graph presents the City's General Fund revenue by source for the last five years. The graph reflects the City's reliance on property and other taxes, which represented 68.8 percent of General Fund revenue in 2025.



Total General Fund revenue for 2025 was \$587,624 (2.7 percent) less than last year, mostly in charges for services and licenses and permits, due to lower development and building activity, offset by an increase in taxes due to an increase in the tax levy.

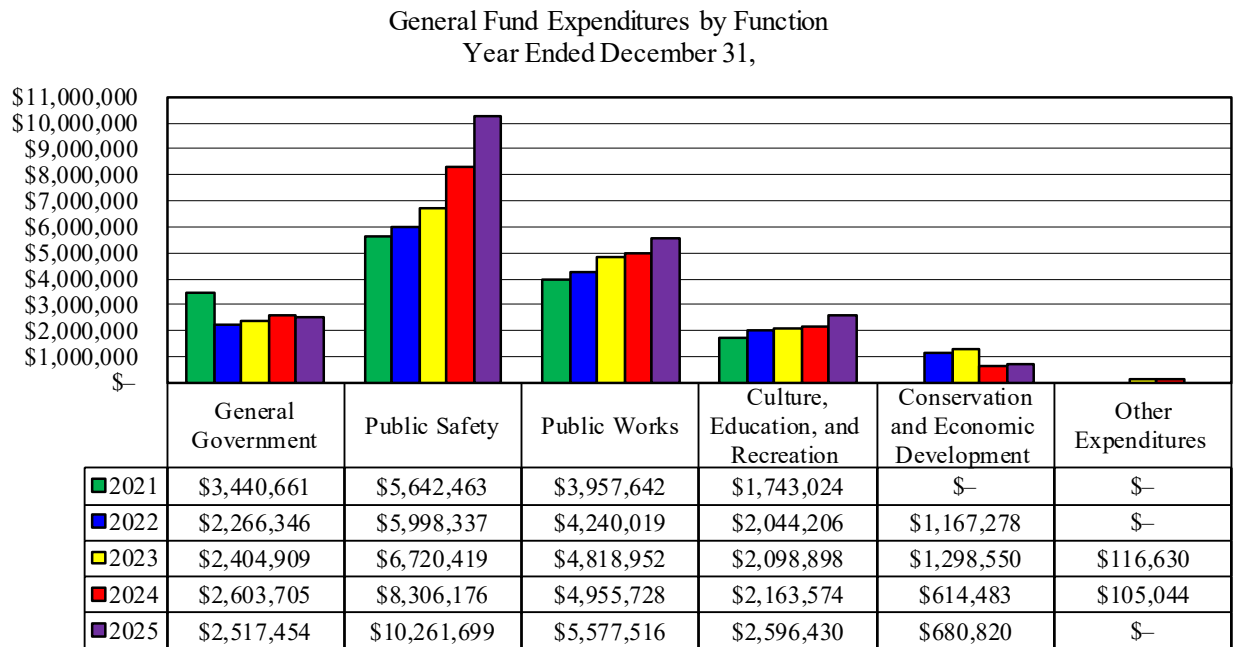
GENERAL FUND EXPENDITURES

The following graph illustrates the components of General Fund spending for 2025 compared to budget:



General Fund expenditures for 2025 were \$21,633,919, an increase of \$2,885,209 from the previous year and were \$1,560,604 (7.8 percent) more than budget. Public safety expenditures were \$879,916 over budget, due to an increase in salaries and benefits for the police and fire services. Growing demand for services and ongoing development contributed to overspending compared to budget in public works and in culture, education, and recreation.

The following graph presents the City's General Fund expenditures by function for the last five years:



The increase in General Fund expenditures was mainly in public safety, due to increases in salaries and benefits. Public works and culture, education, and recreation also reported larger increases for the same reasons discussed above for the variance with budget.

ENTERPRISE FUNDS OVERVIEW

The City maintains several enterprise funds to account for services the City provides that are financed primarily through fees charged to those utilizing the services. This section of the report provides you with an overview of the financial trends and activities of the City's enterprise funds, which include the Water Fund, Sewer Fund, Storm Water Fund, Street Lighting Fund, and Arena Fund.

ENTERPRISE FUNDS FINANCIAL POSITION

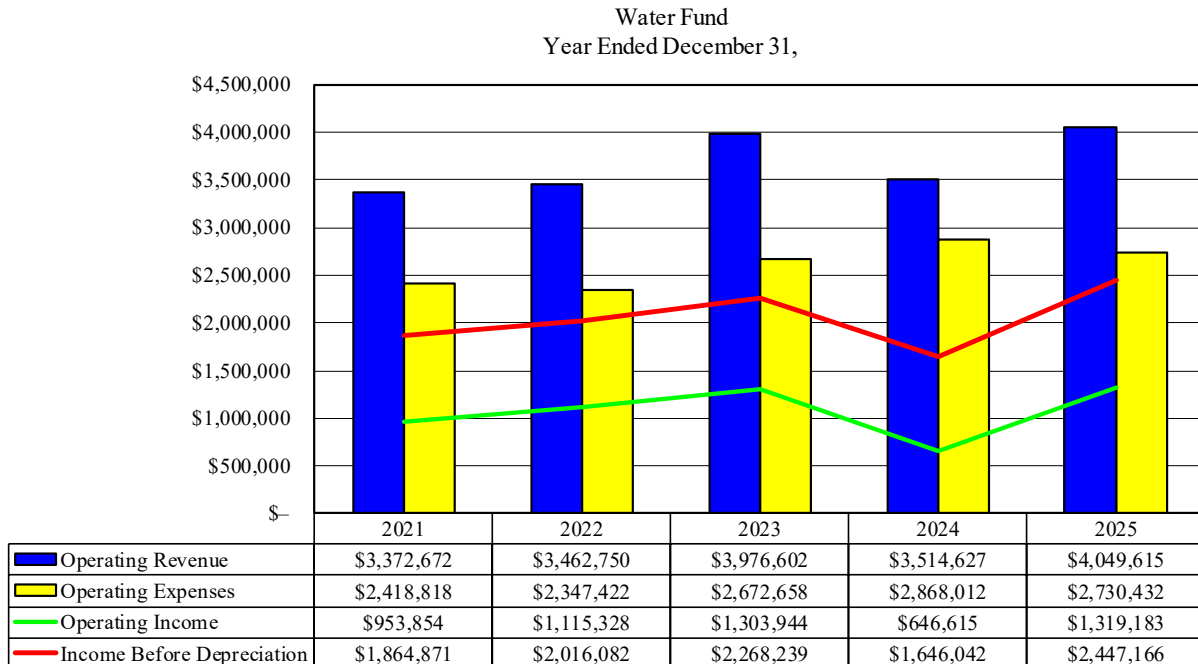
The following table summarizes the changes in the financial position of the City's enterprise funds during the year ended December 31, 2025, presented both by classification and by fund:

Enterprise Funds Change in Financial Position			
	Net Position as of December 31,		
	2025	2024	Change
Net position of enterprise funds			
Total by classification			
Net investment in capital assets	\$ 122,340,780	\$ 119,743,207	\$ 2,597,573
Unrestricted	72,680,288	64,072,510	8,607,778
Total enterprise funds	<u>\$ 195,021,068</u>	<u>\$ 183,815,717</u>	<u>\$ 11,205,351</u>
Total by fund			
Water	\$ 75,051,930	\$ 68,746,694	\$ 6,305,236
Sewer	44,418,798	46,994,198	(2,575,400)
Storm Water	73,314,431	66,097,899	7,216,532
Nonmajor funds	2,235,909	1,976,926	258,983
Total enterprise funds	<u>\$ 195,021,068</u>	<u>\$ 183,815,717</u>	<u>\$ 11,205,351</u>

In total, the net position of the City's enterprise funds increased by \$11,205,351 during the year ended December 31, 2025. Net investment in capital assets increased \$2,597,573, due to continued investment in utility infrastructure and contributions from developers and the City's governmental activities. Unrestricted net position increased \$8,607,778, due to positive operating results in the current year.

WATER FUND

The following graph presents five years of comparative operating results for the City's Water Fund:



The Water Fund ended 2025 with a total net position of \$75,051,930, an increase of \$6,305,236 from the prior year. Of this, \$42,610,675 represents the net investment in capital assets, leaving unrestricted net position of \$32,441,255.

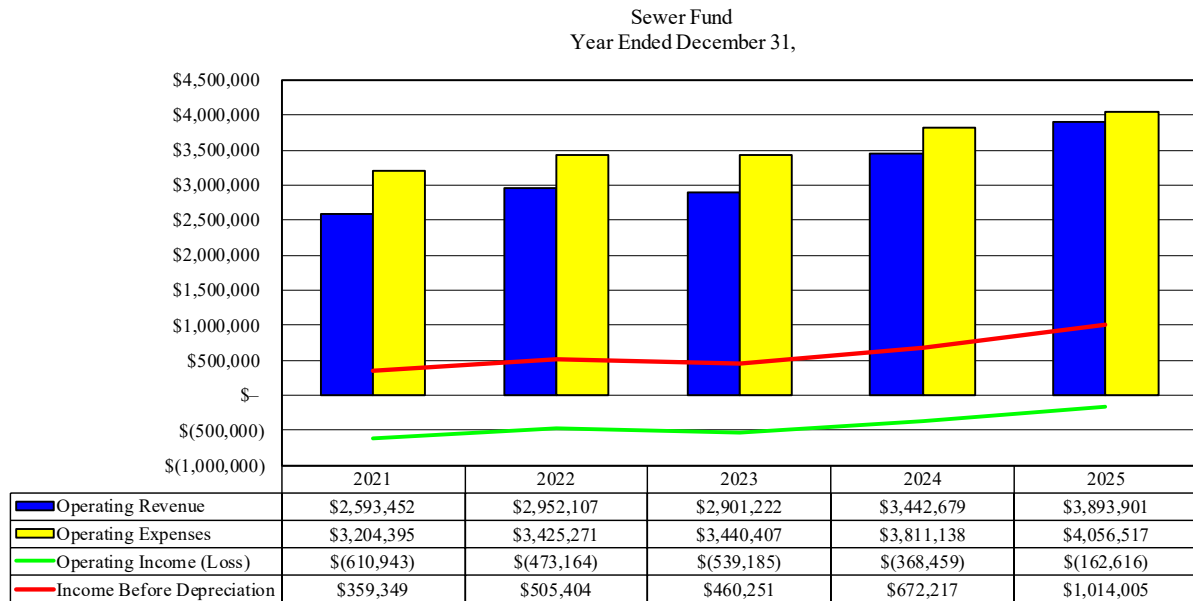
Operating revenue in the Water Fund increased \$534,988 (15.2 percent) from the prior year, due to increases in utility rates and consumption changes.

Water Fund operating expenses for 2025 decreased \$137,580 (4.8 percent) from the previous year, due to a reduction in professional services and charges.

The Water Fund reported significantly higher levels of capital contributions to and from governmental funds this year with the completion of several multi-year construction projects.

SEWER FUND

The following graph presents five years of comparative operating results for the City's Sewer Fund:



The Sewer Fund ended 2025 with a total net position of \$44,418,798, a decrease of \$2,575,400 from the prior year. Of this, \$25,380,720 represents the net investment in capital assets, leaving unrestricted net position of \$19,038,078.

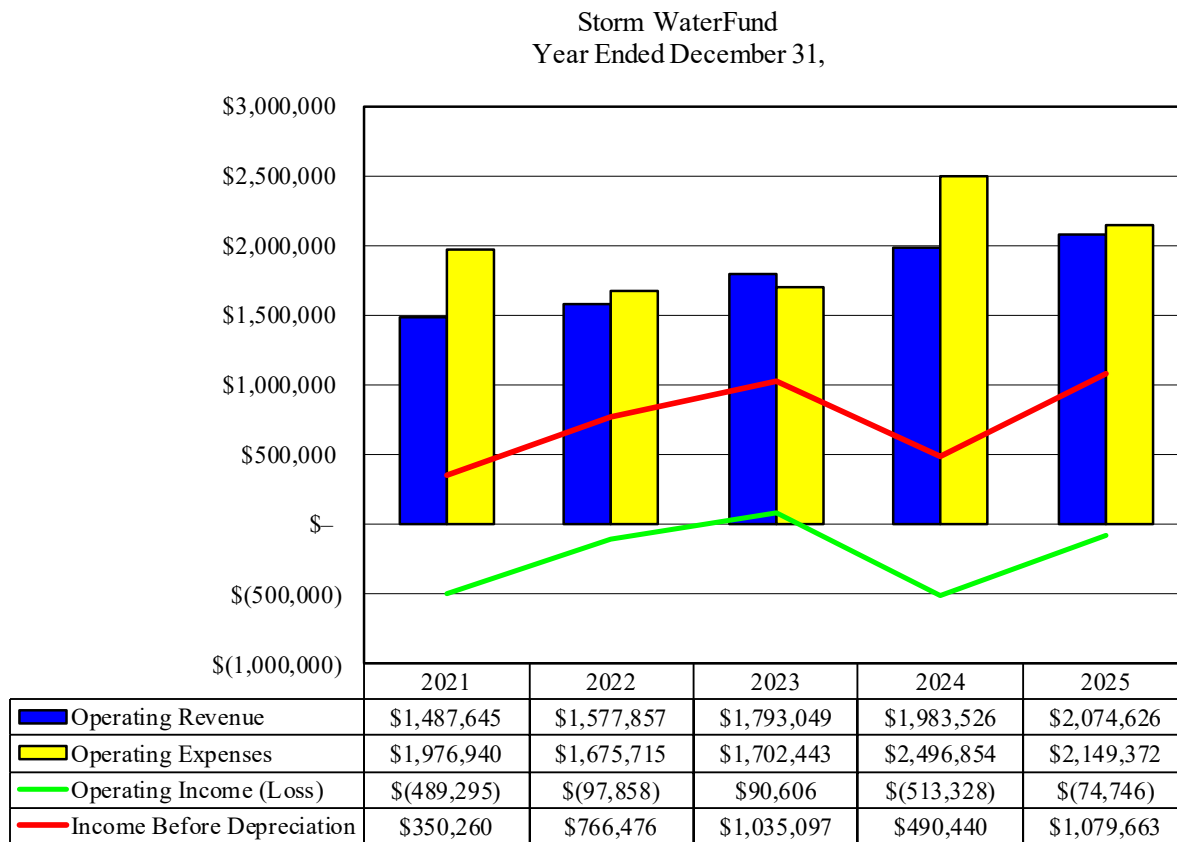
Operating revenue in the Sewer Fund increased \$451,222 (13.1 percent) from the prior year, due to increased rates and consumption.

Sewer Fund operating expenses for 2025 increased \$245,379 (6.4 percent) from the previous year, mainly due to additional costs for metro sewer and other charges and depreciation/amortization expense.

The Sewer Fund also reported significantly higher levels of capital contributions to and from governmental funds this year with the completion of several multi-year construction projects.

STORM WATER FUND

The following graph presents five years of comparative operating results for the City's Storm Water Fund:



The Storm Water Fund ended 2025 with a total net position of \$73,314,431, an increase of \$7,216,532 from the prior year. Of this, \$53,329,881 represents the net investment in capital assets, leaving unrestricted net position of \$19,984,550.

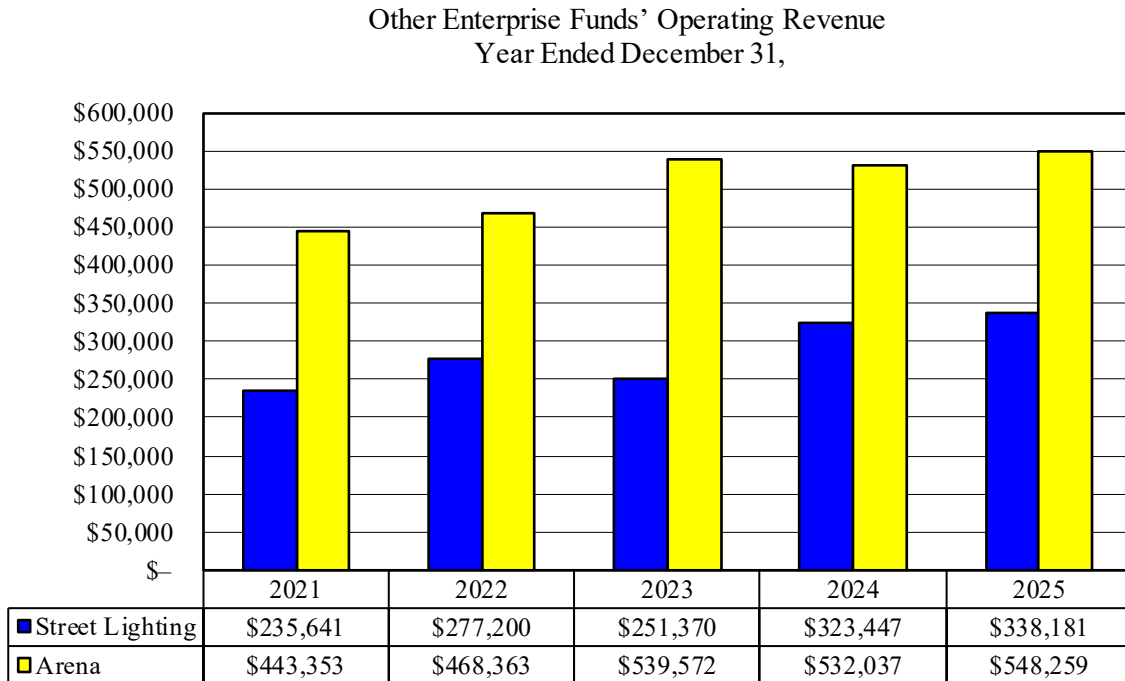
Operating revenue in the Storm Water Fund increased \$91,100 (4.6 percent) from the prior year, due to increased rates and number of accounts.

Storm Water Fund operating expenses for 2025 decreased \$347,482 (13.9 percent) from the previous year, due to a decrease in other services and charges.

Like the Water and Sewer Funds, the Storm Water Fund reported significantly higher levels of capital contributions to and from governmental funds this year with the completion of several multi-year construction projects.

OTHER ENTERPRISE FUNDS

The following graph presents operating revenues over the last five years for the City's Street Lighting and Arena Funds:



Street Lighting Fund

The Street Lighting Fund ended 2025 with an unrestricted total net position of \$409,189, an increase of \$171,016 from the prior year. This compares to an increase in total net position of \$89,699 reported for calendar year 2024.

Arena Fund

The Arena Fund ended with a total net position of \$1,826,720, an increase of \$87,967 from the prior year. Of this, \$1,019,504 represents the investment in capital assets, leaving unrestricted net position of \$807,216. This compares to an increase in total net position of \$103,933 reported for calendar year 2024.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

In addition to fund-based information, the current reporting model for governmental entities also requires the inclusion of two government-wide financial statements designed to present a clear picture of the City as a single, unified entity. These government-wide financial statements provide information on the total cost of delivering services, including capital assets and long-term liabilities.

STATEMENT OF NET POSITION

The Statement of Net Position essentially tells you what the City owns and owes at a given point in time, the last day of the fiscal year. Theoretically, net position represents the resources the City has leftover to use for providing services after its debts are settled. However, those resources are not always in spendable form, or there may be restrictions on how some of those resources can be used. Therefore, net position is divided into three components: net investment in capital assets, restricted, and unrestricted.

The following table presents the components of the City's net position as of December 31, 2025 and 2024, for governmental activities and business-type activities (utility fund operations):

	As of December 31,		
	2025	2024	Change
Net position			
Governmental activities			
Net investment in capital assets	\$ 142,098,604	\$ 115,808,127	\$ 26,290,477
Restricted	17,502,749	14,204,974	3,297,775
Unrestricted	27,781,160	27,895,640	(114,480)
Total governmental activities	187,382,513	157,908,741	29,473,772
Business-type activities			
Net investment in capital assets	122,340,780	119,743,207	2,597,573
Unrestricted	72,680,288	64,072,510	8,607,778
Total business-type activities	195,021,068	183,815,717	11,205,351
Total net position	<u>\$ 382,403,581</u>	<u>\$ 341,724,458</u>	<u>\$ 40,679,123</u>

The City ended 2025 with combined total net position of \$382,403,581, an increase of \$40,679,123 from the prior year. At the end of the current fiscal year, the City is able to present positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The decrease in governmental activities unrestricted net position of \$114,280 was due, in part, to operating results in the governmental funds and changes in the state-wide pension plans. Restricted net position increased \$3,297,775, mainly in the amounts restricted for debt service and state-funded street projects. Governmental activities net investment in capital assets increased \$26,290,477, due to the relationship between capital asset additions, the rate at which capital assets are depreciated, and the repayment of the debt issued to construct or acquire the assets. The significant development activities and contributions from developers significantly increased this category of net position in the current year.

Changes to the net position of the business-type activities are detailed in the previous discussion of the City's enterprise fund operations.

STATEMENT OF ACTIVITIES

The Statement of Activities tracks the City's yearly revenues and expenses, as well as any other transactions that increase or reduce total net position. These amounts represent the full cost of providing services. The Statement of Activities provides a more comprehensive measure than just the amount of cash that changed hands, as reflected in the fund-based financial statements. This statement includes the cost of supplies used, depreciation of long-lived capital assets, and other accrual-based expenses.

The following table presents the change in the net position of the City for the years ended December 31, 2025 and 2024:

	2025			2024
	Expenses	Program Revenues	Net Change	Net Change
Net (expense) revenue				
Governmental activities				
General government	\$ 4,052,080	\$ 3,004,145	\$ (1,047,935)	\$ 2,304,242
Public safety	11,321,918	1,415,019	(9,906,899)	(8,682,230)
Public works	9,565,564	33,515,969	23,950,405	(732,078)
Culture, education, and recreation	3,440,678	2,044,698	(1,395,980)	1,660,583
Conservation and economic development	2,086,699	1,763,768	(322,931)	(781,061)
Interest on long-term debt	3,963,438	—	(3,963,438)	(5,172,216)
Business-type activities				
Water	3,265,761	6,868,172	3,602,411	5,027,406
Sewer	4,584,394	5,097,802	513,408	1,606,022
Storm water	2,277,059	4,259,802	1,982,743	3,993,324
Street lighting	257,819	417,259	159,440	115,257
Arena	621,939	548,259	(73,680)	(45,261)
Total net (expense) revenue	<u>\$ 45,437,349</u>	<u>\$ 58,934,893</u>	13,497,544	(706,012)
General revenues				
Property taxes and tax increments			20,568,570	18,788,981
Investment earnings			4,456,859	6,394,702
Other revenues			2,156,150	2,751,532
Total general revenues			<u>27,181,579</u>	<u>27,935,215</u>
Change in net position			<u>\$ 40,679,123</u>	<u>\$ 27,229,203</u>

One of the goals of this statement is to provide a side-by-side comparison to illustrate the difference in the way the City's governmental and business-type operations are financed. The table clearly illustrates the dependence of the City's governmental operations on general revenues, such as property taxes and other sources. It also shows that, for the most part, the City's business-type activities are generating sufficient program revenues (service charges and program-specific grants) to cover expenses.

ACCOUNTING AND AUDITING UPDATES

The following is a summary of Governmental Accounting Standards Board (GASB) standards expected to be implemented in the next few years.

GASB STATEMENT NO. 103, *FINANCIAL REPORTING MODEL IMPROVEMENTS*

The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues.

This statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). This statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. In addition, this statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

This statement defines unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence, and requires governments to display the inflows and outflows related to each unusual or infrequent item separately.

This statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses.

This statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

This statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in the notes to RSI.

The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

GASB STATEMENT NO. 104, *DISCLOSURE OF CERTAIN CAPITAL ASSETS*

The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets.

This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this statement requires intangible assets other than those three types to be disclosed separately by major class.

This statement also requires additional disclosures for capital assets held for sale. A capital asset is considered held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. Capital assets held for sale are required to be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

GASB STATEMENT NO. 105, *SUBSEQUENT EVENTS*

The objective of this statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users.

This statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This statement also requires the date through which subsequent events have been evaluated to be disclosed.

This statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events.

The requirements of this statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. Earlier application is encouraged.

CITY OF ROSEMOUNT
DAKOTA COUNTY, MINNESOTA

Special Purpose Audit Reports

Year Ended
December 31, 2025



Certified Public Accountants Business Consultants

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CITY OF ROSEMOUNT
DAKOTA COUNTY, MINNESOTA

Special Purpose Audit Reports
Year Ended December 31, 2025

Table of Contents

	Page
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	1–2
Independent Auditor's Report on Minnesota Legal Compliance	3–4
Schedule of Findings and Responses	5–6

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the City Council and Management
City of Rosemount, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rosemount, Minnesota (the City) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2026.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(continued)

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "LB Carlson, LLP". The signature is written in a cursive, flowing style.

LB CARLSON, LLP
Minneapolis, Minnesota

June 25, 2026



INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

To the City Council and Management
City of Rosemount, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rosemount, Minnesota (the City) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2026.

MINNESOTA LEGAL COMPLIANCE

In connection with our audit, we noted that the City failed to comply with provisions of the contracting – bid laws and claims and disbursements sections of the *Minnesota Legal Compliance Audit Guide for the Cities*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65, insofar as they relate to accounting matters as described in the Schedule of Findings and Responses as findings 2025-001 and 2025-002. Also, in connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the depositories of public funds and public investments, conflicts of interest, public indebtedness, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

CITY'S RESPONSES TO FINDINGS

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the legal compliance findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

(continued)

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "LB Carlson, LLP". The signature is written in a cursive, flowing style.

LB CARLSON, LLP
Minneapolis, Minnesota

June 25, 2026

CITY OF ROSEMOUNT

Schedule of Findings and Responses
Year Ended December 31, 2025

MINNESOTA LEGAL COMPLIANCE FINDINGS

2025-001 CONTRACTING AND BIDDING

Criteria – Minnesota Statutes § 471.345, Subd. 4, requires contracts from \$25,000 to \$175,000 be made on sealed bids, by direct negotiations based on quotations, or through best value procurement.

Condition – For one out of three contracts tested, the City of Rosemount, Minnesota (the City) obtained a quote, but did not obtain two or more quotes as required by Minnesota Statutes.

Questioned Costs – Not applicable.

Context – One of three contracts tested was not in compliance.

Repeat Finding – This is a current year finding.

Cause – This was an oversight by city personnel.

Effect – The City was not in compliance due to not obtaining two or more quotes prior to executing the contract.

Recommendation – We recommend the City review its procedures for awarding and administering contracts for goods and services to ensure compliance with applicable Minnesota Statutes in the future.

Management Response – There is no disagreement with the audit finding. The City will review its procedures relating to contracting and bidding to ensure compliance in the future.

CITY OF ROSEMOUNT

Schedule of Findings and Responses (continued)
Year Ended December 31, 2025

MINNESOTA LEGAL COMPLIANCE FINDINGS (CONTINUED)

2025-002 CLAIMS AND DISBURSEMENTS

Criteria – Minnesota Statutes § 471.425, Subd. 2.

Condition – Minnesota Statutes require prompt payment of local government bills within a standard payment period of 35 days from the receipt of goods and services for governing boards that meet at least once a month. If such obligations are not paid within the appropriate time period, local governments must pay interest on the unpaid obligations at the rate of 1.5 percent per month or part of a month. Four of twenty-five disbursements tested were not paid within the statutory time limit.

Questioned Costs – Not applicable.

Context – Four of twenty-five disbursements tested were not in compliance.

Repeat Finding – This is a current year finding.

Cause – This was an oversight by city personnel.

Effect – Certain payments made to vendors were not paid within the timeframe as required by state statutes.

Recommendation – We recommend that the City review claims and disbursements payment procedures in place to ensure that all invoices are paid within statutory requirements.

Management Response – There is no disagreement with the audit finding. The City will review its procedures in place to ensure future compliance with Minnesota Statutes.

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: Leprechuan Days Update	AGENDA SECTION: PRESENTATIONS AND PROCLAMATIONS
PREPARED BY: Dan Schultz, Parks & Recreation Director	AGENDA NO. 3.b.
ATTACHMENTS:	APPROVED BY: LJM
RECOMMENDED ACTION: No action is necessary.	

BACKGROUND

The 2026 Leprechaun Days Celebration will take place July 18 – 25, 2026. The celebration includes a number of fun and entertaining events. Event information will be available in the local paper and social media in mid-July. The Leprechaun Days event information can also be viewed online at www.leprechaundays.org

A representative from the Committee will be attending the meeting to provide an update on this year's celebration.

RECOMMENDATION

No action is necessary.

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
10139	7/13/2026		103061 ICMA RETIREMENT CORP							
		3,829.04			17340	0709261153558	7020.2134.01		DEFERRED COMPENSATION - MISSIO	PAYROLL FUND
		3,829.04								
165849	7/9/2026		100478 ASPEN MILLS							
		142.94	EMPLOYEE UNIFORM - TAYLOR		17139	377945	1220.6144		EMPLOYEE ALLOWANCES	FIRE
		142.94								
165850	7/9/2026		102886 AT&T MOBILITY							
		45.46	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1110.6321		TELEPHONE	LEGISLATIVE CONTROL
		95.97	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1130.6321		TELEPHONE	ADMINISTRATIVE SERVICES
		45.46	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1140.6321		TELEPHONE	COMMUNICATIONS
		50.51	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1210.6321		TELEPHONE	POLICE
		61.48	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1220.6321		TELEPHONE	FIRE
		408.45	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1240.6321		TELEPHONE	BUILDING INSPECTIONS
		66.39	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1310.6321		TELEPHONE	ENGINEERING
		347.69	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1320.6321		TELEPHONE	STREET MAINTENANCE
		95.97	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1330.6321		TELEPHONE	FLEET MAINTENANCE
		119.85	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1340.6321		TELEPHONE	GOVERNMENT BUILDINGS
		677.35	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1510.6321		TELEPHONE	PARK & RECREATION
		45.46	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1510.6321	00016100	TELEPHONE	PARK & RECREATION
		419.57	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	1520.6321		TELEPHONE	PARKS MAINTENANCE
		257.49	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	6100.6321		TELEPHONE	WATER UTILITY
		257.49	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	6200.6321		TELEPHONE	SEWER UTILITY
		385.36	JUNE '26 CELL SERVICE		17273	287343796106X07 032026	6300.6321		TELEPHONE	STORM WATER UTILITY

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165850	7/9/2026		102886 AT&T MOBILITY						Continued...	
		219.41	SCADA DIALER LINES		17306	287310280659X07 032026	6100.6321		TELEPHONE	WATER UTILITY
		219.42	SCADA DIALER LINES		17306	287310280659X07 032026	6200.6321		TELEPHONE	SEWER UTILITY
		219.42	SCADA DIALER LINES		17306	287310280659X07 032026	6300.6321		TELEPHONE	STORM WATER UTILITY
		770.91	FIRE CELL SERVICE 06/26		17349	287329761371X07 032026	1220.6321		TELEPHONE	FIRE
		<u>4,809.11</u>								
165851	7/9/2026		103522 BARR ENGINEERING COMPANY							
		3,166.83	BRAZIL AVE DEMO SERVICES		17296	23191584.00-6	4000.6313	PGEN	ENGINEERING SERVICES	BUILDING IMPROVEMENT
		<u>3,166.83</u>								
165852	7/9/2026		101598 BHE COMMUNITY SOLAR LLC							
		2,178.51	WELL #9 MAY SOLAR SUBSCRIPTION		17301	12211878	6100.6371	W109	ELECTRIC	WATER UTILITY
		420.12	WELL #15 MAY SOLAR SUBSCRIPTION		17301	12211878	6100.6371	W115	ELECTRIC	WATER UTILITY
		<u>2,598.63</u>								
165853	7/9/2026		107430 BLASKOWSKI, PETER							
		160.00	JUNE LINE DANCING LESSONS		17294	2026-03	1510.6310	00040603	PROFESSIONAL SERVICES	PARK & RECREATION
		<u>160.00</u>								
165854	7/9/2026		101296 BOLTON & MENK INC							
		391.00	SANITARY LIFT STATION NO. 13		17347	0399397	4321.6313		ENGINEERING SERVICES	2024-22 - SANITARY LIFT STATIO
		<u>391.00</u>								
165855	7/9/2026		103530 BRAUN INTERTEC CORP							
		5,477.75	CONNEMARA / AKRON RAB		17272	IN1020247	4320.6313		ENGINEERING SERVICES	2024-20 - CONNEMARA & AKRON RO
		<u>5,477.75</u>								
165856	7/9/2026		107723 CARSON, ANGELA							
		175.00	KIDS FAV #4 - REFUND		17314	109709103	1000.2204	00040201	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		<u>175.00</u>								
165857	7/9/2026		102772 CHARTER COMMUNICATIONS							
		113.67	TV SERVICE PD/PW BLDG		17305	248270801070126	1340.6326		OTHER COMMUNICATION COSTS	GOVERNMENT BUILDINGS
		113.67	TV SERVICE PD/PW BLDG		17305	248270801070126	1210.6326		OTHER COMMUNICATION COSTS	POLICE
		<u>227.34</u>								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165858	7/9/2026		102985 CINTAS FIRST AID						Continued...	
		907.55	STOCK PD/PW FIRST AID CABINETS		17356	5346115509	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		907.55								
165859	7/9/2026		103555 COLLINS ELECTRICAL							
		422.65	FIRE MONITORING - TO 7/2027		17226	22399	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		422.65								
165860	7/9/2026		101554 CORE & MAIN LP							
		131.88	PVC DRAINPIPE FOR WELL 17		17105	V000049132	6100.6233		BUILDING REPAIRS SUPPLIES	WATER UTILITY
		409.51	PVC DRAINPIPE WELL 17		17198	V000049589	6100.6220	W117	OPERATING SUPPLIES	WATER UTILITY
		541.39								
165861	7/9/2026		103565 CROWN RENTAL							
		84.70	WELLNESS - SNO CONE MAKER		17157	445674-2	1180.6465		RECOGNITION/WELLNESS	HUMAN RESOURCES
		84.70								
165862	7/9/2026		100486 DAK CNTY LICENSE CTR #096							
		29.00	TITLE FD 37520 BATT. CHIEF 2		17320	2026 CHEV SILVERADO 7520	4050.6550.22		MOTOR VEHICLES-FIRE	EQUIPMENT IMPROVEMENT
		29.00	TITLE FD 37591 BATT. CHIEF 1		17348	2026 CHEV SILVERADO 7591	4050.6550.22		MOTOR VEHICLES-FIRE	EQUIPMENT IMPROVEMENT
		58.00								
165863	7/9/2026		103578 DAK COUNTY TECH COLLEGE							
		400.00	LEP DAYS PARK-N-RIDE		17251	1380257	1510.6391	00040705	BUILDING RENTALS	PARK & RECREATION
		400.00								
165864	7/9/2026		103084 DAKOTA 911							
		45,135.00	DAKOTA 911 JULY FEES		17351	000297	1210.6310		PROFESSIONAL SERVICES	POLICE
		45,135.00								
165865	7/9/2026		106413 DAKOTA COUNTY TREASURER-AUDITOR							
		5,500.00	WETLAND HEALTH EVALUATION PROG		17197	2026 WHEP	6300.6451		DUES AND SUBSCRIPTIONS	STORM WATER UTILITY
		5,500.00								
165866	7/9/2026		103600 DR HORTON INC							
		2,000.00	1166 APPLEWOOD CT REFUND		17141	2025-04050	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13165 AVERY WAY REFUND		17142	2025-02153	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13161 AVERY WAY REFUND		17143	2025-01536	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13376 APPLEWOOD TRL REFUND		17144	2025-01533	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165866	7/9/2026		103600 DR HORTON INC						Continued...	
		2,000.00	13263 APPLEWOOD TRL REFUND		17145	2025-03443	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13362 APPLEWOOD TRL REFUND		17146	2025-01353	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13169 AVERY WAY REFUND		17147	2025-02149	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13664 KAYLEMORE TRL REFUND		17148	2025-01394	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13660 KAYLEMORE TRL REFUND		17149	2025-01393	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13648 KAYLEMORE TRL REFUND		17150	2025-01390	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13652 KAYLEMORE TRL REFUND		17151	2025-01391	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13668 KAYLEMORE TRL REFUND		17152	2025-01395	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13656 KAYLEMORE TRL REFUND		17153	2025-01392	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		<u>26,000.00</u>								
165867	7/9/2026		105758 FIRST ADVANTAGE OCCUPATIONAL HEALTH SERV							
		73.42	DOT SCREENING POOL ANNUAL FEE		17297	2507802606	1180.6315		PRE-EMPLOYMENT SCREENING SERV	HUMAN RESOURCES
		<u>73.42</u>								
165868	7/9/2026		100156 GERTENS GREENHOUSES INC-446133							
		55.90	GARDEN SUPPLIES		17237	199937/6	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		628.23	GARDEN PLANTS		17238	200006/6	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		505.00	MULTI TOOL & WEED WHIP LINE		17268	262959/12	1520.6242		MINOR EQUIPMENT	PARKS MAINTENANCE
		499.00	FERTILIZER FOR PARKS		17269	262732/12	1520.6225		CHEMICAL SUPPLIES	PARKS MAINTENANCE
		<u>1,688.13</u>								
165869	7/9/2026		103635 GOPHER STATE ONE-CALL							
		476.10	LOCATES - JUNE 2026		17279	6060728	6100.6310		PROFESSIONAL SERVICES	WATER UTILITY
		476.10	LOCATES - JUNE 2026		17279	6060728	6200.6310		PROFESSIONAL SERVICES	SEWER UTILITY
		476.10	LOCATES - JUNE 2026		17279	6060728	6300.6310		PROFESSIONAL SERVICES	STORM WATER UTILITY
		<u>1,428.30</u>								
165870	7/9/2026		103394 IMPERIAL DADE							
		712.93	JANITORIAL SUPPLIES		17316	42195758	1510.6221	00016100	CLEANING SUPPLIES	PARK & RECREATION
		1,128.82	JANITORIAL SUPPLIES		17316	42195758	1510.6221	00015100	CLEANING SUPPLIES	PARK & RECREATION
		1,128.82	JANITORIAL SUPPLIES		17316	42195758	6500.6221		CLEANING SUPPLIES	ICE ARENA
		<u>2,970.57</u>								
165871	7/9/2026		103655 INDEPENDENT BLACK DIRT							
		56.00	BLACK DIRT - SIGN POST HOLES		17154	IN001693	1320.6235		LANDSCAPING SUPPLIES	STREET MAINTENANCE
		<u>56.00</u>								
165872	7/9/2026		107519 KLETSCHKA INSPECTIONS LLC							
		10,501.60	KLETSCHKA ELECTRICAL INSPECTIO		17254	107	1000.2281		ELECTRICAL INSPECTOR PAYABLE	GENERAL FUND BALANCE SHEET

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165872	7/9/2026		107519 KLETSCHKA INSPECTIONS LLC						Continued...	
		10,501.60								
165873	7/9/2026		100377 LEXISNEXIS RISK SOLNS FL INC							
		740.91	MONTHLY SUBSCRIPTION FEE		17266	1300310459	1210.6318		SOFTWARE FEES	POLICE
		740.91								
165874	7/9/2026		106509 LNG HARTIGAN							
		1,439.30	RCC JULY LAWN MAINTENANCE		17227	19711	1520.6317		OTHER PROFESSIONAL SERVICES	PARKS MAINTENANCE
		363.69	SC&L JULY LAWN MAINTENANCE		17228	19722	1520.6317		OTHER PROFESSIONAL SERVICES	PARKS MAINTENANCE
		537.56	CH JULY LAWN MAINTENANCE		17229	19746	1520.6317		OTHER PROFESSIONAL SERVICES	PARKS MAINTENANCE
		2,340.55								
165875	7/9/2026		100510 MARCO TECHNOLOGIES LLC							
		738.63	CH & FS1 COPIER CONTRACTS		17290	INV15415121	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		1,539.31	CH & FS1 COPIER CONTRACTS		17290	INV15415121	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		2,277.94								
165876	7/9/2026		103690 MASTER ELECTRIC CO INC							
		3,055.23	DOWNTOWN STREETLIGHT REPAIR		17250	SD61994	6400.6383		IMPROVEMENT REPAIRS AND MAINTENANCE	STREET LIGHT UTILITY
		195.00	TROUBLESHOOT VFD - RW SOUTH		17276	SD61995	6100.6384	WH103	MACHINERY & EQUIPMENT REPAIRS	WATER UTILITY
		2,182.49	REPAIR FEEDER TO RW NORTH		17277	SD61993	6100.6384	WH102	MACHINERY & EQUIPMENT REPAIRS	WATER UTILITY
		5,432.72								
165877	7/9/2026		100887 MCMULLEN INSPECTIONS INC							
		80,160.00	MCMULLEN ELECTRICAL INSPECTION		17352	06/2026 ELEC INSPECTIONS	1000.2281		ELECTRICAL INSPECTOR PAYABLE	GENERAL FUND BALANCE SHEET
		80,160.00								
165878	7/9/2026		103697 MENARDS-APPLE VALLEY							
		190.43	SHOP SUPPLIES AND PAINT		17224	14356	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		45.98	FLINT HILLS NET REPAIRS		17239	14404	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		236.41								
165879	7/9/2026		103699 METRO COUNCIL ENV SERV							
		164,499.63	AUG'26 WASTEWATER SERVICE		17353	0001208870	6200.6375		SEWER	SEWER UTILITY
		164,499.63								
165880	7/9/2026		101363 METRO SALES INC							
		2.27	MECHANICS PRINTER - PW CAMPUS		17291	INV3128390	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		95.00	MECHANICS PRINTER - PW CAMPUS		17291	INV3128390	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165880	7/9/2026		101363 METRO SALES INC						Continued...	
		231.47	PD RECORDS COPIER		17292	INV3127745	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		328.74								
165881	7/9/2026		102009 MINDFUL HEALTH							
		612.00	JUNE YOGA & STRETCH CLASSES		17118	06/2026 YOGA MH	1510.6310	00040603	PROFESSIONAL SERVICES	PARK & RECREATION
		612.00								
165882	7/9/2026		103720 MN FIRE SERV CERT BOARD							
		158.50	FIRE APPARATUS OPERATOR-HARMS		17342	15954	1220.6317		OTHER PROFESSIONAL SERVICES	FIRE
		158.50								
165883	7/9/2026		107222 NORTHERN TOOL & EQUIPMENT COMPANY							
		1,823.03	WEED WHIPS & ACCESSORIES		17155	F098745A	1320.6242		MINOR EQUIPMENT	STREET MAINTENANCE
		14.24	WEED WHIP LINE		17156	OE2B24DE	1320.6220		OPERATING SUPPLIES	STREET MAINTENANCE
		1,837.27								
165884	7/9/2026		107729 NOSH FIBER NETWORKS LLC							
		3.22-	HYDRANT METER REFUND 23929452		17299	HYDRANT METER REFUND	6100.2061		SALES TAX PAYABLE	WATER UTILITY
		39.62-	HYDRANT METER REFUND 23929452		17299	HYDRANT METER REFUND	6100.4801.04		COMMERCIAL UTILITY REVENUE	WATER UTILITY
		2,000.00	HYDRANT METER REFUND 23929452		17299	HYDRANT METER REFUND	6100.2203		DEPOSITS PAYABLE - ESCROW	WATER UTILITY
		1,957.16								
165885	7/9/2026		102006 PELLICCI ACE ROSEMOUNT							
		8.50	NETTING FOR FLINT HILLS		17236	15780/R	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		86.92	PLANTS AND GARDEN SUPPLIES		17240	15792/R	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		19.99	BATTERIES - PARKS		17242	15798/R	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		11.98	HUDSON SPRAYER PARTS		17262	15791/R	1320.6220		OPERATING SUPPLIES	STREET MAINTENANCE
		389.97	TOOLS FOR SWEEPER		17263	15794/R	1320.6241		SMALL TOOLS	STREET MAINTENANCE
		74.98	TREE PRUNERS & BRANCH LOPPER		17303	15817/R	6200.6241		SMALL TOOLS	SEWER UTILITY
		22.21	HARDWARE SUPPLIES		17344	15806/R	6500.6242		MINOR EQUIPMENT	ICE ARENA
		614.55								
165886	7/9/2026		101002 PIONEER ATHLETICS & MTP							
		2,900.00	FIELD PAINT		17231	INV-301472	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		2,900.00								
165887	7/9/2026		107191 PRECISE MRM LLC							

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165887	7/9/2026		107191 PRECISE MRM LLC						Continued...	
		205.02	TRUCK ADAPTER & POWER HARNESS		17234	IN200-2013758	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		180.00	PRECISE SUBSCRIPTION		17287	IN200-2014088	1520.6318		SOFTWARE FEES	PARKS MAINTENANCE
		180.00	PRECISE SUBSCRIPTION		17287	IN200-2014088	1330.6318		SOFTWARE FEES	FLEET MAINTENANCE
		180.00	PRECISE SUBSCRIPTION		17287	IN200-2014088	1320.6318		SOFTWARE FEES	STREET MAINTENANCE
		180.00	PRECISE SUBSCRIPTION		17287	IN200-2014088	6100.6318		SOFTWARE FEES	WATER UTILITY
		180.00	PRECISE SUBSCRIPTION		17287	IN200-2014088	6200.6318		SOFTWARE FEES	SEWER UTILITY
		180.00	PRECISE SUBSCRIPTION		17287	IN200-2014088	6300.6318		SOFTWARE FEES	STORM WATER UTILITY
		<u>1,285.02</u>								
165888	7/9/2026		100923 PRO-TEC DESIGN INC							
		3,014.41	COLD STORAGE DOOR READER		17225	124391	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		<u>3,014.41</u>								
165889	7/9/2026		106343 R & R SPECIALTIES OF WISCONSIN							
		90.00	BLADE SHARPENING		17315	0093457-IN	6500.6310		PROFESSIONAL SERVICES	ICE ARENA
		<u>90.00</u>								
165890	7/9/2026		106137 RAUNJOHN SERVICES LLC							
		5,500.00	STORM STRUCTURE REPAIR		17271	MANHOLE REP 145/BURNLEY	6300.6382		STRUCTURE REPAIRS AND MAINTENA	STORM WATER UTILITY
		<u>5,500.00</u>								
165891	7/9/2026		100987 REACH MEDIA NETWORK							
		990.00	PLAYER LICENSE RENEWAL		17345	123301	1510.6342	00016100	OTHER ADVERTISING	PARK & RECREATION
		990.00	PLAYER LICENSE RENEWAL		17350	123299	1510.6342	00015100	OTHER ADVERTISING	PARK & RECREATION
		990.00	PLAYER LICENSE RENEWAL		17350	123299	6500.6342		OTHER ADVERTISING	ICE ARENA
		<u>2,970.00</u>								
165892	7/9/2026		106348 ROCK HARD LANDSCAPE SUPPLY							
		720.00	MULCH FOR PARKS		17232	3341685	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		<u>720.00</u>								
165893	7/9/2026		100419 SCHMITTY & SONS TRANSPORTATION							
		4,203.36	WATERPARK CAMP 2 - BUS		17312	INV31885	1510.6226	00040202	OTHER OPERATING SUPPLIES	PARK & RECREATION
		<u>4,203.36</u>								
165894	7/9/2026		100194 SHI INTERNATIONAL CORP							
		538.09	BKSTOCK,KEYBOARDS,POWER ADAPTR		17252	B21383163	1120.6220		OPERATING SUPPLIES	GENERAL GOVERNMENT
		140.00	COMPUTER SOUNDBAR		17252	B21383163	1210.6220		OPERATING SUPPLIES	POLICE
		<u>678.09</u>								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165894	7/9/2026		100194 SHI INTERNATIONAL CORP						Continued...	
165895	7/9/2026		102259 STERICYCLE INC							
		186.71	SHRED-IT SERVICES		17258	8014744585	1210.6310		PROFESSIONAL SERVICES	POLICE
		186.71								
165896	7/9/2026		103795 STREICHER'S							
		1,115.82	CAPTAIN COUGHLIN'S UNIFORMS		17257	11835659	1210.6144		EMPLOYEE ALLOWANCES	POLICE
		1,115.82								
165897	7/9/2026		101480 THE MINNESOTA HORSE & HUNT CLUB							
		600.00	HORSE & HUNT MEMBERSHIP FEE		17267	037856	1210.6451		DUES AND SUBSCRIPTIONS	POLICE
		600.00								
165898	7/9/2026		100264 TROPHIES PLUS OF HASTINGS LLC							
		276.00	FF & ROOKIE OF THE YEAR AWARDS		17140	4979	1220.6465		RECOGNITION/WELLNESS	FIRE
		276.00								
165899	7/9/2026		103821 VALLEY PAVING							
		533,604.28	2026 SIP - PAY APP. NO. 2		17190	2026 SIP PAY APP 2	4326.6530		IMPROVEMENTS OTHER THAN BUILDI	2026-01 - 2026 STREET IMPROVEM
		533,604.28								
165900	7/9/2026		103824 VERIZON WIRELESS							
		11.63	BLDG INSP. CELL SERVICE		17286	6146852271	1240.6321		TELEPHONE	BUILDING INSPECTIONS
		34.89	P&R CELL SERVICE		17286	6146852271	1510.6321		TELEPHONE	PARK & RECREATION
		23.26	PARKS MAINT. CELL SERVICE		17286	6146852271	1520.6321		TELEPHONE	PARKS MAINTENANCE
		3.88	UTILITIES CELL SERVICE		17286	6146852271	6100.6321		TELEPHONE	WATER UTILITY
		3.88	UTILITIES CELL SERVICE		17286	6146852271	6200.6321		TELEPHONE	SEWER UTILITY
		3.87	UTILITIES CELL SERVICE		17286	6146852271	6300.6321		TELEPHONE	STORM WATER UTILITY
		14.53	BACKUP SCADA DIALER		17304	6146852272	6100.6321		TELEPHONE	WATER UTILITY
		14.52	BACKUP SCADA DIALER		17304	6146852272	6200.6321		TELEPHONE	SEWER UTILITY
		14.53	BACKUP SCADA DIALER		17304	6146852272	6300.6321		TELEPHONE	STORM WATER UTILITY
		124.99								
165901	7/9/2026		107710 WOLDEGHEBRIEL, GHEBREIGZIABHER							
		85.14	DAMAGED MAILBOX REIMBURSEMENT		17249	R19192	1320.6220		OPERATING SUPPLIES	STREET MAINTENANCE
		85.14								
165902	7/9/2026		103375 WRIGHT-HENNEPIN COOP ELECTRIC							
		27.95	FIRE PANEL MONITORING		17317	35033188199	1510.6384	00016100	MACHINERY & EQUIPMENT REPAIRS	PARK & RECREATION

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165902	7/9/2026		103375 WRIGHT-HENNEPIN COOP ELECTRIC						Continued...	
		27.95								
165904	7/9/2026		103832 WSB AND ASSOCIATES INC							
		981.75	SCHAFER RICHARDSON APTS		17163	R-021280-000-33	4648.6313		ENGINEERING SERVICES	2022-27 - SHAFER RICHARDSON AP
		710.00	AMBER FIELDS 14TH ADDITION		17164	R-024359-000-23	4660.6313		ENGINEERING SERVICES	2024-04 - AMBER FIELDS 14TH (O
		568.00	TALAMORE 4TH ADDITION		17165	R-023997-000-28	4659.6313		ENGINEERING SERVICES	2023-21 - TALAMORE 4TH
		639.00	AMBER FIELDS 5TH ADDITION		17166	R-020605-000-43	4641.6313		ENGINEERING SERVICES	2022-18 - AMBER FIELDS 5TH
		674.50	AMBER FIELDS 10TH ADDITION		17166	R-020605-000-43	4654.6313		ENGINEERING SERVICES	2023-11 - AMBER FIELDS 10TH
		1,342.50	AMBER FIELDS 6TH ADDITION		17168	R-020372-000-18	4642.6313		ENGINEERING SERVICES	2022-19 - AMBER FIELDS 6TH (OU
		426.00	BRAY HILL		17169	R-019959-000-22	4634.6313		ENGINEERING SERVICES	2022-08 - BRAY HILL
		852.00	ROSEWOOD CROSSING 2ND ADDITION		17170	R-019979-000-33	4628.6313		ENGINEERING SERVICES	2021-09 - ROSEWOOD CROSSING 2N
		981.75	DUNMORE 3RD ADDITION		17171	R-017930-000-52	4626.6313		ENGINEERING SERVICES	2021-07 - DUNMORE 3RD
		142.00	RICH VALLEY 1ST ADDITION		17172	R-019220-000-41	4630.6313		ENGINEERING SERVICES	2021-12 - RICH VALLEY 1ST
		674.50	AMBER FIELDS 4TH ADDITION		17173	R-020570-000-43	4640.6313		ENGINEERING SERVICES	2022-17 - AMBER FIELDS 4TH
		639.00	AMBER FIELDS 9TH ADDITION		17173	R-020570-000-43	4653.6313		ENGINEERING SERVICES	2023-10 - AMBER FIELDS 9TH
		4,521.50	AMBER FIELDS 1ST ADDITION		17174	R-017748-000-42	4607.6313		ENGINEERING SERVICES	2018-21 - AMBER FIELDS
		710.00	EMERALD ISLE 3RD ADDITION		17175	R-019708-000-44	4633.6313		ENGINEERING SERVICES	2022-07 - EMERALD ISLE 3RD
		745.50	AMBER FILEDS 2ND ADDITION		17176	R-020079-000-45	4635.6313		ENGINEERING SERVICES	2022-09 - AMBER FIELDS 2ND (OU
		142.00	EMERALD ISLE 2ND ADDITION		17177	R-017499-000-54	4624.6313		ENGINEERING SERVICES	2021-05 - EMERALD ISLE 2ND
		591.25	THE GOODIN COMPANY (SCANNELL)		17178	R-035461-000-2	4687.6313		ENGINEERING SERVICES	2026-07 - SCANNELL/RICH VALLEY
		981.75	DOOLIN HEIGHTS		17179	R-016720-000-39	4620.6313		ENGINEERING SERVICES	2020-17 - DOOLIN HEIGHTS
		1,371.00	2026-27 MS4 & MONITORING PROG.		17180	R-036660-000-1	6300.6313		ENGINEERING SERVICES	STORM WATER UTILITY
		1,785.00	FHR PINE BEND RAIL EXPANSION		17181	R-033086-000-5	1310.6313		ENGINEERING SERVICES	ENGINEERING
		568.00	CARAMORE CROSSING 2ND & 3RD		17182	R-013547-000-66	1310.6313		ENGINEERING SERVICES	ENGINEERING
		1,207.75	COPPERFIELD RESTAURANT		17183	R-033567-000-3	1310.6313		ENGINEERING SERVICES	ENGINEERING
		827.50	CORMORANT POND MAINTENANCE		17184	R-031465-000-10	6300.6313		ENGINEERING SERVICES	STORM WATER UTILITY
		107.50	GIGAPOWER FIBER PROJECT		17185	R-030563-000-12	1310.6313		ENGINEERING SERVICES	ENGINEERING
		714.75	SONNY'S CARWASH		17186	R-028948-000-12	1310.6313		ENGINEERING SERVICES	ENGINEERING
		2,916.25	2026 GENERAL STORMWATER		17187	R-031693-000-5	6300.6313		ENGINEERING SERVICES	STORM WATER UTILITY
		813.00	CRYSTAL'S CUDDLE BUGS		17188	R-031734-000-4	1310.6313		ENGINEERING SERVICES	ENGINEERING
		20,107.00	SKB EMERALD HILL PATH		17191	R-027360-000-12	4646.6313		ENGINEERING SERVICES	2022-25 - SKB EXPANSION
		6,060.00	2026 ENG. TECH. AUGMENTATION		17192	R-033229-000-4	1310.6313		ENGINEERING SERVICES	ENGINEERING
		12,617.25	2026 ASST. CITY ENG. SERVICES		17193	R-031574-000-5	1310.6313		ENGINEERING SERVICES	ENGINEERING
		12,165.50	ASPEN FIELDS		17194	R-030704-000-11	4683.6313		ENGINEERING SERVICES	2025-12 - ASPEN FIELDS
		1,040.75	12475 DANBURY WCA		17253	R-032970-000-5	1190.6313		ENGINEERING SERVICES	PLANNING & ZONING
		215.00	FRONTIER FIBER PROJECT		17259	R-026912-000-9	1310.6313		ENGINEERING SERVICES	ENGINEERING
		426.25	AMBER FIELDS 16TH ADDITION		17260	R-024570-000-19	4662.6313		ENGINEERING SERVICES	2024-07 - AMBER FIELDS 16TH
		79,265.50								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165905	7/9/2026		103833 XCEL ENERGY						Continued...	
		67.78	AKRON AVE PED. UNDERPASS		17158	983467180	6400.6371		ELECTRIC	STREET LIGHT UTILITY
		3,075.54	UMORE LIGHTS & IRRIGATION		17159	983284455	1520.6371		ELECTRIC	PARKS MAINTENANCE
		9.16	FLASHING PED LIGHT AUBURN AVE		17160	983385286	6400.6371		ELECTRIC	STREET LIGHT UTILITY
		934.54	FH REC COMPLEX IRRIGATION		17161	983360554	1520.6371		ELECTRIC	PARKS MAINTENANCE
		405.37	ERICKSON PARK TENNIS COURTS		17162	983425217	1520.6371		ELECTRIC	PARKS MAINTENANCE
		9,373.70	POLICE & PUBLIC WORKS BLDG		17189	983412254	1340.6371		ELECTRIC	GOVERNMENT BUILDINGS
		7,033.06	WELL #15		17298	983761632	6100.6371	W115	ELECTRIC	WATER UTILITY
		54.23	PRV STATION		17300	983822645	6100.6371	WH101	ELECTRIC	WATER UTILITY
		20,953.38								
165906	7/9/2026		100775 YALE MECHANICAL LLC							
		564.35	A/C REPAIR - WELL HOUSE #14		17280	286399	6100.6384	W114	MACHINERY & EQUIPMENT REPAIRS	WATER UTILITY
		564.35								
165907	7/9/2026		103839 ZIEGLER INC							
		1,091.38	ROLLER PARTS		17230	IN002468560	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		641.49-	CUTTING EDGES CREDIT		17261	CM000332099	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		449.89								
165908	7/9/2026		103515 APPLE FORD LINCOLN AV							
		1,445.50	SQUAD REPAIR LABOR		17233	A1CP144707	1330.6384		MACHINERY & EQUIPMENT REPAIRS	FLEET MAINTENANCE
		1,050.78	SQUAD REPAIR PARTS		17233	A1CP144707	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		2,496.28								
165909	7/16/2026		100109 ADVANTAGE EMBLEM & SCREEN PRINTING							
		316.05	RPD CANOPY WALL		17488	0721920-IN	1210.6226		OTHER OPERATING SUPPLIES	POLICE
		300.00	RPD CANOPY WALL		17489	0721921-IN	1210.6226		OTHER OPERATING SUPPLIES	POLICE
		616.05								
165910	7/16/2026		102098 AMIT, KUMAR							
		175.00	WATERPARK CAMP #4 REFUND		17307	109719400	1000.2204	00040202	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		175.00								
165911	7/16/2026		103380 AMPION PBC							
		244.25	FIRE STATION #1		17167	202607000311113 1	1340.6371		ELECTRIC	GOVERNMENT BUILDINGS
		962.65	WELL #7		17167	202607000311113 1	6100.6371	W107	ELECTRIC	WATER UTILITY
		1,155.13	WELL #10		17167	202607000311113 1	6100.6371	W110	ELECTRIC	WATER UTILITY

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165911	7/16/2026		103380 AMPION PBC						Continued...	
		2,362.03								
165912	7/16/2026		103515 APPLE FORD LINCOLN AV							
		97.13	PART - TUBE FOR REPAIR		17445	A1W758015	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		97.13								
165913	7/16/2026		100343 APPLIED CONCEPTS INC							
		165.00	POLICE RADAR REMOTE		17455	474198	1210.6550.21		MOTOR VEHICLES-POLICE	POLICE
		165.00								
165914	7/16/2026		105292 ASSA ABLOY ENTRANCE SYSTEMS							
		385.00	FRC DOOR DAMAGE		17390	SEI 2003440	1510.6381	PFAMIL	BUILDING REPAIRS AND MAINTENAN	PARK & RECREATION
		385.00								
165915	7/16/2026		102886 AT&T MOBILITY							
		3,136.37	POLICE CELL SERVICE 06/26		17413	287328492583X07	1210.6321		TELEPHONE	POLICE
						032026				
		3,136.37								
165916	7/16/2026		103300 BELLEPAR HOMES							
		2,000.00	13420 CADOGAN WAY REFUND		17515	2025-03092	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00								
165917	7/16/2026		101175 BERRY COFFEE COMPANY							
		78.00	COFFEE / TEA SERVICE		17503	1121896	1510.6226	00016100	OTHER OPERATING SUPPLIES	PARK & RECREATION
		92.16	COFFEE / TEA SERVICE		17504	1123583	1510.6226	00016100	OTHER OPERATING SUPPLIES	PARK & RECREATION
		170.16								
165918	7/16/2026		101296 BOLTON & MENK INC							
		1,328.50	DOG PARK		17544	0400091	4100.6312	PPICKLE	ARCHITECT SERVICES	PARK IMPROVEMENT
		1,328.50								
165919	7/16/2026		103530 BRAUN INTERTEC CORP							
		765.00	DOG PARK PROF SRV THRU 6/26/26		17397	IN1020162	4100.6313	PPICKLE	ENGINEERING SERVICES	PARK IMPROVEMENT
		7,309.68	DODD BLVD IMPV. - DESIGN		17549	IN1020281	4304.6313		ENGINEERING SERVICES	20XX-XX - DODD BOULEVARD
		8,074.68								
165920	7/16/2026		101352 CAMPION BARROW & ASSOCIATES							
		490.00	GRACE PASCHKA BACKGROUND CHECK		17520	045068	1210.6315		PRE-EMPLOYMENT SCREENING SERV	POLICE
		490.00								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165920	7/16/2026		101352 CAMPION BARROW & ASSOCIATES						Continued...	
165921	7/16/2026		103536 CARQUEST AUTO PARTS							
		57.99	BRAKE PARTS		17440	1596-424619	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		188.52	GREASE & AIR FRESHENERS		17447	1596-424906	1330.6224		SHOP SUPPLIES	FLEET MAINTENANCE
		246.51								
165922	7/16/2026		106166 CINTAS CORPORATION - MATS							
		166.67	MATS - CITY HALL		17423	4274346418	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		280.51	MATS - PUBLIC WORKS		17424	4274346459	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		35.98	MATS - FIRE ST'N 1		17425	4274346367	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		97.13	MATS - POLICE		17426	4274346495	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		32.07	MATS - FIRE ST'N 2		17427	4274346494	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		612.36								
165923	7/16/2026		100041 CITY OF APPLE VALLEY							
		1,548.00	WATERPARK ADMISSION		17522	110438098	1510.6226	00040202	OTHER OPERATING SUPPLIES	PARK & RECREATION
		1,548.00								
165924	7/16/2026		103542 CITY OF BURNSVILLE							
		6,300.00	ABLE TRAINING FACILITY RENTAL		17498	2026-00000026	1220.6317		OTHER PROFESSIONAL SERVICES	FIRE
		6,300.00								
165925	7/16/2026		100147 CNH ARCHITECTS							
		883.98	CITY HALL BOILER PROJECT		17499	3824	4000.6312		ARCHITECT SERVICES	BUILDING IMPROVEMENT
		14,982.08	STEEPLE CENTER DESIGN		17500	3816	4000.6312	00016100	ARCHITECT SERVICES	BUILDING IMPROVEMENT
		15,866.06								
165926	7/16/2026		107314 COLDTUB							
		3,110.00	COLD PLUNGE PAYMENT 3 OF 3		17502	UYVZP91O-0003	1210.6580		OTHER EQUIPMENT	POLICE
		3,110.00								
165927	7/16/2026		103555 COLLINS ELECTRICAL							
		2,930.00	OLD PW ELECTRICAL RELOCATION		17484	2632550.01	1340.6381		BUILDING REPAIRS AND MAINTENAN	GOVERNMENT BUILDINGS
		698.77	OCCUPANCY SWITCH		17538	2632820.01	6500.6384		MACHINERY & EQUIPMENT REPAIRS	ICE ARENA
		3,628.77								
165928	7/16/2026		101491 COMMERCIAL RECREATION SPEC							
		2,035.00	SPLASH PAD ACTIVATORS		17368	SO-0050738	1520.6231		EQUIPMENT REPAIR SUPPLIES	PARKS MAINTENANCE
		2,035.00								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165929	7/16/2026		101554 CORE & MAIN LP						Continued...	
		3,472.59	WATER METERS		17278	J000028740	6100.6237.01		WATER METER PURCHASES	WATER UTILITY
		2,069.34	HYDRANT FLAG REPLACEMENTS		17387	V000051340	6100.6220		OPERATING SUPPLIES	WATER UTILITY
		583.66	HYDRANT MARKING FLAGS		17479	V000051635	6100.6220		OPERATING SUPPLIES	WATER UTILITY
		6,125.59								
165930	7/16/2026		103560 CORPORATE MECHANICAL INC							
		3,632.94	SERVICE CALL RCC OFFICES		17319	W95749	1510.6384	00015100	MACHINERY & EQUIPMENT REPAIRS	PARK & RECREATION
		3,632.94								
165931	7/16/2026		100211 CRAWFORD DOOR SERVICE CO							
		1,635.00	GARAGE DOOR REPAIR - PW		17438	61152	1340.6381		BUILDING REPAIRS AND MAINTENAN	GOVERNMENT BUILDINGS
		1,635.00								
165932	7/16/2026		103565 CROWN RENTAL							
		252.14	TILT BED TRAILER - RENTAL		17389	445914-2	1510.6381	00016100	BUILDING REPAIRS AND MAINTENAN	PARK & RECREATION
		222.36	MULTI TOOL FOR EDGING		17446	446393-2	1520.6242		MINOR EQUIPMENT	PARKS MAINTENANCE
		34.42	EDGER BLADES		17453	W16771-2	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		508.92								
165933	7/16/2026		101709 CUSTOM CAP & TIRE							
		1,152.92	PURSUIT TIRES (8)		17460	270087881	1330.6232		TIRES	FLEET MAINTENANCE
		1,152.92								
165934	7/16/2026		103568 DAKOTA AWARDS & ENGRAVING							
		171.00	NAMETAGS - YOUTH COMMISSION		17377	31140	1120.6210		OFFICE SUPPLIES	GENERAL GOVERNMENT
		676.00	AWARDS - RUN FOR THE GOLD		17533	31157	1510.6226	00040505	OTHER OPERATING SUPPLIES	PARK & RECREATION
		45.00	AWARDS - START RIGHT		17533	31157	1510.6226	00040102	OTHER OPERATING SUPPLIES	PARK & RECREATION
		292.00	AWARDS - T-BALL		17533	31157	1510.6226	00040103	OTHER OPERATING SUPPLIES	PARK & RECREATION
		58.50	AWARDS - FISHING DERBY		17533	31157	1510.6226	00040705	OTHER OPERATING SUPPLIES	PARK & RECREATION
		347.50	AWARDS - SOCCER		17533	31157	1510.6226	00040101	OTHER OPERATING SUPPLIES	PARK & RECREATION
		1,590.00								
165935	7/16/2026		103112 DJAA ENTERTAINMENT							
		500.00	RUN FOR THE GOLD EVENT DJ		17497	53	1510.6226	00040505	OTHER OPERATING SUPPLIES	PARK & RECREATION
		500.00								
165936	7/16/2026		100069 DRAIN PRO-PLUMBING INC							
		16,300.00	WATER HEATER		17381	82470	4050.6530	00015100	IMPROVEMENTS OTHER THAN BUILDI	EQUIPMENT IMPROVEMENT
		16,300.00								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165937	7/16/2026		103603 EARL F ANDERSEN INC						Continued...	
		79.00	ROLLING SIGN PROJECT		17264	0143263-IN	1320.6236		SIGN REPAIR SUPPLIES	STREET MAINTENANCE
		315.20	ROLLING SIGN PROJECT		17265	0143262-IN	1320.6236		SIGN REPAIR SUPPLIES	STREET MAINTENANCE
		230.60	ROLLING SIGN REPL. PROJECT		17478	0143333-IN	1320.6236		SIGN REPAIR SUPPLIES	STREET MAINTENANCE
		624.80								
165938	7/16/2026		103411 ECM PUBLISHERS INC							
		61.87	ORD REZONING PUBLICATION		17378	1104844	1120.6343		LEGAL NOTICES	GENERAL GOVERNMENT
		61.87								
165939	7/16/2026		102960 ECOELSA LLC							
		960.00	WILD TEEN SURVIVAL		17313	20260701	1510.6226	00040303	OTHER OPERATING SUPPLIES	PARK & RECREATION
		960.00								
165940	7/16/2026		103607 ECOLAB PEST							
		780.00	PEST CONTROL - PD/PW		17420	4293843	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		53.34	PEST CONTROL - MNDOT		17435	4544626	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		88.47	PEST CONTROL - FS2		17436	4544630	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		88.47	PEST CONTROL - FS1		17437	4544629	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		1,010.28								
165941	7/16/2026		106560 EKOS INC							
		3,000.00	GASBOY MONITORING SOFTWARE		17483	228807	1330.6318		SOFTWARE FEES	FLEET MAINTENANCE
		3,000.00								
165942	7/16/2026		101594 EVENTECTIVE INC							
		1,728.00	VENUE ADVERTISING SUBSCRIPTION		17370	17858	1510.6451	00015100	DUES AND SUBSCRIPTIONS	PARK & RECREATION
		960.00	VENUE ADVERTISING SUBSCRIPTION		17371	17859	1510.6451	00016100	DUES AND SUBSCRIPTIONS	PARK & RECREATION
		2,688.00								
165943	7/16/2026		107738 FIRE CATT LLC							
		5,779.73	ANNUAL FIRE HOSE TESTING		17542	17929	1220.6310		PROFESSIONAL SERVICES	FIRE
		5,779.73								
165944	7/16/2026		100262 FRANDRUP MASONRY, INC							
		2,685.00	BROCKWAY BLEACHER CONCRETE		17475	071026-2	1520.6530	PBROCK	IMPROVEMENTS OTHER THAN BUILDI	PARKS MAINTENANCE
		9,535.00	PORTABLE TOILET CONCRETE		17475	071026-2	4100.6530		IMPROVEMENTS OTHER THAN BUILDI	PARK IMPROVEMENT
		12,220.00								
165945	7/16/2026		100156 GERTENS GREENHOUSES INC-446133							
		599.99	BACKPACK BLOWER		17451	263163/12	1520.6242		MINOR EQUIPMENT	PARKS MAINTENANCE

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165945	7/16/2026		100156 GERTENS GREENHOUSES INC-446133						Continued...	
		400.82	WEED WHIP LINE AND PRUNERS		17466	263349/12	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		300.00	STIHL MULTI TOOL		17467	263356/12	1520.6242		MINOR EQUIPMENT	PARKS MAINTENANCE
		211.20	STIHL ENGINE OIL		17467	263356/12	1330.6223		OILS AND ADDITIVES	FLEET MAINTENANCE
		570.00	RAAA FIELD CHALK		17482	262793/12	1510.6226		OTHER OPERATING SUPPLIES	PARK & RECREATION
		<u>2,082.01</u>								
165946	7/16/2026		100734 GOLDEN OAK TREE SERVICE INC							
		900.00	BOULEVARD ASH TREE REMOVAL		17195	14944 CRANDALL 07/2026	1320.6310		PROFESSIONAL SERVICES	STREET MAINTENANCE
		2,500.00	TREE REMOVAL COPPER POND STORM		17196	13930 COPPER 07/2026	6300.6310		PROFESSIONAL SERVICES	STORM WATER UTILITY
		2,200.00	TREE REMOVAL - SCHWARZ		17244	SCHWARTZ POND 06/2026	1520.6317		OTHER PROFESSIONAL SERVICES	PARKS MAINTENANCE
		<u>5,600.00</u>								
165947	7/16/2026		100980 GOVERNMENTJOBS.COM INC							
		2,643.00	ESOPH SUBSCRIPTION TO 8/2027		17481	INV-163799	1210.6318		SOFTWARE FEES	POLICE
		<u>2,643.00</u>								
165948	7/16/2026		103639 GRAINGER							
		621.38	PUMPS (2)		17416	9975428468	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		<u>621.38</u>								
165949	7/16/2026		107739 HALL, KRISTEN							
		39.00	TENNIS REFUND - HARPER		17519	110427760	1000.2204	00040403	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		39.00	TENNIS REFUND - COOPER		17521	110427647	1000.2204	00040403	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		<u>78.00</u>								
165950	7/16/2026		103645 HAWKINS INC							
		12,855.01	CHEMICALS FOR WELL HOUSES		17346	7481984	6100.6225		CHEMICAL SUPPLIES	WATER UTILITY
		<u>12,855.01</u>								
165951	7/16/2026		100454 HIRSHFIELD'S							
		145.46	PAINT		17318	37232244	1510.6220	00016100	OPERATING SUPPLIES	PARK & RECREATION
		<u>145.46</u>								
165952	7/16/2026		101616 I & S GROUP INC							
		7,144.16	BONAIRE PATH TRAIL PROJECT		17468	133875	4100.6313	PGREEN	ENGINEERING SERVICES	PARK IMPROVEMENT
		<u>7,144.16</u>								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165953	7/16/2026		107429 IAPE						Continued...	
		230.00	IAPE EVIDENCE MGMT TRAINING		17369	LI1268902	1210.6453		TRAINING COSTS	POLICE
		230.00								
165954	7/16/2026		103655 INDEPENDENT BLACK DIRT							
		56.00	TOPSOIL - STUMP CLEAN-UP		17243	IN001706	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		162.00	PORTABLE TOILET ENCLOSURES		17399	IN001740	4100.6235		LANDSCAPING SUPPLIES	PARK IMPROVEMENT
		162.00	PORTABLE TOILET ENCLOSURES		17400	IN001743	4100.6235		LANDSCAPING SUPPLIES	PARK IMPROVEMENT
		162.00	PORTABLE TOILET ENCLOSURES		17401	IN001744	4100.6235		LANDSCAPING SUPPLIES	PARK IMPROVEMENT
		162.00	PORTABLE TOILET ENCLOSURES		17402	IN001745	4100.6235		LANDSCAPING SUPPLIES	PARK IMPROVEMENT
		162.00	PORTABLE TOILET ENCLOSURES		17403	IN001747	4100.6235		LANDSCAPING SUPPLIES	PARK IMPROVEMENT
		162.00	PORTABLE TOILET ENCLOSURES		17404	IN001748	4100.6235		LANDSCAPING SUPPLIES	PARK IMPROVEMENT
		1,028.00								
165955	7/16/2026		100538 INTERSTATE BATTERY SYSTEM OF MINNEAPOLIS							
		420.90	BATTERIES		17439	220080939	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		420.90								
165956	7/16/2026		100274 KEYLAND HOMES							
		2,000.00	1457 143RD ST. E. REFUND		17516	2025-03551	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00								
165957	7/16/2026		100281 KILLMER ELECTRIC COMPANY							
		983.12	HOOING UP AED IN CENTRAL PARK		17355	W27144	4100.6310	PCENTR	PROFESSIONAL SERVICES	PARK IMPROVEMENT
		983.12								
165958	7/16/2026		103674 KRISS PREMIUM PRODUCTS							
		1,058.00	ARENA CHEMICALS		17536	201720	6500.6225		CHEMICAL SUPPLIES	ICE ARENA
		1,058.00								
165959	7/16/2026		100544 LEAGUE OF MN CITIES							
		45.00	RESPECT AT WORK TRAINING		17476	452417	1180.6453		TRAINING COSTS	HUMAN RESOURCES
		45.00								
165960	7/16/2026		100306 LENNAR HOMES							
		2,000.00	14308 ARBORVITAE CIR. REFUND		17506	2025-04163	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	1566 UPPER 141ST E. REFUND		17508	2025-01521	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		4,000.00								
165961	7/16/2026		101064 LIFE SUPPORT INNOVATIONS LLC							
		940.10	AED SUPPLIES		17539	2582	1220.6226		OTHER OPERATING SUPPLIES	FIRE

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165961	7/16/2026		101064 LIFE SUPPORT INNOVATIONS LLC						Continued...	
		940.10								
165962	7/16/2026		106099 LIFE TIME, INC.							
		1,793.47	JULY '26 SUBSIDY		17288	CINV-216111	1110.6456		OTHER MISCELLANEOUS CHARGES	LEGISLATIVE CONTROL
		1,793.47								
165963	7/16/2026		100736 LIGHTNING DISPOSAL INC							
		2,307.30	TRASH DUMPSTER - PW		17417	0000966561	1340.6374		TRASH	GOVERNMENT BUILDINGS
		2,307.30								
165964	7/16/2026		103276 M/I HOMES							
		2,000.00	1055 ADAMSTOWN DR. REFUND		17505	2025-05254	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	1052 ADAMSTOWN DR. REFUND		17507	2025-05211	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	1093 ANNAGAIRE CURVE REFUND		17510	2025-04219	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	1048 ADAMSTOWN DR. REFUND		17511	2025-05207	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	1132 ANNACOTTE LN REFUND		17512	2025-05063	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	1040 ADAMSTOWN DR. REFUND		17513	2025-05240	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		12,000.00								
165965	7/16/2026		101580 MACQUEEN							
		188.14	HANDLE PARTS		17457	INV12995	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		188.14								
165966	7/16/2026		100830 MANSFIELD OIL COMPANY							
		5,918.02	2,700 GAL UNLEADED FUEL		17470	28104888	1330.6222		FUELS	FLEET MAINTENANCE
		5,918.02								
165967	7/16/2026		103718 MEI TOTAL ELEVATOR SOLUTIONS							
		213.37	JULY PM - CITY HALL		17421	1195874	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		213.37								
165968	7/16/2026		103697 MENARDS-APPLE VALLEY							
		35.98	VALVES AND BATTERIES		17419	14350	1340.6233		BUILDING REPAIRS SUPPLIES	GOVERNMENT BUILDINGS
		17.50	BATTERIES		17431	14466	1340.6233		BUILDING REPAIRS SUPPLIES	GOVERNMENT BUILDINGS
		227.88	PARKS SUPPLIES AND FANS		17433	14864	1520.6224		SHOP SUPPLIES	PARKS MAINTENANCE
		99.54	BUCKETS/DETERGENT/TAPE MEASURE		17485	14986	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		380.90								
165969	7/16/2026		103700 METRO COUNCIL ENV SERV							
		47,215.00	METRO SAC - JUNE		17546	JUNE 26 SAC	1000.2063		METRO SAC PAYABLE	GENERAL FUND BALANCE SHEET

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165969	7/16/2026		103700 METRO COUNCIL ENV SERV						Continued...	
						PAYMENT				
		472.15-	METRO SAC DISCOUNT		17546	JUNE 26 SAC	1120.4351		METRO SAC CHARGES	GENERAL GOVERNMENT
						PAYMENT				
		<u>46,742.85</u>								
165970	7/16/2026		101363 METRO SALES INC							
		73.44	POLICE OFFICER RM COPIER		17374	INV3131161	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		54.71	POLICE OFFICER RM COPIER		17374	INV3131161	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		18.88	PW RECEPTION COPIER BISCAYNE		17375	INV3131162	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		73.44	PW RECEPTION COPIER BISCAYNE		17375	INV3131162	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		133.09	PW GEN RESOURCE ROOM - COPIER		17376	INV3131163	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		1.41	PW GEN RESOURCE ROOM - COPIER		17376	INV3131163	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		64.05	POLICE PATROL OFFICE PRINTER		17379	INV3131164	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		73.44	POLICE PATROL OFFICE PRINTER		17379	INV3131164	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		148.00	ENGINEERING COPIER SN 1739		17494	INV3135154	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		263.08	ENGINEERING COPIER SN 1739		17494	INV3135154	1120.6350		PRINTING COSTS	GENERAL GOVERNMENT
		67.00	CH FIRST FLOOR COPIER		17495	INV3135153	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		<u>970.54</u>								
165971	7/16/2026		103495 METRONET							
		940.00	07'26 2G FIBER INTERNET		17414	2319178 07/26	1120.6322		INTERNET	GENERAL GOVERNMENT
		<u>940.00</u>								
165972	7/16/2026		106070 MIDWEST MACHINERY CO							
		282.93	STIHL OIL SYSTEM REPAIR		17441	10934443	1330.6384		MACHINERY & EQUIPMENT REPAIRS	FLEET MAINTENANCE
		1,563.94	HYDRAULIC MOTOR AND COUPLING		17461	10963477	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		<u>1,846.87</u>								
165973	7/16/2026		107620 MN AG GROUP INC, NORTHFIELD							
		63.48	MOWER BLADES		17442	IN43182	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		<u>63.48</u>								
165974	7/16/2026		103720 MN FIRE SERV CERT BOARD							
		262.00	FIRE 1 CERT TESTS (2)		17383	16111	1220.6317		OTHER PROFESSIONAL SERVICES	FIRE
		131.00	OFFICER 1 CERT TEST- HIRMAN		17540	16101	1220.6317		OTHER PROFESSIONAL SERVICES	FIRE
		<u>393.00</u>								
165975	7/16/2026		101168 MN OCC HEALTH - LOCKBOX 135054							
		1,075.00	PRE-EMPLOYMENT TESTING		17477	528178	1180.6315		PRE-EMPLOYMENT SCREENING SERV	HUMAN RESOURCES
		<u>1,075.00</u>								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165975	7/16/2026		101168 MN OCC HEALTH - LOCKBOX 135054						Continued...	
165976	7/16/2026		103732 MN VALLEY TESTING LABS							
		324.50	BAC-T SAMPLES		17302	1365718	6100.6310		PROFESSIONAL SERVICES	WATER UTILITY
		324.50								
165977	7/16/2026		106636 NAPA AUTO PARTS							
		122.76	OIL, AIR & ENGINE FILTERS		17444	712775	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		12.19	ACCESSORY RELAY		17456	713251	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		261.67	BRAKE PARTS		17462	713395	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		17.56	CABIN AIR FILTERS		17463	713489	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		47.36	WHEEL CAST RETURN		17552	713688	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		15.93	LAMP-GROMMET KIT		17553	713670	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		52.11	CASTER		17554	713619	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		434.86								
165978	7/16/2026		106458 OMG MIDWEST, INC.							
		9,455.78	2025 SIP		17394	2025 SIP PAY APPL 7	4323.6530		IMPROVEMENTS OTHER THAN BUILDI	2025-02 - 2025 STREET IMPROVEM
		9,455.78								
165979	7/16/2026		102006 PELLICCI ACE ROSEMOUNT							
		14.97	KEYS (3) - UMORE		17398	15837/R	1510.6220	PUMORB	OPERATING SUPPLIES	PARK & RECREATION
		8.99	TAPE		17418	15823/R	1330.6231		EQUIPMENT REPAIR SUPPLIES	FLEET MAINTENANCE
		14.99	LEADER HOSE FOR REPAIR		17432	15825/R	1340.6233		BUILDING REPAIRS SUPPLIES	GOVERNMENT BUILDINGS
		9.99	BRASS COUPLER FOR REPAIR		17434	15833/R	1340.6233		BUILDING REPAIRS SUPPLIES	GOVERNMENT BUILDINGS
		32.95	WIRE CONNECTORS & ZIP TIES		17450	15824/R	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		25.98	WATER VALVE KEYS		17454	15836/R	1520.6220		OPERATING SUPPLIES	PARKS MAINTENANCE
		35.98	TAPE FOR TRAFFIC COUNTER TUBES		17491	15818/R	1310.6220		OPERATING SUPPLIES	ENGINEERING
		143.85								
165980	7/16/2026		103754 PILGRIM PROMOTIONS INC							
		3,361.70	RUN FOR THE GOLD T-SHIRTS		17372	17023	1510.6226	00040505	OTHER OPERATING SUPPLIES	PARK & RECREATION
		3,361.70								
165981	7/16/2026		106459 PINNACLE FAMILY HOMES LLC							
		2,000.00	13381 CADOGAN WAY REFUND		17514	2025-03105	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		2,000.00	13250 CADOGAN WAY REFUND		17517	2025-03091	1000.2202		DEPOSITS PAYABLE - AS-BUILT	GENERAL FUND BALANCE SHEET
		4,000.00								
165982	7/16/2026		107730 PRESENCE LEADERSHIP							

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165982	7/16/2026		107730 PRESENCE LEADERSHIP						Continued...	
		750.00	FIRE LEADERSHIP TRAINING		17382	26-107	1220.6317		OTHER PROFESSIONAL SERVICES	FIRE
		750.00								
165983	7/16/2026		101047 PRINCESS PARTY PALS							
		200.00	PETE THE CAT VISIT		17373	8022	1510.6226	00040104	OTHER OPERATING SUPPLIES	PARK & RECREATION
		200.00								
165984	7/16/2026		107193 PRIOR LAKE / SAVAGE RENTAL CENTER							
		120.00	TRAILER RENTAL		17443	393988	1520.6394		MACHINERY RENTALS	PARKS MAINTENANCE
		120.00								
165985	7/16/2026		103244 R J MECHANICAL INC							
		9,800.00	FAILED RPZ REPAIRS - CONNEMARA		17472	18368	1520.6385		OTHER REPAIRS AND MAINTENANCE	PARKS MAINTENANCE
		9,800.00								
165986	7/16/2026		100987 REACH MEDIA NETWORK							
		239.00	DS3 MEDIA PLAYER		17343	123947	1510.6342	00015100	OTHER ADVERTISING	PARK & RECREATION
		239.00								
165987	7/16/2026		107733 REGENTS OF THE UNIVERSITY OF MN							
		300.00	MAX #4572 RCC DAMAGE DEP REF.		17384	MAX PERMIT 4572	1000.2201	00015100	DEPOSITS PAYABLE	GENERAL FUND BALANCE SHEET
		300.00								
165988	7/16/2026		102615 REINDERS							
		185.00	TRANSDUCER FOR IRRIGATION		17449	3417124-00	1520.6231		EQUIPMENT REPAIR SUPPLIES	PARKS MAINTENANCE
		185.00								
165989	7/16/2026		103038 REPUBLIC SERVICES #923							
		289.01	JULY '26 ORGANICS PICK-UP		17396	0923-006205451	1340.6376		OTHER UTILITY SERVICES	GOVERNMENT BUILDINGS
		289.01								
165990	7/16/2026		106401 RETKA, TOM							
		150.00	LEP DAYS PERFORMANCE		17256	33500	2360.6310	00040603	PROFESSIONAL SERVICES	PARK & REC DONATIONS
		150.00								
165991	7/16/2026		103768 RINK-TEC INTERNATIONAL							
		917.74	QUARTERLY MAINT JULY-SEPTEMBER		17537	6645	6500.6384		MACHINERY & EQUIPMENT REPAIRS	ICE ARENA
		917.74								
165992	7/16/2026		106348 ROCK HARD LANDSCAPE SUPPLY							

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
165992	7/16/2026		106348 ROCK HARD LANDSCAPE SUPPLY						Continued...	
		240.00	MULCH FOR PARKS		17452	3347079	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		160.00	MULCH FOR PARKS		17458	3347593	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		160.00	MULCH FOR PARKS		17459	3347386	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		160.00	MULCH FOR PARKS		17465	3347282	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		30.00	SAND FOR SIGNS		17486	3348051	1520.6235		LANDSCAPING SUPPLIES	PARKS MAINTENANCE
		750.00								
165993	7/16/2026		102942 ROSEMOUNT FISHING BOOSTERS							
		500.00	PRMT #6755 DAMAGE DEP. REFUND		17354	103742484	1000.2204	00015100	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		500.00								
165994	7/16/2026		107728 SNAP-ON INDUSTRIAL							
		265.36	PRESSURE TESTING TOOL		17448	ARV/68460860	1330.6241		SMALL TOOLS	FLEET MAINTENANCE
		265.36								
165995	7/16/2026		103786 SOLBERG AGGREGATE COMPANY							
		2,942.34	GRAVEL STOCK FOR PROJECTS		17480	32782	1320.6234		STREET MAINTENANCE SUPPLIES	STREET MAINTENANCE
		2,942.34								
165996	7/16/2026		106414 SOMMERS, NOAH							
		175.00	WATERPARK #4 REFUND / BAILEY		17308	109709959	1000.2204	00040202	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		175.00	WATERPARK #4 REFUND - NICOLE		17309	109709881	1000.2204	00040202	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		175.00	KIDS FAV #4 REFUND - BAILEY		17310	109709824	1000.2204	00040201	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		175.00	KIDS FAV #4 REFUND - NICOLE		17311	109709746	1000.2204	00040201	P&R - REFUND CLEARING	GENERAL FUND BALANCE SHEET
		700.00								
165997	7/16/2026		100502 SOUTH METRO RENTAL INC							
		626.40	BUCKET TRUCK RENTAL		17241	102899	1520.6394		MACHINERY RENTALS	PARKS MAINTENANCE
		626.40								
165998	7/16/2026		100298 SRF CONSULTING GROUP INC							
		11,494.93	PED SAFETY ENHANCEMENT-DESIGN		17395	20102.00-4	4150.6313		ENGINEERING SERVICES	STREET IMPROVEMENT
		5,791.32	DUNMORE GREENWAY TRAIL		17501	12387.00-29	4100.6313	PGREEN	ENGINEERING SERVICES	PARK IMPROVEMENT
		17,286.25								
165999	7/16/2026		107724 STONEBROOKE ENGINEERING INC							
		9,384.41	DODD BLVD IMPROVEMENTS		17548	R-002330.00-1	4304.6313		ENGINEERING SERVICES	20XX-XX - DODD BOULEVARD
		9,384.41								
166000	7/16/2026		103795 STREICHER'S							

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
166000	7/16/2026		103795 STREICHER'S						Continued...	
		191.86	POLICE PATCHES - FUTURE OFCRS		17380	11836314	1210.6144		EMPLOYEE ALLOWANCES	POLICE
		191.86								
166001	7/16/2026		103144 STULC, SCOTT							
		500.00	2026 GRILL YOUR ACE OFF EVENT		17469	2026 GRILL YOUR ACE	1510.6317	00040705	OTHER PROFESSIONAL SERVICES	PARK & RECREATION
		500.00								
166002	7/16/2026		102866 THE DAVEY TREE EXPERT COMPANY							
		2,860.00	HERBICIDE APPL.- KOCH TRAIL		17464	920667880	1520.6385		OTHER REPAIRS AND MAINTENANCE	PARKS MAINTENANCE
		2,860.00								
166003	7/16/2026		103805 TOTAL SOURCE INC							
		218.90	BUSINESS CARDS (CAPTAINS/CSO)		17490	22822	1210.6210		OFFICE SUPPLIES	POLICE
		218.90								
166004	7/16/2026		100628 US BANK EQUIPMENT FINANCE							
		358.00	ENGINEER & ADMIN SERV COPIERS		17493	585587967	1120.6392		OFFICE EQUIPMENT RENTALS	GENERAL GOVERNMENT
		358.00								
166005	7/16/2026		107673 WORKING FIRE FURNITURE & MATTRESS CO.							
		6,000.00	FS2 DAYROOM TABLE AND CHAIRS		17509	10568	1220.6560		FURNITURE AND FIXTURES	FIRE
		7,874.97	FS2 DAYROOM TABLE AND CHAIRS		17509	10568	4327.6560		FURNITURE AND FIXTURES	2026-03 - FS 2 REMODEL
		13,874.97								
166006	7/16/2026		103832 WSB AND ASSOCIATES INC							
		981.75	AMBER FIELDS 15TH ADDITION		17385	R-025320-000-22	4661.6313		ENGINEERING SERVICES	2024-05 - AMBER FIELDS 15TH (O
		981.75	AMBER FIELDS 18TH ADDITION		17385	R-025320-000-22	4665.6313		ENGINEERING SERVICES	2024-11 - AMBER FIELDS 18TH
		9,064.00	CODE ENFORCEMENT SERVICES		17388	R-031790-000-5	1190.6313		ENGINEERING SERVICES	PLANNING & ZONING
		142.00	OMNI PHASE II		17492	R-028071-000-11	4637.6313		ENGINEERING SERVICES	2022-12 - OMNI BREWING
		11,169.50								
166007	7/16/2026		103833 XCEL ENERGY							
		54.40	SIGNAL LIGHTS - HWY 3 & 145TH		17518	985050303	1320.6371		ELECTRIC	STREET MAINTENANCE
		75.73	STREET LIGHTS		17518	985050303	6400.6371		ELECTRIC	STREET LIGHT UTILITY
		11,532.54	NON-METERED STREET LIGHTS		17535	984924158	6400.6371		ELECTRIC	STREET LIGHT UTILITY
		11,662.67								
166008	7/16/2026		100775 YALE MECHANICAL LLC							
		2,874.70	REPLACED SEIZED UP MOTOR - W#9		17386	286813	6100.6384	W109	MACHINERY & EQUIPMENT REPAIRS	WATER UTILITY

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
166008	7/16/2026		100775 YALE MECHANICAL LLC						Continued...	
		554.00	QUARTERLY PM - FIRE ST'N #2		17422	288424	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		208.00	QUARTERLY PM - FLINT HILLS		17428	288417	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		208.00	QUARTERLY PM - CENTRAL PARK		17429	288451	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		467.50	QUARTERLY PM - FIRE ST'N #1		17430	288478	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		7,898.90	QUARTERLY PM - PD/PW		17471	284562	1340.6317		OTHER PROFESSIONAL SERVICES	GOVERNMENT BUILDINGS
		12,211.10								
26070601	7/6/2026		103587 DAKOTA ELECTRIC ASSOCIATION							
		19.56	SDLS #8 FLOATS SCADA CABINET		16701	1010135416	6300.6371	SWLS308	ELECTRIC	STORM WATER UTILITY
						06/26				
		19.56								
26070701	7/7/2026		100007 MN DEPT OF REVENUE							
		149.31	JUNE PETROLEUM TAX		17270	06-2026 SPECIAL	1330.6222		FUELS	FLEET MAINTENANCE
						PETR TAX				
		149.31								
26070901	7/9/2026		102993 FP MAILING SOLUTIONS							
		500.00	7/7/26 CH POSTAGE REFILL		17496	07/07/2026	1120.6323		POSTAGE	GENERAL GOVERNMENT
						POSTAGE - CH				
		500.00								
26070902	7/9/2026		100001 INTERNAL REVENUE SERVICE							
		8.46			17245	0707261314431	7020.2131.01		FEDERAL WITHHOLDING	PAYROLL FUND
		133.88			17246	0707261314432	7020.2131.02		FICA/MEDICARE WITHHOLDING	PAYROLL FUND
		56,782.95			17321	0709261153551	7020.2131.01		FEDERAL WITHHOLDING	PAYROLL FUND
		63,974.28			17332	0709261153552	7020.2131.02		FICA/MEDICARE WITHHOLDING	PAYROLL FUND
		120,899.57								
26071001	7/10/2026		103741 NATIONWIDE RETIREMENT SOL							
		6,273.05			17324	07092611535512	7020.2134.03		DEFERRED COMPENSATION - NATION	PAYROLL FUND
		6,273.05								
26071002	7/10/2026		103741 NATIONWIDE RETIREMENT SOL							
		6,273.05			17324	07092611535512	7020.2134.03		DEFERRED COMPENSATION - NATION	PAYROLL FUND
		6,273.05								
26071003	7/10/2026		100447 MN STATE RETIREMENT SYSTEM							
		38,417.87			17336	0709261153554	7020.2134.02		DEFERRED COMPENSATION - MSRS	PAYROLL FUND
		38,417.87								

Council Check Register by GL
Council Check Register and Summary

7/3/2026 -- 7/16/2026

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
26071003	7/10/2026		100447 MN STATE RETIREMENT SYSTEM						Continued...	
26071004	7/10/2026		100447 MN STATE RETIREMENT SYSTEM							
		38,417.87			17336	0709261153554	7020.2134.02		DEFERRED COMPENSATION - MSRS	PAYROLL FUND
		38,417.87								
26071005	7/10/2026		100002 MN DEPT OF REVENUE							
		26,740.26			17335	0709261153553	7020.2131.03		STATE WITHHOLDING	PAYROLL FUND
		26,740.26								
26071301	7/13/2026		103031 BPAS-BENEFIT PLANS ADMIN SRVS							
		815.00			17338	0709261153556	7020.2133.06		VEBA CONTRIBUTIONS	PAYROLL FUND
		815.00								
26071302	7/13/2026		103032 WEX HEALTH INC							
		42,067.08			17339	0709261153557	7020.2133.05		HSA CONTRIBUTIONS	PAYROLL FUND
		42,067.08								
26071303	7/13/2026		103032 WEX HEALTH INC							
		42,067.08			17339	0709261153557	7020.2133.05		HSA CONTRIBUTIONS	PAYROLL FUND
		42,067.08								
26071304	7/13/2026		103759 PUBLIC EMPLOYEE							
		98,316.20			17326	07092611535514	7020.2132.01		PERA WITHHOLDING	PAYROLL FUND
		98,316.20								
		1,803,025.35	Grand Total							

Payment Instrument Totals

Checks	1,378,240.41
EFT Payments	420,955.90
A/P ACH Payment	3,829.04
Total Payments	1,803,025.35

**ROSEMOUNT CITY COUNCIL
WORK SESSION PROCEEDINGS
JUNE 23, 2026**

CALL TO ORDER

Pursuant to due call and notice thereof, a work session meeting of the Rosemount City Council and Planning Commission was held on Tuesday, June 23, 2026, at 5:30 PM. in Rosemount Council Chambers, 2875 145th Street West.

Mayor Weisensel called the meeting to order with Councilmembers Freske, Essler, Theisen, and Klimpel and Commissioners Kenninger, Rivera, Reed, Beadner, Ellis, and Arnob.

Staff present included the following; Community Development Director Adam Kienberger, Public Works Director Nick Egger, Administrative Services Director Teah Malecha, Parks and Recreation Director Dan Schultz, Senior Planner Anthony Nemcek, Planner Julia Hogan, and Community Development Technician Liz Kohler.

DISCUSSION

a. Potential Residential Development East of Highway 52

The City Council and Planning Commission were presented a concept for residential development in southeast Rosemount. Maplewood Development has been working to assemble parcels on the south side of County Road 42 and east of Highway 52.

The City Council and Planning Commission provided preliminary feedback on the proposed layout, residential mix, and site access. Maplewood Development stressed that what was presented was a very high level plan and was subject to a lot of review. City Council and the Planning Commission both expressed positive feelings toward additional housing development that aligned with the comprehensive plan and identified the need to retain spaces for commercial development in the area as well.

UPDATES

None.

ADJOURNMENT

There being no further business to come before the City Council at the work session meeting the meeting was adjourned at 6:23 p.m.

Respectfully submitted,

Liz Kohler
Community Development Technician

**ROSEMOUNT CITY COUNCIL
REGULAR MEETING PROCEEDINGS
JULY 7, 2026**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Pursuant to due call and notice thereof, a regular meeting of the Rosemount City Council was held on Tuesday, July 7, 2026, at 7:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

Mayor Weisensel called the meeting to order with Councilmembers Freske, Essler, Theisen and Klimpel.

APPROVAL OF AGENDA

Motion by Weisensel **Second by** Theisen

Motion to approve agenda

Ayes: 5.

Nays: None. Motion Carried.

PRESENTATIONS AND PROCLAMATIONS

a. Recognition of Rosemount High School Baseball Team

City Administrator Martin highlighted the Rosemount High School Baseball team successes as they won state this season.

Chris Swansson, Head Coach shared a few words regarding his appreciation for this team.

City Council read the proclamation.

b. Recognition of Rosemount High School Girls Flag Football Team

City Administrator Martin highlighted the Rosemount Girls Flag Football Team and their successes as they won state this season.

Jeff Erdmann, Head Coach shared a few words regarding his appreciation for this team and how rewarding it has been being a coach for this team.

City Council read the proclamation.

c. Parks and Recreation Month Proclamation

Parks and Recreation Director Schultz highlighted that the month of July is Parks & Recreation month and noted Rosemount aims to celebrate parks and recreation at all levels.

Motion by Essler **Second by** Freske

Motion to proclaim the Month of July as "Parks and Recreation Month" in Rosemount.

Ayes: 5.

Nays: None. Motion Carried.

City Council read the proclamation.

RESPONSE TO PUBLIC COMMENT

None.

PUBLIC COMMENT

None.

CONSENT AGENDA

Motion by Theisen Second by Essler

Motion to approve consent agenda

Ayes: 5.

Nays: None. Motion Carried.

- a. Bill Listings
- b. Minutes of the June 16, 2026 Regular Meeting Minutes
- c. Authorize hiring of Architect for Fire Station 2 Remodel Project
- d. Grant approval from MN Dept of Public Safety
- e. Temporary Construction Easement - Dunmore Greenway
- f. Receive Bids and Award a Contract — Former Public Works Building Demolition
- g. Appointment of Election Judges for 2026 Elections
- h. Application to Conduct Off-Site Gambling - Rosemount Area Hockey Association

PUBLIC HEARINGS

None.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

ANNOUNCEMENTS

- a. City Staff Updates

City Administrator Martin highlighted upcoming Leprechaun Days events.

- b. Upcoming Community Calendar

Mayor Weisensel reviewed the calendar of events and upcoming meetings. Chief Springer highlighted the waffle breakfast on July 18th from 7- 11 a.m. Parks and Recreation Director Schultz highlighted the Rib Fest on July 18th beginning at 6 a.m.

Mayor Weisensel also noted Night to Unite is on Tuesday August 4th beginning at 5 p.m. and the registration form is on our City website.

ADJOURNMENT

There being no further business to come before the City Council at the regular council meeting and upon a motion by Weisensel and a second by Essler the meeting was adjourned at 7:26 p.m.

Respectfully submitted,

Erin Fasbender
City Clerk

**ROSEMOUNT CITY COUNCIL
WORK SESSION PROCEEDINGS
JULY 7, 2026**

CALL TO ORDER

Pursuant to due call and notice thereof a regular work session meeting of the City Council was held on Tuesday, July 7, 2026, at 5:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

Mayor Weisensel called the meeting to order with Councilmembers Essler, Theisen, Klimpel and Freske.

a. FOLLOWING THE CITY COUNCIL REGULAR MEETING:

The Council may choose to reconvene the work session after the adjournment of the regular meeting if the business of the work session is unable to be completed in the allotted time.

DISCUSSION

a. Preliminary 2027 Budget discussion

City Administrator Martin highlighted the key items currently in the 2027 budget, noting: a significant amount of re-coding by staff to the correct accounts will continue to show changes, wages and benefits increase a total of 9.6%, an increase in the Fire Department duty crew wages and a \$1 wage increase for fire fighter volunteers which is currently a 13.5% budget increase.

Staff noted there are still several considerations before council sees the budget again, i.e. Dakota County tax impact, SAFER Grant for the 9 full-time firefighters.

City Council is comfortable with operational increase as the \$50 increase that was set in place for the public works and police department campus will be done in 2027. However, additional debt issuance will need to be discussed as staff and City Council continue to explore Parks & Recreation initiatives. Staff noted that any bonding that would possibly occur for parks projects would begin in 2028. Staff will also continue exploring the needs for a Water Treatment Plant. However, our current utility rate model has been preparing the city for a possible Water Treatment Plant for many years.

City Council agree that staff is trending in the right direction with the budget and the need for additional amenities within Rosemount while understanding the City has a lot of things going on currently. Staff will continue refining the budget and will bring forth more details about the budget at a future work session.

UPDATES

a. Staff Reports

City Council and staff discussed details regarding Leprechaun Days. In addition, discussed what items

should be discussed within the council booth. Councilmember Freske noted the Leprechaun Days Committee is in high need of volunteers and Councilmembers agreed to volunteer rather than be stationed at the booth this year.

Councilmembers suggested connecting at a different time with the community by meeting in a park, a youth game, etc. to communicate to the public about all the exciting things that are going on as well as an opportunity to connect more with the public.

Councilmember Freske suggested breaking our talking points into pillars, i.e. Public Safety, Parks, Water, etc. and suggested we connect with residents to show them all that we have been investing in and what we are planning for in the years to come and to be proud of that.

Dan Schultz discussed the park and rec improvement opportunities, reviewed potential site plans and discussed the timing of projects, which would be a fall 2026 bidding to start. Staff is moving forward on these projects and briefly showcased several of the plan sets.

Chief Thomas provided an update for the Police Department discussing the recent transition of sergeants to a Captain role. Chief Thomas also provided an update of the North Winds event in August and will provide specific details of the event once received.

Community Development Director Kienberger provided updates on what is upcoming at future planning commission meetings. As staff continues to get more inquiries for data center-type questions, staff will explore how to provide a similar recent update about data centers at the Port Authority but in a more public format.

Public Works Director Egger provided an update that staff continues to make progress on the water infrastructure. City Councilmembers agreed to have a future joint city council and utility commission meeting to determine the next steps.

ADJOURNMENT

There being no further business to come before the City Council at the regular council meeting and upon a motion by Weisensel the meeting was adjourned at 6:53 p.m.

Respectfully submitted,

Erin Fasbender
City Clerk

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: City Council Compensation	AGENDA SECTION: CONSENT AGENDA
PREPARED BY: Erin Fasbender, City Clerk	AGENDA NO. 6.e.
ATTACHMENTS: Proposed Ordinance	APPROVED BY: LJM
RECOMMENDED ACTION: Staff is recommending that the City Council approve the ordinance as attached.	

BACKGROUND

State law requires that compensation adjustments for elected officials be made prior to the election, and any adjustments cannot take effect until the following year (January 1, 2027). This requirement ensures that salary changes are not applied to incumbent Council Members during an election season. Beginning in 2018, salaries are reviewed in even-numbered years for potential COLA adjustments. Any proposed salary adjustment for the City Council must be adopted by ordinance. Currently, the annual salary is \$10,400 for the Mayor and \$7,900 for Council Members. Other Dakota County Annual Salaries:

City	Mayor	Council Member
Burnsville	\$24,000	\$18,000
Apple Valley	\$16,631	\$11,904
Lakeville	\$15,000	\$10,000
Northfield	\$14,285	\$10,714
Inver Grove Heights	\$11,400	\$8,200
Farmington	\$8,040	\$7,020

The City Council approved a salary adjustment in 2024 of 4%, which matched the cost-of-living increase provided to non-union employees. Staff recommends continuing this approach by increasing the City Council's salary by the same percentage as non-union positions, which would be 3%. The 3% COLA increase would take effect on January 1, 2027, and when rounded up, would result in an annual salary of \$10,720 for the Mayor and \$8,140 for Council Members.

RECOMMENDATION

Staff is recommending that the City Council approve the ordinance as attached.

**CITY OF ROSEMOUNT
COUNTY OF DAKOTA
STATE OF MINNESOTA**

ORDINANCE NO. 2026 - XX

AN ORDINANCE RELATING TO CITY COUNCIL SALARY

SECTION 1. The City Council of the City of Rosemount hereby supplements Title 7, Chapter 12 of the Rosemount City Code by adding a new chapter as follows:

CHAPTER 6-MAYOR AND COUNCIL

1-6-1 – SALARIES AND COMPENSATION

A. Salaries Established: Commencing January 1, 202~~5~~⁷, the salaries for Mayor and Council for the City shall be as follows:

Mayor	\$10,400-10,720 annually
Council members	\$7,900-8,140 annually

B. Salary Adjustment: Every other year, the Mayor and Council shall receive a salary adjustment in an amount that equals the cost of living increase provided to the City's non-union employees. Any salary adjustment must be approved by ordinance of the City Council.

C. Workers' Compensation Act: Pursuant to Minnesota Statutes, section 176.011, subdivision 9, clause 6, the elected officials of the City are hereby included in coverage of the Minnesota Workers' Compensation Act. (Ord. 2018-3, 7-17-2018, and. Ord. 2020-03, 7-21-2020; Ord. 2022-01, 2-15-2022)

SECTION 3. This Ordinance shall be effective the day following its publication.
Adopted by the City Council of the City of Rosemount, Minnesota, the 21st day of July, 2026.

Mayor Jeffery D. Weisensel

ATTEST:

Erin Fasbender, City Clerk

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: Authorization for Temporary Street Closings and Adding of Events to Service Agreement	AGENDA SECTION: CONSENT AGENDA
PREPARED BY: Dan Schultz, Parks & Recreation Director	AGENDA NO. 6.f.
ATTACHMENTS: Schedule	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to approve street closings for the Big Wheel Races, Mid-Summer Faire and Parade as part of the 2026 Leprechaun Days Celebration and to add the events schedule to the 2026 Leprechaun Days Service Agreement.	

BACKGROUND

In the spring of 2026, the City Council approved a service agreement with the Leprechaun Days Committee. As in years past, street closing requests and the addition of events to the service agreement have been brought to the City Council for approval.

The current requests for street closings include:

1. Big Wheel, Trike and Scooter Races plus Penny Scramble - Wednesday, July 22 - 5:00 pm to 8:30 pm, Burma Avenue from 145th Street to 146th Street.
2. Mid-summer Faire - Closing of 145th Street at Burma Avenue to Burnley Avenue on Thursday, July 23 from 5:00 – 11:00pm, Friday, July 26 from 5:00pm - 11:30pm and Saturday, July 27 from 4:00pm – 12:00am.
3. Parade - Saturday, July 25 - 8:30 am to 1:30 pm or as soon as the parade ends.

At 8:30 am 145th Street will be closed at Diamond Path and at Cimarron Avenue; Cobalt, Dallara, and Davenport Avenues will be closed at 145th Street West; and Shannon Parkway will be closed at 144th Street and at Dodd Road.

At 10:30 am, the rest of the driveways and side streets intersecting the parade route along 145th Street will be closed.

The Committee has also requested that the events schedule be added to the service agreement.

RECOMMENDATION

Staff is recommends City Council approve street closings for the Big Wheel Races, Mid-Summer Faire and Parade as part of the 2026 Leprechaun Days Celebration and to add the attached events schedule be added to the 2026 Leprechaun Days Service Agreement.

Ongoing

Rosemount Leprechaun Days Button Sales, buttons cost \$1 each. There is a limited supply. Sold at Cub Foods, the Steeple Center, Pellicci Ace Hardware, Kwik Trip- old location 14810 S Robert Trail; Fluegel's; First State Bank- new location, 14490 Abbeyfield Ave.; Merchants Bank, Culver's and at Mid-summer Faire July 23-25. Every button purchased earns one an entry into a raffle for a chance to win Renaissance Fair tickets, Fire-side gift cards, Las Tortillas gift cards, Tops Pizza & Grill gift card, Maleku Coffee, and Lep Days apparel.

Saturday, July 18

Grill your ACE Off, 6 a.m.-3:30 p.m., Central Park, 2893 145th St. W. Pellicci ACE Hardware rib cooking contest. Fee includes five racks of ribs. Register at <https://secure.recl.com/MN/rosemount-mn/catalog> by 4:30 p.m. July 15. Prizes for first through third place and people's choice award, which has public tasting 1:30-3 p.m. Awards at 3 p.m.

39th Annual Run for the Gold and Shamrock Sprint, 7 a.m., Rosemount Community Center, 13885 S. Robert Trail. Pre-registration by noon Friday, July 10, for \$15 (14 and under), \$20 (15 and older) at <https://secure.recl.com/MN/rosemount-mn/catalog> for 1- or 4-mile runs or both. Fees increase by \$5 for day of race registration. Shamrock Sprint, 8:30 a.m., is free for ages 8 and under. Info: Rosemount Parks & Recreation at 651-322-6000.

Waffle & Sausage Breakfast, 7-11 a.m., Rosemount Fire Station No. 1, 14700 Shannon Pkwy. All you can eat, \$10/person, children 5 and under eat free. Tickets available at the door or from any Rosemount firefighter. Cash or check only.

The Warehouse - Free Fitness Classes, The Warehouse, 14390 S. Robert Trail. July 18 Bootcamp, 8:15 a.m.; July 19 Yoga Sculpt, 10 a.m.; July 20 Oula Dance Fitness, 6 p.m.; July 21 AAA Strength, 5 p.m.; July 22 Heated Yoga, 6:15 p.m.; July 23 Pound, 10 a.m.; July 24 Mat Pilates, 10 a.m.; July 25 Oula Dance Fitness, 9:15 a.m., www.nickiecarrieganfitness.com, 651-983-8368.

Leprechauns: Cute as a Button, 9 a.m.-5 p.m. (during regular hours at the Robert Trail Library, 14395 S. Robert Trail. An exhibit of Rosemount Leprechaun Days button contest artwork. The artwork includes designs submitted by local students and images of the completed buttons over the years.

Strongman Kids Expo, 9 a.m. to 1 p.m., Minnesota Orthodontics parking lot, 14455 S. Robert Trail. Ages 5-13 can try out various strength activities, such as a deadlift, tire flip and sled drag for prizes. Food and silent auction for purchase with all proceeds going to HopeKids. Registration accepted at <https://forms.gle/7SSjhC5WMFS2NHhUA> or day of for \$20..



Sunday, July 19

Leprechaun Days Street Hockey, 8 a.m. - 1:30 p.m., Rosemount Community Center, 13885 S. Robert Trail. No hockey experience necessary. Registration is now open at rosemounthockey.org.

Worship in the Park, 10-11:30 a.m., Central Park. Worship will include songs, Scripture, prayer, and a special message for the younger worshippers. Refreshments will be served following the service. In case of rain or extreme heat, the service will be held inside at The Well, 14770 Canada Ave. W.

Free Open Skating, 1:30-3 p.m., Rosemount Ice Arena, 13885 S. Robert Trail.

Lions Kid Parade & Cub in the Park, 4:30-6 p.m., Central Park, 2893 145th St. W. 4:30 p.m. registration, 5 p.m. parade for ages 16 and under, 5-6 p.m. Cub in the Park hot dogs (while supplies last).

Frozen Jr. Performance, 6-7:30 p.m., Central Park, 2893 145th St. W. Show by ETC Productions along with Apple Valley High School. Rain location - The Steeple Center.

Monday, July 20

Leprechaun's Lost Medallion Hunt, 9 a.m., city of Rosemount Parks. First clue released at 9 a.m. Monday, July 21, and each day at 9 a.m. at Merchants Bank, 15055 Chippendale Ave. W., and online at SunThisweek.com until July 25 or until medallion is found. \$500 cash prize and \$150 gift card to winner.

Create Buster the Book Bear and Fill His Bookshelf, 9 a.m. to 5 p.m., Robert Trail Library, 14395 S. Robert Trail. Decorate paper plates for Buster's body and binders for his books at home or at the Library with help from volunteers. Paper plates and binders will be available at the library July 13-18. Stop in the library beginning July 20 and see the finished bear. More is at www.friendsoftrt.org.

Kid's Dance, 5-7 p.m., Rosemount American Legion, 14590 Burma Ave. W. For ages 10 and under. Pizza, lemonade, door prizes. Hosted by Women's Auxiliary and Rosemount Police Department.

Rosemount Community Band Summer Concert, 7-8 p.m., Central Park, 2893 145th St. W. Performing "Cinemagic" featuring well known songs from "Chicago," "Aladdin," "Toy Story" and more. Rain location - The Well

Tuesday, July 21

Robert Trail Craft Fair, 10 a.m. to 12 noon, Robert Trail Library. Shop for arts and crafts created by youth (ages 4-18) at an outdoor library craft fair event. Sellers must complete a registration form in advance at the library. Weather dependent. More information at 952-255-8545 or www.friendsoftrt.org.

Community Appreciation Lunch, 11:30 a.m.-1:30 p.m., Merchants Bank, 15055 Chippendale Ave. W. Free Little Caesars pizza, water, and cookies.

Blarney Stone Hunt, 1 p.m., Jaycee Park, 15425 Shannon Pkwy. Participants will be separated into age groups (4 and under, 5-7 and 8-12). Free event for Rosemount residents only. Info: 651-322-6000.

Ice Cream Social, Petting Zoo & Teddy Bear Band, 5-7 p.m., Children's Dental Care, 3410 151st St. W.

Parking Lot Party, 6:30-8:30 p.m., 14465 S Robert Trail. Local vendors, live music, food and kids activities. Event hosted by Emerald Roots Salon, Heather Ann Photography, The Club House and Minnesota Orthodontics.

Celts Bar Bingo, 6:30-9 p.m., Celts Irish Pub & Grill, 14506 S Robert Trail. Two jackpots with payouts up to \$1,699; 12 games for \$14 per packet; extra \$1 single sheets and/or \$2 extra coverall sheets, rosemountfootball.com.

Rosemount High School Boys Lacrosse Alumni Game, 6:30-7:30 p.m., Rosemount High School. Celebrating 20 years of Rosemount Lacrosse with alumni from every era. Free, halftime "Chuck-a-Ball" contest with prizes and plenty of alumni recognition. More is at <http://www.rosemountlacrosse.com>.

Wednesday, July 22

Root Beer Floats Fundraiser, 11:30 a.m.-7:30 p.m., Rosemount American Legion, 14590 Burma Ave. W. Annual fundraiser for Velvettones (senior choir), root beer floats \$5, with family discounts available for two or more.

Family Bingo, 11:30 a.m.-4 p.m., Rosemount American Legion, 14590 Burma Ave. W. All ages, those under 16 must be accompanied by an adult. Bring an item for the food shelf and receive a free dauber. Hosted by the Women's Auxiliary; \$5 for eight games, three sessions 11:30 a.m., 1 p.m., 2:30 p.m.

Leprechaun Days Scavenger Hunt, 1-2 p.m., Robert Trail Library. Children ages 4-8 and 9-13 will hunt for shamrocks at the Robert Trail Library. Find shamrocks and turn them in for free books (maximum two books per child). More is at www.friendsoftrt.org.

Wet N Wild Day, 1-3 p.m., Jaycee Park, 15425 Shannon Pkwy. Must arrive before 1 p.m. to register. Participants need to wear swimsuit or clothing that can get wet and must wear tennis shoes. Water station area for kids under 6 to be supervised by a parent/guardian while older kids participate. Free, open to Rosemount residents only. Info: 651-322-6000.

Business Parkway Kids Bash, 4-7 p.m., New Horizon Academy and My Credit Union, 2730 149th St. W. and 2828 149th St W. Events at both locations including food trucks, bounce houses, music, and games. Visit both locations for a chance at a prize.

Big Wheel and Scooter Races, 5:15-7 p.m., Rosemount American Legion, 14590 Burma Ave. W. Registration 5:15 p.m., races 6 p.m. Must bring own Big Wheel or scooter. Three divisions 3-4 years, 5-6, 7-8. Women's auxiliary will be selling hot dogs.

Penny Scramble, 7-7:30 p.m., Rosemount American Legion, 14590 Burma Ave. W. After the Big Wheel & Scooter Races, hosted by Women's Auxiliary. Age groups 3-4 years, 5-6 years, 7-8 years.

Thursday, July 23

Youth Fishing Derby, 9-11 a.m., Schwarz Pond Park. Register at 9 a.m. Pre-fishing and warm up 9-9:45 a.m.; free contest with prizes 10-11 a.m. Open to youth 13 and under. Children under 8 must be accompanied by an adult. Awards for the largest fish for each age group. Canceled if inclement weather. Event status, call Parks & Rec at 651-322-6020, #6.

Shamrock Shop Hop, 12-4 p.m. Sidewalk Sale and 4-8 p.m. Ladies Night, downtown Rosemount. Style Niche, A Bushel & A Peck, Thread and Clover.

Leprechaun Days Car Show, 4 p.m., Rosemount American Legion - far north parking lot, 14590 Burma Ave. W. Car arrivals 3:15-4 p.m., show 4-7 p.m., food trucks and carnival 5 p.m., live music at 6:30 p.m. across the street at Midsummer Faire, in Central Park. Food and drinks at American Legion. Registration required at <https://www.leprechaundays.org/event-details/carshow2026> No day of vehicle entries accepted.

Midsummer Faire, 5-10:30 p.m., Central Park, 2893 145th St. W. Entertainment, beer garden, food, carnival, and games. Beer Garden - Fireside, OMNI Winery & Taproom, North 20 Brewing, Las Tortillas. Unlimited ride wristbands \$30, 5-9 p.m. Individual ride tickets available after 9 p.m.

Celts Family Karaoke, 5-9 p.m., Celts Irish Pub & Grill, 14506 S. Robert Trail.

Book Bingo for Adults, 6-7:30 p.m., Robert Trail Library. Open to high school students and adults. Winners pick a book or book tote of their choice. A variety of book genres available. More information is at www.friendsoftrt.org.

Full Adult Bingo Session, 6-9 p.m., Rosemount American Legion, 14590 Burma Ave. W. \$20 packet for all games, ages 18 and up, sales start at 6 p.m., games at 7 p.m.

Band- The Belfast Cowboys, 6:30-10 p.m.,

Central Park - Amphitheater, 2893 145th St. W. Nine-piece, horn-driven band from Minneapolis that specializes in the music of Van Morrison, mixing rock, blues, roots and soul sounds. <https://belfastcowboys.com>

500 Tourney, 7-9:30 p.m., Steeple Center, Room 100. Players of all ages welcome, \$1 entry fee for prize money. Registration begins at 6:45 p.m. Play begins at 7 p.m.

Friday, July 24

Puppets in the Park, 9:30 a.m., Camfield Park, 14795 Canada Ave. W.; 10:15 a.m. Connemara Park, 13930 Connemara Trail; 11 a.m. Ailesbury Park, Ailesbury Avenue; 11:45 a.m. Jaycee Park, 15425 Shannon Pkwy.

Summer Series Skateboard Contest, 4-8 p.m., Rosemount Skatepark, 13787 Dodd Blvd. Free-to-enter competition, divisions for all ages, prizes down to third place. Registration starts at 4 p.m. Info: 612-702-2245 or www.3rdllair.com.

Midsummer Faire, 5-11 p.m., Central Park, 2893 145th St. W. Entertainment, beer garden, food, carnival, and games. Beer Garden - Fireside, OMNI Winery & Taproom, North 20 Brewing, Las Tortillas. Unlimited ride wristbands \$30, 5-9 p.m. Individual ride tickets available after 9 p.m.

Celts Live Music with Gus Sent Me, 6:30-10:30 p.m., Celts Irish Pub & Grill, 14506 S Robert Trail. Party in the tent.

Steak Under the Stars, 5-8 p.m., Rosemount American Legion, 14590 Burma Ave. W. Steak, baked potato, baked beans and a roll, \$20 per person, until gone. Post fundraiser.

Rocking at the Legion - Austin Healy, 7-11 p.m., Rosemount American Legion, 14590 Burma Ave. W.

Euchre Tourney, 7-9:30 p.m., Steeple Center, Room 100, 14375 S. Robert Trail. All ages, \$1 for prize money. Registration begins at 6:45 p.m. play at 7 p.m.

Band- Mason Dixon Line, 7-11 p.m., Central Park - Amphitheater, 2893 145th St. W. Country hits and timeless favorites with a modern edge. Known for packed dance floors, powerhouse shows, and big-stage experience alongside top country artists. <https://masondixononlineband.com/home>.

Saturday, July 25

RHS Marching Band Brat Stand Fundraiser, 9 a.m. - 2 p.m., along parade route at 3130 145th St. W., near the intersection of Chili Avenue and 145th St. W. Cash and credit cards accepted.

Leprechaun Days Pickleball Tournament, 9-10:30 a.m., Hope Fieldhouse. Men's doubles, women's doubles, and mixed doubles, \$32 per team. The event includes a best dressed award and fun competitions/prizes. Registration ends at 11 a.m. July 23 at <https://hopefieldhouse.org/lep-pickleball-tournament/>

Dogs for a Cause, 10:30 a.m. - 2:30 p.m., First State Bank of Rosemount, 3025 145th

St. W. Hot dog, bag of chips and drink for \$5. All proceeds go to Rosemount Public Safety Foundation.

Commander's Bean Bag Tournament, 11 a.m.-4 p.m., Rosemount American Legion, 14590 Burma Ave. W. Single elimination tournament, \$20 per two-person team, sign up at 11 a.m., play starts at noon. Post fundraiser.

48th Grand Day Parade, 11 a.m., 145th St. W., Rosemount. Route begins on 145th Street at Shannon Parkway and goes east until Cameo Avenue. Stay off the street during the parade, be tidy, leave pets at home. More is at <https://www.leprechaundays.org/event-details/48th-grand-day-parade>

BBQ Chicken and Corn Feed, 12-3 p.m. or until gone, Rosemount American Legion, 14590 Burma Ave. W., \$15 per person, Post fundraiser.

Free Book Giveaway, 12:30-2:30 p.m., Robert Trail Library, 14395 S. Robert Trail. First book free for each member of a family. Additional books available for purchase, www.friendsoftrt.org

Midsummer Faire, 1-11 p.m., Central Park, 2893 145th St. W. Food, vendors, carnival music. Beer Garden-Fireside, OMNI Winery & Taproom, North 20 Brewing, Las Tortillas. Rosemount Area Hockey pull tabs and horse racing. Unlimited ride wristbands \$30, 1-5 p.m. Individual ride tickets after 5 p.m.

Irish Football Family Bingo, 1-3 p.m., Celts Irish Pub & Grill, 14506 S. Robert Trail. A \$20 bingo packet for 10 bingo games. Extra sheets for single and coverall games for \$2 each. Under 18 can play if accompanied by a parent or guardian.

Family Fun Zone, 1-6 p.m., parking lot backing up to Central Park, 14450 S. Robert Trail. Free root beer garden, face painting, bingo, photo booth, games, Twinkie walk, prizes and more. Info: 612-849-3438 or <http://www.mycityonahill.org>

Legacy Celtic Band in the Beer Garden, 3-6 p.m., Central Park Beer Garden, 2893 145th St. W. Longtime local band that has been playing extensively throughout the Twin Cities.

Celts Live Music by Poor Cousin John, 6:30-10:30 p.m., Celts Irish Pub & Grill, 14506 S. Robert Trail. Party in the parking lot.

Rocking at the Legion - MoJo Monks, 7-11 p.m., Rosemount American Legion, 14590 Burma Ave. W.

Band-Viva Knivel, 7-11 p.m., Central Park Amphitheater, 2893 145th St. W. High-energy band delivering bold covers across decades. From rock swagger to funk, soul, and modern hits—with a full horn section. <https://www.vivakniveiband.com>

Fireworks, 10-10:20 p.m., Central Park, 2893 145th St. W.

This is the tentative schedule.
Events are subject to change:
leprechaundays.org for updates.

City Council Regular Meeting: July 21, 2026
 Tentative City Council Meeting: July 21, 2026

AGENDA ITEM:	Request by Marcus Ramos and KDP Biscayne, LLC for a Conditional Use Permit for a Major Auto Repair Business located within the Biscayne Business Park.	AGENDA SECTION:	CONSENT AGENDA
PREPARED BY:	Julia Hogan, Planner	AGENDA NO.	6.g.
ATTACHMENTS:	Resolution, Site Location, Applicants Narrative, Additional Materials, Parking Use Tenant Placement Report	APPROVED BY:	LJM
RECOMMENDED ACTION: Motion to adopt a resolution approving a Conditional Use Permit for a Major Automotive Repair and Service business within the Biscayne Business Park located at 2501 158th Circle West.			

BACKGROUND

Applicant:	Marcus Ramos
Property Owner:	KDP Biscayne, LLC
Site Location:	2501 158th Circle West
Site Area in Acres:	4.7 Acres
Current Zoning:	B-2 PUD — Employment Planned Unit Development
Comp Plan Designation:	BP - Business Park

The City Council is being asked to consider a Conditional Use Permit (CUP) request submitted by Marcus Ramos to operate a Major Automotive Repair and Service business at 2501 158th Circle West, located within the Biscayne Business Park. The property is zoned B-2, Employment District, where Major Automotive Repair and Service is allowed as a conditional use. Based on its review, the Planning Commission and City staff find that the proposed use is consistent with the Comprehensive Land Use Plan and complies with the applicable provisions of the City Code. Accordingly, the Planning Commission and staff recommend approval of the Conditional Use Permit.

The subject property is located within the Biscayne Business Park Planned Unit Development (PUD), which was approved in 2019 and is situated in the southern portion of the city near the intersection of Biscayne Avenue and 160th Street West (CSAH 46). The business park was designed with a private roadway network that provides access to the individual parcels, while stormwater is managed through several perimeter ponds. The PUD agreement includes two deviations from the zoning ordinance

related to lot standards, specifically allowing shared driveways and parcel access via the private roadway system. No deviations related to development standards, such as setbacks, building materials, or other site design requirements, were approved as part of the PUD.

In the fall of 2024, Keystone Development received Site Plan Review approval for the construction of five multi-tenant office/warehouse buildings across three parcels within Biscayne Business Park. The development consists of two building configurations: centrally located double-loaded buildings with units arranged back-to-back and single-loaded buildings located in the northwest portion of the site. Parking is provided adjacent to individual tenant entrances, with additional parking located around the perimeter of the development. The Planning Commission approved the site plan in November 2024, and construction of the buildings is currently underway.

To date, development within Biscayne Business Park has included one speculative industrial building constructed by the original developer, which is currently occupied by Valley's Own Bakehouse and Conquer Ninja Gym. As construction of the multi-tenant buildings progresses, tenant spaces are expected to become available for occupancy upon completion. The proposed Major Automotive Repair and Service business would occupy space within one of these new multi-tenant buildings.

PLANNING COMMISSION ACTION

The Planning Commission held a public hearing at its June 23, 2026, meeting to consider the applicant's request for a Conditional Use Permit for a proposed major automotive repair and service business. During the hearing, the Commission inquired whether any other automotive repair businesses currently existed or were proposed on the site within the Biscayne Business Park. Staff confirmed that another automotive repair business was proposed and explained that each automotive repair business would be required to obtain its own Conditional Use Permit through the City's review process.

The only public comment was provided by the applicant, who responded to the Commission's questions regarding parking on the site. Following the public hearing, the Planning Commission voted unanimously to recommend that the City Council approve the Conditional Use Permit request.

ISSUE ANALYSIS

Legal Authority

Conditional use permits (CUP) are considered quasi-judicial actions. In such cases, the City is acting as a judge to determine if the regulations within the Comprehensive Plan, Zoning Ordinance and Subdivision Ordinance are being followed. Generally, if the application meets these requirements, it must be approved.

CONDITIONAL USE PERMIT

The Zoning Ordinance lists Automotive Repair, Major as a conditional use in the B-2 Employment District. All conditional uses must meet seven general conditions in order to be permitted. These seven conditions are in addition to any use-specific conditions within the Zoning Ordinance. The Rosemount Zoning Ordinance has twelve standards that the Major Automotive Repair use must meet prior to a conditional use permit request being approved. Several of the standards are related to the ongoing operation of the proposed use. Therefore, the findings made by staff are that the applicant or operator of the use risks revocation of the CUP should the City find certain conditions are not being met. The standards are listed below along with staff's findings for each.

1. *Will not be detrimental to or endanger the public health, safety, or general welfare of the neighborhood or the city.* Finding: Staff finds that the proposed use will not be dangerous or detrimental, and staff notes the 2020 improvement project that upgraded Biscayne Avenue to urban standards and the ongoing work to improve safety at the intersection of Biscayne Avenue and County Road 42.
2. *Will be harmonious with the objectives of the comprehensive plan and city code provisions.* Finding: The proposed automotive repair business is harmonious with the objectives of the Comprehensive Plan and City Code. The subject property is designated for Business Park development and the proposed use is consistent with the B-2 Employment zoning district.
3. *Will be designed, constructed, operated and maintained so as to be compatible or similar in an architectural and landscape appearance with the existing or intended character of the general vicinity and will not change the essential character of that area, nor substantially diminish or impair property values within the neighborhood.* Finding: The building that the business will be located in is consistent with the architectural and landscape standards of the B-2 Employment zoning district.
4. *Will be served adequately by existing (or those proposed in the project) essential public facilities and services, including streets, police and fire protection, drainage, structures, refuse disposal, water and sewer systems and schools.* Finding: Public roads and utilities are already in place to serve the site. No additional improvements to municipal services will be required to support the proposed Conditional Use within the development site.
5. *Will not involve uses, activities, processes, material equipment, and conditions of operation that will be hazardous or detrimental to any persons, property, or the general welfare because of excessive production of traffic, noise, smoke, fumes, glare or odors.* Finding: The proposed operation will occur within the principal building and will have to conform to all building codes related to a vehicle repair facility.
6. *Will have vehicular ingress and egress to the property which does not create traffic congestion or interfere with traffic on surrounding public streets.* Finding: Finding: The site is accessed by two driveways connecting to the private roadway of 158th Circle West. Traffic circulation is designed to flow east to west around the three buildings, with parking areas located along the perimeter of the site. The applicant submitted a Parking Use and Tenant Placement Report illustrating the on-site traffic circulation and parking layout. This report is included in the attachments.
7. *Will not result in the destruction, loss or damage of a natural, scenic, or historic feature of major importance and will comply with all local, state, and federal environmental quality standards.* Finding: The subject property contains no natural, scenic, or historic features of significant importance. The site was previously prepared for development by the developer of Biscayne Business Park. Building plans for the existing structures were reviewed for compliance with applicable state building codes, and all required infrastructure and utility systems were installed to ensure that the site's use would not adversely affect municipal sewer, water, or stormwater management systems.

In addition to the above seven standards, the following standards apply for Major Automotive Repair

uses:

1. *The site and building(s) shall be designed to limit the effects of this use on adjacent properties and public rights-of-way. No automotive repair use shall be located on a site abutting any residential use or district.* Finding: The site does not abut any residential uses or public rights-of-way. Landscaping will be used to minimize the impact of the site on adjacent properties.
2. *All repair, assembly, disassembly or maintenance of vehicles shall occur within a closed building, except minor maintenance, including tire inflation, adding oil, wiper replacement and the like. All overhead vehicle doors on the building shall remain closed except when a vehicle is entering or exiting the building.* Finding: The proposed Automotive Repair business is planned to occupy one of the vacant tenant spaces within the multi-tenant building located on the eastern portion of the property. According to the applicant's narrative, all automotive repair, maintenance, assembly, disassembly, and fabrication activities will be conducted entirely within the enclosed building, with no such operations occurring outdoors.
3. *Gasoline pumps/sales shall require an additional conditional use permit subject to the performance standards outlined in this subsection for non-service motor fuel stations.* Finding: No gasoline pumps or sales are proposed with this project.
4. *Outdoor storage of parts, materials, and equipment may be allowed in the B-2 District subject to the performance standards outlined in those districts for outdoor storage and outdoor display or sales.* Finding: The proposed site plan contains no outdoor storage areas. The applicant's narrative states that outdoor activities will be limited to minor vehicle related functions such as customer drop-off and pick-up.
5. *Automotive repair uses shall designate on a site plan separate areas for customer parking and storage of inoperable vehicles awaiting repair or repaired vehicles awaiting pick up. These areas shall meet the design standards outlined in section [11-7-3](#), "Off Street Parking and Loading Requirements" of this title and be screened as follows:*
6. *Customer parking areas shall meet the applicable screening standards outlined in this title including, but not limited to, section [11-7-3](#), "Off Street Parking and Loading Requirements" of this title and this subsection.* Finding: The submitted Parking Use and Tenant Placement Report indicates that the proposed Major Automotive Repair business will be assigned four parking stalls located directly across from its tenant space along the east side of the property adjacent to Biscayne Avenue. According to the applicant's narrative, vehicles awaiting repair or pickup will be stored in designated areas on the property and screened in accordance with City requirements. The applicant further states that the site will be maintained in an orderly manner and that the accumulation of inoperable vehicles, scrap materials, or outdoor dismantling activities will not be permitted.
7. *Inoperable vehicles awaiting repair or repaired vehicles awaiting pick up shall be stored behind the principal building. Landscaping and berming shall be a secondary source for screening said vehicles. Should landscaping and berming be found ineffective by the city, the city may approve screening walls and/or decorative fencing as an alternative. Screening walls shall be constructed of the same materials as the principal building and shall not extend more than twenty-five (25) feet without a change in architecture to reduce their mass and appearance. Stacking areas shall have a minimum ninety percent (90%) opacity screen to a height of six (6) feet.* Finding: The subject property abuts the Biscayne Avenue right-of-way along its eastern property line. The approved landscape plan for the development includes perimeter tree plantings that provide

visual screening along all property boundaries, helping to buffer views from both public and private roadways. In addition, the existing principal buildings contribute to site screening, particularly from the western portion of the property and segments of the adjacent private roadway.

8. *In the B-1 and B-2 districts, junk or unlicensed vehicles awaiting repair or pick up shall be stored completely inside a closed building in accordance with the performance standards for outdoor storage outlined in section [11-6-8](#) of this chapter.* Finding: If it is found that this condition is not being met, the City retains the right to revoke the conditional use permit unless the applicant or operator can demonstrate that they are in compliance with the City Code.
9. *Parking of vehicles on public right-of-way shall be prohibited.* Finding: Parking is not allowed on Biscayne Avenue.
10. *All painting must be conducted in an approved paint booth. All paint booths and all other activities of the operation shall thoroughly control the emission of fumes, dust, or other particulate matter in compliance with Minnesota pollution control standards and applicable fire and building codes.* Finding: Noncompliance with this condition could result in revocation of the CUP for the subject property.
11. *All flammable materials, including liquids and rags, shall conform to the applicable provisions of the Minnesota fire code.* Finding: Noncompliance with this condition could result in revocation of the CUP for the subject property.
12. *No public address system shall be audible from a noncommercial or nonindustrial use or district.* Finding: The site is surrounded by commercial and industrial uses, therefore this condition is met.

RECOMMENDATION

The Planning Commission and staff find that the subject property and the proposed Major Automotive Repair and Service use comply with the applicable standards of the Zoning Ordinance. Based on this finding, they recommend approval of a Conditional use Permit for a Major Automotive Repair and Service Business at 2501 158th Circle West. This recommendation is based on the information submitted by the applicant and the analysis contained in this staff report.

**CITY OF ROSEMOUNT
DAKOTA COUNTY, MINNESOTA**

RESOLUTION 2026-XX

**A RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR A MAJOR
AUTOMOTIVE REPAIR BUSINESS AT 2501 158TH CIRCLE WEST**

WHEREAS, the City of Rosemount received an application from Marcus Ramos and KDP Biscayne, LLC, requesting a Conditional Use Permit (CUP) to allow for a Major Automotive Repair Business at 2501 158th Circle West in the Biscayne Business Park; and

WHEREAS, on June 23, 2026, the Planning Commission of the City of Rosemount held a public hearing to review the CUP application for a Major Automotive Repair Business at 2501 158th Circle West in the Biscayne Business Park; and

WHEREAS, on June 23, 2026, the Planning Commission of the City of Rosemount voted to recommend approval of the CUP; and

WHEREAS, on July 21, 2026, the City Council of the City of Rosemount reviewed and agreed with the Planning Commission's recommendation to grant a Conditional Use Permit allowing for a Major Automotive Repair Business at 2501 158th Circle West in the Biscayne Business Park.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Rosemount hereby approves a Conditional Use Permit (CUP) for a Major Automotive Repair Business at 2501 158th Circle West in the Biscayne Business Park.

ADOPTED this 21st day of July 2026 by the City Council of the City of Rosemount.

ATTEST:

Jeffery D. Weisensel, Mayor

Erin Fasbender, City Clerk



Conditional Use Permit Operations Narrative

Automotive Repair and Service, Major

The applicant is requesting approval of a Conditional Use Permit for an Automotive Repair and Service, Major use within the applicable zoning district. The proposed business will provide general automotive repair, diagnostics, maintenance, performance upgrades, suspension and steering repair, brake service, alignment, engine and transmission repair, and related automotive services.

The business is intended to operate as a clean, professional, and well-maintained automotive repair facility designed to be compatible with surrounding commercial and industrial uses.

Operations and Indoor Repair Activities

All major automotive repair, assembly, disassembly, fabrication, and maintenance activities will occur entirely within the enclosed building. Overhead service doors will remain closed except during vehicle entry and exit or as otherwise necessary for ventilation and operational efficiency consistent with city requirements.

Outdoor activities will be limited to minor vehicle-related functions such as customer drop-off and pick-up, tire inflation, adding fluids, wiper replacement, and similar incidental activities permitted by ordinance.

Vehicle Storage and Parking

The site plan designates separate areas for:

- Customer and employee parking
- Vehicles awaiting repair
- Vehicles awaiting customer pick-up

Customer parking areas will remain organized and maintained in compliance with applicable city parking and screening requirements.

Vehicles awaiting repair or pick-up will be stored in designated areas on the property and screened in accordance with city requirements. The business will maintain an orderly appearance and will not permit the accumulation of junk vehicles, scrap materials, or outdoor dismantling activities.

Any inoperable or unlicensed vehicles will be stored in compliance with applicable city ordinances and zoning requirements.

No vehicles associated with the business will be parked or stored within the public right-of-way.

Outdoor Storage and Site Maintenance

Any approved outdoor storage will be limited, organized, and maintained in a clean and orderly manner. Automotive parts, equipment, cores, tires, and materials will not be stored in a manner that creates visual clutter or nuisance conditions for adjacent properties.

The site will be maintained to support a professional appearance through regular property maintenance, trash removal, and compliance with all landscaping and screening requirements.

Noise, Odor, and Environmental Controls

The business will operate in a manner that minimizes impacts to surrounding properties. Noise-generating activities will primarily occur indoors. No outdoor public address system will be used in a manner audible from noncommercial or nonindustrial properties.

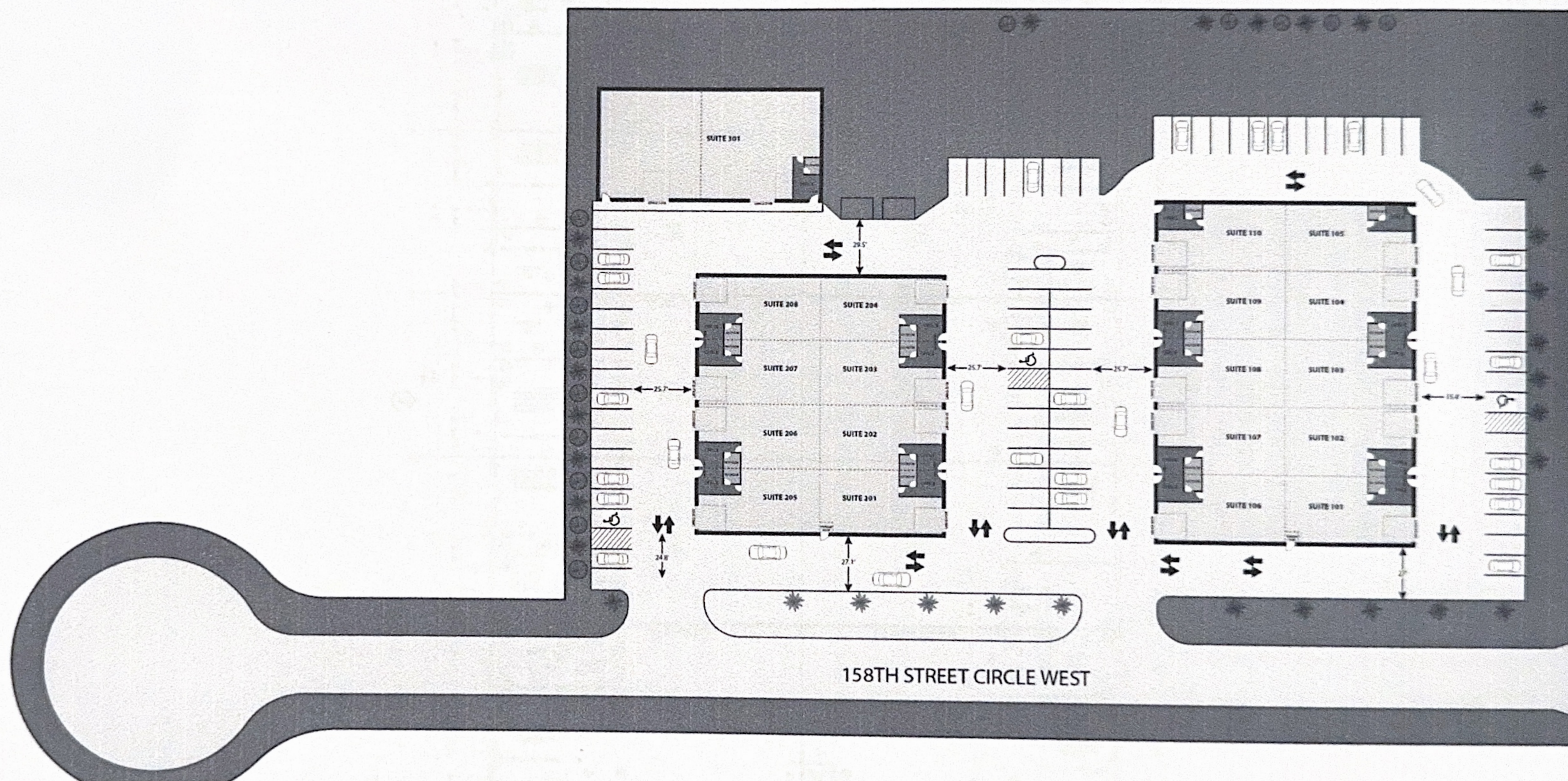
All automotive fluids, chemicals, and flammable materials will be stored and handled in accordance with Minnesota Fire Code requirements and applicable environmental regulations.

Any painting operations conducted onsite will occur only within an approved paint booth compliant with applicable fire, building, and Minnesota Pollution Control Agency standards.

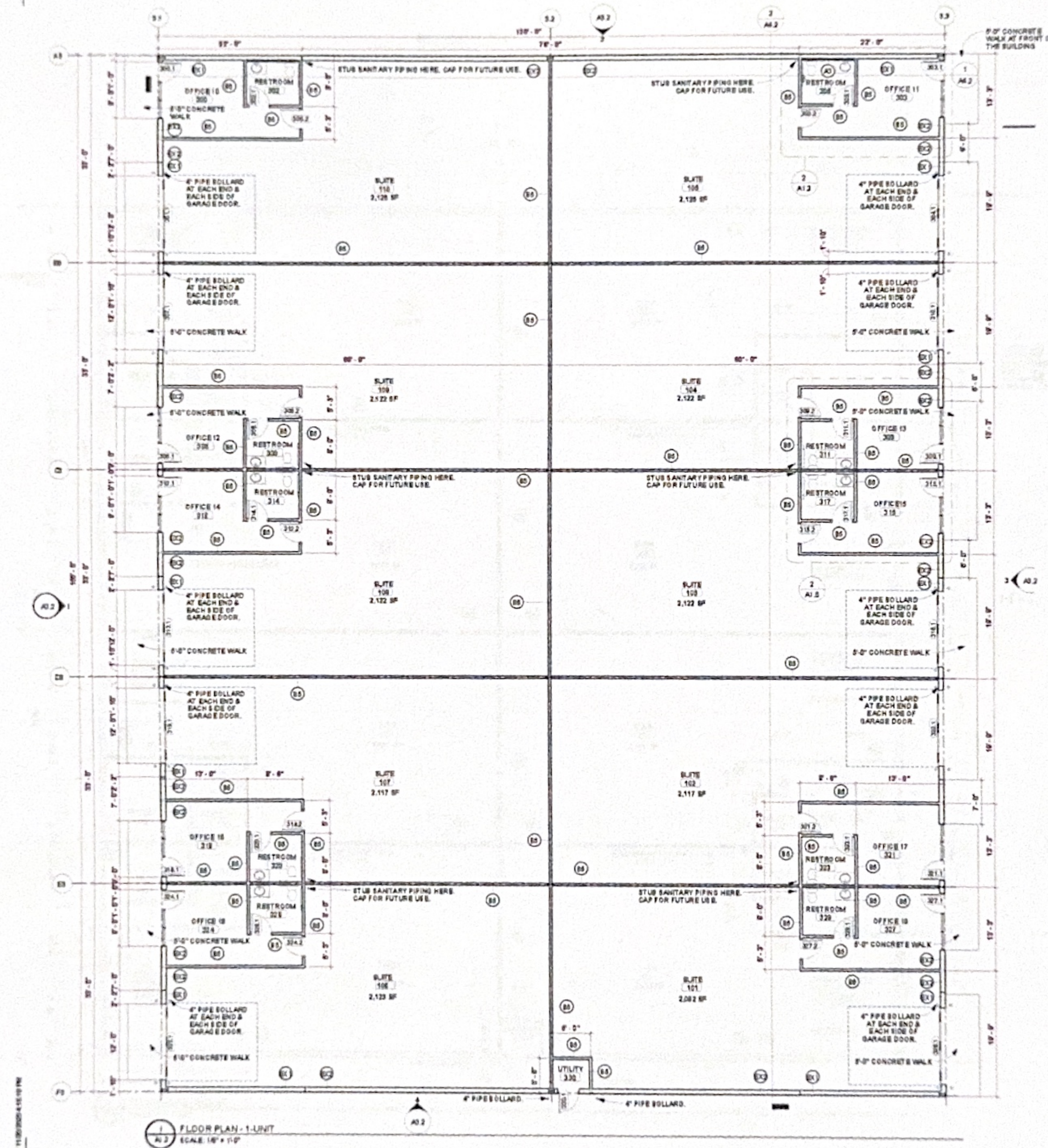
Business Operations

The business is intended to serve customers in a professional manner while maintaining compatibility with surrounding land uses. The applicant is committed to maintaining the property in compliance with all applicable city codes, permit conditions, and operational standards associated with the Conditional Use Permit.

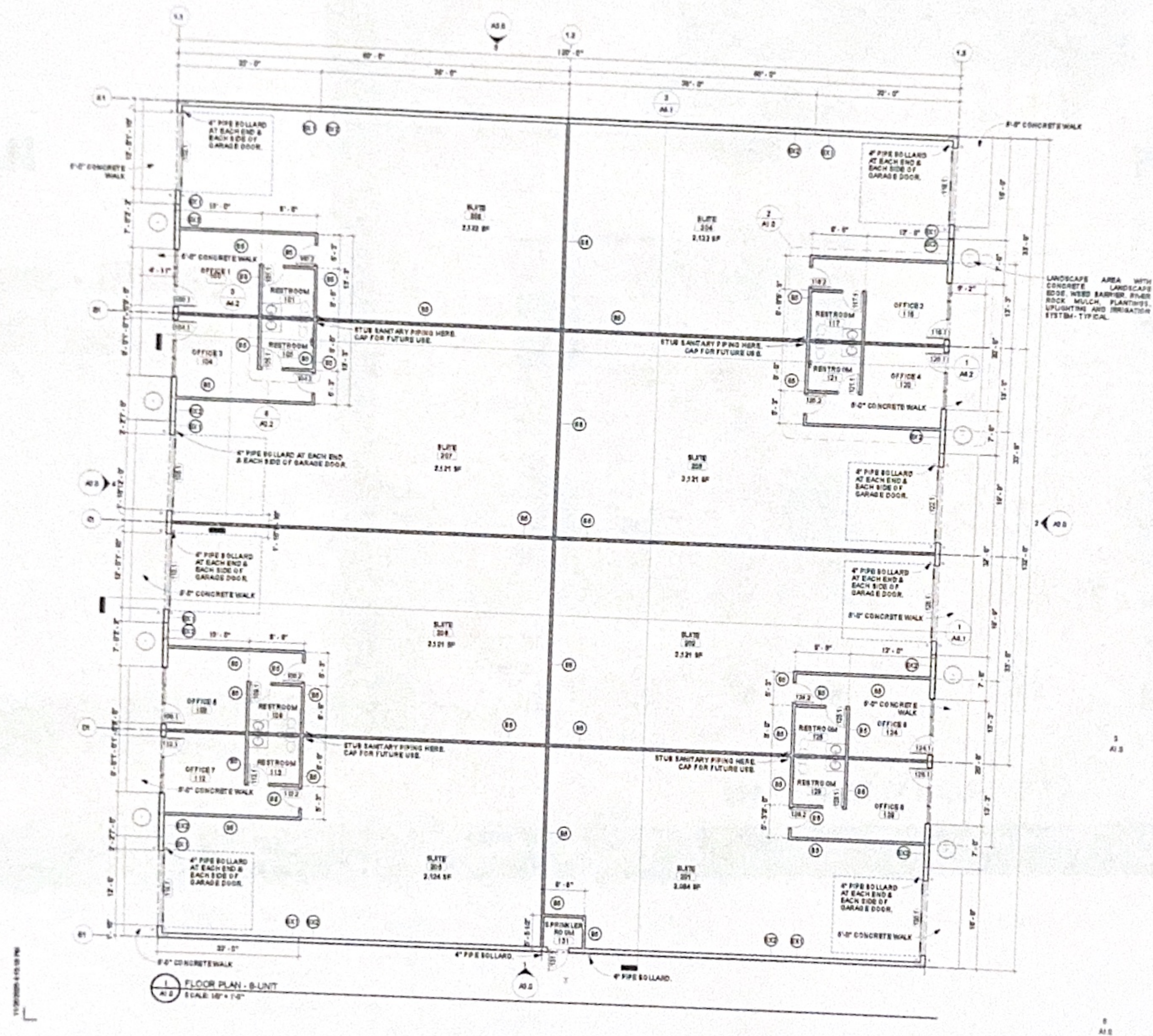
The applicant respectfully requests approval of the Conditional Use Permit.



10-UNIT BUILDING

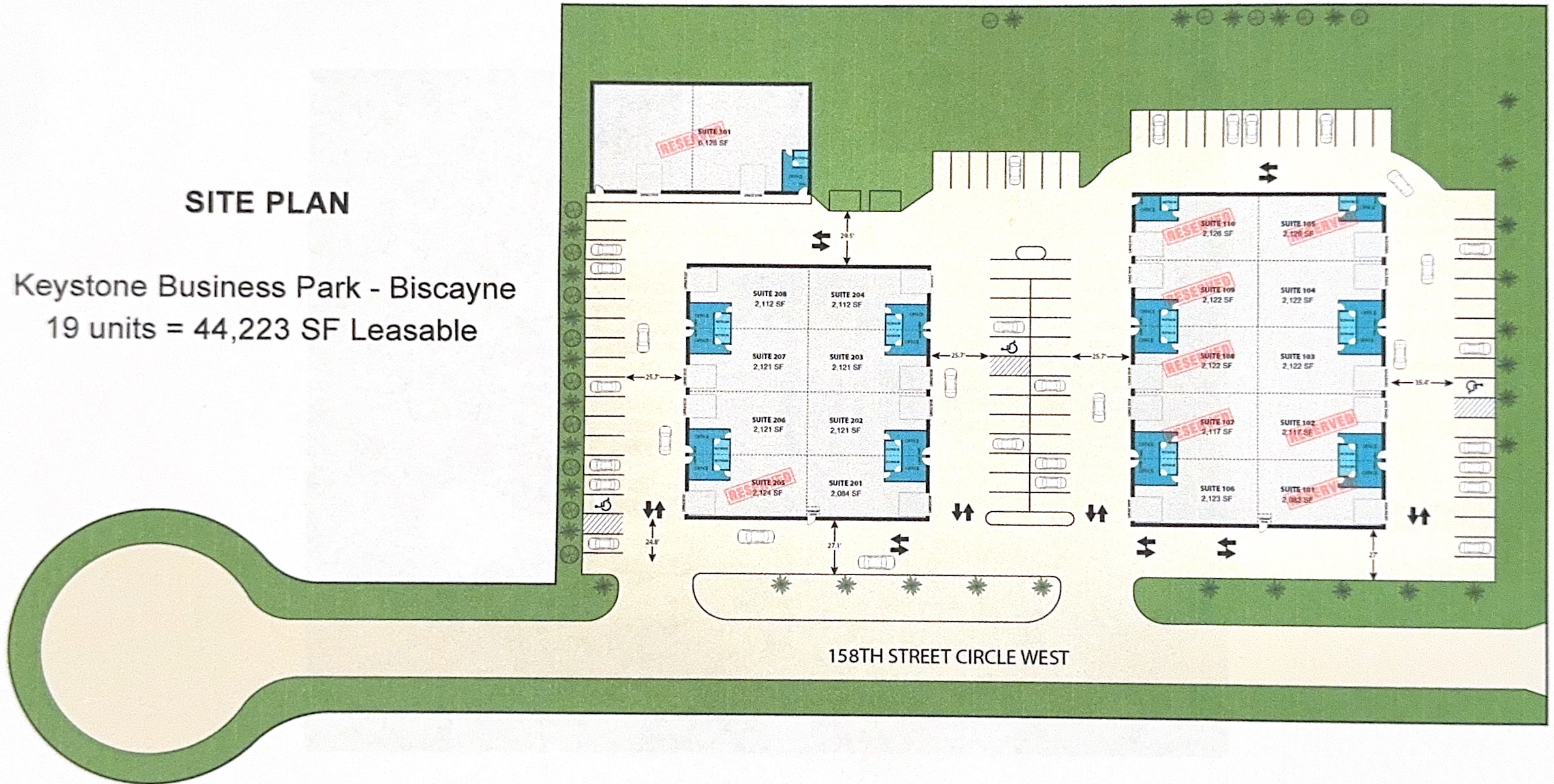


8-UNIT BUILDING



SITE PLAN

Keystone Business Park - Biscayne
19 units = 44,223 SF Leasable





Keystone Business Park – Biscayne Parking Use & Tenant Placement Report

Prepared for Rosemount Planning Commission · June 23, 2026 Public Hearing

Keystone Development Partners

2501, 2507 & 2515 158th Circle West

Rosemount, MN 55068

Prepared June 2026

Total parking spaces (est. after island removal) **88**

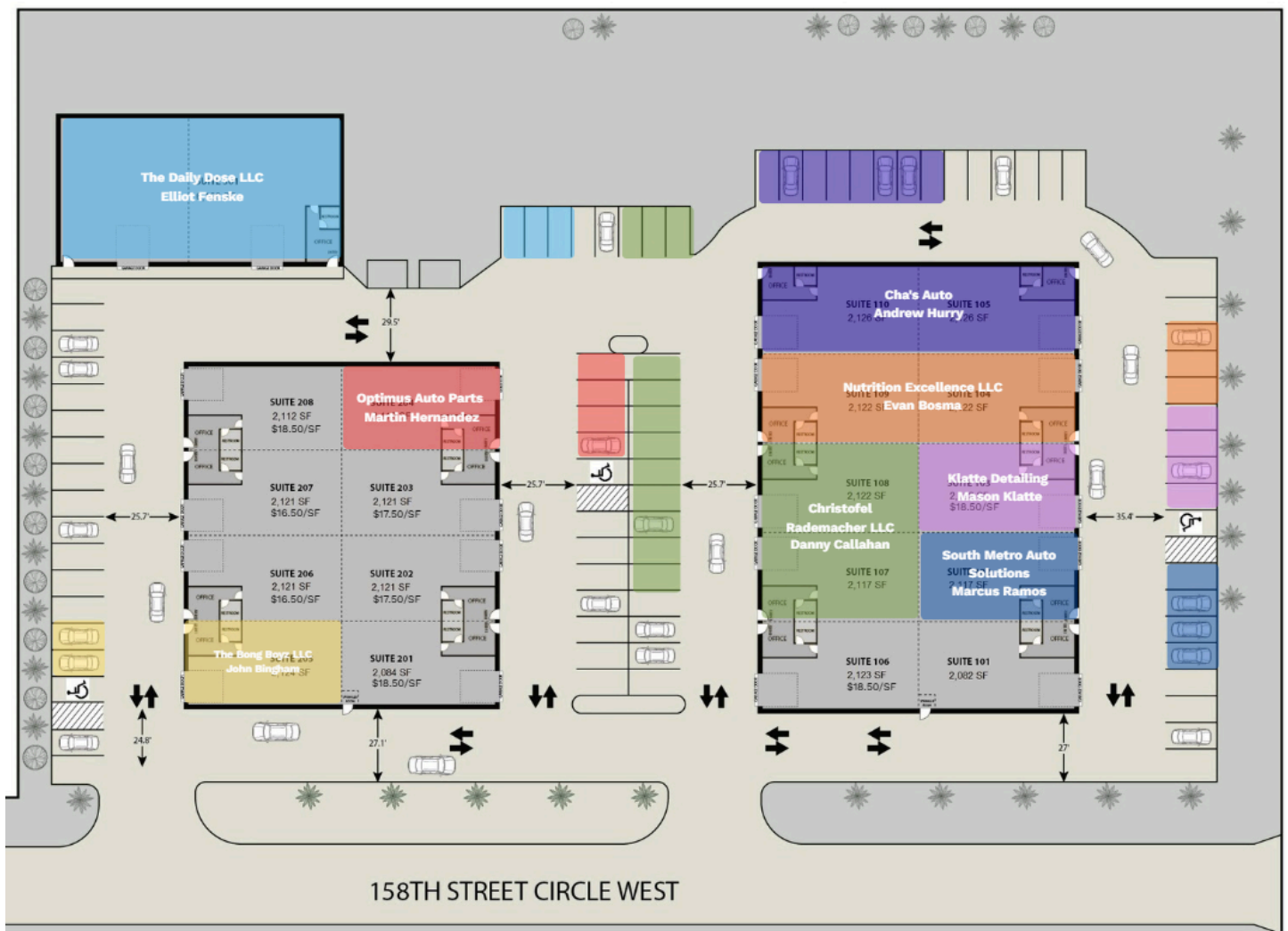
Suites reserved before completion **(13 of 20) 62%**

Current peak parking demand across all tenants **~40**

Surplus spaces at current peak use **~50**

Site Layout — Tenant Placement & Color-Coded Parking Zones

*No parking spots will be assigned, colors are for general accounting reference only



Tenant Parking Summary

Suite(s))	Tenant / Business	Use Type	SF	Spaces Needed	Peak Hours	Start Date
107 + 108	Christofel Rademacher LLC (CrossFit)	Fitness / gym	4,239	12 (outside typical business hours)	5–9 am & 6–9 pm	TBD
105 + 110	Cha's Auto (Andrew Hurry)	Light auto mechanical	4,252	8	Business hours	Jul 1, 2026
109 + 104	Nutrition Excellence LLC (Evan Bosma)	Light industrial / warehouse	4,244	2–3 (back-to-back, less front demand)	Business hours	Jul 15, 2026
102	South Metro Auto Solutions (Marcus Ramos)	Auto mechanical	2,117	4	Business hours	Jul 1, 2026
103	Klatte Detailing (Mason Klatte)	Auto detailing	2,122	4	Business hours	Aug 1, 2026
204	Optimus Auto Parts LLC (Martin Hernandez)	Automotive parts / repair	2,112	4	Business hours	Aug 1, 2026
301	The Daily Dose LLC (Elliot Fenske)	Cannabis cultivation / distribution	6,128	2–3	Business hours	*Mar 1, 2026
205	The Bong Boyz LLC (John Bingham)	Cannabis manufacturing	2,124	1–2	Business hours	Jul 1, 2026
101, 106	Prospects (private hobby use)	Private storage / hobby cars	~4,125	0	Non-business , irregular	—
Total peak demand (current)				~40 spaces	CrossFit off-hours use offsets daytime auto tenant peak	

Lot configuration and civil redesign provided 22 additional spots

Island removal adds 3–5 additional stalls beyond the original 83, creating a total of 88.

Each tenant has been placed strategically to account for parking use and neighboring tenant's parking.

Remaining spaces will be given to tenants that fit the parking profile.

Continued demand from light industrial and manufacturing tenants with commitments pending

CrossFit hours have minimal overlap with auto tenants

Gym members use the facility at 5–9 am and 6–9 pm. All automotive and light-industrial tenants operate during standard business hours, with zero peak overlap between the two use groups.

Back-to-back suites reduce front-row pressure

Evan Bosma (109/104) and Andrew Hurry (105/110) are back-to-back configurations: vehicles load from the rear lane, significantly reducing front-row parking demand for those units.

Suites 101 and 106 potential for zero parking demand

These units have gained a lot of interest from private hobby / collector car use. Ie. no customer traffic, employees, etc.

Auto tenants are strategically distributed across buildings

Marcus Ramos (102) and Klatte Detailing (103) are positioned in the Aspen building with dedicated east-side stalls. Optimus Auto Parts (204) is in the Breck building with front-row access. No single row is over-concentrated.

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: 2027 Street Improvement Project, 2027-01, Approve Engineering Services Proposal and Order Feasibility Report	AGENDA SECTION: CONSENT AGENDA
PREPARED BY: Brian Erickson, City Engineer	AGENDA NO. 6.h.
ATTACHMENTS: Resolution, Map, Schedule	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to: 1. Approve a proposal from Bolton & Menk, Inc. (BMI) for Engineering Services related to the 2027 Street Improvement Project, City Project 2027-01 2. Adopt a resolution authorizing the preparation of a Feasibility Report for the 2027 Street Improvement Project, City Project 2027-01	

BACKGROUND

The 2027 Street Improvement Project (SIP), City Project 2027-01 is part of the 2026 - 2035 Capital Improvement Plan. The streets were identified for this improvement through the city's pavement management program as shown in the attached map. The project is proposed to rehabilitate the pavement, repair damaged curb, spot repair utilities, and upgrade the pedestrian ramps. Bolton & Menk, Inc. (BMI) has provided a proposal to perform the engineering services related to this project. They are familiar with the City of Rosemount and previously worked on the 2021 and 2026 Street Improvement Projects, Bonaire Path Reconstruction and Biscayne Avenue Reconstruction.

Their proposal is \$282,959 and 1,542 hours in direct effort and also includes \$29,500 for subconsultant expenses for pavement analysis and material testing. This proposal was selected from a total of 5 proposals and will provide the necessary engineering effort to complete the feasibility report, pavement analysis, preliminary and final design, bidding, construction administration, public communication and material testing for the 2027 SIP.

The project scope includes pavement rehabilitation on the following streets:

- Belmont Court between the cul-de-sac and Birch Street W
- Belmont Trail between Birch Street W and a point approximately 170 feet south of the 140th Street W intersection
- Birch Street W between Biscayne Avenue and the eastern intersection with Belmont Trail
- Belfast Court between the cul-de-sac and Belfast Street W
- Belfast Street W between Biscayne Avenue and Belmont Trail

In addition to street rehabilitation, there are several other work items included in this project. A number of stormwater catch basins will be inspected and reconstructed to current standards as needed; hydrants replaced if needed; valves will be replaced and added as necessary and manhole castings will be replaced or upgraded. Also, there are some trails in the area that will be reconstructed due to their condition and proximity to the project area. Finally, the basketball court in Birch Park will be reconstructed.

The attached resolution orders preparation of a feasibility report, which is a necessary step under Minnesota Statute Chapter 429. This chapter specifies the actions that must be taken in order to assess property owners for all or a portion of the cost of local improvements. The feasibility report will provide information regarding whether the proposed improvements are necessary, cost-effective and feasible.

Upcoming major milestones are shown below and a more detailed schedule is attached.

- Property Owner Meetings — September 2026
- Feasibility Report — October 6, 2026
- Improvement Hearing/Order Improvement — November 17, 2026
- Final Design — December 2026
- Advertisement for Bid — January 4, 2027
- Award Construction Contract — February 16, 2027
- Assessment Hearing — March 16, 2027
- Construction Start — Spring 2027
- Substantial Completion — September 2027

It should be noted that the contractor will be allowed some flexibility with a start date. However, once started, they are required to complete their work in an expeditious manner.

RECOMMENDATION

Staff recommends Council accept the proposal for engineering services from Bolton & Menk, Inc. and adopt a resolution to authorize the preparation of a feasibility report for the 2027 Street Improvement Project, City Project 2027-01.

**CITY OF ROSEMOUNT
DAKOTA COUNTY, MINNESOTA**

RESOLUTION 2026 – XX

**A RESOLUTION AUTHORIZING THE PREPARATION OF A FEASIBILITY REPORT FOR
THE 2027 STREET IMPROVEMENT PROJECT
CITY PROJECT 2027-01**

WHEREAS, the City Engineer requested Engineering Services proposals from five design consultants; and,

WHEREAS, the Bolton & Menk, Inc. proposal has been selected as the best technical proposal; and,

WHEREAS, it is proposed to improve the following streets with pavement rehabilitation:

- Belmont Court between the cul-de-sac and Birch Street W
- Belmont Trail between Birch Street W and a point approximately 170 feet south of the 140th Street W intersection
- Birch Street W between Biscayne Avenue and the eastern intersection with Belmont Trail
- Belfast Court between the cul-de-sac and Belfast Street W
- Belfast Street W between Biscayne Avenue and Belmont Trail

WHEREAS, it is proposed to assess the benefited property for all or a portion of the cost of the improvement, pursuant to Minnesota Statutes, Chapter 429.

NOW THEREFORE BE IT RESOLVED by the City Council of Rosemount, Minnesota:

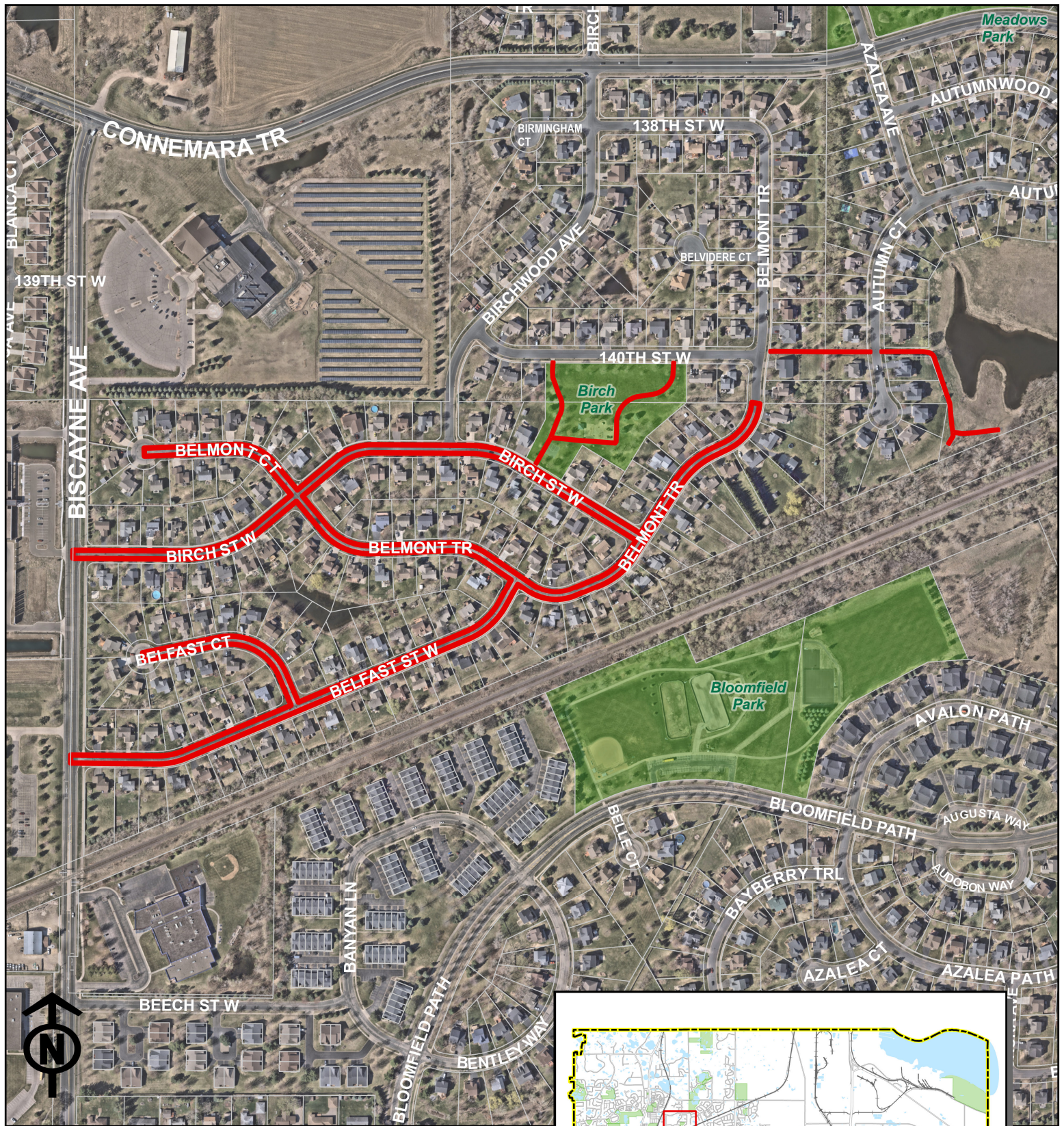
1. Bolton & Menk, Inc is selected to provide engineering services related to the 2027 Street Improvement Project (City Project 2027-01).
2. That the proposed improvement, called 2027 Street Improvement Project (City Project 2027-01), be referred to the City Engineer for study and that the City Engineer is instructed to report to the Council with all convenient speed advising the Council in a preliminary way as to whether the proposed improvement is necessary, cost effective and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for the affected parcels.

ADOPTED this 21st day of July 2026.

ATTEST:

Jeffery D. Weisensel, Mayor

Erin Fasbender, City Clerk



2027 Street Improvement Project

CITY OF ROSEMOUNT

2027 STREET IMPROVEMENT PROJECT (CP 2027-01)

SCHEDULE OF PROJECT MILESTONES

<u>DATE</u>	<u>ACTION</u>
June 12, 2026	➤ Issue Request for Proposals – Design Services
July 9, 2026	➤ Proposals due to Engineering
July 21, 2026 <i>City Council Meeting</i>	➤ City Council accepts engineering services proposal ➤ City Council Considers a Resolution to: ○ Authorize preparation of Feasibility Study
July 23, 2026	➤ Project Kick off Meeting with City Staff
July – August 2026	➤ Preliminary Design and Cost Estimate Developed (75% Plan Set)
August – September 2026	➤ DRAFT Feasibility Report
September 2026	➤ Neighborhood Meeting (One-on-One sit down) – Time & Location TBD
September 24, 2026	➤ Complete Feasibility Study
October 6, 2026 <i>City Council Meeting</i>	➤ City Council Considers a Resolution to: ○ Accept Feasibility Report ○ Call Public Hearing on Improvements on November 17, 2026
October 8, 2026	➤ Notice of Public Hearing sent to Local Paper
October 28, 2026	➤ Mail Notice of Public Hearing to Property Owners
October 30, 2026	➤ 1st Publication of Notice of Public Hearing in Local Paper
November 6, 2026	➤ 2nd Publication of Notice of Public Hearing in Local Paper
November 17, 2026 <i>City Council Meeting</i>	➤ City Council holds Public Hearing on Improvements ➤ City Council considers a Resolution to: ○ Order the Improvement ○ Authorizing preparation of final Plans and Specifications ○ Authorizing Advertisement for Bids
November – December 2026	➤ Finalize Project Design & Complete Plans and Specifications
December 29, 2026	➤ Send Advertisement for Bid to Local Paper
January 4, 2027	➤ Publish Advertisements for Bids on QuestCDN ➤ Bid Package Available for Purchase on QuestCDN
January 8, 2027	➤ 1st Publication of Advertisement for Bid in Local Paper
January 15, 2027	➤ 2nd Publication of Advertisement for Bid in Local Paper
January 22, 2027	➤ 3rd Publication of Advertisement for Bid in Local Paper
February 3, 2027	➤ Open Virtual Bids – 10:00 AM
February 3 – 12, 2027	➤ Evaluate Bids and Determine Financial Capacity for Project ➤ Bid Review and Contractor Qualifications/Reference Check
February 16, 2027 <i>City Council Meeting</i>	➤ City Council Considers a Resolution to: ○ Award Contract ○ Declare Costs to be Assessed ○ Call Public Hearing on Assessments on March 16, 2027
February 17, 2027	➤ Notice of Assessment Hearing sent to Local Paper
February 26, 2027	➤ Publication of Notice of Assessment Hearing in Local Paper
February 26, 2027	➤ Mail Notice of Assessment Hearing to Property Owners
February – March 2027	➤ Contract Processing & Contractor Submittal Review
March 16, 2027 <i>City Council Meeting</i>	➤ City Council holds Public Hearing on Assessments ➤ City Council Considers a Resolution to: ○ Adopt Proposed Assessments
Spring 2027	➤ City Staff holds Preconstruction Meeting with Contractor & Construction Begins
September 2027	➤ Substantial Completion Deadline/Turf Restoration Deadline
October 2027	➤ Final Completion

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: Re-Designation of Precinct 1 Polling Place for 2026 Elections	AGENDA SECTION: CONSENT AGENDA
PREPARED BY: Erin Fasbender, City Clerk	AGENDA NO. 6.i.
ATTACHMENTS: Resolution	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to approve the attached resolution designating the temporary polling place for the 2026 elections	

BACKGROUND

Minnesota Statute 204B.175 states that when an emergency occurs after the deadline to designate a polling place pursuant to section 204B.16, but before the polls close on election day, a new polling place may be designated for that election. For purposes of this section, an emergency is any situation that prevents the safe, secure, and full operation of a polling place. On July 13, 2026, a fire at the Precinct 1 polling location—St. Gabriel & St. Arsema Ethiopian Orthodox Church, located at 3285 144th St. West—created conditions that prevent its safe and full operation for both the 2026 State Primary and General Election. As a result, staff recommends designating a temporary polling place for Precinct 1 pursuant to Minnesota Statute 204B.175.

Staff proposes that Precinct 1 be temporarily relocated to the Rosemount Community Center, 13885 South Robert Trail, for the August 11, 2026 State Primary and the 2026 State General Election. All voting for this precinct will occur within the Auditorium. Precinct 7 will also be located at the Rosemount Community Center, but within the Banquet Hall. To support voters and ensure smooth operations within the shared facility:

- Directional signage will be posted throughout the Community Center guiding voters to the correct precinct check-in area.
- Additional election staff will be stationed at entrances and hallways to assist voters and answer questions.
- Precinct-specific check-in tables and maps will be clearly labeled to prevent confusion between Precincts 1 and 7.

These updates will be posted on the City website and the Minnesota Secretary of State's website. All affected voters will receive a mailed postcard detailing the polling place changes.

RECOMMENDATION

Motion to approve the attached resolution designating the temporary polling place for the 2026 elections

**CITY OF ROSEMOUNT
DAKOTA COUNTY, MINNESOTA**

RESOLUTION 2026- XX

**A RESOLUTION APPROVING THE DESIGNATION OF
TEMPORARY POLLING PLACES FOR 2026
PRIMARY AND GENERAL ELECTION**

WHEREAS, MN Statute 204B.175 states; when an emergency occurs after the deadline to designate a polling place pursuant to section 204B.16 but before the polls close on election day, a new polling place may be designated for that election pursuant to this section; and

WHEREAS, for purposes of this section, an emergency is any situation that prevents the safe, secure, and full operation of a polling place.

WHEREAS, July 13, 2026 a fire at the Precinct 1 polling location, St. Gabriel & St. Arsema Ethiopian Orthodox Church, located at 3285 144th St. West, created conditions that prevent its safe and full operation for both the 2026 State Primary and General Election; and

WHEREAS, the City of Rosemount must designate a temporary polling place for Precinct 1 pursuant to Minnesota Statute 204B.175 to ensure safe and accessible voting for all affected residents.

NOW, THEREFORE BE IT RESOLVED, that the City of Rosemount hereby designates the following precinct locations for the 2026 Primary and General Election;

Precinct 1 & 7:	Rosemount Community Center, 13885 South Robert Trail
Precinct 2:	St. John's Lutheran Church, 14385 Blaine Avenue East
Precinct 3:	First Baptist Church, 14400 Diamond Path West
Precinct 4:	Rosemount Steeple Center, 14375 South Robert Trail
Precinct 5:	The Well, 14770 Canada Ave W
Precinct 6:	Police and Public Works Campus, 14041 Biscayne Ave
Precinct 8:	Hosanna Church, 14401 Biscayne Avenue West

ADOPTED this 21st day of July, 2026, by the City Council of the City of Rosemount.

Jeffery D. Weisensel, Mayor

ATTEST:

Erin Fasbender, City Clerk

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: Donation Acceptance from American Legion	AGENDA SECTION: CONSENT AGENDA
PREPARED BY: Carson Thomas, Chief of Police	AGENDA NO. 6.j.
ATTACHMENTS: Resolution	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to approve the acceptance and expenditure of \$3,500 from American Legion to be used for the Kids Dance during Leprechaun Days	

BACKGROUND

The Rosemount Police Department received a donation in the amount of \$3,500 from the American Legion to support the 2026 Kids Dance during Leprechaun Days and the department's community engagement unit.

RECOMMENDATION

Motion to approve the acceptance and expenditure of \$3,500 from American Legion to be used for the Kids Dance during Leprechaun Days

**CITY OF ROSEMOUNT
DAKOTA COUNTY, MINNESOTA**

RESOLUTION 2026 - XX

A RESOLUTION ACCEPTING A DONATION TO THE CITY

WHEREAS, the City of Rosemount is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 et seq. for the benefit of its citizens and is specifically authorized to accept gifts;

WHEREAS, the following persons and entities have offered to contribute the cash amounts set forth below to the city:

American Legion

\$3,500.00

WHEREAS, the terms or conditions of the donations, if any, are as follows:

Kids Dance during Leprechaun Days

WHEREAS, all such donations have been contributed to the city for the benefit of its citizens, as allowed by law; and

WHEREAS, the City Council finds that it is appropriate to accept the donations offered.

THEREFORE, NOW BE IT RESOLVED by the City Council of the City of Rosemount as follows:

1. The donations described above are accepted and shall be used to establish and/or operate services either alone or in cooperation with others, as allowed by law.
2. The city clerk is hereby directed to issue receipts to each donor acknowledging the city's receipt of the donor's donation.

ADOPTED this 21st day of July, 2026 by the City Council of the City of Rosemount.

Jeffery D. Weisensel, Mayor

ATTEST:

Erin Fasbender, City Clerk

City Council Regular Meeting: July 21, 2026

AGENDA ITEM: Dunmore Greenway Trail - Accept Bids and Award a Contract	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Dan Schultz, Parks & Recreation Director	AGENDA NO. 9.a.
ATTACHMENTS: Dunmore Greenway Alignment	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to approve accepting the bids and awarding the contract for the Dunmore Greenway Trail to the low bidder, Urban Edge Construction, in the amount of \$314,676.55.	

BACKGROUND

The City Council recently approved entering into Joint Powers Agreement with the Dakota County to share in the cost of the construction of the Dunmore Greenway Trail. The greenway trail will be located in the Dunmore neighborhood between 132nd St W. and Connemara Trail. The greenway trail will consist of a 10 foot wide asphalt trail on the east side of the neighborhood. Please see the attached map.

The project was recently put out for public bid and the results are listed below :

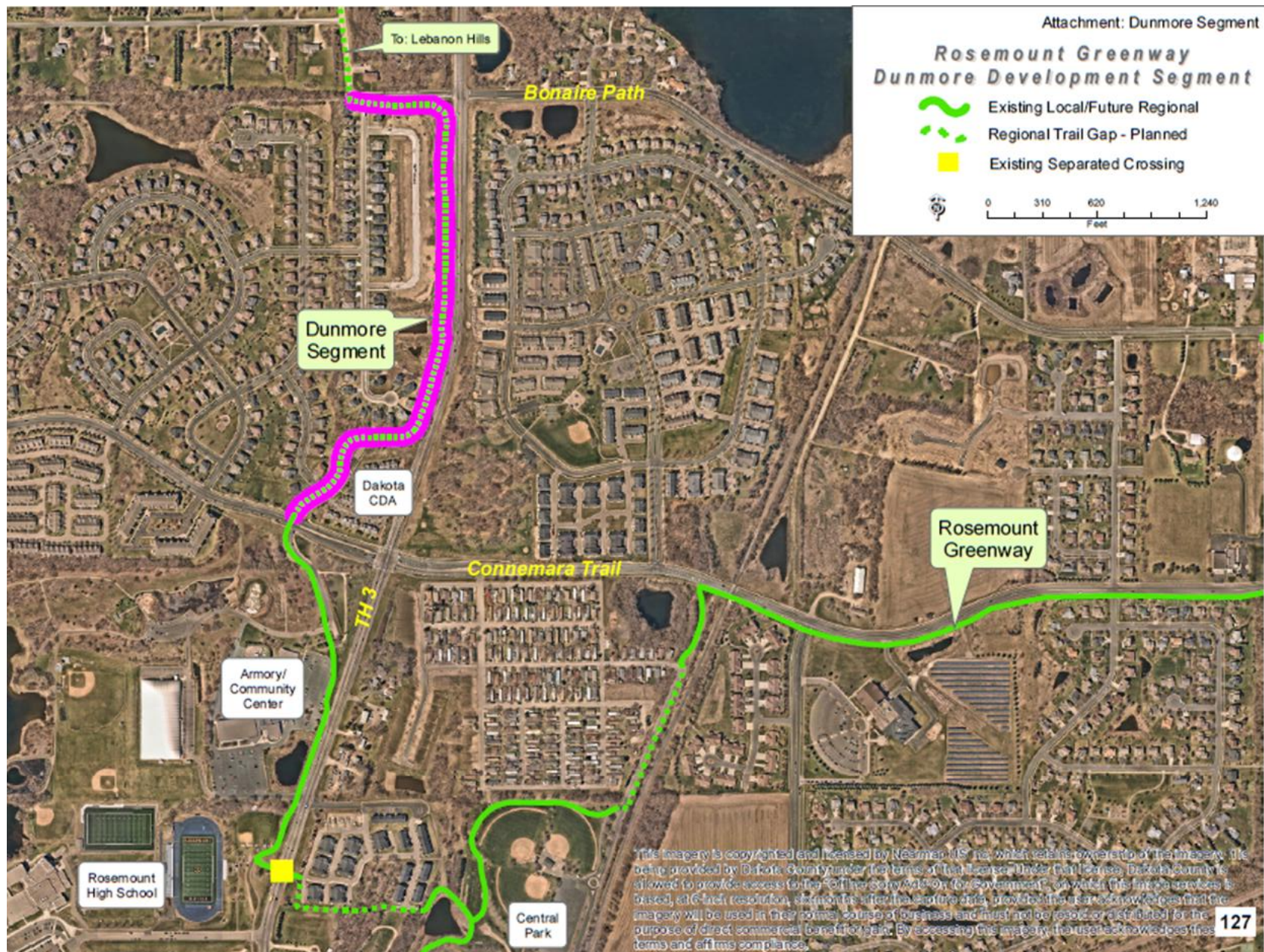
Contractor	Base Bid
Urban Edge	\$314,676.55
Veit	\$453,314.00
Dream Land	\$469,494.32
Max Steininger	\$474,081.75
McNamara	\$491,715.00
New Look	\$494,572.75

The project engineer has spoken with staff from Urban Edge about their bid and they are confident they can complete the project for the bid price.

This project is set to start construction later this summer and be completed next spring with the final restoration.

RECOMMENDATION

Staff is recommending the City Council accept the bids and award the contract for the Dunmore Greenway Trail to the low bidder, Urban Edge Construction, in the amount of \$314,676.55.



Search Results from 07/22/2026 to 07/31/2026

[◀ Return to Previous](#)

Main Calendar

Parks and Natural Resources Commission Meeting

July 27, 2026, 7:00 PM - 8:00 PM

[More Details](#)

Planning Commission Meeting

July 28, 2026, 6:30 PM - 7:30 PM

[More Details](#)

 Government Websites by [CivicPlus®](#)

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August 2026						
Su	M	Tu	W	Th	F	Sa
26	27	28	29	30	31	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5

Main Calendar

City Council Work Session Meeting - UPDATED DATE
August 3, 2026, 5:00 PM - 6:00 PM

[More Details](#)

City Council Meeting - UPDATED DATE
August 3, 2026, 7:00 PM - 8:00 PM

[More Details](#)

Night to Unite
August 4, 2026, 5:00 PM - 9:00 PM @ Get to know your neighbors, Police and Fire department personnel, City Council members, and City staff on this night of fun and connections. Register your Night to Unite gathering, big or small, to receive a visit from these city teams. Learn more and register on our [Night to Unite webpage](#).

[More Details](#)

Splash Pad Summer Celebration
August 14, 2026, 11:00 AM - 12:00 PM @ Central Park

Looking for a fun morning with the kids? Join us at Central Park for a Summer Splash Pad Celebration! There will be games, water fun, and summer memories. This event is hosted by the Rosemount Youth Commission.

[More Details](#)

Port Authority Meeting
August 18, 2026, 6:00 PM - 7:00 PM

[More Details](#)



Select Language ▼

Google [Translate](#)

City Council Meeting

August 18, 2026, 7:00 PM - 8:00 PM

[More Details](#)

Parks and Natural Resources Commission Meeting

August 24, 2026, 7:00 PM - 8:00 PM

[More Details](#)

Planning Commission Meeting

August 25, 2026, 6:30 PM - 7:30 PM

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Youth Commission Meeting

August 27, 2026, 3:45 PM - 4:45 PM

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Youth Commission Meeting

August 27, 2026, 3:45 PM - 4:45 PM

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