



Carbon Reduction Fund

2024 Annual Presentation

May 6, 2025

Carbon Reduction Fund



- Established in 2021
- The fund is used to support the implementation of the Climate Action Plan
- Funding Source
 - Gas and Electric Franchise Fee collected from Xcel Energy
 - 8% of fees collected, not to exceed \$100,000
 - Fees collected quarterly

Revenue History



- 2021– \$59,096
- 2022– \$100,000
- 2023– \$94,459
- 2024– \$99,705

The Carbon Reduction Fund has collected \$353,260 to date.

2024 Expenditures



Professional Services

\$3,719.75	Sustainable Building Policy- CEE/LHB
\$19,920	District Energy Study - Ever Green Energy
\$ 999	Shred Right- City Wide Shred Event (Earth Day)

Programs & Public Services

\$500	Northfield Earth Day Sponsorship
\$3,500	River Bend Nature Center, INC- Master Recycler/Compost Program
\$135*	Polish Delegation Visitor Luncheon
\$260	Printing & Marketing Material - By All Means Graphic (Green Book, EE Rebate Post Card, No Mow May Signage)

** The City was reimbursed \$260 toward the total luncheon cost of \$395.97.*

Transfer Out

\$11,171	HRA rebate reimbursement - Residential Energy Efficiency
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\$40,205.72	Total Expense
\$99,705.06	Total Revenue
\$243,110.75*	2024 End Balance

Expenses to Come



- Climate Champion Program established in 2025 (\$20,000)
- Northfield School District Geothermal Study (\$25,000)
- Solar Rooftop NCRC (\$48,000)
- Electrical Vehicle Fleet & Charging Infrastructure (\$40,000)
- Outdoor Electrical Equipment Rebate

2025 Budget



Carbon Reduction Fund 2025 EXPENSES		Amount	Notes
Other Professional Services	xxx-xxxx-43300		
		\$ 10,000.00	SBP vendor - LHB
		\$ 5,000.00	City Attorney Fees
Programs and Public Services	xxx-xxxx-43309		
		\$ 500.00	Earth Day Event sponsorship
		\$ 15,000.00	Residential Energy Efficiency Rebates (HRA)
		\$ 20,000.00	Business Energy Efficiency Rebate Program (EDA)
		\$ 15,000.00	Implementnation of Zero Waste Plan
			Master Recycler Program (River Bend Nature Center)
			Curbside Compost (NCRC)
			NCRC- trash,recycling and compost bin transition
		\$ 3,000.00	Supplies & Material
		\$ 5,000.00	Weatherization Program (Habitat for Humanity)
		\$ 2,500.00	LMC Confrence registration,lodging,travel (Green Corp Member or Staff)
		\$ 3,500.00	Outdoor Electrical Equipment Rebate
		\$ 8,500.00	Charging Station Cloud renweal (5 years)
Expense Total	\$ 88,000.00		

Franchise Fee Allocation Ordinance Update (2025)



Subd.1 (b) reads:

The City shall use all franchise fee revenue collected pursuant to this Ordinance only for public streets, trails, and climate action projects. No more than eight percent (8.0%) of the annual revenues collected up to a cumulative annual \$100,000 collected, pursuant to Ordinance 1017 and 1018, may be used for climate action projects.

- Current Franchise Fee Agreement
 - CRF up to 8%, not to Exceed \$100,000
- Staff Proposal
 - Adjust rates due to lower than expected revenues and to add inflationary increase
 - CRF 8%, No set cap
 - Clarify and allow funds to be used for staffing
 - Increase funds needed for Sustainability Coordinator position

Questions?

Risi Karim

Assistant to the City Administrator

Risi.karim@NorthfieldMN.gov

