

# CITY OF WASECA

## 2011 BUDGET





**CITY OF WASECA  
ANNUAL BUDGET  
FISCAL YEAR BEGINNING JANUARY, 2011**

**CITY COUNCIL**



Roy Srp  
Mayor



John Clemons  
Councilmember – Ward I



Les Tlougan  
Councilmember – Ward II



Mark Christiansen  
Councilmember – Ward III



Larry Johnson  
Councilmember – Ward I



Allan Rose  
Councilmember – Ward II



Cindy Coy  
Councilmember – Ward III

**CITY OF WASECA**  
**ANNUAL BUDGET**  
**FISCAL YEAR BEGINNING JANUARY, 2011**

J. Crystal Prentice  
City Manager

**DEPARTMENT HEADS**

Nathan Reinhardt  
Finance Director

Carl Sonnenberg  
Utilities Director

Penny Vought  
Police Chief

Community Development  
Director

Russ Stammer  
City Engineer

Gary Conrath  
Fire Chief

## TABLE OF CONTENTS

City Budget Calendar.....	1
Organizational Chart.....	2
Fund Codes.....	4
Budget Message.....	5
Tax Levy Resolutions.....	19

### ***BUDGET BY FUNDS***

#### **GENERAL FUND**

Budget Summary-Revenue and Expenditures.....	21
--	----

#### ***General Government Expenditures***

Legislative.....	25
Administration.....	28
Elections.....	31
Finance.....	33
Law.....	36
Buildings and Grounds.....	38
Community Development.....	40

#### ***Public Safety***

Police Protection.....	43
Community Service.....	47
Fire.....	49
Civil Defense Operations.....	53
Building Inspections.....	55

#### ***Public Works***

Engineering.....	58
Street Maintenance.....	61
Snow and Ice Removal.....	64
Surface Water Management.....	66
Street Lighting.....	69
Traffic Signs and Markings.....	71
Street Cleaning.....	73

#### ***Culture and Recreation***

Recreation.....	75
Park Maintenance.....	77
Waseca-LeSueur Regional Library.....	81

#### ***Non-Departmental***

Outside Funding General Expenditures.....	83
Non-Departmental General Expenditures.....	85

#### ***General Fund Transfers***

General Fund Transfers.....	91
-----------------------------	----

## TABLE OF CONTENTS

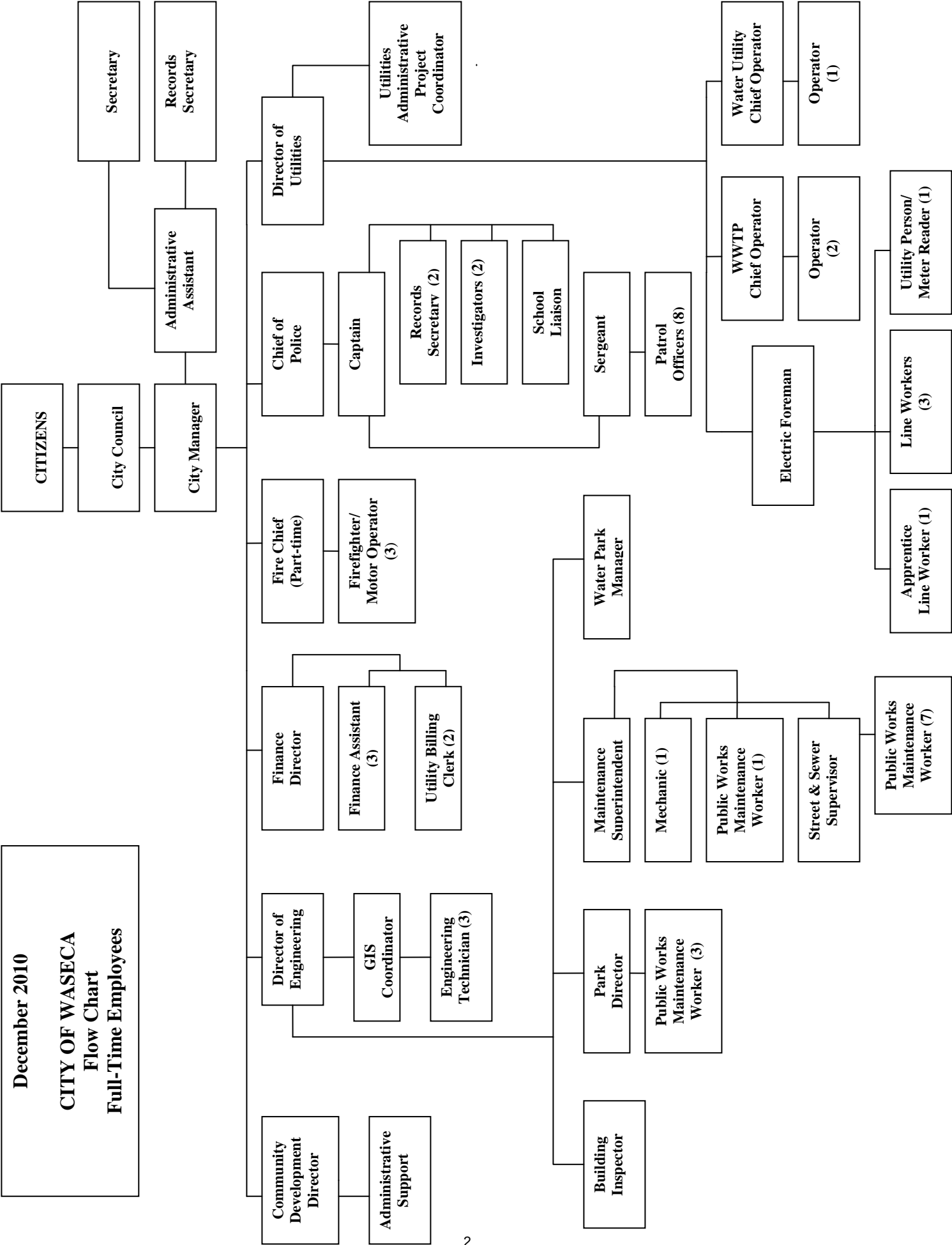
<b>SPECIAL REVENUE FUNDS.....</b>	<b>93</b>
Clear Lake Press.....	94
Tax Increment Financing (TIF).....	96
Airport Fund.....	103
Water Park Operations.....	106
Waseca Housing Fund.....	109
Police Separation.....	111
Police Reserves.....	113
Crime Victim Services.....	115
Police Special Revenue Fund (Forfeitures).....	117
Firefighters Relief.....	119
<b>DEBT SERVICE FUNDS.....</b>	<b>121</b>
Aquatic Park Debt Service.....	122
Special Assessment Debt Service.....	125
NW Construction Site Debt Service.....	126
Minnesota State Aid Maintenance-Debt Service.....	128
TIF Debt Service.....	130
<b>CAPITAL PROJECT FUNDS.....</b>	<b>133</b>
Municipal State Aid Construction Fund.....	135
Municipal State Aid Maintenance Fund.....	136
Water Park Construction.....	138
Capital Improvement.....	140
Annexation and Growth Fund.....	142
<b>ENTERPRISE FUNDS.....</b>	<b>145</b>
Water Fund.....	146
Sanitary Sewer Fund.....	157
Electric Fund.....	172
<b>INTERNAL SERVICE FUNDS.....</b>	<b>191</b>
Central Garage Services.....	192
Property and Liability Insurance.....	194
Worker's Compensation Insurance.....	196
Equipment Replacement.....	198
<b>DEBT OVERVIEW.....</b>	<b>203</b>
<b>COMPONENT UNIT.....</b>	<b>209</b>
<b>GLOSSARY OF TERMS.....</b>	<b>211</b>

# CITY OF WASECA

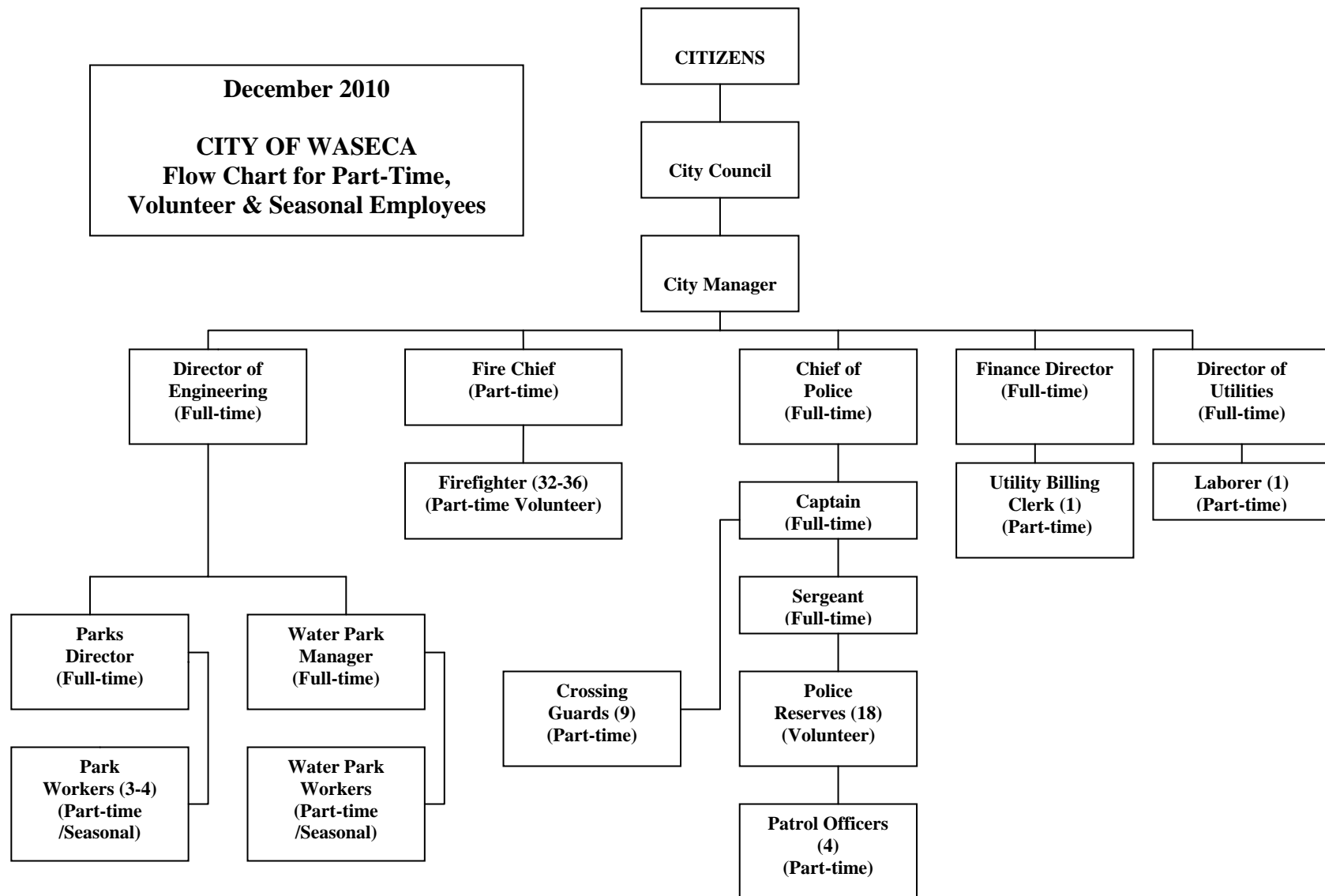
## 2011 BUDGET CALENDAR

June 2010	City Finance department and City Manager began financial analysis for the budget process, sent out spreadsheets to departments. Held preliminary departmental meetings.
July - August	<p>City Council held budget priority study sessions to review preliminary levy and budget projections.</p> <p>Department heads reviewed operational and capital budgets with the Finance Director and City Manager. Information was passed on to the City Council.</p> <p>Work session held on outside funding requests</p> <p>Council work session – continuing budget overviews. Debt Service Equipment Capital projects</p> <p>Council reviewed preliminary budget and tax levy.</p>
September	<p>City Council adopted preliminary 2011 budget.</p> <p>City Council adopted preliminary 2011 tax levy.</p>
October & November	<p>Council work session – Enterprise Fund Budgets Water Sanitary Sewer Electric</p>
December	<p>City Council adopted 2011 tax levy.</p> <p>City Council adopted 2011 budget.</p>

December 2010  
CITY OF WASECA  
Flow Chart  
Full-Time Employees







## **FUND CODES**

### **GENERAL FUND**

101 General

### **SPECIAL REVENUE FUNDS**

205 Small Cities Grant Program  
220-226 Tax Increment Financing (TIF)  
230 Airport Special Revenue Fund  
240 Water Park Operations  
250 Waseca Housing Fund  
270 Police Separation  
275 Police Reserve  
277 Crime Victims  
278 Police Forfeitures  
280 Firefighter's Relief

### **COMPONENT UNIT – ECONOMIC DEVELOPMENT AUTHORITY (EDA)**

261 Economic Development Authority – General fund

### **DEBT SERVICE FUND**

305 Aquatic Park Debt Service  
320 Special Assessment Bonds  
345 NW Construction Site Debt Service  
360 Municipal State Aid -2005  
380 Tax Increment District #23 Debt Service

### **CAPITAL PROJECT FUNDS**

402 State Aid – Street Construction  
406 State Aid - Maintenance  
425 Water Park Construction  
430 Capital Improvement  
470 Annexation & Growth

### **ENTERPRISE FUNDS**

601 Water  
602 Sanitary Sewer  
604 Electric

### **INTERNAL SERVICE FUNDS**

701 Internal Service Garage  
702 Property and Liability Insurance  
703 Worker's Compensation Insurance  
705 Equipment Replacement

# **2011 Budget Message**







DATE: December 7, 2010  
TO: Mayor, City Council Members, and Readers  
THRU: Crystal Prentice, City Manager  
FROM: Nathan Reinhardt, Finance Director  
RE: 2011 Adopted Budget

**I. Executive Summary**

It is my pleasure to present the City of Waseca's annual budget for fiscal year 2011. The budget adopted by the City Council on December 7, 2010 will ensure that we continue to meet the needs of our residents while balancing the City's budget. The City Council and Staff are continuously searching for ways to improve City services while keeping costs affordable. This 2011 budget reflects continued difficult economic times experienced in the City of Waseca and across the United States.

The budget, in financial terms, sets forth the action plan of the City. The priorities for staff, infrastructure improvement, and service response are reflected in the allocation of resources made in the budget. The document provides a broad overview of historical budget trends and significant 2011 components.

Budget policy implemented in this budget relates to the following objectives:

1. Maintenance and improvement of continuing service levels
2. Planning and study of activities, procedures, and staffing to achieve greater efficiencies
3. Infrastructure maintenance and planning
4. Coordination of Council policy and implementation of community goals
5. Review of revenue sources that will lessen the burden on taxpayers including pursuit of grant and outside funding options
6. Maintenance and replacement planning of equipment

7. Maintenance of a stable and sufficient cash and fund balance position
8. Maintenance of a reasonable and manageable debt burden

The 2011 budget also focuses on the funding of operations for City functions, as well as management of the City's debt. The 2011 property tax levy represents a commitment on the part of City Council to provide public safety services and infrastructure needs of the community at an affordable level to citizens.

The Adopted Budget for the City of Waseca sets the 2011 property tax levy at \$3,436,866 which is a "zero" increase compared to 2010. The 2011 Economic Development Authority levy is set at \$81,600 which is a \$36,600 increase compared to 2010.

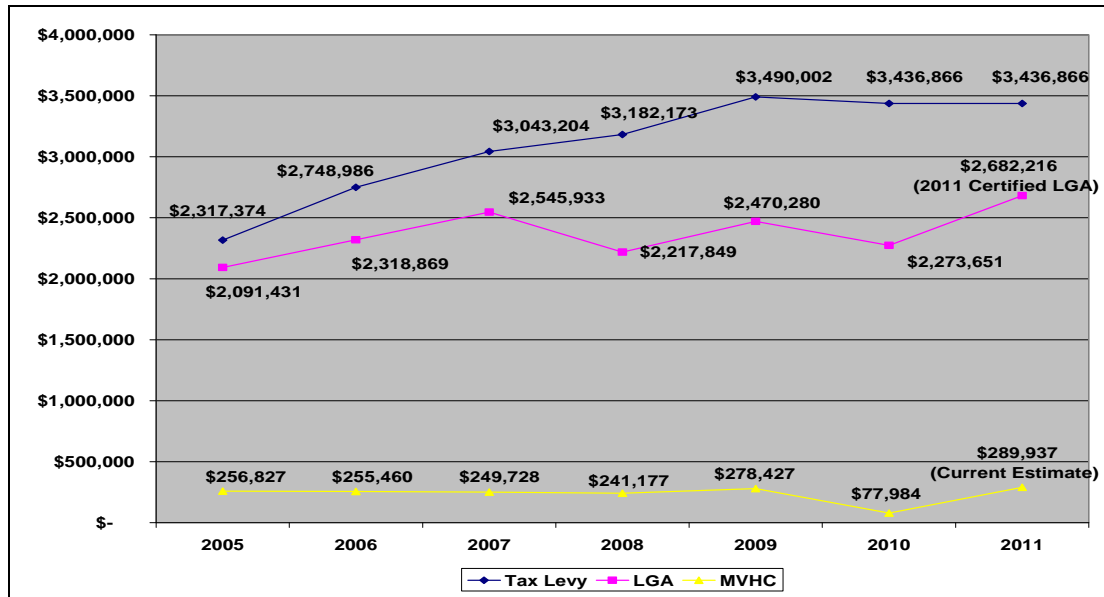
It is helpful to review past trends as we prepare our annual budget. Throughout this budget message I have included key historical trend information which was used for the foundation of the 2011 budget. The budget, as presented in this document, includes budget summaries for all funds: General, Special Revenue, Debt Service, Capital Projects, Internal Service, and Enterprise funds.

The hard work staff members provided in assisting with the preparation of this budget should be acknowledged. In particular, recognition and appreciation for the presentation of this document is extended to department managers and finance staff.

## II. Revenue Overview

### A. Property Taxation

**Chart #1: State Property Tax Aid**

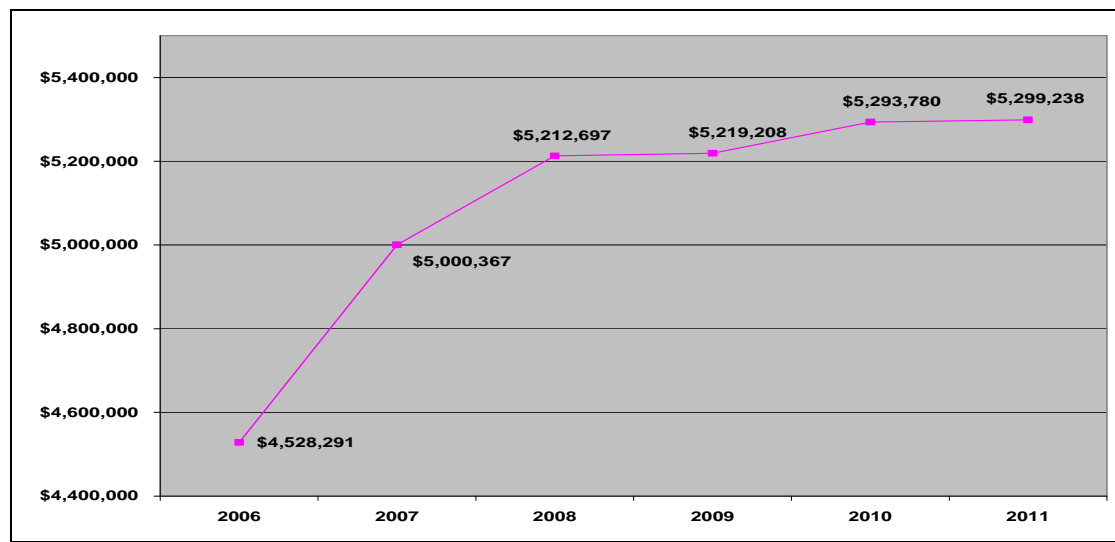


The City receives State Property Tax Aid in two different forms. The biggest of which is Local Government Aid (LGA) that is paid to the City to be used at the City's discretion. The Market Value Homestead Credit (MVHC) is considered a property tax credit to the homeowner. Qualified homeowners receive on their property tax statements the City property tax amount less the MVHC. The state then reimburses the City the gap between what is owed for the property tax and what the homeowner actually pays. If you look back at 2010 on the chart above you will see the City did not receive that full reimbursement.

In the latest State Economic Forecast on December 2, 2010 the State is projecting a \$6.2 Billion deficit for the upcoming 2012-2013 biennial budget. This is up from the projected deficit of \$5.8 billion at the end of the 2010 legislative session. City LGA and MVHC reimbursements for 2011 and 2012 are paid from the states 2012-2013 budget. Although the 2010 Legislature cut City LGA and MVHC appropriations for 2011 and 2012 prior to certification, it is possible and likely reductions in state spending will include additional cuts to cities.

The State Property Tax Aid budgeted to be received by the City in 2011 includes the certified 2011 LGA of \$2,682,216 and estimated MVHC of \$289,937; this represents 40.7% of the General fund revenues. If the City levied an additional amount equivalent to the State Property Tax aid budgeted in 2011, the property tax levy would have to increase 86.5%. Cities have not been told to estimate a reduction in LGA from the certified 2011 amount, however, if State aid is cut the City Council will have to make difficult choices to eliminate the General fund budget deficit.

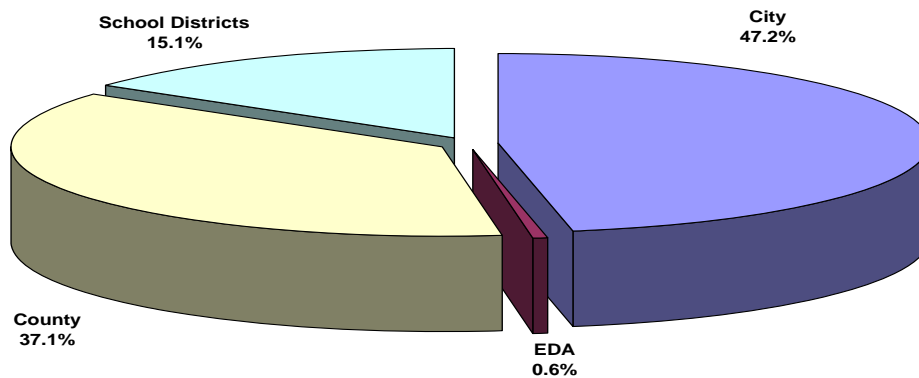
**Chart #2: Tax Capacity**



The City levies a flat dollar amount for taxes which is spread against all taxable properties in proportion to their percentage of the total tax capacity of the City. In 2011, the total tax capacity of the City is estimated by the County Assessor at \$5,299,238 in comparison to \$5,293,780 in 2010. The total tax capacity increased by \$5,548 (.1%). The 2011 total taxable market value is estimated at \$453,391,500 in comparison to \$452,453,400 in 2010. This represents an increase of \$938,100 (.21%). Although there was a slight increase in both tax capacity and market value over the past year, the increase is far from the level of increases leading up to 2008. The estimated average value home in the City is approximately \$120,000. That average value home paid approximately \$682 in City taxes for 2010. With an increase in tax capacity, no increase in the City tax levy, and the increase in the EDA levy, the property taxes on that average value home would increase approximately \$4 a year.



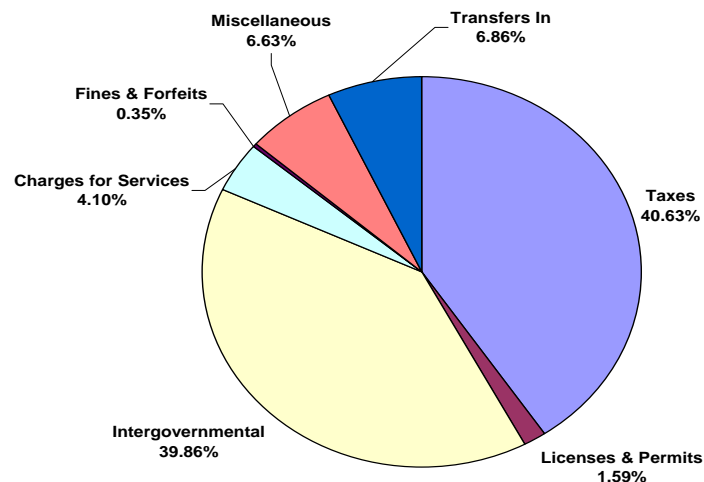
**Chart #3: Breakdown of Homeowner Property Taxes**



City taxes account for less than one-half (47.2%) of property taxes paid by homeowners living in Waseca (based on 2010 property tax levies), the remainder is comprised of taxes for the school district (15.1%), the county (37.1%) and the EDA (.6%).

## **B. 2011 Governmental Revenue Summary**

**Chart #4: 2011 Budgeted City Governmental Revenue Sources**

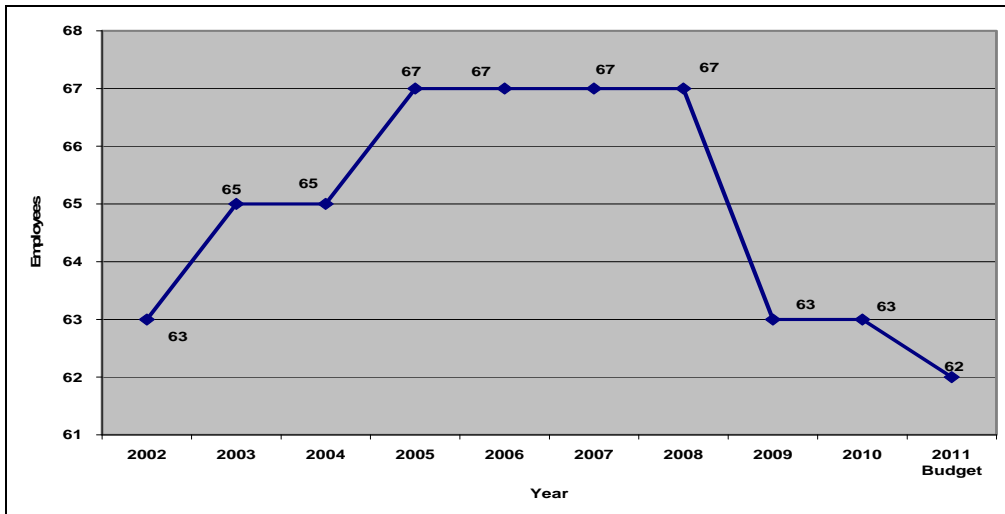


The 2011 Governmental budgeted revenues total \$9,232,368. Taxes and intergovernmental revenue combine for 80.5 percent of the governmental fund budget. See Attachment A: 2011 Budget Summary for a complete City revenue summary.

### III. Expenditure Overview

#### A: Personnel

**Chart #4: Full Time Employees**



The 2011 Budget has 62 Full-time Employees, which is a reduction of five FTE's from 2008 and one less from the staffing level of ten years ago. Future employment trends will be driven by State and Federal mandates, reductions in LGA, changes to defined core services, and coordination of projects with other private and public units. The detail of the work force per departmental assignment is illustrated in the organizational chart, which will be published within the final budget document.

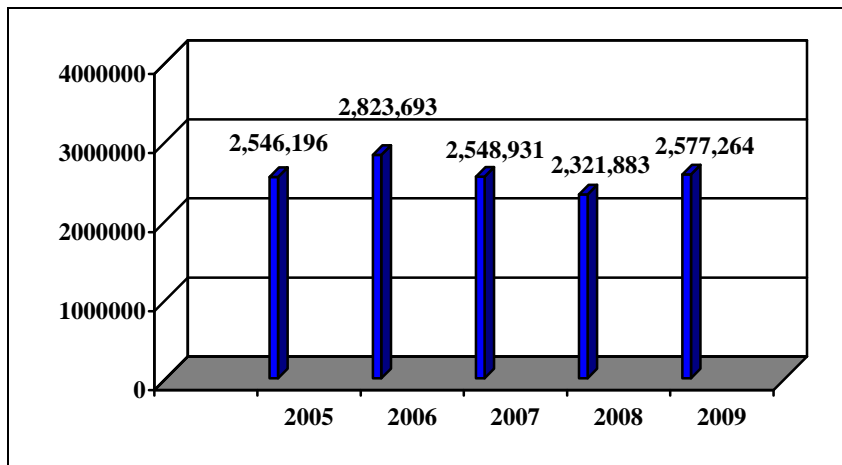
The 2010 budget for personnel wages included a 3 percent Cost of Living Adjustment (COLA) to be implemented on July 31, 2010. As part of budget reductions, the COLA was not implemented in 2010. For 2011, the budget assumes a 1.5 percent COLA beginning January 1, 2011. However, this adjustment may be delayed based on the economic condition of the State of Minnesota.

Health Insurance: In 2011 the City's health insurance will increase by 22.2%, compared to the prior year increase of 36.1%. The City of Waseca is part of the South Central Services Cooperative pool for cities, counties and other governmental agencies. Had the City not participated in the Cooperative, we would have received a 32.7% increase. The City adopted a strategy in 2009 to minimize the annual health insurance increase by

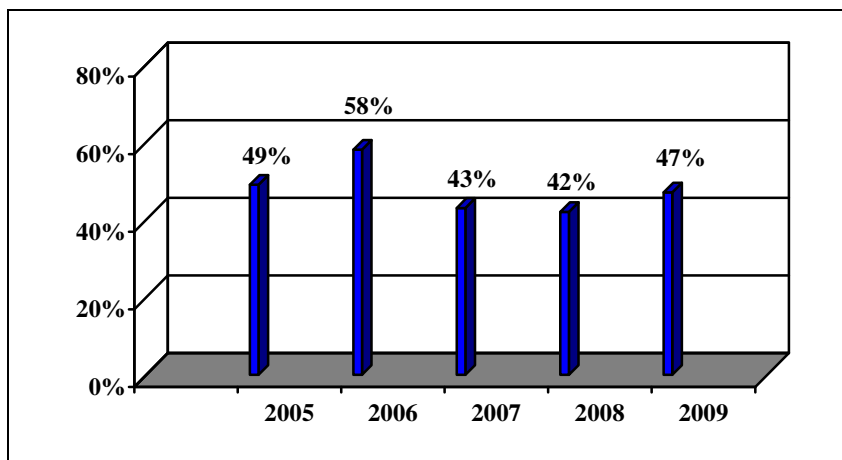
moving employees away from a legacy, high-cost health insurance plan to less expensive consumer-driven health insurance plans. Effective January 1, 2010, the City implemented an even higher deductible insurance option as a means of saving money. While progress is being made, health insurance impacted the City's 2011 budget by over \$85,000.

## B: General Fund Unreserved Fund Balance

**Chart #5: General Fund Unreserved Fund Balance**



**Chart #6: General Fund Unreserved Fund Balance to General Fund Expenditures**

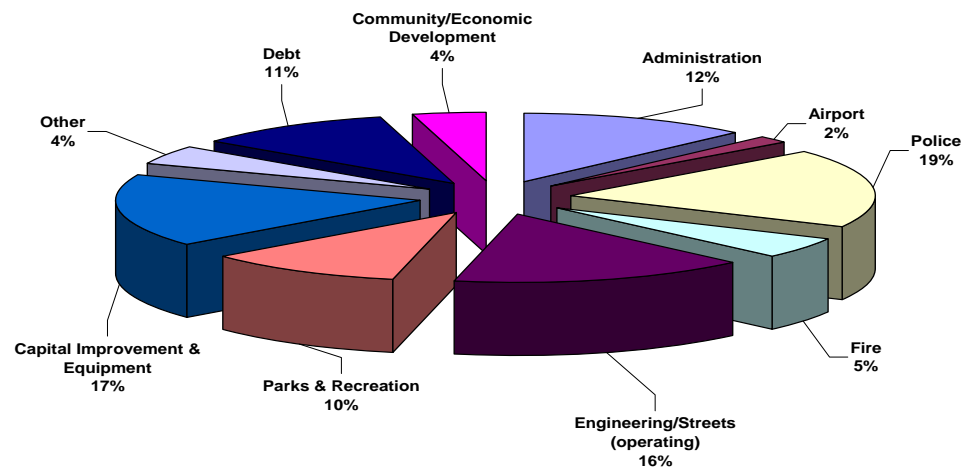


A common measure of a City's financial position is the level of their General Fund Unreserved Fund Balance in comparison to General Fund expenditures. The Office of the State Auditor recommends that at year-end, local governments maintain an Unreserved Fund Balance in their General Fund or approximately 35 to 50 percent of operating expenditures. As of the last fiscal year ended 12/31/2009 the City had a

General Fund Unreserved Fund Balance of \$2,577,264 or 47 percent of General Fund expenditures. The City did not budget to utilize any General Fund Unreserved Fund Balance to in the 2011 operating budget, however \$220,164 of General Fund balance was used to balance the 2010 budget.

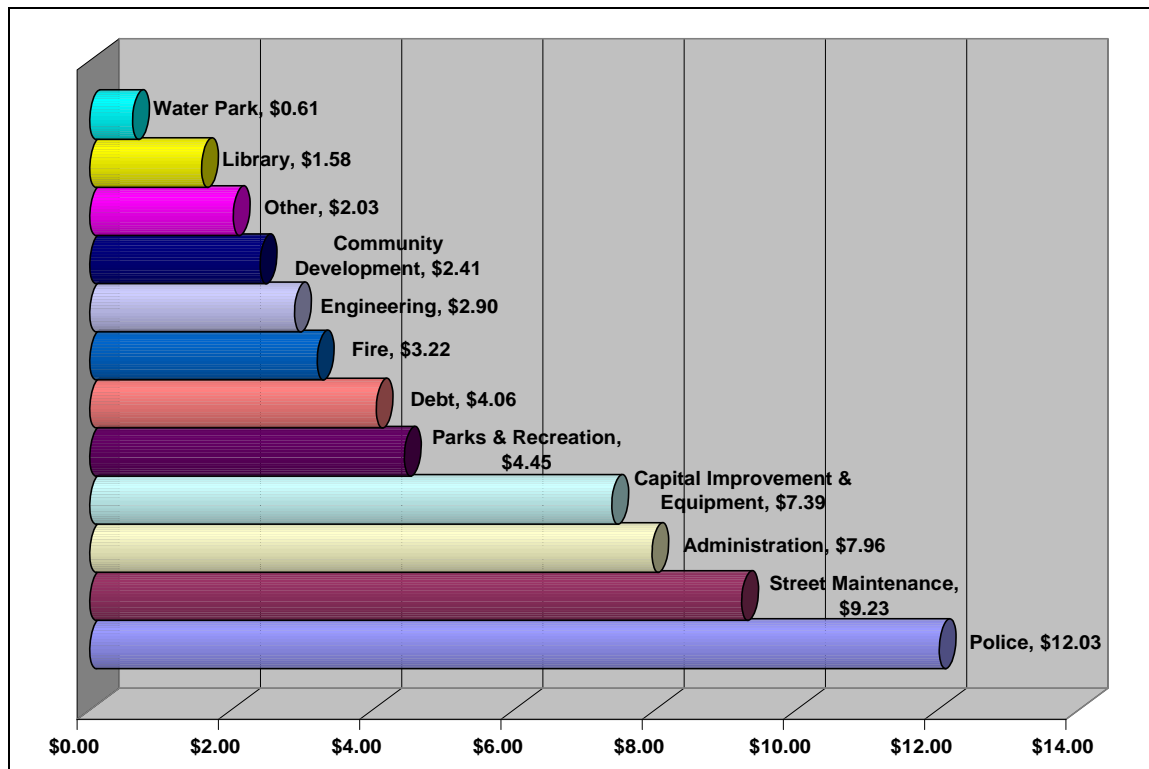
## C: 2011 Governmental Expenditure Summary

**Chart #7: Expenditure Breakdown**



Total 2011 City Governmental budgeted expenditures total \$9,498,978. The 2011 Budget shows 85 percent of the City of Waseca's expenditures are for Police (\$1,761,593), Capital Outlay (\$1,650,940), Street Maintenance (\$1,499,621), Administration (\$1,159,283), Debt (\$1,017,363) and Parks & Recreation (\$989,972). See Attachment A: 2011 Budget Summary for City expenditures by category.

**Chart #8: Approximate Monthly City Taxes for 2011**



As estimated in the property taxation section of this budget message, the estimated average value home in the City of Waseca according to the Waseca County assessor is approximately \$120,000. For 2011, The City and EDA portion of property tax on this average value home is approximately \$695 a year or \$58 per month. This chart excludes expenditures funded by non-levy sources, for example a portion of street capital outlay will be paid for by State Municipal Street Aid and Water Park expenditures are offset by user fees. In addition, it is important to note that about 55% of levy funded capital improvements, are street improvement projects. The average value home owner pays approximately \$12.03 a month for police, \$9.23 for street maintenance, \$7.96 for administration, and \$7.39 for capital improvements and equipment.

#### **D: 2011 Capital Equipment & Capital Improvements**

The Capital Improvement Plan (CIP) fund is funded through an annual General Fund transfer. The 2011 budget reflects a transfer from the General Fund in the amount of \$500,000 and utilization of \$254,502 of CIP fund balance. The City compiles a ten year rolling equipment replacement schedule, included as part of the Internal Services – Equipment Replacement fund. For 2011, the City has budgeted \$372,800 for equipment

compared to \$309,075 in 2010. In addition to the these levy dollars, the City of Waseca will receive and spend \$95,000 of Federal construction money for airport improvements and spend approximately \$265,000 of municipal state maintenance & construction aid for streets.

See Attachment B: Capital Equipment & Capital Improvements for a detailed list of capital equipment and capital improvements.

#### **IV. ENTERPRISE FUNDS**

The Enterprise funds consist of the City Utilities (water, sanitary sewer, and electric). The funds are expected to be self sufficient through the use of user charges. There are no rate increases budgeted for 2011, however rate studies are included in the 2011 budget for the Water and Electric fund to analyze the impact of state conservation mandates and SMMPA rate changes.

In 2009, the City Council authorized \$16 million of wastewater system improvements intended to minimize sewage backups in basements and minimize discharges to Clear Lake. The City was awarded \$6 million in stimulus funds to be used toward the project. In early 2010, \$3 million of the trunk sewer main improvements were completed on schedule, to convey additional inflow and infiltration to the wastewater treatment plant (WWTP) during spring and summer rain events. Additionally, sufficient improvements at the WWTP have been completed to pump the additional flow from town. As of fall 2010, approximately 70 percent of all WWTP improvements have been completed. The remaining improvements are scheduled to be completed by August 2011.

Revenue and expenditure summaries for the Enterprise funds are presented in Attachment A: 2011 Budget Summary; and a detailed list of equipment and improvements are present in Attachment B: Capital Equipment & Capital Improvements.

Respectfully submitted,

Nathan Reinhardt, CPA  
Finance Director

## Attachment A: 2011 Budget Summary

### Governmental Funds (Includes EDA)

#### Revenues:

Taxes	\$ 3,750,954
Licenses & Permits	146,600
Intergovernmental Revenues	3,679,990
Charges for Services	378,159
Fines & Forfeits	32,000
Miscellaneous Revenue	611,747
Transfers In	632,918

<b>Total Revenues - Governmental Funds</b>	<b><u>\$ 9,232,368</u></b>
--	----------------------------

#### Expenditures

Personnel	\$ 4,099,259
Supplies	750,946
Services & Charges	1,248,657
Charges	623,313
Debt Service	830,300
Capital Outlay	1,759,440
Transfers Out	187,063

<b>Total Expenditures - Governmental Funds</b>	<b><u>\$ 9,498,978</u></b> *
--	------------------------------

\* The 2011 Budget utilizes \$254,502 in Capital Improvement fund balance. Governmental funds include the EDA. Totals have been adjusted for internal activity between governmental funds.

### Enterprise Funds

#### Revenues:

Water Utility Revenue	\$ 1,087,400
Electric Utility Revenue	6,977,817
Sanitary Sewer Utility Revenue	1,906,589
Miscellaneous Revenue	130,112
Transfers In	187,063

<b>Total Revenues - Governmental Funds</b>	<b><u>\$ 10,288,981</u></b>
--	-----------------------------

#### Expenditures

Personnel	\$ 1,240,699
Supplies	566,826
Services & Charges	5,447,846
Charges	246,379
Capital Outlay	1,639,737
Debt Service	1,108,742
Transfers Out	632,918

<b>Total Expenditures - Governmental Funds</b>	<b><u>\$ 10,883,147</u></b>
--	-----------------------------

**Attachment B: Capital Equipment and Capital Improvements**

**Capital Equipment & Capital Improvements Listing  
By Department for 2011**

**Capital Equipment - Governmental Funds**

<b>Department</b>	<b>Description</b>	<b>2011 Budget</b>
<b>Police</b>		
	Police Vehicles	\$ 66,500
<b>Administration &amp; Finance</b>		
	Financial Software (Capital Lease)	41,000
	Art Center Carpet	4,000 *
<b>Engineering &amp; Streets</b>		
	Engineering Van	30,000
	Engineering GPS Equipment	35,000
	Street Sweeper	145,000
	Paint Striper	9,000
	Backhoe	15,000
	Trailer for Paver	20,000
<b>Parks</b>		
	Snow Blower	7,300
<b>Total Capital Equipment - Governmental Funds</b>		<b>\$ 372,800</b>

**Capital Equipment - Enterprise Funds**

<b>Department</b>	<b>Description</b>	<b>2011 Budget</b>
<b>Electric</b>		
	Switch Replacements (2)	\$ 35,000
	Voltage Recorder	8,500
<b>Total Capital Equipment - Enterprise Funds</b>		<b>\$ 43,500</b>

**Capital Improvements - Governmental Funds**

<b>Department</b>	<b>Description</b>	<b>2011 Budget</b>
<b>Engineering &amp; Streets</b>		
	Sidewalks	\$ 20,000
	City Portion CIP Streets	650,000
	Gaiter Lake Diversion	10,000
	City Hall Facility	52,140 *
	Lakes/Marsh/Improvements	26,000 *
<b>Total Capital Improvements - Governmental Funds</b>		<b>\$ 758,140</b>



### Capital Improvements - Enterprise Funds

Department	Description	2011 Budget
<b>Water</b>		
	Water Main Replacements	
	2nd St. SE/7th to 9th Ave.	\$ 42,000
	4th Ave. SE/Elm Ave. East & 12th St.	300,000
	1994 Water Tower Project	656,237
<b>Sanitary Sewer</b>		
	Sewer Lining 2nd Ave. SW & State St.	10,000
	Sewer Access Covers & Lining	45,000
	Lining Insert to 2,738 ft of WWTP Outfall Pipe	300,000
	CR 57 Liftstation Generator	60,000
<b>Electric</b>		
	Doe Avenue Underground Services	10,000
	Lakeview Avenue Underground Services	10,000
	14th Avenue NW Underground Conductor Replacement	31,000
	Fifth Ave./Sixth Ave. NE Underground Conductor Replacement	25,000
	Kiesler Campground Service Extension	25,000
	Worke Project Development - Care Suites	41,000
	South View & Noetzel's NE Additions Tree Trimming	30,000
	Downtown/Hospital Conductor Replacement Completion	5,000
<b>Total Capital Improvements - Governmental Funds</b>		<b><u>\$ 1,590,237</u></b>

\* Items approved in the 2010 budget and not completed/purchased.



# **Tax Levy Resolutions**





**RESOLUTION NO. 10-60**

**A RESOLUTION OF THE WASECA CITY COUNCIL APPROVING THE  
2010 TAX LEVY COLLECTIBLE IN 2011**

**WHEREAS**, the City of Waseca, State of Minnesota, requires Property Tax to provide needed and necessary services to the citizens of the City of Waseca; and

**WHEREAS**, the preliminary tax levy was adopted September 7, 2010 by the Waseca City Council; and

**WHEREAS**, the City Council has reviewed budget requests from various departments of the City and has made a determination of the Property Tax required to support city operations for the Calendar Year 2011; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Waseca, Waseca County, Minnesota, that the following sums of money be levied for the current year, collectible in 2011 upon the taxable property in said City of Waseca for the following purposes:

**Distributed Based on Tax Capacity**

General Fund	\$ 2,452,898
Library	<u>184,847</u>
General Levy Total	<u>\$ 2,637,745</u>

**2011 Levies Allowed  
Above Legislative Limits**

Tax Abatement Special Levy	\$ 149,502
PERA Special Levy	85,664
Levies to Recover 2010 Market Value Homestead Credit Cuts	211,953
Debt Service Levy	
Wastewater Public Facilities Authority (PFA) loan	187,063

**Distributed Based on Market Value (Passed Through Referendum)**

Water Park	<u>164,939</u>
Total Levies above General Levy	<u>\$ 799,121</u>

**Grand Total Levies** **\$ 3,436,866**

**Economic Development Authority Levy** **\$ 81,600**

**BE IT FURTHER RESOLVED** that the Records Secretary is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Waseca County, Minnesota, as required by law.

Adopted this 7th day of December, 2010.

\_\_\_\_\_  
R. D. SRP  
MAYOR

ATTEST:

\_\_\_\_\_  
MARY BUENZOW  
RECORDS SECRETARY

**RESOLUTION NO. 10-61**

**A RESOLUTION OF THE WASECA CITY COUNCIL  
ADOPTING THE 2011 ANNUAL CITY BUDGET**

**WHEREAS**, the City Council of the City of Waseca has reviewed the proposed annual governmental budgets, as submitted by the City Manager; and

**WHEREAS**, the City Council has reviewed said proposed Governmental budgets to provide for all necessary governmental services.

**NOW, THEREFORE, BE IT RESOLVED** the annual budget of the City of Waseca for the fiscal year beginning January 1, 2011, which has been submitted by the City Manager, is hereby adopted, the totals of said budget and the major divisions are presented and summarized in the Truth in Taxation Hearing Packet.

Adopted this 7th day of December, 2010.

---

R. D. SRP  
MAYOR

ATTEST:

---

MARY BUENZOW  
RECORDS SECRETARY

# General Fund







## THE GENERAL FUND

The General fund accounts for all revenues and expenditures of the City, which are not accounted for in other funds. This fund receives a greater variety of taxes and other general revenues than any other governmental fund. The General fund has flowing into it such revenues as general property taxes, licenses and permits, fines and penalties, rents, charges for current services, State shared taxes and interest earnings. The funds resources also finance a wider range of activities than any other fund. Most of the cost of general government operations, public safety, and public works for the City is financed from this fund.

## **BUDGET COMMENTARY: GENERAL FUND REVENUES**

### **PROFILE**

The General fund revenues account for a significant amount of the City's non-enterprise revenues as well as a majority of the City's non-enterprise operational costs. Some of these revenues continue to be a source of discussion during legislative sessions, and are subject to change or elimination.

In 2011, General fund revenues reflect the City's continuing reliance on State Aid, including Local Government Aid (LGA) to cities. The 2011 Certified LGA amount for the City of Waseca is \$2,682,216, which is a \$408,565 increase from the adjusted 2010 amount. The 2011 Budgeted General Fund Property tax revenue is a decrease of \$53,688 from 2010.

Other intergovernmental revenue includes PERA and regional grants. These amounts are reviewed annually, and adjusted for changes in Federal, State and local funding of programs.

Building permit revenues will continue to be variable, as permit revenue can be significantly impacted by new commercial and industrial construction, and must be utilized to off set the departmental costs of building inspection expenditures. Budgeted building permits will remain at their reduced levels as the City continues to feel the effects of the housing slump. Commercial development is also anticipated to continue to be slow due to the economic crisis.

Investment income is budgeted at the same levels as 2010. Interest rates continue to remain at historically low levels and are expected to remain low throughout 2011.

Other General fund revenues are anticipated to be generally in line with previous year's amounts. The City continues to pursue potential grant and outside funding sources as a method to reduce reliance on State aid and local tax revenues.

GENERAL FUND  
BUDGET SUMMARY REPORT  
Revenues and Expenditures

Description	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>					
31010 Property Taxes	2,460,956	2,425,377	2,669,372	2,637,733	-1.2%
31016 Unallotment Levy	-	-	198,349	211,953	6.9%
31011 PERA Special Levy	54,818	67,785	81,579	85,664	5.0%
31012 Tax abatement Levy	100,738	133,047	143,196	104,568	-27.0%
31013 Market Value credits	241,177	278,427	-	-	0.0%
31015 Wastewater PFA Levy	-	289,313	188,185	187,063	-0.6%
31030 Mobile Home Tax	5,864	6,530	5,000	5,000	0.0%
31410 Lodging Tax	26,420	20,354	26,000	24,000	-7.7%
31810 Minnegasco	99,882	98,698	100,000	100,000	0.0%
31820 Cable Television	94,386	95,570	103,500	103,500	0.0%
32110 Licenses - Liquor	27,404	21,893	28,000	28,000	0.0%
32180 Licenses - Other	2,574	2,440	2,600	2,600	0.0%
32190 Licenses - Rental Houses	12,029	10,526	12,000	12,000	0.0%
32210 Building Permits	89,503	89,056	90,000	90,000	0.0%
32240 Animal Licensing	1,606	1,481	1,800	1,800	0.0%
32260 Permits & Fees - Other	11,328	5,637	12,000	12,000	0.0%
32280 Build Pmt Surcharge	398	764	-	200	100.0%
33100 Federal Grants / Cops	-	-	2,000	-	0.0%
33140 Federal Grants fund	4,475	91,676	4,000	4,000	0.0%
33400 State Grant	-	-	4,000	-	0.0%
33401 Local Government Aid (LGA)	2,217,849	2,470,280	2,273,651	2,682,216	18.0%
33421 Insurance Premium tax - Police	93,145	94,516	89,000	94,000	5.6%
33425 State Grant Aid	3,000	2,433	2,000	2,000	0.0%
33430 PERA Aid - Police	9,455	9,455	9,455	9,455	0.0%
33500 Regional Grants	1,500	39,570	4,000	4,000	0.0%
33610 County Grant & Aid	1,912	44,846	2,000	2,000	0.0%
33630 County Misc Payment	7,518	836	5,000	5,000	0.0%
33640 School District Payment	58,245	57,793	60,000	60,000	0.0%
34200 Animal Impound fees	1,125	1,278	1,000	1,000	0.0%
34204 Rent Hous/Crim Hist	4,850	5,085	3,000	4,500	50.0%
34305 Extinguisher Account	600	1,774	200	200	0.0%
34785 Park User Fees	5,160	6,611	5,100	5,300	3.9%
34980 Other Service Charge	7,842	5,206	7,000	6,000	-14.3%
34985 Service Charge	3,000	900	1,500	1,500	0.0%
34990 Administrative Fines	22,899	17,956	7,500	7,500	0.0%
35101 Court Fines	32,078	27,362	30,000	30,000	0.0%
35102 Parking Fines	626	-	500	500	0.0%
35103 Court fines - Dare	2,749	1,350	1,500	1,500	0.0%
36210 Interest Earnings	48,312	24,384	48,000	48,000	0.0%
36214 Interest on loans	-	15,000	-	-	0.0%
36219 Rents - Property	2,100	2,100	-	-	0.0%
36221 Rents - Other	38,078	39,213	40,751	40,750	0.0%
36230 Contributions	3,419	4,900	5,000	5,000	0.0%
36235 Misc Rev - Fire Dist	41,102	44,393	32,595	34,551	6.0%
36240 Refunds/ Reimbursements	894	9,072	900	900	0.0%
36243 Police reimbursement	-	932	-	-	0.0%
36244 Misc Reimbursement	7,050	530	3,000	3,000	0.0%
36245 POST Reimbursement	6,409	6,343	5,000	5,000	0.0%
36250 Misc Revenue	11,691	10,906	2,500	5,000	100.0%
39101 Gain on Sale of Equipment	3,855	4,576	-	-	0.0%
39202 Transfer - Elec Fund	265,000	265,000	285,000	285,000	0.0%
39203 Transfer - WWTP	50,509	52,024	58,724	123,724	110.7%

GENERAL FUND  
BUDGET SUMMARY REPORT  
Revenues and Expenditures

Description	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
39208 Transfer - Water Fund	50,509	52,024	58,724	123,724	110.7%
39209 Transfer - Electric OH	88,099	90,742	230,470	100,470	-56.4%
39213 Transfer - EDA	20,000	-	-	-	0.0%
Total Revenues	\$ 6,344,138	\$ 7,047,964	\$ 6,944,651	\$ 7,301,871	5.1%
<b>Expenditures</b>					
41110 Legislative	121,555	190,527	159,825	143,366	-10.3%
41320 Administrative	298,205	300,413	338,012	327,727	-3.0%
41410 Elections	16,318	-	17,759	-	0.0%
41500 Finance	253,403	290,826	365,618	362,706	-0.8%
41600 Law	85,344	103,869	98,220	99,200	1.0%
41940 Buildings & grounds	106,734	101,909	111,400	118,316	6.2%
41950 Community Development	240,480	192,550	224,174	216,577	-3.4%
42100 Police	1,502,070	1,480,765	1,616,507	1,659,190	2.6%
42150 Community Service	32,281	32,568	40,211	40,211	0.0%
42200 Fire	345,007	477,356	369,398	382,511	3.5%
42300 Civil Defense	2,561	1,864	3,000	3,000	0.0%
42400 Buildings & Inspections	114,009	99,665	111,738	107,967	-3.4%
43000 Engineering	342,938	337,321	348,140	358,521	3.0%
43100 Street Maintenance	677,971	616,606	749,525	696,948	-7.0%
43125 Snow Removal	99,660	155,914	119,612	149,716	25.2%
43140 Surface Water Mgmt	60,837	34,318	99,768	98,377	-1.4%
43160 Street Lighting	81,193	90,352	81,000	90,000	11.1%
43170 Traffic Signs & Markings	25,827	22,659	38,782	47,647	22.9%
43220 Street Cleaning	49,926	61,784	45,840	58,413	27.4%
45100 Recreation	121,000	121,000	121,000	100,000	-17.4%
45200 Park Maintenance	398,771	404,943	456,346	463,428	1.6%
45500 Waseca Lesueur Library	186,762	193,058	182,976	195,847	7.0%
45600 Outside Funding	72,600	25,600	25,600	25,500	-0.4%
49210 Non Debt General Exp	35,306	37,866	46,100	57,125	23.9%
49220 Insurance	161,756	131,953	164,500	157,063	-4.5%
49244 Flex Benefit Plan	920	4,485	1,596	1,600	0.3%
49290 Unall Appropriation	5,000	-	1,500	-	0.0%
49293 Salary Adjustments	5,000	-	10,000	10,000	0.0%
49300 Transfers	1,147,751	1,322,412	1,216,668	1,330,915	9.4%
Total Expenditures	\$ 6,591,185	\$ 6,832,583	\$ 7,164,815	\$ 7,301,871	1.9%
Total inc./(dec.) in fund balance	\$ (247,047)	\$ 215,381	\$ (220,164)	\$ 0	

## **BUDGET COMMENTARY: LEGISLATIVE**

### **PROFILE**

The City Council, comprised of the Mayor and six Council representatives, is the legislative body of the City government and is responsible for the formulation of City policy, enactment of legislation, adoption of the annual budget, control of revenues and appropriation of funds, levying taxes, and appointment of members to advisory boards/committees. The members of the City Council also constitute the Board of Equalization, which acts on valuation petitions.

The Mayor is elected at large and two (2) Council members are elected from each of the three (3) Wards, one (1) in each alternate election. Elections for the seven (7) member Council are held only in even years. Council members are elected for a four (4) year term and the Mayor is elected for a two (2) year term.

### **ACTIVITIES SCOPE**

- 24 City Council meetings
- Monthly work sessions
- Citizen contact
- Intergovernmental representation
- Budget approval
- Enact ordinances and resolutions
- Tax levy determination
- Board of Review
- Representation on Boards & Commissions

### **CURRENT PROJECTS**

- Budget development
- Coordination of projects between governmental units
- Continuing development of new residential subdivisions
- Emphasis on commercial growth opportunities
- Wastewater Improvement project
- Highway 14 Bypass project

### **DEPARTMENTAL GOALS**

- To be responsive to citizen needs and concerns through enhanced community programs.
- To provide municipal services through adoption of the City budget.
- To ensure adequate facilities and services continue to be available to citizens in the area.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 3200, COMMUNICATIONS, includes costs for website maintenance.
- Code 4330, DUES/SUBSCRIPTIONS, Minnesota Mayors Association, Coalition of

## **BUDGET COMMENTARY: LEGISLATIVE**

Greater Minnesota Cities, Minnesota Valley Council of Governments, League of Minnesota Cities, Southern Minnesota Highway Improvement Association, League of Minnesota Human Rights.

- Code 4450, COMMUNITY PROJECTS, allocates available funds for unanticipated community project needs. These funds are available to be expended by the Council as project requests are received.
- Code 4455 COMMUNITY ENHANCEMENTS, allocates funds for grants to outside agencies that provide a service to the community.

HISTORICAL SOCIETY, accounts for the City's annual contribution to the Waseca County Historical Society

CHAMBER OF COMMERCE, accounts for funding for fireworks.

ART CENTER, allocates for proposed contribution to non-profit Art Center

SENIOR CENTER, has requested funding to meet anticipated costs. This unit has an unstable outside funding source, requiring community assistance.

NEIGHBORHOOD SERVICE CENTER, allocates for proposed contribution to non-profit Neighborhood Service Center.

### **PERSONNEL LEVELS**

- City Council: Mayor elected at large and six (6) Council members elected for three (3) Wards.

LEGISLATIVE  
41110  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 51,000	\$ 50,640	\$ 51,000	\$ 51,765	1.5%
1200	FICA	437	437	437	443	1.4%
1210	PERA	2,198	2,180	2,198	2,231	1.5%
1220	Medicare	739	734	740	751	1.4%
	<b>Total Personnel</b>	<u>54,374</u>	<u>53,991</u>	<u>54,375</u>	<u>55,190</u>	<u>1.5%</u>
	<b>Supplies</b>					
2000	Office Supplies	269	579	400	400	0.0%
2050	Computer Supplies	-	-	500	500	0.0%
2170	General Supplies	700	1,071	700	1,300	85.7%
	<b>Total Supplies</b>	<u>969</u>	<u>1,650</u>	<u>1,600</u>	<u>2,200</u>	<u>37.5%</u>
	<b>Services &amp; Charges</b>					
3100	Contractual Services	2,117	-	500	500	0.0%
3200	Communications	343	125	500	500	0.0%
3300	Conf and Schools	408	1,117	2,100	2,100	0.0%
3350	Car Allowance / Mileage	168	-	250	250	0.0%
3400	Publishing / Advertising	-	490	500	500	0.0%
3500	Printing/Publishing	4,058	1,842	500	500	0.0%
	<b>Total Services and Charges</b>	<u>7,094</u>	<u>3,574</u>	<u>4,350</u>	<u>4,350</u>	<u>0.0%</u>
	<b>Charges</b>					
4330	Dues/Subscriptions	22,474	22,981	24,000	24,100	0.4%
4440	Lodging Tax to TVB	25,099	19,337	25,000	24,000	-4.0%
4450	Community projects	11,068	43,961	1,200	7,200	500.0%
4455	Community Enhancements	-	44,750	48,000	25,000	-47.9%
4460	Human Rights Comm	477	283	500	500	0.0%
4950	Comp Financing Acct	-	-	800	826	3.3%
	<b>Total Charges</b>	<u>59,118</u>	<u>131,312</u>	<u>99,500</u>	<u>81,626</u>	<u>-18.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 121,555</u></u>	<u><u>\$ 190,527</u></u>	<u><u>\$ 159,825</u></u>	<u><u>\$ 143,366</u></u>	<u><u>-10.3%</u></u>

## **BUDGET COMMENTARY: ADMINISTRATION**

### **PROFILE**

The City Manager's office provides general administrative services to manage City operations and implement Council policies and directives. The Manager coordinates the work of all City departments and employees.

Activities include liaison among the City Council, advisory boards/committees and the City staff, preparing the Council agenda materials and recommendations for Council meetings, preparing regular and special management reports, processing citizen inquiries and service requests, oversight of City website, working with other government agencies, legislative activity, directing City departments and handling personnel issues (e.g. labor negotiations), and representing the City at meetings and conferences.

### **ACTIVITIES SCOPE**

- Four (4) Labor Contracts
- Tourism & Visitor Bureau activities
- Annual budget planning
- Review real estate acquisition projects
- City Council meetings and study sessions
- Development of facilities management
- City Council agendas
- Staff meetings
- Emergency Management oversight
- Charter Commission activities
- City newsletters
- Personnel management
- Monitor state legislative actions
- Oversight of economic/business development activities

### **CURRENT PROJECTS**

- Develop more accountable and productive use and assignment of staff through an on-going review and restructuring of departmental personnel, equipment and staff organization review.
- Develop broader, more effective method of intergovernmental coordination and communications.
- Adjustment of goals to meet Council and community needs.

### **DEPARTMENTAL GOALS**

- To provide support services to the City Council in policy making.
- Provide direction and coordination to departments in accord with City Council policies and community goals.
- To ensure positive public communications and delivery of public service.
- Implement system of personnel review and effective task delivery.
- Continue and expand community projects and improvements through cooperation with intergovernmental agencies.



## **BUDGET COMMENTARY: ADMINISTRATION**

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 2000, SUPPLIES, Administration budget purchases office supplies such as binders, letterhead, envelopes, etc. also provides supplies for Charter Commission.
- Code 3200, COMMUNICATIONS, includes costs for postage, cell phones, telephones.
- Code 3300, CONFERENCES/SCHOOLS, includes costs for attending Minnesota Manager's Conference, League of Minnesota Cities Conference, ICMA Conference.
- Code 4330, DUES/SUBSCRIPTIONS, Minnesota Manager's Association, ICMA and Rotary membership.
- Code 4950, COMPUTER FINANCING ACCOUNT, includes costs for monthly fees related to internet and network.

### **PERSONNEL LEVELS**

- 1 City Manager
- Administrative Assistant
- Administrative Clerical
- 1 Records Clerk

ADMINISTRATION  
41320  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 207,206	\$ 211,910	\$ 234,068	\$ 209,851	-10.3%
1020	Overtime	2,874	2,216	4,000	3,600	-10.0%
1070	Car/Mileage Allowance	3,400	3,600	3,600	3,600	0.0%
1090	Cell Phone Reimbursement	-	396	540	540	0.0%
1100	Longevity	1,439	1,596	1,260	1,872	48.6%
1200	FICA	13,047	12,745	12,114	13,607	12.3%
1210	PERA	13,315	14,508	13,388	15,611	16.6%
1220	Medicare	3,052	2,981	3,497	3,182	-9.0%
1250	Insurance Rebate	2,957	1,920	1,200	1,740	45.0%
1300	Insurance	23,548	31,685	36,890	41,796	13.3%
1310	VEBA Trust funding	5,479	6,550	4,425	10,625	140.1%
1330	Life Insurance	529	621	483	549	13.6%
1340	Disability Insurance	974	1,035	1,097	901	-17.9%
	<b>Total Personnel</b>	<u>277,820</u>	<u>291,763</u>	<u>316,562</u>	<u>307,474</u>	<u>-2.9%</u>
	<b>Supplies</b>					
2000	Office Supplies	1,440	683	1,750	1,750	0.0%
2050	Computer Supplies	1,304	994	500	500	0.0%
2170	General Supplies	1,035	-	1,000	1,000	0.0%
	<b>Total Supplies</b>	<u>3,779</u>	<u>1,677</u>	<u>3,250</u>	<u>3,250</u>	<u>0.0%</u>
	<b>Services &amp; Charges</b>					
3100	Contractual Services	7,551	288	3,500	3,500	0.0%
3200	Communications	1,623	344	1,500	1,500	0.0%
3300	Conf and Schools	2,548	1,525	4,000	3,000	-25.0%
3350	Car Allowance / Mileage	726	453	300	300	0.0%
3400	Publishing / Advertising	-	1,113	-	-	0.0%
3500	Printing/Publishing	274	268	4,500	4,500	0.0%
	<b>Total Services and Charges</b>	<u>12,722</u>	<u>3,991</u>	<u>13,800</u>	<u>12,800</u>	<u>-7.2%</u>
	<b>Charges</b>					
4040	Repair/Maint-Equipment	30	-	-	-	0.0%
4330	Dues/Subscriptions	1,430	567	2,000	2,000	0.0%
4950	Comp Financing Acct	2,424	2,415	2,400	2,203	-8.2%
	<b>Total Charges</b>	<u>3,884</u>	<u>2,982</u>	<u>4,400</u>	<u>4,203</u>	<u>-4.5%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 298,205</u></u>	<u><u>\$ 300,413</u></u>	<u><u>\$ 338,012</u></u>	<u><u>\$ 327,727</u></u>	<u><u>-3.0%</u></u>

## **BUDGET COMMENTARY: ELECTIONS**

### **PROFILE**

In accordance with State law and City Charter provisions, the City is responsible for the oversight of all elections (except for school elections). The County Auditor's office is responsible for the maintenance and updating of a permanent list of registered voters. The City of Waseca has approximately 5,000 registered voters. City election activities are directed by Administration and City employees are used during elections to assist in preparing polling places, delivering equipment and materials, and processing ballots.

### **ACTIVITIES SCOPE**

- General City elections held November in even numbered years
- Federal and State elections held in even numbered years
- Special Elections as required
- Administer all election and voter registration procedures
- Recruitment and training of all election judges and chairpersons
- Legal publications and notifications
- Arrangement of polling places and the delivery and set-up of voting machines and supplies

### **DEPARTMENTAL GOALS**

- To plan, and oversee all elections in conformance with applicable statutes.
- To work closely with the County Auditor's office to insure accurate results.
- To successfully conduct elections so all voters are able to exercise their right to vote.

### **CURRENT AND PROPOSED EXPENDITURES**

- 2011 is not an election year and there are no budgeted expenses

### **PERSONNEL LEVELS**

- Records Clerk
- 6 Chairpersons, part-time
- Approximately 40 Election Judges, part-time

ELECTIONS  
41410  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1030	Part-time Employees	8,868	-	9,600	-	100.0%
	<b>Total Personnel</b>	8,868	-	9,600	-	100.0%
<b>Supplies</b>						
2000	Office Supplies	1,049	-	1,480	-	100.0%
	<b>Total Supplies</b>	1,049	-	1,480	-	100.0%
<b>Services &amp; Charges</b>						
3100	Contractual Services	6,000	-	6,000	-	100.0%
3300	Conf and Schools	-	-	-	-	100.0%
3350	Car Allowance / Mileage	37	-	50	-	100.0%
3400	Publishing / Advertising	364	-	400	-	100.0%
3500	Printing/Publishing	-	-	-	-	100.0%
	<b>Total Services and Charges</b>	6,401	-	6,450	-	100.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 16,318</u>	<u>\$ -</u>	<u>\$ 17,530</u>	<u>\$ -</u>	<u>100.0%</u>

## **BUDGET COMMENTARY: FINANCE**

### **PROFILE**

Activities of this department include accounting, treasury and financial management. The Finance Department is responsible for all accounting, internal auditing and financial control for all City government activities. All receipts, investments, contracts, payroll, purchases, payments, billings, special assessments, cash flow management, budget preparation, fixed asset oversight, software upgrades, and the coordination of insurance are processed by this department.

### **ACTIVITIES SCOPE**

- Annual budget preparation and submittal of mandated reports
- Annual audit compliance and financial report preparation
- Annual personnel cost oversight
- Internal and external financial report preparation
- Expenditure disbursements
- Mainframe computer system management
- Investments and cash analysis
- Insurance programs
- Budget preparation and submittal
- Cash receipting and records maintenance
- Debt issuance, management, and structure
- Grant management and reporting
- EDA financial oversight and reporting

### **CURRENT PROJECTS**

- Maintain standards of accounting and financial reporting excellence
- Develop policies and guidelines for consistent procedures within department and Citywide
- Work with Government Accounting Standards Board required reporting model standards.
- Assist with Capital Improvement Plan (CIP) development and funding options.
- Develop Tax Increment Financing (TIF) and tax abatement reporting and records.
- Develop equipment financing structures and other debt related programs, manage existing debt programs.
- EDA coordination with City operations.
- Maintain procedures for management of property/liability/workers compensation insurance issues

## **BUDGET COMMENTARY: FINANCE**

### **DEPARTMENTAL GOALS**

- To plan, develop and implement sound financial and accounting policies, practices and controls, which are in the best interests of the City.
- To interpret and communicate in a timely manner the results of the City's financial operations.
- To administer, coordinate, and control all financial and accounting activities for the City to assure accuracy, completeness, and timeliness of resulting financial reports, etc.
- Increase efficiency of City financial and accounting management through the continued development of Civic Systems software

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 3000, PROFESSIONAL SERVICES, allocates for services required for the City audit and Certificate of Achievement in Financial Reporting, as well as financial and legal services related to debt, TIF, abatement and EDA functions and grant management.
- Code 3100, CONTRACTUAL SERVICES, allocates for computer software, upgrades, internet access and maintenance services.
- Code 3300, CONFERENCES AND SCHOOLS, provides for training needed for Government Finance Officers Association (GFOA) and Governmental Accounting Standards Board (GASB) compliance, TIF and abatement updates and Legislative updates, and any courses needed to maintain Finance Director's certifications.
- Code 3500, PRINTING/PUBLISHING, includes publishing of mandated financial reporting summaries, and budget summaries.
- Code 4330, SUBSCRIPTIONS/MEMBERSHIPS, allocates for subscriptions and/or memberships to the Minnesota Government Finance Officers Association, the Government Finance Officers Association, and the Minnesota Society of CPA's.

### **PERSONNEL LEVELS**

- 1 Finance Director
- 1 Accountant
- 2 Finance Assistants

FINANCE  
41500  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 159,874	\$ 176,914	\$ 221,586	\$ 218,447	-1.4%
1020	Overtime	7,285	5,243	7,611	5,000	-34.3%
1030	Part-time Employees	-	6,397	-	-	0.0%
1090	Cell Phone Reimbursement	-	324	540	540	100.0%
1100	Longevity	1,210	1,511	1,800	1,080	-40.0%
1110	Severance Pay	-	-	13,716	-	100.0%
1200	FICA	10,101	10,805	14,355	13,954	-2.8%
1210	PERA	11,392	12,723	16,170	16,278	0.7%
1220	Medicare	2,362	2,527	3,357	3,263	-2.8%
1250	Insurance Rebate	1,497	1,500	1,200	1,200	0.0%
1300	Insurance	25,685	38,456	46,101	52,532	14.0%
1310	VEBA Trust Funding	5,400	7,525	6,375	15,275	139.6%
1330	Life Insurance	500	483	621	621	0.0%
1340	Disability Insurance	749	987	1,049	983	-6.3%
	<b>Total Personnel</b>	<u>226,055</u>	<u>265,395</u>	<u>334,482</u>	<u>329,173</u>	<u>-1.6%</u>
	<b>Supplies</b>					
2000	Office Supplies	5,230	4,398	3,000	3,000	0.0%
2050	Computer Supplies	62	1,648	500	2,200	340.0%
	<b>Total Supplies</b>	<u>5,292</u>	<u>6,046</u>	<u>3,500</u>	<u>5,200</u>	<u>48.6%</u>
	<b>Services &amp; Charges</b>					
3000	Professional Services	11,138	9,745	20,000	18,400	-8.0%
3100	Contractual Services	129	65	500	400	-20.0%
3200	Communications	2,188	2,165	1,000	1,100	10.0%
3300	Conf and Schools	4,320	3,191	3,200	3,200	0.0%
3350	Car Allowance / Mileage	461	198	480	480	0.0%
3400	Publishing / Advertising	664	216	750	750	0.0%
3500	Printing/Publishing	719	1,307	1,000	1,000	0.0%
	<b>Total Services and Charges</b>	<u>19,619</u>	<u>16,887</u>	<u>26,930</u>	<u>25,330</u>	<u>-5.9%</u>
	<b>Charges</b>					
4040	Repair/Maintenance-Equipment	75	-	-	-	0.0%
4330	Dues/Subscriptions	730	727	800	800	0.0%
4950	Comp Financing Acct	1,632	1,771	2,300	2,203	-4.2%
	<b>Total Charges</b>	<u>2,437</u>	<u>2,498</u>	<u>3,100</u>	<u>3,003</u>	<u>-3.1%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 253,403</u></u>	<u><u>\$ 290,826</u></u>	<u><u>\$ 368,012</u></u>	<u><u>\$ 362,706</u></u>	<u><u>-1.4%</u></u>

## **BUDGET COMMENTARY: LAW**

### **PROFILE**

The City retains a private law firm to handle civil matters. This contractual system allows the cost of legal services to be matched with the types of service provided, without ongoing financial obligations for fringe benefits, membership costs and overhead. The Criminal prosecution has coordinated with the Waseca County Attorney through a recently developed legal services agreement.

### **ACTIVITIES SCOPE**

- Lawsuits and claims
- Civil and criminal suits
- Court appearances
- Coordination and research
- Representation at meetings and community forums.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 3000, PROFESSIONAL SERVICES, provides for legal services for the City.
- Code 3100, CONTRACTUAL SERVICES, provides for fees relating to Codification

### **PERSONNEL LEVELS**

- Private law firm - contractual service
- County Attorney's office-per mutual agreement



LAW  
41600  
Revenues and Expenditures

		<u>2008 ACTUAL</u>	<u>2009 ACTUAL</u>	<u>2010 BUDGET</u>	<u>2011 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>Expenditures</b>						
	<b>Supplies</b>					
2000	Office Supplies	50	-	100	100	0.0%
2170	General Supplies	-	-	100	100	0.0%
	<b>Total Supplies</b>	<u>50</u>	<u>-</u>	<u>200</u>	<u>200</u>	<u>0.0%</u>
	<b>Services &amp; Charges</b>					
3000	Professional Services	83,593	102,429	95,020	96,000	1.0%
3100	Contractual Services	1,701	1,440	3,000	3,000	0.0%
	<b>Total Services and Charges</b>	<u>85,294</u>	<u>103,869</u>	<u>98,020</u>	<u>99,000</u>	<u>1.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 85,344</u></u>	<u><u>\$ 103,869</u></u>	<u><u>\$ 98,220</u></u>	<u><u>\$ 99,200</u></u>	<u><u>1.0%</u></u>

## **BUDGET COMMENTARY: BUILDINGS AND GROUNDS**

### **PROFILE**

Buildings and Grounds serve as a centralized account for City Hall's maintenance and operation expenditures. Responsibility for these functions is directed through Administration.

As a centralized department for facility operations, most of the expenditures relate to ongoing ordinary building expenditures, maintenance of safe conditions and compliance with applicable building, fire, and safety codes.

### **ACTIVITIES SCOPE**

- Building utilities
- Communications
- Computer upgrades
- Building and facilities maintenance
- Photocopier and equipment maintenance

### **CURRENT PROJECTS**

- Repair, maintain, and upgrade City Hall as is required
- Review and upgrade equipment including enhancement of the computer upgrade schedule
- Develop comprehensive citywide facility status and maintenance plan
- Oversee contracts for maintenance services and equipment operations
- Purchasing coordination with cooperative purchase ventures

### **DEPARTMENTAL GOALS**

- Continue to provide proper public facility maintenance services to ensure that a neat and orderly environment may be provided for the transaction of public business.
- To provide physical maintenance of public facilities to include proper repairs and preventive maintenance scheduling so as to maximize the expected life value of public investments.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 2000, OFFICE SUPPLIES, is used for the purchase of photocopier and other supplies.
- Code 2170, GENERAL SUPPLIES, provides for maintenance supplies, flags, floor mats, and recycling supplies.
- Code 2240, CITY SHOP CHARGES, costs related to vehicle maintenance.
- Code 3100, CONTRACTUAL SERVICES, janitorial, building service charges, safety alarms and telecommunications related to the operation of City Hall.
- Code 3800, UTILITIES, electric, gas, utility and sanitary garbage service costs.
- Code 4000, BUILDING/STRUCTURE/MAINTENANCE, allocated for air conditioning, heating, roof and general building repairs.

BUILDINGS & GROUNDS  
41940  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Supplies</b>					
2000	Office Supplies	\$ 2,967	\$ 2,096	\$ 4,000	\$ 4,000	0.0%
2050	Computer Supplies	1,610	214	500	500	0.0%
2120	Motor fuels	-	991	-	-	0.0%
2170	General Supplies	6,958	9,096	9,500	9,500	0.0%
2210	Equipment parts	-	292	-	-	0.0%
2220	Vehicle Maintenance	47	41	-	-	0.0%
2230	Bldg Rep/Maint Supplies	4,037	3,313	5,000	5,000	0.0%
2240	City Shop Charges	4,130	2,702	3,000	3,565	18.8%
	<b>Total Supplies</b>	<u>19,749</u>	<u>18,745</u>	<u>22,000</u>	<u>22,565</u>	<u>2.6%</u>
	<b>Services &amp; Charges</b>					
3000	Professional Services	-	-	1,000	1,000	0.0%
3100	Contractual Services	30,117	34,795	32,000	32,000	0.0%
3200	Communications	5,985	5,129	6,000	6,000	0.0%
3800	Utilities	35,763	33,000	43,000	43,000	0.0%
	<b>Total Services and Charges</b>	<u>71,865</u>	<u>72,924</u>	<u>82,000</u>	<u>82,000</u>	<u>0.0%</u>
	<b>Charges</b>					
4000	Repair/Maintenance	14,561	9,707	7,200	13,200	83.3%
4950	Comp Financing Acct	559	533	200	551	175.4%
	<b>Total Charges</b>	<u>15,120</u>	<u>10,240</u>	<u>7,400</u>	<u>13,751</u>	<u>85.8%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 106,734</u></u>	<u><u>\$ 101,909</u></u>	<u><u>\$ 111,400</u></u>	<u><u>\$ 118,316</u></u>	<u><u>6.2%</u></u>

## **BUDGET COMMENTARY: COMMUNITY DEVELOPMENT**

### **PROFILE**

The Community Development Director oversees the operations of the Community Development Department and provides staff services to the Planning Commission, the Heritage Preservation Commission and the Economic Development Authority (EDA). The planning activities include study of particular planning and zoning issues; public hearings on requests and proposals for variances, conditional uses, re-zonings, Comprehensive Plan updates and amendments, zoning and subdivision ordinance amendments; and, in-house workshops on various planning issues. This position also reviews and issues sign permits, and advises the general public on specific planning or zoning questions. The Economic Development Authority (EDA) was created in 1998. One of the primary functions of the EDA is to administer the community's tax increment financing districts. Since the EDA was created, seven new tax increment districts have been created. There are currently six active TIF districts. These districts have been utilized to assist with the development of affordable housing and to redevelop blighted areas of the community. The EDA has also developed the South Industrial Park and has, and will continue to provide advice to the City Council on tax abatements.

### **ACTIVITIES SCOPE**

- Planning Commission meetings, including public notification and staff reports on proposals.
- Planning and zoning studies; maintenance of current demographic and economic data.
- Zoning, site plan, and subdivision review.
- Special projects involving land use, comprehensive community planning, annexation, redevelopment, and housing.
- Grant applications for eligible projects.
- EDA project initiation, communication and development (including tax increment financing and abatements)
- Study planning and zoning issues impacting the county and adjacent townships.
- Major project development negotiations and oversight

### **CURRENT PROJECTS**

- Parcel disposition (Market Place, South Industrial Park and Powell)
- Study potential zoning and land use issues resulting from Hwy 14-bypass, and areas adjacent to the City in conjunction with the EDA and Planning Commission Land Use Comprehensive Plan update.
- Current zoning and subdivision proposals.
- Annexation and growth issues.
- Work with EDA and Council to promote, retain and attract economically sound industry and commerce that benefits the community.
- Marketing of Industrial Park development, commercial and industrial sites.
- TIF and abatement program development in conjunction with project and growth plans.
- "JOBZ" implementation for commercial/industrial growth.

## **BUDGET COMMENTARY: COMMUNITY DEVELOPMENT**

### **DEPARTMENTAL GOALS**

- Work with developers, City Council, City Manager, and City staff on development proposals and new plats to the mutual benefit of the community and the developers. Work with City officials and staff, County staff and commission, and the Woodville Township Board and St. Mary Township board on annexation, planning and zoning issues.
- Update the City comprehensive Plan with the Planning Commission.
- Study/recommend appropriate zoning map and Zoning Ordinance changes that reflect the updated Comprehensive Plan.
- Work on residential expansion needs as developers and community growth direct.

### **CURRENT AND PROPOSED EXPENDITURES**

- Codes 1010-1300, PERSONNEL, provides for one Community Development Director and allocation of time for an Administrative Assistant.
- Code 3000, PROFESSIONAL SERVICES, covers map updating, property appraisals, filings and recordings, and engineering or related professional services in the areas of community planning and zoning, review of fees and charges, TIF and abatement structures, JOBZ preparation.
- Code 3400, ADVERTISING/PUBLISHING, publication of legal notices, as required by State law, and community development information. Fees for zoning requests cover the cost of legal publication, individual property owner notification, copying of case documents, and mailings to the Planning Commission.
- Code 4310, TAX ABATEMENT PAYMENT, provides for the abatement payments paid abatement participants.
- Code 4330, SUBSCRIPTIONS/MEMBERSHIPS, allows for supplementary memberships in planning associations and related organizations.

### **PERSONNEL LEVELS**

- Community Development Director
- Administrative Assistant

COMMUNITY DEVELOPMENT  
41950  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 110,787	\$ 87,937	\$ 111,667	\$ 110,912	-0.7%
1020	Overtime	648	778	815	4,000	390.8%
1090	Cell Phone Reimbursement	-	-	540	-	0.0%
1100	Longevity	419	180	360	405	12.5%
1200	FICA	6,814	5,249	6,996	7,150	2.2%
1210	PERA	4,872	5,945	15,911	8,361	-47.5%
1220	Medicare	1,594	1,227	1,636	1,672	2.2%
1250	Insurance Rebate	600	600	1,200	1,200	0.0%
1300	Insurance	9,692	12,422	21,529	26,324	22.3%
1310	VEBA Trust fund	177	2,125	3,275	3,275	0.0%
1330	Life Insurance	163	224	345	276	-20.0%
1340	Disability Insurance	242	347	528	499	-5.5%
	<b>Total Personnel</b>	136,008	117,034	164,802	164,074	-0.4%
	<b>Supplies</b>					
2000	Office Supplies	406	453	500	500	0.0%
2050	Computer Supplies	1,505	1,040	500	500	0.0%
2170	General Supplies	124	35	500	500	0.0%
	<b>Total Supplies</b>	2,035	1,528	1,500	1,500	0.0%
	<b>Services &amp; Charges</b>					
3000	Professional Services	39,172	2,790	12,000	12,000	0.0%
3200	Communications	905	432	2,000	2,000	0.0%
3300	Conf and Schools	751	229	1,500	1,000	-33.3%
3350	Car Allowance / Mileage	548	-	500	500	0.0%
3400	Publishing / Advertising	1,651	492	2,000	2,000	0.0%
3500	Printing/Publishing	-	157	100	100	0.0%
	<b>Total Services and Charges</b>	43,027	4,100	18,100	17,600	-2.8%
	<b>Charges</b>					
4310	Tax abatement Pay	57,632	68,485	39,372	32,301	-18.0%
4330	Dues/Subscriptions	146	-	-	-	0.0%
4950	Comp Financing Acct	1,632	1,403	400	1,102	175.4%
	<b>Total Charges</b>	59,410	69,888	39,772	33,403	-16.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 240,480</u>	<u>\$ 192,550</u>	<u>\$ 224,174</u>	<u>\$ 216,577</u>	<u>-3.4%</u>

## **BUDGET COMMENTARY: POLICE PROTECTION**

### **PROFILE**

The Police Department is responsible for the enforcement of State laws and local ordinances and the protection of life and property from criminal or related activities in the community. The department also performs many services for the protection, safety, and convenience of the public.

### **SCOPE OF ACTIVITIES**

- The investigation of crimes, including the processing of crime scenes and interviewing victims, suspects, and witnesses.
- The enforcement of traffic laws regulated by federal and state laws, and local ordinances.
- Provide statute and court mandated protection to victims of crime, reduce violence against women by actively working with the Waseca Area Violence Intervention project.
- Provide proactive police services to the community to include; DARE, crime prevention programs, safety programs, and other services or programs identified by the community.

### **CURRENT PROJECTS**

- Respond and react to an increasing call load with focus on the severity levels
- D.A.R.E. Program-Waseca Central Intermediate School
- Bike Safety Education
- Traffic Safety for ongoing safety problems
- Crime Prevention program-Domestic Abuse intervention
- Public education programming [child abuse, drugs, bike safety, safety fairs, etc]
- Law Enforcement Explorer program
- Police Reserves program
- Waseca Center for Crime Victims Services
- Police K-9 Unit
- School liaison program
- Community Policing
- Crime Free Multi Housing
- National Night Out
- School Resource Officer
- Fingerprinting Clinics
- "Project Childsafe"
- Identity Theft Brochure/Education

### **PRIMARY GOALS FOR 2011**

- The continued professional response and resolution of citizen complaints, which include calls of a criminal nature and "quality of life" issues.
- The expansion of traffic enforcement with special attention on traffic safety.
- The management and compliance of local establishments in regards to state and local laws governing alcohol and tobacco.

## **BUDGET COMMENTARY: POLICE PROTECTION**

- The education of the community on public safety issues.
- The evaluation of criminal offenses, with specific focus on the reduction of clearance rates.
- Maintain a training program that provides educational and training opportunities for staff, which addresses the needs of the department and community.
- The expansion of drug investigations
- The continued liaison efforts with schools and social services with special emphasis on interventions with “at risk” children and families.
- Reduce criminal activity in our dense housing units with focus placed on crime free multi housing
- Enhance the emergency operations plan
- Focus on drug investigations
- Maintain staffing levels
- Surveillance through wireless technology
- Explore GIS mapping

### Major Challenges the police department will face in 2011

- Managing the increasing demand for services within the parameters of allocated resources. This process will require a continuous evaluation and streamlining of the department's efforts.
- Meeting the needs and expectations of a racially and economically diversifying population base.

### Budget Comments

The vehicle maintenance or city shop charges continue, which shifted most of the maintenance to the city shop from contractual repair, which provides for a better vehicle maintenance program. This type of program allows for continuous oversight of the vehicles, extensive record keeping, integrity of the vehicles/equipment, and increases the safety factor for employees.



POLICE  
42100  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
<b>Personnel</b>						
1010	Regular Employees	\$ 841,969	\$ 856,004	\$ 876,451	\$ 891,444	1.7%
1020	Overtime	9,984	2,207	12,000	12,000	0.0%
1021	OT Extra Shift	41,923	30,241	33,180	31,320	-5.6%
1022	OT Court time	1,861	1,835	5,676	5,676	0.0%
1023	OT Investigations	10,103	8,476	14,292	14,292	0.0%
1030	Part-time Employees	44,031	24,542	44,692	44,692	0.0%
1080	Clothing/Uniform Allowance	7,800	6,707	9,100	9,100	0.0%
1090	Cellphone reimbursement	-	45	-	-	0.0%
1100	Longevity	5,333	5,195	6,420	5,580	-13.1%
1110	Severance Pay	-	11,377	-	-	0.0%
1200	FICA	7,282	5,133	5,179	5,167	-0.2%
1210	PERA	7,076	2,966	5,847	6,042	3.3%
1220	Medicare	12,184	11,732	11,919	13,470	13.0%
1230	PERA (Police & Fire)	111,283	116,643	120,701	121,770	0.9%
1250	Insurance Rebate	10,800	13,500	13,200	12,000	-9.1%
1300	Insurance	113,558	109,915	153,852	147,162	-4.3%
1301	Ins - PERA Disability	25,760	27,177	36,962	40,011	8.3%
1310	VEBA Trust Funding	25,321	24,146	22,125	54,550	146.6%
1330	Life Insurance	2,385	2,254	2,277	2,277	0.0%
1340	Disability Insurance	3,768	3,836	4,149	3,892	-6.2%
						0.0%
	<b>Total Personnel</b>	<b>1,282,421</b>	<b>1,263,931</b>	<b>1,378,022</b>	<b>1,420,445</b>	<b>3.1%</b>
<b>Supplies</b>						
2000	Office Supplies	5,484	2,017	6,200	6,200	0.0%
2050	Computer Supplies	462	4,270	8,000	8,000	0.0%
2120	Motor fuels	36,067	25,486	36,067	36,067	0.0%
2170	General Supplies	1,715	3,178	6,600	6,600	0.0%
2180	Uniforms	8,218	5,712	6,500	6,500	0.0%
2190	Safety Equipment	2,232	13,394	9,100	9,100	0.0%
2210	Equipment parts	(296)	1,187	5,100	5,100	0.0%
2220	Vehicle Maintenance	1,026	1,558	2,200	2,200	0.0%
2230	Bldg Rep/Maint Supplies	1,192	5,634	9,500	9,500	0.0%
2240	City Shop Charges	42,399	30,275	42,650	41,402	-2.9%
2400	Small Tools	21	-	200	200	0.0%
	<b>Total Supplies</b>	<b>98,520</b>	<b>92,711</b>	<b>132,117</b>	<b>130,869</b>	<b>-0.9%</b>
<b>Services &amp; Charges</b>						
3000	Professional Services	2,530	5,326	4,700	4,700	0.0%
3100	Contractual Services	10,199	9,479	11,400	11,400	0.0%
3200	Communications	48,267	40,646	21,000	21,000	0.0%
3250	Shared Records system	5,946	26,643	18,418	18,418	0.0%
3300	Conf and Schools	13,916	10,488	12,250	12,250	0.0%
3350	Car Allowance / Mileage	-	-	400	400	0.0%
3400	Publishing / Advertising	359	219	300	300	0.0%
3500	Printing/Publishing	11,818	10,389	12,000	12,000	0.0%
	<b>Total Services and Charges</b>	<b>93,035</b>	<b>103,190</b>	<b>80,468</b>	<b>80,468</b>	<b>0.0%</b>

POLICE  
42100  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Charges</b>						
4040	Repair/Maint-Equipment	-	4,176	4,400	4,400	0.0%
4330	Dues/Subscriptions	2,599	2,077	2,600	2,600	0.0%
4340	Drug Investigation	-	15	1,000	1,000	0.0%
4370	SWAT Program costs	2,358	2,801	2,500	2,500	0.0%
4600	Dare Program	3,602	2,476	3,600	3,600	0.0%
4610	Police Reserve	7,362	254	3,300	3,300	0.0%
4620	Police Liason costs	662	1,099	1,000	1,000	0.0%
4630	Police K-9 Unit	2,068	632	-	-	0.0%
4640	Prevention Program	3,536	2,064	3,000	3,000	0.0%
4940	Safety Program	500	-	500	500	0.0%
4950	Comp Financing Acct	5,407	5,339	4,000	5,508	37.7%
<b>Total Charges</b>		28,094	20,933	25,900	27,408	5.8%
<b>TOTAL EXPENDITURES</b>		<u>\$ 1,502,070</u>	<u>\$ 1,480,765</u>	<u>\$ 1,616,507</u>	<u>\$ 1,659,190</u>	<u>2.6%</u>

## **BUDGET COMMENTARY: COMMUNITY SERVICE**

### **PROFILE**

This department is supervised by the Police Department and is responsible for the school community aides and animal control issues.

### **ACTIVITIES SCOPE**

- Supervise the crossing guard program, which provides school-aged children assistance crossing assigned streets and avenues.
- Animal control within the City-enforce ordinances relating to animals at large.

### **DEPARTMENT GOALS**

- The safe crossing of children on roadways within the community.
- Signing of a contract between the City of Waseca and the Animal Medical Center of Waseca.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1040, COMMUNITY AIDES, allows for crossing guard salaries.
- Code 2170, GENERAL SUPPLIES, provides for safety equipment of community aides
- Code 3100, CONTRACTUAL SERVICES, allocates for animal board and disposal costs.

### **PERSONNEL LEVELS**

- 8 Part-time Community Aides

COMMUNITY SERVICE  
42150  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1040	Crossing Guards	\$ 15,176	\$ 14,994	\$ 22,584	\$ 22,584	0.0%
1200	FICA	962	928	1,400	1,400	0.0%
1220	Medicare	225	217	327	327	0.0%
	<b>Total Personnel</b>	<u>16,363</u>	<u>16,139</u>	<u>24,311</u>	<u>24,311</u>	<u>0.0%</u>
	<b>Supplies</b>					
2170	General Supplies	214	103	400	400	0.0%
2180	Uniforms	672	72	500	500	0.0%
	<b>Total Supplies</b>	<u>886</u>	<u>175</u>	<u>900</u>	<u>900</u>	<u>0.0%</u>
	<b>Services &amp; Charges</b>					
3100	Contractual Services	15,032	16,254	15,000	15,000	0.0%
	<b>Total Services and Charges</b>	<u>15,032</u>	<u>16,254</u>	<u>15,000</u>	<u>15,000</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 32,281</u></u>	<u><u>\$ 32,568</u></u>	<u><u>\$ 40,211</u></u>	<u><u>\$ 40,211</u></u>	<u><u>0.0%</u></u>

## **BUDGET COMMENTARY: FIRE DEPARTMENT**

### **PROFILE**

The Fire Department is responsible for the protection of life and property, including fire suppression, rescue, first responders to hazardous spills, and prevention from the hazards of fire. Prevention activities include fire inspections and education of the public in matters of fire safety and prevention. The Department is currently composed of a part-time Fire Chief and three full-time firefighter/drivers and 34 volunteer firefighters. Full-time personnel perform inspections and full-time and voluntary personnel perform fire prevention activities.

Based on conditions including the quality of the Fire Department and its equipment, the City maintains a fire insurance rating of Class Four, (Class One as the highest rating and Class Ten as the lowest rating) which is an insurance industry standard rating.

The Waseca volunteer firefighters also serve as volunteers to Waseca Rural Fire District, as the City has an agreement with the townships to share costs and equipment in return for reimbursement. The Waseca Fire Department developed the following mission statement: *The Waseca Fire Department is committed to educate, protect, respect, serve and help all of our citizens.*

### **ACTIVITIES SCOPE**

- 553 Fire and rescue calls during 2009
- Early Childhood Development Fair
- 24 Training drills
- Fish Fry-Street Dance fund raiser
- Rental housing inspections
- Fire Prevention Week - Open House
- Onion ring stand-fund raiser
- Tours and fire prevention talks for school system
- Fire inspection of all commercial buildings
- Community outreach
- Safe House Community Program at all area schools

### **CURRENT PROJECTS**

- Develop fit testing program for breathing apparatus-coordinate with local law enforcement
- School System Fire Prevention
- Update of standard operating procedures and bylaws
- Conducting fire extinguisher demonstrations for schools and industry
- Working with daycares on fire safety
- Develop inspection plan for downtown businesses
- Development of disaster response training-coordinated with other governmental agencies
- Review and enhancement of job positions.

### **DEPARTMENTAL GOALS**

## **BUDGET COMMENTARY: FIRE DEPARTMENT**

- To plan and coordinate the development of an efficient and effective program of fire protection, suppression and prevention for the residents of Waseca.
- Continually review and evaluate all phases of the ongoing department operations, staff training and the development of programs as a basis for developing improved organization methods and policies.
- Work on joint goals with all other agencies.
- Work with industry on fire prevention
- Develop plans to help elderly with emergency response and fire prevention.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 2000, OFFICE SUPPLIES, provides for funds to upgrade and enhance computer hardware and software.
- Code 2240, CITY SHOP CHARGES, costs related to vehicle maintenance.
- Code 3300, CONFERENCES AND SCHOOLS, allocates funds for regional fire schools and meetings, sectional schools - State fire schools, State Fire Department Conference, and State Fire Chiefs Conference.
- Code 3310, TRAINING, allocates funds for training expenses.
- Code 4330, SUBSCRIPTIONS/MEMBERSHIPS, allocates funds for the Minnesota Fire Department Association, the Minnesota Fire Chiefs Association, the Regional Firefighters Association, and Safety Officers Association.

### **PERSONNEL LEVELS**

- 1 Chief (Part-time)
- 1 Assistant Chief (Volunteer)
- 2 Captains (Volunteers)
- 2 Lieutenants (Volunteers)
- 3 Motor Operators (Fulltime, On-duty Commander's)
- 1 Secretary (Volunteer)
- 1 Safety Officer (Volunteer)
- 2 Training Officer (Volunteer)
- 34 Volunteers

FIRE  
42200  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 115,101	\$ 128,193	\$ 127,729	\$ 127,514	-0.2%
1020	Overtime	30,861	24,223	35,001	33,000	-5.7%
1030	Part-time Employees	56,486	56,923	38,570	48,149	24.8%
1080	Clothing/Uniform Allowance	1,800	1,350	1,800	1,800	0.0%
1100	Longevity	2,295	1,125	900	900	0.0%
1110	Severance Pay	-	27,988	-	-	0.0%
1200	FICA	3,233	3,846	9,401	3,707	-60.6%
1210	PERA	774	3,180	-	844	100.0%
1220	Medicare	2,323	2,662	2,199	2,340	6.4%
1230	PERA (Police & Fire)	19,921	18,631	21,380	21,567	0.9%
1250	Insurance Rebate	2,700	2,700	2,700	2,400	-11.1%
1300	Insurance	20,165	20,801	32,067	31,586	-1.5%
1310	VEBA Trust Funding	3,275	1,681	1,150	6,275	445.7%
1330	Life Insurance	644	598	621	621	0.0%
1340	Disability Insurance	542	500	605	574	-5.2%
	<b>Total Personnel</b>	<b>260,120</b>	<b>294,401</b>	<b>274,123</b>	<b>281,277</b>	<b>2.6%</b>
	<b>Supplies</b>					
2000	Office Supplies	1,754	900	1,500	1,500	0.0%
2050	Computer Supplies	1,421	75	1,500	500	-66.7%
2120	Motor fuels	5,126	2,259	5,000	5,000	0.0%
2151	Fire Grant Expenditure	-	91,948	-	-	0.0%
2160	Extinguisher supply	781	1,999	1,200	1,200	0.0%
2170	General Supplies	2,449	3,389	2,000	2,400	20.0%
2180	Uniforms	3,882	10,518	10,000	10,000	0.0%
2190	Safety Equipment	1,500	8,208	1,500	1,500	0.0%
2210	Equipment parts	4,464	4,842	4,000	4,000	0.0%
2220	Vehicle Maintenance	29	69	-	-	0.0%
2230	Bldg Rep/Maint Supplies	2,204	5,400	4,000	4,400	10.0%
2240	City Shop Charges	8,373	7,674	8,500	11,457	34.8%
2400	Small Tools	-	267	250	250	0.0%
	<b>Total Supplies</b>	<b>31,983</b>	<b>137,548</b>	<b>39,450</b>	<b>42,207</b>	<b>7.0%</b>
	<b>Services &amp; Charges</b>					
3100	Contractual Services	2,985	5,571	8,000	8,000	0.0%
3200	Communications	6,505	3,669	4,000	4,000	0.0%
3300	Conf and Schools	4,455	4,446	5,000	5,000	0.0%
3310	Training	6,770	4,982	7,750	7,750	0.0%
3400	Publishing / Advertising	128	80	425	425	0.0%
3800	Utilities	19,256	16,272	17,000	17,000	0.0%
	<b>Total Services and Charges</b>	<b>40,099</b>	<b>35,020</b>	<b>42,175</b>	<b>42,175</b>	<b>0.0%</b>

FIRE  
42200  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Charges</b>					
4000	Repair/Maintenance	6,711	4,208	7,500	7,500	0.0%
4040	Repair/Maint-Equipment	-	286	-	-	0.0%
4100	Rent	2,275	2,100	3,000	3,000	0.0%
4330	Dues/Subscriptions	2,699	2,728	2,750	2,750	0.0%
4940	Safety Program	-	-	-	-	0.0%
4950	Comp Financing Acct	1,120	1,065	400	1,102	175.4%
	<b>Total Charges</b>	<u>12,805</u>	<u>10,387</u>	<u>13,650</u>	<u>14,352</u>	<u>5.1%</u>
	<b>Capital Outlay</b>					
5300	Improvements		-	-	2,500	100.0%
	<b>Total Capital Outlay</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>100.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 345,007</u></u>	<u><u>\$ 477,356</u></u>	<u><u>\$ 369,398</u></u>	<u><u>\$ 382,511</u></u>	<u><u>3.5%</u></u>



## **BUDGET COMMENTARY: CIVIL DEFENSE OPERATIONS**

### **PROFILE**

This department has been created to account for the placement and maintenance of emergency sirens. These sirens are located throughout the community to provide the most effective protection to residents.

### **ACTIVITIES SCOPE**

- The City has placed and maintained seven (7) sirens. The upgrades and maintenance of the sirens include battery backup, pole replacement, inspections and warranty work. Additional site work may be needed to assure adequate community wide coverage.
  1. Deml Ford/Bowling Alley
  2. Media Com
  3. Fire Station
  4. Subway (we moved an existing siren that was in the old inventory system)
  5. Well #5
  6. Memorial Park
  7. Bunker Drive
- On going testing of siren system and site effectiveness determination.
- Planned system enhancements as annexation and growth create coverage expansion needs.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 4000, REPAIRS/MAINTENANCE, allocated for limited siren maintenance.

CIVIL DEFENSE OPERATIONS  
42300  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Charges</b>					
4000	Repair/Maintenance	\$ 2,561	\$ 1,864	\$ 3,000	\$ 3,000	0.0%
	<b>Total Charges</b>	<u>2,561</u>	<u>1,864</u>	<u>3,000</u>	<u>3,000</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 2,561</u></u>	<u><u>\$ 1,864</u></u>	<u><u>\$ 3,000</u></u>	<u><u>\$ 3,000</u></u>	<u><u>0.0%</u></u>

## **BUDGET COMMENTARY: BUILDING INSPECTION**

### **PROFILE**

The Building Inspection Department is responsible for inspection services for building construction (including plumbing and mechanical), issuing all permits for the City, inspection of rental properties, fire code inspections along with the Fire Chief, backflow prevention program for the City, day care and foster care inspections to ensure the safety of the residents along with the county social services personnel, and inspection of school facilities.

### **ACTIVITIES SCOPE**

- Plan review for residential and commercial construction projects.
- Issuing and maintaining records of all permits.
- Preparing and submitting all State, County and City required reports on building inspections.
- Scheduled inspections for new construction, and remodeling, including building code, plumbing code, mechanical code and fire code.
- Oversee and enforce State Health Department backflow prevention laws.
- Collection of permit fees.
- Conduct State required day care and foster care safety, fire and health inspections.
- Rental housing inspections to make sure rental properties meet City Code.
- Inspection of structures that are in dilapidated condition and enforcing the State Building Code for safety and health reasons, including the City Council's request to conduct a proactive inspection for the downtown business district.
- Inspection of school facilities as required by State Statute.
- Ensure drainage for new construction/remodeling meets City requirements.

### **CURRENT PROJECTS**

- Oversees and enforces State Health Department backflow prevention laws.
- Conducts State required day care and foster care safety, fire and health inspections.
- Rental housing inspections to make sure rental properties meet City Code.
- Inspection of structures that are in dilapidated condition and enforcing the State Building Code for safety and health reasons.
- Coordination of plan review with the other departments of the City, including zoning, utilities and public safety.
- Determine expenditure controls to offset declining revenue from building downtown.

### **DEPARTMENTAL GOALS**

- Continue to educate local builders on the elements and details required for a complete building plan and the new International Building Code (IBCO) instituted by the State in 2003.
- Strive for 100% building code compliance in all building permit projects through accurate plan review and thorough inspections.

## **BUDGET COMMENTARY: BUILDING INSPECTION**

- Continue to educate local builders on the elements and details required for a complete building plan.
- Continue periodic contractor meetings to discuss problems and issues

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1010-1340, REGULAR EMPLOYEES, provides for the Building Official and support staff
- Code 2000, SUPPLIES, includes printing forms required by the state for building permits (major expenditure) and other office supplies and general miscellaneous supplies.
- Code 3000, PROFESSIONAL SERVICES, for computer software implementation and upgrades, wetland local government unit expenses.
- Code 3100, SERVICES AND CHARGES, includes potential need for specialized expertise if needed, and mutually agreed payment to Steele County to cover when our inspector is gone, as well as wetland mitigation issues relating to proposed building sites and development.
- Code 3200, COMMUNICATIONS, provides for plan review and code enforcement correspondence, mailings of permits to applicants, and miscellaneous correspondence
- Code 3300, CONFERENCES AND SCHOOLS, provides for required training of the Building Official, relating to inspections, rental housing and health and safety.
- Code 4330, SUBSCRIPTIONS/MEMBERSHIPS, allows for membership in the Minnesota Association of Housing Code Officials and International Conference of Building Officials, code books and related materials.
- Code 4950, COMPUTER FINANCING ACCOUNT, includes costs for computer maintenance fees.

### **PERSONNEL LEVELS**

- Building Official (Will be contracted in 2011)
- Administrative clerical support

BUILDING INSPECTION  
42400  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
<b>Personnel</b>						
1010	Regular Employees	\$ 72,998	\$ 64,835	\$ 66,228	\$ 65,213	-1.5%
1020	Overtime	883	204	450	450	0.0%
1100	Longevity	900	927	1,440	1,008	-30.0%
1200	FICA	4,608	3,761	4,223	4,134	-2.1%
1210	PERA	5,011	4,434	4,768	4,834	1.4%
1220	Medicare	1,077	880	988	967	-2.2%
1250	Insurance Rebate	720	720	1,200	720	-40.0%
1300	Insurance	14,993	14,337	18,457	11,740	-36.4%
1310	VEBA Trust Funding	3,275	3,275	3,275	7,800	138.2%
1330	Life Insurance	326	345	345	290	-16.0%
1340	Disability Insurance	420	402	314	250	-20.4%
<b>Total Personnel</b>		105,211	94,120	101,688	97,405	-4.2%
<b>Supplies</b>						
2000	Office Supplies	1,396	904	1,450	1,450	0.0%
2120	Motor fuels	721	338	1,000	1,000	0.0%
2170	General Supplies	110	-	250	250	0.0%
2180	Uniforms	48	104	100	100	0.0%
2220	Vehicle Maintenance	-	-	400	400	0.0%
2240	City Shop Charges	655	66	650	435	-33.1%
<b>Total Supplies</b>		2,930	1,412	3,850	3,635	-5.6%
<b>Services &amp; Charges</b>						
3000	Professional Services	2,213	1,239	2,000	2,000	0.0%
3100	Contractual Services	-	192	1,000	1,000	0.0%
3200	Communications	636	506	500	500	0.0%
3300	Conf and Schools	1,853	1,027	2,000	2,200	10.0%
3350	Car Allowance / Mileage	40	-	-	-	0.0%
<b>Total Services and Charges</b>		4,742	2,964	5,500	5,700	3.6%
<b>Charges</b>						
4330	Dues/Subscriptions	286	381	400	400	0.0%
4740	Equipment replacement costs	-	-	-	-	0.0%
4940	Safety Program	-	-	-	-	0.0%
4950	Comp Financing Acct	840	788	300	826	175.4%
<b>Total Charges</b>		1,126	1,169	700	1,226	75.2%
7380	Transfer - Equipment Replacement					
<b>TOTAL EXPENDITURES</b>		<u>\$ 114,009</u>	<u>\$ 99,665</u>	<u>\$ 111,738</u>	<u>\$ 107,967</u>	<u>-3.4%</u>

## **BUDGET COMMENTARY: ENGINEERING**

### **PROFILE**

The Engineering department is responsible for engineering services for major infrastructure involving design, construction, as-built information, map and drawing development and archives, project archives, and engineering advice for other departments, Administration, City Council and citizens. The Engineering staff consists of the Director of Engineering, two technicians and one GIS staff.

The Director of Engineering is responsible for the oversight of the areas of street maintenance, storm sewer, sanitary sewer collection, park maintenance, building inspection, airport maintenance and operation and buildings and grounds facility.

Engineering services for projects are generally charged out to benefiting enterprise departments, included in assessable charges, and to appropriate grant funds on the basis of actual time spent.

### **ACTIVITIES SCOPE**

- Preparation of construction plans, specifications and contracts.
- Presenting information on projects to the City Council, targeted citizen groups, other agencies.
- Oversight of bidding process and contract administration.
- Administration of Municipal State Aid System
- Administration of right-of-way use.
- Develop and maintain the City's mapping systems, including GIS.
- Develop and maintain the City's infrastructure maintenance records.
- Providing managerial oversight for Streets, Parks, Building Inspection, Engineering, Water Quality, Buildings and Grounds, Airport, Sewer Collection System, review of future planning for City, coordination with State, Federal and other governmental agencies.

### **CURRENT PROJECTS**

- Develop and maintain the City's mapping systems, including GIS
- Developing and maintaining the City's infrastructure maintenance records
- Providing Engineering advice to City Administration and City Council
- Compliance with storm water management
- Development of capital plan and funding options for community infrastructure program
- Infiltration and Inflow removal program, including basement inspections
- Capital improvement project administration, design and construction, and annual street maintenance projects

### **DEPARTMENTAL GOALS**

- Maximize use of City dollars through effective infrastructure analysis and management such as Pavement Management System, Global Information System related infrastructure management implementation

## **BUDGET COMMENTARY: ENGINEERING**

- Coordinate development of Storm Water Management Plan
- Extensive use and development of GIS system, work with the County to seek method to convert GIS data
- Expand use of Pavement Management System for projecting future expenses
- Set up and update standard specifications file
- Develop and update design and inspection standards

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1010-1340, REGULAR EMPLOYEES, reflects salaries for the Director of Engineering, Technicians and GIS position.
- Code 2000's, SUPPLIES, operational supplies for engineering services.
- Code 3000, PROFESSIONAL SERVICES, GIS support, software maintenance.
- Code 3300, CONFERENCES AND SCHOOLS, reflects expenses for the Minnesota MPWA Fall conference, Spring City Engineers Conference, fall MPWA Congress, GIS training and Pavement Management System training.
- Code 3350, MILEAGE, mileage for the Director of Engineering and other mileage expense.
- Code 4330, DUES & SUPPLIES, Engineering publications, MnDOT technical subscriptions, APWA, and AutoCAD Tech Support.
- Code 4950, COMPUTER FINANCING ACCOUNT, computer maintenance costs.

### **PERSONNEL LEVELS**

- Director of Engineering (currently contracted)
- Senior Engineering Technician
- Engineering technician
- GIS personnel

ENGINEERING  
43000  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
<b>Personnel</b>						
1010	Regular Employees	\$ 222,175	\$ 169,258	\$ 155,364	\$ 161,117	3.7%
1020	Overtime	2,506	3,803	11,138	8,000	-28.2%
1090	Cell Phone Reimbursement	-	473	540	540	0.0%
1100	Longevity	2,337	1,769	1,620	1,620	0.0%
1110	Severance Pay	14,723	11,482	-	-	0.0%
1200	FICA	15,878	10,984	10,457	10,619	1.6%
1210	PERA	15,393	11,038	11,769	12,378	5.2%
1220	Medicare	3,713	2,569	2,446	2,484	1.5%
1250	Insurance Rebate	5,220	3,885	3,600	3,600	0.0%
1300	Insurance	20,595	14,006	18,507	15,787	-14.7%
1310	VEBA Trust Funding	5,375	3,738	3,450	9,000	160.9%
1330	Life Insurance	730	489	414	414	0.0%
1340	Disability Insurance	1,124	695	735	725	-1.4%
<b>Total Personnel</b>		309,769	234,189	220,040	226,284	2.8%
<b>Supplies</b>						
2000	Office Supplies	724	825	2,250	2,250	0.0%
2050	Computer Supplies	1,117	426	500	4,705	841.0%
2120	Motor fuels	2,419	1,246	2,200	2,200	0.0%
2170	General Supplies	495	702	2,750	2,750	0.0%
2190	Safety Equipment	193	349	500	500	0.0%
2210	Equipment parts	-	3,341	500	500	0.0%
2240	City Shop Charges	3,488	600	3,500	1,878	-46.3%
<b>Total Supplies</b>		8,436	7,489	12,200	14,783	21.2%
<b>Services &amp; Charges</b>						
3000	Professional Services	3,909	3,193	93,600	93,600	0.0%
3100	Contractual Services	9,694	86,580	10,500	10,500	0.0%
3200	Communications	2,402	1,616	2,000	2,000	0.0%
3300	Conf and Schools	2,405	578	4,000	4,000	0.0%
3350	Car Allowance / Mileage	608	-	500	500	0.0%
3400	Publishing / Advertising	174	-	300	300	0.0%
<b>Total Services and Charges</b>		19,192	91,967	110,900	110,900	0.0%
<b>Charges</b>						
4040	Repair/Maint-Equipment	975	180	2,500	2,500	0.0%
4330	Dues/Subscriptions	1,142	298	1,200	1,200	0.0%
4940	Safety Program	160	-	100	100	0.0%
4950	Comp Financing Acct	3,264	3,198	1,200	2,754	129.5%
<b>Total Charges</b>		5,541	3,676	5,000	6,554	31.1%
<b>TOTAL EXPENDITURES</b>		<u>\$ 342,938</u>	<u>\$ 337,321</u>	<u>\$ 348,140</u>	<u>\$ 358,521</u>	<u>3.0%</u>



## **BUDGET COMMENTARY: STREET MAINTENANCE**

### **PROFILE**

The Street Maintenance Department is responsible for the repair and maintenance of all City streets, sanitary sewers, storm sewers, storm water ponds, parking lots, building maintenance. The Maintenance Superintendent assigns personnel, and costs are distributed according to the area in which they work. Areas include pavement maintenance, concrete maintenance, snow and ice removal, traffic marking/signs/signals, street cleaning, equipment maintenance, weed control, storm and sanitary sewer maintenance, building maintenance, and periodically park maintenance, and water main maintenance, as well as any other areas assigned by the Director of Engineering.

### **ACTIVITIES SCOPE**

- Maintain and repair the streets, sidewalks, alleys, and walkways in accordance with the City's Pavement Management Policy
- Annual maintenance of approximately 48 miles of streets
- Inspect the system annually and compare to the anticipated Pavement Condition Index
- Provide traffic control and safety zones when necessary

### **DEPARTMENTAL GOALS**

- To plan, develop, coordinate and supervise a comprehensive maintenance program for all City streets, sidewalks, and alleys in accordance with the City's Pavement Management Policy
- Through ongoing inspections ensure the condition of the streets is accurately reflected in the Pavement Management Records
- Ensure the system is safe for the travel of the general public
- Cross training with the other Public Works Departments for more effective and efficient operations
- Develop standards for street patching

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1010-1340, REGULAR EMPLOYEES, anticipated cost of maintaining streets, alleys and sidewalks, however, costs fluctuate depending on where personnel are needed annually amongst several areas of responsibility
- Code 2120, MOTOR FUELS, fuel for equipment used to maintain the system
- Code 2170, GENERAL SUPPLIES, allocates for patching and repair material, asphalt, concrete, gravel, safety equipment, and miscellaneous
- Code 2240, CITY SHOP CHARGES, costs related to vehicle maintenance

## **BUDGET COMMENTARY: STREET MAINTENANCE**

- Code 3100, CONTRACTURAL SERVICES, provides for seal coat, crack seal (costs are also allocated to Municipal State Aid Maintenance fund), uniforms, landfill charges and dust treatment.
- Code 3300, CONFERENCES AND SCHOOLS, MPWA conference, safety school, computer training
- Code 4000, REPAIR, MAINTENANCE, provides for roof repair on the truck storage building
- Code 4040, REPAIR, EQUIPMENT, provides for bobcat upgrade

### **PERSONNEL LEVEL**

- Maintenance Superintendent
- Street & Sewer Supervisor
- 6 Public Works Maintenance personnel

STREET MAINTENANCE  
43100  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
<b>Personnel</b>						
1010	Regular Employees	\$ 236,231	\$ 192,724	\$ 200,090	\$ 203,420	1.7%
1020	Overtime	7,380	3,216	7,343	11,272	53.5%
1030	Part-time Employees	208	-	-	-	0.0%
1100	Longevity	3,460	2,356	2,880	1,701	-40.9%
1110	Severance Pay	6,548	-	-	-	0.0%
1200	FICA	24,093	15,568	22,398	13,416	-40.1%
1210	PERA	24,404	17,193	14,722	15,689	6.6%
1220	Medicare	5,634	3,641	3,050	3,138	2.9%
1250	Insurance Rebate	7,190	7,170	7,200	4,788	-33.5%
1300	Insurance	58,977	54,423	73,975	29,765	-59.8%
1310	VEBA Trust Funding	9,025	6,900	6,900	14,336	107.8%
1330	Life Insurance	1,278	1,103	1,104	629	-43.0%
1340	Disability Insurance	1,725	1,594	1,665	915	-45.0%
<b>Total Personnel</b>		<b>386,153</b>	<b>305,888</b>	<b>341,327</b>	<b>299,069</b>	<b>-12.4%</b>
<b>Supplies</b>						
2000	Office Supplies	533	125	400	400	0.0%
2050	Computer Supplies	430	885	1,300	1,300	0.0%
2120	Motor fuels	51,157	33,169	50,000	43,000	-14.0%
2170	General Supplies	69,004	93,859	125,475	125,475	0.0%
2180	Uniforms	3,988	3,710	4,900	7,400	51.0%
2190	Safety Equipment	189	-	-	-	0.0%
2210	Equipment parts	261	58	900	900	0.0%
2220	Vehicle Maintenance	8	10	-	-	0.0%
2240	City Shop Charges	66,560	64,744	70,000	65,424	-6.5%
2280	Repair/Maint Supplies	-	-	-	-	0.0%
2400	Small Tools	801	974	1,200	1,200	0.0%
<b>Total Supplies</b>		<b>192,931</b>	<b>197,534</b>	<b>254,175</b>	<b>245,099</b>	<b>-3.6%</b>
<b>Services &amp; Charges</b>						
3000	Professional Services	565	-	-	-	0.0%
3100	Contractual Services	61,234	88,434	85,692	85,692	0.0%
3101	Contractual Services - Mosquito Spr.	-	-	12,000	12,000	0.0%
3200	Communications	1,731	1,304	2,000	2,000	0.0%
3300	Conf and Schools	560	-	560	560	0.0%
3400	Publishing / Advertising	-	-	-	-	0.0%
3800	Utilities	23,744	15,949	29,000	29,000	0.0%
<b>Total Services and Charges</b>		<b>87,834</b>	<b>105,687</b>	<b>129,252</b>	<b>129,252</b>	<b>0.0%</b>
<b>Charges</b>						
4000	Repair/Maintenance	2,299	4,551	14,646	12,000	-18.1%
4040	Repair/Maint-Equipment	-	811	8,800	8,800	0.0%
4100	Rent	6,000	-	-	-	0.0%
4330	Dues/Subscriptions	-	-	275	275	0.0%
4940	Safety Program	610	-	250	250	0.0%
4950	Comp Financing Acct	2,144	2,135	800	2,203	175.4%
<b>Total Charges</b>		<b>11,053</b>	<b>7,497</b>	<b>24,771</b>	<b>23,528</b>	<b>-5.0%</b>
<b>TOTAL EXPENDITURES</b>		<b>\$ 677,971</b>	<b>\$ 616,606</b>	<b>\$ 749,525</b>	<b>\$ 696,948</b>	<b>-7.0%</b>

## **BUDGET COMMENTARY: SNOW AND ICE REMOVAL**

### **PROFILE**

The Public Works personnel are responsible for snow and ice removal along City streets, alleys, parking lots and certain sidewalks. The need for these services is dependent on weather conditions and the labor used to haul snow from the central business district is provided through contractual services with various parties.

### **ACTIVITIES SCOPE**

- By utilization of various public works personnel, and equipment (1 motor grader, 2 front end loaders, 5 dump trucks and blower) snow is plowed and removed from the streets, alleys, sidewalks and downtown business district in accordance with the Snow Plowing policy.
- Ice is controlled by sanding with a mixture of sand and salt utilizing tailgate sanders mounted on dump trucks. The mixture is primarily a 1/3 salt and 2/3 sand, but varies depending on the temperature and conditions. Pre-wetting has been utilized the last couple of years to cut down on the amount of salt spread.
- Snow emergencies are declared by the Maintenance Superintendent upon accumulation of 3" or more inches of snow. Residents are required by City ordinance to remove vehicles from the street and the Police Department enforces the no-parking regulations until the streets are cleared through ticketing and towing

### **DEPARTMENTAL GOALS**

- To provide a safe and unimpaired flow of vehicular and pedestrian traffic, as effectively and quickly as possible following a snowstorm. (To clear a 2" to 4" snowfall within 8 to 10 hours and a 6" to 12" snowfall within 12 to 20 hours, depending on wind conditions, and temperature).
- To provide a bare pavement as quickly as possible allotting for environmental, manpower and budgetary constraints. Although bare pavement is not a primary goal (because of budgetary/environmental restraints), we strive to attain it as soon as possible, particularly around busy intersections and at stop signs.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1010-1340, REGULAR EMPLOYEES, hours are estimated and charged to this account dependent on the presence of snow and ice
- Code 2170, GENERAL SUPPLIES, provides for salt, sand and blade cutting edges.
- Code 2240, CITY SHOP CHARGES, for costs related to equipment maintenance and upkeep.
- Code 3100, CONTRACTURAL SERVICES, monies paid out for contracted parties to haul snow from designated haul districts

### **PERSONNEL LEVELS**

None exclusively assigned; charges come from assigned personnel from public works area

SNOW REMOVAL  
43125  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 40,204	\$ 51,270	\$ 38,614	\$ 39,257	1.7%
1020	Overtime	6,385	12,961	6,747	2,175	-67.8%
1100	Longevity	19	5	-	328	100.0%
1200	FICA	230	1,710	418	2,589	519.4%
1210	PERA	250	1,894	3,175	3,028	-4.6%
1220	Medicare	54	400	658	606	-8.0%
1250	Insurance Rebate	-	-	-	924	100.0%
1300	Insurance	-	-	-	5,744	100.0%
1310	VEBA Trust Funding	-	-	-	2,767	100.0%
1330	Life Insurance	-	-	-	121	100.0%
1340	Disability Insurance	-	-	-	177	100.0%
	<b>Total Personnel</b>	<u>47,142</u>	<u>68,240</u>	<u>49,612</u>	<u>57,716</u>	<u>16.3%</u>
	<b>Supplies</b>					
2120	Motor fuels	-	3,480	-	7,000	100.0%
2170	General Supplies	16,136	25,340	25,000	30,000	20.0%
2240	City Shop Charges	26,824	38,896	25,000	35,000	40.0%
	<b>Total Supplies</b>	<u>42,960</u>	<u>67,716</u>	<u>50,000</u>	<u>72,000</u>	<u>44.0%</u>
	<b>Services &amp; Charges</b>					
3100	Contractual Services	9,558	19,958	20,000	20,000	0.0%
	<b>Total Services and Charges</b>	<u>9,558</u>	<u>19,958</u>	<u>20,000</u>	<u>20,000</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 99,660</u></u>	<u><u>\$ 155,914</u></u>	<u><u>\$ 119,612</u></u>	<u><u>\$ 149,716</u></u>	<u><u>25.2%</u></u>

## **BUDGET COMMENTARY: SURFACE WATER MANAGEMENT**

### **PROFILE**

In the early 1970's, the City Council developed a major policy initiative to address the pollution problems related to the lakes within the City of Waseca, Clear Lake and Loon Lake. Successful lake improvement projects have included construction of a storm water filtration marsh for Clear Lake, a fish reclamation project through the State DNR, aluminum sulfate treatment for Loon Lake, Clear Lake riprapping and walkways have been constructed, and Loon Lake has also had a riprapping project and a lake draw down project. A storm water treatment project was initiated in 1990 and testing and monitoring has been on-going. In recent years, the City Council has decided to reduce the funds spent on water quality initiatives for budgetary reasons, and the City's limnologist was eliminated from the budget along with all-serious monitoring. The alum treatment at Loon Lake continues and is monitored on an intermittent basis and an aeration program is on-going at Loon Lake. The Clear Lake marsh operation is not annually funded and water from the marsh has been redirected from Clear Lake to Rice Lake, a body of water near the City.

### **ACTIVITIES SCOPE**

- Operation and monitoring the rate of alum treatment at Loon Lake.
- Operation and monitoring of the aeration system at Loon Lake.
- Continue to annually harvest phosphorous rice materials from the marsh.
- Continue to operate the marsh cells, as the aging system allows.
- System consists of 40 miles of storm sewer pipe, approximately 2,000 structure, and seven treatment ponds (in need of some cleaning).
- An artificially treated pond is included where alum is injected.
- Storm sewers, catch basins and manholes are cleaned on an as need basis.
- Systems are inspected visually for condition periodically.

### **DEPARTMENTAL GOALS**

- Develop a Storm Water Management Policy and enforce as funding allows.
- Meet the criteria of the NPDES Phase II permit requirements, as funding allows, meeting statutory requirements and cleaning up water leaving the community.
- Support the efforts of the Lakes Association to clean up the lakes.
- Set up a scheduled televising program for the storm sewer system to determine the condition.
- Establish a maintenance and capital plan for the storm system.
- Control weeds in Loon and Clear Lake

## **BUDGET COMMENTARY: SURFACE WATER MANAGEMENT**

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1010-1340, PERSONNEL, includes the salaries of personnel from Engineering and Public Works to maintain the facilities installed to treat surface runoff.
- Code 3000, PROFESSIONAL SERVICES, includes engineering consultant fees for the development of a wetland inventory. Future pond maintenance has been deferred for 2007 and beyond.
- Code 3800, UTILITIES, includes electrical cost of operating pumps, heating, includes the cost of utilities to operate pumps and aerators.
- Code 4000, REPAIR/MAINTENANCE, primarily repair of storm sewers and catch basins.

### **PERSONNEL LEVELS**

- Engineering Tech to operate the alum treatment plant.
- Maintenance personnel to oversee the marsh operation.
- Maintenance personnel to maintain facilities such as mowing embankment repairs, etc.

SURFACE WATER MANAGEMENT  
43140  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 18,936	\$ 14,061	\$ 21,062	\$ 21,413	1.7%
1020	Overtime	229	1	198	1,187	499.2%
1100	Longevity	33	9	-	179	100.0%
1200	FICA	178	606	12	1,412	11668.8%
1210	PERA	199	673	1,488	1,651	11.0%
1220	Medicare	42	142	308	330	7.2%
1250	Insurance Rebate	1	11	-	504	100.0%
1300	Insurance	-	-	-	3,133	100.0%
1310	VEBA Trust Funding	-	-	-	1,509	100.0%
1330	Life Insurance	-	-	-	66	100.0%
1340	Disability Insurance	-	-	-	96	100.0%
	<b>Total Personnel</b>	19,618	15,503	23,068	31,480	36.5%
	<b>Supplies</b>					
2120	Motor fuels	-	84	-	-	0.0%
2220	Vehicle Maintenance	-	10	-	-	0.0%
2240	City Shop Charges	3,279	2,095	3,500	3,647	4.2%
	<b>Total Supplies</b>	3,279	2,189	3,500	3,647	4.2%
	<b>Services &amp; Charges</b>					
3000	Professional Services	2,503	1,321	30,000	30,000	0.0%
3100	Contractual Services	2,879	45	25,000	15,000	-40.0%
3120	Contractual Services - Lakes	1,105	869	4,400	4,400	0.0%
3300	Conf and Schools	-	41	150	150	0.0%
3400	Publishing / Advertising	390	400	400	400	0.0%
3800	Utilities	4,251	3,747	4,250	4,300	1.2%
	<b>Total Services and Charges</b>	11,128	6,423	64,200	54,250	-15.5%
	<b>Charges</b>					
4000	Repair/Maintenance	12,943	10,203	9,000	9,000	0.0%
4800	Property Taxes	13,869	-	-	-	0.0%
	<b>Total Charges</b>	26,812	10,203	9,000	9,000	0.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 60,837</u>	<u>\$ 34,318</u>	<u>\$ 99,768</u>	<u>\$ 98,377</u>	<u>-1.4%</u>



## **BUDGET COMMENTARY: STREET LIGHTING**

### **PROFILE**

The majority of the streetlights are owned, operated and maintained by the City. This department does not include rental lights. The Electric department performs replacement and maintenance of the fixtures. The City Engineer oversees the street light policy. The funds budgeted are used to pay the expenses charged as well as the electricity used.

### **DEPARTMENTAL GOALS**

- Follow policy for installation of streetlights, frequency of spacing, and orders lighting when in compliance with policy
- Inventory system for accuracy
- Replace the mercury vapor streetlights with more efficient high-pressure sodium lights in 2011.
- Maintain system utilizing the most efficient technology available for lighting purposes

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 3800, UTILITIES, charges anticipated for electricity use, maintenance and replacement of streetlights

### **PERSONNEL LEVELS**

None assigned

STREET LIGHTING  
43160  
Revenues and Expenditures

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
3800	Utilities	\$ 81,193	\$ 90,352	\$ 81,000	\$ 90,000	11.1%
	<b>Total Services and Charges</b>	<u>81,193</u>	<u>90,352</u>	<u>81,000</u>	<u>90,000</u>	<u>11.1%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 81,193</u></u>	<u><u>\$ 90,352</u></u>	<u><u>\$ 81,000</u></u>	<u><u>\$ 90,000</u></u>	<u><u>11.1%</u></u>

## **BUDGET COMMENTARY: TRAFFIC SIGNS AND MARKINGS**

### **PROFILE**

Public Works personnel are responsible for the installation and maintenance of traffic control signs and pavement markings within the City. Traffic signals located at State Street and Elm Avenue, 7<sup>th</sup> Avenue North and State Street, 13<sup>th</sup> Avenue North and State Street, 4<sup>th</sup> Street West and Elm Avenue, and the recently installed Highway 13 North and 22<sup>nd</sup> Avenue North signal have split maintenance responsibilities between the Minnesota Department of Transportation and the City of Waseca.

### **ACTIVITIES SCOPE**

- Install authorized traffic signs
- Replace faded and worn out signs and posts as needed
- Contract crosswalks, parking stalls and centerline painting
- Maintain traffic signal standards and bulbs

### **DEPARTMENTAL GOALS**

- Inventory all street signs and map locations, catalog with authorization and other pertinent information, and develop a maintenance record
- Develop written guidelines for the installation of signage indicating the intended purpose for various signs

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1010-1340, PERSONNEL, personnel charges from public works personnel for activities to maintain the system
- Code 2170, GENERAL SUPPLIES, allocates for paint, signs, posts, barricades/traffic control devices.
- Code 3100, CONTRACTUAL SERVICES, provides for centerline stripping.
- Code 3800, UTILITIES, provides for payment of electrical service for the operation of the signal lights.

### **PERSONNEL LEVELS**

Charges are for public works personnel assigned work in the department

TRAFFIC SIGNS & MARKINGS  
43170  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 9,684	\$ 2,417	\$ 10,531	\$ 10,706	1.7%
1020	Overtime	210	44	397	593	49.4%
1100	Longevity	1	-	-	90	100.0%
1200	FICA	5	87	25	706	2724.5%
1210	PERA	5	97	765	826	7.9%
1220	Medicare	1	20	158	165	4.5%
1250	Insurance Rebate	-	-	-	252	100.0%
1300	Insurance	-	-	-	1,567	100.0%
1310	VEBA Trust Funding	-	-	-	755	100.0%
1330	Life Insurance	-	-	-	33	100.0%
1340	Disability Insurance	-	-	-	48	100.0%
	<b>Total Personnel</b>	9,906	2,665	11,876	15,741	32.5%
	<b>Supplies</b>					
2170	General Supplies	7,018	8,779	6,875	6,875	0.0%
2210	Equipment Parts	-	4,930	9,031	9,031	0.0%
	<b>Total Supplies</b>	7,018	13,709	15,906	15,906	0.0%
	<b>Services &amp; Charges</b>					
3100	Contractual Services	3,480	990	4,000	9,000	125.0%
3800	Utilities	5,423	5,295	7,000	7,000	0.0%
	<b>Total Services and Charges</b>	8,903	6,285	11,000	16,000	45.5%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 25,827</u>	<u>\$ 22,659</u>	<u>\$ 38,782</u>	<u>\$ 47,647</u>	<u>22.9%</u>

## **BUDGET COMMENTARY: STREET CLEANING**

### **PROFILE**

The Public Works personnel are responsible for the street cleaning services and are assigned as the need arises. There is a general street-cleaning program for both the fall and spring of the year, and several other times as conditions warrant. The goal is to sweep the forty-eight (48) miles of streets at least once each month during the spring, summer and fall months. This may be reduced due to budget limitations. The purpose of street cleaning is for esthetic, sanitary and environmental purposes.

### **ACTIVITIES SCOPE**

The purpose for sweeping is to remove debris and environmentally damaging materials from the City streets, alleys and City owned parking lots. Street sweepers require considerable maintenance due to the grit and grime, which wears parts out quickly.

### **DEPARTMENTAL GOALS**

- Sweep the entire City once per month during the non-winter months
- Sweep the downtown area at least once each month during the non-winter months
- Remove debris from the streets before it reaches the storm sewer system or it becomes a hazard

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 2240, CITY SHOP CHARGES, reflect costs for maintenance of the sweeper, originally purchased in 1998. A new sweeper is scheduled to be purchased in 2011.

### **PERSONNEL LEVELS**

Charges from Public Works personnel assigned to perform the work, none permanently assigned

STREET CLEANING  
43220  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 24,281	\$ 18,722	\$ 17,552	\$ 17,844	1.7%
1020	Overtime	-	-	397	989	149.1%
1100	Longevity	-	-	-	149	100.0%
1200	FICA	-	909	25	1,177	4607.5%
1210	PERA	-	1,014	1,256	1,376	9.6%
1220	Medicare	-	213	260	275	5.9%
1250	Insurance Rebate	-	-	-	420	100.0%
1300	Insurance	-	-	-	2,611	100.0%
1310	VEBA Trust Funding	-	-	-	1,258	100.0%
1330	Life Insurance	-	-	-	55	100.0%
1340	Disability Insurance	-	-	-	80	100.0%
	<b>Total Personnel</b>	24,281	20,858	19,490	26,234	34.6%
	<b>Supplies</b>					
2240	City Shop Charges	25,645	40,926	26,350	32,179	22.1%
	<b>Total Supplies</b>	25,645	40,926	26,350	32,179	22.1%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 49,926</u>	<u>\$ 61,784</u>	<u>\$ 45,840</u>	<u>\$ 58,413</u>	<u>27.4%</u>

## BUDGET COMMENTARY: RECREATION

### PROFILE

The Recreation Department is the budgetary area whereby a comprehensive community education activity program is designed to meet the needs of all citizens. It organizes and supervises activities for youth and adults and assists in developing programs for various groups either on an organized or individual basis. The School District operates the program with monthly contributions from the City as part of the community education program.

### ACTIVITIES SCOPE

- The Community Education program, in accordance with the joint powers agreement between School District #829 and the City, provides for a variety of recreational and community services.

### CURRENT AND PROPOSED EXPENDITURES

- Code 3100, CONTRACTUAL SERVICES, allocates for the City's share of the School District-City agreement for program administration.

### RECREATIONAL PROGRAM FUNDING

<u>General Fund Revenues</u>				
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$121,500	\$121,000	\$121,000	\$121,000	\$100,000

RECREATION - COMMUNITY ED  
45100  
Revenues and Expenditures

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
3100	Contractual Services	\$ 121,000	\$ 121,000	\$ 121,000	\$ 100,000	-17.4%
	<b>Total Services and Charges</b>	<u>121,000</u>	<u>121,000</u>	<u>121,000</u>	<u>100,000</u>	<u>-17.4%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 121,000</u></u>	<u><u>\$ 121,000</u></u>	<u><u>\$ 121,000</u></u>	<u><u>\$ 100,000</u></u>	<u><u>-17.4%</u></u>



## **BUDGET COMMENTARY: PARK MAINTENANCE**

### **PROFILE**

Maintenance and improvement of park and open space land within the City is the responsibility of the Park Department. There are currently thirteen improved and two (2) Nature Parks disbursed throughout the City, with 82.3 improved acres and 122.2 nature acres offering a full array of recreational facilities. The Park Department is also responsible for maintaining approximately twenty-three (23) City owned areas, the grounds of City Hall and snow removal of most City sidewalks and bike trails.

### **ACTIVITIES SCOPE**

- Maintenance of the fifteen (15) park areas and twenty-three (27) other assigned areas
- Coordination of park facility maintenance activities with the Community Education/Recreation Program
- Administration of Dutch Elm, Oak Wilt, and Reforestation Program
- Maintenance of the downtown walkway and streetscape improvements
- Parks currently have about 13,240 users through the park reservation system for picnics and scheduled activities and considerably more casual users.

### **CURRENT PROJECTS**

- Northeast Park

### **DEPARTMENTAL GOALS**

- Explore methods of reducing maintenance intensive tasks in the park through use of volunteer groups
- Cross training with the other Public Works departments for more effective and efficient operations
- Explore improvements that may be more vandal proof
- Inventory and map out facilities in each park for inclusion in a City-wide Geographic Information System (GIS)

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1010-1340, PERSONNEL, charges from permanent and assigned personnel labor
- Code 2170, GENERAL SUPPLIES, budget includes such items as: restroom supplies, turf supplies, park benches, picnic tables, tree and shrub replacement, landscaping supplies and replacements, flowers, ball field supplies, resilient surfacing for play areas.
- Code 2240, CITY SHOP CHARGES, costs related to vehicle maintenance.
- Code 2280, REPAIRS/MAINTENANCE/SUPPLIES, budget includes such items as: paint, stain, wood preservatives, sand and rock, dock repairs, asphalt sealer for basketball and tennis courts, etc.

## **BUDGET COMMENTARY: PARK MAINTENANCE**

- Code 3100, CONTRACTURAL SERVICES, budgets includes such items as: trash removal, Elm Homes Services, employee uniforms, soil samples, Waseca County landfill charges, City beautification, tree pruning charges, park lighting installation, etc.
- Code 3300, CONFERENCES/SCHOOLS, turf training, tree inspection workshops and maintenance training, equipment seminars, MPSA quarterly meetings, pesticide certification training
- Code 4000, REPAIRS/MAINTENANCE/BUILDINGS, budget includes repair of structures and buildings due to vandalism and normal wear, basketball court reconstruction
- Code 4100, RENTALS, funding for portable toilets and equipment used at the hockey rinks, High School facilities

### **PERSONNEL LEVELS**

- 1 Park Director
- 3 Public Works employees
- 4-5 Seasonal and temporary employees

PARK MAINTENANCE  
45200  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 175,044	\$ 177,806	\$ 182,333	\$ 182,333	0.0%
1020	Overtime	7,000	3,835	6,000	6,000	0.0%
1030	Part-time Employees	36,052	29,983	38,280	38,854	1.5%
1100	Longevity	3,053	3,135	3,600	3,600	0.0%
1200	FICA	13,274	12,292	14,273	14,309	0.3%
1210	PERA	14,365	14,449	16,115	16,732	3.8%
1220	Medicare	3,104	2,875	3,338	3,346	0.3%
1250	Insurance Rebate	1,200	1,200	1,200	1,200	0.0%
1300	Insurance	41,051	40,708	55,371	50,253	-9.2%
1310	VEBA Trust Funding	3,275	5,400	5,400	17,125	217.1%
1330	Life Insurance	644	621	621	621	0.0%
1340	Disability Insurance	825	838	865	820	-5.1%
	<b>Total Personnel</b>	<b>298,887</b>	<b>293,142</b>	<b>327,396</b>	<b>335,193</b>	<b>2.4%</b>
	<b>Supplies</b>					
2000	Office Supplies	10	39	250	250	0.0%
2050	Computer Supplies	1,000	-	100	100	0.0%
2120	Motor fuels	6,559	12,987	6,500	6,500	0.0%
2170	General Supplies	22,161	24,040	28,100	28,100	0.0%
2180	Uniforms	2,014	1,559	2,200	2,200	0.0%
2190	Safety Equipment	880	750	700	700	0.0%
2210	Equipment parts	2,153	677	1,000	1,000	0.0%
2220	Vehicle Maintenance	53	-	-	-	0.0%
2230	Bldg Rep/Maint Supplies	1,517	1,460	3,000	3,000	0.0%
2240	City Shop Charges	15,531	13,603	15,000	13,934	-7.1%
2280	Repair/Maint Supplies	3,619	3,758	4,000	4,000	0.0%
2400	Small Tools	783	556	750	750	0.0%
	<b>Total Supplies</b>	<b>56,280</b>	<b>59,429</b>	<b>61,600</b>	<b>60,534</b>	<b>-1.7%</b>
	<b>Services &amp; Charges</b>					
3100	Contractual Services	14,685	22,512	33,100	33,100	0.0%
3200	Communications	477	445	700	700	0.0%
3300	Conf and Schools	673	889	1,200	1,200	0.0%
3400	Publishing / Advertising	121	-	100	100	0.0%
3800	Utilities	8,873	8,686	10,000	10,000	0.0%
	<b>Total Services and Charges</b>	<b>24,829</b>	<b>32,532</b>	<b>45,100</b>	<b>45,100</b>	<b>0.0%</b>

PARK MAINTENANCE  
45200  
Revenues and Expenditures

<b>Charges</b>						
4000	Repair/Maintenance	9,487	13,004	8,900	8,900	0.0%
4040	Repair/Maint-Equipment	821	1,139	800	800	0.0%
4100	Rent	4,994	4,751	4,800	4,800	0.0%
4330	Dues/Subscriptions	218	283	300	300	0.0%
4550	Interdept charges	-	-	550	550	0.0%
4940	Safety Program	190	132	700	700	0.0%
4950	Comp Financing Acct	541	531	200	551	175.4%
<b>Total Charges</b>		<u>16,251</u>	<u>19,840</u>	<u>16,250</u>	<u>16,601</u>	<u>2.2%</u>
<b>Capital Outlay</b>						
5300	Improvements	2,524	-	6,000	6,000	0.0%
<b>Total Capital Outlay</b>		<u>2,524</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>0.0%</u>
<b>TOTAL EXPENDITURES</b>		<u><u>\$ 398,771</u></u>	<u><u>\$ 404,943</u></u>	<u><u>\$ 456,346</u></u>	<u><u>\$ 463,428</u></u>	<u><u>1.6%</u></u>

## **BUDGET COMMENTARY: WASECA - LE SUEUR REGIONAL LIBRARY**

### **PROFILE**

The City of Waseca and the counties of LeSueur and Waseca entered into a joint powers agreement in 1974 under State authority to establish a regional library. The agreement is perpetual unless rescinded by the actions of any one of the joint venture parties.

The agreement provides for Library use of certain real property and equipment owned by the respective supporting local governments. Due to budget constraints, this budget does not provide for the maintenance of the building and grounds of the library facility at 408 North State Street.

Library services are administered under a joint powers board, consisting of nine members (three from each governmental unit selected by the County boards and City Council) each serving a three-year term. The Library Board determines policies, carries out fiscal administration and prepares the annual budget. Upon review and approval of the annual Library budget, each supporting governmental unit contributes funding based on the increase or decrease from the previous year base budget.

The Waseca-LeSueur Regional Library has recently developed a long-range capital plan and equipment replacement schedule, which will guide many of the decisions on repairs and purchases to maintain the usability of the community facility.

### **DEPARTMENTAL GOALS**

- To strengthen and improve public library services in the counties of Waseca and LeSueur through a joint library board.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 4000, Repair/Maintenance, provides for the City payments to the library system for carpet replacement. In 2010, we made the first of five payments.
- Code 4720, LIBRARY CONTRIBUTION, provides for City payment to the library system from the General Fund tax levy.
-

WASECA LESUEUR REGIONAL LIBRARY  
45500  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Supplies</b>					
2280	Repair/Maint Supplies	\$ -	\$ 694	\$ -	\$ -	0.0%
	<b>Total Supplies</b>	-	694	-	-	0.0%
	<b>Services &amp; Charges</b>					
3100	Contractual Services	20	20	-		0.0%
	<b>Total Services and Charges</b>	20	20	-	-	0.0%
	<b>Charges</b>					
4000	Repair/Maintenance	-	-	11,000	11,000	0.0%
4720	Other Units	186,742	192,344	171,976	184,847	7.5%
	<b>Total Charges</b>	186,742	192,344	182,976	195,847	7.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 186,762</u>	<u>\$ 193,058</u>	<u>\$ 182,976</u>	<u>\$ 195,847</u>	<u>7.0%</u>

## **BUDGET COMMENTARY: OUTSIDE FUNDING GENERAL EXPENDITURES**

### **PROFILE**

Outside funding is related to the City's participation in funding of other organizations' activities that have a benefit to the citizens of the community. The use of specific line items in non-departmental general expense has been expanded for greater accountability and identification of expenditures made to other organizations for the provision of service. The majority of the expenditures in this line item have been moved to the legislative budget.

### **ACTIVITIES SCOPE**

- Contributions to community organizations

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 4730, TRANSPORTATION SERVICE, provides funding in support of services provided by the Waseca Transportation Program

### **APPROPRIATIONS**

As directed by City Council action, this funding has remained consistent with 2009 levels.

OUTSIDE FUNDING  
45600  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Charges</b>					
4730	Community Transportation	\$ 25,600	\$ 25,600	\$ 25,600	\$ 25,500	-0.4%
4750	Historical Society	8,000	-	-	-	0.0%
4830	Chamber of commerce	5,000	-	-	-	0.0%
4840	Art Center contributions	4,000	-	-	-	0.0%
4850	Sr Center contributions	25,000	-	-	-	0.0%
4855	Neighborhood Service Center	5,000	-	-	-	0.0%
	<b>Total Charges</b>	72,600	25,600	25,600	25,500	-0.4%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 72,600</u>	<u>\$ 25,600</u>	<u>\$ 25,600</u>	<u>\$ 25,500</u>	<u>-0.4%</u>



## **BUDGET COMMENTARY: NON-DEPARTMENTAL GENERAL EXPENDITURES**

### **PROFILE**

Non-departmental general expenditure is the aggregation of various activities that are not department specific or related to the City's participation in funding of other organizations' activities that have a benefit to the citizens of the community. The use of specific line items in non-departmental general expense has been expanded for greater accountability and identification of expenditures made to other organizations for the provision of service. Actions are consistent with the efforts undertaken to provide a matching and identification of expenditures.

### **ACTIVITIES SCOPE**

- Special City service agreements
- Community promotions

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 4780, PERSONNEL PROJECTS, for staff updates, seminars, and skills training
- Code 4930, EMPLOYEE RECOGNITION, expenditures related to service and retirement awards, ceremonies, etc.
- Code 4940, SAFETY PROGRAM, provides funds for an employee safety program, training and education options
- Code 4950, COMPUTER FINANCING, allocates monies primarily for the City's mainframe computer hardware and software maintenance. A portion of these costs are recovered from the Electric, Sewer, and Water utilities for their share of these services.

### **INSURANCE**

General fund portion of costs and charges related to unemployment claims, workers compensation, public and property liability, and flexible benefit plan administration costs.

### **APPROPRIATIONS**

As directed by City Council action, contingency funding available for emergency appropriations. Due to a previous reduction of the tax levy, this appropriation has been significantly reduced from prior year's levels.

### **SALARY ADJUSTMENTS**

For 2011, this amount is appropriated for costs related to personnel adjustments beyond line item amounts.

NON-DEPARTMENTAL GENERAL EXPENSE  
49210  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Charges</b>					
4740	Equipment replacement costs	\$ -	\$ -	\$ -	\$ 16,000	#DIV/0!
4780	Personnel projects	1,094	3,791	2,000	2,000	0.0%
4890	Comparable worth	-	-	2,500	2,500	0.0%
4930	Employee Recognition	454	221	1,000	1,000	0.0%
4940	Safety Program	5,474	7,759	15,000	8,400	-44.0%
4950	Comp Financing Acct	27,816	26,095	22,600	27,225	20.5%
4990	Spring cleanup	468	-	3,000	-	0.0%
	<b>Total Charges</b>	<u>35,306</u>	<u>37,866</u>	<u>46,100</u>	<u>57,125</u>	<u>23.9%</u>
7380	Transfer - Equipment Replacement					
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 35,306</u></u>	<u><u>\$ 37,866</u></u>	<u><u>\$ 46,100</u></u>	<u><u>\$ 57,125</u></u>	<u><u>23.9%</u></u>

INSURANCE  
49220  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1410	Unemployment	\$ 4,234	\$ 462	\$ 4,500	\$ 4,500	0.0%
1510	Workers Comp	117,175	92,906	120,000	101,250	-15.6%
1540	COBRA	-	(1,341)	-	-	0.0%
1550	Emp Share Health insurance	126	(74)	-	-	0.0%
	<b>Total Personnel</b>	<u>121,535</u>	<u>91,953</u>	<u>124,500</u>	<u>105,750</u>	<u>-15.1%</u>
	<b>Services &amp; Charges</b>					
3610	Public Liab Insurance	40,221	40,000	40,000	51,313	28.3%
	<b>Total Services and Charges</b>	<u>40,221</u>	<u>40,000</u>	<u>40,000</u>	<u>51,313</u>	<u>28.3%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 161,756</u></u>	<u><u>\$ 131,953</u></u>	<u><u>\$ 164,500</u></u>	<u><u>\$ 157,063</u></u>	<u><u>-4.5%</u></u>

FLEXIBLE BENEFIT PLAN  
49244  
Revenues and Expenditures

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
<b>Expenditures</b>						
	<b>Personnel</b>					
1600	Flex Benefit Plan	\$ 920	\$ 4,485	\$ 1,596	\$ 1,600	0.3%
	<b>Total Personnel</b>	<u>920</u>	<u>4,485</u>	<u>1,596</u>	<u>1,600</u>	<u>0.3%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 920</u></u>	<u><u>\$ 4,485</u></u>	<u><u>\$ 1,596</u></u>	<u><u>\$ 1,600</u></u>	<u><u>0.3%</u></u>

APPROPRIATIONS/ CONTINGENCY  
49290  
Revenues and Expenditures

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
<b>Expenditures</b>						
	<b>Transfers</b>					
7000	Unallocated Appropriation	\$ 5,000	\$ -	\$ 1,500	\$ -	0.0%
	<b>Total Transfers</b>	<u>5,000</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 5,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,500</u></u>	<u><u>\$ -</u></u>	<u><u>0.0%</u></u>

APPROPRIATIONS  
49293  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Personnel</b>					
1700	Salary Appropriation	\$ 5,000	\$ -	\$ 2,500	\$ 2,500	0.0%
1701	Benefit Appropriation		-	7,500	7,500	0.0%
	<b>Total Personnel</b>	5,000	-	10,000	10,000	0.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>0.0%</u>

## **BUDGET COMMENTARY: GENERAL FUND TRANSFERS**

### **PROFILE**

Operations that are entirely or partially financed by transfers for the General fund and for which separate funds have been established are included in this division.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 7220, TRANSFER - FIRE RELIEF, allocates for the City's contribution of the property tax revenue for Fire Relief Pension funding. This was increased in 2010 to reflect the funding needs of Fire Department pension as a result of the down economy and lost investments. The amount was subsequently lowered for 2011 as the economy rebounded.
- Code 7240, TRANSFER – Water Park, allocates the City contribution towards Water Park operations. This transfer represents the City's contribution of property tax revenue for Water Park operations. This is anticipated to be an annual transfer moving forward to supplement the revenue needed for operating and repair/maintenance costs.
- Code 7250, TRANSFER - CIP, allocates for the same City contribution for proposed infrastructure and capital improvement projects. The CIP fund will still maintain the same expenditure level. This transfer represents the City's contribution of property tax revenue for specific capital projects and infrastructure.
- Code 7270, TRANSFER – DEBT, allocates for the General Fund annual transfer to fund a portion of the NW Construction Site Debt Service payments.
- Code 7380 – TRANSFER - EQUIPMENT REPLACEMENT, to provide funding for needed equipment. Starting with the 2008 budget, Council agreed to establish a ten year plan for equipment replacement in order to reduce the high maintenance costs associated with the older equipment. This was also established to ensure the City has safe and efficient equipment for staff to use.
- Code 7395 – TRANSFER – Enterprise Funds, to provide funding to pay for the public Financing Authority (PFA) 20-year debt related to the new wastewater improvements approved by council in 2008. Council agreed to fund this 30% through the levy and 70% through a fee increase.

TRANSFERS  
49300  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Expenditures</b>						
	<b>Transfers</b>					
7220	Transfer - fire Relief	\$ 5,987	\$ 10,720	\$ 75,657	\$ 50,313	-33.5%
7240	Transfer - Water park	-	-	-	75,000	#DIV/0!
7245	Transfer to TIF	3,932	-	-	-	0.0%
7250	Transfer - CIP fund	625,000	600,780	500,000	500,000	0.0%
7260	Transfer - Annex Fund	35,000	-	-	-	0.0%
7270	Transfer / Debt	43,714	99,807	98,262	104,568	6.4%
7370	Transfer - Police Separation	2,000	2,000	-	-	0.0%
7380	Transfer - Equipment Replacement	403,011	286,000	354,564	413,971	16.8%
7395	Transfer - Enterprise Funds		323,105	188,185	187,063	-0.6%
7400	Transfer - Comp Unit	29,107	-	-	-	0.0%
	<b>Total Transfers</b>	<u>1,147,751</u>	<u>1,322,412</u>	<u>1,216,668</u>	<u>1,330,915</u>	<u>9.4%</u>
	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 1,147,751</u></u>	<u><u>\$ 1,322,412</u></u>	<u><u>\$ 1,216,668</u></u>	<u><u>\$ 1,330,915</u></u>	<u><u>9.4%</u></u>



# **Special Revenue Funds**





## SPECIAL REVENUE FUNDS

The following Special Revenue funds are established to account for specific revenues or other sources earmarked for financing particular functions or activities as required by statute, charter provision or local ordinance:

### CLEAR LAKE PRESS:

These funds were established to account for interest payable to the City from the Clear Lake Press business expansion, Delta Waseca (DEED) Grant, and the Small Cities Development Program Grant for downtown residential, rental and commercial rehabilitation.

### TAX INCREMENT FINANCING FUNDS:

Established to account for Tax Increment Financing (TIF) activity.

### AIRPORT SPECIAL REVENUE FUND:

Converted from an Enterprise fund to a Special Revenue fund in 2008. The Airport fund does not meet the requirements of an Enterprise fund. Revenue issues remain a major concern as the City continues to deal with ongoing capital maintenance costs and the financing of operational revenues.

### WATER PARK OPERATIONS:

Established to account for Water Park operations.

### WASECA HOUSING FUND:

Established to account for a tax abatement program to assist in needed housing projects.

### POLICE SEPARATION FUND:

Established to provide for a separation allocation to volunteer Police Reserve.

### POLICE RESERVE:

Established to provide for donations and specific operational costs for volunteer reserve activities.

### CRIME VICTIMS FUND:

Established to provide for a separate allocation of the grant revenue received for crime victims.

### POLICE SPECIAL REVENUE FUND:

Established to provide for separate allocation of forfeiture, DUI, and other revenue sources that must be expended in accordance with State statute.

### FIREFIGHTERS RELIEF FUND:

Established to administer specific property taxes and State Aid for the Firefighters Relief Association.

## **BUDGET COMMENTARY: SMALL CITIES PROGRAM DEV -CLEAR LAKE PRESS**

### **PROFILE**

This fund was established for funds received from the State of Minnesota, for the business expansion project of Clear Lake Press, a local printing facility.

### **ACTIVITIES SCOPE**

The unreserved fund balance of the fund is utilized for defined community commercial and residential projects.

These projects are presented to City Council for review and authorization prior to fund commitment.

SMALL CITIES PROG DEV GRANT - CLEAR LAKE PRESS  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenues</b>					
205-36205-0000	Interest on loans	\$ 3,305	\$ 4,618	\$ 2,100	\$ 2,100	0.0%
205-36210-0000	Interest Earnings	8,335	4,093	2,140	2,140	0.0%
205-36255-0000	CLP Reimbursement	14,437	17,216	-	-	0.0%
	<b>Total Interest &amp; Misc Rev</b>	<u>26,077</u>	<u>25,927</u>	<u>4,240</u>	<u>4,240</u>	<u>0.0%</u>
	 TOTAL REVENUES	 <u>\$ 26,077</u>	 <u>\$ 25,927</u>	 <u>\$ 4,240</u>	 <u>\$ 4,240</u>	 <u>0.0%</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
205-46500-3000	Professional Services	\$ -	\$ 3,581	\$ -	\$ -	0.0%
205-46500-3001	Professional Services - Audit Fees	100	100	100	100	0.0%
	<b>Total Services &amp; Charges</b>	<u>100</u>	<u>3,681</u>	<u>100</u>	<u>100</u>	<u>0.0%</u>
	<b>Charges</b>					
205-46500-4980	Loans/SCDP Grant	16,702	31,718	50,000	-	0.0%
	<b>Total Charges</b>	<u>16,702</u>	<u>31,718</u>	<u>50,000</u>	<u>-</u>	<u>0.0%</u>
	 TOTAL EXPENDITURES	 <u>\$ 16,802</u>	 <u>\$ 35,399</u>	 <u>\$ 50,100</u>	 <u>\$ 100</u>	 <u>-99.8%</u>
	 Net Increase (Decrease) in Fund Balance	 <u>\$ 9,275</u>	 <u>\$ (9,472)</u>	 <u>\$ (45,860)</u>	 <u>\$ 4,140</u>	 <u>-109.0%</u>

## **BUDGET COMMENTARY: TAX INCREMENT FINANCING FUNDS**

### **PROFILE**

These funds were developed to account for the proceeds of tax increment financing activity. The City of Waseca is the fiscal agent for the Economic Development Authority of the City of Waseca (EDA). Due to increased activity of the Economic Development Authority (EDA) and recent City Council actions, the City anticipates greater utilization of this financing tool. The City of Waseca is reviewing TIF options for the development of residential, commercial and community benefit.

- TIF 220, PARKVIEW ESTATES, Tax Increment Financing District No. 20 is a ten-year pay-as-you-go Qualified Housing District. This project is also a Tax Credit Housing project. The district was established to assist in the conversion of three dorm buildings on the former University Campus into 38 housing units. The District was certified on February 11, 1996 and was scheduled to generate increment for the project from 1999 through 2008. At the time of its inception, it was estimated that this District would generate \$37,210 of increment. The maximum amount of increment to be paid to the developer was capped at \$292,000 and the total amount of increment after administrative expenses must not exceed \$324,444. This District will be decertified December 31, 2009.
- TIF 222, CHARTER OAKS, Tax Increment Financing District No. 22 is a twenty year Qualified Housing District. The project is a thirty-three-unit Tax Credit apartment project. It was originally certified on August 4, 2000. Waseca Leased Housing Associates, LLC is the developer. The District will be decertified December 31, 2022.
- TIF 223, CENTRAL TIF, is a non-contiguous Redevelopment Tax Increment Financing District containing several projects. This district was created on November 10, 2000 and has been enlarged three times. At the present time the EDA has three Development Agreements in this district, which include Birdseye (Agrilink Foods), Corchran and the W.J. Armstrong Company. The district also extends to a large portion of the Central Business District and was expanded to include Block Six of McNamara's Addition in 2003. This district was also designed to coordinate redevelopment efforts with the City's Small Cities Development Grant and the HRA loan Program. In October of 2005, the City of Waseca issued a bond on behalf of the Economic Development Authority in the sum of \$1,100,000. The bond was utilized for the renovation of structures and the installation of streetscaping (street improvements).
- TIF 224, WASECA VILLAGE (Summit on Second) is also a Qualified Housing District that was developed to assist with the redevelopment of a 48 unit subsidized housing project. This project will be decertified in February 2019. The maximum amount of tax increment that can be paid to the developers of this project is \$125,580.
- TIF 225, COLONY COURT is a Qualified Housing District, approved in September of 2003 and start generating increment in August of 2005. The project should continue until January of 2020. The maximum amount of increment that can be provided to the developer is \$130,000 for site improvements and \$30,000 for utility work.
- TIF 226, is a Qualified Redevelopment District, approved in January 15, 2008 and start generating increment in 2010. The project should continue until January of 2035

PARKVIEW ESTATES TIF  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET
<b>Revenues</b>					
<b>Intergovernmental Revenue</b>					
220-33632-0000	County TIF Payment	\$ -	\$ 13,911	\$ 13,691	\$ -
220-36210-0000	Interest earnings	342	362	-	-
<b>Total Intergovernmental Rev</b>		342	14,273	13,691	-
<b>TOTAL REVENUES</b>		<u>\$ 342</u>	<u>\$ 14,273</u>	<u>\$ 13,691</u>	<u>\$ -</u>
<b>Expenditures</b>					
<b>Personnel</b>					
220-46630-1010	Regular Employees	\$ 38	\$ 186	\$ -	\$ -
220-46630-1200	FICA	-	13	-	-
220-46630-1210	PERA	-	15	-	-
220-46630-1220	Medicare	-	3	-	-
<b>Total Personnel</b>		38	217	-	-
<b>Services &amp; Charges</b>					
220-46630-3000	Professional Services	700	500	-	-
220-46630-3001	Audit Fees	-	200	200	-
220-46630-3400	Publishing / Advertising	22	-	-	-
<b>Total Services &amp; Charges</b>		722	700	200	-
<b>Charges</b>					
220-46630-4300	Payment on TIF project	8,962	6,161	12,321	-
<b>Total Charges</b>		8,962	6,161	12,321	-
<b>TOTAL EXPENDITURES</b>		<u>\$ 9,722</u>	<u>\$ 7,078</u>	<u>\$ 12,521</u>	<u>\$ -</u>
<b>Net Increase (Decrease) in Fund Balance</b>		<u>\$ (9,380)</u>	<u>\$ 7,195</u>	<u>\$ 1,170</u>	<u>\$ -</u>

CHARTER OAKS - TIF  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
222-33632-0000	County TIF Payment	\$ 16,846	\$ 16,991	\$ 17,051	\$ 17,051	0.0%
222-36210-0000	Interest earnings	249	134	-	-	0.0%
	<b>Total Intergovernmental Rev</b>	17,095	17,125	17,051	17,051	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 17,095</u>	<u>\$ 17,125</u>	<u>\$ 17,051</u>	<u>\$ 17,051</u>	<u>0.0%</u>
	<b>Services &amp; Charges</b>					
222-46650-3000	Professional Services	500	700	-	-	0.0%
222-46650-3001	Audit Fees	200	-	200	200	0.0%
222-46650-3400	Publishing / Advertising	22	-	-	20	100.0%
	<b>Total Services &amp; Charges</b>	722	700	200	220	10.0%
	<b>Charges</b>					
222-46650-4300	Payment on TIF project	15,162	15,292	15,346	15,162	-1.2%
	<b>Total Charges</b>	15,162	15,292	15,346	15,162	-1.2%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 15,884</u>	<u>\$ 15,992</u>	<u>\$ 15,546</u>	<u>\$ 15,382</u>	<u>-1.1%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 1,211</u>	<u>\$ 1,133</u>	<u>\$ 1,505</u>	<u>\$ 1,669</u>	<u>10.9%</u>



CENTRAL TIF  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
223-31013-0000	Market Value Credit	\$ 671	\$ 671	\$ -	\$ -	0.0%
223-33632-0000	County TIF Payment	168,692	169,330	170,235	170,235	0.0%
223-36210-0000	Interest earnings	8,397	2,184	-	-	0.0%
	<b>Total Intergovernmental Rev</b>	177,760	172,185	170,235	170,235	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 177,760</u>	<u>\$ 172,185</u>	<u>\$ 170,235</u>	<u>\$ 170,235</u>	<u>0.0%</u>
<b>Expenditures</b>						
	<b>Personnel</b>					
223-46660-1010	Regular Employees	\$ 397	\$ -	\$ -	\$ -	0.0%
223-46660-1100	Longevity	3	-	-	-	0.0%
223-46660-1200	FICA	24	-	-	-	0.0%
223-46660-1210	PERA	26	-	-	-	0.0%
223-46660-1220	Medicare	6	-	-	-	0.0%
223-46660-1250	Insurance Rebate	6	-	-	-	0.0%
	<b>Total Personnel</b>	462	-	-	-	0.0%
	<b>Services &amp; Charges</b>					
223-46660-3000	Professional Services	-	361	-	-	0.0%
223-46660-3001	Audit Fees	30,310	1,000	1,000	1,000	0.0%
223-46660-3100	Contractual Services	-	500	-	-	0.0%
223-46660-3500	Printing/Publishing	22	-	-	20	100.0%
	<b>Total Services &amp; Charges</b>	30,332	1,861	1,000	1,020	2.0%
	<b>Charges</b>					
223-46660-4300	Payment on TIF project	65,779	70,090	70,090	7,243	-89.7%
	<b>Total Charges</b>	65,779	70,090	70,090	7,243	-89.7%
	<b>Capital Outlay</b>					
223-46660-5300	Improvements	-	47,857	-	-	0.0%
	<b>Total Capital Outlay</b>	-	47,857	-	-	0.0%
	<b>Transfers</b>					
223-46660-7280	Transfer - Debt Service	70,993	70,993	73,893	80,948	9.5%
	<b>Total Transfers</b>	70,993	70,993	73,893	80,948	9.5%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 167,566</u>	<u>\$ 190,801</u>	<u>\$ 144,983</u>	<u>\$ 89,211</u>	<u>-38.5%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 10,194</u>	<u>\$ (18,616)</u>	<u>\$ 25,252</u>	<u>\$ 81,024</u>	<u>220.9%</u>

WASECA VILLAGE TIF  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
224-33632-0000	County TIF Payment	\$ 4,203	\$ 4,239	\$ 4,254	\$ 4,254	0.0%
224-36210-0000	Interest earnings	-	1	-	-	0.0%
	<b>Total Intergovernmental Rev</b>	4,203	4,240	4,254	4,254	0.0%
	<b>Transfers</b>					
	Transfer from other funds	3,932	-	-	-	0.0%
	<b>Total Transfers</b>	3,932	-	-	-	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 8,135</u>	<u>\$ 4,240</u>	<u>\$ 4,254</u>	<u>\$ 4,254</u>	<u>0.0%</u>
<b>Expenditures</b>						
	<b>Personnel</b>					
224-46670-1010	Regular Employees	\$ 38	\$ 90	\$ -	\$ -	0.0%
224-46670-1200	FICA	-	7	-	-	0.0%
224-46670-1210	PERA	-	8	-	-	0.0%
224-46670-1220	Medicare	-	2	-	-	0.0%
	<b>Total Personnel</b>	38	107	-	-	0.0%
	<b>Services &amp; Charges</b>					
224-46670-3000	Professional Services	100	139	-	100	100.0%
224-46670-3001	Audit Fees	200	200	200	200	0.0%
224-46670-3400	Publishing / Advertising	22	-	-	20	100.0%
	<b>Total Services &amp; Charges</b>	322	339	200	320	60.0%
	<b>Charges</b>					
224-46670-4300	Payment on TIF project	4,203	3,829	4,254	4,254	0.0%
	<b>Total Charges</b>	4,203	3,829	4,254	4,254	0.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 4,563</u>	<u>\$ 4,275</u>	<u>\$ 4,454</u>	<u>\$ 4,574</u>	<u>2.7%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 3,572</u>	<u>\$ (35)</u>	<u>\$ (200)</u>	<u>\$ (320)</u>	<u>60.0%</u>

COLONY COURT TIF  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
225-33632-0000	County TIF Payment	\$ 30,315	\$ 30,315	\$ 30,424	\$ 30,424	0.0%
	<b>Total Intergovernmental Rev</b>	30,315	30,315	30,424	30,424	0.0%
	<b>Miscellaneous</b>					
	Miscellaneous	17	51	-	-	0.0%
	<b>Total Misc</b>	17	51	-	-	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 30,332</u>	<u>\$ 30,366</u>	<u>\$ 30,424</u>	<u>\$ 30,424</u>	<u>0.0%</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
225-46680-3000	Professional Services	\$ 100	\$ 500	\$ -	\$ -	0.0%
225-46680-3001	Audit Fees	-	200	200	200	0.0%
225-46680-3400	Publishing / Advertising	22	-	-	20	100.0%
	<b>Total Services &amp; Charges</b>	<u>122</u>	<u>700</u>	<u>200</u>	<u>220</u>	<u>10.0%</u>
	<b>Charges</b>					
225-46680-4300	Payment on TIF project	27,283	27,382	27,382	27,382	0.0%
	<b>Total Charges</b>	<u>27,283</u>	<u>27,382</u>	<u>27,382</u>	<u>27,382</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 27,405</u>	<u>\$ 28,082</u>	<u>\$ 27,582</u>	<u>\$ 27,602</u>	<u>0.1%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 2,927</u>	<u>\$ 2,284</u>	<u>\$ 2,842</u>	<u>\$ 2,822</u>	<u>-0.7%</u>

TIF District #26  
226  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
226-33632-0000	Intergovernmental Revenue County TIF Payment	\$ -	\$ -		\$ 32,019	100.0%
	<b>Total Intergovernmental Rev</b>	-	-	-	32,019	100.0%
	<b>TOTAL REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,019</u>	<u>100.0%</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
226-46690-3001	Professional Services - Audit	\$ -	\$ -	\$ -	\$ 200	100.0%
226-46690-3400	Publishing / Advertising	-	-	-	20	100.0%
	<b>Total Services and Charges</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220</u>	<u>100.0%</u>
	<b>Charges</b>					
226-46690-4300	Payment on TIF project	-	-		30,494	100.0%
	<b>Total Charges</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,494</u>	<u>100.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,714</u>	<u>100.0%</u>
	<b>Net Increase (Decrease) in</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,305</u>	<u>100.0%</u>

## **BUDGET COMMENTARY: AIRPORT FUND**

### **PROFILE**

The City of Waseca owns a general aviation airport located approximately one-half mile west of the present City limits. The facility is designed to operate for the primary benefit of commercial and industrial business in the community. It is also used as a recreational facility for local flyers. Revenues are obtained from hangar rentals, farmland rents, sanitary sewer transfer for privilege of spreading sludge, State Aid, and periodic transfers from the General Fund to maintain the facility for business growth. The City contracts with a private airport manager to operate and maintain the facilities, under the direction of the City Engineer.

### **ACTIVITIES SCOPE**

- Insure the airport meets all FAA and MnDOT Aeronautics rules and regulations.
- Insure that the facility is safe and free of hazards.
- Insure that preventative maintenance is performed on a timely basis.
- Insure that the proper reports are filed with MnDOT Aeronautics and the FAA.
- Insure that all communication facilities including directional beacons are operable.
- Insure that all rental contracts are timely and administered properly.
- Oversee the management contract.

### **DEPARTMENTAL GOALS**

- Develop long term Capital Improvement Plan.
- Publicize the benefit and importance of the airport to the long-term viability of the City of Waseca.
- Respond to community and Airport Board requests.

### **REVENUES**

Revenues include payments from State Aid, land rental and hangar rent.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 2000's, SUPPLIES, provides for small supplies needed to maintain and operate the Airport facility.
- Code 3000's, SERVICES & CHARGES, payments to Stensrud Aviation for management fee, insurance for the facility, electricity and gas for the operation of the facility, audit service and engineering consulting charges.
- Code 4000's, CHARGES, cost of hangar repair, runway lights, misc. repairs, cost of property taxes paid to Waseca County, and annual depreciation.
- Code 5300, IMPROVEMENTS, provide for airport enhancements.

### **CHANGES**

In 2008, this fund was converted from an Enterprise fund to a special revenue fund. The fund is not self supporting; grants and transfers from the general fund help to support the operational costs of this fund. There was no transfer from the General fund in 2010; however future transfers are anticipated in 2011 and beyond if Grants do not cover the costs.

AIRPORT SPECIAL REVENUE FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
230-33140-0000	Federal Grant Fund	\$ 95,775	\$ -	\$ -	\$ 95,000	100.0%
230-33422-0000	State Aid	15,943	15,943	16,500	16,500	0.0%
	<b>Total Intergovernmental Rev</b>	111,718	15,943	16,500	111,500	575.8%
	<b>Interest &amp; Misc Revenue</b>					
230-36210-0000	Interest earnings	-	1,195	-	-	0.0%
230-36250-0000	Misc Revenue	800	1,200	500	500	0.0%
	<b>Total Interest &amp; Misc Rev</b>	800	2,395	500	500	0.0%
	<b>Utilities Revenues</b>					
230-38020-0000	Rentals	51,743	77,422	72,000	72,000	0.0%
	<b>Total Utilities Revenues</b>	51,743	77,422	72,000	72,000	0.0%
	<b>Transfers</b>					
39207	Transfers - one time	30,596	-	-	-	0.0%
	<b>Total Transfers</b>	30,596	-	-	-	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 194,857</u>	<u>\$ 95,760</u>	<u>\$ 89,000</u>	<u>\$ 184,000</u>	<u>106.7%</u>
<b>Expenditures</b>						
	<b>Supplies</b>					
230-49810-2170	General Supplies	\$ 1,325	\$ 736	\$ 1,200	\$ 1,200	0.0%
230-49810-2230	Bldg Rep/Maint Supplies	143	343	500	500	0.0%
230-49810-2240	City Shop Charges	2,132	4,171	2,000	5,000	150.0%
	<b>Total Supplies</b>	3,600	5,250	3,700	6,700	81.1%
	<b>Services &amp; Charges</b>					
230-49810-3000	Professional Services	6,705	695	1,200	1,200	0.0%
230-49810-3001	Audit Fees		1,000	2,000	2,000	0.0%
230-49810-3100	Contractual Services	25,222	24,200	24,000	24,600	2.5%
230-49810-3200	Communications	-	-	50	50	0.0%
230-49810-3300	Conf and Schools	30	-	150	150	0.0%
230-49810-3400	Publishing / Advertising	168	-	500	500	0.0%
230-49810-3610	Public Liab Insurance	-	-	300	300	0.0%
230-49810-3620	Property Insurance	6,750	7,000	7,500	7,500	0.0%
230-49810-3800	Utilities	10,356	8,262	12,000	12,000	0.0%
	<b>Total Services &amp; Charges</b>	49,231	41,157	47,700	48,300	1.3%

AIRPORT SPECIAL REVENUE FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Charges</b>					
230-49810-4000	Repair/Maintenance	3,566	3,511	4,000	6,000	50.0%
230-49810-4330	Dues/Subscriptions	100	140	100	100	0.0%
230-49810-4800	Property Taxes	7,130	7,283	7,500	7,500	0.0%
	<b>Total Charges</b>	<u>10,796</u>	<u>10,934</u>	<u>11,600</u>	<u>13,600</u>	<u>17.2%</u>
	<b>Capital Outlay</b>					
230-49810-5300	Improvements	29,403	-	12,000	100,000	733.3%
	<b>Total Capital Outlay</b>	<u>29,403</u>	<u>-</u>	<u>12,000</u>	<u>100,000</u>	<u>733.3%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 93,030</u>	<u>\$ 57,341</u>	<u>\$ 75,000</u>	<u>\$ 168,600</u>	<u>124.8%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 101,827</u>	<u>\$ 38,419</u>	<u>\$ 14,000</u>	<u>\$ 15,400</u>	<u>10.0%</u>

## **BUDGET COMMENTARY: WATER PARK OPERATIONS**

### **PROFILE**

In 2005, the City passed a referendum that directed the City to issue debt and utilize contributions for the construction of a \$3.9 million water park facility. In June 2007, this park became operational. In 2011 this fund reflects the operational scope of the Water Park.

### **ACTIVITIES SCOPE**

- Concession stand sales.
- Water Park Admission

### **CURRENT PROJECTS**

- Establish operational activities, including payroll and personnel costs for seasonal labor, as well as Water Park Manager.
- Provide budgets for supplies and services required to for water park operations.

### **DEPARTMENTAL GOALS**

- Establish effective and enticing water park operations providing the community with a well run and enjoyable recreation experience.

### **FUTURE TRANSFERS**

- The 2011 budgeted transfer is \$75,000 from the General fund to provide for operational expenses that aren't offset by user fees.



WATER PARK OPERATIONS  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Charges, Interest, Contributions</b>					
240-34720-0000	Water Park Fees	\$ 126,873	\$ 81,511	\$ 120,000	\$ 110,000	-8.3%
240-34730-0000	Lessons	-	4,360	4,000	6,500	62.5%
240-34740-0000	Concessions	51,108	33,384	50,000	41,000	-18.0%
240-34785-0000	Park User Fee	2,507	4,446	-	1,500	100.0%
240-36210-0000	Interest Earnings	2,971	880	445	200	-55.1%
240-36230-0000	Contributions	-	6,300	-	-	0.0%
240-36250-0000	Miscellaneous	1,080	427	-	300	100.0%
	<b>Total</b>	<b>184,539</b>	<b>131,308</b>	<b>174,445</b>	<b>159,500</b>	<b>-8.6%</b>
	<b>Transfers in</b>					
240-39201-0000	Transfer - General Fund	-	-	-	75,000	100.0%
	<b>Total Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,000</b>	<b>100.0%</b>
	<b>TOTAL REVENUES</b>	<b>\$ 184,539</b>	<b>\$ 131,308</b>	<b>\$ 174,445</b>	<b>\$ 234,500</b>	<b>34.4%</b>
<b>Expenditures</b>						
	<b>Personnel</b>					
240-45130-1010	Regular Employees	\$ 45,746	\$ 36,108	\$ 37,042	\$ 37,042	0.0%
240-45130-1020	Overtime	36	43	500	500	0.0%
240-45130-1030	Part-time Employees	51,048	44,631	55,000	55,825	1.5%
240-45130-1090	Cellphone Reimbursement	-	101	-	-	0.0%
240-45130-1200	FICA	6,107	5,013	1,612	5,789	259.1%
240-45130-1210	PERA	2,986	2,427	6,478	2,686	-58.5%
240-45130-1220	Medicare	1,428	1,172	1,342	1,354	0.9%
240-45130-1250	Insurance Rebate	1,200	960	1,200	960	-20.0%
240-45130-1300	Insurance	4,302	4,536	6,169	4,210	-31.8%
240-45130-1310	VEBA Trust	1,150	1,150	1,150	2,400	108.7%
240-45130-1330	Life Insurance	183	207	207	166	-20.0%
240-45130-1340	Disability Insurance	210	213	219	167	-23.9%
240-45130-1510	Workers Comp	4,938	3,556	4,000	3,900	-2.5%
	<b>Total Personnel</b>	<b>119,334</b>	<b>100,117</b>	<b>114,919</b>	<b>114,999</b>	<b>0.1%</b>
	<b>Supplies</b>					
240-45130-2000	Office Supplies	1,868	1,558	2,000	2,000	0.0%
240-45130-2050	Computer Supplies	438	1,709	1,500	1,100	-26.7%
240-45130-2165	Chemicals	6,370	5,980	10,000	10,000	0.0%
240-45130-2170	General Supplies	3,881	1,305	3,000	3,000	0.0%
240-45130-2175	Janitorial Supplies	1,517	710	1,500	1,500	0.0%
240-45130-2180	Uniforms	2,309	(194)	1,000	1,000	0.0%
240-45130-2210	Equipment Parts	1,579	6,976	5,000	5,000	0.0%
240-45130-2240	City Shop Charges	4,736	8,241	5,000	5,198	4.0%
240-45130-2500	Concessions	31,599	18,924	30,000	26,500	-11.7%
	<b>Total Supplies</b>	<b>54,297</b>	<b>45,209</b>	<b>59,000</b>	<b>55,298</b>	<b>-6.3%</b>

WATER PARK OPERATIONS  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Services &amp; Charges</b>					
240-45130-3000	Professional Services	2,531	1,287	750	750	0.0%
240-45130-3001	Audit Fees	-	1,000	1,000	1,000	0.0%
240-45130-3100	Contractual Services	2,452	1,832	1,500	1,500	0.0%
240-45130-3200	Communications	2,708	2,860	2,600	2,600	0.0%
240-45130-3300	Conferences and Schools	1,445	344	2,500	2,500	0.0%
240-45130-3350	Car Allowance / Mileage	237	273	500	500	0.0%
240-45130-3400	Publishing / Advertising	3,668	1,315	2,000	2,000	0.0%
240-45130-3600	Public Liab Insurance	10,000	10,000	10,000	7,500	-25.0%
240-45130-3800	Utilities	50,851	31,277	35,000	35,000	0.0%
	<b>Total Services &amp; Charges</b>	<b>73,892</b>	<b>50,188</b>	<b>55,850</b>	<b>53,350</b>	<b>-4.5%</b>
	<b>Charges</b>					
240-45130-4000	Repair/Maintenance	648	18,743	5,000	5,000	0.0%
240-45130-4330	Dues/Subscriptions	390	310	500	500	0.0%
240-45130-4500	Permits & Fees	613	619	1,000	1,000	0.0%
240-45130-4950	Comp Financing Acct	560	1,067	466	551	18.2%
	<b>Total Charges</b>	<b>2,211</b>	<b>20,739</b>	<b>6,966</b>	<b>7,051</b>	<b>1.2%</b>
	<b>Capital Outlay</b>					
240-45130-5300	Improvements	8,879	-	-	-	0.0%
	<b>Total Capital Outlay</b>	<b>8,879</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
	<b>TOTAL EXPENDITURES</b>	<b>\$ 258,613</b>	<b>\$ 216,253</b>	<b>\$ 236,735</b>	<b>\$ 230,697</b>	<b>-2.6%</b>
	Net Increase (Decrease) in Fund Balance	<b>\$ (74,074)</b>	<b>\$ (84,945)</b>	<b>\$ (62,290)</b>	<b>\$ 3,803</b>	<b>-106.1%</b>

## **BUDGET COMMENTARY: WASECA HOUSING FUND**

### **PROFILE**

This fund was developed to establish available funds for the use of tax abatement to create attainable housing options.

### **ACTIVITIES SCOPE**

- Use of funds is planned for “bridge loans” in the acquisition and development of housing property
- Interim financing of housing projects

### **PAST PROJECTS**

- Fund has been utilized in conjunction with the EDA Plat No. 1 (Whispering Pines) project and the Small Cities Development program grant finalized in 2005. The City assisted in providing gap financing to one party in the Whispering Pines project. The funds are considered a “soft second” mortgage. Soft Second loans are due upon the sale of the property. The City Council also authorized the use of funds to finance extraordinary expenses of one project developed as part of the Small Cities program in downtown. Funds were paid to finance architectural and building code required improvements in 2005 as part of the Small Cities program.

### **CURRENT PROJECTS**

Although there are no definite plans for future projects in 2011, many plans are in the review stages.

WASECA HOUSING FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
250-36210-0000	Interest Earnings	\$ 3,202	\$ 1,682	\$ 1,000	\$ 1,000	0.0%
250-36233-0000	Contr/BP Abatement	13,650	13,650	13,650	13,650	0.0%
	<b>Total Interest &amp; Misc Revenue</b>	16,852	15,332	14,650	14,650	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 16,852</u>	<u>\$ 15,332</u>	<u>\$ 14,650</u>	<u>\$ 14,650</u>	<u>0.0%</u>
<b>Services &amp; Charges</b>						
250-46400-3000	Professional Services	\$ -	\$ -	\$ 15,150	\$ 15,150	0.0%
	<b>Total Services &amp; Charges</b>	-	-	15,150	15,150	0.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,150</u>	<u>\$ 15,150</u>	<u>0.0%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 16,852</u>	<u>\$ 15,332</u>	<u>\$ (500)</u>	<u>\$ (500)</u>	<u>0.0%</u>

## BUDGET COMMENTARY: POLICE SEPARATION

### PROFILE

A program was developed in 1992 to provide a separation allowance for members of the City Volunteer Police Reserves. This program allows for a one-time payment to the separating volunteer, based on years of service schedule of payment.

<u>Years of service</u>	<u>One-time payment</u>
1 – 4	\$ 100.00
5 – 9	\$ 500.00
10 – 14	\$ 1,000.00
15 – 20	\$ 2,000.00
21 +	\$ 3,000.00

This fund maintains sufficient cash flow to adequately cover separation costs for the reservists currently in the program.

When a separation occurs, new members are recruited within the community to fill these positions.

POLICE SEPARATION  
2011 Budget  
Revenues and Expenditures

		<u>2008 ACTUAL</u>	<u>2009 ACTUAL</u>	<u>2010 BUDGET</u>	<u>2011 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
270-36210-0000	Interest Earnings	\$ 459	\$ 210	\$ 100	\$ 100	0.0%
	<b>Total Interest &amp; Misc Rev</b>	<u>459</u>	<u>210</u>	<u>100</u>	<u>100</u>	<u>0.0%</u>
<b>Transfers</b>						
270-39201-0000	Transfer - General Fund	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<b>Total Transfers</b>	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<b>TOTAL REVENUES</b>	<u>\$ 2,459</u>	<u>\$ 2,210</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>0.0%</u>
<b>Personnel</b>						
270-49211-1150	Severance Contribution	\$ 2,100	\$ 500	\$ 3,000	\$ 3,000	0.0%
	<b>Total Personnel</b>	<u>2,100</u>	<u>500</u>	<u>3,000</u>	<u>3,000</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 2,100</u>	<u>\$ 500</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>0.0%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 359</u>	<u>\$ 1,710</u>	<u>\$ (2,900)</u>	<u>\$ (2,900)</u>	<u>0.0%</u>

## **BUDGET COMMENTARY: POLICE RESERVE**

### **PROFILE**

The City of Waseca's Police Department utilizes the volunteer services of the Waseca Police Reserves. The reserve unit assists Police personnel in various matters related to law enforcement. It patrols our local parks, business districts, school district buildings, and residential neighborhoods. This added patrol helps reduce property damage and other criminal activity within our community. The unit assists with parades, dances, early childhood development, high school athletic events, etc.

This fund accounts for the various fund raising and donation revenues received by the reserve unit.

Planned expenditures are reviewed and authorized through Police Department administration, in conjunction with the requested needs of the reserve unit. In 2011, the Waseca Police Department will focus on budget with emphasis on expenditures being paid from two dedicated accounts.

POLICE RESERVES  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
<b>Interest &amp; Misc Revenue</b>						
275-36210-0000	Interest Earnings	\$ 107	\$ 49	\$ 20	\$ 20	0.0%
275-36230-0000	Contributions	1,000	1,950	250	250	0.0%
275-36244-0000	Misc Reimbursements	5,590	1,944	4,000	4,480	12.0%
275-36250-0000	Misc Revenue	250	-	250	250	0.0%
	<b>Total Interest &amp; Misc Rev</b>	<u>6,947</u>	<u>3,943</u>	<u>4,520</u>	<u>5,000</u>	<u>10.6%</u>
TOTAL REVENUES		<u>\$ 6,947</u>	<u>\$ 3,943</u>	<u>\$ 4,520</u>	<u>\$ 5,000</u>	<u>10.6%</u>
<b>Services &amp; Charges</b>						
275-49212-3100	Contractual Services	\$ 6,209	\$ 2,394	\$ 5,000	\$ 5,000	0.0%
	<b>Total Services &amp; Charges</b>	<u>6,209</u>	<u>2,394</u>	<u>5,000</u>	<u>5,000</u>	<u>0.0%</u>
TOTAL EXPENDITURES		<u>\$ 6,209</u>	<u>\$ 2,394</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>0.0%</u>
Net Increase (Decrease) in Fund Balance		<u>\$ 738</u>	<u>\$ 1,549</u>	<u>\$ (480)</u>	<u>\$ -</u>	<u>0.0%</u>



## **BUDGET COMMENTARY: CRIME VICTIM SERVICES**

### PROFILE

The Waseca Police Department is the recipient of a State grant, which provides funding for servicing the needs of victims. The Waseca Police Department is the administrator of the grant.

### ACTIVITIES SCOPE

This grant program was funded again through State Legislative action. This program will continue specifically to meet the elements of the grant; including victim assistance, victim restitution and service identification.

This program will be responsive and interact with on going police issues that involve victims of crime.

This program will perform a wide variety of general victim services, including assisting primary and/or secondary general crime victims/survivors in Waseca County with emergency crisis intervention and meeting their emotional and physical needs.

### CHANGES

The crime victim's activity was converted from a department in the General fund to a Special Revenue fund in 2008. This conversion allows for better monitoring of funds and an audit trail that will clearly show that grant revenue was expended in accordance with State statute.

CRIME VICTIMS  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
277-36210-0000	Interest Earnings	\$ 307	\$ 81	\$ 130	\$ 130	0.0%
277-36238-0000	Contributions/Crime victims services	-	2,520	-	-	0.0%
277-36239-0000	Contributions - Kruger	-	3,925	-	-	0.0%
	<b>Total Interest &amp; Misc Revenue</b>	<u>307</u>	<u>6,526</u>	<u>130</u>	<u>130</u>	<u>0.0%</u>
	<b>Intergovernmental Revenue</b>					
277-33426-0000	State Grant - Police	44,467	45,404	43,172	43,172	0.0%
	<b>Total Intergov Revenue</b>	<u>44,467</u>	<u>45,404</u>	<u>43,172</u>	<u>43,172</u>	<u>0.0%</u>
	<b>TOTAL REVENUES</b>	<u>\$ 44,774</u>	<u>\$ 51,930</u>	<u>\$ 43,302</u>	<u>\$ 43,302</u>	<u>0.0%</u>
<b>Expenditures</b>						
	<b>Personnel</b>					
277-46300-1010	Regular Employees	\$ 6,274	\$ 25,917	\$ 25,002	\$ 29,599	18.4%
277-46300-1020	Overtime	48	180	1,000	1,000	0.0%
277-46300-1200	FICA	467	1,922	1,612	1,897	17.7%
277-46300-1210	PERA	392	1,688	3,666	2,218	-39.5%
277-46300-1220	Medicare	109	450	138	444	221.5%
277-46300-1250	Insurance Rebate	1,500	5,000	1,500	6,000	300.0%
277-46300-1300	Insurance	717	4,536	6,169	7,542	22.2%
277-46300-1310	VEBA Trust	287	1,150	1,150	1,150	0.0%
277-46300-1330	Life Insurance	35	138	138	207	50.0%
277-46300-1340	Disability Insurance	37	147	118	133	12.9%
	<b>Total Personnel</b>	<u>9,866</u>	<u>41,128</u>	<u>40,493</u>	<u>50,190</u>	<u>23.9%</u>
	<b>Services &amp; Charges</b>					
277-46300-3000	Professional Services	28,247	-	-	-	0.0%
277-46300-3060	Victims Services	260	1,277	-	-	0.0%
277-46300-3065	Professional Services - Kruger	-	4,321	-	-	0.0%
277-46300-3200	Communications	230	1,419	-	-	0.0%
277-46300-3300	Conf and Schools	258	-	-	-	0.0%
	<b>Total Services &amp; Charges</b>	<u>28,995</u>	<u>7,017</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 38,861</u>	<u>\$ 48,145</u>	<u>\$ 40,493</u>	<u>\$ 50,190</u>	<u>23.9%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 5,913</u>	<u>\$ 3,785</u>	<u>\$ 2,809</u>	<u>\$ (6,888)</u>	<u>-345.2%</u>

## **BUDGET COMMENTARY: POLICE SPECIAL REVENUE FUND (FORFEITURE)**

### **PROFILE**

This fund was developed in 2007 to record revenue generated from legally forfeited property including property seized in DUI and drug related arrests under state and federal laws. The fund internally accounts for expenses associated with forfeitures to ensure proper allocation of those expenses.

### **ACTIVITIES SCOPE**

Use drug and DUI forfeited assets to cover law enforcement expenses that are not covered by taxpayers including:

- Purchase equipment
- Fund capital improvements for law enforcement activities.
- Provide additional resources for DUI and drug enforcement.
- Fund specialized training

POLICE SPECIAL REVENUE / FORFEITURES  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
278-35200-0000	Forfeiture Revenue	\$ 13,296	\$ 11,703	\$ 1,000	\$ 1,000	0.0%
278-36210-0000	Interest earnings	568	430	213	213	100.0%
	<b>Total Intergov Revenue</b>	<u>13,864</u>	<u>12,133</u>	<u>1,213</u>	<u>1,213</u>	<u>0.0%</u>
	 TOTAL REVENUES	 <u>\$ 13,864</u>	 <u>\$ 12,133</u>	 <u>\$ 1,213</u>	 <u>\$ 1,213</u>	 <u>0.0%</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
278-46350-3000	Professional Services	\$ 53	\$ -	\$ -	\$ -	0.0%
	<b>Total Services &amp; Charges</b>	<u>53</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<b>Charges</b>					
278-46350-4340	Drug Investigation	2,713	2,372	1,000	1,000	0.0%
	<b>Total Charges</b>	<u>2,713</u>	<u>2,372</u>	<u>1,000</u>	<u>1,000</u>	<u>0.0%</u>
	 TOTAL EXPENDITURES	 <u>\$ 2,766</u>	 <u>\$ 2,372</u>	 <u>\$ 1,000</u>	 <u>\$ 1,000</u>	 <u>0.0%</u>
	 Net Increase (Decrease) in Fund Balance	 <u>\$ 11,098</u>	 <u>\$ 9,761</u>	 <u>\$ 213</u>	 <u>\$ 213</u>	 <u>100.0%</u>

## **BUDGET COMMENTARY: FIREFIGHTERS RELIEF**

### **PROFILE**

The Firefighters Relief fund is maintained to account for the levy and collection of general property taxes and collection of state aid for support of the Fire Relief Association. The Association is solely responsible for the administration of its funds and the City levies and collects taxes as prescribed by State law.

### **ACTIVITIES SCOPE**

- State Aid for Firefighters
- Annual \$3,100 credit per firefighter.

### **DEPARTMENTAL GOALS**

- To provide payment to members in case of disability, long-term illness or death. Association consists of 34 volunteer firefighters.
- To provide a secondary retirement source for part-time volunteer firefighters
- To attract and retain individuals to serve as members of the Fire Department

### **CURRENT AND PROPOSED EXPENDITURES**

- The main revenue source for the Fire Relief Association is State Aid for firefighters, which is funded by the State through a special tax on fire insurance policies. The 2010 state allocation was \$48,422.
- Transfer from General fund will provide the City's proportionate share to the Relief fund. The 2010 transfer increase reflected an increase in contributions for pensions due to a loss of investment income, resulting from the down economy. The 2011 transfer decrease was the result of the stock market recovery.

FIRE FIGHTERS RELIEF  
2011 Budget  
Revenues and Expenditures

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
280-33420-0000	State Aid - Fire	\$ 48,439	\$ 43,679	\$ 66,147	\$ 51,852	-21.6%
	<b>Total Intergov Revenue</b>	<u>48,439</u>	<u>43,679</u>	<u>66,147</u>	<u>51,852</u>	<u>-21.6%</u>
	<b>Transfers</b>					
280-39201-0000	Transfer - General Fund	5,987	10,720	75,657	50,313	-33.5%
	<b>Total Transfers</b>	<u>5,987</u>	<u>10,720</u>	<u>75,657</u>	<u>50,313</u>	<u>-33.5%</u>
	<b>TOTAL REVENUES</b>	<u>\$ 54,426</u>	<u>\$ 54,399</u>	<u>\$ 141,804</u>	<u>\$ 102,165</u>	<u>-28.0%</u>
<b>Expenditures</b>						
	<b>Personnel</b>					
280-49070-1240	Contributions for Pensions	\$ 54,426	\$ 54,399	\$ 141,804	\$ 102,165	-28.0%
	<b>Total Personnel</b>	<u>54,426</u>	<u>54,399</u>	<u>141,804</u>	<u>102,165</u>	<u>-28.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 54,426</u>	<u>\$ 54,399</u>	<u>\$ 141,804</u>	<u>\$ 102,165</u>	<u>-28.0%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

## **Debt Service Funds**







## DEBT SERVICE FUNDS

The Debt Service funds are established to account for the payment of interest and principal on long term, general obligation special assessment bond issues and capital equipment notes.

- Fund 305, AQUATIC PARK DEBT SERVICE, issued in 2006, to partially finance the Waseca Water Park.
- Fund 320, SPECIAL ASSESSMENT, provides for debt issued for property specific improvement in 1994, 2000, 2001 and 2004.
- Fund 345, NW CONSTRUCTION SITE, provided for construction of a new commercial site in the northwest area.
- Fund 360, MUNICIPAL STATE AID, provides for debt service related to Municipal State Aid Street projects.
- FUND 380, TIF 23 DEBT SERVICE, provides for the debt service issued for downtown project developments.

## **BUDGET COMMENTARY: AQUATIC PARK DEBT SERVICE**

### **PROFILE**

In 2006, the City issued \$2,040,000 in G.O. debt, to provide the funding necessary for the construction of the Waseca Community Water Park.

### **ACTIVITIES SCOPE**

- Annual principal and interest payments for the 20-year term of the debt.

### **CURRENT PROJECTS**

- The debt payment will increase from \$156,185 in 2010 to \$159,685 in 2011.

AQUATIC PARK DEBT SERVICE (BOND 2006A)  
2011 Budget  
Revenues and Expenditures

		<u>2008 ACTUAL</u>	<u>2009 ACTUAL</u>	<u>2010 BUDGET</u>	<u>2011 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>Revenues</b>						
	<b>Taxes</b>					
305-31010-0000	Property Taxes	\$ 117,932	\$ 157,666	\$ 156,185	\$ 164,939	5.6%
	<b>Total Taxes</b>	<u>117,932</u>	<u>157,666</u>	<u>156,185</u>	<u>164,939</u>	<u>5.6%</u>
	<b>TOTAL REVENUES</b>	<u>\$ 117,932</u>	<u>\$ 157,666</u>	<u>\$ 156,185</u>	<u>\$ 164,939</u>	<u>5.6%</u>
<b>Expenditures</b>						
	<b>Debt Service</b>					
305-47700-6000	Principal	\$ 30,000	\$ 75,000	\$ 75,000	\$ 80,000	6.7%
305-47700-6100	Bond Interest	85,085	82,985	79,985	78,485	-1.9%
305-47700-6200	Fiscal Agent Fee	<u>1,231</u>	<u>431</u>	<u>1,200</u>	<u>1,200</u>	<u>0.0%</u>
	<b>Total Debt Service</b>	<u>116,316</u>	<u>158,416</u>	<u>156,185</u>	<u>159,685</u>	<u>2.2%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 116,316</u>	<u>\$ 158,416</u>	<u>\$ 156,185</u>	<u>\$ 159,685</u>	<u>2.2%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 1,616</u>	<u>\$ (750)</u>	<u>\$ -</u>	<u>\$ 5,254</u>	<u>100.0%</u>

## BUDGET COMMENTARY: SPECIAL ASSESSMENT DEBT SERVICE

### PROFILE

Principal and interest payments on special assessment bonds are paid from this fund. Bonds are issued periodically in amounts necessary to meet expenditure requirements for special assessment projects. No tax levy is required to support this fund at the present time. Revenues to retire these bonds consist of payments from property owners whose property has been specially assessed for the improvements benefiting their properties. Primarily, the assessments are made for the cost of constructing streets and sewer laterals.

Bonds were issued in 1994 in the amount of \$860,000, 2000 in the amount of \$750,000, 2001 in the amount of \$935,000 and in 2004 in the amount of \$1,415,000. Listed below are the remaining principal payments.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2011	\$315,000	2013	\$235,000	2015	\$130,000
2012	\$235,000	2014	\$130,000		
Total					<u>\$1,045,000</u>

### ACTIVITIES SCOPE

- Preparation of assessment rolls
- Receipt of annual installments

### DEPARTMENTAL GOALS

- Finance the opening and resurfacing of streets, installing utility lines, constructing curbs, gutters and sidewalks
- To redevelop existing neighborhoods and/or residential areas confronted with progressive deterioration

### CURRENT AND PROPOSED EXPENDITURES

- Code 6000, BOND PRINCIPAL, allocates \$315,000 for the bond principal in 2011
- Code 6100, BOND INTEREST EXPENSE, allocates funds for interest payments on existing bonds, \$37,835
- Code 6200, FISCAL AGENT FEES, allocates for miscellaneous charges associated with special assessment bond processing

## SPECIAL ASSESSMENT - DEBT SERVICE (BONDS 2000A, 2001A, 2004C)

2011 Budget

## Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
<b>Interest &amp; Misc Revenues</b>						
320-36101-0000	Special Assess Payments	\$ 157,346	\$ 151,530	\$ 360,000	\$ 315,000	-12.5%
320-36102-0000	Interest on Special Asses	47,008	37,986	47,008	38,000	-19.2%
320-36210-0000	Interest Earnings	56,814	24,019	29,134	25,220	-13.4%
320-36250-0000	Misc Revenue	4,434	903	862	900	
	<b>Total Interest &amp; Misc Rev</b>	265,602	214,438	437,004	379,120	-13.2%
	<b>TOTAL REVENUES</b>	<u>\$ 265,602</u>	<u>\$ 214,438</u>	<u>\$ 437,004</u>	<u>\$ 379,120</u>	<u>-13.2%</u>
<b>Expenditures</b>						
<b>Services &amp; Charges</b>						
320-47300-3050	Administrative Charges	\$ 12,241	\$ 5,634	\$ -	\$ -	0.0%
	<b>Total Services &amp; Charges</b>	12,241	5,634	-	-	0.0%
<b>Debt Service</b>						
320-47300-6000	Principal	360,000	355,000	360,000	315,000	-12.5%
320-47300-6100	Bond Interest	80,689	66,263	51,710	37,835	-26.8%
320-47300-6200	Fiscal Agent Fee	1,741	1,741	1,741	1,741	0.0%
	<b>Total Debt Service</b>	442,430	423,004	413,451	354,576	-14.2%
<b>Transfers</b>						
320-47300-7340	Transfer to Cap Proj.	210,072	-	-	-	0.0%
	<b>Total Transfers</b>	210,072	-	-	-	0.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 664,743</u>	<u>\$ 428,638</u>	<u>\$ 413,451</u>	<u>\$ 354,576</u>	<u>-14.2%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ (399,141)</u>	<u>\$ (214,200)</u>	<u>\$ 23,553</u>	<u>\$ 24,544</u>	<u>4.2%</u>

## **BUDGET COMMENTARY: NW CONSTRUCTION SITE DEBT SERVICE**

### **PROFILE**

In 2005, the City issued debt to finance the construction of a new commercial site in the northwest area of the community. This debt financed the infrastructure, land preparation and construction costs.

### **ACTIVITIES SCOPE**

- This fund provides the revenues collected from abatements and land sales for the annual debt service payments.

### **CURRENT PROJECTS**

- The 2011 budget provides for full principal and interest payments of the 10-year debt cycle.

NW CONSTRUCTION SITE DEBT SERVICE (BOND 2005D)

2011 Budget

Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Taxes</b>					
345-31012-0000	Tax abatement Levy	\$ 44,934	\$ 44,934	\$ 44,934	\$ 44,934	0.0%
	<b>Total Taxes</b>	44,934	44,934	44,934	44,934	0.0%
	<b>Transfers</b>					
345-39201-0000	Transfer - General Fund	89,714	99,807	98,262	104,568	6.4%
	<b>Total Transfers</b>	89,714	99,807	98,262	104,568	6.4%
	<b>TOTAL REVENUES</b>	<u>\$ 134,648</u>	<u>\$ 144,741</u>	<u>\$ 143,196</u>	<u>\$ 149,502</u>	<u>4.4%</u>
<b>Expenditures</b>						
	<b>Debt Service</b>					
345-47900-6000	Principal	\$ 100,000	\$ 115,000	\$ 115,000	\$ 120,000	4.3%
345-47900-6100	Bond Interest	34,283	30,520	26,495	22,383	-15.5%
345-47900-6200	Fiscal Agent Fee	1,203	403	1,500	1,203	-19.8%
	<b>Total Debt Service</b>	135,486	145,923	142,995	143,586	0.4%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 135,486</u>	<u>\$ 145,923</u>	<u>\$ 142,995</u>	<u>\$ 143,586</u>	<u>0.4%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ (838)</u>	<u>\$ (1,182)</u>	<u>\$ 201</u>	<u>\$ 5,916</u>	<u>2843.4%</u>

## **BUDGET COMMENTARY: MINNESOTA STATE AID MAINTENANCE – DEBT SERVICE**

### **PROFILE**

In 2005, the City issued debt for the 11<sup>th</sup> Avenue NW Corridor project. This project, completed in 2006, provided for construction work that was eligible for Municipal State Aid funding.

### **ACTIVITIES SCOPE**

- Annual debt service payments for 11<sup>th</sup> Avenue NW project

### **REVENUES**

- Annual State Aid allocation

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 6000, PRINCIPAL, payments for the annual principal portion of debt.
- Code 6100, INTEREST, payments for the annual interest portion of debt.
- Code 6200, FISCAL AGENT FEES, for the fees involved in handling the debt payments.



MSA MAINTENANCE DEBT SERVICE (BOND 2005B)  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
360-33418-0000	Muni State Aid Maint	\$ 100,420	\$ 98,020	\$ 97,040	\$ 91,812	-5.4%
	<b>Total Intergov Revenue</b>	100,420	98,020	97,040	91,812	-5.4%
	<b>Interest &amp; Misc Revenue</b>					
360-36210-0000	Interest earnings	13	191	-	20	100.0%
	<b>Total Interest &amp; Misc Rev</b>	13	191	-	20	100.0%
	<b>TOTAL REVENUES</b>	<u>\$ 100,433</u>	<u>\$ 98,211</u>	<u>\$ 97,040</u>	<u>\$ 91,832</u>	<u>-5.4%</u>
<b>Expenditures</b>						
	<b>Debt Service</b>					
360-47350-6000	Principal	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	0.0%
360-47350-6100	Bond Interest	20,420	18,020	15,540	12,960	-16.6%
360-47350-6200	Fiscal Agent Fee	1,203	403	1,500	1,200	-20.0%
	<b>Total Debt Service</b>	101,623	98,423	97,040	94,160	-3.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 101,623</u>	<u>\$ 98,423</u>	<u>\$ 97,040</u>	<u>\$ 94,160</u>	<u>-3.0%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ (1,190)</u>	<u>\$ (212)</u>	<u>\$ -</u>	<u>\$ (2,328)</u>	<u>100.0%</u>

## **BUDGET COMMENTARY: TIF DEBT SERVICE**

### **PROFILE**

Debt issued in 2005 provided the resources for the downtown renovation and resource project, focused on the maintenance of historically significant buildings as well as the addition of community upgrades.

### **ACTIVITIES SCOPE**

- Debt payments for the 10-year cycle of the debt issued.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 6000, BOND PRINCIPAL, allocates for payment of the 2011 bond principal in the amount of \$35,000
- Code 6100, BOND INTEREST EXPENSE, allocates funds for interest payments on existing bonds, \$42,093
- Code 6200, FISCAL AGENT FEES, allocates for miscellaneous charges associated with special assessment bond processing

TAX INCREMENT DISTRICT #23 (BOND 2005E)  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
380-36210-0000	Interest Earnings	\$ -	\$ 358	\$ -	\$ -	0.0%
	<b>Total Interest &amp; Misc Rev</b>	-	358	-	-	0.0%
	<b>Transfers in</b>					
380-39216-0000	Transfer - Spec Rev #223	70,993	70,993	73,893	80,948	9.5%
	<b>Total Transfers</b>	70,993	70,993	73,893	80,948	9.5%
	<b>TOTAL REVENUES</b>	<u>\$ 70,993</u>	<u>\$ 71,351</u>	<u>\$ 73,893</u>	<u>\$ 80,948</u>	<u>9.5%</u>
<b>Expenditures</b>						
	<b>Debt Service</b>					
380-47800-6000	Principal	\$ 25,000	\$ 30,000	\$ 30,000	\$ 35,000	16.7%
380-47800-6100	Bond Interest	44,993	43,893	42,693	42,093	-1.4%
380-47800-6200	Fiscal Agent Fee	1,203	402	1,200	1,200	0.0%
	<b>Total Debt Service</b>	71,196	74,295	73,893	78,293	6.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 71,196</u>	<u>\$ 74,295</u>	<u>\$ 73,893</u>	<u>\$ 78,293</u>	<u>6.0%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ (203)</u>	<u>\$ (2,944)</u>	<u>\$ -</u>	<u>\$ 2,655</u>	<u>100.0%</u>



# **Capital Project Funds**





## CAPITAL PROJECT FUNDS

The following Capital Project funds are established to account for the resources used in the acquisition of capital facilities by the City, except those financed by Enterprise funds:

### MUNICIPAL STATE AID CONSTRUCTION FUND:

Established to administer State funds made available for municipal state aid street construction and improvements.

### MUNICIPAL STATE AID MAINTENANCE FUND:

Established to administer State funds for maintenance costs of state aid eligible streets.

### WATER PARK CONSTRUCTION FUND:

Established to account for the construction costs related to the Water Park construction project

### CAPITAL IMPROVEMENT FUND:

Established to account for the construction of streets, storm sewers, sidewalks and parks.

### ANNEXATION AND GROWTH FUND:

To provide for the orderly and planned future growth of the community and the surrounding areas.

## **BUDGET COMMENTARY: MUNICIPAL STATE AID CONSTRUCTION FUND**

### **PROFILE**

Funds allocated by the State for the City of Waseca from the user-gasoline tax can be utilized for projects on certain designated streets. The streets for which the funds can be utilized cannot exceed 20% of the total mileage of local streets, and are designated by City Council resolution and approved by the MnDOT Commissioner. The City Engineer must certify the projects for approval by the District State Engineer. The State user-gasoline tax is allocated to the State Trunk Highway Fund, the County State Aid Highway system, and to the Municipal State Aid System. Funds are allocated to each eligible municipality (over 5,000 population) based on population and based on actual needs on the designated MSAS for each community. The streets must be designed to meet specific standards established by the MSAS Screening Committee made up of City Engineers and appointed by the MnDOT Commissioner. Cities are allowed to accumulate up to two years of funds in their account, which is maintained by MnDOT.

### **ACTIVITIES SCOPE**

- A record of condition is maintained as part of the Pavement Management System (PMS)
- Maintain records required as part of the MSAS Rules, including traffic counts, mileage reports, condition analysis, etc.
- Strive to maximize the MSAS funding
- Annual needs report

### **DEPARTMENT GOALS**

- Construct and maintain the MSAS in accordance with State requirements and rules established by the rules
- Review MSAS designations to appropriately reflect City development
- Develop an MSAS Capital Improvement Plan in addition to the City-wide Capital Improvement Plan

### **CURRENT AND PROPOSED EXPENDITURES**

- Milling and Asphalt overlays.

### **PERSONNEL LEVELS**

There are no personnel assigned to this department. Labor comes from the Engineering Department when there is a project.



MUNICIPAL STATE AID CONSTRUCTION FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
402-33418-0000	Muni State Aid Maint	\$ -	\$ -	\$ 195,000	\$ 200,000	2.6%
	<b>Total Intergov Revenue</b>	-	-	195,000	200,000	2.6%
	<b>Interest &amp; Misc Revenue</b>					
402-36210-0000	Interest Earnings	19,354	9,107	15,000	10,000	-33.3%
	<b>Total Interest &amp; Misc Rev</b>	19,354	9,107	15,000	10,000	-33.3%
	<b>TOTAL REVENUES</b>	\$ 19,354	\$ 9,107	\$ 210,000	\$ 210,000	0.0%
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
402-49050-3100	Contractual Services	\$ -	\$ 45,354	\$ 210,000	\$ 450,000	114.3%
	<b>Total Services &amp; Charges</b>	-	45,354	210,000	450,000	114.3%
	<b>TOTAL EXPENDITURES</b>	\$ -	\$ 45,354	\$ 210,000	\$ 450,000	114.3%
	<b>Net Increase (Decrease) in Fund Balance</b>	\$ 19,354	\$ (36,247)	\$ -	\$ (240,000)	-100.0%

## **BUDGET COMMENTARY: MUNICIPAL STATE AID MAINTENANCE FUND**

### **PROFILE**

When requested by the City Engineer, a certain portion of the City's allocation of MSAS (Municipal State Aid System) funds can be transferred to the City for use on eligible maintenance work on the MSAS. The eligible funding can change at anytime based upon an action of the MSAS Screening Committee (out of the City's control). Therefore, it is prudent not to depend on these funds in lieu of levy dollars. This year some funds are being used to offset seal coating and crack filling work, centerline striping, and other City maintenance work on the streets.

### **ACTIVITIES SCOPE**

- Funding transportation system maintenance.
- Funding for miscellaneous transportation capital improvements.

### **DEPARTMENTAL GOALS**

- Facilitate transportation planning and maintenance.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 3000, PROFESSIONAL SERVICES, requiring engineering and outside expertise for Municipal State Aid road maintenance.
- Code 3100, CONTRACTURAL SERVICES, service related to State Aid projects, including striping, asphalt supply, seal coating, crack sealing, and other maintenance.
- Code 5400, MACHINES, provides for vehicle equipment.

MUNICIPAL STATE AID MAINTENANCE FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
406-33418-0000	Muni State Aid Maint	\$ 44,257	\$ 53,903	\$ 65,000	\$ 65,000	0.0%
	<b>Total Intergov Revenue</b>	44,257	53,903	65,000	65,000	0.0%
	<b>Interest &amp; Misc Revenue</b>					
406-36210-0000	Interest Earnings	12,735	5,731	5,000	5,000	0.0%
	<b>Total Interest &amp; Misc Rev</b>	12,735	5,731	5,000	5,000	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 56,992</u>	<u>\$ 59,634</u>	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>0.0%</u>
<b>Expenditures</b>						
	<b>Supplies</b>					
406-49060-2170	General Supplies	\$ 1,010	\$ -	\$ -	\$ -	0.0%
	<b>Total Supplies</b>	1,010	-	-	-	0.0%
	<b>Services &amp; Charges</b>					
406-49060-3000	Professional Services	21,080	-	20,000	20,000	0.0%
406-49060-3100	Contractual Services	39,157	15,263	48,000	48,000	0.0%
406-49060-3300	Conferences and Schools	1,117	-	2,000	2,000	0.0%
	<b>Total Services &amp; Charges</b>	61,354	15,263	70,000	70,000	0.0%
	<b>Capital Outlay</b>					
406-49060-5400	Machinery	23,062	-	-	-	0.0%
	<b>Total Capital Outlay</b>	23,062	-	-	-	0.0%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 85,426</u>	<u>\$ 15,263</u>	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>0.0%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ (28,434)</u>	<u>\$ 44,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

## **BUDGET COMMENTARY: WATER PARK CONSTRUCTION**

### **PROFILE**

Following the voter approved referendum, the City began the process of water park construction in 2006. The project was completed and the park opened in mid-2007; however funds continue to come in through contributions. Contributions are transferred to the CIP fund when received since the CIP fund paid for the construction costs when funds were not available in the water park construction fund.

### **ACTIVITIES SCOPE**

- Reflects the receipt and disbursement of both debt funds and community contributions.
- The capital construction costs reflect the payments for completion of the water park project.

As final contributions are received, the City anticipates closing this fund in 2010.

WATER PARK CONSTRUCTION  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
425-36210-0000	Interest Earnings	\$ -	\$ 797	\$ -	\$ -	0.0%
425-36230-0000	Contributions	84,569	-	5,000	-	-100.0%
425-36237-0000	Contributions - Best	-	4,570	-	-	0.0%
	<b>Total Interest &amp; Misc Rev</b>	84,569	5,367	5,000	-	0.0%
	 TOTAL REVENUES	<u>\$ 84,569</u>	<u>\$ 5,367</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>0.0%</u>
<b>Expenditures</b>						
	<b>Transfers</b>					
	Transfer to CIP Fund	-	62,748	-	-	0.0%
	<b>Total Transfers</b>	-	62,748	-	-	0.0%
	 TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 62,748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
	 Net Increase (Decrease) in Fund Balance	<u>\$ 84,569</u>	<u>\$ (57,381)</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>-100.0%</u>

## **BUDGET COMMENTARY: CAPITAL IMPROVEMENT**

### **PROFILE**

Maintenance of the City's infrastructure, including streets, Gaiter Lake project, sidewalks, public buildings and facilities, storm sewers, etc., is performed on a continuous basis through the City's maintenance operations.

### **CURRENT PROJECTS**

- City Hall Facility Improvements
- Sidewalks
- Road improvements

### **DEPARTMENTAL GOALS**

- To ensure needed public facilities will be available to support needs and planned growth.
- To continue to plan for the City's capital improvements in coordination with other City departments and schedule expenditures over a period of several years in order to maximize the use of public funds.
- To continue to develop a capital improvement program as a current document that is kept responsive to the City's changing conditions and needs.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 5770, CITY HALL FACILITY
- Code 5460, SIDEWALKS
- Code 5560, STREETS

CAPITAL IMPROVEMENT  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Intergovernmental Revenue</b>					
430-33625-0000	Reimbursement - County	\$ 27,006	\$ 46,255	\$ -	\$ -	0.0%
	<b>Total Intergov Revenue</b>	27,006	46,255	-	-	0.0%
	<b>Charges for services</b>					
430-34300-0000	Sale of City Land	-	1	-	-	0.0%
	<b>Total Charges for Services</b>	-	1	-	-	0.0%
	<b>Interest &amp; Misc Revenue</b>					
430-36210-0000	Interest Earnings	40,012	13,454	3,638	3,638	0.0%
430-36234-0000	Contributions/ Parks	700	-	-	-	0.0%
430-36240-0000	Refund/Reimbursement	25	-	-	-	0.0%
430-36244-0000	Misc Reimbursement	2,341	2,341	-	-	0.0%
	<b>Total Interest &amp; Misc Rev</b>	43,078	15,795	3,638	3,638	0.0%
	<b>Transfers</b>					
	Transfer - Cap Proj - Pool	-	62,748	-	-	0.0%
	Transfer - Water	13,675	-	-	-	0.0%
430-39201-0000	Transfer - General Fund	625,000	600,780	500,000	500,000	0.0%
	<b>Total Transfers</b>	638,675	663,528	500,000	500,000	0.0%
	<b>TOTAL REVENUES</b>	<b>\$ 708,759</b>	<b>\$ 725,579</b>	<b>\$ 503,638</b>	<b>\$ 503,638</b>	<b>0.0%</b>
<b>Expenditures</b>						
	<b>Capital Outlay</b>					
430-43010-5225	North Tower Dev Site	\$ 292	\$ -	\$ -	\$ -	0.0%
430-43010-5235	Powell Land Development	-	185,416	-	-	0.0%
430-43010-5315	Four in One project (Tennis Court)	153,415	-	-	-	0.0%
430-43010-5330	Northwest Park	-	4,168	-	-	0.0%
430-43010-5389	Park Dedication	-	6,682	23,000	-	-100.0%
430-43010-5390	Northeast Park	282,781	42,442	-	-	0.0%
430-43010-5430	Walkway	1,285	4,706	6,000	-	-100.0%
430-43010-5435	Clear/Loon Lake Trail	1,086	-	-	-	0.0%
430-43010-5440	Bike Trail	25,507	-	-	-	0.0%
430-43010-5460	Sidewalks	-	-	20,000	20,000	0.0%
430-43010-5560	City Portion CIP St	457,754	484,104	650,000	650,000	0.0%
430-43010-5700	Storm Sewer Per CIP	14,754	-	-	-	0.0%
430-43010-5715	Gaiter Lake Diversion	49,795	95,706	250,000	10,000	-96.0%
430-43010-5770	City Hall Facility	26,769	-	52,140	52,140	0.0%
430-43010-5780	Lakes/Marsh/Improve	-	35,350	-	26,000	100.0%
	<b>Total Capital Outlay</b>	1,013,438	858,574	1,001,140	758,140	-24.3%
	<b>TOTAL EXPENDITURES</b>	<b>\$ 1,013,438</b>	<b>\$ 858,574</b>	<b>\$ 1,001,140</b>	<b>\$ 758,140</b>	<b>-24.3%</b>
	<b>Net Increase (Decrease) in Fund Balance</b>	<b>\$ (304,679)</b>	<b>\$ (132,995)</b>	<b>\$ (497,502)</b>	<b>\$ (254,502)</b>	<b>-48.8%</b>

## **BUDGET COMMENTARY: ANNEXATION AND GROWTH FUND**

### **PROFILE**

This fund was established by City Council action to provide a funding source within the City for costs related to future fringe annexation and growth issues, including planning, zoning, infrastructure and capital planning issues.

### **ACTIVITIES SCOPE**

The transfers from the General fund will provide the base for future cash flow and fund balance growth. This fund will deal with issues related to planned annexation and growth, as the City has initiated discussions on annexation with Waseca County and surrounding townships.

The City Council was initially presented with a comprehensive 8-phase annexation plan in 2003, which outlined the projected revenues and expenditures in the event of a phased orderly annexation process. This study, which was based on various assumptions and estimates available at the time, provided a tool for Council as they prepare to establish a long-term annexation program. As the City is approached with residential, commercial and industrial growth plans and development programs, the study is used as a tool for growth guidance and prioritization.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 3000, PROFESSIONAL SERVICES, allocates for costs related to the planned growth needs of the Highway 14 Bypass, south of Waseca, including infrastructure planning and installation.



ANNEXATION & GROWTH FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
470-36210-0000	Interest Earnings	\$ 8,248	\$ 4,350	\$ 2,200	\$ 2,200	0.0%
	<b>Total Interest &amp; Misc Rev</b>	8,248	4,350	2,200	2,200	0.0%
	<b>Transfers</b>					
470-39201-0000	Transfer - General Fund	35,000	-	-	-	0.0%
	<b>Total Transfers</b>	35,000	-	-	-	0.0%
	<b>TOTAL REVENUES</b>	<b>\$ 43,248</b>	<b>\$ 4,350</b>	<b>\$ 2,200</b>	<b>\$ 2,200</b>	<b>0.0%</b>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
470-46800-3000	Professional Services	\$ -	\$ -	\$ -	\$ -	0.0%
470-46800-3100	Contractual Services	-	-	-	-	0.0%
	<b>Total Services &amp; Charges</b>	-	-	-	-	0.0%
	<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
	<b>Net Increase (Decrease) in Fund Balance</b>	<b>\$ 43,248</b>	<b>\$ 4,350</b>	<b>\$ 2,200</b>	<b>\$ 2,200</b>	<b>0.0%</b>



# **Enterprise Funds**





## ENTERPRISE FUNDS

The following Enterprise funds are established to account for operations that are financed in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) be financed or recovered primarily through user charges.

### WATER FUND:

Established to account for the municipal water system, including distribution, pumping, system maintenance and planning infrastructure repair and expansion, replacement and customer based need as trends define.

### SANITARY SEWER FUND:

Established to account for the operation of the Wastewater Treatment Plant, the sanitary sewer system, on-going Inflow and Infiltration reduction.

### ELECTRIC FUND:

Established to account for the municipal electric utility. The City owns and operates the electric distribution system and buys all of its power requirements on a wholesale basis through a contractual arrangement with the Southern Minnesota Municipal Power Agency (SMMPA).

## **BUDGET COMMENTARY: WATER FUND**

### PROFILE

The water utility is operated under the authority of the Department of Natural Resources (DNR) and the Minnesota Department of Health (MDH). All Environmental Protection Agency regulations are administered by the MDH. Waseca's water utility is classified as a Class C distribution system. This means that employees must be State certified operators.

### ACTIVITIES SCOPE

- 3,200+ monthly customer billings
- Water quality monitoring
- Debt oversight
- Metered commercial and industrial sales
- Water main system operation
- Operator training
- Water well system operation
- Capital planning/coordination
- Metered residential sales

### CURRENT PROJECTS

- Valve and hydrant operations and replacements
- Planning and implementing five (5) and ten (10) year CIP
- On going review of rate increases and changes to rate structure
- Internal management/operations/maintenance review to continue improving efficiencies
- Infrastructure planning for anticipated residential and commercial growth
- Infrastructure mapping

### DEPARTMENTAL GOALS

- To improve activities for water system in a manner which will assure the best possible use of personnel, equipment, materials and funding
- To reduce the incident of complaints
- To continue planning of distribution system and well enhancements
- To comply with State health standards and associated requirements
- To comply with OSHA regulations
- Striving to provide quality drinking water at a reasonable cost
- Improve education of State licensed employees
- Computer generated tap permits

### CURRENT AND PROPOSED EXPENDITURES

#### Pumping Expense-49401

- Code 2170, GENERAL SUPPLIES, allows for the chemical treatment of the water distribution system, including fluoridation, chlorination for disinfection and silicate treatment to control iron rusty water problems.
- Code 2230, BUILDING REPAIR/MAINTENANCE SUPPLIES, provides for the equipment parts and supplies essential for water pumping services, including sodium silicate pumps.

## **BUDGET COMMENTARY: WATER FUND**

- Code 3000, PROFESSIONAL SERVICES, provides for professional engineering costs of well rehabilitation and distribution improvements, including on going wellhead protection plans.
- Code 3800, UTILITIES, includes electric services and Minnegasco.
- Code 4060, WELL MAINTENANCE & REPAIRS, provides for on-going well maintenance projects

### **Distribution Expense-49430**

- Code 2230, REPAIR/MAINTENANCE SUPPLIES, provides for costs to repair water main breaks.
- Code 2240, CITY SHOP CHARGES, costs related to vehicle maintenance.
- Code 3000, PROFESSIONAL SERVICES, provides for services related to water modeling and mandated reports.
- Code 3100, CONTRACTUAL SERVICES, provides for bacterial testing, meter calibration, etc.
- Code 4000, OPERATION REPAIRS, provides for hydrant and valve repair and backflow prevention.
- Code 4060, WATER TOWER MAINTENANCE, provides for repairs of the 1954 and 1994 towers.

### **Meter Reading/Customer Billing/Administration**

- Costs for these departments are shared between water, sanitary sewer and electric on a 33%, 33%, 34% allocation respectively.
- These budgets allocate costs for computer program enhancements, meter reading enhancements and office supplies, postage, safety programs, training, insurance and updates.

### **CAPITAL OUTLAY**

- Code 5300, IMPROVEMENTS, Highway 14 South Exchange Improvements, improvement related to street projects, City well improvements, and an alarm dialer to be split 50/50 between water and wastewater.

### **DEBT SERVICE**

- Provides for principal and interest on debt costs from 1993, 2001, and 2005 bond issues, principal of \$130,000 and interest of \$39,710.

### **PERSONNEL LEVELS**

#### **Administration**

- Director of Utilities (33% allocation)

#### **Billing**

- Billing clerks (33% allocation)
- Utility Admin projects coordinator (33% allocation)

#### **Meter readers**

- meter readers (33% allocation)

#### **Operations**

- 2 certified operators

WATER  
2011 Budget  
Revenues and Expenses

Rate Increase  
0.0%

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
601-36102-0000	Interest on Assessment	\$ 9,119	\$ 7,818	\$ 11,071	\$ 11,071	0.0%
601-36210-0000	Interest Earnings	62,658	44,303	40,754	40,754	0.0%
601-36221-0000	Rents - Other	28,082	29,624	20,000	20,000	0.0%
601-36240-0000	Refund/ Reimbursements	-	53,555	-	-	0.0%
	<b>Total Interest &amp; Misc Rev</b>	<u>99,859</u>	<u>135,300</u>	<u>71,825</u>	<u>71,825</u>	<u>0.0%</u>
	<b>Utilities Revenues</b>					
601-37000-3801	Residential	590,236	607,206	565,000	560,000	-0.9%
601-37000-3802	Commercial	304,154	255,886	275,000	301,000	9.5%
601-37000-3902	Industrial	202,345	183,774	190,000	201,000	5.8%
601-37151-0000	Fire Lanes	3,205	3,129	3,200	3,200	0.0%
601-37152-0000	Misc Meter Rental	25	25	-	-	0.0%
601-37160-0000	Penalties	11,900	12,439	11,000	11,000	0.0%
601-37170-0000	Merchandise Revenues	3,944	3,868	1,700	1,700	0.0%
601-37175-0000	Water Access Fee	7,440	10,770	5,000	5,000	0.0%
601-37470-0000	Misc Rev - Charges	7,295	11,174	3,500	3,500	0.0%
601-37473-0000	Salvage Revenue	695	-	1,000	1,000	0.0%
	<b>Total Utilities Revenues</b>	<u>1,131,239</u>	<u>1,088,271</u>	<u>1,055,400</u>	<u>1,087,400</u>	<u>3.0%</u>
	<b>TOTAL REVENUES</b>	<u>\$ 1,231,098</u>	<u>\$ 1,223,571</u>	<u>\$ 1,127,225</u>	<u>\$ 1,159,225</u>	<u>2.8%</u>
<b>Expenses</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 157,824	\$ 164,451	\$ 127,294	\$ 173,733	36.5%
1020	Overtime	10,528	13,258	15,198	19,152	26.0%
1030	Part-time Employees	2,379	4,156	8,521	11,264	32.2%
1090	Cell Phone Reimbursement	-	720	540	810	100.0%
1100	Longevity	1,139	1,207	1,370	1,550	13.1%
1110	Severance Pay	-	1,528	-	-	0.0%
1200	FICA	10,049	10,720	8,538	12,547	47.0%
1210	PERA	10,739	11,765	9,603	14,613	52.2%
1220	Medicare	2,351	2,506	1,996	2,934	47.0%
1250	Insurance Rebate	2,500	3,350	2,388	2,748	15.1%
1300	Insurance	24,136	16,451	17,346	30,364	75.0%
1310	VEBA Trust funding	3,458	4,161	2,990	10,340	245.8%
1330	Life Insurance	520	483	366	514	40.5%
1340	Disability Insurance	680	666	602	782	29.9%
1510	Workers Comp	6,367	5,506	6,500	2,800	-56.9%
	<b>Total Personnel</b>	<u>232,670</u>	<u>240,928</u>	<u>203,252</u>	<u>284,151</u>	<u>39.8%</u>
	<b>Supplies</b>					
2000	Office Supplies	5,009	3,668	4,140	3,640	-12.1%
2050	Computer Supplies	543	3,924	1,000	1,600	60.0%
2120	Motor fuels	3,944	2,745	4,000	3,500	-12.5%
2170	General Supplies	55,589	66,800	71,340	71,340	0.0%
2180	Uniforms	2,191	1,146	1,500	1,000	-33.3%
2210	Equipment parts	914	1,246	2,000	2,000	0.0%
2215	Meters	813	1,210	3,000	-	0.0%
2230	Bldg Rep/Maint Supplies	23,047	51,511	48,000	47,000	-2.1%
2240	City Shop Charges	3,327	2,452	4,000	3,576	-10.6%
	<b>Total Supplies</b>	<u>95,377</u>	<u>134,702</u>	<u>138,980</u>	<u>133,656</u>	<u>-3.8%</u>



WATER  
2011 Budget  
Revenues and Expenses

Rate Increase  
0.0%

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Services &amp; Charges</b>						
3000	Professional Services	10,371	9,914	28,500	47,000	64.9%
3050	Professional Services - Audit Fees	5,000	-	5,000	5,000	0.0%
3100	Contractual Services	13,041	15,218	18,668	18,168	-2.7%
3200	Communications	6,735	8,281	10,450	10,450	0.0%
3300	Conf and Schools	484	978	4,000	4,000	0.0%
3400	Publishing / Advertising	299	36	350	350	0.0%
3500	Printing/Publishing	1,473	2,135	2,167	2,167	0.0%
3610	Public Liab Insurance	2,450	2,500	2,550	2,550	0.0%
3620	Property Insurance	2,700	2,700	2,700	6,538	142.1%
3800	Utilities	105,043	115,425	105,000	105,000	0.0%
<b>Total Services &amp; Charges</b>		<b>147,596</b>	<b>157,187</b>	<b>179,385</b>	<b>201,223</b>	<b>12.2%</b>
<b>Charges</b>						
4000	Repair/Maintenance	30,667	7,280	22,542	10,542	-53.2%
4060	Well Maint & Repairs	-	74	45,000	45,000	0.0%
4320	Uncollectible Accts	364	117	500	500	0.0%
4330	Dues/Subscriptions	992	1,042	1,300	1,300	0.0%
4500	Permits & Fees	6,677	13,026	7,000	6,500	-7.1%
4940	Safety Program	510	-	550	550	0.0%
4950	Comp Financing Acct	7,780	9,902	6,175	7,583	22.8%
<b>Total Charges</b>		<b>46,990</b>	<b>31,441</b>	<b>83,067</b>	<b>71,975</b>	<b>-13.4%</b>
<b>Capital Outlay</b>						
4230	Loss on Disposal of assets	-	1,984	-	-	0.0%
5300	Improvements	96,521	312,200	285,000	998,237	250.3%
5400	Machinery	47,291	-	-	-	0.0%
<b>Total Capital Outlay</b>		<b>143,812</b>	<b>314,184</b>	<b>285,000</b>	<b>998,237</b>	<b>250.3%</b>
<b>Debt Service Expense (1993A, 2001B, 2005A)</b>						
6000	Principal	200,000	120,000	125,000	130,000	4.0%
6100	Bond Interest	58,249	47,501	44,699	39,710	-11.2%
6200	Fiscal Agent Fee	1,730	633	1,750	1,750	0.0%
<b>Total Debt Service Expense</b>		<b>259,979</b>	<b>168,134</b>	<b>171,449</b>	<b>171,460</b>	<b>0.0%</b>
<b>Transfers</b>						
7200	Transfer - General Fund	50,509	52,024	58,724	123,724	110.7%
7250	Transfer - CIP Fund	13,675	-	-	-	0.0%
7280	Transfer - Debt Service	39,941	30,337	-	-	0.0%
<b>Total Transfers</b>		<b>104,125</b>	<b>82,361</b>	<b>58,724</b>	<b>123,724</b>	<b>110.7%</b>
<b>TOTAL EXPENSES</b>		<b>\$ 1,030,549</b>	<b>\$ 1,128,937</b>	<b>\$ 1,119,857</b>	<b>\$ 1,984,425</b>	<b>77.2%</b>
	Less Capitalized Assets	(143,812)	(314,184)	(285,000)	(998,237)	250.3%
6000	Less debt service Principal	(200,000)	(120,000)	(125,000)	(130,000)	4.0%
4200	Add: Depreciation Expense	302,630	298,039	331,709	330,940	-0.2%
6250	Amortization Expense	2,826	1,999	2,826	2,826	0.0%
<b>NET TOTAL EXPENSES</b>		<b>992,193</b>	<b>994,791</b>	<b>1,044,392</b>	<b>1,189,954</b>	<b>13.9%</b>
<b>Net Income (Loss)</b>		<b>\$ 238,905</b>	<b>\$ 228,780</b>	<b>\$ 82,833</b>	<b>\$ (30,729)</b>	<b>-137.1%</b>

WATER - TRANSFERS  
2011 Budget  
Expense Detail

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
	<b>Transfers</b>					
601-49300-7200	Transfer - General Fund	\$ 50,509	\$ 52,024	\$58,724	\$ 123,724	110.7%
601-49300-7250	Transfer - CIP Fund	13,675	-	-	-	0.0%
601-49300-7280	Transfer - Debt Service	39,941	30,337	-	-	0.0%
	<b>Total Transfers</b>	<u>104,125</u>	<u>82,361</u>	<u>58,724</u>	<u>123,724</u>	<u>110.7%</u>
	<b>TOTAL TRANSFERS</b>	<u><u>\$104,125</u></u>	<u><u>\$ 82,361</u></u>	<u><u>\$58,724</u></u>	<u><u>\$ 123,724</u></u>	<u><u>110.7%</u></u>

WATER PUMPING EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Supplies</b>					
601-49401-2170	General Supplies	\$ 51,910	\$ 63,564	\$ 67,000	\$ 67,000	0.0%
601-49401-2230	Bldg Rep/Maint Supplies	4,131	1,162	3,000	2,000	-33.3%
	<b>Total Supplies</b>	<u>56,041</u>	<u>64,726</u>	<u>70,000</u>	<u>69,000</u>	<u>-1.4%</u>
	<b>Services &amp; Charges</b>					
601-49401-3100	Contractual Services	948	1,228	3,500	3,000	-14.3%
601-49401-3800	Utilities	107,918	112,817	105,000	105,000	0.0%
	<b>Total Services &amp; Charges</b>	<u>108,866</u>	<u>114,045</u>	<u>108,500</u>	<u>108,000</u>	<u>-0.5%</u>
	<b>Charges</b>					
601-49401-4000	Repair/Maintenance	11,509	858	1,000	1,000	0.0%
601-49401-4060	Well Maint & Repairs	-	74	45,000	45,000	0.0%
601-49401-4500	Permits & Fees	6,677	13,026	7,000	6,500	-7.1%
	<b>Total Charges</b>	<u>18,186</u>	<u>13,958</u>	<u>53,000</u>	<u>52,500</u>	<u>-0.9%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 183,093</u></u>	<u><u>\$ 192,729</u></u>	<u><u>\$ 231,500</u></u>	<u><u>\$ 229,500</u></u>	<u><u>-0.9%</u></u>

WATER - DISTRIBUTION OPERATIONS  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Personnel</b>					
601-49430-1010	Regular Employees	\$ 87,816	\$ 94,350	\$ 54,153	\$ 99,332	83.4%
601-49430-1020	Overtime	10,118	12,766	15,000	14,400	-4.0%
601-36240-0000	Cell phone Reimbursement	-	720	540	810	50.0%
601-49430-1100	Longevity	380	353	360	540	50.0%
601-49430-1200	FICA	5,770	6,304	3,413	7,135	109.1%
601-49430-1210	PERA	6,043	6,736	3,816	8,285	117.1%
601-49430-1220	Medicare	1,350	1,474	798	1,669	109.1%
601-49430-1250	Insurance Rebate	1,600	2,390	1,200	1,500	25.0%
601-49430-1300	Insurance	14,291	9,743	6,169	19,815	221.2%
601-49430-1310	VEBA Trust Funding	1,533	2,300	1,150	5,850	408.7%
601-49430-1330	Life Insurance	298	276	138	276	100.0%
601-49430-1340	Disability Insurance	396	419	256	447	74.6%
	<b>Total Personnel</b>	<u>129,595</u>	<u>137,831</u>	<u>86,993</u>	<u>160,058</u>	<u>84.0%</u>
	<b>Supplies</b>					
601-49430-2120	Motor fuels	3,944	2,745	4,000	3,500	-12.5%
601-49430-2170	General Supplies	3,349	2,809	4,000	4,000	0.0%
601-49430-2180	Uniforms	2,191	1,146	1,500	1,000	-33.3%
601-49430-2210	Equipment parts	914	1,246	2,000	2,000	0.0%
601-49430-2215	Meters	813	1,210	3,000	-	0.0%
601-49430-2230	Bldg Rep/Maint Supplies	18,916	50,349	45,000	45,000	0.0%
601-49430-2240	City Shop Charges	3,327	2,452	4,000	3,576	-10.6%
	<b>Total Supplies</b>	<u>33,454</u>	<u>61,957</u>	<u>63,500</u>	<u>59,076</u>	<u>-7.0%</u>
	<b>Services &amp; Charges</b>					
601-49430-3000	Professional Services	6,102	1,362	23,000	41,500	80.4%
601-49430-3100	Contractual Services	10,439	12,239	13,000	13,000	0.0%
601-49430-3300	Conferences and Schools	135	888	3,000	3,000	0.0%
	<b>Total Services &amp; Charges</b>	<u>16,676</u>	<u>14,489</u>	<u>39,000</u>	<u>57,500</u>	<u>47.4%</u>
	<b>Charges</b>					
601-49430-4000	Repair/Maintenance	14,966	1,846	17,000	5,000	-70.6%
	<b>Total Charges</b>	<u>317,596</u>	<u>299,885</u>	<u>348,759</u>	<u>335,990</u>	<u>-3.7%</u>
	<b>TOTAL EXPENSES</b>	<u>\$ 497,321</u>	<u>\$ 514,162</u>	<u>\$ 538,252</u>	<u>\$ 612,624</u>	<u>13.8%</u>

WATER - CUSTOMER BILLING EXPENSE

2011 Budget  
Expense Detail

		<u>2009</u> <u>ACTUAL</u>	<u>2009</u> <u>BUDGET</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
	<b>Personnel</b>					
601-49585-1010	Regular Employees	\$ 25,928	\$ 26,206	\$ 29,230	\$ 28,814	-1.4%
601-49585-1020	Overtime	397	510	198	2,376	1100.0%
601-49585-1100	Longevity	303	270	416	416	0.0%
601-49585-1200	FICA	1,871	2,028	2,366	2,402	1.5%
601-49585-1210	PERA	2,066	2,207	2,672	2,808	5.1%
601-49585-1220	Medicare	437	474	553	562	1.6%
601-49585-1250	Insurance Rebate	600	750	792	792	0.0%
601-49585-1300	Insurance	2,190	2,431	4,072	4,225	3.8%
601-49585-1310	VEBA Trust Funding	769	575	759	1,370	80.4%
601-49585-1330	Life Insurance	121	75	114	114	-0.1%
601-49585-1340	Disability Insurance	97	142	138	130	-6.0%
	<b>Total Personnel</b>	<u>38,935</u>	<u>41,375</u>	<u>49,831</u>	<u>55,271</u>	<u>10.9%</u>
	<b>Supplies</b>					
601-49585-2000	Office Supplies	1,720	2,000	1,500	1,000	-33.3%
601-49585-2050	Computer Supplies	2,151	2,715	500	750	50.0%
	<b>Total Supplies</b>	<u>3,871</u>	<u>4,715</u>	<u>2,000</u>	<u>1,750</u>	<u>-12.5%</u>
	<b>Services &amp; Charges</b>					
601-49585-3000	Professional Services	5,963	6,000	5,000	5,000	0.0%
601-49585-3200	Communications	8,011	7,800	9,700	9,700	0.0%
601-49585-3300	Conf and Schools	90	550	500	500	0.0%
601-49585-3500	Printing/Publishing	2,135	3,000	2,167	2,167	0.0%
	<b>Total Services &amp; Charges</b>	<u>16,199</u>	<u>17,350</u>	<u>17,367</u>	<u>17,367</u>	<u>0.0%</u>
	<b>Charges</b>					
601-49585-4320	Uncollectible Accounts	117	500	500	500	0.0%
601-49585-4950	Comp Financing Acct	534	580	800	551	-31.1%
	<b>Total Charges</b>	<u>651</u>	<u>1,080</u>	<u>1,300</u>	<u>1,051</u>	<u>-19.2%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 59,656</u></u>	<u><u>\$ 64,520</u></u>	<u><u>\$ 70,498</u></u>	<u><u>\$ 75,439</u></u>	<u><u>7.0%</u></u>

WATER - ADMINISTRATION EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Personnel</b>					
601-49586-1010	Regular Employees	\$ 39,719	\$ 41,568	\$ 43,911	\$ 45,587	3.8%
601-49586-1020	Overtime	146	81	-	2,376	100.0%
601-49586-1100	Longevity	462	551	594	594	0.0%
601-49586-1200	FICA	2,426	2,446	2,759	3,011	9.1%
601-49586-1210	PERA	2,707	2,850	3,115	3,520	13.0%
601-49586-1220	Medicare	567	572	645	704	9.2%
601-49586-1250	Insurance Rebate	300	360	396	456	15.2%
601-49586-1300	Insurance	4,305	4,518	7,105	6,324	-11.0%
601-49586-1310	VEBA Trust Funding	819	1,092	1,081	3,120	188.6%
601-49586-1330	Life Insurance	105	86	114	124	8.9%
601-49586-1340	Disability Insurance	148	150	208	205	-1.4%
601-49586-1510	Workers Comp	6,367	5,506	6,500	2,800	-56.9%
	<b>Total Personnel</b>	<u>58,071</u>	<u>59,780</u>	<u>66,428</u>	<u>68,822</u>	<u>3.6%</u>
	<b>Supplies</b>					
601-49586-2000	Office Supplies	2,185	1,948	2,640	2,640	0.0%
601-49586-2050	Computer Supplies	543	1,773	500	850	70.0%
601-49586-2170	General Supplies	330	427	340	340	0.0%
	<b>Total Supplies</b>	<u>3,058</u>	<u>4,148</u>	<u>3,480</u>	<u>3,830</u>	<u>10.1%</u>
	<b>Services &amp; Charges</b>					
601-49586-3000	Professional Services	237	2,589	500	500	0.0%
601-49586-3050	Professional Services - Audit Fees	5,000	-	5,000	5,000	0.0%
601-49586-3100	Contractual Services	1,654	1,751	2,168	2,168	0.0%
601-49586-3200	Communications	630	270	750	750	0.0%
601-49586-3300	Conferences and Schools	349	-	500	500	0.0%
601-49586-3400	Publishing / Advertising	299	36	350	350	0.0%
601-49586-3610	Public Liab Insurance	2,450	2,500	2,550	2,550	0.0%
601-49586-3620	Property Insurance	2,700	2,700	2,700	6,538	142.1%
	<b>Total Services &amp; Charges</b>	<u>13,319</u>	<u>9,846</u>	<u>14,518</u>	<u>18,356</u>	<u>26.4%</u>
	<b>Charges</b>					
601-49586-4000	Repair/Maintenance	4,192	4,576	4,542	4,542	0.0%
601-49586-4330	Dues/Subscriptions	992	1,042	1,300	1,300	0.0%
601-49586-4940	Safety Program	510	-	500	500	0.0%
601-49586-4950	Comp Financing Acct	6,906	9,368	5,375	7,032	30.8%
	<b>Total Charges</b>	<u>12,600</u>	<u>14,986</u>	<u>11,717</u>	<u>13,374</u>	<u>14.1%</u>
	<b>TOTAL EXPENSES</b>	<u>\$ 87,048</u>	<u>\$ 88,760</u>	<u>\$ 96,143</u>	<u>\$ 104,381</u>	<u>8.6%</u>

WATER - CAPITAL OUTLAY  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Capital Outlay</b>					
601-49593-4230	Loss on Disposal of Assets	\$ -	\$ 1,984	\$ -	\$ -	0.0%
601-49593-5300	Improvements	96,521	312,200	285,000	998,237	250.3%
601-49593-5400	Machinery	47,291	-	-	-	0.0%
	<b>Total Capital Outlay</b>	<u>143,812</u>	<u>314,184</u>	<u>285,000</u>	<u>998,237</u>	<u>250.3%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 143,812</u></u>	<u><u>\$ 314,184</u></u>	<u><u>\$ 285,000</u></u>	<u><u>\$ 998,237</u></u>	<u><u>250.3%</u></u>

WATER - DEBT SERVICE EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Debt Service Expense</b>					
601-49980-6000	Principal	\$ 200,000	\$ 120,000	\$ 125,000	\$ 130,000	4.0%
601-49980-6100	Bond Interest	58,249	47,501	44,699	39,710	-11.2%
601-49980-6200	Fiscal Agent Fee	1,730	633	1,750	1,750	0.0%
601-49980-6250	Amortization Expense	2,826	1,999	2,826	2,826	0.0%
	<b>Total Debt Service Expense</b>	<u>262,805</u>	<u>170,133</u>	<u>174,275</u>	<u>174,286</u>	<u>0.0%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 262,805</u></u>	<u><u>\$ 170,133</u></u>	<u><u>\$ 174,275</u></u>	<u><u>\$ 174,286</u></u>	<u><u>0.0%</u></u>



## **BUDGET COMMENTARY: SANITARY SEWER FUND**

### **PROFILE**

The Wastewater Treatment Plant is operated under the authority of the Environmental Protection Agency (EPA) and the Minnesota Pollution Control Agency (MPCA). The complexity of the operation is driven by Federal and State laws, which are administered by these two agencies. The National Pollutant Discharge Elimination System Permit (NPDES) predominantly drives the entire operation. The Wastewater Treatment fund budget is separated for control purposes between the sanitary sewer collection system, the Wastewater Treatment Plant operations, ATAD sludge facility, and the storm water program.

The collection and treatment of all wastewater generated in the City of Waseca is the responsibility of the City. The treatment plant has an annual design average flow of 2.34 million gallons per day and a peak flow of 5.58 million gallons per day. The wastewater collection system contains about 44 miles of pipe and 9 lift stations.

The entire operation of the facility is funded from fees collected for the Sewer fund. These fees primarily consist of residential, commercial and industrial customers, and the recently approved storm water fee, to deal with the storm water program; community wide.

This fund reflects all utility departmental activity, including meter reading, customer billing, administrative operations and debt service activities.

### **ACTIVITIES SCOPE**

- |  |  |
|--|--|
| - ATAD operational maintenance                         | -Preventive maintenance management system      |
| - Meter reading  | -Capital outlay                                |
| - Storm water program                                  | -Extensive laboratory quality control program  |
| - Treatment operation                                  | -Annual Industrial Pretreatment Report to MPCA |
| - Customer billing                                     | -Debt service                                  |
| - Monthly discharge monitoring reports                 | -Clean 33% of the collection system each year  |
| - Metered residential sales                            | -Collection system                             |
| - Maintain required MPCA operator licensing            |  |
| - Annual bio-solids analysis report to MPCA and to EPA |  |

### **CURRENT PROJECTS**

- Ongoing review of implemented rate structure
- Lift station improvements
- Continuing study of inflow & infiltration resolutions, sewer televising and the establishment of the storm water program.
- Facilities plan for system renovation/expansion
- Maintenance of plant facility

### **DEPARTMENTAL GOALS**

- To continue an aggressive maintenance program to reduce the number of back-ups and possible sewer line breakage.
- To meet all NPDES permit requirements
- Continue on-going preventive maintenance system to minimize equipment down time
- Prepare for future community growth through strategic planning
- On-going review of rates and rate structure to provide funding for plant and system expansion

## **BUDGET COMMENTARY: SANITARY SEWER FUND**

- Phosphorus management plan implementation

### **CURRENT AND PROPOSED EXPENDITURES**

#### **Lift Stations**

- Maintenance of pumps, motors and anode systems, construction of Northwest Lift Collection System
- Continue program of sewer televising and problem identification
- Storm water program implementation
- Increased hours, maintenance costs of televising equipment

#### **Treatment Plant**

- Account for the new wastewater treatment plant expenditures funded through fees, the levy, and grants.
- Account for general operation of the WWTP, including operation of ATAD system, and permit implementation

#### **Meter Reading/Customer Billing/Administration**

- Costs for these departments are shared between water, sanitary sewer and electric on a 33%, 33% 34% allocation respectively.

### **CAPITAL OUTLAY**

- Code 5300, IMPROVEMENTS, allocates funds for the wastewater improvement project, Code 5301 allocates funds for a transducer float backup for the lift station.
- Code 5400, MACHINERY, Annual Skidster replacement.

### **DEBT SERVICE**

- Provides for principal and interest on debt costs from refunded 1995 bond issue (2004b) and 2005a debt issue for 11<sup>th</sup> Avenue NW lift station construction. This also provides for the Public Financing Authority new debt as needed from 2009-2011. The bond is in the amount of \$16,108,549 for 20 years at 3% interest. The projected annual debt service payment is \$1,105,309. This will be repaid partially through a tax levy (30%) increase and a Wastewater fee increase (70%).

### **PERSONNEL LEVELS**

Director of Utilities (33% allocation)

#### **Billing**

- Billing clerks (33% allocation)
- Support staff (33% allocation)
- Utility Administration Project Coordinator (33% allocation)

#### **Meter Readers**

- Meter readers, 33% assigned from Utility department      Operations-    3 Certified Operators

SANITARY SEWER  
Fund 602  
Revenues and Expenses

2011  
Rate increase  
0.00%

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
<b>Interest &amp; Misc Revenue</b>						
602-33425-0000	State Grant	\$ -	\$ 70,551	\$ -	\$ -	0.0%
602-33111-0000	Federal Grant - ARRA	-	6,000,000	-	-	0.0%
602-36102-0000	Interest on Assessment	9,496	7,836	10,000	10,000	0.0%
602-36104-0000	Charges for Services	-	-	-	-	0.0%
602-36210-0000	Interest earnings	58,863	35,574	37,787	37,787	0.0%
602-36221-0000	Rents - Other	6,000	-	-	-	0.0%
602-36250-0000	Misc Revenue	2,000	-	-	-	0.0%
602-36252-0000	Storm Water Fee	-	(13)	-	-	0.0%
602-36253-0000	I&I Non-Compl. Fee	3,600	2,450	500	500	0.0%
	<b>Total Interest &amp; Misc Rev</b>	<u>79,959</u>	<u>6,116,398</u>	<u>48,287</u>	<u>48,287</u>	<u>0.0%</u>
<b>Utilities Revenues</b>						
602-37000-3901	Residential	887,926	1,348,636	1,124,593	1,048,875	-6.7%
602-37000-3902	Commercial	499,001	780,556	614,684	542,542	-11.7%
602-37000-3903	Industrial	185,207	191,832	307,342	246,172	-19.9%
602-37160-0000	Penalties	19,119	26,175	18,000	18,000	0.0%
602-37240-0000	Sewer Surcharge	44,651	13,406	42,000	42,000	0.0%
602-37275-0000	Sewer Access Fee	8,250	11,715	9,000	9,000	0.0%
602-37470-0000	Misc Rev - Charges	5,320	702	-	-	0.0%
	<b>Total Utilities Revenues</b>	<u>1,649,474</u>	<u>2,373,022</u>	<u>2,115,619</u>	<u>1,906,589</u>	<u>-9.9%</u>
<b>Transfers</b>						
602-39215-0000	Transfer/ General Fund	-	323,105	188,185	187,063	-0.6%
	<b>Total Transfers</b>	<u>-</u>	<u>323,105</u>	<u>188,185</u>	<u>187,063</u>	<u>-0.6%</u>
	<b>TOTAL REVENUES</b>	<u>\$ 1,729,433</u>	<u>\$ 8,812,525</u>	<u>\$ 2,352,091</u>	<u>\$ 2,141,939</u>	<u>-8.9%</u>
<b>Expenses</b>						
<b>Personnel</b>						
1010	Regular Employees	\$ 273,919	\$ 268,033	\$ 282,233	\$ 278,928	-1.2%
1020	Overtime	24,711	20,478	28,411	29,912	5.3%
1030	Part-time Employees	2,379	4,370	7,194	11,264	56.6%
1090	Cell Phone Charges	-	1,035	1,080	810	100.0%
1100	Longevity	1,783	1,369	1,550	1,952	26.0%
1200	FICA	15,818	16,377	15,731	19,761	25.6%
1210	PERA	17,079	18,949	22,107	23,049	4.3%
1220	Medicare	3,699	3,829	4,595	4,622	0.6%
1250	Insurance Rebate	2,478	1,024	2,388	3,660	53.3%
1300	Insurance	40,697	46,463	63,427	63,606	0.3%
1310	VEBA Trust Funding	7,325	8,234	9,365	13,040	39.2%
1330	Life Insurance	648	621	780	851	9.1%
1340	Disability Insurance	924	907	1,230	1,255	2.0%
1510	Workers Comp	8,355	7,299	10,000	8,000	-20.0%
	<b>Total Personnel</b>	<u>399,815</u>	<u>400,516</u>	<u>450,092</u>	<u>465,236</u>	<u>3.4%</u>
<b>Supplies</b>						
2000	Office Supplies	5,060	4,473	3,840	3,340	-13.0%
2050	Computer Supplies	606	2,215	2,000	2,600	30.0%
2120	Motor Fuels	7,493	6,130	9,000	8,000	-11.1%
2150	Biosolid Application	14,607	17,211	30,000	25,000	-16.7%
2170	General Supplies	57,948	47,309	47,840	60,840	27.2%
2180	Uniforms	2,334	3,202	2,800	2,800	0.0%
2210	Equipment Parts	19,826	9,386	18,000	15,000	-16.7%
2230	Bldg Rep/Maint Supplies	1,942	2,108	2,000	2,000	0.0%
2240	City Shop Charges	35,997	29,042	31,000	36,740	18.5%
2400	Small Tools	518	191	1,000	1,000	0.0%
	<b>Total Supplies</b>	<u>146,331</u>	<u>121,267</u>	<u>147,480</u>	<u>157,320</u>	<u>6.7%</u>

SANITARY SEWER  
Fund 602  
Revenues and Expenses

2011  
Rate increase  
0.00%

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Services &amp; Charges</b>						
3000	Professional Services	11,010	30,610	31,100	22,100	-28.9%
3050	Professional Services - Audit Fees	7,500	-	17,500	14,000	-20.0%
3100	Contractual Services	82,432	51,810	84,168	91,168	8.3%
3200	Communications	13,782	14,391	17,900	15,700	-12.3%
3300	Conferences and Schools	2,643	2,998	6,500	4,500	-30.8%
3400	Publishing / Advertising	355	270	500	500	0.0%
3500	Printing/Publishing	1,473	2,135	2,167	2,167	0.0%
3620	Property Insurance	3,000	3,000	3,000	17,241	474.7%
3800	Utilities	165,900	145,074	183,000	216,500	18.3%
<b>Total Services &amp; Charges</b>		<b>288,095</b>	<b>250,358</b>	<b>345,835</b>	<b>383,876</b>	<b>11.0%</b>
<b>Charges</b>						
4000	Repair/Maintenance	39,769	40,790	44,042	34,042	-22.7%
4020	Lift Station Repairs	7,374	5,238	7,100	7,100	0.0%
4100	Rent	7,752	2,592	1,500	1,000	-33.3%
4320	Uncollectible Accounts	497	171	500	500	0.0%
4330	Dues/Subscriptions	2,742	3,056	3,500	3,000	-14.3%
4500	Permits & Fees	6,460	6,610	6,500	6,500	0.0%
4940	Safety Program	510	-	500	500	0.0%
4950	Comp Financing Acct	8,514	10,242	6,558	7,129	8.7%
<b>Total Charges</b>		<b>73,618</b>	<b>68,699</b>	<b>70,200</b>	<b>59,771</b>	<b>-14.9%</b>
<b>Capital Outlay</b>						
5300	Improvements	294,079	6,961,262	12,000	415,000	3358.3%
5400	Machinery	79,107	26,651	7,000	6,000	-14.3%
<b>Total Capital Outlay</b>		<b>373,186</b>	<b>6,987,913</b>	<b>19,000</b>	<b>421,000</b>	<b>2115.8%</b>
<b>Debt Service</b>						
6000	Principal	-	225,000	600,499	616,000	2.6%
6100	Bond Interest	105,048	102,201	346,850	291,282	-16.0%
6200	Fiscal Agent Fee	1,233	633	2,000	2,000	0.0%
<b>Total Debt Service</b>		<b>106,281</b>	<b>327,834</b>	<b>949,349</b>	<b>909,282</b>	<b>-4.2%</b>
<b>Transfers</b>						
7200	Transfer - General Fund	50,509	52,024	58,724	123,724	110.7%
7280	Transfer - Debt Service	35,190	34,592	-	-	0.0%
<b>Total Transfers</b>		<b>85,699</b>	<b>86,616</b>	<b>58,724</b>	<b>123,724</b>	<b>110.7%</b>
<b>TOTAL EXPENSES</b>		<b>\$ 1,473,025</b>	<b>\$ 8,243,203</b>	<b>\$ 2,040,680</b>	<b>\$ 2,520,209</b>	<b>23.5%</b>
Less Capitalized Assets		(373,186)	(6,987,913)	(19,000)	(421,000)	2115.8%
6000	Less debt service Principal	-	(225,000)	(600,499)	(616,000)	2.6%
4200	Add: Depreciation Expense	478,832	523,686	862,971	848,686	-1.7%
6250	Add: Amortization Expense	5,083	5,083	6,500	6,500	0.0%
<b>NET TOTAL EXPENSES</b>		<b>1,583,754</b>	<b>1,559,059</b>	<b>2,290,652</b>	<b>2,338,395</b>	<b>2.1%</b>
<b>Net Income (Loss)</b>		<b>\$ 145,679</b>	<b>\$ 7,253,466</b>	<b>\$ 61,439</b>	<b>\$ (196,456)</b>	<b>-419.8%</b>

SANITARY SEWER - TRANSFERS  
2011 Budget  
Expense Detail

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
	<b>Transfers</b>					
602-49300-7200	Transfer - General Fund	\$ 50,509	\$ 52,024	\$ 58,724	\$ 123,724	110.7%
602-49300-7280	Transfer - Debt Service	35,190	34,592	-	-	0.0%
	<b>Total Transfers</b>	<u>85,699</u>	<u>86,616</u>	<u>58,724</u>	<u>123,724</u>	<u>110.7%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 85,699</u></u>	<u><u>\$ 86,616</u></u>	<u><u>\$ 58,724</u></u>	<u><u>\$ 123,724</u></u>	<u><u>110.7%</u></u>

SANITARY SEWER - CONSTRUCTION PROJECT  
2011 Budget  
Expense Detail

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	PERCENT CHANGE
	<b>Services &amp; Charges</b>					
602-49455-3000	Professional Services	\$ -	\$ -	\$ 130,000	\$ 122,000	0.0%
602-49455-3400	Publishing / Advertising	-	-	-	-	0.0%
	<b>Total Services &amp; Charges</b>	<u>-</u>	<u>-</u>	<u>130,000</u>	<u>122,000</u>	<u>0.0%</u>
	<b>TOTAL EXPENSES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,000</u>	<u>\$ 122,000</u>	<u>0.0%</u>

SANITARY SEWER - STORM WATER PROGRAM  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Personnel</b>					
602-49465-1010	Regular Employees	\$ 11,734	\$ 214	\$ -	\$ -	0.0%
602-49465-1100	Longevity	299	5	-	-	0.0%
602-49465-1200	FICA	793	14	-	-	0.0%
602-49465-1210	PERA	839	15	-	-	0.0%
602-49465-1220	Medicare	185	3	-	-	0.0%
602-49465-1250	Insurance Rebate	357	9	-	-	0.0%
	<b>Total Personnel</b>	<u>14,207</u>	<u>260</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<b>Supplies</b>					
602-49465-2000	Office Supplies	-	-	500	500	0.0%
	<b>Total Supplies</b>	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>	<u>0.0%</u>
	<b>Services &amp; Charges</b>					
602-49465-3000	Professional Services	72	22,464	20,000	20,000	0.0%
602-49465-3100	Contractual Services	31,736	1,335	30,000	30,000	0.0%
602-49465-3400	Publishing / Advertising	88	176	100	100	0.0%
	<b>Total Services &amp; Charges</b>	<u>31,896</u>	<u>23,975</u>	<u>50,100</u>	<u>50,100</u>	<u>0.0%</u>
	<b>Charges</b>					
602-49465-4000	Repair/Maintenance	-	-	500	500	0.0%
	<b>Total Charges</b>	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>	<u>0.0%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$46,103</u></u>	<u><u>\$ 24,235</u></u>	<u><u>\$51,100</u></u>	<u><u>\$ 51,100</u></u>	<u><u>0.0%</u></u>

SANITARY SEWER - WASTEWATER COLLECTION  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
602-49470-1010	Regular Employees	\$ 48,252	\$ 40,690	\$ 63,186	\$ 64,238	1.7%
602-49470-1020	Overtime	1,643	324	4,763	3,560	-25.3%
602-49470-1100	Longevity	359	130	-	537	100.0%
602-49470-1200	FICA	1,156	2,032	295	4,237	1336.2%
602-49470-1210	PERA	1,038	2,342	4,756	4,954	4.2%
602-49470-1220	Medicare	270	475	985	991	0.6%
602-49470-1250	Insurance Rebate	10	-	-	1,512	100.0%
602-49470-1300	Insurance	-	-	-	9,399	0.0%
602-49470-1310	VEBA Trust	-	-	-	4,527	0.0%
602-49470-1330	Life Insurance	-	-	-	199	100.0%
602-49470-1340	Disability Insurance	-	-	-	289	0.0%
<b>Total Personnel</b>		52,728	45,993	73,985	94,443	27.7%
<b>Supplies</b>						
602-49470-2170	General Supplies	15,129	11,918	10,500	10,500	0.0%
602-49470-2240	City Shop Charges	31,999	26,901	30,000	35,000	16.7%
<b>Total Supplies</b>		47,128	38,819	40,500	45,500	12.3%
<b>Services &amp; Charges</b>						
602-49470-3100	Contractual Services	1,337	2,291	2,000	2,000	0.0%
602-49470-3200	Communications	4,270	4,240	4,200	4,200	0.0%
602-49470-3300	Conf and Schools	10	332	600	600	0.0%
602-49470-3400	Publishing / Advertising	-	-	200	200	0.0%
602-49470-3800	Utilities	15,545	15,562	18,000	18,000	0.0%
<b>Total Services &amp; Charges</b>		21,162	22,425	25,000	25,000	0.0%
<b>Charges</b>						
602-49470-4000	Repair/Maintenance	13,367	15,691	19,000	19,000	0.0%
602-49470-4020	Lift Station Repairs	7,374	5,238	7,100	7,100	0.0%
<b>Total Charges</b>		20,741	20,929	26,100	26,100	0.0%
<b>TOTAL EXPENSES</b>		<u>\$ 141,759</u>	<u>\$ 128,166</u>	<u>\$ 165,585</u>	<u>\$ 191,043</u>	<u>15.4%</u>



SANITARY SEWER - WASTEWATER TREATMENT  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
602-49480-1010	Regular Employees	\$ 143,871	\$ 157,074	\$ 139,838	\$ 140,289	0.3%
602-49480-1020	Overtime	22,658	19,662	23,400	21,600	-7.7%
602-49480-1090	Cell Phone Charges	-	1,035	1,080	810	-25.0%
602-49480-1100	Longevity	366	380	540	405	-25.0%
602-49480-1200	FICA	9,590	9,917	10,221	10,112	-1.1%
602-49480-1210	PERA	10,506	11,567	11,464	11,766	2.6%
602-49480-1220	Medicare	2,243	2,319	2,390	2,365	-1.0%
602-49480-1250	Insurance Rebate	1,211	55	1,200	900	-25.0%
602-49480-1300	Insurance	30,852	39,756	52,250	43,658	-16.4%
602-49480-1310	VEBA Trust Funding	5,400	6,375	7,525	8,550	13.6%
602-49480-1330	Life Insurance	442	414	552	414	-25.0%
602-49480-1340	Disability Insurance	640	659	883	631	-28.5%
<b>Total Personnel</b>		<b>227,779</b>	<b>249,427</b>	<b>251,343</b>	<b>241,501</b>	<b>-3.9%</b>
<b>Supplies</b>						
602-49480-2000	Office Supplies	1,601	2,130	1,500	1,500	0.0%
602-49480-2050	Computer Supplies	106	-	1,000	500	-50.0%
602-49480-2120	Motor Fuels	7,493	6,130	9,000	8,000	-11.1%
602-49480-2150	Biosolid Application	14,607	17,211	30,000	25,000	-16.7%
602-49480-2170	General Supplies	42,489	34,997	37,000	50,000	35.1%
602-49480-2180	Uniforms	2,334	3,202	2,800	2,800	0.0%
602-49480-2210	Equipment Parts	19,826	9,386	18,000	15,000	-16.7%
602-49480-2230	Bldg Rep/Maint Supplies	1,942	2,108	2,000	2,000	0.0%
602-49480-2240	City Shop Charges	3,998	2,141	1,000	1,740	74.0%
602-49480-2400	Small Tools	518	191	1,000	1,000	0.0%
<b>Total Supplies</b>		<b>94,914</b>	<b>77,496</b>	<b>103,300</b>	<b>107,540</b>	<b>4.1%</b>
<b>Services &amp; Charges</b>						
602-49480-3000	Professional Services	6,842	200	6,000	-	0.0%
602-49480-3100	Contractual Services	47,484	46,433	50,000	57,000	14.0%
602-49480-3200	Communications	3,142	2,099	3,500	2,500	-28.6%
602-49480-3300	Conferences and Schools	2,611	2,666	5,500	3,500	-36.4%
602-49480-3400	Publishing / Advertising	96	-	-	-	0.0%
602-49480-3620	Property Insurance	3,000	3,000	3,000	17,241	474.7%
602-49480-3800	Utilities	150,355	128,061	165,000	198,500	20.3%
<b>Total Services &amp; Charges</b>		<b>213,530</b>	<b>182,529</b>	<b>233,000</b>	<b>278,741</b>	<b>19.6%</b>

SANITARY SEWER - WASTEWATER TREATMENT

2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Charges</b>						
602-49480-4000	Repair/Maintenance	26,402	20,523	20,000	10,000	-50.0%
602-49480-4100	Rent	3,561	2,592	1,500	1,000	-33.3%
602-49480-4200	Depreciation	478,832	523,686	862,971	848,686	-1.7%
602-49480-4330	Dues/Subscriptions	2,742	3,056	3,500	3,000	-14.3%
602-49480-4500	Permits & Fees	6,460	6,610	6,500	6,500	0.0%
602-49480-4940	Safety Program	-	-	-	-	0.0%
<b>Total Charges</b>		<u>517,997</u>	<u>556,467</u>	<u>894,471</u>	<u>869,186</u>	<u>-2.8%</u>
<b>Capital Outlay</b>						
602-49480-5400	Machinery	-	-	7,000	6,000	-14.3%
<b>Total Capital Outlay</b>		<u>-</u>	<u>-</u>	<u>7,000</u>	<u>6,000</u>	<u>-14.3%</u>
<b>TOTAL EXPENSES</b>		<u><u>\$ 1,054,220</u></u>	<u><u>\$ 1,065,919</u></u>	<u><u>\$ 1,489,114</u></u>	<u><u>\$ 1,502,968</u></u>	<u><u>0.9%</u></u>

SANITARY SEWER - METER READING  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Personnel</b>					
602-49584-1010	Regular Employees	\$ 3,441	\$ 2,998	\$ 3,492	\$ -	0.0%
602-49584-1020	Overtime	83	14	50	-	0.0%
602-49584-1030	Part-time Employees	-	-	197	-	0.0%
602-49584-1110	Severance Pay	-	1,528	-	-	0.0%
602-49584-1200	FICA	-	97	12	-	0.0%
602-49584-1210	PERA	-	109	12	-	0.0%
602-49584-1220	Medicare	-	23	3	-	0.0%
	<b>Total Personnel</b>	<u>3,524</u>	<u>4,769</u>	<u>3,766</u>	<u>-</u>	<u>0.0%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 3,524</u></u>	<u><u>\$ 4,769</u></u>	<u><u>\$ 3,766</u></u>	<u><u>\$ -</u></u>	<u><u>0.0%</u></u>

SANITARY SEWER - CUSTOMER BILLING EXPENSES  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
602-49585-1010	Regular Employees	\$ 27,364	\$ 25,489	\$ 30,130	\$ 28,814	-4.4%
602-49585-1020	Overtime	181	397	198	2,376	1100.0%
602-49585-1030	Part-time Employees	2,379	4,156	6,997	11,264	61.0%
602-49585-1100	Longevity	297	303	416	416	0.0%
602-49585-1200	FICA	1,853	1,871	2,340	2,402	2.6%
602-49585-1210	PERA	1,989	2,066	2,642	2,808	6.3%
602-49585-1220	Medicare	434	437	547	562	2.6%
602-49585-1250	Insurance Rebate	600	600	792	792	0.0%
602-49585-1300	Insurance	5,540	2,189	4,072	4,225	3.8%
602-49585-1310	VEBA Trust Funding	1,106	767	759	1,370	80.4%
602-49585-1330	Life Insurance	117	121	114	114	0.0%
602-49585-1340	Disability Insurance	136	97	143	130	-9.0%
<b>Total Personnel</b>		<u>41,996</u>	<u>38,493</u>	<u>49,150</u>	<u>55,271</u>	<u>12.5%</u>
<b>Supplies</b>						
602-49585-2000	Office Supplies	2,648	1,765	1,000	500	-50.0%
602-49585-2050	Computer Supplies	-	351	500	1,200	140.0%
<b>Total Supplies</b>		<u>2,648</u>	<u>2,116</u>	<u>1,500</u>	<u>1,700</u>	<u>13.3%</u>
<b>Services &amp; Charges</b>						
602-49585-3000	Professional Services	4,018	6,194	5,000	2,000	-60.0%
602-49585-3200	Communications	6,370	8,052	10,200	9,000	-11.8%
602-49585-3500	Printing/Publishing	1,473	2,135	2,167	2,167	0.0%
<b>Total Services &amp; Charges</b>		<u>11,861</u>	<u>16,381</u>	<u>17,367</u>	<u>13,167</u>	<u>-24.2%</u>
<b>Charges</b>						
602-49585-4320	Uncollectible Accts	497	171	500	500	0.0%
602-49585-4950	Comp Financing Acct	874	534	800	551	-31.1%
<b>Total Charges</b>		<u>1,371</u>	<u>705</u>	<u>1,300</u>	<u>1,051</u>	<u>-19.2%</u>
<b>TOTAL EXPENSES</b>		<u><u>\$ 57,876</u></u>	<u><u>\$ 57,695</u></u>	<u><u>\$ 69,317</u></u>	<u><u>\$ 71,189</u></u>	<u><u>2.7%</u></u>

SANITARY SEWER - ADMINISTRATION EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
602-49586-1010	Regular Employees	\$ 39,257	\$ 41,568	\$ 45,587	\$ 45,587	0.0%
602-49586-1020	Overtime	146	81	-	2,376	100.0%
602-49586-1100	Longevity	462	551	594	594	0.0%
602-49586-1200	FICA	2,426	2,446	2,863	3,011	5.1%
602-49586-1210	PERA	2,707	2,850	3,233	3,520	8.9%
602-49586-1220	Medicare	567	572	670	704	5.1%
602-49586-1250	Insurance Rebate	300	360	396	456	15.2%
602-49586-1300	Insurance	4,305	4,518	7,105	6,324	-11.0%
602-49586-1310	VEBA Trust Funding	819	1,092	1,081	3,120	188.6%
602-49586-1330	Life Insurance	89	86	114	124	9.1%
602-49586-1340	Disability Insurance	148	151	205	205	0.1%
602-49586-1510	Workers Comp	8,355	7,299	10,000	8,000	-20.0%
<b>Total Personnel</b>		59,581	61,574	71,847	74,022	3.0%
<b>Supplies</b>						
602-49586-2000	Office Supplies	811	578	840	840	0.0%
602-49586-2050	Computer Supplies	500	1,864	500	900	80.0%
602-49586-2170	General Supplies	330	394	340	340	0.0%
<b>Total Supplies</b>		1,641	2,836	1,680	2,080	23.8%
<b>Services &amp; Charges</b>						
602-49586-3000	Professional Services	78	1,752	100	100	0.0%
602-49586-3050	Professional Services - Audit Fees	7,500	-	17,500	14,000	-20.0%
602-49586-3100	Contractual Services	1,875	1,751	2,168	2,168	0.0%
602-49586-3300	Conferences and Schools	22	-	400	400	0.0%
602-49586-3400	Publishing / Advertising	171	94	200	200	0.0%
<b>Total Services &amp; Charges</b>		9,646	3,597	20,368	16,868	-17.2%
<b>Charges</b>						
602-49586-4000	Repair/Maintenance	-	4,576	4,542	4,542	0.0%
602-49586-4100	Rent	4,191	-	-	-	0.0%
602-49586-4940	Safety Program	510	-	500	500	0.0%
602-49586-4950	Comp Financing Acct	7,640	9,708	5,758	6,578	14.2%
<b>Total Charges</b>		12,341	14,284	10,800	11,620	7.6%
<b>TOTAL EXPENSES</b>		<u>\$ 83,209</u>	<u>\$ 82,291</u>	<u>\$ 104,695</u>	<u>\$ 104,590</u>	<u>-0.1%</u>

SANITARY SEWER - CAPITAL OUTLAY  
2011 Budget  
Expense Detail

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
	<b>Capital Outlay</b>					
602-49593-5300	Improvements	\$ 294,079	\$6,961,262	\$ 12,000	415,000	3358.3%
602-49593-5400	Machinery	79,107	26,651	-	-	0.0%
	<b>Total Capital Outlay</b>	<u>373,186</u>	<u>6,987,913</u>	<u>12,000</u>	<u>415,000</u>	<u>3358.3%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 373,186</u></u>	<u><u>\$6,987,913</u></u>	<u><u>\$ 12,000</u></u>	<u><u>\$ 415,000</u></u>	<u><u>3358.3%</u></u>

SANITARY SEWER - DEBT SERVICE EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Debt Service</b>					
602-49980-6000	Principal	\$ -	\$ 225,000	\$ 600,499	\$ 616,000	2.6%
602-49980-6100	Bond Interest	105,048	102,201	346,850	291,282	-16.0%
602-49980-6200	Fiscal Agent Fee	1,233	633	2,000	2,000	0.0%
602-49980-6250	Amortization Expense	5,083	5,083	6,500	6,500	0.0%
	<b>Total Debt Service</b>	111,364	332,917	955,849	915,782	-4.2%
	<b>TOTAL EXPENSES</b>	<u>\$ 111,364</u>	<u>\$ 332,917</u>	<u>\$ 955,849</u>	<u>\$ 915,782</u>	<u>-4.2%</u>

## BUDGET COMMENTARY: ELECTRIC FUND

received from SMMPA.

- Code 49570, TRANSMISSION EXPENSE, accounts for costs associated with the transmittal of electrical power including engineering services. This activity is minimal in the Waseca operation.
- Code 49571, OPERATING MAINTENANCE EXPENSE, accounts for the personnel services, supplies, and other services and charges indirectly associated with the technical operation of the utility. This account is responsible for general expenses, such as safety equipment and uniforms, energy program costs, small tools, contractual services, such as rubber goods testing, and training for utility crew. This account also reflects costs for transformers, regulator testing, substation work and switchgear. Annual depreciation allocation is also recorded in this department.
- Code 49572, OVERHEAD OPERATION AND MAINTENANCE SUPPLIES, accounts for the construction and maintenance work on overhead electrical distribution systems, including services for tree trimming.
- Code 49573, UNDERGROUND OPERATIONS AND MAINTENANCE SUPPLIES, accounts for laying cable, installing trenching cables or changing transformers, directional boring contracts.
- Code 49574, STREET LIGHT OPERATIONS AND MAINTENANCE, accounts for the general supplies such as lamps, fuses, photo-controls and inventory materials associated with street lighting.
- Code 49593, CAPITAL EXPENSE, accounts for the capital outlay for planned system improvements and equipment purchases, including underground and overhead replacements, Industrial Park street light replacements, substation potential transformer for voltage monitoring, and infrastructure construction in growth areas.

### Meter Reading/Customer Billing/Administration

- Costs for these departments are shared between water, sanitary sewer and electric on a 33%, 33%, 34% allocation respectively. Costs for this budget year reflect changes in policies for collections, meters and billing software enhancements. 2011 budget also includes costs related to meter-reading upgrades, professional services related to service issues, audit and insurance costs.
- Code 49980, DEBT SERVICE, reflects costs related to territory and annexation agreements as negotiated with Xcel Energy. These amounts vary as new territory is brought into the City.

### PERSONNEL LEVELS

- |   |   |                          |
|---|---|--------------------------|
| - Billing clerks (34% allocation)                     | - | 3 Linepersons            |
| - Utility Admin projects coordinator (34% allocation) | - | 1 Apprentice Line worker |
| - Meter readers (34% allocation )                     | - | 1 Crew Chief             |
| - Director of Utilities (34% allocation)              | - | 1 Utility laborer        |



ELECTRIC UTILITY  
604 Fund  
Revenues and Expenses

Rate Increase  
0.0%

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
604-36210-0000	Interest Earnings	\$ 28,362	\$ 23,850	\$ 8,326	\$ 10,000	20.1%
604-36241-0000	Workers Comp Reimb	228	-	-	-	0.0%
604-36250-0000	Misc Revenue	35	6,151	-	-	0.0%
	<b>Total Interest &amp; Misc Rev</b>	<u>28,625</u>	<u>30,001</u>	<u>8,326</u>	<u>10,000</u>	<u>20.1%</u>
	<b>Utilities Revenues</b>					
604-37000-3701	Residential	3,002,231	2,955,945	3,024,701	3,032,800	0.3%
604-37000-3702	General Service	2,021,627	2,099,506	2,384,828	2,154,093	-9.7%
604-37000-3703	Power Service	1,312,737	1,321,820	1,086,286	1,356,187	24.8%
604-37000-3705	Hwy/Street Lighting	75,901	22,431	80,492	80,492	0.0%
604-37000-3706	Park Lighting	14,717	3,784	3,569	3,569	0.0%
604-37000-3707	Water Pumping	101,172	26,443	95,911	95,911	0.0%
604-37000-3708	Public Building	30,662	113,855	97,280	116,815	20.1%
604-37000-3710	Special E Heat Rate	-	56,229	-	-	0.0%
604-37160-0000	Penalties	66,025	63,287	67,000	67,000	0.0%
604-37170-0000	Merchandising Revenue	3,945	5,693	500	500	0.0%
604-37180-0000	Conservation Revenue	47,961	(12,460)	46,200	46,200	0.0%
604-37430-0000	Yard Light Rental	11,177	11,902	11,000	11,000	0.0%
604-37470-0000	Misc Rev - Charges	4,155	-	4,800	4,800	0.0%
604-37472-0000	Check Handling Fee	1,200	350	450	450	0.0%
604-37473-0000	Salvage Revenue	47,247	1,370	1,000	1,000	0.0%
604-37476-0000	Connect/ Disconnect Fee	13,475	4,850	6,500	6,500	0.0%
604-37480-0000	Service Revenues	57,779	948	500	500	0.0%
	<b>Total Utilities Revenues</b>	<u>6,812,011</u>	<u>6,675,953</u>	<u>6,911,017</u>	<u>6,977,817</u>	<u>1.0%</u>
	<b>TOTAL REVENUES</b>	<u><u>\$ 6,840,636</u></u>	<u><u>\$ 6,705,954</u></u>	<u><u>\$ 6,919,343</u></u>	<u><u>\$ 6,987,817</u></u>	<u><u>1.0%</u></u>
<b>Expenses</b>						
	<b>Personnel</b>					
1010	Regular Employees	\$ 404,618	\$ 354,011	\$ 318,462	\$ 299,106	-6.1%
1020	Overtime	41,668	38,503	41,488	33,696	-18.8%
1030	Part-time Employees	4,722	8,454	7,209	11,480	59.2%
1080	Clothing/Uniform Allowance	1,969	1,575	2,000	1,400	-30.0%
1090	Cell Phone Reimbursement	-	1,440	2,160	2,160	0.0%
1100	Longevity	6,675	4,753	3,920	4,115	5.0%
1110	Severance Pay	-	20,130	17,178	-	0.0%
1200	FICA	26,292	23,789	22,044	21,478	-2.6%
1210	PERA	33,324	26,934	24,731	24,959	0.9%
1220	Medicare	6,677	5,562	5,154	5,023	-2.5%
1250	Insurance Rebate	5,430	4,989	4,824	3,684	-23.6%
1300	Insurance	71,350	52,116	60,743	53,272	-12.3%
1310	VEBA Trust Fund	-	9,228	9,596	18,746	95.4%
1330	Life Insurance	1,113	897	855	797	-6.8%
1340	Disability Insurance	1,995	1,618	1,412	1,346	-4.7%
1510	Workers Comp	14,359	12,976	18,000	10,050	-44.2%
	<b>Total Personnel</b>	<u>620,192</u>	<u>566,975</u>	<u>539,776</u>	<u>491,312</u>	<u>-9.0%</u>
	<b>Supplies</b>					
2000	Office Supplies	5,859	1,642	4,000	3,500	-12.5%
2050	Computer Supplies	990	1,443	1,500	2,900	93.3%
2120	Motor fuels	11,835	7,717	7,000	8,000	14.3%
2170	General Supplies	21,312	9,734	16,000	13,000	-18.8%
2180	Uniforms	8,508	772	2,000	2,000	0.0%

ELECTRIC UTILITY  
604 Fund  
Revenues and Expenses

Rate Increase  
0.0%

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
2190	Safety Equipment	3,464	907	3,000	1,500	-50.0%
2210	Equipment parts	520	168	1,000	1,000	0.0%
2215	Meters	2,356	-	1,000	1,000	0.0%
2216	Meter Sockets	-	1,039	2,000	2,000	0.0%
2220	Vehicle Maintenance	763	64	-	-	0.0%
2230	Bldg Rep/Maint Supplies	75,339	22,808	46,000	44,000	-4.3%
2240	City Shop Charges	13,589	10,118	10,000	14,750	47.5%
2290	Load Control Credit	55,385	160	60,000	60,000	0.0%
2295	Load Ctrl Delivery	7,102	5,687	18,000	18,000	0.0%
2296	Conservation Imp. Mandate	-	-	-	42,000	100.0%
2300	Energy Star Rebate	19,258	3,268	25,000	25,000	0.0%
2305	Energy Star Delivery	228	244	500	500	0.0%
2320	SMMPA EMP - Load Mgmt	12,375	15,515	15,700	15,700	0.0%
2330	SMMP Comm. Rebates	15,619	1,895	5,000	5,000	0.0%
2340	Low Income CIP Prog.	981	17,939	13,000	13,000	0.0%
2350	Constr. Reimbursement	576	11,056	-	-	0.0%
2400	Small Tools	886	1,190	3,000	3,000	0.0%
2600	Merchandising Expense	1,263	3,516	3,200	-	0.0%
<b>Total Supplies</b>		<b>258,208</b>	<b>116,882</b>	<b>236,900</b>	<b>275,850</b>	<b>16.4%</b>
<b>Services &amp; Charges</b>						
3000	Professional Services	3,846	20,638	60,000	56,000	-6.7%
3050	Professional Services - Audit Fees	16,000	-	18,000	14,000	-22.2%
3100	Contractual Services	25,552	17,428	32,000	31,000	-3.1%
3200	Communications	15,239	11,360	12,700	12,700	0.0%
3300	Conf and Schools	3,141	3,514	8,500	8,500	0.0%
3500	Printing/Publishing	2,528	2,134	2,167	2,167	0.0%
3610	Public Liab Insurance	8,300	8,300	8,300	8,300	0.0%
3620	Property Insurance	5,200	5,200	5,200	9,883	90.1%
3810	Purchased Power	4,577,674	4,560,577	4,721,393	4,720,197	0.0%
<b>Total Services &amp; Charges</b>		<b>4,657,480</b>	<b>4,629,151</b>	<b>4,868,260</b>	<b>4,862,747</b>	<b>-0.1%</b>
<b>Charges</b>						
4000	Repair/Maintenance	4,628	6,104	7,500	7,500	0.0%
4230	Loss/Disposal of Asset	-	1,981	-	-	0.0%
4320	Uncollectible Accounts	16,791	16,910	17,500	17,500	0.0%
4330	Dues/Subscriptions	-	-	500	500	0.0%
4360	Service Rights Cost	914	906	75,000	75,000	0.0%
4500	Permits & Fees	-	-	3,000	3,000	0.0%
4940	Safety Program	3,510	-	3,000	3,000	0.0%
4950	Comp Financing Acct	7,961	10,078	10,231	8,134	-20.5%
<b>Total Charges</b>		<b>33,804</b>	<b>35,979</b>	<b>116,731</b>	<b>114,634</b>	<b>-1.8%</b>
<b>Capital Outlay</b>						
5300	Improvements	141,046	167,007	150,000	177,000	18.0%
5400	Machinery	73,453	17,024	600,000	43,500	-92.8%
<b>Total Capital Outlay</b>		<b>214,499</b>	<b>184,031</b>	<b>750,000</b>	<b>220,500</b>	<b>-70.6%</b>
<b>Debt Service</b>						
6010	Inter Fund Loan Pay	29,000	15,000	27,000	26,000	-3.7%
6140	Deposit Interest Exp	5,346	1,430	6,500	2,000	-69.2%
<b>Total Debt Service</b>		<b>34,346</b>	<b>16,430</b>	<b>33,500</b>	<b>28,000</b>	<b>-16.4%</b>

ELECTRIC UTILITY  
604 Fund  
Revenues and Expenses

Rate Increase  
0.0%

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Transfers</b>					
7200	Transfer - General Fund	353,099	355,742	515,470	385,470	-25.2%
7280	Transfer - Debt Service	85,879	70,490	-	-	0.0%
	<b>Total Transfers</b>	<u>438,978</u>	<u>426,232</u>	<u>515,470</u>	<u>385,470</u>	<u>-25.2%</u>
	<b>TOTAL EXPENSES</b>	<u>\$ 6,257,507</u>	<u>\$ 5,975,680</u>	<u>\$ 7,060,637</u>	<u>\$ 6,378,513</u>	<u>-9.7%</u>
	Less Capitalized Assets	(220,819)	(184,031)	(750,000)	(220,500)	-70.6%
	Less Debt Service Principal	-	-	(20,000)	(20,000)	0.0%
4200	Add: Depreciation Expense	347,450	333,613	387,500	366,974	-5.3%
6250	Add: Amortization Expense	<u>47,400</u>	<u>51,810</u>	<u>47,400</u>	<u>51,810</u>	<u>9.3%</u>
	<b>NET TOTAL EXPENSES</b>	<u>6,431,538</u>	<u>6,177,072</u>	<u>6,725,537</u>	<u>6,556,797</u>	<u>-2.5%</u>
	<b>Net Income (Loss)</b>	<u><u>\$ 409,098</u></u>	<u><u>\$ 528,882</u></u>	<u><u>\$ 193,806</u></u>	<u><u>\$ 431,020</u></u>	<u><u>122.4%</u></u>

ELECTRIC - TRANSFERS  
2011 Budget  
Expense Detail

		<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>PERCENT</u>
		<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
	<b>Transfers</b>					
604-49300-7200	Transfer - General Fund	\$ 88,099	\$ 90,742	\$ 230,470	\$ 100,470	-56.4%
604-49300-7280	Transfer - Debt Service	85,879	70,490	-	-	0.0%
	<b>Total Transfers</b>	<u>173,978</u>	<u>161,232</u>	<u>230,470</u>	<u>100,470</u>	<u>-56.4%</u>
	<b>TOTAL TRANSFERS</b>	<u><u>\$ 173,978</u></u>	<u><u>\$ 161,232</u></u>	<u><u>\$ 230,470</u></u>	<u><u>\$ 100,470</u></u>	<u><u>-56.4%</u></u>

ELECTRIC - PURCHASED POWER  
2011 Budget  
Expense Detail

	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Services &amp; Charges</b>					
604-49550-3810 Purchased Power	\$ 4,577,674	\$ 4,560,577	\$ 4,721,393	\$ 4,720,197	0.0%
<b>Total Services &amp; Charges</b>	<u>4,577,674</u>	<u>4,560,577</u>	<u>4,721,393</u>	<u>4,720,197</u>	<u>0.0%</u>
 TOTAL EXPENSES	 <u><u>\$ 4,577,674</u></u>	 <u><u>\$ 4,560,577</u></u>	 <u><u>\$ 4,721,393</u></u>	 <u><u>\$ 4,720,197</u></u>	 <u><u>0.0%</u></u>

ELECTRIC - TRANSMISSION EXPENSE  
2011 Budget  
Expense Detail

		2008	2009	2010	2011	PERCENT
		ACTUAL	ACTUAL	BUDGET	BUDGET	CHANGE
	<b>Personnel</b>					
604-49570-1010	Regular Employees	\$ 8,469	\$ 2,330	\$ 7,121	\$ 7,121	0.0%
604-49570-1020	Overtime	-	674	-	922	0.0%
604-49570-1090	Cell Phone Reimbursement	-	-	-	69	0.0%
604-49570-1080	Clothing/Uniform Allowance	-	-	-	45	0.0%
604-49570-1100	Longevity	-	-	-	98	0.0%
604-49570-1200	FICA	305	134	532	509	-4.3%
604-49570-1210	PERA	-	154	596	590	-1.0%
604-49570-1220	Medicare	-	31	125	119	-4.8%
604-49570-1250	Insurance Rebate	-	-	-	77	0.0%
604-49570-1300	Insurance	-	-	-	1,357	0.0%
604-49570-1310	VEBA Trust	-	-	-	452	0.0%
604-49570-1330	Life Insurance	-	-	-	18	0.0%
604-49570-1340	Disability Insurance	-	-	-	32	0.0%
	<b>Total Personnel</b>	<u>8,774</u>	<u>3,323</u>	<u>8,374</u>	<u>11,408</u>	<u>36.2%</u>
	<b>Supplies</b>					
604-49570-2170	General Supplies	-	7	-	-	0.0%
604-49570-2230	Bldg Rep/Maint Supplies	11,036	4,579	5,000	5,000	0.0%
	<b>Total Supplies</b>	<u>11,036</u>	<u>4,586</u>	<u>5,000</u>	<u>5,000</u>	<u>0.0%</u>
	<b>Services &amp; Charges</b>					
604-49570-3100	Contractual Services	8,382	9,380	9,000	9,000	0.0%
	<b>Total Services &amp; Charges</b>	<u>8,382</u>	<u>9,380</u>	<u>9,000</u>	<u>9,000</u>	<u>0.0%</u>
	<b>TOTAL EXPENSES</b>	<u>\$ 28,192</u>	<u>\$ 17,289</u>	<u>\$ 22,374</u>	<u>\$ 25,408</u>	<u>13.6%</u>

ELECTRIC - OPERATING MAINTENANCE EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
604-49571-1010	Regular Employees	\$ 186,905	\$ 171,711	\$ 157,099	\$ 157,099	0.0%
604-49571-1020	Overtime	30,291	30,381	30,425	20,333	-33.2%
604-49571-1080	Clothing/Uniform Allowance	1,969	1,575	2,000	988	-50.6%
604-49571-1090	Cell Phone Reimbursement	-	1,440	2,160	1,525	-29.4%
604-49571-1100	Longevity	5,505	3,450	2,880	2,171	-24.6%
604-49571-1110	Severance Pay	-	20,130	17,178	-	0.0%
604-49571-1200	FICA	18,818	13,210	11,746	11,230	-4.4%
604-49571-1210	PERA	25,510	14,892	13,155	13,021	-1.0%
604-49571-1220	Medicare	5,000	3,518	2,747	2,626	-4.4%
604-49571-1250	Insurance Rebate	3,630	2,700	3,600	1,694	-52.9%
604-49571-1300	Insurance	51,660	38,701	49,228	29,942	-39.2%
604-49571-1310	VEBA Trust Fund	9,825	7,369	7,700	9,972	29.5%
604-49571-1330	Life Insurance	715	483	621	390	-37.2%
604-49571-1340	Disability Insurance	1,427	1,123	1,054	707	-32.9%
<b>Total Personnel</b>		<b>341,255</b>	<b>310,683</b>	<b>301,593</b>	<b>251,699</b>	<b>-16.5%</b>
<b>Supplies</b>						
604-49571-2120	Motor fuels	11,835	7,717	7,000	8,000	14.3%
604-49571-2170	General Supplies	13,019	10,591	13,000	10,000	-23.1%
604-49571-2180	Uniforms	8,508	772	2,000	2,000	0.0%
604-49571-2190	Safety Equipment	3,464	907	3,000	1,500	-50.0%
604-49571-2210	Equipment parts	94	168	1,000	1,000	0.0%
604-49571-2215	Meters	2,356	-	1,000	1,000	0.0%
604-49571-2216	Meter Sockets	-	1,039	2,000	2,000	0.0%
604-49571-2220	Vehicle Maintenance	763	64	-	-	0.0%
604-49571-2230	Bldg Rep/Maint Supplies	102	185	1,000	1,000	0.0%
604-49571-2240	City Shop Charges	13,589	10,118	10,000	14,750	47.5%
604-49571-2290	Load Control Credit	55,385	160	60,000	60,000	0.0%
604-49571-2295	Load Ctrl Delivery	7,102	5,687	18,000	18,000	0.0%
604-49571-2296	Conservation Imp. Mandate	-	-	-	42,000	100.0%
604-49571-2300	Energy Star Rebate	19,258	3,268	25,000	25,000	0.0%
604-49571-2305	Energy Star Delivery	228	244	500	500	0.0%
604-49571-2320	SMMPA Emp-Load Mgmt	12,375	15,515	15,700	15,700	0.0%
604-49571-2330	SMMP Comm. Rebates	15,619	1,895	5,000	5,000	0.0%
604-49571-2340	Low Income CIP Program	981	17,939	13,000	13,000	0.0%
604-49571-2350	Constr. Reimbursement	576	11,056	-	-	0.0%
604-49571-2400	Small Tools	886	1,190	3,000	3,000	0.0%
604-49571-2600	Merchandising Expense	1,263	3,516	3,200	-	0.0%
<b>Total Supplies</b>		<b>167,403</b>	<b>92,031</b>	<b>183,400</b>	<b>223,450</b>	<b>21.8%</b>
<b>Services &amp; Charges</b>						
604-49571-3000	Professional Services	418	-	5,000	5,000	0.0%
604-49571-3100	Contractual Services	14,079	5,955	10,000	9,000	-10.0%
604-49571-3200	Communications	2,578	799	2,500	2,500	0.0%
604-49571-3300	Conferences and Schools	3,104	3,300	5,000	5,000	0.0%
<b>Total Services &amp; Charges</b>		<b>20,179</b>	<b>10,054</b>	<b>22,500</b>	<b>21,500</b>	<b>-4.4%</b>
<b>Charges</b>						
604-49571-4000	Repair/Maintenance	309	273	1,000	1,000	0.0%
604-49571-4200	Depreciation	347,450	333,613	387,500	366,974	-5.3%
604-49571-4360	Service Rights Cost	914	906	75,000	75,000	0.0%
<b>Total Charges</b>		<b>348,673</b>	<b>334,792</b>	<b>463,500</b>	<b>442,974</b>	<b>-4.4%</b>
<b>TOTAL EXPENSES</b>		<b>\$ 877,510</b>	<b>\$ 747,560</b>	<b>\$ 970,993</b>	<b>\$ 939,624</b>	<b>-3.2%</b>

ELECTRIC - OH OPERATIONS / MAINTENANCE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
604-49572-1010	Regular Employees	\$ 27,920	\$ 13,669	\$ 15,799	\$ 15,799	0.0%
604-49572-1020	Overtime	6,221	3,097	6,240	2,045	-67.2%
604-49572-1090	Cell Phone	-	-	-	153	0.0%
604-49572-1080	Clothing/Uniform Allowance	-	-	-	99	0.0%
604-49572-1100	Longevity	-	-	-	218	0.0%
604-49572-1200	FICA	175	652	1,181	1,129	-4.4%
604-49572-1210	PERA	194	758	1,323	1,310	-1.0%
604-49572-1220	Medicare	41	152	276	264	-4.3%
604-49572-1250	Insurance Rebate	-	-	-	170	0.0%
604-49572-1300	Insurance	-	-	-	3,011	0.0%
604-49572-1310	VEBA Trust	-	-	-	1,003	0.0%
604-49572-1330	Life Insurance	-	-	-	39	0.0%
604-49572-1340	Disability Insurance	-	-	-	71	0.0%
<b>Total Personnel</b>		<u>34,551</u>	<u>18,328</u>	<u>24,819</u>	<u>25,313</u>	<u>2.0%</u>
<b>Supplies</b>						
604-49572-2230	Bldg Rep/Maint Supplies	12,990	1,081	5,000	8,000	60.0%
<b>Total Supplies</b>		<u>12,990</u>	<u>1,081</u>	<u>5,000</u>	<u>8,000</u>	<u>60.0%</u>
<b>TOTAL EXPENSES</b>		<u><u>\$ 47,541</u></u>	<u><u>\$ 19,409</u></u>	<u><u>\$ 29,819</u></u>	<u><u>\$ 33,313</u></u>	<u><u>11.7%</u></u>



ELECTRIC - UG OPERATIONS / MAINTENANCE SUPPLIES  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
604-49573-1010	Regular Employees	\$ 33,919	\$ 31,041	\$ 28,483	\$ 28,483	0.0%
604-49573-1020	Overtime	3,814	2,891	3,834	3,686	-3.8%
604-49573-1030	Part-time Employees	-	220	-	-	0.0%
604-49573-1090	Cell Phone	-	-	-	276	100.0%
604-49573-1080	Clothing/Uniform Allowance	-	-	-	179	100.0%
604-49573-1100	Longevity	-	-	-	394	100.0%
604-49573-1200	FICA	-	1,835	2,130	2,036	-4.4%
604-49573-1210	PERA	-	2,132	2,385	2,361	-1.0%
604-49573-1220	Medicare	-	-	498	476	-4.4%
604-49573-1250	Insurance Rebate	-	429	-	307	100.0%
604-49573-1300	Insurance	-	-	-	5,429	0.0%
604-49573-1310	VEBA Trust	-	-	-	1,808	0.0%
604-49573-1330	Life Insurance	-	-	-	71	0.0%
604-49573-1340	Disability Insurance	-	-	-	128	0.0%
<b>Total Personnel</b>		<u>37,733</u>	<u>38,548</u>	<u>37,330</u>	<u>45,634</u>	<u>22.2%</u>
<b>Supplies</b>						
604-49573-2170	General Supplies	4,300	100	-	-	0.0%
604-49573-2230	Bldg Rep/Maint Supplies	40,198	16,963	25,000	20,000	-20.0%
<b>Total Supplies</b>		<u>44,498</u>	<u>17,063</u>	<u>25,000</u>	<u>20,000</u>	<u>-20.0%</u>
<b>Services &amp; Charges</b>						
604-49573-3100	Contractual Services	850	-	1,000	1,000	0.0%
<b>Total Services &amp; Charges</b>		<u>850</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>0.0%</u>
<b>Charges</b>						
604-49573-4000	Repair/Maintenance	-	1,117	2,000	2,000	0.0%
<b>Total Charges</b>		<u>-</u>	<u>1,117</u>	<u>2,000</u>	<u>2,000</u>	<u>0.0%</u>
<b>TOTAL EXPENSES</b>		<u><u>\$ 83,081</u></u>	<u><u>\$ 56,728</u></u>	<u><u>\$ 65,330</u></u>	<u><u>\$ 68,634</u></u>	<u><u>5.1%</u></u>

ELECTRIC - STREET LIGHT OPERATIONS / MAINTENANCE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
604-49574-1010	Regular Employees	\$ 9,648	\$ 10,411	\$ 8,011	\$ 8,011	0.0%
604-49574-1020	Overtime	106	258	122	1,037	749.8%
604-49574-1090	Cell Phone	-	-	-	78	100.0%
604-49574-1080	Clothing/Uniform Allowance	-	-	-	50	100.0%
604-49574-1100	Longevity	-	-	-	111	100.0%
604-49574-1110	Severance Pay	-	-	-	-	0.0%
604-49574-1200	FICA	-	519	599	573	-4.4%
604-49574-1210	PERA	-	604	671	664	-1.0%
604-49574-1220	Medicare	-	121	140	134	-4.3%
604-49574-1250	Insurance Rebate	-	-	-	86	100.0%
604-49574-1300	Insurance	-	-	-	1,527	0.0%
604-49574-1310	VEBA Trust	-	-	-	509	0.0%
604-49574-1330	Life Insurance	-	-	-	20	0.0%
604-49574-1340	Disability Insurance	-	-	-	36	0.0%
<b>Total Personnel</b>		9,754	11,913	9,543	12,835	34.5%
<b>Supplies</b>						
604-49574-2170	General Supplies	2,519	(1,448)	2,000	2,000	0.0%
604-49574-2230	Bldg Rep/Maint Supplies	11,013	-	10,000	10,000	0.0%
<b>Total Supplies</b>		13,532	(1,448)	12,000	12,000	0.0%
<b>Services &amp; Charges</b>						
604-49574-3100	Contractual Services	165	-	-	-	0.0%
<b>Total Services &amp; Charges</b>		165	-	-	-	0.0%
<b>TOTAL EXPENSES</b>		<u>\$ 23,451</u>	<u>\$ 10,465</u>	<u>\$ 21,543</u>	<u>\$ 24,835</u>	<u>15.3%</u>

ELECTRIC - METER READING  
2011 Budget  
Expense Detail

		2008	2009	2010	2011	PERCENT
		ACTUAL	ACTUAL	BUDGET	BUDGET	CHANGE
	<b>Personnel</b>					
604-49584-1010	Regular Employees	\$ 6,882	\$ 5,030	\$ 6,008	\$ 6,008	0.0%
604-49584-1020	Overtime	166	41	163	778	377.1%
604-49584-1090	Cell Phone	-	-	-	58	100.0%
604-49584-1080	Clothing Allowance	-	-	-	38	100.0%
604-49584-1100	Longevity	-	-	-	83	100.0%
604-49584-1200	FICA	-	182	449	429	-4.3%
604-49584-1210	PERA	-	207	503	498	-1.0%
604-49584-1220	Medicare	-	43	105	100	-4.3%
604-49584-1250	Insurance Rebate	-	-	-	65	100.0%
604-49584-1300	Insurance	-	-	-	1,145	0.0%
604-49584-1310	VEBA Trust	-	-	-	381	0.0%
604-49584-1330	Life Insurance	-	-	-	15	0.0%
604-49584-1340	Disability Insurance	-	-	-	27	0.0%
	<b>Total Personnel</b>	<u>7,048</u>	<u>5,503</u>	<u>7,228</u>	<u>9,626</u>	<u>33.2%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 7,048</u></u>	<u><u>\$ 5,503</u></u>	<u><u>\$ 7,228</u></u>	<u><u>\$ 9,626</u></u>	<u><u>33.2%</u></u>

ELECTRIC - CUSTOMER BILLING EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
604-49585-1010	Regular Employees	\$ 53,812	\$ 51,420	\$ 31,043	\$ 29,687	-4.4%
604-49585-1020	Overtime	362	794	204	2,448	1100.0%
604-49585-1030	Part-time Employees	4,722	8,234	7,209	11,480	59.2%
604-49585-1100	Longevity	594	605	428	428	0.1%
604-49585-1200	FICA	3,703	3,741	2,411	2,474	2.6%
604-49585-1210	PERA	3,976	4,131	2,722	2,893	6.3%
604-49585-1220	Medicare	866	875	564	579	2.6%
604-49585-1250	Insurance Rebate	1,200	1,210	816	816	0.0%
604-49585-1300	Insurance	11,080	4,379	4,195	4,353	3.8%
604-49585-1310	VEBA Trust Funding	2,213	767	782	1,411	80.4%
604-49585-1330	Life Insurance	235	242	117	117	0.3%
604-49585-1340	Disability Insurance	271	194	147	134	-9.1%
<b>Total Personnel</b>		<u>83,034</u>	<u>76,592</u>	<u>50,638</u>	<u>56,821</u>	<u>12.2%</u>
<b>Supplies</b>						
604-49585-2000	Office Supplies	2,581	242	1,000	500	-50.0%
604-49585-2050	Computer Supplies	-	351	500	1,400	180.0%
<b>Total Supplies</b>		<u>2,581</u>	<u>593</u>	<u>1,500</u>	<u>1,900</u>	<u>26.7%</u>
<b>Services &amp; Charges</b>						
604-49585-3000	Professional Services	2,394	6,667	5,000	1,000	-80.0%
604-49585-3200	Communications	12,633	10,561	10,200	10,200	0.0%
604-49585-3300	Conferences and Schools	37	129	500	500	0.0%
604-49585-3500	Printing/Publishing	2,528	2,134	2,167	2,167	0.0%
<b>Total Services &amp; Charges</b>		<u>17,592</u>	<u>19,491</u>	<u>17,867</u>	<u>13,867</u>	<u>-22.4%</u>
<b>Charges</b>						
604-49585-4320	Uncollectible Accounts	6,277	5,746	6,500	6,500	0.0%
604-49585-4330	Dues/Subscriptions	-	-	500	500	0.0%
604-49585-4950	Comp Financing Acct	874	535	800	551	-31.1%
<b>Total Charges</b>		<u>7,151</u>	<u>6,281</u>	<u>7,800</u>	<u>7,551</u>	<u>-3.2%</u>
<b>Debt Service</b>						
604-49585-6140	Deposit Interest Expense	5,346	1,430	6,500	2,000	-69.2%
<b>Total Debt Service</b>		<u>5,346</u>	<u>1,430</u>	<u>6,500</u>	<u>2,000</u>	<u>-69.2%</u>
<b>TOTAL EXPENSES</b>		<u><u>\$ 115,704</u></u>	<u><u>\$ 104,387</u></u>	<u><u>\$ 84,305</u></u>	<u><u>\$ 82,138</u></u>	<u><u>-2.6%</u></u>

ELECTRIC - ADMINISTRATION EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Personnel</b>						
604-49586-1010	Regular Employees	\$ 53,432	\$ 53,705	\$ 46,898	\$ 46,898	0.0%
604-49586-1020	Overtime	291	163	-	2,448	100.0%
604-49586-1100	Longevity	576	698	612	612	0.0%
604-49586-1200	FICA	3,291	3,201	2,946	3,097	5.1%
604-49586-1210	PERA	3,644	3,692	3,326	3,622	8.9%
604-49586-1220	Medicare	770	748	689	724	5.1%
604-49586-1250	Insurance Rebate	600	650	408	468	14.7%
604-49586-1300	Insurance	8,610	9,036	7,320	6,508	-11.1%
604-49586-1310	VEBA Trust Funding	1,637	1,092	1,114	3,210	188.2%
604-49586-1330	Life Insurance	163	172	117	128	9.1%
604-49586-1340	Disability Insurance	297	301	211	211	0.0%
604-49586-1510	Workers Comp	14,359	12,976	18,000	10,050	-44.2%
<b>Total Personnel</b>		87,670	86,434	81,641	77,977	-4.5%
<b>Supplies</b>						
604-49586-2000	Office Supplies	3,278	1,400	3,000	3,000	0.0%
604-49586-2050	Computer Supplies	990	1,092	1,000	1,500	50.0%
604-49586-2170	General Supplies	1,474	484	1,000	1,000	0.0%
604-49586-2210	Equipment Parts	426	-	-	-	0.0%
<b>Total Supplies</b>		6,168	2,976	5,000	5,500	10.0%
<b>Services &amp; Charges</b>						
604-49586-3000	Professional Services	1,034	13,971	50,000	50,000	0.0%
604-49586-3050	Professional Services - Audit Fees	16,000	-	18,000	14,000	-22.2%
604-49586-3100	Contractual Services	2,076	2,093	12,000	12,000	0.0%
604-49586-3200	Communications	28	-	-	-	0.0%
604-49586-3300	Conferences and Schools	-	85	3,000	3,000	0.0%
604-49586-3400	Publishing / Advertising	-	-	-	-	0.0%
604-49586-3610	Public Liab Insurance	8,300	8,300	8,300	8,300	0.0%
604-49586-3620	Property Insurance	5,200	5,200	5,200	9,883	90.1%
<b>Total Services &amp; Charges</b>		32,638	29,649	96,500	97,183	0.7%
<b>Charges</b>						
604-49586-4000	Repair/Maintenance	4,319	4,714	4,500	4,500	0.0%
604-49586-4100	Rent	-	-	-	-	0.0%
604-49586-4330	Dues/Subscriptions	10,514	11,164	11,000	11,000	0.0%
604-49586-4500	Permits & Fees	-	-	3,000	3,000	0.0%
604-49586-4940	Safety Program	3,510	-	3,000	3,000	0.0%
604-49586-4950	Comp Financing Acct	7,087	9,543	9,431	7,583	-19.6%
<b>Total Charges</b>		25,430	25,421	30,931	29,083	-6.0%
<b>TOTAL EXPENSES</b>		<u>\$ 151,906</u>	<u>\$ 144,480</u>	<u>\$ 214,072</u>	<u>\$ 209,742</u>	<u>-2.0%</u>

ELECTRIC - METER CONVERSION PROJECTS  
2011 Budget  
Expense Detail

		2008		2009		2010		2011		PERCENT
		<u>ACTUAL</u>		<u>ACTUAL</u>		<u>BUDGET</u>		<u>BUDGET</u>		<u>CHANGE</u>
	<b>Personnel</b>									
604-49587-1010	Regular Employees	\$ 23,631	\$	14,694		\$ 18,000	\$	-		0.0%
604-49587-1020	Overtime	417		204		500		-		0.0%
604-49587-1200	FICA	-		315		50		-		0.0%
604-49587-1210	PERA	-		364		50		-		0.0%
604-49587-1220	Medicare	-		74		10		-		0.0%
	<b>Total Personnel</b>	<u>24,048</u>		<u>15,651</u>		<u>18,610</u>		<u>-</u>		<u>0.0%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 24,048</u></u>	\$	<u><u>15,651</u></u>		<u><u>\$ 18,610</u></u>	\$	<u><u>-</u></u>		<u><u>0.0%</u></u>

ELECTRIC - TRANSFERS  
2011 Budget  
Expense Detail

		<u>2008</u> <u>ACTUAL</u>	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>BUDGET</u>	<u>2011</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
<b>Transfers</b>						
604-49592-7200	Transfer - General Fund	\$ 265,000	\$ 265,000	\$ 285,000	\$ 285,000	0.0%
<b>Total Transfers</b>		<u>265,000</u>	<u>265,000</u>	<u>285,000</u>	<u>285,000</u>	<u>0.0%</u>
TOTAL EXPENSES		<u><u>\$ 265,000</u></u>	<u><u>\$ 265,000</u></u>	<u><u>\$ 285,000</u></u>	<u><u>\$ 285,000</u></u>	<u><u>0.0%</u></u>

ELECTRIC - CAPITAL OUTLAY  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Charges</b>					
604-49593-4230	Loss/Disposal of Asset	\$ -	\$ 1,981	\$ -	\$ -	0.0%
	<b>Total Charges</b>	-	1,981	-	-	0.0%
	<b>Capital Outlay</b>					
604-49593-5300	Improvements	141,046	167,007	150,000	177,000	18.0%
604-49593-5400	Machinery	73,453	17,024	600,000	43,500	-92.8%
	<b>Total Capital Outlay</b>	214,499	184,031	750,000	220,500	-70.6%
	<b>TOTAL EXPENSES</b>	<u>\$ 214,499</u>	<u>\$ 186,012</u>	<u>\$ 750,000</u>	<u>\$ 220,500</u>	<u>-70.6%</u>



ELECTRIC - DEBT SERVICE EXPENSE  
2011 Budget  
Expense Detail

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
	<b>Debt Service</b>					
604-49980-6010	Inter Fund Loan Payable	\$ 29,000	\$ 15,000	\$ 27,000	\$ 26,000	-3.7%
604-49980-6250	Amortization Expense	47,400	51,810	47,400	51,810	9.3%
	<b>Total Debt Service</b>	<u>76,400</u>	<u>66,810</u>	<u>74,400</u>	<u>77,810</u>	<u>4.6%</u>
	<b>TOTAL EXPENSES</b>	<u><u>\$ 76,400</u></u>	<u><u>\$ 66,810</u></u>	<u><u>\$ 74,400</u></u>	<u><u>\$ 77,810</u></u>	<u><u>4.6%</u></u>



# **Internal Service Funds**





## INTERNAL SERVICE FUNDS

The Internal Service fund is used to account for the financing of goods and services provided by one department to other departments of the City. These services are provided on a cost reimbursement basis.

### CENTRAL GARAGE SERVICES:

Provides for the services and records related to equipment & vehicles within the City of Waseca.

### PROPERTY AND LIABILITY INSURANCE FUND:

Established to account for inter-departmental revenues and expenses associated with property and liability insurance costs.

### WORKERS COMPENSATION INSURANCE FUND:

Established to account for inter-departmental revenues and expenses associated with workers compensation insurance costs.

### EQUIPMENT REPLACEMENT FUND:

Established to account for long-term capital equipment replacement needs. The council established this fund in 2008. Staff established a ten-year capital replacement plan. This plan will ensure safe equipment for staff and will reduce the high maintenance costs currently paid by the City of Waseca.

## **BUDGET COMMENTARY: CENTRAL GARAGE SERVICES**

### **PROFILE**

The Central Garage provides maintenance services for the City motorized equipment fleet and much of the non-motorized equipment. It also provides service for the sewage system lift stations and generators. Service records are maintained on all equipment for cost accountability and evaluation of maximum life. The department is an in-service type of operation budgeted to break-even on its operation. Costs of service are accumulated in the fund and billed out to the responsible department, which is the primary source of revenue for the department.

### **ACTIVITIES SCOPE**

- Shop personnel schedule and perform all preventative maintenance and inspections, and are certified by the State to perform the State Commercial Vehicle Certification for vehicles over 26,000 pounds GVW, as required by State law.
- The shop provides most mechanical repairs, except those where the equipment is too expensive to merit purchase.
- The shop personnel maintain records of all maintenance and provide shop repair reports to the operating department as well as a monthly report to the Finance Department for billing purposes. Shop personnel recommend replacement schedules for existing equipment.

### **DEPARTMENTAL GOALS AND PROJECTS**

- Maintain equipment so it is operable and ready for use.
- Instruct operators on daily preventative maintenance procedures.
- Maintain fleet maintenance records to provide a history of costs for each piece of equipment.

### **CURRENT AND PROPOSED EXPENDITURES**

- Code 1000's, PERSONNEL, the staff levels will remain the same for 2011 as for 2010.
- Code 2000's, SUPPLIES, office supplies, general supplies, motor fuel, equipment parts, small tools and misc.
- Code 3000's, SERVICES AND CHARGES, contractual services, training, building maintenance and equipment repair.

### **PERSONNEL LEVELS**

- Chief mechanic
- Assistant Mechanic

CENTRAL GARAGE SERVICES  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Internal Service Revenue</b>					
701-38410-0000	City Shop Charges for Service	\$ 254,686	\$ 243,044	\$ 254,650	\$ 274,148	7.7%
	<b>Total I/S Revenue</b>	254,686	243,044	254,650	274,148	7.7%
	<b>TOTAL REVENUES</b>	<u>\$ 254,686</u>	<u>\$ 243,044</u>	<u>\$ 254,650</u>	<u>\$ 274,148</u>	<u>7.7%</u>
<b>Expenditures</b>						
	<b>Personnel</b>					
701-43180-1010	Regular Employees	\$ 76,948	\$ 76,247	\$ 85,610	\$ 84,364	-1.5%
701-43180-1020	Overtime	4,609	1,003	4,600	4,600	0.0%
701-43180-1100	Longevity	660	540	540	570	5.6%
701-43180-1200	FICA	5,351	4,508	5,627	5,551	-1.4%
701-43180-1210	PERA	5,387	5,368	6,353	6,491	2.2%
701-43180-1220	Medicare	1,251	1,054	1,316	1,298	-1.4%
701-43180-1250	Insurance Rebate	100	-	-	-	0.0%
701-43180-1300	Insurance	20,977	24,910	29,113	26,209	-10.0%
701-43180-1310	VEBA Trust	2,700	2,125	2,125	12,000	464.7%
701-43180-1330	Life Insurance	261	276	276	276	0.0%
701-43180-1340	Disability Insurance	339	385	405	380	-6.2%
	<b>Total Personnel</b>	<u>118,583</u>	<u>116,416</u>	<u>135,965</u>	<u>141,739</u>	<u>4.2%</u>
	<b>Supplies</b>					
701-43180-2000	Office Supplies	106	814	200	200	0.0%
701-43180-2120	Motor Fuels	6,832	1,506	2,500	2,500	0.0%
701-43180-2170	General Supplies	8,702	8,417	6,000	10,000	66.7%
701-43180-2210	Equipment Parts	111,151	103,702	95,000	105,000	10.5%
701-43180-2240	City Shop Charges	2,227	3,747	3,000	3,000	0.0%
701-43180-2400	Small Tools	3,942	4,954	4,000	6,000	50.0%
	<b>Total Supplies</b>	<u>132,960</u>	<u>123,140</u>	<u>110,700</u>	<u>126,700</u>	<u>14.5%</u>
	<b>Services &amp; Charges</b>					
701-43180-3000	Professional Services	342	-	300	300	0.0%
701-43180-3100	Contractual Services	6,193	3,442	5,000	5,000	0.0%
701-43180-3300	Conferences and Schools	230	-	300	300	0.0%
701-43180-3400	Publishing and Advertising	110	-	-	-	0.0%
	<b>Total Services and Charges</b>	<u>6,875</u>	<u>3,442</u>	<u>5,600</u>	<u>5,600</u>	<u>0.0%</u>
	<b>Charges</b>					
701-43180-4000	Repair/Maintenance	152	-	1,000	1,000	0.0%
	<b>Total Charges</b>	<u>152</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 258,570</u>	<u>\$ 242,998</u>	<u>\$ 253,265</u>	<u>\$ 275,039</u>	<u>8.6%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ (3,884)</u>	<u>\$ 46</u>	<u>\$ 1,385</u>	<u>\$ (891)</u>	<u>-164.3%</u>

## **BUDGET COMMENTARY: PROPERTY AND LIABILITY INSURANCE**

### **PROFILE**

The Property and Liability Insurance fund was established by the City Council to account for City property and liability insurance costs under a partial self-insurance program offered by the League of Minnesota Cities Insurance Trust (LMCIT). This fund is used to pay all City property and liability premiums or claims under the partial self-insurance concept, which is reimbursed by the appropriate fund.

Advantages of the LMCIT include: (1) coverage is provided at a cost directly related to the actual loss experience and program expenses; (2) surplus funds not needed for losses and expenses remain in the LMCIT's account, which is returned to participants or retained as a reserve to reduce future premiums; and, (3) funds which LMCIT holds to pay claims are invested and the investment income accrues to the benefit of the program. The City currently has selected an all line deductible of \$50,000 for each occurrence.

### **ACTIVITIES SCOPE**

- Administrative charges to Enterprise funds for actual insurance cost
- Payment of quarterly insurance premiums
- Insurance claim payments under the deductible provision
- Receipt of pool reimbursement
- Review of alternate plans and programs, in an effort to reduce premiums and costs to the City operations.

### **DEPARTMENTAL GOALS AND PROJECTS**

- To provide the City with insurance protection in the most efficient, cost-effective manner
- Maintain adequate reserves to protect City against large loss experience
- Monitor and review City coverage on an on-going basis



PROPERTY & LIABILITY EXPENSE  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Charges for Services</b>					
702-34108-0000	Admin Charges - Other	\$ 78,621	\$ 78,700	\$ 83,409	\$ 95,000	13.9%
	<b>Total Charges for Services</b>	78,621	78,700	83,409	95,000	0.0%
	<b>Interest &amp; Misc Revenue</b>					
702-36210-0000	Interest Earnings	4,796	1,611	1,204	1,300	8.0%
702-36242-0000	Insurance Reimbursement	12,416	27,684	12,500	27,082	116.7%
	<b>Total Interest &amp; Misc Rev</b>	17,212	29,295	13,704	28,382	107.1%
	<b>TOTAL REVENUES</b>	<u>\$ 95,833</u>	<u>\$ 107,995</u>	<u>\$ 97,113</u>	<u>\$ 123,382</u>	<u>27.0%</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
702-49955-3610	Public Liab Insurance	\$ 39,419	\$ 43,933	\$ 41,239	\$ 50,455	22.3%
702-49955-3620	Property Insurance	59,061	61,001	46,863	52,927	12.9%
702-49955-3640	Insurance Expenses	13,188	20,264	23,690	20,000	-15.6%
	<b>Total Services &amp; Charges</b>	111,668	125,198	111,792	123,382	10.4%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 111,668</u>	<u>\$ 125,198</u>	<u>\$ 111,792</u>	<u>\$ 123,382</u>	<u>10.4%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (15,835)</u>	<u>\$ (17,203)</u>	<u>\$ (14,679)</u>	<u>\$ -</u>	<u>0.0%</u>

## **BUDGET COMMENTARY: WORKER'S COMPENSATION INSURANCE**

### **PROFILE**

The Worker's Compensation Insurance fund was established by the City Council to account for the City Worker's Compensation Insurance costs. The City Worker's Compensation coverage is provided through the League of Minnesota Cities Insurance Trust (LMCIT). Currently the City has selected an option that adjusts the City's premium upward or downward based on actual City worker's compensation claims experience.

Each participating City deposits with LMCIT its worker compensation deposit premium for its policy year. With these deposits, the LMCIT purchases reinsurance to protect the program from catastrophic and abnormal claims, pays for administration and loss control services, and pays claims. LMCIT invests the balance of the deposits and reserves, with the earnings accruing to the benefit of the participant. An actuary reviews LMCIT's reserves and rates annually to help assure the program remains financially strong.

### **ACTIVITIES SCOPE**

- Premium charges to General and Enterprise funds
- First Report of Injuries
- Insurance premiums – review with the emphasis on program options for cost reduction of premiums to the City
- Employee safety meetings/programs/training
- OSHA records and reports

### **DEPARTMENTAL GOALS**

- To insure safe working conditions are being provided through inspections of work areas
- To provide employees safety education and proper safety equipment to minimize work related injuries
- To maintain the lowest possible workers compensation premium for City operations

WORKERS COMPENSATION INSURANCE FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Charges for Services</b>					
703-34108-0000	Admin Charges - Other	\$ 152,664	\$ 124,026	\$ 160,000	\$ 126,000	-21.3%
	<b>Total Charges for Services</b>	152,664	124,026	160,000	126,000	-21.3%
	<b>Interest &amp; Misc Revenue</b>					
703-36210-0000	Interest Earnings	-	60	-		0.0%
703-36242-0000	Insurance Reimbursement	7,653	1,112	7,653	1,000	-86.9%
	<b>Total Interest &amp; Misc Rev</b>	7,653	1,172	7,653	1,000	-86.9%
	<b>TOTAL REVENUES</b>	<u>\$ 160,317</u>	<u>\$ 125,198</u>	<u>\$ 167,653</u>	<u>\$ 127,000</u>	<u>-24.2%</u>
<b>Expenditures</b>						
	<b>Supplies</b>					
703-49956-1510	Workers Compensation	\$ 152,664	\$ 124,026	\$ 150,000	\$ 127,000	-15.3%
	<b>Total Supplies</b>	152,664	124,026	150,000	127,000	-15.3%
	<b>TOTAL EXPENDITURES</b>	<u>\$ 152,664</u>	<u>\$ 124,026</u>	<u>\$ 150,000</u>	<u>\$ 127,000</u>	<u>-15.3%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 7,653</u>	<u>\$ 1,172</u>	<u>\$ 17,653</u>	<u>\$ -</u>	<u>0.0%</u>

## **BUDGET COMMENTARY: EQUIPMENT REPLACEMENT**

### **PROFILE**

This fund pays for the cost related to the replacement of City vehicles and equipment.

The Equipment Replacement fund was established in 2008 with a contribution of funds transferred from General fund. This establishment was due to policy changes regarding equipment purchases. A portion of the increase in the General fund tax levy was to annually fund equipment purchases and equipment allocations prior to the purchase of equipment. In the past, the City utilized the issuance of capital equipment notes to obtain needed equipment. The notes were paid off in 2009; therefore, the levy will be utilized to fund the equipment replacement fund, no longer requiring the City to pay interest on debt issued for capital.

The following equipment is budgeted for 2011:

- Parks: Snow Blower, \$34,000
- Finance: Financial and Utility Billing Software \$41,000 (3-year lease) Replaces 1992 software.
- Streets: Engineering Van \$30,000
- Streets: Engineering GPS Equipment \$35,000
- Streets: Street Sweeper \$145,000
- Streets: Paint Striper \$9,000
- Streets: Backhoe \$15,000
- Streets: Trailer for Paver \$20,000
- Police: Marked Police Vehicle \$36,500
- Police: UnMarked Police Vehicle \$30,000
- Art Center: Carpet \$4,000

EQUIPMENT REPLACEMENT  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Interest &amp; Misc Revenue</b>					
705-36210-0000	Interest Earnings	\$ 5,114	\$ 1,836	\$ 1,003	\$ 1,852	84.6%
	<b>Total Interest &amp; Misc Rev</b>	<u>5,114</u>	<u>1,836</u>	<u>1,003</u>	<u>1,852</u>	<u>84.6%</u>
	<b>Transfers</b>					
705-39201-0000	Transfer - from General fund	403,011	286,000	354,564	413,971	16.8%
	<b>Total Transfers</b>	<u>403,011</u>	<u>286,000</u>	<u>354,564</u>	<u>413,971</u>	<u>16.8%</u>
	<b>TOTAL REVENUES</b>	<u>\$ 408,125</u>	<u>\$ 287,836</u>	<u>\$ 355,567</u>	<u>\$ 415,823</u>	<u>16.9%</u>
<b>Expenditures</b>						
	<b>Capital Outlay</b>					
705-49940-5400	Equipment	\$ 256,766	\$ 392,919	\$ 309,075	\$ -	0.0%
705-49910-5400	Equipment-Admin/Finance	-	-	-	45,000	100.0%
705-49920-5400	Equipment-Police	-	-	-	66,500	100.0%
705-49941-5400	Equipment-Engineering	-	-	-	65,000	100.0%
705-49950-5400	Equipment-Street	-	-	-	189,000	100.0%
705-49970-5400	Equipment-Parks	-	-	-	7,300	100.0%
	<b>Total Capital Outlay</b>	<u>256,766</u>	<u>392,919</u>	<u>309,075</u>	<u>372,800</u>	<u>20.6%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 256,766</u>	<u>\$ 392,919</u>	<u>\$ 309,075</u>	<u>\$ 372,800</u>	<u>20.6%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 151,359</u>	<u>\$ (105,083)</u>	<u>\$ 46,492</u>	<u>\$ 43,023</u>	<u>-7.5%</u>

EQUIPMENT REPLACEMENT  
705  
Revenues and Expenditures  
10-Year Plan

Revenues

		2011 BUDGET	2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
36210	Interest & Misc Revenue											
	Interest earnings	\$ 1,852	\$ 3,329	\$ 1,584	\$ (274)	\$ (1,460)	\$ (2,729)	\$ (9,956)	\$ (7,565)	\$ (3,648)	\$ 4,139	\$ 12,882
	<b>Total Interest &amp; Misc Rev</b>	<u>1,852</u>	<u>3,329</u>	<u>1,584</u>	<u>(274)</u>	<u>(1,460)</u>	<u>(2,729)</u>	<u>(9,956)</u>	<u>(7,565)</u>	<u>(3,648)</u>	<u>4,139</u>	<u>12,882</u>
39201	Transfers											
	Transfer - from General fund	413,971	450,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
	<b>Total Transfers</b>	<u>413,971</u>	<u>450,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
	<b>TOTAL REVENUES</b>	<u>415,823</u>	<u>453,329</u>	<u>501,584</u>	<u>499,726</u>	<u>498,540</u>	<u>497,271</u>	<u>490,044</u>	<u>492,435</u>	<u>496,352</u>	<u>504,139</u>	<u>512,882</u>

Expenditures

5400	<b>Capital Outlay</b>											
	Police Vehicle - Marked	36,500	37,600	39,000	58,000	61,000	62,600	64,500	65,600	67,000	67,000	67,000
	Police Vehicle - UnMarked	30,000		30,000		31,000			31,000			
	1 Ton Truck		47,000									
	1/2 Ton Truck				32,000							
	3/4 Ton Truck		42,000	25,000		30,000		40,000				
	Mower			57,500	24,000					40,000		
	Dump Truck			225,000	225,000	225,000			200,000			
	Financial Software (Lease)	41,000										
	Fire Dept Vehicle to Replace Suburban				30,000							
	Fire Dept Mini Pumper				175,000							
	Fire Dept Pumper					550,000						
	Engineering Van	30,000										
	Engineering GPS Equipment	35,000										
	Snow Blower	7,300	90,000				90,000					
	Street Ingersalrand Roller		45,000									
	Street Sweeper	145,000										
	1994 Catelpillar Motor Grader							250,000				
	Copy Machines		65,000 (a)									
	John Deere Loader		150,000				150,000					
	Caterpillar Grader					150,000						
	Ingesolrand Air Compressor					20,000						
	Paint Striper	9,000				10,000						

INTERNAL SERVICE FUND

EQUIPMENT REPLACEMENT  
705  
Revenues and Expenditures  
10-Year Plan

	2011 BUDGET	2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
Paver											
Backhoe	15,000										
John Deere 544 Loader			150,000								
Vac Tron		45,000									
Trailer for Paver	20,000										
Truckster		19,000									
Tractor					21,000						
Bobcat			40,000								
Trailer							6,000				
2002 Aera-vator					14,000						
Overseeder						6,000					
Hoist				15,000			10,000				
Phone System			28,000								
Art Center Carpet	4,000										
<b>Total Capital Outlay</b>	<u>372,800</u>	<u>540,600</u>	<u>594,500</u>	<u>559,000</u>	<u>562,000</u>	<u>858,600</u>	<u>370,500</u>	<u>296,600</u>	<u>107,000</u>	<u>67,000</u>	<u>67,000</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 372,800</u>	<u>\$ 540,600</u>	<u>\$ 594,500</u>	<u>\$ 559,000</u>	<u>\$ 562,000</u>	<u>\$ 858,600</u>	<u>\$ 370,500</u>	<u>\$ 296,600</u>	<u>\$ 107,000</u>	<u>\$ 67,000</u>	<u>\$ 67,000</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 43,023</u>	<u>\$ (87,271)</u>	<u>\$ (92,916)</u>	<u>\$ (59,274)</u>	<u>\$ (63,460)</u>	<u>\$ (361,329)</u>	<u>\$ 119,544</u>	<u>\$ 195,835</u>	<u>\$ 389,352</u>	<u>\$ 437,139</u>	<u>\$ 445,882</u>
<b>Fund Balance</b>	166,474	79,203	(13,713)	(72,987)	(136,447)	(497,776)	(378,232)	(182,397)	206,955	644,094	1,089,976

(a) Includes \$25,000 for Police, \$20,000 for Admin, and \$20,000 for Finance

66,500.00	Police
-	Fire
7,300.00	Parks
65,000.00	Engineering
4,000.00	Building & Grounds
189,000.00	Street
-	Shop
41,000	Finance





# **Debt Overview**





## DEBT OVERVIEW

Confirmation of the City's **A2** rating is derived from the following factors.

- Stable, socioeconomic profile, sufficient work force
- Local manufacturing stabilizes local economic activity
- Consistent and planned use of Fund balance, maintaining adequate balance for financial integrity
- Gain or loss of population
- Property values
- Tax capacity rates

Infrequent borrowing combined with self-supporting enterprise revenue debt results in low debt ratios.

- This reduces the impact on property tax levies
- Well-defined Capital Improvement Plans enhance credit ratings

Continued sound financial operations, with strong property tax collections.

- Allows for favorable fund balance levels
- Consistent and planned cash flow activity
- Consistent application of City policies

### Anticipated Debt issues:

The City anticipates funding the Wastewater utilities system upgrade partially through the issuance of a Public Facilities Authority (PFA) low interest loan. This will be repaid partially through a tax levy increase, grants, and Wastewater fee increases. The debt is issued as the project is expended. The project started in 2009; however, we anticipate the remaining portion of this debt to be issued in 2011.

**CITY OF WASECA, MINNESOTA**  
**SCHEDULE OF BONDED INDEBTEDNESS**  
**December 31, 2010**

	Net Interest Rate	Issue Date	Final Maturity Date	Authorized	Issued	Retired	12/31/10 Outstanding	Principal Due in 2011	Interest Due in 2011
<b><u>General Obligation/Special Assessment Bonds</u></b>									
Improvement Bond 1994A	5.3890	10-01-1994	02-01-2010	\$ 860,000	\$ 860,000	\$ 860,000	\$ -	\$ -	\$ -
Improvement Bond 2000A	4.9709	12-01-2000	02-01-2011	750,000	750,000	670,000	80,000	80,000	2,000.00
Improvement Bond 2001A	4.6816	08-01-2001	02-01-2013	935,000	935,000	640,000	295,000	95,000	10,942.50
Improvement Bond 2004C	5.0763	08-01-2004	08-01-2015	1,415,000	1,415,000	745,000	670,000	140,000	24,892.50
<b>Total Special Assessment Bonds</b>				<b>\$ 3,960,000</b>	<b>\$ 3,960,000</b>	<b>\$ 2,915,000</b>	<b>\$ 1,045,000</b>	<b>\$ 315,000</b>	<b>\$ 37,835.00</b>
<b><u>General Obligation Bonds/Tax Increment Bonds</u></b>									
Tax Increment Bonds 2005E	4.2535	11-01-2005	02-01-2026	\$ 1,100,000	\$ 1,100,000	\$ 85,000	\$ 1,015,000	\$ 35,000	\$ 41,392.50
<b><u>General Obligation/State Aid Street</u></b>									
Series 2005B	3.6453	05-01-2005	04-01-2015	\$ 805,000	\$ 805,000	\$ 405,000	\$ 400,000	\$ 80,000	\$ 12,960.00
<b><u>General Obligation Bonds</u></b>									
Series 2005D	3.7055	11-01-2005	02-01-2016	\$ 1,035,000	\$ 1,035,000	\$ 370,000	\$ 665,000	\$ 120,000	\$ 22,382.50
<b><u>General Obligation Bonds-Aquatic Center</u></b>									
Series 2006A	4.3409	06-01-2006	02-01-2027	\$ 2,040,000	\$ 2,040,000	\$ 180,000	\$ 1,860,000	\$ 80,000	\$ 76,885.00
<b>Total General Obligation Bonds</b>				<b>\$ 8,940,000</b>	<b>\$ 8,940,000</b>	<b>\$ 3,955,000</b>	<b>\$ 4,985,000</b>	<b>\$ 630,000</b>	<b>\$ 191,455.00</b>
<b><u>General Obligation/Revenue Bonds</u></b>									
Water improvement									
2001B	4.4600	09-01-2001	02-01-2017	\$ 1,270,000	\$ 1,270,000	\$ 565,000	705,000	\$ 85,000	\$ 33,311.25
2005A	4.1771	05-01-2005	02-01-2016	435,000	435,000	160,000	275,000	40,000	11,387.50
<b>Total Water- Revenue Bonds</b>				<b>\$ 1,705,000</b>	<b>\$ 1,705,000</b>	<b>\$ 725,000</b>	<b>\$ 980,000</b>	<b>\$ 125,000</b>	<b>\$ 44,698.75</b>
Sanitary Sewer improvement									
2004B-Sanitary Sewer Refunding	3.5779	05-01-2004	02-01-2016	\$ 1,900,000	\$ 1,900,000	\$ 685,000	1,215,000	\$ 180,000	\$ 47,260.00
2005A-Liftstation	4.1771	05-01-2005	02-01-2026	660,000	660,000	100,000	560,000	25,000	23,543.76
2005A	4.1771	05-01-2005	02-01-2026	665,000	665,000	100,000	565,000	25,000	23,762.50
2009A Wastwater PFA loan	2.6270	08-20-2009	08-20-2029	9,603,499	6,287,524 *	370,499 *	5,917,025 *	381,000 *	191,103.00
<b>Total Sanitary Sewer-Revenue Bonds</b>				<b>\$ 12,828,499</b>	<b>\$ 9,512,524</b>	<b>\$ 1,255,499</b>	<b>\$ 8,257,025</b>	<b>\$ 611,000</b>	<b>\$ 285,669</b>
<b>Total Revenue Bonds</b>				<b>\$ 14,533,499</b>	<b>\$ 11,217,524</b>	<b>\$ 1,980,499</b>	<b>\$ 9,237,025</b>	<b>\$ 736,000</b>	<b>\$ 330,368.01</b>
<b>TOTAL BONDED INDEBTEDNESS</b>				<b>\$ 23,473,499</b>	<b>\$ 20,157,524</b>	<b>\$ 5,935,499</b>	<b>\$ 14,222,025</b>	<b>\$ 1,366,000</b>	<b>\$ 521,823.01</b>

\*Amounts are estimated amounts for the Public Facilities Authority Loan. The City is still drawing on this loan as of the date this information was compiled.

City of Waseca  
Special Assessment Payment Detail for Principal & Interest

Payment Year	1994A		2000A		2001A		2004C		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Original debt	\$860,000		\$750,000		\$935,000		\$1,415,000		\$3,960,000	
2011			80,000	2,000.00 0.00	95,000	6,492.50 4,450.00	140,000	12,446.25 12,446.25	315,000	37,835.00
2012					100,000	4,450.00 2,250.00	135,000	10,031.25 10,031.25	235,000	26,762.50
2013					100,000	2,250.00 0.00	135,000	7,601.25 7,601.25	235,000	17,452.50
2014							130,000	5,070.00 5,070.00	130,000	10,140.00
2015							130,000	2,600.00 2,600.00	130,000	5,200.00
<b>Total</b>	<b>\$0</b>	<b>\$0.00</b>	<b>\$80,000</b>	<b>\$2,000.00</b>	<b>\$295,000</b>	<b>\$19,892.50</b>	<b>\$670,000</b>	<b>\$75,497.50</b>	<b>\$1,045,000</b>	<b>\$97,390.00</b>

City of Waseca  
Enterprise Funds Payment Detail for Principal & Interest

Year	WATER						SEWER								Grand Total			
	2001B		2005A		Total		2004B		2005A-Liftstation		2005A		2009A-PFA				Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
Original	\$1,270,000		\$435,000				\$1,900,000		\$660,000		\$665,000		\$9,603,499					
2011	90,000	15,795.00	40,000	5,343.75	130,000		190,000	22,257.50	25,000	11,553.13	25,000	11,662.50	69,827.65	240,000	115,300.78			
		13,927.50		4,643.75		39,710.00		19,170.00		11,115.63		11,225.00	381,000	121,275.46	381,000	162,786.09		
2012	90,000	13,927.50	45,000	4,643.75	135,000		190,000	19,170.00	25,000	11,115.63	25,000	11,225.00	116,271.02	240,000	157,781.65			
		12,015.00		3,800.00		34,386.25		15,892.50		10,646.88		10,756.25	391,000	116,271.02	391,000	153,566.65		
2013	95,000	12,015.00	45,000	3,800.00	140,000		195,000	15,892.50	30,000	10,646.88	30,000	10,756.25	111,135.24	255,000	148,430.87			
		9,925.00		2,900.00		28,640.00		12,382.50		10,046.88		10,156.25	401,000	111,135.24	401,000	143,720.87		
2014	100,000	9,925.00	45,000	2,900.00	145,000		205,000	12,382.50	30,000	10,046.88	30,000	10,156.25	105,868.00	265,000	138,453.63			
		7,675.00		2,000.00		22,500.00		8,538.75		9,446.88		9,556.25	412,000	105,868.10	412,000	133,409.98		
2015	105,000	7,675.00	50,000	2,000.00	155,000		215,000	8,538.75	30,000	9,446.88	30,000	9,556.25	100,456.48	275,000	127,998.36			
		5,260.00		1,000.00		15,935.00		4,400.00		8,846.88		8,956.25	422,000	100,456.48	422,000	122,659.61		
2016	110,000	5,260.00	50,000	1,000.00	160,000		220,000	4,400.00	30,000	8,846.88	30,000	8,956.25	94,913.51	280,000	117,116.64			
		2,702.50				8,962.50		0.00		8,246.88		8,356.25	434,000	94,913.51	434,000	111,516.64		
2017	115,000	2,702.50			115,000				30,000	8,246.88	30,000	8,356.25	89,212.92	60,000	105,816.05			
					2,702.50					7,646.88		7,756.25	445,000	89,212.92	445,000	104,616.05		
2018									35,000	7,646.88	35,000	7,756.25	83,367.85	70,000	98,770.98			
										6,946.88		7,056.25	457,000	83,367.85	457,000	97,370.98		
2019									35,000	6,946.88	35,000	7,056.25	77,365.15	70,000	91,368.28			
										6,246.88		6,356.25	469,000	77,365.15	469,000	89,968.28		
2020									35,000	6,246.88	35,000	6,356.25	71,204.84	70,000	83,807.97			
										5,503.13		5,612.50	481,000	71,204.84	481,000	82,320.47		
2021									40,000	5,503.13	40,000	5,612.50	64,886.90	80,000	76,002.53			
										4,653.13		4,762.50	494,000	64,886.90	494,000	74,302.53		
2022									40,000	4,653.13	40,000	4,762.50	58,398.21	80,000	67,813.84			
										3,803.13		3,912.50	507,000	58,398.21	507,000	66,113.84		
2023									40,000	3,803.13	40,000	3,912.50	51,738.77	80,000	59,454.40			
										2,953.13		3,062.50	520,000	51,738.77	520,000	57,754.40		
2024									45,000	2,953.13	45,000	3,062.50	44,908.57	90,000	50,924.20			
										1,968.75		2,078.13	533,000	44,908.57	533,000	48,955.45		
2025									45,000	1,968.75	45,000	2,078.13	37,907.61	90,000	41,954.49			
										984.38		1,093.75	548,000	37,907.61	548,000	39,985.74		
2026									45,000	984.38	50,000	1,093.75	30,709.63	95,000	32,787.76			
													562,000	30,709.63	562,000	30,709.63		
2027													23,327.76	0	23,327.76			
													577,000	23,327.76	577,000	23,327.76		
2028													15,748.87	0	15,748.87			
													592,000	15,748.87	592,000	15,748.87		
2029													7,972.95	0	7,972.95			
													607,000	7,972.95	607,000	7,972.95		
Total	705,000	118,805.00	275,000	34,031.25	980,000	152,836.25	1,215,000	143,025.00	560,000	209,665.77	565,000	213,056.26	9,233,000	2,561,891.77	11,573,000	3,127,638.80	12,553,000	3,233,425.47

CITY OF WASECA, MINNESOTA  
SCHEDULE OF BOND MATURITIES  
December 31, 2010

Year	Fund 305 Aquatic Center		Fund 320 Special Assessment Debt Service		Fund 345 General Obligation Bond 2005D		Fund 360 State Aid Street Bond 2005B		Fund 380 Tax Increment Bonds 2005E		Due in more		
	2006A										Due in one Year	than one Year	Total Debt
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest			
2011	80,000	76,885.00	315,000	37,835.00	120,000	22,382.50	80,000	12,960.00	35,000	41,392.50	630,000	4,355,000	
2012	80,000	73,685.00	235,000	26,762.50	125,000	18,095.00	80,000	10,260.00	35,000	39,992.50			
2013	85,000	70,385.00	235,000	17,452.50	130,000	13,470.00	80,000	7,440.00	45,000	38,392.50			
2014	85,000	66,985.00	130,000	10,140.00	135,000	8,501.25	80,000	4,520.00	50,000	36,492.50			
2015	90,000	63,440.00	130,000	5,200.00	75,000	4,545.00	80,000	1,520.00	50,000	34,492.50			
2016	95,000	59,647.50			80,000	1,560.00			50,000	32,492.50			
2017	100,000	55,650.00							55,000	30,392.50			
2018	105,000	51,395.00							55,000	28,192.50			
2019	105,000	46,985.00							60,000	25,892.50			
2020	110,000	42,470.00							70,000	23,292.50			
2021	115,000	37,716.25							75,000	20,317.50			
2022	120,000	32,722.50							80,000	17,062.50			
2023	125,000	27,516.25							85,000	13,597.50			
2024	130,000	22,000.00							85,000	9,953.13			
2025	140,000	16,060.00							90,000	6,125.01			
2026	145,000	9,790.00							95,000	2,078.13			
2027	150,000	3,300.00											
<b>TOTAL</b>	<b>\$ 1,860,000</b>	<b>\$ 756,632.50</b>	<b>\$ 1,045,000</b>	<b>\$ 97,390.00</b>	<b>\$ 665,000</b>	<b>\$ 68,553.75</b>	<b>\$ 400,000</b>	<b>\$ 36,700.00</b>	<b>\$ 1,015,000</b>	<b>\$ 400,158.77</b>	<b>\$ 630,000</b>	<b>\$ 4,355,000</b>	<b>\$ 4,985,000</b>

Year	Fund 601 Water Fund			
	1993/2001		2005A	
	Principal	Interest	Principal	Interest
2011	90,000	29,722.50	40,000	9,987.50
2012	90,000	25,942.50	45,000	8,443.75
2013	95,000	21,940.00	45,000	6,700.00
2014	100,000	17,600.00	45,000	4,900.00
2015	105,000	12,935.00	50,000	3,000.00
2016	110,000	7,962.50	50,000	1,000.00
2017	115,000	2,702.50		
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
<b>TOTAL</b>	<b>\$ 705,000</b>	<b>\$ 118,805.00</b>	<b>\$ 275,000</b>	<b>\$ 34,031.25</b>

Year	Fund 602 Sanitary Sewer Fund						Due in more		
	2004B		2005A-Liftstation		2005A		Due in one Year	than one Year	Total Debt
	Principal	Interest	Principal	Interest	Principal	Interest			
2011	190,000	41,427.50	25,000	22,668.76	25,000	22,887.50	370,000	2,950,000	
2012	190,000	35,062.50	25,000	21,762.51	25,000	21,981.25			
2013	195,000	28,275.00	30,000	20,693.76	30,000	20,912.50			
2014	205,000	20,921.25	30,000	19,493.76	30,000	19,712.50			
2015	215,000	12,938.75	30,000	18,293.76	30,000	18,512.50			
2016	220,000	4,400.00	30,000	17,093.76	30,000	17,312.50			
2017			30,000	15,893.76	30,000	16,112.50			
2018			35,000	14,593.76	35,000	14,812.50			
2019			35,000	13,193.76	35,000	13,412.50			
2020			35,000	11,750.01	35,000	11,968.75			
2021			40,000	10,156.26	40,000	10,375.00			
2022			40,000	8,456.26	40,000	8,675.00			
2023			40,000	6,756.26	40,000	6,975.00			
2024			45,000	4,921.88	45,000	5,140.63			
2025			45,000	2,953.13	45,000	3,171.88			
2026			45,000	984.38	50,000	1,093.75			
<b>TOTAL</b>	<b>\$ 1,215,000</b>	<b>\$ 143,025.00</b>	<b>\$ 560,000</b>	<b>\$ 209,665.77</b>	<b>\$ 565,000</b>	<b>\$ 213,056.26</b>	<b>\$ 370,000</b>	<b>\$ 2,950,000</b>	<b>\$ 3,320,000</b>

Total due      \$    1,000,000    \$    7,305,000    \$    8,305,000





# Component Unit





## **ECONOMIC DEVELOPMENT AUTHORITY**

The mission of the Economic Development Authority (EDA) is to attract, retain and promote economically sound industry and commerce to create net job growth that benefits the surrounding area.

In 2011, the EDA will focus its efforts on efforts in support of this mission. The goals established by the EDA and presented to the City Council are:

1. West/South Interchange Development
2. Infrastructure Plan
3. Identification of financial resources/grants
4. Formation of a rapid response team
5. Growing the tax base

Individual objectives supporting these goals will be identified by the EDA as action items to be pursued over the next two to three years. This will allow the community to address growth needs in a planned and orderly fashion as well as identify the resources needed to assist with growth and infrastructure needs.

The Economic Development Land fund has been established to develop real property for industrial development, affordable residential development and commercial redevelopment purposes. The Economic Development Authority currently holds title to five industrial lots and one commercial redevelopment parcel. The Economic Development Authority will continue to pursue property development in these areas and has the ability to acquire property and accept donations of land and buildings.

EDA GENERAL FUND  
2011 Budget  
Revenues and Expenditures

		2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	PERCENT CHANGE
<b>Revenues</b>						
	<b>Taxes</b>					
261-31010-0000	Property Taxes	\$ 40,876	\$ 40,919	\$ 45,000	\$ 81,600	81.3%
261-31013-0000	Market Value Credits	4,024	3,925	-	-	0.0%
261-31030-0000	Mobile Home Tax	69	70	-	-	0.0%
	<b>Total Taxes</b>	<u>44,969</u>	<u>44,914</u>	<u>45,000</u>	<u>81,600</u>	<u>81.3%</u>
	<b>Interest &amp; Misc Revenue</b>					
261-36210-0000	Interest Earnings	6,348	3,411	-	-	0.0%
261-36250-0000	Misc Revenue	1,000	13,001	12,000	12,000	0.0%
	<b>Total Interest &amp; Misc Rev</b>	<u>7,348</u>	<u>16,412</u>	<u>12,000</u>	<u>12,000</u>	<u>0.0%</u>
	<b>Transfers</b>					
261-39201-0000	Transfer - General Fund	29,107	-	-	-	0.0%
	<b>TOTAL REVENUES</b>	<u>\$ 81,424</u>	<u>\$ 61,326</u>	<u>\$ 57,000</u>	<u>\$ 93,600</u>	<u>64.2%</u>
<b>Expenditures</b>						
	<b>Services &amp; Charges</b>					
261-46700-3000	Professional Services	\$ 1,466	\$ 553	\$ 500	\$ 40,500	8000.0%
261-46700-3001	Professional Svc - Audit Fees	-	5,000	5,000	5,000	0.0%
261-46700-3100	Contractual Services	6,656	-	100	100	0.0%
261-46700-3300	Conferences and Schools	253	324	250	250	0.0%
	<b>Total Services &amp; Charges</b>	<u>8,375</u>	<u>5,877</u>	<u>5,850</u>	<u>45,850</u>	<u>683.8%</u>
	<b>Charges</b>					
261-46700-4800	Property Taxes	3,509	2,544	-	-	0.0%
261-46700-4820	Land Trans. Expense	-	14,554	-	-	0.0%
	<b>Total Charges</b>	<u>3,509</u>	<u>17,098</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<b>Transfers</b>					
	Contribution to primary gov	20,000	-	-	-	0.0%
	<b>Total Transfers</b>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<b>TOTAL EXPENDITURES</b>	<u>\$ 31,884</u>	<u>\$ 22,975</u>	<u>\$ 5,850</u>	<u>\$ 45,850</u>	<u>683.8%</u>
	<b>Net Increase (Decrease) in Fund Balance</b>	<u>\$ 49,540</u>	<u>\$ 38,351</u>	<u>\$ 51,150</u>	<u>\$ 47,750</u>	<u>-6.6%</u>

# **Glossary of Terms**





## GLOSSARY OF TERMS

**ACCOUNTABILITY.** The state of being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry-to justify the raising of public resources and the purposes for which they are used.

**ACCOUNT GROUPS.** Accounting entities used to establish control over and accountability for the government's general fixed assets and the unmatured principal of its general long-term debt, including special assessment debt for which the government is obligated in some manner. Current authoritative literature provides for two such account groups: the general fixed assets account group (GFAAG) and the general long-term debt account group (GLTDAG). The long-term portions of claims, judgments, compensated absences and unfunded pension contributions not reported in proprietary or trust funds are usually reported in the GLTDAG. Account groups are dissimilar to funds in that they are not used to account for sources, uses and balances of expendable available financial resources.

**ACCOUNTING SYSTEM.** The total structure of records and procedures which record, classify, summarize, and report information on the financial position and results of operations of a government or any of its funds, fund types, balanced account groups, or organizational components.

**ACCRUAL BASIS.** The basis of accounting under which transactions are recognized when they occur, regardless of timing of related cash flows.

**ACCUMULATED DEPRECIATION.** A contra-asset account used to report the accumulation of periodic credits to reflect the expiration of the estimated service life of fixed assets.

**ADOPTED BUDGET.** Refers to the budget amounts as originally approved by the council at the beginning of the year and also to the budget document, which consolidates all beginning-of-the-year, operating appropriations and new capital project appropriations.

**ANNUAL FINANCIAL REPORT.** A financial report applicable to a single fiscal year.

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

**ASSET.** A probable future economic benefit obtained or controlled by a particular entity as a result of past transactions or events.

**AUDIT.** A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities. The auditor obtains this evidential matter through inspection, observation, inquiries and confirmations with third parties.

**BASIS OF ACCOUNTING.** A term used to refer to **when** revenues, expenditures, expenses, and transfers - and the related assets and liabilities - are recognized in the accounts and reported in the financial statements. Specifically, it relates to the **timing** of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

**BONDED DEBT.** The portion of indebtedness represented by outstanding bonds.

**BUDGET.** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating governing body for adoption, and sometimes, the plan finally approved by that body.

**BUDGETARY CONTROL.** The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

**CAPITAL EXPENDITURES.** Expenditures resulting in the acquisition of or addition to the government's general fixed assets.

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

**COMBINED STATEMENTS - BY FUND TYPE.** The second of the financial reporting pyramid's three reporting levels containing GAAP financial statements. Such statements are presented for each fund type (e.g., special revenue funds) for which the government maintains more than one fund. They include GAAP financial statements for each fund of a particular fund type in separate adjacent columns and a total column, which duplicates the column for that fund type in the combined statements - overview.

**CONTRACTUAL SERVICES.** Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

**CONTRIBUTED CAPITAL.** The permanent fund capital of a proprietary fund. Contributed capital forms one of two classifications of equity found on the balance sheet of a proprietary fund. Contributed capital is created when a residual equity transfer is received by a proprietary fund, when a general fixed asset is "transferred" to a proprietary fund or when a grant is received that is externally restricted to capital acquisition or construction. Contributions restricted to capital acquisition and construction and fixed assets received from developers and customers, as well as amounts of tap fees in excess of related costs, also would be reported in this category.

**DEBT.** An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants and notes.

**DEBT SERVICE FUND.** A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**DEPRECIATION.** (1) Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. (2) The portion of the cost of a fixed asset, other than a wasting asset, charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

**DUE FROM OTHER FUNDS.** An asset account used to indicate amounts owed to a particular fund



by another fund for goods sold or services rendered. This account includes only short-term obligations on open account, not interfund loans.

**ENTERPRISE FUND.** (1) A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, gas and electric utilities; airports; parking garages; or transit systems). In this case the governing body intends that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. (2) A fund established because the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**EXPENDITURES.** Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues.

**EXPENSES.** Outflows or other using up of assets or incurrence of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations.

**FISCAL YEAR.** A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

**FIXED ASSETS.** Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, and improvements other than buildings and land. In the private sector, these assets are referred to most often as property, plant and equipment.

**FUND.** A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.

**FUND BALANCE.** The difference between fund assets and fund liabilities of governmental and similar trust funds.

**GENERAL FUND.** The fund used to account for all financial resources, except those required to be accounted for in another fund.

**GENERAL OBLIGATION (G.O.) BOND.** This type of bond is backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.

**HOMESTEAD AND AGRICULTURAL CREDIT AID (HACA).** Formerly "transition aid" which replaced the old homestead and agricultural credit programs. HACA is the main device used by the vetoed tax bill to provide relief to mid- and high-valued homes, smaller businesses and rental property.

**INTERFUND TRANSFERS.** All interfund transactions except loans, quasi-external transactions and reimbursements. Transfers can be classified as belonging to one of two major categories: **RESIDUAL EQUITY TRANSFERS** or **OPERATING TRANSFERS**.

**INTERGOVERNMENTAL REVENUES.** Revenues from other governments in the form of grants,

entitlements or shared revenues.

**INTERNAL SERVICE FUND.** A fund used to account for the financing goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

**INVESTMENTS.** Most commonly, securities and real estate held for the production of revenues in the form of interest, dividends, and rentals or lease payments. The term does not include fixed assets used in governmental operations.

**LIABILITIES.** Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

**LONG-TERM DEBT.** In the context of the General Long-Term Debt Account Group (GLTDAG), any unmatured debt that is not a fund liability.

**MODIFIED ACCRUAL BASIS.** The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g., bond issue proceeds) are recognized when they become susceptible to accrual, that is when they become both "measurable" and "available to finance expenditures of the current period." "Available" means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditures either when purchased or when used, and (2) prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

**PROPOSED BUDGET.** The recommended City budget submitted by the City Manager to the City Council.

**PROPRIETARY FUND TYPES.** Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds). All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position and changes in financial position. However, where the GASB has issued pronouncements applicable to those entities and activities, they should be guided by these pronouncements.

**REIMBURSEMENTS.** (1) Repayments of amounts remitted on behalf of another party. (2) Interfund transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it but that properly apply to another fund (e.g., an expenditure properly chargeable to a special revenue fund is initially made from the general fund, and is subsequently reimbursed). These transactions are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of expenditures or expenses in the fund reimbursed.

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

**RETAINED EARNINGS.** An equity account reflecting the accumulated earning of an enterprise or internal service fund.

**REVENUES.** (1) Increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers. Also, general long-term debt proceeds and operating transfers in are classified as "other financing sources" rather than as revenues. (2) Increases in the net total assets of a proprietary fund type from other than expense refunds, capital contributions and residual equity transfers. Also, operating transfers in are classified separately from revenues.

**REVENUE BOND.** Only the revenues back this type of bond from a specific enterprise or project, such as a hospital or toll road.

**SPECIAL ASSESSMENT.** A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**SPECIAL REVENUE FUND.** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

**TAX CAPACITY PERCENTAGES.** "classification percentages" applied to property's market value, for example, under vetoed tax bill, the net tax capacity percentage for homes under \$68,000, would be 0.95 percent. "Gross" tax capacity percentages refer to the percentages in effect for Pay 1989, before the homestead credit was converted into HACA. "Net" tax capacity percentages refer to the percentages in effect for Pay 1990, after homestead credit was converted into HACA.

**NET TAX CAPACITY.** "Assessed value" derived by using net tax capacity percentages in effect for Pay 1990.  $\text{Net Tax Capacity} = \text{Market Value} \times \text{Net Tax Capacity Percentage}$

**TAX CAPACITY RATE.** "Mill rate" derived in same manner mill rates were determined. Tax capacity rates are expressed as percentages (for example 105%, 90%).  $\text{Tax Capacity Rate} = (\text{Levy} - \text{HACA}) / \text{Taxing jurisdiction's total net tax capacity}$ .

