



2012 Budget

**CITY OF WASECA
ANNUAL BUDGET
FISCAL YEAR BEGINNING JANUARY, 2012**

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, 2012

J. Crystal Prentice
City Manager

DEPARTMENT HEADS

Nathan Reinhardt
Finance Director

Carl Sonnenberg
Utilities Director

Penny Vought
Police Chief

Kim Johnson
Planning Director

Russ Stammer
City Engineer

Gary Conrath
Fire Chief

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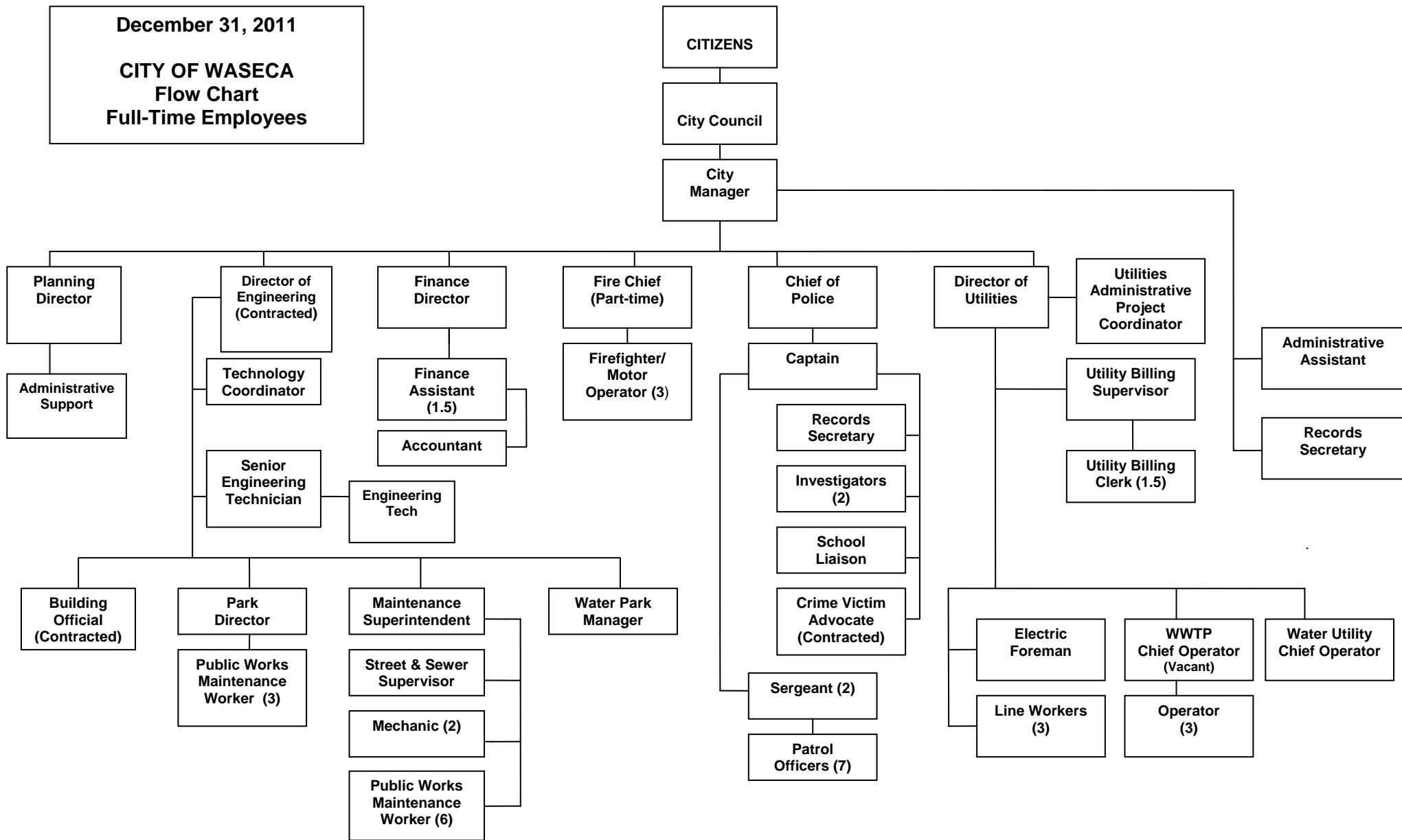
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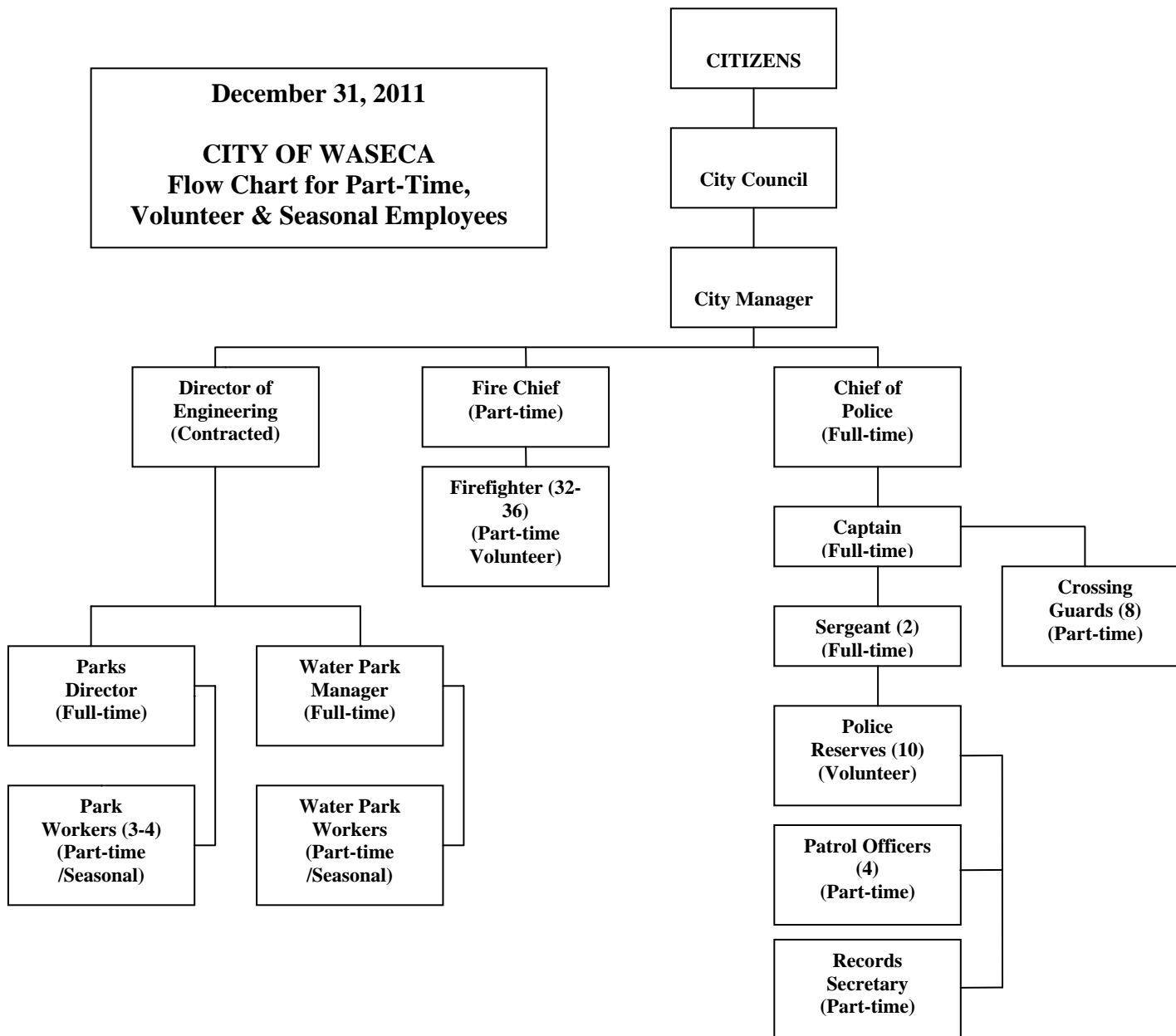
CITY OF WASECA
2012 BUDGET CALENDAR

June-July 2011	Staff reviewed budget timelines and discussed 2012 financial outlook and key issues. City Finance department provided budget worksheets to departments.
July - August	<p>Department heads reviewed operational and capital budgets with Finance Director and City Manager. Information was submitted to City Council.</p> <p><i>On August 1st, Council approved mid-year reductions of \$632,096 in response to State local government aid cuts. Approximately 70% of those reductions were on-going and carried forward to the 2012 budget.</i></p> <p>Council work session – continuing budget overviews</p> <ul style="list-style-type: none">General fundSpecial revenueCapital projectsDebt serviceInternal service <p>Council reviewed preliminary budget and tax levy.</p>
September	<p>City Council adopted preliminary 2012 budget.</p> <p>City Council adopted preliminary 2012 tax levy.</p>
November	Truth-in-taxation notices mailed to property owners
December	<p>Council work session - Enterprise Fund Budgets (Water, Sanitary Sewer, Electric)</p> <p>City Council adopted 2012 tax levies.</p> <p>City Council adopted 2012 budget.</p>

December 31, 2011

**CITY OF WASECA
Flow Chart
Full-Time Employees**





FUND CODES

GENERAL FUND

101 General

SPECIAL REVENUE FUNDS

205 Clear Lake Press
220-227 Tax Increment Financing (TIF)
230 Airport Special Revenue Fund
240 Water Park Operations
250 Waseca Housing Fund
255 Heritage Preservation
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

DEBT SERVICE FUND

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

CAPITAL PROJECT FUNDS

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

ENTERPRISE FUNDS

601 Water
602 Sanitary Sewer
604 Electric

INTERNAL SERVICE FUNDS

701 Central Garage Services
702 Property and Liability Insurance
703 Worker's Compensation Insurance
705 Equipment Replacement

Budget Message



DATE: December 7, 2011
TO: Mayor, City Council Members, and Readers
THRU: Crystal Prentice, City Manager
FROM: Nathan Reinhardt, Finance Director
RE: 2012 Adopted Budget

I. Executive Summary

It is my pleasure to present the City of Waseca's annual budget for fiscal year 2012. The budget adopted by the City Council on December 6, 2011 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. The 2012 budget contains revenue projections and expense estimates that represent little margin for error. The entire City staff has done a wonderful job maximizing every dollar that we receive and every dollar that we spend. The budget included in this document reflects the continued difficult economic times being experienced locally in Waseca, as well as nationally and internationally.

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. This document provides a broad overview of historical budget trends and significant 2012 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 adopted budget for the City of Waseca sets the 2012 property tax levy at \$3,436,866 which is a “zero” increase for the second consecutive year and a 1.5 percent decrease from the 2009 levy. The 2012 Economic Development Authority levy is set at \$80,260 which is a \$1,340 decrease compared to 2011.

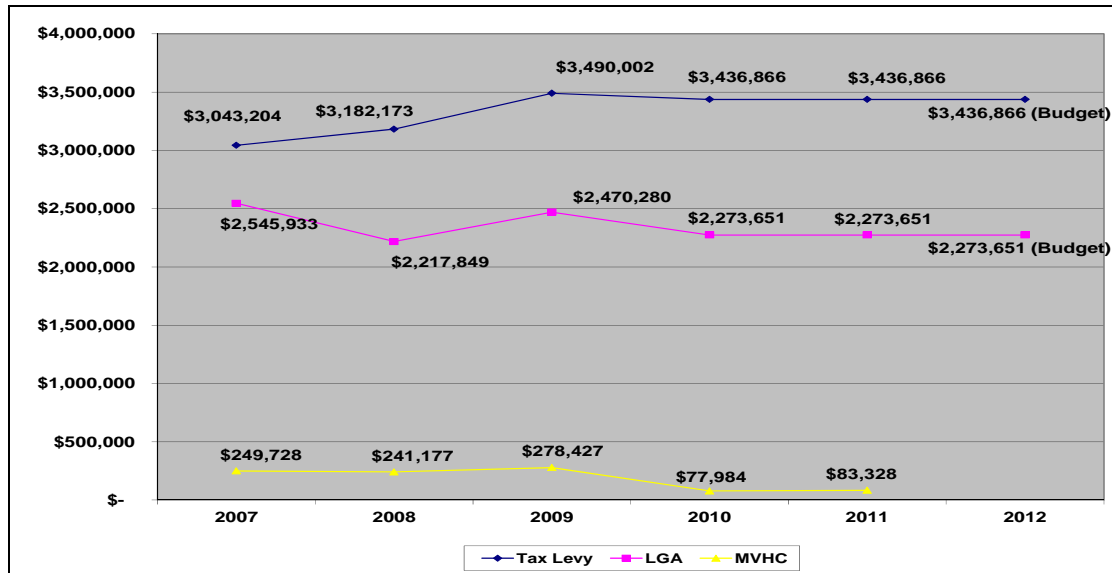
It is helpful to review past trends as we prepare our annual budget. Throughout this budget message I have included key historical trend information which was used for the foundation of the 2012 budget. The budget, as presented in this document, includes budget summaries for all funds: General, Special Revenue, Debt Service, Capital Projects, Enterprise and Internal Service 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



Through 2011 the City received 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 received on their property tax statements the City property tax amount less the MVHC. The State was then responsible for reimbursing the City the gap between what is owed for the property tax and what the homeowner actually pays (although the State did not pay the City the full reimbursement in 2010 and 2011). In 2011, the City should have received a reimbursement of \$287,239, but the State cut that reimbursement in July by \$203,911.

On July 20, 2011 the Minnesota Legislature passed a tax bill, which Governor Dayton signed into law. The tax bill did not contain levy limit extensions for local governments, however it did contain reductions in the 2011 Certified Local Government Aid (LGA) and Market Value Homestead Credits (MVHC). In 2011, the City budgeted to receive the Certified LGA in the amount of \$2,682,216, this amount was cut \$408,665 to \$2,272,651. The State then froze that amount for the City's 2012 budget. This initially left the City

with a \$408,565 hole to cover in the 2012 budget. If the City had chosen to pass on the LGA cut to the taxpayers of Waseca, the levy would have needed an 11.9% increase.

The 2012 budget also poses some additional challenges. To help balance the State's budget, the Legislature repealed the MVHC. Beginning with taxes payable in 2012, in place of the MVHC program, homeowners will receive an exclusion of a portion of the market value of their home. For homes valued at less than \$76,000, the exclusion is equal to 40 percent of the home's market value. For homes valued between \$76,000 and \$413,800, the exclusion is \$30,400, minus 9 percent of the value over \$76,000. The new market value exclusion for homes will mean that beginning in 2012, each city's tax base will be reduced and the city's tax rate will rise to obtain the same property tax levy. Although the homestead credit exclusion is computed in a mathematically similar manner to the repealed MVHC, the new system will shift taxes among properties within each community, especially to commercial, industrial, apartment and other properties that will not benefit from the exclusion. The impacts of those changes on properties located within the City limits are illustrated below:

Effect of MVHC Law Changes of Tax Burdens on Hypothetical Properties

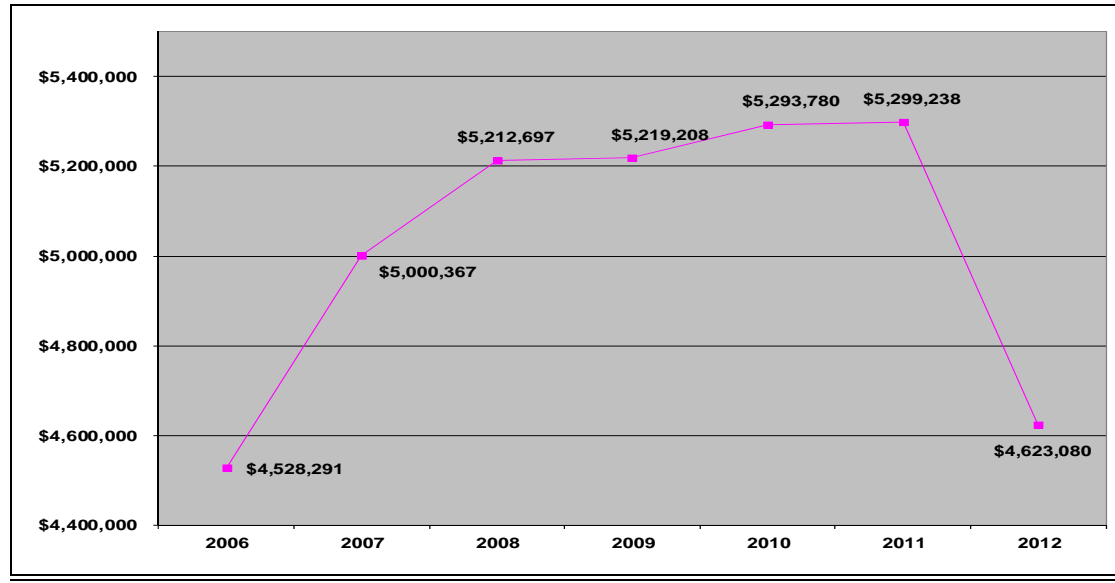
(Based on 2011 Market Values and includes County, City, School District and Special Districts)

Description	Taxable Market Value	Net Tax		Change	% Change
		Old	New		
Residential	\$ 82,700	\$ 864	\$ 834	\$ (30)	-3.4%
Residential	123,900	1,480	1,526	46	3.1%
Residential	165,200	2,097	2,219	122	5.8%
Residential	247,800	3,331	3,606	275	8.2%
Apartment	300,000	5,225	5,751	526	10.1%
Commercial/Industrial	150,000	4,216	4,532	316	7.5%
Commercial/Industrial	300,000	9,810	10,546	736	7.5%
Commercial/Industrial	1,000,000	35,911	38,611	2,700	7.5%

In the latest State Economic Forecast released on December 1, 2011, the State projected an \$876 million surplus for the upcoming 2012-2013 biennial budget. This is a dramatic shift from the \$5 billion from the projected deficit forecasted in February 2011. City LGA for 2011 and 2012 are paid from the states 2012-2013 budget. Although the 2011 Legislature cut City LGA appropriations for 2012 prior to certification, it is possible reductions in state spending may include additional cuts to cities.

The certified LGA budgeted to be received by the City in 2012 is \$2,273,651; this represents 32.2% of General fund revenues. In comparison, in 2009 State property tax aid represented 42% of General fund revenues. If the City levied an additional amount equivalent to the LGA budgeted in 2012, the property tax levy would have to increase 66.2%.

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 2012, the total tax capacity of the City is estimated by the County Assessor at \$4,623,080 in comparison to \$5,299,238 in 2011. Total tax capacity decreased by \$676,158 (12.8%). The 2012 total taxable market value, prior to the market value exclusion is estimated at \$442,988,375 in comparison to \$453,391,500 in 2011. This represents a decrease of \$10,403,125 (2.3%). The market value exclusion for 2012 is equal to \$57,815,775 (13%) of market value, the taxable market value after the exclusion is \$385,172,600. The decrease in both tax capacity and market value over the past year reverses the trend of steadily increasing market values over the past few years.

Chart #3: Breakdown of Taxable Market Value

As mentioned earlier in this document the City's total taxable market value is estimated at \$442,988,375 prior to the market value exclusion. This is made up of Residential 77%, Commercial 13%, Industrial 5% and Apartment 5%. Under the new law changes 13% of Residential market value will be excluded from taxable market value as illustrated in the chart below:

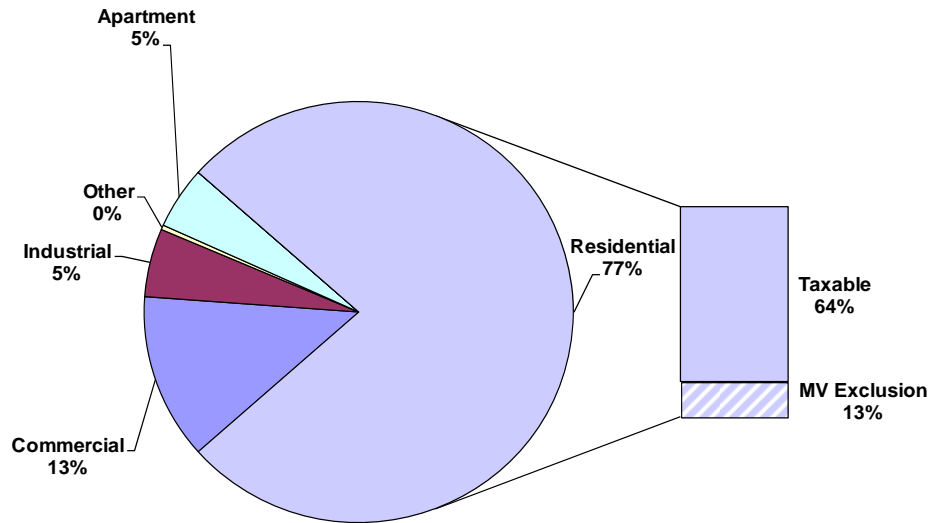
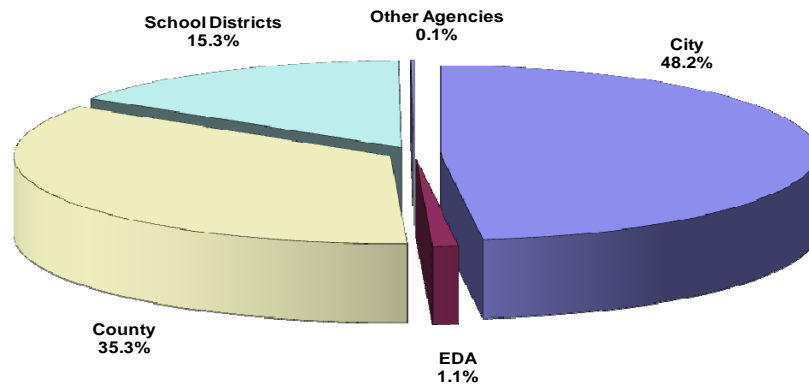


Chart #4: Average Value Comparison

2011-2012 Average Value Comparison			
Residential			
2011	2012	% Change	
\$ 119,100	\$ 114,600	-3.78%	
Commercial			
2011	2012	% Change	
\$ 187,300	\$ 185,300	-1.07%	
Industrial			
2011	2012	% Change	
\$ 1,277,600	\$ 1,210,389	-5.26%	

The estimated average value home in the City is approximately \$114,600 compared to an average value home of \$119,100 in the prior year. That average value home will pay approximately \$726 in City property taxes in 2012 compared to \$691 for 2011.

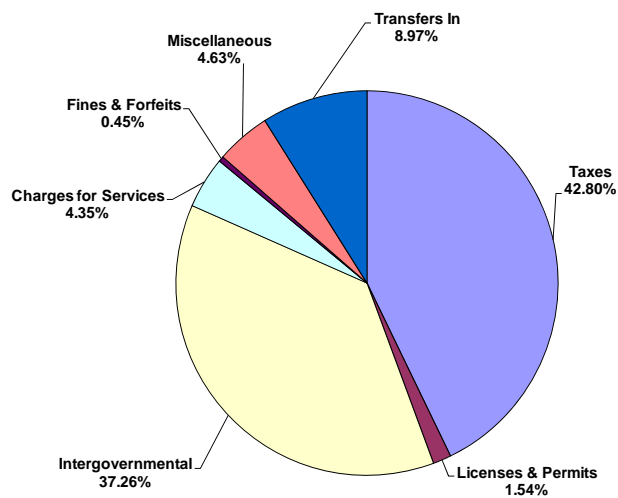
Chart #5: Breakdown of Homeowner Property Taxes



City taxes account for less than one-half (48.2%) of property taxes paid by homeowners living in Waseca (based on 2011 property tax levies), the remainder is comprised of taxes for the School District (15.3%), the County (35.3%) and the EDA (1.1%).

B. 2012 Governmental Revenue Summary

Chart #6: 2012 Budgeted City Governmental Revenue Sources



The 2012 Governmental budgeted revenues total \$8,752,397. Taxes and intergovernmental revenue combine for 80 percent of the governmental fund budget. See Attachment A: 2012 Budget Summary for a complete City revenue summary.

III. Expenditure Overview

A: Reductions in City Spending

In the past four years, through the unallotment process and legislative action, Waseca has seen an overall reduction in State aid and credits of \$1,729,539. While City staff has made every effort to maximize the use of the resources and minimize impact on services, the reductions have had a significant impact on our ability to provide City services. In response, we have reduced the City workforce; implemented a two-year wage freeze; deferred road and sewer infrastructure and maintenance improvements; deferred building maintenance; reduced funding of recreation services; reduced funding of library services; postponed park improvements and necessary capital equipment purchases; reduced funding to the Historical Society and the Senior Center; reduced funding of the senior transportation services; reduced the City's monthly newsletter to quarterly; and eliminated the Police Canine Unit and the annual community Spring Cleanup.

On August 1, 2011 the City Council responded to the \$612,476 in State aid cuts by approving mid-year budget adjustments with a net impact of \$632,096. Summarized impact of the mid-year reductions as follows:

Capital	(\$116,006)
Services & Charges	(75,309)
Personnel	(230,479)
Total Reductions	<u>(\$421,794)</u>
Revenues	210,302
Reductions & Revenues	<u>\$632,096</u>

Approximately 70 percent, \$440,672 of those reductions were on-going and carried forward to the 2012 Budget.

Chart #7: 2012 Budgeted Changes

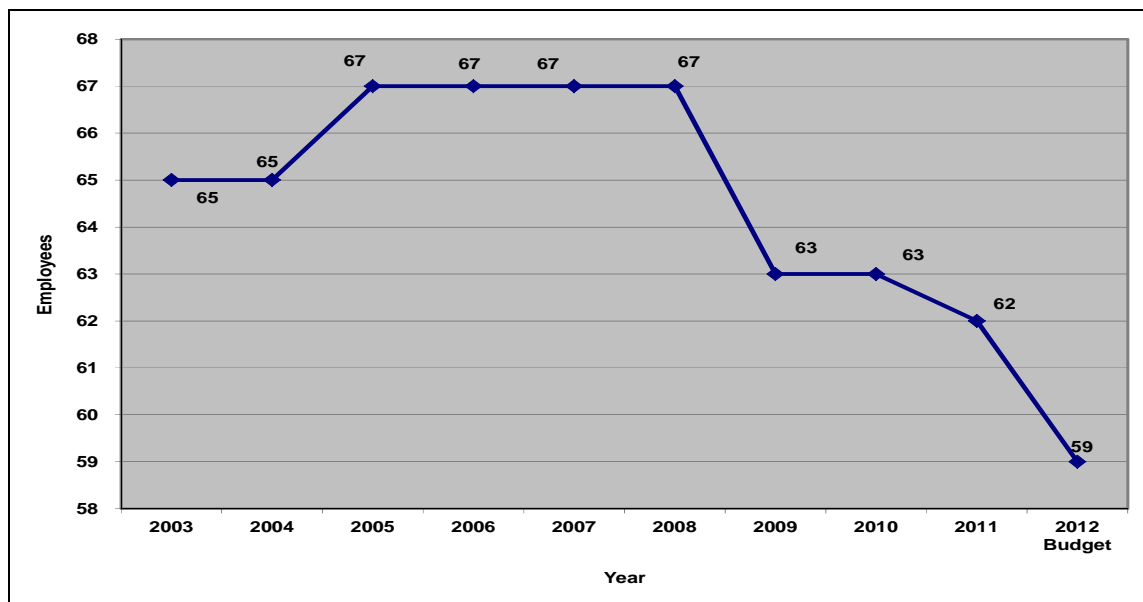
The changes that impacted the 2012 Levy are summarized as follows:

2012 Changes	Impact on Levy
LGA Revenue (decrease)	\$408,565
Elections	20,150
Engineering	50,000
Equipment Replacement Transfer	101,559
CIP Transfer	53,235
2011 Mid-Year On-going Reductions	(440,672)
Health Insurance	(18,397)
Water Park Transfer	(25,000)
Fire Relief Transfer	(15,843)
Surface Water Mgmt. Professional Services	(45,000)
Insurance	(35,565)
Non-departmental (2011 One-time Expenses)	(27,400)
Net Misc. Revenue/Other	(25,632)
Net Impact	(0)
2012 Levy	\$3,436,866

Increases in the property tax levy for items such as the loss in LGA revenue, increased expenses for elections, engineering, and equipment replacement/CIP transfers were offset by the reductions in health insurance, water park/ fire relief transfers, surface water, insurance, non-departmental and sustained 2011 mid-year reductions.

A: Personnel

Chart #8: Full Time Employees



The 2012 Budget has 59 full-time employees (FTE's), which is a reduction of eight FTE's from 2008 and six 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 is published within this budget document.

The 2012 personnel budget reflects the elimination of the receptionist, part-time utility billing clerk, part-time patrol officer, reduction in hours for the police records clerks, contracting for building inspections, reductions in overtime, health insurance and worker's compensation insurance. Total personnel expenses have been reduced by \$263,305 from the 2011 adopted budget. The 2012 budget for personnel wages does not include a Cost of Living Adjustment (COLA).

Health Insurance: In 2012 the City's health insurance will decrease by 5%. This compares favorably to the increases in the prior two years of 22.2% and 36.1%. 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. The City is beginning to realize cost savings from these changes, our claims experience for the 12 months leading up to the calculation of our renewal rates were less than half of the claims in the previous 12 month period.

B: General Fund Unreserved Fund Balance

Chart #9: General Fund Unreserved Fund Balance

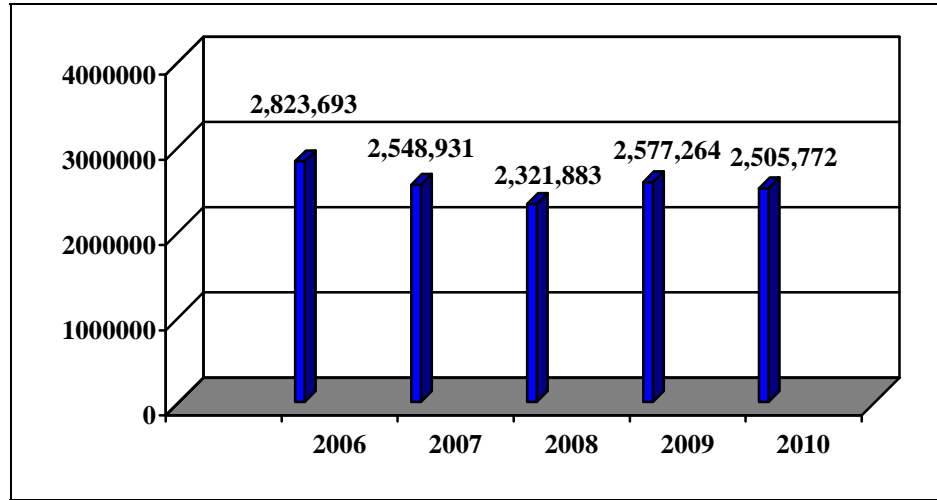
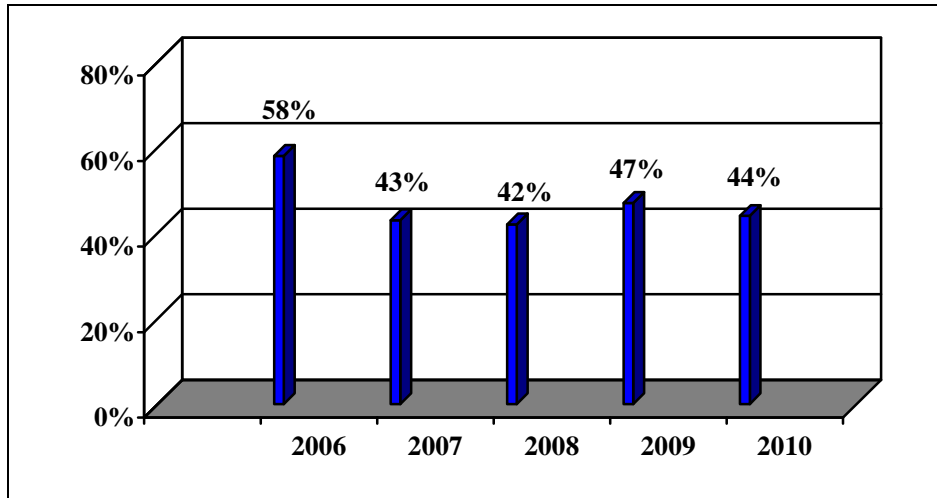


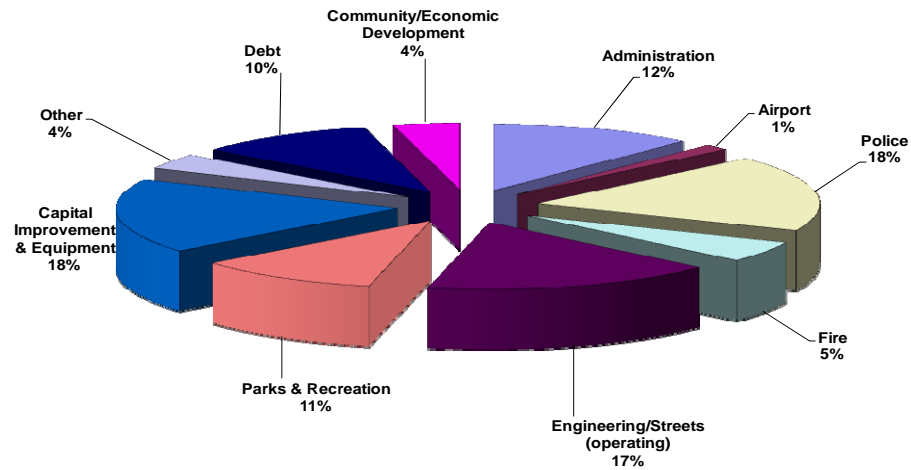
Chart #10: General Fund Unreserved Fund Balance to General Fund Expenditures



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 12/31/2010 the City had a General Fund Unreserved Fund Balance of \$2,505,772 or 44 percent of General Fund expenditures. The City did not budget to utilize any General Fund Unreserved Fund Balance in the 2012 operating budget.

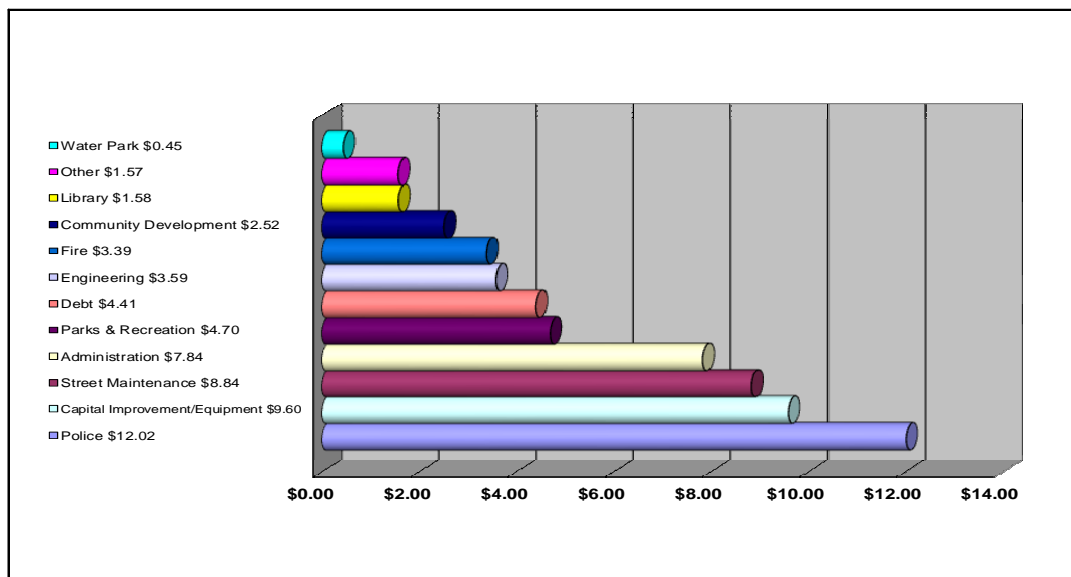
C: 2012 Governmental Expenditure Summary

Chart #11: Expenditure Breakdown



Total 2012 City Governmental budgeted expenditures total \$8,788,998, which is a decrease of \$709,980 (8.1%) from 2011. The 2012 Budget shows 85.6 percent of the City of Waseca's expenditures are for Police (\$1,643,724), Capital Outlay (\$1,468,171), Street Maintenance (\$1,501,345), Administration (\$1,055,018), Parks & Recreation (\$943,359) and Debt (\$912,290). See Attachment A: 2012 Budget Summary for City expenditures by category.

Chart #12: Approximate Monthly City Taxes for 2012



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 \$114,600. For 2012, the City and EDA portion of property tax on this average value home will be approximately \$726 a year or \$60 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 a large amount of levy funded equipment and levy funded capital improvements, are street improvement projects. The average value home owner in 2012 will pay approximately \$12.02 a month for police, \$9.60 for capital improvements and equipment, \$8.84 for street maintenance, and \$7.84 for administration. In 2011, the average value home paid approximately \$691 in City property taxes.

D: 2012 Capital Equipment & Capital Improvements

The Capital Improvement Plan (CIP) fund is funded through an annual General Fund transfer. The 2012 budget reflects a transfer from the General Fund in the amount of \$557,356 and utilization of \$184,315 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 2012, the City has budgeted for a General Fund transfer of \$515,530 for equipment replacement.

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

III. Enterprise Funds Overview

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 2012, however a rate study is proposed by staff for the Water fund to analyze the impact of state conservation mandates.

In 2009, the City Council authorized \$16 million in 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. Currently we are at approximately 99% completion of the \$16 million project. The loan must be closed out by June 2012, and we are on schedule to comply with this requirement.

Revenue and expenditure summaries for the Enterprise funds are presented in Attachment A: 2012 Budget Summary; and a detailed list of equipment and improvements are presented in Attachment B: Capital Equipment & Improvements.

Respectfully submitted,

Nathan Reinhardt, CPA
Finance Director

Attachment A: 2011-12 Budget Summary

Governmental Funds (Includes EDA)		
	2011 Budget	2012 Budget
Revenues		
Taxes	\$ 3,750,954	\$ 3,746,114
Licenses & Permits	146,600	134,600
Intergovernmental Revenues	3,679,990	3,261,249
Charges for Services	378,159	380,519
Fines & Forfeits	32,000	39,500
Miscellaneous Revenue	611,747	405,760
Transfers In	632,918	789,275
Total Revenues - Governmental Funds	\$ 9,232,368	\$ 8,757,017
Expenditures		
Personnel	\$ 4,099,259	\$ 3,777,045
Supplies	750,946	720,263
Services & Charges	1,248,657	1,163,477
Charges	623,313	690,252
Debt Service	830,300	729,196
Capital Outlay	1,759,440	1,525,671
Transfers Out	187,063	183,094
Total Expenditures - Governmental Funds	\$ 9,498,978	\$ 8,788,998 *

* The 2012 Budget utilizes \$184,315 in Capital Improvement fund balance. Governmental funds include the EDA. Totals have been adjusted for internal activity between governmental funds.

Enterprise Funds		
	2011 Budget	2012 Budget
Revenues		
Water Utility Revenue	\$ 1,087,400	\$ 1,034,921
Electric Utility Revenue	6,977,817	7,152,189
Sanitary Sewer Utility Revenue	1,906,589	2,031,548
Miscellaneous Revenue	130,112	133,287
Transfers In	187,063	183,094
Total Revenues - Enterprise Funds	\$ 10,288,981	\$ 10,535,039
Expenditures		
Personnel	\$ 1,240,699	\$ 1,235,728
Supplies	566,826	588,862
Services & Charges	5,569,846	6,078,566
Charges	246,379	243,858
Capital Outlay	1,639,737	1,916,000
Debt Service	1,108,742	1,171,279
Transfers Out	632,918	632,918
Total Expenditures - Enterprise Funds	\$ 11,005,147	\$ 11,867,211

Attachment B: Capital Equipment and Capital Improvements

Capital Equipment & Capital Improvements Listing By Department for 2012

Capital Equipment - Governmental Funds

Department	Description	2012 Budget
Police		
	Police Vehicles	\$ 37,600
Administration & Finance		
	Microsoft Office Upgrade	25,300
	FM Radio & Repeater Upgrade	3,800
Engineering & Streets		
	Engineering GPS Equipment	5,000 *
	1 Ton Truck	33,000
	3/4 Ton Truck	33,000
	Snow Blower	135,000
	Vac Tron	47,000
	Asphalt Zipper Side Shift	12,800
Parks		
	Mower (Snow Blower)	7,000
Total Capital Equipment - Governmental Funds		\$ 339,500

Capital Equipment - Enterprise Funds

Department	Description	2012 Budget
Sanitary Sewer		
	WWTP	
	Annual Skid Steer Replacement	\$ 5,000
	Overhead Garage Door Mechanisms - Maint. Bldg (4)	8,500
	Raw Pump #3 Rebuild	11,000
	Ton Cylinder Shut Off Mechanisms	35,000
	Electric Heater BST Sample Room (Class 1 Div. 2)	8,000
	New Sample Pump	1,500
	Subtotal	69,000
Electric		
	Switch Replacements (2)	36,000
	Replacement Bucket Truck for 1983 Unit	145,000
	Subtotal	181,000
Total Capital Equipment - Enterprise Funds		\$ 250,000

Capital Improvements - Governmental Funds

Department	Description	2012 Budget
Engineering & Streets		
	Sidewalks	\$ 10,000
	City Portion CIP Streets	707,356
	Walkway	8,000
	Water Resource Center	21,315 *
Total Capital Improvements - Governmental Funds		\$ 746,671

Capital Improvements - Enterprise Funds

Department	Description	2012 Budget
Water		
	Water Main Replacements	
	3rd St. NE/8th Ave. (includes hydrant replacement)	\$ 90,000
	2nd Ave. SW to 2nd St. SE	141,000
	SCADA System Narrow Banding	30,000
	Chlorine System Automatic Shut Off System	56,000
	Relocate Water Main - Corchran's	153,000
	Emergency Power Generation - Well #3	190,000
	Valve Project - FCI	41,000
	Recirculation Pump - Barney's Restaurant	35,000
	Valve Replacement Project 22nd Ave. NE	20,000
	Subtotal	<u>756,000</u>
Sanitary Sewer		
	Collection System	
	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 *
	Check Valve Pump Project 2nd St./7th Ave. NW	30,000
	WWTP	
	Native Seeding	5,000
	Landscape Projects	15,000
	New Building Block Sealer	5,000
	Subtotal	<u>470,000</u>
Electric		
	Charlie's Hardware Light Service	1,500
	Loon Lake Substation Aux - Station Service	5,500
	University Apartments Primary	39,000
	East Elm Ave. House Conversion	5,000
	Substation Transformer #1 Rehabilitation	330,000
	Renovate Downtown Light Poles	16,000
	East Elm Street Light Project - Lift Station to Memorial Park	43,000
	Subtotal	<u>440,000</u>
Total Capital Improvements - Enterprise Funds		\$ 1,666,000

* Items approved in the 2011 budget and not completed/purchased.

Population

City population		
2010 - 9,410	2000 - 9,711	1990 - 8,385
1980 - 8,219	1970 - 6,789	1960 - 5,898
Housing Units		3,818
Average household size		2.36

Economic

Median Household income	\$	43,854
Median Per Capita Income		21,994
Median housing-unit value		118,500

Major employers

Employer	Employees
Brown Printing Co.	1,055
Waseca Public Schools	432
Itron Inc.	405
Federal Correction Institution	218
Emerson Network Power	230
ELM Homes Inc.	206
Waseca Area Medical Center	200
Bird's Eye Foods Inc.	159
Waseca County Government Office	145
Mediacom	125
Winegar Brothers Inc.	95
Data Radio COR Limited	92
DM&E Railroad	78
Corchran Inc.	72

Building Permits

Year	Number	Value
2011 (8-31)	375	\$ 9,143,578
2010	389	\$ 8,883,958
2009	362	\$ 6,321,429
2008	404	\$ 8,800,988
2007	410	\$ 5,841,601
2006	472	\$ 15,252,180
2005	278	\$ 31,540,179
2004	555	\$ 12,484,213
2003	548	\$ 17,171,281
2002	585	\$ 9,257,585
2001	515	\$ 12,163,273

Waseca County Employment Data

2011 Total Labor Force	10,935
2011 Unemployment	6.1%
2010 Total Labor Force	10,612
2010 Unemployment	6.4%

ISD No. 829 Enrollment

2011-2012 school year	1826
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City Geographic Information

Year of Incorporation	1868
Land Area (sq. miles)	6.70
Persons per sq. mile	1404.5



2012 Budget Snapshot

Budget Summary

Governmental Funds	
Revenues	
Taxes	\$ 3,746,114
Licenses and Permits	134,600
Grants	3,261,249
Charges for Services	380,519
Fines and Forfeits	39,500
Misc. Revenue	405,760
Transfers In	789,275
Total Revenues	8,757,017
Expenditures	
General Government	1,055,018
Public Safety	2,099,275
Streets and Highways	1,501,345
Culture and Recreation	943,359
Other	626,446
Capital Improvements/Equip.	1,468,171
Debt Service	912,290
Transfers Out	183,094
Total Expenditures	8,788,998

Tax Levy Resolutions

**RESOLUTION NO. 11-61
A RESOLUTION OF THE WASECA CITY COUNCIL APPROVING THE 2011 TAX LEVY
COLLECTIBLE IN 2012**

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 6, 2011 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 2012; 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 2012 upon the taxable property in said City of Waseca for the following purposes:

Distributed Based on Tax Capacity

General Fund	\$ 2,846,370
Library	<u>166,362</u>
General Levy Total	<u>\$ 3,012,732</u>
Tax Abatement Special Levy	79,671
Debt Service Levy	
Wastewater Public Facilities	
Authority (PFA) loan	183,094

Distributed Based on Market Value (Passed Through Referendum)

Water Park	<u>161,369</u>
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Total City Levy	<u>\$ 3,436,866</u>
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Economic Development Authority Levy	<u>\$ 80,260</u>
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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 6th day of December, 2011.



R. D. SRP
MAYOR

ATTEST:



MARY BUENZOW
RECORDS SECRETARY

RESOLUTION NO. 11-60

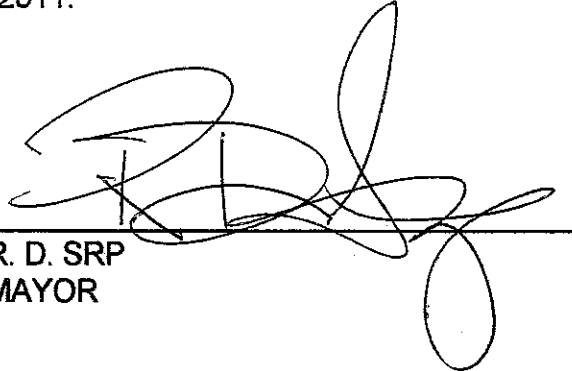
**A RESOLUTION OF THE WASECA CITY COUNCIL
ADOPTING THE 2012 ANNUAL CITY BUDGET**

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, 2012, 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 6th day of December, 2011.



R. D. SRP
MAYOR

ATTEST:



MARY BUENZOW
RECORDS SECRETARY

General Fund

THE GENERAL FUND

The General fund is the chief operating fund of the City. The fund receives a greater variety of taxes and other general revenues than any other governmental fund. The General fund includes revenues such as general property taxes, licenses and permits, fines and penalties, rents, charges for current services, and interest earnings. The fund finances a wider range of activities than any other fund. Most of the cost of general government operations, public safety, and public works of the City are financed from the General 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.

In 2012, General fund revenues reflect the City's continuing reliance on State Aid, including Local Government Aid (LGA) to cities. The 2012 Certified LGA amount for the City of Waseca is \$2,273,651.

Other intergovernmental revenue includes police aid 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 offset 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 was budgeted at a reduced level from 2011. Interest rates continue to remain at historically low levels and are expected to remain low throughout 2012.

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	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues					
31010 Property Taxes	2,425,377	2,437,540	2,637,733	2,967,786	12.5%
31016 Unallotment Levy	-	177,799	211,953	-	0.0%
31011 PERA Special Levy	67,785	74,297	85,664	-	0.0%
31012 Tax abatement Levy	133,047	130,660	104,568	79,671	-23.8%
31013 Market Value credits	278,427	83,328	-	-	0.0%
31015 Wastewater PFA Levy	289,313	172,984	187,063	183,094	-2.1%
31030 Mobile Home Tax	6,530	6,750	5,000	5,000	0.0%
31410 Lodging Tax	20,354	27,244	24,000	24,000	0.0%
31810 Minnegasco	98,698	97,801	100,000	100,000	0.0%
31820 Cable Television	95,570	98,057	103,500	100,000	-3.4%
32110 Licenses - Liquor	21,893	14,160	28,000	26,000	-7.1%
32180 Licenses - Other	2,440	2,206	2,600	2,600	0.0%
32190 Licenses - Rental Houses	10,526	18,503	12,000	13,000	8.3%
32210 Building Permits	89,056	74,340	90,000	80,000	-11.1%
32240 Animal Licensing	1,481	2,446	1,800	1,800	0.0%
32260 Permits & Fees - Other	5,637	8,449	12,000	11,000	-8.3%
32280 Build Pmt Surcharge	764	(499)	200	200	0.0%
33140 Federal Grants fund	91,676	36,232	4,000	4,000	0.0%
33401 Local Government Aid (LGA)	2,470,280	2,273,651	2,682,216	2,273,651	-15.2%
33421 Insurance Premium tax - Police	94,516	112,512	94,000	94,000	0.0%
33425 State Grant Aid	2,433	11,677	2,000	2,000	0.0%
33428 State Grant - Disabled Officer	-	10,010	-	11,000	100.0%
33430 PERA Aid - Police	9,455	9,455	9,455	9,455	0.0%
33500 Regional Grants	39,570	11,262	4,000	5,000	25.0%
33610 County Grant & Aid	44,846	32,264	2,000	15,000	650.0%
33630 County Misc Payment	836	2,005	5,000	5,000	0.0%
33640 School District Payment	57,793	61,350	60,000	60,000	0.0%
34200 Animal Impound fees	1,278	922	1,000	1,000	0.0%
34204 Rent Hous/Crim Hist	5,085	6,891	4,500	5,000	11.1%
34305 Extinguisher Account	1,774	1,099	200	700	250.0%
34785 Park User Fees	6,611	6,637	5,300	5,700	7.5%
34980 Other Service Charge	5,206	3,828	6,000	6,000	0.0%
34985 Service Charge	900	2,000	1,500	1,500	0.0%
34990 Administrative Fines	17,956	7,386	7,500	7,500	0.0%
35101 Court Fines	27,362	35,001	30,000	30,000	0.0%
35102 Parking Fines	-	-	500	500	0.0%
35103 Court fines - Dare	1,350	580	1,500	1,500	0.0%
36210 Interest Earnings	24,384	22,738	48,000	45,000	-6.3%
36214 Interest on loans	15,000	-	-	-	0.0%
36219 Rents - Property	2,100	2,100	-	2,100	100.0%
36220 Rents - Equipment	-	1,804	-	-	0.0%
36221 Rents - Other	39,213	50,272	40,750	40,750	0.0%
36230 Contributions	4,900	2,200	5,000	4,000	-20.0%
36235 Misc Rev - Fire Dist	44,393	37,028	34,551	30,688	-11.2%
36240 Refunds/ Reimbursements	9,072	3,803	900	3,500	288.9%
36243 Police reimbursement	932	155	-	-	0.0%
36244 Misc Reimbursement	530	3,372	3,000	3,000	0.0%
36245 POST Reimbursement	6,343	5,377	5,000	5,000	0.0%
36250 Misc Revenue	10,906	4,348	5,000	5,000	0.0%
39101 Gain on Sale of Equipment	4,576	-	-	-	0.0%
39202 Transfer - Elec Fund	265,000	285,000	285,000	337,500	18.4%
39203 Transfer - WWTP	52,024	58,724	123,724	123,724	0.0%

GENERAL FUND
BUDGET SUMMARY REPORT
Revenues and Expenditures

Description	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
39208 Transfer - Water Fund	52,024	58,724	123,724	123,724	0.0%
39209 Transfer - Electric OH	90,742	230,470	100,470	100,470	0.0%
39214 Transfer MSA Maintenance	-	-	-	106,062	100.0%
Total Revenues	<u>\$ 7,047,964</u>	<u>\$ 6,816,942</u>	<u>\$ 7,301,871</u>	<u>\$ 7,063,175</u>	<u>-3.3%</u>
Expenditures					
41110 Legislative	190,527	148,586	143,366	140,753	-1.8%
41320 Administrative	300,413	305,055	327,727	297,608	-9.2%
41410 Elections	-	20,002	-	20,150	100.0%
41500 Finance	290,826	302,437	362,706	316,327	-12.8%
41600 Law	103,869	79,490	99,200	99,200	0.0%
41940 Buildings & grounds	101,909	387,382	118,316	115,652	-2.3%
41950 Community Development	192,550	183,739	216,577	202,604	-6.5%
42100 Police	1,480,765	1,454,912	1,659,190	1,547,322	-6.7%
42150 Community Service	32,568	26,828	40,211	35,905	-10.7%
42200 Fire	477,356	350,465	382,511	376,659	-1.5%
42300 Civil Defense	1,864	390	3,000	3,000	0.0%
42400 Buildings & Inspections	99,665	106,650	107,967	65,328	-39.5%
43000 Engineering	337,321	312,149	358,521	402,631	12.3%
43100 Street Maintenance	616,606	660,297	696,948	684,636	-1.8%
43125 Snow Removal	155,914	221,921	149,715	174,681	16.7%
43140 Surface Water Mgmt	34,318	42,169	98,377	51,823	-47.3%
43160 Street Lighting	90,352	83,791	90,000	89,367	-0.7%
43170 Traffic Signs & Markings	22,659	28,007	47,647	44,809	-6.0%
43220 Street Cleaning	61,784	36,085	58,413	53,397	-8.6%
45100 Recreation	121,000	107,798	100,000	100,000	0.0%
45200 Park Maintenance	404,943	419,619	463,429	441,372	-4.8%
45500 Waseca Lesueur Library	193,058	182,622	195,847	177,362	-9.4%
45600 Outside Funding	25,600	19,229	25,500	20,400	-20.0%
49210 Non Debt General Exp	37,866	22,615	57,125	23,325	-59.2%
49220 Insurance	131,953	161,416	157,063	121,498	-22.6%
49244 Flex Benefit Plan	4,485	8,103	1,600	1,600	0.0%
49293 Salary Adjustments	-	-	10,000	10,000	0.0%
49300 Transfers	1,322,412	1,216,668	1,330,915	1,445,766	8.6%
Total Expenditures	<u>\$ 6,832,583</u>	<u>\$ 6,888,425</u>	<u>\$ 7,301,871</u>	<u>\$ 7,063,175</u>	<u>-3.3%</u>
Total inc./(dec.) in fund balance	<u>\$ 215,381</u>	<u>\$ (71,483)</u>	<u>\$ -</u>	<u>\$ -</u>	

Department: Legislative

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 53,991	\$ 54,374	\$ 55,190	\$ 54,375	-1.5%
Supplies	1,650	247	2,200	2,200	0.0%
Services & Charges	3,574	2,031	4,350	3,950	-9.2%
Charges	131,312	91,934	81,626	80,228	-1.7%
Total Expenditures	\$ 190,527	\$ 148,586	\$ 143,366	\$ 140,753	-1.8%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Legislative Department budget shows a budgeted decrease of \$2,613 (-1.8%). Significant changes are as follows:

- Personnel decreased by \$815 (No City Council wage increase budgeted)
- \$400 decrease in communications
- \$300 decrease in Human Rights Commission
- Community Enhancements budgeted at \$25,000 (No change)
- Added a \$5,000 City Council contingency for unbudgeted City Council expenditures

Major Objectives Accomplished in 2010/2011

- ✓ Completion of the Wastewater Treatment Plant and Conveyance System Expansion.

2011/2012 Department Priorities

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

ACTIVITIES SCOPE

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

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

COMMUNICATIONS (Code 3200), includes costs for website maintenance.

DUES/SUBSCRIPTIONS (Code 4330), Minnesota Mayors Association, Coalition of Greater Minnesota Cities, Minnesota Valley Council of Governments, League of Minnesota Cities, Southern Minnesota Highway Improvement Association, League of Minnesota Human Rights.

COMMUNITY PROJECTS (Code 4450), allocates available funds for unanticipated community project needs. These funds are available to be expended by the Council as project requests are received.

COMMUNITY ENHANCEMENTS (Code 4455), allocates funds for grants to outside agencies that provide a service to the community. The 2012 Community Enhancements fund, includes funding to the Historical Society, Chamber of Commerce (July 4th Lakefest and fireworks), Art Center, Senior Center and 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

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 50,640	\$ 51,000	\$ 51,765	\$ 51,000	-1.5%
1200	FICA	437	437	443	437	-1.4%
1210	PERA	2,180	2,198	2,231	2,198	-1.5%
1220	Medicare	734	739	751	740	-1.4%
	Total Personnel	<u>53,991</u>	<u>54,374</u>	<u>55,190</u>	<u>54,375</u>	<u>-1.5%</u>
	Supplies					
2000	Office Supplies	579	56	400	400	0.0%
2050	Computer Supplies	-	-	500	500	0.0%
2170	General Supplies	1,071	191	1,300	1,300	0.0%
	Total Supplies	<u>1,650</u>	<u>247</u>	<u>2,200</u>	<u>2,200</u>	<u>0.0%</u>
	Services & Charges					
3100	Contractual Services	-	-	500	500	0.0%
3200	Communications	125	20	500	100	-80.0%
3300	Conf and Schools	1,117	30	2,100	2,100	0.0%
3350	Car Allowance / Mileage	-	-	250	250	0.0%
3400	Publishing / Advertising	490	168	500	500	0.0%
3500	Printing/Publishing	1,842	1,813	500	500	0.0%
	Total Services and Charges	<u>3,574</u>	<u>2,031</u>	<u>4,350</u>	<u>3,950</u>	<u>-9.2%</u>
	Charges					
4330	Dues/Subscriptions	22,981	21,113	24,100	24,100	0.0%
4440	Lodging Tax to TVB	19,337	25,882	24,000	24,000	0.0%
4450	Community projects	43,961	8,843	7,200	6,200	-13.9%
4455	Community Enhancements	44,750	36,096	25,000	25,000	0.0%
4460	Human Rights Comm	283	-	500	200	-60.0%
4950	Comp Financing Acct	-	-	826	728	-11.9%
	Total Charges	<u>131,312</u>	<u>91,934</u>	<u>81,626</u>	<u>80,228</u>	<u>-1.7%</u>
	TOTAL EXPENDITURES	<u><u>\$ 190,527</u></u>	<u><u>\$ 148,586</u></u>	<u><u>\$ 143,366</u></u>	<u><u>\$ 140,753</u></u>	<u><u>-1.8%</u></u>

Department: Administration

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 291,763	\$ 286,441	\$ 307,474	\$ 279,316	-9.2%
Supplies	1,677	1,842	3,250	5,050	55.4%
Services & Charges	3,991	12,354	12,800	10,300	-19.5%
Charges	2,982	4,418	4,203	2,942	-30.0%
Total Expenditures	\$ 300,413	\$ 305,055	\$ 327,727	\$ 297,608	-9.2%

DEPARTMENT DESCRIPTION

The Administration provides overall administrative leadership necessary for the implementation of City Council policies, administration of the organization and the delivery of services to the citizens.

Our mission is to direct the administration of City departments; manage the processes through which City Council sets policy and ordinance; monitor legislative changes and coordinate interaction with other governmental organizations; recommend the annual operating and capital budgets for Council approval; and educate and involve the public in government processes.

2012 Budget Highlights

The 2012 Administration Department budget shows a budgeted decrease of \$30,119 or (-9.2%) as a result of eliminating the Receptionist position. Significant changes are as follows:

- Eliminated Secretary position (40% allocated to Administration)
- Salaries decreased by a net amount of \$28,158
- Reduced dues and subscriptions by \$1,000
- Reduced printing and publishing by \$2,500
- Increased computer supplies account \$1,800 (2 computers scheduled for replacement)

Major Objectives Accomplished in 2010/2011

- Advised City Council on financial and legislative matters; and kept the City Council apprised of all pertinent municipal activities through periodic briefings and other appropriate written documents.
- Delivered services to the public in a cost-effective manner.

2011/2012 Department Priorities

- Advise City Council on financial and legislative matters.
- Ensure Council directives are carried out.
- Cost-effective and efficient delivery of municipal services.
- Provide timely and accurate information about City services.

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

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.

CURRENT AND PROPOSED EXPENDITURES

SUPPLIES (Code 2000), Administration budget purchases office supplies such as binders, letterhead, envelopes, etc. also provides supplies for Charter Commission.

COMMUNICATIONS (Code 3200), includes costs for postage, cell phones, telephones.

CONFERENCES/SCHOOLS (Code 3300), includes costs for attending Minnesota Manager's Conference, League of Minnesota Cities Conference, ICMA Conference.

DUES/SUBSCRIPTIONS (Code 4330), Minnesota Manager's Association, and Rotary membership.

COMPUTER FINANCING ACCOUNT (Code 4950), includes costs for monthly fees related to internet and network.

PERSONNEL LEVELS

1 City Manager
1 Administrative Assistant
1 Records Clerk

ADMINISTRATION
41320
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 211,910	\$ 205,163	\$ 209,851	\$ 193,660	-7.7%
1020	Overtime	2,216	2,090	3,600	2,000	-44.4%
1070	Car/Mileage Allowance	3,600	3,600	3,600	3,600	0.0%
1090	Cell Phone Reimbursement	396	540	540	567	5.0%
1100	Longevity	1,596	1,722	1,872	1,629	-13.0%
1200	FICA	12,745	12,207	13,607	12,490	-8.2%
1210	PERA	14,508	14,515	15,611	14,303	-8.4%
1220	Medicare	2,981	2,855	3,182	2,921	-8.2%
1250	Insurance Rebate	1,920	1,740	1,740	1,260	-27.6%
1300	Insurance	31,685	27,606	41,796	32,318	-22.7%
1310	VEBA Trust funding	6,550	13,150	10,625	13,300	25.2%
1330	Life Insurance	621	483	549	493	-10.2%
1340	Disability Insurance	1,035	770	901	775	-14.0%
	Total Personnel	<u>291,763</u>	<u>286,441</u>	<u>307,474</u>	<u>279,316</u>	<u>-9.2%</u>
	Supplies					
2000	Office Supplies	683	1,575	1,750	1,750	0.0%
2050	Computer Supplies	994	234	500	2,300	360.0%
2170	General Supplies	-	33	1,000	1,000	0.0%
	Total Supplies	<u>1,677</u>	<u>1,842</u>	<u>3,250</u>	<u>5,050</u>	<u>55.4%</u>
	Services & Charges					
3100	Contractual Services	288	9,617	3,500	3,500	0.0%
3200	Communications	344	553	1,500	1,500	0.0%
3300	Conf and Schools	1,525	1,645	3,000	3,000	0.0%
3350	Car Allowance / Mileage	453	272	300	300	0.0%
3400	Publishing / Advertising	1,113	-	-	-	0.0%
3500	Printing/Publishing	268	267	4,500	2,000	-55.6%
	Total Services and Charges	<u>3,991</u>	<u>12,354</u>	<u>12,800</u>	<u>10,300</u>	<u>-19.5%</u>
	Charges					
4330	Dues/Subscriptions	567	728	2,000	1,000	-50.0%
4950	Comp Financing Acct	2,415	3,690	2,203	1,942	-11.9%
	Total Charges	<u>2,982</u>	<u>4,418</u>	<u>4,203</u>	<u>2,942</u>	<u>-30.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 300,413</u></u>	<u><u>\$ 305,055</u></u>	<u><u>\$ 327,727</u></u>	<u><u>\$ 297,608</u></u>	<u><u>-9.2%</u></u>

Department: Elections

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ -	\$ 12,180	\$ -	\$ 11,000	100.0%
Supplies	-	901	-	2,700	100.0%
Services & Charges	-	6,921	-	6,450	100.0%
Total Expenditures	\$ -	\$ 20,002	\$ -	\$ 20,150	100.0%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Elections Department budget is \$20,150, which is a \$148 more from than the 2010 election year actual costs. The 2012 budget includes \$1,200 for the replacement of six voting booths. 2011 was not an election year.

Major Objectives Accomplished in 2010/2011

- ✓ 4,687 Registered voters in 2010

2011/2012 Department Priorities

- Plan and oversee all elections in conformance with applicable statutes
- Work closely with the County Auditor's office to ensure accurate results.
- Successfully conduct elections so all voters are able to exercise their right to vote.

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

PERSONNEL LEVELS

Records Clerk

6 Chairpersons, part-time

Approximately 40 Election Judges, part-time

ELECTIONS
41410
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Expenditures						
	Personnel					
1030	Part-time Employees	-	12,180	-	11,000	100.0%
	Total Personnel	<u>-</u>	<u>12,180</u>	<u>-</u>	<u>11,000</u>	<u>100.0%</u>
	Supplies					
2000	Office Supplies	-	901	-	2,700	100.0%
	Total Supplies	<u>-</u>	<u>901</u>	<u>-</u>	<u>2,700</u>	<u>100.0%</u>
	Services & Charges					
3000	Professional Services	-	320	-	-	0.0%
3100	Contractual Services	-	6,000	-	6,000	100.0%
3350	Car Allowance / Mileage	-	27	-	50	100.0%
3400	Publishing / Advertising	-	574	-	400	100.0%
	Total Services and Charges	<u>-</u>	<u>6,921</u>	<u>-</u>	<u>6,450</u>	<u>100.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ -</u></u>	<u><u>\$ 20,002</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 20,150</u></u>	<u><u>100.0%</u></u>

Department: Finance

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 265,395	\$ 280,687	\$ 329,173	\$ 288,905	-12.2%
Supplies	6,046	1,702	5,200	3,900	-25.0%
Services & Charges	16,887	17,134	25,330	20,730	-18.2%
Charges	2,498	2,914	3,003	2,792	-7.0%
Total Expenditures	\$ 290,826	\$ 302,437	\$ 362,706	\$ 316,327	-12.8%

DEPARTMENT DESCRIPTION

Activities of this department include accounting, treasury, financial management and human resources. The Finance Department is responsible for payroll, accounts payable, accounts receivable, cash receipting, special assessments, fixed asset oversight, audit, budget, debt, investments, insurance and human resources.

2012 Budget Highlights

The 2012 Finance Department budget shows a budgeted decrease of \$46,379 (-12.8%), mainly as a result of a reduction of a .5 Finance Assistant. The Finance Assistant is now a split Full-time employee with Utility Billing. Professional services were decreased by \$4,400 in an effort to be more inline with audit costs from the last two years. Budgeted overtime was also decreased by \$4,000.

Major Objectives Accomplished in 2010/2011

- ✓ Hired an Accountant in January 2010 and reduced the Finance Assistant by 20 hours.
- ✓ Received a “clean audit opinion” and the Government Finance Officers Association Certificate of Achievement.
- ✓ Transitioned front desk receipting responsibilities to Finance Department and made improvements to City internal controls.

2011/2012 Department Priorities

- Increase efficiency of City financial and accounting management through further use of Civic Systems software.
- Continue to make financial decisions based on a sustainable long-term outlook.
- Maintain standards of accounting and financial reporting excellence.
- Develop policies and guidelines for consistent procedures within department and Citywide.
- Continue to transition human resource functions and develop consistent personnel guidelines.
- Assist with Capital Improvement Plan (CIP) development and funding options.
- Implement new governmental accounting fund balance standards (GASB 54).
- Review and update City personnel policies.

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
- 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

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.

CURRENT AND PROPOSED EXPENDITURES

PROFESSIONAL SERVICES (Code 3000), provides 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.

CONTRACTUAL SERVICES (Code 3100), allocates for computer software, upgrades, internet access and maintenance services.

CONFERENCES AND SCHOOLS (Code 3300), provides for training needed for Government Finance Officers Association (GFOA) and Governmental Accounting Standards Board (GASB) compliance, TIF and abatement updates, Legislative updates, and any courses needed to maintain certifications.

PRINTING/PUBLISHING (Code 3500), includes publishing of mandated financial reporting and budget summaries.

SUBSCRIPTIONS/MEMBERSHIPS (Code 4330), 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
1.5 Finance Assistants

FINANCE
41500
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 176,914	\$ 187,097	\$ 218,447	\$ 198,391	-9.2%
1020	Overtime	5,243	975	5,000	1,000	-80.0%
1030	Part-time Employees	6,397	3,248	-	-	0.0%
1090	Cell Phone Reimbursement	324	275	540	540	0.0%
1100	Longevity	1,511	1,253	1,080	900	-16.7%
1110	Severance Pay	-	9,169	-	-	0.0%
1200	FICA	10,805	11,010	13,954	12,452	-10.8%
1210	PERA	12,723	12,576	16,278	14,521	-10.8%
1220	Medicare	2,527	2,575	3,263	2,912	-10.8%
1250	Insurance Rebate	1,500	600	1,200	1,200	0.0%
1300	Insurance	38,456	34,912	52,532	41,518	-21.0%
1310	VEBA Trust Funding	7,525	15,873	15,275	14,125	-7.5%
1330	Life Insurance	483	518	621	552	-11.1%
1340	Disability Insurance	987	606	983	794	-19.2%
	Total Personnel	<u>265,395</u>	<u>280,687</u>	<u>329,173</u>	<u>288,905</u>	<u>-12.2%</u>
	Supplies					
2000	Office Supplies	4,398	1,568	3,000	2,500	-16.7%
2050	Computer Supplies	1,648	134	2,200	1,400	-36.4%
	Total Supplies	<u>6,046</u>	<u>1,702</u>	<u>5,200</u>	<u>3,900</u>	<u>-25.0%</u>
	Services & Charges					
3000	Professional Services	9,745	11,387	18,400	14,000	-23.9%
3100	Contractual Services	65	-	400	-	-100.0%
3200	Communications	2,165	1,020	1,100	1,100	0.0%
3300	Conf and Schools	3,191	2,075	3,200	3,000	-6.3%
3350	Car Allowance / Mileage	198	459	480	480	0.0%
3400	Publishing / Advertising	216	640	750	750	0.0%
3500	Printing/Publishing	1,307	1,553	1,000	1,400	40.0%
	Total Services and Charges	<u>16,887</u>	<u>17,134</u>	<u>25,330</u>	<u>20,730</u>	<u>-18.2%</u>
	Charges					
4040	Repair/Maintenance-Equipment	-	-	-	-	0.0%
4330	Dues/Subscriptions	727	829	800	850	6.3%
4950	Comp Financing Acct	1,771	2,085	2,203	1,942	-11.9%
	Total Charges	<u>2,498</u>	<u>2,914</u>	<u>3,003</u>	<u>2,792</u>	<u>-7.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 290,826</u></u>	<u><u>\$ 302,437</u></u>	<u><u>\$ 362,706</u></u>	<u><u>\$ 316,327</u></u>	<u><u>-12.8%</u></u>

Department: Law

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Supplies	\$ -	\$ -	\$ 200	\$ 200	0.0%
Services & Charges	103,869	79,490	99,000	99,000	0.0%
Total Expenditures	\$ 103,869	\$ 79,490	\$ 99,200	\$ 99,200	0.0%

DEPARTMENT DESCRIPTION

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 is coordinated with the Waseca County Attorney through a legal services agreement.

2012 Budget Highlights

No changes have been made from the 2011 to the 2012 Law Department budget.

Major Objectives Accomplished in 2010/2011

- Prosecuted violations of municipal and state law on behalf of the citizens of Waseca.
- Advised City Manager, City Council and all appropriate City personnel on various legal issues in order to best protect the interests of the City, to ensure compliance with City, State and Federal laws.

2011/2012 Department Priorities

- Prosecute violations of municipal and state law on behalf of the citizens of Waseca.
- Appearing in litigation on behalf of the City and its officials.
- Work with City officials to continue to develop a preventative law approach to lessen risk and litigation exposure.

ACTIVITIES SCOPE

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

CURRENT AND PROPOSED EXPENDITURES

PROFESSIONAL SERVICES (Code 3000), provides for legal services for the City.

CONTRACTUAL SERVICES (Code 3100), 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>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Expenditures						
	Supplies					
2000	Office Supplies	-	-	100	100	0.0%
2170	General Supplies	-	-	100	100	0.0%
	Total Supplies	<u>-</u>	<u>-</u>	<u>200</u>	<u>200</u>	<u>0.0%</u>
	Services & Charges					
3000	Professional Services	102,429	77,680	96,000	96,000	0.0%
3010	Civil Representation	-	384	-	-	0.0%
3100	Contractual Services	1,440	1,426	3,000	3,000	0.0%
	Total Services and Charges	<u>103,869</u>	<u>79,490</u>	<u>99,000</u>	<u>99,000</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$103,869</u></u>	<u><u>\$ 79,490</u></u>	<u><u>\$ 99,200</u></u>	<u><u>\$ 99,200</u></u>	<u><u>0.0%</u></u>

Department: Buildings & Grounds

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Supplies	\$ 18,745	\$ 15,148	\$ 22,565	\$ 21,967	-2.7%
Services & Charges	72,924	72,885	82,000	80,000	-2.4%
Charges	10,240	7,891	13,751	13,685	-0.5%
Total Expenditures	\$ 101,909	\$ 95,924	\$ 118,316	\$ 115,652	-2.3%

DEPARTMENT DESCRIPTION

Buildings and Grounds serve as a centralized account for City Hall's maintenance and operation expenditures. 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.

2012 Budget Highlights

The 2012 Buildings & Grounds Department shows a budgeted decrease of \$2,664 (-2.3%). The current budget must be able to react to unanticipated building repairs as well as current contracted cleaning/garbage removal services. Utilities were decreased by \$2,000 to reflect prior year trends.

Major Objectives Accomplished in 2010/2011

- ✓ Economically maintaining the roofs of all City owned buildings. Some of the roofs are currently under warranty, so we will need to start planning for those to expire in the next two years.
- ✓ The City acquired the Erickson building and purchased the rubber roof membrane warranty for another three years, however the roof is in good condition. We have identified and received bids for necessary improvements at the Erickson building.

2011/2012 Department Priorities

- To maintain all of the City's buildings within budget and keep the appearances of all buildings in good condition.
- Analyze the need for roof replacement in the future.
- Repair, maintain, and upgrade City Hall as is required.
- Develop comprehensive citywide facility status and maintenance plan.
- Oversee contracts for maintenance services and equipment operations.
- Purchasing coordination with cooperative purchase ventures.

ACTIVITIES SCOPE

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

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

OFFICE SUPPLIES (Code 2000), is used for the purchase of photocopier and other supplies.

GENERAL SUPPLIES (Code 2170), provides for maintenance supplies, flags, floor mats, and recycling supplies.

CITY SHOP CHARGES (Code 2240), costs related to vehicle maintenance.

CONTRACTUAL SERVICES (Code 3100), janitorial, building service charges, safety alarms and telecommunications related to the operation of City Hall.

UTILITIES (Code 3800), electric, gas, utility and sanitary garbage service costs.

BUILDING/STRUCTURE/MAINTENANCE (Code 4000), allocated for air conditioning, heating, roof and general building repairs.

PERSONNEL LEVELS

No Personnel Allocated

BUILDINGS & GROUNDS
41940
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Supplies					
2000	Office Supplies	\$ 2,096	\$ 1,620	\$ 4,000	\$ 4,000	0.0%
2050	Computer Supplies	214	-	500	500	0.0%
2120	Motor fuels	991	-	-	-	0.0%
2170	General Supplies	9,096	7,712	9,500	9,500	0.0%
2210	Equipment parts	292	-	-	-	0.0%
2220	Vehicle Maintenance	41	56	-	-	0.0%
2230	Bldg Rep/Maint Supplies	3,313	3,774	5,000	5,000	0.0%
2240	City Shop Charges	2,702	1,986	3,565	2,967	-16.8%
	Total Supplies	<u>18,745</u>	<u>15,148</u>	<u>22,565</u>	<u>21,967</u>	<u>-2.7%</u>
	Services & Charges					
3000	Professional Services	-	-	1,000	1,000	0.0%
3100	Contractual Services	34,795	34,140	32,000	32,000	0.0%
3200	Communications	5,129	5,329	6,000	6,000	0.0%
3800	Utilities	33,000	33,416	43,000	41,000	-4.7%
	Total Services and Charges	<u>72,924</u>	<u>72,885</u>	<u>82,000</u>	<u>80,000</u>	<u>-2.4%</u>
	Charges					
4000	Repair/Maintenance	9,707	7,211	13,200	13,200	0.0%
4950	Comp Financing Acct	533	680	551	485	-11.9%
	Total Charges	<u>10,240</u>	<u>7,891</u>	<u>13,751</u>	<u>13,685</u>	<u>-0.5%</u>
	Capital Outlay					
5100	Land	-	131,156	-	-	0.0%
5200	Buildings	-	160,302	-	-	0.0%
	Total Capital Outlay	<u>-</u>	<u>291,458</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 101,909</u></u>	<u><u>\$ 387,382</u></u>	<u><u>\$ 118,316</u></u>	<u><u>\$ 115,652</u></u>	<u><u>-2.3%</u></u>

Department: Community Development

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 117,034	\$ 88,095	\$ 164,074	\$ 146,796	-10.5%
Supplies	1,528	710	1,500	3,400	126.7%
Services & Charges	4,100	59,883	17,600	16,100	-8.5%
Charges	69,888	35,051	33,403	36,308	8.7%
Total Expenditures	\$ 192,550	\$ 183,739	\$ 216,577	\$ 202,604	-6.5%

DEPARTMENT DESCRIPTION

The Planning Director oversees Community Development Department operations and staff, writes grant applications, serves on various ad-hoc committees, and provides staff services to the Planning Commission, Heritage Preservation Commission (HPC), and Economic Development Authority (EDA). Planning activities include study of particular planning and zoning issues; review, analysis, and public hearings related to land use and zoning requests and proposals such as variances, conditional use permits, re-zonings, subdivisions, Comprehensive Plan updates and amendments, and zoning and subdivision ordinance amendments, and environmental review. Other planning activities include review and approval of sign permits, site plan review, and advising the general public on specific planning or zoning questions.

Economic Development activities include administration of the community's tax increment financing districts, tax abatement program, revolving loan funds and other economic development assistance programs. The EDA also makes recommendations on economic development and related policies and procedures and serves as an advocate for maintaining and expanding the economic health and vitality of the community. Since the EDA was established, seven new tax increment districts have been authorized and to date there are six active 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 made recommendations to the City Council on the purchase and redevelopment of other properties within the community.

Heritage Preservation activities include site reviews related to improvements to National Register properties, establish, review and make recommendations on Heritage Preservation goals and objectives for Heritage Preservation chapter in the Comprehensive Plan, conduct studies related to preservation activities, educate the public about the importance of preservation, procure grant funds to undertake preservation related activities.

2012 Budget Highlights

The 2012 Community Development Department budget shows a budgeted decrease of 13,973 (6.5%) mainly as a result of a reduction in overtime and health insurance costs.

Major Objectives Accomplished in 2010/2011

Economic Development

- ✓ RBEG programs established, first loan approved
- ✓ IRP grant application submitted
- ✓ Participation in B.E.S.T
- ✓ Participation in Community Growth Initiative (CGI)
- ✓ Greener World Solutions, LLC Abatement

- ✓ Tax Abatement Policy Revisions
- ✓ Fox Meadows/Colony Court project approved and under construction

Planning

- ✓ Comprehensive Plan Review/Amendment-In progress
- ✓ Floodplain Ordinance
- ✓ Variance Code update
- ✓ South entrance sign ordered, permit granted
- ✓ Landscape Plan for TH-14 in progress
- ✓ Delta Subdivision

Heritage Preservation

- ✓ Trowbridge Park Bandstand Designation Study Completed
- ✓ Procurement of CLG Grant for Historic Properties Survey
- ✓ Historic Site Sign for Trowbridge Park Bandstand
- ✓ Heritage Preservation Awards to property owners
- ✓ Heritage Preservation Chapter for Comprehensive Plan
- ✓ Local designation of Trowbridge Park as Heritage Preservation Site-In progress

2011/2012 Department Priorities

Economic Development

- ✓ IRP Grant Management
- ✓ Tax Abatement Policy Update and Implementation
- ✓ Marketing and Sale of EDA and City Owned Properties for Development
- ✓ Update EDA Website
- ✓ Community Visibility related to TH-14 Bypass
- ✓ Partner with B.E.S.T. of Waseca to further the economic development goals of Waseca
- ✓ Work with the Waseca Planning Commission and City Council on Comprehensive Plan update including West and South Interchange Planning
- ✓ Work with City Council to promote, retain, and attract economically sound industry and commerce that benefits the community.

Planning

- ✓ Comprehensive Plan Update
- ✓ Review Development, Site Plan, Building Permit review process; recommend and implement new review process
- ✓ Implement new filing system and expand use of Permit Works for zoning documentation

Heritage Preservation

- ✓ Historic Sites Survey
- ✓ Local Designation of Trowbridge Park

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 tax abatements)
- ✓ Study planning and zoning issues affecting the city and adjacent townships.

- ✓ Major project development negotiations and oversight

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 and changing market trends.
- Work on residential expansion needs as developers and community growth direct.
- Provide a high level of quality customer service.

CURRENT AND PROPOSED EXPENDITURES

PERSONNEL (Codes 1010-1300), provides for one Community Development Director and allocation of time for an Administrative Assistant.

PROFESSIONAL SERVICES (Code 3000), covers map updating, property appraisals, filings, and engineering or related professional services in the areas of community planning and zoning, TIF and abatement structures, JOBZ preparation.

CONFERENCE/SCHOOLS (Code 3300), provides for continuing education credits and professional development.

ADVERTISING/PUBLISHING (Code 3400), 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.

TAX ABATEMENT PAYMENT (Code 4310), provides for the abatement payments paid to abatement participants.

DUES/SUBSCRIPTIONS (Code 4330), allows for supplementary memberships in planning associations and related organizations.

PERSONNEL LEVELS

Planning Director
Administrative Assistant

COMMUNITY DEVELOPMENT
41950
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 87,937	\$ 56,635	\$ 110,912	\$ 107,813	-2.8%
1020	Overtime	778	3,930	4,000	2,000	-50.0%
1090	Cell Phone Reimbursement	-	-	-	540	100.0%
1100	Longevity	180	368	405	540	33.3%
1200	FICA	5,249	3,609	7,150	6,875	-3.8%
1210	PERA	5,945	4,287	8,361	8,001	-4.3%
1220	Medicare	1,227	844	1,672	1,608	-3.8%
1250	Insurance Rebate	600	600	1,200	2,400	100.0%
1300	Insurance	12,422	14,568	26,324	12,162	-53.8%
1310	VEBA Trust fund	2,125	2,894	3,275	4,150	26.7%
1330	Life Insurance	224	190	276	276	0.0%
1340	Disability Insurance	347	170	499	431	-13.6%
	Total Personnel	<u>117,034</u>	<u>88,095</u>	<u>164,074</u>	<u>146,796</u>	<u>-10.5%</u>
	Supplies					
2000	Office Supplies	453	656	500	1,000	100.0%
2050	Computer Supplies	1,040	-	500	1,900	280.0%
2170	General Supplies	35	54	500	500	0.0%
	Total Supplies	<u>1,528</u>	<u>710</u>	<u>1,500</u>	<u>3,400</u>	<u>126.7%</u>
	Services & Charges					
3000	Professional Services	2,790	57,115	12,000	12,000	0.0%
3200	Communications	432	334	2,000	1,000	-50.0%
3300	Conf and Schools	229	400	1,000	1,200	20.0%
3350	Car Allowance / Mileage	-	153	500	400	-20.0%
3400	Publishing / Advertising	492	1,439	2,000	1,300	-35.0%
3500	Printing/Publishing	157	442	100	200	100.0%
	Total Services and Charges	<u>4,100</u>	<u>59,883</u>	<u>17,600</u>	<u>16,100</u>	<u>-8.5%</u>
	Charges					
4310	Tax abatement Pay	68,485	33,923	32,301	34,737	7.5%
4330	Dues/Subscriptions	-	86	-	600	100.0%
4950	Comp Financing Acct	1,403	1,042	1,102	971	-11.9%
	Total Charges	<u>69,888</u>	<u>35,051</u>	<u>33,403</u>	<u>36,308</u>	<u>8.7%</u>
	TOTAL EXPENDITURES	<u><u>\$ 192,550</u></u>	<u><u>\$ 183,739</u></u>	<u><u>\$ 216,577</u></u>	<u><u>\$ 202,604</u></u>	<u><u>-6.5%</u></u>

Department: Police

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 1,263,931	\$ 1,286,400	\$ 1,420,445	\$ 1,334,224	-6.1%
Supplies	92,711	89,450	130,869	111,291	-15.0%
Services & Charges	103,190	66,811	80,468	76,068	-5.5%
Charges	20,933	12,251	27,408	25,739	-6.1%
Total Expenditures	\$ 1,480,765	\$ 1,454,912	\$ 1,659,190	\$ 1,547,322	-6.7%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Police Department budget shows a budgeted decrease of \$111,868 (-6.7%), mainly as a result of the elimination of the 32 hour Part-time Officer position and changes from a full-time Records Clerk position to a 30/hr per week un-benefited position. Significant changes are as follows:

- Decreased overtime by \$21,612, net personnel costs decreased by \$86,221
- Reduced office supplies by \$1,700
- Eliminated \$9,500 building repair/maintenance line item, used for records storage remodeling in past years
- Eliminated \$400 car allowance/mileage
- Reduced printing/publishing budget by \$4,000
- Reduced Prevention Program by \$1,500
- Reduced allocation of computer supplies/financing account by \$2,069 and shop charges allocation by \$5,535

Major Objectives Accomplished in 2010/2011

- ✓ Creation of the Waseca Police Department Citizens Academy
- ✓ Rental Housing Licensing
- ✓ Re-establishment of the Law Enforcement Explorer program
- ✓ Streamlined internal Public Nuisance violation processes

2011/2012 Department Priorities

- Explore outside grant funding sources for expenditures
- 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 and reduce violence against women by actively working with the Waseca Committee Against Domestic Violence
- Provide proactive police services to the community to include; DARE, crime prevention programs safety programs, and other services or programs identified by the community
- Respond and react to an increasing call load with focus on the severity levels

ACTIVITIES SCOPE

- 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, identity theft/scams educational opportunities]
- Law Enforcement Explorer program
- Waseca Police Reserves program
- Waseca Center for Crime Victims Services agency
- School Liaison Officer program
- Community Policing
- Crime Free Multi Housing
- National Night Out event
- Fingerprinting and safety Clinics
- “Project Childsafe”
- Identity Theft/Scams Brochure and Education
- South Central Drug Investigation Unit member

DEPARTMENTAL GOALS

- 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.
- 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.
- Focus and expand 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
- Maintain staffing levels
- Surveillance through wireless technology
- Explore GIS mapping

CURRENT AND PROPOSED EXPENDITURES

In 2012, the Waseca Police Department will need to replace or upgrade some squad equipment that is over five years old. This equipment may include light bars and radar units.

PERSONNEL LEVELS

2012 personnel levels will remain the same.

POLICE
42100
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
Personnel						
1010	Regular Employees	\$ 856,004	\$ 843,297	\$ 891,444	\$ 855,573	-4.0%
1020	Overtime	2,207	544	12,000	2,000	-83.3%
1021	OT Extra Shift	30,241	18,463	31,320	25,000	-20.2%
1022	OT Court time	1,835	1,281	5,676	5,676	0.0%
1023	OT Investigations	8,476	3,514	14,292	9,000	-37.0%
1030	Part-time Employees	24,542	36,987	44,692	57,229	28.1%
1080	Clothing/Uniform Allowance	6,707	6,403	9,100	8,450	-7.1%
1090	Cellphone reimbursement	45	225	-	-	0.0%
1100	Longevity	5,195	5,404	5,580	6,060	8.6%
1110	Severance Pay	11,377	-	-	-	0.0%
1200	FICA	5,133	4,742	5,167	4,336	-16.1%
1210	PERA	2,966	5,331	6,042	5,070	-16.1%
1220	Medicare	11,732	12,020	13,470	13,192	-2.1%
1230	PERA (Police & Fire)	116,643	115,641	121,770	120,936	-0.7%
1250	Insurance Rebate	13,500	11,600	12,000	13,200	10.0%
1300	Insurance	109,915	124,635	147,162	119,898	-18.5%
1301	Ins - PERA Disability	27,177	26,341	40,011	37,599	-6.0%
1310	VEBA Trust Funding	24,146	64,625	54,550	45,550	-16.5%
1330	Life Insurance	2,254	2,198	2,277	2,139	-6.1%
1340	Disability Insurance	3,836	3,149	3,892	3,316	-14.8%
Total Personnel		1,263,931	1,286,400	1,420,445	1,334,224	-6.1%
Supplies						
2000	Office Supplies	2,017	1,749	6,200	4,500	-27.4%
2050	Computer Supplies	4,270	9,903	8,000	6,100	-23.8%
2120	Motor fuels	25,486	30,457	36,067	36,067	0.0%
2170	General Supplies	3,178	5,479	6,600	6,600	0.0%
2180	Uniforms	5,712	4,812	6,500	6,500	0.0%
2190	Safety Equipment	13,394	3,629	9,100	9,100	0.0%
2210	Equipment parts	1,187	251	5,100	5,100	0.0%
2220	Vehicle Maintenance	1,558	1,970	2,200	2,200	0.0%
2230	Bldg Rep/Maint Supplies	5,634	-	9,500	-	0.0%
2240	City Shop Charges	30,275	31,200	41,402	34,924	-15.6%
2400	Small Tools	-	-	200	200	0.0%
Total Supplies		92,711	89,450	130,869	111,291	-15.0%
Services & Charges						
3000	Professional Services	5,326	4,875	4,700	4,700	0.0%
3100	Contractual Services	9,479	9,486	11,400	11,400	0.0%
3200	Communications	40,646	25,237	21,000	21,000	0.0%
3250	Shared Records system	26,643	10,980	18,418	18,418	0.0%
3300	Conf and Schools	10,488	4,934	12,250	12,250	0.0%
3350	Car Allowance / Mileage	-	345	400	-	0.0%
3400	Publishing / Advertising	219	-	300	300	0.0%
3500	Printing/Publishing	10,389	10,954	12,000	8,000	-33.3%
Total Services and Charges		103,190	66,811	80,468	76,068	-5.5%

POLICE
42100
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Charges					
4040	Repair/Maint-Equipment	4,176	440	4,400	4,400	0.0%
4330	Dues/Subscriptions	2,077	2,153	2,600	2,600	0.0%
4340	Drug Investigation	15	-	1,000	1,000	0.0%
4370	SWAT Program costs	2,801	2,052	2,500	2,500	0.0%
4600	Dare Program	2,476	2,327	3,600	3,600	0.0%
4610	Police Reserve	254	(2,249)	3,300	3,300	0.0%
4620	Police Liason costs	1,099	547	1,000	1,000	0.0%
4630	Police K-9 Unit	632	-	-	-	0.0%
4640	Prevention Program	2,064	1,727	3,000	1,500	-50.0%
4940	Safety Program	-	-	500	500	0.0%
4950	Comp Financing Acct	5,339	5,254	5,508	5,339	-3.1%
	Total Charges	20,933	12,251	27,408	25,739	-6.1%
	TOTAL EXPENDITURES	<u>\$ 1,480,765</u>	<u>\$ 1,454,912</u>	<u>\$ 1,659,190</u>	<u>\$ 1,547,322</u>	<u>-6.7%</u>

Department: Community Service

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 16,139	\$ 16,842	\$ 24,311	\$ 20,005	-17.7%
Supplies	175	86	900	900	0.0%
Services & Charges	16,254	9,900	15,000	15,000	0.0%
Total Expenditures	\$ 32,568	\$ 26,828	\$ 40,211	\$ 35,905	-10.7%

DEPARTMENT DESCRIPTION

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

2012 Budget Highlights

The 2012 Community Service Department budget was reduced by \$4,306 to more accurately reflect actual costs of providing the services, however service levels remain unchanged.

Major Objectives Accomplished in 2010/2011

- ✓ Maintained the ability to monitor and enforce animal control ordinances and state laws.
- ✓ Maintained a safe environment for pedestrians while they arrived and left school areas.

2011/2012 Department Priorities

- Hired two part-time community aides guards due to the retirement of a community aid and the long-term medical absence of another.
- Maintained a high level of school traffic safety. No one (children, parents, visitors, staff, and community aides) sustained any injuries due to the presence of the community aides.

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.

DEPARTMENTAL 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

COMMUNITY AIDES (Code 1040), allows for crossing guard salaries.

GENERAL SUPPLIES (Code 2170), provides for safety equipment of community aides

CONTRACTUAL SERVICES (Code 3100), allocates for animal board and disposal costs.

PERSONNEL LEVELS

8 Part-time Community Aides

COMMUNITY SERVICE
42150
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1040	Crossing Guards	\$ 14,994	\$ 15,651	\$ 22,584	\$ 18,584	-17.7%
1200	FICA	928	965	1,400	1,152	-17.7%
1220	Medicare	217	226	327	269	-17.9%
	Total Personnel	<u>16,139</u>	<u>16,842</u>	<u>24,311</u>	<u>20,005</u>	<u>-17.7%</u>
	Supplies					
2170	General Supplies	103	-	400	400	0.0%
2180	Uniforms	72	86	500	500	0.0%
	Total Supplies	<u>175</u>	<u>86</u>	<u>900</u>	<u>900</u>	<u>0.0%</u>
	Services & Charges					
3100	Contractual Services	16,254	9,900	15,000	15,000	0.0%
	Total Services and Charges	<u>16,254</u>	<u>9,900</u>	<u>15,000</u>	<u>15,000</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 32,568</u></u>	<u><u>\$ 26,828</u></u>	<u><u>\$ 40,211</u></u>	<u><u>\$ 35,905</u></u>	<u><u>-10.7%</u></u>

Department: Fire Department

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 294,401	\$ 254,972	\$ 281,277	\$ 278,712	-0.9%
Supplies	137,548	44,273	42,207	40,051	-5.1%
Services & Charges	35,020	38,179	42,175	41,175	-2.4%
Charges	10,387	13,041	14,352	14,221	-0.9%
Capital Outlay	-	-	2,500	2,500	0.0%
Total Expenditures	\$ 477,356	\$ 350,465	\$ 382,511	\$ 376,659	-1.5%

DEPARTMENT DESCRIPTION

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.*

2012 Budget Highlights

The 2012 Fire Department budget shows a budgeted decrease of \$5,852 (-1.5%). Significant changes are as follows:

- Decreased wages and benefits by a net amount of \$2,565
- Increased computer supplies by \$1,000 (1 computer scheduled for replacement)
- Decreased allocation of shop charges by \$2,931
- Reduced training by \$1,000

2011/2012 Department Priorities

- 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.

ACTIVITIES SCOPE

- 624 Fire and rescue calls during 2010
- 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

DEPARTMENTAL GOALS

- 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

OFFICE SUPPLIES (Code 2000), provides for funds to upgrade and enhance computer hardware and software.

CITY SHOP CHARGES (Code 2240), costs related to vehicle maintenance.

CONFERENCES AND SCHOOLS (Code 3300), allocates funds for regional fire schools and meetings, sectional schools - State fire schools, State Fire Department Conference, and State Fire Chiefs Conference.

TRAINING (Code 3310), allocates funds for training expenses.

SUBSCRIPTIONS/MEMBERSHIPS (Code 4330), 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 Commanders)
- 1 Secretary (Volunteer)
- 1 Safety Officer (Volunteer)
- 2 Training Officer (Volunteer)
- 34 Volunteers

FIRE
42200
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
Personnel						
1010	Regular Employees	\$ 128,193	\$ 111,264	\$ 127,514	\$ 132,099	3.6%
1020	Overtime	24,223	24,308	33,000	28,000	-15.2%
1030	Part-time Employees	56,923	55,468	48,149	47,570	-1.2%
1080	Clothing/Uniform Allowance	1,350	1,565	1,800	1,800	0.0%
1100	Longevity	1,125	836	900	1,035	15.0%
1110	Severance Pay	27,988	-	-	-	0.0%
1200	FICA	3,846	3,273	3,707	3,661	-1.2%
1210	PERA	3,180	803	844	832	-1.5%
1220	Medicare	2,662	2,719	2,340	2,336	-0.2%
1230	PERA (Police & Fire)	18,631	19,121	21,567	21,551	-0.1%
1250	Insurance Rebate	2,700	2,400	2,400	2,400	0.0%
1300	Insurance	20,801	25,889	31,586	30,004	-5.0%
1310	VEBA Trust Funding	1,681	6,275	6,275	6,275	0.0%
1330	Life Insurance	598	621	621	621	0.0%
1340	Disability Insurance	500	430	574	528	-8.0%
Total Personnel		294,401	254,972	281,277	278,712	-0.9%
Supplies						
2000	Office Supplies	900	1,860	1,500	1,500	0.0%
2050	Computer Supplies	75	1,559	500	1,500	200.0%
2120	Motor fuels	2,259	3,543	5,000	5,000	0.0%
2151	Fire Grant Expenditure	91,948	-	-	-	0.0%
2160	Extinguisher supply	1,999	1,606	1,200	1,200	0.0%
2170	General Supplies	3,389	5,117	2,400	2,400	0.0%
2180	Uniforms	10,518	9,904	10,000	10,000	0.0%
2190	Safety Equipment	8,208	3,372	1,500	1,500	0.0%
2210	Equipment parts	4,842	4,134	4,000	4,000	0.0%
2220	Vehicle Maintenance	69	73	-	-	0.0%
2230	Bldg Rep/Maint Supplies	5,400	4,156	4,400	4,400	0.0%
2240	City Shop Charges	7,674	8,608	11,457	8,301	-27.5%
2400	Small Tools	267	341	250	250	0.0%
Total Supplies		137,548	44,273	42,207	40,051	-5.1%
Services & Charges						
3100	Contractual Services	5,571	6,707	8,000	8,000	0.0%
3200	Communications	3,669	4,426	4,000	4,000	0.0%
3300	Conf and Schools	4,446	3,133	5,000	5,000	0.0%
3310	Training	4,982	7,699	7,750	6,750	-12.9%
3400	Publishing / Advertising	80	65	425	425	0.0%
3800	Utilities	16,272	16,149	17,000	17,000	0.0%
Total Services and Charges		35,020	38,179	42,175	41,175	-2.4%
Charges						
4000	Repair/Maintenance	4,208	6,669	7,500	7,500	0.0%
4040	Repair/Maint-Equipment	286	438	-	-	0.0%
4100	Rent	2,100	2,100	3,000	3,000	0.0%
4330	Dues/Subscriptions	2,728	2,792	2,750	2,750	0.0%
4940	Safety Program	-	-	-	-	0.0%
4950	Comp Financing Acct	1,065	1,042	1,102	971	-11.9%
Total Charges		10,387	13,041	14,352	14,221	-0.9%
Capital Outlay						
5300	Improvements	-	-	2,500	2,500	100.0%
Total Capital Outlay		-	-	2,500	2,500	100.0%
TOTAL EXPENDITURES		\$ 477,356	\$ 350,465	\$ 382,511	\$ 376,659	-1.5%

Department: Civil Defense Department

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Charges	\$ 1,864	\$ 390	\$ 3,000	\$ 3,000	0.0%
Total Expenditures	\$ 1,864	\$ 390	\$ 3,000	\$ 3,000	0.0%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Civil Defense is budgeted at the same level as 2011.

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

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

CIVIL DEFENSE OPERATIONS
42300
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Expenditures						
	Charges					
4000	Repair/Maintenance	\$ 1,864	\$ 390	\$ 3,000	\$ 3,000	0.0%
	Total Charges	<u>1,864</u>	<u>390</u>	<u>3,000</u>	<u>3,000</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 1,864</u></u>	<u><u>\$ 390</u></u>	<u><u>\$ 3,000</u></u>	<u><u>\$ 3,000</u></u>	<u><u>0.0%</u></u>

Department: Building Inspections

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 94,120	\$ 101,156	\$ 97,406	\$ -	-100.0%
Supplies	1,412	1,066	3,635	1,700	-53.2%
Services & Charges	2,964	3,164	5,700	62,500	996.5%
Charges	1,169	1,264	1,226	1,128	-8.0%
Total Expenditures	\$ 99,665	\$ 106,650	\$ 107,967	\$ 65,328	-39.5%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Building Inspections Department budget shows a budgeted decrease of \$42,638 (-39.5%).

Significant changes are as follows:

- Eliminated Secretary position (60% allocated to Building Inspection)
- Building inspector position expected to be contracted in 2012
- Personnel costs reduced by \$97,405 and replaced with an increase in professional services of \$59,000.
- Eliminated motor fuels, uniforms, vehicle maintenance, city shop charges and conferences totaling \$4,135

Major Objectives Accomplished in 2010/2011

- ✓ Contracted Building Inspector in 2011.

2011/2012 Department Priorities

- 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.

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.

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.

CURRENT AND PROPOSED EXPENDITURES

SUPPLIES (Code 2000), includes printing forms required by the state for building permits (major expenditure) and other office supplies and general miscellaneous supplies

PROFESSIONAL SERVICES (Code 3000), for contracted building inspection services

SERVICES AND CHARGES (Code 3100), includes potential need for specialized expertise if needed, as well as wetland mitigation issues relating to proposed building sites and development

COMMUNICATIONS (Code 3200), provides for plan review and code enforcement correspondence, mailings of permits to applicants, and miscellaneous correspondence

COMPUTER FINANCING ACCOUNT (Code 4950), includes costs for computer maintenance fees.

PERSONNEL LEVELS

1 - Building Official (Will be contracted in 2012)

BUILDING INSPECTION
42400
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 64,835	\$ 67,507	\$ 65,214	\$ -	-100.0%
1020	Overtime	204	95	450	-	-100.0%
1100	Longevity	927	1,008	1,008	-	-100.0%
1200	FICA	3,761	3,818	4,134	-	-100.0%
1210	PERA	4,434	4,587	4,834	-	-100.0%
1220	Medicare	880	893	967	-	-100.0%
1250	Insurance Rebate	720	720	720	-	-100.0%
1300	Insurance	14,337	12,869	11,740	-	-100.0%
1310	VEBA Trust Funding	3,275	9,000	7,800	-	-100.0%
1330	Life Insurance	345	345	290	-	-100.0%
1340	Disability Insurance	402	314	250	-	-100.0%
	Total Personnel	94,120	101,156	97,406	-	-100.0%
	Supplies					
2000	Office Supplies	904	500	1,450	1,450	0.0%
2120	Motor fuels	338	482	1,000	-	-100.0%
2170	General Supplies	-	69	250	250	0.0%
2180	Uniforms	104	-	100	-	-100.0%
2220	Vehicle Maintenance	-	15	400	-	-100.0%
2240	City Shop Charges	66	-	435	-	-100.0%
	Total Supplies	1,412	1,066	3,635	1,700	-53.2%
	Services & Charges					
3000	Professional Services	1,239	1,654	2,000	61,000	2950.0%
3100	Contractual Services	192	-	1,000	1,000	0.0%
3200	Communications	506	707	500	500	0.0%
3300	Conf and Schools	1,027	803	2,200	-	-100.0%
	Total Services and Charges	2,964	3,164	5,700	62,500	996.5%
	Charges					
4330	Dues/Subscriptions	381	318	400	400	0.0%
4950	Comp Financing Acct	788	946	826	728	-11.9%
	Total Charges	1,169	1,264	1,226	1,128	-8.0%
	TOTAL EXPENDITURES	<u>\$ 99,665</u>	<u>\$ 106,650</u>	<u>\$ 107,967</u>	<u>\$ 65,328</u>	<u>-39.5%</u>

Department: Engineering

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 234,189	\$ 191,712	\$ 226,284	\$ 223,216	-1.4%
Supplies	7,489	4,404	14,783	12,188	-17.6%
Services & Charges	91,967	111,636	110,900	160,900	45.1%
Charges	3,676	4,397	6,554	6,327	-3.5%
Total Expenditures	\$ 337,321	\$ 312,149	\$ 358,521	\$ 402,631	12.3%

DEPARTMENT DESCRIPTION

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 (currently contracted part time), 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 allocated to appropriate grant funds on the basis of actual time spent.

2012 Budget Highlights

The 2012 Engineering Department budget shows a budgeted increase of 12.3%, mainly as a result of the addition of \$40,000 for additional staff time and consultant assistance for increasing and backlogged work.

Major Objectives Accomplished in 2010/2011

- ✓ Street Maintenance and Reconstruction completed
- ✓ Sewer Capital Improvement Plan completed
- ✓ Updated Special Assessment policy
- ✓ Flood recovery and evaluation of vulnerabilities for future improvement

2011/2012 Department Priorities

- Street Maintenance and Construction prioritization and completion
- 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
- Capital improvement project administration, design and construction, and annual street maintenance projects

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.

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
- 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

REGULAR EMPLOYEES(Code 1010-1340), reflects salaries for the Technicians and GIS position.

SUPPLIES (Code 2000), operational supplies for engineering services.

PROFESSIONAL SERVICES (Code 3000), Contracted City Engineer

CONTRACTED SERVICES (Code 4000), GIS support, software maintenance, wetland consultant.

CONFERENCES AND SCHOOLS (Code 3300), reflects expenses for the Minnesota MPWA Fall conference, Spring City Engineers Conference, fall MPWA Congress, GIS training and Pavement Management System training.

MILEAGE (Code 3350), mileage for other mileage expense.

DUES & SUPPLIES(Code 4330), Engineering publications, MnDOT technical subscriptions, APWA, and AutoCAD Tech Support.

COMPUTER FINANCING ACCOUNT(Code 4950), computer maintenance costs.

PERSONNEL LEVELS

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

ENGINEERING
43000
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 169,258	\$ 136,021	\$ 161,117	\$ 162,591	0.9%
1020	Overtime	3,803	2,720	8,000	4,000	-50.0%
1090	Cell Phone Reimbursement	473	1,080	540	1,080	100.0%
1100	Longevity	1,769	1,549	1,620	1,725	6.5%
1110	Severance Pay	11,482	-	-	-	0.0%
1200	FICA	10,984	10,127	10,619	10,503	-1.1%
1210	PERA	11,038	11,237	12,378	12,203	-1.4%
1220	Medicare	2,569	2,368	2,484	2,456	-1.1%
1250	Insurance Rebate	3,885	3,600	3,600	3,600	0.0%
1300	Insurance	14,006	12,924	15,787	14,994	-5.0%
1310	VEBA Trust Funding	3,738	9,000	9,000	9,000	0.0%
1330	Life Insurance	489	483	414	414	0.0%
1340	Disability Insurance	695	603	725	650	-10.3%
	Total Personnel	<u>234,189</u>	<u>191,712</u>	<u>226,284</u>	<u>223,216</u>	<u>-1.4%</u>
	Supplies					
2000	Office Supplies	825	1,393	2,250	2,400	6.7%
2050	Computer Supplies	426	53	4,705	1,900	-59.6%
2120	Motor fuels	1,246	1,207	2,200	2,400	9.1%
2170	General Supplies	702	1,111	2,750	2,800	1.8%
2190	Safety Equipment	349	-	500	500	0.0%
2210	Equipment parts	3,341	-	500	500	0.0%
2220	Vehicle Maintenance	-	44	-	-	0.0%
2240	City Shop Charges	600	596	1,878	1,688	-10.1%
	Total Supplies	<u>7,489</u>	<u>4,404</u>	<u>14,783</u>	<u>12,188</u>	<u>-17.6%</u>
	Services & Charges					
3000	Professional Services	3,193	91,787	93,600	143,600	53.4%
3100	Contractual Services	86,580	16,870	10,500	10,500	0.0%
3200	Communications	1,616	945	2,000	2,000	0.0%
3300	Conf and Schools	578	1,982	4,000	4,000	0.0%
3350	Car Allowance / Mileage	-	-	500	500	0.0%
3400	Publishing / Advertising	-	52	300	300	0.0%
	Total Services and Charges	<u>91,967</u>	<u>111,636</u>	<u>110,900</u>	<u>160,900</u>	<u>45.1%</u>
	Charges					
4040	Repair/Maint-Equipment	180	660	2,500	2,500	0.0%
4330	Dues/Subscriptions	298	290	1,200	1,200	0.0%
4940	Safety Program	-	-	100	200	100.0%
4950	Comp Financing Acct	3,198	3,447	2,754	2,427	-11.9%
	Total Charges	<u>3,676</u>	<u>4,397</u>	<u>6,554</u>	<u>6,327</u>	<u>-3.5%</u>
	TOTAL EXPENDITURES	<u><u>\$ 337,321</u></u>	<u><u>\$ 312,149</u></u>	<u><u>\$ 358,521</u></u>	<u><u>\$ 402,631</u></u>	<u><u>12.3%</u></u>

Department: Street Maintenance

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 305,888	\$ 287,328	\$ 299,069	\$ 286,808	-4.1%
Supplies	197,534	241,341	245,099	251,619	2.7%
Services & Charges	105,687	112,229	129,252	122,642	-5.1%
Charges	7,497	19,399	23,528	23,567	0.2%
Total Expenditures	\$ 616,606	\$ 660,297	\$ 696,948	\$ 684,636	-1.8%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Street Maintenance Department budget shows a budgeted decrease of \$12,312 (-1.8%). Personnel costs decreased by \$12,261, changes were made to allocate 5% of central garage employees to street maintenance and an additional 3% of street employees time are now allocated to the snow removal budget. Line item 101-43100-3101 Mosquito spraying was increased by \$3,000 to \$15,000 to cover the costs of the contracted service. We also increased line item 101-43100-4040 Equipment Repair/Maintenance for Bobcat upgrades to meet emissions standards. Allocated city shop charges were increased by \$7,192 and utilities decreased by \$9,610 based on the past year's actual costs. The rest of the budget line items remained at 2011 levels.

Major Objectives Accomplished in 2010/2011

- ✓ The Street Department has been doing overlays for the City instead of hiring contractors to do the work. We have successfully utilized our own track blacktop paver and milling machine at a cost savings to the City. We have also completed street maintenance and patch work to other streets to try to ensure a safe travelable road for the public.

2011/2012 Department Priorities

- To continue to do overlays for the City, and maintain the infrastructure within the City.
- Repair the largest portion of City streets to the condition levels of past years.
- Continue to repair sidewalks each year as far as the budget will allow.

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 (Code 1010-1340), 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 (Code 2120), fuel for equipment used to maintain the system

Code 2170, GENERAL SUPPLIES (Code 2170), allocates for patching and repair material, asphalt, concrete, gravel, safety equipment, and miscellaneous

Code 2240, CITY SHOP CHARGES (Code 2240), costs related to vehicle maintenance

Code 3100, CONTRACTURAL SERVICES (Code 3100), 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 (Code 3300), MPWA conference, safety school, computer training

Code 4000, REPAIR, MAINTENANCE (Code 4000), provides for roof repair on the truck storage building

Code 4040, REPAIR, EQUIPMENT (Code 4040), provides for bobcat upgrade

PERSONNEL LEVELS

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

STREET MAINTENANCE
43100
Revenues and Expenditures

	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
Personnel						
1010 Regular Employees	\$ 236,231	\$ 192,724	\$ 176,494	\$ 203,420	\$ 196,902	-3.2%
1020 Overtime	7,380	3,216	5,683	11,272	10,909	-3.2%
1030 Part-time Employees	208	-	-	-	-	0.0%
1090 Cellphone Reimbursement	-	-	1,796	-	-	0.0%
1100 Longevity	3,460	2,356	1,585	1,701	1,976	16.1%
1110 Severance Pay	6,548	-	-	-	-	0.0%
1200 FICA	24,093	15,568	11,425	13,416	12,857	-4.2%
1210 PERA	24,404	17,193	12,798	15,689	14,887	-5.1%
1220 Medicare	5,634	3,641	2,672	3,138	3,007	-4.2%
1250 Insurance Rebate	7,190	7,170	4,788	4,788	4,536	-5.3%
1300 Insurance	58,977	54,423	42,407	29,765	26,786	-10.0%
1310 VEBA Trust Funding	9,025	6,900	25,150	14,336	13,581	-5.3%
1330 Life Insurance	1,278	1,103	1,179	629	596	-5.3%
1340 Disability Insurance	1,725	1,594	1,351	915	771	-15.8%
Total Personnel	386,153	305,888	287,328	299,069	286,808	-4.1%
Supplies						
2000 Office Supplies	533	125	301	400	400	0.0%
2050 Computer Supplies	430	885	1,378	1,300	2,200	69.2%
2120 Motor fuels	51,157	33,169	52,167	43,000	43,000	0.0%
2170 General Supplies	69,004	93,859	99,845	125,475	125,475	0.0%
2180 Uniforms	3,988	3,710	5,671	7,400	7,400	0.0%
2190 Safety Equipment	189	-	-	-	-	0.0%
2210 Equipment parts	261	58	249	900	900	0.0%
2220 Vehicle Maintenance	8	10	218	-	-	0.0%
2240 City Shop Charges	66,560	64,744	79,944	65,424	71,044	8.6%
2400 Small Tools	801	974	1,568	1,200	1,200	0.0%
Total Supplies	192,931	197,534	241,341	245,099	251,619	2.7%
Services & Charges						
3000 Professional Services	565	-	859	-	-	0.0%
3100 Contractual Services	61,234	88,434	93,877	85,692	85,692	0.0%
3101 Contractual Services - Mosquito Spr	-	-	-	12,000	15,000	25.0%
3200 Communications	1,731	1,304	1,530	2,000	2,000	0.0%
3300 Conf and Schools	560	-	256	560	560	0.0%
3800 Utilities	23,744	15,949	15,707	29,000	19,390	-33.1%
Total Services and Charges	87,834	105,687	112,229	129,252	122,642	-5.1%
Charges						
4000 Repair/Maintenance	2,299	4,551	16,100	12,000	9,800	-18.3%
4040 Repair/Maint-Equipment	-	811	1,214	8,800	11,300	28.4%
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	2,085	2,203	1,942	-11.9%
Total Charges	11,053	7,497	19,399	23,528	23,567	0.2%
TOTAL EXPENDITURES	\$ 677,971	\$ 616,606	\$ 660,297	\$ 696,948	\$ 684,636	-1.8%

Department: Snow & Ice Removal

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 68,240	\$ 98,235	\$ 57,715	\$ 77,653	34.5%
Supplies	67,716	93,151	72,000	77,028	7.0%
Services & Charges	19,958	30,535	20,000	20,000	0.0%
Total Expenditures	<u>\$ 155,914</u>	<u>\$ 221,921</u>	<u>\$ 149,715</u>	<u>\$ 174,681</u>	<u>16.7%</u>

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Snow & Ice Removal Department budget shows a budgeted increase of \$24,966 (16.7%), mainly as a result of an increased allocation of street employee and shop employee time to snow and ice removal. Motor fuels line item 101-43125-2120 was increased by \$5,000.

Major Objectives Accomplished in 2010/2011

- ✓ In 2010 and 2011 we had record amounts of snow as shown, which will be reflected in the actual costs incurred. Despite the difficult winter snow accumulations we still provided the community with excellent snow and ice removal. Crews worked very hard to accomplish this.
- ✓ We had a few complaints of how we cleaned the downtown businesses of snow, these concerns have been resolved through changes in snow removal practices. However, we still need to provide clean residential streets for fire protection and ambulance services.

2011/2012 Department Priorities

- To provide good snow removal and ice removal service to the community in a timely manner within our budget.
- To work with the downtown businesses and homeowners when they have concerns with snow removal.

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

REGULAR EMPLOYEES (Code 1010-1340), hours are estimated and charged to this account dependent on the presence of snow and ice

GENERAL SUPPLIES (Code 2170), provides for salt, sand and blade cutting edges.

CITY SHOP CHARGES (Code 2240), for costs related to equipment maintenance and upkeep.

CONTRACTURAL SERVICES (Code 3100), 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

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 51,270	\$ 69,794	\$ 39,257	\$ 54,172	38.0%
1020	Overtime	12,961	14,557	2,175	2,999	37.9%
1090	Cellphone Reimbursement	-	347	-	-	0.0%
1100	Longevity	5	306	328	512	55.9%
1200	FICA	1,710	5,191	2,589	3,333	28.7%
1210	PERA	1,894	5,902	3,028	3,860	27.5%
1220	Medicare	400	1,214	606	780	28.8%
1250	Insurance Rebate	-	924	924	1,176	27.3%
1300	Insurance	-	-	5,744	6,945	20.9%
1310	VEBA Trust Funding	-	-	2,767	3,521	27.3%
1330	Life Insurance	-	-	121	155	27.6%
1340	Disability Insurance	-	-	177	200	13.2%
	Total Personnel	<u>68,240</u>	<u>98,235</u>	<u>57,715</u>	<u>77,653</u>	<u>34.5%</u>
	Supplies					
2120	Motor fuels	3,480	11,507	7,000	12,000	71.4%
2170	General Supplies	25,340	43,163	30,000	30,000	0.0%
2240	City Shop Charges	38,896	38,481	35,000	35,028	0.1%
	Total Supplies	<u>67,716</u>	<u>93,151</u>	<u>72,000</u>	<u>77,028</u>	<u>7.0%</u>
	Services & Charges					
3100	Contractual Services	19,958	30,535	20,000	20,000	0.0%
	Total Services and Charges	<u>19,958</u>	<u>30,535</u>	<u>20,000</u>	<u>20,000</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 155,914</u></u>	<u><u>\$ 221,921</u></u>	<u><u>\$ 149,715</u></u>	<u><u>\$ 174,681</u></u>	<u><u>16.7%</u></u>

Department: Surface Water Management

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 15,503	\$ 28,917	\$ 31,480	\$ 31,601	0.4%
Supplies	2,189	2,125	3,647	2,524	-30.8%
Services & Charges	6,423	3,125	54,250	8,698	-84.0%
Charges	10,203	8,002	9,000	9,000	0.0%
Total Expenditures	\$ 34,318	\$ 42,169	\$ 98,377	\$ 51,823	-47.3%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Surface Water Management Department budget was decreased by \$46,554 or (-47.3%), mainly as a result of the elimination of \$45,000 in professional and contractual services.

Major Objectives Accomplished in 2010/2011

- ✓ With all the rain and flooding that we have had in the past two years we have had a lot of repairs to our storm sewer system and we have accomplished this within the budget.
- ✓ To maintain the storm sewer system from flooding home owners homes to the best of our ability.

2011/2012 Department Priorities

- Begin cleaning our storm sewers pipes with our new sewer jetter. The storm sewers have a large amount of debris that has built up in them. This is expected to take a few years to accomplish, but we are going to work the cleaning into the schedule as time permits each year.

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

CURRENT AND PROPOSED EXPENDITURES

PERSONNEL (Code 1010-1340), includes the salaries of personnel from Engineering and Public Works to maintain the facilities installed to treat surface runoff.

PROFESSIONAL SERVICES (Code 3000), includes engineering consultant fees for the development of a wetland inventory. Future pond maintenance has been deferred for 2007 and beyond.

UTILITIES (Code 3800), includes electrical cost of operating pumps, heating, includes the cost of utilities to operate pumps and aerators.

REPAIR/MAINTENANCE (Code 4000), 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

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 14,061	\$ 21,171	\$ 21,413	\$ 21,409	0.0%
1020	Overtime	1	3,270	1,187	1,187	0.0%
1090	Cellphone Reimbursement	-	189	-	227	100.0%
1100	Longevity	9	167	179	220	22.9%
1200	FICA	606	1,537	1,412	1,429	1.2%
1210	PERA	673	1,719	1,651	1,654	0.2%
1220	Medicare	142	360	330	334	1.2%
1250	Insurance Rebate	11	504	504	504	0.0%
1300	Insurance	-	-	3,133	2,976	-5.0%
1310	VEBA Trust Funding	-	-	1,509	1,509	0.0%
1330	Life Insurance	-	-	66	66	0.0%
1340	Disability Insurance	-	-	96	86	-10.4%
	Total Personnel	<u>15,503</u>	<u>28,917</u>	<u>31,480</u>	<u>31,601</u>	<u>0.4%</u>
	Supplies					
2120	Motor fuels	84	-	-	-	0.0%
2220	Vehicle Maintenance	10	30	-	-	0.0%
2240	City Shop Charges	2,095	2,095	3,647	2,524	-30.8%
	Total Supplies	<u>2,189</u>	<u>2,125</u>	<u>3,647</u>	<u>2,524</u>	<u>-30.8%</u>
	Services & Charges					
3000	Professional Services	1,321	102	30,000	-	0.0%
3100	Contractual Services	45	284	15,000	-	0.0%
3120	Contractual Services - Lakes	869	-	4,400	4,400	0.0%
3300	Conf and Schools	41	-	150	150	0.0%
3400	Publishing / Advertising	400	29	400	400	0.0%
3800	Utilities	3,747	2,710	4,300	3,748	-12.8%
	Total Services and Charges	<u>6,423</u>	<u>3,125</u>	<u>54,250</u>	<u>8,698</u>	<u>-84.0%</u>
	Charges					
4000	Repair/Maintenance	10,203	8,002	9,000	9,000	0.0%
	Total Charges	<u>10,203</u>	<u>8,002</u>	<u>9,000</u>	<u>9,000</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 34,318</u></u>	<u><u>\$ 42,169</u></u>	<u><u>\$ 98,377</u></u>	<u><u>\$ 51,823</u></u>	<u><u>-47.3%</u></u>

Department: Street Lighting

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Services & Charges	\$ 90,352	\$ 83,791	\$ 90,000	\$ 89,367	-0.7%
Total Expenditures	\$ 90,352	\$ 83,791	\$ 90,000	\$ 89,367	-0.7%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Street Lighting Department budget shows a budgeted decrease of \$633 (-0.7%).

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

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

PERSONNEL LEVELS

None assigned

STREET LIGHTING
43160
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Expenditures						
	Services & Charges					
3800	Utilities	\$ 90,352	\$ 83,791	\$ 90,000	\$ 89,367	-0.7%
	Total Services and Charges	<u>90,352</u>	<u>83,791</u>	<u>90,000</u>	<u>89,367</u>	<u>-0.7%</u>
	TOTAL EXPENDITURES	<u><u>\$ 90,352</u></u>	<u><u>\$ 83,791</u></u>	<u><u>\$ 90,000</u></u>	<u><u>\$ 89,367</u></u>	<u><u>-0.7%</u></u>

Department: Traffic Signs & Markings

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 2,665	\$ 12,991	\$ 15,741	\$ 15,800	0.4%
Supplies	13,709	11,451	15,906	15,031	-5.5%
Services & Charges	6,285	3,565	16,000	13,978	-12.6%
Total Expenditures	<u>\$ 22,659</u>	<u>\$ 28,007</u>	<u>\$ 47,647</u>	<u>\$ 44,809</u>	<u>-6.0%</u>

DEPARTMENT DESCRIPTION

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, 7th Avenue North and State Street, 13th Avenue North and State Street, 4th Street West and Elm Avenue, and the recently installed Highway 13 North and 22nd Avenue North signal have split maintenance responsibilities between the Minnesota Department of Transportation and the City of Waseca.

2012 Budget Highlights

The 2012 Traffic Signs & Markings Department budget shows a budgeted decrease of \$2,838 (-6.0%). We increased the budget line item 101-43170-2170 by \$2,125 to keep replacing our street signs with high intensity grade reflectivity sheeting that we are mandated to replace by the year 2015. Utilities expense was decreased by \$2,022 to reflect actual costs.

Major Objectives Accomplished in 2010/2011

- ✓ We will have all the Traffic Signal Lights changed to LED lights this year which will pay for themselves in 5 years in electricity.
- ✓ We have started to change our street signs to high intensity sheeting for reflectivity for night driving. This allows the head lights of vehicles to reflect the signage back to the driver for better visibility.

2011/2012 Department Priorities

- To continue to change street signs to high intensity.
- To keep the Cities signage in good shape for a safer place to drive and signage information.

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

PERSONNEL (Code 1010-1340), personnel charges from public works personnel for activities to maintain the system

GENERAL SUPPLIES (Code 2170), allocates for paint, signs, posts, barricades/traffic control devices.

CONTRACTUAL SERVICES (Code 3100), provides for centerline stripping.

UTILITIES (Code 3800), 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

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 2,417	\$ 10,734	\$ 10,706	\$ 10,705	0.0%
1020	Overtime	44	205	593	593	0.0%
1090	Cellphone Reimbursement	-	95	-	113	100.0%
1100	Longevity	-	84	90	110	22.2%
1200	FICA	87	690	706	714	1.1%
1210	PERA	97	770	826	827	0.1%
1220	Medicare	20	161	165	167	1.2%
1250	Insurance Rebate	-	252	252	252	0.0%
1300	Insurance	-	-	1,567	1,488	-5.0%
1310	VEBA Trust Funding	-	-	755	755	0.0%
1330	Life Insurance	-	-	33	33	0.0%
1340	Disability Insurance	-	-	48	43	-10.4%
	Total Personnel	<u>2,665</u>	<u>12,991</u>	<u>15,741</u>	<u>15,800</u>	<u>0.4%</u>
	Supplies					
2170	General Supplies	8,779	6,707	6,875	9,000	30.9%
2210	Equipment Parts	4,930	4,744	9,031	6,031	-33.2%
	Total Supplies	<u>13,709</u>	<u>11,451</u>	<u>15,906</u>	<u>15,031</u>	<u>-5.5%</u>
	Services & Charges					
3100	Contractual Services	990	60	9,000	9,000	0.0%
3800	Utilities	5,295	3,505	7,000	4,978	-28.9%
	Total Services and Charges	<u>6,285</u>	<u>3,565</u>	<u>16,000</u>	<u>13,978</u>	<u>-12.6%</u>
	TOTAL EXPENDITURES	<u><u>\$ 22,659</u></u>	<u><u>\$ 28,007</u></u>	<u><u>\$ 47,647</u></u>	<u><u>\$ 44,809</u></u>	<u><u>-6.0%</u></u>

Department: Street Cleaning

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 20,858	\$ 22,157	\$ 26,234	\$ 26,333	0.4%
Supplies	40,926	13,928	32,179	27,064	-15.9%
Total Expenditures	\$ 61,784	\$ 36,085	\$ 58,413	\$ 53,397	-8.6%

DEPARTMENT DESCRIPTION

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 aesthetic, sanitary and environmental purposes.

2012 Budget Highlights

The 2012 Street Cleaning Department budget shows a budgeted decrease of 8.6%. Shop charges line item 101-43220-2240 was decreased by \$4,516 based on the prior three year-average. A new street sweeper was purchased this spring which should reduce the need for replacement parts and labor.

Major Objectives Accomplished in 2010/2011

- ✓ Purchase of a new street sweeper to replace the 12 year old street sweeper.

2011/2012 Department Priorities

- To continue to provide a clean environment throughout the City.
- Weekly sweeping to keep our storm sewer pipes from filling up with debris.

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

CITY SHOP CHARGES (Code 2240), reflect costs for maintenance of the sweeper, originally purchased in 1998. A new sweeper was purchased in 2011.

PERSONNEL LEVELS

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

STREET CLEANING
43220
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 18,722	\$ 18,476	\$ 17,844	\$ 17,841	0.0%
1020	Overtime	-	191	989	989	0.0%
1090	Cellphone Reimbursement	-	158	-	189	100.0%
1100	Longevity	-	140	149	183	22.6%
1200	FICA	909	1,182	1,177	1,191	1.2%
1210	PERA	1,014	1,314	1,376	1,378	0.1%
1220	Medicare	213	276	275	278	1.0%
1250	Insurance Rebate	-	420	420	420	0.0%
1300	Insurance	-	-	2,611	2,480	-5.0%
1310	VEBA Trust Funding	-	-	1,258	1,258	0.0%
1330	Life Insurance	-	-	55	55	-0.4%
1340	Disability Insurance	-	-	80	71	-11.6%
	Total Personnel	<u>20,858</u>	<u>22,157</u>	<u>26,234</u>	<u>26,333</u>	<u>0.4%</u>
	Supplies					
2240	City Shop Charges	40,926	13,928	32,179	27,064	-15.9%
	Total Supplies	<u>40,926</u>	<u>13,928</u>	<u>32,179</u>	<u>27,064</u>	<u>-15.9%</u>
	TOTAL EXPENDITURES	<u><u>\$ 61,784</u></u>	<u><u>\$ 36,085</u></u>	<u><u>\$ 58,413</u></u>	<u><u>\$ 53,397</u></u>	<u><u>-8.6%</u></u>

Department: Recreation (Community Ed.)

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Services & Charges	\$ 121,000	\$ 107,798	\$ 100,000	\$ 100,000	0.0%
Total Expenditures	\$ 121,000	\$ 107,798	\$ 100,000	\$ 100,000	0.0%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 Recreation program is budgeted at the same level as 2011.

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 REVENUES

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$121,000	\$121,000	\$121,000	\$100,000	\$100,000

RECREATION - COMMUNITY ED
45100
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Expenditures						
	Services & Charges					
3100	Contractual Services	\$ 121,000	\$ 107,798	\$ 100,000	\$ 100,000	0.0%
	Total Services and Charges	<u>121,000</u>	<u>107,798</u>	<u>100,000</u>	<u>100,000</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 121,000</u></u>	<u><u>\$ 107,798</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 100,000</u></u>	<u><u>0.0%</u></u>

Department: Parks

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 293,142	\$ 308,882	\$ 335,194	\$ 322,850	-3.7%
Supplies	59,429	64,247	60,534	60,366	-0.3%
Services & Charges	32,532	30,444	45,100	37,971	-15.8%
Charges	19,840	16,046	16,601	20,185	21.6%
Capital Outlay	-	-	6,000	-	-100.0%
Total Expenditures	\$ 404,943	\$ 419,619	\$ 463,429	\$ 441,372	-4.8%

DEPARTMENT DESCRIPTION

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 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.

2012 Budget Highlights

The 2012 Parks Department budget shows a budgeted decrease of \$22,057 (-4.8%). Significant changes are as follows:

- Decreased contractual services by \$5,500
- Decreased general supplies by \$3,250
- Reduced utilities by \$1,629
- Increased repair and maintenance by \$4,200
- Eliminated \$6,000 budgeted improvements
- Increased allocation of motor fuels and city shop charges by \$3,414

Major Objectives Accomplished in 2010/2011

- ✓ Tree planting.
- ✓ Maintained park system.

2011/2012 Department Priorities

- Preventative maintenance on bike trail – seal coat.

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, Reforestation Program, and Emerald Ash Borer preparedness
- Maintenance of the downtown walkway and streetscape improvements
- Parks currently have about 10,000 users through the park reservation system for picnics and scheduled activities and considerably more casual users.

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

PERSONNEL (Code 1010-1340), charges from permanent and assigned personnel labor

GENERAL SUPPLIES (Code 2170), 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.

CITY SHOP CHARGES (Code 2240), costs related to vehicle maintenance.

REPAIRS/MAINTENANCE/SUPPLIES (Code 2280), budget includes such items as: paint, stain, wood preservatives, sand and rock, dock repairs, asphalt sealer for basketball and tennis courts, etc.

CONTRACTURAL SERVICES (Code 3100), 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.

CONFERENCES/SCHOOLS (Code 3300), turf training, tree inspection workshops and maintenance training, equipment seminars, MPSA quarterly meetings, pesticide certification training

REPAIRS/MAINTENANCE/BUILDINGS (Code 4000), budget includes repair of structures and buildings due to vandalism and normal wear, basketball court reconstruction

RENTALS (Code 4100), funding for portable toilets and equipment used at the hockey rinks, High School facilities

PERSONNEL LEVELS

1 Park Director

3 Public Works employees

3-4 Seasonal and temporary employees

PARK MAINTENANCE
45200
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1010	Regular Employees	\$ 177,806	\$ 180,379	\$ 182,333	\$ 182,302	0.0%
1020	Overtime	3,835	4,374	6,000	6,000	0.0%
1030	Part-time Employees	29,983	29,174	38,854	38,280	-1.5%
1100	Longevity	3,135	3,645	3,600	3,780	5.0%
1200	FICA	12,292	12,474	14,309	14,282	-0.2%
1210	PERA	14,449	15,131	16,732	16,701	-0.2%
1220	Medicare	2,875	2,917	3,346	3,340	-0.2%
1250	Insurance Rebate	1,200	1,200	1,200	2,400	100.0%
1300	Insurance	40,708	41,147	50,253	40,290	-19.8%
1310	VEBA Trust Funding	5,400	17,125	17,125	14,125	-17.5%
1330	Life Insurance	621	621	621	621	0.0%
1340	Disability Insurance	838	695	820	729	-11.2%
	Total Personnel	<u>293,142</u>	<u>308,882</u>	<u>335,194</u>	<u>322,850</u>	<u>-3.7%</u>
	Supplies					
2000	Office Supplies	39	104	250	250	0.0%
2050	Computer Supplies	-	-	100	100	0.0%
2120	Motor fuels	12,987	12,181	6,500	8,500	30.8%
2170	General Supplies	24,040	27,436	28,100	24,850	-11.6%
2180	Uniforms	1,559	1,954	2,200	2,200	0.0%
2190	Safety Equipment	750	1,275	700	700	0.0%
2210	Equipment parts	677	534	1,000	1,000	0.0%
2220	Vehicle Maintenance	-	97	-	-	0.0%
2230	Bldg Rep/Maint Supplies	1,460	1,965	3,000	3,000	0.0%
2240	City Shop Charges	13,603	15,541	13,934	15,016	7.8%
2280	Repair/Maint Supplies	3,758	2,520	4,000	4,000	0.0%
2400	Small Tools	556	640	750	750	0.0%
	Total Supplies	<u>59,429</u>	<u>64,247</u>	<u>60,534</u>	<u>60,366</u>	<u>-0.3%</u>
	Services & Charges					
3100	Contractual Services	22,512	22,839	33,100	27,600	-16.6%
3200	Communications	445	570	700	700	0.0%
3300	Conf and Schools	889	677	1,200	1,200	0.0%
3400	Publishing / Advertising	-	-	100	100	0.0%
3800	Utilities	8,686	6,358	10,000	8,371	-16.3%
	Total Services and Charges	<u>32,532</u>	<u>30,444</u>	<u>45,100</u>	<u>37,971</u>	<u>-15.8%</u>
	Charges					
4000	Repair/Maintenance	13,004	8,305	8,900	13,100	47.2%
4040	Repair/Maint-Equipment	1,139	1,744	800	800	0.0%
4100	Rent	4,751	5,094	4,800	4,800	0.0%
4330	Dues/Subscriptions	283	292	300	300	0.0%
4550	Interdept charges	-	-	550	-	0.0%
4940	Safety Program	132	90	700	700	0.0%
4950	Comp Financing Acct	531	521	551	485	-11.9%
	Total Charges	<u>19,840</u>	<u>16,046</u>	<u>16,601</u>	<u>20,185</u>	<u>21.6%</u>
	Capital Outlay					
5300	Improvements	-	-	6,000	-	0.0%
	Total Capital Outlay	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u>\$ 404,943</u>	<u>\$ 419,619</u>	<u>\$ 463,429</u>	<u>\$ 441,372</u>	<u>-4.8%</u>

Department: Waseca Lesueur Regional Library

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Supplies	\$ 694	\$ -	\$ -	\$ -	0.0%
Services & Charges	20	-	-	-	0.0%
Charges	192,344	182,622	195,847	177,362	-9.4%
Total Expenditures	\$ 193,058	\$ 182,622	\$ 195,847	\$ 177,362	-9.4%

DEPARTMENT DESCRIPTION

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. 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.

2012 Budget Highlights

The 2012 Waseca Lesueur Regional Library Department is budgeted at a decrease of \$18,485 (-9.45%). This is currently based on an estimated Required Level of Support based on the reduction of local government aid allocated to the City, we have not received the certified amount.

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

REPAIR/MAINTENANCE (Code 4000), provides for the City payments to the library system for carpet replacement. In 2010, we made the first of five payments.

LIBRARY CONTRIBUTION (Code 4720), provides for City payment to the library system from the General Fund tax levy.

WASECA LESUEUR REGIONAL LIBRARY
45500
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Expenditures						
	Supplies					
2280	Repair/Maint Supplies	\$ 694	\$ -	\$ -	\$ -	0.0%
	Total Supplies	<u>694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	Services & Charges					
3100	Contractual Services	20	-	-		0.0%
	Total Services and Charges	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	Charges					
4000	Repair/Maintenance	-	10,646	11,000	11,000	0.0%
4720	Other Units	192,344	171,976	184,847	166,362	-10.0%
	Total Charges	<u>192,344</u>	<u>182,622</u>	<u>195,847</u>	<u>177,362</u>	<u>-9.4%</u>
	TOTAL EXPENDITURES	<u><u>\$ 193,058</u></u>	<u><u>\$ 182,622</u></u>	<u><u>\$ 195,847</u></u>	<u><u>\$ 177,362</u></u>	<u><u>-9.4%</u></u>

Department: Waseca Transportation Funding

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Charges	\$ 25,600	\$ 19,229	\$ 25,500	\$ 20,400	-20.0%
Total Expenditures	\$ 25,600	\$ 19,229	\$ 25,500	\$ 20,400	-20.0%

DEPARTMENT DESCRIPTION

Waseca Transportation funding is related to the City's participation in the Waseca Transportation Program.

2012 Budget Highlights

The 2012 Waseca Transportation Program Funding budget is reduced by \$5,100 or (-20%). The 2012 actual request for funding was \$25,160.

CURRENT AND PROPOSED EXPENDITURES

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

WASECA TRANSPORTATION PROGRAM
45600
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Expenditures						
	Charges					
4730	Community Transportation	\$ 25,600	\$ 19,229	\$ 25,500	\$ 20,400	-20.0%
	Total Charges	<u>25,600</u>	<u>19,229</u>	<u>25,500</u>	<u>20,400</u>	<u>-20.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 25,600</u></u>	<u><u>\$ 19,229</u></u>	<u><u>\$ 25,500</u></u>	<u><u>\$ 20,400</u></u>	<u><u>-20.0%</u></u>

Department: Non-Departmental General Expenditures

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Personnel	\$ 96,438	\$ 129,519	\$ 117,350	\$ 92,148	-21.5%
Services & Charges	40,000	40,000	51,313	40,950	-20.2%
Charges	37,866	22,615	57,125	23,325	-59.2%
Total Expenditures	\$ 174,304	\$ 192,134	\$ 225,788	\$ 156,423	-30.7%

DEPARTMENT DESCRIPTION

Non-departmental general expenditure is the aggregation of various activities that are not department specific.

2012 Budget Highlights

The 2012 Non-Departmental General Expenditures budget shows a budgeted decrease of \$69,365 (-30.7%). Significant changes are as follows:

- Decreased equipment replacement costs \$16,000 (one-time telephone system upgrade in 2011)
- Decreased computer financing account \$11,400 (one-time server upgrade in 2011)
- Decreased cost of in-house safety program \$6,400
- Maintained 2011 salary and benefit appropriations at \$10,000
- Decreased workers compensation insurance by \$25,202
- Decreased property and liability insurance by \$10,363

CURRENT AND PROPOSED EXPENDITURES

PERSONNEL PROJECTS (Code 4780), for staff updates, seminars, and skills training

SAFETY PROGRAM (Code 4940), provides funds for an employee safety program, training and education options

COMPUTER FINANCING (Code 4950), 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.

SALARY APPROPRIATIONS

For 2012, this amount is appropriated for costs related to personnel adjustments beyond line item amounts.

NON-DEPARTMENTAL GENERAL EXPENSE
49210
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Charges					
4740	Equipment replacement costs	\$ -	\$ -	\$ 16,000	\$ -	0.0%
4780	Personnel projects	3,791	3,541	2,000	2,000	0.0%
4890	Comparable worth	-	-	2,500	2,500	0.0%
4930	Employee Recognition	221	53	1,000	1,000	0.0%
4940	Safety Program	7,759	3,822	8,400	2,000	-76.2%
4950	Comp Financing Acct	26,095	15,199	27,225	15,825	-41.9%
	Total Charges	37,866	22,615	57,125	23,325	-59.2%
	TOTAL EXPENDITURES	<u>\$ 37,866</u>	<u>\$ 22,615</u>	<u>\$ 57,125</u>	<u>\$ 23,325</u>	<u>-59.2%</u>

INSURANCE
49220
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1410	Unemployment	\$ 462	\$ 68	\$ 4,500	\$ 4,500	0.0%
1510	Workers Comp	92,906	114,803	101,250	76,048	-24.9%
1540	COBRA	(1,341)	-	-	-	0.0%
1550	Emp Share Health insurance	(74)	6,545	-	-	0.0%
	Total Personnel	<u>91,953</u>	<u>121,416</u>	<u>105,750</u>	<u>80,548</u>	<u>-23.8%</u>
	Services & Charges					
3610	Public Liab Insurance	40,000	40,000	51,313	40,950	-20.2%
	Total Services and Charges	<u>40,000</u>	<u>40,000</u>	<u>51,313</u>	<u>40,950</u>	<u>-20.2%</u>
	TOTAL EXPENDITURES	<u><u>\$ 131,953</u></u>	<u><u>\$ 161,416</u></u>	<u><u>\$ 157,063</u></u>	<u><u>\$ 121,498</u></u>	<u><u>-22.6%</u></u>

FLEXIBLE BENEFIT PLAN
49244
Revenues and Expenditures

		<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>ACTUAL</u>	<u>2011</u> <u>BUDGET</u>	<u>2012</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
Expenditures						
	Personnel					
1600	Flex Benefit Plan	\$ 4,485	\$ 8,103	\$ 1,600	\$ 1,600	0.0%
	Total Personnel	<u>4,485</u>	<u>8,103</u>	<u>1,600</u>	<u>1,600</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u><u>\$ 4,485</u></u>	<u><u>\$ 8,103</u></u>	<u><u>\$ 1,600</u></u>	<u><u>\$ 1,600</u></u>	<u><u>0.0%</u></u>

APPROPRIATIONS
49293
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Expenditures						
	Personnel					
1700	Salary Appropriation	\$ -	\$ -	\$ 2,500	\$ 2,500	0.0%
1701	Benefit Appropriation	-	-	7,500	7,500	0.0%
	Total Personnel	-	-	10,000	10,000	0.0%
	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>0.0%</u>

Department: General Fund Transfers

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Transfers	\$ 1,322,412	\$ 1,216,668	\$ 1,330,915	\$ 1,445,766	8.6%
Total Expenditures	\$ 1,322,412	\$ 1,216,668	\$ 1,330,915	\$ 1,445,766	8.6%

DEPARTMENT DESCRIPTION

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.

2012 Budget Highlights

The 2012 General Fund Transfers budget shows a budgeted increase of \$114,851 (8.6%), mainly as a result of an increased transfer to the Equipment Replacement fund and Capital Improvement fund.

CURRENT AND PROPOSED EXPENDITURES

TRANSFER - FIRE RELIEF (Code 7220), 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 the Fire Department pension as a result of the down economy and lost investments. The amount was subsequently lowered for 2011 and 2012 as the economy rebounded.

TRANSFER – Water Park (Code 7240), 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.

TRANSFER – CIP (Code 7250), 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.

TRANSFER – DEBT (Code 7270), allocates for the General Fund annual transfer to fund a portion of the NW Construction Site Debt Service payments.

TRANSFER - EQUIPMENT REPLACEMENT (Code 7380), 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.

TRANSFER – Enterprise Funds (Code 7395), 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

		<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>ACTUAL</u>	<u>2011</u> <u>BUDGET</u>	<u>2012</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
Expenditures						
	Transfers					
7220	Transfer - Fire Relief	\$ 10,720	\$ 75,657	\$ 50,313	\$ 34,470	-31.5%
7240	Transfer - Water park	-	-	75,000	50,000	-33.3%
7250	Transfer - CIP fund	600,780	500,000	500,000	557,356	11.5%
7270	Transfer / Debt	99,807	98,262	104,568	105,316	0.7%
7370	Transfer - Police Separation	2,000	-	-	-	0.0%
7380	Transfer - Equipment Replacement	286,000	354,564	413,971	515,530	24.5%
7395	Transfer - Enterprise Funds	323,105	188,185	187,063	183,094	-2.1%
	Total Transfers	<u>1,322,412</u>	<u>1,216,668</u>	<u>1,330,915</u>	<u>1,445,766</u>	<u>8.6%</u>
	TOTAL EXPENDITURES	<u><u>\$ 1,322,412</u></u>	<u><u>\$ 1,216,668</u></u>	<u><u>\$ 1,330,915</u></u>	<u><u>\$ 1,445,766</u></u>	<u><u>8.6%</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:

Accounts for the municipal airport operations.

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.

HERITAGE PRESERVATION FUND:

Established to account for the grant funding and expenditures relating to the Heritage Preservation of Waseca

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.

Special Revenue Fund: Small Cities Grant – Clear Lake Press

	2009	2010	2011	2012	%
	ACTUAL	ACTUAL	BUDGET	BUDGET	CHANGE
Revenue					
Interest & Misc. Revenues	\$ 25,927	\$ 27,217	\$ 4,240	\$ 4,240	0.0%
Expenditure					
Supplies	\$ -	\$ -	\$ -	\$ -	0.0%
Services & Charges	3,681	31,204	100	100	0.0%
Charges	31,718	-	-	-	0.0%
Net Increase (Decrease)	\$ (9,472)	\$ (3,987)	\$ 4,140	\$ 4,140	0.0%

DEPARTMENT DESCRIPTION

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 Economic Development Authority for review and authorization prior to fund commitment.

SMALL CITIES PROG DEV GRANT - CLEAR LAKE PRESS
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenues					
205-36205-0000	Interest on loans	\$ 4,618	\$ 2,830	\$ 2,100	\$ 2,100	0.0%
205-36210-0000	Interest Earnings	4,093	3,489	2,140	2,140	0.0%
205-36255-0000	CLP Reimbursement	17,216	20,898	-	-	0.0%
	Total Interest & Misc Rev	25,927	27,217	4,240	4,240	0.0%
	TOTAL REVENUES	<u>\$ 25,927</u>	<u>\$ 27,217</u>	<u>\$ 4,240</u>	<u>\$ 4,240</u>	<u>0.0%</u>
Expenditures						
	Services & Charges					
205-46500-3000	Professional Services	\$ 3,581	\$ 31,204	\$ -	\$ -	0.0%
205-46500-3001	Professional Services - Audit Fees	100	-	100	100	0.0%
	Total Services & Charges	3,681	31,204	100	100	0.0%
	Charges					
205-46500-4980	Loans/SCDP Grant	31,718	-	-	-	0.0%
	Total Charges	31,718	-	-	-	0.0%
	TOTAL EXPENDITURES	<u>\$ 35,399</u>	<u>\$ 31,204</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>0.0%</u>
	Net Increase (Decrease) in Fund Balance	<u><u>\$ (9,472)</u></u>	<u><u>\$ (3,987)</u></u>	<u><u>\$ 4,140</u></u>	<u><u>\$ 4,140</u></u>	<u><u>0.0%</u></u>

Department: Tax Increment Financing

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Intergovernmental Revenues	\$ 235,457	\$ 238,640	\$ 253,983	\$ 253,983	0.0%
Interest & Misc. Revenues	2,732	1,264	-	-	0.0%
Expenditure					
Personnel	\$ 324	\$ -	\$ -	\$ -	0.0%
Supplies	-	-	-	-	0.0%
Services & Charges	4,300	4,523	2,000	4,200	110.0%
Charges	122,754	71,718	84,535	84,535	0.0%
Capital Outlay	47,857	-	-	-	0.0%
Transfers	70,993	73,893	80,948	80,948	0.0%
Net Increase (Decrease)	\$ (8,039)	\$ 89,770	\$ 86,500	\$ 84,300	-2.5%

DEPARTMENT DESCRIPTION

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.

ACTIVITIES SCOPE

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 was decertified in 2010.

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 started generating increment in 2010. The project should continue until January of 2035

PARKVIEW ESTATES TIF
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
220-33632-0000	County TIF Payment	\$ 13,911	\$ -	\$ -	\$ -	0.0%
220-36210-0000	Interest earnings	362	127	-	-	0.0%
	Total Intergovernmental Rev	14,273	127	-	-	0.0%
	TOTAL REVENUES	<u>\$ 14,273</u>	<u>\$ 127</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
Expenditures						
	Personnel					
220-46630-1010	Regular Employees	\$ 186	\$ -	\$ -	\$ -	0.0%
220-46630-1200	FICA	13	-	-	-	0.0%
220-46630-1210	PERA	15	-	-	-	0.0%
220-46630-1220	Medicare	3	-	-	-	0.0%
	Total Personnel	217	-	-	-	0.0%
	Services & Charges					
220-46630-3000	Professional Services	500	483	-	-	0.0%
220-46630-3001	Audit Fees	200	200	-	-	0.0%
220-46630-3400	Publishing / Advertising	-	-	-	-	0.0%
	Total Services & Charges	700	683	-	-	0.0%
	Charges					
220-46630-4300	Payment on TIF project	6,161	-	-	-	0.0%
	Total Charges	6,161	-	-	-	0.0%
	TOTAL EXPENDITURES	<u>\$ 7,078</u>	<u>\$ 683</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 7,195</u>	<u>\$ (556)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

CHARTER OAKS - TIF
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
222-33632-0000	County TIF Payment	\$ 16,991	\$ 16,000	\$ 17,051	\$ 17,051	0.0%
222-36210-0000	Interest earnings	134	131	-	-	0.0%
	Total Intergovernmental Rev	17,125	16,131	17,051	17,051	0.0%
	TOTAL REVENUES	<u>\$ 17,125</u>	<u>\$ 16,131</u>	<u>\$ 17,051</u>	<u>\$ 17,051</u>	<u>0.0%</u>
	Services & Charges					
222-46650-3000	Professional Services	700	483	-	500	100.0%
222-46650-3001	Audit Fees	-	200	200	200	0.0%
222-46650-3400	Publishing / Advertising	-	-	20	20	0.0%
	Total Services & Charges	700	683	220	720	227.3%
	Charges					
222-46650-4300	Payment on TIF project	15,292	14,452	15,162	15,162	0.0%
	Total Charges	15,292	14,452	15,162	15,162	0.0%
	TOTAL EXPENDITURES	<u>\$ 15,992</u>	<u>\$ 15,135</u>	<u>\$ 15,382</u>	<u>\$ 15,882</u>	<u>3.3%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 1,133</u>	<u>\$ 996</u>	<u>\$ 1,669</u>	<u>\$ 1,169</u>	<u>-30.0%</u>

CENTRAL TIF
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
223-31013-0000	Market Value Credit	\$ 671	\$ 1,139	\$ -	\$ -	0.0%
223-33632-0000	County TIF Payment	169,330	162,645	170,235	170,235	0.0%
223-36210-0000	Interest earnings	2,184	867	-	-	0.0%
	Total Intergovernmental Rev	172,185	164,651	170,235	170,235	0.0%
	TOTAL REVENUES	\$ 172,185	\$ 164,651	\$ 170,235	\$ 170,235	0.0%
	Services & Charges					
223-46660-3000	Professional Services	361	483	-	500	100.0%
223-46660-3001	Audit Fees	1,000	200	1,000	1,000	0.0%
223-46660-3100	Contractual Services	500	-	-	-	0.0%
223-46660-3500	Printing/Publishing	-	-	20	20	0.0%
	Total Services & Charges	1,861	683	1,020	1,520	49.0%
	Charges					
223-46660-4300	Payment on TIF project	70,090	15,681	7,243	7,243	0.0%
	Total Charges	70,090	15,681	7,243	7,243	0.0%
	Capital Outlay					
223-46660-5300	Improvements	47,857	-	-	-	0.0%
	Total Capital Outlay	47,857	-	-	-	0.0%
	Transfers					
223-46660-7280	Transfer - Debt Service	70,993	73,893	80,948	80,948	0.0%
	Total Transfers	70,993	73,893	80,948	80,948	0.0%
	TOTAL EXPENDITURES	\$ 190,801	\$ 90,257	\$ 89,211	\$ 89,711	0.6%
	Net Increase (Decrease) in Fund Balance	\$ (18,616)	\$ 74,394	\$ 81,024	\$ 80,524	-0.6%

WASECA VILLAGE TIF
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
224-33632-0000	County TIF Payment	\$ 4,239	\$ 3,992	\$ 4,254	\$ 4,254	0.0%
224-36210-0000	Interest earnings	1	4	-	-	0.0%
	Total Intergovernmental Rev	4,240	3,996	4,254	4,254	0.0%
	TOTAL REVENUES	<u>\$ 4,240</u>	<u>\$ 3,996</u>	<u>\$ 4,254</u>	<u>\$ 4,254</u>	<u>0.0%</u>
Expenditures						
	Personnel					
224-46670-1010	Regular Employees	\$ 90	\$ -	\$ -	\$ -	0.0%
224-46670-1200	FICA	7	-	-	-	0.0%
224-46670-1210	PERA	8	-	-	-	0.0%
224-46670-1220	Medicare	2	-	-	-	0.0%
	Total Personnel	107	-	-	-	0.0%
	Services & Charges					
224-46670-3000	Professional Services	139	483	100	500	400.0%
224-46670-3001	Audit Fees	200	200	200	200	0.0%
224-46670-3400	Publishing / Advertising	-	-	20	20	0.0%
	Total Services & Charges	339	683	320	720	125.0%
	Charges					
224-46670-4300	Payment on TIF project	3,829	4,006	4,254	4,254	0.0%
	Total Charges	3,829	4,006	4,254	4,254	0.0%
	TOTAL EXPENDITURES	<u>\$ 4,275</u>	<u>\$ 4,689</u>	<u>\$ 4,574</u>	<u>\$ 4,974</u>	<u>8.7%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (35)</u>	<u>\$ (693)</u>	<u>\$ (320)</u>	<u>\$ (720)</u>	<u>125.0%</u>

COLONY COURT TIF
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
Intergovernmental Revenue						
225-33632-0000	County TIF Payment	\$ 30,315	\$ 29,520	\$ 30,424	\$ 30,424	0.0%
	Total Intergovernmental Rev	30,315	29,520	30,424	30,424	0.0%
Miscellaneous						
	Miscellaneous	51	77	-	-	0.0%
	Total Misc	51	77	-	-	0.0%
	TOTAL REVENUES	<u>\$ 30,366</u>	<u>\$ 29,597</u>	<u>\$ 30,424</u>	<u>\$ 30,424</u>	<u>0.0%</u>
Expenditures						
Services & Charges						
225-46680-3000	Professional Services	\$ 500	\$ 483	\$ -	\$ 500	100.0%
225-46680-3001	Audit Fees	200	200	200	200	0.0%
225-46680-3400	Publishing / Advertising	-	-	20	20	0.0%
	Total Services & Charges	<u>700</u>	<u>683</u>	<u>220</u>	<u>720</u>	<u>227.3%</u>
Charges						
225-46680-4300	Payment on TIF project	27,382	26,664	27,382	27,382	0.0%
	Total Charges	<u>27,382</u>	<u>26,664</u>	<u>27,382</u>	<u>27,382</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u>\$ 28,082</u>	<u>\$ 27,347</u>	<u>\$ 27,602</u>	<u>\$ 28,102</u>	<u>1.8%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 2,284</u>	<u>\$ 2,250</u>	<u>\$ 2,822</u>	<u>\$ 2,322</u>	<u>-17.7%</u>

South Loon TIF District #26
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
226-33632-0000	Intergovernmental Revenue County TIF Payment	\$ -	\$ 25,344	\$ 32,019	\$ 32,019	0.0%
	Total Intergovernmental Rev	-	25,344	32,019	32,019	0.0%
	Miscellaneous					
	Miscellaneous	-	58	-	-	0.0%
	Total Misc	-	58	-	-	0.0%
	TOTAL REVENUES	<u>\$ -</u>	<u>\$ 25,402</u>	<u>\$ 32,019</u>	<u>\$ 32,019</u>	<u>0.0%</u>
Expenditures						
	Services & Charges					
226-46690-3000	Professional Services	\$ -	\$ 908	\$ 200	\$ 500	150.0%
226-46690-3001	Professional Services - Audit	-	200	-	-	0.0%
226-46690-3400	Publishing / Advertising	-	-	20	20	0.0%
	Total Services and Charges	-	1,108	220	520	100.0%
	Charges					
226-46690-4300	Payment on TIF project	-	10,915	30,494	30,494	0.0%
	Total Charges	-	10,915	30,494	30,494	0.0%
	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 12,023</u>	<u>\$ 30,714</u>	<u>\$ 31,014</u>	<u>1.0%</u>
	Net Increase (Decrease) in	<u>\$ -</u>	<u>\$ 13,379</u>	<u>\$ 1,305</u>	<u>\$ 1,005</u>	<u>-23.0%</u>

Special Revenue Fund: Airport

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue						
Intergovernmental Revenues	\$	15,943	\$ 100,861	\$ 111,500	\$ 70,500	-36.8%
Interest & Misc.		2,395	1,782	500	1,000	100.0%
Rentals		77,422	77,802	72,000	72,000	0.0%
Expenditure						
Supplies		5,250	7,508	6,700	6,322	-5.6%
Services & Charges		41,157	49,066	48,300	50,850	5.3%
Charges		10,934	16,510	13,600	13,600	0.0%
Capital Outlay		-	84,918	100,000	60,000	-40.0%
Net Increase (Decrease)	\$	38,419	\$ 22,443	\$ 15,400	\$ 12,728	-17.4%

FUND DESCRIPTION

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.

2012 Budget Highlights

The 2012 Airport budget shows a budgeted increase of \$3,172, mainly as a result of an increase in property insurance of \$2,550. However, we do not have contracts for hangar rentals and airport management for 2012 at this point in time. The Airport anticipates spending \$60,000 in Federal construction dollars in 2012, which require a 5 percent local match.

ACTIVITIES SCOPE

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

SUPPLIES (Code 2000's), provides for small supplies needed to maintain and operate the Airport facility.

SERVICES & CHARGES (Code 3000's), 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.

CHARGES (Code 4000's), cost of hangar repair, runway lights, misc. repairs, cost of property taxes paid to Waseca County, and annual depreciation.

IMPROVEMENTS (Code 5300), provide for airport enhancements.

AIRPORT SPECIAL REVENUE FUND
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
230-33140-0000	Federal Grant Fund	\$ -	\$ 84,918	\$ 95,000	\$ 54,000	-43.2%
230-33422-0000	State Aid	15,943	15,943	16,500	16,500	0.0%
	Total Intergovernmental Rev	15,943	100,861	111,500	70,500	-36.8%
	Interest & Misc Revenue					
230-36210-0000	Interest earnings	1,195	1,332	-	500	100.0%
230-36250-0000	Misc Revenue	1,200	450	500	500	0.0%
	Total Interest & Misc Rev	2,395	1,782	500	1,000	100.0%
	Utilities Revenues					
230-38020-0000	Rentals	77,422	77,802	72,000	72,000	0.0%
	Total Utilities Revenues	77,422	77,802	72,000	72,000	0.0%
	TOTAL REVENUES	\$ 95,760	\$ 180,445	\$ 184,000	\$ 143,500	-22.0%
Expenditures						
	Supplies					
230-49810-2170	General Supplies	\$ 736	\$ 834	\$ 1,200	\$ 1,200	0.0%
230-49810-2230	Bldg Rep/Maint Supplies	343	68	500	500	0.0%
230-49810-2240	City Shop Charges	4,171	6,606	5,000	4,622	-7.6%
	Total Supplies	5,250	7,508	6,700	6,322	-5.6%
	Services & Charges					
230-49810-3000	Professional Services	695	5,506	1,200	1,200	0.0%
230-49810-3001	Audit Fees	1,000	2,000	2,000	2,000	0.0%
230-49810-3100	Contractual Services	24,200	24,800	24,600	24,600	0.0%
230-49810-3200	Communications	-	-	50	50	0.0%
230-49810-3300	Conf and Schools	-	-	150	150	0.0%
230-49810-3400	Publishing / Advertising	-	-	500	500	0.0%
230-49810-3610	Public Liab Insurance	-	300	300	300	0.0%
230-49810-3620	Property Insurance	7,000	7,452	7,500	10,050	34.0%
230-49810-3800	Utilities	8,262	9,008	12,000	12,000	0.0%
	Total Services & Charges	41,157	49,066	48,300	50,850	5.3%
	Charges					
230-49810-4000	Repair/Maintenance	3,511	9,294	6,000	6,000	0.0%
230-49810-4330	Dues/Subscriptions	140	-	100	100	0.0%
230-49810-4800	Property Taxes	7,283	7,216	7,500	7,500	0.0%
	Total Charges	10,934	16,510	13,600	13,600	0.0%
	Capital Outlay					
230-49810-5300	Improvements	-	84,918	100,000	60,000	-40.0%
	Total Capital Outlay	-	84,918	100,000	60,000	-40.0%
	TOTAL EXPENDITURES	\$ 57,341	\$ 158,002	\$ 168,600	\$ 130,772	-22.4%
	Net Increase (Decrease) in Fund Balance	\$ 38,419	\$ 22,443	\$ 15,400	\$ 12,728	-17.4%

Special Revenue Fund: Water Park Operations

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Charges, Interest, Contributions	\$ 131,308	\$ 175,915	\$ 159,500	\$ 158,500	-0.6%
Transfers in	-	27,281	75,000	50,000	-33.3%
Expenditure					
Personnel	\$ 100,117	\$ 101,559	\$ 114,999	\$ 109,027	-5.2%
Supplies	45,209	39,834	55,298	54,835	-0.8%
Services & Charges	50,188	46,365	53,350	51,778	-2.9%
Charges	20,739	1,698	7,051	8,985	27.4%
Net Increase (Decrease)	\$ (84,945)	\$ 13,740	\$ 3,802	\$ (16,125)	-524.1%

FUND DESCRIPTION

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. The Water Park opened in June 2007. The Water Park fund reflects the operations of the Water Park.

2012 Budget Highlights

The 2012 Water Park Operations budget shows a budgeted decrease of \$16,125, mainly as a result of a \$25,000 decrease in General fund transfers. Part-time water park employees were decreased by \$5,825.

2011/2012 Department Priorities

- 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.

ACTIVITIES SCOPE

- Concession stand sales
- Water Park Admission

DEPARTMENTAL GOALS

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

TRANSFERS

The 2012 budgeted transfer is \$50,000 from the General fund to provide for operational expenses that aren't offset by user fees.

WATER PARK OPERATIONS
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Charges, Interest, Contributions					
240-34720-0000	Water Park Fees	\$ 81,511	\$ 106,281	\$ 110,000	\$ 107,000	-2.7%
240-34730-0000	Lessons	4,360	6,180	6,500	6,000	-7.7%
240-34740-0000	Concessions	33,384	43,500	41,000	41,000	0.0%
240-34785-0000	Park User Fee	4,446	4,257	1,500	4,000	166.7%
240-36210-0000	Interest Earnings	880	-	200	200	0.0%
240-36230-0000	Contributions	6,300	15,000	-	-	0.0%
240-36250-0000	Miscellaneous	427	697	300	300	0.0%
	Total	131,308	175,915	159,500	158,500	-0.6%
	Transfers in					
240-39201-0000	Transfer - General Fund	-	-	75,000	50,000	-33.3%
240-39219-0000	Transfer - Water Park Construction	-	27,281	-	-	0.0%
	Total Transfers	-	27,281	75,000	50,000	100.0%
	TOTAL REVENUES	\$ 131,308	\$ 203,196	\$ 234,500	\$ 208,500	-11.1%
Expenditures						
	Personnel					
240-45130-1010	Regular Employees	\$ 36,108	\$ 36,635	\$ 37,042	37,042	0.0%
240-45130-1020	Overtime	43	-	500	500	0.0%
240-45130-1030	Part-time Employees	44,631	43,163	55,825	50,000	-10.4%
240-45130-1090	Cellphone Reimbursement	101	540	-	432	100.0%
240-45130-1100	Longevity	-	-	-	144	100.0%
240-45130-1200	FICA	5,013	4,938	5,789	5,463	-5.6%
240-45130-1210	PERA	2,427	2,555	2,686	2,696	0.4%
240-45130-1220	Medicare	1,172	1,155	1,354	1,278	-5.6%
240-45130-1250	Insurance Rebate	960	960	960	960	0.0%
240-45130-1300	Insurance	4,536	4,308	4,210	3,998	-5.0%
240-45130-1310	VEBA Trust	1,150	3,000	2,400	2,400	0.0%
240-45130-1330	Life Insurance	207	207	166	166	0.0%
240-45130-1340	Disability Insurance	213	176	167	148	-11.4%
240-45130-1510	Workers Comp	3,556	3,922	3,900	3,800	-2.6%
	Total Personnel	100,117	101,559	114,999	109,027	-5.2%
	Supplies					
240-45130-2000	Office Supplies	1,558	1,303	2,000	2,000	0.0%
240-45130-2050	Computer Supplies	1,709	375	1,100	500	-54.5%
240-45130-2165	Chemicals	5,980	9,570	10,000	10,000	0.0%
240-45130-2170	General Supplies	1,305	1,268	3,000	3,000	0.0%
240-45130-2175	Janitorial Supplies	710	655	1,500	1,500	0.0%
240-45130-2180	Uniforms	(194)	(20)	1,000	1,000	0.0%
240-45130-2210	Equipment Parts	6,976	1,059	5,000	5,000	0.0%
240-45130-2240	City Shop Charges	8,241	2,894	5,198	5,335	2.6%
240-45130-2500	Concessions	18,924	22,730	26,500	26,500	0.0%
	Total Supplies	45,209	39,834	55,298	54,835	-0.8%

WATER PARK OPERATIONS
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Services & Charges						
240-45130-3000	Professional Services	1,287	1,157	750	1,250	66.7%
240-45130-3001	Audit Fees	1,000	1,000	1,000	1,000	0.0%
240-45130-3100	Contractual Services	1,832	1,272	1,500	1,500	0.0%
240-45130-3200	Communications	2,860	3,412	2,600	3,200	23.1%
240-45130-3300	Conferences and Schools	344	520	2,500	2,000	-20.0%
240-45130-3350	Car Allowance / Mileage	273	231	500	500	0.0%
240-45130-3400	Publishing / Advertising	1,315	600	2,000	2,000	0.0%
240-45130-3600	Public Liab Insurance	10,000	10,000	7,500	7,328	-2.3%
240-45130-3800	Utilities	31,277	28,173	35,000	33,000	-5.7%
Total Services & Charges		50,188	46,365	53,350	51,778	-2.9%
Charges						
240-45130-4000	Repair/Maintenance	18,743	924	5,000	7,000	40.0%
240-45130-4310	Cash Over/(Short)	-	(1,294)	-	-	0.0%
240-45130-4330	Dues/Subscriptions	310	371	500	500	0.0%
240-45130-4500	Permits & Fees	619	655	1,000	1,000	0.0%
240-45130-4950	Comp Financing Acct	1,067	1,042	551	485	-11.9%
Total Charges		20,739	1,698	7,051	8,985	27.4%
TOTAL EXPENDITURES		<u>\$ 216,253</u>	<u>\$ 189,456</u>	<u>\$ 230,698</u>	<u>\$ 224,625</u>	<u>-2.6%</u>
Net Increase (Decrease) in						
Fund Balance		<u>\$ (84,945)</u>	<u>\$ 13,740</u>	<u>\$ 3,802</u>	<u>\$ (16,125)</u>	<u>-524.1%</u>

Special Revenue Fund: Waseca Housing Fund

	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	% CHANGE
Revenue					
Interest & Misc.	\$ 15,332	\$ 15,302	\$ 14,650	\$ 14,650	0.0%
Expenditure					
Services & Charges	\$ -	\$ -	\$ 15,150	\$ 15,150	0.0%
Net Increase (Decrease)	\$ 15,332	\$ 15,302	\$ (500)	\$ (500)	0.0%

DEPARTMENT DESCRIPTION

This fund was established from tax abatement funds to create housing options.

2011/2012 Department Priorities

- Although there are no definite plans for future projects in 2012, many plans are in the review stages.

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.

ACTIVITIES SCOPE

- Renovation/rehabilitation of downtown apartments
- Gap financing for redevelopment to prevent/eliminate blight
- Development that brings residents into downtown and creation of housing options to encourage downtown revitalization

WASECA HOUSING FUND
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenue					
250-36210-0000	Interest Earnings	\$ 1,682	\$ 1,652	\$ 1,000	\$ 1,000	0.0%
250-36233-0000	Contr/BP Abatement	13,650	13,650	13,650	13,650	0.0%
	Total Interest & Misc Revenue	15,332	15,302	14,650	14,650	0.0%
	TOTAL REVENUES	<u>\$ 15,332</u>	<u>\$ 15,302</u>	<u>\$ 14,650</u>	<u>\$ 14,650</u>	<u>0.0%</u>
	Services & Charges					
250-46400-3000	Professional Services	\$ -	\$ -	\$ 15,150	\$ 15,150	0.0%
	Total Services & Charges	<u>-</u>	<u>-</u>	<u>15,150</u>	<u>15,150</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,150</u>	<u>\$ 15,150</u>	<u>0.0%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 15,332</u>	<u>\$ 15,302</u>	<u>\$ (500)</u>	<u>\$ (500)</u>	<u>0.0%</u>

HERITAGE PRESERVATION FUND
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
255-33500-0000	Regional Grants & Funding	\$ -	\$ 10,900	\$ -	\$ 16,320	100.0%
255-36210-0000	Interest Earnings	-	12	-	-	0.0%
	Total Intergovernmental Reve	-	10,912	-	16,320	100.0%
	TOTAL REVENUES	<u>\$ -</u>	<u>\$ 10,912</u>	<u>\$ -</u>	<u>\$ 16,320</u>	<u>#DIV/0!</u>
	Services & Charges					
255-46500-3100	Contractual Services	\$ -	\$ 8,105	\$ -	\$ 16,320	100.0%
	Total Services & Charges	-	8,105	-	16,320	100.0%
	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 8,105</u>	<u>\$ -</u>	<u>\$ 16,320</u>	<u>100.0%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 2,807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

Special Revenue Fund: Police Separation

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Interest & Misc.	\$ 210	\$ 151	\$ 100	\$ 100	0.0%
Transfers	2,000	-	-	-	0.0%
Expenditure					
Personnel	\$ 500	\$ 3,100	\$ 3,000	\$ 3,000	0.0%
Net Increase (Decrease)	\$ 1,710	\$ (2,949)	\$ (2,900)	\$ (2,900)	0.0%

DEPARTMENT DESCRIPTION

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

POLICE SEPARATION
2012 Budget
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Revenues						
	Interest & Misc Revenue					
270-36210-0000	Interest Earnings	\$ 210	\$ 151	\$ 100	\$ 100	0.0%
	Total Interest & Misc Rev	210	151	100	100	0.0%
Transfers						
270-39201-0000	Transfer - General Fund	2,000	-	-	-	0.0%
	Total Transfers	2,000	-	-	-	0.0%
	TOTAL REVENUES	<u>\$ 2,210</u>	<u>\$ 151</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>0.0%</u>
Personnel						
270-49211-1150	Severance Contribution	\$ 500	\$ 3,100	\$ 3,000	\$ 3,000	0.0%
	Total Personnel	500	3,100	3,000	3,000	0.0%
	TOTAL EXPENDITURES	<u>\$ 500</u>	<u>\$ 3,100</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>0.0%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 1,710</u>	<u>\$ (2,949)</u>	<u>\$ (2,900)</u>	<u>\$ (2,900)</u>	<u>0.0%</u>

Special Revenue Fund: Police Reserve

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Interest & Misc.	\$ 3,943	\$ 4,449	\$ 5,000	\$ 5,000	0.0%
Expenditure					
Services & Charges	\$ 2,394	\$ 5,095	\$ 5,000	\$ 5,000	0.0%
Net Increase (Decrease)	\$ 1,549	\$ (646)	\$ -	\$ -	0.0%

DEPARTMENT DESCRIPTION

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 2012, the Waseca Police Department will focus on budget with emphasis on expenditures being paid from two dedicated accounts.

POLICE RESERVES
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
Interest & Misc Revenue						
275-36210-0000	Interest Earnings	\$ 49	\$ 57	\$ 20	\$ 20	0.0%
275-36230-0000	Contributions	1,950	1,500	250	250	0.0%
275-36244-0000	Misc Reimbursements	1,944	2,832	4,480	4,480	0.0%
275-36250-0000	Misc Revenue	-	60	250	250	0.0%
Total Interest & Misc Rev		<u>3,943</u>	<u>4,449</u>	<u>5,000</u>	<u>5,000</u>	<u>0.0%</u>
TOTAL REVENUES		<u>\$ 3,943</u>	<u>\$ 4,449</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>0.0%</u>
Services & Charges						
275-49212-3100	Contractual Services	\$ 2,394	\$ 5,095	\$ 5,000	\$ 5,000	0.0%
Total Services & Charges		<u>2,394</u>	<u>5,095</u>	<u>5,000</u>	<u>5,000</u>	<u>0.0%</u>
TOTAL EXPENDITURES		<u>\$ 2,394</u>	<u>\$ 5,095</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>0.0%</u>
Net Increase (Decrease) in Fund Balance		<u>\$ 1,549</u>	<u>\$ (646)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

Special Revenue Fund: Crime Victims

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Interest & Misc.	\$ 6,526	\$ 3,120	\$ 130	\$ 130	0.0%
Intergovernmental	45,404	43,844	43,172	43,172	0.0%
Expenditure					
Personnel	\$ 41,128	\$ 47,387	\$ 50,190	\$ 44,497	-11.3%
Services & Charges	7,017	1,887	-	-	0.0%
Net Increase (Decrease)	\$ 3,785	\$ (2,310)	\$ (6,888)	\$ (1,195)	-82.7%

FUND DESCRIPTION

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.

CRIME VICTIMS
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenue					
277-36210-0000	Interest Earnings	\$ 81	\$ 120	\$ 130	\$ 130	0.0%
277-36238-0000	Contributions/Crime victims services	2,520	3,000	-	-	0.0%
277-36239-0000	Contributions - Kruger	3,925	-	-	-	0.0%
	Total Interest & Misc Revenue	<u>6,526</u>	<u>3,120</u>	<u>130</u>	<u>130</u>	<u>0.0%</u>
Intergovernmental Revenue						
277-33426-0000	State Grant - Police	45,404	43,844	43,172	43,172	0.0%
	Total Intergov Revenue	<u>45,404</u>	<u>43,844</u>	<u>43,172</u>	<u>43,172</u>	<u>0.0%</u>
	TOTAL REVENUES	<u>\$ 51,930</u>	<u>\$ 46,964</u>	<u>\$ 43,302</u>	<u>\$ 43,302</u>	<u>0.0%</u>
Expenditures						
	Personnel					
277-46300-1010	Regular Employees	\$ 25,917	\$ 29,098	\$ 29,599	\$ 25,002	-15.5%
277-46300-1020	Overtime	180	-	1,000	1,000	0.0%
277-46300-1200	FICA	1,922	2,170	1,897	1,612	-15.0%
277-46300-1210	PERA	1,688	2,030	2,218	1,885	-15.0%
277-46300-1220	Medicare	450	507	444	377	-15.1%
277-46300-1250	Insurance Rebate	5,000	6,000	6,000	6,000	0.0%
277-46300-1300	Insurance	4,536	6,174	7,542	7,164	-5.0%
277-46300-1310	VEBA Trust	1,150	1,150	1,150	1,150	0.0%
277-46300-1330	Life Insurance	138	138	207	207	0.0%
277-46300-1340	Disability Insurance	147	120	133	100	-24.8%
	Total Personnel	<u>41,128</u>	<u>47,387</u>	<u>50,190</u>	<u>44,497</u>	<u>-11.3%</u>
	Services & Charges					
277-46300-3060	Victims Services	1,277	708	-	-	0.0%
277-46300-3065	Professional Services - Kruger	4,321	-	-	-	0.0%
277-46300-3200	Communications	1,419	1,179	-	-	0.0%
	Total Services & Charges	<u>7,017</u>	<u>1,887</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	TOTAL EXPENDITURES	<u>\$ 48,145</u>	<u>\$ 49,274</u>	<u>\$ 50,190</u>	<u>\$ 44,497</u>	<u>-11.3%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 3,785</u>	<u>\$ (2,310)</u>	<u>\$ (6,888)</u>	<u>\$ (1,195)</u>	<u>-82.7%</u>

Special Revenue Fund: Police Forfeiture

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Intergovernmental	\$ 12,133	\$ 16,391	\$ 1,213	\$ 5,250	332.8%
Expenditure					
Services & Charges	\$ -	\$ -	\$ -	\$ -	0.0%
Charges	2,372	9,179	1,000	5,000	400.0%
Net Increase (Decrease)	\$ 9,761	\$ 7,212	\$ 213	\$ 250	17.4%

FUND DESCRIPTION

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
2012 Budget
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Revenues						
	Intergovernmental Revenue					
278-35200-0000	Forfeiture Revenue	\$ 11,703	\$ 15,895	\$ 1,000	\$ 5,000	400.0%
278-36210-0000	Interest earnings	430	496	213	250	17.4%
	Total Intergov Revenue	<u>12,133</u>	<u>16,391</u>	<u>1,213</u>	<u>5,250</u>	<u>332.8%</u>
	 TOTAL REVENUES	 <u>\$ 12,133</u>	 <u>\$ 16,391</u>	 <u>\$ 1,213</u>	 <u>\$ 5,250</u>	 <u>332.8%</u>
Expenditures						
	Charges					
278-46350-4340	Drug Investigation	2,372	9,179	1,000	5,000	400.0%
	Total Charges	<u>2,372</u>	<u>9,179</u>	<u>1,000</u>	<u>5,000</u>	<u>400.0%</u>
	 TOTAL EXPENDITURES	 <u>\$ 2,372</u>	 <u>\$ 9,179</u>	 <u>\$ 1,000</u>	 <u>\$ 5,000</u>	 <u>400.0%</u>
	 Net Increase (Decrease) in Fund Balance	 <u>\$ 9,761</u>	 <u>\$ 7,212</u>	 <u>\$ 213</u>	 <u>\$ 250</u>	 <u>100.0%</u>

Special Revenue Fund: Firefighters Relief

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Intergovernmental	\$ 48,422	\$ 66,147	\$ 51,852	\$ 44,422	-14.3%
Transfers	75,657	75,657	50,313	34,470	-31.5%
Expenditure					
Personnel	\$ 124,079	\$ 141,804	\$ 102,165	\$ 78,892	-22.8%
Net Increase (Decrease)	\$ -	\$ -	\$ -	\$ -	0.0%

FUND DESCRIPTION

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.

2012 Budget Highlights

The 2012 Firefighters Relief fund budget shows a budgeted decrease of \$23,273 in required pension contributions.

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 and 2012 transfer decreases are the result of the stock market recovery.

FIRE FIGHTERS RELIEF
2012 Budget
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Revenues						
	Intergovernmental Revenue					
280-33420-0000	State Aid - Fire	\$ 43,679	\$ 48,422	\$ 51,852	\$ 44,422	-14.3%
	Total Intergov Revenue	<u>43,679</u>	<u>48,422</u>	<u>51,852</u>	<u>44,422</u>	<u>-14.3%</u>
	Transfers					
280-39201-0000	Transfer - General Fund	10,720	75,657	50,313	34,470	-31.5%
	Total Transfers	<u>10,720</u>	<u>75,657</u>	<u>50,313</u>	<u>34,470</u>	<u>-31.5%</u>
	TOTAL REVENUES	<u>\$ 54,399</u>	<u>\$ 124,079</u>	<u>\$ 102,165</u>	<u>\$ 78,892</u>	<u>-22.8%</u>
Expenditures						
	Personnel					
280-49070-1240	Contributions for Pensions	\$ 54,399	\$ 124,079	\$ 102,165	\$ 78,892	-22.8%
	Total Personnel	<u>54,399</u>	<u>124,079</u>	<u>102,165</u>	<u>78,892</u>	<u>-22.8%</u>
	TOTAL EXPENDITURES	<u>\$ 54,399</u>	<u>\$ 124,079</u>	<u>\$ 102,165</u>	<u>\$ 78,892</u>	<u>-22.8%</u>
	Net Increase (Decrease) in Fund Balance	<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.

Debt Service Fund: Aquatic Park Debt Service

FUND DESCRIPTION

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.

2012 Budget Highlights

- The debt payment will decrease from \$158,485 in 2011 to \$153,685 in 2012.

ACTIVITIES SCOPE

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

AQUATIC PARK DEBT SERVICE (BOND 2006A)
2012 Budget
Revenues and Expenditures

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
Revenues						
	Taxes					
305-31010-0000	Property Taxes	\$ 157,666	\$ 155,693	\$ 164,939	\$ 161,369	-2.2%
	Total Taxes	<u>157,666</u>	<u>155,693</u>	<u>164,939</u>	<u>161,369</u>	<u>-2.2%</u>
	TOTAL REVENUES	<u>\$ 157,666</u>	<u>\$ 155,693</u>	<u>\$ 164,939</u>	<u>\$ 161,369</u>	<u>-2.2%</u>
Expenditures						
	Debt Service					
305-47700-6000	Principal	\$ 75,000	\$ 75,000	\$ 80,000	\$ 80,000	0.0%
305-47700-6100	Bond Interest	82,985	79,985	78,485	73,685	-6.1%
305-47700-6200	Fiscal Agent Fee	431	631	1,200	1,200	0.0%
	Total Debt Service	<u>158,416</u>	<u>155,616</u>	<u>159,685</u>	<u>154,885</u>	<u>-3.0%</u>
	TOTAL EXPENDITURES	<u>\$ 158,416</u>	<u>\$ 155,616</u>	<u>\$ 159,685</u>	<u>\$ 154,885</u>	<u>-3.0%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (750)</u>	<u>\$ 77</u>	<u>\$ 5,254</u>	<u>\$ 6,484</u>	<u>23.4%</u>

Debt Service Fund: Special Assessment Debt Service

FUND DESCRIPTION

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>
2012	\$235,000	2014	\$130,000
2013	\$235,000	2015	\$130,000

Total \$730,000

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

BOND PRINCIPAL, Code 6000, allocates \$235,000 for the bond principal in 2012

BOND INTEREST EXPENSE, Code 6100, allocates funds for interest payments on existing bonds, \$26,763

FISCAL AGENT FEES, Code 6200, allocates for miscellaneous charges associated with special assessment bond processing

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

2012 Budget

Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenues					
320-36101-0000	Special Assess Payments	\$ 151,530	\$ 121,519	\$ 315,000	\$ 141,500	-55.1%
320-36102-0000	Interest on Special Asses	37,986	29,216	38,000	28,866	-24.0%
320-36210-0000	Interest Earnings	24,019	15,256	25,220	16,000	-36.6%
320-36250-0000	Misc Revenue	903	1,418	900	900	0.0%
	Total Interest & Misc Rev	214,438	167,409	379,120	187,266	-50.6%
	TOTAL REVENUES	<u>\$ 214,438</u>	<u>\$ 167,409</u>	<u>\$ 379,120</u>	<u>\$ 187,266</u>	<u>-50.6%</u>
Expenditures						
	Services & Charges					
320-47300-3050	Administrative Charges	\$ 5,634	\$ -	\$ -	\$ -	0.0%
	Total Services & Charges	5,634	-	-	-	0.0%
	Debt Service					
320-47300-6000	Principal	355,000	360,000	315,000	235,000	-25.4%
320-47300-6100	Bond Interest	66,263	51,710	37,835	26,763	-29.3%
320-47300-6200	Fiscal Agent Fee	1,741	1,294	1,741	1,500	-13.8%
	Total Debt Service	423,004	413,004	354,576	263,263	-25.8%
	Total Transfers	-	-	-	-	0.0%
	TOTAL EXPENDITURES	<u>\$ 428,638</u>	<u>\$ 413,004</u>	<u>\$ 354,576</u>	<u>\$ 263,263</u>	<u>-25.8%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (214,200)</u>	<u>\$ (245,595)</u>	<u>\$ 24,544</u>	<u>\$ (75,997)</u>	<u>-409.6%</u>

Debt Service Fund: NW Construction Site Debt Service

FUND DESCRIPTION

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.

2011/2012 Department Priorities

- The 2012 budget provides for full principal and interest payments of the 10-year debt cycle.

ACTIVITIES SCOPE

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

NW CONSTRUCTION SITE DEBT SERVICE (BOND 2005D)
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Taxes					
345-31012-0000	Tax abatement Levy	\$ 44,934	\$ 44,531	\$ 44,934	\$ 44,934	0.0%
	Total Taxes	44,934	44,531	44,934	44,934	0.0%
	Transfers					
345-39201-0000	Transfer - General Fund	99,807	98,262	104,568	105,316	0.7%
	Total Transfers	99,807	98,262	104,568	105,316	0.7%
	TOTAL REVENUES	<u>\$ 144,741</u>	<u>\$ 142,793</u>	<u>\$ 149,502</u>	<u>\$ 150,250</u>	<u>0.5%</u>
Expenditures						
	Debt Service					
345-47900-6000	Principal	\$ 115,000	\$ 115,000	\$ 120,000	\$ 125,000	4.2%
345-47900-6100	Bond Interest	30,520	26,495	22,383	18,095	-19.2%
345-47900-6200	Fiscal Agent Fee	403	603	1,203	700	-41.8%
	Total Debt Service	145,923	142,098	143,586	143,795	0.1%
	TOTAL EXPENDITURES	<u>\$ 145,923</u>	<u>\$ 142,098</u>	<u>\$ 143,586</u>	<u>\$ 143,795</u>	<u>0.1%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (1,182)</u>	<u>\$ 695</u>	<u>\$ 5,916</u>	<u>\$ 6,455</u>	<u>9.1%</u>

Debt Service Fund: Municipal State Aid Debt Service

FUND DESCRIPTION

In 2005, the City issued debt for the 11th 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 11th Avenue NW project

REVENUES

Annual State Aid allocation

CURRENT AND PROPOSED EXPENDITURES

BOND PRINCIPAL, Code 6000, payments for the annual principal portion of debt

BOND INTEREST EXPENSE, Code 6100, payments for the annual interest portion of debt

FISCAL AGENT FEES, Code 6200, for the fees involved in handling the debt payments

MSA MAINTENANCE DEBT SERVICE (BOND 2005B)
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
360-33418-0000	Muni State Aid Maint	\$ 98,020	\$ 95,540	\$ 91,812	\$ 88,746	-3.3%
	Total Intergov Revenue	98,020	95,540	91,812	88,746	-3.3%
	Interest & Misc Revenue					
360-36210-0000	Interest earnings	191	-	20	20	100.0%
	Total Interest & Misc Rev	191	-	20	20	100.0%
	TOTAL REVENUES	<u>\$ 98,211</u>	<u>\$ 95,540</u>	<u>\$ 91,832</u>	<u>\$ 88,766</u>	<u>-3.3%</u>
Expenditures						
	Debt Service					
360-47350-6000	Principal	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	0.0%
360-47350-6100	Bond Interest	18,020	15,540	12,960	10,260	-20.8%
360-47350-6200	Fiscal Agent Fee	403	603	1,200	1,000	-16.7%
	Total Debt Service	98,423	96,143	94,160	91,260	-3.1%
	TOTAL EXPENDITURES	<u>\$ 98,423</u>	<u>\$ 96,143</u>	<u>\$ 94,160</u>	<u>\$ 91,260</u>	<u>-3.1%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (212)</u>	<u>\$ (603)</u>	<u>\$ (2,328)</u>	<u>\$ (2,494)</u>	<u>100.0%</u>

Debt Service Fund: TIF Debt Service

FUND DESCRIPTION

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

BOND PRINCIPAL, Code 6000, payments for the annual principal portion of debt

BOND INTEREST EXPENSE, Code 6100, payments for the annual interest portion of debt

FISCAL AGENT FEES, Code 6200, for the fees involved in handling the debt payments

TAX INCREMENT DISTRICT #23 (BOND 2005E)
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenue					
380-36210-0000	Interest Earnings	\$ 358	\$ -	\$ -	\$ -	0.0%
	Total Interest & Misc Rev	358	-	-	-	0.0%
	Transfers in					
380-39216-0000	Transfer - Spec Rev #223	70,993	73,893	80,948	78,743	-2.7%
	Total Transfers	70,993	73,893	80,948	78,743	-2.7%
	TOTAL REVENUES	<u>\$ 71,351</u>	<u>\$ 73,893</u>	<u>\$ 80,948</u>	<u>\$ 78,743</u>	<u>-2.7%</u>
Expenditures						
	Debt Service					
380-47800-6000	Principal	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	0.0%
380-47800-6100	Bond Interest	43,893	42,693	42,093	39,993	-5.0%
380-47800-6200	Fiscal Agent Fee	402	603	1,200	1,000	-16.7%
	Total Debt Service	74,295	73,296	78,293	75,993	-2.9%
	TOTAL EXPENDITURES	<u>\$ 74,295</u>	<u>\$ 73,296</u>	<u>\$ 78,293</u>	<u>\$ 75,993</u>	<u>-2.9%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (2,944)</u>	<u>\$ 597</u>	<u>\$ 2,655</u>	<u>\$ 2,750</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.

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.

Capital Project Fund: Municipal State Aid Construction

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Intergovernmental	\$ -	\$ -	\$ 200,000	\$ 200,000	0.0%
Interest & Misc.	9,107	7,110	10,000	10,000	0.0%
Expenditure					
Services & Charges	\$ 45,354	\$ 75	\$ 450,000	\$ 200,000	-55.6%
Net Increase (Decrease)	\$ (36,247)	\$ 7,035	\$ (240,000)	\$ 10,000	-104.2%

FUND DESCRIPTION

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

DEPARTMENTAL 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
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
402-33418-0000	Muni State Aid Maint	\$ -	\$ -	\$ 200,000	\$ 200,000	0.0%
	Total Intergov Revenue	-	-	200,000	200,000	0.0%
	Interest & Misc Revenue					
402-36210-0000	Interest Earnings	9,107	7,110	10,000	10,000	0.0%
	Total Interest & Misc Rev	9,107	7,110	10,000	10,000	0.0%
	TOTAL REVENUES	<u>\$ 9,107</u>	<u>\$ 7,110</u>	<u>\$ 210,000</u>	<u>\$ 210,000</u>	<u>0.0%</u>
Expenditures						
	Services & Charges					
402-49050-3100	Contractual Services	\$ 45,354	\$ -	\$ 450,000	\$ 200,000	-55.6%
402-49050-3500	Printing and Publishing	-	75	-		0.0%
	Total Services & Charges	45,354	75	450,000	200,000	-55.6%
	TOTAL EXPENDITURES	<u>\$ 45,354</u>	<u>\$ 75</u>	<u>\$ 450,000</u>	<u>\$ 200,000</u>	<u>-55.6%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (36,247)</u>	<u>\$ 7,035</u>	<u>\$ (240,000)</u>	<u>\$ 10,000</u>	<u>-104.2%</u>

Capital Project Fund: Municipal State Aid Maintenance

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Intergovernmental	\$ 53,903	\$ 73,673	\$ 65,000	\$ 65,000	0.0%
Interest & Misc.	5,731	5,891	5,000	5,000	0.0%
Expenditure					
Personnel	\$ -	\$ 2,916	\$ -	\$ -	0.0%
Services & Charges	15,263	44	70,000	177,000	152.9%
Net Increase (Decrease)	\$ 44,371	\$ 76,604	\$ -	\$ (107,000)	-100.0%

FUND DESCRIPTION

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). 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

PROFESSIONAL SERVICES (Code 3000), requiring engineering and outside expertise for Municipal State Aid road maintenance.

CONTRACTURAL SERVICES (Code 3100), service related to State Aid projects, including striping, asphalt supply, seal coating, crack sealing, and other maintenance.

MACHINES (Code 5400), provides for vehicle equipment.

PERSONNEL LEVELS

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

MUNICIPAL STATE AID MAINTENANCE FUND
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
406-33418-0000	Muni State Aid Maint	\$ 53,903	\$ 73,673	\$ 65,000	\$ 65,000	0.0%
	Total Intergov Revenue	53,903	73,673	65,000	65,000	0.0%
	Interest & Misc Revenue					
406-36210-0000	Interest Earnings	5,731	5,891	5,000	5,000	0.0%
	Total Interest & Misc Rev	5,731	5,891	5,000	5,000	0.0%
	TOTAL REVENUES	<u>\$ 59,634</u>	<u>\$ 79,564</u>	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>0.0%</u>
Expenditures						
	Personnel					
406-49060-1010	Regular Employees	\$ -	\$ 2,916	\$ -	\$ -	0.0%
	Total Personnel	-	2,916	-	-	0.0%
	Services & Charges					
406-49060-3000	Professional Services	-	-	20,000	127,000	535.0%
406-49060-3100	Contractual Services	15,263	44	48,000	48,000	0.0%
406-49060-3300	Conferences and Schools	-	-	2,000	2,000	0.0%
	Total Services & Charges	15,263	44	70,000	177,000	152.9%
	TOTAL EXPENDITURES	<u>\$ 15,263</u>	<u>\$ 2,960</u>	<u>\$ 70,000</u>	<u>\$ 177,000</u>	<u>152.9%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 44,371</u>	<u>\$ 76,604</u>	<u>\$ -</u>	<u>\$ (107,000)</u>	<u>-100.0%</u>

Capital Project Fund: Capital Improvement Plan (CIP) Fund

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Intergovernmental	\$ 46,255	\$ 5,666	\$ -	\$ -	0.0%
Interest & Misc.	15,795	111,801	3,638	5,000	37.4%
Transfers	663,528	500,000	500,000	557,356	11.5%
Expenditure					
Capital Outlay	\$ 858,574	\$ 572,023	\$ 758,140	\$ 746,671	-1.5%
Net Increase (Decrease)	\$ (132,995)	\$ 45,444	\$ (254,502)	\$ (184,315)	-27.6%

FUND DESCRIPTION

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

2012 Budget Highlights

The 2012 Capital Improvement Plan (CIP) budget includes a transfer from the General fund in the amounts of \$557,356 for projects that total \$746,671 as follows:

- Walkway \$8,000
- Sidewalks \$10,000
- City Portion of Street CIP \$707,356
- Water Resource Center \$21,315

2011/2012 Department Priorities

- 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

CITY HALL FACILITY (Code 5770)

SIDEWALKS (Code 5460)

STREETS (Code 5560)

WATER RESOURCE CENTER (Code 5781)

CAPITAL IMPROVEMENT
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Intergovernmental Revenue					
430-33625-0000	Reimbursement - County	\$ 46,255	\$ 5,666	\$ -	\$ -	0.0%
	Total Intergov Revenue	46,255	5,666	-	-	0.0%
	Charges for services					
430-34300-0000	Sale of City Land	1	-	-	-	0.0%
	Total Charges for Services	1	-	-	-	0.0%
	Interest & Misc Revenue					
430-36210-0000	Interest Earnings	13,454	10,975	3,638	5,000	37.4%
430-36234-0000	Contributions/ Parks	-	400	-	-	0.0%
430-36240-0000	Refund/Reimbursement	-	98,085	-	-	0.0%
430-36244-0000	Misc Reimbursement	2,341	2,341	-	-	0.0%
	Total Interest & Misc Rev	15,795	111,801	3,638	5,000	37.4%
	Transfers					
430-39201-0000	Transfer - General Fund	600,780	500,000	500,000	557,356	11.5%
	Total Transfers	663,528	500,000	500,000	557,356	11.5%
	TOTAL REVENUES	<u>\$ 725,579</u>	<u>\$ 617,467</u>	<u>\$ 503,638</u>	<u>\$ 562,356</u>	<u>11.7%</u>
Expenditures						
	Capital Outlay					
430-43010-5235	Powell Land Development	\$ 185,416	\$ -	\$ -	-	0.0%
430-43010-5330	Northwest Park	4,168	-	-	-	0.0%
430-43010-5389	Park Dedication	6,682	-	-	-	0.0%
430-43010-5390	Northeast Park	42,442	-	-	-	0.0%
430-43010-5430	Walkway	4,706	-	-	8,000	100.0%
430-43010-5435	Clear/Loon Lake Trail	-	35	-	-	0.0%
430-43010-5460	Sidewalks	-	1,360	20,000	10,000	-50.0%
430-43010-5560	City Portion CIP St	484,104	560,983	650,000	707,356	8.8%
430-43010-5700	Storm Sewer Per CIP	-	14	-	-	0.0%
430-43010-5715	Gaiter Lake Diversion	95,706	7,705	10,000	-	0.0%
430-43010-5770	City Hall Facility	-	1,926	52,140	-	0.0%
430-43010-5781	Water Resource Center	-	-	-	21,315	100.0%
430-43010-5780	Lakes/Marsh/Improve	35,350	-	26,000	-	0.0%
	Total Capital Outlay	858,574	572,023	758,140	746,671	-1.5%
	TOTAL EXPENDITURES	<u>\$ 858,574</u>	<u>\$ 572,023</u>	<u>\$ 758,140</u>	<u>\$ 746,671</u>	<u>-1.5%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (132,995)</u>	<u>\$ 45,444</u>	<u>\$ (254,502)</u>	<u>\$ (184,315)</u>	<u>-27.6%</u>

Capital Project Fund: Annexation & Growth

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Interest & Misc.	\$ 4,350	\$ 3,931	\$ 2,200	\$ 2,200	0.0%
Expenditure					
Services & Charges	\$ -	\$ -	\$ -	\$ -	0.0%
Net Increase (Decrease)	\$ 4,350	\$ 3,931	\$ 2,200	\$ 2,200	0.0%

FUND DESCRIPTION

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

PROFESSIONAL SERVICES (Code 3000), 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
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenue					
470-36210-0000	Interest Earnings	\$ 4,350	\$ 3,931	\$ 2,200	\$ 2,200	0.0%
	Total Interest & Misc Rev	4,350	3,931	2,200	2,200	0.0%
	Transfers					
470-39201-0000	Transfer - General Fund	-	-	-	-	0.0%
	Total Transfers	-	-	-	-	0.0%
	TOTAL REVENUES	<u>\$ 4,350</u>	<u>\$ 3,931</u>	<u>\$ 2,200</u>	<u>\$ 2,200</u>	<u>0.0%</u>
Expenditures						
	Services & Charges					
470-46800-3000	Professional Services	\$ -	\$ -	\$ -	\$ -	0.0%
	Total Services & Charges	-	-	-	-	0.0%
	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 4,350</u>	<u>\$ 3,931</u>	<u>\$ 2,200</u>	<u>\$ 2,200</u>	<u>0.0%</u>

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).

Fund: Water Utility

FUND DESCRIPTION

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.

2012 Budget Highlights

The 2012 Water Utility budget shows a budgeted decrease in net income of \$134,500, mainly as a result of decreased budgeted revenue and increases in contractual services and repairs.

Major Objectives Accomplished in 2010/2011

- ✓ Completed water tower rehabilitation

2011/2012 Department Priorities

- Internal water rate study
- 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

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

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.
- 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.

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)

Operations

2 certified operators

WATER
2012 Budget
Revenues and Expenses

Rate Increase
0.0%

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenue					
601-36102-0000	Interest on Assessment	\$ 7,818	\$ 6,505	\$ 11,071	\$ 9,000	-18.7%
601-36210-0000	Interest Earnings	44,303	31,463	40,754	37,000	-9.2%
601-36221-0000	Rents - Other	29,624	29,203	20,000	25,000	25.0%
601-36240-0000	Refund/ Reimbursements	53,555	399	-	-	0.0%
601-36250-0000	Miscellaneous Revenue	-	5,984	-	-	0.0%
	Total Interest & Misc Rev	135,300	73,554	71,825	71,000	-1.1%
	Utilities Revenues					
601-37000-3801	Residential	607,206	549,284	560,000	551,344	-1.5%
601-37000-3802	Commercial	255,886	277,654	301,000	272,515	-9.5%
601-37000-3903	Industrial	183,774	206,401	201,000	185,662	-7.6%
601-37151-0000	Fire Lanes	3,129	3,104	3,200	3,200	0.0%
601-37152-0000	Misc Meter Rental	25	25	-	-	0.0%
601-37160-0000	Penalties	12,439	13,895	11,000	11,000	0.0%
601-37170-0000	Merchandise Revenues	3,868	16,346	1,700	1,700	0.0%
601-37175-0000	Water Access Fee	10,770	1,240	5,000	5,000	0.0%
601-37470-0000	Misc Rev - Charges	11,174	9,912	3,500	3,500	0.0%
601-37473-0000	Salvage Revenue	-	655	1,000	1,000	0.0%
601-37480-0000	Service Revenues	-	9,524	-	-	0.0%
	Total Utilities Revenues	1,088,271	1,088,040	1,087,400	1,034,921	-4.8%
	TOTAL REVENUES	\$ 1,223,571	\$ 1,161,594	\$ 1,159,225	\$ 1,105,921	-4.6%
Expenses						
	Personnel					
1010	Regular Employees	\$ 164,451	\$ 193,664	\$ 173,733	\$ 181,118	4.3%
1020	Overtime	13,258	17,061	19,152	17,720	-7.5%
1030	Part-time Employees	4,156	4,324	11,264	-	-100.0%
1090	Cellphone Reimbursement	720	1,028	810	972	20.0%
1100	Longevity	1,207	1,440	1,550	1,783	15.0%
1110	Severance Pay	1,528	-	-	-	0.0%
1200	FICA	10,720	13,038	12,548	12,380	-1.3%
1210	PERA	11,765	14,954	14,613	14,406	-1.4%
1220	Medicare	2,506	3,049	2,935	2,896	-1.3%
1250	Insurance Rebate	3,350	2,748	2,748	2,748	0.0%
1300	Insurance	16,451	12,881	30,364	30,899	1.8%
1310	VEBA Trust funding	4,161	7,383	10,340	11,330	9.6%
1330	Life Insurance	483	366	514	537	4.5%
1340	Disability Insurance	666	473	782	724	-7.4%
1510	Workers Comp	5,506	6,190	2,800	4,492	60.4%
	Total Personnel	240,928	278,599	284,153	282,005	-0.8%
	Supplies					
2000	Office Supplies	3,668	1,276	3,640	3,140	-13.7%
2050	Computer Supplies	3,924	336	1,600	1,000	-37.5%
2120	Motor fuels	2,745	3,008	3,500	5,000	42.9%
2170	General Supplies	66,800	62,694	71,340	66,840	-6.3%
2180	Uniforms	1,146	551	1,000	1,000	0.0%
2210	Equipment parts	1,246	3,023	2,000	2,000	0.0%
2215	Meters	1,210	-	-	-	0.0%
2230	Bldg Rep/Maint Supplies	51,511	45,263	47,000	47,000	0.0%
2240	City Shop Charges	2,452	2,227	3,576	2,851	-20.3%
	Total Supplies	134,702	118,451	133,656	128,831	-3.6%

WATER
2012 Budget
Revenues and Expenses

Rate Increase
0.0%

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Services & Charges						
3000	Professional Services	9,914	5,247	47,000	45,000	-4.3%
3050	Professional Services - Audit Fees	-	5,000	5,000	5,000	0.0%
3100	Contractual Services	15,218	19,809	18,168	38,168	110.1%
3200	Communications	8,281	7,598	10,450	10,650	1.9%
3300	Conf and Schools	978	2,773	4,000	4,000	0.0%
3400	Publishing / Advertising	36	42	350	350	0.0%
3500	Printing/Publishing	2,135	2,358	2,167	2,500	15.4%
3610	Public Liab Insurance	2,500	2,775	2,550	2,550	0.0%
3620	Property Insurance	2,700	2,475	6,538	6,172	-5.6%
3800	Utilities	115,425	103,071	105,000	100,000	-4.8%
Total Services & Charges		157,187	151,148	201,223	214,390	6.5%
Charges						
4000	Repair/Maintenance	7,280	20,380	10,542	14,542	37.9%
4060	Well Maint & Repairs	74	10,386	45,000	70,000	55.6%
4320	Uncollectible Accts	117	93	500	600	20.0%
4330	Dues/Subscriptions	1,042	1,042	1,300	1,300	0.0%
4500	Permits & Fees	13,026	7,117	6,500	6,500	0.0%
4940	Safety Program	-	-	550	550	0.0%
4950	Comp Financing Acct	9,902	10,137	7,583	6,593	-13.1%
Total Charges		31,441	49,155	71,975	100,085	39.1%
Capital Outlay						
4230	Loss on Disposal of assets	1,984	-	-	-	0.0%
5300	Improvements	312,200	33,075	998,237	756,000	-24.3%
Total Capital Outlay		314,184	33,075	998,237	756,000	-24.3%
Debt Service Expense (2001B, 2005A)						
6000	Principal	120,000	125,000	130,000	135,000	3.8%
6100	Bond Interest	47,501	42,724	39,710	37,143	-6.5%
6200	Fiscal Agent Fee	633	733	1,750	1,250	-28.6%
Total Debt Service Expense		168,134	168,457	171,460	173,393	1.1%
Transfers						
7200	Transfer - General Fund	52,024	58,724	123,724	123,724	0.0%
7280	Transfer - Debt Service	30,337	-	-	-	0.0%
Total Transfers		82,361	58,724	123,724	123,724	0.0%
TOTAL EXPENSES		\$ 1,128,937	\$ 857,609	\$ 1,984,428	\$ 1,778,428	-10.4%
	Less Capitalized Assets	(314,184)	(33,075)	(998,237)	(756,000)	-24.3%
6000	Less debt service Principal	(120,000)	(125,000)	(130,000)	(135,000)	3.8%
4200	Add: Depreciation Expense	298,039	305,119	330,940	350,994	6.1%
6250	Amortization Expense	1,999	1,999	2,826	1,999	-29.3%
NET TOTAL EXPENSES		994,791	1,006,652	1,189,957	1,240,421	4.2%
Net Income (Loss)		\$ 228,780	\$ 154,942	\$ (30,732)	\$ (134,500)	337.7%

WATER - TRANSFERS
2012 Budget
Expense Detail

		<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>ACTUAL</u>	<u>2011</u> <u>BUDGET</u>	<u>2012</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
	Transfers					
601-49300-7200	Transfer - General Fund	\$ 52,024	\$ 58,724	\$ 123,724	\$ 123,724	0.0%
601-49300-7280	Transfer - Debt Service	30,337	-	-	-	0.0%
	Total Transfers	<u>82,361</u>	<u>58,724</u>	<u>123,724</u>	<u>123,724</u>	<u>0.0%</u>
	TOTAL TRANSFERS	<u><u>\$ 82,361</u></u>	<u><u>\$ 58,724</u></u>	<u><u>\$ 123,724</u></u>	<u><u>\$ 123,724</u></u>	<u><u>0.0%</u></u>

WATER PUMPING EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Supplies					
601-49401-2170	General Supplies	\$ 63,564	\$ 58,443	\$ 67,000	\$ 62,500	-6.7%
601-49401-2230	Bldg Rep/Maint Supplies	1,162	294	2,000	2,000	0.0%
	Total Supplies	<u>64,726</u>	<u>58,737</u>	<u>69,000</u>	<u>64,500</u>	<u>-6.5%</u>
	Services & Charges					
601-49401-3100	Contractual Services	1,228	1,002	3,000	5,000	66.7%
601-49401-3800	Utilities	112,817	103,071	105,000	100,000	-4.8%
	Total Services & Charges	<u>114,045</u>	<u>104,073</u>	<u>108,000</u>	<u>105,000</u>	<u>-2.8%</u>
	Charges					
601-49401-4000	Repair/Maintenance	858	-	1,000	5,000	400.0%
601-49401-4060	Well Maint & Repairs	74	426	45,000	45,000	0.0%
601-49401-4500	Permits & Fees	13,026	7,117	6,500	6,500	0.0%
	Total Charges	<u>13,958</u>	<u>7,543</u>	<u>52,500</u>	<u>56,500</u>	<u>7.6%</u>
	TOTAL EXPENSES	<u><u>\$ 192,729</u></u>	<u><u>\$ 170,353</u></u>	<u><u>\$ 229,500</u></u>	<u><u>\$ 226,000</u></u>	<u><u>-1.5%</u></u>

WATER - DISTRIBUTION OPERATIONS
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
601-49430-1010	Regular Employees	\$ 94,350	\$ 112,944	\$ 99,332	\$ 99,117	-0.2%
601-49430-1020	Overtime	12,766	17,023	14,400	12,555	-12.8%
601-49430-1090	Cell Phone Reimbursement	720	1,028	810	945	16.7%
601-49430-1100	Longevity	353	431	540	645	19.4%
601-49430-1200	FICA	6,304	7,882	7,135	6,904	-3.2%
601-49430-1210	PERA	6,736	8,968	8,285	8,004	-3.4%
601-49430-1220	Medicare	1,474	1,843	1,669	1,615	-3.2%
601-49430-1250	Insurance Rebate	2,390	1,500	1,500	1,500	0.0%
601-49430-1300	Insurance	9,743	5,247	19,815	18,823	-5.0%
601-49430-1310	VEBA Trust Funding	2,300	3,000	5,850	5,850	0.0%
601-49430-1330	Life Insurance	276	138	276	276	0.0%
601-49430-1340	Disability Insurance	419	199	447	396	-11.4%
Total Personnel		<u>137,831</u>	<u>160,203</u>	<u>160,059</u>	<u>156,630</u>	<u>-2.1%</u>
Supplies						
601-49430-2120	Motor fuels	2,745	3,008	3,500	5,000	42.9%
601-49430-2170	General Supplies	2,809	3,884	4,000	4,000	0.0%
601-49430-2180	Uniforms	1,146	551	1,000	1,000	0.0%
601-49430-2210	Equipment parts	1,246	3,023	2,000	2,000	0.0%
601-49430-2215	Meters	1,210	-	-	-	0.0%
601-49430-2220	Vehicle Maintenance	-	73	-	-	0.0%
601-49430-2230	Bldg Rep/Maint Supplies	50,349	44,969	45,000	45,000	0.0%
601-49430-2240	City Shop Charges	2,452	2,227	3,576	2,851	-20.3%
Total Supplies		<u>61,957</u>	<u>57,735</u>	<u>59,076</u>	<u>59,851</u>	<u>1.3%</u>
Services & Charges						
601-49430-3000	Professional Services	1,362	1,035	41,500	41,500	0.0%
601-49430-3100	Contractual Services	12,239	17,021	13,000	31,000	138.5%
601-49430-3300	Conferences and Schools	888	2,562	3,000	3,000	0.0%
Total Services & Charges		<u>14,489</u>	<u>20,618</u>	<u>57,500</u>	<u>75,500</u>	<u>31.3%</u>
Charges						
601-49430-4000	Repair/Maintenance	1,846	15,426	5,000	5,000	0.0%
601-49430-4060	Well Maint & Repairs	-	9,960	-	25,000	100.0%
601-49430-4200	Depreciation	298,039	305,119	330,940	350,994	6.1%
601-49430-4940	Safety Program	-	-	50	50	0.0%
Total Charges		<u>299,885</u>	<u>330,505</u>	<u>335,990</u>	<u>381,044</u>	<u>13.4%</u>
TOTAL EXPENSES		<u><u>\$ 514,162</u></u>	<u><u>\$ 569,061</u></u>	<u><u>\$ 612,625</u></u>	<u><u>\$ 673,025</u></u>	<u><u>9.9%</u></u>

WATER - CUSTOMER BILLING EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Personnel					
601-49585-1010	Regular Employees	\$ 25,928	\$ 29,452	\$ 28,814	\$ 36,416	26.4%
601-49585-1020	Overtime	397	21	2,376	2,789	17.4%
601-49585-1030	Part-time Employees	4,156	4,324	11,264	-	-100.0%
601-49585-1100	Longevity	303	402	416	525	26.2%
601-49585-1200	FICA	1,871	2,119	2,402	2,463	2.5%
601-49585-1210	PERA	2,066	2,383	2,808	2,880	2.6%
601-49585-1220	Medicare	437	496	562	576	2.5%
601-49585-1250	Insurance Rebate	600	792	792	792	0.0%
601-49585-1300	Insurance	2,190	2,060	4,225	6,068	43.6%
601-49585-1310	VEBA Trust Funding	769	1,383	1,370	2,360	72.3%
601-49585-1330	Life Insurance	121	114	114	137	20.2%
601-49585-1340	Disability Insurance	97	109	130	146	12.3%
	Total Personnel	<u>38,935</u>	<u>43,655</u>	<u>55,273</u>	<u>55,152</u>	<u>-0.2%</u>
	Supplies					
601-49585-2000	Office Supplies	1,720	107	1,000	500	-50.0%
601-49585-2050	Computer Supplies	2,151	-	750	500	-33.3%
	Total Supplies	<u>3,871</u>	<u>107</u>	<u>1,750</u>	<u>1,000</u>	<u>-42.9%</u>
	Services & Charges					
601-49585-3000	Professional Services	5,963	2,568	5,000	3,000	-40.0%
601-49585-3200	Communications	8,011	7,598	9,700	9,700	0.0%
601-49585-3300	Conf and Schools	90	202	500	500	0.0%
601-49585-3500	Printing/Publishing	2,135	2,358	2,167	2,500	15.4%
	Total Services & Charges	<u>16,199</u>	<u>12,726</u>	<u>17,367</u>	<u>15,700</u>	<u>-9.6%</u>
	Charges					
601-49585-4320	Uncollectible Accounts	117	93	500	600	20.0%
601-49585-4950	Comp Financing Acct	534	521	551	600	8.9%
	Total Charges	<u>651</u>	<u>614</u>	<u>1,051</u>	<u>1,200</u>	<u>14.2%</u>
	TOTAL EXPENSES	<u><u>\$ 59,656</u></u>	<u><u>\$ 57,102</u></u>	<u><u>\$ 75,441</u></u>	<u><u>\$ 73,052</u></u>	<u><u>-3.2%</u></u>

WATER - ADMINISTRATION EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
601-49586-1010	Regular Employees	\$ 41,568	\$ 51,268	\$ 45,587	\$ 45,585	0.0%
601-49586-1020	Overtime	81	17	2,376	2,376	0.0%
601-49586-1090	Cell Phone Reimbursement	-	-	-	27	100.0%
601-49586-1100	Longevity	551	607	594	613	3.2%
601-49586-1200	FICA	2,446	3,037	3,011	3,013	0.1%
601-49586-1210	PERA	2,850	3,603	3,520	3,522	0.1%
601-49586-1220	Medicare	572	710	704	705	0.1%
601-49586-1250	Insurance Rebate	360	456	456	456	0.0%
601-49586-1300	Insurance	4,518	5,574	6,324	6,008	-5.0%
601-49586-1310	VEBA Trust Funding	1,092	3,000	3,120	3,120	0.0%
601-49586-1330	Life Insurance	86	114	124	124	0.0%
601-49586-1340	Disability Insurance	150	165	205	182	-11.2%
601-49586-1510	Workers Comp	5,506	6,190	2,800	4,492	60.4%
Total Personnel		59,780	74,741	68,821	70,223	2.0%
Supplies						
601-49586-2000	Office Supplies	1,948	1,169	2,640	2,640	0.0%
601-49586-2050	Computer Supplies	1,773	336	850	500	-41.2%
601-49586-2170	General Supplies	427	367	340	340	0.0%
Total Supplies		4,148	1,872	3,830	3,480	-9.1%
Services & Charges						
601-49586-3000	Professional Services	2,589	1,644	500	500	0.0%
601-49586-3050	Professional Services - Audit Fees	-	5,000	5,000	5,000	0.0%
601-49586-3100	Contractual Services	1,751	1,786	2,168	2,168	0.0%
601-49586-3200	Communications	270	-	750	950	26.7%
601-49586-3300	Conferences and Schools	-	9	500	500	0.0%
601-49586-3400	Publishing / Advertising	36	42	350	350	0.0%
601-49586-3610	Public Liab Insurance	2,500	2,775	2,550	2,550	0.0%
601-49586-3620	Property Insurance	2,700	2,475	6,538	6,172	-5.6%
Total Services & Charges		9,846	13,731	18,356	18,190	-0.9%
Charges						
601-49586-4000	Repair/Maintenance	4,576	4,954	4,542	4,542	0.0%
601-49586-4330	Dues/Subscriptions	1,042	1,042	1,300	1,300	0.0%
601-49586-4940	Safety Program	-	-	500	500	0.0%
601-49586-4950	Comp Financing Acct	9,368	9,616	7,032	5,993	-14.8%
Total Charges		14,986	15,612	13,374	12,335	-7.8%
TOTAL EXPENSES		<u>\$ 88,760</u>	<u>\$ 105,956</u>	<u>\$ 104,381</u>	<u>\$ 104,228</u>	<u>-0.1%</u>

WATER - CAPITAL OUTLAY
2012 Budget
Expense Detail

		<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>PERCENT CHANGE</u>
	Capital Outlay					
601-49593-4230	Loss on Disposal of Assets	\$ 1,984	\$ -	\$ -	\$ -	0.0%
601-49593-5300	Improvements	312,200	33,075	998,237	756,000	-24.3%
	Total Capital Outlay	<u>314,184</u>	<u>33,075</u>	<u>998,237</u>	<u>756,000</u>	<u>-24.3%</u>
	TOTAL EXPENSES	<u><u>\$ 314,184</u></u>	<u><u>\$ 33,075</u></u>	<u><u>\$ 998,237</u></u>	<u><u>\$ 756,000</u></u>	<u><u>-24.3%</u></u>

WATER - DEBT SERVICE EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Debt Service Expense					
601-49980-6000	Principal	\$ 120,000	\$ -	\$ 130,000	\$ 135,000	3.8%
601-49980-6100	Bond Interest	47,501	42,724	39,710	37,143	-6.5%
601-49980-6200	Fiscal Agent Fee	633	733	1,750	1,250	-28.6%
601-49980-6250	Amortization Expense	1,999	1,999	2,826	1,999	-29.3%
	Total Debt Service Expense	170,133	45,456	174,286	175,392	0.6%
	TOTAL EXPENSES	<u>\$ 170,133</u>	<u>\$ 45,456</u>	<u>\$ 174,286</u>	<u>\$ 175,392</u>	<u>0.6%</u>

Fund: Sanitary Sewer

FUND DESCRIPTION

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.

2012 Budget Highlights

The 2012 sanitary sewer utility budget shows a budgeted net loss of \$139,187 for 2012 compared to a budgeted loss of \$318,457 in 2011. The increase is mainly due to an increase in budgeted operating revenues to more accurately reflect actual revenues being received by the utility.

Major Objectives Accomplished in 2010/2011

- ✓ Near completion of the \$16 million waste water treatment improvements

2011/2012 Department Priorities

- Added operations and costs associated with the waste water treatment plant improvements
- 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

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

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
- 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 5400, MACHINERY, Annual equipment replacement.

DEBT SERVICE

- Provides for principal and interest on debt costs from refunded 1995 bond issue (2004b) and 2005a debt issue for 11th 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

Administration

Director of Utilities (33% allocation)

Billing

Billing clerks (33% allocation)

Support staff (33% allocation)

Utility Admin projects coordinator (33% allocation)

Operations

3 certified operators

SANITARY SEWER
Fund 602
Revenues and Expenses

2012
Rate increase
0.00%

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
Interest & Misc Revenue						
602-33425-0000	State Grant	\$ 70,551	\$ -	\$ -	\$ -	0.0%
602-33427-0000	State Grant-TMDL	-	333,514	-	-	-
602-33111-0000	Federal Grant - ARRA	6,000,000	-	-	-	0.0%
602-36102-0000	Interest on Assessment	7,836	7,333	10,000	9,000	-10.0%
602-36210-0000	Interest earnings	35,574	39,605	37,787	37,787	0.0%
602-36250-0000	Misc Revenue	-	5,636	-	-	0.0%
602-36252-0000	Storm Water Fee	(13)	(10)	-	-	0.0%
602-36253-0000	I&I Non-Compl. Fee	2,450	3,000	500	500	0.0%
	Total Interest & Misc Rev	<u>6,116,398</u>	<u>389,078</u>	<u>48,287</u>	<u>47,287</u>	<u>-2.1%</u>
Utilities Revenues						
602-37000-3901	Residential	1,348,636	1,136,185	1,048,875	1,124,838	7.2%
602-37000-3902	Commercial	780,556	600,536	542,542	635,477	17.1%
602-37000-3903	Industrial	191,832	270,644	246,172	271,233	10.2%
602-37160-0000	Penalties	26,175	23,761	18,000	-	0.0%
602-37240-0000	Sewer Surcharge	13,406	-	42,000	-	0.0%
602-37275-0000	Sewer Access Fee	11,715	1,375	9,000	-	0.0%
602-37470-0000	Misc Rev - Charges	702	51,120	-	-	0.0%
	Total Utilities Revenues	<u>2,373,022</u>	<u>2,083,621</u>	<u>1,906,589</u>	<u>2,031,548</u>	<u>6.6%</u>
Transfers						
602-39215-0000	Transfer/ General Fund	323,105	188,185	187,063	183,094	-2.1%
	Total Transfers	<u>323,105</u>	<u>188,185</u>	<u>187,063</u>	<u>183,094</u>	<u>-2.1%</u>
	TOTAL REVENUES	<u>\$ 8,812,525</u>	<u>2,660,884</u>	<u>\$ 2,141,939</u>	<u>\$ 2,261,929</u>	<u>5.6%</u>
Expenses						
Personnel						
1010	Regular Employees	\$ 268,033	\$ 250,141	\$ 278,928	\$ 290,113	4.0%
1020	Overtime	20,478	23,304	29,912	23,000	-23.1%
1030	Part-time Employees	4,370	4,324	11,264	-	0.0%
1090	Cellphone reimbursement	1,035	2,030	810	1,895	100.0%
1100	Longevity	1,369	1,701	1,952	2,112	8.2%
1200	FICA	16,377	17,000	19,762	19,506	-1.3%
1210	PERA	18,949	19,812	23,048	22,670	-1.6%
1220	Medicare	3,829	3,976	4,622	4,562	-1.3%
1250	Insurance Rebate	1,024	3,660	3,660	3,660	0.0%
1300	Insurance	46,463	56,226	63,606	62,480	-1.8%
1310	VEBA Trust Funding	8,234	16,133	13,040	14,030	7.6%
1330	Life Insurance	621	734	851	874	2.7%
1340	Disability Insurance	907	914	1,255	1,144	-8.8%
1510	Workers Comp	7,299	9,743	8,000	7,763	-3.0%
	Total Personnel	<u>400,516</u>	<u>409,698</u>	<u>465,237</u>	<u>458,363</u>	<u>-1.5%</u>
Supplies						
2000	Office Supplies	4,473	2,047	3,340	3,340	0.0%
2050	Computer Supplies	2,215	1,306	2,600	800	-69.2%
2120	Motor Fuels	6,130	6,194	8,000	14,000	75.0%
2150	Biosolid Application	17,211	27,649	25,000	20,000	-20.0%
2170	General Supplies	47,309	56,575	60,840	70,840	16.4%
2180	Uniforms	3,202	3,941	2,800	2,800	0.0%
2210	Equipment Parts	9,386	18,978	15,000	15,000	0.0%
2230	Bldg Rep/Maint Supplies	2,108	255,652	2,000	4,500	125.0%
2240	City Shop Charges	29,042	44,178	36,740	39,051	6.3%
2400	Small Tools	191	316	1,000	1,000	0.0%
	Total Supplies	<u>121,267</u>	<u>417,436</u>	<u>157,320</u>	<u>171,331</u>	<u>8.9%</u>

SANITARY SEWER
Fund 602
Revenues and Expenses

2012
Rate increase
0.00%

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Services & Charges						
3000	Professional Services	30,610	33,908	144,100	82,100	-43.0%
3050	Professional Services - Audit Fees	-	10,000	14,000	14,000	0.0%
3100	Contractual Services	51,810	63,001	91,168	94,168	3.3%
3200	Communications	14,391	14,694	15,700	15,900	1.3%
3300	Conferences and Schools	2,998	4,428	4,500	3,600	-20.0%
3400	Publishing / Advertising	270	696	500	500	0.0%
3500	Printing/Publishing	2,135	2,358	2,167	2,500	15.4%
3620	Property Insurance	3,000	3,000	17,241	16,289	-5.5%
3800	Utilities	145,074	163,858	216,500	198,000	-8.5%
Total Services & Charges		250,358	295,943	505,876	427,057	-15.6%
Charges						
4000	Repair/Maintenance	40,790	47,223	34,042	34,042	0.0%
4020	Lift Station Repairs	5,238	7,082	7,100	13,000	83.1%
4100	Rent	2,592	944	1,000	1,000	0.0%
4230	Loss on Disposal of Asset	-	23,809	-	-	0.0%
4310	Tax abatement Pay	-	177	-	-	0.0%
4320	Uncollectible Accounts	171	-	500	1,000	100.0%
4330	Dues/Subscriptions	3,056	2,609	3,000	3,000	0.0%
4500	Permits & Fees	6,610	6,510	6,500	6,500	0.0%
4940	Safety Program	-	9,567	500	500	0.0%
4950	Comp Financing Acct	10,242	-	7,129	5,538	-22.3%
Total Charges		68,699	97,921	59,771	64,580	8.0%
Capital Outlay						
5300	Improvements	6,961,262	6,835,935	415,000	470,000	13.3%
5400	Machinery	26,651	5,082	6,000	69,000	1050.0%
Total Capital Outlay		6,987,913	6,841,017	421,000	539,000	28.0%
Debt Service						
6000	Principal	225,000	-	616,000	631,000	2.4%
6100	Bond Interest	102,201	88,162	291,282	312,286	7.2%
6200	Fiscal Agent Fee	633	733	2,000	1,500	-25.0%
Total Debt Service		327,834	88,895	909,282	944,786	3.9%
Transfers						
7200	Transfer - General Fund	52,024	58,724	123,724	123,724	0.0%
7280	Transfer - Debt Service	34,592	-	-	-	0.0%
Total Transfers		86,616	58,724	123,724	123,724	0.0%
TOTAL EXPENSES		\$ 8,243,203	\$ 8,209,634	\$ 2,642,210	\$ 2,728,841	3.3%
	Less Capitalized Assets	(6,987,913)	(6,841,017)	(421,000)	(539,000)	28.0%
6000	Less debt service Principal	(225,000)	-	(616,000)	(631,000)	2.4%
4200	Add: Depreciation Expense	523,686	531,342	848,686	837,192	-1.4%
6250	Add: Amortization Expense	5,083	5,083	6,500	5,083	-21.8%
NET TOTAL EXPENSES		1,559,059	1,905,042	2,460,396	2,401,116	-2.4%
Net Income (Loss)		\$ 7,253,466	\$ 755,842	\$ (318,457)	\$ (139,187)	-56.3%

SANITARY SEWER - TRANSFERS
2012 Budget
Expense Detail

		<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>ACTUAL</u>	<u>2011</u> <u>BUDGET</u>	<u>2012</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
	Transfers					
602-49300-7200	Transfer - General Fund	\$ 52,024	\$ 58,724	\$ 123,724	\$ 123,724	0.0%
602-49300-7280	Transfer - Debt Service	34,592	-	-	-	0.0%
	Total Transfers	<u>86,616</u>	<u>58,724</u>	<u>123,724</u>	<u>123,724</u>	<u>0.0%</u>
	TOTAL EXPENSES	<u><u>\$ 86,616</u></u>	<u><u>\$ 58,724</u></u>	<u><u>\$ 123,724</u></u>	<u><u>\$ 123,724</u></u>	<u><u>0.0%</u></u>

SANITARY SEWER - CONSTRUCTION PROJECT
2012 Budget
Expense Detail

		<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>ACTUAL</u>	<u>2011</u> <u>BUDGET</u>	<u>2012</u> <u>BUDGET</u>	<u>PERCENT</u> <u>CHANGE</u>
	Services & Charges					
602-49455-3000	Professional Services	\$ -	\$21,344	\$ 122,000	\$ 35,000	0.0%
	Total Services & Charges	<u>-</u>	<u>21,344</u>	<u>122,000</u>	<u>35,000</u>	<u>0.0%</u>
	TOTAL EXPENSES	<u><u>\$ -</u></u>	<u><u>\$21,344</u></u>	<u><u>\$ 122,000</u></u>	<u><u>\$ 35,000</u></u>	<u><u>0.0%</u></u>

SANITARY SEWER - STORM WATER PROGRAM
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
602-49465-1010	Regular Employees	\$ 214	\$ -	\$ -	\$ -	0.0%
602-49465-1100	Longevity	5	-	-	-	0.0%
602-49465-1200	FICA	14	-	-	-	0.0%
602-49465-1210	PERA	15	-	-	-	0.0%
602-49465-1220	Medicare	3	-	-	-	0.0%
602-49465-1250	Insurance Rebate	9	-	-	-	0.0%
Total Personnel		<u>260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
Supplies						
602-49465-2000	Office Supplies	-	-	500	500	0.0%
Total Supplies		<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>	<u>0.0%</u>
Services & Charges						
602-49465-3000	Professional Services	22,464	102	20,000	20,000	0.0%
602-49465-3100	Contractual Services	1,335	-	30,000	30,000	0.0%
602-49465-3400	Publishing / Advertising	176	-	100	100	0.0%
Total Services & Charges		<u>23,975</u>	<u>102</u>	<u>50,100</u>	<u>50,100</u>	<u>0.0%</u>
Charges						
602-49465-4000	Repair/Maintenance	-	-	500	500	0.0%
Total Charges		<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>	<u>0.0%</u>
TOTAL EXPENSES		<u><u>\$ 24,235</u></u>	<u><u>\$ 102</u></u>	<u><u>\$ 51,100</u></u>	<u><u>\$ 51,100</u></u>	<u><u>0.0%</u></u>

SANITARY SEWER - WASTEWATER COLLECTION
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
602-49470-1010	Regular Employees	\$ 40,690	\$ 52,214	\$ 64,238	\$ 68,445	6.5%
602-49470-1020	Overtime	324	4,938	3,560	3,790	6.5%
602-49470-1090	Cellphone reimbursement	-	567	-	680	100.0%
602-49470-1100	Longevity	130	501	537	659	22.7%
602-49470-1200	FICA	2,032	3,569	4,237	4,286	1.2%
602-49470-1210	PERA	2,342	4,010	4,954	4,962	0.2%
602-49470-1220	Medicare	475	835	991	1,002	1.1%
602-49470-1250	Insurance Rebate	-	1,512	1,512	1,512	0.0%
602-49470-1300	Insurance	-	-	9,399	8,929	-5.0%
602-49470-1310	VEBA Trust	-	-	4,527	4,527	0.0%
602-49470-1330	Life Insurance	-	-	199	199	0.0%
602-49470-1340	Disability Insurance	-	-	289	257	-11.1%
Total Personnel		45,993	68,146	94,443	99,248	5.1%
Supplies						
602-49470-2170	General Supplies	11,918	7,487	10,500	10,500	0.0%
602-49470-2230	Bldg Rep/Maint Supplies	-	253,668	-	-	0.0%
602-49470-2240	City Shop Charges	26,901	41,355	35,000	35,841	2.4%
Total Supplies		38,819	302,510	45,500	46,341	1.8%
Services & Charges						
602-49470-3000	Professional Services	-	102	-	-	0.0%
602-49470-3100	Contractual Services	2,291	1,657	2,000	2,000	0.0%
602-49470-3200	Communications	4,240	4,493	4,200	4,200	0.0%
602-49470-3300	Conf and Schools	332	743	600	700	16.7%
602-49470-3400	Publishing / Advertising	-	-	200	200	0.0%
602-49470-3800	Utilities	15,562	16,412	18,000	18,000	0.0%
Total Services & Charges		22,425	23,407	25,000	25,100	0.4%
Charges						
602-49470-4000	Repair/Maintenance	15,691	16,328	19,000	19,000	0.0%
602-49470-4020	Lift Station Repairs	5,238	7,082	7,100	13,000	83.1%
Total Charges		20,929	23,410	26,100	32,000	22.6%
TOTAL EXPENSES		<u>\$ 128,166</u>	<u>\$ 417,473</u>	<u>\$ 191,043</u>	<u>\$ 202,689</u>	<u>6.1%</u>

SANITARY SEWER - WASTEWATER TREATMENT
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
602-49480-1010	Regular Employees	\$ 157,074	\$ 117,208	\$ 140,289	\$ 139,667	-0.4%
602-49480-1020	Overtime	19,662	18,328	21,600	14,045	-35.0%
602-49480-1030	Part-time Employees	214	-	-	-	0.0%
602-49480-1090	Cellphone reimbursement	1,035	1,463	810	1,215	50.0%
602-49480-1100	Longevity	380	191	405	315	-22.2%
602-49480-1200	FICA	9,917	8,275	10,112	9,744	-3.6%
602-49480-1210	PERA	11,567	9,816	11,766	11,306	-3.9%
602-49480-1220	Medicare	2,319	1,935	2,365	2,279	-3.6%
602-49480-1250	Insurance Rebate	55	900	900	900	0.0%
602-49480-1300	Insurance	39,756	46,963	43,658	41,475	-5.0%
602-49480-1310	VEBA Trust Funding	6,375	11,750	8,550	8,550	0.0%
602-49480-1330	Life Insurance	414	506	414	414	0.0%
602-49480-1340	Disability Insurance	659	640	631	559	-11.4%
Total Personnel		249,427	217,975	241,500	230,469	-4.6%
Supplies						
602-49480-2000	Office Supplies	2,130	775	1,500	1,500	0.0%
602-49480-2050	Computer Supplies	-	-	500	-	0.0%
602-49480-2120	Motor Fuels	6,130	6,194	8,000	14,000	75.0%
602-49480-2150	Biosolid Application	17,211	27,649	25,000	20,000	-20.0%
602-49480-2170	General Supplies	34,997	48,748	50,000	60,000	20.0%
602-49480-2180	Uniforms	3,202	3,941	2,800	2,800	0.0%
602-49480-2190	Safety Equipment	-	440	-	-	0.0%
602-49480-2210	Equipment Parts	9,386	18,978	15,000	15,000	0.0%
602-49480-2220	Vehicle Maintenance	-	160	-	-	0.0%
602-49480-2230	Bldg Rep/Maint Supplies	2,108	1,984	2,000	4,500	125.0%
602-49480-2240	City Shop Charges	2,141	2,823	1,740	3,210	84.5%
602-49480-2400	Small Tools	191	316	1,000	1,000	0.0%
Total Supplies		77,496	112,008	107,540	122,010	13.5%
Services & Charges						
602-49480-3000	Professional Services	200	9,392	-	24,000	100.0%
602-49480-3100	Contractual Services	46,433	59,558	57,000	60,000	5.3%
602-49480-3200	Communications	2,099	2,478	2,500	2,700	8.0%
602-49480-3300	Conferences and Schools	2,666	3,335	3,500	2,500	-28.6%
602-49480-3400	Publishing / Advertising	-	696	-	-	0.0%
602-49480-3610	Public Liab Insurance	70	-	-	-	0.0%
602-49480-3620	Property Insurance	3,000	3,000	17,241	16,289	-5.5%
602-49480-3800	Utilities	128,061	147,446	198,500	180,000	-9.3%
Total Services & Charges		182,529	225,905	278,741	285,489	2.4%

SANITARY SEWER - WASTEWATER TREATMENT
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Charges						
602-49480-4000	Repair/Maintenance	20,523	26,703	10,000	10,000	0.0%
602-49480-4100	Rent	2,592	944	1,000	1,000	0.0%
602-49480-4200	Depreciation	523,686	531,342	848,686	837,192	-1.4%
602-49480-4230	Loss on Disposal of Asset	-	23,809	-	-	0.0%
602-49480-4330	Dues/Subscriptions	3,056	2,609	3,000	3,000	0.0%
602-49480-4500	Permits & Fees	6,610	6,510	6,500	6,500	0.0%
Total Charges		<u>556,467</u>	<u>591,917</u>	<u>869,186</u>	<u>857,692</u>	<u>-1.3%</u>
Capital Outlay						
602-49480-5300	Improvements	-	-	-	25,000	100.0%
602-49480-5400	Machinery	-	-	6,000	69,000	1050.0%
Total Capital Outlay		<u>-</u>	<u>-</u>	<u>6,000</u>	<u>94,000</u>	<u>1466.7%</u>
TOTAL EXPENSES		<u><u>\$ 1,065,919</u></u>	<u><u>\$ 1,147,805</u></u>	<u><u>\$ 1,502,967</u></u>	<u><u>\$ 1,589,660</u></u>	<u><u>5.8%</u></u>

SANITARY SEWER - CUSTOMER BILLING EXPENSES
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
602-49585-1010	Regular Employees	\$ 25,489	\$ 29,890	\$ 28,814	\$ 36,416	26.4%
602-49585-1020	Overtime	397	21	2,376	2,789	17.4%
602-49585-1030	Part-time Employees	4,156	4,324	11,264	-	0.0%
602-49585-1100	Longevity	303	402	416	525	26.2%
602-49585-1200	FICA	1,871	2,119	2,402	2,463	2.5%
602-49585-1210	PERA	2,066	2,383	2,808	2,880	2.6%
602-49585-1220	Medicare	437	496	562	576	2.5%
602-49585-1250	Insurance Rebate	600	792	792	792	0.0%
602-49585-1300	Insurance	2,189	3,889	4,225	6,068	43.6%
602-49585-1310	VEBA Trust Funding	767	1,383	1,370	2,360	72.3%
602-49585-1330	Life Insurance	121	114	114	137	20.2%
602-49585-1340	Disability Insurance	97	109	130	146	12.3%
Total Personnel		38,493	45,922	55,273	55,152	-0.2%
Supplies						
602-49585-2000	Office Supplies	1,765	-	500	500	0.0%
602-49585-2050	Computer Supplies	351	-	1,200	500	-58.3%
Total Supplies		2,116	-	1,700	1,000	-41.2%
Services & Charges						
602-49585-3000	Professional Services	6,194	2,568	2,000	3,000	50.0%
602-49585-3200	Communications	8,052	7,723	9,000	9,000	0.0%
602-49585-3500	Printing/Publishing	2,135	2,358	2,167	2,500	15.4%
Total Services & Charges		16,381	12,649	13,167	14,500	10.1%
Charges						
602-49585-4320	Uncollectible Accts	171	177	500	1,000	100.0%
602-49585-4950	Comp Financing Acct	534	521	551	600	8.9%
Total Charges		705	698	1,051	1,600	52.2%
TOTAL EXPENSES		<u>\$ 57,695</u>	<u>\$ 59,269</u>	<u>\$ 71,191</u>	<u>\$ 72,252</u>	<u>1.5%</u>

SANITARY SEWER - ADMINISTRATION EXPENSE

2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
602-49586-1010	Regular Employees	\$ 41,568	\$ 51,268	\$ 45,587	\$ 45,585	0.0%
602-49586-1020	Overtime	81	17	2,376	2,376	0.0%
602-49586-1090	Cell Phone	-	-	-	27	100.0%
602-49586-1100	Longevity	551	607	594	613	3.2%
602-49586-1200	FICA	2,446	3,037	3,011	3,013	0.1%
602-49586-1210	PERA	2,850	3,603	3,520	3,522	0.1%
602-49586-1220	Medicare	572	710	704	705	0.1%
602-49586-1250	Insurance Rebate	360	456	456	456	0.0%
602-49586-1300	Insurance	4,518	5,374	6,324	6,008	-5.0%
602-49586-1310	VEBA Trust Funding	1,092	3,000	3,120	3,120	0.0%
602-49586-1330	Life Insurance	86	114	124	124	0.0%
602-49586-1340	Disability Insurance	151	165	205	182	-11.2%
602-49586-1510	Workers Comp	7,299	9,743	8,000	7,763	-3.0%
Total Personnel		61,574	78,094	74,021	73,494	-0.7%
Supplies						
602-49586-2000	Office Supplies	578	1,272	840	840	0.0%
602-49586-2050	Computer Supplies	1,864	1,306	900	300	-66.7%
602-49586-2170	General Supplies	394	340	340	340	0.0%
Total Supplies		2,836	2,918	2,080	1,480	-28.8%
Services & Charges						
602-49586-3000	Professional Services	1,752	400	100	100	0.0%
602-49586-3050	Professional Services - Audit Fees	-	10,000	14,000	14,000	0.0%
602-49586-3100	Contractual Services	1,751	1,786	2,168	2,168	0.0%
602-49586-3300	Conferences and Schools	-	350	400	400	0.0%
602-49586-3400	Publishing / Advertising	94	-	200	200	0.0%
Total Services & Charges		3,597	12,536	16,868	16,868	0.0%
Charges						
602-49586-4000	Repair/Maintenance	4,576	4,192	4,542	4,542	0.0%
602-49586-4940	Safety Program	-	-	500	500	0.0%
602-49586-4950	Comp Financing Acct	9,708	9,046	6,578	4,938	-24.9%
Total Charges		14,284	13,238	11,620	9,980	-14.1%
TOTAL EXPENSES		<u>\$ 82,291</u>	<u>\$ 106,786</u>	<u>\$ 104,589</u>	<u>\$ 101,822</u>	<u>-2.6%</u>

SANITARY SEWER - CAPITAL OUTLAY
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Capital Outlay					
602-49593-5300	Improvements	\$6,961,262	\$6,835,935	\$ 415,000	445,000	7.2%
602-49593-5400	Machinery	26,651	5,082	-	-	0.0%
	Total Capital Outlay	<u>6,987,913</u>	<u>6,841,017</u>	<u>415,000</u>	<u>445,000</u>	<u>7.2%</u>
	TOTAL EXPENSES	<u><u>\$6,987,913</u></u>	<u><u>\$6,841,017</u></u>	<u><u>\$ 415,000</u></u>	<u><u>\$ 445,000</u></u>	<u><u>7.2%</u></u>

SANITARY SEWER - DEBT SERVICE EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Debt Service					
602-49980-6000	Principal	\$ 225,000	\$ -	\$ 616,000	\$ 631,000	2.4%
602-49980-6100	Bond Interest	102,201	88,162	291,282	312,286	7.2%
602-49980-6200	Fiscal Agent Fee	633	733	2,000	1,500	-25.0%
602-49980-6250	Amortization Expense	5,083	5,083	6,500	5,083	-21.8%
	Total Debt Service	<u>332,917</u>	<u>93,978</u>	<u>915,782</u>	<u>949,869</u>	<u>3.7%</u>
	TOTAL EXPENSES	<u><u>\$ 332,917</u></u>	<u><u>\$ 93,978</u></u>	<u><u>\$ 915,782</u></u>	<u><u>\$ 949,869</u></u>	<u><u>3.7%</u></u>

Fund: Electric Utility

FUND DESCRIPTION

The Electric fund is municipally owned and operated as an Enterprise fund. The Electric fund currently serves approximately 3,800 customers, residential, commercial and industrial. In 1902 purchasing power from Northern States Power Company, the City of Waseca started the Electric fund. In 1985 the City switched from NSP to Southern Minnesota Municipal Power Agency (SMMPA) and presently has a contract until the year 2030 with SMMPA.

2012 Budget Highlights

The 2012 Electric Utility budget shows a budgeted decrease in net income of \$346,218. Budgeted 2012 revenue increased, however this was offset by an increase in purchased power. Capital outlay was increased by \$400,500.

Major Objectives Accomplished in 2010/2011

- ✓ Completed transformer rehabilitation within budget

2011/2012 Department Priorities

- Continuing review of rate structure and revenue analysis
- Mapping and documentation of electrical system
- Continuing Electrical Load Management
- Territory assessment and planning for future growth
- Transformer repair and maintenance
- Substation and switch gear equipment upgrade
- Electrical planning for commercial growth in areas of the community
- Energy conservation programs and rebates
- Electrical services as requested for business/commercial development
- Maintenance of electrical distribution system
- Strategic planning (deferred)

ACTIVITIES SCOPE

- Territory agreements
- Transformer maintenance
- Street light operation and maintenance
- Maintenance of substation
- Overhead operations and maintenance
- Underground operations and maintenance
- Billing and collection
- Capital and equipment replacement planning
- Rate study and analysis
- Community emergency siren equipment planning and oversight

DEPARTMENTAL GOALS

- To operate at peak efficiency
- Answer service calls promptly, diagnose problems and make the necessary repairs to the system, service connections, etc
- Upgrade the electric lines and services to avoid or minimize service disruption
- To provide assistance to commercial/industrial sector, to participate in SMMPA programs and opportunities
- To meet community growth needs through electrical installations as coordinated with community development, annexation, and commercial growth.
- Automate documentation of load profile by monitoring distribution of power use via telemetry.

CURRENT AND PROPOSED EXPENDITURES

Code 49300, TRANSFERS, accounts for electric fund share of administrative and overhead costs carried in the General fund.

Code 49550, PURCHASED POWER, accounts for the purchased wholesale electrical power 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.

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.

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
- 1 Crew Chief
- Director of Utilities (34% allocation)
- 1 Utility laborer

ELECTRIC UTILITY
604 Fund
Revenues and Expenses

Rate Increase
0.0%

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenue					
604-36210-0000	Interest Earnings	\$ 23,850	\$ 24,754	\$ 10,000	\$ 15,000	50.0%
604-36250-0000	Misc Revenue	6,151	35,772	-	-	0.0%
	Total Interest & Misc Rev	<u>30,001</u>	<u>60,526</u>	<u>10,000</u>	<u>15,000</u>	<u>50.0%</u>
	Utilities Revenues					
604-37000-3701	Residential	2,955,945	3,198,079	3,032,800	3,298,558	8.8%
604-37000-3702	General Service	2,099,506	2,199,742	2,154,093	1,065,637	-50.5%
604-37000-3703	Power Service	1,321,820	1,407,661	1,356,187	2,531,575	86.7%
604-37000-3705	Hwy/Street Lighting	22,431	-	80,492	79,000	-1.9%
604-37000-3706	Park Lighting	3,784	2,906	3,569	3,569	0.0%
604-37000-3707	Water Pumping	26,443	-	95,911	1,900	-98.0%
604-37000-3708	Public Building	113,855	146,056	116,815	34,000	-70.9%
604-37000-3710	Special E Heat Rate	56,229	87,715	-	-	0.0%
604-37160-0000	Penalties	63,287	75,280	67,000	67,000	0.0%
604-37170-0000	Merchandising Revenue	5,693	6	500	500	0.0%
604-37180-0000	Conservation Revenue	(12,460)	25,481	46,200	46,200	0.0%
604-37430-0000	Yard Light Rental	11,902	11,243	11,000	11,000	0.0%
604-37470-0000	Misc Rev - Charges	-	(17,240)	4,800	4,800	0.0%
604-37472-0000	Check Handling Fee	350	-	450	450	0.0%
604-37473-0000	Salvage Revenue	1,370	6,440	1,000	1,000	0.0%
604-37476-0000	Connect/ Disconnect Fee	4,850	-	6,500	6,500	0.0%
604-37480-0000	Service Revenues	948	250	500	500	0.0%
	Total Utilities Revenues	<u>6,675,953</u>	<u>7,143,619</u>	<u>6,977,817</u>	<u>7,152,189</u>	<u>2.5%</u>
	TOTAL REVENUES	<u><u>\$ 6,705,954</u></u>	<u><u>\$ 7,204,145</u></u>	<u><u>\$ 6,987,817</u></u>	<u><u>\$ 7,167,189</u></u>	<u><u>2.6%</u></u>

Expenses

	Personnel					
1010	Regular Employees	\$ 354,011	\$ 300,618	\$ 299,106	\$ 306,935	2.6%
1020	Overtime	38,503	41,537	33,697	34,122	1.3%
1030	Part-time Employees	8,454	4,455	11,480	-	0.0%
1040	Crossing Guards	634	634	-	-	0.0%
1080	Clothing/Uniform Allowance	1,575	1,399	1,399	1,399	0.0%
1090	Cell Phone Reimbursement	1,440	1,747	2,159	2,159	0.0%
1100	Longevity	4,753	3,978	4,115	4,412	7.2%
1110	Severance Pay	20,130	-	-	-	0.0%
1200	FICA	23,789	20,907	21,477	21,554	0.4%
1210	PERA	26,934	24,569	24,959	25,046	0.3%
1220	Medicare	5,562	4,888	5,022	5,041	0.4%
1230	PERA (Police & Fire)	-	-	-	-	0.0%
1250	Insurance Rebate	4,989	3,683	3,683	2,483	-32.6%
1300	Insurance	52,116	48,856	53,272	54,789	2.8%
1301	Ins - PERA Disability	-	-	452	-	0.0%
1310	VEBA Trust Fund	9,228	18,508	18,746	26,641	42.1%
1330	Life Insurance	897	648	798	822	3.0%
1340	Disability Insurance	1,618	1,131	1,346	1,227	-8.8%
1510	Workers Comp	12,976	17,214	10,050	8,730	-13.1%
	Total Personnel	<u>567,609</u>	<u>494,772</u>	<u>491,761</u>	<u>495,360</u>	<u>0.7%</u>

ELECTRIC UTILITY
604 Fund
Revenues and Expenses

Rate Increase
0.0%

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Supplies						
2000	Office Supplies	1,642	1,206	3,500	3,500	0.0%
2050	Computer Supplies	1,443	369	2,900	1,000	-65.5%
2120	Motor fuels	7,717	8,654	8,000	11,000	37.5%
2170	General Supplies	9,734	10,537	13,000	12,000	-7.7%
2180	Uniforms	772	2,213	2,000	2,000	0.0%
2190	Safety Equipment	907	1,672	1,500	1,500	0.0%
2210	Equipment parts	168	1,653	1,000	1,000	0.0%
2215	Meters	-	1,560	1,000	1,000	0.0%
2216	Meter Sockets	1,039	-	2,000	2,000	0.0%
2220	Vehicle Maintenance	64	266	-	-	0.0%
2230	Bldg Rep/Maint Supplies	22,808	21,927	44,000	46,500	5.7%
2240	City Shop Charges	10,118	14,088	14,750	7,000	-52.5%
2280	Repair/Maint Supplies	-	-	-	-	0.0%
2290	Load Control Credit	160	-	60,000	60,000	0.0%
2295	Load Ctrl Delivery	5,687	12,202	18,000	18,000	0.0%
2296	Conservation Imp. Mandate	-	-	42,000	60,000	42.9%
2300	Energy Star Rebate	3,268	(12,388)	25,000	25,000	0.0%
2305	Energy Star Delivery	244	-	500	500	0.0%
2320	SMMPA EMP - Load Mgmt	15,515	13,995	15,700	15,700	0.0%
2330	SMMP Comm. Rebates	1,895	39,599	5,000	5,000	0.0%
2340	Low Income CIP Prog.	17,939	1,840	13,000	13,000	0.0%
2350	Constr. Reimbursement	11,056	14,548	-	-	0.0%
2400	Small Tools	1,190	512	3,000	3,000	0.0%
2600	Merchandising Expense	3,516	2,201	-	-	0.0%
Total Supplies		116,882	136,654	275,850	288,700	4.7%
Services & Charges						
3000	Professional Services	20,638	22,456	56,000	83,000	48.2%
3050	Professional Services - Audit Fees	-	10,000	14,000	14,000	0.0%
3100	Contractual Services	17,428	46,334	31,000	56,000	80.6%
3200	Communications	11,360	8,980	12,700	12,700	0.0%
3300	Conf and Schools	3,514	3,409	8,500	13,500	58.8%
3500	Printing/Publishing	2,134	2,358	2,167	2,500	15.4%
3610	Public Liab Insurance	8,300	51,987	8,300	8,300	0.0%
3620	Property Insurance	5,200	5,200	9,883	8,766	-11.3%
3810	Purchased Power	4,560,577	5,041,545	4,720,197	5,238,353	11.0%
3820	Transformer expenses	-	3,626	-	-	0.0%
Total Services & Charges		4,629,151	5,195,895	4,862,747	5,437,119	11.8%
Charges						
4000	Repair/Maintenance	6,104	6,029	7,500	5,500	-26.7%
4230	Loss/Disposal of Asset	1,981	-	-	-	0.0%
4320	Uncollectible Accounts	16,910	19,959	17,500	21,000	20.0%
4330	Dues/Subscriptions	-	-	500	100	-80.0%
4360	Service Rights Cost	906	-	75,000	40,000	-46.7%
4500	Permits & Fees	-	-	3,000	3,000	0.0%
4940	Safety Program	(628)	-	3,000	3,000	0.0%
4950	Comp Financing Acct	10,078	9,836	8,134	6,593	-18.9%
Total Charges		35,351	35,824	114,634	79,193	-30.9%
Capital Outlay						
5300	Improvements	167,007	197,343	177,000	440,000	148.6%
5400	Machinery	17,024	27,888	43,500	181,000	316.1%
Total Capital Outlay		184,031	225,231	220,500	621,000	181.6%

ELECTRIC UTILITY
604 Fund
Revenues and Expenses

Rate Increase
0.0%

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Debt Service					
6010	Inter Fund Loan Pay	15,000	-	26,000	52,500	101.9%
6140	Deposit Interest Exp	1,430	444	2,000	600	-70.0%
	Total Debt Service	16,430	444	28,000	53,100	89.6%
	Transfers					
7200	Transfer - General Fund	355,742	515,470	385,470	385,470	0.0%
7280	Transfer - Debt Service	70,490	-	-	-	0.0%
	Total Transfers	426,232	515,470	385,470	385,470	0.0%
	TOTAL EXPENSES	\$ 5,975,686	\$ 6,604,290	\$ 6,378,962	\$ 7,359,942	15.4%
	Less Capitalized Assets	(184,031)	(225,231)	(220,500)	(621,000)	181.6%
	Less Debt Service Principal	-	-	(20,000)	(50,000)	150.0%
4200	Add: Depreciation Expense	333,613	333,347	366,974	349,060	-4.9%
6250	Add: Amortization Expense	51,810	51,810	51,810	44,834	-13.5%
	NET TOTAL EXPENSES	6,177,078	6,764,216	6,557,246	7,082,836	8.0%
	Net Income (Loss)	\$ 528,876	\$ 439,929	\$ 430,571	\$ 84,353	-80.4%

ELECTRIC - TRANSFERS
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Transfers					
604-49300-7200	Transfer - General Fund	\$ 90,742	\$ 230,470	\$ 100,470	\$ 100,470	0.0%
604-49300-7280	Transfer - Debt Service	70,490	-	-	-	0.0%
	Total Transfers	<u>161,232</u>	<u>230,470</u>	<u>100,470</u>	<u>100,470</u>	<u>0.0%</u>
	TOTAL TRANSFERS	<u><u>\$ 161,232</u></u>	<u><u>\$ 230,470</u></u>	<u><u>\$ 100,470</u></u>	<u><u>\$ 100,470</u></u>	<u><u>0.0%</u></u>

ELECTRIC - PURCHASED POWER
2012 Budget
Expense Detail

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Services & Charges					
604-49550-3810 Purchased Power	\$ 4,560,577	\$ 5,041,545	\$ 4,720,197	\$ 5,238,353	11.0%
Total Services & Charges	<u>4,560,577</u>	<u>5,041,545</u>	<u>4,720,197</u>	<u>5,238,353</u>	<u>11.0%</u>
 TOTAL EXPENSES	 <u>\$ 4,560,577</u>	 <u>\$ 5,041,545</u>	 <u>\$ 4,720,197</u>	 <u>\$ 5,238,353</u>	 <u>11.0%</u>

ELECTRIC - TRANSMISSION EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49570-1010	Regular Employees	\$ 2,330	\$ 6,857	\$ 7,121	\$ 7,121	0.0%
604-49570-1020	Overtime	674	1,263	922	922	0.0%
604-49570-1090	Cell Phone Reimbursement	-	69	69	69	0.0%
604-49570-1080	Clothing/Uniform Allowance	-	45	45	45	0.0%
604-49570-1100	Longevity	-	94	98	104	6.1%
604-49570-1200	FICA	134	486	509	509	0.0%
604-49570-1210	PERA	154	573	590	591	0.2%
604-49570-1220	Medicare	31	114	119	119	0.0%
604-49570-1250	Insurance Rebate	-	77	77	38	-50.6%
604-49570-1300	Insurance	-	-	1,357	1,355	-0.1%
604-49570-1310	VEBA Trust	-	-	452	672	48.7%
604-49570-1330	Life Insurance	-	-	18	18	0.0%
604-49570-1340	Disability Insurance	-	-	32	28	-12.5%
Total Personnel		<u>3,323</u>	<u>9,578</u>	<u>11,409</u>	<u>11,591</u>	<u>1.6%</u>
Supplies						
604-49570-2170	General Supplies	7	-	-	-	0.0%
604-49570-2230	Bldg Rep/Maint Supplies	4,579	925	5,000	10,000	100.0%
Total Supplies		<u>4,586</u>	<u>925</u>	<u>5,000</u>	<u>10,000</u>	<u>100.0%</u>
Services & Charges						
604-49570-3100	Contractual Services	9,380	21,093	9,000	15,000	66.7%
Total Services & Charges		<u>9,380</u>	<u>21,093</u>	<u>9,000</u>	<u>15,000</u>	<u>66.7%</u>
TOTAL EXPENSES		<u><u>\$ 17,289</u></u>	<u><u>\$ 31,596</u></u>	<u><u>\$ 25,409</u></u>	<u><u>\$ 36,591</u></u>	<u><u>44.0%</u></u>

ELECTRIC - OPERATING MAINTENANCE EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49571-1010	Regular Employees	\$ 171,711	\$ 149,191	\$ 157,099	\$ 157,098	0.0%
604-49571-1020	Overtime	30,381	24,569	20,333	20,333	0.0%
604-49571-1080	Clothing/Uniform Allowance	1,575	988	988	988	0.0%
604-49571-1090	Cellphone reimbursement	1,440	1,524	1,525	1,525	0.0%
604-49571-1100	Longevity	3,450	2,076	2,171	2,287	5.3%
604-49571-1110	Severance Pay	20,130	-	-	-	0.0%
604-49571-1200	FICA	13,210	10,524	11,230	11,237	0.1%
604-49571-1210	PERA	14,892	12,402	13,021	13,030	0.1%
604-49571-1220	Medicare	3,518	2,461	2,626	2,628	0.1%
604-49571-1250	Insurance Rebate	2,700	1,694	1,694	847	-50.0%
604-49571-1300	Insurance	38,701	39,107	29,942	29,902	-0.1%
604-49571-1310	VEBA Trust Fund	7,369	14,125	9,972	14,826	48.7%
604-49571-1330	Life Insurance	483	414	390	390	0.0%
604-49571-1340	Disability Insurance	1,123	848	707	628	-11.2%
Total Personnel		310,683	259,923	251,698	255,719	1.6%
Supplies						
604-49571-2120	Motor fuels	7,717	8,654	8,000	11,000	37.5%
604-49571-2170	General Supplies	10,591	10,061	10,000	11,000	10.0%
604-49571-2180	Uniforms	772	2,213	2,000	2,000	0.0%
604-49571-2190	Safety Equipment	907	1,672	1,500	1,500	0.0%
604-49571-2210	Equipment parts	168	1,653	1,000	1,000	0.0%
604-49571-2215	Meters	-	1,560	1,000	1,000	0.0%
604-49571-2216	Meter Sockets	1,039	-	2,000	2,000	0.0%
604-49571-2220	Vehicle Maintenance	64	266	-	-	0.0%
604-49571-2230	Bldg Rep/Maint Supplies	185	4,439	1,000	3,500	250.0%
604-49571-2240	City Shop Charges	10,118	14,088	14,750	7,000	-52.5%
604-49571-2290	Load Control Credit	160	-	60,000	60,000	0.0%
604-49571-2295	Load Ctrl Delivery	5,687	12,202	18,000	18,000	0.0%
604-49571-2296	Conservation Imp. Mandate	-	-	42,000	60,000	42.9%
604-49571-2300	Energy Star Rebate	3,268	(12,388)	25,000	25,000	0.0%
604-49571-2305	Energy Star Delivery	244	-	500	500	0.0%
604-49571-2320	SMMPA Emp-Load Mgmt	15,515	13,995	15,700	15,700	0.0%
604-49571-2330	SMMP Comm. Rebates	1,895	39,599	5,000	5,000	0.0%
604-49571-2340	Low Income CIP Program	17,939	1,840	13,000	13,000	0.0%
604-49571-2350	Constr. Reimbursement	11,056	14,548	-	-	0.0%
604-49571-2400	Small Tools	1,190	512	3,000	3,000	0.0%
604-49571-2600	Merchandising Expense	3,516	2,201	-	-	0.0%
Total Supplies		92,031	117,115	223,450	240,200	7.5%
Services & Charges						
604-49571-3000	Professional Services	-	1,095	5,000	5,000	0.0%
604-49571-3100	Contractual Services	5,955	9,644	9,000	9,000	0.0%
604-49571-3200	Communications	799	48	2,500	2,500	0.0%
604-49571-3300	Conferences and Schools	3,300	3,335	5,000	10,000	100.0%
604-49571-3820	Transformer expenses	-	3,626	-	-	0.0%
Total Services & Charges		10,054	14,122	21,500	26,500	23.3%
Charges						
604-49571-4000	Repair/Maintenance	273	1,318	1,000	1,000	0.0%
604-49571-4200	Depreciation	333,613	322,427	366,974	349,060	-4.9%
604-49571-4360	Service Rights Cost	906	-	75,000	40,000	-46.7%
Total Charges		334,792	323,745	442,974	390,060	-11.9%
TOTAL EXPENSES		\$ 747,560	\$ 714,905	\$ 939,622	\$ 912,479	-2.9%

ELECTRIC - OH OPERATIONS / MAINTENANCE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49572-1010	Regular Employees	\$ 13,669	\$ 14,993	\$ 15,799	\$ 15,799	0.0%
604-49572-1020	Overtime	3,097	5,887	2,045	2,045	0.0%
604-49572-1090	Cellphone reimbursement	-	154	153	153	0.0%
604-49572-1080	Clothing/Uniform Allowance	-	99	99	99	0.0%
604-49572-1100	Longevity	-	209	218	230	5.5%
604-49572-1200	FICA	652	1,252	1,129	1,130	0.1%
604-49572-1210	PERA	758	1,480	1,310	1,310	0.0%
604-49572-1220	Medicare	152	293	264	264	0.0%
604-49572-1250	Insurance Rebate	-	170	170	85	-50.0%
604-49572-1300	Insurance	-	-	3,011	3,007	-0.1%
604-49572-1310	VEBA Trust	-	-	1,003	1,491	48.7%
604-49572-1330	Life Insurance	-	-	39	39	0.0%
604-49572-1340	Disability Insurance	-	-	71	63	-11.3%
Total Personnel		<u>18,328</u>	<u>24,537</u>	<u>25,311</u>	<u>25,715</u>	<u>1.6%</u>
Supplies						
604-49572-2230	Bldg Rep/Maint Supplies	1,081	10,154	8,000	8,000	0.0%
Total Supplies		<u>1,081</u>	<u>10,154</u>	<u>8,000</u>	<u>8,000</u>	<u>0.0%</u>
Services & Charges						
604-49572-3100	Contractual Services - Tree Trimming	-	-	-	20,000	100.0%
Total Services & Charges		<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>100.0%</u>
TOTAL EXPENSES		<u><u>\$ 19,409</u></u>	<u><u>\$ 34,691</u></u>	<u><u>\$ 33,311</u></u>	<u><u>\$ 53,715</u></u>	<u><u>61.3%</u></u>

ELECTRIC - UG OPERATIONS / MAINTENANCE SUPPLIES
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49573-1010	Regular Employees	\$ 31,041	\$ 28,661	\$ 28,483	\$ 28,482	0.0%
604-49573-1020	Overtime	2,891	6,733	3,686	3,686	0.0%
604-49573-1030	Part-time Employees	220	-	-	-	0.0%
604-49573-1090	Cellphone reimbursement	-	276	276	276	0.0%
604-49573-1080	Clothing/Uniform Allowance	-	179	179	179	0.0%
604-49573-1100	Longevity	-	376	394	415	5.3%
604-49573-1200	FICA	1,835	2,111	2,036	2,037	0.0%
604-49573-1210	PERA	2,132	2,488	2,361	2,362	0.0%
604-49573-1220	Medicare	-	493	476	476	0.0%
604-49573-1250	Insurance Rebate	429	307	307	154	-49.8%
604-49573-1300	Insurance	-	-	5,429	5,421	-0.1%
604-49573-1310	VEBA Trust	-	-	1,808	2,688	48.7%
604-49573-1330	Life Insurance	-	-	71	71	0.0%
604-49573-1340	Disability Insurance	-	-	128	114	-10.9%
Total Personnel		<u>38,548</u>	<u>41,624</u>	<u>45,634</u>	<u>46,361</u>	<u>1.6%</u>
Supplies						
604-49573-2170	General Supplies	100	-	-	-	0.0%
604-49573-2230	Bldg Rep/Maint Supplies	16,963	2,837	20,000	15,000	-25.0%
Total Supplies		<u>17,063</u>	<u>2,837</u>	<u>20,000</u>	<u>15,000</u>	<u>-25.0%</u>
Services & Charges						
604-49573-3100	Contractual Services	-	2,479	1,000	-	0.0%
Total Services & Charges		<u>-</u>	<u>2,479</u>	<u>1,000</u>	<u>-</u>	<u>0.0%</u>
Charges						
604-49573-4000	Repair/Maintenance	1,117	-	2,000	-	0.0%
Total Charges		<u>1,117</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>0.0%</u>
TOTAL EXPENSES		<u><u>\$ 56,728</u></u>	<u><u>\$ 46,940</u></u>	<u><u>\$ 68,634</u></u>	<u><u>\$ 61,361</u></u>	<u><u>-10.6%</u></u>

ELECTRIC - STREET LIGHT OPERATIONS / MAINTENANCE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49574-1010	Regular Employees	\$ 10,411	\$ 12,034	\$ 8,011	\$ 8,011	0.0%
604-49574-1020	Overtime	258	1,711	1,037	1,037	0.0%
604-49574-1090	Cellphone reimbursement	-	78	78	78	0.0%
604-49574-1080	Clothing/Uniform Allowance	-	50	50	50	0.0%
604-49574-1100	Longevity	-	106	111	117	5.4%
604-49574-1200	FICA	519	800	573	573	0.0%
604-49574-1210	PERA	604	960	664	664	0.0%
604-49574-1220	Medicare	121	187	134	134	0.0%
604-49574-1250	Insurance Rebate	-	86	86	43	-50.0%
604-49574-1300	Insurance	-	-	1,527	1,525	-0.1%
604-49574-1310	VEBA Trust	-	-	509	756	48.5%
604-49574-1330	Life Insurance	-	-	20	20	0.0%
604-49574-1340	Disability Insurance	-	-	36	32	-11.1%
Total Personnel		11,913	16,012	12,836	13,040	1.6%
Supplies						
604-49574-2170	General Supplies	(1,448)	-	2,000	-	0.0%
604-49574-2230	Bldg Rep/Maint Supplies	-	3,572	10,000	10,000	0.0%
Total Supplies		(1,448)	3,572	12,000	10,000	-16.7%
TOTAL EXPENSES		<u>\$ 10,465</u>	<u>\$ 19,584</u>	<u>\$ 24,836</u>	<u>\$ 23,040</u>	<u>-7.2%</u>

ELECTRIC - METER READING
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49584-1010	Regular Employees	\$ 5,030	\$ 5,786	\$ 6,008	\$ 6,008	0.0%
604-49584-1020	Overtime	41	966	778	778	0.0%
604-49584-1090	Cellphone reimbursement	-	59	58	58	0.0%
604-49584-1080	Clothing Allowance	-	38	38	38	0.0%
604-49584-1100	Longevity	-	79	83	87	4.8%
604-49584-1200	FICA	182	404	429	430	0.2%
604-49584-1210	PERA	207	477	498	498	0.0%
604-49584-1220	Medicare	43	95	100	101	1.0%
604-49584-1250	Insurance Rebate	-	65	65	32	-50.8%
604-49584-1300	Insurance	-	-	1,145	1,144	-0.1%
604-49584-1310	VEBA Trust	-	-	381	567	48.8%
604-49584-1330	Life Insurance	-	-	15	15	0.0%
604-49584-1340	Disability Insurance	-	-	27	24	-11.1%
Total Personnel		<u>5,503</u>	<u>7,969</u>	<u>9,625</u>	<u>9,780</u>	<u>1.6%</u>
TOTAL EXPENSES		<u><u>\$ 5,503</u></u>	<u><u>\$ 7,969</u></u>	<u><u>\$ 9,625</u></u>	<u><u>\$ 9,780</u></u>	<u><u>1.6%</u></u>

ELECTRIC - CUSTOMER BILLING EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49585-1010	Regular Employees	\$ 51,420	\$ 30,344	\$ 29,687	\$ 37,520	26.4%
604-49585-1020	Overtime	794	22	2,448	2,873	17.4%
604-49585-1030	Part-time Employees	8,234	4,455	11,480	-	0.0%
604-49585-1100	Longevity	605	414	428	541	26.4%
604-49585-1200	FICA	3,741	2,184	2,474	2,538	2.6%
604-49585-1210	PERA	4,131	2,455	2,893	2,968	2.6%
604-49585-1220	Medicare	875	510	579	594	2.6%
604-49585-1250	Insurance Rebate	1,210	816	816	816	0.0%
604-49585-1300	Insurance	4,379	4,006	4,353	6,252	43.6%
604-49585-1310	VEBA Trust Funding	767	1,383	1,411	2,431	72.3%
604-49585-1330	Life Insurance	242	117	117	141	20.5%
604-49585-1340	Disability Insurance	194	113	134	150	11.9%
Total Personnel		<u>76,592</u>	<u>46,819</u>	<u>56,820</u>	<u>56,824</u>	<u>0.0%</u>
Supplies						
604-49585-2000	Office Supplies	242	-	500	500	0.0%
604-49585-2050	Computer Supplies	351	-	1,400	500	-64.3%
Total Supplies		<u>593</u>	<u>-</u>	<u>1,900</u>	<u>1,000</u>	<u>-47.4%</u>
Services & Charges						
604-49585-3000	Professional Services	6,667	2,726	1,000	3,000	200.0%
604-49585-3200	Communications	10,561	8,932	10,200	10,000	-2.0%
604-49585-3300	Conferences and Schools	129	74	500	500	0.0%
604-49585-3500	Printing/Publishing	2,134	2,358	2,167	2,500	15.4%
Total Services & Charges		<u>19,491</u>	<u>14,090</u>	<u>13,867</u>	<u>16,000</u>	<u>15.4%</u>
Charges						
604-49585-4320	Uncollectible Accounts	5,746	5,719	6,500	7,000	7.7%
604-49585-4330	Dues/Subscriptions	-	-	500	100	-80.0%
604-49585-4950	Comp Financing Acct	535	521	551	600	9.0%
Total Charges		<u>6,281</u>	<u>6,240</u>	<u>7,551</u>	<u>7,700</u>	<u>2.0%</u>
Debt Service						
604-49585-6140	Deposit Interest Expense	1,430	444	2,000	600	-70.0%
Total Debt Service		<u>1,430</u>	<u>444</u>	<u>2,000</u>	<u>600</u>	<u>-70.0%</u>
TOTAL EXPENSES		<u><u>\$ 104,387</u></u>	<u><u>\$ 67,593</u></u>	<u><u>\$ 82,138</u></u>	<u><u>\$ 82,124</u></u>	<u><u>0.0%</u></u>

ELECTRIC - ADMINISTRATION EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Personnel						
604-49586-1010	Regular Employees	\$ 53,705	\$ 52,752	\$ 46,898	\$ 46,896	0.0%
604-49586-1020	Overtime	163	17	2,448	2,448	0.0%
604-49586-1100	Longevity	698	624	612	631	3.1%
604-49586-1200	FICA	3,201	3,125	3,097	3,100	0.1%
604-49586-1210	PERA	3,692	3,708	3,622	3,623	0.0%
604-49586-1220	Medicare	748	730	724	725	0.1%
604-49586-1250	Insurance Rebate	650	468	468	468	0.0%
604-49586-1300	Insurance	9,036	5,743	6,508	6,183	-5.0%
604-49586-1310	VEBA Trust Funding	1,092	3,000	3,210	3,210	0.0%
604-49586-1330	Life Insurance	172	117	128	128	0.0%
604-49586-1340	Disability Insurance	301	170	211	188	-10.9%
604-49586-1510	Workers Comp	12,976	17,214	10,050	8,730	-13.1%
Total Personnel		<u>86,434</u>	<u>87,668</u>	<u>77,976</u>	<u>76,330</u>	<u>-2.1%</u>
Supplies						
604-49586-2000	Office Supplies	1,400	1,206	3,000	3,000	0.0%
604-49586-2050	Computer Supplies	1,092	369	1,500	500	-66.7%
604-49586-2170	General Supplies	484	476	1,000	1,000	0.0%
Total Supplies		<u>2,976</u>	<u>2,051</u>	<u>5,500</u>	<u>4,500</u>	<u>-18.2%</u>
Services & Charges						
604-49586-3000	Professional Services	13,971	18,635	50,000	75,000	50.0%
604-49586-3050	Professional Services - Audit Fees	-	10,000	14,000	14,000	0.0%
604-49586-3100	Contractual Services	2,093	13,118	12,000	12,000	0.0%
604-49586-3200	Communications	-	-	-	200	100.0%
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	51,987	8,300	8,300	0.0%
604-49586-3620	Property Insurance	5,200	5,200	9,883	8,766	-11.3%
Total Services & Charges		<u>29,649</u>	<u>98,940</u>	<u>97,183</u>	<u>121,266</u>	<u>24.8%</u>
Charges						
604-49586-4000	Repair/Maintenance	4,714	4,711	4,500	4,500	0.0%
604-49586-4330	Dues/Subscriptions	11,164	14,240	11,000	14,000	27.3%
604-49586-4500	Permits & Fees	-	-	3,000	3,000	0.0%
604-49586-4940	Safety Program	-	-	3,000	3,000	0.0%
604-49586-4950	Comp Financing Acct	9,543	9,315	7,583	5,993	-21.0%
Total Charges		<u>25,421</u>	<u>28,266</u>	<u>29,083</u>	<u>30,493</u>	<u>4.8%</u>
TOTAL EXPENSES		<u>\$ 144,480</u>	<u>\$ 216,925</u>	<u>\$ 209,742</u>	<u>\$ 232,589</u>	<u>10.9%</u>

ELECTRIC - TRANSFERS
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Transfers						
604-49592-7200	Transfer - General Fund	\$ 265,000	\$ 285,000	\$ 285,000	\$ 285,000	0.0%
Total Transfers		<u>265,000</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>	<u>0.0%</u>
TOTAL EXPENSES		<u><u>\$ 265,000</u></u>	<u><u>\$ 285,000</u></u>	<u><u>\$ 285,000</u></u>	<u><u>\$ 285,000</u></u>	<u><u>0.0%</u></u>

ELECTRIC - CAPITAL OUTLAY
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Charges					
604-49593-4230	Loss/Disposal of Asset	\$ 1,981	\$ -	\$ -	\$ -	0.0%
	Total Charges	<u>1,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	Capital Outlay					
604-49593-5300	Improvements	167,007	197,343	177,000	440,000	148.6%
604-49593-5400	Machinery	17,024	27,888	43,500	181,000	316.1%
	Total Capital Outlay	<u>184,031</u>	<u>225,231</u>	<u>220,500</u>	<u>621,000</u>	<u>181.6%</u>
	TOTAL EXPENSES	<u>\$ 186,012</u>	<u>\$ 225,231</u>	<u>\$ 220,500</u>	<u>\$621,000</u>	<u>181.6%</u>

ELECTRIC - DEBT SERVICE EXPENSE
2012 Budget
Expense Detail

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
	Debt Service					
604-49980-6010	Inter Fund Loan Payable	\$ 15,000	\$ -	\$ 26,000	\$ 52,500	101.9%
604-49980-6250	Amortization Expense	51,810	51,810	51,810	44,834	-13.5%
	Total Debt Service	<u>66,810</u>	<u>51,810</u>	<u>77,810</u>	<u>97,334</u>	<u>25.1%</u>
	TOTAL EXPENSES	<u><u>\$ 66,810</u></u>	<u><u>\$ 51,810</u></u>	<u><u>\$ 77,810</u></u>	<u><u>\$ 97,334</u></u>	<u><u>25.1%</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.

Internal Service Fund: Central Garage

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Internal Service Revenue	\$ 243,044	\$ 265,191	\$ 274,148	\$ 267,263	-2.5%
Expenditure					
Personnel	\$ 116,416	\$ 115,971	\$ 141,739	\$ 127,935	-9.7%
Supplies	123,140	144,354	126,700	126,700	0.0%
Services & Charges	3,442	3,735	5,600	5,600	0.0%
Charges	-	-	1,000	-	-100.0%
Net Increase (Decrease)	\$ 46	\$ 1,131	\$ (891)	\$ 7,028	-888.8%

FUND DESCRIPTION

The Central Garage provides maintenance services for the City's 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. The Central Garage is also involved with the startup/shutdown and winterization of the water park.

2012 Budget Highlights

The 2012 Central Garage budget shows a budgeted decrease as a result of the allocation of 5 percent of shop employee time being allocated to street maintenance and snow removal. The allocation is based on time spent in these areas in the past couple of years.

Major Objectives Accomplished in 2010/2011

- Fabricated unit 20 to pull paver trailer
- Staying within budget to date in 2011
- Purchased special tool box and shop tools for below appraised value

2012 Department Priorities

- Working within budget to keep all vehicles & equipment in safe & good operating condition.

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

- 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

PERSONNEL (Code 1000's), the staff levels will remain the same for 2012 as for 2011.

SUPPLIES (Code 2000's), office supplies, general supplies, motor fuel, equipment parts, small tools and misc.

SERVICES AND CHARGES (Code 3000's), contractual services, training, building maintenance and equipment repair.

PERSONNEL LEVELS

Chief mechanic
Assistant Mechanic

CENTRAL GARAGE SERVICES
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Internal Service Revenue					
701-36210-0000	Interest	\$ -	\$ 5	\$ -	\$ -	0.0%
701-38410-0000	City Shop Charges for Service	243,044	265,186	274,148	267,263	-2.5%
	Total I/S Revenue	243,044	265,191	274,148	267,263	-2.5%
	TOTAL REVENUES	<u>\$ 243,044</u>	<u>\$ 265,191</u>	<u>\$ 274,148</u>	<u>\$ 267,263</u>	<u>-2.5%</u>
Expenditures						
	Personnel					
701-43180-1010	Regular Employees	\$ 76,247	\$ 70,084	\$ 84,364	\$ 71,692	-15.0%
701-43180-1020	Overtime	1,003	971	4,600	3,910	-15.0%
701-43180-1090	Cellphone Reimbursement	-	450	-	540	100.0%
701-43180-1100	Longevity	540	551	570	855	50.0%
701-43180-1200	FICA	4,508	4,003	5,551	5,601	0.9%
701-43180-1210	PERA	5,368	4,994	6,491	6,510	0.3%
701-43180-1220	Medicare	1,054	936	1,298	1,310	0.9%
701-43180-1300	Insurance	24,910	21,385	26,209	24,904	-5.0%
701-43180-1310	VEBA Trust	2,125	12,000	12,000	12,000	0.0%
701-43180-1330	Life Insurance	276	276	276	276	0.0%
701-43180-1340	Disability Insurance	385	321	380	337	-11.3%
	Total Personnel	116,416	115,971	141,739	127,935	-9.7%
	Supplies					
701-43180-2000	Office Supplies	814	213	200	200	0.0%
701-43180-2120	Motor Fuels	1,506	1,565	2,500	2,500	0.0%
701-43180-2170	General Supplies	8,417	6,278	10,000	10,000	0.0%
701-43180-2210	Equipment Parts	103,702	130,363	105,000	105,000	0.0%
701-43180-2220	Vehicle Maintenance	-	15	-	-	0.0%
701-43180-2240	City Shop Charges	3,747	2,377	3,000	3,000	0.0%
701-43180-2400	Small Tools	4,954	3,543	6,000	6,000	0.0%
	Total Supplies	123,140	144,354	126,700	126,700	0.0%
	Services & Charges					
701-43180-3000	Professional Services	-	-	300	300	0.0%
701-43180-3100	Contractual Services	3,442	3,555	5,000	5,000	0.0%
701-43180-3300	Conferences and Schools	-	180	300	300	0.0%
701-43180-3400	Publishing and Advertising	-	-	-	-	0.0%
	Total Services and Charges	3,442	3,735	5,600	5,600	0.0%
	Charges					
701-43180-4000	Repair/Maintenance	-	-	1,000	-	0.0%
	Total Charges	-	-	1,000	-	0.0%
	TOTAL EXPENDITURES	<u>\$ 242,998</u>	<u>\$ 264,060</u>	<u>\$ 275,039</u>	<u>\$ 260,235</u>	<u>-5.4%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 46</u>	<u>\$ 1,131</u>	<u>\$ (891)</u>	<u>\$ 7,028</u>	<u>-888.8%</u>

Internal Service Fund: Property & Liability Insurance

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Internal Service Revenue	\$ 78,700	\$ 123,189	\$ 95,000	\$ 87,657	-7.7%
Miscellaneous Revenue	29,295	31,471	28,382	24,666	-13.1%
Expenditure					
Public Liability Insurance	\$ 43,933	\$ 53,515	\$ 50,455	\$ 26,256	-48.0%
Property Insurance	61,001	74,167	52,927	59,467	12.4%
Insurance Expenses	20,264	46,357	20,000	26,600	33.0%
Net Increase (Decrease)	\$ (17,203)	\$ (19,379)	\$ -	\$ -	0.0%

FUND DESCRIPTION

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. Insurance is allocated to various City funds based on the premium breakdown provided by the insurance provider.

2012 Budget Highlights

The 2012 Property & Liability budget shows a budgeted decrease of \$11,059 in insurance expenses, mainly as a result of the elimination of the \$2 million excess liability coverage that was purchased in conjunction with the Waste Water Treatment Plant improvement project.

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

- 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
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Charges for Services					
702-34108-0000	Admin Charges - Other	\$ 78,700	\$ 123,189	\$ 95,000	\$ 87,657	-7.7%
	Total Charges for Services	<u>78,700</u>	<u>123,189</u>	<u>95,000</u>	<u>87,657</u>	<u>0.0%</u>
	Interest & Misc Revenue					
702-36210-0000	Interest Earnings	1,611	902	1,300	1,100	-15.4%
702-36242-0000	Insurance Reimbursement	<u>27,684</u>	<u>30,569</u>	<u>27,082</u>	<u>23,566</u>	<u>-13.0%</u>
	Total Interest & Misc Rev	<u>29,295</u>	<u>31,471</u>	<u>28,382</u>	<u>24,666</u>	<u>-13.1%</u>
	TOTAL REVENUES	<u>\$ 107,995</u>	<u>\$ 154,660</u>	<u>\$ 123,382</u>	<u>\$ 112,323</u>	<u>-9.0%</u>
Expenditures						
	Services & Charges					
702-49955-3610	Public Liab Insurance	\$ 43,933	\$ 53,515	\$ 50,455	\$ 26,256	-48.0%
702-49955-3620	Property Insurance	61,001	74,167	52,927	59,467	12.4%
702-49955-3640	Insurance Expenses	<u>20,264</u>	<u>46,357</u>	<u>20,000</u>	<u>26,600</u>	<u>33.0%</u>
	Total Services & Charges	<u>125,198</u>	<u>174,039</u>	<u>123,382</u>	<u>112,323</u>	<u>-9.0%</u>
	TOTAL EXPENDITURES	<u>\$ 125,198</u>	<u>\$ 174,039</u>	<u>\$ 123,382</u>	<u>\$ 112,323</u>	<u>-9.0%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ (17,203)</u>	<u>\$ (19,379)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

Internal Service Fund: Worker's Compensation

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Internal Service Revenue	\$ 124,026	\$ 153,763	\$ 126,000	\$ 100,833	-20.0%
Miscellaneous Revenue	1,172	854	1,000	530	-47.0%
Expenditure					
Worker's Compensation	\$ 124,026	\$ 101,662	\$ 127,000	\$ 101,363	-20.2%
Net Increase (Decrease)	\$ 1,172	\$ 52,955	\$ -	\$ -	0.0%

FUND DESCRIPTION

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.

2012 Budget Highlights

The 2012 Worker's Compensation budget shows a budgeted decrease of \$25,637 in estimated worker's compensation premiums decreases.

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 ensure 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
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Charges for Services					
703-34108-0000	Admin Charges - Other	\$ 124,026	\$ 153,763	\$ 126,000	\$ 100,833	-20.0%
	Total Charges for Services	124,026	153,763	126,000	100,833	-20.0%
	Interest & Misc Revenue					
703-36210-0000	Interest Earnings	60	429	-	30	100.0%
703-36242-0000	Insurance Reimbursement	1,112	425	1,000	500	-50.0%
	Total Interest & Misc Rev	1,172	854	1,000	530	-47.0%
	TOTAL REVENUES	<u>\$ 125,198</u>	<u>\$ 154,617</u>	<u>\$ 127,000</u>	<u>\$ 101,363</u>	<u>-20.2%</u>
	Supplies					
703-49956-1510	Workers Compensation	\$ 124,026	\$ 101,662	\$ 127,000	\$ 101,363	-20.2%
	Total Supplies	124,026	101,662	127,000	101,363	-20.2%
	TOTAL EXPENDITURES	<u>\$ 124,026</u>	<u>\$ 101,662</u>	<u>\$ 127,000</u>	<u>\$ 101,363</u>	<u>-20.2%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 1,172</u>	<u>\$ 52,955</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

Internal Service Fund: Equipment Replacement

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Internal Service Revenue	\$ 1,836	\$ 1,846	\$ 1,852	\$ 1,171	-36.8%
Transfers	286,000	354,564	413,971	515,530	24.5%
Expenditure					
Capital Outlay	\$ 392,919	\$ 242,728	\$ 372,800	\$ 339,500	-8.9%
Net Increase (Decrease)	\$ (105,083)	\$ 113,682	\$ 43,023	\$ 177,201	311.9%

FUND DESCRIPTION

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.

2012 Budget Highlights

The 2012 Central Garage budget shows a budgeted decrease of \$33,300 in equipment scheduled to be replaced. The budget also includes a General fund transfer in the amount of \$515,530. The following equipment is budgeted for 2012:

- Police vehicle marked - \$37,600
- 1 ton truck - \$33,000
- ¾ ton truck - \$33,000
- Mower/snow blower - \$7,000
- Snow blower - \$135,000
- Engineering GPS equipment - \$5,000
- Vac Tron - \$47,000
- Asphalt Zipper side shift - \$12,800
- FM radio and repeater upgrade - \$3,800
- Microsoft Office upgrade - \$25,300

EQUIPMENT REPLACEMENT
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Interest & Misc Revenue					
705-36210-0000	Interest Earnings	\$ 1,836	\$ 1,846	\$ 1,852	\$ 1,171	-36.8%
	Total Interest & Misc Rev	1,836	1,846	1,852	1,171	-36.8%
	Transfers					
705-39201-0000	Transfer - from General fund	286,000	354,564	413,971	515,530	24.5%
	Total Transfers	286,000	354,564	413,971	515,530	24.5%
	TOTAL REVENUES	<u>\$ 287,836</u>	<u>\$ 356,410</u>	<u>\$ 415,823</u>	<u>\$ 516,701</u>	<u>24.3%</u>
Expenditures						
	Capital Outlay					
705-49940-5400	Equipment	\$ 392,919	\$ 47,100	\$ -	\$ -	0.0%
705-49910-5400	Equipment-Admin/Finance	-	-	45,000	25,300	-43.8%
705-49910-5400	Equipment-Bldgs/Ground	-	-	-	3,800	100.0%
705-49920-5400	Equipment-Police	-	35,336	66,500	37,600	-43.5%
705-49930-5400	Equipment-Fire	-	19,415	-	-	0.0%
705-49941-5400	Equipment-Engineering	-	-	65,000	5,000	-92.3%
705-49950-5400	Equipment-Street	-	107,609	189,000	260,800	38.0%
705-49970-5400	Equipment-Parks	-	33,268	7,300	7,000	-4.1%
	Total Capital Outlay	392,919	242,728	372,800	339,500	-8.9%
	TOTAL EXPENDITURES	<u>\$ 392,919</u>	<u>\$ 242,728</u>	<u>\$ 372,800</u>	<u>\$ 339,500</u>	<u>-8.9%</u>
	Net Increase (Decrease) in Fund Balance	<u><u>\$ (105,083)</u></u>	<u><u>\$ 113,682</u></u>	<u><u>\$ 43,023</u></u>	<u><u>\$ 177,201</u></u>	<u><u>311.9%</u></u>

EQUIPMENT REPLACEMENT
705
Revenues and Expenditures
10-Year Plan

		2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 BUDGET
Revenues												
	Interest & Misc Revenue											
36210	Interest earnings	\$ 1,171	\$ 4,113	\$ 2,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Interest & Misc Rev	1,171	4,113	2,640	-	-	-	-	-	-	-	-
	Transfers											
39201	Transfer - from General fund	515,530	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
	Total Transfers	515,530	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
	TOTAL REVENUES	516,701	504,113	502,640	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Expenditures												
	Capital Outlay											
5400	Police Vehicle - Marked	37,600	39,000	58,000	61,000	62,600	64,500	65,600	67,000	67,000	67,000	67,000
	Police Vehicle - UnMarked		30,000		31,000			31,000				
	1 Ton Truck	33,000									42,000	
	1/2 Ton Truck			32,000							42,000	
	3/4 Ton Truck	33,000	35,000		30,000		40,000					42,000
	Mower (Snow Blower)	7,000										
	Mower		57,500	24,000					40,000			
	Dump Truck		225,000	225,000	225,000			230,000				240,000
	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	5,000	-									
	Snow Blower	135,000									160,000	
	Street Ingersalrand Roller	-									50,000	
	Street Sweeper							160,000				
	1994 Catelpillar Motor Grader						250,000					
	Copy Machines		30,000									
	John Deere Loader	-							170,000			
	Ingesolrand Air Compressor											20,000
	Paint Striper									10,000		
	Paver							130,000				
	Backhoe		15,000									
	John Deere 544 Loader		150,000								170,000	
	Vac Tron	47,000								50,000		
	Trailer for Paver									25,000		
	1989 JD Tractor			45,000								
	Asphalt Zipper							120,000				
	Asphalt Zipper Side Shift	12,800										
	Sewer Televising Camera					111,000						
	Vac Con Sewer Jetter Truck								320,000			

INTERNAL SERVICE FUND

EQUIPMENT REPLACEMENT
705
Revenues and Expenditures
10-Year Plan

	2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 BUDGET
Hot Patcher					38,000						
Skid Loader Trailer				6,100							
Vicon Mower				9,000							
Rock Saw Bobcat					23,000						
Bobcat Broom					4,100						
Bobcat Asphalt Milling Machine						16,500					
Bobcat Concrete Breaker						6,300					
Single Axle Water Truck						68,000					
FM Radio and Repeater upgrade	3,800										
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							25,000				
Turf Sweeper											
Microsoft Office Upgrade	25,300										
Total Capital Outlay	<u>339,500</u>	<u>651,500</u>	<u>623,000</u>	<u>397,100</u>	<u>794,700</u>	<u>461,300</u>	<u>761,600</u>	<u>597,000</u>	<u>152,000</u>	<u>531,000</u>	<u>369,000</u>
TOTAL EXPENDITURES	<u>\$ 339,500</u>	<u>\$ 651,500</u>	<u>\$ 623,000</u>	<u>\$ 397,100</u>	<u>\$ 794,700</u>	<u>\$ 461,300</u>	<u>\$ 761,600</u>	<u>\$ 597,000</u>	<u>\$ 152,000</u>	<u>\$ 531,000</u>	<u>\$ 369,000</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 177,201</u>	<u>\$ (147,387)</u>	<u>\$ (120,360)</u>	<u>\$ 102,900</u>	<u>\$ (294,700)</u>	<u>\$ 38,700</u>	<u>\$ (261,600)</u>	<u>\$ (97,000)</u>	<u>\$ 348,000</u>	<u>\$ (31,000)</u>	<u>\$ 131,000</u>

Includes \$15,000 for Admin, and \$15,000 for Finance

37,600.00	Police
-	Fire
7,000.00	Parks
5,000.00	Engineering
3,800.00	Building & Grounds
260,800.00	Street
25,300.00	Admin
-	Finance
	Surface Water Mgmt

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 2012.

CITY OF WASECA, MINNESOTA
SCHEDULE OF BONDED INDEBTEDNESS
December 31, 2011

	Net Interest Rate	Issue Date	Final Maturity Date	Authorized	Issued	Retired	12/31/11 Outstanding	Principal Due in 2012	Interest Due in 2012	Interest Payable
<u>General Obligation/Special Assessment Bonds</u>										
Improvement Bond 2000A	4.9709	12-01-2000	02-01-2011	\$ 750,000	\$ 750,000	\$ 750,000	\$ -	\$ -	\$ -	\$ -
Improvement Bond 2001A	4.6816	08-01-2001	02-01-2013	935,000	935,000	735,000	200,000	100,000	6,700.00	3,708.33
Improvement Bond 2004C	5.0763	08-01-2004	08-01-2015	1,415,000	1,415,000	885,000	530,000	135,000	20,062.50	8,359.38
Total Special Assessment Bonds				\$ 3,100,000	\$ 3,100,000	\$ 2,370,000	\$ 730,000	\$ 235,000	\$ 26,762.50	\$ 12,067.71
<u>General Obligation Bonds/Tax Increment Bonds</u>										
Tax Increment Bonds 2005E	4.2535	11-01-2005	02-01-2026	\$ 1,100,000	\$ 1,100,000	\$ 120,000	\$ 980,000	\$ 35,000	\$ 39,992.50	\$ 16,955.21
<u>General Obligation/State Aid Street</u>										
Series 2005B	3.6453	05-01-2005	04-01-2015	\$ 805,000	\$ 805,000	\$ 485,000	\$ 320,000	\$ 80,000	\$ 10,260.00	\$ 2,910.00
<u>General Obligation Bonds</u>										
Series 2005D	3.7055	11-01-2005	02-01-2016	\$ 1,035,000	\$ 1,035,000	\$ 490,000	\$ 545,000	\$ 125,000	\$ 18,095.00	\$ 8,451.04
<u>General Obligation Bonds-Aquatic Center</u>										
Series 2006A	4.3409	06-01-2006	02-01-2027	\$ 2,040,000	\$ 2,040,000	\$ 260,000	\$ 1,780,000	\$ 80,000	\$ 73,685.00	\$ 31,368.75
Total General Obligation Bonds				\$ 8,080,000	\$ 8,080,000	\$ 3,725,000	\$ 4,355,000	\$ 555,000	\$ 168,795.00	\$ 71,752.71
<u>General Obligation/Revenue Bonds</u>										
Water improvement										
2001B	4.4600	09-01-2001	02-01-2017	\$ 1,270,000	\$ 1,270,000	\$ 655,000	615,000	\$ 90,000	\$ 25,942.50	11,606.25
2005A	4.1771	05-01-2005	02-01-2016	435,000	435,000	200,000	235,000	45,000	8,443.75	3,869.79
Total Water- Revenue Bonds				\$ 1,705,000	\$ 1,705,000	\$ 855,000	\$ 850,000	\$ 135,000	\$ 34,386.25	\$ 15,476.04
Sanitary Sewer improvement										
2004B-Sanitary Sewer Refunding	3.5779	05-01-2004	02-01-2016	\$ 1,900,000	\$ 1,900,000	\$ 875,000	1,025,000	\$ 190,000	\$ 35,062.50	15,975.00
2005A-Liftstation	4.1771	05-01-2005	02-01-2026	660,000	660,000	125,000	535,000	25,000	21,762.51	9,263.03
2005A	4.1771	05-01-2005	02-01-2026	665,000	665,000	125,000	540,000	25,000	21,981.25	9,354.17
2009A Wastwater PFA loan	2.6270	08-20-2009	08-20-2029	9,603,499	8,318,486 *	751,499 *	7,566,987 *	391,000 *	232,542.04 *	87,203.27
Total Sanitary Sewer-Revenue Bonds				\$ 12,828,499	\$ 11,543,486	\$ 1,876,499	\$ 9,666,987	\$ 631,000	\$ 311,348	\$ 121,795.46
Total Revenue Bonds				\$ 14,533,499	\$ 13,248,486	\$ 2,731,499	\$ 10,516,987	\$ 766,000	\$ 345,734.55	\$ 137,271.50
TOTAL BONDED INDEBTEDNESS				\$ 22,613,499	\$ 21,328,486	\$ 6,456,499	\$ 14,871,987	\$ 1,321,000	\$ 514,529.55	\$ 209,024.21

*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	
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
Total	\$0	\$0.00	\$0	\$0.00	\$200,000	\$8,950.00	\$530,000	\$50,605.00	\$730,000	\$59,555.00

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					
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	615,000	89,082.50	235,000	24,043.75	850,000	113,126.25	1,025,000	101,597.50	535,000	186,997.01	540,000	190,168.76	8,852,000	2,370,788.66	10,952,000	2,849,551.93	11,802,000	2,915,628.60

CITY OF WASECA, MINNESOTA
SCHEDULE OF BOND MATURITIES
December 31, 2011

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 Due in one than one Total Year Year Debt		
	2006A		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest			
	Principal	Interest											
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	555,000 3,800,000		
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											
2028													
TOTAL	\$ 1,780,000	\$ 679,747.50	\$ 730,000	\$ 59,555.00	\$ 545,000	\$ 46,171.25	\$ 320,000	\$ 23,740.00	\$ 980,000	\$ 358,766.27	\$ 555,000	\$ 3,800,000	\$ 4,355,000

Year	Fund 601 Water Fund			
	1993/2001		2005A	
	Principal	Interest	Principal	Interest
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				
2027				
TOTAL	\$ 615,000	\$ 89,082.50	\$ 235,000	\$ 24,043.75

Year	Fund 602 Sanitary Sewer Fund						Due in more Due in one than one Total Year Year Debt		
	2004B		2005A-Liftstation		2005A				
	Principal	Interest	Principal	Interest	Principal	Interest			
2012	190,000	35,062.50	25,000	21,762.51	25,000	21,981.25	375,000	113,193	488,193
2013	195,000	28,275.00	30,000	20,693.76	30,000	20,912.50	395,000	98,521	493,521
2014	205,000	20,921.25	30,000	19,493.76	30,000	19,712.50	410,000	82,628	492,628
2015	215,000	12,938.75	30,000	18,293.76	30,000	18,512.50	430,000	65,680	495,680
2016	220,000	4,400.00	30,000	17,093.76	30,000	17,312.50	440,000	47,769	487,769
2017			30,000	15,893.76	30,000	16,112.50	175,000	34,709	209,709
2018			35,000	14,593.76	35,000	14,812.50	70,000	29,406	99,406
2019			35,000	13,193.76	35,000	13,412.50	70,000	26,606	96,606
2020			35,000	11,750.01	35,000	11,968.75	70,000	23,719	93,719
2021			40,000	10,156.26	40,000	10,375.00	80,000	20,531	100,531
2022			40,000	8,456.26	40,000	8,675.00	80,000	17,131	97,131
2023			40,000	6,756.26	40,000	6,975.00	80,000	13,731	93,731
2024			45,000	4,921.88	45,000	5,140.63	90,000	10,063	100,063
2025			45,000	2,953.13	45,000	3,171.88	90,000	6,125	96,125
2026			45,000	984.38	50,000	1,093.75	95,000	2,078	97,078
2027									
TOTAL	\$ 1,025,000	\$ 101,597.50	\$ 535,000	\$ 186,997.01	\$ 540,000	\$ 190,168.76	\$ 2,950,000	\$ 591,890	\$ 3,541,890

Total due \$ 3,505,000 \$ 4,391,890 \$ 7,896,890

City of Waseca - Aggregate Debt Service as of 12/31/2011

Revenue Sources														
Primary	Special Assessments			State Aid	Tax Abatement	TIF	Tax Levy	Water Revenue	Sewer Revenue					
Secondary					Tax Levy								Tax Levy	
					Water/Sewer Rev									
Fund	320			360	345	380	305	601	602					
	SPECIAL ASSESSMENT BONDS			MSA STREET	GO BONDS	TIF BONDS	AQUATIC CENTER	WATER	SEWER					
	2000A	2001A	2004C	2005B	2005D	2005E	2006A	2001B	2005A	2004B	2005A-Liftstation	2005A	2009A	
Year	\$750,000	\$935,000	\$1,415,000	\$805,000	\$1,035,000	\$1,100,000	\$2,040,000	\$1,270,000	\$435,000	\$1,900,000	\$660,000	\$665,000	\$9,603,499	Total
2012	-	106,700	155,063	90,260	143,095	74,993	153,685	115,943	53,444	225,063	46,763	46,981	623,542	1,835,530
2013	-	102,250	150,203	87,440	143,470	83,393	155,385	116,940	51,700	223,275	50,694	50,913	623,270	1,838,932
2014	-	-	140,140	84,520	143,501	86,493	151,985	117,600	49,900	225,921	49,494	49,713	623,736	1,723,002
2015	-	-	135,200	81,520	79,545	84,493	153,440	117,935	53,000	227,939	48,294	48,513	622,913	1,652,790
2016	-	-	-	-	81,560	82,493	154,648	117,963	51,000	224,400	47,094	47,313	623,827	1,430,296
2017	-	-	-	-	-	85,393	155,650	117,703	-	-	45,894	46,113	623,426	1,074,177
2018	-	-	-	-	-	83,193	156,395	-	-	-	49,594	49,813	623,736	962,729
2019	-	-	-	-	-	85,893	151,985	-	-	-	48,194	48,413	623,730	958,214
2020	-	-	-	-	-	93,293	152,470	-	-	-	46,750	46,969	623,410	962,891
2021	-	-	-	-	-	95,318	152,716	-	-	-	50,156	50,375	623,774	972,339
2022	-	-	-	-	-	97,063	152,723	-	-	-	48,456	48,675	623,796	970,713
2023	-	-	-	-	-	98,598	152,516	-	-	-	46,756	46,975	623,478	968,323
2024	-	-	-	-	-	94,953	152,000	-	-	-	49,922	50,141	622,817	969,833
2025	-	-	-	-	-	96,125	156,060	-	-	-	47,953	48,172	623,815	972,125
2026	-	-	-	-	-	97,078	154,790	-	-	-	45,984	51,094	623,419	972,366
2027	-	-	-	-	-	-	153,300	-	-	-	-	-	623,656	776,956
2028	-	-	-	-	-	-	-	-	-	-	-	-	623,498	623,498
2029	-	-	-	-	-	-	-	-	-	-	-	-	622,946	622,946
2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	208,950	580,605	343,740	591,171	1,338,766	2,459,748	704,083	259,044	1,126,598	721,997	730,169	11,222,789	20,287,658
12/31/2010 Cash Bal.		1,065,209		1,763	1,593	41,815	9,901	2,312,193			3,485,764			
12/31/2010 Fund Bal.		1,065,209		1,763	1,593	41,815	10,740	2,502,254			3,219,375			

Component Unit

Component Unit: Economic Development Authority

EDA DESCRIPTION

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 Waseca and the surrounding area.

In 2012, the EDA will focus its efforts in support of this mission. The goals established by the EDA and presented to the City Council are:

1. West/South Interchange Development Planning
2. Waseca Visibility related to TH-14 Bypass
3. Development Process Analysis and Recommendations focusing on Customer Service
4. Development Assistance Program and EDA/City Owned Property Marketing
5. Growth of Economic Development Assistance Tools and the overall 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 EDA has the authority to acquire property and accept donations of land and buildings. Currently, the EDA holds title to five industrial lots and one commercial redevelopment parcel, with the goal of expanding the City's tax base through development of these properties. The EDA will continue to pursue development of these areas as well as consider future land acquisitions as opportunities arise.

Component Unit: Economic Development Authority

	2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	% CHANGE
Revenue					
Taxes	\$ 44,914	\$ 45,254	\$ 81,600	\$ 80,260	-1.6%
Interest & Misc. Revenue	16,412	10,683	12,000	-	-100.0%
Expenditure					
Personnel	\$ -	\$ -	\$ -	\$ -	0.0%
Services & Charges	5,877	14,238	45,850	35,250	-23.1%
Charges	17,098	1,579	-	-	0.0%
Net Increase (Decrease)	\$ 38,351	\$ 40,120	\$ 47,750	\$ 45,010	-5.7%

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2012 Budget Highlights

The 2012 Economic Development Authority budget shows an increase in budgeted expenditures, mainly because of the EDA taking on some of the payroll costs associated with City staff that support the EDA's operations, and an allocation of funds for community visibility, web site upgrades, and marketing for EDA owned properties.

Major Objectives Accomplished in 2010/2011

- ✓ RBEG programs established, first loan approved
- ✓ IRP grant application submitted
- ✓ Participation in B.E.S.T
- ✓ Participation in Community Growth Initiative (CGI)
- ✓ Greener World Solutions, LLC Abatement
- ✓ Tax Abatement Policy Revisions

- ✓ Fox Meadows/Colony Court project approved and construction under construction

2011/2012 Department Priorities

- ✓ IRP Grant Management
- ✓ Tax Abatement Policy Update and Implementation
- ✓ Marketing and Sale of EDA and City Owned Properties for Development
- ✓ Update EDA Website
- ✓ Community Visibility related to TH-14 Bypass
- ✓ Partner with B.E.S.T. of Waseca to further the economic development goals of Waseca
- ✓ Work with the Waseca Planning Commission and City Council on Comprehensive Plan update including West and South Interchange Planning
- ✓ Work with City Council to promote, retain, and attract economically sound industry and commerce that benefits the community.

ACTIVITIES SCOPE

- ✓ 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 tax abatements)

DEPARTMENTAL GOALS

- ✓ Work with developers, City Council, City Manager, and City staff on development proposals to the mutual benefit of the community and the developers.
- ✓ Provide a high level of quality customer service.
- ✓ Streamline the development information dissemination and application review and processing procedures.

CURRENT AND PROPOSED EXPENDITURES

PROFESSIONAL SERVICES (Code 3000), covers property appraisals, professional services in the areas of TIF and abatement structures, JOBZ preparation, and support economic development efforts on behalf of the City by other entities.

Contractual Services (Code 3100) provides for contributing to signage related to the TH-14 bypass, marketing plans for EDA and City owned properties and website updates.

CONFERENCE/SCHOOLS (Code 3300), provides for continuing education credits and professional development.

EDA GENERAL FUND
2012 Budget
Revenues and Expenditures

		2009 ACTUAL	2010 ACTUAL	2011 BUDGET	2012 BUDGET	PERCENT CHANGE
Revenues						
	Taxes					
261-31010-0000	Property Taxes	\$ 40,919	\$ 41,112	\$ 81,600	\$ 80,260	-1.6%
261-31013-0000	Market Value Credits	3,925	4,077	-	-	0.0%
261-31030-0000	Mobile Home Tax	70	65	-	-	0.0%
	Total Taxes	44,914	45,254	81,600	80,260	-1.6%
	Interest & Misc Revenue					
261-36210-0000	Interest Earnings	3,411	2,839	-	-	0.0%
261-36250-0000	Misc Revenue	13,001	7,844	12,000	-	0.0%
	Total Interest & Misc Rev	16,412	10,683	12,000	-	0.0%
	TOTAL REVENUES	<u>\$ 61,326</u>	<u>\$ 55,937</u>	<u>\$ 93,600</u>	<u>\$ 80,260</u>	<u>-14.3%</u>
Expenditures						
	Services & Charges					
261-46700-3000	Professional Services	\$ 553	\$ 8,322	\$ 40,500	\$ 20,000	-50.6%
261-46700-3001	Professional Svc - Audit Fees	5,000	5,000	5,000	5,000	0.0%
261-46700-3100	Contractual Services	-	-	100	10,000	9900.0%
261-46700-3300	Conferences and Schools	324	67	250	250	0.0%
261-46700-3500	Printing and Publishing	-	849	-	-	0.0%
	Total Services & Charges	5,877	14,238	45,850	35,250	-23.1%
	Charges					
261-46700-4800	Property Taxes	2,544	1,579	-	-	0.0%
261-46700-4820	Land Trans. Expense	14,554	-	-	-	0.0%
	Total Charges	17,098	1,579	-	-	0.0%
	TOTAL EXPENDITURES	<u>\$ 22,975</u>	<u>\$ 15,817</u>	<u>\$ 45,850</u>	<u>\$ 35,250</u>	<u>-23.1%</u>
	Net Increase (Decrease) in Fund Balance	<u>\$ 38,351</u>	<u>\$ 40,120</u>	<u>\$ 47,750</u>	<u>\$ 45,010</u>	<u>-5.7%</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.

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.

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.

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.

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.

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.

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%). $\text{Tax Capacity Rate} = (\text{Levy} - \text{HACA}) / \text{Taxing jurisdiction's total net tax capacity}$.