

# 2014 BUDGET







Dear Mayor, Members of the City Council, & Taxpayers of Lake Elmo:

I am pleased to present to you the 2014 City of Lake Elmo Budget – a newly formatted and detailed document designed not only to tell you how the City will spend your tax dollar next year BUT WHY & WHAT the City will spend your tax dollars on in basic services, park & recreation, utilities & development. In its pages you will find a comparative analysis between the City of Lake Elmo & other Minnesota cities, charts & graphs detailing our spending & staff allocation, our budgeting philosophy, and pro forma projections meant to help you track our growth. The end goal is to provide a comprehensive yet transparent look at the use of your tax dollar investment into our local government. Because it's your money.

Programmatically, this budget has been created using three basic governing principles adopted by Mayor Mike Pearson and the 2014 Lake Elmo City Council. They are:

- A. Efficient, low cost, taxpayer service-based government;
- B. Disciplined and balanced market-driven growth;
- C. Well-ordered, low regulatory burdened quality of life.

All of our work branches off these three principles and is reflected in the following pages of this budget. To that end it is important to note that this budget represents a 0% increase in the total tax levy to Lake Elmo. This is no small feat as the Council for the second year committed \$200,000 to pay down the \$1.2 million in Old Village planning debt, eliminated "internal service funds", made sure all of our utilities cash flow, and created policies and procedures that insure that developers, not taxpayers as has been the case in the past, pay 100% of the costs of developing in Lake Elmo. Key Committees have been established in Economic Development, Finance, Human Resources, and Public Safety to get citizen experts involved in our business practices

Similarly, the 2014 City Council worked hard to rebuild bridges with key partners to help share the burden of basic services. Channels of communication have been opened up with 3M to talk about our water supply challenges. A trust has been built with Washington County and the MN Department of Transportation that allowed for a safety and remodeling project to be completed with Highway 5. And relationships have been restored with the Metropolitan Council that have resulted in the reduction of growth expectations that could have potentially burdened the City financially and destroy our open space character.

This fiscal discipline allowed the City of Lake Elmo to retain its excellent Aa2 bond rating while many Minnesota cities were downgraded.

For 2014, the Council & staff are positioning the City to be able to keep taxes stable, reduce water use rates, and manage city resources to allow Lake Elmo to maintain a quality of life that allows homeowners to be the #1 community in maintaining home values for the third straight year.

Take time and review the pages within. I guaranty you will find what you are looking for and come away proud of the effort of your elected officials and your hard working City staff.

Dean A. Zuleger  
City Administrator

## **City of Lake Elmo**

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### **CITY OFFICIALS**

Mike Pearson, Mayor  
Justin Bloyer, Councilmember  
Wally Nelson, Councilmember  
Anne Smith, Councilmember  
Mike Reeves, Councilmember

### **CITY MANAGEMENT TEAM**

Dean Zuleger, City Administrator  
Cathy Bendel, Finance Director  
Adam Bell, City Clerk  
Mike Bouthilet, Public Works Superintendent  
Kyle Klatt, Community Development Director  
Greg Malmquist, Fire Chief

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# 1

## INTRODUCTION

Each year when a city renews its Capital Improvement Plan, a determination is made on how those projects will be funded. In the case where bonds are needed to provide the funding, a very detailed review of the City's financial status is performed by a bond rating company. The City uses the Moody's rating service for this process and its most recent 2013 report is attached.

As mentioned in their write-up, there are key credit indicators which are renewed to determine a city's credit worthiness and some of those are presented below. As mentioned by Moody's the City of Lake Elmo has "strong finances supported by conservative budgeting, annual surpluses, and healthy unreserved fund balances; low direct debt burden and favorable personal liability."

## COMPARISON OF KEY CREDIT INDICATORS

	Lake Elmo (August 2013)	Mahtomedi (June 2013)	Minnetrsta (August 2013)	Medina (March 2013)	Shorewood (January 2013)	Stewartville (June 2013)
<b>Credit Rating:</b>						
Moody's	Aa2	Aa2	N/A	Aa2	Aa1	Aa3
S&P	N/A	N/A	AA+	N/A	N/A	N/A
2010 Census Population	8,069	7,676	6,384	4,892	7,307	5,916
% Change since 2000	17.6%	1.5%	46.5%	22.2%	-1.3%	9.3%
Taxable Full Valuation	\$1,028,011,400	\$878,186,100	\$1,223,555,000	\$1,297,183,800	\$1,400,000,000	\$302,500,000
5 Year Avg. Annual % Change	-3.9%	-3.4%	-5.9%	-2.9%	3.5%	-1.1%
Estimated Full Value Per Capita	\$127,403	\$114,407	\$191,660	\$265,164	\$194,012	\$49,945
Per Capita Income as % of U.S.	159.0%	148.7%	188.8%	297.2%	219.0%	88.3%
Median Family Income as % of U.S.	189.0%	169.7%	185.3%	231.2%	213.9%	96.5%
County Unemployment Rate	4.7%	4.7%	5.0%	5.0%	5.0%	4.3%
General Fund Balance	\$3,500,000	\$4,948,617	\$2,700,000	\$2,119,679	\$3,500,000	\$931,000
G.F. Balance as % of G.F. Revenues	107.0%	100.1%	59.0%	58.8%	66.0%	49.8%
Overall Debt Burden	2.3%	5.1%	3.6%	2.9%	3.1%	2.0%
Direct Debt Burden	0.5%	1.1%	0.7%	0.9%	0.7%	3.5%
Direct Debt per Capita	\$1,935.80	\$1,891.61	\$1,766.92	\$2,280.25	\$355.82	\$912.78
G.O. Debt Outstanding	\$15,620,000	\$14,520,000	\$11,280,000	\$11,155,000	\$2,600,000	\$5,400,000
Principal Amortization in 10 Years	60.3%	71.9%	51.0%	N/A	86.8%	68.8%

Source information includes current credit rating reports and official statements.

## WASHINGTON COUNTY MARKET AND NET TAX CAPACITY VALUES OF TAXABLE PROPERTY

MUNICIPALITY/ TAXING DISTRICT	ESTIMATED MARKET VALUE			NEW IMPROVEMENTS	TAXABLE MARKET VALUE			REFERENDA MARKET VALUE	TAX CAPACITY			DEDUCTIONS			TAXABLE FOR LTR	FINAL FD DISTRI-BUTION	TAXABLE VALUE
	REAL ESTATE	PERSONAL PROPERTY	TOTAL		REAL ESTATE	PERSONAL PROPERTY	TOTAL		REAL ESTATE	PERSONAL PROPERTY	TOTAL	POWER-LINE	TIF	FD CONTRI-BUTION			
<b>MUNICIPALITY:</b>																	
2 Baytown	269,279,700	10,306,400	279,586,100	4,971,700	261,050,400	10,306,400	271,356,800	265,448,300	2,690,837	158,980	2,849,817	0	0	27,582	2,822,235	89,501	2,911,736
4 Denmark	353,356,500	2,656,100	356,012,600	2,216,000	312,605,500	2,656,100	315,261,600	246,988,200	3,187,459	49,853	3,237,312	0	0	179,401	3,057,911	96,796	3,154,697
9 May	548,418,200	4,248,900	552,667,100	1,399,700	498,231,500	4,248,900	502,480,400	434,609,000	5,113,530	75,748	5,189,278	0	0	98,609	5,092,672	158,304	5,250,976
11 Grey Cloud Island	38,980,300	585,100	39,565,400	113,100	37,217,500	585,100	37,802,600	36,071,000	401,961	11,702	413,663	0	0	15,121	398,542	20,330	418,872
14 Stillwater Twp	366,695,500	1,658,900	368,354,400	1,500,500	340,116,500	1,658,900	341,775,400	322,497,400	3,433,112	33,778	3,466,890	0	0	32,725	3,433,565	158,651	3,592,216
17 West Lakeland	531,155,700	2,650,300	533,806,000	3,633,500	515,336,700	2,650,300	518,000,000	459,883,100	5,283,702	124,882	5,408,584	0	0	105,412	5,276,497	285,965	5,562,462
100 Afton	525,151,100	6,408,700	531,559,800	3,489,200	509,591,200	6,408,700	509,999,900	459,883,100	5,283,702	124,882	5,408,584	0	0	234,137	5,174,447	157,610	5,332,057
200 Bayport	212,446,800	1,877,800	214,324,600	3,556,900	198,765,700	1,877,800	200,643,500	212,994,200	2,451,864	37,543	2,489,407	0	147,804	278,308	2,063,295	623,850	2,687,145
300 Birchwood	121,050,600	430,500	121,481,100	231,000	115,948,400	430,500	116,378,900	116,123,900	1,208,173	8,810	1,216,983	0	0	0	1,216,983	0	1,216,983
400 Scanlon	591,894,100	5,239,300	597,133,400	2,976,500	550,184,300	5,239,300	555,423,600	488,000,500	5,688,574	99,125	5,687,699	1,612	0	127,605	5,558,582	273,939	5,832,521
500 Dellwood	305,511,400	1,285,400	306,796,800	104,300	302,145,400	1,285,400	303,430,800	294,831,100	3,419,051	25,708	3,444,759	0	0	88,514	3,346,245	34,112	3,380,357
600 Forest Lake	1,627,764,600	12,610,300	1,640,374,900	8,236,600	1,595,402,100	12,610,300	1,608,012,400	1,589,978,200	17,413,834	241,695	17,655,529	1,972	1,081,172	1,988,053	14,994,332	2,157,746	16,752,078
700 Hugo	1,281,963,800	13,973,900	1,295,937,700	12,874,700	1,150,897,300	13,973,900	1,164,871,200	1,136,220,800	12,545,414	278,956	12,824,370	3,617	81,527	962,384	11,774,742	1,493,771	13,268,513
800 Lake Elmo	1,066,314,500	12,154,300	1,078,468,800	13,570,800	1,015,857,100	12,154,300	1,028,011,400	1,008,807,100	11,392,875	67,373	11,460,248	673	0	906,307	11,630,460	684,840	12,315,300
900 Lakeland Shores	53,805,600	198,100	54,003,700	17,100	51,861,000	198,100	52,059,100	53,357,200	573,281	3,862	577,143	0	0	17,243	560,000	16,883	576,883
1000 Mahtomedi	873,238,100	4,948,000	878,186,100	6,231,600	838,039,700	4,948,000	842,987,700	872,118,200	9,094,733	98,490	9,193,193	0	76,660	432,302	8,684,231	658,425	9,342,656
1100 Marine on St Croix	122,274,300	1,546,100	123,820,400	171,500	118,007,000	1,546,100	120,553,100	117,693,400	1,259,566	30,922	1,290,488	0	0	40,508	1,249,980	38,044	1,288,024
1200 Newport	279,894,800	6,880,200	286,775,000	938,700	258,181,900	6,880,200	265,062,100	279,317,100	3,360,643	137,604	3,498,247	0	0	583,921	2,914,326	444,731	3,359,057
1300 St Paul Park	295,467,900	3,865,600	299,333,500	497,800	248,452,600	3,865,600	252,318,200	268,189,700	2,860,538	74,938	2,935,476	0	254,585	291,831	2,389,306	1,008,567	3,397,872
1400 Landfall	6,239,000	1,311,200	7,550,200	0	6,239,000	1,311,200	7,550,200	7,550,200	121,107	24,974	146,081	0	0	61,409	52,845	31,827	89,672
1500 Stillwater City	1,759,897,400	12,681,500	1,772,578,900	12,662,400	1,665,311,600	12,681,500	1,678,013,100	1,757,161,300	17,816,200	19,160,846	250,880	19,411,726	2,016,772	2,139,410	15,255,544	1,896,527	17,152,071
1600 Williams	34,791,700	250,900	35,042,600	47,300	30,549,200	250,900	30,800,100	34,864,000	347,222	5,016	352,240	0	0	34,707	317,533	31,824	349,357
1700 Oak Park Heights	652,349,000	4,820,900	657,169,900	8,865,900	636,345,100	4,820,900	641,166,000	603,498,300	10,257,139	95,168	10,352,307	0	108,254	2,346,765	7,697,288	392,002	8,289,290
1800 St Mary's Point	64,380,800	627,900	65,008,700	205,300	64,407,500	627,900	65,035,400	64,380,800	665,987	12,558	678,545	0	0	0	678,545	0	678,545
1900 Lakeland	196,523,300	1,411,000	197,934,300	205,300	184,407,500	1,411,000	185,818,500	193,774,000	2,016,349	28,220	2,044,569	0	28,220	102,724	1,915,625	163,855	2,079,480
2000 Lake St Croix Beach	54,858,700	400,100	55,258,800	280,500	55,187,100	400,100	55,587,200	54,858,700	569,408	8,022	577,430	0	0	15,002	562,428	759,962	1,322,390
2100 Pine Springs	47,220,500	1,068,900	48,289,400	44,600	46,090,700	1,068,900	47,159,600	46,407,200	483,407	20,828	484,235	0	0	8,154	476,081	31,453	507,534
2200 Cottage Grove	2,512,626,100	31,126,200	2,543,752,300	15,455,100	2,246,774,500	31,126,200	2,277,900,700	2,410,395,000	24,938,753	612,078	25,550,829	0	789,029	2,076,999	22,884,801	5,000,899	27,885,699
2500 Woodbury	6,322,198,500	48,158,200	6,370,356,700	85,662,100	5,927,895,200	48,158,200	6,004,800,000	6,024,880,000	69,226,177	954,126	70,180,305	0	174,802	7,629,889	62,375,815	6,478,903	69,854,718
2600 Oakdale	2,024,471,200	19,890,900	2,044,362,100	9,004,300	1,825,862,400	19,890,900	1,845,753,300	2,015,456,300	22,638,702	392,446	23,031,150	0	518,964	3,674,983	18,400,763	4,018,310	22,859,073
2700 Grant City	652,466,000	7,105,900	659,571,900	1,714,000	620,659,800	7,105,900	627,765,700	603,472,000	6,435,044	141,578	6,576,622	2,847	0	170,487	6,403,288	258,791	6,662,079
7500 Hastings	2,701,800	60,900	2,762,700	177,100	2,678,000	60,900	2,738,900	2,738,900	46,802	1,218	47,020	0	0	16,561	30,459	0	30,459
9400 White Bear Lake	34,912,000	377,200	35,289,200	18,000	32,738,900	377,200	33,116,100	35,101,500	417,304	7,544	424,848	0	0	49,528	375,320	54,580	429,900
<b>County Total</b>	<b>23,860,009,300</b>	<b>222,867,200</b>	<b>24,082,876,500</b>	<b>201,055,700</b>	<b>22,172,971,700</b>	<b>222,841,700</b>	<b>22,395,813,400</b>	<b>22,901,674,000</b>	<b>254,121,504</b>	<b>4,332,264</b>	<b>258,453,768</b>	<b>10,721</b>	<b>5,344,628</b>	<b>24,706,523</b>	<b>228,391,896</b>	<b>27,586,075</b>	<b>255,977,971</b>

**New Issue: Moody's assigns Aa2 to Lake Elmo's (MN) \$5.7M GO Bonds, Series 2013A**

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Global Credit Research - 05 Sep 2013

**Aa2 applies to \$15.6M of post-sale GOULT debt**

LAKE ELMO (CITY OF) MN  
Cities (including Towns, Villages and Townships)  
MN

**Moody's Rating**

<b>ISSUE</b>	<b>RATING</b>
General Obligation Bonds, Series 2013A	Aa2
<b>Sale Amount</b> \$5,725,000	
<b>Expected Sale Date</b> 09/11/13	
<b>Rating Description</b> General Obligation	

**Moody's Outlook** NOO

**Opinion**

NEW YORK, September 05, 2013 --Moody's Investors Service has assigned a Aa2 rating to the City of Lake Elmo's (MN) \$5.7 million General Obligation Bonds, Series 2013A. Concurrently, Moody's has affirmed the Aa2 rating on \$15.6 million of the city's post-sale general obligation debt. The series 2013A bonds are secured by the city's general obligation unlimited tax pledge, and proceeds of the bonds will finance water and sewer improvements within the city.

**SUMMARY RATING RATIONALE**

The Aa2 rating reflects the moderately-sized but affluent tax base located in the Twin Cities metro region; strong finances supported by conservative budgeting, annual surpluses, and healthy unreserved fund balance; low direct debt burden and favorable pension liability.

**STRENGTHS**

- Affluent tax base favorably located in Twin Cities metropolitan area
- Maintenance of healthy General Fund reserves and liquidity

**CHALLENGES**

- Trend of declining tax base valuations
- Small tax base size relative to others in the rating category

**DETAILED CREDIT DISCUSSION**

**MODERATELY-SIZED AND AFFLUENT TAX BASE NEAR THE TWIN CITIES**

The city's tax base is expected to grow in the medium term despite recent trends of valuation declines due to its favorable location within the Twin Cities metropolitan area and large amount of land available for development. Located in Washington County (general obligation rated Aaa/stable outlook), the city lies along the eastern edge of the metropolitan region, and is one of only a few communities in the area with a large amount of land available for development. The city's full value of \$1.1 billion has experienced several years of declines due to residential



housing depreciation. Large declines of 9.0% and 5.7% occurred in 2010 and 2011, respectively due to depreciation as well as a legislative change that occurred in 2011. However, depreciation has begun to taper off and the city experienced a more moderate 3.0% decline in 2012 and then a 0.1% increase in 2013. City officials report that approximately 45% of the city's land is available for development, and, of that available land, 60% will be developed within the next 5-7 years. Management reports that seven separate residential developments are planned and several have been platted. City officials project a \$423 million increase in valuation over seven years, or approximately \$60 million per year, solely from these residential developments. Given the planned development for the area, it is expected that the tax base will experience substantial growth in the medium term.

Lake Elmo is primarily a bedroom community with the majority of residents commuting to employment opportunities throughout the Twin Cities area. Based upon assessed value, the city is 79% residential and 19% commercial and industrial. The largest employer of city residents is 3M Company (senior unsecured rated Aa2/stable outlook), which is headquartered in nearby Maplewood (Aa1) and employs approximately 10,000. The city was party to a lawsuit along with the State of Minnesota seeking damages from 3M for allowing perfluorochemicals (PFCs) to leach into groundwater in Washington County over several decades. Recently, the city entered a tolling agreement in order to begin substantive negotiations with 3M about the current groundwater conditions. The tolling agreement allows the city to negotiate with 3M, but waives the statute of limitations should the city decide to return to litigation. Conservatively, the city has not included any potential settlement money in its budget projections, and will use any such funds for one time expenditures or to pay debt service. Management reports that the city's other major employers and taxpayers remain stable.

The city has experienced ongoing population growth in recent decades, including 17.6% growth between 2000 and 2010, and the Metropolitan Council (Aaa/stable outlook) estimates that the city's 2010 population of 8,069 could grow to 24,000 by 2030. Washington County's unemployment rate of 4.8% in June of 2013 remained below the national (7.8%) and state (5.2%) levels for same period. Lake Elmo's resident income levels significantly exceed those of the nation, with median family income equivalent to 186.1% and per capita income equivalent to 157.5% of the nation according to 2006 to 2010 estimates from the American Community Survey.

#### STABLE FINANCIAL OPERATIONS SUPPORTED BY HEALTHY RESERVES

The city's financial operations are expected to remain stable given its history of sound financial management and maintenance of healthy General Fund liquidity and reserves. The city has a demonstrated history of conservative financial management, having closed the past six fiscal years with modest operating surpluses. Management attributes the surpluses to conservative budgeting of both revenues and expenditures. The city closed fiscal 2012 with a \$525,000 operating surplus and a General Fund balance of \$3.4 million, or a substantial 105.3% of revenues. Approximately \$1 million of the city's fund balance is reserved for an advance made several years ago to help finance the initial planning for the Old Village redevelopment project. The project stalled during the economic downturn and then was stopped completely. The city plans to write-off \$200,000 in both 2013 and 2014, which will reduce the non-spendable portion of the fund balance. A portion of the advance will remain as it is attributable to water and sewer improvements that are part of the current issuance. Despite these advances, General Fund liquidity remains healthy, with 2012 unrestricted cash and investments totaling \$2.1 million, or 65.1% of revenues. Likewise, the city's fiscal 2012 unassigned fund balance of \$2.4 million, which is equivalent to 73.9% of revenues, remains healthy and above the city's policy of maintaining undesignated fund balance at or above 50% of the next year's budgeted tax revenues. Management projects that fiscal 2013 will result in modest \$120,000 surplus. City officials expect the tax levy and tax rate to remain flat in 2014 with balanced to modestly surplus operations.

Property taxes comprise 78% of Lake Elmo's revenues, and the city's collection rate is high with few appeals. The city does not receive any local government aid; therefore, it is not subject to any risk associated with budgetary pressures at the state. A property tax rate limit is in place for 2014; however, officials report this will not impact Lake Elmo as it expect to maintain operations under the same rate as the previous year.

#### MODERATE DEBT BURDEN WITH ADDITIONAL BORROWING PLANNED

Currently, the city's direct debt burden is a moderate 0.9% of full value, and though some additional borrowing is planned, the debt burden is expected to remain manageable given long-term plans of growth. Debt service was 18.8% of revenues in 2012; however, nearly one half of the city's outstanding general obligation debt is supported by water or sewer revenue, reducing the impact on the city's general tax levy. Due to the substantial growth that is planned within the city, management expects to borrow an additional \$9M over the course of the next five years. It is likely that much of this debt would also be supported by water and sewer revenues. Assuming there was no change in full value, the city's debt burden would increase to an above average but manageable 1.7% of full value. Amortization of existing debt is average, with 65.7% of principal expected to be retired within ten years. All of the

city's outstanding debt is fixed rate, and the city is not a party to any interest rate swap agreements.

Lake Elmo has a favorable employee pension burden, based on unfunded liabilities for its participation in one multiple-employer cost-sharing plan administered by the state and a single employer plan administered by the Lake Elmo Volunteer Firefighter's Relief Association. Reported unfunded pension liabilities include an estimated \$703,000 for Lake Elmo's portion of the statewide General Employees Retirement Funds (GERF) as of June 30, 2011, and no unfunded liability for Lake Elmo Volunteer Firefighter's Relief Association which has a funded ratio of 118.2% as of December 31, 2010. The city has consistently made its required contributions to these pension plans, which was a total of \$104,000 in 2011 or 2.9% of operating revenues.

Moody's adjusted net pension liability (ANPL) for the city, under our methodology for adjusting reported pension data, is \$1.6 million, or a moderate 0.47 times operating revenues, compared to just below 1 times on average in the sector. The ANPL for the city's share of GERF is \$1.8 million, and the ANPL for the Lake Elmo Volunteer Firefighter's Relief Association is -\$177,000, indicating the plan is currently fully funded. Moody's ANPL reflects certain adjustments we make to improve comparability of reported pension liabilities. The adjustments are not intended to replace Lake Elmo's reported liability information, but to improve comparability with other rated entities. We determined Lake Elmo's share of liability for GERF in proportion to its contributions to the plan.

#### WHAT COULD CHANGE THE RATING - UP

- Growth in the city's tax base to levels consistent with higher-rated entities
- Maintenance of healthy financial reserves and liquidity

#### WHAT COULD CHANGE THE RATING - DOWN

- Deterioration of the tax base or weakening of the demographic profile
- Material declines in the city's financial reserves
- A significant increase in the city's net direct debt burden

#### KEY STATISTICS

Population (2010 Census): 8,069 (17.6% increase since 2000)

2013 full valuation: \$1.1 billion (2.5% five-year average annual decrease)

Estimated full value per capita: \$135,566

2006-2010 American Community Survey median family income as a % of nation: 186.1%

2006-2010 American Community Survey per capita income as a % of nation: 157.5%

Unemployment rate for Washington County (June 2013): 4.8% (Minnesota: 5.2%; U.S.: 7.8%)

Fiscal 2012 General Fund balance: \$3.2 million (105.3% of revenues)

Fiscal 2012 unassigned General Fund balance: \$2.4 million (73.9% of revenues)

Fiscal 2013 net cash and investments: \$2.1 million (65.1% of revenues)

Overall debt burden as a % of full value (direct): 2.7% (0.9%)

Payout of principal (10 years): 65.7%

Post-sale general obligation debt outstanding: \$15.6 million (\$14.4 million rated by Moody's)

Moody's ANPL (2011): \$1.7M (0.47x fiscal 2011 operating revenues)

#### PRINCIPAL METHODOLOGY

The principal methodology used in this rating was General Obligation Bonds Issued by US Local Governments published in April 2013. Please see the Credit Policy page on [www.moody.com](http://www.moody.com) for a copy of this methodology.

## REGULATORY DISCLOSURES

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## GENERAL FUND SUMMARY

The general fund (a type of governmental fund) is the chief operating fund of the city and is used to account for all financial resources except those required to be accounted for in another fund. Activities accounted for in the general fund include general government, public safety, public works, and culture and recreation.

An annual appropriated budget is adopted during the year for the city's general fund.

### BASIS OF ACCOUNTING & BUDGETING

The measurement focus for the general fund is on a current financial resources basis, where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The fund balance is considered a measure of expendable resources.

#### General Fund Summary

Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Revenues by Classification</b>								
Property Taxes/Franchise Fees	\$2,407,152	\$2,483,808	\$2,488,403	\$2,547,940	\$2,465,277	\$2,646,905	\$2,761,032	4.3%
Licenses and Permits	\$261,449	\$230,420	\$181,100	\$330,547	\$278,910	\$336,351	\$303,891	-9.7%
Intergovernmental	\$155,293	\$172,750	\$133,249	\$144,901	\$156,271	\$174,502	\$158,921	-8.9%
Charges for Services	\$13,974	\$16,998	\$10,850	\$7,744	\$7,334	\$11,579	\$7,691	-33.6%
Fines	\$68,897	\$63,818	\$53,000	\$58,385	\$60,000	\$44,536	\$48,000	7.8%
Other	\$85,043	\$94,778	\$34,384	\$144,048	\$47,100	\$51,210	\$24,000	-53.1%
<b>Total Revenues</b>	<b>\$2,991,807</b>	<b>\$3,062,573</b>	<b>\$2,900,986</b>	<b>\$3,233,564</b>	<b>\$3,014,892</b>	<b>\$3,265,082</b>	<b>\$3,303,535</b>	<b>1.2%</b>
<b>Other Financing Sources</b>								
Transfers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Revenues and Other Financing Sources</b>	<b>\$2,991,807</b>	<b>\$3,062,573</b>	<b>\$2,900,986</b>	<b>\$3,233,564</b>	<b>\$3,014,892</b>	<b>\$3,265,082</b>	<b>\$3,303,535</b>	<b>1.2%</b>
<b>Expenditures by Program</b>								
General Government	\$921,590	\$1,019,046	\$965,182	\$995,020	\$865,868	\$987,747	\$1,038,766	-5.2%
Public Safety	\$1,064,174	\$996,733	\$1,081,541	\$1,061,120	\$1,212,995	\$1,140,117	\$1,157,663	-1.5%
Public Works	\$473,295	\$447,630	\$482,749	\$447,630	\$482,749	\$530,059	\$540,270	-1.9%
Culture & Recreation	\$155,547	\$143,049	\$183,103	\$145,775	\$189,765	\$170,250	\$206,837	-21.5%
Compensation Adjustment	\$0	\$0	\$13,411	\$13,411	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	<b>\$2,614,607</b>	<b>\$2,606,457</b>	<b>\$2,725,986</b>	<b>\$2,662,956</b>	<b>\$2,751,377</b>	<b>\$2,828,174</b>	<b>\$2,943,535</b>	<b>-4.1%</b>
<b>Other Financing Uses</b>								
Transfers Out	\$126,850	\$230,505	\$175,000	\$251,170	\$365,000	\$360,000	\$360,000	0.0%
<b>Total Other Financing Uses</b>	<b>\$126,850</b>	<b>\$230,505</b>	<b>\$175,000</b>	<b>\$251,170</b>	<b>\$365,000</b>	<b>\$360,000</b>	<b>\$360,000</b>	<b>0.0%</b>
<b>Total Expenditures and Other Financing Uses</b>	<b>\$2,741,457</b>	<b>\$2,836,962</b>	<b>\$2,900,986</b>	<b>\$2,914,126</b>	<b>\$3,116,377</b>	<b>\$3,188,174</b>	<b>\$3,303,535</b>	<b>-3.6%</b>
<b>Net Change in Fund Balance</b>	<b>\$250,350</b>	<b>\$225,611</b>	<b>\$0</b>	<b>\$319,439</b>	<b>(\$101,485)</b>	<b>\$76,909</b>	<b>(\$0)</b>	<b>-100.0%</b>
<b>General Fund Balance</b>								
Fund Balance, Beginning of Year	\$2,435,810	\$2,686,160	\$2,686,160	\$2,686,160	\$2,686,160	\$3,005,599	\$3,082,507	2.6%
Net Change in Fund Balance	\$250,350	\$225,611	\$0	\$319,439	(\$101,485)	\$76,909	(\$0)	-100.0%
<b>Fund Balance, Ending of Year</b>	<b>\$2,686,160</b>	<b>\$2,911,771</b>	<b>\$2,686,160</b>	<b>\$3,005,599</b>	<b>\$2,584,676</b>	<b>\$3,082,507</b>	<b>\$3,082,507</b>	<b>0.0%</b>

The general fund uses the modified accrual basis of accounting, under which revenues are not recognized until they are measurable and available, and expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

The basis of budgeting is consistent with accounting principles generally accepted in the United States of America.

### **FUND HIGHLIGHTS**

Overall 2014 general fund expenditures and transfers out are budgeted at \$3,303,535, or a 5.8% increase from the 2013 general fund budget. The 2013 general fund budget is considered “balanced”, with overall general fund budgeted revenues also at \$3,303,535, or a 4.37% increase from the 2013 general fund budget.

The general fund levy of \$2,565,000 for 2014 is 7.9% higher than the 2013 budgeted general fund levy of \$2,413,588. This is a result of new budgeting for fiscal disparities and the projected collection of new development related property taxes. The annual results can be seen on the attached pie charts.

### **GENERAL FUND REVENUES**

The modified accrual basis of accounting, as described in the general fund summary, is used to record general fund revenues. The city has several sources from which it derives revenue:

#### **PROPERTY TAXES/FRANCHISE FEES**

Taxes applied to all taxable property within the city’s boundaries are the primary revenue source for the city. This includes current and delinquent property taxes and the fiscal disparities tax, which is based on new commercial and industrial property valuation growth in the metropolitan area. The city sets its property tax levy at a level (when combined with other expected revenues) to adequately cover the general fund operating budget. Franchise fees are collected from cable television providers.

### **LICENSES & PERMITS**

Licenses and permits include revenues received from businesses and occupations for activities conducted within the city, and primarily consist of building permit and plan check fee revenues.

2014 shows the initial increases due to the planned growth in the I94 Corridor.

### **INTERGOVERNMENTAL**

These are shared revenues generally received from the state of Minnesota.

- LGA: Local Government Aid was established in 1971 as a form of property tax relief. The state uses a distribution formula to calculate the upcoming year’s LGA and notifies each city of its share by August 1. The City’s 2014 share amounts to \$0.
- MSA: Municipal State Aid is distributed through the state’s highway user distribution fund and is used for construction and maintenance of city highways and streets.
- Fire Aid: The city receives state aid for fire services which is passed through to the Lake Elmo firefighter’s relief association.

### **CHARGES FOR SERVICES**

The city collects various administrative fees and service revenues.

### **FINES**

These are revenues received from penalties imposed for the violation of laws or regulations.

### **OTHER**

Other sources of revenue include investment income and miscellaneous reimbursements and revenues.

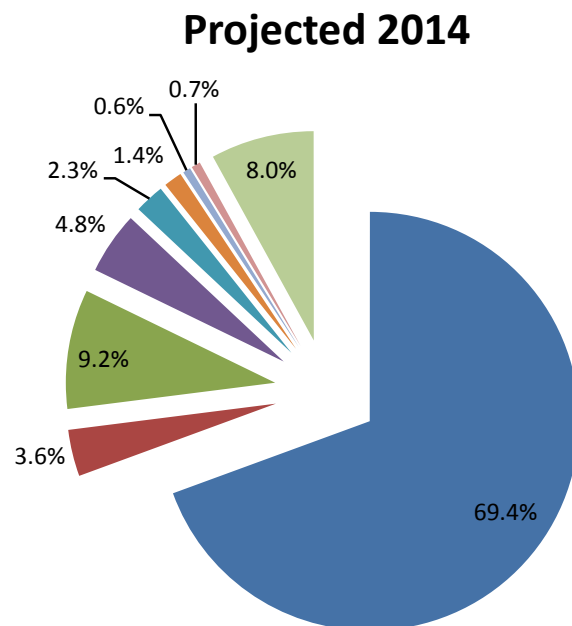
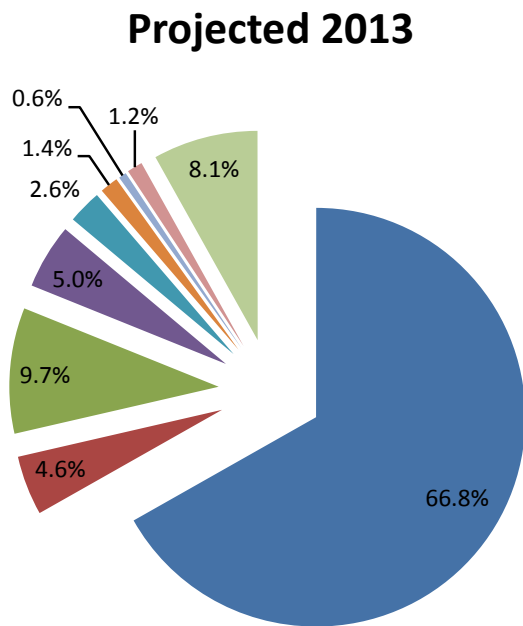
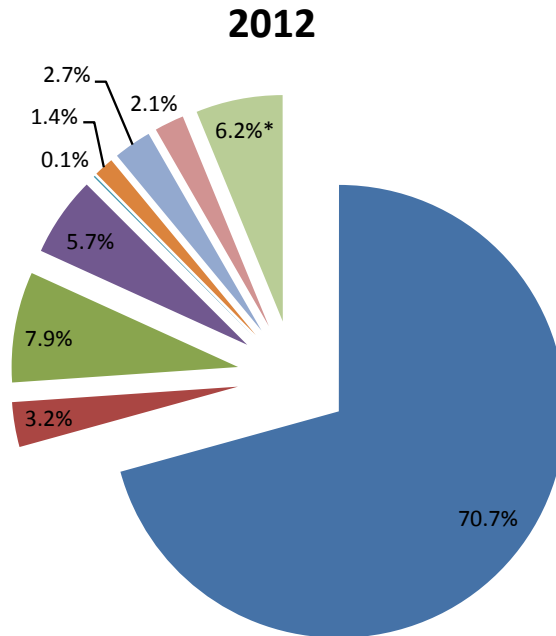
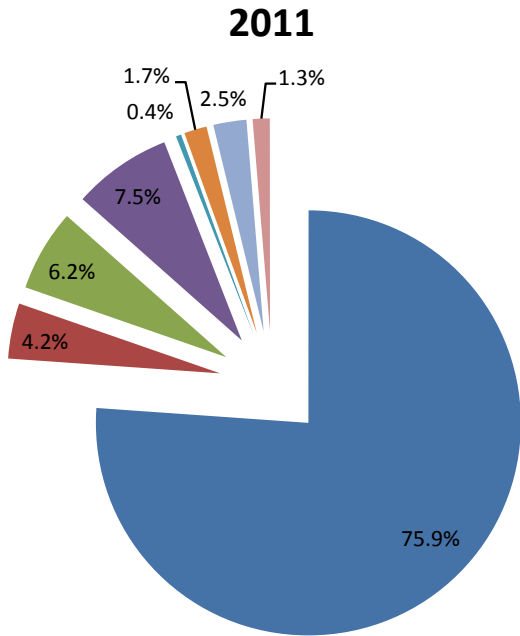
### **OTHER FINANCING SOURCES**

Transfers into the general fund (none scheduled for 2014).

**General Fund Revenues**

Account Number	Description	2010	2011	2012	2012	2013	2013	2014	2013
		Actual	Actual	Budget	Actual	Budget	Projected Actual	Budget	to 2014 Change
<b>Property Taxes/Franchise Fees</b>									
101-000-0000-31010	Current Ad Valorem Taxes	\$2,122,403	\$2,271,299	\$2,442,903	\$2,265,150	\$2,413,588	\$2,377,716	\$2,565,000	7.9%
101-000-0000-31010	2008 MVHC Unallotment Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-000-0000-31010	2009 MVHC Unallotment Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-000-0000-31010	2010 MVHC Cut Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-000-0000-31010	2011 MVHC Cut Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-000-0000-31010	MVHC State Unallotment/Cut	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-000-0000-31020	Delinquent Ad Valorem Taxes	\$65,911	\$19,395	\$0	\$65,178	\$0	\$35,000	\$20,000	-42.9%
101-000-0000-31030	Mobile Home Tax	\$8,596	\$9,503	\$8,000	\$13,532	\$8,000	\$9,059	\$8,000	-11.7%
101-000-0000-31040	Fiscal Disparities	\$169,645	\$143,647	\$0	\$158,239	\$0	\$178,587	\$120,000	-32.8%
101-000-0000-31910	Penalty & Interest on Taxes	\$4,790	\$146	\$0	\$5,202	\$0	\$3,691	\$5,180	40.4%
101-000-0000-33620	Gravel Tax	\$439	\$925	\$1,000	\$689	\$689	\$0	\$0	0.0%
101-000-0000-33622	Cable Franchise Revenue	\$35,367	\$38,894	\$36,500	\$39,950	\$43,000	\$42,852	\$42,852	0.0%
<b>Total Property Taxes/Franchise Fees</b>		<b>\$2,407,152</b>	<b>\$2,483,808</b>	<b>\$2,488,403</b>	<b>\$2,547,940</b>	<b>\$2,465,277</b>	<b>\$2,646,905</b>	<b>\$2,761,032</b>	<b>4.3%</b>
<b>Licenses and Permits</b>									
101-000-0000-32110	Liquor License	\$9,875	\$10,425	\$8,000	\$9,375	\$125	\$9,500	\$3,000	-68.4%
101-000-0000-32180	Wastehauler License	\$230	\$0	\$200	\$0	\$200	\$0	\$0	0.0%
101-000-0000-32181	General Contractor License	\$4,925	\$1,725	\$2,000	\$0	\$0	\$265	\$165	-37.7%
101-000-0000-32183	Heating Contractor License	\$0	\$995	\$50	\$3,560	\$4,475	\$5,250	\$6,650	26.7%
101-000-0000-32184	Blacktopping Contractor License	\$0	\$0	\$50	\$0	\$0	\$0	\$0	0.0%
101-000-0000-32210	Building Permits	\$153,444	\$138,972	\$115,000	\$189,552	\$172,000	\$176,784	\$170,500	-3.6%
101-000-0000-32220	Heating Permits	\$10,465	\$10,230	\$6,000	\$15,000	\$13,200	\$15,490	\$15,600	0.7%
101-000-0000-32230	Plumbing Permits	\$6,591	\$6,316	\$3,500	\$10,580	\$7,500	\$11,345	\$9,000	-20.7%
101-000-0000-32231	Sewer Permits	\$561	\$0	\$300	\$0	\$0	\$485	\$485	0.0%
101-000-0000-32240	Animal License	\$3,073	\$2,083	\$2,000	\$3,420	\$2,060	\$1,761	\$1,991	13.1%
101-000-0000-32250	Utility Permits	\$14,217	\$6,248	\$5,000	\$8,485	\$7,200	\$18,028	\$11,000	-39.0%
101-000-0000-32260	Burning Permit	\$1,490	\$1,300	\$1,000	\$1,310	\$1,150	\$2,640	\$3,350	26.9%
101-000-0000-32270	Massage Therapy	\$0	\$0	\$0	\$0	\$0	\$783	\$150	-80.8%
101-000-0000-34104	Plan Check Fees	\$56,579	\$52,125	\$38,000	\$89,265	\$71,000	\$94,020	\$82,000	-12.8%
<b>Total Licenses and Permits</b>		<b>\$261,449</b>	<b>\$230,420</b>	<b>\$181,100</b>	<b>\$330,547</b>	<b>\$278,910</b>	<b>\$336,351</b>	<b>\$303,891</b>	<b>-9.7%</b>
<b>Intergovernmental</b>									
101-000-0000-33402	Homestead Credit Aid	\$7,022	\$7,879	\$0	\$0	\$0	\$0	\$0	0.0%
101-000-0000-33418	MSA - Maintenance	\$77,347	\$83,018	\$75,000	\$87,578	\$98,022	\$98,022	\$98,022	0.0%
101-000-0000-33420	State Fire Aid	\$36,153	\$40,692	\$40,000	\$38,824	\$40,000	\$56,778	\$41,500	-26.9%
101-000-0000-33422	PERA Aid	\$2,749	\$2,749	\$2,749	\$2,749	\$2,749	\$2,749	\$2,749	0.0%
101-000-0000-33426	Miscellaneous State Grants	\$16,434	\$22,824	\$0	\$162	\$0	\$1,365	\$1,150	-15.7%
101-000-0000-33621	Recycling Grant	\$15,588	\$15,588	\$15,500	\$15,588	\$15,500	\$15,588	\$15,500	-0.6%
<b>Total Intergovernmental</b>		<b>\$155,293</b>	<b>\$172,750</b>	<b>\$133,249</b>	<b>\$144,901</b>	<b>\$156,271</b>	<b>\$174,502</b>	<b>\$158,921</b>	<b>-8.9%</b>
<b>Charges for Services</b>									
101-000-0000-34103	Zoning & Subdivision Fees	\$7,480	\$11,015	\$5,500	\$1,152	\$1,000	\$4,680	\$1,250	-73.3%
101-000-0000-34105	Sale of Copies, Books, Maps	\$81	\$173	\$150	\$258	\$149	\$311	\$206	-33.7%
101-000-0000-34107	Assessment Searches	\$630	\$445	\$200	\$1,060	\$700	\$1,415	\$1,285	-9.2%
101-000-0000-34109	Clean Up Days	\$3,425	\$3,058	\$3,000	\$3,256	\$4,000	\$2,647	\$3,000	13.3%
101-000-0000-34111	Cable Operation Reimbursement	\$2,358	\$2,307	\$2,000	\$2,018	\$1,485	\$2,526	\$1,950	-22.8%
<b>Total Charges for Services</b>		<b>\$13,974</b>	<b>\$16,998</b>	<b>\$10,850</b>	<b>\$7,744</b>	<b>\$7,334</b>	<b>\$11,579</b>	<b>\$7,691</b>	<b>-33.6%</b>
<b>Fines</b>									
101-000-0000-35100	Fines	\$68,897	\$63,818	\$53,000	\$58,385	\$60,000	\$44,536	\$48,000	7.8%
<b>Total Fines</b>		<b>\$68,897</b>	<b>\$63,818</b>	<b>\$53,000</b>	<b>\$58,385</b>	<b>\$60,000</b>	<b>\$44,536</b>	<b>\$48,000</b>	<b>7.8%</b>
<b>Other</b>									
101-000-0000-36200	Miscellaneous Revenue	\$17,311	\$20,405	\$6,384	\$42,599	\$19,000	\$10,056	\$2,400	-76.1%
101-000-0000-36201	Internal Charges (Library procc fee)	NA	\$5,458	\$0	\$1,166	\$600	\$1,154	\$1,600	38.6%
101-000-0000-36210	Interest Earnings	\$59,710	\$59,415	\$20,000	\$90,983	\$20,000	\$40,000	\$20,000	-50.0%
101-000-0000-36230	Donations	\$8,022	\$9,500	\$8,000	\$9,300	\$7,500	\$0	\$0	0.0%
<b>Total Other</b>		<b>\$85,043</b>	<b>\$94,778</b>	<b>\$34,384</b>	<b>\$144,048</b>	<b>\$47,100</b>	<b>\$51,210</b>	<b>\$24,000</b>	<b>-53.1%</b>
<b>Total Revenues</b>		<b>\$2,991,807</b>	<b>\$3,062,573</b>	<b>\$2,900,986</b>	<b>\$3,233,564</b>	<b>\$3,014,892</b>	<b>\$3,265,082</b>	<b>\$3,303,535</b>	<b>1.2%</b>
<b>Other Financing Sources</b>									
101-000-0000-39200	Transfer In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Other Financing Sources</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Revenues and Other Financing Sources</b>		<b>\$2,991,807</b>	<b>\$3,062,573</b>	<b>\$2,900,986</b>	<b>\$3,233,564</b>	<b>\$3,014,892</b>	<b>\$3,265,082</b>	<b>\$3,303,535</b>	<b>1.2%</b>

# GENERAL FUND REVENUES



- General
- Licenses and Permits
- Charges for Services
- Investment Earnings
- Library
- Special Assessments
- Intergovernmental
- Fines and Forfeitures
- Miscellaneous



## **GENERAL FUND EXPENDITURES**

The modified accrual basis of accounting, as described in the general fund summary, is used to record general fund expenditures. The city expends its general operating budget in the following general activities:

### **GENERAL GOVERNMENT**

This category includes the general costs for administration of city government. Subdivisions include:

- Mayor & Council
- Administration
- Elections
- Communications
- Finance
- Planning & Zoning
- Engineering Services
- City Hall

### **PUBLIC SAFETY**

These expenditures are for the protection of the general public, including police and fire protection, building inspection, and costs for prosecutions. Subdivisions include:

- Police
- Prosecution
- Fire
- Fire Relief
- Building Inspection
- Emergency Communications
- Animal Control

### **PUBLIC WORKS**

This department maintains the city public works, including buildings, grounds, and streets. Subdivisions include:

- Public Works
- Streets
- Ice and Snow Removal
- Street Lighting
- Recycling
- Tree Program

### **CULTURE & RECREATION**

This department maintains the city parks and park buildings. The lone subdivision is:

- Parks & Recreation

### **COMPENSATION ADJUSTMENT**

These expenditures are for employee compensation increases and may be allocated to other departments.

### **TRANSFERS OUT**

Transfers are scheduled from the general fund to various other city funds.

**General Fund Expenditures Summary**

<b>Dept Number</b>	<b>Description</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Budget</b>	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Projected Actual</b>	<b>2014 Budget</b>	<b>2013 to 2014 Change</b>
<b>General Government</b>									
1110	Mayor & Council	\$34,894	\$36,418	\$35,392	\$24,208	\$39,803	\$44,349	\$45,270	-2.1%
1320	Administration	\$433,531	\$507,492	\$470,410	\$484,915	\$374,599	\$382,218	\$396,539	-3.7%
1410	Elections	\$9,748	\$5,527	\$11,950	\$13,857	\$11,950	\$1,040	\$13,350	-1183.7%
1450	Communications	\$51,676	\$46,263	\$57,676	\$52,689	\$85,233	\$77,220	\$79,130	-2.5%
1520	Finance	\$122,006	\$135,063	\$107,917	\$151,572	\$105,815	\$159,600	\$156,285	2.1%
1910	Planning & Zoning	\$176,024	\$184,989	\$172,037	\$165,068	\$152,068	\$254,101	\$273,059	-7.5%
1930	Engineering Services	\$57,927	\$67,639	\$70,000	\$69,864	\$60,000	\$39,345	\$48,000	-22.0%
1940	City Hall	\$35,785	\$35,654	\$39,800	\$32,846	\$36,400	\$29,874	\$27,133	9.2%
<b>Total General Government</b>		<b>\$921,590</b>	<b>\$1,019,046</b>	<b>\$965,182</b>	<b>\$995,020</b>	<b>\$865,868</b>	<b>\$987,747</b>	<b>\$1,038,766</b>	<b>-5.2%</b>
<b>Public Safety</b>									
2100	Police	\$481,243	\$452,262	\$493,000	\$492,911	\$560,000	\$495,759	\$500,000	-0.9%
2150	Prosecution	\$48,549	\$46,440	\$51,000	\$47,224	\$51,000	\$52,194	\$51,000	2.3%
2220	Fire	\$349,764	\$347,532	\$388,300	\$340,362	\$444,774	\$360,602	\$399,656	-10.8%
2250	Fire Relief	\$55,081	\$47,867	\$40,000	\$39,956	\$40,000	\$53,778	\$37,324	30.6%
2400	Building Inspection	\$111,744	\$95,081	\$95,541	\$133,154	\$104,221	\$164,288	\$157,602	4.1%
2500	Emergency Communications	\$6,798	\$5,250	\$6,000	\$6,194	\$6,000	\$3,745	\$5,800	-54.9%
2700	Animal Control	\$10,997	\$2,301	\$7,700	\$1,319	\$7,000	\$9,752	\$6,282	35.6%
<b>Total Public Safety</b>		<b>\$1,064,174</b>	<b>\$996,733</b>	<b>\$1,081,541</b>	<b>\$1,061,120</b>	<b>\$1,212,995</b>	<b>\$1,140,117</b>	<b>\$1,157,663</b>	<b>-1.5%</b>
<b>Public Works</b>									
3100	Public Works	\$252,687	\$267,004	\$287,249	\$278,967	\$290,867	\$313,011	\$338,270	-8.1%
3120	Streets	\$58,568	\$60,471	\$72,000	\$38,597	\$67,200	\$86,765	\$64,800	25.3%
3125	Ice & Snow Removal	\$115,833	\$75,960	\$81,000	\$45,320	\$80,000	\$85,697	\$96,000	-12.0%
3160	Street Lighting	\$23,405	\$30,008	\$24,500	\$38,691	\$25,200	\$25,677	\$28,800	-12.2%
3200	Recycling	\$7,137	\$3,829	\$13,000	\$12,776	\$11,300	\$7,584	\$7,400	2.4%
3250	Tree Program	\$15,665	\$10,358	\$5,000	\$4,126	\$5,000	\$11,325	\$5,000	55.8%
<b>Total Public Works</b>		<b>\$473,295</b>	<b>\$447,630</b>	<b>\$482,749</b>	<b>\$447,630</b>	<b>\$482,749</b>	<b>\$530,059</b>	<b>\$540,270</b>	<b>-1.9%</b>
<b>Culture &amp; Recreation</b>									
5200	Parks & Recreation	\$155,547	\$143,049	\$183,103	\$145,775	\$189,765	\$170,250	\$216,837	-27.4%
<b>Total Culture &amp; Recreation</b>		<b>\$155,547</b>	<b>\$143,049</b>	<b>\$183,103</b>	<b>\$145,775</b>	<b>\$189,765</b>	<b>\$170,250</b>	<b>\$216,837</b>	<b>-27.4%</b>
<b>Compensation Adjustment</b>									
9000	Compensation Adjustment	\$0	\$0	\$13,411	\$13,411	\$0	\$0	\$0	0.0%
<b>Total Compensation Adjustment</b>		<b>\$0</b>	<b>\$0</b>	<b>\$13,411</b>	<b>\$13,411</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Expenditures</b>		<b>\$2,614,607</b>	<b>\$2,606,457</b>	<b>\$2,725,986</b>	<b>\$2,662,956</b>	<b>\$2,751,377</b>	<b>\$2,828,174</b>	<b>\$2,953,535</b>	<b>-4.4%</b>
<b>Other Financing Uses</b>									
<b>Transfers Out</b>		<b>\$126,850</b>	<b>\$230,505</b>	<b>\$175,000</b>	<b>\$251,170</b>	<b>\$365,000</b>	<b>\$360,000</b>	<b>\$360,000</b>	<b>0.0%</b>
<b>Total Other Financing Uses</b>		<b>\$126,850</b>	<b>\$230,505</b>	<b>\$175,000</b>	<b>\$251,170</b>	<b>\$365,000</b>	<b>\$360,000</b>	<b>\$360,000</b>	<b>0.0%</b>
<b>Total Expenditures and Other Financing Uses</b>		<b>\$2,741,457</b>	<b>\$2,836,962</b>	<b>\$2,900,986</b>	<b>\$2,914,126</b>	<b>\$3,116,377</b>	<b>\$3,188,174</b>	<b>\$3,313,535</b>	<b>-3.9%</b>
<b>Expenditures by Classification</b>									
Personnel Services		\$1,051,984	\$1,089,826	\$1,189,271	\$1,126,560	\$1,234,965	\$1,319,247	\$1,463,489	-10.9%
Supplies		\$177,297	\$158,567	\$178,350	\$132,361	\$200,693	\$207,176	\$197,196	4.8%
Other Services and Charges		\$1,385,326	\$1,358,064	\$1,358,365	\$1,404,034	\$1,363,234	\$1,312,750	\$1,292,850	1.5%
Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>		<b>\$2,614,607</b>	<b>\$2,606,457</b>	<b>\$2,725,986</b>	<b>\$2,662,956</b>	<b>\$2,798,891</b>	<b>\$2,839,174</b>	<b>\$2,953,535</b>	<b>-4.0%</b>
<b>Transfers Out</b>		<b>\$126,850</b>	<b>\$230,505</b>	<b>\$175,000</b>	<b>\$251,170</b>	<b>\$365,000</b>	<b>\$360,000</b>	<b>\$360,000</b>	<b>0.0%</b>
<b>Total Expenditures and Other Financing Uses</b>		<b>\$2,741,457</b>	<b>\$2,836,962</b>	<b>\$2,900,986</b>	<b>\$2,914,126</b>	<b>\$3,163,891</b>	<b>\$3,199,174</b>	<b>\$3,313,535</b>	<b>-3.6%</b>

**General Fund Expenditures Department Detail**

Account Number	Description	2010	2011	2012	2012	2013	2013	2014	2013
		Actual	Actual	Budget	Actual	Budget	Projected Actual	Budget	to 2014 Change
<b>1110</b>	<b>Mayor &amp; Council</b>								
Personnel Services									
101-410-1110-41030	Part-time Salaries	\$16,435	\$16,435	\$16,435	\$16,435	\$25,690	\$25,690	\$25,690	0.0%
101-410-1110-41220	FICA Contributions	\$1,019	\$1,019	\$1,019	\$1,019	\$1,593	\$1,593	\$1,593	0.0%
101-410-1110-41230	Medicare Contributions	\$238	\$238	\$238	\$238	\$373	\$373	\$373	0.0%
	Workers Compensation	\$0	\$0	\$0	\$36	\$36	\$326	\$300	8.0%
<b>Total Personnel Services</b>		<b>\$17,692</b>	<b>\$17,692</b>	<b>\$17,692</b>	<b>\$17,728</b>	<b>\$27,692</b>	<b>\$27,981</b>	<b>\$27,956</b>	<b>0.1%</b>
Other Services and Charges									
101-410-1110-43310	Mileage	\$479	\$0	\$1,000	\$470	\$1,000	\$453	\$800	-76.6%
101-410-1110-44300	Miscellaneous	\$3,103	\$1,313	\$2,000	\$767	\$565	\$1,618	\$5,000	-209.1%
101-410-1110-44330	Dues & Subscriptions	\$11,584	\$15,540	\$11,200	\$3,689	\$8,391	\$12,711	\$10,514	17.3%
101-410-1110-44370	Conferences & Training	\$2,036	\$1,873	\$3,500	\$1,555	\$2,155	\$1,586	\$1,000	36.9%
<b>Total Other Services and Charges</b>		<b>\$17,201</b>	<b>\$18,725</b>	<b>\$17,700</b>	<b>\$6,480</b>	<b>\$12,111</b>	<b>\$16,368</b>	<b>\$17,314</b>	<b>-5.8%</b>
1110	<b>Total Mayor &amp; Council</b>	<b>\$34,894</b>	<b>\$36,418</b>	<b>\$35,392</b>	<b>\$24,208</b>	<b>\$39,803</b>	<b>\$44,349</b>	<b>\$45,270</b>	<b>-2.1%</b>
		-2.7%	-7.1%		28.8%		-25.3%		
<b>1320</b>	<b>Administration</b>								
Personnel Services									
101-410-1320-41010	Full-time Salaries	\$210,522	\$226,504	\$220,671	\$221,050	\$180,445	\$164,381	\$176,384	-7.3%
101-410-1320-41210	PERA Contributions	\$7,822	\$9,645	\$8,617	\$15,308	\$12,757	\$11,796	\$12,505	-6.0%
101-410-1320-41215	ICMA Employer Contribution	\$6,797	\$6,230	\$7,382	\$0	\$0	\$0	\$0	0.0%
101-410-1320-41220	FICA Contributions	\$12,863	\$13,682	\$13,682	\$13,071	\$10,992	\$9,709	\$10,604	-9.2%
101-410-1320-41230	Medicare Contributions	\$3,008	\$3,200	\$3,200	\$3,057	\$2,571	\$2,271	\$2,480	-9.2%
101-410-1320-41300	Health/Dental Insurance	\$30,374	\$32,309	\$33,548	\$25,568	\$37,532	\$35,684	\$47,636	-33.5%
101-410-1320-41420	Unemployment Benefits	\$5,218	\$7,148	\$0	\$0	\$0	\$3,082	\$0	100.0%
101-410-1320-41510	Workers Compensation	\$1,998	\$2,141	\$2,310	\$1,121	\$1,396	\$728	\$1,000	37.3%
101-410-1320-43150	Contract Services	\$0	\$0	\$0	\$19,014	\$0	\$5,000	\$0	100.0%
<b>Total Personnel Services</b>		<b>\$278,604</b>	<b>\$300,860</b>	<b>\$289,410</b>	<b>\$298,189</b>	<b>\$245,693</b>	<b>\$232,651</b>	<b>\$250,609</b>	<b>-7.7%</b>
Supplies									
101-410-1320-42000	Office Supplies	\$3,679	\$4,711	\$6,000	\$8,441	\$5,239	\$7,139	\$6,000	16.0%
101-410-1320-42030	Printed Forms	\$1,050	\$751	\$1,000	\$1,887	\$364	\$0	\$0	0.0%
<b>Total Supplies</b>		<b>\$4,729</b>	<b>\$5,462</b>	<b>\$7,000</b>	<b>\$10,327</b>	<b>\$5,603</b>	<b>\$7,139</b>	<b>\$6,000</b>	<b>16.0%</b>
Other Services and Charges									
101-410-1320-43040	Legal Services	\$55,739	\$95,081	\$65,000	\$69,360	\$48,000	\$56,365	\$60,000	-6.4%
101-410-1320-43100	Assessing Services	\$43,587	\$46,384	\$46,000	\$44,978	\$25,500	\$32,234	\$30,500	5.4%
101-410-1320-43190	Software Programs	\$0	\$0	\$0	\$0	\$0	\$863	\$0	100.0%
101-410-1320-43210	Telephone	\$0	\$0	\$0	\$0	\$0	\$2,696	\$4,045	-50.0%
101-410-1320-43220	Postage	\$3,746	\$4,685	\$6,500	\$4,489	\$3,600	\$3,924	\$4,000	-1.9%
101-410-1320-43310	Mileage	\$1,766	\$1,492	\$3,000	\$1,010	\$1,800	\$1,051	\$600	42.9%
101-410-1320-43510	Legal Publishing	\$0	\$0	\$0	\$2,845	\$158	\$2,618	\$2,400	8.3%
101-410-1320-43610	Insurance	\$38,563	\$34,381	\$39,500	\$34,611	\$38,800	\$35,339	\$35,000	1.0%
101-410-1320-44300	Miscellaneous	\$1,426	\$16,719	\$6,000	\$8,858	\$1,200	\$3,059	\$600	80.4%
101-410-1320-44330	Dues & Subscriptions	\$2,480	\$1,775	\$3,500	\$807	\$1,200	\$1,366	\$600	56.1%
101-410-1320-44370	Conferences & Training	\$2,766	\$578	\$3,500	\$8,399	\$2,176	\$2,912	\$2,185	25.0%
101-410-1320-44380	Staff Development	\$125	\$74	\$1,000	\$1,043	\$870	\$0	\$0	0.0%
<b>Total Other Services and Charges</b>		<b>\$150,198</b>	<b>\$201,170</b>	<b>\$174,000</b>	<b>\$176,399</b>	<b>\$123,304</b>	<b>\$142,428</b>	<b>\$139,930</b>	<b>1.8%</b>
1320	<b>Total Administration</b>	<b>\$433,531</b>	<b>\$507,492</b>	<b>\$470,410</b>	<b>\$484,915</b>	<b>\$374,599</b>	<b>\$382,218</b>	<b>\$396,539</b>	<b>-3.7%</b>
		7.7%	-7.0%		-2.2%		18.7%		

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>1410</b>	<b>Elections</b>								
Personnel Services									
101-410-1410-41030	Part-time Salaries	\$7,836	\$2,147	\$10,000	\$9,873	\$0	\$100	\$10,000	-9900.0%
101-410-1410-41220	FICA Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-410-1410-41230	Medicare Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Total Personnel Services		\$7,836	\$2,147	\$10,000	\$9,873	\$0	\$100	\$10,000	-9900.0%
Supplies									
101-410-1410-42000	Office Supplies	\$56	\$0	\$250	\$1,125	\$150	\$0	\$500	0.0%
101-410-1410-42030	Printed Forms	\$0	\$0	\$350	\$350	\$450	\$0	\$350	0.0%
Total Supplies		\$56	\$0	\$600	\$1,475	\$600	\$0	\$850	0.0%
Other Services and Charges									
101-410-1410-43150	Contract Services	\$0	\$2,147	\$0	\$0	\$0	\$940	\$950	-1.1%
101-410-1410-44300	Miscellaneous	\$1,857	\$1,233	\$1,350	\$2,509	\$11,350	\$0	\$1,550	0.0%
Total Other Services and Charges		\$1,857	\$3,380	\$1,350	\$2,509	\$11,350	\$940	\$2,500	-166.0%
Capital Outlay									
101-410-1410-45800	Other Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
1410	Total Elections	\$9,748	\$5,527	\$11,950	\$13,857	\$11,950	\$1,040	\$13,350	-1183.7%
		18.4%	-309.4%		-926.5%		91.3%		
<b>1450</b>	<b>Communications</b>								
Personnel Services									
101-410-1450-41010	Full-time Salaries	\$6,110	\$5,427	\$11,117	\$9,667	\$35,000	\$18,420	\$13,390	27.3%
101-410-1450-41210	PERA Contributions	\$428	\$394	\$806	\$701	\$2,538	\$1,335	\$971	27.3%
101-410-1450-41220	FICA Contributions	\$379	\$336	\$689	\$591	\$2,170	\$1,106	\$830	24.9%
101-410-1450-41230	Medicare Contributions	\$89	\$79	\$161	\$138	\$508	\$259	\$194	24.9%
101-410-1450-41300	Health/Dental Insurance	\$0	\$0	\$0	\$0	\$0	\$3,264	\$3,120	0.0%
101-410-1450-41510	Workers Compensation	\$457	\$467	\$503	\$56	\$56	\$85	\$110	-29.1%
Total Personnel Services		\$7,462	\$6,703	\$13,276	\$11,153	\$40,272	\$24,469	\$18,615	23.9%
Other Services and Charges									
101-410-1450-43090	Newsletter	\$5,113	\$5,093	\$5,400	\$6,897	\$12,061	\$9,786	\$8,000	18.3%
101-410-1450-42000	Office Supplies	\$0	\$0	\$0	\$91	\$200	\$1,026	\$304	70.3%
101-410-1450-43180	Information Technology/Web	\$31,040	\$28,229	\$31,500	\$29,711	\$24,000	\$31,538	\$42,000	-33.2%
101-410-1450-43210	Telephone	\$0	\$0	\$0	\$466	\$3,000	\$1,171	\$1,560	-33.2%
101-410-1450-43510	Public Notices	\$1,239	\$2,964	\$3,500	\$860	\$2,400	\$6,464	\$4,200	35.0%
101-410-1450-43620	Cable Operations	\$3,890	\$3,275	\$4,000	\$3,361	\$3,300	\$2,063	\$3,600	-74.5%
101-410-1450-44370	Conferences	\$0	\$0	\$0	\$0	\$0	\$498	\$800	-60.6%
101-410-1450-44040	Repairs/Maint Eqpt	\$2,932	\$0	\$0	\$150	\$0	\$206	\$50	75.7%
Total Other Services and Charges		\$44,214	\$39,560	\$44,400	\$41,536	\$44,961	\$52,752	\$60,514	-14.7%
1450	Total Communications	\$51,676	\$46,263	\$57,676	\$52,689	\$85,233	\$77,220	\$79,130	-2.5%
		6.6%	20.6%		9.6%		-33.9%		

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>1520</b>	<b>Finance</b>								
<b>Personnel Services</b>									
101-410-1520-41010	Full-time Salaries	\$34,203	\$44,968	\$34,674	\$40,211	\$54,917	\$87,886	\$87,880	0.0%
101-410-1520-41210	PERA Contributions	\$2,394	\$1,982	\$2,514	\$2,403	\$3,981	\$6,393	\$6,371	0.3%
101-410-1520-41220	FICA Contributions	\$2,107	\$2,766	\$2,150	\$2,199	\$3,405	\$5,183	\$5,449	-5.1%
101-410-1520-41230	Medicare Contributions	\$493	\$647	\$503	\$514	\$796	\$1,212	\$1,274	-5.1%
101-410-1520-41300	Health/Dental Insurance	\$3,827	\$3,353	\$3,826	\$6,132	\$8,616	\$18,496	\$19,936	-7.8%
101-410-1520-41420	Unemployment Benefits	\$0	\$0	\$0	\$11,343	\$0	\$0	\$0	0.0%
101-410-1520-41510	Workers Compensation	\$182	\$232	\$250	\$176	\$0	\$405	\$600	-48.1%
<b>Total Personnel Services</b>		<b>\$43,205</b>	<b>\$53,948</b>	<b>\$43,917</b>	<b>\$62,978</b>	<b>\$71,715</b>	<b>\$119,575</b>	<b>\$121,510</b>	<b>-1.6%</b>
<b>Supplies</b>									
101-410-1520-42000	Office Supplies	\$51	\$477	\$500	\$484	\$400	\$409	\$300	26.7%
101-410-1520-42030	Printed Forms	\$0	\$1,154	\$500	\$237	\$500	\$0	\$0	0.0%
<b>Total Supplies</b>		<b>\$51</b>	<b>\$1,631</b>	<b>\$1,000</b>	<b>\$720</b>	<b>\$900</b>	<b>\$409</b>	<b>\$300</b>	<b>26.7%</b>
<b>Other Services and Charges</b>									
101-410-1520-43010	Audit Services	\$32,035	\$23,670	\$30,000	\$26,810	\$20,500	\$20,500	\$27,000	-31.7%
101-410-1520-43150	Contract Services	\$43,336	\$54,302	\$30,000	\$58,570	\$10,000	\$15,925	\$4,500	71.7%
101-410-1520-43210	Telephone	\$0	\$0	\$0	\$0	\$0	\$741	\$1,200	-61.9%
101-410-1520-43310	Mileage	\$0	\$0	\$100	\$169	\$0	\$44	\$50	-12.6%
101-410-1520-44300	Miscellaneous	\$3,378	\$1,492	\$2,500	\$1,819	\$1,500	\$1,561	\$1,150	26.3%
101-410-1520-44330	Dues & Subscriptions	\$0	\$0	\$100	\$0	\$100	\$185	\$0	100.0%
101-410-1520-44350	Books	\$0	\$0	\$0	\$0	\$0	\$185	\$0	100.0%
101-410-1520-44370	Conferences & Training	\$0	\$20	\$300	\$505	\$1,100	\$475	\$575	-21.1%
<b>Total Other Services and Charges</b>		<b>\$78,749</b>	<b>\$79,484</b>	<b>\$63,000</b>	<b>\$87,873</b>	<b>\$33,200</b>	<b>\$39,616</b>	<b>\$34,475</b>	<b>13.0%</b>
<b>1520</b>	<b>Total Finance</b>	<b>\$122,006</b>	<b>\$135,063</b>	<b>\$107,917</b>	<b>\$151,572</b>	<b>\$105,815</b>	<b>\$159,600</b>	<b>\$156,285</b>	<b>2.1%</b>
		<b>-15.2%</b>	<b>-25.0%</b>		<b>-40.3%</b>		<b>-47.9%</b>		

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>1910</b>	<b>Planning &amp; Zoning</b>								
<b>Personnel Services</b>									
101-410-1910-41010	Full-time Salaries	\$99,830	\$108,534	\$104,109	\$91,970	\$103,487	\$152,013	\$159,874	-5.2%
101-410-1910-41210	PERA Contributions	\$6,814	\$7,156	\$7,548	\$6,120	\$7,503	\$11,311	\$11,591	-2.5%
101-410-1910-41220	FICA Contributions	\$5,940	\$6,358	\$6,455	\$5,373	\$6,416	\$9,185	\$9,912	-7.9%
101-410-1910-41230	Medicare Contributions	\$1,389	\$1,487	\$1,510	\$1,256	\$1,424	\$2,148	\$2,318	-7.9%
101-410-1910-41300	Health/Dental Insurance	\$21,185	\$20,192	\$22,566	\$10,171	\$10,638	\$27,488	\$34,814	-26.7%
101-410-1910-41510	Workers Compensation	\$546	\$696	\$749	\$426	\$500	\$751	\$800	-6.5%
<b>Total Personnel Services</b>		<b>\$135,703</b>	<b>\$144,422</b>	<b>\$142,937</b>	<b>\$115,317</b>	<b>\$129,968</b>	<b>\$202,896</b>	<b>\$219,309</b>	<b>-8.1%</b>
<b>Supplies</b>									
101-410-1910-42000	Office Supplies	\$130	\$93	\$750	\$493	\$600	\$3,080	\$2,000	35.1%
101-410-1910-42030	Printed Forms	\$271	\$586	\$0	\$0	\$0	\$678	\$750	-10.6%
<b>Total Supplies</b>		<b>\$402</b>	<b>\$679</b>	<b>\$750</b>	<b>\$493</b>	<b>\$600</b>	<b>\$3,758</b>	<b>\$2,750</b>	<b>26.8%</b>
<b>Other Services and Charges</b>									
101-410-1910-43020	Comprehensive Planning	\$527	\$0	\$10,000	\$414	\$0	\$0	\$0	0.0%
101-410-1910-43030	Engineering Services	\$19,132	\$31,336	\$12,000	\$22,065	\$18,000	\$23,793	\$36,000	-51.3%
101-410-1910-43040	Legal Services	\$13,248	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-410-1910-43150	Contract Services	\$2,929	\$6,592	\$3,000	\$22,367	\$0	\$14,869	\$10,000	32.7%
	Software Programs	\$0	\$0	\$0	\$0	\$0	\$2,952	\$0	100.0%
101-410-1910-43210	Telephone	\$0	\$0	\$0	\$0	\$0	\$1,187	\$1,200	-1.1%
101-410-1910-43220	Postage	\$0	\$0	\$0	\$0	\$0	\$60	\$200	-233.3%
101-410-1910-43310	Mileage	\$100	\$91	\$400	\$173	\$360	\$0	\$200	0.0%
101-410-1910-44300	Miscellaneous	\$736	\$20	\$400	\$3,175	\$240	\$1,072	\$500	53.4%
101-410-1910-44330	Dues & Subscriptions	\$495	\$515	\$750	\$66	\$600	\$600	\$600	0.0%
101-410-1910-44350	Books	\$0	\$305	\$300	\$165	\$200	\$481	\$300	37.6%
101-410-1910-44370	Conferences & Training	\$2,752	\$1,029	\$1,500	\$834	\$2,100	\$2,432	\$2,000	17.8%
<b>Total Other Services and Charges</b>		<b>\$39,919</b>	<b>\$39,889</b>	<b>\$28,350</b>	<b>\$49,258</b>	<b>\$21,500</b>	<b>\$47,446</b>	<b>\$51,000</b>	<b>-7.5%</b>
<b>1910</b>	<b>Total Planning &amp; Zoning</b>	<b>\$176,024</b>	<b>\$184,989</b>	<b>\$172,037</b>	<b>\$165,068</b>	<b>\$152,068</b>	<b>\$254,101</b>	<b>\$273,059</b>	<b>-7.5%</b>
		3.6%	0.9%		11.6%		-47.7%		

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>1930</b>	<b>Engineering Services</b>								
	Other Services and Charges								
101-410-1930-43030	Engineering Services	\$57,927	\$67,639	\$70,000	\$69,864	\$60,000	\$39,345	\$48,000	-22.0%
	Total Other Services and Charges	\$57,927	\$67,639	\$70,000	\$69,864	\$60,000	\$39,345	\$48,000	-22.0%
1930	Total Engineering Services	\$57,927	\$67,639	\$70,000	\$69,864	\$60,000	\$39,345	\$48,000	-22.0%
		17.2%	3.4%		0.2%		43.8%		
<b>1940</b>	<b>City Hall</b>								
	Supplies								
101-410-1940-42110	Cleaning Supplies	\$737	\$475	\$600	\$206	\$600	\$7	\$25	-234.2%
101-410-1940-42230	Building Repair Supplies	\$206	\$214	\$800	\$370	\$900	\$87	\$200	-129.9%
	Total Supplies	\$943	\$689	\$1,400	\$576	\$1,500	\$94	\$225	-138.1%
	Other Services and Charges								
101-410-1940-43210	Telephone	\$7,426	\$7,826	\$8,600	\$6,519	\$8,600	\$2,699	\$2,400	11.1%
101-410-1940-43810	Electric Utility	\$8,603	\$10,407	\$11,500	\$10,148	\$10,800	\$10,312	\$13,200	-28.0%
101-410-1940-43840	Refuse	\$1,140	\$1,290	\$1,300	\$1,738	\$1,300	\$1,300	\$1,408	-8.3%
101-410-1940-44010	Repairs/Maint Contractual Bldg	\$14,718	\$11,332	\$11,000	\$8,504	\$8,400	\$9,488	\$7,200	24.1%
101-410-1940-44040	Repairs/Maint Contractual Eqpt	\$2,284	\$4,099	\$5,000	\$3,935	\$4,800	\$5,823	\$2,400	58.8%
101-410-1940-44300	Miscellaneous	\$670	\$11	\$1,000	\$1,426	\$1,000	\$158	\$300	-89.9%
	Total Other Services and Charges	\$34,841	\$34,965	\$38,400	\$32,270	\$34,900	\$29,780	\$26,908	9.6%
1940	Total City Hall	\$35,785	\$35,654	\$39,800	\$32,846	\$36,400	\$29,874	\$27,133	9.2%
		12.2%	9.7%		16.8%		24.9%		

**Public Safety**

<b>Account Number</b>	<b>Description</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Budget</b>	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Projected Actual</b>	<b>2014 Budget</b>	<b>2013 to 2014 Change</b>
<b>2100</b>	<b>Police</b>								
	Other Services and Charges								
101-420-2100-43150	Law Enforcement Contract	\$481,243	\$452,262	\$493,000	\$492,911	\$560,000	\$495,759	\$500,000	-0.9%
	Total Other Services and Charges	\$481,243	\$452,262	\$493,000	\$492,911	\$560,000	\$495,759	\$500,000	-0.9%
2100	Total Police	\$481,243	\$452,262	\$493,000	\$492,911	\$560,000	\$495,759	\$500,000	-0.9%
<b>2150</b>	<b>Prosecution</b>								
	Other Services and Charges								
101-420-2150-43045	Attorney Criminal	\$48,549	\$46,440	\$51,000	\$47,224	\$51,000	\$52,194	\$51,000	2.3%
	Total Other Services and Charges	\$48,549	\$46,440	\$51,000	\$47,224	\$51,000	\$52,194	\$51,000	2.3%
2150	Total Prosecution	\$48,549	\$46,440	\$51,000	\$47,224	\$51,000	\$52,194	\$51,000	2.3%



2220		Fire								
Personnel Services										
101-420-2220-41010	Full-time Salaries	\$63,626	\$64,572	\$64,684	\$68,090	\$78,100	\$73,591	\$74,119	\$74,119	-0.7%
101-420-2220-41030	Part-time Salaries	\$73,895	\$72,321	\$112,500	\$94,811	\$131,000	\$111,001	\$109,456	\$109,456	1.4%
101-420-2220-41210	PERA Contributions	\$8,736	\$10,314	\$10,016	\$11,535	\$15,160	\$12,250	\$11,785	\$11,785	3.8%
101-420-2220-41220	FICA Contributions	\$4,822	\$4,224	\$7,344	\$5,215	\$12,964	\$6,267	\$11,382	\$11,382	-81.6%
101-420-2220-41230	Medicare Contributions	\$1,958	\$1,931	\$2,592	\$2,291	\$3,032	\$2,597	\$2,662	\$2,662	-2.5%
101-420-2220-41300	Health/Dental Insurance	\$14,186	\$14,355	\$14,322	\$14,647	\$15,320	\$13,704	\$15,990	\$15,990	-16.7%
101-420-2220-41510	Workers Compensation	\$12,902	\$13,190	\$15,492	\$8,135	\$10,130	\$8,042	\$9,000	\$9,000	-11.9%
Total Personnel Services		\$180,124	\$180,907	\$226,950	\$204,724	\$265,706	\$227,452	\$234,394	\$234,394	-3.1%
Supplies										
101-420-2220-42000	Office Supplies	\$906	\$828	\$1,000	\$971	\$500	\$3,019	\$500	\$500	83.4%
101-420-2220-42080	EMS Supplies	\$781	\$1,312	\$1,200	\$3,112	\$2,358	\$1,125	\$4,900	\$4,900	-335.6%
101-420-2220-42090	Fire Prevention	\$2,427	\$2,973	\$3,000	\$1,114	\$3,000	\$3,049	\$3,000	\$3,000	1.6%
101-420-2220-42120	Fuel, Oil and Fluids	\$9,511	\$12,174	\$10,800	\$12,581	\$13,632	\$12,687	\$14,000	\$14,000	-10.3%
101-420-2220-42400	Small Tools & Equipment	\$9,254	\$6,820	\$9,500	\$19,610	\$31,000	\$8,917	\$22,500	\$22,500	-152.3%
Total Supplies		\$22,879	\$24,107	\$25,500	\$37,388	\$50,490	\$28,797	\$44,900	\$44,900	-55.9%
Other Services and Charges										
101-420-2220-43050	Physicals	\$8,060	\$2,146	\$9,250	\$7,684	\$7,416	\$2,212	\$6,900	\$6,900	-211.9%
101-420-2220-43180	Information Technology	\$0	\$0	\$0	\$0	\$0	\$657	\$0	\$0	100.0%
101-420-2220-43210	Telephone	\$4,156	\$3,133	\$5,000	\$3,571	\$3,000	\$3,928	\$4,200	\$4,200	-6.9%
101-420-2220-43230	Radio	\$19,177	\$19,223	\$18,500	\$12,437	\$15,784	\$16,276	\$16,203	\$16,203	0.4%
101-420-2220-43310	Mileage	\$790	\$25	\$600	\$0	\$200	\$199	\$350	\$350	-75.9%
101-420-2220-43630	Vehicle Insurance	\$13,980	\$10,754	\$14,000	\$6,257	\$12,000	\$5,237	\$5,237	\$5,237	0.0%
101-420-2220-43810	Electric Utility	\$10,589	\$12,308	\$12,500	\$8,296	\$11,500	\$11,775	\$21,600	\$21,600	-83.4%
101-420-2220-43840	Refuse	\$502	\$568	\$1,000	\$477	\$572	\$780	\$572	\$572	26.7%
101-420-2220-44010	Repairs/Maint Bldg	\$27,150	\$9,201	\$11,000	\$5,466	\$21,016	\$15,329	\$12,000	\$12,000	21.7%
101-420-2220-44040	Repairs/Maint Eqpt	\$31,221	\$52,412	\$25,000	\$35,038	\$21,137	\$25,805	\$41,000	\$41,000	-58.9%
101-420-2220-44170	Uniforms	\$3,584	\$4,137	\$8,200	\$3,395	\$9,903	\$3,798	\$3,000	\$3,000	21.0%
101-420-2220-44300	Miscellaneous	\$1,968	\$1,665	\$1,500	\$908	\$900	\$1,268	\$900	\$900	29.0%
101-420-2220-44330	Dues & Subscriptions	\$3,145	\$3,551	\$3,300	\$2,966	\$2,000	\$2,597	\$2,200	\$2,200	15.3%
101-420-2220-44350	Books	\$1,028	\$789	\$1,000	\$0	\$600	\$481	\$200	\$200	58.4%
101-420-2220-44370	Conferences & Training	\$21,411	\$22,605	\$25,000	\$11,756	\$22,550	\$14,011	\$6,000	\$6,000	57.2%
Total Other Services and Charges		\$146,761	\$142,519	\$135,850	\$98,250	\$128,578	\$104,353	\$120,362	\$120,362	-15.3%
Capital Outlay										
101-420-2220-45800	Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
2220	Total Fire	\$349,764	\$347,532	\$388,300	\$340,362	\$444,774	\$360,602	\$399,656	\$399,656	-10.8%
		7.4%	7.5%		9.4%		7.1%			

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>2250</b>	<b>Fire Relief</b>								
Other Services and Charges									
101-420-2250-44920	Fire State Aid	\$36,153	\$40,692	\$40,000	\$39,956	\$40,000	\$53,778	\$37,324	30.6%
101-420-2250-44925	City Contribution	\$18,928	\$7,175	\$0	\$0	\$0	\$0	\$0	0.0%
Total Other Services and Charges		\$55,081	\$47,867	\$40,000	\$39,956	\$40,000	\$53,778	\$37,324	30.6%
2250	Total Fire Relief	\$55,081	\$47,867	\$40,000	\$39,956	\$40,000	\$53,778	\$37,324	30.6%
		4.8%	-1.5%		15.3%		-34.4%		
<b>2400</b>	<b>Building Inspection</b>								
Personnel Services									
101-420-2400-41010	Full-time Salaries	\$59,430	\$59,577	\$60,818	\$68,650	\$74,716	\$86,459	\$95,992	-11.0%
101-420-2400-41210	PERA Contributions	\$4,145	\$4,319	\$4,409	\$4,100	\$4,860	\$6,268	\$6,959	-11.0%
101-420-2400-41220	FICA Contributions	\$3,611	\$3,597	\$3,771	\$4,109	\$4,112	\$5,034	\$5,952	-18.2%
101-420-2400-41230	Medicare Contributions	\$845	\$841	\$882	\$961	\$962	\$1,177	\$1,392	-18.2%
101-420-2400-41300	Health/Dental Insurance	\$7,961	\$9,051	\$8,585	\$8,832	\$9,210	\$16,968	\$24,102	-42.0%
101-420-2400-41510	Workers Compensation	\$2,533	\$2,034	\$2,186	\$1,777	\$2,000	\$398	\$398	0.0%
Total Personnel Services		\$78,525	\$79,420	\$80,651	\$88,429	\$95,860	\$116,304	\$134,795	-15.9%
Supplies									
101-420-2400-42000	Office Supplies	\$0	\$571	\$300	\$1,569	\$0	\$982	\$1,447	-47.4%
101-420-2400-42030	Printed Forms	\$0	\$146	\$200	\$0	\$0	\$147	\$147	0.0%
101-420-2400-42120	Fuel, Oil and Fluids	\$0	\$0	\$0	\$0	\$0	\$474	\$466	0.0%
Total Supplies		\$0	\$717	\$500	\$1,569	\$0	\$1,603	\$2,060	-28.5%
Other Services and Charges									
101-420-2400-43030	Engineering	\$10,434	\$12,982	\$10,000	\$13,454	\$0	\$17,407	\$10,000	42.6%
101-420-2400-43050	Plan Review Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100.0%
101-420-2400-43060	Surcharge Payments	\$0	\$0	\$0	\$0	\$6,000	\$0	\$0	100.0%
101-420-2400-43150	Inspector Contract Services	\$632	\$386	\$1,000	\$23,244	\$0	\$6,276	\$7,462	-18.9%
101-420-2400-43180	Information Technology	\$0	\$0	\$0	\$0	\$0	\$863	\$0	100.0%
101-420-2400-43190	Software Programs	\$0	\$0	\$0	\$0	\$0	\$16,284	\$0	100.0%
101-420-2400-43210	Telephone	\$307	\$218	\$400	\$563	\$216	\$923	\$548	40.6%
101-420-2400-43310	Mileage	\$0	\$0	\$100	\$2,259	\$100	\$1,007	\$600	40.4%
101-420-2400-43630	Insurance	\$903	\$242	\$800	\$255	\$255	\$340	\$340	0.0%
101-420-2400-44040	Repairs/Maint Eqpt	\$365	\$341	\$750	\$572	\$500	\$563	\$300	46.7%
101-420-2400-44170	Uniforms	\$0	\$0	\$0	\$0	\$0	\$86	\$0	100.0%
101-420-2400-44300	Miscellaneous	\$19,843	\$0	\$500	\$826	\$500	\$1,597	\$500	68.7%
101-420-2400-44330	Dues & Subscriptions	\$100	\$75	\$200	\$175	\$190	\$0	\$0	0.0%
101-420-2400-44350	Books	\$0	\$0	\$140	\$1,113	\$100	\$198	\$308	-55.7%
101-420-2400-44370	Conferences & Training	\$635	\$700	\$500	\$695	\$500	\$837	\$690	17.6%
Total Other Services and Charges		\$33,219	\$14,943	\$14,390	\$43,156	\$8,361	\$46,381	\$20,748	55.3%
Capital Outlay									
101-420-2400-45800	Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
2400	Total Building Inspection	\$111,744	\$95,081	\$95,541	\$133,154	\$104,221	\$164,288	\$157,602	4.1%
		-17.4%	2.4%		-36.7%		-72.0%		

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
2500	<b>Emergency Communications</b>								
	Other Services and Charges								
101-420-2500-43150	Contract Services	\$6,798	\$5,250	\$6,000	\$6,194	\$6,000	\$3,745	\$5,800	-54.9%
	Total Other Services and Charges	\$6,798	\$5,250	\$6,000	\$6,194	\$6,000	\$3,745	\$5,800	-54.9%
2500	Total Emergency Communications	\$6,798	\$5,250	\$6,000	\$6,194	\$6,000	\$3,745	\$5,800	-54.9%
		0.0%	-110.0%		-147.8%		37.6%		
2700	<b>Animal Control</b>								
	Supplies								
101-420-2700-42030	Printed Forms	\$0	\$0	\$100	\$0	\$0	\$0	\$0	0.0%
	Total Supplies	\$0	\$0	\$100	\$0	\$0	\$0	\$0	0.0%
	Other Services and Charges								
101-420-2700-43150	Contract Services	\$10,913	\$1,724	\$7,500	\$1,319	\$7,000	\$7,392	\$5,842	21.0%
101-420-2700-44300	Miscellaneous	\$83	\$578	\$100	\$0	\$0	\$2,360	\$440	81.4%
	Total Other Services and Charges	\$10,997	\$2,301	\$7,600	\$1,319	\$7,000	\$9,752	\$6,282	35.6%
2700	Total Animal Control	\$10,997	\$2,301	\$7,700	\$1,319	\$7,000	\$9,752	\$6,282	35.6%

**Public Works**

<b>Account Number</b>	<b>Description</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Budget</b>	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Projected Actual</b>	<b>2014 Budget</b>	<b>2013 to 2014 Change</b>
<b>3100</b>	<b>Public Works</b>								
<b>Personnel Services</b>									
101-430-3100-41010	Full-time Salaries	\$122,788	\$124,524	\$127,257	\$128,376	\$128,700	\$155,206	\$178,568	-15.1%
101-430-3100-41030	Part-time Salaries	\$0	\$0	\$12,573	\$745	\$0	\$11,393	\$0	100.0%
101-430-3100-41210	PERA Contributions	\$8,579	\$9,028	\$10,138	\$9,361	\$9,331	\$12,290	\$12,946	-5.3%
101-430-3100-41220	FICA Contributions	\$7,270	\$7,222	\$8,670	\$7,503	\$7,979	\$9,924	\$11,071	-11.6%
101-430-3100-41230	Medicare Contributions	\$1,700	\$1,689	\$2,027	\$1,755	\$1,866	\$2,321	\$2,589	-11.6%
101-430-3100-41300	Health/Dental Insurance	\$30,039	\$32,519	\$32,694	\$33,234	\$34,718	\$34,788	\$42,640	-22.6%
101-430-3100-41420	Unemployment Benefits	\$0	\$0	\$0	\$0	\$4,000	\$0	\$0	0.0%
101-430-3100-41510	Workers Compensation	\$13,980	\$11,476	\$12,565	\$7,008	\$12,000	\$7,400	\$8,000	-8.1%
<b>Total Personnel Services</b>		<b>\$184,356</b>	<b>\$186,458</b>	<b>\$205,924</b>	<b>\$187,983</b>	<b>\$198,594</b>	<b>\$233,322</b>	<b>\$255,815</b>	<b>-9.6%</b>
<b>Supplies</b>									
101-430-3100-42000	Office Supplies	\$181	\$0	\$500	\$1,140	\$500	\$1,681	\$300	82.2%
101-430-3100-42150	Shop Materials	\$966	\$992	\$1,800	\$1,058	\$1,800	\$780	\$600	23.1%
101-430-3100-42210	Equipment Parts	\$0	\$1,632	\$1,800	\$0	\$0	\$0	\$0	0.0%
101-430-3100-42230	Building Repair Supplies	\$88	\$641	\$1,000	\$0	\$0	\$229	\$300	-31.0%
101-430-3100-42400	Small Tools & Minor Equipment	\$1,615	\$1,256	\$3,000	\$698	\$3,000	\$1,625	\$2,400	-47.7%
<b>Total Supplies</b>		<b>\$2,850</b>	<b>\$4,520</b>	<b>\$8,100</b>	<b>\$2,896</b>	<b>\$5,300</b>	<b>\$4,315</b>	<b>\$3,600</b>	<b>16.6%</b>
<b>Other Services and Charges</b>									
101-430-3100-43030	Engineering Services	\$1,875	\$2,189	\$2,000	\$9,276	\$1,800	\$8,507	\$9,000	-5.8%
101-430-3100-43150	Contract Services	\$5,758	\$4,803	\$6,000	\$4,897	\$4,800	\$5,045	\$1,200	76.2%
101-430-3100-43108	Information Technology	\$0	\$0	\$0	\$0	\$0	\$718	\$0	100.0%
101-430-3100-43210	Telephone	\$8,013	\$8,222	\$8,000	\$7,071	\$8,000	\$7,232	\$7,661	-5.9%
101-430-3100-43230	Radio	\$0	\$0	\$300	\$302	\$3,600	\$1,209	\$1,500	-24.1%
101-430-3100-43310	Mileage	\$0	\$0	\$100	\$0	\$0	\$0	\$0	0.0%
101-430-3100-43630	Insurance	\$14,156	\$13,274	\$14,500	\$20,276	\$22,000	\$19,772	\$20,000	-1.2%
101-430-3100-43810	Electric Utility	\$16,565	\$14,436	\$21,000	\$11,769	\$24,000	\$17,467	\$24,000	-37.4%
101-430-3100-43840	Refuse	\$2,248	\$2,476	\$2,000	\$2,078	\$2,494	\$2,286	\$2,494	-9.1%
101-430-3100-44010	Repairs/Maint Bldg	\$5,627	\$3,579	\$3,000	\$3,694	\$3,000	\$5,937	\$1,200	79.8%
101-430-3100-44030	Repairs/Maint Imp Not Bldgs	\$0	\$12,554	\$500	\$18,158	\$500	\$153	\$600	-291.2%
101-430-3100-44040	Repairs/Maint Eqpt	\$1,331	\$5,913	\$4,500	\$2,455	\$6,000	\$141	\$3,600	-2458.1%
101-430-3100-44170	Uniforms	\$1,781	\$1,639	\$1,675	\$1,561	\$2,100	\$899	\$1,200	-33.5%
101-430-3100-44300	Miscellaneous	\$455	\$327	\$1,000	\$985	\$1,000	\$1,011	\$600	40.7%
101-430-3100-44330	Dues & Subscriptions	\$15	\$60	\$150	\$85	\$60	\$56	\$300	-435.7%
101-430-3100-44370	Conferences & Training	\$950	\$620	\$1,000	\$0	\$1,620	\$460	\$500	-8.7%
101-430-3100-44380	Clean-up Days	\$6,706	\$5,933	\$7,500	\$5,479	\$6,000	\$4,481	\$5,000	-11.6%
<b>Total Other Services and Charges</b>		<b>\$65,481</b>	<b>\$76,026</b>	<b>\$73,225</b>	<b>\$88,088</b>	<b>\$86,973</b>	<b>\$75,374</b>	<b>\$78,855</b>	<b>-4.6%</b>
<b>Capital Outlay</b>									
101-430-3100-45800	Other Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Capital Outlay</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>3100</b>	<b>Total Public Works</b>	<b>\$252,687</b>	<b>\$267,004</b>	<b>\$287,249</b>	<b>\$278,967</b>	<b>\$290,867</b>	<b>\$313,011</b>	<b>\$338,270</b>	<b>-8.1%</b>

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>3120</b>	<b>Streets</b>								
	Supplies								
101-430-3120-42120	Fuel, Oil and Fluids	\$27,180	\$31,203	\$28,000	\$22,716	\$36,000	\$47,782	\$48,000	-0.5%
101-430-3120-42210	Equipment Parts	\$2,147	\$2,786	\$7,500	\$2,096	\$6,000	\$4,226	\$1,200	71.6%
101-430-3120-42240	Street Maintenance Materials	\$5,645	\$11,457	\$12,000	\$6,617	\$12,000	\$20,195	\$12,000	40.6%
101-430-3120-42260	Sign Repair Materials	\$2,647	\$3,776	\$3,000	\$0	\$3,000	\$2,479	\$0	100.0%
	<b>Total Supplies</b>	<b>\$37,621</b>	<b>\$49,222</b>	<b>\$50,500</b>	<b>\$31,429</b>	<b>\$57,000</b>	<b>\$74,682</b>	<b>\$61,200</b>	<b>18.1%</b>
	Other Services and Charges								
101-430-3120-43150	Contract Services	\$11,327	\$4,955	\$13,500	\$6,484	\$10,200	\$10,428	\$1,200	88.5%
101-430-3120-44040	Repairs/Maint Eqpt	\$9,620	\$6,294	\$8,000	\$685	\$0	\$1,655	\$2,400	-45.0%
	<b>Total Other Services and Charges</b>	<b>\$20,947</b>	<b>\$11,250</b>	<b>\$21,500</b>	<b>\$7,169</b>	<b>\$10,200</b>	<b>\$12,083</b>	<b>\$3,600</b>	<b>70.2%</b>
<b>3120</b>	<b>Total Streets</b>	<b>\$58,568</b>	<b>\$60,471</b>	<b>\$72,000</b>	<b>\$38,597</b>	<b>\$67,200</b>	<b>\$86,765</b>	<b>\$64,800</b>	<b>25.3%</b>
<b>3125</b>	<b>Ice and Snow Removal</b>								
	Supplies								
101-430-3125-42250	Landscaping Materials	\$484	\$638	\$1,000	\$130	\$0	\$103	\$0	100.0%
101-430-3125-42290	Sand/Salt	\$100,430	\$64,876	\$70,000	\$36,741	\$69,500	\$72,732	\$70,000	3.8%
	<b>Total Supplies</b>	<b>\$100,913</b>	<b>\$65,515</b>	<b>\$71,000</b>	<b>\$36,871</b>	<b>\$69,500</b>	<b>\$72,836</b>	<b>\$70,000</b>	<b>3.9%</b>
	Other Services and Charges								
101-430-3125-43150	Contract Services	\$7,110	\$5,255	\$7,500	\$4,433	\$7,500	\$7,308	\$20,000	-173.7%
101-430-3125-44040	Repairs/Maint Eqpt	\$7,810	\$5,191	\$2,500	\$4,017	\$3,000	\$5,553	\$6,000	-8.0%
	<b>Total Other Services and Charges</b>	<b>\$14,920</b>	<b>\$10,445</b>	<b>\$10,000</b>	<b>\$8,449</b>	<b>\$10,500</b>	<b>\$12,861</b>	<b>\$26,000</b>	<b>-102.2%</b>
<b>3125</b>	<b>Total Ice and Snow Removal</b>	<b>\$115,833</b>	<b>\$75,960</b>	<b>\$81,000</b>	<b>\$45,320</b>	<b>\$80,000</b>	<b>\$85,697</b>	<b>\$96,000</b>	<b>-12.0%</b>
<b>3160</b>	<b>Street Lighting</b>								
	Other Services and Charges								
101-430-3160-43810	Street Lighting	\$23,405	\$30,008	\$24,500	\$38,691	\$25,200	\$25,677	\$28,800	-12.2%
	<b>Total Other Services and Charges</b>	<b>\$23,405</b>	<b>\$30,008</b>	<b>\$24,500</b>	<b>\$38,691</b>	<b>\$25,200</b>	<b>\$25,677</b>	<b>\$28,800</b>	<b>-12.2%</b>
<b>3160</b>	<b>Total Street Lighting</b>	<b>\$23,405</b>	<b>\$30,008</b>	<b>\$24,500</b>	<b>\$38,691</b>	<b>\$25,200</b>	<b>\$25,677</b>	<b>\$28,800</b>	<b>-12.2%</b>
<b>3200</b>	<b>Recycling</b>								
	Supplies								
101-430-3200-42100	Recycling Supplies	\$921	\$971	\$3,500	\$2,408	\$3,500	\$3,584	\$3,400	5.1%
	<b>Total Supplies</b>	<b>\$921</b>	<b>\$971</b>	<b>\$3,500</b>	<b>\$2,408</b>	<b>\$3,500</b>	<b>\$3,584</b>	<b>\$3,400</b>	<b>5.1%</b>
	Other Services and Charges								
101-430-3200-43090	Newsletter	\$932	\$0	\$3,000	\$0	\$3,000	\$0	\$0	0.0%
101-430-3200-44300	Miscellaneous	\$5,284	\$2,858	\$6,500	\$10,369	\$4,800	\$4,000	\$4,000	0.0%
	<b>Total Other Services and Charges</b>	<b>\$6,216</b>	<b>\$2,858</b>	<b>\$9,500</b>	<b>\$10,369</b>	<b>\$7,800</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>0.0%</b>
<b>3200</b>	<b>Total Recycling</b>	<b>\$7,137</b>	<b>\$3,829</b>	<b>\$13,000</b>	<b>\$12,776</b>	<b>\$11,300</b>	<b>\$7,584</b>	<b>\$7,400</b>	<b>2.4%</b>
<b>3250</b>	<b>Tree Program</b>								
	Other Services and Charges								
101-430-3250-43150	Contract Services	\$15,665	\$10,358	\$5,000	\$4,126	\$5,000	\$11,325	\$5,000	55.8%
	<b>Total Other Services and Charges</b>	<b>\$15,665</b>	<b>\$10,358</b>	<b>\$5,000</b>	<b>\$4,126</b>	<b>\$5,000</b>	<b>\$11,325</b>	<b>\$5,000</b>	<b>55.8%</b>
<b>3250</b>	<b>Total Tree Program</b>	<b>\$15,665</b>	<b>\$10,358</b>	<b>\$5,000</b>	<b>\$4,126</b>	<b>\$5,000</b>	<b>\$11,325</b>	<b>\$5,000</b>	<b>55.8%</b>

**Culture & Recreation**

<b>Account Number</b>	<b>Description</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Budget</b>	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Projected Actual</b>	<b>2014 Budget</b>	<b>2013 to 2014 Change</b>
<b>5200</b>	<b>Parks &amp; Recreation</b>								
<b>Personnel Services</b>									
101-450-5200-41010	Full-time Salaries	\$66,653	\$65,999	\$78,164	\$65,432	\$111,591	\$87,958	\$121,950	-38.6%
101-450-5200-41030	Part-time Salaries	\$20,559	\$19,720	\$30,551	\$24,603	\$14,150	\$17,974	\$20,000	-11.3%
101-450-5200-41210	PERA Contributions	\$5,608	\$5,728	\$7,882	\$5,897	\$8,090	\$6,945	\$9,566	-37.7%
101-450-5200-41220	FICA Contributions	\$5,273	\$5,112	\$6,740	\$5,399	\$7,796	\$6,311	\$8,181	-29.6%
101-450-5200-41230	Medicare Contributions	\$1,233	\$1,195	\$1,576	\$1,263	\$1,823	\$1,476	\$1,913	-29.6%
101-450-5200-41300	Health/Dental Insurance	\$11,601	\$12,521	\$12,668	\$11,636	\$13,015	\$9,727	\$24,376	-150.6%
101-450-5200-41420	Unemployment Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-450-5200-41510	Workers Compensation	\$7,551	\$6,994	\$7,522	\$2,545	\$3,000	\$4,106	\$4,500	-9.6%
<b>Total Personnel Services</b>		<b>\$118,477</b>	<b>\$117,269</b>	<b>\$145,103</b>	<b>\$116,775</b>	<b>\$159,465</b>	<b>\$134,497</b>	<b>\$190,487</b>	<b>-41.6%</b>
<b>Supplies</b>									
101-450-5200-42000	Office Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-450-5200-42120	Fuel, Oil and Fluids	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
101-450-5200-42150	Shop Materials	\$177	\$374	\$600	\$258	\$0	\$424	\$0	100.0%
101-450-5200-42160	Chemicals	\$224	\$304	\$800	\$320	\$600	\$741	\$0	100.0%
101-450-5200-42210	Equipment Parts	\$1,807	\$1,284	\$2,500	\$2,081	\$1,800	\$2,125	\$24	98.9%
101-450-5200-42230	Building Repair Supplies	\$262	\$0	\$500	\$0	\$0	\$11	\$0	100.0%
101-450-5200-42250	Landscaping Materials	\$2,995	\$1,711	\$3,000	\$2,926	\$2,400	\$3,781	\$0	100.0%
101-450-5200-42400	Small Tools & Minor Equipment	\$466	\$1,383	\$1,000	\$624	\$900	\$2,877	\$1,888	34.4%
<b>Total Supplies</b>		<b>\$5,931</b>	<b>\$5,056</b>	<b>\$8,400</b>	<b>\$6,210</b>	<b>\$5,700</b>	<b>\$9,959</b>	<b>\$1,912</b>	<b>80.8%</b>
<b>Other Services and Charges</b>									
101-450-5200-43210	Telephone	\$438	\$975	\$550	\$1,107	\$1,200	\$1,079	\$1,598	-48.0%
101-450-5200-43310	Mileage	\$0	\$0	\$100	\$0	\$0	\$0	\$0	0.0%
101-450-5200-43630	Insurance	\$4,969	\$3,595	\$5,000	\$3,364	\$5,000	\$3,683	\$3,683	0.0%
101-450-5200-43810	Electric Utility	\$9,362	\$8,656	\$9,500	\$6,686	\$9,000	\$8,541	\$9,840	-15.2%
101-450-5200-43840	Refuse	\$2,188	\$2,553	\$2,500	\$2,117	\$2,500	\$2,494	\$2,500	-0.2%
101-450-5200-44010	Repairs/Maint Bldg	\$0	\$80	\$700	\$340	\$300	\$335	\$1,724	-414.4%
101-450-5200-44030	Repairs/Maint Imp Not Bldgs	\$9,359	\$266	\$4,000	\$3,690	\$600	\$3,563	\$274	92.3%
101-450-5200-44040	Repairs/Maint Eqpt	\$119	\$427	\$2,000	\$23	\$1,200	\$0	\$0	0.0%
101-450-5200-44120	Rentals - Buildings	\$4,551	\$3,869	\$4,500	\$5,229	\$4,800	\$5,262	\$3,600	31.6%
101-450-5200-44300	Miscellaneous	\$154	\$302	\$750	\$235	\$0	\$837	\$1,220	-45.8%
<b>Total Other Services and Charges</b>		<b>\$31,139</b>	<b>\$20,724</b>	<b>\$29,600</b>	<b>\$22,790</b>	<b>\$24,600</b>	<b>\$25,794</b>	<b>\$24,438</b>	<b>5.3%</b>
<b>5200</b>	<b>Total Parks &amp; Recreation</b>	<b>\$155,547</b>	<b>\$143,049</b>	<b>\$183,103</b>	<b>\$145,775</b>	<b>\$189,765</b>	<b>\$170,250</b>	<b>\$216,837</b>	<b>-27.4%</b>
		18.61%	25.97%		24.56%		7.02%		

### Compensation Adjustment

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	Projected 2013 Actual	2014 Budget	2013 to 2014 Change
9000	<b>Compensation Adjustment</b>								
	Personnel Services								
101-460-9000-41010	Compensation Adjustment*	\$0	\$0	\$13,411	\$13,411	\$0	\$0	\$0	0.0%
	<b>Total Personnel Services</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,411</b>	<b>\$13,411</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
9000	<b>Total Compensation Adjustment</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,411</b>	<b>\$13,411</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>

\* presented in departmental detail for clearer reporting

### Other Financing Uses

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
9360	<b>Other Financing Uses</b>								
	Transfers Out								
101-493-9360-4720	Transfers Out	\$126,850	\$230,505	\$175,000	\$251,170	\$365,000	\$360,000	\$381,632	-6.0%
	<b>Total Transfers Out</b>	<b>\$126,850</b>	<b>\$230,505</b>	<b>\$175,000</b>	<b>\$251,170</b>	<b>\$365,000</b>	<b>\$360,000</b>	<b>\$381,632</b>	<b>-6.0%</b>
9360	<b>Total Other Financing Uses</b>	<b>\$126,850</b>	<b>\$230,505</b>	<b>\$175,000</b>	<b>\$251,170</b>	<b>\$365,000</b>	<b>\$360,000</b>	<b>\$381,632</b>	<b>-6.0%</b>
Transfers Out Detail:									
	Donation Passed Through to Fall Festival Fund	\$8,000	\$5,000	\$8,000	\$5,000	\$5,000	\$0	\$0	0.0%
	Interfund Debt Paydown	\$0	\$0	\$0	\$200,000	\$200,000	\$200,000	\$200,000	0.0%
	Debt Service Levy Paydown	\$0	\$0	\$0	\$0	\$0	\$0	\$21,632	0.0%
	Infrastructure Reserve Fund (sealcoating)	\$0	\$100,000	\$100,000	\$0	\$160,000	\$160,000	\$160,000	0.0%
	Vehicle Replacement Fund	\$68,850	\$6,000	\$6,000	\$0	\$0	\$0	\$0	0.0%
	Radio Replacement Internal Service Fund	\$0	\$6,000	\$6,000	\$0	\$0	\$0	\$0	0.0%
	Information Technology Replacement Fund	\$0	\$6,000	\$6,000	\$0	\$0	\$0	\$0	0.0%
	FFE Replacement Fund (fire turnout gear)	\$0	\$42,388	\$24,000	\$46,170	\$0	\$0	\$0	0.0%
	Water Fund (offset future deficit cash balance)	\$50,000	\$50,000	\$25,000	\$0	\$0	\$0	\$0	0.0%
	<b>Total</b>	<b>\$126,850</b>	<b>\$215,388</b>	<b>\$175,000</b>	<b>\$251,170</b>	<b>\$365,000</b>	<b>\$360,000</b>	<b>\$381,632</b>	<b>-6.0%</b>

# 3

## SPECIAL REVENUE FUNDS SUMMARY

### PURPOSE

Special revenue funds (a type of governmental fund) are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. The city presently has three active special revenue funds:

- Development Fund
- Elmo Days Fund
- Library Fund

Annual appropriated budgets are adopted during the year for the city's special revenue funds and are not part of the general fund.

### BASIS OF ACCOUNTING & BUDGETING

The measurement focus for special revenue funds is on a

current financial resources basis, where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The fund balance is considered a measure of expendable resources.

Special revenue funds use the modified accrual basis of accounting, under which revenues are not recognized until they are measurable and available, and expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

The basis of budgeting is consistent with accounting principles generally accepted in the United States of America.

### Special Revenue Funds

Fund Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Revenues and Other Financing Sources</b>									
203	Development Fund	\$540	\$9,217	\$0	\$0	\$0	\$0	\$10,100	0.0%
204	Lake Elmo Days	\$18,164	\$13,985	\$18,500	\$8,701	\$18,400	\$20,744	\$25,000	20.5%
206	Library	\$0	\$0	\$260,078	\$269,489	\$286,700	\$276,757	\$268,357	-3.0%
	<b>Total Revenues and Other Financing Sources</b>	<b>\$18,704</b>	<b>\$23,202</b>	<b>\$278,578</b>	<b>\$278,190</b>	<b>\$305,100</b>	<b>\$297,501</b>	<b>\$303,457</b>	<b>2.0%</b>
<b>Expenditures and Other Financing Uses</b>									
203	Development Fund	\$28,404	\$25,191	\$0	\$200	\$0	\$0	\$10,100	0.0%
204	Lake Elmo Days	\$13,422	\$18,222	\$10,500	\$15,874	\$16,700	\$16,014	\$19,000	-18.6%
206	Library	\$0	\$7,477	\$261,040	\$341,519	\$286,700	\$236,532	\$268,357	-13.5%
	<b>Total Expenditures and Other Financing Uses</b>	<b>\$41,826</b>	<b>\$50,889</b>	<b>\$271,540</b>	<b>\$357,593</b>	<b>\$303,400</b>	<b>\$252,546</b>	<b>\$297,457</b>	<b>-17.8%</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>		<b>(\$23,121)</b>	<b>(\$27,687)</b>	<b>\$7,038</b>	<b>(\$79,403)</b>	<b>\$1,700</b>	<b>\$44,955</b>	<b>\$6,000</b>	<b>86.7%</b>
<b>Fund Balance</b>									
	Fund Balance, Beginning of Year	\$50,445	\$27,324	\$25,324	\$27,324	\$25,324	(\$79,765)	(\$34,809)	56.4%
	Net Change in Fund Balance	(\$23,121)	(\$27,687)	\$7,038	(\$27,687)	\$7,038	\$44,955	\$6,000	86.7%
	Fund Balance, Ending of Year	\$27,324	(\$363)	\$32,362	(\$363)	\$32,362	(\$34,810)	(\$28,810)	17.2%



## DEVELOPMENT FUND (203)

- Discover Crossing
- Sanctuary

### BUDGETARY OBJECTIVE

A Development special revenue fund was created in the City's 2007 financial records to account for major developer-related projects, including the following:

- Whistling Valley 1st, 2nd, and 3rd
- Hidden Meadows 1st
- Park Meadows
- Tapestry
- The Farms of Lake Elmo

This fund accounted for costs associated with these or similar projects. This fund was previously closed in 2011.

Since there is considerable new expansion/development planned for 2014-2018, this fund will once again be utilized starting in 2014. However, due to the focus on developer payment of all development expenses the activity in this fund should be minimal.

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Revenues</b>									
Charges for Services									
203-000-0000-34103	Zoning & Subdivision Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	100.0%
Total Charges for Services		\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	0.0%
Other									
203-000-0000-36210	Interest Earnings	\$540	\$101	\$0	\$0	\$0	\$0	\$100	100.0%
203-000-0000-39200	Transfer In	\$0	\$9,117	\$0	\$0	\$0	\$0	\$0	0.0%
Total Other		\$540	\$9,217	\$0	\$0	\$0	\$0	\$100	100.0%
Total Revenues		\$540	\$9,217	\$0	\$0	\$0	\$0	\$10,100	100.0%
<b>Expenditures</b>									
Other Services and Charges									
203-490-9070-43030	Engineering Services	\$24,216	\$20,116	\$0	\$0	\$0	\$0	\$3,600	-100.0%
203-490-9070-43040	Legal Services	\$3,400	\$3,796	\$0	\$0	\$0	\$0	\$1,500	-100.0%
203-490-9070-43150	Contract Services	\$789	\$1,279	\$0	\$200	\$0	\$0	\$5,000	-100.0%
Total Other Services and Charges		\$28,404	\$25,191	\$0	\$200	\$0	\$0	\$10,100	-100.0%
Total Expenditures		\$28,404	\$25,191	\$0	\$200	\$0	\$0	\$10,100	-100.0%
Development Fund		(\$27,863)	(\$15,973)	\$0	(\$200)	\$0	\$0	\$0	0.0%
<b>Fund Balance</b>									
Fund Balance, Beginning of Year		\$43,836	\$15,973	\$5,973	\$0	(\$200)	(\$200)	(\$200)	0.0%
Net Change in Fund Balance		(\$27,863)	(\$15,973)	\$0	(\$200)	\$0	\$0	\$0	0.0%
Fund Balance, Ending of Year		\$15,973	(\$1)	\$5,973	(\$200)	(\$200)	(\$200)	(\$200)	0.0%

## LAKE ELMO DAYS FUND (204)

### BUDGETARY OBJECTIVE

This fund was created to account for activities of the annual Community Event to celebrate Lake Elmo, including donations received and expenditures incurred.

### ACCOUNT HIGHLIGHTS

#### REVENUES & OTHER FINANCING SOURCES

- Donations (36230) Public and private donations to be used in funding the costs of the annual Lake Elmo Days Event.

#### EXPENDITURES & OTHER FINANCING USES

- A variety of line items listing the projected expenditures needed in preparation for and during the annual Lake Elmo Days Event.
- The event has been increasing in size each year due to the addition of the new Communications Coordinator and the great strides she has made in getting local businesses and residents involved again.

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Revenues</b>									
Other									
204-000-0000-36210	Interest Earnings	\$193	\$131	\$0	\$0	\$0	\$0	\$0	0.0%
204-000-0000-36230	Donations/Silent Auction	\$9,971	\$8,854	\$10,500	\$8,701	\$18,400	\$20,744	\$25,000	20.5%
Total Other		\$10,164	\$8,985	\$10,500	\$8,701	\$18,400	\$20,744	\$25,000	20.5%
Total Revenues		\$10,164	\$8,985	\$10,500	\$8,701	\$18,400	\$20,744	\$25,000	20.5%
<b>Other Financing Sources</b>									
204-000-0000-39200	Transfers In	\$8,000	\$5,000	\$8,000	\$0	\$0	\$0	\$0	0.0%
Total Other Financing Sources		\$8,000	\$5,000	\$8,000	\$0	\$0	\$0	\$0	0.0%
Total Revenues and Other Financing Sources		\$18,164	\$13,985	\$18,500	\$8,701	\$18,400	\$20,744	\$25,000	20.5%
<b>Expenditures</b>									
Supplies									
204-450-5200-42000	Office Supplies	\$0	\$118	\$1,000	\$3,146	\$3,000	\$1,750	\$2,500	-42.9%
Total Supplies		\$0	\$118	\$1,000	\$3,146	\$3,000	\$1,750	\$2,500	-42.9%
Other Services and Charges									
204-450-5200-43150	Contract Services	\$4,696	\$4,106	\$5,000	\$5,554	\$5,700	\$5,295	\$6,000	-13.3%
204-450-5200-43610	Insurance	\$0	\$719	\$500	\$380	\$500	\$500	\$500	0.0%
204-450-5200-44300	Miscellaneous	\$8,726	\$13,279	\$4,000	\$6,794	\$7,500	\$8,469	\$10,000	-18.1%
Total Other Services and Charges		\$13,422	\$18,103	\$9,500	\$12,728	\$13,700	\$14,264	\$16,500	-15.7%
Total Expenditures		\$13,422	\$18,222	\$10,500	\$15,874	\$16,700	\$16,014	\$19,000	-18.6%
Fall Festival		\$4,742	(\$4,237)	\$8,000	(\$7,173)	\$1,700	\$4,730	\$6,000	-26.8%
<b>Fund Balance</b>									
Fund Balance, Beginning of Year		\$6,609	\$11,351	\$19,351	\$7,114	(\$59)	(\$59)	\$4,672	8027.2%
Net Change in Fund Balance		\$4,742	(\$4,237)	\$8,000	(\$7,173)	\$1,700	\$4,730	\$6,000	26.8%
Fund Balance, Ending of Year		\$11,351	\$7,114	\$27,351	(\$59)	\$1,641	\$4,672	\$10,672	128.4%

# LIBRARY FUND (206)

## BUDGETARY OBJECTIVE

This fund was created to account for activities of the local Lake Elmo library

## ACCOUNT HIGHLIGHTS

### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) An annual special property tax levy is levied by the City each year for library activities at the direction of the City council.

## EXPENDITURES & OTHER FINANCING USES

- A variety of line items listing the projected expenditures needed in preparation for and operations of the library.
- For the first two years, the primary focus was repaying the building loan debt to the City. At the end of 2013 it is anticipated this loan will be paid in full.

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Revenues</b>									
Taxes									
206-000-0000-31010	Current Ad Valorem Taxes	\$0	\$0	\$260,078	\$260,078	\$256,950	\$256,957	\$256,957	0.0%
Total Taxes		\$0	\$0	\$260,078	\$260,078	\$256,950	\$256,957	\$256,957	0.0%
Other									
206-000-0000-36210	Interest Earnings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
206-000-0000-34110	Rental Income	\$0	\$0	\$0	\$9,341	\$29,750	\$19,800	\$11,400	-42.4%
206-000-0000-36230	Donations	\$0	\$0	\$0	\$70	\$0	\$0	\$0	0.0%
Total Other		\$0	\$0	\$0	\$9,411	\$29,750	\$19,800	\$11,400	-42.4%
Total Revenues		\$0	\$0	\$260,078	\$269,489	\$286,700	\$276,757	\$268,357	-3.0%
<b>Expenditures</b>									
Personnel Services									
206-450-5300-41010	Full-time Salaries	\$0	\$0	\$0	\$0	\$0	\$15,923	\$35,200	-121.1%
206-450-5300-41030	Part-time Salaries	\$0	\$0	\$70,000	\$7,595	\$35,200	\$0	\$23,000	0.0%
206-450-5300-41210	PERA Contributions	\$0	\$0	\$0	\$518	\$2,552	\$1,154	\$2,552	-121.1%
206-450-5300-41220	FICA Contributions	\$0	\$0	\$0	\$471	\$2,182	\$987	\$3,608	-265.5%
206-450-5300-41230	Medicare Contributions	\$0	\$0	\$0	\$110	\$510	\$231	\$844	-265.5%
206-450-5300-41300	Health/Dental Insurance	\$0	\$0	\$0	\$0	\$13,605	\$2,268	\$13,605	-500.0%
206-450-5300-41510	Workers Compensation	\$0	\$0	\$0	\$0	\$1,000	\$0	\$1,000	0.0%
Total Personnel Services		\$0	\$0	\$70,000	\$8,694	\$55,050	\$20,563	\$79,809	-288.1%
Supplies									
206-450-5300-42000	Office Supplies	\$0	\$467	\$2,500	\$3,071	\$4,000	\$2,488	\$5,000	-100.9%
206-450-5300-42500	Library Collection Maintenance	\$0	\$0	\$12,000	\$1,618	\$2,000	\$3,283	\$20,000	-509.3%
206-450-5300-42230	Building Repair Supplies	\$0	\$0	\$60	\$2,802	\$0	\$20	\$8,000	-39308.9%
Total Supplies		\$0	\$467	\$14,560	\$7,491	\$6,000	\$5,791	\$33,000	-469.8%
Other Services and Charges									
206-450-5300-43030	Engineering Services	\$0	\$1,383	\$0	\$2,184	\$0	\$0	\$0	0.0%
206-450-5300-43040	Legal Services	\$0	\$0	\$0	\$1,320	\$600	\$931	\$500	46.3%
206-450-5300-43150	Contract Services	\$0	\$0	\$5,000	\$21,100	\$4,400	\$4,550	\$4,000	12.1%
206-450-5300-43180	Information Technology	\$0	\$0	\$10,320	\$0	\$3,100	\$3,100	\$13,000	-319.4%
206-450-5300-43210	Telephone	\$0	\$0	\$960	\$1,005	\$2,100	\$1,461	\$1,400	4.1%
206-450-5300-43250	Internet	\$0	\$0	\$600	\$216	\$900	\$441	\$600	-35.9%
206-450-5300-43310	Mileage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
206-450-5300-43630	Insurance	\$0	\$0	\$0	\$0	\$0	\$2,568	\$2,500	2.6%
206-450-5300-43810	Utilities	\$0	\$0	\$3,000	\$2,589	\$4,800	\$6,986	\$7,000	-0.2%
206-450-5300-43830	Gas Utility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
206-450-5300-43840	Refuse	\$0	\$0	\$0	\$120	\$1,200	\$732	\$800	-9.2%
206-450-5300-44010	Repairs/Maint Bldg	\$0	\$0	\$2,400	\$2,791	\$12,000	\$7,275	\$52,748	-625.0%
206-450-5300-44040	Repairs/Maint Eqpt	\$0	\$0	\$1,800	\$0	\$16,800	\$684	\$2,500	-265.5%
206-450-5300-44120	Rentals - Buildings	\$0	\$0	\$30,000	\$0	\$0	\$0	\$0	0.0%
206-450-5300-44300	Miscellaneous	\$0	\$169	\$41,500	\$34,819	\$13,650	\$119	\$30,000	-25203.6%
206-450-5300-44310	Library Card Reimbursements	\$0	\$5,458	\$40,900	\$0	\$39,000	\$29,892	\$39,000	-30.5%
206-450-5300-44330	Dues & Subscriptions	\$0	\$0	\$0	\$45	\$500	\$947	\$0	100.0%
206-450-5300-44370	Conferences & Training	\$0	\$0	\$0	\$1,174	\$0	\$274	\$0	100.0%
206-450-5300-44310	Internal Charges	\$0	\$0	\$0	\$2,829	\$1,200	\$1,840	\$0	100.0%
206-450-5300-46110	Interest	\$0	\$0	\$0	\$2,874	\$0	\$1,500	\$0	100.0%
Total Other Services and Charges		\$0	\$7,010	\$136,480	\$73,067	\$100,250	\$63,299	\$154,048	-143.4%
Capital Outlay									
206-450-5300-45200	Buildings/Property Tax	\$0	\$0	\$0	\$251,137	\$125,400	\$146,632	\$1,500	99.0%
206-450-5300-45800	Other Equipment	\$0	\$0	\$40,000	\$1,130	\$0	\$247	\$0	100.0%
Total Capital Outlay		\$0	\$0	\$40,000	\$252,267	\$125,400	\$146,879	\$1,500	99.0%
Total Expenditures		\$0	\$7,477	\$261,040	\$341,519	\$286,700	\$236,532	\$268,357	-13.5%
Library		\$0	(\$7,477)	(\$962)	(\$72,030)	\$0	\$40,225	(\$0)	100.0%
<b>Fund Balance</b>									
Fund Balance, Beginning of Year		\$0	\$0	\$0	(\$7,477)	(\$962)	(\$79,506)	(\$39,281)	50.6%
Net Change in Fund Balance		\$0	(\$7,477)	(\$962)	(\$72,030)	\$0	\$40,225	(\$0)	-100.0%
Fund Balance, Ending of Year		\$0	(\$7,477)	(\$962)	(\$79,506)	(\$962)	(\$39,281)	(\$39,281)	0.0%

# 4

## DEBT SERVICE FUNDS SUMMARY

Debt service funds (a type of governmental fund) are used to account for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs. The city has eight debt service funds with outstanding long-term debt:

- 2004 G.O. Capital Improvement Plan Bonds
- 2006 G.O. Equipment Certificates of Indebtedness
- 2009A G.O. Refunding Bonds (2001)
- 2009B G.O. Improvement Bonds
- 2010A G.O. Improvement Bonds
- 2011A G.O. Improvement Bonds
- 2012A G.O. Refunding Bonds
- 2012B G.O. Improvement Bonds
- 2013A G.O. Improvement Bonds

Annual appropriated budgets are not adopted for debt service funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. However, debt service fund budgets are prepared by staff and reviewed by the city council to assist in the city's overall financial planning.

### **BASIS OF ACCOUNTING & BUDGETING**

The measurement focus for debt service funds is on a current financial resources basis, where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The fund balance is considered a measure of expendable resources.

Debt service funds use the modified accrual basis of accounting, under which revenues are not recognized until they are measurable and available, and expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier). The basis of budgeting is consistent with accounting principles generally accepted in the United States of America.

Attachment 4-1 presents all current debt activity for the City of Lake Elmo. The actual payments due each year as well as the remaining outstanding debt at the end of each year are presented by fund.

## 2006 G.O. EQUIPMENT CERTIFICATES OF INDEBTEDNESS (314)

### **BUDGETARY OBJECTIVE**

In order to finance the acquisition of capital equipment, including a fire truck, the 2006 G.O. Equipment Certificates of Indebtedness were issued in the amount of \$443,000, payable through 2015. To repay the debt, an annual property tax levy will be levied by the City through 2015, averaging approximately \$51,000. This fund is responsible for the retirement of the general obligation equipment certificates.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the equipment certificates, an annual property tax levy will be levied by the City through 2015, averaging approximately \$51,000.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$50,000	\$4,080
2015	\$52,000	\$2,080
<b>TOTAL:</b>	<b>\$102,000</b>	<b>\$6,160</b>

## 2009A G.O. REFUNDING BONDS (2001) (315)

### **BUDGETARY OBJECTIVE**

The \$535,000 2009 G.O. Refunding Bonds were issued in 2009 to refund \$525,000 of the 2001 G.O. State Aid and Improvement Bonds. The 2001 bonds were designated as state aid bonds in 2001. Annual appropriations of Municipal State Aid (MSA) are to be received by the City from the State of Minnesota in amounts necessary to make debt service payments on the bonds through 2016. This fund is responsible for the retirement of the general obligation refunding bonds.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- MSA Grant (33426) Municipal State Aid (MSA) appropriations are to be received by the City from the State of Minnesota in amounts necessary to make debt service payments on the bonds through 2016.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$70,000	\$6,650
2015	\$70,000	\$4,550
2016	\$70,000	\$2,100
<b>TOTAL:</b>	<b>\$210,000</b>	<b>\$13,300</b>

## 2009B G.O. IMPROVEMENT BONDS (316)

### **BUDGETARY OBJECTIVE**

In order to finance 2009 street improvements and the Tablyn Park Entrance project, the 2009 G.O. Improvement Bonds were issued in the amount of \$575,000, payable through 2020. To repay the debt, an annual property tax levy will be levied by the City through 2019, averaging approximately \$50,000.

Additionally, special assessments of approximately 30% of the 2009 street improvements costs were levied against benefited property owners in 2010 for payments beginning in 2011.

This fund is responsible for the retirement of the general obligation bonds.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City through 2019, averaging approximately \$50,000.
- Special Assessments (36100) These assessments were levied against benefited property owners in 2010 for payments beginning in 2011.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$60,000	\$10,563
2015	\$60,000	\$9,363
2016	\$60,000	\$8,163
2017-2020	\$250,000	\$15,187
<b>TOTAL:</b>	<b>\$430,000</b>	<b>\$43,276</b>

## 2010A G.O. IMPROVEMENT BONDS (317)

### **BUDGETARY OBJECTIVE**

In order to finance 2010 street improvements, the 2010 G.O. Improvement Bonds were issued in the amount of \$710,000, payable through 2021. To repay the debt, an annual property tax levy will be levied by the City through 2020, averaging approximately \$60,000.

Additionally, special assessments of approximately 30% of the 2010 street improvements costs were levied against benefited property owners in 2011 for payments beginning in 2012.

This fund is responsible for the retirement of the general obligation bonds.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$70,000	\$11,563
2015	\$70,000	\$10,653
2016	\$70,000	\$9,550
2017-2021	\$365,000	\$24,321
<b>TOTAL:</b>	<b>\$575,000</b>	<b>\$56,087</b>

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City through 2020, averaging approximately \$60,000.
- Special Assessments (36100) These assessments were levied against benefited property owners in 2011 for payments beginning in 2012.

## 2010B G.O. CAPITAL IMPROVEMENT PLAN CROSSOVER REFUNDING BONDS (2004) (318)

### **BUDGETARY OBJECTIVE**

The \$1,970,000 2010B G.O. Capital Improvement Plan Crossover Refunding Bonds were issued in 2010 to crossover refund the 2004 G.O. Capital Improvement Plan Bonds on February 1, 2013. By placing the 2010 refunding bond proceeds and \$1,000,000 of unspent 2004 bond proceeds into an escrow account in 2010, \$2,845,000 of the 2014 through 2025 maturities of the 2004 bonds will be defeased in 2013 through the escrow account.

This fund is responsible for the retirement of the general obligation bonds.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$135,000	\$45,933
2015	\$150,000	\$44,208
2016	\$150,000	\$42,108
2017-2021	\$805,000	\$162,736
2022-2025	\$730,000	\$46,345
<b>TOTAL:</b>	<b>\$1,970,000</b>	<b>\$341,330</b>

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City from 2014 through 2024 (averaging approximately \$200,000).

## 2011A G.O. IMPROVEMENT BONDS (319)

### **BUDGETARY OBJECTIVE**

In order to finance 2011 street improvements, the 2011 G.O. Improvement Bonds were issued in the amount of \$845,000, payable through 2022. To repay the debt, an annual property tax levy will be levied by the City through 2021, averaging approximately \$76,000.

Additionally, special assessments of approximately 30% of the 2011 street improvements costs are projected to be levied against benefited property owners in 2012 for payments beginning in 2013.

This fund is responsible for the retirement of the general obligation bonds.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City through 2021, averaging approximately \$76,000.
- Special Assessments (36100) These assessments are projected to be levied against benefited property owners in 2012 for payments beginning in 2013.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$80,000	\$15,500
2015	\$80,000	\$14,720
2016	\$80,000	\$13,720
2017-2021	\$435,000	\$42,899
2022	\$95,000	\$1,449
<b>TOTAL:</b>	<b>\$770,000</b>	<b>\$88,288</b>

## 2012A WATER G.O. REFUNDING BOND (2004A - 320)

### **BUDGETARY OBJECTIVE**

During 2012 the interest rates went to a level where utilizing a crossover advance refunding bond resulted in a large interest savings. An advance refunding requires that the proceeds of the new refunding bonds be invested in government securities and held in escrow until the call date. The funds in the escrow are then used to pay interest on the new refunding bonds until the call date and then prepay the principal of the old bonds.

Total net savings as a result of restructuring this bond were \$455k with a present value of \$366k.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$150,000	\$170,650
2015	\$150,000	\$165,250
2016	\$195,000	\$86,044
2017	\$190,000	\$82,144
2018	\$215,000	\$78,344
2019	\$3,435,000	\$539,290
<b>TOTAL:</b>	<b>\$4,335,000</b>	<b>\$1,121,722</b>

## 2012B G.O. IMPROVEMENT BONDS (321)

### **BUDGETARY OBJECTIVE**

In order to finance 2011 street improvements, the 2011 G.O. Improvement Bonds were issued in the amount of \$865,000, payable through 2022. To repay the debt, an annual property tax levy will be levied by the City through 2021, averaging approximately \$85,000.

Additionally, special assessments of approximately 30% of the 2011 street improvements costs are projected to be levied against benefited property owners in 2012 for payments beginning in 2013.

This fund is responsible for the retirement of the general obligation bonds.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$75,000	\$10,658
2015	\$80,000	\$10,270
2016	\$85,000	\$9,751
2017-2023	\$625,000	\$38,470
TOTAL:	\$865,000	\$79,993

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City through 2021, averaging approximately \$85,000.
- Special Assessments (36100) These assessments are projected to be levied against benefited property owners in 2012 for payments beginning in 2013.



## 2013A G.O. IMPROVEMENT BONDS (322)

To save bonding costs, all necessary 2013 bonding was done through one bonding release. As a result there are three very distinctive components of this bond.

### SECTION 34 (100% ASSESSED)

#### BUDGETARY OBJECTIVE

In order to initiate the Section 34 development project, a bond had to be obtained to cover three key components of that project. G.O. Improvement bonds were issues in the amount of \$5,740,000 payable through 2033. The sewer and water funds will be recovered at the time the development occurs. 100% of the 5th Street costs will be paid by developers through levied assessments in 2013 for payments beginning in 2014. This fund is responsible for the retirement of the general obligation bonds.

#### ACCOUNT HIGHLIGHTS

##### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City through 2021, averaging approximately \$76,000.
- Special Assessments (36100) These assessments are projected to be levied against benefited property owners in 2013 for payments beginning in 2014.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$45,000	\$32,427
2015	\$105,000	\$40,205
2016	\$105,000	\$38,105
2017	\$105,000	\$36,005
2018-2028	\$1,240,000	\$229,862
TOTAL:	\$1,600,000	\$376,602

## WATER

#### BUDGETARY OBJECTIVE

This debt was incurred to fund the remaining portion of the Keats Watermain Project and Well #4 and Pumphouse #4.

#### ACCOUNT HIGHLIGHTS

##### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City through 2021, averaging approximately \$50,000.
- Special Assessments (36100) These assessments are projected to be levied against benefited property owners in 2013 for payments beginning in 2014.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$40,000	\$22,880
2015	\$50,000	\$28,203
2016	\$50,000	\$27,203
2017	\$50,000	\$26,203
2018-2028	\$815,000	\$241,301
TOTAL:	\$1,005,000	\$345,790

## SEWER

#### BUDGETARY OBJECTIVE

This debt was incurred to fund the Lake Elmo Avenue Sewer.

#### ACCOUNT HIGHLIGHTS

##### REVENUES & OTHER FINANCING SOURCES

- Current Ad Valorem Taxes (31010) To repay the bonds, an annual property tax levy will be levied by the City through 2021, averaging approximately \$50,000.
- Special Assessments (36100) These assessments are projected to be levied against benefited property owners in 2013 for payments beginning in 2014.

DEBT PAYMENT SCHEDULE:		
YEAR	PRINCIPAL	INTEREST
2014	\$135,000	\$68,446
2015	\$150,000	\$84,063
2016	\$155,000	\$81,063
2017	\$155,000	\$77,963
2018-2028	\$2,415,000	\$719,271
TOTAL:	\$3,010,000	\$1,030,806

# 5

## CAPITAL PROJECTS FUNDS SUMMARY

Capital projects funds (a type of governmental fund) are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those to be financed by proprietary funds and trust funds). The city presently has nine active capital projects funds:

1. Park Dedication
2. Infrastructure Reserve
3. Vehicle Replacement
4. City Facilities
5. Village
6. Manning Avenue/Highway 36
7. 2009-2013 Street Improvements
8. South of 10th Street Improvements
9. 5th Street Parkway

Annual appropriated budgets are not adopted for capital projects funds because effective budgetary control is alternatively accomplished through the use of project controls. However, capital projects fund budgets along with a five-year capital improvement plan are prepared by staff and reviewed by the city council to assist in the city's overall financial planning.

### **BASIS OF ACCOUNTING & BUDGETING**

The measurement focus for capital projects funds is on a current financial resources basis, where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The fund balance is considered a measure of expendable resources.

Capital projects funds use the modified accrual basis of accounting, under which revenues are not recognized until they are measurable and available, and expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

The basis of budgeting is consistent with accounting principles generally accepted in the United States of America.

### **PARK DEDICATION (404)**

#### **BUDGETARY OBJECTIVE**

The purpose of this fund is to provide funds for park and trail improvements and related equipment costs from funds dedicated for park purposes. According to Minnesota Statutes, the city's park dedication fees received as payments in lieu of park land dedication from developers must be put in a dedicated account to use for park-related purposes.

#### **ACCOUNT HIGHLIGHTS**

##### **REVENUES & OTHER FINANCING SOURCES**

- Park Grants (33435) Miscellaneous park grants, including MN DNR, Greenway, and Washington Conservation.
- Dedication Fees (36240) Park dedication fees received as payments in lieu of park land dedication from developers.

##### **EXPENDITURES & OTHER FINANCING USES**

- Engineering Services (43030) Expenditures for contracted park engineering services.
- Buildings & Structures (45200) Capital outlay for park buildings and structures:

##### **Financed by Fund Balance/Park Dedication Fees/Grants:**

- Under review by the Parks Commission
- Improvements Other Than Buildings (45300) Capital outlay for park improvements other than buildings:
  - New parks in new developments.....\$100,000
  - (funded by developments)
  - Addition of restrooms to existing parks.....\$80,000
  - 11 foot mower.....\$50,000
  - Updates to existing playground equipment ..\$25,000
  - 3/4 ton pickup.....\$30,000

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## INFRASTRUCTURE RESERVE (409)

### **BUDGETARY OBJECTIVE**

The purpose of this fund is to account for future road and street infrastructure projects. The city's Municipal State Aid (MSA) Construction and Section 33 Utilities capital projects funds were closed to the Infrastructure Reserve fund via transfers out in 2007. MSA construction revenues are now recorded in the Infrastructure Reserve fund or other project-specific capital fund, while MSA maintenance revenues are recorded in the General Fund. All special assessments receivable (deferred and Green Acres) previously recorded in the MSA Construction fund were also shifted to the Infrastructure Reserve fund in 2007.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Special Assessments (36100) These assessments were levied against benefited property owners in various years for various periods through 2014.
- Bond Proceeds (39310) Borrowing to finance capital road and street improvements.
- Transfers In (39200) Transfers from the General Fund for infrastructure projects, including sealcoating.

#### EXPENDITURES & OTHER FINANCING USES

- Comprehensive Planning (43020) Expenditures for contracted comprehensive transportation planning services.
- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements:

Financed by Fund Balance/Transfers In:

- Sealcoating .....\$160,000

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## VEHICLE REPLACEMENT (FORMERLY CAPITAL ACQUISITIONS) (410)

### **BUDGETARY OBJECTIVE**

The purpose of this fund is to account for the acquisition of vehicles and related equipment.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Bond Proceeds (39310) Borrowing to finance vehicle acquisitions.

#### EXPENDITURES & OTHER FINANCING USES

- Vehicles (45500) Capital outlay for vehicles:
- Public Works Single Axel Plow .....\$210,000  
*(shifted from 2013 to take advantage of sales tax savings)*
- Fire: replace engine 1 .....\$750,000

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## CITY FACILITIES (411)

### **BUDGETARY OBJECTIVE**

The purpose of this fund is to account for the acquisition of major buildings and building improvements.

In 2004, the City issued \$4,090,000 of G.O. Capital Improvement Plan (CIP) Bonds to finance the constructing and equipping of City facilities. To date, a public works facility and a City Hall annex have been acquired.

A total of \$1,000,000 of unspent bond proceeds were transferred from the City Facilities capital projects fund to the 2004 G.O. Capital Improvement Plan Bonds debt service fund in 2009, thereby increasing the debt service fund balance and reducing the pay 2010 and future scheduled annual property tax levies to \$220,000.

Subsequently, in 2010, \$200,000 of unspent bond proceeds were transferred from the City Facilities capital

projects fund to the 2004 G.O. Capital Improvement Plan Bonds debt service fund. At that same point in time, interest rates had dropped significantly so the bond was once again refianced with a newer crossover bond. This reduced the annual levy amount by an average of \$25,000 per year.

### **ACCOUNT HIGHLIGHTS**

#### **EXPENDITURES & OTHER FINANCING USES**

- Buildings & Structures (45200) Capital outlay for buildings and structures:

Financed by Fund Balance:

Purchase of the building at 3537 Lake Elmo Avenue to house the Lake Elmo Library for \$240k. 100% of the funds loaned to the library fund will be repaid to the general fund by the end of 2013.

- Transfers Out (47200) Transfers to the 2004 G.O. Capital Improvement Plan Bonds debt service fund.

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## **VILLAGE (413)**

### **BUDGETARY OBJECTIVE**

The purpose of this fund is to plan and prepare for the development and potential redevelopment of the Village. All obligations and expenditures for the Village project had been tracked and put into the Village capital projects fund. The project was being funded with a loan from General Fund reserves and a repayment schedule for the loan has been established. Annual loan repayment of \$200,000 per year were made in 2012 & 2013. The remaining balance will be repaid or capitalized in 2013 with the Lake Elmo Avenue Sewer Project in the Village.

### **ACCOUNT HIGHLIGHTS**

#### **REVENUES & OTHER FINANCING SOURCES**

- Miscellaneous State Grants (33426) Matching grant appropriated by the State of Minnesota.
- Reimbursements (36205) Developer reimbursements

to cover costs of developing the Village.

- Bond Proceeds (39310) Potential financing of the Village project.

#### **EXPENDITURES & OTHER FINANCING USES**

- Improvements Other Than Buildings (45300) Village infrastructure costs, including I-94 to 30th Street force-main.
- Loan Principal (46015) The initial principal payment was scheduled for 12/31/10, but sources to repay the loan were previously unavailable. A repayment of \$200k was made in 2012 with excess operating capital and it has been budgeted that the remaining \$400k will be paid in 2013 and 2014 at \$200k each with the remaining amount to be capitalized with the completion of the sewer and water projects.
- Loan Interest (46115) 4% interest on internal loan from the General Fund.

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## **MANNING AVENUE/HIGHWAY 36 (414)**

### **BUDGETARY OBJECTIVE**

The purpose of this fund is to account for designated funds from a developer for reconstructing portions of Manning Avenue by Sanctuary. In 2007, the Manning Avenue/Highway 36 capital projects fund was created with a \$14,290 prior period adjustment to account for and segregate prior year initial expenditures incurred and originally recorded in the Infrastructure Reserve capital projects fund in 2006.

A \$75,000 escrow received from the Sanctuary developer in 2006 is recorded in the Manning Avenue/Highway 36 fund. Per the Sanctuary development agreement, this \$75,000 and any interest accrued thereon may only be used by the city to reimburse itself for up to 50% of the costs incurred by the city for the Manning Avenue improvement.

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## 2009 STREET IMPROVEMENTS (415)

### BUDGETARY OBJECTIVE

The purpose of this fund is to account for the 2009 street infrastructure projects.

### ACCOUNT HIGHLIGHTS

#### REVENUES & OTHER FINANCING SOURCES

- Bond Proceeds (39310) Borrowing to finance capital road and street improvements (part of \$575,000 2009B G.O. Improvement Bonds).

#### EXPENDITURES & OTHER FINANCING USES

- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements:

Financed by Bond Proceeds (bonds to be repaid 70% through the property tax levy and 30% through special assessments): (PROJECTS LISTED REPRESENT ORIGINALLY BUDGETED STREETS)

21st Street N	Manning Ave to cul-de-sac
3RD Street Pl N	Lake Elmo Ave (CSAH 17) to cul-de-sac
Legion Ln N	Legion Ln Ct to Legion Ave
Legion Ln N	Legion Ln Ct to Legion Ln Circle
Legion Ln N	Legion Ave N to Lisbon Ave N
Legion Ln N	Lisbon Ave to Legion Ln Circle
Legion Ln N	30th Street N to south end
Legion Ln Circle N	Legion Ln to cul-de-sac
Legion Ln Ct N	Legion Ln to cul-de-sac
Lisbon Ave N	Legion Ln to cul-de-sac

The 2009 Street Improvements capital projects fund was closed to the 2009B G.O. Improvement Bonds debt service fund in 2010.

## TABLYN PARK ENTRANCE (416)

### BUDGETARY OBJECTIVE

The purpose of this fund is to account for the 2009 Tablyn Park entrance project.

### ACCOUNT HIGHLIGHTS

#### REVENUES & OTHER FINANCING SOURCES

- Bond Proceeds (39310) Borrowing to finance capital road and street improvements (part of \$575,000 2009B G.O. Improvement Bonds).

#### EXPENDITURES & OTHER FINANCING USES

- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements.

The Tablyn Park Entrance capital projects fund was closed to the 2009B G.O. Improvement Bonds debt service fund in 2010.

## 2010 STREET IMPROVEMENTS (417)

### BUDGETARY OBJECTIVE

The purpose of this fund is to account for the 2010 street infrastructure projects.

### ACCOUNT HIGHLIGHTS

#### REVENUES & OTHER FINANCING SOURCES

- MSA Construction (33419) State MSA construction aid originally projected for 70% of the Jamaca Avenue roundabout project, but subsequently determined to be unnecessary.
- Bond Proceeds (39310) Borrowing to finance capital road and street improvements (\$710,000 2010A G.O. Improvement Bonds).

#### EXPENDITURES & OTHER FINANCING USES

- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements:

Financed by Bond Proceeds (bonds to be repaid 70% through the property tax levy and 30% through special assessments): (PROJECTS LISTED REPRESENT ORIGINALLY BUDGETED STREETS)

57th Street N	55th Street to Julep way
53rd Street N	East side of Foxfire Addn to Keats Ave N
Isle Ave N	Jamaca Ave N to south end
Jane Road N	Jamaca Ave N to west end

Financed by Bond Proceeds (bonds to be repaid 100% through the property tax levy): (PROJECT LISTED REPRESENTS ORIGINALLY BUDGETED IMPROVEMENT)

Jamaca Ave Roundabout	Jamaca Ct to TH 5
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Financed by Bond Proceeds (bonds to be repaid 100% through the property tax levy): (PROJECT LISTED REPRESENTS ADDITIONAL IMPROVEMENT ADDED IN 2010)

- 42nd Street Mill and Overlay

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## 2011 STREET IMPROVEMENTS (418)

### BUDGETARY OBJECTIVE

The purpose of this fund is to account for the 2011 street infrastructure projects.

### ACCOUNT HIGHLIGHTS

#### REVENUES & OTHER FINANCING SOURCES

- MSA Construction (33419) State MSA construction aid.
- Bond Proceeds (39310) Borrowing to finance capital road and street improvements.

#### EXPENDITURES & OTHER FINANCING USES

- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements:

Financed by Bond Proceeds (bonds to be repaid approximately 70% through the property tax levy and 30% through special assessments).

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document as proposed by the City Engineer.

## 2012 STREET IMPROVEMENTS (419)

### BUDGETARY OBJECTIVE

The purpose of this fund is to account for the 2012 street infrastructure projects.

### ACCOUNT HIGHLIGHTS

#### REVENUES & OTHER FINANCING SOURCES

- MSA Construction (33419) State MSA construction aid.
- Bond Proceeds (39310) Borrowing to finance capital road and street improvements.

#### EXPENDITURES & OTHER FINANCING USES

- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements:

Financed by Bond Proceeds (bonds to be repaid approximately 70% through the property tax levy and 30% through special assessments): (PROJECTS LISTED REPRESENT ORIGINALLY BUDGETED STREETS)

50th/Kimbrow Avenue	47th St to CSAH 17	\$300,000
Demontreville Tr Cir N	Demontreville Tr Pl to cul-de-sac	\$150,000
Demontreville Tr Cir N	Demontreville to Demontreville Tr Pl	\$84,000
Demontreville Tr Pl N	Demontreville Tr Ct to cul-de-sac	\$96,000

Financed by Bond Proceeds (bonds to be repaid 70% through MSA construction aid and 30% through special assessments): (PROJECT LISTED REPRESENTS ORIGINALLY BUDGETED STREET)

Keats Avenue	57th St to TH 36	\$1,000,000
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For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## SOUTH OF 10TH STREET IMPROVEMENTS (420)

### BUDGETARY OBJECTIVE

The purpose of this fund is to account for the South of

10th Street infrastructure projects.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- MSA Construction (33419) State MSA construction aid.
- Bond Proceeds (39310) Borrowing to finance capital road and street improvements.

#### EXPENDITURES & OTHER FINANCING USES

- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements:

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## **2013 STREET IMPROVEMENTS (421) 5TH STREET**

The proposed 5th Street parkway will provide a new east-west roadway between 10th Street (CSAH 10) and the I-94 frontage road, Hudson Boulevard. Designated as a minor collector, this route would allow local traffic to access the north-south county roads. Rather than a straight shot between points, this roadway would likely curve between new developments to provide access without inviting commuter or "cut-through" traffic. Limiting access to 10th Street (CSAH 10) to and from this road would also reduce "cut-through" traffic. The exact alignment will depend upon development. The City has developed a plan as part of the "Lake Elmo Theming and Branding Study" that depicts how the proposed parkway can integrate fencing, landscaping and signage that expands the 'Brand' identity of Lake Elmo and helps new development integrate with the desired aesthetic.

### **BUDGETARY OBJECTIVE**

To build a collector road to service the new developments and City traffic at the least cost to the City.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES & OTHER FINANCING SOURCES

- Developer contributions
- Bond proceeds - borrowing to finance City portion of collector road.

#### EXPENDITURES & OTHER FINANCING USES

- Engineering Services (43030) Expenditures for contracted road and street engineering services.
- Improvements Other Than Buildings (45300) Capital outlay for road and street improvements:

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

**City of Lake Elmo (11/28/13)  
Summary of Capital Improvement Plan (CIP)**

Funded by levy dollars  
Funded by Utility Fund Revenue

City of Lake Elmo	Dept	Need/ Want	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Finance Notes
<b>GENERAL FUND</b>													
Single Axel Plow/Wing/Spreader	PW	Need	210,000									210,000	2013 vs 2014 due to sales tax savings and delay for build out. \$7k saving in ST
Diesel exhaust filter system for both stations	FIRE	Need	69,912									69,912	New addition for staff add; will no longer need use of contractor; cost closer to \$200k
Warning sirens x 2; replace Cimaron and add in N center gsp	EMER COMM	Need	50,000									50,000	Purchased
Dry Hydrants- potentially 12 @ approx \$2,500 each	FIRE	Need	30,000									30,000	
Replacement of Engine 1 (Aerial)	FIRE	Need		750,000								750,000	
Replacement of SCBA's	FIRE	Need		103,000	104,000							207,000	
Durapatch Pot-Hole Patcher	PW	Need	28,000									28,000	Moved forward to 2013
Dump Truck/Plow/Wing/Sander	PW	Need			175,000							175,000	Replaces 1998 Plow truck; will be in 17th year of useful life...
New GL/UB software to be on one platform; supported and efficient	FINANCE	Need			60,000							60,000	Current software 10 years old and some components no longer supported
Replacement of CV1	FIRE	Need			60,000							60,000	
City Hall remodel	ADMIN	Need				300,000						300,000	Out of space at existing City Hall
1 Ton Truck/Plow/Wing/Sander Insert	PW	Need			50,000							50,000	Replaces 2003 1 Ton with Plow; will be at year 13 of useful life
Replacement of CV2	FIRE	Want				65,000						65,000	
Replacement of Tender 1	FIRE	Need				65,000	450,000					450,000	
Mini Excavator	PW	Need					50,000					50,000	Currently rent for \$4k per year
Station #1 parking lot apron (need Engineers recommendation)	FIRE	Want					25,000					25,000	
Replacement of L12	FIRE	Want						75,000				75,000	
<b>Total</b>			<b>387,912</b>	<b>853,000</b>	<b>399,000</b>	<b>350,000</b>	<b>65,000</b>	<b>525,000</b>	<b>75,000</b>			<b>2,654,912</b>	
<b>Funding Source for General Fund Projects (G. O. Bonds)</b>													
Property tax levy increase					76,017	432,716	682,398	948,551	1,196,908	1,449,266	1,449,266	6,275,122	
Fund balance (vehicle fund-\$319k as of 12/31/12)			279,912		60,000							339,912	
Fund balance (facilities fund)					(82,716)								
Fund balance (general fund)			108,000	17,000	168,100			(423,551)	(1,123,908)	(1,449,266)	(1,449,266)	(4,152,891)	Excess funds available; could pay off bonds starting in 2017
Bond				750,000			(617,398)					132,602	
Special assessments / Litigation Judgment													
Municipal state aid				50,000	50,000							100,000	SCBA's
Grants													
Intergovernmental													
<b>Total</b>			<b>387,912</b>	<b>853,000</b>	<b>356,117</b>	<b>350,000</b>	<b>65,000</b>	<b>525,000</b>	<b>75,000</b>			<b>2,694,745</b>	
<b>Annual Debt Service on General Fund Projects</b>													
2013 Bonds													
2014 Bonds					71,250	69,563						140,813	Assumes payoff fire truck bond early
2015 Bonds													
2016 Bonds													
2017 Bonds													
2018 Bonds													
<b>Total</b>					<b>71,250</b>	<b>69,563</b>						<b>140,813</b>	



**City of Lake Elmo (11/26/13)  
Summary of Capital Improvement Plan (CIP)**

Funded by levy dollars  
Funded by Utility Fund Revenue

City of Lake Elmo	Dept	Need/ Want	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Finance Notes
<b>PARKS FUND</b>													
PARKS Improvements	PARKS	Need		220,000								50,000	Replaces 2002 Toro
11 Foot Mower	PARKS	Need		50,000								40,000	Discussed multiple times by Parks Commission
Updates to existing playground equipment	PARKS	Need		80,000								30,000	Replaces 1998 3/4 Ton CMS; will be at year 18 of useful life
Ski Trail Groomer/Utility Field Maint	PARKS	Want				40,000							
3/4 Ton Pick up	PARKS	Need		30,000									
<b>Total</b>				<b>380,000</b>		<b>40,000</b>						<b>120,000</b>	
<b>Funding Source for Parks Fund Projects</b>													
Developer paid				100,000									
Parks Fund (cash)				280,000		40,000						320,000	
<b>Total</b>				<b>380,000</b>		<b>40,000</b>						<b>320,000</b>	
<b>WATER UTILITY FUND</b>													
<i>Water Utility Projects</i>													
Water supply well No. 4 and pumphouse / connection	ENGINEERING	2013/2014	445,000	765,000								1,210,000	
Keats Ave 16" trunk watermain extension	ENGINEERING	2014		765,000								765,000	
Phase I: Western 194 Corridor (Inwood to Keats)													
Segment 1: Water booster pump	ENGINEERING	2014		700,000								700,000	
Segment 2: Inwood Ave 16" trunk watermain extension	ENGINEERING	2014		1,585,250								1,585,250	
Segment 3: 10th St to EP Bus Park 16" trunk watermain ext	ENGINEERING	2014		765,000								765,000	
Aztec Prop 12" trunk watermain extensions	ENGINEERING	2014		76,500								76,500	
Alt Segment 5: 12" trunk watermain to Sedona Development	ENGINEERING	2014+		480,250	42,500	63,750	42,500	63,750				692,750	
Alt Segment 7: Elevated storage tank (High Pressure Zone)	ENGINEERING	2015		1,360,000								1,360,000	
Phase II: Eastern 194 Corridor (Lake Elmo Ave. to Manning)													
Segment 4: Lake Elmo Ave 12" trunk watermain extension	ENGINEERING	2014		2,550,000								2,550,000	
Phase IIIb: Village Area (East to Village Parkway)													
Replace/upgrade watermain as streets disturbed	ENGINEERING	2015		794,750								794,750	
Village Parkway/39th Street	ENGINEERING	2015/2016		467,500		323,000	467,500					790,500	
Old Village TH5 Trunk Watermain Replacement	ENGINEERING	2017										467,500	
Old Village Latent Watermain Replacement (South of RR)	ENGINEERING	2018						1,275,000				1,275,000	
Old Village Latent Watermain Replacement (RR-TH5)	ENGINEERING	2018						680,000				680,000	
Ideal Avenue Trunk Watermain - Oakdale Interconnect	ENGINEERING	2015		450,500								450,500	
Neighborhood Watermain Extensions/Replacements (2015 Street Impr)	ENGINEERING	2015		816,000								816,000	
Hidden Meadows Trunk Watermain	ENGINEERING	2015		280,500								280,500	
Tone Pines + Cardinal Ridge + Cardinal View Watermain Extensions	ENGINEERING	2019						816,000	1,020,000			1,020,000	
Well No. 5 @ 9,700 Total Water Population	ENGINEERING	2018		37,000								37,000	
Replace remaining Sensus meters with Neptune meters	FINANCE	2013/2014	37,000										
<b>Total Water</b>			<b>482,000</b>	<b>7,724,000</b>	<b>4,211,750</b>	<b>386,750</b>	<b>510,000</b>	<b>2,834,750</b>	<b>1,020,000</b>			<b>17,169,250</b>	
<i>Funding Source for Water Utility Projects</i>													
Property Tax Levy				17,250	25,500	25,500	25,500	25,500	25,500	25,500	25,500	25,500	
Operating revenue increase (base + meter revenue only)			6,000	107,500	207,500	307,500	410,000	510,000	580,000	580,000	580,000	580,000	
Operating revenue increase (estimated water usage)			20,000	107,500	207,500	307,500	410,000	510,000	580,000	580,000	580,000	580,000	
Fund balance (cash)			(1,831,700)	3,788,750	(4,895,750)	(1,850,250)	(613,000)	1,656,750	(228,000)	(1,080,500)	(953,000)	3,302,500	
WAC and Connection Fees			156,000	1,344,500	1,857,000	1,657,000	687,500	642,500	642,500	485,000	347,500	7,619,500	Per Connection stats worksheet (updated to 1.679)
Bond (2013 = grant match monies)			1,000,000	1,000,000								2,000,000	
Other Revenue												6,000,000	Bonding may be required
Municipal state aid					6,000,000								

*Avg water bill assumed at \$125 per quarter - \$500/Year*

**City of Lake Elmo (11/26/13)  
Summary of Capital Improvement Plan (CIP)**

Funded by levy dollars  
Funded by Utility Fund Revenue

City of Lake Elmo	Dept	Need/ Want	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Finance Notes
Grants			500,000	500,000								1,000,000	
Intergovernmental													
Developer Contribution (100% Assessed City Bond)			631,700	966,000	1,317,500	247,000						3,162,200	
Total Water			482,000	7,724,000	4,211,750	386,750	510,000	2,834,750	1,020,000	-	-	17,169,250	
Short/(over)													
<i>Annual Debt Service for Water Utility Projects</i>													
2013 Bonds (4.5%, 20 Yrs)													
2014 Bonds (4.5%, 20 Yrs)													
2015 Bonds (4.5%, 20 Yrs)													
2016 Bonds (4.5%, 20 Yrs)													
2017 Bonds (4.5%, 20 Yrs)													
2018 Bonds (4.5%, 20 Yrs)													
2019 Bonds (4.5%, 20 Yrs)													
2020 Bonds (4.5%, 20 Yrs)													
2021 Bonds (4.5%, 20 Yrs)													
Total				62,880	141,083	155,406	153,406	155,306	157,106	154,906	152,596	1,132,685	

**City of Lake Elmo (11/26/13)**  
**Summary of Capital Improvement Plan (CIP)**

Funded by levy dollars  
 Funded by Utility Fund Revenue

City of Lake Elmo	Dept	Need/ Want	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Finance Notes
<b>SANITARY SEWER UTILITY FUND</b>													
<i>Sanitary Sewer Projects</i>													
Segment 4: Section 34 Trunk Sewer/lift station - Savona Development	ENGINEERING		2013	1,600,000	-	-	-	-	-	-	-	1,600,000	
Segment 6: Hudson Blvd lift station replacement, FM to WONE	ENGINEERING		2017	-	-	-	276,000	-	-	-	-	276,000	
Phase II: Eastern B94 Corridor (Lake Elmo Ave. to Manning)	ENGINEERING		2013	1,100,000	-	-	-	-	-	-	-	1,100,000	
18/27" trunk sewer extension from MCES connection	ENGINEERING		2018	-	-	-	-	-	-	-	-	276,000	
Future lift station west of Lake Elmo Ave.	ENGINEERING		2013/2015	98,000	165,140	-	-	276,000	-	-	-	1,100,000	
Olson Lake Trail Trunk Sanitary Sewer Extension	ENGINEERING		2013	3,300,000	-	-	-	-	-	-	-	3,300,000	
Phase III: Village Area (East to Village Parkway)	ENGINEERING		2015	-	920,000	-	-	-	-	-	-	920,000	
Village lift station and forcemain	ENGINEERING		2015/2016	-	552,000	184,000	-	-	-	-	-	736,000	
Segment 1: Old Village Trunk Sewer (30th-Lake Elmo Ave-Laveme to TH5)	ENGINEERING		2018	-	-	-	-	1,380,000	-	-	-	1,380,000	
Segment 2: Village Parkway (30th-RR-TH5) + 39th Street	ENGINEERING		2018	-	-	-	-	460,000	-	-	-	460,000	
Old Village Lateral Sewer Extensions (South of RR)	ENGINEERING		2018	-	-	-	-	828,000	-	-	-	828,000	
Old Village Lateral Sewer Extensions (RR - TH5)	ENGINEERING		2018	-	-	-	-	-	-	-	-	-	
Additional Trunk South of 10th Street	ENGINEERING		2018	-	-	-	-	-	-	-	-	-	
<b>Total Sewer Connections</b>				6,095,000	1,637,140	184,000	276,000	2,944,000	-	-	-	11,139,140	
<i>Funding Source for Sanitary Sewer Projects</i>													
Property tax levy			400,000	-	-	-	-	-	-	-	-	-	
Prior year payments on project			33,500	(1,142,290)	(259,390)	(1,338,655)	(229,875)	(288,580)	(462,205)	(500,110)	(496,535)	(4,664,130)	Cash available to pay down bond
Fund balance (cash)			12,000	76,500	146,500	220,500	294,000	366,000	408,000	450,000	450,000	2,425,500	
Sewer Usage Revenue			140,000	1,065,780	1,113,030	1,152,195	211,875	171,580	54,205	50,110	46,535	4,005,270	Majority of bond can be paid repaid in 2014/2015 when receive Developer 50% SAC fees
SAC and Connection Fees (Net of Met-Council fees)			3,000,000	-	-	-	-	-	-	-	-	3,000,000	
Bond (includes MN Deed match of \$1MM)			92,500	-	185,000	-	-	-	-	-	-	277,500	
Special assessments			-	-	-	-	-	-	-	-	-	-	
Municipal state aid			1,000,000	-	-	-	-	-	-	-	-	1,000,000	
Grants			-	-	-	-	-	-	-	-	-	-	
Intergovernmental/Water Fund			-	-	-	-	-	-	-	-	-	-	
Developer Contribution (City Bond/Assess?)			1,420,000	-	450,000	150,000	-	2,675,000	-	-	-	4,695,000	
<b>Total Sewer</b>			6,095,000	1,637,140	184,000	276,000	2,944,000	-	-	-	-	11,139,140	
<i>Annual Debt Service on Sanitary Sewer Projects</i>													
2013 Bonds			203,446	234,063	236,063	232,963	234,863	234,863	-	-	-	1,141,396	Assumes bonds paid off early to reduce levy in 2018
2014 Bonds			-	-	-	-	-	-	-	-	-	-	(Possibly sooner...)
2015 Bonds			-	-	-	-	-	-	-	-	-	-	
2016 Bonds			-	-	-	-	-	-	-	-	-	-	
2017 Bonds			-	-	-	-	-	-	-	-	-	-	
2018 Bonds			-	-	-	-	-	-	-	-	-	-	
<b>Total</b>			203,446	234,063	236,063	232,963	234,863	234,863	-	-	-	1,141,396	

Notes:

City of Lake Elmo (11/26/13)  
Summary of Capital Improvement Plan (CIP)

Funded by levy dollars  
Funded by Utility Fund Revenue

City of Lake Elmo	Dept	Need/ Want	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Finance Notes
<b>STREET FUND</b>													
<i>Street Projects</i>													
Local Residential Street Improvements													
Keats MSA Streets	ENGINEERING		1,036,000									1,036,000	
Southern Tri-Lakes Area; Kenridge Addition; & Kelvin Avenue	ENGINEERING				1,946,400							1,946,400	All street projects shifted forward 1 year from previous presentation
Packard Park; and 20th Street Area	ENGINEERING			815,200								815,200	
Stonegate-Phase 1; and Kirkwood Avenue	ENGINEERING					609,600						609,600	
Tri-Lakes Area (Springhome Green Acres, Fox Fire Estates, & Judy Jay Manor)	ENGINEERING						1,546,400					1,546,400	
Old Village Area Streets [North of U.P. Railroad]	ENGINEERING							1,200,000				1,200,000	
Old Village Area Streets [South of U.P. Railroad]	ENGINEERING							1,680,000				1,680,000	
Collector Road Improvements; Non MSA Routes													
Manning Trail N	ENGINEERING			175,200								175,200	
Manning Avenue; TH 36 - Linden Avenue (FUTURE)	ENGINEERING	FUTURE											
Municipal State Aid Street Improvements													
North of 20th Street	ENGINEERING			276,800									
20th Street N & Manning Trail [Lake Elmo Ave. to Manning Ave.]	ENGINEERING			89,250								89,250	
15th Street North [Inwood Ave. to West City Limits]	ENGINEERING							560,000				560,000	
<b>TRANSPORTATION IMPROVEMENTS</b>													
5th Street Parkway Improvement (Developer-100%; City Bond/Assess?)	ENGINEERING			5,200,000									720,000
CSAH 15 Manning Avenue (84 to TH5) FUTURE	ENGINEERING				720,000								1,120,000
Lake Elmo Avenue Downtown District Improvements (TIF)	ENGINEERING				1,340,000								1,340,000
Lake Elmo Avenue (30th Street to RR-No Lighting, County??)	ENGINEERING												12,000
Highway 5 Corridor Management & Safety Improvements	ENGINEERING			12,000									12,000
Village Parkway Build-out (Developer-100%; City Bond/Assess?)	ENGINEERING	2015/2016			2,520,000	1,600,000							3,920,000
<b>Total Streets</b>			1,036,000	6,588,450	7,446,400	2,209,600	1,546,400	3,440,000				22,246,850	
<i>Funding Source for Street Projects</i>													
Property tax levy													
Fund balance (cash)			36,000	193,650	375,816	25,680	(36,480)	276,080	136,000				1,006,746
WAC and Connection Fees													
Bond				1,100,000	3,000,000		1,400,000	1,000,000					6,500,000
TIF				74,800	270,047	583,920	182,580	463,920	864,000				2,439,567
Special assessments (assessed year AFTER work performed/ completed)													2,125,000
Municipal state aid (Assumes borrow AHEAD from MSA funds)					1,425,000			700,000					1,000,000
Grants (HSIP Grant?)			1,000,000										
Intergovernmental/Water Fund								1,000,000	(1,000,000)				
Developer Contribution (100% assessments; City Bond/Assess?)			0	5,200,000	2,320,000	1,600,000	0	0					9,120,000
<b>Total</b>			1,036,000	6,588,450	7,390,863	2,209,600	1,546,400	3,440,000				22,191,313	Would need to bond for these...
					55,538								(65,538)
<i>Annual Debt Service on Street Projects</i>													
2013 Bonds													
2014 Bonds					104,500		99,550	97,075	94,600	92,125	89,650	679,525	
2015 Bonds						285,000	278,250	271,500	264,750	258,000	251,250	1,608,750	
2016 Bonds													
2017 Bonds													
2018 Bonds								133,000	129,850	126,700	123,550	513,100	
2019 Bonds									95,000	92,750	90,500	278,250	
<b>Total</b>					104,500	387,025	377,800	501,575	584,200	569,575	554,950	3,079,625	

**City of Lake Elmo (11/26/13)**  
**Summary of Capital Improvement Plan (CIP)**

Funded by levy dollars  
 Funded by Utility Fund Revenue

City of Lake Elmo	Dept	Need/ Want	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Finance Notes
<b>SURFACE WATER IMPROVEMENTS FUND</b>													
<i>Surface Water Projects</i>													
Village Storm Water / Regional Infiltration System - Study	ENGINEERING	2014		50,000	-	-	-	-	-	-	-	50,000	
Village Flood / Drainage Improvements	ENGINEERING	2015			1,400,000							1,400,000	
Village Area Regional Storm Water System: Phase 1	ENGINEERING	2015			800,000							800,000	
Village Area Regional Storm Water System: Phase 2	ENGINEERING	2016				700,000						700,000	
Village Area Regional Storm Water System: Phase 3	ENGINEERING	2017					500,000					500,000	
Misc. Storm Water Improvements (Drainage, Ditching, Culverts & Ponds	ENGINEERING	2014-2018		25,000	25,000	25,000	25,000	25,000				125,000	
Rain Garden Improvements	ENGINEERING	2014-2017		60,000	42,000	36,000	56,000					194,000	
Water Quality CIP	ENGINEERING	FUTURE										-	
<b>Total</b>			-	135,000	2,267,000	761,000	581,000	25,000	-	-	-	3,769,000	
<i>Funding Sources for Surface Water Projects</i>													
Property tax levy			-	105,000	66,000	63,000	73,000	-	-	-	-	307,000	
WAC and Connection Fees			-										
Bond			-		2,000,000	500,000	300,000	180,000				2,880,000	
Special assessments - Village Stormwater District Connection Fees			-		180,000	180,000	180,000	180,000				720,000	
Municipal state aid			-										
Grants (VBWD)			-	30,000	21,000	18,000	28,000					97,000	
Intergovernmental/Water Fund Developer Contribution			-										
<b>Total</b>			-	135,000	2,267,000	761,000	581,000	180,000	-	-	-	3,924,000	
<i>Annual Debt Service on Surface Water Projects</i>													
2013 Bonds													
2014 Bonds													
2015 Bonds						190,000	185,500	181,000	176,500	172,000	167,500	1,072,500	
2016 Bonds							47,500	46,376	45,250	44,126	43,000	226,252	
2017 Bonds								28,500	27,825	27,150	26,475	109,950	
2018 Bonds													
<b>Total</b>						190,000	233,000	255,876	249,575	243,276	236,975	1,408,702	

Notes: Did not add in Stormwater Utility Fee Revenue  
 Notes: Stormsewer Replacement CIP not included; need to obtain NEEDS list from Public Works

City of Lake Elmo (11/26/13)  
Summary of Capital Improvement Plan (CIP)

Funded by levy dollars  
Funded by Utility Fund Revenue

City of Lake Elmo	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Finance Notes
<b>SUMMARY-ALL-NEW</b>											
<b>BONDS</b>											
General Fund	-	750,000	-	-	(617,398)	-	-	-	-	132,602	X
Street Fund	-	1,100,000	3,000,000	-	1,400,000	1,000,000	-	-	-	6,500,000	X
New General Fund Bonds	-	1,850,000	3,000,000	-	782,602	1,000,000	-	-	-	6,632,602	
Water Utility Fund	1,000,000	1,000,000	0	0	0	0	0	0	0	2,000,000	X
Sanitary Sewer Fund	3,000,000	-	-	-	-	-	-	-	-	3,000,000	X
Storm Water Fund	4,000,000	1,000,000	2,000,000	500,000	300,000	-	-	-	-	2,800,000	X
New Enterprise Fund Bonds	-	1,000,000	2,000,000	500,000	300,000	-	-	-	-	7,800,000	
100% Assessment Projects (City Bonds/Assesses)	1,600,000	5,200,000	2,320,000	1,600,000	-	-	-	-	-	10,720,000	
Total Annual Bonding	5,600,000	8,050,000	7,320,000	2,100,000	1,082,602	1,000,000	0	0	0	14,432,602	
Annual Loan Pmts (P+I)	-	-	71,250	69,563	-	-	-	-	-	140,813	X
General Fund	-	-	104,500	387,025	377,800	501,575	584,200	569,575	554,950	3,079,625	X
Street Fund	-	-	175,750	456,588	377,800	501,575	584,200	569,575	554,950	3,220,438	
Impact to Annual Levy	-	-	-	-	-	-	-	-	-	-	
Water Utility Fund	62,880	141,083	155,406	153,406	153,406	155,306	157,106	154,906	152,596	1,132,685	X
Sanitary Sewer Fund	203,446	234,063	236,063	232,963	232,963	234,863	-	-	-	1,141,996	X
Storm Water Fund	266,326	375,145	581,468	619,368	619,368	646,044	406,681	398,182	389,571	3,682,783	X
Impact to Enterprise Funds	286,326	550,895	1,038,056	997,168	1,147,619	990,881	967,757	944,521	6,903,221		
Total Annual Loan Pmts-NEW	0.00	131.81	342.44	283.35	376.18	438.15	427.18	416.21			
Annual impact to residents property taxes	\$75 per \$100k Levy increase										
<b>OUTSTANDING DEBT SERVICE</b>											
Prior YE Outstanding Debt	16,740,000	18,912,345	25,106,030	27,438,063	27,562,721	27,672,970	27,658,649	26,647,407	25,624,293		
Plus New Debt	5,615,000	8,050,000	7,320,000	2,100,000	1,082,602	1,000,000	0	0	0		
Less Crossover pmts from escrow	(3,030,000)	0	(4,017,679)	0	0	0	0	0	0		
Less Principal Pmts (extra pmts)	0	(856,315)	(970,288)	(975,342)	(872,363)	(1,014,321)	(1,011,242)	(1,023,114)	(907,505)		
Less Principal Pmts (regular bond pmts)	0	(1,000,000)	0	(1,000,000)	0	0	0	0	0		
CurrentYE Outstanding Debt	18,912,345	25,106,030	27,438,063	27,562,721	27,672,970	27,658,649	26,647,407	25,624,293	24,716,788		Excess Sewer funds available
Debt Limit (3% of Taxable Market Value)	1,028,011,400	1,089,692,084	1,089,692,084	1,089,692,084	1,089,692,084	1,089,692,084	1,089,692,084	1,089,692,084	1,089,692,084		
Estimated 2014 TW (base)	47,790,000	47,790,000	140,265,000	232,740,000	321,315,000	404,040,000	486,765,000	547,715,000	589,715,000		
Projected new development TW	1,028,011,400	1,137,482,084	1,229,957,084	1,322,432,084	1,411,007,084	1,493,732,084	1,576,457,084	1,637,407,084	1,679,407,084		
Debt Limit	30,840,342	34,124,463	36,898,713	39,672,963	42,330,213	44,811,963	47,293,713	49,122,213	50,382,213		
Available Debt Capacity	11,927,997	9,018,433	9,460,650	12,110,242	14,657,243	17,153,314	20,646,306	23,497,920	25,665,425		

# 6

## ENTERPRISE FUNDS SUMMARY

Enterprise funds (a type of proprietary fund) are used to report an activity for which a fee is charged to external users for goods or services. Enterprise funds account for operations financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing goods or services on a continuing basis be financed or recovered primarily through user charges. For 2014, all enterprise funds have a positive cash flow. The city presently has three enterprise funds:

1. Water
2. Sewer
3. Surface Water

Annual appropriated budgets are not adopted for enterprise funds, but budgets are prepared by staff and reviewed by the city council to assist in the city's overall financial planning.

### **BASIS OF ACCOUNTING & BUDGETING**

Enterprise funds are accounted for on the economic resources measurement focus, where the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net assets.

All assets and all liabilities (whether current or non-current) associated with an enterprise fund's activity are included on the balance sheet. Transactions that improve or diminish the economic position of the fund are reported as revenues or expenses. Depreciation, using the straight-line method, is charged against all exhaustible capital assets as an expense against operations.

Enterprise funds are accounted for using the accrual basis of accounting, which recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

The basis of budgeting is consistent with accounting principles generally accepted in the United States of America.

## WATER (601)

### **BUDGETARY OBJECTIVE**

The water fund is responsible for recording expenses related to the cost, maintenance, and replacement of the city water system while deriving revenue from user charges. Numerous projects will take place in the Water Fund in 2014 due to the growth initiative. Included are:

- Completion of Well #4
- Keats Avenue water main extension
- Phase I Water Project (Western I94 Corridor)
- Phase II Water Project (Eastern I94 Corridor)

### **ACCOUNT HIGHLIGHTS**

#### REVENUES AND TRANSFERS IN

- Water Sales (37100) City property owners are charged on a quarterly basis for water usage.
- Water Connections - Municipal (37150) Water hook-up charges.
- Meter Sales (37170) Charges for water meters placed in city properties.
- Tower Rent (37180) Rent charged for antenna placement on city water towers.
- Transfer In (39210) Historically an annual transfer from the General fund was made to assist in offsetting the Water fund's declining cash balance by \$25,000. Recent collection and billing trends has made this no longer necessary.

### **OTHER CASH INFLOW**

- Bond Issuance Debt issued for the financing of water capital equipment or water infrastructure. Due to the full accrual method of accounting in the water fund, this amount will ultimately be classified as a bond or loan payable liability, and no bond proceeds revenue will be recorded.

### Enterprise Fund Summary

Fund Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Revenues (Operating and Nonoperating)</b>									
601	Water	\$888,569	\$728,421	\$560,500	\$809,529	\$628,000	\$822,767	\$3,785,752	360.1%
602	Sewer	\$51,539	\$55,215	\$45,100	\$65,524	\$77,600	\$62,300	\$3,015,600	4740.4%
603	Surface Water	\$376,608	\$243,475	\$167,500	\$171,867	\$202,500	\$205,000	\$232,500	13.4%
	<b>Total Revenues (Operating and Nonoperating)</b>	<b>\$1,316,716</b>	<b>\$1,027,111</b>	<b>\$773,100</b>	<b>\$1,046,920</b>	<b>\$908,100</b>	<b>\$1,090,067</b>	<b>\$7,033,852</b>	<b>545.3%</b>
<b>Expenses (Operating and Nonoperating)</b>									
601	Water	\$898,320	\$845,476	\$900,693	\$941,696	\$895,848	\$884,316	\$1,092,173	-23.1%
602	Sewer	\$61,512	\$73,797	\$103,003	\$64,673	\$103,003	\$72,803	\$163,854	-125.1%
603	Surface Water	\$151,383	\$142,516	\$163,732	\$105,227	\$163,432	\$137,432	\$148,485	-8.0%
	<b>Total Expenses (Operating and Nonoperating)</b>	<b>\$1,111,214</b>	<b>\$1,061,788</b>	<b>\$1,167,428</b>	<b>\$1,111,596</b>	<b>\$1,162,283</b>	<b>\$1,094,551</b>	<b>\$1,404,512</b>	<b>-28.3%</b>
<b>TOTAL ENTERPRISE FUNDS</b>									
		<b>\$205,502</b>	<b>(\$34,677)</b>	<b>(\$394,328)</b>	<b>(\$64,676)</b>	<b>(\$254,183)</b>	<b>(\$4,484)</b>	<b>\$5,629,340</b>	<b>125647.4%</b>
<b>Other Cash Inflow</b>									
Bond/Loan Issuance									
601	Water	\$23,928	\$0	\$2,290,000	\$0	\$2,290,000	\$1,505,000	\$1,500,000	-0.30%
602	Sewer	\$0	\$0	\$0	\$0	\$0	\$3,010,000	\$0	100.0%
603	Surface Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Bond/Loan Issuance</b>	<b>\$23,928</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$4,515,000</b>	<b>\$1,500,000</b>	<b>-66.8%</b>
<b>Other Cash Outflow</b>									
Bond/Loan Principal									
601	Water	\$35,000	\$0	\$40,000	\$40,000	\$40,000	\$125,000	\$190,000	52.0%
602	Sewer	\$0	\$0	\$0	\$0	\$0	\$0	\$135,000	0.0%
603	Surface Water	\$23,928	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Bond Principal</b>	<b>\$58,928</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$125,000</b>	<b>\$325,000</b>	<b>160.0%</b>
<b>Acquisition of Capital Assets</b>									
601	Water	\$33,320	\$0	\$2,290,000	\$0	\$2,290,000	\$2,000,000	\$5,200,000	160.0%
602	Sewer	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000	0.0%
603	Surface Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Acquisition of Capital Assets</b>	<b>\$33,320</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$2,000,000</b>	<b>\$8,200,000</b>	<b>310.0%</b>
<b>Net Assets</b>									
	Net Assets, Beginning of Year	\$7,701,302	\$7,906,804	\$7,262,858	\$7,872,126	\$7,467,134	\$7,807,450	\$7,802,966	-0.1%
	Net Change in Net Assets	\$205,502	(\$34,677)	(\$394,328)	(\$64,676)	(\$254,183)	(\$4,484)	\$5,560,894	124120.9%
	Net Assets, Ending of Year	\$7,906,804	\$7,872,126	\$6,868,530	\$7,807,450	\$7,212,951	\$7,802,966	\$13,363,860	71.3%
<b>Cash</b>									
	Cash, Beginning of Year	\$500,666	\$538,368	\$320,499	\$839,303	\$890,749	\$1,085,994	\$3,839,128	253.5%
	Change in Net Assets	\$205,502	(\$34,677)	(\$394,328)	(\$64,676)	(\$254,183)	(\$4,484)	\$5,560,894	124120.9%
	Deduct: Contrib. of Capital Assets	(\$345,947)	(\$9,637)	\$0	\$0	\$0	\$0	\$0	0.0%
	Add Back: Depreciation Expense	\$348,746	\$348,118	\$367,200	\$346,983	\$367,200	\$360,200	\$476,200	32.2%
	Add Back: Deferred Charges Amort.	\$7,418	\$7,418	\$7,418	\$7,418	\$7,418	\$7,418	\$7,418	0.0%
	Add Back: Bond Discount Amort.	(\$711)	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Add: Other Cash Inflow	\$23,928	\$0	\$2,290,000	\$0	\$2,290,000	\$4,515,000	\$1,500,000	-66.8%
	Deduct: Other Cash Outflow	(\$92,248)	(\$8,421)	(\$2,330,000)	(\$40,000)	(\$2,330,000)	(\$2,125,000)	(\$8,525,000)	301.2%
	Other Cash Flow Items	(\$108,986)	(\$1,865)	\$0	(\$3,034)	\$0	\$0	\$0	0.0%
	<b>Cash, Ending of Year</b>	<b>\$538,368</b>	<b>\$839,303</b>	<b>\$260,789</b>	<b>\$1,085,994</b>	<b>\$971,184</b>	<b>\$3,839,128</b>	<b>\$2,858,640</b>	<b>-25.5%</b>



## Enterprise Individual Fund Detail Water

Account Number	Description	2010	2011	2012	2012	2013	2013	2014	2013
		Actual	Actual	Budget	Actual	Budget	Projected Actual	Budget	to 2014 Change
<b>Operating Revenues</b>									
601-000-0000-36100	Special Assessments	\$3,774	(\$327)	\$2,500	\$29,577	\$10,000	\$10,000	\$10,000	0.0%
601-000-0000-36205	Refunds and Reimbursements	\$0	\$0	\$0	\$1,238	\$0	\$0	\$0	0.0%
601-000-0000-37100	Water Sales	\$502,464	\$525,089	\$440,000	\$619,895	\$525,000	\$575,000	\$694,750	20.8%
601-000-0000-37120	Bulk Water	\$0	\$6,667	\$0	\$273	\$0	\$1,750	\$2,000	14.3%
601-000-0000-37170	Meter Sales	\$11,121	\$9,165	\$5,000	\$13,200	\$5,000	\$10,000	\$15,000	50.0%
	<b>Total Operating Revenues</b>	<b>\$517,359</b>	<b>\$540,594</b>	<b>\$447,500</b>	<b>\$664,183</b>	<b>\$540,000</b>	<b>\$596,750</b>	<b>\$721,750</b>	<b>60.7%</b>
<b>Operating Expenses</b>									
<b>Personnel Services</b>									
601-494-9400-41010	Full-time Salaries	\$72,799	\$73,619	\$74,627	\$63,821	\$70,000	\$70,000	\$140,000	100.0%
601-494-9400-41210	PERA Contributions	\$5,074	\$5,034	\$5,410	\$4,251	\$5,000	\$5,000	\$10,000	100.0%
601-494-9400-41220	FICA Contributions	\$4,377	\$4,661	\$4,627	\$3,806	\$4,000	\$4,000	\$8,000	100.0%
601-494-9400-41230	Medicare Contributions	\$1,024	\$1,090	\$1,082	\$890	\$800	\$800	\$1,600	100.0%
601-494-9400-41300	Health/Dental Insurance	\$14,576	\$15,740	\$14,320	\$9,693	\$7,200	\$7,200	\$14,400	100.0%
601-494-9400-41420	Unemployment Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
601-494-9400-41510	Workers Compensation	\$4,861	\$3,507	\$3,779	\$1,652	\$2,000	\$2,000	\$4,000	100.0%
	<b>Total Personnel Services</b>	<b>\$102,711</b>	<b>\$103,652</b>	<b>\$103,845</b>	<b>\$84,113</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$178,000</b>	<b>100.0%</b>
<b>Supplies</b>									
601-494-9400-42000	Office Supplies	\$410	\$0	\$500	\$198	\$500	\$500	\$500	0.0%
601-494-9400-42030	Printed Forms	\$765	\$248	\$1,000	\$985	\$1,000	\$1,000	\$1,000	0.0%
601-494-9400-42160	Chemicals	\$3,893	\$4,548	\$5,000	\$6,298	\$5,000	\$8,000	\$5,000	37.5%
601-494-9400-42270	Utility System Maintenance	\$2,807	\$1,522	\$3,500	\$5,158	\$3,500	\$3,500	\$3,500	0.0%
601-494-9400-42300	Water Meters & Supplies	\$84,861	\$9,054	\$25,000	\$23,220	\$25,000	\$20,000	\$30,000	-50.0%
601-494-9400-42400	Small Tools & Minor Equipment	\$488	\$1,068	\$1,500	\$543	\$1,500	\$2,000	\$2,500	-25.0%
	<b>Total Supplies</b>	<b>\$93,225</b>	<b>\$16,440</b>	<b>\$36,500</b>	<b>\$36,402</b>	<b>\$36,500</b>	<b>\$35,000</b>	<b>\$42,500</b>	<b>-21.4%</b>
<b>Other Services and Charges</b>									
601-494-9400-43030	Engineering Services	\$13,141	\$33,089	\$40,000	\$99,610	\$50,000	\$75,000	\$100,000	-33.3%
601-494-9400-43040	Legal Services	\$0	\$0	\$0	\$13,072	\$0	\$5,000	\$5,000	0.0%
601-494-9400-43150	Contract Services	\$21,668	\$27,651	\$20,000	\$55,321	\$20,000	\$20,000	\$30,000	-50.0%
601-494-9400-43180	Software Support	\$2,298	\$2,430	\$3,200	\$978	\$3,200	\$1,500	\$3,200	-113.3%
601-494-9400-43210	Telephone	\$506	\$507	\$600	\$487	\$600	\$600	\$600	0.0%
601-494-9400-43220	Postage	\$1,940	\$2,500	\$2,000	\$1,501	\$2,000	\$2,000	\$3,000	-50.0%
601-494-9400-43320	Depreciation Expense	\$324,818	\$324,191	\$340,000	\$323,056	\$340,000	\$335,000	\$375,000	-11.9%
601-494-9400-43610	Insurance	\$9,710	\$6,023	\$9,000	\$6,161	\$9,000	\$7,348	\$9,000	-22.5%
601-494-9400-43810	Electric Utility	\$20,889	\$23,117	\$23,000	\$26,023	\$23,000	\$25,000	\$27,000	-8.0%
601-494-9400-43820	Water Utility	\$96,406	\$96,085	\$110,000	\$85,290	\$110,000	\$90,000	\$100,000	-11.1%
601-494-9400-44030	Repairs/Maint Imp Not Bldgs	\$7,900	\$9,505	\$10,000	\$4,828	\$10,000	\$11,000	\$12,000	-9.1%
601-494-9400-44300	Miscellaneous	\$3,225	\$2,076	\$4,000	\$6,940	\$4,000	\$4,000	\$4,000	0.0%
601-494-9400-44370	Conferences & Training	\$884	\$271	\$1,000	\$793	\$1,000	\$1,000	\$1,500	-50.0%
601-494-9400-46200	Fiscal Agent Fees	\$425	\$425	\$425	\$0	\$425	\$425	\$425	0.0%
	<b>Total Other Services and Charges</b>	<b>\$503,810</b>	<b>\$527,871</b>	<b>\$563,225</b>	<b>\$624,059</b>	<b>\$573,225</b>	<b>\$577,873</b>	<b>\$670,725</b>	<b>-16.1%</b>
	<b>Total Operating Expenses</b>	<b>\$699,746</b>	<b>\$647,964</b>	<b>\$703,570</b>	<b>\$744,573</b>	<b>\$698,725</b>	<b>\$701,873</b>	<b>\$891,225</b>	<b>-27.0%</b>
	<b>Operating Income (Loss)</b>	<b>(\$182,387)</b>	<b>(\$107,370)</b>	<b>(\$256,070)</b>	<b>(\$80,391)</b>	<b>(\$158,725)</b>	<b>(\$105,123)</b>	<b>(\$169,475)</b>	<b>-61.2%</b>
<b>Nonoperating Revenues</b>									
601-000-0000-36210	Interest on Investments	\$10,583	\$9,906	\$4,000	\$6,387	\$4,000	\$6,000	\$7,000	16.7%
601-000-0000-36231	Contrib. of Capital Assets	\$4,401	\$5,267	\$0	\$0	\$0	\$0	\$0	0.0%
601-000-0000-36232	Developer Contributions	\$183,000	\$0	\$0	\$0	\$0	\$75,017	\$73,002	-2.7%
601-000-0000-37150	Water Connections - Municipal	\$78,000	\$74,100	\$48,000	\$92,959	\$48,000	\$100,000	\$2,939,000	2839.0%
601-000-0000-37180	Tower Rent	\$45,226	\$48,555	\$36,000	\$46,001	\$36,000	\$45,000	\$45,000	0.0%
601-000-0000-39210	Transfer In	\$50,000	\$50,000	\$25,000	\$0	\$0	\$0	\$0	0.0%
	<b>Total Nonoperating Revenues</b>	<b>\$371,210</b>	<b>\$187,827</b>	<b>\$113,000</b>	<b>\$145,347</b>	<b>\$88,000</b>	<b>\$226,017</b>	<b>\$3,064,002</b>	<b>1255.7%</b>
<b>Nonoperating Expenses</b>									
601-494-9400-46110	Bond Interest	\$191,156	\$190,094	\$189,705	\$189,705	\$189,705	\$175,025	\$193,530	-10.6%
601-494-9400-46300	Deferred Charges Amort.	\$7,418	\$7,418	\$7,418	\$7,418	\$7,418	\$7,418	\$7,418	0.0%
	<b>Total Nonoperating Expenses</b>	<b>\$198,574</b>	<b>\$197,512</b>	<b>\$197,123</b>	<b>\$197,123</b>	<b>\$197,123</b>	<b>\$182,443</b>	<b>\$200,948</b>	<b>-10.1%</b>
	<b>Change in Net Assets</b>	<b>(\$9,751)</b>	<b>(\$117,054)</b>	<b>(\$340,193)</b>	<b>(\$132,167)</b>	<b>(\$267,848)</b>	<b>(\$61,549)</b>	<b>\$2,693,579</b>	<b>4476.3%</b>
<b>USE OF NET ASSETS TO BALANCE BUDGET</b>									
		<b>\$9,751</b>	<b>\$117,054</b>	<b>\$340,193</b>	<b>\$132,167</b>	<b>\$267,848</b>	<b>\$61,549</b>	<b>\$0</b>	<b>0.0%</b>
<b>Other Cash Inflow</b>									
N/A	Bond Issuance	\$0	\$0	\$2,290,000	\$0	\$2,290,000	\$1,005,000	\$1,000,000	0.0%
N/A	Grant Funds	\$0	\$0	\$0	\$0	\$0	\$500,000	\$500,000	0.0%
N/A	Surface Water Loan	\$23,928	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Other Cash Inflow</b>	<b>\$23,928</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$1,505,000</b>	<b>\$1,500,000</b>	<b>0.0%</b>
<b>Other Cash Outflow</b>									
601-494-9400-46010	Bond Principal	\$35,000	\$0	\$40,000	\$40,000	\$40,000	\$125,000	\$190,000	52.0%
N/A	Surface Water Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
N/A	Acquisition of Capital Assets	\$33,320	\$0	\$2,290,000	\$0	\$2,290,000	\$2,000,000	\$5,200,000	160.0%
	<b>Total Other Cash Outflow</b>	<b>\$68,320</b>	<b>\$0</b>	<b>\$2,330,000</b>	<b>\$40,000</b>	<b>\$2,330,000</b>	<b>\$2,125,000</b>	<b>\$5,390,000</b>	<b>153.6%</b>
	<b>Keats Ave</b>								
	<b>Well 4 &amp; Booster</b>								
<b>Net Assets</b>									
	<b>Net Assets, Beginning of Year</b>	<b>\$6,872,316</b>	<b>\$6,862,565</b>	<b>\$6,473,340</b>	<b>\$6,745,511</b>	<b>\$6,481,250</b>	<b>\$6,613,344</b>	<b>\$6,551,795</b>	<b>-0.9%</b>
	<b>Change in Net Assets</b>	<b>(\$9,751)</b>	<b>(\$117,054)</b>	<b>(\$340,193)</b>	<b>(\$132,167)</b>	<b>(\$267,848)</b>	<b>(\$61,549)</b>	<b>\$2,693,579</b>	<b>4476.3%</b>
	<b>Net Assets, Ending of Year</b>	<b>\$6,862,565</b>	<b>\$6,745,511</b>	<b>\$6,133,147</b>	<b>\$6,613,344</b>	<b>\$6,213,402</b>	<b>\$6,551,795</b>	<b>\$9,245,374</b>	<b>41.1%</b>
<b>Cash</b>									
	<b>Cash, Beginning of Year</b>	<b>\$533,346</b>	<b>\$565,407</b>	<b>\$415,647</b>	<b>\$766,273</b>	<b>\$793,206</b>	<b>\$924,580</b>	<b>\$585,449</b>	<b>-36.7%</b>
	<b>Change in Net Assets</b>	<b>(\$9,751)</b>	<b>(\$117,054)</b>	<b>(\$340,193)</b>	<b>(\$132,167)</b>	<b>(\$267,848)</b>	<b>(\$61,549)</b>	<b>\$2,693,579</b>	<b>4476.3%</b>
	<b>Deduct: Contrib. of Capital Assets</b>	<b>(\$187,401)</b>	<b>(\$5,267)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
	<b>Add Back: Depreciation Expense</b>	<b>\$324,818</b>	<b>\$324,191</b>	<b>\$340,000</b>	<b>\$323,056</b>	<b>\$340,000</b>	<b>\$335,000</b>	<b>\$375,000</b>	<b>11.9%</b>
	<b>Add Back: Deferred Charges Amort.</b>	<b>\$7,418</b>	<b>\$7,418</b>	<b>\$7,418</b>	<b>\$7,418</b>	<b>\$7,418</b>	<b>\$7,418</b>	<b>\$7,418</b>	<b>0.0%</b>
	<b>Add Back: Bond Discount Amort.</b>	<b>(\$711)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
	<b>Add: Other Cash Inflow</b>	<b>\$23,928</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$0</b>	<b>\$2,290,000</b>	<b>\$1,505,000</b>	<b>\$1,500,000</b>	<b>N/A</b>
	<b>Deduct: Other Cash Outflow</b>	<b>(\$68,320)</b>	<b>(\$8,421)</b>	<b>(\$2,330,000)</b>	<b>(\$40,000)</b>	<b>(\$2,330,000)</b>	<b>(\$2,125,000)</b>	<b>(\$5,390,000)</b>	<b>153.6%</b>
	<b>Other Cash Flow Items</b>	<b>(\$57,920)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
	<b>Cash, Ending of Year</b>	<b>\$565,407</b>	<b>\$766,273</b>	<b>\$382,872</b>	<b>\$924,580</b>	<b>\$832,776</b>	<b>\$585,449</b>	<b>(\$228,554)</b>	<b>-139.0%</b>

## **EXPENSES**

- Full-Time Salaries (41010) See Appendix 1 for the personnel compensation distribution.
- Water Meters & Supplies (42300) Acquisition of water meters for replacement of obsolete or non-serviceable meters.
- Engineering Services (43030) Expenditures for contracted engineering services related to water.
- Contract Services (43150) Historically included expenditures for financial consulting services and outsourced accounting services. Now that a Full time Finance Director is in place, only the Utility Billing contractor fees are reflected.
- Depreciation Expense (43320) Straight-line depreciation is calculated on the water system and related capital assets.
- Insurance (43610) Premiums for water infrastructure, buildings, vehicles, and equipment.
- Electric Utility (43810) Includes water related electric service.
- Water Utility (43820) Externally provided water service.
- Repairs & Maintenance (44030) Water related system and equipment repairs and maintenance.
- Bond Interest (46110) Interest payments/expense due on the 2005 and 2009A Refunding (2002) G.O. Water Revenue Bonds.

## **OTHER CASH OUTFLOW**

- Bond Principal (46010) Principal payments due on the 2005 and 2009A Refunding (2002) G.O. Water Revenue Bonds. Due to the full accrual method of accounting in the water fund, this amount will ultimately be classified against a bonds payable liability, and no principal expense will be recorded.
- Acquisition of Capital Assets for the water fund are explained in the CIP write up included in the Capital Improvement Plan section of this document.
- If excess funds are available in any of the Enterprise Funds, those funds are used to reduce the amount of bonding for infrastructure projects.

- In 2014, the water fund had excess funds available and some of those funds were used to finance the infrastructure costs. Thus, the cash change at the end of 2014 was a reduction but it was a result of using cash reserves rather than incurring additional debt.

Due to the full accrual method of accounting in the water fund, these amounts may ultimately be classified as capital assets, and no capital outlay expense would be recorded. Capital assets would be depreciated each year based on their estimated useful lives on a straight line basis.

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

## **SEWER (602)**

### **BUDGETARY OBJECTIVE**

The sewer fund is responsible for recording expenses related to the cost, maintenance, and replacement of the city sewer system while deriving revenue from user charges.

### **ACCOUNT HIGHLIGHTS**

#### **REVENUES**

- Sewer Sales (37200) City property owners are charged on a quarterly basis for sewer usage.
- Connection Fees Regional (37250) Sewer hook-up charges. Due to the timing of the Lake Elmo Avenue Sewer Project, it is anticipated that revenue will not significantly increase until 2015.

#### **EXPENSES**

- Full-Time Salaries (41010) See Appendix 1 for the personnel compensation distribution.
- Engineering Services (43030) Expenditures for contracted engineering services related to sewer.
- Contract Services (43150) Includes expenditures for financial consulting services and outsourced account-

## Sewer

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Operating Revenues</b>									
602-000-0000-36100	Special Assessments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
602-000-0000-37200	Sewer Sales	\$48,508	\$53,012	\$45,000	\$54,710	\$75,000	\$60,000	\$76,500	27.5%
	<b>Total Operating Revenues</b>	<b>\$48,508</b>	<b>\$53,012</b>	<b>\$45,000</b>	<b>\$54,710</b>	<b>\$75,000</b>	<b>\$60,000</b>	<b>\$76,500</b>	<b>27.5%</b>
<b>Operating Expenses</b>									
<b>Personnel Services</b>									
602-495-9450-41010	Full-time Salaries	\$15,774	\$16,222	\$16,246	\$16,999	\$16,246	\$16,246	\$20,308	-25.0%
602-495-9450-41210	PERA Contributions	\$1,103	\$1,106	\$1,178	\$1,233	\$1,178	\$1,178	\$1,472	25.0%
602-495-9450-41220	FICA Contributions	\$944	\$1,002	\$1,007	\$997	\$1,007	\$1,007	\$1,259	25.0%
602-495-9450-41230	Medicare Contributions	\$221	\$234	\$236	\$233	\$236	\$236	\$295	25.0%
602-495-9450-41300	Health/Dental Insurance	\$3,696	\$3,898	\$3,573	\$3,749	\$3,573	\$3,573	\$4,466	25.0%
602-495-9450-41420	Unemployment Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
602-495-9450-41510	Workers Compensation	\$1,258	\$1,073	\$1,163	\$360	\$1,163	\$1,163	\$1,454	25.0%
	<b>Total Personnel Services</b>	<b>\$22,995</b>	<b>\$23,534</b>	<b>\$23,403</b>	<b>\$23,571</b>	<b>\$23,403</b>	<b>\$23,403</b>	<b>\$29,254</b>	<b>25.0%</b>
<b>Supplies</b>									
602-495-9450-42270	Utility System Maint Supplies	\$210	\$0	\$1,000	\$21	\$1,000	\$1,000	\$1,000	0.0%
602-495-9450-42400	Small Tools & Minor Equipment	\$0	\$200	\$1,000	\$0	\$1,000	\$1,000	\$1,000	0.0%
	<b>Total Supplies</b>	<b>\$210</b>	<b>\$200</b>	<b>\$2,000</b>	<b>\$21</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>0.0%</b>
<b>Other Services and Charges</b>									
602-495-9450-43030	Engineering Services	\$7,488	\$14,974	\$32,000	\$12,514	\$32,000	\$15,000	\$20,000	-33.3%
602-495-9450-43150	Contract Services	\$4,334	\$5,430	\$12,000	\$682	\$12,000	\$2,000	\$5,000	150.0%
602-495-9450-43210	Telephone	\$1,255	\$1,259	\$1,500	\$1,510	\$1,500	\$1,500	\$1,500	0.0%
602-495-9450-43310	Mileage	\$0	\$0	\$100	\$0	\$100	\$100	\$100	0.0%
602-495-9450-43320	Depreciation Expense	\$8,740	\$8,740	\$9,200	\$8,740	\$9,200	\$9,200	\$84,200	815.3%
602-495-9450-43610	Insurance	\$0	\$1,331	\$2,000	\$1,371	\$2,000	\$2,000	\$2,000	0.0%
602-495-9450-43810	Electric Utility	\$1,353	\$1,343	\$1,500	\$1,208	\$1,500	\$1,500	\$1,500	0.0%
602-495-9450-43820	Sewer Utility - Met Council	\$15,125	\$16,477	\$16,500	\$14,863	\$16,500	\$15,000	\$16,500	-10.0%
602-495-9450-44030	Repairs\Maint Imp Not Bldgs	\$12	\$398	\$2,000	\$14	\$2,000	\$300	\$1,000	-233.3%
602-495-9450-44300	Miscellaneous Expenses	\$0	\$110	\$300	\$180	\$300	\$300	\$300	0.0%
602-495-9450-44370	Conferences & Training	\$0	\$0	\$500	\$0	\$500	\$500	\$500	0.0%
	<b>Total Other Services and Charges</b>	<b>\$38,307</b>	<b>\$50,062</b>	<b>\$77,600</b>	<b>\$41,081</b>	<b>\$77,600</b>	<b>\$47,400</b>	<b>\$132,600</b>	<b>-179.7%</b>
	<b>Total Operating Expenses</b>	<b>\$61,512</b>	<b>\$73,797</b>	<b>\$103,003</b>	<b>\$64,673</b>	<b>\$103,003</b>	<b>\$72,803</b>	<b>\$163,854</b>	<b>-125.1%</b>
	<b>Operating Income (Loss)</b>	<b>(\$13,004)</b>	<b>(\$20,784)</b>	<b>(\$58,003)</b>	<b>(\$9,963)</b>	<b>(\$28,003)</b>	<b>(\$12,803)</b>	<b>(\$87,354)</b>	<b>-582.3%</b>
<b>Nonoperating Revenues</b>									
602-000-0000-36210	Interest on Investments	\$631	\$417	\$100	\$339	\$100	\$100	\$100	0.0%
602-000-0000-37260	Connection Fees Municipal	\$2,400	\$1,785	\$0	\$10,475	\$2,500	\$2,200	\$2,939,000	133490.9%
	<b>Total Nonoperating Revenues</b>	<b>\$3,031</b>	<b>\$2,202</b>	<b>\$100</b>	<b>\$10,814</b>	<b>\$2,600</b>	<b>\$2,300</b>	<b>\$2,939,100</b>	<b>127687.0%</b>
<b>Nonoperating Expenses</b>									
602-495-9450-46110	Bond Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$68,446	0.0%
	<b>Total Nonoperating Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$68,446</b>	<b>0.0%</b>
	<b>Change in Net Assets</b>	<b>(\$9,973)</b>	<b>(\$18,582)</b>	<b>(\$57,903)</b>	<b>\$851</b>	<b>(\$25,403)</b>	<b>(\$10,503)</b>	<b>\$2,783,300</b>	<b>26600.5%</b>
	<b>USE OF NET ASSETS TO BALANCE BUDGET</b>	<b>\$9,973</b>	<b>\$18,582</b>	<b>\$57,903</b>	<b>\$0</b>	<b>\$25,403</b>	<b>\$10,503</b>	<b>\$0</b>	<b>-100.0%</b>
<b>Other Cash Inflow</b>									
N/A	Bond Issuance	\$0	\$0	\$0	\$0	\$0	\$3,010,000	\$0	-100.0%
N/A	Internal Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Other Cash Inflow</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,010,000</b>	<b>\$0</b>	<b>-100.0%</b>
<b>Other Cash Outflow</b>									
N/A	Bond Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$135,000	0.0%
N/A	Internal Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
N/A	Acquisition of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000	0.0%
	<b>Total Other Cash Outflow</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,135,000</b>	<b>\$0.00</b>
<b>Net Assets</b>									
	Net Assets, Beginning of Year	\$260,226	\$250,253	\$220,850	\$231,671	\$186,497	\$232,522	\$222,020	-4.5%
	Change in Net Assets	(\$9,973)	(\$18,582)	(\$57,903)	\$851	(\$25,403)	(\$10,503)	\$2,783,300	26600.5%
	<b>Net Assets, Ending of Year</b>	<b>\$250,253</b>	<b>\$231,671</b>	<b>\$162,947</b>	<b>\$232,522</b>	<b>\$161,094</b>	<b>\$222,020</b>	<b>\$3,005,320</b>	<b>1253.6%</b>
<b>Cash</b>									
	Cash, Beginning of Year	\$47,474	\$29,226	\$17,098	\$27,062	\$2,464	\$41,961	\$3,050,658	7170.3%
	Change in Net Assets	(\$9,973)	(\$18,582)	(\$57,903)	\$851	(\$25,403)	(\$10,503)	\$2,783,300	26600.5%
	Deduct: Contrib. of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Add Back: Depreciation Expense	\$8,740	\$8,740	\$9,200	\$8,740	\$9,200	\$9,200	\$84,200	815.2%
	Add Back: Deferred Charges Amort.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Add Back: Bond Discount Amort.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Add: Other Cash Inflow	\$0	\$0	\$0	\$0	\$0	\$3,010,000	\$0	0.0%
	Deduct: Other Cash Outflow	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,135,000)	0.0%
	Other Cash Flow Items	(\$17,015)	\$7,678	\$0	\$5,308	\$0	\$0	\$0	0.0%
	<b>Cash, Ending of Year</b>	<b>\$29,226</b>	<b>\$27,062</b>	<b>(\$31,605)</b>	<b>\$41,961</b>	<b>(\$13,739)</b>	<b>\$3,050,658</b>	<b>\$2,783,158</b>	<b>8.8%</b>

ing services, including accounts payable, payroll, and utility billing.

- Depreciation Expense (43320) Straight-line depreciation is calculated on the sewer system and related capital assets.
- Sewer Utility – Met Council (43820) Charges are based on sewer flow estimates made by the Metropolitan Waste Control Commission.
- Repairs & Maintenance (44030) Sewer related system and equipment repairs and maintenance.

**OTHER CASH OUTFLOW**

Acquisition of Sewer Fund specific Capital Assets per the Capital Improvement Plan include the following:

- None for 2014

Due to the full accrual method of accounting in the sewer fund, these amounts may ultimately be classified as capital assets, and no capital outlay expense would be recorded. Capital assets would be depreciated each year based on their estimated useful lives on a straight line basis.

For a detailed listing of the city’s five year projected capital uses, see the Capital Improvement Plan section of this document.

**SURFACE WATER (603)**

***BUDGETARY OBJECTIVE***

The surface water fund is responsible for recording expenses related to the cost, maintenance, and replacement of the city surface water system while deriving revenue from user charges.

***ACCOUNT HIGHLIGHTS***

**REVENUES**

- Surface Water Sales (37100) City property owners are charged on an annual basis for the surface water utility.

**EXPENSES**

- Full-Time Salaries (41010) See Appendix 1 for the personnel compensation distribution.
- Comprehensive Planning (43020) Expenditures for contracted surface water planning as part of a comprehensive plan update, and as required by the Valley Branch watershed.
- Engineering Services (43030) Expenditures for contracted engineering services related to surface water.
- Contract Services (43150) Includes expenditures for financial consulting services and outsourced accounting services, including accounts payable, payroll, and utility billing.
- Depreciation Expense (43320) Straight-line depreciation is calculated on the water system and related capital assets.
- Street Sweeping (44010) Expenditures for contracted street sweeping services related to surface water.

**OTHER CASH OUTFLOW**

Acquisition of Surface Water specific Capital Assets per the Capital Improvement Plan include the following:

- Village Stormwater Project..... \$50,000
- Annual storm water improvements ..... \$25,000  
*(drainage, ditching, culverts & ponds)*
- Rain garden improvements ..... \$60,000

Due to the full accrual method of accounting in the surface water fund, these amounts may ultimately be classified as capital assets, and no capital outlay expense would be recorded. Capital assets would be depreciated each year based on their estimated useful lives on a straight line basis.

For a detailed listing of the city’s five year projected capital uses, see the Capital Improvement Plan section of this document.

## Surface Water

Account Number	Description	2010 Actual	2011 Actual	2012 Budget	2012 Actual	2013 Budget	2013 Projected Actual	2014 Budget	2013 to 2014 Change
<b>Operating Revenues</b>									
603-000-0000-36200	Miscellaneous Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
603-000-0000-37100	Surface Water Utility Sales	\$185,425	\$238,637	\$150,000	\$171,229	\$185,000	\$205,000	\$215,000	4.9%
	<b>Total Operating Revenues</b>	<b>\$185,425</b>	<b>\$238,637</b>	<b>\$150,000</b>	<b>\$171,229</b>	<b>\$185,000</b>	<b>\$205,000</b>	<b>\$215,000</b>	<b>4.9%</b>
<b>Operating Expenses</b>									
<b>Personnel Services</b>									
603-496-9500-41010	Full-time Salaries	\$28,523	\$29,657	\$29,299	\$25,036	\$29,299	\$29,299	\$32,229	-10.7%
603-496-9500-41210	PERA Contributions	\$2,002	\$1,890	\$2,124	\$1,815	\$2,124	\$2,124	\$2,336	-10.7%
603-496-9500-41220	FICA Contributions	\$1,729	\$1,983	\$1,817	\$1,456	\$1,817	\$1,817	\$1,999	-10.7%
603-496-9500-41230	Medicare Contributions	\$405	\$464	\$425	\$341	\$425	\$425	\$468	-10.7%
603-496-9500-41300	Health/Dental Insurance	\$5,638	\$5,756	\$5,370	\$5,367	\$5,370	\$5,370	\$5,907	-10.7%
603-496-9500-41420	Unemployment Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
603-496-9500-41510	Workers' Compensation	\$1,558	\$1,384	\$1,497	\$650	\$1,497	\$1,497	\$1,647	-10.7%
	<b>Total Personnel Services</b>	<b>\$39,854</b>	<b>\$41,133</b>	<b>\$40,532</b>	<b>\$34,665</b>	<b>\$40,532</b>	<b>\$40,532</b>	<b>\$44,585</b>	<b>-10.7%</b>
<b>Supplies</b>									
603-496-9500-42000	Office Supplies	\$460	\$0	\$500	\$472	\$200	\$200	\$200	0.0%
603-496-9500-42270	Utility System Maint Supplies	\$0	\$491	\$500	\$266	\$500	\$500	\$500	0.0%
603-496-9500-42400	Small Tools & Minor Equipment	\$1,477	\$400	\$1,000	\$0	\$1,000	\$1,000	\$1,000	0.0%
	<b>Total Supplies</b>	<b>\$1,937</b>	<b>\$891</b>	<b>\$2,000</b>	<b>\$738</b>	<b>\$1,700</b>	<b>\$1,700</b>	<b>\$1,700</b>	<b>0.0%</b>
<b>Other Services and Charges</b>									
603-496-9500-43020	Comprehensive Planning	\$0	\$0	\$3,000	\$0	\$3,000	\$3,000	\$3,000	0.0%
603-496-9500-43030	Engineering Services	\$31,182	\$22,392	\$30,000	\$17,312	\$30,000	\$30,000	\$30,000	0.0%
603-496-9500-43150	Contract Services	\$17,495	\$21,721	\$18,000	\$7,342	\$18,000	\$5,000	\$5,000	0.0%
603-496-9500-43180	Software Support	\$0	\$1,500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	0.0%
603-496-9500-43220	Postage	\$1,320	\$0	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	0.0%
603-496-9500-43320	Depreciation Expense	\$15,188	\$15,187	\$18,000	\$15,187	\$18,000	\$16,000	\$17,000	-6.3%
603-496-9500-44010	Street Sweeping	\$8,688	\$10,069	\$11,000	\$9,281	\$11,000	\$10,000	\$11,000	-10.0%
603-496-9500-44030	Repairs/Maint Not Bldg	\$1,027	\$0	\$1,500	\$775	\$1,500	\$1,500	\$1,500	0.0%
603-496-9500-44300	Miscellaneous Expenses	\$400	\$690	\$400	\$690	\$400	\$400	\$400	0.0%
603-496-9500-44370	Conferences & Training	\$2,070	\$3,096	\$1,800	\$2,217	\$1,800	\$1,800	\$1,800	0.0%
603-496-9500-45300	Improvements Other Than Bldgs	\$32,222	\$25,837	\$35,000	\$14,519	\$35,000	\$25,000	\$30,000	-20.0%
	<b>Total Other Services and Charges</b>	<b>\$109,592</b>	<b>\$100,491</b>	<b>\$121,200</b>	<b>\$69,824</b>	<b>\$121,200</b>	<b>\$95,200</b>	<b>\$102,200</b>	<b>-7.4%</b>
	<b>Operating Expenses</b>	<b>\$151,383</b>	<b>\$142,516</b>	<b>\$163,732</b>	<b>\$105,227</b>	<b>\$163,432</b>	<b>\$137,432</b>	<b>\$148,485</b>	<b>-8.0%</b>
	<b>Operating Income (Loss)</b>	<b>\$34,042</b>	<b>\$96,122</b>	<b>(\$13,732)</b>	<b>\$66,002</b>	<b>\$21,568</b>	<b>\$67,568</b>	<b>\$66,515</b>	<b>1.6%</b>
<b>Nonoperating Revenues</b>									
603-000-0000-36205	Refunds and Reimbursements	\$32,721	\$0	\$17,500	\$0	\$17,500	\$0	\$17,500	0.0%
603-000-0000-36210	Interest on Investment	(\$84)	\$467	\$0	\$638	\$0	\$0	\$0	0.0%
603-000-0000-36231	Contrib. of Capital Assets	\$3,546	\$4,370	\$0	\$0	\$0	\$0	\$0	0.0%
603-000-0000-36232	Developer Contributions	\$155,000	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Nonoperating Revenues</b>	<b>\$191,183</b>	<b>\$4,837</b>	<b>\$17,500</b>	<b>\$638</b>	<b>\$17,500</b>	<b>\$0</b>	<b>\$17,500</b>	<b>0.0%</b>
	<b>Change in Net Assets</b>	<b>\$225,225</b>	<b>\$100,959</b>	<b>\$3,768</b>	<b>\$66,640</b>	<b>\$39,068</b>	<b>\$67,568</b>	<b>\$84,015</b>	<b>24.3%</b>
	<b>USE OF NET ASSETS TO BALANCE BUDGET</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Other Cash Inflow</b>									
N/A	Bond Issuance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
N/A	Surface Water Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Other Cash Inflow</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Other Cash Outflow</b>									
N/A	Bond Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
N/A	Tablyn Park/LEH Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
N/A	Surface Water Loan	\$23,928	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
N/A	Acquisition of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	<b>Total Other Cash Outflow</b>	<b>\$23,928</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Assets</b>									
	Net Assets, Beginning of Year	\$568,760	\$793,985	\$568,668	\$894,944	\$799,387	\$961,584	\$1,029,152	7.0%
	Change in Net Assets	\$225,225	\$100,959	\$3,768	\$66,640	\$39,068	\$67,568	\$84,015	24.3%
	<b>Net Assets, Ending of Year</b>	<b>\$793,985</b>	<b>\$894,944</b>	<b>\$572,436</b>	<b>\$961,584</b>	<b>\$838,455</b>	<b>\$1,029,152</b>	<b>\$1,113,167</b>	<b>8.2%</b>
<b>Cash</b>									
	Cash, Beginning of Year	(\$80,154)	(\$56,266)	(\$112,246)	\$45,968	\$95,079	\$119,453	\$203,021	70.0%
	Change in Net Assets	\$225,225	\$100,959	\$3,768	\$66,640	\$39,068	\$67,568	\$84,015	24.3%
	Deduct: Contrib. of Capital Assets	(\$158,546)	(\$4,370)	\$0	\$0	\$0	\$0	\$0	0.0%
	Add Back: Depreciation Expense	\$15,188	\$15,187	\$18,000	\$15,187	\$18,000	\$16,000	\$17,000	6.3%
	Add Back: Deferred Charges Amort.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Add Back: Bond Discount Amort.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Add: Other Cash Inflow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Deduct: Other Cash Outflow	(\$23,928)	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
	Other Cash Flow Items	(\$34,051)	(\$9,543)	\$0	(\$8,342)	\$0	\$0	\$0	0.0%
	<b>Cash, Ending of Year</b>	<b>(\$56,266)</b>	<b>\$45,968</b>	<b>(\$90,478)</b>	<b>\$119,453</b>	<b>\$152,147</b>	<b>\$203,021</b>	<b>\$304,036</b>	<b>49.8%</b>

# 7

## INTERNAL SERVICE FUNDS SUMMARY

Internal service funds (a type of proprietary fund) are used to report an activity that provides goods or services to other funds, departments, or agencies of the primary government on a cost reimbursement basis. The city presently has three internal service funds:

1. Radio Replacement
2. Information Technology (IT) Replacement
3. Furniture, Fixtures, and Equipment (FFE) Replacement

Although no longer used, the remaining balances in these accounts need to be accounted for as they are spent down. No further transfers will be made to these funds.

### **BASIS OF ACCOUNTING & BUDGETING**

Internal service funds are accounted for on the economic resources measurement focus, where the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net assets.

All assets and all liabilities (whether current or non-current) associated with an internal service fund's activity are included on the balance sheet. Transactions that improve or diminish the economic position of the fund are reported as revenues or expenses. Depreciation, using the straight-line method, is charged against all exhaustible capital assets as an expense against operations.

Internal service funds are accounted for using the accrual basis of accounting, which recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

The basis of budgeting is consistent with accounting principles generally accepted in the United States of America.

### **RADIO REPLACEMENT (701)**

#### **BUDGETARY OBJECTIVE**

Initial 800 MHz radios were purchased by the city as part of a larger federal grant received by Washington County. The radio replacement fund is responsible for ensuring funds are available for future radio upgrades and replacement while deriving revenue or receiving transfers from the general fund.

#### **ACCOUNT HIGHLIGHTS**

##### REVENUES AND TRANSFERS IN

- Transfer In (39200) No further transfers will be made from the general fund

##### EXPENSES

- Depreciation Expense (43320) Straight-line depreciation is calculated on the radio replacement equipment.

##### OTHER CASH OUTFLOW

- Acquisition of Capital Assets Radio replacement capital assets including the following:
- None budgeted for 2014

Due to the full accrual method of accounting in the radio replacement fund, these amounts may ultimately be classified as capital assets, and no capital outlay expense would be recorded. Capital assets would be depreciated each year based on their estimated useful lives on a straight line basis.

For a detailed listing of the city's five year projected capital uses, see the Capital Improvement Plan section of this document.

### **INFORMATION TECHNOLOGY REPLACEMENT (702)**

#### **BUDGETARY OBJECTIVE**

The information technology (IT) replacement fund accounts for purchases and replacement of computer equipment, printers, photocopiers, telecommunication devices,

and related items while deriving revenue or receiving transfers from the general fund.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES AND TRANSFERS IN

- Transfer In (39200) No further transfers will be made from the general fund.

#### EXPENSES

- Depreciation Expense (43320) Straight-line depreciation is calculated on the IT equipment.

#### OTHER CASH OUTFLOW

This account will be spent down in 2013 due to the required computer upgrades to allow the City to upgrade to Microsoft.

Due to the full accrual method of accounting in the IT fund, these amounts may ultimately be classified as capital assets, and no capital outlay expense would be recorded. Capital assets would be depreciated each year based on their estimated useful lives on a straight line basis.

## **FURNITURE, FIXTURES, AND EQUIPMENT REPLACEMENT (703)**

### **BUDGETARY OBJECTIVE**

The furniture, fixtures, and equipment (FFE) replacement fund accounts for purchases and replacement of non-vehicles FFE equipment and related items while deriving revenue or receiving transfers from the general fund.

### **ACCOUNT HIGHLIGHTS**

#### REVENUES AND TRANSFERS IN

- Transfer In (39200) No further transfers will be made from the general fund.

#### EXPENSES

- Depreciation Expense (43320) Straight-line depreciation is calculated on the IT equipment.

#### OTHER CASH OUTFLOW

- Acquisition of Capital Assets – No acquisitions are anticipated for 2013.

Due to the full accrual method of accounting in the FFE fund, these amounts may ultimately be classified as capital assets, and no capital outlay expense would be recorded. Capital assets would be depreciated each year based on their estimated useful lives on a straight line basis.

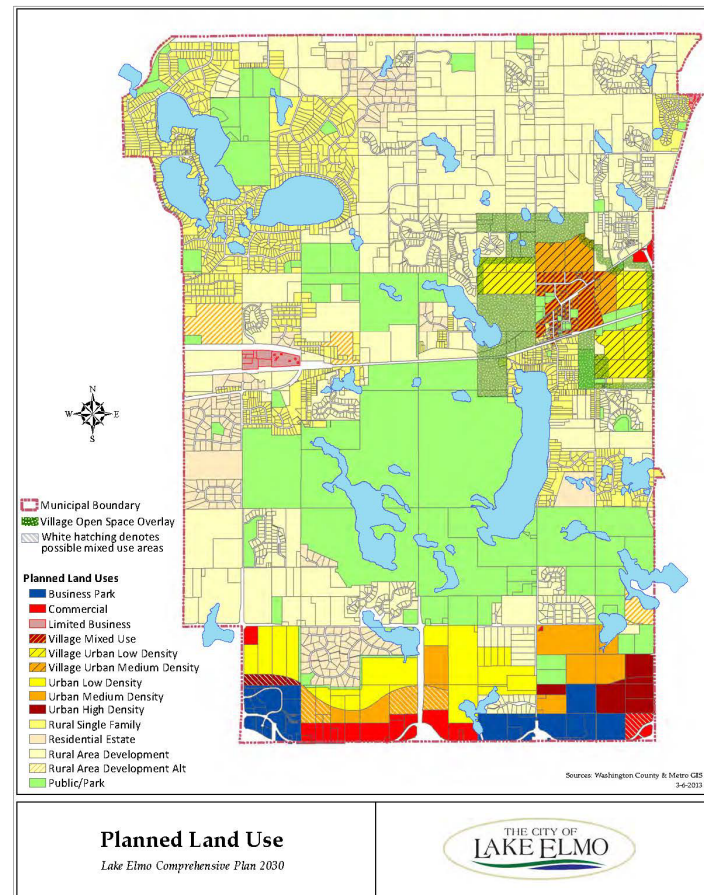
# 8

## GROWTH & DEVELOPMENT

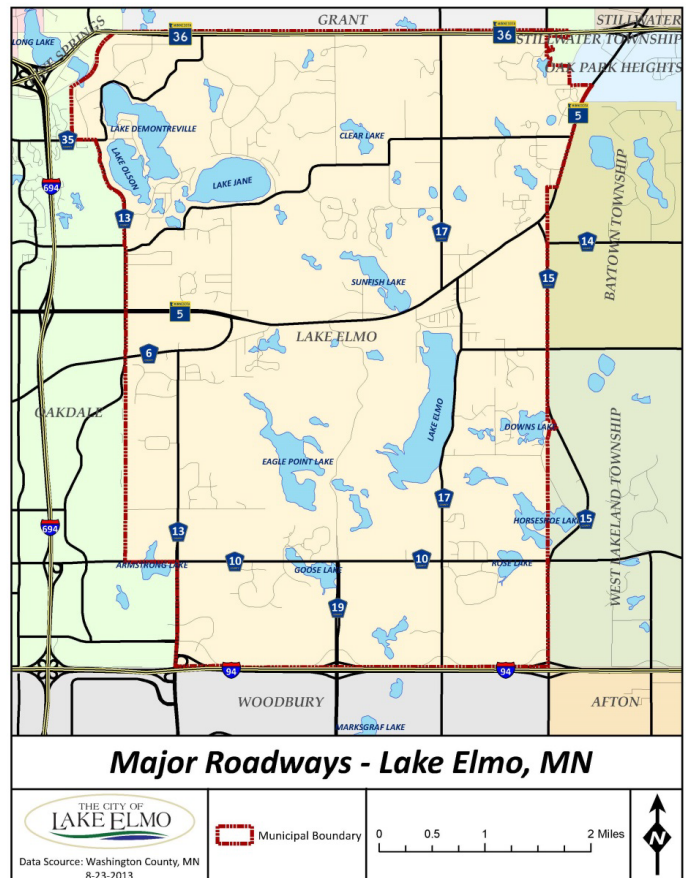
As part of the current growth initiative the Lake Elmo City Council has adopted the following growth philosophy:

- 100% Developer Paid Infrastructure Improvements
- Area Wide Assessments / 429 Projects;
- Irrevocable Letter of Credit with a total project cost face value / debt service draws;
- Comprehensive Escrow Agreements for 100% Cost Recovery;
- Thorough Credit Rating & Analysis of Developers;
- Strict Adherence to Comprehensive Plan / “No Poaching Strategy”

### PLANNED LAND USE



### MAJOR ROADWAYS





For comparison purposes, the following chart outlines the most recent City developments:

Developer	Home Type/Avg Home	Total Construction Value
Whistling Valley	\$700k	\$33,600,000
Tapestry	\$475k	\$33,250,000
Sanctuary	\$425k	\$26,775,000
Discover Crossing	\$475k	\$13,300,000
Farms of Lake Elmo	\$375k	\$12,375,000
Hidden Meadows	\$375k	\$9,750,000
Park Meadows	\$450k	\$4,050,000

The following chart summarizes the current new City developments projected (OP) with more detail attached showing the incremental revenue impact of this growth.

Developer	Home Type/Avg Home	Total Construction Value
Chase (r)	\$420,000	\$115,080,000
Lennar Corporation (r)	\$350,000	\$111,650,000
Hammes Estates (r)	\$350,000	\$60,550,000
Engstrom (r)	\$325,000	\$52,000,000
Amaris (r)	\$325,000	\$39,325,000
Developer (r-rp)	\$350,000	\$19,600,000
Commercial Developer (c)	TBD	\$25,000,000
Developer (r-g)	\$400,000	\$24,000,000
Total	\$423,605,000	
Annual (7 year absorption)	\$60,515,000	
(r) = residential, (c) = commercial		

Below is a chart showing the on-going analysis related specifically to the current growth initiative. As shown, the growth will strengthen the General Fund and Enterprise Fund Reserve to ensure the City's ability to make all necessary debt service payments.

City of Lake Elmo  
 New Development As We Know It...10-23-2013  
 Updates from 10/8/13 workshop

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Lennar	0	50	50	50	50	50	50	17	0	0	0	0	317
I-94	0	25	25	25	25	25	25	23	0	0	0	0	173
I-94 (new)	0	15	30	30	36	36	36	0	36	36	36	36	360
Ryland / Pratt	0	5	20	20	18	0	0	0	0	0	0	0	93
Village	0	7	30	30	20	20	20	3	0	0	0	0	108
Village	0	11	420,000	30	30	30	30	30	30	30	30	27	304
Village	0	24	23	23	23	23	23	12	0	0	0	0	138
Village	0	24	48	48	48	48	48	48	48	26	0	0	386
<b>Total</b>	<b>0</b>	<b>137</b>	<b>262</b>	<b>262</b>	<b>250</b>	<b>232</b>	<b>232</b>	<b>169</b>	<b>114</b>	<b>92</b>	<b>66</b>	<b>63</b>	<b>1,879</b>
		137	399	661	911	1,143	1,375	1,544	1,658	1,750	1,816	1,879	
Cumulative													
Taxable Base	47,790,000	88,575,000	92,475,000	92,475,000	88,575,000	82,725,000	82,725,000	60,950,000	42,000,000	34,300,000	25,200,000	23,940,000	
Cumulative	140,265,000	321,315,000	232,740,000	232,740,000	404,040,000	404,040,000	486,765,000	547,715,000	589,715,000	624,015,000	649,215,000	673,155,000	
City Tax (.27%)		64,517	378,716	628,398	867,651	1,090,908	1,314,266	1,592,231	1,478,831	1,684,841	1,752,881	1,752,881	
WAC (50% at plat)	1,145,000	1,332,500	1,332,500	1,332,500	375,000	348,000	348,000	253,500	171,000	138,000	99,000	94,500	
SAC (50% at plat)	1,145,000	1,332,500	1,332,500	1,332,500	375,000	348,000	348,000	253,500	171,000	138,000	99,000	94,500	
Bldg Permit Revenue (4.1k)	567,454	1,085,204	1,085,204	1,085,204	1,035,500	960,944	960,944	699,998	472,188	381,064	273,372	260,946	
Plan Review Revenue (\$2.8k)	383,600	733,600	733,600	733,600	700,000	649,600	649,600	473,200	319,200	257,600	184,800	176,400	
Water Connection (\$1k)	137,000	262,000	262,000	262,000	250,000	232,000	232,000	169,000	114,000	92,000	66,000	63,000	
Sewer Connection (\$1k)	137,000	262,000	262,000	262,000	250,000	232,000	232,000	169,000	114,000	92,000	66,000	63,000	
Less Met Council SAC (\$2.435)	(333,595)	(637,970)	(637,970)	(637,970)	(608,750)	(564,920)	(564,920)	(411,515)	(277,590)	(224,020)	(160,710)	(153,405)	
	3,181,459	4,369,834	4,369,834	4,369,834	2,376,750	2,205,624	2,205,624	1,606,683	1,083,798	874,644	627,462	598,941	
<b>INCREMENTAL REVENUE</b>													
Gen'l Fund Rev	951,054	1,818,804	1,818,804	1,818,804	1,735,500	1,610,544	1,610,544	1,173,198	791,388	638,664	458,172	437,346	
Water Fund Rev	1,282,000	1,594,500	1,594,500	1,594,500	625,000	580,000	580,000	422,500	285,000	230,000	165,000	157,500	
Sewer Fund Rev	948,405	956,530	956,530	956,530	16,250	15,080	15,080	10,985	7,410	5,980	4,290	4,095	
	3,181,459	4,369,834	4,369,834	4,369,834	2,376,750	2,205,624	2,205,624	1,606,683	1,083,798	874,644	627,462	598,941	
<b>New Vig</b>	<b>828</b>												

1 New  
 2 Increase of 30 rec units

This schedule reflects the timing of new non development projects and the resulting revenue. The sewer connections for the recently approved sewer expansion project in the Old Village as well as the baseline open space development (OP activity) has continued to expand even during the recent economic downturn. As mentioned previously, all projects requiring debt funding will cash flow.

City of Lake Elmo  
 Baseline OP and OV activity  
 Updated from 10/28/13 workshop

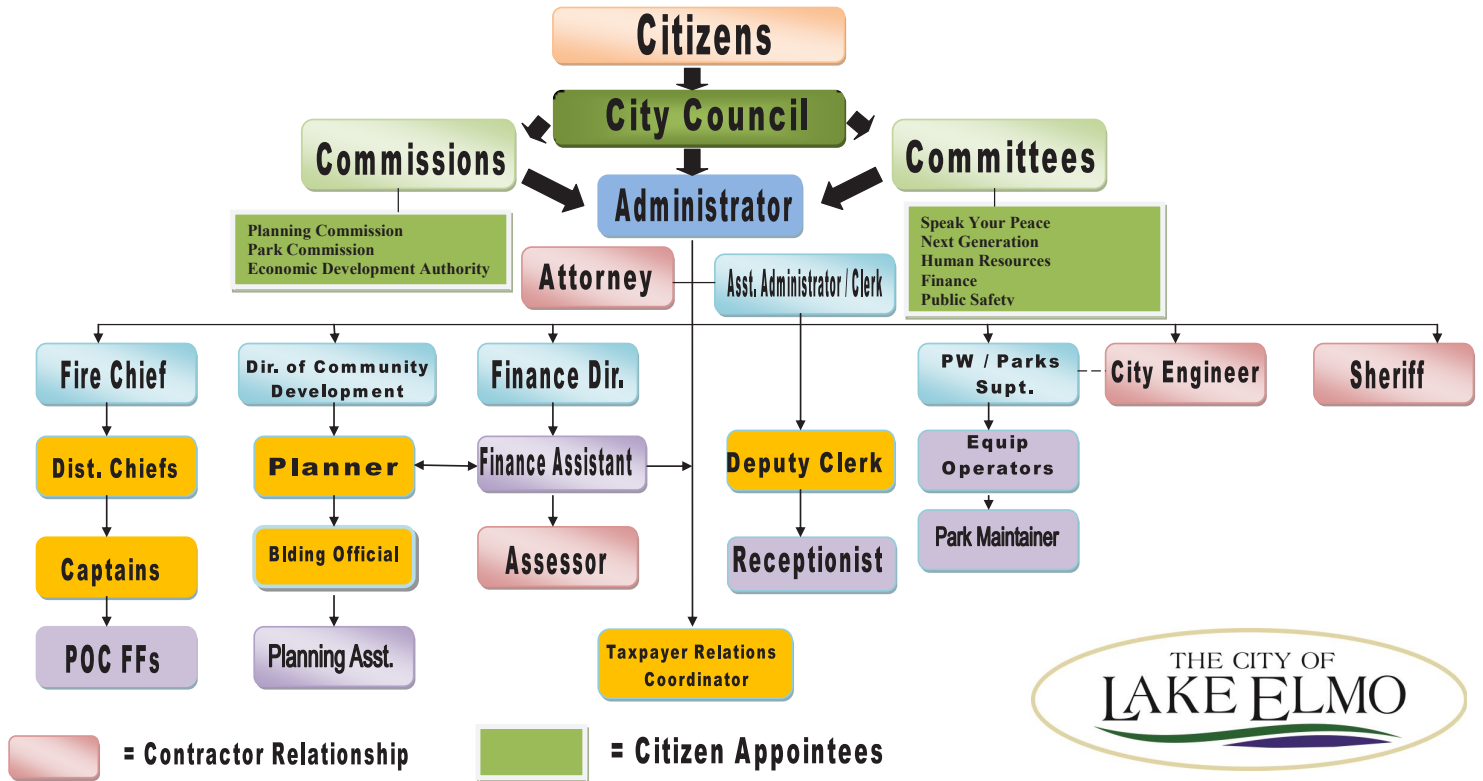
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
OP-Sewer	400	(5 Year Build Out - start 2014)											400
OP-Annual	25	(7 Years Build Out start 2013)											300
	425												700
Avg Home Value	0	50	75	100	100	75	0	0	0	0	0	0	0
	400,000	25	25	25	25	25	25	25	25	25	25	25	300
Cumulative	25	75	100	125	125	100	25	25	25	25	25	25	25
Taxable Base	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Cumulative	20,000,000	20,000,000	20,000,000	30,000,000	30,000,000	40,000,000	50,000,000	60,000,000	70,000,000	80,000,000	90,000,000	100,000,000	100,000,000
City Tax (.27%)	13,500	54,000	54,000	54,000	54,000	81,000	108,000	135,000	162,000	189,000	216,000	243,000	243,000
WAC	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500
SAC	225,000	300,000	300,000	375,000	375,000	300,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Bldg Permit Revenue (4.1k)	103,550	103,550	103,550	103,550	103,550	103,550	103,550	103,550	103,550	103,550	103,550	103,550	103,550
Plan Review Revenue (\$2.8k)	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Water Connection (\$1k)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Sewer Connection (\$1k)	75,000	100,000	100,000	125,000	125,000	100,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Less Met Council SAC (\$2.435)	(182,625)	(243,500)	(243,500)	(304,375)	(304,375)	(243,500)	(60,875)	(60,875)	(60,875)	(60,875)	(60,875)	(60,875)	(60,875)
	353,425	392,550	392,550	431,675	431,675	392,550	275,175	275,175	275,175	275,175	275,175	275,175	275,175
INCREMENTAL REVENUE													
Gen'l Fund Rev	173,550	173,550	173,550	173,550	173,550	173,550	173,550	173,550	173,550	173,550	173,550	173,550	173,550
Water Fund Rev	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500
Sewer Fund Rev	117,375	156,500	156,500	195,625	195,625	156,500	39,125	39,125	39,125	39,125	39,125	39,125	39,125
	353,425	392,550	392,550	431,675	431,675	392,550	275,175	275,175	275,175	275,175	275,175	275,175	275,175

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## APPENDIX

### PERSONNEL

**CITY OF LAKE ELMO ORGANIZATIONAL CHART (2014 PROPOSED)**



**CITY OF LAKE ELMO**  
**2014 PERSONNEL COMPENSATION DISTRIBUTION**

Updated 11/12/2013

Position	FTE	1320	1450	1520	1910	2220	2400	3100	5200	601	602	603	Total
City Administrator	1.00	20%	0%	0%	20%	5%	5%	5%	10%	5%	5%	5%	100% Zulieger
City Clerk/Asst City Administrator	1.00	100%											100% Bell
Deputy Clerk	1.00	100%											100% Beckie
Program Assistant/Receptionist	1.00	100%											100% Bodsberg
Project Assistant-Communication	1.00	35%	35%						30%				100% MacLeod
Finance Director	1.00			80%						10%		10%	100% Bendel
Director of Community Development	1.00				75%		25%						100% Klatt
Planner	1.00				100%								100% Johnson
Planning Program Support Assistant	1.00				75%		25%						100% Ziertman
Fire Chief	1.00					100%							100% Malmquist
Firefighter/Administrative Assistant/Water	1.00					50%							100% M Cornell
Building Official/Code Enforcement	1.00						100%						100% Chase
Accounting Clerk	1.00									50%		15%	100% D Cornell
Public Works Superintendent	1.00			25%							10%		100% Bouthilet, M.
Public Works Operator #1	1.00							50%	30%	10%	5%	5%	100% Gustafson
Public Works Operator #2	1.00							60%	15%	10%	5%	5%	100% Duddeck
Public Works Operator #3	1.00							70%	15%	5%	5%	5%	100% Colemer
Public Works Operator #4	1.00							70%	15%	5%	5%	5%	100% Sachs
Parks Maintainer	1.00							20%	5%	45%	25%	5%	100% NickMay
Public Works Seasonal	0.50							20%	60%	10%	10%		100% Wier
Parks Seasonal #1	0.75							15%	85%				100% Leaty
Parks Seasonal #2	0.50							15%	85%				100% Witzmann
<b>Total FTE's</b>	<b>20.75</b>	<b>3.55</b>	<b>0.35</b>	<b>1.25</b>	<b>2.70</b>	<b>1.55</b>	<b>1.55</b>	<b>3.40</b>	<b>4.35</b>	<b>2.00</b>	<b>0.70</b>	<b>0.60</b>	<b>22</b>

NOTE: Mayor & Council, Election Judges, and Volunteer Firefighters not included

## GLOSSARY OF TERMS

**ACCOUNTING SYSTEM:** The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

**ACCRUAL BASIS OF ACCOUNTING:** Method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

**AD VALOREM TAX:** A tax based on value, such as the property tax.

**AGENCY FUNDS:** One of four types of fiduciary funds. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

**APPROPRIATION:** A legal authorization granted by a legislative body to make expenditures and incur obligations, limited by the amount and time in which it may be expended.

**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.

**BASIS OF ACCOUNTING:** Timing of recognition for financial reporting purposes (i.e., when the effects of transactions or events should be recognized in financial statements).

**BUDGET:** A financial operating plan showing proposed expenditures for a given period and the proposed means of financing them (also known as the Operating Budget).

**BUDGET DOCUMENT:** The official written statement prepared by the administration which presents the proposed budget to the legislative body.

**BUSINESS-TYPE ACTIVITIES:** One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities are usually reported in enterprise funds.

**CAPITAL ASSETS:** Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

**CAPITAL IMPROVEMENT PROGRAM:** A plan of proposed capital expenditures and the means of financing them. The capital budget is enacted as part of the complete annual budget.

**CAPITAL PROJECTS FUNDS:** Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those to be financed by proprietary funds and trust funds).

**CHARGES FOR SERVICES:** Charges for current services rendered.

**CURRENT FINANCIAL RESOURCES MEASUREMENT FOCUS:** Measurement focus where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The current financial resources measurement focus is unique to accounting and financial reporting for state and local governments and is used solely for reporting the financial position and results of operations of governmental funds.

**DEBT SERVICE:** Payment of interest and repayment of principal to holders of a government's debt instruments.

## GLOSSARY OF TERMS

**DEBT SERVICE FUNDS:** Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**DEPRECIATION:** The portion of the cost of a capital asset charged as an expense during a particular period, prorated over the estimated useful life of the asset.

**ECONOMIC RESOURCES MEASUREMENT FOCUS:** Measurement focus where the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net assets. The economic resources measurement focus is used for proprietary and trust funds, as well as for government-wide financial reporting. It is also used by business enterprises and non-profit organizations in the private sector.

**ENTERPRISE FUNDS:** Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

**EXPENDITURES:** Under the current financial resources measurement focus, decreases in net financial resources not properly classified as other financing uses.

**FIDUCIARY FUNDS:** Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**FINES:** Revenues from penalties imposed for violation of laws or regulations.

**FISCAL DISPARITIES:** A Minnesota law which provides for the pooling of 40 percent of all new commercial and industrial property valuation in the seven county metropolitan area which is then redistributed to taxing jurisdictions according to specific criteria.

**FUND:** Fiscal and accounting entity with a self-balancing

set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and charges therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**FUND BALANCE:** Difference between assets and liabilities reported in a governmental fund.

**FUND FINANCIAL STATEMENTS:** Basic financial statements presented on the basis of funds, in contrast to government-wide financial statements.

**FUND TYPE:** One of eleven classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**GENERAL FUND:** One of five governmental fund types. The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

**GENERAL OBLIGATION BONDS:** When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (G.O.) bonds.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP):** Conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements.

**GENERALLY ACCEPTED AUDITING STANDARDS (GAAS):** Rules and procedures that govern the conduct of a financial audit.

## GLOSSARY OF TERMS

**GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB):** Ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the NCGA.

**GOVERNMENTAL ACTIVITIES:** Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues. These activities are usually reported in governmental funds and internal service funds.

**GOVERNMENTAL ENTITY:** For accounting and financial reporting purposes, an entity subject to the hierarchy of GAAP applicable to state and local governmental units.

**GOVERNMENTAL FUNDS:** Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS:** Financial statements that incorporate all of a government's governmental and business-type activities, as well as its nonfiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities.

**GRANT:** A contribution of assets by one governmental unit or other organization to another. Grants are usually made for specified purposes.

**INFRASTRUCTURE:** Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

**INTERFUND TRANSFERS:** Flows of assets (such as cash or goods) between funds and blended component units of the primary government for a price approximating their external exchange value.

**INTERGOVERNMENTAL REVENUES:** Revenues from other governments in the form of grants, entitlements, or shared revenues.

**INTERNAL SERVICE FUNDS:** Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

**LICENSES:** Revenues received from the sale of business and non-business licenses.

**LOCAL GOVERNMENT AID (LGA):** Intergovernmental revenue from the state to municipalities to help fund general expenditures.

**MEASUREMENT FOCUS:** Types of balances (and related changes) reported in a given set of financial statements (i.e., economic resources, current financial resources, assets and liabilities resulting from cash transactions).

**MODIFIED ACCRUAL BASIS OF ACCOUNTING:** Basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways 1) revenues are not recognized until they are measurable and available, and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

**NET ASSETS:** The equity associated with general government assets and liabilities.

**OTHER FINANCING SOURCES:** Increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of the other financing sources category is limited to items so classified by GAAP (including general long-term debt proceeds, proceeds from the sale of capital assets, and operating transfers in).



## GLOSSARY OF TERMS

**OTHER FINANCING USES:** Decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the other financing uses category is limited to items so classified by GAAP (including operating transfers out).

**PROPRIETARY FUNDS:** Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

**RESERVED FUND BALANCE:** Portion of a governmental fund's net assets that is not available for appropriation.

**RESTRICTED NET ASSETS:** Component of net assets calculated by reducing the carrying value of restricted assets by amounts repayable from those assets, excluding capital-related debt.

**REVENUES:** Under the current financial resources measurement focus, increases in net financial resources not properly classified as other financing sources.

**SPECIAL ASSESSMENT:** 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 FUNDS:** Governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

**TAX LEVY:** The total amount to be raised by general property taxes for the purpose stated in the resolution certified to the county auditor.

**UNRESTRICTED NET ASSETS:** That portion of net assets that is neither restricted nor invested in capital assets (net of related debt).

*\* Source for some definitions: Governmental Accounting, Auditing, and Financial Reporting, Government Finance Officers Association, 2005.*