

**BUDGET 2011
WATER FUND**

Net Assets Summary

| Fund | | | | |
|-----------------------------------|------------------------|------------------------|------------------------|------------------------|
| 601 Water Fund | | | | |
| DESCRIPTION | ACTUAL 2008 | ACTUAL 2009 | BUDGET 2010 | BUDGET 2011 |
| Net Assets January 1 | 9,589,937 | 9,394,272 | 9,160,192 | 9,165,635 |
| Revenues | 2,182,436 | 2,433,472 | 2,610,990 | 2,655,787 |
| Total Available | 11,772,373 | 11,827,744 | 11,771,182 | 11,821,422 |
| Expenses | 2,378,101 | 2,667,552 | 2,605,547 | 2,782,704 |
| Net Income | (195,665) | (234,080) | 5,443 | (126,917) |
| Net Assets December 31 | 9,394,272 | 9,160,192 | 9,165,635 | 9,038,718 |
| CIP Figure for 4 Years Out | | | | 3,248,000 |
| | 7/20/10 | | | |

08/13/10
 CITY OF FRIDLEY
 601RSUM

BUDGET 2011
 WATER FUND
 REVENUE SUMMARY

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------|---------------------------|----------------|----------------|----------------|---------------|
| <u>WATER FUND</u> | | | | | |
| 601-0000-345.04-31 | PUBLIC WORKS MAINT | 0 | 0 | 0 | 0 |
| 601-0000-341.06-11 | ADMINISTRATIVE CHARGES | 7,578 | 0 | 0 | 0 |
| 601-0000-341.14-11 | NSF CHARGES | 35 | 0 | 0 | 0 |
| 601-0000-362.10-70 | INTEREST EARNINGS | 68,074 | 20,676 | 39,000 | 60,000 |
| 601-0000-362.11-70 | UNREALIZED GAIN/LOSS | 3,706 | 6,604 | 0 | 0 |
| 601-0000-362.51-60 | SALE OF MISC PROPERTY | 0 | 0 | 0 | 0 |
| 601-0000-362.52-80 | FIXED ASSET-GAIN/LOSS | 0 | 0 | 0 | 0 |
| 601-0000-362.61-60 | MISCELLANEOUS REVENUE | 601 | 620 | 1,300 | 1,300 |
| 601-0000-371.10-00 | WATER SALES | 1,912,568 | 2,202,781 | 2,389,240 | 2,388,037 |
| 601-0000-371.20-00 | WATER FLAT RATE SALES | 9,618 | 15,262 | 10,200 | 10,200 |
| 601-0000-371.50-00 | CONNECT/RECONNECT FEES | 3,600 | 5,561 | 5,000 | 5,000 |
| 601-0000-371.60-00 | PENALTIES/FORFEIT DISCONT | 113,233 | 136,719 | 107,000 | 132,000 |
| 601-0000-371.70-00 | METER SALES | 28,633 | 23,084 | 23,000 | 23,000 |
| 601-0000-371.80-00 | WATER TAPPING & MISC. | 24,430 | 22,945 | 24,000 | 24,000 |
| 601-0000-371.90-00 | ONE-TIME ACCT. SETUP FEE | 10,360 | 12,425 | 12,250 | 12,250 |
| * WATER FUND | | 2,182,436 | 2,433,469 | 2,610,990 | 2,655,787 |

08/13/10
 CITY OF FRIDLEY
 601ESUM

BUDGET 2011
 WATER FUND
 EXPENDITURE SUMMARY

| ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|---------------------------------|----------------|----------------|----------------|---------------|
| <u>UTIL ADMINISTRATION/CIP</u> | | | | |
| * PERSONAL SERVICES | 312,373 | 351,098 | 349,571 | 370,862 |
| * SUPPLIES | 268 | 3,293 | 350 | 350 |
| * OTHER SERVICES & CHARGES | 799,717 | 1,009,376 | 920,288 | 1,016,326 |
| * CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| ** UTIL ADMINISTRATION/CIP | 1,112,358 | 1,363,767 | 1,270,209 | 1,387,538 |
| <u>UTILITY OPERATIONS</u> | | | | |
| * PERSONAL SERVICES | 433,280 | 435,173 | 425,288 | 439,180 |
| * SUPPLIES | 203,842 | 193,437 | 181,050 | 205,800 |
| * OTHER SERVICES & CHARGES | 440,703 | 452,039 | 473,208 | 483,324 |
| * CAPITAL OUTLAY | 0 | 1 | 0 | 0 |
| ** UTILITY OPERATIONS | 1,077,825 | 1,080,650 | 1,079,546 | 1,128,304 |
| <u>DEBT SERVICE-1996A BONDS</u> | | | | |
| * DEBT SERVICE | 694 | 694 | 0 | 0 |
| ** DEBT SERVICE-1996A BONDS | 694 | 694 | 0 | 0 |
| <u>DEBT SERVICE-1998A BONDS</u> | | | | |
| * DEBT SERVICE | 19,294 | 13,798 | 9,178 | 3,120 |
| ** DEBT SERVICE-1998A BONDS | 19,294 | 13,798 | 9,178 | 3,120 |
| <u>DEBT SERVICE-BONDS</u> | | | | |
| * DEBT SERVICE | 62,755 | 61,505 | 59,885 | 59,885 |
| * DEBT SERVICE | 16,897 | 13,126 | 11,694 | 11,694 |
| * DEBT SERVICE | 88,282 | 134,012 | 175,035 | 125,379 |
| * DEBT SERVICE | 0 | 0 | 0 | 66,784 |
| ** DEBT SERVICE-BONDS | 167,934 | 208,643 | 246,614 | 263,742 |
| | 2,378,105 | 2,667,552 | 2,605,547 | 2,782,704 |

BUDGET 2011
City of Fridley
GOALS and OBJECTIVES

| Fund 601 Water | Department | | Division | |
|--|-------------------------|-------|-----------------------|------------------|
| OBJECTIVES/ACTIVITIES | PERFORMANCE MEASURES | UNITS | COSTS/ EXPLANATION | BUDGET IMPACT |
| <u>OBJECTIVE #1</u> <u>ACTIVITIES</u> 1a . | | | | |

**WATER FUND - SUMMARY
EXPENDITURE SUMMARY**

| | 2010 Budget | 2011 Budget | Change | |
|---------------------------|--------------|--------------|------------|-------|
| | | | Amount | % |
| Administration/CIP | \$ 1,270,209 | \$ 1,387,538 | \$ 117,329 | 9.24% |
| Operations | 1,079,546 | 1,128,304 | 48,758 | 4.52% |
| Debt Service | 255,792 | 266,862 | 11,070 | 4.33% |
| Total | \$ 2,605,547 | \$ 2,782,704 | \$ 177,157 | 6.80% |

WATER - ADMINISTRATION/CIP EXPENDITURE SUMMARY

| | 2010 Budget | 2011 Budget | Change | |
|-------------------------------|--------------|--------------|------------|--------|
| | | | Amount | % |
| Personal Services | \$ 349,571 | \$ 370,862 | \$ 21,291 | 6.09% |
| Supplies | 350 | 350 | 0 | 0% |
| Other Services/Charges | 920,288 | 1,016,326 | 96,038 | 10.44% |
| Capital Outlay | 0 | 0 | 0 | 0% |
| Other Financing Uses | 0 | 0 | 0 | 0% |
| Total | \$ 1,270,209 | \$ 1,387,538 | \$ 117,329 | 9.24% |

Personal Services

1. 4101 Full-Time Employees - The \$549 increase reflects the cost of merit step increases for two full-time employees.
2. 4131 Health Insurance - The additional \$15,888 reflects one additional dependent care plan.

Supplies

Other Services/Charges

1. 4339 IS Fund Charge - while we have temporarily suspended these charges for the General fund, they continue for enterprise fund departments. In this case, the charge has been reduced by \$800.

Capital Outlay

1. Capital Outlay items are depreciated in enterprise funds. The Water Division has plans to replace a 4x4 pickup truck at an estimated cost of \$25,000.

08/13/10
 CITY OF FRIDLEY
 601ELINE

BUDGET 2011
 WATER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------------------|---------------------------|----------------|----------------|----------------|---------------|
| WATER FUND | | | | | |
| <u>UTIL ADMINISTRATION/CIP</u> | | | | | |
| 601-6000-415.41-01 | FULL TIME EMPLOYEE - REG | 72,116 | 76,112 | 89,069 | 89,618 |
| 601-6000-415.41-07 | ADMINISTRATIVE CHARGES | 203,300 | 229,400 | 233,600 | 238,300 |
| 601-6000-415.41-12 | EMPLOYEE LEAVE | 12,303 | 11,604 | 0 | 0 |
| 601-6000-415.41-13 | SEVERANCE & SEPARATION | 0 | 0 | 0 | 0 |
| 601-6000-415.41-20 | MEDICARE CONTRIBUTION | 1,159 | 1,147 | 1,242 | 1,179 |
| 601-6000-415.41-21 | PERA CONTRIBUTION | 5,494 | 5,931 | 6,235 | 6,496 |
| 601-6000-415.41-22 | FICA CONTRIBUTIONS | 4,954 | 4,907 | 5,235 | 4,827 |
| 601-6000-415.41-31 | HEALTH INSURANCE | 12,101 | 20,869 | 13,240 | 29,128 |
| 601-6000-415.41-32 | DENTAL INSURANCE | 266 | 457 | 265 | 600 |
| 601-6000-415.41-33 | LIFE INSURANCE | 104 | 103 | 103 | 107 |
| 601-6000-415.41-34 | CASH BENEFITS | 0 | 1 | 0 | 0 |
| 601-6000-415.41-50 | WORKERS COMPENSATION | 576 | 567 | 582 | 607 |
| * PERSONAL SERVICES | | 312,373 | 351,098 | 349,571 | 370,862 |
| 601-6000-415.42-20 | OFFICE SUPPLIES | 210 | 222 | 200 | 200 |
| 601-6000-415.42-21 | OPERATING SUPPLIES | 0 | 2,979 | 100 | 100 |
| 601-6000-415.42-22 | SUPPLIES FOR REPAIR/MAINT | 58 | 92 | 50 | 50 |
| * SUPPLIES | | 268 | 3,293 | 350 | 350 |
| 601-6000-415.43-30 | PROFESSIONAL SERVICES | 39,933 | 19,482 | 11,085 | 11,200 |
| 601-6000-415.43-31 | DUES & SUBSCRIPTIONS | 0 | 0 | 0 | 0 |
| 601-6000-415.43-32 | COMMUNICATION | 20,812 | 15,954 | 21,410 | 20,960 |
| 601-6000-415.43-33 | TRANSPORTATION | 0 | 0 | 0 | 0 |
| 601-6000-415.43-34 | ADVERTISING | 0 | 65 | 0 | 0 |
| 601-6000-415.43-35 | PRINTING & BINDING | 22,818 | 25,665 | 25,060 | 25,070 |
| 601-6000-415.43-36 | INSURANCE-NON PERSONNEL | 18,394 | 19,245 | 19,800 | 20,100 |
| 601-6000-415.43-37 | CONFERENCES & SCHOOLS | 0 | 0 | 0 | 0 |
| 601-6000-415.43-39 | IS FUND CHARGE | 6,836 | 2,161 | 3,100 | 2,300 |
| 601-6000-415.43-40 | SERVICE CONTRACT-NON PROF | 4,337 | 10,473 | 50 | 50 |
| 601-6000-415.43-42 | DEPRECIATION | 622,707 | 627,317 | 674,783 | 771,646 |
| 601-6000-415.43-45 | LOSS ON ASSET RETIREMENT | 10,129 | 244,423 | 0 | 0 |
| 601-6000-415.43-48 | COST OF GOODS SOLD | 53,751 | 44,591 | 165,000 | 165,000 |
| * OTHER SERVICES & CHARGES | | 799,717 | 1,009,376 | 920,288 | 1,016,326 |
| 601-6000-415.45-30 | IMP OTHER THAN BUILDING | 0 | 0 | 0 | 0 |
| * CAPITAL OUTLAY | | 0 | 0 | 0 | 0 |
| ** UTIL ADMINISTRATION/CIP | | 1,112,358 | 1,363,767 | 1,270,209 | 1,387,538 |

WATER - OPERATIONS EXPENDITURE SUMMARY

| | 2010 Budget | 2011 Budget | Change | |
|-------------------------------|---------------------|---------------------|------------------|--------------|
| | | | Amount | % |
| Personal Services | \$ 425,288 | \$ 439,180 | \$ 13,892 | 3.27% |
| Supplies | 181,050 | 205,800 | 24,750 | 13.67% |
| Other Services/Charges | 473,208 | 483,324 | 10,116 | 2.14% |
| Capital Outlay | 0 | 0 | 0 | 0% |
| Other Financing Uses | 0 | 0 | 0 | 0% |
| Total | \$ 1,079,546 | \$ 1,128,304 | \$ 48,758 | 4.52% |

Personal Services

1. 4102 Full-Time Employee-Overtime - The \$2,086 decrease reflects efforts to balance call-outs between Water and Sewer employees.
2. 4112 Employee Leave - The additional \$9,752 is for "Other Post Employment Benefits." New accounting standards for enterprise funds require that we identify potential health insurance costs associated with having retirees on our City health insurance plan. Although the City does not pay for retiree health insurance, they do have an impact on the cost of health insurance for active employees.

Supplies

1. 4222 Repair and Maintenance Supplies - The additional \$26,150 reflects a \$30,700 increase for chemicals. We are also projecting a \$7,500 increase for asphalt due to our increasing number of water main breaks.

Other Services/Charges

1. 4334 Advertising - The additional \$300 allows us to bid for two separate water main projects in 2011.
2. 4335 Printing and Binding - \$8,000 was removed from the department's request for publishing and mailing the annual water quality report.
3. 4337 Conferences and Schools - The \$2,400 appropriation reflects our estimate for schooling/training required by employees for maintenance of various water operations licenses.
4. 4338 Utility Services - The \$318,170 represents a best guess at this point. It assumes a 3% increase over projected 2010 budget.
5. 4340 Services Contracted, Non-Professional - This line item includes \$10,000 to hire divers to do reservoir/tank inspections for our two elevated storage tanks and our stand pipe at Marion Hills.
6. 4341 Rentals - The additional \$1,975 has been budgeted for renting a screener to screen organics (branches and leaves) from sand used for fill in water main breaks.
7. 4350 Payments to Other Agencies - The \$1,170 payment is our Anoka County solid waste fee assigned to all commercial and governmental agencies to offset the County's cost for its hazardous waste site.

Capital Outlay

08/13/10
 CITY OF FRIDLEY
 601ELINE

BUDGET 2011
 WATER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|---------------------------|---------------------------|----------------|----------------|----------------|---------------|
| <u>UTILITY OPERATIONS</u> | | | | | |
| 601-7000-415.41-01 | FULL TIME EMPLOYEE - REG | 232,440 | 237,343 | 283,449 | 283,112 |
| 601-7000-415.41-02 | FULL TIME EMPLOYEE - OT | 30,251 | 29,872 | 25,091 | 23,005 |
| 601-7000-415.41-07 | ADMINISTRATIVE CHARGES | 24,340 | 25,100 | 25,600 | 26,100 |
| 601-7000-415.41-12 | EMPLOYEE LEAVE | 55,775 | 51,534 | 0 | 9,752 |
| 601-7000-415.41-20 | MEDICARE CONTRIBUTION | 4,539 | 4,607 | 4,558 | 4,518 |
| 601-7000-415.41-21 | PERA CONTRIBUTION | 19,562 | 21,150 | 21,598 | 22,194 |
| 601-7000-415.41-22 | FICA CONTRIBUTIONS | 19,407 | 19,699 | 19,488 | 19,321 |
| 601-7000-415.41-31 | HEALTH INSURANCE | 18,143 | 17,621 | 19,374 | 21,191 |
| 601-7000-415.41-32 | DENTAL INSURANCE | 532 | 530 | 530 | 600 |
| 601-7000-415.41-33 | LIFE INSURANCE | 259 | 257 | 257 | 268 |
| 601-7000-415.41-34 | CASH BENEFITS | 13,676 | 13,671 | 14,964 | 14,964 |
| 601-7000-415.41-50 | WORKERS COMPENSATION | 11,538 | 10,615 | 10,379 | 10,855 |
| 601-7000-415.41-70 | WORK ORDER TRANSFER-LABOR | 2,818 | 3,174 | 0 | 3,300 |
| ----- | | ----- | | ----- | |
| * | PERSONAL SERVICES | 433,280 | 435,173 | 425,288 | 439,180 |
| 601-7000-415.42-12 | FUELS & LUBES | 13,648 | 9,450 | 15,000 | 13,000 |
| 601-7000-415.42-17 | CLOTHING/LAUNDRY ALLOW | 4,126 | 3,874 | 3,100 | 3,100 |
| 601-7000-415.42-20 | OFFICE SUPPLIES | 4 | 8 | 0 | 100 |
| 601-7000-415.42-21 | OPERATING SUPPLIES | 6,490 | 795 | 3,300 | 3,500 |
| 601-7000-415.42-22 | SUPPLIES FOR REPAIR/MAINT | 175,616 | 173,825 | 154,750 | 180,900 |
| 601-7000-415.42-25 | SMALL TOOLS & MINOR EQUIP | 557 | 1,063 | 1,900 | 1,200 |
| 601-7000-415.42-29 | WORK ORDER TRANSFER-PARTS | 3,401 | 4,422 | 3,000 | 4,000 |
| ----- | | ----- | | ----- | |
| * | SUPPLIES | 203,842 | 193,437 | 181,050 | 205,800 |
| 601-7000-415.43-30 | PROFESSIONAL SERVICES | 1,358 | 1,194 | 1,625 | 1,750 |
| 601-7000-415.43-31 | DUES & SUBSCRIPTIONS | 21,437 | 24,536 | 23,230 | 23,830 |
| 601-7000-415.43-32 | COMMUNICATION | 8,775 | 12,741 | 8,328 | 8,354 |
| 601-7000-415.43-33 | TRANSPORTATION | 164 | 0 | 400 | 400 |
| 601-7000-415.43-34 | ADVERTISING | 139 | 292 | 350 | 650 |
| 601-7000-415.43-35 | PRINTING & BINDING | 209 | 3,324 | 550 | 0 |
| 601-7000-415.43-37 | CONFERENCES & SCHOOLS | 2,378 | 1,888 | 2,000 | 2,400 |
| 601-7000-415.43-38 | UTILITY SERVICES | 292,299 | 283,546 | 309,500 | 318,170 |
| 601-7000-415.43-39 | IS FUND CHARGE | 0 | 4,157 | 0 | 0 |
| 601-7000-415.43-40 | SERVICE CONTRACT-NON PROF | 111,175 | 113,504 | 120,500 | 118,900 |
| 601-7000-415.43-41 | RENTALS | 1,678 | 5,766 | 5,725 | 7,700 |
| 601-7000-415.43-50 | PMTS TO OTHER AGENCIES | 1,091 | 1,091 | 1,000 | 1,170 |
| ----- | | ----- | | ----- | |
| * | OTHER SERVICES & CHARGES | 440,703 | 452,039 | 473,208 | 483,324 |
| 601-7000-415.45-40 | MACHINERY | 0 | 1 | 0 | 0 |
| ----- | | ----- | | ----- | |
| * | CAPITAL OUTLAY | 0 | 1 | 0 | 0 |
| ----- | | ----- | | ----- | |
| ** | UTILITY OPERATIONS | 1,077,825 | 1,080,650 | 1,079,546 | 1,128,304 |

**WATER - DEBT SERVICE
EXPENDITURE SUMMARY**

| | 2010 Budget | 2011 Budget | Change | |
|--------------------|-------------|-------------|-----------|----------|
| | | | Amount | % |
| 1998A Bonds | 9,178 | 3,120 | (6,058) | (66.01%) |
| 2004A Bonds | 59,885 | 59,885 | 0 | 0% |
| 2004C Bonds | 11,694 | 11,694 | 0 | 0% |
| 2008B Bonds | 131,635 | 125,379 | (6,256) | (4.75%) |
| 2010A Bonds | 43,400 | 66,784 | 23,384 | 53.88% |
| Total | \$ 255,792 | \$ 266,862 | \$ 11,070 | 4.33% |

08/13/10
 CITY OF FRIDLEY
 601E LINE

BUDGET 2011
 WATER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------------|--------------------------|----------------|----------------|----------------|---------------|
| DEBT SERVICE-1996A BONDS | | | | | |
| 601-8600-475.46-05 | PRINCIPAL PAYMENT | 0 | 0 | 0 | 0 |
| 601-8600-475.46-10 | INTEREST PAYMENT | 694 | 694 | 0 | 0 |
| * | DEBT SERVICE | 694 | 694 | 0 | 0 |
| ** | DEBT SERVICE-1996A BONDS | 694 | 694 | 0 | 0 |
| DEBT SERVICE-1998A BONDS | | | | | |
| 601-8800-475.46-05 | PRINCIPAL PAYMENT | 0 | 0 | 0 | 0 |
| 601-8800-475.46-10 | INTEREST PAYMENT | 18,863 | 13,367 | 9,178 | 3,120 |
| 601-8800-475.46-20 | FISCAL AGENT FEES | 431 | 431 | 0 | 0 |
| * | DEBT SERVICE | 19,294 | 13,798 | 9,178 | 3,120 |
| ** | DEBT SERVICE-1998A BONDS | 19,294 | 13,798 | 9,178 | 3,120 |
| DEBT SERVICE-2004A BONDS | | | | | |
| 601-8900-475.46-05 | PRINCIPAL PAYMENT | 0 | 0 | 0 | 0 |
| 601-8900-475.46-10 | INTEREST PAYMENT | 62,352 | 61,102 | 59,885 | 59,885 |
| 601-8900-475.46-20 | FISCAL AGENT FEES | 403 | 403 | 0 | 0 |
| * | DEBT SERVICE | 62,755 | 61,505 | 59,885 | 59,885 |
| ** | DEBT SERVICE-2004A BONDS | 62,755 | 61,505 | 59,885 | 59,885 |
| DEBT SERVICE-2004C BONDS | | | | | |
| 601-8901-475.46-05 | PRINCIPAL PAYMENT | 0 | 0 | 0 | 0 |
| 601-8901-475.46-10 | INTEREST PAYMENT | 16,494 | 12,723 | 11,694 | 11,694 |
| 601-8901-475.46-20 | FISCAL AGENT FEES | 403 | 403 | 0 | 0 |
| * | DEBT SERVICE | 16,897 | 13,126 | 11,694 | 11,694 |
| ** | DEBT SERVICE-2004C BONDS | 16,897 | 13,126 | 11,694 | 11,694 |
| DEBT SERVICE-2008B BONDS | | | | | |
| 601-8902-475.46-05 | PRINCIPAL PAYMENT | 0 | 0 | 0 | 0 |
| 601-8902-475.46-10 | INTEREST PAYMENT | 51,078 | 133,562 | 175,035 | 125,379 |
| 601-8902-475.46-20 | FISCAL AGENT FEES | 0 | 450 | 0 | 0 |
| 601-8902-475.46-25 | BOND ISSUANCE COSTS | 37,204 | 0 | 0 | 0 |
| * | DEBT SERVICE | 88,282 | 134,012 | 175,035 | 125,379 |
| ** | DEBT SERVICE-2008B BONDS | 88,282 | 134,012 | 175,035 | 125,379 |
| DEBT SERVICE-2010A BONDS | | | | | |
| 601-8903-475.46-10 | INTEREST PAYMENT | 0 | 0 | 0 | 66,784 |
| * | DEBT SERVICE | 0 | 0 | 0 | 66,784 |
| ** | DEBT SERVICE-2010A BONDS | 0 | 0 | 0 | 66,784 |
| *** | WATER FUND | 2,378,105 | 2,667,552 | 2,605,547 | 2,782,704 |

**CITY OF FRIDLEY
WATER FUND PROJECTIONS
INCOME / EXPENSE PROJECTIONS
7/20/2010**

| | Actual 2009 | Budgeted 2010 | Projected 2010 | Budgeted 2011 | Projected 2012 | Projected 2013 | Projected 2014 | Projected 2015 |
|--|------------------|------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| Residential | | | | | | | | |
| Rate (Quarterly 0-20,000) | 1.08 | 1.13 | 1.13 | 1.19 | 1.22 | 1.26 | 1.30 | 1.34 |
| Rate (Quarterly 20,001-40,000) | 1.19 | 1.25 | 1.25 | 1.31 | 1.35 | 1.39 | 1.43 | 1.48 |
| Rate (Quarterly 40,001-60,000) | 1.30 | 1.37 | 1.37 | 1.44 | 1.48 | 1.53 | 1.57 | 1.62 |
| Rate (Quarterly 60,001-unlimited) | 1.41 | 1.48 | 1.48 | 1.55 | 1.60 | 1.65 | 1.70 | 1.75 |
| Rate Change Projections (%) | | 5.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Gallons Sold (thousands) | | | | | | | | |
| Actual Consumption (Quarterly 0-20,000) | 219,532 | 589,101 | 219,532 | 219,532 | 219,532 | 219,532 | 219,532 | 219,532 |
| Actual Consumption (Quarterly 20,001-40,000) | 282,504 | 179,442 | 282,504 | 282,504 | 282,504 | 282,504 | 282,504 | 282,504 |
| Actual Consumption (Quarterly 40,001-60,000) | 91,532 | 47,786 | 91,532 | 91,532 | 91,532 | 91,532 | 91,532 | 91,532 |
| Actual Consumption (Quarterly 60,001-unlimited) | 283,860 | 217,641 | 283,860 | 283,860 | 283,860 | 283,860 | 283,860 | 283,860 |
| Total Consumption | 877,428 | 1,033,970 | 877,428 | 877,428 | 877,428 | 877,428 | 877,428 | 877,428 |
| Commercial | | | | | | | | |
| Rate (Quarterly 0-40,000) | 1.30 | 1.37 | 1.37 | 1.44 | 1.48 | 1.53 | 1.57 | 1.62 |
| Rate (Quarterly 40,001-250,000) | 1.46 | 1.53 | 1.53 | 1.61 | 1.65 | 1.70 | 1.76 | 1.81 |
| Rate (Quarterly 250,001-500,000) | 1.62 | 1.70 | 1.70 | 1.79 | 1.84 | 1.89 | 1.95 | 2.01 |
| Rate (Quarterly 500,001-1,000,000) | 1.78 | 1.87 | 1.87 | 1.96 | 2.02 | 2.08 | 2.15 | 2.21 |
| Rate (Quarterly 1,000,001-unlimited) | 1.94 | 2.04 | 2.04 | 2.14 | 2.21 | 2.27 | 2.34 | 2.41 |
| Rate Change Projections (%) | | 5.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Gallons Sold (thousands) | | | | | | | | |
| Actual Consumption (Quarterly 0-40,000) | 14,036 | 57,779 | 14,036 | 14,036 | 14,036 | 14,036 | 14,036 | 14,036 |
| Actual Consumption (Quarterly 40,001-250,000) | 96,056 | 112,517 | 96,056 | 96,056 | 96,056 | 96,056 | 96,056 | 96,056 |
| Actual Consumption (Quarterly 250,001-500,000) | 72,108 | 54,857 | 72,108 | 72,108 | 72,108 | 72,108 | 72,108 | 72,108 |
| Actual Consumption (Quarterly 500,001-1,000,000) | 49,932 | 63,817 | 49,932 | 49,932 | 49,932 | 49,932 | 49,932 | 49,932 |
| Actual Consumption (Quarterly 1,000,001-unlimited) | 199,616 | 151,111 | 199,616 | 199,616 | 199,616 | 199,616 | 199,616 | 199,616 |
| Total Consumption | 431,748 | 440,081 | 431,748 | 431,748 | 431,748 | 431,748 | 431,748 | 431,748 |
| Operating Revenues | | | | | | | | |
| Water Sales (volume based sales) | 1,881,453 | 2,051,000 | 1,938,091 | 2,032,885 | 2,093,872 | 2,156,688 | 2,221,388 | 2,288,030 |
| Fixed Revenue (8,456 * 10.00 per Customer * 4 quarters) | 321,328 | 338,240 | 338,240 | 355,152 | 365,807 | 376,781 | 388,084 | 399,727 |
| Flat Rate Sales | 15,262 | 10,200 | 15,262 | 10,200 | 10,200 | 10,200 | 10,200 | 10,200 |
| Other Revenue | 201,354 | 172,550 | 201,354 | 197,550 | 197,550 | 197,550 | 197,550 | 197,550 |
| Total Operating Revenues | 2,419,397 | 2,571,990 | 2,492,947 | 2,595,787 | 2,667,428 | 2,741,218 | 2,817,223 | 2,895,507 |
| Estimated Expenditure Change (%) | | | | | 3.0% | 3.0% | 3.0% | 3.0% |
| Operating Expenses | | | | | | | | |
| Personal Services | 786,271 | 774,859 | 774,859 | 810,042 | 834,343 | 859,374 | 885,155 | 911,709 |
| Supplies | 196,729 | 181,400 | 181,400 | 206,150 | 212,335 | 218,705 | 225,286 | 232,024 |
| Other Services and Charges | 834,794 | 718,713 | 725,597 | 728,004 | 621,094 | 639,727 | 658,919 | 678,686 |
| Actual Depreciation (Base Year) 601-6000-415-4342 | 627,317 | 629,591 | 622,707 | 674,783 | 696,541 | 658,558 | 622,698 | 576,858 |
| Change in Depreciation (Since Base Year) | - | 45,192 | 37,042 | 96,883 | 137,106 | 183,103 | 243,762 | 256,887 |
| Total Operating Expenses | 2,445,111 | 2,349,755 | 2,341,805 | 2,515,842 | 2,501,419 | 2,557,466 | 2,835,799 | 2,856,165 |
| Operating Income | (25,714) | 222,235 | 151,342 | 79,945 | 166,009 | 183,752 | 181,424 | 239,342 |
| Non-Operating Revenues/Expenses | | | | | | | | |
| Interest Income | 20,676 | 39,000 | 45,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Administrative Charges | - | - | - | - | - | - | - | - |
| Intergovernmental Revenues | - | - | - | - | - | - | - | - |
| Debt Service (interest only) | (222,441) | (255,791) | (212,392) | (266,862) | (248,719) | (302,982) | (291,321) | (419,395) |
| Gain/(Loss) on Disposition of Fixed Assets | (6,604) | - | - | - | - | - | - | - |
| Operating Transfer In/(Out) | - | - | - | - | - | - | - | - |
| Total Non-Operating Revenues/Expenses | (208,369) | (216,791) | (167,392) | (206,862) | (188,719) | (242,982) | (231,321) | (359,395) |
| Net Income | (234,083) | 5,444 | (16,050) | (126,917) | (22,710) | (69,229) | (49,899) | (120,053) |
| Cash and Cash Equivalents January 1 | | | | | | | | |
| | - | 2,768,294 | 2,768,294 | 3,126,993 | 2,458,192 | 3,627,987 | 2,977,681 | 4,152,583 |
| Cash Flows From Operating Activities: | | | | | | | | |
| Operating Income (Loss) | | 222,235 | 151,342 | 79,945 | 166,009 | 183,752 | 181,424 | 239,342 |
| Depreciation | | 674,783 | 659,749 | 771,646 | 833,647 | 839,661 | 866,460 | 833,745 |
| Net cash flows from operating activities | | 897,018 | 811,091 | 851,591 | 999,656 | 1,023,413 | 1,047,883 | 1,073,087 |
| Cash flows from capital and related investing activities: | | | | | | | | |
| Acquisition and construction of fixed assets | | (1,895,000) | (1,885,000) | (633,000) | (848,000) | (890,000) | (825,000) | (685,000) |
| Proceeds from sale of revenue bonds | | 2,115,000 | 2,115,000 | (535,000) | 1,780,000 | - | 1,785,000 | (595,000) |
| Existing Debt-Principal paid on revenue bonds | | 575,000 | (515,000) | (535,000) | (555,000) | (595,000) | (590,000) | (595,000) |
| Existing Debt - Interest and paying agent fees | | (217,897) | (212,392) | (212,392) | (266,862) | (248,719) | (302,982) | (291,321) |
| Net cash flows from capital and related investing | | 587,303 | (497,392) | (1,580,392) | 110,139 | (1,733,719) | 67,018 | (1,671,321) |
| Net cash flows from investing activities | | 39,000 | 45,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Net Increase (Decrease) in cash | | 1,523,321 | 358,699 | (668,801) | 1,169,795 | (650,306) | 1,174,902 | (538,234) |
| Cash and Cash Equivalents December 31 | 2,768,294 | 4,291,615 | 3,126,993 | 2,458,192 | 3,627,987 | 2,977,681 | 4,152,583 | 3,614,349 |

**BUDGET 2011
SEWER FUND**

Net Assets Summary

| Fund 602 Sewer Fund | | | | |
|-----------------------------------|------------------------|------------------------|------------------------|------------------------|
| DESCRIPTION | ACTUAL 2008 | ACTUAL 2009 | BUDGET 2010 | BUDGET 2011 |
| Net Assets January 1 | 8,224,565 | 8,103,646 | 7,552,138 | 7,577,348 |
| Revenues | 3,944,980 | 3,799,068 | 4,578,736 | 4,368,670 |
| Total Available | 12,169,545 | 11,902,714 | 12,130,874 | 11,946,018 |
| Expenses | 4,065,899 | 4,350,576 | 4,553,526 | 4,762,991 |
| Net Income | (120,919) | (551,508) | 25,210 | (394,321) |
| Net Assets December 31 | 8,103,646 | 7,552,138 | 7,577,348 | 7,183,027 |
| CIP Figure for 4 Years Out | | | | 985,000 |

7/14/10

08/13/10
 CITY OF FRIDLEY
 602RSUM

BUDGET 2011
 SEWER FUND
 REVENUE SUMMARY

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------|---------------------------|----------------|----------------|----------------|---------------|
| <u>SEWER FUND</u> | | | | | |
| 602-0000-362.10-70 | INTEREST EARNINGS | 68,213 | 13,939 | 26,000 | 26,000 |
| 602-0000-362.11-70 | UNREALIZED GAIN/LOSS | 2,961 | 5,372 | 0 | 0 |
| 602-0000-362.52-80 | FIXED ASSET-GAIN/LOSS | 0 | 6,500 | 0 | 0 |
| 602-0000-372.10-00 | SEWER SALES | 3,519,734 | 3,409,216 | 4,217,136 | 3,923,888 |
| 602-0000-372.20-00 | SEWER FLAT RATE SALES | 273,591 | 289,431 | 260,000 | 333,182 |
| 602-0000-372.50-00 | CONNECT/RECONNECT FEES | 130 | 410 | 200 | 200 |
| 602-0000-372.60-00 | PENALTIES/FORFEIT DISCONT | 79,249 | 83,766 | 74,000 | 84,000 |
| 602-0000-372.70-00 | SEWER TAPPING/SUPPLY/MISC | 1,102 | 1,178 | 1,400 | 1,400 |
| * SEWER FUND | | 3,944,980 | 3,799,068 | 4,578,736 | 4,368,670 |

08/13/10
 CITY OF FRIDLEY
 602ESUM

BUDGET 2011
 SEWER FUND
 EXPENDITURE SUMMARY

| ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------------------|----------------|----------------|----------------|---------------|
| <u>UTIL ADMINISTRATION/CIP</u> | | | | |
| * PERSONAL SERVICES | 195,400 | 221,300 | 225,300 | 229,800 |
| * SUPPLIES | 453 | 81 | 0 | 0 |
| * OTHER SERVICES & CHARGES | 339,585 | 344,667 | 343,686 | 357,919 |
| * CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| | ----- | ----- | ----- | ----- |
| ** UTIL ADMINISTRATION/CIP | 535,438 | 566,048 | 568,986 | 587,719 |
| <u>UTILITY OPERATIONS</u> | | | | |
| * PERSONAL SERVICES | 426,786 | 433,748 | 430,257 | 466,727 |
| * SUPPLIES | 46,953 | 50,310 | 58,750 | 54,600 |
| * OTHER SERVICES & CHARGES | 3,056,721 | 3,300,470 | 3,495,533 | 3,641,297 |
| * CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| | ----- | ----- | ----- | ----- |
| ** UTILITY OPERATIONS | 3,530,460 | 3,784,528 | 3,984,540 | 4,162,624 |
| <u>DEBT SERVICE-BONDS</u> | | | | |
| * DEBT SERVICE | 0 | 0 | 0 | 12,648 |
| | ----- | ----- | ----- | ----- |
| ** DEBT SERVICE-BONDS | 0 | 0 | 0 | 12,648 |
| | ----- | ----- | ----- | ----- |
| | 4,065,898 | 4,350,576 | 4,553,526 | 4,762,991 |

BUDGET 2011
City of Fridley
GOALS and OBJECTIVES

| Fund 602 Sewer | Department | | Division | |
|--|---------------------------------|--------------|-------------------------------|--------------------------|
| OBJECTIVES/ACTIVITIES | PERFORMANCE MEASURES | UNITS | COSTS/ EXPLANATION | BUDGET IMPACT |
| <u>OBJECTIVE #1</u> <u>ACTIVITIES</u> 1a | | | | |

SEWER FUND - SUMMARY
EXPENDITURE SUMMARY

| | 2010 Budget | 2011 Budget | Change | |
|---------------------------|--------------|--------------|------------|-------|
| | | | Amount | % |
| Administration/CIP | \$ 568,986 | \$ 587,719 | \$ 18,733 | 3.29% |
| Operations | 3,984,540 | 4,162,624 | 178,084 | 4.47% |
| Debt Service | 0 | 12,648 | 12,648 | 100% |
| Total | \$ 4,553,526 | \$ 4,762,991 | \$ 209,465 | 4.60% |

SEWER - ADMINISTRATION/CIP EXPENDITURE SUMMARY

| | 2010 Budget | 2011 Budget | Change | |
|-------------------------------|-------------------|-------------------|------------------|--------------|
| | | | Amount | % |
| Personal Services | \$ 225,300 | \$ 229,800 | \$ 4,500 | 2.00% |
| Supplies | 0 | 0 | 0 | 0% |
| Other Services/Charges | 343,686 | 357,919 | 14,233 | 4.14% |
| Capital Outlay | 0 | 0 | 0 | 0% |
| Other Financing Uses | 0 | 0 | 0 | 0% |
| Total | \$ 568,986 | \$ 587,719 | \$ 18,733 | 3.29% |

Personal Services

1. 4107 Administrative Charges - The amount budgeted reflects a \$4,500, or 2% increase for General Fund overhead. The total amount budgeted is \$229,800.

Supplies

Other Services/Charges

1. 4342 Depreciation - The increase of \$14,133 is due primarily to \$190,000 in lining projects.

Capital Outlay

08/13/10
 CITY OF FRIDLEY
 602ELINE

BUDGET 2011
 SEWER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------------------|---------------------------|----------------|----------------|----------------|---------------|
| SEWER FUND | | | | | |
| <u>UTIL ADMINISTRATION/CIP</u> | | | | | |
| 602-6000-415.41-07 | ADMINISTRATIVE CHARGES | 195,400 | 221,300 | 225,300 | 229,800 |
| | | ----- | ----- | ----- | ----- |
| * | PERSONAL SERVICES | 195,400 | 221,300 | 225,300 | 229,800 |
| 602-6000-415.42-20 | OFFICE SUPPLIES | 0 | 0 | 0 | 0 |
| 602-6000-415.42-22 | SUPPLIES FOR REPAIR/MAINT | 453 | 81 | 0 | 0 |
| | | ----- | ----- | ----- | ----- |
| * | SUPPLIES | 453 | 81 | 0 | 0 |
| 602-6000-415.43-30 | PROFESSIONAL SERVICES | 9,148 | 10,692 | 9,800 | 9,900 |
| 602-6000-415.43-31 | DUES & SUBSCRIPTIONS | 2,400 | 2,400 | 2,400 | 2,400 |
| 602-6000-415.43-32 | COMMUNICATION | 6,013 | 6,094 | 6,200 | 6,200 |
| 602-6000-415.43-34 | ADVERTISING | 0 | 180 | 0 | 0 |
| 602-6000-415.43-36 | INSURANCE-NON PERSONNEL | 5,359 | 9,094 | 19,400 | 20,000 |
| 602-6000-415.43-39 | IS FUND CHARGE | 5,794 | 907 | 2,500 | 1,900 |
| 602-6000-415.43-40 | SERVICE CONTRACT-NON PROF | 1,081 | 9,756 | 0 | 0 |
| 602-6000-415.43-42 | DEPRECIATION | 309,790 | 307,358 | 303,386 | 317,519 |
| 602-6000-415.43-43 | DEPRECIATION-CONTRIBUTED | 0 | 0 | 0 | 0 |
| 602-6000-415.43-45 | LOSS ON ASSET RETIREMENT | 0 | 0 | 0 | 0 |
| | | ----- | ----- | ----- | ----- |
| * | OTHER SERVICES & CHARGES | 339,585 | 344,667 | 343,686 | 357,919 |
| 602-6000-415.45-30 | IMP OTHER THAN BUILDING | 0 | 0 | 0 | 0 |
| | | ----- | ----- | ----- | ----- |
| * | CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| | | ----- | ----- | ----- | ----- |
| ** | UTIL ADMINISTRATION/CIP | 535,438 | 566,048 | 568,986 | 587,719 |

SEWER - OPERATIONS EXPENDITURE SUMMARY

| | 2010 Budget | 2011 Budget | Change | |
|-------------------------------|---------------------|---------------------|-------------------|--------------|
| | | | Amount | % |
| Personal Services | \$ 430,257 | \$ 466,727 | \$ 36,470 | 8.48% |
| Supplies | 58,750 | 54,600 | (4,150) | (7.06%) |
| Other Services/Charges | 3,495,533 | 3,641,297 | 145,764 | 4.17% |
| Capital Outlay | 0 | 0 | 0 | 0% |
| Other Financing Uses | 0 | 0 | 0 | 0% |
| Total | \$ 3,984,540 | \$ 4,162,624 | \$ 178,084 | 4.47% |

Personal Services

1. 4102 Full-Time Employee Overtime - The additional \$1,928 reflects balancing of call-outs for overtime between Water and Sewer employees.
2. 4112 Employee Leave - The additional \$7,212 is for "Other Post Employment Benefits" (OPEB). New accounting standards for enterprise funds force us to figure the impact from inclusion of retirees in the City's health insurance group. This amount is the estimated cost of including retirees in that portion of the health insurance group represented by sewer maintenance employees.
3. 4131 Health Insurance - We are projecting one additional dependent care plan.
4. 4134 Cash Benefit - We are also projecting one additional cash benefit plan.
5. 4170 Work Order Transfer-Labor - The \$8,500 represents the cost of garage labor for repair of sewer maintenance equipment.

Supplies

1. 4212 Fuels and Lubes - The lower number reflects actuals for 2009.
2. 4220 Office Supplies - The additional \$200 is for DVDs for sewer videos.
3. 4221 Operating Supplies - The budgeted amount reflects 2008 actuals.
4. 4222 Supplies for Repair and Maintenance - Most of the \$1,300 decrease reflects a lower appropriation for miscellaneous supplies. There is a \$1,500 increase, however, for manhole covers, castings and rings.
5. 4225 Small Tools - \$2,800 is for jetter hoses, saws, and nozzles.

Other Services/Charges

1. 4330 Professional Services - The reduced number reflects lower City costs for Wellness testing.
2. 4331 Dues and Subscriptions - The increase reflects one additional APWA membership.
3. 4333 Transportation - The \$400 was removed from the budget. City employees are using a City vehicle for required training.
4. 4334 Advertising - The \$2,000 is for project bid advertising.
5. 4335 Printing and Binding - The \$1,000 is used for sewer service door hangers.

BUDGET 2011
 SEWER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|---------------------------|---------------------------|----------------|----------------|----------------|---------------|
| <u>UTILITY OPERATIONS</u> | | | | | |
| 602-7000-415.41-01 | FULL TIME EMPLOYEE - REG | 232,892 | 224,542 | 268,534 | 269,497 |
| 602-7000-415.41-02 | FULL TIME EMPLOYEE - OT | 14,703 | 15,185 | 25,070 | 26,998 |
| 602-7000-415.41-04 | TEMPORARY EMPLOYEE - REG | 15,886 | 24,266 | 17,000 | 16,994 |
| 602-7000-415.41-05 | TEMPORARY EMPLOYEE - OT | 0 | 206 | 0 | 0 |
| 602-7000-415.41-07 | ADMINISTRATIVE CHARGES | 24,340 | 25,100 | 25,600 | 26,100 |
| 602-7000-415.41-12 | EMPLOYEE LEAVE | 45,600 | 43,362 | 0 | 7,212 |
| 602-7000-415.41-20 | MEDICARE CONTRIBUTION | 4,339 | 4,298 | 4,374 | 4,466 |
| 602-7000-415.41-21 | PERA CONTRIBUTION | 18,112 | 18,419 | 20,552 | 21,540 |
| 602-7000-415.41-22 | FICA CONTRIBUTIONS | 18,553 | 18,376 | 18,701 | 19,095 |
| 602-7000-415.41-31 | HEALTH INSURANCE | 24,541 | 28,747 | 32,614 | 43,692 |
| 602-7000-415.41-32 | DENTAL INSURANCE | 808 | 775 | 795 | 900 |
| 602-7000-415.41-33 | LIFE INSURANCE | 255 | 244 | 257 | 268 |
| 602-7000-415.41-34 | CASH BENEFITS | 9,118 | 9,115 | 4,988 | 9,976 |
| 602-7000-415.41-50 | WORKERS COMPENSATION | 10,950 | 11,457 | 11,772 | 11,489 |
| 602-7000-415.41-70 | WORK ORDER TRANSFER-LABOR | 6,689 | 9,656 | 0 | 8,500 |
| ----- | | | | | |
| * | PERSONAL SERVICES | 426,786 | 433,748 | 430,257 | 466,727 |
| 602-7000-415.42-12 | FUELS & LUBES | 20,733 | 14,907 | 23,000 | 20,500 |
| 602-7000-415.42-17 | CLOTHING/LAUNDRY ALLOW | 3,617 | 4,251 | 3,600 | 3,600 |
| 602-7000-415.42-20 | OFFICE SUPPLIES | 4 | 4 | 0 | 200 |
| 602-7000-415.42-21 | OPERATING SUPPLIES | 1,790 | 1,481 | 2,550 | 2,000 |
| 602-7000-415.42-22 | SUPPLIES FOR REPAIR/MAINT | 13,608 | 15,267 | 17,300 | 16,000 |
| 602-7000-415.42-25 | SMALL TOOLS & MINOR EQUIP | 522 | 2,843 | 3,800 | 3,800 |
| 602-7000-415.42-29 | WORK ORDER TRANSFER-PARTS | 6,679 | 11,557 | 8,500 | 8,500 |
| ----- | | | | | |
| * | SUPPLIES | 46,953 | 50,310 | 58,750 | 54,600 |
| 602-7000-415.43-30 | PROFESSIONAL SERVICES | 1,070 | 1,158 | 950 | 550 |
| 602-7000-415.43-31 | DUES & SUBSCRIPTIONS | 290 | 188 | 350 | 650 |
| 602-7000-415.43-32 | COMMUNICATION | 1,905 | 1,654 | 2,461 | 2,547 |
| 602-7000-415.43-33 | TRANSPORTATION | 254 | 0 | 400 | 0 |
| 602-7000-415.43-34 | ADVERTISING | 0 | 2,020 | 0 | 2,000 |
| 602-7000-415.43-35 | PRINTING & BINDING | 663 | 0 | 1,000 | 1,000 |
| 602-7000-415.43-37 | CONFERENCES & SCHOOLS | 1,128 | 639 | 2,850 | 2,850 |
| 602-7000-415.43-38 | UTILITY SERVICES | 3,013,045 | 3,268,346 | 3,445,522 | 3,584,700 |
| 602-7000-415.43-39 | IS FUND CHARGE | 0 | 4,157 | 0 | 0 |
| 602-7000-415.43-40 | SERVICE CONTRACT-NON PROF | 38,243 | 22,308 | 41,000 | 46,000 |
| 602-7000-415.43-41 | RENTALS | 123 | 0 | 1,000 | 1,000 |
| ----- | | | | | |
| * | OTHER SERVICES & CHARGES | 3,056,721 | 3,300,470 | 3,495,533 | 3,641,297 |
| 602-7000-415.45-40 | MACHINERY | 0 | 0 | 0 | 0 |
| ----- | | | | | |
| * | CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| ----- | | | | | |
| ** | UTILITY OPERATIONS | 3,530,460 | 3,784,528 | 3,984,540 | 4,162,624 |

**SEWER - DEBT SERVICE
EXPENDITURE SUMMARY**

| | 2010 Budget | 2011 Budget | Change | |
|--------------------|-------------|------------------|------------------|-------------|
| | | | Amount | % |
| 2010A Bonds | \$ 0 | \$ 12,648 | \$ 12,648 | 100% |
| | 0 | 0 | 0 | 0% |
| | 0 | 0 | 0 | 0% |
| | 0 | 0 | 0 | 0% |
| | 0 | 0 | 0 | 0% |
| Total | \$ 0 | \$ 12,648 | \$ 12,648 | 100% |

Bonds

08/13/10
 CITY OF FRIDLEY
 602ELINE

BUDGET 2011
 SEWER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|---------------------------------|--------------------------|----------------|----------------|----------------|---------------|
| <u>DEBT SERVICE-2010A BONDS</u> | | | | | |
| 602-8903-475.46-10 | INTEREST PAYMENT | 0 | 0 | 0 | 12,648 |
| | | ----- | ----- | ----- | ----- |
| * | DEBT SERVICE | 0 | 0 | 0 | 12,648 |
| | | ----- | ----- | ----- | ----- |
| ** | DEBT SERVICE-2010A BONDS | 0 | 0 | 0 | 12,648 |
| | | ----- | ----- | ----- | ----- |
| *** | SEWER FUND | 4,065,898 | 4,350,576 | 4,553,526 | 4,762,991 |

CITY OF FRIDLEY
SEWER FUND PROJECTIONS
INCOME / EXPENSE PROJECTIONS
5/25/10

| | Actual 2009 | Budgeted 2010 | Projected 2010 | Budgeted 2011 | Projected 2012 | Projected 2013 | Projected 2014 | Projected 2015 |
|---|------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Gallons Disposed per MCES (in millions) | - | 1,925 | 1,925 | 1,925 | 1,925 | 1,925 | 1,925 | 1,925 |
| Sewer Billings | | | | | | | | |
| Gallons Billed (in thousands) | 1,053 | 1,200 | 1,053 | 1,053 | 1,053 | 1,053 | 1,053 | 1,053 |
| Gallons Billed Flat Rate | 96 | 95 | 96 | 96 | 96 | 96 | 96 | 96 |
| Rate (\$ per 1,000 gallons) | 3.01 | 3.30 | 3.30 | 3.47 | 3.57 | 3.68 | 3.79 | 3.90 |
| Rate Change Projections (%) | | | | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Operating Revenues | | | | | | | | |
| Sewer Sales | 3,168,389 | 3,955,000 | 3,474,900 | 3,648,645 | 3,758,000 | 3,871,000 | 3,987,000 | 4,107,000 |
| Fixed Revenue (8,456 * 7.75 per Customer * 4 quarters) | 240,827 | 262,136 | 262,136 | 275,243 | 283,500 | 292,005 | 300,765 | 309,788 |
| Flat Rate Sales | 289,431 | 260,000 | 316,800 | 333,182 | 343,000 | 363,000 | 374,000 | 374,000 |
| Other Revenue | 85,354 | 75,600 | 80,000 | 85,600 | 55,000 | 55,000 | 55,000 | 55,000 |
| Total Operating Revenues | 3,784,001 | 4,552,736 | 4,133,836 | 4,342,670 | 4,439,500 | 4,571,005 | 4,705,765 | 4,845,788 |
| Estimated Expenditure Change (%) | | | | | | | | |
| Operating Expenses | | | | | | | | |
| Personal Services | 654,842 | 655,557 | 655,557 | 696,527 | 717,423 | 738,945 | 761,114 | 783,947 |
| Supplies | 50,391 | 58,750 | 99,050 | 79,866 | 82,293 | 84,762 | 87,305 | 89,924 |
| Disposal Charges | 3,288,346 | 3,445,522 | 3,445,522 | 3,584,700 | 3,692,241 | 3,803,008 | 3,917,098 | 4,034,611 |
| Other Services and Charges | 69,640 | 90,311 | 50,011 | 96,997 | 99,907 | 102,904 | 105,991 | 109,171 |
| Depreciation (Base Year) | 307,358 | 306,588 | 306,588 | 303,386 | 307,358 | 307,358 | 307,358 | 307,358 |
| Total Annual Change in Depreciation (new) | - | (3,202) | 5,143 | 14,133 | 22,451 | 35,960 | 49,905 | 53,555 |
| Total Operating Expenses | 4,350,576 | 4,553,526 | 4,561,871 | 4,775,639 | 4,921,673 | 5,072,938 | 5,228,771 | 5,378,566 |
| Operating Income / (Loss) | (566,576) | (790) | (428,035) | (432,969) | (482,173) | (501,932) | (523,006) | (532,778) |
| Non-Operating Revenues(Exps.) | | | | | | | | |
| Interest Income - Net figure | 8,567 | 26,000 | 35,000 | 26,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Debt Service | - | - | - | 12,648 | 13,798 | 42,454 | 44,171 | 77,879 |
| Gain(Loss) on disposition of fixed assets | 6,500 | - | - | - | - | - | - | - |
| Total Non-Operating Revenues(Exps) | 15,067 | 26,000 | 35,000 | 38,648 | 53,798 | 82,454 | 84,171 | 117,879 |
| Net Income | (551,509) | 25,210 | (393,035) | (394,321) | (428,375) | (419,478) | (438,835) | (414,900) |
| Cash and Cash Equivalents January 1 | 2,127,646 | 2,127,646 | 2,127,646 | 2,121,342 | 1,799,540 | 2,130,974 | 1,679,813 | 2,043,242 |
| Cash Flows From Operating Activities: | | | | | | | | |
| Operating Income (Loss) | (790) | (790) | (428,035) | (432,969) | (482,173) | (501,932) | (523,006) | (532,778) |
| Depreciation | 303,386 | 311,731 | 317,519 | 317,519 | 329,809 | 343,318 | 357,263 | 360,913 |
| Net cash flows from operating activities | 302,596 | (116,304) | (116,304) | (115,450) | (152,364) | (158,614) | (165,743) | (171,865) |
| Cash flows from capital and related financing activities: | | | | | | | | |
| Acquisition and construction of fixed assets | (325,000) | (325,000) | (325,000) | (245,000) | (270,000) | (410,000) | (305,000) | (260,000) |
| Proceeds from sale of revenue bonds | 400,000 | 400,000 | 400,000 | 700,000 | 700,000 | - | 700,000 | 75,000 |
| Existing Debt-Principal paid on revenue bonds | - | - | - | - | 35,000 | 50,000 | 50,000 | 75,000 |
| Existing Debt - Interest and paying agent fees | (12,288) | (12,288) | - | 12,648 | 13,798 | 42,454 | 44,171 | 77,879 |
| Net cash flows from capital and related financing activities | 62,713 | 75,000 | (232,352) | (232,352) | 443,798 | (332,546) | 489,171 | (107,121) |
| Net cash flows from investing activities | 26,000 | 35,000 | 35,000 | 26,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Net Increase (Decrease) in cash | 391,309 | (6,304) | (6,304) | (321,802) | 331,434 | (451,160) | 363,428 | (238,987) |
| Cash and Cash Equivalents December 31 | 2,127,646 | 2,518,955 | 2,121,342 | 1,799,540 | 2,130,974 | 1,679,813 | 2,043,242 | 1,804,255 |

**BUDGET 2011
STORM WATER FUND**

Net Assets Summary

| Fund | | | | |
|--|------------------------|------------------------|------------------------|------------------------|
| 603 Storm Water Fund | | | | |
| DESCRIPTION | ACTUAL 2008 | ACTUAL 2009 | BUDGET 2010 | BUDGET 2011 |
| Net Assets January 1 | 5,510,784 | 5,562,397 | 5,623,918 | 5,626,620 |
| Revenues | 425,602 | 460,870 | 416,112 | 435,852 |
| Total Available | 5,936,386 | 6,023,267 | 6,040,030 | 6,062,472 |
| Expenses | 373,989 | 399,349 | 413,410 | 553,540 |
| Net Income | 51,613 | 61,521 | 2,702 | (117,688) |
| Net Assets December 31 | 5,562,397 | 5,623,918 | 5,626,620 | 5,508,932 |
| CIP Plan Figure for 4 Years Out | | | | 865,000 |

7/14/10

08/13/10
 CITY OF FRIDLEY
 603RSUM

BUDGET 2011
 STORM WATER FUND
 REVENUE SUMMARY

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|-------------------------|--------------------------|----------------|----------------|----------------|---------------|
| <u>STORM WATER FUND</u> | | | | | |
| 603-0000-311.10-00 | CURRENT AD VALOREM | 0 | 0 | 0 | 0 |
| 603-0000-311.20-00 | DELINQUENT AD VALOREM | 0 | 0 | 0 | 0 |
| 603-0000-334.02-60 | RESIDENTIAL MV HMSTD AID | 0 | 0 | 0 | 0 |
| 603-0000-334.25-11 | STATE GRANTS | 0 | 0 | 0 | 0 |
| 603-0000-340.31-31 | REIMB-PUBLIC WORKS | 0 | 48,401 | 0 | 0 |
| 603-0000-361.10-33 | FROM COUNTY-CURRENT | 825 | 630 | 1,000 | 1,000 |
| 603-0000-362.10-70 | INTEREST EARNINGS | 20,079 | 4,718 | 8,000 | 8,000 |
| 603-0000-362.11-70 | UNREALIZED GAIN/LOSS | 962 | 1,710- | 0 | 0 |
| 603-0000-361.20-33 | DIRECT TO CITY-PRINCIPAL | 0 | 0 | 0 | 0 |
| 603-0000-361.25-33 | DIRECT TO CITY-INTEREST | 0 | 0 | 0 | 0 |
| 603-0000-362.61-60 | MISCELLANEOUS REVENUE | 0 | 0 | 0 | 0 |
| 603-0000-373.10-00 | STORM SEWER COLLECTION | 389,226 | 400,504 | 394,812 | 414,552 |
| 603-0000-373.20-00 | HARRIS POND ASSESSMENTS | 7,367 | 1,434 | 5,000 | 5,000 |
| 603-0000-373.60-00 | STORM SEWER PENALTIES | 7,143 | 6,892 | 7,300 | 7,300 |
| 603-0000-373.70-00 | STORM SEWER MISC. | 0 | 0 | 0 | 0 |
| * STORM WATER FUND | | 425,602 | 460,869 | 416,112 | 435,852 |

08/13/10
 CITY OF FRIDLEY
 603ESUM

BUDGET 2011
 STORM WATER FUND
 EXPENDITURE SUMMARY

| ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------------------|----------------|----------------|----------------|---------------|
| <u>UTIL ADMINISTRATION/CIP</u> | | | | |
| * PERSONAL SERVICES | 109,600 | 122,900 | 125,200 | 235,700 |
| * OTHER SERVICES & CHARGES | 238,476 | 243,351 | 244,910 | 252,010 |
| * CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| * OTHER FINANCING USES | 0 | 0 | 0 | 0 |
| ** UTIL ADMINISTRATION/CIP | 348,076 | 366,251 | 370,110 | 487,710 |
| <u>UTILITY OPERATIONS</u> | | | | |
| * SUPPLIES | 2,026 | 1,460 | 6,700 | 8,500 |
| * OTHER SERVICES & CHARGES | 23,887 | 31,638 | 36,600 | 47,925 |
| * CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| ** UTILITY OPERATIONS | 25,913 | 33,098 | 43,300 | 56,425 |
| <u>DEBT SERVICE-BONDS</u> | | | | |
| * DEBT SERVICE | 0 | 0 | 0 | 9,405 |
| ** DEBT SERVICE-BONDS | 0 | 0 | 0 | 9,405 |
| | 373,989 | 399,349 | 413,410 | 553,540 |

BUDGET 2011
City of Fridley
GOALS and OBJECTIVES

| Fund 603 Storm | Department | | Division | |
|--|-------------------------|-------|-----------------------|------------------|
| OBJECTIVES/ACTIVITIES | PERFORMANCE MEASURES | UNITS | COSTS/ EXPLANATION | BUDGET IMPACT |
| <u>OBJECTIVE #1</u> <u>ACTIVITIES</u> 1a | | | | |

STORM WATER FUND - SUMMARY
EXPENDITURE SUMMARY

| | 2010 Budget | 2011 Budget | Change | |
|----------------------------------|-------------|-------------|------------|--------|
| | | | Amount | % |
| Transmission/Distribution | \$ 43,300 | \$ 56,425 | \$ 13,125 | 30.31% |
| Administration | 370,110 | 487,710 | 117,600 | 31.77% |
| Debt Service | 0 | 9,405 | 9,405 | 100% |
| Total | \$ 413,410 | \$ 553,540 | \$ 140,130 | 33.90% |

**STORM WATER - ADMINISTRATION/CIP
EXPENDITURE SUMMARY**

| | 2010 Budget | 2011 Budget | Change | |
|-------------------------------|-------------|-------------|------------|--------|
| | | | Amount | % |
| Personal Services | \$ 125,200 | \$ 235,700 | \$ 110,500 | 88.26% |
| Supplies | 0 | 0 | 0 | 0% |
| Other Services/Charges | 244,910 | 252,010 | 7,100 | 2.90% |
| Capital Outlay | 0 | 0 | 0 | 0% |
| Other Financing Uses | 0 | 0 | 0 | 0% |
| Total | \$ 370,110 | \$ 487,710 | \$ 117,600 | 31.77% |

Personal Services

1. 4107 Administrative Charges - The increase reflects shifting the cost of 1.5 Street Division employees to the Storm Water fund. The cost of this move to the fund is \$108,000.

Supplies

Other Services/Charges

1. 4342 Depreciation - The \$242,870 budgeted amount includes depreciation from 2009 in the amount of \$229,072. It also includes \$13,798 for depreciation related to 2010 and 2011 projects.

Capital Outlay

08/13/10
 CITY OF FRIDLEY
 603ELINE

BUDGET 2011
 STORM WATER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------------------|---------------------------|----------------|----------------|----------------|---------------|
| STORM WATER FUND | | | | | |
| <u>UTIL ADMINISTRATION/CIP</u> | | | | | |
| 603-6000-415.41-07 | ADMINISTRATIVE CHARGES | 109,600 | 122,900 | 125,200 | 235,700 |
| ----- | | ----- | | ----- | |
| * | PERSONAL SERVICES | 109,600 | 122,900 | 125,200 | 235,700 |
| 603-6000-415.43-30 | PROFESSIONAL SERVICES | 7,970 | 9,051 | 8,440 | 8,440 |
| 603-6000-415.43-34 | ADVERTISING | 0 | 0 | 0 | 0 |
| 603-6000-415.43-36 | INSURANCE-NON PERSONNEL | 394 | 543 | 700 | 700 |
| 603-6000-415.43-40 | SERVICE CONTRACT-NON PROF | 17,702 | 4,685 | 0 | 0 |
| 603-6000-415.43-42 | DEPRECIATION | 212,410 | 229,072 | 235,770 | 242,870 |
| 603-6000-415.43-43 | DEPRECIATION-CONTRIBUTED | 0 | 0 | 0 | 0 |
| 603-6000-415.43-45 | LOSS ON ASSET RETIREMENT | 0 | 0 | 0 | 0 |
| ----- | | ----- | | ----- | |
| * | OTHER SERVICES & CHARGES | 238,476 | 243,351 | 244,910 | 252,010 |
| 603-6000-415.45-30 | IMP OTHER THAN BUILDING | 0 | 0 | 0 | 0 |
| ----- | | ----- | | ----- | |
| * | CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| 603-6000-415.47-20 | OPERATING TRANSFERS | 0 | 0 | 0 | 0 |
| ----- | | ----- | | ----- | |
| * | OTHER FINANCING USES | 0 | 0 | 0 | 0 |
| ----- | | ----- | | ----- | |
| ** | UTIL ADMINISTRATION/CIP | 348,076 | 366,251 | 370,110 | 487,710 |

STORM WATER - OPERATIONS EXPENDITURE SUMMARY

| | 2010 Budget | 2011 Budget | Change | |
|-------------------------------|-------------|-------------|-----------|--------|
| | | | Amount | % |
| Personal Services | \$ 0 | \$ 0 | \$ 0 | 0% |
| Supplies | 6,700 | 8,500 | 1,800 | 26.87% |
| Other Services/Charges | 36,600 | 47,925 | 11,325 | 30.94% |
| Capital Outlay | 0 | 0 | 0 | 0% |
| Other Financing Uses | 0 | 0 | 0 | 0% |
| Total | \$ 43,300 | \$ 56,425 | \$ 13,125 | 30.31% |

Personal Services

Supplies

1. 4222 Supplies for Repair and Maintenance - The \$7,800 includes \$1,800 for rip rap and other erosion control products.

Other Services/Charges

1. 4330 Professional Services - The \$10,000 is for GIS services and costs associated with the preparation of the City's Storm Water Pollution Prevention Plan.
2. 4331 Dues & Subscription - The \$875 is a new charge for the Minnesota Cities Storm Water Coalition.
3. 4334 Advertising - The \$100 is for NPDES publications.
4. 4335 Printing & Binding - The \$1,500 is for printing our Storm Water Pollution Prevention Plan.
5. 4338 Utility Services - The \$4,950 is for power for the storm water lift station at Mississippi Street.
6. 4340 Services Contracted, Non-Professional - The \$30,500 includes \$15,000 for sealing, grouting and repairing storm sewer lines; \$5,000 for cleaning storm ponds; and \$9,000 for other pond treatments. There is also a \$1,500 appropriation for miscellaneous repairs.

Capital Outlay

08/13/10
 CITY OF FRIDLEY
 603ELINE

BUDGET 2011
 STORM WATER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|---------------------------|---------------------------|----------------|----------------|----------------|---------------|
| <u>UTILITY OPERATIONS</u> | | | | | |
| 603-7000-415.42-12 | FUELS & LUBES | 0 | 0 | 0 | 0 |
| 603-7000-415.42-17 | CLOTHING/LAUNDRY ALLOW | 0 | 0 | 0 | 0 |
| 603-7000-415.42-21 | OPERATING SUPPLIES | 989 | 0 | 100 | 100 |
| 603-7000-415.42-22 | SUPPLIES FOR REPAIR/MAINT | 336 | 1,460 | 6,500 | 7,800 |
| 603-7000-415.42-25 | SMALL TOOLS & MINOR EQUIP | 701 | 0 | 100 | 100 |
| 603-7000-415.42-29 | WORK ORDER TRANSFER-PARTS | 0 | 0 | 0 | 500 |
| ----- | | | | | |
| * | SUPPLIES | 2,026 | 1,460 | 6,700 | 8,500 |
| 603-7000-415.43-30 | PROFESSIONAL SERVICES | 875 | 875 | 0 | 10,000 |
| 603-7000-415.43-31 | DUES & SUBSCRIPTIONS | 0 | 0 | 0 | 875 |
| 603-7000-415.43-34 | ADVERTISING | 23 | 0 | 300 | 100 |
| 603-7000-415.43-35 | PRINTING & BINDING | 0 | 0 | 0 | 1,500 |
| 603-7000-415.43-38 | UTILITY SERVICES | 2,855 | 3,730 | 4,800 | 4,950 |
| 603-7000-415.43-40 | SERVICE CONTRACT-NON PROF | 20,134 | 26,409 | 31,500 | 30,500 |
| 603-7000-415.43-41 | RENTALS | 0 | 624 | 0 | 0 |
| ----- | | | | | |
| * | OTHER SERVICES & CHARGES | 23,887 | 31,638 | 36,600 | 47,925 |
| 603-7000-415.45-40 | MACHINERY | 0 | 0 | 0 | 0 |
| ----- | | | | | |
| * | CAPITAL OUTLAY | 0 | 0 | 0 | 0 |
| ----- | | | | | |
| ** | UTILITY OPERATIONS | 25,913 | 33,098 | 43,300 | 56,425 |

**STORM WATER - DEBT SERVICE
EXPENDITURE SUMMARY**

| | 2010 Budget | 2011 Budget | Change | |
|--------------------|-------------|-------------|----------|------|
| | | | Amount | % |
| 2010A Bonds | \$ 0 | \$ 9,405 | \$ 9,405 | 100% |
| | 0 | 0 | 0 | 0% |
| | 0 | 0 | 0 | 0% |
| | 0 | 0 | 0 | 0% |
| | 0 | 0 | 0 | 0% |
| Total | \$ 0 | \$ 9,405 | \$ 9,405 | 100% |

Bonds

08/13/10
 CITY OF FRIDLEY
 603ELINE

BUDGET 2011
 STORM WATER FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|---------------------------------|--------------------------|----------------|----------------|----------------|---------------|
| <u>DEBT SERVICE-2010A BONDS</u> | | | | | |
| 603-8903-475.46-10 | INTEREST PAYMENT | 0 | 0 | 0 | 9,405 |
| | | ----- | ----- | ----- | ----- |
| * | DEBT SERVICE | 0 | 0 | 0 | 9,405 |
| | | ----- | ----- | ----- | ----- |
| ** | DEBT SERVICE-2010A BONDS | 0 | 0 | 0 | 9,405 |
| | | ----- | ----- | ----- | ----- |
| *** | STORM WATER FUND | 373,989 | 399,349 | 413,410 | 553,540 |

CITY OF FRIDLEY
STORM WATER FUND PROJECTIONS
REVENUE/EXPENSE PROJECTIONS AND CASHFLOW
5/24/2010

| | Actual 2009 | Budgeted 2010 | Projected 2010 | Budgeted 2011 | Projected 2012 | Projected 2013 | Projected 2014 | Projected 2015 |
|---|------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Rate Change Projections (%) | | | | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Operating Revenues | | | | | | | | |
| Storm Water Sales | 400,504 | 394,812 | 394,812 | 414,552 | 435,280 | 457,044 | 479,896 | 503,891 |
| Taxes | 630 | 1,000 | 1,000 | 1,000 | 1,050 | 1,103 | 1,168 | 1,216 |
| Other Revenue | 55,016 | 12,300 | 12,300 | 12,300 | 12,915 | 13,561 | 14,239 | 14,951 |
| Total Operating Revenues | 456,150 | 408,112 | 408,112 | 427,852 | 449,245 | 471,707 | 495,293 | 520,057 |
| Estimated Expenditure Change (%) | | | | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Operating Expenses | | | | | | | | |
| Personal Services | 122,900 | 125,200 | 125,200 | 235,700 | 247,485 | 259,859 | 272,852 | 286,495 |
| Supplies | 1,460 | 6,700 | 6,700 | 8,500 | 8,925 | 9,371 | 9,840 | 10,332 |
| Other Services and Charges | 45,916 | 45,740 | 45,740 | 57,065 | 59,918 | 62,914 | 66,060 | 69,363 |
| Actual Depreciation (Base Year) | 229,072 | 212,410 | 212,410 | 235,770 | 231,341 | 224,731 | 224,454 | 223,515 |
| Change in Depreciation (Since Base Year) | - | 23,360 | 1,650 | 7,100 | 13,800 | 23,150 | 35,600 | 41,325 |
| Total Operating Expenses | 399,348 | 413,410 | 391,700 | 544,135 | 561,469 | 580,026 | 608,805 | 631,029 |
| Operating Income | 56,803 | (5,298) | 16,412 | (116,283) | (112,224) | (108,318) | (113,513) | (110,972) |
| Non-Operating Revenues (Exps.) | | | | | | | | |
| Intergovernmental revenue | - | - | - | - | - | - | - | - |
| Interest Income | 4,718 | 8,000 | 5,000 | 8,000 | 10,000 | 15,000 | 13,000 | 14,000 |
| Debt Service | - | - | - | (9,405) | (10,260) | (10,029) | (9,633) | 9,380 |
| Special Assessments Levied | - | - | - | - | - | - | - | - |
| Gain(Loss) On Asset Retirement | - | - | - | - | - | - | - | - |
| Operating Transfer In (Out) | - | - | - | - | - | - | - | - |
| Total Non-Operating Revenues/Expenses | 4,718 | 8,000 | 5,000 | (1,405) | (260) | 4,971 | 3,368 | 23,380 |
| Net Income | 61,521 | 2,702 | 21,412 | (117,688) | (112,484) | (103,347) | (110,145) | (87,592) |
| Cash and Cash Equivalents January 1 | 737,660 | 737,660 | 737,660 | 1,148,132 | 1,013,314 | 1,450,971 | 1,275,505 | 1,390,413 |
| Cash Flows From Operating Activities: | | | | | | | | |
| Operating Income (Loss) | (5,298) | 16,412 | 16,412 | (116,283) | (112,224) | (108,318) | (113,513) | (110,972) |
| Adjustments to reconcile Operating Income (Loss) to net cash flows from operating activities: | | | | | | | | |
| Depreciation | 235,770 | 214,060 | 214,060 | 242,870 | 245,141 | 247,881 | 260,054 | 264,840 |
| Net cash flows from operating activities | 230,472 | 230,472 | 230,472 | 126,587 | 132,917 | 139,563 | 146,541 | 153,868 |
| Cash flows from capital and related financing activities | | | | | | | | |
| Acquisition and construction of fixed assets | (120,000) | (120,000) | (120,000) | (260,000) | (165,000) | (295,000) | (300,000) | (295,000) |
| Proceeds from sale of revenue bonds | - | 295,000 | 295,000 | - | 470,000 | - | 295,000 | - |
| Debt-Principal paid on revenue bonds | (50,000) | - | - | - | - | (25,000) | (30,000) | (50,000) |
| Debt - Interest and paying agent fees | (9,380) | - | - | (9,405) | (10,260) | (10,029) | (9,633) | (9,380) |
| Net cash flows from capital and related financing act. | (179,380) | 175,000 | 175,000 | (269,405) | 294,740 | (330,029) | (44,633) | (354,380) |
| Net cash flows from investing activities | 8,000 | 5,000 | 5,000 | 8,000 | 10,000 | 15,000 | 13,000 | 14,000 |
| Net Increase (Decrease) in cash | 59,092 | 410,472 | 410,472 | (134,818) | 437,657 | (175,466) | 114,908 | (186,512) |
| Cash and Cash Equivalents December 31 | 737,660 | 796,752 | 1,148,132 | 1,013,314 | 1,450,971 | 1,275,505 | 1,390,413 | 1,203,901 |

**BUDGET 2011
LIQUOR FUND**

Net Assets Summary

| Fund 609 Liquor Fund | | | | |
|-----------------------------------|------------------------|------------------------|------------------------|------------------------|
| DESCRIPTION | ACTUAL 2008 | ACTUAL 2009 | BUDGET 2010 | BUDGET 2011 |
| Net Assets January 1 | 1,348,257 | 1,190,312 | 1,008,762 | 914,170 |
| Revenues | 5,279,866 | 4,973,261 | 5,285,900 | 5,285,900 |
| Funds Available | 6,628,123 | 6,163,573 | 6,294,662 | 6,200,070 |
| Expenses | 4,937,811 | 4,654,811 | 5,030,492 | 4,965,684 |
| Net Income Before Transfer | 342,055 | 318,450 | 255,408 | 320,216 |
| Transfer to the General Fund | 500,000 | 500,000 | 350,000 | 350,000 |
| Net Assets December 31 | 1,190,312 | 1,008,762 | 914,170 | 884,386 |

7/15/10

08/13/10
 CITY OF FRIDLEY
 609RSUM

BUDGET 2011
 LIQUOR FUND
 REVENUE SUMMARY

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|--------------------------|--------------------------|----------------|----------------|----------------|---------------|
| MUNICIPAL LIQUOR | | | | | |
| #1 - CUB LOCATION | | | | | |
| 609-9100-362.10-70 | INTEREST EARNINGS | 3,299 | 405 | 3,000 | 3,000 |
| 609-9100-362.11-70 | UNREALIZED GAIN/LOSS | 173 | 279- | 0 | 0 |
| 609-9100-362.41-60 | INSURANCE REIMB | | | 0 | 0 |
| 609-9100-362.52-80 | FIXED ASSET-GAIN/LOSS | | | 0 | 0 |
| 609-9100-362.61-60 | MISCELLANEOUS REVENUE | | | 0 | 0 |
| 609-9100-378.11-00 | LIQUOR SALES | 1,169,121 | 1,131,450 | 1,170,000 | 1,170,000 |
| 609-9100-378.12-00 | WINE SALES | 539,466 | 507,046 | 550,000 | 550,000 |
| 609-9100-378.13-00 | BEER SALES | 1,904,324 | 1,803,158 | 1,860,000 | 1,860,000 |
| 609-9100-378.13-01 | DEP/RTNS/COOPERAGE | 1,169 | 788 | 1,500 | 1,500 |
| 609-9100-378.14-00 | MISC SALES | 83,923 | 71,648 | 82,000 | 82,000 |
| 609-9100-378.15-00 | CIGARETTE SALES | 63,013 | 47,517 | 64,000 | 64,000 |
| 609-9100-378.16-00 | CIGARS/CHEWING TOBACCO | 4,395 | 4,455 | 4,700 | 4,700 |
| 609-9100-378.40-00 | CASH OVER / (SHORT) | 107- | 25 | 50 | 50 |
| 609-9100-378.45-00 | SALES TAX OVER / (SHORT) | 21 | 1,107- | 50 | 50 |
| 609-9100-378.50-00 | MISCELLANEOUS REVENUE | 2,619 | 1,647 | 2,000 | 2,000 |
| * #1 - CUB LOCATION | | 3,771,416 | 3,566,753 | 3,737,300 | 3,737,300 |
| #2 - HWY 65 | | | | | |
| 609-9200-362.10-70 | INTEREST EARNINGS | 1,100 | 135 | 1,000 | 1,000 |
| 609-9200-362.11-70 | UNREALIZED GAIN/LOSS | | | 0 | 0 |
| 609-9200-362.41-60 | INSURANCE REIMB | | | 0 | 0 |
| 609-9200-362.61-60 | MISCELLANEOUS REVENUE | | | 0 | 0 |
| 609-9200-378.11-00 | LIQUOR SALES | 481,864 | 465,771 | 510,000 | 510,000 |
| 609-9200-378.12-00 | WINE SALES | 211,014 | 200,235 | 217,000 | 217,000 |
| 609-9200-378.13-00 | BEER SALES | 734,820 | 678,284 | 740,000 | 740,000 |
| 609-9200-378.13-01 | DEP/RTNS/COOPERAGE | 56 | 5- | 0 | 0 |
| 609-9200-378.14-00 | MISC SALES | 33,530 | 27,500 | 35,000 | 35,000 |
| 609-9200-378.15-00 | CIGARETTE SALES | 42,136 | 33,587 | 42,000 | 42,000 |
| 609-9200-378.16-00 | CIGARS/CHEWING TOBACCO | 2,796 | 2,012 | 2,500 | 2,500 |
| 609-9200-378.20-00 | VENDING MACHINE REVENUES | | | 0 | 0 |
| 609-9200-378.40-00 | CASH OVER / (SHORT) | 33 | 72 | 50 | 50 |
| 609-9200-378.45-00 | SALES TAX OVER / (SHORT) | 21 | 1,107- | 50 | 50 |
| 609-9200-378.50-00 | MISCELLANEOUS REVENUE | 1,081 | 22 | 1,000 | 1,000 |
| * #2 - HWY 65 | | 1,508,451 | 1,406,506 | 1,548,600 | 1,548,600 |
| ** MUNICIPAL LIQUOR | | 5,279,867 | 4,973,259 | 5,285,900 | 5,285,900 |

BUDGET 2011
 LIQUOR FUND
 EXPENDITURE SUMMARY

| ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|----------------------------|----------------|----------------|----------------|---------------|
| MUNICIPAL LIQUOR | | | | |
| <u>#1 - CUB LOCATION</u> | | | | |
| * PERSONAL SERVICES | 371,921 | 344,258 | 347,232 | 240,543 |
| * SUPPLIES | 6,631 | 7,432 | 9,300 | 9,300 |
| * OTHER SERVICES & CHARGES | 3,145,694 | 3,203,648 | 3,161,925 | 3,161,925 |
| * OTHER FINANCING USES | 370,000 | 370,000 | 250,000 | 250,000 |
| ** #1 - CUB LOCATION | 3,894,246 | 3,925,338 | 3,768,457 | 3,661,768 |
| <u>#2 - HWY 65</u> | | | | |
| * PERSONAL SERVICES | 171,700 | 165,560 | 220,737 | 262,618 |
| * SUPPLIES | 2,282 | 1,876 | 9,100 | 9,100 |
| * OTHER SERVICES & CHARGES | 1,239,583 | 932,037 | 1,282,198 | 1,282,198 |
| * OTHER FINANCING USES | 130,000 | 130,000 | 100,000 | 100,000 |
| ** #2 - HWY 65 | 1,543,565 | 1,229,473 | 1,612,035 | 1,653,916 |
| *** MUNICIPAL LIQUOR | 5,437,811 | 5,154,811 | 5,380,492 | 5,315,684 |

BUDGET 2011

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**LIQUOR FUND
EXPENDITURE SUMMARY**

| | 2010 Budget | 2011 Budget | Change | |
|-------------------------------|--------------|--------------|-------------|----------|
| | | | Amount | % |
| Personal Services | \$ 567,969 | \$ 503,161 | (\$ 64,808) | (11.41%) |
| Supplies | 18,400 | 18,400 | 0 | 0% |
| Other Services/Charges | 4,444,123 | 4,444,123 | 0 | 0% |
| Capital Outlay | 0 | 0 | 0 | 0% |
| Other Financing Uses | 350,000 | 350,000 | 0 | 0% |
| Total | \$ 5,380,492 | \$ 5,315,684 | (\$ 64,808) | (1.20%) |

Personal Services

1. 4101 Full-Time Employees - We are holding up on filling one full-time position.
2. 4112 Employee Leave - The amount includes an additional \$7,104 for "Other Post Employment Benefits" (OPEB). New accounting standards for enterprise funds require that we identify potential health insurance cost impacts associated with having retirees on our City health insurance plan.

Supplies

Other Services/Charges

Capital Outlay

Other Financing Uses

08/13/10
 CITY OF FRIDLEY
 609ELINE

BUDGET 2011
 LIQUOR FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|----------------------------|---------------------------|----------------|----------------|----------------|---------------|
| MUNICIPAL LIQUOR | | | | | |
| <u>#1 - CUB LOCATION</u> | | | | | |
| 609-9100-415.41-01 | FULL TIME EMPLOYEE - REG | 159,230 | 131,816 | 184,182 | 88,625 |
| 609-9100-415.41-02 | FULL TIME EMPLOYEE - OT | 1,121 | 2,826 | 2,023 | 2,018 |
| 609-9100-415.41-04 | TEMPORARY EMPLOYEE - REG | 56,057 | 62,488 | 58,400 | 58,386 |
| 609-9100-415.41-07 | ADMINISTRATIVE CHARGES | 58,425 | 60,141 | 61,340 | 50,100 |
| 609-9100-415.41-12 | EMPLOYEE LEAVE | 31,088 | 25,123 | 0 | 7,104 |
| 609-9100-415.41-20 | MEDICARE CONTRIBUTION | 3,444 | 3,162 | 3,495 | 2,233 |
| 609-9100-415.41-21 | PERA CONTRIBUTION | 14,064 | 12,907 | 17,122 | 10,747 |
| 609-9100-415.41-22 | FICA CONTRIBUTIONS | 14,723 | 13,521 | 14,942 | 9,549 |
| 609-9100-415.41-31 | HEALTH INSURANCE | 20,953 | 23,220 | 0 | 3,429 |
| 609-9100-415.41-32 | DENTAL INSURANCE | 599 | 644 | 795 | 150 |
| 609-9100-415.41-33 | LIFE INSURANCE | 195 | 160 | 185 | 86 |
| 609-9100-415.41-34 | CASH BENEFITS | 7,155 | 4,035 | 0 | 5,487 |
| 609-9100-415.41-40 | UNEMPLOYMENT COMPENSATION | 247 | 0 | 0 | 0 |
| 609-9100-415.41-50 | WORKERS COMPENSATION | 4,620 | 4,215 | 4,748 | 2,629 |
| * PERSONAL SERVICES | | 371,921 | 344,258 | 347,232 | 240,543 |
| 609-9100-415.42-17 | CLOTHING/LAUNDRY ALLOW | 33 | 0 | 1,000 | 1,000 |
| 609-9100-415.42-20 | OFFICE SUPPLIES | 0 | 0 | 300 | 300 |
| 609-9100-415.42-21 | OPERATING SUPPLIES | 6,598 | 5,407 | 7,000 | 7,000 |
| 609-9100-415.42-22 | SUPPLIES FOR REPAIR/MAINT | 0 | 2,025 | 1,000 | 1,000 |
| * SUPPLIES | | 6,631 | 7,432 | 9,300 | 9,300 |
| 609-9100-415.43-30 | PROFESSIONAL SERVICES | 1,571 | 2,594 | 1,900 | 1,900 |
| 609-9100-415.43-31 | DUES & SUBSCRIPTIONS | 20 | 20 | 3,245 | 3,245 |
| 609-9100-415.43-32 | COMMUNICATION | 2,476 | 2,534 | 2,500 | 2,500 |
| 609-9100-415.43-34 | ADVERTISING | 20,623 | 18,653 | 35,000 | 35,000 |
| 609-9100-415.43-35 | PRINTING & BINDING | 40 | 35 | 0 | 0 |
| 609-9100-415.43-36 | INSURANCE-NON PERSONNEL | 14,472 | 12,107 | 13,000 | 13,000 |
| 609-9100-415.43-38 | UTILITY SERVICES | 21,384 | 16,215 | 35,000 | 35,000 |
| 609-9100-415.43-39 | IS FUND CHARGE | 195 | 807 | 800 | 800 |
| 609-9100-415.43-40 | SERVICE CONTRACT-NON PROF | 47,909 | 56,797 | 64,280 | 64,280 |
| 609-9100-415.43-41 | RENTALS | 103,943 | 107,697 | 109,981 | 109,981 |
| 609-9100-415.43-42 | DEPRECIATION | 46,221 | 44,719 | 44,719 | 44,719 |
| 609-9100-415.43-46 | MISCELLANEOUS | 28,541 | 31,526 | 29,000 | 29,000 |
| 609-9100-415.43-48 | COST OF GOODS SOLD | 2,837,681 | 2,889,695 | 2,800,000 | 2,800,000 |
| 609-9100-415.43-49 | BAD CHECK EXPENSE | 385 | 459 | 500 | 500 |
| 609-9100-415.43-50 | PMTS TO OTHER AGENCIES | 0 | 282 | 0 | 0 |
| 609-9100-415.43-51 | COGS FREIGHT | 20,233 | 19,508 | 22,000 | 22,000 |
| * OTHER SERVICES & CHARGES | | 3,145,694 | 3,203,648 | 3,161,925 | 3,161,925 |
| 609-9100-415.47-20 | OPERATING TRANSFERS | 370,000 | 370,000 | 250,000 | 250,000 |
| * OTHER FINANCING USES | | 370,000 | 370,000 | 250,000 | 250,000 |
| ** #1 - CUB LOCATION | | 3,894,246 | 3,925,338 | 3,768,457 | 3,661,768 |

08/13/10
 CITY OF FRIDLEY
 609ELINE

BUDGET 2011
 LIQUOR FUND
 EXPENDITURE LINE ITEMS

| ACCOUNT NUMBER | ACCOUNT DESCRIPTION | 2008 ACTUAL | 2009 ACTUAL | 2010 BUDGET | FINAL 2011 |
|----------------------------|---------------------------|----------------|----------------|----------------|---------------|
| <u>#2 - HWY 65</u> | | | | | |
| 609-9200-415.41-01 | FULL TIME EMPLOYEE - REG | 81,625 | 79,170 | 108,114 | 143,045 |
| 609-9200-415.41-02 | FULL TIME EMPLOYEE - OT | 1,943 | 971 | 3,567 | 3,557 |
| 609-9200-415.41-04 | TEMPORARY EMPLOYEE - REG | 18,415 | 18,897 | 17,749 | 17,742 |
| 609-9200-415.41-05 | TEMPORARY EMPLOYEE - OT | 0 | 52 | 0 | 0 |
| 609-9200-415.41-07 | ADMINISTRATIVE CHARGES | 19,475 | 20,059 | 20,460 | 33,400 |
| 609-9200-415.41-12 | EMPLOYEE LEAVE | 14,415 | 14,504 | 0 | 0 |
| 609-9200-415.41-20 | MEDICARE CONTRIBUTION | 1,619 | 1,603 | 1,863 | 2,296 |
| 609-9200-415.41-21 | PERA CONTRIBUTION | 7,425 | 7,423 | 9,060 | 11,915 |
| 609-9200-415.41-22 | FICA CONTRIBUTIONS | 6,924 | 6,854 | 7,965 | 9,818 |
| 609-9200-415.41-31 | HEALTH INSURANCE | 14,990 | 10,929 | 38,849 | 32,557 |
| 609-9200-415.41-32 | DENTAL INSURANCE | 466 | 357 | 530 | 750 |
| 609-9200-415.41-33 | LIFE INSURANCE | 116 | 102 | 123 | 182 |
| 609-9200-415.41-34 | CASH BENEFITS | 1,963 | 2,470 | 9,976 | 4,489 |
| 609-9200-415.41-50 | WORKERS COMPENSATION | 2,324 | 2,169 | 2,481 | 2,867 |
| * PERSONAL SERVICES | | 171,700 | 165,560 | 220,737 | 262,618 |
| 609-9200-415.42-17 | CLOTHING/LAUNDRY ALLOW | 0 | 0 | 1,000 | 1,000 |
| 609-9200-415.42-20 | OFFICE SUPPLIES | 0 | 0 | 100 | 100 |
| 609-9200-415.42-21 | OPERATING SUPPLIES | 2,261 | 1,876 | 3,000 | 3,000 |
| 609-9200-415.42-22 | SUPPLIES FOR REPAIR/MAINT | 21 | 0 | 5,000 | 5,000 |
| * SUPPLIES | | 2,282 | 1,876 | 9,100 | 9,100 |
| 609-9200-415.43-30 | PROFESSIONAL SERVICES | 1,619 | 2,786 | 1,400 | 1,400 |
| 609-9200-415.43-31 | DUES & SUBSCRIPTIONS | 20 | 20 | 20 | 20 |
| 609-9200-415.43-32 | COMMUNICATION | 2,969 | 2,754 | 2,720 | 2,720 |
| 609-9200-415.43-34 | ADVERTISING | 4,395 | 2,100 | 10,500 | 10,500 |
| 609-9200-415.43-36 | INSURANCE-NON PERSONNEL | 4,252 | 4,438 | 4,900 | 4,900 |
| 609-9200-415.43-38 | UTILITY SERVICES | 14,754 | 13,788 | 17,000 | 17,000 |
| 609-9200-415.43-39 | IS FUND CHARGE | 0 | 0 | 0 | 0 |
| 609-9200-415.43-40 | SERVICE CONTRACT-NON PROF | 21,785 | 20,016 | 33,000 | 33,000 |
| 609-9200-415.43-42 | DEPRECIATION | 4,053 | 4,054 | 4,054 | 4,054 |
| 609-9200-415.43-46 | MISCELLANEOUS | 0 | 0 | 2,000 | 2,000 |
| 609-9200-415.43-48 | COST OF GOODS SOLD | 1,180,210 | 875,804 | 1,200,000 | 1,200,000 |
| 609-9200-415.43-49 | BAD CHECK EXPENSE | 385 | 459 | 500 | 500 |
| 609-9200-415.43-50 | PMTS TO OTHER AGENCIES | 104 | 104 | 104 | 104 |
| 609-9200-415.43-51 | COGS FREIGHT | 5,037 | 5,714 | 6,000 | 6,000 |
| * OTHER SERVICES & CHARGES | | 1,239,583 | 932,037 | 1,282,198 | 1,282,198 |
| 609-9200-415.47-20 | OPERATING TRANSFERS | 130,000 | 130,000 | 100,000 | 100,000 |
| * OTHER FINANCING USES | | 130,000 | 130,000 | 100,000 | 100,000 |
| ** | #2 - HWY 65 | 1,543,565 | 1,229,473 | 1,612,035 | 1,653,916 |
| *** | MUNICIPAL LIQUOR | 5,437,811 | 5,154,811 | 5,380,492 | 5,315,684 |

BUDGET 2011

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