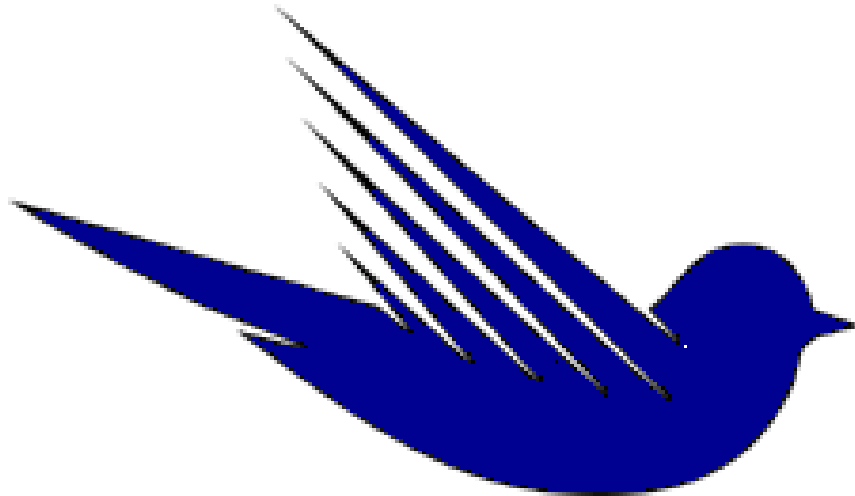


***COMPREHENSIVE
ANNUAL FINANCIAL REPORT***

For the year ended December 31, 2008

CITY OF ROBBINSDALE

ROBBINSDALE, MINNESOTA



ISSUED BY THE FINANCE DEPARTMENT

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**CITY OF ROBBINSDALE,
MINNESOTA**

**For the
Fiscal Year Ended
December 31, 2008**

**Prepared by
City of Robbinsdale Finance Department**

Larry Jacobson, Finance Director



READER'S NOTES:

**CITY OF ROBBINSDALE, MINNESOTA
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Elected and Administrative Officials	7
Organization Chart	8
Letter of Transmittal	9
Certificate of Achievement for Excellence in Financial Reporting	13
FINANCIAL SECTION	
Independent Auditor's Report	15
Management's Discussions and Analysis	17
BASIC FINANCIAL STATEMENTS	
<u>Government-Wide Financial Statements:</u>	
Statement of Net Assets	43
Statement of Activities	44
<u>Fund Financial Statements:</u>	
Major Governmental Funds – Descriptions	45
Balance Sheet – Governmental Funds	46
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	48
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	50
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	52
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	53
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Development Special Revenue Fund	55
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – TIF Development Special Revenue Fund	56
Proprietary Funds – Major Enterprise Funds – Descriptions	57
Statement of Net Assets – Proprietary Funds	60
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	62

**CITY OF ROBBINSDALE, MINNESOTA
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

TABLE OF CONTENTS (Continued)

	<u>Page Number</u>
FINANCIAL SECTION (continued)	
Statement of Cash Flows – Proprietary Funds	64
Statement of Net Assets – Fiduciary Fund	68
<u>Notes to the Financial Statements</u>	69
REQUIRED SUPPLEMENTARY INFORMATION	111
SUPPLEMENTARY INFORMATION	
<u>Combining Fund Financial Statements – Non-major Funds</u>	
Non – major Governmental Funds – Descriptions	113
Combining Balance Sheet – Non-major Governmental Funds	114
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-major Governmental Funds	116
Internal Service Funds - Descriptions	119
Combining Statement of Net Assets – Internal Service Funds	120
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds	122
Combining Statement of Cash Flows – Internal Service Funds	124
Agency Fund – Description	127
Statement of Changes in Assets and Liabilities – Agency Fund	128
<u>Other Schedule</u>	
Schedule of Long-term Debt Issues Payable	129

**CITY OF ROBBINSDALE, MINNESOTA
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

TABLE OF CONTENTS (Continued)

STATISTICAL SECTION

	<u>Schedule</u>	<u>Page Number</u>
Statistical Section – Description		133
Net Assets by Component	1	135
Changes in Net Assets	2	136
Governmental Activities Tax Revenues by Source	3	138
Fund Balances of Governmental Funds	4	139
Changes in Fund Balances of Governmental Funds	5	140
General Governmental Tax Revenues by Source	6	141
Assessed Value and Estimated Actual Value of Taxable Property	7	142
Property Tax Rates - Direct and Overlapping Governments	8	143
Principal Property Taxpayers	9	144
Property Tax Levies and Collections	10	145
Ratios of Outstanding Debt by Type	11	146
Ratios of General Bonded Debt Outstanding	12	147
Direct and Overlapping Governmental Activities Debt	13	148
Legal Debt Margin Information	14	150
Pledged Revenue Coverage	15	152
Demographic and Economic Statistics	16	153
Full-Time Equivalent City Government Employees by Function	17	154
Operating Indicators by Function	18	156
Capital Asset Statistics by Function	19	158
Principal Employers	20	160



READER'S NOTES:



CITY OF ROBBINSDALE, MINNESOTA

ELECTED AND ADMINISTRATIVE OFFICIALS

DECEMBER 31, 2008

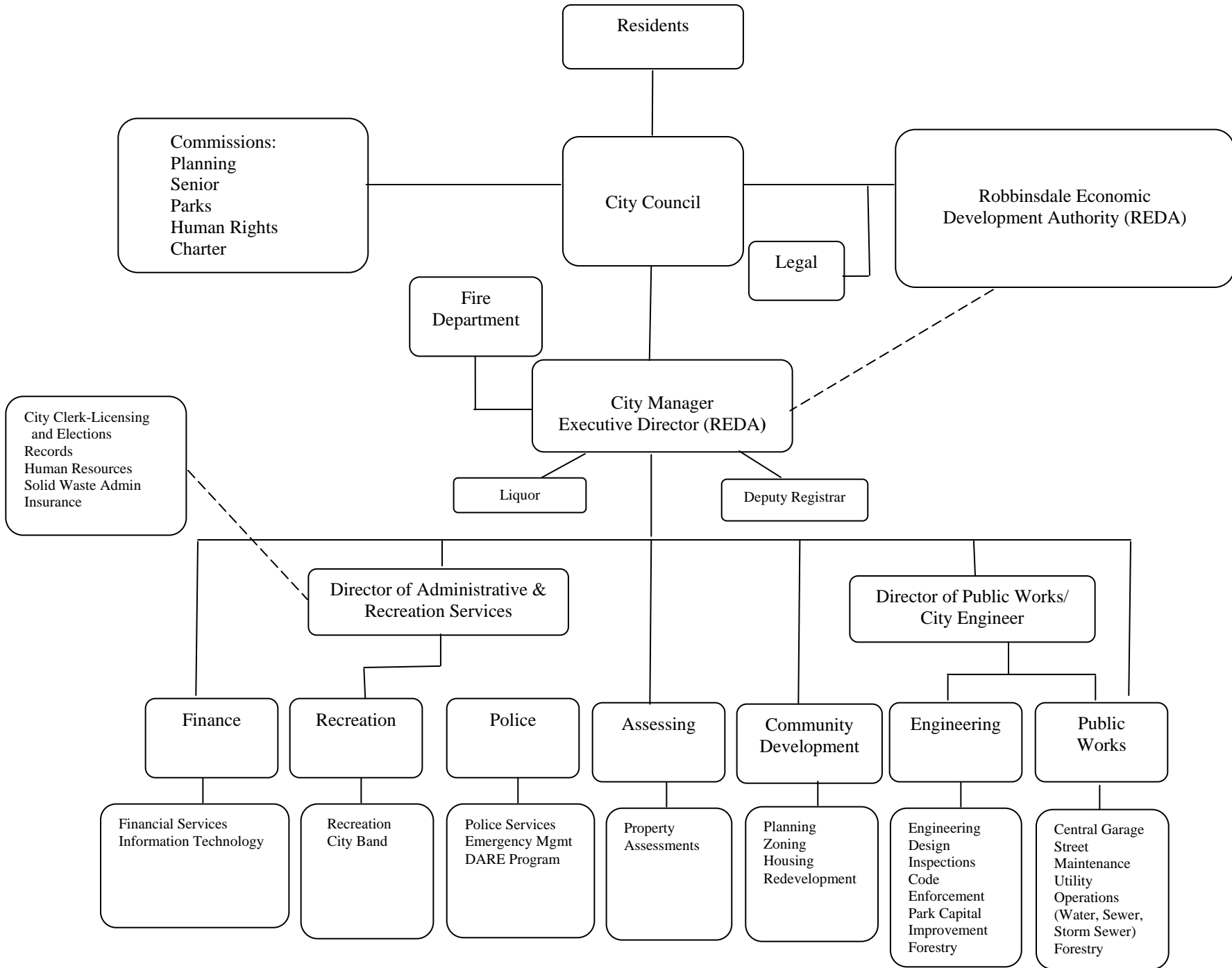
ELECTED OFFICIALS

		<u>Term of Office Expires December 31st</u>
Mayor -	Michael A. Holtz	2012
First Ward Councilperson -	William A. Blonigan	2012
Second Ward Councilperson -	Daniel P. Rogan	2012
Third Ward Councilperson -	George Selman	2010
Fourth Ward Councilperson -	Tom Mathias	2010

ADMINISTRATIVE OFFICIALS

City Manager -	Marcia Glick
Assessor -	Stan J. Kregel
Finance Director -	Larry Jacobson
Public Works Director / City Engineer -	Richard McCoy
Director of Administrative and Recreation Services -	Tom Marshall
Chief of Police -	Steve Smith
Fire Chief -	Mark Fairchild
City Clerk -	Tom Marshall
Attorney -	John B. Dean

City of Robbinsdale Organization Chart





City of Robbinsdale

4100 Lakeview Avenue North
Robbinsdale, Minnesota 55422-2280
Phone: (763) 537-4534
Fax: (763) 537-7344
www.robbinsdalemn.com

June 22, 2009

Honorable Mayor and Members of the City Council
City of Robbinsdale, Minnesota

Mayor and City Council Members:

Minnesota statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants, or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Robbinsdale for the fiscal year ended December 31, 2008.

This report consists of management's representations concerning the finances of the City of Robbinsdale. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Robbinsdale has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation for the City of Robbinsdale's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the City of Robbinsdale's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Robbinsdale's financial statements have been audited by Malloy, Montague, Karnowski, Radosevich & Co., P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Robbinsdale for the fiscal year ended December 31, 2008, are free of any material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a responsible basis for rendering an unqualified opinion that the City of Robbinsdale's financial statements for the fiscal year ended December 31, 2008, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD & A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic

Profile of the Government

The City of Robbinsdale is a first ring suburb located northwest of the City of Minneapolis. The City has a land area of 2.7 square miles with a population of 13,598. The City continues to maintain a small town feel, yet is located just minutes from downtown Minneapolis.

The City provides its residents and businesses with a full range of basic governmental services consisting of public safety, public works, recreation & parks, and general administrative services. In addition to basic governmental services, the governing body exercises financial accountability over the Robbinsdale Economic Development Authority (REDA). The REDA's governing board is made up exclusively of City Council members, therefore all its activities are included as part of the reporting entity. The Robbinsdale Fire Relief Association has not met the established criteria for inclusion in the reporting entity, and accordingly is excluded from this report. The Robbinsdale Fire Relief Organization is not a component unit because it is organized independently under state law, and is allowed to levy an ad valorem tax to fund benefits if one is required by the latest actuarial study. The Fire Relief Association's audited annual financial reports are available in their offices, as well as at City Hall.

Local Economy and Housing

Robbinsdale's downtown area maintains a mix of retail and professional businesses. Outside of the downtown area, there are two shopping centers, a small office park, and the North Memorial Healthcare campus.

Robbinsdale is home to North Memorial Healthcare (NMHC), a regional medical facility. NMHC has a large hospital facility and multiple associated medical office buildings. NMHC is the City's largest employer with over 5,000 employees. Over the last few years, NMHC has completed a major expansion, which included the addition of hospital facilities, expansion of the emergency room facilities, and the renovation of an old Montgomery Wards facility into a cancer center and medical clinics.

Robbinsdale's housing market is primarily single-family homes that are pre-world war II vintage. About six years ago, the City lost over 100 housing units due to the reconstruction of Highway 100, which travels through the western part of the City from North to South. To offset this loss, there are numerous housing redevelopment projects that are currently in progress. During 2004, the REDA entered in to an agreement with a developer for the redevelopment of an old school site, which would add about 210 housing units (mostly townhomes) to the City's tax base. This project is currently underway with completion expected by 2010. The City also sold a parcel of land near the downtown for the development of 10 townhomes that is nearly complete. Additionally, ten lots were acquired in the northwestern part of the City from the Minnesota Department of Transportation. The REDA entered into an agreement to construct single family homes on the lots with a builder.

Long-term Financial Planning

Since 2002, the City has had its state aids reduced (that it receives to help pay for basic governmental services) by over 50%. For 2008, the state aid amount was set to increase by 23%, or \$229,927 from the 2007 level. The actual amount received was 2% less than the 2007 amount, a reduction of \$22,485. The reduction was an unplanned cut in state aid by the State of Minnesota to assist in balancing the state budget. Based on the formula trends, the City considers these will be permanent reductions. The City has made up a majority of the state aid loss through an increase to its property tax levy. Additionally, the City extended through 2011 a 4% franchise fee on revenues that gas and electric utilities receive from customers located within the City. This fee had been in place since 2003. This fee helps support some basic governmental services, and provides additional funds towards the City's long-term street replacement program. Any reductions necessary to help balance the budget were enacted in 2008 or have been placed in the 2009 Adopted Budget. No further reductions are planned, unless the State continues to reduce state aids and limit the City's ability to increase property tax levies.

Top priorities for the City as we enter 2009, are:

- Manage City resources wisely to meet citizen's needs with a balanced budget.
- Respond to changing economic conditions impacting City revenues and prioritizing City services.
- Build and maintain partnerships with citizens to provide a safe community in which to live and work.
- Enhance and maintain employee engagement.
- Continue to work on Redevelopment strategies.
- Ensure that parks are places residents/others want to use and enjoy.
- Continue to enhance our website for efficiency and customer service.

The City subscribes to the "pooled cash" concept of investing, which means that all funds with cash balances participate in an investment pool. This permits some funds to be overdrawn and others to show cash balances when, in fact, the City as a whole has a cash balance. This pooled cash concept provides for investing greater amounts of money at more favorable rates. Investment earnings are then allocated yearly based on quarterly cash balances to the participating funds. For further information on the City's cash and investments, please see Note 3 of the City's notes to the financial statements.

The City belongs to two organizations that were created for insurance purposes. The League of Minnesota Cities Insurance Trust was founded to provide general liability and workers' compensation insurance to League of Minnesota Cities members. The program provides coverage for damages up to \$1,200,000 per incident and limits the City's liability to \$25,000 per claim and \$100,000 per year for general liability. Also, Minnesota Statutes provide limits on liability claims to cities. The LOGIS Health Care Group is a joint powers agreement between local government agencies that have combined their group size for pooling of health and life insurance experience ratings. The group annually reviews coverage and costs offered by health maintenance organizations (HMO's) that provide insurance to the members.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Robbinsdale for its comprehensive annual financial report for the fiscal year ended December 31, 2007. The City of Robbinsdale has received a Certificate of Achievement for the last twenty-nine years (1979-2007). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

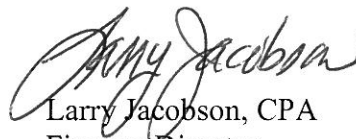
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

We wish to express our appreciation to the Mayor and City Council for their continued interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner. We also want to express our appreciation to the entire Finance Department Staff for their efficient and dedicated services in the preparation of this report.

Respectfully submitted,



Marcia Glick
City Manager



Larry Jacobson, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Robbinsdale
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director



READER'S NOTES:

INDEPENDENT AUDITOR'S REPORT

City Council and Residents
City of Robbinsdale, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Robbinsdale, Minnesota (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2008, and the respective changes in financial position and cash flows thereof, where applicable, and the budgetary comparisons for the General Fund and major special revenue funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 of the notes to basic financial statements, the City implemented Governmental Accounting Standards Board Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions," during the year ended December 31, 2008.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2009 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

(continued)

The Management's Discussion and Analysis, which follows this report letter, and other required supplementary information, which follows the notes to basic financial statements, are not required parts of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and, accordingly, we express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

June 22, 2009

Management's Discussion and Analysis

As management of the City of Robbinsdale, we offer readers of the City of Robbinsdale's financial statements this narrative overview and analysis of the financial activities of the City of Robbinsdale for the fiscal year ended December 31, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 9 - 12 of this report.

Financial Highlights

- The overall net assets of the City increased by \$2.04 million. The change in net assets related to business-type activities was an increase of \$1.13 million, while the net result of government activities was an increase of \$.91 million.
- The net assets of the City equaled \$54.21 million at the end of 2008 as compared with \$52.17 million at the end of 2007. Of this amount, \$20.17 million (unrestricted net assets) may be used to meet the City's ongoing obligations to its citizens and creditors.
- As of December 31, 2008, unreserved fund balance within the General Fund was \$4.39 million or 58% of total general fund expenditures.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City of Robbinsdale's basic financial statements. The City of Robbinsdale's basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements consist of the statement of net assets and the statement of activities.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the

Management's Discussion and Analysis

underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, community development, public safety, recreation, public works, and human services. The business-type activities of the City include utilities (water, sanitary sewer, storm sewer, and solid waste), liquor operations, deputy registrar, and Broadway Court.

The government-wide financial statements can be viewed on pages 43 - 44 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Robbinsdale, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories:

- Governmental funds
- Proprietary funds
- Fiduciary funds

Governmental funds - are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statement. By doing so, readers may better understand the long-term impact of the City's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in funds balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Robbinsdale maintains five individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Robbinsdale Economic Development Authority (REDA) General Development Fund, REDA Tax Increment Development Fund, REDA Tax Increment Debt Service Fund, and the Permanent Improvement Revolving Capital Project Fund. Data from the other six governmental funds are

Management's Discussion and Analysis

combined into a single, aggregated presentation. Individual fund data for each of the six non-major governmental funds is provided in the form of combining statements elsewhere in the report.

The City of Robbinsdale adopts an annual appropriated budget for its general and major special revenue funds. A budgetary comparison statement has been provided for those major governmental funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 46 - 56 of this report.

Proprietary Funds – consist of two types of funds, Enterprise and Internal Service. Enterprise funds are used to report the same functions presented as business-type activities in the governmental –wide financial statements. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the following operations: Central Garage, Central Services (general office, information technology, government buildings), Equipment Replacement, Risk Insurance, and Benefit Accrual. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Utility, Sanitary Sewer Utility, Storm Sewer Utility, Solid Waste Removal, Liquor Operation, and Broadway Court, all of which are considered to be major funds of the City. Conversely, non-major enterprise operations (deputy registrar) and internal service funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 60-67 of this report.

Fiduciary funds – are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 68 of this report.

Notes to the financial statements – provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 69 – 106 of this report.

Supplementary and other information – includes the combining and individual fund statements referred to earlier in connection with non-major governmental funds, internal service funds,

Management's Discussion and Analysis

agency fund and required supplementary information. The required supplementary information, combining and individual statements are presented immediately following the notes to the financial statements.

Governmental-Wide Financial Analysis

Change in Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$54.2 million at December 31, 2008.

City of Robbinsdale – Net Assets

	<u>2008</u>	<u>2007</u>	<u>Variance</u>	<u>Percent Change</u>
Cash and investments	\$ 26,210,379	\$ 30,347,045	\$ (4,136,666)	(13.6) %
Other assets	9,602,807	9,485,955	116,852	1.2 %
Capital assets	<u>41,847,637</u>	<u>39,091,548</u>	<u>2,756,089</u>	7.1 %
Total assets	<u>77,660,823</u>	<u>78,924,548</u>	<u>(1,263,725)</u>	(1.6) %
Long-term liabilities outstanding	17,948,992	19,489,403	(1,540,411)	(7.9) %
Other liabilities	<u>5,506,108</u>	<u>7,266,934</u>	<u>(1,760,826)</u>	(24.2) %
Total liabilities	<u>23,455,100</u>	<u>26,756,337</u>	<u>(3,301,237)</u>	(12.3) %
Net Assets:				
Invested in capital assets net of related debt	28,726,869	25,097,749	3,629,120	14.5 %
Restricted	5,306,950	3,774,299	1,532,651	40.6 %
Unrestricted	<u>20,171,904</u>	<u>23,296,163</u>	<u>(3,124,259)</u>	(13.4) %
Total net assets	<u>\$ 54,205,723</u>	<u>\$ 52,168,211</u>	<u>\$ 2,037,512</u>	3.9 %

Net assets are divided into three areas: investment in capital assets net of related debt, restricted, and unrestricted.

Investment in capital assets, net of related debt

This area of net assets represents the City's investment in capital assets (land, buildings, infrastructure (streets, parks, utilities), and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending. For 2008, these assets represent 53.0% of total net assets. The City reports infrastructure assets used in governmental activities placed in service since 1980.

Management's Discussion and Analysis

Restricted net assets

These assets represent resources that are subject to external restrictions on how they may be used. Restricted net assets represent \$5.31 million or 9.8% of total net assets as of December 31, 2008.

Unrestricted net assets

These assets represent resources that are available to meet the City's short and long-term obligations. Unrestricted net assets represent 37.2% of the total net assets available as of December 31, 2008.

Statement of Activities

Activities are divided into governmental and business-type. The total net assets of the City increased by just under \$2.04 million or 3.9%. Governmental activities resulted in an increase of the City's net assets of just over \$912 thousand. Key elements of the increase are in the table on the following page.

Management's Discussion and Analysis

City's Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<i>Revenues</i>						
Program revenues:						
Charges for services	\$ 2,038,948	\$ 3,090,990	\$ 7,996,902	\$ 7,661,305	\$ 10,035,850	\$ 10,752,295
Operating grants and contributions	369,737	424,164	41,739	36,656	411,476	460,820
Capital grants and contributions	59,364	85,833			59,364	85,833
General revenues:						
Property Taxes	4,865,778	4,729,048			4,865,778	4,729,048
Tax increments	858,422	462,906			858,422	462,906
Unrestricted grants and contributions	1,260,526	1,288,363			1,260,526	1,288,363
Franchise Fee Tax	665,886	626,873			665,886	626,873
Unrestricted investment earnings	828,530	1,113,326	331,995	471,875	1,160,525	1,585,201
Land sales	8,500	17,034			8,500	17,034
Total revenues	10,955,691	11,838,537	8,370,636	8,169,836	19,326,327	20,008,373
<i>Expenses</i>						
General government	1,141,359	1,021,438			1,141,359	1,021,438
Community development	1,149,841	1,448,035			1,149,841	1,448,035
Public safety	4,080,471	3,808,379			4,080,471	3,808,379
Recreation	1,515,603	1,527,831			1,515,603	1,527,831
Public Works	2,057,746	1,909,203			2,057,746	1,909,203
Human Services	1,700	1,600			1,700	1,600
Interest on long term debt	383,544	469,848			383,544	469,848
Water utility			1,006,173	1,009,200	1,006,173	1,009,200
Saniary sewer utility			1,396,520	1,368,433	1,396,520	1,368,433
Storm sewer utility			249,502	240,535	249,502	240,535
Solid waste utility			996,067	1,199,735	996,067	1,199,735
Liquor operations			2,326,877	2,089,831	2,326,877	2,089,831
Deputy Registrar			336,435	324,699	336,435	324,699
Broadway Court			646,977	511,213	646,977	511,213
Total expenses	10,330,264	10,186,334	6,958,551	6,743,646	17,288,815	16,929,980
Increase in net assets before transfers	625,427	1,652,203	1,412,085	1,426,190	2,037,512	3,078,393
Transfers	286,729	334,488	(286,729)	(334,488)		
Increase in net assets	912,156	1,986,691	1,125,356	1,091,702	2,037,512	3,078,393
Net assets, January 1	35,668,702	33,682,011	16,499,509	15,407,807	52,168,211	49,089,818
Net assets, December 31	\$ 36,580,858	\$ 35,668,702	\$ 17,624,865	\$ 16,499,509	\$ 54,205,723	\$ 52,168,211

Management's Discussion and Analysis

Governmental Activities

City of Robbinsdale – Net Assets (*Governmental Activities*)

	<u>2008</u>	<u>2007</u>	<u>Variance</u>	<u>Percent Change</u>
Cash and investments	\$ 18,676,333	\$ 21,692,280	\$ (3,015,947)	(13.9) %
Other assets	7,210,167	7,182,031	28,136	0.4 %
Capital assets	<u>22,959,810</u>	<u>21,025,376</u>	<u>1,934,434</u>	9.2 %
Total assets	<u>48,846,310</u>	<u>49,899,687</u>	<u>(1,053,377)</u>	(2.1) %
Long-term liabilities outstanding	8,370,124	9,027,791	(657,667)	(7.3) %
Other liabilities	<u>3,895,328</u>	<u>5,203,194</u>	<u>(1,307,866)</u>	(25.1) %
Total liabilities	<u>12,265,452</u>	<u>14,230,985</u>	<u>(1,965,533)</u>	(13.8) %
Net Assets:				
Invested in capital assets net of related debt	20,044,810	17,745,376	2,299,434	13.0 %
Restricted	5,306,950	3,774,299	1,532,651	40.6 %
Unrestricted	<u>11,229,098</u>	<u>14,149,027</u>	<u>(2,919,929)</u>	(20.6) %
Total net assets	<u>\$ 36,580,858</u>	<u>\$ 35,668,702</u>	<u>\$ 912,156</u>	2.6 %

Net assets related to governmental activities increased by \$.91 million during the year as a result of increased investments in capital assets related to the purchase of equipment and infrastructure improvements.

Management's Discussion and Analysis

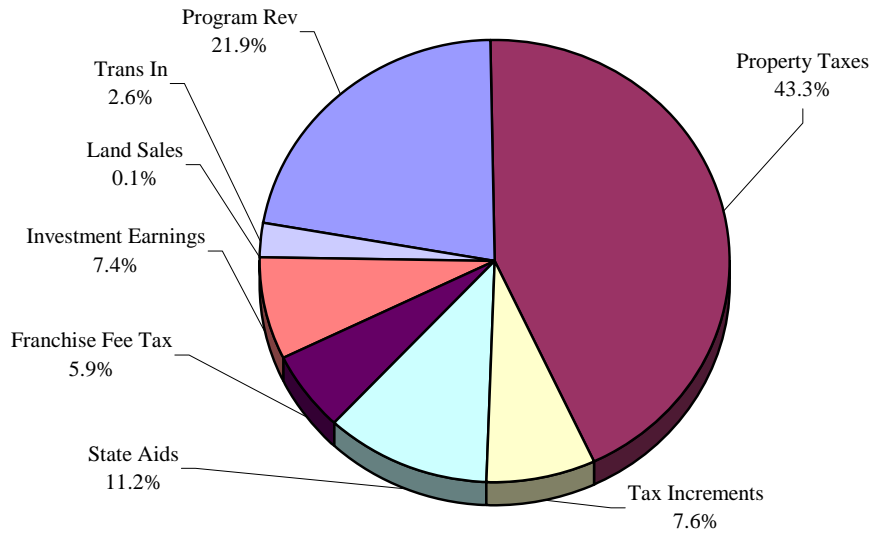
Governmental Activities – Revenue Analysis

Revenues and transfers in for governmental activities totaled \$11.2 million in 2008 as compared with \$12.2 million in 2007.

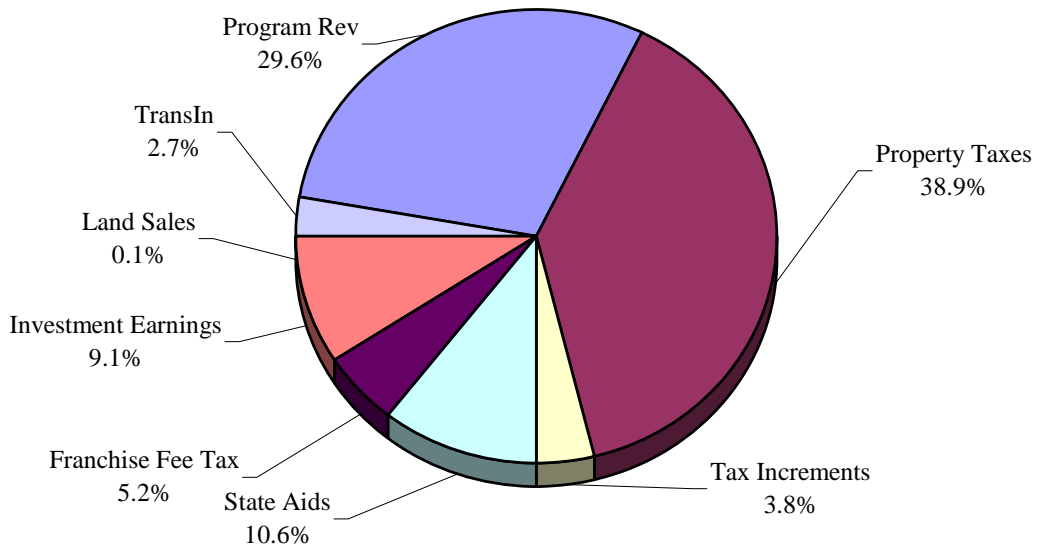
Revenue Comparison - Governmental Activities				
	2008	2007	Variance	Percent Change
Program Revenues	\$ 2,468,049	\$ 3,600,987	\$ (1,132,938)	(31.5) %
Property Taxes	4,865,778	4,729,048	136,730	2.9 %
Tax Increments	858,422	462,906	395,516	85.4 %
State Aids	1,260,526	1,288,363	(27,837)	(2.2) %
Franchise Fee Tax	665,886	626,873	39,013	6.2 %
Investment Earnings	828,530	1,113,326	(284,796)	(25.6) %
Land sales	8,500	17,034	(8,534)	(50.1) %
Total Revenues before Transfers	<u>10,955,691</u>	<u>11,838,537</u>	<u>(882,846)</u>	(7.5) %
Transfers In	<u>286,729</u>	<u>334,488</u>	<u>(47,759)</u>	(14.3) %
Totals	<u>\$ 11,242,420</u>	<u>\$ 12,173,025</u>	<u>\$ (930,605)</u>	(7.6) %

Revenues for governmental activities decreased by 7.6%, due primarily to reductions in capital grants received for capital improvements, street state construction aids, developer fees received by the REDA – TIF Development Fund, and additional special assessments received for street reconstruction projects. While property tax revenues increased by just under 3 %, the increase was modest in 2008 to provide for inflationary pressure on operating expenses. The following charts depict the revenues by source and reflect the changes that are occurring due to legislative actions:

Revenues by Source Governmental Activities - YE 2008

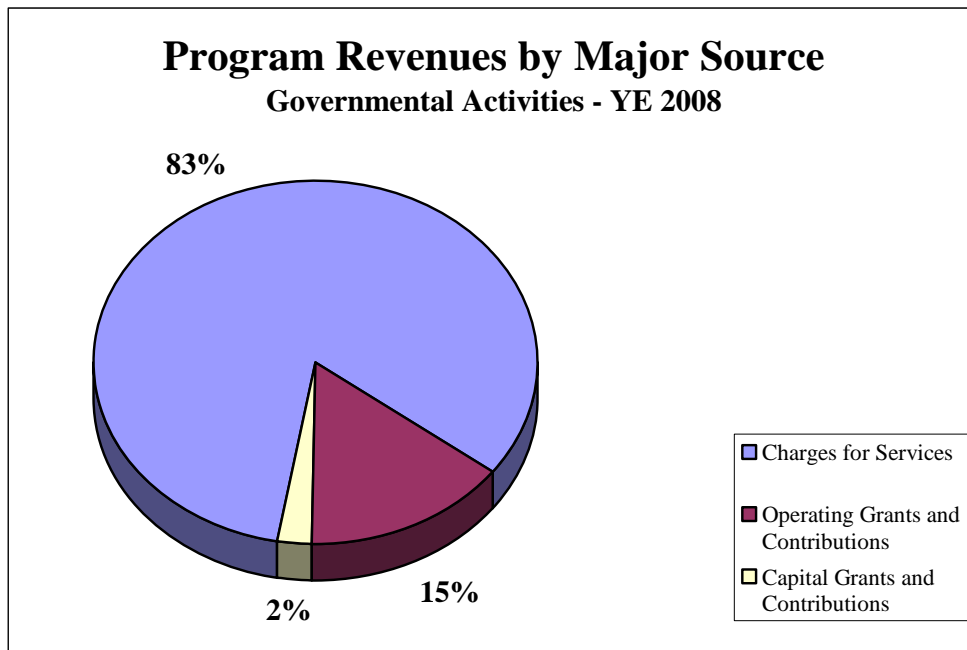


Revenues by Source Governmental Activities - YE 2007



Management's Discussion and Analysis

Program revenues, which represent 21.9% of governmental activity revenue for 2008, are considered to be those funds that are received either through charges for services or grants for specific functions. The chart below depicts a breakdown of program revenues by major source for the year ended December 31, 2008:



Management's Discussion and Analysis

Program Revenue Amounts Comparative Analysis by Function:

Charges for Services				
Functions	2008	2007	Variance	Percent Change
General Government	\$ 615,329	\$ 470,307	\$ 145,022	30.8 %
Community Development	370,991	911,293	(540,302)	(59.3) %
Public Safety	666,284	575,020	91,264	15.9 %
Recreation	152,906	170,235	(17,329)	(10.2) %
Public Works	233,438	964,135	(730,697)	(75.8) %
Totals	<u>\$ 2,038,948</u>	<u>\$ 3,090,990</u>	<u>\$ (1,052,042)</u>	(34.0) %

Operating Grants and Contributions				
Functions	2008	2007	Variance	Percent Change
General Government	\$ 15,819	\$ 15,819	\$ 0	0.0 %
Public Safety	215,356	286,691	(71,335)	(24.9) %
Recreation	124,567	107,659	16,908	15.7 %
Public Works	13,995	13,995	0	0.0 %
Totals	<u>\$ 369,737</u>	<u>\$ 424,164</u>	<u>\$ (54,427)</u>	(12.9) %

Capital Grants and Contributions				
Functions	2008	2007	Variance	Percent Change
General Government	\$ 24,364	\$ 23,191	\$ 1,173	5.1 %
Community Development	35,000	39,127	(4,127)	(10.5) %
Public Works	0	23,515	(23,515)	(100.0) %
Totals	<u>\$ 59,364</u>	<u>\$ 85,833</u>	<u>\$ (26,469)</u>	(30.8) %

The decrease in charges for services by \$1,052,041 or 34.0% were impacted by the following events:

- Decrease in public works program revenues related to a decrease in new special assessments and the receipt of prepaid special assessments.
- Decrease in early note (loan) pay offs related to REDA General Development loans to various businesses within the City.
- Decrease in fine revenue received in 2008 as compared with 2007.

Management's Discussion and Analysis

Operating Grants and Contributions decreased overall by 12.9% or \$54,427 due to the receipt of state grants for police enforcement and recreation programs.

Capital Grants and Contributions decreased overall by 30.8% and were due a decrease in capital grants received for public works projects.

Governmental Activities – Expenses Analysis

Governmental Activities Expenses for 2008 were slightly over \$10.3 million, which represents a 1.4% or \$144 thousand increase from 2007.

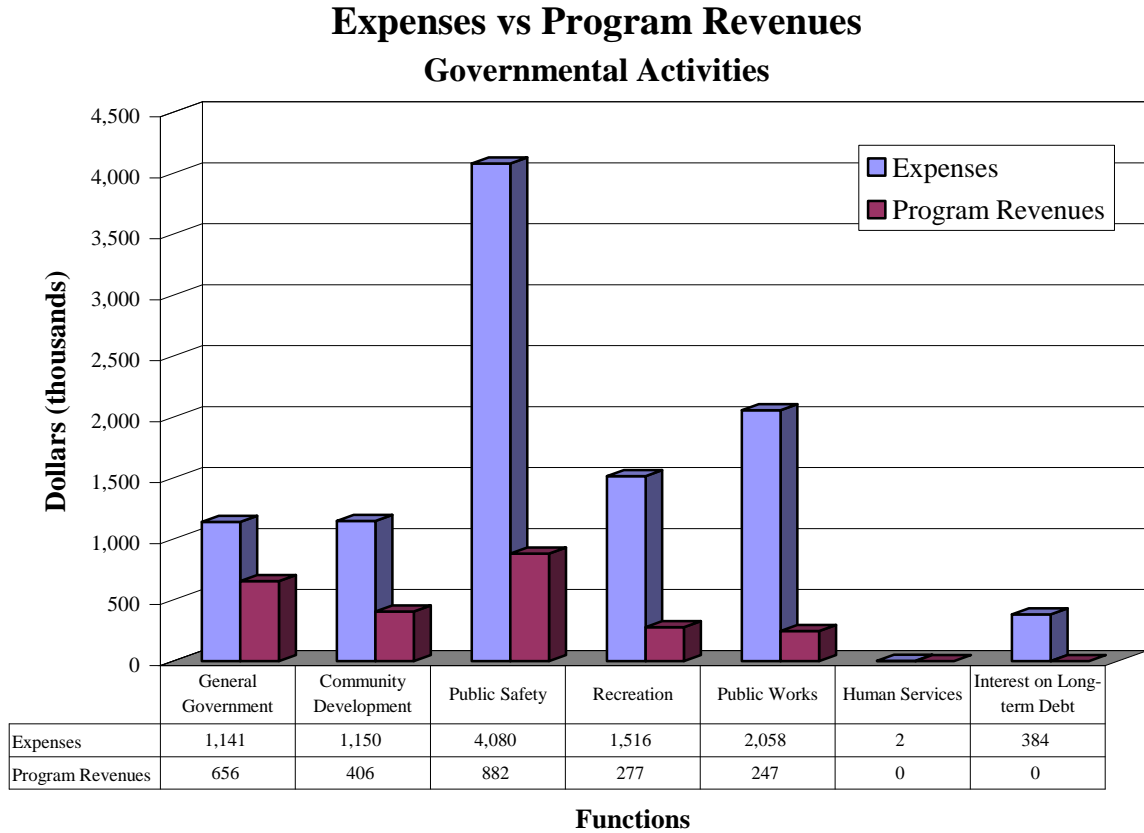
Functions	Expenses - Governmental Activities			Percent Change
	2008	2007	Variance	
General Government	\$ 1,141,359	\$ 1,021,438	\$ 119,921	11.7 %
Community Development	1,149,841	1,448,035	(298,194)	(20.6) %
Public Safety	4,080,471	3,808,379	272,092	7.1 %
Recreation	1,515,603	1,527,831	(12,228)	(0.8) %
Public Works	2,057,746	1,909,203	148,543	7.8 %
Human Services	1,700	1,600	100	6.3 %
Interest on Long-term Debt	383,544	469,848	(86,304)	(18.4) %
Totals	<u>\$ 10,330,264</u>	<u>\$ 10,186,334</u>	<u>\$ 143,930</u>	1.4 %

The expense changes are due to the following circumstances:

- The increased expenses in General Government were due to the election that was held in 2008.
- The decreased expenses within the Community Development Function were due to the activity related to the Parker Village redevelopment project that was completed in 2007.
- The Public Works Function expenses included increased activity surrounding street reconstruction program efforts.

Management's Discussion and Analysis

The chart below depicts the gap between program revenues versus expenses within governmental activities:



Management's Discussion and Analysis

Business-type Activities

City of Robbinsdale – Net Assets (*Business-type Activities*)

	<u>2008</u>	<u>2007</u>	<u>Variance</u>	<u>Percent Change</u>
Cash and investments	\$ 7,534,046	\$ 8,654,765	\$ (1,120,719)	(12.9) %
Other assets	2,392,640	2,303,924	88,716	3.9 %
Capital assets	<u>18,887,827</u>	<u>18,066,172</u>	<u>821,655</u>	4.5 %
Total assets	<u>28,814,513</u>	<u>29,024,861</u>	<u>(210,348)</u>	(0.7) %
Long-term liabilities outstanding	9,578,868	10,461,612	(882,744)	(8.4) %
Other liabilities	<u>1,610,780</u>	<u>2,063,740</u>	<u>(452,960)</u>	(21.9) %
Total liabilities	<u>11,189,648</u>	<u>12,525,352</u>	<u>(1,335,704)</u>	(10.7) %
Net Assets:				
Invested in capital assets net of related debt	8,682,059	7,352,373	1,329,686	18.1 %
Unrestricted	<u>8,942,806</u>	<u>9,147,136</u>	<u>(204,330)</u>	(2.2) %
Total net assets	<u>\$ 17,624,865</u>	<u>\$ 16,499,509</u>	<u>\$ 1,125,356</u>	6.8 %

Net assets related to business-type activities increased by \$1,125,356, which relates to the net income of all the enterprise funds shown in the fund financial statements.

Business-type Activities – Revenue Analysis

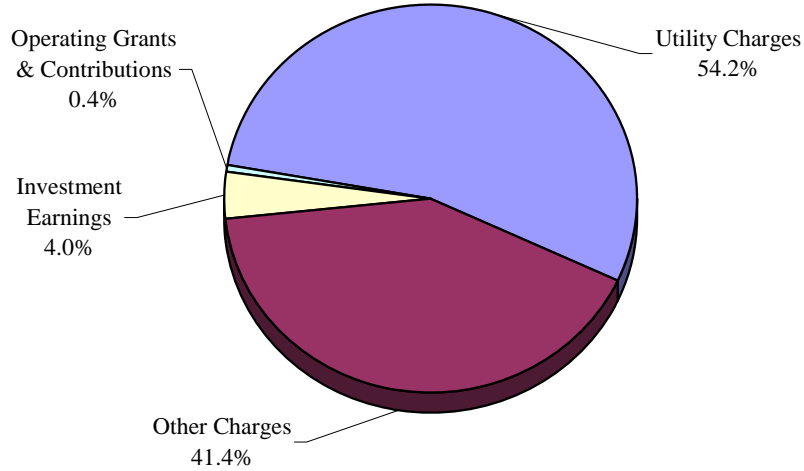
Revenues for business-type activities totaled \$8.4 million in 2008 as compared with \$8.2 million in 2007.

Revenue Comparison - Business-type Activities				
	<u>2008</u>	<u>2007</u>	<u>Variance</u>	<u>Percent</u>
Charges for services				
Utility Charges	\$ 4,533,115	\$ 4,447,274	\$ 85,841	1.9 %
Other Charges	3,463,787	3,214,031	249,756	7.8 %
Operating Grants & contributions	41,739	36,656	5,083	13.9 %
Investment Earnings	<u>331,995</u>	<u>471,875</u>	<u>(139,880)</u>	(29.6) %
Totals	<u>\$ 8,370,636</u>	<u>\$ 8,169,836</u>	<u>\$ 200,800</u>	2.5 %

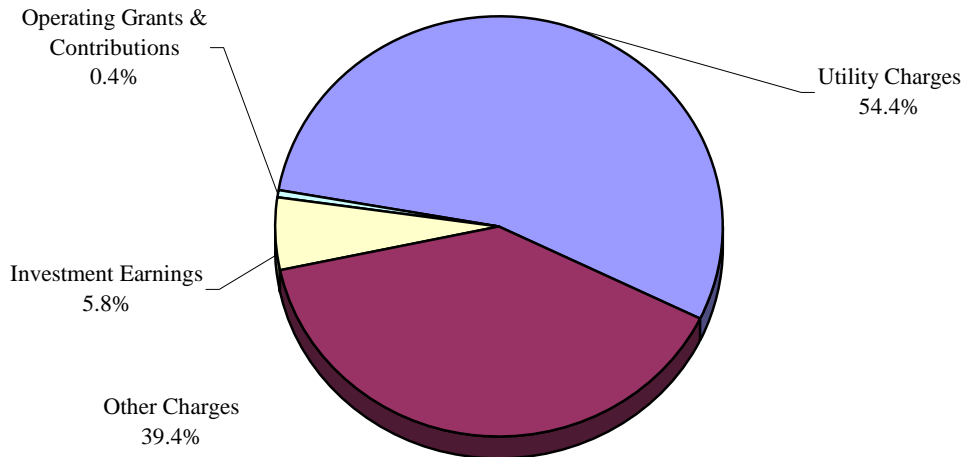
Management's Discussion and Analysis

Revenues for business-type activities increased by 2.5% during 2008 due to an increase in other charges from the Liquor Fund and utility rate increases. The following charts depict the revenues by source:

**Revenues by Source
Business-type Activities - YE 2008**



**Revenues by Source
Business-type Activities - YE 2007**



Management's Discussion and Analysis

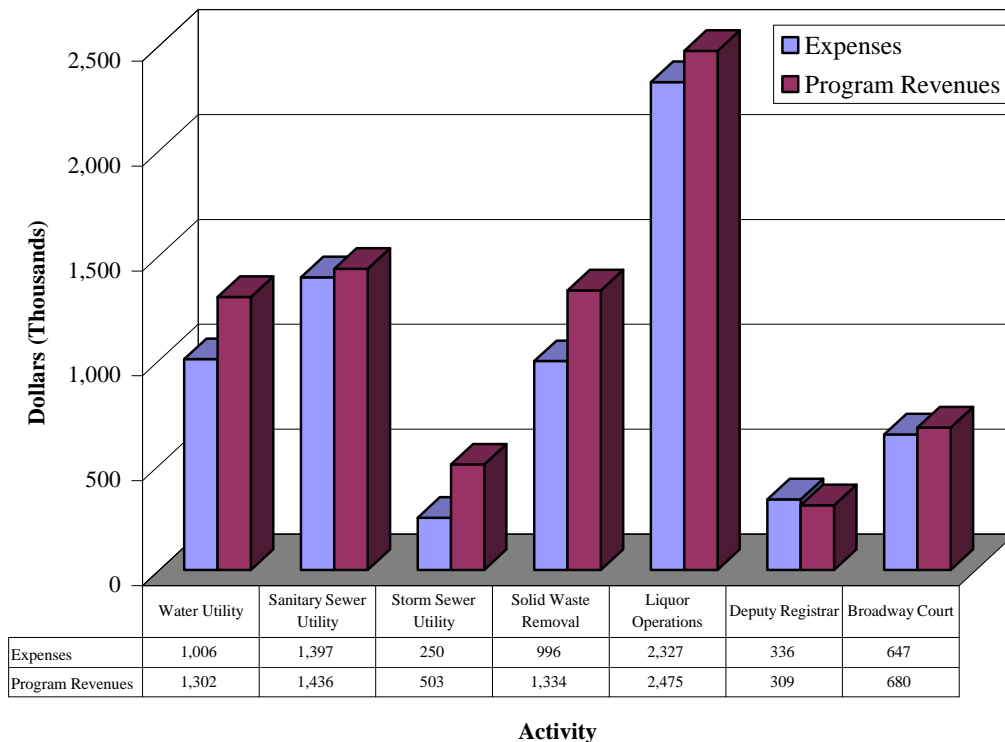
Business-type Activities – Expenses Analysis

Business-type Activities Expenses for 2008 decreased by 2.4%.

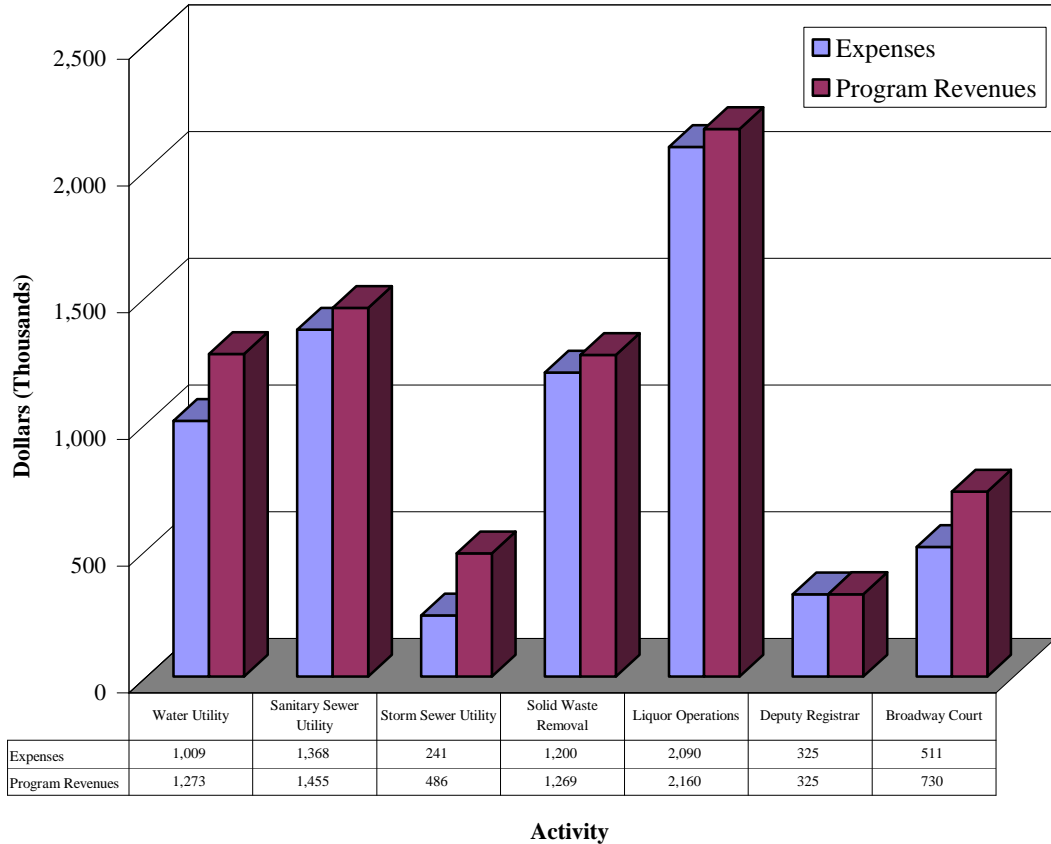
	Expenses - Business-type Activities			
	2008	2007	Variance	Percent
Utility Expenses	\$ 3,648,262	\$ 3,817,903	\$ (169,641)	(4.4) %
Other Expenses	3,310,289	2,925,743	384,546	13.1 %
Total Expenses	6,958,551	6,743,646	214,905	3.2 %
Transfers Out	286,729	334,488	(47,759)	(14.3) %
Total Expenses and Transfers Out	\$ 7,245,280	\$ 7,078,134	\$ 167,146	2.4 %

Charts comparing expenses with program revenues for 2008, as well as 2007, are shown below:

Expenses vs Program Revenues Business-type Activities - YE 2008



**Expenses vs Program Revenues
Business-type Activities - YE 2007**



Overall the business-type activities are generating enough program revenues to pay for their operations. More detail comparing the results of operations for each business-type activity is discussed within the Enterprise Fund section later in the MD&A.

Fund Financial Statements Analysis

As noted earlier, the City of Robbinsdale uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental Funds

The focus of the City’s governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

Management's Discussion and Analysis

Fund Balances

At December 31, 2008, the City's governmental funds reported combined ending fund balances of \$17.9 million, a decrease of \$.26 million from 2007. Approximately 48% (\$8.6 million) of this total constitutes unreserved fund balance, which is available for spending at the government's discretion. As of the end of 2008, the City Council has designated the unreserved for the following purposes:

Subsequent years budget	\$ 276,573
Working capital	4,000,000
Senior program activities	33,743
Budgeted capital improvements	4,765,427
Community development projects	<u>1,721,683</u>
Total designations	<u>\$ 10,797,426</u>

Subsequent year's budget - represents the amount of reserves that the General Fund 2009 operating budget plans to use.

Working capital – represents the first six months of operating expenses anticipated within the General Fund, as property tax and state aid payments are not received until June.

Budgeted capital improvements – represent the capital improvements that are planned for the following year.

Community development projects – represent funds that are controlled by the Robbinsdale Economic Development Authority for general redevelopment purposes. This amount is net of the fund balance deficit in the REDA – TIF Development Fund.

Management's Discussion and Analysis

Revenues by Sources

	FY 2008		FY 2007		Increase / (Decrease)
	Amount	Percent of Total	Amount	Percent of Total	Amount
Property taxes	\$ 4,844,180	44.0 %	\$ 4,721,221	43.8 %	\$ 122,959
Tax increments	858,422	7.8 %	462,906	4.3 %	395,516
Special assessments	507,304	4.6 %	541,727	5.0 %	(34,423)
Licenses & permits	449,548	4.1 %	391,529	3.6 %	58,019
Intergovernmental	1,663,520	15.1 %	1,771,703	16.5 %	(108,183)
Charges for services	1,078,774	9.8 %	860,561	8.0 %	218,213
Fines & forfeitures	203,219	1.8 %	171,171	1.6 %	32,048
Franchise Fee Tax	665,886	6.1 %	626,873	5.8 %	39,013
Investment earnings	666,418	6.1 %	930,662	8.6 %	(264,244)
Developer fees	0	0.0 %	241,135	2.2 %	(241,135)
Other revenue	63,031	0.6 %	68,493	0.6 %	(5,462)
Total	\$ 11,000,302	100.0 %	\$ 10,787,981	100.0 %	\$ 212,321

Highlights of change in revenues by sources are as follows:

Property Taxes

Property tax revenues increased by 2.6% due to an increase in the tax levy. The property taxes and fiscal disparities collected by the General Fund (General Levy), which are collected to help pay for basic governmental services, actually increased by 4.1% or \$163,040 from \$3,984,158 to \$4,147,198. The increase in the General Levy is to provide for inflationary increases in operating expenses.

Special Assessments

Special Assessments decreased slightly due to decreased special assessment activity surrounding streets, emergency water and sewer, and forced private tree removals.

Intergovernmental revenues

Intergovernmental revenues decreased by 6.1% (\$108,183) due to decreases in various aids. The City's Local Government State Aid was reduced by \$22,485, police aid by \$26,759 and other aids by the remaining amount.

Management's Discussion and Analysis

Charges for Services

Charges for Services increased by 25.4% (\$218,213), primarily from a general increase in governmental fees and general development revenues.

Fines & Forfeitures

Fines and Forfeitures increased by 18.7% due to increased activity in traffic enforcement.

Franchise Fee Tax

Franchise Fee taxes were enacted by the City Council effective as of June 2003. Franchise Fee taxes represent a 4% charge to the revenue that gas and electric utilities collect from property owners within the City. The funds are split between the General Fund and the Permanent Capital Improvement Fund. In 2008, Franchise Fees taxes increased by 6.2%. Increases are directly attributable to increased fees charged by the utility or increased energy usage by the property owners.

Investment Earnings

Investment earnings decreased by 28.4% due to the decrease in short-term interest rates and a decrease in the fair value of investments that are recognized as required by GASB Statement No. 31.

Developer Fees

Developer Fees decreased due to a decrease in payments from the developer of Parker Village. The fees dramatically decreased in 2007, and were not expected to continue after that.

Expenditures by Function

	FY 2008		FY 2007		Increase / (Decrease)
	Amount	Percent of Total	Amount	Percent of Total	Amount
General Government	\$ 1,083,493	8.9 %	\$ 973,968	5.6 %	\$ 109,525
Community Development	1,150,909	9.5 %	1,448,898	8.3 %	(297,989)
Public Safety	3,950,431	32.5 %	3,633,238	20.6 %	317,193
Recreation	1,341,943	11.1 %	1,379,462	7.9 %	(37,519)
Public Works	1,585,959	13.1 %	1,349,011	7.7 %	236,948
Human Services	1,700	0.0 %	1,600	0.0 %	100
Capital Outlay	1,956,457	16.1 %	2,484,380	14.2 %	(527,923)
Debt Service - Principal	610,000	5.0 %	5,830,000	33.3 %	(5,220,000)
Debt Service - Interest	465,753	3.8 %	417,358	2.4 %	48,395
Total	<u>\$ 12,146,645</u>	<u>100.0 %</u>	<u>\$ 17,517,915</u>	<u>100.0 %</u>	<u>\$ (5,371,270)</u>

Management's Discussion and Analysis

Highlights of the changes in expenditures by function are as follows:

General Government

General Government expenditures increased in 2008 by 11.2% or \$109,000 primarily from increased personal service costs for elections in 2008, positions being filled in 2008 that were vacant for a portion of 2007, and general wage and fringe benefit cost increases.

Community Development

Community Development expenditures decreased by 20.6% or \$298,000 as a result of decreased redevelopment activity associated with the Robbinsdale Economic Development Authority (REDA).

Public Works

Public Works expenditures increased by 17.6% due to the increased maintenance and engineering needs for the City's street maintenance and reconstruction programs.

Capital Outlay

Capital Outlay expenditures decreased by \$528,000 due to a decrease in the City's participation costs related to the County Road 81 Street Reconstruction Project in 2007 and other project expenditures.

Debt Service

Debt service expenditures decreased by \$5.2 million due to the maturity of the Taxable General Obligation Temporary Tax Increment Bonds Series 2004 which was redeemed with a new temporary tax increment bond issue in 2007.

Highlights of changes in Major Funds are as follows:

Governmental Funds

General Fund

The 2008 General Fund Final Budget anticipated using \$139,943 of fund balance reserves, while the 2008 Actual General Fund Revenues and Expenditures used only \$89,663 of fund balance reserves. This represents \$50,280 of savings from the anticipated General Fund Final Budget. The events listed below were unanticipated within the 2008 Final Budget and contributed to the result:

- Public Safety actual expenditures came in under budget due to less than anticipated Fire Department personal service expenditures, reduction in salaries for police officers due to officer retirements and unanticipated turnover, and the reduction of other miscellaneous operating costs.

Management's Discussion and Analysis

- The Recreation budgeted expenditures used \$54,000 less than the final budget due to personal services cost savings from department staffing changes, and less than anticipated forestry costs and the reduction of other miscellaneous operating costs.
- General Fund expenditures were also under budget in other departments due to shared restraint by all departments.

REDA - General Development Fund

The REDA general development fund has a total fund balance of \$5,509,932, of which \$3,788,249 is reserved for advances to other funds and property held for resale. The net decrease in fund balance during the year was \$680,322, due to a one time transfer of \$885,300 to the REDA tax increment debt service fund to provide for future interest payments on bonds payable.

REDA – TIF Development Fund

The REDA - TIF development fund has a total fund deficit of \$1,447,892 which will be reduced with the sale of property held for resale and future tax increments. The net increase in fund balance during the year was \$72,326 as the result of increased tax increment revenues being received.

REDA – Tax Increment Debt Service Fund

The REDA - tax increment debt service fund has a total fund balance of \$2,160,255, all of which is reserved for payment of debt service. The net increase in fund balance during the year was \$732,118 due to a one time transfer of \$885,300 from the REDA general development fund to provide for future interest payments on bonds payable.

Permanent Improvement Revolving Capital Project Fund

The permanent improvement revolving capital project fund has a total fund balance of \$5,521,415, of which a portion is reserved for construction related encumbrances and the balance is designated for construction projects. The net decrease in fund balance for the year was \$64,727. The results are in line with the City five year capital improvement plan.

Proprietary Funds

Proprietary Funds include Enterprise Funds that are reported as business-type activities and Internal Service Funds.

Enterprise Funds

Overall, enterprise funds net assets increased by \$1,125,356. Net income before transfers for all enterprise fund operations was \$1,412,085, a decrease of \$14,105 from 2007. Transfers in 2008 included the following:

- \$56,729 from utility funds to reimburse the General Fund for Engineering Department costs directly associated with capital improvements and other general fund costs.

Management's Discussion and Analysis

- \$150,000 from the Solid Waste Removal Fund to the Permanent Improvement Capital Project Fund to help fund the street improvement program.
- \$30,000 from the Solid Waste Removal Fund to the General Fund to help fund the code enforcement program.
- \$50,000 from the Liquor Operations Fund to the Capital Improvement Fund – Park Improvement Program to help fund park improvement projects.

Enterprise Fund Operations Summary Tables:

Operating Revenues

	FY 2008	FY 2007	Increase (Decrease)
	Amount	Amount	Amount
Water Utility	\$ 1,302,235	\$ 1,273,413	\$ 28,822
Sanitary Sewer Utility	1,435,943	1,455,471	(19,528)
Storm Sewer Utility	502,944	486,436	16,508
Solid Waste Removal	1,291,993	1,231,954	60,039
Liquor Operations	2,475,473	2,159,658	315,815
Broadway Court	679,654	729,821	(50,167)
Deputy Registrar	308,660	324,552	(15,892)
Total	\$ 7,996,902	\$ 7,661,305	\$ 335,597

Operating Expenses

	FY 2008	FY 2007	Increase (Decrease)
	Amount	Amount	Amount
Water Utility	\$ 925,184	\$ 918,460	\$ 6,724
Sanitary Sewer Utility	1,323,939	1,288,006	35,933
Storm Sewer Utility	168,133	151,432	16,701
Solid Waste Removal	996,067	1,199,735	(203,668)
Liquor Operations	2,326,877	2,089,831	237,046
Broadway Court	433,689	440,807	(7,118)
Deputy Registrar	336,435	324,699	11,736
Total	\$ 6,510,324	\$ 6,412,970	\$ 97,354

Management's Discussion and Analysis

Income (Loss) Before Transfers

	FY 2008	FY 2007	Increase (Decrease)
	Amount	Amount	Amount
Water Utility	\$ 371,608	\$ 355,179	\$ 16,429
Sanitary Sewer Utility	109,995	219,073	(109,078)
Storm Sewer Utility	288,079	323,743	(35,664)
Solid Waste Removal	414,074	162,107	251,967
Liquor Operations	164,464	83,284	81,180
Broadway Court	91,043	282,839	(191,796)
Deputy Registrar	(27,178)	(35)	(27,143)
Total	<u>\$ 1,412,085</u>	<u>\$ 1,426,190</u>	<u>\$ (14,105)</u>

Results related to individual enterprise operations are discussed below:

Water Utility Fund

Net income before transfers for the Water Utility Fund increased by \$16,429, or 4.6% from 2007. The operating revenues increased by 2.3%, due to decreased volume from less summer watering that was offset by rate increases to help pay for capital improvement bonding costs. Operating expenses increased by less than 1% due to increases in maintenance costs associated with the water utility system. Rate increases are monitored and planned within the City's Five-year Capital Improvement Plan that is updated annually.

Sanitary Sewer Utility Fund

The Sanitary Sewer Utility Fund operating revenues remained flat due to decreased sewer consumption by residents. Operating expenses increased by 2.8% due to increases in general maintenance costs associated with the sanitary sewer services.

Storm Sewer Utility

The Storm Sewer Utility Fund experienced a 3.4% increase in its operating revenue due to rate increases, and operating expenses increased 11.0% due to increased costs for maintenance. The Storm Sewer Utility Fund will see major increases in its depreciation costs in future years, as well as increasing debt costs due to needed capital improvements that are planned for the system.

Solid Waste Removal Fund

The Solid Waste Removal Fund's revenue increased 4.9% for 2008, with expenses decreasing by 17.0% for 2008. Annual transfers of \$150,000 to the Permanent Improvement Revolving Capital Project Fund are planned to help fund the City's Street Reconstruction Program. Rate increases are addressed through the City's five – year Capital Improvement Plan, which is updated annually.

Management's Discussion and Analysis

Liquor Operations Fund

The Liquor Operations Fund experienced a 14.6% increase in gross sales. Gross profit was 26% of net sales, which is slightly more than the 24% expected. Operating expenses, excluding cost of sales, increased by less than 1%. The Fund had income before transfers slightly over \$164,000 in 2008.

Broadway Court

Broadway Court, which is owned and operated by the REDA, experienced a 6.9% decrease in operating revenue in 2008. Rates were increased by 3%, however there were more vacancies. Operating expenses stayed similar to 2007.

Deputy Registrar Fund

The Deputy Registrar Fund experienced a 4.9% decrease in operating revenue, while operating expenses increased by 3.6%. Revenue and overall transaction activity for motor vehicle services dropped in 2008. Operating expenses for personal services increased over prior year by 4.5%. The operation experienced an operating loss for the year.

Capital Assets

The City records all capital assets including infrastructure. Infrastructure includes roads, bridges, signals, and similar assets used by the citizens. The City's infrastructure assets are being recorded at historical or estimated historical costs in the government-wide financial statements.

Additional information on the City's capital assets can be found in Note 5 of the Notes to the Financial Statements in this report.

Debt Administration

- Each of the City's debt issues is discussed in detail in Note 8 of the Notes to the Financial Statements. During 2008, the City did not issue any new debt.

The City has a bond rating of A1 from Moody's.

Economic Factors and Next Year's Budget

The City considered the following major factors when setting the fiscal 2009 budget:

- An increase in State Aids after four consecutive years of reductions. Subsequent to the adoption of the 2009 budget, the State Aids were projected to be reduced by the State of Minnesota. Actual amounts are not known, but will have an impact on the 2009 budget.
- Similar investment income due to stagnation of rates that has occurred.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

- Extension of Franchise Fees to 2011 (Franchise fees were set to sunset on June of 2009 unless extended).
- Continued progress with the City's Long-Term Infrastructure Replacement Program.

Additionally, the following actions were taken in regards to the 2009 Budget:

- Decision to use reserves to balance the General Fund Budget.
- Increase in overall property tax levy.
- Increase in utility rates and planning for the sale of utility improvement bonds to pay for needed capital improvements.

Requests for Information

This financial report is designated to provide a general overview of the City of Robbinsdale's finances for all those with an interest in government finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Robbinsdale, City Finance Director, 4100 Lakeview Ave. N., Robbinsdale, MN 55422. This report is also available on the City's website: www.robbinsdalemn.com/financepage.htm.

CITY OF ROBBINSDALE, MINNESOTA

STATEMENT OF NET ASSETS

DECEMBER 31, 2008

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 3,328,661	\$ 3,257,610	\$ 6,586,271
Investments	15,347,672	4,276,436	19,624,108
<u>Receivables:</u>			
Accrued interest	176,431	69,895	246,326
Taxes receivable	164,206		164,206
Special assessments receivable	1,699,035	325,047	2,024,082
Accounts receivable	230,226	1,165,109	1,395,335
Due from other governments	60,484	43,648	104,132
Internal balances	(133,000)	133,000	
Notes receivable	2,804,059		2,804,059
Inventories	468	315,099	315,567
Properties held for resale	2,172,493		2,172,493
Prepaid items	35,765		35,765
<u>Capital Assets, net of depreciation</u>			
Land	899,810	411,544	1,311,354
Buildings & structures	3,185,496	6,136,289	9,321,785
Utility system		8,287,602	8,287,602
Traffic & transportation system	10,416,190		10,416,190
Park system	1,513,607		1,513,607
Other improvements	436,309	384,329	820,638
Leasehold improvements		25,564	25,564
Mobile equipment	1,036,133		1,036,133
Machinery & office equipment	969,553	118,670	1,088,223
Work in progress	4,502,712	3,523,829	8,026,541
Total Capital Assets, net of depreciation	22,959,810	18,887,827	41,847,637
Other Assets		340,842	340,842
Total Assets	\$ 48,846,310	\$ 28,814,513	\$ 77,660,823
LIABILITIES			
Accounts payable	332,516	394,192	726,708
Accrued salaries and benefits	119,364	9,738	129,102
Contracts payable	334,726	51,351	386,077
Due to other governments	1,593	31,511	33,104
Accrued bond and note interest payable	127,693	176,387	304,080
Unearned revenue	2,155,887		2,155,887
Deposits	46,366	51,815	98,181
<u>Long-term liabilities</u>			
Net OPEB liability	67,183	13,786	80,969
Due within one year	710,000	882,000	1,592,000
Due in more than one year	8,370,124	9,578,868	17,948,992
Total Liabilities	12,265,452	11,189,648	23,455,100
NET ASSETS			
Invested in capital assets, net of related debt	20,044,810	8,682,059	28,726,869
Restricted for:			
Public Safety equipment	51,192		51,192
Senior Transportation	81,298		81,298
General Development	1,220,726		1,220,726
Tax Increment	951,767		951,767
Debt Service	3,001,967		3,001,967
Unrestricted	11,229,098	8,942,806	20,171,904
Total Net Assets	\$ 36,580,858	\$ 17,624,865	\$ 54,205,723

The notes to the financial statements are an integral part of this statement.

CITY OF ROBBINSDALE, MINNESOTA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2008

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$ 1,141,359	\$ 615,329	\$ 15,819	\$ 24,364	\$ (485,847)		\$ (485,847)
Community Development	1,149,841	370,991		35,000	(743,850)		(743,850)
Public Safety	4,080,471	666,284	215,356		(3,198,831)		(3,198,831)
Recreation	1,515,603	152,906	124,567		(1,238,130)		(1,238,130)
Public Works	2,057,746	233,438	13,995		(1,810,313)		(1,810,313)
Human Services	1,700				(1,700)		(1,700)
Interest on long term debt	383,544				(383,544)		(383,544)
Total governmental activities	10,330,264	2,038,948	369,737	59,364	(7,862,215)		(7,862,215)
Business-Type Activities :							
Water Utility	1,006,173	1,302,235			\$ 296,062		296,062
Sanitary Sewer Utility	1,396,520	1,435,943			39,423		39,423
Storm Sewer Utility	249,502	502,944			253,442		253,442
Solid Waste Utility	996,067	1,291,993	41,739		337,665		337,665
Liquor Operations	2,326,877	2,475,473			148,596		148,596
Deputy Registrar	336,435	308,660			(27,775)		(27,775)
Broadway Court	646,977	679,654			32,677		32,677
Total business-type activities	6,958,551	7,996,902	41,739		1,080,090		1,080,090
Total Government	\$ 17,288,815	\$ 10,035,850	\$ 411,476	\$ 59,364	(7,862,215)	1,080,090	(6,782,125)
General Revenues:							
Property taxes					4,865,778		4,865,778
Tax increments					858,422		858,422
Unrestricted grants and contributions (state aids)					1,260,526		1,260,526
Franchise fee tax					665,886		665,886
Unrestricted investment earnings					828,530	331,995	1,160,525
Land sales					8,500		8,500
Transfers					286,729	(286,729)	
Total general revenues, and transfers					8,774,371	45,266	8,819,637
Change in net assets					912,156	1,125,356	2,037,512
Net Assets - Beginning					35,668,702	16,499,509	52,168,211
Net Assets - Ending					\$ 36,580,858	\$ 17,624,865	\$ 54,205,723

The notes to the financial statements are an integral part of this statement.

CITY OF ROBBINSDALE, MINNESOTA

Major Governmental Funds

General Fund

The General Fund is established to account for the revenue and expenditures to carry out basic governmental services to the residents of the City such as general government, community development, recreation, public works, and public safety. Revenue is recorded by source; i.e. taxes, licenses and permits, intergovernmental revenue, charges for services, fines and forfeitures and miscellaneous revenue. General Fund expenditures are made primarily for current day-to-day operations and operating equipment and are recorded by major functional classifications and by operating departments. This fund accounts for all financial transactions not accounted for in another fund.

Special Revenue Funds

Robbinsdale Economic Development Authority (REDA) – General Development Fund

This fund was established by the REDA to promote development and/ or redevelopment with the use of funds other than tax increment financing. Revenue is generated through the repayment of business assistance loans, sale of land and redeveloped houses, and a small property tax levy (limited by State Statute). Uses of these funds are at the discretion of the REDA Board.

REDA – TIF Development Fund

This fund was established by the REDA to promote development and/or redevelopment through the use of tax increment financing. Revenue is generated by the additional property taxes generated by new development facilitated by the Authority. Uses of these funds include land acquisition, demolition, and construction of public infrastructure.

Debt Service Fund

REDA – Tax Increment Debt Service Fund

The fund was established to account for the payment of principal and interest on the tax increment bond issues. The City issued tax increment bonds backed by the full faith and credit of the City on behalf of the REDA. The tax increment income generated by the REDA is pledged for the retirement of these bonds.

Capital Project Fund

Permanent Improvement Revolving Fund (PIR)

The PIR Fund was established by the City Charter, Chapter 7, and designated per Section 315 of the City Code to finance the construction, maintenance and/or repair of assessable and non-assessable improvements related to the City's traffic & transportation program. It also accounts for funds allocated to the City as Municipal State Aid for highway construction.

CITY OF ROBBINSDALE, MINNESOTA

GOVERNMENTAL FUNDS

**BALANCE SHEET
DECEMBER 31, 2008**

	Special Revenue Funds			
	General Fund	REDA - General Development Fund	REDA - TIF Development Fund	REDA - Tax Increment Debt Service Fund
Assets				
Cash	\$ 1,161,054	\$ 11,928	\$ 181,472	\$ 795,594
Investments	3,326,051	1,684,420	206,030	1,360,931
Accrued interest	23,004	39,315	1,922	3,730
Taxes receivable	145,082	8,362		
Special assessments receivable				
Accounts receivable	85,630			
Due from other governments	60,105			
Due from other funds	2,000			
Notes receivable	191,174	648,172		
Inventories	468			
Property held for resale		1,220,726	951,767	
Prepaid items	6,900			
Advance to other funds		2,567,523		
Total Assets	\$ 5,001,468	\$ 6,180,446	\$ 1,341,191	\$ 2,160,255
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 169,874	\$ 13,649	\$ 1,843	
Accrued salaries and benefits	82,589			
Contracts payable			219,717	
Due to other governments	1,585			
Due to other funds				
Deferred and unearned revenues	312,027	655,865		
Deposits	45,366	1,000		
Advance from other funds			2,567,523	
Total Liabilities	611,441	670,514	2,789,083	
Fund Balance:				
Reserved for:				
Prepaid items	6,900			
Encumbrances				
Advances to other funds		2,567,523		
Property held for resale		1,220,726	951,767	
Public safety equipment				
Senior transportation programs				
Debt service				\$ 2,160,255
Total reserved	6,900	3,788,249	951,767	2,160,255
Unreserved				
Designated for subsequent years appropriations	276,573			
Designated for working capital	4,000,000			
Designated for senior program activities	33,743			
Designated in capital project funds				
Designated for community development projects		1,721,683		
Undesignated, Reported in				
General Fund	72,811			
Special revenue funds			(2,399,659)	
Capital project funds				
Total Fund Balance	4,390,027	5,509,932	(1,447,892)	2,160,255
Total Liabilities and Fund Balance	\$ 5,001,468	\$ 6,180,446	\$ 1,341,191	\$ 2,160,255

The notes to the financial statements are an integral part of this statement.

Permanent Improvement Revolving Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 7,658	\$ 430,185	\$ 2,587,891
5,444,335	1,422,583	13,444,350
58,412	15,550	141,933
	10,762	164,206
1,380,648	318,387	1,699,035
69,068	63,702	218,400
	379	60,484
11,000		13,000
1,964,713		2,804,059
		468
		2,172,493
		6,900
		2,567,523
<u>\$ 8,935,834</u>	<u>\$ 2,261,548</u>	<u>\$ 25,880,742</u>
	\$ 9,255	\$ 194,621
	306	82,895
\$ 72,697	42,312	334,726
		1,585
	146,000	146,000
3,341,722	347,088	4,656,702
		46,366
		2,567,523
<u>3,414,419</u>	<u>544,961</u>	<u>8,030,418</u>
		6,900
1,386,644		1,386,644
		2,567,523
		2,172,493
	51,192	51,192
	81,298	81,298
	841,712	3,001,967
<u>1,386,644</u>	<u>974,202</u>	<u>9,268,017</u>
		276,573
		4,000,000
		33,743
4,021,176	744,251	4,765,427
		1,721,683
		72,811
	(1,866)	(2,401,525)
113,595		113,595
<u>5,521,415</u>	<u>1,716,587</u>	<u>17,850,324</u>
<u>\$ 8,935,834</u>	<u>\$ 2,261,548</u>	<u>\$ 25,880,742</u>

CITY OF ROBBINSDALE, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
December 31, 2008

Fund balances - total governmental funds	\$	17,850,324
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Capital Assets	\$ 26,073,454	
Accumulated Depreciation	<u>(6,683,290)</u>	19,390,164
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Taxes receivable	136,972	
Special assessments	1,715,671	
Notes receivable	<u>648,172</u>	2,500,815
Internal service funds are used by management to charge the costs associated with central garage operations, central government services (general office, information technology, and government buildings), equipment replacement, risk insurance, and accrued benefit liability. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net assets.		
		5,654,431
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds		
Net OPEB liability	(67,183)	
Bonds and notes payable	(8,620,000)	
Bond and notes interest payable	<u>(127,693)</u>	(8,814,876)
Net assets of governmental activities	\$	<u><u>36,580,858</u></u>

The notes to the financial statements are an integral part of this statement.



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2008

	Special Revenue Funds			
	General Fund	REDA - General Development Fund	REDA - TIF Development Fund	REDA - Tax Increment Debt Service Fund
Revenues				
Property taxes	\$ 4,179,790	\$ 157,533		
Tax increments			\$ 453,087	\$ 405,335
Special assessments				
Licenses and permits	449,548			
Intergovernmental	1,466,293	44,019	12,640	
Charges for services	552,152	261,412		
Land sales		8,500		
Fines and forfeitures	203,219			
Franchise Fee Tax	332,943			
Investment earnings	108,012	184,602	9,027	17,513
Miscellaneous	12,535	1,500	7,373	
Total Revenues	7,304,492	657,566	482,127	422,848
Expenditures				
Current:				
General Government	1,079,831			
Community Development	288,520	452,588	409,801	
Public Safety	3,764,306			
Recreation	1,241,619			
Public Works	1,230,876			
Human Services	1,700			
Debt service				576,030
Capital outlay and improvements	9,308			
Total Expenditures	7,616,160	452,588	409,801	576,030
Excess (deficiency) of revenues over (under) expenditures	(311,668)	204,978	72,326	(153,182)
Other Financing Sources (Uses)				
Transfers from other funds	224,773			885,300
Transfers to other funds	(2,768)	(885,300)		
Total Other Financing Sources (Uses)	222,005	(885,300)		885,300
Net change in fund balance	(89,663)	(680,322)	72,326	732,118
Fund balances - beginning	4,479,690	6,190,254	(1,520,218)	1,428,137
Fund balances - ending	\$ 4,390,027	\$ 5,509,932	\$ (1,447,892)	\$ 2,160,255

The notes to the financial statements are an integral part of this statement.

Permanent Improvement Revolving Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
	\$ 506,857	\$ 4,844,180
		858,422
\$ 408,712	98,592	507,304
		449,548
13,995	126,573	1,663,520
215,853	49,357	1,078,774
		8,500
		203,219
332,943		665,886
274,260	73,004	666,418
	33,123	54,531
<u>1,245,763</u>	<u>887,506</u>	<u>11,000,302</u>
	3,662	1,083,493
		1,150,909
	186,125	3,950,431
	100,324	1,341,943
355,083		1,585,959
		1,700
	499,723	1,075,753
<u>1,136,219</u>	<u>810,930</u>	<u>1,956,457</u>
<u>1,491,302</u>	<u>1,600,764</u>	<u>12,146,645</u>
<u>(245,539)</u>	<u>(713,258)</u>	<u>(1,146,343)</u>
291,246	514,418	1,915,737
<u>(110,434)</u>	<u>(27,610)</u>	<u>(1,026,112)</u>
<u>180,812</u>	<u>486,808</u>	<u>889,625</u>
(64,727)	(226,450)	(256,718)
<u>5,586,142</u>	<u>1,943,037</u>	<u>18,107,042</u>
<u>\$ 5,521,415</u>	<u>\$ 1,716,587</u>	<u>\$ 17,850,324</u>

CITY OF ROBBINSDALE, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2008

Net change in fund balances - total governmental funds	\$	(256,718)
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Property tax revenue	\$ 21,597	
Special assessment revenue	(200,700)	
Principal payments received on notes receivable	<u>(27,622)</u>	(206,725)
Net change due to internal service funds incorporated into the statement of activities.		
Net change in operations (net of investment income)	(772,045)	
Investment income recognized in statement of activities	<u>162,114</u>	(609,931)
Governmental funds report capital outlays and improvements as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays and improvements exceeded depreciation in the current period.		
Capital outlay and improvements	2,098,151	
Loss on disposal of capital assets	(15,312)	
Depreciation expense	<u>(722,335)</u>	1,360,504
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Principal retirement on long-term debt		610,000
Some expenses reported in the statement of activities do not require the use of current financial resources and , therefore, are not reported as expenditures in the governmental funds		
Change in accrued bond interest payable	82,209	
Change in net OPEB liability	<u>(67,183)</u>	15,026
Change in net assets of governmental activities		<u><u>\$ 912,156</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF ROBBINSDALE, MINNESOTA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

--BUDGET AND ACTUAL--

For the Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
Revenues				
Property Taxes				
Current ad valorem	\$ 3,432,698	\$ 3,432,698	\$ 3,427,143	\$ (5,555)
Delinquent ad valorem			74,258	74,258
Other tax levy revenue			13,462	13,462
Tax increment excess				
Fiscal disparities	714,500	714,500	664,927	(49,573)
Total Property Taxes	4,147,198	4,147,198	4,179,790	32,592
Licenses and Permits				
Business	60,200	60,200	76,845	16,645
Non-business	314,900	314,900	372,703	57,803
Total Licenses and Permits	375,100	375,100	449,548	74,448
Intergovernmental				
Federal grants			11,270	11,270
State Aids:				
Local government aid	1,235,352	1,235,352	982,940	(252,412)
Market value homestead credit	296,000	296,000	255,928	(40,072)
Police pension	120,000	120,000	128,145	8,145
PERA aid	15,819	15,819	15,819	
Other state aids	7,500	7,500	72,191	64,691
Total State Aid	1,674,671	1,674,671	1,455,023	(219,648)
Local grants	6,500	6,500		(6,500)
Total Intergovernmental	1,681,171	1,681,171	1,466,293	(214,878)
Charges for Services				
General government	313,945	313,945	324,607	10,662
Public safety	62,750	62,750	71,794	9,044
Recreation	155,400	155,400	155,751	351
Total Charges for Services	532,095	532,095	552,152	20,057
Fines and Forfeitures	251,000	251,000	203,219	(47,781)
Franchise Fee Tax	338,720	338,720	332,943	(5,777)
Investment Earnings	100,000	100,000	108,012	8,012
Miscellaneous	22,500	22,500	12,535	(9,965)
Total Revenues	7,447,784	7,447,784	7,304,492	(143,292)
Other Financing Sources				
Transfers from other funds	250,600	250,600	224,773	(25,827)
Total Revenues And Other Financing Sources	7,698,384	7,698,384	7,529,265	(169,119)

The notes to the financial statements are an integral part of this statement

CITY OF ROBBINSDALE, MINNESOTA

GENERAL FUND (Continued)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

--BUDGET AND ACTUAL--

For the Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
Expenditures				
General Government				
Personal services	\$ 927,396	\$ 927,396	\$ 953,816	\$ 26,420
Supplies	21,725	21,725	21,299	(426)
Other services and charges	464,572	464,572	479,758	15,186
Amounts charged to other funds	(375,042)	(375,042)	(375,042)	
Total General Government	1,038,651	1,038,651	1,079,831	41,180
Community Development				
Personal services	246,041	246,041	247,735	1,694
Supplies	1,700	1,700	971	(729)
Other services and charges	52,012	52,012	39,814	(12,198)
Total Community Development	299,753	299,753	288,520	(11,233)
Public Safety				
Personal services	2,712,654	2,771,572	2,627,302	(144,270)
Supplies	114,930	117,512	105,657	(11,855)
Other services and charges	1,138,793	1,138,793	1,116,581	(22,212)
Capital outlay	500	500	9,308	8,808
Amounts charged to other funds	(85,234)	(85,234)	(85,234)	
Total Public Safety	3,881,643	3,943,143	3,773,614	(169,529)
Recreation				
Personal services	681,323	681,323	674,559	(6,764)
Supplies	68,230	68,230	49,890	(18,340)
Other services and charges	545,722	545,722	517,170	(28,552)
Capital outlay	100	100		(100)
Total Recreation	1,295,375	1,295,375	1,241,619	(53,756)
Public Works				
Personal services	720,555	720,555	724,426	3,871
Supplies	96,160	96,160	63,652	(32,508)
Other services and charges	509,555	509,555	514,463	4,908
Amounts charged to other funds	(71,665)	(71,665)	(71,665)	
Total Public Works	1,254,605	1,254,605	1,230,876	(23,729)
Human Services				
Other services and charges	6,800	6,800	1,700	(5,100)
Total Expenditures	7,776,827	7,838,327	7,616,160	(222,167)
Other Financing Uses				
Transfers to other funds			2,768	2,768
Total Expenditures and Other Financing Uses	7,776,827	7,838,327	7,618,928	(219,399)
Net change in fund balances	(78,443)	(139,943)	(89,663)	50,280
Fund balance - beginning	4,479,690	4,479,690	4,479,690	
Fund balance - ending	\$ 4,401,247	\$ 4,339,747	\$ 4,390,027	\$ 50,280

The notes to the financial statements are an integral part of this statement.

CITY OF ROBBINSDALE, MINNESOTA
ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

--BUDGET AND ACTUAL--

For the Year Ended December 31, 2008

	Budgeted Amounts		Over (Under) Final Budget
	Original and Final	Actual Amounts	
Revenues			
Property Taxes			
Current ad valorem	\$ 158,000	\$ 130,209	\$ (27,791)
Delinquent ad valorem		2,530	2,530
Other tax levy revenue		383	383
Fiscal disparities		24,411	24,411
Total Property Taxes	<u>158,000</u>	<u>157,533</u>	<u>(467)</u>
Intergovernmental			
State Aids:			
Market value homestead credit	9,000	9,019	19
Local Grants		35,000	35,000
Total Intergovernmental	<u>9,000</u>	<u>44,019</u>	<u>35,019</u>
Charges for Services			
Community Development:			
Loan payments	71,200	261,412	190,212
Land Sales	<u>350,000</u>	<u>8,500</u>	<u>(341,500)</u>
Investment Earnings	<u>95,000</u>	<u>184,602</u>	<u>89,602</u>
Miscellaneous		<u>1,500</u>	<u>1,500</u>
Total Revenues	<u>683,200</u>	<u>657,566</u>	<u>(25,634)</u>
Expenditures			
Community Development			
Personal services	4,500	4,620	120
Supplies	1,000	935	(65)
Other services and charges	276,700	447,033	170,333
Total Community Development	<u>282,200</u>	<u>452,588</u>	<u>170,388</u>
Total Expenditures	<u>282,200</u>	<u>452,588</u>	<u>170,388</u>
Other Financing Uses			
Operating Transfers to other funds	<u>885,300</u>	<u>885,300</u>	
Total Expenditures and Other Financing Uses	<u>1,167,500</u>	<u>1,337,888</u>	<u>170,388</u>
Net change in fund balance	(484,300)	(680,322)	(196,022)
Fund balances - beginning	<u>6,190,254</u>	<u>6,190,254</u>	
Fund balances - ending	<u>\$ 5,705,954</u>	<u>\$ 5,509,932</u>	<u>\$ (196,022)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ROBBINSDALE, MINNESOTA
ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY
TIF DEVELOPMENT SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

--BUDGET AND ACTUAL--

For the Year Ended December 31, 2008

	<u>Budgeted</u> <u>Amounts</u>		<u>Over (Under)</u> <u>Final</u> <u>Budget</u>
	<u>Original and</u> <u>Final</u>	<u>Actual</u> <u>Amounts</u>	
<u>Revenues</u>			
Tax increment	\$ 101,600	\$ 453,087	\$ 351,487
Intergovernmental			
State Aids:			
Market value homestead credit	3,350	12,640	9,290
Land Sales	275,000		(275,000)
Investment Earnings		9,027	9,027
Developer Fees	1,500	7,373	5,873
Total Revenues	<u>381,450</u>	<u>482,127</u>	<u>100,677</u>
<u>Expenditures</u>			
Community Development			
Supplies		140	140
Other services and charges	17,200	36,204	19,004
Project costs	225,000	158,136	(66,864)
Interest and fiscal charges	75,000	215,321	140,321
Total Community Development	<u>317,200</u>	<u>409,801</u>	<u>92,601</u>
Total Expenditures	<u>317,200</u>	<u>409,801</u>	<u>92,601</u>
Net change in fund balance	64,250	72,326	8,076
Fund balances - beginning	<u>(1,520,218)</u>	<u>(1,520,218)</u>	
Fund balances - ending	<u>\$ (1,455,968)</u>	<u>\$ (1,447,892)</u>	<u>\$ 8,076</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ROBBINSDALE, MINNESOTA

Proprietary Funds

Enterprise funds are established to account for the finance of self-supporting activities of governmental units, which render goods or services to the general public on a user charge basis.

Major Enterprise Funds

Below is a list of the major enterprise funds reported in the basic financial statements. These funds are included within the Business-type Activities section of the Government-wide Statements.

Water Utility Fund

The fund was established by the City Charter, Chapter 11, to account for the water system, owned and operated by the City.

Sanitary Sewer Utility Fund

The fund was established by the City Charter, Chapter 11, to account for the sanitary sewer system. The City is provided services, for a fee based on usage, by the Metropolitan Council Environmental Services (MCES). The City is responsible for all lateral lines, while MCES is responsible for all trunk lines and the treatment and disposal of wastewater.

Storm Sewer Utility Fund

The City Council established the fund under provisions of the utility ordinance, to account for revenue collected and expenditures made to maintain the City's storm drainage system.

Solid Waste Removal Fund

The City Council established the fund, under provisions of the utility ordinance, to account for revenue collected and expenditures made to provide garbage removal on a City-wide basis.

Liquor Operations Fund

Minnesota Statute allows municipalities to operate off-sale liquor establishments to control the sale of alcohol to minors. The City operates an off-sale liquor business to control this substance and as a source of revenue to the Capital Improvement Fund-Park Improvement Program.

Broadway Court Fund

This fund was established in 1999 to account for the rental operations of the Broadway Court Senior Housing Complex. Broadway Court is owned by the Robbinsdale Economic Development Authority (REDA), and operated by a management firm under contract with the REDA. The operations include rental of apartments to active seniors and the rental of retail space on the first level.

CITY OF ROBBINSDALE, MINNESOTA

Proprietary Funds

Non-Major Enterprise Funds

Deputy Registrar Fund

The City Council established the fund in 1991 to segregate this self-supporting activity that was previously reported as part of the General Fund. The City has contractual agreements with the Minnesota Department of Vehicle Services and the Minnesota Department of Natural Resources to provide this service. The City collects a fee for each transaction processed. Excess earnings are generally used to support the General Fund.



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS

December 31, 2008

	Business-Type Activities - Enterprise Funds			
	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund
Assets				
Current Assets:				
Cash and cash equivalents	\$ 492,935	\$ 509,501	\$ 289,507	\$ 603,009
Investments	887,710	829,257	407,009	1,187,843
Accrued interest	16,090	15,030	7,377	16,274
Special assessments receivable	122,113	93,437	22,160	87,337
Accounts receivable	328,406	424,146	124,635	252,877
Due from other governments		43,648		
Due from other funds		133,000		29,000
Inventories	11,538			
Prepaid items				
Total Current Assets	1,858,792	2,048,019	850,688	2,176,340
Noncurrent Assets:				
Capital Assets, net of depreciation				
Land	56,155	23,000	217,389	
Buildings & structures	164,516	160,599		
Utility system	3,172,531	2,564,477	2,550,594	
Other improvements	248,239	136,090		
Leasehold improvements				
Mobile equipment				
Machinery & office equipment	42,626	8,484		
Work in progress	928,319	1,393,997	1,201,513	
Total Capital Assets, net of depreciation	4,612,386	4,286,647	3,969,496	
Other Assets:				
Deferred Charges	8,764	10,626	8,178	
Total Noncurrent Assets	4,621,150	4,297,273	3,977,674	
Total Assets	6,479,942	6,345,292	4,828,362	2,176,340
Liabilities				
Current Liabilities:				
Accounts payable	46,567	14,049	351	150,759
Accrued salaries and benefits	1,718	3,257		
Contracts payable	18,805	18,844	13,702	
Due to other governments	678			7,920
Due to other funds				
Accrued bond and note interest payable	32,144	28,559	32,822	
Deposits				
Compensated Absences				
Bonds and notes payable	275,900	244,780	241,320	
Total Current Liabilities	375,812	309,489	288,195	158,679
Noncurrent Liabilities:				
Premium on Bonds				
Compensated Absences				
Bonds and notes due in more than one year	1,773,550	1,509,410	1,821,040	
Total Noncurrent Liabilities	1,773,550	1,509,410	1,821,040	
Total Liabilities	2,149,362	1,818,899	2,109,235	158,679
Net Assets				
Invested in capital assets, net of related debt	2,808,585	2,541,908	1,907,136	
Unrestricted	1,521,995	1,984,485	811,991	2,017,661
Total Net Assets	\$ 4,330,580	\$ 4,526,393	\$ 2,719,127	\$ 2,017,661

The notes to the financial statements are an integral part of this statement.

Liquor Operations Fund	Broadway Court Fund	Non-Major Deputy Registrar Enterprise Fund	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 366,667	\$ 989,730	\$ 6,261	\$ 3,257,610	\$ 740,770
186,456	771,147	7,014	4,276,436	1,903,322
3,380	11,617	127	69,895	34,498
			325,047	
		35,045	1,165,109	11,826
			43,648	
			162,000	
303,561			315,099	
				28,865
<u>860,064</u>	<u>1,772,494</u>	<u>48,447</u>	<u>9,614,844</u>	<u>2,719,281</u>
	115,000		411,544	98,773
	5,811,174		6,136,289	727,850
			8,287,602	
			384,329	256,896
25,564			25,564	
				1,036,133
46,033	17,948	3,579	118,670	929,550
			3,523,829	520,444
<u>71,597</u>	<u>5,944,122</u>	<u>3,579</u>	<u>18,887,827</u>	<u>3,569,646</u>
	313,274		340,842	
<u>71,597</u>	<u>6,257,396</u>	<u>3,579</u>	<u>19,228,669</u>	<u>3,569,646</u>
<u>931,661</u>	<u>8,029,890</u>	<u>52,026</u>	<u>28,843,513</u>	<u>6,288,927</u>
173,642	8,185	639	394,192	137,895
10,231		8,318	23,524	36,469
			51,351	
22,877		36	31,511	8
		29,000	29,000	
	82,862		176,387	
	51,815		51,815	
				60,000
	120,000		882,000	
<u>206,750</u>	<u>262,862</u>	<u>37,993</u>	<u>1,639,780</u>	<u>234,372</u>
	14,868		14,868	
				400,124
	4,460,000		9,564,000	
	4,474,868		9,578,868	400,124
<u>206,750</u>	<u>4,737,730</u>	<u>37,993</u>	<u>11,218,648</u>	<u>634,496</u>
71,597	1,349,254	3,579	8,682,059	3,569,646
653,314	1,942,906	10,454	8,942,806	2,084,785
<u>\$ 724,911</u>	<u>\$ 3,292,160</u>	<u>\$ 14,033</u>	<u>\$ 17,624,865</u>	<u>\$ 5,654,431</u>

CITY OF ROBBINSDALE, MINNESOTA

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

For the Year Ended December 31, 2008

	Business-Type Activities - Enterprise Funds			
	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund
Gross Profit:				
Sales				
Cost of sales				
Gross profit				
Operating Revenues:				
Sales, fees, and charges	\$ 1,302,235	\$ 1,435,943	\$ 502,944	\$ 1,291,993
Operating Expenses:				
Personal services	189,910	117,647	6,191	
Supplies	97,954	5,807	1,184	35,100
Other services and charges	401,667	1,077,806	114,340	960,967
Rental charges				
Depreciation	235,653	122,679	46,418	
Total Operating Expenses	925,184	1,323,939	168,133	996,067
Operating Income (Loss)	377,051	112,004	334,811	295,926
Nonoperating Revenues:				
Intergovernmental				41,739
Investment earnings	75,546	70,572	34,637	76,409
Gain on disposal of property and equipment				
Total Nonoperating Revenues	75,546	70,572	34,637	118,148
Nonoperating Expenses:				
Interest and fiscal charges	80,989	72,581	81,369	
Income (Loss) before transfers	371,608	109,995	288,079	414,074
Transfers:				
Transfers to other funds	(24,971)	(16,941)	(14,817)	(180,000)
Change in net assets	346,637	93,054	273,262	234,074
Total Net Assets - Beginning	3,983,943	4,433,339	2,445,865	1,783,587
Total Net Assets - Ending	\$ 4,330,580	\$ 4,526,393	\$ 2,719,127	\$ 2,017,661

The notes to the financial statements are an integral part of this statement.

Liquor Operations Fund	Broadway Court Fund	Non-Major Deputy Registrar Enterprise Fund	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 2,475,473			\$ 2,475,473	
1,834,947			1,834,947	
640,526			640,526	
	\$ 679,654	\$ 308,660	5,521,429	\$ 1,958,701
248,301		263,246	825,295	397,204
10,215	5,511	1,171	156,942	271,468
135,480	271,437	70,037	3,031,734	1,090,246
57,139			57,139	
40,795	156,741	1,981	604,267	443,344
491,930	433,689	336,435	4,675,377	2,202,262
148,596	245,965	(27,775)	1,486,578	(243,561)
			41,739	
15,868	58,366	597	331,995	162,114
				74,412
15,868	58,366	597	373,734	236,526
	213,288		448,227	
164,464	91,043	(27,178)	1,412,085	(7,035)
(50,000)			(286,729)	(602,896)
114,464	91,043	(27,178)	1,125,356	(609,931)
610,447	3,201,117	41,211	16,499,509	6,264,362
\$ 724,911	\$ 3,292,160	\$ 14,033	\$ 17,624,865	\$ 5,654,431

CITY OF ROBBINSDALE, MINNESOTA

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2008

	Business-Type Activities - Enterprise Funds			
	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund
<u>Cash flows from operating activities:</u>				
Cash received from customers and users, including deposits	\$ 1,287,598	\$ 1,324,149	\$ 505,259	\$ 1,235,167
Cash payments to suppliers	(466,104)	(1,070,706)	(455,890)	(946,063)
Cash payments to employees	(194,074)	(118,480)	(6,191)	
Net cash provided (used) by operating activities	<u>627,420</u>	<u>134,963</u>	<u>43,178</u>	<u>289,104</u>
<u>Cash flows from noncapital financing activities:</u>				
Transfers (to) other funds	(24,971)	(16,941)	(14,817)	(180,000)
Intergovernmental				41,739
Net cash provided (used) by noncapital financing activities	<u>(24,971)</u>	<u>(16,941)</u>	<u>(14,817)</u>	<u>(138,261)</u>
<u>Cash flows from capital and related financing activities:</u>				
Acquisition of property and equipment	(646,026)	(789,513)	(330,684)	
Proceeds from the disposal of property and equipment				
Principal payments on bonds and notes	(275,000)	(239,000)	(236,000)	
Interest and fiscal charges on bonds and notes	(83,424)	(74,369)	(83,521)	
Net cash provided (used) by capital and related financing activities	<u>(1,004,450)</u>	<u>(1,102,882)</u>	<u>(650,205)</u>	
<u>Cash flows from investing activities:</u>				
Proceeds from maturities of investments	(579,966)	(541,777)	(265,910)	(777,253)
Purchases of investments	717,382	1,200,478	736,127	640,080
Interest on investments	72,745	74,830	38,631	73,755
Net cash provided (used) by investing activities	<u>210,161</u>	<u>733,531</u>	<u>508,848</u>	<u>(63,418)</u>
Net increase (decrease) in cash and cash equivalents	(191,840)	(251,329)	(112,996)	87,425
Cash and cash equivalents at beginning of year	<u>684,775</u>	<u>760,830</u>	<u>402,503</u>	<u>515,584</u>
Cash and cash equivalents at end of year	<u>\$ 492,935</u>	<u>\$ 509,501</u>	<u>\$ 289,507</u>	<u>\$ 603,009</u>

The notes to the financial statements are an integral part of this statement.

Liquor Operations Fund	Broadway Court Fund	Non-Major Deputy Registrar Enterprise Fund	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 2,476,595	\$ 673,027	\$ 316,720	\$ 7,818,515	\$ 1,987,407
(1,842,475)	(305,172)	(42,288)	(5,128,698)	(1,421,465)
(248,356)		(264,110)	(831,211)	(416,740)
<u>385,764</u>	<u>367,855</u>	<u>10,322</u>	<u>1,858,606</u>	<u>149,202</u>
(50,000)			(286,729)	(602,896)
			41,739	
<u>(50,000)</u>			<u>(244,990)</u>	<u>(602,896)</u>
			(1,766,223)	(1,033,667)
	(105,000)		(855,000)	90,805
	(201,652)		(442,966)	
	<u>(306,652)</u>		<u>(3,064,189)</u>	<u>(942,862)</u>
(121,817)	(504,352)	(4,582)	(2,795,657)	(1,243,494)
87,010	366,071	(1,168)	3,745,980	1,396,614
14,454	54,953	486	329,854	154,274
<u>(20,353)</u>	<u>(83,328)</u>	<u>(5,264)</u>	<u>1,280,177</u>	<u>307,394</u>
315,411	(22,125)	5,058	(170,396)	(1,089,162)
51,256	1,011,855	1,203	3,428,006	1,829,932
<u>366,667</u>	<u>\$ 989,730</u>	<u>\$ 6,261</u>	<u>\$ 3,257,610</u>	<u>\$ 740,770</u>

CITY OF ROBBINSDALE, MINNESOTA

PROPRIETARY FUNDS (continued)

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2008

Business-Type Activities - Enterprise Funds

	<u>Water Utility Fund</u>	<u>Sanitary Sewer Utility Fund</u>	<u>Storm Sewer Utility Fund</u>	<u>Solid Waste Removal Fund</u>
<u>Reconciliation of Operating Income to Net Cash Provided</u>				
<u>(Used) by Operating Activities :</u>				
Operating income (loss)	\$ 377,051	\$ 112,004	\$ 334,811	\$ 295,926
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	235,653	122,679	46,418	
(Increase) decrease in assets:				
Special assessments receivable	29,311	24,858	1,284	463
Accounts receivable	(43,948)	22,701	1,031	(28,289)
Due from other governments		(36,857)		
Due from other funds		(122,496)		(29,000)
Inventories	504			
Prepaid items				
Increase (decrease) in liabilities:				
Accounts payable	33,234	12,907	(340,366)	57,003
Accrued salaries and benefits	(4,164)	(833)		
Due to other funds				
Due to other governments	(221)			(6,999)
Deposits				
Total Adjustments	<u>250,369</u>	<u>22,959</u>	<u>(291,633)</u>	<u>(6,822)</u>
Net cash provided (used) by operating activities	<u>\$ 627,420</u>	<u>\$ 134,963</u>	<u>\$ 43,178</u>	<u>\$ 289,104</u>
<u>Non-cash investing, capital, and financing activities:</u>				
Net increase in fair value of investments	<u>\$ 3,682</u>	<u>\$ 3,439</u>	<u>\$ 1,688</u>	<u>\$ 3,724</u>

The notes to the financial statements are an integral part of this statement.

Liquor Operations Fund	Broadway Court Fund	Non-Major Deputy Registrar Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 148,596	\$ 245,965	\$ (27,775)	\$ 1,486,578	\$ (243,561)
40,795	156,741	1,981	604,267	443,344
1,122		8,060	55,916 (39,323) (36,857) (151,496)	28,706
36,909			37,413	(4,363)
160,040 (55)	(28,224)	(111) (864)	(105,517) (5,916)	(45,864) (29,068)
(1,643)		29,000 31	29,000 (8,832)	8
	(6,627)		(6,627)	
237,168	121,890	38,097	372,028	392,763
\$ 385,764	\$ 367,855	\$ 10,322	\$ 1,858,606	\$ 149,202
\$ 773	\$ 2,658	\$ 29	\$ 15,993	\$ 7,894

CITY OF ROBBINSDALE, MINNESOTA

FIDUCIARY FUND

STATEMENT OF NET ASSETS

December 31, 2008

	<u>Agency Funds</u>
<u>Assets</u>	
Cash and cash equivalents	<u>\$ 4,908</u>
<u>Liabilities</u>	
Due to other governments	<u>\$ 4,908</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies

The City of Robbinsdale (the City) operates under the “Home Rule Charter” form of government pursuant to applicable Minnesota Laws and Statutes. The charter prescribes a Manager-Council form of organization. The governing body consists of a mayor and a four member City Council. The City Council is elected by wards and the mayor is elected at large by voters of the City to serve four-year staggered terms. The more significant of the City’s accounting policies are described below:

Reporting Entity

In accordance with accounting principles generally accepted in the United States of America (GAAP), the financial statements present the City and its component units. The City includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization’s governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, certain organizations are presented in this report as Blended Component Units (which are reported as if they were a part of the City) or Related and Jointly Governed Organizations (in which the relationship of the City with the entity is disclosed).

Blended Component Units

The Robbinsdale Economic Development Authority (REDA), which is governed by a five-member board consisting of the City Council, is reported as a blended component unit. Although it is a legally separate entity from the City, it is reported as if it were a part of the City. This represents the only financial statements prepared for the REDA.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Reporting Entity (continued)

Related Organizations

Robbinsdale Fire Relief Association is organized as a nonprofit organization, legally separate from the City, to provide pension benefits to its members pursuant with Minnesota Laws and Statutes. Its board of directors is appointed by the membership of the Association, and the Association issues its own set of financial statements. All funding is conducted in accordance with applicable Minnesota Statutes, whereby state aids flow to the Association, the City's contributions are determined by the Association and the Association pays benefits to its members. Because the Association is fiscally independent of the City, the financial statements of the Association have not been included within the City's reporting entity.

Jointly Governed Organizations

LOGIS (Local Government Information Systems) is a consortium of approximately 20 entities that provides computerized data processing and support services to its members. LOGIS is legally separate from the City, as the City does not appoint a voting majority of the Board and the consortium is fiscally independent of the City.

LOGIS Insurance Group provides cooperative purchasing of health and life insurance benefits for approximately 45 government entities.

Five-Cities Senior Transportation is a joint venture between the cities of Brooklyn Center, Crystal, Golden Valley, New Hope, and Robbinsdale to provide non-medical transportation services for seniors. Robbinsdale administers the program on behalf of the other cities. Because of this, the financial results of the joint venture are reported as a non-major governmental fund in the combining statements, and the net assets are restricted to obligations of the Five-Cities Senior Transportation Program.

Basis of Presentation

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units by the Government Accounting Standards Board (GASB). The basic financial statements presented include government-wide statements and fund financial statements.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Government-wide Statements

The government-wide financial statements disclose the overall financial activities of the City, except for fiduciary activities. They include the Statement of Net Assets and the Statement of Activities. Eliminations have been made to minimize the interfund activity. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include: a) charges paid by the recipients of goods or services provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including all taxes and general state aids, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for governmental funds, proprietary funds, and fiduciary funds are presented. The emphasis of the fund financial statements is on the major or individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Major Funds

GASB Statement No. 34 defines major funds and requires that the City's major governmental and business-type funds (proprietary) be identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of the fund-type.

Major funds are defined as funds that have assets, liabilities, revenues or expenditures / expenses equal to ten percent of their fund category (governmental or enterprise funds) total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Major Funds (continued)

The following major governmental funds are being reported as major funds within the fund financial statements:

General Fund – This is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

REDA General Development Fund – This is a special revenue fund that accounts for all the general community development activities of the Robbinsdale Economic Development Authority (REDA) that are not related to Tax Increment Financing (TIF).

REDA TIF Development Fund – This is a special revenue fund that accounts for all the general community development activities of the REDA that are related to TIF.

REDA Tax Increment Debt Service Fund – This is a debt service fund that accounts for all the activity associated with the Robbinsdale Economic Development Authority’s repayment of debt on outstanding Tax Increment Financing (TIF) bonds issued through the City.

Permanent Improvement Revolving Fund (PIR) – This is a capital projects fund that accounts for the resources used related to the construction of traffic & transportation infrastructure (alleys, streets, sidewalks, street lights, and traffic lights).

The following enterprise funds are being reported as major funds within the fund financial statements:

Water Utility Fund – This fund accounts for all financial resources relating to the City’s operations of its water distribution system. Services are on a user charge basis to all owners of property located within the City.

Sanitary Sewer Utility Fund – This fund accounts for all financial resources relating to the City’s operations of its sanitary sewer collection system. Services are on a user charge basis to all owners of property located within the City.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Major Funds (continued)

Storm Sewer Utility Fund – This fund accounts for all financial resources relating to the City’s operations of its storm water collection system. Services are on a user charge basis to all owners of property located within the City.

Solid Waste Removal Fund – This fund accounts for all financial resources relating to the City’s operations for garbage and recycling services to the residential properties of the City. Services are on a user charge basis to all residential property owners.

Liquor Operations Fund – This fund accounts for all financial resources relating to the operations of the City’s municipal off-sale liquor store.

Broadway Court Fund – This fund accounts for all financial resources relating to the rental operations of the Broadway Court Senior Housing Complex, which is owned by the REDA.

Additionally, the City also reports the following fund-types:

Internal Service Funds – These funds account for the City’s central garage (fleet repair and maintenance), central services (general office, information technology, government building costs), equipment replacement, risk insurance costs, and the employee benefit accrual requirements. All services are provided to other departments on a cost-reimbursement basis.

Agency Funds – These funds are custodial in nature and do not involve measurement of results of operations. The City maintains one agency fund (Deputy Registrar – Minnesota License Fees).

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting

The accounting and reporting treatment applied to the Government-wide Financial Statements or a fund is determined by its measurement focus.

Government-wide Financial Statements:

- **Measurement Focus** – Government-wide financial statements are accounted for on a flow of economic resources measurement focus. This means that all assets, including capital assets, and all liabilities, including long-term liabilities, associated with fund activity are included on the Statement of Net Assets. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The government has elected not to follow subsequent private-sector guidance.
- **Basis of Accounting** – Government-wide financial statements are accounted for using the accrual basis of accounting. The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. Depreciation expense can be specifically identified by function and is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Governmental Funds:

- **Measurement Focus** – Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Reported fund balance is considered to be measurable of “available spendable resources.” Governmental fund operating statements represent increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

Governmental Funds (continued):

- Basis of accounting – Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if collected within 60 days of the end of the current fiscal period.
- Revenues – Major revenues that are susceptible to accrual include property taxes, excluding delinquent taxes received over 60 days after year-end; special assessments; intergovernmental revenues; charges for services; and investment earnings. Major revenues that are not susceptible to accrual include fees and miscellaneous revenues; such revenues are recorded only as received because they are not measurable until collected.
- Deferred Revenues – Deferred revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when all revenue recognition criteria are met, the liability for deferred revenue is removed and revenue is recognized.
- Expenditures – Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long-term debt, compensated absences, and other post-employment benefits which are recognized as they mature.

Proprietary and Agency Funds:

- Measurement Focus – Proprietary funds are accounted for on a flow of economic resources measurement focus. This means that all assets, including capital assets, and all liabilities, including long-term liabilities, associated with fund activity are included on the balance sheets. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

Proprietary and Agency Funds :(continued):

- Basis of Accounting – Proprietary and Agency funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. Unbilled utility service receivables are recorded at year-end. All applicable GASB pronouncements have been applied to the proprietary funds. Additionally, the following pronouncements issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the Committee on Accounting Procedures.
- Operating versus Non-operating items – Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund’s principal ongoing operations. The principal operating revenue of the City’s enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.
- Internal Service Funds – Aggregated information for the Internal Service Funds is reported in a single column in the Proprietary Fund financial statements. Because the principal user of the internal services is the City’s governmental activities, the financial statements of the Internal Service Funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Assets or Equity

Cash and Investments

The City's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Cash balances from all funds are combined and invested to the extent available in commercial paper, insured Certificates of Deposit, and various government backed securities. Earnings from such investments are allocated to the respective funds based on the average quarterly cash balance of each fund. Investments are stated at fair value, which is determined based on quoted market prices at December 31, 2008.

Interfund Receivables / Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans).

Any residual outstanding balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Assets or Equity (continued)

Property Taxes

Property tax levies are set by the City Council in December of each year and are certified to Hennepin County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes.

The County spreads all levies over assessable property. Such taxes become a lien on January 1. Revenues are accrued and recognized in the year collectable, net of delinquencies.

Real property taxes may be paid by taxpayers in two equal installments, on May 15 and October 15. The County provides tax settlements to cities and other local governments three times a year, on or about January 20, July 2, and December 2.

Taxes that remain unpaid at December 31 are classified as delinquent taxes receivable and are fully offset by deferred revenue, because they are not available to finance current expenditures. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material.

Special Assessments Receivable

Special assessments are levied against the benefited properties for the assessable costs of special assessment improvement projects in accordance with State Statutes. The City usually adopts the assessment rolls when the individual projects are complete or substantially complete, except for road reconstruction projects. The County handles collection of annual installments (including interest) in the same manner as property taxes. Property owners are allowed to prepay total future installments without interest or prepayment penalties. Revenues are deferred in the governmental fund financial statements to the extent they are not currently collectible.

Inventories and Prepaid Items

Inventories within the proprietary funds are accounted for using the consumption method and stated at the lower of cost or market value, on a first-in, first-out basis. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Property Held for Resale

Property is acquired by the Robbinsdale Economic Development Authority (REDA) for redevelopment purposes. Property held for resale is reported as an asset at the net realizable value in the government-wide and fund financial statements (REDA General Development Special Revenue Fund). Any costs incurred that are above the properties net realizable value are reported as expenditures of the period.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Assets or Equity (continued)

Capital Assets

Capital asset acquisition costs are recorded as expenditures in the City’s governmental fund financial statements, which use the modified accrual basis of accounting. Capital assets are capitalized within the City’s government-wide statements and proprietary fund statements, which use the full accrual basis of accounting. Infrastructure assets reported by governmental activities include assets placed in service in 1980 or later.

The City defines capital assets as assets with an initial, individual cost of more than \$2,500 (except for computer and network related equipment which is \$1,000), and an estimated useful life in excess of two years. All capital assets are recorded at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at the fair market value as of the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets life are not capitalized.

The capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Structures	25-40
Utility System Infrastructure	5-100
Traffic & Transportation Infrastructure	5-40
Park System Infrastructure	5-40
Other Improvements	5-30
Mobile Equipment	3-25
Machinery & Office Equipment	3-15

Compensated Absences

The City compensates employees upon termination for all unused vacation and unused sick leave up to 960 hours based on years of service criteria as follows:

- ✓ After 2 years – 15% of accumulated sick leave.
- ✓ After 8 years – 25% of accumulated sick leave.
- ✓ After 13 years – 35% of accumulated sick leave.
- ✓ After 17 years – 40% of accumulated sick leave.
- ✓ After 20 years – 50% of accumulated sick leave.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Assets or Equity (continued)

Compensated Absences (continued)

Employees are compensated for unused sick leave in excess of 960 hours at the rate of one-half time. Vacation and sick leave earnings and the corresponding liability are recorded in the Benefit Accrual Internal Service Fund, which charges other City funds. The liability is reported within the governmental activities portion of the government-wide statement of net assets as a long-term liability.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Assets / Fund Equity

Net assets represent the difference between assets and liabilities in the government-wide and proprietary fund financial statements. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Change in Accounting Principle

The City implemented GASB Statement No. 45, “Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions,” during the year ended December 31, 2008. This statement provides new guidance on accounting and financial reporting for “other post-employment benefits” (OPEB) accounted for in financial statements of plan sponsors and employers. OPEB refer to non-pension benefits provided after the termination of employment. Governmental entities have traditionally accounted for OPEB on a pay-as-you-go basis. The guidance in this statement rests on the assumption that OPEB should be accrued as service is provided by employees. The City implemented this standard prospectively, meaning there is no OPEB liability accrued for past service at the date of transition.

Note 2 – Stewardship, Compliance, and Accountability

Budgetary Information

Budgets are legally adopted on a basis consistent with Generally Accepted Accounting Principles for the General Fund and Robbinsdale Economic Development Authority Special Revenue Funds. The City follows the following procedures in establishing the budgetary data reflected in the basic financial statements:

- The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budgets include proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- The budgets are legally enacted through the passage of resolutions.
- The City Council may authorize transfers of budgeted amounts between departments.
- During 2008 the City Council amended the General Fund operating budget with a mid-year appropriation to fund an additional patrol officer in the amount of \$61,500.
- Actual expenditures exceeded budget in the following funds for 2008:

<u>Fund</u>	<u>Amount</u>
REDA General Development Special Revenue Fund	\$170,388
REDA TIF Development Special Revenue Fund	\$ 92,601

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 2 – Stewardship, Compliance, and Accountability (continued)

Deficit Fund Equity

The following funds had a deficit fund balance as of December 31, 2008:

REDA – TIF Development Special Revenue Fund \$ 1,447,892
The deficit for the REDA- TIF Development Fund is expected to be eliminated over time through the collections of tax increment revenues, which will reduce the advances from other funds.

DARE Special Revenue Fund \$ 1,866
The deficit for the DARE Special Revenue Fund is expected to be eliminated through the collections of donations during the next fiscal year.

Note 3 – Deposits and Investments

Components of Cash and Investments

Cash and investments at year-end consist of the following:

Deposits	\$ 2,593,661
Investments	23,612,181
Cash on hand	<u>9,445</u>
 Total	 <u><u>\$ 26,215,287</u></u>

Cash and investments are presented in the financial statements as follows:

Cash and cash equivalents - Statement of Net Assets	\$ 6,586,271
Cash and cash equivalents - Statement of Fiduciary Net Assets	4,908
Investments - Statement of Net Assets	<u>19,624,108</u>
 Total	 <u><u>\$ 26,215,287</u></u>

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 3 – Deposits and Investments (continued)

Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks, which have been authorized by the City Council and include checking accounts and certificated of deposits.

The following is considered the most significant risk associated with deposits:

Custodial credit risk

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may be lost.

Minnesota statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. governmental agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The City has no additional deposit policies addressing custodial credit risk.

At year-end the carrying amount of the City's deposits was \$ 2,593,661 while the balance on the bank records was \$ 2,823,134. At December 31, 2008, all deposits were fully covered by federal depository insurance, surety bonds, or by collateral held by the City's agent in the City's name.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 3 – Deposits and Investments (continued)

Investments

The City has the following investments at year end:

<u>Investment Type</u>	<u>Credit Risk</u>		<u>Interest Risk - Maturity Duration in Years</u>			<u>Total</u>
	<u>Rating</u>	<u>Agency</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>More than 5</u>	
U.S Agencies	AAA	S&P	\$ 2,259,471	\$ 11,305,401	\$ 2,179,519	\$ 15,744,391
Negotiable Certificates of Deposits	NR	N/A	1,450,526	1,453,172		2,903,698
US Govt Backed Mortgage Pools	NR	N/A		4,183		4,183
US Govt Backed SBA Loan Pools	NR	N/A			517,074	517,074
State and Local Obligations	A1	Moody's	300,156			300,156
	AAA	S&P			154,607	154,607
Investment pools/ mutual funds						
First American Government	AAA	Moody's	3,988,072			3,988,072
Total			<u>\$ 7,998,225</u>	<u>\$ 12,762,756</u>	<u>\$ 2,851,200</u>	<u>\$ 23,612,181</u>

NR - Not Rated

N/A - Not Applicable

Investments are subject to various risks, the following of which are considered the most significant:

Custodial credit risk

For investments, this is the risk that in the event of a failure of the counterparty to any investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City's investment policies do not further address this risk, but the City limits its exposure by holding the majority of its investments in a trust account with a major bank's corporate trust department. Under this scenario, investments are delivered to the City's Trust Account and then payment is released to the broker-dealer.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 3 – Deposits and Investments (continued)

Investments (continued)

Credit risk

This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with the credit quality in the one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities brokers-dealers. The City's investment policies do not further address credit risk.

Concentration risk

This is the risk associated with investing a significant portion of the City's investment (considered 5 percent or more) in the securities of a single issue, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. The City's investment policies do not limit the concentration of investments. At year end, investments from the following issuers comprised more than 5 percent of the City's investment portfolio: Federal Home Loan Bank (20%), Federal National Mortgage Association (34%), and Federal Home Loan Mortgage Corporation (13%).

Interest rate risk

This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City's investment policies do not further address limiting the duration of investments.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 4 – Notes Receivables

Industrial Development Revenue Bond Fees Receivable

Since 1983, the City has issued Industrial Development Revenue Bonds on behalf of qualified entities. The bond agreements require the qualified entities to pay an issuance fee to the City that is spread over the life of the bonds. The issuance fee payments are structured as follows:

- One half of one-percent of the principal amount of the bonds issued paid at the time of issuance and the first anniversary date.
- Beginning in year three, one-eighth percent of the outstanding principal of the bonds paid annually to the City. (This relates to all bonds issued after January 1, 2003)
- Beginning in year three, one-tenth percent of the outstanding principal of the bonds paid annually to the City. (This relates to all bonds issued prior to January 1, 2003, and includes any refinancing of bonds issued prior to January 1, 2003.)

As of December 31, 2008, the City had \$2,155,887 in outstanding receivables related to the issuance of Industrial Development Revenue Bonds.

Robbinsdale Economic Development Authority – Notes Receivable

Periodically, the Robbinsdale Economic Development Authority (REDA) issues loans to qualified entities to be used in the redevelopment of their property. As of December 31, 2008, the REDA had \$648,172 in outstanding notes.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 5 – Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 899,810			\$ 899,810
Work in progress	4,878,022	\$ 2,574,730	\$ 2,950,040	4,502,712
Total Capital assets not being depreciated	<u>5,777,832</u>	<u>2,574,730</u>	<u>2,950,040</u>	<u>5,402,522</u>
Capital assets being depreciated:				
Buildings and structures	4,945,766	461,650		5,407,416
Traffic & transportation	13,241,444	1,998,781		15,240,225
Park system	1,598,914	310,097	30,343	1,878,668
Other improvements	856,419	179,512		1,035,931
Mobile equipment	3,283,210		227,055	3,056,155
Machinery & Office equipment	2,322,270	557,088	68,926	2,810,432
Total capital assets being depreciated	<u>26,248,023</u>	<u>3,507,128</u>	<u>326,324</u>	<u>29,428,827</u>
Less accumulated depreciation for:				
Buildings and structures	2,074,862	147,058		2,221,920
Traffic & transportation	4,313,968	510,067		4,824,035
Park system	277,995	102,097	15,031	365,061
Other improvements	557,124	42,498		599,622
Mobile equipment	2,022,107	208,579	210,664	2,020,022
Machinery & Office equipment	1,754,423	155,382	68,926	1,840,879
Total accumulated depreciation	<u>11,000,479</u>	<u>1,165,681</u>	<u>294,621</u>	<u>11,871,539</u>
Governmental activities capital assets, net	<u>\$ 21,025,376</u>	<u>\$ 4,916,177</u>	<u>\$ 2,981,743</u>	<u>\$ 22,959,810</u>

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 5 – Capital Assets (continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 411,544			\$ 411,544
Work in progress	4,276,731	\$ 1,312,146	\$ 2,069,859	3,523,829
Total capital assets not being depreciated	<u>4,688,275</u>	<u>1,312,146</u>	<u>2,069,859</u>	<u>3,935,373</u>
Capital assets being depreciated:				
Buildings and structures	7,269,142	86,600		7,355,742
Utility system	11,473,309	2,086,358		13,559,667
Other improvements	1,188,196			1,188,196
Leasehold improvements	301,960			301,960
Mobile equipment	20,837			20,837
Machinery & office equipment	603,909	5,866		609,775
Total capital assets being depreciated	<u>20,857,353</u>	<u>2,178,824</u>		<u>23,036,177</u>
Less accumulated depreciation for:				
Buildings and structures	1,058,035	161,418		1,219,453
Utility system	4,991,697	280,368		5,272,065
Other improvements	726,476	77,391		803,867
Leasehold improvements	243,104	33,292		276,396
Mobile equipment	20,837			20,837
Machinery & office equipment	439,307	51,798		491,105
Total accumulated depreciation	<u>7,479,456</u>	<u>604,267</u>		<u>8,083,723</u>
Business-type activities capital assets, net	<u>\$ 18,066,172</u>	<u>\$ 2,886,702</u>	<u>\$ 2,069,859</u>	<u>\$ 18,887,827</u>

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 5 – Capital Assets (continued)

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities:

General Government	\$ 72,592
Community Development	5,431
Public Safety	230,269
Recreation	183,182
Public Works	<u>674,207</u>
Total depreciation expense - governmental activities	<u>\$ 1,165,681</u>

Business-Type Activities:

Water Utility	\$ 235,653
Sanitary Sewer Utility	122,679
Storm Sewer Utility	46,418
Liquor Operations	40,795
Broadway Court	156,741
Deputy Registrar	<u>1,981</u>
Total depreciation expense - business-type activities	<u>\$ 604,267</u>

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 6 – Risk Management

The City is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. In order to protect against these risks of loss, the City purchases commercial insurance through the League of Minnesota Cities Insurance Trust, a public entity risk pool. This pool currently operates common risk management and insurance programs for municipal entities. The City pays an annual premium to the League for its insurance coverage. The League of Minnesota Cities Insurance Trust is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claim incurred but unreported, however, retains risk for the deductible portion of its insurance policies.

The Risk Insurance Fund was established to account for deductibles and other costs associated with risk-of-loss that the City is unable to insure for because of restrictions or exclusions on the policies. It has also been established to fund any potential liability that may be assessed to it by the League of Minnesota Cities Insurance Trust program. The fund is accounted for as an internal service fund where assets are set aside for risk management, insurance, administration and claims settlement.

Fund liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities will include an amount for claims that have been incurred but not reported (IBNR).

The Risk Insurance Fund collects a service charge from user funds/departments and pays insurance premiums and claims. Charges for services during 2008 were \$220,753. At December 31, 2008, December 31, 2007 and December 31, 2006, there were no significant incurred but not reported claims.

The City's workers compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after loss experience workers compensation rates and salaries for the year are known. The City also purchases fidelity bonds for employees in key positions.

During the year ended December 31, 2008, there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the City's commercial coverage in any of the past three years.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 7 – Operating Leases

The City leases space for the RC Liquor Store, which is located in Robin Center. The current lease agreement commenced on September 1, 1998 and expires December 31, 2008. The agreement calls for minimum annual lease payments as follows; \$40,900 for years one through three, \$42,650 for years four through six, and \$44,400 for years seven through ten. Additionally, the lease includes sharing of common center expenses. Both costs have been recorded in the Liquor Operations Enterprise Fund. The rent expenditure for the year ended December 31, 2008 was \$57,139.

The lease was extended for an additional three years from January 1, 2009 through December 31, 2011, with two 3 year renewal options. The agreement calls for minimum annual lease payments of \$47,064 and sharing of common center expenses.

Note 8 – Long Term Debt

The City's long-term debt issues and transactions were as follows:

General Obligation Bonds and Notes

The City periodically issues bonds in accordance with Minnesota Statutes and backed by its full faith, credit, and taxing powers.

2007 Taxable General Obligation Temporary Tax Increment Bonds

In 2007, the City issued \$5,465,000 in Taxable General Obligation Temporary Tax Increment bonds to redeem \$5,320,000 of outstanding 2004 Taxable General Obligation Temporary Tax Increment Bonds that had been used for the acquisition and demolition of a school for housing redevelopment purposes. The bonds were issued for a period of three years at a net interest cost of 5.63%.

2006 General Obligation Street Reconstruction Bonds

In 2006, the City issued \$1,535,000 in General Obligation Improvement Bonds to fund the street reconstruction of areas along County Road 81 and within the First Ward. The bonds were issued for a period of ten years at a net interest cost of 4.199%.

2006 General Obligation Utility Revenue Bonds

In 2006, the City issued \$3,700,000 in General Obligation Utility Revenue Bonds for the reconstruction of the utility system under local streets and a variety of other utility system improvements. The Bonds were issued for a period of ten years at a net interest cost of 4.237%. These Bonds are payable from the net revenues of the Water Utility, Sanitary Sewer Utility, and Storm Sewer Utility enterprise activities.

2005 General Obligation Utility Revenue Bonds

In 2005, the City issued \$1,795,000 in General Obligation Utility Revenue Bonds for the reconstruction of the utility system under an area of streets within the Fourth Ward, and a variety of other utility system improvements. The Bonds were issued for a period of ten years at a net interest cost of 3.463%. These Bonds are payable from the net revenues of the Water Utility and Storm Sewer Utility enterprise activities.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 8 – Long Term Debt (Continued)

General Obligation Bonds and Notes (continued)

2002 General Obligation Improvement Bonds

In 2002, the City issued \$1,230,000 in General Obligation Improvement Bonds to fund the street reconstruction of an area of streets within the Fourth Ward. The bonds were issued for a period of ten years at a net interest cost of 4.24%.

2002 General Obligation Utility Revenue Bonds

In 2002, the City issued \$1,735,000 in General Obligation Utility Revenue Bonds for the reconstruction of the utility system under an area of streets within the Fourth Ward, and a variety of other utility system improvements. The Bonds were issued for a period of ten years at a net interest cost of 4.15%. These Bonds are payable from the net revenues of the Water Utility, Sanitary Sewer Utility, and Storm Sewer Utility enterprise activities.

2001 General Obligation Utility Revenue Notes

In 2001, the City entered into a loan agreement with the Public Facilities Authority (a division of the Minnesota Department of Trade and Economic Development) for up to \$1,200,000 of Transportation Revolving Loan Funds to be applied to the City's cost participation requirement related to Segment 3 of the Trunk Highway 100 reconstruction. The loan was issued for a period of ten years at an interest rate of 2.29%. This loan is optional and allows the City to use only the portion it needs. As of December 31, 2003, \$927,843 in proceeds has been drawn. No further draws are expected.

1999 General Obligation Refunding Building Bonds

In 1999, the City issued \$1,650,000 in General Obligation Refunding Bonds with an average interest rate of 4.28% to refund \$1,595,000 of outstanding 1992 General Obligation Building Bonds that had been issued to finance the costs of acquisition, construction, and equipping of the Public Safety Building. The residents approved the initial bond issue on April 29, 1992 through a special referendum.

1999 General Obligation Taxable Tax Increment Refunding Bonds

In 1999, the City issued \$1,890,000 in General Obligation Taxable Tax Increment Refunding Bonds with an average interest rate of 5.55% to refund \$1,800,000 of outstanding 1988 General Obligation Tax Increment Bonds.

The Robbinsdale Economic Development Authority periodically issues bonds in accordance with Minnesota Statutes and backed by its full faith, credit, and taxing powers.

2006 Housing Revenue Refunding Bonds

In 2006, the Robbinsdale Economic Development Authority issued \$4,730,000 in Housing Revenue Refunding Bonds, which are being serviced by Broadway Court Enterprise Operation of the Robbinsdale Economic Development Authority. The Refunding Bonds were issued to refund the

following two issues, 1999 General Obligation Housing Bonds (\$3,000,000) and 1999 Housing Revenue Bonds (\$1,945,000).

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 8 – Long Term Debt (Continued)

General Obligation Bonds and Notes (continued)

The 1999 Bonds are callable in January of 2010, and the proceeds from the bond issue have been placed within a Trust Fund dedicated to paying off the bonds. The refunded bonds are considered defeased and are no longer carried on the City's books. As of December 31, 2008, \$4,705,000 of the defeased bonds remains outstanding.

Summaries of Long-Term Debt Issues

Governmental Activities:

Issue	Interest Rates	Date Issued	Date Matures	Original Issue Amount	Debt Outstanding December 31, 2008
Tax Increment Refunding	5.00% - 5.60%	1999	2009	\$ 1,890,000	\$ 240,000
General Obligation Building Bonds Refunding	3.70% - 4.45%	1999	2013	1,650,000	845,000
General Obligation Improvement Bonds	3.20% - 4.50%	2002	2013	1,230,000	635,000
General Obligation Reconstruction Bonds	4.00% - 4.38%	2006	2017	1,535,000	1,435,000
Temporary Tax Increment	5.63%	2007	2010	5,465,000	5,465,000
Compensated Absences					460,124
Total Governmental Activities					<u>\$ 9,080,124</u>

Changes in long-term debt during 2008 for debt serviced through governmental activities are as follows:

	Balance January 1, 2008	Additions	Retirements	Balance December 31, 2008	Due Within One Year
Tax increment bonds	\$ 5,950,000	\$	\$ 245,000	\$ 5,705,000	\$ 240,000
General Obligation Building Bonds	990,000		145,000	845,000	155,000
General Obligation Improvement Bonds	755,000		120,000	635,000	120,000
General Obligation Reconstruction Bonds	1,535,000		100,000	1,435,000	135,000
Compensated Absences	482,781	37,204	59,861	460,124	60,000
Total change in debt obligations	<u>\$ 9,712,781</u>	<u>\$ 37,204</u>	<u>\$ 669,861</u>	<u>\$ 9,080,124</u>	<u>\$ 710,000</u>

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 8 – Long-Term Debt (continued)

Summaries of Long-Term Debt Issues (continued)

Business-type Activities

Issue	Interest Rates	Date Issued	Date Matures	Original Issue Amount	Debt Outstanding December 31,
General Obligation Utility Revenue Note	2.29%	2001	2012	\$ 1,200,000	\$ 421,000
General Obligation Utility Revenue Bonds	2.75% - 4.40%	2002	2012	1,735,000	760,000
General Obligation Utility Revenue Bonds	3.00% - 3.75%	2005	2015	1,795,000	1,295,000
General Obligation Utility Revenue Bonds	4.00% - 4.20%	2006	2017	3,700,000	3,390,000
General Obligation Housing Refunding Bonds	4.25% - 4.45%	2006	2031	4,730,000	<u>4,580,000</u>
Total Business-type Activities					<u>\$ 10,446,000</u>

Changes in long-term debt during 2008 for debt serviced through business-type activities are as follows:

	Balance January 1, 2008	Additions	Retirements	Balance December 31, 2008	Due Within One Year
General Obligation Housing Refunding Bonds	\$ 4,685,000		\$ 105,000	\$ 4,580,000	\$ 120,000
General Obligation Utility Revenue Note	521,000		100,000	421,000	102,000
General Obligation Utility Revenue Bonds	<u>6,095,000</u>		<u>650,000</u>	<u>5,445,000</u>	<u>660,000</u>
Total change in debt obligations	<u>\$ 11,301,000</u>	<u>\$</u>	<u>\$ 855,000</u>	<u>\$ 10,446,000</u>	<u>\$ 882,000</u>

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 8 – Long-Term Debt (continued)

Summaries of Long-Term Debt Issues (continued)

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ending December 31	Governmental Activities		Business-Type Activities		Totals
	Principal	Interest	Principal	Interest	
2009	\$ 650,000	\$ 432,562	\$ 882,000	\$ 415,721	\$ 2,380,283
2010	5,890,000	408,859	924,000	382,383	7,605,242
2011	440,000	83,334	956,000	347,092	1,826,426
2012	460,000	64,568	999,000	310,019	1,833,587
2013	480,000	44,160	710,000	275,757	1,509,917
2014-2017	700,000	77,463	2,870,000	960,444	4,607,907
2018-2022			995,000	578,382	1,573,382
2023-2027			1,230,000	337,531	1,567,531
2028-2032			880,000	59,852	939,852
Total	\$ <u>8,620,000</u>	\$ <u>1,110,946</u>	\$ <u>10,446,000</u>	\$ <u>3,667,181</u>	\$ <u>23,844,127</u>

Conduit Debt Obligations

On occasion, the City has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The bonds and interest are payable solely out of the mortgage loan proceeds, certain fees, revenues, and other amounts derived from mortgage loans and certain reserve funds. The bonds do not constitute any indebtedness, liability, general or moral obligation, or pledge of the faith or loan of credit of the City, State of Minnesota, or any political subdivision of either thereof.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 8 – Long-Term Debt (continued)

Conduit Debt Obligations (continued)

As of December 31, 2008, the City had authorized the issuance of Industrial Revenue Bonds as shown in the following schedule:

<u>Description of Issue</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Outstanding December 31, 2008</u>
Variable Rate Demand Industrial Development Revenue Unicare Homes, Inc.	11/01/1984	10/01/2014	\$ 1,285,000*
Commercial Development Revenue Refunding Bonds, Oakdale Medical Center Ltd. Partnership Project	10/05/1993	10/05/2013	\$ 2,996,852
Multifamily Housing Revenue Bonds Bridgeway Apartment Project	3/01/1997	3/01/2017	\$ 1,800,000
Variable Rate Demand Revenue Refunding Bonds, Healthcare Facilities Revenue Bonds North Memorial Health Care – Series 2008	09/18/2008	09/10/2038	\$ 147,190,000
Variable Rate Demand Multifamily Housing Revenue Bonds – Series 2004 A Copperfield Hill Project	04/01/2004	04/01/2029	\$ 4,045,000
Taxable Variable Rate Demand Multifamily Housing Revenue Bonds – Series 2004B Copperfield Hill Project	04/01/2004	04/01/2013	\$ 615,000
Variable Rate Demand Multifamily Housing Revenue Bonds – Series 2004 C Copperfield Hill Project	04/01/2004	04/01/2029	\$ 7,075,000
Taxable Variable Rate Demand Multifamily Housing Revenue Bonds – Series 2004 D Copperfield Hill Project	04/01/2004	04/01/2012	\$ 935,000
Multifamily Housing Revenue Refunding Bonds – Series 2004 E Copperfield Hill Project	04/01/2004	04/01/2029	\$ 780,000

* - Principal amount outstanding is estimated.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 9 – Interfund Transactions

Due To / From Other Funds

As of December 31, 2008 the following interfund receivables / payables existed:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-Major Governmental Fund	\$2,000
PIR Fund	Non-Major Governmental Fund	\$11,000
Sanitary Sewer Utility	Non-Major Governmental Fund	\$133,000
Solid Waste	Non-Major Enterprise Fund	<u>\$29,000</u>
		<u><u>\$175,000</u></u>

Due to / from other funds represents the elimination of negative cash between funds.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 9 – Interfund Transactions (continued)

Interfund Transfers

During 2008, the following interfund transfers took place:

<u>Transfers Out:</u>	<u>Transfers In:</u>				<u>Total</u>
	<u>General</u>	<u>REDA - TIF Debt Service</u>	<u>Permanent Improve- ment Revolving</u>	<u>Non- major Govern- mental</u>	
General			c \$	2,768	\$ 2,768
REDA - General Development		b \$ 885,300			885,300
Permanent Improve- ment Revolving	a \$ 110,434				110,434
Non-major Governmental	a 27,610				27,610
Water Utility	a 24,971				24,971
Sanitary Sewer Utility	a 16,941				16,941
Storm Sewer Utility	a 14,817				14,817
Solid Waste Removal	b 30,000		b \$ 150,000		180,000
Liquor Operations				b 50,000	50,000
Internal Service Funds			c 141,246	c 461,650	602,896
Total Transfers	<u>\$ 224,773</u>	<u>\$ 885,300</u>	<u>\$ 291,246</u>	<u>\$ 514,418</u>	<u>\$ 1,915,737</u>

Transfers were completed for the following reasons:

- a – Reimbursement for services performed related to capital projects.
- b – Budgeted transfers using excess earnings to fund operating and capital needs.
- c – Amended transfers to fund future capital expenditures and the City’s operating contribution for the Five Cities Senior Transportation Program.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 9 – Interfund Transactions (continued)

Advances To Other Funds

The Robbinsdale Economic Development Authority General Development Fund has advanced \$2,567,523 to the Robbinsdale Economic Development Authority TIF Development Fund for redevelopment of blighted housing stock within the City. The advance will be paid back over twenty years through the collection of Tax Increment Financing Property Tax Revenues from the redeveloped properties.

Note 10 – Employee Retirement Systems and Pension Plans

Public Employee Retirement Association (PERA)

Plan Description

All full-time and certain part-time employees of the City of Robbinsdale are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund (PERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapter 353 and 356.

PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire fighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 10 – Employee Retirement Systems and Pension Plans (continued)

Public Employee Retirement Association (PERA) – (continued)

Plan Description (continued)

Two methods are used to compute benefits for PERF's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first 10 years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first 10 years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For PEPFF members the annuity accrual rate is 3% for each year of service. For all PEPFF members and for PERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single life annuity is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. There are also various types of joint and survivor annuity options available, which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at anytime to members who leave public service but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for PERF and PEPFF. That report may be obtained on the web at mnpera.org or by writing to PERA at 60 Empire Drive #200, St Paul, Minnesota, 55103-2088 or by calling (651) 296-7460 or (800) 652-9026.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 10 – Employee Retirement Systems and Pension Plans (continued)

Public Employee Retirement Association (PERA) – (continued)

Funding Policy

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the State Legislature. The City makes annual contributions to the pension plans equal to the amount required by State Statutes. PERF Basic Plan members and Coordinated Plan members are required to contribute 9.10% and 6.0% respectively, of their annual covered salary. PEPFF members are required to contribute 8.6% of their annual covered salary. That rate will increase to 9.4% in 2009. The City of Robbinsdale is required to contribute the following percentages of annual covered payroll; 11.78% for Basic Plan PERF members, 6.5% for Coordinated Plan PERF members, and 12.9% for PEPFF members. The City's contributions to the Public Employees Retirement Fund for the years ending December 31, 2008, 2007, and 2006 were \$220,062, \$199,828, and \$188,414 respectively. The City's contributions to the Public Employees Police and Fire Fund for the years ended December 31, 2008, 2007, and 2006 were \$190,755, \$159,235, and \$154,904 respectively. The City's contributions were equal to the contractually required contributions for each year as set by State Statute.

Robbinsdale Fire Department Relief Association (RFDRA)

Plan Description

The City contributes to the Robbinsdale Fire Department Relief Association (RFDRA), a single-employer, defined benefit pension plan. The plan provides retirement, disability, and death benefits to volunteer firefighters of the City. Minnesota Statutes as provided by the bylaws of the Association determine pension benefits. The RFDRA has the authority to establish and amend benefit provisions; however, the Robbinsdale City Council must ratify any amendments to the benefit provisions. Benefit provisions are also subject to enabling state statutes; therefore, any amendments to benefit provisions are reviewed by the Office of the State Auditor. A detail of the RFDRA PERS follows.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 10 – Employee Retirement Systems and Pension Plans (continued)

Robbinsdale Fire Department Relief Association (RFDRA) (continued)

Plan Description (continued)

At December 31, 2008, the PERA membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	14
Active Plan participants:	
Fully vested	3
Partially vested	11
Nonvested	15
Total	43

The PERS provides retirement benefits as well as death and disability benefits. All benefits vest based upon year of credited service as follows:

Completed years of service	Nonforfeitable percentage of pension amount
0-9	0.0%
10	60.0%
11	64.0%
12	68.0%
13	72.0%
14	76.0%
15	80.0%
16	84.0%
17	88.0%
18	92.0%
19	96.0%
20	100.0%

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 10 – Employee Retirement Systems and Pension Plans (continued)

Robbinsdale Fire Department Relief Association (RFDRA) (continued)

Plan Description (continued)

Members who retire at or after age 50 with 10 years of continuous active fire department service and 10 years of Association membership prior to retirement are entitled to receive a service pension. Retiring members are paid a monthly payment equivalent to the number of years of fire department service, reduced by the applicable early vesting percentages as shown in subsection b. The base amount for the monthly pension is \$12.50 per year of service, per month, for the rest of the member's natural life. The surviving spouse of any retired member who has been receiving a monthly service pension shall be paid one-half the amount to which the deceased was entitled.

No person accepted for membership after January 1, 1989 is eligible to receive a monthly service pension. Those members are eligible to apply only for the lump sum service pension of \$5,500 per year of service, reduced by the applicable early vesting percentages as shown in subsection b. If a member has retired and applied for his or her lump sum pension and dies before benefits have been paid, lump sum survivor benefits shall be paid to a designated beneficiary.

Upon the death of an active or deferred member who has completed at least 10 years of active service with the department and has been a member of the Association at least 10 years, the surviving beneficiary shall be paid an amount equal to the lump sum service pension the member would have been entitled to if then eligible to apply for a service pension. Upon the death of an active member who is not fully vested while in the performance of official duties as firefighter, the Association shall pay the sum of \$2,500 to the member's beneficiary to defray funeral expenses. In addition, active members in good standing are eligible to receive a disability, sickness or injury benefit, as determined by the Association's Board.

RFDRA issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the City of Robbinsdale, Attn: Finance Department, 4100 Lakeview Ave N, Robbinsdale, MN 55422 or by calling (763) 537-4534.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 10 – Employee Retirement Systems and Pension Plans (continued)

Robbinsdale Fire Department Relief Association (RFDRA) (continued)

Funding Policy

Minnesota Statutes set the minimum contribution requirement for the City of Robbinsdale and state aid on an annual basis. These statutes are established and amended by state legislation. The City passes through state aid allocated to the plan in accordance with state statutes. The amount shown as contributions of state aid, \$62,468, is recognized as revenue and expense during the year. The association is comprised of volunteer; therefore, there are no payroll expenditures or covered payroll percentage calculations. The City's annual pension cost for the current year and related information for the plan is as follows:

Annual contribution requirement	\$182,468
Contributions made:	
City of Robbinsdale	\$120,000
State aid	\$62,468
Actuarial Assumptions:	
Last Valuation Date	January 1, 2007
Actuarial Cost Method	Entry Age Normal Cost Method
Method Used to Determine Actuarial Value of Assets	Based on historical performance of Special fund investments over a two year period
Inflation Rate	5.00%
Investment Return	5.00%
Projected Salary Increases	N/A*
Post Retirement Increases	None
Amortization Method	20 years
Amortization Period	Open

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 10 – Employee Retirement Systems and Pension Plans (continued)

Robbinsdale Fire Department Relief Association (RFDRA) (continued)

Annual Pension Cost and Net Pension Obligation (continued)

<u>Year Ended December 31</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2008	\$ 182,468	100.00%	\$ -
2007	\$ 174,440	100.00%	\$ -
2006	184,123	100.00%	-

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability AAL</u>	<u>(Funded) Unfunded AAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll*</u>	<u>UAAL as a Percentage of Coverd Payroll*</u>
12/31/08	\$ 1,003,828	\$ 2,118,330	\$ 1,114,502	47.39%	N/A	N/A
12/31/07	\$ 1,564,370	\$ 2,118,330	\$ 553,960	73.85%	N/A	N/A
12/31/06	1,405,042	1,686,592	281,550	83.31%	N/A	N/A

* The Robbinsdale Fire Department Relief Association is comprised of volunteers; therefore, there are no applicable payroll expenditures (i.e., there are no covered payroll percentage calculations).

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 11 – Other Post-Employment Benefits Plan

Plan Description

The City provides post-employment insurance benefits to certain eligible employees through City's Other Post-Employment Benefits Plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements. These benefits are summarized as follows:

Post-Employment Insurance Benefits – All retirees of the City have the option under state law to continue their medical insurance coverage through the City from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of all employee groups, the retiree must pay the full premium to continue coverage for medical and dental insurance.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City's younger and statistically healthier active employees.

Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to pre-fund benefits as determined annually by the City.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 11 – Other Post-Employment Benefits Plan (continued)

Annual OPEB Cost and Net OPEB Obligation

The City’s annual OPEB cost (expense) is calculated based on annual required contributions (ARC) of the City, an amount determined on an actuarially determined basis in accordance with the parameters of GASB Statement No 45. The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the City’s net OPEB obligation to the plan:

Annual required contribution	\$	121,955
Interest on net OPEB obligation		–
Adjustment to annual required contribution		–
Annual OPEB cost (expense)		121,955
Contributions made		40,986
Increase in net OPEB obligation		80,969
Net OPEB obligation – beginning of year		–
Net OPEB obligation – end of year	\$	80,969

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
January 1, 2008	\$ 121,955	\$ 40,986	33.6%	\$ 80,969

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 11– Other Post-Employment Benefits Plan (continued)

Funded Status and Funding Progress

As of January 1, 2008, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$1,247,811, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,247,811. The covered payroll (annual payroll of active employees covered by the plan) was \$ 4,864,940 and the ratio of the UAAL to the covered payroll was 25.6 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress immediately following the notes to the basic financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 11– Other Post-Employment Benefits Plan (continued)

In the January 1, 2008 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included: a 4.5 percent investment rate of return (net of administrative expenses) based on the City’s own investments; an annual healthcare cost trend rate of 10.0 percent initially, reduced by decrements to an ultimate rate of 5.0 percent after ten years for medical insurance and prescription drugs. The UAAL is being amortized on a percent of payroll (5%) basis over a closed period. The remaining amortization period at January 1, 2008 was 30 years. The schedule of funding progress is as follows:

Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Plan Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Payroll
January 1, 2008	\$ 1,247,811	\$ –	\$ 1,247,811	–	\$ 4,864,940	25.6%

Note 12 – Commitments and Contingencies

Claims and Litigation

There are several lawsuits pending in which the City is involved. In the opinion of management, the potential claims against the City not covered by insurance should not materially affect the financial statements of the City.

Note 13 – Subsequent Event

Capital Equipment Note

On January 8, 2009, the City issued a General Obligation Capital Equipment Note for \$750,000. The note bears an annual interest rate of 3.5% and matures in August 2014.



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

Required Supplementary Information

Robbinsdale Fire Department Relief Association
Schedule of Funding Progress*

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability AAL	(Funded) Unfunded AAL	Funded Ratio	Covered Payroll*	UAAL as a Percentage of Coverd Payroll*
12/31/08	\$ 1,003,828	\$ 2,118,330	\$ 1,114,502	47.39%	N/A	N/A
12/31/07	\$ 1,564,370	\$ 2,118,330	\$ 553,960	73.85%	N/A	N/A
12/31/06	1,405,042	1,686,592	281,550	83.31%	N/A	N/A

* The Robbinsdale Fire Department Relief Association is comprised of volunteers; therefore, there are no applicable payroll expenditures (i.e., there are no covered payroll percentage calculations).

City of Robbinsdale Other Post-Employment Benefits Plan
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Plan Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Payroll
January 1, 2008	\$ 1,247,811	\$ -	\$ 1,247,811	-	\$ 4,864,940	25.6%

** This schedule was implemented in 2008 and, therefore, contains only one year of data. Refer to Note 11 in the Notes to the financial Statements for additional details regarding this schedule.



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

Non-major Governmental Funds

Special Revenue Funds

Drug Awareness Resistance Education Fund (DARE)

This fund receives money in the form of donations from groups and citizens. The money is used to supply staff time and purchase supplies for the program. The DARE program educates area students to the dangers of drug use and abuse.

D. W. I. Forfeiture Fund

This fund was established in 1993 to account for the costs and proceeds associated with confiscating vehicles involved in D. W. I. cases. The proceeds from the sale of forfeited vehicles offsets the legal, repair and maintenance, licensing, and disposal costs.

Senior Transportation Fund

This fund was established in 1997 to account for the operations of the Five Cities Senior Transportation Program. This program is a joint venture with four other surrounding communities and receives its funding from Community Development Block Grant funds (CDBG), Federal Grants, city contributions, and private donations.

Debt Service Funds

General Debt Service Fund

Established to account for the repayment of principal and interest on obligations backed by the full faith and credit of the City, other than those accounted for in enterprise funds.

Non-Bonded Debt Service Fund

This fund was established to account for programs funded by special assessments to comply with the City Code and emergency issues related to private property, which promotes the safety and welfare of the citizens.

Capital Project Fund

Capital Improvement Fund

This fund was established to account for construction and/or improvements related to the following programs: cable grant, government buildings, park improvements, and capital equipment notes. Funding is generally provided through grants from other governments or organizations and transfers from other funds.

CITY OF ROBBINSDALE, MINNESOTA

Non-Major Governmental Funds

COMBINING BALANCE SHEET

December 31, 2008

	Special Revenue Funds		
	DARE Fund	DWI Forfeiture Fund	Senior Transportation Fund
Assets			
Cash	\$ 87	\$ 5,105	\$ 29,067
Investments	47	45,615	40,751
Accrued interest		472	422
Taxes receivable			
Special assessments receivable			
Accounts receivable			13,641
Due from other governments			379
Total Assets	\$ 134	\$ 51,192	\$ 84,260
Liabilities and Fund Balance			
Liabilities:			
Accounts payable			\$ 2,656
Accrued salaries and benefits			306
Contracts payable			
Due to other funds	\$ 2,000		
Deferred and unearned revenue			
Total Liabilities	2,000		2,962
Fund Balance:			
Reserved for;			
Public safety equipment		\$ 51,192	
Senior transportation programs			81,298
Debt service			
Total reserved		51,192	81,298
Unreserved			
Designated for capital improvements			
Undesignated	(1,866)		
Total Fund Balance	(1,866)	51,192	81,298
Total Liabilities and Fund Balance	\$ 134	\$ 51,192	\$ 84,260

Debt Service Funds		Capital Improvement	Total Non-Major Funds
General Debt Service Fund	Non-Bonded Debt Service Fund	Capital Project Fund	
\$ 349,527	\$ 25,570	\$ 20,829	\$ 430,185
475,009	89,463	771,698	1,422,583
4,909	925	8,822	15,550
10,762			10,762
69,968	248,419		318,387
	50,061		63,702
			379
<u>\$ 910,175</u>	<u>\$ 414,438</u>	<u>\$ 801,349</u>	<u>\$ 2,261,548</u>
	\$ 2,813	\$ 3,786	\$ 9,255
			306
		42,312	42,312
	133,000	11,000	146,000
<u>\$ 77,732</u>	<u>269,356</u>		<u>347,088</u>
<u>77,732</u>	<u>405,169</u>	<u>57,098</u>	<u>544,961</u>
			51,192
			81,298
<u>832,443</u>	<u>9,269</u>		<u>841,712</u>
<u>832,443</u>	<u>9,269</u>		<u>974,202</u>
		744,251	744,251
			(1,866)
<u>832,443</u>	<u>9,269</u>	<u>744,251</u>	<u>1,716,587</u>
<u>\$ 910,175</u>	<u>\$ 414,438</u>	<u>\$ 801,349</u>	<u>\$ 2,261,548</u>

CITY OF ROBBINSDALE, MINNESOTA

Non-Major Governmental Funds

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

For the Year Ended December 31, 2008

	<u>Special Revenue Funds</u>		
	<u>DARE Fund</u>	<u>DWI Forfeiture Fund</u>	<u>Senior Transportation Fund</u>
<u>Revenues</u>			
Property taxes			
Special assessments			
Intergovernmental			\$ 94,837
Charges for services			
Investment earnings	\$ 2	\$ 2,213	1,977
Miscellaneous		8,080	25,043
Total Revenues	<u>2</u>	<u>10,293</u>	<u>121,857</u>
<u>Expenditures</u>			
Current:			
General Government			
Public Safety	1,530	10,516	
Recreation			88,703
Debt service			
Capital outlay and improvements			
Total Expenditures	<u>1,530</u>	<u>10,516</u>	<u>88,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,528)</u>	<u>(223)</u>	<u>33,154</u>
<u>Other Financing Sources (Uses)</u>			
Transfers from other funds			2,768
Transfers to other funds			
Total Other Financing Sources (Uses)			<u>2,768</u>
Net change in fund balance	(1,528)	(223)	35,922
Fund balances - beginning	<u>(338)</u>	<u>51,415</u>	<u>45,376</u>
Fund balances - ending	<u>\$ (1,866)</u>	<u>\$ 51,192</u>	<u>\$ 81,298</u>

Debt Service Funds		Capital Improvement	Total
General Debt Service Fund	Non-Bonded Debt Service Fund	Capital Project Fund	Non-Major Funds
\$ 506,857			\$ 506,857
23,837	\$ 74,755		98,592
		\$ 31,736	126,573
	49,357		49,357
23,048	4,341	41,423	73,004
			33,123
<u>553,742</u>	<u>128,453</u>	<u>73,159</u>	<u>887,506</u>
		3,662	3,662
	108,872	65,207	186,125
		11,621	100,324
499,723			499,723
		810,930	810,930
<u>499,723</u>	<u>108,872</u>	<u>891,420</u>	<u>1,600,764</u>
<u>54,019</u>	<u>19,581</u>	<u>(818,261)</u>	<u>(713,258)</u>
		511,650	514,418
		(27,610)	(27,610)
		484,040	486,808
54,019	19,581	(334,221)	(226,450)
<u>778,424</u>	<u>(10,312)</u>	<u>1,078,472</u>	<u>1,943,037</u>
<u>\$ 832,443</u>	<u>\$ 9,269</u>	<u>\$ 744,251</u>	<u>\$ 1,716,587</u>



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department to other departments on a cost reimbursement basis.

Central Garage Fund

The fund was established to account for the cost of operating a maintenance facility for mobile equipment used by other City departments. Such costs are billed to other departments at cost plus a charge to replace the equipment.

Central Services Fund

This fund was established to account for the cost of operating the Information Technology Department, Central Services (phone system, postage, copier, general supplies), and Government Building Operations (includes City Hall and the Police & Fire Station). Costs are recouped through charges to other departments based upon a systematic measure (estimate) of resources used.

Equipment Replacement Fund

The fund was established to provide for the systematic replacement of equipment as required.

Risk Insurance Fund

The Council established this fund to provide for the deductible portion of insurance coverage that the City carries. Through this action, charges are made to all departments to recoup the costs of the insurance over a five year period, and the amount of potential risk assumed by the City through the deductible portion of the coverage.

Benefit Accrual Fund

The Council established this fund to eliminate the fragmentation of vacation and sick leave among the General Fund and enterprise funds for administrative purposes.

CITY OF ROBBINSDALE, MINNESOTA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET ASSETS

December 31, 2008

	<u>Central Garage Fund</u>	<u>Central Services Fund</u>
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 3,157	\$ 16,401
Investments	69,243	339,651
Accrued interest	8,867	4,344
Accounts receivable	1,733	954
Prepaid items		
Total Current Assets	<u>83,000</u>	<u>361,350</u>
Noncurrent Assets:		
Capital Assets, net of depreciation		
Land	29,388	
Buildings & structures	356,622	34,195
Other improvements		54,528
Mobile equipment	963,240	
Machinery & office equipment	515,330	196,366
Work in progress	520,444	
Total Capital Assets, net of depreciation	<u>2,385,024</u>	<u>285,089</u>
Total Assets	<u>2,468,024</u>	<u>646,439</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts payable	25,820	50,554
Accrued salaries and benefits	2,033	2,004
Due to other governments	8	
Compensated absences		
Total Current Liabilities	<u>27,861</u>	<u>52,558</u>
Noncurrent Liabilities:		
Compensated absences		
Total Liabilities	<u>27,861</u>	<u>52,558</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	2,385,024	285,089
Unrestricted	<u>55,139</u>	<u>308,792</u>
Total Net Assets	<u>\$ 2,440,163</u>	<u>\$ 593,881</u>

Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
\$ 301,505	\$ 120,121	\$ 299,586	\$ 740,770
529,229	253,243	711,956	1,903,322
7,780	3,684	9,823	34,498
	606	8,533	11,826
	28,865		28,865
<u>838,514</u>	<u>406,519</u>	<u>1,029,898</u>	<u>2,719,281</u>
69,385			98,773
337,033			727,850
202,368			256,896
72,893			1,036,133
217,854			929,550
			520,444
<u>899,533</u>			<u>3,569,646</u>
<u>1,738,047</u>	<u>406,519</u>	<u>1,029,898</u>	<u>6,288,927</u>
	2,886	58,635	137,895
	1,259	31,173	36,469
		60,000	8
			60,000
	<u>4,145</u>	<u>149,808</u>	<u>234,372</u>
		400,124	400,124
	<u>4,145</u>	<u>549,932</u>	<u>634,496</u>
899,533			3,569,646
<u>838,514</u>	<u>402,374</u>	<u>479,966</u>	<u>2,084,785</u>
<u>\$ 1,738,047</u>	<u>\$ 402,374</u>	<u>\$ 479,966</u>	<u>\$ 5,654,431</u>

CITY OF ROBBINSDALE, MINNESOTA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

For the Year Ended December 31, 2008

	<u>Central Garage Fund</u>	<u>Central Services Fund</u>
Operating Revenues:		
Sales, fees, and charges	\$ 668,533	\$ 1,032,444
Operating Expenses:		
Personal services	200,698	150,785
Supplies	209,235	62,233
Other services and charges	124,569	556,014
Depreciation	268,284	57,523
Total Operating Expenses	<u>802,786</u>	<u>826,555</u>
Operating Income (Loss)	<u>(134,253)</u>	<u>205,889</u>
Nonoperating Revenues:		
Investment earnings	41,636	20,395
Gain on disposal of property and equipment	74,412	
Total Nonoperating Revenues	<u>116,048</u>	<u>20,395</u>
Income (Loss) before transfers	<u>(18,205)</u>	<u>226,284</u>
Transfers:		
Transfers to other funds	<u>(375,000)</u>	<u>(227,896)</u>
Change in net assets	(393,205)	(1,612)
Total Net Assets - Beginning	<u>2,833,368</u>	<u>595,493</u>
Total Net Assets - Ending	<u>\$ 2,440,163</u>	<u>\$ 593,881</u>

Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
	\$ 220,753	\$ 36,971	\$ 1,958,701
		45,721	397,204
			271,468
\$ 3,766	401,061	4,836	1,090,246
117,537			443,344
121,303	401,061	50,557	2,202,262
(121,303)	(180,308)	(13,586)	(243,561)
36,529	17,297	46,257	162,114
			74,412
36,529	17,297	46,257	236,526
(84,774)	(163,011)	32,671	(7,035)
			(602,896)
(84,774)	(163,011)	32,671	(609,931)
1,822,821	565,385	447,295	6,264,362
\$ 1,738,047	\$ 402,374	\$ 479,966	\$ 5,654,431

CITY OF ROBBINSDALE, MINNESOTA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2008

	Central Garage Fund	Central Services Fund
<u>Cash flows from operating activities:</u>		
Cash received from customers and users, including deposits	\$ 668,892	\$ 1,031,490
Cash payments to suppliers	(361,650)	(626,589)
Cash payments to employees	(203,258)	(154,281)
Net cash provided (used) by operating activities	103,984	250,620
<u>Cash flows from noncapital financing activities:</u>		
Transfers (to) other funds	(375,000)	(227,896)
<u>Cash flows from capital and related financing activities:</u>		
Acquisition of property and equipment	(1,010,450)	(23,217)
Proceeds from the disposal of property and equipment	90,805	
Net cash provided (used) by capital and related financing activities	(919,645)	(23,217)
<u>Cash flows from investing activities:</u>		
Proceeds from maturities of investments	(43,497)	(222,318)
Purchases of investments	464,308	21,291
Interest on investments	39,122	17,848
Net cash provided (used) by investing activities	459,933	(183,179)
Net increase (decrease) in cash and cash equivalents	(730,728)	(183,672)
Cash and cash equivalents at beginning of year	733,885	200,073
Cash and cash equivalents at end of year	\$ 3,157	\$ 16,401
<u>Reconciliation of Operating Income to Net Cash Provided</u>		
<u>(Used) by Operating Activities</u>		
Operating income (loss)	\$ (134,253)	\$ 205,889
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	268,284	57,523
(Increase) decrease in assets:		
Accounts receivable	359	(954)
Prepaid items		
Increase (decrease) in liabilities:		
Accounts payable	(27,854)	(8,342)
Accrued salaries and benefits	(2,560)	(3,496)
Due to other governments	8	
Total Adjustments	238,237	44,731
Net cash provided (used) by operating activities	\$ 103,984	\$ 250,620
<u>Non-cash investing, capital, and financing activities:</u>		
Net increase in fair value of investments	\$ 2,029	\$ 994

Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
	\$ 251,625	\$ 35,400	\$ 1,987,407
\$ (3,766)	(429,460)		(1,421,465)
	1,226	(60,427)	(416,740)
(3,766)	(176,609)	(25,027)	149,202
			(602,896)
			(1,033,667)
			90,805
			(942,862)
(346,175)	(165,658)	(465,846)	(1,243,494)
347,182	231,835	331,998	1,396,614
35,622	17,754	43,928	154,274
36,629	83,931	(89,920)	307,394
32,863	(92,678)	(114,947)	(1,089,162)
268,642	212,799	414,533	1,829,932
<u>\$ 301,505</u>	<u>\$ 120,121</u>	<u>\$ 299,586</u>	<u>\$ 740,770</u>
\$ (121,303)	\$ (180,308)	\$ (13,586)	\$ (243,561)
117,537			443,344
	30,872	(1,571)	28,706
	(4,363)		(4,363)
	(24,036)	14,368	(45,864)
	1,226	(24,238)	(29,068)
			8
117,537	3,699	(11,441)	392,763
<u>\$ (3,766)</u>	<u>\$ (176,609)</u>	<u>\$ (25,027)</u>	<u>\$ 149,202</u>
<u>\$ 1,780</u>	<u>\$ 843</u>	<u>\$ 2,248</u>	<u>\$ 7,894</u>



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

Agency Fund

Deputy Registrar – Minnesota License Fees

The City collects license fees for the State of Minnesota and remits these fees daily along with a transaction report.

CITY OF ROBBINSDALE, MINNESOTA

AGENCY FUND

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 2008

	<u>Balance January 1, 2,008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2,008</u>
<u>Deputy Registrar</u>				
Assets				
Cash and cash equivalents	<u>\$ 4,982</u>	<u>\$ 12,075,526</u>	<u>\$ 12,075,600</u>	<u>\$ 4,908</u>
Liabilities				
Due to other governments	<u>\$ 4,982</u>	<u>\$ 12,075,526</u>	<u>\$ 12,075,600</u>	<u>\$ 4,908</u>

CITY OF ROBBINSDALE, MINNESOTA
SCHEDULE OF LONG TERM DEBT ISSUES PAYABLE
December 31, 2008

<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Building Bonds:				
<u>Public Safety Building Refunding Bonds of 1999A</u>				
2009	4.10%	155,000	32,888	187,888
2010	4.15%	160,000	26,390	186,390
2011	4.25%	170,000	19,458	189,458
2012	4.35%	175,000	12,039	187,039
2013	4.45%	185,000	4,116	189,116
Total General Obligation Building Bonds		<u>\$ 845,000</u>	<u>\$ 94,891</u>	<u>\$ 939,891</u>
General Obligation Street Bonds:				
<u>General Obligation Street Improvement Bonds of 2002B (Supported by Special Assessments)</u>				
2009	4.10%	120,000	24,880	144,880
2010	4.20%	125,000	19,795	144,795
2011	4.30%	125,000	14,482	139,482
2012	4.40%	130,000	8,935	138,935
2013	4.50%	135,000	3,038	138,038
Sub-total		<u>\$ 635,000</u>	<u>\$ 71,130</u>	<u>\$ 706,130</u>
<u>General Obligation Street Reconstruction Bonds of 2006A</u>				
2009	4.00%	135,000	60,394	195,394
2010	4.00%	140,000	54,994	194,994
2011	4.00%	145,000	49,394	194,394
2012	4.25%	155,000	43,594	198,594
2013	4.25%	160,000	37,006	197,006
2014	4.25%	165,000	30,206	195,206
2015	4.25%	170,000	23,194	193,194
2016	4.375%	180,000	15,969	195,969
2017	4.375%	185,000	8,094	193,094
Sub-total		<u>\$ 1,435,000</u>	<u>\$ 322,845</u>	<u>\$ 1,757,845</u>
Total General Obligation Street Bonds		<u>\$ 2,070,000</u>	<u>\$ 393,975</u>	<u>\$ 2,463,975</u>

CITY OF ROBBINSDALE, MINNESOTA
SCHEDULE OF LONG TERM DEBT ISSUES PAYABLE
December 31, 2008

<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Housing Bonds				
<u>Housing Development Refunding Bonds - Series 2006A</u>				
2009	4.25%	120,000	196,320	316,320
2010	4.25%	125,000	191,114	316,114
2011	4.25%	135,000	185,589	320,589
2012	4.25%	140,000	179,745	319,745
2013	4.25%	145,000	173,689	318,689
2014	4.25%	150,000	167,420	317,420
2015	4.25%	155,000	160,939	315,939
2016	4.25%	160,000	154,245	314,245
2017	4.25%	170,000	147,233	317,233
2018	4.25%	175,000	139,901	314,901
2019	4.25%	185,000	132,251	317,251
2020	4.25%	190,000	124,283	314,283
2021	4.25%	200,000	115,995	315,995
2022	4.25%	205,000	107,389	312,389
2023	4.25%	215,000	98,464	313,464
2024	4.45%	225,000	88,888	313,888
2025	4.45%	235,000	78,654	313,654
2026	4.45%	245,000	67,973	312,973
2027	4.45%	255,000	56,849	311,849
2028	4.45%	270,000	45,167	315,167
2029	4.45%	280,000	32,930	312,930
2030	4.45%	295,000	20,136	315,136
2031	4.45%	305,000	6,786	311,786
Total General Obligation Housing Bonds		<u>\$ 4,580,000</u>	<u>\$ 2,671,960</u>	<u>\$ 7,251,960</u>

CITY OF ROBBINSDALE, MINNESOTA
SCHEDULE OF LONG TERM DEBT ISSUES PAYABLE
December 31, 2008

<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Tax Increment Bonds:				
<u>Tax Increment Refunding Bonds of 1999B</u>				
2009	5.60%	<u>240,000</u>	<u>6,720</u>	<u>246,720</u>
Sub-total		<u>\$ 240,000</u>	<u>\$ 6,720</u>	<u>\$ 246,720</u>
<u>Tax Increment Temporary Taxable Bonds of 2007A</u>				
2008	5.63%	\$	\$ 307,680	\$ 307,680
2009	5.63%		307,680	307,680
2010	5.63%	<u>5,465,000</u>	<u>307,680</u>	<u>5,772,680</u>
Sub-total		<u>\$ 5,465,000</u>	<u>\$ 923,040</u>	<u>\$ 6,388,040</u>
Total Tax Increment Bonds		<u>\$ 5,705,000</u>	<u>\$ 929,760</u>	<u>\$ 6,634,760</u>
General Obligation Utility Revenue Bonds and Notes:				
<u>General Obligation Utility Revenue Note of 2001 (TRLF Note/MNPFA)</u>				
2009	2.29%	102,000	9,641	111,641
2010	2.29%	104,000	7,305	111,305
2011	2.29%	106,000	4,924	110,924
2012	2.29%	<u>109,000</u>	<u>2,496</u>	<u>111,496</u>
Sub-total		<u>\$ 421,000</u>	<u>\$ 24,366</u>	<u>\$ 445,366</u>

CITY OF ROBBINSDALE, MINNESOTA
SCHEDULE OF LONG TERM DEBT ISSUES PAYABLE
December 31, 2008

<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Utility Revenue Bonds and Notes (continued)				
<u>General Obligation Utility Revenue Bonds of 2002A</u>				
2009	4.10%	175,000	28,762	203,762
2010	4.20%	185,000	21,290	206,290
2011	4.30%	195,000	13,212	208,212
2012	4.40%	205,000	4,510	209,510
Sub-total		\$ 760,000	\$ 67,774	\$ 827,774
<u>General Obligation Utility Revenue Bonds of 2005A</u>				
2009	3.25%	165,000	43,281	208,281
2010	3.25%	175,000	37,756	212,756
2011	3.50%	175,000	31,850	206,850
2012	3.50%	185,000	25,550	210,550
2013	3.75%	190,000	18,750	208,750
2014	3.75%	200,000	11,438	211,438
2015	3.75%	205,000	3,844	208,844
Sub-total		\$ 1,295,000	\$ 172,469	\$ 1,467,469
<u>General Obligation Utility Revenue Bonds of 2006 (Series 2006B)</u>				
2009	4.00%	320,000	137,717	457,717
2010	4.00%	335,000	124,918	459,918
2011	4.00%	345,000	111,517	456,517
2012	4.00%	360,000	97,718	457,718
2013	4.00%	375,000	83,318	458,318
2014	4.00%	390,000	68,317	458,317
2015	4.15%	405,000	52,717	457,717
2016	4.15%	420,000	35,910	455,910
2017	4.20%	440,000	18,480	458,480
Sub-total		\$ 3,390,000	\$ 730,612	\$ 4,120,612
Total General Obligation Utility Bonds and Notes		<u>\$ 5,866,000</u>	<u>\$ 995,221</u>	<u>\$ 6,861,221</u>
Total Long Term Debt Issues Payable		<u>\$ 19,066,000</u>	<u>\$ 5,085,807</u>	<u>\$ 24,151,807</u>

CITY OF ROBBINSDALE, MINNESOTA

Statistical Section (Unaudited)

This part of the City of Robbinsdale's (the City) comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant revenue source, including the property tax and utility revenue.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

Demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Indicators

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides, and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

Net Assets by Component
Last Six Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental activities						
Invested in capital assets, net of related debt	\$ 11,335,179	\$ 12,264,213	\$ 13,169,424	\$ 15,748,190	\$ 17,745,376	\$ 20,044,810
Restricted	5,663,073	4,730,506	3,137,422	3,546,708	3,774,299	5,306,950
Unrestricted	<u>15,931,571</u>	<u>14,655,119</u>	<u>13,783,319</u>	<u>14,387,113</u>	<u>14,149,027</u>	<u>11,229,098</u>
Total governmental activities net assets	<u>\$ 32,929,823</u>	<u>\$ 31,649,838</u>	<u>\$ 30,090,165</u>	<u>\$ 33,682,011</u>	<u>\$ 35,668,702</u>	<u>\$ 36,580,858</u>
Business-type activities						
Invested in capital assets, net of related debt	\$ 7,800,388	\$ 9,026,077	\$ 5,953,289	\$ 6,365,536	\$ 7,352,373	\$ 8,682,059
Restricted	1,111,052	1,155,117	1,174,888	-	-	-
Unrestricted	<u>7,856,594</u>	<u>6,950,533</u>	<u>7,728,002</u>	<u>9,042,271</u>	<u>9,147,136</u>	<u>8,942,806</u>
Total business-type activities net assets	<u>\$ 16,768,034</u>	<u>\$ 17,131,727</u>	<u>\$ 14,856,179</u>	<u>\$ 15,407,807</u>	<u>\$ 16,499,509</u>	<u>\$ 17,624,865</u>
Primary government						
Invested in capital assets, net of related debt	\$ 19,135,567	\$ 21,290,290	\$ 19,122,713	\$ 22,113,726	\$ 25,097,749	\$ 28,726,869
Restricted	6,774,125	5,885,623	4,312,310	3,546,708	3,774,299	5,306,950
Unrestricted	<u>23,788,165</u>	<u>21,605,652</u>	<u>21,511,321</u>	<u>23,429,384</u>	<u>23,296,163</u>	<u>20,171,904</u>
Total primary government net assets	<u>\$ 49,697,857</u>	<u>\$ 48,781,565</u>	<u>\$ 44,946,344</u>	<u>\$ 49,089,818</u>	<u>\$ 52,168,211</u>	<u>\$ 54,205,723</u>

Note: The City implemented GASB Statement No. 34 in fiscal 2003. Information is not available for previous fiscal years.

CITY OF ROBBINSDALE, MINNESOTA

Changes in Net Assets
Last Six Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental activities						
General government	\$ 994,693	\$ 1,073,517	\$ 1,040,837	\$ 1,049,589	\$ 1,021,438	\$ 1,141,359
Community Development	1,176,663	5,479,506	5,948,733	2,369,643	1,448,035	1,149,841
Public Safety	3,417,417	3,427,975	3,751,046	3,869,833	3,808,379	4,080,471
Recreation	1,471,433	1,684,254	1,864,698	1,513,183	1,527,831	1,515,603
Public Works	905,478	1,100,403	1,234,772	1,365,549	1,909,203	2,057,746
Human Services	21,750	18,633	18,933	19,133	1,600	1,700
Interest on long-term debt	257,312	264,031	344,568	337,565	469,848	383,544
Total governmental activities expenses	<u>8,244,746</u>	<u>13,048,319</u>	<u>14,203,587</u>	<u>10,524,495</u>	<u>10,186,334</u>	<u>10,330,264</u>
Business-type activities						
Water Utility	893,186	875,003	897,416	966,178	1,009,200	1,006,173
Sanitary Sewer Utility	1,436,779	1,134,909	1,258,788	1,369,615	1,368,433	1,396,520
Storm Sewer Utility	152,343	176,963	175,150	212,160	240,535	249,502
Solid Waste Utility	1,051,745	1,049,834	1,121,758	1,146,931	1,199,735	996,067
Liquor Operations	2,041,651	2,070,692	2,002,546	2,006,001	2,089,831	2,326,877
Deputy Registrar	259,814	300,597	334,981	306,247	324,699	336,435
Broadway Court	684,291	698,526	725,974	921,423	511,213	646,977
Hubbard Marketplace	238,740	223,821	225,580	-	-	-
Total business-type activities expenses	<u>6,758,549</u>	<u>6,530,345</u>	<u>6,742,193</u>	<u>6,928,555</u>	<u>6,743,646</u>	<u>6,958,551</u>
Total primary government expenses	<u>\$15,003,295</u>	<u>\$19,578,664</u>	<u>\$20,945,780</u>	<u>\$17,453,050</u>	<u>\$ 16,929,980</u>	<u>\$ 17,288,815</u>
Program revenues						
Governmental activities						
Charges for services						
General government	\$ 749,415	\$ 759,175	\$ 770,779	\$ 496,483	\$ 470,307	\$ 615,329
Community Development	380,792	423,449	1,077,378	1,325,412	911,293	370,991
Public Safety	936,830	817,409	808,826	679,693	575,020	666,284
Recreation	183,218	145,983	141,410	172,860	170,235	152,906
Public Works	487,145	299,576	538,000	793,648	964,135	233,438
Operating grants and contributions	273,885	271,625	288,975	294,927	424,164	369,737
Capital grants and contributions	545,181	520,795	884,314	1,925,124	85,833	59,364
Total governmental activities program revenues	<u>3,556,466</u>	<u>3,238,012</u>	<u>4,509,682</u>	<u>5,688,147</u>	<u>3,600,987</u>	<u>2,468,049</u>
Business-type activities						
Charges for services						
Water Utility	895,026	861,508	968,000	1,284,073	1,273,413	1,302,235
Sanitary Sewer Utility	1,305,722	1,331,566	1,424,020	1,379,471	1,455,471	1,435,943
Storm Sewer Utility	253,368	266,484	400,559	436,038	486,436	502,944
Solid Waste Utility	1,166,117	1,156,752	1,176,402	1,193,393	1,231,954	1,291,993
Liquor Operations	2,114,320	2,100,573	2,011,139	1,982,472	2,159,658	2,475,473
Deputy Registrar	349,217	323,578	306,278	321,732	324,552	308,660
Broadway Court	641,223	691,080	671,928	683,452	729,821	679,654
Hubbard Marketplace	121,850	109,401	100,028	-	-	-
Operating grants and contributions	88,976	36,246	36,177	35,973	36,656	41,739
Total business-type activities program revenues	<u>6,935,819</u>	<u>6,877,188</u>	<u>7,094,531</u>	<u>7,316,604</u>	<u>7,697,961</u>	<u>8,038,641</u>
Total primary government program revenues	<u>\$10,492,285</u>	<u>\$10,115,200</u>	<u>\$11,604,213</u>	<u>\$13,004,751</u>	<u>\$ 11,298,948</u>	<u>\$ 10,506,690</u>
Net (expense)/revenue						
Governmental activities	\$ (4,688,280)	\$ (9,810,307)	\$ (9,693,905)	\$ (4,836,348)	\$ (6,585,347)	\$ (7,862,215)
Business-type activities	177,270	346,843	352,338	388,049	954,315	1,080,090
Total primary government net expense	<u>\$ (4,511,010)</u>	<u>\$ (9,463,464)</u>	<u>\$ (9,341,567)</u>	<u>\$ (4,448,299)</u>	<u>\$ (5,631,032)</u>	<u>\$ (6,782,125)</u>

CITY OF ROBBINSDALE, MINNESOTA

Changes in Net Assets
Last Six Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
General revenues and other changes in net assets						
Governmental activities						
Taxes						
Property taxes	\$ 3,159,971	\$ 3,677,801	\$ 4,196,824	\$ 4,633,684	\$ 4,729,048	\$ 4,865,778
Tax Increments	1,468,874	1,363,220	525,585	403,679	462,906	858,422
Unrestricted grants and contributions	2,106,842	2,009,915	1,748,625	1,467,355	1,288,363	1,260,527
Franchise Fees	231,090	497,928	583,316	617,774	626,873	665,885
Unrestricted Investment Earnings	299,922	604,580	474,631	916,612	1,113,326	828,530
Gain on disposal of property	52,301	53,500	-	131,685	17,034	8,500
Transfers	279,862	247,742	605,251	258,406	334,488	286,729
Total governmental activities	<u>7,598,862</u>	<u>8,454,686</u>	<u>8,134,232</u>	<u>8,429,195</u>	<u>8,572,038</u>	<u>8,774,371</u>
Business-type activities						
Investment earnings	181,096	264,412	245,499	421,985	471,875	331,995
Special Item - Disposal of Property	-	-	(2,268,134)	-	-	-
Transfers	(279,862)	(247,742)	(605,251)	(258,406)	(334,488)	(286,729)
Total business-type activities	<u>(98,766)</u>	<u>16,670</u>	<u>(2,627,886)</u>	<u>163,579</u>	<u>137,387</u>	<u>45,266</u>
Total primary government	<u>\$ 7,500,096</u>	<u>\$ 8,471,356</u>	<u>\$ 5,506,346</u>	<u>\$ 8,592,774</u>	<u>\$ 8,709,425</u>	<u>\$ 8,819,637</u>
Change in net assets						
Governmental activities	\$ 2,910,582	\$ (1,355,621)	\$ (1,559,673)	\$ 3,592,847	\$ 1,986,691	\$ 912,156
Business-type activities	78,504	363,513	(2,275,548)	551,628	1,091,702	1,125,356
Total primary government	<u>\$ 2,989,086</u>	<u>\$ (992,108)</u>	<u>\$ (3,835,221)</u>	<u>\$ 4,144,475</u>	<u>\$ 3,078,393</u>	<u>\$ 2,037,512</u>

The City implemented GASB Statement No. 34 in fiscal 2003. This information is not available for previous fiscal years.

CITY OF ROBBINSDALE, MINNESOTA

Governmental Activities Tax Revenues By Source
 Last Six Fiscal Years
 (Accrual Basis of Accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Tax Increments</u>	<u>Franchise Fees</u>	<u>Total</u>
2003	\$ 3,159,971	\$ 1,468,874	\$ 231,090	\$ 4,859,935
2004	3,677,801	1,363,220	497,928	5,538,949
2005	4,196,824	525,585	583,316	5,305,725
2006	4,633,684	403,679	617,774	5,655,137
2007	4,729,048	462,906	626,873	5,818,827
2008	4,865,778	858,422	665,886	6,390,086

The City implemented GASB Statement No. 34 in fiscal 2003. This information is not available for previous fiscal years.

CITY OF ROBBINSDALE, MINNESOTA

Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 172	\$ 9,118	\$ 383	\$ 1,191	\$ 8,947	\$ 15,428	\$ 7,695	\$ 7,285	\$ 6,790	\$ 6,900
Unreserved:										
Designated	235,564	235,199	3,630,681	3,646,968	3,525,329	3,914,716	3,908,786	3,942,302	4,039,943	4,310,316
Undesignated	1,295,779	1,708,749	108,648	–	698,792	129,435	229,857	337,511	432,957	72,811
Total General Fund	\$ 1,531,515	\$ 1,953,066	\$ 3,739,712	\$ 3,648,159	\$ 4,233,068	\$ 4,059,579	\$ 4,146,338	\$ 4,287,098	\$ 4,479,690	\$ 4,390,027
All other governmental funds										
Reserved, Reported in										
Special Revenue Funds	\$ 1,600,891	\$ 770,967	\$ 1,990,161	\$ 1,368,306	\$ 1,819,414	\$ 2,164,933	\$ 3,197,399	\$ 3,381,471	\$ 3,848,260	\$ 4,872,506
Debt Service Funds	2,388,406	1,932,727	3,336,829	2,303,607	3,400,589	3,882,879	2,237,760	1,938,955	2,206,561	3,001,967
Capital Projects Funds	57,778	157,170	49,058	297,970	–	265,000	243,096	954,922	839,479	1,386,644
Total Reserved	4,047,075	2,860,864	5,376,048	3,969,883	5,220,003	6,312,812	5,678,255	6,275,348	6,894,300	9,261,117
Unreserved:										
Designated, Reported in										
Special Revenue Funds	–	–	2,918,626	3,368,920	2,398,026	3,394,092	2,865,388	3,532,100	3,167,060	1,721,683
Capital Projects Funds	964,380	922,700	2,500,000	2,703,000	1,861,615	3,236,255	6,629,873	2,962,658	3,611,942	4,765,427
Undesignated, Reported in										
Special Revenue Funds	6,505,141	6,141,460	(761,086)	(390,441)	(432,325)	2,205	(2,162,929)	(1,756,811)	(2,248,831)	(2,401,525)
Debt Service Funds	–	(24,354)	–	–	(31,500)	(70,034)	159,169	(54,101)	(10,312)	–
Capital Projects Funds	2,109,187	2,251,479	1,082,417	3,087,202	4,405,345	3,777,399	565,706	4,293,196	2,213,193	113,595
Total Unreserved	9,578,708	9,291,285	5,739,957	8,768,681	8,201,161	10,339,917	8,057,207	8,977,042	6,733,052	4,199,180
Total all other governmental funds	\$13,625,783	\$12,152,149	\$11,116,005	\$12,738,564	\$13,421,164	\$16,652,729	\$13,735,462	\$15,252,390	\$13,627,352	\$13,460,297

CITY OF ROBBINSDALE, MINNESOTA

Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	\$ 2,206,294	\$ 2,205,528	\$ 2,395,847	\$ 3,094,953	\$ 3,165,016	\$ 3,664,372	\$ 4,181,409	\$ 4,603,357	4,721,221	4,844,180
Tax Increments	1,435,158	1,448,370	1,628,294	1,356,514	1,468,874	1,363,220	525,585	403,679	462,906	858,422
Special assessments	154,752	117,005	125,650	114,853	364,060	226,197	315,066	531,297	541,727	507,304
Licenses and permits	295,304	314,671	315,866	362,277	505,010	528,882	418,970	382,539	391,529	449,548
Intergovernmental	3,692,993	3,510,416	3,121,749	3,093,100	2,891,101	2,775,217	2,890,934	3,659,393	1,771,703	1,663,520
Charges for services	559,806	876,010	937,519	708,177	1,186,629	1,172,510	1,182,837	1,691,911	860,561	1,078,774
Fines and forfeitures	246,294	322,305	220,200	161,453	346,663	267,749	323,841	227,925	171,171	203,219
Franchise fees	-	-	-	-	231,090	497,928	583,316	617,774	626,873	665,886
Investment earnings	567,100	1,084,131	775,384	517,934	229,528	483,957	382,214	752,683	930,662	666,418
Other	301,541	118,515	273,452	687,076	389,978	273,745	916,063	1,160,164	309,628	63,031
Total revenues	9,459,242	9,996,951	9,793,961	10,096,337	10,777,949	11,253,777	11,720,235	14,030,722	10,787,981	11,000,302
Expenditures										
General government	1,148,235	938,147	965,034	1,025,322	935,510	972,771	974,563	990,636	973,968	1,083,493
Community Development	2,505,262	2,183,467	1,713,315	1,097,659	1,170,623	5,469,854	5,942,913	2,366,226	1,448,898	1,150,909
Public Safety	2,602,071	2,700,539	3,024,977	3,117,984	3,241,141	3,154,614	3,467,141	3,624,457	3,633,238	3,950,431
Recreation	1,284,624	1,363,013	1,298,875	1,360,410	1,414,448	1,557,786	1,714,907	1,369,046	1,379,462	1,341,943
Public Works	710,330	745,468	907,834	911,714	958,355	1,021,897	1,079,376	1,199,080	1,349,011	1,585,959
Human Services	125,417	44,066	48,380	29,826	21,750	18,633	18,933	19,133	1,600	1,700
Capital outlay	995,564	999,622	1,021,030	835,840	1,166,455	654,670	963,085	3,833,773	2,484,380	1,956,457
Debt service										
Principal	2,845,000	510,000	540,000	2,375,000	837,000	897,000	730,000	525,000	5,830,000	610,000
Interest	443,386	389,026	360,691	258,130	280,288	216,218	339,226	314,789	417,358	465,753
Other charges	-	-	1,506	29,074	-	-	-	-	-	-
Total expenditures	12,659,889	9,873,348	9,881,642	11,040,959	10,025,570	13,963,443	15,230,144	14,242,140	17,517,915	12,146,645
Excess of revenues over (under) expenditures	(3,200,647)	123,603	(87,681)	(944,622)	752,379	(2,709,666)	(3,509,909)	(211,418)	(6,729,934)	(1,146,343)
Other financing sources (uses)										
Transfers in	426,480	1,479,996	480,027	1,460,000	1,317,904	1,646,324	1,391,840	1,408,100	412,578	1,915,737
Transfers out	(2,771,480)	(2,553,008)	-	(574,000)	(1,027,774)	(1,198,582)	(712,439)	(1,073,994)	(580,090)	(1,026,112)
Issuance of Debt	4,070,893	-	214,000	1,230,000	225,000	5,320,000	-	1,535,000	5,465,000	-
Total other financing sources (uses)	1,725,893	(1,073,012)	694,027	2,116,000	515,130	5,767,742	679,401	1,869,106	5,297,488	889,625
Net change in fund balances	\$(1,474,754)	\$ (949,409)	\$ 606,346	\$ 1,171,378	\$ 1,267,509	\$ 3,058,076	\$(2,830,508)	\$ 1,657,688	(1,432,446)	(256,718)
Debt service as a percentage of noncapital expenditures	28.2%	10.1%	10.2%	26.1%	12.6%	8.4%	7.5%	8.1%	41.6%	10.6%

CITY OF ROBBINSDALE, MINNESOTA

General Governmental Tax Revenues by Source
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Tax Increment</u>	<u>Franchise Fees</u>	<u>Total</u>
1999	2,206,294	1,435,158	—	3,641,452
2000	2,205,528	1,448,370	—	3,653,898
2001	2,395,847	1,628,294	—	4,024,141
2002	3,094,953	1,356,514	—	4,451,467
2003	3,165,016	1,468,874	231,090	4,633,890
2004	3,664,372	1,363,220	497,928	5,525,520
2005	4,181,409	525,585	583,316	5,290,310
2006	4,603,357	403,679	617,774	5,624,810
2007	4,721,221	462,906	626,873	5,811,000
2008	4,844,180	858,422	665,886	6,368,488

CITY OF ROBBINSDALE, MINNESOTA

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Total Taxable Assessed Value	Total Tax Capacity Rate (%)	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
1999	\$ 500,005,900 (1)	–	\$ 500,005,900	142.118	\$ 502,420,400	99.5%
2000	527,015,600 (1)	–	527,015,600	124.590	532,462,300	99.0%
2001	598,909,700 (1)	–	598,909,700	121.296	576,254,200	103.9%
2002	614,038,000	\$ 5,172,800	619,210,800	135.119	699,975,400	88.5%
2003	676,494,300	5,489,900	681,984,200	129.675	797,652,600	85.5%
2004	757,316,000	5,583,700	762,899,700	130.892	881,149,700	86.6%
2005	860,340,477	5,665,723	866,006,200	118.718	958,846,200	90.3%
2006	976,950,300	6,571,400	983,521,700	114.145	1,050,761,600	93.6%
2007	1,093,871,200	6,825,800	1,100,697,000	112.609	1,139,139,300	96.6%
2008	1,166,049,400	6,712,200	1,172,761,600	110.167	1,180,923,800	99.3%

(1) - Personal Property data breakout is not available for these years and is included within the Real Property Amount.

Source: Hennepin County

CITY OF ROBBINSDALE, MINNESOTA

Property Tax Rates
Direct and Overlapping (1) Governments
Last Ten Fiscal Years

Fiscal Year	City Tax Capacity Rate	County Tax Capacity Rate	Robbinsdale School District 281 Tax Capacity Rate	Special Districts	Total Direct and Overlapping Rates
1999	23.416	35.515	63.757	6.659	129.347
2000	27.198	45.869	65.350	7.483	145.900
2001	24.513	41.038	47.810	8.544	121.905
2002	47.111	39.660	48.693	8.430	143.894
2003	42.132	50.409	30.213	7.386	130.140
2004	40.784	50.607	29.179	7.757	128.327
2005	36.704	47.324	34.258	8.526	126.812
2006	37.214	44.172	30.016	7.826	119.228
2007	37.322	39.110	28.750	7.427	112.609
2008	36.305	38.571	27.243	8.048	110.167

Source: Hennepin County

- (1) Overlapping rates are those of local and county governments that apply to property owners within the Name of Government. Not all overlapping rates apply to all Name of Government property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

CITY OF ROBBINSDALE, MINNESOTA

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2008				1999			
	Taxable Assessed Value	Tax Capacity	Rank	Percentage of Total Tax Capacity	Taxable Assessed Value	Tax Capacity	Rank	Percentage of Total Tax Capacity
Beach South Apartments	\$ 7,585,000	\$ 94,813	6	0.82 %	\$ 3,917,000	\$ 92,570	7	1.33 %
Copperfield Hill Apartments	18,510,000	231,375	2	2.01	8,000,000	192,000	2	2.75
Klatt Realty	-	-	-	-	1,814,000	60,176	9	0.86
North Memorial Medical Center	4,503,000	88,560	7	0.77	3,509,000	117,806	4	1.69
Oakdale Medical Buildings	15,419,000	308,380	1	2.68	10,939,000	370,426	1	5.31
Robin Center	5,068,000	100,610	5	0.87	3,030,000	101,520	6	1.45
Robins Landing	6,297,000	47,228	8	0.41	-	-	-	-
Terrace Mall	6,120,000	121,650	4	1.06	3,760,000	126,340	5	1.81
Town Center	6,571,000	130,670	3	1.14	4,120,000	138,580	3	1.99
Trevilla Nursing Home	3,157,000	39,463	10	0.34	2,312,000	55,488	8	0.80
U.S. Bank of Robbinsdale	2,186,000	42,970	9	0.37	1,666,000	55,144	10	-
Total	<u>\$ 75,416,000</u>	<u>\$ 1,205,719</u>		<u>10.48 %</u>	<u>\$ 43,067,000</u>	<u>\$ 1,310,050</u>		<u>17.99 %</u>

Note: Total City Property Tax Capacity for Payable 2008 is \$11,509,556
Source: Hennepin County Property Tax System

CITY OF ROBBINSDALE, MINNESOTA

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31,	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	2,213,672	2,206,294	99.67%	15,085	2,221,379	100.35%
2000	2,211,382	2,197,472	99.37%	15,830	2,213,302	100.09%
2001	2,317,813	2,295,099	99.02%	22,025	2,317,124	99.97%
2002	3,418,141	3,352,339	98.07%	27,515	3,379,854	98.88%
2003	3,380,850	3,376,060	99.86%	5,659	3,381,719	100.03%
2004	3,621,910	3,620,149	99.95%	7,152	3,627,301	100.15%
2005	3,954,706	3,913,097	98.95%	42,590	3,955,687	100.02%
2006	4,418,526	4,339,831	98.22%	67,419	4,407,250	99.74%
2007	4,834,598	4,737,545	97.99%	65,288	4,802,833	99.34%
2008	4,950,925	4,847,344	97.91%	-	4,847,344	97.91%

CITY OF ROBBINSDALE, MINNESOTA

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Tax Increment Bonds	General Obligation Equipment Notes	General Obligation Revenue Bonds	General Obligation Housing Bonds	Housing Revenue Bonds			
1999	\$ 3,530,000	\$ 3,510,000	\$ 445,000	-	\$ 3,000,000	\$ 1,945,000	\$ 12,430,000	N/A	\$ 879
2000	3,440,000	3,195,000	340,000	-	3,000,000	1,945,000	11,920,000	3.53 %	844
2001	3,345,000	2,855,000	449,000	-	3,000,000	1,945,000	11,594,000	3.45	824
2002	2,880,000	2,350,000	274,000	\$ 2,390,340	3,000,000	1,945,000	12,839,340	3.81	912
2003	2,760,000	1,830,000	302,000	2,502,843	3,000,000	1,920,000	12,314,843	3.66	875
2004	2,505,000	6,660,000	150,000	2,225,843	3,000,000	1,880,000	16,420,843	4.92	1,177
2005	2,260,000	6,250,000	75,000	3,773,000	3,000,000	1,840,000	17,198,000	5.19	1,240
2006	3,545,000	6,050,000	-	7,043,000	4,730,000	-	21,368,000	6.52	1,560
2007	3,280,000	5,950,000	-	6,616,000	4,685,000	-	20,531,000	6.34	1,515
2008	2,915,000	5,705,000	-	5,866,000	4,580,000	-	19,066,000	5.86	1,402

Note: Details regarding the city’s outstanding debt can be found in the notes to basic financial statements.

N/A Information is not available

(1) See the Schedule 16, Demographic and Economic Statistics for personal income and population data.

CITY OF ROBBINSDALE, MINNESOTA

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Total Taxable Assessed Value of Property (1)</u>	<u>Per Capita (2)</u>
1999	\$ 3,530,000	\$ 1,901,854	\$ 1,628,146	0.31%	\$ 115
2000	3,440,000	2,187,368	1,252,632	0.21%	89
2001	3,345,000	2,187,368	1,157,632	0.19%	82
2002	2,880,000	404,608	2,475,392	0.36%	176
2003	2,760,000	633,614	2,126,386	0.28%	151
2004	2,505,000	661,381	1,843,619	0.21%	132
2005	2,260,000	664,055	1,595,945	0.16%	115
2006	3,545,000	718,953	2,826,047	0.26%	206
2007	3,280,000	778,424	2,501,576	0.23%	185
2008	2,915,000	832,443	2,082,557	0.19%	153

Note: Details regarding the city's outstanding debt can be found in the notes to basic financial statements.

- (1) See the Schedule 7, Assessed Value and Estimated Actual Value of Taxable Property for property value data.
- (2) Population data can be found in Schedule 16, Demographic and Economic Statistics.

CITY OF ROBBINSDALE, MINNESOTA

Direct and Overlapping Governmental Activities Debt
as of December 31, 2008

Governmental Unit	Gross Debt (1)	Sinking Fund	Net Debt	City Percentage	Share Amount
Direct Debt:					
City of Robbinsdale	\$ 7,985,000	\$ 3,353,720	\$ 4,631,280	100 %	\$ 4,631,280
Overlapping Debt:					
Robbinsdale Independent School District # 281	254,635,000	13,742,204	240,892,796	14.29	34,423,581
Hennepin County	506,840,000	4,864,641	501,975,359	0.91	4,567,976
Suburban Hennepin Regional Park District	82,325,000	9,530,185	72,794,815	1.2	873,538
Hennepin County Regional RR Authority	43,895,000	408,138	43,486,862	0.91	395,730
Metropolitan Council (2)	<u>189,490,000</u>	<u>51,585,347</u>	<u>137,904,653</u>	0.41	<u>565,409</u>
Total Overlapping Debt	<u>1,077,185,000</u>	<u>80,130,515</u>	<u>997,054,485</u>		<u>40,826,234</u>
Total Direct and Overlapping Debt	<u>\$ 1,085,170,000</u>	<u>\$ 83,484,235</u>	<u>\$ 1,001,685,765</u>		<u>\$ 45,457,514</u>

Notes:

- (1) Excludes Revenue Bonds and Special Assessment Bonds.
- (2) Includes debt for Metropolitan Council Transit Operations.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Name of Government. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

Legal Debt Margin Information Last Ten Fiscal Years

	Fiscal Year				
	1999	2000	2001	2002	2003
Debt Limit	\$ 10,540,312	\$ 11,978,174	\$ 13,896,052	\$ 12,381,162	\$ 13,639,684
Total net debt applicable to limit	<u>3,975,000</u>	<u>3,780,000</u>	<u>3,794,000</u>	<u>1,924,000</u>	<u>1,832,000</u>
Legal debt margin	<u>\$ 6,565,312</u>	<u>\$ 8,198,174</u>	<u>\$ 10,102,052</u>	<u>\$ 10,457,162</u>	<u>\$ 11,807,684</u>
Total net debt applicable to the limit as a percentage of debt limit	37.71%	31.56%	27.30%	15.54%	13.43%

Note: Under state finance law, the Name of Government's outstanding general obligation debt should not exceed 3 percent (2 percent for years prior to 2008) of total market property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Schedule 14

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 15,257,602	\$ 17,320,124	\$ 19,670,434	\$ 22,013,940	\$ 35,182,848
<u>1,550,000</u>	<u>1,345,000</u>	<u>1,891,576</u>	<u>1,746,576</u>	<u>1,447,557</u>
<u><u>\$ 13,707,602</u></u>	<u><u>\$ 15,975,124</u></u>	<u><u>\$ 17,778,858</u></u>	<u><u>\$ 20,267,364</u></u>	<u><u>\$ 33,735,291</u></u>
10.16%	7.77%	9.62%	7.93%	4.11%

Legal Debt Margin Calculation for Fiscal Year 2008

Estimated Taxable Market Value	\$1,172,761,600
Debt limit (3% of market value)	35,182,848
Debt applicable to limit:	
General obligation bonds	2,280,000
Less amount set aside for repayment of general obligation debt	<u>832,443</u>
Total net debt applicable to limit	<u><u>1,447,557</u></u>
Legal debt margin	<u><u>\$ 33,735,291</u></u>

CITY OF ROBBINSDALE, MINNESOTA

Pledged-Revenue Coverage
Last Ten Fiscal Years

General Obligation Utility Revenue Bonds

Fiscal Year	Utility Charges (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
1999	\$ 2,347,309	\$ 1,803,428	\$ 543,881	N/A	N/A	–
2000	2,566,328	1,806,543	759,785	N/A	N/A	–
2001	2,567,825	1,888,288	679,537	N/A	N/A	–
2002	2,566,371	1,953,946	612,425	N/A	\$ 53,906	11.36
2003	2,592,867	2,395,219	197,648	\$ 160,000	87,089	0.80
2004	2,598,526	2,108,974	489,552	249,331	77,902	1.50
2005	2,920,888	2,204,970	715,918	247,843	105,921	2.02
2006	3,099,582	2,318,812	780,770	430,000	229,141	1.18
2007	3,215,320	2,357,898	857,422	427,000	260,270	1.25
2008	3,241,122	2,417,256	823,866	750,000	234,939	0.84

(1) - Utility Charges include gross revenues from the Water, Sanitary Sewer, and Storm Sewer Funds

Note: Details regarding the government's outstanding debt can be found in the notes to basic financial statements. Sewer charges and other includes investment earnings but not tap fees. Operating expenses do not include interest or depreciation.

CITY OF ROBBINSDALE, MINNESOTA

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Total Personal Income	Median Age (2)	Education Level in Years of Formal Schooling (2)	School Enrollment (3)	Unemployment Rate (4)
1999	14,149	N/A	N/A	37	14	1,669	2.2 %
2000	14,123	\$ 23,912	\$ 337,709,176	38	14	1,681	2.7
2001	14,070	23,912	336,441,840	38	14	1,646	3.6
2002	14,077	23,912	336,609,224	38	14	1,651	4.5
2003	14,068	23,912	336,394,016	38	14	1,638	4.7
2004	13,950	23,912	333,572,400	38	14	1,458	4.3
2005	13,873	23,912	331,731,176	38	14	1,460	3.7
2006	13,698	23,912	327,546,576	38	14	1,472	3.5
2007	13,551	23,912	324,031,512	38	14	1,519	4.6
2008	13,598	23,912	325,155,376	38	14	N/A	N/A

Data Sources

- (1) Metropolitan Council as of April 1
- (2) US Census Bureau
- (3) School District
- (4) State Department of Employment & Economic Development (Uses Hennepin County Rate, City Rate is not available) rate is annual average.

N/A Information is not available

CITY OF ROBBINSDALE, MINNESOTA

Full Time Equivalent City Government Employees by Function Last Ten Fiscal Years

Function	1999	2000	2001	2002	2003
General government (3)	13.75	13.26	12.42	13.42	12.21
Community Development	4.67	3.18	2.73	2.86	2.52
Public safety					
Police					
Officers	21.99	21.80	21.81	21.44	21.15
Civilians	11.38	9.96	10.08	9.78	9.45
Fire					
Firefighters -Paid on call (1)	-	-	-	-	-
Building Inspections	1.43	1.39	1.37	1.39	1.45
Recreation					
Recreation Programming	17.25	13.61	12.66	12.26	10.50
Park Maintenance	4.82	4.95	4.20	4.41	4.41
Public Works					
Engineering	3.51	4.02	3.87	5.05	4.17
Maintenance (2)	8.54	8.61	10.09	9.19	9.11
Water	5.06	2.76	2.56	2.75	2.73
Sanitary Sewer	-	1.67	1.55	1.55	1.78
Storm Sewer		0.30	0.23	0.29	0.30
Solid Waste	0.63	0.42	0.05		
Liquor Operatons	4.75	5.24	5.66	5.66	5.85
Deputy Registrar	6.69	5.87	5.73	5.87	5.32
Total	104.47	97.04	95.01	95.92	90.95

(1) There are 30 Paid on Call firefighters with the City. FTE's are not tracked for this department.

(2) Includes FTE's from Central Garage Internal Service Fund and Central Services - Governmental Buldings Program Internal Services Fund.

(3) Includes FTE's from The Central Services - Information Technology Program Internal Service Fund

Source: City Payroll Records

Schedule 17

2004	2005	2006	2007	2008
12.93	11.98	12.82	10.62	13.10
2.56	2.44	2.21	2.97	3.01
20.30	21.01	22.24	19.78	21.16
10.23	10.21	10.53	10.87	9.77
-	-	-	-	-
1.48	1.59	1.59	1.59	1.92
7.38	7.67	7.82	6.38	6.65
4.28	4.90	5.09	4.80	4.94
4.56	5.38	5.17	4.30	4.33
8.51	8.16	8.16	9.86	8.09
3.08	2.39	2.70	2.76	2.55
1.42	1.54	1.54	1.80	1.63
0.18	0.44	0.20	0.19	0.10
6.00	6.42	6.30	5.58	5.73
5.61	5.68	5.15	5.12	4.91
<u>88.52</u>	<u>89.81</u>	<u>91.52</u>	<u>86.62</u>	<u>87.89</u>

CITY OF ROBBINSDALE, MINNESOTA

Operating Indicators by Function Last Ten Fiscal Years

Function	1999	2000	2001	2002	2003
Police					
Radio Calls	16,164	15,974	14,524	14,486	16,418
Arrests	1,275	1,267	911	927	952
Traffic Violations	2,330	3,231	1,435	1,864	3,578
Parking Violations	40	126	61	80	56
Part I Crimes Charged	633	621	637	665	648
Part II Crimes Charged	956	1,007	926	882	982
Investigative Cases Referred	268	244	285	236	286
Police Reserve Hours Logged	3,996	3,490	3,278	3,251	2,985
Fire					
Number of calls answered	314	336	367	383	351
Inspections	N/A	N/A	N/A	N/A	N/A
Recreation					
Annual Program Registrations	10,572	9,068	8,324	3,806	3,960
Picnic/ Shelter Building Reservations	N/A	N/A	N/A	N/A	N/A
Skating Rink Attendance	1,863	2,271	1,754	2,326	2,326
Wading Pool					
Annual Attendance	6,000	5,000	N/A	N/A	4,688
Resident Passes purchased (1)	N/A	512	1,002	456	462
Community Gym Statistics					
Annual Attendance	19,804	18,665	15,929	14,930	10,357
Punch Passes Sold (1)	N/A	115	104	110	117
Memberships Sold	256	315	211	183	130
Robbin Gallery Visitors	734	960	1,048	856	800
Water					
Total connections	4,946	4,942	4,942	4,888	4,899
Water main breaks	2	7	6	8	14
Average daily flow (thousands of gallons)	874	742	818	750	870

N/A - Data not available

(1) Wading Pool Pass and Punch Pass Program began in 2000

Sources: Various government departments

Note: Indicators are not available for the general government functions.

Schedule 18

2004	2005	2006	2007	2008
14,883	15,556	13,976	13,528	15,352
1,090	819	884	873	362
2,622	3,767	2,439	2,423	3,801
67	426	626	1,074	823
655	633	556	547	611
932	961	1,052	995	1,070
210	245	233	245	301
2,212	1,940	2,848	2,414	1,902
379	355	322	380	351
N/A	N/A	N/A	N/A	N/A
2,897	3,278	2,253	3,511	3,614
81	157	125	55	55
N/A	1,727	1,670	2,361	3,902
3,123	4,364	1,843	1,565	1,546
352	482	114	192	142
10,388	8,359	11,069	10,657	11,882
67	97	90	81	62
60	100	101	73	36
1,509	2,098	1,868	800	N/A
4,903	4,903	5,052	5,046	4,945
21	12	11	9	10
841	835	825	1,355	1,330

CITY OF ROBBINSDALE, MINNESOTA

Capital Asset Statistics by Function Last Ten Fiscal Years

Function	1999	2000	2001	2002
Public safety				
Police				
Stations	1	1	1	1
Patrol units	6	6	6	6
Fire stations	1	1	1	1
Culture and recreation				
Parks acreage	109	109	109	109
Parks	14	14	14	14
Baseball / Softball Diamonds	9	9	9	9
Wading Pools	2	2	2	2
Tennis courts	4	4	4	4
Community Gyms / Meeting Areas	5	5	5	5
Highways and streets				
Streets (miles)	60.0	60.0	60.0	60.0
Alleys (miles)	18.7	18.7	18.7	18.7
Streetlights	591	591	591	591
Traffic signals	17	17	17	17
Water				
Water mains (miles)	48.4	48.4	48.4	48.4
Fire hydrants	323	323	323	323
Sewer (1)				
Sanitary sewers (miles)	43.0	43.0	43.0	43.0
Storm sewers (miles)	19.5	19.5	19.5	19.5

Sources: Various city departments

Note: No capital asset indicators are available for the general government functions.

(1) Sanitary Sewer is disposed and treated through the Metropolitan Waste Control Commission.

Schedule 19

2003	2004	2005	2006	2007	2008
1	1	1	1	1	1
6	6	6	6	6	6
1	1	1	1	1	1
109	109	109	109	109	109
14	14	14	14	14	14
9	9	9	9	9	9
2	2	2	1	1	1
4	4	4	4	4	4
5	5	5	5	5	5
60.0	60.0	60.0	60.0	60.0	60.0
18.7	18.7	18.7	18.7	18.7	18.7
591	591	591	591	591	591
17	17	17	17	17	17
48.4	48.4	48.4	48.4	48.4	48.4
323	323	323	323	323	323
43.0	43.0	43.0	43.0	43.0	43.0
19.5	19.5	19.5	19.5	19.5	19.5

CITY OF ROBBINSDALE, MINNESOTA

Principal Employers
Current Year and Nine Years Ago

Employer	2008			1999		
	Number of Employees	Rank	Percentage of Total City Employment (1)	Number of Employees	Rank	Percentage of Total City Employment (1)
American Legion Post 251	–	–		21	9	
Burmeister Electric Co.	25	7		25	8	
Citizens Independent Bank	17	8		17	10	
City of Robbinsdale	74	4		72	5	
North Memorial Medical Center	5,100	1		225	2	
Rainbow Foods	175	3		127	4	
Robbinsdale Farm, Garden & Pet Supply	40	6		65	6	
Robbinsdale Independent School District #281	2,080	2		425	1	
Shared-Services, Inc.	–	–		150	3	
Twin City Federal Bank	–	–		30	7	
U.S. Bank	42	5		–	–	
Total	7,511	21	– %	1,094	28	– %

Sources: Principal employers are the result of surveys of employers in conjunction with City bond sales. Last bond sale was in 2007.

(1) Percentage of total city employment information is not readily available.