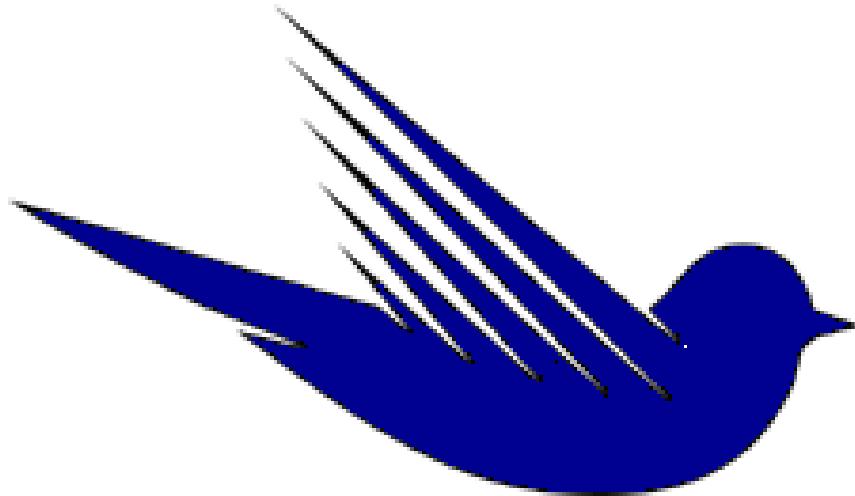


***COMPREHENSIVE
ANNUAL FINANCIAL REPORT***

For the year ended December 31, 2009

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, 2009**

**Prepared by
City of Robbinsdale Finance Department**

Larry Jacobson, Finance Director



READER'S NOTES:

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

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COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

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READER'S NOTES:



City of Robbinsdale

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

June 25, 2010

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 accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with auditing standards generally accepted in the United States of America 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, 2009.

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, 2009 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, 2009, 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 financial statements. This letter of transmittal is designed to complement the MD & A and should be read in conjunction with it.

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 13,775. 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. In 2002, 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, a large area was acquired in the northwestern part of the City from the Minnesota Department of Transportation. Five homes were constructed, another one is planned and REDA

is purchasing six additional lots. There have been other in-fill housing projects scattered around the City.

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 38%. For 2009, the actual amount of state aid received was 24% higher than the amount received in 2008, an increase of \$240,654. This actual amount received in 2009 was 15% or \$218,858 less than what was budgeted. The reduction was an unplanned cut in state aid by the State of Minnesota to assist in balancing the state budget.

For 2010 the amount of state aid was set to increase by 16%, or \$233,385. Subsequently, there have been additional cuts in the State Aid for 2010 and 2011 to assist in balancing the State of Minnesota budget. For 2010, the City will receive 26% or \$297,184 less than it actually received in 2009. 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 and spending reductions. In 2009, the City implemented several cost reduction actions including a wage freeze to address the state aid cuts.

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 2009 or have been placed in the 2010 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.

Key priorities for the City for 2010 – 2012 are:

- Maintain Public Safety resources.
- Maintain Infrastructure Replacement Program.
- Maintain parks as safe and fun places for people to enjoy.
- Maintain recreation as affordable, maintain /enhance networking connections.
- Maintain aggressive housing rental licensing and point of sale standards.
- Maintain and improve volunteer opportunities.
- Explore partnerships and combination of services.

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 \$1,500,000 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.

Relevant financial policies

The City Council will continue to review its policy on the level of the General Fund balance reserves, which is currently fifty percent of the next year's expenditures. Due to recent cuts in State Aid, to assist in balancing the State budget, this will become an important element of future budget planning. As in prior years, the City Council may determine to use a portion of the General Fund – fund balance to assist in balancing future budgets. This will help to reduce the amount that property tax levies will increase to property owners, or minimize reductions in services. The Council will continue to provide that the balance is adequate to finance cash flow needs for subsequent years.

Major initiatives

The City is in the process of planning for a major improvement to one of the parks in conjunction with a project to improve the water quality of an adjacent lake. Through a funding opportunity with Hennepin County, and contributions from the Shingle Creek Watershed Management Commission, plans are moving forward to provide for water quality improvements in the lake to reduce the amount of nutrients in the lake. If construction begins on schedule in mid 2010, the project would be completed sometime in 2011.

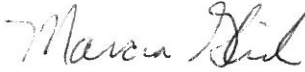
Awards and Acknowledgements

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, 2008. The City of Robbinsdale has received a Certificate of Achievement for the last thirty years (1979-2008). 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.

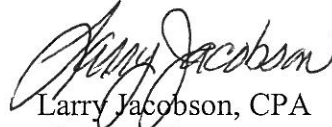
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

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, 2008

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.



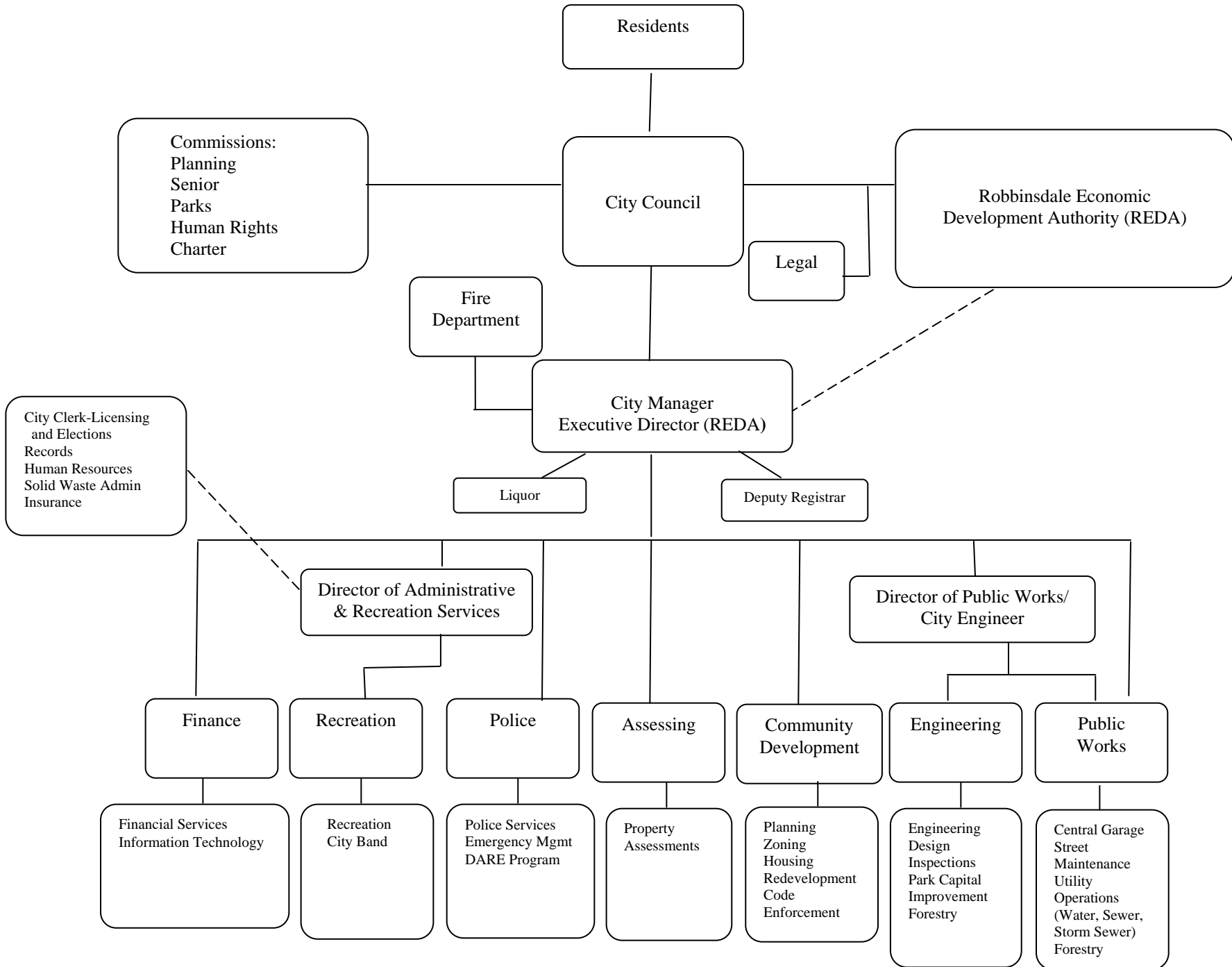
A stylized, handwritten signature in black ink, appearing to be "J.R.E.", written over a white background.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

City of Robbinsdale Organization Chart





CITY OF ROBBINSDALE, MINNESOTA

ELECTED AND ADMINISTRATIVE OFFICIALS

DECEMBER 31, 2009

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



PRINCIPALS

Kenneth W. Malloy, CPA
Thomas M. Montague, CPA
Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA

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, 2009, 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. 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, 2009, and the respective changes in financial position and cash flows thereof, where applicable, and the respective 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2010 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 required parts 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 25, 2010

CITY OF ROBBINSDALE, MINNESOTA

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, 2009. 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 7 - 11 of this report.

Financial Highlights

- The overall net assets of the City increased by \$2.68 million. The change in net assets related to business-type activities was an increase of \$.95 million, while the net result of government activities was an increase of \$1.73 million.
- The net assets of the City equaled \$56.89 million at the end of 2009 as compared with \$54.21 million at the end of 2008. Of this amount, \$21.67 million (unrestricted net assets) may be used to meet the City's ongoing obligations to its citizens and creditors.
- As of December 31, 2009, unreserved fund balance within the General Fund was \$4.75 million or 63.9% 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

CITY OF ROBBINSDALE, MINNESOTA

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 Projects Fund. Data from the other six governmental funds are

CITY OF ROBBINSDALE, MINNESOTA

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 45 - 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 – 105 of this report.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Supplementary and other information – includes the combining and individual fund statements referred to earlier in connection with non-major governmental funds, internal service funds, agency fund and required supplementary information. The required supplementary information, combining and individual statements are presented immediately following the notes to the financial statements.

Government-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 \$56.89 million at December 31, 2009.

City of Robbinsdale – Net Assets

	<u>2009</u>	<u>2008</u>	<u>Variance</u>	<u>Percent Change</u>
Cash and investments	\$ 27,318,368	\$ 26,210,379	\$ 1,107,989	4.2 %
Other assets	9,235,249	9,602,807	(367,558)	(3.8) %
Capital assets	<u>43,460,501</u>	<u>41,847,637</u>	<u>1,612,864</u>	3.9 %
Total assets	<u>80,014,118</u>	<u>77,660,823</u>	<u>2,353,295</u>	3.0 %
Long-term liabilities outstanding	11,904,510	18,029,961	(6,125,451)	(34.0) %
Other liabilities	<u>11,220,138</u>	<u>5,425,139</u>	<u>5,794,999</u>	106.8 %
Total liabilities	<u>23,124,648</u>	<u>23,455,100</u>	<u>(330,452)</u>	(1.4) %
Net Assets:				
Invested in capital assets net of related debt	30,881,830	28,726,869	2,154,961	7.5 %
Restricted	4,340,185	5,306,950	(966,765)	(18.2) %
Unrestricted	<u>21,667,455</u>	<u>20,171,904</u>	<u>1,495,551</u>	7.4 %
Total net assets	<u>\$ 56,889,470</u>	<u>\$ 54,205,723</u>	<u>\$ 2,683,747</u>	5.0 %

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 2009, these assets represent 54.3% of total net assets. The City reports infrastructure assets used in governmental activities placed in service since 1980.

CITY OF ROBBINSDALE, MINNESOTA

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 \$4.34 million or 7.6% of total net assets as of December 31, 2009.

Unrestricted net assets

These assets represent resources that are available to meet the City's short and long-term obligations. Unrestricted net assets represent 38.1% of the total net assets available as of December 31, 2009.

Statement of Activities

Activities are divided into governmental and business-type. The total net assets of the City increased by just over \$2.68 million or 5.0%. Governmental activities resulted in an increase of the City's net assets of just over \$1.73 million. Key elements of the increase are in the table on the following page.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

City's Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<i>Revenues</i>						
Program revenues:						
Charges for services	\$ 1,909,050	\$ 1,831,118	\$ 8,347,222	\$ 7,996,902	\$ 10,256,272	\$ 9,828,020
Operating grants and contributions	388,076	376,447	41,409	41,739	429,485	418,186
Capital grants and contributions	1,327,312	260,484			1,327,312	260,484
General revenues:						
Property taxes	5,207,900	4,865,778			5,207,900	4,865,778
Tax increments	582,440	858,422			582,440	858,422
Unrestricted grants and contributions	1,513,062	1,260,526			1,513,062	1,260,526
Franchise fee tax	572,380	665,886			572,380	665,886
Unrestricted investment earnings	404,427	828,530	151,253	331,995	555,680	1,160,525
Land sales	791,627	8,500			791,627	8,500
Gain on sale of assets	2,218				2,218	
Total revenues	12,698,492	10,955,691	8,539,884	8,370,636	21,238,376	19,326,327
<i>Expenses</i>						
General government	1,096,856	1,141,359			1,096,856	1,141,359
Community development	2,059,442	1,149,841			2,059,442	1,149,841
Public safety	4,051,535	4,080,471			4,051,535	4,080,471
Recreation	1,298,539	1,331,959			1,298,539	1,331,959
Public Works	2,215,989	2,241,390			2,215,989	2,241,390
Human Services	4,830	1,700			4,830	1,700
Interest on long term debt	527,820	383,544			527,820	383,544
Water utility			1,028,542	1,006,173	1,028,542	1,006,173
Sanitary sewer utility			1,442,525	1,396,520	1,442,525	1,396,520
Storm sewer utility			333,634	249,502	333,634	249,502
Solid waste utility			1,157,282	996,067	1,157,282	996,067
Liquor operations			2,407,183	2,326,877	2,407,183	2,326,877
Deputy registrar			306,467	336,435	306,467	336,435
Broadway court			623,985	646,977	623,985	646,977
Total expenses	11,255,011	10,330,264	7,299,618	6,958,551	18,554,629	17,288,815
Increase in net assets before transfers	1,443,481	625,427	1,240,266	1,412,085	2,683,747	2,037,512
Transfers	287,597	286,729	(287,597)	(286,729)		
Increase in net assets	1,731,078	912,156	952,669	1,125,356	2,683,747	2,037,512
Net assets, January 1	36,580,858	35,668,702	17,624,865	16,499,509	54,205,723	52,168,211
Net assets, December 31	\$ 38,311,936	\$ 36,580,858	\$ 18,577,534	\$ 17,624,865	\$ 56,889,470	\$ 54,205,723

* 2008 data has been restated to conform to current presentation

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Governmental Activities

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

	<u>2009</u>	<u>2008</u>	<u>Variance</u>	<u>Percent Change</u>
Cash and investments	\$ 20,119,357	\$ 18,676,333	\$ 1,443,024	7.7 %
Other assets	6,852,157	7,210,167	(358,010)	(5.0) %
Capital assets	<u>24,241,539</u>	<u>22,959,810</u>	<u>1,281,729</u>	5.6 %
Total assets	<u>51,213,053</u>	<u>48,846,310</u>	<u>2,366,743</u>	4.8 %
Long-term liabilities outstanding	3,227,332	8,437,307	(5,209,975)	(61.7) %
Other liabilities	<u>9,673,785</u>	<u>3,828,145</u>	<u>5,845,640</u>	152.7 %
Total liabilities	<u>12,901,117</u>	<u>12,265,452</u>	<u>635,665</u>	5.2 %
Net Assets:				
Invested in capital assets net of related debt	20,986,539	20,044,810	941,729	4.7 %
Restricted	4,340,185	5,306,950	(966,765)	(18.2) %
Unrestricted	<u>12,985,212</u>	<u>11,229,098</u>	<u>1,756,114</u>	15.6 %
Total net assets	<u>\$ 38,311,936</u>	<u>\$ 36,580,858</u>	<u>\$ 1,731,078</u>	4.7 %

Net assets related to governmental activities increased by \$1.73 million during the year as a result of increased investments in capital assets related to the purchase of equipment and infrastructure improvements, increased revenues from land sales by REDA – General Development, and increased capital contributions from special assessment improvements.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Governmental Activities – Revenue Analysis

Revenues and transfers in for governmental activities totaled \$13.0 million in 2009 as compared with \$11.2 million in 2008.

Revenue Comparison - Governmental Activities

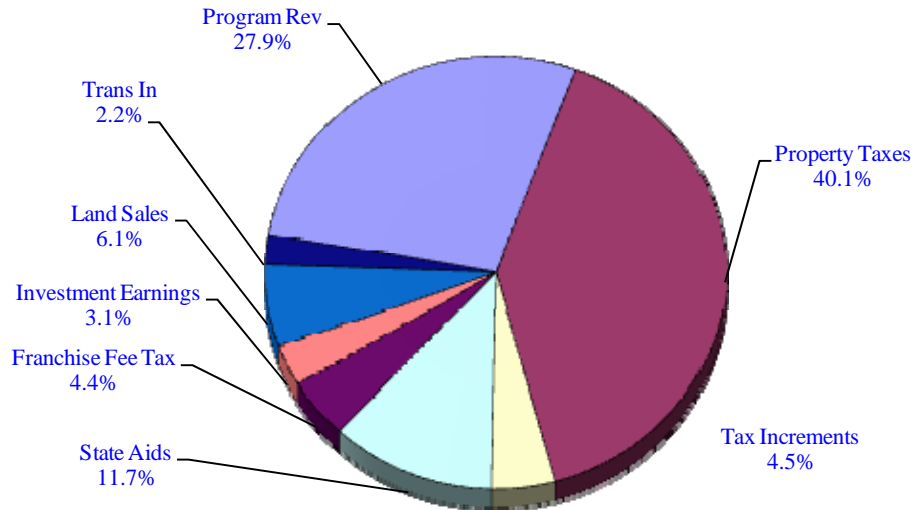
	<u>2009</u>	<u>2008</u>	<u>Variance</u>	<u>Percent Change</u>
Program Revenues	\$ 3,624,438	\$ 2,468,049	\$ 1,156,389	46.9 %
Property Taxes	5,207,900	4,865,778	342,122	7.0 %
Tax Increments	582,440	858,422	(275,982)	(32.1) %
State Aids	1,513,062	1,260,526	252,536	20.0 %
Franchise Fee Tax	572,380	665,886	(93,506)	(14.0) %
Investment Earnings	404,427	828,530	(424,103)	(51.2) %
Land Sales	791,627	8,500	783,127	9213.3 %
Gain on Sale of Assets	2,218		2,218	100.0
Total Revenues before Transfers	<u>12,698,492</u>	<u>10,955,691</u>	<u>1,742,801</u>	15.9 %
Transfers In	<u>287,597</u>	<u>286,729</u>	<u>868</u>	0.3 %
Totals	<u>\$ 12,986,089</u>	<u>\$ 11,242,420</u>	<u>\$ 1,743,669</u>	15.5 %

Revenues for governmental activities increased by 15.5%, due primarily to increases in proceeds from land sales by REDA – General Development, and capital contributions for additional special assessments for street reconstruction projects. Property tax revenues increased by just under 6.0 %, the increase was modest in 2009 to provide for inflationary pressure on operating expenses and an increase in debt service requirements. The following charts depict the revenues by source and reflect the changes that are occurring due to legislative actions:

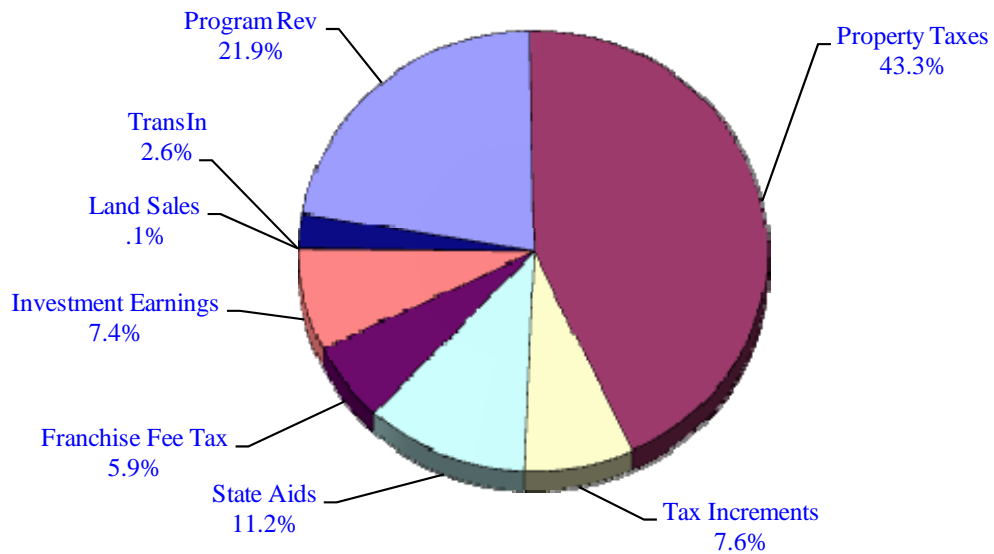
CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Revenues by Source Governmental Activities - YE 2009



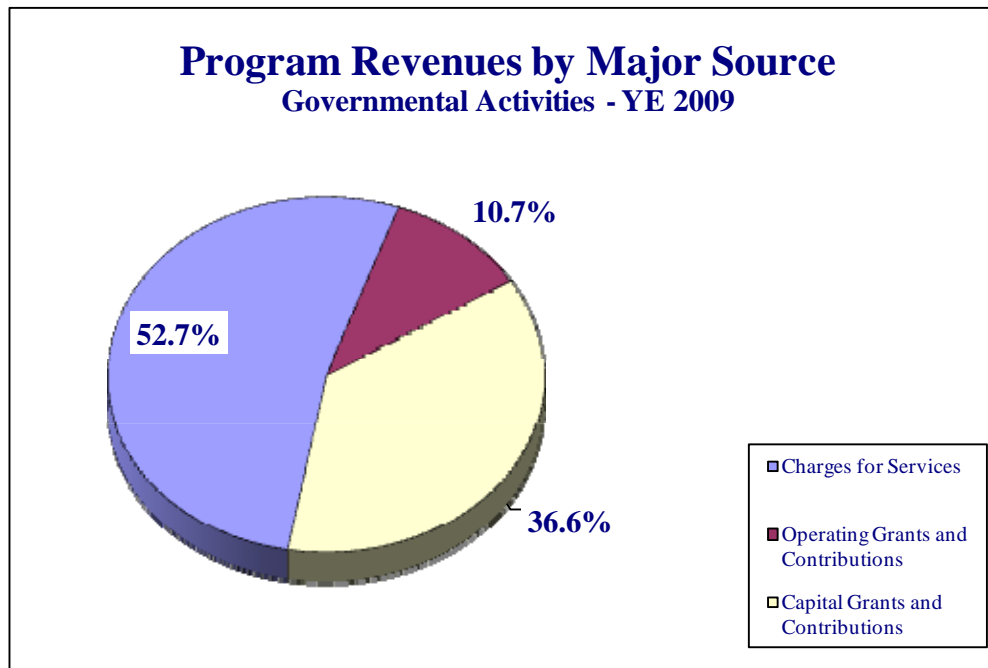
Revenues by Source Governmental Activities - YE 2008



CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Program revenues, which represent 27.9% of governmental activity revenue for 2009, 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, 2009:



CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Program Revenue Amounts Comparative Analysis by Function:

Charges for Services				
Functions	2009	2008 *	Variance	Percent Change
General Government	\$ 828,171	\$ 928,742	\$ (100,571)	(10.8) %
Community Development	454,962	310,165	144,797	46.7 %
Public Safety	413,046	292,400	120,646	41.3 %
Recreation	149,784	152,906	(3,122)	(2.0) %
Public Works	63,087	146,905	(83,818)	(57.1) %
Totals	<u>\$ 1,909,050</u>	<u>\$ 1,831,118</u>	<u>\$ 77,932</u>	4.3 %

Operating Grants and Contributions				
Functions	2009	2008 *	Variance	Percent Change
General Government	\$ 15,819	\$ 15,819	\$ 0	0.0 %
Public Safety	273,081	215,356	57,725	26.8 %
Recreation	84,071	131,277	(47,206)	(36.0) %
Public Works	15,105	13,995	1,110	7.9 %
Totals	<u>\$ 388,076</u>	<u>\$ 376,447</u>	<u>\$ 11,629</u>	3.1 %

Capital Grants and Contributions				
Functions	2009	2008 *	Variance	Percent Change
General Government	\$ 25,441	\$ 24,364	\$ 1,077	4.4 %
Community Development	0	35,000	(35,000)	(100.0) %
Public Works	1,301,871	201,120	1,100,751	547.3 %
Totals	<u>\$ 1,327,312</u>	<u>\$ 260,484</u>	<u>\$ 1,066,828</u>	409.6 %

*2008 data has been restated to conform to current year's presentation

The decrease in charges for services of \$77,932 or 4.3% were impacted by the following events:

- Decrease in public works program revenues related fees.
- Decrease in general government permit fees and related charges.
- Increase in Community Development revenues related to REDA General Development property and land sales.
- Increase in fine revenue received in 2009 as compared with 2008.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Operating Grants and Contributions increased overall by \$11,629 or 3.1% due to the receipt of state grants for police enforcement programs.

Capital Grants and Contributions increased by \$1,066,828 or 409.6% due to an increase in public works capital contributions for new special assessments.

Governmental Activities – Expenses Analysis

Governmental Activities Expenses for 2009 were slightly under \$11.3 million, which represents a 9.0% or \$925 thousand increase from 2008.

Functions	<u>Expenses - Governmental Activities</u>			
	<u>2009</u>	<u>2008</u>	<u>Variance</u>	<u>Percent Change</u>
General Government	\$ 1,096,856	\$ 1,141,359	\$ (44,503)	(3.9) %
Community Development	2,059,442	1,149,841	909,601	79.1 %
Public Safety	4,051,535	4,080,471	(28,936)	(0.7) %
Recreation	1,298,539	1,331,959	(33,420)	(2.5) %
Public Works	2,215,989	2,241,390	(25,401)	(1.1) %
Human Services	4,830	1,700	3,130	184.1 %
Interest on Long-term Debt	<u>527,820</u>	<u>383,544</u>	<u>144,276</u>	37.6 %
Totals	<u>\$ 11,255,011</u>	<u>\$ 10,330,264</u>	<u>\$ 924,747</u>	9.0 %

*2008 data has been restated to conform to current year's presentation

The expense changes are due to the following circumstances:

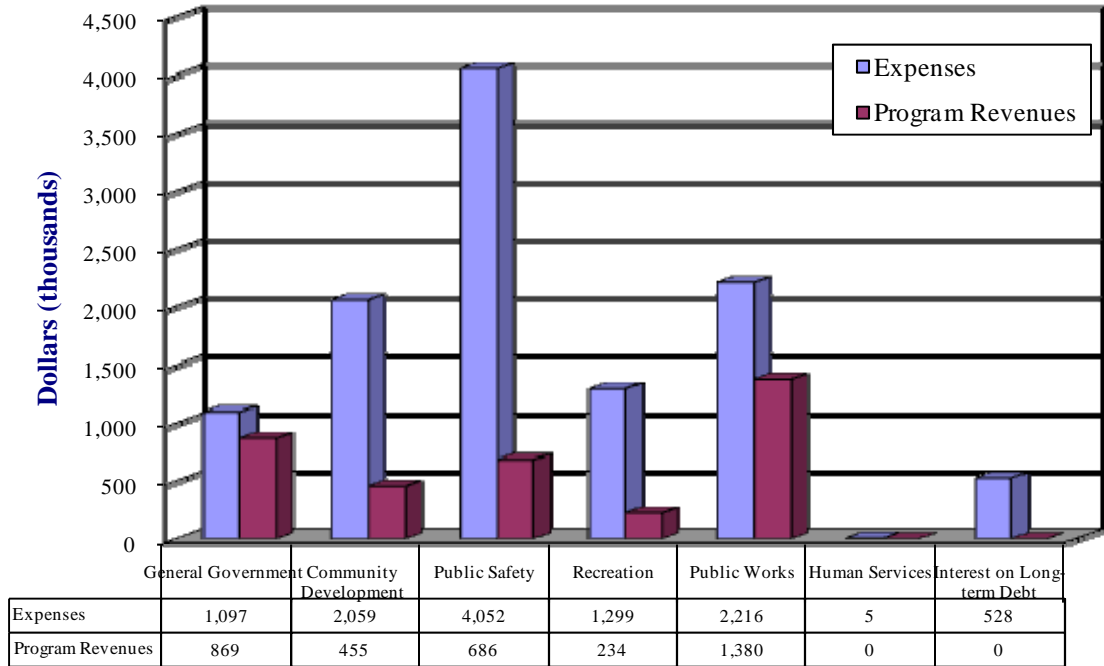
- In 2009, there was a salary freeze and other staffing reductions were implemented to respond to reductions in State Aids.
- The decreased expenses in General Government function was due to no election being held in 2009.
- The increased expenses within the Community Development Function were due to increased redevelopment activity.
- The Public Works Function expenses included decreases in activity surrounding street reconstruction program efforts.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

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

Expenses vs Program Revenues Governmental Activities



Functions

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Business-type Activities

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

	<u>2009</u>	<u>2008</u>	<u>Variance</u>	<u>Percent Change</u>
Cash and investments	\$ 7,199,011	\$ 7,534,046	\$ (335,035)	(4.4) %
Other assets	2,383,092	2,392,640	(9,548)	(0.4) %
Capital assets	<u>19,218,962</u>	<u>18,887,827</u>	<u>331,135</u>	1.8 %
Total assets	<u>28,801,065</u>	<u>28,814,513</u>	<u>(13,448)</u>	0.0 %
Long-term liabilities outstanding	8,677,178	9,592,654	(915,476)	(9.5) %
Other liabilities	<u>1,546,353</u>	<u>1,596,994</u>	<u>(50,641)</u>	(3.2) %
Total liabilities	<u>10,223,531</u>	<u>11,189,648</u>	<u>(966,117)</u>	(8.6) %
Net Assets:				
Invested in capital assets net of related debt	9,895,291	8,682,059	1,213,232	14.0 %
Unrestricted	<u>8,682,243</u>	<u>8,942,806</u>	<u>(260,563)</u>	(2.9) %
Total net assets	<u>\$ 18,577,534</u>	<u>\$ 17,624,865</u>	<u>\$ 952,669</u>	5.4 %

Net assets related to business-type activities increased by \$952,669, 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 \$8.5 million in 2009 as compared with \$8.4 million in 2008.

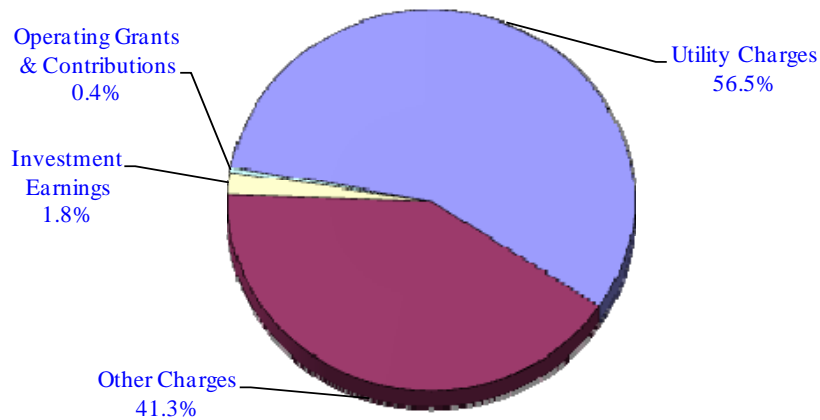
<u>Revenue Comparison - Business-type Activities</u>				
	<u>2009</u>	<u>2008</u>	<u>Variance</u>	<u>Percent</u>
Charges for services				
Utility Charges	\$ 4,824,393	\$ 4,533,115	\$ 291,278	6.4 %
Other Charges	3,522,829	3,463,787	59,042	1.7 %
Operating Grants & contributions	41,409	41,739	(330)	(0.8) %
Investment Earnings	<u>151,253</u>	<u>331,995</u>	<u>(180,742)</u>	(54.4) %
Totals	<u>\$ 8,539,884</u>	<u>\$ 8,370,636</u>	<u>\$ 169,248</u>	2.0 %

CITY OF ROBBINSDALE, MINNESOTA

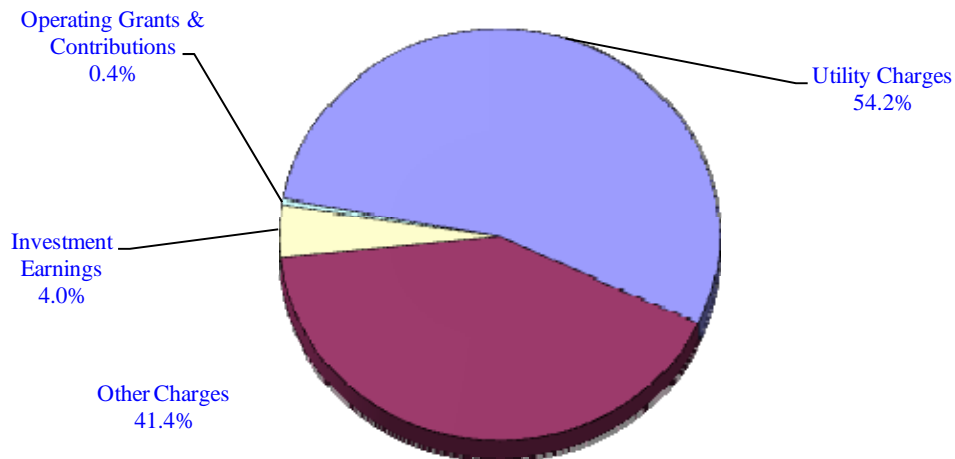
Management's Discussion and Analysis

Revenues for business-type activities increased by 2.0% during 2009 due to an increase in utility rates. The following charts depict the revenues by source:

**Revenues by Source
Business-type Activities - YE 2009**



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



CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

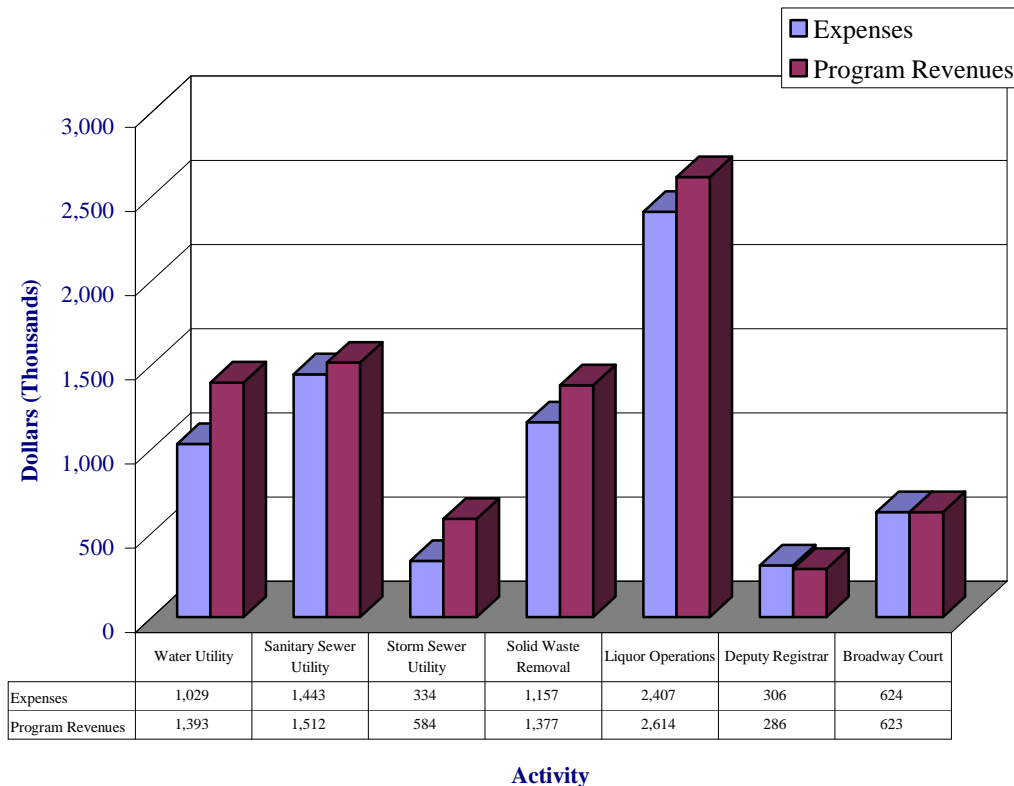
Business-type Activities – Expenses Analysis

Business-type Activities expenses and transfers out for 2009 increased by 4.7%.

	Expenses - Business-type Activities			
	2009	2008	Variance	Percent
Utility Expenses	\$ 3,961,983	\$ 3,648,262	\$ 313,721	8.6 %
Other Expenses	3,337,635	3,310,289	27,346	0.8 %
Total Expenses	7,299,618	6,958,551	341,067	4.9 %
Transfers Out	287,597	286,729	868	0.3 %
Total Expenses and Transfers Out	\$ 7,587,215	\$ 7,245,280	\$ 341,935	4.7 %

Charts comparing expenses with program revenues for 2009, as well as 2008, are shown below:

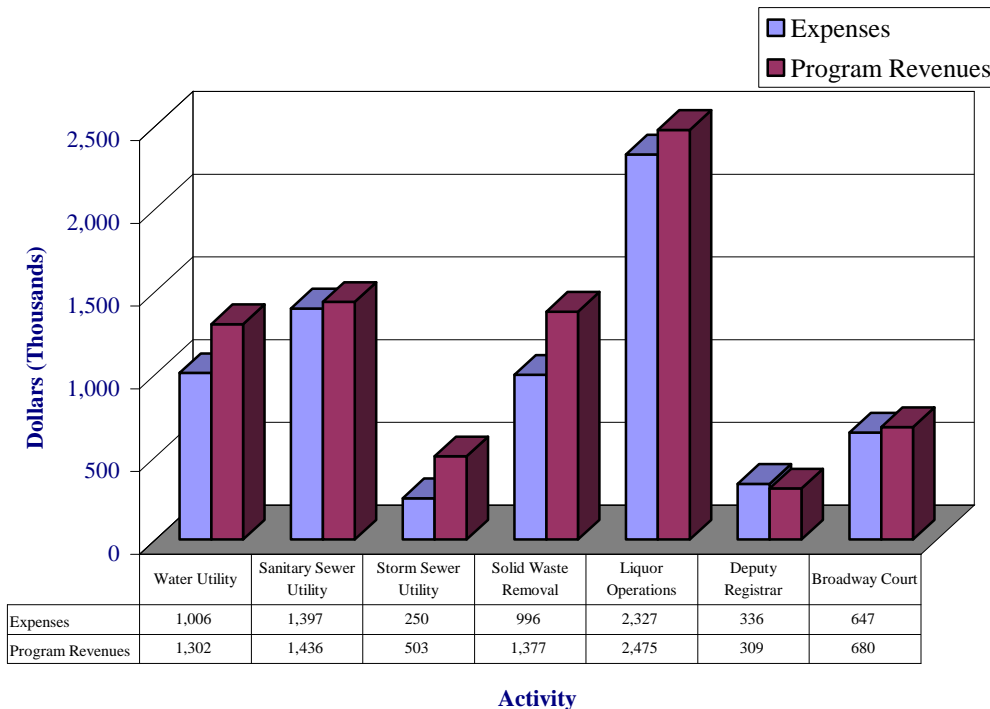
Expenses vs Program Revenues Business-type Activities - YE 2009



CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Expenses vs Program Revenues Business-type Activities - YE 2008



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.

Fund Balances

At December 31, 2009, the City's governmental funds reported combined ending fund balances of \$17.0 million, a decrease of \$.82 million from 2008. Approximately 52% (\$8.8 million) of this total constitutes unreserved fund balance, which is available for spending at the

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

government's discretion. As of the end of 2009, the City Council has designated the unreserved for the following purposes:

Subsequent year's budget	\$ 25,000
Working capital	4,002,000
Senior program activities	36,575
Budgeted capital improvements	4,506,191
Community development projects	<u>2,225,627</u>
Total designations	<u>\$ 10,795,393</u>

Subsequent year's budget - represents the amount of reserves that the General Fund 2010 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.

Senior program activities – represents funds that have been accumulated from senior program fund raising activities which are to be used for future projects.

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.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Revenues by Sources

	FY 2009		FY 2008		Increase / (Decrease)
	Amount	Percent of Total	Amount	Percent of Total	Amount
Property taxes	\$ 5,208,981	43.3 %	\$ 4,844,180	44.0 %	\$ 364,801
Tax increments	582,440	4.8 %	858,422	7.8 %	(275,982)
Special assessments	763,799	6.4 %	507,304	4.6 %	256,495
Licenses & permits	277,740	2.3 %	449,548	4.1 %	(171,808)
Intergovernmental	1,901,058	15.8 %	1,663,520	15.1 %	237,538
Charges for services	1,251,399	10.4 %	1,078,774	9.8 %	172,625
Fines and forfeitures	215,239	1.8 %	203,219	1.8 %	12,020
Franchise fee tax	572,380	4.8 %	665,886	6.1 %	(93,506)
Investment earnings	331,110	2.8 %	666,418	6.1 %	(335,308)
Developer fees	0	0.0 %	0	0.0 %	0
Other revenue	906,314	7.5 %	63,031	0.6 %	843,283
Total	\$ 12,010,460	99.9 %	\$ 11,000,302	100.0 %	\$ 1,010,158

Highlights of change in revenues by sources are as follows:

Property Taxes

The property tax revenues increased by 7.5%. The increase in the tax levy is to provide for inflationary increases in operating expenses, an increase in debt service requirements and an increase in the EDA levy as allowed by a change in state statute. In 2009 the City also received a distribution of excess tax increment from the county for a TIF District that ended during the year.

Special Assessments

Special Assessments increased due to increased special assessment activity surrounding streets improvements and city code compliance for emergency water and sewer, and forced private tree removals.

Intergovernmental Revenues

Intergovernmental revenues increased by 14.3% (\$237,538) due to increases in various aids. The City's Local Government State Aid (LGA) was increased by \$240,654, federal grants for public safety, and other aids make up the remaining amount. The actual LGA amount received was reduced by \$218,858 in 2009.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Charges for Services

Charges for Services increased by 16.0% (\$172,625), primarily from a general increase in governmental fees and general development revenues.

Fines & Forfeitures

Fines and Forfeitures increased by 5.9% 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 2009, the Franchise Fee taxes decreased by 14.0%. Decreases are directly attributable to decreased fees charged by the utility or decreased energy usage by the property owners.

Investment Earnings

Investment earnings decreased by 50.3% 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.

Expenditures by Function

	FY 2009		FY 2008		Increase / (Decrease)
	Amount	Percent of Total	Amount	Percent of Total	Amount
General Government	\$ 968,799	7.5 %	\$ 1,083,493	8.9 %	\$ (114,694)
Community Development	2,055,531	15.8 %	1,150,909	9.5 %	904,622
Public Safety	3,856,292	29.8 %	3,950,431	32.6 %	(94,139)
Recreation	1,129,610	8.7 %	1,158,299	9.5 %	(28,689)
Public Works	1,771,977	13.6 %	1,769,603	14.6 %	2,374
Human Services	4,830	0.0 %	1,700	0.0 %	3,130
Capital Outlay	2,090,134	16.1 %	1,956,457	16.1 %	133,677
Debt Service - Principal	650,000	5.0 %	610,000	5.0 %	40,000
Debt Service - Interest	458,921	3.5 %	465,753	3.8 %	(6,832)
Total	\$ 12,986,094	100.0 %	\$ 12,146,645	100.0 %	\$ 839,449

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

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

General Government

General Government expenditures decreased in 2009 by 10.6% or \$114,694 primarily from decreased personal service costs due to no election in 2009, not hiring part-time help and a wage freeze.

Community Development

Community Development expenditures increased by 78.6% or \$904,622 as a result of increased redevelopment activity associated with the Robbinsdale Economic Development Authority (REDA).

Public Safety

Public Safety expenditures decreased by 2.4% or \$94,139 as a result of a salary freeze, other staffing reductions and reductions in overall spending.

Recreation

Recreation expenditures decreased by 2.5% or \$28,689 as a result of a salary freeze, other staffing reductions and reductions in overall spending.

Public Works

Public Works expenditures increased by .1% or 2,374 due to the increased maintenance and engineering needs for the City's street maintenance and reconstruction programs and as a result of a salary freeze, other staffing reductions and reductions in overall spending.

Capital Outlay

Capital Outlay expenditures increased by 6.8% or \$133,677 due to an increase street reconstruction projects.

Debt Service

Debt service expenditures increased by 3.1% or \$33,168 due to scheduled changes in principal and interest payments.

Highlights of changes in Major Funds are as follows:

Governmental Funds

General Fund

The 2009 General Fund Final Budget anticipated using \$276,573 of fund balance reserves, while the 2009 Actual General Fund Revenues and Expenditures had a surplus of \$358,238 of fund balance reserves. This represents \$634,813 of savings from the anticipated General Fund Final Budget. The events listed below were unanticipated within the 2009 Final Budget and contributed to the result:

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

- Personal services costs were held to a zero percent increase in wages for 2009 due to cut backs in LGA funding by the state. Several part-time positions were not filled in 2009. Other staffing reductions also occurred.
- General Fund expenditures for all areas were held to a minimum for 2009, as a result of the LGA reductions for 2009, which became known after the budget was adopted. All departments reviewed budgets and reduced discretionary spending and delayed some expenditures to subsequent years. General Fund expenditures were under budget due to shared restraint by all departments.

REDA - General Development Fund

The REDA general development fund has a total fund balance of \$5,910,177, of which \$3,684,550 is reserved for advances to other funds and property held for resale. The net increase in fund balance during the year was \$400,245, due to the sale of property.

REDA – TIF Development Fund

The REDA - TIF development fund has a total fund deficit of \$1,704,700 which will be reduced with the sale of property held for resale and future tax increments. The net decrease in fund balance during the year was \$256,808 as the result of decreased tax increment revenues being received.

REDA – Tax Increment Debt Service Fund

The REDA - tax increment debt service fund has a total fund balance of \$1,859,979, all of which is reserved for payment of debt service. The net decrease in fund balance during the year was \$300,276.

Permanent Improvement Revolving Capital Project Fund

The permanent improvement revolving capital project fund has a total fund balance of \$4,576,855, 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 \$944,560. The results are in line with the City's 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 \$952,669. Net income before transfers for all enterprise fund operations was \$1,240,266, a decrease of \$171,819 from 2008. Transfers in 2009 included the following:

- \$32,597 from utility funds to reimburse the General Fund for Engineering Department costs directly associated with capital improvements and other general fund costs.

CITY OF ROBBINSDALE, MINNESOTA

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.
- \$75,000 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 2009	FY 2008	Increase (Decrease)
	Amount	Amount	Amount
Water Utility	\$ 1,393,085	\$ 1,302,235	\$ 90,850
Sanitary Sewer Utility	1,511,743	1,435,943	75,800
Storm Sewer Utility	584,252	502,944	81,308
Solid Waste Removal	1,335,313	1,291,993	43,320
Liquor Operations	2,613,894	2,475,473	138,421
Broadway Court	623,403	679,654	(56,251)
Deputy Registrar	285,532	308,660	(23,128)
Total	\$ 8,347,222	\$ 7,996,902	\$ 350,320

Operating Expenses

	FY 2009	FY 2008	Increase (Decrease)
	Amount	Amount	Amount
Water Utility	\$ 957,312	\$ 925,184	\$ 32,128
Sanitary Sewer Utility	1,379,187	1,323,939	55,248
Storm Sewer Utility	260,811	168,133	92,678
Solid Waste Removal	1,157,282	996,067	161,215
Liquor Operations	2,407,183	2,326,877	80,306
Broadway Court	415,944	433,689	(17,745)
Deputy Registrar	306,467	336,435	(29,968)
Total	\$ 6,884,186	\$ 6,510,324	\$ 373,862

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Income (Loss) Before Transfers

	FY 2009	FY 2008	Increase (Decrease)
	Amount	Amount	Amount
Water Utility	\$ 391,141	\$ 371,608	\$ 19,533
Sanitary Sewer Utility	96,194	109,995	(13,801)
Storm Sewer Utility	262,768	288,079	(25,311)
Solid Waste Removal	261,547	414,074	(152,527)
Liquor Operations	217,710	164,464	53,246
Broadway Court	31,490	91,043	(59,553)
Deputy Registrar	(20,584)	(27,178)	6,594
Total	\$ 1,240,266	\$ 1,412,085	\$ (171,819)

Results related to individual enterprise operations are discussed below:

Water Utility Fund

Net income before transfers for the Water Utility Fund increased by \$19,533, or 5.3% from 2008. The operating revenues increased by 7.0%, due to increased volume from summer watering and rate increases to help pay for capital improvement bonding costs. Operating expenses increased by 3.5% 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 increased by 5.3% due to increased sewer consumption by residents and rate increases to help pay for capital improvement bonding costs. Operating expenses increased by 4.2% due to increases in general maintenance costs associated with the sanitary sewer services. Rate increases are monitored and planned within the City's Five-year Capital Improvement Plan that is updated annually.

Storm Sewer Utility

The Storm Sewer Utility Fund experienced a 16.2% increase in its operating revenue due to rate increases, and operating expenses increased 55.1% due to increased costs for maintenance and additional staff hours. 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. Rate increases are monitored and planned within the City's Five-year Capital Improvement Plan that is updated annually.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Solid Waste Removal Fund

The Solid Waste Removal Fund's revenue increased 3.4% for 2009, with expenses increasing by 16.2% for 2009. 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, that is updated annually.

Liquor Operations Fund

The Liquor Operations Fund experienced a 5.6% increase in gross sales. Gross profit was 26% of net sales, which is slightly more than the 25% expected. Operating expenses, excluding cost of sales, increased by less than 2.1%. The fund had income before transfers of slightly less than \$218,000 in 2009.

Broadway Court

Broadway Court, which is owned and operated by the REDA, experienced an 8.3% decrease in operating revenue in 2009. Rates were increased by 3%, however there were more vacancies. Operating expenses stayed similar to 2008.

Deputy Registrar Fund

The Deputy Registrar Fund experienced a 7.5% decrease in operating revenue, while operating expenses decreased by 8.9%. Revenue and overall transaction activity for motor vehicle services dropped in 2009. Operating expenses for personal services increased over prior year by 5.9% while other services and charges decreased 7.0% from the prior year. 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 2009, the City issued a capital equipment note.

The City has a bond rating of AA from Standard & Poor's.

CITY OF ROBBINSDALE, MINNESOTA

Management's Discussion and Analysis

Economic Factors and Next Year's Budget

Economic factors affect the preparation of the annual budgets. The City considered the following major factors when setting the fiscal 2010 budget:

- The City receives a portion of its operating budget from the State of Minnesota in the form of Local Government Aid (LGA). The funding formula for this aid includes volatility in the calculations that determine how the amount is allocated among cities in the State. Based on the original formula projections, the City was expected to see an increase in LGA funding for 2010. Budget deficits faced in recent years by the State of Minnesota have resulted in reductions of LGA by the State for distribution to cities. In December 2008, Robbinsdale's LGA payment was reduced by \$252,412. During 2009, the LGA payment was reduced by \$218,858. For 2010 the LGA funding was reduced by \$504,988 at the end of 2009 and an additional \$244,439 in May 2010 for a total of \$749,427. A reduction was anticipated during the 2010 budget process, however the actual amounts were not known. It is expected that this source of funding will see further reductions on future years.
- The 2010 budget levy includes a tax levy increase which includes a special levy for a portion of the LGA reductions referenced above.
- Investment income is expected to remain at low levels due to the stagnation of rates that has occurred.
- Extension of Franchise Fees to 2011
- Continued progress with the City's Long-Term Infrastructure Replacement Program.

Additionally, the following actions were taken in regards to the 2010 Budget:

- Decision to use reserves to balance the General Fund Budget.
- Increase in utility rates and planning for the sale of utility improvement bonds to pay for needed capital improvements.
- Review of staffing as vacancies occur to determine options for organizational changes or service reductions.

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/FinanceInformation.shtml.

CITY OF ROBBINSDALE, MINNESOTA

STATEMENT OF NET ASSETS

DECEMBER 31, 2009

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 3,520,978	\$ 3,115,460	\$ 6,636,438
Investments	16,598,379	4,083,551	20,681,930
<u>Receivables:</u>			
Accrued interest	153,222	54,844	208,066
Taxes receivable	179,349		179,349
Special assessments receivable	2,352,866	358,901	2,711,767
Accounts receivable	202,279	1,256,707	1,458,986
Due from other governments	64,298		64,298
Internal balances	(64,690)	64,690	
Notes receivable	2,565,495		2,565,495
Inventories	340	323,266	323,606
Properties held for resale	1,370,333		1,370,333
Prepaid items	28,665	2,614	31,279
<u>Capital Assets, net of depreciation</u>			
Land	899,810	411,544	1,311,354
Buildings & structures	3,167,668	5,909,179	9,076,847
Utility system		10,161,389	10,161,389
Traffic & transportation system	11,918,990		11,918,990
Park system	1,398,249		1,398,249
Other improvements	464,835	306,937	771,772
Leasehold improvements		19,200	19,200
Mobile equipment	1,810,777		1,810,777
Machinery & office equipment	618,520	71,351	689,871
Work in progress	3,962,690	2,339,362	6,302,052
Total Capital Assets, net of depreciation	24,241,539	19,218,962	43,460,501
Other Assets		322,070	322,070
Total Assets	\$ 51,213,053	\$ 28,801,065	\$ 80,014,118
LIABILITIES			
Accounts payable	351,818	244,325	596,143
Accrued salaries and benefits	200,278	12,088	212,366
Contracts payable	90,102	99,646	189,748
Due to other governments	790,512	50,725	841,237
Accrued bond and note interest payable	196,592	162,854	359,446
Unearned revenue	1,969,983	776	1,970,759
Deposits		51,939	51,939
<u>Long-term liabilities</u>			
Net OPEB liability	124,640	23,053	147,693
Due within one year	6,074,500	924,000	6,998,500
Due in more than one year	3,102,692	8,654,125	11,756,817
Total Liabilities	12,901,117	10,223,531	23,124,648
NET ASSETS			
Invested in capital assets, net of related debt	20,986,539	9,895,291	30,881,830
Restricted for:			
Public Safety equipment	21,516		21,516
Senior Transportation	76,095		76,095
General Development	427,433		427,433
Tax Increment	942,900		942,900
Code Compliance	6,409		6,409
Debt Service	2,865,832		2,865,832
Unrestricted	12,985,212	8,682,243	21,667,455
Total Net Assets	\$ 38,311,936	\$ 18,577,534	\$ 56,889,470

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, 2009

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	\$ 1,096,856	\$ 828,171	\$ 15,819	\$ 25,441	\$ (227,425)		\$ (227,425)
Community Development	2,059,442	454,962			(1,604,480)		(1,604,480)
Public Safety	4,051,535	413,046	273,081		(3,365,408)		(3,365,408)
Recreation	1,298,539	149,784	84,071		(1,064,684)		(1,064,684)
Public Works	2,215,989	63,087	15,105	1,301,871	(835,926)		(835,926)
Human Services	4,830				(4,830)		(4,830)
Interest on long term debt	527,820				(527,820)		(527,820)
Total governmental activities	11,255,011	1,909,050	388,076	1,327,312	(7,630,573)		(7,630,573)
Business-Type Activities :							
Water Utility	1,028,542	1,393,085				\$ 364,543	364,543
Sanitary Sewer Utility	1,442,525	1,511,743				69,218	69,218
Storm Sewer Utility	333,634	584,252				250,618	250,618
Solid Waste Utility	1,157,282	1,335,313	41,409			219,440	219,440
Liquor Operations	2,407,183	2,613,894				206,711	206,711
Deputy Registrar	306,467	285,532				(20,935)	(20,935)
Broadway Court	623,985	623,403				(582)	(582)
Total business-type activities	7,299,618	8,347,222	41,409			1,089,013	1,089,013
Total Government	\$ 18,554,629	\$ 10,256,272	\$ 429,485	\$ 1,327,312	(7,630,573)	1,089,013	(6,541,560)
General Revenues:							
Property taxes					5,207,900		5,207,900
Tax increments					582,440		582,440
Unrestricted grants and contributions (state aids)					1,513,062		1,513,062
Franchise fee tax					572,380		572,380
Unrestricted investment earnings					404,427	151,253	555,680
Land sales					791,627		791,627
Gain on sale of assets					2,218		2,218
Transfers					287,597	(287,597)	
Total general revenues, and transfers					9,361,651	(136,344)	9,225,307
Change in net assets					1,731,078	952,669	2,683,747
Net Assets - Beginning					36,580,858	17,624,865	54,205,723
Net Assets - Ending					\$ 38,311,936	\$ 18,577,534	\$ 56,889,470

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, 2009**

	<u>Special Revenue Funds</u>			
	<u>General Fund</u>	<u>REDA - General Development Fund</u>	<u>REDA - TIF Development Fund</u>	<u>REDA - Tax Increment Debt Service Fund</u>
<u>Assets</u>				
Cash	\$ 702,773	\$ 378	\$ 177,370	\$ 433,458
Investments	4,027,618	2,225,442	438,521	1,414,246
Accrued interest	31,686	19,757	3,741	12,275
Taxes receivable	152,358	5,832	11,512	
Special assessments receivable				
Accounts receivable	135,076			
Due from other governments	19,695			
Due from other funds		1,198	8,809	
Notes receivable	173,696	387,096	208,415	
Inventories	340			
Property held for resale		427,433	942,900	
Prepaid items				
Advance to other funds		3,257,117		
Total Assets	\$ 5,243,242	\$ 6,324,253	\$ 1,791,268	\$ 1,859,979
<u>Liabilities and Fund Balance</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 85,389	\$ 13,432	\$ 29,238	
Accrued salaries and benefits	81,301			
Contracts payable				
Due to other governments	29,511			
Due to other funds		8,809	1,198	
Deferred and unearned revenues	298,774	391,835	208,415	
Advance from other funds			3,257,117	
Total Liabilities	494,975	414,076	3,495,968	
<u>Fund Balance:</u>				
<u>Reserved for:</u>				
Encumbrances				
Advances to other funds		3,257,117		
Property held for resale		427,433	942,900	
Public safety equipment				
Senior transportation programs				
Code compliance				
Debt service				\$ 1,859,979
Total reserved		3,684,550	942,900	1,859,979
<u>Unreserved</u>				
Designated for subsequent year's appropriations	25,000			
Designated for working capital	4,002,000			
Designated for senior program activities	36,572			
Designated in capital project funds				
Designated for community development projects		2,225,627		
<u>Undesignated, Reported in</u>				
General Fund	684,695			
Special revenue funds				
Debt service funds			(2,647,600)	
Total Undesignated	684,695		(2,647,600)	
Total Fund Balance	4,748,267	5,910,177	(1,704,700)	1,859,979
Total Liabilities and Fund Balance	\$ 5,243,242	\$ 6,324,253	\$ 1,791,268	\$ 1,859,979

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
\$ 235	\$ 492,588	\$ 1,806,802
5,266,801	1,285,397	14,658,025
45,935	12,584	125,978
	9,647	179,349
2,051,492	301,374	2,352,866
22,007	33,695	190,778
	44,603	64,298
78,456		88,463
1,796,288		2,565,495
		340
		1,370,333
2,281		2,281
		3,257,117
<u>\$ 9,263,495</u>	<u>\$ 2,179,888</u>	<u>\$ 26,662,125</u>
	\$ 52,238	\$ 180,297
	204	81,505
\$ 90,102		90,102
752,223	22	781,756
	143,146	153,153
3,844,315	339,988	5,083,327
		3,257,117
<u>4,686,640</u>	<u>535,598</u>	<u>9,627,257</u>
		2,281
2,281		606,237
606,237		3,257,117
		1,370,333
	21,516	21,516
	76,095	76,095
	6,409	6,409
	1,005,853	2,865,832
<u>608,518</u>	<u>1,109,873</u>	<u>8,205,820</u>
		25,000
		4,002,000
		36,572
3,968,337	537,854	4,506,191
		2,225,627
		684,695
	(3,437)	(3,437)
		(2,647,600)
	(3,437)	(1,966,342)
<u>4,576,855</u>	<u>1,644,290</u>	<u>17,034,868</u>
<u>\$ 9,263,495</u>	<u>\$ 2,179,888</u>	<u>\$ 26,662,125</u>

CITY OF ROBBINSDALE, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
December 31, 2009

Fund balances - total governmental funds	\$	17,034,868
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	\$ 28,300,718	
Accumulated Depreciation	<u>(7,523,129)</u>	20,777,589
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Taxes receivable	135,888	
Special assessments	2,381,943	
Notes receivable	<u>595,512</u>	3,113,344
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.		
		6,427,367
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	(124,640)	
Bonds and notes payable	(8,720,000)	
Bond and notes interest payable	<u>(196,592)</u>	(9,041,232)
Net assets of governmental activities	\$	<u><u>38,311,936</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, 2009

	Special Revenue Funds			
	General Fund	REDA - General Development Fund	REDA - TIF Development Fund	REDA - Tax Increment Debt Service Fund
Revenues				
Property taxes	\$ 4,325,421	\$ 199,291		
Tax increments			\$ 351,992	\$ 230,448
Special assessments				
Licenses and permits	277,740			
Intergovernmental	1,766,165	11,359	18,408	
Charges for services	624,964	424,962		
Land sales		751,627	40,000	
Fines and forfeitures	215,239			
Franchise Fee Tax	400,000			
Investment earnings	79,605	53,235	10,058	33,000
Miscellaneous	50,524	10,611	8,809	
Total Revenues	7,739,658	1,451,085	429,267	263,448
Expenditures				
Current:				
General Government	967,966			
Community Development	318,616	1,050,840	686,075	
Public Safety	3,695,272			
Recreation	1,034,347			
Public Works	1,413,807			
Human Services	4,830			
Debt service				
Principal				240,000
Interest				323,724
Capital outlay and improvements				
Total Expenditures	7,434,838	1,050,840	686,075	563,724
Excess (deficiency) of revenues over (under) expenditures	304,820	400,245	(256,808)	(300,276)
Other Financing Sources (Uses)				
Proceeds from sale of equipment notes				
Sale of assets	2,218			
Transfers from other funds	205,054			
Transfers to other funds	(153,852)			
Total Other Financing Sources (Uses)	53,420			
Net change in fund balance	358,240	400,245	(256,808)	(300,276)
Fund balances - beginning	4,390,027	5,509,932	(1,447,892)	2,160,255
Fund balances - ending	\$ 4,748,267	\$ 5,910,177	\$ (1,704,700)	\$ 1,859,979

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
	\$ 684,269	\$ 5,208,981
		582,440
\$ 639,878	123,921	763,799
		277,740
15,105	90,021	1,901,058
184,084	17,389	1,251,399
		791,627
		215,239
172,380		572,380
121,413	33,799	331,110
9,786	34,957	114,687
<u>1,142,646</u>	<u>984,356</u>	<u>12,010,460</u>
	833	968,799
		2,055,531
	161,020	3,856,292
	95,263	1,129,610
358,170		1,771,977
		4,830
	410,000	650,000
	135,197	458,921
1,809,394	280,740	2,090,134
<u>2,167,564</u>	<u>1,083,053</u>	<u>12,986,094</u>
<u>(1,024,918)</u>	<u>(98,697)</u>	<u>(975,634)</u>
	750,000	750,000
		2,218
150,000	300,938	655,992
<u>(69,642)</u>	<u>(1,024,538)</u>	<u>(1,248,032)</u>
<u>80,358</u>	<u>26,400</u>	<u>160,178</u>
(944,560)	(72,297)	(815,456)
<u>5,521,415</u>	<u>1,716,587</u>	<u>17,850,324</u>
<u>\$ 4,576,855</u>	<u>\$ 1,644,290</u>	<u>\$ 17,034,868</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, 2009

Net change in fund balances - total governmental funds	\$	(815,456)
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	\$	(1,081)
Special assessment revenue		666,272
Principal payments received on notes receivable		<u>(52,662)</u>
		612,529
Net change due to internal service funds incorporated into the statement of activities.		
Net change in operations (net of investment income)		699,651
Investment income recognized in statement of activities		<u>73,285</u>
		772,936
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		2,227,264
Depreciation expense		<u>(839,839)</u>
		1,387,425
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		650,000
The issuance of debt is recognized as an other financing source in the governmental funds, but increases long-term liabilities in the statement of net assets .		
Proceeds from the issuance of General Obligation Bonds		(750,000)
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		(68,899)
Change in net OPEB liability		<u>(57,457)</u>
		(126,356)
Change in net assets of governmental activities		<u>\$ 1,731,078</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, 2009

	Budgeted Amounts		Over (Under) Final Budget
	Original and Final	Actual Amounts	
Revenues			
Property Taxes			
Current ad valorem	\$ 3,404,049	\$ 3,447,733	\$ 43,684
Delinquent ad valorem		79,988	79,988
Other tax levy revenue		17,122	17,122
Tax increment excess		79,897	79,897
Fiscal disparities	780,777	700,681	(80,096)
Total Property Taxes	4,184,826	4,325,421	140,595
Licenses and Permits			
Business	54,800	62,296	7,496
Non-business	285,700	215,444	(70,256)
Total Licenses and Permits	340,500	277,740	(62,760)
Intergovernmental			
Federal grants		69,360	69,360
State Aids:			
Local government aid	1,442,452	1,223,594	(218,858)
Market value homestead credit	296,000	259,701	(36,299)
Police & Fire pension	224,000	189,763	(34,237)
PERA aid	15,819	15,819	
Other state aids	6,800	7,928	1,128
Total State Aid	1,985,071	1,696,805	(288,266)
Total Intergovernmental	1,985,071	1,766,165	(218,906)
Charges for Services			
General government	324,051	396,688	72,637
Public safety	53,650	79,512	25,862
Recreation	153,900	148,764	(5,136)
Total Charges for Services	531,601	624,964	93,363
Fines and Forfeitures	225,000	215,239	(9,761)
Franchise Fee Tax	400,000	400,000	
Investment Earnings	125,000	79,605	(45,395)
Miscellaneous	15,500	50,524	35,024
Total Revenues	7,807,498	7,739,658	(67,840)
Other Financing Sources			
Sale of assets		2,218	2,218
Transfers from other funds	220,000	205,054	(14,946)
Total Revenues And Other Financing Sources	8,027,498	7,946,930	(80,568)

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, 2009

	Budgeted Amounts		Over (Under) Final Budget
	Original and Final	Actual Amounts	
Expenditures			
General Government			
Personal services	\$ 975,870	\$ 939,611	\$ (36,259)
Supplies	20,425	16,252	(4,173)
Other services and charges	450,901	422,611	(28,290)
Capital outlay	7,200		(7,200)
Amounts charged to other funds	(410,508)	(410,508)	
Total General Government	1,043,888	967,966	(75,922)
Community Development			
Personal services	295,708	284,449	(11,259)
Supplies	1,550	571	(979)
Other services and charges	47,036	33,596	(13,440)
Total Community Development	344,294	318,616	(25,678)
Public Safety			
Personal services	2,860,903	2,703,004	(157,899)
Supplies	106,980	86,070	(20,910)
Other services and charges	1,097,984	998,246	(99,738)
Capital outlay	7,700		(7,700)
Amounts charged to other funds	(92,048)	(92,048)	
Total Public Safety	3,981,519	3,695,272	(286,247)
Recreation			
Personal services	721,034	655,104	(65,930)
Supplies	76,335	35,419	(40,916)
Other services and charges	367,602	343,824	(23,778)
Capital outlay	2,100		(2,100)
Total Recreation	1,167,071	1,034,347	(132,724)
Public Works			
Personal services	777,976	691,356	(86,620)
Supplies	115,000	75,073	(39,927)
Other services and charges	805,997	723,052	(82,945)
Capital outlay	8,500		(8,500)
Amounts charged to other funds	(75,674)	(75,674)	
Total Public Works	1,631,799	1,413,807	(217,992)
Human Services			
Other services and charges	6,800	4,830	(1,970)
Total Expenditures	8,175,371	7,434,838	(740,533)
Other Financing Uses			
Transfers to other funds	128,700	153,852	25,152
Total Expenditures and Other Financing Uses	8,304,071	7,588,690	(715,381)
Net change in fund balances	(276,573)	358,240	634,813
Fund balance - beginning	4,390,027	4,390,027	
Fund balance - ending	\$ 4,113,454	\$ 4,748,267	\$ 634,813

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, 2009

	Budgeted Amounts		Over (Under) Final Budget
	Original and Final	Actual Amounts	
Revenues			
Property Taxes			
Current ad valorem	\$ 201,539	\$ 168,622	\$ (32,917)
Delinquent ad valorem		2,823	2,823
Other tax levy revenue		429	429
Fiscal disparities		27,417	27,417
Total Property Taxes	<u>201,539</u>	<u>199,291</u>	<u>(2,248)</u>
Intergovernmental			
State Aids:			
Market value homestead credit	9,000	11,359	2,359
Total Intergovernmental	<u>9,000</u>	<u>11,359</u>	<u>2,359</u>
Charges for Services			
Community Development:			
Loan payments	42,990	424,962	381,972
Total Charges for Services	<u>42,990</u>	<u>424,962</u>	<u>381,972</u>
Land Sales	<u>50,000</u>	<u>751,627</u>	<u>701,627</u>
Investment Earnings	<u>90,000</u>	<u>53,235</u>	<u>(36,765)</u>
Miscellaneous	<u>1,000</u>	<u>10,611</u>	<u>9,611</u>
Total Revenues	<u>394,529</u>	<u>1,451,085</u>	<u>1,056,556</u>
Expenditures			
Community Development			
Personal services	4,200	5,055	855
Supplies	500	208	(292)
Other services and charges	421,805	1,045,577	623,772
Total Community Development	<u>426,505</u>	<u>1,050,840</u>	<u>624,335</u>
Net change in fund balance	(31,976)	400,245	432,221
Fund balances - beginning	<u>5,509,932</u>	<u>5,509,932</u>	
Fund balances - ending	<u>\$ 5,477,956</u>	<u>\$ 5,910,177</u>	<u>\$ 432,221</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, 2009

	<u>Budgeted Amounts</u>		<u>Over (Under) Final Budget</u>
	<u>Original and Final</u>	<u>Actual Amounts</u>	
<u>Revenues</u>			
Tax increment	\$ 64,600	\$ 351,992	\$ 287,392
Intergovernmental			
State Aids:			
Market value homestead credit	2,225	18,408	16,183
Land Sales	10,000	40,000	30,000
Investment Earnings	500	10,058	9,558
Miscellaneous	1,500	8,809	7,309
Total Revenues	<u>78,825</u>	<u>429,267</u>	<u>350,442</u>
<u>Expenditures</u>			
Community Development			
Supplies	200	228	28
Other services and charges	4,275	14,534	10,259
Project costs	34,900	519,841	484,941
Interest and fiscal charges	93,000	151,472	58,472
Total Community Development	<u>132,375</u>	<u>686,075</u>	<u>553,700</u>
<u>Other Financing Uses</u>			
Transfers to other funds	80,459		(80,459)
Total Expenditures and Other Financing uses	<u>212,834</u>	<u>686,075</u>	<u>473,241</u>
Net change in fund balance	(134,009)	(256,808)	(122,799)
Fund balances - beginning	<u>(1,447,892)</u>	<u>(1,447,892)</u>	
Fund balances - ending	<u>\$ (1,581,901)</u>	<u>\$ (1,704,700)</u>	<u>\$ (122,799)</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, 2009

	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	\$ 538,881	\$ 439,528	\$ 197,972	\$ 693,461
Investments	726,431	668,742	327,372	1,150,008
Accrued interest	9,894	10,034	4,520	15,663
Special assessments receivable	137,664	101,726	26,509	93,002
Accounts receivable	330,315	468,317	147,686	288,687
Due from other funds	50,592	50,593		
Inventories	9,319			
Prepaid items				
Total Current Assets	1,803,096	1,738,940	704,059	2,240,821
Noncurrent Assets:				
Capital Assets, net of depreciation				
Land	56,155	23,000	217,389	
Buildings & structures	152,208	83,123		
Utility system	3,862,036	3,259,053	3,040,300	
Other improvements	199,423	107,514		
Leasehold improvements				
Mobile equipment				
Machinery & office equipment	25,981	4,569		
Work in progress	484,997	969,295	885,070	
Total Capital Assets, net of depreciation	4,780,800	4,446,554	4,142,759	
Other Assets:				
Deferred Charges	7,293	8,804	6,938	
Total Noncurrent Assets	4,788,093	4,455,358	4,149,697	
Total Assets	6,591,189	6,194,298	4,853,756	2,240,821
Liabilities				
Current Liabilities:				
Accounts payable	28,967	4,737	5,538	125,552
Accrued salaries and benefits	2,233	2,687		
Contracts payable	32,042	34,096	33,508	
Due to other governments	11,001			16,061
Due to other funds				
Accrued bond and note interest payable	28,100	24,786	29,231	
Deferred revenue				
Deposits				
Compensated absences				
Bonds and notes payable	291,800	255,560	251,640	
Total Current Liabilities	394,143	321,866	319,917	141,613
Noncurrent Liabilities:				
Premium on bonds				
OPEB	2,090	2,621		
Compensated absences				
Bonds and notes due in more than one year	1,481,750	1,253,850	1,569,400	
Total Noncurrent Liabilities	1,483,840	1,256,471	1,569,400	
Total Liabilities	1,877,983	1,578,337	1,889,317	141,613
Net Assets				
Invested in capital assets, net of related debt	3,252,576	2,946,272	2,321,719	
Unrestricted	1,460,630	1,669,689	642,720	2,099,208
Total Net Assets	\$ 4,713,206	\$ 4,615,961	\$ 2,964,439	\$ 2,099,208

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
\$ 306,471	\$ 927,338	\$ 11,809	\$ 3,115,460	\$ 1,714,176
306,696	894,699	9,603	4,083,551	1,940,354
4,177	10,425	131	54,844	27,244
			358,901	
		21,702	1,256,707	11,501
			101,185	
313,947			323,266	
118	2,496		2,614	26,384
<u>931,409</u>	<u>1,834,958</u>	<u>43,245</u>	<u>9,296,528</u>	<u>3,719,659</u>
	115,000		411,544	98,773
	5,673,848		5,909,179	685,644
			10,161,389	
			306,937	283,974
19,200			19,200	
				1,810,776
22,687	15,916	2,198	71,351	584,783
			2,339,362	
<u>41,887</u>	<u>5,804,764</u>	<u>2,198</u>	<u>19,218,962</u>	<u>3,463,950</u>
	299,035		322,070	
<u>41,887</u>	<u>6,103,799</u>	<u>2,198</u>	<u>19,541,032</u>	<u>3,463,950</u>
<u>973,296</u>	<u>7,938,757</u>	<u>45,443</u>	<u>28,837,560</u>	<u>7,183,609</u>
67,376	8,306	3,849	244,325	171,521
3,424		3,744	12,088	118,773
			99,646	
23,614		49	50,725	8,756
		36,495	36,495	
	80,737		162,854	
776			776	
	51,939		51,939	
				46,000
	125,000		924,000	
<u>95,190</u>	<u>265,982</u>	<u>44,137</u>	<u>1,582,848</u>	<u>345,050</u>
	14,125		14,125	
10,485		7,857	23,053	
				411,192
	4,335,000		8,640,000	
<u>10,485</u>	<u>4,349,125</u>	<u>7,857</u>	<u>8,677,178</u>	<u>411,192</u>
<u>105,675</u>	<u>4,615,107</u>	<u>51,994</u>	<u>10,260,026</u>	<u>756,242</u>
41,887	1,330,639	2,198	9,895,291	3,463,950
825,734	1,993,011	(8,749)	8,682,243	2,963,417
<u>\$ 867,621</u>	<u>\$ 3,323,650</u>	<u>\$ (6,551)</u>	<u>\$ 18,577,534</u>	<u>\$ 6,427,367</u>

CITY OF ROBBINSDALE, MINNESOTA

PROPRIETARY FUNDS

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

For the Year Ended December 31, 2009

	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	\$ 1,393,085	\$ 1,511,743	\$ 584,252	\$ 1,335,313
Operating Expenses:				
Personal services	184,519	112,640	57,322	
Supplies	61,270	5,099	4,299	2,761
Other services and charges	495,888	1,135,420	143,970	1,154,521
Rental charges				
Depreciation	215,635	126,028	55,220	
Total Operating Expenses	<u>957,312</u>	<u>1,379,187</u>	<u>260,811</u>	<u>1,157,282</u>
Operating Income (Loss)	<u>435,773</u>	<u>132,556</u>	<u>323,441</u>	<u>178,031</u>
Nonoperating Revenues:				
Intergovernmental				41,409
Investment earnings	26,598	26,976	12,150	42,107
Total Nonoperating Revenues	<u>26,598</u>	<u>26,976</u>	<u>12,150</u>	<u>83,516</u>
Nonoperating Expenses:				
Interest and fiscal charges	71,230	63,338	72,823	
Professional Fees				
Loss on disposal of property and equipment				
Income (Loss) before transfers	<u>391,141</u>	<u>96,194</u>	<u>262,768</u>	<u>261,547</u>
Transfers:				
Transfers from other funds				
Transfers to other funds	(8,515)	(6,626)	(17,456)	(180,000)
Change in net assets	382,626	89,568	245,312	81,547
Total Net Assets - Beginning	<u>4,330,580</u>	<u>4,526,393</u>	<u>2,719,127</u>	<u>2,017,661</u>
Total Net Assets - Ending	<u>\$ 4,713,206</u>	<u>\$ 4,615,961</u>	<u>\$ 2,964,439</u>	<u>\$ 2,099,208</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
\$ 2,613,894			\$ 2,613,894	
1,925,485			1,925,485	
688,409			688,409	
	\$ 623,403	\$ 285,532	5,733,328	\$ 1,981,046
255,312		247,774	857,567	355,088
8,593	4,759	1,326	88,107	219,846
129,703	271,827	55,986	3,387,315	1,133,541
58,381			58,381	
29,709	139,358	1,381	567,331	464,447
481,698	415,944	306,467	4,958,701	2,172,922
206,711	207,459	(20,935)	1,463,036	(191,876)
			41,409	15,360
10,999	32,072	351	151,253	73,285
10,999	32,072	351	192,662	88,645
	208,041		415,432	3,370
				100
217,710	31,490	(20,584)	1,240,266	(106,701)
				1,126,491
(75,000)			(287,597)	(246,854)
142,710	31,490	(20,584)	952,669	772,936
724,911	3,292,160	14,033	17,624,865	5,654,431
\$ 867,621	\$ 3,323,650	\$ (6,551)	\$ 18,577,534	\$ 6,427,367

CITY OF ROBBINSDALE, MINNESOTA

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2009

	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	\$ 1,325,033	\$ 1,585,338	\$ 556,852	\$ 1,322,838
Cash payments to suppliers	(562,216)	(1,149,831)	(143,082)	(1,174,348)
Cash payments to employees	(181,914)	(110,589)	(57,322)	
Net cash provided (used) by operating activities	<u>580,903</u>	<u>324,918</u>	<u>356,448</u>	<u>148,490</u>
<u>Cash flows from noncapital financing activities:</u>				
Transfers from other funds				
Transfers (to) other funds	(8,515)	(6,626)	(17,456)	(180,000)
Intergovernmental				41,409
Net cash provided (used) by noncapital financing activities	<u>(8,515)</u>	<u>(6,626)</u>	<u>(17,456)</u>	<u>(138,591)</u>
<u>Cash flows from capital and related financing activities:</u>				
Acquisition of property and equipment	(370,812)	(270,684)	(208,677)	
Proceeds from the disposal of property and equipment				
Principal payments on bonds and notes	(275,900)	(244,780)	(241,320)	
Interest and fiscal charges on bonds and notes	(73,803)	(65,288)	(75,174)	
Net cash provided (used) by capital and related financing activities	<u>(720,515)</u>	<u>(580,752)</u>	<u>(525,171)</u>	
<u>Cash flows from investing activities:</u>				
Proceeds from maturities of investments	(548,670)	(505,695)	(247,302)	(868,596)
Purchases of investments	709,949	666,210	326,939	906,431
Interest on investments	32,794	31,972	15,007	42,718
Net cash provided (used) by investing activities	<u>194,073</u>	<u>192,487</u>	<u>94,644</u>	<u>80,553</u>
Net increase (decrease) in cash and cash equivalents	45,946	(69,973)	(91,535)	90,452
Cash and cash equivalents at beginning of year	492,935	509,501	289,507	603,009
Cash and cash equivalents at end of year	<u>\$ 538,881</u>	<u>\$ 439,528</u>	<u>\$ 197,972</u>	<u>\$ 693,461</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
\$ 2,603,390	\$ 621,031	\$ 298,875	\$ 8,313,357	\$ 1,972,760
(2,226,914)	(276,465)	(46,594)	(5,579,450)	(1,303,615)
(251,634)		(244,491)	(845,950)	(279,656)
<u>124,842</u>	<u>344,566</u>	<u>7,790</u>	<u>1,887,957</u>	<u>389,489</u>
				1,126,491
(75,000)			(287,597)	(246,854)
			41,409	15,360
<u>(75,000)</u>			<u>(246,188)</u>	<u>894,997</u>
			(850,173)	(573,140)
	(120,000)		(882,000)	210,919
	<u>(196,670)</u>		<u>(410,935)</u>	
	<u>(316,670)</u>		<u>(2,143,108)</u>	<u>(362,221)</u>
(231,646)	(672,724)	(7,251)	(3,081,884)	(1,466,067)
111,406	549,172	4,662	3,274,769	1,429,035
10,202	33,264	347	166,304	88,173
<u>(110,038)</u>	<u>(90,288)</u>	<u>(2,242)</u>	<u>359,189</u>	<u>51,141</u>
(60,196)	(62,392)	5,548	(142,150)	973,406
366,667	989,730	6,261	3,257,610	740,770
<u>306,471</u>	<u>\$ 927,338</u>	<u>\$ 11,809</u>	<u>\$ 3,115,460</u>	<u>\$ 1,714,176</u>

CITY OF ROBBINSDALE, MINNESOTA

PROPRIETARY FUNDS (continued)

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2009

Business-Type Activities - Enterprise Funds

	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund
<u>Reconciliation of Operating Income to Net Cash Provided</u>				
<u>(Used) by Operating Activities :</u>				
Operating income (loss)	\$ 435,773	\$ 132,556	\$ 323,441	\$ 178,031
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	215,635	126,028	55,220	
(Increase) decrease in assets:				
Special assessments receivable	(15,551)	(8,289)	(4,349)	(5,665)
Accounts receivable	(1,908)	(44,171)	(23,051)	(35,810)
Due from other funds	(50,593)	126,055		29,000
Inventories	2,219			
Prepaid items				
Increase (decrease) in liabilities:				
Accounts payable	(17,600)	(9,312)	5,187	(25,207)
Accrued salaries and benefits	750	1,124		
Due to other funds				
Due to other governments	10,323			8,141
OPEB	1,855	927		
Deferred revenue				
Deposits				
Total Adjustments	<u>145,130</u>	<u>192,362</u>	<u>33,007</u>	<u>(29,541)</u>
Net cash provided (used) by operating activities	<u>\$ 580,903</u>	<u>\$ 324,918</u>	<u>\$ 356,448</u>	<u>\$ 148,490</u>
<u>Non-cash investing, capital, and financing activities:</u>				
Net increase in fair value of investments	<u>\$ (6,378)</u>	<u>\$ (6,468)</u>	<u>\$ (2,913)</u>	<u>\$ (10,097)</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
\$ 206,711	\$ 207,459	\$ (20,935)	\$ 1,463,036	\$ (191,876)
29,709	139,358	1,381	567,331	464,447
	(2,496)	13,343	(33,854)	(7,309)
(10,386)			104,462	
(118)			(8,167)	2,481
			(118)	
(106,266)	121	3,210	(149,867)	36,690
(31)		3,283	5,126	79,372
		7,495	7,495	
737		13	19,214	5,684
3,710			6,492	
776			776	
	124		124	
(81,869)	137,107	28,725	424,921	581,365
\$ 124,842	\$ 344,566	\$ 7,790	\$ 1,887,957	\$ 389,489
\$ (2,693)	\$ (4,817)	\$ (84)	\$ (33,450)	\$ (17,562)

CITY OF ROBBINSDALE, MINNESOTA

FIDUCIARY FUND

STATEMENT OF NET ASSETS

December 31, 2009

	<u>Agency Funds</u>
<u>Assets</u>	
Cash and cash equivalents	<u>\$ 6,596</u>
<u>Liabilities</u>	
Due to other governments	<u>\$ 6,596</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.

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.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Reporting Entity (continued)

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.

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.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

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.

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.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Major Funds (continued)

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.

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.
- **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.

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):

- 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.
- 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.

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):

- 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.

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, 2009.

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”.

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)

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.

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:

<u>Assets</u>	<u>Years</u>
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 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.
- Actual expenditures exceeded budget in the following funds for 2009:

<u>Fund</u>	<u>Amount</u>
REDA General Development Special Revenue Fund	\$624,335
REDA TIF Development Special Revenue Fund	\$553,700

These over expenditures were funded by greater than anticipated revenues in the case of the REDA General Development Fund and the REDA TIF Development Fund. All expenditures were approved by the REDA board.

Deficit Fund Equity

The following funds had a deficit fund balance as of December 31, 2009:

REDA – TIF Development Special Revenue Fund	\$ 1,704,700
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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	\$3,437
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The deficit for the DARE Special Revenue Fund is expected to be eliminated through the collections of donations and transfers from the General Fund during the next fiscal year.

Deputy Registrar Enterprise Fund	\$6,551
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The deficit for the Deputy Registrar Enterprise Fund is expected to be eliminated through future net income from operations or transfers from the General Fund.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 3 – Deposits and Investments

Components of Cash and Investments

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

Deposits	\$ 3,167,994
Investments	24,148,225
Cash on hand	<u>8,745</u>
Total	<u>\$ 27,324,964</u>

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

Cash and cash equivalents - Statement of Net Assets	\$ 6,636,438
Cash and cash equivalents - Statement of Fiduciary Net Assets	6,596
Investments - Statement of Net Assets	<u>20,681,930</u>
Total	<u>\$ 27,324,964</u>

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.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 3 – Deposits and Investments (continued)

At year-end the carrying amount of the City's deposits was \$ 3,167,994 while the balance on the bank records was \$ 3,400,080. At December 31, 2009, \$3,303,493 of the City's deposits were fully covered by federal depository insurance, surety bonds, or by collateral held by the City's agent in the City's name. The remaining balance of \$96,587 was not insured or collateralized.

Investments

The City has the following investments at year end:

Investment Type	Credit Risk		Interest Risk - Maturity Duration in Years			Total
	Rating	Agency	Less than 1	1 to 5	More than 5	
U.S Agencies	AAA	S&P	\$ 1,685,052	\$ 11,428,592	\$ 293,814	\$ 13,407,458
Negotiable Certificates of Deposits	NR	N/A	1,538,498	544,012		2,082,510
US Govt Backed SBA Loan Pools	NR	N/A		3,163	490,470	493,634
State and Local Obligations	AAA	S&P	1,504,678		483,055	1,987,733
	AA	Moody's		1,533,429	524,200	2,057,629
	A-1	Moody's		652,968		652,968
Investment pools/ mutual funds						
First American Government	AAAM	S&P	3,466,293			3,466,293
Total			\$ 8,194,521	\$ 14,162,164	\$ 1,791,539	\$ 24,148,225

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 (14%), and Federal National Mortgage Association (26%).

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, 2009, the City had \$1,969,984 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, 2009, the REDA had \$595,511 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, 2009
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	4,502,712	\$ 2,227,265	\$ 2,767,287	3,962,690
Total Capital assets not being depreciated	<u>5,402,522</u>	<u>2,227,265</u>	<u>2,767,287</u>	<u>4,862,500</u>
Capital assets being depreciated:				
Buildings and structures	5,407,416	179,735		5,587,151
Traffic & transportation	15,240,225	2,056,476		17,296,701
Park system	1,878,668			1,878,668
Other improvements	1,035,931	76,228	2,016	1,110,143
Mobile equipment	3,056,155	778,088	85,401	3,748,842
Machinery & Office equipment	2,810,432	35,609	74,378	2,771,663
Total capital assets being depreciated	<u>29,428,827</u>	<u>3,126,136</u>	<u>161,795</u>	<u>32,393,168</u>
Less accumulated depreciation for:				
Buildings and structures	2,221,920	197,563		2,419,483
Traffic & transportation	4,824,035	553,676		5,377,711
Park system	365,061	115,358		480,419
Other improvements	599,622	47,702	2,016	645,308
Mobile equipment	2,020,022	3,444	85,401	1,938,065
Machinery & Office equipment	1,840,879	386,542	74,278	2,153,143
Total accumulated depreciation	<u>11,871,539</u>	<u>1,304,285</u>	<u>161,695</u>	<u>13,014,129</u>
Governmental activities capital assets, net	<u>\$ 22,959,810</u>	<u>\$ 4,049,116</u>	<u>\$ 2,767,387</u>	<u>\$ 24,241,539</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	3,523,829	\$ 885,393	\$ 2,069,860	2,339,362
Total capital assets not being depreciated	<u>3,935,373</u>	<u>885,393</u>	<u>2,069,860</u>	<u>2,750,906</u>
Capital assets being depreciated:				
Buildings and structures	7,355,742	3,179		7,358,921
Utility system	13,559,667	2,079,754		15,639,421
Other improvements	1,188,196			1,188,196
Leasehold improvements	301,960			301,960
Mobile equipment	20,837			20,837
Machinery & office equipment	609,775			609,775
Total capital assets being depreciated	<u>23,036,177</u>	<u>2,082,933</u>		<u>25,119,110</u>
Less accumulated depreciation for:				
Buildings and structures	1,219,453	230,289		1,449,742
Utility system	5,272,065	205,967		5,478,032
Other improvements	803,867	77,392		881,259
Leasehold improvements	276,396	6,364		282,760
Mobile equipment	20,837			20,837
Machinery & office equipment	491,105	47,319		538,424
Total accumulated depreciation	<u>8,083,723</u>	<u>567,331</u>		<u>8,651,054</u>
Business-type activities capital assets, net	<u>\$ 18,887,827</u>	<u>\$ 2,400,995</u>	<u>\$ 2,069,860</u>	<u>\$ 19,218,962</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	\$	113,827
Community Development		4,122
Public Safety		245,625
Recreation		168,277
Public Works		772,434
		<hr/>
Total depreciation expense - governmental activities	\$	<u>1,304,285</u>

Business-Type Activities:

Water Utility	\$	215,635
Sanitary Sewer Utility		126,028
Storm Sewer Utility		55,220
Liquor Operations		29,709
Broadway Court		139,358
Deputy Registrar		1,381
		<hr/>
Total depreciation expense - business-type activities	\$	<u>567,331</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 2009 were \$329,377. At December 31, 2009, December 31, 2008 and December 31, 2007, 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, 2009, 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.

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, 2011 with two 3 year renewal options. The agreement calls for minimum annual lease payments of \$47,064 and sharing of common expenses. Both costs have been recorded in the Liquor Operations Enterprise Fund. The rent expenditure for the year ended December 31, 2009 was \$58,381.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 8 – Long Term Debt

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

General Obligation Capital Equipment Notes

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

2010 General Obligation Capital Equipment Notes

In 2010, the City issued \$750,000 in General Obligation Capital Equipment Notes for the purchase of equipment. The Equipment Notes mature in February 2014 and have an interest rate of 3.5%

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 4.09%. 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.

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, 2009, \$4,645,000 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, 2009
General Obligation Building Bonds Refunding	3.70% - 4.45%	1999	2013	1,650,000	690,000
General Obligation Improvement Bonds	3.20% - 4.50%	2002	2013	1,230,000	515,000
General Obligation Reconstruction Bonds	4.00% - 4.38%	2006	2017	1,535,000	1,300,000
General Obligation Capital Equipment Notes	3.50%	2009	2014	750,000	750,000
Temporary Tax Increment	5.63%	2007	2010	5,465,000	5,465,000
Compensated Absences					457,192
Total Governmental Activities					<u>\$ 9,177,192</u>

Changes in long-term debt during 2009 for debt serviced through governmental activities are as follows:

	<u>Balance January 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2009</u>	<u>Due Within One Year</u>
Tax Increment Bonds	\$ 5,705,000		\$ 240,000	\$ 5,465,000	\$ 5,465,000
General Obligation Building Bonds	845,000		155,000	690,000	160,000
General Obligation Improvement Bonds	635,000		120,000	515,000	125,000
General Obligation Reconstruction Bonds	1,435,000		135,000	1,300,000	140,000
General Obligation Capital Equipment Notes		\$ 750,000		750,000	138,500
Compensated Absences	460,124	42,858	45,790	457,192	46,000
Total change in debt obligations	<u>\$ 9,080,124</u>	<u>\$ 792,858</u>	<u>\$ 695,790</u>	<u>\$ 9,177,192</u>	<u>\$ 6,074,500</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
General Obligation Utility Revenue Note	2.29%	2001	2012	\$ 1,200,000	\$ 319,000
General Obligation Utility Revenue Bonds	2.75% - 4.40%	2002	2012	1,735,000	585,000
General Obligation Utility Revenue Bonds	3.00% - 3.75%	2005	2015	1,795,000	1,130,000
General Obligation Utility Revenue Bonds	4.00% - 4.20%	2006	2017	3,700,000	3,070,000
General Obligation Housing Refunding Bonds	4.25% - 4.45%	2006	2031	4,730,000	<u>4,460,000</u>
Total Business-type Activities					<u><u>\$ 9,564,000</u></u>

Changes in long-term debt during 2009 for debt serviced through business-type activities are as follows:

	<u>Balance January 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2009</u>	<u>Due Within One Year</u>
General Obligation Housing Refunding Bonds	\$ 4,580,000		\$ 120,000	\$ 4,460,000	\$ 125,000
General Obligation Utility Revenue Note	421,000		102,000	319,000	104,000
General Obligation Utility Revenue Bonds	<u>5,445,000</u>		<u>660,000</u>	<u>4,785,000</u>	<u>695,000</u>
Total change in debt obligations	<u><u>\$ 10,446,000</u></u>	<u><u>\$</u></u>	<u><u>\$ 882,000</u></u>	<u><u>\$ 9,564,000</u></u>	<u><u>\$ 924,000</u></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, 2009	Governmental Activities		Business-Type Activities		Totals
	Principal	Interest	Principal	Interest	
2010	6,028,500	436,786	924,000	382,383	7,771,669
2011	585,000	104,736	956,000	347,092	1,992,828
2012	610,000	80,895	999,000	310,019	1,999,914
2013	635,500	55,238	710,000	275,757	1,676,495
2014	326,000	35,841	740,000	247,175	1,349,016
2015-2019	535,000	47,257	2,315,000	845,520	3,742,777
2020-2024			1,035,000	535,019	1,570,019
2025-2029			1,285,000	281,573	1,566,573
2030-2034			600,000	26,922	626,922
Total	\$ <u>8,720,000</u>	\$ <u>760,753</u>	\$ <u>9,564,000</u>	\$ <u>3,251,460</u>	\$ <u>22,296,213</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, 2009, 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, 2009</u>
Variable Rate Demand Industrial Development Revenue Unicare Homes, Inc.	11/01/1984	10/01/2014	\$ 1,070,000*
Commercial Development Revenue Refunding Bonds, Oakdale Medical Center Ltd. Partnership Project	10/05/1993	801/2013	\$ 2,514,748
Multifamily Housing Revenue Bonds Bridgeway Apartment Project	3/01/1997	3/01/2017	\$ 1,740,000
Variable Rate Demand Revenue Refunding Bonds, Healthcare Facilities Revenue Bonds North Memorial Health Care – Series 2008	09/18/2008	7/10/2032	\$ 145,035,000
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	\$ 500,000
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	\$ 732,500
Multifamily Housing Revenue Refunding Bonds – Series 2004 E Copperfield Hill Project	04/01/2004	04/01/2029	\$ 765,000

* - 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, 2009 the following interfund receivables / payables existed:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
REDA General Development	REDA TIF Development	\$1,198
REDA TIF Development	REDA General Development	\$8,809
PIR Capital Projects	Non-Major Governmental Fund	\$38,524
PIR Capital Projects	Deputy Registrar	\$36,495
PIR Capital Projects	Non-Major Governmental Fund	\$3,437
Water	Non-Major Governmental Fund	\$50,592
Sanitary Sewer	Non-Major Governmental Fund	<u>\$50,593</u>
		<u><u>\$189,648</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 2009, the following interfund transfers took place:

<u>Transfers Out:</u>	<u>Transfers In:</u>				
	<u>General</u>	<u>Permanent Improve- ment Revolving</u>	<u>Non-major Govern- mental</u>	<u>Internal Service Funds</u>	<u>Total</u>
General				c \$ 153,852	\$ 153,852
Permanent Improve- ment Revolving	a \$ 69,642				69,642
Non-major Governmental	a 72,815		b 94,584 c	857,139	1,024,538
Water Utility	a 8,515				8,515
Sanitary Sewer Utility	a 6,626				6,626
Storm Sewer Utility	a 17,456				17,456
Solid Waste Removal	a 30,000 b	\$ 150,000			180,000
Liquor Operations			b 75,000		75,000
Internal Service Funds			b 131,354 c	115,500	246,854
Total Transfers	<u>\$ 205,054</u>	<u>\$ 150,000</u>	<u>\$ 300,938</u>	<u>1,126,491</u>	<u>\$ 1,782,483</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 – 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 \$3,257,117 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.

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.

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)

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.

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 9.1% and 6.0% respectively, of their annual covered salary. PEPFF members are required to contribute 9.4% of their annual covered salary. The City of Robbinsdale is required to contribute the following percentages of annual covered payroll; 11.78% for Basic Plan PERF members, 6.75% for Coordinated Plan PERF members, and 14.1% for PEPFF members. Coordinated Plan employer contribution rates increased to 7.00% effective 1/1/10. The City's contributions to the Public Employees Retirement Fund for the years ending December 31, 2009, 2008, and 2007 were \$216,425, \$220,062, and \$199,828 respectively. The City's contributions to the Public Employees Police and Fire Fund for the years ended December 31, 2009, 2008, and 2007 were \$214,780, \$190,755, and \$159,235 respectively. The City's contributions were equal to the contractually required contributions for each year as set by State Statute.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

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

Public Employee Retirement Association (PERA) – (continued)

Defined Contribution Plan

Two council members of the City are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by the Public Employees Retirement Association of Minnesota (PERA). The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of the employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent of employer contributions and twenty-five hundredths of one percent of the assets in each member's account annually.

The City's contributions to the Defined Contribution Plan for the years ended December 31, 2009, 2008 and 2007 were \$810, \$810, and \$810 respectively.

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, 2009, the PERS membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	13
Active Plan participants:	
Fully vested	3
Partially vested	12
Nonvested	16
Total	44

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 (RFDR) (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. Beginning in July 2009, the lump sum service pension increased from \$6,500 per year to \$7,500 per year. 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.

RFDR 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.

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, \$51,614, 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:

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 contribution requirement	\$171,614
Contributions made:	
City of Robbinsdale	\$120,000
State aid	\$51,614
Actuarial Assumptions:	
Last Valuation Date	January 1, 2009
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

	Year Ended December 31	Annual Pension Cost (APC)	Percentage of APC Contributed	Pension Obligatio n			
	2009	\$ 171,614	100.00%	\$ -			
	2008	182,468	100.00%	-			
	2007	174,440	100.00%	-			
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*	
01/01/09	\$ 1,247,386	\$ 2,058,412	\$ 811,026	60.60%	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).

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.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 11 – Other Post-Employment Benefits Plan

Robbinsdale Fire Department Relief Association (RFDRA) (continued)

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.

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. OPEB expenditures are recorded on a pay-as-you-go basis on the government fund financial statement.

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 annual OPEB cost is accrued in the enterprise funds and government-wide financial statements. 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	3,644
Adjustment to annual required contribution	<u>(2,630)</u>
Annual OPEB cost (expense)	122,969
Contributions made	<u>56,245</u>
Increase in net OPEB obligation	66,724
Net OPEB obligation – beginning of year	<u>80,969</u>
Net OPEB obligation – end of year	<u><u>\$ 147,693</u></u>

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:

<u>Fiscal Year Beginning</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
January 1, 2009	\$ 122,969	\$ 56,245	45.7%	\$ 66,724
January 1, 2008	\$ 121,955	\$ 40,986	33.6%	\$ 80,969

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.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

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

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.

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 Value of Plan Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Payroll
01/01/08	-	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.

CITY OF ROBBINSDALE, MINNESOTA

Notes to the Financial Statements

Note 13 – Subsequent Event

General Obligation Bonds

On March 29, 2010 the City issued General Obligation Refunding Bonds, Series 2010B for \$1,035,000. The bonds bear interest at the rate of 2.0% and mature in February 2013. The bonds were issued to refund the 1999A General Obligation Building Refunding Bonds, 2002A General Obligation Utility Revenue Bonds and 2002B General Obligation Improvement Bonds.

On March 29, 2010 the City issued General Obligation Tax Increment Refunding Bonds, Series 2010A for \$5,255,000. The bonds bear interest at the rate of 2.0% to 4.0% and mature in February 2032. The bonds were issued to refund the 2007A Taxable General Obligation Temporary Tax Increment Bonds and will to provide long-term financing for a tax increment project.



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*
01/01/09	\$ 1,247,386	\$ 2,058,412	\$ 811,026	60.60%	N/A	N/A
01/01/07	1,564,370	2,118,330	553,960	73.85%	N/A	N/A
01/01/05	1,170,892	1,686,592	515,700	69.42%	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 Value of Assets	Actuarial Accrued Liability AAL	(Funded) Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Coverd Payroll*
01/01/08	\$ -	\$ 1,247,811	\$ 1,247,811	0.00%	4,864,940	25.6%

** This schedule was implemented in 2008 and, therefore, contains only the last actuarial 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.

City Code Compliance 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.

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.

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, 2009

	Special Revenue Funds			
	DARE Fund	DWI Forfeiture Fund	Senior Transportation Fund	City Code Compliance Fund
Assets				
Cash		\$ 179		\$ 15,729
Investments		22,076	\$ 33,842	99,729
Accrued interest		400	431	850
Taxes receivable				
Special assessments receivable				249,103
Accounts receivable				33,695
Due from other governments			44,603	
Total Assets		\$ 22,655	\$ 78,876	\$ 399,106
Liabilities and Fund Balance				
Liabilities:				
Accounts payable		\$ 1,139	\$ 2,577	\$ 9,867
Accrued salaries and benefits			204	
Due to other governments				
Due to other funds	\$ 3,437			101,185
Deferred and unearned revenue				281,645
Total Liabilities	3,437	1,139	2,781	392,697
Fund Balance:				
Reserved for:				
Public safety equipment		21,516		
Senior transportation programs			76,095	
Code Compliance				6,409
Debt service				
Total reserved		21,516	76,095	6,409
Unreserved				
Designated for capital improvements				
Undesignated	(3,437)			
Total Fund Balance	(3,437)	21,516	76,095	6,409
Total Liabilities and Fund Balance	\$	\$ 22,655	\$ 78,876	\$ 399,106

General Debt Service Fund	Capital Improvement Capital Project Fund	Total Non-Major Funds
\$ 429,522	\$ 47,158	\$ 492,588
567,912	561,838	1,285,397
4,844	6,059	12,584
9,647		9,647
52,271		301,374
		33,695
		44,603
<u>\$ 1,064,196</u>	<u>\$ 615,055</u>	<u>\$ 2,179,888</u>
	\$ 38,655	\$ 52,238
		204
	22	22
	38,524	143,146
<u>\$ 58,343</u>		<u>339,988</u>
<u>58,343</u>	<u>77,201</u>	<u>535,598</u>
		21,516
		76,095
		6,409
<u>1,005,853</u>		<u>1,005,853</u>
<u>1,005,853</u>		<u>1,109,873</u>
	537,854	537,854
		(3,437)
<u>1,005,853</u>	<u>537,854</u>	<u>1,644,290</u>
<u>\$ 1,064,196</u>	<u>\$ 615,055</u>	<u>\$ 2,179,888</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, 2009

	<u>Special Revenue Funds</u>			
	<u>DARE Fund</u>	<u>DWI Forfeiture Fund</u>	<u>Senior Transportation Fund</u>	<u>City Code Compliance Fund</u>
<u>Revenues</u>				
Property taxes				
Special assessments				\$ 102,575
Intergovernmental			\$ 64,580	
Charges for services				17,389
Investment earnings	\$	\$ 1,075	1,157	2,288
Miscellaneous	500	15,719	17,701	
Total Revenues	<u>500</u>	<u>16,794</u>	<u>83,438</u>	<u>122,252</u>
<u>Expenditures</u>				
Current:				
General Government				
Public Safety	2,071	4,928		125,112
Recreation			88,641	
Debt service				
Principal				
Interest and fees				
Capital outlay and improvements				
Total Expenditures	<u>2,071</u>	<u>4,928</u>	<u>88,641</u>	<u>125,112</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,571)</u>	<u>11,866</u>	<u>(5,203)</u>	<u>(2,860)</u>
<u>Other Financing Sources (Uses)</u>				
Sale of equipment notes				
Transfers from other funds				
Transfers to other funds		(41,542)		
Total Other Financing Sources (Uses)		<u>(41,542)</u>		
Net change in fund balance	(1,571)	(29,676)	(5,203)	(2,860)
Fund balances - beginning	<u>(1,866)</u>	<u>51,192</u>	<u>81,298</u>	<u>9,269</u>
Fund balances - ending	<u>\$ (3,437)</u>	<u>\$ 21,516</u>	<u>\$ 76,095</u>	<u>\$ 6,409</u>

<u>General Debt Service Fund</u>	<u>Capital Improvement Capital Project Fund</u>	<u>Total Non-Major Funds</u>
\$ 684,269		\$ 684,269
21,346		123,921
	\$ 25,441	90,021
		17,389
12,992	16,287	33,799
	1,037	34,957
<u>718,607</u>	<u>42,765</u>	<u>984,356</u>
	833	833
	28,909	161,020
	6,622	95,263
410,000		410,000
135,197		135,197
	280,740	280,740
<u>545,197</u>	<u>317,104</u>	<u>1,083,053</u>
<u>173,410</u>	<u>(274,339)</u>	<u>(98,697)</u>
750,000		750,000
	300,938	300,938
<u>(750,000)</u>	<u>(232,996)</u>	<u>(1,024,538)</u>
	67,942	26,400
173,410	(206,397)	(72,297)
832,443	744,251	1,716,587
<u>\$ 1,005,853</u>	<u>\$ 537,854</u>	<u>\$ 1,644,290</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, 2009

	<u>Central Garage Fund</u>	<u>Central Services Fund</u>
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 594,574	\$ 134,036
Investments	560,534	213,737
Accrued interest	7,634	2,981
Accounts receivable		
Prepaid items	977	
Total Current Assets	<u>1,163,719</u>	<u>350,754</u>
Noncurrent Assets:		
Capital Assets, net of depreciation		
Land	29,388	
Buildings & structures	337,635	28,813
Other improvements		49,899
Mobile equipment	1,741,327	
Machinery & office equipment	237,998	164,346
Total Capital Assets, net of depreciation	<u>2,346,348</u>	<u>243,058</u>
Total Assets	<u>3,510,067</u>	<u>593,812</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts payable	15,941	42,229
Accrued salaries and benefits	2,697	2,055
Due to other governments	3,565	2,127
Compensated absences		
Total Current Liabilities	<u>22,203</u>	<u>46,411</u>
Noncurrent Liabilities:		
Compensated absences		
Total Liabilities	<u>22,203</u>	<u>46,411</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	2,346,348	243,058
Unrestricted	1,141,516	304,343
Total Net Assets	<u>\$ 3,487,864</u>	<u>\$ 547,401</u>

Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
\$ 299,154	\$ 143,121	\$ 543,291	\$ 1,714,176
446,609	167,234	552,240	1,940,354
6,830	2,278	7,521	27,244
	745	10,756	11,501
	25,407		26,384
<u>752,593</u>	<u>338,785</u>	<u>1,113,808</u>	<u>3,719,659</u>
69,385			98,773
319,196			685,644
234,075			283,974
69,449			1,810,776
182,439			584,783
<u>874,544</u>			<u>3,463,950</u>
<u>1,627,137</u>	<u>338,785</u>	<u>1,113,808</u>	<u>7,183,609</u>
	53,941	59,410	171,521
		114,021	118,773
	3,064		8,756
		46,000	46,000
	<u>57,005</u>	<u>219,431</u>	<u>345,050</u>
		411,192	411,192
	<u>57,005</u>	<u>630,623</u>	<u>756,242</u>
874,544			3,463,950
<u>752,593</u>	<u>281,780</u>	<u>483,185</u>	<u>2,963,417</u>
<u>\$ 1,627,137</u>	<u>\$ 281,780</u>	<u>\$ 483,185</u>	<u>\$ 6,427,367</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, 2009

	<u>Central Garage Fund</u>	<u>Central Services Fund</u>
Operating Revenues:		
Sales, fees, and charges	\$ 845,877	\$ 820,785
Operating Expenses:		
Personal services	201,703	140,690
Supplies	158,228	61,618
Other services and charges	134,053	549,897
Depreciation	296,320	55,844
Total Operating Expenses	<u>790,304</u>	<u>808,049</u>
Operating Income (Loss)	<u>55,573</u>	<u>12,736</u>
Nonoperating Revenues & Expenses:		
Intergovernmental		
Investment earnings	20,524	8,015
Professional Fees	(3,370)	
Gain (Loss) on disposal of property and equipment		(100)
Total Nonoperating Revenues & Expenses	<u>17,154</u>	<u>7,915</u>
Income (Loss) before transfers	<u>72,727</u>	<u>20,651</u>
Transfers:		
Transfers from other funds	1,035,741	3,456
Transfers to other funds	(60,767)	(70,587)
Change in net assets	1,047,701	(46,480)
Total Net Assets - Beginning	<u>2,440,163</u>	<u>593,881</u>
Total Net Assets - Ending	<u>\$ 3,487,864</u>	<u>\$ 547,401</u>

Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
	\$ 314,017	\$ 367	\$ 1,981,046
		12,695	355,088
			219,846
\$ 4,282	440,594	4,715	1,133,541
112,283			464,447
116,565	440,594	17,410	2,172,922
(116,565)	(126,577)	(17,043)	(191,876)
	15,360		15,360
18,361	6,123	20,262	73,285
			(3,370)
			(100)
18,361	21,483	20,262	85,175
(98,204)	(105,094)	3,219	(106,701)
87,294			1,126,491
(100,000)	(15,500)		(246,854)
(110,910)	(120,594)	3,219	772,936
1,738,047	402,374	479,966	5,654,431
\$ 1,627,137	\$ 281,780	\$ 483,185	\$ 6,427,367

CITY OF ROBBINSDALE, MINNESOTA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2009

	Central Garage Fund	Central Services Fund
<u>Cash flows from operating activities:</u>		
Cash received from customers and users, including deposits	\$ 838,999	\$ 821,739
Cash payments to suppliers	(298,603)	(617,713)
Cash payments to employees	(201,039)	(140,639)
Net cash provided (used) by operating activities	<u>339,357</u>	<u>63,387</u>
<u>Cash flows from noncapital financing activities:</u>		
Transfers from other funds	1,035,741	3,456
Transfers (to) other funds Intergovernmental	(60,767)	(70,587)
Net cash provided (used) by noncapital financing activities	<u>974,974</u>	<u>(67,131)</u>
<u>Cash flows from capital and related financing activities:</u>		
Operating transfers from other funds		
Acquisition of property and equipment	(471,933)	(13,913)
Proceeds from the disposal of property and equipment	210,919	
Net cash provided (used) by capital and related financing activities	<u>(261,014)</u>	<u>(13,913)</u>
<u>Cash flows from investing activities:</u>		
Proceeds from maturities of investments	(423,369)	(161,480)
Purchases of investments	(67,922)	287,394
Interest on investments	29,391	9,378
Net cash provided (used) by investing activities	<u>(461,900)</u>	<u>135,292</u>
Net increase (decrease) in cash and cash equivalents	591,417	117,635
Cash and cash equivalents at beginning of year	3,157	16,401
Cash and cash equivalents at end of year	<u>\$ 594,574</u>	<u>\$ 134,036</u>
<u>Reconciliation of Operating Income to Net Cash Provided</u>		
<u>(Used) by Operating Activities</u>		
Operating income (loss)	\$ 55,573	\$ 12,736
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	296,320	55,844
(Increase) decrease in assets:		
Accounts receivable	(5,901)	954
Prepaid items	(977)	
Increase (decrease) in liabilities:		
Accounts payable	(9,879)	(8,325)
Accrued salaries and benefits	664	51
Due to other governments	3,557	2,127
Total Adjustments	<u>283,784</u>	<u>50,651</u>
Net cash provided (used) by operating activities	<u>\$ 339,357</u>	<u>\$ 63,387</u>
<u>Non-cash investing, capital, and financing activities:</u>		
Net increase in fair value of investments	<u>\$ (4,921)</u>	<u>\$ (1,922)</u>

Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
\$ (4,282)	\$ 313,878 (383,017) (1,259)	\$ (1,856) 63,281	\$ 1,972,760 (1,303,615) (279,656)
(4,282)	(70,398)	61,425	389,489
87,294 (100,000)	(15,500)		1,126,491 (246,854)
(12,706)	(140)		894,997
(87,294)			(573,140) 210,919
(87,294)			(362,221)
(337,803) 420,423 19,311	(126,311) 212,320 7,529	(417,104) 576,820 22,564	(1,466,067) 1,429,035 88,173
101,931	93,538	182,280	51,141
(2,351)	23,000	243,705	973,406
301,505	120,121	299,586	740,770
<u>\$ 299,154</u>	<u>\$ 143,121</u>	<u>\$ 543,291</u>	<u>\$ 1,714,176</u>
<u>\$ (116,565)</u>	<u>\$ (126,577)</u>	<u>\$ (17,043)</u>	<u>\$ (191,876)</u>
112,283	(139) 3,458	(2,223)	464,447 (7,309) 2,481
	54,119 (1,259)	775 79,916	36,690 79,372 5,684
112,283	56,179	78,468	581,365
<u>\$ (4,282)</u>	<u>\$ (70,398)</u>	<u>\$ 61,425</u>	<u>\$ 389,489</u>
<u>\$ (4,403)</u>	<u>\$ (1,468)</u>	<u>\$ (4,848)</u>	<u>\$ (17,562)</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, 2009

	<u>Balance January 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2009</u>
<u>Deputy Registrar</u>				
Assets				
Cash and cash equivalents	<u>\$ 4,908</u>	<u>\$ 9,806,331</u>	<u>\$ 9,804,643</u>	<u>\$ 6,596</u>
Liabilities				
Due to other governments	<u>\$ 4,908</u>	<u>\$ 9,806,331</u>	<u>\$ 9,804,643</u>	<u>\$ 6,596</u>

CITY OF ROBBINSDALE, MINNESOTA
SCHEDULE OF LONG TERM DEBT ISSUES PAYABLE
December 31, 2009

<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>				
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%	<u>185,000</u>	<u>4,116</u>	<u>189,116</u>
Total General Obligation Building Bonds		<u>\$ 690,000</u>	<u>\$ 62,003</u>	<u>\$ 752,003</u>
General Obligation Street Bonds:				
<u>General Obligation Street Improvement Bonds of 2002B (Supported by Special Assessments)</u>				
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%	<u>135,000</u>	<u>3,038</u>	<u>138,038</u>
Sub-total		<u>\$ 515,000</u>	<u>\$ 46,250</u>	<u>\$ 561,250</u>
<u>General Obligation Street Reconstruction Bonds of 2006A</u>				
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%	<u>185,000</u>	<u>8,094</u>	<u>193,094</u>
Sub-total		<u>\$ 1,300,000</u>	<u>\$ 262,451</u>	<u>\$ 1,562,451</u>
Total General Obligation Street Bonds		<u>\$ 1,815,000</u>	<u>\$ 308,701</u>	<u>\$ 2,123,701</u>
General Obligation Capital Equipment Notes:				
<u>General Obligation Capital Equipment Notes of 2009</u>				
2010	3.50%	\$ 138,500	\$ 27,927	\$ 166,427
2011	3.50%	145,000	21,402	166,402
2012	3.50%	150,000	16,327	166,327
2013	3.50%	155,500	11,078	166,578
2014	3.50%	<u>161,000</u>	<u>5,635</u>	<u>166,635</u>
Total General Obligation Capital Equipment Notes		<u>\$ 750,000</u>	<u>\$ 82,369</u>	<u>\$ 832,369</u>

CITY OF ROBBINSDALE, MINNESOTA
SCHEDULE OF LONG TERM DEBT ISSUES PAYABLE
December 31, 2009

<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Tax Increment Bonds:				
<u>Tax Increment Temporary Taxable Bonds of 2007A</u>				
2010	5.63%	<u>5,465,000</u>	<u>307,680</u>	<u>5,772,680</u>
Total Tax Increment Bonds		<u>\$ 5,465,000</u>	<u>\$ 307,680</u>	<u>\$ 5,772,680</u>
General Obligation Housing Bonds				
<u>Housing Development Refunding Bonds - Series 2006A</u>				
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%	<u>305,000</u>	<u>6,786</u>	<u>311,786</u>
Total General Obligation Housing Bonds		<u>\$ 4,460,000</u>	<u>\$ 2,475,640</u>	<u>\$ 6,935,640</u>

CITY OF ROBBINSDALE, MINNESOTA
SCHEDULE OF LONG TERM DEBT ISSUES PAYABLE
December 31, 2009

<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Utility Revenue Bonds and Notes:				
<u>General Obligation Utility Revenue Note of 2001 (TRLF Note/MNPFA)</u>				
2010	2.29%	104,000	7,305	111,305
2011	2.29%	106,000	4,924	110,924
2012	2.29%	109,000	2,496	111,496
Sub-total		\$ 319,000	\$ 14,725	\$ 333,725
<u>General Obligation Utility Revenue Bonds of 2002A</u>				
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		\$ 585,000	\$ 39,012	\$ 624,012
<u>General Obligation Utility Revenue Bonds of 2005A</u>				
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		\$ 1,130,000	\$ 129,188	\$ 1,259,188
<u>General Obligation Utility Revenue Bonds of 2006 (Series 2006B)</u>				
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		\$ 3,070,000	\$ 592,895	\$ 3,662,895
Total General Obligation Utility Bonds and Notes		\$ 5,104,000	\$ 775,820	\$ 5,879,820
Total Long Term Debt Issues Payable		\$ 18,284,000	\$ 4,012,213	\$ 22,296,213



READER'S NOTES:

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 Seven Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
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	\$20,986,539
Restricted	5,663,073	4,730,506	3,137,422	3,546,708	3,774,299	5,306,950	4,340,185
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>	<u>12,985,212</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>	<u>\$38,311,936</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	\$ 9,895,291
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>	<u>8,682,243</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>	<u>\$18,577,534</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	\$30,881,830
Restricted	6,774,125	5,885,623	4,312,310	3,546,708	3,774,299	5,306,950	4,340,185
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>	<u>21,667,455</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>	<u>\$56,889,470</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 Seven Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities							
General government	\$ 994,693	\$ 1,073,517	\$ 1,040,837	\$ 1,049,589	\$ 1,021,438	\$ 1,141,359	\$ 1,096,856
Community Development	1,176,663	5,479,506	5,948,733	2,369,643	1,448,035	1,149,841	2,059,442
Public Safety	3,417,417	3,427,975	3,751,046	3,869,833	3,808,379	4,080,471	4,051,535
Recreation	1,471,433	1,684,254	1,864,698	1,513,183	1,527,831	1,331,959	1,298,539
Public Works	905,478	1,100,403	1,234,772	1,365,549	1,909,203	2,241,390	2,215,989
Human Services	21,750	18,633	18,933	19,133	1,600	1,700	4,830
Interest on long-term debt	257,312	264,031	344,568	337,565	469,848	383,544	527,820
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>	<u>11,255,011</u>
Business-type activities							
Water Utility	893,186	875,003	897,416	966,178	1,009,200	1,006,173	1,028,542
Sanitary Sewer Utility	1,436,779	1,134,909	1,258,788	1,369,615	1,368,433	1,396,520	1,442,525
Storm Sewer Utility	152,343	176,963	175,150	212,160	240,535	249,502	333,634
Solid Waste Utility	1,051,745	1,049,834	1,121,758	1,146,931	1,199,735	996,067	1,157,282
Liquor Operations	2,041,651	2,070,692	2,002,546	2,006,001	2,089,831	2,326,877	2,407,183
Deputy Registrar	259,814	300,597	334,981	306,247	324,699	336,435	306,467
Broadway Court	684,291	698,526	725,974	921,423	511,213	646,977	623,985
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>	<u>7,299,618</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>	<u>\$ 18,554,629</u>
Program revenues							
Government activities							
Charges for services							
General government	\$ 749,415	\$ 759,175	\$ 770,779	\$ 496,483	\$ 470,307	\$ 928,742	\$ 828,171
Community Development	380,792	423,449	1,077,378	1,325,412	911,293	310,165	454,962
Public Safety	936,830	817,409	808,826	679,693	575,020	292,400	413,046
Recreation	183,218	145,983	141,410	172,860	170,235	152,906	149,784
Public Works	487,145	299,576	538,000	793,648	964,135	348,025	63,087
Operating grants and contributions	273,885	271,625	288,975	294,927	424,164	376,447	388,076
Capital grants and contributions	545,181	520,795	884,314	1,925,124	85,833	59,364	1,327,312
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>	<u>3,624,438</u>

CITY OF ROBBINSDALE, MINNESOTA

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

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Business-type activities							
Charges for services							
Water Utility	895,026	861,508	968,000	1,284,073	1,273,413	1,302,235	1,393,085
Sanitary Sewer Utility	1,305,722	1,331,566	1,424,020	1,379,471	1,455,471	1,435,943	1,511,743
Storm Sewer Utility	253,368	266,484	400,559	436,038	486,436	502,944	584,252
Solid Waste Utility	1,166,117	1,156,752	1,176,402	1,193,393	1,231,954	1,291,993	1,335,313
Liquor Operations	2,114,320	2,100,573	2,011,139	1,982,472	2,159,658	2,475,473	2,613,894
Deputy Registrar	349,217	323,578	306,278	321,732	324,552	308,660	285,532
Broadway Court	641,223	691,080	671,928	683,452	729,821	679,654	623,403
Hubbard Marketplace	121,850	109,401	100,028	-	-	-	-
Operating grants and contributions	88,976	36,246	36,177	35,973	36,656	41,739	41,409
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>	<u>8,388,631</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>	<u>\$ 12,013,069</u>
Net (expense)/revenue							
Governmental activities	\$ (4,688,280)	\$ (9,810,307)	\$ (9,693,905)	\$ (4,836,348)	\$ (6,585,347)	\$ (7,862,215)	\$ (7,630,573)
Business-type activities	<u>177,270</u>	<u>346,843</u>	<u>352,338</u>	<u>388,049</u>	<u>954,315</u>	<u>1,080,090</u>	<u>1,089,013</u>
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>	<u>\$ (6,541,560)</u>

CITY OF ROBBINSDALE, MINNESOTA

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

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
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	\$ 5,207,900
Tax Increments	1,468,874	1,363,220	525,585	403,679	462,906	858,422	582,440
Unrestricted grants and contributions	2,106,842	2,009,915	1,748,625	1,467,355	1,288,363	1,260,527	1,513,062
Franchise Fees	231,090	497,928	583,316	617,774	626,873	665,885	572,380
Unrestricted Investment Earnings	299,922	604,580	474,631	916,612	1,113,326	828,530	404,427
Gain on disposal of property	52,301	53,500	-	131,685	17,034	8,500	793,845
Transfers	279,862	247,742	605,251	258,406	334,488	286,729	287,597
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>	<u>9,361,651</u>
Business-type activities							
Investment earnings	181,096	264,412	245,499	421,985	471,875	331,995	151,253
Special Item - Disposal of Property	-	-	(2,268,134)	-	-	-	-
Transfers	(279,862)	(247,742)	(605,251)	(258,406)	(334,488)	(286,729)	(287,597)
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>	<u>(136,344)</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>	<u>\$ 9,225,307</u>
Change in net assets							
Governmental activities	\$ 2,910,582	\$ (1,355,621)	\$ (1,559,673)	\$ 3,592,847	\$ 1,986,691	\$ 912,156	\$ 1,731,078
Business-type activities	78,504	363,513	(2,275,548)	551,628	1,091,702	1,125,356	952,669
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>	<u>\$ 2,683,747</u>

The City implemented GASB Statement No. 34 in fiscal 2003. This information is not available for previous fiscal years. Beginning in 2008, forestry expenses are included in public works, in previous years forestry was in recreation.

CITY OF ROBBINSDALE, MINNESOTA

Governmental Activities Tax Revenues By Source
 Last Seven 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
2009	5,207,900	582,440	572,380	6,362,720

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)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 9,118	\$ 383	\$ 1,191	\$ 8,947	\$ 15,428	\$ 7,695	\$ 7,285	\$ 6,790	\$ 6,900	\$ -
Unreserved:										
Designated	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	4,063,572
Undesignated	1,708,749	108,648	-	698,792	129,435	229,857	337,511	432,957	72,811	684,695
Total General Fund	\$ 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	\$ 4,748,267
All other governmental funds										
Reserved, Reported in										
Special Revenue Funds	\$ 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	\$ 4,731,470
Debt Service Funds	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	2,865,832
Capital Projects Funds	157,170	49,058	297,970	-	265,000	243,096	954,922	839,479	1,386,644	608,518
Total Reserved	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	8,205,820
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	2,225,627
Capital Projects Funds	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	4,506,191
Undesignated, Reported in										
Special Revenue Funds	6,141,460	(761,086)	(390,441)	(432,325)	2,205	(2,162,929)	(1,756,811)	(2,248,831)	(2,401,525)	(2,651,037)
Debt Service Funds	(24,354)	-	-	(31,500)	(70,034)	159,169	(54,101)	(10,312)	-	-
Capital Projects Funds	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	9,291,285	5,739,957	8,768,681	8,201,161	10,339,917	8,057,207	8,977,042	6,733,052	4,199,180	4,080,781
Total all other governmental funds	\$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	\$12,286,601

CITY OF ROBBINSDALE, MINNESOTA

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes	\$ 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	5,208,981
Tax Increments	1,448,370	1,628,294	1,356,514	1,468,874	1,363,220	525,585	403,679	462,906	858,422	582,440
Special assessments	117,005	125,650	114,853	364,060	226,197	315,066	531,297	541,727	507,304	763,799
Licenses and permits	314,671	315,866	362,277	505,010	528,882	418,970	382,539	391,529	449,548	277,740
Intergovernmental	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	1,901,058
Charges for services	876,010	937,519	708,177	1,186,629	1,172,510	1,182,837	1,691,911	860,561	1,078,774	1,251,399
Fines and forfeitures	322,305	220,200	161,453	346,663	267,749	323,841	227,925	171,171	203,219	215,239
Franchise fees	-	-	-	231,090	497,928	583,316	617,774	626,873	665,886	572,380
Investment earnings	1,084,131	775,384	517,934	229,528	483,957	382,214	752,683	930,662	666,418	331,110
Other	118,515	273,452	687,076	389,978	273,745	916,063	1,160,164	309,628	63,031	906,314
Total revenues	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	12,010,460
Expenditures										
General government	938,147	965,034	1,025,322	935,510	972,771	974,563	990,636	973,968	1,083,493	968,799
Community Development	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	2,055,531
Public Safety	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	3,856,292
Recreation	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	1,129,610
Public Works	745,468	907,834	911,714	958,355	1,021,897	1,079,376	1,199,080	1,349,011	1,585,959	1,771,977
Human Services	44,066	48,380	29,826	21,750	18,633	18,933	19,133	1,600	1,700	4,830
Capital outlay	999,622	1,021,030	835,840	1,166,455	654,670	963,085	3,833,773	2,484,380	1,956,457	2,090,134
Debt service										
Principal	510,000	540,000	2,375,000	837,000	897,000	730,000	525,000	5,830,000	610,000	650,000
Interest	389,026	360,691	258,130	280,288	216,218	339,226	314,789	417,358	465,753	458,921
Other charges	-	1,506	29,074	-	-	-	-	-	-	-
Total expenditures	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	12,986,094
Excess of revenues over (under) expenditures	123,603	(87,681)	(944,622)	752,379	(2,709,666)	(3,509,909)	(211,418)	(6,729,934)	(1,146,343)	(975,634)
Other financing sources (uses)										
Transfers in	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	655,992
Transfers out	(2,553,008)	-	(574,000)	(1,027,774)	(1,198,582)	(712,439)	(1,073,994)	(580,090)	(1,026,112)	(1,248,032)
Sale of assets	-	-	-	-	-	-	-	-	-	2,218
Issuance of Debt	-	214,000	1,230,000	225,000	5,320,000	-	1,535,000	5,465,000	-	750,000
Total other financing sources (uses)	(1,073,012)	694,027	2,116,000	515,130	5,767,742	679,401	1,869,106	5,297,488	889,625	160,178
Net change in fund balances	\$ (949,409)	\$ 606,346	\$ 1,171,378	\$ 1,267,509	\$ 3,058,076	\$(2,830,508)	\$ 1,657,688	(1,432,446)	(256,718)	(815,456)
Debt service as a percentage of noncapital expenditures	10.1%	10.2%	26.1%	12.6%	8.4%	7.5%	8.1%	41.6%	10.6%	10.2%

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>
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
2009	5,208,981	582,440	572,380	6,363,801

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
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%
2009	1,136,306,200	6,461,600	1,142,767,800	113.934	1,145,954,100	99.7%

(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
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
2009	38.618	40.413	27.214	7.689	113.934

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	2009				2000			
	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	\$ 7,106,000	\$ 88,825	4	0.79 %	\$ 4,600,000	\$ 110,400	6	1.58 %
Copperfield Hill Apartments	16,947,000	211,838	1	1.87	10,465,000	251,160	2	3.60
Klatt Realty	-	-	-	-	1,959,000	65,106	7	0.93
North Memorial Medical Center	4,651,000	91,520	8	0.81	3,580,000	120,220	5	1.72
Oakdale Medical Buildings	16,520,377	337,940	2	2.99	11,317,000	383,278	1	5.49
Robin Center	5,609,000	111,430	7	0.99	549,000	17,166	11	0.25
Robins Landing	5,988,000	44,910	6	0.40	3,803,000	38,030	10	0.54
Terrace Mall	7,893,000	157,110	3	1.39	3,821,000	128,414	4	1.84
Town Center	6,571,000	130,670	5	1.16	4,250,000	143,000	3	2.05
Trevilla Nursing Home	3,011,000	37,638	9	0.33	2,564,000	61,536	8	0.88
U.S. Bank of Robbinsdale	2,350,000	46,250	10	0.41	1,709,000	56,606	9	0.81
Total	<u>\$ 76,646,377</u>	<u>\$ 1,258,131</u>		<u>11.12 %</u>	<u>\$ 48,617,000</u>	<u>\$ 1,374,916</u>		<u>19.69 %</u>

Note: Total City Property Tax Capacity for Payable 2009 is \$11,309,066
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
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%	8,286	3,628,435	100.18%
2005	3,954,706	3,913,097	98.95%	44,951	3,958,048	100.08%
2006	4,418,526	4,339,831	98.22%	73,273	4,413,104	99.88%
2007	4,834,598	4,737,545	97.99%	81,406	4,818,951	99.68%
2008	4,950,925	4,847,344	97.91%	65,104	4,912,448	99.22%
2009	5,164,054	5,087,713	98.52%	-	5,087,713	98.52%

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			
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
2009	2,505,000	5,465,000	750,000	5,104,000	4,460,000	-	18,284,000	5.55	1,327

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>
2000	\$ 3,530,000	\$ 2,187,368	\$ 1,342,632	0.22%	95
2001	3,440,000	2,187,368	1,252,632	0.20%	89
2002	3,345,000	404,608	2,940,392	0.43%	209
2003	2,880,000	633,614	2,246,386	0.29%	160
2004	2,760,000	661,381	2,098,619	0.24%	149
2005	2,505,000	664,055	1,840,945	0.19%	132
2006	2,670,000	718,953	1,951,047	0.18%	141
2007	2,525,000	778,424	1,746,576	0.16%	128
2008	2,280,000	832,443	1,447,557	0.13%	106
2009	2,740,000	1,005,853	1,734,147	0.16%	126

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, 2009

Governmental Unit	Gross Debt (1)	Sinking Fund	Net Debt	City Percentage	Share Amount
Direct Debt:					
City of Robbinsdale	\$ 8,205,000	\$ 3,049,284	\$ 5,155,716	100 %	\$ 5,155,716
Overlapping Debt:					
Robbinsdale Independent School District # 281	195,245,000	18,885,626	176,359,374	14.29	25,201,755
Hennepin County	608,360,000	7,865,681	600,494,319	0.91	5,464,498
Suburban Hennepin Regional Park District	80,895,000	9,877,248	71,017,752	1.2	852,213
Hennepin County Regional RR Authority	42,850,000	419,376	42,430,624	0.91	386,119
Metropolitan Council (2)	<u>208,505,000</u>	<u>76,891,720</u>	<u>131,613,280</u>	0.41	<u>539,614</u>
Total Overlapping Debt	<u>1,135,855,000</u>	<u>113,939,651</u>	<u>1,021,915,349</u>		<u>32,444,199</u>
Total Direct and Overlapping Debt	<u><u>\$ 1,144,060,000</u></u>	<u><u>\$ 116,988,935</u></u>	<u><u>\$ 1,027,071,065</u></u>		<u><u>\$ 37,599,915</u></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.

CITY OF ROBBINSDALE, MINNESOTA

Legal Debt Margin Information Last Ten Fiscal Years

	Fiscal Year				
	2000	2001	2002	2003	2004
Debt Limit	\$ 11,978,174	\$ 13,896,052	\$ 12,381,162	\$ 13,639,684	\$ 15,257,602
Total net debt applicable to limit	<u>3,780,000</u>	<u>3,794,000</u>	<u>1,924,000</u>	<u>1,832,000</u>	<u>1,550,000</u>
Legal debt margin	<u>\$ 8,198,174</u>	<u>\$ 10,102,052</u>	<u>\$ 10,457,162</u>	<u>\$ 11,807,684</u>	<u>\$ 13,707,602</u>
Total net debt applicable to the limit as a percentage of debt limit	31.56%	27.30%	15.54%	13.43%	10.16%

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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 17,320,124	\$ 19,670,434	\$ 22,013,940	\$ 35,182,848	\$ 34,283,034
<u>1,345,000</u>	<u>1,891,576</u>	<u>1,746,576</u>	<u>1,274,147</u>	<u>1,734,147</u>
<u><u>\$ 15,975,124</u></u>	<u><u>\$ 17,778,858</u></u>	<u><u>\$ 20,267,364</u></u>	<u><u>\$ 33,908,701</u></u>	<u><u>\$ 32,548,887</u></u>
7.77%	9.62%	7.93%	3.62%	5.06%

Legal Debt Margin Calculation for Fiscal Year 2009

Estimated Taxable Market Value	\$1,142,767,800
Debt limit (3% of market value)	34,283,034
Debt applicable to limit:	
General obligation bonds	2,740,000
Less amount set aside for repayment of general obligation debt	<u>1,005,853</u>
Total net debt applicable to limit	<u><u>1,734,147</u></u>
Legal debt margin	<u><u>\$ 32,548,887</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	
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
2009	3,489,080	2,597,310	891,770	762,000	207,391	0.92

(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)
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	1,836	4.9
2009	13,775	23,912	329,387,800	38	14	1,881	7.9

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. (bls.gov.lau/data.htm)

N/A Information is not available

CITY OF ROBBINSDALE, MINNESOTA

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

Function	2000	2001	2002	2003	2004
General government (3)	13.26	12.42	13.42	12.21	12.93
Community Development	3.18	2.73	2.86	2.52	2.56
Public safety					
Police					
Officers	21.80	21.81	21.44	21.15	20.30
Civilians	9.96	10.08	9.78	9.45	10.23
Fire					
Firefighters -Paid on call (1)	-	-	-	-	-
Building Inspections	1.39	1.37	1.39	1.45	1.48
Recreation					
Recreation Programming	13.61	12.66	12.26	10.5	7.38
Park Maintenance	4.95	4.20	4.41	4.41	4.28
Public Works					
Engineering	4.02	3.87	5.05	4.17	4.56
Maintenance (2)	8.61	10.09	9.19	9.11	8.51
Water	2.76	2.56	2.75	2.73	3.08
Sanitary Sewer	1.67	1.55	1.55	1.78	1.42
Storm Sewer	0.30	0.23	0.29	0.3	0.18
Solid Waste	0.42	0.05			
Liquor Operatons	5.24	5.66	5.66	5.85	6.00
Deputy Registrar	5.87	5.73	5.87	5.32	5.61
Total	97.04	95.01	95.92	90.95	88.52

(1) There are 29 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

2005	2006	2007	2008	2009
11.98	12.82	10.62	13.10	11.83
2.44	2.21	2.97	3.01	2.00
21.01	22.24	19.78	21.16	21.95
10.21	10.53	10.87	9.77	9.45
1.59	-	-	-	-
7.67	1.59	1.59	1.92	1.71
4.90	7.82	6.38	6.65	6.57
5.38	5.09	4.80	4.94	4.58
8.16	5.17	4.30	4.33	5.41
2.39	8.16	9.86	8.09	7.62
1.54	2.70	2.76	2.55	2.42
0.44	1.54	1.80	1.63	1.45
6.42	0.20	0.19	0.10	1.01
5.68	6.30	5.58	5.73	6.02
89.81	5.15	5.12	4.91	4.50
<u>89.81</u>	<u>91.52</u>	<u>86.62</u>	<u>87.89</u>	<u>86.52</u>

CITY OF ROBBINSDALE, MINNESOTA

Operating Indicators by Function Last Ten Fiscal Years

Function	2000	2001	2002	2003	2004
Police					
Radio Calls	15,974	14,524	14,486	16,418	14,883
Arrests	1,267	911	927	952	1,090
Traffic Violations	3,231	1,435	1,864	3,578	2,622
Parking Violations	126	61	80	56	67
Part I Crimes Charged	621	637	665	648	655
Part II Crimes Charged	1,007	926	882	982	932
Investigative Cases Referred	244	285	236	286	210
Police Reserve Hours Logged	3,490	3,278	3,251	2,985	2,212
Fire					
Number of calls answered	336	367	383	351	379
Inspections	N/A	N/A	N/A	N/A	N/A
Recreation					
Annual Program Registrations	9,068	8,324	3,806	3,960	2,897
Picnic/ Shelter Building Reservations	N/A	N/A	N/A	N/A	81
Skating Rink Attendance	2,271	1,754	2,326	2,326	N/A
Wading Pool					
Annual Attendance	5,000	N/A	N/A	4,688	3,123
Resident Passes purchased (1)	512	1,002	456	462	352
Community Gym Statistics					
Annual Attendance	18,665	15,929	14,930	10,387	10,388
Punch Passes Sold (1)	115	104	110	117	67
Memberships Sold	315	211	183	130	60
Robbin Gallery Visitors	960	1,048	856	800	1,509
Water					
Total connections	4,942	4,942	4,888	4,899	4,903
Water main breaks	7	6	8	14	21
Average daily flow (thousands of gallons)	742	818	750	870	841

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

2005	2006	2007	2008	2009
15,556	13,976	13,528	15,352	14,888
819	884	873	362	863
3,767	2,439	2,423	3,801	2,851
426	626	1,074	823	668
633	556	547	611	527
961	1,052	995	1,070	977
245	233	245	301	297
1,940	2,848	2,414	1,902	2,880
355	322	380	351	334
N/A	N/A	N/A	N/A	N/A
3,278	2,253	3,511	3,614	2,662
157	125	55	55	43
1,727	1,670	2,361	3,902	4,190
4,364	1,843	1,565	1,546	1,095
482	114	192	142	202
8,359	11,069	10,657	11,882	15,782
97	90	81	62	90
100	101	73	36	56
2,098	1,868	800	N/A	N/A
4,903	5,052	5,046	4,945	5,034
12	11	9	10	11
835	825	890	838	891

CITY OF ROBBINSDALE, MINNESOTA

Capital Asset Statistics by Function Last Ten Fiscal Years

Function	2000	2001	2002	2003
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	9
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

2004	2005	2006	2007	2008	2009
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	1	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	2009			2000		
	Number of Employees	Rank	Percentage of Total City Employment (1)	Number of Employees	Rank	Percentage of Total City Employment (1)
North Memorial Medical Center	5,100	1		225	2	
Robbinsdale Independent School District #281	2,080	2		425	1	
Rainbow Foods	175	3		127	4	
City of Robbinsdale	74	4		72	5	
U.S. Bank	42	5		–	–	
Robbinsdale Farm, Garden & Pet Supply	40	6		65	6	
Burmeister Electric Co.	25	7		25	8	
Citizens Independent Bank	17	8		17	10	
American Legion Post 251	–	–		21	9	
Shared-Services, Inc.	–	–		150	3	
Twin City Federal Bank	–	–		30	7	
Total	198		– %	380		– %

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.