

***COMPREHENSIVE
ANNUAL FINANCIAL REPORT***

For the year ended December 31, 2012

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, 2012

Prepared by the
City of Robbinsdale Finance Department

Larry Jacobson, Finance Director
Ann Hanson, Accountant



READER'S NOTES:

CITY OF ROBBINSDALE

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INTRODUCTORY SECTION

City of Robbinsdale

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



May 23, 2013

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, 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 (CAFR) of the City of Robbinsdale, Minnesota (the City) for the fiscal year ended December 31, 2012.

This report consists of management's representations concerning the finances of the City. 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 has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation for the City's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of the internal controls should not outweigh their benefits, the City'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 CAFR is complete and reliable in all material respects.

The City'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 for the fiscal year ended December 31, 2012 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's financial statements for the fiscal year ended December 31, 2012, are fairly presented in conformity with accounting principles generally accepted in the United States of America. 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 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 14,014. 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, parks and recreation, 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 (the Association) has not met the established criteria for inclusion in the reporting entity and, accordingly, is excluded from this report. The Association is not a component unit because it is organized independently under state law. The Association's audited annual financial reports are available in their offices, as well as at City Hall.

Local Economy and Housing

The City's downtown area maintains a mix of retail and professional businesses. Outside of the downtown area, there are two shopping centers and the North Memorial Healthcare (NMHC) campus.

The City is home to 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.

The City's housing market is primarily single-family homes that are pre-World War II vintage. During 2004, the REDA entered into an agreement with a developer for the redevelopment of an old school site, which would add about 165 housing units (mostly townhomes) to the City's tax base. The townhome project was completed in 2012 and there is only one home site still available.

A builder has constructed four large homes on land he purchased on Crystal Lake. A cooperative venture between the REDA and a local church in 2008 provided land for a 49-unit senior building in the northwest quadrant of Highway 100 and County Road 9. Additionally, a large area was acquired in the northwestern part of the City from the Minnesota Department of Transportation. Five homes were constructed and the REDA repurchased seven of the remaining eight lots. A six-home redevelopment site on Scott Avenue, north of County Road 9, involved bringing in a sanitary sewer main with an easement across the adjacent church property. The first home was built in 2011 and sold in May 2012; the remaining five homes have been sold within the last six months and will be completed in 2013. 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 for local government aid and market value homestead credit reduced (that it receives to help pay for basic governmental services) by 50 percent. The City received a total of \$1,171,547 in these state aids in 2012. This was \$43,822 less than in 2011. The reduction in state aid by the state of Minnesota was to assist in balancing the state budget.

Based on the recent 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 other fees and spending reductions. In 2012, the City continued to implement several cost reduction actions which began in 2009 to address the state aid cuts.

Additionally, the City extended through June 2015 a 4 percent 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 2012 or have been placed in the 2013 adopted budget. No further reductions are planned, unless the state continues to reduce state aids and limits the City's ability to increase property tax levies.

Key priorities for the City for 2013–2014 are:

- Maintain public safety resources.
- Maintain Infrastructure Replacement Program, including LED street lighting.
- 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.
- Enhance downtown thru new initiatives and opportunities.

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 basic financial statements.

The City belongs to two organizations that were created for insurance purposes. The League of Minnesota Cities Insurance Trust (LMCIT) was founded to provide general liability and workers' compensation insurance to LMCIT 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 (HMOs) 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 40 to 50 percent of the subsequent 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 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 City Council will continue to provide that the balance is adequate to finance cash flow needs for subsequent years.

Major Initiatives

The City completed a major improvement to one of the city parks in conjunction with a project to improve the water quality of an adjacent lake. Through a funding opportunity with Hennepin County (which provided nearly 75 percent of the funding), and contributions from the Shingle Creek Watershed Management Commission, water quality improvements in the lake to reduce the amount of nutrients started operation in 2012.

The City continues to reconstruct various streets throughout the City. These projects include replacing city utility services as part of the project. The City has also begun to replace street lights in various sections of the City with energy saving LED lights.


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 for its CAFR for the fiscal year ended December 31, 2011. The City has received a Certificate of Achievement for the last 33 years (1979–2011). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. 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 CAFR 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

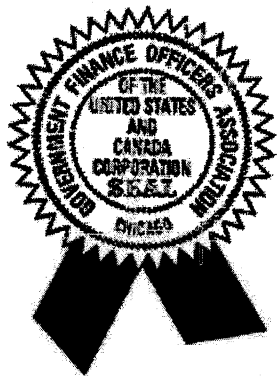
Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Robbinsdale
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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.



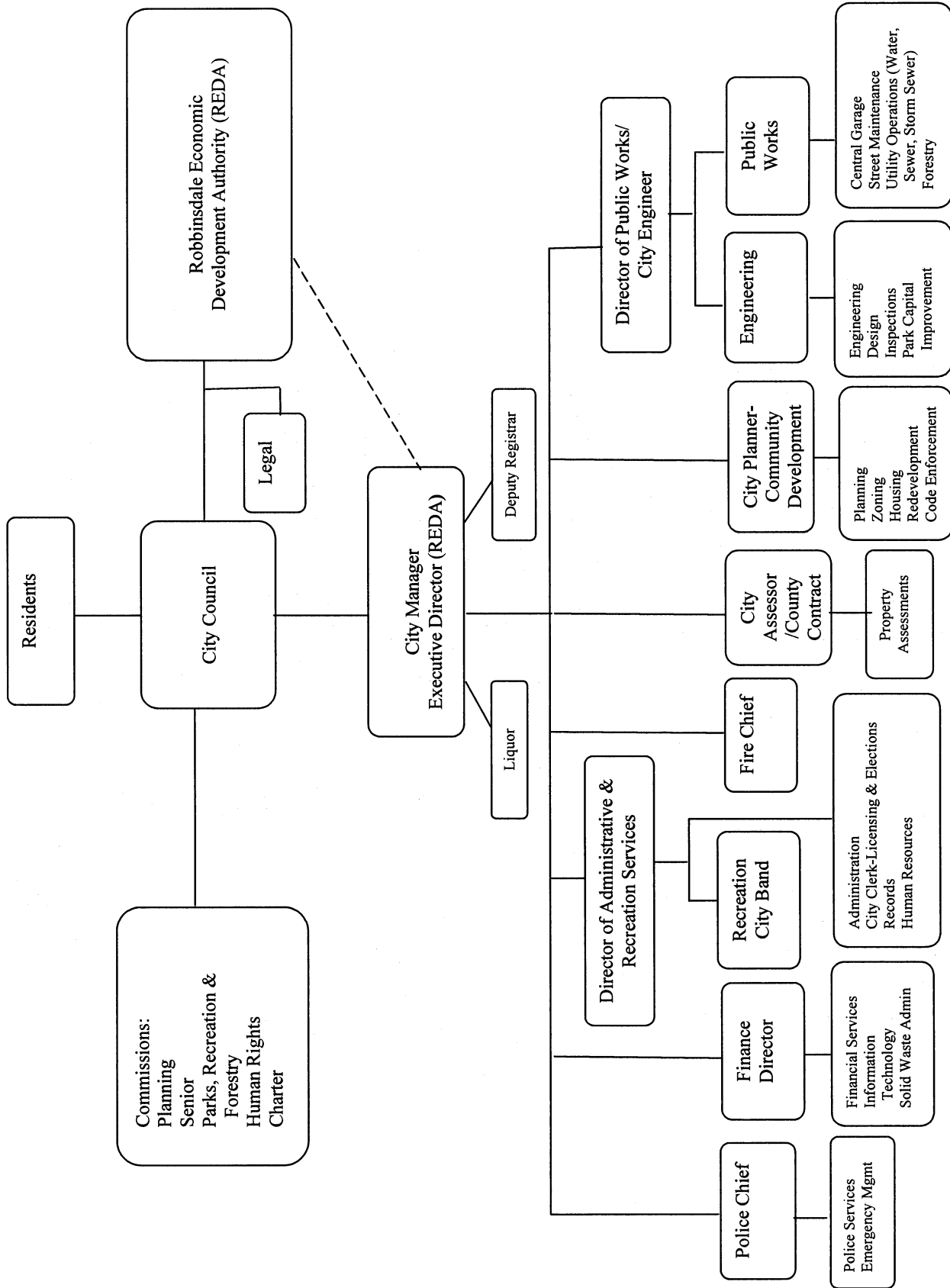
Christopher P. Morill

President

Jeffrey R. Emmer

Executive Director

City of Robbinsdale Organization Chart



CITY OF ROBBINSDALE, MINNESOTA

Elected and Administrative Officials
December 31, 2012

ELECTED OFFICIALS

		<u>Term Expires</u>
Michael A. Holtz	Mayor	December 31, 2012
William A. Blonigan	First Ward Councilperson	December 31, 2012
Dan Rogan	Second Ward Councilperson	December 31, 2012
George Selman	Third Ward Councilperson	December 31, 2014
Pat Backen	Fourth Ward Councilperson	December 31, 2014

ADMINISTRATIVE OFFICIALS

Marcia Glick	City Manager
Larry Jacobson	Finance Director
Richard McCoy	Public Works Director/City Engineer
Tom Marshall	Director of Administrative and Recreation Services/City Clerk
Steve Smith	Chief of Police
Mark Fairchild	Fire Chief
Melissa Manderschied	Attorney



READER'S NOTES:

FINANCIAL SECTION



PRINCIPALS

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

To the City Council and Management
City of Robbinsdale, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the 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, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

(continued)

OPINIONS

In our opinion, the financial statements referred to on the previous page 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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison 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.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and the schedules of funding progress for the Robbinsdale Fire Department Relief Association and the City of Robbinsdale Other Post-Employment Benefits Plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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, supplemental 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 supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

(continued)

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2013 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Minneapolis, Minnesota
May 23, 2013



READER'S NOTES:

CITY OF ROBBINSDALE

Management's Discussion and Analysis Year Ended December 31, 2012

As management of the City of Robbinsdale, Minnesota (the City), we have provided readers of the City's financial statements with this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, located earlier in this report.

FINANCIAL HIGHLIGHTS

The overall net position of the City increased by \$4,367,907 in the current year. The change in net position related to business-type activities was an increase of \$1,601,286, while the net result of governmental activities was an increase of \$2,766,621.

The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$67,854,567 (net position), as compared to \$63,486,660 at the end of 2011. Of this amount, \$20,072,613 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors. At year-end, the City was able to report a positive balance in all categories of net position.

At the end of the fiscal year, the unassigned fund balance for the City's General Fund was \$4,328,998, which represents 53.4 percent of total General Fund expenditures for 2012.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private sector businesses.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the 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 (delinquent taxes and special assessments).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by property 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 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.

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, 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, and fiduciary funds.

Governmental 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, as well as the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing 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 statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental funds Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains five individual major governmental funds. Information is presented separately in the governmental funds Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balances for the General Fund, Robbinsdale Economic Development Authority (REDA) General Development Special Revenue Fund, REDA Tax Increment Development Special Revenue Fund, REDA Tax Increment Deb Service Fund, and the Permanent Improvement Revolving Capital Projects Fund. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City 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.

Proprietary Funds – The City maintains two different types of proprietary funds. 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, and 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 operations, and Broadway Court, all of which are considered to be major funds of the City. Conversely, nonmajor 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.

Fiduciary Funds – These 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.

Notes to Basic Financial Statements – The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – Required supplementary information (RSI) is presented following the notes to basic financial statements. Combining and individual fund statements and schedules for nonmajor funds and other schedules are presented immediately following the RSI. Statistical tables are presented as the last section in this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net positions may serve over time as a useful indicator of the City’s financial position. In the case of the City, assets exceeded liabilities by \$67,854,567 at the end of the 2012 fiscal year. This represents an overall improvement in the City’s net position of \$4,367,907 from the previous year.

Net Position – The City has 58.5 percent of its total net position invested in capital assets (land, land improvements, buildings and improvements, machinery and equipment, infrastructure, and construction in progress) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot liquidate these liabilities. An additional 11.9 percent of the City’s net position represents resources that are subject to external restrictions on how they may be used. The remaining 29.6 percent of net position is unrestricted and may be used to meet the City’s ongoing obligations.

The following is a summary of the City’s net position:

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 25,954,359	\$ 24,027,938	\$ 11,127,703	\$ 9,788,322	\$ 37,082,062	\$ 33,816,260
Capital assets	27,269,646	25,638,449	23,144,678	21,143,613	50,414,324	46,782,062
Total assets	<u>53,224,005</u>	<u>49,666,387</u>	<u>34,272,381</u>	<u>30,931,935</u>	<u>87,496,386</u>	<u>80,598,322</u>
Noncurrent liabilities (including current portion)	8,398,651	7,710,063	9,011,203	7,407,821	17,409,854	15,117,884
Other liabilities	1,479,133	1,376,724	752,832	617,054	2,231,965	1,993,778
Total liabilities	<u>9,877,784</u>	<u>9,086,787</u>	<u>9,764,035</u>	<u>8,024,875</u>	<u>19,641,819</u>	<u>17,111,662</u>
Net position						
Net investment in capital assets	24,538,707	23,776,331	15,162,769	13,765,560	39,701,476	37,541,891
Restricted	8,080,478	7,595,341	–	–	8,080,478	7,595,341
Unrestricted	<u>10,727,036</u>	<u>9,207,928</u>	<u>9,345,577</u>	<u>9,141,500</u>	<u>20,072,613</u>	<u>18,349,428</u>
Total net position	<u>\$ 43,346,221</u>	<u>\$ 40,579,600</u>	<u>\$ 24,508,346</u>	<u>\$ 22,907,060</u>	<u>\$ 67,854,567</u>	<u>\$ 63,486,660</u>

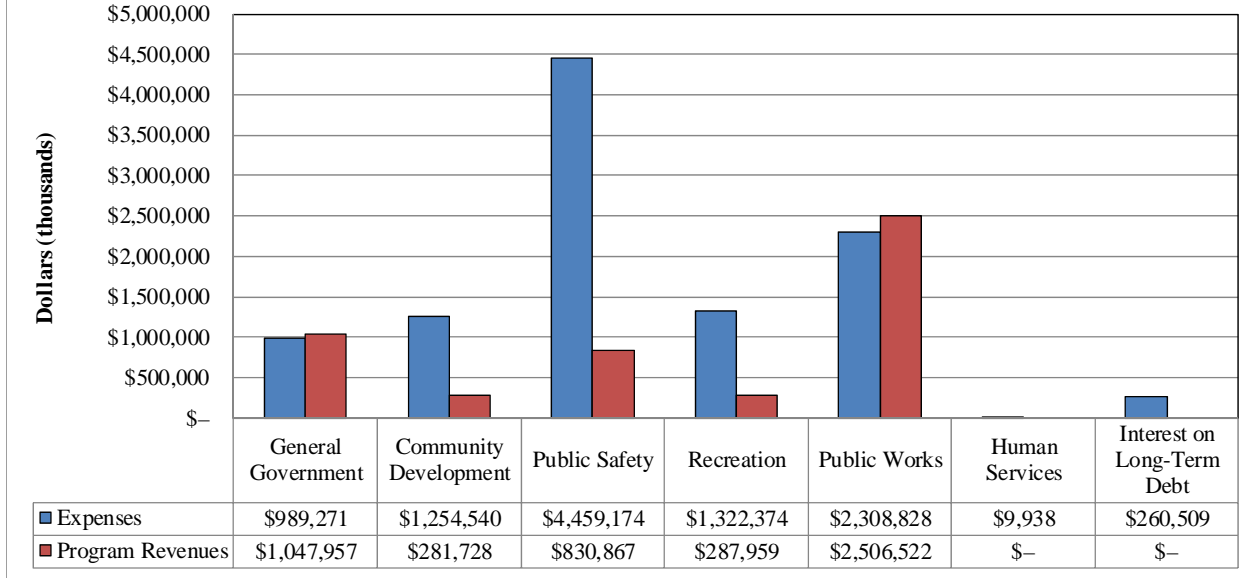
The following is a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues						
Charges for services	\$ 2,157,866	\$ 1,918,643	\$ 7,402,235	\$ 9,102,545	\$ 9,560,101	\$ 11,021,188
Operating grants and contributions	449,139	484,766	41,340	42,101	490,479	526,867
Capital grants and contributions	2,348,028	947,020	141,498	942,652	2,489,526	1,889,672
General revenues						
Property taxes	5,426,522	5,346,373	–	–	5,426,522	5,346,373
Tax increments	369,999	436,806	–	–	369,999	436,806
Grants and contributions not restricted to specific programs	1,181,930	1,250,114	–	–	1,181,930	1,250,114
Franchise fee tax	507,460	582,971	–	–	507,460	582,971
Investment earnings	268,021	685,626	112,677	325,783	380,698	1,011,409
Land sales	47,500	207,500	–	–	47,500	207,500
Gain on sale of capital assets	153,167	59,404	–	–	153,167	59,404
Total revenues	<u>12,909,632</u>	<u>11,919,223</u>	<u>7,697,750</u>	<u>10,413,081</u>	<u>20,607,382</u>	<u>22,332,304</u>
Expenses						
General government	989,271	1,037,556	–	–	989,271	1,037,556
Community development	1,254,540	1,134,987	–	–	1,254,540	1,134,987
Public safety	4,459,174	4,397,904	–	–	4,459,174	4,397,904
Recreation	1,322,374	1,228,887	–	–	1,322,374	1,228,887
Public works	2,308,828	2,391,935	–	–	2,308,828	2,391,935
Human services	9,938	9,287	–	–	9,938	9,287
Interest on long term debt	260,509	299,696	–	–	260,509	299,696
Water utility	–	–	995,704	934,582	995,704	934,582
Sanitary sewer utility	–	–	1,409,068	1,391,133	1,409,068	1,391,133
Storm sewer utility	–	–	400,964	380,028	400,964	380,028
Solid waste removal	–	–	1,187,660	1,178,725	1,187,660	1,178,725
Liquor operations	–	–	652,729	2,540,598	652,729	2,540,598
Deputy registrar	–	–	345,079	289,334	345,079	289,334
Broadway court	–	–	643,637	648,730	643,637	648,730
Total expenses	<u>10,604,634</u>	<u>10,500,252</u>	<u>5,634,841</u>	<u>7,363,130</u>	<u>16,239,475</u>	<u>17,863,382</u>
Increase in net position before transfers	2,304,998	1,418,971	2,062,909	3,049,951	4,367,907	4,468,922
Transfers	<u>461,623</u>	<u>355,931</u>	<u>(461,623)</u>	<u>(355,931)</u>	<u>–</u>	<u>–</u>
Increase in net position	2,766,621	1,774,902	1,601,286	2,694,020	4,367,907	4,468,922
Net position – beginning	<u>40,579,600</u>	<u>38,804,698</u>	<u>22,907,060</u>	<u>20,213,040</u>	<u>63,486,660</u>	<u>59,017,738</u>
Net position – ending	<u>\$ 43,346,221</u>	<u>\$ 40,579,600</u>	<u>\$ 24,508,346</u>	<u>\$ 22,907,060</u>	<u>\$ 67,854,567</u>	<u>\$ 63,486,660</u>

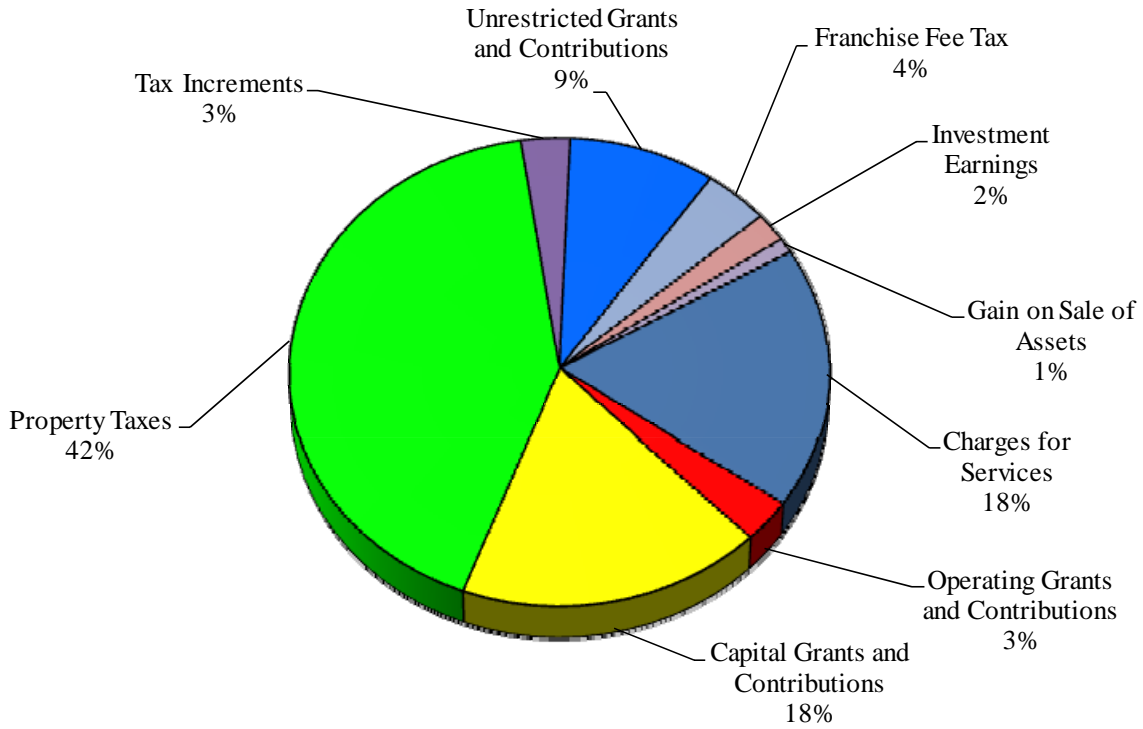
Governmental Activities – Governmental activities increased the City's net position by \$2,766,621, accounting for 63.3 percent of the total growth in the City's net position. Key elements of this net increase include:

- The General Fund realized a surplus before transfers out of \$389,760.
- Internal service fund operations contributed \$1,070,273 (net of investment income) as the result of adjustments to charges for services and transfers from the General Fund to replenish fund equity and finance future activities.
- Equity increased from capital improvements which were greater than related debt.
- Various grants and contributions were received to fund portions of capital improvements.

**Expenses vs. Program Revenues
Governmental Activities**



Revenue by Source – Governmental Activities



Business-Type Activities – Business-type activities increased the City’s net position by \$1,601,286, accounting for 36.7 percent of the total growth in the City’s net position from operations.

Water Utility Fund net position increased \$555,624. The operating revenues increased by 1.6 percent and included a rate increase, along with an increase in volume, which was offset by a reduction in water availability charges related to new commercial construction activity. Operating expenses increased 6.4 percent due to 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 net position increased \$208,902. The operating revenues increased by 3.0 percent. There was a rate increase to help pay for capital improvement costs. Operating expenses increased by 0.8 percent 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 Fund net position increased \$539,046. Operating revenue increased 10.2 percent due to rate increases. The receipt of intergovernmental grants to fund capital improvements also contributed to the increase in net position. Operating expenses increased 8.3 percent due to increased costs for maintenance. The Storm Sewer Utility Fund will see increases in its depreciation costs in future years and 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.

Solid Waste Removal Fund net position increased \$60,714. Operating revenue increased 2.8 percent due to rate increases, and operating expenses increased by 0.8 percent due to increased solid waste removal costs. Rate increases are addressed through the City’s Five-year Capital Improvement Plan that is updated annually.

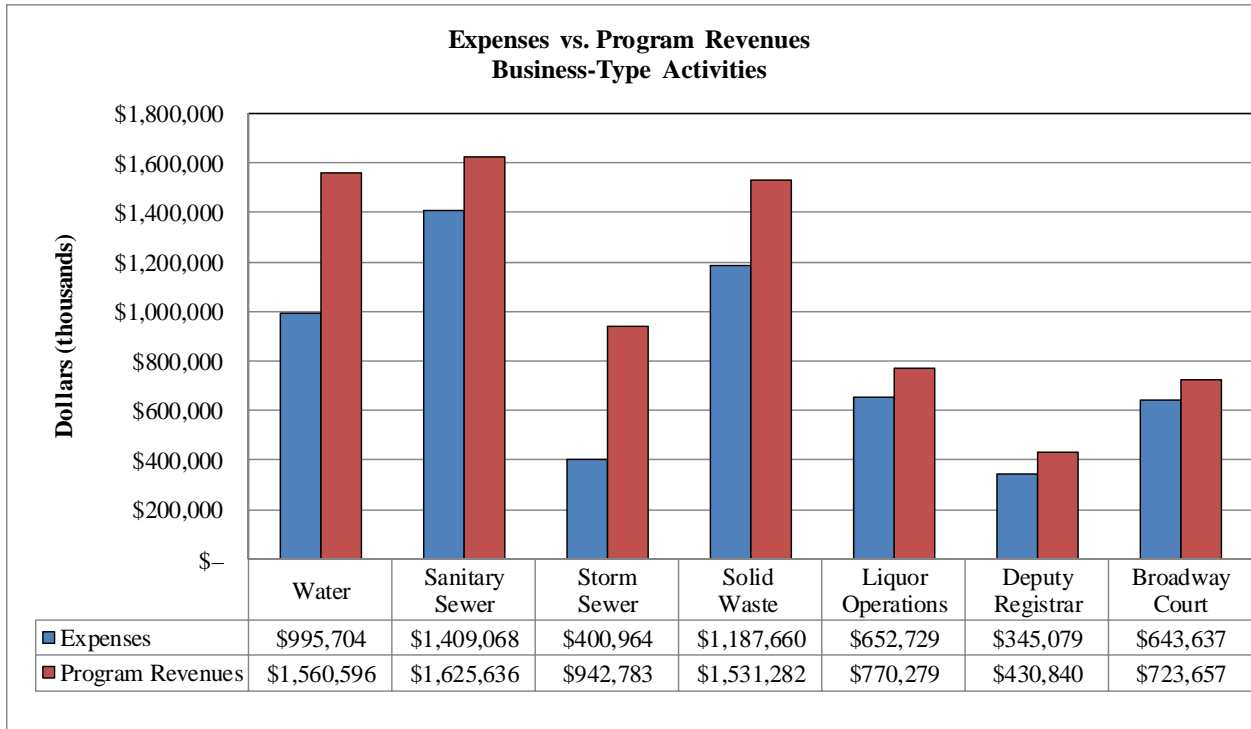
Liquor Operation Fund net position increased \$49,274. During 2012, the City moved the municipal liquor store operation to a new location. Operating revenue increased 11.5 percent as a result of increased sales. Gross profit was 25.3 percent of net sales, which is slightly more than the 25 percent target. Operating expenses, excluding cost of sales, increased by 21.1 percent due to increased rent, utilities, depreciation, personnel, and marketing costs. The fund had income before transfers of \$124,274 in 2012.

Broadway Court, owned and operated by the REDA, increased net position by \$100,009. Operating revenues saw a 2.7 percent increase. Rates were increased by 1 percent in 2012, and the facility saw a decrease in vacancies during the year. Operating expenses increased by 0.2 percent in 2012, mostly from maintenance-related areas.

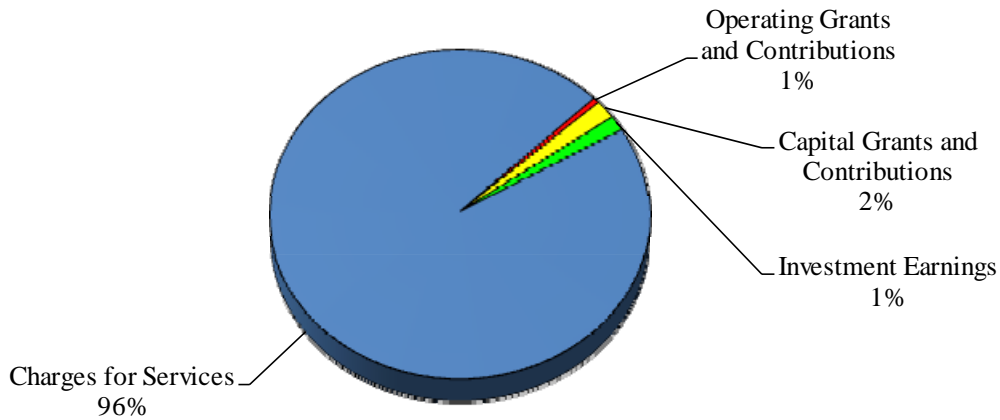
The Deputy Registrar Fund had a net position increase of \$87,717. Operating revenue increased by 12.9 percent as the result of a state approved per transaction fee increase and additional customer traffic due to another office being closed temporarily for part of 2012. Operating expenses increased by 19.3 percent due to increased personnel costs for additional staff hours.

Transfers in 2012 included the following:

- \$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.
- \$71,623 from utility funds to reimburse the General Fund for Engineering Department costs directly associated with capital improvements and other General Fund costs.
- \$135,000 from the Solid Waste Removal Fund to the Central Services Internal Service Fund to fund building improvements.



Revenue by Source – Business-Type Activities



FINANCIAL ANALYSIS OF THE CITY AT THE FUND LEVEL

Governmental Funds – The City’s governmental funds reported combined ending fund balances of \$16,651,474, an increase of \$1,064,119. The fund balance is comprised of nonspendable, restricted, committed, and assigned items which equal 92.3 percent of the fund balance. Unassigned fund balance is 7.7 percent.

General Fund – The fund balance increased by \$147,892 before transfers. The fund balance at year-end is \$4,366,250. This is equal to 53.9 percent of total 2012 expenditures in the General Fund, which puts the General Fund in an excellent financial position. During 2012, \$1,012,350 was transferred out to other funds to provide long-term financing resources for future capital projects and other items.

General Fund operating results are summarized as follows:

	<u>2012</u>	<u>2011</u>
Fund balance – beginning of year	\$ 4,988,840	\$ 5,281,704
Additions		
Revenue	8,252,491	7,913,296
Other sources	<u>241,868</u>	<u>253,301</u>
Total additions	<u>8,494,359</u>	<u>8,166,597</u>
Deductions		
Expenditures	8,104,599	7,674,461
Other uses	<u>1,012,350</u>	<u>785,000</u>
Total deductions	<u>9,116,949</u>	<u>8,459,461</u>
Fund balance – end of year	<u><u>\$ 4,366,250</u></u>	<u><u>\$ 4,988,840</u></u>

Of this fund balance, \$4,328,998 is unassigned. The City has established a minimum unassigned fund balance policy of 40 to 50 percent on annual projected expenditures. At year-end, the unassigned fund balance of the General Fund was 51.4 percent of annual projected expenditures. This amount is needed to provide for General Fund operations during the first half of the year, since the City does not receive any significant money from its main revenue source—property taxes—until July of each year. Also, \$33,698 was assigned for senior programs, while \$3,554 was considered nonspendable for prepaid items and inventory.

General Fund Revenues – The following is an analysis of 2012 General Fund revenue:

<u>Revenue</u>	<u>Original and Final 2012 Budget</u>	<u>2012 Actual</u>	<u>Over (Under) Budget</u>	<u>Percent Over (Under) Budget</u>
Property taxes	\$ 4,714,404	\$ 4,766,228	\$ 51,824	1.1 %
Licenses and permits	336,100	544,442	208,342	62.0
Intergovernmental	1,403,768	1,437,659	33,891	2.4
Charges for services	658,052	712,699	54,647	8.3
Fines and forfeitures	478,960	460,080	(18,880)	(3.9)
Franchise fee tax	400,000	253,730	(146,270)	(36.6)
Investment income	75,000	60,055	(14,945)	(19.9)
Other revenue	<u>12,500</u>	<u>17,598</u>	<u>5,098</u>	40.8
Totals	<u><u>\$ 8,078,784</u></u>	<u><u>\$ 8,252,491</u></u>	<u><u>\$ 173,707</u></u>	2.2

Property taxes were higher than budget due to strong collections of delinquent taxes. Licenses and permits revenues were higher due to additional construction activity. Intergovernmental revenue was more as the result of additional grants for capital improvements. Charges for services were strong in public safety. Fines and forfeitures were slightly less than expected from traffic enforcement throughout the City. Franchise fees were less than budget due to City Council action to reallocate the split of fees between the General Fund and the Permanent Improvement Revolving Capital Project Fund. Earnings on investments were lower as a result of an unrealized negative market value adjustment on the City's investment portfolio due to market conditions.

General Fund Expenditures – The following is an analysis of 2012 General Fund expenditures:

Category	Original and Final 2012 Budget	2012 Actual	Over (Under) Budget	Percent Over (Under) Budget
General government	\$ 1,021,895	\$ 944,975	\$ (76,920)	(7.5) %
Community development	337,650	350,130	12,480	3.7
Public safety	4,604,100	4,492,377	(111,723)	(2.4)
Recreation	956,586	984,754	28,168	2.9
Public works	1,472,877	1,322,425	(150,452)	(10.2)
Human services	<u>14,500</u>	<u>9,938</u>	<u>(4,562)</u>	(31.5)
Totals	<u>\$ 8,407,608</u>	<u>\$ 8,104,599</u>	<u>\$ (303,009)</u>	(3.6)

General Fund expenditures were under budget in several areas due to costs coming in lower than estimated. Savings were realized in forestry contractual services for diseased tree removal, snow and ice removal costs due to a mild winter in late 2012, staff salary savings due to vacancies, and contractual service savings throughout departments in the City. The assessing department function was contracted with Hennepin County during 2012 resulting in cost savings. Expenditures were minimized by departments in 2012 due to the uncertainty of state aid funding and whether 2012 would include further reductions similar to prior years. Expenditures were under budget due to shared restraint by all departments.

Budget amendments approved during the year were for increased transfers out to other funds (other financing uses) of \$1,012,350. These transfers were to construction funds to provide long-term financing resources for the current year and future capital projects and to the internal service funds to replenish and supplement fund balances for future purposes.

Other Major Governmental Funds – The City reported four other major governmental funds for 2012.

REDA General Development Fund – The REDA General Development Fund has a total fund balance of \$6,452,785, which is restricted for economic development. The net increase in fund balance during the year was \$45,246, due to changes in development costs, repayments of advances to other funds, and the receipt of a distribution of excess tax increment from the county for Tax Increment Financing (TIF) Districts that ended during the preceding years.

REDA TIF Development Fund – The REDA TIF Development Fund has a total fund deficit of \$2,439,290 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 \$338,361 as the result of increased development costs.

REDA Tax Increment Debt Service Fund – The REDA Tax Increment Debt Service Fund has a total fund deficit of \$610,039 which will be reduced as future tax increments are received. The fund has a long-term interfund loan payable to the REDA General Development Fund that was advanced to pay interest on the temporary bonds that were retired. The net decrease in fund balance during the year was \$122,493.

Permanent Improvement Revolving Capital Project Fund – The Permanent Improvement Revolving Capital Project Fund has a total fund balance of \$7,229,113, which is committed or assigned to street reconstruction projects. The net increase in fund balance for the year was \$1,804,621. Bonds were issued in 2012 to finance street improvement projects and intergovernmental aid was received from Minnesota state aid for construction projects. One of the projects is significant and final costs will be incurred in 2013. The results are in line with the City's Five-Year Capital Improvement Plan.

Proprietary Funds – The City’s proprietary funds provide the same information found in the government-wide financial statements, but in more detail. Unrestricted net position of the City’s enterprise funds totaled \$9,345,577 at the end of the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – At the end of 2012, the City had \$50,414,324 invested, net of depreciation, in a broad range of capital assets. This amount represents a net increase of approximately \$3,632,262, or 7.8 percent, over the prior year. During 2012, the City made expenditures for infrastructure improvements, park improvements, replacement vehicles, building improvements, and future investments in technology and equipment. 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 and proprietary fund financial statements. Additional information on the City’s capital assets can be found in the notes to basic financial statements in this report.

Long-Term Debt – At year-end, the City had \$17,107,690 in long-term liabilities outstanding, including deferred amounts, versus \$14,870,326 last year, an increase of \$2,237,364. The increase was largely due to bonds issued in the current year totaling \$4,030,000 offset by scheduled debt payments. More detailed information about the City’s long-term debt is presented in the notes to basic financial statements.

The City carries an “AA” bond rating from Standard & Poor’s.

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 2013 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 LGA 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 2013. Budget deficits faced in recent years and projected for the future by the state of Minnesota have resulted in reductions of aids by the state for distribution to cities. In 2012, the LGA was frozen at prior year levels. The actual amount of aid to be received in 2013 remains uncertain, as the state Legislature continues to discuss the state budget for the next two years. The LGA funding is currently being reviewed at the state legislative level and funding changes are currently proposed which would result in additional LGA payments to the City in future years. These changes were not final at this time.
- The 2013 General Fund budget levy was \$100,000 higher to provide for a balanced 2013 budget.
- Investment income is expected to remain at low levels due to the low interest rate environment.
- Extension of franchise fees to 2015.
- There has been an increase in building permit activity the past couple of years and it is expected to continue at a moderate rate in 2013.
- Continued progress with the City’s Long-Term Infrastructure Replacement Program.

Additionally, the following actions were taken in regards to the 2012 budget:

- Decision to maintain fund balance levels to offset future state aid reductions to balance General Fund budgets.
- 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'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, Finance Director, 4100 Lakeview Avenue North, Robbinsdale, MN 55422. This report is also available on the City's website at www.robbinsdalemn.com/FinanceInformation.shtml.



READER'S NOTES:

BASIC FINANCIAL STATEMENTS

CITY OF ROBBINSDALE

Statement of Net Position
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 1,738,372	\$ 2,828,231	\$ 4,566,603
Investments	19,291,824	6,780,489	26,072,313
Receivables			
Accrued interest	121,328	52,747	174,075
Taxes receivable	106,513	-	106,513
Special assessments receivable	1,715,373	348,724	2,064,097
Accounts receivable	151,561	1,018,760	1,170,321
Due from other governments	99,681	-	99,681
Internal balances	270,839	(270,839)	-
Notes receivable	1,391,659	-	1,391,659
Inventories	340	360,965	361,305
Properties held for resale	928,980	-	928,980
Prepaid items	34,117	8,626	42,743
Deferred charges	103,772	-	103,772
Capital assets			
Not depreciated	3,619,356	3,527,001	7,146,357
Depreciated, net of accumulated depreciation	23,650,290	19,617,677	43,267,967
Total assets	\$ 53,224,005	\$ 34,272,381	\$ 87,496,386
Liabilities			
Accounts payable	\$ 238,437	\$ 287,087	\$ 525,524
Accrued salaries and benefits	176,627	21,570	198,197
Contracts payable	269,818	194,337	464,155
Due to other governments	29,008	51,957	80,965
Accrued bond and note interest payable	97,819	128,559	226,378
Unearned revenue	660,424	890	661,314
Deposits	7,000	68,432	75,432
Long-term liabilities			
Net OPEB liability	265,597	36,567	302,164
Due within one year	535,500	710,000	1,245,500
Due in more than one year	7,597,554	8,264,636	15,862,190
Total liabilities	9,877,784	9,764,035	19,641,819
Net position			
Net investment in capital assets	24,538,707	15,162,769	39,701,476
Restricted for			
Public safety equipment	2,109	-	2,109
Senior transportation	91,829	-	91,829
Capital improvements	193,313	-	193,313
Debt service	723,281	-	723,281
Community development	7,069,946	-	7,069,946
Unrestricted	10,727,036	9,345,577	20,072,613
Total net position	43,346,221	24,508,346	67,854,567
Total liabilities and net position	\$ 53,224,005	\$ 34,272,381	\$ 87,496,386

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Activities
Year Ended December 31, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities							
General government	\$ 989,271	\$ 975,673	\$ 43,634	\$ 28,650	\$ 58,686	\$ -	\$ 58,686
Community development	1,254,540	281,728	-	-	(972,812)	-	(972,812)
Public safety	4,459,174	619,592	211,275	-	(3,628,307)	-	(3,628,307)
Recreation	1,322,374	161,150	104,263	22,546	(1,034,415)	-	(1,034,415)
Public works	2,308,828	119,723	89,967	2,296,832	197,694	-	197,694
Human services	9,938	-	-	-	(9,938)	-	(9,938)
Interest on long-term debt	260,509	-	-	-	(260,509)	-	(260,509)
Total governmental activities	10,604,634	2,157,866	449,139	2,348,028	(5,649,601)	-	(5,649,601)
Business-type activities							
Water utility	995,704	1,555,498	-	5,098	-	564,892	564,892
Sanitary sewer utility	1,409,068	1,625,636	-	-	-	216,568	216,568
Storm sewer utility	400,964	806,383	-	136,400	-	541,819	541,819
Solid waste removal	1,187,660	1,489,942	41,340	-	-	343,622	343,622
Liquor operations	652,729	770,279	-	-	-	117,550	117,550
Deputy registrar	345,079	430,840	-	-	-	85,761	85,761
Broadway Court	643,637	723,657	-	-	-	80,020	80,020
Total business-type activities	5,634,841	7,402,235	41,340	141,498	-	1,950,232	1,950,232
Total government	<u>\$ 16,239,475</u>	<u>\$ 9,560,101</u>	<u>\$ 490,479</u>	<u>\$ 2,489,526</u>	(5,649,601)	1,950,232	(3,699,369)
General revenues							
Property taxes					5,426,522	-	5,426,522
Tax increments					369,999	-	369,999
Unrestricted grants and contributions					1,181,930	-	1,181,930
Franchise fee tax					507,460	-	507,460
Unrestricted investment earnings					268,021	112,677	380,698
Land sales					47,500	-	47,500
Gain on sale of assets					153,167	-	153,167
Transfers					461,623	(461,623)	-
Total general revenues, and transfers					<u>8,416,222</u>	<u>(348,946)</u>	<u>8,067,276</u>
Change in net position					2,766,621	1,601,286	4,367,907
Net position – beginning					40,579,600	22,907,060	63,486,660
Net position – ending					<u>\$ 43,346,221</u>	<u>\$ 24,508,346</u>	<u>\$ 67,854,567</u>

See notes to basic financial statements



READER'S NOTES:

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is established to account for the revenue and expenditures to carryout 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 (PIR) Fund

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 and transportation program. It also accounts for funds allocated to the City as Municipal State Aid for highway construction.

CITY OF ROBBINSDALE

Balance Sheet
Governmental Funds
December 31, 2012

	Special Revenue			Debt Service	Capital Projects		Totals
	General Fund	REDA General Development Fund	REDA TIF Development Fund	REDA Tax Increment Fund	Permanent Improvement Revolving Fund	Nonmajor Funds	
Assets							
Cash	\$ 69,422	\$ 52,394	\$ 657	\$ 13,899	\$ 189,511	\$ 44,895	\$ 370,778
Investments	4,445,454	2,045,005	3,490	– 367,590	7,216,580	– 1,617,583	15,695,702
Accrued interest	26,867	12,085	21	– 2,175	42,654	– 8,979	92,781
Taxes receivable	92,306	5,797	–	– 634	–	– 7,776	106,513
Special assessments receivable	3,111	–	–	–	1,451,018	– 261,244	1,715,373
Accounts receivable	78,289	–	–	–	56,935	– 8,451	143,675
Due from other governments	53,706	–	–	–	6,150	– 39,825	99,681
Due from other funds	45,723	–	–	–	–	–	45,723
Notes receivable	115,806	612,326	235,418	–	428,109	–	1,391,659
Inventories	340	–	–	–	–	–	340
Property held for resale	–	798,980	130,000	–	–	–	928,980
Prepaid items	3,214	–	–	–	2,281	–	5,495
Advance to other funds	–	3,561,186	–	–	–	–	3,561,186
Total assets	\$ 4,934,238	\$ 7,087,773	\$ 369,586	\$ 384,298	\$ 9,393,238	\$ 1,988,753	\$ 24,157,886
Liabilities and Fund Balance							
Liabilities							
Accounts payable	\$ 99,416	\$ 17,827	\$ 1,345	\$ –	\$ 21,158	\$ 25,858	\$ 165,604
Accrued salaries and benefits	137,503	–	–	–	–	205	137,708
Contracts payable	–	–	–	–	267,378	–	267,378
Due to other governments	22,996	–	5,264	–	748	–	29,008
Due to other funds	–	–	–	–	–	45,723	45,723
Deferred revenues	301,073	617,161	235,418	–	1,874,841	264,312	3,292,805
Deposits	7,000	–	–	–	–	–	7,000
Advance from other funds	–	–	2,566,849	994,337	–	–	3,561,186
Total liabilities	567,988	634,988	2,808,876	994,337	2,164,125	336,098	7,506,412
Fund balance							
Nonspendable	3,554	–	–	–	2,281	–	5,835
Restricted	–	6,452,785	–	–	–	992,421	7,445,206
Committed	–	–	–	–	1,051,298	281,931	1,333,229
Assigned	33,698	–	–	–	6,175,534	378,303	6,587,535
Unassigned	4,328,998	–	(2,439,290)	(610,039)	–	–	1,279,669
Total fund balance	4,366,250	6,452,785	(2,439,290)	(610,039)	7,229,113	1,652,655	16,651,474
Total liabilities and fund balance	\$ 4,934,238	\$ 7,087,773	\$ 369,586	\$ 384,298	\$ 9,393,238	\$ 1,988,753	\$ 24,157,886

See notes to basic financial statements



READER'S NOTES:

CITY OF ROBBINSDALE

Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2012

Total fund balances – governmental funds \$ 16,651,474

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Capital Assets	34,657,531
Accumulated Depreciation	(10,550,762)

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.

Taxes receivable	75,477
Special assessments	1,709,160
Notes receivable	847,744
Deferred charges – bond issuance costs	103,772

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 position.

7,849,371

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	(265,597)
Bonds and notes payable, net of unamortized discounts and premiums	(7,634,130)
Bond and notes interest payable	(97,819)

Net position of governmental activities \$ 43,346,221

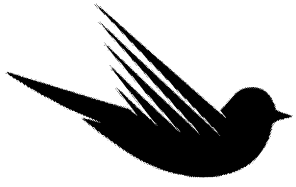
See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended December 31, 2012

	Special Revenue		Debt Service	Capital Projects	Nonmajor Funds	Total Governmental Funds
	General Fund	REDA General Development Fund	REDA TIF Development Fund	REDA Tax Increment Fund		
Revenues						
Property taxes	\$ 4,766,228	\$ 217,390	\$ -	\$ -	\$ 464,589	\$ 5,448,207
Tax increments	-	-	82,522	287,477	-	369,999
Special assessments	-	-	-	-	494,196	571,140
Licenses and permits	544,442	-	-	-	-	544,442
Intergovernmental	1,437,659	20	-	-	97,150	3,779,540
Charges for services	712,699	191,889	16,941	-	34,455	1,051,824
Land sales	-	-	47,500	-	-	47,500
Fines and forfeitures	460,080	-	-	-	-	460,080
Franchise fee tax	253,730	-	-	-	253,730	507,460
Investment earnings	60,055	30,162	163	3,933	97,686	208,630
Miscellaneous	17,598	17,437	-	-	-	85,631
Total revenues	8,252,491	456,898	147,126	291,410	740,365	13,074,453
Expenditures						
Current						
General government	941,742	-	-	-	655	942,397
Community development	350,130	411,652	490,238	2,570	-	1,254,590
Public safety	4,387,871	-	-	-	55,104	4,442,975
Recreation	965,330	-	-	-	88,816	1,054,146
Public works	1,322,425	-	-	-	343,991	1,666,416
Human services	9,938	-	-	-	-	9,938
Debt service						
Principal	-	-	-	200,000	-	815,000
Interest	-	-	-	206,582	-	272,350
Capital outlay and improvements	127,163	-	-	-	2,507,883	2,739,296
Total expenditures	8,104,599	411,652	490,238	409,152	929,593	13,197,108
Excess (deficiency) of revenues over (under) expenditures	147,892	45,246	(343,112)	(117,742)	(189,228)	(122,655)
Other financing sources (uses)						
Bonds issued	-	-	-	-	1,458,443	1,470,000
Discount on debt issuance	-	-	-	-	(9,849)	(9,849)
Transfers in	241,868	-	4,751	-	487,350	883,969
Transfers (out)	(1,012,350)	-	-	(4,751)	(138,111)	(1,157,346)
Total other financing sources (uses)	(770,482)	-	4,751	(4,751)	1,470,332	1,186,774
Net change in fund balance	(622,590)	45,246	(338,361)	(122,493)	297,696	1,064,119
Fund balances						
Beginning of year	4,988,840	6,407,539	(2,100,929)	(487,546)	1,354,959	15,587,355
End of year	\$ 4,366,250	\$ 6,452,785	\$ (2,439,290)	\$ (610,039)	\$ 7,229,113	\$ 16,651,474

See notes to basic financial statements



READER'S NOTES:

CITY OF ROBBINSDALE

Reconciliation of the Statement of
Revenue, Expenditures, and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
Year Ended December 31, 2012

Net change in fund balances – total governmental funds \$ 1,064,119

Amounts reported for governmental activities in the Statement of Activities are different because:

Revenues in the government-wide Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Property tax revenue	(21,685)
Special assessment revenue	(355,992)
Principal payments received on notes receivable	(10,067)

Net change due to internal service funds incorporated into the Statement of Activities.

Net change in operations (net of investment income)	1,070,273
Investment income recognized in statement of activities	59,391

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	2,879,540
Depreciation expense	(1,227,810)

The net effect of various transactions involving capital assets is to decrease capital assets.

Disposals of capital assets	(10,031)
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The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net position. Also, governmental funds report the affect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Amortization of issuance costs, premiums, and discounts	(7,038)
Principal repayments	
General obligation debt	815,000
Debt issued	
Issuance of debt, including discounts	(1,460,151)
Issuance costs	17,574

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	1,305
Change in net OPEB liability	(47,807)

Change in net position of governmental activities \$ 2,766,621

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 General Fund
 Year Ended December 31, 2012

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
Revenues				
Property taxes				
Current ad valorem	\$ 3,642,414	\$ 3,642,414	\$ 3,623,483	\$ (18,931)
Delinquent ad valorem	—	—	55,410	55,410
Other tax levy revenue	—	—	18,952	18,952
Fiscal disparities	1,071,990	1,071,990	1,068,383	(3,607)
Total property taxes	4,714,404	4,714,404	4,766,228	51,824
Licenses and permits				
Business	67,300	67,300	79,253	11,953
Non-business	268,800	268,800	465,189	196,389
Total licenses and permits	336,100	336,100	544,442	208,342
Intergovernmental				
Federal grants	15,000	15,000	5,737	(9,263)
State aids				
Local government aid	1,170,849	1,170,849	1,170,849	—
Market value homestead credit	—	—	698	698
Police and fire pension	196,000	196,000	195,483	(517)
PERA aid	15,819	15,819	15,819	—
Other state aids	6,100	6,100	49,073	42,973
Total state aid	1,388,768	1,388,768	1,431,922	43,154
Total intergovernmental	1,403,768	1,403,768	1,437,659	33,891
Charges for services				
General government	414,052	414,052	409,594	(4,458)
Public safety	99,000	99,000	139,520	40,520
Recreation	145,000	145,000	163,585	18,585
Total charges for services	658,052	658,052	712,699	54,647
Fines and forfeitures	478,960	478,960	460,080	(18,880)
Franchise fee tax	400,000	400,000	253,730	(146,270)
Investment earnings	75,000	75,000	60,055	(14,945)
Miscellaneous	12,500	12,500	17,598	5,098
Total revenues	8,078,784	8,078,784	8,252,491	173,707
Other financing sources				
Transfers in	220,000	220,000	241,868	21,868
Total revenues and other financing sources	8,298,784	8,298,784	8,494,359	195,575

(continued)

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual (continued)
General Fund
Year Ended December 31, 2012

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
Expenditures				
General government				
Personal services	961,145	961,145	841,354	(119,791)
Supplies	19,100	19,100	16,920	(2,180)
Other services and charges	486,943	486,943	528,761	41,818
Capital outlay	—	—	3,233	3,233
Amounts charged to other funds	(445,293)	(445,293)	(445,293)	—
Total general government	1,021,895	1,021,895	944,975	(76,920)
Community development				
Personal services	291,428	291,428	303,961	12,533
Supplies	620	620	788	168
Other services and charges	45,602	45,602	45,381	(221)
Total community development	337,650	337,650	350,130	12,480
Public safety				
Personal services	3,151,421	3,151,421	3,076,116	(75,305)
Supplies	87,650	87,650	90,548	2,898
Other services and charges	1,360,593	1,360,593	1,321,171	(39,422)
Capital outlay	104,400	104,400	104,506	106
Amounts charged to other funds	(99,964)	(99,964)	(99,964)	—
Total public safety	4,604,100	4,604,100	4,492,377	(111,723)
Recreation				
Personal services	577,433	577,433	574,678	(2,755)
Supplies	48,155	48,155	45,130	(3,025)
Other services and charges	330,198	330,198	345,522	15,324
Capital outlay	800	800	19,424	18,624
Total recreation	956,586	956,586	984,754	28,168
Public works				
Personal services	769,311	769,311	711,266	(58,045)
Supplies	124,710	124,710	85,736	(38,974)
Other services and charges	654,704	654,704	601,271	(53,433)
Amounts charged to other funds	(75,848)	(75,848)	(75,848)	—
Total public works	1,472,877	1,472,877	1,322,425	(150,452)
Human services				
Other services and charges	14,500	14,500	9,938	(4,562)
Total expenditures	8,407,608	8,407,608	8,104,599	(303,009)
Other financing uses				
Transfers out	—	1,012,350	1,012,350	—
Total expenditures and other financing uses	8,407,608	9,419,958	9,116,949	(303,009)
Net change in fund balances	\$ (108,824)	\$ (1,121,174)	(622,590)	\$ 498,584
Fund balances				
Beginning of year			4,988,840	
End of year			<u>\$ 4,366,250</u>	

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Robbinsdale Economic Development Authority
 General Development Special Revenue Fund
 Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
Revenues				
Property taxes				
Current ad valorem	\$ 176,605	\$ 176,605	\$ 133,023	\$ (43,582)
Delinquent ad valorem	—	—	2,067	2,067
Other tax levy revenue	—	—	352	352
Tax increment excess	—	—	40,002	40,002
Fiscal disparities	—	—	41,946	41,946
Total property taxes	<u>176,605</u>	<u>176,605</u>	<u>217,390</u>	<u>40,785</u>
Intergovernmental				
Market value homestead credit	—	—	20	20
Charges for services				
Community development				
Loan repayments	296,376	126,954	191,889	64,935
Land sales	149,000	—	—	—
Investment earnings	30,000	30,000	30,162	162
Miscellaneous	—	21,650	17,437	(4,213)
Total revenues	<u>651,981</u>	<u>355,209</u>	<u>456,898</u>	<u>101,689</u>
Expenditures				
Community development				
Personal services	4,000	4,000	4,860	860
Supplies	170	170	163	(7)
Project costs	69,226	135,250	65,194	(70,056)
Other services and charges	17,830	215,868	341,435	125,567
Total expenditures	<u>91,226</u>	<u>355,288</u>	<u>411,652</u>	<u>56,364</u>
Net change in fund balance	<u>\$ 560,755</u>	<u>\$ (79)</u>	45,246	<u>\$ 45,325</u>
Fund balances				
Beginning of year			<u>6,407,539</u>	
End of year			<u>\$ 6,452,785</u>	

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Robbinsdale Economic Development Authority
 TIF Development Special Revenue Fund
 Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
Revenues				
Tax increment	\$ 75,800	\$ 85,334	\$ 82,522	\$ (2,812)
Charges for services				
Loan repayments	15,016	16,941	16,941	-
Land sales	55,000	22,500	47,500	25,000
Investment earnings	-	-	163	163
Total revenues	<u>145,816</u>	<u>124,775</u>	<u>147,126</u>	<u>22,351</u>
Expenditures				
Community development				
Supplies	70	70	-	(70)
Other services and charges	57,221	40,720	31,108	(9,612)
Project costs	65,150	307,314	366,440	59,126
Interest and fiscal charges	101,434	88,191	92,690	4,499
Total expenditures	<u>223,875</u>	<u>436,295</u>	<u>490,238</u>	<u>53,943</u>
Excess (deficiency) of revenue over expenditures	(78,059)	(311,520)	(343,112)	(31,592)
Other financing sources				
Transfers in	-	-	4,751	4,751
Net change in fund balance	<u>\$ (78,059)</u>	<u>\$ (311,520)</u>	<u>(338,361)</u>	<u>\$ (26,841)</u>
Fund balances				
Beginning of year			<u>(2,100,929)</u>	
End of year			<u>\$ (2,439,290)</u>	

See notes to basic financial statements



READER'S NOTES:

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 Statutes allow 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.

NONMAJOR ENTERPRISE FUND

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.

CITY OF ROBBINSDALE

Statement of Net Position
Proprietary Funds
December 31, 2012

	Business-Type Activities – Enterprise Funds							Governmental Activities Internal Service Funds	
	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund	Liquor Operations Fund	Broadway Court Fund	Nonmajor Deputy Registrar Fund		Total Enterprise Funds
Assets									
Current assets									
Cash and cash equivalents	\$ 686,974	\$ 454,727	\$ 103,309	\$ 629,966	\$ 137,306	\$ 761,738	\$ 54,211	\$ 2,828,231	\$ 1,367,594
Investments	1,814,908	1,199,912	274,941	1,662,250	345,693	1,354,089	128,696	6,780,489	3,596,122
Accrued interest	14,390	9,525	2,183	13,176	2,744	9,707	1,022	52,747	28,547
Special assessments receivable	126,948	91,185	33,166	97,425	–	–	–	348,724	–
Accounts receivable	262,124	266,467	146,776	319,874	–	13,265	10,254	1,018,760	7,886
Due from other funds	–	–	–	–	–	–	–	–	270,839
Inventories	16,475	–	–	–	344,490	–	–	360,965	–
Prepaid items	–	–	8,479	–	–	–	147	8,626	28,622
Total current assets	2,921,819	2,021,816	568,854	2,722,691	830,233	2,138,799	194,330	11,398,542	5,299,610
Noncurrent assets									
Capital assets									
Land	56,155	23,000	217,389	–	–	115,000	–	411,544	98,773
Buildings and structures	201,302	354,923	–	–	–	6,809,286	–	7,365,511	1,525,708
Utility system	8,994,762	6,136,419	4,495,792	–	–	–	–	19,626,973	–
Other improvements	762,476	421,851	72,144	–	–	12,625	–	1,269,096	910,246
Leasehold improvements	–	–	–	–	499,031	17,967	–	516,998	–
Mobile equipment	–	20,837	177,790	–	–	–	–	198,627	4,518,217
Machinery and office equipment	194,109	64,595	46,454	–	126,854	222,734	18,137	672,883	2,177,015
Work in progress	918,825	568,133	1,628,499	–	–	–	–	3,115,457	2,440
Accumulated depreciation	(5,448,928)	(2,265,279)	(535,571)	–	(36,425)	(1,728,071)	(18,137)	(10,032,411)	(6,069,522)
Total capital assets, net of depreciation	5,678,701	5,324,479	6,102,497	–	589,460	5,449,541	–	23,144,678	3,162,877
Total assets	\$ 8,600,520	\$ 7,346,295	\$ 6,671,351	\$ 2,722,691	\$ 1,419,693	\$ 7,588,340	\$ 194,330	\$ 34,543,220	\$ 8,462,487
Liabilities and Net Position									
Current liabilities									
Accounts payable	\$ 15,901	\$ 652	\$ 12,000	\$ 86,382	\$ 157,667	\$ 14,252	\$ 233	\$ 287,087	\$ 72,833
Accrued salaries and benefits	4,394	1,634	611	–	8,090	–	6,841	21,570	38,919
Contracts payable	107,020	63,255	24,062	–	–	–	–	194,337	2,440
Due to other governments	5,040	–	–	17,717	29,118	–	82	51,957	–
Due to other funds	–	93,049	177,790	–	–	–	–	270,839	–
Accrued bond and note interest payable	19,229	17,316	18,360	–	–	73,654	–	128,559	–
Unearned revenue	–	–	–	–	890	–	–	890	–
Deposits	–	–	–	–	–	68,432	–	68,432	–
Compensated absences	–	–	–	–	–	–	–	–	35,000
Bonds and notes payable	195,000	130,000	240,000	–	–	145,000	–	710,000	–
Total current liabilities	346,584	305,906	472,823	104,099	195,765	301,338	7,156	1,733,671	149,192
Noncurrent liabilities									
Net OPEB liability	8,873	5,871	3,194	–	7,480	–	11,149	36,567	–
Compensated absences	–	–	–	–	–	–	–	–	463,924
Bonds and notes payable (net of unamortized discounts, premiums and deferred amount on refunding)	1,789,870	1,754,082	1,050,105	–	–	3,670,579	–	8,264,636	–
Total noncurrent liabilities	1,798,743	1,759,953	1,053,299	–	7,480	3,670,579	11,149	8,301,203	463,924
Total liabilities	2,145,327	2,065,859	1,526,122	104,099	203,245	3,971,917	18,305	10,034,874	613,116
Net position									
Net investment in capital assets	4,010,480	4,050,276	4,878,591	–	589,460	1,633,962	–	15,162,769	3,162,877
Unrestricted	2,444,713	1,230,160	266,638	2,618,592	626,988	1,982,461	176,025	9,345,577	4,686,494
Total net position	6,455,193	5,280,436	5,145,229	2,618,592	1,216,448	3,616,423	176,025	24,508,346	7,849,371
Total liabilities and net position	\$ 8,600,520	\$ 7,346,295	\$ 6,671,351	\$ 2,722,691	\$ 1,419,693	\$ 7,588,340	\$ 194,330	\$ 34,543,220	\$ 8,462,487

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Revenue, Expenses, and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2012

	Business-Type Activities – Enterprise Funds							Governmental Activities Internal Service Funds	
	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund	Liquor Operations Fund	Broadway Court Fund	Nonmajor Deputy Registrar Fund		Total Enterprise Funds
Sales and cost of sales									
Net sales	\$ –	\$ –	\$ –	\$ –	\$ 3,040,352	\$ –	\$ –	\$ 3,040,352	\$ –
Cost of sales	–	–	–	–	(2,270,073)	–	–	(2,270,073)	–
Gross profit	–	–	–	–	770,279	–	–	770,279	–
Operating revenues									
Sales, fees, and charges	1,555,498	1,625,636	806,383	1,489,942	–	723,657	430,840	6,631,956	2,327,068
Total gross profit and operating revenue	1,555,498	1,625,636	806,383	1,489,942	770,279	723,657	430,840	7,402,235	2,327,068
Operating expenses									
Personal services	211,765	138,782	86,451	–	311,305	43,282	279,997	1,071,582	303,652
Supplies	51,517	8,742	13,040	50	27,348	5,432	5,818	111,947	251,297
Other services and charges	480,011	1,066,977	155,472	1,187,610	156,408	253,968	59,264	3,359,710	1,047,424
Rental charges	–	–	–	–	92,170	–	–	92,170	–
Depreciation	201,551	148,363	98,987	–	38,897	149,843	–	637,641	552,954
Total operating expenses	944,844	1,362,864	353,950	1,187,660	626,128	452,525	345,079	5,273,050	2,155,327
Operating income	610,654	262,772	452,433	302,282	144,151	271,132	85,761	2,129,185	171,741
Nonoperating revenues (expenses)									
Intergovernmental	–	–	–	41,340	–	–	–	41,340	10,365
Investment earnings	31,236	17,672	3,008	32,092	6,724	19,989	1,956	112,677	59,391
Gain (loss) on disposal of capital assets	–	–	–	–	(26,601)	–	–	(26,601)	153,167
Interest and fiscal charges	(50,860)	(46,204)	(47,014)	–	–	(191,112)	–	(335,190)	–
Total nonoperating revenues	(19,624)	(28,532)	(44,006)	73,432	(19,877)	(171,123)	1,956	(207,774)	222,923
Income before transfers and contributions	591,030	234,240	408,427	375,714	124,274	100,009	87,717	1,921,411	394,664
Transfers and contributions									
Capital contributions – from other governments	5,098	–	136,400	–	–	–	–	141,498	–
Transfers in	–	–	–	–	–	–	–	–	735,000
Transfers (out)	(40,504)	(25,338)	(5,781)	(315,000)	(75,000)	–	–	(461,623)	–
Total transfers and contributions	(35,406)	(25,338)	130,619	(315,000)	(75,000)	–	–	(320,125)	735,000
Change in net position	555,624	208,902	539,046	60,714	49,274	100,009	87,717	1,601,286	1,129,664
Net position									
Beginning of year	5,899,569	5,071,534	4,606,183	2,557,878	1,167,174	3,516,414	88,308	22,907,060	6,719,707
End of year	\$ 6,455,193	\$ 5,280,436	\$ 5,145,229	\$ 2,618,592	\$ 1,216,448	\$ 3,616,423	\$ 176,025	\$ 24,508,346	\$ 7,849,371

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2012

	Business-Type Activities – Enterprise Funds							Governmental Activities Internal Service Funds	
	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund	Liquor Operations Fund	Broadway Court Fund	Nonmajor Deputy Registrar Fund		Total Enterprise Funds
Cash flows from operating activities									
Cash received from customers and users, including deposits	\$ 1,621,801	\$ 1,681,641	\$ 798,481	\$ 1,473,055	\$ 3,040,452	\$ 712,143	\$ 438,270	\$ 9,765,843	\$ 2,327,040
Cash payments to suppliers	(535,626)	(1,077,040)	(154,317)	(1,184,879)	(2,478,402)	(246,682)	(65,158)	(5,742,104)	(1,340,612)
Cash payments to employees	(208,033)	(138,853)	(87,022)	–	(308,633)	(43,282)	(275,612)	(1,061,435)	(303,746)
Net cash flows from operating activities	878,142	465,748	557,142	288,176	253,417	422,179	97,500	2,962,304	682,682
Cash flows from noncapital financing activities									
Transfers (to) from other funds	–	–	–	(315,000)	(75,000)	–	–	(390,000)	500,000
Intergovernmental	–	–	–	41,340	–	–	–	41,340	10,365
Net cash flows from noncapital financing activities	–	–	–	(273,660)	(75,000)	–	–	(348,660)	510,365
Cash flows from capital and related financing activities									
Borrowing (payments) on interfund balances	–	93,049	177,790	–	–	–	–	270,839	(270,839)
Transfers (to) from other funds	(40,504)	(25,338)	(5,781)	–	–	–	–	(71,623)	235,000
Receipts from other governments	5,098	–	136,400	–	–	–	–	141,498	–
Acquisition of property and equipment	(769,881)	(531,135)	(637,564)	–	(606,254)	(30,592)	–	(2,575,426)	(554,016)
Proceeds from the disposal of property and equipment	–	–	–	–	2,100	–	–	2,100	167,171
Proceeds from the sale of bonds and notes	1,130,000	1,175,000	255,000	–	–	–	–	2,560,000	–
Principal payments on bonds and notes	(303,650)	(254,210)	(266,140)	–	–	(140,000)	–	(964,000)	–
Interest and fiscal charges on bonds and notes	(56,163)	(50,596)	(50,363)	–	–	(180,095)	–	(337,217)	–
Net cash flows from capital and related financing activities	(35,100)	406,770	(390,658)	–	(604,154)	(350,687)	–	(973,829)	(422,684)
Cash flows from investing activities									
Proceeds from maturities of investments	(1,770,924)	(1,443,718)	(253,646)	(1,407,145)	(29,570)	(866,577)	(170,241)	(5,941,821)	(3,491,688)
Purchases of investments	1,232,008	813,969	185,278	1,131,761	236,543	919,412	87,413	4,606,384	2,448,122
Interest on investments	30,514	14,254	3,038	33,771	9,900	24,129	1,425	117,031	58,184
Net cash flows from investing activities	(508,402)	(615,495)	(65,330)	(241,613)	216,873	76,964	(81,403)	(1,218,406)	(985,382)
Net change in cash and cash equivalents	334,640	257,023	101,154	(227,097)	(208,864)	148,456	16,097	421,409	(215,019)
Cash and cash equivalents at beginning of year	352,334	197,704	2,155	857,063	346,170	613,282	38,114	2,406,822	1,582,613
Cash and cash equivalents at end of year	\$ 686,974	\$ 454,727	\$ 103,309	\$ 629,966	\$ 137,306	\$ 761,738	\$ 54,211	\$ 2,828,231	\$ 1,367,594

See notes to basic financial statements

(continued)

CITY OF ROBBINSDALE

Statement of Cash Flows (continued)
 Proprietary Funds
 Year Ended December 31, 2012

	Business-Type Activities – Enterprise Funds							Governmental Activities Internal Service Funds	
	Water Utility Fund	Sanitary Sewer Utility Fund	Storm Sewer Utility Fund	Solid Waste Removal Fund	Liquor Operations Fund	Broadway Court Fund	Nonmajor Deputy Registrar Fund		Total Enterprise Funds
Reconciliation of operating income (loss) to net cash flows from operating activities									
Operating income (loss)	\$ 610,654	\$ 262,772	\$ 452,433	\$ 302,282	\$ 144,151	\$ 271,132	\$ 85,761	\$ 2,129,185	\$ 171,741
Adjustments to reconcile operating income (loss) to net cash flows from operating activities									
Depreciation	201,551	148,363	98,987	–	38,897	149,843	–	637,641	552,954
(Increase) decrease in assets									
Special assessments receivable	8,793	4,471	1,519	652	–	(12,901)	7,430	9,964	–
Accounts receivable	17,372	11,396	(9,421)	(17,539)	–	–	–	1,808	(28)
Due from other funds	40,138	40,138	–	–	–	–	–	80,276	–
Inventories	153	–	–	–	29,878	–	–	30,031	–
Prepaid items	–	–	9,681	–	–	10,659	(147)	20,193	7,067
Increase (decrease) in liabilities									
Accounts payable	(4,220)	(1,321)	4,514	2,186	34,744	2,059	41	38,003	(44,937)
Accrued salaries and benefits	2,126	(1,136)	(1,253)	595	1,285	–	2,326	3,943	(3,980)
Due to other governments	(31)	–	–	–	2,975	–	30	2,974	(135)
OPEB	1,606	1,065	682	–	1,387	–	2,059	6,799	–
Deferred revenue	–	–	–	–	100	–	–	100	–
Deposits	–	–	–	–	–	1,387	–	1,387	–
Total adjustments	267,488	202,976	104,709	(14,106)	109,266	151,047	11,739	833,119	510,941
Net cash flows from operating activities	<u>\$ 878,142</u>	<u>\$ 465,748</u>	<u>\$ 557,142</u>	<u>\$ 288,176</u>	<u>\$ 253,417</u>	<u>\$ 422,179</u>	<u>\$ 97,500</u>	<u>\$ 2,962,304</u>	<u>\$ 682,682</u>
Noncash investing, capital, and financing activities									
Net increase (decrease) in fair value of investments	\$ (14,942)	\$ (9,315)	\$ (904)	\$ (17,066)	\$ (4,723)	\$ (11,367)	\$ (1,110)	\$ (59,427)	\$ (36,584)
Capital assets purchased on account	98,985	33,800	(40,804)	–	–	–	–	91,981	2,440

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Net Position
Fiduciary Fund
December 31, 2012

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	<u>\$ 3,061</u>
Liabilities	
Due to other governments	<u>\$ 3,061</u>

See notes to basic financial statements

CITY OF ROBBINSDALE

Notes to Basic Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The City of Robbinsdale, Minnesota (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 accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The more significant of the City’s accounting policies are described below:

B. Reporting Entity

In accordance with accounting principles generally accepted in the United States of America, these financial statements include the City (the primary government) 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).

- 1. Blended Component Unit** – 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.
- 2. Related Organization** – The Robbinsdale Fire Relief Association (the 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- 3. Jointly Governed Organizations** – Local Government Information Systems (LOGIS) 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 Program 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 nonmajor governmental fund in the combining statements, and the net position are restricted to obligations of the Five-Cities Senior Transportation Program.

C. Government-Wide Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole, except for fiduciary activities. These statements include all of the financial activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon sales, fees, and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes and special assessments are recognized as revenues in the fiscal year for which they are certified for levy. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, charges between the City's enterprise funds and other functions are not eliminated, as that would distort the direct costs and program revenues reported in those functions. Depreciation expense 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.

D. Fund Financial Statement Presentation

Separate fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor funds is reported in a single column in the fund financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes 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 they are collected within 60 days after year-end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

Major revenue that is susceptible to accrual includes property taxes, special assessments, intergovernmental revenue, charges for services, and interest earned on investments. Major revenue that is not susceptible to accrual includes licenses and permits, fees, and miscellaneous revenue. Such revenue is recorded only when received because it is not measurable until collected.

- 2. Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred, except for principal and interest on long-term debt, compensated absences, and other post-employment benefits, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting, similar to the government-wide financial statements. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the City’s enterprise funds and internal service funds are charges to customers for sales and services. The operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues and expenses.

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.

Description of Funds

The City reports the following major governmental funds:

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). The most significant sources of revenues in this special revenue fund include property taxes and charges for services.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. The most significant sources of revenues in this special revenue fund include tax increments and land sales.

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

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

The City reports the following major proprietary funds:

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).

E. 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2012.

F. 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 interfund loans).

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

G. Receivables

Utility and miscellaneous accounts receivable are reported at gross. Since the City is generally able to certify delinquent amounts to the county for collection as special assessments, no allowance for uncollectible accounts has been provided on current receivables. The City does record an allowance for the amount of utility receivables that remain delinquent after having been certified to the county.

H. 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 the levies over all taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the City on that date. Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes are due in full on May 15. The county provides tax settlements to cities and other taxing districts three times a year; in July, December, and January.

Property taxes are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, taxes are recognized as revenue when received in cash or within 60 days after year-end. Taxes which remain unpaid on December 31 are classified as delinquent taxes receivable, and are offset by deferred revenue in the governmental fund financial statements, 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.

I. 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. Special assessments are recorded as receivables upon certification to the county. Special assessments are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, special assessments are recognized as revenue when received in cash or within 60 days after year-end. Governmental fund special assessments receivable which remain unpaid on December 31 are offset by deferred revenue in the governmental fund financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. 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.

K. Property Held for Resale

Property is acquired by the REDA for redevelopment purposes. Property held for resale is reported as an asset at the lesser of cost or 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.

L. 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. Land and work in progress are not depreciated.

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

Assets	Years
Buildings and structures	25–40
Utility system infrastructure	5–100
Traffic and transportation infrastructure	5–40
Park system infrastructure	5–40
Other improvements	5–30
Mobile equipment	3–25
Machinery and office equipment	3–15

M. 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 percent of accumulated sick leave
- After 8 years – 25 percent of accumulated sick leave
- After 13 years – 35 percent of accumulated sick leave
- After 17 years – 40 percent of accumulated sick leave
- After 20 years – 50 percent of accumulated sick leave

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 Position as a long-term liability.

N. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. 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.

O. Net Position Classifications and Flow Assumptions

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, liabilities, and deferred inflows/outflows of resources (if any). Net position is displayed in three components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or enabling legislation.
- **Unrestricted Net Position** – All remaining net position that do not meet the definition of “restricted” or “net investment in capital assets.”

The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

P. Fund Balance Classifications and Flow Assumptions

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts where there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments, or enabling legislation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- **Committed** – Consists of internally imposed constraints that are established by resolution of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority. Pursuant to City Council resolution, the City Manager or Finance Director are authorized to establish assignments of fund balance.
- **Unassigned** – The residual classification for the General Fund which also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned, or unassigned resources are available for use, it is the City’s policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

Q. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

R. Changes in Accounting Principle

For the fiscal year ended December 31, 2012, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement changed how governmental entities present a statement of net position, adding two new basic financial statement elements, and replacing “net assets” with “net position” as the terminology used to describe the difference between the other four elements. The two basic financial statement elements added are “deferred inflows of resources” and “deferred outflows of resources.” These new elements are differentiated from assets (deferred outflows of resources) and liabilities (deferred inflows of resources), but have similar effects on net position.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and REDA 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.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

- 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, the budgetary control level.

For the year ended December 31, 2012, expenditures of the REDA General Development Special Revenue Fund and the REDA TIF Development Special Revenue Fund exceeded budget by \$56,364 and \$53,943, respectively. These over expenditures were funded by greater than anticipated revenues and fund balance. All expenditures were approved by the REDA board.

B. Deficit Fund Equity

The following funds had a deficit fund balance as of December 31, 2012:

REDA TIF Development Special Revenue Fund – \$2,439,290

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.

REDA Tax Increment Debt Service Fund – \$610,039

The deficit for the REDA Tax Increment Debt Service Fund is expected to be eliminated over time through the collections of tax increment revenues, which will reduce the advances from other funds.

NOTE 3 – DEPOSITS AND INVESTMENTS

A. Components of Cash and Investments

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

Deposits	\$ 1,190,297
Investments	29,440,857
Cash on hand	<u>10,823</u>
Total	<u><u>\$ 30,641,977</u></u>

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

Cash and cash equivalents – Statement of Net Position	\$ 4,566,603
Cash and cash equivalents – Statement of Fiduciary Net Position	3,061
Investments – Statement of Net Position	<u>26,072,313</u>
Total	<u><u>\$ 30,641,977</u></u>

B. Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks authorized by the City Council, including checking accounts and certificates of deposit.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

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

At year-end the carrying amount of the City’s deposits was \$1,190,297 while the balance on the bank records was \$1,420,963. At December 31, 2012, all deposits were fully covered by federal depository insurance, surety bonds, or by collateral held by the City’s agent in the City’s name.

C. 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. government backed securities	NA	NA	\$ –	\$ 311	\$ 53,273	\$ 53,584
Negotiable certificates of deposit	NA	NA	3,440,547	1,240,392	–	4,680,939
U.S. government agency securities	AAA	S&P	501,350	1,399,381	5,030,557	6,931,288
State and local obligations	AAA	S&P	–	321,885	275,599	597,484
	AA	S&P	624,903	5,657,506	2,735,430	9,017,839
	A	S&P	–	1,701,676	–	1,701,676
	AA1	Moody’s	131,256	129,165	280,110	540,531
	AA2	Moody’s	–	644,284	–	644,284
	AA3	Moody’s	600,210	507,250	797,229	1,904,689
Investment pools/mutual funds						
First American Government	AAAm	S&P	3,368,543	–	–	3,368,543
Total			<u>\$ 8,666,809</u>	<u>\$ 11,601,850</u>	<u>\$ 9,172,198</u>	<u>\$ 29,440,857</u>

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 polices 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.

NOTE 3 – DEPOSITS AND 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 issuer comprised more than 5 percent of the City’s investment portfolio: Federal Home Loan Bank (11 percent).

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.

NOTE 4 – NOTES RECEIVABLE

A. 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, 2012, the City had \$543,915 in outstanding receivables related to the issuance of Industrial Development Revenue Bonds.

NOTE 4 – NOTES RECEIVABLES (CONTINUED)

B. Robbinsdale Economic Development Authority – Notes Receivable

Periodically, the REDA issues loans to qualified entities to be used in the redevelopment of their property. As of December 31, 2012, the REDA had \$847,744 in outstanding notes.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Additions	Retirements	Transfers and Completed Construction	Ending Balance
Governmental activities					
Capital assets not being depreciated					
Land	\$ 899,810	\$ –	\$ –	\$ –	\$ 899,810
Work in progress	149,669	2,661,696	(6,798)	(85,021)	2,719,546
Total capital assets not being depreciated	1,049,479	2,661,696	(6,798)	(85,021)	3,619,356
Capital assets being depreciated					
Buildings and structures	5,856,109	–	–	13,263	5,869,372
Traffic and transportation	22,095,757	–	–	53,200	22,148,957
Park system	4,092,755	79,919	–	–	4,172,674
Other improvements	1,110,143	3,233	(3,233)	18,558	1,128,701
Mobile equipment	3,955,196	539,621	(466,605)	490,006	4,518,218
Machinery and office equipment	2,830,579	151,527	(59,448)	(490,006)	2,432,652
Total capital assets being depreciated	39,940,539	774,300	(529,286)	85,021	40,270,574
Less accumulated depreciation for					
Buildings and structures	(2,726,168)	(222,262)	–	–	(2,948,430)
Traffic and transportation	(6,651,859)	(727,868)	–	817	(7,378,910)
Park system	(739,172)	(281,495)	–	–	(1,020,667)
Other improvements	(737,018)	(44,172)	–	(817)	(782,007)
Mobile equipment	(2,187,324)	(373,049)	453,638	(285,768)	(2,392,503)
Machinery and office equipment	(2,310,028)	(131,918)	58,411	285,768	(2,097,767)
Total accumulated depreciation	(15,351,569)	(1,780,764)	512,049	–	(16,620,284)
Governmental activities capital assets, net	<u>\$ 25,638,449</u>	<u>\$ 1,655,232</u>	<u>\$ (24,035)</u>	<u>\$ –</u>	<u>\$ 27,269,646</u>

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Retirements	Transfers and Completed Construction	Ending Balance
Business-type activities					
Capital assets not being depreciated					
Land	\$ 411,544	\$ –	\$ –	\$ –	\$ 411,544
Work in progress	1,397,382	1,853,971	(1,198)	(134,698)	3,115,457
Total capital assets not being depreciated	1,808,926	1,853,971	(1,198)	(134,698)	3,527,001
Capital assets being depreciated					
Buildings and structures	7,365,511	–	–	–	7,365,511
Utility system	19,580,182	–	–	46,791	19,626,973
Other improvements	1,188,196	12,625	–	68,275	1,269,096
Leasehold improvements	301,960	497,366	(301,960)	19,632	516,998
Mobile equipment	20,837	177,790	–	–	198,627
Machinery and office equipment	685,806	126,854	(139,777)	–	672,883
Total capital assets being depreciated	29,142,492	814,635	(441,737)	134,698	29,650,088
Less accumulated depreciation for					
Buildings and structures	(1,726,081)	(169,257)	–	–	(1,895,338)
Utility system	(6,198,973)	(360,922)	–	–	(6,559,895)
Other improvements	(990,604)	(34,392)	–	–	(1,024,996)
Leasehold improvements	(299,895)	(34,592)	300,073	–	(34,414)
Mobile equipment	(20,837)	(12,699)	–	–	(33,536)
Machinery and office equipment	(571,415)	(25,779)	112,962	–	(484,232)
Total accumulated depreciation	(9,807,805)	(637,641)	413,035	–	(10,032,411)
Business-type activities capital assets, net	\$ 21,143,613	\$ 2,030,965	\$ (29,900)	\$ –	\$ 23,144,678

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

Governmental activities	
General government	\$ 114,359
Community development	9,956
Public safety	407,252
Recreation	357,242
Public works	891,955
Total depreciation expense – governmental activities	\$ 1,780,764
Business-type activities	
Water utility	\$ 201,551
Sanitary sewer utility	148,363
Storm sewer utility	98,987
Liquor operations	38,897
Broadway Court	149,843
Total depreciation expense – business-type activities	\$ 637,641

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 (LMCIT), 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 LMCIT for its insurance coverage. The LMCIT 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 LMCIT 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 2012 were \$497,364. At December 31, 2012, 2011, and 2010, there were no significant IBNR 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, 2012, 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 Robbinsdale Wine & Spirits Liquor Store, which is located in Robin Center. During 2012, there were two leases in affect. From January through June 30, there was a lease on a month-to-month basis. The agreement called for minimum annual lease payments of \$47,064 and sharing of common expenses. A lease was entered into for a different space in Robin Center beginning June 1, 2012. The agreement for the new space calls for minimum annual lease payments of \$64,720 and sharing of common expenses and expires in February 2017. The lease provides for annual rents to increase in years three through five. The lease has an option for an additional five years. The rent expense for the year ended December 31, 2012 was \$92,170.

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.

Governmental Activities

- **2009 General Obligation Capital Equipment Notes** – In 2009, 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 percent.

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.

Governmental Activities

- **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 10 years at a net interest cost of 4.199 percent.
- **2010 General Obligation Improvement Refunding Bonds** – In 2010, the City issued \$270,000 in General Obligation Improvement Refunding Bonds, which, along with other available funds, were used to refund \$390,000 of outstanding 2002 General Obligation Improvement Bonds that had been issued to finance the cost of the street reconstruction of an area of streets within the Fourth Ward. The bonds were issued for a period of two years at a net interest of 2.0 percent. The transaction also resulted in an economic gain of \$21,121 and a reduction of \$147,810 in future debt service payments.
- **2010 General Obligation Tax Increment Bonds** – In 2010, the City issued \$5,255,000 in General Obligation Tax Increment Bonds to redeem \$5,465,000 of outstanding 2007 Taxable General Obligation Temporary Tax Increment Bonds on their maturity date that had been used for the acquisition and demolition of a school for housing redevelopment purposes. The bonds were issued for a period of 20 years at a net interest cost of 3.58 percent.
- **2010 General Obligation Refunding Building Bonds** – In 2010, the City issued \$435,000 in General Obligation Refunding Bonds, which, along with other available funds, were used to refund \$530,000 of outstanding 1999 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 that initial bond issue on April 29, 1992 through a special referendum. The bonds were issued for a period of three years at a net interest cost of 2.0 percent. The transaction also resulted in an economic gain of \$26,118 and a reduction of \$128,349 in future debt service payments.
- **2012 General Obligation Improvement Bonds** – In 2012, the City issued \$1,470,000 in General Obligation Improvement Bonds to finance the cost of street reconstruction within the City. The bonds mature in February 2023 and have a net interest of 1.38 percent.

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Business-Type 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 10 years at an interest rate of 2.29 percent. This loan is optional and allows the City to use only the portion it needs.
- **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 10 years at a net interest cost of 3.463 percent. These bonds are payable from the net revenues of the water utility and storm sewer utility enterprise activities.
- **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 10 years at a net interest cost of 4.09 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise activities.
- **2010 General Obligation Utility Refunding Revenue Bonds** – In 2010, the City issued \$330,000 in General Obligation Utility Refunding Revenue Bonds, which, along with other available funds, were used to refund \$400,000 of outstanding 2002 General Obligation Utility Revenue Bonds that had been issued to finance the cost of 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 two years at a net interest cost of 2.0 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise activities. The transaction also resulted in an economic gain of \$12,570 and a reduction of \$87,488 in future debt service payments.
- **2012 General Obligation Utility Revenue Bonds** – In 2012, the City issued \$2,560,000 in General Obligation Utility Revenue Bonds to finance a variety of utility system improvements and equipment costs. The bonds mature in February 2023 and have a net interest of 1.38 percent. These bonds are payable from the net revenues of the Water Utility, Sanitary Sewer Utility, and Storm Sewer Utility enterprise activities.

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

- **2006 Housing Revenue Refunding Bonds** – In 2006, the REDA issued \$4,730,000 in Housing Revenue Refunding Bonds, which are being serviced by Broadway Court Enterprise Operation of the REDA. 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).

NOTE 8 – LONG-TERM DEBT (CONTINUED)

SUMMARIES OF LONG-TERM DEBT ISSUES

A. Governmental Activities

Issue	Interest Rates	Dated Issued	Date Mature	Original Issue Amount	Debt Outstanding at December 31, 2012
General obligation reconstruction bonds	4.00%–4.38%	2006	2017	\$ 1,535,000	\$ 860,000
General obligation capital equipment notes	3.50%	2009	2014	\$ 750,000	316,500
General obligation tax increment bonds	2.00%–4.00%	2010	2032	\$ 5,255,000	4,925,000
General obligation building bonds	2.00%	2010	2013	\$ 435,000	75,000
General obligation street improvement bonds	0.40%–2.00%	2012	2023	\$ 1,470,000	1,470,000
Deferred amounts for premiums (discounts)					(12,370)
Compensated absences					498,924
Total governmental activities					<u>\$ 8,133,054</u>

Changes in long-term debt during 2012 for debt serviced through governmental activities are as follows:

	Balance January 1, 2012	Additions	Retirements	Balance December 31, 2012	Due Within One Year
General obligation reconstruction bonds	\$ 1,015,000	\$ –	\$ 155,000	\$ 860,000	\$ 160,000
General obligation capital equipment notes	466,500	–	150,000	316,500	155,500
General obligation tax increment bonds	5,125,000	–	200,000	4,925,000	110,000
General obligation building bonds	250,000	–	175,000	75,000	75,000
General obligation improvement bonds	135,000	1,470,000	135,000	1,470,000	–
Deferred amounts					
For issuance discounts	(3,104)	(9,849)	(583)	(12,370)	–
For issuance premiums	4,382	–	4,382	–	–
Total bonds payable	6,992,778	1,460,151	818,799	7,634,130	500,500
Compensated absences	499,495	506,305	506,876	498,924	35,000
Governmental activity long-term liabilities	<u>\$ 7,492,273</u>	<u>\$ 1,966,456</u>	<u>\$ 1,325,675</u>	<u>\$ 8,133,054</u>	<u>\$ 535,500</u>

B. Business-Type Activities

Issue	Interest Rates	Date	Date	Original Issue	Debt
General obligation utility revenue bonds	3.50%–3.75%	2005	2015	\$ 1,795,000	\$ 595,000
General obligation utility revenue bonds	4.00%–4.20%	2006	2017	3,700,000	2,030,000
General obligation utility revenue bonds	0.40%–2.00%	2012	2023	2,560,000	2,560,000
General obligation housing refunding bonds	4.25%–4.45%	2006	2031	4,730,000	4,060,000
Deferred amounts for premiums/(discounts) and refundings					(270,364)
Total business-type activities					<u>\$ 8,974,636</u>

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Changes in long-term debt during 2012 for debt serviced through business-type activities are as follows:

	Balance January 1, 2012	Additions	Retirements	Balance December 31, 2012	Due Within One Year
General obligation utility revenue note	\$ 109,000	\$ –	\$ 109,000	\$ –	\$ –
General obligation utility revenue bonds	3,340,000	2,560,000	715,000	5,185,000	565,000
General obligation housing refunding bonds	4,200,000	–	140,000	4,060,000	145,000
Deferred amounts					
For issuance discounts	(13,030)	(17,152)	(4,238)	(25,944)	–
For issuance premiums	12,638	–	743	11,895	–
On refunding	(270,555)	–	(14,240)	(256,315)	–
Business-type activity long-term liabilities	<u>\$ 7,378,053</u>	<u>\$ 2,542,848</u>	<u>\$ 946,265</u>	<u>\$ 8,974,636</u>	<u>\$ 710,000</u>

MINIMUM DEBT PAYMENTS

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

Year Ending December 31,	Governmental Activities		Business-Type Activities		Totals
	Principal	Interest	Principal	Interest	
2013	\$ 500,500	\$ 227,755	\$ 710,000	\$ 307,883	\$ 1,746,138
2014	576,000	212,032	965,000	278,957	2,031,989
2015	440,000	198,867	1,015,000	248,314	1,902,181
2016	465,000	187,820	830,000	219,700	1,702,520
2017	485,000	175,453	860,000	193,783	1,714,236
2018–2022	1,710,000	737,512	2,265,000	718,662	5,431,174
2023–2027	1,540,000	509,556	1,450,000	419,508	3,919,064
2028–2032	1,930,000	202,981	1,150,000	130,608	3,413,589
Total	<u>\$ 7,646,500</u>	<u>\$ 2,451,976</u>	<u>\$ 9,245,000</u>	<u>\$ 2,517,415</u>	<u>\$ 21,860,891</u>

REVENUE PLEDGED

Future revenue pledged for the payment of long-term debt is as follows:

Bond Issue	Use of Proceeds	Revenue Pledged			Current Year		
		Type	Percent of Total Debt Service	Term of Pledge	Remaining Principal and Interest	Principal and Interest Paid	Pledged Revenue Received
Tax increment bonds	Redevelopment	Tax increments	100%	2006–2031	\$ 7,125,519	\$ 367,912	\$ 287,477
Utility revenue bonds	Utility improvements	Utility charges	100%				\$ 3,987,517
Series 2005				2005–2015	\$ 629,032	\$ 210,550	
Series 2006				2006–2017	\$ 2,288,742	\$ 457,718	
Series 2012				2012–2023	\$ 2,777,063	\$ –	
Housing revenue bonds	Affordable housing	Rental charges	100%	2006–2031	\$ 6,067,578	\$ 322,720	\$ 723,657

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.

NOTE 8 – LONG-TERM DEBT (CONTINUED)

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.

As of December 31, 2012, the City had authorized the issuance of Industrial Revenue Bonds as shown in the following schedule:

Description of Issue	Issue Date	Maturity Date	Outstanding December 31, 2012
Variable Rate Demand Industrial Development Revenue Unicare Homes, Inc.	11/01/1984	10/01/2014	\$ 425,000 *
Commercial Development Revenue Refunding Bonds, Oakdale Medical Center Ltd. Partnership Project	10/05/1993	08/01/2013	\$ 826,185
Variable Rate Demand Revenue Refunding Bonds, Healthcare Facilities Revenue Bonds North Memorial Health Care – Series 2011	06/07/2011	12/31/2026	\$ 69,874,135
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	04/01/2029	\$ 620,000
Variable Rate Demand Multifamily Housing Revenue Bonds – Series 2004 C Copperfield Hill Project	04/01/2004	04/01/2029	\$ 7,062,500
Taxable Variable Rate Demand Multifamily Housing Revenue Bonds – Series 2004 D Copperfield Hill Project	04/01/2004	04/01/2029	\$ 950,000
Multifamily Housing Revenue Refunding Bonds – Series 2004 E Copperfield Hill Project	04/01/2004	04/01/2029	\$ 715,000

* Principal amount outstanding is estimated.

NOTE 9 – COMPONENTS OF FUND BALANCE

A. Classifications

At December 31, 2012, a summary of the City’s governmental fund balance classifications are as follows:

	General Fund	Special Revenue		REDA TIF Debt Service	PIR Capital Project Fund	Nonmajor Funds	Total
		REDA General Development	REDA TIF Development				
Nonspendable							
Inventories	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340
Prepaid items	3,214	-	-	-	2,281	-	5,495
Total nonspendable	3,554	-	-	-	2,281	-	5,835
Restricted							
Debt service	-	-	-	-	-	705,170	705,170
Community development	-	6,452,785	-	-	-	-	6,452,785
Public safety equipment	-	-	-	-	-	2,109	2,109
Senior transportation	-	-	-	-	-	91,829	91,829
Capital improvements	-	-	-	-	-	193,313	193,313
Total restricted	-	6,452,785	-	-	-	992,421	7,445,206
Committed							
City code compliance	-	-	-	-	-	134,031	134,031
Street improvement projects	-	-	-	-	1,051,298	-	1,051,298
Park capital improvements	-	-	-	-	-	147,900	147,900
Total committed	-	-	-	-	1,051,298	281,931	1,333,229
Assigned							
Capital improvements	-	-	-	-	-	376,202	376,202
Public safety equipment	-	-	-	-	-	2,101	2,101
Senior programs	33,698	-	-	-	-	-	33,698
Street capital projects	-	-	-	-	6,175,534	-	6,175,534
Total assigned	33,698	-	-	-	6,175,534	378,303	6,587,535
Unassigned							
REDA TIF Development Fund deficit	-	-	(2,439,290)	-	-	-	(2,439,290)
REDA TIF Debt Service Fund deficit	-	-	-	(610,039)	-	-	(610,039)
Unassigned fund balance	4,328,998	-	-	-	-	-	4,328,998
Total unassigned	4,328,998	-	(2,439,290)	(610,039)	-	-	1,279,669
Total	\$ 4,366,250	\$ 6,452,785	\$ (2,439,290)	\$ (610,039)	\$ 7,229,113	\$ 1,652,655	\$ 16,651,474

B. Minimum Unassigned Fund Balance Policy

The City Council has formally adopted a fund balance policy regarding the minimum unassigned fund balance for the General Fund. The policy establishes a minimum unassigned General Fund balance of 40 to 50 percent of the subsequent year’s General Fund budgeted expenditures. At December 31, 2012, the unassigned fund balance of the General Fund was 51.4 percent.

NOTE 10 – INTERFUND TRANSACTIONS

A. Due To/From Other Funds

As of December 31, 2012, the following interfund receivables/payables existed:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental fund – City Code Compliance Fund	\$ 45,723
Internal Service Funds – Central Garage Fund	Sanitary Sewer Utility Fund	93,049
Internal Service Funds – Central Garage Fund	Storm Sewer Utility Fund	177,790
		<u>\$ 316,562</u>

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

B. Interfund Transfers

During 2012, the following interfund transfers took place:

Transfers Out	Transfers In					Total
	General	REDA TIF Development Fund	Permanent Improvement Revolving	Nonmajor Governmental	Internal Service Funds	
General	\$ –	\$ –	\$ –	c \$ 412,350	c \$ 600,000	\$ 1,012,350
REDA Tax Increment Debt Service	–	a 4,751	–	–	–	4,751
Permanent Improvement Revolving	a 138,111	–	–	–	–	138,111
Nonmajor Governmental	a 2,134	–	–	–	–	2,134
Water Utility	a 40,504	–	–	–	–	40,504
Sanitary Sewer Utility	a 25,338	–	–	–	–	25,338
Storm Sewer Utility	a 5,781	–	–	–	–	5,781
Solid Waste Removal	b 30,000	–	b 150,000	–	b 135,000	315,000
Liquor Operations	–	–	–	b 75,000	–	75,000
Total Transfers	<u>\$ 241,868</u>	<u>\$ 4,751</u>	<u>\$ 150,000</u>	<u>\$ 487,350</u>	<u>\$ 735,000</u>	<u>\$ 1,618,969</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.

C. Advances To and From Other Funds

The REDA General Development Fund has advanced \$2,566,849 to the REDA TIF Development Fund and \$994,337 to the REDA TIF Debt Service Fund for redevelopment of blighted housing stock within the City. The advances will be paid back over 20 years through the collection of tax increment financing property tax revenues from the redeveloped properties.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) – DEFINED BENEFIT PLAN

A. Plan Description

All full-time and certain part-time employees of the City are covered by defined benefit plans administered by the Public Employees' Retirement Association (PERA) of Minnesota. PERA administers the General Employees' Retirement Fund (GERF) 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, Chapters 353 and 356.

GERF 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, firefighters, and peace officers who qualify for membership by statute are covered by 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 statutes, 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 PERA'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 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For all PEPFF members and for GERF 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 Plan members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated Plan 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 any time 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 GERF and PEPFF. That report may be obtained at mnpera.org; by writing to PERA at 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103-2088; or by calling (651) 296-7460 or (800) 652-9026.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. 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. GERF Basic Plan members and Coordinated Plan members were required to contribute 9.1 percent and 6.25 percent, respectively, of their annual covered salary in 2012. PEPFF members were required to contribute 9.6 percent of their annual covered salary in 2012. In 2012, the City was required to contribute the following percentages of annual covered payroll: 11.78 percent for Basic Plan GERF members, 7.25 percent for Coordinated Plan GERF members, and 14.4 percent for PEPFF members. The City’s contributions for the past three years ending December 31, which were equal to the contractually required contributions for each year as set by state statutes, were as follows:

	<u>GERF</u>	<u>PEPFF</u>
2012	\$ 231,338	\$ 251,904
2011	\$ 234,009	\$ 245,101
2010	\$ 226,422	\$ 228,940

PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) – DEFINED CONTRIBUTION PLAN

The City Council members are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by 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 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, 2012, 2011, and 2010 were \$810, \$810, and \$810, respectively.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

ROBBINSDALE FIRE DEPARTMENT RELIEF ASSOCIATION (RFDRA)

A. 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 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 Public Employees Retirement Systems (PERS) follows.

At December 31, 2012, the PERS membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	12
Active plan participants	
Fully vested	6
Partially vested	6
Nonvested	<u>14</u>
Total	<u><u>38</u></u>

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	-%
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%

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.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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 \$7,500 per year of service, reduced by the applicable early vesting percentages. 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.

RFDRRA 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 Avenue North, Robbinsdale, Minnesota 55422 or by calling (763) 537-4534.

B. Funding Policy

Minnesota Statutes set the minimum contribution requirement for the City 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, \$51,087, is recognized as revenue and expense during the year.

C. Annual Pension Cost

The Association is comprised of volunteer; therefore, there are no payroll expenditures or covered payroll percentage calculations. The City's annual pension cost for the current year and related information for the plan is as follows:

Annual contribution requirement	\$ 192,858
Contributions made	
City of Robbinsdale	\$ 141,771
State aid	\$ 51,087
Actuarial assumptions	
Last valuation date	01/01/2013
Actuarial cost method	Entry age normal cost method
Method used to determine actuarial value of assets	Based on historical performance of Special Revenue 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	Level dollar closed
Amortization period	20 years

N/A – Not Applicable

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

D. Three-Year Trend Information

<u>Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$ 192,858	100.00%	\$ –
2011	\$ 215,788	100.00%	\$ –
2010	\$ 237,661	100.00%	\$ –

E. Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability AAL</u>	<u>Funded (Unfunded) AAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll*</u>	<u>UAAL as a Percentage of Covered Payroll*</u>
01/01/13	\$ 1,549,688	\$ 2,211,484	\$ (661,796)	70.07%	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 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.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Description

The City provides post-employment benefits to certain eligible employees through the City’s Other Post-Employment Benefits (OPEB) 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. The plan does not issue a publicly available financial report. 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 benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree receives 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.

B. 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.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

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 Nos. 43 and 45. The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The annual OPEB cost is accrued in the enterprise funds and government-wide financial statements. OPEB expenditures are recorded on a pay-as-you-go basis on the government fund financial statement.

C. Annual OPEB Cost and Net OPEB Obligation

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:

ARC	\$ 75,891
Interest on net OPEB obligation	11,140
Adjustment to annual required contribution	<u>(9,554)</u>
Annual OPEB cost (expense)	77,477
Contributions made	<u>(22,871)</u>
Increase in net OPEB obligation	54,606
Net OPEB obligation – beginning of year	<u>247,558</u>
Net OPEB obligation – end of year	<u><u>\$ 302,164</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 past three years 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, 2012	\$ 77,477	\$ 22,871	29.5%	\$ 302,164
January 1, 2011	\$ 81,704	\$ 35,457	43.4%	\$ 247,558
January 1, 2010	\$ 83,179	\$ 29,561	35.5%	\$ 201,311

D. Funded Status and Funding Progress

As of January 1, 2012, the most recent actuarial valuation date, the actuarial accrued liability for benefits and unfunded actuarial accrued liability (UAAL) were both \$610,839, as the plan was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$ 4,155,112 and the ratio of the UAAL to the covered payroll was 14.7 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 ARC 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 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.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

E. 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, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent discount rate and pay-as-you-go funding. At the actuarial valuation date, the annual healthcare cost trend rate was estimated to be 9 percent initially, reduced incrementally to an estimate rate of 5 percent after 12 years. This study includes a 3 percent inflation rate and a 3.75 percent payroll growth rate. The UAAL is amortized as of the valuation date as a level percentage of payroll over a closed period of 30 years.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

A. Contingent Liabilities

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.

The City's tax increment districts are subject to review by the state of Minnesota Office of the State auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

B. Federal and State Receivables

Amounts recorded or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of claims which may be disallowed by the grantor agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

C. Construction Commitments

At December 31, 2012, the City is committed to various construction contracts for the improvement of city property. The City's remaining commitment under these contracts is approximately \$2,010,528.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROBBINSDALE

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 Covered Payroll*
01/01/13	\$ 1,549,688	\$ 2,211,484	\$ (661,796)	70.07%	N/A	N/A
01/01/11	1,369,303	2,215,081	(845,778)	61.82%	N/A	N/A
01/01/10	1,378,234	2,323,223	(944,989)	59.32%	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 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 Plan Assets	Actuarial Accrued Liability AAL	Funded (Unfunded) AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/12	\$ -	\$ 610,839	\$ (610,839)	-%	\$ 4,155,112	14.7%
01/01/10	-	685,578	(685,578)	-%	4,239,373	16.2%
01/01/08	-	1,247,811	(1,247,811)	-%	4,864,940	25.6%

** Refer to Note 12 in the notes to basic financial statements for additional details regarding this Schedule of Funding Progress.

SUPPLEMENTAL INFORMATION



READER'S NOTES:

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Forfeiture Fund

This fund was established to account for the costs and proceeds associated with confiscating vehicles involved in D.W.I. cases and other forfeiture situations. The proceeds from the sale of forfeited items 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 FUND

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

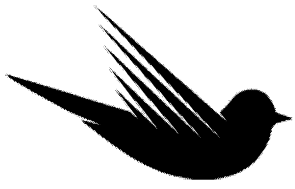
Nonmajor Governmental Funds
 Combining Balance Sheet
 December 31, 2012

	<u>Special Revenue Funds</u>					
	<u>Forfeiture Fund</u>	<u>Senior Transportation Fund</u>	<u>City Code Compliance Fund</u>	<u>General Debt Service Fund</u>	<u>Capital Improvement Capital Project Fund</u>	<u>Total Nonmajor Funds</u>
Assets						
Cash	\$ 403	\$ 1,513	\$ 4,365	\$ 21,876	\$ 16,738	\$ 44,895
Investments	14,557	54,550	169,020	676,009	703,447	1,617,583
Accrued interest	86	323	1,000	3,999	3,571	8,979
Taxes receivable	-	-	-	7,776	-	7,776
Special assessments receivable	-	-	247,623	13,621	-	261,244
Accounts receivable	-	1,013	7,438	-	-	8,451
Due from other governments	-	37,486	-	-	2,339	39,825
Total assets	<u>\$ 15,046</u>	<u>\$ 94,885</u>	<u>\$ 429,446</u>	<u>\$ 723,281</u>	<u>\$ 726,095</u>	<u>\$ 1,988,753</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 10,836	\$ 2,851	\$ 3,491	\$ -	\$ 8,680	\$ 25,858
Accrued salaries and benefits	-	205	-	-	-	205
Due to other funds	-	-	45,723	-	-	45,723
Deferred revenue	-	-	246,201	18,111	-	264,312
Total liabilities	<u>10,836</u>	<u>3,056</u>	<u>295,415</u>	<u>18,111</u>	<u>8,680</u>	<u>336,098</u>
Fund balances						
Restricted	2,109	91,829	-	705,170	193,313	992,421
Committed	-	-	134,031	-	147,900	281,931
Assigned	2,101	-	-	-	376,202	378,303
Total fund balances	<u>4,210</u>	<u>91,829</u>	<u>134,031</u>	<u>705,170</u>	<u>717,415</u>	<u>1,652,655</u>
Total liabilities and fund balances	<u>\$ 15,046</u>	<u>\$ 94,885</u>	<u>\$ 429,446</u>	<u>\$ 723,281</u>	<u>\$ 726,095</u>	<u>\$ 1,988,753</u>

CITY OF ROBBINSDALE

Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 2012

	Special Revenue Funds					
	Forfeiture Fund	Senior Transportation Fund	City Code Compliance Fund	General Debt Service Fund	Capital Improvement Capital Project Fund	Total Nonmajor Funds
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ 464,589	\$ -	\$ 464,589
Special assessments	-	-	62,643	14,301	-	76,944
Intergovernmental	-	68,500	-	-	28,650	97,150
Charges for services	-	-	34,455	-	-	34,455
Investment earnings	234	826	2,187	7,358	6,026	16,631
Miscellaneous	19,985	22,348	-	-	8,263	50,596
Total revenues	<u>20,219</u>	<u>91,674</u>	<u>99,285</u>	<u>486,248</u>	<u>42,939</u>	<u>740,365</u>
Expenditures						
Current						
General government	-	-	-	-	655	655
Public safety	8,366	-	46,738	-	-	55,104
Recreation	-	88,086	-	-	730	88,816
Debt service						
Principal	-	-	-	615,000	-	615,000
Interest and fees	-	-	-	65,768	-	65,768
Capital outlay and improvements	32,627	-	-	-	71,623	104,250
Total expenditures	<u>40,993</u>	<u>88,086</u>	<u>46,738</u>	<u>680,768</u>	<u>73,008</u>	<u>929,593</u>
Excess (deficiency) of revenues over (under) expenditures	(20,774)	3,588	52,547	(194,520)	(30,069)	(189,228)
Other financing sources (uses)						
Bonds issued	-	-	-	11,557	-	11,557
Discount on debt issuance	-	-	-	(9,849)	-	(9,849)
Transfers in	-	-	-	18,000	469,350	487,350
Transfers out	-	-	-	-	(2,134)	(2,134)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,708</u>	<u>467,216</u>	<u>486,924</u>
Net change in fund balances	(20,774)	3,588	52,547	(174,812)	437,147	297,696
Fund balances						
Beginning of year	<u>24,984</u>	<u>88,241</u>	<u>81,484</u>	<u>879,982</u>	<u>280,268</u>	<u>1,354,959</u>
End of year	<u>\$ 4,210</u>	<u>\$ 91,829</u>	<u>\$ 134,031</u>	<u>\$ 705,170</u>	<u>\$ 717,415</u>	<u>\$ 1,652,655</u>



READER'S NOTES:

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 City 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 City 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

Internal Service Funds
 Combining Statement of Net Position
 December 31, 2012

	Central Garage Fund	Central Services Fund	Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
Assets						
Current assets						
Cash and cash equivalents	\$ 235,410	\$ 263,228	\$ 354,274	\$ 216,560	\$ 298,122	\$ 1,367,594
Investments	621,191	694,594	934,843	571,449	774,045	3,596,122
Accrued interest	4,931	5,514	7,421	4,536	6,145	28,547
Accounts receivable	-	-	-	-	7,886	7,886
Due from other funds	270,839	-	-	-	-	270,839
Prepaid items	-	5,234	-	23,388	-	28,622
Total current assets	<u>1,132,371</u>	<u>968,570</u>	<u>1,296,538</u>	<u>815,933</u>	<u>1,086,198</u>	<u>5,299,610</u>
Noncurrent assets						
Capital assets						
Land	29,388	-	69,385	-	-	98,773
Buildings and structures	673,052	108,773	743,883	-	-	1,525,708
Other improvements	-	80,748	829,498	-	-	910,246
Mobile equipment	4,255,399	-	262,818	-	-	4,518,217
Machinery and office equipment	345,863	867,353	963,799	-	-	2,177,015
Work in progress	-	2,440	-	-	-	2,440
Accumulated depreciation	<u>(2,906,873)</u>	<u>(863,892)</u>	<u>(2,298,757)</u>	<u>-</u>	<u>-</u>	<u>(6,069,522)</u>
Total capital assets, net of depreciation	<u>2,396,829</u>	<u>195,422</u>	<u>570,626</u>	<u>-</u>	<u>-</u>	<u>3,162,877</u>
Total assets	<u>\$ 3,529,200</u>	<u>\$ 1,163,992</u>	<u>\$ 1,867,164</u>	<u>\$ 815,933</u>	<u>\$ 1,086,198</u>	<u>\$ 8,462,487</u>
Liabilities and Net Position						
Liabilities						
Current liabilities						
Accounts payable	\$ 16,409	\$ 25,268	\$ -	\$ 31,156	\$ -	\$ 72,833
Accrued salaries and benefits	3,494	2,825	-	-	32,600	38,919
Contracts payable	-	2,440	-	-	-	2,440
Compensated absences	-	-	-	-	35,000	35,000
Total current liabilities	<u>19,903</u>	<u>30,533</u>	<u>-</u>	<u>31,156</u>	<u>67,600</u>	<u>149,192</u>
Noncurrent liabilities						
Compensated absences	-	-	-	-	463,924	463,924
Total liabilities	19,903	30,533	-	31,156	531,524	613,116
Net position						
Net investment in capital assets	2,396,829	195,422	570,626	-	-	3,162,877
Unrestricted	<u>1,112,468</u>	<u>938,037</u>	<u>1,296,538</u>	<u>784,777</u>	<u>554,674</u>	<u>4,686,494</u>
Total net position	<u>3,509,297</u>	<u>1,133,459</u>	<u>1,867,164</u>	<u>784,777</u>	<u>554,674</u>	<u>7,849,371</u>
Total liabilities and net position	<u>\$ 3,529,200</u>	<u>\$ 1,163,992</u>	<u>\$ 1,867,164</u>	<u>\$ 815,933</u>	<u>\$ 1,086,198</u>	<u>\$ 8,462,487</u>

CITY OF ROBBINSDALE

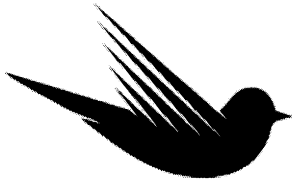
Internal Service Funds
 Combining Statement of Revenues, Expenses,
 and Changes in Fund Net Position
 Year Ended December 31, 2012

	Central Garage Fund	Central Services Fund	Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
Operating revenues						
Sales, fees, and charges	\$ 806,201	\$ 1,018,261	\$ –	\$ 497,364	\$ 5,242	\$ 2,327,068
Operating expenses						
Personal services	155,651	148,001	–	–	–	303,652
Supplies	194,944	56,353	–	–	–	251,297
Other services and charges	169,093	541,203	3,868	321,770	11,490	1,047,424
Depreciation	392,974	62,264	97,716	–	–	552,954
Total operating expenses	912,662	807,821	101,584	321,770	11,490	2,155,327
Operating income (loss)	(106,461)	210,440	(101,584)	175,594	(6,248)	171,741
Nonoperating revenues						
Intergovernmental	–	–	–	10,365	–	10,365
Investment earnings	11,807	10,382	14,935	8,006	14,261	59,391
Gain on disposal of capital assets	152,883	–	284	–	–	153,167
Total nonoperating revenues	164,690	10,382	15,219	18,371	14,261	222,923
Income (loss) before transfers	58,229	220,822	(86,365)	193,965	8,013	394,664
Transfers						
Transfers in	–	235,000	300,000	200,000	–	735,000
Change in net position	58,229	455,822	213,635	393,965	8,013	1,129,664
Net position						
Beginning of year	3,451,068	677,637	1,653,529	390,812	546,661	6,719,707
End of year	\$ 3,509,297	\$ 1,133,459	\$ 1,867,164	\$ 784,777	\$ 554,674	\$ 7,849,371

CITY OF ROBBINSDALE

Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2012

	Central Garage Fund	Central Services Fund	Equipment Replacement Fund	Risk Insurance Fund	Benefit Accrual Fund	Total
Cash flows from operating activities						
Cash received from customers and users, including deposits	\$ 806,201	\$ 1,018,261	\$ -	\$ 497,364	\$ 5,214	\$ 2,327,040
Cash payments to suppliers	(353,556)	(595,202)	(3,868)	(324,800)	(63,186)	(1,340,612)
Cash payments to employees	(155,811)	(147,935)	-	-	-	(303,746)
Net cash flows from operating activities	296,834	275,124	(3,868)	172,564	(57,972)	682,682
Cash flows from noncapital financing activities						
Transfers from other funds	-	-	300,000	200,000	-	500,000
Intergovernmental	-	-	-	10,365	-	10,365
Net cash flows from noncapital financing activities	-	-	300,000	210,365	-	510,365
Cash flows from capital and related financing activities						
Borrowing (payments) on interfund balances	(270,839)	-	-	-	-	(270,839)
Transfers (to) from other funds	-	235,000	-	-	-	235,000
Acquisition of property and equipment	(539,621)	(14,395)	-	-	-	(554,016)
Proceeds from the disposal of property and equipment	165,849	-	1,322	-	-	167,171
Net cash flows from capital and related financing activities	(644,611)	220,605	1,322	-	-	(422,684)
Cash flows from investing activities						
Proceeds from maturities of investments	(310,640)	(885,421)	(966,384)	(712,183)	(617,060)	(3,491,688)
Purchases of investments	424,725	471,567	635,817	387,326	528,687	2,448,122
Interest on investments	14,752	7,875	13,986	6,111	15,460	58,184
Net cash flows from investing activities	128,837	(405,979)	(316,581)	(318,746)	(72,913)	(985,382)
Net change in cash and cash equivalents	(218,940)	89,750	(19,127)	64,183	(130,885)	(215,019)
Cash and cash equivalents at beginning of year	454,350	173,478	373,401	152,377	429,007	1,582,613
Cash and cash equivalents at end of year	\$ 235,410	\$ 263,228	\$ 354,274	\$ 216,560	\$ 298,122	\$ 1,367,594
Reconciliation of operating income (loss) to net cash flows from operating activities						
Operating income (loss)	\$ (106,461)	\$ 210,440	\$ (101,584)	\$ 175,594	\$ (6,248)	\$ 171,741
Adjustments to reconcile operating income (loss) to net cash flows from operating activities						
Depreciation	392,974	62,264	97,716	-	-	552,954
(Increase) decrease in assets						
Accounts receivable	-	-	-	-	(28)	(28)
Prepaid items	-	6,255	-	812	-	7,067
Increase (decrease) in liabilities						
Accounts payable	10,494	(3,779)	-	(3,842)	(47,810)	(44,937)
Accrued salaries and benefits	(160)	66	-	-	(3,886)	(3,980)
Due to other governments	(13)	(122)	-	-	-	(135)
Total adjustments	403,295	64,684	97,716	(3,030)	(51,724)	510,941
Net cash provided (used) by operating activities	\$ 296,834	\$ 275,124	\$ (3,868)	\$ 172,564	\$ (57,972)	\$ 682,682
Noncash investing, capital, and financing activities						
Net increase (decrease) in fair value of investments	\$ (8,158)	\$ (5,776)	\$ (8,917)	\$ (4,116)	\$ (9,617)	\$ (36,584)
Capital assets purchased on account	-	2,440	-	-	-	2,440



READER'S NOTES:

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.



READER'S NOTES:

CITY OF ROBBINSDALE

Agency Fund

Statement of Changes in Assets and Liabilities
for the Year Ended December 31, 2012

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Deputy Registrar				
Assets				
Cash and cash equivalents	\$ 3,789	\$ 22,986,076	\$ 22,986,804	\$ 3,061
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Liabilities				
Due to other governments	\$ 3,789	\$ 22,986,076	\$ 22,986,804	\$ 3,061
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable
December 31, 2012

	<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Building Bonds					
General Obligation Building Refunding Bonds of 2010B	2013	2.00%	<u>\$ 75,000</u>	<u>\$ 750</u>	<u>\$ 75,750</u>
General Obligation Street Bonds					
General Obligation Street Improvement Bonds of 2012A	2013	0.40%	\$ -	\$ 16,692	\$ 16,692
	2014	0.40%	130,000	16,433	146,433
	2015	0.50%	140,000	15,823	155,823
	2016	0.60%	145,000	15,038	160,038
	2017	0.75%	145,000	14,059	159,059
	2018	1.00%	145,000	12,790	157,790
	2019	1.10%	150,000	11,240	161,240
	2020	1.35%	150,000	9,403	159,403
	2021	1.60%	150,000	7,190	157,190
	2022	1.80%	155,000	4,595	159,595
	2023	2.00%	<u>160,000</u>	<u>1,600</u>	<u>161,600</u>
Subtotal			<u>1,470,000</u>	<u>124,863</u>	<u>1,594,863</u>
General Obligation Street Reconstruction Bonds of 2006A					
	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	4.38%	180,000	15,969	195,969
	2017	4.38%	<u>185,000</u>	<u>8,094</u>	<u>193,094</u>
Subtotal			<u>860,000</u>	<u>114,469</u>	<u>974,469</u>
Total General Obligation Street Bonds			<u>\$ 2,330,000</u>	<u>\$ 239,332</u>	<u>\$ 2,569,332</u>
General Obligation Capital Equipment Notes					
General Obligation Capital Equipment Notes of 2009					
	2013	3.50%	\$ 155,500	\$ 8,495	\$ 163,995
	2014	3.50%	<u>161,000</u>	<u>2,880</u>	<u>163,880</u>
Total General Obligation Capital Equipment Notes			<u>\$ 316,500</u>	<u>\$ 11,375</u>	<u>\$ 327,875</u>

(continued)

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2012

	<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Tax Increment Bonds					
General Obligation Tax Increment					
Bonds of 2010A					
	2013	2.00%	\$ 110,000	\$ 164,812	\$ 274,812
	2014	2.00%	120,000	162,513	282,513
	2015	2.25%	130,000	159,850	289,850
	2016	2.25%	140,000	156,813	296,813
	2017	2.50%	155,000	153,300	308,300
	2018	2.75%	165,000	149,094	314,094
	2019	2.75%	180,000	144,350	324,350
	2020	3.00%	190,000	139,025	329,025
	2021	3.00%	205,000	133,100	338,100
	2022	3.00%	220,000	126,725	346,725
	2023	3.25%	240,000	119,525	359,525
	2024	3.25%	255,000	111,481	366,481
	2025	3.50%	275,000	102,525	377,525
	2026	3.50%	295,000	92,550	387,550
	2027	3.50%	315,000	81,875	396,875
	2028	3.75%	335,000	70,081	405,081
	2029	4.00%	360,000	56,600	416,600
	2030	4.00%	385,000	41,700	426,700
	2031	4.00%	410,000	25,800	435,800
	2032	4.00%	440,000	8,800	448,800
			<u>\$ 4,925,000</u>	<u>\$ 2,200,519</u>	<u>\$ 7,125,519</u>
Total General Obligation Tax Increment Bonds of 2010A					

(continued)

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2012

	<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Housing Refunding Bonds					
General Obligation Housing					
Refunding Bonds – Series 2006A					
	2013	4.25%	\$ 145,000	\$ 176,770	\$ 321,770
	2014	4.25%	150,000	170,607	320,607
	2015	4.25%	155,000	164,233	319,233
	2016	4.25%	160,000	157,645	317,645
	2017	4.25%	170,000	150,845	320,845
	2018	4.25%	175,000	143,620	318,620
	2019	4.25%	185,000	136,182	321,182
	2020	4.25%	190,000	128,320	318,320
	2021	4.25%	200,000	120,245	320,245
	2022	4.25%	205,000	111,745	316,745
	2023	4.25%	215,000	103,033	318,033
	2024	4.45%	225,000	93,895	318,895
	2025	4.45%	235,000	83,882	318,882
	2026	4.45%	245,000	73,425	318,425
	2027	4.45%	255,000	62,523	317,523
	2028	4.45%	270,000	51,175	321,175
	2029	4.45%	280,000	39,160	319,160
	2030	4.45%	295,000	26,700	321,700
	2031	4.45%	305,000	13,573	318,573
			<u>\$ 4,060,000</u>	<u>\$ 2,007,578</u>	<u>\$ 6,067,578</u>
Total General Obligation Housing Bonds – Series 2006A					

(continued)

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2012

	Year	Interest Rate	Principal	Interest	Total
General Obligation Utility Revenue Bonds and Notes					
General Obligation Utility Revenue Bonds of 2012A					
	2013	0.40%	\$ -	\$ 29,045	\$ 29,045
	2014	0.40%	225,000	28,595	253,595
	2015	0.50%	250,000	27,520	277,520
	2016	0.60%	250,000	26,145	276,145
	2017	0.75%	250,000	24,458	274,458
	2018	1.00%	255,000	22,245	277,245
	2019	1.10%	260,000	19,540	279,540
	2020	1.35%	260,000	16,355	276,355
	2021	1.60%	265,000	12,480	277,480
	2022	1.80%	270,000	7,930	277,930
	2023	2.00%	275,000	2,750	277,750
Total General Obligation Utility Revenue Bonds of 2012A			2,560,000	217,063	2,777,063
General Obligation Utility Revenue Bonds of 2005A					
	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
Total General Obligation Utility Revenue Bonds of 2005A			595,000	34,032	629,032
General Obligation Utility Revenue Bonds of 2006 (Series 2006B)					
	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
Total General Obligation Utility Revenue Bonds of 2005A			2,030,000	258,742	2,288,742
Total General Obligation Utility Bonds and Notes			\$ 5,185,000	\$ 509,837	\$ 5,694,837
Total long-term debt issues payable			\$ 16,891,500	\$ 4,969,391	\$ 21,860,891



READER'S NOTES:

STATISTICAL SECTION

(UNAUDITED)

STATISTICAL SECTION (UNAUDITED)

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

These schedules offer demographic and economic indicators to help the reader understand the environment in 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.

Source: Unless otherwise noted, the information in these schedules is derived from the CAFR for the relevant year.

CITY OF ROBBINSDALE

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Net investment in capital assets	\$11,335,179	\$12,264,213	\$13,169,424	\$15,748,190	\$17,745,376	\$20,044,810	\$20,986,539	\$23,463,188	\$23,776,331	\$24,538,707
Restricted	5,663,073	4,730,506	3,137,422	3,546,708	3,774,299	5,306,950	4,340,185	7,141,972	7,595,341	8,080,478
Unrestricted	15,931,571	14,655,119	13,783,319	14,387,113	14,149,027	11,229,098	12,985,212	8,199,538	9,207,928	10,727,036
Total governmental activities net position	\$32,929,823	\$31,649,838	\$30,090,165	\$33,682,011	\$35,668,702	\$36,580,858	\$38,311,936	\$38,804,698	\$40,579,600	\$43,346,221
Business-type activities										
Net investment in capital assets	\$ 7,800,388	\$ 9,026,077	\$ 5,953,289	\$ 6,365,536	\$ 7,352,373	\$ 8,682,059	\$ 9,895,291	\$11,163,407	\$13,765,560	\$15,162,769
Restricted	1,111,052	1,155,117	1,174,888	–	–	–	–	–	–	–
Unrestricted	7,856,594	6,950,533	7,728,002	9,042,271	9,147,136	8,942,806	8,682,243	9,049,633	9,141,500	9,345,577
Total business-type activities net position	\$16,768,034	\$17,131,727	\$14,856,179	\$15,407,807	\$16,499,509	\$17,624,865	\$18,577,534	\$20,213,040	\$22,907,060	\$24,508,346
Primary government										
Net investment in capital assets	\$19,135,567	\$21,290,290	\$19,122,713	\$22,113,726	\$25,097,749	\$28,726,869	\$30,881,830	\$34,626,595	\$37,541,891	\$39,701,476
Restricted	6,774,125	5,885,623	4,312,310	3,546,708	3,774,299	5,306,950	4,340,185	7,141,972	7,595,341	8,080,478
Unrestricted	23,788,165	21,605,652	21,511,321	23,429,384	23,296,163	20,171,904	21,667,455	17,249,171	18,349,428	20,072,613
Total primary government net position	\$49,697,857	\$48,781,565	\$44,946,344	\$49,089,818	\$52,168,211	\$54,205,723	\$56,889,470	\$59,017,738	\$63,486,660	\$67,854,567

CITY OF ROBBINSDALE, MINNESOTA

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	\$ 1,106,459	\$ 1,037,556	\$ 989,271
Community development	1,176,663	5,479,506	5,948,733	2,369,643	1,448,035	1,149,841	2,059,442	3,044,249	1,134,987	1,254,540
Public safety	3,417,417	3,427,975	3,751,046	3,869,833	3,808,379	4,080,471	4,051,535	4,282,407	4,397,904	4,459,174
Recreation	1,471,433	1,684,254	1,864,698	1,513,183	1,527,831	1,331,959	1,298,539	1,272,513	1,228,887	1,322,374
Public works	905,478	1,100,403	1,234,772	1,365,549	1,909,203	2,241,390	2,215,989	2,136,832	2,391,935	2,308,828
Human services	21,750	18,633	18,933	19,133	1,600	1,700	4,830	5,572	9,287	9,938
Interest on long-term debt	257,312	264,031	344,568	337,565	469,848	383,544	527,820	313,314	299,696	260,509
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>	<u>12,161,346</u>	<u>10,500,252</u>	<u>10,604,634</u>
Business-type activities										
Water utility	893,186	875,003	897,416	966,178	1,009,200	1,006,173	1,028,542	950,138	934,582	995,704
Sanitary sewer utility	1,436,779	1,134,909	1,258,788	1,369,615	1,368,433	1,396,520	1,442,525	1,446,157	1,391,133	1,409,068
Storm sewer utility	152,343	176,963	175,150	212,160	240,535	249,502	333,634	402,715	380,028	400,964
Solid waste utility	1,051,745	1,049,834	1,121,758	1,146,931	1,199,735	996,067	1,157,282	1,067,228	1,178,725	1,187,660
Liquor operations	2,041,651	2,070,692	2,002,546	2,006,001	2,089,831	2,326,877	2,407,183	2,438,123	2,540,598	652,729
Deputy registrar	259,814	300,597	334,981	306,247	324,699	336,435	306,467	283,385	289,334	345,079
Broadway Court	684,291	698,526	725,974	921,423	511,213	646,977	623,985	637,144	648,730	643,637
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>	<u>7,224,890</u>	<u>7,363,130</u>	<u>5,634,841</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>	<u>\$ 19,386,236</u>	<u>\$ 17,863,382</u>	<u>\$ 16,239,475</u>
Program revenues										
Government activities										
Charges for services										
General government	\$ 749,415	\$ 759,175	\$ 770,779	\$ 496,483	\$ 470,307	\$ 928,742	\$ 828,171	\$ 852,568	\$ 843,093	\$ 975,673
Community development	380,792	423,449	1,077,378	1,325,412	911,293	310,165	454,962	521,134	252,697	281,728
Public safety	936,830	817,409	808,826	679,693	575,020	292,400	413,046	363,590	486,557	619,592
Recreation	183,218	145,983	141,410	172,860	170,235	152,906	149,784	153,612	163,736	161,150
Public works	487,145	299,576	538,000	793,648	964,135	348,025	63,087	25,077	172,560	119,723
Operating grants and contributions	273,885	271,625	288,975	294,927	424,164	376,447	388,076	439,595	484,766	449,139
Capital grants and contributions	545,181	520,795	884,314	1,925,124	85,833	59,364	1,327,312	1,534,501	947,020	2,348,028
Total governmental activities program revenue:	<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>	<u>3,890,077</u>	<u>3,350,429</u>	<u>4,955,033</u>

(continued)

CITY OF ROBBINSDALE, MINNESOTA

Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	1,393,631	1,531,358	1,555,498
Sanitary sewer utility	1,305,722	1,331,566	1,424,020	1,379,471	1,455,471	1,435,943	1,511,743	1,488,173	1,578,373	1,625,636
Storm sewer utility	253,368	266,484	400,559	436,038	486,436	502,944	584,252	699,952	732,042	806,383
Solid waste utility	1,166,117	1,156,752	1,176,402	1,193,393	1,231,954	1,291,993	1,335,313	1,393,672	1,448,813	1,489,942
Liquor operations	2,114,320	2,100,573	2,011,139	1,982,472	2,159,658	2,475,473	2,613,894	2,647,370	2,725,843	770,279
Deputy registrar	349,217	323,578	306,278	321,732	324,552	308,660	285,532	285,074	381,557	430,840
Broadway Court	641,223	691,080	671,928	683,452	729,821	679,654	623,403	679,582	704,559	723,657
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	42,444	42,101	41,340
Capital grants and contributions	-	-	-	-	-	-	-	57,348	942,652	141,498
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>	<u>8,687,246</u>	<u>10,087,298</u>	<u>7,585,073</u>
Total primary government program revenue:	<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>	<u>\$ 12,577,323</u>	<u>\$ 13,437,727</u>	<u>\$ 12,540,106</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)	\$ (8,271,269)	\$ (7,149,823)	\$ (5,649,601)
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>	<u>1,462,356</u>	<u>2,724,168</u>	<u>1,950,232</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>	<u>\$ (6,808,913)</u>	<u>\$ (4,425,655)</u>	<u>\$ (3,699,369)</u>
Program revenue and transfers										
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	\$ 5,862,472	\$ 5,346,373	\$ 5,426,522
Tax increments	1,468,874	1,363,220	525,585	403,679	462,906	858,422	582,440	428,833	436,806	369,999
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	1,251,515	1,250,114	1,181,930
Franchise fees	231,090	497,928	583,316	617,774	626,873	665,885	572,380	553,215	582,971	507,460
Unrestricted investment earnings	299,922	604,580	474,631	916,612	1,113,326	828,530	404,427	351,633	685,626	268,021
Gain on disposal of property	52,301	53,500	-	131,685	17,034	8,500	793,845	337,653	266,904	200,667
Transfers	279,862	247,742	605,251	258,406	334,488	286,729	287,597	(21,290)	355,931	461,623
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>	<u>8,764,031</u>	<u>8,924,725</u>	<u>8,416,222</u>
Business-type activities										
Unrestricted investment earnings	181,096	264,412	245,499	421,985	471,875	331,995	151,253	151,860	325,783	112,677
Special item disposal of property	-	-	(2,268,134)	-	-	-	-	-	-	-
Transfers	(279,862)	(247,742)	(605,251)	(258,406)	(334,488)	(286,729)	(287,597)	21,290	(355,931)	(461,623)
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>	<u>173,150</u>	<u>(30,148)</u>	<u>(348,946)</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>	<u>\$ 8,937,181</u>	<u>\$ 8,894,577</u>	<u>\$ 8,067,276</u>
Change in net position										
Governmental activities	\$ 2,910,582	\$ (1,355,621)	\$ (1,559,673)	\$ 3,592,847	\$ 1,986,691	\$ 912,156	\$ 1,731,078	\$ 492,762	\$ 1,774,902	\$ 2,766,621
Business-type activities	<u>78,504</u>	<u>363,513</u>	<u>(2,275,548)</u>	<u>551,628</u>	<u>1,091,702</u>	<u>1,125,356</u>	<u>952,669</u>	<u>1,635,506</u>	<u>2,694,020</u>	<u>1,601,286</u>
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>	<u>\$ 2,128,268</u>	<u>\$ 4,468,922</u>	<u>\$ 4,367,907</u>



READER'S NOTES:

CITY OF ROBBINSDALE, MINNESOTA

Governmental Activities Tax Revenues by Source
 Last Ten 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	665,885	6,390,085
2009	5,207,900	582,440	572,380	6,362,720
2010	5,862,472	428,833	553,215	6,844,520
2011	5,346,373	436,806	582,971	6,366,150
2012	5,426,522	369,999	507,460	6,303,981

CITY OF ROBBINSDALE

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ 8,947	\$ 15,428	\$ 7,695	\$ 7,285	\$ 6,790	\$ 6,900	\$ -	\$ -	\$ -	\$ -
Unreserved	4,224,121	4,044,151	4,138,643	4,279,813	4,472,900	4,383,127	4,748,267	5,281,704	-	-
Nonspendable	-	-	-	-	-	-	-	-	4,522	3,554
Assigned	-	-	-	-	-	-	-	-	140,801	33,698
Unassigned	-	-	-	-	-	-	-	-	4,843,517	4,328,998
Total General Fund	<u>\$ 4,233,068</u>	<u>\$ 4,059,579</u>	<u>\$ 4,146,338</u>	<u>\$ 4,287,098</u>	<u>\$ 4,479,690</u>	<u>\$ 4,390,027</u>	<u>\$ 4,748,267</u>	<u>\$ 5,281,704</u>	<u>\$ 4,988,840</u>	<u>\$ 4,366,250</u>
All other governmental funds										
Reserved	\$ 5,220,003	\$ 6,312,812	\$ 5,678,255	\$ 6,275,348	\$ 6,894,300	\$ 9,261,117	\$ 8,205,820	\$ 5,257,568	\$ -	\$ -
Unreserved, reported in										
Special revenue funds	1,965,701	3,396,297	702,459	1,775,289	918,229	(679,842)	(425,410)	(127,690)	-	-
Debt service funds	(31,500)	(70,034)	159,169	(54,101)	(10,312)	-	-	(460,956)	-	-
Capital project funds	6,266,960	7,013,654	7,195,579	7,255,854	5,825,135	4,879,022	4,506,191	4,663,805	-	-
Nonspendable	-	-	-	-	-	-	-	-	2,281	2,281
Restricted	-	-	-	-	-	-	-	-	7,561,737	7,445,206
Committed	-	-	-	-	-	-	-	-	224,073	1,333,229
Assigned	-	-	-	-	-	-	-	-	5,398,899	6,553,837
Unassigned	-	-	-	-	-	-	-	-	(2,588,475)	(3,049,329)
Total all other governmental funds	<u>\$ 13,421,164</u>	<u>\$ 16,652,729</u>	<u>\$ 13,735,462</u>	<u>\$ 15,252,390</u>	<u>\$ 13,627,352</u>	<u>\$ 13,460,297</u>	<u>\$ 12,286,601</u>	<u>\$ 9,332,727</u>	<u>\$ 10,598,515</u>	<u>\$ 12,285,224</u>

Note: The City implemented GASB Statement No. 54 in 2011, which changed fund balance classifications. Prior year information has not been restated.

CITY OF ROBBINSDALE, MINNESOTA

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	\$ 3,165,016	\$ 3,664,372	\$ 4,181,409	\$ 4,603,357	\$ 4,721,221	\$ 4,844,180	\$ 5,208,981	\$ 5,866,841	\$ 5,381,400	\$ 5,448,207
Tax increments	1,468,874	1,363,220	525,585	403,679	462,906	858,422	582,440	428,833	436,806	369,999
Special assessments	364,060	226,197	315,066	531,297	541,727	507,304	763,799	577,387	538,101	571,140
Licenses and permits	505,010	528,882	418,970	382,539	391,529	449,548	277,740	343,634	434,501	544,442
Intergovernmental	2,891,101	2,775,217	2,890,934	3,659,393	1,771,703	1,663,520	1,901,058	2,963,756	2,182,047	3,779,540
Charges for services	1,186,629	1,172,510	1,182,837	1,691,911	860,561	1,078,774	1,251,399	1,005,335	958,497	1,051,824
Fines and forfeitures	346,663	267,749	323,841	227,925	171,171	203,219	215,239	190,979	300,654	460,080
Franchise fee tax	231,090	497,928	583,316	617,774	626,873	665,886	572,380	553,215	582,971	507,460
Investment earnings	229,528	483,957	382,214	752,683	930,662	666,418	331,110	268,264	532,861	208,630
Other	389,978	273,745	916,063	1,160,164	309,628	63,031	906,314	391,290	444,777	133,131
Total revenues	10,777,949	11,253,777	11,720,235	14,030,722	10,787,981	11,000,302	12,010,460	12,589,534	11,792,615	13,074,453
Expenditures										
General government	935,510	972,771	974,563	990,636	973,968	1,083,493	968,799	1,022,579	915,452	942,397
Community development	1,170,623	5,469,854	5,942,913	2,366,226	1,448,898	1,150,909	2,055,531	3,042,189	1,124,405	1,254,590
Public safety	3,241,141	3,154,614	3,467,141	3,624,457	3,633,238	3,950,431	3,856,292	4,088,345	4,172,999	4,442,975
Recreation	1,414,448	1,557,786	1,714,907	1,369,046	1,379,462	1,341,943	1,129,610	1,121,555	1,055,748	1,054,146
Public works	958,355	1,021,897	1,079,376	1,199,080	1,349,011	1,585,959	1,771,977	1,681,808	1,598,566	1,666,416
Human services	21,750	18,633	18,933	19,133	1,600	1,700	4,830	5,572	9,287	9,938
Capital outlay	1,166,455	654,670	963,085	3,833,773	2,484,380	1,956,457	2,090,134	2,753,706	1,297,771	2,739,296
Debt service										
Principal	837,000	897,000	730,000	525,000	5,830,000	610,000	650,000	6,243,500	740,000	815,000
Interest	280,288	216,218	339,226	314,789	417,358	465,753	458,921	367,049	351,929	272,350
Other charges	-	-	-	-	-	-	-	117,245	-	-
Total expenditures	10,025,570	13,963,443	15,230,144	14,242,140	17,517,915	12,146,645	12,986,094	20,443,548	11,266,157	13,197,108
Excess (deficiency) of revenues over (under) expenditures	752,379	(2,709,666)	(3,509,909)	(211,418)	(6,729,934)	(1,146,343)	(975,634)	(7,854,014)	526,458	(122,655)
Other financing sources (uses)										
Transfers in	1,317,904	1,646,324	1,391,840	1,408,100	412,578	1,915,737	655,992	1,296,981	1,349,273	883,969
Transfers out	(1,027,774)	(1,198,582)	(712,439)	(1,073,994)	(580,090)	(1,026,112)	(1,248,032)	(1,128,182)	(902,807)	(1,157,346)
Sale of assets	-	-	-	-	-	-	2,218	-	-	-
Refunding of debt	-	-	-	-	-	-	-	(705,000)	-	-
Issuance of debt	225,000	5,320,000	-	1,535,000	5,465,000	-	750,000	5,969,778	-	1,460,151
Total other financing sources (uses)	515,130	5,767,742	679,401	1,869,106	5,297,488	889,625	160,178	5,433,577	446,466	1,186,774
Net change in fund balances	\$ 1,267,509	\$ 3,058,076	\$(2,830,508)	\$ 1,657,688	\$(1,432,446)	\$ (256,718)	\$ (815,456)	\$(2,420,437)	\$ 972,924	\$ 1,064,119
Debt service as a percentage of noncapital expenditures	12.6%	8.4%	7.5%	8.1%	41.6%	10.6%	10.2%	38.0%	11.2%	10.5%

CITY OF ROBBINSDALE

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 Fee</u>	<u>Total</u>
2003	\$ 3,165,016	\$ 1,468,874	\$ 231,090	\$ 4,864,980
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
2010	5,866,841	428,833	553,215	6,848,889
2011	5,381,400	436,806	582,971	6,401,177
2012	5,448,207	369,999	507,460	6,325,666

CITY OF ROBBINSDALE

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
2003	\$ 676,494,300	\$ 5,489,900	\$ 681,984,200	42.132 %	\$ 797,652,600	85.5 %
2004	757,316,000	5,583,700	762,899,700	40.784	881,149,700	86.6
2005	860,340,477	5,665,723	866,006,200	36.707	958,846,200	90.3
2006	976,950,300	6,571,400	983,521,700	37.214	1,050,761,600	93.6
2007	1,093,871,200	6,825,800	1,100,697,000	37.322	1,139,139,300	96.6
2008	1,166,049,400	6,712,200	1,172,761,600	36.305	1,180,923,800	99.3
2009	1,136,306,200	6,461,600	1,142,767,800	38.618	1,145,954,100	99.7
2010	1,047,973,600	6,600,900	1,054,574,500	42.182	1,056,752,500	99.8
2011	947,652,000	6,968,600	954,620,600	46.252	957,064,600	99.7
2012	800,942,877	8,305,900	809,248,777	50.293	907,061,800	89.2

Source: Hennepin County

CITY OF ROBBINSDALE, MINNESOTA

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

Fiscal Year	City Direct				Overlapping Robbinsdale School District No. 281			Total Direct and Overlapping Rates
	Operating	Debt Service	HRA/EDA	Total City	County Tax Capacity Rate	Tax Capacity Rate	Special Districts	
2003	-	-	-	42.132	50.409	30.213	7.386	130.140
2004	-	-	-	40.784	50.607	29.179	7.757	128.327
2005	35.520	-	1.187	36.707	47.324	34.258	8.526	126.815
2006	34.408	1.611	1.195	37.214	44.172	30.016	7.826	119.228
2007	33.781	2.302	1.239	37.322	39.110	28.750	7.427	112.609
2008	32.799	2.268	1.238	36.305	38.571	27.243	8.048	110.167
2009	33.391	3.609	1.618	38.618	40.413	27.214	7.689	113.934
2010	36.862	3.714	1.606	42.182	42.640	28.621	8.825	122.268
2011	40.156	4.472	1.624	46.252	45.840	34.387	9.837	136.316
2012	45.015	3.627	1.651	50.293	48.230	32.810	10.146	141.479

(1) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City of Robbinsdale 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).

Source: Hennepin County

CITY OF ROBBINSDALE

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2012				2003			
	Taxable Assessed Value	Tax Capacity	Rank	Percentage of Total Tax Capacity	Taxable Assessed Value	Tax Capacity	Rank	Percentage of Total Tax Capacity
Oakdale Medical Buildings	\$ 15,899,000	\$ 317,230	1	3.89 %	\$ 12,735,242	\$ 259,540	1	3.39 %
Copperfield Hill Apartments	17,024,000	212,801	2	2.61	12,453,000	186,795	2	2.44
Terrace Mall	6,612,000	131,490	3	1.61	4,152,000	82,290	6	1.07
Town Center	5,405,000	107,350	4	1.32	4,479,000	88,830	4	1.16
Robin Center	4,852,000	96,310	5	1.18	3,649,000	72,230	7	0.94
Beach South Apartments	6,901,000	86,263	6	1.06	5,653,000	84,795	5	1.11
U.S. Bank	2,000,000	39,250	7	0.48	1,948,000	38,210	10	0.50
Robins Landing	5,141,000	38,558	8	0.47	4,479,000	44,790	8	0.58
Trevilla Nursing Home	2,500,000	31,250	9	0.38	2,898,000	43,470	9	0.57
North Memorial Medical Center	1,322,000	28,580	10	0.35	4,799,000	94,480	3	1.23
Total	<u>\$ 67,656,000</u>	<u>\$ 1,089,082</u>		<u>13.37 %</u>	<u>\$ 57,245,242</u>	<u>\$ 995,430</u>		<u>12.99 %</u>

Note: Total city property tax capacity for payable 2012 is \$8,147,193.

Source: Hennepin County Property Tax System



READER'S NOTES:

CITY OF ROBBINSDALE

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
2003	\$ 3,380,850	\$ 3,376,060	99.86 %	\$ 4,790	\$ 3,380,850	100.00 %
2004	3,621,910	3,620,149	99.95	1,761	3,621,910	100.00
2005	3,954,706	3,913,097	98.95	41,609	3,954,706	100.00
2006	4,418,526	4,339,831	98.22	78,695	4,418,526	100.00
2007	4,834,598	4,737,545	97.99	95,894	4,833,439	99.98
2008	4,950,925	4,847,344	97.91	98,665	4,946,009	99.90
2009	5,164,054	5,087,713	98.52	76,065	5,163,778	99.99
2010	5,453,371	5,380,289	98.66	65,689	5,445,978	99.86
2011	5,652,198	5,595,223	98.99	41,897	5,637,120	99.73
2012	5,378,607	5,331,953	99.13	-	5,331,953	99.13

Note: Collections include abatements, adjustments, and tax credits received through state aid.

Source: Hennepin County

CITY OF ROBBINSDALE

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			
2003	\$ 2,760,000	\$ 1,830,000	\$ 302,000	\$ 2,502,843	\$ 3,000,000	\$ 1,920,000	\$ 12,314,843	2.57 %	\$ 875
2004	2,505,000	6,660,000	150,000	2,225,843	3,000,000	1,880,000	16,420,843	3.42	1,177
2005	2,260,000	6,250,000	75,000	3,773,000	3,000,000	1,840,000	17,198,000	3.60	1,240
2006	3,545,000	6,050,000	–	7,043,000	4,730,000	–	21,368,000	4.17	1,560
2007	3,280,000	5,950,000	–	6,616,000	4,685,000	–	20,531,000	3.90	1,515
2008	2,915,000	5,705,000	–	5,866,000	4,580,000	–	19,066,000	3.61	1,402
2009	2,505,000	5,465,000	750,000	5,104,000	4,460,000	–	18,284,000	3.42	1,327
2010	1,865,000	5,255,000	611,500	4,235,000	4,335,000	–	16,301,500	2.81	1,168
2011	1,400,000	5,125,000	466,500	3,449,000	4,200,000	–	14,640,500	2.45	1,049
2012	2,405,000	4,925,000	316,500	5,185,000	4,060,000	–	16,891,500	2.81	1,205

(1) See Demographic and Economic Statistics for personal income and population data.

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

CITY OF ROBBINSDALE

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>
2003	\$ 2,880,000	\$ 633,614	\$ 2,246,386	0.33 %	\$ 160
2004	2,760,000	661,381	2,098,619	0.28	150
2005	2,505,000	664,055	1,840,945	0.21	133
2006	2,670,000	718,953	1,951,047	0.20	142
2007	2,525,000	778,424	1,746,576	0.16	129
2008	2,280,000	832,443	1,447,557	0.12	106
2009	2,740,000	1,005,853	1,734,147	0.15	126
2010	2,476,500	823,571	1,652,929	0.16	118
2011	1,866,500	879,982	986,518	0.10	71
2012	2,721,500	705,170	2,016,330	0.25	144

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

(1) See the Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See Demographic and Economic Statistics for population data.

CITY OF ROBBINSDALE

Direct and Overlapping Governmental Activities Debt
December 31, 2012

Governmental Unit	Gross Debt	Sinking Fund	Net Debt	City Percentage	Share Amount
Direct debt					
City of Robbinsdale	\$ 7,646,500	\$ 705,170	\$ 6,941,330	100.00 %	\$ 6,941,330
Overlapping debt					
Robbinsdale Independent School District No. 281	168,430,000	10,685,888	157,744,112	10.80	17,036,364
Hennepin County	678,885,000	5,046,499	673,838,501	0.61	4,110,415
Suburban Hennepin Three Rivers Park District	90,255,000	17,414,800	72,840,200	0.83	604,574
Hennepin County Regional RR Authority	39,110,000	339,701	38,770,299	0.61	236,499
Metropolitan Council (1)	<u>257,390,000</u>	<u>64,012,289</u>	<u>193,377,711</u>	0.28	<u>541,458</u>
Total overlapping debt	<u>1,234,070,000</u>	<u>97,499,177</u>	<u>1,136,570,823</u>		<u>22,529,309</u>
Total direct and overlapping debt	<u>\$1,241,716,500</u>	<u>\$ 98,204,347</u>	<u>\$1,143,512,153</u>		<u>\$ 29,470,639</u>

(1) 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 City of Robbinsdale. 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.

Source: Hennepin County Taxpayer Services Department, Direct and Overlapping Debt Report

CITY OF ROBBINSDALE

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 13,639,684	\$ 15,257,602	\$ 17,320,124	\$ 19,670,434	\$ 22,013,940	\$ 35,182,848	\$ 34,283,034	\$ 31,637,235	\$ 28,638,618	\$ 27,211,854
Total net debt applicable to limit	1,832,000	1,550,000	1,345,000	1,891,576	1,746,576	1,274,147	1,734,147	1,652,929	986,518	2,016,330
Legal debt margin	<u>\$ 11,807,684</u>	<u>\$ 13,707,602</u>	<u>\$ 15,975,124</u>	<u>\$ 17,778,858</u>	<u>\$ 20,267,364</u>	<u>\$ 33,908,701</u>	<u>\$ 32,548,887</u>	<u>\$ 29,984,306</u>	<u>\$ 27,652,100</u>	<u>\$ 25,195,524</u>
Total net debt applicable to the limit as a percentage of debt limit	13.43%	10.16%	7.77%	9.62%	7.93%	3.62%	5.06%	5.22%	3.44%	7.41%

Legal Debt Margin Calculation for Fiscal Year 2012

Estimated Taxable Market Value	\$ 907,061,800
Debt limit (3% of market value)	27,211,854
Debt applicable to limit	
General obligation bonds	2,721,500
Less amount set aside for repayment of general obligation debt	<u>705,170</u>
Total net debt applicable to limit	<u>2,016,330</u>
Legal debt margin	<u>\$ 25,195,524</u>

Note: Under state finance law, the City'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.

CITY OF ROBBINSDALE

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	
2003	\$ 2,592,867	\$ 2,110,052	\$ 482,815	\$ 160,000	\$ 87,089	1.95
2004	2,598,526	1,771,042	827,484	249,331	77,902	2.53
2005	2,920,888	1,850,906	1,069,982	247,843	105,921	3.02
2006	3,099,582	1,947,416	1,152,166	430,000	229,141	1.75
2007	3,215,320	1,964,877	1,250,443	427,000	260,270	1.82
2008	3,241,122	2,012,506	1,228,616	750,000	234,939	1.25
2009	3,489,080	2,200,427	1,288,653	762,000	207,391	1.33
2010	3,581,756	2,199,194	1,382,562	869,000	168,880	1.33
2011	3,841,773	2,133,327	1,708,446	786,000	137,188	1.85
2012	3,987,517	2,212,757	1,774,760	824,000	124,370	1.87

(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

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)
2003	14,068	\$ 34,071	\$ 479,310,828	38	14	1,638	4.7 %
2004	13,950	34,443	480,479,850	38	14	1,458	4.3
2005	13,873	34,443	477,827,739	38	14	1,460	3.7
2006	13,698	37,373	511,935,354	38	14	1,472	3.5
2007	13,551	38,859	526,578,309	38	14	1,519	4.6
2008	13,598	38,859	528,404,682	38	14	1,836	4.9
2009	13,775	38,859	535,282,725	38	14	1,881	7.9
2010	13,953	41,552	579,775,056	37	14	1,818	6.1
2011	13,953	42,843	597,788,379	37	14	1,747	5.5
2012	14,014	42,843	600,401,802	38	14	1,697	4.9

Data Sources

- (1) Metropolitan Council as of April 1
- (2) U.S. Census Bureau
- (3) School District
- (4) State Department of Employment & Economic Development (uses Hennepin County rate; the City rate is not available) rate is annual average (bls.gov.lau/data.htm).



READER'S NOTES:

CITY OF ROBBINSDALE

Principal Employers
Current Year and Nine Years Ago

Employer	2012			2003		
	Number of Employees	Rank	Percentage of Total City Employment (1)	Number of Employees	Rank	Percentage of Total City Employment (1)
North Memorial Medical Center	5,400	1	– %	3,500	1	– %
Robbinsdale Independent School District No. 281	1,717	2	–	415	2	–
Rainbow Foods	80	3	–	125	3	–
City of Robbinsdale	72	4	–	76	4	–
Copperfield Hill	42	5	–	–	–	–
U.S. Bank	40	6	–	42	6	–
U.S. Post Office	39	7	–	–	–	–
Citizens Independent Bank	18	8	–	17	10	–
Burmeister Electric Co.	17	9	–	25	8	–
Robbinsdale Farm, Garden & Pet Supply	–	–	–	65	5	–
Twin City Federal Bank	–	–	–	30	7	–
American Legion Post 251	–	–	–	21	9	–
Total	7,425		– %	4,316		– %

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

Sources: Principal employers are the result of surveys of employers in conjunction with city bond sales. Last bond sale was in 2012 and included only nine employers.

CITY OF ROBBINSDALE

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

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government (3)	12.21	12.93	11.98	12.82	10.62	13.10	11.83	12.08	11.60	11.02
Community development	2.52	2.56	2.44	2.21	2.97	3.01	2.00	2.49	2.20	2.53
Public safety										
Police										
Officers	21.15	20.30	21.01	22.24	19.78	21.16	21.95	21.06	21.93	22.41
Civilians	9.45	10.23	10.21	10.53	10.87	9.77	9.45	10.21	10.93	10.79
Fire										
Firefighters – paid on call (1)	–	–	–	–	–	–	–	–	–	–
Building inspections	1.45	1.48	1.59	1.59	1.59	1.92	1.71	1.56	1.70	1.72
Recreation										
Recreation programming	10.5	7.38	7.67	7.82	6.38	6.65	6.57	5.24	5.19	5.35
Park maintenance	4.41	4.28	4.90	5.09	4.80	4.94	4.58	4.89	4.38	4.36
Public works										
Engineering	4.17	4.56	5.38	5.17	4.30	4.33	5.41	5.35	5.58	5.51
Maintenance (2)	9.11	8.51	8.16	8.16	9.86	8.09	7.62	8.13	6.87	6.88
Water	2.73	3.08	2.39	2.70	2.76	2.55	2.42	2.18	2.49	2.33
Sanitary sewer	1.78	1.42	1.54	1.54	1.80	1.63	1.45	1.65	1.57	1.62
Storm sewer	0.3	0.18	0.44	0.20	0.19	0.10	1.01	1.28	1.41	1.30
Liquor operations	5.85	6.00	6.42	6.30	5.58	5.73	6.02	6.74	7.07	7.36
Deputy registrar	5.32	5.61	5.68	5.15	5.12	4.91	4.50	3.88	4.15	5.07
Five cities	0.40	0.34	0.35	0.45	0.46	0.48	0.46	0.43	0.42	0.43
Total	91.35	88.86	90.16	91.97	87.08	88.37	86.98	87.17	87.49	88.68

(1) There are 29 paid on-call firefighters with the City. FTEs are not tracked for this department.

(2) Includes FTEs from Central Garage Internal Service Fund and Central Services – Governmental Buildings Program Internal Service Fund.

(3) Includes FTEs from The Central Services – Information Technology Program Internal Service Fund

Source: City Payroll Records

CITY OF ROBBINSDALE

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police										
Radio calls	16,418	14,883	15,556	13,976	13,528	15,352	14,888	14,279	16,576	17,291
Arrests	952	1,090	819	884	873	362	863	854	1,083	1,059
Traffic violations	3,578	2,622	3,767	2,439	2,423	3,801	2,851	2,747	4,718	5,680
Parking violations	56	67	426	626	1,074	823	668	568	843	456
Part I crimes charged	648	655	633	556	547	611	527	468	506	464
Part II crimes charged	982	932	961	1,052	995	1,070	977	899	1,022	998
Investigative cases referred	286	210	245	233	245	301	297	317	2,126	2,303
Police reserve hours logged	2,985	2,212	1,940	2,848	2,414	1,902	2,880	2,582	2,489	2,205
Fire										
Number of calls answered	351	379	355	322	380	351	334	322	320	344
Recreation										
Annual program registrations	3,960	2,897	3,278	2,253	3,511	3,614	2,662	2,250	2,050	2,381
Picnic/shelter building reservations	N/A	81	157	125	55	55	43	49	44	56
Skating rink attendance	2,326	N/A	1,727	1,670	2,361	3,902	4,190	3,800	3,800	1,700
Wading pool										
Annual attendance	4,688	3,123	4,364	1,843	1,565	1,546	1,095	923	847	1,430
Resident passes purchased	462	352	482	114	192	142	202	162	208	445
Community gym statistics										
Annual attendance	10,387	10,388	8,359	11,069	10,657	11,882	15,782	16,263	16,717	18,801
Punch passes sold	117	67	97	90	81	62	90	59	43	29
Memberships sold	130	60	100	101	73	36	56	33	18	15
Robbin Gallery visitors	800	1,509	2,098	1,868	800	N/A	N/A	N/A	N/A	N/A
Water										
Total connections	4,899	4,903	4,903	5,052	5,046	4,945	5,034	5,114	5,130	5,133
Water main breaks	14	21	12	11	9	10	11	7	14	13
Average daily flow (thousands of gallons)	870	841	835	825	890	838	891	809	1,000	1,000

N/A – Not Available

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

Sources: Various government departments

CITY OF ROBBINSDALE

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	6	6	6	6	6	6	6	6	6	6
Fire stations	1	1	1	1	1	1	1	1	1	1
Culture and recreation										
Parks acreage	109	109	109	109	109	109	109	109	109	109
Parks	14	14	14	14	14	14	14	14	14	14
Baseball/softball diamonds	9	9	9	9	9	9	9	9	9	9
Wading pools	2	2	2	2	1	1	1	1	1	1
Tennis courts	4	4	4	4	4	4	4	4	4	4
Community gyms/meeting areas	5	5	5	5	5	5	5	5	5	5
Highways and streets										
Streets (miles)	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0
Alleys (miles)	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7
Streetlights	591	591	591	591	591	591	591	591	591	591
Traffic signals	17	17	17	17	17	17	17	17	17	17
Water										
Water mains (miles)	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4
Fire hydrants	323	323	323	323	323	323	323	323	323	323
Sewer (1)										
Sanitary sewers (miles)	43.0	43.0	43.0	43.0	43.0	43.0	43.0	43.0	43.0	43.0
Storm sewers (miles)	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5

(1) Sanitary sewers are disposed and treated through the Metropolitan Waste Control Commission.

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

Sources: Various city departments



READER'S NOTES: