

Administration & Finance (41000)

This budget includes personnel expenses for the Administrator, Treasurer, Deputy Clerk and Office Assistant, as well as the budgets for a large variety of contractual services such as assessing, auditing, legal, animal control and recycling services.

This draft budget shows an approximately 10.49% decrease from 2013 to 2014, primarily because of the following:

- The change in Contractual Services represents the largest change. The Legal Services budget shows a significant decrease. The budget assumes an average of \$1,750/month for civil services and \$1,250 for prosecution services. Staff will also be hoping to decrease the auditing expense following the RFP process so this should be reviewed again prior to adoption of the final budget.
- Auditing Services have been reduced due to the engagement of a new firm.
- Capital Outlays are down significantly as the only planned expenditure is the replacement of a computer/laptop. We expect to replace each computer every 4 to 5 years.
- Materials and Supplies are down slightly due to the sales tax exemption beginning in 2014. These expenditures would be down over 9% if no holiday party was planned for 2014.

The increase in the Personnel Services budget is reflective of the 2013 salary adjustment for the Administrator approved in April and the implementation of the step/grade plan as described in Resolution 07-16-13-03. This category is also seeing a significant reduction in health care expenses do to changing carriers.

Revenues to this budget include license fees, the recycling grant and charges for services. Revenues from fines and forfeitures offset a portion of legal services (prosecution) costs. Revenue from the cable TV franchise offsets the expense item (437) which is transferred to the Forest Lake Cable Commission (net cost = \$0.)

Beginning in 2014, staff proposes to charge the 201 and Uptown Wastewater Systems directly for staff time and materials incurred rather than including an operating transfer. For the 201 Wastewater System, 1% of the Administrator's salary and 1% of the Treasurer's wage is budgeted as an expense. For the Uptown Wastewater System, 0.5% of the Administrator's salary and 3% of the Treasurer's wage is budgeted as an expense. Therefore, only 98.5% of the Administrator's salary and 96% of the Treasurer's wage is included in this portion of the general fund budget.

2014 Draft Budget

**GENERAL FUND 101
ADMINISTRATION & FINANCE (41000) REVENUE**

Account	Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes									
31000	Washington Cty. Tax Settlement	357,522	290,397	293,723	315,095	168,169	315,095	294,850	
Total Property Taxes		357,522	290,397	293,723	315,095	168,169	315,095	294,850	
Licenses & Permits									
32180	Tobacco & Liquor Licenses	11,235	11,060	10,988	11,000	50	11,000	11,000	
32190	Other City Permits	233	200	689	250	250	250	250	
32260	Gambling Permits	295	70	45	200	160	160	45	
Total Licenses & Permits		11,763	11,330	11,722	11,450	460	11,410	11,295	
Intergovernmental Revenues									
33401	LGA/MVHC/AG/PERA Aid	456	362	9,202	362		362	362	
33422	Other State Grants & Aids								
33620	Recycling Grant	7,235	7,235	7,235	7,235	7,980	7,980	7,235	
Total Intergovernmental Aid		7,691	7,597	16,437	7,597	7,980	8,342	7,597	
Charges for Services									
34102	Legal Services	630	1,000	823	1,000	15,068	1,000	1,000	
34105	Maps & Publications	25	25						
34107	Assessment Search Fees	80	50	250	200	140	200	200	
34110	Escrow Reimbursement		2,725	8,955	15,000	9,295	10,000		
34304	Reimbursement for Services	3,707				500	500		
Total Charges for Services		735	3,800	10,028	16,200	25,003	11,200	1,200	
35101	Fines & Forfeitures	19,694	15,000	17,818	18,000	4,341	16,000	16,000	
Other Income									
36210	Interest Income	11,319	11,537	7,023	7,897	4,061	7,897	7,100	
36240	Insurance Dividend	9,901	0	12,900	0	2,691			
36250	Misc. Refunds	1,879	100	3,643	100	578	700	500	
38050	Cable TV Franchise Rebate	6,602	6,000	7,223	6,396	4,233	6,396	6,000	
Total Other Income		29,702	17,637	30,789	14,393	11,564	14,993	13,600	
Other Financing Sources									
39101	Sale of General Fixed Assets								
39102	Compensation for Loss of GFA								
39202	Contribution from Enterprise Funds	2,496	2,638	2,528	3,196		3,196		
Total Other Financing Sources		2,496	2,638	2,528	3,196	0	3,196	0	
Total Administration & Finance Dept.		429,603	348,399	383,045	385,931	217,517	380,236	344,542	

Notes: 1. No transfer as costs will be billed directly to enterprise funds beginning in 2014

GENERAL FUND 101
ADMINISTRATION & FINANCE (41000) EXPENSE

Account	Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expenses	2013 Adopted Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services										
101	Regular Wages & Salaries	142,575	124,700	148,995	134,579	59,244	137,172	141,621		
121	PERA Coord. Employer Contribution	9,995	9,358	10,338	9,757	4,295	9,945	10,214		
122	FICA Employer Contribution	8,812	7,988	9,027	8,344	3,673	8,505	8,734		
126	MEDICARE Employer Contribution	2,061	1,868	2,111	1,951	859	1,989	2,043		
131	Health Insurance Employer Contribution	9,872	10,974	13,991	15,012	8,549	15,012	9,510		
134	Life Insurance Employer Paid	508	604	569	631	301	631	631		
135	Disability Insurance Employer Paid	589	610	712	701	223	701	701		
141	Unemployment Compensation									
151	Workers Comp Insurance Premium	1,341	1,373	1,389	1,322	1,316	1,322	1,474		
Total Personnel Services		175,753	157,474	187,132	172,297	78,460	175,277	174,927	1.53%	
Materials & Supplies										
200	Office Supplies	2,335	1,770	2,741	2,500	824	2,000	2,000		
203	Printed Forms & Papers	1,529	2,209	2,468	2,000	544	2,000	2,000		
210	Operating Supplies	249	1,185	809	300	99	700	750		
Total Materials & Supplies		4,113	5,164	6,018	4,800	1,467	4,700	4,750	-1.04%	
Contractual Services										
300	Assessor	28,622	25,430	27,426	28,500	10,145	28,500	28,500		
301	Auditing & Accounting	22,000	22,000	21,450	22,500	20,775	22,500	16,300		
304	Legal Services	37,403	30,866	67,624	70,000	24,026	40,000	36,000		
306	Personnel Testing & Recruitment									
308	Other Professional Services	4	425	8,910	1,000	425	1,000	1,000		
309	Software Support & Maintenance	3,090	2,608	3,850	4,075	799	4,155	4,272		
313	Committee & Commission Reimburs					240				
314	Animal Control	1,530	1,153	1,210	1,600	450	1,600	1,600		
316	Conference & Seminars	117	25		750	364	750	750		
317	Employee Training	50	345	100	750	65	750	500		
319	Other Services	818	1,440	1,211	1,000	484	1,000	1,000		
321	Telephone	2,907	2,537	2,315	2,600	1,230	2,600	2,600		
322	Postage	3,103	2,676	3,478	2,750	1,027	2,500	2,350		
331	Travel Expenses	957	1,483	1,504	1,450	320	1,450	1,500		
351	Legal Notices Publishing	1,410	1,303	1,465	1,500	987	1,500	1,500		
353	Sales Tax					58.03	120			
361	Liability/Property Insurance	5,133	4,864	4,874	4,834	3,426	3,426	3,529		
365	Insurance Claims			500						
413	Office Equipment Rental	5,876	5,757	6,694	5,800	3,161	6,200	5,700		
430	Recycling	31,349	28,601	28,113	30,500	14,679	30,500	30,500		
433	Dues & Subscriptions	5,500	4,491	4,621	4,885	791	4,885	5,164		
434	Youth Service Bureau	5,500	5,500	5,500	5,500	5,500	5,500	5,500		
437	Cable TV Franchise Agreement	6,602	7,266	7,929	6,800	3,527	6,800	6,800		
438	Misc Contractual	3,247	3,895	4,269	4,800	951	4,800	4,800		
439	Refunds Issued	20	2,500	2,525	500		2,500	2,500		
440	Events									
490	Donations			1,000						
Total Contractual Services		165,237	155,166	206,568	202,334	93,190	173,036	162,365	-19.75%	
Capital Outlays										
560	Furniture & Fixtures	516								
570	Office Equipment	2,077	1,563	1,946	5,500	4,573	5,500	2,500		
Total Capital Outlays		2,593	1,563	1,946	5,500	4,573	5,500	2,500	-54.55%	
Total Administration & Finance (41000)		347,696	319,366	401,664	384,931	177,689	358,513	344,542	-10.49%	

Notes: 1. Includes \$400 for holiday party

City Council (41110)

In 2014, there will not be an increase in City Council compensation, the major expense in this budget. Ordinance Number 121 provides as follows:

“Following the municipal regular election in 2012, and following each subsequent municipal regular election, the salary of the Mayor and Councilmembers shall be adjusted following the municipal election to become effective January 1 in a percentage equal to the change in the United States Department of Labor Consumer Price Index (November report) for all urban consumers U.S. city average since the last salary adjustment.”

There is a small decrease in Personnel Services because the City had budgeted for both FICA and PERA contributions. After each election, Council members can choose if they want the contribution to social security or the PERA retirement plan, but not both. All members have chosen PERA so the FICA expense was eliminated for 2014.

The contractual services budget sets aside funds for Council education such as Minnesota League of Cities conferences or seminars.

2014 Draft Budget

**GENERAL FUND 101
CITY COUNCIL (41110) REVENUE**

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Adopted Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	19,542	20,289	18,807	19,861	10,600	19,861	18,839	
Total Property Taxes	19,542	20,289	18,807	19,861	10,600	19,861	18,839	
Total City Council Dept.	19,542	20,289	18,807	19,861	10,600	19,861	18,839	

GENERAL FUND 101
CITY COUNCIL (41110) EXPENSE

Account	Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expenses	2013 Adopted Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services										
101	Regular Wages & Salaries	12,792	16,476	16,476	16,476	4,119	16,476	16,476		
121	PERA Coord. Employer Contribution									
122	FICA Employer Contribution				1,022					
126	MEDICARE Employer Contribution	234	239	239	239	60	239	239		
127	PERA Defined Employer Contribution	2,129	3,006	824	824	206	824	824		
Total Personnel Services		15,188	19,734	17,539	18,561	4,385	17,539	17,539	-5.50%	
Contractual Services										
316	Conference & Seminars	855	105	299	1,000	198	1,000	1,000		
331	Travel Expenses	81	161	111	300		300	300		
Total Contractual Services		936	266	410	1,300	198	1,300	1,300		
Total City Council (41110)		16,124	20,000	17,949	19,861	4,583	18,839	18,839	-5.14%	

Notes: 1. Council gets FICA or PERA, not both

Elections (41410)

With an election in 2014, expenses are budgeted similar to those incurred during the 2012 elections.

2014 Draft Budget

**GENERAL FUND 101
ELECTIONS (41410) REVENUE**

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	5,869	470	5,202	470	251	470	6,110	
Total Property Taxes	5,869	470	5,202	470	251	470	6,110	
Total Elections Dept.	5,869	470	5,202	470	251	470	6,110	

GENERAL FUND 101
ELECTIONS (41410) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expenses	2013 Adopted Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services									
199 Election Judge	4,337		4,930				5,000		
Total Personnel Services	4,337		4,930				5,000	#DIV/0!	
Materials & Supplies									
200 Office Supplies	24		34				40		
210 Operating Supplies	257		416				400		
Total Materials & Supplies	282		450				440	#DIV/0!	
Contractual Services									
351 Legal Notices Publishing	92		185				200		
413 Office Equipment Rental	470	470	470	470	470	470	470		
Total Contractual Services	562	470	655	470	470	470	670	42.55%	
Total Elections (41410)	5,181	470	6,035	470	470	470	6,110	1200.00%	

Notes:

Planning & Building (41910)

The total proposed budget for Planning Services in 2013 was \$68,796. This amount will be exceeded significantly (projected \$153,417) because of consultant costs related to the monitoring requirements for the Zavoral Mining and Reclamation Project and an increase in building activity. Since it wasn't known at the time the budget was adopted if the Conditional Use Permit for the Zavoral Mine would be approved or not, the budget does not include any expenses (or revenues) related to the monitoring costs. All of the consultant costs are paid by the applicant so do not represent a net increased cost to the city. The 2013 budget should be amended before the end of this year.

Although the Council may change the monitoring requirements when the next Annual Operating Permit is issued in early 2014, staff has assumed no changes would be made and is incorporating those expenses and revenues in the 2014 budget.

Reimbursements and training for the Planning Commission are in this budget.

The extra telephone line used by the previous Building Official has been canceled and the cost for the Ranger tabs has been moved to the Public Works Department.

Staff made significant changes to the building inspection expenses and revenues for 2014 based off of year to date information. The 2013 budget for these items was exceeded by mid-year so projections have been almost doubled.

All but \$12,450 in planning and building expenses are assumed to be reimbursed by project applicants.

2014 Draft Budget

**GENERAL FUND 101
PLANNING & BUILDING (41910) REVENUE**

Account	Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes									
31000	Washington Cty. Tax Settlement	92,082	76,852	37,773	18,996	10,138	18,996	12,450	
Total Property Taxes		92,082	76,852	37,773	18,996	10,138	18,996	12,450	
Licenses & Permits									
32150	Utility Permits	750	600	300	300				
32190	Other City Permits	1,075	1,025	1,750	2,000	1,325	1,750	1,750	
32210	Building Permits	60,351	35,000	40,135	20,000	26,214	40,000	40,000	
Total Licenses & Permits		62,176	36,625	42,185	22,300	27,539	41,750	41,750	
Intergovernmental Revenues									
33422	Other State Grants & Aids								
33633	Met Council Planning Grant		0		0				
Total Intergovernmental Aid		0	0	0	0	0	0	0	
Charges for Services									
34103	Zoning & Planning	7,760	219,331	28,719	20,000	46,935	88,000	62,000	
34110	Escrow Reimbursement			142,587	7,500	18,761	40,000	50,000	
Total Charges for Services		7,760	219,331	171,306	27,500	65,696	128,000	112,000	
Total Planning & Building Dept.		162,019	332,808	251,264	68,796	103,373	188,746	166,200	

Notes

GENERAL FUND 101
 PLANNING & BUILDING (41910) EXPENSE

Account	Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Adopted Budget	6/30/2013 Year-to-Date Expdtrs	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services										
101	Regular Wages & Salaries	74,638	61,548							
121	PERA Coord. Employer Contribution	5,232	4,334							
122	FICA Employer Contribution	4,628	3,999							
126	MEDICARE Employer Contribution	1,082	936							
131	Health Insurance Employer Contribution	5,558	5,381							
134	Life Insurance Employer Paid	188	217							
135	Disability Insurance Employer Paid	365	410							
141	Unemployment Compensation									
151	Workers Comp Insurance Premium	735	2,444	666						
Total Personnel Services		92,425	79,269	666					#DIV/0!	
Materials & Supplies										
200	Office Supplies	115	65							
203	Printed Forms & Papers		282							
210	Operating Supplies	483	258							
212	Fuel	498	492							
240	Small Tools & Minor Equipment									
Total Materials & Supplies		1,096	1,097						#DIV/0!	
Contractual Services										
311	Permit Fees (Contract Inspections)			17,929	12,000	10,161	20,000	22,000		
312	Planning Services	22,916	240,368	262,588	47,500	37,595	75,000	56,000		1
313	Committee & Commission Reimburs	4,900	5,200	5,200	5,200	2,350	4,950	5,200		
316	Conference & Seminars	290	215		1,000		1,000	1,000		
317	Employee Training	535	409							
319	Other Services	146	26			4,272	50,000	80,000		2
321	Telephone	1,440	1,668	995	1,000	360	360			
331	Travel Expenses	85	218							
334	License/CDL	15								
351	Legal Notices Publishing		125							
361	Liability/Property Insurance	328	299	282	296	107	107			
433	Dues & Subscriptions	25	205							
438	Misc Contractual	1,835	4,937	4,790	800		1,000	1,000		3
439	Refunds Issued	2,269	890	2,750	1,000		1,000	1,000		
Total Contractual Services		34,785	254,559	294,534	68,796	54,845	153,417	166,200	141.58%	
Transfers										
710	Residual Equity Transfers									
720	Operating Transfers	916	1,408	1,002						
Total Transfers		916	1,408	1,002					#DIV/0!	
Total Planning & Building (41910)		129,503	336,333	296,202	68,796	54,845	153,417	166,200	141.58%	

Notes: 1. \$2k/month for general, rest reimbursed
 2. Zavoral Monitoring, all reimbursed
 3. State Surcharge

Police (42000)

The city has received a 2014 cost estimate from Washington County of \$121,257.78 for police services. Details are included with the budget worksheets. This represents approximately a 2.8% increase from 2013.

Staff has added \$500 for overtime costs in addition to the contract, which would allow hiring of off-duty officers for traffic control during the Safe Halloween event or other special events requiring additional police protection.

Staff has also added \$310 for Scandia's share of the "Code Red" emergency notification system.

2014 Draft Budget

**GENERAL FUND 101
POLICE (42000) REVENUE**

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	120,717	121,574	117,671	118,759	63,383	118,759	122,068	
Total Property Taxes	120,717	121,574	117,671	118,759	63,383	118,759	122,068	
Other Income								
36230 Donations		1,700		0				
Total Other Income	0	1,700	0	0	0	0	0	
Total Police Dept.	120,717	123,274	117,671	118,759	63,383	118,759	122,068	

GENERAL FUND 101
POLICE (42000) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Adopted Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
<u>Materials & Supplies</u>									
240 Small Tools & Minor Equipment		1,852							
Total Materials & Supplies	0	1,852	0	0	0	0	0	#DIV/0!	
<u>Contractual Services</u>									
308 Other Professional Services									
318 Police Contract	115,459	112,267	116,863	118,450		118,450	121,758		
319 Other Services			309	309		309	310		
Total Contractual Services	115,459	112,267	117,172	118,759	0	118,759	122,068	2.79%	
Total Police (42000)	115,459	114,119	117,172	118,759	0	118,759	122,068	2.79%	

Notes:

Fire (42200)

The Fire Department budget shows a 6.18% decrease from the adopted 2013 budget. However, this is still an 11% increase over 2012 actual expenses.

Personnel Services decreased based upon a review of prior years' budgets; however the draft budget still includes funding for a 2% wage increase.

Overall the Materials and Supplies category is decreased due to some line items increasing and others decreasing. Lakeview Ambulance does not pay rent for the use of the Fire Hall, however they do contribute to needed medical supplies which has resulted in this budget (line item 209) being decreased by 50%. Also having Lakeview at the Fire Hall should result in a decrease in training costs as they provide some of the required training; however this is not reflected in the draft budget. Operating supplies (line item 210) are decreased from 2013 because no major appliance purchases (i.e. washing machine) are planned. This budget line item still includes funding for monthly catered dinners and will allow for the purchase of more pagers and hoses. The Council should discuss if the catered dinners will continue at taxpayer expense or Fire Relief Association expense and examine the impact of the sales tax exemption further. Funds are included for the purchase of 6 new pieces of turnout gear as well as helmets and uniforms. As the Fire Department discussed last year, they have started a rotation for replacing turnout gear rather than doing it all at once given the large expense.

Contractual Services are proposed to increase slightly overall but there are some line items that will decrease. Medical Training (line item 310) is proposed to decrease significantly for 2014 as no EMT training for new recruits is planned. The Fire Department has requested an increase in travel expenses to allow for more offsite training at technical colleges for officers. The traditional 60/40 split on utility expenses for the Fire Hall between the Fire Department and Public Works is proposed to be amended for the sewer pumping. The new 50/50 split takes into account the additional usage by Public Works for wastewater related to the usage of the pressure washer. The city's contribution required to support the pension fund (line item 325) is determined by PERA. The city's annual contributions have decreased since the city joined the state plan.

The Capital Outlays category is decreasing by 50%. The Fire Department has requested funding for a new microwave, desk and installing AV equipment in the training room.

The draft 2014 budget includes a transfer of \$42,938 to the Equipment Replacement Fund, the department's share of \$100,000 in transfers to that fund.

Revenues to this budget include the fire contract with May Township. This will be the final year of a 3-year contract which provided for 3% increases in the contract amounts for each year (2012, 2013 and 2014.) Grant funding is proposed for training (DNR Grant) and a possible donation from the Scandia-Marine Lions. Revenue for the retirement premium is a pass through so the amount is the same on the revenue and expense side.

2014 Draft Budget

**GENERAL FUND 101
FIRE DEPT (42200) REVENUE**

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	305,529	299,229	256,253	289,909	154,728	289,909	237,324	
Total Property Taxes	305,529	299,229	256,253	289,909	154,728	289,909	237,324	
Intergovernmental Revenues								
33420 Fire Relief from Ins. Prem.	25,088	0	21,986			21,763	21,986	
33422 Other State Grants & Aids	2,000		2,481		2,600	2,600	5,000	
33640 Other Grants	8,013	8,800	1,395		6,311	6,311	1,500	
Total Intergovernmental Aid	35,101	8,800	25,862	0	8,911	30,674	28,486	
Charges for Services								
34202 Fire Protection Services	30,876	32,574	33,551	34,558	34,558	34,558	35,594	
34301 Damage Repairs	0							
Total Charges for Services	30,876	32,574	33,551	34,558	34,558	34,558	35,594	
Other Income								
36230 Donations	5,426	2,583	2,000				3,000	1
36240 Insurance Refund	0							
36250 Misc. Refunds	0							
Total Other Income	5,426	2,583	2,000	0	0	0	3,000	
Other Financing Sources								
39200 Interfund Operating Transfer								
Total Other Financing Sources	0	0	0	0	0	0	0	
Total Fire Dept.	376,932	343,186	317,665	324,467	198,196	355,141	304,404	

1. Lions Donation needed to offset expenses in operating or small tools

GENERAL FUND 101
FIRE DEPT (42200) EXPENSE

Account	Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Proposed Budget	6/30/2013 Year-to-Date Expdtrs	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services										
101	Regular Wages & Salaries	85,804	78,550	78,233	100,940	27,822	83,466	87,628		
122	FICA Employer Contribution	6,209	4,699	4,879	6,258	1,725	5,175	5,433		
126	MEDICARE Employer Contribution	1,453	1,105	1,134	1,463	403	1,210	1,271		
141	Unemployment Compensation	53	178	-31	100		100	100		
151	Workers Comp Insurance Premium	2,847	1,532	4,157	4,057	4,289	4,300	4,429		
Total Personnel Services		96,366	86,063	88,372	112,818	34,239	94,251	98,861	-12.37%	
Materials & Supplies										
200	Office Supplies	1,252	70	337	900	124	500	500		
203	Printed Forms & Papers	529	491	144	500		500	500		
209	Medical Supplies	2,785	1,749	550	2,500	518	1,250	1,250		1
210	Operating Supplies	11,107	7,179	7,515	14,000	11,547	14,000	10,000		2
211	Cleaning Supplies		559		500		500	500		
212	Fuel	3,636	4,884	4,468	5,000	1,082	5,000	5,000		
217	Turnout Gear & Uniforms	6,914	793	6,509	9,500	6,307	9,500	12,500		3
221	Equipment Parts	4,840	5,261	3,366	5,000	344	5,000	5,000		
222	Tires				500		500	500		
223	Building Repair & Supplies	2,084	934	4,377	5,000	1,043	4,000	4,500		
240	Small Tools & Minor Equipment	10,362	7,723	5,426	5,000	284	5,000	5,000		
Total Materials & Supplies		43,509	29,643	32,692	48,400	21,249	45,750	45,250	-6.51%	
Contractual Services										
305	Medical Services	2,793	1,658	1,545	3,200	1,630	3,200	2,000		
306	Personnel Testing & Recruitment			2,565	3,000	751	1,000	2,500		
309	Software Support & Maintenance	9,574	11,272	10,380	14,000	2,685	11,000	11,000		
310	Medical Training	4,185	3,785	1,238	16,000	2,800	14,400	4,000		4
316	Conference & Seminars				600		600	600		
317	Employee Training	6,543	9,311	3,961	8,000	1,110	8,000	8,000		
319	Other Services		2,089	124	750	230	750	750		
321	Telephone	1,634	1,899	1,816	2,000	747	2,000	2,000		
322	Postage		18		50		50	50		
324	State of MN-Fire Relief	25,088	25,673	21,986			21,763	21,986		
325	City Match-Fire Relief	75,000	58,260	18,258	19,200		19,200	18,259		
331	Travel Expenses	2,612	2,173	1,700	3,500	1,090	3,000	3,000		5
334	License/CDL	26	20	22	75	21	21	25		
340	Advertising				100		100	100		
353	Sales Tax					143.92	300			
361	Liability/Property Insurance	10,372	12,695	11,420	11,859	9,064	9,064	9,335		
381	Utilities	7,716	8,502	7,908	12,000	5,311	12,000	12,000		
384	Refuse Disposal	225	218	810	780	370	780	800		
385	Sewer Pumping & Maintenance	1,246	1,215	994	1,500	1,471	3,000	2,500		6
401	Bldg Maintenance	3,412	1,841	808	2,000	328	2,000	2,000		
404	Machinery & Equipment Repair	13,994	8,492	12,128	10,000	12	10,000	10,000		
407	Well Repair & Maintenance	90	96	90	200		200	200		
433	Dues & Subscriptions	1,052	1,388	888	950	584	950	1,000		
438	Misc Contractual	1,439	630	630				750		
440	Events			726	2,000		2000	1,500		
Total Contractual Services		167,002	151,233	99,997	111,764	28,348	125,378	114,355	2.32%	
Capital Outlays										
540	Heavy Machinery Capital	5,254								
550	Motor Vehicles Capital									
560	Furniture & Fixtures			1,965	3,000	2,245	3,000	1,000		7
570	Office Equipment	1,047	930	7,016	3,000	309	3,000	2,000		8
Total Capital Outlays		6,301	930	8,981	6,000	2,554	6,000	3,000	-50.00%	
Transfers										
720	Operating Transfers	48,042	52,686	43,108	45,485		45,485	42,938	-5.60%	
Total Transfers		48,042	52,686	43,108	45,485		45,485	42,938	-5.60%	
Total Fire Dept. (42200)		361,220	320,554	273,150	324,467	86,391	316,864	304,404	-6.18%	

Notes: 1. Savings from Lakeview
 2. Monthly dinners, hoses, pagers, no washing machine or sales tax
 3. 5-6 turnout gears
 4. No EMT training for new recruits
 5. More offsite training for officers
 6. Split 50/50 with PW
 7. Microwave, new desk
 8. AV Equipment for Training Room

Public Works (43000)

This budget includes personnel expenses for the Public Works Director, three full-time Maintenance Workers and temporary employees for summer and winter street maintenance. The draft budget includes funding for one new full-time Maintenance Worker. The temporary summer maintenance worker position is not included in the 2014 budget though the Council should discuss this in light of recent public comments at Council meetings the last couple years related to road maintenance. The number of public works employees a City has should correlate with the number of road miles maintained. The cities we used for compensation comparables are not helpful in determining the number of public works staff. For example, Lindstrom with 27 miles of roads has 3 FT and 2 seasonal summer staff; Columbus with 54 miles of roads has 3 FT employees, and Chisago City with 60 miles has 4 FT employees. Scandia has double or triple the amount of lane miles (90) yet the same or fewer public works employees. The Public Works Director has provided additional information and research on the number of employees needed to properly staff the Public Works Department in the pages following.

The photos below provide just one example of how failing to complete proper maintenance will impact the quality of our roadways.



Improper ditching and likely plugged or buried culvert leads to weakening road base and buckling of the pavement (Meadowbrook Ave)



Overall the Materials and Supplies category is relatively unchanged. Reductions in salt are offset by increases in operating supplies and small tools. Not having to pay sales tax will allow the department to obtain the supplies and tools needed without increasing the levy.

The total Contractual Services category would be slightly decreased from the 2013 budget. The largest expense continues to be Contractual Road Maintenance and Repairs (CIP Project PW-002, \$300,000.) This line item funds seal coating, tree trimming, street sweeping, dust control, patching, and culvert repair and replacement. Employee training has been reduced because the sewer funds should cover the sewer training costs since they are benefiting from the training. Engineering, machinery repair and misc. contractual are also decreased.

The draft 2014 budget includes a transfer of \$57,062 to the Equipment Replacement Fund, the department's share of \$100,000 in transfers to that fund.

Revenues to this budget are primarily property taxes, plus gravel tax revenues. Gravel tax revenues have been increased to the projections in the EIS for the Zavoral Mine. There are no transfers from the sewer funds as those expenses are charged directly to the sewer fund as they are incurred. Approximately, 83.5% of the Public Works Director's salary is in this department of the general fund along with about 94% of the other Public Works employees' wages.

2014 Draft Budget

**GENERAL FUND 101
PUBLIC WORKS (43000) REVENUE**

Account	Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes									
31000	Washington Cty. Tax Settlement	567,183	649,808	788,033	883,898	471,746	883,898	851,896	
31701	Gravel Taxes	13,034	14,665	8,900	10,700		10,700	21,802	
31800	Other Taxes								
Total Property Taxes		580,217	664,473	796,933	894,598	471,746	894,598	873,698	
Licenses & Permits									
32150	Utility Permits	750	150	750	300	150	450	750	
Total Licenses & Permits		750	150	750	300	150	450	750	
Intergovernmental Revenues									
33401	LGA/MVHC/AG/PERA Aid	0							
Total Intergovernmental Aid		0	0	0	0	0	0	0	
Charges for Services									
34106	Engineering Services	2,880	3,595	834	500		0	0	
34107	Assessment Search Fees								
34109	Water Usage	306	255	494	300		300	300	
34110	Escrow Reimbursement					4,260			
34301	Damage Repairs	71	988	2,504			0		
34303	Dust Control	4,020	3,248	3,190	3,254		1,812	1,350	
34304	Reimbursement for Services	625							
34305	Other Street Service	569	0	585					
Total Charges for Services		8,471	8,087	7,607	4,054	4,260	2,112	1,650	
Other Income									
36250	Misc. Refunds	8,547	259	3,817		389	400		
Total Other Income		8,547	259	3,817	0	389	400	0	
Other Financing Sources									
39202	Contribution from Enterprise Fund	1,149	1,149	2,041	9,890		9,890		
Total Other Financing Sources		1,149	1,149	2,041	9,890	0	9,890	0	
Total Public Works Dept.		599,133	674,117	811,148	908,842	476,545	907,450	876,098	

Notes: 1. No transfer as all costs billed directly to enterprise funds in 2014

GENERAL FUND 101
PUBLIC WORKS (43000) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Proposed Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services									
101 Regular Wages & Salaries	82,962	86,409	128,475	155,565	69,497	157,380	185,534		1
102 OT Reg. Wages	7,323	4,150	3,254	8,521	1,988	8,521	7,635		
104 Temp Employee Wages	7,898	2,588	5,220	8,061	3,393	8,061	3,291		
121 PERA Coord. Employer Contribution	6,050	6,582	9,581	11,896	5,183	12,028	14,056		
122 FICA Employer Contribution	5,723	5,307	8,163	10,673	4,339	10,786	12,129		
126 MEDICARE Employer Contribution	1,379	1,255	1,928	2,496	1,035	2,522	2,837		
131 Health Insurance Employer Contribution	18,471	27,102	33,900	42,882	24,640	42,882	49,568		
134 Life Insurance Employer Paid	304	410	483	659	316	659	878		
135 Disability Insurance Employer Paid	974	914	985	1,478	520	1,478	2,042		
141 Unemployment Compensation		163	2,767						
151 Workers Comp Insurance Premium	576	2,824	8,824	8,144	12,060	12,060	12,422		
Total Personnel Services	131,659	137,705	203,580	250,375	122,970	256,377	290,393	15.98%	
Materials & Supplies									
200 Office Supplies		85	203	200	83	200	200		
210 Operating Supplies	4,690	7,179	8,399	8,000	6,181	10,000	10,000		
212 Fuel	13,274	11,993	17,967	25,000	11,543	25,000	25,000		
221 Equipment Parts	7,219	7,264	7,211	8,000	1,514	8,000	7,500		
222 Tires	3,812	5,547	1,078	1,100		1,100	3,000		
223 Building Repair & Supplies	654	167	3,119	500	513	600	1,000		
224 Road Maintenance Supplies	3,764	3,151	41,495	23,700	2,750	23,700	23,000		
228 Gravel & Sand	58,060	15,256	14,361	25,650		26,850	25,650		
229 Salt			10,496	48,000	22,241	42,000	42,300		
240 Small Tools & Minor Equipment	6,435	5,243	10,022	4,000	2,566	4,000	7,500		
Total Materials & Supplies	97,909	55,884	114,351	144,150	47,392	141,450	145,150	0.69%	
Contractual Services									
303 Engineering Services	21,473	27,595	21,550	40,000	9,333	30,000	32,500		
305 Medical Services	402	306	870	1,500	43	100	1,000		
317 Employee Training	1,071	90	280	2,500	1,540	2,500	1,000		
319 Other Services	677	2,368	3,860	2,000	2,517	3,000	3,500		
321 Telephone	2,734	2,485	2,999	3,211	1,530	3,200	4,000		
331 Travel Expenses	123	54	61	500	197	500	500		
334 License/CDL	77	10	90	100	23	100	150		
353 Sales Tax					1,092	2,200			
361 Liability/Property Insurance	9,288	10,582	10,087	10,591	11,498	11,498	11,843		
365 Insurance Claims	500	500							
381 Utilities	5,699	6,055	5,620	6,000	3,697	6,000	6,000		
384 Refuse Disposal	150	409	1,027	500	316	600	1,000		
385 Sewer	831	809	662	1,000	981	2,000	2,500		2
387 Street Light Utilities	4,480	6,380	8,143	7,000	3,647	7,000	8,000		
401 Bldg Maintenance	2,547	1,072	1,028	1,500	994	1,500	1,500		
403 Improvements other than Bldg			497						
404 Machinery & Equipment Repair	6,041	10,140	4,565	8,000	930	8,000	5,000		
405 Contractual Road Maint. & Repairs	190,692	261,210	256,048	300,000	35,798	300,000	300,000		
438 Misc Contractual	2,298	3,534	1,004	10,000		10,000	5,000		
Total Contractual Services	249,190	333,598	318,391	394,402	74,136	388,198	383,493	-2.77%	
Capital Outlays									
530 Capital Improvements other than Bldgs			11,237						
540 Heavy Machinery Capital			45,053	15,000	10,818	13,500			
550 Motor Vehicles Capital				50,000		50,000			
560 Furniture & Fixtures			1,694	500	522	600			
570 Office Equipment	71		1,771						
Total Capital Outlays	71		59,755	65,500	11,340	64,100		-100.00%	
Transfers									
720 Operating Transfers	28,598	52,151	35,890	54,415		54,415	57,062		
Total Transfers	28,598	52,151	35,890	54,415		54,415	57,062	4.86%	
Total Public Works (43000)	507,427	579,338	731,967	908,842	255,837	904,540	876,098	-3.60%	

Notes: 1. New FT
2.. 50/50 split with fire

Parks (45000)

This budget includes personnel expenses for the part-time Office Assistant's time devoted to recreation activities, which is budgeted at 0.16 FTE, an increase from 2013 budget. This increase is to allow the position to be the main contact with the Parks and Recreation Committee and would allow the Administrator to focus on the activities of the Economic Development Authority. The draft budget also assumes the Office Assistant would no longer be involved with the Farmers' Market which would become a separate entity as voted on by the Parks and Rec Committee in June. The budget also includes seasonal employees for the ice rink and summer recreation programs, and the part-time seasonal grounds maintenance position. Hours budgeted for these positions are the same as 2013.

The Materials and Supplies category is increased due to the department being charged for fuel for mowers to cut grass at park facilities (previously charged to the Public Works Department) and the budgeting of \$500 for equipment parts, which was zero in the 2013 budget. The operating supplies budget was decreased because the cost of the t-shirts for dodge ball were moved to the Events line item.

Many line items were decreased in the Contractual Services category to more closely align with actual expenditures. Committee reimbursement was reduced to reflect the change in membership from 7 to 5. At their June meeting, the Park and Rec Committee recommended removing funding for the Farmers Market from the Advertising line item (340) and that the market become a separate entity. The Events line item includes \$400 for dodge ball t-shirts and \$100 for Vinterfest supplies; consistent with past expenditures.

There are no Capital Outlays planned from the general fund in 2014 for the Parks Department.

The Bone Lake Association is requesting \$5,000 to fight invasive species. This represents one-third of the proposed \$15,000 cost. A copy of the letter requesting these funds is included with the budget materials. Staff has not included this expenditure in 2014. If the Council should decide to include funds for this purpose, staff would recommend they establish some guidelines to help make future decisions on similar requests. Scandia has a number of lakes and the City owns property on nearly every one. As was discussed at the May workshop with the Carnelian-Marine-St. Croix Watershed District, many lakes are facing this issue so a policy on how the City would participate, if it does participate, in this type of funding should be determined.

Revenues to this budget are generally property taxes, with some revenue from participant fees and facilities rentals.

2014 Draft Budget

**GENERAL FUND 101
PARKS & RECREATION (45000) REVENUE**

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	43,670	43,894	43,195	58,023	24,308	58,023	48,230	
Total Property Taxes	43,670	43,894	43,195	58,023	24,308	58,023	48,230	
Intergovernmental Revenues								
33640 Other Grants	1,000	4,973						
Total Intergovernmental Aid	1,000	4,973	0	0	0	0	0	
Charges for Services								
34750 Facilities Rental	482	616	268	300	477	500	500	
34790 Recreation Programs	8,462	11,407	9,911	8,000	6,256	8,000	7,300	
Total Charges for Services	8,944	12,023	10,179	8,300	6,733	8,500	7,800	
Other Income								
36230 Donations	620	1,100		0				
36250 Misc. Refunds	24							
Total Other Income	644	1,100	0	0	0	0	0	
Total Parks & Recreation Dept.	54,258	61,990	53,374	66,323	31,041	66,523	56,030	

GENERAL FUND 101
PARKS & RECREATION (45000) EXPENSE

Account	Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Adopted Budget	6/30/2013 Year-to-Date Expdtrs	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services										
101	Regular Wages & Salaries	2,728	2,703	3,149	3,121	1,468	3,121	5,182		1
104	Temp Employee Wages	14,679	16,883	14,387	15,672	4,977	15,672	15,818		
121	PERA Coord. Employer Contribution	194	895	365	226	106	226	376		
122	FICA Employer Contribution	1,175	1,184	1,041	1,165	365	1,165	1,302		
126	MEDICARE Employer Contribution	285	284	275	272	93	272	305		
141	Unemployment Compensation	1,141	3,111	868						
151	Workers Comp Insurance Premium	576	2,714	1,058	876	567	800	824		
Total Personnel Services		20,778	27,774	21,143	21,332	7,577	21,256	23,807	11.60%	
Materials & Supplies										
200	Office Supplies	10		30	50	7	50	50		
203	Printed Forms & Papers	409	329	387	450	367	367	400		
210	Operating Supplies	1,193	1,848	2,155	2,000	301	1,600	1,600		2
212	Fuel	417	254	231	350	202	950	950		3
221	Equipment Parts	156		117		418	500	500		
223	Building Repair & Supplies		808	283	500			50		
240	Small Tools & Minor Equipment	445		284	300		300	400		
Total Materials & Supplies		2,750	3,239	3,487	3,650	1,294	3,767	3,950	8.22%	
Contractual Services										
312	Planning Services		3,109							
313	Committee & Commission Reimburs	1,560	1,080	1,560	2,160	600	1,200	1,200		
319	Other Services	5,903	6,152	5,572	5,500	8	5,500	5,575		
322	Postage	145	159.31	164	200	170	175	175		
340	Advertising		116	450	2,000	877	2,000	1,075		4
353	Sales Tax	76	41	18	90	52	90	50		
361	Liability/Property Insurance	5,254	1,267	4,742	4,979	6,018	6,018	6,199		
381	Utilities	3,467	4,852	3,284	5,000	2,120	4,000	5,000		
384	Refuse Disposal	2,542	2,729	3,034	3,500	673	3,250	3,500		
385	Sewer Pumping and Maintenance			333	3,000	1,189	2,500	3,000		
401	Bldg Maintenance	627	993		500		500	500		
404	Machinery & Equipment Repair	1,617	612	306	1,000	370	1,000	500		
438	Misc Contractual		231.65	536	1,000		500	500		
439	Refunds Issued	635	144	285	500	220	500	500		
440	Events	592	1,017	731	2,000	128	500	500		5
Total Contractual Services		22,418	22,502	21,015	31,429	12,425	27,733	28,274	-10.04%	
Capital Outlays										
530	Capital Improvements other than Bldgs		1,497	2,400	9,912		9,912			
Total Capital Outlays			1,497	2,400	9,912		9,912		-100.00%	
Transfers										
720	Operating Transfers	2,444	3,755							
Total Transfers		2,444	3,755							
Total Park & Recreation (45000)		48,390	58,767	48,045	66,322	21,296	62,668	56,030	-15.52%	

Notes:

1. Increase in Office Asst hours to cover PRC issues/Admin no longer attend PRC meetings
2. Reduced because Dodgeball t-shirt moved to events and for reduction in sales tax
3. Fuel for mowing now charged to Parks, rather than PW budget
4. \$75 for Vinterfest Ad, \$1,000 misc advertising, nothing for Farmers Market
5. \$100 for Vinterfest Supplies, \$400 for Dodgeball t-shirts

Community Center (45180)

This budget represents the costs for maintaining the Community Center Building and the “Annex”, and contractual services and part-time staffing for cleaning and monitoring events.

Building Maintenance (line item 401) was increased to account for the new mat service at the Community Center started in 2013. This increase is offset by other reductions that result in the overall budget changing little.

Revenues to this fund include rental fees for the Community Center and the Annex, which is leased to the Scandia Marine Lions Club. Facilities Rental has been increased to \$11,000 for 2014 based on a review of prior years.

2014 Draft Budget

**GENERAL FUND 101
COMMUNITY CENTER (45180) REVENUE**

Account	Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes									
31000	Washington Cty. Tax Settlement	26,425	49,425	40,834	31,763	16,953	31,763	28,697	
31701	Gravel Taxes								
31800	Other Taxes	0	0		0				
Total Property Taxes		26,425	49,425	40,834	31,763	16,953	31,763	28,697	
Charges for Services									
34740	Coffee Sales	10	15	10	20	10	10	10	
34750	Facilities Rental	12,655	8,265	9,750	8,405	9,754	11,000	11,000	
34760	Cleaning Fees	191							
Total Charges for Services		12,856	8,280	9,760	8,425	9,764	11,010	11,010	
Other Income									
36230	Donations	230	0		0				
Total Other Income		230	0	0	0	0	0	0	
Total Community Center Dept.		39,512	60,060	50,594	40,188	26,717	42,773	39,707	

GENERAL FUND 101
COMMUNITY CENTER (45180) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Proposed Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services									
101 Regular Wages & Salaries	1,350	660	600	720	360	720	720		
122 FICA Employer Contribution	47	19		45		45	45		
126 MEDICARE Employer Contribution	20	10	9	10	5	10	10		
151 Workers Comp Insurance Premium	173	2,822	469	487	32	35	36		
Total Personnel Services	1,589	3,510	1,078	1,262	397	810	811	-35.74%	
Materials & Supplies									
210 Operating Supplies	5,171	2,684	3,951	6,713	1,293	6,000	5,000		
223 Building Repair & Supplies	1,121	1,403	867	1,000	479	1,000	1,000		
Total Materials & Supplies	6,293	4,087	4,818	7,713	1,773	7,000	6,000	-22.21%	
Contractual Services									
334 License/CDL	35	1,139	841	630	35	900	928		
353 Sales Tax					108	200			
361 Liability/Property Insurance	2,029	1,590	1,365	1,433	2,284	2,284	2,353		
381 Utilities	10,026	10,675	9,594	12,000	5,523	12,000	12,000		
384 Refuse Disposal	1,407	1,424	1,669	1,500	642	1,500	1,600		
385 Sewer Pumping & Maintenance	170	2,148	2,218	3,500	1,747	3,500	3,000		
401 Bldg Maintenance	12,485	17,718	8,258	9,650	4,214	9,650	11,015		
404 Machinery & Equipment Repair	220	382	1,479	1,000		1,000	1,000		
406 Grounds Care		6,210	1,915	1,000		500	500		
407 Well Repair & Maintenance		6,223	5,579	500		500	500		
439 Refunds Issued	2,170	610							
Total Contractual Services	28,542	48,120	32,918	31,213	14,553	32,034	32,896	5.39%	
Capital Outlays									
520 Capital Improvements to Bldgs		4,763							
530 Capital Improvements other than Bldgs			3,724						
Total Capital Outlays		4,763	3,724						#DIV/0!
Total Community Center (45180)	36,424	60,480	42,538	40,188	16,723	39,844	39,707	-1.20%	

Notes:

DEBT SERVICE FUNDS BUDGETS

Expense and revenue budgets were prepared for the five debt service funds.

The property tax levy for debt service is based on principal and interest payments plus the statutory 5% coverage, less any assessments and interest revenue.

A new debt service fund (2013 Equipment Certificate, Fund 313) has been added in 2013 and 2014 to account for the new outstanding equipment certificates approved by the Council in June 2013. The proceeds of which are currently planned for the purchase of the fire truck and a dump truck with plow.

An updated Debt Management Analysis prepared by Northland Securities is included with the budget details of the Debt Service Funds. The pages labeled "DMS13Prepaid" reflect a partial prepayment of the GO Building Crossover Refunding Bonds of 2005 (Fund 310). The draft budget reflects the Council's action to prepay some of these bonds with fund balance.

The draft budget assumes nearly a 5% decrease in debt service expenditures.

2014 Draft Budget

DEBT SERVICE FUNDS REVENUE BUDGETS

2007 BLACKTOP (FUND 307)

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	184,845	179,529	146,902	143,635	71,818	143,635	134,609	
Total Property Taxes	184,845	179,529	146,902	143,635	71,818	143,635	134,609	
Other Income								
36100 Special Assessments	31,131	47,418	32,246	23,704	15,615	23,704	22,198	
36210 Interest Income	1,178	1,231	914	1,311		1,100	1,100	
36250 Misc. Refund								
Total Other Income	32,309	48,649	33,160	25,015	15,615	24,804	23,298	
Other Financing Sources								
39200 Interfund Operating Transfer	53,378							
Total Other Financing Sources	53,378	0	0	0	0	0	0	
Total 2007 Blacktop (307)	270,532	228,178	180,062	168,650	87,433	168,439	157,907	

FIRE HALL/PUBLIC WORKS (FUND 310)

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	118,958	120,900	120,822	117,187	58,594	117,187	42,852	
Total Property Taxes	118,958	120,900	120,822	117,187	58,594	117,187	42,852	
Other Income								
36210 Interest Income	1,381	1,089	707	1,332		870	870	
Total Other Income	1,381	1,089	707	1,332	0	870	870	
Total Fire Hall/Public Works Bond (310)	120,339	121,989	121,529	118,519	58,594	118,057	43,722	

2010 FIRE RESCUE TRUCK EQUIPMENT CERTIFICATES (FUND 311)

Account Description	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes							
31000 Washington Cty. Tax Settlement	51,484	83,942	46,271	21,036	46,271	45,297	
Total Property Taxes	0	51,484	83,942	46,271	46,271	45,297	
Other Income							
36210 Interest Income	134	171	391		200	200	
Total Other Income	0	134	171	0	200	200	
Total Equipment Certificates	0	51,618	84,113	46,662	46,471	45,497	

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2011 DUMP TRUCK EQUIPMENT CERTIFICATES (FUND 312)

Account Description	2011 Adopted Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes							
31000 Washington Cty. Tax Settlement			35,910	20,055	35,910	34,965	
Total Property Taxes	0	0	35,910	20,055	35,910	34,965	
Other Income							
36210 Interest Income		0					
Total Other Income	0	0	0	0	0	0	
Total Equipment Certificates	0	0	35,910	20,055	35,910	34,965	

2013 FIRE TRUCK/DUMP TRUCK EQUIPMENT CERTIFICATE

Account Description	2011 Adopted Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes							
31000 Washington Cty. Tax Settlement						69,783	
Total Property Taxes						69,783	
Other Income							
36210 Interest Income		0					
Total Other Income							
Total Fire Truck/Dump Truck Equipment Certificate	0					69,783	
Total Debt Service	390,871	401,784	385,704	369,741	187,117	368,877	351,874

DEBT SERVICE FUNDS EXPENSE BUDGETS

2007 BLACKTOP (FUND 307)

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtr	2013 Adopted Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Debt Service									
601 Long Term Debt Principal	135,000	135,000	135,000	135,000			130,000		
611 Long Term Debt Interest	41,043	35,980	30,850	25,619	12,809		20,388		
Statutory 5% Coverage Requirement				8,031			7,519		
Total Debt Service	176,043	170,980	165,850	168,650	12,809		157,907	-7.65%	
Contractual Services									
620 Fiscal Agent Fees									
Total Contractual Services									
Transfers									
720 Operating Transfers									
Total Transfers									
Total 2007 Blacktop (307)	176,043	170,980	165,850	168,650	12,809		157,907	-7.65%	

FIRE HALL/PUBLIC WORKS (FUND 310)

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtr	2013 Proposed Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Debt Service									
601 Long Term Debt Principal	90,000	95,000	100,000	100,000			40,000		
611 Long Term Debt Interest	23,293	20,143	16,675	12,875	6,438		1,640		
Statutory 5% Coverage Requirement				5,644			2,082		
Total Debt Service	113,293	115,143	116,675	118,519	6,438		43,722	-62.03%	
Contractual Services									
620 Fiscal Agent Fees									
Total Contractual Services									
Transfers									
720 Operating Transfers									
Total Transfers									
Total Fire Hall/Public Works (310)	113,293	115,143	116,675	118,519	6,438		43,722	-62.03%	

2010 FIRE RESCUE TRUCK EQUIPMENT CERTIFICATE (FUND 311)

Account Description	2011 Actual Expenses	2012 Actual Expdtr	2013 Proposed Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Debt Service								
601 Long Term Debt Principal	40,000	40,000	40,000	40,000		40,000		
611 Long Term Debt Interest	9,020	12,533	4,440	2,480		3,330		
Statutory 5% Coverage Requirement			2,222			2,167		
Total Debt Service	49,020	52,533	46,662	42,480		45,497	-7.19%	
Contractual Services								
620 Fiscal Agent Fees								
Total Contractual Services								
Transfers								
720 Operating Transfers								
Total Transfers								
Total Equipment Certificates (311)	49,020	52,533	46,662	42,480		45,497	-7.19%	

DEBT SERVICE FUNDS EXPENSE BUDGETS
2011 DUMP TRUCK EQUIPMENT CERTIFICATE (FUND 312)*

Account	Description	2011 Actual Expenses	2012 Actual Expdtr	2013 Proposed Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Debt Service									
601	Long Term Debt Principal	40,000	30,000	30,000			30,000		
611	Long Term Debt Interest	9,020	5,025	4,200	2,100		3,300		
	Statutory 5% Coverage Requirement		1,751	1,710			1665		
Total Debt Service		49,020	36,776	35,910	2,100		34,965		
Contractual Services									
620	Fiscal Agent Fees								
Total Contractual Services									
Transfers									
710	Residual Equity Transfers								
720	Operating Transfers								
Total Transfers									
Total Equipment Certificates (312)		49,020	36,776	35,910	2,100		34,965		

FIRE TRUCK/DUMP TRUCK (FUND 313)

Account	Description					2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Debt Service									
601	Long Term Debt Principal						55,000		
611	Long Term Debt Interest						11,460		
	Statutory 5% Coverage Requirement						3,323		
Total Debt Service							69,783	#DIV/0!	
Contractual Services									
620	Fiscal Agent Fees								
Total Contractual Services									
Transfers									
710	Residual Equity Transfers								
720	Operating Transfers								
Total Transfers									
Total Fire Truck/Dump Truck (313)							69,783	#DIV/0!	

Total Debt Service	384,163	371,834	369,741				351,874	-4.83%	
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CAPITAL IMPROVEMENT FUND BUDGET

There are three proposed expenditures from the Capital Improvement Program in 2014: A-006, Electronic Data Storage (\$12,500), F-018 Back-up Generator (\$36,000) and PR-019, Log House Landing Improvements (\$20,000). The Back-up Generator will be portable and shared between the Fire Department and Public Works for sewer stations. The Log House Landing Improvements to the lower landing area assumes a 50% cost share with the Carnelian-Marine-St. Croix Watershed District.

The proposed revenue to this fund is \$95,500 from the property tax levy, plus a small amount of interest.

The fund balance at the end of 2013 is projected to be around \$212,000. The fund balance at the end of 2014 would be about \$239,250.

2014 Draft Budget

CAPITAL IMPROVEMENTS (FUND 401) REVENUE

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement	30,000	38,500	107,611	91,296	45,648	91,296	94,400	
Total Property Taxes	30,000	38,500	107,611	91,296	45,648	91,296	94,400	
Intergovernmental Revenues								
33401 LGA	0							
33640 Other Grants				30,000				
Total Intergovernmental Aid	0	0	0	30,000	0	0	0	
Other Income								
36210 Interest Income	1,660	1,353	906	1,223		1,100	1,100	
Total Other Income	1,660	1,353	906	1,223	0	1,100	1,100	
Other Financing Sources								
39200 Interfund Operating Transfer								
Total Other Financing Sources	0	0	0	0	0	0	0	
Total Capital Improvements Fund 403	31,660	39,853	108,517	122,519	45,648	92,396	95,500	

CAPITAL IMPROVEMENTS (FUND 401) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Proposed Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Contractual Services									
308 Other Professional Services									
312 Planning Services									
Total Contractual Services									
Capital Outlays									
510 Capital Outlay-Land									
512 Easement Acquisition									
520 Capital Improvements to Bldgs	39,295	20,173				36,000	68,250		
530 Capital Improvements other than Bldgs				30,000	4,018	15,000			1
540 Heavy Machinery Capital									
550 Motor Vehicles Capital									
Total Capital Outlays	39,295	20,173		30,000	4,018	51,000	68,250		
Transfers									
720 Operating Transfers			99,601						
Total Transfers			99,601						
Total Capital Improvements (401)	39,295	20,173	99,601	30,000	4,018	51,000	68,250		

Notes: 1. Electronic Data Storage, Generator and Log House Landing

PARK CAPITAL IMPROVEMENT FUND BUDGET

There are no planned expenditures from the Park Capital Improvement Fund in 2014 unless grants or donations are obtained.

No significant income is anticipated. The projected fund balance at the end of 2013 is \$8,000 and would remain the same for 2014.

2014 Draft Budget

PARK CAPITAL IMPROVEMENTS (FUND 404) REVENUE

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Intergovernmental Revenues								
33640 Other Grants		0		98,000			47,500	
Total Intergovernmental Aid	0	0	0	98,000	0	0	47,500	
Charges for Services								
34780 Park Dedication Fees	0	3,000						
Total Charges for Services	0	3,000	0	0	0	0	0	
Other Income								
36210 Interest Income	145	88	44	78		45	45	
36230 Donations	340	1,000		0				
Total Other Income	485	1,088	44	78	0	45	45	
Total Park Capital Improvements Fund 404	485	4,088	44	98,078	0	45	47,545	

PARK CAPITAL IMPROVEMENTS (FUND 404) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Adopted Budget	6/30/2013 Year-to-Date	2013 Estimated	2014 Proposed	Change '13-'14
Contractual Services								
302 Surveying	4,940				1,450			
303 Engineering Services								
312 Planning Services								
Total Contractual Services	4,940				1,450			#DIV/0!
Capital Outlays								
530 Capital Improvements other than Bldgs	98	5,479	3,575	103,000		5,000	47,500	
Total Capital Outlays	98	5,479	3,575	103,000		5,000	47,500	-53.88%
Total Dept. Fund 404	5,038	5,479	3,575	103,000	1,450	5,000	47,500	-53.88%

Notes:

EQUIPMENT REPLACEMENT FUND BUDGETS

There are no planned expenditures from the Equipment Replacement Fund in 2014.

Revenues shown are \$100,000 in transfers from operating budgets, plus a small amount of interest.

The fund balance at the end of 2013 is projected to be about \$322,400. The fund balance at the end of 2014 would be \$423,400, not including any revenues that might be realized from the sale of old equipment.

With a \$100,000 annual contribution, the fund would be close to cash-flowing for the years 2014 through 2018, assuming equipment replacement costs do not increase and revenues from the sale of old equipment are at least \$70,000.

2014 Draft Budget

EQUIPMENT REPLACEMENT (FUND 406) REVENUE

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	7/9/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
Taxes								
31000 Washington Cty. Tax Settlement		0	1,113	0				
Total Property Taxes	0	0	1,113	0	0	0	0	
Other Income								
36210 Interest Income	617	1,453		371		1,000	1,000	
36250 Misc. Refunds	380							
36260 Sale of Equipment	5,722	1,941						
Total Other Income	6,719	3,394	0	371	0	1,000	1,000	
Other Financing Sources								
39101 Sale of General Fixed Assets								
39200 Interfund Operating Transfer	80,000	110,000	80,000	100,000		100,000	100,000	
39350 Certificate of Indebtedness	200,000	150,000						
Total Other Financing Sources	280,000	260,000	80,000	100,000	0	100,000	100,000	
Total Equipment Replacement Fund 406	286,719	263,394	81,113	100,371	0	101,000	101,000	

EQUIPMENT REPLACEMENT (FUND 406) EXPENSE

Account	Description	2010 Actual Expenses	2011 Actual Expense	2012 Actual Expdtrs	2013 Adopted Budget	6/30/2013 Year-to-Date Expdts	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
<u>Contractual Services</u>										
	304 Legal Services	2,596								
	Total Contractual Services	2,596	0	0	0	0	0	0		
<u>Capital Outlays</u>										
	540 Heavy Machinery Capital	192,744	5,566							
	550 Motor Vehicles Capital		143,262	93,913	300,000	0				
	Total Capital Outlays	192,744	148,828	93,913	300,000	0	0	0		
	Total Equipment Replacement Fund (406)	195,340	148,828	93,913	300,000	0	0	0		

Notes:

LOCAL ROAD IMPROVEMENT FUND BUDGETS
****NEW FOR 2014****

Staff is proposing the Council create a new fund in 2014 called Local Road Improvements. This fund would segregate funding specifically for road projects. Seal coating, crack filling and patching would continue to be budgeted in the Public Works Department of the General Fund but mill and overlay, reconstruction or new construction projects could be funded from this fund.

Revenue for 2014 is proposed to come from a transfer of \$200,000 from the General Fund which represents the amount above 50% of general fund expenditures in the unrestricted, unassigned fund balance at the end of the year. These are one-time funds that have accumulated over the years as revenues have exceeded expenses. Staff is also proposing that \$127,704 is levied in 2014 and added to this fund so that total 2014 revenues would be \$327,704. Additional revenues to the fund could include assessments or franchise fees as well.

There are no expenses for this fund proposed for 2014 as the Council has not yet identified any specific road projects to pursue.

LOCAL ROAD IMPROVEMENT FUND (FUND 408) REVENUE BUDGET

Account	Description	2014 Proposed Revenue	Notes:
<u>Taxes</u>			
31000	Washington Cty. Tax Settlement	127,704	
31701	Gravel Taxes		
31800	Other Taxes		
<u>Total Property Taxes</u>		<u>127,704</u>	
<u>Licenses & Permits</u>			
32150	Utility Permits		
<u>Total Licenses & Permits</u>			
<u>Intergovernmental Revenues</u>			
33422	Other State Grants & Aids		
33640	Other Grants		
<u>Total Intergovernmental Aid</u>		<u>0</u>	
<u>36100 Special Assessments</u>			
<u>Other Income</u>			
36210	Interest Income		
36230	Donations		
36240	Insurance Refund		
<u>Total Other Income</u>		<u>0</u>	
<u>Other Financing Sources</u>			
39101	Sale of General Fixed Assets		
39102	Compensation for Loss of GFA		
39202	Contribution from Enterprise Funds		
39200	Interfund Operating Transfer	200,000	1
39300	Bond Proceeds		
39350	Certificate of Indebtedness		
<u>Total Other Financing Sources</u>		<u>200,000</u>	
<u>Total Local Road Improvement Fund 408</u>		<u>327,704</u>	

1. Excess unresitric, unassigned above 50% of GF Expenses

201 SEWER PROJECT BUDGETS

The 201 Sewer Project Fund is an enterprise fund that does not receive property tax support. User fees must pay the costs of operating the system and provide reserves for operations, major repairs and eventual replacement of system components.

Beginning in 2014, Personnel Services related to the operation and maintenance of the 201 System will be charged directly to the fund rather than having operating transfers to the general fund. Hourly employees will account for their time on each time card and salaried employees will have a set percentage of their salary charged to the 201 System each pay period. The following percentages of wages/salaries were assumed for the 201 System in 2014: Administrator-1%, Treasurer-1%, Director of Public Works-12.5% and Maintenance Workers-10% and 3%. These amounts were arrived at based upon experiences from the last six months. Benefits such as health, life and disability were not charged to the sewer budget because the added time to separate those billings would outweigh the benefit to the general fund.

The Materials and Supplies category expenses are similar to 2013.

Contractual Services now includes the cost of employee training related to sewers. The sewer training costs have been split 75% to the 201 System and 25% to the Uptown System. Telephone costs are projected to increase with the addition of new dialers on the control panels. Pumping costs were decreased significantly based on 2013 experience. Over all, the Contractual Service category is down.

Capital Outlays proposed for 2014 includes replacement of three control panels.

No rate increase is proposed for 2014.

LOCAL ROAD IMPROVEMENT FUND (408) EXPENSE

Account	Description	2014 Proposed Budget	Notes:
<u>Contractual Services</u>			
	302 Surveying		
	303 Engineering Services		
	304 Legal Services		
	308 Other Professional Services		
	405 Contractual Road Maint. & Repairs		
<u>Total Contractual Services</u>			
<u>Capital Outlays</u>			
	510 Capital Outlay-Land		
	512 Easement Acquisition		
	530 Capital Improvements other than Bldgs		
<u>Total Capital Outlays</u>		0	
<u>Transfers</u>			
	710 Residual Equity Transfers		
	720 Operating Transfers		
<u>Total Transfers</u>		0	
<u>Total Capital Improvements (408)</u>		0	

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201 PROJECT SEWER FUND 602 REVENUE

Account Description	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Proposed Revenue	9/30/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
36100 Special Assessments	5,475	4,258	5,151	5,000	4,437	5,000	5,000	
Other Income								
36210 Interest Income	1,358	1,205	723	563		780	700	
36250 Misc. Refunds								
Total Other Income	1,358	1,205	723	563	0	780	700	
Proprietary Fund Revenues								
34401 Sewer Charges	61,236	61,945	70,696	65,100	50,898	65,100	65,100	
37250 Sewer Connection/Reconnection Fees	0							
Total Proprietary Fund	61,236	61,945	70,696	65,100	50,898	65,100	65,100	
Total 201 Project Sewer Fund 602	68,069	67,407	76,570	70,663	55,335	70,880	70,800	

201 SEWER PROJECT (FUND 602) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expenses	2012 Actual Expdtrs	2013 Adopted Budget	9/30/2013 Year-to-Date Expdtrs	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services									
101 Regular Wages & Salaries					2,406	3,000	15,830		
121 PERA Coord. Employer Contribution					150		1,148		
122 FICA Employer Contribution					138		981		
126 MEDICARE Employer Contribution					32		230		
Total Personnel Services					2,726	3,000	18,189	#DIV/0!	1
Materials & Supplies									
200 Office Supplies			148	75		75	75		
203 Printed Forms & Papers		71							
210 Operating Supplies & Equipment			900	200	248	248	200		
212 Fuel									
221 Equipment Parts									
240 Small Tools & Minor Equipment			4,728						
Total Materials & Supplies		71	5,776	275	248	323	275		
Contractual Services									
302 Surveying									#REF!
303 Engineering Services			24,447		2,641	2,800	1,000		
304 Legal Services			1,238						
306 Personnel Testing & Recruitment									
308 Other Professional Services					1,825	1,825			
309 Software Support & Maintenance									
311 Permit Fees	505	680	505	1,316			1,000		
317 Employee Training					923	923	2,100		
319 Other Services									
321 Telephone	814	962	1,025	824	1,877	2,000	1,536		
322 Postage									
331 Travel Expenses									
334 License/CDL					690	690			
351 Legal Notices Publishing									
353 Sales Tax					380	380			
361 Liability/Property Insurance	1,299	2,756	1,638	1,719	1,111	1,111	1,144		
381 Utilities	1,446	1,757	1,637	1,800	1,389	1,678	1,750		
385 Sewer Pumping			6,444	13,700	4,634	5,000	6,500		
386 Operation & Maintenance	32,418	54,091	45,757	13,376	11,509	13,376	10,952		
403 Improvements other than Bldg									
404 Machinery & Equipment Repair			5,315	5,000	16,166	16,166	5,000		
414 Equipment Rental				135			150		
433 Dues & Subscriptions									
438 Misc Contractual	938	742		6,325	5,085	5,085	2,500		
439 Refunds Issued									
Total Contractual Services	37,420	60,987	88,006	44,195	48,230	51,034	33,632	-23.90%	
Capital Outlays									
510 Capital Outlay-Land									
512 Easement Acquisition									
520 Capital Improvements to Bldgs									
530 Capital Improvements other than Bldgs							45,000		2
540 Heavy Machinery Capital									
550 Motor Vehicles Capital									
560 Furniture & Fixtures									
570 Office Equipment			2,868						
Total Capital Outlays			2,868				45,000	#DIV/0!	
Debt Service									
602 Long Term Debt Interest									
603 Long Term Debt Principal									
Total Debt Service									
Transfers									
710 Residual Equity Transfers									
720 Operating Transfers	3,645	3,645	2,825	7,145		4,145			
Total Transfers	3,645	3,645	2,825	7,145		4,145			
Total 201 Sewer Project (602)	41,065	64,703	99,475	51,615	51,204	58,502	97,096	88.12%	

Notes: 1. Operating Transfer replaced by expense to personnel services
 2. 3 Control Panel replacements

UPTOWN SEWER BUDGETS

The Uptown Sewer Project Fund is an enterprise fund that does not receive property tax support. User fees must pay the costs of operating the system and provide reserves for operations, major repairs and eventual replacement of system components.

As was done with the 201 System, Personnel Services are being charged directly to the Uptown System rather than having an operating transfer to the general fund. This more accurately reflects the staff costs associated with operation and maintenance of the system. Hourly employees will account for their time on each time card and salaried employees will have a set percentage of their salary charged to the Uptown System each pay period. The following percentages of wages/salaries were assumed for the Uptown System in 2014: Administrator-0.5%, Treasurer-3%, Director of Public Works-4% and Maintenance Workers- 5% and 1%. These amounts were arrived at based upon experiences from the last six months. Benefits such as health, life and disability were not charged to the sewer budget because the added time to separate those billings would outweigh the benefit to the general fund. The Wastewater Advisory Committee and Council may want to discuss switching to quarterly billing versus monthly billing. This would reduce the Treasurer's time spent on this fund.

Contractual Services now includes the cost of employee training related to sewers. The sewer training costs have been split 75% to the 201 System and 25% to the Uptown System. Utilities (electricity) costs have been increased significantly following last year's upgrades to the system. The 2014 budget is tripe the 2013 budget. Reductions in other areas has resulted in little change to the Contractual Services category.

No Capital Outlays are planned for 2014.

Long term debt is equal to 25% of the cost of the 2012 Improvement Project, to be paid back to the Capital Improvement Fund over 15 years.

In order to account for increased costs and to start building a reserve account, staff is recommending a 5% increase to the usage charge. The rate would go from \$14.98 per 1,000 gallons used to \$15.73 per 1,000 gallons.

2014 Draft Budget

UPTOWN SEWER FUND 612

REVENUE BUDGET

Account Description	2012 Proposed Revenue	08/31/12 Year-to-Date Revenue	2012 Actual Revenue	2013 Proposed Revenue	9/30/2013 Year-to-Date Revenue	2013 Estimated Revenue	2014 Proposed Revenue	Notes:
36100 Special Assessments								
Other Income								
36210 Interest Income								
36230 Donations								
36240 Insurance Refund								
36250 Misc. Refunds								
Total Other Income	0			0				
Proprietary Fund Revenues								
34401 Sewer Charges	24,385	7,114	9,579	22,676	13,162	19,743	20,730	
Total Proprietary Fund	24,385	7,114	9,579	22,676	13,162	19,743	20,730	1
Other Financing Sources								
39203 Transfer from other Funds	99,601	99,601	175,178					
Total Other Financing Sources	99,601	99,601	175,178	0	0	0	0	
Total Uptown Sewer Fund 612	123,986	106,715	184,757	22,676	13,162	19,743	20,730	

1. 5% rate increase

UPTOWN SEWER (FUND 612) EXPENSE

Account Description	2010 Actual Expenses	2011 Actual Expdtrs	2012 Actual Expdtrs	2013 Adopted Budget	9/30/2013 Year-to-Date Expdtrs	2013 Estimated Expdtrs	2014 Proposed Budget	Change '13-'14 Budget	Notes:
Personnel Services									
101 Regular Wages & Salaries					1,149	1,300	6,285		
121 PERA Coord. Employer Contribution					70	91	479		
122 FICA Employer Contribution					66	81	410		
126 MEDICARE Employer Contribution					15	19	96		
Total Personnel Services					1,300	1,490	7,270	#DIV/0!	1
Materials & Supplies									
200 Office Supplies			13			75	75		
203 Printed Forms & Papers									
210 Operating Supplies & Equipment				500	82	82	250		
212 Fuel									
221 Equipment Parts			159						
240 Small Tools & Minor Equipment									
Total Materials & Supplies			172	500	82	157	325	-35.00%	
Contractual Services									
302 Surveying									
303 Engineering Services		14,989	6,373	500			500		
304 Legal Services			1,001	500			500		
306 Personnel Testing & Recruitment						258	258		
308 Other Professional Services									
309 Software Support & Maintenance									
311 Contractual Permit Fees		175		855			855		
313 Committee & Commission Reimburs									
316 Conference & Seminars									
317 Employee Training					308	308	700		
319 Other Services			46						
321 Telephone									
322 Postage									
331 Travel Expenses									
334 License/CDL					185	185			
351 Legal Notices Publishing									
353 Sales Tax					61	70			
361 Liability/Property Insurance	55	244	46	48	63	63	65		
381 Utilities	243	356	331	500	1,408	1,500	1,500		
385 Sewer (Pumping)	2,384	3,996	184	2,100	691	691	2,100		
386 Operation & Maintenance			1,850	4,008	2,685	4,008	3,225		
403 Improvements other than Bldg									
404 Machinery & Equipment Repair	2,746	1,615	1,660	1,500			500		
418 Vehicle or Equipment Leasing									
420 Depreciation Expense									
433 Dues & Subscriptions									
438 Misc Contractual				1,500			500		
439 Refunds Issued									
Total Contractual Services	5,519	21,374	11,491	11,511	5,659	7,083	10,445	-9.26%	
Capital Outlays									
510 Capital Outlay-Land									
512 Easement Acquisition									
520 Capital Improvements to Bldgs									
530 Capital Improvements other than Bldgs			129,067						
540 Heavy Machinery Capital									
550 Motor Vehicles Capital									
560 Furniture & Fixtures									
570 Office Equipment			1,412						
Total Capital Outlays			130,479						
Debt Service									
602 Long Term Debt Interest									
603 Long Term Debt Principal				2,667		2,640	2,640		
Total Debt Service				2,667		2,640	2,640	-1.01%	
Transfers									
710 Residual Equity Transfers									
720 Operating Transfers			1,744	5,940		4,450			
Total Transfers			1,744	5,940		4,450			
Total Uptown Sewer (612)	5,519	21,374	143,886	20,618	7,041	15,820	20,680	0.30%	

Notes: 1. Operating transfer replaced with personnel services

ECONOMIC DEVELOPMENT AUTHORITY

In May 2013, the Council created an Economic Development Authority comprised of five members (2 Council members and 3 citizen members).

The 2014 budget includes \$1,000 from the tax levy to be used for minor operating expenses such as legal services or postage.

These funds are segregated from the General Fund and will remain with the EDA if not spent.

EDA REVENUE FUNDS

Account	Description	2014 Proposed Revenue	Notes:
<u>Taxes</u>			
	31000 Washington Cty. Tax Settlement	1,000	
	<u>Total Property Taxes</u>	<u>1,000</u>	
<u>Intergovernmental Revenues</u>			
	33422 Other State Grants & Aids		
	33640 Other Grants		
	<u>Total Intergovernmental Aid</u>	<u>0</u>	
<u>Other Income</u>			
	36210 Interest Income		
	36230 Donations		
	36240 Insurance Refund		
	36250 Misc. Refunds		
	<u>Total Other Income</u>	<u>0</u>	
<u>Other Financing Sources</u>			
	39101 Sale of General Fixed Assets		
	39203 Transfer from other Funds		
	39300 Bond Proceeds		
	39350 Certificate of Indebtedness		
	<u>Total Other Financing Sources</u>	<u>0</u>	
	<u>Total Fund</u>	<u>1,000</u>	

EDA EXPENSE FUNDS

Account	Description	2014 Proposed Budget	Change '13-'14 Budget
Materials & Supplies			
	200 Office Supplies	0	
	203 Printed Forms & Papers		
	210 Operating Supplies & Equipment		
Total Materials & Supplies			#REF!
Contractual Services			
	301 Auditing & Accounting		
	302 Surveying		
	303 Engineering Services	0	
	304 Legal Services	500	#REF!
	308 Other Professional Services		
	309 Software Support & Maintenance		
	312 Planning Services	0	
	313 Committee & Commission Reimburs		
	319 Other Services		
	322 Postage	500	
	331 Travel Expenses		
	360 Insurance		
	490 Donations		
Total Contractual Services		1,000	#REF!
Total Dept. Fund		1,000	#REF!

Notes: