

## **SUPPORTING DATA**

- Fund Balance Projections
- Personnel Comparisons
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- Glossary



**CITY OF FARIBAULT**  
**FUND BALANCE PROJECTIONS - GOVERNMENTAL FUNDS**  
**2012 BUDGET**

| YEAR                            | AUDITED<br>BALANCE<br>12/31/2006 | AUDITED<br>BALANCE<br>12/31/2007 | AUDITED<br>BALANCE<br>12/31/2008 | AUDITED<br>BALANCE<br>12/31/2009 | AUDITED<br>BALANCE<br>12/31/2010 | PROJECTED<br>BALANCE<br>12/31/2011 | PROJECTED<br>BALANCE<br>12/31/2012 |
|---------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| <b>GENERAL</b>                  | \$7,831,012                      | \$8,128,918                      | \$8,435,957                      | \$9,297,807                      | \$9,385,505                      | \$8,473,175                        | \$8,473,175                        |
| <b>SPECIAL REVENUE</b>          |                                  |                                  |                                  |                                  |                                  |                                    |                                    |
| Charitable Gambling             | \$36,286                         | \$37,301                         | \$31,628                         | \$26,654                         | \$28,586                         | \$28,736                           | \$28,886                           |
| Public Safety Programs          | \$5,725                          | \$12,823                         | \$54,219                         | \$60,315                         | \$76,510                         | \$91,260                           | \$106,010                          |
| Airport                         | \$941,592                        | \$1,108,689                      | \$1,045,503                      | \$885,410                        | \$192,387                        | \$146,895                          | \$82,232                           |
| Buckham Central Programs        | \$27,637                         | \$21,728                         | \$27,943                         | \$34,097                         | \$19,227                         | \$19,359                           | \$20,245                           |
| Aquatic Facility                | \$258,852                        | \$234,563                        | \$198,951                        | \$152,170                        | \$80,608                         | \$56,677                           | \$39,378                           |
| City Rental Property Management | \$19,272                         | \$77,407                         | \$76,078                         | \$89,332                         | \$65,352                         | \$68,719                           | \$65,990                           |
| Mass Transit                    | \$42,716                         | \$43,190                         | \$17,481                         | \$11,068                         | \$9,878                          | \$0                                | \$0                                |
| Community Development           | \$325,140                        | \$151,494                        | \$110,810                        | \$98,533                         | \$107,961                        | \$62,480                           | \$6,352                            |
| Rental Housing Rehab            | \$80,061                         | \$140,224                        | \$150,611                        | \$158,129                        | \$162,997                        | \$165,389                          | \$165,389                          |
| SCDP Revolving Loan Programs    | \$316,646                        | \$520,019                        | \$630,113                        | \$455,737                        | \$557,626                        | \$620,727                          | \$925,381                          |
| <b>SPECIAL REVENUE</b>          | <b>\$2,053,927</b>               | <b>\$2,347,438</b>               | <b>\$2,343,337</b>               | <b>\$1,971,445</b>               | <b>\$1,301,132</b>               | <b>\$1,260,242</b>                 | <b>\$1,439,863</b>                 |
| <b>DEBT SERVICE*</b>            | <b>\$4,441,174</b>               | <b>\$3,841,912</b>               | <b>\$3,581,446</b>               | <b>\$5,029,453</b>               | <b>\$4,330,731</b>               | <b>\$3,253,494</b>                 | <b>\$3,370,711</b>                 |
| <b>CAPITAL PROJECTS</b>         |                                  |                                  |                                  |                                  |                                  |                                    |                                    |
| Street Improvement Projects     | \$889,050                        | \$3,502,274                      | \$540,712                        | \$541,766                        | \$36,205                         | \$209,792                          | -\$89,002                          |
| Parkland Dedication             | \$397,537                        | \$430,508                        | \$477,610                        | \$344,300                        | \$370,542                        | \$284,292                          | \$234,292                          |
| Capital Replacement General     | \$1,456,026                      | \$1,257,314                      | \$881,212                        | \$976,728                        | \$1,119,230                      | \$1,957,715                        | \$1,512,715                        |
| <b>CAPITAL PROJECTS</b>         | <b>\$2,742,613</b>               | <b>\$5,190,096</b>               | <b>\$1,899,534</b>               | <b>\$1,862,794</b>               | <b>\$1,525,977</b>               | <b>\$2,451,799</b>                 | <b>\$1,658,005</b>                 |

\* Reflects transfer of \$1,000,000 from General Fund to Capital Replacement Fund as part of long-range levy planning.

**CITY OF FARIBAULT**  
**CASH BALANCE PROJECTIONS - ENTERPRISE AND INTERNAL SERVICE FUNDS**  
**2012 BUDGET**

| YEAR   | AUDITED<br>BALANCE<br>12/31/2006 | AUDITED<br>BALANCE<br>12/31/2007 | AUDITED<br>BALANCE<br>12/31/2008 | AUDITED<br>BALANCE<br>12/31/2009 | AUDITED<br>BALANCE<br>12/31/2010 | PROJECTED<br>BALANCE<br>12/31/2011 | PROJECTED<br>BALANCE<br>12/31/2012 |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| <b>ENTERPRISE<br/>FUNDS - 600'S</b>          |                                  |                                  |                                  |                                  |                                  |                                    |                                    |
| Water  | \$5,056,044                      | \$5,267,163                      | \$4,816,869                      | \$4,563,259                      | \$4,226,340                      | \$4,212,948                        | \$3,115,273                        |
| Sewer  | \$3,844,954                      | \$4,763,355                      | \$4,935,695                      | \$3,807,682                      | \$2,783,391                      | \$2,927,755                        | \$2,088,225                        |
| Storm Water                                  | \$994,210                        | \$739,540                        | \$906,705                        | \$969,837                        | \$1,002,903                      | \$773,217                          | \$529,044                          |
| <b>ENTERPRISE</b>                            | <b>\$9,895,208</b>               | <b>\$10,770,058</b>              | <b>\$10,659,269</b>              | <b>\$9,340,778</b>               | <b>\$8,012,634</b>               | <b>\$7,913,920</b>                 | <b>\$5,732,542</b>                 |
| <b>INTERNAL SERVICE **<br/>FUNDS - 700'S</b> |                                  |                                  |                                  |                                  |                                  |                                    |                                    |
| Workers Compensation                         | \$1,389,343                      | \$1,316,349                      | \$1,332,159                      | \$1,306,355                      | \$1,328,516                      | \$1,237,004                        | \$1,229,843                        |
| Property/Liability                           | \$1,084,832                      | \$1,088,614                      | \$1,096,025                      | \$1,136,654                      | \$1,137,470                      | \$1,008,215                        | \$875,815                          |
| Engineering                                  | \$403,188                        | \$243,791                        | \$568,541                        | \$599,735                        | \$595,837                        | \$621,833                          | \$700,981                          |
| MIS  | \$132,979                        | \$107,448                        | \$131,903                        | \$137,285                        | \$126,442                        | \$68,638                           | \$75,492                           |
| <b>INTERNAL SERVICE **</b>                   | <b>\$3,010,342</b>               | <b>\$2,756,202</b>               | <b>\$3,128,628</b>               | <b>\$3,180,029</b>               | <b>\$3,188,265</b>               | <b>\$2,935,690</b>                 | <b>\$2,882,131</b>                 |

**CITY OF FARIBAULT**  
**FUND BALANCE PROJECTIONS - COMPONENT UNITS**  
**2012 BUDGET**

| YEAR                           | AUDITED<br>BALANCE<br>12/31/2006 | AUDITED<br>BALANCE<br>12/31/2007 | AUDITED<br>BALANCE<br>12/31/2008 | AUDITED<br>BALANCE<br>12/31/2009 | AUDITED<br>BALANCE<br>12/31/2010 | PROJECTED<br>BALANCE<br>12/31/2011 | PROJECTED<br>BALANCE<br>12/31/2012 |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| <b>HRA</b>                     | \$1,726,216                      | \$1,762,072                      | \$5,379,513                      | \$2,017,764                      | \$1,947,423                      | \$1,802,729                        | \$1,816,187                        |
| Faribault HRA                  | \$171,561                        | \$459,955                        | \$599,808                        | \$333,708                        | \$1,330,101                      | \$1,176,012                        | \$1,185,061                        |
| Public Housing                 | \$622,190                        | \$595,100                        | \$605,601                        | \$547,438                        | \$548,077                        | \$554,086                          | \$554,995                          |
| MURL                           | \$201,584                        | \$129,407                        | \$73,629                         | \$39,130                         | \$48,232                         | \$51,618                           | \$55,118                           |
| CRV Mobile Home                | \$10,576                         | -\$24,419                        | \$21,013                         | \$21,013                         | \$21,013                         | \$21,013                           | \$21,013                           |
| Trails Edge                    | \$720,305                        | \$602,029                        | \$4,079,462                      | \$1,076,475                      | \$0                              | \$0                                | \$0                                |
| <b>HRA</b>                     | <b>\$3,452,432</b>               | <b>\$3,524,144</b>               | <b>\$10,759,026</b>              | <b>\$4,035,528</b>               | <b>\$3,894,846</b>               | <b>\$3,605,458</b>                 | <b>\$3,632,374</b>                 |
| <b>EDA</b>                     | <b>\$3,544,405</b>               | <b>\$3,676,956</b>               | <b>\$2,231,035</b>               | <b>\$1,527,111</b>               | <b>\$1,216,188</b>               | <b>\$1,271,715</b>                 | <b>\$1,306,013</b>                 |
| Economic Development Authority | \$67,432                         | \$7,424                          | \$90,648                         | \$70,727                         | \$77,133                         | \$130,902                          | \$115,902                          |
| Industrial Development Loan    | \$144,623                        | \$145,539                        | \$237,771                        | \$261,177                        | \$290,044                        | \$235,215                          | \$166,013                          |
| MN Investment Fund             | \$763,630                        | \$596,312                        | \$192,004                        | \$305,539                        | \$404,057                        | \$426,754                          | \$449,450                          |
| EDA Revolving Loan Fund        | \$306,128                        | \$162,922                        | \$118,490                        | \$173,337                        | \$196,445                        | \$189,443                          | \$245,836                          |
| TIF Capital Projects           | \$2,262,592                      | \$2,764,759                      | \$1,592,122                      | \$716,331                        | \$248,509                        | \$289,401                          | \$328,812                          |
| <b>EDA</b>                     | <b>\$3,544,405</b>               | <b>\$3,676,956</b>               | <b>\$2,231,035</b>               | <b>\$1,527,111</b>               | <b>\$1,216,188</b>               | <b>\$1,271,715</b>                 | <b>\$1,306,013</b>                 |



**PERSONNEL COMPARISONS  
2012 - 2013 BUDGET**

| Activity                                       | 2008<br>Authorized | 2009<br>Authorized | 2010<br>Authorized | 2011<br>Authorized | 2012<br>Adopted | 2013<br>Proposed |
|--|--------------------|--------------------|--------------------|--------------------|-----------------|------------------|
| <b>GENERAL GOVERNMENT</b>                      |                    |                    |                    |                    |                 |                  |
| <b>ADMINISTRATION</b>                          |                    |                    |                    |                    |                 |                  |
| City Administrator                             | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Deputy City Clerk                              | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Assistant City Administrator                   | 1.00               | 1.00               | 1.00               | 0.00               | 0.00            | 0.00             |
| Department Secretary                           | 0.50               | 0.50               | 0.50               | 0.50               | 0.50            | 0.50             |
| <b>Total Full-Time Employees</b>               | <b>3.50</b>        | <b>3.50</b>        | <b>3.50</b>        | <b>2.50</b>        | <b>2.50</b>     | <b>2.50</b>      |
| <b>Total Part-Time Employees</b>               | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>      |
| <b>FINANCIAL ADMINISTRATION</b>                |                    |                    |                    |                    |                 |                  |
| Deputy City Administrator/Finance Director     | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Accounting Supervisor                          | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Accountant                                     | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Account Technician                             | 2.00               | 2.00               | 2.00               | 2.00               | 2.00            | 2.00             |
| Receptionist                                   | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| <b>Total Full-Time Employees</b>               | <b>6.00</b>        | <b>6.00</b>        | <b>6.00</b>        | <b>6.00</b>        | <b>6.00</b>     | <b>6.00</b>      |
| <b>Total Part-Time Employees</b>               | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>      |
| <b>PERSONNEL ADMINISTRATION</b>                |                    |                    |                    |                    |                 |                  |
| Human Resources Coordinator                    | 0.00               | 0.00               | 0.00               | 1.00               | 1.00            | 1.00             |
| <b>Total Full-Time Employees</b>               | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>1.00</b>        | <b>1.00</b>     | <b>1.00</b>      |
| <b>Total Part-Time Employees</b>               | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>      |
| <b>PLANNING AND ZONING</b>                     |                    |                    |                    |                    |                 |                  |
| City Planner                                   | 1.00               | 1.00               | 1.00               | 0.00               | 0.00            | 0.00             |
| Zoning Administrator                           | 1.00               | 1.00               | 1.00               | 0.00               | 0.00            | 0.00             |
| Planning Coordinator                           | 0.00               | 0.00               | 0.00               | 1.00               | 1.00            | 1.00             |
| <b>Total Full-Time Employees</b>               | <b>2.00</b>        | <b>2.00</b>        | <b>2.00</b>        | <b>1.00</b>        | <b>1.00</b>     | <b>1.00</b>      |
| <b>Total Part-Time Employees</b>               | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>      |
| <b>GENERAL GOVERNMENT BUILDING MAINTENANCE</b> |                    |                    |                    |                    |                 |                  |
| Maintenance Engineer                           | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Light Custodian                                | 0.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| <b>Total Full-Time Employees</b>               | <b>1.00</b>        | <b>2.00</b>        | <b>2.00</b>        | <b>2.00</b>        | <b>2.00</b>     | <b>2.00</b>      |
| <b>Total Part-Time Employees</b>               | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>      |

**PERSONNEL COMPARISONS  
2012 - 2013 BUDGET**

| <b>Activity</b>                      | <b>2008<br/>Authorized</b> | <b>2009<br/>Authorized</b> | <b>2010<br/>Authorized</b> | <b>2011<br/>Authorized</b> | <b>2012<br/>Adopted</b> | <b>2013<br/>Proposed</b> |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|--------------------------|
| <b>PUBLIC SAFETY</b>                 |                            |                            |                            |                            |                         |                          |
| <b>POLICE ADMINISTRATION</b>         |                            |                            |                            |                            |                         |                          |
| Chief of Police                      | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Captain                              | 2.00                       | 2.00                       | 2.00                       | 2.00                       | 2.00                    | 2.00                     |
| Department Secretary                 | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| <b>Total Full-Time Employees</b>     | <b>4.00</b>                | <b>4.00</b>                | <b>4.00</b>                | <b>4.00</b>                | <b>4.00</b>             | <b>4.00</b>              |
| <b>Total Part-Time Employees</b>     | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>UNIFORM PATROL</b>                |                            |                            |                            |                            |                         |                          |
| Sergeant                             | 4.00                       | 4.00                       | 4.00                       | 4.00                       | 4.00                    | 4.00                     |
| Police Officer                       | 20.00                      | 19.00                      | 19.00                      | 17.00                      | 17.00                   | 17.00                    |
| Police Reserve Officers (Part-Time)  | 24.00                      | 24.00                      | 24.00                      | 24.00                      | 24.00                   | 24.00                    |
| <b>Total Full-Time Employees</b>     | <b>24.00</b>               | <b>23.00</b>               | <b>23.00</b>               | <b>21.00</b>               | <b>21.00</b>            | <b>21.00</b>             |
| <b>Total Part-Time Employees</b>     | <b>24.00</b>               | <b>24.00</b>               | <b>24.00</b>               | <b>24.00</b>               | <b>24.00</b>            | <b>24.00</b>             |
| <b>CRIMINAL INVESTIGATION</b>        |                            |                            |                            |                            |                         |                          |
| Sergeant                             | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Police Officer                       | 5.00                       | 6.00                       | 6.00                       | 6.00                       | 6.00                    | 6.00                     |
| <b>Total Full-Time Employees</b>     | <b>6.00</b>                | <b>7.00</b>                | <b>7.00</b>                | <b>7.00</b>                | <b>7.00</b>             | <b>7.00</b>              |
| <b>Total Part-Time Employees</b>     | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>RECORDS</b>                       |                            |                            |                            |                            |                         |                          |
| Department Specialist                | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Records Clerk                        | 3.00                       | 3.00                       | 3.00                       | 2.00                       | 2.00                    | 2.00                     |
| Secretary                            | 1.00                       | 1.00                       | 0.00                       | 0.00                       | 0.00                    | 0.00                     |
| <b>Total Full-Time Employees</b>     | <b>5.00</b>                | <b>5.00</b>                | <b>4.00</b>                | <b>3.00</b>                | <b>3.00</b>             | <b>3.00</b>              |
| <b>Total Part-Time Employees</b>     | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>FIRE ADMINISTRATION</b>           |                            |                            |                            |                            |                         |                          |
| Director                             | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Department Secretary                 | 0.50                       | 0.50                       | 0.50                       | 0.50                       | 0.50                    | 0.50                     |
| <b>Total Full-Time Employees</b>     | <b>1.50</b>                | <b>1.50</b>                | <b>1.50</b>                | <b>1.50</b>                | <b>1.50</b>             | <b>1.50</b>              |
| <b>Total Part-Time Employees</b>     | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>FIRE SUPPRESSION</b>              |                            |                            |                            |                            |                         |                          |
| Captain                              | 3.00                       | 3.00                       | 3.00                       | 3.00                       | 3.00                    | 3.00                     |
| Firefighter                          | 6.00                       | 6.00                       | 6.00                       | 6.00                       | 6.00                    | 6.00                     |
| Firefighter Paid-On-Call (Part-Time) | 30.00                      | 30.00                      | 24.00                      | 24.00                      | 24.00                   | 24.00                    |
| <b>Total Full-Time Employees</b>     | <b>9.00</b>                | <b>9.00</b>                | <b>9.00</b>                | <b>9.00</b>                | <b>9.00</b>             | <b>9.00</b>              |
| <b>Total Part-Time Employees</b>     | <b>30.00</b>               | <b>30.00</b>               | <b>24.00</b>               | <b>24.00</b>               | <b>24.00</b>            | <b>24.00</b>             |

**PERSONNEL COMPARISONS  
2012 - 2013 BUDGET**

| <b>Activity</b>                         | <b>2008<br/>Authorized</b> | <b>2009<br/>Authorized</b> | <b>2010<br/>Authorized</b> | <b>2011<br/>Authorized</b> | <b>2012<br/>Adopted</b> | <b>2013<br/>Proposed</b> |
|---|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|--------------------------|
| <b>CODE ENFORCEMENT</b>                 |                            |                            |                            |                            |                         |                          |
| Building Official                       | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Building Inspector                      | 2.00                       | 2.00                       | 2.00                       | 1.00                       | 1.00                    | 1.00                     |
| Department Secretary                    | 1.00                       | 1.00                       | 1.00                       | 0.00                       | 0.00                    | 0.00                     |
| Housing Specialist I                    | 0.50                       | 0.00                       | 0.00                       | 0.00                       | 0.00                    | 0.00                     |
| <b>Total Full-Time Employees</b>        | <b>4.50</b>                | <b>4.00</b>                | <b>4.00</b>                | <b>2.00</b>                | <b>2.00</b>             | <b>2.00</b>              |
| <b>Total Part-Time Employees</b>        | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>COMMUNITY SERVICES</b>               |                            |                            |                            |                            |                         |                          |
| Special Services Officer I              | 1.00                       | 1.00                       | 1.00                       | 0.00                       | 0.00                    | 0.00                     |
| Special Services Officer II             | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Special Services Officer II (Part-Time) | 1.00                       | 1.00                       | 1.00                       | 2.00                       | 2.00                    | 2.00                     |
| <b>Total Full-Time Employees</b>        | <b>2.00</b>                | <b>2.00</b>                | <b>2.00</b>                | <b>1.00</b>                | <b>1.00</b>             | <b>1.00</b>              |
| <b>Total Part-Time Employees</b>        | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>                | <b>2.00</b>                | <b>2.00</b>             | <b>2.00</b>              |

**PERSONNEL COMPARISONS  
2012 - 2013 BUDGET**

| <b>Activity</b>                      | <b>2008<br/>Authorized</b> | <b>2009<br/>Authorized</b> | <b>2010<br/>Authorized</b> | <b>2011<br/>Authorized</b> | <b>2012<br/>Adopted</b> | <b>2013<br/>Proposed</b> |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|--------------------------|
| <b>PUBLIC WORKS</b>                  |                            |                            |                            |                            |                         |                          |
| <b>PUBLIC WORKS ADMINISTRATION</b>   |                            |                            |                            |                            |                         |                          |
| Director of Public Works/Engineering | 1.00                       | 1.00                       | 0.50                       | 0.50                       | 0.50                    | 0.50                     |
| Department Secretary                 | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| <b>Total Full-Time Employees</b>     | <b>2.00</b>                | <b>2.00</b>                | <b>1.50</b>                | <b>1.50</b>                | <b>1.50</b>             | <b>1.50</b>              |
| <b>Total Part-Time Employees</b>     | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>STREET MAINTENANCE</b>            |                            |                            |                            |                            |                         |                          |
| Superintendent                       | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Foreperson                           | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Heavy Equipment Operator             | 4.00                       | 4.00                       | 4.00                       | 4.00                       | 4.00                    | 4.00                     |
| Light Equipment Operator             | 3.00                       | 3.00                       | 3.00                       | 3.00                       | 3.00                    | 3.00                     |
| <b>Total Full-Time Employees</b>     | <b>9.00</b>                | <b>9.00</b>                | <b>9.00</b>                | <b>9.00</b>                | <b>9.00</b>             | <b>9.00</b>              |
| <b>Total Part-Time Employees</b>     | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>EQUIPMENT MAINTENANCE</b>         |                            |                            |                            |                            |                         |                          |
| Foreperson                           | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Mechanic                             | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Mechanic Helper (Part-Time)          | 0.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| <b>Total Full-Time Employees</b>     | <b>2.00</b>                | <b>2.00</b>                | <b>2.00</b>                | <b>2.00</b>                | <b>2.00</b>             | <b>2.00</b>              |
| <b>Total Part-Time Employees</b>     | <b>0.00</b>                | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>             | <b>1.00</b>              |

**PERSONNEL COMPARISONS  
2012 - 2013 BUDGET**

| <b>Activity</b>                    | <b>2008<br/>Authorized</b> | <b>2009<br/>Authorized</b> | <b>2010<br/>Authorized</b> | <b>2011<br/>Authorized</b> | <b>2012<br/>Adopted</b> | <b>2013<br/>Proposed</b> |
|------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|--------------------------|
| <b>CULTURE AND RECREATION</b>      |                            |                            |                            |                            |                         |                          |
| <b>PARKS</b>                       |                            |                            |                            |                            |                         |                          |
| Superintendent                     | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Heavy Equipment Operator           | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Light Equipment Operator           | 3.00                       | 3.00                       | 3.00                       | 3.00                       | 3.00                    | 3.00                     |
| <b>Total Full-Time Employees</b>   | <b>5.00</b>                | <b>5.00</b>                | <b>5.00</b>                | <b>5.00</b>                | <b>5.00</b>             | <b>5.00</b>              |
| <b>Total Part-Time Employees</b>   | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>LIBRARY</b>                     |                            |                            |                            |                            |                         |                          |
| Library Director                   | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Program Coordinator                | 2.00                       | 2.00                       | 2.00                       | 2.00                       | 2.00                    | 2.00                     |
| Librarian/Library Technician       | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Library Technician                 | 2.00                       | 2.00                       | 2.00                       | 1.00                       | 1.00                    | 1.00                     |
| Custodian                          | 0.50                       | 0.50                       | 0.50                       | 0.00                       | 0.00                    | 0.00                     |
| Library Technician (Part-Time)     | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Receptionist (Part-Time)           | 3.00                       | 3.00                       | 2.00                       | 2.00                       | 2.00                    | 2.00                     |
| <b>Total Full-Time Employees</b>   | <b>6.50</b>                | <b>6.50</b>                | <b>6.50</b>                | <b>5.00</b>                | <b>5.00</b>             | <b>5.00</b>              |
| <b>Total Part-Time Employees</b>   | <b>4.00</b>                | <b>4.00</b>                | <b>3.00</b>                | <b>3.00</b>                | <b>3.00</b>             | <b>3.00</b>              |
| <b>RECREATION ADMINISTRATION</b>   |                            |                            |                            |                            |                         |                          |
| Director                           | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Recreation Coordinator             | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Department Secretary               | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Secretary                          | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Custodian                          | 0.50                       | 0.50                       | 0.50                       | 0.00                       | 0.00                    | 0.00                     |
| Recreation Coordinator (Part-Time) | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| <b>Total Full-Time Employees</b>   | <b>4.50</b>                | <b>4.50</b>                | <b>4.50</b>                | <b>4.00</b>                | <b>4.00</b>             | <b>4.00</b>              |
| <b>Total Part-Time Employees</b>   | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>             | <b>1.00</b>              |
| <b>COMMUNITY CENTER-POOL</b>       |                            |                            |                            |                            |                         |                          |
| Aquatics Supervisor                | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| <b>Total Full-Time Employees</b>   | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>                | <b>1.00</b>             | <b>1.00</b>              |
| <b>Total Part-Time Employees</b>   | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |

**PERSONNEL COMPARISONS  
2012 - 2013 BUDGET**

| <b>Activity</b>                               | <b>2008<br/>Authorized</b> | <b>2009<br/>Authorized</b> | <b>2010<br/>Authorized</b> | <b>2011<br/>Authorized</b> | <b>2012<br/>Adopted</b> | <b>2013<br/>Proposed</b> |
|---|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|--------------------------|
| <b>OTHER FUNCTIONS</b>                        |                            |                            |                            |                            |                         |                          |
| <b>MASS TRANSIT</b>                           |                            |                            |                            |                            |                         |                          |
| Bus Driver (Part-Time)                        | 4.00                       | 4.00                       | 4.00                       | 4.00                       | 0.00                    | 0.00                     |
| <b>Total Full-Time Employees</b>              | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>Total Part-Time Employees</b>              | <b>4.00</b>                | <b>4.00</b>                | <b>4.00</b>                | <b>4.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>ENGINEERING</b>                            |                            |                            |                            |                            |                         |                          |
| Director of Public Works/Engineering          | 1.00                       | 1.00                       | 0.50                       | 0.50                       | 0.50                    | 0.50                     |
| Graduate Engineer                             | 1.00                       | 1.00                       | 1.00                       | 0.00                       | 0.00                    | 0.00                     |
| Engineering Supervisor                        | 0.00                       | 0.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Engineering Technician III                    | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Engineering Technician II                     | 1.00                       | 1.00                       | 0.00                       | 0.00                       | 0.00                    | 0.00                     |
| Engineering Technician I                      | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| GIS Coordinator                               | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| <b>Total Full-Time Employees</b>              | <b>6.00</b>                | <b>6.00</b>                | <b>5.50</b>                | <b>4.50</b>                | <b>4.50</b>             | <b>4.50</b>              |
| <b>Total Part-Time Employees</b>              | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>MIS</b>                                    |                            |                            |                            |                            |                         |                          |
| MIS Coordinator                               | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Information Specialist                        | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 0.00                    | 0.00                     |
| <b>Total Full-Time Employees</b>              | <b>2.00</b>                | <b>2.00</b>                | <b>2.00</b>                | <b>2.00</b>                | <b>1.00</b>             | <b>1.00</b>              |
| <b>Total Part-Time Employees</b>              | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>COMMUNITY DEVELOPMENT</b>                  |                            |                            |                            |                            |                         |                          |
| Director                                      | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Community Development Coordinator             | 3.00                       | 2.00                       | 2.00                       | 1.00                       | 2.00                    | 2.00                     |
| Department Specialist                         | 2.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Department Secretary                          | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Maintenance Specialist                        | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Business Developer                            | 1.00                       | 0.00                       | 0.00                       | 0.00                       | 0.00                    | 0.00                     |
| Housing Specialist I                          | 0.50                       | 0.00                       | 0.00                       | 0.00                       | 0.00                    | 0.00                     |
| Community Development Coordinator (Part-Time) | 0.00                       | 0.00                       | 0.00                       | 1.00                       | 0.00                    | 0.00                     |
| <b>Total Full-Time Employees</b>              | <b>9.50</b>                | <b>6.00</b>                | <b>6.00</b>                | <b>5.00</b>                | <b>6.00</b>             | <b>6.00</b>              |
| <b>Total Part-Time Employees</b>              | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>                | <b>1.00</b>                | <b>0.00</b>             | <b>0.00</b>              |
| <b>WATER DISTRIBUTION</b>                     |                            |                            |                            |                            |                         |                          |
| Foreman                                       | 1.00                       | 1.00                       | 1.00                       | 1.00                       | 1.00                    | 1.00                     |
| Water/Sewer Operator                          | 2.00                       | 2.00                       | 2.00                       | 2.00                       | 2.00                    | 2.00                     |
| Utility Clerk (Part-Time)                     | 0.50                       | 0.50                       | 0.50                       | 0.50                       | 0.50                    | 0.50                     |
| <b>Total Full-Time Employees</b>              | <b>3.00</b>                | <b>3.00</b>                | <b>3.00</b>                | <b>3.00</b>                | <b>3.00</b>             | <b>3.00</b>              |
| <b>Total Part-Time Employees</b>              | <b>0.50</b>                | <b>0.50</b>                | <b>0.50</b>                | <b>0.50</b>                | <b>0.50</b>             | <b>0.50</b>              |

**PERSONNEL COMPARISONS  
2012 - 2013 BUDGET**

| Activity                         | 2008<br>Authorized | 2009<br>Authorized | 2010<br>Authorized | 2011<br>Authorized | 2012<br>Adopted | 2013<br>Proposed |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------|------------------|
| <b>SEWER COLLECTION</b>          |                    |                    |                    |                    |                 |                  |
| Superintendent                   | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Water/Sewer Operator             | 3.00               | 3.00               | 3.00               | 3.00               | 3.00            | 3.00             |
| Storm Water Technician I         | 0.50               | 0.50               | 0.50               | 0.50               | 0.50            | 0.50             |
| <b>Total Full-Time Employees</b> | <b>4.50</b>        | <b>4.50</b>        | <b>4.50</b>        | <b>4.50</b>        | <b>4.50</b>     | <b>4.50</b>      |
| <b>Total Part-Time Employees</b> | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>      |
| <b>TREATMENT PLANT</b>           |                    |                    |                    |                    |                 |                  |
| Superintendent                   | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Foreman                          | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Treatment Plant Operator         | 5.00               | 5.00               | 5.00               | 4.00               | 4.00            | 4.00             |
| Lab Technician                   | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Utility Clerk (Part-Time)        | 0.50               | 0.50               | 0.50               | 0.50               | 0.50            | 0.50             |
| <b>Total Full-Time Employees</b> | <b>8.00</b>        | <b>8.00</b>        | <b>8.00</b>        | <b>7.00</b>        | <b>7.00</b>     | <b>7.00</b>      |
| <b>Total Part-Time Employees</b> | <b>0.50</b>        | <b>0.50</b>        | <b>0.50</b>        | <b>0.50</b>        | <b>0.50</b>     | <b>0.50</b>      |
| <b>STORM WATER</b>               |                    |                    |                    |                    |                 |                  |
| Water Quality Specialist         | 1.00               | 1.00               | 1.00               | 1.00               | 1.00            | 1.00             |
| Storm Water Technician I         | 0.50               | 0.50               | 0.50               | 0.50               | 0.50            | 0.50             |
| <b>Total Full-Time Employees</b> | <b>1.50</b>        | <b>1.50</b>        | <b>1.50</b>        | <b>1.50</b>        | <b>1.50</b>     | <b>1.50</b>      |
| <b>Total Part-Time Employees</b> | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>      |
| <b>TOTAL PERMANENT FULL-TIME</b> | <b>133.00</b>      | <b>130.00</b>      | <b>128.00</b>      | <b>116.00</b>      | <b>116.00</b>   | <b>116.00</b>    |
| <b>TOTAL PERMANENT PART-TIME</b> | <b>65.00</b>       | <b>66.00</b>       | <b>59.00</b>       | <b>61.00</b>       | <b>56.00</b>    | <b>56.00</b>     |
| <b>TOTAL PERMANENT EMPLOYEES</b> | <b>198.00</b>      | <b>196.00</b>      | <b>187.00</b>      | <b>177.00</b>      | <b>172.00</b>   | <b>172.00</b>    |



**CITY OF FARIBAULT  
2012-2013 BUDGET  
PERSONNEL SERVICES TRENDS AND ASSUMPTIONS**

Current union contract agreements are in effect through December 31, 2012 for Minnesota Teamsters Public and Law Enforcement Union 320, Supervisory Unit , Law Enforcement Labor Services, Inc. 357, Minnesota Teamsters Public and Law Enforcement Union 320 Non-essential Clerical Unit, International Union of Operating Engineers Local 70 and Faribault Firefighters Local #665.

| <b>SUMMARY OF WAGES &amp; BENEFITS</b><br>(For the Years 2007 Through 2013)   |                        |                        |                        |                          |                         |                         |                          |
|---|------------------------|------------------------|------------------------|--------------------------|-------------------------|-------------------------|--------------------------|
|   | <u>Actual<br/>2007</u> | <u>Actual<br/>2008</u> | <u>Actual<br/>2009</u> | <u>Actual<br/>2010**</u> | <u>Revised<br/>2011</u> | <u>Adopted<br/>2012</u> | <u>Proposed<br/>2013</u> |
| <b>WAGES</b>  |                        |                        |                        |                          |                         |                         |                          |
| Full-Time Employees   | 6,575,467              | 6,974,400              | 6,960,055              | 6,644,031                | 6,519,045               | 6,504,398               | 6,641,702                |
| Part-Time Employees   | 426,587                | 438,328                | 407,606                | 400,720                  | 398,174                 | 323,182                 | 326,889                  |
| Temporary Employees   | 796,489                | 730,468                | 636,477                | 637,117                  | 768,584                 | 746,337                 | 731,281                  |
| Special Duty Pay  | 45,475                 | 43,743                 | 39,927                 | 40,178                   | 54,661                  | 54,388                  | 54,388                   |
| Overtime  | 326,953                | 257,254                | 210,274                | 237,838                  | 203,892                 | 204,542                 | 223,600                  |
| Severance   | 70,312                 | 56,889                 | 119,906                | 229,588                  | 70,000                  | 0                       | 0                        |
| Holiday   | 88,418                 | 96,673                 | 101,436                | 94,491                   | 102,786                 | 102,281                 | 104,583                  |
| Vacation Buyback  | 21,089                 | 20,062                 | 13,033                 | 26,318                   | 7,046                   | 7,054                   | 7,195                    |
| Sick Leave Buyback  | 54,170                 | 58,006                 | 54,245                 | 55,590                   | 92,908                  | 92,059                  | 93,970                   |
| Other Pay   | 92,277                 | 84,230                 | 41,117                 | 83,820                   | 77,834                  | 104,266                 | 85,208                   |
| <b>Total Wages</b>  | <b>8,497,237</b>       | <b>8,760,053</b>       | <b>8,584,076</b>       | <b>8,449,691</b>         | <b>8,294,930</b>        | <b>8,138,507</b>        | <b>8,268,816</b>         |
| <b>% Increase/Decrease</b>  | <b>6.1%</b>            | <b>3.1%</b>            | <b>-2.0%</b>           | <b>-1.6%</b>             | <b>-1.8%</b>            | <b>-1.9%</b>            | <b>1.6%</b>              |
| <b>BENEFITS</b>   |                        |                        |                        |                          |                         |                         |                          |
| PERA  | 620,912                | 687,965                | 735,258                | 722,600                  | 736,049                 | 723,562                 | 738,137                  |
| PERA Consolidated   | 264,319                | 264,319                | -                      | -                        | -                       | -                       | -                        |
| FICA/Medicare   | 452,315                | 464,113                | 452,149                | 428,471                  | 453,586                 | 443,100                 | 451,211                  |
| Health Insurance  | 971,826                | 1,056,397              | 1,178,732              | 1,037,268                | 935,268                 | 902,652                 | 990,842                  |
| Life Insurance  | 21,390                 | 21,188                 | 16,046                 | 14,877                   | 14,613                  | 14,438                  | 14,579                   |
| Disability Insurance  | 16,361                 | 17,632                 | 17,151                 | 16,820                   | 16,877                  | 16,782                  | 17,144                   |
| Unemployment  | 972                    | 8,858                  | 19,735                 | 25,168                   | -                       | 20,000                  | -                        |
| Workers Compensation  | 128,571                | 148,662                | 142,247                | 140,414                  | 133,464                 | 132,882                 | 135,408                  |
| <b>Total Benefits</b>   | <b>2,476,665</b>       | <b>2,669,134</b>       | <b>2,561,318</b>       | <b>2,385,618</b>         | <b>2,289,857</b>        | <b>2,253,416</b>        | <b>2,347,321</b>         |
| <b>% Increase/Decrease</b>  | <b>9.4%</b>            | <b>7.8%</b>            | <b>-4.0% *</b>         | <b>-6.9%</b>             | <b>-4.0%</b>            | <b>-1.6%</b>            | <b>4.2%</b>              |
| <b>TOTAL WAGES/BENEFITS</b>   | <b>10,973,902</b>      | <b>11,429,187</b>      | <b>11,145,394</b>      | <b>10,835,309</b>        | <b>10,584,787</b>       | <b>10,391,923</b>       | <b>10,616,137</b>        |
| <b>% Increase/Decrease</b>  | <b>6.8%</b>            | <b>4.1%</b>            | <b>-2.5%</b>           | <b>-2.8%</b>             | <b>-2.3%</b>            | <b>-1.8%</b>            | <b>2.2%</b>              |
| <p>* The unfunded accrued liability for the Pension Reserve Fund has been fully funded as of December 31, 2008 thus resulting in the negative percentage increase for benefits. The actual increase in benefits is 6.3% for 2009.</p> <p>** Flood related expenses are included in personnel costs in the amount of \$62,197.</p> |                        |                        |                        |                          |                         |                         |                          |

**PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

Rates for the Public Employee Retirement Association (PERA) have increased in recent years impacting employees. Employer contribution rates have been increased for the Coordinated and Police and Fire Plans beginning January 1, 2006 and continue as noted below. The basic rate will remain at 9.10% and the defined contribution rate will remain at 5.00%.

|                 | <b>Coordinated Plan</b> | <b>Police &amp; Fire Plan</b> |
|-----------------|-------------------------|-------------------------------|
| January 1, 2005 | 5.53%                   | 9.30%                         |
| January 1, 2006 | 6.00%                   | 10.50%                        |
| January 1, 2007 | 6.25%                   | 11.70%                        |
| January 1, 2008 | 6.50%                   | 12.90%                        |
| January 1, 2009 | 6.75%                   | 14.10%                        |
| January 1, 2010 | 7.00%                   | 14.10%                        |
| January 1, 2011 | 7.25%                   | 14.40%                        |
| January 1, 2012 | 7.25%                   | 14.40%                        |

**PERA - CITY CONTRIBUTION**

|               |            |
|---------------|------------|
| 2006 Actual   | \$ 533,960 |
| 2007 Actual   | \$ 620,912 |
| 2008 Actual   | \$ 687,965 |
| 2009 Actual   | \$ 735,528 |
| 2010 Actual   | \$ 722,600 |
| 2011 Revised  | \$ 736,049 |
| 2012 Adopted  | \$ 723,562 |
| 2013 Proposed | \$ 738,137 |

**SOCIAL SECURITY/MEDICARE**

The City contributes 7.65% for employees covered under both Social Security and Medicare and 1.45% for Medicare only qualified employees. Social Security and Medicare rates have not changed since 1990.

**HEALTH INSURANCE**

HealthPartners is the health insurance provider as of January 1, 2012. The City has placed a cap on it's contributions towards employee health insurance, which for 2012 was set at \$1,000.00 for family coverage, \$724.00 for single plus one coverage and \$353.00 for single coverage for unions that have settled. Health insurance rates have been rising steadily for the last few years with the increase for 2012 being a blended 6.00%. The City will contribute \$1,200.00 for each employee enrolled in an HSA plan in 2012. The Choice plan was eliminated for 2012 and replaced with a \$2,400 Deductible Embedded HSA plan. The current monthly employee portion of premiums for 2012 is as follows:

|   | <b>Employee</b> | <b>Employer</b> |
|---|-----------------|-----------------|
| Family Coverage (\$150 Deductible)            | \$759.04        | \$1,000.00      |
| Family Coverage (\$1,000 Deductible)          | \$561.12        | \$1,000.00      |
| Family Coverage (\$1,200 Non-Embedded HSA)    | \$597.38        | \$1,000.00      |
| Family Coverage (\$2,400 Embedded HSA)        | \$448.37        | \$1,000.00      |
| <br>  |                 |                 |
| Single +1 Coverage (\$150 Deductible)         | \$430.39        | \$ 724.00       |
| Single +1 Coverage (\$1,000 Deductible)       | \$300.51        | \$ 724.00       |
| Single +1 Coverage (\$1,200 Non-Embedded HSA) | \$324.30        | \$ 724.00       |
| Single +1 Coverage (\$2,400 Embedded HSA)     | \$226.51        | \$ 724.00       |
| <br>  |                 |                 |
| Single Coverage (\$150 Deductible)            | \$196.75        | \$ 353.00       |
| Single Coverage (\$1,000 Deductible)          | \$134.89        | \$ 353.00       |
| Single Coverage (\$1,200 Non-Embedded HSA)    | \$146.22        | \$ 353.00       |
| Single Coverage (\$2,400 Embedded HSA)        | \$99.65         | \$ 353.00       |

**HEALTH INSURANCE - CITY CONTRIBUTION**

|              | <b>2007</b>   | <b>2008</b>   | <b>2009</b>   | <b>2010</b>   | <b>2011</b>    | <b>2012</b>    |
|--------------|---------------|---------------|---------------|---------------|----------------|----------------|
|              | <b>Actual</b> | <b>Actual</b> | <b>Actual</b> | <b>Actual</b> | <b>Revised</b> | <b>Adopted</b> |
| General Fund | \$717,835     | \$785,355     | \$899,970     | \$779,898     | \$718,749      | \$706,812      |
| Other Funds  | \$253,991     | \$271,042     | \$278,762     | \$257,370     | \$216,519      | \$195,840      |
| <b>Total</b> | \$971,826     | \$1,056,397   | \$1,178,732   | \$1,037,268   | \$935,268      | \$902,652      |

City contributions have decreased due to the reorganization of the City that resulted in layoffs in 2010 and not filling vacancies. Another factor is that the City approved a change in policy where employees waiving health insurance coverage by providing proof of alternate coverage are now eligible for the \$500.00 medical reimbursement benefit.

### **LIFE INSURANCE**

The City provides \$40,000 of term life insurance coverage for all union employees. Non-union employees receive twice their salary in term life insurance coverage. The current provider for life insurance is Minnesota Mutual. Rates have remained fairly stable and are at \$0.15 per \$1,000 of covered payroll in 2012. Part-time firefighters are \$0.24 per \$1,000 of covered payroll.

### **DISABILITY INSURANCE**

Long Term Disability insurance is provided to all employees. Employees must have been absent from work for a period of 90 days to become eligible for the benefit. The 2012 rate is \$0.255 per \$100 of covered payroll.

## GLOSSARY OF TERMS

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, a budget glossary has been included in the document.

### ACTIVITY

A cost center for recording charges for services delivered or functions performed. Each activity has an assigned manager who is responsible for planning and conducting the various approved objectives or workloads. For example, "Snow Removal" is an activity performed as part of the Street Maintenance Program.

### AD VALOREM TAX

A tax levied on the assessed value of real and personal property. This tax is also known as property tax.

### APPROPRIATIONS

An authorization made by the City Council, which permits the City to incur obligations and to make expenditures of resources.

### BALANCED BUDGET

A budget in which planned funds available equal planned expenditures.

### BONDS

A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date.

### BUDGET

An annual financial plan that identifies revenues specifies the type and level of services to be provided and establishes the amount of money that can be spent.

### BUDGET OVERVIEW

The opening section of the budget, which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Administrator.

## CAPITAL ASSETS

Assets (buildings, vehicles, land, infrastructure) with an expected life of more than two years and a unit cost of \$5,000 and greater.

## CAPITAL CONTRIBUTIONS

Capital assets received from the general government should be reported as capital contributions rather than transfers. Contributions would include developer installed infrastructure, developer payments and general government paid expenses.

## CAPITAL IMPROVEMENT PLAN (CIP)

The budgeted costs to provide needed infrastructure, park development, building construction or rehabilitation, equipment, vehicles and other related items. Funding is received from bonding and other various sources.

## CAPITAL PROJECTS FUND

The Capital Improvement Fund established to account for resources and uses of capital projects financed by sources other than property owner assessments.

## CAPITAL OUTLAY

A level of budgetary appropriation which includes expenses for the addition of capital assets such as land, building, machinery and equipment.

## CHARGES FOR SERVICES

Consists of a wide variety of fees for services charged by City agencies, generally categorized under Parks, Public Safety, Animal Control, Public Works, and Zoning.

## CONTINGENCY

An appropriation of funds to cover unforeseen events that occur during the fiscal year.

## CURRENT TAXES

Taxes levied and becoming due during the current year, from the time the amount the tax levy becomes due until sixty days after the first of the next year.

## DEBT SERVICE

The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

## DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

## DELINQUENT TAXES

Taxes that remain unpaid on and after sixty days past the first of the year following the year in which they were due.

## DEPARTMENT

An organizational unit for purposes of administration and cost accounting.

## DIVISION

An organizational unit within a department for purposes of administration and cost accounting.

## ECONOMIC DEVELOPMENT AUTHORITY (EDA)

Economic and Development Authority is a separate legal entity established to account for economic development and tax increment financing activities within the City. An EDA is established by enabling resolution by the City.

## ENTERPRISE FUND

A self-supporting fund designed to account for activities supported by user charges; examples are water, storm water and sanitary sewer.

## EXPENDITURE

Decreases in net financial resources. Expenditures include current operating expenses, which require the current or future use of net current assets, debt service and capital outlay.

## FINES AND FORFEITURES

Consists of a variety of fees, fines and forfeitures collected by the State Court System, including bail forfeitures, garnishments, legal defenders recoupment and juror/witness fees.

## FISCAL YEAR

Any period of 12 consecutive months designated as the budget year. The City's budget year begins January 1 and ends December 31.

## FRANCHISE FEE

Fee imposed on local sales of public utility services, such as electricity, gas and cable television.

## FUND

An independent fiscal and accounting entity with a self-balancing set of accounts for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations or restrictions. For descriptions of the various funds, listed below, please see heading page for each fund in this document.

|                        |                        |
|------------------------|------------------------|
| General Fund           | Enterprise Funds       |
| Special Revenue Funds  | Internal Service Funds |
| Debt Service Funds     | Agency Funds           |
| Capital Projects Funds |                        |

## FUND BALANCE

The excess of assets over liabilities and reserves. The term “fund balance” is used in governmental fund types. The term “retained earnings” is used for the enterprise funds.

## GENERAL FUND

The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, data processing, park and recreation, public works and general administration.

## GENERAL OBLIGATION BONDS

Bonds that finance a variety of public projects such as streets, buildings, and utility improvements; the repayment of these bonds is usually made from the General Fund, and these bonds are backed by the full faith and credit of the issuing government.

## HOMESTEAD MARKET VALUE EXCLUSION (HMVE)

Qualifying homeowners will receive a value exclusion, which means that they will pay taxes on only a portion of their home’s value. Only homesteads (defined as owner-occupied homes for tax purposes) qualify for the exclusion. Homesteads valued at less than \$76,000 will have 40 percent of their value excluded. For homesteads valued at more than \$76,000, the exclusion percentage is reduced until it hits 0% at homesteads valued at more than \$413,778.

## HOUSING REDEVELOPMENT AUTHORITY (HRA)

Housing and Redevelopment Authority is a separate legal entity with power to undertake certain types of housing and redevelopment or renewal activities. While state legislation "creates" a housing and redevelopment authority in each City, it is up to the city council to formally establish a HRA. Once established an HRA, may undertake certain types of planning and community development activities on its own with council approval.

## INDIRECT COST ALLOCATION

A cost allocation plan distributes the allowable costs of central service departments to grantee departments or programs, which is recorded as Indirect Cost Allocation in the budget.

## INTEREST INCOME

Revenue associated with the City cash management activities of investing fund balances.

## INTERGOVERNMENTAL REVENUE

Revenue received from other governments in the form of grants or shared revenues.

## INTERNAL SERVICE FUND

A fund established to account for an entity, which provides goods and services to other City entities and charges those entities for the goods and services provided.

## LEVY LIMITATION

The maximum amount, which is permitted to be levied by a taxing jurisdiction as established by Minnesota Statutes. Levy Limits were in place for 2009, 2010 and 2011 for cities with populations over 2,500.

## LICENSE REVENUE

Consists of both a "revenue fee" and "regulatory fee" imposed on business, including the innkeeper's tax (5% tax on lodging rental).

## LOCAL GOVERNMENT AID

A state government revenue sharing program for cities and townships that is intended to provide an alternative to the property tax. The formulae for distributing the aid payments were changed for 2004 and beyond. Large city formula factors are: pre-1940 housing percentage, population decline over last decade, accidents per capita, average household size, metro or non-metro and adjusted tax capacity per capita.

## LOCAL TAX RATE

The rate used to compute taxes for each parcel of property. Local tax rate is computed by dividing the certified levy by the taxable tax capacity.

## MARKET VALUE

An assessor's estimate of what property would be worth on the open market if sold. The market value is set on January 2 of the year before taxes are payable.

## MARKET VALUE HOMESTEAD CREDIT (MVHC)

The Market Value Homestead Credit program replaced Homestead and Agricultural Aid, which was repealed in 2002. Beginning with taxes payable in 2002, homesteads became eligible for state paid credit of as much as 0.4 percent of a homestead's market value up to a maximum credit of \$304. Homeowners do not apply for this credit – it was automatically applied and the state reimbursed local governments for the value of the credit. The 2011 Legislature eliminated this credit program.

## OPERATING BUDGET

Plans of current expenditures and the proposed means of financing. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of the government are controlled. The operating budget is essential to sound financial management.

## OTHER CHARGES

A level of budgetary appropriations which include expenses for outside professional services, advertising, insurance, utility costs, repairs, maintenance and miscellaneous costs.

## PERMIT REVENUE

Fees imposed on construction-related activities and for the acquisition of other non-business permits (e.g. dog, bicycle, house-moving, etc.).

## PERSONAL SERVICES

A level of budgetary appropriations that include expenses for salaries, wages, and related employee benefits such as the City's share of retirement and insurance.

## PROPERTY CLASS

The classification assigned to each parcel of property based on the use of the property. For example, owner-occupied residential property is classified as homestead.

## PROPERTY TAX LEVY

The tax imposed by a local unit of government. The tax is established on or around December 28 of the year preceding the year taxpayers will pay the levy.

## REVENUE

Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

## STRATEGIC POLICY PLANNING

Establishing and prioritizing goals and policy direction. Represents the City's fundamental planning process.

## SUPPLIES

A level of budgetary appropriations which include expenses for commodities which are used such as office supplies, operating supplies, repair and maintenance supplies.

## TAX CAPACITY and TAX CALCULATIONS

An explanation of tax capacity, tax rates, and a total tax calculation example follows:

Estimated Market Value: The current worth of properties subject to taxation as determined by the county assessor. Each property must be appraised at least once every four years.

Class Rates: The percentage of estimated market value subject to taxation for various types (classes) of property. Residential property, for example, is taxed at a different rate than agricultural, commercial or industrial. These rates are set by state legislation and subject to amendment on an annual basis.

Class Rate Examples:

| <u>Classification</u> | <u>Class Rates for 2012</u>                             |
|-----------------------|---|
| Residential Homestead | First \$500,000 at 1%<br>Amount over \$500,000 at 1.25% |
| Commercial/Industrial | First \$150,000 at 1.50%<br>Amount over \$150,000 at 2% |

Tax Capacity of a Property: This is the estimated market value multiplied by the appropriate class rates as noted above.

Tax Capacity Rate: The total of all levies (net of other State aid) in a jurisdiction divided by the total tax capacity of that jurisdiction. This factor is multiplied by the tax capacity of an individual property to determine the tax payable in the current year. Faribault's combined payable 2011 tax rate is 97.219.

Tax calculation example:

- Home valued by assessor at \$150,000, estimated market value = \$150,000
- This property's tax capacity equals class rates times estimated market value, or

$$\$150,000 \times 1\% = \$ 1,500$$

- Property tax equals Tax Capacity times Tax Capacity Rate, or

$$\$1,500 \times 97.219 = \$1,458.28$$

## TRUTH IN TAXATION

The "taxation and notification law" that requires local governments to set estimated levies, inform taxpayers about the impacts, and hold a separate public hearing to take taxpayer input. This law was simplified in 2009 where cities may discuss the budget and tax levy at scheduled meetings with public input.