

Finance Department Response to Staff Direction on Pension Obligations



March 23, 2009

History of property tax policy

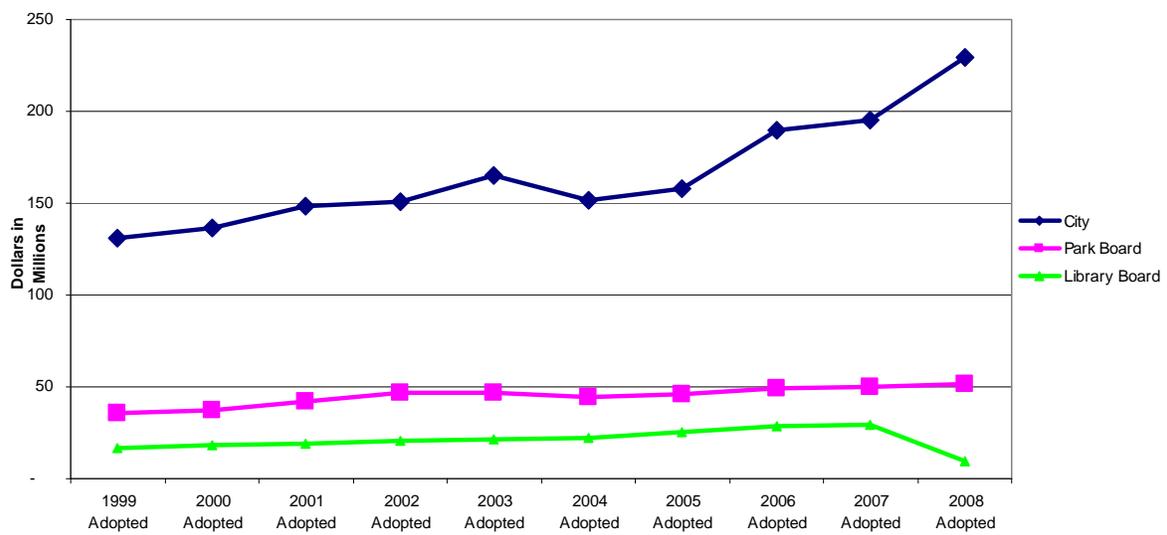
- 1994 City Council financial planning resolution limited independent board levy increases to 3%
- 2002 City Council and Board of Estimate and Taxation adopted 8% tax revenue policy, and amended levy cap for independent boards to 4%

Minneapolis Tax Revenue

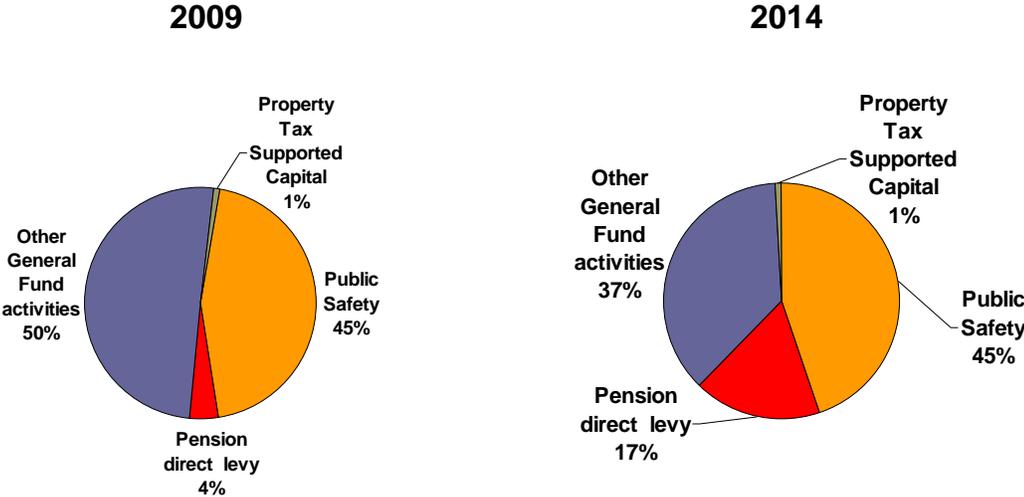
	2002	2003	2004	2005	2006	2007	2008	2009
City*	100.2	114	126	135.3	146.9	159.8	175.6	192.1
Park Board	34.8	33.1	34.8	36.4	38.1	40	41.8	43.6
Library Board	11.9	11.3	11.8	12.3	12.8	13.4	13.9	0
Library referendum		0.4	3.4	6.4	8.1	9.3	9.3	9.3
Public Housing Authority	1	1	1.1	1.1	1.2	1.2	1.3	1.3
Teacher's Retirement	2.1	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Total	154.0	166.1	179.4	193.8	209.4	226	244.2	248.6

City includes: General Fund, Bond Redemption, Permanent Improvement, MBC, BET and closed pension funds

Total Property taxes and state aid revenue

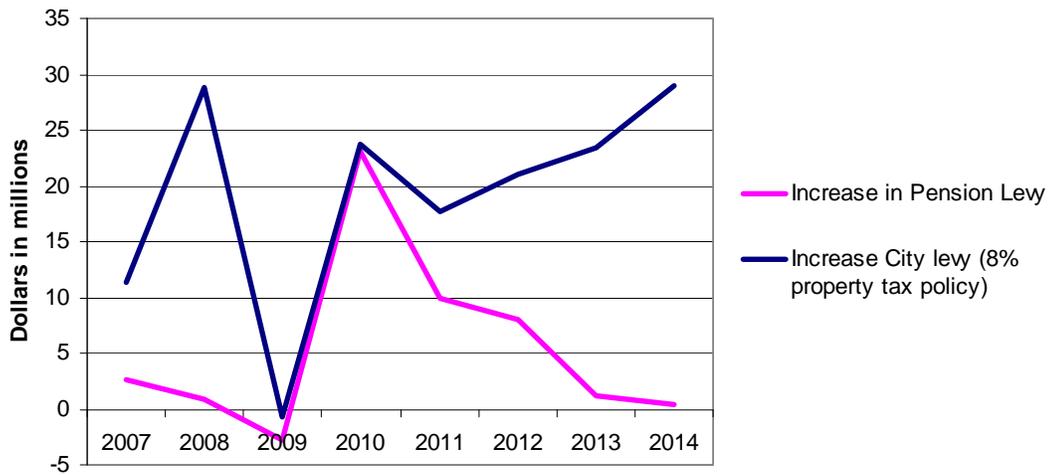


Use of property tax – 2009 vs. 2014



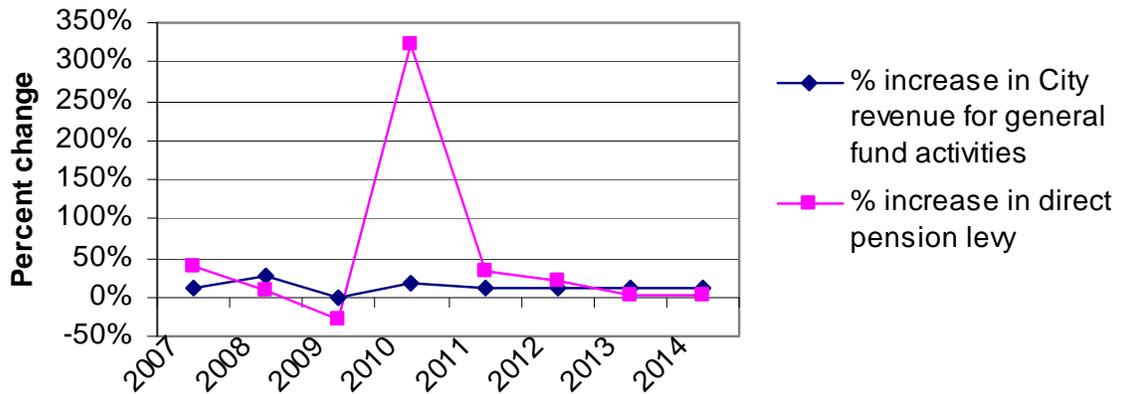
Growth of pension levy vs. growth of property tax levy - assumes 8% tax policy

Increase in revenue from 8% tax policy vs. increase to pension levies to funds

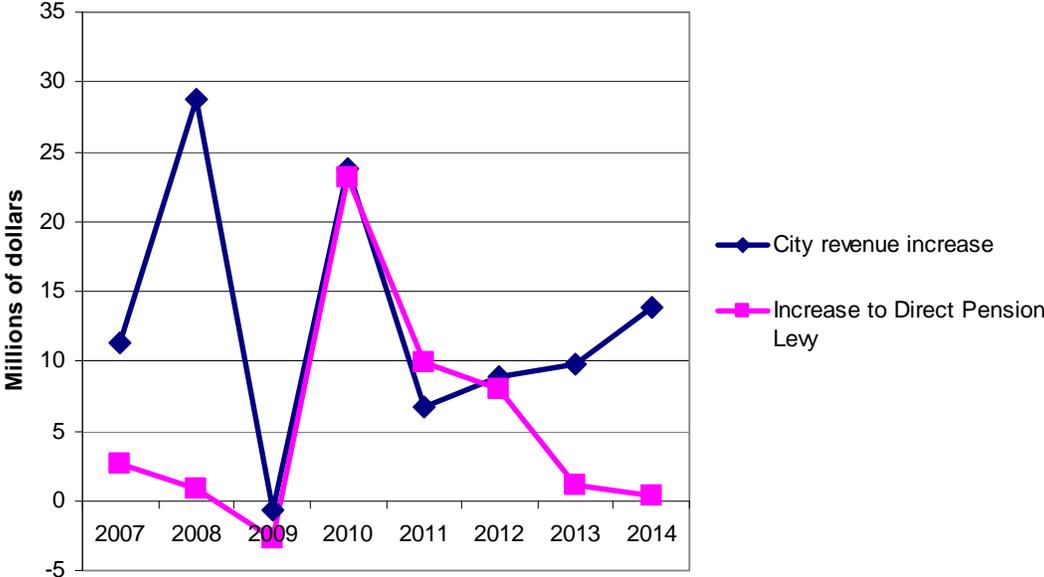


Growth of pension levy vs. growth of property tax levy - assumes 8% tax policy

Percent change in revenue and direct pension levy assuming an 8% policy



Direct pension levy and City property tax revenue increase with 8% policy in 2010 and 4% policy in 2011-2014



Pension Management Plan

Pension Management Plan

