

**City of Minneapolis
2011 Budget**

Independent Boards and Agencies

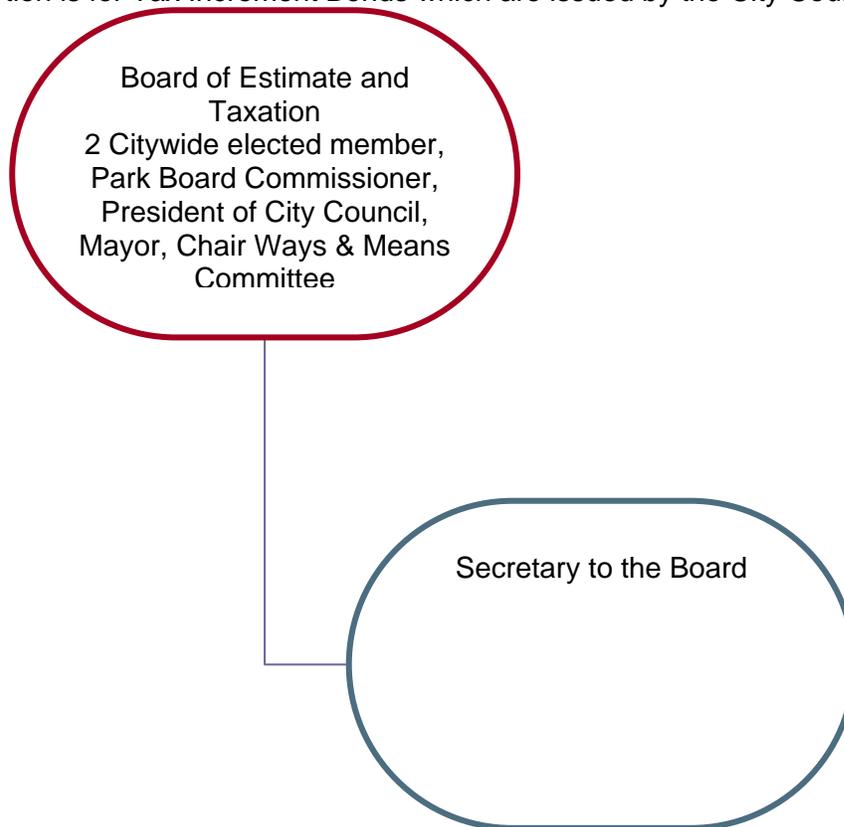
The following board and agency sections include these reports: mission, business line descriptions, performance information, an organizational chart, expense information, revenue information, and staffing information.

- Board of Estimate and Taxation 578
- Municipal Building Commission 581
- Neighborhood Revitalization Program 591
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BOARD OF ESTIMATE AND TAXATION

MISSION

The mission of the Board of Estimate & Taxation (“BET”) is to obtain citizen input relating to setting the maximum tax levies of the City for compliance with the City Charter and The Truth In Taxation State Statute. The Board reviews selected City departmental budgets and, after receiving recommendations from the Mayor and City Council and the Public, sets the maximum tax levies by individual levy for the following: General Fund, Permanent Improvement Fund, Bond Redemption Fund, Minneapolis Fire Relief Association, Minneapolis Police Relief Association, Minneapolis Employees Retirement Fund, Minneapolis Public Housing Authority, Economic Development Chapter 595 levy, Teacher’s retirement Association levies Mn Stat Chap 357 Sec 4 and Laws of Mn 1996 Chap 438 Art 4 Sec 9. Municipal Building Commission, Board of Estimate & Taxation, Lake Pollution Control, Tree Preservation & Reforestation, Shade Tree Diseased Control, Park Rehabilitation & Parkway Maintenance, Park and Recreation. The Board on a vote of a minimum of 5 yeas issues General Obligation Bonds of the City of Minneapolis used to support the Capital Program, the exception is for Tax Increment Bonds which are issued by the City Council.



Upon request by the City Council and the Park and Recreation Board the BET may vote to incur indebtedness by issuing and selling bonds, and by doing so, pledges full faith and credit of the City for payment of principal and interest. The BET establishes the maximum property tax levies for funds of the City under the State’s Truth-in-Taxation requirements and the City Charter.

In December 2009, the City Council adopted changes to ordinance 2009-Or-190 relating to the internal audit function. This change removed internal audit functions from the Board and placed them as an independent department under City Council beginning with the 2010 budget.

FINANCIAL ANALYSIS

EXPENDITURE

The full expense budget for BET is \$185,000, a 46% decrease from 2010. Personnel make up 84% of the budget, with contractual expenses and operating expense making up the remaining 16%. This decrease is due to the transfer of funds and position to the Office of Internal Audit in the General Fund. Three of the largest non-personnel expenditures are: General Fund Overhead (\$3,678), BIS charges (\$5,907) and rent (\$4,000), which total \$13,585.

REVENUE

The revenue budget is \$166,600, a 50% decrease over the 2010 Revised Budget. The Board will receive all revenue from property tax.

MAYOR'S REVISED BUDGET

The Mayor recommended no changes to BET's proposed budget.

BOARD OF ESTIMATE AND TAXATION ADOPTED BUDGET

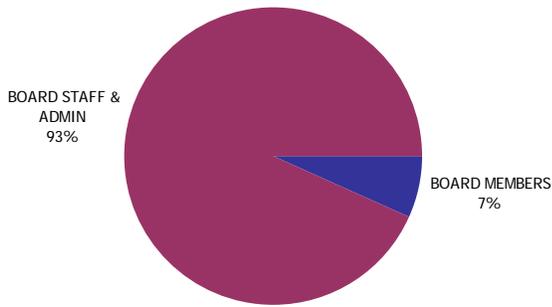
The Board of Estimate and Taxation adopted the Mayor's budget recommendation.

BOARD OF ESTIMATE & TAXATION EXPENSE AND REVENUE INFORMATION

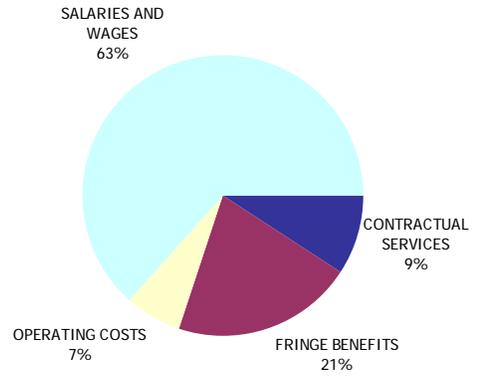
EXPENSE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	201,286	224,482	210,504	117,117	-44.4%	(93,387)
FRINGE BENEFITS	34,214	35,915	74,415	38,452	-48.3%	(35,962)
CONTRACTUAL SERVICES	72,281	27,747	37,032	16,815	-54.6%	(20,217)
OPERATING COSTS	7,908	9,175	22,745	12,480	-45.1%	(10,265)
TOTAL SPECIAL REVENUE	315,689	297,319	344,695	184,865	-46.4%	(159,831)
TOTAL EXPENSE	315,689	297,319	344,695	184,865	-46.4%	(159,831)

REVENUE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted	Percent Change	Change
SPECIAL REVENUE						
PROPERTY TAXES	241,777	252,419	264,600	166,600	-37.0%	(98,000)
SALES AND OTHER TAXE	39	(9)			0.0%	0
STATE GOVERNMENT	6,914	6,949			0.0%	0
OTHER MISC REVENUES	160				0.0%	0
TRANSFERS IN	100,000	94,000			0.0%	0
LONG TERM LIABILITIES PROCEEDS			70,000		-100.0%	(70,000)
TOTAL SPECIAL REVENUE	348,890	353,359	334,600	166,600	-50.2%	(168,000)

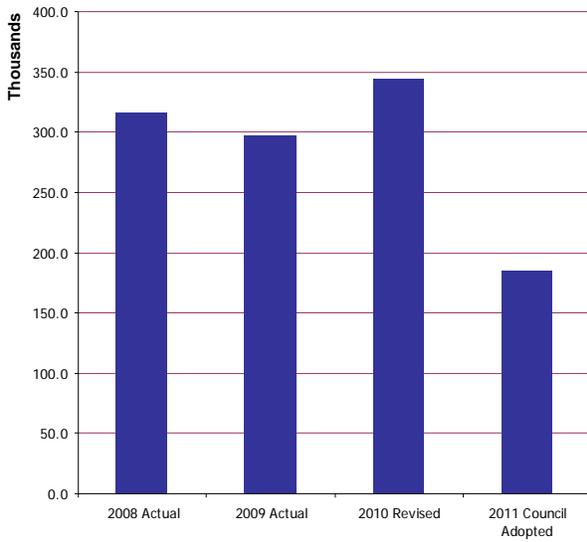
Expense by Division



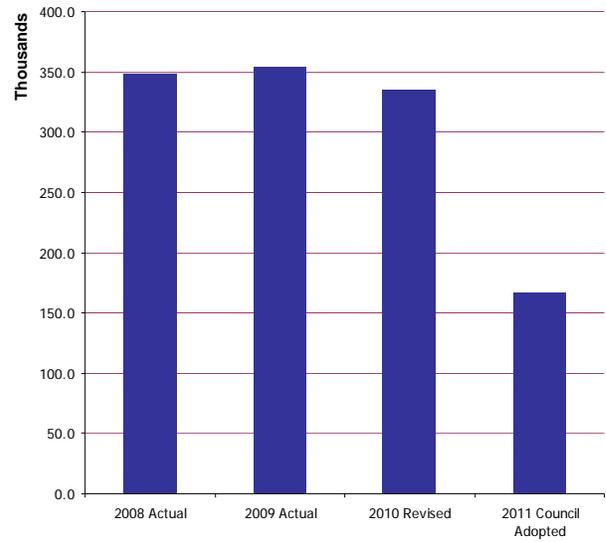
Expense by Category



Expense 2008 - 2011



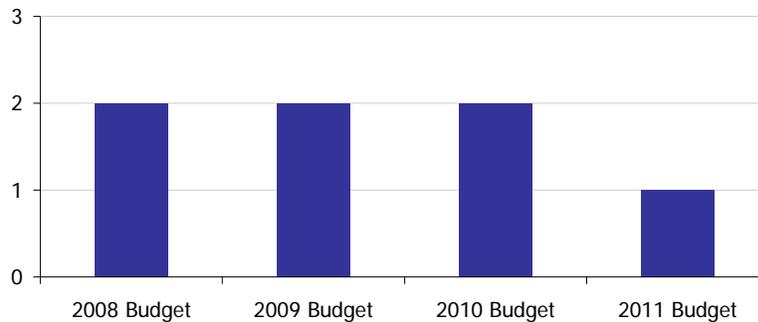
Revenue 2008 - 2011



Staffing Information

Expense	2008 Budget	2009 Budget	2010 Budget	2011 Budget	% Change	Change
BOARD STAFF & ADMIN		1.00	1.00	1.00	0.0%	
BOARD MEMBERS						
INTERNAL AUDIT		1.00	1.00		-100.0%	(1.00)
ESTIMATE & TAXATION	2.00					
TOTAL	2.00	2.00	2.00	1.00	-50.0%	(1.00)

Positions 2008-2011



MUNICIPAL BUILDING COMMISSION

MISSION

To provide effective and efficient services to operate, maintain and preserve the historic landmark City Hall and Courthouse building, and ensure a safe and functional environment for city and county government employees, citizens and elected officials.

BUSINESS LINES

Primary Business 1: Care of the Minneapolis City Hall and Hennepin County Courthouse Building.

This business line is responsible for maintaining the building operating systems including mechanical, electrical and elevators. In addition, MBC is responsible to provide custodial, utility, repair and maintenance services.

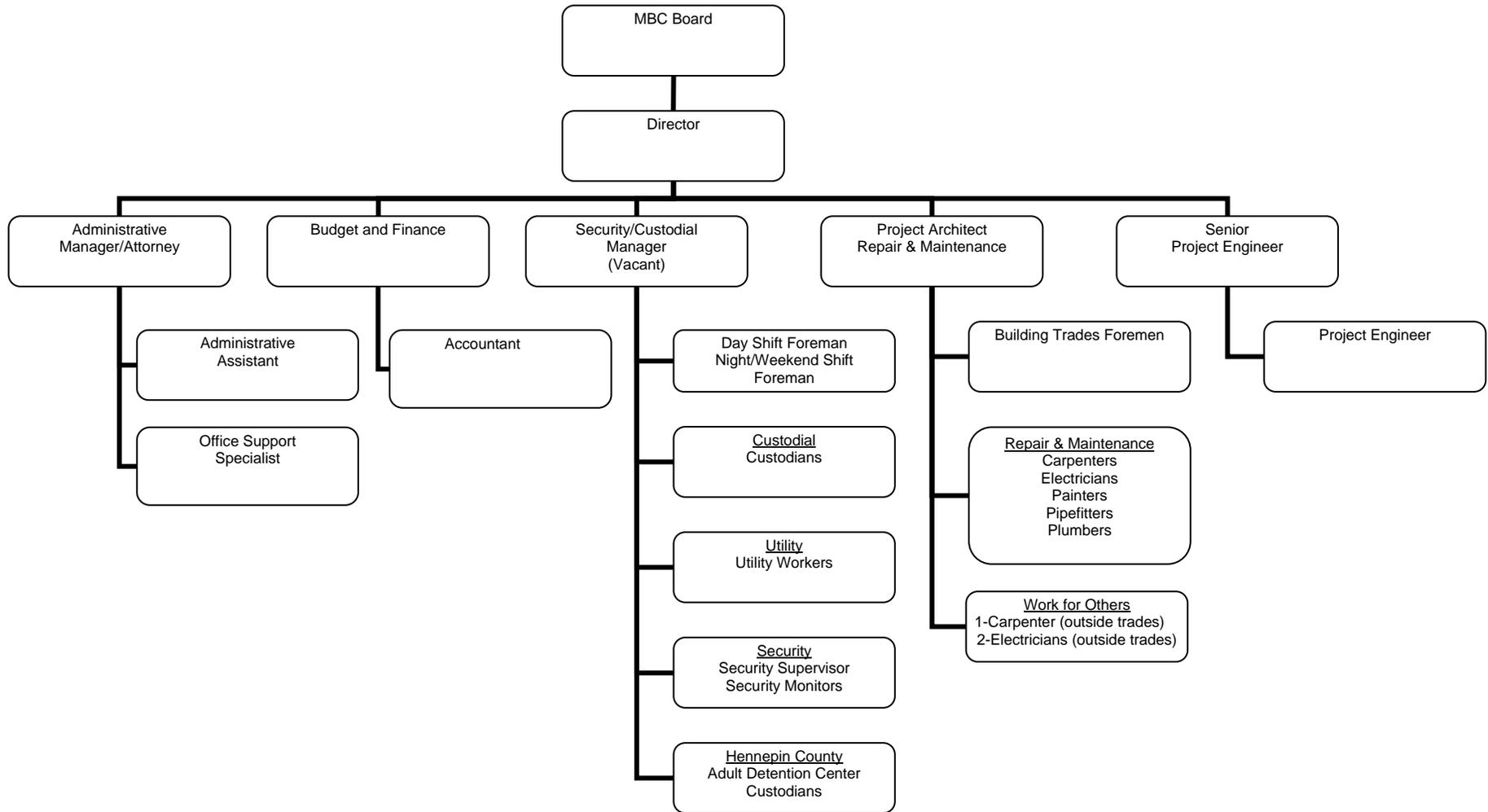
Primary Business 2: Control of the Minneapolis City Hall and Hennepin County Courthouse Building.

This business line is responsible for administrative functions including serving as staff to the MBC Board, implementing Board directives, space assignment and coordinating City and County tenant needs as well as planning, emergency preparedness, security, communications, human resources, labor relations, contract services, information technology, finance, accounting, payroll, and operating and capital budgeting activities.

Primary Business 3: Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse.

This business line is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activities both operating and capital in keeping with the agency's mission to provide effective and efficient services to operate, maintain and preserve the historic landmark Minneapolis City Hall and Hennepin County Courthouse building, and ensure a safe and functional environment for City and County government employees, citizens and elected officials. Service activities under this business line that generate revenue to promote historic preservation include the café, catering and space rentals, vending machine and memorabilia sales.

2011 MBC Organization Chart



KEY TRENDS AND CHALLENGES

Mechanical and Life Safety Systems Upgrade Project, (MLSS)

The MBC has completed 13 stages of a 23-stage project to upgrade Mechanical and Life Safety Systems (MLSS) in the City Hall and Courthouse building. Stage 14 is scheduled for completion in the fall of 2010. This work will continue in 2011 with the completion of one more project stage, Stage 16. The MLSS project is scheduled to conclude in 2016.

Based upon historical reports and recommendations the MBC initiated the MLSS upgrade capital project in 1999. Those reports indicated that the City Hall and Courthouse was past due in upgrading the building mechanical system. The system had been installed in an uncoordinated, piecemeal fashion between 30 and 60 years ago. The mechanical portion of the MLSS project upgrades heating, ventilating and air conditioning systems throughout the building resulting in improved air quality. Life safety components also implemented include smoke detection, fire alarms, sprinklers and public address systems.

The MLSS work is coordinated with replacing electrical wiring and inefficient lighting; integrating light panels and motion detectors to increase energy efficiency; coordinating the installation of code compliant telephone and computer wiring; removing radiators to reduce the use of steam; and installing new ceiling grids and tiles, carpeting, and wall painting.

Capital project funding is supported 50-50 by the City and County. Capital funding requests are submitted annually to the City Capital and Long-range Improvement Committee and the County Capital Budgeting Task Force, and are approved in five-year cycles. The MBC anticipates seeking capital funding for the MLSS project through 2016.

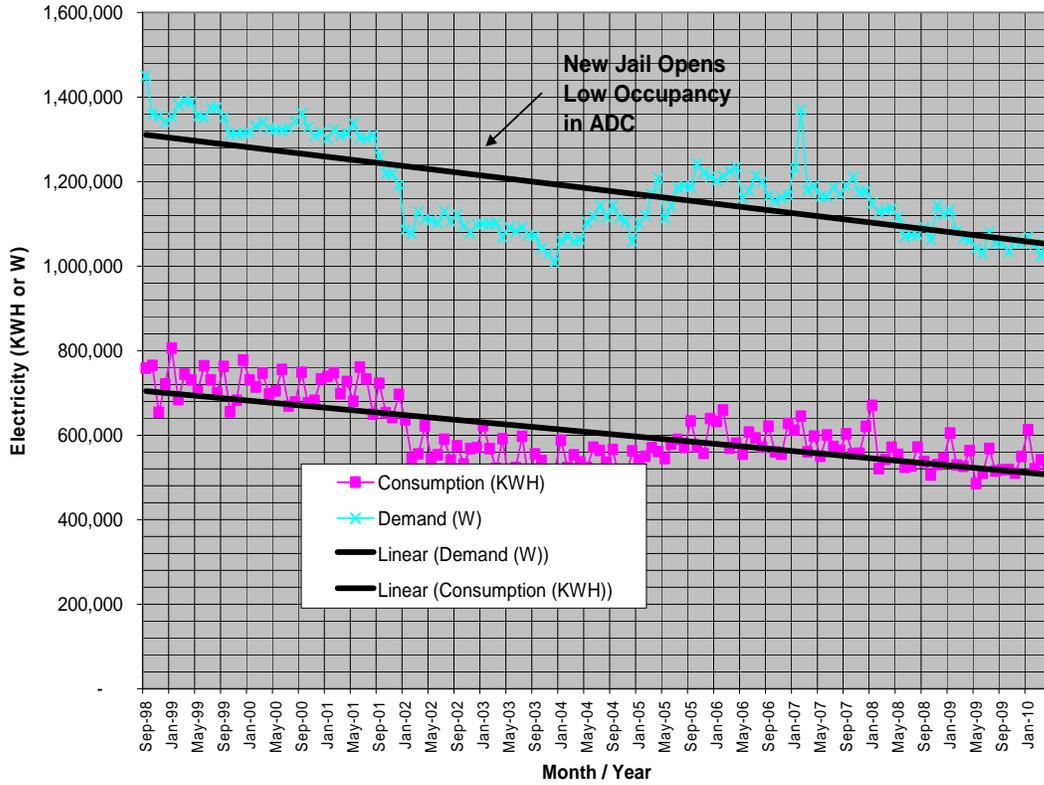
Because capital funding does not cover all of the expense associated with these improvements, project work also is being supported through the MBC operating budget at a cost of approximately \$400,000-500,000 annually for completing routine repair and maintenance work in MLSS project spaces.

Energy Conservation

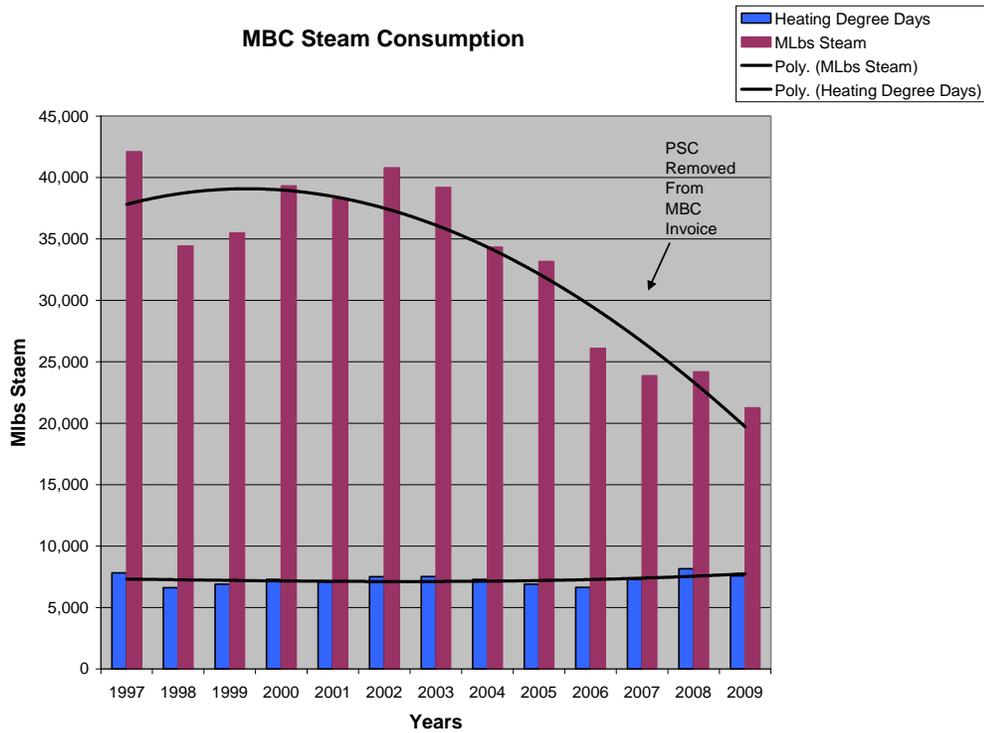
There is a direct correlation between the MLSS Project work and the energy reductions achieved in the building during the past decade.

The MBC closely monitors, analyzes, and adjusts energy usage for electricity, chilled water and steam consumption in the building. Below are several graphs that help to illustrate that the MBC is meeting its goal of improving the quality of lighting, heating, ventilating and air conditioning systems in the building while simultaneously reducing energy consumption.

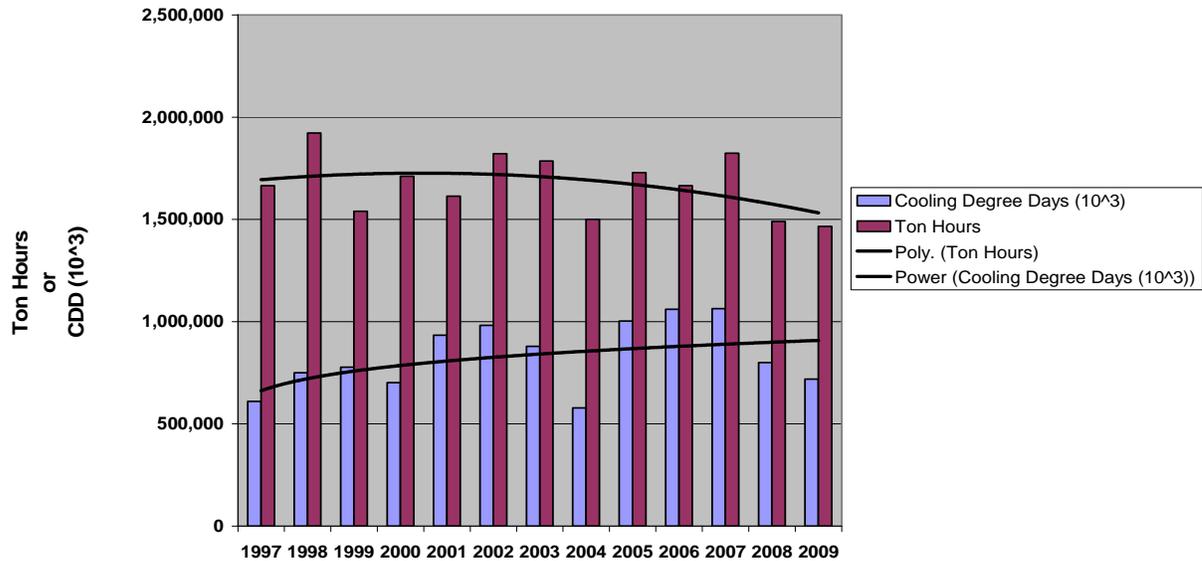
MBC Electricity Consumption



MBC Steam Consumption



MBC Chilled Water Consumption



Energy Conservation Program Continues

The City Hall Courthouse HVAC operation continues to expand the use of its Energy Management Systems, (new computerized control systems) to control temperature, pressure, humidity and air quality within spaces in the building in a centralized, building-wide manner.

In addition, one of two inefficient, 40 year old, air handling units, (AHU) has been removed and has been replaced with a new, energy efficient, AHU, and energy wheel. The second of two AHU's is scheduled to be removed and replaced in 2011. These new mechanical systems will conserve energy from exhaust air and are projected to help save approximately \$160,000 annually in steam and chilled water costs.

Furthermore, new ductwork from the attic to the basement will allow outside air to be utilized for “free” cooling during the summer and fall. Again, the new computerized control systems will automatically make changes to conserve energy based on feedback from temperature, pressure, humidity and air quality monitors both inside and outside the building.

Upon completion of the project, the building will automatically monitor ventilation and energy consumption. Based on this monitoring, the energy wheels and AHU's in the attic speed up or slow down, change air composition, and adjust to provide appropriate ventilation while minimizing the utilization of energy. In this manner, the City Hall Courthouse building has been evolving into an intelligent building.

2011 will be a transition year for the energy conservation program. Two major changes will need to be closely monitored and managed.

The first is that three new energy wheels will be online in 2011. These energy wheels will be in a shakedown / commissioning phase during 2011. The second significant change is the transfer of steam and chilled water service from NRG to Hennepin County Energy Center.

New equipment within the City Hall Courthouse and modified operations at the Hennepin County Energy Center utility plant will be fine tuned during 2011. Significant issues with both these changes may arise and are expected. It is anticipated that these changes will be identified, addressed, and optimized during 2011. 2011 will nonetheless be a transition year as described above and will include numerous temporary inefficiencies resulting from these modifications.

This process, however, is standard procedure for bringing complex, new equipment online and the MBC is confident that this shakedown / commissioning period will result in long term energy reductions for the building.

Security Program

Throughout 2010 the MBC, along with City and County Security personnel have been working diligently to identify security service improvements for City Hall and Courthouse tenants and visitors.

Hennepin County (HC) has reviewed the possibility of expanding its security services contract with the MBC. The County has identified the following list of requirements for the County to proceed, as approved by the MBC Board:

1. The Hennepin County option to expand services under the MBC's security contract is still open and on the table for discussion.
2. The HC option does not include absorbing the current MBC security staff.
3. If the HC option is selected, the City will be required to resolve AFSCME labor issues, (absorb the MBC staff into City positions, or work with AFSCME to amenablely eliminate positions).
4. The City acknowledged that they are responsible for all increased costs associated with security services above the current level.
5. The MBC security manager position will not be filled until a final plan is determined.

The current MBC Security Program has several components. Comments for discussion here will center around three areas:

1. Improved performance and training of Security Staff
2. Implementation of Security Policy Manual
3. Security Technology, (CCTV, Access Control, Duress and Intrusion Alarms)

Improved performance and training of Security Staff

In 2010, several initiatives to improve staff performance and training were implemented. The initiatives include annual performance communication plans, active performance coaching and employment separations, when necessary. Training initiatives included expanding required training, use of electronic training database and regulating appropriate trainers.

Implementation of Security Policy Manual

In late 2008 MBC staff developed a Security Policy Manual. The manual is designed to provide security staff with detailed and current policy information to assist with the varied and complex tasks they perform on a daily basis.

In addition, the Security Policy Manual provides management with performance standards that can be monitored and measured to ensure that appropriate security services are being provided.

Security Technology

In 2007 the MBC completed approximately \$350,000 of Federal Homeland Security grant work to convert and upgrade the building's outdated analog building access and video control systems to state of the art digital technology.

This work included the Implementation of a fiber backbone to allow connectivity of devices throughout the building. The completion of this work has allowed the MBC to expand the building security systems in the future as funding becomes available.

In addition, the grant work included the installation of a new security operation room; complete with the installation of equipment room cooling; and system programming for remote control of building security CCTV cameras.

Furthermore, over 50 cameras and 32 card readers have been coordinated into a single control system, and over 800 access control cards have been programmed and issued to building users.

Although the City Hall Courthouse building has had many security improvements as a result of the grant funding, much security technology work remains to be done. MBC staff have developed and submitted additional Homeland Security Funding Grants for consideration in both 2008 and 2009, but these requests have not been funded.

MBC Security Consultant Paulson & Clark Engineering has identified approximately \$200,000 in CCTV security improvements remaining for the "common areas" of the building. MBC staff recommends that \$200,000 of the 2011 Operation Budget be allocated specifically for the CCTV security improvements remaining for the "common areas" of the building.

For the past two years, MBC staff has participated in a City Hall Security Working Group with the City's and County's Security Managers, Minneapolis Police Department, Federal Marshall's Office and others.

In 2010 several security technology improvements have been researched, evaluated, cost estimated, designed and implemented within the building. Some of these projects include the following:

1. Enhanced security for the City Attorney's Office
2. Enhanced security for the City Council Chambers
3. Enhanced security for the Mayor's Office
4. Building-Wide Emergency Communication System, (City's 911 VIP System)

FINANCIAL ANALYSIS

EXPENDITURE

The MBC budget is \$7.97 million, a 2.6% decrease from the 2010 Revised Budget.

REVENUE

The department's revenue for 2011 is \$8.12 million, a 0.8% decrease from the prior year.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended combined tax and LGA revenue of \$4.7M after subtracting shared costs. Total spending includes \$70,000 in one-time funds for clocktower renovations.

MUNICIPAL BUILDING COMMISSION ADOPTED BUDGET

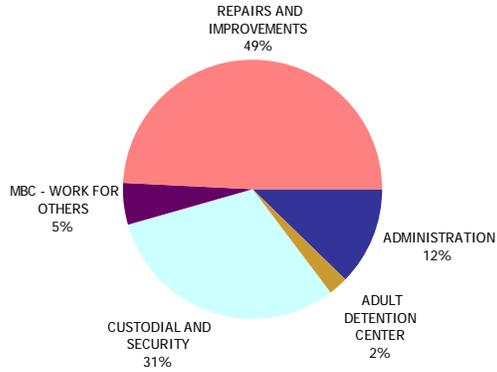
Minneapolis adopted a 4.7% levy, compared to a 6.5% recommendation by the Mayor, which reduces revenue available for shared activities of MBC, Park Board, and the City's general fund. The MBC board adopted a budget with total revenue of \$8.1M. \$4.7M is from property tax and LGA. Much of the remainder comes from Hennepin County.

MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

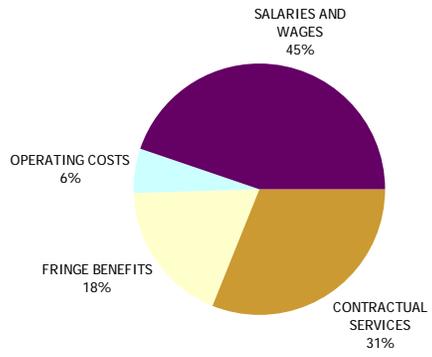
EXPENSE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
AGENCY						
OPERATING COSTS	1,221,679	(1,282,391)			0.0%	0
TOTAL AGENCY	1,221,679	(1,282,391)				0
SPECIAL REVENUE						
SALARIES AND WAGES	2,858,974	2,968,113	3,603,952	3,486,771	-3.3%	(117,181)
FRINGE BENEFITS	1,120,945	1,164,586	1,475,891	1,422,121	-3.6%	(53,770)
CONTRACTUAL SERVICES	3,234,655	3,666,826	2,513,005	2,426,959	-3.4%	(86,046)
OPERATING COSTS	855,753	789,800	588,978	451,738	-23.3%	(137,240)
CAPITAL	10,970	13,717	2,000		-100.0%	(2,000)
TOTAL SPECIAL REVENUE	8,081,297	8,603,042	8,183,827	7,787,589	-4.8%	(396,238)
TOTAL EXPENSE	9,302,976	7,320,651	8,183,827	7,787,589	-4.8%	(396,238)

REVENUE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
SPECIAL REVENUE						
PROPERTY TAXES	4,029,616		4,325,078	4,199,300	-2.9%	(125,778)
SALES AND OTHER TAXE	650				0.0%	0
STATE GOVERNMENT	323,967	352,533	206,701	273,755	32.4%	67,054
CHARGES FOR SERVICES	3,705,897	8,268,308	3,646,048	3,640,597	-0.1%	(5,451)
CHARGES FOR SALES	8,550	1,489	6,000	6,000	0.0%	0
RENTS	89,508	89,019			0.0%	0
OTHER MISC REVENUES	8,346	335			0.0%	0
TOTAL SPECIAL REVENUE	8,166,534	8,711,683	8,183,827	8,119,652	-0.8%	(64,175)
TOTAL REVENUE	8,166,534	8,711,683	8,183,827	8,119,652	-0.8%	(64,175)

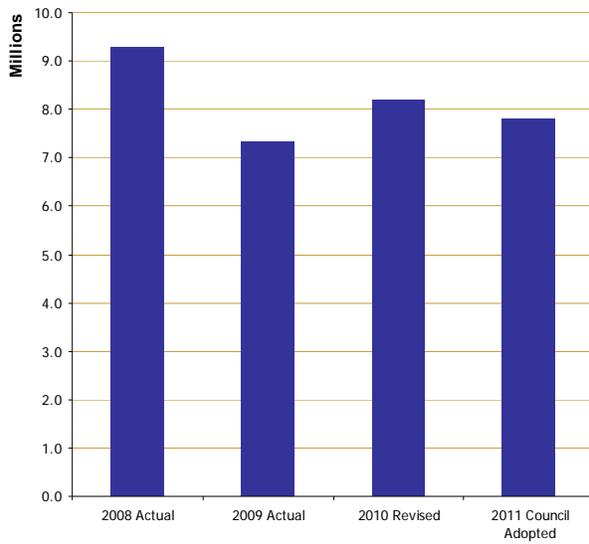
Expense by Division



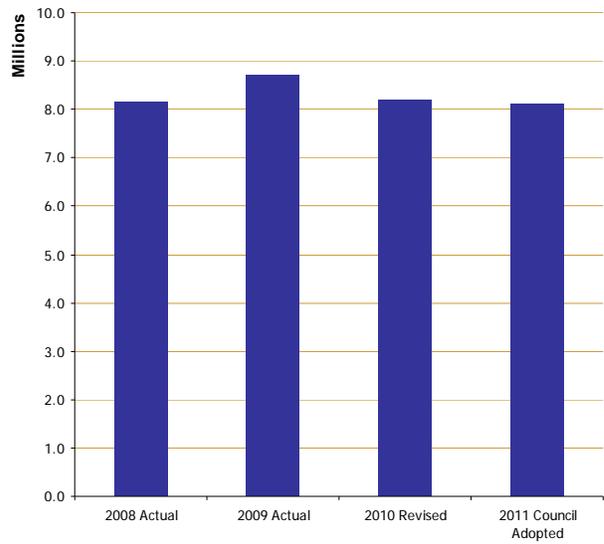
Expense by Category



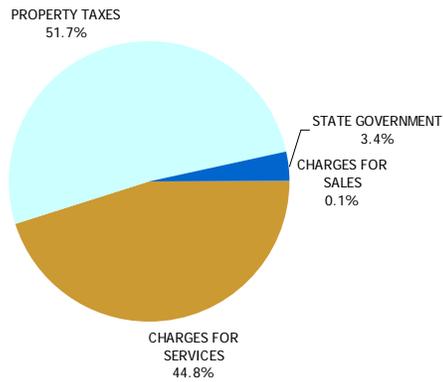
Expense 2008 - 2011



Revenue 2008 - 2011



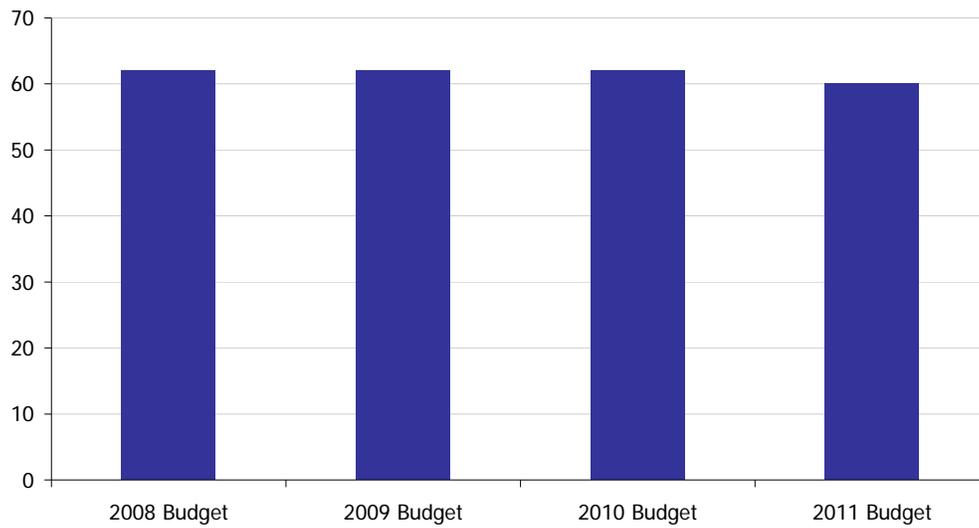
Direct Revenue by Type



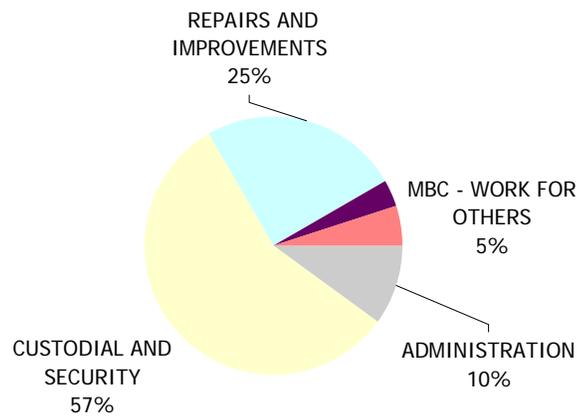
Staffing Information

Expense	2008 Budget	2009 Budget	2010 Budget	2011 Budget	% Change	Change
REPAIRS AND IMPROVEMENTS	17.00	16.00	17.00	15.00	-11.8%	(2.00)
ADMINISTRATION	6.00	7.00	7.00	6.00	-14.3%	(1.00)
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	
BUILDING COMMISSION						
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	
CUSTODIAL AND SECURITY	34.00	34.00	33.00	34.00	3.0%	1.00
TOTAL	62.00	62.00	62.00	60.00	-3.2%	(2.00)

Positions 2008-2011



Positions by Division



MINNEAPOLIS NEIGHBORHOOD REVITALIZATION PROGRAM (NRP)

MISSION

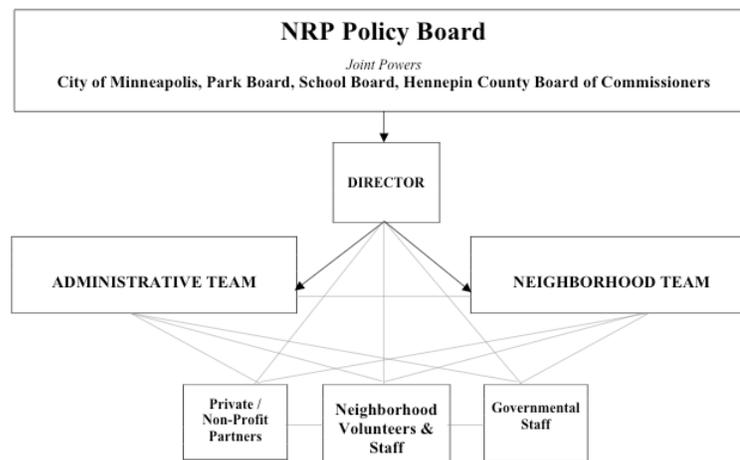
The Mission of the Minneapolis Neighborhood Revitalization Program (NRP) is to improve the quality of life in the City of Minneapolis by revitalizing its neighborhoods and making them better places to live, work, learn and play.

BUSINESS LINES

- Assist neighborhoods with development of Neighborhood Action Plans (NAPs)
- Review, modify and approve NAPs prepared by neighborhoods
- Oversee, monitor and evaluate implementation of approved NAPs and their strategies
- Manage NRP's financial resources and expenditures

ORGANIZATION CHART

2011 NEIGHBORHOOD REVITALIZATION PROGRAM STAFF ORGANIZATIONAL CHART



TOTAL NRP OFFICE FTEs = 5

What two or three key trends and challenges does the department face and how will each be addressed?

NRP has received its final revenues from the Common Project, development fund and Brookfield repayment income streams. As a result, final allocations for neighborhoods were approved by the NRP Policy Board on May 24, 2010 and by the Minneapolis City Council on June 18. This allocation of resources will be the last NRP allocation to neighborhoods.

NRP's activities will be focused on developing and approving the remaining Phase II NAP's (Neighborhood Action Plan), creating and managing implementation contracts for strategies in

Phase I and Phase II NAP's, processing payment requests and NAP modifications and maintaining the NRP database.

NRP will continue to work to minimize administrative overlap and duplication with the new Neighborhood and Community Relations Department. A plan for "Collaboration, Cooperation and Consolidation" with NCR was drafted by NRP and NCR staff and approved by the NRP Policy Board on September 27, 2010. Approval of this plan was dependent upon achieving the agreed upon actions in a timely, professional and practical manner and ensuring that NRP will be able to continue to meet its statutory and contractual obligations. Actions taken by the Minneapolis City Council on December 14 as part of the approval process for the 2011 City Budget dramatically affected the environment for implementing this plan and the NRP Policy Board rescinded its approval on December 20.

In what internal/external partnerships is the department currently engaged and/or exploring for the future?

NRP works, as appropriate, with City of Minneapolis Departments, Hennepin County, the Minneapolis School Board, the Minneapolis Park and Recreation Board, nonprofit service and development organizations and the 72 recognized neighborhood associations in Minneapolis on the development and implementation of strategies in NAPs.

How is the department evaluating programs or services for cost effectiveness?

Forty-nine of the 72 possible Phase II NAPs have been approved by the neighborhood, NRP Policy Board and Minneapolis City Council. The plan approval targets for 2010 and 2011 are eight NAPs in 2010 and 12 in 2011. NRP exceeded its 2010 target when it approved nine NAP's in 2010.

The expectation is that existing NRP staff will continue to process and oversee NRP expenditures of \$ 8.5 million in 2010 and \$ 9.4 million in 2011.

What actions will the department take to meet the current service level reductions? Please include a description of any revenue proposals. Identify *Results Minneapolis* measures where you anticipate a service level impact based on cuts. Specifically include charts that show 2011 projections of no cuts and target reductions.

The budget for 2011 was developed based on commitments from NCR and expectations of the City contained in the plan of "Collaboration, Cooperation and Consolidation". Those commitments and expectations were dramatically and adversely changed by the actions taken by the City Council during the 2011 City Budget adoption process and may adversely impact NRP's 2011 expenditures.

NRP is, however, continuing its efforts to minimize its administrative expenses and maximize the resources available to neighborhoods. The 2011 administrative office budget approved by the NRP Policy Board reduces Central Office expenses by 16% from the approved 2010 administrative budget.

NRP has been reducing its staff complement gradually and without terminations or layoffs since 1995. The FTE complement has been reduced from 26 in 1995 to 7 in 2010. The 2011 budget continues these reductions and reduces the personnel complement to 5 FTE. The result is an

80% reduction in the personnel in the NRP Central Office since 1995. These reductions are being made as part of NRP's effort to cost effectively manage its available resources while providing high quality services to its neighborhood partners and maximizing the number of NRP dollars available for investing in neighborhood improvement.

FINANCIAL ANALYSIS

EXPENDITURE

The NRP budget is \$1.16million, a 16% decrease over the 2010 Revised Budget. Personnel expenses make up 46% of the expenditure budget.

REVENUE

The department's revenue for 2011 is about \$1.16 million, a 16% decrease from the prior year.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no changes to NRP's budget.

COUNCIL ADOPTED BUDGET

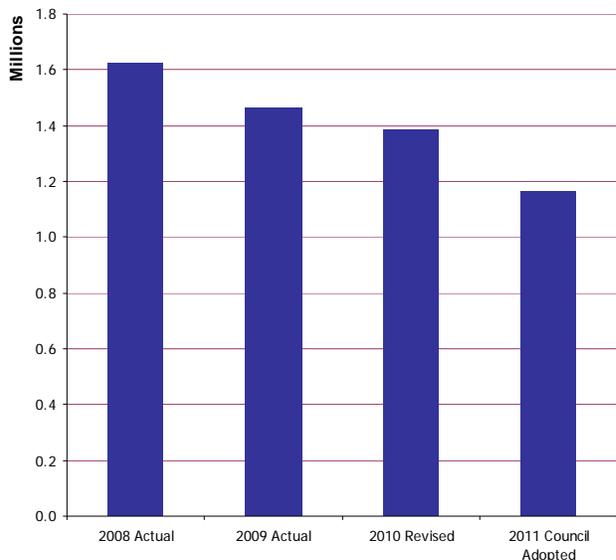
Council adopted the Mayor's recommendation.

NEIGHBORHOOD REVITALIZATION PROGRAM EXPENSE AND REVENUE INFORMATION

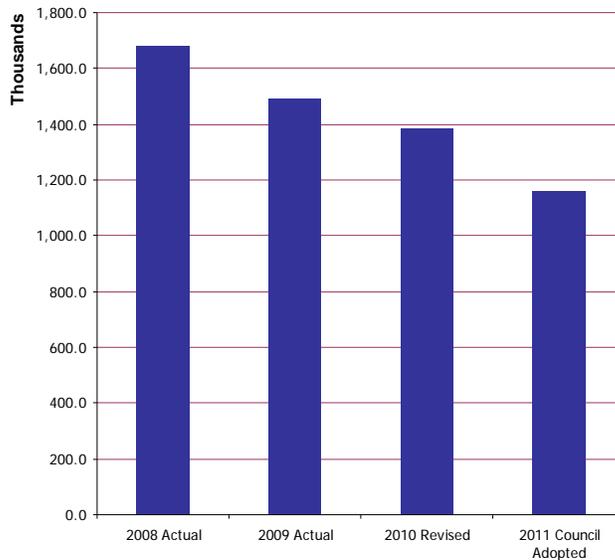
EXPENSE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	568,601	556,380	456,355	411,082	-9.9%	(45,273)
FRINGE BENEFITS	144,310	164,184	188,462	130,541	-30.7%	(57,921)
CONTRACTUAL SERVICES	819,624	679,746	645,348	579,300	-10.2%	(66,048)
OPERATING COSTS	93,275	62,880	88,991	36,000	-59.5%	(52,991)
CAPITAL	566	15	3,000	5,500	83.3%	2,500
TOTAL SPECIAL REVENUE	1,626,376	1,463,205	1,382,156	1,162,423	-15.9%	(219,734)
TOTAL EXPENSE	1,626,376	1,463,205	1,382,156	1,162,423	-15.9%	(219,734)

REVENUE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted	Percent Change	Change
SPECIAL REVENUE						
STATE GOVERNMENT	1,626,645	1,428,620	1,382,156	1,162,421	-15.9%	(219,735)
OTHER MISC REVENUES	57,559	63,318			0.0%	0
TOTAL SPECIAL REVENUE	1,684,204	1,491,938	1,382,156	1,162,421	-15.9%	(219,735)
TOTAL REVENUE	1,684,204	1,491,938	1,382,156	1,162,421	-15.9%	(219,735)

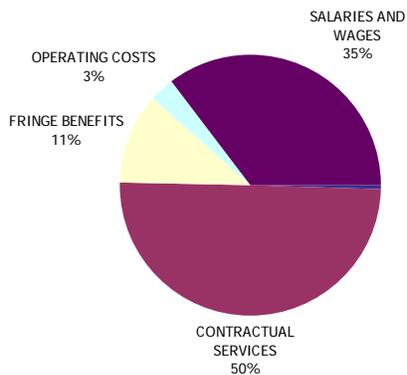
Expense 2008 - 2011



Revenue 2008 - 2011



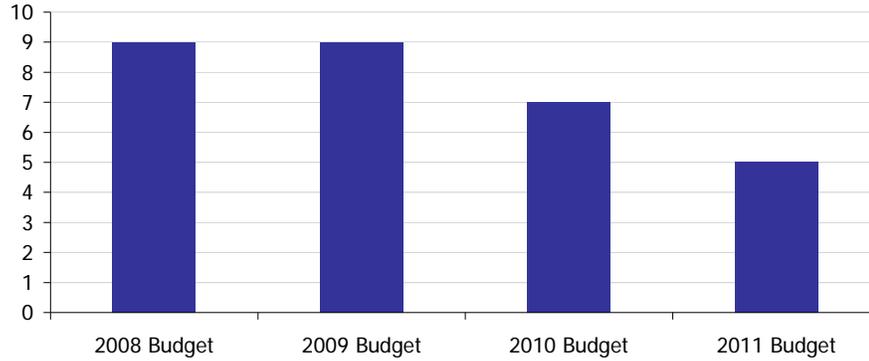
Expense by Category



Staffing Information

Expense	2008 Budget	2009 Budget	2010 Budget	2011 Budget	% Change	Change
NEIGH REVITALIZATN POL BD	9.00	9.00	7.00	5.00	-28.6%	(2.00)
TOTAL	9.00	9.00	7.00	5.00	-28.6%	(2.00)

Positions 2008-2011



PARK BOARD

MISSION

The Minneapolis Park and Recreation Board shall permanently preserve, protect, maintain, improve and enhance its natural resources, parkland and recreational opportunities for current and future generations.

The Minneapolis Park and Recreation Board exists to provide places and recreation opportunities for all people to gather, celebrate, contemplate and engage in activities that promote health, well-being, community and the environment.

BUSINESS LINES

- Park Administrative Services
- Environmental
- Maintenance
- Forestry
- Information Technology Services
- Park Police
- Planning and Project Management
- Recreation Services
- Special Facilities
- Volunteers and Community Partnerships

FINANCIAL ANALYSIS

EXPENDITURE

The estimated 2011 Park Board budget of \$93.9 million is 2.6% higher than the 2010 Revised Budget.

REVENUE

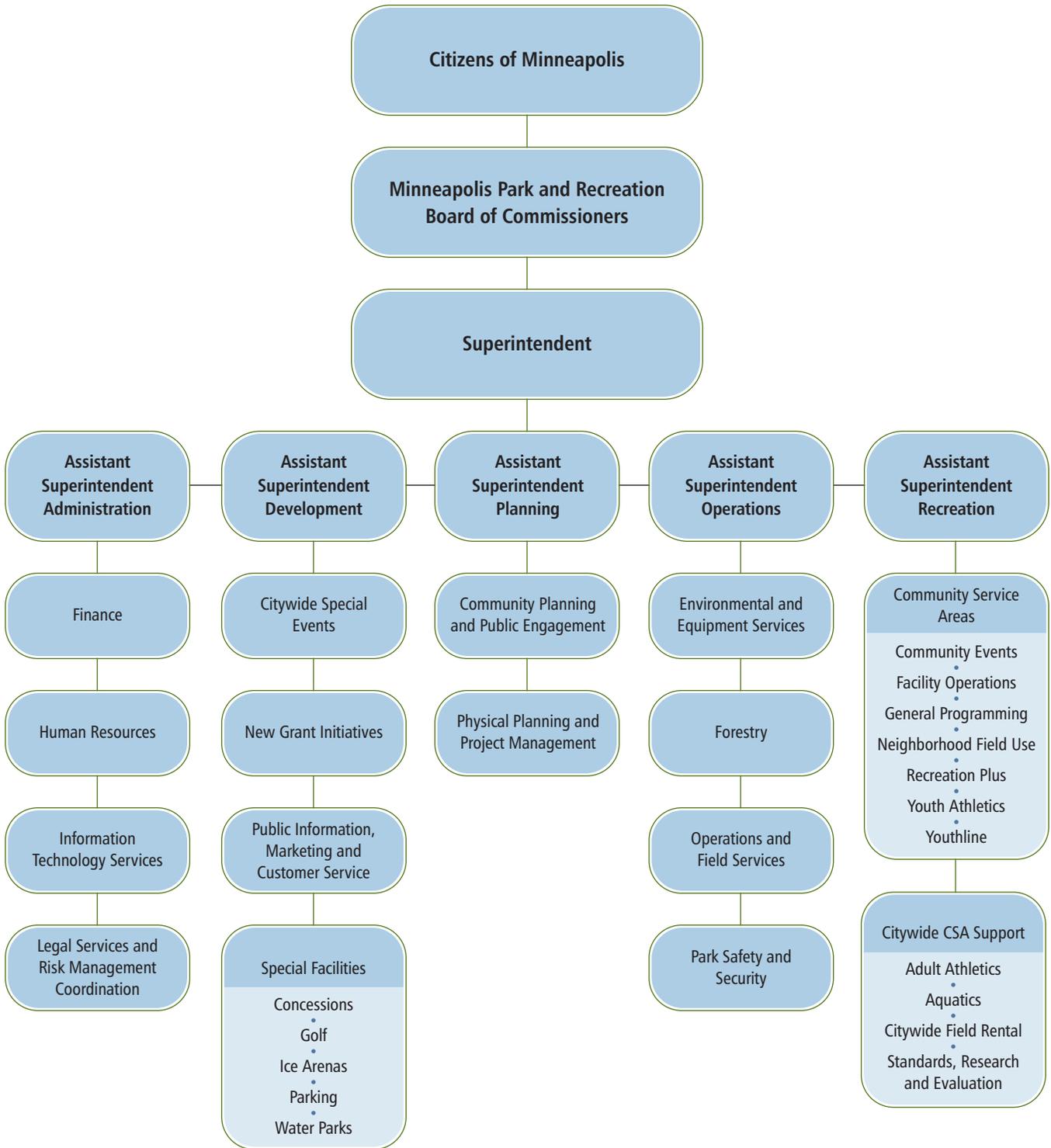
Revenue is estimated at \$94.9 million, a 4% increase from the 2010 Revised Budget.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended \$3.5 million for the Park Board for operating costs to maintain capital infrastructure. Overall, the Mayor recommended property tax and LGA revenue of \$56.8M. After subtracting shared costs and capital projects funded by the Park levy, the Mayor recommended \$52.3M in revenue for the Park board.

PARK BOARD ADOPTED BUDGET

Park Board adopted a budget with property tax and LGA revenue of \$54.7M. The adopted City budget is based on certified LGA, and shares \$8.5M in LGA revenue with the Park Board. Park will use any LGA over \$7.6M for capital expenditures toward a backlog of capital needs.

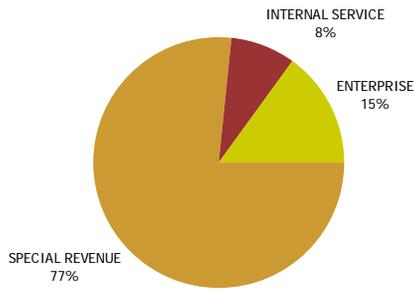


**PARK BOARD
EXPENSE AND REVENUE INFORMATION**

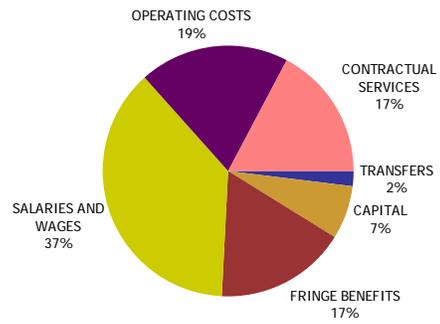
EXPENSE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
AGENCY						
OPERATING COSTS	9,594,108	(13,208,183)			0.0%	0
TOTAL AGENCY	9,594,108	(13,208,183)				0
SPECIAL REVENUE						
SALARIES AND WAGES	29,139,002	28,679,771	29,122,365	28,322,639	-2.7%	(799,726)
FRINGE BENEFITS	11,022,562	11,966,535	12,488,328	12,033,678	-3.6%	(454,649)
CONTRACTUAL SERVICES	11,038,928	10,665,810	9,580,930	11,752,060	22.7%	2,171,130
OPERATING COSTS	14,667,469	14,664,914	15,011,679	14,558,900	-3.0%	(452,779)
CAPITAL	214,480	629,542	1,898,128	4,034,999	112.6%	2,136,871
TRANSFERS	2,212,264	2,309,398	1,480,000	1,230,000	-16.9%	(250,000)
TOTAL SPECIAL REVENUE	68,294,705	68,915,969	69,581,429	71,932,276	3.4%	2,350,847
INTERNAL SERVICE						
SALARIES AND WAGES	1,726,312	1,748,924	1,774,316	1,745,653	-1.6%	(28,663)
FRINGE BENEFITS	1,986,645	2,164,775	2,538,596	2,525,007	-0.5%	(13,589)
CONTRACTUAL SERVICES	360,220	397,439	450,993	502,549	11.4%	51,555
OPERATING COSTS	2,496,642	11,970	1,719,715	1,809,569	5.2%	89,853
CAPITAL	797,935	1,037,308	1,532,422	1,392,740	-9.1%	(139,682)
TOTAL INTERNAL SERVICE	7,367,754	5,360,415	8,016,043	7,975,518	-0.5%	(40,526)
ENTERPRISE						
SALARIES AND WAGES	4,681,272	4,602,665	4,809,088	5,112,876	6.3%	303,787
FRINGE BENEFITS	1,295,509	1,321,110	1,379,361	1,542,431	11.8%	163,070
CONTRACTUAL SERVICES	4,644,174	4,396,434	3,832,612	3,866,154	0.9%	33,542
OPERATING COSTS	2,680,530	1,442,535	1,829,827	1,897,107	3.7%	67,280
CAPITAL	501,198	140,551	1,538,375	1,024,643	-33.4%	(513,732)
DEBT SERVICE	97,799	92,605	98,000	34,000	-65.3%	(64,000)
TRANSFERS	295,008	295,000	545,000	545,000	0.0%	0
TOTAL ENTERPRISE	14,195,490	12,290,900	14,032,263	14,022,211	-0.1%	(10,052)
TOTAL EXPENSE	99,452,057	73,359,102	91,629,736	93,930,005	2.5%	2,300,269

REVENUE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted	Percent Change	Change
SPECIAL REVENUE						
PROPERTY TAXES	51,512,080	54,328,739	55,859,227	58,010,963	3.9%	2,151,736
SALES AND OTHER TAXE	6,508	(1,461)	3,000	3,000	0.0%	0
LICENSE AND PERMITS	176,353	183,041	204,000	364,000	78.4%	160,000
FEDERAL GOVERNMENT	4,000	267,716				0
STATE GOVERNMENT	10,672,815	12,067,855	8,482,243	9,579,950	12.9%	1,097,707
LOCAL GOVERNMENT	1,339,492	1,311,723	1,528,790	1,500,900	-1.8%	(27,890)
CHARGES FOR SERVICES	1,635,963	980,808	1,357,379	1,578,580	16.3%	221,201
CHARGES FOR SALES	61,564	55,808	62,000	60,000	-3.2%	(2,000)
FINES AND FORFEITS	526,810	560,131	562,500	565,000	0.4%	2,500
RENTS	882,224	722,276	718,461	637,479	-11.3%	(80,982)
CONTRIBUTIONS	659,847	470,980	202,500	230,000	13.6%	27,500
OTHER MISC REVENUES	365,579	79,244	306,329	59,000	-80.7%	(247,329)
TRANSFERS IN	318,652	354,835	295,000	295,000	0.0%	0
TOTAL SPECIAL REVENUE	68,161,886	71,381,694	69,581,429	72,883,872	4.7%	3,302,443
INTERNAL SERVICE						
CHARGES FOR SERVICES	950,554	979,931	920,847	898,586	-2.4%	(22,261)
CHARGES FOR SALES	58,190	65,807	50,000	75,000	50.0%	25,000
GAINS	64,350	96,407				0
RENTS	3,746,521	3,980,095	4,098,461	4,342,649	6.0%	244,188
OTHER MISC REVENUES	2,533,234	2,554,250	2,659,283	2,659,283	0.0%	0
TRANSFERS IN	260,000	260,000				0
LONG TERM LIABILITIES PROCEEDS	(142,753)	(57,515)				0
TOTAL INTERNAL SERVICE	7,470,097	7,878,974	7,728,591	7,975,518	3.2%	246,927
ENTERPRISE						
FEDERAL GOVERNMENT				185,072		185,072
LOCAL GOVERNMENT	12,028	11,822				0
CHARGES FOR SERVICES	11,386,436	11,387,605	12,206,217	12,065,565	-1.2%	(140,652)
CHARGES FOR SALES	851	3,267	6,000	6,000	0.0%	0
FINES AND FORFEITS	6,797	46,494	122,000		-100.0%	(122,000)
INTEREST	7	51				0
GAINS		500				0
RENTS	2,007,730	1,965,608	1,418,547	1,489,574	5.0%	71,027
CONTRIBUTIONS	462,038	391,141	220,500	240,000	8.8%	19,500
OTHER MISC REVENUES	63,078	40,463	58,999		-100.0%	(58,999)
TRANSFERS IN	2,784	19,020		36,000		36,000
TOTAL ENTERPRISE	13,941,749	13,865,969	14,032,263	14,022,211	-0.1%	(10,052)
TOTAL REVENUE	89,573,732	93,126,638	91,342,283	94,881,601	3.9%	3,539,318

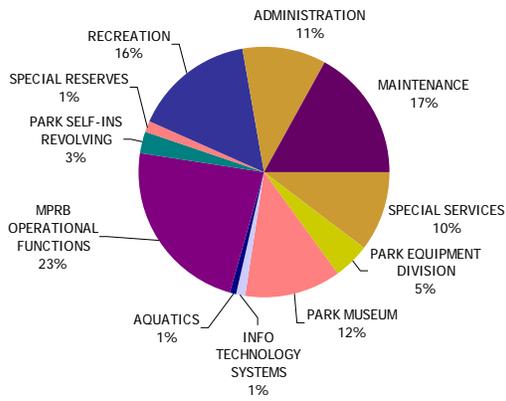
Expense by Fund



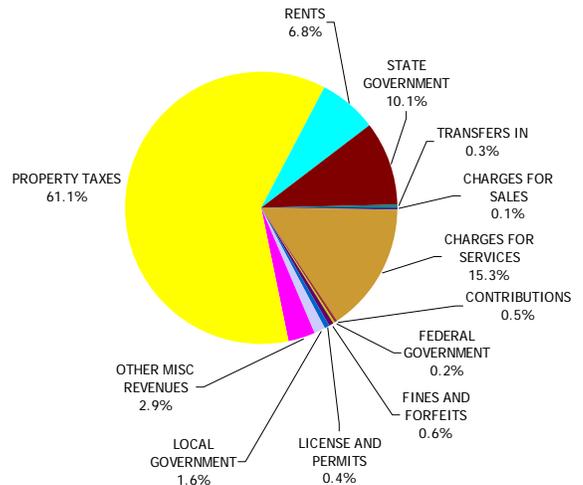
Expense by Category



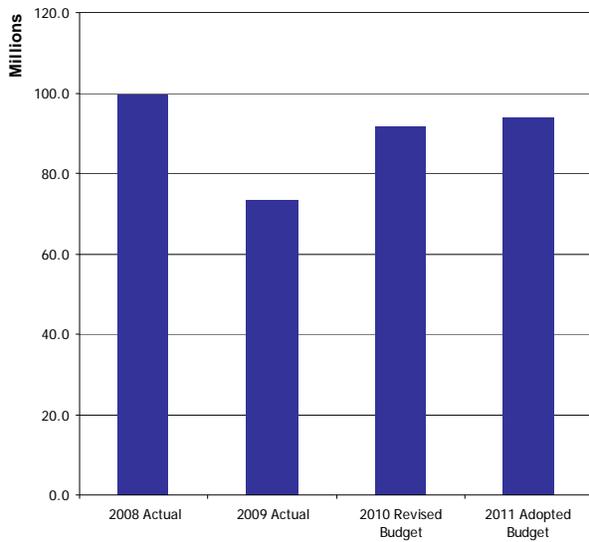
Expense by Division



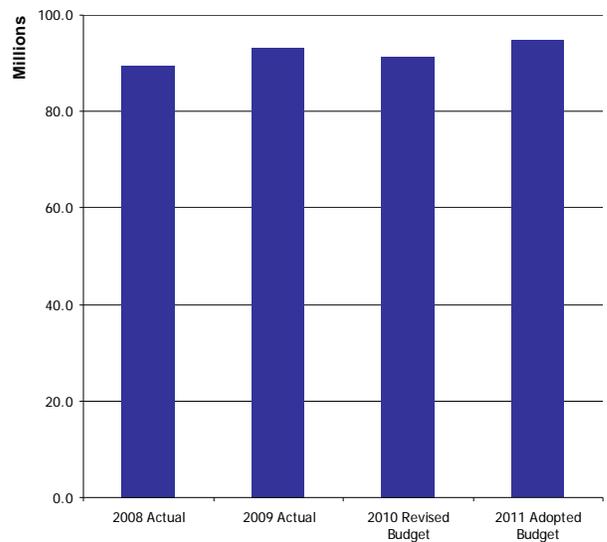
Direct Revenue by Type



Expense 2008 - 2011



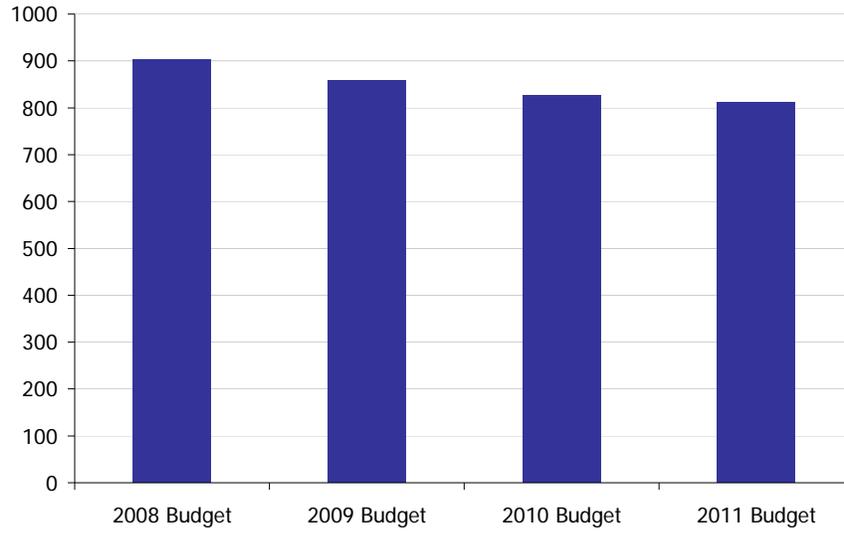
Revenue 2008 - 2011



Staffing Information

Expense	2008 Budget	2009 Budget	2010 Budget	2011 Budget	% Change	Change
PARK BOARD	902.00	859.00	827.00	811.18	-0.02	-15.82
TOTAL	902.00	859.00	827.00	811.18	-1.9%	(15.82)

Positions 2008-2011



MINNEAPOLIS PUBLIC HOUSING AUTHORITY

MISSION

To promote and deliver quality, well-managed homes to a diverse low-income population and, as a valued partner, contribute to the well-being of the individuals, families and community we serve.

BUSINESS LINES

Low Income Public Housing Overview

Public housing was established by the federal government to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. The U.S. Department of Housing and Urban Development (HUD) provides operating subsidies for the management of housing for low-income residents at rents they can afford. Eligibility for public housing is determined based on the participating family's annual gross income and meeting other federal and local eligibility thresholds. The program is limited to U.S. citizens and specified categories of non-citizens who have eligible immigration status. In addition to federal aid for the operation of public housing, HUD also provides MPHA with capital grant funds for public housing modernization and new public housing unit development.

Low Income Public Housing Performance

High Performer Status. When MPHA first became an independent agency nineteen years ago, it was at risk of being labeled a "troubled" housing authority. It pursued a strategic vision, and with bold and consistent leadership, was able to transform itself. MPHA achieved HUD's highest performance rating, and for twelve consecutive years has maintained that status. Under the Public Housing Assessment System (PHAS), HUD rates public housing authorities across the nation in various performance categories, including the physical condition of property, financial status, and management practices. Through prudent investments and wise operational practices, MPHA has consistently received grades in excess of 90% in all these areas. MPHA's most recent financial audit by the State of Minnesota Auditor shows no findings in its Low Income Public Housing operations.

Section 8 Housing Choice Voucher Program Overview

The Section 8 Housing Choice Voucher Program (HCV) assists very low-income families, the elderly, and the disabled in finding decent, affordable, safe, and sanitary housing in the private market. Eligible program participants may rent single-family homes, townhouses, duplexes, and apartments where the owner of the selected property and the property itself has been approved for program participation. The family pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Eligibility for participation in the Section 8 HCV Program is based on income, eligible citizenship status, and the ability to pass a criminal history background check. The amount of the subsidy available to the family is based on the family's income level and the household's composition. In general, the family's income may not exceed 50 percent of the median income for the county or metropolitan area in which the family chooses to live. By law, MPHA must provide 75 percent of its vouchers to applicants whose incomes do not exceed 30 percent of the area median income.

Collaboration with the City and the County. MPHA's Section 8 HCV staff continues to work in partnership with City of Minneapolis elected officials and senior staff, along with neighborhood groups, to develop solutions and to resolve issues associated with program participants and the properties leased to them.

Most recently, MPHA entered into an agreement with the Minneapolis Police Department to assist the Section 8 HCV Program with its program integrity. At the most basic level, a Minneapolis Police Sergeant will investigate alleged criminal activity, neighborhood complaints, and suspected fraud committed by voucher holders or program owners who participate in the Section 8 HCV Program. The goal is to clearly demonstrate MPHA's commitment to protecting the Program's integrity when there is

reason to believe that any criminal or fraudulent activity is taking place in connection with the Section 8 HCV Program.

Capital Improvements Program

MPHA's Facilities and Development Department works closely with the Executive Director to identify capital needs, make improvements, complete modernizations, and ensure the preservation of our properties. This department also takes the lead in new development initiatives pursued by MPHA. With its Moving to Work authority, the infusion of American Recovery and Reinvestment Act (ARRA) funds, and its Energy Performance Contract initiative, MPHA has been able to strategically allocate its resources to make substantial improvements in our managed portfolio of capital assets. These improvements position the agency to make significant progress in its capital needs backlog, and enhance its ability to address energy conservation needs, thereby reducing MPHA's carbon footprint, while ensuring the long-term preservation of its housing stock.

Energy Performance Contract

MPHA entered into a \$33.6 million contract with Honeywell International, Inc. to implement energy conservation measures throughout MPHA's high-rise apartment inventory. The contract, which is primarily financed through a municipal lease from Bank of America, is authorized under a special HUD incentive program that encourages PHAs to borrow private capital to fund energy improvements. The improvements include replacing 40-to-50-year-old boilers, installing low flow toilets and shower heads, and replacing existing stoves with energy efficient models. This "green" project is expected to be fully completed by the end of 2010 and is anticipated to save 124 million gallons of water, 119 million cubic feet of gas, and 3.3 million kilowatt hours of electricity annually.

American Recovery and Reinvestment Act (ARRA) Grants

The American Recovery and Reinvestment Act of 2009 was enacted by Congress and signed into law by President Barack Obama on February 17, 2009. This legislation was enacted to provide a stimulus to the U.S. economy in the wake of the economic downturn brought about by the subprime mortgage crisis and the resulting credit crunch.

In March 2009, MPHA received an ARRA Capital Fund Formula Grant of \$18.2 million. In addition, MPHA successfully competed for three ARRA grants totaling over \$31.6 million, which were awarded in September 2009, for the creation of a new state-of-the-art Senior Center, a first in the nation "green" 48-unit public housing Memory Care—Continuum of Care housing development, and an energy efficient Scattered Site "green" initiative.

Funding Sources and Uses

As in previous years, MPHA continues to be heavily financed by the federal government. In 2009, federal grants and subsidies made up 85 percent of the MPHA's funding sources. These funds were provided for general program operation, capital uses for both improvements to existing structures and new public housing development, and Section 8 housing assistance payments. Capital grants increased significantly from 2008 levels. The increase in capital grants primarily relates to ARRA funding.

As in previous years, the majority of these funds were used for housing assistance payments to Section 8 landlords. The most significant increase in uses of funds relates to capital spending. MPHA expended over \$10 million in ARRA funds on public housing building improvements. In addition, due to spending flexibility provided under the Moving To Work Demonstration Program, MPHA accelerated its normal capital improvements spending and dedicated increased funding to keeping its public housing properties viable for the long-term.

FINANCIAL ANALYSIS

EXPENDITURE

The department’s expense budget is \$617,304.

REVENUE

The department’s revenue budget is \$617,304.

MAYOR’S RECOMMENDED BUDGET

The Mayor’s recommends reinstating the MPHA tax levy at \$1.4 million and awarding \$178,000 in CDBG funds.

COUNCIL ADOPTED BUDGET

The City budget reduces the MPHA tax levy by \$1.424M for taxes payable in both 2011 and 2012. MPHA is awarded \$178,000 in CDBG funds.

Security Services		Citizen Participation		Total Budget Request	
Sources		Sources		Sources	
Tax Levy ¹	\$0			Tax Levy ¹	\$0
CDBG	\$110,000	CDBG	\$68,000	CDBG	\$178,000
PILOT Reduction ²	\$439,304			PILOT Reduction ²	\$439,304
				Total Sources	\$617,304
Uses		Uses		Uses	
Security Guards	\$549,304			Security Guards	\$549,304
		Citizen P	\$68,000	Citizen Participation	\$68,000
				Total Uses	\$617,304

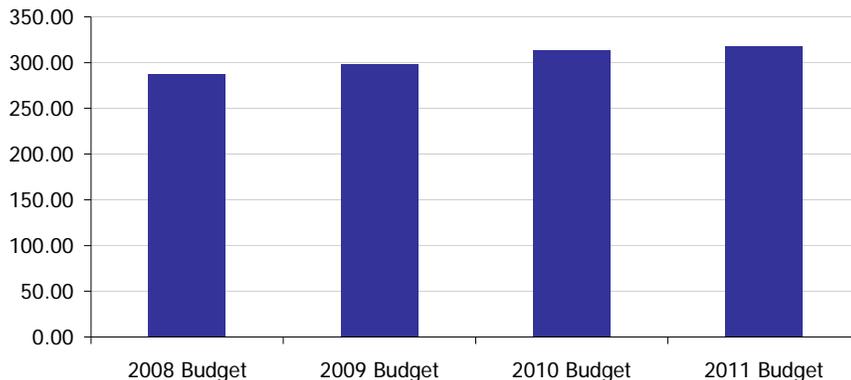
¹The City budget eliminated the MPHA tax levy by \$1.424M for taxes payable in both 2011 and 2012. MPHA is awarded \$178,000 in CDBG funds.

²By State Statute MPHA is exempt from real and personal property taxes, but through the Cooperative Agreement with the City, MPHA is required to make payment in lieu of taxes. The City has agreed to reduce MPHA’s PILOT by 50% since the inception of the Highrise Security program. MPHA would use the savings to fund public housing costs.

Staffing Information

Expense	2008 Budget	2009 Budget	2010 Budget	2011 Budget	% Change	Change
PUBLIC HOUSING	287.00	298.00	313.86	318.00	1.32%	4.14
TOTAL	287.00	298.00	313.86	318.00	1.32%	4.14

Positions 2008-2011



YOUTH COORDINATING BOARD

MISSION

Dedicated to promoting the healthy, comprehensive development of Minneapolis children and youth ages 0-20 through collaborative action and policy alignment.

GOALS AND STRATEGIC ACTIVITIES

The YCB has four primary goals for 2011:

1. *All Minneapolis children enter kindergarten ready to learn.*
 - Work to ensure low income children and families' access to high quality childcare and early learning opportunities.
 - Support a seamless transition from early childhood to kindergarten.
 - Work to ensure all children receive early childhood screening by the age of 3 and that health care support is available in child care centers throughout Minneapolis.
2. *All Minneapolis children and youth succeed in school*
 - Support school and community efforts to eliminate the achievement gap.
 - Support the expansion of comprehensive, bi-cultural social services in schools for families who are English Language Learners.
 - Work to improve the collection of data from student surveys.
 - Support expansion of career and education initiatives such as the Minneapolis Promise.
3. *All Minneapolis young people have access to quality out-of-school opportunities.*
 - Create and maintain an online Out of School Time information resource.
 - Work with youth-serving agencies to create a common framework for quality program assessment.
 - Work to increase public and private funding for Out of School Time activities.
 - Support the goals of the Blueprint for Action: Preventing Youth Violence in Minneapolis.
4. *All Minneapolis children and young people have opportunities to prepare themselves for the responsibilities of an active civic life.*
 - Support the Minneapolis Youth Congress with staffing, funding, and training.
 - Support the establishment of an annual convention between young people and community leaders from both the public and private sectors.
 - Work with and encourage our jurisdictional partners to develop and strengthen formal mechanisms for authentic youth engagement in their decision making.
 - Coordinate with youth engagement programs community-wide on policy initiatives, programs, and planning.

YCB also has infrastructure goals related to developing capacity to address policy issues affecting Minneapolis children and youth, educating legislators on related policy matters, and disseminating information on such issues.

FINANCIAL ANALYSIS

EXPENDITURE

The 2011 expenditure budget for the YCB is \$1.4 million. \$350,000 comes from the City's general fund, and an additional \$65,000 of City CDBG funding is granted through a joint powers agreement between the City, County, School District and the Park Board, for total City funding of \$415,000.

REVENUE

The YCB's 2011 revenue budget is \$1.4 million. In addition to the joint powers agreement, other funding sources for YCB are County and foundation funding.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommends no change to the proposed budget.

COUNCIL ADOPTED BUDGET

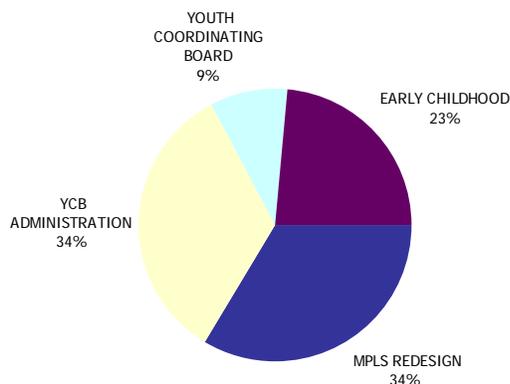
Council adopted the Mayor's recommendation.

YOUTH COORDINATING BOARD EXPENSE AND REVENUE INFORMATION

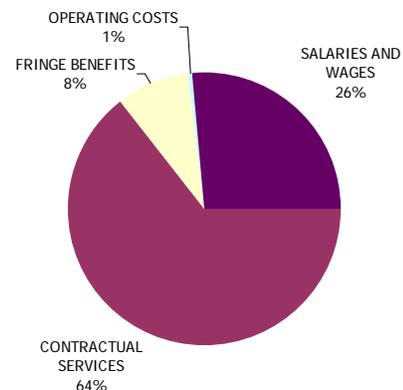
EXPENSE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	225,991	303,658	328,783	370,849	12.8%	42,066
FRINGE BENEFITS	61,073	89,696	93,720	118,848	26.8%	25,127
CONTRACTUAL SERVICES	1,089,400	1,382,118	1,047,090	906,381	-13.4%	(140,709)
OPERATING COSTS	30,492	47,316	11,100	9,782	-11.9%	(1,318)
CAPITAL	2,461				0.0%	0
TOTAL SPECIAL REVENUE	1,409,417	1,822,788	1,480,694	1,405,860	-5.1%	(74,834)
TOTAL EXPENSE	1,409,417	1,822,788	1,480,694	1,405,860	-5.1%	(74,834)

REVENUE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted	Percent Change	Change
SPECIAL REVENUE						
FEDERAL GOVERNMENT	64,803	64,803	64,803	64,803	0.0%	0
LOCAL GOVERNMENT	879,563	841,446	1,635,693	944,058	-42.3%	(691,635)
GAINS			80,000		-100.0%	(80,000)
RENTS	4,000	20,000			0.0%	0
CONTRIBUTIONS	1,201,250	(163,756)	530,000	357,000	-32.6%	(173,000)
OTHER MISC REVENUES	258	475		40,000	0.0%	40,000
TOTAL SPECIAL REVENUE	2,149,874	762,968	2,310,496	1,405,861	-39.2%	(904,635)
TOTAL REVENUE	2,149,874	762,968	2,310,496	1,405,861	-39.2%	(904,635)

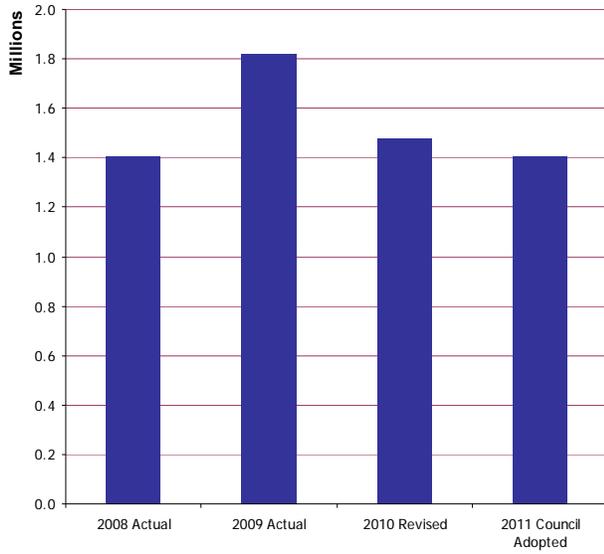
Expense by Division



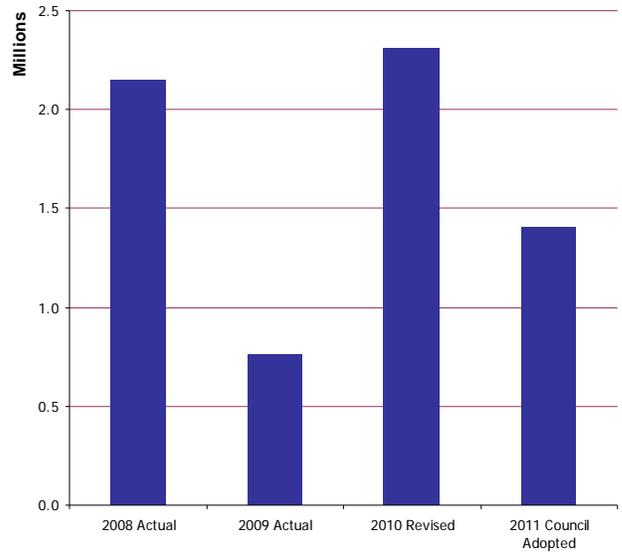
Expense by Category



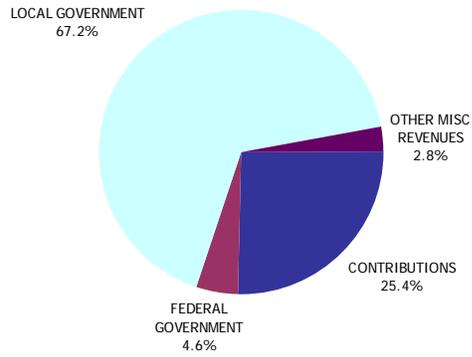
Expense 2008 - 2011



Revenue 2008 - 2011



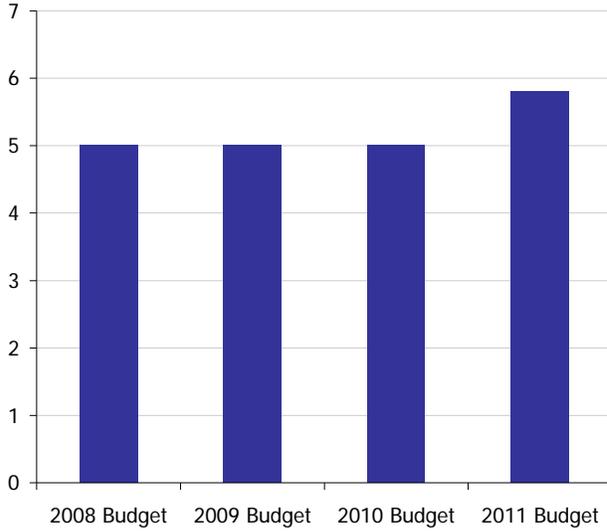
Direct Revenue by Type



Staffing Information

Expense	2008 Budget	2009 Budget	2010 Budget	2011 Budget	% Change	Change
YOUTH COORDINATING BOARD	5.00	5.00	5.00	5.80	16.0%	0.80
TOTAL	5.00	5.00	5.00	5.80	0.16	0.80

Positions 2008-2011



Positions by Division

