

COUNCIL ADOPTED BUDGET 2007



DECEMBER 11, 2006

**City of Minneapolis
2007 COUNCIL ADOPTED BUDGET**

December 11, 2006



January 2007

LETTER OF TRANSMITTAL

Dear Citizens of the City of Minneapolis:

We are pleased to present the 2007 Adopted Budget of the City of Minneapolis.

The 2007 Adopted Budget builds on many of the significant organizational and financial changes that have occurred in recent years and continues the City's commitment to long-term financial and business planning. The adopted budget is structurally balanced over the next five years, as indicated in the published five-year financial direction.

This balanced budget reflects a continued willingness to make the difficult decisions needed to address the City's financial challenges. In addition to the responsible allocation of one-time funds, including \$3 million to reduce the issuance of property-tax supported pension debt, the budget sets the City on a path to address estimated losses of local government aid projected with the decertification of some of the City's tax increment districts in 2009.

The 2007 budget increases resources for public safety, including the addition of 43 police officers. The budget also includes \$1 million for technology enhancements related to public safety, including development of a long-term technology plan.

Reflecting a broader view of public safety, the budget allocates additional resources in more areas than the Police Department. This budget moves toward a national standard of coverage for our Fire Department and provides additional resources in the City Attorney's Office. With this budget, the City's Computer Aided Dispatch program will become operational, including resources for training our 911 operators on the use of this valuable tool.

With this budget, environmental and homelessness outreach functions will be consolidated in the City Coordinator's department. Additional one-time resources for enhanced efforts available in both of these areas are available in this budget. The ability to track the effectiveness of these and other City efforts will be enhanced with the addition of an analyst in the Coordinator's office dedicated to improving performance measurement in the City enterprise through the Results Minneapolis efforts.

Development review services continue to be streamlined through the addition of four positions in the Regulatory Services Department. The department is also expected to continue its focus on nuisance properties with the addition of resources focused on enhanced enforcement of code violations.

This budget includes \$1.2 million in one-time additional resources for the Library Board to provide a bridge for the Library Board to explore options that may assist them in securing their long-term funding needs. Alternatives will be discussed this spring as the Library Board continues these efforts.

The Financial Overview, which follows this Letter of Transmittal, provides details on the City's continued fiscal discipline and financial planning efforts. Project detail on the City's \$475 million five-year program can be found in the "Capital Program" section of this document.

Respectfully Submitted,



R.T. Rybak
Mayor



Barbara Johnson
Council President



Paul Ostrow
Chair, Ways and Means/Budget

**City of Minneapolis
FY 2007 Budget**

Elected and Public Officials

Mayor

R.T. Rybak

City Council

Barbara Johnson, President	4 th Ward
Robert Lilligren, Vice President	6 th Ward
Paul Ostrow	1 st Ward
Cam Gordon	2 nd Ward
Diane Hofstede	3 rd Ward
Don Samuels	5 th Ward
Lisa Goodman	7 th Ward
Elizabeth Glidden	8 th Ward
Gary Schiff	9 th Ward
Ralph Remington	10 th Ward
Scott Benson	11 th Ward
Sandra Colvin Roy	12 th Ward
Betsy Hodges	13 th Ward

Board of Estimate and Taxation

R.T. Rybak	Mayor
Barbara Johnson	President, City Council
Paul Ostrow	Chair, City Council Ways & Means/Budget Committee
Robert Fine	President (Elected), Park Board Representative
Carol Becker	Vice President (Elected)
Jill Schwimmer	Board Member
Sheldon Mains	Library Board Representative

Minneapolis Park and Recreation Board

Jon Olson	President, Commissioner District 2
Mary Merrill Anderson	Commissioner at Large
Tom Nordyke	Commissioner at Large
M. Annie Young	Commissioner at Large
Walt Dziedzic	Commissioner District 1
Scott Vreeland	Commissioner District 3
Tracy Nordstrom	Commissioner District 4
Carol Kummer	Commissioner District 5
Robert B. Fine	Commissioner District 6

Minneapolis Library Board

Anita Duckor	President of the Board
Laurie Savran	Secretary
Allen Hooker	Elected at Large
Hussein Samatar	Appointed by Mayor
Laura Waterman Wittstock	Elected at Large
Sheldon Mains	Elected at Large
Rod Krueger	Elected at Large
Gary Thaden	City Council Appointee

Charter Department Heads / Assistant City *Coordinators*

Patrick P. Born	Chief Finance Officer
Karl Kaiser	Chief Information Officer
Patrick Todd	City Assessor
Jay Heffern	City Attorney
Merry Keefe	City Clerk
Steven Bosacker	City Coordinator
Michael Browne (Interim)	Civil Rights Director
Gail Plewacki	Communications Director
Lee Sheehy	Community Planning and Economic Development Director
Jerry Gallagher	Convention Center, Director
James Clack (Interim)	Fire Chief
Gretchen Musicant	Health Commissioner
Pamela French	Human Resources Director
Gene Ranieri	Intergovernmental Relations Director
John Dejung	911/311 Director
Rocco Forte	Operations / Regulatory Services Director
Timothy Dolan	Police Chief
Steve Kotke	Public Works Director

Independent Boards/Agencies

Cora McCorvey	Public Housing Authority Executive Director
Jon Gurban	Minneapolis Park and Recreation Board Superintendent
Katherine G. Hadley	Minneapolis Library Board Director

**City of Minneapolis
FY 2007 Budget**

Budget Principles

1. Secure the City's long-term financial health.

- ◆ Plan budgets based on ten-year outlook.
- ◆ Balance budgets across all funds.

2. Live within our means

- ◆ Adopt a revenue and debt policy before making spending decisions.
- ◆ Adopt consistent budget policies across all city government units including independent boards.

3. Challenge assumptions – nothing is off the table.

- ◆ Development agency resources are City resources.
- ◆ Unexpected revenue sources go through the same budget process as other revenue.
- ◆ While some functions may be identified as core services, they will also be scrutinized for efficiencies like anything else.

4. Provide choices and competition.

- ◆ Departments will provide business plans that include feasible budget options to policymakers.
- ◆ Elected officials will make strategic resource decisions, not across-the-board cuts.
- ◆ Individual projects in a particular area must not be considered for funding independently of other projects.

5. Build in collaborative and transparent decision-making.

- ◆ Mayor will involve Council Members and independent agencies and boards in the development of the budget. Employee suggestions and the citizen survey will also be used.

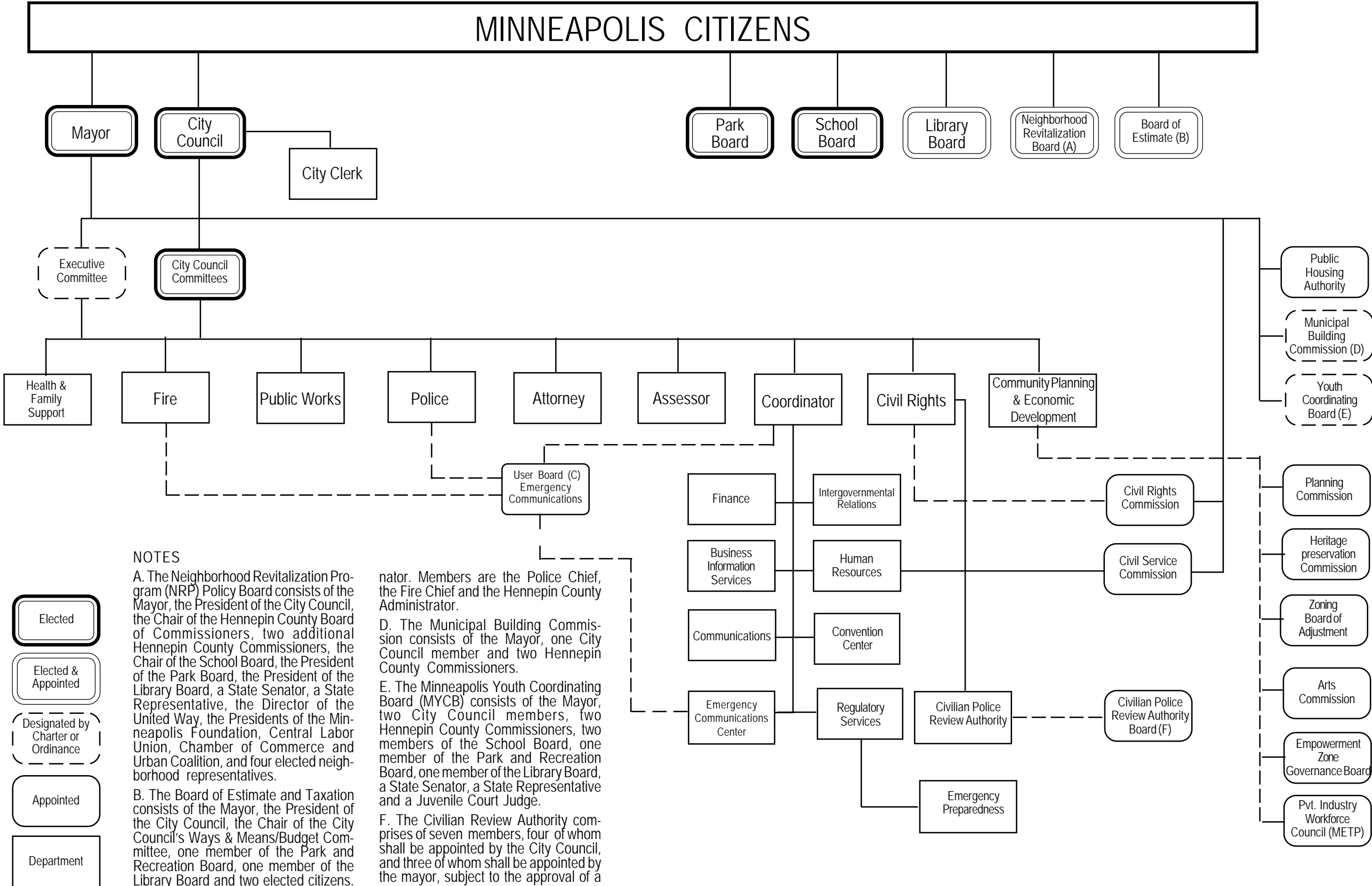
6. Protect core service delivery by avoiding duplication – both internal and external

- ◆ Between different City departments and agencies,
- ◆ With the County, the State, independent boards, or other levels of Government, and
- ◆ With non-profits or the private sector.
- ◆ Consolidation or realignment of critical functions is an option.

7. Demand accountability.

- ◆ Departments are expected to produce measurable outcomes (x dollars = y level of service). Failure to produce measurements will not result in escape from budget cuts.
- ◆ Department heads must manage to original budget.

City of Minneapolis



NOTES

A. The Neighborhood Revitalization Program (NRP) Policy Board consists of the Mayor, the President of the City Council, the Chair of the Hennepin County Board of Commissioners, two additional Hennepin County Commissioners, the Chair of the School Board, the President of the Park Board, the President of the Library Board, a State Senator, a State Representative, the Director of the United Way, the Presidents of the Minneapolis Foundation, Central Labor Union, Chamber of Commerce and Urban Coalition, and four elected neighborhood representatives.

B. The Board of Estimate and Taxation consists of the Mayor, the President of the City Council, the Chair of the City Council's Ways & Means/Budget Committee, one member of the Park and Recreation Board, one member of the Library Board and two elected citizens.

C. The Minneapolis Emergency Communications Center is managed by a User Board chaired by the City Coordinator.

D. The Municipal Building Commission consists of the Mayor, one City Council member and two Hennepin County Commissioners.

E. The Minneapolis Youth Coordinating Board (MYCB) consists of the Mayor, two City Council members, two Hennepin County Commissioners, two members of the School Board, one member of the Park and Recreation Board, one member of the Library Board, a State Senator, a State Representative and a Juvenile Court Judge.

F. The Civilian Review Authority comprises of seven members, four of whom shall be appointed by the City Council, and three of whom shall be appointed by the mayor, subject to the approval of a majority of the City Council.

Department of Communications,
612-673-2491 Aug. 2006



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Minneapolis
Minnesota**

For the Fiscal Year Beginning

January 1, 2006

President

Executive Director

**City of Minneapolis
FY 2007 Budget**

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City of Minneapolis FY 2007 Budget

How to Use This Document

The average printed budget book weighs four pounds. Printing of the book uses approximately a ream of paper per copy. But the budget book contents include some of the best sources of information on governmental activities as well as key financial information for policy makers and managers. The highlights below will guide the reader on where to find information in this book.

The different sections of the budget book give different views of the financial information and the policies and processes which lead to that information:

Introductory Section

This section, found before the first tab, includes lists of the City's elected officials, department and agency heads, the City's budget principles, and a City-wide organization chart.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Minneapolis, Minnesota for the Annual Budget beginning in January 1, 2006. In order to receive this award (which is found in this introductory section), a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one year. The City believes the current budget continues to conform to program requirements, and will submit the 2007 Adopted Budget to GFOA to determine its eligibility for another award.

The award for 2006 is the fifth such honor the City has received in consecutive years. Prior to the 2002 award, the City was last recognized by the GFOA for distinguished budget presentation in 1986. The City has received the GFOA's Certificate of Achievement for Excellence in Financial reporting for the Comprehensive Annual Financial Report (CAFR) for thirty-four years.

Section 1: Table of Contents

The table of contents allows the user of the document to pinpoint the page of a particular part of the City's budget.

Section 2: Background Information

This section contains a community profile of the City of Minneapolis, including an overview of the City's history, economy, population, and attractions. A map of Minneapolis Communities and Neighborhoods and descriptions of the City's form of government are included in this section. A chronology of financial decision making for the City is also included.

Section 3: Strategic Planning

The strategic planning section lists the set of City goals and strategic directions which was adopted by the Mayor and the City Council in June 2006. The Citywide strategic plan provides clear direction for departments' business planning efforts. Annual budget process, dates for this year's budget process, and a description of integration of key processes follow. The City's financial decision calendar displays the annual flow of these processes. Links between the City goals and department 2007-2011 business plan goals are described in this section.

Section 4: Financial Overview

The financial overview section summarizes the key decisions and financial issues addressed in this budget. This section

includes key charts and graphs which depict the different portions of the City's budget. Key revenue trends are depicted. A chart of the Minneapolis Tax Rates and Levies appears in this section, as well as a comparison of the Property Tax Rate and Utility Rate Comparison between 2006 and 2007.

This section also contains a summary of major decisions in the budget. Enterprise level challenges are also included in this section

Section 5: Financial Policies

This section presents the major financial policies adopted by the City Council and Mayor. Beginning with the 2006 budget, administrative policies relating to the operating and capital budgets are included in this section. In the past, these policies appeared as recurring footnotes to the budget resolutions.

Descriptions of the major City funds are included in this section, including a bird's eye view of the relationship between fund types, revenue sources, expenditures and departments/boards.

The section also includes the financial planning and policy resolution regarding the City's independent boards (2002), and the resolutions which set priorities on the City's development resources (2003).

Section 6: Financial Plans

Financial plans for the City's major funds and business lines are found in this section of the budget book. The Five Year Financial Direction begins this section. A summary of the demands on the property tax levy and elected officials' actions to date are included in this section.

For fund level plans, the budget, a three-year forecast and two years of actual expenditures are displayed on the financial page. These plans include narratives which summarize what operations are run in the

fund, historical financial performance, and 2007 expenses, revenues, transfers and debt service.

Section 7: Financial Schedules

These schedules summarize transfers, revenues by major category, expenditures by fund and agency, the CDBG program, Community Planning and Economic Development program allocations, and Full Time Employees (FTE's) by department. Summaries of major interfund transactions are also summarized. These schedules are referenced in the appropriation resolutions.

- **Schedule One** (Fund Summary – Changes to Fund Balance) is a high level view of the City's funds, including changes to fund balance.
- **Schedule Two** (Revenues by Fund and Type) summarizes each fund's revenue sources by major categories. A summary of all the City's revenue sources by major categories is included at the end of this schedule.
- **Schedule Three** (Expenditures by Fund and Agency) lists the total agency budget in each fund – this is a quick reference to find the bottom line appropriation in a fund for a department. The final two pages of this schedule include a summary by department in all funds.
- **Schedule Four** outlines the allocations by grant for the Community Development Block Grant, Emergency Shelter Grant, Housing Opportunities for People with Aids, the HOME program, and the American Dream Down payment Initiative (all U.S. Department of Housing and Urban Development grants.) A narrative history of the grant and its obligations are included at the beginning of the schedule. For information on the current consolidated plan for these grants, please see the consolidated plan publication available from the office of Grants and Special Projects.
- **Schedule Five** is a summary of all FTE's by department and agency.

This schedule includes footnotes explaining FTE changes.

- **Schedules Six and Seven** summarize the Community Planning and Economic Development department's housing and economic development project allocations.
- **Schedule Eight** summarizes the detailed purpose behind interfund transfers in the City's funds.
- **Schedule Nine** summarizes benefits administration fees charged to each department. These charges support the work of the Human Resources department.
- **Schedule Ten** summarizes Business Information Services charges included in each department's budget. These charges are based upon a rate model beginning in 2005.
- **Schedule Eleven** lays out the Equipment charges to each department by the City's Public Works – Equipment Services division.
- **Schedule Twelve** displays the charges to each department by the City's Public Works – Property Services division.
- **Schedule Thirteen** displays a potential allocation of existing revenue to City Hall departments for rent. This schedule is informational only. These rent charges are not actually implemented.
- **Schedule Fourteen** reviews the General Fund Overhead allocation and its staged implementation over the next several years.

Section 8: Capital Program

This section outlines the capital program, by funding source and in total. A narrative summarizes the program and presents operating cost impacts as described by those who applied for the funds.

Information about the City's debt – the legal debt margin, outstanding debt, amortization of the debt, and the bond redemption levy – is included in this section. A separate table of contents and glossary are included for this section.

The program is also summarized by the Commission, Board or Department which submitted the request. Each major program is also summarized. A five year total of the capital program and the allocation of the program are included. A presentation by amount requested by the department/agency, the Capital Long Range Improvement Committee recommendation, the Mayor's Recommend Budget, and the Adopted Budget follows.

Section 9: City Council Operating Departments

This section includes departments' financial summaries, including expenditures by type (*i.e.* salaries, benefits, contractual services and operating expenses) and fund. A report that summarizes the department's revenue estimate is also included. The department's positions are summarized.

The departments also prepare narrative summaries for their divisions, including primary businesses, links to City-wide goals, and performance measures. These summaries include a brief financial overview of the department prepared by Finance staff. Department's organizational charts are included in this section.

This is the largest section of the book because it provides the most detail on a department-by-department basis.

Section 10: Independent Boards and Agencies

This section provides information in a format similar to the City Council Operating Departments for independent boards and agencies. The amounts included are generally those most recently approved by the board of the organization.

Section 11: Glossary

A glossary is included for key financial and City terms. A more detailed glossary is available in the Red Book, published by the City Clerk's office.

**City of Minneapolis
FY 2007 Budget**

Background Information

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City of Minneapolis FY 2007 Budget Background Information

Community Profile

Minneapolis combines the Dakota word for water ("minne") with the Greek word for city ("polis"), a fitting name for a city with 22 of Minnesota's 12,034 lakes. Minneapolis is renowned for combining the best of urban life with the neighborhoods and quality of life found in smaller towns. Residents enjoy exciting cultural and recreational opportunities in beautiful natural surroundings.

History

In the mid-17th Century, French explorers searching for the Northwest Passage were the first Europeans to visit the region. In the 1820s, at the confluence of the Minnesota and Mississippi rivers, soldiers from Fort Snelling constructed a sawmill and a flourmill at the St. Anthony falls. By the 1850s, the village of St. Anthony had been established on the east bank of the Mississippi and the village of Minneapolis on the west bank. The two towns were soon linked by a suspension bridge. Minneapolis' first volunteer fire company was organized in 1862, and the community was incorporated as a city in 1867. In 1872, Minneapolis and St. Anthony were united to form one city.



Location

Minneapolis is the largest city in Minnesota and the center of finance, industry, trade and transportation for the Upper Midwest. At 44.58°–north latitude and 93.15°–west longitude, Minneapolis is 59 square miles (153 square kilometers), including 3.6 square miles (9.4 square kilometers) of inland water. It drapes along the banks of the nation's largest river, the Mississippi.



Climate

Minneapolis has an average annual temperature of 45° F (7° C). During an average winter, the temperatures can reach -20° (-29° C). Minneapolis has four distinct seasons, with moderate spring and fall weather. Summer is comfortable because lakes and trees serve as natural air conditioners.



Population

Minneapolis is home to an estimated 382,618 people (2000 Census). Males comprise 50.2% of the population, while females comprise 49.8%. Children and youth aged 19 and younger make up 25.7% of the population. Seniors age 65 and above, are 9.1% of the population. The median age is 31.2 years. African Americans comprise 18% of the population. People of American Indian and Alaska Native descent are 2.2% of the population. People of Asian ethnicity make up 6.1% of the population. The Hispanic population of Minneapolis is 7.6% of the total population.

Minneapolis is one of the cities in the country with the largest number of households with one individual – 40.3% of the households fit that description.

Economy

In the early years, Minneapolis' economy was based on a booming lumber industry and the processing of Minnesota grain with the tremendous power-generating capabilities of St. Anthony Falls. Large flourmills along the river evolved into the international corporations of Pillsbury, Washburn Crosby (General Mills) and Cargill.

Currently, the ten largest employers in the Twin Cities Metro Area include the following companies, most with major operations in Minneapolis:

Employer	Approximate Total Number of Employees
University of Minnesota	25,000
3M	12,200
Health Partners, Inc	9,600
Fairview University Medical Center	8,000
Methodist Hospital	7,000
West Publishing	6,000
Medtronic	6,000
Park Nicollet Health Services	6,000
United Parcel Svc	5,400
Piper Breast Center	5,300

State of Minnesota and US Government Employment Not Included

Source: www.acinet.org – State Profile - Minnesota – Largest Employers

As of 2005, the City's largest employment sectors were: Health care and social assistance (16%), professional and technical assistance (11%), finance and insurance (10%), and Educational service (9%). The fastest growing employment sectors from 2000 to 2004 were real estate, rental and leasing (28.9% growth, 1,330 new jobs) and arts, entertainment, and recreation (11.7% growth, 501 new jobs.) With twenty-one accredited colleges and universities, and four ABA-accredited law schools, Minneapolis' highly educated workforce continues to be a driving force of a strong



Abbott Northwestern Hospital
in South Minneapolis
Council Adopted Budget



City of Minneapolis FY 2007 Budget

Background Information

- Community Profile
- Communities and Neighborhoods Map
- Form of Government
- Chronology of Financial Decision Making

Retail Sales in Minneapolis for the past four years follow:

Year	Minneapolis Retail Sales (in billions)
2002	\$6.06
2003	\$5.55
2004	\$5.57
2005	\$5.81

Source: 2006 issue of *Sales and Marketing Management: Survey of Buying Power*



Neighborhoods

Minneapolis has 81 residential neighborhoods offering 172,747 housing units. Minneapolis is well known for its concerned and active citizenry which has engaged in partnerships with government and business to improve neighborhoods and create economic opportunities. The City shares the nation's current challenge to increase the number of affordable housing units.

Downtown

A downtown housing boom has increased downtown residents to an estimated 28,000, with projection of 30,000 by 2010. The majority of current residential projects are located in downtown. In addition to downtown residents, more than 163,000 people work in downtown Minneapolis. Second-story skyways keep downtown busy and thriving even on the coldest days. Nicollet Mall—a 12-block-long shopping area closed to automobile traffic and flanked by some of the nation's finest department stores and specialty stores—is the retail heart of Minneapolis. It also has Gaviidae Commons, City Center, and the Crystal Court.

The Arts

The Twin Cities is second only to New York in per capita attendance at theater and arts events. Minneapolis has more than 30 theaters. The Guthrie Theater and the Children's Theatre Company are recognized as two of the country's best. In June of 2006, the Guthrie Theater celebrated the opening of its brand new \$125 million theater on the banks of the Mississippi River on the northeastern edge of downtown. The City also boasts two world-class art museums, the Minneapolis Institute of Art and the new Walker Art Center, and is home to the internationally acclaimed Minnesota Orchestra. Neighborhood arts activities—festivals, galleries and events—play a growing role in resident art participation.



The Spoonbridge and Cherry sculpture, a Minneapolis icon found at Minneapolis Sculpture Garden



Education

Thirty-nine thousand students are enrolled in Minneapolis primary and secondary schools. Non-public primary and secondary school enrollment is about 7,000. The City offers several vocational training and specialty schools. The main campus of the University of Minnesota sits on the banks of the Mississippi just minutes from downtown. It is a major landgrant research institution with a long tradition of community and public service, and it ranks among the top 20 universities in the U.S. It is also one of the largest. Total enrollment in 2005 was 49,479. Other institutions of higher education in Minneapolis include: Minneapolis Community and Technical College, Dunwoody Institute, Minneapolis College of Art and Design, Augsburg College, Metropolitan State University, the University of Saint Thomas, and the College of Saint Catherine.

The Washington Avenue Bridge crosses the Mississippi River and connects the University's East and West Banks

Sports and Outdoor Recreation

Three major league teams call Minnesota home. At the Hubert H. Humphrey Metrodome, up to 55,000 fans can watch Major League Baseball's Minnesota Twins in action. In the spring of 2006, the state legislature approved a plan for a \$522 million Twins stadium to be located in the Warehouse District of Downtown Minneapolis, with construction scheduled to be completed in 2010. When the National Football League's Minnesota Vikings are in town, the Metrodome can seat 64,000 football enthusiasts. In 1990, the Target Center was constructed downtown for the Minnesota Timberwolves of the National Basketball Association. Minneapolis has the capacity to host large events at the City's Convention Center, which completed a major expansion in early 2002.



Hubert H. Humphrey Metrodome

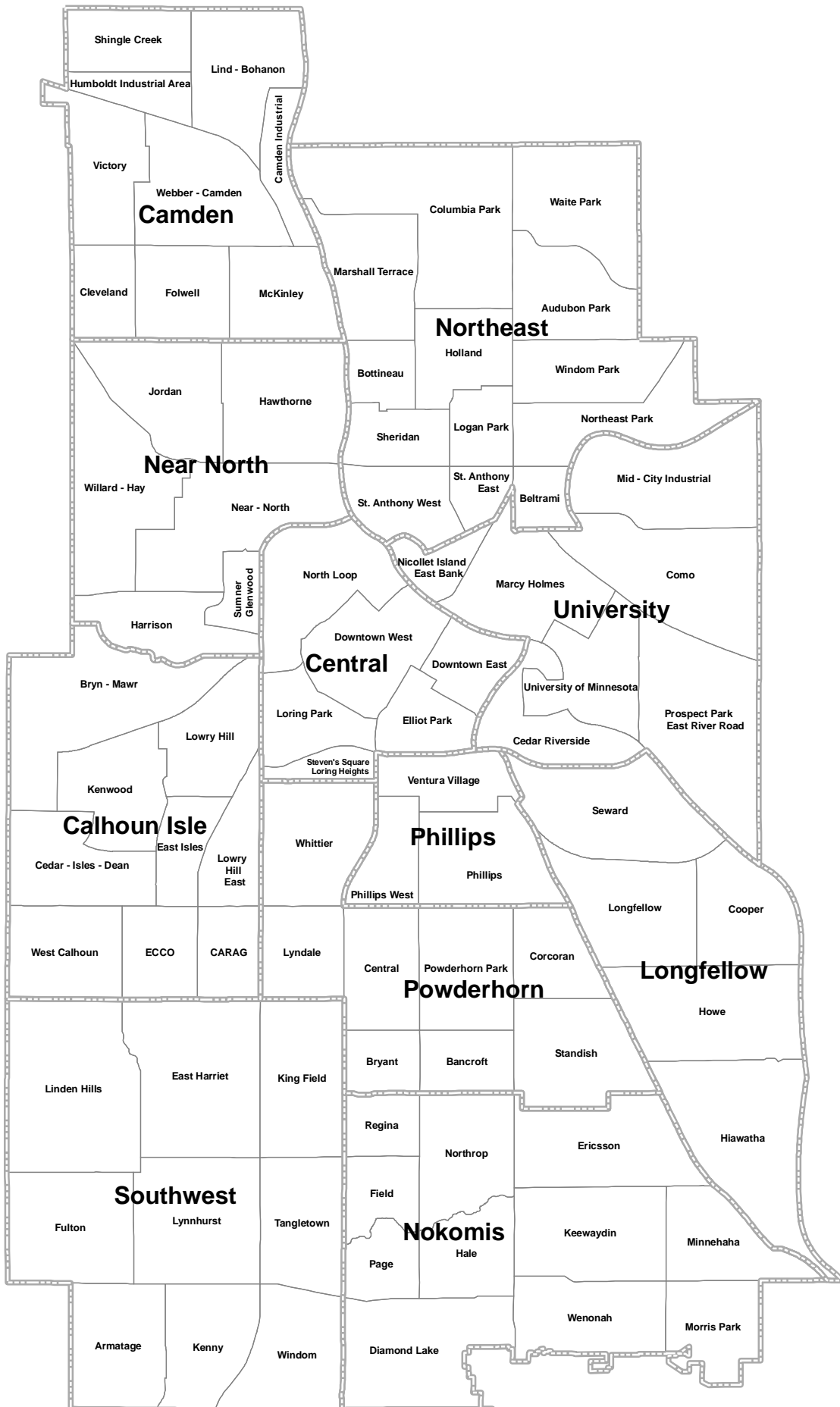
Minneapolis residents not only watch sports, they participate as well. In 2005, *Men's Fitness* magazine named Minneapolis "The Most Athletic City", "The City That Watches the Least TV", and #13 on "The Most Fit Cities" list. Playing in summer softball leagues, golfing, jogging, swimming, playing tennis, biking or rollerblading around the City's lakes are favorite pastimes. The City's Park and Recreation Board maintains 87 miles of walking and biking paths. The City also maintains 396 sports fields, 183 tennis courts, 6 golf courses, and 11 supervised beaches. In the winter, residents enjoy ice skating, ice fishing, skiing, and ice sailing. The City maintains 34 outdoor ice rinks. Early in Minneapolis' development, the



land around five large lakes was dedicated to the public as parkland. With one acre of parkland for every 60 residents, outdoor recreation is an important part of life, and it is estimated that a City park is ready for fun no more than six to eight blocks from every home.



MINNEAPOLIS COMMUNITIES AND NEIGHBORHOODS



**City of Minneapolis
FY 2007 Budget
Background Information**

Form of Government

The City is a municipal corporation governed by a Mayor–Council form of government. It was incorporated in 1867 and adopted a Charter on November 2, 1920. Thirteen City Council Members from individual wards and the Mayor are elected for terms of four years. There is no term limit on these positions. The Mayor and City Council are jointly responsible for the adoption of an annual budget and a five-year capital improvement program. As required by Charter, the Mayor is responsible for preparing an annual operating and capital budget recommendation for the City Council’s consideration. The Mayor has veto power, which the Council may override with a vote of nine members.

The City Finance Officer is charged with maintaining and supervising the various accounts and funds of the City as well as several boards and commissions. In addition, the City Budget Director is charged with assisting the Mayor, City Council and City departments in preparing the City’s annual capital and operating budget. The City Finance Officer reports to the City Coordinator, who is appointed by the Mayor and serves as Chief Administrative Officer of the City.

This Annual Budget Report for the City includes organizations for which the primary government is financially accountable and for which the nature and significance of their relationships with the primary government are such that exclusion could cause the City’s budget report to be misleading or incomplete. Below is a summary of the organizations reflected in the City’s Annual Budget Report, in addition to the primary government.

Blended Component Units

The following component units have been presented as blended component units because the component unit’s governing body is substantially the same as the governing body of the City, or the component unit provides services almost entirely to the primary government.

- ◆ ***Municipal Building Commission.*** The Municipal Building Commission (MBC) is an organization established January 4, 1904, by the State of Minnesota, to operate and maintain the Minneapolis City Hall/Hennepin County Court House Building, which was built pursuant to Chapter 395 of the Special Laws of 1887. The four commissioners are the Chairman of the Hennepin County Board of Commissioners, the Mayor of the City of Minneapolis, an appointee of the Hennepin County Board and an appointee of the Minneapolis City Council. The Mayor recommends the tax levy and budget for the City’s share of the MBC’s operations, and the City Council and Mayor approve the allocation of state local governmental aid to the MBC.
- ◆ ***Board of Estimate and Taxation.*** The Board of Estimate and Taxation (BET) is established under Chapter 15 of the City Charter. It is composed of seven members, two of whom are elected by voters of the City. The Mayor or the Mayor’s appointee, the President of the City Council and the Chair of the City Council’s Ways and Means/Budget Committee are ex-officio members of the Board. The Minneapolis Park and Recreation Board and



Minneapolis Library Board annually select one of its members to serve on the BET. By action of the City Council, or such other governing board of a department requesting the sale of bonds, the BET may vote to incur indebtedness and issue and sell bonds and pledge the full faith and credit of the City for payment of principal and interest. The BET also establishes the maximum property tax levies for most City funds and maintains responsibility for the internal audit function for the City, including boards and commissions that are component units of the City.

Discretely Presented Component Units

The following organizations are legally separate from the City, but they are included in the City's Annual Budget Report and Annual Financial Reports because the primary government is financially accountable.

- ◆ **Minneapolis Library Board.** The Minneapolis Library Board was established according to Chapter 17 of the City Charter. It is an eight-member board, six of whom are elected for four-year terms by voters of the City. The Mayor and the City Council each appoint one member. The Library Board is responsible for operating and maintaining libraries located throughout the City. The Mayor recommends the tax levies and budget for the Library Board, and the City Council and Mayor approve the allocations of local government aid from the state for Library Board operations. The Board of Estimate and Taxation approves the property tax levy for the Library Board, and the full faith and credit of the City secure debt issued for projects benefiting the Library Board. The City Finance Officer serves as Treasurer of the Library Board.



- ◆ **Minneapolis Park and Recreation Board.** The Minneapolis Park and Recreation Board was established according to Chapter 16 of the City Charter. The nine-member board is elected by the voters of the City and is responsible for developing and maintaining parkland and parkways, as well as planting and maintaining the City's boulevard trees. The Mayor recommends the tax levies and budget for the Park Board, and the City Council and Mayor approve the allocations of local government aid from the state for Park Board operations. All Park Board actions are submitted to the Mayor, and a mayoral veto may be overridden by a vote of two-thirds of the members of the Park Board. The Board of Estimate and Taxation approves the maximum property tax levy for the Park Board, and the full faith and credit of the City secure debt issued for Park Board projects. The City Finance Officer acts as Treasurer of the Park Board.



Related Organizations

The City's officials are also responsible for appointing members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments.

- ◆ **Metropolitan Sports Facilities Commission.** The Metropolitan Sports Facilities Commission (Commission) is an appointed authority established under 1977 Minnesota laws. Of the seven members of the Commission, the City of Minneapolis appoints six. The Chair, who must by statute reside outside Minneapolis, is appointed by the Governor. The Commissioners serve four-year terms and removal is for cause only. The primary responsibility of the Commission is to serve as owners, operators, and landlords of the Hubert H. Humphrey Metrodome Sports Facility in Minneapolis. Major current tenants of the

Metrodome Sports Facility are the Minnesota Twins, the Minnesota Vikings and the University of Minnesota Golden Gophers football team.

- ◆ **Minneapolis Public Housing Authority.** The Minneapolis Public Housing Authority (MPHA) is the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis. A nine-member Board of Commissioners governs MPHA. The Mayor of Minneapolis appoints the Board Chairperson and four Commissioners; four Commissioners (one of whom must be a public housing family-development resident) are appointed by the City Council. The mission of the MPHA is to provide well-managed, high-quality housing for eligible families and individuals; to increase the supply of affordable rental housing; and to assist public housing residents in realizing goals of economic independence and self-sufficiency.



Joint Ventures

The City is a participant in several joint ventures in which it retains an ongoing financial interest or an ongoing financial responsibility. One of these joint ventures is reflected in the Annual Budget Report for the City: Minneapolis Neighborhood Revitalization Board.

- ◆ **Minneapolis/Saint Paul Housing Finance Board.** The Minneapolis/Saint Paul Housing Finance Board was established in the early 1980s, in accordance with a Joint Powers Agreement entered into between the Housing and Redevelopment Authority of the City of Saint Paul and the Community Planning and Economic Development Department, and accepted by the cities of Minneapolis and Saint Paul under State of Minnesota laws. The Community Planning and Economic Development Department's oversight responsibility of the Board is limited to its governing body's ability to appoint only three of the six members of the Board. The territorial jurisdiction of the Board extends beyond the corporate limits of the City of Minneapolis.

- ◆ **Minneapolis Neighborhood Revitalization Policy Board.** The Minneapolis Neighborhood Revitalization Policy Board (NRPB) was established in 1990, in accordance with a Joint Powers Agreement entered into between the Hennepin County Board of Commissioners, the Board of Directors of Special School District No. 1, the Library Board, the Park Board and the Mayor and City Council under authority of State of Minnesota laws. The NRPB is composed of 20 members and includes public officials as well as representatives of neighborhood and community-interest organizations. The majority of members are persons other than the representatives of the jurisdictions that entered into the Joint Powers Agreement.



- ◆ **Minneapolis Youth Coordinating Board.** The Minneapolis Youth Coordinating Board (YCB) was established in the mid-1980s, in accordance with a Joint Powers Agreement entered into between the Hennepin County Board of Commissioners, the Board of Directors of Special School District No. 1, the Library Board, the Park Board, the Mayor and the City Council under authority of State of Minnesota laws. The YCB, which numbers 12 in size, includes the Mayor, two members each from the Hennepin County Board of Commissioners and the Board of Directors of Special School District No. 1, two representatives from the City Council, one member each from the Park Board and Library Board, one member each from the Minneapolis delegations to the Minnesota State House and Senate and a Judge assigned by the Chief Judge of the District Court.



**City of Minneapolis
FY 2007 Budget
Background Information**

Chronology of Financial Decision Making

1994	Agreement between the independent boards and the City on the division of Local Government Aid.
mid-late 1990's	Internal Service Funds deficits begin; COPS grant funds police expansion.
1997	First efforts to quantify and fund the Public Works infrastructure gap; attempt to increase pay as you go capital funding and reduce bonding.
1998-2000	Positive stock market returns leads to a reduction in the City's levy requirement for police and fire relief.
2000	Library referendum passes; mayor and Council agree to enhanced capital funding for the Park Board at a level above funding for City projects.
2001	City loses AAA rating from Moody's. Reason cited: internal service funds.
2001	Stock market falls – convention center and parking fund suffer directly from economic downturn; pension obligations escalate
2002	Adoption of maximum property tax increase policy; negative outlook from Fitch rating agency
2003	Adoption of Five-Year Financial Direction and Commitment to Business Planning; 2% Wage Policy; Local Government aid Reductions
2003	City uses 8% tax increase and 2% wage policy to manage employment costs during budget shortfalls
2004	Departments bring forward first five year business plans
2006	Fitch removes negative outlook; Moody's maintains Aa1 citing pent up internal demands for spending

**City of Minneapolis
FY 2007 Budget**

Strategic Planning

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➤ Aligning Departmental Goals to City Goals	21
➤ Business Planning Resolution	26

MINNEAPOLIS 2020 – A CLEAR VISION FOR THE FUTURE

Minneapolis is a vibrant and welcoming city that encourages learning and innovation and embraces diversity. A mixture of accessible housing, jobs and educational opportunities creates a livable city and stimulates growth. Neighborhoods give the comfort and safety of home while offering the connectedness of community. Thriving commercial areas are linked by state-of-the-art transit and generous green spaces. Renowned cultural and recreational activities entertain and inspire. Minneapolis is a valued state resource and a city people enjoy visiting and calling home. The City's future is shaped through thoughtful and responsible leadership in partnership with residents and coordinated with a regional vision.

FIVE-YEAR GOALS

A SAFE PLACE TO CALL HOME

HOUSING, HEALTH AND SAFETY

In five years all Minneapolis residents will have a better quality of life and access to housing and services; residents will live in a healthy environment and benefit from healthy lifestyles; the city's infrastructure will be well-maintained and people will feel safe in the City.

STRATEGIC DIRECTIONS

- A. GUNS, GANGS, GRAFFITI GONE
- B. CRIME REDUCTION: COMMUNITY POLICING, ACCOUNTABILITY & PARTNERSHIP
- C. LIFECYCLE HOUSING THROUGHOUT THE CITY
- D. "GET FIT" AND MAKE HEALTHY CHOICES
- E. YOUTH: VALUED, CHALLENGED & ENGAGED

ONE MINNEAPOLIS

EQUAL ACCESS, EQUAL OPPORTUNITY, EQUAL INPUT

In five years the gap will be closing for access to housing, health care, education and employment; diversity will be welcome, respected and valued; the city's middle class will be thriving; there will be living-wage jobs or entrepreneurial opportunities for everyone; all residents will have confidence in public safety services; and residents will have access to fair, open and transparent decision-making.

STRATEGIC DIRECTIONS

- A. CLOSE RACE & CLASS GAPS: HOUSING, EDUCATIONAL ATTAINMENT, HEALTH
- B. MIDDLE CLASS: KEEP IT, GROW IT
- C. EQUITABLE CITY SERVICES & GEOGRAPHICALLY PLACED AMENITIES
- D. ELIMINATE HOMELESSNESS
- E. DECONCENTRATE POVERTY

LIFELONG LEARNING SECOND TO NONE

SCHOOLS, LIBRARIES AND INNOVATION

In five years Minneapolis will provide a superior education for all students; literacy rates will be increasing; everyone entering adulthood will have the knowledge and skills to earn a living wage; educational resources will be a top priority; the city will fully realize the benefits of having renowned educational and research institutions such as the U of M; the wisdom of the senior population will be harnessed; and Minneapolis will be known as a center of ideas.

STRATEGIC DIRECTIONS

- A. ALL KIDS READY-TO-READ BY KINDERGARTEN
- B. ECONOMIC ENGINE: GENERATING IDEAS, INVENTIONS & INNOVATIONS
- C. 21ST CENTURY SKILLS FOR ALL 21 YEAR-OLDS
- D. EMBRACE THE U'S OUTREACH & LAND-GRANT EXPERTISE
- E. EDUCATION: STRONGER PARTNERSHIPS TOWARD BETTER RESULTS
- F. TAP THE CONTRIBUTION POTENTIAL AND WISDOM OF RETIREES & SENIORS

CONNECTED COMMUNITIES

GREAT SPACES & PLACES, THRIVING NEIGHBORHOODS

In five years, Minneapolis will be a connected collection of sustainable urban villages where residents will live within walking distance of what they need or of public transit; there will be a connected network of transportation options; streets will be destinations; a mix of unique small businesses will be thriving; and Minneapolis' neighborhoods will have unique identities and character.

STRATEGIC DIRECTIONS

- A. INTEGRATED, MULTIMODAL TRANSPORTATION CHOICES BORDER-TO-BORDER
- B. WALKABLE, BIKABLE, SWIMMABLE!
- C. CUSTOMER-FOCUSED, OUTCOME-BASED, PERFORMANCE-DRIVEN DEVELOPMENT SERVICES
- D. NORTHSTAR COMPLETED; CENTRAL CORRIDOR UNDERWAY; SW CORRIDOR FULLY-DESIGNED
- E. STREETS & AVENUES: REOPEN NICOLLET AT LAKE; REVITALIZE BROADWAY & LOWRY; REALIZE WASHINGTON BOULEVARD

ENRICHED ENVIRONMENT

GREENSPACE, ARTS, SUSTAINABILITY

In five years there will be plentiful green spaces, public gathering areas, celebrated historic architectural features and urban forests in Minneapolis; lakes, rivers and the soil and air will be clean; the city's parks and the Mississippi riverfront will be valued and utilized; opportunities to experience diverse cultures and the arts will abound; and usage of renewable energy will be increasing.

STRATEGIC DIRECTIONS

- A. ENERGY INTO RENEWABLE & ALTERNATIVE ENERGY
- B. REPLANT, RESTORE, REVERE OUR URBAN FOREST
- C. ARTS – LARGE & SMALL – ABOUND AND SURROUND
- D. UPPER MISSISSIPPI PLANNED AND PROCEEDING
- E. FULLY IMPLEMENT THE CITY'S CULTURAL & SUSTAINABLE WORK PLANS

A PREMIER DESTINATION

VISITORS, INVESTMENT AND VITALITY

In five years Minneapolis will be the economic leader in the region with vast potential for growth and development; investors will see Minneapolis as a sure thing; a distinctive mix of amenities, entertainment and culture will be available downtown and in Minneapolis neighborhoods; people who visit the city will want to come back; the city will be an attractive landing spot for people in all life stages and will be well-positioned for the creative class; and the country will see Minneapolis as a national treasure.

STRATEGIC DIRECTIONS

- A. RETAIN & GROW BUSINESSES IN LIFE SCIENCES & THE CREATIVE ECONOMY
- B. REPOSITION CITY IN MINDS OF REGION, STATE, NATION & WORLD
- C. CLEANER, GREENER, SAFER DOWNTOWN
- D. JOBS: BE A TALENT MECCA
- E. LEVERAGE OUR ENTERTAINMENT EDGE ... HECK, BE EDGY!

This city vision for the year 2020, the five-year goals and the strategic directions were developed and approved by the Minneapolis City Council in June 2006.

**City of Minneapolis
FY 2007 Budget
Strategic Planning**

Annual Budget Process

The City of Minneapolis annual budget process integrates information from the City's Enterprise Priority-Setting Process, Capital Long-Range Improvement Committee process and the Departmental Performance Review process to establish annual resource allocations.

March

Preliminary Year-End Budget Status Report

The Finance Department presents a year-end budget status report for the previous year to the Ways and Means/Budget Committee. This is a preliminary report because the audited Comprehensive Annual Financial Report (CAFR) is available in the second quarter of the year.

March–April

Capital Improvement Budget Development

The City has a five-year capital improvement plan. Annually, departments prepare and modify capital improvement proposals. The Finance Department, the City Planning Department and the Capital Long-Range Improvements Committee (CLIC) review capital improvement proposals. CLIC is the citizen advisory committee to the Mayor and City Council on capital programming.

Strategic Planning

The City engages in citywide strategic planning every four years that results in citywide goals and strategic directions. The citywide goals and strategic directions guide each department in developing their business plans. In 2006, the elected officials participated in three sessions: goal and vision setting, financial parameters review, and creation of strategic directions. These sessions resulted in a new mission, five year goals, and strategic directions.

April–June

Operating Budget Development

Departments work in coordination with the Finance Department to prepare department operating budget requests referred to as the "Current Service Level" (CSL). The Current Service Level Budget reflects the current year cost of providing the same level of service as provided in the prior year. In addition to preparing a Current Service Level budget, departments also prepare proposals that describe policy and the organizational changes with financial implications. The Current Service Levels and proposals form the basis for the Mayor's budget meetings with departments in June and July.

Business Planning

Each department maintains a five-year business plan. Departments are responsible for providing status reports on their plan each year as part of the budget process, based on the most current version of citywide goals and financial forecasts.

June–August

Mayor's Recommended Budget

The Mayor holds departmental budget hearings to review department budget proposals, other additional policy changes, and alternative funding choices. In addition to reviewing operating budgets, the Mayor meets with representatives from CLIC in preparation of finalizing the capital budget recommendation. Following the departmental budget hearings and meetings with CLIC, the Mayor prepares a final budget recommendation with the assistance of the Finance Department. The Mayor prepares and submits a budget to the City Council no later than August 15. The budget includes the Mayor's recommendation on annual property tax levy amounts.

September

Maximum Proposed Property Tax Levy

As required by State law, the maximum proposed property tax levy increase is set by September 15. The Board of Estimate and Taxation sets the maximum property tax levy. The Board of Estimate and Taxation must set a maximum property tax levy for the City, Municipal Building Commission, Public Housing Authority, Library Board and Park Board.

October–November

City Council Budget Review and Development

The City Council holds public hearings on the budget. Departments present their Mayor Recommended Department Budgets to the Ways and Means/Budget Committee with all Council members present. Following departmental budget hearings, the Ways and Means/Budget Committee approves and moves forward a final recommended budget to the City Council. The Committee recommended budget includes any and all changes that are made to the Mayor's Recommended Budget.

Truth in Taxation

"Truth in Taxation" property tax statements are mailed by Hennepin County to property owners indicating the maximum amount of property taxes that the owner will be required to pay. These statements also indicate when the Truth in Taxation public hearings will be held, which is in late November or early December as required by State law.

December

City Council Budget Adoption

The City Council adopts a final budget that reflects any and all changes made to the Mayor's Recommended Budget. Once the final budget resolutions are adopted, all requests from City departments for additional funds or positions made throughout the year are brought before the Ways and Means/Budget Committee and City Council for approval as amendments to the original budget resolutions.

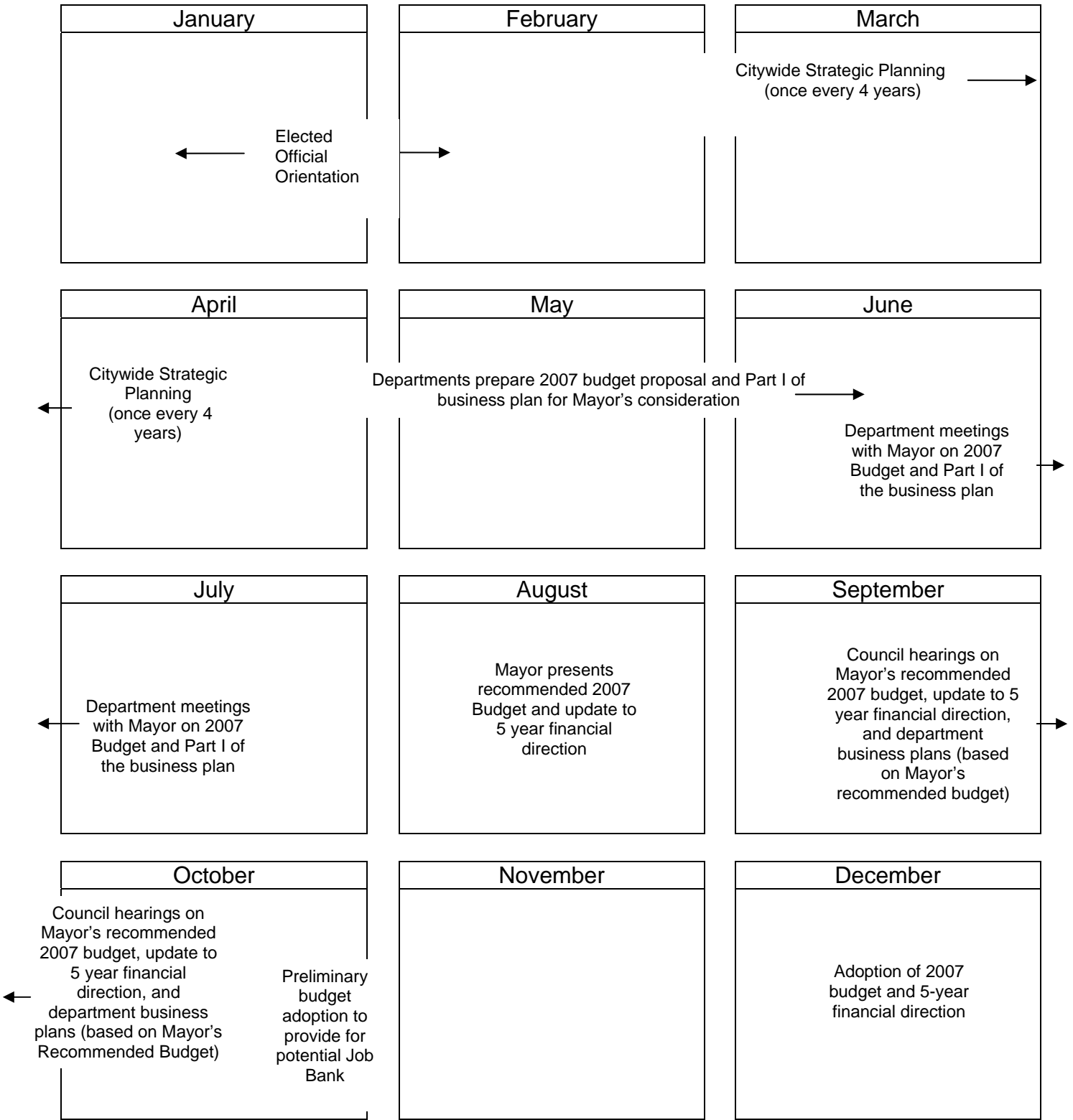
The independent boards and commissions adopt their own operating budgets.

Specific significant dates for 2007 budget adoption are as follows:

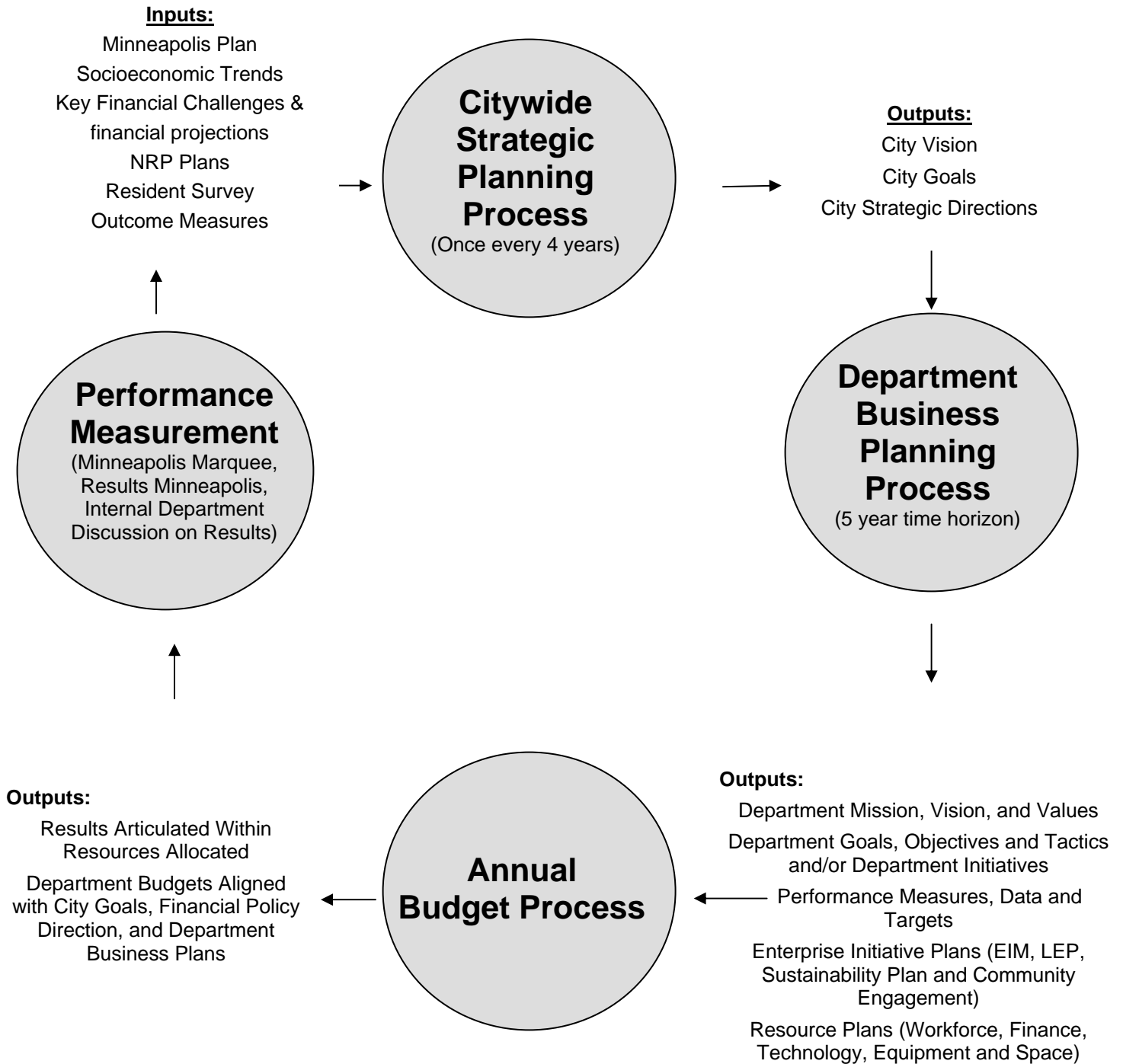
- April 12 State of the City Speech
- June 12 – Mayor will meet with each city department and the independent boards to
July 14 review 2007 budget proposals and business plan updates.
- July 17- Mayor finalizes the 2007 budget recommendation
Aug 15
- August 15 Mayor's 2007 Budget Recommendation presented to Council
- Early Sept Board of Estimate public hearing on 2007 maximum property tax levies
- Mid Sept Board of Estimate meeting to set the maximum 2007 property tax levies
- Sept - Ways and Means Hearings on the 2007 Budget and Business Plans
Oct (schedule to be determined by City Council)
- Oct Special City Council meeting to be called by the Mayor requesting Council action to provide preliminary approval of the 2007 budget, if needed*
- Late Nov Mark-up by Ways and Means Committee, with all Council Members invited to attend
- Nov 30 Truth in Taxation public hearing 5:05 pm
- Dec 11 Truth in Taxation continuation hearing (if needed) 5:05 pm
2007 official Council budget adoption 5:05 pm

*The Mayor's Budget Recommendation may contain layoffs, which will necessitate implementation of the job bank by November 1, 2006 to avoid even deeper cuts in 2007.

FINANCIAL/BUSINESS DECISIONS CALENDAR



INTEGRATING KEY CITY PROCESSES



City of Minneapolis FY 2007 Budget

Integrating Key City Processes

Setting priorities for the City is one of the most important responsibilities Minneapolis' elected officials have. These priorities are articulated and discussed through a number of different means: Citywide strategic planning, department business planning, the annual budget process, and performance measurement.

The diagram on the previous page illustrates the linkages among these key City processes. By fully integrating strategic planning, business planning, budgeting and performance measurement, Minneapolis has the opportunity to change the way it plans for the future and to ensure its efforts and resources are aligned in the same direction.

Citywide Strategic Planning

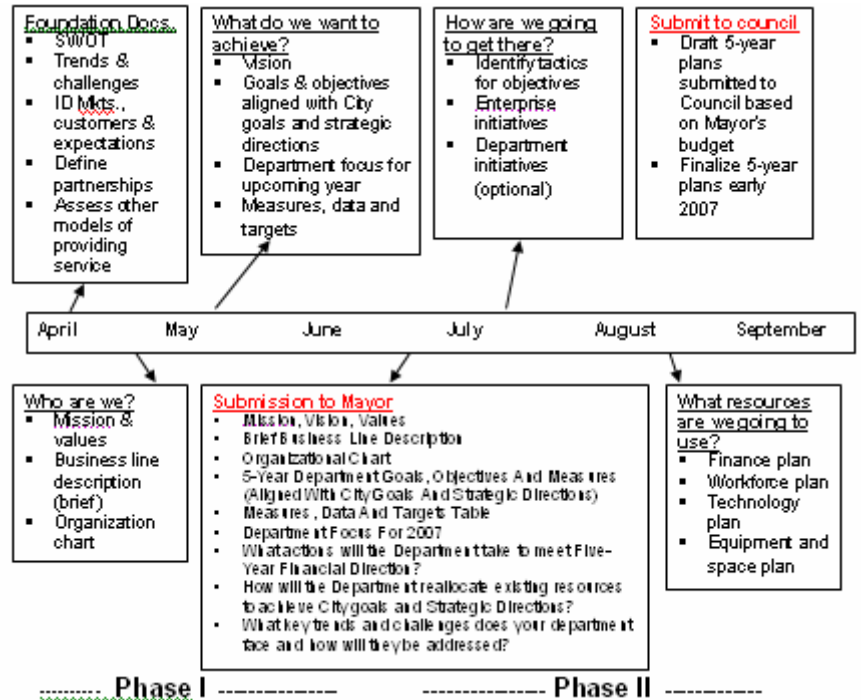
Strategic planning is a process in which an organization sets its long term future direction. It is a tool for assessing its current and future environment and for ensuring the organization's energies are focused toward achieving strategic goals.

In June 2006 the Mayor and the City Council adopted a new set of City Goals and Strategic Directions. This work builds on previous City goals and a resolution establishing commitment to business planning and five-year financial direction. This strategic policy direction serves as a guide by which all other policy decisions should be assessed. As elected officials and departments make decisions throughout the year, they should be asking: "Does this support the City's strategic plan?"

Department Business Planning

The development of the Citywide strategic plan is intended to provide clear direction for departments' business planning efforts. Through the strategic planning and budgeting processes, departments have been given direction as to City priorities and their projected level of resources over the next several years, and now have the opportunity to structure their business plans accordingly. A department's business plan will articulate the alignment of its services with the Citywide strategic plan.

Business planning is a process that provides both strategic and tactical direction to City departments. A business plan is a mid-range plan (5-year planning horizon) that aligns department services with City strategic goals. A business plan addresses what the department does; what it is trying to achieve; how to achieve it; what resources to use; and how it will know when it has been successful.



Long-Term Timeline for Business Planning

The City will be moving from asking departments to complete annual re-writes of their business plans to the development of one five- year 2007-2011 Business Plan followed by expanded annual budget submissions beginning in 2007 (for the 2008 budget cycle). The annual budget submissions beginning in 2007 will include annual business plan status reports and serve as departments’ annual articulation of progress and focus. This cycle is depicted below.

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2006				5-Year 2007-2011 Business Plans						Council Consideration		
2007				2008 Budget and Status Report 2007						Council Consideration		
2008				2009 Budget and Status Report 2008						Council Consideration		
2009				2010 Budget and Status Report 2008						Council Consideration		
2010											Election	

The Annual Budget Process

Minneapolis’ annual budget process is when the Mayor and City Council articulate their priorities for the upcoming year by allocating City financial resources accordingly. As Minneapolis moves toward better integration of its City processes, the annual budget process should become more straightforward. As noted in the long-term timeline for business planning (attached) the intent is for the budget and business planning processes to be fully integrated starting in 2007.

As stated above, during the strategic planning process, departments are given the projected level of financial resources to expect over the next several years – they will then be able to develop their business plans in accordance with these projections. Resource allocations will flow from the business plans – departments’ annual budgets then will flow from their longer-term financial plans.

Performance Measurement

Performance Measurement is how we know when we have done the right things to achieve our goals and how we know when we have done those things right. A successful performance measurement system can lead to continuous improvement of program performance, improved customer service, strengthened accountability, and empowered employees.

By including performance data in the budget process, the City expects to make better informed budget decisions. Performance measures can assist in keeping budget discussions focused on expected outcomes, allowing for greater creativity in how those outcomes are achieved. Finally, performance measures can give both the policy makers and department management the language they need to have a discussion about what resources are needed and why.

In addition to incorporating performance measures into the budget process, the City has recently begun an effort called *Results Minneapolis*. *Results Minneapolis* is a performance measure

accountability effort whereby each City department stands before a peer review panel at least semi-annually to discuss progress on the departments' most critical outcome measures.



What is "Results Minneapolis?"

Results Minneapolis is a management tool Minneapolis city leaders use to monitor progress and offer strategic counsel toward achieving the City's recently adopted five-year goals and 20-year vision. The six city goals are:

- A SAFE PLACE TO CALL HOME - HOUSING, HEALTH AND SAFETY
- ONE MINNEAPOLIS - EQUAL ACCESS, EQUAL OPPORTUNITY, EQUAL INPUT
- LIFELONG LEARNING SECOND TO NONE - SCHOOLS, LIBRARIES AND INNOVATION
- CONNECTED COMMUNITIES - GREAT SPACES & PLACES, THRIVING NEIGHBORHOODS
- ENRICHED ENVIRONMENT - GREENSPACE, ARTS, SUSTAINABILITY
- A PREMIER DESTINATION - VISITORS, INVESTMENT AND VITALITY

How does *Results Minneapolis* monitor progress?

A review panel of city leaders meets with a different department head each week to track progress and discuss strategies on key performance measures. The discussions are meant to be probing, informative and at all times constructive. By regularly tracking performance data at "progress conferences," city leaders can identify areas where the City is excelling, as well as opportunities for improvement.

How does *Results Minneapolis* help us to meet goals?

Monitoring performance helps city decision-makers to be more effective by providing the information they need to proactively implement management changes for improved results. *Results Minneapolis* ensures that all managers are focused on achieving common outcomes and resources are aligned with the greatest needs of the City.

Why does the city need *Results Minneapolis*?

In a word – accountability. After several years of business planning and performance measurement at the City, *Results Minneapolis* provides the next step in institutionalizing a results-focused, accountable and more transparent government.

How was *Results Minneapolis* developed?

Results Minneapolis is patterned after the Citistat program, a nationally recognized accountability tool pioneered in Baltimore. The method was originally based on ComStat, which was developed by the New York City Police Department and helped reduce crime through accountability sessions.

How can I get more information about *Results Minneapolis*?

Information about city goals and department business plans is available at: <http://www.ci.minneapolis.mn.us/results-oriented-minneapolis/>

**City of Minneapolis
FY 2007 Budget**

**Department 2007-2011 Business Plan Goals
and Related City Goals**

CITY GOALS REFERENCE KEY:

Goal 1 Safe Place to Call Home



Goal 2 One Minneapolis



Goal 3 Lifelong Learning Second to None



Goal 4 Connected Communities




















Goal 5 Enriched Environment


















Goal 6 A Premier Destination
















Department	Department Goals	Related City Goal(s)
911	Improve effectiveness & efficiency of 911 & 311 business processes	
	Semper Paratus (always ready) for 911	
	Ensure a highly qualified, trained and diverse workforce in 911 and 311	
	Expand 311 Center services; ensure it becomes THE de facto non-emergency gateway for city information and services	
Assessor	Provide value-added services to taxpayers	
	Improve the efficiency and effectiveness of business processes	
	Maintain a competent, positive and fully staffed workforce	
Attorney	Reduce crimes that occur in the City	
	Improve efficiency and responsiveness of the criminal justice system.	
	Continue active collaboration with neighborhoods on community justice	

BIS	Lead change and improve business process outcomes	
	Ensure business of BIS runs smoothly and effectively	
	Implement technology solutions that meet business and citizen needs	
	Provide cost effective, efficient and reliable information and consultation services	
Clerk	Provide administrative services to the City Clerk and Council offices, City boards and commissions	
	Create an atmosphere that honors the unity, commitment, diversity and professionalism of our workforce and the public	
	Increase access to information	
	Provide cost effective and efficient copying and bindery services for City departments	
	Meet the voting needs of residents relating to the election process	
	Facilitate voter participation	
	Generate revenue	
	Guide the City's management of electronic and paper records to comply with State and Federal regulations	
Civil Rights	Enforce the Minneapolis Civil Rights Ordinance prohibiting discriminatory practices	
	Conduct investigations under Title 9, Chapter 172 of the Minneapolis Civilian Police Authority Ordinance	
	Enhance relationships with advisory councils, community groups and other stakeholders in order to advocate for social justice and systems change	
	Insure equal and timely access to City Services, Decision-making Processes and Resource Opportunities for all customers	
	Enforce the Minneapolis Civil Rights ordinance investigating and eliminating the underemployment of protected classes with our marketplace	
	Proactively support workforce diversity in the City of Minneapolis by establishing and monitoring employment hiring goals	
Communi-cations	Effectively tell the City's story to its internal & external customers Enhance and standardize community engagement practices	

	Enhance and standardize community engagement practices (continued)	
Coordinator	Shape, monitor progress, and support the implementation and achievement of the City's goals and strategic directions	
	The City's management practices are continuously improving, and outcome and customer focused.	
	Convene, coordinate and strategically manage multi-jurisdictional and inter-departmental efforts to successful outcomes.	
CPED	Promote private sector growth to build a healthy economy	
	Plan and develop a vibrant, sustainable community	
	Develop and preserve life-cycle housing throughout the City	
	Promote economic self-sufficiency for individuals and families	
	Partner effectively to promote regional growth and investment	
Finance	Ensure the City's financial stability through informed decision making, aligning with the City priorities	
	Improve efficiency and effectiveness of Finance department by improving the business processes and the workforce	
Fire	Provide effective customer service	
	Reduce risk to employees	

	Reduce risk in the community	
	Provide good value to the taxpayers	
Health & Family	Improve infant & child health	
	Youth development and violence prevention	
	Improve teen & young adult sexual health	
	Increase exercise & healthy nutrition	
	Assure maintenance of healthcare safety net for underserved populations	
	Assure preparedness for public health emergencies – today and into the future	
Human Resources	The City of Minneapolis has a work environment and diverse workforce that fosters success	
	Provide departments the information and strategic support they need to make informed and timely business decisions	
	Assist departments in the hiring and development of a workforce to achieve City, department and individual goals	
	Provide the City and its employees a competitive compensation program	
Intergovernmental Relations	Resources will be found to fund all city priority projects	
	Grant funds will be used to expand opportunities for all city residents	
	In 5 years there will be a 50% reduction in homelessness, ultimately transitioning our system from one that manages homelessness to one that ends homelessness for singles, families and youth by the end of 2016	

	Maximize the positive impact of legislation to the city	
Police	Prevent and reduce crime	
	Ensure effective prosecutions	
	Increase community satisfaction with their police department	
	MPD culture promotes satisfaction, professionalism and professional growth	
Public Works	Integrate Department operations with enterprise-wide initiatives	
	Improve efficiency and effectiveness of overall business practices	
	Maintain customer centric business approach with internal and external customers, and employees	
	Protect and enhance livability, safety and environmental conditions of the City	
	Maintain/enhance the City's infrastructure (including facilities, equipment, streets, traffic, water systems, and sewer systems)	
Regulatory Services	Customer focused services	
	Efficient, effective delivery of services	
	Safe and productive work environment	

INTRODUCED BY COUNCIL MEMBERS OSTROW, JOHNSON, AND LANE

**COUNCIL RESOLUTION ESTABLISHING COMMITMENT TO
BUSINESS PLANNING AND FIVE YEAR FINANCIAL DIRECTION
(January 31, 2003)**

Whereas:

- The Council adopted and the Mayor approved a long-term (year 2010) property tax policy, which established the maximum annual revenue to be provided for from the property tax.
- The Council and Mayor adopted budget principles, which support long-term financial planning.
- The Council and Mayor want to provide financial resource direction, within the limits of the adopted tax policy, to departments as input into developing long-term (five-year) operating plans for the businesses of the City.
- The Council and Mayor believe that departments will be able to prepare better work force plans, and communicate anticipated service activity levels if they have better information on what to anticipate with respect to future resources.

Now Therefore Be It Resolved as Follows by the City Council:

- The City departments will prepare business plans with a five-year planning horizon. In connection with the 2004 budget, all departments will have a plan completed by year-end 2003. Each of these plans will be presented to the Mayor and Council for review and approval by no later than the end of First Quarter 2004.
- The Mayor, Council President, and Chair of Ways and Means/Budget Committee, and the Ways and Means/Budget Committee will provide specific direction to the departments concerning process, form, and time-line for completion of business plans.
- The City departments' business plans will reflect the allocation of general city revenues and property tax revenue provided for in the financial schedules included as an integral attachment to this resolution.

**City of Minneapolis
FY 2007 Budget**

Financial Overview

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**City of Minneapolis
FY 2007 Adopted Budget**

**Financial Overview
Prepared by the City of Minneapolis Finance Department**

The 2007 Adopted Budget for all City funds remains at \$1.24 billion with a slight 0.4% increase in spending from the 2006 Adopted Budget.

When including transfer expense between City funds, the total Adopted Budget is \$1.34 billion. This represents a decrease of \$3.9 million or 0.29%.

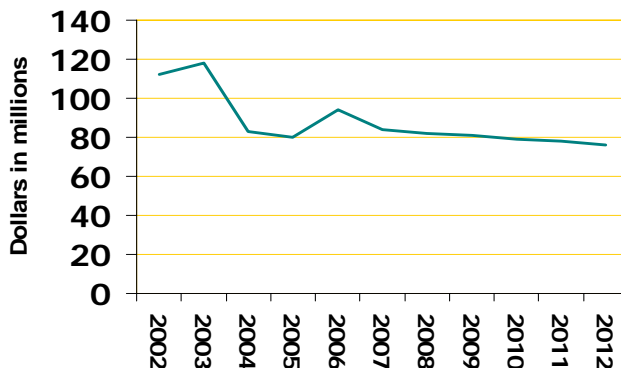
Major Highlights

The 2007 Adopted Budget builds on many of the significant organizational and financial changes that have occurred in recent years. It is important to be aware of these major changes when making comparisons between budget years.

The major changes include:

- **The Adopted Budget maintains the financial discipline of the 8 percent property tax levy and the 2 percent limit on wage growth for all unsettled labor contracts.** This sets the parameters for the level of spending for all departments in the five-year financial direction. Ongoing budget pressures make this continued financial discipline critically important.
- **The Adopted Budget reflects a decrease in Local Government Aid.** The City of Minneapolis LGA total for 2007 is \$83.98 million, a \$10 million decrease from the prior year. Of the \$10 million decrease, \$8.1 was one time funding for 2006, and \$1.9 million resulted from a change in the formula to calculate a City's share of LGA. The Adopted Budget includes a reduction of \$400,000 in Local Government Aid over the level planned in the five-year financial direction. The City's portion is reduced by \$300,000 in 2007.

Citywide LGA 2002-2012



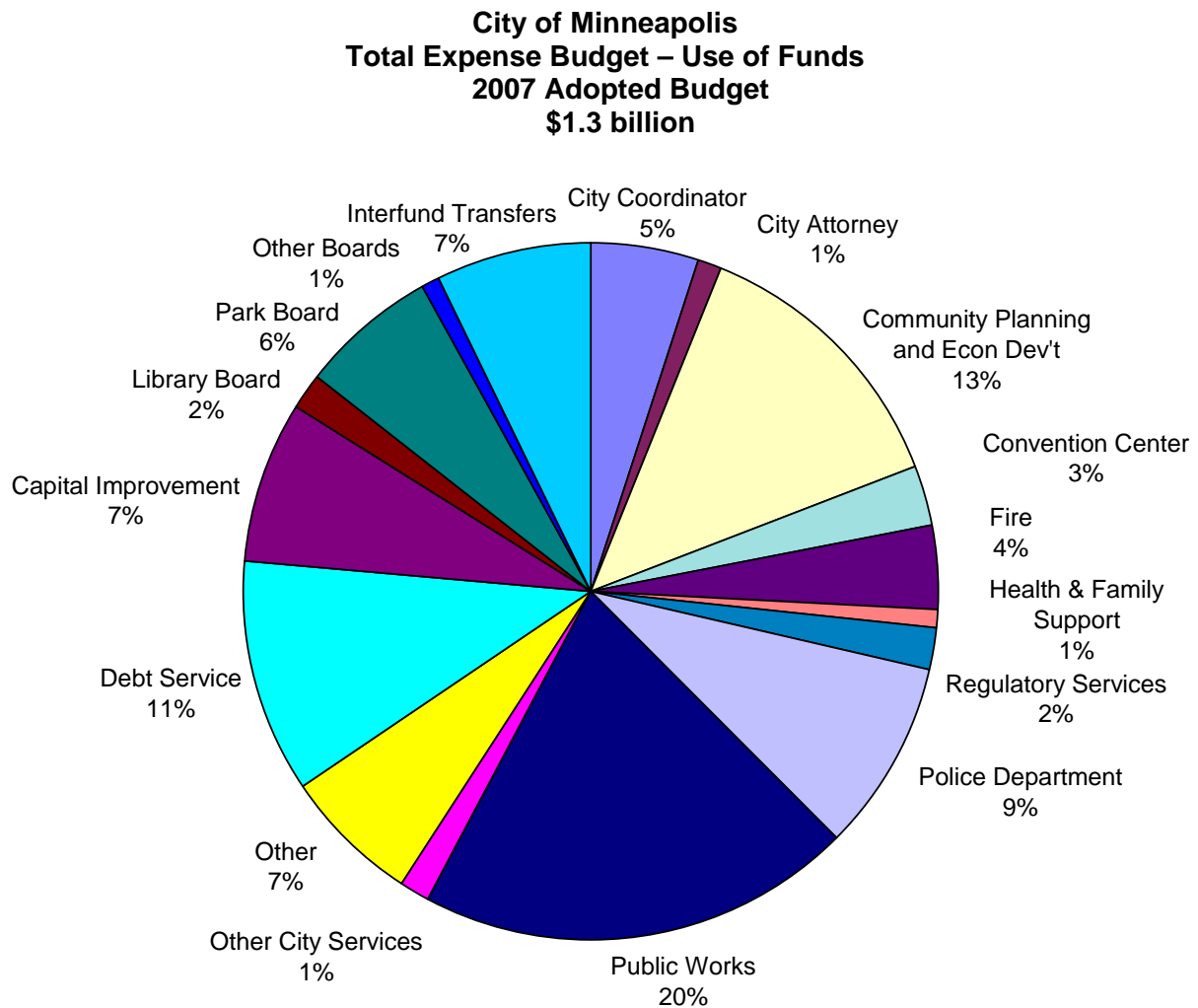
- **The Adopted Budget prioritizes pay down of pension debt.** As a result of reducing and paying down pension debt, an additional \$7.6 million in property tax revenue is

available in the General Fund. Further, the Adopted Budget commits \$3 million in one-time resources to reduce the need for issuance of property-tax supported pension debt.

- **The Adopted Budget plan from 2008 to 2012 contains updates to department resources.** The Adopted Budget’s five-year financial plan maintains structural balance in all five years. Estimated changes related to revenue loss from the decertification of TIF districts is now included in 2011 and beyond.

City Spending

Below is a summary of the 2007 Adopted Budget by major spending categories, which includes transfers between funds and the independent boards.



City of Minneapolis Expenditures by Service (in millions of dollars)

	2006	2007
	Adopted	Adopted
	Budget	Budget
City Coordinator (excluding Regulatory Services) ¹	\$ 68.1	\$ 67.8
Attorney	12.6	12.9
Community Planning and Economic Development	180.8	176.2
Convention Center	35.9	35.5
Fire	50.5	52.1
Health and Family Support	12.9	13.6
Regulatory Services	25.4	25.7
Police	115.5	119.7
PW - Field Services	29.2	31.7
PW - Sewer, Stormwater, Flood Mitigation	43.9	45.5
PW - Solid Waste and Recycling	27.8	28.6
PW - Transportation	53.4	55.2
PW - Water Treatment and Distribution	43.3	42.1
PW - Other (includes Internal Services)	71.0	69.8
Public Works Subtotal	\$ 268.6	\$ 273.0
Other City Services ²	14.1	15.2
Other ³	70.3	87.9
Debt Service (including Enterprise Funds) ⁴	150.0	144.2
Capital Improvement (including Enterprise Fund Capital)	114.9	99.6
Subtotal	\$ 1,119.5	\$ 1,123.3
Independent Boards:		
Library Board	22.0	23.7
Park Board	83.8	84.6
Youth Coordinating Board	2.5	2.0
Other Boards ⁵	10.1	9.8
Subtotal	\$ 118.5	\$ 120.1
Total Expenditures (without Transfers)	\$ 1,238.0	\$ 1,243.4
Transfers to other funds	106.7	97.7
Total Expenditures with Transfers	\$ 1,344.7	\$ 1,341.0

Note: See “City Council Operating Departments” and “Independent Boards and Agencies” sections in the budget document for further explanation of changes between years.

¹ Includes Human Resources, Finance, 911/311, Intergovernmental Relations, Communications, and BIS.

² Includes Assessor, City Clerk/Elections/Council, Civil Rights and Mayor.

³ Includes Nondepartmental, Health and Welfare, Workers’ Compensation, Liability, Contingency and pensions.

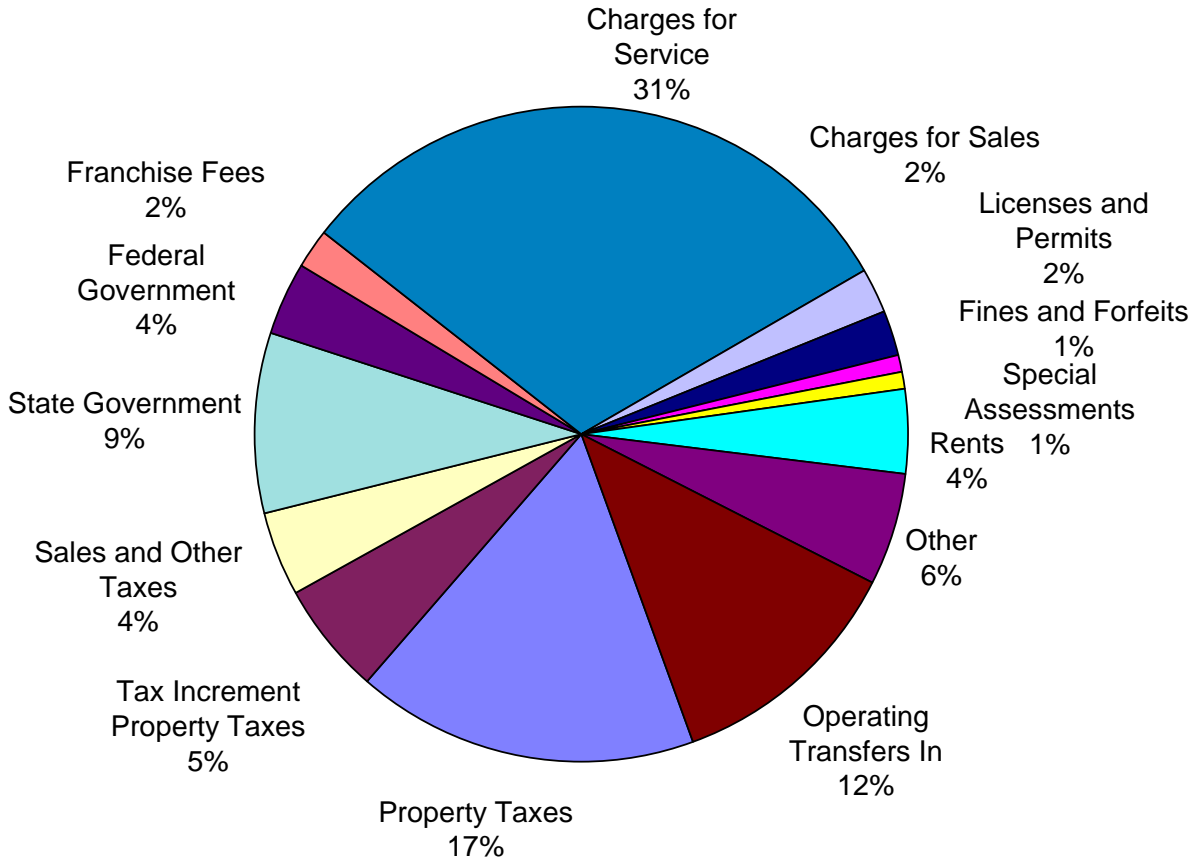
⁴ Does not include debt service paid directly from proprietary funds or by independent boards.

⁵ Includes Neighborhood Revitalization Program, Board of Estimate and Taxation, and Municipal Building Commission.

City Sources of Revenue

Below is a summary of the 2007 Adopted Budget revenues by major category.

City of Minneapolis Total City Revenue Budget – Source of Funds 2007 Adopted Budget \$1.4 billion



In 2007, the City of Minneapolis projects \$1.4 billion in revenue from a variety of sources. It is important to note that many of the City's revenue sources are restricted, meaning they are required to be spent in defined areas or on specific programs or projects. This limits the City's ability to apply the revenue to other departments or programs. The City charges fees for services such as water, sewer and garbage pickup, but State law requires that these fees be no higher than the cost of providing those services. For example, the City cannot raise water bills to pay for Citywide police services.

Grants and transfers from the Federal Government and other units of government are also usually designated for specific needs and purposes. If the City does not spend such grants for their designated purpose, the City will not receive the grants. Some cities increase their revenues through assessments, which are also tied to specific purposes like street or sidewalk maintenance. Bond proceeds must go to purposes for which the debt was incurred. Sales tax revenue is dedicated to the Convention Center by State law. Like many Minnesota cities, Minneapolis pays for other City services (police, fire streets, parks, libraries, etc.) with property taxes and LGA.

City of Minneapolis Revenue by Major Category (in millions of dollars)

	2006 Adopted Budget	2007 Adopted Budget
Property Taxes ¹	\$ 210.9	\$ 228.3
Tax Increment Property Taxes	67.9	72.3
Sales and Other Taxes	55.2	56.7
State Government	142.3	118.0
Local Government	5.9	9.1
Federal Government	46.4	48.3
Franchise Fees	22.3	27.1
Charges for Service	391.6	417.0
Charges for Sales	19.0	31.8
Licenses and Permits	25.9	27.0
Fines and Forfeits	11.3	11.3
Special Assessments	20.8	13.3
Interest Income	2.9	1.3
Rents	53.4	54.4
Other ²	108.9	75.3
Subtotal	\$ 1,184.6	\$ 1,191.1
Transfers from Other Funds	147.6	159.2
Total Revenues³	\$ 1,332.2	\$ 1,350.4

Franchise fees are paid by various utility companies for their use of City rights-of-way. Franchise fees are a percentage of total utility revenues. Therefore, the City's collections vary directly with the paying utility's gross revenues.

There are four franchise agreements which provide revenue for the City:

The franchise agreement with Xcel Energy for electricity requires payment of 5% of gross revenues for residential service customers, 3% of gross revenues for commercial/industrial customers, and 5% of gross revenues on small commercial/industrial customers. This franchise agreement expires on December 31, 2014. For 2007, the City is anticipating \$13.5 million in revenues from this agreement. Xcel does not provide natural gas services in Minneapolis.

The franchise agreement with CenterPoint Energy requires payment of 4.25% of gross revenues for residential buildings with four units or less, 5% for small commercial/ industrial/firm or interruptible customers, and 3% for large volume interruptible customers. This franchise agreement expires on December 31, 2015. For 2007, the City is anticipating \$11 million in revenues from this franchise agreement.

The City also has two smaller franchises. The bus stop advertising franchise generates approximately \$110,000 in revenues. The City's cable franchise is anticipated to generate \$2.5 million from cable television service in 2007.

The 2007 Adopted Budget anticipates the total franchise fee revenue to reach \$27.1 million, \$4.8 million higher than the 2006 Adopted Budget. This is a return to 2005 levels.

¹ Property taxes are budgeted at 98 percent of the gross levy to reflect anticipated delinquencies.

² Other includes gains, contributions, other miscellaneous revenues, and proceeds from long-term liabilities.

³ Total expenditures do not equal total revenue, which represents the annual budgeted change in fund balance. The change in fund balance is mostly due to timing of capital projects and bond issuance.

Budget by Fund

The City uses different “funds” to account for expense and revenue associated with the various services provided. The **General Fund**, where the City accounts for most property tax supported services, represents 25 percent of the 2007 Adopted Budget, as compared to 24 percent in 2006.

The **Enterprise Funds** include services that the City provides that operate more like a “business” in that they are expected to generate a profit to cover capital purchases and related debt service requirements. Enterprise services of the City include sanitary sewer services, stormwater management, flood mitigation, water treatment and distribution, solid waste and recycling, and parking.

Internal Services Funds are similar to Enterprise Funds in that they are used to account for business-like services that the City provides. However, Internal Service Funds’ primary customer is other City departments. Internal services include such services as information technology, equipment rental (e.g. police squad cars and fire equipment), facility fees and workers compensation insurance.

Other Funds includes Special Revenue Funds where the proceeds of specific revenue sources are restricted to expenditures for specific purposes. Services accounted for in the Other Funds include such services and operations as the Minneapolis Convention Center and other grant funded services.

The **Independent Boards** include the Board of Estimate and Taxation, Library, Park, Minneapolis Public Housing Authority, Neighborhood Revitalization Program, Municipal Building Commission, and Youth Coordinating Board.

City of Minneapolis Budget by Fund (in millions of dollars)

	2006 Adopted Budget	2007 Adopted Budget	2007 as % of Total
Expenditures:			
General Fund	\$ 318.5	\$ 327.9	24.5%
Enterprise Fund	\$ 280.0	\$ 285.3	21.3%
Internal Service Fund	\$ 174.4	\$ 194.3	14.5%
Special Revenue Fund	\$ 183.0	\$ 164.2	12.2%
Capital Projects Fund	\$ 152.4	\$ 132.2	9.9%
Debt Service Fund	\$ 118.0	\$ 117.0	8.7%
Independent Board Funds	\$ 118.5	\$ 120.1	9.0%
	\$ 1,344.7	\$ 1,341.0	100.0%
Revenues:			
General Fund - City	\$ 318.5	\$ 327.9	24.3%
Enterprise Fund	\$ 277.6	\$ 282.7	20.9%
Internal Service Fund	\$ 173.1	\$ 204.5	15.1%
Special Revenue Fund	\$ 192.1	\$ 171.4	12.7%
Capital Projects Fund	\$ 140.7	\$ 126.2	9.3%
Debt Service Fund	\$ 112.4	\$ 120.0	8.9%
Independent Board Funds	\$ 117.9	\$ 117.7	8.7%
	\$ 1,332.2	\$ 1,350.4	100.0%

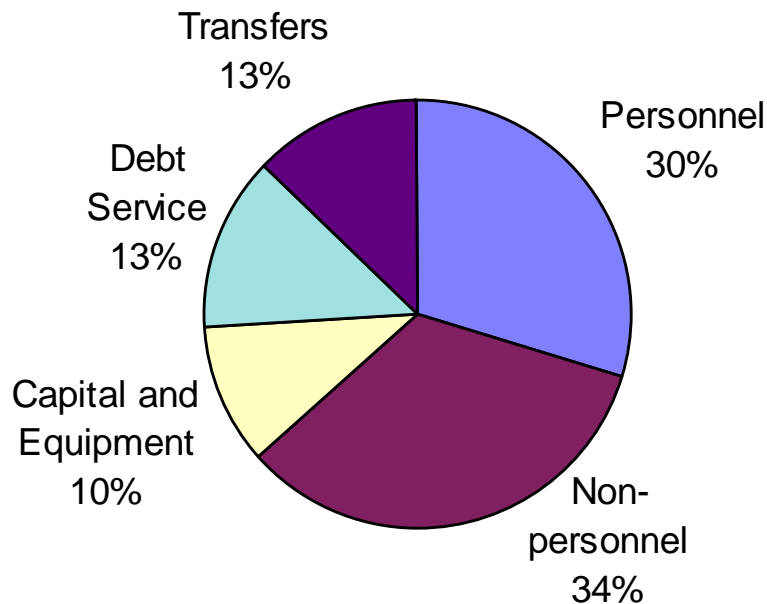
Spending by Major Categories

A significant amount of the City's budget is spent on personnel, almost \$400 million or 30 percent of the total budget. The 2007 Adopted Budget includes an overall increase of almost 19 budgeted full-time equivalent positions; this represents less than a 1 percent increase in positions.

**City of Minneapolis Budget by Major Expense Category
(in millions of dollars)**

	2006 Adopted Budget	2007 Adopted Budget
Full-Time Equivalent Positions	5,635	5,653
Expenditures:		
Personnel	\$ 397.6	\$ 399.1
Non-personnel	414.6	451.2
Capital and Equipment	168.2	140.5
Debt Service	189.3	180.4
Transfers	175.0	169.8
Total Expenditures	\$ 1,344.7	\$ 1,341.0

**City of Minneapolis
Total City Budget – Expenditures by Category
2007 Adopted Budget
\$1.3 billion**



Major Budget Pressures:

➤ **Growth in personnel costs**

Salary and Wages. The 2007 Adopted Budget includes a slight increase in total personnel expenditures from \$398 million to \$399 million; this represents less than a 1 percent increase from the 2006 Adopted Budget. For City positions, not including the independent boards, growth in salary and wages are budgeted at 2 percent for bargaining units without settled labor contracts.

Benefits. Health and dental insurance expenditures are budgeted to increase from \$43.7 million to \$47.1 million, a 7.8% increase. This estimate is based on experiences related to current plan design and competitive procurement processes.

➤ **Funding for Internal Services Funds workout plans**

During the 1990's, due to other external demands, the revenue to support these internal services did not keep pace with the growth in expenditures. Significant negative cash balances resulted because of annual expenses exceeding revenues. At year-end 2005, the City's Internal Services Funds had combined negative net assets of \$22 million, as compared to a negative \$29 million in 2004. While the balance is still negative, the position of the funds is showing marked improvement over the 2000 net asset deficit of \$54 million. Additionally, in 2005, the three Internal Service Funds that have adopted workout plans (Equipment, Intergovernmental Services & Self-Insurance) all had positive cash balances at year-end, most of them ahead of schedule.

Status of Workout Plans (in millions)

	Adopted	Original Cash Deficit	Goal	Target Date	Year-End Status
Self-Insurance	2003	(8.1)	0.0	2007	1.8
Equipment*	2001	(16.6)	0.0	2006	1.2
BIS	2000	(12.9)	0.0	2010	0.3
Internal Service Fund Total		(37.6)	0.0		3.3
Parking Fund**	2004	(8.6)	10.0	2010	(13.5)

*Status excludes bond cash.

**Parking fund deficit had been projected to grow to \$69.2M by 2010

The 2007 Adopted Budget includes an additional \$2.2 million in funding for internal City services: self insurance, equipment services and information technology services (e.g. workers compensation, general liability, squad cars, fire trucks and computers). The adopted financial workout plans for the Internal Services Funds will result in continued planned improvements in net assets and cash balances for these funds over the next few years. The 2007 Adopted Budget will meet the financial goals of the three adopted plans.

➤ **Parking Fund Financial Plan**

The 2007 Adopted Budget reduces the transfer from the City's Municipal Parking Fund to the General Fund by \$1 million. This decrease is in line with the adopted Parking Fund financial plan, which was developed to address the cash deficits in the fund.

Funding for Physical Infrastructure

Five-Year Capital Program Totals: For 2007 – 2011, the five-year capital program for City departments, independent boards and commissions totals \$474.7 million including all funding sources. The 2007 portion of this program is \$84.4 million.

Property Tax Supported – Public Works: The 2007 Adopted Budget includes \$8.7 million in property tax supported (net debt bond) funding for Public Works capital. Below is a summary of the 2007 -2011 funding for the Public Works infrastructure program, including Park related improvements mentioned below.

Property Tax Supported Capital for Public Works (in millions)

	2007	2008	2009	2010	2011
Net Debt Bond funding	\$8.7	\$7.9	\$9.8	\$11.4	\$13.2

Property Tax Supported - Park Board: The 2007 Budget includes \$1.6 million in property tax supported funding for Park Board capital projects and \$1.1 million in the Public Work’s capital budget for Parkway Paving Improvements and Parkway Street Lighting Improvements. Below is a summary of the 2007 – 2011 property tax supported funding for Park Board capital. The amounts include a Park Board capital levy, which grew by \$215,000 each year since 2003 to \$1.5 million in 2009 and future years.

Property Tax Supported Capital for Park Board (in millions)	2007	2008	2009	2010	2011
Parkway Street Lighting – Public Works	\$0.4	\$0.3	\$0.1	\$0.2	\$0.3
Parkway Paving – Public Works	0.7	0.5	0.5	0.9	0.9
Park Board Capital Requests	1.6	1.6	1.6	1.6	1.5
Total Park Board Improvements	\$2.7	\$2.4	\$2.2	\$2.7	\$2.7

Utility Fee Supported Capital: The 2007– 2011 budget includes funding for additional water and sewer related infrastructure expenditures. The rate of capital spending on Water and Sewer capital improvements is being managed to allow for the same planned increases for water but higher stormwater and sanitary sewer rates than had previously been planned due to increased capital expenditures in response to Metropolitan Council demands for less “clean” water in the Sanitary System. The water and sewer five-year utility rate schedule approved as part of this budget reflects this planned investment.

Relationship between the Capital and Operating Budgets: As part of each capital budget request, departments and independent boards are required to identify whether the capital request will result in an increase or decrease in operating costs. As part of the 2007-2011 capital submittals, operating costs were given a high priority by the CLIC ranking process.

Funding for Pension Liabilities

Minneapolis Employee’s Retirement Fund (MERF), a closed fund:

The City began issuing general obligation pension bonds in December of 2002 to cover costs of MERF retirements; additional bonds were issued in 2003. The 2007 Adopted Budget

includes funds necessary for the debt service on these bonds. The 2006 legislative session did not adopt legislation (the MERF Liquidity Trigger) that would provide relief from pre-payment requirements to this fund. The 2007 obligation to MERF is anticipated to be approximately \$33.5 million. This will be financed through the property tax levy (\$2.4 million), the use of cash (\$7.1 million), and the issuance of bonds (\$24.0 million).

Minneapolis Police Relief Association (MPRA), a closed fund:

Legislation passed during the 2005 legislative session extended the amount of time the City has to fully fund this plan's liabilities by ten years. The result was a lower upfront annual City contribution that increases over time and extends for a longer period. The City's contribution to MPRA for 2007 is a tax levy of \$3.6 million. An additional \$2.7 million will be required for debt service on the \$53 million of MPRA bonds that were issued in 2002-04 that would otherwise have fallen on the levy. The City's 2007 overall contribution related to MPRA for the levy and debt service is \$6.3 million.

Minneapolis Fire Relief Association (MFRA), a closed fund:

In 2005, the City resumed contributions to the MFRA. Another of the City's closed pension funds, the MFRA was previously 100 percent funded, which meant that the City did not need to make annual contributions. The stock market downturn in 2001-2003 resulted in investment performance that reduced the funding level for the MFRA. The adoption of a new mortality table resulted in an increase in the unfunded liability and the City's annual contribution obligation. The City's 2007 contribution to MFRA is provided by a tax levy of \$3.1 million.

Teacher's Retirement Association (TRA):

The 2006 Legislative session combined the Minneapolis Teachers Retirement Fund Association (MTRA) with the State's Teachers Retirement Association. As part of the legislation the City was required to redirect its annual MTRA \$2.25 million tax levy to TRA.

Public Employees Retirement Association (PERA):

The 2005 Legislative session increased annually the employee's and employer's contribution levels starting January 1, 2006. For 2007 the employer's level in the coordinated plan moved from 6.00% to 6.25%. The police and fire plans' employer's level moved from 10.5% to 11.7%. The estimated incremental cost to the City in 2007 is \$1.9 million which is covered in the budgets of the departments where the employees work.

Funding for debt obligations for voter-approved Library Referendum Central Library and Community Libraries

Starting in 2003, the market value based property tax levy to pay the debt service associated the referendum approved \$140 million of debt has been levied. As the debt issuance has taken place the levy amount has increased. For 2007, the levy amount will be \$ 9.3 million. This is a \$ 1.2 million increase from 2006 level of \$8.1 million.

Enterprise Challenges

In the course of the City's annual business and strategic planning process, City departments review and document the most significant trends and challenges affecting their work. While some of these issues are very specific to department business, several enterprise-wide themes emerge. A digest of enterprise challenges follows:

Demographic Changes

Diversity of City residents (minority and immigrant populations) is growing faster than any other city in Minnesota. Minority populations make up 29 percent of adults aged 18-64 years. Foreign-born residents have increased 2.5 times since 1990, posing language barrier challenges for all departments that touch the public directly. Nearly all departments note a need for improved focus on providing service to limited-English proficient residents. Minneapolis' over-age-65 population is also increasing. An increase in our older population may pose additional health and accessibility challenges in the future.

Technological Complexity and Increased Demand for Technological Solutions

Departments note an increased technological savvy of customers, and as a result, increased demand of technological approaches to customer service. In order to provide competitive service to customers, technological needs have become more complex and demanding. This translates into additional costs for new equipment and in particular, increased maintenance costs. Examples include the new Computer-Aided Dispatch system, which could require significant maintenance costs (18-20% of software license costs). Also, assistive voting technology enhancements will likely need to be maintained by the City, the full financial impact of which is not yet known. Other examples include increased use of cameras in law enforcement, and a drive toward enterprise-wide technologies for use in business process re-engineering.

Regulatory Complexity / Unfunded Mandates

Departments have noted increased complexity of protocols and regulations at many levels. Civil Rights notes increased complexity of investigation protocols. Regulatory Services cites state codes, protocols, and building standards that are placing additional strains on the workload of inspectors. The City Clerk notes additional election requirements as a result of the 2002 Federal Help America Vote Act. Additionally, public safety departments face legislative-directed or nationally developed standards, training, or operating procedures. Departments indicate a need for increased and improved employee training, possibly placing short-term strain on productivity, to address these complexities.

Reliance on Tenuous Inter-Governmental Funding

Reliance on tenuous funding from state and federal entities for some important City programs complicates the management and planning for these programs, and for the outcomes they hope to achieve. Federal support for Community Development Block Grant and Empowerment Zone funding was threatened this past year, placing programs that rely on this funding in jeopardy. Local Law Enforcement Block Grant funding, used in part to fund positions in the City Attorney's office, is unpredictable. Local Government Aid from the state has been unpredictable with statewide reductions and year-to-year fluctuations. The uncertainty that surrounds these funds drains time and energy of City managers from administering programs to the best outcomes possible.

Health programs have also faced state and federal cuts recently. Medicare eligibility cuts, State of Minnesota public health care cuts, and reduced funding in early childhood and youth development affects the ability of City departments to project the health of residents. Finally, Health and Family Services has noted that ideology, not science, have been more strongly influencing funding decisions for health programs.

Homeland Security

Ensuring adequate physical security, health security, electronic security (prevention of viruses, worms, and other system security threats), information backups, and emergency planning

consumes resources of nearly every department. Departments continue to build and strengthen relationships with other governmental entities to maximize the effectiveness of security planning.

City Workforce Trends

Retirement rates are expected to remain at 1 to 2 percent for the next six years, but greatly accelerate after 2011 due to the expected “baby boom” generation reaching retirement age. As employees reach retirement age, the City loses institutional memory and highly skilled personnel.

Other Trends

The downtown real estate market continues to have an oversupply of office space available due to the weak commercial market from 2003-2004. Several departments – including regulatory services, community planning and economic development, public works, assessor and police – will all face increased work load with the construction of the new baseball stadium, beginning in 2007.

Major Changes in the 2007 Adopted Budget

The 2007 Adopted Budget makes the following major changes:

- **Financial Direction Reductions** - The Mayor and Council adopted proposals for reductions from the following departments: Human Resources (\$100,000), Finance (\$200,000), Business Information Services (\$200,000), Community Planning and Economic Development (\$35,000 offset by revenue) and Attorney (\$150,000). The current service level budgets for 911/311 and City Clerk met the financial direction estimate and did not require further reductions. The Mayor and Council did not recommend any reductions from the current service level for Public Works in 2007.
- **911/311** – The Mayor and Council adopted the Department’s strategy to meet the financial direction. The Mayor recommended increasing funding by \$250,000 and 5 positions for 311 to fund and cover weekend operations and \$80,000 in one-time training money for the implementation of the CAD system. The Council deferred \$250,000 on an ongoing basis for 311 weekend hours and reduced position authority in 911/311 by 5 positions.
- **Assessor** – The Mayor and Council added two positions (\$150,000) to improve the response to disputed commercial property values.
- **Attorney** - The Mayor and Council adopted the Department’s proposal to meet the financial direction. The Department’s proposal to use lease savings (\$150,000) is predicated on a move to City Hall in 2010. A \$2,000 increase for the ethical practices board is also included in the Mayor’s recommendation. An attorney position is added to back fill grant funds (\$75,000) in the Criminal Division.
- **BIS** - The Mayor and Council directed the Department to reduce its budget as included in the financial direction (\$200,000). An increase to the telecom rate model is included in the adopted budget (\$410,000) funded by increased charges to other departments. The data center allocation is moved from BIS to the City Clerk, within the intergovernmental services fund.
- **City Clerk** - The Mayor and Council adopted the Department’s strategy to meet the financial direction. Council offices are added to the legal level of appropriation control for Clerk/Elections.

- **City Council** - The Mayor and Council added one position (\$50,000) for the City Council.
- **Civil Rights** - The Mayor and Council recommended no changes to the Civil Rights budget.
- **Coordinator Administration** - An additional position is added for Results Minneapolis efforts (\$75,000). The Mayor and Council adopted one-time funding for the Tree Trust of \$100,000. The Mayor and Council moved the environmental coordinator and one additional position to the Coordinator Administration area (\$180,000) from Regulatory services and added one-time funding for external environmental efforts (\$125,000).
- **Communications** - The adopted budget includes \$700,000 in annual draw downs of the cable franchise settlement over the next five years. This recommendation results in level funding for cable-related items until an increase to Public, Educational and Governmental (PEG) programming fees comes on line in 2012.
- **Community Planning and Economic Development** - Funding for the arts coordinator moves from a direct charge to the capital program to a charge for time spent on projects. The budget for the position moves into the General Fund, along with an assumption of \$80,000 in revenue from capital project charges. This change allows the Department to allocate time of arts staff to activities in a more flexible manner.

The Mayor and Council adopted the Department's proposal to meet the financial direction with an increase to revenue of \$35,000. A portion (\$150,000) of the Department's budget is moved from the community development block grant fund to the General Fund.

- **Finance** - The Mayor and Council adopted the Department's proposal to meet the financial direction (\$200,000) by reducing financial operations activities.
- **Fire** – Two positions and \$200,000 in support is allocated to the Department by the Mayor and Council to ensure the implementation of the Standard of Coverage. The adopted budget allows the department's budget to grow by an additional \$90,000 to fund fuel cost increases.
- **Health and Family Support** - Additional one-time funding for domestic violence efforts is adopted (\$50,000). The Mayor and Council also add \$125,000 in one-time funding for Youth Violence Prevention efforts. The Mayor and Council approved \$80,000 in one-time funding for the safe routes to school initiative, with the Department coordinating its efforts with Public Works.
- **Human Resources** - The Mayor and Council adopted the Department's proposal to reduce non-personnel spending by \$100,000 to meet the financial direction.
- **Intergovernmental Relations** – One-time funding for homelessness outreach is included in the Department's budget (\$100,000).
- **Library** – The Council directed the Finance Officer to use the Library Board repayment of the City's share of the planetarium loan of \$850,000 to reduce or avoid future property tax supported debt or other use at the discretion of the Library Board.

The Council provided additional \$1.2 million one-time funding to the Library Board.

- \$850,000 from declining the repayment of the loan the City made for structural enhancements to the central library to allow for a future planetarium;

- \$355,000 from reductions in general fund services.

The use of these funds is at the discretion of the Library Board pending the following outcomes:

1) The Minneapolis Public Library Board or its designee shall report a capital and operating budget plan and priorities to the Ways and Means Committee as follows:

Given the Library Board's financial resources, determined in part by the budget passed by the City Council on December 11, 2006, report by January 30, 2007, how many of the system's fifteen libraries can be open at the standard of five days a week, eight hours a day.

- If fewer than fifteen, report which libraries can meet that standard.
- Direct the Minneapolis City Coordinator, in conjunction with the Executive Director of the Minneapolis Public Library, to create a timeline of important deadlines in the decision making process for the continued operation of the Minneapolis Public Library system; including but not limited to the discussions with:
 - Hennepin County
 - The Minnesota Legislature
 - The Library Board Advisory Committee
 - The Capital Long-Range Improvement Committee
 - The Minneapolis Library Board
 - The Minneapolis City Council, and
 - Any other decision making body with input on this issue.
- The Minneapolis City Coordinator and the Executive Director of the Minneapolis Library Board shall report back to the Ways and Means/Budget Committee of the Minneapolis City Council before the end of January 2007.

Within two weeks of the closing of the 2007 State of Minnesota legislative session, report the impact of any policy or fiscal decisions made by the state legislature on the short- and long-term functioning of the Minneapolis Public Library system. This should include a reassessment, if applicable, of the capacity to keep libraries open at five days a week for eight hours a day.

Request that the Library Board of Trustees report to the Ways & Means/Budget and Intergovernmental Relations Committees of the City Council with a strategic plan for the future of the Minneapolis Libraries within two months following the later of:

- Issuance of recommendations by the Library Advisory Committee;
- Issuance of recommendations by the City/County Task Force; or
- The end of the 2007 Minnesota Legislative Session (85th Legislature);

Request that the Library Board of Trustees incorporate a community engagement process, including community meetings, in 2007 for its strategic plan and related decisions.

2) And further Direct that the CPED Department assign staff experienced in public building use, mixed-use development, and business development to work with the Library Board of

Trustees and Library staff as they develop a strategic plan and explore creative options for a sustainable library system and report back to the Community Development Committee by May 1, 2007.

- 3) City Finance staff, in conjunction with work already underway in the City Attorney's office, are directed to examine the financial impact of making the Library Board a City department.

That report should be transmitted to the Ways & Means/Budget Committee, the Intergovernmental Relations Committee, the Library Advisory Committee, and the Minneapolis Library Board by March 1, 2007.

- **Mayor** - An additional position (\$50,000) is added to the Mayor's budget.
- **MBC** - The Mayor recommended funding of the Commission's Meet and Greet program (\$70,000). The Council did not approve this measure.
- **Police** – The Mayor and Council add 43 police officers to the Department's budget (\$3.4 million). This increases the Department's staffing level to the same level of police officers as in 2002. The Adopted Budget allows the Department's budget to grow by an additional \$225,000 to fund fuel cost increases. One-time funding for the Department's technology road map (\$1 million) is included in the adopted capital budget for the department.

The Department is directed to hire a Police Department Finance Officer responsible for all financial and administrative operations for the Department. The position will provide direction and management of the Department's support services, including budget development; financial management, accounting, and reporting; human resources; information systems; technology planning; business planning; management analysis; and other operating activities.

- **Public Works - Field Services** - The Mayor and Council adopted an additional \$100,000 to fund energy cost increases.
- **Public Works – Water** - The Mayor and Council adopted an ongoing reduction of expenses to Public Works-Water in the amount of \$3 million to take advantage of technology investments and to restore the financial health of the fund. The Mayor and Council also directed \$200,000 of existing resources for a marketing effort, with the assistance of the Communications Department.
- **Public Works – Stormwater** - The adopted budget includes \$1.4 million in ongoing operating expense reductions in the stormwater fund, which brings expenditures in line with historical levels and stabilizes the financial outlook for the fund.
- **Regulatory Services** - The adopted budget moves the environmental coordinator and one additional position to the Coordinator Administration area (\$180,000). The Mayor and Council add \$530,000 to fund boarded and vacant building efforts on an ongoing basis. The Adopted Budget accepts all of the Department's revenue proposals (\$719,000). Eight positions are added to the Department – 4 for one stop/development review services and 4 for business licensing (\$500,000).

Regulatory Services is directed not to spend the budgeted \$370,000 or fill positions related to the business licensing initiative until the false alarm ordinance has been

approved by the Council.

Regulatory Services is directed to allocate \$300,000 of one-time resources within its 2007 appropriation for nuisance abatement activities in addition to the Mayor's Recommended funding. Further, this action increases the CDBG allocation to Regulatory Services by \$300,000 for nuisance abatement on eligible properties and decrease the CDBG allocation to CPED for Problem Properties by \$300,000.

City-wide Staff Directions for 2007

In addition to the changes to the budget, the Council adopted several specific staff directions for all departments to address during 2007:

- **Take home used of City vehicles:** The Council directed that departments having City-owned vehicles to report back to their respective home committees by January 31, 2007, on the number of cars authorized to be taken home by employees, actual use, and the policies associated with their use.
- **Amendment to existing financial policy on pre-payment of technology projects:** Departments are directed to clearly identify within existing resources the funds that would be used to finance the ongoing costs related to the purchase or development of technology prior to the expenditure of funds for the purchase or development of that technology. The sponsoring department should prepare a Receive and File notice for consideration by the respective home committee and the Ways and Means/Budget Committee when the annual operating and maintenance cost of any technology project exceeds \$50,000. This notice should be submitted as soon after the sponsoring department has identified the ongoing costs and funding sources. BIS and Finance should work with departments to ensure those costs are identified and included in the contract for technology services.
- **Analysis of contractual service expenditures:** Departments are directed to include in their status updates in their budget presentation an outline of the elements of their contractual services budget, including opportunities or drawbacks to changing from contractual provision of services toward provision of services by City employees.
- **Compensation analysis and philosophy:** The Council reaffirmed the direction of the Executive Committee to include an examination of the Council's current wage policy.

Property Tax and Fee Changes

➤ **Property Tax Revenue**

The 2007 Adopted Budget includes an estimated net tax capacity rate of 57.598 percent; this rate is the combined rate for the City, Board of Estimate and Taxation, Park and Library Boards, and City special levies (Minneapolis Public Housing Authority and Teachers Retirement). The library referendum is a market value based tax of .02690 percent and is not included in the previous number. This estimated net tax capacity rate will levy an additional \$15.5 million in property taxes, which is a 7.7 percent increase over the 2006 Adopted Budget. The City's net tax capacity (after reductions for tax increment and fiscal disparities) is projected to increase by 11.6 percent for taxes payable 2007, from \$336 million to \$375 million.

In addition to the \$15.5 million in property tax levy increase that is spread over the City's net tax capacity, the City will also need to increase the market value property tax levy by \$1.2 million due to the debt service on the voter approved library referendum bonds issued for a new central library and improvements to the City's community libraries.

In total, the property tax levy for the City and its independent boards will increase by 8 percent from 2006 to 2007 or by \$16.7 million, based on the 2007 Adopted Budget. This increase is consistent with the Mayor's and Council's adopted property tax policy.

Of the \$16.7 million increase in property tax revenue, \$13 million will be used by the City, \$1.9 million by the Park Board, and \$1.8 million by the Library Board. The City will use its share to increase funding for internal service fund obligations (\$2.2 million), to increase public safety spending (\$6.8 million) and for other general fund changes (\$4.0 million).

The Park Board revenue increase of \$1.9 million is the net result of: a 4% increase (\$1.5 million) in adopted tax policy, \$0.2 million increase related to PERA (had been centrally budgeted), and \$0.2 million of additional funding for a capital infrastructure gap.

The Library Board increase of \$1.8 million is the net result of: \$1.2 million for the library referendum, \$0.1 million increase related to PERA, \$0.5 million increase (4%) as provided in adopted tax policy. (In addition to these direct increases to the Library Board's levy, the City Council also allocated \$1.2 million on a one time basis.)

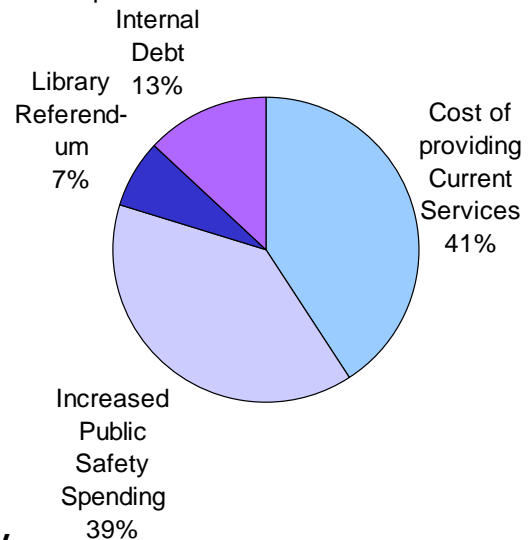
Uses of New Property Tax Revenue - \$16.7 million in 2007

Internal Debt: **\$2.2 million** (13%)

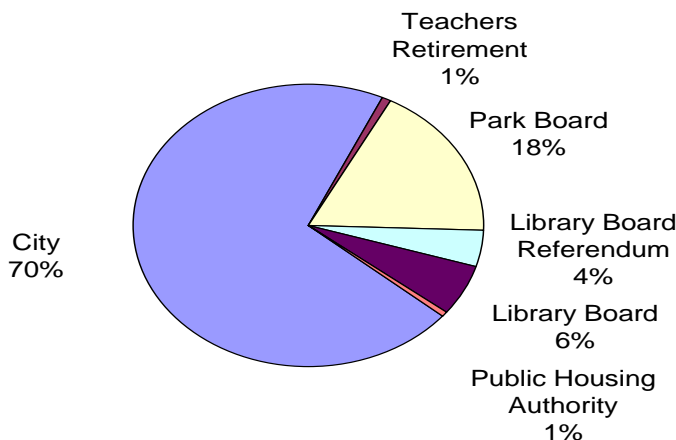
Library referendum: **\$1.2 million** (7%)

Increased Public Safety Spending: **\$6.5 million** (39%)

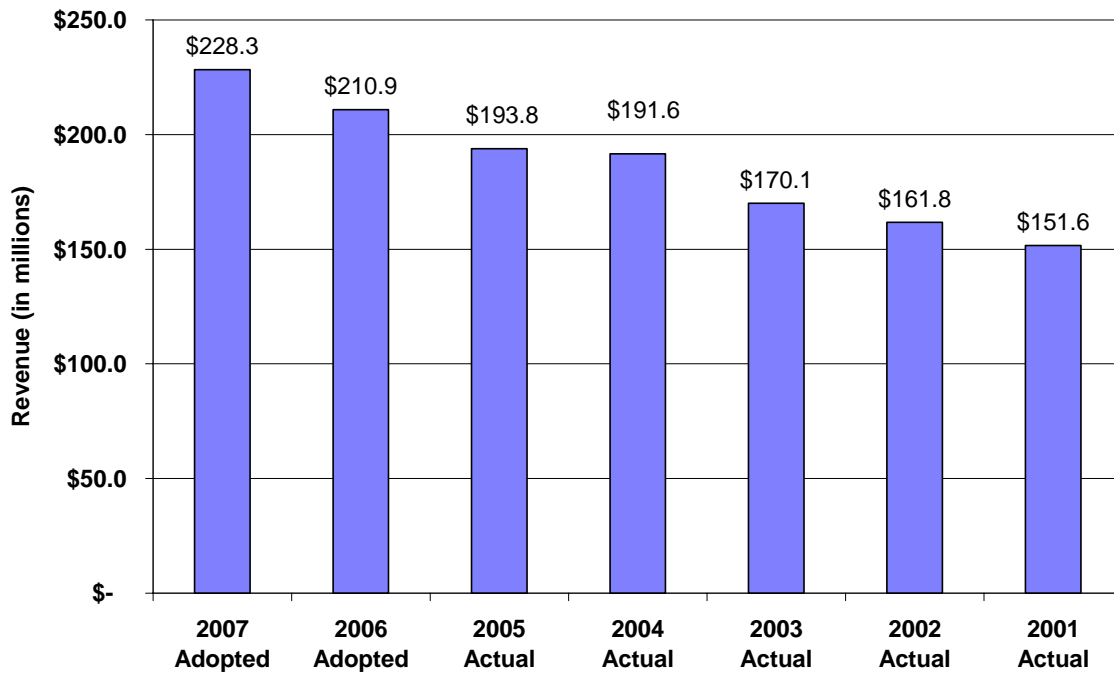
Increased cost to provide existing City services: **\$6.8 million** (41%)



Property Tax Levy Allocation By Fund (\$226 million)



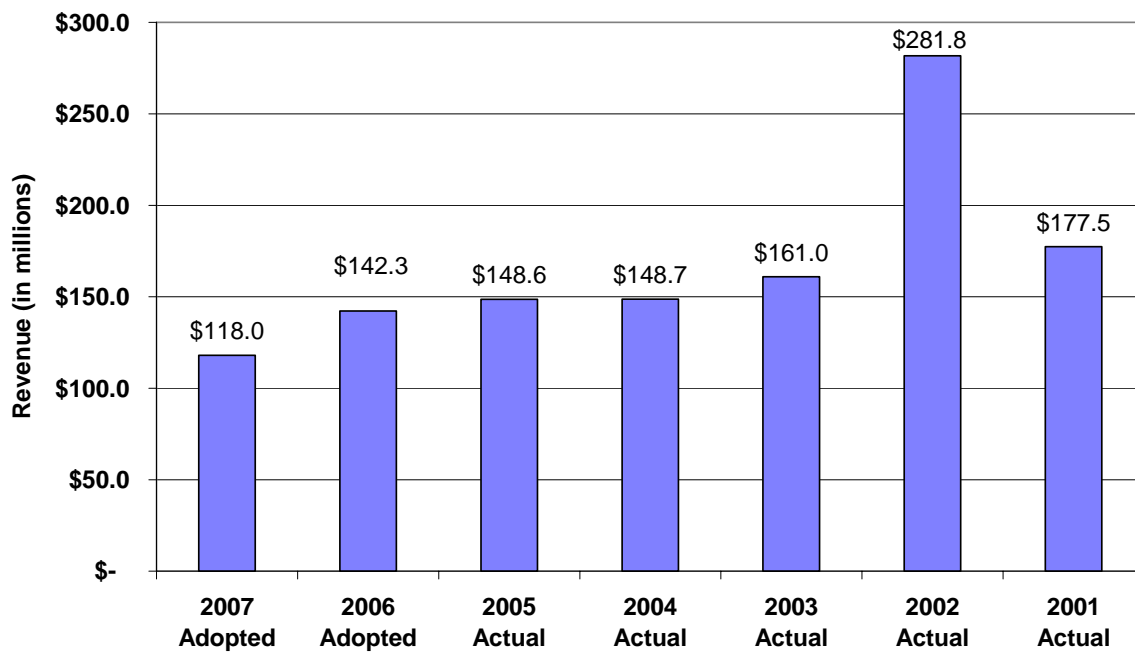
City of Minneapolis Property Tax Revenue in Constant 2006 Dollars*



*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

➤ **State Aid**

City of Minneapolis State Government Revenue in Constant 2006 Dollars*

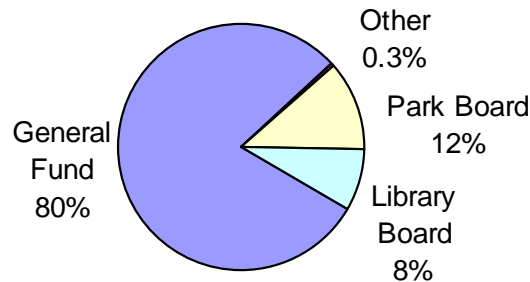


*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

The State Legislature decreased the City's LGA allocation for 2007 to \$83.9 million, a \$10 million reduction.

	2006 LGA %	2006 LGA Distribution	2007 LGA %	2007 LGA Distribution	Percentage Change from 2006	Dollar Change from 2006
Library	8.05%	7,600,000	8.08%	6,800,000	-11%	(800,000)
Park	11.79%	11,100,000	11.82%	9,900,000	-11%	(1,200,000)
MBC	0.30%	280,000	0.33%	270,000	-4%	(10,000)
BET	0.10%	90,000	-	-	-100%	(90,000)
General Fund	79.76%	74,900,000	79.79%	67,000,000	-11%	(7,900,000)
	100.00%	\$ 93,900,000	100.00%	\$ 83,970,000	-11%	\$ (9,900,000)

2007 Local Government Aid Distribution By Fund



- **Stormwater, Sanitary Sewer and Water Utility Fees:** To fund investments for the City's sanitary sewer and stormwater management services and water treatment and distribution systems, the 2007 Adopted Budget includes an increase in utility rates of \$0.05/100 cubic feet for water; \$0.20/100 cubic feet for sanitary sewer; and \$0.60/equivalent stormwater unit for stormwater services. This represents a 1.9% increase for water fees, a 9.5% increase for sanitary sewer services, and a 6.5% increase for storm-water, an increase at a higher rate than originally planned. The average monthly charge per residential dwelling for Water is \$21.36 (based on average usage of 800 cubic feet), for Sanitary Sewer \$13.80 (based on average usage of 600 cubic feet), and for Stormwater \$9.77.

Combined Utility Bill Monthly and Annual Cost for Average Consumer

	2006	2007 Monthly Average	2007 Annual Average	Monthly Dollar Change	Monthly Percent Change
Sewer	\$12.60	\$13.80	\$165.60	\$1.20	9.5%
Stormwater	\$9.17	\$9.77	\$117.24	\$0.60	6.5%
Water	\$20.96	\$21.36	\$256.32	\$0.40	1.9%
Solid Waste	\$22.25	\$23.00	\$276.00	\$0.75	3.4%
Total	\$64.98	\$67.93	\$815.16	\$2.95	4.5%

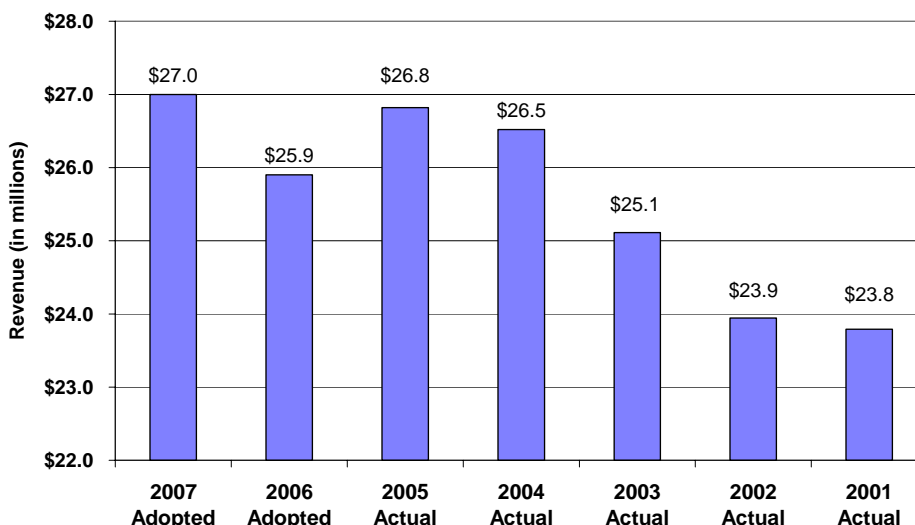
- **Solid Waste and Recycling Fee:** The 2007 Adopted Budget increases the solid waste and recycling fee by \$0.75 to \$23.00, the average monthly charge per dwelling.

- **Franchise Fees:** The 2007 Adopted Budget anticipates the total franchise fee revenue to increase by \$4.8 million over the 2006 Adopted Budget level from \$22.3 million to \$27.1 million. This reflects increased prices of natural gas and electricity.

The Adopted Budget includes \$700,000 in annual draw downs of the cable franchise settlement over the next five years. This recommendation results in level funding for cable-related items until an increase to Public, Educational and Governmental (PEG) programming fees comes on line in 2012.

- **Community Development Block Grant:** The adopted Community Development Block Grant allocation is based upon a 15% reduction in funding from the US Department of Housing and Urban Development.
- **Other Fee Changes:** The licenses and permit fee revenue is expected to increase from \$25.9 million to approximately \$27 million in 2007 due to increases in the rates charged for some of the licenses and permits. The 2007 Adopted Budget is structured so as to prevent the property taxpayers from having to subsidize fee-based services.

**City of Minneapolis Licenses and Permits Revenue
in Constant 2006 Dollars***



*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

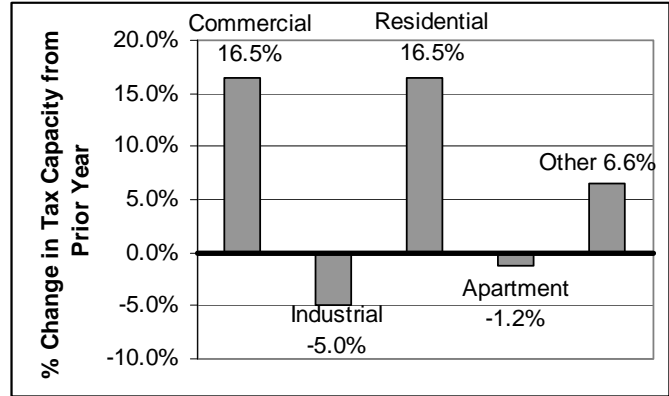
Property Market Values and Tax Base Highlights

Following is a chart from the City Assessor's Office with estimated market values and corresponding tax capacity by group.

For Taxes Payable in 2007

Group	2006 Estimated Market Value	% Total	% Ch.	Tax Capacity	% Total	% Ch.
Commercial	6,147,058,200	16.8%	16.4%	120,408,893	28.1%	16.5%
Industrial	1,313,674,400	3.6%	-5.6%	25,775,839	6.0%	-5.0%
Residential	25,856,513,300	70.5%	6.4%	241,009,400	56.3%	16.5%
Apartment	3,351,466,100	9.1%	-1.2%	40,410,616	9.4%	-1.2%
Other	22,975,200	0.1%	6.6%	344,633	0.1%	6.6%
Total	\$36,691,687,200	100%	6.7%	\$427,949,381	100.0%	13.0%

The market value and tax capacity data shown above does not include personal property, which is estimated to have a market value of approximately \$401,246,000 and a corresponding tax capacity of \$7,689,000 for taxes payable 2007. With personal property included, tax capacity is estimated to increase by approximately 13 percent, before deductions for tax increment and fiscal disparities.



The following table of data provides the change in tax increment financing and fiscal disparities contribution and distribution for taxes payable 2007:

For Taxes Payable in 2007	
Personal Property Market Value	\$401,246,300
Personal Property Tax Capacity	\$7,689,136
Gross Tax Capacity	\$435,550,945
- Less Increment Financing	(\$64,555,544)
- Less Fiscal Disparities Contribution	(\$39,466,684)
+ Plus Fiscal Disparities Distribution	\$43,325,307
Net Tax Capacity	\$374,854,024

Property Values and Tax Trends

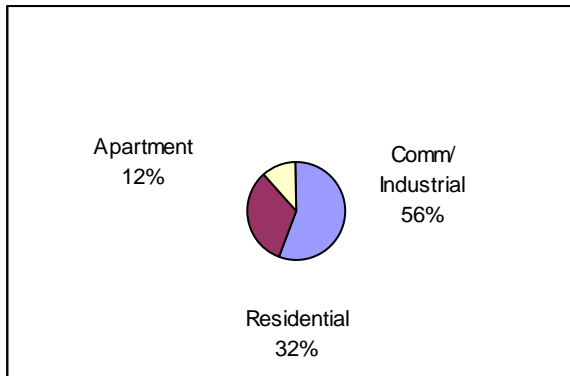
The 2001 tax bill enacted by the state legislature, made comprehensive changes to the property tax laws. Under Minnesota’s state property tax system, if the State reduces the level of property tax for one property type through changes in the classification system, the taxes shift to other property types. The same principle applies if market values change for one property type but not another.

Different property uses pay tax at a different rate as a result of the State’s property tax classification system. The taxes are a function of the market value taken times the statutory class rate times the tax rate. The 2001 legislature made changes to the property tax classification rates that reduced the rates for commercial/industrial property, apartments and high valued homes.

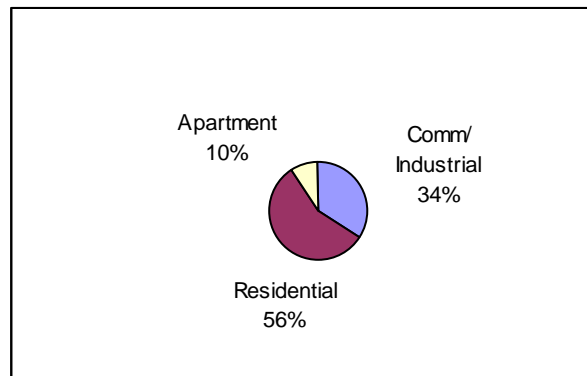
In 2001, the State Legislature enacted a statewide property tax on commercial, industrial and seasonal-residential recreational properties. The State of Minnesota now receives approximately 26 percent of the property taxes paid on those property types. Until recent property tax reform, property taxes were collected and distributed exclusively at the local level.

Minneapolis has historically had a strong commercial and industrial tax base. For taxes payable in 1997, Minneapolis commercial and industrial property paid 56 percent of the total taxes for the City with the central business district alone paying almost 40 percent; for taxes payable 2007 this declined to 34 percent of the City total with the central business district paying approximately 24 percent. Corresponding percentages for residential property (defined as 1-3 dwelling units) show that this class paid 32 percent of the City’s taxes in 1996; it is estimated that this percentage will be 56 percent for payable 2007. This represents almost a complete reversal in the share of the City’s tax burden between the two property types.

**City of Minneapolis
Tax Capacity – Taxes Payable 1997
(\$330 million)**



**City of Minneapolis
Tax Capacity – Taxes Payable 2007
(\$428 million)**



The changes in distribution of tax base are a function of both market conditions and changing class rates. Residential property has increased in value at a higher rate than other property types in the past several years.

The following table shows the growth in the market value by year:

Payable	Change in Market Value		
	Commercial/Industrial	Residential	Apartment
2000	17.7%	9.5%	13.0%
2001	23.1%	16.0%	18.7%
2002	20.8%	23.4%	27.5%
2003	12.5%	15.4%	16.4%
2004	-5.5%	15.1%	14.1%
2005	3.0%	12.2%	6.5%
2006	11.4%	12.9%	6.8%
2007	11.8%	6.4%	-1.2%

Increases in residential taxes of the same magnitude have been avoided because of the *Limited Market Value* law. Originally, the 2001 legislature initiated a phase-out of the limited market value program over a six-year period, with the last year of the program occurring in 2007. Most recently, the 2005 legislature extended the phase-out of the LMV program two additional years. As a result of the extension, the 2005 and 2006 increases in taxable market value will be limited to a 15% increase or 25% of the difference between the current value and the previous limited value. This is a significant change from the previously scheduled 33% and 50% increases as outlined by the 2001 legislature.

Minneapolis had a difference of over \$2.89 billion dollars between total Residential Market Value and Limited Market Value in 2006; this is down 43% from \$4.02 billion dollars in 2005. As the Limited Market Value continues to phase out, even if the real estate market remains flat, this action will cause a significant shift in tax burden to residential property. Based on Minneapolis residential sales in 2006 and reports from local professional real estate associations, the trend in residential values is mixed. While some properties in high demand neighborhoods continue to see modest increases in value, much of the Minneapolis residential market is cooling-off compared to previous years. The inventory of homes for sale is up and the marketing time on average is longer than in recent history. The rate of foreclosures has increased as interest rates and adjustable rate mortgages begin to move upwards.

The Minneapolis Central Business District (CBD) in 2006 had a strong, solid year of growth. Although vacancy rates have not dropped to the level where development is imminent, investors continue to place their faith and pocket book in the Minneapolis CBD. Record sale prices were recorded for buildings downtown. Although reports show positive absorption of over one million square feet in the entire Metro office market, developers are still slow to build new speculative office buildings in the Minneapolis CBD. Some real estate professionals believe the increases in construction costs and the absence of a speculative new office building in the immediate future will put pressure on rents to increase.

The suburban office market will add a large section of speculative office space during 2007. Although the suburban area has recovered first from an over-supply of office space, the Minneapolis CBD continues to hold its own based on the amenities it provides. The Minneapolis CBD is encouraging employees that work downtown to also live downtown in one of the new condominiums to enjoy the entertainment in the warehouse district, the theater district, and at the Target Center or Metrodome.

The overall growth in commercial and industrial real estate has been about 10% in 2006. Certain sectors have shown greater growth, but overall there has been a slow steady growth in commercial and industrial real estate.

**2007 Council Adopted
Property Tax Levy**

	2006 Adopted Levies	2007 Council Adopted		
		2007 Council Adopted Levies	% Chg from 2006	\$ Chg from 2006
Total by Major Funds:				
General Levies	177,945,203	194,545,990	9.3%	16,600,787
Special Levies	31,304,466	31,443,653	0.4%	139,187
Grand Total	209,249,669	225,989,643	8.0%	16,739,974
Total by Entity:				
City*	146,886,205	159,840,041	8.8%	12,953,836
Park Board**	38,064,605	40,005,789	5.1%	1,941,184
Library Board	12,779,000	13,377,160	4.7%	598,160
<i>Library Board Referendum</i>	8,100,000	9,300,000	14.8%	1,200,000
Public Housing Authority	1,169,859	1,216,653	4.0%	46,794
Teachers Retirement	2,250,000	2,250,000	0.0%	-
Grand Total	209,249,669	225,989,643	8.0%	16,739,974

Notes:

* Includes the Municipal Building Commission , Board of Estimate and Taxation and Pension Levies

** Park Board increase from 2005 to 2006 includes the additional capital infrastructure funding as approved in the adopted tax policy, which is why the percent is greater than 4%.

**2007 Adopted Budget
Tax Rates and Levies**

Based on information available as of November 1, 2006

NET TAX CAPACITY BASED (NTC) LEVIES

	2005		2006		2007	
	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$
City Levies						
General ¹	34.899	\$103,678,649	33.882	\$114,661,106	33.542	\$126,180,059
Estimate and Taxation	0.053	157,430	0.068	229,247	0.064	240,417
Building Commission	1.243	3,691,352	1.135	3,839,006	1.067	4,012,566
Permanent Improvement	0.663	1,967,240	0.561	1,897,240	0.431	1,619,000
Bond Redemption	7.663	22,764,000	5.847	19,784,607	4.965	18,677,000
Firefighter's Relief Association	0.000	0	0.410	1,385,000	0.821	3,086,000
Police Relief Association	0.000	0	0.655	2,215,000	0.964	3,625,000
Minneapolis Employees Retirement Fund	1.014	3,010,000	0.850	2,875,000	0.638	2,400,000
Sub-Total City Levies	45.535	\$135,268,671	43.408	\$146,886,206	42.492	\$159,840,042
Park and Recreation	10.200	30,301,312	11.248	38,064,605	10.635	40,005,789
Tree Preservation and Ref.	2.060	6,117,347	0.000	0	0.000	0
Sub-Total Park Board Levies	12.260	\$36,418,659	11.248	\$38,064,605	10.635	\$40,005,789
Library Board ²	4.137	\$12,287,500	3.777	12,779,000	3.556	\$13,377,160
Sub-Total City Levies	61.932	\$183,974,830	58.433	\$197,729,811	56.683	\$213,222,991
City-Related Special Levies						
Public Housing	0.378	1,124,864	0.345	1,169,859	0.322	1,216,653
Teachers' Retirement	0.751	2,250,000	0.659	2,250,000	0.593	2,250,000
Watershed Districts ³	1.276	3,787,000	1.072	3,676,000	1.151	5,990,820
Sub-Total City-Related Specials Levies	2.405	\$7,161,864	2.076	\$7,095,859	2.066	\$9,457,473
Other Special Levies						
Hennepin County	39.182	\$117,077,010	36.433	\$124,030,325	34.895	134,463,075
Minneapolis Public Schools	26.874	85,829,802	25.628	91,843,506	24.326	91,834,140
Other Special Taxing Districts ⁴	4.715	13,265,573	4.168	13,930,947	4.288	15,374,768
Sub-Total Other Specials Levies	70.771	\$216,172,385	66.229	\$229,804,778	63.509	\$241,671,983
TOTAL NTC BASED LEVIES	135.108	\$407,309,079	126.738	\$434,630,448	122.258	\$464,352,447

REFERENDUM MARKET VALUE BASED (RMV) LEVIES

	2005		2006		2007	
	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$
Minneapolis Public Library Referendum	0.02393%	6,400,000	0.02651%	\$8,100,000	0.02690%	\$9,300,000
Minneapolis Public Schools Referendum	0.09445%	25,270,000	0.09911%	30,284,000	0.09139%	36,690,461
Solid Waste Fee ⁵	0.01595%	4,260,000	0.01585%	4,859,000	0.01585%	5,497,000
	0.13433%	\$35,930,000	0.14147%	\$43,243,000	0.13414%	\$51,487,461
TOTAL RMV BASED LEVIES	0.13433%	\$35,930,000	0.14147%	\$43,243,000	0.13414%	\$51,487,461
TOTAL ALL LEVIES		\$443,239,079		\$477,873,448		\$515,839,908

Notes:

¹ This amount includes the Economic Development/Tax Abatement Levy.

² This does not include the Library Board referendum levy. That amount is listed under "Referendum Market Value Based Levies."

³ The watershed Levy \$\$ are for watersheds 3 & 6 & 7 & 8, these watersheds slightly adjust the levy rates for the School & County applicable to these areas, table shows for payable 2

Water Shed #	# 0	# 3	# 6	# 7	# 8
School Rate	24.192	24.224	24.175	24.192	24.192
County Rate	34.799	34.822	34.787	34.799	34.799
Water Shed rate	0.000	1.151	2.211	0.118	0.000
Total NTC Based rate	120.877	122.083	123.059	120.995	120.877

⁴ Other special taxing jurisdictions include: Metro Mosquito Control, Metropolitan Council, Metro Transit, Park Museum, & Hennepin County Regional Railroad Authority .

⁵ The Solid Waste Fee amounts are the portions associated with Minneapolis only.

⁶ The Tax Levy \$\$ are Certified Levy Amounts.

⁷ The pay 2007 Tax rate applies to 74.3044% of the Commercial property's taxable value and the area wide rate of 119.530 applies to the remaining 25.6956% in addition to the State rate of 49.000.

Residential Property Tax and Utility Fees - Sample Bills

Residential Property Home with Estimated Market Value \$145,500				
	2006	2007	% change	\$ change
Assessed Market Value	\$ 143,500	\$ 145,500	1.4%	\$ 2,000
Taxable Value	\$ 130,100	\$ 145,500	11.8%	\$ 15,400
City Property Taxes				
Property Tax	\$ 654	\$ 724	10.8%	\$ 71
Referendum Tax	\$ 34	\$ 39	13.5%	\$ 5
<i>Total City Property Taxes</i>	\$ 688	\$ 763	10.9%	\$ 75
Water	\$ 252	\$ 256	1.9%	\$ 5
Storm Water	\$ 110	\$ 117	6.5%	\$ 7
Sanitary Sewer	\$ 151	\$ 166	9.5%	\$ 14
Solid Waste/Recycling	\$ 267	\$ 276	3.4%	\$ 9
<i>Total Utilities</i>	\$ 780	\$ 815	4.5%	\$ 35
Total Property Taxes and Utilities	\$ 1,468	\$ 1,558	6.1%	\$ 90

Residential Property Home with Estimated Market Value \$225,500				
	2006	2007	% change	\$ change
Assessed Market Value	\$ 225,500	\$ 225,500	0.0%	\$ -
Taxable Value	\$ 175,800	\$ 202,100	15.0%	\$ 26,300
City Property Taxes				
Property Tax	\$ 945	\$ 1,075	13.7%	\$ 129
Referendum Tax	\$ 47	\$ 54	16.7%	\$ 8
<i>Total City Property Taxes</i>	\$ 992	\$ 1,129	13.8%	\$ 137
Water	\$ 252	\$ 256	1.9%	\$ 5
Storm Water	\$ 110	\$ 117	6.5%	\$ 7
Sanitary Sewer	\$ 151	\$ 166	9.5%	\$ 14
Solid Waste/Recycling	\$ 267	\$ 276	3.4%	\$ 9
<i>Total Utilities</i>	\$ 780	\$ 815	4.5%	\$ 35
Total Property Taxes and Utilities	\$ 1,772	\$ 1,944	9.7%	\$ 173

Residential Property Tax and Utility Fees - Sample Bills

Residential Property				
Home with Estimated Market Value \$564,000				
	2006	2007	% change	\$ change
Assessed Market Value	\$ 529,000	\$ 564,000	6.6%	\$ 35,000
Taxable Value	\$ 476,500	\$ 547,900	15.0%	\$ 71,400
City Property Taxes				
Property Tax	\$ 2,832	\$ 3,225	13.9%	\$ 393
Referendum Tax	\$ 126	\$ 147	16.7%	\$ 21
<i>Total City Property Taxes</i>	\$ 2,958	\$ 3,372	14.0%	\$ 414
Water	\$ 252	\$ 256	1.9%	\$ 5
Storm Water	\$ 110	\$ 117	6.5%	\$ 7
Sanitary Sewer	\$ 151	\$ 166	9.5%	\$ 14
Solid Waste/Recycling	\$ 267	\$ 276	3.4%	\$ 9
<i>Total Utilities</i>	\$ 780	\$ 815	4.5%	\$ 35
Total Property Taxes and Utilities	\$ 3,738	\$ 4,187	12.0%	\$ 449

Residential Property				
Home with Estimated Market Value \$1,427,000				
	2006	2007	% change	\$ change
Assessed Market Value	\$ 1,141,500	\$ 1,427,000	25.0%	\$ 285,500
Taxable Value	\$ 993,300	\$ 1,151,000	15.9%	\$ 157,700
City Property Taxes				
Property Tax	\$ 6,637	\$ 7,567	14.0%	\$ 930
Referendum Tax	\$ 263	\$ 310	17.6%	\$ 46
<i>Total City Property Taxes</i>	\$ 6,900	\$ 7,877	14.1%	\$ 976
Water	\$ 252	\$ 256	1.9%	\$ 5
Storm Water	\$ 110	\$ 117	6.5%	\$ 7
Sanitary Sewer	\$ 151	\$ 166	9.5%	\$ 14
Solid Waste/Recycling	\$ 267	\$ 276	3.4%	\$ 9
<i>Total Utilities</i>	\$ 780	\$ 815	4.5%	\$ 35
Total Property Taxes and Utilities	\$ 7,680	\$ 9,507	23.8%	\$ 1,827

Commercial/Industrial and Apartment Property - Sample Bills

Commercial/Industrial Property				
\$400,000 Valued C/I Property	2006	2007	\$ Chg	% Chg
Taxable Value	\$400,000	\$400,000	\$ -	0.0%
City Property Taxes				
City Property Tax	\$3,283	\$3,103	\$ (180)	-5%
Referendum Tax	\$106	\$108	\$ 2	1%
Total City Property Taxes	\$3,389	\$3,210	\$ (179)	-5%

Commercial/Industrial Property				
\$10,000,000 Valued C/I Property	2006	2007	\$ Chg	% Chg
Taxable Value	\$9,700,000	\$10,000,000	\$ 300,000	3%
City Property Taxes				
City Property Tax	\$87,521	\$85,275	\$ (2,246)	-2.6%
Referendum Tax	\$2,571	\$2,690	\$ 118	4.6%
Total City Property Taxes	\$90,092	\$87,965	\$ (2,128)	-2.4%

Apartment Property				
\$459,000 Valued Apartment Building	2006	2007	\$ Chg	% Chg
Taxable Value	\$435,500	\$459,000	\$ 23,500	5%
City Property Taxes				
City Property Tax	\$3,135	\$3,305	\$ 169	5%
Referendum Tax	\$115	\$123	\$ 8	7%
Total City Property Taxes	\$3,251	\$3,428	\$ 177	5%

Apartment Property				
\$653,500 Valued Apartment Building	2006	2007	\$ Chg	% Chg
Taxable Value	\$645,000	\$653,500	\$ 8,500	1%
City Property Taxes				
City Property Tax	\$4,792	\$4,705	\$ (87)	-2%
Referendum Tax	\$171	\$176	\$ 5	3%
Total City Property Taxes	\$4,963	\$4,881	\$ (82)	-2%

**City of Minneapolis
FY 2007 Budget**

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**City of Minneapolis
FY 2007 Budget
Financial Policies**

Financial Management Policies

The City of Minneapolis' Financial Management Policies provide a framework for the fiscal management of the City. These policies cover the following areas:

- ◆ Operating Budgeting
- ◆ Revenue
- ◆ Reserve
- ◆ Debt Management
- ◆ Capital Budget
- ◆ Accounting
- ◆ Investment
- ◆ Development Finance (including Tax Increment)
- ◆ Public Participation
- ◆ Administrative
- ◆ Transfers

OPERATING BUDGETING POLICIES

The objective of the operating budget policies is to ensure adequate levels of essential City services at reasonable costs.

Balanced Budget. The operating budget for the City shall be balanced. For each fund, ongoing costs are not to exceed ongoing revenues plus available fund balances used in accordance with reserve policies.

Self-supporting Enterprises. All enterprise activities of the City shall be self-supporting to the greatest extent possible, including those activities contained within the Internal Service Funds.

Service Levels. Performance measurement and productivity indicators for services shall be integrated into the annual budgeting process. Changes in service levels shall be governed by the following:

Budget Process. The annual budget process is intended to weigh all competing requests for City resources within expected fiscal constraints. Requests for new programs made outside the annual budget process are discouraged. New initiatives will be financed by reallocating existing City resources to the services with the highest priorities.

Personnel Expenses. Additional personnel shall be requested only after service needs have been thoroughly documented or after it is substantiated that the new employees will result in increased revenue or enhanced operating efficiencies.

Grant Funded Programs. Programs financed with grant monies shall be budgeted in special revenue funds, and the service program shall be adjusted to reflect the level of available grant funding. Individual grant budgets are controlled in the financial system at the cost category level. In the event of reduced grant funding, City funding sources shall

be substituted only after all competing program priorities are considered during the annual budget process.

Basis of Budgeting. The basis of budgeting and accounting are the same, except as noted below. The budgets of all governmental and agency funds are created using the modified accrual basis. Revenues are budgeted if they are measurable and available as net current assets. Major revenues that are determined to be susceptible to accrual include property taxes, special assessments, grants-in-aid, intergovernmental revenues, rentals, franchise fees, and intra-City charges. Interest on investments, short-term notes and loans receivable are accrued; interest on special assessments receivable is not accrued or budgeted. Major revenues that are determined not to be susceptible to accrual because they are not available soon enough to pay liabilities of the current period or are not objectively measurable include delinquent property taxes and assessments, licenses, permits, fines and forfeitures. Delinquent property taxes are not budgeted, while the other categories are budgeted.

In the governmental and agency funds, expenditures are generally budgeted when the related fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Compensated absences, which include accumulated unpaid vacation, compensatory time and severance pay, are not payable from expendable available financial resources, except for available resources in the Self-Insurance Internal Service Fund for vested severance pay. Compensated absences are considered expenditures when paid to employees. Salary expenditures are budgeted based on full time equivalents (FTEs), regardless of the type of pay.

Proprietary funds use the accrual basis. Revenues are budgeted as they are anticipated to be earned. Unbilled utility service receivables are recorded at year-end. Utility Service revenue estimates are based on the number of users, without a factor for delinquencies. Compensated absences are considered expenses when they are incurred.

Budgetary Controls. The legal level of budgetary control is at the department level within a fund. The City Coordinator's Office, the Public Works Department and the City Clerk/Elections/City Council areas are considered to be legal levels of budgetary control within a fund even though budgetary data is presented at lower levels. Budgetary amendments at the department/fund level must be approved by the City Council. Appropriations lapse at year-end.

Purchase orders, contracts, and other commitments are recorded as encumbrances, which reserve appropriation authority. Encumbrances outstanding at year-end are reported as reservations of fund balance and do not represent generally accepted accounting principles (GAAP) expenditures.

Five-Year Financial Direction. City departments will prepare business plans with a five-year planning horizon which reflect the allocation of general City revenues and property tax revenue. This financial direction is based upon the City's adopted tax policy, which established an 8-percent maximum annual increase in the property tax levy. This direction also reflects the Council-adopted wage policy of a 2-percent annual increase.

[new in 2007] Compensation Analysis. The Executive Committee directs the City's Human Resources and Finance Departments to examine the Council's current wage policy.

REVENUE POLICIES

The objective of the revenue policies is to ensure that funding is derived from a fair, equitable, and adequate resource base, while minimizing tax differential burdens.

Revenue Structure and Sources. The City will maintain a stable and diverse revenue system to shelter programs and services from short-term fluctuations in any single revenue source. Services having a city-wide benefit shall be financed with revenue sources generated from a broad base, such as property taxes and state aids. Services where the customer determines the use shall be financed with user fees, charges and assessments related to the level of service provided.

Tax Base Capacity. In July 2002, the Mayor and City Council approved a resolution that set the maximum increase in the total property tax levy collected by the City, including independent boards and special levies, at no more than 8-percent from the previous year's amount from year 2003 forward. This resolution serves as a guideline for preparing tax revenue forecasts.

User Fees. The City shall implement user charges in lieu of general revenue sources for identified services where the costs are related to the level of service.

Cost of Service. The City shall establish user charges and fees at a level that reflects the service costs. Components of the user charges shall include operating and capital costs, as well as the direct and indirect costs of providing the service. Full cost charges shall be imposed unless it is determined that policy, legal or market factors require lower fees.

Policy and Market Considerations. The City shall consider policy objectives, market rates and charges levied by other public and private organizations for similar services when City fees and charges are established.

Non-Resident Charges. User fees and other appropriate charges shall be levied for City activities, services or facilities in which non-residents participate, whenever practical. Non-resident fees shall be set at market levels to minimize the tax burden on City residents.

Enterprise Service Fees. User charges for Enterprise Services such as water, sewer, stormwater, and solid waste collection, shall be set at rates sufficient to finance all direct and indirect operating, capital, reserve/working capital and debt service costs. Overhead expenses and general government services provided to the enterprise activities shall be included as indirect costs. Rates will be set such that these enterprise funds are never in a cash deficit during the year.

Code Enforcement and License Fees. These activities shall be funded through user charges that reflect the cost of the services provided, including direct and indirect expenses, to the extent legally allowable.

Internal Service Fees. When interdepartmental charges are used to finance internal service functions, the charges shall reflect full costs, including all direct and indirect expenses. Costs for services will be allocated to departments using a rate model.

Administrative Fees. Administrative fees shall be assessed on all non-General Fund supported capital projects. These fees allocate the proportionate share of general

government services to those projects so that the General Fund is not required to subsidize infrastructure or economic development projects.

Parking Fees. Hourly, daily, and monthly contract rates for City-owned parking facilities shall be adjusted at least annually to reflect market prices of privately-owned parking facilities. Fee adjustments shall also consider downtown objectives, such as development incentives, space availability, business promotion, traffic control, and mass transit patronage.

Fines. Levels of fines shall be set according to legal guidelines, deterrent effect, administrative costs and revenue potential.

Convention Center. The Convention Center will develop a profit and loss statement for each event. The Center shall be managed so that operating costs are financed through user charges to the greatest extent possible within the overall mission of the Convention Center.

Dedicated Revenues. Except where required by law or generally accepted accounting principles (GAAP), no revenues shall be dedicated for specific purposes. All non-restricted revenues shall be deposited in the General Fund and appropriated through the annual budget process.

Private Revenues. All private money donated, contributed or lent to the City shall be subject to grant solicitation and acceptance procedures, and shall be deposited in the appropriate City fund and accounted for as public money through the City's budget process and accounting system.

Special Assessments. The City Council has the authority to levy special assessments for approximately 65 different types of projects. There are four main areas of assessments:

- *Public Works:* Most common types of assessments are for sidewalks, street improvements, water and sewer line repairs and Nicollet Mall. (Assessments for unpaid utilities are directed by the City's Finance Department.)
- *Inspections:* Most common types are for rubbish removal, trees, grass and brush cutting inspection fees for inoperable vehicles towed from private property, re-inspection fees, administrative citations, vacant building registration fee and inspections, and Police boarding.
- *Park Board:* Most common types of assessments are for tree removal and parkway and sidewalk reconstruction.
- *Minneapolis Public Housing Authority:* Assessments involve repairs for tenants (*i.e.*, sidewalk).

This policy covers City-administered special assessments only.

Method of Payment (Public Improvement Assessments). Owners of benefiting properties shall have the option of paying their assessment all at once or in installments as part of their annual real estate taxes. The City Council shall determine the number of equal annual installments, not to exceed twenty, in which assessments may be paid.

The City Council shall determine the interest rate to be paid annually on all unpaid installments; this rate shall not exceed the maximum rate of interest as provided for in statute (*MN Statutes* 2005, section 429.061, Subd. 2). The first installment shall be payable in the year following completion of the project and in the same manner as real estate taxes.

Capital Improvements Fund. The Capital Improvements Fund is a special revenue fund of the City, which shall contain the proceeds of any levy or bonds issued for public infrastructure projects. Any project costs that are not assessed, such as water mains, shall be paid from this fund. If the amount of money raised through special assessments is insufficient to pay the maximum amount specified for the project, the balance needed shall be taken from the Capital Improvements Fund. Offsetting revenue and City Council approval is required in order for the Capital Improvements Fund to cover insufficiencies.

Uniform Assessment Rate. The Uniform Assessment Rate is a standardized rate applied in street construction and street renovation projects. The current policy requires that assessments be part of the funding for all street paving construction/reconstruction projects for which the City is to bear any part of the cost, except for freeways. This rate shall be applied to the square footage per parcel in the project area to arrive at an assessment cost for each benefited property. The goal of the rate is to ensure an equitable distribution of costs between projects and to assess approximately 25% of project costs. The Uniform Assessment shall be calculated annually and submitted to the City Council's Transportation and Public Works Committee for approval. Separate rates must be established based on the type of project (construction or renovation), funding category (local or other) and benefited parcel category (non-residential or residential).

Tax-Forfeited Properties. A portion of nuisance abatement special assessments may be cancelled for tax-forfeited properties.

- *Tax-forfeited properties sold to the general public –*
 - The portion of a property's post-forfeiture special assessments, pending assessments and charges in excess of fair market value shall be cancelled if the property has not sold the property within 90 days of the property's sale to the public; and
 - The City will waive its right to assess or reassess pre-forfeiture and post-forfeiture special assessments, pending assessments and charges related to nuisance abatement activities under Chapters 227 and 249, and similar provisions of the Minneapolis Code of Ordinances.
- *Tax-forfeited properties located in targeted neighborhoods and purchased by the City for redevelopment purposes –*
 - The portion of a property's post-forfeiture special assessments, pending assessments and charges in excess of fair market value shall be cancelled; and
 - The City will waive its right to assess or reassess pre-forfeiture and post-forfeiture special assessments, pending assessments and charges related to nuisance abatement activities under Chapters 227 and 249, and similar provisions of the Minneapolis Code of Ordinances.

RESERVE POLICIES

The objective of the reserve policies is to provide adequate working capital for cash flow and contingency purposes, while maintaining reasonable tax rates.

Cash Flow and Contingency. The City shall maintain a minimum unallocated General Fund balance of 10 percent of the following year's revenue budget amount to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, or to meet unexpected increases in service delivery costs. Until such time that the aggregate internal service funds net asset position is positive, the City shall maintain a 15 percent fund balance in the General Fund. To the extent that unusual contingencies exist as a result of state or federal aid uncertainties, or other highly variable factors, a balance larger than this minimum amount may be maintained.

Appropriate operating contingency reserves shall be maintained in enterprise funds to provide for business interruption costs and other unanticipated expenditures of a non-recurring nature. Appropriate capital fund reserves shall also be maintained for emergency improvements relating to new regulations, or emergency needs for capital repair or replacement.

For all other funds, appropriate balances shall be maintained reflecting the nature of the accounts, such as:

Special Assessment Funds. The appropriate balance shall be the amount needed for revolving fund cash flow purposes.

Enterprise Funds. The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions. Where cost-effective access to capital markets is available and debt financing is regularly used, replacement balances shall not be maintained so current consumers are not required to pay for future facilities. The City shall maintain a minimum cash balance in its Enterprise Funds equal to approximately three months of operating expense.

Use of Fund Balances. Available fund balances shall not be used for ongoing operating expenditures, unless a determination has been made that available balances are in excess of required guidelines and that plans have been established to address any future operating budget shortfalls. Emphasis shall be placed on one-time uses that achieve future operating cost reductions. Fund Balance is the cumulative years' excess or deficit of all revenues and expense. In the case of proprietary funds, this is termed unrestricted net assets. For the purposes of the budget document, revenue and expense activity includes bond proceeds and debt service.

[adopted in 2000, reaffirmed in 2006]

Whereas, the City Council and the Mayor have previously adopted policy statements committed to establishing long-term strategies for the financial health of the City of Minneapolis; and

Whereas, the Mayor and the City Council have a commitment to uphold the Financial Management Policies of the City to ensure the financial strength of the City of Minneapolis; and

Whereas, the City of Minneapolis has significant financial challenges within the Internal Service Funds of the City; and

Whereas, the City is committed to resolving both the annual deficits within these funds, as well as the accumulated cash deficits; and

Whereas, the lack of adequate funding from the General Fund to the Internal Services Fund has contributed in a large part to the financial deficits'

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:
That the Reserve Policy of the City's Financial Management Policies shall be modified
and reaffirmed as follows:

Cash Flow and Contingency

The City shall maintain a minimum "base" unallocated fund balance of 10% of the General Fund budget to be used for cash flows purposes, unanticipated expenditures of a non-recurring nature, or to meet unexpected increases in service delivery costs. These funds will be used to avoid cash flow interruptions, generate interest income, avoid the needs for short-term borrowing, and assist in maintaining a triple-A bond rating. In the event a balance larger than the "base" amount exists as a result of state or federal aid, salary settlements, or other unknowns provided for in the budget, the City shall decide whether to transfer cash to the Internal Service Funds of the City to help reduce the negative cash balances in these funds.

When financial stability is returned to the Internal Service Funds of the City, the City shall reevaluate the Cash Flow and Contingency policy statement. Specifically, future changes shall address the level of balance that may be maintained above the minimum "base."

Appropriate operating contingency reserves shall be maintained in enterprise funds to provide for unanticipated expenditures of a non-recurring nature. Appropriate capital replacement reserves shall be maintained to fund emergency improvements relating to new regulations, standards, and capital repair and maintenance.

For all other funds, appropriate balances shall be maintained to reflect the nature of the accounts.

Use of Fund Balances

Available fund balances shall not be used for on-going operating expenditures unless determination has been made that available balances are in excess of required guidelines and that plans have been established to address future operating budget shortfalls. Emphasis shall be placed on one-time uses, which achieve future operating cost reductions.

Annual Review

An annual review of cash flow requirements and appropriate fund balances shall be undertaken to determine whether modifications are appropriate for the reserve policy.

DEBT MANAGEMENT POLICIES

Objective. The objective of the debt management policies is to provide a framework for managing the City's Capital financing and economic development activities in a way that preserves the public trust and balances costs to current and future taxpayers without endangering essential City services.

[New in 2007] Authority and Oversight. Management responsibility for the City's debt program is delegated to the Chief Financial Officer. The Debt Management Committee advises the CFO on the use of debt financing and debt management activities. The Debt Management Committee meets periodically at the call of the Chief Financial Officer and is comprised of the following persons:

- Chief Financial Officer
- City Attorney
- Director of Management and Budget
- Director of Capital & Debt Management
- Executive Secretary, Board of Estimate & Taxation
- Director, Development Finance or designee
- Independent Bond Counsel as needed

- Independent Financial Advisor as needed

[New in 2007] Guiding Principles for City of Minneapolis Debt Issuance.

Method of Sale. The three primary methods of selling bonds include competitive sale, negotiated sale and private placement. The City uses the competitive sale method for its general obligation bond sales unless factors such as structure, size or market conditions compel the use of a negotiated sale. The City may use the negotiated sale method on economic development related projects when the characteristics of the transaction require a more specific marketing plan and/or the issue lacks an investment grade rating due to complex security provisions or other factors.

Selection of Independent Advisors. The City uses competitive processes to select all service providers involved in the bond issuance process.

Short-term Debt/Use of Derivatives. The City limits issuance of short-term debt for cash flow purposes, generally using cash reserves and investment practices to ensure adequate liquidity exists to pay for expenditures during the year. Derivative-based financing arrangements shall only be used after careful evaluation by knowledgeable staff regarding the benefits of the instruments as well as all of the associated risks including counterparty credit, market, settlement and operating risk.

Variable Rate Debt. The City uses variable rate debt to provide debt structuring flexibility and potential interest savings to the total debt portfolio. Generally, the City maintains no more than 25% of its total debt obligations in variable rate mode. It also manages no more than 25% of the debt in variable rate mode within the major business functions that issue debt such as the Stormwater, Sanitary Sewers, Water and Parking funds or the Convention Center.

Conduit Debt Financings. The City has an active program of conduit business financings. Development proposals are reviewed to determine if they meet program objectives as determined by City Council financing guidelines and whether the proposal is financially feasible. Items reviewed during due diligence reviews include narrative on the company and owners, past three years of financial statements, personal financial statements, tenant and lease data, market feasibility studies, business plans, project pro formas, appraisals, plans and specifications, environmental reviews, insurance covenants, etc. Additionally, the project will be evaluated for consistency with other city measures related to land use, job creation and compliance with affirmative action, civil rights, job linkage and other equal employment opportunity requirements.

Bond Specifics.

General Obligation Bonds, Property Tax Supported. The City uses general obligation, property tax supported bonding to finance only those capital improvements and long-term assets that have been determined to be essential to the maintenance or development of the City.

[New in 2007] General Obligation Revenue Bonds. The City issues general obligation revenue bonds to finance assets associated with its primary enterprise businesses including storm water and sanitary sewers, waterworks and parking ramps. Financial feasibility of capital projects is reviewed each year, including a review of the cash basis pro formas for these funds. Five-year business plans detailing projected

operating costs and prior debt obligations are reviewed as well as revenue performance and rate setting analysis to ensure that adequate bond coverage ratios are achieved.

Tax Increment Bonds. The City uses tax increment bonds only where projects can be shown to be self-liquidating from tax increments arising in sufficient amounts, or where secured guarantees are provided for potential shortfalls, and with appropriate timing to avoid, to the maximum extent possible, the use of city-wide property tax revenues and where maximum allowable guarantees are obtained. The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment is either fully constructed or is underway and subject to the terms and conditions of a development agreement with the City. Alternatives, such as “pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues, are preferable to bond financing and are to be considered and used when appropriate.

Special Obligation Revenue Bonds. Special obligation revenue bonds, those bonds for which the City incurs no financial or moral obligation, are issued only if the associated development projects can be shown to be financially feasible and contributing substantially to the welfare and/or economic development of the City and its inhabitants.

Bond Term. The City shall issue bonds with terms no longer than the economic useful life of the project. For self-supporting bonds, maturities and associated debt service shall not exceed projected revenue streams.

Feasibility. The City shall obtain secured guarantees for self-supporting and tax increment supported bonds to the extent possible. The City shall also obtain assurances of project viability and guarantees of completion prior to the issuance of bonds.

CAPITAL BUDGET POLICIES

The objective of the capital budget policies is to ensure maintenance of the Minneapolis public infrastructure in the most cost-efficient manner.

Capital Improvement Program. The City prepares and adopts a five-year Capital Improvement Program (CIP) that details each capital project, the estimated cost and funding sources. An adopted point rating system is used to rank and prioritize recommended projects.

Operating Budget Impacts. Operating expenditures/savings of each capital request are included in the cost of implementing the CIP and reflect estimates of all personnel expenses and other operating costs attributable to the capital outlays. Departments receiving capital funds must account for the increased operating costs resulting from capital projects.

Repair and Replacement. The City strives to maintain its physical assets at a level that protects the City's capital investments and minimizes future maintenance and replacement costs. Where possible, the capital budget shall provide for the adequate maintenance, repair and replacement of the capital plant and equipment from current revenues.

ACCOUNTING POLICIES

The objective of the accounting policies is to ensure that all financial transactions of the City of Minneapolis and its boards, commissions, and agencies conform to the City Charter, Minnesota

statutes, grant requirements, the principles of sound financial management and generally accepted accounting principles.

Accounting Standards. The City shall establish and maintain accounting systems according to the generally accepted accounting principles (GAAP), which are set by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). The central system shall be used for financial transactions of all City departments, boards, and independent agencies.

Disclosure and Monitoring. Full disclosure is provided in all financial statements and bond representations. Financial systems are maintained to monitor expenditures and revenues on a daily, monthly, and year-end basis. A Comprehensive Annual Financial Report (CAFR) is published by the City at year's end.

INVESTMENT POLICIES

The objective of the investment policies is to ensure that revenues received by the City of Minneapolis are promptly recorded and deposited in designated depositories. If not immediately required for the payment of obligations, revenues shall be placed in authorized investments. Funds shall be deposited only in the types of investment instruments authorized by the City's Financial Management Policies, *Minnesota Statutes 2005*, section 118A, or City Council resolutions. Investments by the City shall conform to the following investment principles:

Safety. Safety of principal is the City's foremost objective. Each investment transaction shall seek to first ensure that capital losses are avoided, whether from securities defaults or from erosion of market value.

Liquidity. The City's investments shall be structured to provide liquidity to meet its obligations in a timely manner without loss of principal.

Yield. The investment portfolio shall be designed to attain a market-average rate of return through budgetary and economic cycles, taking into account the City's investment risk constraints, cash flow characteristics, and safety of principal.

Diversification. The City shall diversify its investments to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, a business sector (excluding U.S. Treasuries), a specific issuer or a specific class of securities.

Maintaining the Public Trust. The investment program shall be designed and managed with professionalism worthy of the public trust. The best investment vehicles for the City's objectives shall be sought through competitive processes. Investment officials shall avoid any transaction that might impair public confidence in the City of Minneapolis government.

[New in 2007] Use of Derivatives. Derivative securities shall only be used after careful evaluation by knowledgeable staff regarding the benefits of the instruments as well as all of the associated risks including counterparty credit, market, settlement and operating risk. Internal controls shall be established to ensure adequate management for each type of derivative.

Standard of Care. The "prudent person" standard shall be applied in the context of managing the overall investment portfolio. Investment officers, acting in accordance with fiduciary standards and written procedures, shall be relieved of personal responsibility for an individual

security's credit risk or market price changes, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

Internal Controls and Safekeeping. The City Finance Officer shall establish a written system of internal controls. To protect against potential fraud and embezzlement, assets of the City of Minneapolis shall be secured through third party custody and other safekeeping procedures. The City shall authorize the custodian financial institution to utilize security lending to maximize return on investments. Bearer instruments shall be held only through third party institutions. Investment officials shall be bonded.

[New in 2007] Reporting

The City shall prepare a quarterly investment report describing the characteristics of the portfolio, including a summary of recent market conditions, investment performance and investment strategies. This report will be included with the quarterly financial report that is presented to the City Council and Mayor.

DEVELOPMENT FINANCE POLICIES

The objective of development finance policies is to provide public assistance to community development efforts in a manner that balances costs against benefits. In addition to the City's Financial Management Policies, detailed guidelines have been adopted by the City to manage specific development resources and programs.

To the greatest extent possible, all development activities shall be self-supporting. Sufficient public and private resources shall be identified at the time a project is approved to ensure feasible completion and operation of the project. All development financing proposals shall be reviewed to ensure that the proposed finance plan is reasonable, balanced, and the best means by which to achieve City objectives, while adequately protecting city-wide financial interests.

Tax Increment Policy.

Purpose of Policy. This Tax Increment Policy has been approved by the Minneapolis City Council for the following purposes:

- to guide staff in forming recommendations regarding the use of tax increment financing and negotiating contract terms with developers;
- to provide a framework within which the City Council and Mayor can evaluate and compare proposed uses of tax increment financing; and
- to inform the public of the City's position on the use of tax increment financing and the process through which decisions regarding the use of the tool are made.

This policy supersedes the Tax Increment Policy approved by the Minneapolis City Council on March 22, 2002 and revised on January 1, 2004, and earlier versions of said policy. This policy is effective as of April 1, 2005.

Development Objectives. The City uses tax increment financing to accomplish these major objectives:

- Expand the Minneapolis economy to create more living-wage jobs, with an emphasis on providing job opportunities for the unemployed and underemployed.
- Attract and expand new and existing services, developments and employers in order to position Minneapolis and the region to compete in the economy of the 21st century.
- Increase the city's property tax base and maintain its diversity. Clean contaminated land to provide sites for uses that achieve City redevelopment objectives.
- Provide an array of housing choices that meet the needs of current residents and attract new residents to the city, with an emphasis on providing affordable housing.
- Eliminate blighting influences throughout the city.
- Support neighborhood retail services, commercial corridors and employment hubs.
- Support redevelopment efforts that enhance and preserve unique urban features and amenities, including downtown, the riverfront and historic structures.

General Guidelines in the Use of Tax Increment Financing.

- The City of Minneapolis will comply with all requirements of the Minnesota Tax Increment Financing Act, as amended. The City will undertake a rigorous analysis to ensure that the proposed project satisfies the “but for” test embodied within the Tax Increment Financing Act.
- The City of Minneapolis will use tax increment financing only when a clearly identified city development objective is served and only to the degree necessary to accomplish that development objective.
- Tax increment financing will only be used in cases where the City has the financial capacity to provide the needed public assistance, the City Council deems it fiscally prudent to provide such assistance and the developer can clearly demonstrate that the development will be able to meet its financial and public purpose commitments.
- The City of Minneapolis will recapture the public subsidy to the maximum extent feasible after allowing the developer a reasonable return.
- Alternatives, such as “pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues, are preferable to bond financing and are to be considered and used when appropriate. The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment used to pay all or a portion of the debt

service on the bonds is either fully constructed and assessed by the City Assessor or is underway and subject to the terms and conditions of a development agreement with the City.

- Only those public improvements and public redevelopment costs directly associated with or needed to service the proposed development plan or project should be financed through tax increment.
- The City will analyze each potential new tax increment financing district and recommend whether it should be included in or excluded from the fiscal disparity contribution. The impact of the fiscal disparity election on the City's general tax base will be analyzed using the methodology prescribed by the Minnesota Department of Revenue and will be reported to the City Council in a manner understandable to the general public prior to approval of the proposed use of tax increment financing.
- As part of the annual budget process, the City will identify tax increment revenues deemed to be excess tax increment and will make related recommendations for decertification of parcels or districts and report on the total value of captured tax capacity expressed in both dollars and as a percentage of total tax capacity.

Economic Analysis and Risk Assessment Process.

- Proposed uses of tax increment financing will be subject to rigorous economic analysis and risk assessment. City Finance Department staff will be responsible for overseeing the analysis and assessment process. Consultants will be used to complete needed analysis and assessment as appropriate.
- The analysis and assessment of all proposed uses of tax increment financing will address the following questions as part of the standard format for reports to the City Council:
 - What is the public purpose of the financial assistance to the project?
 - Why is there a financial need for public investment and/or subsidy?
 - What is the total cost of the project?
 - What is the appropriate level of public participation?
 - What are the risks associated with the project?
 - What are the alternative plans for managing the risk?
 - How does the proposed project finance plan compare with previously approved comparable projects?
 - What is the project's impact on other publicly financed projects?
- The results of the economic analysis and risk assessment will be presented to the City Council at the time of the request for approval of the proposed use of tax increment financing. The report will identify any elements of the proposed project that are not in conformance with this Tax Increment Policy.
- Projects with an anticipated term of increment collection greater than 15 years or projects with tax increment principal in excess of \$10 million will be

subject to a more extensive analysis, including appropriate market analysis and review by City Finance Department staff.

Evaluation Criteria. The following items will be taken into consideration in the evaluation of any development proposal requesting tax increment assistance.

- **Need For Public Assistance.** In all cases, it is required that the need for public assistance be demonstrated and documented by the developer to the satisfaction of the City Finance Department. All such documentation, including development budgets, cash flow projections, market studies and other financial and market information, must be submitted by the developer along with an application for public financial assistance. If the request is based on financial gap considerations, the developer will demonstrate the profitability and feasibility of the project (*i.e.* gross profit, cash flow before taxes, cash-on-cash return, IRR, etc.), both with and without public assistance.
- **Amount of Public Assistance versus Private Investment.** All development proposals should seek to maximize the amount of private investment per dollar of public assistance. Public assistance as a percentage of total development costs will be determined for each project (or discrete portion of a project receiving a subsidy) and compared to other development projects or subprojects of similar scope and magnitude whenever possible.
- **Term of Public Assistance.** The term of the public assistance shall be kept to a minimum. The proposed term of any public assistance shall be fully documented and explained to the City Council.
- **Development Benefits and Costs.** The direct and indirect benefits of the development proposal shall be determined and quantified to the degree possible. Benefits shall include, but are not limited to, employment benefits (number of jobs retained or created, percentage of jobs held by City residents, wage and salary information, etc.), tax base benefits (estimated market value of new development, new property taxes generated, etc.), housing benefits (number of new rental or ownership units, number of affordable units, etc.), and other benefits relating to transportation, parking, blight remediation, environmental cleanup and historic preservation.

Costs of the development proposal to the City shall also be identified to the degree possible. Such costs shall include, but are not limited to, additional required infrastructure, required local contributions by the City, and the impact on the City's General Fund of the fiscal disparity contribution election if tax increment financing is used. The timeframe used for these cost estimates must equal the timeframe of the project finance plan and separately identify any projected recapture of public subsidy.

- **Recapture of Public Subsidy.** It is the City's goal to recapture all, or a portion, of the public subsidy provided to the extent practical. Methods of recapture shall include, but are not limited to, long-term ground leases, subordinated loans, sale and/or refinancing provisions, and equity participation.

PUBLIC PARTICIPATION POLICIES

The objective of the public participation policies is to enhance the City's ability to meet financial and policy challenges by promoting a well-informed community and by encouraging public input in the decision-making process.

Financial and Performance Measurement Reports. Information regarding the City budget, financial statements and performance measurement shall be available to citizens.

Budget and Service Priorities. Various methods shall be used to ensure public input into the budgeting process, such as informational hearings, surveys, resident-based review committees and community meetings.

ADMINISTRATIVE FINANCIAL POLICIES

The following policies are ongoing and administrative in nature. In the past, these policies had been included annually as footnotes in the budget resolutions. This section is now included by reference in the resolutions. There are two sections – one for operating budget administrative policies, and another for capital and debt related administrative policies.

Section One - Operating Budget Policies

Revenue Related

General Fund Rate Model. The City will recover costs within the General Fund related to services it provides to non-General Fund departments. The allocation of those costs will be based on a fair and consistent methodology, applied enterprise-wide and developed and administered by the Finance Department.

Work for Other and Grant Funding. When tax and non-tax funds have appropriations based on income from Special Independent School District No. 1, government authorities, grants, donations or contracts, expenditures shall be limited to the amounts which can be supported by billings. Billings must be accompanied by an agreement with this granting authority. City officials should treat billings, grants and aids as revenues only to the extent they are collectible, or authoritatively assured.

Pension Related

Authorizing the City Pension employer deductions. The proper City Officials are directed to charge all funds under the City Council jurisdiction a percentage of covered payroll to reflect the costs to the Minneapolis Employees Retirement Fund (MERF), and to charge the appropriate bi-weekly amounts, as provided for in state law, for each member of the Minneapolis Police Relief Association (MPRA) and Minneapolis Fire Department Relief Association (MFDRA).

MERF unfunded liability. These liability amounts are included in the departmental appropriations and will be billed to the affected departments. Reinsurance amounts will be paid to a self-insurance pool funded through premiums paid by departments and tracked by department.

Department Related

Benefit Charge Authorization. The proper City Officials are directed to charge all funds under the City Council jurisdiction for the employer's cost of employee health and welfare benefits.

Overtime Limitation. The policy approved by the Mayor and Council limits all departmental overtime to 5% of personnel budgets.

Elected Official Budgets. A year-end deficit will be allowed for each ward and the Mayor's office budget with the exception of the final year of term (but not for two consecutive years). The deficit will be paid by March 31 or the Council Member or Mayor's office budget for the current year will be reduced at mid-year. If there is savings in a ward or Mayor's budget, these savings can be reappropriated from one year to the next, but cannot be reappropriated the final year of the term.

Fire Department Staffing Authorization. The Fire Chief is authorized the discretion to maintain up to a daily staffing of 109 Fire Fighters, Fire Motor Operators and Fire Captains on fire suppression and emergency medical duty within the overall constraints of the Fire Department budget. The Fire Department shall be authorized to exceed its authorized strength for firefighters for training purposes provided that the average strength for the year is at or below the total authorized and the department does not exceed its legal spending authority.

Police Department Staffing Authorization. The Police Department shall be authorized to exceed its authorized strength sworn officers in order to achieve a higher strength in the summer months provided that the average monthly strength for the year is at or below the authorized strength and the department does not exceed its legal spending authority.

MECC Staffing Authorization. The Minneapolis Emergency Communications Center shall be authorized to exceed its authorized strength in order to achieve a higher strength in the summer months provided that the average monthly strength for the year is at or below the authorized strength and the department does not exceed its legal spending authority.

Inspections Staffing Authorization. The Inspections Division of Operations and Regulatory Services shall be authorized to exceed its authorized number of Housing Inspectors to minimize service disruption to residents provided the department does not exceed its legal spending authority.

Authority of the Finance Officer

The Finance Officer or his/her designee has the following authority to approve technical changes:

- To make **temporary loans** to cover any cash deficits at the end of each fiscal year.
- To adjust appropriations in any fund to facilitate **transfers for debt service** which may be required, and to make all appropriate transfers and payments.
- To amend appropriations related to **technical accounting treatment** changes.
- To adjust **re-appropriations for grant funds** within cost centers as appropriate
- To allocate the **State Insurance Aid** payments received from the state for pension costs between the city and the Police and Fire Relief Associations. The City's allocation shall be for cost of Police and Fire PERA and shall be credited to the proper revenue account in the fund incurring the cost with the balance being allocated to the Relief Associations.

- To adjust the appropriations of the special revenue funds for **payments to various pension organizations** as may be required: Pension Fund (0990).
- To establish or adjust appropriations, transfer balances, or make payments to **carry out the intent** of any action or resolution Passed and Approved, or any legal agreement Passed, Approved and Executed, with respect to any inter-fund loans, advances, residual equity transfers, or operating transfers, or the repayment thereof.
- To make the necessary project and line item budget adjustments to periodically balance budgets and expenses between national objectives within given programs and within normal **CDBG program** constraints.
- To make any necessary appropriation adjustments to allow departments to receive and spend **NRP funds** consistent with Council-approved NRP Action Plans, Early Access requests, and First Step Plans.
- To appropriate available **grant balances** from the following grants:
 - (i) HUD Rental Rehab grant to Fund FG0
 - (ii) HUD HOME grant funds to Fund FG0
 - (iii) Federal Transit Administration (Trolley) grant funds to either Fund FG0 or City Fund 0300 for use by the GMCVA/Meet Minneapolis
 - (iv) Eligible UDAG recapture funds to fund FNA
 - (v) State Economic Recovery Grants to fund SMN
 - (vi) HUD Special Purpose Grant MN47SPG507(TCOIC) funds to the Non-departmental Agency in the Fund (0400-1230)
- To make appropriation adjustments to **correct any errors**, omissions or misstatements to accurately reflect the intent of the City Council in adopting the Operating Budget.
- To adjust the December Local Government Aid (LGA) payments to the Park Board and Library Board if payment is not received from these independent boards for the **management support fees** included in the adopted budget (\$330,000 from the Library Board and \$828,252 from the Park Board).
- To transfer appropriations between parking funds upon request by the Public Works Department. Such transfers shall not change the fund and Agency level totals as approved by the City Council and Mayor and shall not constitute approval of any policy change.
- To appropriate and transfer revenue within the Tax Increment and other special revenue funds consistent with the management of the City's tax increment districts, Common Project, Development Accounts and Preliminary Planning Fund: CLC (Local Contribution), CNR (NRP), SAD (NRP Planning & Implementation), and SPH (Community Development Revenue).
- To establish or amend appropriations related to technical accounting treatment changes and to establish and adjust accounts and appropriations, make payments and transfers, process transactions as necessary for the purpose of cash management of revenues and facilitate any technical corrections, adjustments and completions authorized for the following project/s:
 - Target Center Finance Plan as adopted on March 10, 1995 and detailed in resolutions 95R-058, 95R-059, 95R-060 and Council action of August 22, 2003 so as to prevent situations that would require a market disclosure.
 - **[New in 2007]** To make adjustments to internal rate models (General Fund Overhead, Internal Service Funds, etc...) and the appropriations attached to them for purposes of making technical corrections.

Appropriation and Reappropriation

Reappropriation in grant funds. The balances of 2006 appropriations for the following grant funds are hereby re-appropriated in the year 2007:

0300 Grants - Federal
0400 CDBG/UDAG Fund
0600 Grants – Other
FBG0 CDBG (CPED)
FGO0 HOME (CPED)
FEZ0 Enterprise Zone (CPED)
SMN State Grants (CPED)

The balances of 2006 appropriations for administration in the CDBG/UDAG Grant fund (0400) shall be re-appropriated to the Non-Departmental Agency in 2007, except for the administrative portion of Way to Grow in Health.

NRP carryover authorization. With the exception of NRP Administration, the balance of the 2006 appropriations for NRP projects within Fund CNR (NRP) are hereby appropriated for said purposes in 2007. Specific amounts re-appropriated will be determined after the close of the 2006 fiscal year and upon review and approval of the Finance Officer.

CDBG Reprogramming Policy

There are three sources for reprogramming funds:

- 1) unspent annual administrative appropriations,
- 2) unspent and not legally obligated public service funds over two years old, and
- 3) cancelled, ineligible or unspent capital funds.

The first priority is to apply eligible available balances from the reprogramming process to reduce the deficit in the City's letter of credit with the Federal government. Currently, unspent grant balances allow the City to draw down each year's new grant, providing coverage for the City's over-obligation to fund the Block E land purchase. If the ongoing infusions of new grant funds ceased, the City would be unable to draw down sufficient funds to pay for all the program allocations made in its consolidated plans. The City's current over-obligation of CDBG funds stands at \$6.54 million.

Administrative Allocations. The intent of the reprogramming policy and the footnotes is to limit administrative fund expenditures to the amount that was appropriated for that calendar year, regardless of the amount that is available from the grant balances. The limitation applies to the City Department's non-contractual, internal costs.

Funds that are allocated to grant recipients for administrative purposes are exempt from this provision (e.g.: Legal Aid, Public Housing Citizen Participation). These projects are legal obligations and would not become part of the administrative reprogramming calculation unless the projects were finalized without fully expending the funds.

Public Service Allocations. The amounts that are awarded from and appropriated for public service activities expire in two years from the original award date for that CDBG program year that starts on June 1. The Department can roll over appropriations from the prior year, as needed to carryout these activities. After two years any unspent amounts and those that are not legally obligated are available for reprogramming and will be referred to the reprogramming process.

Capital Allocations. Beginning with the Year 32 (2006) approved Consolidated Plan, authorization for capital project allocations will expire for those projects that have not moved forward toward implementation as enumerated by meaningful financial obligation activity indicated by a minimum of 75% of appropriation expended on tangible project activities by the end of 2009 for appropriations authorized in 2006.

The expiration will take place unless a request for an extension is specifically made and reauthorized by the City Council. Projects with a twelve-month period of inactivity shall also be cancelled if the project has been authorized for more than three years. Further, unspent CDBG capital allocations made prior to year 29 (2003) will be included in the reprogramming action during 2007.

Operating Budget Reappropriation. The Ways and Means committee will receive a list of requests, prepared by the Finance Department, to increase 2007 appropriation for goods and services encumbered in 2006 but not yet paid for that meet the following criteria:

- 1) a valid encumbrance;
- 2) a one-time expenditure (not recurring budget item);
- 3) a purpose consistent with the department's business plan;
- 4) the 2006 appropriation balance available for the encumbered item; and
- 5) the financial position of the fund (status of the fund relative to work out plans; whether the fund's spending in 2006 had expense in excess of revenue).

[New in March 2006] Pre-Payment of Technology Projects. In some cases, departments may be able to "pre-pay" for future technology needs using their current operating budget provided the following conditions are met:

- 1) **Must be a valid encumbrance;** as indicated by a signed agreement between BIS and its customer that spells out the work to be performed along with the costs, any ongoing operating costs associated with the purchase of the technology, and how the department will pay for any ongoing operating costs within existing resources.
- 2) **One-time expenditure:** The prepayment should only be for one-time project related costs and should not pay for recurring items such as maintenance or managed service costs. Ongoing costs should be identified within a department's existing budget.
- 3) **Purpose is consistent with the department's business plan.**
- 4) **The customer has sufficient appropriation in their budget to cover the prepayment.** In addition, the fund must have positive fund balance (net assets) and cash.
- 5) **If the customer cancels the project in subsequent years the cash and appropriation will revert to the General Fund contingency budget, not the department's budget.**
- 6) **Once the project is completed, any remaining appropriation and cash will also be transferred to the General Fund contingency budget.**
- 7) **Department projects in excess of \$250,000** should seek City Council approval for prepayment financing prior to the end of the fiscal year.
- 8) **[new in 2007]** Departments are directed to clearly identify within existing resources the funds that would be used to finance the ongoing costs related to the purchase or development of technology prior to the expenditure of funds for the purchase or development of that technology. The sponsoring department should prepare a Receive and File notice for consideration by the respective home

committee and the Ways and Means/Budget Committee when the annual operating and maintenance cost of any technology project exceeds \$50,000. This notice should be submitted as soon after the sponsoring department has identified the ongoing costs and funding sources. BIS and Finance should work with departments to ensure those costs are identified and included in the contract for technology services.

The City Finance Officer shall make the appropriations adjustments as necessary to carry out this technology financing option. Consistent with other capital investment policies, funds approved according to this policy expire four years after original approval and revert to the General Fund.

Local Government Aid

Allocation. The allocation of Local Government Aid to Minneapolis from the State of Minnesota is to be distributed to the General Fund (0100), Municipal Building Commission (1100), Library Board (1800) and Park Board (1500 & 1700) as indicated in the Council adopted tax policy. In 2007, this allocation is as follows:

City General Fund	\$67,003,954
Park Board	\$ 9,922,312
Library Board	\$ 6,781,437
<u>Building Commission</u>	<u>\$ 272,937</u>
Total	\$83,980,640

Library Nicollet Mall Assessment. The Local Government Aid funding for the Library Board is reduced by \$46,355 to fund the Board’s share of Nicollet Mall Maintenance.

Tax Increment Special Revenue Funds and Internal Loans. State statute requires that tax increment (TI) revenues be segregated from all other revenues of the City and maintained in separate funds established for each individual TI district. As a result of this statutory requirement, a separate fund is established at the time a new TI district is approved. Qualifying expenses are charged to these individual district funds as they are incurred. This action could result in negative balances in a fund until TI revenues are generated from the district.

When a district has a negative fund balance, this is considered to be an internal loan by the Office of the State Auditor and the TI Act requires prior, specific action to be taken by the City to authorize these internal, inter-fund loans.

Therefore as part of the budget process, and for purposes of covering any temporary negative fund balances, the City authorizes the advance of revenues from other TI special revenue funds in the amount needed to offset any negative fund balances incurred within a TI fund prior to or in excess of the collection of sufficient TI revenue. The interest rate paid on any advance will be equal to the rate of interest those revenues would have earned in their respective fund. The term of any advances shall end upon termination of any TI district that carries the negative fund balance. As TI revenues are available in a TI fund that previously had a negative balance, the advance shall be offset by the amount available in that fund.

Capital advances needed for negative fund balances will not result in the actual movement of revenue between funds, but the positive balance of all the City’s TI funds will offset any negative balance in a TI fund.

Hilton Fund

Investment. Notwithstanding prior direction, the proper City and CPED officials are authorized to take actions necessary to re-invest Fund SPH (Community Development), the balance of the invested proceeds from the sale of the CPED's and City's interests in the Hilton Hotel. The status of the fund, expenditures and balances are to be reported annually as part of the City's budget process.

Use for Pension Obligations. The Finance Officer is directed to transfer \$12.5 million (market value) of investments in the Hilton Legacy Fund to an escrow account for the purpose of paying principal and interest on \$12.5 million of bonds that funded a portion of the City's 2005 pension obligations (Pension Bonds). Investments held in the escrow account will not be available for any other purpose. The Finance Officer is authorized to redeem the remaining Pension Bonds when the Finance Officer determines that the interest rate on the Pension Bonds is expected to exceed the rate of return on the escrow investments for the remaining term of the Pension Bonds. Investments in the escrow account will be returned to the Hilton Legacy Fund after the Pension Bonds are fully paid.

Use for Discretionary Development. The Council has authorized in the Discretionary Development Plan (Resolution 2003R-404) that the Department of Community Planning and Economic Development may borrow up to \$22 million in annual amounts not to exceed \$3.679 million in calendar years 2004 through and including 2009. The loan shall be repaid from any funds received in repayment of the Brookfield Loan and the proceeds of any sale or other disposition of the MCDA's interest in the Saks Parcel, including net income from the operation of the Saks Parcel if any.

Gift Acceptance. Any gifts with a value of \$1,000 or less can be received by individual City departments with written notice to the Finance Officer or his/her designee. The Finance Department shall submit a quarterly gift report to the City Council's Ways and Means Committee for approval. Consistent with Minnesota Statutes, section 465.03, the department may not use the gift until it has been approved by a two-thirds vote of the City Council.

The quarterly gift report shall contain the following information on each donation:

- 1) Name of recipient department;
- 2) Name of entity making gift;
- 3) Description of gift (including value of gift, date received and special designations on gift, if any); and
- 4) Funding strings for revenue and expense appropriation increases.

For any gifts with a value exceeding \$1,000, the recipient department shall submit a request for authorization to accept the gift to the City Council's Ways & Means Committee directly.

Section Two - Capital & Debt Management Resolution Policies

Appropriation and Reappropriation

Approvals for Bond Issuance. The amounts appropriated in any City fund to be financed by bond proceeds are contingent upon the necessary approvals for issuance. The Finance Officer is authorized to establish or adjust any bond-financed appropriations when the necessary approvals for issuance of bonds are obtained. Further, the Finance Officer is authorized and directed to adjust assessment

appropriations set forth in this resolution to reflect the actual amount to be assessed. Total amounts assessed will be established by a future Council action approving the assessment public hearing and the amount assessed for the project.

Creation of Appropriations. The Finance Officer is authorized to create or adjust certain appropriations subsequent to the sale of bonds, including all appropriate fund transfers and payments necessary to comply with arbitrage rebate and reporting to the federal government required under the Tax Reform Act of 1986 and revisions to debt service budgets resulting from bond sales during the year.

Reduction of Appropriations if revenues do not materialize. The amounts appropriated in the various funds to be financed from various revenue sources are now hereby appropriated contingent only upon the reasonable expectation of the receipt of the required financing. The Finance Officer is authorized and directed to reduce any capital appropriation whenever a revenue source is determined to be not collectible for whatever reason.

Capital Project Closure. The Finance Officer is authorized to approve the closure of non-bond funded capital projects and the adjustment of said appropriations as identified and requested by the City Engineer for those projects under Public Works.

Independent Boards: Appropriations and Capital Advances. The Finance Officer is authorized to establish or adjust appropriations, make payments and transfers, and process transactions as necessary for the purpose of providing departments, boards and commissions an internal financing alternative to lease/purchase agreements with external vendors. The Finance Officer may provide capital advances from individual funds to the extent funds are actually available. The Finance Officer shall establish the term and interest rate applicable to the capital advance. The principal amount of the capital advance can be transferred to the fund of the department, board or commission after the purchase of the asset and execution of an Internal Lease/Purchase Agreement, signed between the department, board or commission and the Finance Officer. Prior to issuing the capital advance, the Finance Officer shall determine that the department, board or commission has made a commitment in their annual budgets to provide the funds necessary to repay the advance, with interest, over the term of the agreement.

Reappropriation of Capital Projects. The Finance Officer is authorized to adjust re-appropriations to capital project funds as appropriate. The balances of prior year appropriations in Capital funds are hereby re-appropriated with the following exceptions:

Fund	Project or Operating Organization
4100 City-Capital Impr Fund	PW Engineering Services (4100-6025)
4100 City-Capital Impr Fund	Sidewalk Inspection (4100-6076)
4100 City-Capital Impr Fund	Reimbursable Paving (4100-9372)
4100 City-Capital Impr Fund	Reimbursable Transportation (4100-9440)

Balances of capital projects in funds 6100, 6200, 6400, 7300, 7400 and 7500 are also hereby re-appropriated with the exception of Reimbursable Sewer Projects (7300-9322) and Reimbursable Water Projects (7400-9545).

Expiration of Capital Project funding for certain projects. For certain capital projects, the funding is replenished annually due to the source of funding and/or recurring major maintenance nature of the projects. For these projects, the expenditures are to be paid

from funds of the appropriation year in which the work occurs. These projects will not have their appropriations carried forward since they are replenished annually. If bonds are issued for these programs, the appropriations will carry over.

The projects follow:

SWK01	Defective Hazardous Sidewalks – Assessed portion
SW001	Sanitary Tunnel & Sewer Rehabilitation Program
SW002	Miscellaneous Storm Drains
SW004	Implementation of US EPA Storm Water Regulations
SW011	Storm Drains and Tunnels Rehabilitation Program
SW030	Alternative Stormwater Management Strategies
WTR12	Water Distribution Improvements
RMP01	Parking Facilities – Repair and Improvements
RMP03	Bicycle Parking

Accounting Adjustments. The Finance Officer is authorized to approve adjustments to Capital Appropriations between different agency and organization levels within the same fund and revenue source. Such budget transfers shall not constitute approvals of any policy change.

Adjustments Related to Cost of Bond Issuance and Maintenance Fees. The Finance Officer is authorized to establish or adjust appropriations and fund transfers to pay all costs associated with authorized City of Minneapolis bond sales including costs of issuance and annual bond maintenance fees from the Bond Redemption Fund (5250) with the expenditures then being allocated to other funds as appropriate.

Funding of Capital Models and Studies. The Finance Officer is authorized to fund from investment earnings generated from capital project balances studies related to long-term financial planning models and related debt management activity.

Authorization of Transfers for Bond Proceeds and Investment Income. The Finance Officer is authorized to establish and adjust appropriations to provide for the transfer of funds to include bond proceeds and investment income for capital projects.

Correction of Errors. The Finance Officer is authorized to make corrections for errors of omission and misstatements in order to accurately reflect the current budget year of the adopted Five-Year Capital Program.

Appropriation of Debt Service. There is hereby appropriated in the various Debt Service Funds sufficient funds to pay debt service requirements.

Arbitrage, Internal Revenue Service Regulations and Related Policies

Use of Investment Earnings. The investment earnings from unspent bond proceeds shall be accounted for in separate arbitrage funds and will be allocated to debt service on net debt bond issues and shall be transferred on the scheduled debt service payment dates. The exception to this is that investment earnings on unspent tax increment bonds are to be used only for tax increment eligible purposes related to that specific tax increment bond issue.

Tax-Exempt Bonds. The Capital budget resolution constitutes an official declaration pursuant to IRS Treasury Regulations Section 1.150-2 that the City intends to reimburse expenditures which may be made for those projects designated herein to be funded with bond proceeds by incurring tax-exempt debt of the City. The expenditures to be reimbursed include all preliminary expenses for planning, design, legal, consulting services and staff costs reasonably allocated to the project as well as costs incurred and paid for the design and construction of the projects after approval of the capital budget. The projects are more fully described in the Capital Budget Request forms on file in the office of the Director of Capital and Debt Management. The reasonably expected source of funds to pay debt service on the tax-exempt bonds to be issued by the City consists of the following according to the designated bond type:

Bond Type	Source
Net Debt, Library Referendum, Public Safety, Equipment	Property taxes and Internal User Fees
Sanitary Sewer	Sanitary Sewer revenues, Fund 7100
Stormwater Sewer	Stormwater Fund revenues, Fund 7300
Water	Water Fund revenues, Fund 7400
Parking	Parking Fund revenues, Fund 7500
Assessment	Special assessments
Tax Increment	Tax increment revenues

Reimbursement Intent. The Finance Officer is authorized to make further declarations of official reimbursement intent in connection with the projects described herein pursuant to IRS Treasury Regulations Section 1.150-2 on behalf of the City consistent with budgetary and financial circumstances. Copies of any such further declarations shall be filed with the Ways & Means/Budget Committee and the Board of Estimate and Taxation.

Direction to Staff Regarding Capital Budget Process

Completion of Major Repair Items in Public Facilities. Public Works Property Services is directed to provide CLIC a one page summary of major repair items completed in the prior year as part of their PSD01 Facilities Repair and Improvements capital program. This document must accompany the annual capital submittal for this program.

Status of Art in Public Places Program. Staff responsible for the Art in Public Places capital program are directed to provide CLIC a report on the status of projects currently in the planning phase or under construction as part of their annual capital submittal.

Park Board Request. Park Board needs to provide CLIC a report showing where capital expenditures were incurred by project for the prior year and details of what projects are planned by year and by funding source as part of the Park Board capital submittal.

Planning Direction Provided. The adoption of the Five-Year Capital Program is to assist in planning and provide direction for City departments including Public Works Engineering Services, but it does not establish permanent Council commitment to the out-year projects either in scope or timeline of construction.

Library Board Request. The Library Board needs to provide CLIC with an updated progress report and cost estimate of infrastructure needs by facility as part of the Library Board Capital submittal.

Capital Projects Status Report/Bond Authorization

Annual Capital Projects Status Report.

Once a year, no later than April 30th, the Finance Department will report to the City Council's Ways & Means Committee on the status of capital projects. This Annual Capital Projects Status Report shall contain the following information by project and capital program year:

- 1) A list of all capital projects for which bonds or City funding sources have been authorized but have not been closed;
- 2) The amount of revenue received to date;
- 3) The current, expended and remaining appropriations;
- 4) The balance of project shortfalls or funds available for reprogramming; and
- 5) A list of outstanding capital projects with the amount of bond authorization and appropriation that will be considered for expiration in the following year.

The Finance Department shall also report on fund appropriations for capital projects, bond authorizations and proceeds balances that may be cancelled because projects have been completed or otherwise concluded, or because the purposes for which the money was appropriated or bonds were authorized or issued have been cancelled, completed, or otherwise concluded.

Expiration of capital project funding. Beginning with the 2006 City Council approved Capital Improvement Plan and for all such Plans authorized thereafter, the City Council authorization for bonds and appropriation for those capital projects, will expire for those projects that have not moved forward toward implementation as enumerated by meaningful financial obligation activity indicated by a minimum of 75% of appropriation expended on tangible project activities by the end of the third year following authorizations.

The expiration of appropriations under this policy will take place unless a request for an extension is specifically made and reauthorized by the City Council. Projects funded with bond proceeds that expire under this section shall require City Council reauthorization. Projects with a twelve-month period of inactivity shall also be cancelled if the project has been authorized for more than three years.

TRANSFER POLICIES

The objective of the transfer policies is to ensure the transfer of money between funds is done in a fiscally sound manner.

Municipal Parking Fund to General Fund. The Municipal Parking Fund is a City enterprise fund used to account for the operation, maintenance and construction of the City's parking facilities as well as on-street parking and the Municipal Impound Lot.

Transfer Criteria. Transfers into and out of the City's Municipal Parking Fund should meet the following criteria:

1. Be consistent with state laws, City ordinances and the City Council approved finance plans and financial policies;
2. Maintain and support favorable financial results among all affected funds;
3. Be sustainable to allow long-term financial planning.

Finance and Public Works will recommend to the Mayor and City Council the amount of the transfer based on an analysis of the financial history of the fund; this recommendation will be part of the annual presentation of the Five-Year Financial Direction.

**City of Minneapolis
FY 2007 Budget
Financial Policies**

**Proposed City of Minneapolis
Financial Planning and Policy Resolution: Independent Boards**

***Mayor and Council Adopted, July 2002
Board of Estimate and Taxation Adopted, July 2002***

Whereas:

1. At the direction of the Mayor and City Council, the City has prepared a ten-year financial projection of demands on the city property-tax supported funds, a summary of which is attached as Exhibit A and incorporated herein by reference;
2. The projection demonstrates that the known demand on property tax revenues will significantly exceed reasonably foreseeable resources;
3. The Mayor and Council are developing a long-term strategy for managing the financial challenges documented in the ten-year projection and wish to engage the Independent Boards and the Board of Estimate and Taxation as partners in that strategy;
4. Recognizing that all City of Minneapolis taxing jurisdictions draw revenue from the same taxpayers, the Mayor and Council support an enterprise approach to establishing future property tax revenue projections. The Mayor and Council further support setting the maximum annual property tax levy at no more than an 8-percent annual increase for budget years' 2003 through 2010, inclusive of the levy for the Independent Boards, including the voter-approved library referendum;
5. The Mayor and Council desire to work with the Independent Boards and the Board of Estimate and Taxation to set long range financial parameters so that our joint taxpaying customers and our individual City governing boards can all make more informed business decisions about respective annual budgets.
6. The Mayor and Council desire to work with the Independent Boards in a fair and consistent manner.

Therefore Be It Resolved, That the Mayor and Council hereby adopt the following Policy Statements as provided below in Items A through E, with respect to the Independent Boards, to serve as a framework for developing the 2003 budget as well as long-term financial plans for the City and Independent Boards; and

Be It Further Resolved That the Mayor and Council submit to the Board of Estimate and Taxation recommended maximum property tax levies for taxes payable in year 2003. The Mayor and Council also request the Board of Estimate and Taxation to consider adopting parallel policy statements to Policy Statements A through E, adopted by the Mayor and Council as part of this resolution.

Policy Statements (A through E):

(A) Local Government Aid (LGA) from the State of Minnesota

The Mayor and Council will remain committed to August 26, 1994, Council action which based the annual enterprise distribution of LGA revenues on a stable percentage in exchange for a cap in individual board property tax levies.⁶

The Mayor and Council will allocate LGA consistent with the 1994 agreement provided the independent boards adhere to the tax levy provision outlined in the original agreement, with the one modification. The Mayor and Council hereby propose amending the policy to provide for a maximum 4-percent annual increase in property tax levy versus the 3-percent included in the original 1994 agreement.

Consistent with the 1994 adopted agreement with the Independent Boards, the Council will distribute LGA based upon the following percentage allocation, as outlined below.

	<u>% Distribution of LGA</u>
Library Board	8.05%
Park Board ⁷	11.79%
Municipal Building Commission	0.30%
Board of Estimate and Taxation	.10%
City Council	79.76%
Total	100.00%

The Council policy will continue to be that the City and the Independent Boards will share any legislative reductions or increases in LGA, using the same percentages as outlined above.

In the event an Independent Board's property tax levy increase exceeds 4-percent (adjusted for any one-time shifts), the City Council will reduce the LGA payment to the board to offset the additional increase.

If state legislation creates new aid programs for general city purposes, the Mayor and Council expresses the intent to negotiate with the Independent Boards an appropriate allocation basis for this revenue.

(B) Management Support Charges

The Independent Boards will be charged for the actual cost of providing management support services to the boards. The basis for allocating costs will be the same as that used for Council departments. Management support services include, but are not limited

⁷ The allocation of LGA to the Park Board will increase from 10.89% in budget year 2002 to 11.79% in budget year 2003, provided the Park Board reduces their base property tax levy by \$1.0 million, which will be added to the City's General Fund base levy. The allocation of LGA to the General Fund will decrease from 80.66% in budget year 2002 to 79.76% in budget year 2003. This net result will be a \$1.0 million shift in LGA distribution from the General Fund to the Park Board and a \$1.0 shift in property tax levy from the Park Board to the General Fund, from budget year 2002 to 2003.

to, services provided by the following city departments: Information Technology, Finance, and Human Resources.

Management support charges, as included in the Council's adopted 2002 budget, will be capped at \$800,000 for the Park Board and \$300,000 for the Library Board for both the 2002 and 2003 budget.

Beginning with the 2004 budget, the management support charges to the Independent Boards will be based upon standard accounting practices for allocating costs. The method and procedure to calculate the pro-rated costs and collection of the charge will be finalized and communicated to the Independent Boards by December 31, 2002.

As provided for in the 2002 budget footnotes, the City Finance Officer has the authority to reduce LGA payments to the Independent Boards if payment of the management support charge is not received prior to the distribution of the December LGA payment.

(C) Adjustments to Prior Year Increases in Property Tax Levies

As stated in Item A, the Mayor and Council remain committed to the 1994 budgetary policy regarding the Independent Boards. The 1994 policy has two parts (1) a stable percent allocation of LGA and (2) a 3-percent cap in annual property tax levy increases for the Independent Boards, which will be amended to a 4-percent cap beginning with the 2003 budget. The Park and Library Boards both had increases in 2002 property tax levies above this threshold. The Mayor and Council consider the portion of property tax levy increase above the policy threshold to be one-time funds for year 2002. The baseline tax levies for both entities should return to a level that corresponds to the 1994 agreement.

(D) Infrastructure Gap Funding

The Mayor and Council will support funding infrastructure "gap" closure for the Independent Boards in a similar manner to that of Public Works.

The City's adopted *2002-2006 Capital Improvement Plan (CIP)* provides for closing 27% of Public Works infrastructure "gap", supported by property taxes, by year 2009⁸. To achieve this goal the property tax levy will need to increase by \$1.0 million annually from 2003 to 2009.

The Mayor and Council support a future funding plan for the Park Board that closes 27% of the previously identified \$5.5 million annual funding gap for park infrastructure by 2009. To achieve this goal \$215,000 of additional property tax levy will be added annually to the Park Board levy, for a total of \$1.5 million in additional annual funding by 2009.

The Mayor and Council support reducing the base property tax revenue for the Park Board by the amounts added in years' 2001 and 2002 for Park Board capital

⁸ The 1997 State of the Public Works Infrastructure Report identified a \$44 million property tax supported funding gap for improving and maintaining public works infrastructure. The original plan was to fund 50% of this gap over a 10-year period time.

purposes. In years' 2001 and 2002, \$1.5 million was added each year to the Park Board base property tax levy, or \$3.0 million in total over this two-year period of time. The Park Board has received the benefit of the additional \$4.5 million collected in property tax levy over this two-year period of time.

Recommended Park Board Capital Improvement Plan:

<i>(In millions of dollars)</i>	2003	2004	2005	2006	2007	2008	2009
Base Capital Funding ⁹	\$1.9	\$1.9	\$1.9	\$1.9	\$1.9	\$1.9	\$1.9
"Gap" Funding	\$0.2	\$0.4	\$0.6	\$0.9	\$1.1	\$1.3	\$1.5
Total Capital Funding	\$2.1	\$2.3	\$2.5	\$2.8	\$3.0	\$3.2	\$3.4

(E) Alternative Revenue Strategies

The Mayor and Council will work in cooperation with the Park Board and Library Board to develop alternative funding strategies (i.e., land trusts and expanded friends of the parks and library), other than the property tax, for raising additional funds to support program and capital needs.

The Mayor and Council will not support any new referenda for the Independent Boards because of the significant pressure a referendum would create on the already burdened property tax. The Mayor and Council will act to educate taxpayers about the financial burden any new referenda would create for taxpayers.

Adopted Amendments:

1. Amendment to add an additional Policy Item, Policy Item F

The Mayor and City Council will support annual property tax increases for the Minneapolis Public Housing Authority at the same maximum 4-percent annual increase level as that established (in Policy Statement A) by this resolution for the Park Board, Library Board, Municipal Building Commission, and Board of Estimate and Taxation.

2. Amendment to Policy Item A

Amend Policy Item A to include the following language:

In the event the City Council reduces the LGA payment to an Independent Board (as provided for in this policy statement), the City will appropriate the additional LGA to the City's General Fund and reduce the City's General Fund property tax levy by an offsetting amount. This will be done in order to ensure the maximum property tax levy increase is maintained at 8-percent on a combined basis for the City, including the Independent Boards.

⁹ The 2002-2006 adopted CIP includes \$1,920,000 in net debt bond funding for the Park Board.

NEIGHBORHOOD REVITALIZATION (NRP) ORDINANCE (as amended August 22, 2003)

Note: This ordinance is an important policy document – it allocates the development resources and outlines how they are to be accessed.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 419.20(a) of the above-entitled ordinance be amended by adding thereto the following definitions in alphabetical sequence to read as follows:

419.20. Definitions and general guidelines. (a) In this chapter, unless a different meaning clearly appears from the context:

Agency means the Minneapolis Community Development Agency, its successors or assigns.

Discretionary development funding plan means that certain resolution adopted by the city council on August 22, 2003, providing funding for discretionary development activities from 2004 through 2009.

Neighborhood action plan means the plan developed with the participation of neighborhood residents under subdivision 6 of the neighborhood revitalization program law.

Phase I means the first phase of the neighborhood revitalization program (1990-2000), funded by the Phase I funds.

Phase I funds means the city neighborhood revitalization program funds reserved from 1990 through 2000.

Phase II means the second phase of the neighborhood revitalization program (2001-2009), funded by the Phase II funds.

Phase II funds means twenty million dollars (\$20,000,000.00) in 2001, eleven million dollars (\$11,000,000.00) in 2002 and, for 2003 through 2009, the funds required to be reserved for neighborhood revitalization under chapter 604, subject to the priorities stated in section 419.35.

Sources of securities and repayment shall have the meaning set forth in the discretionary development funding plan.

Tax increment act means Minnesota Statutes, Sections 469.174-469.1799, as amended, which establishes the powers relating to use of tax increment.

Section 2. That Section 419.30 of the above-entitled ordinance be amended by adding thereto a new subdivision (c) to read as follows:

419.30. Neighborhood revitalization program.

(c) To achieve the chapter 604 requirement that at least 52.5 percent of the funds reserved for

neighborhood revitalization be expended on housing programs and related purposes, the policy board shall take the following actions:

(1) Commission an independent audit of compliance with the chapter 604 requirement for neighborhood revitalization program funds under contract or expended through June 30, 2003. The audit shall allocate contracted and actual expenditures for housing programs and related purposes among the following cost categories:

a. Creation of new rental housing units affordable to persons whose annual incomes do not exceed (i) thirty percent of and (ii) fifty percent of the median family income.

b. Rehabilitation or preservation of existing rental housing units affordable to persons whose annual incomes do not exceed (i) thirty percent of and (ii) fifty percent of the median family income.

c. Provision of affordable ownership housing opportunities, including first-time homebuyers' mortgages (with income qualifications).

d. Rehabilitation of existing housing units through housing loan and grant programs with income qualifications.

e. Rehabilitation of existing housing units through housing loan and grant programs without income qualifications.

f. Administrative costs associated with the operation of housing projects, programs, services and activities. The policy board shall complete the audit by October 15, 2003.

(2) Develop a plan to make up any deficiency identified by the audit using existing phase I fund balances and/or phase II funds. The plan shall include a timeframe and measurable outcomes that are consistent with city housing plans and policies as well as neighborhood action plans. The policy board shall submit the plan to the city council for consideration consistent with section 419.70 by October 22, 2003 and each October to the end of the program.

(3) Prepare and transmit by July 1 of each year to the governmental bodies represented on the policy board an annual recommended budget and five (5) year plan for use of the phase II funds and any other funds made available to the policy board consistent with city goals, plans and

policies, approved neighborhood action plans and applicable laws, ordinances and resolutions. The policy board submission will constitute its recommendations to the mayor and other appropriate parties for consideration in the budget deliberations for the upcoming year.

Section 3. That a new Section 419.35 be added to the above-entitled ordinance to read as follows:

419.35. Common project priorities for phase II.

(a) Tax increment and other revenues generated from the common project, but excluding the sources of security and repayment, shall, for purposes of phase II, be applied in accordance with the following priorities in order given.

(1) Payment or reservation for payment of any debt obligations, contractual obligations or other obligations incurred by the agency or the city from time to time with respect to the common project;

(2) Payment of tax increment administration costs related to the common project as permitted pursuant to the tax increment act;

(3) Reservation of phase II funds pursuant to this chapter, except that no more than \$20,000,000 shall be reserved for neighborhood revitalization in any fiscal year; and

(4) General development purposes, as permitted by law.

(b) The sources of security and repayment shall be applied in accordance with the discretionary development funding plan.

(c) The revenues identified in that certain target center finance plan adopted by the city council in 1995, as amended through August 22, 2003, including revenues not generated by the common project, shall be applied to offset target center obligations.

Section 4. That Section 419.40 of the above-entitled ordinance be amended to read as follows:

419.40. Commitment of city neighborhood revitalization program funds.

(a) Phase I. In furtherance of the goals stated in section 419.30(a), the city hereby commits to provide the city neighborhood revitalization program phase I funds, commencing in 1990 through and including 2000, for phase 1 of the neighborhood revitalization program.

(b) Phase II. In furtherance of the goals stated in section 419.30(b), and subject to the priorities established by section 419.35, the city hereby commits to reserve the phase II funds for phase II neighborhood action plans, commencing in 2001

through and including 2009, to the extent that such funds are available pursuant to section 419.35. The difference, if any, between the total phase II funds reserved in any fiscal year and the twenty million dollar (\$20,000,000) cap shall not be carried forward to any subsequent fiscal year.

Section 5. That Chapter 419 of the Minneapolis Code of Ordinances be amended by adding thereto a new Section 419.55 to read as follows:

419.55. Phase II neighborhood revitalization program process. The provisions of section 419.50 shall apply only to phase I of the neighborhood revitalization program. The following provisions apply to phase II of the neighborhood revitalization program.

(a) Purposes; qualifying costs. Neighborhood action plans may provide for expenditure of phase II funds for the following purposes:

(1) To eliminate blighting influences by acquiring and clearing or rehabilitating properties that the city finds have caused or will cause a decline in the value of properties in the area or will increase the probability that properties in the area will be allowed to physically deteriorate.

(2) To assist in the development of industrial properties that provide employment opportunities paying a livable income to the residents of the neighborhood and that will not adversely affect the overall character of the neighborhood.

(3) To acquire, develop, construct, physically maintain, rehabilitate, renovate, or replace neighborhood commercial and retail facilities necessary to maintain neighborhood vitality.

(4) To eliminate health hazards through the removal of hazardous waste and pollution and return of land to productive use, if the responsible party is unavailable or unable to pay for the cost.

(5) To rehabilitate existing housing and encourage homeownership.

(6) To construct new housing, where appropriate.

(7) To rehabilitate and construct new low-income, affordable rental housing.

(8) To remove vacant and boarded up houses.

(9) To rehabilitate or construct community-based nonprofit and public facilities necessary to carry out the purpose of the neighborhood revitalization program.

(b) Phase II funds; distribution and restrictions.

(1) Phase II funds may only be expended in accordance with the neighborhood revitalization program

(i) for a purpose listed in section 419.55(a); or

(ii) as provided in subdivision 4 of the neighborhood revitalization program law, including the promotion of neighborhood safety and stability through community crime prevention programs and activities such as neighborhood block and police patrols, block clubs and community outreach; or

(iii) to cover administrative costs attached to implementation of strategies contained in approved neighborhood action plans.

(2) Phase II funds may not be used in those project areas of the city where the city determines that private investment will be sufficient to provide for development and redevelopment of the project area without public sector assistance, except in cases where phase II funds are being used to remove or rehabilitate structurally substandard or obsolete buildings in a manner consistent with the neighborhoods' priorities as reflected in an approved neighborhood action plan.

(3) Except as provided in the neighborhood revitalization program law, revenues derived from tax increments may only be expended for the purposes otherwise permitted by law.

(4) A minimum of 52.5 percent of the phase II funds must be expended on housing programs and related purposes. Compliance with this provision shall be measured annually. The phase II target for housing programs and related purposes shall be adjusted to accommodate for any shortfall in expenditures in phase I such that the total expended in phase I and phase II for housing programs and related purposes shall be no less than 52.5 percent.

(5) If a strategy in an approved neighborhood action plan has not expended 50% of the allocated dollars in three (3) years, the neighborhood must verify that the strategy remains appropriate or the strategy must be changed or the dollars will be reallocated to the NRP program.

(6) No more than 20% of the program dollars expended (on an annual basis) may be used for administrative costs, both in central administration and at the neighborhood level.

(c) General principles. Phase II of the neighborhood revitalization program must be developed based on the following general principles:

(1) The social needs of neighborhood residents, particularly lower income residents,

must be addressed to provide a safe and healthy environment for neighborhood residents, provide for the self-sufficiency of families, and increase the economic and social stability of neighborhoods.

(2) The children residing in the neighborhoods must be given the opportunity for a quality education and the needs of each neighborhood must be addressed individually wherever possible.

(3) The physical structure of the neighborhoods must be enhanced by providing safe and suitable housing and infrastructure to increase the desirability of neighborhoods as places to live.

(d) Required program elements. Phase II of the neighborhood revitalization program must include the following:

(1) The identification of the neighborhoods that require assistance through the program.

(2) A strategy of the citizen participation required under this chapter.

(3) The neighborhood action plans required under this chapter.

(4) The activities of participating organizations undertaken to address the general principles.

(5) An evaluation of the success of the neighborhood action plans.

(e) Neighborhood action plans. Phase II of the neighborhood revitalization program must include the preparation and implementation of neighborhood action plans. The city must organize neighborhoods to prepare and implement the neighborhood action plans. The neighborhoods must include the participation of, whenever possible, all populations and interests in each neighborhood including renters, homeowners, people of color, business owners, representatives of neighborhood institutions, youth, and the elderly. Each neighborhood action plan must be submitted to the policy board established under this chapter and the neighborhood revitalization program law. The city will provide available resources, information, and technical assistance to prepare the neighborhood action plans.

(f) Approval. The policy board shall review, modify where appropriate, and approve, in whole or in part, the neighborhood action plans and forward its recommendations for final action to the governing bodies represented on the policy board. The city council shall review, modify where appropriate, and give final approval, in whole or in part, to those actions over which it has programmatic jurisdiction.

Section 6. That Section 419.70 of the above-entitled ordinance be amended to read as follows:

419.70. Program recommendations.

(a) The mayor and the city council will use the following criteria in considering neighborhood action plan strategies for use of city neighborhood revitalization program phase I funds and phase II funds:

- (1) Demonstrated public purpose of the strategies.
 - (2) Demonstrated need for the strategies.
 - (3) Short-term or long-term needs of the neighborhood.
 - (4) Benefiting population.
 - (5) Ability of the strategies to provide a return on the investment.
 - (6) Coordination with programming elements or providers.
 - (7) Availability of operating or maintenance funds.
 - (8) Lack of alternative sources of revenue.
 - (9) One-time or ongoing capital requirement.
 - (10) Multijurisdictional benefits of the strategies.
 - (11) Neighborhood revitalization benefits of the strategies.
 - (12) Demonstrated ability of the neighborhood revitalization program as a whole to meet the 52.5 percent funding requirement for housing programs and related purposes.
 - (13) The extent to which the strategies leverage existing city programs and funds to accomplish city housing and development objectives in the neighborhoods that carry out the purposes of the neighborhood revitalization program.
- (b) Concurrent with approval of each neighborhood action plan, the city council will appropriate reserve city neighborhood revitalization program phase I or phase II funds of the Minneapolis Community Development Agency, as appropriate, for appropriation and expenditure consistent with such action plan.
- (c) Because of the acknowledged substantial unmet need and severe lack of resources available for disadvantaged youth in the City of Minneapolis, beginning in 1990 and continuing through 2003, the city council, at the request of the policy board, shall appropriate two hundred thousand dollars (\$200,000) of the city neighborhood revitalization program funds each year to the multi-jurisdictional youth coordinating board from non-tax increment sources.

(d) With respect to phase I only, The amounts made available during the first phase of the neighborhood revitalization program to Special School District No. 1 and to Hennepin County for education programs and services and for social services, respectively, must be expended as part of an approved neighborhood action plan, as required by subdivision 4 of the neighborhood revitalization program law. The boards of Special School District No. 1 and Hennepin County shall each approve appropriations from the funds available to them from the neighborhood revitalization program and shall forward proposed strategies to the policy board for approval.

Adopted 8/22/03.

**Discretionary Development Funding Plan
Providing Funding for Discretionary Development
Activities from 2004-2009**

Resolved by the City Council of the City of Minneapolis:

Section 1. Title. This resolution shall be known as the Discretionary Development Funding Plan.

Section 2. Definitions.

2.01. "Legacy Fund" means that certain investment trust account containing the proceeds of the 1999 sale of the MCDA's interest in the Hilton Hotel property.

2.02. "Sources of Security and Repayment" means the proceeds of any repayment or other receipt of funds relative to the Brookfield Loan and the proceeds of any sale or other disposition of the MCDA's interest in the Saks Parcel, including net income from operation of the Saks Parcel, if any.

2.03. "Brookfield Loan" means that certain MCDA loan for the Gaviidae II project to BCED Minnesota, Inc. in the original principal amount of \$15,000,000 maturing December 19, 2008, unless extended one year by the borrower pursuant to an option in the loan documents.

2.04. "Discretionary Development Activities" means such discretionary development activities as the City Council and/or the MCDA Board of Commissioners may from time to time direct through their budgeting and business planning processes.

2.05. "Installment Amount" means an amount not to exceed Three Million Six Hundred Seventy Nine Thousand and No/100 Dollars (\$3,679,000.00) in any calendar year.

2.06. "Loan" means the loan authorized by Section 3.01 of this resolution (inclusive of principal and interest accrued hereunder).

2.07. "MCDA" means the Minneapolis Community Development Agency, its successors and assigns.

2.08. "Loan Amount Due" means the total principal amount and accrued interest outstanding under this resolution at any given point in time.

2.09. "Saks Parcel" means that portion of the Gaviidae I project currently owned by MCDA, subject to certain legal claims by Brookfield Market, Inc., and leased to Saks and M & I Bank.

Section 3. Loan Authorization.

3.01. Loan. In calendar years 2004 through and including 2009, the MCDA or its successor in interest may borrow up to Twenty-Two Million and No/100 Dollars (\$22,000,000) from the Legacy Fund for Discretionary Development Activities as provided herein.

3.02. Installments. The Loan may be drawn down in an annual amount not to exceed the Installment Amount by action of the Mayor and City Council and/or the MCDA Board of Commissioners, as appropriate, in accordance with the process set forth in Section 5.01 below.

Section 4. Loan Repayment.

4.01. Repayment and Security. The Loan shall be secured with and repaid from the Sources of Security and Repayment and such other funds as the City Council may direct, if any.

4.02. Repayment Priority. Repayment of the Loan shall have first priority with respect to the Sources of Security and Repayment. No money from the Sources of Security and Repayment shall be allocated, reserved, pledged, expended or otherwise encumbered to or for any other use while there remains an amount due on the Loan.

4.03. Time of Repayment. Money from the Sources of Security and Repayment shall be applied to repay the Loan and credited to the Legacy Fund at the time they are received.

4.04. Excess Sources of Security and Repayment. In the event that the money received from the Sources of Security and Repayment exceeds the

Loan Amount Due at the time when the money is received, the balance in excess of the Loan Amount Due shall be reserved for Discretionary Development Activities. Any such balance must be drawn down under this resolution for Discretionary Development Activities, up to an annual maximum of the Installment Amount, before additional money may be drawn down under the Loan. In the event that the outstanding balance is less than the Installment Amount in any calendar year eligible for a loan installment, the Loan may be drawn down so that the total of the outstanding balance and the loan installment do not exceed the Installment Amount.

Section 5. Further Actions.

5.01. Annual Process. Subject to Section 4.04 above, the Mayor and City Council and/or the MCDA Board of Commissioners, as appropriate, shall act annually as part of their budget process to set the amount of the annual installment and shall direct staff to transfer funds from the Legacy Fund to the appropriate City or MCDA fund as part of the adopted budget.

5.02. Status. As part of the annual budget process or as may otherwise be deemed reasonable or necessary by the Finance Officer, staff shall present to the Mayor and City Council and/or the MCDA Board of Commissioners, as appropriate, the status of the Loan and the Sources of Security and Repayment.

5.03. Authority to Pay. Staff shall make repayments hereunder as Sources of Security and Repayment become available for repayment at such time and in such manner as the Finance Officer may direct without the need for further action by the Mayor and City Council and/or the MCDA Board of Commissioners.

Adopted 8/22/03. Yeas, 12; Nays, 1 as follows:

Yeas - Lilligren, Johnson Lee, Benson, Goodman, Lane, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Zerby, Ostrow.

Nays - Niziolek.

**City of Minneapolis
FY 2007 Budget
Financial Policies**

Fund Descriptions

The accounts of the City are organized by fund types. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The operations of each fund are monitored with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equities, revenues and expenditures/expenses. Following is a listing and description of all City funds.

General Fund. The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Enterprise Funds. The Enterprise Funds are used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where expenses, including depreciation, are recovered principally through user charges. The City operates eight enterprise funds, including the City's Community Planning and Economic Development (CPED) department:

Water Works Fund. This fund is used to account for the operation, maintenance and construction projects related to the water delivery system. This fund also accounts for the operations related to the billings for water, sewage and solid waste fees.

Sanitary Sewer Fund. This fund will be used to account for the operation, maintenance and construction projects related to the sanitary sewer system.

Stormwater Fund. This fund will be used to account for the operation, maintenance and construction projects related to the stormwater utility system.

Solid Waste and Recycling Fund. This fund is used to account for the revenues and expenses for solid waste collection, disposal and recycling activities.

Municipal Parking Fund. This fund is used to account for the operation, maintenance and construction of the City's parking facilities as well as on-street parking and the Municipal Impound Lot.

Park Operations Fund. This fund is used to account for operation, maintenance and construction of projects related to the Park Board, especially golf courses.

River Terminal. This fund is used to account for the operations of the public terminal facility located on the Mississippi River.

Internal Service Funds. Internal Service Funds are similar to Enterprise Funds in that they are used to account for those City services which are financed and operated in a manner similar to private business enterprises, however, the customer is typically other City departments instead of the public. The City operates six Internal Service Funds:

Engineering Materials and Supplies. This fund is used to account for the operations of the City's asphalt plant and paving products laboratory. The paving products laboratory provides in-lab and on-site testing and soil boring services to ensure quality control of asphalt and soils for projects.

Intergovernmental Services. This fund is used to account for business information services, central mailing and printing services, and the City's telecommunication operations.

Property Services. This fund is used to account for the physical management and maintenance of fire stations, police precinct buildings, the Minneapolis Public Service Center, and various other City office locations, except for the City Hall/County Court House building, which is accounted for in the Municipal Building Commission Special Revenue Fund.

Permanent Improvement Equipment. This fund is used to account for the ownership and operation of radio communications equipment and a fleet of motorized equipment and vehicles. The fund operates as a rental agent to various departments to support the construction and maintenance of city infrastructure, fire protection services, and police services.

Public Works Stores. This fund is used to account for the centralized procurement, warehousing, and distribution of stocked inventory items, and the purchase of special goods and services.

Self-Insurance. This fund is used to account for employee medical, dental, and life insurance benefit programs and the programs' administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program.

Park Self-Insurance and Internal Service Funds. This fund is used to account for park employees' medical, dental, and life insurance benefit programs and the programs' administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program. The Park Board also has an internal service fund for charges within its programs.

Special Revenue Funds. Special revenue funds are used to account for the proceeds of revenue sources that are restricted by legal and regulatory provisions to finance specific activities. The City has eleven Special Revenue Funds:

Arena Reserve Fund. This fund is a holding fund for various finance plan revenues to be used for future cost relating to the acquisition and capital maintenance of the downtown sports, entertainment and health complex.

Board of Estimate and Taxation Fund. This fund is used to account for the operations of the Board of Estimate and Taxation which issues and sell bonds, and establishes the maximum levies for the City, its boards and commissions.

Community Development Block Grant. This fund is used to account for the federal grants received under the Federal Community Development Block Grant provisions.

Convention Center. This fund is used to account for the ownership, maintenance, and operation of the Minneapolis Convention Center, and the proceeds of the local sales and use tax.

Convention Facilities Reserve. This fund is a holding fund for parking and sales tax revenues to be used for future capital maintenance needs of the existing Convention Center.

Employee Retirement. This fund is used to account for the tax levy proceeds and other sources of revenue for the Minneapolis Employee Retirement Fund (MERF), Minneapolis Firefighters' Relief Association (MFRA), and Minneapolis Police Relief Association (MPRA) retirement programs for some city employees.

Grants – Federal. This fund is used to account for all federal grants, except for the Community Development Block Grant (CDBG), which is accounted for in a separate fund.

Grants – Other. This fund is used to account for grants received from the State of Minnesota, Hennepin County, local government units, and private funds.

Municipal Building Commission. This fund is used to account for the cost of operating and maintaining the City Hall/County Court House building.

Police Special Revenue. This fund is used to account for the revenues and expenditures related to federal and state administrative forfeitures and the revenues and expenditures related to the regulation of lawful gambling in the City.

Park Operating Fund. This fund is used to account for revenue and expenditures related to the cost of operating and maintaining the Minneapolis Parks system.

Library Operating Fund. This fund is used to account for the revenue and expenditures related to the cost of operating and maintaining the Minneapolis Public Library system.

Capital Projects Funds. The Capital Projects Fund is used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for governmental fund types.

Community Planning and Economic Development. This fund is used to account for the capital project activities of the department of Community Planning and Economic Development.

Municipal Building Commission (MBC) Capital Fund. This fund is used to account for the capital project activities of the MBC, a component unit of the City of Minneapolis.

Permanent Improvement Capital Fund. This fund is used to account for capital acquisition, construction, and improvement projects including bridge construction, sidewalk construction, street construction, energy conservation projects, infrastructure projects, and many Business and Information Services (BIS) projects.

Library Permanent Improvement Capital Fund. This fund is used to account for the capital project activities of the Library Board.

Park Board Permanent Improvement Capital Fund. This fund is used to account for the capital project activities of the Park Board.

Debt Service Funds. The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs. Included in the Debt Service Funds are:

Community Development Agency Debt Service Fund. This fund is used to account for the debt service activities of CPED and includes the Arena Acquisition Project (Target Center) Series A and B bonds, Tax Increment Bonds of 1990, debt of the Orpheum Theatre Project, and Tax Increment Revenue Notes.

Development Debt Service Fund. This fund is used to account for the debt of projects supported by property tax increments, transfers of sales tax revenues from the Convention Center Special Revenue Fund for related debt, and a state grant relating to the completion of the Convention Center.

General Debt Service Fund. This fund is used to account for General Obligation Bonds supported by a property tax levy, Management Information System debt supported by the City's General Fund, Great River Road Bonds, Edison Hockey, Community Health, Xcel Power-Revenue, and Section 108 HUD Revenue Notes.

Special Assessment Debt Service Fund. This fund is used to account for debt supported by special assessments with the exception of the Park Diseased Tree debt.

City of Minneapolis
Bird's Eye View of the Relationship between Fund Types, Revenue Sources,
Expenditures and Departments/Boards
(Total Number of Funds = 313)

	General Fund	Enterprise Funds	Internal Service Funds	Special Revenue Funds
Number of Funds	1	24	12	34
Major Funds Included:		Water, Stormwater, Sewer, Solid Waste, Parking	Engineering Materials, Intergovernmental Services, Property Services, Equipment, Stores, Self-Insurance	Convention Center, Community Development Block Grants, Other Grants
Revenue Sources	Local Government Aid, Property Taxes, Franchise Fees, Licenses and Permits	Utility charges, state grants and contributions, rents	Charges for Services, Rents, Transfers from other funds	Grants, Sales Taxes
Expenditure Classifications	Personnel, Operating Costs, Contractual Services, Equipment	Personnel, Operating Costs, Contractual Services, Equipment, Capital Projects and related debt service	Personnel, Operating Costs, Contractual Services, Equipment, Capital Projects and related debt service, liability and workers compensation	Personnel, Operating Costs, Contractual Services, Equipment
Major Departments	Police, Fire, Public Works, others	Public Works	Public Works, Copy Center, City Attorney—Civil Division, IT Services	Convention Center, Health and Family Support, Attorney, Fire, Police, Closed Pension Plans

City of Minneapolis
Bird's Eye View of the Relationship between Fund Types, Revenue Sources,
Expenditures and Departments/Boards, continued

	Capital Projects Funds	Debt Service Funds	Park Board Funds	Library Board Fund
Number of Funds	186	35	20	3
Major Funds Included	Permanent Improvement Funds, Library, Arbitrage Funds	Assessments Paid, Property Development Revenue	The Park Board has enterprise, internal service and special revenue funds. The general fund is treated as a special revenue fund.	The Library has a general fund that is treated as a special revenue fund.
Revenue Sources	Property Taxes, Proceeds from Long Term Liabilities, State Aid	Property Taxes, State Aid	Property Taxes, Local Government Aid, Charges for Sales (golf courses etc), Contributions, and Grants	Property Taxes, Local Government Aid, Charges for Services
Expenditure Classifications	Capital project expenditures related to street construction and infrastructure projects	Payments of interest and principal on City's debt	Personnel, Operating Costs, Contractual Services, Equipment	Personnel, Operating Costs, Contractual Services, Equipment
Major Departments	Public Works	Not applicable		

The City also has funds set up for other smaller boards, such as:

- Municipal Building Commission (funded mainly from Property Tax and State Aids)
- Board of Estimate and Taxation (funded from Property Tax and State Aids)
- Neighborhood Revitalization Program (funded from Property Tax Increment Financing)
- Youth Coordinating Board (a joint board funded from the City's General Fund and grants)

**City of Minneapolis
FY 2007 Budget**

Financial Plans

The schedules that follow contain the Financial Plans for the major funds of the City. Detailed financial plans are included for the following major funds, listed below. For the other funds of the City, financial information (expenditure and revenue) is included in the *Financial Schedules Section* of this report.

➤ Five-year Financial Direction 2008-2012	94
➤ Ten Year Demands on the Property Tax	105
➤ General Fund	107
➤ Special Revenue Funds	
- Convention Center Special Revenue Fund	115
- Community Planning and Economic Development	122
➤ Enterprise Funds	
- Municipal Parking Fund	125
- Solid Waste and Recycling Fund	131
- Sanitary Sewer Fund	135
- Stormwater Fund	138
- Water Treatment and Distribution Fund	142
➤ Internal Service Funds	
- Public Works Stores Fund	146
- Engineering Materials and Testing Fund	149
- Intergovernmental Services Fund	152
- Equipment Fund	156
- Property Services Fund	160
- Self-Insurance Fund	164

**City of Minneapolis
2007 Budget**

Five-year Financial Direction 2008-2012

Introduction

In keeping with the January 2003 resolution five-year financial direction and commitment to business planning resolution, this document reflects the Council's adopted the five-year financial direction. The purpose of adopting a 2008-2012 financial direction is to provide guidance for departments in updating their business plans and to provide a long-term view of financial pressures.

New Conditions Reflected in the Budget

The financial schedules and summary tables in this document take into account new circumstances that the City faces during the 2008-2012 timeframe:

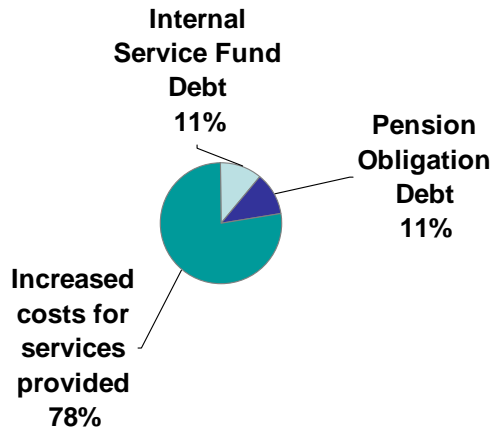
❑ **Local Government Aid:** The City is assumed to receive a reduction in LGA of \$1.6 million each year as a result of how the City's need factors compare to the need factors of other cities in the state. This equates to \$1.3 million fewer resources in the general fund annually. This amount is in line with the reduction reflected in the City's certified LGA for 2007. The impact of the decertification of tax increment financing districts on the amount of the LGA received by the City is included in 2011 and 2012. This amount is estimated at \$6.1 million.

❑ **The 2007 budget is the basis for future projections:** In other words, the starting place for the 2008-2012 department budget estimates is what is included in the 2007 adopted budget. One-time 2007 supplemental items are removed from department budgets in 2008 and beyond.

Department	Summary of the Five-Year Financial Direction 2008-2012 (dollars in millions)	
	2012 Resources	Reductions 2008-2012
Police	\$137.2	\$0
Fire	58.8	0
Public Works	43.2	(4.6)
Regulatory Services	28.8	0
Health and Family Support (HFS)	4.6	0
Civil Rights	3.0	0
Capital Plan (pay-go and debt)	21.9	(3.2)
Pensions	31.0	0
All Other Spending	104.0	(3.1)
Total	\$ 432.5	(\$10.9)

❑ **The financial direction from 2008 to 2012 contains updates to department resources:** The financial direction includes the most updated assumptions about contract settlements and other commitments. In general, wage growth is limited to 2%. The health care contract entered into in 2006 has rate increases of 12%, 15%, and 15% in 2007, 2008, and 2009. The out years of the plan assume a 20% increase.

❑ **Property tax estimates are based upon adopted tax policy.** No changes to the maximum revenue increase of 8% are included. Over 5 years, these increases go for the following purposes:



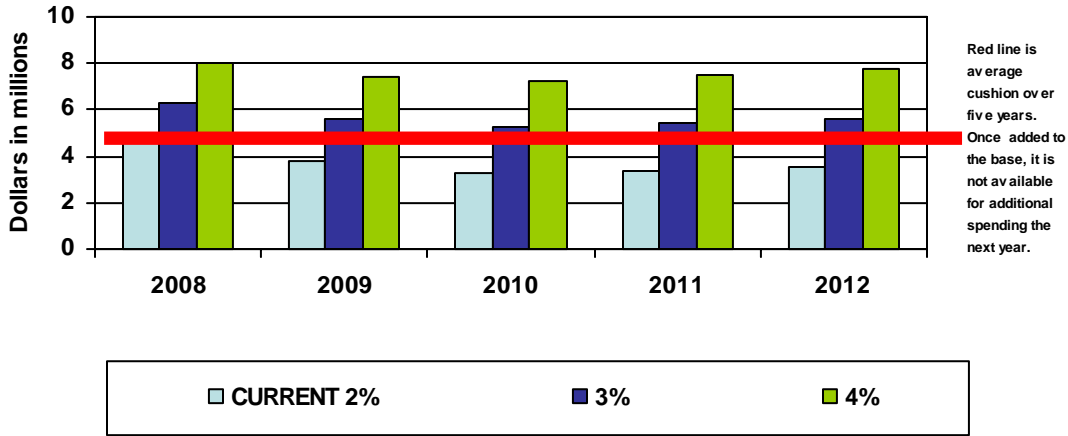
❑ **No relief from reductions nor any growth is planned in the Capital or Debt Service Levies for the Capital plan until 2010.** Pressure on the capital project budgets will continue. Any new projects will need to be offset by reductions in projects in the current plan. A 2% growth factor is included beyond 2010 in order to begin planning for expanded capital needs.

❑ **Change in Cushion for Adverse Circumstances.** The original financial direction in January 2003 was based upon a 4% salary increase. Subsequent updates assumed the 2% salary cap. Assuming the 2% cap, the 8% tax policy and department reductions, a cushion exists for adverse circumstances. Examples of adverse circumstances the City has encountered include reductions in LGA and increased pension obligations.

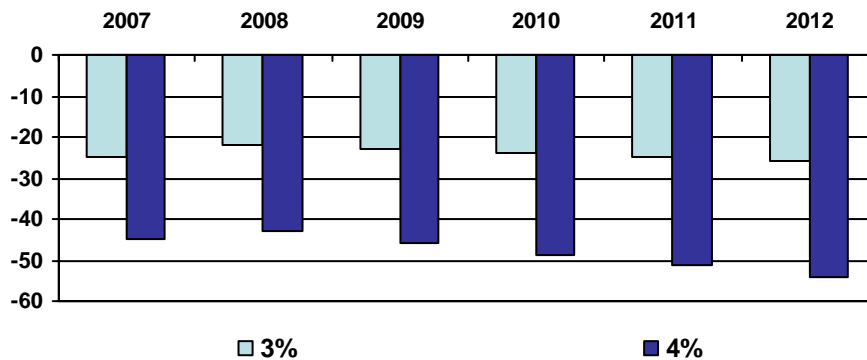
Year	2005-2009 Forecasted Cushion	2006-2010 Adopted Cushion	2007-2011 Adopted Cushion	2008-2012 Adopted Cushion
2005 (estimate)	4.5			
2006 (estimate)	12.5	4.6	n/a	n/a
2007 (estimate)	20.5	9.2	0.3	n/a
2008 (estimate)	27.5	11.8	0.3	2.3
2009 (estimate)	37.1	17.4	1.4	2.1
2010 (estimate)	n/a	23.9	4.8	5.7
2011 (estimate)	n/a	n/a	4.9	2.2
2012 (estimate)	n/a	n/a	n/a	4.0

❑ **Salary Assumption is at 2%** - The financial projections follow the current adopted wage policy. The Council and Executive Committee have directed the finance and human resources department to return during 2007 to present an analysis of the City's compensation package and options for a compensation philosophy. As the following graphs demonstrate, the impact of these decisions will significantly impact the financial direction.

**Cost of different wage policies:
Total funding increase required
(General fund only)**



**Cost of different wage policies:
Number of positions that would need to be eliminated in general fund if no other actions taken**



These effects are similar to those anticipated in 2003 when the wage policy was adopted. The wage policy helped the City handle state aid reductions and financial conditions it would have faced regardless of external conditions (please see the chronology in the background section for further information).

What changes have been made to the financial plan over the years?

As policy decisions have been made several departments have been exempted from taking budget cuts, mainly in departments related to public safety. A history of these exemptions follows.

Who	When	Why (generically)
Regulatory Services	2003	Overall net contributor to general fund
Assessor, Council, Coordinator Administration, IGR, Communications, Mayor, Clerk	2003	Too small to withstand additional cuts
Internal Service Fund Workout Plans	2003	Financial progress
Police, Fire	2006	Prioritize Public Safety
Health and Family Support	2006	Maintain funding above match requirements; preserve senior ombudsman and external contracts
Civil Rights	2007	Smallest department still taking reductions
Elections	2007	No additional cuts – trying to match election cycles; had \$50,000 in reductions to date; also changed phase in of cuts
Public Works	2007 (one year only)	Provide some maintenance funding
BIS, 911/311	2006, 2004	Changed phase in of cuts

In addition, as one-time resources have become available, the elected officials have prioritized the avoidance and pay down of debt. The following table highlights important decisions in this regard:

Description (year decided)	Amount (millions)
Hilton Legacy Fund (2003) – <i>proceeds from the sale of the City's share in the downtown hotel.</i>	\$12.5
Year-end savings from 2004 (2005)	\$15
One-time LGA, general fund resources (2005 for 2006)	\$10
2007 one-time resources	\$3
Total	\$40.5

What pressures does the City face in future planning efforts?

In addition to the implementation of replacement for the 2% wage policy, the City faces several pressures for which a policy decision has yet to be reached:

- Property Taxes:** Future projections plan on the 8% property tax increases of today to support future services – with less than an 8% increase in 2007 or any other year, more department reductions will be needed in the future or an additional property tax increase over 8% policy will be necessary. Increasingly, the 8% policy has become unsustainable in with taxpayers.
- Park and Library Boards:** The library board faces significant operating pressures which have led to the closure or 3 libraries at least for 2007. Like other participants in the City's capital funding pool, the park board faces significant capital pressures to maintain the facilities it operates.
- Enterprise Funds:** The enterprise funds have experienced a decline in their financial condition, largely related to increasing debt loads related to approved capital projects.
- Capital Spending:** Only minimal increases of 2% are included in the out years of the financial direction for the capital program. This level of increase does not keep up with inflation. Further, considerable pent up demand for public works infrastructure exists. Similarly,

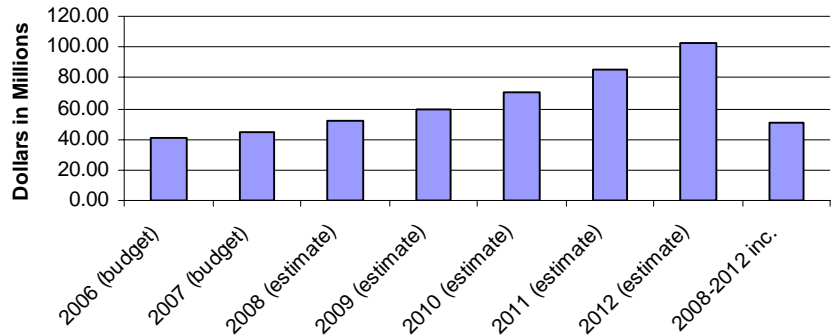
pent up demand for technology infrastructure also exists.

- **Public Works Operating Budget** – The department will undertake a major reassessment of services and how they are provided in light of planned reductions. Further, the City will be seeking authority for new Public Works revenue sources in the 2007 legislative session.
- **Performance Information** – As the City continues to gain experience with using results information for performance discussions, it will need to plow a new
- **Benefit Costs** – Despite the very good news on this front during 2006, this category of expenditure will continue to put pressure on the City’s finances:
- **Funding for Internal Services Funds workout plans.** The budget includes \$2.2 million in additional funding for internal city services (self insurance and information technology services). In 2007, 13% of property tax increase will go to fund workout plans for these funds. To meet the goals of the adopted workout plans, these expenditures will continue to make up a substantial portion of the City’s budget.
- **Funding for increasing pension liabilities.** We anticipate having to issue a minimum of \$151 million in bonds before pension obligations to the three closed pensions are met. The property

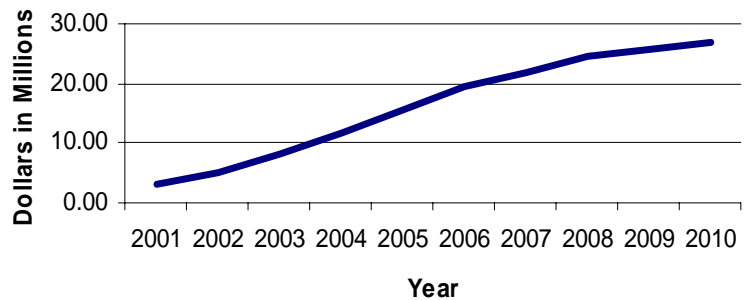
path in using this information for financial decision making.

- **Department reductions** – The City will continue to see issues with management services ability to keep up with enterprise demands while subject to reductions.
- **Regulatory services** - The department will become a net drawer on the general fund in 2010 based on current revenue and expense assumptions. Further, Regulatory Fees do not fully cover costs in each individual business line.

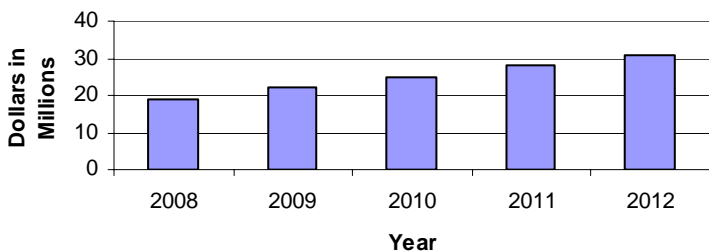
Projected Health Benefit Spending



Internal Service Workout Plan Support

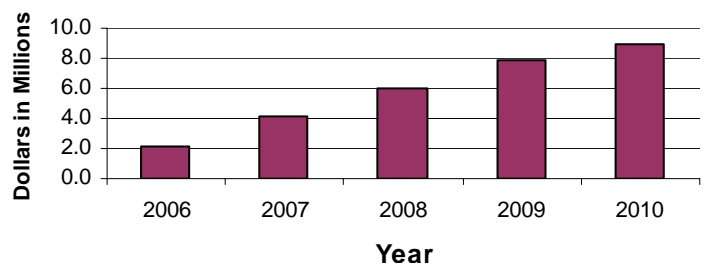


**Closed Pension Obligations:
MERF, MFRA, MPRA**



City of Minneapolis

PERA pension obligations



Council Adopted Budget

tax needed to support closed pensions will be \$7 million debt service and \$9 million direct payments in 2007 and is estimated to grow to \$9 million in debt service and \$22 million direct payments in 2012. In addition, the City also has increasing obligations for the pension plan most City employees are in – the Public Employees Retirement Association (PERA).

Assumptions

- Decreased need for property taxes to support library referendum bonds are shifted to pension bonds.
- Increased pension costs are offset by general fund reductions.
- The 2% wage cap is maintained over the five years.
- No additional cuts other than what was included in the five-year financial direction are included for the permanent improvement levy or for debt service.
- Departments that did not receive a reduction in the adopted financial direction do not receive one in this update
- Reductions of \$1.3 million annually (excluding independent boards) are reflected in 2008-2012.
- Revenues in the general fund are NOT assumed to increase, except for licenses and permits which are anticipated to increase by 3.0% annually.
- No additional revenues are anticipated from public works (assessments, other fees)
- No additional programs or services are added – they would need to be funded by new revenue or through departmental efforts to reduce costs.
- Currently adopted pension law is reflected.
- Full funding of pension and internal service fund debts are included. Constraints in internal service funds are maintained. Reductions to growth as infrastructure gap funding are reflected for public works, capital and debt service.
- The level of revenue from the parking fund is reduced according to the Council adopted financial work-out plan for that fund.
- Entertainment tax from the Convention Center fund flows at the same rate as in the past (about \$8 million annually).
- No changes to state tax law regarding property taxes (including levy limits, classification rates, phase out of limited market value).
- No new revenue from decertification of tax increment financing districts. However, the estimated reduction to LGA resulting from the decertification is included.

Five-Year Summary of Property Tax Supported Budgets

	2007 Expense	5-Year Projected Growth in Spending	5-Year Reduction to Growth in Spending	2012 Expense	Avg Annual % Incr over 5-yr period	Allocated Revenues for Presentation Purposes <i>These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>				2012 Total Revenues
						2012 Direct Revenue	2012 General City Revenues (Non-Direct)	2012 Local Government Aid	2012 Property Tax Revenue	
Mayor	1.330	0.272	-	1.602	4.1%	-	0.385	0.296	0.922	1.602
City Clerk/Elections/City Council	6.170	1.783	-	7.953	5.8%	0.095	1.886	1.452	4.519	7.953
CPED	3.800	0.764	(0.175)	4.389	3.1%	1.737	0.645	0.497	1.511	4.389
Contingency	3.009	(0.492)	-	2.517	-3.3%	-	0.604	0.465	1.448	2.517
City Coord Admin, Comm, IGR	5.009	0.647	-	5.656	2.6%	2.827	0.679	0.523	1.627	5.656
Civil Rights	2.461	0.504	-	2.965	4.1%	-	0.712	0.548	1.705	2.965
Assessor	3.574	0.732	-	4.306	4.1%	0.066	1.018	0.784	2.439	4.306
Health and Family	4.076	0.538	-	4.614	2.6%	0.650	-	-	3.964	4.614
Human Resources	6.093	1.206	(0.500)	6.799	2.3%	0.005	1.655	1.274	3.865	6.799
Attorney	7.036	1.391	(0.550)	7.877	2.4%	0.108	1.889	1.455	4.426	7.877
911/311	9.328	1.750	(0.800)	10.278	2.0%	0.050	-	-	10.228	10.278
Internal Service Funds	20.286	11.635	-	31.921	11.5%	-	7.661	5.900	18.359	31.921
Finance	18.126	3.636	(0.850)	20.912	3.1%	0.006	5.053	3.892	11.960	20.912
Regulatory Services	23.937	4.904	-	28.841	4.1%	28.306	-	-	0.535	28.841
Business Information Services	-	-	(0.200)	(0.200)	n/a	-	-	-	(0.200)	(0.200)
Public Works	41.141	6.617	(4.575)	43.183	1.0%	13.426	7.342	5.655	16.760	43.183
Fire	48.380	10.386	-	58.766	4.3%	3.639	13.231	10.190	31.706	58.766
Police	113.096	24.081	-	137.177	4.3%	14.555	29.430	22.666	70.526	137.177
Total General Fund	316.852	70.353	(7.650)	379.555	4.0%	65.470	72.189	55.597	186.299	379.555
Capital - Permanent Improvement	1.619	1.350	(0.900)	2.069	5.6%	-	-	-	2.069	2.069
Debt Service	18.677	3.500	(2.322)	19.855	1.3%	-	-	-	19.855	19.855
Subtotal	20.296	4.850	(3.222)	21.924	1.6%	-	-	-	21.924	21.924
Total City (not incl special levies)	337.148	75.203	(10.872)	401.479	3.8%	65.470	72.189	55.597	208.223	401.479
Libraries	1.205	(1.205)	-	-	-20.0%	-	-	-	-	-
Pensions	19.000	12.000	-	31.000	12.6%	-	-	-	31.000	31.000
Total	357.353	87.203	(10.872)	432.479	4.2%	65.470	72.189	55.597	239.223	432.479
									2007 Max	140.000
									2012 Max	243.174
									Difference between maximum and needed amount to balance	(3.951)

2008 Property Tax Supported Budgets

	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	<i>Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i> General City				Total Revenues
					Direct Revenue	Revenues (Non- Direct)	Local Government Aid	Property Tax Revenue	
Mayor	1.330	0.044	-	1.374	-	0.393	0.349	0.631	1.374
City Clerk/Elections/City Council	6.170	0.602	-	6.772	0.095	1.910	1.699	3.068	6.772
CPED	3.800	0.124	(0.035)	3.889	1.543	0.681	0.606	1.059	3.889
Contingency	3.009	(0.851)	-	2.158	-	0.617	0.549	0.991	2.158
City Coord Admin, Comm, IGR	5.009	(0.161)	-	4.848	2.827	0.578	0.514	0.929	4.848
Civil Rights	2.461	0.081	-	2.542	-	0.727	0.647	1.168	2.542
Assessor	3.574	0.117	-	3.691	0.066	1.037	0.922	1.666	3.691
Health and Family	4.076	(0.122)	-	3.954	0.650	0.945	0.841	1.518	3.954
Human Resources	6.093	0.200	(0.100)	6.193	0.005	1.799	1.600	2.789	6.193
Attorney	7.036	0.230	(0.150)	7.116	0.108	2.048	1.821	3.139	7.116
911/311	9.328	0.225	(0.160)	9.393	0.050	-	-	9.343	9.393
<i>Internal Service Funds</i>	20.286	2.864	-	23.150	-	6.623	5.890	10.638	23.150
Finance	18.126	0.594	(0.200)	18.520	0.006	5.354	4.761	8.399	18.520
Regulatory Services	23.937	0.784	-	24.721	25.150	-	-	(0.429)	24.721
Business Information Services	-	-	(0.200)	(0.200)	-	-	-	(0.200)	(0.200)
Public Works	41.141	0.452	(1.035)	40.558	13.426	8.058	7.166	11.908	40.558
Fire	48.380	2.384	-	50.764	3.639	13.482	11.989	21.655	50.764
Police	113.096	5.404	-	118.500	14.555	29.737	26.444	47.764	118.500
Total General Fund	316.852	12.971	(1.880)	327.943	62.119	73.989	65.797	126.038	327.943
Capital - Permanent Improvement	1.619	0.440	(0.440)	1.619				1.619	1.619
Debt Service	18.677	1.000	(1.322)	18.355				18.355	18.355
Subtotal	20.296	1.440	(1.762)	19.974				19.974	19.974
Total City (not incl special levies)	337.148	14.411	(3.642)	347.917	62.119	73.989	65.797	146.012	347.917
Libraries	1.205	(1.205)	-	-					
Pensions	19.000	-	-	19.000				19.000	19.000
Total	357.353	13.206	(3.642)	366.917	62.119	73.989	65.797	165.012	366.917
							2007 Max	152.136	-
							2008 Max	167.350	
							Additional cuts needed/(Cushion for adverse circumstances)	(2.338)	

2009 Property Tax Supported Budgets

	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.					Total Revenues
					Direct Revenue	General City Revenues (Non- Direct)	Local Government Aid	Property Tax Revenue		
Mayor	1.374	0.046	-	1.420	-	0.384	0.340	0.696		1.420
City Clerk/Elections/City Council	6.772	1.729	-	8.501	0.095	2.275	2.010	4.121		8.501
CPED	3.889	0.132	(0.035)	3.986	1.589	0.658	0.582	1.157		3.986
Contingency	2.158	0.073	-	2.231	-	0.604	0.533	1.094		2.231
City Coord Admin, Comm, IGR	4.848	0.164	-	5.012	2.827	0.591	0.523	1.071		5.012
Civil Rights	2.542	0.086	-	2.628	-	0.711	0.628	1.288		2.628
Assessor	3.691	0.125	-	3.816	0.066	1.015	0.897	1.838		3.816
Health and Family	3.954	0.134	-	4.088	0.650	0.930	0.822	1.686		4.088
Human Resources	6.193	0.210	(0.100)	6.302	0.005	1.731	1.530	3.036		6.302
Attorney	7.116	0.241	(0.100)	7.257	0.108	1.962	1.734	3.454		7.257
911/311	9.393	0.318	(0.160)	9.551	0.050	-	-	9.501		9.551
<i>Internal Service Funds</i>	23.150	2.184	-	25.334	-	6.856	6.058	12.420		25.334
Finance	18.520	0.627	(0.200)	18.946	0.006	5.180	4.577	9.183		18.946
Regulatory Services	24.721	0.837	-	25.558	25.904	-	-	(0.346)		25.558
Business Information Services	(0.200)	-	-	(0.200)	-	-	-	(0.200)		(0.200)
Public Works	40.558	1.373	(1.035)	40.896	13.426	7.714	6.817	12.939		40.896
Fire	50.764	1.718	-	52.483	3.639	13.218	11.680	23.945		52.483
Police	118.500	4.011	-	122.511	14.555	29.215	25.816	52.924		122.511
Total General Fund	327.943	14.007	(1.630)	340.320	62.920	73.045	64.546	139.809		340.320
Capital - Permanent Improvemen	1.619	0.460	(0.460)	1.619				1.619		1.619
Debt Service	18.355	1.000	(1.000)	18.355				18.355		18.355
Subtotal	19.974	1.460	(1.460)	19.974				19.974		19.974
Total City (not incl special levies)	347.917	15.467	(3.090)	360.294	62.920	73.045	64.546	159.783		360.294
Libraries	-									
Pensions	19.000	3.000		22.000				22.000		22.000
Total	366.917	18.467	(3.090)	382.294	62.920	73.045	64.546	181.783		382.294
								2008 Max	167.350	
								2009 Max	183.881	
								Additional cuts needed/(Cushion for adverse circumstances)	(2.098)	

2010 Property Tax Supported Budgets

	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	<i>Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>				
					Direct Revenue	General City Revenues (Non- Direct)	Local Government Aid	Property Tax Revenue	Total Revenues
Mayor	1.420	0.056	-	1.476	-	0.391	0.339	0.746	1.476
City Clerk/Elections/City Council	8.501	(1.065)	-	7.437	0.095	1.947	1.686	3.709	7.437
CPED	3.986	0.157	(0.035)	4.108	1.637	0.665	0.576	1.231	4.108
Contingency	2.231	0.088	-	2.319	-	0.615	0.532	1.171	2.319
City Coord Admin, Comm, IGR	5.012	0.198	-	5.210	2.827	0.632	0.547	1.204	5.210
Civil Rights	2.628	0.104	-	2.731	-	0.724	0.627	1.380	2.731
Assessor	3.816	0.151	-	3.967	0.066	1.034	0.896	1.971	3.967
Health and Family	4.088	0.161	-	4.250	0.650	-	-	3.600	4.250
Human Resources	6.302	0.249	(0.100)	6.451	0.005	1.736	1.503	3.207	6.451
Attorney	7.257	0.286	(0.100)	7.444	0.108	1.972	1.707	3.657	7.444
911/311	9.551	0.377	(0.160)	9.768	0.050	-	-	9.718	9.768
<i>Internal Service Funds</i>	25.334	2.000	-	27.334	-	7.248	6.276	13.809	27.334
Finance	18.946	0.748	(0.150)	19.544	0.006	5.221	4.521	9.797	19.544
Regulatory Services	25.558	1.009	-	26.566	26.681	-	-	(0.115)	26.566
Business Information Services	(0.200)	-	-	(0.200)	-	-	-	(0.200)	(0.200)
Public Works	40.896	1.384	(0.835)	41.445	13.426	7.652	6.625	13.742	41.445
Fire	52.483	1.776	-	54.259	3.639	13.424	11.623	25.574	54.259
Police	122.511	4.147	-	126.658	14.555	29.728	25.740	56.635	126.658
Total General Fund	340.320	11.826	(1.380)	350.766	63.745	72.989	63.197	150.835	350.766
Capital - Permanent Improvemer	1.619	0.100	-	1.719	-	-	-	1.719	1.719
Debt Service	18.355	0.400	-	18.755	-	-	-	18.755	18.755
Subtotal	19.974	0.500	-	20.474	-	-	-	20.474	20.474
Total City (not incl special levies)	360.294	12.326	(1.380)	371.240	63.745	72.989	63.197	171.309	371.240
Libraries	-	-	-	-	-	-	-	-	-
Pensions	22.000	3.000	-	25.000	-	-	-	25.000	25.000
Total	382.294	15.326	(1.380)	396.240	63.745	72.989	63.197	196.309	396.240
								2009 Max	183.881
								2010 Max	202.049
Additional cuts needed/(Cushion for adverse circumstances)									(5.740)

2011 Property Tax Supported Budgets

Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.

	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue	General City Revenues			Total Revenues
						(Non- Direct)	Local Government Aid	Property Tax Revenue	
Mayor	1.476	0.062	-	1.538	-	0.387	0.305	0.846	1.538
City Clerk/Elections/City Council	7.437	(0.188)	-	7.249	0.095	1.799	1.418	3.936	7.249
CPED	4.108	0.172	(0.035)	4.246	1.686	0.653	0.514	1.393	4.246
Contingency	2.319	0.097	-	2.416	-	0.608	0.479	1.329	2.416
City Coord Admin, Comm, IGR	5.210	0.218	-	5.428	2.827	0.654	0.516	1.432	5.428
Civil Rights	2.731	0.115	-	2.846	-	0.716	0.564	1.566	2.846
Assessor	3.967	0.166	-	4.133	0.066	1.023	0.806	2.238	4.133
Health and Family	4.250	0.178	-	4.428	0.650	-	-	3.778	4.428
Human Resources	6.451	0.271	(0.100)	6.621	0.005	1.689	1.331	3.596	6.621
Attorney	7.444	0.312	(0.100)	7.656	0.108	1.923	1.516	4.108	7.656
911/311	9.768	0.410	(0.160)	10.018	0.050	-	-	9.968	10.018
<i>Internal Service Funds</i>	27.334	2.246	-	29.580	-	7.439	5.863	16.277	29.580
Finance	19.544	0.820	(0.150)	20.214	0.006	5.120	4.035	11.052	20.214
Regulatory Services	26.566	1.114	-	27.680	27.482	-	-	0.199	27.680
Business Information Services	(0.200)	-	-	(0.200)	-	-	-	(0.200)	(0.200)
Public Works	41.445	1.636	(0.835)	42.246	13.426	7.458	5.878	15.483	42.246
Fire	54.259	2.141	-	56.400	3.639	13.269	10.459	29.033	56.400
Police	126.658	4.998	-	131.656	14.555	29.451	23.212	64.438	131.656
Total General Fund	350.766	14.768	(1.380)	364.155	64.595	72.189	56.897	170.474	364.155
Capital - Permanent Improvement	1.719	0.150	-	1.869				1.869	1.869
Debt Service	18.755	0.500	-	19.255				19.255	19.255
Subtotal	20.474	0.650	-	21.124				21.124	21.124
Total City (not incl special levies)	371.240	15.418	(1.380)	385.279	64.595	72.189	56.897	191.598	385.279
Libraries	-								
Pensions	25.000	3.000		28.000				28.000	28.000
Total	396.240	18.418	(1.380)	413.279	64.595	72.189	56.897	219.598	413.279
							2010 Max	202.05	-
							2011 Max	221.77	
							Additional cuts needed/(Cushion for adverse circumstances)	(2.173)	

City of Minneapolis 2007 Budget

Ten Year Projection of Demands on the Property Tax

Background

The ten year projection was first produced in spring of 2002. The intent was to surface all the demands on the property tax to which the City had committed. This projection led to the work to adopt the 8% maximum property tax policy in summer of 2002. The maximum property tax policy was adopted by both the City Council and the Board of Estimate and Taxation. In January 2003, the City Council and Mayor adopted a five year financial direction to set parameters for department business plans.

Assumptions in the Ten Year Projection

These listed assumptions build on the original work from spring 2002. For complete details on the financial challenges which the City faces, please refer to the original narrative on the "Projected Demands on the Property Tax."

General Fund Operations

- 2% Wage Policy is in effect through 2014
- 20% annual increases in health insurance premiums, except for short term relief, resulting from current plan data and competitive procurement experience
- No increase in departmental and City-wide revenue (except for regulatory services revenues which are expected to increase by 3%). Please see the discussion in the 2008-2012 five-year financial direction document earlier under this same tab for more information by department
- Reductions in revenue related to the parking fund financial plan
- Internal Service Funds work out plan increases continue:
 - Self Insurance \$0.5 million in 2006, \$1 million annually in 2008-2014
 - Intergovernmental Service Fund (BIS) \$1.2 million annually in 2008The projection includes slight cost of living increases for these operations
- Reductions to general fund operations are needed in each year of the plan

Capital and Debt

- Reductions to both the pay-as-you capital levy and the debt service levies continue in 2008 and 2009. These reductions were included in the five-year financial direction
- A slight (2%) increase is included for both of these levies for 2010-2014

Independent Boards and Special Levies

- Parameters remain the same for independent board operating levy increases – Park, Library, Municipal Building Commission, Public Housing Authority and the Board of Estimate and Taxation all receive a 4% levy increase to deal with increased costs of providing services
- Pension obligations are funded in each year of the projection.

City of Minneapolis - Details of Annual Demand (Increases) in Property Tax Revenue

<i>(In millions of dollars)</i>	Adopted			Future Projected Demands on the Property Tax							
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City General Fund Operations											
Salary and non-personnel increase	14.3	(0.3)	8.2	13.5	10.9	9.4	9.6	9.8	10.7	11.4	11.2
New Programs/Initiatives		6.0	5.2								
Target Center - Property tax contribution									1.0		
Health Insurance	1.8	4.0	1.8	3.3	3.8	5.9	7.1	8.5	10.2	12.2	14.7
Internal Service Funds	3.9	3.8	2.3	2.2	1.4	1.0	1.1	1.0	1.0	1.0	1.0
Strategies Needed to Balance Budget	(7.0)	(1.4)	(0.6)	(1.8)	(1.7)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)
Subtotal	13.0	12.1	16.9	17.3	14.4	14.9	16.4	17.9	21.5	23.2	25.5
City Capital/Debt:											
Permanent Improvement Fund	(0.2)	(0.5)	(0.7)	(0.5)	(0.5)	0.1	0.1	0.1	0.2	0.2	0.2
Debt structuring changes	(3.9)	(4.0)	(2.1)	(1.3)	(1.0)	0.4	0.5	0.6	0.7	0.8	0.8
Subtotal	(4.1)	(4.5)	(2.8)	(1.8)	(1.5)	0.5	0.6	0.7	0.9	1.0	1.0
City Total	8.9	7.6	14.1	15.5	12.9	15.4	17.0	18.6	22.4	24.2	26.5
Independent Boards and Special Levies											
Park Board Base Levy	1.6	1.7	1.7	1.8	1.9	1.7	1.8	1.8	1.9	1.9	1.9
Subtotal Park Board	1.6	1.7	1.7	1.8	1.9	1.7	1.8	1.8	1.9	1.9	1.9
Library Board Base Levy	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.7	0.8	0.8
Library Board - Referendum Levy	3.0	1.7	1.2	-	-	-	-				
Subtotal Library	3.5	2.2	1.7	0.5	0.6	0.6	0.6	0.7	0.7	0.8	0.8
Municipal Bldg Commission	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3
Community Development Levy	(2.0)	-	-	-	-	-	-				
Minneapolis Public Housing Authority	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension Funds	2.3	3.9	(1.0)	-	3.0	3.0	3.0	3.0	1.0	1.0	1.0
Total Independent Boards and Special Levies	5.5	8.0	2.7	2.5	5.7	5.5	5.6	5.8	3.9	4.1	4.1
Total Increase in Property Tax Revenue	14.4	15.6	16.8	18.0	18.6	20.9	22.6	24.4	26.3	28.3	30.6
Total Property Tax Revenue	193.7	209.2	226.0	244.0	262.6	283.5	306.1	330.5	356.8	385.1	415.7
Annual Percent Increase	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%

**City of Minneapolis
FY 2007 Budget
Financial Plan**

General Fund

Background

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major sources of revenue include and their relative percentages of total General Fund financial sources are shown to the right.

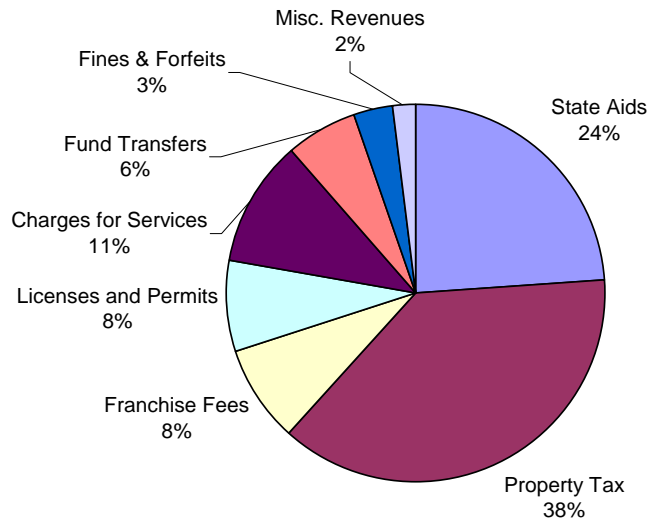
Combined, the two largest revenues (State Aids and Property Tax) have historically accounted for approximately 60-65% of total sources of funds for the General Fund. The top four sources of funds account for more than 80% of the General Fund's annual financial inflows.

Historical Financial Performance

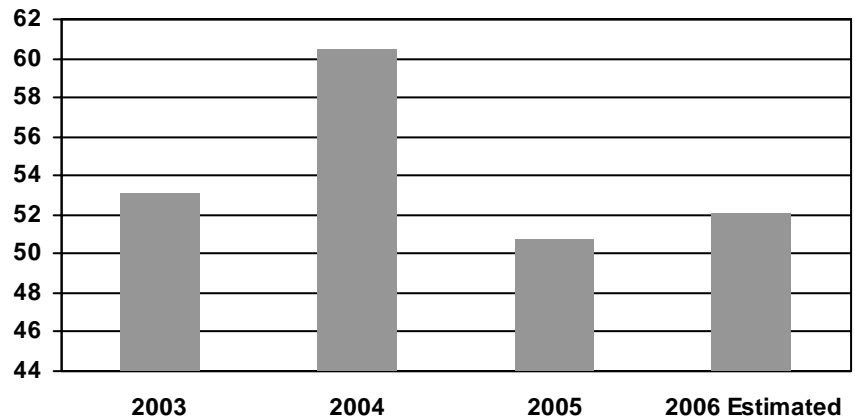
The results of the General Fund's annual operations are closed annually into the fund's "fund balance." The General Fund's balance measures the amount of available, spendable resources owned by the fund. The balance provides the City a reserve to cushion adverse economic shocks and to meet a portion of the City's liquidity needs. The City's policy is to maintain a minimum fund balance of 15% due to the deficits in the internal service funds. Further, the City's financial policies place a priority on debt buy-down or debt avoidance for spending of excess fund balance.

The General Fund began 2005 with a fund balance of \$61.4 million. As of December 31, 2005, the fund balance in the General Fund was \$53.6 million, which is above the stated fund balance requirement of 15% of the following years' revenue budget. The City anticipates that it will again meet its reserve requirement at year-end 2006.

**Budgeted Revenue by Source
\$328 million**



**Fund Balance
(in millions of dollars)**



2007 Budget

Revenues

The General Fund 2007 budget includes a total of \$328 million of revenues and other sources, including \$20 million in transfers from other funds. Budgeted General Fund revenues for the 2007 budget are 3% higher than 2006 budget. The 2007 budgeted revenues represent a 10% increase over 2006 actual revenues.

As the chart below shows, the distribution of total revenue among the General Fund's revenue categories has continued to change. Property taxes and franchise fees have increased as a percent of the total revenue picture. The 2006 budget includes \$6.5 million in one-time Local Government Aid which skews the annual percentage change and the comparisons of each revenue source as a percent of total between years.

Revenue Source	2006 Adopted Budget	2007 Adopted Budget	% Chg from 2006 Adopted	2006 Budget as % of Total	2007 Budget as % of Total
State Aids	86.4	78.1	-9.6%	27.1%	23.8%
Property Tax	112.7	123.9	10.0%	35.4%	37.8%
Franchise Fees	22.3	27.1	21.5%	7.0%	8.3%
Licenses and Permits	24.9	26.0	4.6%	7.8%	7.9%
Charges for Services	36.5	35.6	-2.4%	11.5%	10.9%
Fund Transfers	18.9	20.2	7.4%	5.9%	5.7%
Fines & Forfeits	10.4	10.2	-2.0%	3.3%	3.1%
Misc. Revenues	6.5	6.8	4.6%	2.0%	2.1%
Total	318.5	327.9	3.0%	100.0%	100.0%

- ❑ *State Aids (including Local Government Aid):* The City faced significant pressure in 2003 and 2004 when the State Legislature reduced the Local Government Aid (LGA) to the City by \$35 million. Of this reduction, \$29.3 million was allocated to the General Fund with the remaining \$5.7 million allocated to the Park and Library Boards. This reduction represented an 8% decrease to the General Fund's revenue.

The City's Local Government Aid allocation shrunk between 2006 and 2007. Of this decrease, \$6.5 million was one-time funding which ended in 2007. The other \$1.5 million reduction results from the application of the LGA formula – Minneapolis tends to see declines of this magnitude each year. The major factors in the formula which lead to these reductions are the City's property wealth and reduced motor vehicle accidents. With these changes, total state aids are estimated at \$78 million including \$67 million of LGA.

- ❑ *Franchise fees* are paid by various utility companies for their use of City rights-of-way. Franchise fees are a percentage of total utility revenues. Therefore, the City's collections vary directly with the paying utility's gross revenues. The City has seen a significant increase in franchise fee revenues (especially on electricity and natural gas) due to recent increases in energy prices. There are four franchise agreements that provide revenue for the City:
 - The twenty year franchise agreement with Xcel Energy for electricity requires payment of 5% of gross revenues for residential service customers, 3% of gross revenues for commercial and industrial customers, and 5% of gross revenues on small commercial

and industrial customers. This franchise agreement expires on December 31, 2014. For 2007, the City is anticipating \$13.5 million in revenues from this franchise agreement.

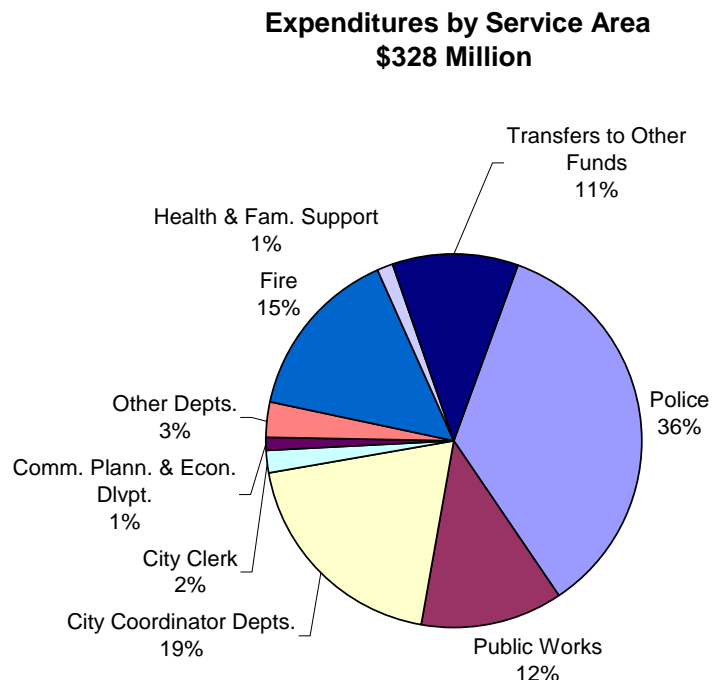
- The franchise agreement with Center Point Energy/Minnegasco requires payment of 4.25% of gross revenues for residential buildings with four units or less, 5% for small commercial/industrial/fir or interruptible customers, and 3% for large volume interruptible customers. This franchise agreement expires on December 31, 2015. For 2007, the City is anticipating \$11 million in revenues from this franchise agreement.
- The City also has two smaller franchises:
 - The bus stop advertising franchise generates approximately \$100,000 in revenues.
 - The City’s cable franchise is anticipated to generate \$2.5 million in 2007.

The 2007 budget anticipates the total franchise fee revenue to significantly increase from the 2006 adopted budget level of \$22.3 million to \$27.1 million. This increase reflects the increased cost of natural gas and electricity.

- ❑ *Licenses and Permits* create significant revenue for the City’s General Fund. The City issues licenses and permits for a wide variety of regulated activities. Building permits are a major component of this revenue category. The 2007 budget anticipates a slight increase in the overall level of activity, with some increases in the actual fees paid, for a 5% increase in licenses and permit revenue. The City also conducted a fee study in 2005, with redistribution of revenue across several departments that contribute to generation of development related fee revenue. During 2006, the City turned over the electrical inspections responsibility (and revenue) to the State.
- ❑ *Fines and Forfeitures* are anticipated to decrease slightly in 2007. Although the Council added additional Traffic Officers and Traffic Control Agents in the Police Department during the last several years, the fine revenue has not met expectations.

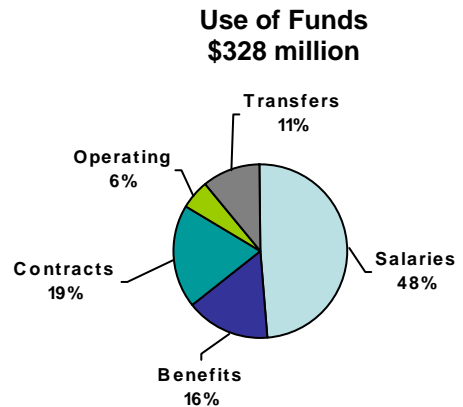
Expenditures

The 2007 Budget for the General Fund is \$328 million, which includes \$35 million in transfers to other funds. After adjusting for transfers, the budget increased from \$283 million as adopted in 2006, to \$293 million in 2007, a 3.8% increase.



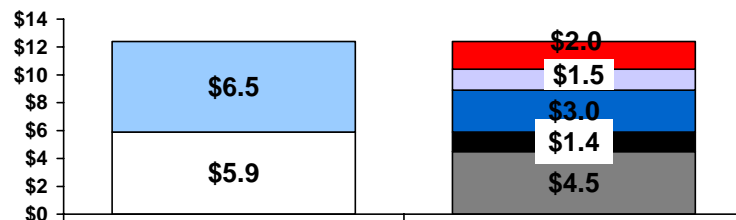
Several cost increases are anticipated in the 2007 budget. These include:

- Salary and wage expenditures increased 3%, from \$154.5 million to \$158.5 million.
- Employer health insurance costs increased about 8%, or \$1.8 million. The budget is based on an anticipated 12% increase to employer costs.
- Addition of positions in general fund supported departments.
- Non-personnel line items increased by 3.5%.



General Fund Budget Decisions

As the City matures in using long-term planning for financial decisions, each annual budget is framed by the ability to make one-time expenditures while remaining prepared for future cost impacts. The graph below shows how these decisions were balanced in the 2007 budget (dollars in millions):



- Other one-time spending
- Public Safety: one-time
- Pension Debt Buy-down: one-time
- Other on-going spending
- Public Safety: on-going
- In House Resources: one-time
- In House Resources: on-going

In this context, the 2007 budget includes the following major General Fund changes:

- *Pensions* – As a result of reducing and paying down pension debt, an additional \$7.6 million in property tax revenue is available in the general fund. Further, the budget commits \$3 million in pension debt avoidance by using one-time general fund resources.
- *Financial Direction Reductions* - The budget includes reductions as proposed by the following departments: Human Resources (\$100,000), Finance (\$200,000), Business Information Services (\$200,000), Community Planning and Economic Development (\$35,000 offset by revenue) and Attorney (\$150,000). The current service level budgets for 911/311 and

City Clerk met the financial direction estimate and did not require further reductions. Reductions from the current service level are not included for Public Works in 2007.

- *Assessor* - Two additional positions are added to the department in the adopted budget (\$150,000).
- *Attorney* - An attorney position is added to back fill grant funds (\$75,000). The Council added \$35,000 for a restorative justice program.
- *City Coordinator: 911/311* - \$80,000 in one-time training money for the implementation of the CAD system is included in the department budget. The Council reallocated funds for weekend 311 hours to Library operating costs.
- *City Coordinator: Administration* - An additional position is added for Results Minneapolis efforts (\$75,000). The budget includes one-time funding for the Tree Trust of \$100,000. Also included is one-time funding focused on external environmental efforts (\$125,000).
- *City Coordinator: Business Information Services* - An increase to the telecom rate model is included in the budget (\$410,000) funded by increased charges to other departments.
- *City Coordinator: Communications* - The budget includes \$700,000 annual draw downs of the cable franchise settlement over the next five years. This decision results in level funding for cable-related items until an increase to Public, Educational and Governmental (PEG) programming fees comes on line in 2012. The fee will go from 37 cents to 50 cents per subscriber per month in 2008, and from 50 cents to \$1 in 2012.
- *City Coordinator: Intergovernmental Relations* – One-time funding for

homelessness outreach is included in the department's budget (\$100,000).

- *City Coordinator: Regulatory Services* - The adopted budget adds \$530,000 to fund boarded and vacant building efforts on an ongoing basis. The budget counts on the department's revenue proposals (\$719,000) to support additional spending in the department. Eight positions are added to the department – 4 for one stop/development review services and 4 for business licensing (\$500,000). Positions related to the business licensing initiative are not to be filled until a related ordinance is approved by the City Council.
- *City Council* - The budget includes one position (\$50,000) for the City Council. The Council's budget is also combined with the Clerk/Elections budget beginning in 2007.
- *Community Planning and Economic Development* - A portion (\$150,000) of the department's budget is moved from the community development block grant fund to the general fund.
- *Fire* - An additional \$200,000 in general fund support is allocated to the department to ensure the implementation of the Standard of Coverage. The department's budget grows by an additional \$90,000 to fund fuel cost increases.
- *Health and Family Support* - Additional one-time funding is added in 2007 for: domestic violence efforts (\$50,000); \$125,000 for Youth Violence Prevention efforts; \$80,000 in for safe routes to school efforts, with the department working with Public Works on a related capital project.
- *Mayor* - An additional position (\$50,000) is added to the Mayor's budget.

- *Police* - An additional 43 police officers are added to the department's budget (\$3.4 million). This increases the department's staffing level to the same level of police officers as in 2002. The department's budget to grows by an additional \$250,000 to fund fuel increases.

One-time funding for the department's technology road map (\$1 million) is included in the budget, contingent on receipt by the Council of a long-term, performance measurement-based plan by the end of February 2007.

Funding to allow the department to add a Police finance officer is in the budget; the Council specified specific duties for this position (please see the police department section later in this book for more detail).

- *Public Works: Field Services* - The adopted budget allows the department's budget to grow by an additional \$100,000 to fund electricity cost increases. Further, the department is directed to ask for preventive street maintenance funding during the 2006 to 2007 reappropriation process.
- *Library* - The Council provided additional \$1.2M one-time funding to the Library Board. The use of these funds is at the discretion of the Library Board pending the following outcomes:

(1) The Minneapolis Public Library Board or its designee shall report a capital and operating budget plan and priorities to the Ways and Means Committee as follows:

Given the Library Board's financial resources, determined in part by the budget passed by the City Council on December 11, 2006, report by January 30, 2007, how many of the system's

fifteen libraries can be open at the standard of five days a week, eight hours a day.

- If fewer than fifteen, report which libraries can meet that standard.
- Direct the Minneapolis City Coordinator, in conjunction with the Executive Director of the Minneapolis Public Library, to create a timeline of important deadlines in the decision making process for the continued operation of the Minneapolis Public Library system; including but not limited to the discussions with:
 - Hennepin County
 - The Minnesota Legislature
 - The Library Board Advisory Committee
 - The Capital Long-Range Improvement Committee
 - The Minneapolis Library Board
 - The Minneapolis City Council, and
 - Any other decision making body with input on this issue.
- The Minneapolis City Coordinator and the Executive Director of the Minneapolis Library Board shall report back to the Ways and Means/Budget Committee of the Minneapolis City Council before the end of January, 2007.

Within two weeks of the closing of the 2007 State of Minnesota legislative session, report the impact of any policy or fiscal decisions made by the state legislature on the short- and long-term functioning of the Minneapolis Public Library system. This should include a reassessment, if applicable, of the capacity to keep libraries open at five days a week for eight hours a day.

Request that the Library Board of Trustees report to the Ways & Means and Intergovernmental Relations Committees of the City Council with a strategic plan for the future of the Minneapolis Libraries within two months following the later of:

- Issuance of recommendations by the Library Advisory Committee;
 - Issuance of recommendations by the City/County Task Force; or
 - The end of the 2007 Minnesota Legislative Session (85th Legislature);
- Request that the Library Board of Trustees incorporate a community engagement process, including community meetings, in 2007 for its strategic plan and related decisions.

(2) And further Direct that the CPED Department assign staff experienced in public building use, mixed-use

development, and business development to work with the Library Board of Trustees and Library staff as they develop a strategic plan and explore creative options for a sustainable library system and report back to the Community Development Committee by May 1, 2007.

(3) City Finance staff, in conjunction with work already underway in the City Attorney's office, are directed to examine the financial impact of making the Library Board a department of the City. That report should be transmitted to the Ways & Means/Budget Committee, the Intergovernmental Relations Committee, the Library Advisory Committee, and the Minneapolis Library Board by March 1, 2007.

Transfers

The 2007 General Fund budget includes a \$0.6 million decrease in transfer expense, from \$35.6 million to \$35 million. This decrease is related to the savings in debt service funds.

Summary of Transfers to Other Funds

<i>(In millions of dollars)</i>	2006	2007	Change
	Adopted Budget	Adopted Budget	
Internal Service Funds ¹	\$20.1	\$20.2	\$0.1
Debt Service	\$15.1	\$11.5	(\$3.6)
Capital	\$ 0.0	\$1.9	\$1.9
Library Board	\$ 0.0	\$1.2	\$1.2
Other transfers	\$ 0.4	\$ 0.1	(\$0.3)
Total	\$35.6	\$35.0	(\$0.6)

Summary of Transfers from Other Funds

<i>(In millions of dollars)</i>	2006	2007	Change
	Adopted Budget	Adopted Budget	
Enterprise Funds	\$ 11.3	\$10.3	(\$1.0)
Entertainment Tax	\$ 7.5	\$ 8.3	\$ 0.8
Library Board	\$ 0.0	\$ 0.9	\$ 0.9
Other transfers	\$ 0.0	\$ 0.8	\$ 0.8
Total	\$18.8	\$20.3	\$ 1.5

¹The implementation of the self insurance fund rate model led to a decline of \$400,000 in this transfer. More of these costs now appear in departmental budgets for worker's compensation and liability. Despite changes, Internal Service Funds increased payments for Information Technology Service operating costs and debt by \$2.2 million.

**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

General Fund - 0100

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:								
Property Taxes	85,998	97,493	112,689	123,909	10.0%	136,038	151,809	166,309
<i>Subtotal - Property Taxes</i>	85,998	97,493	112,689	123,909	10.0%	136,038	151,809	166,309
Local Government Aid	73,447	64,190	75,054	67,097	-10.6%	65,797	64,546	63,197
<i>Subtotal</i>	73,447	64,190	75,054	67,097	-10.6%	65,797	64,546	63,197
Other State Aids	3,311	15,276	11,366	11,022	-3.0%	11,022	11,022	11,022
Franchise Fees	25,121	27,702	22,310	27,110	21.5%	27,110	27,110	27,110
Licenses and Permits	24,148	25,044	24,864	25,999	4.6%	26,779	27,582	28,410
Charges for Services and Sales	28,182	33,977	36,499	35,631	-2.4%	35,631	35,631	35,631
Fines and Forfeits	8,910	10,016	10,385	10,173	-2.0%	10,173	10,173	10,173
Special Assessments	2,628	2,839	2,763	2,783	0.7%	2,783	2,783	2,783
Interest	1,159	1,952	1,860	1,860	0.0%	1,860	1,860	1,860
Other Miscellaneous Revenues	1,131	1,525	1,834	2,109	15.0%	2,109	2,109	2,109
Transfers from other funds	12,698	17,981	18,850	20,241	7.4%	19,241	18,241	18,241
Total	266,732	297,995	318,473	327,934	3.0%	338,543	352,866	366,845
Expenditures:								
Police	87,604	95,977	107,526	112,096	4.3%	118,500	122,511	126,658
Fire	39,495	47,186	47,162	48,380	2.6%	50,764	52,483	54,259
Public Works	35,686	38,753	38,245	39,539	3.4%	40,558	40,896	41,445
City Coordinator Departments	41,758	54,267	61,617	62,494	1.4%	63,474	65,169	64,448
City Attorney	4,631	6,422	6,790	7,036	3.6%	7,116	7,257	7,444
City Clerk	2,090	2,947	3,153	6,170	95.7%	6,772	8,501	7,437
Health and Family Support	3,446	3,649	3,701	4,076	10.1%	3,954	4,088	4,250
Community Planning & Economic Dev	2,179	3,366	3,671	3,708	1.0%	3,889	3,986	4,108
Other Departments	9,349	8,441	11,025	9,424	-14.5%	9,765	10,095	10,493
Transfers to other funds	32,690	44,777	35,582	35,011	-1.6%	33,150	38,420	44,450
Total	258,928	305,785	318,473	327,934	3.0%	337,942	353,406	364,992
Net Change in Balance	7,805	(7,790)				601	(540)	1,853
Fund Balance:								
Beginning Balance	53,547	61,352	53,562	53,562		53,562	54,163	53,623
Ending Balance	61,352	53,562	53,562	53,562		54,163	53,623	55,476
Fifteen % Reserve Requirement (15% of following year's budget)	45,868	47,771	49,190	50,691		53,011	54,749	57,339

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Convention Center Special Revenue Fund

Background

The Convention Center Special Revenue Fund accounts for the maintenance and operation of the City owned Convention Center and the related sales tax activities. The Convention Center was created to foster and generate economic growth and vitality by providing facilities and services for conventions, trade shows, exhibits, meetings; cultural, religious, and sporting events - all of which benefit and showcase the City of Minneapolis, the metropolitan region, and the State of Minnesota. The fund also supports an operating transfer to Meet Minneapolis, formerly called the Greater Minneapolis Convention and Visitors Association (GMCVA). Meet Minneapolis is an independent, non-profit organization contracted by the City of Minneapolis to market Minneapolis and the Twin Cities as a convention and tourist destination.

Historical Financial Performance

The fiscal year-end 2005 fund balance for the Convention Center Special Revenue Fund was \$36.5 million, an increase of over \$6 million from 2004. Local taxes support the Convention Center with approximately \$55.1 million being collected in 2005. Due to improved economic conditions, the 2005 local tax revenue was nearly \$4.2 million greater than budget and nearly \$2.9 million greater than 2004. Approximately \$17.5 million was transferred for debt service obligations or enterprise related debt. The debt service transfer was \$3.8 million more than 2004.

Comparative amounts collected:

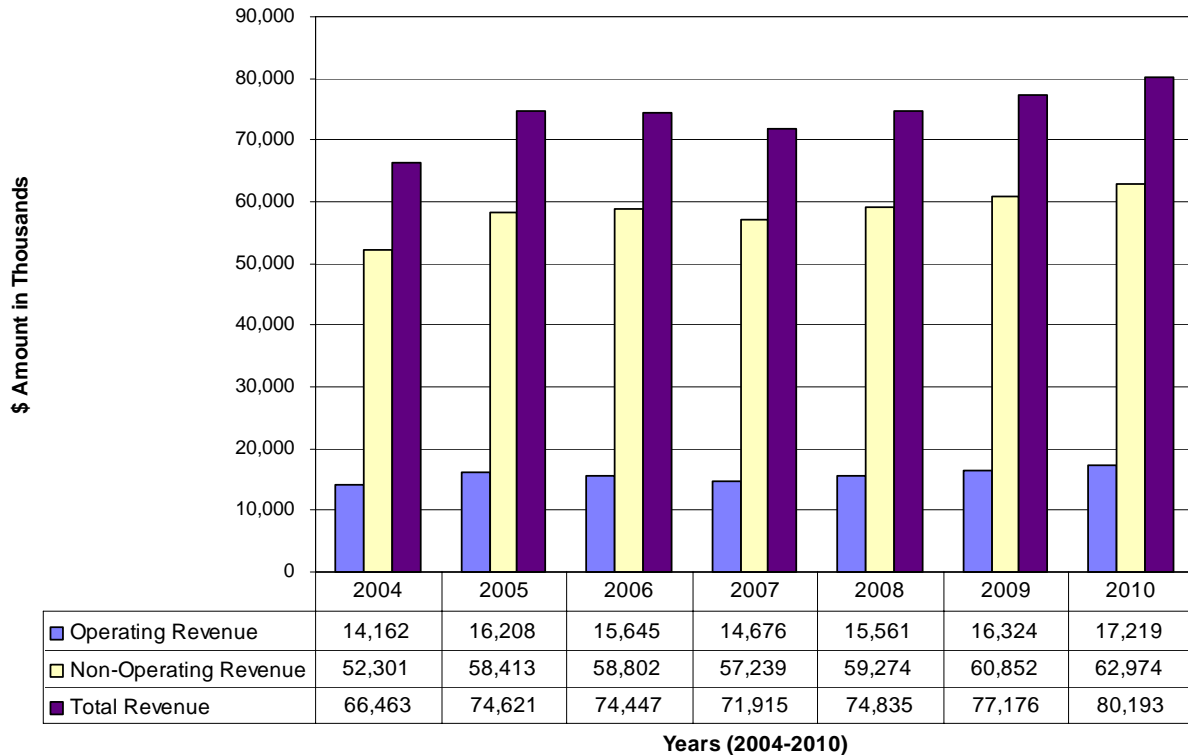
Local Taxes (in millions)	2003	2004	2005
0.5% Citywide Sales tax	\$25.6	\$26.4	\$27.4
3.0% Entertainment Tax	\$7.8	\$8.7	\$9.2
3.0% Downtown Restaurant Tax	\$7.9	\$8.8	\$9.5
3.0% Downtown Liquor Tax	\$3.0	\$3.4	\$3.5
3.0% Lodging Tax	\$4.6	\$4.9	\$5.5
Total Tax Collection	\$48.9	\$52.2	\$55.1

Funds are transferred annually to the Convention Center Reserve Fund for major repair or equipment replacement for the Convention Center facility. Due to the age of the building, it is anticipated that the amount of this transfer will increase in future years as specific needs are identified. However, the plan keeps the amount flat until an analysis is completed and needs are identified. In 2005, nearly \$1.2 million was transferred to the Convention Center Reserve Fund.

Operating revenues are generated directly from the Convention Center operating activities. Exhibit space rental is the largest source of revenue for the Convention Center. Also included in operating revenues, are equipment and space rental of the Tallmadge Building. Charges for Services are earned in support of space rent and consist primarily of utility and labor services and ramp parking. Commission sales of food and beverage account for most of the other miscellaneous operating revenue.

In 2005, the Convention Center opened a business service center to better meet customer needs and began offering wireless and internet services. Wireless and internet services revenue came in 235% better than expected. In 2005, total operating revenue generated by the business service center was \$16.2 million - a gain of 14% from 2004 and nearly 10% better than expected for 2005.

Convention Center Fund - Revenue



2006 Financial Projections

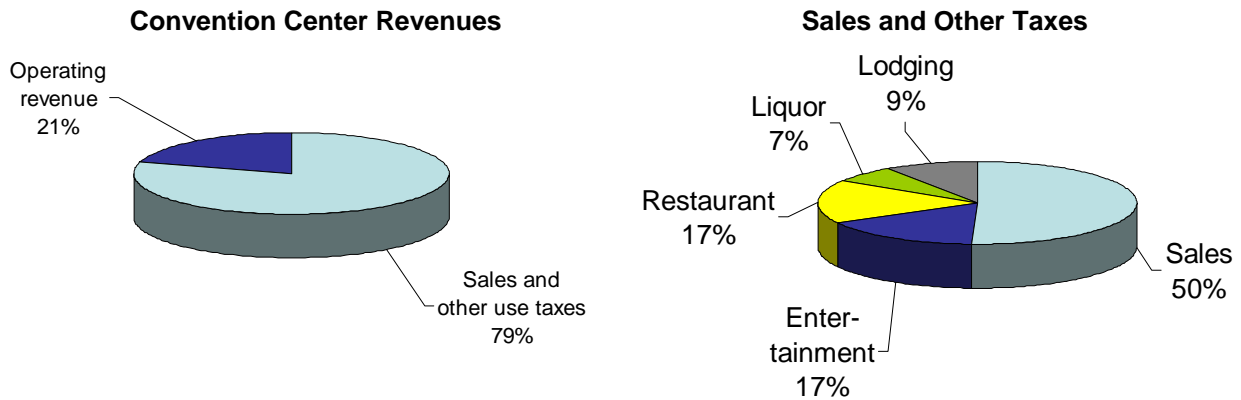
Event operating revenues are projected to decline from 2005 as a result of not hosting large revenue producing events of the same size and caliber as some of the events in 2005, such as the Microsoft World Partners Conference. Operating revenues are not expected to meet 2006 budgetary goals primarily as a result of lower rents. Tax proceeds are projected to be higher than budgetary goals and slightly above 2005 actual totals. Operating expenditures for the Convention Center in 2006 were budgeted slightly higher than they were in 2005; primarily as a result of higher personnel related costs, capital, and contractual services. In 2006, operating expenditures are projected to be under budget by over \$5 million. The decrease is primarily the result of \$4 million budgeted for a new Terrazzo floor that will not be completed in 2006. Request For Proposals are currently underway and expenditures will continue into 2007.

2007 Budget

Revenues

The revenues for the Convention Center have been brought in line with the actual receipts from previous years. Total revenue is expected to trend upward through 2010. The 2007 Convention

Center operating revenue is expected to decrease \$969,000 or 6% below 2006 budgeted revenue. The decline can be directly attributed to under-utilization of the facility by corporate events. The Meet Minneapolis sales staff has a variety of targeted efforts planned to address the corporate market.



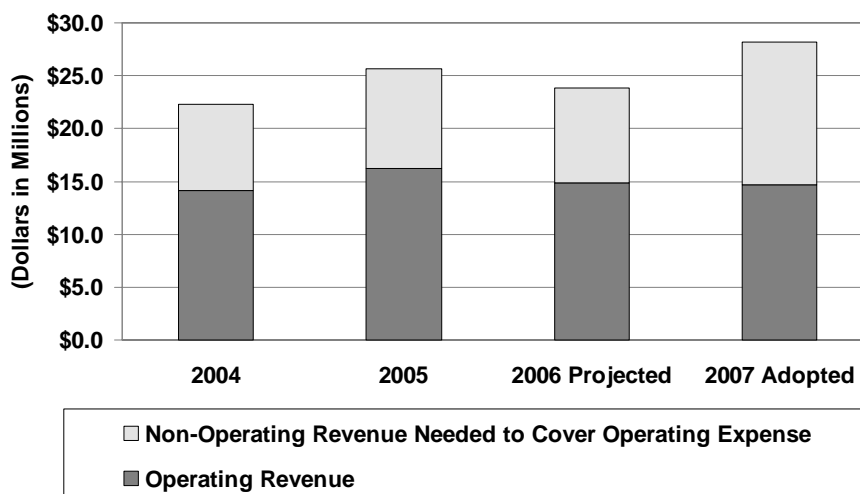
Convention Center - Predicted Revenue Growth

Tax Type	Current Growth Assumption '07-'10*
0.5% Sales	2.5%
3% Entertainment Tax	3%
3% Other Tax	3%

Last year's assumption was 4%

The Convention Center management is addressing declining operating revenue by bringing in new revenue producing services, particularly through the new Technology Services Department which began in June of 2006. In the second quarter of 2006, the Convention Center, in partnership with Meet Minneapolis, began selling video signage advertising at the Convention Center. Specifics of the deal are still under discussion between the Convention Center and Meet Minneapolis. Operating revenue is projected to increase by 6% per annum in 2008 and 5% in 2009 and nearly 5.5% in 2010. The 2007 budget's operating expenses are \$28.2 million and \$14.7 million in operating revenue, resulting in a \$13.5 million shortfall. Additionally, operating revenues are expected to decline in 2007 resulting from a change in mix of shows in the facility.

Convention Center Operating Revenue and Expense



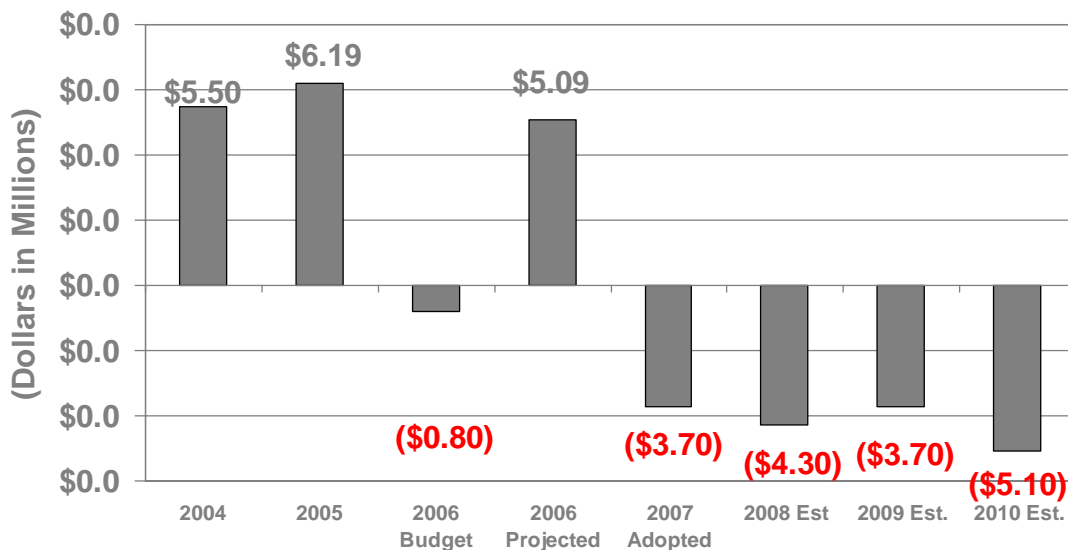
Expenditures

In 2007, the Convention Center operations expenditure budget is anticipated to decrease \$1.4 million from the 2006 current budget. The budgeted decrease is primarily the result of lower budgeted capital expenditures. Factoring out capital, operating expenditures are expected to increase approximately \$1.3 million as a result of higher personnel and contractual related expenditures. Cost containment is an important and ongoing initiative at the Convention Center, and the Convention Center is working on a number of cost containment strategies which include: efficient operations; improved risk management; managing client expectations; proper training; development of the Convention Center workforce; tracking client damage; and expense recovery.

In 2004, Meet Minneapolis entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, Meet Minneapolis requested that the Council advance an additional \$2.5 million for the project. In August 2005, the loans were consolidated together and a promissory note was issued for up to \$5 million. In April of 2006, the City entered into a 3rd loan agreement of up to \$5 million for additional iDSS start up capital. The three loans were consolidated for a total of up to \$10 million. The \$10 million consolidated loan will have a 10-year amortization of principal (2008-2017) at a 5% interest rate. The loan is secured by all of iDSS assets, future appropriation from the City funding, and profits from the iDSS.

In 2006, \$7.1 million in sales and marketing fees were transferred to Meet Minneapolis. In 2007, Meet Minneapolis sales and marketing fees increased to nearly \$7.4 million. Meet Minneapolis functions as the primary sales and booking agent of the Convention Center. The 2004 to 2005 reduction in the ending fund balance is due primarily to spending increases. The increases are due to additional capital outlays to replace aging and obsolete parts and systems of the facility. The ending fund balance is expected to remain relatively unchanged from 2005 to 2006 as a result of offsetting increases and decreases in revenues and expenditures. The ending fund balance for 2006 to 2007 is expected to decrease as a result of lower budgeted revenue and higher budgeted 2007 expenditures.

Convention Center Project Net Income (Loss) (in millions)



The convention center financial plan anticipated losses as debt service is paid back. The fund currently has sufficient reserves to cover these losses. Further, debt service is budgeted assuming a 5% interest rate on variable bonds. The City's actual experience has been significantly less in the past few years. However, to the degree that interest rates increase, operating revenues decline, and/or expenses increase, the fund will have difficulty staying within the original financial plan.

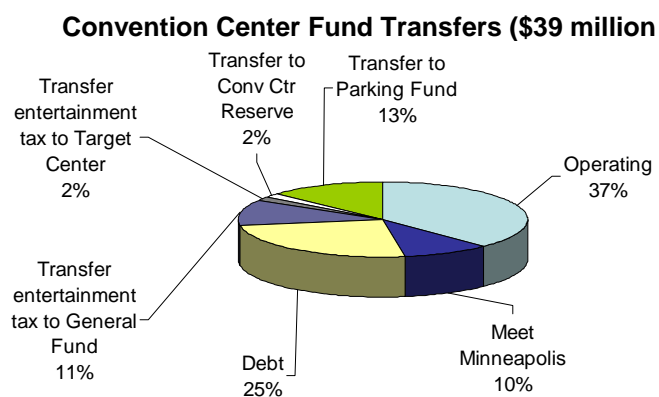
Cash Position Changes

The Convention Center Special Revenue Funds 2006 projected cash balance, exclusive of loans to other funds, is expected to fluctuate relative to the fund equity. Most operating revenues and expenditure transactions are cash transactions. The Convention Center has a policy of requiring exhibitors to pay in advance for space rent and services, which contributes to a healthy cash position. The 2005 year ending client advances, sometimes received over two years in advance of the event, were \$835,000 and outstanding client receivables were \$1.3 million.

Transfers

Total transfers to other funds in 2007, excluding Meet Minneapolis, are budgeted at \$39.4 million:

- General Fund - \$8.3 million, funded by entertainment tax proceeds; a revenue source to the General Fund since 1969.
- Arena Reserve - \$1.2 million, the portion of the entertainment tax estimated to be derived by Target Center activities.
- Convention Center Reserve - \$1.2 million, for future major Convention Center repairs or replacement.
- Convention Center Debt Service - \$18.8 million, current year debt service liability for the Convention Center bond issue. Part of the Convention Center debt is in variable rate mode, and it is likely that total debt service payments will be less than the budgeted \$18.8 million due to the difference between actual interest on variable rate and the assumed 5%.
- Parking Fund - \$9.9 million, funding for the current year debt service obligation for the Convention Center related parking ramps and facilities and Parking Fund Workout Plan.



The City of Minneapolis deposits all of its local tax proceeds (*i.e.*, sales tax, entertainment tax, food tax, liquor tax, and lodging tax) in the Convention Center Special Revenue Funds. All the tax proceeds, with the exception of the entertainment tax, are Convention Center related and are used primarily to fund the debt related to the construction of the Convention Center and related facilities, as well as to fund the operating deficit.

The entertainment tax, established in 1969, is a revenue source for the General Fund to offset additional police and fire department costs associated with citywide entertainment activities. A portion of the tax is redirected to the (Target Center) Arena Reserve Fund to fully credit the fund

for entertainment tax proceeds generated from Target Center activities, as required by the (Target Center) Arena finance plan. The entertainment tax is not deposited directly into the General Fund because it is pledged revenue on the outstanding Convention Center bonds in the event other revenue sources pledged to meet Convention Center debt service are insufficient.

For 2007, there is a decrease in facility reserve transfer to \$500,000. These fund transfers are from the facility reserve to cover the reserve funding requirement for the Convention Center scheduled yearly capital projects.

Debt Service

The 2007 budget includes full funding to meet the annual debt service payments. Outstanding debt for the Convention Center was approximately \$229 million in total at the 2006 year end. In 2004, the Convention Center debt was restructured allowing for substantial long-term savings to the fund. \$77 million is variable rate debt, and \$152 million is fixed.

City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)

Convention Center Special Revenue Fund - 0760

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:									
<i>Operating Revenues:</i>									
Charges For Services	5,000	6,220	5,660	5,276	5,925	4.7%	6,221	6,532	6,859
Rents	6,468	6,867	7,415	6,893	6,290	-15.2%	6,707	7,028	7,430
Other Miscellaneous Operating	2,694	3,121	2,570	2,650	2,461	-4.2%	2,633	2,764	2,930
Sub-Total	14,162	16,208	15,645	14,819	14,676	-6.2%	15,561	16,324	17,219
<i>Non-Operating Revenues:</i>									
Sales Tax	26,366	27,404	27,701	27,954	28,394	2.5%	29,103	29,831	30,577
Entertainment Tax	8,670	9,193	9,109	10,190	9,382	3.0%	9,664	9,954	10,252
Restaurant Tax	8,802	9,474	9,248	9,896	9,525	3.0%	9,811	10,106	10,409
Liquor Tax	3,432	3,486	3,606	3,588	3,714	3.0%	3,826	3,940	4,059
Lodging Tax	4,899	5,506	5,147	5,806	5,301	3.0%	5,460	5,624	5,793
Meet Mpls Donations	-	-	538	538	-	0.0%	-	-	-
Interest	132	819	422	800	422	0.0%	409	397	385
Transfer From Facility Reserve	-	2,531	3,031	3,031	500	-83.5%	1,000	1,000	1,500
Sub-Total	52,301	58,413	58,802	61,803	57,239	-2.7%	59,274	60,852	62,974
Total	66,463	74,621	74,447	76,622	71,915	-3.4%	74,835	77,176	80,193
Use of Funds:									
Convention Center Operations	20,939	22,685	24,638	22,877	25,903	5.1%	26,939	28,017	29,137
Ongoing Equipment/Improvement	1,028	2,933	4,948	900	2,260	-54.3%	5,270	5,480	8,376
Finance	302	-	-	-	-	0.0%	-	-	-
Human Resources	58	44	44	47	66	50.0%	-	-	-
Meet Minneapolis	6,655	7,239	7,080	7,664	7,380	4.2%	7,528	7,678	7,832
Transfer To Gen Fund - Ent. Tax	7,164	7,249	7,482	8,990	8,319	11.2%	8,164	8,454	8,752
Transfer To Target Ctr Reserve	1,506	1,433	1,200	1,200	1,200	0.0%	1,500	1,500	1,500
Transfer To Conv Ctr Reserve	1,150	1,150	1,150	1,150	1,150	0.0%	1,150	1,150	1,150
Transfer To Debt Service	13,687	17,456	19,142	19,142	18,846	-1.5%	18,796	18,728	20,150
Transfer To Parking Fund	8,365	8,244	9,565	9,565	9,856	3.0%	9,832	9,858	8,435
Transfer To BIS	66	-	-	-	-	0.0%	-	-	-
Transfer To Self Insurance	19	-	-	-	-	0.0%	-	-	-
Total	60,939	68,433	75,249	71,535	74,980	-0.4%	79,178	80,864	85,332
Net Income	5,524	6,188	(802)	5,087	(3,065)	282.2%	(4,344)	(3,689)	(5,139)
Fund Balance/Retained Earnings:									
Beginning Balance	24,805	30,329	36,517	36,517	35,715	-2.2%	32,650	28,306	24,618
Ending Balance	30,329	36,517	35,715	36,275	32,650	-8.6%	28,306	24,618	19,478

Notes: Beginning in 2005, the transfer to BIS is reflected in the Convention Center's Operating Budget based on the BIS Rate Model. In 2004, Meet Minneapolis entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, Meet Minneapolis requested that the Council advance an additional \$2.5 million for the project. In August 2005, the loans were rolled together and a promissory note was issued for \$5 million. In April of 2006, the City entered into a 3rd loan agreement for \$5 million for additional iDSS start up capital. The three loans were consolidated for a total of \$10 million. The \$10 million consolidated loan will have a 10 year amortization of principle (2008-2017) repaid in full in 2017 at a 5% interest rate. The note repayment for the loan is pledged against assets, future appropriation from the City funding, and profit from the iDSS.

**City of Minneapolis
FY 2007
Financial Plan**

Community and Economic Development Funds

Background

These funds provide support to the City's development efforts. The main department with allocations in these funds is the Community Planning and Economic Development Department. Funds for the City's activities in these areas have faced numerous challenges over the past several years since the State significantly changed the property tax system.

The City Council adopted a policy in August of 2003 on how these funds were to be prioritized between City-wide discretionary development, the Neighborhood Revitalization Program (NRP) and the City's obligations as owner of the Target Center Arena, the home of the National Basketball Association's Minnesota Franchise. The financial projections in this plan rest upon the assumptions in these policy decisions. (Please see the "Financial Policies" section of the budget book for the policy detail.)

The projections show the following conditions, for the first time shown in the planning horizon of the City's financial plans:

- 1) the decertification of the pre-1979 tax increment financing (TIF) districts; and
- 2) the final year of the City's statutory obligation to provide funding to the NRP.

2007 Budget

Revenues

These projections are based on several revenue assumptions that need to be validated annually:

Revenues from federal grant programs, including the annual disbursement rate for the Empowerment Zone, will remain close to constant;

Although revenues from state and local grants vary in relation to project need and availability, for projection purposes they are shown as constant;

There will be continuing modest increases in bond related fee income from housing and economic development activities;

There will be annual variations in overall project income but these are shown as constant from 2007 for projection purposes;

There is no change to the scheduled 2009 Brookfield payment;

There will be no further legislative actions or assessment adjustments that have a significant negative impact on tax increment or General Fund collections; and

Inflationary growth in Planning's fee revenue.

Expenditures

The expenditure projections contain assumptions that also need to be revisited annually in the context of revised revenues and department outcome measures:

- CPED staff levels will generally remain constant or reduce slightly with personnel costs increasing 2 percent per annum while non-personnel expenditures increase approximately 1 percent per annum.
- The Development Account and TIF revenues of the Common Project continue to be restricted to existing debt obligations and the capitalization of the NRP through 2009.
- Consistent with the Discretionary Development resolution, \$3.697 million from the Legacy Fund is being provided annually through 2009.

The projected CPED revenues and expenditures for 2007-2011 show somewhat level revenues through 2008 increasing in 2009 with the receipt of a Brookfield-Dain payment of \$27.87 million. However, the total revenue received each year from 2007 to 2009 is smaller than anticipated in the 2003-2009 projections prepared last year, largely due to smaller than anticipated tax increment revenues as a result of recent reductions to market valuations of various properties within the Common Project.

Debt Service

Debt service on the post-1979 Common Project TIF districts continues past 2010. Taken together with other projected costs, the forecast for that year is break-even. There is no assumption of a source for discretionary development activity beyond 2009, although the availability of new tax capacity created by the decertification of the pre-1979 districts could allow, as one policy option, the re-use of Chapter 595 levy authority with little or no increase of residential property taxes.

Under current policy direction the Hilton Legacy Fund will also have been repaid in 2009 for the \$22 million cumulatively lent for discretionary development activity, and will provide another option for development support in 2010 and beyond. To avoid or pay down debt, the City will use \$12.5 million of the proceeds from the sale of City's share of the downtown Hilton Hotel.

General Fund Resources

Projected General Fund revenues and expenditures are displayed consistent with the Five-Year Financial Direction. The direct revenue to the General Fund attributed to CPED increased substantially in 2006 (line 5) as a result of the multi-department fee study completed in 2005. The additional revenues allocated as a result of this study have increased annually at an annual rate of 3 percent.

Neighborhood Revitalization Program

The reduction of development resources that started in 2001 has been the reduced level of funding (from \$20 million per annum in Phase I) available to capitalize the NRP. As noted, the lowering of market value of several properties within the Common Project appears to have exacerbated this reduction. Table 1, Line 34 displays the last (October 2005) projections.

Update projections are due to be released early in 2007 (see the financial policies section of this document for further information).

Finance Plan - Table 1

Projected CPED Revenues & Expenditures 2007 - 2011

	2006 Budget	2007	2008	2009	2010	2011
1 Local Funds						
2 General Fund Total	3,745,973	3,795,000	3,889,000	3,998,000	4,124,000	4,263,000
3 GF Property Tax & Non-Direct Revenue	1,720,594	1,695,000	1,737,000	1,822,000	1,909,000	2,061,000
4 General Fund LGA	680,848	602,000	609,000	587,000	578,000	516,000
5 General Fund Direct Revenues	1,343,478	1,498,000	1,543,000	1,589,000	1,637,000	1,686,000
6 Tax/Increment/Abatement	71,085,947	76,664,332	78,035,163	56,879,199	32,487,622	32,487,622
7 Capital Bonding (CIP)	3,547,000	808,000	804,000	1,067,000	382,000	389,000
8 Dev Acct (Non-TI)	2,199,272	2,025,432	2,002,705	28,302,997	300,000	300,000
9 Interest Earnings all Funds	5,298,000	5,054,000	4,801,300	4,561,235	4,333,173	4,116,515
10 Bond Fees						
11 Housing Program Fees & Revenues	1,199,000	1,244,970	1,292,719	1,342,317	1,342,317	1,393,835
12 Economic Dev Program Fees & Revenues	3,639,500	3,651,500	3,663,620	3,675,861	3,675,861	3,688,225
13 Legacy Fund	3,679,000	3,679,000	3,679,000	3,679,000	-	-
14 Other Project & Program Income	16,811,915	16,307,558	16,199,000	15,818,331	15,713,030	15,343,781
15 Transfers & Reserves	50,548,980	52,050,000	37,549,128	46,374,667	45,674,667	43,674,667
16 Federal Funds						
17 CDBG*	17,583,662	12,317,000	12,317,000	12,317,000	12,317,000	12,317,000
18 ESG	597,000	597,000	597,000	597,000	597,000	597,000
19 HOME	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000
20 Other State/Local Grants	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
21 Total Projected Revenues	188,234,196	186,493,792	173,129,635	186,912,607	129,246,670	126,870,645
22 <u>Appropriated</u>						
23 <u>Business Lines:</u>						
24 Economic Policy & Development	15,726,643	18,067,452	15,171,756	15,399,332	15,630,322	15,864,777
25 Housing & Policy Development	26,730,137	21,395,008	21,715,933	22,041,672	22,372,297	22,707,882
26 Community Planning	1,985,293	1,962,523	2,001,773	2,041,809	2,082,645	2,124,298
27 Development Services	2,006,327	1,792,814	1,828,670	1,865,244	1,902,549	1,940,600
28 Workforce Development	10,842,414	9,094,566	9,185,512	9,277,367	9,370,140	9,463,842
29 <u>CPED Support:</u>						
30 Executive & Support Services	6,319,452	7,004,956	7,145,055	7,287,956	7,433,715	7,582,390
31 Transfer & Debt Service	117,208,947	118,269,359	105,215,723	101,144,413	71,037,756	66,966,446
32 Total Appropriated	180,819,213	176,203,622	162,264,422	159,057,793	129,829,425	126,650,234
33 <u>To be appropriated</u>						
34 Potential NRP Capitalization	4,363,989	4,512,724	2,139,122	15,397,784	-	-
35 Brookfield repayment to Legacy	1,769,000	1,769,000	1,769,000	11,386,000	-	-
36 Total Projected Uses	186,952,202	182,485,346	166,172,544	185,841,577	129,829,425	126,650,234
37 Difference	1,281,994	4,008,446	6,957,091	1,071,030	(582,755)	220,411

* entitlement, program income and federal workforce grants

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Municipal Parking Fund

Background

The Municipal Parking Fund accounts for the operation and maintenance of parking ramps, lots, on-street parking, and a municipal impound lot. Major parking related capital construction and development activities also occur in this fund.

Historical Financial Performance

The financial condition of the Parking Fund had historically been stable, but continues to present a future financial challenge to the City due to cash flows. While the fund continues to generate a positive retained earnings, it is insufficient to pay debt service, make General Fund transfers, and restore its productive assets (ramps).

Nearly all of the capital costs of ramps have been financed by debt. Revenues for the fund are generated from these three lines of activities: off-street parking; on-street parking; and the impound-lot. The fund receives transfers (\$9.6 million in year 2006) from the Minneapolis Convention Center to pay its share of debt service on the Convention Center-related parking facilities. The fund also receives transfers (\$6.9 million in 2006) from tax increment and abatement revenue to pay part of major development projects in downtown area.

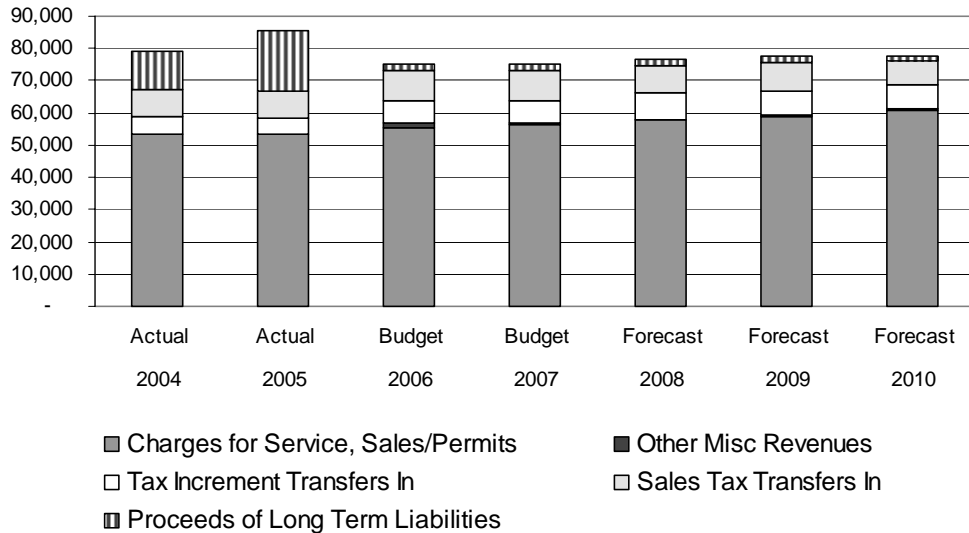
The Parking Fund and its operations reflect a financial workout plan that was adopted by the council in 2004. The plan addresses strategies for managing and responding to growing financial concerns regarding the municipal parking system, with annual updates on the performance of the workout plan.

Revenues

Operating revenues for 2005 remained at 2004 level. \$55.2 million in revenue for the year saw a decrease in off-street parking by \$800,000; however, this was off set by \$800,000 increase in impound lot and on-street revenues. Additional meter installations and rate adjustments, as part of new meter management plan, contributed to \$600,000 increase over 2004 in on-street parking revenues. Changes in rates and the number of vehicles towed account for the revenue growth experienced in impound lot revenues.

Operating revenue budget for 2006 is \$60 million and the projection for year-end is currently \$58 million, which reflects adjustments as to the workout plan – some lines of activity are foreseen to produce less revenue than anticipated. Revenue for the first quarter increased by \$800,000, or 7%, to \$12.9 million in 2006 in comparison to \$12.1 million for the first quarter of 2005. Revenues from off-street parking increased \$500,000, meanwhile, on-street parking and impound lot each account for \$150,000. Increase in revenues can be attributed to initiatives listed in the workout plan.

Parking Fund Revenues
(in thousands of dollars)



Expenditures

In 2005, operating expenses (without debt service, transfers or capital) increased by \$1 million, or 3%, to \$39.5 million, from \$38.5 million of 2004. This increase is mainly due to increased major maintenance work in the ramps. To a lesser extent, increase in expenditures was due to changes in towing rates which took effect in the fourth quarter of 2005. However, this increase in rates is offset by increase in rates charged to customers.

The operating expense budget for 2006 is \$40 million and the projection for the year is \$37.5 million. Expenditures for the first quarter increased by \$500,000, or 8%, to \$7.4 million compared to \$6.9 million for the first quarter of 2005. This increase is the net of all increases and decreases in various business lines of the Parking Fund. While off-street parking and other operating expenses showed increase for the quarter, expenditures related to towing and on-street parking registered decrease compared to 2005. With ongoing maintenance work and addition of the Mill Quarter and Riverfront ramps, expenses were expected to increase. It is anticipated that continued efforts to automate and centralize operations will have its impact in expense reduction in the current and future years. As in 2005, all expenses related to State-owned facilities, including major maintenance, will be fully reimbursed by the State.

Cash Position

The Parking Fund cash balance for year 2005 was negative \$13.9 million. The transfer of TAD revenues to the State in excess of \$16 million over two-year period was a significant factor for this continued negative balance. The parking system is creating a positive cash flow from its operations, but with transfers and interest payments on debt service, the City-owned facilities have a negative cash flow. Based on current and proposed budgets, operating cash balances are going to continue to decrease, especially cash related to the City system.

2007 Budget

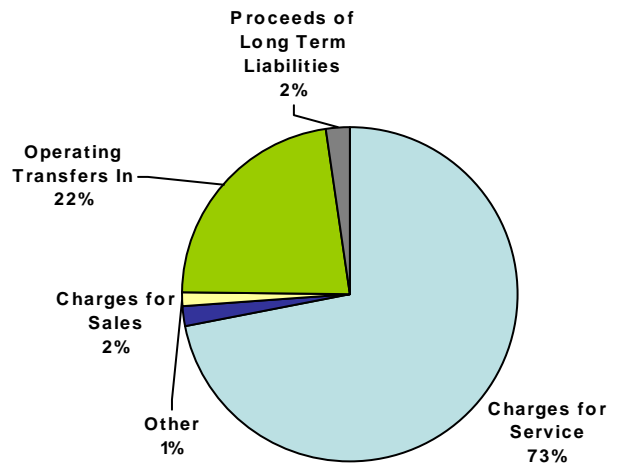
Revenues

The operating revenue budget for 2007 was decreased by \$1 million to \$59 million compared to \$60 million for 2006. The decrease is due to a revised towing and impound lot collection

recovery budget for unpaid tows and abandoned vehicles. Furthermore, assessment revenue for the Vineland ramp has been reduced to its actual amount of \$543,000, down from 2006 of \$1.6 million.

Non-operating revenues consist of interest revenue that is generated by investment earnings, which shows up as revenue but is transferred to the General Fund. Special assessment revenue is from payments that are made by businesses to reimburse part of the capital expenses for the construction of the Lyn-Lake parking lots that helped them meet their minimum parking requirements.

**Source of Funds
Parking Fund
(\$84.4 million)**



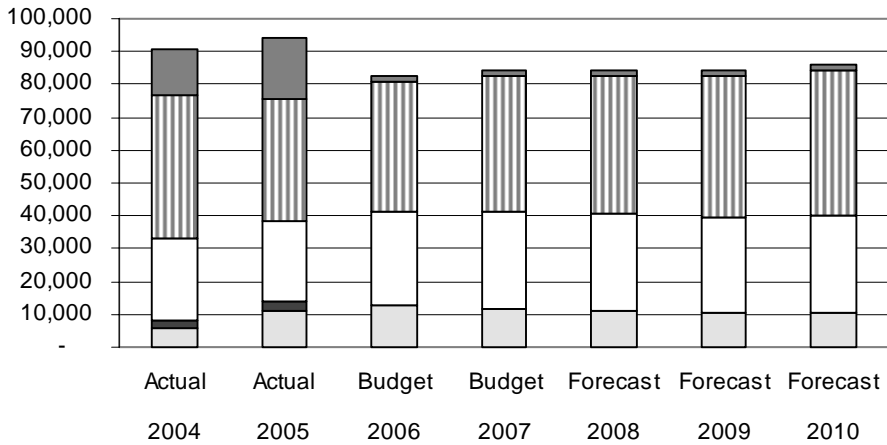
Revenue Assumptions (2007)	
Utilization Percentage in 2006	77%
Number of Parking Stalls in the system	21,176 as of 12/31/2006
Forecasted Revenue increase	2008 2.5% 2009 1.8% 2010 2%
Assumed rate increases (if any)	2%
System-wide average event rate	\$8.29
System-wide average daily rate	\$5.64
System wide average monthly rate	\$108.03
Number of new stalls in the system	2008 0 2009 0 2010 0

For assumptions regarding sales tax revenue, please see the Convention Center Finance Plan.

Expenditures

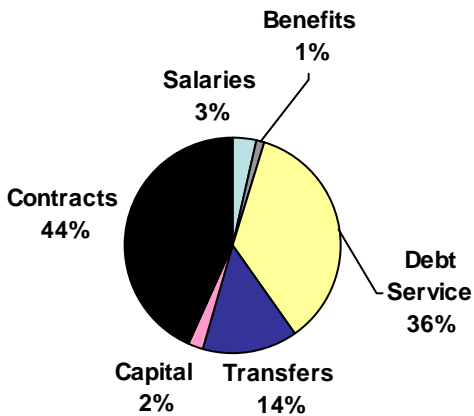
The operating budget for 2007 stands at \$41.4 million compared to \$40 million for 2006. This increase of 4% over 2006 can be attributed, in part, to two additional ramps, Mill Quarter and Riverfront. To a larger extent, increase in operating expenditure comes from scheduled maintenance work in the State-owned ramps. In addition, prior to 2006, the adopted budget included operating expenditures for Public Works-Transportation and the traffic control cost center, which as managed by Licenses and Consumer Services. The Licenses and Consumer Services segment however has been discontinued in the Parking Fund. As in 2006, \$2.8 million for Licenses and Consumer Services was transferred to the Police Department. The decrease in Licenses and Consumer Services is offset by an increase in transfer out from Parking Fund to General Fund. The capital budget for 2007 has been set at 2006 level which is \$1.7 million. The capital budget has been maintained at this level due to on-going repair and improvement works in the City-owned parking facilities.

Parking Fund Expenditures (in thousands of dollars)

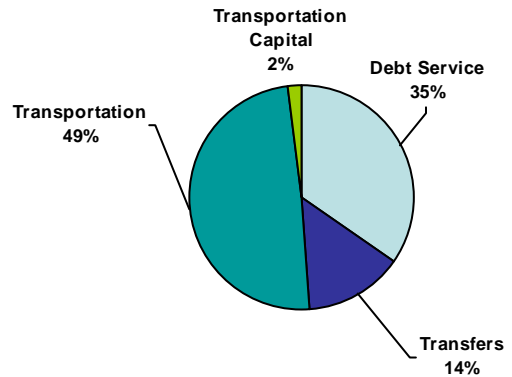


- Transfers Out
- Debt Service
- Licenses & Consumer Services
- PW-Transportation Capital
- ▨ PW-Transportation

Parking Fund Use of Funds by Type (\$84.4 million)



Parking Fund Use of Funds by Department (\$84.4 million)



Transfers

The transfer to the General Fund decreased to \$9.6 million in 2007 compared to \$10.6 million in 2006. This transfer includes \$2.8 million for traffic enforcement from Licenses and Consumer Services to the Police Department. It also includes yearly transfers to General Fund, \$6.8 million for 2007, and Target Center Arena. Transfer to the Target Center Arena Fund increased in 2006 to \$2.1 million from \$1.9 million in 2005 as per the revised finance plan which was approved in 2000. This transfer comes out of net assets generated by City parking revenues. Revenues from State-owned garages continue to be transferred to the State on a daily basis. A transfer of \$146,000 a year to the Solid Waste and Recycling fund is also done for bus shelter litter containers.

Transfers to the parking fund include revenues from sales tax along with revenues from tax increment and abatement. Tax increment and abatement revenues are transferred from CPED and the sales tax revenue is transferred from Convention Center. These transfer revenues are used for debt service payments. Transfer from sales tax funds increased by \$300,000, from \$9.6 million in 2006 to \$9.9 million in 2007. The transfers from tax increment and abatement are budgeted to increase \$1.1 million, from \$6.9 million in 2006 to \$8 million in 2007. The following is a breakdown of the \$8 million in transfers by facility: \$6.8 million for LaSalle at 10th Ramp; \$500,000 for East LRT Ramp; \$600,000 for the Hennepin at 10th Ramp; and \$100,000 for 10th and Washington Ramp.

Debt Service

The debt service includes principal and interest on bonds issued for construction of municipal parking ramps. Debt service for 2007 is a \$1.1 million increase, from 2006 levels. This increase is due to Guthrie and Mill Quarter bonds sold in 2005. A part of the debt service payments is reimbursed from tax increment and sales tax revenues; these reimbursements are the transfers to the Parking Fund from the Convention Center and Tax Increment Funds, which total \$16.8 million for 2007.

**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Municipal Parking Fund - 7500

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:									
Licenses and Permits	207	245	218	218	218		220	222	225
State Government	83	56	-	-	-		-	-	-
Charges for Service, Sales/Permits	53,264	53,170	55,575	53,360	56,522	1.7%	57,956	59,054	60,979
Charges for Sales	1,575	1,620	1,301	1,301	1,551	19.2%	1,567	1,582	1,598
Special Assessments	165	108	1,763	1,763	676	-61.7%	543	543	543
Interest	29	73	1	1	1		1	1	1
Gains	-	2	-	-	-		-	-	-
Rents (Transportation)	107	144	113	113	113		113	113	113
Other Misc Revenues	61	47	1,201	1,201	138	-88.5%	139	141	142
Tax Increment Transfers In	5,628	5,230	6,915	6,915	7,752	12.1%	7,936	7,759	7,481
Sales Tax Transfers In	8,365	8,244	9,565	9,565	9,856	3.0%	8,832	8,858	7,435
Other Transfers In	1,812	2,467	-	-	-		-	-	-
<i>Total Transfers In</i>	<i>15,805</i>	<i>15,941</i>	<i>16,481</i>	<i>16,481</i>	<i>17,609</i>	<i>6.8%</i>	<i>16,768</i>	<i>16,617</i>	<i>14,916</i>
Proceeds of Long Term Liabilities	11,736	18,937	1,700	1,700	1,700		1,700	1,700	1,700
Total	83,033	90,341	78,352	76,137	78,526	0.2%	79,007	79,973	80,217
Use of Funds:									
Debt Service	24,690	24,892	28,333	28,333	29,401	3.8%	29,349	29,275	29,620
General Fund Transfer Out	3,400	8,800	10,618	10,618	9,618	-9.4%	8,618	7,818	7,818
Target Arena Transfer Out	1,620	1,768	1,921	1,921	2,078	8.2%	2,241	2,408	2,581
Debt Service Transfer Out	430	391	-	-	-		-	-	-
Internal Service Funds Transfers Out	77	-	-	-	-		-	-	-
MERF Liability Transfer Out	-	-	39	39	73	89.4%	73	73	73
Sanitation Transfer Out	146	146	146	146	146		146	146	146
Park Board Transfer Out	-	-	-	-	-		-	-	-
<i>Total Transfers Out</i>	<i>5,673</i>	<i>11,105</i>	<i>12,724</i>	<i>12,724</i>	<i>11,915</i>	<i>88.1%</i>	<i>11,078</i>	<i>10,445</i>	<i>10,618</i>
PW-Transportation	43,685	36,871	40,023	37,452	41,355	3.3%	42,188	43,024	43,877
Human Resources	228	-	-	-	-		-	-	-
Finance Department	576	-	-	-	-		-	-	-
Licenses & Consumer Services	2,575	2,610	-	-	-		-	-	-
PW-Transportation Capital	14,110	18,629	1,735	1,735	1,740	100%	1,735	1,740	1,740
Total	91,537	94,107	82,814	80,244	84,411	1.9%	84,350	84,485	85,855
Fund Margin									
TAD (State-Owned) Ramps	(6,749)	(0)	(249)	-	-		-	-	-
City Ramps and Lots	(1,755)	(3,765)	(4,213)	(4,107)	(5,885)	39.7%	(5,343)	(4,512)	(5,639)
Total	(8,505)	(3,765)	(4,462)	(4,107)	(5,885)	31.9%	(5,343)	(4,512)	(5,639)
Retained Earnings									
TAD (State-Owned) Ramps	1,000	1,000	750	1,000	1,000	33.4%	1,000	1,000	1,000
City Parking System	(12,761)	(13,708)	(10,134)	(10,658)	(7,513)	-25.9%	(3,183)	2,769	8,724
Total	(11,761)	(12,708)	(9,384)	(9,657)	(6,513)	-30.6%	(2,182)	3,769	9,725
Cash Balances									
TAD (State Owned) Ramps	1,000	1,000	750	1,000	1,000	33.4%	1,000	1,000	1,000
City System Construction Cash (2)	4,591	1,643	-	-	-		-	-	-
City System Op Cash	(8,857)	(13,986)	(18,198)	(12,964)	(18,849)	3.6%	(24,192)	(28,704)	(34,343)
Total	(3,266)	(11,344)	(17,448)	(11,964)	(17,849)	2.3%	(23,192)	(27,704)	(33,343)

**City of Minneapolis
FY 2007
Financial Plan**

Solid Waste and Recycling Fund

Background

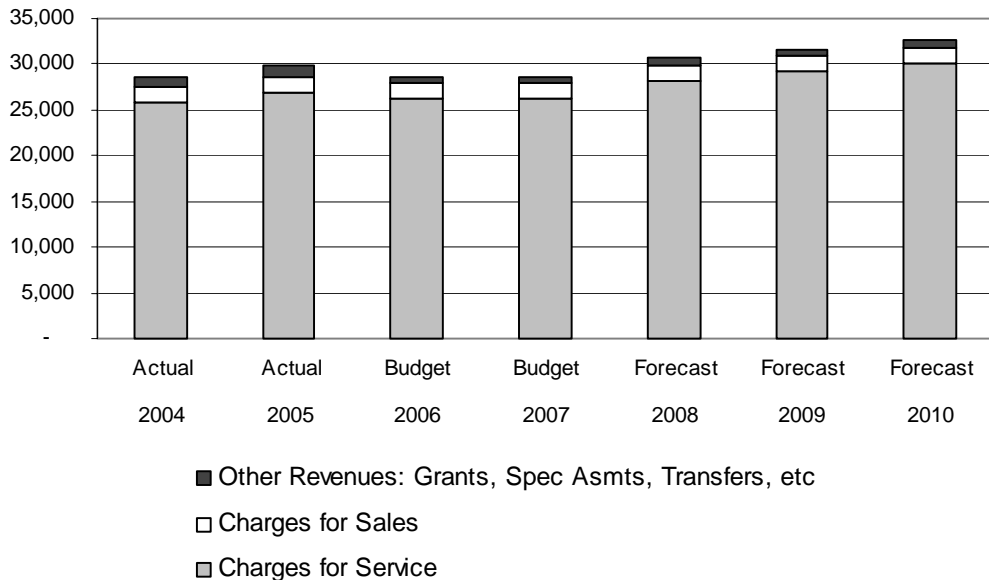
The Solid Waste and Recycling Fund accounts for solid waste collection, graffiti removal as part of the clean city operation as well as disposal/recycling activities for the City. The Solid Waste Division of the Public Works Department provides weekly trash and yard-waste pickup, bi-weekly recycling pickup, and operates a solid waste transfer station providing service to over 100,000 households. City crews provide approximately one-half of the solid waste collection service and the other half of the service is provided through a contract with a consortium of companies specializing in waste collection.

Funding for solid waste and recycling activities are funded primarily from solid waste fees, and partly from sources such as Hennepin County grants, recyclable sales, and charges for other services.

Historical Financial Performance

The overall financial condition of the Solid Waste Fund is strong as a result of management practices and increases in recycling activities and revenues from the past few years. The cash balance for this fund increased from \$12.8 million from the year ending 2004 to \$15.7 million at the end of the second quarter of 2006.

**Solid Waste Fund Revenues
(in thousands of dollars)**



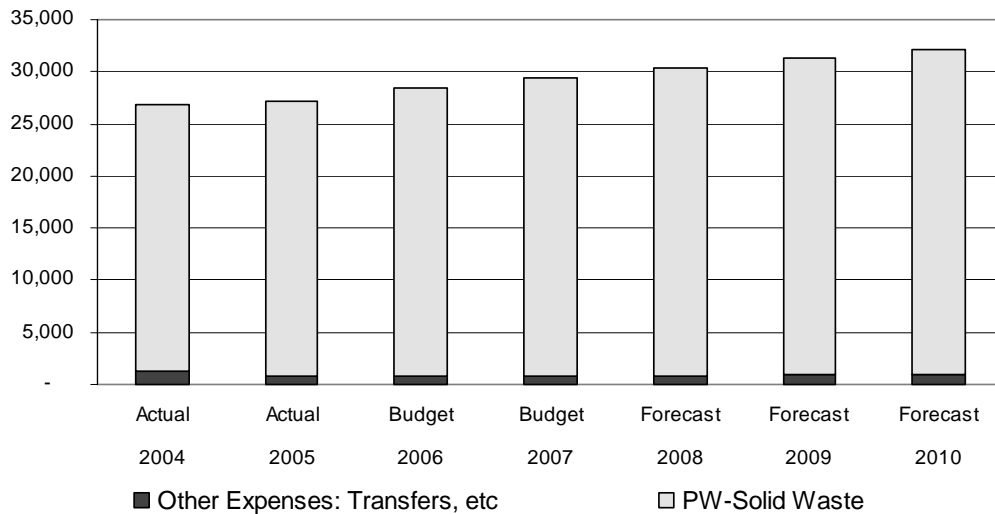
The Solid Waste Fund has been partially updating its fleet on a yearly basis. In 2006, three recycling trailers, one front loading packer, seven packer bodies, seven zoeller lifters, three

recycling cab chassis's, three recycling bodies, and seven garbage collection cab chassis were purchased.

In 2006, year-end revenues from charges for services are projected to be \$26.3 million, which is the total revenue that was budgeted. The actual revenue received in 2005 from charges for services was \$26.9 million.

Expenses for the Solid Waste and Recycling cost center are projected to be as budgeted at \$27.8 million.

Solid Waste Fund Expenditures (in thousands of dollars)

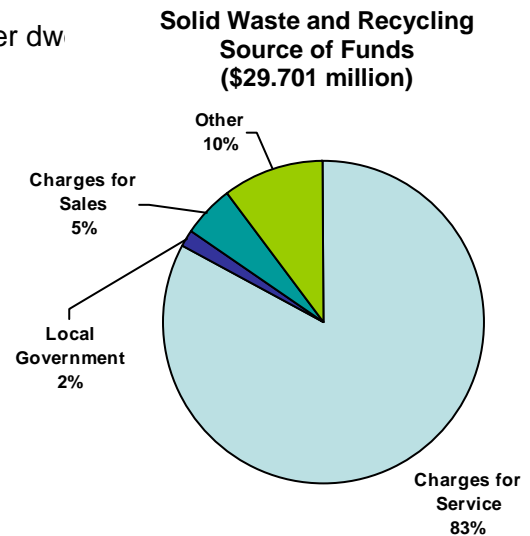


2007 Budget

Revenues

The budget includes a rate increase of \$.75 per month per dw Recycling in 2007. The monthly rate will increase from \$22.25 to \$23.00 per month per dwelling unit. This is projected to increase revenue for 2007 by \$964,000. The last rate increase of \$ 0.75 occurred in 2003.

The 2007 Hennepin County Recycling Grant is estimated to remain at its 2006 level of \$544,000. The proposed capital revenue estimate of \$4.2 million is for the City/Cty Solid Waste Management Facility.

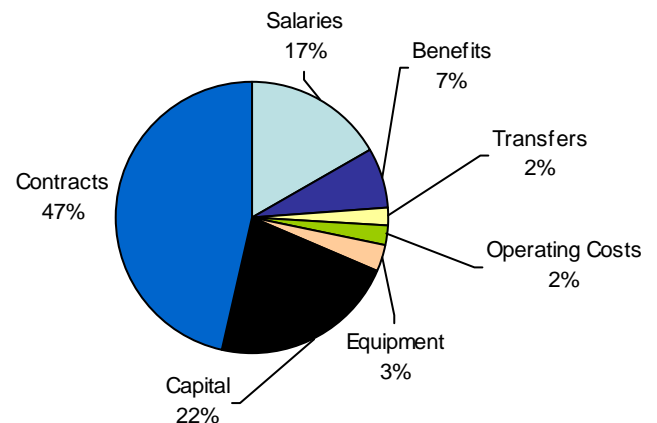


Revenue Assumptions (2006)	
Number of garbage collection customers	108,000
Number of recycling customers	102,000

Expenditures

Overall operating expenditures are budgeted to increase by 3.1% from \$27.8 million in 2006 to \$28.6 million in 2007. There are many demands in and beyond 2007 that will impact the Solid Waste and Recycling fund that we have yet to determine what the financial implications are. This includes an increase in the solid waste tipping fees by Hennepin County and a potential increase in the MRI (Minneapolis Refuse Inc.) contract. The replacement of the south transfer station and Pacific Street facility, along with the need to replace carts that are reaching the end of their useful life could also affect demands on resources. There is a proposed capital project of \$8.4 million for a City/County Solid Waste Management Facility.

Solid Waste and Recycling Use of Funds (\$37.813 million)



Transfers

The 2007 budget includes the continuation of a \$700,000 transfer from Solid Waste and Recycling to the General Fund to pay for snow alley plowing, which will ensure delivery of solid waste and recycling services in the alleys; this transfer is projected to remain at \$700,000 in coming years.

A transfer of \$78,000 to the Debt Service Fund for pension obligations related to the Minneapolis Employees Retirement Fund (MERF) is also reflected.

The Solid Waste and Recycling Fund receives an annual transfer of \$146,000 from the Parking Fund to pay for litter container pick-up (downtown). In 2004, an annual transfer of \$50,000 from the general fund was established for graffiti removal.

Debt Service

This fund does not have any capital debt service payments.

**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Solid Waste Fund - 7700

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Sources of Funds:									
Local Government	828	813	544	544	544		544	544	544
Charges for Service	25,892	26,818	26,298	26,298	27,262	3.7%	28,226	29,190	30,154
Charges for Sales	1,605	1,858	1,619	1,619	1,699	4.9%	1,699	1,699	1,699
Special Assessments	73	76							
Other Misc Revenues, Rents		16			4,195				
Operating Transfers In:				-					
From Grants		3							
From Parking Fund	146	146	146	146	146		146	146	146
From General Fund	50	50	50	50	50		50	50	50
Total	28,594	29,780	28,657	28,657	33,896	18.3%	30,665	31,629	32,593
Use of Funds:									
PW-Solid Waste	25,483	26,411	27,786	27,786	28,645	3.1%	29,504	30,389	31,301
Transfers				-			-	-	
To General Fund	700	700	700	700	700		700	700	700
To BIS Fund	70			-			-		
To Self Insurance Fund	11			-			-		
To MERF Fund	103	58	35	35	78	122.9%	122	181	185
General Services Capital					8,390				
Finance Department	196								
Human Resources	228								
Total	26,791	27,169	28,521	28,521	37,813	32.6%	30,326	31,270	32,186
Fund Margin	1,803	2,611	136	136	(3,917)	-2980.3%	339	359	407
Fund Balance	17,841	20,248	20,384	20,384	16,467	-19.2%	16,805	17,164	17,571
Cash Balance	12,785	13,947	14,083	14,083	10,166	-27.8%	10,504	10,863	11,270

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Sanitary Sewer Fund

Background

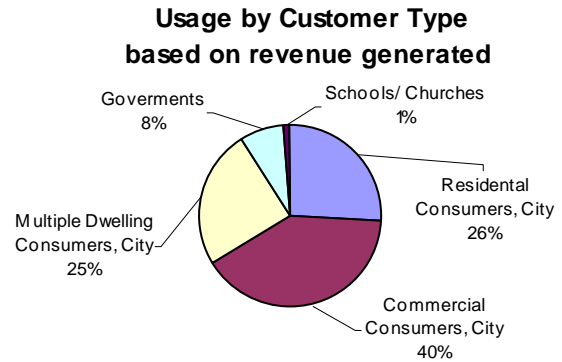
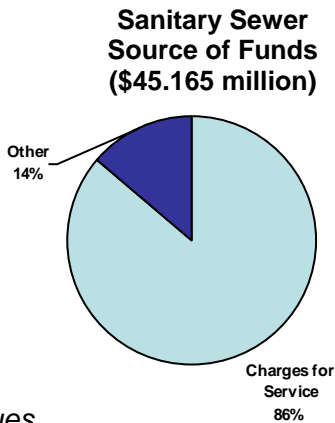
The Sewer fund which had consisted of a combination of Stormwater and Sanitary Sewer was split into two separate funds, Stormwater and Sanitary Sewer, beginning in 2005.

The Sanitary Sewer Fund accounts for maintenance of the sanitary sewer system and contractual payments to the Metropolitan Council Environmental Services (MCES) for sewage interceptor and treatment services. It also accounts for sanitary sewer maintenance and design.

Historical Financial Performance

The Sanitary Sewer Fund has had positive retained earning experience the last several years. This is due to the combination of rate increases being implemented as planned and actual expenses that were less than budgeted.

2007 Budget



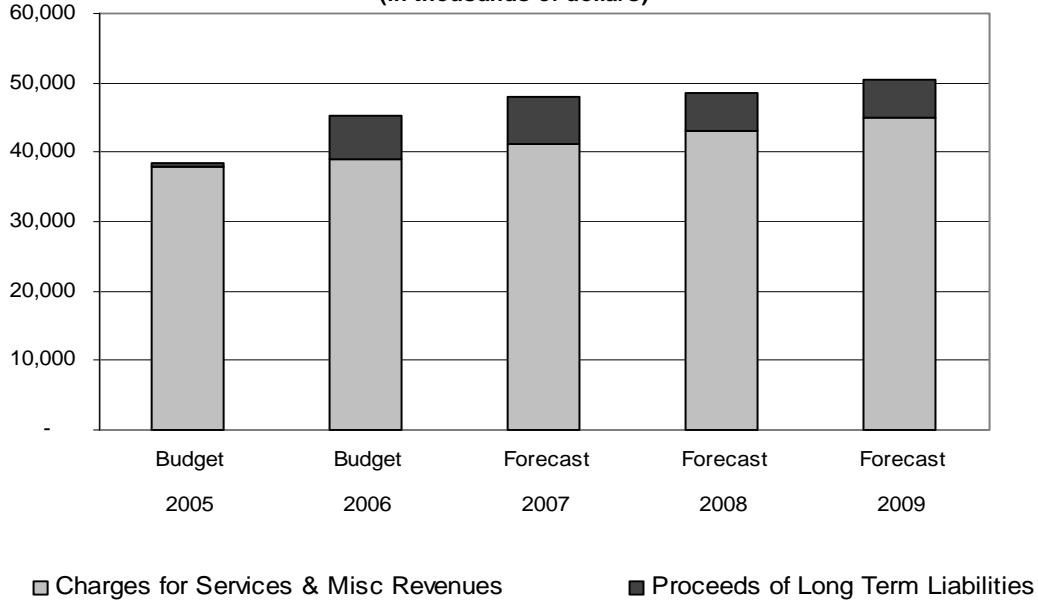
Revenues

The Sanitary Sewer Fund has a per-unit price of \$2.30 (cost per 100 cubic feet), an increase of \$.20 over 2006. The fee will be used to pay for ongoing operating expenses and related capital projects. Services Availability Charges (SAC) are included in the Sanitary Sewer revenues.

Year	Rate (cost per 100 cubic feet)	% Increase	Average Monthly Bill	Total Planned Revenue from Utility Fee
2007	\$2.30	9.5%	\$13.83	\$35.9 Million
2008	\$2.45	6.5%	\$14.70	\$38.3 Million
2009	\$2.57	4.9%	\$15.42	\$40.1 Million
2010	\$2.69	4.7%	\$16.14	\$42.0 Million
2011	\$2.81	4.5%		\$44.0 Million

Note: Total revenue from charges for services in the financial plan exceeds the amount generated by the utility fee because revenue is also deposited in the Sanitary Sewer Fund from sources other than utility fees, such as SAC (sewer availability charges).

Sanitary Sewer Fund Revenues (in thousands of dollars)



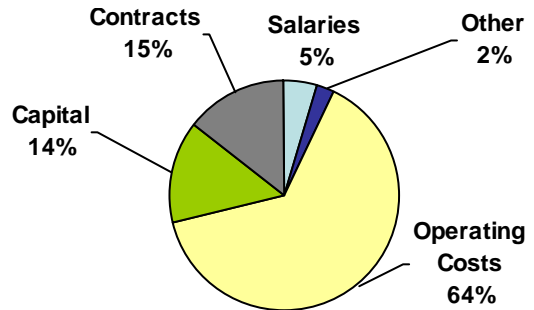
Expenditures

The largest expense category in the Sanitary Sewer Fund is the sanitary sewer charge paid to the Metropolitan Council Environmental Services (MCES). This expense will increase by 3% in 2007. The fund also includes \$6.1 million for maintaining the sanitary sewer system. Minneapolis is the largest customer in MCES' system.

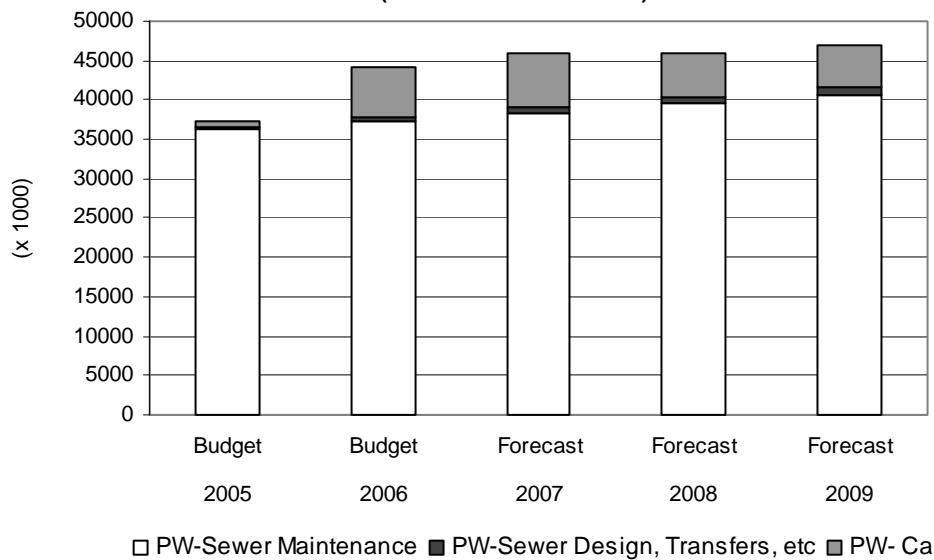
Debt Service

When the Sewer Fund was split, it was determined the majority of the debt service was used to construct infrastructure related to storm water. Therefore, all debt service prior to 2007 has been allocated to the Stormwater Fund. For 2007, a Capital Program will be instituted to address the inflow/infiltration issue in Minneapolis. Components of the program will include the expansion of the existing system and major repairs to current infrastructure.

Sanitary Sewer Use of Funds (\$44.1 million)



Sanitary Sewer Fund Expenditures (in thousands of dollars)



**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Sanitary Sewer Fund - 7100

	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:								
Charges for Service	36,904	37,773	35,518	38,864	2.9%	41,198	43,071	44,956
Other Misc Revenues	14	51	51	51		53	54	56
Proceeds of Long Term Liabilities		625	625	6,250	900.0%	6,850	5,500	5,500
Total	36,918	38,449	36,194	45,165	17.5%	48,100	48,625	50,511
Use of Funds:								
PW-Sewer Design	248	396	396	397	0.3%	409	421	434
PW-Sewer Maintenance	35,926	36,200	36,200	37,260	2.9%	38,378	39,529	40,715
Future Debt Service		-	-	-	-	1,697	2,409	3,121
Transfers for MERF Liability	203		-	171	-	270	401	410
PW- Capital	191	682	682	6,250	816%	6,850	5,500	5,500
Total	36,568	37,278	37,278	44,078	18.2%	47,603	48,260	50,180
Fund Margin	350	1,171	(1,084)	1,087	-7.2%	497	365	331
Fund Balance	86,307	87,478	85,223	86,310	-1.3%	86,807	87,172	87,503
Cash Balance								
Operating Cash	6,181	7,352	5,097	6,184	-15.9%	6,681	7,046	7,377

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Stormwater Fund

Background

The Sewer Fund which consisted of a combination of Stormwater and Sanitary Sewer was split into two separate funds, Stormwater and Sanitary Sewer, effective for 2005.

The Stormwater Fund accounts for a portion of contractual payments to the Metropolitan Council Environmental Services (MCES) for stormwater interceptor and treatment services. This fund also accounts for the Combined Sewer Overflow (CSO) Program, which separates the remaining storm sewer lines that are connected to sanitary sewer lines. This fund also accounts for the cost of street sweeping as a related cost activity.

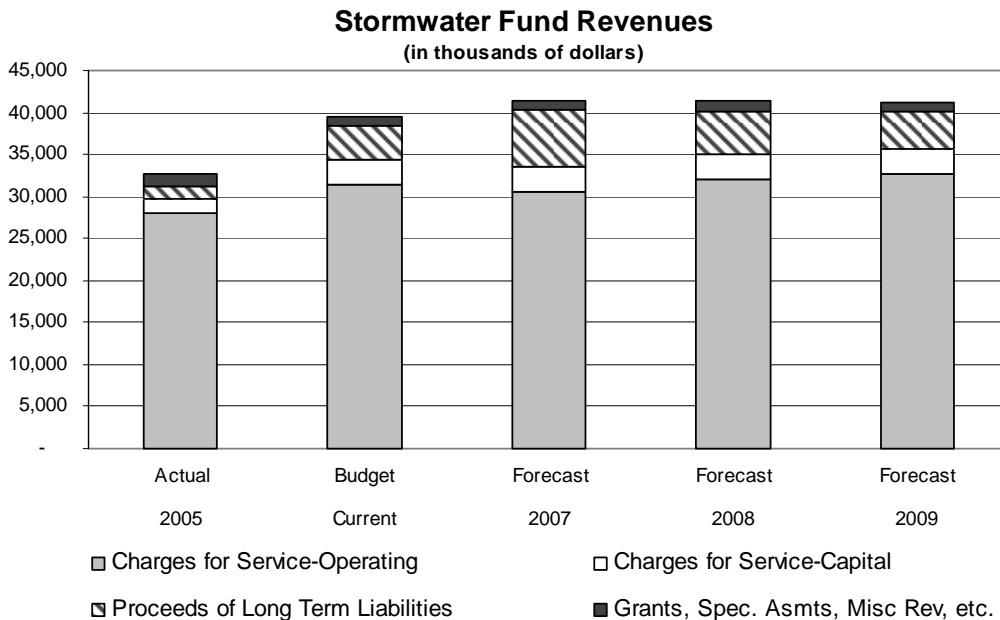
Historical Financial Performance

In 2005, year end revenues were at 87% of the budget and expenses were at 91% of budget. The resulted in a negative contribution margin that decreased the cash balance. Revenues were less than anticipated to policy changes that expanded the current credit program and gave adjustments to duplexes.

2007 Budget

Revenues

The Stormwater Fund has a rate increase of 60-cents per ESU (Equivalent Stormwater Unit) for 2007. The rate increase will be used to pay for ongoing operating expenses as well as debt service related to the CSO and flood mitigation programs.

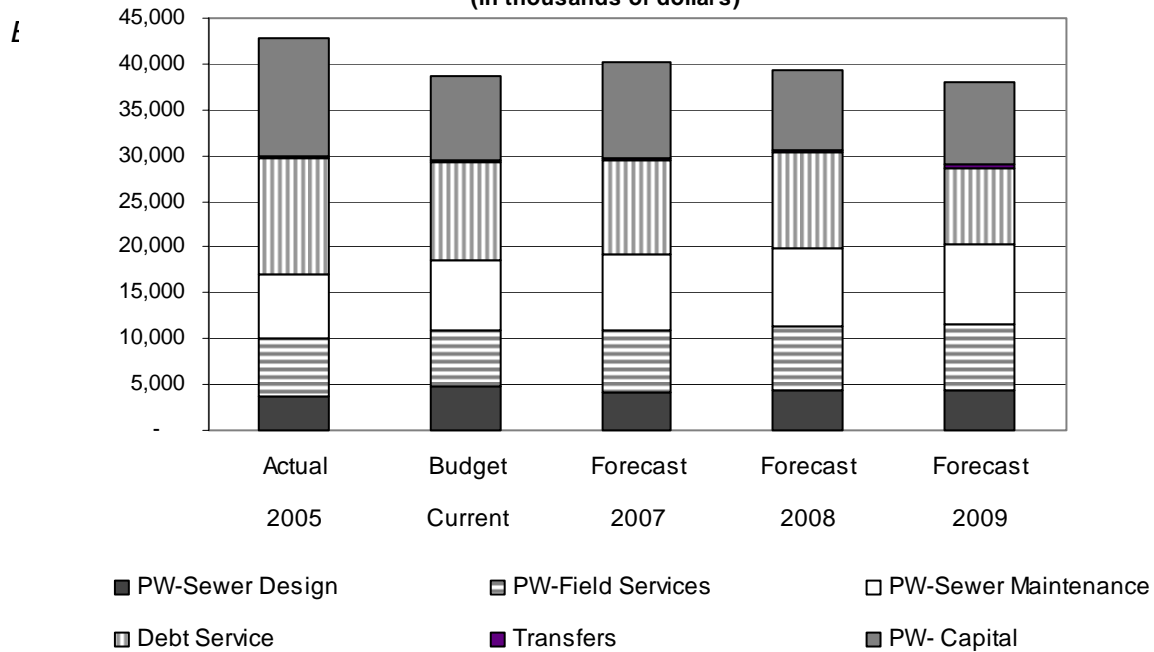


Year	Rate per ESU (Equivalent Stormwater Unit)	% Increase	Total Planned Revenue from Utility Fee
2007	\$ 9.77	6%	\$29.3 Million
2008	\$10.26	5%	\$30.8 Million
2009	\$10.47	2%	\$31.4 Million
2010	\$10.68	2%	\$32.0 Million
2011	\$10.89	2%	\$32.6 Million

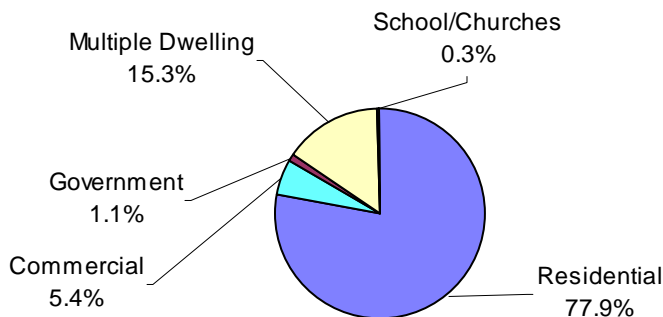
Note: Total revenue from charges for services in the financial plan exceeds the amount generated by the utility fee because revenue is also deposited in the Stormwater Fund from sources other than utility fees, such as capital work for others billings.

Stormwater Fund Expenditures

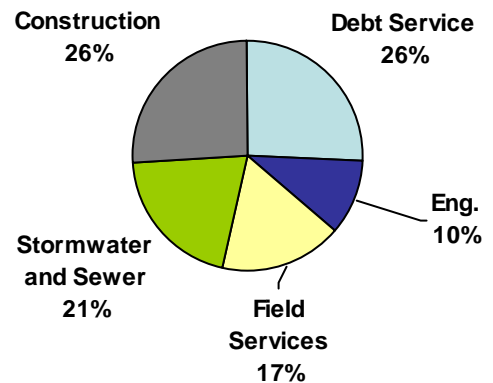
(in thousands of dollars)



Total Active Sewer Property Types



Stormwater Fund Use of Funds by Department (\$40.2 million)



For 2007, the capital expenditures will increase as more sewer designs are ready for construction. The Stormwater Fund expenditures include \$6.8 million for street cleaning and \$8.7 million for sewer maintenance, which includes \$1.5 million for a Metropolitan Council Environmental Services (MCES) payment. The recommended budget includes \$1.4 million in ongoing operating reductions in the Stormwater Fund.

Combined Sewer Overflow (CSO)

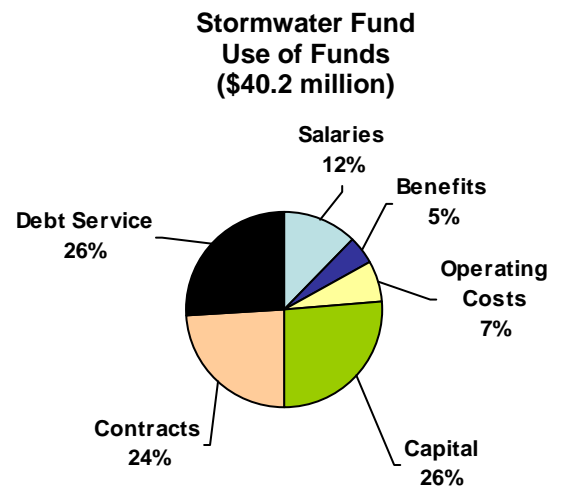
In 2001, a study was done by the City of Minneapolis and Metropolitan Council, which indicated there were as many as 5,000 buildings and properties with rainwater connection to the sanitary system. To resolve this issue, both parties needed to identify these properties and work on an alternative for rainwater connection. Once this task was completed, the Public Works Department was required to hire additional staff to redesign and reconstruct the stormwater drainage system. The project started in 2004 and is estimated to take three to five years to complete.

Transfers

A total transfer of \$171,000 for the unfunded portion of the Minneapolis Employees Retirement Fund (MERF) pension liability is budgeted in 2007.

Debt Service

The debt service payments are primarily for bonds previously sold to finance the Combined Sewer Overflow (CSO) and flood mitigation programs.



**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Stormwater Fund - 7300

	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2005 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:								
Federal Government	11							
State Government	582	644	644	671	4.2%	671	671	671
Local Government	320	320	320	288	-10.0%	288	288	288
Charges for Service-Operating	27,914	31,389	28,889	30,523	-2.8%	31,995	32,613	33,243
Charges for Service-Capital	1,784	3,000	3,000	3,000		3,000	3,000	3,000
Charges for Sales	21	1	1	1		1	1	1
Special Assessments	261	115	115	115		115	115	115
Interest			-	-		-	-	-
Other Misc Revenues	391	2	2	2		2	2	2
Proceeds of Long Term Liabilities	1,413	4,072	4,072	6,798	66.9%	5,228	4,500	3,500
Total	32,697	39,543	37,043	41,398	4.7%	41,300	41,190	40,821
Use of Funds:								
PW-Sewer Design	3,634	4,741	4,408	4,180	-11.8%	4,305	4,435	4,568
PW-Field Services	6,355	6,148	5,815	6,796	10.5%	7,000	7,210	7,426
PW-Sewer Maintenance	6,946	7,706	7,373	8,218	6.6%	8,465	8,718	8,980
Debt Service	12,681	10,741	11,002	10,382	-3.3%	10,511	8,235	3,351
Future Debt Service						1,768	2,546	3,354
Transfers	262	148	148	171	15.5%	270	401	410
PW- Capital	12,960	9,260	9,317	10,418	12.5%	8,848	8,984	9,151
Total	42,838	38,744	38,063	40,165	3.7%	41,167	40,529	37,240
Fund Margin	(10,141)	799	(1,020)	1,233	54.3%	133	661	3,580
Fund Balance	216,404	217,203	215,384	216,617	-0.3%	216,750	217,411	220,991
Cash Balances								
Operating Cash	3,517	4,316	2,497	3,730	-13.6%	3,863	4,524	8,104
Construction Cash								
Total	3,517	4,316	2,497	3,730	-13.6%	3,863	4,524	8,104

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Water Fund

Background

The Water Fund accounts for the operation and maintenance of a water distribution system for the City and several suburban city customers. The City currently sells water to seven cities including Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal and Edina.

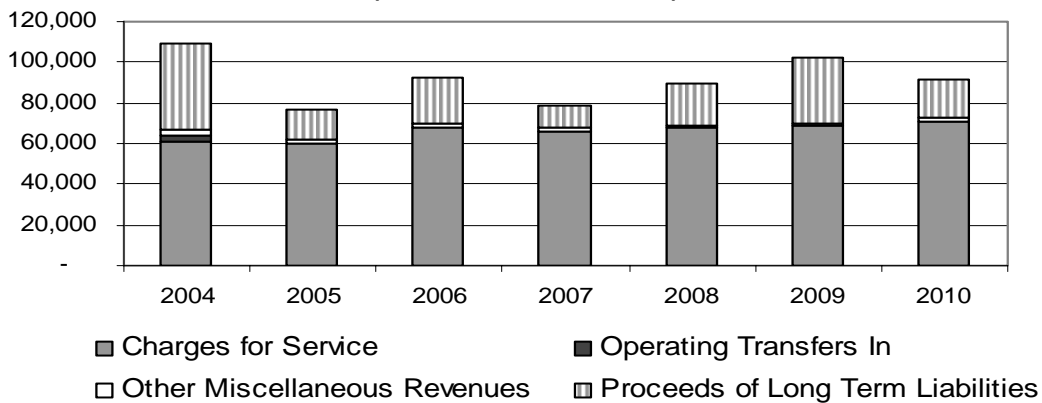
Historical Financial Performance

The financial condition of this fund has been stable. The Water Fund balance, or net assets, has increased over the past several years, due primarily to the timing of scheduled rate increases for major capital improvements. The following table shows the revenue earned from Minneapolis and suburban sales for years 2004-2006.

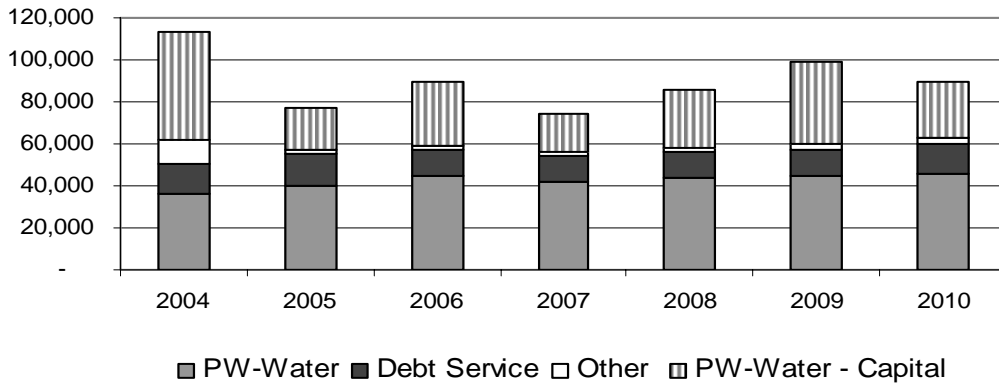
Source of Revenue	2004	2005	2006 Projected
Bloomington	2,547,000	2,686,000	2,819,000
Columbia Heights	999,000	976,000	936,000
Edina	213,000	219,000	231,000
Joint Water Commission ¹	4,749,000	4,788,000	5,389,000
Hilltop	93,000	94,000	104,000
Total Suburban	8,601,000	8,763,000	9,479,000
Minneapolis	46,339,000	47,745,000	50,524,000
Total Revenue	54,940,000	56,508,000	60,003,000

¹ Joint Water Commission revenue in 2004 and 2005 is adjusted for a refund due to rate adjustments.

**Water Fund Revenues
(in thousands of dollars)**



**Water Fund Expenditures
(in thousands of dollars)**



2007 Budget

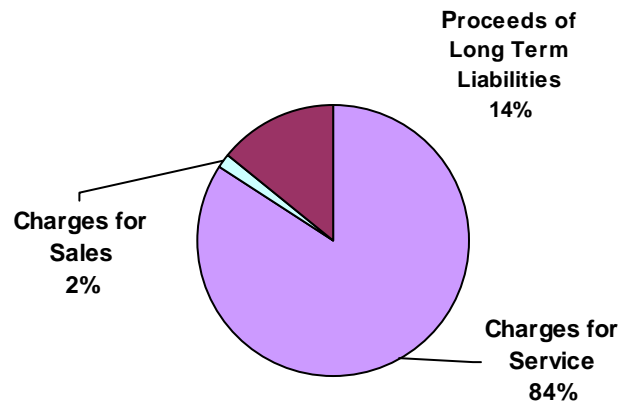
Revenues

The projected rate increases for years 2007-2011 are to pay debt service for the capital expenditures, as well as to cover anticipated growth in operating expenditures. Rate increases may not result in increased revenue due to variable water consumption. Minneapolis water consumption has decreased steadily over the past few years. As a result, the 2006 budgeted revenue of \$67.5 million from charges for service is projected to decrease by \$3.6 million to \$63.9 million.

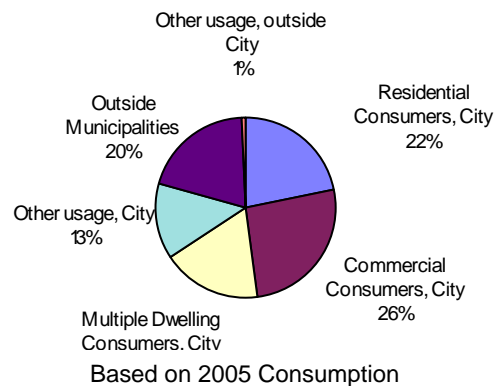
Water Utility Rates

The budget includes a rate increase for water from \$2.62/unit in 2006 to \$2.67/unit in 2007. The rate increase will provide funding for the multi-year capital projects and water distribution improvements.

**Source of Funds
Water Fund – 7400
(\$78.4 million)**



Charges for Service by Customer Usage



Year	Rate (cost per 100 cubic feet) City of Minneapolis	Cost Per Month for Average Consumer ¹	% Increase	Total Planned Revenue from Utility Fee
2007	\$2.67	21.36	1.9%	\$61.2 Million
2008	\$2.75	22.00	3.0%	\$63.0 Million
2009	\$2.80	22.40	1.8%	\$64.3 Million
2010	\$2.90	23.20	3.6%	\$66.6 Million
2011	\$2.95	23.60	1.7%	\$67.8 Million

¹ Rate is based on cost per 100 cubic feet and assumes 8 units of water are consumed per month.
 Note: Total revenue from charges for services in the financial plan exceeds the amount generated by the utility fee because revenue is also deposited in the Water Fund from sources other than utility fees such as water service line repairs and permit fees.

The following table shows the projected revenue earned from suburban utility sales.

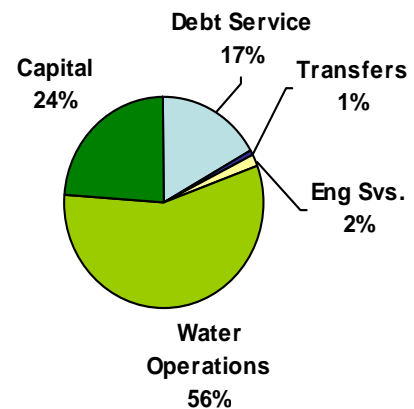
Year	Combined Average Rate	% Increase	Total Revenue Earned from Utility Fee - Suburbs
2007	1.78	2.3%	\$ 9.7 Million
2008	1.84	3.1%	\$10.0 Million
2009	1.89	2.6%	\$10.3 Million
2010	1.96	3.6%	\$10.6 Million
2011	2.00	2.4%	\$10.9 Million

Expenditures

The budget provides funding for the capital improvement program. Current capital projects include SCADA (Supervisor Control and Data Acquisition for the water treatment process), two Ultrafiltration Membrane Plants, and the rehabilitation of Pump Station #4. The 2007 capital budget is \$17.8 million, a decrease of approximately \$13.5 million, or 43.2%, from the 2006 capital budget of \$31.3 million. The decrease is largely due to the timing of funding for the Ultrafiltration program.

The 2007 operating budget includes \$200,000 for marketing expenditures to promote public awareness of the improved quality of Minneapolis water processed at the new Ultrafiltration Membrane Plant. The budget includes an ongoing reduction to public works water in the amount of \$3 million to take advantage of technology investments.

Use of Funds Water Fund – 7400 (\$74.563 million)



Transfers to Other Funds

The Water Fund incurs a transfer expense related to its share of the Minneapolis Employee Retirement Fund (MERF) pension obligations. The \$0.7 million will be transferred to the bond redemption fund to cover the liability obligations related to Water Fund employees that have retired under the MERF pension plan.

Debt Service

The debt service amounts are primarily for bonds and notes sold to finance the Water-Works Capital Construction program.

**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Water Fund - 7400

	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg from 2005 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:								
Property Taxes								
Licenses and Permits	1	1	1	1		1	1	1
Federal Government	-	-	-	-		-	-	-
State Government ¹	-	750	-	-		-	-	-
Charges for Service	60,186	67,472	63,929	66,085	-2%	67,500	68,738	71,054
Charges for Sales	830	1,780	1,780	1,315	-26%	1,354	1,395	1,437
Special Assessments	825	-	-	-		-	-	-
Interest	1	-	-	-		-	-	-
Rents	-	1	1	-		-	-	-
Other Misc Revenues	50	19	19	20	5%	21	21	22
Operating Transfers In	-	-	-	-		-	-	-
Proceeds of Long Term Liabilities	14,451	22,250	22,250	11,000	-51%	21,000	32,500	18,550
Total	76,343	92,273	87,980	78,421	-15.0%	89,876	102,656	91,064
Use of Funds:								
PW-Engineering	658	1,128	1,128	1,178	4.4%	1,213	1,250	1,287
PW-Water	40,352	44,529	44,529	42,129	-5.4%	43,393	44,695	46,035
Debt Service	14,907	12,763	12,763	12,559	-1.6%	12,748	12,615	14,016
Transfers								
To General Fund	-	-	-	-		-	-	-
To Capital Improvement Fund	19	-	-	-		-	-	-
To Debt Service for MERF Liability	670	275	275	664	141.5%	1,048	1,557	1,592
To BIS Fund	-	-	-	-		-	-	-
To Self Insurance Fund	-	-	-	-		-	-	-
Police Department	962	-	-	-		-	-	-
Human Resources	-	-	-	-		-	-	-
Finance Department	-	-	-	-		-	-	-
PW-Water - Capital	19,341	31,250	30,500	17,750	-43.2%	27,750	39,250	26,625
Total	76,909	89,945	89,195	74,280	-17.4%	86,152	99,366	89,555
Water Works Fund Margin	-566	2,328	-1,215	4,142	77.9%	3,724	3,290	1,509
Water Fund Balance	137,562	139,890	136,347	140,488	0.4%	144,213	147,503	149,011
Cash Balances								
Operating Cash	1,556	3,884	341	4,482	15.4%	8,207	11,497	13,005
Construction Cash	436	-	-	-		-	-	-
Total Cash Balance	1,992	3,884	341	4,482	15.4%	8,207	11,497	13,005

¹2006 Projected: The City will not begin the Minneapolis St Paul Interconnect project in 2006 and will not receive a state grant of \$750,000 in 2006 as originally budgeted.

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Public Works Stores Fund

Background

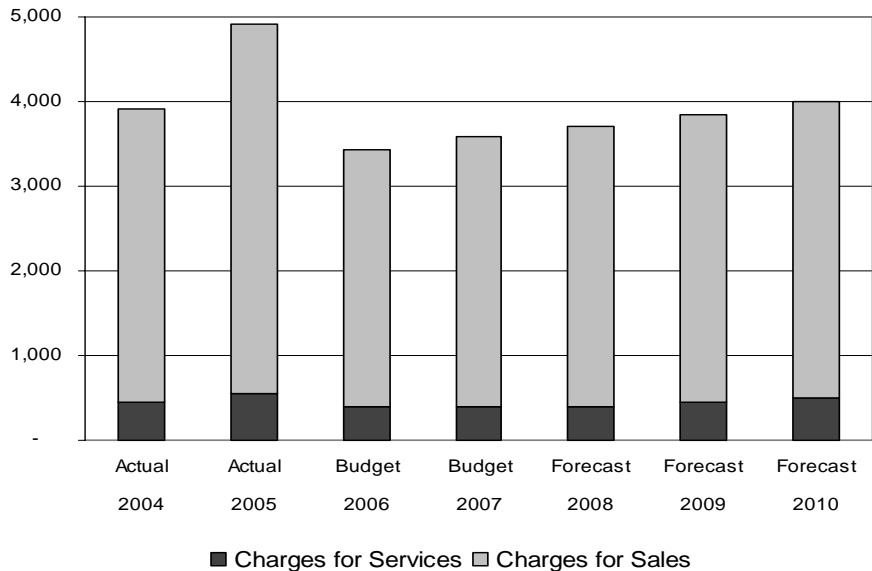
This fund is used to account for the centralized procurement, receiving, warehousing, and distribution of stocked inventory items, and the purchase of special goods and services through Public Works Central and Traffic Stores.

Historical Financial Information

Public Works has operated Central Stores since it was established by the City Council in January 1965. At that time the stockrooms of Property Services, Bridge Maintenance, Paving Construction, and Sewer Construction and Maintenance were combined to establish a Central Stores operation. In 1980, it was decided that Central Stores would handle all of the City's needs for office supplies and non-specialty items.

A study was completed in June 1998, which included a recommended redesign of the Central Stores function to include a revamped overhead structure with new directives to utilize the Central Stores. This has resulted in the fund showing positive net income for years 2000 through 2005. Projections for 2006 also indicate a profit. In 2004, the fund needed \$667,000 to cover its cash shortages.

Public Works Stores Revenues
(in thousands of dollars)



2007 Budget

Revenues

Revenues are expected to be sufficient in 2007 to cover expenses. Pricing structure is being looked at in order to lower overhead rates that were needed to create a positive cash flow for a fund that has needed to borrow at year end. Unless inventories can be reduced this fund will continue to need to borrow in order to maintain a positive cash position with its modest projected profits.

Expenditures

Expenditures in the fund are primarily for replenishing the fund's approximate \$3.0 million inventory, which has resulted in the fund continuing to have a negative cash balance. The Public Works and Finance Departments need to review the carrying cost of this inventory level and determine what adjustments may be needed. This may impact future financial plans for this fund. The budget also includes a change in accounting for the General Fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies.

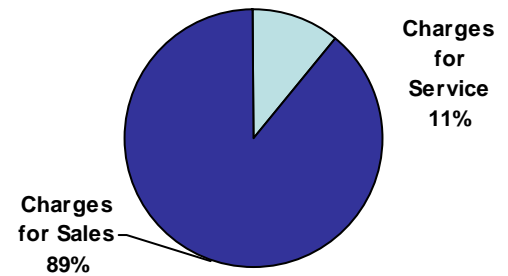
Transfers

There is a transfer out in 2007 for \$11,000 related to the debt service for the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

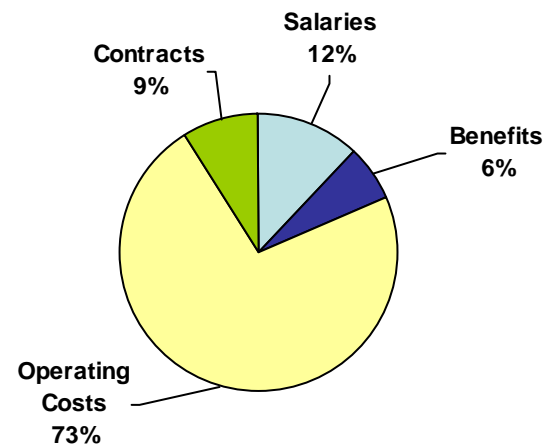
Debt Service

This fund does not have long-term debt.

**Public Works Stores Fund
Source of Funds
(\$3.6 million)**



**Public Works Stores Funds
Use of Funds
(\$3.6 million)**



**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Public Works Stores Fund - 6300

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Fund:									
Charges for Services	448	560	400		400		400	450	500
Charges for Sales	3,472	4,346	3,023		3,190	5.5%	3,300	3,400	3,500
Other Misc Revenues			-		-		-	-	-
Total	3,920	4,906	3,423	-	3,590	4.9%	3,700	3,850	4,000
Use of Funds:									
Personal Services	627	577	593		670	13.0%	700	725	750
Contractual Services	34	217	199		314	57.8%	290	300	310
Materials and other	201	99	249		99	-60.2%	250	260	270
Rent	62	65	68		25	-63.2%	26	27	28
Cost of Stores Issuance	2,848	3,520	2,292		2,489	8.6%	2,400	2,500	2,600
Interest			-		-		-	-	-
Capital Outlay									
Transfers	14				11	-	11	12	12
Total	3,786	4,478	3,401	-	3,608	6.1%	3,677	3,824	3,971
Change in Cash	(3)	428	22		(18)	-181.8%	23	26	29
Cash Balance	(667)	(239)	(217)		(235)	8.3%	(212)	(186)	(157)
Fund Margin	134	428	22		4	-81.8%	23	26	29
Fund Balance	2,615	3,043	3,065		3,069	0.1%	3,092	3,118	3,147

Note: At year end funds with negative cash balance will be advance cash from other funds. The cash reflected here does not reflect any cash advanced.

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Engineering Materials and Testing

Background

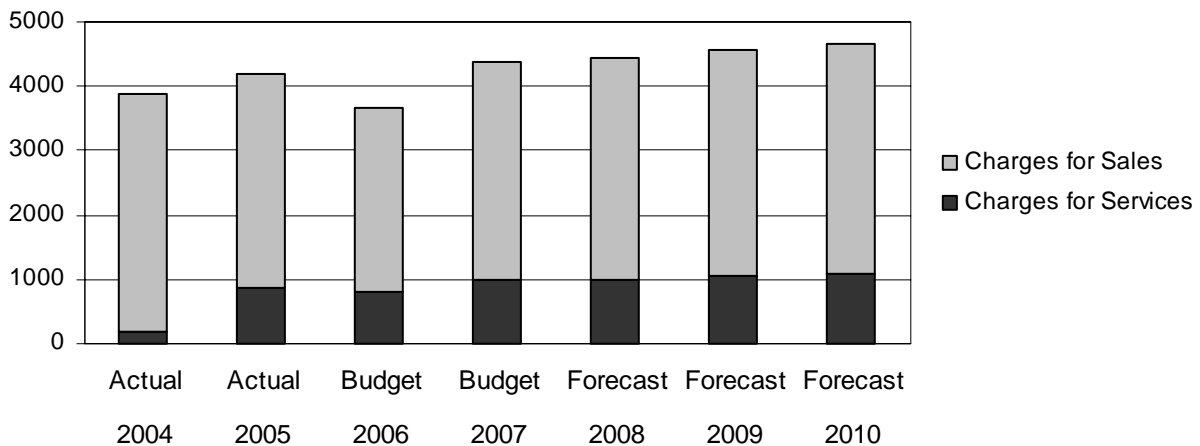
The Engineering Materials and Testing Fund accounts for City purchases of hot-mix asphalt and ready-mix concrete in order to ensure compliance with State and Federal standards and specifications and provide quality control. The Engineering Laboratory is a component of this fund by providing inspection and testing services along with maintaining a laboratory for testing construction materials, performing geotechnical evaluations, and coordinating related environmental field services.

Historical Financial Performance

The revenue sources for this fund include the procurement of hot-mix asphalt and ready-mix concrete materials along with inspection and testing services by the Engineering Laboratory.

In 2003, the decision to delay the closing of the asphalt plant due to a positive outlook on paving projects and the usage of bituminous resulted in operating income for the fund of \$78,000. The decision to suspend operations at the asphalt plant at the end of 2003 resulted in a \$777,000 loss with the disposal of this asset. In 2004, net assets were reduced again by \$180,000; 2005 reduced by \$230,000, 2006 is projecting a \$633,000 loss along with a \$50,000 loss in 2007. In five years this fund will have lost nearly \$1.8 million in its net assets, of which \$777,000 was due to the decision to close the asphalt plant as previously mentioned. This fund is tracking to have a deficit net asset position by the end of 2006.

Engineering Materials and Testing Revenue



2007 Budget

Revenues

This fund now generates revenue from Engineering Services at the lab, and the sales of concrete and asphalt from outside vendors to other City departments. Product types and quantities will be identified for customer departments. This fund will continue to lose money in 2006 and thereafter until expenses recover the costs associated with operations and reflect the change in business.

Expenditures

The expenditures are based on Engineering Laboratory personnel and the anticipated cost of asphalt and ready-mix concrete. The budget also includes a change in accounting for the General Fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies.

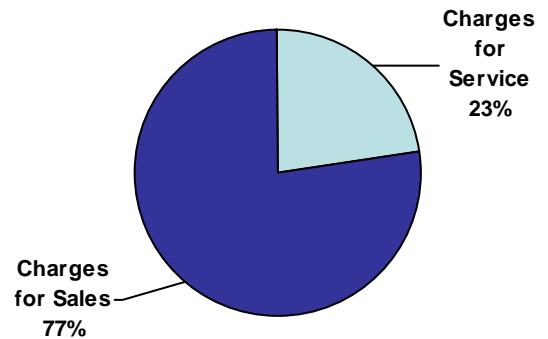
Transfers

The 2007 budget includes a transfer out of \$42,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

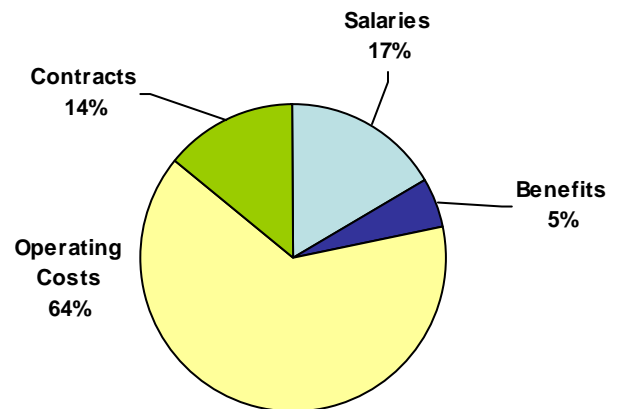
Debt Service

This fund does not have long-term debt.

**Engineering Materials and Testing
Source of Funds
(\$4.4 million)**



**Engineering Materials and Testing
Use of Funds
(\$4.4 million)**



**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Engineering, Materials and Testing - 6000

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:									
Charges for Services	199	868	800	800	1,000	25.0%	1,000	1,050	1,100
Charges for Sales	3,681	3,313	2,850	2,850	3,381	18.6%	3,450	3,500	3,550
Other Misc Revenues			-		-		-	-	-
Total	3,880	4,181	3,650	3,650	4,381	20.0%	4,450	4,550	4,650
Use of Funds:									
Personal Services	846	800	1,045	1,045	971	-7.1%	1,000	1,010	1,020
Contractual Services	299	429	434	434	519	19.5%	520	530	540
Materials and other	2,793	3,111	2,727	2,727	2,795	2.5%	2,800	2,900	2,950
Rent	98	40	55	55	96	74.5%	100	100	100
Interest								-	-
Transfers	10	61	22	22	42	90.9%	40	40	40
Total	4,046	4,441	4,283	4,283	4,422	3.2%	4,460	4,580	4,650
Change in Cash	(302)	(260)	(633)	(633)	(41)		(10)	(30)	-
Cash Balance	633	373	(260)	(893)	(301)		(903)	(933)	(933)
Fund Margin	(180)	(229)	(633)	(633)	(41)		(10)	(30)	-
Fund Balance	600	371	(262)	(895)	(303)		(905)	(935)	(935)

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Intergovernmental Services Fund

Background

The Intergovernmental Services Fund accounts for all of the operations of the Business Information Services Department (BIS); including information and technology functions, managed services with Unisys, the Program Management Division, (PMD), and the telecommunications operations. The fund also accounts for operations within the City Clerk office including central mailing and printing services.

The City Council approved a Financial Workout Plan for the Intergovernmental Services Fund in September 2000 to resolve both the annual operating deficit and accumulated cash deficits for this fund. Since that time the fund has achieved positive changes in Net Assets for 2004, 2005 and projected for 2006. The Workout plan expected the first positive change in Net Assets to occur in 2007. In 2005 the fund also had positive cash at year end which is ahead of schedule for the plan.

The City Council has appropriated an annual average of \$1.5 million for technology projects from 2007 through 2011; however, City technology needs exceed that amount. In 2005 alone, BIS incurred nearly \$11.0 million in expense toward technology projects. The majority of the funding sources were from Grants and Departmental operating budgets. This spending on technology is projected to continue.

The PMD has been successful in generating revenue for the department along with providing quality, low-cost project management for technology related projects. The financial activity of this division has grown 1000% from 2004.

In 2007 the Debt service payments scheduled are low compared to previous years. This coupled with the commitment to use \$1.2 million in additional annual General Fund resources compounded annually will give the fund a boost in cash flow. The five-year financial direction has called for a reduction in budget of \$200,000 for three years beginning in 2006. In 2007, the budget for contractual services has been decreased.

This fund continues to be active with new initiatives:

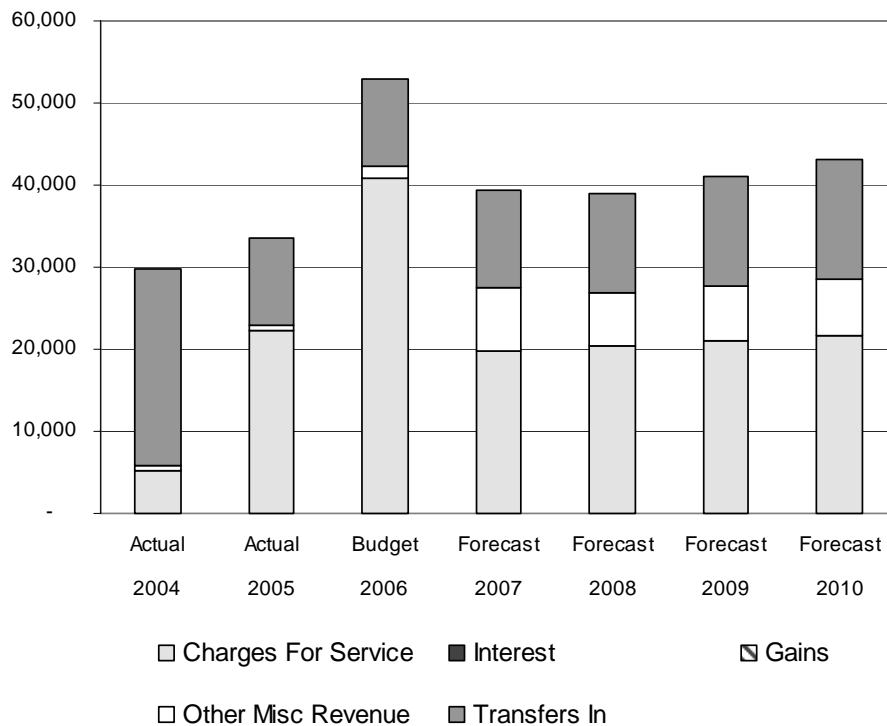
- In 2006, the 311 project was fully implemented with all departments supporting this financially on an annual basis. BIS management was heavily involved in this project and will support the ongoing technology needs as the call center is operating.
- A new telephone system has been installed by BIS and budgets have been adjusted to accommodate its needs and revenue increased with the improved rate model as costs associated with new endeavors, systems, and services are being assigned accordingly.
- Call Aided Dispatch (CAD) project will be completed in 2007. The project and future operating costs again will be supported by departments such as Police, Fire, Park Board, Hennepin County Medical Center, and the University of Minnesota.
- Other initiatives include HRIS, a new financial system, MPD CAPRS system, City Attorney's case management system, MPD timekeeping system, Regulatory Services KIVA system, and finance activity based costing software.

The net asset deficit in this fund will decline as it continues to provide services that are being accounted for through our rate model, fee for service with PMD and other ways that the fund collects revenues in order to offset its costs. BIS has developed a rate model for the fund using an accounting industry standard known as activity-based costing. The model assigns costs to customers on a “level of effort” basis. This model was used in charging customer department rates beginning in 2005.

Historical Financial Performance

Net assets were affected by the re-alignment of fixed assets and its related debt to the Intergovernmental Services Fund. This change in accounting caused a one-time adjustment to the fund's net assets of a negative \$21.7 million. Although this negative adjustment causes fund assets to have a balance of negative \$40 million at year-end 2002 it better represents the financial condition of the fund and the importance of implementing the strategies to meet the guidelines of the workout plan. This trend will be reversed under the plan, if the assumptions hold. At year end 2005, net assets have improved to a negative \$34 million and a positive cash balance was achieved.

Information Technology Fund Revenues
(in thousands of dollars)



2007 Budget

Revenues

To fund the cost of providing information technology services, the workout plan required \$1.2 million annually from 2002-2008 of increased revenue from the General Fund.

Charges for service were increased to reflect the additional revenue that BIS has been generating by providing services and then direct charging city departments for the services they

received above and beyond the normal service level provided. An increase to the telecom rate model is included on the budget (\$410,000) funded by increased charges to other departments.

Rate Model Implications

The rate model has four components on the customer expense side: BIS operating; telephony; data connectivity; and telephone charges. Revenues generated through the rate model will recover:

- BIS operating costs at a level that conforms to the Council adopted workout plan.
- Projected operating increases related to the purchase of a new phone system.
- Debt service resulting from phone system purchase.
- Expenses related to Constituent Relationship Management (CRM) software.

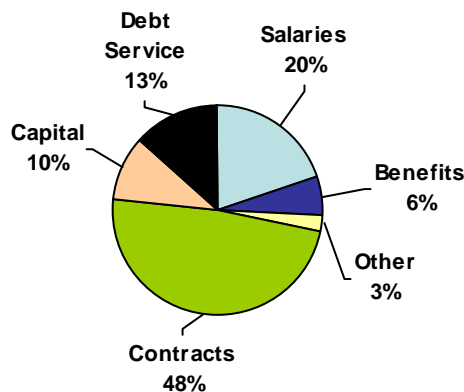
Revenue Assumptions (2007)	
Number of PC's	2,427
Number of telephones	3,371

Expenses

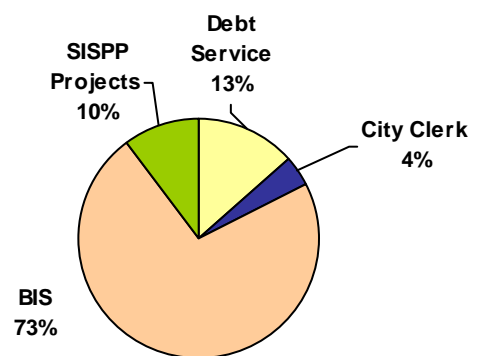
Expenses in the Intergovernmental Services Fund are comprised of the operating expenses (salaries/benefits, contractual, operating, equipment) of BIS and City Clerk. Capital expenditures for information technology investments were budgeted in the City's Permanent Improvement Fund (4100), but now are budgeted in the Intergovernmental Services Fund. This has caused an increase in depreciation expense.

The budget also includes a change in accounting for the General Fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies. The budget includes a reduction to the BIS budget of \$200,000 – as included in the financial direction. CLIC's recommendation to provide \$1.5 million in net debt bond funding for information technology was included in the adopted budget.

**Intergovernmental Services Fund
Use of Funds
(\$31.9 million)**



**Intergovernmental Services Fund
Use of Funds by Department
(\$31.9 million)**



Transfers

Transfers-in (revenue) relates to a transfer from the General Fund to subsidize BIS debt service payments. BIS also has a transfer out (expense) in support of the debt service for the unfunded pension liability.

Debt Service

In 2007, the fund will have a bond liability of \$40 million, with a debt service of \$4.2 million.

City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)

Intergovernmental Services Fund - 6400

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:									
Charges For Service	5,276	22,306	40,741	30,520	19,866	-51.2%	20,462	21,076	21,708
Interest	1	0	-	-	-		-	-	-
Gains	(3)	(4)	-	-	-		-	-	-
Other Miscellaneous Revenue	563	514	-	-	6,220		6,407	6,599	6,797
Operating Transfers In	24,039	10,781	10,570	10,570	11,823	11.9%	12,166	13,366	14,566
Proceeds of Long term Liabilities	-	-	1,525	1,525	1,450	-4.9%			
Total	29,876	33,597	52,836	42,615	39,359	-25.5%	39,035	41,041	43,071
Use of Funds:									
Transfers	185	219	57	57	136	137.1%	140	144	149
Debt Service	2,129	8,781	10,363	10,363	4,232	-59.2%	3,062	9,296	8,837
City Clerk	1,163	840	1,251	1,263	1,306	4.4%	1,346	1,386	1,428
Human Resources	174	166	195	189	202	3.5%	208	215	221
Finance Department	191	-	-	-	-		-	-	-
Information & Tech Services	26,653	32,110	39,623	28,910	22,817	-42.4%	23,502	24,207	24,933
SISSP Projects	3,168	10,225	3,200	2,045	3,210	0.3%	8,000	8,000	8,000
Total	33,663	52,341	54,690	42,827	31,904	-41.7%	36,258	43,248	43,567
Intergov't Svcs Fund Margin	(3,787)	(18,744)	(1,854)	(212)	7,455		2,777	(2,207)	(496)
Intergov't Svcs Fund Balance	(37,487)	(34,256)	(36,110)	(31,808)	(24,353)		(21,576)	(23,784)	(24,280)
Intergov't Svcs Cash Balance	(15,060)	339	(1,515)	126	7,582		10,358	8,151	7,655

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Equipment Fund

Background

The Equipment Fund accounts for the ownership and operation of a fleet of approximately 1,200 vehicles and other pieces of motorized equipment, as well as 400 vehicle accessories (e.g. plow blades). The City's fleet of vehicles and equipment is the largest portion of the fund's assets and has an estimated replacement value of approximately \$75.3 million.

The Equipment Fund rents vehicles and other equipment to City departments. For example, it provides police vehicles, fire trucks, heavy-construction equipment, snowplows and other maintenance equipment to City departments. In addition, the fund provides drivers and operators for equipment as necessary.

Historical Financial Performance

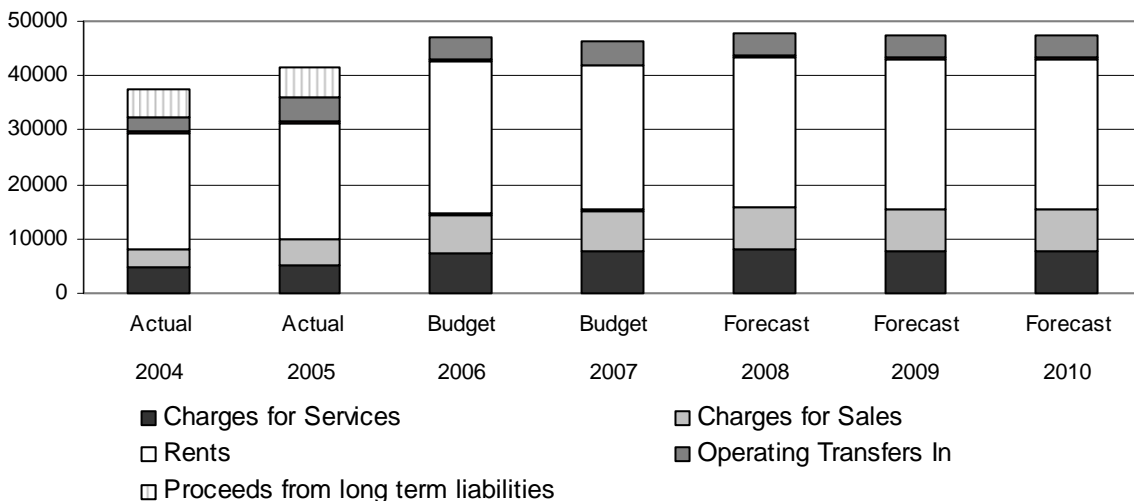
Revenue from Charges for Service

During the 1990s the Equipment Fund was not recovering all of its costs. In 2000, the fund had a deficit cash balance of over \$17.8 million. Early in 2001, the Finance Department and the Public Works Department developed a financial workout plan for the fund, which has raised the fund's revenues sufficiently to cover the full cost of operations. As a result of the workout plan, the fund has sufficient revenue to match its expenses. 2005 was the last increase related to the workout plan. The general fund contribution for debt service is to remain level at \$4.2 million.

Cash and Net Assets Balances

Under the current workout plan, fleet purchases were financed with bonds through 2005. This strategy, together with other measures in the workout plan, has caused the cash position in the fund to improve. Upgrading the fleet has reduced the average age of the fleet, thereby reducing

Equipment Services Source of Funds



maintenance costs. This fund has positive net assets but continues to follow the workout plan in order to maintain a positive cash balance and end the reliance on bonds to fund the fleet purchases. 2006 was the first year that bonds were not issued, and cash flow is expected to reflect that decision.

2007 Budget

Change in Accounting Practices

Starting in 2005, expenditures and revenues in the Equipment Services Division budget, were increased due to intra-fund charges. These charges are applied between organizations within the fund for services and sales. Since the expenditures and revenues match, this will not have an impact on fund level performance. This change increases the expenses and revenues evenly and allows the managers to manage segments of this fund more effectively.

Revenue

Starting in 2004, the Equipment Division began using an activity-based costing approach to bill internal customers. This has resulted in the establishment of a fleet rental rate that covers the replacement cost of the vehicles after the useful life; maintenance, repairs and fuel costs are accounted for separately. All of these charges are billed at a rate that allows the Equipment Division's revenue to match expenses.

Expenditures

Overall expenditures in 2007 are anticipated to decrease by \$1.2 million from the 2006 adopted budget; this is primarily due to a decrease in materials that will be purchased.

Transfers

The 2007 budget includes a transfer out of \$332,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

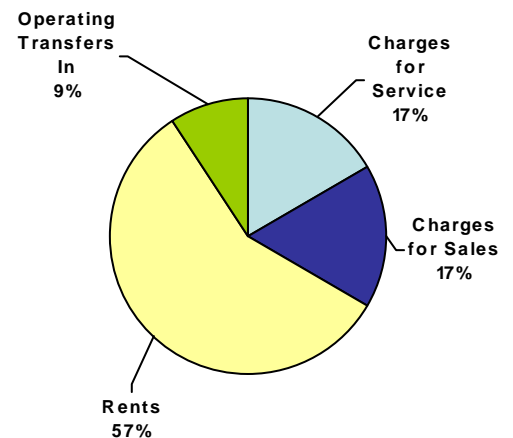
Debt Service

As part of the fleet modernization effort that began in 1997, the City issued bonds to finance fleet upgrades and to build new maintenance facilities. Principal and interest payments totaling \$7.4 million will be due on these bonds in 2007.

Fund Balance

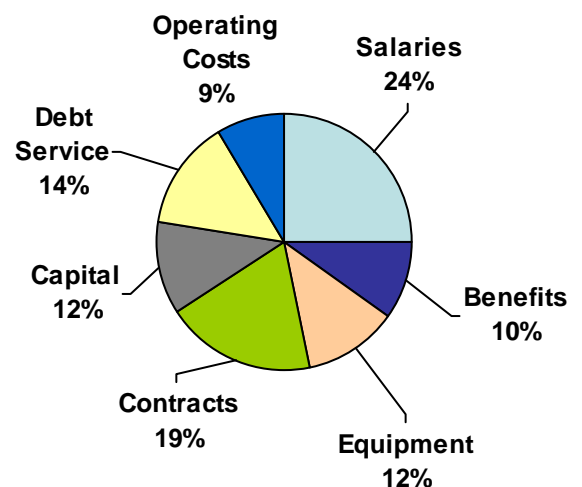
Part of the workout plan is to increase the fund balance of net assets and cash. The following charts illustrate the historical and projected performance of the fund:

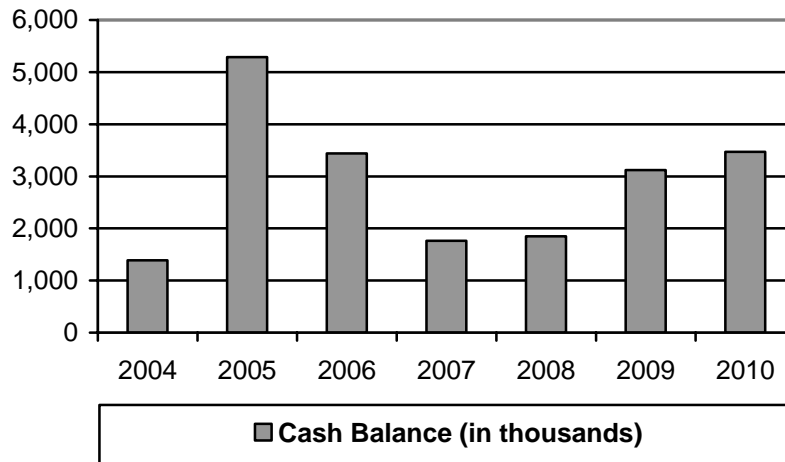
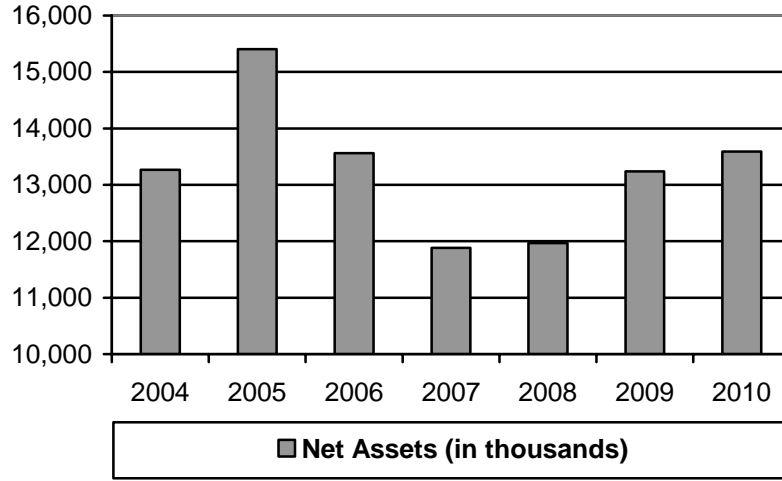
**Equipment Fund
Source of Funds
(\$46.1 million)**



Revenue Assumptions (2007)	
Number of vehicles serviced	1200
Number of vehicles purchased	60

**Equipment Fund
Use of Funds
(\$53.9 million)**





**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousand of dollars)**

Equipment - 6100

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:									
Charges for Service	4,686	5,014	7,500	4,766	7,650	2%	8,000	7,900	7,800
Charges for Sales	3,516	4,993	6,934	5,740	7,600	10%	7,700	7,500	7,500
Interest	0	1	1	2	1	0%	1	1	1
Gains	4	96	200	234	200	0%	200	200	200
Rents	21,265	21,324	28,067	19,542	26,500	-6%	27,500	27,500	27,500
Other Misc Revenue	188	307	310	194	10	-97%	315	315	315
Operating Transfers in	2,543	4,180	4,180	4,180	4,180	0%	4,180	4,180	4,180
Proceeds from long term liabilities	5,450	5,540	0	0	0	0%	0	0	0
Total	37,652	41,455	47,192	34,658	46,141	-2%	47,896	47,596	47,496
Use of Funds:									
Debt Service	5,034	6,440	7,690	7,690	7,363	-4%	7,435	3,987	3,598
Transfers	335	376	131	131	332	153%	135	140	145
PW Equipment	27,145	23,275	34,898	20,193	33,423	-4%	34,000	35,000	36,000
Finance	573	0	0	0	0	0%	0	0	0
PW Equipment Capital	10,010	3,794	6,316	6,316	6,423	2%	6,240	7,200	7,400
Total	43,097	33,885	49,035	34,330	47,541	-3%	47,810	46,327	47,143
Fund Margin	(5,445)	3,896	(1,843)		(1,400)		86	1,269	353
Fund Balance	13,266	15,403	13,560		12,160		12,246	13,515	13,868
Cash Balance¹	1,389	5,285	3,442		2,042		2,128	3,397	3,750

¹The cash balance listed is operating cash, excluding bond funds available, and capital appropriations.

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Property Services Fund

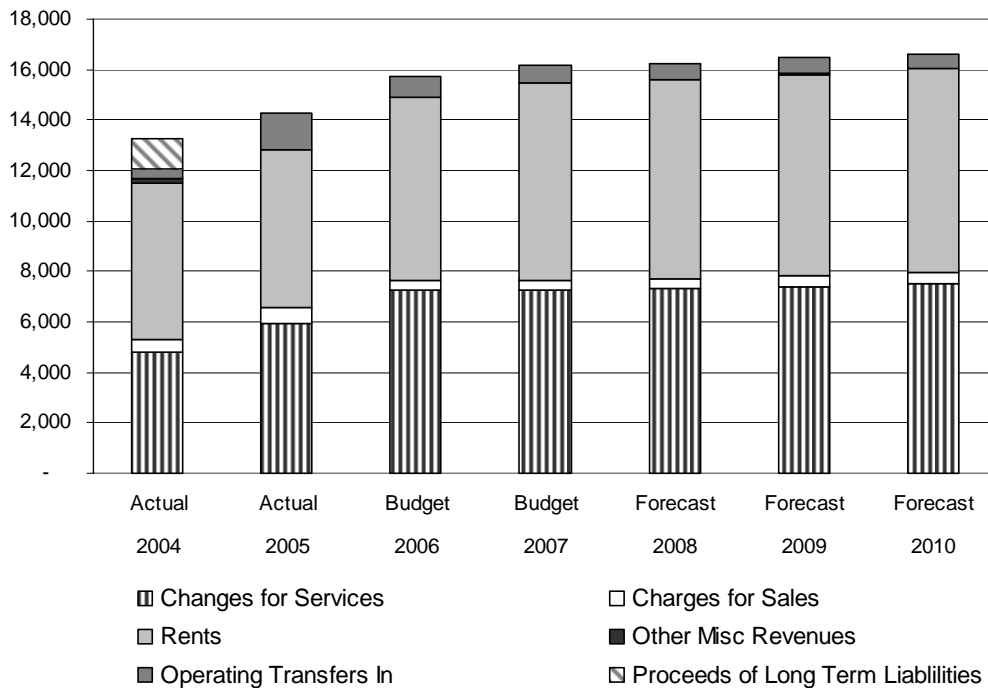
Background

The Property Services Fund accounts for the physical management and maintenance of fire stations, police precinct buildings, the Public Service Center, parking ramps, and various other office locations. It also accounts for the coordination and management of special projects. Parking ramp maintenance and the radio shop operations were added to this fund in 2002. In 2004, Property Services added two more areas to its list of duties: space and asset management and security management. In 2005, Property Services added CPED Maintenance.

Historical Financial Performance

The proposed building rental rates are based on a three-year actual expenditure average. In 1998 and 1999 rates were not increased to fully cover the expenditures in this fund, in order to reduce pressure on customer budgets. This resulted in negative financial performance during this period and a decline in cash balance. Since 1999, rates to city departments have been allowed to increase annually in order to fully fund the direct and indirect costs in the Property Services Fund. The fund currently has a negative cash balance of \$600,000. Revenues are expected to be slightly lower than expenditures in 2007.

Property Services Sources of Funds
(in thousands of dollars)



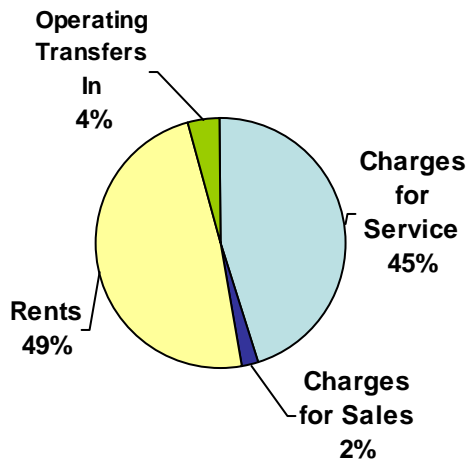
2007 Budget

Revenues

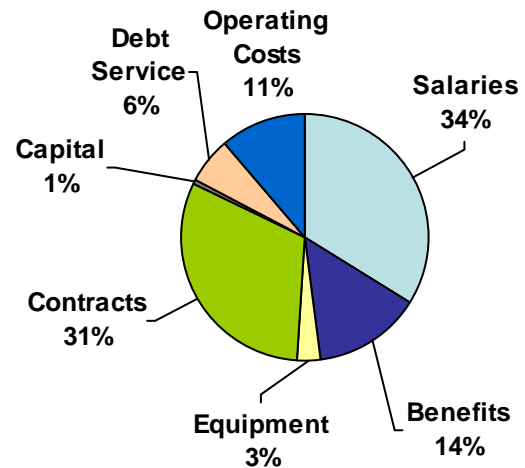
The increase in revenues from 2006 to 2007 is related to an increase in rents, due to an increase in buildings being rented.

Revenue Assumptions (2007)	
Total Number of Buildings	121
Number of Managed Leases	3
Number of Radios	3000

**Property Service Fund
Source of Funds
(\$16.2 million)**



**Property Service Fund
Use of Funds
(\$16.3 million)**



Expenditures

The increase in expenditures from 2006 to 2007 is related to the cost of living.

Transfers

The 2007 budget includes \$569,000 of transfers out to other funds to cover the cost of debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability, and the general fund overhead costs.

There is also a debt service transfer in for \$622,363 to cover the General Fund's portion of the debt service related to the 800MHz emergency communications project. The Property Services fund is responsible for \$350,000 a year in debt service for the project, with the remainder transferred in from the General Fund.

Debt Service

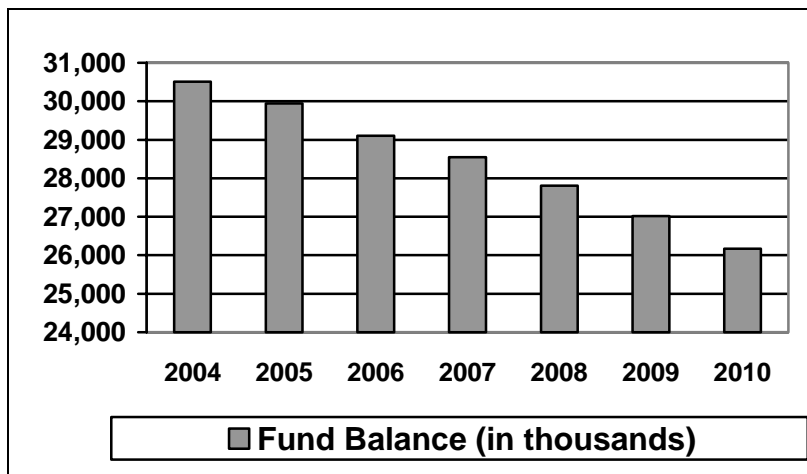
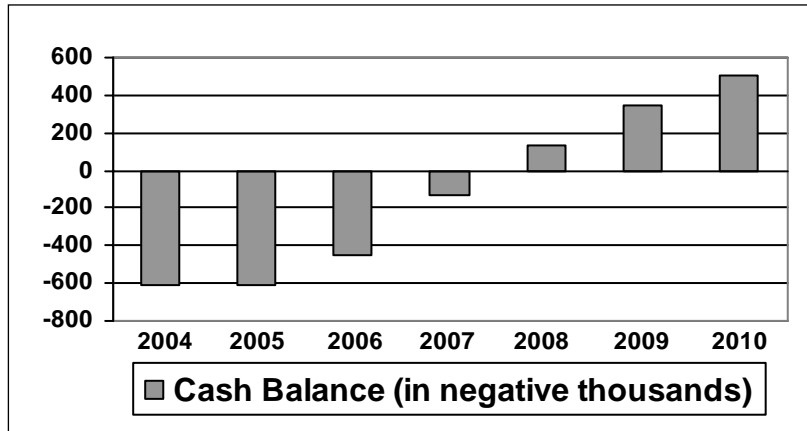
The Radio Shop, a division of the Property Services, has management responsibility for the \$14 million 800 MHz Radio System. The Property Services Fund recognizes the fixed assets, along with the debt related to this project. The Radio Shop is funding a portion of the City's Public Safety Initiative through a contribution of \$350,000 a year.

The debt service for 800 MHz radio system is now funded as follows:

\$622,000	Transfer from the General Fund
\$350,000	Property Services portion of debt
\$ 972,000	Total Debt Service (Year 2007)

Fund Balance

The Property Services Fund had a positive net asset balance of \$30 Million in 2006. However, this fund does not recover the depreciation of the buildings that are assets in the fund. Therefore, the fund balance will continue to decrease every year, even though the fund is breaking even in terms of cash. Cash balance is projected to improve over the next couple of years; this is due to the increase in activity to the fund.



**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousand of dollars)**

Property Services Fund - 6200

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:									
Changes for Services	5,941	7,646	7,248	4,920	7,248	0%	7,300	7,400	7,500
Charges for Sales	617	958	400	570	400	0%	410	420	430
Rents	6,269	6,368	7,256	7,256	7,850	8%	7,900	8,000	8,100
Other Misc Revenues	12	196	3	7	3	0%	4	5	6
Operating Transfers In	1,416	1,112	844	844	653	-23%	612	638	547
Proceeds of Long Term Liabilities	0	0		0		0%	0	0	0
Total	14,255	16,280	15,751	13,597	16,154	3%	16,226	16,463	16,583
Use of Funds:									
Property Services Administration	186	432	775	586	792	2%	800	810	820
Radio Equipment	1,643	1,639	2,350	1,326	2,428	3%	2,500	2,550	2,600
Municipal Market	25	19	32	25	33	3%	34	35	36
Facilities Management	10,923	12,625	11,361	10,473	11,361	0%	11,600	11,800	12,000
Capital Expenditure	581	0	0	0	104	0%	0	0	0
Project Management	0	0	0	0	0	0%	0	0	0
Debt Service	1,162	1,049	1,039	1,039	972	-6%	962	988	897
Transfers	33	86	31	31	569	1735%	70	71	72
Finance			0	0	0	0%	0	0	0
Total	14,553	15,850	15,588	13,480	16,259	4%	15,966	16,254	16,425
Property Services Fund Margin	(298)	430	163	117	(105)		260	209	158
Property Services Fund Balance	29,930	29,360	28,523	28,477	27,418		26,678	25,887	25,045
Property Services Cash Balance	(606)	(612)	(449)	(495)	(554)		(294)	(85)	73

**City of Minneapolis
FY 2007 Budget
Financial Plan**

Self-Insurance Fund

Background

The Self-Insurance Fund is used to account for employee medical, dental, and life insurance benefit programs and the programs' administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a Workers' Compensation Program. In 2007, \$84.3 million, an 18% increase from 2006, is the planned spending amount.

Historical Financial Performance

The net assets of the Self-Insurance Fund reflected a negative position of \$36 million at year-end 2005, improving \$7.2 million the last four years. The majority of this negative balance is due to the required accounting recognition of liability claims that have occurred but are not reported.

In 2000, the negative net asset deficit increased by \$17.1 million due to two major factors. The first was an \$8.75 million settlement in which bonds were issued to pay off a legal judgment. The second was a \$7.7 million accounting adjustment to "unpaid claims" liability due to the financial results of a recent actuarial study.

During 2003, the City Council adopted a financial plan for the Self-Insurance Fund, which will result in the fund reaching positive cash balance by year 2006, from a low of a negative \$8.2 million at year-end 2001. At the end of 2005, the fund had a cash balance of \$1.8 million achieving a positive cash balance ahead of plan.

2007 Budget

Revenues/Expenditures

Medical and life programs are fully contracted-out so that revenues and expenses should be equal at year-end as premiums are determined by and paid to the contractors. The City's contract with Blue Cross Blue Shield expired at the end of 2006. The City has selected Medica as its health insurance provider for a three year period beginning January 1, 2007. A 12% planned increase in health insurance premiums is reflected in the budget. The Dental and Minneflex Program premiums are estimated and actual costs are expensed.

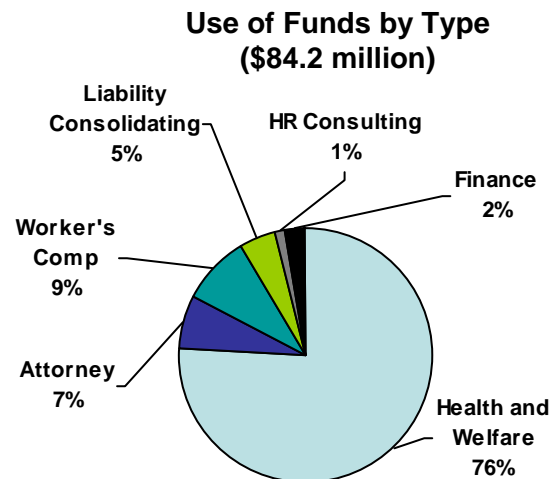
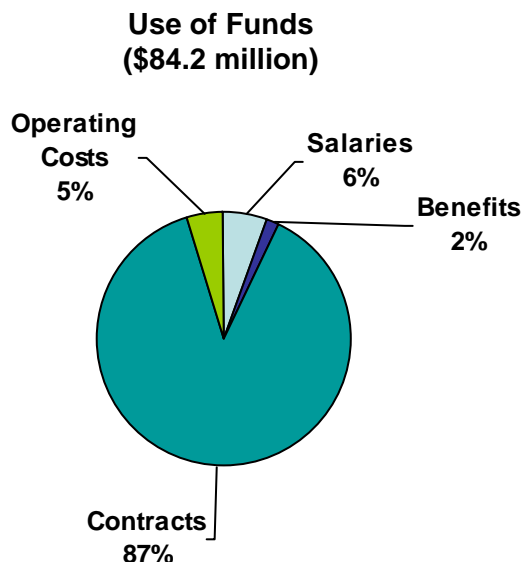
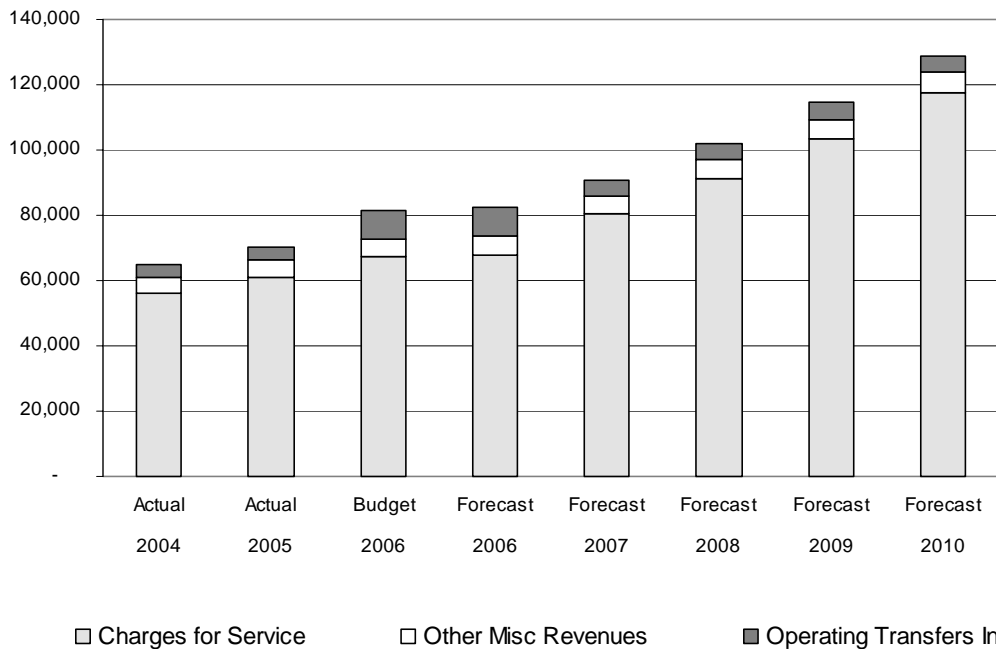
The Unused Sick Leave Program provides a payout of unused sick leave to qualified employees at 50% pay. Payments are funded by 0.7% gross pay contributions from the City, Park Board and Library Board into a severance pool. The rate for City police officers and firefighters is 1.1% of gross pay. This program was reviewed for compliance with IRS guidelines and modified for year 2002.

The Alternative Dispute Resolution (ADR) Program was established through funds collected through payroll deductions and direct payment as agreed to in previous labor contracts. Occupational health actual expenses are billed to departments.

The worker's compensation payments are estimated at \$7.6 million for 2007. This is a 6.4% decrease over the prior year. The budget also includes a change in accounting for the General Fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies.

For 2007, a rate model was implemented to recover costs associated with all programs in the fund except for medical and dental. The rate model assigns costs to City departments based on a 5-year claims history for Workers Compensation and Liability. The model was put in place to raise departmental awareness of Self-Insurance costs and increase their ability to control the cost of premiums in the future through loss prevention programs.

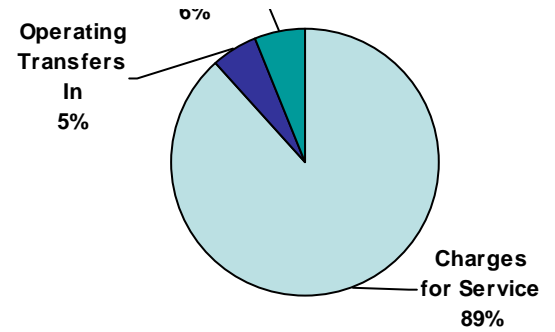
Self-Insurance Revenues
(in thousands of dollars)



Debt Service

The 2006 budget includes \$1.2 million in debt service payments on an outstanding balance of \$2.3 million in variable rate debt. The \$5.4 million in debt outstanding at year end of 2005 was reduced by a \$3 million payment in 2006 due to a Council action to apply excess General Fund appropriations from 2005. Because of this payment the previous debt service payment for 2007 of \$1.2 million has been reduced by \$0.8 million to \$0.4 million.

**Self Insurance Fund
Source of Funds
(\$88.7 million)**



**City of Minneapolis
FY 2007 Budget
Financial Plan (in thousands of dollars)**

Self Insurance Fund - 6900

	2004 Actual	2005 Actual	2006 Current Budget	2006 Projected	2007 Budget	% Chg From 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast
Source of Funds:									
Charges for Service	56,036	61,131	67,158	67,829	80,454	19.8%	91,315	103,642	117,634
Interest	-	-	-	-	-	-	-	-	-
Other Misc Revenues	4,922	5,143	5,507	5,791	5,514	0.1%	5,680	5,850	6,025
Operating Transfers In	3,697	3,870	8,745	8,745	4,750	-45.7%	4,893	5,039	5,190
Total	64,655	70,144	81,410	82,365	90,718	11.4%	101,887	114,531	128,850
Use of Funds:									
Debt Service	985	1,045	4,285	4,285	389	-90.9%	35	10	-
Transfers	6	125	45	45	97	115.6%	100	103	106
Health and Welfare	43,508	47,309	54,443	57,956	68,359	25.6%	78,613	90,404	103,965
Attorney	4,249	4,464	5,316	4,987	5,463	2.8%	5,627	5,796	5,970
Workers Compensation	6,470	6,506	8,404	6,709	7,563	-10.0%	7,790	8,023	8,264
Liability	4,931	4,729	5,203	4,544	3,952	-24.1%	4,070	4,192	4,318
Human Resources	467	961	1,165	1,149	1,137	-2.4%	1,171	1,207	1,243
Finance Dept - Risk Mgmt	1,257	1,476	2,013	2,066	2,054	2.0%	2,116	2,179	2,245
Total	61,872	66,615	80,873	81,742	89,014	10.1%	99,521	111,915	126,110
Fund Margin	2,783	3,529	537	623	1,704	217.1%	2,365	2,617	2,740
Fund Balance	(37,980)	(36,040)	(35,503)	(35,417)	(33,713)	5.0%	(31,348)	(28,731)	(25,991)
Cash Balance	(2,148)	1,797	2,335	2,420	4,124	76.7%	6,489	9,106	11,846

Note: The Deficit Reduction Plan for this fund projected cash to be at \$2.6 million and net assets at (\$28) million at the end of 2007.

**City of Minneapolis
FY 2007 Budget**

Financial Schedules

The schedules that follow represent the legally adopted appropriations, revenue estimates, project allocations, fees, and charges.

➤ Schedule 1	Fund Summary and Changes to Fund Balance	168
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SCHEDULE ONE

Summary of Revenues, Expenditures, and Fund Balance by Fund Type

	General Fund	Special Revenue Funds	Capital Funds	Debt Service Funds	Enterprise Funds	Internal Service Funds	Total
Revenue by Major Type							
Property Taxes	123,909,458	75,558,438	73,690,272	27,417,460			300,575,628
Sales and Other Taxes		56,653,676					56,653,676
Franchise Fees	27,110,000						27,110,000
Licenses and Permits	25,999,355	584,717	230,000		219,000		27,033,072
Federal Government		44,462,770	3,797,000				48,259,770
State Government	78,118,684	32,269,787	6,935,454		671,441		117,995,366
Local Government	750,608	2,421,637	855,000		5,027,165		9,054,410
Charges for Service	35,581,566	17,324,479	5,585,000		236,234,714	122,269,533	416,995,292
Charges for Sales	49,195	10,559,604	1,928,670		4,566,400	14,701,320	31,805,189
Fines and Forfeits	10,172,877	1,009,300			100,000		11,282,177
Special Assessments	2,782,926		3,850,000	5,870,157	790,975		13,294,058
Interest	1,860,202	-567,629			750	500	1,293,823
Gains		1,335,000	51,708			200,000	1,586,708
Rents	10,800	6,986,527	5,873,236		3,623,598	37,925,760	54,419,921
Contributions	297,500	2,001,243			50,000		2,348,743
Other Misc Revenues	1,049,837	6,302,172	4,946,799	1,814,571	1,182,941	14,297,346	29,593,666
Operating Transfers In	20,241,000	10,949,000	3,970,000	84,865,613	17,803,769	21,406,000	159,235,382
Proceeds of Fixed Asset Disposal							0
Proceeds of Long Term Liabilities		105,000	14,515,000		25,748,000	1,450,000	41,818,000
Total All Revenue Types	327,934,008	267,955,721	126,228,139	119,967,801	296,018,753	212,250,459	1,350,354,881
Expenditures by Major Type							
Salaries and Wages	158,266,770	66,291,467	5,162,897		34,861,703	32,706,709	297,289,546
Equipment Labor		10,155					10,155
Contractual Services	62,653,995	71,021,089	8,126,436		90,248,453	105,491,389	337,541,362
Operating Costs	19,833,520	30,834,539	433,009		44,235,001	18,361,753	113,697,822
Fringe Benefits	51,097,345	22,607,134	1,618,942		13,086,194	13,363,172	101,772,787
Equipment	905,112	8,953,760	110,462		2,337,718	8,357,691	20,664,743
Capital Outlay	166,266	17,432,361	47,318,395		45,245,189	9,678,400	119,840,611
Debt Service				114,926,648	52,538,852	12,956,226	180,421,726
Transfers	35,011,000	46,801,260	69,390,499	2,090,000	15,309,000	1,187,000	169,788,759
Total All Expenditure Types	327,934,008	263,951,765	132,160,640	117,016,648	297,862,110	202,102,340	1,341,027,511
Change to Fund Balance	0	4,003,956	(5,932,501)	2,951,153	(1,843,357)	10,148,119	9,327,370
Estimated 2007 Beginning Balance	58,363,410	135,977,778	234,787,573	49,028,287	576,359,556	(21,731,110)	1,033,063,079
Estimated 2007 Ending Balance	58,363,410	139,981,734	228,855,072	51,979,440	574,516,199	(11,582,991)	1,042,390,449

Excludes fund balances in investment and agency funds. (The remainder of the schedules in this section do include these funds in order to accommodate balances in these types of funds). Fund Balance is the cumulative years' excess or deficit of all revenues and expense. In the case of proprietary funds, this is termed unrestricted net assets. Estimated fund balances for beginning of 2007 do not include reappropriation decisions made in 2006, which would reduce the general fund balance.

**SCHEDULE ONE
FUND SUMMARY - CHANGES TO FUND BALANCE**

	2007 Estimated Beg. Balance	2007 Projected Revenues	2007 Total Appropriations	Change in Fund Balance	2007 Estimated End Balance
GENERAL FUND	58,363,410	327,934,008	327,934,008	0	58,363,410
Total General Fund - City	58,363,410	327,934,008	327,934,008	0	58,363,410
ARENA - RESERVE	4,300,011	3,670,000	0	3,670,000	7,970,011
BOARD OF ESTIMATE AND TAXATION	165,025	340,609	342,700	-2,091	162,934
CDBG & UDAG FUNDS	0	17,676,000	17,076,000	600,000	600,000
COMMUNITY DEVELOPMENT	35,003,715	300,000	2,648,218	-2,348,218	32,655,497
COMMUNITY DEVELOPMENT INVESTMENT FUND	5,493,610	0	1,763,668	-1,763,668	3,729,942
CONVENTION CENTER OPERATIONS	16,847,442	71,914,696	74,980,126	-3,065,430	13,782,012
CONVENTION FACILITES - RESERVE	8,262,450	1,150,000	500,000	650,000	8,912,450
CPED Operating	5,196,421	200,000	7,426,815	-7,226,815	-2,030,394
DEVELOPMENT ACCOUNT	7,797,396	0	201,938	-201,938	7,595,458
ECONOMIC DEVELOPMENT PROGRAM	4,411,935	3,309,500	4,768,543	-1,459,043	2,952,892
EMPLOYEE RETIREMENT	-338,855	16,800,112	10,704,587	6,095,525	5,756,670
FEDERAL EMPOWERMENT ZONE	-12,700	0	0	0	-12,700
GRANTS - FEDERAL	-2	23,115,038	23,092,154	22,884	22,882
GRANTS - OTHER	552,100	8,905,100	9,579,636	-674,536	-122,436
Historic Preservation Fund	5,833	0	0	0	5,833
HOME OWNERSHIP WORKS	-843,339	415,104	0	415,104	-428,235
HOUSING FINANCE	-8,339	0	0	0	-8,339
HOUSING PROGRAM	4,498,397	8,000,000	2,314,697	5,685,303	10,183,700
JOINT BOARD	45,962	0	0	0	45,962
LIBRARY - GENERAL FUND	4,426,812	23,087,753	23,759,943	-672,190	3,754,622
MCDA CDBG	3,397,870	5,509,000	621	5,508,379	8,906,249
MCDA FEDERAL GRANTS-OTHER	1,640,343	5,666,929	3,928,127	1,738,802	3,379,145
MCDA LEVERAGE INVESTMENT	116,948	0	0	0	116,948
MCDA NEIGHBORHOOD DEVEL ACCT	4,055,505	0	1,631,367	-1,631,367	2,424,138
MCDA STATE GRANTS & LOAN	2,754,348	0	8,780	-8,780	2,745,568
MCDA UDAG LEVERAGE INVESTMENT	1,832,580	0	0	0	1,832,580
MEDC	530,646	0	0	0	530,646
MUNICIPAL BUILDING COMMISSION	646,110	7,717,229	7,689,910	27,319	673,429
NEIGHBORHOOD HOUSING	650,238	0	0	0	650,238
NEIGHBORHOOD REVITAL POLICY	192,879	0	1,769,489	-1,769,489	-1,576,610
NRP ADMINISTRATION	170,434	650,000	651,081	-1,081	169,353
NRP NON TI	4,939,544	0	0	0	4,939,544
PARK - FORESTRY	0	0	0	0	0
PARK - GENERAL FUND	6,278,642	52,912,202	52,912,202	0	6,278,642
PARK - GRANT & SPECIAL REVENUE	2,310,078	1,629,353	1,629,353	0	2,310,078
PARK - MUSEUM (ART INSTITUTE)	0	10,136,944	10,136,944	0	0
PARK-SPEC REV-INTEREST BEARING	18,975	0	0	0	18,975
POLICE DEPT - SPECIAL REVENUE	243,680	2,143,502	2,136,434	7,068	250,748
RESIDENTIAL HOUSING	3,424,601	650,000	173,635	476,365	3,900,966
THEATRES	4,982,259	90,000	21,691	68,309	5,050,568
UPPER RIVER LAND BANK	-59,065	0	137,356	-137,356	-196,421
YOUTH COORDINATING BOARD	2,047,291	1,966,650	1,965,750	900	2,048,191
Total Special Revenue Funds	135,977,778	267,955,721	263,951,765	4,003,956	139,981,734
10TH AND WASHINGTON	291,994	177,108	159,902	17,206	309,200
110 GRANT	369,229	357,089	100,000	257,089	626,318
13th and Harmon	-135,543	274,447	247,638	26,809	-108,734
1900 Central Ave Hsg	0	57,777	52,344	5,433	5,433
2700 EAST LAKE	13,055	68,846	62,371	6,475	19,530
2ND ST N HOTEL/APTS TOWNPLACE	168,156	190,428	171,944	18,484	186,640
36TH AND MARSHALL	346,401	0	133,558	-133,558	212,843

**SCHEDULE ONE
FUND SUMMARY - CHANGES TO FUND BALANCE**

	2007 Estimated Beg. Balance	2007 Projected Revenues	2007 Total Appropriations	Change in Fund Balance	2007 Estimated End Balance
50TH & FRANCE	73,784	197,307	178,123	19,184	92,968
900 6TH AVENUE SOUTH	10,111	57,166	51,857	5,309	15,420
96 IMPROVEMENT BONDS	9,680,188	0	0	0	9,680,188
Antiques Minnesota	0	37,517	34,115	3,402	3,402
ARBITRAGE 1993 PARK BONDS	20,039	0	0	0	20,039
August 01 Variable Purpose	692,573	0	0	0	692,573
BLOCK 33	86,973	15,139	10,000	5,139	92,112
BLOCK E	15,135,911	0	0	0	15,135,911
BOTTINEAU	-4,861	153,465	138,655	14,810	9,949
BROADWAY 35-W	-2,725,324	1,416,612	353,660	1,062,952	-1,662,372
CAMDEN AREA IMPACT	4,603	0	0	0	4,603
CAMDEN MEDICAL FACILITY	39,559	40,746	38,000	2,746	42,305
CAPITAL PROJECTS- OTHER	781,794	0	17,283	-17,283	764,511
CAPITAL PROJECTS-ARBITRAGE	4,068	0	0	0	4,068
CEDAR RIVERSIDE	889,827	3,192,012	3,185,000	7,012	896,839
CENTRAL & 20TH	72,586	117,128	115,000	2,128	74,714
CENTRAL AVE MARKET	625	0	0	0	625
CENTRAL CARE NURSING HOME	-726	0	0	0	-726
CHICAGO AND LAKE	113,155	146,448	140,000	6,448	119,603
CITY CENTER	1,449,126	1,871,693	1,865,000	6,693	1,455,819
CITY-CAPITAL IMPROVEMENTS FUND	-14,520,136	36,022,620	41,585,384	-5,562,764	-20,082,900
Clare Housing	0	0	360	-360	-360
COMMON PROJECT RESERVE	28,929,464	0	0	0	28,929,464
COMMON PROJECT UNCERTIFIED	6,570,634	1,478,670	464,246	1,014,424	7,585,058
CONSERVATORY	1,626,871	3,298,007	3,292,100	5,907	1,632,778
CREAMETTE DISTRICT 84	131,261	143,564	129,208	14,356	145,617
DEC02 VARIOUS PURPOSE BONDS	872	0	0	0	872
DEEP ROCK TAX INCREMENT	129,555	0	3,791	-3,791	125,764
DOWNTOWN EAST LRT	2,614,812	0	51,755	-51,755	2,563,057
EAST BANK 1335	1,104,148	2,505,465	2,500,000	5,465	1,109,613
EAST HENNEPIN & UNIVERSITY	588,538	1,409,681	1,270,414	139,267	727,805
East Phillips	15,702	35,106	31,993	3,113	18,815
East River/Unocal Site	270,091	1,677,529	1,594,340	83,189	353,280
EAST VILLAGE	49,574	197,006	177,862	19,144	68,718
ELLIOT PARK	258,700	541,878	540,000	1,878	260,578
Fire Pension Bonds	4,742,894	0	0	0	4,742,894
FORMER FED RESERVE	125,214	552,796	498,348	54,448	179,662
FRANKLIN AVENUE	66,691	70,966	66,000	4,966	71,657
Franklin Portland	0	0	360	-360	-360
GRACO TI	-806,103	80,620	79,201	1,419	-804,684
GRAIN BELT	21,605	136,677	123,493	13,184	34,789
Grain Belt Housing Dist 132	0	43,525	92,145	-48,620	-48,620
GRANT	417,721	685,491	680,000	5,491	423,212
HENNEPIN & 7TH ENTERTAINMENT	4,845,591	2,595,532	1,824,095	771,437	5,617,028
HENNEPIN & LAKE	599,352	1,307,157	1,300,000	7,157	606,509
HENNEPIN ENTERTAINMENT TE BOND	1,739,350	0	866,869	-866,869	872,481
HERITAGE LAND APTS	347,752	455,735	410,998	44,737	392,489
Heritage Park	-436	86,269	78,256	8,013	7,577
HISTORIC DEPOT REUSE DIST 93	646,797	796,286	890,467	-94,181	552,616
HOLMES	986,749	2,249,539	2,230,000	19,539	1,006,288
HOUSING FOR CHRONIC ALCOHOLICS	-243,882	27,002	0	27,002	-216,880
Housing Replacement 2	0	16,685	112,164	-95,479	-95,479
HSG REPLACE-WATERSHED 0	361,871	336,281	28,524	307,757	669,628
HSG REPLACE-WATERSHED 3	103,411	0	0	0	103,411
HUMBOLDT GREENWAY DIST 98	-2,750,116	589,073	236,285	352,788	-2,397,328

City of Minneapolis

Council Adopted Budget

**SCHEDULE ONE
FUND SUMMARY - CHANGES TO FUND BALANCE**

	2007 Estimated Beg. Balance	2007 Projected Revenues	2007 Total Appropriations	Change in Fund Balance	2007 Estimated End Balance
HUMBOLDT GREENWAY TE BONDS	4,916,049	0	0	0	4,916,049
IDS DATA SERVICE CENTER	1,549,582	2,956,055	2,954,968	1,087	1,550,669
IMPROV BOND ARBITRAGE	97,832	0	0	0	97,832
INDUSTRY SQUARE	1,234,585	2,532,621	2,525,000	7,621	1,242,206
IVY TOWER	-5,659	4,089	28,643	-24,554	-30,213
Jourdain	0	0	1,146	-1,146	-1,146
Jun 03 Various Purpose Bonds	9,221,612	0	0	0	9,221,612
JUNE 02 VARIOUS PURPOSE BONDS	380,387	0	0	0	380,387
JUNE00 VARIOUS PURPOSE BONDS	314,875	0	0	0	314,875
June03 Heritage Park Arbitrage	6,620,074	0	0	0	6,620,074
JUNE99 VARIOUS PURPOSE BONDS	1,077,523	0	0	0	1,077,523
Lake Street Center	6,984,314	1,038,809	1,000,341	38,468	7,022,782
LASALLE PLACE	954,573	1,776,160	1,775,000	1,160	955,733
LAUREL VILLAGE	2,456,988	2,625,817	2,593,148	32,669	2,489,657
LIBRARY-CAPITAL IMPROVEMENTS FUND	919,745	850,000	850,000	0	919,745
LOCAL CONTRIBUTION FUND	3,048,111	0	0	0	3,048,111
LORING PARK	2,444,896	4,715,098	4,710,000	5,098	2,449,994
LOWRY RIDGE	18,965	120,260	108,234	12,026	30,991
MAGNUM LOFTS	14,940	47,040	42,733	4,307	19,247
Many Rivers	8,454	61,121	55,429	5,692	14,146
Many Rivers West	0	0	360	-360	-360
Marshall River Run	0	0	360	-360	-360
MBC-CAPITAL IMPROVEMENTS FUND	325,219	735,000	779,381	-44,381	280,838
MERF PENSION BONDS	3,179,019	0	0	0	3,179,019
MILES I	70,321	107,324	105,000	2,324	72,645
NBA ARENA	821,186	1,838,527	4,511,671	-2,673,144	-1,851,958
NEIMAN MARCUS	621,320	1,318,934	1,544,734	-225,800	395,520
NICOLLET & LAKE	382,331	603,493	595,262	8,231	390,562
NICOLLET FRANKLIN	-108,437	132,372	119,590	12,782	-95,655
NICOLLET ISLAND EAST BANK	739,868	1,825,334	1,820,000	5,334	745,202
NINTH & HENNEPIN	266,417	586,775	103,298	483,477	749,894
NOKOMIS HOLMES	189,608	272,919	270,000	2,919	192,527
NORTH LOOP	2,811,132	8,535,171	8,529,738	5,433	2,816,565
NOV04 IMPROV BOND ARBITRAGE	682,705	0	0	0	682,705
NOV04 Library Ref Bonds	25,264,325	0	0	0	25,264,325
NRP	45,795,319	1,500,000	1,120,560	379,440	46,174,759
NWIP	95,594	2,745,115	2,740,000	5,115	100,709
OCT03 LIBRARY REF BONDS	2,784,027	0	0	0	2,784,027
Parcel C Tax Increment District	1,312,240	486,537	452,376	34,161	1,346,401
PARK-CAPITAL IMPROVEMENT FUND	-270,116	3,080,000	2,760,000	320,000	49,884
PARK-CAPITAL IMPROVEMENT-ASSESSED FUND	61,017	500,000	500,000	0	61,017
PHILLIPS PARK	28,788	59,845	53,861	5,984	34,772
POLICE PENSION BONDS	24,943,795	0	0	0	24,943,795
PORTLAND PLACE	191,868	96,220	241,837	-145,617	46,251
PRELIMINARY PLANNING	-668,883	0	2,427,269	-2,427,269	-3,096,152
ROSACKER NURSERY SITE	-160,475	148,326	48,200	100,126	-60,349
SEMI-PHASE 1	1,177,204	1,537,362	487,431	1,049,931	2,227,135
SEMI-PHASE 2	950,583	252,660	233,815	18,845	969,428
SEMI-PHASE 3	82,797	144,262	138,297	5,965	88,762
SEMI-PHASE 4	71,423	193,830	178,890	14,940	86,363
SEMI-PHASE 5	-9,658	127,546	123,733	3,813	-5,845
SEWARD SOUTH	13,238	2,030,856	2,025,000	5,856	19,094
SHINGLE CREEK CONDOMINIUMS	4,729	91,702	82,973	8,729	13,458
SOUTH NICOLLET MALL	4,802,519	9,672,081	8,817,021	855,060	5,657,579
SPRING & CENTRAL	40,438	10,292	10,000	292	40,730

**SCHEDULE ONE
FUND SUMMARY - CHANGES TO FUND BALANCE**

	2007 Estimated Beg. Balance	2007 Projected Revenues	2007 Total Appropriations	Change in Fund Balance	2007 Estimated End Balance
St Anthony Mills	0	0	360	-360	-360
ST THOMAS	178,290	0	0	0	178,290
St. Anne's Housing	0	2,184	11,053	-8,869	-8,869
STINSON	69,333	623,481	567,156	56,325	125,658
Stone Arch Apartments	-388	293,034	264,400	28,634	28,246
SYMPHONY PLACE	0	0	0	0	0
TAX INCREMENT ADMINISTRATION	-414,440	0	1,783,491	-1,783,491	-2,197,931
TOWERS AT ELLIOT PARK	854,228	1,346,577	1,212,862	133,715	987,943
UNITED VAN BUS	61,839	53,890	50,000	3,890	65,729
URBAN VILLAGE	588,745	236,507	213,228	23,279	612,024
Urban Village TE Bonds	2,505,922	0	0	0	2,505,922
Village in Phillips Housing	0	98	46,165	-46,067	-46,067
Village In Phillips Phase II	0	0	13,009	-13,009	-13,009
Washington Courts Apts	0	0	5,701	-5,701	-5,701
WEST BROADWAY	319,371	801,065	800,000	1,065	320,436
West River Commons	-2,662	85,431	77,262	8,169	5,507
WEST SIDE MILLING DISTRICT	3,583,175	1,716,231	1,260,714	455,517	4,038,692
West Side Milling TE Bonds	421,225	0	53,288	-53,288	367,937
West Side Milling TE Bonds II	1,521,776	0	123,544	-123,544	1,398,232
Total Capital Projects	234,787,573	126,228,139	132,160,640	-5,932,501	228,855,072
00 IMPROVEMENT BONDS	9,178	0	0	0	9,178
01 IMPROVEMENT BONDS - 10 YR	-2	0	0	0	-2
01 IMPROVEMENT BONDS - 20 YR	2,337,220	777,053	777,053	0	2,337,220
96 IMPROVEMENT BONDS	31,496	144,275	144,275	0	31,496
97 IMPROVEMENT BONDS	250,408	189,173	189,173	0	250,408
98 IMPROVEMENT BONDS	380,064	208,831	208,831	0	380,064
BOND REDEM ARBIT 6/87 IMP BOND	-404,117	0	0	0	-404,117
BOND REDEM ARBIT 6/88 IMP BOND	-317,572	0	0	0	-317,572
BOND REDEM ARBIT 6/89 IMP BOND	-354,836	0	0	0	-354,836
BOND REDEM ARBIT 6/90 IMP BOND	-413,901	268,213	268,213	0	-413,901
BOND REDEM ARBIT 6/91 IMP BOND	431,860	199,400	199,400	0	431,860
BOND REDEM ARBIT 6/92 IMP BOND	394,492	198,825	198,825	0	394,492
BOND REDEM ARBIT 6/93 IMP BOND	90,499	196,250	196,250	0	90,499
BOND REDEM ARBIT 6/94 IMP BOND	1,039,089	0	0	0	1,039,089
BOND REDEM ARBIT 6/95 IMP BOND	852,438	0	0	0	852,438
BOND REDEM ARBIT 9/87 IMP BOND	-228,817	0	0	0	-228,817
BOND REDEM ARBIT ASSESS PARK	451,756	568,000	568,000	0	451,756
BOND REDEM ARBIT NIC MALL BOND	2,774,454	177,750	1,595,750	-1,418,000	1,356,454
BOND REDEMPTION - ASSESSMENT	4,334,531	0	0	0	4,334,531
BOND REDEMPTION - DEBT SERVICE	19,552,989	20,879,460	22,239,644	-1,360,184	18,192,805
CONCERT HALL - DEBT SERVICE	1,144	0	0	0	1,144
CONVENTION CENTER-DEBT SERVICE	20,507	18,810,000	18,810,000	0	20,507
LIBRARY REF DEBT SERVICE	1,530,094	9,114,000	8,683,813	430,187	1,960,281
MCDA DEBT SERVICE	12,356,285	36,280,000	36,050,000	230,000	12,586,285
Midtown Exchange 108 Loan Account	0	0	377,000	-377,000	-377,000
NOV03 IMPROV BOND D/S	264,249	624,403	624,403	0	264,249
NOV04 IMPROV BOND D/S	166,632	973,625	973,625	0	166,632
NOV05 IMPROV BOND D/S	0	538,088	538,088	0	0
NOV06 IMPROV BOND D/S	0	430,521	430,521	0	0
OCT 02 IMPROV BOND D/S	343,078	553,500	553,500	0	343,078
OTH SELF SUPPORTING DEBT SERV	123,016	1,883,571	2,208,358	-324,787	-201,771
PENSION FUND DEBT SERVICE	527,799	11,757,000	5,986,063	5,770,937	6,298,736
ST ANTHONY DEBT SERVICE	919,032	0	0	0	919,032

**SCHEDULE ONE
FUND SUMMARY - CHANGES TO FUND BALANCE**

	2007 Estimated Beg. Balance	2007 Projected Revenues	2007 Total Appropriations	Change in Fund Balance	2007 Estimated End Balance
TARGET CENTER	1,255,092	0	0	0	1,255,092
TAX INCREMENT - DEBT SERVICE	310,131	15,195,863	15,195,863	0	310,131
Total Debt Service	49,028,287	119,967,801	117,016,648	2,951,153	51,979,440
DEFAULTED PROPERTY ADMINISTRATION	-1,460,444	2,783,000	71,631	2,711,369	1,250,925
FED HOME LN BANK ECON DEVELOP	0	0	127,000	-127,000	-127,000
FHLB HOUSING DEVELOPMENT	0	0	0	0	0
GARFS	45,417,000	225,000	1,626,141	-1,401,141	44,015,859
HOME OWNERSHIP & RENOVATION	0	0	100,000	-100,000	-100,000
HOUSING OWNWERSHIP PROGRAM	0	0	400,000	-400,000	-400,000
Library Pkg Enterprise Fund	0	929,693	785,150	144,543	144,543
LOAN & GRANT PROGRAMS	0	0	0	0	0
MUNICIPAL PARKING ENTERPRISE FUND	71,882,000	78,525,749	84,410,987	-5,885,238	65,996,762
PARK - OPERATIONS - ENTERPRISE	0	12,374,060	11,775,053	599,007	599,007
RIVER TERMINAL	0	2,300,000	2,229,218	70,782	70,782
Sanitary Sewer Fund	86,307,000	45,165,254	44,078,284	1,086,970	87,393,970
SOLID WASTE - ENTERPRISE	20,248,000	33,896,200	37,813,483	-3,917,283	16,330,717
Stormwater Fund	216,404,000	41,398,253	40,164,956	1,233,297	217,637,297
WATER ENTERPRISE FUND	137,562,000	78,421,544	74,280,207	4,141,337	141,703,337
Total Enterprise Funds	576,359,556	296,018,753	297,862,110	-1,843,357	574,516,199
EQUIPMENT - INTERNAL SERVICE	15,403,000	46,140,500	53,895,930	-7,755,430	7,647,570
INFO TECH - INTERNAL SERVICE	-34,256,000	45,529,499	31,903,835	13,625,664	-20,630,336
MATERIALS & LAB-INTERNAL SVC	371,000	4,381,000	4,421,570	-40,570	330,430
PARK - INTERNAL SERVICE	0	5,249,099	5,249,099	0	0
PARK-SELF INSURE-INTERNAL SVC	0	2,550,221	2,550,221	0	0
PROPERTY SERVICES INTERNAL SERVICE FUND	29,746,890	16,154,000	16,258,745	-104,745	29,642,145
SELF INSURANCE-INTERNAL SVC	-36,040,000	88,656,640	84,214,933	4,441,707	-31,598,293
STORES - INTERNAL SERVICE	3,044,000	3,589,500	3,608,007	-18,507	3,025,493
Total Internal Service Funds	-21,731,110	212,250,459	202,102,340	10,148,119	-11,582,991
INVESTMENT POOL	798,230	0	0	0	798,230
Total Investment Management Funds	798,230	0	0	0	798,230
Default	0	0	0	0	0
PUBLIC HOUSING AUTHORITY	-520,645	0	0	0	-520,645
Total Agency - Inactive	-520,645	0	0	0	-520,645
TOTAL ALL FUNDS	1,033,063,079	1,350,354,881	1,341,027,511	9,327,370	1,042,390,449

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
General Fund - City :					
GENERAL FUND(0100)					
Property Taxes	85,998,383	97,492,974	112,688,883	123,909,458	10.0%
Sales and Other Taxes	6,939	8,538	0	0	0.0%
Franchise Fees	25,120,633	27,702,092	22,310,000	27,110,000	21.5%
Licenses and Permits	24,147,964	25,043,677	24,864,409	25,999,355	4.6%
State Government	76,757,431	79,466,475	86,419,620	78,118,684	-9.6%
Local Government	711,904	823,419	781,394	750,608	-3.9%
Charges for Service	28,094,058	33,881,791	36,455,999	35,581,566	-2.4%
Charges for Sales	87,605	94,799	42,700	49,195	15.2%
Fines and Forfeits	8,910,080	10,015,993	10,384,877	10,172,877	-2.0%
Special Assessments	2,628,190	2,838,906	2,762,585	2,782,926	0.7%
Interest	1,158,996	1,622,977	1,860,029	1,860,202	0.0%
Gains	-615,432	329,479	0	0	0.0%
Rents	19,616	8,184	10,800	10,800	0.0%
Contributions	316,777	10,606	297,500	297,500	0.0%
Other Misc Revenues	690,843	674,360	744,292	1,049,837	41.1%
Operating Transfers In	12,697,809	17,980,893	18,849,750	20,241,000	7.4%
Total GENERAL FUND	266,731,798	297,995,165	318,472,838	327,934,008	3.0%
Total General Fund - City	266,731,798	297,995,165	318,472,838	327,934,008	3.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>GRANTS - FEDERAL(0300)</u>					
Federal Government	17,077,670	16,606,886	25,338,986	23,070,038	-9.0%
State Government	-51,575	0	0	0	0.0%
Interest	10,159	75,146	0	0	0.0%
Contributions	0	-0	0	0	0.0%
Other Misc Revenues	-899,747	2,382,628	43,416	45,000	3.6%
Total GRANTS - FEDERAL	16,136,507	19,064,660	25,382,402	23,115,038	-8.9%
<u>CDBG & UDAG FUNDS(0400)</u>					
Federal Government	17,197,625	23,657,722	20,068,290	17,076,000	-14.9%
Other Misc Revenues	0	0	600,000	600,000	0.0%
Total CDBG & UDAG FUNDS	17,197,625	23,657,722	20,668,290	17,676,000	-14.5%
<u>GRANTS - OTHER(0600)</u>					
Sales and Other Taxes	11,375	13,000	45,900	54,640	19.0%
Federal Government	0	0	0	0	0.0%
State Government	6,148,717	5,248,850	5,969,420	6,316,808	5.8%
Local Government	611,120	654,942	206,308	196,000	-5.0%
Charges for Service	82,835	189,432	1,264,124	1,449,504	14.7%
Charges for Sales	810	3,528	0	0	0.0%
Interest	36,412	22,937	10,000	10,000	0.0%
Contributions	433,595	451,694	1,027,999	666,676	-35.1%
Other Misc Revenues	218,514	151,277	218,269	211,472	-3.1%
Operating Transfers In	103,153	86,949	0	0	0.0%
Total GRANTS - OTHER	7,646,532	6,822,610	8,742,020	8,905,100	1.9%
<u>CONVENTION CENTER OPERATIONS(0760)</u>					
Sales and Other Taxes	52,169,306	55,064,219	54,811,000	56,316,825	2.7%
Charges for Service	4,999,515	6,219,718	5,660,000	5,925,000	4.7%
Interest	195,337	573,322	422,371	422,371	0.0%
Gains	-62,924	42,762	0	0	0.0%
Rents	6,467,613	6,867,231	7,415,000	6,290,000	-15.2%
Other Misc Revenues	2,694,176	3,121,147	2,570,000	2,460,500	-4.3%
Operating Transfers In	0	2,531,000	3,031,000	500,000	-83.5%
Total CONVENTION CENTER OPERATIONS	66,463,024	74,419,398	73,909,371	71,914,696	-2.7%
<u>EMPLOYEE RETIREMENT(0990)</u>					
Property Taxes	6,858,543	2,882,607	6,345,500	8,928,780	40.7%
Sales and Other Taxes	555	248	0	0	0.0%
State Government	9,248,528	8,687,468	15,612,978	7,871,332	-49.6%
Fines and Forfeits	206,289	209,784	0	0	0.0%
Other Misc Revenues	0	790,844	0	0	0.0%
Operating Transfers In	0	2,000,000	0	0	0.0%
Proceeds of Fixed Asset Disposal	0	0	21,443,107	0	-100.0%
Total EMPLOYEE RETIREMENT	16,313,915	14,570,951	43,401,585	16,800,112	-61.3%
<u>BOARD OF ESTIMATE AND TAXATION(1000)</u>					
Property Taxes	150,312	155,811	224,662	235,609	4.9%
Sales and Other Taxes	12	13	0	0	0.0%
State Government	205	216	0	0	0.0%
Other Misc Revenues	43	0	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>BOARD OF ESTIMATE AND TAXATION(1000)</u>					
Operating Transfers In	92,000	98,000	0	0	0.0%
Proceeds of Long Term Liabilities	0	0	105,000	105,000	0.0%
Total BOARD OF ESTIMATE AND TAXATION	242,572	254,040	329,662	340,609	3.3%
<u>MUNICIPAL BUILDING COMMISSION(1100)</u>					
Property Taxes	3,501,786	3,496,510	3,762,226	3,932,315	4.5%
Sales and Other Taxes	283	304	0	0	0.0%
State Government	257,798	403,656	282,757	252,275	-10.8%
Charges for Service	3,114,475	3,161,751	3,330,691	3,479,839	4.5%
Charges for Sales	93,659	101,664	90,000	2,200	-97.6%
Rents	52,908	52,107	47,000	50,000	6.4%
Other Misc Revenues	5,673	2,903	900	600	-33.3%
Operating Transfers In	0	0	0	0	0.0%
Total MUNICIPAL BUILDING COMMISSION	7,026,583	7,218,895	7,513,574	7,717,229	2.7%
<u>Historic Preservation Fund(110H)</u>					
Rents	5,671	11,902	0	0	0.0%
Other Misc Revenues	162	162	0	0	0.0%
Total Historic Preservation Fund	5,833	12,064	0	0	0.0%
<u>PARK - GENERAL FUND(1500)</u>					
Property Taxes	28,541,108	34,488,378	37,303,313	39,205,673	5.1%
Sales and Other Taxes	2,311	3,000	3,000	3,000	0.0%
Licenses and Permits	104,090	100,056	99,000	99,000	0.0%
State Government	7,943,295	12,014,812	11,971,632	10,769,903	-10.0%
Local Government	10,800	0	123,790	123,790	0.0%
Charges for Service	1,390,962	1,239,589	1,095,182	1,155,594	5.5%
Charges for Sales	2,042	14,865	2,000	2,000	0.0%
Fines and Forfeits	583,862	519,155	551,500	551,500	0.0%
Interest	0	0	0	0	0.0%
Rents	311,361	550,141	448,300	498,042	11.1%
Contributions	149,111	177,003	2,500	2,500	0.0%
Other Misc Revenues	2,720	104,977	6,200	6,200	0.0%
Operating Transfers In	483,259	547,875	1,544,000	495,000	-67.9%
Total PARK - GENERAL FUND	39,524,922	49,759,851	53,150,417	52,912,202	-0.4%
<u>PARK - MUSEUM (ART INSTITUTE)(1600)</u>					
Property Taxes	7,851,257	8,836,765	9,062,835	10,136,944	11.9%
Total PARK - MUSEUM (ART INSTITUTE)	7,851,257	8,836,765	9,062,835	10,136,944	11.9%
<u>PARK - FORESTRY(1700)</u>					
Property Taxes	5,801,588	0	0	0	0.0%
Sales and Other Taxes	470	0	0	0	0.0%
State Government	2,958,459	0	0	0	0.0%
Local Government	0	0	0	0	0.0%
Charges for Service	82,499	0	0	0	0.0%
Charges for Sales	0	0	0	0	0.0%
Other Misc Revenues	3,615	0	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>PARK - FORESTRY(1700)</u>					
Operating Transfers In	19,798	0	0	0	0.0%
Total PARK - FORESTRY	8,866,429	0	0	0	0.0%
<u>LIBRARY - GENERAL FUND(1800)</u>					
Property Taxes	11,653,017	11,639,178	12,532,920	13,119,117	4.7%
Sales and Other Taxes	943	1,012	0	0	0.0%
Federal Government	44,186	77,426	95,000	95,000	0.0%
State Government	7,038,645	7,394,326	7,862,197	7,047,469	-10.4%
Local Government	0	19,450	0	0	0.0%
Charges for Service	469,460	492,040	499,665	536,265	7.3%
Charges for Sales	0	2,523	300	300	0.0%
Fines and Forfeits	0	0	250	250	0.0%
Rents	15,052	18,875	101,885	126,885	24.5%
Contributions	252,280	261,283	247,200	932,067	277.0%
Other Misc Revenues	17,484	153,529	3,400	5,400	58.8%
Operating Transfers In	32,682	2,025,110	20,000	1,225,000	6,025.0%
Total LIBRARY - GENERAL FUND	19,523,749	22,084,752	21,362,817	23,087,753	8.1%
<u>PARK - GRANT & SPECIAL REVENUE(1950)</u>					
State Government	0	0	12,000	12,000	0.0%
Local Government	1,087,904	1,129,384	474,500	525,000	10.6%
Charges for Service	851,900	929,497	800,000	961,753	20.2%
Charges for Sales	0	1,522	0	0	0.0%
Fines and Forfeits	18	0	6,000	6,000	0.0%
Rents	81,626	188,083	21,600	21,600	0.0%
Contributions	278,630	297,872	0	100,000	0.0%
Other Misc Revenues	46,077	36,588	3,000	3,000	0.0%
Operating Transfers In	339,965	31,535	0	0	0.0%
Total PARK - GRANT & SPECIAL REVENUE	2,686,120	2,614,480	1,317,100	1,629,353	23.7%
<u>PARK-SPEC REV-INTEREST BEARING(1960)</u>					
Interest	158	529	0	0	0.0%
Gains	-73	53	0	0	0.0%
Contributions	10,000	0	0	0	0.0%
Total PARK-SPEC REV-INTEREST BEARING	10,086	583	0	0	0.0%
<u>POLICE DEPT - SPECIAL REVENUE(2100)</u>					
Sales and Other Taxes	254,022	206,453	318,380	279,211	-12.3%
Licenses and Permits	400,612	445,918	466,049	485,717	4.2%
Charges for Service	846,350	900,816	906,819	927,024	2.2%
Charges for Sales	0	345	0	0	0.0%
Fines and Forfeits	524,921	454,440	347,067	451,550	30.1%
Interest	0	0	0	0	0.0%
Other Misc Revenues	104	4,347	221,110	0	-100.0%
Operating Transfers In	500,462	333,600	0	0	0.0%
Total POLICE DEPT - SPECIAL REVENUE	2,526,472	2,345,919	2,259,425	2,143,502	-5.1%
<u>YOUTH COORDINATING BOARD(2200)</u>					
Federal Government	756,693	874,057	372,976	64,803	-82.6%
Local Government	5,015,862	3,652,720	1,700,564	1,576,847	-7.3%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>YOUTH COORDINATING BOARD(2200)</u>					
Interest	29,456	72,157	0	0	0.0%
Gains	-12,571	7,284	16,000	20,000	25.0%
Rents	12,000	12,000	0	0	0.0%
Contributions	261,614	100,000	376,000	300,000	-20.2%
Other Misc Revenues	200	6,188	5,450	5,000	-8.3%
Operating Transfers In	163,950	0	0	0	0.0%
Total YOUTH COORDINATING BOARD	6,227,204	4,724,405	2,470,990	1,966,650	-20.4%
<u>NEIGHBORHOOD REVITAL POLICY(2300)</u>					
State Government	1,714,348	1,665,355	1,512,293	0	-100.0%
Interest	-4,440	1,381	0	0	0.0%
Gains	-2,032	1,586	0	0	0.0%
Other Misc Revenues	36,367	55,978	50,000	0	-100.0%
Total NEIGHBORHOOD REVITAL POLICY	1,744,242	1,724,301	1,562,293	0	-100.0%
<u>ARENA - RESERVE(2600)</u>					
Interest	19,276	69,911	0	0	0.0%
Gains	-10,407	5,675	0	0	0.0%
Operating Transfers In	3,217,414	3,292,475	3,212,500	3,670,000	14.2%
Total ARENA - RESERVE	3,226,282	3,368,061	3,212,500	3,670,000	14.2%
<u>CONVENTION FACILITES - RESERVE(2790)</u>					
Operating Transfers In	1,150,000	1,150,000	1,150,000	1,150,000	0.0%
Total CONVENTION FACILITES - RESERVE	1,150,000	1,150,000	1,150,000	1,150,000	0.0%
<u>MCDA CDBG(FBG0)</u>					
Charges for Service	146,202	43,393	0	0	0.0%
Charges for Sales	974,330	1,165,433	100,000	1,140,000	1,040.0%
Interest	119,329	17,852	0	0	0.0%
Other Misc Revenues	1,295,010	371,747	924,711	460,000	-50.3%
Operating Transfers In	3,172,202	6,358,386	3,909,423	3,909,000	-0.0%
Total MCDA CDBG	5,707,073	7,956,810	4,934,134	5,509,000	11.7%
<u>FEDERAL EMPOWERMENT ZONE(FE20)</u>					
Federal Government	40,366	0	0	0	0.0%
Charges for Sales	0	-1	0	0	0.0%
Other Misc Revenues	56,879	12,701	0	0	0.0%
Operating Transfers In	379,223	0	0	0	0.0%
Total FEDERAL EMPOWERMENT ZONE	476,468	12,700	0	0	0.0%
<u>MCDA FEDERAL GRANTS-OTHER(FGO0)</u>					
Federal Government	22,438	158,917	0	4,156,929	0.0%
Charges for Sales	84,338	160,989	0	1,500,000	0.0%
Interest	12,713	12,831	0	0	0.0%
Other Misc Revenues	-176,592	191,226	0	10,000	0.0%
Operating Transfers In	4,782,025	4,717,208	0	0	0.0%
Total MCDA FEDERAL GRANTS-OTHER	4,724,921	5,241,171	0	5,666,929	0.0%
<u>MCDA UDAG LEVERAGE INVESTMENT(FLF0)</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>MCDA UDAG LEVERAGE INVESTMENT(FLF0)</u>					
Interest	14,451	45,470	0	0	0.0%
Gains	-5,848	4,245	0	0	0.0%
Other Misc Revenues	774,950	77,270	0	0	0.0%
Total MCDA UDAG LEVERAGE INVESTMENT	783,553	126,985	0	0	0.0%
<u>MCDA NEIGHBORHOOD DEVEL ACCT(FNA0)</u>					
Charges for Sales	199,850	0	0	0	0.0%
Interest	0	5,425	0	0	0.0%
Rents	150	-300	0	0	0.0%
Other Misc Revenues	336,789	398,849	0	0	0.0%
Total MCDA NEIGHBORHOOD DEVEL ACCT	536,789	403,974	0	0	0.0%
<u>CPED Operating(GEN0)</u>					
Sales and Other Taxes	235	235	0	0	0.0%
State Government	1,367	1,367	0	0	0.0%
Charges for Service	3,355,914	3,757,604	500	0	-100.0%
Charges for Sales	228,271	248,992	400,000	200,000	-50.0%
Interest	149,111	277,195	0	0	0.0%
Gains	-53,226	35,540	0	0	0.0%
Rents	124,687	106,605	0	0	0.0%
Other Misc Revenues	62,019	28,617	0	0	0.0%
Operating Transfers In	2,100,000	-1,900,000	0	0	0.0%
Total CPED Operating	5,968,378	2,556,154	400,500	200,000	-50.1%
<u>JOINT BOARD(JTB0)</u>					
Charges for Service	3,750	9,750	0	0	0.0%
Interest	703	1,381	0	0	0.0%
Gains	-265	139	0	0	0.0%
Total JOINT BOARD	4,188	11,270	0	0	0.0%
<u>MEDC(MED0)</u>					
Charges for Service	167,402	0	0	0	0.0%
Total MEDC	167,402	0	0	0	0.0%
<u>NRP ADMINISTRATION(SAD0)</u>					
Charges for Service	222,323	573,200	565,000	650,000	15.0%
Interest	1,332	-4,261	0	0	0.0%
Gains	-875	154	0	0	0.0%
Total NRP ADMINISTRATION	222,779	569,094	565,000	650,000	15.0%
<u>COMMUNITY DEVELOPMENT INVESTMENT FUND(S)</u>					
Property Taxes	66,918	-3,115	0	0	0.0%
Charges for Sales	1,000	0	0	0	0.0%
Interest	86,365	135,294	0	0	0.0%
Gains	-31,952	15,818	0	0	0.0%
Other Misc Revenues	2,835	4,860	0	0	0.0%
Operating Transfers In	0	2,000,000	0	0	0.0%
Total COMMUNITY DEVELOPMENT INVESTMENT	125,166	2,152,856	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>DEVELOPMENT ACCOUNT(SDA0)</u>					
Charges for Service	24,000	-24,000	0	0	0.0%
Charges for Sales	18,483	-186,369	0	0	0.0%
Interest	150,175	220,695	0	0	0.0%
Gains	-41,592	16,152	0	0	0.0%
Rents	11,834	0	0	0	0.0%
Other Misc Revenues	1,454	19,423	0	0	0.0%
Operating Transfers In	0	820,415	0	0	0.0%
Total DEVELOPMENT ACCOUNT	164,354	866,317	0	0	0.0%
<u>ECONOMIC DEVELOPMENT PROGRAM(SED0)</u>					
State Government	22,000	0	0	0	0.0%
Charges for Service	1,299,754	1,188,344	2,229,500	1,239,500	-44.4%
Interest	158,050	227,089	0	-1,000,000	0.0%
Gains	-20,713	12,072	0	1,315,000	0.0%
Other Misc Revenues	1,295,394	1,242,978	1,750,000	1,755,000	0.3%
Operating Transfers In	0	0	0	0	0.0%
Total ECONOMIC DEVELOPMENT PROGRAM	2,754,486	2,670,483	3,979,500	3,309,500	-16.8%
<u>HOUSING FINANCE(SFA0)</u>					
Interest	-111	-233	0	0	0.0%
Gains	43	-23	0	0	0.0%
Total HOUSING FINANCE	-68	-256	0	0	0.0%
<u>HOUSING PROGRAM(SHP0)</u>					
Charges for Service	791,587	655,583	1,000,000	1,000,000	0.0%
Charges for Sales	0	0	0	7,000,000	0.0%
Interest	65,265	127,377	0	0	0.0%
Gains	-23,516	12,833	0	0	0.0%
Other Misc Revenues	0	22	0	0	0.0%
Total HOUSING PROGRAM	833,336	795,814	1,000,000	8,000,000	700.0%
<u>HOME OWNERSHIP WORKS(SHW0)</u>					
Local Government	0	2,500	0	0	0.0%
Charges for Service	0	2,000	0	0	0.0%
Charges for Sales	818,300	403,013	0	415,104	0.0%
Interest	-17,726	-16,643	0	0	0.0%
Gains	5,996	-2,534	0	0	0.0%
Total HOME OWNERSHIP WORKS	806,570	388,337	0	415,104	0.0%
<u>MCDA LEVERAGE INVESTMENT(SLFO)</u>					
Interest	22,259	23,858	0	0	0.0%
Gains	-524	320	0	0	0.0%
Rents	0	0	62,020	0	-100.0%
Total MCDA LEVERAGE INVESTMENT	21,736	24,178	62,020	0	-100.0%
<u>MCDA STATE GRANTS & LOAN(SMNO)</u>					
State Government	10,980,777	18,877,237	0	0	0.0%
Local Government	58,636	570,959	0	0	0.0%
Charges for Sales	76,323	50,040	0	0	0.0%
Interest	4,208	28,698	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>MCDA STATE GRANTS & LOAN(SMNO)</u>					
Gains	-5,826	4,635	0	0	0.0%
Other Misc Revenues	180,242	305,005	0	0	0.0%
Operating Transfers In	456,794	0	0	0	0.0%
Total MCDA STATE GRANTS & LOAN	11,751,155	19,836,574	0	0	0.0%
<u>NEIGHBORHOOD HOUSING(SNH0)</u>					
Charges for Sales	150,000	150,000	0	0	0.0%
Other Misc Revenues	35,976	35,976	0	0	0.0%
Total NEIGHBORHOOD HOUSING	185,976	185,976	0	0	0.0%
<u>NRP NON TI(SNR0)</u>					
Interest	0	122,726	0	0	0.0%
Gains	0	371	0	0	0.0%
Operating Transfers In	4,939,544	0	0	0	0.0%
Total NRP NON TI	4,939,544	123,097	0	0	0.0%
<u>COMMUNITY DEVELOPMENT(SPH0)</u>					
Charges for Service	3,750	9,890	8,000	0	-100.0%
Charges for Sales	4,240	14,428	0	300,000	0.0%
Interest	2,327,726	1,528,985	0	0	0.0%
Gains	4,119	-4,123	0	0	0.0%
Rents	0	4,500	0	0	0.0%
Other Misc Revenues	1,723	62,050	1,000,000	0	-100.0%
Operating Transfers In	0	3,527,999	0	0	0.0%
Total COMMUNITY DEVELOPMENT	2,341,558	5,143,729	1,008,000	300,000	-70.2%
<u>RESIDENTIAL HOUSING(SRF0)</u>					
Charges for Service	162,943	122,674	150,000	0	-100.0%
Interest	65,943	107,270	23,700	0	-100.0%
Gains	-15,370	9,704	0	0	0.0%
Other Misc Revenues	783,271	509,012	800,000	650,000	-18.8%
Operating Transfers In	193,829	0	0	0	0.0%
Total RESIDENTIAL HOUSING	1,190,617	748,661	973,700	650,000	-33.2%
<u>THEATRES(STH0)</u>					
Charges for Service	1,073,313	1,415,258	165,000	0	-100.0%
Interest	-1,590	-60,528	0	0	0.0%
Gains	1,567	-2,096	0	0	0.0%
Other Misc Revenues	75,000	75,007	0	90,000	0.0%
Operating Transfers In	100,000	0	0	0	0.0%
Total THEATRES	1,248,290	1,427,641	165,000	90,000	-45.5%
<u>UPPER RIVER LAND BANK(SURO)</u>					
Interest	-217	-1,933	0	0	0.0%
Gains	116	-167	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Special Revenue Funds:</u>					
<u>UPPER RIVER LAND BANK(SUR0)</u>					
Rents	962	0	0	0	0.0%
Total UPPER RIVER LAND BANK	861	-2,100	0	0	0.0%
Total Special Revenue Funds	269,324,486	293,868,922	288,583,135	267,955,721	-7.1%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>Fire Pension Bonds(09F0)</u>					
Interest	64	98,232	0	0	0.0%
Gains	-15	3	0	0	0.0%
Proceeds of Long Term Liabilities	4,747,842	0	0	0	0.0%
Total Fire Pension Bonds	4,747,892	98,235	0	0	0.0%
<u>MERF PENSION BONDS(09M0)</u>					
Interest	142,329	218,621	0	0	0.0%
Gains	-68,352	17,801	0	0	0.0%
Operating Transfers In	0	8,000,000	0	0	0.0%
Total MERF PENSION BONDS	73,978	8,236,422	0	0	0.0%
<u>POLICE PENSION BONDS (09P0)</u>					
Interest	202,197	516,102	0	0	0.0%
Gains	-42,996	-366	0	0	0.0%
Proceeds of Long Term Liabilities	25,041,749	0	0	0	0.0%
Total POLICE PENSION BONDS	25,200,949	515,736	0	0	0.0%
<u>JUNE00 UST/SKYWAY TI BONDS(0P10)</u>					
Interest	10,230	21,162	0	0	0.0%
Gains	-3,917	2,154	0	0	0.0%
Total JUNE00 UST/SKYWAY TI BONDS	6,314	23,315	0	0	0.0%
<u>AUGUST 01 SEWER ARBITRAGE(0S20)</u>					
Interest	25,236	30,438	0	0	0.0%
Gains	-8,718	3,493	0	0	0.0%
Total AUGUST 01 SEWER ARBITRAGE	16,518	33,931	0	0	0.0%
<u>June 03 Sewer Arbitrage(0S30)</u>					
Interest	49,027	47,968	0	0	0.0%
Gains	-17,315	7,364	0	0	0.0%
Total June 03 Sewer Arbitrage	31,712	55,332	0	0	0.0%
<u>June 02 Water Arbitrage(0W30)</u>					
Interest	-2,935	0	0	0	0.0%
Total June 02 Water Arbitrage	-2,935	0	0	0	0.0%
<u>June 03 Water Arbitrage(0W40)</u>					
Interest	56,462	47,740	0	0	0.0%
Gains	-17,657	5,843	0	0	0.0%
Total June 03 Water Arbitrage	38,806	53,583	0	0	0.0%
<u>PARK-CAPITAL IMPROVEMENT-ASSESSED FUND(</u>					
Special Assessments	3,253	3,576	0	0	0.0%
Other Misc Revenues	366,211	730,890	0	0	0.0%
Operating Transfers In	800,000	1,000,000	0	0	0.0%
Proceeds of Long Term Liabilities	0	0	500,000	500,000	0.0%
Total PARK-CAPITAL IMPROVEMENT-ASSESSED	1,169,463	1,734,466	500,000	500,000	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>CITY-CAPITAL IMPROVEMENTS FUND(4100)</u>					
Property Taxes	2,159,851	1,867,518	1,859,295	1,586,620	-14.7%
Sales and Other Taxes	175	162	0	0	0.0%
Licenses and Permits	231,154	344,926	230,000	230,000	0.0%
Federal Government	7,114,801	3,982,605	264,000	3,547,000	1,243.6%
State Government	14,349,059	8,536,485	10,731,000	6,134,000	-42.8%
Local Government	1,791,768	702,269	1,415,000	605,000	-57.2%
Charges for Service	3,155,364	4,039,649	7,071,000	5,585,000	-21.0%
Charges for Sales	126,407	147,482	0	0	0.0%
Special Assessments	1,416,732	1,353,515	8,892,000	3,850,000	-56.7%
Interest	-1,995	8,166	600,000	0	-100.0%
Rents	26,165	0	0	0	0.0%
Contributions	371,704	4,500	0	0	0.0%
Other Misc Revenues	1,336,808	1,067,012	15,000	165,000	1,000.0%
Operating Transfers In	28,605,274	19,555,683	0	2,395,000	0.0%
Proceeds of Long Term Liabilities	0	0	28,581,000	11,925,000	-58.3%
Total CITY-CAPITAL IMPROVEMENTS FUND	60,683,268	41,609,971	59,658,295	36,022,620	-39.6%
<u>MBC-CAPITAL IMPROVEMENTS FUND(4200)</u>					
Property Taxes	0	0	0	0	0.0%
Local Government	0	0	0	0	0.0%
Charges for Service	761,795	1,567,608	0	0	0.0%
Other Misc Revenues	50,000	0	200,000	0	-100.0%
Operating Transfers In	991,565	651,211	0	0	0.0%
Proceeds of Long Term Liabilities	0	0	1,260,000	735,000	-41.7%
Total MBC-CAPITAL IMPROVEMENTS FUND	1,803,360	2,218,820	1,460,000	735,000	-49.7%
<u>PARK-CAPITAL IMPROVEMENT FUND(4300)</u>					
Property Taxes	0	0	0	0	0.0%
Federal Government	556,534	1,364,411	250,000	250,000	0.0%
State Government	479,940	204,108	500,000	500,000	0.0%
Local Government	1,839,829	2,397,222	250,000	250,000	0.0%
Charges for Service	215,616	0	21,400	0	-100.0%
Charges for Sales	2,660	1,865	500	0	-100.0%
Contributions	343,737	645,186	0	0	0.0%
Other Misc Revenues	120	0	0	0	0.0%
Operating Transfers In	4,356,000	2,930,904	1,911,332	1,575,000	-17.6%
Proceeds of Long Term Liabilities	0	0	1,170,000	505,000	-56.8%
Total PARK-CAPITAL IMPROVEMENT FUND	7,794,436	7,543,697	4,103,232	3,080,000	-24.9%
<u>LIBRARY-CAPITAL IMPROVEMENTS FUND(4400)</u>					
State Government	0	320,000	0	0	0.0%
Local Government	0	67,700	0	0	0.0%
Charges for Service	150,000	151,440	0	0	0.0%
Charges for Sales	0	8,152	0	0	0.0%
Contributions	250,000	0	0	0	0.0%
Operating Transfers In	46,496,841	49,447,877	0	0	0.0%
Proceeds of Long Term Liabilities	0	0	3,070,000	850,000	-72.3%
Total LIBRARY-CAPITAL IMPROVEMENTS FUND	46,896,841	49,995,169	3,070,000	850,000	-72.3%
<u>August 01 Variable Purpose(4A10)</u>					
Interest	9,491	16,597	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>August 01 Variable Purpose(4A10)</u>					
Gains	-3,591	1,931	0	0	0.0%
Total August 01 Variable Purpose	5,900	18,528	0	0	0.0%
<u>JUNE 02 VARIOUS PURPOSE BONDS(4A30)</u>					
Interest	32,494	7,197	0	0	0.0%
Gains	-8,962	1,181	0	0	0.0%
Total JUNE 02 VARIOUS PURPOSE BONDS	23,532	8,378	0	0	0.0%
<u>DEC02 VARIOUS PURPOSE BONDS(4A40)</u>					
Interest	4,804	16	0	0	0.0%
Gains	-1,067	-3	0	0	0.0%
Total DEC02 VARIOUS PURPOSE BONDS	3,737	14	0	0	0.0%
<u>Jun 03 Various Purpose Bonds(4A50)</u>					
Interest	244,822	207,154	0	0	0.0%
Gains	-77,979	28,383	0	0	0.0%
Total Jun 03 Various Purpose Bonds	166,842	235,537	0	0	0.0%
<u>96 IMPROVEMENT BONDS(4A60)</u>					
Interest	241,890	307,862	0	0	0.0%
Gains	24,965	-24,251	0	0	0.0%
Proceeds of Long Term Liabilities	18,225,123	0	0	0	0.0%
Total 96 IMPROVEMENT BONDS	18,491,977	283,611	0	0	0.0%
<u>97 IMPROVEMENT BONDS(4A70)</u>					
Interest	0	400,852	0	0	0.0%
Gains	0	-16	0	0	0.0%
Proceeds of Long Term Liabilities	0	20,340,176	0	0	0.0%
Total 97 IMPROVEMENT BONDS	0	20,741,012	0	0	0.0%
<u>JUNE99 VARIOUS PURPOSE BONDS(4A90)</u>					
Interest	19,316	30,015	0	0	0.0%
Gains	-6,803	3,019	0	0	0.0%
Total JUNE99 VARIOUS PURPOSE BONDS	12,513	33,034	0	0	0.0%
<u>Oct05 Var Purp Refunding Bonds(4B10)</u>					
Interest	0	78,520	0	0	0.0%
Gains	0	157	0	0	0.0%
Proceeds of Long Term Liabilities	0	2,168,555	0	0	0.0%
Total Oct05 Var Purp Refunding Bonds	0	2,247,232	0	0	0.0%
<u>97 SERIES B BONDS(4C70)</u>					
Interest	374	0	0	0	0.0%
Gains	-116	0	0	0	0.0%
Total 97 SERIES B BONDS	258	0	0	0	0.0%
<u>June03 Heritage Park Arbitrage(4H10)</u>					
Interest	89,899	179,603	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>June03 Heritage Park Arbitrage(4H10)</u>					
Gains	-34,433	18,538	0	0	0.0%
Total June03 Heritage Park Arbitrage	55,466	198,141	0	0	0.0%
<u>IMPROV BOND ARBITRAGE(4I20)</u>					
Interest	1,327	2,725	0	0	0.0%
Gains	-508	274	0	0	0.0%
Total IMPROV BOND ARBITRAGE	819	2,999	0	0	0.0%
<u>NOV03 IMPROV BOND ARBITRAGE(4I30)</u>					
Interest	18	0	0	0	0.0%
Gains	-10	-0	0	0	0.0%
Total NOV03 IMPROV BOND ARBITRAGE	8	-0	0	0	0.0%
<u>NOV04 IMPROV BOND ARBITRAGE(4I40)</u>					
Interest	-3,658	18,426	0	0	0.0%
Gains	-1,887	1,927	0	0	0.0%
Proceeds of Long Term Liabilities	9,818,804	0	0	0	0.0%
Total NOV04 IMPROV BOND ARBITRAGE	9,813,258	20,353	0	0	0.0%
<u>NOV05 IMPROV BOND ARBITRAGE(4I50)</u>					
Interest	0	31,331	0	0	0.0%
Gains	0	201	0	0	0.0%
Proceeds of Long Term Liabilities	0	4,646,041	0	0	0.0%
Total NOV05 IMPROV BOND ARBITRAGE	0	4,677,573	0	0	0.0%
<u>OCT03 LIBRARY REF BONDS(4L20)</u>					
Interest	431,654	13,354	0	0	0.0%
Gains	-110,041	7,576	0	0	0.0%
Total OCT03 LIBRARY REF BONDS	321,614	20,930	0	0	0.0%
<u>NOV04 Library Ref Bonds(4L30)</u>					
Interest	2,190	-14,374	0	0	0.0%
Gains	-7,214	7,119	0	0	0.0%
Proceeds of Long Term Liabilities	29,261,120	0	0	0	0.0%
Total NOV04 Library Ref Bonds	29,256,095	-7,255	0	0	0.0%
<u>June 05 Library Referndm Bnds(4L40)</u>					
Interest	0	341,607	0	0	0.0%
Gains	0	-37	0	0	0.0%
Proceeds of Long Term Liabilities	0	30,110,789	0	0	0.0%
Total June 05 Library Referndm Bnds	0	30,452,358	0	0	0.0%
<u>NOV04 MILLQTR PKG BONDS(4P10)</u>					
Interest	0	186,947	0	0	0.0%
Gains	0	173	0	0	0.0%
Total NOV04 MILLQTR PKG BONDS	0	187,120	0	0	0.0%
<u>ARBITRAGE 1993 PARK BONDS(4U00)</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>ARBITRAGE 1993 PARK BONDS(4U00)</u>					
Interest	270	558	0	0	0.0%
Gains	-103	56	0	0	0.0%
Total ARBITRAGE 1993 PARK BONDS	167	614	0	0	0.0%
<u>ARBITRAGE 1995 PARK BONDS(4Y00)</u>					
Interest	266	0	0	0	0.0%
Gains	-67	0	0	0	0.0%
Total ARBITRAGE 1995 PARK BONDS	199	0	0	0	0.0%
<u>JUNE00 VARIOUS PURPOSE BONDS(4Z00)</u>					
Interest	4,270	8,770	0	0	0.0%
Gains	-1,628	882	0	0	0.0%
Total JUNE00 VARIOUS PURPOSE BONDS	2,642	9,653	0	0	0.0%
<u>Jun 03 Equipment Arbitrage(61C0)</u>					
Interest	9,232	0	0	0	0.0%
Total Jun 03 Equipment Arbitrage	9,232	0	0	0	0.0%
<u>JUNE 03 PROP SERV ARBITRAGE(62A0)</u>					
Interest	1,728	5,698	0	0	0.0%
Gains	0	0	0	0	0.0%
Total JUNE 03 PROP SERV ARBITRAGE	1,728	5,698	0	0	0.0%
<u>June 03 BIS Arbitrage(64A0)</u>					
Interest	1,054	0	0	0	0.0%
Total June 03 BIS Arbitrage	1,054	0	0	0	0.0%
<u>900 NICOLLET TAXABLE(75B0)</u>					
Interest	30,448	63,363	0	0	0.0%
Gains	-11,660	6,408	0	0	0.0%
Total 900 NICOLLET TAXABLE	18,788	69,772	0	0	0.0%
<u>AUG 01 LRT EAST RAMP(75C0)</u>					
Interest	3,667	3,580	0	0	0.0%
Gains	-1,404	752	0	0	0.0%
Total AUG 01 LRT EAST RAMP	2,263	4,332	0	0	0.0%
<u>WALKER RAMP ARBITRAGE(75D0)</u>					
Interest	2,604	16	0	0	0.0%
Gains	-514	-1	0	0	0.0%
Total WALKER RAMP ARBITRAGE	2,090	14	0	0	0.0%
<u>Dec 03 Guthrie Ramp Arbitrage(75E0)</u>					
Interest	139,654	13,916	0	0	0.0%
Gains	-33,812	3,615	0	0	0.0%
Total Dec 03 Guthrie Ramp Arbitrage	105,843	17,531	0	0	0.0%
<u>Village Green Escrow(75V0)</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>Village Green Escrow(75V0)</u>					
Interest	0	23,421	0	0	0.0%
Gains	0	-0	0	0	0.0%
Total Village Green Escrow	0	23,421	0	0	0.0%
<u>HENNEPIN ENTERTAINMENT TE BOND(AHE0)</u>					
Interest	24,425	44,595	0	0	0.0%
Gains	-9,194	4,849	0	0	0.0%
Total HENNEPIN ENTERTAINMENT TE BOND	15,231	49,444	0	0	0.0%
<u>HUMBOLDT GREENWAY TE BONDS(AHG0)</u>					
Interest	65,386	-275,980	0	0	0.0%
Gains	-25,040	13,460	0	0	0.0%
Total HUMBOLDT GREENWAY TE BONDS	40,346	-262,520	0	0	0.0%
<u>Urban Village TE Bonds(AUV0)</u>					
Interest	23,592	66,671	0	0	0.0%
Gains	258	-263	0	0	0.0%
Total Urban Village TE Bonds	23,850	66,408	0	0	0.0%
<u>West Side Milling TE Bonds(AWM0)</u>					
Interest	11,166	9,012	0	0	0.0%
Gains	-3,337	925	0	0	0.0%
Total West Side Milling TE Bonds	7,829	9,937	0	0	0.0%
<u>West Side Milling TE Bonds II(BWM0)</u>					
State Government	22,318	0	0	0	0.0%
Charges for Service	8,222	0	0	0	0.0%
Interest	21,347	35,564	0	0	0.0%
Gains	-8,155	4,340	0	0	0.0%
Other Misc Revenues	4,500	11,657	0	0	0.0%
Total West Side Milling TE Bonds II	48,233	51,561	0	0	0.0%
<u>BLOCK 33(C330)</u>					
Property Taxes	8,176	9,622	13,660	15,139	10.8%
State Government	2,834	3,131	0	0	0.0%
Interest	1,027	1,995	0	0	0.0%
Gains	-417	242	0	0	0.0%
Total BLOCK 33	11,619	14,990	13,660	15,139	10.8%
<u>TAX INCREMENT ADMINISTRATION(CAD0)</u>					
Charges for Service	0	165	0	0	0.0%
Charges for Sales	84,027	0	0	0	0.0%
Interest	9,027	-21,837	0	0	0.0%
Gains	-2,203	-993	0	0	0.0%
Other Misc Revenues	0	1,003	0	0	0.0%
Operating Transfers In	0	657,500	0	0	0.0%
Total TAX INCREMENT ADMINISTRATION	90,851	635,837	0	0	0.0%
<u>CAMDEN MEDICAL FACILITY(CAM0)</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>CAMDEN MEDICAL FACILITY(CAM0)</u>					
Property Taxes	34,991	36,145	36,506	40,746	11.6%
Interest	539	630	0	0	0.0%
Gains	-321	109	0	0	0.0%
Total CAMDEN MEDICAL FACILITY	35,210	36,885	36,506	40,746	11.6%
<u>St. Anne's Housing(CAN0)</u>					
Property Taxes	0	0	0	2,184	0.0%
Interest	0	0	0	0	0.0%
Total St. Anne's Housing	0	0	0	2,184	0.0%
<u>Antiques Minnesota(CAQ0)</u>					
Property Taxes	0	1,405	0	37,517	0.0%
Interest	0	13	0	0	0.0%
Gains	0	0	0	0	0.0%
Total Antiques Minnesota	0	1,419	0	37,517	0.0%
<u>COMMON PROJECT UNCERTIFIED(CAZ0)</u>					
Charges for Service	330,811	300,147	0	0	0.0%
Charges for Sales	220,438	3,163,377	0	1,428,670	0.0%
Interest	18,513	105,707	0	0	0.0%
Gains	-7,724	5,351	0	0	0.0%
Rents	559,515	248,710	0	50,000	0.0%
Other Misc Revenues	240,933	501,423	0	0	0.0%
Total COMMON PROJECT UNCERTIFIED	1,362,486	4,324,715	0	1,478,670	0.0%
<u>WEST BROADWAY(CBA0)</u>					
Property Taxes	615,042	643,574	729,207	801,065	9.9%
State Government	12,522	12,265	0	0	0.0%
Interest	1,894	3,809	0	0	0.0%
Gains	-1,949	831	0	0	0.0%
Other Misc Revenues	27,951	27,951	0	0	0.0%
Total WEST BROADWAY	655,460	688,430	729,207	801,065	9.9%
<u>EAST BANK 1335(CBB0)</u>					
Property Taxes	1,988,997	2,046,170	2,414,588	2,505,465	3.8%
State Government	119,798	111,594	0	0	0.0%
Charges for Sales	12,395	0	0	0	0.0%
Interest	-6,290	8,578	0	0	0.0%
Gains	-1,364	3,074	0	0	0.0%
Total EAST BANK 1335	2,113,536	2,169,417	2,414,588	2,505,465	3.8%
<u>GRANT(CBC0)</u>					
Property Taxes	707,563	736,047	788,737	685,491	-13.1%
Charges for Sales	6,296	30,483	0	0	0.0%
Interest	2,467	4,886	0	0	0.0%
Gains	-2,146	1,070	0	0	0.0%
Total GRANT	714,180	772,485	788,737	685,491	-13.1%
<u>CHICAGO AND LAKE(CBD0)</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>CHICAGO AND LAKE(CBD0)</u>					
Property Taxes	153,690	142,167	143,589	146,448	2.0%
Interest	5,241	1,737	0	0	0.0%
Gains	-1,511	309	0	0	0.0%
Total CHICAGO AND LAKE	157,419	144,213	143,589	146,448	2.0%
<u>NINTH & HENNEPIN(CBE0)</u>					
Property Taxes	8,934	60,692	83,194	56,775	-31.8%
Charges for Sales	0	0	0	500,000	0.0%
Interest	3,763	5,549	0	0	0.0%
Gains	-1,474	741	0	30,000	0.0%
Rents	13,986	0	0	0	0.0%
Total NINTH & HENNEPIN	25,210	66,983	83,194	586,775	605.3%
<u>NORTH LOOP(CBF0)</u>					
Property Taxes	7,676,963	7,266,312	8,052,619	8,535,171	6.0%
State Government	66,098	59,028	0	0	0.0%
Interest	-11,037	13,380	0	0	0.0%
Gains	-4,526	7,680	0	0	0.0%
Total NORTH LOOP	7,727,498	7,346,400	8,052,619	8,535,171	6.0%
<u>INDUSTRY SQUARE(CBG0)</u>					
Property Taxes	2,138,141	2,308,472	2,430,787	2,532,621	4.2%
State Government	444	465	0	0	0.0%
Interest	7,911	8,171	0	0	0.0%
Gains	-8,058	3,052	0	0	0.0%
Total INDUSTRY SQUARE	2,138,438	2,320,160	2,430,787	2,532,621	4.2%
<u>SEWARD SOUTH(CBH0)</u>					
Property Taxes	1,855,369	1,852,736	1,933,099	2,030,856	5.1%
State Government	8,163	7,498	0	0	0.0%
Interest	11,674	10,176	0	0	0.0%
Gains	-4,988	2,680	0	0	0.0%
Other Misc Revenues	8,166	8,166	0	0	0.0%
Total SEWARD SOUTH	1,878,384	1,881,257	1,933,099	2,030,856	5.1%
<u>CEDAR RIVERSIDE(CBJ0)</u>					
Property Taxes	1,996,825	2,921,832	3,053,918	3,189,550	4.4%
State Government	96,466	102,174	0	0	0.0%
Charges for Service	9,830	0	0	0	0.0%
Interest	26,077	17,129	0	0	0.0%
Gains	-7,252	2,379	0	2,462	0.0%
Rents	11,974	11,172	0	0	0.0%
Total CEDAR RIVERSIDE	2,133,920	3,054,686	3,053,918	3,192,012	4.5%
<u>HOUSING FOR CHRONIC ALCOHOLICS(CBL0)</u>					
Property Taxes	40,299	46,012	46,472	27,002	-41.9%
Interest	81	824	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>HOUSING FOR CHRONIC ALCOHOLICS(CBL0)</u>					
Gains	-115	116	0	0	0.0%
Total HOUSING FOR CHRONIC ALCOHOLICS	40,265	46,952	46,472	27,002	-41.9%
<u>HENNEPIN & LAKE(CBM0)</u>					
Property Taxes	1,016,635	1,152,869	1,165,264	1,307,157	12.2%
Interest	3,069	9,956	0	0	0.0%
Gains	-2,094	1,625	0	0	0.0%
Total HENNEPIN & LAKE	1,017,609	1,164,449	1,165,264	1,307,157	12.2%
<u>BROADWAY 35-W(CBN0)</u>					
Property Taxes	1,523,632	1,444,166	1,505,131	1,416,612	-5.9%
Interest	3,279	10,665	0	0	0.0%
Gains	-3,349	3,073	0	0	0.0%
Total BROADWAY 35-W	1,523,562	1,457,904	1,505,131	1,416,612	-5.9%
<u>BOTTINEAU(CBO0)</u>					
Property Taxes	77,585	124,705	131,476	153,465	16.7%
State Government	0	1,377	0	0	0.0%
Interest	-173	99	0	0	0.0%
Gains	13	-11	0	0	0.0%
Total BOTTINEAU	77,424	126,170	131,476	153,465	16.7%
<u>FRANKLIN AVENUE(CBP0)</u>					
Property Taxes	42,311	72,515	73,705	70,966	-3.7%
State Government	356	462	0	0	0.0%
Interest	2,494	987	0	0	0.0%
Gains	-637	95	0	0	0.0%
Total FRANKLIN AVENUE	44,524	74,060	73,705	70,966	-3.7%
<u>CONSERVATORY(CBQ0)</u>					
Property Taxes	2,901,882	2,842,837	2,871,331	3,298,007	14.9%
Interest	30,272	3,340	0	0	0.0%
Gains	-14,206	4,430	0	0	0.0%
Total CONSERVATORY	2,917,948	2,850,608	2,871,331	3,298,007	14.9%
<u>LORING PARK(CBT0)</u>					
Property Taxes	4,474,078	4,630,418	4,924,140	4,715,098	-4.2%
State Government	115,950	102,348	0	0	0.0%
Interest	-5,618	26,285	0	0	0.0%
Gains	-4,983	6,674	0	0	0.0%
Total LORING PARK	4,579,427	4,765,725	4,924,140	4,715,098	-4.2%
<u>LAUREL VILLAGE(CBU0)</u>					
Property Taxes	1,136,157	1,001,819	1,011,842	1,068,669	5.6%
Charges for Service	28,337	5,014	0	0	0.0%
Interest	16,753	48,780	0	0	0.0%
Gains	-10,237	6,906	0	7,148	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>LAUREL VILLAGE(CBU0)</u>					
Rents	1,261,202	1,506,606	1,500,000	1,550,000	3.3%
Total LAUREL VILLAGE	2,432,213	2,569,126	2,511,842	2,625,817	4.5%
<u>CITY CENTER(CBX0)</u>					
Property Taxes	2,268,055	896,651	1,796,694	1,871,693	4.2%
Interest	10,366	1,345	0	0	0.0%
Gains	-5,691	3,233	0	0	0.0%
Total CITY CENTER	2,272,730	901,229	1,796,694	1,871,693	4.2%
<u>SOUTH NICOLLET MALL(CBY0)</u>					
Property Taxes	8,163,008	6,737,235	7,176,644	7,872,081	9.7%
Interest	44,059	53,145	0	0	0.0%
Gains	-24,843	13,295	0	0	0.0%
Rents	705,995	949,782	650,170	1,800,000	176.9%
Total SOUTH NICOLLET MALL	8,888,219	7,753,456	7,826,814	9,672,081	23.6%
<u>CENTRAL CARE NURSING HOME(CCC0)</u>					
Interest	-10	-20	0	0	0.0%
Gains	4	-2	0	0	0.0%
Total CENTRAL CARE NURSING HOME	-6	-22	0	0	0.0%
<u>DEEP ROCK TAX INCREMENT(CDR0)</u>					
Property Taxes	107,099	98,886	99,874	0	-100.0%
Interest	1,282	3,145	0	0	0.0%
Gains	-833	279	0	0	0.0%
Total DEEP ROCK TAX INCREMENT	107,547	102,309	99,874	0	-100.0%
<u>DOWNTOWN EAST LRT(CDT0)</u>					
Property Taxes	224,810	915,788	0	0	0.0%
Charges for Service	97,123	0	0	0	0.0%
Interest	-20,325	-32,628	0	0	0.0%
Gains	7,270	-3,840	0	0	0.0%
Total DOWNTOWN EAST LRT	308,877	879,321	0	0	0.0%
<u>2700 EAST LAKE(CEL0)</u>					
Property Taxes	52,029	57,877	56,259	68,846	22.4%
Interest	90	474	0	0	0.0%
Gains	-56	39	0	0	0.0%
Total 2700 EAST LAKE	52,063	58,389	56,259	68,846	22.4%
<u>East Phillips(CEP0)</u>					
Property Taxes	10,265	16,126	16,085	35,106	118.3%
State Government	202	393	0	0	0.0%
Interest	86	257	0	0	0.0%
Gains	-63	53	0	0	0.0%
Total East Phillips	10,490	16,830	16,085	35,106	118.3%
<u>EAST VILLAGE(CEV0)</u>					
Property Taxes	226,194	152,627	191,055	197,006	3.1%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>EAST VILLAGE(CEV0)</u>					
Interest	314	1,670	0	0	0.0%
Gains	-210	144	0	0	0.0%
Total EAST VILLAGE	226,298	154,441	191,055	197,006	3.1%
<u>50TH & FRANCE(CFF0)</u>					
Property Taxes	185,399	183,328	185,161	197,307	6.6%
Interest	673	2,405	0	0	0.0%
Gains	-334	211	0	0	0.0%
Total 50TH & FRANCE	185,738	185,945	185,161	197,307	6.6%
<u>FORMER FED RESERVE(CFR0)</u>					
Property Taxes	251,802	441,756	446,174	552,796	23.9%
Interest	-237	1,573	0	0	0.0%
Gains	-556	359	0	0	0.0%
Total FORMER FED RESERVE	251,009	443,688	446,174	552,796	23.9%
<u>GRAIN BELT(CGB0)</u>					
Property Taxes	124,290	122,848	124,077	136,677	10.2%
Interest	82	823	0	0	0.0%
Gains	-82	64	0	0	0.0%
Total GRAIN BELT	124,289	123,735	124,077	136,677	10.2%
<u>GRACO TI(CGCO)</u>					
Property Taxes	11,862	-168,063	221,149	80,620	-63.5%
Interest	-434	-6,772	0	0	0.0%
Gains	407	-395	0	0	0.0%
Total GRACO TI	11,835	-175,230	221,149	80,620	-63.5%
<u>Grain Belt Housing Dist 132(CGHO)</u>					
Property Taxes	0	6,238	0	43,525	0.0%
State Government	0	35	0	0	0.0%
Interest	0	-965	0	0	0.0%
Gains	0	-5	0	0	0.0%
Total Grain Belt Housing Dist 132	0	5,303	0	43,525	0.0%
<u>110 GRANT(CGR0)</u>					
Property Taxes	365,722	350,055	353,558	357,089	1.0%
Interest	1,397	13,542	0	0	0.0%
Gains	-1,365	1,062	0	0	0.0%
Total 110 GRANT	365,754	364,659	353,558	357,089	1.0%
<u>13th and Harmon(CHA0)</u>					
Property Taxes	264,311	264,311	266,953	274,447	2.8%
Interest	-2,235	-3,290	0	0	0.0%
Gains	741	-372	0	0	0.0%
Total 13th and Harmon	262,817	260,649	266,953	274,447	2.8%
<u>Parcel C Tax Increment District(CHC0)</u>					
Property Taxes	71,057	362,652	371,622	486,537	30.9%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>Parcel C Tax Increment District(CHC0)</u>					
Interest	15,668	33,905	0	0	0.0%
Gains	-6,135	3,452	0	0	0.0%
Total Parcel C Tax Increment District	80,589	400,009	371,622	486,537	30.9%
<u>HISTORIC DEPOT REUSE DIST 93(CHD0)</u>					
Property Taxes	763,107	712,244	719,368	796,286	10.7%
Interest	4,645	8,029	0	0	0.0%
Gains	-3,550	1,799	0	0	0.0%
Total HISTORIC DEPOT REUSE DIST 93	764,203	722,072	719,368	796,286	10.7%
<u>HENNEPIN & 7TH ENTERTAINMENT(CHE0)</u>					
Property Taxes	784,270	1,192,783	1,047,657	122,296	-88.3%
Interest	58,517	146,063	0	0	0.0%
Gains	-24,190	14,024	0	0	0.0%
Rents	0	977,597	1,084,184	2,473,236	128.1%
Total HENNEPIN & 7TH ENTERTAINMENT	818,597	2,330,467	2,131,841	2,595,532	21.8%
<u>HUMBOLDT GREENWAY DIST 98(CHG0)</u>					
Property Taxes	112,879	196,802	223,386	287,619	28.8%
State Government	6,797	11,684	0	301,454	0.0%
Charges for Sales	0	1	0	0	0.0%
Interest	-58,420	291,260	0	0	0.0%
Gains	22,082	-11,961	0	0	0.0%
Total HUMBOLDT GREENWAY DIST 98	83,338	487,787	223,386	589,073	163.7%
<u>HERITAGE LAND APTS(CHL0)</u>					
Property Taxes	461,443	445,299	449,754	455,735	1.3%
Interest	3,784	11,081	0	0	0.0%
Gains	-1,621	990	0	0	0.0%
Contributions	0	18,630	0	0	0.0%
Other Misc Revenues	23,622	0	0	0	0.0%
Total HERITAGE LAND APTS	487,227	476,000	449,754	455,735	1.3%
<u>Heritage Park(CHP0)</u>					
Property Taxes	0	171,005	174,713	86,269	-50.6%
Interest	-5	1,609	0	0	0.0%
Gains	1	10	0	0	0.0%
Total Heritage Park	-4	172,624	174,713	86,269	-50.6%
<u>900 6TH AVENUE SOUTH(CHT0)</u>					
Property Taxes	61,722	57,021	57,590	57,166	-0.7%
Interest	37	374	0	0	0.0%
Gains	-28	30	0	0	0.0%
Total 900 6TH AVENUE SOUTH	61,731	57,425	57,590	57,166	-0.7%
<u>EAST HENNEPIN & UNIVERSITY(CHU0)</u>					
Property Taxes	890,632	1,085,754	935,332	1,409,681	50.7%
State Government	405	219	0	0	0.0%
Charges for Service	0	100,172	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>EAST HENNEPIN & UNIVERSITY(CHU0)</u>					
Interest	1,186	13,596	0	0	0.0%
Gains	-2,027	2,086	0	0	0.0%
Total EAST HENNEPIN & UNIVERSITY	890,197	1,201,827	935,332	1,409,681	50.7%
<u>CAMDEN AREA IMPACT(CIM0)</u>					
Interest	1,473	126	0	0	0.0%
Gains	-706	11	0	0	0.0%
Total CAMDEN AREA IMPACT	767	138	0	0	0.0%
<u>IVY TOWER(CIT0)</u>					
Property Taxes	138	128	129	4,089	3,069.8%
Charges for Service	0	78	0	0	0.0%
Interest	-14	-1,030	0	0	0.0%
Gains	13	-16	0	0	0.0%
Proceeds of Long Term Liabilities	0	4,935,000	0	0	0.0%
Total IVY TOWER	137	4,934,160	129	4,089	3,069.8%
<u>LOCAL CONTRIBUTION FUND(CLC0)</u>					
Charges for Sales	0	20	0	0	0.0%
Interest	39,048	88,855	0	0	0.0%
Gains	-14,802	8,491	0	0	0.0%
Rents	434,575	274,803	0	0	0.0%
Other Misc Revenues	40,967	0	0	0	0.0%
Operating Transfers In	0	330,788	0	0	0.0%
Total LOCAL CONTRIBUTION FUND	499,788	702,957	0	0	0.0%
<u>LOWRY RIDGE(CLR0)</u>					
Property Taxes	105,063	104,906	111,822	120,260	7.5%
State Government	476	158	0	0	0.0%
Interest	40	723	0	0	0.0%
Gains	-45	47	0	0	0.0%
Total LOWRY RIDGE	105,534	105,834	111,822	120,260	7.5%
<u>Lake Street Center(CLS0)</u>					
Property Taxes	478,505	568,632	574,317	1,038,809	80.9%
Interest	6,977	39,361	0	0	0.0%
Gains	-1,099	1,126	0	0	0.0%
Proceeds of Long Term Liabilities	6,500,000	0	0	0	0.0%
Total Lake Street Center	6,984,384	609,119	574,317	1,038,809	80.9%
<u>MAGNUM LOFTS(CML0)</u>					
Property Taxes	39,566	41,900	42,319	47,040	11.2%
Interest	133	492	0	0	0.0%
Gains	-68	43	0	0	0.0%
Total MAGNUM LOFTS	39,631	42,436	42,319	47,040	11.2%
<u>Many Rivers(CMR0)</u>					
Property Taxes	23,797	55,071	55,622	61,121	9.9%
Interest	-54	-86	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>Many Rivers(CMR0)</u>					
Gains	-23	23	0	0	0.0%
Total Many Rivers	23,720	55,008	55,622	61,121	9.9%
<u>Many Rivers West(CMW0)</u>					
Property Taxes	0	890	0	0	0.0%
Interest	0	7	0	0	0.0%
Gains	0	0	0	0	0.0%
Total Many Rivers West	0	897	0	0	0.0%
<u>1900 Central Ave Hsg(CNC0)</u>					
Property Taxes	0	0	0	57,777	0.0%
Interest	0	-5	0	0	0.0%
Gains	0	-0	0	0	0.0%
Total 1900 Central Ave Hsg	0	-5	0	57,777	0.0%
<u>NICOLLET FRANKLIN(CNF0)</u>					
Property Taxes	82,200	91,529	59,408	132,372	122.8%
Interest	-1,310	-2,748	0	0	0.0%
Gains	483	-275	0	0	0.0%
Total NICOLLET FRANKLIN	81,373	88,507	59,408	132,372	122.8%
<u>NRP(CNR0)</u>					
Charges for Service	1,750	55,400	0	0	0.0%
Charges for Sales	416,940	54,172	0	0	0.0%
Interest	721,482	1,200,740	0	0	0.0%
Gains	-259,661	141,432	0	0	0.0%
Rents	0	-2,714	0	0	0.0%
Other Misc Revenues	1,167,969	1,443,195	0	1,500,000	0.0%
Operating Transfers In	4,535,000	0	0	0	0.0%
Total NRP	6,583,480	2,892,224	0	1,500,000	0.0%
<u>NWIP(CPA0)</u>					
Property Taxes	2,608,590	2,473,809	2,627,578	2,745,115	4.5%
State Government	468	424	0	0	0.0%
Charges for Sales	0	32,709	0	0	0.0%
Interest	6,728	7,668	0	0	0.0%
Gains	-6,998	3,743	0	0	0.0%
Total NWIP	2,608,788	2,518,354	2,627,578	2,745,115	4.5%
<u>HOLMES(CPB0)</u>					
Property Taxes	1,970,888	2,050,940	2,235,156	2,237,539	0.1%
State Government	47,689	43,968	0	0	0.0%
Interest	7,701	5,120	0	0	0.0%
Gains	-5,757	3,199	0	12,000	0.0%
Total HOLMES	2,020,521	2,103,228	2,235,156	2,249,539	0.6%
<u>NICOLLET ISLAND EAST BANK(CPC0)</u>					
Property Taxes	1,238,037	1,631,645	1,652,119	1,825,334	10.5%
State Government	10,430	6,799	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>NICOLLET ISLAND EAST BANK(CPC0)</u>					
Interest	19,761	5,299	0	0	0.0%
Gains	-6,328	2,053	0	0	0.0%
Total NICOLLET ISLAND EAST BANK	1,261,900	1,645,797	1,652,119	1,825,334	10.5%
<u>PORTLAND PLACE(CPD0)</u>					
Property Taxes	68,844	76,592	87,097	96,220	10.5%
State Government	8,825	8,253	0	0	0.0%
Interest	2,064	4,816	0	0	0.0%
Gains	-943	535	0	0	0.0%
Total PORTLAND PLACE	78,791	90,196	87,097	96,220	10.5%
<u>NOKOMIS HOLMES(CPE0)</u>					
Property Taxes	229,527	218,101	274,475	272,919	-0.6%
State Government	53,512	53,398	0	0	0.0%
Interest	2,686	2,868	0	0	0.0%
Gains	-1,719	531	0	0	0.0%
Total NOKOMIS HOLMES	284,006	274,899	274,475	272,919	-0.6%
<u>ELLIOT PARK(CPF0)</u>					
Property Taxes	565,953	500,225	587,088	541,878	-7.7%
State Government	10,007	11,995	0	0	0.0%
Interest	8,456	4,730	0	0	0.0%
Gains	-2,647	347	0	0	0.0%
Total ELLIOT PARK	581,768	517,297	587,088	541,878	-7.7%
<u>NICOLLET & LAKE(CPG0)</u>					
Property Taxes	573,425	567,228	586,169	603,493	3.0%
State Government	8,733	10,750	0	0	0.0%
Interest	5,796	4,066	0	0	0.0%
Gains	-2,134	1,053	0	0	0.0%
Total NICOLLET & LAKE	585,820	583,096	586,169	603,493	3.0%
<u>CENTRAL & 20TH(CPH0)</u>					
Property Taxes	117,118	108,110	109,190	117,128	7.3%
Interest	1,772	1,193	0	0	0.0%
Gains	-1,001	200	0	0	0.0%
Total CENTRAL & 20TH	117,889	109,503	109,190	117,128	7.3%
<u>CENTRAL AVE MARKET(CPI0)</u>					
Interest	8	17	0	0	0.0%
Gains	-3	2	0	0	0.0%
Total CENTRAL AVE MARKET	6	19	0	0	0.0%
<u>MILES I(CPJ0)</u>					
Property Taxes	92,459	93,347	94,467	107,324	13.6%
State Government	0	185	0	0	0.0%
Interest	1,186	1,076	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>MILES I(CPJ0)</u>					
Gains	-692	164	0	0	0.0%
Total MILES I	92,954	94,772	94,467	107,324	13.6%
<u>NBA ARENA(CPK0)</u>					
Property Taxes	1,255,647	1,159,282	1,159,278	1,088,528	-6.1%
Charges for Service	975	0	0	0	0.0%
Interest	88,556	104,884	0	0	0.0%
Gains	-28,535	9,827	0	0	0.0%
Rents	0	0	749,999	0	-100.0%
Other Misc Revenues	749,990	749,990	0	749,999	0.0%
Operating Transfers In	0	8,666,036	0	0	0.0%
Total NBA ARENA	2,066,632	10,690,020	1,909,277	1,838,527	-3.7%
<u>PHILLIPS PARK(CPL0)</u>					
Property Taxes	44,436	48,819	53,214	59,845	12.5%
State Government	4,894	3,882	0	0	0.0%
Interest	236	744	0	0	0.0%
Gains	-118	79	0	0	0.0%
Total PHILLIPS PARK	49,448	53,523	53,214	59,845	12.5%
<u>LASALLE PLACE(CPM0)</u>					
Property Taxes	1,822,714	1,709,102	1,726,201	1,776,160	2.9%
Interest	31,176	-3,242	0	0	0.0%
Gains	-11,071	2,591	0	0	0.0%
Total LASALLE PLACE	1,842,820	1,708,451	1,726,201	1,776,160	2.9%
<u>CAPITAL PROJECTS- OTHER(CPO0)</u>					
Charges for Service	0	24,000	0	0	0.0%
Charges for Sales	270,704	307,146	0	0	0.0%
Interest	1,463	0	0	0	0.0%
Rents	0	90,000	0	0	0.0%
Other Misc Revenues	1,960,000	0	0	0	0.0%
Operating Transfers In	0	705,995	0	0	0.0%
Total CAPITAL PROJECTS- OTHER	2,232,167	1,127,141	0	0	0.0%
<u>PRELIMINARY PLANNING(CPP0)</u>					
Charges for Service	43,194	56,150	0	0	0.0%
Charges for Sales	0	10,389	312,000	0	-100.0%
Interest	-197	970	0	0	0.0%
Operating Transfers In	0	668,882	0	0	0.0%
Total PRELIMINARY PLANNING	42,997	736,391	312,000	0	-100.0%
<u>NEIMAN MARCUS(CPQ0)</u>					
Property Taxes	969,121	1,152,006	1,163,530	1,318,934	13.4%
Interest	21,726	5,470	0	0	0.0%
Gains	-7,078	1,655	0	0	0.0%
Total NEIMAN MARCUS	983,769	1,159,132	1,163,530	1,318,934	13.4%
<u>IDS DATA SERVICE CENTER(CPR0)</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>IDS DATA SERVICE CENTER(CPR0)</u>					
Property Taxes	3,373,062	2,558,729	2,760,552	2,956,055	7.1%
Interest	11,058	9,738	0	0	0.0%
Gains	-6,639	4,294	0	0	0.0%
Total IDS DATA SERVICE CENTER	3,377,481	2,572,762	2,760,552	2,956,055	7.1%
<u>BLOCK E(CPU0)</u>					
Interest	13,968	14,198	0	0	0.0%
Gains	-5,349	2,870	0	0	0.0%
Total BLOCK E	8,619	17,068	0	0	0.0%
<u>36TH AND MARSHALL(CPW0)</u>					
Property Taxes	142,892	137,692	139,069	0	-100.0%
Interest	2,957	9,628	0	0	0.0%
Gains	-1,430	974	0	0	0.0%
Total 36TH AND MARSHALL	144,418	148,294	139,069	0	-100.0%
<u>COMMON PROJECT RESERVE(CPZ0)</u>					
Interest	250,071	469,589	0	0	0.0%
Gains	-95,766	52,400	0	0	0.0%
Total COMMON PROJECT RESERVE	154,305	521,989	0	0	0.0%
<u>CAPITAL PROJECTS-ARBITRAGE(CRB0)</u>					
Interest	54	113	0	0	0.0%
Gains	-21	11	0	0	0.0%
Total CAPITAL PROJECTS-ARBITRAGE	33	125	0	0	0.0%
<u>CREAMETTE DISTRICT 84(CRM0)</u>					
Property Taxes	144,094	147,478	148,954	143,564	-3.6%
Interest	686	2,043	0	0	0.0%
Gains	-640	367	0	0	0.0%
Total CREAMETTE DISTRICT 84	144,139	149,888	148,954	143,564	-3.6%
<u>ROSACKER NURSERY SITE(CRS0)</u>					
Property Taxes	130,419	141,874	147,057	148,326	0.9%
State Government	4,482	3,741	0	0	0.0%
Interest	565	3,613	0	0	0.0%
Gains	-488	447	0	0	0.0%
Total ROSACKER NURSERY SITE	134,979	149,675	147,057	148,326	0.9%
<u>SEMI-PHASE 1(CS10)</u>					
Property Taxes	597,413	560,235	565,836	537,362	-5.0%
Interest	11,403	36,406	0	0	0.0%
Gains	-5,208	3,346	0	0	0.0%
Other Misc Revenues	0	0	0	1,000,000	0.0%
Total SEMI-PHASE 1	603,608	599,987	565,836	1,537,362	171.7%
<u>SEMI-PHASE 2(CS20)</u>					
Property Taxes	285,081	263,219	265,851	252,660	-5.0%
Interest	11,105	27,854	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>SEMI-PHASE 2(CS20)</u>					
Gains	-4,560	2,679	0	0	0.0%
Total SEMI-PHASE 2	291,626	293,752	265,851	252,660	-5.0%
<u>SEMI-PHASE 3(CS30)</u>					
Property Taxes	109,193	133,684	136,307	144,262	5.8%
State Government	128	1,278	0	0	0.0%
Interest	-40	3,384	0	0	0.0%
Gains	-215	267	0	0	0.0%
Total SEMI-PHASE 3	109,066	138,613	136,307	144,262	5.8%
<u>SEMI-PHASE 4(CS40)</u>					
Property Taxes	160,009	180,808	182,615	193,830	6.1%
Interest	727	2,372	0	0	0.0%
Gains	-343	206	0	0	0.0%
Total SEMI-PHASE 4	160,393	183,386	182,615	193,830	6.1%
<u>SEMI-PHASE 5(CS50)</u>					
Property Taxes	177,161	141,702	133,248	127,546	-4.3%
Interest	-420	25	0	0	0.0%
Gains	88	-23	0	0	0.0%
Total SEMI-PHASE 5	176,829	141,705	133,248	127,546	-4.3%
<u>Stone Arch Apartments(CSA0)</u>					
Property Taxes	20,439	290,934	293,843	293,034	-0.3%
Interest	-17	546	0	0	0.0%
Gains	1	5	0	0	0.0%
Total Stone Arch Apartments	20,423	291,486	293,843	293,034	-0.3%
<u>SPRING & CENTRAL(CSC0)</u>					
Property Taxes	12,049	9,110	9,201	10,292	11.9%
Interest	399	1,137	0	0	0.0%
Gains	-177	114	0	0	0.0%
Total SPRING & CENTRAL	12,270	10,361	9,201	10,292	11.9%
<u>SHINGLE CREEK CONDOMINIUMS(CSH0)</u>					
Property Taxes	88,073	86,490	89,590	91,702	2.4%
Interest	-78	290	0	0	0.0%
Gains	-7	15	0	0	0.0%
Total SHINGLE CREEK CONDOMINIUMS	87,988	86,795	89,590	91,702	2.4%
<u>STINSON(CST0)</u>					
Property Taxes	627,143	618,776	544,943	623,481	14.4%
Interest	-757	2,965	0	0	0.0%
Gains	60	47	0	0	0.0%
Total STINSON	626,446	621,789	544,943	623,481	14.4%
<u>TOWERS AT ELLIOT PARK(CTE0)</u>					
Property Taxes	47,991	434,874	462,070	1,346,577	191.4%
State Government	0	1,995	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>TOWERS AT ELLIOT PARK(CTE0)</u>					
Interest	15,528	16,449	0	0	0.0%
Gains	-6,955	3,340	0	0	0.0%
Total TOWERS AT ELLIOT PARK	56,565	456,659	462,070	1,346,577	191.4%
<u>2ND ST N HOTEL/APTS TOWNPLACE(CTP0)</u>					
Property Taxes	120,276	190,846	192,753	190,428	-1.2%
Interest	922	2,716	0	0	0.0%
Gains	-753	472	0	0	0.0%
Total 2ND ST N HOTEL/APTS TOWNPLACE	120,445	194,034	192,753	190,428	-1.2%
<u>10TH AND WASHINGTON(CTW0)</u>					
Property Taxes	115,057	145,390	146,845	177,108	20.6%
Interest	2,563	9,454	0	0	0.0%
Gains	-1,223	830	0	0	0.0%
Total 10TH AND WASHINGTON	116,398	155,674	146,845	177,108	20.6%
<u>UNITED VAN BUS(CUB0)</u>					
Property Taxes	57,049	54,590	55,171	53,890	-2.3%
Interest	1,318	982	0	0	0.0%
Gains	-739	170	0	0	0.0%
Total UNITED VAN BUS	57,627	55,742	55,171	53,890	-2.3%
<u>East River/Unocal Site(CUN0)</u>					
Property Taxes	0	38,294	40,178	145,729	262.7%
Interest	6,910	6,291	0	0	0.0%
Gains	-938	437	0	0	0.0%
Other Misc Revenues	0	0	0	1,531,800	0.0%
Total East River/Unocal Site	5,972	45,022	40,178	1,677,529	4,075.2%
<u>URBAN VILLAGE(CUV0)</u>					
Property Taxes	9,372	2,272	2,306	236,507	10,156.2%
State Government	74	11	0	0	0.0%
Charges for Service	0	30,149	0	0	0.0%
Charges for Sales	797,793	1,044,750	0	0	0.0%
Interest	6,734	29,006	0	0	0.0%
Gains	805	-344	0	0	0.0%
Rents	1,400	10,350	0	0	0.0%
Total URBAN VILLAGE	816,179	1,116,195	2,306	236,507	10,156.2%
<u>Village in Phillips Housing(CVP0)</u>					
Interest	0	447	0	0	0.0%
Gains	0	2	0	98	0.0%
Other Misc Revenues	0	30,513	0	0	0.0%
Total Village in Phillips Housing	0	30,962	0	98	0.0%
<u>HSG REPLACE-WATERSHED 3(CW30)</u>					
Interest	1,375	2,884	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Capital Projects:</u>					
<u>HSG REPLACE-WATERSHED 3(CW30)</u>					
Gains	-527	290	0	0	0.0%
Total HSG REPLACE-WATERSHED 3	848	3,174	0	0	0.0%
<u>WEST SIDE MILLING DISTRICT(CWM0)</u>					
Property Taxes	1,209,054	1,454,945	1,487,980	1,716,231	15.3%
State Government	1,827	1,277	0	0	0.0%
Interest	39,285	95,388	0	0	0.0%
Gains	-17,662	10,161	0	0	0.0%
Total WEST SIDE MILLING DISTRICT	1,232,504	1,561,771	1,487,980	1,716,231	15.3%
<u>West River Commons(CWR0)</u>					
Property Taxes	6,063	20,878	21,087	85,431	305.1%
Interest	-15	-39	0	0	0.0%
Gains	7	-7	0	0	0.0%
Total West River Commons	6,055	20,832	21,087	85,431	305.1%
<u>HSG REPLACE-WATERSHED 0(CWS0)</u>					
Property Taxes	229,590	268,576	299,681	336,281	12.2%
State Government	20,286	20,673	0	0	0.0%
Interest	1,924	12,399	0	0	0.0%
Gains	-1,250	1,025	0	0	0.0%
Total HSG REPLACE-WATERSHED 0	250,549	302,672	299,681	336,281	12.2%
<u>Housing Replacement 2(CWT0)</u>					
Property Taxes	0	6,410	10,438	16,685	59.8%
State Government	0	532	0	0	0.0%
Interest	0	44	0	0	0.0%
Gains	0	0	0	0	0.0%
Total Housing Replacement 2	0	6,987	10,438	16,685	59.8%
Total Capital Projects	292,707,693	267,440,377	140,745,004	126,228,139	-10.3%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Debt Service:</u>					
<u>BOND REDEMPTION - DEBT SERVICE(5250)</u>					
Property Taxes	25,791,372	21,518,358	19,388,915	18,303,460	-5.6%
Sales and Other Taxes	2,096	1,875	0	0	0.0%
State Government	35,268	1,001,443	0	0	0.0%
Special Assessments	124	244	0	0	0.0%
Interest	332,982	465,689	0	0	0.0%
Gains	-102,596	53,398	0	0	0.0%
Rents	22,998	91,991	0	0	0.0%
Other Misc Revenues	546	90,699	0	0	0.0%
Operating Transfers In	2,422,438	2,714,953	1,625,400	2,576,000	58.5%
Total BOND REDEMPTION - DEBT SERVICE	28,505,228	25,938,650	21,014,315	20,879,460	-0.6%
<u>OTH SELF SUPPORTING DEBT SERVC(5260)</u>					
Interest	83	11,221	0	0	0.0%
Gains	-337	352	0	0	0.0%
Rents	590,461	367,735	443,938	0	-100.0%
Other Misc Revenues	836,205	1,608,279	1,738,707	1,814,571	4.4%
Operating Transfers In	1,714,108	1,747,420	538,871	69,000	-87.2%
Total OTH SELF SUPPORTING DEBT SERVC	3,140,520	3,735,006	2,721,516	1,883,571	-30.8%
<u>PENSION FUND DEBT SERVICE(5270)</u>					
Interest	-1,686	-12,054	0	0	0.0%
Gains	-1,812	1,543	0	0	0.0%
Operating Transfers In	6,339,003	19,564,064	17,143,476	11,757,000	-31.4%
Total PENSION FUND DEBT SERVICE	6,335,505	19,553,552	17,143,476	11,757,000	-31.4%
<u>LIBRARY REF DEBT SERVICE(5280)</u>					
Property Taxes	3,336,665	6,321,668	7,938,000	9,114,000	14.8%
Interest	6,700	54,159	0	0	0.0%
Gains	-4,139	4,185	0	0	0.0%
Operating Transfers In	490,230	1,887,295	0	0	0.0%
Total LIBRARY REF DEBT SERVICE	3,829,456	8,267,308	7,938,000	9,114,000	14.8%
<u>CONVENTION CENTER-DEBT SERVICE(5300)</u>					
Interest	71,198	36	0	0	0.0%
Gains	-29	-7	0	0	0.0%
Rents	301,970	301,970	0	0	0.0%
Operating Transfers In	13,647,677	17,440,938	19,142,000	18,810,000	-1.7%
Proceeds of Long Term Liabilities	42,313,194	0	0	0	0.0%
Total CONVENTION CENTER-DEBT SERVICE	56,334,011	17,742,936	19,142,000	18,810,000	-1.7%
<u>TARGET CENTER(5350)</u>					
Interest	7,970	26,550	0	0	0.0%
Operating Transfers In	4,848,895	5,042,043	0	0	0.0%
Total TARGET CENTER	4,856,865	5,068,594	0	0	0.0%
<u>BOND REDEMPTION - ASSESSMENT(5450)</u>					
Special Assessments	185,975	98,204	0	0	0.0%
Interest	56,750	121,671	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Debt Service:</u>					
<u>BOND REDEMPTION - ASSESSMENT(5450)</u>					
Gains	-21,861	12,219	0	0	0.0%
Total BOND REDEMPTION - ASSESSMENT	220,864	232,094	0	0	0.0%
<u>CONCERT HALL - DEBT SERVICE(5600)</u>					
Interest	15	32	0	0	0.0%
Gains	-6	3	0	0	0.0%
Total CONCERT HALL - DEBT SERVICE	9	35	0	0	0.0%
<u>TAX INCREMENT - DEBT SERVICE(5900)</u>					
Interest	6,587	268,040	0	0	0.0%
Gains	-1,567	608	0	0	0.0%
Other Misc Revenues	0	0	0	0	0.0%
Operating Transfers In	12,704,046	18,351,788	0	15,195,863	0.0%
Proceeds of Long Term Liabilities	0	59,088,156	0	0	0.0%
Total TAX INCREMENT - DEBT SERVICE	12,709,067	77,708,591	0	15,195,863	0.0%
<u>00 IMPROVEMENT BONDS(5A00)</u>					
Special Assessments	832	1,281	0	0	0.0%
Interest	114	276	0	0	0.0%
Gains	-45	26	0	0	0.0%
Total 00 IMPROVEMENT BONDS	902	1,583	0	0	0.0%
<u>96 IMPROVEMENT BONDS(5A60)</u>					
Special Assessments	145,583	114,482	182,218	144,275	-20.8%
Interest	1,364	1,009	0	0	0.0%
Gains	-292	82	0	0	0.0%
Proceeds of Long Term Liabilities	0	858,661	0	0	0.0%
Total 96 IMPROVEMENT BONDS	146,655	974,234	182,218	144,275	-20.8%
<u>97 IMPROVEMENT BONDS(5A70)</u>					
Special Assessments	274,880	230,821	239,562	189,173	-21.0%
Interest	3,571	7,984	0	0	0.0%
Gains	-1,228	699	0	0	0.0%
Proceeds of Long Term Liabilities	0	1,011,429	0	0	0.0%
Total 97 IMPROVEMENT BONDS	277,223	1,250,933	239,562	189,173	-21.0%
<u>98 IMPROVEMENT BONDS(5A80)</u>					
Special Assessments	154,791	127,096	174,150	208,831	19.9%
Interest	5,569	11,033	0	0	0.0%
Gains	-1,948	1,051	0	0	0.0%
Proceeds of Long Term Liabilities	0	37,296	0	0	0.0%
Total 98 IMPROVEMENT BONDS	158,412	176,476	174,150	208,831	19.9%
<u>01 IMPROVEMENT BONDS - 10 YR(5AA0)</u>					
Gains	-2	0	0	0	0.0%
Total 01 IMPROVEMENT BONDS - 10 YR	-2	0	0	0	0.0%
<u>01 IMPROVEMENT BONDS - 20 YR(5AB0)</u>					
Special Assessments	1,186,872	1,032,862	797,053	777,053	-2.5%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Debt Service:</u>					
<u>01 IMPROVEMENT BONDS - 20 YR(5AB0)</u>					
Interest	29,398	71,342	0	0	0.0%
Gains	-10,995	6,544	0	0	0.0%
Total 01 IMPROVEMENT BONDS - 20 YR	1,205,274	1,110,748	797,053	777,053	-2.5%
<u>BOND REDEM ARBIT 6/90 IMP BOND(5B00)</u>					
Special Assessments	219,171	198,027	270,767	268,213	-0.9%
Interest	-3,960	-11,117	0	0	0.0%
Gains	1,893	-1,182	0	0	0.0%
Operating Transfers In	0	1,170,000	0	0	0.0%
Total BOND REDEM ARBIT 6/90 IMP BOND	217,103	1,355,727	270,767	268,213	-0.9%
<u>BOND REDEM ARBIT 6/91 IMP BOND(5C00)</u>					
Special Assessments	148,165	127,133	209,001	199,400	-4.6%
Interest	7,117	11,354	0	0	0.0%
Gains	-2,408	1,179	0	0	0.0%
Operating Transfers In	0	845,000	0	0	0.0%
Total BOND REDEM ARBIT 6/91 IMP BOND	152,874	984,667	209,001	199,400	-4.6%
<u>BOND REDEM ARBIT 6/92 IMP BOND(5E00)</u>					
Special Assessments	141,151	131,258	190,200	198,825	4.5%
Interest	6,229	11,293	0	0	0.0%
Gains	-2,130	1,094	0	0	0.0%
Total BOND REDEM ARBIT 6/92 IMP BOND	145,251	143,644	190,200	198,825	4.5%
<u>BOND REDEM ARBIT 6/93 IMP BOND(5F00)</u>					
Special Assessments	202,499	184,534	203,500	196,250	-3.6%
Interest	1,056	3,746	0	0	0.0%
Gains	-282	247	0	0	0.0%
Total BOND REDEM ARBIT 6/93 IMP BOND	203,273	188,527	203,500	196,250	-3.6%
<u>BOND REDEM ARBIT 6/94 IMP BOND(5G00)</u>					
Special Assessments	151,078	113,579	0	0	0.0%
Interest	14,720	24,463	0	0	0.0%
Gains	-5,394	2,811	0	0	0.0%
Total BOND REDEM ARBIT 6/94 IMP BOND	160,404	140,853	0	0	0.0%
<u>BOND REDEM ARBIT 6/95 IMP BOND(5H00)</u>					
Special Assessments	257,770	239,667	0	0	0.0%
Interest	11,993	18,305	0	0	0.0%
Gains	-4,377	2,256	0	0	0.0%
Total BOND REDEM ARBIT 6/95 IMP BOND	265,386	260,229	0	0	0.0%
<u>OCT 02 IMPROV BOND D/S(5I20)</u>					
Special Assessments	679,586	498,088	567,700	553,500	-2.5%
Interest	4,743	11,865	0	0	0.0%
Gains	-1,504	928	0	0	0.0%
Operating Transfers In	1,334	1,729	0	0	0.0%
Total OCT 02 IMPROV BOND D/S	684,158	512,610	567,700	553,500	-2.5%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Debt Service:</u>					
<u>NOV03 IMPROV BOND D/S(5I30)</u>					
Special Assessments	773,894	613,501	635,778	624,403	-1.8%
Interest	3,895	10,476	0	0	0.0%
Gains	-1,057	712	0	0	0.0%
Operating Transfers In	573	0	0	0	0.0%
Total NOV03 IMPROV BOND D/S	777,306	624,689	635,778	624,403	-1.8%
<u>NOV04 IMPROV BOND D/S(5I40)</u>					
Special Assessments	165,078	965,487	993,575	973,625	-2.0%
Interest	116	8,763	0	0	0.0%
Gains	-457	460	0	0	0.0%
Operating Transfers In	1,895	5,656	0	0	0.0%
Total NOV04 IMPROV BOND D/S	166,632	980,366	993,575	973,625	-2.0%
<u>NOV05 IMPROV BOND D/S(5I50)</u>					
Special Assessments	0	134,846	589,613	538,088	-8.7%
Interest	0	1,285	0	0	0.0%
Gains	0	-760	0	0	0.0%
Total NOV05 IMPROV BOND D/S	0	135,370	589,613	538,088	-8.7%
<u>NOV06 IMPROV BOND D/S(5I60)</u>					
Special Assessments	0	0	0	430,521	0.0%
Total NOV06 IMPROV BOND D/S	0	0	0	430,521	0.0%
<u>BOND REDEM ARBIT ASSESS PARK(5P00)</u>					
Special Assessments	488,362	672,728	565,000	568,000	0.5%
Interest	5,358	17,137	0	0	0.0%
Gains	-1,882	1,260	0	0	0.0%
Operating Transfers In	142,824	0	0	0	0.0%
Total BOND REDEM ARBIT ASSESS PARK	634,663	691,125	565,000	568,000	0.5%
<u>BOND REDEM ARBIT 6/87 IMP BOND(5Z10)</u>					
Special Assessments	43,838	35,435	0	0	0.0%
Interest	-5,836	-10,869	0	0	0.0%
Gains	2,168	-1,133	0	0	0.0%
Total BOND REDEM ARBIT 6/87 IMP BOND	40,170	23,433	0	0	0.0%
<u>BOND REDEM ARBIT 9/87 IMP BOND(5Z20)</u>					
Special Assessments	60,892	50,406	0	0	0.0%
Interest	-3,779	-5,863	0	0	0.0%
Gains	1,339	-640	0	0	0.0%
Total BOND REDEM ARBIT 9/87 IMP BOND	58,453	43,903	0	0	0.0%
<u>BOND REDEM ARBIT 6/88 IMP BOND(5Z30)</u>					
Special Assessments	49,943	48,098	0	0	0.0%
Interest	-3,206	-9,311	0	0	0.0%
Gains	1,449	-911	0	0	0.0%
Total BOND REDEM ARBIT 6/88 IMP BOND	48,185	37,876	0	0	0.0%
<u>BOND REDEM ARBIT 6/89 IMP BOND(5Z40)</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Debt Service:</u>					
<u>BOND REDEM ARBIT 6/89 IMP BOND(5Z40)</u>					
Special Assessments	51,281	43,537	0	0	0.0%
Interest	-3,569	-10,424	0	0	0.0%
Gains	1,614	-1,013	0	0	0.0%
Total BOND REDEM ARBIT 6/89 IMP BOND	49,326	32,101	0	0	0.0%
<u>BOND REDEM ARBIT NIC MALL BOND(5Z50)</u>					
Special Assessments	1,664,238	1,649,172	1,602,199	0	-100.0%
Interest	25,114	91,798	0	0	0.0%
Gains	-13,828	7,790	0	0	0.0%
Other Misc Revenues	0	0	0	0	0.0%
Operating Transfers In	186,483	184,743	0	177,750	0.0%
Proceeds of Long Term Liabilities	0	7,407,954	0	0	0.0%
Total BOND REDEM ARBIT NIC MALL BOND	1,862,007	9,341,457	1,602,199	177,750	-88.9%
<u>MCDA DEBT SERVICE(DDS0)</u>					
Interest	-3,974	282,801	0	0	0.0%
Gains	-49,152	24,705	0	0	0.0%
Operating Transfers In	40,999,683	39,861,243	37,181,434	36,280,000	-2.4%
Total MCDA DEBT SERVICE	40,946,556	40,168,750	37,181,434	36,280,000	-2.4%
<u>ST ANTHONY DEBT SERVICE(DDT0)</u>					
Interest	6,560	14,904	0	0	0.0%
Gains	-1,555	5	0	0	0.0%
Operating Transfers In	135,124	702,547	0	0	0.0%
Proceeds of Long Term Liabilities	11,470,000	4,430,000	0	0	0.0%
Total ST ANTHONY DEBT SERVICE	11,610,129	5,147,456	0	0	0.0%
Total Debt Service	175,741,862	222,573,526	112,361,057	119,967,801	6.8%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Enterprise Funds:</u>					
<u>Sanitary Sewer Fund(7100)</u>					
Charges for Service	0	36,903,826	37,772,862	38,864,413	2.9%
Interest	0	5,981	0	0	0.0%
Gains	0	-26	0	0	0.0%
Other Misc Revenues	0	483	50,841	50,841	0.0%
Proceeds of Long Term Liabilities	0	0	625,000	6,250,000	900.0%
Total Sanitary Sewer Fund	0	36,910,264	38,448,703	45,165,254	17.5%
<u>Stormwater Fund(7300)</u>					
Federal Government	112,345	11,069	0	0	0.0%
State Government	1,922,638	644,160	644,160	671,441	4.2%
Local Government	272,771	320,295	320,295	288,165	-10.0%
Charges for Service	64,147,043	29,698,111	34,389,368	33,522,647	-2.5%
Charges for Sales	538,768	20,913	1,000	1,000	0.0%
Special Assessments	368,731	260,548	115,000	115,000	0.0%
Interest	1,759	155	0	0	0.0%
Other Misc Revenues	9,832	390,567	2,000	2,000	0.0%
Operating Transfers In	3,671,752	1,413,119	0	0	0.0%
Proceeds of Long Term Liabilities	0	0	4,072,000	6,798,000	66.9%
Total Stormwater Fund	71,045,641	32,758,937	39,543,823	41,398,253	4.7%
<u>WATER ENTERPRISE FUND(7400)</u>					
Licenses and Permits	782	1,009	1,000	1,000	0.0%
Federal Government	64,305	0	0	0	0.0%
State Government	0	0	750,000	0	-100.0%
Charges for Service	60,962,089	60,186,255	67,471,953	66,085,444	-2.1%
Charges for Sales	1,617,164	829,696	1,780,000	1,315,000	-26.1%
Special Assessments	746,515	825,321	0	0	0.0%
Interest	2,950	990	0	0	0.0%
Rents	0	0	1,000	0	-100.0%
Other Misc Revenues	361	49,638	19,100	20,100	5.2%
Operating Transfers In	3,022,168	2,080,102	0	0	0.0%
Proceeds of Long Term Liabilities	0	0	22,250,000	11,000,000	-50.6%
Total WATER ENTERPRISE FUND	66,416,333	63,973,011	92,273,053	78,421,544	-15.0%
<u>MUNICIPAL PARKING ENTERPRISE FUND(7500)</u>					
Licenses and Permits	207,042	244,550	218,000	218,000	0.0%
State Government	83,049	55,540	0	0	0.0%
Charges for Service	53,263,740	53,170,180	55,574,873	56,521,570	1.7%
Charges for Sales	1,574,954	1,620,005	1,301,000	1,551,000	19.2%
Special Assessments	100,140	107,773	1,762,925	675,975	-61.7%
Interest	29,201	72,812	750	750	0.0%
Gains	0	1,850	0	0	0.0%
Rents	107,204	144,078	112,685	112,685	0.0%
Other Misc Revenues	61,210	46,505	1,201,000	138,000	-88.5%
Operating Transfers In	27,605,759	18,937,780	16,480,553	17,607,769	6.8%
Proceeds of Long Term Liabilities	0	0	1,700,000	1,700,000	0.0%
Total MUNICIPAL PARKING ENTERPRISE FUND	83,032,300	74,401,073	78,351,786	78,525,749	0.2%
<u>Library Pkg Enterprise Fund(7600)</u>					
Charges for Service	0	0	803,528	929,693	15.7%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Enterprise Funds:</u>					
<u>Library Pkg Enterprise Fund(7600)</u>					
Operating Transfers In	0	0	365,878	0	-100.0%
Total Library Pkg Enterprise Fund	0	0	1,169,406	929,693	-20.5%
<u>SOLID WASTE - ENTERPRISE(7700)</u>					
Local Government	828,162	812,722	544,000	4,739,000	771.1%
Charges for Service	25,891,772	26,817,625	26,297,800	27,261,800	3.7%
Charges for Sales	1,605,400	1,857,841	1,619,400	1,699,400	4.9%
Special Assessments	73,153	75,528	0	0	0.0%
Interest	1	0	0	0	0.0%
Gains	-4,159	0	0	0	0.0%
Rents	200	2,058	0	0	0.0%
Other Misc Revenues	3,526	13,890	0	0	0.0%
Operating Transfers In	196,000	199,000	196,000	196,000	0.0%
Total SOLID WASTE - ENTERPRISE	28,594,053	29,778,663	28,657,200	33,896,200	18.3%
<u>PARK - OPERATIONS - ENTERPRISE(7800)</u>					
State Government	0	0	0	0	0.0%
Charges for Service	9,764,524	9,718,635	10,198,908	10,524,147	3.2%
Charges for Sales	66	0	0	0	0.0%
Fines and Forfeits	0	0	0	100,000	0.0%
Interest	144	0	0	0	0.0%
Rents	1,443,551	1,509,682	1,926,561	1,687,913	-12.4%
Contributions	391,902	342,883	35,275	50,000	41.7%
Other Misc Revenues	125	8,019	2,000	12,000	500.0%
Operating Transfers In	44,870	48,913	0	0	0.0%
Total PARK - OPERATIONS - ENTERPRISE	11,645,183	11,628,132	12,162,744	12,374,060	1.7%
<u>DEFAULTED PROPERTY ADMINISTRATION(EDP0)</u>					
Charges for Service	0	882,007	0	0	0.0%
Charges for Sales	2,230,542	0	0	0	0.0%
Interest	-4,755	79,508	0	0	0.0%
Gains	-11,826	12,984	0	0	0.0%
Rents	3,348,858	1,931,319	0	1,823,000	0.0%
Other Misc Revenues	0	0	0	960,000	0.0%
Operating Transfers In	0	2,000,000	0	0	0.0%
Total DEFAULTED PROPERTY ADMINISTRATION	5,562,819	4,905,817	0	2,783,000	0.0%
<u>FED HOME LN BANK ECON DEVELOP(EED0)</u>					
Charges for Service	0	1,588	0	0	0.0%
Interest	261,502	98,584	0	0	0.0%
Gains	-1,751	1,100	0	0	0.0%
Total FED HOME LN BANK ECON DEVELOP	259,751	101,272	0	0	0.0%
<u>FHLB HOUSING DEVELOPMENT(EHDO)</u>					
Interest	1,728	3,623	0	0	0.0%
Gains	-661	364	0	0	0.0%
Total FHLB HOUSING DEVELOPMENT	1,066	3,987	0	0	0.0%
<u>HOUSING OWNERSHIP PROGRAM(EHOO)</u>					
Interest	614,414	196,638	0	0	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Enterprise Funds:</u>					
<u>HOUSING OWNERSHIP PROGRAM(EH00)</u>					
Gains	-560	309	0	0	0.0%
Total HOUSING OWNERSHIP PROGRAM	613,854	196,947	0	0	0.0%
<u>HOME OWNERSHIP & RENOVATION(EHR0)</u>					
Interest	182,518	127,365	0	0	0.0%
Gains	157	-170	0	0	0.0%
Total HOME OWNERSHIP & RENOVATION	182,675	127,196	0	0	0.0%
<u>LOAN & GRANT PROGRAMS(ELG0)</u>					
Interest	3,042	6,033	0	0	0.0%
Gains	-1,094	606	0	0	0.0%
Other Misc Revenues	3,831	0	0	0	0.0%
Total LOAN & GRANT PROGRAMS	5,779	6,639	0	0	0.0%
<u>RIVER TERMINAL(ERT0)</u>					
Charges for Service	1,862,869	1,758,846	0	2,300,000	0.0%
Interest	-5,035	-11,571	0	0	0.0%
Gains	1,935	-1,228	0	0	0.0%
Other Misc Revenues	0	183,171	0	0	0.0%
Total RIVER TERMINAL	1,859,768	1,929,218	0	2,300,000	0.0%
<u>GARFS(ERZ0)</u>					
Charges for Service	291,190	30,011	300,000	225,000	-25.0%
Interest	16,593	28,698	0	0	0.0%
Gains	-6,255	3,341	0	0	0.0%
Other Misc Revenues	1,924	0	0	0	0.0%
Total GARFS	303,452	62,050	300,000	225,000	-25.0%
Total Enterprise Funds	269,522,674	256,783,207	290,906,715	296,018,753	1.8%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Internal Service Funds:</u>					
<u>MATERIALS & LAB-INTERNAL SVC(6000)</u>					
State Government	139,896	0	0	0	0.0%
Charges for Service	1,024,134	868,124	800,000	1,000,000	25.0%
Charges for Sales	2,656,943	3,312,419	2,850,000	3,381,000	18.6%
Gains	58,931	0	0	0	0.0%
Total MATERIALS & LAB-INTERNAL SVC	3,879,903	4,180,544	3,650,000	4,381,000	20.0%
<u>EQUIPMENT - INTERNAL SERVICE(6100)</u>					
Charges for Service	4,685,975	5,013,612	7,500,000	7,650,000	2.0%
Charges for Sales	3,516,349	4,993,378	6,934,262	7,600,000	9.6%
Interest	0	1,375	500	500	0.0%
Gains	3,651	96,049	200,000	200,000	0.0%
Rents	21,265,071	21,323,760	28,067,348	26,500,000	-5.6%
Other Misc Revenues	187,646	307,496	310,000	10,000	-96.8%
Operating Transfers In	7,466,099	4,180,000	4,180,000	4,180,000	0.0%
Total EQUIPMENT - INTERNAL SERVICE	37,124,790	35,915,670	47,192,110	46,140,500	-2.2%
<u>PROPERTY SERVICES INTERNAL SERVICE FUND(6200)</u>					
Charges for Service	5,941,294	7,645,635	7,247,500	7,247,500	0.0%
Charges for Sales	617,371	957,702	400,000	400,000	0.0%
Interest	18	39	0	0	0.0%
Gains	-2,742	0	0	0	0.0%
Rents	6,268,683	6,367,859	7,256,500	7,850,500	8.2%
Other Misc Revenues	14,315	196,596	3,000	3,000	0.0%
Operating Transfers In	1,415,825	1,111,769	843,600	653,000	-22.6%
Proceeds of Long Term Liabilities	0	0	0	0	0.0%
Total PROPERTY SERVICES INTERNAL SERVICE	14,254,764	16,279,601	15,750,600	16,154,000	2.6%
<u>STORES - INTERNAL SERVICE(6300)</u>					
Charges for Service	447,762	560,122	400,000	400,000	0.0%
Charges for Sales	3,472,281	4,345,932	3,022,500	3,189,500	5.5%
Interest	54	85	0	0	0.0%
Total STORES - INTERNAL SERVICE	3,920,098	4,906,139	3,422,500	3,589,500	4.9%
<u>INFO TECH - INTERNAL SERVICE(6400)</u>					
State Government	0	0	50,000	0	-100.0%
Local Government	0	0	50,000	0	-100.0%
Charges for Service	5,244,402	22,249,267	21,295,319	26,026,499	22.2%
Charges for Sales	31,697	56,116	10,000	10,000	0.0%
Interest	290	-101	0	0	0.0%
Gains	-2,559	-3,710	0	0	0.0%
Other Misc Revenues	562,999	514,175	0	6,220,000	0.0%
Operating Transfers In	24,038,676	10,780,983	10,522,950	11,823,000	12.4%
Proceeds of Long Term Liabilities	0	0	1,525,000	1,450,000	-4.9%
Total INFO TECH - INTERNAL SERVICE	29,875,504	33,596,730	33,453,269	45,529,499	36.1%
<u>PARK - INTERNAL SERVICE(6600)</u>					
Charges for Service	740,485	893,032	1,863,616	1,553,019	-16.7%
Charges for Sales	481,575	496,672	100,000	120,820	20.8%
Gains	6,430	-23,942	0	0	0.0%
Rents	3,088,899	3,224,175	3,492,460	3,575,260	2.4%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Internal Service Funds:</u>					
<u>PARK - INTERNAL SERVICE(6600)</u>					
Contributions	18,052	245,864	0	0	0.0%
Other Misc Revenues	14,548	7,496	0	0	0.0%
Total PARK - INTERNAL SERVICE	4,349,988	4,843,296	5,456,076	5,249,099	-3.8%
<u>PARK-SELF INSURE-INTERNAL SVC(6700)</u>					
Other Misc Revenues	2,030,723	2,066,254	2,416,709	2,550,221	5.5%
Operating Transfers In	0	0	135,000	0	-100.0%
Total PARK-SELF INSURE-INTERNAL SVC	2,030,723	2,066,254	2,551,709	2,550,221	-0.1%
<u>SELF INSURANCE-INTERNAL SVC(6900)</u>					
Charges for Service	55,961,620	61,131,280	58,475,643	78,392,515	34.1%
Interest	0	17	0	0	0.0%
Other Misc Revenues	4,922,428	5,143,267	5,507,125	5,514,125	0.1%
Operating Transfers In	3,771,313	3,869,703	5,665,047	4,750,000	-16.2%
Total SELF INSURANCE-INTERNAL SVC	64,655,360	70,144,268	69,647,815	88,656,640	27.3%
Total Internal Service Funds	160,091,131	171,932,501	181,124,079	212,250,459	17.2%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Investment Management Funds:</u>					
<u>INVESTMENT POOL(Z010)</u>					
Interest	91,916	4,087,014	0	0	0.0%
Gains	1,058,967	-1,079,799	0	0	0.0%
Total INVESTMENT POOL	1,150,883	3,007,215	0	0	0.0%
 Total Investment Management Funds	 1,150,883	 3,007,215	 0	 0	

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
<u>Agency - Inactive:</u>					
<u>PUBLIC HOUSING AUTHORITY(2900)</u>					
Property Taxes	0	0	0	0	0.0%
Total PUBLIC HOUSING AUTHORITY	0	0	0	0	0.0%
<u>LUMBER EXCHANGE SKYWAY(8390)</u>					
Interest	2,091	4,482	0	0	0.0%
Gains	-1,143	624	0	0	0.0%
Total LUMBER EXCHANGE SKYWAY	948	5,105	0	0	0.0%
Total Agency - Inactive	948	5,105	0	0	
TOTAL ALL FUNDS	1,435,271,476	1,513,606,017	1,332,192,828	1,350,354,881	1.4%

SCHEDULE TWO
Revenues by Type

Revenues by Type	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Property Taxes	245,455,532	252,876,461	278,763,673	300,575,628	7.8%
Sales and Other Taxes	52,448,722	55,299,059	55,178,280	56,653,676	2.7%
Franchise Fees	25,120,633	27,702,092	22,310,000	27,110,000	21.5%
Licenses and Permits	25,091,645	26,180,136	25,878,458	27,033,072	4.5%
Federal Government	42,986,964	46,733,094	46,389,252	48,259,770	4.0%
State Government	140,654,029	145,103,490	142,318,057	117,995,366	-17.1%
Local Government	12,228,757	11,153,582	5,865,851	9,054,410	54.4%
Charges for Service	342,214,910	378,626,457	391,614,250	416,995,292	6.5%
Charges for Sales	23,020,022	25,516,990	18,965,662	31,805,189	67.7%
Fines and Forfeits	10,225,171	11,199,372	11,289,694	11,282,177	-0.1%
Special Assessments	12,382,716	12,775,653	20,752,826	13,294,058	-35.9%
Interest	9,805,917	17,255,201	2,917,350	1,293,823	-55.7%
Gains	-1,119,161	69,480	216,000	1,586,708	634.6%
Rents	46,556,186	47,150,259	53,391,450	54,419,921	1.9%
Contributions	3,077,403	2,555,520	1,986,474	2,348,743	18.2%
Other Misc Revenues	22,168,636	26,018,006	20,406,230	29,593,666	45.0%
Operating Transfers In	275,575,563	292,357,109	147,648,214	159,235,382	7.8%
Proceeds of Fixed Asset Disposal	0	0	21,443,107	0	-100.0%
Proceeds of Long Term Liabilities	147,377,831	135,034,056	64,858,000	41,818,000	-35.5%
Total Revenues by Type	1,435,271,476	1,513,606,017	1,332,192,828	1,350,354,881	1.4%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
General Fund - City :					
GENERAL FUND (0100)					
ASSESSOR	2,525,954	2,967,344	3,176,666	3,574,398	12.5%
CORRECTIONS - NON-DEPT	780,567	686,329	836,400	865,674	3.5%
NON-DEPARTMENTAL	433,637	0	100,000	0	-100.0%
MISCELLANEOUS	0	0	0	0	
INTERFUND TRANSFERS	32,690,200	44,776,826	35,617,175	35,011,000	-1.7%
UNFUNDED PENSION EXPENSE	0	0	0	0	
ATTORNEY	4,631,236	5,055,450	5,954,338	6,170,417	3.6%
CONTINGENCY	45,000	165,000	2,279,462	2,058,226	-9.7%
CITY CLERK	4,002,183	4,643,575	5,097,795	5,355,494	5.1%
CITY CLERK - ELECTIONS	956,149	1,018,834	995,053	814,762	-18.1%
FIRE DEPARTMENT	39,495,287	47,186,448	47,162,463	48,380,463	2.6%
CIVIL RIGHTS	1,790,872	2,110,049	2,493,846	2,460,739	-1.3%
MAYOR	903,603	1,076,105	1,146,314	1,329,489	16.0%
POLICE DEPARTMENT	87,603,717	95,977,007	107,525,757	112,096,069	4.3%
LIBRARY BOARD	0	0	0	0	
PW - ENGINEERING SERVICES	919,738	885,189	1,151,759	1,181,855	2.6%
PW - FIELD SERVICES	22,267,399	24,590,538	22,423,159	24,271,823	8.2%
PW - ADMINISTRATIVE SERVICES	2,094,854	2,506,698	2,832,980	2,898,978	2.3%
PW - TRANSPORTATION	10,403,914	10,770,803	10,881,979	11,186,759	2.8%
HUMAN RESOURCES	3,682,126	5,826,668	5,914,585	6,092,851	3.0%
FINANCE DEPARTMENT	9,930,399	17,408,911	17,995,965	18,126,067	0.7%
911/311	6,174,166	6,800,115	9,755,070	9,328,257	-4.4%
REGULATORY SERVICES	18,749,953	20,352,667	23,850,221	23,936,604	0.4%
CITY COORDINATOR	361,418	704,488	545,796	1,242,783	127.7%
INTERGOVERNMENTAL RELATIONS	955,539	937,499	1,106,336	1,264,462	14.3%
COMMUNICATIONS	1,904,716	2,236,550	2,349,001	2,502,333	6.5%
HEALTH AND FAMILY SUPPORT	3,445,727	3,649,351	3,701,245	4,076,117	10.1%
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,178,762	3,366,350	3,579,473	3,708,388	3.6%
Total GENERAL FUND	258,927,116	305,698,795	318,472,838	327,934,008	3.0%
Total General Fund - City	258,927,116	305,698,795	318,472,838	327,934,008	3.0%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Special Revenue Funds:					
<u>GRANTS - FEDERAL (0300)</u>					
INTERFUND TRANSFERS	-1,386,277	24,500	50,000	54,000	8.0%
ATTORNEY	519,007	330,079	425,450	391,658	-7.9%
FIRE DEPARTMENT	997,526	1,026,379	3,165,666	3,726,119	17.7%
POLICE DEPARTMENT	3,539,413	3,432,015	3,588,302	4,157,142	15.9%
FINANCE DEPARTMENT	43,885	58,738	55,040	42,028	-23.6%
911/311	0	679,659	4,284,000	1,056,000	-75.4%
REGULATORY SERVICES	266,326	827,240	1,319,229	1,254,901	-4.9%
HEALTH AND FAMILY SUPPORT	3,817,140	4,163,085	3,499,478	4,417,974	26.2%
BUSINESS INFORMATION SERVICES	122,752	597,469	0	0	
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	7,164,695	7,624,384	9,003,733	7,992,332	-11.2%
PUBLIC WORKS PROPERTY SERVICES CAPITAL	14,080	-3,693	0	0	
PW Transportation Capital	1,037,960	304,806	0	0	
Total GRANTS - FEDERAL	16,136,507	19,064,661	25,390,898	23,092,154	-9.1%
<u>CDBG & UDAG FUNDS (0400)</u>					
NON-DEPARTMENTAL	322,204	364,208	427,000	364,000	-14.8%
INTERFUND TRANSFERS	7,977,573	11,118,026	3,909,423	3,909,000	-0.0%
ATTORNEY	0	0	45,750	39,000	-14.8%
FIRE DEPARTMENT	0	0	18,300	16,000	-12.6%
CIVIL RIGHTS	266,811	336,412	420,300	338,000	-19.6%
POLICE DEPARTMENT	0	0	64,050	54,000	-15.7%
PW - FIELD SERVICES	123,205	148,563	97,000	78,000	-19.6%
PW - PROPERTY SERVICES	126,745	595	0	0	
FINANCE DEPARTMENT	271,915	271,607	255,000	205,000	-19.6%
REGULATORY SERVICES	301,522	542,110	217,900	478,000	119.4%
INTERGOVERNMENTAL RELATIONS	1,146,134	1,358,021	1,190,000	1,099,000	-7.6%
HEALTH AND FAMILY SUPPORT	2,434,787	1,828,587	1,931,000	1,554,000	-19.5%
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	4,226,730	7,689,594	17,583,662	8,942,000	-49.1%
Total CDBG & UDAG FUNDS	17,197,625	23,657,722	26,159,385	17,076,000	-34.7%
<u>GRANTS - OTHER (0600)</u>					
NON-DEPARTMENTAL	135,598	44,837	53,745	55,626	3.5%
INTERFUND TRANSFERS	115,750	115,500	0	700,000	
CITY CLERK	-724	0	0	0	
FIRE DEPARTMENT	223,741	18,240	105,991	6,284	-94.1%
CIVIL RIGHTS	705	375	0	0	
POLICE DEPARTMENT	258,206	272,398	785,608	1,243,730	58.3%
PW - SOLID WASTE	0	3,000	0	0	
PW - WATER	21,598	0	0	0	
HUMAN RESOURCES	0	0	10,479	10,846	3.5%
FINANCE DEPARTMENT	23,467	37,386	48,296	43,270	-10.4%
911/311	164,655	299,168	500,000	517,500	3.5%
REGULATORY SERVICES	47,680	6,746	0	0	
INTERGOVERNMENTAL RELATIONS	3,275	6,320	0	0	
COMMUNICATIONS	16,282	4,447	0	0	
HEALTH AND FAMILY SUPPORT	3,517,767	3,617,363	3,738,380	3,503,880	-6.3%
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,853,306	2,378,944	3,501,795	3,498,500	-0.1%
PW Transportation Capital	300,000	0	0	0	
Total GRANTS - OTHER	7,681,306	6,804,724	8,744,294	9,579,636	9.6%
<u>CONVENTION CENTER OPERATIONS (0760)</u>					
INTERFUND TRANSFERS	31,955,928	35,531,206	38,552,760	39,371,000	2.1%
HUMAN RESOURCES	57,661	61,069	64,391	65,810	2.2%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Special Revenue Funds:					
<u>CONVENTION CENTER OPERATIONS (0760)</u>					
FINANCE DEPARTMENT	302,465	0	0	0	
GMCVA	6,654,788	7,238,614	7,080,000	7,380,000	4.2%
CONVENTION CENTER	21,940,114	25,618,363	28,802,108	28,163,316	-2.2%
Total CONVENTION CENTER OPERATIONS	60,910,956	68,449,251	74,499,259	74,980,126	0.6%
<u>EMPLOYEE RETIREMENT (0990)</u>					
INTERFUND TRANSFERS	1,362,974	1,207,618	0	0	
MPLS EMPLOYEE RETIREMT FD	3,457,478	1,842,567	3,008,796	3,114,104	3.5%
POLICE RELIEF ASSOCIATION	9,989,513	6,602,579	5,979,240	6,188,513	3.5%
FIRE DEPT RELIEF ASSOC	1,674,678	1,251,498	1,354,560	1,401,970	3.5%
Total EMPLOYEE RETIREMENT	16,484,643	10,904,261	10,342,596	10,704,587	3.5%
<u>POLICE DEPT - SPECIAL REVENUE (2100)</u>					
POLICE DEPARTMENT	2,418,595	2,209,283	2,267,713	2,136,434	-5.8%
Total POLICE DEPT - SPECIAL REVENUE	2,418,595	2,209,283	2,267,713	2,136,434	-5.8%
<u>ARENA - RESERVE (2600)</u>					
INTERFUND TRANSFERS	918,197	5,030,516	0	0	
Total ARENA - RESERVE	918,197	5,030,516	0	0	
<u>CONVENTION FACILITES - RESERVE (2790)</u>					
INTERFUND TRANSFERS	0	2,531,000	3,031,000	500,000	-83.5%
Total CONVENTION FACILITES - RESERVE	0	2,531,000	3,031,000	500,000	-83.5%
<u>CPED Operating (GEN0)</u>					
INTERFUND TRANSFERS	321,555	839,969	6,963,456	0	-100.0%
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	4,412,697	3,749,183	3,525,522	7,426,815	110.7%
Total CPED Operating	4,734,252	4,589,152	10,488,978	7,426,815	-29.2%
<u>MCDA CDBG (FBG0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	5,823,071	7,626,793	0	621	
Total MCDA CDBG	5,823,071	7,626,793	0	621	
<u>FEDERAL EMPOWERMENT ZONE (FEZ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	489,167	0	0	0	
Total FEDERAL EMPOWERMENT ZONE	489,167	0	0	0	
<u>MCDA FEDERAL GRANTS-OTHER (FG00)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	4,207,510	4,923,878	6,183,172	3,928,127	-36.5%
Total MCDA FEDERAL GRANTS-OTHER	4,207,510	4,923,878	6,183,172	3,928,127	-36.5%
<u>MCDA NEIGHBORHOOD DEVEL ACCT (FNA0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	513,623	1,209,013	347,979	1,631,367	368.8%
Total MCDA NEIGHBORHOOD DEVEL ACCT	513,623	1,209,013	347,979	1,631,367	368.8%
<u>JOINT BOARD (JTB0)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Special Revenue Funds:					
<u>JOINT BOARD (JTB0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	11,000	7,450	0	0	
Total JOINT BOARD	11,000	7,450	0	0	
<u>MEDC (MED0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	57,519	2,942	0	0	
Total MEDC	57,519	2,942	0	0	
<u>NRP ADMINISTRATION (SAD0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	515,948	795,859	1,005,274	651,081	-35.2%
Total NRP ADMINISTRATION	515,948	795,859	1,005,274	651,081	-35.2%
<u>COMMUNITY DEVELOPMENT INVESTMENT FUND (S</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,359,123	1,820,512	208,847	1,763,668	744.5%
Total COMMUNITY DEVELOPMENT INVESTMENT FUN	1,359,123	1,820,512	208,847	1,763,668	744.5%
<u>DEVELOPMENT ACCOUNT (SDA0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	5,239,889	104,661	1,711,608	201,938	-88.2%
Total DEVELOPMENT ACCOUNT	5,239,889	104,661	1,711,608	201,938	-88.2%
<u>ECONOMIC DEVELOPMENT PROGRAM (SED0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,850,101	1,992,207	3,724,400	4,768,543	28.0%
Total ECONOMIC DEVELOPMENT PROGRAM	1,850,101	1,992,207	3,724,400	4,768,543	28.0%
<u>HOUSING PROGRAM (SHP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	909,180	945,556	3,411,933	2,314,697	-32.2%
Total HOUSING PROGRAM	909,180	945,556	3,411,933	2,314,697	-32.2%
<u>HOME OWNERSHIP WORKS (SHW0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	260,716	-68,256	0	0	
Total HOME OWNERSHIP WORKS	260,716	-68,256	0	0	
<u>MCDA STATE GRANTS & LOAN (SMN0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	11,247,398	19,839,335	39,610	8,780	-77.8%
Total MCDA STATE GRANTS & LOAN	11,247,398	19,839,335	39,610	8,780	-77.8%
<u>NEIGHBORHOOD HOUSING (SNH0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	150,000	150,000	4,322	0	-100.0%
Total NEIGHBORHOOD HOUSING	150,000	150,000	4,322	0	-100.0%
<u>COMMUNITY DEVELOPMENT (SPH0)</u>					
INTERFUND TRANSFERS	204,298	0	1,960,000	0	-100.0%
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,380,069	4,525,037	3,123,457	2,648,218	-15.2%
Total COMMUNITY DEVELOPMENT	1,584,367	4,525,037	5,083,457	2,648,218	-47.9%
<u>RESIDENTIAL HOUSING (SRF0)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Special Revenue Funds:					
<u>RESIDENTIAL HOUSING (SRFO)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	202,343	1,346,286	218,064	173,635	-20.4%
Total RESIDENTIAL HOUSING	202,343	1,346,286	218,064	173,635	-20.4%
<u>THEATRES (STHO)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,418,728	2,337,473	56,830	21,691	-61.8%
Total THEATRES	2,418,728	2,337,473	56,830	21,691	-61.8%
<u>UPPER RIVER LAND BANK (SUR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	79,577	36,988	83,072	137,356	65.3%
Total UPPER RIVER LAND BANK	79,577	36,988	83,072	137,356	65.3%
<u>PARK - GENERAL FUND (1500)</u>					
UNFUNDED PENSION EXPENSE	-456,266	-563,078	0	-400,000	
LIABILITY	0	0	0	0	
PARK BOARD	41,128,028	55,135,431	53,357,000	53,312,202	-0.1%
Total PARK - GENERAL FUND	40,671,761	54,572,353	53,357,000	52,912,202	-0.8%
<u>PARK - MUSEUM (ART INSTITUTE) (1600)</u>					
PARK MUSEUM	7,851,257	8,835,765	9,062,835	10,136,944	11.9%
Total PARK - MUSEUM (ART INSTITUTE)	7,851,257	8,835,765	9,062,835	10,136,944	11.9%
<u>PARK - FORESTRY (1700)</u>					
UNFUNDED PENSION EXPENSE	-98,110	0	0	0	
PARK BOARD	8,853,246	0	0	0	
Total PARK - FORESTRY	8,755,136	0	0	0	
<u>PARK - GRANT & SPECIAL REVENUE (1950)</u>					
PARK BOARD	1,618,549	2,386,046	1,475,309	1,592,353	7.9%
PARK BOARD CAPITAL IMPROVEMENT	1,375,383	285,117	37,000	37,000	0.0%
Total PARK - GRANT & SPECIAL REVENUE	2,993,932	2,671,163	1,512,309	1,629,353	7.7%
<u>BOARD OF ESTIMATE AND TAXATION (1000)</u>					
BOARD OF ESTIMATE & TAXATION	246,971	257,629	330,260	342,700	3.8%
Total BOARD OF ESTIMATE AND TAXATION	246,971	257,629	330,260	342,700	3.8%
<u>MUNICIPAL BUILDING COMMISSION (1100)</u>					
INTERFUND TRANSFERS	150,000	0	0	0	
MUNICIPAL BUILDING COMMISSION	7,151,804	7,106,062	7,505,577	7,689,910	2.5%
Total MUNICIPAL BUILDING COMMISSION	7,301,804	7,106,062	7,505,577	7,689,910	2.5%
<u>LIBRARY - GENERAL FUND (1800)</u>					
INTERFUND TRANSFERS	0	0	0	850,000	
UNFUNDED PENSION EXPENSE	-176,611	-171,644	0	0	
LIBRARY BOARD	18,159,240	21,715,372	21,274,232	22,909,943	7.7%
Total LIBRARY - GENERAL FUND	17,982,629	21,543,728	21,274,232	23,759,943	11.7%
<u>NEIGHBORHOOD REVITAL POLICY (2300)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Special Revenue Funds:					
<u>NEIGHBORHOOD REVITAL POLICY (2300)</u>					
NRP - ADMINISTRATION	1,708,348	1,642,298	2,293,556	1,769,489	-22.8%
Total NEIGHBORHOOD REVITAL POLICY	1,708,348	1,642,298	2,293,556	1,769,489	-22.8%
<u>YOUTH COORDINATING BOARD (2200)</u>					
YOUTH COORDINATING BOARD	4,518,757	4,405,242	2,470,990	1,965,750	-20.4%
Total YOUTH COORDINATING BOARD	4,518,757	4,405,242	2,470,990	1,965,750	-20.4%
Total Special Revenue Funds	255,431,939	291,870,543	280,809,450	263,951,765	-6.0%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>Fire Pension Bonds (09F0)</u>					
INTERFUND TRANSFERS	0	104,428	0	0	
FIRE DEPT RELIEF ASSOC	4,998	4,737,306	0	0	
Total Fire Pension Bonds	4,998	4,841,734	0	0	
<u>MERF PENSION BONDS (09M0)</u>					
INTERFUND TRANSFERS	578,651	0	0	0	
MPLS EMPLOYEE RETIREMT FD	17,861,715	0	0	0	
Total MERF PENSION BONDS	18,440,366	0	0	0	
<u>POLICE PENSION BONDS (09P0)</u>					
INTERFUND TRANSFERS	460,077	493,968	0	0	
POLICE RELIEF ASSOCIATION	17,948,380	24,969,509	0	0	
Total POLICE PENSION BONDS	18,408,457	25,463,477	0	0	
<u>JUNE00 UST/SKYWAY TI BONDS (0P10)</u>					
INTERFUND TRANSFERS	0	31,411	0	0	
Total JUNE00 UST/SKYWAY TI BONDS	0	31,411	0	0	
<u>AUGUST 01 SEWER ARBITRAGE (0S20)</u>					
INTERFUND TRANSFERS	1,159,086	26,339	0	0	
Total AUGUST 01 SEWER ARBITRAGE	1,159,086	26,339	0	0	
<u>June 03 Sewer Arbitrage (0S30)</u>					
INTERFUND TRANSFERS	2,355,673	1,155,299	0	0	
Total June 03 Sewer Arbitrage	2,355,673	1,155,299	0	0	
<u>June 02 Water Arbitrage (0W30)</u>					
INTERFUND TRANSFERS	-2,935	0	0	0	
Total June 02 Water Arbitrage	-2,935	0	0	0	
<u>June 03 Water Arbitrage (0W40)</u>					
INTERFUND TRANSFERS	2,887,756	1,739,456	0	0	
Total June 03 Water Arbitrage	2,887,756	1,739,456	0	0	
<u>CITY-CAPITAL IMPROVEMENTS FUND (4100)</u>					
INTERFUND TRANSFERS	1,953,184	0	347,046	0	-100.0%
PW - ENGINEERING SERVICES	4,755,333	5,384,531	6,467,056	6,692,377	3.5%
PW - FIELD SERVICES	477,663	509,075	564,412	567,595	0.6%
FINANCE DEPARTMENT	1,019,744	0	0	0	
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	405,978	291,937	200,000	400,000	100.0%
POLICE DEPT-CAP IMPROVEMT	0	0	0	1,000,000	
PUBLIC WORKS PROPERTY SERVICES CAPITAL	10,130,200	5,037,663	14,777,000	2,995,000	-79.7%
Stormwater and Sanitary Maint	791,247	101,955	0	0	
PUBLIC WORKS PAVING CONSTRUCTION	25,677,169	24,860,820	29,681,000	18,236,000	-38.6%
PW Transportation Capital	8,687,674	7,835,244	5,684,000	8,666,000	52.5%
CAPITAL IMPROVEMENTS NON-DEPARTMENTAL	14,755,449	5,785,740	3,347,000	3,028,412	-9.5%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>CITY-CAPITAL IMPROVEMENTS FUND (4100)</u>					
CONVENTION CENTER SITE	269,381	0	0	0	
Total CITY-CAPITAL IMPROVEMENTS FUND	68,923,020	49,806,964	61,067,514	41,585,384	-31.9%
<u>August 01 Variable Purpose (4A10)</u>					
INTERFUND TRANSFERS	26,959	137,508	0	0	
Total August 01 Variable Purpose	26,959	137,508	0	0	
<u>JUNE 02 VARIOUS PURPOSE BONDS (4A30)</u>					
INTERFUND TRANSFERS	2,909,085	280,002	0	0	
Total JUNE 02 VARIOUS PURPOSE BONDS	2,909,085	280,002	0	0	
<u>DEC02 VARIOUS PURPOSE BONDS (4A40)</u>					
INTERFUND TRANSFERS	451,295	876	0	0	
Total DEC02 VARIOUS PURPOSE BONDS	451,295	876	0	0	
<u>Jun 03 Various Purpose Bonds (4A50)</u>					
INTERFUND TRANSFERS	11,913,193	4,430,830	0	0	
Total Jun 03 Various Purpose Bonds	11,913,193	4,430,830	0	0	
<u>96 IMPROVEMENT BONDS (4A60)</u>					
DEBT SERVICE - NON-DEPT	38,797	0	0	0	
INTERFUND TRANSFERS	8,772,992	4,025,883	0	0	
Total 96 IMPROVEMENT BONDS	8,811,789	4,025,883	0	0	
<u>97 IMPROVEMENT BONDS (4A70)</u>					
DEBT SERVICE - NON-DEPT	0	39,694	0	0	
INTERFUND TRANSFERS	0	11,326,257	0	0	
Total 97 IMPROVEMENT BONDS	0	11,365,951	0	0	
<u>JUNE99 VARIOUS PURPOSE BONDS (4A90)</u>					
INTERFUND TRANSFERS	555,309	18,173	0	0	
Total JUNE99 VARIOUS PURPOSE BONDS	555,309	18,173	0	0	
<u>Oct05 Var Purp Refunding Bonds (4B10)</u>					
DEBT SERVICE - NON-DEPT	0	4,605	0	0	
INTERFUND TRANSFERS	0	2,196,986	0	0	
Total Oct05 Var Purp Refunding Bonds	0	2,201,590	0	0	
<u>97 SERIES B BONDS (4C70)</u>					
INTERFUND TRANSFERS	49,074	0	0	0	
Total 97 SERIES B BONDS	49,074	0	0	0	
<u>June03 Heritage Park Arbitrage (4H10)</u>					
INTERFUND TRANSFERS	301,316	263,926	0	0	
Total June03 Heritage Park Arbitrage	301,316	263,926	0	0	

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>IMPROV BOND ARBITRAGE (4I20)</u>					
INTERFUND TRANSFERS	4,157	1,729	0	0	
Total IMPROV BOND ARBITRAGE	4,157	1,729	0	0	
<u>NOV03 IMPROV BOND ARBITRAGE (4I30)</u>					
INTERFUND TRANSFERS	4,197	0	0	0	
Total NOV03 IMPROV BOND ARBITRAGE	4,197	0	0	0	
<u>NOV04 IMPROV BOND ARBITRAGE (4I40)</u>					
DEBT SERVICE - NON-DEPT	76,909	0	0	0	
INTERFUND TRANSFERS	9,053,644	166,131	0	0	
Total NOV04 IMPROV BOND ARBITRAGE	9,130,553	166,131	0	0	
<u>NOV05 IMPROV BOND ARBITRAGE (4I50)</u>					
DEBT SERVICE - NON-DEPT	0	28,056	0	0	
INTERFUND TRANSFERS	0	4,014,619	0	0	
Total NOV05 IMPROV BOND ARBITRAGE	0	4,042,675	0	0	
<u>OCT03 LIBRARY REF BONDS (4L20)</u>					
INTERFUND TRANSFERS	40,498,041	2,804,956	0	0	
Total OCT03 LIBRARY REF BONDS	40,498,041	2,804,956	0	0	
<u>NOV04 Library Ref Bonds (4L30)</u>					
DEBT SERVICE - NON-DEPT	44,751	0	0	0	
INTERFUND TRANSFERS	3,947,019	23,438,272	0	0	
Total NOV04 Library Ref Bonds	3,991,770	23,438,272	0	0	
<u>June 05 Library Referndm Bnds (4L40)</u>					
INTERFUND TRANSFERS	0	22,148,423	0	0	
Total June 05 Library Referndm Bnds	0	22,148,423	0	0	
<u>NOV04 MILLQTR PKG BONDS (4P10)</u>					
INTERFUND TRANSFERS	0	3,677	0	0	
Total NOV04 MILLQTR PKG BONDS	0	3,677	0	0	
<u>JUNE00 VARIOUS PURPOSE BONDS (4Z00)</u>					
INTERFUND TRANSFERS	10,134	5,565	0	0	
Total JUNE00 VARIOUS PURPOSE BONDS	10,134	5,565	0	0	
<u>Jun 03 Equipment Arbitrage (61C0)</u>					
INTERFUND TRANSFERS	4,932,622	0	0	0	
Total Jun 03 Equipment Arbitrage	4,932,622	0	0	0	
<u>JUNE 03 PROP SERV ARBITRAGE (62A0)</u>					
INTERFUND TRANSFERS	575,940	352,935	0	0	
Total JUNE 03 PROP SERV ARBITRAGE	575,940	352,935	0	0	

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>June 03 BIS Arbitrage (64A0)</u>					
INTERFUND TRANSFERS	563,053	0	0	0	
Total June 03 BIS Arbitrage	563,053	0	0	0	
<u>900 NICOLLET TAXABLE (75B0)</u>					
INTERFUND TRANSFERS	0	1,658,383	0	0	
Total 900 NICOLLET TAXABLE	0	1,658,383	0	0	
<u>AUG 01 LRT EAST RAMP (75C0)</u>					
INTERFUND TRANSFERS	0	280,060	0	0	
Total AUG 01 LRT EAST RAMP	0	280,060	0	0	
<u>WALKER RAMP ARBITRAGE (75D0)</u>					
INTERFUND TRANSFERS	217,107	718	0	0	
Total WALKER RAMP ARBITRAGE	217,107	718	0	0	
<u>Dec 03 Guthrie Ramp Arbitrage (75E0)</u>					
INTERFUND TRANSFERS	11,549,666	1,058,617	0	0	
Total Dec 03 Guthrie Ramp Arbitrage	11,549,666	1,058,617	0	0	
<u>Village Green Escrow (75V0)</u>					
INTERFUND TRANSFERS	64,788	63,107	0	0	
Total Village Green Escrow	64,788	63,107	0	0	
<u>HENNEPIN ENTERTAINMENT TE BOND (AHE0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	142,039	479,900	1,157,336	866,869	-25.1%
Total HENNEPIN ENTERTAINMENT TE BOND	142,039	479,900	1,157,336	866,869	-25.1%
<u>HUMBOLDT GREENWAY TE BONDS (AHG0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	4,192,375	0	0	
Total HUMBOLDT GREENWAY TE BONDS	0	4,192,375	0	0	
<u>Urban Village TE Bonds (AUV0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	467,858	125,551	90,000	0	-100.0%
Total Urban Village TE Bonds	467,858	125,551	90,000	0	-100.0%
<u>West Side Milling TE Bonds (AWM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	606,607	184,285	53,288	53,288	0.0%
Total West Side Milling TE Bonds	606,607	184,285	53,288	53,288	0.0%
<u>West Side Milling TE Bonds II (BWM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	146,649	1,098,846	930,235	123,544	-86.7%
Total West Side Milling TE Bonds II	146,649	1,098,846	930,235	123,544	-86.7%
<u>BLOCK 33 (C330)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>BLOCK 33 (C330)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	35,000	0	10,000	
Total BLOCK 33	0	35,000	0	10,000	
<u>TAX INCREMENT ADMINISTRATION (CAD0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,655,943	1,586,440	1,402,281	1,783,491	27.2%
Total TAX INCREMENT ADMINISTRATION	1,655,943	1,586,440	1,402,281	1,783,491	27.2%
<u>CAMDEN MEDICAL FACILITY (CAM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	85,000	55,000	0	38,000	
Total CAMDEN MEDICAL FACILITY	85,000	55,000	0	38,000	
<u>St. Anne's Housing (CAN0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	11,053	
Total St. Anne's Housing	0	0	0	11,053	
<u>Antiques Minnesota (CAQ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	34,115	
Total Antiques Minnesota	0	0	0	34,115	
<u>COMMON PROJECT UNCERTIFIED (CAZ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	711,486	934,074	1,515,235	464,246	-69.4%
Total COMMON PROJECT UNCERTIFIED	711,486	934,074	1,515,235	464,246	-69.4%
<u>WEST BROADWAY (CBA0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	821,175	679,227	720,000	800,000	11.1%
Total WEST BROADWAY	821,175	679,227	720,000	800,000	11.1%
<u>EAST BANK 1335 (CBB0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	350,000	2,039,713	2,400,000	2,500,000	4.2%
Total EAST BANK 1335	350,000	2,039,713	2,400,000	2,500,000	4.2%
<u>GRANT (CBC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	795,000	809,762	775,000	680,000	-12.3%
Total GRANT	795,000	809,762	775,000	680,000	-12.3%
<u>CHICAGO AND LAKE (CBD0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	550,000	185,000	125,000	140,000	12.0%
Total CHICAGO AND LAKE	550,000	185,000	125,000	140,000	12.0%
<u>NINTH & HENNEPIN (CBE0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	76,423	130,375	102,231	103,298	1.0%
Total NINTH & HENNEPIN	76,423	130,375	102,231	103,298	1.0%
<u>NORTH LOOP (CBF0)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>NORTH LOOP (CBF0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	3,769,390	7,590,702	8,000,000	8,529,738	6.6%
Total NORTH LOOP	3,769,390	7,590,702	8,000,000	8,529,738	6.6%
<u>INDUSTRY SQUARE (CBG0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	3,071,555	2,414,746	2,400,384	2,525,000	5.2%
Total INDUSTRY SQUARE	3,071,555	2,414,746	2,400,384	2,525,000	5.2%
<u>SEWARD SOUTH (CBH0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,932,436	1,953,561	2,650,000	2,025,000	-23.6%
Total SEWARD SOUTH	1,932,436	1,953,561	2,650,000	2,025,000	-23.6%
<u>CEDAR RIVERSIDE (CBJ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	3,565,000	2,368,232	3,045,400	3,185,000	4.6%
Total CEDAR RIVERSIDE	3,565,000	2,368,232	3,045,400	3,185,000	4.6%
<u>HENNEPIN & LAKE (CBM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	640,000	1,176,251	1,100,000	1,300,000	18.2%
Total HENNEPIN & LAKE	640,000	1,176,251	1,100,000	1,300,000	18.2%
<u>BROADWAY 35-W (CBN0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	580,000	834,964	0	353,660	
Total BROADWAY 35-W	580,000	834,964	0	353,660	
<u>BOTTINEAU (CBO0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	76,827	112,754	118,328	138,655	17.2%
Total BOTTINEAU	76,827	112,754	118,328	138,655	17.2%
<u>FRANKLIN AVENUE (CBP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	210,174	101,353	72,736	66,000	-9.3%
Total FRANKLIN AVENUE	210,174	101,353	72,736	66,000	-9.3%
<u>CONSERVATORY (CBQ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	5,391,133	4,108,125	2,820,900	3,292,100	16.7%
Total CONSERVATORY	5,391,133	4,108,125	2,820,900	3,292,100	16.7%
<u>LORING PARK (CBT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,450,000	4,870,202	4,900,000	4,710,000	-3.9%
Total LORING PARK	1,450,000	4,870,202	4,900,000	4,710,000	-3.9%
<u>LAUREL VILLAGE (CBU0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,900,178	2,376,110	2,480,670	2,593,148	4.5%
Total LAUREL VILLAGE	1,900,178	2,376,110	2,480,670	2,593,148	4.5%
<u>CITY CENTER (CBX0)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>CITY CENTER (CBX0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,116,483	1,629,435	1,750,000	1,865,000	6.6%
Total CITY CENTER	2,116,483	1,629,435	1,750,000	1,865,000	6.6%
<u>SOUTH NICOLLET MALL (CBY0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	9,007,051	9,364,307	7,132,482	8,817,021	23.6%
Total SOUTH NICOLLET MALL	9,007,051	9,364,307	7,132,482	8,817,021	23.6%
<u>Clare Housing (CCH0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	360	
Total Clare Housing	0	0	0	360	
<u>DEEP ROCK TAX INCREMENT (CDR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	246,852	26,898	75,000	3,791	-94.9%
Total DEEP ROCK TAX INCREMENT	246,852	26,898	75,000	3,791	-94.9%
<u>DOWNTOWN EAST LRT (CDT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	135,084	12,710	64,658	51,755	-20.0%
Total DOWNTOWN EAST LRT	135,084	12,710	64,658	51,755	-20.0%
<u>2700 EAST LAKE (CEL0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	47,081	53,171	50,633	62,371	23.2%
Total 2700 EAST LAKE	47,081	53,171	50,633	62,371	23.2%
<u>East Phillips (CEP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	29,024	14,477	31,993	121.0%
Total East Phillips	0	29,024	14,477	31,993	121.0%
<u>EAST VILLAGE (CEV0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	207,178	137,912	171,949	177,862	3.4%
Total EAST VILLAGE	207,178	137,912	171,949	177,862	3.4%
<u>50TH & FRANCE (CFF0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	166,860	165,500	166,645	178,123	6.9%
Total 50TH & FRANCE	166,860	165,500	166,645	178,123	6.9%
<u>Franklin Portland (CFP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	13,443	360	-97.3%
Total Franklin Portland	0	0	13,443	360	-97.3%
<u>FORMER FED RESERVE (CFR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	213,800	312,960	401,556	498,348	24.1%
Total FORMER FED RESERVE	213,800	312,960	401,556	498,348	24.1%
<u>GRAIN BELT (CGB0)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>GRAIN BELT (CGB0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	111,991	111,614	112,339	123,493	9.9%
Total GRAIN BELT	111,991	111,614	112,339	123,493	9.9%
<u>GRACO TI (CGC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	132,885	1,078	211,411	79,201	-62.5%
Total GRACO TI	132,885	1,078	211,411	79,201	-62.5%
<u>Grain Belt Housing Dist 132 (CGH0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	82,073	48,732	92,145	89.1%
Total Grain Belt Housing Dist 132	0	82,073	48,732	92,145	89.1%
<u>110 GRANT (CGR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	145,000	0	0	100,000	
Total 110 GRANT	145,000	0	0	100,000	
<u>13th and Harmon (CHA0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	239,911	239,484	240,258	247,638	3.1%
Total 13th and Harmon	239,911	239,484	240,258	247,638	3.1%
<u>Parcel C Tax Increment District (CHC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	15,803	406,507	384,701	452,376	17.6%
Total Parcel C Tax Increment District	15,803	406,507	384,701	452,376	17.6%
<u>HISTORIC DEPOT REUSE DIST 93 (CHD0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	862,625	882,116	881,257	890,467	1.0%
Total HISTORIC DEPOT REUSE DIST 93	862,625	882,116	881,257	890,467	1.0%
<u>HENNEPIN & 7TH ENTERTAINMENT (CHE0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	349,567	5,050,551	961,802	1,824,095	89.7%
Total HENNEPIN & 7TH ENTERTAINMENT	349,567	5,050,551	961,802	1,824,095	89.7%
<u>HUMBOLDT GREENWAY DIST 98 (CHG0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	222,092	-3,941,144	248,609	236,285	-5.0%
Total HUMBOLDT GREENWAY DIST 98	222,092	-3,941,144	248,609	236,285	-5.0%
<u>HERITAGE LAND APTS (CHL0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	415,467	401,824	404,779	410,998	1.5%
Total HERITAGE LAND APTS	415,467	401,824	404,779	410,998	1.5%
<u>Heritage Park (CHP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	475	355,096	78,256	-78.0%
Total Heritage Park	0	475	355,096	78,256	-78.0%
<u>900 6TH AVENUE SOUTH (CHT0)</u>					

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OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>900 6TH AVENUE SOUTH (CHT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	55,762	52,844	53,601	51,857	-3.3%
Total 900 6TH AVENUE SOUTH	55,762	52,844	53,601	51,857	-3.3%
<u>EAST HENNEPIN & UNIVERSITY (CHU0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	322,438	960,170	844,157	1,270,414	50.5%
Total EAST HENNEPIN & UNIVERSITY	322,438	960,170	844,157	1,270,414	50.5%
<u>CAMDEN AREA IMPACT (CIM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	287,500	0	0	0	
Total CAMDEN AREA IMPACT	287,500	0	0	0	
<u>IVY TOWER (CIT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	5,934	1,442,413	88,110	28,643	-67.5%
Total IVY TOWER	5,934	1,442,413	88,110	28,643	-67.5%
<u>Jourdain (CJR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	1,146	
Total Jourdain	0	0	0	1,146	
<u>LOCAL CONTRIBUTION FUND (CLC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	200,088	500,213	1,230,851	0	-100.0%
Total LOCAL CONTRIBUTION FUND	200,088	500,213	1,230,851	0	-100.0%
<u>LOWRY RIDGE (CLR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	91,540	92,689	100,640	108,234	7.5%
Total LOWRY RIDGE	91,540	92,689	100,640	108,234	7.5%
<u>Lake Street Center (CLS0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	70	7,156,070	516,886	1,000,341	93.5%
Total Lake Street Center	70	7,156,070	516,886	1,000,341	93.5%
<u>MAGNUM LOFTS (CML0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	35,609	38,073	38,087	42,733	12.2%
Total MAGNUM LOFTS	35,609	38,073	38,087	42,733	12.2%
<u>Many Rivers (CMR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	15,432	82,256	59,989	55,429	-7.6%
Total Many Rivers	15,432	82,256	59,989	55,429	-7.6%
<u>Many Rivers West (CMW0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	360	
Total Many Rivers West	0	0	0	360	
<u>1900 Central Ave Hsq (CNC0)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>1900 Central Ave Hsg (CNC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	318	0	52,344	
Total 1900 Central Ave Hsg	0	318	0	52,344	
<u>NICOLLET FRANKLIN (CNF0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	98,268	84,348	87,113	119,590	37.3%
Total NICOLLET FRANKLIN	98,268	84,348	87,113	119,590	37.3%
<u>NRP (CNR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	11,239,195	8,857,438	0	1,120,560	
Total NRP	11,239,195	8,857,438	0	1,120,560	
<u>NWIP (CPA0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,659,558	2,608,599	2,600,000	2,740,000	5.4%
Total NWIP	2,659,558	2,608,599	2,600,000	2,740,000	5.4%
<u>HOLMES (CPB0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,167,500	1,987,350	2,210,000	2,230,000	0.9%
Total HOLMES	2,167,500	1,987,350	2,210,000	2,230,000	0.9%
<u>NICOLLET ISLAND EAST BANK (CPC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,330,000	1,375,043	1,651,019	1,820,000	10.2%
Total NICOLLET ISLAND EAST BANK	2,330,000	1,375,043	1,651,019	1,820,000	10.2%
<u>PORTLAND PLACE (CPD0)</u>					
INTERFUND TRANSFERS	0	0	67,147	69,000	2.8%
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	64,262	66,426	172,146	172,837	0.4%
Total PORTLAND PLACE	64,262	66,426	239,293	241,837	1.1%
<u>NOKOMIS HOLMES (CPE0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	595,000	300,000	250,000	270,000	8.0%
Total NOKOMIS HOLMES	595,000	300,000	250,000	270,000	8.0%
<u>ELLIOT PARK (CPF0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,296,091	433,092	655,000	540,000	-17.6%
Total ELLIOT PARK	1,296,091	433,092	655,000	540,000	-17.6%
<u>NICOLLET & LAKE (CPG0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	705,000	677,098	559,132	595,262	6.5%
Total NICOLLET & LAKE	705,000	677,098	559,132	595,262	6.5%
<u>CENTRAL & 20TH (CPH0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	382,500	125,000	150,000	115,000	-23.3%
Total CENTRAL & 20TH	382,500	125,000	150,000	115,000	-23.3%
<u>MILES I (CPJ0)</u>					

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OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>MILES I (CPJ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	245,000	122,500	0	105,000	
Total MILES I	245,000	122,500	0	105,000	
<u>NBA ARENA (CPK0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	10,088,330	3,364,385	4,388,802	4,511,671	2.8%
Total NBA ARENA	10,088,330	3,364,385	4,388,802	4,511,671	2.8%
<u>PHILLIPS PARK (CPL0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	39,181	53,279	47,892	53,861	12.5%
Total PHILLIPS PARK	39,181	53,279	47,892	53,861	12.5%
<u>LASALLE PLACE (CPM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	4,433,814	2,410,000	1,682,582	1,775,000	5.5%
Total LASALLE PLACE	4,433,814	2,410,000	1,682,582	1,775,000	5.5%
<u>CAPITAL PROJECTS- OTHER (CPO0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,038,525	1,038,343	38,474	17,283	-55.1%
Total CAPITAL PROJECTS- OTHER	2,038,525	1,038,343	38,474	17,283	-55.1%
<u>PRELIMINARY PLANNING (CPP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	627,469	930,461	3,056,593	2,427,269	-20.6%
Total PRELIMINARY PLANNING	627,469	930,461	3,056,593	2,427,269	-20.6%
<u>NEIMAN MARCUS (CPQ0)</u>					
INTERFUND TRANSFERS	0	0	235,000	235,000	0.0%
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,931,279	1,064,038	1,481,766	1,309,734	-11.6%
Total NEIMAN MARCUS	2,931,279	1,064,038	1,716,766	1,544,734	-10.0%
<u>IDS DATA SERVICE CENTER (CPR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,832,500	3,291,300	2,850,000	2,954,968	3.7%
Total IDS DATA SERVICE CENTER	2,832,500	3,291,300	2,850,000	2,954,968	3.7%
<u>ST THOMAS (CPT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	0	
Total ST THOMAS	0	0	0	0	
<u>BLOCK E (CPU0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	1,000,000	0	0	
Total BLOCK E	0	1,000,000	0	0	
<u>36TH AND MARSHALL (CPW0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	147,057	125,162	133,558	6.7%
Total 36TH AND MARSHALL	0	147,057	125,162	133,558	6.7%
<u>COMMON PROJECT RESERVE (CPZ0)</u>					

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	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>COMMON PROJECT RESERVE (CPZ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	5,190,858	1,757,747	0	-100.0%
Total COMMON PROJECT RESERVE	0	5,190,858	1,757,747	0	-100.0%
<u>CREAMETTE DISTRICT 84 (CRM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	130,544	151,207	139,981	129,208	-7.7%
Total CREAMETTE DISTRICT 84	130,544	151,207	139,981	129,208	-7.7%
<u>Marshall River Run (CRR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	360	
Total Marshall River Run	0	0	0	360	
<u>ROSACKER NURSERY SITE (CRS0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	48,200	
Total ROSACKER NURSERY SITE	0	0	0	48,200	
<u>SEMI-PHASE 1 (CS10)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	255,287	205,680	1,039,091	487,431	-53.1%
Total SEMI-PHASE 1	255,287	205,680	1,039,091	487,431	-53.1%
<u>SEMI-PHASE 2 (CS20)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	164,164	138,452	252,052	233,815	-7.2%
Total SEMI-PHASE 2	164,164	138,452	252,052	233,815	-7.2%
<u>SEMI-PHASE 3 (CS30)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	9,902	21,846	134,223	138,297	3.0%
Total SEMI-PHASE 3	9,902	21,846	134,223	138,297	3.0%
<u>SEMI-PHASE 4 (CS40)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	149,679	163,528	167,620	178,890	6.7%
Total SEMI-PHASE 4	149,679	163,528	167,620	178,890	6.7%
<u>SEMI-PHASE 5 (CS50)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	159,832	128,347	121,993	123,733	1.4%
Total SEMI-PHASE 5	159,832	128,347	121,993	123,733	1.4%
<u>Stone Arch Apartments (CSA0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	20,811	262,182	264,459	264,400	-0.0%
Total Stone Arch Apartments	20,811	262,182	264,459	264,400	-0.0%
<u>SPRING & CENTRAL (CSC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	5,000	0	10,000	
Total SPRING & CENTRAL	0	5,000	0	10,000	
<u>SHINGLE CREEK CONDOMINIUMS (CSH0)</u>					

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	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>SHINGLE CREEK CONDOMINIUMS (CSH0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	80,304	78,646	80,631	82,973	2.9%
Total SHINGLE CREEK CONDOMINIUMS	80,304	78,646	80,631	82,973	2.9%
<u>St Anthony Mills (CSM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	360	
Total St Anthony Mills	0	0	0	360	
<u>STINSON (CST0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	519,091	568,752	499,114	567,156	13.6%
Total STINSON	519,091	568,752	499,114	567,156	13.6%
<u>TOWERS AT ELLIOT PARK (CTE0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	732,901	728,967	717,661	1,212,862	69.0%
Total TOWERS AT ELLIOT PARK	732,901	728,967	717,661	1,212,862	69.0%
<u>2ND ST N HOTEL/APTS TOWNPLACE (CTP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	74,048	179,247	173,478	171,944	-0.9%
Total 2ND ST N HOTEL/APTS TOWNPLACE	74,048	179,247	173,478	171,944	-0.9%
<u>10TH AND WASHINGTON (CTW0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	1,612	3,835	107,771	159,902	48.4%
Total 10TH AND WASHINGTON	1,612	3,835	107,771	159,902	48.4%
<u>UNITED VAN BUS (CUB0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	235,000	85,000	50,000	50,000	0.0%
Total UNITED VAN BUS	235,000	85,000	50,000	50,000	0.0%
<u>East River/Unocal Site (CUN0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	188,679	167,576	115,000	1,594,340	1,286.4%
Total East River/Unocal Site	188,679	167,576	115,000	1,594,340	1,286.4%
<u>URBAN VILLAGE (CUV0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	114,851	-278,899	100,000	213,228	113.2%
Total URBAN VILLAGE	114,851	-278,899	100,000	213,228	113.2%
<u>Village in Phillips Housing (CVP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	12,876	46,165	258.5%
Total Village in Phillips Housing	0	0	12,876	46,165	258.5%
<u>Village In Phillips Phase II (CVQ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	13,009	
Total Village In Phillips Phase II	0	0	0	13,009	
<u>HSG REPLACE-WATERSHED 3 (CW30)</u>					

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OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Capital Projects:					
<u>HSG REPLACE-WATERSHED 3 (CW30)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	6,515	0	-100.0%
Total HSG REPLACE-WATERSHED 3	0	0	6,515	0	-100.0%
<u>Housing Replacement District #4 (CW40)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	0	
Total Housing Replacement District #4	0	0	0	0	
<u>Washington Courts Apts (CWC0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	5,701	
Total Washington Courts Apts	0	0	0	5,701	
<u>WEST SIDE MILLING DISTRICT (CWM0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	950,061	921,456	908,438	1,260,714	38.8%
Total WEST SIDE MILLING DISTRICT	950,061	921,456	908,438	1,260,714	38.8%
<u>West River Commons (CWR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	8,717	19,119	18,978	77,262	307.1%
Total West River Commons	8,717	19,119	18,978	77,262	307.1%
<u>HSG REPLACE-WATERSHED 0 (CWS0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	4,765	17,236	11,832	28,524	141.1%
Total HSG REPLACE-WATERSHED 0	4,765	17,236	11,832	28,524	141.1%
<u>Housing Replacement 2 (CWT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	8,512	112,164	1,217.7%
Total Housing Replacement 2	0	0	8,512	112,164	1,217.7%
<u>PARK-CAPITAL IMPROVEMENT FUND (4300)</u>					
PARK BOARD CAPITAL IMPROVEMENT	7,815,970	7,407,311	3,998,232	2,760,000	-31.0%
Total PARK-CAPITAL IMPROVEMENT FUND	7,815,970	7,407,311	3,998,232	2,760,000	-31.0%
<u>PARK-CAPITAL IMPROVEMENT-ASSESSED FUND (3)</u>					
PARK BOARD CAPITAL IMPROVEMENT	1,057,093	2,002,214	500,000	500,000	0.0%
Total PARK-CAPITAL IMPROVEMENT-ASSESSED FUND	1,057,093	2,002,214	500,000	500,000	0.0%
<u>ARBITRAGE 1993 PARK BONDS (4U00)</u>					
INTERFUND TRANSFERS	253	354	0	0	
Total ARBITRAGE 1993 PARK BONDS	253	354	0	0	
<u>ARBITRAGE 1995 PARK BONDS (4Y00)</u>					
INTERFUND TRANSFERS	28,218	0	0	0	
Total ARBITRAGE 1995 PARK BONDS	28,218	0	0	0	
<u>MBC-CAPITAL IMPROVEMENTS FUND (4200)</u>					

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OPERATING EXPENDITURES BY FUND AND AGENCY**

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Capital Projects:					
<u>MBC-CAPITAL IMPROVEMENTS FUND (4200)</u>					
BUILDING COMMISSION CAPITAL IMPROVEMENT	1,552,563	2,336,997	1,460,000	779,381	-46.6%
Total MBC-CAPITAL IMPROVEMENTS FUND	1,552,563	2,336,997	1,460,000	779,381	-46.6%
<u>LIBRARY-CAPITAL IMPROVEMENTS FUND (4400)</u>					
LIBRARY-CAPITAL IMPROVEMENTS FUND	5,419,531	3,444,971	3,070,000	850,000	-72.3%
LIBRARY BOARD-CAP REFERENDUM	42,011,955	46,767,991	0	0	
Total LIBRARY-CAPITAL IMPROVEMENTS FUND	47,431,486	50,212,962	3,070,000	850,000	-72.3%
Total Capital Projects	359,840,741	328,202,383	152,572,718	132,160,640	-13.4%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Debt Service:					
<u>BOND REDEMPTION - DEBT SERVICE (5250)</u>					
DEBT SERVICE - NON-DEPT	28,791,376	32,703,102	18,288,444	20,149,644	10.2%
INTERFUND TRANSFERS	1,211,348	832,533	1,790,000	2,090,000	16.8%
Total BOND REDEMPTION - DEBT SERVICE	30,002,724	33,535,635	20,078,444	22,239,644	10.8%
<u>OTH SELF SUPPORTING DEBT SERVC (5260)</u>					
DEBT SERVICE - NON-DEPT	3,017,504	3,248,109	3,053,014	2,208,358	-27.7%
Total OTH SELF SUPPORTING DEBT SERVC	3,017,504	3,248,109	3,053,014	2,208,358	-27.7%
<u>Midtown Exchange 108 Loan Account (5261)</u>					
DEBT SERVICE - NON-DEPT	0	0	0	377,000	
Total Midtown Exchange 108 Loan Account	0	0	0	377,000	
<u>PENSION FUND DEBT SERVICE (5270)</u>					
DEBT SERVICE - NON-DEPT	5,985,321	17,089,745	8,482,418	5,986,063	-29.4%
Total PENSION FUND DEBT SERVICE	5,985,321	17,089,745	8,482,418	5,986,063	-29.4%
<u>LIBRARY REF DEBT SERVICE (5280)</u>					
DEBT SERVICE - NON-DEPT	2,302,097	8,638,560	7,549,813	8,683,813	15.0%
Total LIBRARY REF DEBT SERVICE	2,302,097	8,638,560	7,549,813	8,683,813	15.0%
<u>BOND REDEM ARBIT ASSESS PARK (5P00)</u>					
DEBT SERVICE - NON-DEPT	479,867	554,589	565,000	568,000	0.5%
Total BOND REDEM ARBIT ASSESS PARK	479,867	554,589	565,000	568,000	0.5%
<u>BOND REDEMPTION - ASSESSMENT (5450)</u>					
DEBT SERVICE - NON-DEPT	104,060	104,967	0	0	
Total BOND REDEMPTION - ASSESSMENT	104,060	104,967	0	0	
<u>96 IMPROVEMENT BONDS (5A60)</u>					
DEBT SERVICE - NON-DEPT	205,090	1,011,669	182,218	144,275	-20.8%
Total 96 IMPROVEMENT BONDS	205,090	1,011,669	182,218	144,275	-20.8%
<u>97 IMPROVEMENT BONDS (5A70)</u>					
DEBT SERVICE - NON-DEPT	261,915	1,225,667	239,562	189,173	-21.0%
Total 97 IMPROVEMENT BONDS	261,915	1,225,667	239,562	189,173	-21.0%
<u>98 IMPROVEMENT BONDS (5A80)</u>					
DEBT SERVICE - NON-DEPT	186,034	179,430	174,150	208,831	19.9%
Total 98 IMPROVEMENT BONDS	186,034	179,430	174,150	208,831	19.9%
<u>01 IMPROVEMENT BONDS - 20 YR (5AB0)</u>					
DEBT SERVICE - NON-DEPT	837,053	817,053	797,053	777,053	-2.5%
Total 01 IMPROVEMENT BONDS - 20 YR	837,053	817,053	797,053	777,053	-2.5%
<u>BOND REDEM ARBIT 6/90 IMP BOND (5B00)</u>					

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	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Debt Service:					
<u>BOND REDEM ARBIT 6/90 IMP BOND (5B00)</u>					
DEBT SERVICE - NON-DEPT	323,203	1,476,683	270,767	268,213	-0.9%
Total BOND REDEM ARBIT 6/90 IMP BOND	323,203	1,476,683	270,767	268,213	-0.9%
<u>BOND REDEM ARBIT 6/91 IMP BOND (5C00)</u>					
DEBT SERVICE - NON-DEPT	245,790	1,282,390	209,001	199,400	-4.6%
Total BOND REDEM ARBIT 6/91 IMP BOND	245,790	1,282,390	209,001	199,400	-4.6%
<u>BOND REDEM ARBIT 6/92 IMP BOND (5E00)</u>					
DEBT SERVICE - NON-DEPT	213,588	201,788	190,200	198,825	4.5%
Total BOND REDEM ARBIT 6/92 IMP BOND	213,588	201,788	190,200	198,825	4.5%
<u>BOND REDEM ARBIT 6/93 IMP BOND (5F00)</u>					
DEBT SERVICE - NON-DEPT	164,105	177,216	203,500	196,250	-3.6%
Total BOND REDEM ARBIT 6/93 IMP BOND	164,105	177,216	203,500	196,250	-3.6%
<u>BOND REDEM ARBIT 6/94 IMP BOND (5G00)</u>					
DEBT SERVICE - NON-DEPT	204,513	1,392,445	0	0	
Total BOND REDEM ARBIT 6/94 IMP BOND	204,513	1,392,445	0	0	
<u>BOND REDEM ARBIT 6/95 IMP BOND (5H00)</u>					
DEBT SERVICE - NON-DEPT	282,097	1,909,717	0	0	
Total BOND REDEM ARBIT 6/95 IMP BOND	282,097	1,909,717	0	0	
<u>OCT 02 IMPROV BOND D/S (5I20)</u>					
DEBT SERVICE - NON-DEPT	596,100	581,900	567,700	553,500	-2.5%
Total OCT 02 IMPROV BOND D/S	596,100	581,900	567,700	553,500	-2.5%
<u>NOV03 IMPROV BOND D/S (5I30)</u>					
DEBT SERVICE - NON-DEPT	663,653	647,153	635,778	624,403	-1.8%
Total NOV03 IMPROV BOND D/S	663,653	647,153	635,778	624,403	-1.8%
<u>NOV04 IMPROV BOND D/S (5I40)</u>					
DEBT SERVICE - NON-DEPT	0	1,040,950	993,575	973,625	-2.0%
Total NOV04 IMPROV BOND D/S	0	1,040,950	993,575	973,625	-2.0%
<u>NOV05 IMPROV BOND D/S (5I50)</u>					
DEBT SERVICE - NON-DEPT	0	0	589,613	538,088	-8.7%
Total NOV05 IMPROV BOND D/S	0	0	589,613	538,088	-8.7%
<u>NOV06 IMPROV BOND D/S (5I60)</u>					
DEBT SERVICE - NON-DEPT	0	0	0	430,521	
Total NOV06 IMPROV BOND D/S	0	0	0	430,521	
<u>BOND REDEM ARBIT 6/88 IMP BOND (5Z30)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Debt Service:					
<u>BOND REDEM ARBIT 6/88 IMP BOND (5Z30)</u>					
DEBT SERVICE - NON-DEPT	126,585	236,305	0	0	
Total BOND REDEM ARBIT 6/88 IMP BOND	126,585	236,305	0	0	
<u>BOND REDEM ARBIT 6/89 IMP BOND (5Z40)</u>					
DEBT SERVICE - NON-DEPT	137,065	236,305	0	0	
Total BOND REDEM ARBIT 6/89 IMP BOND	137,065	236,305	0	0	
<u>BOND REDEM ARBIT NIC MALL BOND (5Z50)</u>					
DEBT SERVICE - NON-DEPT	1,709,293	9,150,916	1,602,199	1,595,750	-0.4%
Total BOND REDEM ARBIT NIC MALL BOND	1,709,293	9,150,916	1,602,199	1,595,750	-0.4%
<u>CONVENTION CENTER-DEBT SERVICE (5300)</u>					
DEBT SERVICE - NON-DEPT	56,328,504	17,763,440	19,142,000	18,810,000	-1.7%
Total CONVENTION CENTER-DEBT SERVICE	56,328,504	17,763,440	19,142,000	18,810,000	-1.7%
<u>TARGET CENTER (5350)</u>					
DEBT SERVICE - NON-DEPT	4,804,025	5,016,850	0	0	
Total TARGET CENTER	4,804,025	5,016,850	0	0	
<u>TAX INCREMENT - DEBT SERVICE (5900)</u>					
DEBT SERVICE - NON-DEPT	12,704,016	77,749,941	14,184,525	15,195,863	7.1%
Total TAX INCREMENT - DEBT SERVICE	12,704,016	77,749,941	14,184,525	15,195,863	7.1%
<u>MCDA DEBT SERVICE (DDS0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	40,995,956	38,623,356	38,081,434	36,050,000	-5.3%
Total MCDA DEBT SERVICE	40,995,956	38,623,356	38,081,434	36,050,000	-5.3%
<u>ST ANTHONY DEBT SERVICE (DDT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	11,338,923	5,004,705	220,000	0	-100.0%
Total ST ANTHONY DEBT SERVICE	11,338,923	5,004,705	220,000	0	-100.0%
Total Debt Service	174,219,077	228,897,483	118,011,964	117,016,648	-0.8%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Enterprise Funds:					
<u>Sanitary Sewer Fund (7100)</u>					
DEBT SERVICE - NON-DEPT	0	0	0	0	
INTERFUND TRANSFERS	0	203,236	0	171,000	
PW - ENGINEERING SERVICES	0	248,215	396,099	397,297	0.3%
PW - STORMWATER AND SEWER MAINTENANCE	0	35,926,437	36,200,413	37,259,987	2.9%
Stormwater and Sanitary Maint	0	191,466	682,000	6,250,000	816.4%
Total Sanitary Sewer Fund	0	36,569,353	37,278,512	44,078,284	18.2%
<u>Stormwater Fund (7300)</u>					
DEBT SERVICE - NON-DEPT	11,411,863	12,681,144	10,741,327	10,382,124	-3.3%
INTERFUND TRANSFERS	867,106	261,845	147,696	171,000	15.8%
PW - ENGINEERING SERVICES	3,726,274	3,634,209	4,740,927	4,179,929	-11.8%
PW - FIELD SERVICES	5,684,013	6,354,645	6,147,822	6,796,011	10.5%
PW - STORMWATER AND SEWER MAINTENANCE	40,016,477	6,945,642	7,706,268	8,217,892	6.6%
HUMAN RESOURCES	227,970	0	0	0	
FINANCE DEPARTMENT	128,658	0	0	0	
Stormwater and Sanitary Maint	7,295,193	12,960,277	9,260,000	10,418,000	12.5%
CAPITAL IMPROVEMENTS NON-DEPARTMENTAL	436,000	0	0	0	
Total Stormwater Fund	69,793,554	42,837,761	38,744,040	40,164,956	3.7%
<u>WATER ENTERPRISE FUND (7400)</u>					
DEBT SERVICE - NON-DEPT	14,651,669	14,907,443	12,763,095	12,559,472	-1.6%
INTERFUND TRANSFERS	3,619,261	689,005	274,517	664,000	141.9%
POLICE DEPARTMENT	1,138,129	961,694	1,269,862	0	-100.0%
PW - ENGINEERING SERVICES	794,184	657,732	1,128,498	1,178,044	4.4%
PW - WATER	35,889,742	40,352,063	43,259,370	42,128,691	-2.6%
HUMAN RESOURCES	227,970	0	0	0	
FINANCE DEPARTMENT	5,168,122	0	0	0	
PUBLIC WORKS WATER CAPITAL	52,123,477	19,341,098	31,250,000	17,750,000	-43.2%
Total WATER ENTERPRISE FUND	113,612,554	76,909,035	89,945,342	74,280,207	-17.4%
<u>MUNICIPAL PARKING ENTERPRISE FUND (7500)</u>					
DEBT SERVICE - NON-DEPT	43,771,879	72,545,835	28,332,946	29,400,756	3.8%
INTERFUND TRANSFERS	5,673,424	11,104,704	12,723,550	11,915,000	-6.4%
PW - TRANSPORTATION	43,685,039	36,871,373	39,867,812	41,355,231	3.7%
PW - WATER	0	0	0	0	
HUMAN RESOURCES	227,970	0	0	0	
FINANCE DEPARTMENT	575,914	0	0	0	
REGULATORY SERVICES	2,575,068	2,609,603	0	0	
PW Transportation Capital	14,109,502	18,629,167	1,735,000	1,740,000	0.3%
Total MUNICIPAL PARKING ENTERPRISE FUND	110,618,797	141,760,682	82,659,308	84,410,987	2.1%
<u>SOLID WASTE - ENTERPRISE (7700)</u>					
INTERFUND TRANSFERS	883,671	757,934	735,221	778,000	5.8%
PW - SOLID WASTE	25,483,186	26,410,939	27,785,760	28,645,483	3.1%
HUMAN RESOURCES	227,970	0	0	0	
FINANCE DEPARTMENT	196,101	0	0	0	
PUBLIC WORKS PROPERTY SERVICES CAPITAL	0	0	0	0	
PW - SOLID WASTE-CAPITAL	0	0	0	8,390,000	
Total SOLID WASTE - ENTERPRISE	26,790,927	27,168,873	28,520,981	37,813,483	32.6%
<u>DEFAULTED PROPERTY ADMINISTRATION (EDP0)</u>					

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Enterprise Funds:					
<u>DEFAULTED PROPERTY ADMINISTRATION (EDP0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	674,092	7,725,622	149,957	71,631	-52.2%
Total DEFAULTED PROPERTY ADMINISTRATION	674,092	7,725,622	149,957	71,631	-52.2%
<u>FED HOME LN BANK ECON DEVELOP (EED0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	76,306	70,024	131,000	127,000	-3.1%
Total FED HOME LN BANK ECON DEVELOP	76,306	70,024	131,000	127,000	-3.1%
<u>HOUSING OWNWERSHIP PROGRAM (EHO0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	349,321	403,549	0	400,000	
Total HOUSING OWNWERSHIP PROGRAM	349,321	403,549	0	400,000	
<u>HOME OWNERSHIP & RENOVATION (EHR0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	323,694	122,733	0	100,000	
Total HOME OWNERSHIP & RENOVATION	323,694	122,733	0	100,000	
<u>RIVER TERMINAL (ERT0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	2,074,321	1,905,537	2,175,343	2,229,218	2.5%
Total RIVER TERMINAL	2,074,321	1,905,537	2,175,343	2,229,218	2.5%
<u>GARFS (ERZ0)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	360,186	333,164	370,901	1,626,141	338.4%
Total GARFS	360,186	333,164	370,901	1,626,141	338.4%
<u>Library Pkg Enterprise Fund (7600)</u>					
INTERFUND TRANSFERS	0	0	0	0	
LIBRARY BOARD	0	0	773,302	785,150	1.5%
Total Library Pkg Enterprise Fund	0	0	773,302	785,150	1.5%
<u>PARK - OPERATIONS - ENTERPRISE (7800)</u>					
INTERFUND TRANSFERS	0	0	0	0	
PARK BOARD	12,023,581	12,082,444	12,143,730	11,775,053	-3.0%
Total PARK - OPERATIONS - ENTERPRISE	12,023,581	12,082,444	12,143,730	11,775,053	-3.0%
Total Enterprise Funds	336,697,332	347,888,777	292,892,416	297,862,110	1.7%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Internal Service Funds:					
<u>MATERIALS & LAB-INTERNAL SVC (6000)</u>					
INTERFUND TRANSFERS	9,700	61,182	22,123	42,000	89.8%
PW - ENG MATERIALS & TESTING	3,878,201	4,379,227	4,261,181	4,379,570	2.8%
FINANCE DEPARTMENT	157,862	0	0	0	
Total MATERIALS & LAB-INTERNAL SVC	4,045,763	4,440,409	4,283,304	4,421,570	3.2%
<u>EQUIPMENT - INTERNAL SERVICE (6100)</u>					
DEBT SERVICE - NON-DEPT	5,033,737	6,440,499	7,689,950	7,362,900	-4.3%
INTERFUND TRANSFERS	334,603	375,564	130,669	332,000	154.1%
PW - EQUIPMENT	26,889,873	23,167,058	34,853,366	33,337,124	-4.4%
FINANCE DEPARTMENT	574,557	0	0	0	
PW - EQUIPMENT DIV-CAPITAL	10,264,342	3,902,361	6,361,262	12,863,906	102.2%
Total EQUIPMENT - INTERNAL SERVICE	43,097,112	33,885,482	49,035,247	53,895,930	9.9%
<u>PROPERTY SERVICES INTERNAL SERVICE FUND (6200)</u>					
DEBT SERVICE - NON-DEPT	1,161,613	1,049,163	1,038,563	972,363	-6.4%
INTERFUND TRANSFERS	33,000	85,976	31,089	569,000	1,730.2%
PW - EQUIPMENT	0	0	0	0	
PW - PROPERTY SERVICES	12,660,074	14,411,686	14,418,430	14,613,882	1.4%
FINANCE DEPARTMENT	117,256	0	0	0	
PUBLIC WORKS PROPERTY SERVICES CAPITAL	580,642	303,396	100,000	103,500	3.5%
Total PROPERTY SERVICES INTERNAL SERVICE FUN	14,552,584	15,850,221	15,588,082	16,258,745	4.3%
<u>STORES - INTERNAL SERVICE (6300)</u>					
INTERFUND TRANSFERS	14,000	0	0	11,000	
PW - ENG MATERIALS & TESTING	498,868	662,522	795,590	903,478	13.6%
PW - TRANSPORTATION	272,110	295,121	2,605,726	2,693,529	3.4%
FINANCE DEPARTMENT	120,791	0	0	0	
Total STORES - INTERNAL SERVICE	905,769	957,642	3,401,316	3,608,007	6.1%
<u>INFO TECH - INTERNAL SERVICE (6400)</u>					
DEBT SERVICE - NON-DEPT	7,977,298	8,780,983	10,316,241	4,231,963	-59.0%
INTERFUND TRANSFERS	184,067	218,861	57,349	136,000	137.1%
CITY CLERK	1,097,359	840,208	799,513	1,306,456	63.4%
HUMAN RESOURCES	175,718	166,065	195,437	202,277	3.5%
FINANCE DEPARTMENT	190,877	0	0	0	
BUSINESS INFORMATION SERVICES	20,869,852	32,109,806	20,740,857	22,817,139	10.0%
INFORMATION TECHNOLOGY SYSTEMS CAPITAL	3,168,170	10,224,776	3,200,000	3,210,000	0.3%
Total INFO TECH - INTERNAL SERVICE	33,663,340	52,340,699	35,309,397	31,903,835	-9.6%
<u>SELF INSURANCE-INTERNAL SVC (6900)</u>					
DEBT SERVICE - NON-DEPT	984,920	1,044,616	1,204,750	389,000	-67.7%
INTERFUND TRANSFERS	6,000	125,412	45,349	97,000	113.9%
HEALTH AND WELFARE	43,507,719	47,309,404	45,810,424	63,533,567	38.7%
ATTORNEY	4,249,293	4,986,364	5,315,693	5,463,479	2.8%
WORKERS COMPENSATION	6,469,604	6,505,649	8,403,729	7,562,803	-10.0%
LIABILITY	4,930,559	4,728,586	2,854,657	3,978,312	39.4%
HUMAN RESOURCES	566,987	961,133	1,115,052	1,137,152	2.0%
FINANCE DEPARTMENT	1,256,671	1,476,400	2,012,557	2,053,620	2.0%
Total SELF INSURANCE-INTERNAL SVC	61,971,754	67,137,563	66,762,211	84,214,933	26.1%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Internal Service Funds:					
<u>PARK - INTERNAL SERVICE (6600)</u>					
PARK BOARD	4,690,243	4,587,590	5,312,022	5,249,099	-1.2%
Total PARK - INTERNAL SERVICE	4,690,243	4,587,590	5,312,022	5,249,099	-1.2%
<u>PARK-SELF INSURE-INTERNAL SVC (6700)</u>					
PARK BOARD	2,203,631	2,069,853	2,451,709	2,550,221	4.0%
Total PARK-SELF INSURE-INTERNAL SVC	2,203,631	2,069,853	2,451,709	2,550,221	4.0%
Total Internal Service Funds	165,130,195	181,269,459	182,143,288	202,102,340	11.0%

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Investment Management Funds:					
<u>INVESTMENT POOL (2010)</u>					
FINANCE DEPARTMENT	24,780	229,462	0	0	
Total INVESTMENT POOL	24,780	229,462	0	0	
Total Investment Management Funds	24,780	229,462	0	0	

**SCHEDULE THREE
OPERATING EXPENDITURES BY FUND AND AGENCY**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
Agency - Inactive:					
<u>Default (0001)</u>					
COMMUNITY PLANNING AND ECONOMIC DEVELOPM	0	0	0	0	
Total Default	0	0	0	0	
<u>PUBLIC HOUSING AUTHORITY (2900)</u>					
PUBLIC HOUSING	105,086	78,180	0	0	
Total PUBLIC HOUSING AUTHORITY	105,086	78,180	0	0	
Total Agency - Inactive	105,086	78,180	0	0	
Total All Funds	1,550,376,265	1,684,135,083	1,344,902,674	1,341,027,511	-0.3%

**SCHEDULE THREE
Expenditures by Agency**

Agency	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change
911/311	6,338,822	7,778,942	14,539,070	10,901,757	-25.0%
ASSESSOR	2,525,954	2,967,344	3,176,666	3,574,398	12.5%
ATTORNEY	9,399,537	10,371,893	11,741,231	12,064,554	2.8%
BOARD OF ESTIMATE & TAXATION	246,971	257,629	330,260	342,700	3.8%
BUILDING COMMISSION CAPITAL IMPROVEMENT	1,552,563	2,336,997	1,460,000	779,381	-46.6%
BUSINESS INFORMATION SERVICES	20,992,603	32,707,274	20,740,857	22,817,139	10.0%
CAPITAL IMPROVEMENTS NON-DEPARTMENTAL	15,191,449	5,785,740	3,347,000	3,028,412	-9.5%
CITY CLERK	5,098,818	5,483,783	5,897,308	6,661,950	13.0%
CITY CLERK - ELECTIONS	956,149	1,018,834	995,053	814,762	-18.1%
CITY COORDINATOR	361,418	704,488	545,796	1,242,783	127.7%
CIVIL RIGHTS	2,058,387	2,446,836	2,914,146	2,798,739	-4.0%
COMMUNICATIONS	1,920,998	2,240,997	2,349,001	2,502,333	6.5%
COMMUNITY PLANNING AND ECONOMIC DEVELOP	207,368,619	231,312,693	180,816,213	176,203,622	-2.6%
CONTINGENCY	45,000	165,000	2,279,462	2,058,226	-9.7%
CONVENTION CENTER	21,940,114	25,618,363	28,802,108	28,163,316	-2.2%
CONVENTION CENTER SITE	269,381	0	0	0	
CORRECTIONS - NON-DEPT	780,567	686,329	836,400	865,674	3.5%
DEBT SERVICE - NON-DEPT	205,826,286	301,958,927	150,007,402	144,175,226	-3.9%
FINANCE DEPARTMENT	20,103,464	19,482,504	20,366,858	20,469,985	0.5%
FIRE DEPARTMENT	40,716,554	48,231,067	50,452,420	52,128,866	3.3%
FIRE DEPT RELIEF ASSOC	1,679,675	5,988,804	1,354,560	1,401,970	3.5%
GMCVA	6,654,788	7,238,614	7,080,000	7,380,000	4.2%
HEALTH AND FAMILY SUPPORT	13,215,419	13,258,386	12,870,103	13,551,971	5.3%
HEALTH AND WELFARE	43,507,719	47,309,404	45,810,424	63,533,567	38.7%
HUMAN RESOURCES	5,394,372	7,014,935	7,299,944	7,508,936	2.9%
INFORMATION TECHNOLOGY SYSTEMS CAPITAL	3,168,170	10,224,776	3,200,000	3,210,000	0.3%
INTERFUND TRANSFERS	192,965,932	198,120,299	106,690,570	97,675,000	-8.5%
INTERGOVERNMENTAL RELATIONS	2,104,948	2,301,840	2,296,336	2,363,462	2.9%
LIABILITY	4,930,559	4,728,586	2,854,657	3,978,312	39.4%
LIBRARY BOARD	18,159,240	21,715,372	22,047,534	23,695,093	7.5%
LIBRARY BOARD-CAP REFERENDUM	42,011,955	46,767,991	0	0	
LIBRARY-CAPITAL IMPROVEMENTS FUND	5,419,531	3,444,971	3,070,000	850,000	-72.3%
MAYOR	903,603	1,076,105	1,146,314	1,329,489	16.0%
MISCELLANEOUS	0	0	0	0	
MPLS EMPLOYEE RETIREMT FD	21,319,193	1,842,567	3,008,796	3,114,104	3.5%
MUNICIPAL BUILDING COMMISSION	7,151,804	7,106,062	7,505,577	7,689,910	2.5%
NON-DEPARTMENTAL	891,439	409,045	580,745	419,626	-27.7%
NRP - ADMINISTRATION	1,708,348	1,642,298	2,293,556	1,769,489	-22.8%
PARK BOARD	70,517,277	76,261,364	74,739,770	74,478,928	-0.3%
PARK BOARD CAPITAL IMPROVEMENT	10,248,446	9,694,642	4,535,232	3,297,000	-27.3%
PARK MUSEUM	7,851,257	8,835,765	9,062,835	10,136,944	11.9%
POLICE DEPARTMENT	94,958,061	102,852,397	115,501,292	119,687,375	3.6%
POLICE DEPT-CAP IMPROVEMT	0	0	0	1,000,000	
POLICE RELIEF ASSOCIATION	27,937,893	31,572,088	5,979,240	6,188,513	3.5%
PUBLIC HOUSING	105,086	78,180	0	0	
PUBLIC WORKS PAVING CONSTRUCTION	25,677,169	24,860,820	29,681,000	18,236,000	-38.6%
PUBLIC WORKS PROPERTY SERVICES CAPITAL	10,724,922	5,337,366	14,877,000	3,098,500	-79.2%
PUBLIC WORKS WATER CAPITAL	52,123,477	19,341,098	31,250,000	17,750,000	-43.2%
PW - ADMINISTRATIVE SERVICES	2,094,854	2,506,698	2,832,980	2,898,978	2.3%
PW - ENG MATERIALS & TESTING	4,377,069	5,041,748	5,056,771	5,283,048	4.5%
PW - ENGINEERING SERVICES	10,195,528	10,809,875	13,884,339	13,629,502	-1.8%
PW - EQUIPMENT	26,889,873	23,167,058	34,853,366	33,337,124	-4.4%
PW - EQUIPMENT DIV-CAPITAL	10,264,342	3,902,361	6,361,262	12,863,906	102.2%
PW - FIELD SERVICES	28,552,280	31,602,821	29,232,393	31,713,429	8.5%
PW - PROPERTY SERVICES	12,786,818	14,412,282	14,418,430	14,613,882	1.4%
PW - SOLID WASTE	25,483,186	26,413,939	27,785,760	28,645,483	3.1%
PW - SOLID WASTE-CAPITAL	0	0	0	8,390,000	
PW - STORMWATER AND SEWER MAINTENANCE	40,016,477	42,872,078	43,906,681	45,477,879	3.6%
PW - TRANSPORTATION	54,361,062	47,937,296	53,355,517	55,235,519	3.5%
PW - WATER	35,911,340	40,352,063	43,259,370	42,128,691	-2.6%
PW Transportation Capital	24,135,136	26,769,217	7,419,000	10,406,000	40.3%
REGULATORY SERVICES	21,940,549	24,338,366	25,387,350	25,669,505	1.1%
Stormwater and Sanitary Maint	8,086,440	13,253,697	9,942,000	16,668,000	67.7%
UNFUNDED PENSION EXPENSE	-730,988	-734,723	0	-400,000	
WORKERS COMPENSATION	6,469,604	6,505,649	8,403,729	7,562,803	-10.0%
YOUTH COORDINATING BOARD	4,518,757	4,405,242	2,470,990	1,965,750	-20.4%
Total All Expenditures by Agency	1,550,376,265	1,684,135,083	1,344,902,674	1,341,027,511	-0.3%

**City of Minneapolis
FY 2007 Budget
Community Development Block Grant (CDBG)**

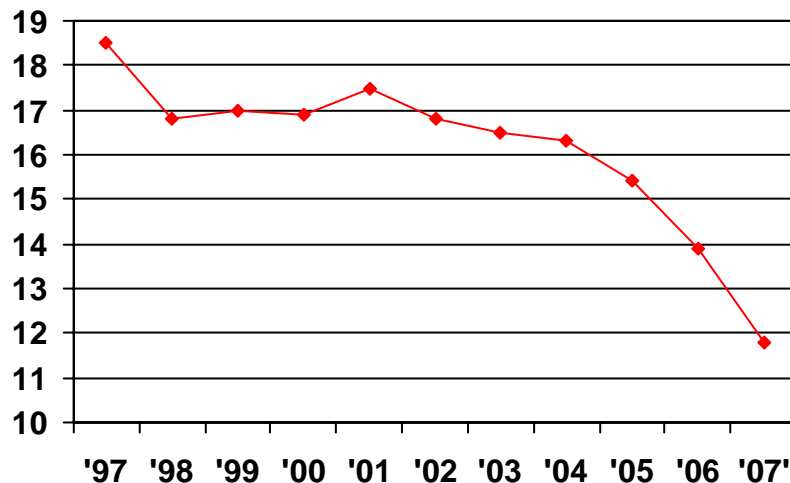
Background

This fund is used to account for the Federal grants received under the Community Development Block Grant (CDBG) Provision authorized by Title I of the Housing and Community Development Act of 1974. Included in this entitlement are the CDBG, HOME Investment Partnerships Program (HOME), Emergency Shelter Grants Program (ESGP), Housing Opportunities for Persons with AIDS (HOPWA) and American Dream Down Payment Initiative (ADDI). Based on its U.S. Department of Housing and Urban Development (HUD)-submitted Consolidated Plan, annual direct grants can be used by the City of Minneapolis to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low-and moderate-income persons.

Historical Financial Performance

For finance and budgeting purposes, the City assumes a draw down of these funds in the year they are allocated. The programs are managed on a cost reimbursement basis and therefore the CDBG fund balance amount at any given time is due to the extent of timing differences between entitlement grant revenue receipts and grant expenditure disbursements. The graph below shows the declining trend in CDBG funding.

CDBG Entitlement 1997 - 2007



2007 Budget

Revenues

The entitlement funds drawn from HUD are budgeted based on the past relationship between national appropriations and local entitlement amounts. Amounts are based on the actions, to date, of the U.S. House and Senate. Currently, it is anticipated that the City's total entitlement for 2007 will be approximately 15% less than the previous year. The City's budget reflects the resulting \$2.1 million reduction in the Community Development Block Grant from the prior year.

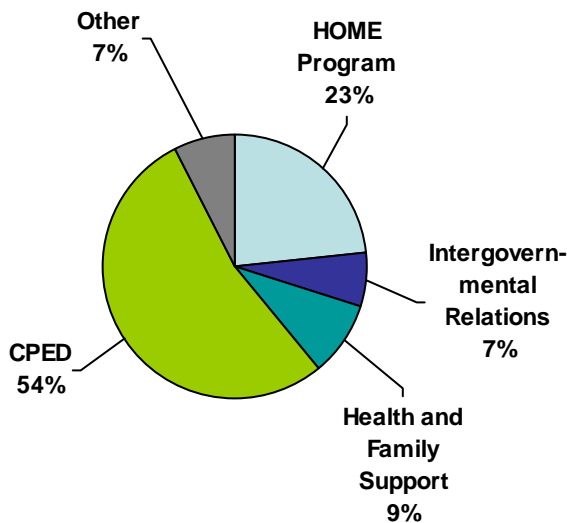
The HOME, Emergency Shelter Grant Program and HOPWA awards are anticipated to remain unchanged. Final award numbers from Congress should be available in early 2007. The HUD appropriation formula, which changed in 2002, includes variable factors based on 2000 Census

information. The Census information includes population changes among all the cities within the total HUD appropriation.

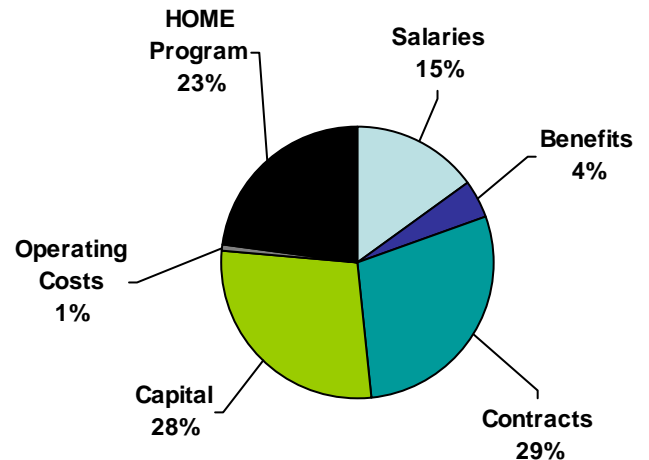
Expenditures

The City distributes its entitlement funds received through the HUD Consolidated Plan to various departments to carry out program activities and awards funds to private and public not-for-profit organizations. The graphs below reflect the distribution by department and by cost category.

CDBG
Use of Funds by Department
\$17.1 million



Consolidated Plan
Use of Funds
\$17.1 million

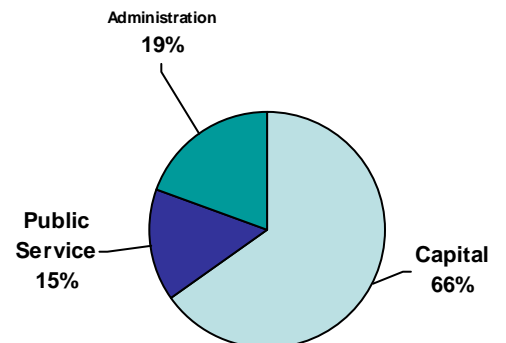


CDBG Allocations

The CDBG program is budgeted for a 15% reduction in 2007. The graph to the right shows distribution of the CDBG allocation.

The Public Service and Administration categories have a 15% and a 20% cap, respectively. Within Public Service, the Mayor recommended, and the Council approved, \$681,000 of Public Service Funds for public health. Based on recommendations from the Public Health Advisory Committee and City priorities, these funds are distributed to non-profit organizations.

CDBG
Use of Funds
11.8 m (In millions)



Debt Service

The CDBG entitlement is obligated over and above the current grant budgets by \$7.38 million. This amount reflects what the City borrowed against its entitlement to fund the Block E economic development project. As program revenues exceed the budget expenditures, these funds will be incrementally applied to the previously obligated \$7.38 million. As a result of reprogramming reductions in prior years the over extended amount has been reduced to \$6.17 million.

SCHEDULE FOUR
Year 33 (2007) - Community Development Block Grant

Organization	Project	2006 Consolidated Plan	2007 Council Adopted
<u>Capital /Other---CDBG</u>			
Community Planning & Economic Development	Industry Cluster Program (Living Wage Jobs)	84,950	72,000
Community Planning & Economic Development	Adult Training, Placement and Retention	547,500	465,000
Community Planning & Economic Development	Homeownership Program (GMMHC)	412,400	351,000
Community Planning & Economic Development	Multi-Family/Affordable Housing	4,700,000	3,995,000
Community Planning & Economic Development	Non-Profit Multi-Family Affordable Housing Development Assistance	213,321	181,000
Community Planning & Economic Development	NEDF/CEDF	128,370	109,000
Community Planning & Economic Development	Vacant & Boarded Housing	1,089,275	626,000
Community Planning & Economic Development	High density corridor housing	943,900	802,000
	<i>Subtotal CPED capital</i>	8,119,716	6,601,000
Department of Health and Family Support	Childcare Facilities Loan/Grant-Greater Minneapolis Day Care Assn	275,619	234,000
Minneapolis Public Housing	General Rehabilitation	266,180	228,000
Regulatory Services	Lead Reduction	153,856	131,000
City Attorney's Office	New Problem Properties Strategy	45,750	39,000
Fire Department	New Problem Properties Strategy	18,300	16,000
Police Department	New Problem Properties Strategy	64,050	54,000
Regulatory Services	New Problem Properties Strategy	54,900	347,000
Total Capital/Other (65%)		8,998,371	7,650,000
<u>Public Service---CDBG</u>			
Community Planning & Economic Development	Youth Employment	477,000	405,000
Community Planning & Economic Development	Mortgage Foreclosure Prevention Program	205,000	174,000
Department of Health & Family Support	Way to Grow	296,000	252,000
Department of Health & Family Support	Advocacy (Housing)	94,390	80,000
Public Works	Graffiti Removal on Public Property	91,500	78,000
Department of Health & Family Support	Curfew/Truancy Center-Minneapolis Urban League	98,000	98,000
Department of Health & Family Support	<i>Public Health Advisory Committee Recommendations</i>	833,464	681,000
	Carondelt LifeCare/St Mary's Health Clinic	67,017	
	Children's Dental Services	9,439	
	Early Childhood Resource and Training Center	17,934	
	Lao Advancement Organization of America	44,363	
	Little Earth Residents Association	31,149	
	MELD	35,868	
	Minneapolis Medical Research Foundation/Hennepin County Medical Center	40,588	
	Minneapolis Urban League	22,654	
	Minneapolis Public Schools Teenage Parenting & Pregnancy Programs	75,512	
	Native American Community Clinic	24,541	
	New American Community Services	44,363	
	Senior Block Nurse Program	58,522	
	Southside Community Health Services	44,363	
	West Side Community Health Services	35,868	
	YWCA of Minneapolis	26,429	
	Greater Minneapolis Daycare Association	127,427	
	Neighborhood Health Care Network	127,427	
Total Public Service (15%)		2,095,354	1,768,000
Public Service - 15% Cap		2,077,672	1,766,000

SCHEDULE FOUR
Year 33 (2007) - Community Development Block Grant

Organization	Project	2006 Consolidated Plan	2007 Council Adopted
<u>Administration---CDBG</u>			
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance	240,975	205,000
Community Planning and Economic Development	Citizen Participation	286,000	243,000
Community Planning and Economic Development	Program Admin	50,000	43,000
Community Planning and Economic Development	Planning - Administration	1,040,893	879,000
Department of Health & Family Support	Neighborhood Services	88,731	75,000
Department of Health & Family Support	Grant Administration	84,995	72,000
Department of Health & Family Support	Way to Grow Administration	31,756	27,000
Finance Department	Program Administration	240,975	205,000
Intergovernmental Relations	Grants & Special Projects	188,665	160,000
Intergovernmental Relations	Homelessness Initiative	100,000	85,000
Legal Aid Society	Legal Aid Society	41,097	35,000
Minneapolis Public Housing	Citizen Participation	83,105	71,000
Youth Coordinating Board	Administration	57,000	65,000
Fair Housing Implementation Council	Metro Fair Housing	-	-
Legal Aid Society	Housing Discrimination Law Project	67,249	57,000
Civil Rights Department	Multicultural Affairs	155,980	133,000
Total Administration (20%)		2,757,421	2,355,000
Administration 20% cap		2,770,229	2,355,000
CDBG Total of Requests (100%)		13,851,146	11,773,000
Anticipated CDBG Revenue		13,851,146	11,773,000
<u>Other Consolidated Plan Entitlement Funds</u>			
HOME Investment Partnerships	Community Planning & Economic Development	3,779,193	3,779,000
Emergency Shelter Grants (ESG)	Community Planning & Economic Development	596,655	597,000
Housing Opportunities for Persons with AIDS (HOPWA)	Third Party Contractors/Subrecipients/Subgrantees	797,000	797,000
American Dream Down Payment Initiative (ADDI)		130,230	130,000
Grand Total Consolidated Plan		19,154,224	17,076,000

SCHEDULE FIVE
FTE Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Assessor	35	35	35	37	5.8%	2
Attorney	101	101	107	108	0.9%	1
Civil Rights	24	27	26	26	1.2%	0
City Clerk/Elections/Council	46	27	40	67	68.4%	27
City Council	39	39	26	-	-100.0%	(27)
Community Planning & Economic	144	139	141	141	0.0%	-
Fire	450	445	445	447	0.4%	2
Health & Family Support	74	69	66	66	-0.8%	(1)
Mayor	11	11	11	12	9.1%	1
Police	966	942	1,058	1,088	2.8%	30
Total	1,889	1,834	1,953	1,990	1.9%	37
City Coordinator Department						
City Coordinator Administration	3	3	3	8	166.7%	5
Communications	16	17	16	17	6.3%	1
911/311	91	87	118	118	0.0%	-
Finance	205	204	202	201	-0.5%	(1)
Human Resources	55	53	55	55	0.0%	-
Business Information Systems	78	81	82	84	2.9%	2
Intergovernmental Relations	10	10	11	10	-9.1%	(1)
Convention Center	213	211	211	211	0.0%	-
Regulatory Services	260	264	214	213	-0.2%	(1)
Total City Coordinator	930	929	911	917	0.6%	6
Public Works Department						
Administration	18	20	19	19	0.0%	-
Engineering Services	117	123	124	125	0.8%	1
Field Services	166	154	151	151	-0.5%	(1)
Stormwater & Sewer Maintenance	64	64	64	64	0.0%	-
Engineering Materials	30	21	21	20	-4.9%	(1)
Solid Waste	123	126	128	128	0.0%	-
Transportation	100	99	99	99	-0.8%	(1)
Water Treatment/Distribution	240	240	240	240	0.0%	-
Equipment	257	257	257	257	0.0%	-
Property Services	97	103	104	105	1.0%	1
Total Public Works	1,211	1,206	1,207	1,206	0.0%	(1)
TOTAL CITY	4,030	3,969	4,071	4,113	1.0%	42
INDEPENDENT BOARDS - Informational Only						
Board of Estimate and Taxation	2	2	2	2	0.0%	-
Library Board	242	247	262	273	4.3%	11
Municipal Building Commission (MBC)	62	61	61	62	1.6%	1
Neighborhood Revitalization Program (NRP)	12	11	10	10	0.0%	-
Park Board	907	908	910	902	-0.9%	(8)
Mpls. Public Housing Authority (MPHA)	320	319	315	287	-8.9%	(28)
Youth Coordinating Board	5	5	5	5	0.0%	-
TOTAL INDEPENDENT BOARDS	1,550	1,552	1,564	1,540	-1.5%	(24)
TOTAL CITY (including Boards)	5,580	5,521	5,635	5,653	0.3%	19

SCHEDULE FIVE Footnotes

CITY COUNCIL OPERATING DEPARTMENTS

911/311: The Mayor recommended adding 5 positions to 311. The Council removed the 5 positions to increase funding for the libraries.

Assessor: The Mayor and Council add 2 additional positions.

Attorney: The Mayor and Council add 1 position to the Criminal Division to back fill grant funds.

BIS: A 0.6 position is increased to 1.0 position, a technical adjustment. 2 new positions are also added through Council actions.

City Clerk/Elections/Council: The Council merges the Council Department into the City Clerk/Elections Department, thereby adding 27 positions.

City Coordinator Administration: In the current service level, 1 Business Planning Coordinator position is transferred in from Finance and 1 Program Assistant, Non-Supervisory position from IGR. The Mayor and Council added 1 position for Results Minneapolis efforts. Further, 1 Environmental Coordinator position and 1 additional position are transferred in from Regulatory Services.

City Council: The Mayor and Council add 1 position to the Council and move all 27 positions to the City Clerk/Elections Department.

Civil Rights: There is a 0.3 position increase in the current service level, a technical adjustment. Additionally, the Director of Outreach & Enforcement position changes from 1 full position in the Administration Division to a split position with 0.75 in Administration and 0.25 in Complaint Investigation.

Communications: 1 position is added to the current service level for the 2005 Community Engagement position which was not previously entered in the system.

Community Planning and Economic Development: The 2006 budget was restated to decrease positions by 1 due a duplication error in the financial system.

Convention Center: No changes.

Finance: One Business Planning Manager position is transferred to Coordinator Administration in the current service level.

Fire: The Mayor and Council add 2 positions to Fire Suppression Division.

Health and Family Support: A technical adjustment is made to the current service level increasing a 0.5 position to a 0.8 position. Additionally, 4 positions are eliminated (2 Bilingual Program Aides, 1 Social Worker and 1 Public Health Worker I) and 3 were added back with grant funding (1 Medical Assistant, 2 half-time Program Aides I, and 1 Office Support Spec II).

Additional grant funding came through after the Mayor's recommendation increasing a 0.8 position to a 1.0 position.

Human Resources: In the current service level, one investigator position that was approved in 2006 was not filled but will be in 2007.

Intergovernmental Relations: In the current service level, 1 Program Assistant, Non-Supervisory position is transferred to the Coordinator Administration Department. The joint Hennepin County Homelessness Project Coordinator position is funded a second year and an additional \$100,000 is allocated for the project.

Mayor: The Mayor and Council add 1 position.

Police: Public Works decided not use City police for water plant security in 2006, decreasing positions by 16 in the current service level. Further, 4 grant positions were added and 1 Janitor position was moved to Public Works Property Services Department. The Mayor and Council add 43 police officers (\$3.4 million) in the Patrol Bureau Division and direct the Department to create a Finance Officer position from within its existing positions to be responsible for all financial and administrative operations.

Public Works Administration: No changes.

Public Works Engineering Materials: In the current service level, Public Works made the decision to transfer out an Engineer position from the Engineering Laboratory Division to the Engineering Services Department.

Public Works Engineering Services: In the current service level, 1 position was transferred in from PW Engineering Materials Department to the Storm Sewer Design Division. Additionally 5 positions are transferred within this department from the Street Design Division to Storm Sewer Design Division.

Public Works Field Services: In the current service level, there is a 0.3 seasonal employee decrease in the Snow and Ice Division to meet the Five Year Financial Direction and a 0.5 decrease in the Street Administration Division to correct an error.

Public Works Solid Waste: No change.

Public Works Stormwater and Sewer Maintenance: No changes.

Public Works Transportation: There is a 0.75 vacant Electronic Technician position decrease to reach required \$200,000 current service level reduction.

Public Works Water: No changes.

Public Works Equipment: No changes.

Public Works Property Services: In the current service level, 1 janitorial position is transferred in from Police.

Regulatory Services: There is a decrease of 9 Electrical Engineer positions in Construction Code Services due to the function being returned to the State in 2006. There were also multiple

position movements between divisions in 2006. In the current service level, 1.5 positions are added to Housing Inspections, a technical adjustment in February 2006 increased the position count by 0.7, and a 0.8 remaining position is funded by a reduction in non-personnel budget. The Mayor and Council added 4 positions for One Stop/Development Review services and 4 positions in Business Licensing. Further, 1 Environmental Coordinator position and 1 additional position are transferred to the Coordinator Administration's Department. After the Mayor's recommendations a new HUD Code Compliance Officer II position was funded through grants.

INDEPENDENT BOARDS AND AGENCIES

Board of Estimate and Taxation: No changes.

Library Board: There are 11.2 positions added.

Minneapolis Public Housing Authority: There is a decrease of 28 positions in the current service level.

Municipal Building Commission: The Mayor recommended adding 1 position for the Meet and Greet program. The Council eliminates this position.

Neighborhood Revitalization Program: No changes.

Park Board: There is a decrease of 7.84 positions in the current service level.

Youth Coordinating Board: No changes.

SCHEDULE SIX
2007 CPED Economic Development Capital Program

Strategy/Program	2006 Approved	2007 Adopted Budget	2007 Source*
<u>Provide Sites & Financing for commercial & Industrial development.</u>			
Commercial Corridors	\$0	\$1,150,000	Legacy Fund
MILES	\$600,000	\$1,000,000	TIF/Legacy Fund
Project Funding	project driven	project driven	TIF
CEDF/NEDF	\$136,000	\$359,000	Year 33 CDBG
CEDF/NEDF	-	\$600,000	CDBG balances
Revenue Bonding	project-driven	project-driven	IDBs
BDF Loans	\$75,000	\$75,000	Bond Fees
2% Loans	\$300,000	\$250,000	Bond Fees
CAL Loans	\$200,000	\$200,000	CRF
Total Strategy	\$1,311,000	\$3,634,000	
<u>Provide financing and technical assistance</u>			
Project Funding	project-driven	project-driven	TIF
Revenue Bonding	project-driven	project-driven	IDBs
Comm Corr Small Bus Loans	\$500,000	\$1,000,000	Legacy Balance
BDF Loans	\$75,000	\$75,000	Bond Fees
2% Loans	\$900,000	\$1,000,000	Bond Fees
Grants	\$135,000	\$136,600	Bond Fees
CAL	\$600,000	\$600,000	CRF
Business Association Asst.	\$210,000	\$200,000	Bond Fees
Loan Fund	\$500,000	\$0	Legacy Fund
CRF Emerging Entrepreneur	-	\$325,000	Legacy Fund
Total Strategy (ex Revenue Bonds)	\$2,920,000	\$3,336,600	
<u>Maintain and Promote a vital downtown & central riverfront.</u>			
Project Funding	project driven	project driven	TIF
Arena Capital	\$500,000		TIF/Common Project
Revenue Bonding	project driven	project driven	IDBs
BDF Loans	\$75,000	\$50,000	Bond Fees
CAL	\$300,000	\$300,000	CRF
2% Loans	\$300,000	\$250,000	Bond Fees
Riverfront Development Corp	\$0	\$100,000	2005 Legacy Allocation
Total Strategy (ex Revenue Bonds)	1,175,000	\$700,000	
<u>Job Creation</u>			
"Closing the Gap" employment initiative	\$1,500,000	\$1,500,000	Legacy Fund/CDBG
Total Strategy	1,500,000	\$1,500,000	

* Represents new capital request for 2007 unless otherwise specified. "CDBG program income" refers to revenue earned through 2007 by CPED CDBG capital programs. "CDBG balances" refers to prior year balances of CPED CDBG programs which may be reallocated.

SCHEDULE SEVEN
2007 CPED Housing Development Capital Program

Strategy/Program	2006 Approved	2007 Council Adopted*	2007 Source*
<u>AHTF/Affordable Rental</u>			
AHTF	\$4,246,000	\$3,675,000	Year 33 CDBG
AHTF	\$800,000	\$800,000	CDBG program Income
Non Profit Dev. Assist.	\$213,000	\$181,000	Year 33 CDBG
AHTF	\$3,563,000	\$3,563,000	HOME
AHTF ESG	\$550,000	\$550,000	ESG
Total AHTF	\$9,372,000	\$8,769,000	
<u>NRP</u>			
NRP Affordable Hsg Reserve	\$0	\$0	NRP set aside
Total NRP	\$0	\$0	
<u>Financing</u>			
TIF	project-driven	project-driven	TIF
Low-Income Housing Tax Credits	by allocation	by allocation	LIHTC Allocation
Housing Revenue Bonding	by allocation	by allocation	HRB Entitlement
501c3 & refunding bonds	project-driven	project-driven	HRB Other
Total Financing	project-driven	project-driven	project-driven
<u>Affordable Ownership</u>			
Affordable Ownership Combined	\$500,000	\$620,000	Bond Fees
	\$0	\$972,000	CDBG program Income
Total Affordable ownership	\$500,000	\$1,592,000	
<u>Financing</u>			
Tax Increment Financing	project-driven	project-driven	TIF
<u>Other Ownership</u>			
GMHC Home Ownership	\$437,000	\$350,000	Year 33 CDBG
HOW	\$600,000	\$600,000	HOME
Mortgage Foreclosure Prevention.	\$250,000	\$300,000	Year 33 & CDBG balances
		\$100,000	Bond Fees
CityLiving Home Program	market-driven	market-driven	MRB
Home Improvement Programs	\$100,000 to \$400,000	\$100,000 to \$400,000	CDBG balances
Distressed Properties (VHR)	\$1,154,000	\$1,000,000	Year 33 CDBG
GMHC Century Homes	\$400,000	\$0	Program balances
Emerging Markets Homeownership Initiative (EMHI)		\$30,000	Bond Fees
Total Other Ownership	\$2,941,000	\$2,480,000	
NRP Housing Activities			NRP Action Plans
<u>Mixed Rental/Ownership</u>			
Higher Density Corridor Initiative	\$848,700	\$1,000,000	Year 33 CDBG
Market Building Program	\$0	\$500,000	CDBG program income
Total Mixed Rental/Ownership	\$1,000,000	\$1,722,000	
<u>Other Initiatives</u>			
Don't Borrow Trouble	\$90,000	\$90,000	Neigh Dev Account
Its All about Kids	\$200,000	\$200,000	Neigh Dev Account
Heritage Park Capital Funding	\$0	\$500,000	Legacy Fund
Capital Acquisition Revolving Fund	\$1,000,000	\$0	Bond Fees/Legacy Fund
Total Other Initiatives	\$290,000	\$790,000	

* Represents new capital request for 2007 unless otherwise specified. "CDBG program income" refers to revenue earned through 2007 by CPED CDBG capital programs. "CDBG balances" refers to prior year balances of CPED CDBG programs which may be reallocated.

SCHEDULE EIGHT
INTERFUND TRANSFER EXPENSE

Description	2005 Adopted Budget	2006 Adopted Budget	2007 Council Adopted	Description
GENERAL FUND (0100):				
Transfer to Solid Waste	50,000	50,000	50,000	Graffiti remediation efforts; added in 2004
Sub-Total Solid Waste	50,000	50,000	50,000	
Transfer To Special Revenue Funds	91,500	91,500	92,000	Target Center - Property Tax Funding included in Financial Plan; Increases to \$950,000 in 2013
Sub-Total Special Revenue	91,500	91,500	92,000	
Transfer to Capital Fund			1,000,000	One-time capital plan funding for Safe Streets Technology
			665,000	One-time capital plan funding for Street Renovation
	0	0	230,000	One-time capital funding for MPLS Transportation Action Plan
Sub-Total Capital Fund	0	0	1,895,000	
Transfer to Property Tax Supported Debt Service	502,000	502,000	502,000	Property tax supported debt service increased to match Five-Year Direction
	0	1,000,000	1,000,000	Public Safety Initiative
	0	123,400	124,000	Property Tax Support for Public Safety Initiative
	0	0	950,000	One-time capital plan funding
Sub-Total Property Tax Supported Debt Service	502,000	1,625,400	2,576,000	
Transfer To Other Debt Service	132,060	124,678	0	Nicollet Mall - Public Works Streets Debt Service
Sub-Total Other Debt Service	132,060	124,678	0	
Transfer to Equipment	4,180,000	4,180,000	4,180,000	Equipment Services Fund Workout Plan
Sub-Total Equipment	4,180,000	4,180,000	4,180,000	
Transfer to Property Services	811,613	688,600	623,000	800 MHZ
	0	125,000	0	Centralized Energy Management (one-time)
	0	30,000	30,000	Community Center Operations
Sub-Total Property Services	811,613	843,600	653,000	
Transfer to Pension Debt Service	15,490,000	14,387,000	6,877,000	Property tax supported debt service budgeted in the General Fund
	0	0	3,000,000	One-time pension debt reduction of \$3 million is recommended by the Mayor
Sub-Total Pension Debt Service	15,490,000	14,387,000	9,877,000	
Transfer to Intergovernmental Services	7,832,950	8,732,950	9,733,000	Business Information Services debt - Increased by \$1 million to support property tax portion of the BIS work-out plan
Sub-Total Intergovernmental Services	7,832,950	8,732,950	9,733,000	
Transfer to Self-Insurance	1,204,251	1,204,751	0	Liability Debt - American Iron Works settlement (debt paid down in 2006 with year end savings)
	1,447,296	4,047,296	4,750,000	Self-Insurance Fund Workout Plan
	0	130,000	0	Human Resources Investigators (funded by rate model in 2007)
Sub-Total Self-Insurance	3,601,547	5,382,047	4,750,000	
Transfer to Park Board	0	200,000	0	Tree Efforts
Sub-Total Park Board	0	200,000	0	
Transfer to Library Board	0	0	250,000	Pending actions outlined in the resolution section of the Budget Book and consistent with the actions of the Library Board: (1) One-time transfer of \$250,000 for weekend hours in 311 from City Coordinator - 911/311 to the Library Board and reduce position authority in 911/311 by 5 positions.
			850,000	(2) City's share of the planetarium loan to reduce or avoid future tax supported debt or other use at the discretion of the Library Board and
	0	0	105,000	(3) One-time transfer of \$105,000 for operating costs (no sooner than May 1, 2007).
Sub-Total Library Board			1,205,000	
Total General Fund Transfers Out	32,791,670	35,617,175	35,011,000	
SPECIAL REVENUE FUNDS:				
Federal Grants Fund (0300)				
Transfer To General Fund	50,000	50,000	54,000	Equal Employment Opportunity Commission (EEOC) reimbursement revenues generated by the Civil Rights Department and used to support their work in the General Fund
Sub-Total General Fund	50,000	50,000	54,000	
Total Federal Grants Fund Transfers Out	50,000	50,000	54,000	
Community Development Block Grant (0400)				

SCHEDULE EIGHT
INTERFUND TRANSFER EXPENSE

Description	2005 Adopted Budget	2006 Adopted Budget	2007 Council Adopted	Description
Transfer to CPED	3,911,000	3,909,423	3,909,000	CPED consolidated plan grant from the HOME program
Sub-Total CPED	3,911,000	3,909,423	3,909,000	
Other Grants (0600)				
Transfer to General Fund	0	0	700,000	Transfer of cable franchise settlement, \$700,000 through 2011
Sub-Total General Fund	0	0	700,000	
Total CDBG Fund Transfers Out	3,911,000	3,909,423	4,609,000	
Convention Center Related Fund (0760)				
Transfer To General Fund	7,481,750	7,481,750	8,319,000	Entertainment Tax Revenue estimate
Sub-Total General Fund	7,481,750	7,481,750	8,319,000	
Transfer to Arena Reserve	1,200,000	1,200,000	1,200,000	Target Center Facilities
Sub-Total Arena Reserve	1,200,000	1,200,000	1,200,000	
Transfer to Capital Reserve	1,150,000	1,150,000	1,150,000	Convention Center Related Facilities Reserve (in the Finance Plan)
Sub-Total Capital Reserve	1,150,000	1,150,000	1,150,000	
Transfer To Debt Service	19,724,675	19,142,000	18,810,000	Convention Center Related Debt
Sub-Total Debt Service	19,724,675	19,142,000	18,810,000	
Transfer To Parking Fund	8,243,573	9,565,097	9,856,000	Convention Center Related Parking Debt and Operating Costs
Sub-Total Parking Fund	8,243,573	9,565,097	9,856,000	
Transfer to Pension Debt Service	14,945	13,913	36,000	Minneapolis Employee Retirement Fund debt for Convention Center retirees
Sub-Total Pension Debt	14,945	13,913	36,000	
Total Convention Center Transfers Out	37,814,943	38,552,760	39,371,000	
Convention Facilities Reserve (2790)				
Transfer to Convention Related	2,531,000	3,031,000	500,000	
Sub-Total Convention Related	2,531,000	3,031,000	500,000	
Total Convention Facilities Reserve Transfers Out	2,531,000	3,031,000	500,000	
CAPITAL PROJECTS FUNDS:				
Permanent Improvement Capital Fund (4100)				
Transfer to Debt Service	355,096	347,046	0	Section 108 Loan - Heritage Park
Sub-Total Debt Service	355,096	347,046	0	
Total Perm. Improvement Capital Transfers Out	355,096	347,046	0	
INTERNAL SERVICE FUNDS:				
Bond Redemption Fund (5250)				
Transfer to Intergovernmental Fund	0	1,790,000	2,090,000	BIS New Capital
Sub-Total Intergovernmental Fund	0	1,790,000	2,090,000	
Total Bond Redemption Fund Out	0	1,790,000	2,090,000	
Engineering Materials and Testing Fund (6000)				
Transfer to Pension Debt Service	61,182	22,123	42,000	MERF debt service related to Engineering Materials and Testing retirees
Sub-Total Pension Debt	61,182	22,123	42,000	
Total Paving Fund Transfers Out	61,182	22,123	42,000	
Equipment Fund (6100)				
Transfer to Pension Debt Service	262,937	130,669	332,000	MERF debt service related to Equipment Fund retirees
Sub-Total Pension Debt Service	262,937	130,669	332,000	
Total Equipment Fund Transfers Out	262,937	130,669	332,000	
Property Services (6200)				
Transfer to Capital Improvement Fund	0	0	500,000	Hamilton school project funding
			500,000	

SCHEDULE EIGHT
INTERFUND TRANSFER EXPENSE

Description	2005 Adopted Budget	2006 Adopted Budget	2007 Council Adopted	Description
Transfer to Pension Debt Service	85,976	31,089	69,000	MERF debt service related to Property Services retirees
Sub-Total Pension Debt Service	85,976	31,089	69,000	
Total Property Services Transfers Out	85,976	31,089	569,000	
Stores (6300)				
Transfer to Pension Debt Service	0	0	11,000	MERF debt service related to Stores retirees
Sub-Total Pension Debt Service	0	0	11,000	
Total Stores Transfers Out	0	0	11,000	
Intergovernmental Services Fund (6400)				
Transfer Pension Debt Service	124,154	57,349	136,000	MERF debt service related to BIS/Clerk retirees
Sub-Total Pension Debt Service	124,154	57,349	136,000	
Total Intergovernmental Services Transfers Out	124,154	57,349	136,000	
Self Insurance Fund (6900)				
Transfer to Pension Debt Service	125,412	45,349	97,000	MERF debt service related to Self-Insurance fund retirees
Sub-Total Pension Debt Service	125,412	45,349	97,000	
Total Self-Insurance Transfers Out	125,412	45,349	97,000	
ENTERPRISE FUNDS:				
Sanitary Stormwater Fund (7100)				
Transfer to Pension Debt Service	341,826	0	171,000	MERF debt service Sewer rate funded retirees
Sub-Total Pension Debt Service	341,826	0	171,000	
Stormwater Fund (7300)				
Transfer to Pension Debt Service	341,826	147,696	171,000	MERF debt service Sewer rate funded retirees
Sub-Total Pension Debt Service	341,826	147,696	171,000	
Total Sewer Transfers Out	341,826	147,696	342,000	
Water Fund (7400):				
Transfer to Pension Debt Service	583,603	274,517	664,000	MERF debt service Water rate funded retirees
Sub-Total Pension Debt Service	583,603	274,517	664,000	
Total Water Fund Transfers Out	583,603	274,517	664,000	
Parking Fund (7500):				
Transfer To General Fund	8,800,000	10,618,000	9,618,000	2007 annual contribution from parking fund (reduced by \$1 million per Parking Fund Work-out Plan)
Sub-Total General Fund	8,800,000	10,618,000	9,618,000	
Transfer To Special Revenue	1,768,000	1,921,000	2,078,000	Target Center Finance Plan (updated May 1998)
Sub-Total Special Revenue	1,768,000	1,921,000	2,078,000	
Transfer to Pension Debt Service	93,500	38,550	73,000	MERF debt service related to Parking rate funded retirees
Sub-Total Pension Debt Service	93,500	38,550	73,000	
Transfer to Solid Waste and Recycling	146,000	146,000	146,000	Litter container collection (added in 2001)
Sub-Total Solid Waste and Recycling	146,000	146,000	146,000	
Total Parking Transfers Out	11,059,500	12,723,550	11,915,000	
Solid Waste and Recycling Fund (7700):				
Transfer To General Fund	700,000	700,000	700,000	Payment for alley snowplowing (began in 2003)
Sub-Total General Fund	700,000	700,000	700,000	
Transfer to Pension Debt Service	57,934	35,221	78,000	MERF debt service related to Solid Waste rate funded retirees
Sub-Total Pension Debt Service	57,934	35,221	78,000	
Total Solid Waste Fund Transfers Out	757,934	735,221	778,000	
COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT FUNDS:				
Portland Place Capital Project (CPD0)				
Transfer to Debt Service	65,790	67,147	69,000	Portland Place - Section 108

SCHEDULE EIGHT
INTERFUND TRANSFER EXPENSE

Description	2005 Adopted Budget	2006 Adopted Budget	2007 Council Adopted	Description
Sub-Total Debt Service	65,790	67,147	69,000	
Total Portland Place Transfers Out	65,790	67,147	69,000	
Neiman Marcus Capital Project (CPQ0)				
Transfer to Debt Service	235,000	235,000	235,000	Debt Service federal courts.
Sub-Total Debt Service	235,000	235,000	235,000	
Total Neiman Marcus Transfers Out	235,000	235,000	235,000	
CPED Operating Fund (GEN0)				
Transfer to Self-Insurance	283,000	283,000	0	Payment for Management Support Departments - Attorney Civil Division
Sub-Total Self-Insurance	283,000	283,000	0	
Transfer to Parking Fund	6,680,456	6,680,456	7,516,769	TIF Debt Service Reimbursement
Sub-Total Parking Fund	6,680,456	6,680,456	7,516,769	
Transfer to Nicollet Mall Assessment Fund	0	0	177,750	TIF Debt Service Reimbursement
Sub-Total Nicollet Mall Assessment Fund			177,750	
Transfer to Tax Increment - Debt Service Fund	0	0	15,195,863	TIF Debt Service Reimbursement
Sub-Total Tax Increment - Debt Service Fund			15,195,863	
Total CPED Operating	6,963,456	6,963,456	22,890,382	
Community Development (SPH0)				
Transfer to Pension Debt Service	1,700,000	1,960,000	0	Bonds called in Fall 2006 - Decision by Finance Officer as a result of the recovery of the stock market
Sub-Total Pension Debt Service	1,700,000	1,960,000	0	
Total CPED Funds	8,964,246	9,225,603	23,194,382	
TOTAL CITY FUNDS	99,935,979	106,690,570	119,715,382	
INDEPENDENT BOARDS:				
Park Board Operating Fund (7800)				
Transfer to Debt Service	1,055,750	1,053,000	1,055,000	Fort Snelling Athletic Fields bonds debt service
Sub-Total Debt Service	1,055,750	1,053,000	1,055,000	
Total Park Board Operating	1,055,750	1,053,000	1,055,000	
Library Board (1800):				
Transfer To General Fund	0	0	850,000	Pending actions outlined in the resolution section of the Budget Book and consistent with the actions of the Library Board; City's share of the planetarium loan to reduce or avoid future tax supported debt or other use at the discretion of the Library Board.
Sub-Total General Fund	0	0	850,000	
Transfer to Debt Service	457,409	457,409	458,000	Parking ramp debt service
Sub-Total Debt Service	457,409	457,409	458,000	
Total Library Board	457,409	457,409	1,308,000	
Total Independent Boards	1,673,159	1,510,409	2,363,000	
GRAND TOTAL	101,609,138	108,200,979	122,078,382	

SCHEDULE NINE

Self-Insurance Fund 2007 Budget Impact

The SI Fund Rate Model is implemented in the 2007 Budget. Below are the charges that replace the transfers. General Fund budgets were adjusted to accommodate these changes in 2007.

<u>City Departments</u>	<u>2006 Amount</u>	<u>2007 Budget</u>
General Fund (0100)		
Assessor	95,757	109,424
Attorney	65,511	56,892
City Council	82,008	216,298
City Clerk	24,904	33,152
Clerk Elections	16,115	92,857
Fire	2,241,163	2,240,954
Civil Rights	44,293	206,808
Mayor	30,196	192,762
CPED	78,466	45,447
Police	5,731,138	5,252,904
PW Engineering	21,674	37,932
PW Field Services	1,244,774	1,202,931
PW Administration	51,648	364,276
PW Transportation	325,586	506,036
Grants	7,426	66,303
Human Resources	169,170	339,683
Finance	144,800	300,368
Emergency Communications	450,151	118,801
Regulatory Services	367,682	962,228
Coordinator Admin	24,057	67,123
Intergovernmental Relations	23,397	68,839
Communications	28,674	69,668
Health and Family Support	50,539	103,995
Transfers	5,382,047	4,750,000
Total General Fund	16,701,176	17,405,681
Special Revenue Funds		
Grants	41,389	66,303
Convention Center	385,997	650,013
Police Spec Revenue Fund	25,177	78,527
Total Special Revenue Funds	452,563	794,843
Internal Service Funds		
City Clerk 6400	-	33,151
BIS 6400	260,501	81,940
PW Equipment 6100	1,040,231	1,097,132
PW Property Services 6200	250,237	417,691
PW Eng Materials 6300	40,621	84,306
Self Insurance 6900	44,524	-
Total Internal Service Funds	1,636,114	1,714,220

SCHEDULE NINE

Self-Insurance Fund 2007 Budget Impact

The SI Fund Rate Model is implemented in the 2007 Budget. Below are the charges that replace the transfers.

City Departments	2006 Amount	2007 Budget
Enterprise Funds		
PW Sewer (7100)	451,098	542,928
PW Stormwater (7300)	321,247	570,514
PW Water (7400)	1,090,360	944,693
PW Transportation	282,223	506,035
PW Solid Waste 7700	996,618	795,910
Total Enterprise Funds	3,141,546	3,360,080
Permanent Improvement		
PW Engineering/Capital	179,201	3,448
Total Permanent Improvement	179,201	3,448
Independent Boards		
Board of Estimate and Taxation	2,001	432
Building Commission	92,654	232,701
Library Board	64,188	67,636
Youth Coordinating Board	1,160	-
Park Board	-	114,744
Neighborhood Revitalization Policy Board	2,970	2,160
Mpls Public Housing Authority	-	58,345
Total Independent Boards	162,973	476,018
Other Funds		
CPED	362,173	790,373
Total Other Funds	362,173	790,373
Total Self-Insurance Fund	22,635,746	24,544,663

SCHEDULE TEN
 Business Information Services 2007 Budget Impact
 The BIS Rate Model was implemented into the City's 2005 Budget

Department	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget
<u>General Fund (0100)</u>			
Assessor	279,409	329,084	340,767
Attorney	337,902	464,391	480,878
City Council	361,592	355,144	367,752
City Clerk	119,194	180,394	186,799
City Clerk Elections	13,219	11,938	12,362
Fire	809,910	859,842	890,365
Civil Rights	140,734	144,790	149,930
Mayor	95,095	85,199	88,223
Police	3,557,736	3,641,085	3,770,342
Public Works - Engineering Design	49,828	60,924	63,087
Public Works - Field Services	229,247	394,891	408,911
Public Works - Administration	260,173	387,386	401,140
Public Works - Transportation	410,070	263,515	272,869
Human Resources	885,142	1,255,378	1,299,943
Finance	1,606,340	1,276,446	1,321,760
Emergency Communications	240,014	219,609	227,405
Operations and Regulatory Services	354,885	1,373,064	1,448,926
City Coordinator	225,618	77,987	76,106
Intergovernmental Relations	30,889	35,543	36,805
Communications	178,875	144,113	153,877
Operations and Regulatory Services	557,072		
Health & Family Support	565,890	359,659	411,233
Community Planning and Economic Development	775,506	416,290	431,068
Transfer for Debt Service	7,454,990	9,261,450	
Total General Fund	19,539,329	21,598,122	12,840,548
<u>Grants</u>			
Grants - Federal - Police	12,299		
Grants - Federal - Health and Family Support	18,560	31,323	
CDBG & UDAG - Civil Rights	29,318	31,669	32,793
CDBG & UDAG - Grants and Special Projects - IGF	7,050	11,924	12,347
CDBG & UDAG - Health and Family Support	44,428	77,094	79,831
Grants - Other - Health and Family Support	3,749	6,153	
Total Grants	115,403	158,163	124,971
<u>Special Revenue</u>			
Convention Center	239,495	739,238	765,481
Police	19,783	34,330	35,549
Community Planning and Economic Development	77,716	261,982	467,638
Total Special Revenue	336,994	1,035,550	1,268,668
<u>Capital Projects Funds</u>			
Public Works - Engineering Design	290,979	45,770	47,395
Public Works - Field Services	30,131	19,572	20,266
Public Works - Field Services - Paving Copnstructi	50,206		
CPED Near North - Non Departmental	454		
Community Planning and Economic Development	45,510		
Total Capital Projects Fund	417,280	65,342	67,661

SCHEDULE TEN
 Business Information Services 2007 Budget Impact
 The BIS Rate Model was implemented into the City's 2005 Budget

Department	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget
<u>Internal Service Funds</u>			
Public Works - Engineering Materials	19,753	20,560	21,290
Public Works - Equipment	245,218	421,384	436,342
Public Works - Property Services	199,040	269,396	466,404
Public Works			
Engineering Materials	9,886	17,017	17,621
Transportation	9,358	9,514	9,851
Business Information Systems			
City Clerk	29,136	24,002	24,854
Self Insurance			
Attorney	215,257	259,505	268,717
Human Resources	34,552	46,694	48,351
Finance - Risk Management	66,919	5,976	6,188
Total Internal Service Funds	829,119	1,074,048	1,299,618
<u>Enterprise Funds</u>			
Public Works - Sewer	194,302	216,111	223,784
Public Works - Water	1,439,219	735,607	761,721
Public Works - Transportation - Parking Fund	384,643	315,452	299,529
Public Works - Solid Waste	342,223	336,228	348,165
Total Enterprise Funds	2,360,387	1,603,398	1,633,199
Total City	23,598,512	25,534,623	17,234,665

SCHEDULE ELEVEN
Equipment Services Division Impact to City Departments in 2007

Department	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget
<u>General Fund (0100)</u>			
Assessor	16		
City Council		224	63
City Clerk	78	128	
Fire Department	2,740,605	2,494,090	2,912,746
Civil Rights	1,079	615	
Elections		113	
Mayor	4,160	7,770	13,749
Police	4,181,954	3,520,457	4,400,146
Public Works Engineering Design	24,994	23,724	23,988
Public Works Field Services	7,067,835	7,040,408	8,250,849
Public Works Administration	12,081	13,508	17,222
Public Works Transportation	533,347	535,686	688,251
Intergovernmental Relations	109	32	
Human Resources	346	192	47
Finance	78	453	16
Licenses & Consumer Services	17,369	101,374	133,852
911/311	16		2,079
Communications	999	368	
Inspections	30,545	229,411	214,552
Health & Family Support	10,130	13,699	13,662
Community Planning and Economic Development	5,047	33,057	9,401
Total General Fund	14,630,788	14,015,309	16,680,623
<u>Special Revenue Funds:</u>			
Police - Police Special Revenue Fund (2100)	6,487	112,636	160,193
<u>Capital Projects Funds:</u>			
Public Works - Permanent Improvement Capital Projects Fund (4100)	40,894	36,565	38,926
Public Works - Field Serves Sidewalk Inspection (4100)	10,324	15,381	12,668
<u>Internal Service Funds:</u>			
Public Works - Engineering Materials	112,331	44,060	27,188
Public Works - Equipment (intra-fund charges)	5,845,164	5,487,457	6,110,317
Public Works - Property Services	329,997	297,359	360,380
Public Works - Stores	7,835	9,641	13,048
Business Information Systems	6,110	3,421	1,801
Self Insurance	203		

Department	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget
Enterprise Funds:			
Public Works - Sewer	7,965,981	7,093,796	3,818,809
Public Works - Water	2,487,867	2,684,478	2,657,304
Public Works - Parking Fund	114,078	175,498	
Public Works - Solid Waste	271,249	452,453	630,474
Total City	31,829,308	30,428,054	30,511,731
Independent Boards:			
Library Board	9,565	6,584	7557
Municipal Building Commission	4,675	3,874	5193
Park Board	410,096	507,212	676380
Total Independent Boards	424,336	517,670	689,130
Grand Total	32,253,644	30,945,724	31,200,861

SCHEDULE TWELVE
Property Services Division Impact to City Departments in 2007

Department	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget
<u>General Fund (0100)</u>			
311			75,510
Assessor	140,650	139,614	141,920
Attorney	8,151	5,395	5,417
City Council	4,021	1,918	2,346
City Clerk	5,024	3,460	3,039
Fire Department	955,214	1,025,081	1,115,077
Civil Rights	1,877	968	1,183
Community Planning and Economic Development	10,780	7,101	(48,602)
Mayor	2,030	892	1,091
Grants		349	426
Planning	2,148		
Police	735,200	726,380	991,915
Emergency Communications		2,760	
Public Works Engineering Design	84,803		
Public Works Field Services	324,314	349,288	193,043
Public Works Administration	24,744	36,565	24,414
Public Works Transportation	107,676	174,683	231,212
Intergovernmental Relations	764		
Human Resources	210,852	186,878	185,278
Finance	11,429	156,014	157,257
Regulatory Services	153,530	524,183	617,606
City Coordinator	1,301	563	1,337
Communications	2,036	990	2,510
Inspections	385,627		
Health & Family Support	251,781	243,452	247,227
Total General Fund	3,423,950	3,586,534	3,949,206
<u>Capital Projects Funds:</u>			
Public Works - Engineering Design Capital Projects Fund (4100)	102,830		
<u>Internal Service Funds:</u>			
Public Works - Engineering Materials	56,393	56,118	69,443
Public Works - Equipment	580,520	964,030	980,092
Public Works - Property Services (intra fund charges)	174,262	194,038	197,703
Public Works - Stores	70,133	75,519	25,154
Business Information Systems	5,146	3,137	4,063
<u>Enterprise Funds:</u>			
Public Works - Sewer	112,746		
Public Works - Sanitary Sewer		15,066	
Public Works - Stormwater Sewer		89,841	84,587
Public Works - Water	218,240	87,344	105,869
Public Works - Parking Fund	89,110	33,683	
Public Works - Solid Waste	193,547	195,698	207,399
Total City	5,026,877	5,301,008	5,623,516

**SCHEDULE THIRTEEN
POTENTIAL RENT CHARGES BY CITY HALL DEPARTMENT**

Note: For information only. This Amount is based upon 2006 allocations of Local Government Aid and Property Taxes to the Municipal Building Commission. The amounts have not been allocated in the 2007 budget.

Department	<u>2005 Adopted Budget</u>		<u>2006 Adopted Budget</u>		<u>2007 Adopted Budget</u>	
	Billable Square Foot	Potential Annual Rental charge	Billable Square Foot	Potential Annual Rental charge	Billable Square Foot	Potential Annual Rental charge
Business Information Services	11,004	179,632	12,920	302,674	12,920	210,908
City Clerk	16,216	264,713	18,582	435,316	18,582	303,336
City Clerk Elections	3,249	53,037	2,719	63,697	2,719	44,385
City Coordinator	5,563	90,812	3,791	88,811	3,791	61,885
City Council	17,193	280,661	12,927	302,838	12,927	211,023
Civil Rights	6,044	98,656	4,544	106,451	4,544	74,177
Communications	8,704	142,086	6,673	156,327	6,673	108,931
Community Planning and Economic Development	9,185	149,938	7,876	184,509	7,876	128,569
Finance	27,913	455,657	21,897	512,976	21,897	357,451
Fire	9,400	153,455	7,068	165,580	7,068	115,379
Human Resources	1,039	16,956	781	18,296	781	12,749
Grants and Special Projects			2,350	55,053	2,350	38,362
Mayor	8,680	141,694	6,009	140,771	6,009	98,092
Operations and Regulatory Services	5,972	97,483	4,641	108,724	4,641	75,761
Police	81,033	1,322,799	62,070	1,454,099	62,070	1,013,242
Public Works - Administrative Services	9,748	159,128	6,488	151,993	6,488	105,911
Public Works - Field Services			2,097	49,126	2,097	34,232
Public Works - Property Services	4,977	81,243	5,369	125,778	5,369	87,645
Public Works - Transportation	4,370	71,343	3,286	76,980	3,286	53,641
Total	236,404	\$ 3,859,102	192,088	\$ 3,762,226	192,088	\$ 4,500,000

SCHEDULE FOURTEEN
General Fund Overhead

Customer	2006-2011 Adj. to Charges that will be "Phased In"	2006 Charge	Council Adopted 2007 Charge	Forecasted 2008 Charge	Forecasted 2009 Charge	Forecasted 2010 Charge	Forecasted 2011 Charge	Forecasted 2012 Charge
Internal Service Funds								
Materials and Lab Sub-total (Fund 6000)		\$162,712	\$165,967	\$169,286	\$172,672	\$176,125	\$179,648	\$183,241
Equipment Sub-total (Fund 6100)		\$593,031	\$604,892	\$616,990	\$629,329	\$641,916	\$654,754	\$667,849
Property Sub-total (Fund 6200)		\$237,605	\$242,357	\$247,204	\$252,148	\$257,191	\$262,335	\$267,582
Stores Sub-total (Fund 6300)		\$180,212	\$183,816	\$187,492	\$191,242	\$195,067	\$198,968	\$202,947
BIS Sub-total (Fund 6400)		\$200,517	\$204,527	\$208,618	\$212,790	\$217,046	\$221,387	\$225,814
Self Insurance Sub-total (Fund 6900)		\$66,995	\$68,335	\$69,701	\$71,095	\$72,517	\$73,967	\$75,447
Sub-total for Internal Service Funds		\$1,441,071	\$1,469,893	\$1,499,291	\$1,529,276	\$1,559,862	\$1,591,059	\$1,622,880
Enterprise Funds								
Sewer Sub-total (Fund 7300)	(\$326,281)	\$3,781,221	\$3,788,953	\$3,795,482	\$3,800,756	\$3,804,723	\$3,880,818	\$3,958,434
Water Sub-total (Fund 7400)		\$4,402,747	\$4,490,802	\$4,580,618	\$4,672,231	\$4,765,675	\$4,860,989	\$4,958,209
Parking Sub-total (Fund 7500)	(\$231,258)	\$1,340,571	\$1,319,262	\$1,296,565	\$1,272,432	\$1,246,816	\$1,271,752	\$1,297,187
PW - Solid Waste (7700)	(\$246,921)	\$2,399,376	\$2,395,985	\$2,391,498	\$2,385,873	\$2,379,066	\$2,426,647	\$2,475,180
Sub-total for Enterprise Funds		\$11,923,917	\$11,995,003	\$12,064,163	\$12,131,292	\$12,196,280	\$12,440,206	\$12,689,010
Capital Project Funds								
Capital Project Funds (Fund 4100)	(\$359,984)	\$2,332,605	\$2,304,351	\$2,274,035	\$2,241,584	\$2,206,925	\$2,251,063	\$2,296,085
Grant Funds								
Grants Federal Sub-total (Fund 0300)	\$677,020	\$0	\$140,874	\$287,384	\$439,697	\$597,988	\$762,435	\$777,683
Grants CDBG and UDAG Sub-total (Fund 0400)	\$607,314	\$0	\$126,370	\$257,795	\$394,426	\$536,419	\$683,934	\$697,613
Grants Other Sub-total (Fund 0600)	\$702,288	\$0	\$146,132	\$298,110	\$456,108	\$620,306	\$790,891	\$806,709
Sub-total for Grant Funds		\$0	\$413,376	\$843,288	\$1,290,230	\$1,754,713	\$2,237,259	\$2,282,005
Component Units								
Library	\$303,260	\$330,000	\$330,000	\$399,702	\$472,061	\$547,153	\$625,061	\$705,866
Park	\$930,404	\$828,252	\$828,252	\$1,038,416	\$1,256,654	\$1,483,207	\$1,718,320	\$1,962,243
Board of Estimate and Taxation (Fund 1000)		\$55,566	\$57,510	\$58,660	\$59,833	\$61,030	\$62,251	\$63,496
Neighborhood Revitalization Program (Fund 2300)	\$63,609	\$0	\$0	\$13,236	\$27,001	\$41,311	\$56,183	\$71,634
Minneapolis Public Housing Agency (Fund 2900)	\$42,872	\$35,000	\$35,000	\$44,621	\$54,613	\$64,986	\$75,753	\$86,924
Youth Coordinating Board (Fund 2200)	\$69,156	\$0	\$0	\$14,390	\$29,356	\$44,914	\$61,083	\$77,881
MBC - Capital (Fund 4200)	\$44,073	\$44,381	\$44,381	\$54,439	\$64,882	\$75,721	\$86,968	\$98,634
MBC - Operating (Fund 1100)	\$217,045	\$45,000	\$45,000	\$91,063	\$138,950	\$188,716	\$240,418	\$294,112
Sub-total for Component Units and Independent Bds		\$1,338,199	\$1,340,143	\$1,714,527	\$2,103,350	\$2,507,040	\$2,926,036	\$3,360,789
Convention Center								
Convention Center Sub-total (Fund 0760)		\$1,211,300	\$1,235,526	\$1,260,237	\$1,285,441	\$1,311,150	\$1,337,373	\$1,364,121
Police Department Special Revenue Fund (Fund 2100)								
CPED (Agency 890)	\$250,842	\$3,125,000	\$3,238,672	\$3,355,640	\$3,475,992	\$3,599,816	\$3,727,202	\$3,801,746
Total		\$ 21,372,091	\$ 21,996,964	\$ 23,011,180	\$ 24,057,166	\$ 25,135,786	\$ 26,510,199	\$ 27,416,636

Forecasted charges include two components: 1) An inflationary adjustment of 2.0% per year and 2) 20%/year incremental phase in amount for select funds over a 5 year period based on adjustments made in 2005 Charges compared to Services Provided. The phase-in period for the Independent Boards and Agencies which was to take place from 2006-2010 has been deferred until 2008.

Council Adopted Capital Budget Information

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City of Minneapolis
2007 – 2011 Capital Program
Capital Budget Narrative Overview

Capital Improvement Budget Development

The City has a five-year capital improvement plan (CIP). Annually, City departments & independent boards and commissions prepare new and/or modify existing capital improvement proposals. The Finance Department, the Planning Division of the Community Planning & Economic Development department (CPED) and the Capital Long-Range Improvement Committee (CLIC) review the capital improvement proposals.

The Capital Long-Range Improvement Committee is a citizen advisory committee to the Mayor and City Council. The committee is authorized to have 33 appointed members, composed of two members per Council Ward and seven at-large members appointed by the Mayor. The committee elects a Chair and Vice Chair and breaks itself into two programmatic task forces of approximately the same number of members. Each task force elects a Chair and Vice Chair. Collectively, these six elected members form the Executive Committee and represent CLIC in meetings with the Mayor and City Council.

The two task forces are currently titled “Transportation and Property Services” and “Government Management, Health and Safety and Human Development”. The task forces receive and review all Capital Budget Requests (CBRs) for their program areas as submitted by the various City departments, independent boards and commissions.

During several half-day or full-day meetings, departments and boards who prepared the CBRs formally present their needs and offer explanations for their requests. Task force members then rate all proposals using a rating system with several specific criteria and create a numerical ranking for each project. Highest-ranking priorities are then balanced against available resources by year to arrive at a cohesive five-year capital improvements program recommendation to the Mayor and City Council.

For this five-year plan covering years 2007 - 2011, there were 118 CBRs reviewed and rated. The total requested capital budget for the five years was \$596.5 million.

CLIC’s recommendations serve as the basis from which the Mayor and City Council’s decisions are made. The Mayor makes recommendations on the capital budget as well as the operating budget. The Council adopts the five-year capital plan simultaneously with the operating budget.

Highlights of the 2007-2011 Capital Improvement Plan

Five-Year Capital Program Totals: For 2007 – 2011, the five-year capital program for City departments, independent boards and commissions totals \$474.7 million including all funding sources. The 2007 portion of this program is \$84.4 million.

Property Tax Supported – Public Works: The 2007 budget includes \$8.7 million in property tax supported (net debt bond) funding for Public Works capital. Below is a summary of the 2007 -2011 funding for the Public Works infrastructure program, including Park related improvements mentioned below.

Property Tax Supported Capital for Public Works (in millions)

	2007	2008	2009	2010	2011
Net Debt Bond funding	\$8.7	\$7.9	\$9.8	\$11.4	\$13.2

Property Tax Supported - Park Board: The 2007 budget includes \$1.6 million in property tax supported funding for Park Board capital projects and \$1.1 million in the Public Work’s capital budget for Parkway Street Light Replacement and Parkway Paving. Below is a summary of the 2007 – 2011 property tax supported funding for Park Board capital. The amounts include a Park Board capital levy, which grew by \$215,000 each year since 2003 to \$1.5 million in 2009 and future years.

Property Tax Supported Capital for Park Board (in millions)

	2007	2008	2009	2010	2011
Parkway Street Light Replacement	\$0.4	\$0.3	\$0.1	\$0.2	\$0.3
Parkway Paving	\$0.7	\$0.5	\$0.5	\$0.9	\$0.9
Park Board Capital Requests	\$1.6	\$1.6	\$1.6	\$1.6	\$1.5
Total Park Board Improvements	\$2.7	\$2.4	\$2.2	\$2.7	\$2.7

Utility Fee Supported Capital: The 2007– 2011 budget includes funding for additional water and sewer related infrastructure expenditures. The rate of capital spending on Water and Sewer capital improvements is being managed to allow for the same planned increases for water but higher stormwater and sanitary sewer rates than had previously been planned due to increased capital expenditures in response to Metropolitan Council demands for less “clean” water in the Sanitary System. The water and sewer 5-year utility rate schedule approved as part of this budget reflects this planned investment.

Relationship between the Capital and Operating Budgets: As part of each capital budget request, departments and independent boards are required to identify whether the capital request will result in an increase or decrease in annual operating costs. The CLIC ranking process provides for adding or subtracting up to 25 points out of 300 for the projects operating cost implications. Proposals indicating an increase in operating costs without a clear definition of how they will be funded stand to lose points and those that save on annual operating costs or have a responsible strategy to pay the increased costs may receive positive points in the project rating process.

City Debt

Minneapolis' total general obligation debt decreased from \$1.275 billion at 12/31/2005 to \$1.214 billion at 12/31/2006.

2006 Bond & Note Issuances – amounts in thousands

In 2006, the City of Minneapolis issued bonds & notes totaling \$64,676. Of this amount, \$18,945 was issued to refund existing debt. Below are details of the 2006 debt issuances.

In June 2006, the City issued \$3,980 of General Obligation Library Bonds, Series 2006 for construction of improvements to several community libraries. These bonds were issued as part of a voter approved referendum in November of 2000 which authorized \$110,000 for the new Central Library and \$30,000 for community library capital improvements. The 2006 Series, Library Bonds were issued in variable rate mode and had a starting interest rate of 3.82% and a final maturity date of December 1, 2009.

In June 2006, the City issued \$31,715 of General Obligation Various Purpose Bonds, Series 2006 to support the five-year capital plan. These bonds were issued for a variety of public works infrastructure improvements, park, library, municipal building commission, and technology improvements. The 2006 Series, Various Purpose Bonds were issued in variable rate mode and had a starting interest rate of 3.82% and a final maturity date of December 1, 2013.

In September 2006, the City issued \$10,545 of Tax Increment Refunding Revenue Bonds (Grant Park Project) Series 2006 to refund the outstanding principal of the Taxable Tax Increment Revenue Notes issued in 2002 for this same project. The original notes were issued for financing certain "Public Redevelopment Costs" associated with the Grant Park project which consisted of redeveloping land for a twenty-seven story residential tower with 284 for-sale condominium units, an adjacent above-grade parking structure with 533 spaces and 43 for-sale residential units located next to the tower and parking structure. These bonds have interest rates ranging from 5.0% to 5.35% and a final maturity date of February 1, 2030.

In November 2006, the City issued \$3,780 of General Obligation Improvement Bonds, Series 2006 for construction of various special assessment projects. The Improvement Bonds have interest rates ranging from 4.00% to 4.50% and a final maturity date of December 1, 2026.

In December 2006, the Community Planning & Economic Development Department, through the General Agency Reserve Fund System (GARFS) enterprise fund, issued revenue refunding bonds in the amount of \$8,400. The bonds were issued to refund the existing balance of bonds (\$2,465) for Ambassador Press as well as to provide Ambassador Press with additional funding for economic development in the City. These bonds have interest rates ranging from 5.875% to 6.5% and a final maturity date of December 1, 2026.

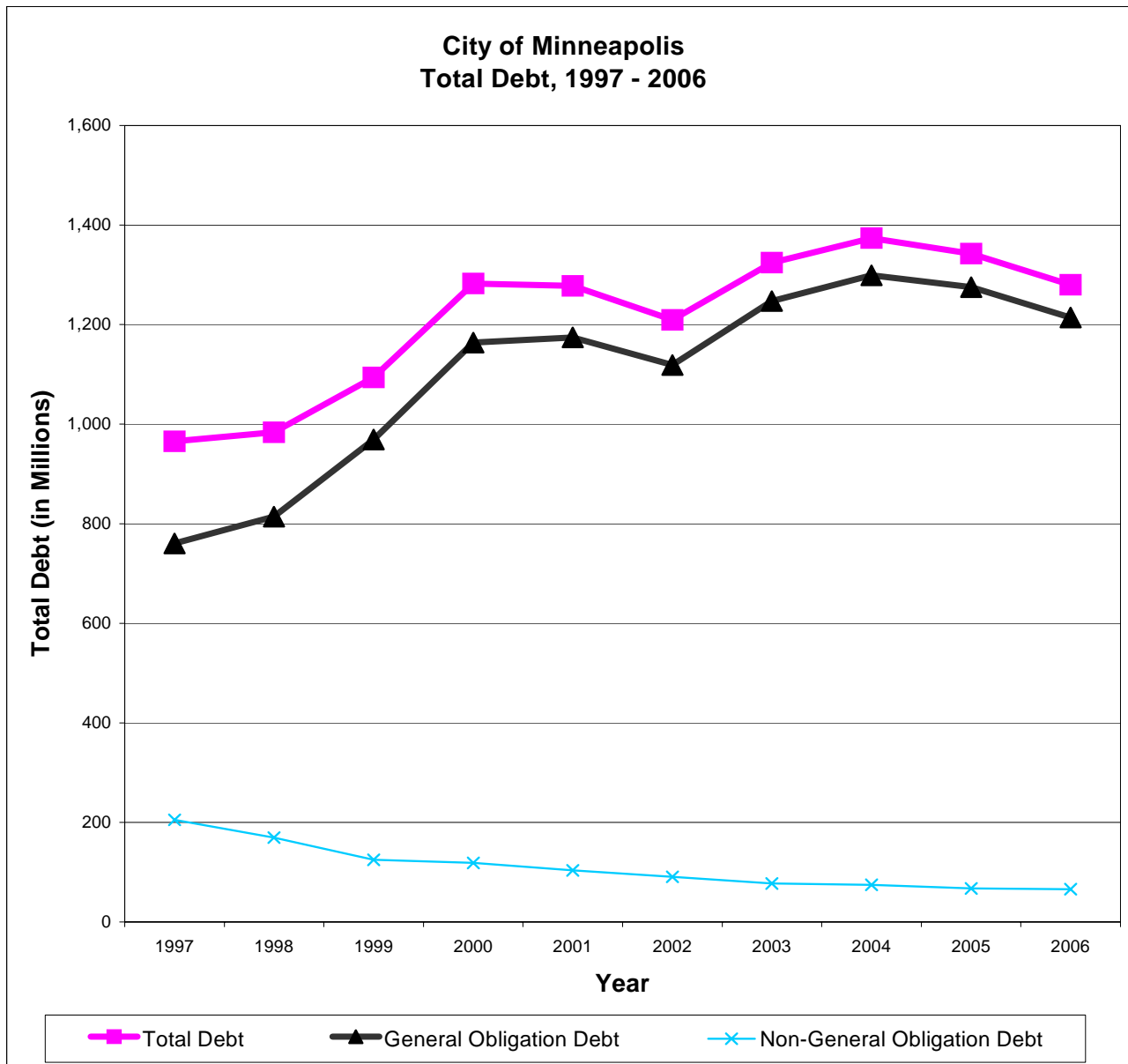
2006 Notes Issued

In December 2006, the City issued a \$13,500 General Obligation Water Revenue Note to the Minnesota Public Facilities Authority as part of a federally sponsored below market financing program related to the Safe Drinking Water Act. The subsidized interest rate is at 2.60% and the final maturity date is August 20, 2026. Proceeds of this fourth note will be used for constructing the Fridley Water Ultrafiltration Plant. As of 12/31/06, the City had received total note proceeds of \$2,331 to reimburse preliminary design expenses from this fourth note. During 2006, the City also received additional proceeds of \$3,925 from the third note of this program. For the two notes, the City's outstanding liability grew by \$6,256 related to these notes.

Debt Trends

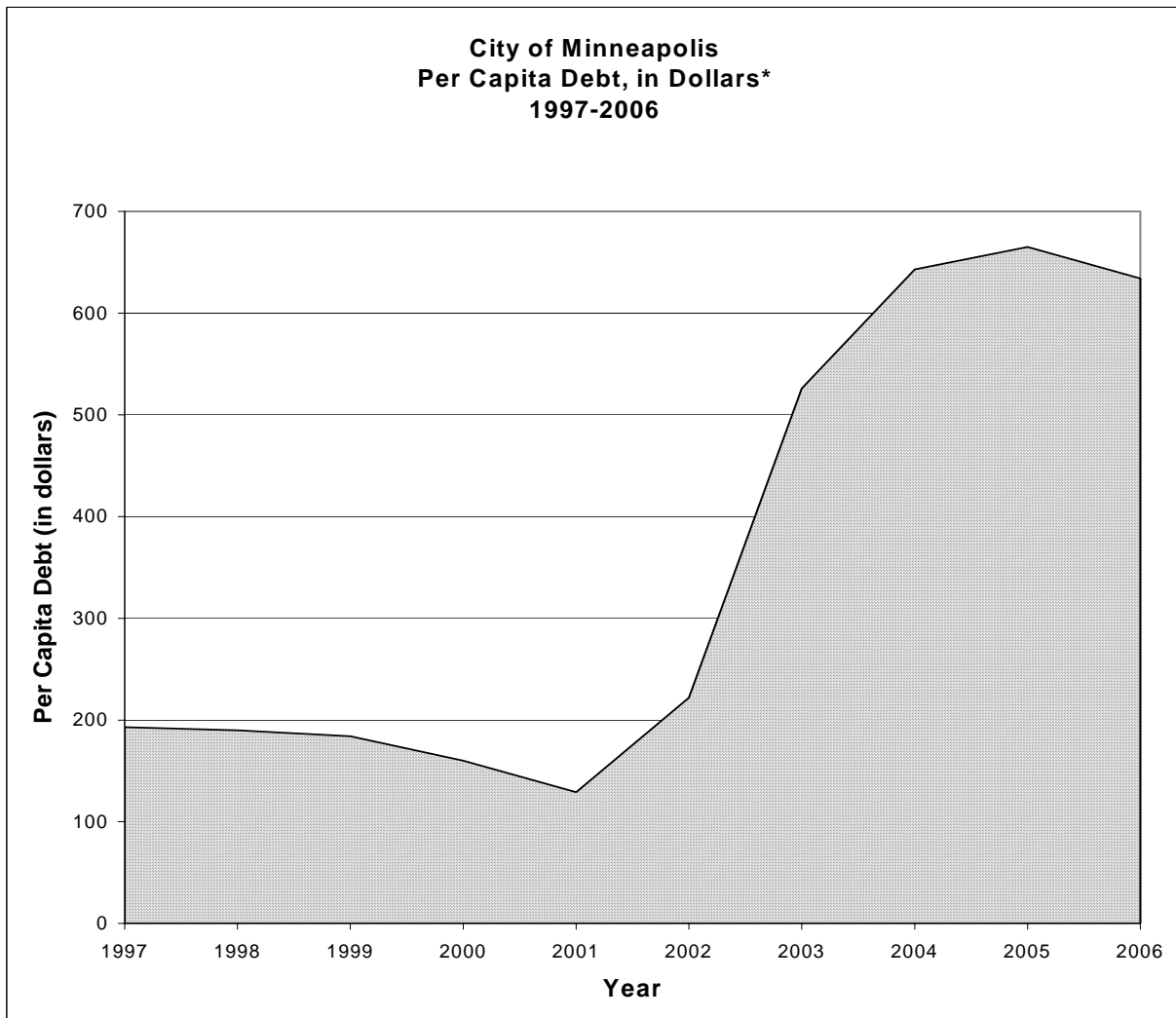
Management of the City's debt involves consideration not only of the absolute amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures. For purposes of the charts below, Mortgage Revenue bonds and General Agency Reserve Fund System bonds of the Community Planning & Economic Development Department are not included as City Debt.

The accompanying chart shows a ten-year history of the total City debt level for years 1997 - 2006. The total includes general obligation debt, backed by the full faith and credit of the City, and non-general obligation debt, which currently includes only tax increment revenue bonds.



Per Capita Debt

The chart below showing general obligation debt per capita shows progress in managing general obligation debt supported by property taxes from 1997 through 2001. Part of the reduction in 2001 is due to the revision in the reported population from 368,383 to 382,618. From 2002 - 2005, the City issued significant tax supported debt to fund the Library Referendum capital program and to pay unfunded pension obligations for the City's three closed pension funds - the Minneapolis Police Relief Association (MPRA), Minneapolis Fire Relief Association (MFRA) and Minneapolis Employee Retirement Fund (MERF) resulting in a spike in the debt per capita. In 2006, the City used one-time resources to accelerate the pay down of pension debt obligations which helped to reverse the upward trend.



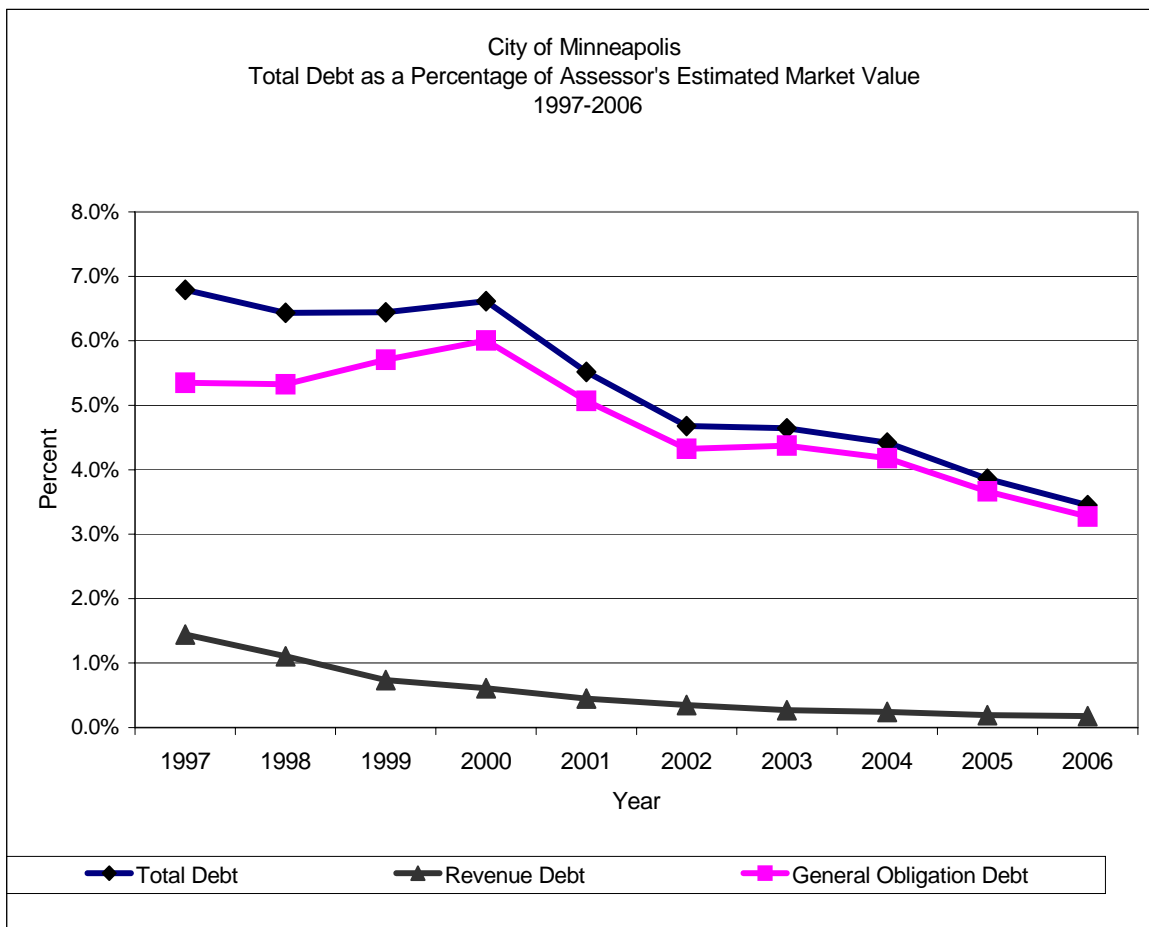
* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the City less that indebtedness supported by revenues other than general property taxes. Funding from self-supporting enterprises of the City offset a portion of the property tax supported pension related debt included above.

Debt Capacity – Total Debt

The primary goal of the City's debt management effort is to maintain ability to incur debt at low interest rates without endangering ability to finance essential City services.

The key management ratio used in monitoring total debt is total debt outstanding as a percent of estimated full market value of Minneapolis' taxable property. *The ratio of total outstanding debt to the Minneapolis City Assessor's market value of taxable property equaled an estimated 3.5 percent in 2006, 0.4 percent lower than the previous year and the Total Debt applicable to this calculation declined by over \$62 million during the last year.*

The chart below shows 1997 as the highest total debt/market ratio even though total debt was at its lowest point for the years represented in the chart. This was due to significantly lower market valuations versus the later years. From 1997 - 1999, the ratio's favorable downward trend reflects a recovery in property valuations at the same time the total debt level was slightly increasing. Total Debt levels continued to increase from 2000 to 2004, with the exception of 2002 but the impact of these higher debt levels were more than offset by a continuing increase in the market value of the City's taxable property. For 2005 and 2006, the Total Debt is decreasing while valuations continue to rise creating the favorable trend line.



Computation of the City's Legal Debt Margin

The following is the computation of the estimated legal debt margin to be reported in the City's Comprehensive Annual Financial Report for December 31, 2006.

	Dollars in Thousands
Real Property (2006 Market Value)	\$ 36,691,687
Personal Property (2006 Market Value)	401,246
	<u>37,092,933</u>
Adjustment for Exempt Personal Property (1966 Market Value)	298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution	196,930
Total Market Value Applicable to Debt Limit	<u><u>37,587,893</u></u>
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	\$ 1,252,930
General Obligation Bonds Subject to Debt Limit:	
Supported by Property Tax Levy	260,815
Supported by Special Assessments:	
Park Diseased Trees	1,500
Lyn-Lake Municipal/Commercial Parking	685
Self-Supporting (Supported by Internal User Charges):	
Management Information Systems	35,775
Park Board - Land acquisitions & athletic field development	11,195
Public Works Fleet and Equipment	37,875
Property Fund	8,685
Self-Insurance Fund	5,395
Total General Obligation Bonds Subject to Debt Limit	<u>361,925</u>
Less: Estimated Assets in Debt Service Fund at 12/31/06	<u>(18,419)</u>
Total Debt Applicable to Debt Limit	<u>343,506</u>
Legal Margin for New Bonds Subject to Debt Limit	\$ 909,424

Summary of Outstanding City Debt

Estimated Long-term liabilities at December 31, 2006 are detailed below.

	Balance 1/1/2006	Additions	Retirements	Balance 12/31/2006	Amounts Due Within One Year
Governmental activities:					
<u>Bonds and Notes</u>					
Property Tax Supported GO Bonds*	\$ 270,980	\$ 22,555	\$ 32,720	\$ 260,815	\$ 22,285
Self Supporting GO Bonds	258,340	-	7,995	250,345	7,945
GO Improvement Bonds	45,407	4,280	5,116	44,571	5,436
Tax Increment GO Bonds	189,360	-	11,035	178,325	12,115
Revenue Bonds	67,085	10,545	11,874	65,756	11,200
Revenue Notes	41,252	-	14,543	26,709	2,025
Internal Service Fund Related GO Bonds	100,925	1,525	18,735	83,715	9,130
Total Governmental Bonds and Notes	973,349	38,905	102,018	910,236	70,136
Business-type activities:					
<u>Bonds and Notes</u>					
Sewer Fund GO Bonds	36,526	7,572	8,432	35,666	7,810
Water Fund GO Bonds	34,165	1,843	7,819	28,189	5,427
Water Fund GO Note	58,373	6,256	840	63,789	1,000
Municipal Parking Fund GO Bonds	280,849	1,700	14,174	268,375	16,044
CPED GO Bonds	350	-	10	340	30
CPED Related Non GO Fund					
General Agency Reserve Fund System	61,240	8,400	11,655	57,985	2,665
Mortgage Revenue Bonds	391	-	-	391	-
Revenue Notes	1,056	-	106	950	113
Total Bonds and Notes	472,950	25,771	43,036	455,685	33,089
Grand Total Bonds & Notes	\$1,446,299	\$ 64,676	\$ 145,054	\$ 1,365,921	\$ 103,225

* - This category includes debt issued for the City's general infrastructure capital program, the library referendum and unfunded pension liabilities.

Amortization of Outstanding Governmental City Debt

As of December 31, 2006, annual debt service requirements for Governmental activities (in thousands) to maturity are as follows:

Governmental Activities – Non-Proprietary				
Year Ending	Bonds		Notes	
	Principal	Interest	Principal	Interest
Dec 31:				
2007	\$ 58,981	\$ 62,822	\$ 2,025	\$ 823
2008	50,600	61,355	473	707
2009	43,528	59,271	495	624
2010	35,371	31,662	572	598
2011	35,231	30,051	3,112	519
2012 – 2016	180,865	124,868	2,916	1,806
2017 – 2021	214,691	76,983	3,281	1,134
2022 – 2026	133,240	2,995	2,995	398
2027 – 2031	44,580	6,409	10,840	102
2032	2,725	136	-	-
	<u>799,812</u>	<u>484,654</u>	<u>26,709</u>	<u>6,711</u>

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
	Principal	Interest	Principal	Interest
Dec 31:				
2007	9,130	3,826	70,136	67,471
2008	4,895	3,451	55,968	65,513
2009	10,775	3,241	54,798	63,136
2010	10,775	3,241	54,798	63,136
2011	10,970	2,249	49,313	32,819
2012 – 2016	23,035	5,826	206,816	132,500
2017 – 2021	13,985	1,979	231,957	80,096
2022 – 2026	150	8	136,385	31,503
2027 – 2031	-	-	55,420	6,511
2032	-	-	2,725	136
	<u>\$ 83,715</u>	<u>\$ 23,329</u>	<u>\$ 910,236</u>	<u>\$ 514,694</u>

Amortization of Outstanding Business Type City Debt

As of December 31, 2006, annual debt service requirements for Business-type activities (in thousands) to maturity are as follows:

Year Ending	Bonds		Notes		Total		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Dec 31:								
2007	\$ 33,477	\$ 22,154	\$ 1,113	\$ 1,811	\$ 34,590	\$ 23,965		
2008	32,294	20,553	1,420	1,806	33,714	22,359		
2009	30,105	17,543	2,052	1,734	32,157	19,277		
2010	26,769	16,248	2,161	1,672	28,930	17,920		
2011	25,430	15,094	3,418	3,419	28,848	18,513		
2012 – 2016	94,333	59,509	15,216	6,692	109,549	66,201		
2017 – 2021	54,433	32,221	27,260	3,994	81,693	36,215		
2022 – 2026	57,315	19,180	12,099	510	69,414	19,690		
2027 – 2031	25,100	6,851	-	-	25,100	6,851		
2032	11,690	1,344	-	-	11,690	1,344		
Total	\$ 390,946	210,697	\$ 64,739	\$ 21,638	\$ 455,685	\$ 232,335		

Glossary of Terms & Abbreviations for the Capital Program

CLIC - Capital Long-Range Improvement Committee – a committee of up to 33 private citizens appointed by the 13 Council members (2 per Ward) and Mayor (7). The committee reviews Capital proposals and recommends priorities for capital spending within specified resource parameters.

REVENUE SOURCE RELATED DESCRIPTIONS:

NDB - Net Debt Bonds – property tax supported bonds issued to finance general infrastructure improvements. Debt service is paid by taxes collected for the annual Bond Redemption Levy.

Park Levy – A portion of the Park Board’s tax levy dedicated to Capital Improvements.

MSA - Municipal State Aid - refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

ASSM - Assessments - improvements paid for partially or wholly by property owners.

NRP – Neighborhood Revitalization Program

NON APPROP - Non Appropriated – reflects cost participation from County, State or Federal dollars when the City of Minneapolis is a 50% or less partner or is not the lead agency.

Enterprise Bonds/Revenue - bonds related to the Stormwater, Sanitary Sewer, Water, Parking and Solid Waste enterprises of the City. Debt Service is paid for by user fees charged for these enterprise services. Enterprise revenues are “pay as you go” sources anticipated to be available in the enterprise funds.

REIMB - refers to Capital work performed by divisions of Public Works for which reimbursements are received from other City departments, outside government agencies or private businesses.

ACRONYMS & ABBREVIATIONS USED IN PROJECT TITLES:

HVAC - Heating, Ventilation and Air Conditioning

CSAH – County State Aid Highway – a County project leveraging a local cost share from Minneapolis

Rehab - Rehabilitation

LRT – Light Rail Transit

TOD – Transit Oriented Development

LED – Light Emitting Diode (example - pedestrian signal crossing lights)

US EPA – United States Environmental Protection Agency

CSO – Combined Sewer Overflow – separating storm from sanitary sewers

HRIS – Human Resources Information System

1-MN-320 – Refers to a Metropolitan Council Sewer Interceptor line

TH121 – Trunk Highway 121

MWW – Minneapolis Water Works

GIS – Geographical Information System

EOC – Emergency Operations Center

MPD – Minneapolis Police Department

SUBMITTING AGENCY OR DEPARTMENT ABBREVIATIONS:

MBC – Municipal Building Commission

PW – Public Works

CPED – Community Planning & Economic Development

BIS – Business Information Services

2007 - 2011 Council Adopted Capital Resources For Property Tax Supported Infrastructure Improvements

Recommended Resources by Category	2007	2008	2009	2010	2011	Totals (000's)
CLIC & Mayor Resources:						
Net Debt Bond (NDB) Authorizations	18,750	17,250	17,250	17,600	17,950	88,800
Park Board Capital Infrastructure Levy	1,075	1,290	1,500	1,500	1,500	6,865
	<u>19,825</u>	<u>18,540</u>	<u>18,750</u>	<u>19,100</u>	<u>19,450</u>	<u>95,665</u>
Prior Year Adjustments made by Mayor and Council*	-4,435	-3,355	-2,920	0	0	-10,710
2007 - 2011 Resource Assumptions Used by CLIC	<u>15,390</u>	<u>15,185</u>	<u>15,830</u>	<u>19,100</u>	<u>19,450</u>	<u>84,955</u>
Additional NDB Resources Recommended by Mayor	750					750
2007 - 2011 Mayor's Recommended NDB Resources	<u>16,140</u>	<u>15,185</u>	<u>15,830</u>	<u>19,100</u>	<u>19,450</u>	<u>85,705</u>
2007 - 2011 Council Adopted NDB Resources	<u>16,140</u>	<u>15,185</u>	<u>17,350</u>	<u>18,165</u>	<u>18,865</u>	<u>85,705</u>

Notes:

* - Adjustments represent dollars advanced to or from projects in the Capital programs for prior years.

This resource summary represents the City's commitment for General Infrastructure assets. General Infrastructure includes public buildings, roads, bridges, bike trails, street lights, traffic signals, parks & libraries.

2007 Bond Redemption Levy for Capital Program

	Amount Notes (000's)
Tax Levy Certified for Bond Redemption in 2006	19,785 For supporting Capital Program only
Bond Redemption Levy Reduction for 2007	-1,108 Per Five-Year Financial Direction
Tax Levy Certified for Bond Redemption in 2007	<u>18,677</u> For supporting New Capital Programs
Additional support - prior year debt commitments	1,626 General Fund Transfer to Bond Redemption
Additional 2007 one-time debt support	950 General Fund Transfer to Bond Redemption
Total Capital Program NDB Debt Support	<u>21,253</u>
Additional One-time Cash Initiatives for 2007:	
Minneapolis Transportation Action Plan	230 General Fund Transfer to Capital Projects Fund
Street Renovation Program	665 General Fund Transfer to Capital Projects Fund
Safe Streets Technology Improvements	1,000 General Fund Transfer to Capital Projects Fund
Total One-time Cash Initiatives for Capital Program	<u>1,895</u>

Property Tax Supported Capital Allocation - Council Adopted Summarized by Major Type of Infrastructure

Description of Category	2007	2008	2009	2010	2011	Totals
	Amounts in thousands					
Municipal Building Commission - City Hall	735	700	895	900	940	4,170
Percentage allocated to MBC	4.55%	4.61%	5.16%	4.95%	4.98%	4.87%
Library Board Capital Program	850	450	2,100	2,480	80	5,960
Percentage allocated to Library	5.27%	2.96%	12.10%	13.65%	0.42%	6.95%
Park Board Capital Program - including Park Levy*	1,580	1,560	1,557	1,604	1,550	7,851
Percentage allocated to Park Board	9.79%	10.27%	8.97%	8.83%	8.22%	9.16%
Public Works Department:						
Facility Improvements	0	1,000	1,000	1,250	1,200	4,450
Street Paving	5,242	4,774	4,986	6,401	6,539	27,942
Sidewalk Program	175	185	195	205	215	975
Heritage Park	500	500	750	0	0	1,750
Bridges	200	200	559	700	3,665	5,324
Traffic Control & Street Lighting	1,865	1,233	1,453	2,318	1,587	8,456
Bike Trails	740	0	825	575	0	2,140
Subtotal Public Works	8,722	7,892	9,768	11,449	13,206	51,037
Percentage allocated to Public Works	54.04%	51.97%	56.30%	63.03%	70.00%	59.55%
Miscellaneous Projects/Other City Departments	4,253	4,583	3,030	1,732	3,089	16,687
Percentage allocated to Other City Departments	26.35%	30.18%	17.46%	9.53%	16.37%	19.47%
Percentage allocated to City Departments	80.39%	82.15%	73.76%	72.56%	86.38%	79.02%
Grand Total - Property Tax Supported Capital	16,140	15,185	17,350	18,165	18,865	85,705
*Park Capital Levy of \$6,865 is included above as follows->	1,075	1,290	1,500	1,500	1,500	6,865

**CITY OF MINNEAPOLIS
2007 - 2011 COUNCIL ADOPTED CAPITAL BUDGET**

Project ID	Project Title	2007	2008	2009	2010	2011	TOTAL
							(\$000's)
MUNICIPAL BUILDING COMMISSION							
MBC01	Life Safety Improvements	100	200	300	300	340	1,240
MBC02	Mechanical Systems Upgrade	635	500	500	500	500	2,635
MBC04	Tower & Interior Court Elevators	0	0	95	100	100	295
Total Municipal Building Commission		735	700	895	900	940	4,170

LIBRARY BOARD*

MPL09	Nokomis Library Capital Improvements	0	200	1,600	2,400	800	5,000
MPL11	Walker Community Library Capital Improvements	0	0	0	0	0	0
MPL13	Hosmer Library Capital Improvements	0	0	0	500	0	500
MPL14	Roosevelt Community Library Capital Improvements	0	613	500	0	0	1,113
MPL15	Southeast Community Library Capital Improvements	850	1,110	500	0	0	2,460
MPL16	Washburn Community Library Capital Improvements	0	0	0	500	0	500
Total Library Board (Community Libraries)		850	1,923	2,600	3,400	800	9,573

* - Includes \$3,613 of Library Referendum Levy and \$5,960 of City property tax funding.

PARK BOARD

PRK01	Community and Neighborhood Center Rehabilitation	310	405	467	541	270	1,993
PRK02	Site and Totlot Rehabilitation	440	1,155	900	475	260	3,230
PRK03	Rehab of Shelter Buildings and Wading Pools	450	0	0	0	0	450
PRK04	Athletic Field Renovation	0	0	0	150	150	300
PRK05	Tier 2 Athletic Fields	200	0	0	0	0	200
PRK06	Service Center Rehabilitation	0	0	0	0	0	0
PRK07	Tennis Court Rehabilitation	120	0	0	0	0	120
PRK09	HVAC	60	0	190	187	450	887
PRK11	Roof Replacement	0	0	0	251	420	671
PRK12	Community Skate Parks	0	0	0	0	0	0
PRK14	Complete Park Renovation	0	0	0	0	0	0
PRK15	New Park Facilities	0	0	0	0	0	0
PRKDT	Diseased Tree Removal	500	500	500	500	500	2,500
Total Park Board		2,080	2,060	2,057	2,104	2,050	10,351

PUBLIC WORKS DEPARTMENT

FACILITY IMPROVEMENTS

PSD01	Facilities - Repair and Improvements	0	1,000	1,000	1,000	1,200	4,200
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	0	0	0	250	0	250
PSD07	Border Maintenance Facility	0	0	0	0	0	0
Total Facility Improvements		0	1,000	1,000	1,250	1,200	4,450

**CITY OF MINNEAPOLIS
2007 - 2011 COUNCIL ADOPTED CAPITAL BUDGET**

Project ID	Project Title	2007	2008	2009	2010	2011	TOTAL
							(\$000's)
STREET PAVING							
PV001	Parkway Paving	770	550	550	950	950	3,770
PV003	Street Renovation Program	1,765	1,451	2,566	3,530	3,910	13,222
PV045	Minneapolis Transportation Action Plan	500	500	500	500	0	2,000
PV004	CSAH Paving Program	1,150	1,150	1,150	1,500	1,600	6,550
PV005	Snelling Ave Extension	0	970	0	0	0	970
PV006	Alley Renovation	265	265	265	265	265	1,325
PV007	University Research Park	0	1,696	1,325	7,000	2,600	12,621
PV008	Lake Street Phase IV	80	125	125	0	0	330
PV009	I-35W Crosstown Interchange Reconstruction	0	0	15	0	0	15
PV019	Sixth Avenue North	0	0	1,790	0	0	1,790
PV020	Loring Greenway	1,600	0	0	0	0	1,600
PV023	28th Ave South	0	0	0	5,529	0	5,529
PV027	Hennepin/Lyndale	0	0	0	0	10,511	10,511
PV028	Franklin/Cedar/Minnehaha Intersection Realignment	0	0	0	3,784	0	3,784
PV029	Chicago Ave S (E 14th St to E 28th St)	0	5,992	6,060	0	0	12,052
PV031	27th Ave NE (RR Crossing)	245	0	0	0	0	245
PV032	LaSalle Ave S	0	0	0	5,396	0	5,396
PV034	Elliot & 10th Ave S Cul-de-sacs	285	0	0	0	0	285
PV035	TH121/Lyndale Ave S	0	0	0	2,450	2,450	4,900
PV038	Miscellaneous Oiled Dirt Segments	0	0	0	0	0	0
PV041	2nd Avenue North	0	480	0	0	0	480
PV042	50th St. E.	6,271	0	0	0	0	6,271
PV043	54th St. W.	0	1,967	0	0	0	1,967
PV044	Upper Harbor Terminal Redevelopment	0	0	0	0	50	50
PV00R	Reimbursable Paving Projects	3,500	3,500	3,500	3,500	3,500	17,500
	Total Street Paving Projects	16,431	18,646	17,846	34,404	25,836	113,163
SIDEWALK PROGRAM							
SWK01	Defective Hazardous Sidewalks/Complete Gaps	2,360	2,480	2,605	2,735	2,870	13,050
HERITAGE PARK INFRASTRUCTURE							
CDA01	Heritage Park Redevelopment Project	500	500	750	0	0	1,750

**CITY OF MINNEAPOLIS
2007 - 2011 COUNCIL ADOPTED CAPITAL BUDGET**

Project ID	Project Title	2007	2008	2009	2010	2011	TOTAL
							(\$000's)
BRIDGES							
BR101	Major Bridge Repair and Rehabilitation	200	200	200	200	350	1,150
BR106	1st Avenue South Bridge over the Midtown Greenway	0	0	0	0	2,114	2,114
BR109	Camden Bridge Rehabilitation	0	0	5,990	0	0	5,990
BR111	10th Ave SE Bridge Arch Rehabilitation	0	0	0	0	5,186	5,186
BR112	Nicollet Avenue Reopening	0	0	0	0	3,495	3,495
BR114	Midtown Greenway Corridor Bridge Program	0	0	150	500	500	1,150
BR116	Bikeway/Bike Bridge 94246 Rehabilitation	0	0	0	0	6,425	6,425
BR117	1st Street North Bridge Over Bassetts Creek	0	0	0	0	0	0
BR118	Minnehaha Ave Bridge over Minnehaha Creek	0	0	0	0	0	0
BR119	Minnehaha Parkway Bridge over Minnehaha Creek	0	0	0	0	0	0
BR120	3rd Street North Bridge over Bassetts Creek	0	0	0	0	0	0
BR121	Lowry Avenue Bridge over the Mississippi River	0	0	0	0	300	300
BR122	46th St. Pedestrian Bridge	0	0	0	0	5	5
Total Bridge Projects		200	200	6,340	700	18,375	25,815
TRAFFIC CONTROL & STREET LIGHTING							
TR003	Energy Efficient LED Replacement Program	200	0	275	200	0	675
TR004	Computerized Traffic Control Communication	0	185	0	0	0	185
TR005	Controller Conversion	600	600	390	275	500	2,365
TR006	Priority Vehicle Control System	0	425	0	0	425	850
TR007	Traffic & Pedestrian Safety Improvements	545	785	745	700	520	3,295
TR015	Safe Routes to School	150	150	50	50	50	450
TR008	Parkway Street Light Replacement	375	300	150	150	350	1,325
TR010	Traffic Management Systems	0	2,755	3,890	3,375	0	10,020
TR011	City Street Light Renovation	240	100	0	0	350	690
TR013	Railroad Crossing Safety Improvements	585	2,940	1,380	2,545	260	7,710
TR014	LRT TOD Improvements	0	400	0	0	0	400
TR016	Street Car Initiative	500	0	0	0	0	500
TR00R	Reimbursable Transportation Projects	600	600	600	600	600	3,000
Total Traffic Control & Street Lighting Projects		3,795	9,240	7,480	7,895	3,055	31,465
BIKE TRAILS							
BIK01	Cedar Lake Trail (Phase 3)	3,580	0	0	0	0	3,580
BIK04	18th Ave NE Bikeway	0	0	2,125	2,125	0	4,250
BIK13	RiverLake Greenway (East of I-35W)	0	0	1,250	0	0	1,250
BIK14	Midtown Greenway Bridge over Mississippi River	0	0	4,100	0	0	4,100
BIK17	Upper River Trails - Phase 1	0	0	0	4,700	0	4,700
BIK19	Midtown Exchange Bike Station	536	0	0	0	0	536
Total Bike Trail Projects		4,116	0	7,475	6,825	0	18,416

**CITY OF MINNEAPOLIS
2007 - 2011 COUNCIL ADOPTED CAPITAL BUDGET**

Project ID	Project Title	2007	2008	2009	2010	2011	TOTAL
							(\$000's)
STORMWATER SEWER PROJECTS:							
SW002	Miscellaneous Storm Drains	220	220	220	220	220	1,100
SW004	Implementation of US EPA Storm Water Regulations	150	150	150	150	150	750
SW005	Combined Sewer Overflow Improvements	1,000	1,500	1,500	1,500	1500	7,000
SW011	Storm Drains and Tunnels Rehabilitation Program	1,500	1,500	2,000	2,000	2,000	9,000
SW030	Alternative Stormwater Management Strategies	1,000	1,000	1,000	1,000	1,000	5,000
SW031	Lake Hiawatha / Blue Water Partnership	2,060	390	0	0	0	2,450
SW032	I-35W Storm Tunnel Reconstruction	0	0	0	0	1,000	1,000
SW033	Flood Area 22 - Sibley Field	0	0	0	0	0	0
SW034	Flood Area 21 – Bloomington Pond	0	0	0	0	0	0
SW00R	Reimbursable Sewer and Storm Drain Projects	3,000	3,000	3,000	3,000	3,000	15,000
BR112	Nicollet Ave. from Lake St. to 29th	0	0	0	0	125	125
CDA01	Heritage Park Redevelopment Project	250	250	0	0	0	500
PV003	Street Renovation Program	129	192	314	357	335	1,327
PV004	CSAH Paving Program	100	0	0	0	0	100
PV007	University Research Park	500	300	800	0	800	2,400
PV027	Hennepin/Lyndale	0	0	0	0	800	800
PV029	Chicago Ave S (E 14th St to E 28th St)	0	143	0	0	0	143
PV032	LaSalle Avenue South	0	0	0	424	0	424
PV035	TH121/Lyndale Ave S	0	0	0	500	0	500
PV038	Miscellaneous Oiled Dirt Segments	0	0	0	0	0	0
PV042	50th St. E.	509	0	0	0	0	509
PV043	54th St. W.	0	203	0	0	0	203
Total Storm Sewer Fund Projects		10,418	8,848	8,984	9,151	10,930	48,331
SANITARY SEWER PROJECTS:							
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	500	500	500	500	500	2,500
SW012	Local Sewer Reconnection to 1-MN-320	750	0	0	0	0	750
SW035	War Department Tunnel Rehabilitation	0	0	0	0	100	100
SW036	Infiltration & Inflow Removal Program	5,000	3,000	5,000	5,000	5,000	23,000
SW037	Irving Sewer Rehabilitation	0	3,350	0	0	0	3,350
Total Sanitary Sewer Fund Projects		6,250	6,850	5,500	5,500	5,600	29,700
WATER							
WTR09	Ultrafiltration Program	4,500	15,500	32,500	17,500	0	70,000
WTR12	Water Distribution Improvements	4,500	4,500	4,750	4,750	5,000	23,500
WTR14	The MWW Facilities Security Improvement	500	500	0	0	0	1,000
WTR15	Pump Station No. 4 Rehabilitation	6,000	5,000	0	0	0	11,000
WTR16	St. Paul/Minneapolis Interconnection	0	0	0	0	2,000	2,000
WTR17	Treatment Modifications Based on New Regulations	0	0	0	1,000	0	1,000
WTR22	New Filter Presses	0	0	0	1,050	5,355	6,405
WTR0R	Reimbursable Watermain Projects	2,000	2,000	2,000	2,000	2,000	10,000
BR112	Nicollet Ave. from Lake St. to 29th	0	0	0	0	230	230
CDA01	Heritage Park Redevelopment Project	250	250	0	0	0	500
PV035	TH121/Lyndale Ave S	0	0	0	325	0	325
Total Water Fund Projects		17,750	27,750	39,250	26,625	14,585	125,960

**CITY OF MINNEAPOLIS
2007 - 2011 COUNCIL ADOPTED CAPITAL BUDGET**

Project ID	Project Title	2007	2008	2009	2010	2011	TOTAL
							(\$000's)
PARKING							
RMP01	Parking Facilities - Repair and Improvements	1,700	1,700	1,700	1,700	1,700	8,500
RMP03	Bicycle Parking	40	35	40	40	40	195
Total Parking Fund Projects		1,740	1,735	1,740	1,740	1,740	8,695
SOLID WASTE							
PSD08	City/County Solid Waste Management Facility	8,390	0	0	0	0	8,390
Total Public Works Department Projects		71,950	77,249	98,970	96,825	84,191	429,185
MISCELLANEOUS PROJECTS							
ART01	Art in Public Places	308	304	317	382	389	1,700
BIS02	Central Traffic Signal Computer Replacement	100	100	50	50	0	300
BIS03	Enterprise Document Management	160	100	50	50	50	410
BIS04	Enterprise Infrastructure Capacity Upgrade	400	500	600	700	800	3,000
BIS05	Enterprise Reporting	300	300	50	50	50	750
BIS06	GIS Application Infrastructure Upgrade	200	150	150	500	0	1,000
BIS07	HRIS Upgrade	0	0	0	0	0	0
BIS09	Enterprise Timekeeping Consolidation	0	0	0	0	0	0
BIS10	Finance System Consolidation/Upgrade	3,300	250	0	0	0	3,550
BIS11	Citywide Electronic Citations System	0	0	0	0	400	400
FIR01	City/County EOC/Training Facility	2,050	1,621	1,664	0	0	5,335
MPD01	MPD Forensic Laboratory	0	0	0	0	1,205	1,205
MPD02	MPD Evidence Unit	0	0	0	0	405	405
MPD03	MPD STOP	0	0	0	0	0	0
MPD04	Safe Streets Technology Improvements	1,000	1,000				2,000
PSD03	Facilities - Space Improvements	445	108	149	0	190	892
PSD04	Facilities - Security Management	0	0	0	0	0	0
PSD09	Hamilton Schools Police Improvements	500	0	0	0	0	500
Total Miscellaneous Projects		8,763	4,433	3,030	1,732	3,489	21,447
TOTAL COUNCIL ADOPTED CAPITAL BUDGET		84,378	86,365	107,552	104,961	91,470	474,726

Note: The totals above represent City funding and grant sources for those projects where the City is the lead agency. The funding detail pages that follow show additional leveraging with other units of government as Non Appropriated when the City is a 50% partner or less.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

ART01 Art in Public Places

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$5,000.00

Explanation of operating costs:

Because the artwork is integrated into infrastructure, the majority of the maintenance for the art will be addressed in the ongoing maintenance budget for the infrastructure. Many artworks incorporate special materials, however, and so some specialized maintenance is coordinated through Art in Public Places.

BIK01 Cedar Lake Trail (Phase 3)

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$15,000.00

Explanation of operating costs:

This project creates new infrastructure and improves existing infrastructure. Although most of the project involves new trail construction, some elements along 4th Avenue North will be improved such as street pavement surface, curb/gutter, bridge deck surfacing, and pavement markings. This project will result in an increase in annual maintenance costs totaling \$15,000 per year. According to the City Council, Mayor, and MPRB approved October 2000 Bikeways Project Final Report, the Minneapolis Park and Recreation Board will be responsible for this cost. The Park Board will need to decide how to manage their operational budget to fund the maintenance of this project. The Minneapolis Bicycle Advisory Committee has discussed ways to generate additional operations and maintenance funding for bikeway projects at length. The Minneapolis BAC has requested that the State Bicycle Advisory Committee examine this issue. The State Bicycle Advisory Committee is currently studying ways to generate funding for bicycle infrastructure maintenance that cities and counties could benefit from. Examples include bicycle registration fees, a state sales tax on all bicycle goods and services, advertising on trails, corporate sponsorships, selling trail naming rights, and trail user fees.

BIS02 Central Traffic Signal Computer Replacement

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Approval of this project resulting in the replacement of essential computer and associated hardware that is obsolete and expensive to continue to operate and maintain will permit the Traffic & Parking Services Division to reduce operating expenses in subsequent years.

BIS03 Enterprise Document Management

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$50,000.00)

Explanation of operating costs:

The three document management systems currently operating in the City (Stellent, Trimco and Docuware), all are licensed and hosted separately. This means annual maintenance is paid to vendors. Staff is paid to trouble-shoot and maintain functionality. Server space and processing power is consumed with consequences that range from bulky document storage crashing into day-to-day system operations, to stand-alone hardware infrastructures that each consumes its own operating cost. Consolidating these systems into one software environment with a centrally-managed hardware infrastructure will capture savings – some explicitly visible in reduced software and hardware maintenance costs, some implicit in increased functionality and better managed technology infrastructure resources. This project may incur some start-up expense to provide extended infrastructure for high-volume image capture and data storage, but system support and maintenance costs savings will be realized – especially when it comes to software licensing, application support and end-user training and support.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

BIS04 Enterprise Infrastructure Capacity Upgrade

Existing or new infrastructure: Existing

Operating Cost Implication: Increase Increase/(Decrease) amount: \$350,000.00

Explanation of operating costs:

Initially, annual operating costs will increase as demand for additional bandwidth is met. In later phases of this project, there is an opportunity for cost reduction due to economies of scale and opportunities for consolidation of infrastructure services Citywide.

BIS05 Enterprise Reporting

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Overall, it will not change operating costs. Through the use of better management reporting, departments may become more efficient.

BIS06 GIS Application Infrastructure Upgrade

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$100,000.00)

Explanation of operating costs:

Currently, full-service GIS functionality – the ability to create and edit spatial data as well to consume and analyze it – can only be delivered by acquiring expensive desktop software licenses. (\$9K - \$10K, plus annual maintenance). These full-service applications are “overkill” for many of the City’s processes where the ability to generate and manage this kind of data is needed. This high “cost of entry” has seriously impeded the adoption of GIS tools that could provide significant process improvement across many City departments.

The investment in this project will deliver an infrastructure that lets solution developers create “light” GIS applications with functionality targeted precisely to the task at hand. For every process that could benefit from this technology, cost of delivering it is reduced by at least the cost of these high-end GIS desktop licenses, as well as the time and training needed to use software designed for experienced GIS analysts.

The addition of a public data store for delivering spatial data services to the public won’t reduce tangible, day-to-day costs. Instead it will protect sensitive data about the City’s “life support” systems in a way that does not impeded the ability to make this valuable information available to the public.

The annual operating costs for supporting the centralized server-based GIS infrastructure does not increase significantly by adding the ability to deliver service-based applications. The servers, databases and system software costs happen with our without this capability. The cost of licensing functionality when and where it is needed will be reduced per application, but because more processes will be served and more users enabled with useful technology, actual cost may increase. However, it can be presumed that these costs will be offset by productivity gains, justifying enterprise support for this asset to be distributed among City departments following standard BIS chargeback models.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

BIS10 Finance System Consolidation/Upgrade

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$55,000.00)

Explanation of operating costs:

It is expected that the annual operating/maintenance costs will stay approximately the same for hardware and software, but will decrease for staffing, arriving at a net reduction.

BR101 Major Bridge Repair and Rehabilitation

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$20,000.00)

Explanation of operating costs:

The proposed funding level will allow us to undertake major repair /rehabilitation work that was beyond the scope of our annual maintenance funding. A system wide bridge deck maintenance program as well as "shot-crete" pier and column program can now be undertaken system wide. The benefits will be realized at a later date when reductions of "Bridge Sufficiency ratings" are minimized. This will allow for a more positive bridge maintenance effort centered around cleaning rather than the present reactive program which attempts to address system problems.

CDA01 Heritage Park Redevelopment Project

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

The requested 2006 Capital Improvement Funds for Heritage Park apply to improving and/or replacing existing infrastructure that is deteriorated or obsolete due to capacity, condition, or realignment. The Heritage Park area infrastructure was fully developed when the public housing existed, but infrastructure upgrades are integral to the new housing redevelopment being built.

FIR01 EO/Training Facility

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$45,000.00

Explanation of operating costs:

The existing training facility does not provide for current needs. In addition, the uses of the facility will be expanded to include continuity of government functions that the current facilities cannot provide due to their limitations. The current facilities were not designed to be permanent structures and as such require extensive care and maintenance to keep them in operation. The agency will manage the additional operating cost through their current budget and will share costs with Hennepin County and other users of the facility.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

MBC01 Life Safety Improvements

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Installation of sprinkler, smoke, and fire alarm systems will reduce insurance premiums for the building and also reduce the risk of property loss and potential law suits to the City and County. In a building housing numerous essential services, reducing the risk of potential lawsuits could be very large. The program also will reduce the risk of loss of life to the public or staff in the building. In 2005, property insurance costs for the building were reduced from \$57,500 to \$51,510. A portion of this savings can be attributed to the mechanical Life Safety Project.

MBC02 Mechanical Systems Upgrade

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Additional air handling units will consume electricity and increase utility costs. Increased quantities of fresh air will need to be heated or cooled during the winter or summer increasing utility costs. The new mechanical system will incorporate numerous energy savings measures that will be utilized to offset these increased utility costs. The new system will incorporate an economizer cycle that will utilize outside air for cooling during the spring and fall. The new control system will permit a night and weekend temperature setback. This will save heating and cooling costs during unoccupied periods. The control system will enable the building to manage peak demand. By reducing peak demand for steam and chilled water during the short period of the year, savings can be realized throughout the year. Electrical lighting systems installed during the renovations will enable lights to be shut off automatically during unoccupied periods. Since the start of the combined mechanical and life safety program, electrical consumption in the building has been reduced approximately 25 percent. These energy savings will be used to offset the cost of improved ventilation. It should be noted that energy consumption will also be reduced by the demolition and removal of obsolete and failing steam heating systems.

MPL15 Southeast Community Library Capital Improvements

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Whether new construction or a renovation, energy efficient elements such as HVAC and lighting systems will be incorporated into the project. These elements will help ensure operating costs remain within budget. In either scenario, the project will be maintained within the existing operating budget. Some administrative staffing needs may be reduced based on technology upgrades, such as moving all checkouts and returns to self service. This will free up some library staff time to work more closely with patrons on reference needs, ensure books are shelved more quickly, etc. Ensuring an efficient, functional lay-out will facilitate additional potential programming, provided by library staff or others in the community seeking programming space.

PRK01 Community and Neighborhood Center Rehabilitation

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$9,155.00)

Explanation of operating costs:

This will help to decrease operating and maintenance costs by reducing heating and cooling requirements, repairs, and related materials and labor costs.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

PRK02 Site and Totlot Rehabilitation

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$21,365.00)

Explanation of operating costs:

Site and totlot rehabilitation will reduce maintenance costs associated with repairing old playground equipment, removing unsafe playground equipment, and mending of cracked sidewalks and court surfaces.

PRK03 Rehab of Shelter Buildings and Wading Pools

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$10,705.00)

Explanation of operating costs:

The annual operating costs decrease with the replacement of the heating plant (energy efficiencies), and new pool mechanical elements (more efficient water treatment, less chemical use). In addition to significant water conservation, the upgraded pool filtration system will save over \$10,000 per year per upgrade.

PRK05 Tier 2 Athletic Fields

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$3,250.00)

Explanation of operating costs:

By upgrading facilities to present day standards savings will be realized in less fertilizer use, and ease of aeration and overall maintenance.

PRK07 Tennis Court Rehabilitation

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$7,485.00)

Explanation of operating costs:

New courts require maintenance only intermittently, as opposed to needing yearly repairs. The savings in crack sealing and color coating alone will average approximately \$1,675 per court per year. In many cases, due to decreased demand, we replace 4 courts with 2 courts, further reducing maintenance costs.

PRK09 HVAC

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$6,170.00)

Explanation of operating costs:

New energy efficient heating and ventilating systems will realize a savings in operating costs.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

PSD08 City/County Solid Waste Management Facility

Existing or new infrastructure: New

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

The City of Minneapolis, Solid Waste and Recycling Division in cooperation with the Hennepin County Department of Environmental Services has completed a long-range study of its space and facility needs. As part of that planning effort, the estimates of space needs and costs for a Solid Waste Management Facility will be refined as needed. Although the site or specific building location has not been identified, based on previous costs for similar facilities we would expect a maintenance cost of \$5.00 per sq. ft., these costs will be paid by City of Minneapolis, Solid Waste and Recycling Division and Hennepin County Department of Environmental Services, annual operating funds.

PV001 Parkway Paving

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$20,000.00)

Explanation of operating costs:

Decreases the maintenance expense by improving the quality of the pavement, reducing the need for maintenance funding.

PV003 Street Renovation Program

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$15,000.00)

Explanation of operating costs:

The project will reduce the maintenance resources needed to be expended on these roadways over approximately the next 30 years, freeing up street maintenance funds for other street maintenance needs.

PV004 CSAH Paving Program

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Reconstruction of roadways at the end of their design life decreases the annual maintenance cost. This is due to the roadway requiring a high level of annual maintenance to maintain a modest, to poor, service level. Reconstruction will drop the annual maintenance costs to a minimum while providing its highest ride quality. Future roadway maintenance expenses can then be programmed to maximize cost/benefit through routine repairs and overlays.

PV006 Alley Renovation

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Although this work will have minimal affect in maintenance savings initially, the continuation of this program will begin to reduce ongoing maintenance needs with the increase in the number of alleys which are overlaid.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

PV008 I-35W & Lake St. Interchange Reconstruction

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Reconstruction of roadways at the end of their design life decreases the annual maintenance cost. This is due to the roadway requiring a high level of annual maintenance to maintain a modest, to poor, service level. Reconstruction will drop the annual maintenance cost to a minimum while providing its highest ride quality. Future roadway maintenance expenses can then be programmed to maximize cost/benefit through routine repairs and overlays.

PV020 Loring Greenway

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$150,000.00)

Explanation of operating costs:

This project is expected to decrease City annual maintenance costs by replacing the highly deteriorated pavement and tile elements.

PV031 27th Ave NE (RR Crossing)

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

PV034 Elliot & 10th Ave S Cul-de-sacs

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$2,650.00

Explanation of operating costs:

The City currently maintains these streets. The closure of Elliot and 10th Avenues may reduce access for city vehicles and result in minor operating and maintenance costs.

PV042 50th St. E.

Existing or new infrastructure:

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$18,700.00)

Explanation of operating costs:

Reconstructing E 50th St will reduce the costs required to maintain this segment of road, thus allowing the responsible agency to redirect limited maintenance funds to other areas.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

RMP01 Parking Facilities - Repair and Improvements

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$200,000.00)

Explanation of operating costs:

This proposal will be unique in the fact that the proposal will be cost neutral. The programs had previously been paid for out of yearly operating revenue and will be bonded for in the future as per the approved departmental business plan. The key operational savings achieved by yearly investment in facilities is to keep operational costs from significantly increasing in the future and not protecting the City's current investment in facilities. Additionally, the security and revenue control upgrades will provided an estimated \$200,000 in operational savings due to reduced staff requirements.

RMP03 Bicycle Parking

Existing or new infrastructure: New

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project creates new infrastructure and replaces existing infrastructure. This project will not result in an increase of operational funding. It is up to adjacent properties to maintain the area around bicycle racks. When it comes time to replace a public bicycle rack, capital funds are expended to install a new rack since this is an on-going capital program. When there are no bicycle racks at a destination, bicyclists often park their bike to whatever they can. Bicycles often damage trees, light poles, and street furniture. Bicycles attached to parking meters, utility infrastructure, and street furniture also makes it difficult for city and public utility crews to perform regular maintenance.

SW001 Sanitary Tunnel & Sewer Rehabilitation Program

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$100,000.00)

Explanation of operating costs:

This project will generally decrease annual operating/maintenance costs by reducing the frequency and magnitude of emergency repairs.

SW002 Miscellaneous Storm Drains

Existing or new infrastructure: Both

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project will generally decrease annual operating/maintenance costs by reducing the frequency and magnitude of emergency repairs.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

SW004 Implementation of US EPA Storm Water Regulations

Existing or new infrastructure: Both

Operating Cost Implication: Increase Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Construction of new stormwater best management practices (BMP's) may require additional maintenance costs which will be paid for with sewer revenue depending on the BMP constructed. These costs may be leveraged as capital construction costs to assure proper maintenance is done.

SW005 Combined Sewer Overflow Improvements

Existing or new infrastructure: Both

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Each project funded under this program may have unique annual operating & maintenance costs. Generally speaking, new storm drains will be replacing older pipes draining to the sanitary. Also, any cost increases would be likely offset by decreases because of fewer sanitary problems and odor related problems near storm drain inlets.

SW011 Storm Drains and Tunnels Rehabilitation Program

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$300,000.00)

Explanation of operating costs:

This project will generally decrease annual operating/maintenance costs by reducing the frequency and magnitude of emergency repairs.

SW012 Local Sewer Reconnection to 1-MN-320

Existing or new infrastructure: Existing

Operating Cost Implication: Increase Increase/(Decrease) amount: \$2,000.00

Explanation of operating costs:

The sewer is currently owned and operated by Metropolitan Council. When the project is completed the sewer will be owned and operated by the city of Minneapolis. The cost of maintenance will be paid for from sewer revenue funds.

SW030 Alternative Stormwater Management Strategies

Existing or new infrastructure: New

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project will increase annual operating and maintenance costs of the Sewer Maintenance Division of Public Works. The increased cost will have to be absorbed by Sewer Maintenance.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

SW031 Lake Hiawatha / Blue Water Partnership

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$6,000.00

Explanation of operating costs:

This project will increase the annual operating/maintenance costs of Sewer Maintenance by approximately \$6,000 per year. The agency will have to absorb the additional maintenance costs.

SW036 I&I Removal Program

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

By eliminating infiltration, our maintenance costs would be reduced. By eliminating inflow, we would reduce potential flooding cleanup costs and possible surcharge costs by MCES.

TR003 LED Replacement Program

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$180,000.00)

Explanation of operating costs:

Completion of the Project City wide will reduce traffic signal operating costs by reducing energy consumption by at least \$306,000 annually in 2010.

TR005 Controller Conversion

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$1,000.00)

Explanation of operating costs:

Continued funding of this program has permitted utilization of personnel required to provide regular routine maintenance to be assigned to work activities that were previously understaffed, as the new controller equipment designs are nearly maintenance free.

TR007 Traffic & Pedestrian Safety Improvements

Existing or new infrastructure: Existing

Operating Cost Implication: Increase Increase/(Decrease) amount: \$125.00

Explanation of operating costs:

Overhead signal additions would increase operating costs by \$12.50 per unit per year. In 2011 there are 10-overhead signal structures proposed for construction.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

TR008 Parkway Street Light Replacement

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$6,000.00)

Explanation of operating costs:

It is estimated that personnel costs would be reduced \$1,500 annually, and that equipment rental would be reduced \$500 annually as a result of the funding provided for this program in 2008 for a savings of \$2,000 annually without consideration given to the energy savings that could be achieved if new fixtures were installed that would be more energy efficient. The energy savings would far exceed the labor and equipment savings identified above.

TR011 City Street Light Renovation

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$75,000.00)

Explanation of operating costs:

Approximately 30 lighting poles are removed each year that are in serious jeopardy of falling over as a result of the corrosion of the metal within the pole. Not all of the poles are replaced under current practices because of insufficient maintenance funds. The replacement cost for a new pole and transformer base and reconstruction of the anchorage is approximately \$5,000 each. It is estimated that this program once completed for the 800 poles most in need of immediate attention would save approximately \$75,000 annually in maintenance costs.

TR013 Railroad Crossing Safety Improvements

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This program will both add and remove infrastructure. Additions will primarily include medians, signs and railroad devices. Removals will be certain railroad crossings and streets where maintenance will no longer be needed. The cost of the additions/removals is still being determined. However, most of the additional costs (railroad devices) will be maintained by the railroads and not the City. Currently, Public Works expects the overall operating and maintenance costs will be the same.

TR015 Safe Routes to School

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$5,000.00

Explanation of operating costs:

The project will increase operating/maintenance cost by the addition of new infrastructure. Infrastructure may include new marked and signed crosswalks, crosswalk flashing systems, and bike racks. Options are available to gain operation/maintenance efficiencies such as solar power and durable markings. It is the intent to seek federal maintenance/operation funds to minimize costs.

CITY OF MINNEAPOLIS

Operating Cost Implications for 2007 Projects

WTR09 Ultrafiltration Program

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$1,500,000.00

Explanation of operating costs:

It will increase the annual operation/maintenance costs and will be paid by Water Revenue funds.

WTR12 Water Distribution Improvements

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project will have a very minor reduction on the Water Works annual operations/maintenance costs since life cycle replacements reduce replacements due to failure. This project will help to maintain the City's current level of service to its water customers.

WTR14 The MWW Facilities Security Improvement

Existing or new infrastructure: Both

Operating Cost Implication: Increase Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

WTR15 Pump Station No. 4 Rehabilitation

Existing or new infrastructure: Both

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$500,000.00)

Explanation of operating costs:

This energy conservation measures implemented will reduce operating costs approximately \$500,000 on an annual basis. In addition there will be short term savings for reduced maintenance on all new equipment installed.

**MUNICIPAL BUILDING COMMISSION FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	MBC01	Life Safety Improvements	100	0	0	0	100	100
2008			200	0	0	0	200	200
2009			300	0	0	0	300	300
2010			300	0	0	0	300	300
2011			340	0	0	0	340	340
Total			1,240	0	0	0	1,240	1,240
2007	MBC02	Mechanical Systems Upgrade	635	0	0	0	635	635
2008			500	0	0	0	500	500
2009			500	0	0	0	500	500
2010			500	0	0	0	500	600
2011			500	0	0	0	500	760
Total			2,635	0	0	0	2,635	2,995
2007	MBC04	Tower & Interior Court Elevators	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			95	0	0	0	95	90
2010			100	0	0	0	100	100
2011			100	0	0	0	100	225
Total			295	0	0	0	295	415

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	735	0	0	0	735	735
2008	700	0	0	0	700	700
2009	895	0	0	0	895	890
2010	900	0	0	0	900	1,000
2011	940	0	0	0	940	1,325
Total Municipal Bldg Commission	4,170	0	0	0	4,170	4,650

**LIBRARY BOARD FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	MPL09	Nokomis Library Capital Improvements Note: Other funding for all Library projects refers to Library Referendum dollars.	0	0	0	0	0	0
2008			200	0	0	0	200	0
2009			1,600	0	0	0	1,600	0
2010			1,600	0	0	800	2,400	0
2011			80	0	0	720	800	0
Total			3,480	0	0	1,520	5,000	0
2007	MPL11	Walker Community Library Capital Improvements	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	MPL13	Hosmer Library Capital Improvements	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			440	0	0	60	500	0
2011			0	0	0	0	0	0
Total			440	0	0	60	500	0
2007	MPL14	Roosevelt Community Library Capital Improvements	0	0	0	0	0	0
2008			250	0	0	363	613	0
2009			500	0	0	0	500	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			750	0	0	363	1,113	0
2007	MPL15	Southeast Community Library Capital Improvements	850	0	0	0	850	0
2008			0	0	0	1,110	1,110	0
2009			0	0	0	500	500	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			850	0	0	1,610	2,460	0
2007	MPL16	Washburn Community Library Capital Improvements	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			440	0	0	60	500	0
2011			0	0	0	0	0	0
Total			440	0	0	60	500	0

See also Capital Resolution footnote g)

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	850	0	0	0	850	0
2008	450	0	0	1,473	1,923	0
2009	2,100	0	0	500	2,600	0
2010	2,480	0	0	920	3,400	0
2011	80	0	0	720	800	0
Total Library Board	5,960	0	0	3,613	9,573	0

**PARK BOARD FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB & Park Levy	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PRK01	Community and Neighborhood Center Rehabilitation Park Board requests include Net Debt Bonds & Park Capital Levy.	310	0	0	0	310	0
2008			405	0	0	0	405	0
2009			467	0	0	0	467	0
2010			541	0	0	0	541	0
2011			270	0	0	0	270	0
Total			1,993	0	0	0	1,993	0
2007	PRK02	Site & Totlot Rehabilitation	440	0	0	0	440	0
2008			1,155	0	0	0	1,155	0
2009			900	0	0	0	900	0
2010			475	0	0	0	475	0
2011			260	0	0	0	260	0
Total			3,230	0	0	0	3,230	0
2007	PRK03	Rehab of Shelter Buildings and Wading Pools	450	0	0	0	450	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			450	0	0	0	450	0
2007	PRK04	Athletic Field Renovation	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			150	0	0	0	150	0
2011			150	0	0	0	150	0
Total			300	0	0	0	300	0
2007	PRK05	Tier 2 Athletic Fields	200	0	0	0	200	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			200	0	0	0	200	0
2007	PRK06	Service Center Rehabilitation	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	PRK07	Tennis Court Rehabilitation	120	0	0	0	120	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			120	0	0	0	120	0
2007	PRK09	HVAC Improvements	60	0	0	0	60	0
2008			0	0	0	0	0	0
2009			190	0	0	0	190	0
2010			187	0	0	0	187	0
2011			450	0	0	0	450	0
Total			887	0	0	0	887	0

**PARK BOARD FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB & Park Levy	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PRK11	Roof Replacement	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			251	0	0	0	251	0
2011			420	0	0	0	420	0
Total			671	0	0	0	671	0
2007	PRK12	Community Skate Parks	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	PRK14	Complete Park Renovation	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	PRK15	New Park Facilities	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	PRKDT	Diseased Tree Removal	0	0	500	0	500	0
2008			0	0	500	0	500	0
2009			0	0	500	0	500	0
2010			0	0	500	0	500	0
2011			0	0	500	0	500	0
Total			0	0	2,500	0	2,500	0

See also Capital Resolution footnote b)

FUNDING SUMMARY BY YEAR	NDB & Park Levy	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	1,580	0	500	0	2,080	0
2008	1,560	0	500	0	2,060	0
2009	1,557	0	500	0	2,057	0
2010	1,604	0	500	0	2,104	0
2011	1,550	0	500	0	2,050	0
Total Park Board	7,851	0	2,500	0	10,351	0

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
 (GENERAL INFRASTRUCTURE)

FACILITY IMPROVEMENTS
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PSD01	Facilities - Repair and Improvements	0	0	0	0	0	0
2008			1,000	0	0	0	1,000	0
2009			1,000	0	0	0	1,000	0
2010			1,000	0	0	0	1,000	0
2011			1,200	0	0	0	1,200	0
Total			4,200	0	0	0	4,200	0
2007	PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			250	0	0	0	250	0
2011			0	0	0	0	0	0
Total			250	0	0	0	250	0
2007	PSD07	Border Maintenance Facility	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	0	0	0	0	0	0
2008	1,000	0	0	0	1,000	0
2009	1,000	0	0	0	1,000	0
2010	1,250	0	0	0	1,250	0
2011	1,200	0	0	0	1,200	0
Total Facility Improvements	4,450	0	0	0	4,450	0

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

STREET PAVING
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PV001	Parkway Paving	720	0	50	0	770	0
2008			500	0	50	0	550	0
2009			500	0	50	0	550	0
2010			900	0	50	0	950	0
2011			900	0	50	0	950	0
Total			3,520	0	250	0	3,770	0
2007	PV003	Street Renovation Program	735	0	365	665	1,765	0
2008		Other = One-time general fund transfer	1,116	0	335	0	1,451	0
2009		A portion of this project is for traffic control.	1,906	0	660	0	2,566	0
2010		See Stormwater Fund for Sewer related work.	2,350	0	1,180	0	3,530	0
2011		See also Capital Resolution footnote f)	3,250	0	660	0	3,910	0
Total			9,357	0	3,200	665	13,222	0
2007	PV045	Minneapolis Transportation Action Plan	270	0	0	230	500	0
2008			500	0	0	0	500	0
2009		Other = One-time general fund transfer	500	0	0	0	500	0
2010			500	0	0	0	500	0
2011			0	0	0	0	0	0
Total			1,770	0	0	230	2,000	0
2007	PV004	CSAH Paving Program (County State Aid Highway)	400	0	750	0	1,150	3,000
2008			400	0	750	0	1,150	3,000
2009			400	0	750	0	1,150	3,000
2010		See Stormwater Fund for Sewer related work.	750	0	750	0	1,500	3,000
2011			850	0	750	0	1,600	3,000
Total			2,800	0	3,750	0	6,550	15,000
2007	PV005	Snelling Ave Extension	0	0	0	0	0	0
2008			460	0	510	0	970	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			460	0	510	0	970	0
2007	PV006	Alley Renovation	200	0	65	0	265	0
2008			200	0	65	0	265	0
2009			200	0	65	0	265	0
2010			200	0	65	0	265	0
2011			200	0	65	0	265	0
Total			1,000	0	325	0	1,325	0
2007	PV007	University Research Park	0	0	0	0	0	0
2008		Other = CPED contributions	350	200	646	500	1,696	4,999
2009		Non-Approp = State of MN	300	500	328	197	1,325	1,700
2010		See Stormwater Fund for Sewer related work.	0	0	0	7,000	7,000	14,000
2011			400	835	835	530	2,600	5,000
Total			1,050	1,535	1,809	8,227	12,621	25,699

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

STREET PAVING
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PV008	Lake Street Phase IV*	80	0	0	0	80	0
2008			125	0	0	0	125	0
2009			125	0	0	0	125	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			330	0	0	0	330	0

* -This funding is for Minneapolis to participate with Hennepin County and MnDOT to move forward on Lake Street between Blaisdell Avenue and 5th Avenue South. The results will be a completed roadway design and streetscape plan set for Lake Street, a completed roadway plan set for Nicollet Avenue between 31st Street and 28th Street and 38th Street between Nicollet Avenue and Clinton Avenue, a completed bridge plan set the 40th Street Pedestrian Bridge, concept (30%) bridge design for the 38th Street and Lake Street Bridges. Also included is the Visual Quality Manual. The Visual Quality Manual will give guidance to the freeway corridor area while enhancing the diverse environments including a transportation corridor (transit/pedestrian/bicyclist) adjacent to a historic community. It is anticipated the process will occur over three years and include Project Advisory Committee (PAC) and Technical Advisory Committee (TAC) meetings as well as neighborhood and community meetings.

2007	PV009	I-35W Crosstown Interchange Reconstruction	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			15	0	0	0	15	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			15	0	0	0	15	0
2007	PV019	6th Ave N	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			290	1,271	229	0	1,790	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			290	1,271	229	0	1,790	0
2007	PV020	Loring Greenway	1,600	0	0	0	1,600	0
2008		Project was adjusted upward	0	0	0	0	0	0
2009		from the department request	0	0	0	0	0	0
2010		due to higher bids received	0	0	0	0	0	0
2011		and will be rebid in 2007.	0	0	0	0	0	0
Total			1,600	0	0	0	1,600	0
2007	PV023	28th Ave S	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			771	3,918	840	0	5,529	0
2011			0	0	0	0	0	0
Total			771	3,918	840	0	5,529	0

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

STREET PAVING
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP	
2007	PV027	Hennepin/Lyndale Other = Federal Govt	0	0	0	0	0	0	
2008			0	0	0	0	0	0	
2009			0	0	0	0	0	0	
2010			0	0	0	0	0	0	
2011			489	3,421	618	5,983	10,511	0	
Total			489	3,421	618	5,983	10,511	0	
2007	PV028	Franklin/Cedar/Minnehaha Intersection Realignment Other = Federal Govt 2,727 & Hennepin County 100	0	0	0	0	0	0	
2008			0	0	0	0	0	0	
2009			0	0	0	0	0	0	
2010			30	660	267	2,827	3,784	0	
2011			0	0	0	0	0	0	
Total			30	660	267	2,827	3,784	0	
2007	PV029	Chicago Ave S (E 14th St to E 28th St)	0	0	0	0	0	0	
2008			750	2,500	2,742	0	5,992	0	
2009			750	2,567	2,743	0	6,060	0	
2010			See Stormwater Fund for Sewer related work.	0	0	0	0	0	
2011			0	0	0	0	0	0	
Total			1,500	5,067	5,485	0	12,052	0	
2007	PV031	27th Ave NE (RR Crossing) Other = Federal Govt	19	55	0	171	245	0	
2008			0	0	0	0	0	0	
2009			0	0	0	0	0	0	
2010			0	0	0	0	0	0	
2011			0	0	0	0	0	0	
Total			19	55	0	171	245	0	
2007	PV032	Lasalle Ave S	0	0	0	0	0	0	
2008			0	0	0	0	0	0	
2009			0	0	0	0	0	0	
2010			500	4,408	488	0	5,396	0	
2011			See Stormwater Fund for Sewer related work.	0	0	0	0	0	
Total			500	4,408	488	0	5,396	0	
2007	PV034	Elliot & 10th Ave S Cul-de-sacs Other = Midtown Exchange Development	140	0	80	65	285	0	
2008			0	0	0	0	0	0	
2009			0	0	0	0	0	0	
2010			0	0	0	0	0	0	
2011			0	0	0	0	0	0	
Total			140	0	80	65	285	0	
2007	PV035	TH121/Lyndale Ave S	0	0	0	0	0	0	
2008			0	0	0	0	0	0	
2009			0	0	0	0	0	0	
2010			See Stormwater Fund for Sewer related work.	400	1,650	400	0	2,450	0
2011			400	1,650	400	0	2,450	0	
Total			800	3,300	800	0	4,900	0	
2007	PV038	Miscellaneous Oiled Dirt Segments	0	0	0	0	0	0	
2008			0	0	0	0	0	0	
2009			0	0	0	0	0	0	
2010			0	0	0	0	0	0	
2011			See Stormwater Fund for Sewer related work.	0	0	0	0	0	
Total			0	0	0	0	0	0	

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

STREET PAVING
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PV041	2nd Avenue North	0	0	0	0	0	0
2008			17	387	76	0	480	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			17	387	76	0	480	0
2007	PV042	50th St. E.	1,078	4,854	339	0	6,271	0
2008		A portion of this project is for traffic control & street lighting.	0	0	0	0	0	0
2009			0	0	0	0	0	0
2010		See Stormwater Fund for Sewer related work.	0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			1,078	4,854	339	0	6,271	0
2007	PV043	54th St. W.	0	0	0	0	0	0
2008			356	1,518	93	0	1,967	0
2009			0	0	0	0	0	0
2010		See Stormwater Fund for Storm Sewer related work	0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			356	1,518	93	0	1,967	0
2007	PV044	Upper Harbor Terminal Redevelopment	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			50	0	0	0	50	0
Total			50	0	0	0	50	0
2007	PV00R	Reimbursable Paving Projects	0	0	0	3,500	3,500	0
2008			0	0	0	3,500	3,500	0
2009			0	0	0	3,500	3,500	0
2010			0	0	0	3,500	3,500	0
2011			0	0	0	3,500	3,500	0
Total			0	0	0	17,500	17,500	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	5,242	4,909	1,649	4,631	16,431	3,000
2008	4,774	4,605	5,267	4,000	18,646	7,999
2009	4,986	4,338	4,825	3,697	17,846	4,700
2010	6,401	10,636	4,040	13,327	34,404	17,000
2011	6,539	5,906	3,378	10,013	25,836	8,000
Total Street Paving	27,942	30,394	19,159	35,668	113,163	40,699

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

SIDEWALK PROGRAM
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	SWK01	Defective Hazardous Sidewalks	175	0	2,185	0	2,360	0
2008			185	0	2,295	0	2,480	0
2009			195	0	2,410	0	2,605	0
2010			205	0	2,530	0	2,735	0
2011			215	0	2,655	0	2,870	0
Total			975	0	12,075	0	13,050	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	175	0	2,185	0	2,360	0
2008	185	0	2,295	0	2,480	0
2009	195	0	2,410	0	2,605	0
2010	205	0	2,530	0	2,735	0
2011	215	0	2,655	0	2,870	0
Total Sidewalk Program	975	0	12,075	0	13,050	0

HERITAGE PARK INFRASTRUCTURE
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	CDA01	Heritage Park Redevelopment Project See also Water & Stormwater sections for contributions to this project for 2007 - 2008.	500	0	0	0	500	0
2008			500	0	0	0	500	0
2009			750	0	0	0	750	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			1,750	0	0	0	1,750	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	500	0	0	0	500	0
2008	500	0	0	0	500	0
2009	750	0	0	0	750	0
2010	0	0	0	0	0	0
2011	0	0	0	0	0	0
Total Heritage Park Redevelopment	1,750	0	0	0	1,750	0

Note: Additional funding sources for this project will be appropriated as agreements are finalized.

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

BRIDGES
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	BR101	Major Bridge Repair and Rehabilitation	200	0	0	0	200	0
2008			200	0	0	0	200	0
2009			200	0	0	0	200	0
2010			200	0	0	0	200	0
2011			350	0	0	0	350	0
Total			1,150	0	0	0	1,150	0
2007	BR106	1st Avenue South Bridge over the Midtown Greenway Other = Federal Govt 1,210 & State of MN 305	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			100	499	0	1,515	2,114	0
Total			100	499	0	1,515	2,114	0
2007	BR109	Camden Bridge Rehabilitation Other = Federal Govt 3,353 & State of MN 839	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			209	1,589	0	4,192	5,990	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			209	1,589	0	4,192	5,990	0
2007	BR111	10th Ave SE Bridge Arch Rehabilitation Other = Federal Govt 3,256 & State of MN 814	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			100	1,016	0	4,070	5,186	0
Total			100	1,016	0	4,070	5,186	0
2007	BR112	Nicollet Avenue Reopening Other = Federal Govt 1,090 & State of MN 272	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			700	1,189	244	1,362	3,495	0
Total			700	1,189	244	1,362	3,495	0
2007	BR114	29th St Corridor Bridge Rehab Program	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			150	0	0	0	150	0
2010			500	0	0	0	500	0
2011			500	0	0	0	500	0
Total			1,150	0	0	0	1,150	0
2007	BR116	Bikeway/Bike Bridge 94246 Rehabilitation Other = Federal Govt 3,852 & State of MN 963	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			1,610	0	0	4,815	6,425	0
Total			1,610	0	0	4,815	6,425	0
2007	BR117	1st Street North Bridge over Bassetts Creek	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

BRIDGES
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	BR118	Minnehaha Ave Bridge over Rehabilitation	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	BR119	Minnehaha Parkway Bridge over Minnehaha Creek	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	BR120	3rd Street North Bridge over Bassetts Creek	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	BR121	Lowry Avenue Bridge over the Mississippi River	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			300	0	0	0	300	0
Total			300	0	0	0	300	0
2007	BR122	46th St. Pedestrian Bridge	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			5	0	0	0	5	0
Total			5	0	0	0	5	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	200	0	0	0	200	0
2008	200	0	0	0	200	0
2009	559	1,589	0	4,192	6,340	0
2010	700	0	0	0	700	0
2011	3,665	2,704	244	11,762	18,375	0
Total Bridges	5,324	4,293	244	15,954	25,815	0

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

TRAFFIC CONTROL & STREET LIGHTING
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	TR003	Energy Efficient LED Replacement Program See also Capital Resolution footnote d)	200	0	0	0	200	0
2008			0	0	0	0	0	0
2009			275	0	0	0	275	0
2010			200	0	0	0	200	0
2011			0	0	0	0	0	0
Total			675	0	0	0	675	0
2007	TR004	Computerized Traffic Control Communication Other = Hennepin County	0	0	0	0	0	0
2008			10	0	0	175	185	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			10	0	0	175	185	0
2007	TR005	Controller Conversion Other = Hennepin County	200	200	0	200	600	0
2008			200	200	0	200	600	0
2009			250	140	0	0	390	0
2010			275	0	0	0	275	0
2011			500	0	0	0	500	0
Total			1,425	540	0	400	2,365	0
2007	TR006	Priority Vehicle Control System	0	0	0	0	0	0
2008			25	400	0	0	425	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			25	400	0	0	425	0
Total			50	800	0	0	850	0
2007	TR007	Traffic & Pedestrian Safety Improvements Other = combination of Fed Govt & Hennepin County For 2007 = \$133 Henn Cty	300	112	0	133	545	0
2008			418	130	0	237	785	0
2009			359	61	0	325	745	0
2010			439	50	0	211	700	0
2011			312	74	0	134	520	0
Total			1,828	427	0	1,040	3,295	0
2007	TR015	Safe Routes to School Other = Fed Govt	50	0	0	100	150	0
2008			50	0	0	100	150	0
2009			50	0	0	0	50	0
2010			50	0	0	0	50	0
2011			50	0	0	0	50	0
Total			250	0	0	200	450	0
2007	TR008	Parkway Street Light Replacement See also Capital Resolution footnote d)	375	0	0	0	375	0
2008			300	0	0	0	300	0
2009			150	0	0	0	150	0
2010			150	0	0	0	150	0
2011			350	0	0	0	350	0
Total			1,325	0	0	0	1,325	0
2007	TR010	Traffic System Management Other = combination of Fed Govt, Hennepin County & University of Minnesota	0	0	0	0	0	0
2008			130	525	0	2,100	2,755	0
2009			140	833	0	2,917	3,890	0
2010			148	440	0	2,787	3,375	0
2011			0	0	0	0	0	0
Total			418	1,798	0	7,804	10,020	0

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

TRAFFIC CONTROL & STREET LIGHTING
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	TR011	City Street Light Renovation	240	0	0	0	240	0
2008			100	0	0	0	100	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			350	0	0	0	350	0
Total			690	0	0	0	690	0
2007	TR013	Railroad Crossing Safety Improvements Other = Hennepin County & State of MN 2007 = 272 Hennepin County	0	313	0	272	585	0
2008			0	1,936	0	1,004	2,940	0
2009			229	0	0	1,151	1,380	0
2010			1,056	210	0	1,279	2,545	0
2011			0	260	0	0	260	0
Total			1,285	2,719	0	3,706	7,710	0
2007	TR014	LRT TOD Improvements Other = Hennepin County	0	0	0	0	0	0
2008			0	0	100	300	400	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	100	300	400	0
2007	TR016	Street Car Initiative*	500	0	0	0	500	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			500	0	0	0	500	0
2007	TR00R	Reimbursable Transportation Projects	0	0	0	600	600	0
2008			0	0	0	600	600	0
2009			0	0	0	600	600	0
2010			0	0	0	600	600	0
2011			0	0	0	600	600	0
Total			0	0	0	3,000	3,000	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	1,865	625	0	1,305	3,795	0
2008	1,233	3,191	100	4,716	9,240	0
2009	1,453	1,034	0	4,993	7,480	0
2010	2,318	700	0	4,877	7,895	0
2011	1,587	734	0	734	3,055	0
Total Traffic Control & Street Lighting	8,456	6,284	100	16,625	31,465	0

* - The \$500,000 will be used to continue the work of the streetcar study currently underway. It will focus on the high priority corridor(s) selected for building the first streetcar line of the planned system. This work will include:

1. Competition of the feasibility study
2. Expanded public outreach
3. Development of a public/private partnership related to funding and construction
4. Intergovernmental work necessary to obtain any required legislative changes
5. Preparation of an RFP for preliminary engineering/environmental review

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM
(GENERAL INFRASTRUCTURE)

BIKE TRAILS
COUNCIL ADOPTED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	BIK01	Cedar Lake Trail (Phase 3)	580	0	0	3,000	3,580	0
2008		Other = Federal Govt	0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			580	0	0	3,000	3,580	0
2007	BIK04	18th Ave NE Bikeway	0	0	0	0	0	0
2008		Other = Federal Govt	0	0	0	0	0	0
2009			375	0	0	1,750	2,125	0
2010			375	0	0	1,750	2,125	0
2011			0	0	0	0	0	0
Total			750	0	0	3,500	4,250	0
2007	BIK13	RiverLake Greenway (East of I-35W)	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009		Other = Federal Govt	250	0	0	1,000	1,250	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			250	0	0	1,000	1,250	0
2007	BIK14	Midtown Greenway Bridge over the Mississippi River	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009		Other = Federal Govt 2,900 & Hennepin County 1,000	200	0	0	3,900	4,100	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			200	0	0	3,900	4,100	0
2007	BIK17	Upper River Trails - Phase 1	0	0	0	0	0	0
2008		Other = Federal Govt	0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			200	0	0	4,500	4,700	0
2011			0	0	0	0	0	0
Total			200	0	0	4,500	4,700	0
2007	BIK19	Midtown Exchange Bike Station	160	0	0	376	536	0
2008			0	0	0	0	0	0
2009		Other = Fed Govt 276 & Private Contributions 100	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			160	0	0	376	536	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	740	0	0	3,376	4,116	0
2008	0	0	0	0	0	0
2009	825	0	0	6,650	7,475	0
2010	575	0	0	6,250	6,825	0
2011	0	0	0	0	0	0
Total Bike Trails	2,140	0	0	16,276	18,416	0

**PUBLIC WORKS DEPARTMENT
GENERAL INFRASTRUCTURE FUNDING SUMMARY
COUNCIL ADOPTED BUDGET**

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	8,722	5,534	3,834	9,312	27,402	3,000
2008	7,892	7,796	7,662	8,716	32,066	7,999
2009	9,768	6,961	7,235	19,532	43,496	4,700
2010	11,449	11,336	6,570	24,454	53,809	17,000
2011	13,206	9,344	6,277	22,509	51,336	8,000
Total PW General Infrastructure	51,037	40,971	31,578	84,523	208,109	40,699

**STORMWATER FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	REIMB	CITY TOTAL	NON APPROP
2007	SW002	Miscellaneous Storm Drains	0	220	0	220	0
2008			0	220	0	220	0
2009			0	220	0	220	0
2010			0	220	0	220	0
2011			0	220	0	220	0
Total			0	1,100	0	1,100	0
2007	SW004	Implementation of US EPA Storm Water Regulations	0	150	0	150	0
2008			0	150	0	150	0
2009			0	150	0	150	0
2010			0	150	0	150	0
2011			0	150	0	150	0
Total			0	750	0	750	0
2007	SW005	Combined Sewer Overflow Improvements	1,000	0	0	1,000	0
2008			1,500	0	0	1,500	0
2009			1,500	0	0	1,500	0
2010			1,500	0	0	1,500	0
2011			1,500	0	0	1,500	0
Total			7,000	0	0	7,000	0
2007	SW011	Storm Drains & Tunnels Rehabilitation Program	1,500	0	0	1,500	0
2008			1,500	0	0	1,500	0
2009			2,000	0	0	2,000	0
2010			2,000	0	0	2,000	0
2011			2,000	0	0	2,000	0
Total			9,000	0	0	9,000	0
2007	SW030	Alternative Storm Water Management Strategies	1,000	0	0	1,000	0
2008			1,000	0	0	1,000	0
2009			1,000	0	0	1,000	0
2010			0	1,000	0	1,000	0
2011			0	1,000	0	1,000	0
Total			3,000	2,000	0	5,000	0
2007	SW031	Lake Hiawatha / Blue Water Partnership	2,060	0	0	2,060	0
2008			390	0	0	390	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			2,450	0	0	2,450	0
2007	SW032	I-35W Storm Tunnel Reconstruction	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			1,000	0	0	1,000	0
Total			1,000	0	0	1,000	0
2007	SW033	Flood Area 22- Sibley Field	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			0	0	0	0	0

**STORMWATER FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	REIMB	CITY TOTAL	NON APPROP
2007	SW034	Flood Area 21 - Bloomington Pond	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			0	0	0	0	0
2007	SW00R	Reimbursable Sewer and Storm Drain Projects	0	0	3,000	3,000	0
2008			0	0	3,000	3,000	0
2009			0	0	3,000	3,000	0
2010			0	0	3,000	3,000	0
2011			0	0	3,000	3,000	0
Total			0	0	15,000	15,000	0
2007	BR112	Nicollet Ave Bridge from Lake St to 29th St	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	125	0	125	0
Total			0	125	0	125	0
2007	CDA01	Heritage Park Redevelopment Project - new infrastructure contribution	0	250	0	250	0
2008			0	250	0	250	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			0	500	0	500	0
2007	PV003	Street Renovation Program	129	0	0	129	0
2008			192	0	0	192	0
2009			0	314	0	314	0
2010			0	357	0	357	0
2011			0	335	0	335	0
Total			0	500	0	500	0
2007	PV004	CSAH Paving Program (County State Aid Highway)	100	0	0	100	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			100	0	0	100	0
2007	PV007	University Research Park	500	0	0	500	0
2008			300	0	0	300	0
2009			0	800	0	800	0
2010			0	0	0	0	0
2011			0	800	0	800	0
Total			800	1,600	0	2,400	0
2007	PV027	Hennepin/Lyndale	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	800	0	800	0
Total			800	2,400	0	3,200	0

**STORMWATER FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	REIMB	CITY TOTAL	NON APPROP
2007	PV029	Chicago Ave S (E 14th St to E 28th St)	0	0	0	0	0
2008			143	0	0	143	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			143	0	0	143	0
2007	PV032	LaSalle Ave S	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	424	0	424	0
2011			0	0	0	0	0
Total			0	424	0	424	0
2007	PV035	TH121/Lyndale Ave S	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	500	0	500	0
2011			0	0	0	0	0
Total			0	500	0	500	0
2007	PV038	Miscellaneous Oiled Dirt Segments	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			0	0	0	0	0
2007	PV042	50th St. E.	509	0	0	509	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			509	0	0	509	0
2007	PV043	54th St. W.	0	0	0	0	0
2008			203	0	0	203	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			203	0	0	203	0

FUNDING SUMMARY BY YEAR	SEWER BONDS	SEWER REVENUE	REIMB	TOTAL	NON APPROP
2007	6,798	620	3,000	10,418	0
2008	5,228	620	3,000	8,848	0
2009	4,500	1,484	3,000	8,984	0
2010	3,500	2,651	3,000	9,151	0
2011	4,500	3,430	3,000	10,930	0
Total Stormwater Sewer Fund	24,526	8,805	15,000	48,331	0

**SANITARY SEWER FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	REIMB	CITY TOTAL	NON APPROP
2007	SW001	Sanitary Tunnel and Sewer Rehabilitation Program	500	0	0	500	0
2008			500	0	0	500	0
2009			500	0	0	500	0
2010			500	0	0	500	0
2011			500	0	0	500	0
Total			2,500	0	0	2,500	0
2007	SW012	Local Sewer Reconnection to 1-MN-320	750	0	0	750	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			750	0	0	750	0
2007	SW035	War Department Tunnel Rehabilitation	0	0	0	0	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	100	0	100	0
Total			0	100	0	100	0
2007	SW036	Infiltration & Inflow Removal Program (See SW037)	5,000	0	0	5,000	0
2008			3,000	0	0	3,000	0
2009			5,000	0	0	5,000	0
2010			5,000	0	0	5,000	0
2011			5,000	0	0	5,000	0
Total			23,000	0	0	23,000	0
2007	SW037	Irving Sewer Rehabilitation Note: Approximately \$2,000 of this project is associated with making progress toward Infiltration & Inflow problems.	0	0	0	0	0
2008			3,350	0	0	3,350	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			3,350	0	0	3,350	0

FUNDING SUMMARY BY YEAR	SEWER BONDS	SEWER REVENUE	REIMB	TOTAL	NON APPROP
2007	6,250	0	0	6,250	0
2008	6,850	0	0	6,850	0
2009	5,500	0	0	5,500	0
2010	5,500	0	0	5,500	0
2011	5,500	100	0	5,600	0
Total Sanitary Sewer Fund	29,600	100	0	29,700	0

**WATER FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	WATER BONDS	WATER REVENUE	OTHER/ REIMB	TOTAL
2007	WTR09	Ultrafiltration Program	4,500	0	0	4,500
2008			15,500	0	0	15,500
2009			32,500	0	0	32,500
2010			17,500	0	0	17,500
2011			0	0	0	0
Total			70,000	0	0	70,000
2007	WTR12	Water Distribution Improvements	0	4,500	0	4,500
2008			0	4,500	0	4,500
2009			0	4,750	0	4,750
2010			0	4,750	0	4,750
2011			0	5,000	0	5,000
Total			0	23,500	0	23,500
2007	WTR14	The MWW Facilities Security Improvement	500	0	0	500
2008			500	0	0	500
2009			0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
Total			1,000	0	0	1,000
2007	WTR15	Pump Station No. 4 Rehabilitation	6,000	0	0	6,000
2008			5,000	0	0	5,000
2009			0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
Total			11,000	0	0	11,000
2007	WTR16	Minneapolis/St. Paul Inter-connection Note: Supporting contributions from St. Paul or other sources are not yet determined.	0	0	0	0
2008			0	0	0	0
2009			0	0	0	0
2010			0	0	0	0
2011			2,000	0	0	2,000
Total			2,000	0	0	2,000
2007	WTR17	Treatment Modifications Based on New Regulations	0	0	0	0
2008			0	0	0	0
2009			0	0	0	0
2010			0	1,000	0	1,000
2011			0	0	0	0
Total			0	1,000	0	1,000
2007	WTR22	New Filter Presses	0	0	0	0
2008			0	0	0	0
2009			0	0	0	0
2010			1,050	0	0	1,050
2011			5,355	0	0	5,355
Total			6,405	0	0	6,405
2007	WTR0R	Reimbursable Water Projects	0	0	2,000	2,000
2008			0	0	2,000	2,000
2009			0	0	2,000	2,000
2010			0	0	2,000	2,000
2011			0	0	2,000	2,000
Total			0	0	10,000	10,000

**WATER FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	WATER BONDS	WATER REVENUE	OTHER/ REIMB	TOTAL
2007	BR112	Nicollet Ave Bridge from Lake St to 29th St	0	0	0	0
2008			0	0	0	0
2009			0	0	0	0
2010			0	0	0	0
2011			0	230	0	230
Total			0	230	0	230
2007	CDA01	Heritage Park Redevelopment Project - new infrastructure contribution	0	250	0	250
2008			0	250	0	250
2009			0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
Total			0	500	0	500
2007	PV035	TH121/Lyndale Ave S	0	0	0	0
2008			0	0	0	0
2009			0	0	0	0
2010			0	325	0	325
2011			0	0	0	0
Total			0	325	0	325

FUNDING SUMMARY BY YEAR	WATER BONDS	WATER REVENUE	REIMB	TOTAL
2007	11,000	4,750	2,000	17,750
2008	21,000	4,750	2,000	27,750
2009	32,500	4,750	2,000	39,250
2010	18,550	6,075	2,000	26,625
2011	7,355	5,230	2,000	14,585
Total Water Fund	90,405	25,555	10,000	125,960

**PARKING FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	PARKING BONDS	PARKING REVENUE	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	RMP01	Parking Facilities - Repair and Improvements	1,700	0	0	1,700	0
2008			1,700	0	0	1,700	0
2009			1,700	0	0	1,700	0
2010			1,700	0	0	1,700	0
2011			1,700	0	0	1,700	0
Total			8,500	0	0	8,500	0
2007	RMP03	Bicycle Parking	0	40	0	40	0
2008			0	35	0	35	0
2009			0	40	0	40	0
2010			0	40	0	40	0
2011			0	40	0	40	0
Total			0	195	0	195	0

FUNDING SUMMARY BY YEAR	PARKING BONDS	PARKING REVENUE	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	1,700	40	0	1,740	0
2008	1,700	35	0	1,735	0
2009	1,700	40	0	1,740	0
2010	1,700	40	0	1,740	0
2011	1,700	40	0	1,740	0
Total Parking Fund	8,500	195	0	8,695	0

**SOLID WASTE FUND FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SOLID WASTE BONDS	SOLID WASTE REVENUE	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PSD08	City/County Solid Waste Management Facility Other = Hennepin County, equal project partner	0	4,195	4,195	8,390	0
2008			0	0	0	0	0
2009			0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
Total			0	4,195	4,195	8,390	0

FUNDING SUMMARY BY YEAR	SOLID WASTE BONDS	SOLID WASTE REVENUE	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	0	4,195	4,195	8,390	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0
2011	0	0	0	0	0
Total Solid Waste Fund	0	4,195	4,195	8,390	0

PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL FUNDING SUMMARY COUNCIL ADOPTED BUDGET

GENERAL INFRASTRUCTURE IMPROVEMENTS FUNDING SUMMARY BY YEAR				NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007				8,722	5,534	3,834	9,312	27,402	3,000
2008				7,892	7,796	7,662	8,716	32,066	7,999
2009				9,768	6,961	7,235	19,532	43,496	4,700
2010				11,449	11,336	6,570	24,454	53,809	17,000
2011				13,206	9,344	6,277	22,509	51,336	8,000
Total Public Works General Infrastructure Improvements				51,037	40,971	31,578	84,523	208,109	40,699

ENTERPRISE FUND CAPITAL* FUNDING SUMMARY BY YEAR		ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB	MSA	ASSM	OTHER/ REIMB	CITY TOTAL	NON APPROP
2007		25,748	9,605				9,195	44,548	0
2008		34,778	5,405				5,000	45,183	0
2009		44,200	6,274				5,000	55,474	0
2010		29,250	8,766				5,000	43,016	0
2011		19,055	8,800				5,000	32,855	0
Total Public Works Enterprise Fund Capital		153,031	38,850	0	0	0	29,195	221,076	0

* - Enterprise funds include Stormwater & Sanitary Sewers, Water, Parking & Solid Waste.

CONSOLIDATED PUBLIC WORKS FUNDING SUMMARY BY YEAR		ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB	MSA	ASSM	OTHER/ REIMB	CITY TOTAL	NON APPROP
2007		25,748	9,605	8,722	5,534	3,834	18,507	71,950	3,000
2008		34,778	5,405	7,892	7,796	7,662	13,716	77,249	7,999
2009		44,200	6,274	9,768	6,961	7,235	24,532	98,970	4,700
2010		29,250	8,766	11,449	11,336	6,570	29,454	96,825	17,000
2011		19,055	8,800	13,206	9,344	6,277	27,509	84,191	8,000
Total Public Works Department Projects		153,031	38,850	51,037	40,971	31,578	113,718	429,185	40,699

Funding Breakdown by Major Revenue Sources 35.66% 9.05% 11.89% 9.55% 7.36% 26.50% 100.00%
(City Funding & Grant Sources where the City is the lead agency)

Council Adopted Utility Rate Structure

Supporting 2007 - 2011 Enterprise Operations, Capital Programs & Debt Repayment

Stormwater Rates

Prior Year Council Approved Rates

Effective Date	Increase	Total Rate*	% Change
01/01/05		8.72	
01/01/06	0.450	9.17	5.2%
01/01/07	0.400	9.57	4.4%
01/01/08	0.340	9.92	3.6%
01/01/09	0.000	9.92	0.0%
01/01/10	0.000	9.92	0.0%
01/01/11			

Stormwater Rates

2007 Council Adopted Stormwater Rates

Effective Date	Increase	Total Rate*	% Change
01/01/06		9.17	
01/01/07	0.600	9.77	6.5%
01/01/08	0.490	10.26	5.0%
01/01/09	0.210	10.47	2.0%
01/01/10	0.210	10.68	2.0%
01/01/11	0.210	10.89	2.0%

* - Expressed in \$/Equivalent Stormwater Unit (ESU) where 1 ESU = 1,530 square feet of impervious (hard surface) area

Sanitary Sewer Rates

Prior Year Council Approved Rates

Effective Date	Increase	Total Rate**	% Change
01/01/05		2.00	
01/01/06	0.100	2.10	5.0%
01/01/07	0.090	2.19	4.3%
01/01/08	0.070	2.26	3.2%
01/01/09	0.060	2.32	2.7%
01/01/10	0.050	2.37	2.2%

Sanitary Sewer Rates

2007 Council Adopted Sanitary Sewer Rates

Effective Date	Increase	Total Rate**	% Change
01/01/06		2.10	
01/01/07	0.200	2.30	9.5%
01/01/08	0.150	2.45	6.5%
01/01/09	0.120	2.57	4.9%
01/01/10	0.120	2.69	4.7%
01/01/11	0.120	2.81	4.5%

Water Rates

Prior Year Council Approved Rates

Effective Date	Increase	Total Rate**	% Change
01/01/05		2.50	
01/01/06	0.120	2.62	4.8%
01/01/07	0.050	2.67	1.9%
01/01/08	0.080	2.75	3.0%
01/01/09	0.050	2.80	1.8%
01/01/10	0.100	2.90	3.6%

Water Rates

2007 Council Adopted Water Rates

Effective Date	Increase	Total Rate**	% Change
01/01/06		2.62	
01/01/07	0.050	2.67	1.9%
01/01/08	0.080	2.75	3.0%
01/01/09	0.050	2.80	1.8%
01/01/10	0.100	2.90	3.6%
01/01/11	0.050	2.95	1.7%

** - Sanitary Sewer and Water Rates are expressed in \$/100 Cubic Feet

**MISCELLANEOUS PROJECTS IN THE FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	ART01	Art in Public Places	308	0	0	0	308	0
2008		2% of NDB funding	304	0	0	0	304	0
2009			317	0	0	0	317	0
2010			382	0	0	0	382	0
2011			389	0	0	0	389	0
Total			1,700	0	0	0	1,700	0
2007	BIS02	Central Traffic Signal	100	0	0	0	100	0
2008		Computer Replacement	100	0	0	0	100	0
2009			50	0	0	0	50	0
2010			50	0	0	0	50	0
2011			0	0	0	0	0	0
Total			300	0	0	0	300	0
2007	BIS03	Enterprise Document	150	0	0	10	160	0
2008		Management	100	0	0	0	100	0
2009		Other = Dept Operating funds	50	0	0	0	50	0
2010			50	0	0	0	50	0
2011			50	0	0	0	50	0
Total			400	0	0	10	410	0
2007	BIS04	Enterprise Infrastructure	400	0	0	0	400	0
2008		Capacity Upgrade	500	0	0	0	500	0
2009			600	0	0	0	600	0
2010			700	0	0	0	700	0
2011			800	0	0	0	800	0
Total			3,000	0	0	0	3,000	0
2007	BIS05	Enterprise Reporting	300	0	0	0	300	0
2008			300	0	0	0	300	0
2009			50	0	0	0	50	0
2010			50	0	0	0	50	0
2011			50	0	0	0	50	0
Total			750	0	0	0	750	0
2007	BIS06	GIS Application	200	0	0	0	200	0
2008		Infrastructure Upgrade	150	0	0	0	150	0
2009			150	0	0	0	150	0
2010			500	0	0	0	500	0
2011			0	0	0	0	0	0
Total			1,000	0	0	0	1,000	0
2007	BIS07	HRIS Upgrade	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	BIS09	Enterprise Timekeeping	0	0	0	0	0	0
2008		Consolidation	0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0

**MISCELLANEOUS PROJECTS IN THE FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	BIS10	Finance System Consolidation/Upgrade	300	0	0	3,000	3,300	0
2008			0	0	0	250	250	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			300	0	0	3,250	3,550	0
2007	BIS11	Citywide Electronic Citations System	0	0	0	0	0	0
2008			400	0	0	0	400	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			400	0	0	0	400	0
2007	FIR01	City/County EOC/Training Facility	2,050	0	0	0	2,050	2,000
2008			1,621	0	0	0	1,621	1,000
2009			1,664	0	0	0	1,664	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			5,335	0	0	0	5,335	3,000
2007	MPD01	MPD Forensic Laboratory	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			1,205	0	0	0	1,205	0
Total			1,205	0	0	0	1,205	0
2007	MPD02	MPD Evidence Unit	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			405	0	0	0	405	0
Total			405	0	0	0	405	0
2007	MPD03	MPD STOP	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	MPD04	Safe Streets Technology Improvements Other = One-time general fund transfer See also Capital Resolution footnote c) & e)	0	0	0	1,000	1,000	0
2008			1,000	0	0	0	1,000	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			1,000	0	0	1,000	2,000	0
2007	PSD03	Facilities-Space Improvements	445	0	0	0	445	0
2008			108	0	0	0	108	0
2009			149	0	0	0	149	0
2010			0	0	0	0	0	0
2011			190	0	0	0	190	0
Total			892	0	0	0	892	0

**MISCELLANEOUS PROJECTS IN THE FIVE-YEAR CAPITAL PROGRAM
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	PSD04	Facilities - Security Management	0	0	0	0	0	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	0	0	0
2007	PSD09	Hamilton Schools Police Improvements Other = Transfer from Property Services fund (See also Capital Resolution footnote h)	0	0	0	500	500	0
2008			0	0	0	0	0	0
2009			0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
Total			0	0	0	500	500	0

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007	4,253	0	0	4,510	8,763	2,000
2008	4,583	0	0	250	4,833	1,000
2009	3,030	0	0	0	3,030	0
2010	1,732	0	0	0	1,732	0
2011	3,089	0	0	0	3,089	0
Total Miscellaneous Projects	16,687	0	0	4,760	21,447	3,000

CITY OF MINNEAPOLIS FIVE-YEAR CAPITAL FUNDING SUMMARY COUNCIL ADOPTED BUDGET

GENERAL INFRASTRUCTURE IMPROVEMENTS FUNDING SUMMARY BY YEAR		NDB & Park Levy	MSA	ASSM	OTHER/ TRANSFERS	CITY TOTAL	NON APPROP
2007		16,140	5,534	4,334	13,822	39,830	5,735
2008		15,185	7,796	8,162	10,439	41,582	9,699
2009		17,350	6,961	7,735	20,032	52,078	5,590
2010		18,165	11,336	7,070	25,374	61,945	18,000
2011		18,865	9,344	6,777	23,229	58,215	9,325
Total General Infrastructure Improvements		85,705	40,971	34,078	92,896	253,650	48,349

ENTERPRISE FUND CAPITAL* FUNDING SUMMARY BY YEAR	ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB	MSA	ASSM	OTHER/ REIMB	CITY TOTAL	NON APPROP
2007	25,748	9,605				9,195	44,548	0
2008	34,778	5,405				5,000	45,183	0
2009	44,200	6,274				5,000	55,474	0
2010	29,250	8,766				5,000	43,016	0
2011	19,055	8,800				5,000	32,855	0
Total Enterprise Fund Capital	153,031	38,850	0	0	0	29,195	221,076	0

* - Enterprise funds include Stormwater & Sanitary Sewers, Water, Parking & Solid Waste.

CONSOLIDATED CITY-WIDE CAPITAL FUNDING SUMMARY BY YEAR	ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB & Park Levy	MSA	ASSM	OTHER/ REIMB	CITY TOTAL	NON APPROP
2007	25,748	9,605	16,140	5,534	4,334	23,017	84,378	5,735
2008	34,778	5,405	15,185	7,796	8,162	15,439	86,765	9,699
2009	44,200	6,274	17,350	6,961	7,735	25,032	107,552	5,590
2010	29,250	8,766	18,165	11,336	7,070	30,374	104,961	18,000
2011	19,055	8,800	18,865	9,344	6,777	28,229	91,070	9,325
Total City-Wide Capital - All Sources	153,031	38,850	85,705	40,971	34,078	122,091	474,726	48,349

Funding Breakdown by Major Revenue Sources: 32.24% 8.18% 18.05% 8.63% 7.18% 25.72% 100.00%
(City Funding & Grant Sources where the City is the lead agency)

**CITY OF MINNEAPOLIS
FIVE-YEAR CAPITAL INVESTMENT ALLOCATION
COUNCIL ADOPTED BUDGET**

COMMISSION/BOARD/DEPARTMENT	2007-2011 TOTAL*	PERCENT OF TOTAL
	(in thousands)	
MUNICIPAL BUILDING COMMISSION	4,170	0.9%
LIBRARY BOARD	9,573	2.0%
PARK BOARD	10,351	2.2%
PUBLIC WORKS DEPARTMENT		
- FACILITY IMPROVEMENTS	4,450	0.9%
- STREET PAVING	113,163	23.8%
- SIDEWALK PROGRAM	13,050	2.7%
- HERITAGE PARK INFRASTRUCTURE	1,750	0.4%
- BRIDGES	25,815	5.4%
- TRAFFIC CONTROL & STREET LIGHTING	31,465	6.6%
- BIKE TRAILS	18,416	3.9%
- STORMWATER SEWERS	48,331	10.2%
- SANITARY SEWERS	29,700	6.3%
- WATER	125,960	26.5%
- PARKING	8,695	1.8%
- SOLID WASTE	8,390	1.8%
PUBLIC WORKS DEPARTMENT TOTAL	429,185	90.4%
MISCELLANEOUS PROJECTS	21,447	4.5%
TOTAL COUNCIL ADOPTED CAPITAL PROGRAM	474,726	100.0%

* - Represents the total Five-Year Council Adopted Budget from City funding sources for projects where the City is the lead agency.

2007 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
ART01	Art in Public Places	CPED	400	200	308	308
BIS02	Central Traffic Signal Computer Replacement	BIS	100	100	100	100
BIS03	Enterprise Document Management	BIS	160	160	160	160
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	400	400	400	400
BIS05	Enterprise Reporting	BIS	300	300	300	300
BIS06	GIS Application Infrastructure Upgrade	BIS	200	200	200	200
BIS08	Property Sys Assessment & Consolidation/Upgrade	BIS	0	0	0	0
BIS10	Finance System Consolidation/Upgrade	BIS	3,300	3,300	3,300	3,300
MBC01	Life Safety Improvements	MBC	100	100	100	100
MBC02	Mechanical Systems Upgrade	MBC	635	635	635	635
MPL15	Southeast Community Library Capital Improvements	Library Board	850	850	850	850
PRK01	Community and Neighborhood Center Rehabilitation	Park Board	400	400	400	310
PRK02	Site and Totlot Rehabilitation	Park Board	670	670	670	440
PRK03	Rehab of Shelter Buildings and Wading Pools	Park Board	450	0	0	450
PRK05	Tier 2 Athletic Fields	Park Board	200	0	0	200
PRK07	Tennis Court Rehabilitation	Park Board	120	0	200	120
PRK09	HVAC Improvements	Park Board	60	60	60	60
PRK12	Community Skate Parks	Park Board	0	450	250	0
PRKDT	Diseased Tree Program	Park Board	500	500	500	500
PSD01	Facilities Repair and Improvements	PW - Property Services	795	795	0	0
PSD04	Facilities-Physical Security Improvements	PW - Property Services	320	0	0	0
PSD08	City/County Solid Waste Management Facility	PW - Property Services	4,195	4,195	4,195	8,390
PSD09	Hamilton School Police Improvements	PW - Property Services	0	0	0	500
PV001	Parkway Paving	PW - Paving	770	770	770	770
PV003	Street Renovation Program	PW - Paving	1,445	1,445	1,929	1,894
PV004	CSAH Paving Program	PW - Paving	1,150	1,150	1,250	1,250
PV006	Alley Renovation	PW - Paving	265	265	265	265
PV007	University Research Park	PW - Paving	2,196	2,196	500	500
PV008	Lake Street Phase IV	PW - Paving	0	0	80	80
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
PV020	Loring Greenway	PW - Paving	400	400	1,600	1,600
PV031	27th Ave NE (RR Crossing)	PW - Paving	245	245	245	245
PV034	Elliot & 10th Ave S Cul-de-sacs	PW - Paving	285	0	285	285
PV042	50th St. E	PW - Paving	6,780	0	6,780	6,780
PV045	Minneapolis Transportation Action Plan	PW - Paving	0	0	500	500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,360	2,360	2,360	2,360
CDA01	Heritage Park Redevelopment Project	CPED	1,750	1,750	1,000	1,000
BR001	Major Bridge Repair and Rehabilitation	PW - Bridges	0	0	0	0
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	200	200	200	200
TR003	Energy Efficient LED Replacement Program	PW -Transportation	200	200	400	400

2007 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
TR005	Controller Conversion	PW - Transportation	600	600	600	600
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	595	595	545	545
TR008	Parkway Street Light Replacement	PW - Transportation	175	175	175	175
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
TR011	City Street Light Renovation	PW - Transportation	240	240	240	240
TR013	Railroad Crossing Safety Improvements	PW - Transportation	585	585	585	585
TR015	Safe Routes to School	PW - Transportation	0	0	150	150
TR016	Street Car Initiative	PW - Transportation	0	0	500	500
BIK01	Cedar Lake Trail (Phase 3)	PW - Transportation	3,580	3,580	3,580	3,580
BIK19	Midtown Exchange Bike Station	PW - Transportation	0	0	536	536
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	500	500	500	500
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	150	150	150	150
SW005	Combined Sewer Overflow Improvements	PW - Sewer	1,000	1,000	1,000	1,000
SW00R	Reimbursable Sewer Construction	PW - Sewer	3,000	3,000	3,000	3,000
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	2,500	1,500	1,500	1,500
SW012	Local Sewer Reconnection to 1-MN-320	PW - Sewer	750	0	750	750
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	500	1,000	1,000
SW031	Lake Hiawatha / Blue Water Partnership	PW - Sewer	2,060	1,500	2,060	2,060
SW036	I&I Removal Program	PW - Sewer	5,000	5,000	5,000	5,000
WTR09	Ultrafiltration Program	PW - Water	4,500	4,500	4,500	4,500
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
WTR12	Water Distribution Improvements	PW - Water	6,500	4,500	4,500	4,500
WTR14	The MWW Facilities Security Improvement	PW - Water	3,000	500	500	500
WTR15	Pump Station No. 4 Rehabilitation	PW - Water	7,000	6,000	6,000	6,000
WTR16	Minneapolis/St. Paul Interconnection	PW - Water	7,000	0	0	0
WTR22	New Filter Presses	PW - Water	0	0	0	0
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
RMP03	Bicycle Parking	PW - Transportation	40	40	40	40
FIR01	EO/Training Facility	Fire Department	1,479	2,580	2,050	2,050
MPD01	MPD Forensic Laboratory	Police Department	0	250	0	0
MPD04	Safe Streets Technology Improvements	Police Department	0	0	1,000	1,000
PSD03	Facilities - Space Improvements	PW - Property Services	455	455	445	445
TOTAL			91,930	70,066	79,718	84,378

2008 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
ART01	Art in Public Places	CPED	400	200	304	304
BIS02	Central Traffic Signal Computer Replacement	BIS	100	100	100	100
BIS03	Enterprise Document Management	BIS	100	100	100	100
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	500	500	500	500
BIS05	Enterprise Reporting	BIS	300	300	300	300
BIS06	GIS Application Infrastructure Upgrade	BIS	150	150	150	150
BIS08	Property Sys Assessment & Consolidation/Upgrade	BIS	0	0	0	0
BIS10	Finance System Consolidation/Upgrade	BIS	250	250	250	250
MBC01	Life Safety Improvements	MBC	200	200	200	200
MBC02	Mechanical Systems Upgrade	MBC	500	500	500	500
MPL09	Nokomis Library Capital Improvements	Library Board	200	200	200	200
MPL14	Roosevelt Community Library Capital Improvements	Library Board	613	613	613	613
MPL15	Southeast Community Library Capital Improvements	Library Board	1,110	1,110	1,110	1,110
PRK01	Community and Neighborhood Center Rehabilitation	Park Board	405	405	405	405
PRK02	Site and Totlot Rehabilitation	Park Board	1,155	1,155	1,155	1,155
PRK03	Rehab of Shelter Buildings and Wading Pools	Park Board	205	0	0	0
PRK05	Tier 2 Athletic Fields	Park Board	100	0	0	0
PRK07	Tennis Court Rehabilitation	Park Board	250	0	0	0
PRK14	Complete Park Renovation	Park Board	10,500	0	0	0
PRKDT	Diseased Tree Program	Park Board	500	500	500	500
PSD01	Facilities Repair and Improvements	PW - Property Services	900	1,200	1,000	1,000
PSD04	Facilities-Physical Security Improvements	PW - Property Services	320	0	0	0
PV001	Parkway Paving	PW - Paving	550	550	550	550
PV003	Street Renovation Program	PW - Paving	2,295	2,295	1,643	1,643
PV004	CSAH Paving Program	PW - Paving	1,150	1,150	1,150	1,150
PV005	Snelling Ave Extension	PW - Paving	970	970	970	970
PV006	Alley Renovation	PW - Paving	265	265	265	265
PV007	University Research Park	PW - Paving	1,625	1,625	1,996	1,996
PV008	Lake Street Phase IV	PW - Paving	0	0	125	125
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
PV029	Chicago Ave S (E 14th St to E 28th St)	PW - Paving	6,135	6,135	6,135	6,135
PV041	2nd Avenue North	PW - Paving	480	480	480	480
PV043	54th St. W	PW - Paving	2,170	2,170	2,170	2,170
PV044	Upper Harbor Terminal Redevelopment	PW - Paving	0	100	0	0
PV045	Minneapolis Transportation Action Plan	PW - Paving	0	0	500	500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,480	2,480	2,480	2,480
CDA01	Heritage Park Redevelopment Project	CPED	1,500	1,500	1,000	1,000
BR001	Major Bridge Repair and Rehabilitation	PW - Bridges	0	0	0	0
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	200	200	200	200
TR004	Computerized Traffic Control Communication	PW - Transportation	185	185	185	185

2008 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
TR005	Controller Conversion	PW - Transportation	600	600	600	600
TR006	Priority Vehicle Control System	PW - Transportation	425	425	425	425
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	835	835	785	785
TR008	Parkway Street Light Replacement	PW - Transportation	300	300	300	300
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
TR010	Traffic System Management	PW - Transportation	2,755	2,755	2,755	2,755
TR011	City Street Light Renovation	PW - Transportation	100	100	100	100
TR013	Railroad Crossing Safety Improvements	PW - Transportation	2,940	2,940	2,940	2,940
TR014	LRT TOD Improvements	PW- Transportation	400	400	400	400
TR015	Safe Routes to School	PW - Transportation	0	0	150	150
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	500	500	500	500
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	150	150	150	150
SW005	Combined Sewer Overflow Improvements	PW - Sewer	3,000	1,500	1,500	1,500
SW00R	Reimbursable Sewer Construction	PW - Sewer	3,000	3,000	3,000	3,000
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	2,800	1,500	1,500	1,500
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	500	1,000	1,000
SW031	Lake Hiawatha / Blue Water Partnership	PW - Sewer	390	390	390	390
SW036	I&I Removal Program	PW - Sewer	5,000	5,000	3,000	3,000
SW037	Irving Sewer Rehabilitation	PW - Sewer	3,350	0	3,350	3,350
WTR09	Ultrafiltration Program	PW - Water	15,500	15,500	15,500	15,500
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
WTR12	Water Distribution Improvements	PW - Water	6,500	4,500	4,500	4,500
WTR14	The MWW Facilities Security Improvement	PW - Water	0	500	500	500
WTR15	Pump Station No. 4 Rehabilitation	PW - Water	7,500	5,000	5,000	5,000
WTR16	Minneapolis/St. Paul Interconnection	PW - Water	6,000	0	0	0
WTR22	New Filter Presses	PW - Water	0	0	0	0
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
RMP03	Bicycle Parking	PW - Transportation	35	35	35	35
FIR01	EO/Training Facility	Fire Department	1,996	1,996	1,621	1,621
MPD01	MPD Forensic Laboratory	Police Department	0	500	0	0
MPD04	Safe Streets Technology Improvements	Police Department	0	0	1,000	1,000
PSD03	Facilities - Space Improvements	PW - Property Services	465	112	108	108
TOTAL			112,324	84,646	86,365	86,365

2009 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
ART01	Art in Public Places	CPED	400	200	317	317
BIS02	Central Traffic Signal Computer Replacement	BIS	50	50	50	50
BIS03	Enterprise Document Management	BIS	50	50	50	50
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	600	600	600	600
BIS05	Enterprise Reporting	BIS	50	50	50	50
BIS06	GIS Application Infrastructure Upgrade	BIS	150	150	150	150
BIS08	Property Sys Assessment & Consolidation/Upgrade	BIS	0	0	0	0
BIS09	Enterprise Timekeeping Consolidation	BIS	500	0	0	0
MBC01	Life Safety Improvements	MBC	300	300	300	300
MBC02	Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04	Tower and Interior Court Elevators	MBC	95	95	95	95
MPL09	Nokomis Library Capital Improvements	Library Board	1,600	1,600	1,600	1,600
MPL14	Roosevelt Community Library Capital Improvements	Library Board	500	500	500	500
MPL15	Southeast Community Library Capital Improvements	Library Board	500	500	500	500
PRK01	Community and Neighborhood Center Rehabilitation	Park Board	467	467	467	467
PRK02	Site and Totlot Rehabilitation	Park Board	900	900	900	900
PRK03	Rehab of Shelter Buildings and Wading Pools	Park Board	315	0	0	0
PRK05	Tier 2 Athletic Fields	Park Board	50	0	0	0
PRK07	Tennis Court Rehabilitation	Park Board	599	0	0	0
PRK09	HVAC Improvements	Park Board	0	0	190	190
PRK14	Complete Park Renovation	Park Board	6,000	0	0	0
PRK15	New Park Facilities	Park Board	3,800	0	0	0
PRKDT	Diseased Tree Program	Park Board	500	500	500	500
PSD01	Facilities Repair and Improvements	PW - Property Services	1,000	1,000	1,000	1,000
PSD04	Facilities-Physical Security Improvements	PW - Property Services	320	0	0	0
PV001	Parkway Paving	PW - Paving	725	550	550	550
PV003	Street Renovation Program	PW - Paving	3,550	3,550	2,880	2,880
PV004	CSAH Paving Program	PW - Paving	1,150	1,150	1,150	1,150
PV006	Alley Renovation	PW - Paving	500	265	265	265
PV007	University Research Park	PW - Paving	800	800	2,125	2,125
PV008	Lake Street Phase IV	PW - Paving	0	0	125	125
PV009	I-35W Crosstown Interchange Reconstruction	PW - Paving	15	15	15	15
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
PV019	Sixth Avenue North	PW - Paving	1,790	1,790	1,790	1,790
PV029	Chicago Ave S (E 14th St to E 28th St)	PW - Paving	6,060	6,060	6,060	6,060
PV045	Minneapolis Transportation Action Plan	PW - Paving	0	0	500	500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,605	2,605	2,605	2,605
CDA01	Heritage Park Redevelopment Project	CPED	750	750	750	750
BR001	Major Bridge Repair and Rehabilitation	PW - Bridges	0	0	0	0
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	200	200	200	200

2009 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
BR109	Camden Bridge Rehabilitation	PW - Bridges	5,990	5,990	5,990	5,990
BR114	Midtown Greenway Corridor Bridge Program	PW - Bridges	150	150	150	150
TR003	Energy Efficient LED Replacement Program	PW - Transportation	275	275	275	275
TR005	Controller Conversion	PW - Transportation	390	390	390	390
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	795	795	745	745
TR008	Parkway Street Light Replacement	PW - Transportation	150	150	150	150
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
TR010	Traffic System Management	PW - Transportation	3,890	3,890	3,890	3,890
TR013	Railroad Crossing Safety Improvements	PW - Transportation	1,380	1,380	1,380	1,380
TR015	Safe Routes to School	PW - Transportation	0	0	50	50
BIK04	18th Ave NE Bikeway	PW - Transportation	2,125	2,125	2,125	2,125
BIK13	RiverLake Greenway (East of I-35W)	PW - Transportation	1,250	1,250	1,250	1,250
BIK14	Midtown Greenway Bridge over Mississippi River	PW - Transportation	4,100	4,100	4,100	4,100
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	500	500	500	500
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	150	150	150	150
SW005	Combined Sewer Overflow Improvements	PW - Sewer	3,000	1,500	1,500	1,500
SW00R	Reimbursable Sewer Construction	PW - Sewer	3,000	3,000	3,000	3,000
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	4,000	2,000	2,000	2,000
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	500	1,000	1,000
SW033	Flood Area 22 - Sibley Field	PW - Sewer	3,645	0	0	0
SW036	I&I Removal Program	PW - Sewer	5,000	5,000	5,000	5,000
WTR09	Ultrafiltration Program	PW - Water	32,500	32,500	32,500	32,500
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
WTR12	Water Distribution Improvements	PW - Water	6,500	4,750	4,750	4,750
WTR16	Minneapolis/St. Paul Interconnection	PW - Water	3,000	0	0	0
WTR22	New Filter Presses	PW - Water	1,050	0	0	0
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
RMP03	Bicycle Parking	PW - Transportation	40	40	40	40
FIR01	EO/Training Facility	Fire Department	2,060	959	1,664	1,664
PSD03	Facilities - Space Improvements	PW - Property Services	480	66	149	149
TOTAL			131,831	104,677	107,552	107,552

2010 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
ART01	Art in Public Places	CPED	400	200	382	382
BIS02	Central Traffic Signal Computer Replacement	BIS	50	50	50	50
BIS03	Enterprise Document Management	BIS	50	50	50	50
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	700	700	700	700
BIS05	Enterprise Reporting	BIS	50	50	50	50
BIS06	GIS Application Infrastructure Upgrade	BIS	500	500	500	500
BIS08	Property Sys Assessment & Consolidation/Upgrade	BIS	0	0	0	0
BIS09	Enterprise Timekeeping Consolidation	BIS	200	0	0	0
MBC01	Life Safety Improvements	MBC	300	300	300	300
MBC02	Mechanical Systems Upgrade	MBC	600	500	500	500
MBC04	Tower and Interior Court Elevators	MBC	100	100	100	100
MPL09	Nokomis Library Capital Improvements	Library Board	2,400	2,400	2,400	2,400
MPL11	Walker Community Library Capital Improvements	Library Board	500	0	0	0
MPL13	Hosmer Library Capital Improvements	Library Board	500	500	500	500
MPL16	Washburn Community Library Capital Improvements	Library Board	500	500	500	500
PRK01	Community and Neighborhood Center Rehabilitation	Park Board	541	541	541	541
PRK02	Site and Totlot Rehabilitation	Park Board	475	475	475	475
PRK03	Rehab of Shelter Buildings and Wading Pools	Park Board	250	0	0	0
PRK04	Athletic Field Renovation	Park Board	150	150	150	150
PRK05	Tier 2 Athletic Fields	Park Board	150	0	0	0
PRK06	Service Center Rehabilitation	Park Board	150	0	0	0
PRK07	Tennis Court Rehabilitation	Park Board	200	0	0	0
PRK09	HVAC Improvements	Park Board	377	377	187	187
PRK11	Roof Replacement	Park Board	251	251	251	251
PRK14	Complete Park Renovation	Park Board	7,400	0	0	0
PRK15	New Park Facilities	Park Board	1,500	0	0	0
PRKDT	Diseased Tree Program	Park Board	500	500	500	500
PSD01	Facilities Repair and Improvements	PW - Property Services	1,000	1,000	1,000	1,000
PSD04	Facilities-Physical Security Improvements	PW - Property Services	320	0	0	0
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rhb	PW - Property Services	250	250	250	250
PV001	Parkway Paving	PW - Paving	1,250	950	950	950
PV003	Street Renovation Program	PW - Paving	4,640	4,639	3,887	3,887
PV004	CSAH Paving Program	PW - Paving	1,500	1,500	1,500	1,500
PV006	Alley Renovation	PW - Paving	500	265	265	265
PV007	University Research Park	PW - Paving	7,000	7,000	7,000	7,000
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
PV023	28th Avenue S	PW - Paving	5,529	5,529	5,529	5,529
PV028	Franklin/Cedar/Minnehaha Intersection Realignmnt	PW - Paving	3,784	3,784	3,784	3,784
PV032	LaSalle Ave S	PW - Paving	6,900	6,900	5,820	5,820
PV035	TH121/Lyndale Avenue S	PW - Paving	3,275	3,275	3,275	3,275

2010 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
PV045	Minneapolis Transportation Action Plan	PW - Paving	0	0	500	500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,735	2,735	2,735	2,735
BR001	Major Bridge Repair and Rehabilitation	PW - Bridges	0	0	0	0
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	200	200	200	200
BR114	Midtown Greenway Corridor Bridge Program	PW - Bridges	500	347	500	500
BR117	1st Street North Bridge Over Bassetts Creek	PW - Bridges	615	0	0	0
BR120	3rd Street N North Bridge Over Bassetts Creek	PW - Bridges	655	0	0	0
TR003	Energy Efficient LED Replacement Program	PW - Transportation	200	200	200	200
TR005	Controller Conversion	PW - Transportation	275	275	275	275
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	750	750	700	700
TR008	Parkway Street Light Replacement	PW - Transportation	150	150	150	150
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
TR010	Traffic System Management	PW - Transportation	3,375	3,375	3,375	3,375
TR013	Railroad Crossing Safety Improvements	PW - Transportation	2,545	2,545	2,545	2,545
TR015	Safe Routes to School	PW - Transportation	0	0	50	50
BIK04	18th Ave NE Bikeway	PW - Transportation	2,125	2,125	2,125	2,125
BIK17	Upper River Trails - Phase 1	PW - Transportation	4,700	4,700	4,700	4,700
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	500	500	500	500
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	150	150	150	150
SW005	Combined Sewer Overflow Improvements	PW - Sewer	3,000	1,500	1,500	1,500
SW00R	Reimbursable Sewer Construction	PW - Sewer	3,000	3,000	3,000	3,000
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	2,500	2,000	2,000	2,000
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	500	1,000	1,000
SW033	Flood Area 22 - Sibley Field	PW - Sewer	3,645	0	0	0
SW036	I&I Removal Program	PW - Sewer	5,000	5,000	5,000	5,000
WTR09	Ultrafiltration Program	PW - Water	17,500	17,500	17,500	17,500
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
WTR12	Water Distribution Improvements	PW - Water	6,500	4,750	4,750	4,750
WTR16	Minneapolis/St. Paul Interconnection	PW - Water	0	0	0	0
WTR17	Treatment Modifications Based on New Regulations	PW - Water	1,000	1,000	1,000	1,000
WTR22	New Filter Presses	PW - Water	5,355	1,050	1,050	1,050
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
RMP03	Bicycle Parking	PW - Transportation	40	40	40	40
PSD03	Facilities - Space Improvements	PW - Property Services	500	0	0	0
TOTAL			131,277	105,648	104,961	104,961

2011 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
ART01	Art in Public Places	CPED	400	200	389	389
BIS03	Enterprise Document Management	BIS	50	50	50	50
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	800	800	800	800
BIS05	Enterprise Reporting	BIS	50	50	50	50
BIS07	HRIS Upgrade	BIS	1,000	0	0	0
BIS08	Property Sys Assessment & Consolidation/Upgrade	BIS	0	0	0	0
BIS10	Finance System Consolidation/Upgrade	BIS	1,000	0	0	0
BIS11	Citywide Electronic Citations System	BIS	400	400	400	400
MBC01	Life Safety Improvements	MBC	340	340	340	340
MBC02	Mechanical Systems Upgrade	MBC	760	500	500	500
MBC04	Tower and Interior Court Elevators	MBC	100	100	100	100
MPL09	Nokomis Library Capital Improvements	Library Board	800	800	800	800
MPL11	Walker Community Library Capital Improvements	Library Board	1,000	0	0	0
PRK01	Community and Neighborhood Center Rehabilitation	Park Board	270	270	270	270
PRK02	Site and Totlot Rehabilitation	Park Board	520	260	260	260
PRK04	Athletic Field Renovation	Park Board	150	150	150	150
PRK05	Tier 2 Athletic Fields	Park Board	150	0	0	0
PRK07	Tennis Court Rehabilitation	Park Board	500	0	0	0
PRK09	HVAC Improvements	Park Board	450	450	450	450
PRK11	Roof Replacement	Park Board	420	420	420	420
PRK12	Community Skate Parks	Park Board	300	0	0	0
PRK14	Complete Park Renovation	Park Board	13,500	0	0	0
PRKDT	Diseased Tree Program	Park Board	500	500	500	500
PSD01	Facilities Repair and Improvements	PW - Property Services	1,500	1,200	1,200	1,200
PSD04	Facilities-Physical Security Improvements	PW - Property Services	320	0	0	0
PSD07	Border Maintenance Facility	PW - Property Services	205	0	0	0
PV001	Parkway Paving	PW - Paving	1,050	950	950	950
PV003	Street Renovation Program	PW - Paving	7,115	4,098	4,245	4,245
PV004	CSAH Paving Program	PW - Paving	1,600	1,600	1,600	1,600
PV006	Alley Renovation	PW - Paving	500	265	265	265
PV007	University Research Park	PW - Paving	3,400	3,400	3,400	3,400
PV008	Lake Street Phase IV	PW - Paving	750	0	0	0
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
PV027	Hennepin/Lyndale West	PW - Paving	10,511	10,511	11,311	11,311
PV035	TH121/Lyndale Avenue S	PW - Paving	2,450	2,450	2,450	2,450
PV038	Miscellaneous Oiled Dirt Segments	Pw - Paving	4,168	0	0	0
PV044	Upper Harbor Terminal Redevelopment	PW - Paving	200	0	50	50
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,870	2,870	2,870	2,870
BR001	Major Bridge Repair and Rehabilitation	PW - Bridges	0	0	0	0
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	200	350	350	350

2011 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Recomm.	Council Adopted
BR106	1st Avenue S Bridge over the Midtown Greenway	PW - Bridges	2,630	0	2,114	2,114
BR111	10th Ave SE Bridge Arch Rehabilitation	PW - Bridges	5,340	5,340	5,186	5,186
BR112	Nicollet Avenue Reopening	PW - Bridges	3,850	0	3,850	3,850
BR114	Midtown Greenway Corridor Bridge Program	PW - Bridges	500	653	500	500
BR116	Bikeway/Bike Bridge 94246 Rehabilitation	PW - Bridges	6,425	6,425	6,425	6,425
BR118	Minnehaha Ave Bridge Over Minnehaha Creek	PW - Bridges	643	0	0	0
BR119	Minnehaha Parkway Bridge Over Minnehaha Creek	PW - Bridges	230	0	0	0
BR121	Lowry Avenue Bridge Over the Mississippi River	PW - Bridges	300	300	300	300
BR122	46th St. Pedestrian Bridge	PW - Bridges	5	5	5	5
TR005	Controller Conversion	PW - Transportation	500	500	500	500
TR006	Priority Vehicle Control System	PW - Transportation	425	425	425	425
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	570	570	520	520
TR008	Parkway Street Light Replacement	PW - Transportation	350	350	350	350
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
TR011	City Street Light Renovation	PW - Transportation	350	350	350	350
TR013	Railroad Crossing Safety Improvements	PW - Transportation	260	260	260	260
TR015	Safe Routes to School	PW - Transportation	300	300	50	50
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	500	500	500	500
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	150	150	150	150
SW005	Combined Sewer Overflow Improvements	PW - Sewer	3,000	1,500	1,500	1,500
SW00R	Reimbursable Sewer Construction	PW - Sewer	3,000	3,000	3,000	3,000
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	2,500	2,000	2,000	2,000
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	750	1,000	1,000
SW032	I-35W Storm Tunnel Reconstruction	PW - Sewer	1,000	1,000	1,000	1,000
SW034	Flood Area 21 – Bloomington Pond	PW - Sewer	2,455	0	0	0
SW035	War Department Tunnel Rehabilitation	PW - Sewer	100	100	100	100
SW036	I&I Removal Program	PW - Sewer	5,000	5,000	5,000	5,000
WTR09	Ultrafiltration Program	PW - Water	1,500	0	0	0
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
WTR12	Water Distribution Improvements	PW - Water	6,500	5,000	5,000	5,000
WTR16	Minneapolis/St. Paul Interconnection	PW - Water	0	2,000	2,000	2,000
WTR22	New Filter Presses	PW - Water	5,985	5,355	5,355	5,355
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
RMP03	Bicycle Parking	PW - Transportation	40	40	40	40
MPD01	MPD Forensic Laboratory	Police Department	2,600	1,850	1,205	1,205
MPD02	MPD Evidence Unit	Police Department	730	405	405	405
MPD03	MPD STOP	Police Department	1,240	0	0	0
PSD03	Facilities - Space Improvements	PW - Property Services	500	0	190	190
TOTAL			128,797	85,132	91,470	91,470

**City of Minneapolis
FY 2007 Budget**

City Council Departments

Each of the following department sections includes these reports: mission, business line descriptions, performance information, an organizational chart, expense information, revenue information, and staffing information.

Assessor	340
Attorney	346
City Coordinator Departments	
Total City Coordinator Summary Pages	355
Administration	365
911/311	367
Business Information Services	374
Communications	381
Convention Center	387
Finance	392
Human Resources	399
Intergovernmental Relations	405
Regulatory Services	410
Civil Rights	421
City Clerk/Elections/Council	429
Community Planning and Economic Development	436
Fire	450
Health and Family Support	458
Mayor	467
Police	469
Public Works	477
Total Public Works Summary Pages	477
Administration	487
Engineering Materials and Testing	489
Engineering Services	491
Equipment Services	494
Field Services	496
Property Services	500
Stormwater and Sewer Maintenance	503
Solid Waste and Recycling	505
Transportation	508
Water Treatment and Distribution	512

ASSESSOR

MISSION

The Minneapolis Assessor's Office serves the taxpayers of the City by valuing and classifying real estate property in an accurate, ethical, equitable and defensible manner as prescribed by state law. We also provide information and analysis to internal and external partners such as Elected Officials, City Departments, Minneapolis School District, Hennepin County Attorneys and Hennepin County Taxpayer Services, Minnesota Department of Revenue, taxpayers, neighborhood groups and the media.

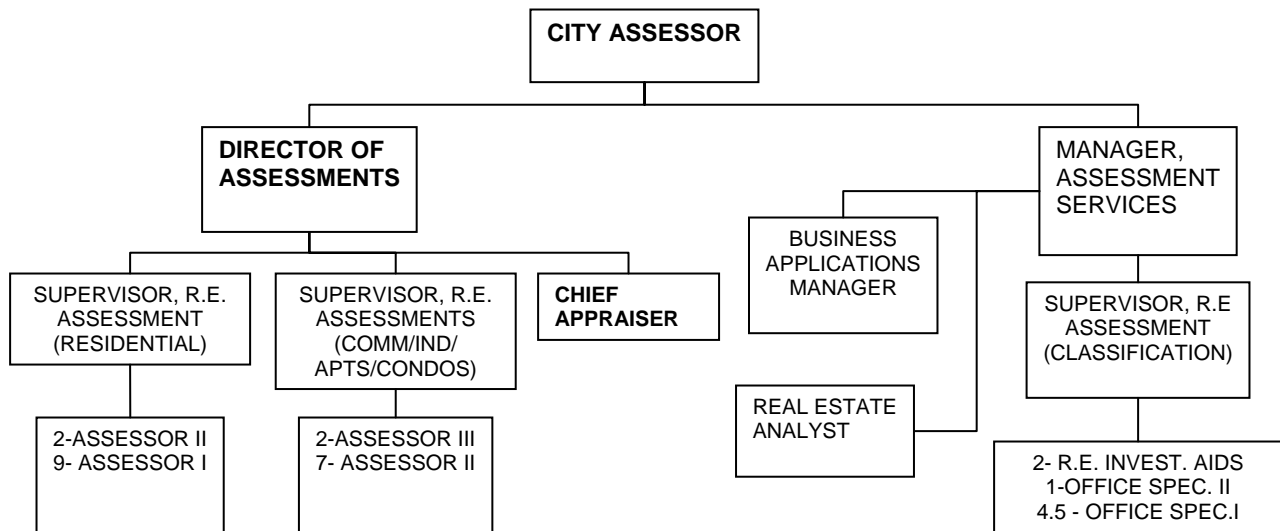
BUSINESS LINE DESCRIPTIONS

Maintain Data Integrity of the City's Tax Base

Real Estate Property Assessment

Provide Information and Data Analysis

ORGANIZATION CHART



FIVE-YEAR DEPARTMENT GOALS, OBJECTIVES AND MEASURES (ALIGNED WITH CITY GOALS)		
DEPARTMENT GOAL	OBJECTIVE	MEASURE
<i>Property taxes provide approximately 16% of the City's revenue. Accuracy in the assessment and a strong defense of market value provides the funding to maintain the City's physical infrastructure, invest in long term capital improvements, maintain the natural and historic environment and insure a clean and sustainable Minneapolis. The nature of the Assessor's Office work does not lend itself to a distinctive one-to-one correlation</i>		
Provide value-added services to taxpayers	Improve access to information for customers	Increase web page traffic & form downloads
		% of 311 assessor related calls completed by 311 operators

DEPARTMENT GOAL	OBJECTIVE	MEASURE
	Be proactive in taxpayer education	Increase the # of tax related presentations given each year by department
Improve the efficiency and effectiveness of business processes	Maintain 98.0% of tax levy collection	% of levy collected each year
	Meet MN statute for sales ratio	9 month sales ratio per MN statute both Median residential Median commercial Values
	Streamline the process to identify which properties with building permits result in a measurable change in value, condition or classification	# of permits inspected vs. # extracted from KIVA
		\$ added to tax base based on building permit data
	Streamline appraisal process of all property types: residential, condos, apartments, commercial & industrial	# of CAMA models in use
	Support other city departments in their use of the assessor's property management system data	# of hours extracting data for city users; Other governmental users; Media, private users* (*fee for service)
Maintain a competent, positive and fully staffed workforce	Maintain the department's institutional knowledge through training, mentoring and coaching	% of employees with annual employee development plan
		% of institutional knowledge / succession management plan implemented

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Increase web page traffic & form downloads	n/a	n/a	n/a	Updating web page and starting tracking	Will establish baseline	To decided based on 2007 experience
# of tax-related presentations given each year by Department staff	5	4	6	10	12	15
% of levy collected	98.5	98.5	98.3	To be decided	98.0%	98.0%

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
each year–98% goal						
# of taxable parcels per residential appraisers	9,900	12,700	8,900	Being tracked	8,100	8,100
9 month sales ratio per MN Statutes: -Median residential ratio	88.7	90.2	94.0	>90	>90	>90
-Median commercial ratio	90.3	91.3	92.3	>90	>90	>90
# of permits extracted from KIVA	125,273	70,515	67,572	64,784	To be decided based on KIVA software improvements or replacement	To be decided based on KIVA software improvements or replacement
# of permits inspected	11,965	9,548	10,890	12,061		
% viewed	9.6%	13.5%	16.1%	18.6%		
\$ added to tax base based on building permit data	\$346.4 million	\$356.8 million	\$560.4 million	\$493.6 million	\$500 million	\$700 million
# of CAMA models in use	12	13	14	15	17	24
# of hours extracting data for City users other governmental users media, private users* (*fee for service)	n/a	n/a	n/a	Currently developing plan	tbd	tbd
% of employees with annual employee development plan	n/a	n/a	n/a	Identifying career paths & succession plan	100%	100%
% of institutional knowledge/ succession plan implemented	n/a	n/a	n/a	Currently developing plan	20%	100%

CONTEXT FOR THE DEPARTMENT'S WORK

Increased condominium construction: In 2006, there are an estimated 10,000 new condominiums under construction or in the approval process. In the past three years 4,381 new condominium parcels were added to the Minneapolis tax base.

High volume of court cases: We have been experiencing a high number of attorney represented court cases challenging property assessments. This is due in part to the oversupply of office buildings and a weak industrial market during the 2002-

YEAR ADDED TO TAX BASE	NEW CONDO UNITS
1999	191
2000	143
2001	159
2002	499
2003	383
2004	1439
2005	2559

2004 time frame. This trend is fueled by a growing “industry” of attorneys specializing in or focusing their practices in the field of property tax appeals.

CURRENT TAX COURT CASES							TOTALS
Tax Year Court Case Was Initiated	2001	2002	2003	2004	2005	2006	
# Of Cases Petitioned By Year	230	303	425	360	363	347	2,028
# Of Open Cases Remaining	1	1	4	35	130	347	518
# Of Parcels Under Petition	1	1	4	88	269	825	1,188
Value Of Outstanding Parcels Under Petition	\$3,944,000	\$4,400,000	\$129,337,000	\$272,560,200	\$635,432,100	\$2,074,944,750	\$3.12 Billion

Providing Information and Data Analysis: As property taxes have increased, so has the taxpayer’s request for market data, property reviews, and petitions. There is an increasing demand for property information, analysis and decision support from the City Council, other City departments, businesses, community groups, legislators, Met Council and the media. The property information collected and maintained by the Assessor’s Department has become a critical data source for departments such as CPED, IGR, Regulatory Services, and GIS.

Additionally, policy makers, businesses, community groups, and the media have all come to rely on the Assessor’s Department to provide data for neighborhood analysis, real estate trending, forecasting, and allocation of community development resource and program success.

Residential Real Estate Market Shifted to a Buyer’s Market: For the first time in 10 years, Minneapolis is considered a *buyer’s market* which means the available housing inventory for-sale is far greater than the number of available buyers in the market. If this trend continues, homes values in most neighborhoods in Minneapolis will begin to adjust downward.

Limited Market Value Phase Out: The phase out of limited market value and other state law changes is shifting property tax burdens from commercial/industrial property to residential property. Although the property tax shift affects all residential property owners, it tends to have a disproportionate effect on the low and moderate valued properties.

The Limited Market Value (LMV) Minnesota Statute was designed to protect property owners from large jumps in property taxes from year to year that are that are a result of valuation increases due to a particularly healthy real estate market. LMV includes agricultural, residential,

timberland, or noncommercial seasonal recreational residential (cabins). The LMV program is scheduled to sunset in 2009/ assessment payable in 2010.

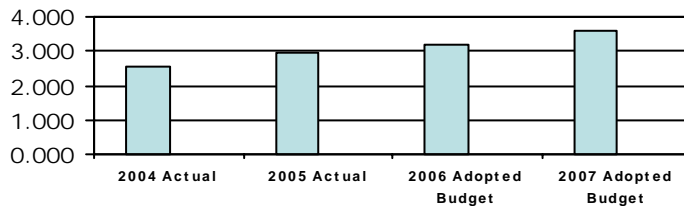
New Twins Stadium: The new Twin’s stadium is a tremendous opportunity for the City of Minneapolis. In addition to the \$535 million dollar ballpark, the stadium will be a catalyst for \$300 to \$400 million in new infrastructure, new commercial, retail and housing construction, and redevelopment of existing buildings in the north loop and the warehouse district.

FINANCIAL ANALYSIS

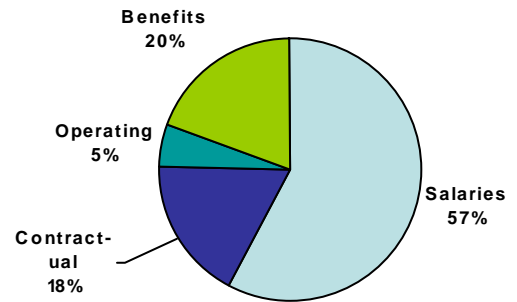
EXPENDITURE

The Assessor’s 2007 Adopted Budget is about \$3.6 million, a 12.5% increase over the 2006 Adopted Budget. There are 36.5 positions in the Department.

**Expenditure 2004-2007
(In millions)**



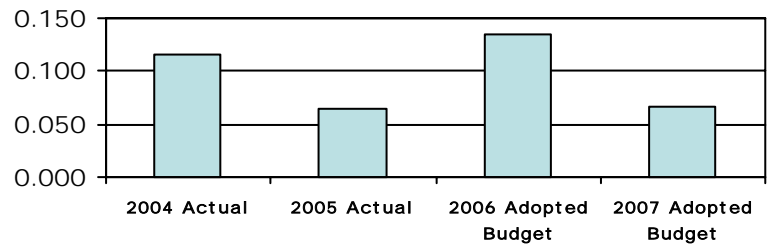
**Expenditure by Type
\$3.6 million**



REVENUE

Revenue in 2007 is projected to be \$66,000. The bulk of these revenues are from payment in lieu of taxes (PILOT) paid by nonprofit nursing homes through agreements in the Community Planning and Economic Development (CPED) Department’s work.

**Revenues 2004-2007
(in Millions)**



FUND ALLOCATION

One hundred percent of the Assessor’s budget comes out of the General Fund.

MAYOR’S RECOMMENDED BUDGET

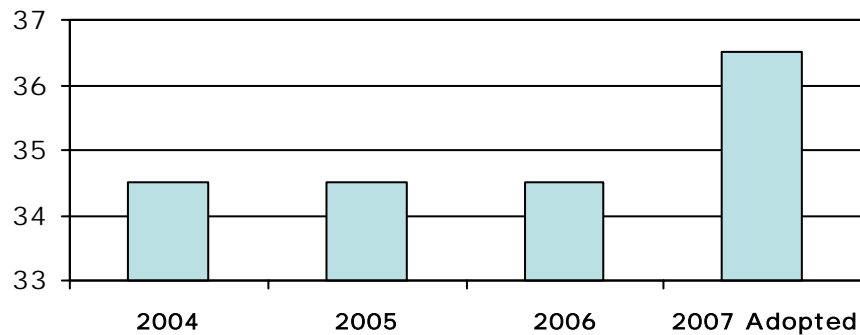
The Mayor’s recommendation added two assessor positions to the Department (\$150,000).

COUNCIL ADOPTED BUDGET

The Council adopted the Mayor’s Recommended Budget.

ASSESSOR						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	34.50	34.50	34.50	36.50	5.80%	2.00

Staffing Summary 2004-2007



EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Salaries and Wages	1,686,378	1,674,773	1,925,984	2,053,533	6.6%	127,549
Contractual Services	232,899	617,095	484,425	632,128	30.5%	147,703
Operating Costs	160,909	184,911	161,152	188,398	16.9%	27,246
Fringe Benefits	442,333	488,766	603,503	698,681	15.8%	95,178
Equipment			1,068	1,105	3.5%	37
Capital Outlay	3,435	1,800	534	553	3.6%	19
Total Expenditure	2,525,954	2,967,344	3,176,666	3,574,398	12.5%	397,732
Property Taxes	114,239	64,137	133,000	65,000	-51.1%	-68,000
Charges for Service	400		1,000	1,000	0.0%	0
Charges for Sales	69	810			0.0%	0
Interest	73	103			0.0%	0
Other Misc Revenues	30				0.0%	0
Total Revenues	114,811	65,050	134,000	66,000	-50.7%	-68,000

ATTORNEY

MISSION

Our mission is twofold: To do justice and hold offenders accountable to enhance the public's sense of safety and to deliver high quality, cost-effective legal services.

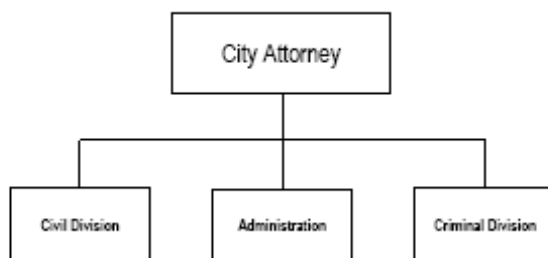
BUSINESS LINES

The City Attorney's Office has two business lines. They are:

Enhancing public safety

Delivering civil legal services

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS) ORGANIZED BY BUSINESS LINES

PUBLIC SAFETY: The City Attorney's Office public safety business is to do justice, hold offenders accountable, and enhance the public's sense of safety.

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
Safe Place to call home One Mpls Connected Comm. Premier Destination	1(A) (B) (E) 2(C) 4(B) (E) 6(B) (C) (E)	<ul style="list-style-type: none"> ▪ Reduce crimes that occur in the City. 	<ul style="list-style-type: none"> • Chronic offenders receive appropriate and timely sanctions. 	<ul style="list-style-type: none"> • Expand list of chronic offenders from "Top 100" to "Top 200". • Prosecute 100% of "Top 200" chronic offenders. • Increase by 5% the number of "Top 200" chronic offenders who are convicted.
			<ul style="list-style-type: none"> • Perpetrators of gross misdemeanor weapons violations will be successfully prosecuted. 	<ul style="list-style-type: none"> • Percentage and number of gross misdemeanor weapons cases charged by the CAO that result in a conviction.
			<ul style="list-style-type: none"> • Perpetrators of domestic violence will be successfully prosecuted. 	<ul style="list-style-type: none"> • Review 100% of domestic violence cases for potential felony charges. • Increase conviction rate on domestic violence cases to 60% by 12/31/ 2008.

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
Safe Place to call home One Mpls	1(A) (B) (E) 2(A) (C)	<ul style="list-style-type: none"> ▪ Improve efficiency and responsiveness of the criminal justice system. 	<ul style="list-style-type: none"> • Successful partnerships with others in the criminal justice system. 	<ul style="list-style-type: none"> • Participate 100% in partnerships to improve the criminal justice system.
			<ul style="list-style-type: none"> • Full and accurate utilization of Practice Manager case management system. 	<ul style="list-style-type: none"> • 100% of staff trained. • 100% of cases automatically “pushed” to Practice Manager.
			<ul style="list-style-type: none"> • Successful integration of case management system with other criminal justice systems. 	<ul style="list-style-type: none"> • Integration with MPD’s systems, CAPRS, MNCIS, completed by fall, 2007.
Safe Place to call home One Mpls Connected Comm. Premier Destination	1(A) (B) 2(A) (C) 4(B) (E) 6(B) (C)	<ul style="list-style-type: none"> ▪ Continued active collaboration with neighborhoods on community justice. 	<ul style="list-style-type: none"> • Reduce community concerns about misdemeanor crime in neighborhoods. 	<ul style="list-style-type: none"> • Increase by 5% each year the number of community meetings attended and in person contacts made by community attorneys and paralegals. • Increase by 2% each year the number of community impact statements prepared and presented. • Increase by 5% each year the number of cases referred to neighborhood restorative justice programs.
CIVIL DIVISION : The City Attorney’s Office Civil Division business is to deliver high quality, cost-effective legal services that are responsive to the City’s adopted policies, goals, and objectives				
All	1(a) (b) (c) (d) (e) 2(a) (b) (c) 3(b) (c) 4(a) (b) (c) (d) (e) 5(c) (d) 6(a) (c)	<ul style="list-style-type: none"> • Assist the City in minimizing its financial exposure to claims and lawsuits. 	<ul style="list-style-type: none"> • Aggressively defend claims and lawsuits that result from the City’s risk generating activities. 	<ul style="list-style-type: none"> • Liability payouts resulting from certain of the City’s risk generating activities. • Number of adverse matters opened each year. • Number of adverse matters closed each year.
			<ul style="list-style-type: none"> • Commence timely litigation to advance the City’s adopted goals and policy objectives or recover public monies. 	<ul style="list-style-type: none"> • Litigation commenced as directed by City elected officials.
			<ul style="list-style-type: none"> • Identify risk generating activities and assist departments in finding solutions. 	<ul style="list-style-type: none"> • 100% of available MPD sworn personnel trained. • All training requests for new supervisors/employees from HR are completed.

MEASURES, DATA AND TARGETS TABLE						
PUBLIC SAFETY						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data Est.	2007 Target	2011 Target
Prosecute 100% of "Top 100" chronic offenders arrested by the Police Department	100%	100%	100%	100%	100%	100%
Increase by 5% the number of "Top 100" chronic offenders who are convicted	82	83	81	92	97	210 (assumes "Top 200")
Increase conviction rate on domestic violence cases to 60% by 2008	47.5%	48%	48%	52%	56%	60%
Review 100% of domestic violence cases for potential felony charges	100%	100%	100%	100%	100%	100%
Number of domestic violence cases charged as felonies by the County Attorney's Office based on the CAO analysis and assessment	98	104	109	75	75	75
Participate 100% in partnerships to improve the criminal justice system	100%	100%	100%	100%	100%	100%
Participate 100% in partner-ships to improve the criminal justice system	Attended all CJCC meetings; continue work on CriMNet implementation; MNCIS; continued pre-screening of all cases; Continued participation in the "Minneapolis Impact Calendar" and Community Court, Domestic Violence	Attended all CJCC meetings; continue work on CriMNet implementation; MNCIS; continued prescreening of all cases; continued participation in the Comm. Court, Domestic Violence Court,	Attend all CJCC meetings; continue work on CriMNet implementation; MNCIS; attend PPM & ISAB meetings. Con-tinue prescreening of all cases; continue participation in the Community	Attend all CJCC meetings; continue work on CriMNet implementation; MNCIS; attend PPM & ISAB meetings. Continue prescreening of all cases; continue participation in the Community Court, Domestic Violence Court, Mental Health Court, and Serious Traffic calendar;	Attend all CJCC meetings; continue work on CriMNet implementation;MNCIS; attend PPM & ISAB meetings. Continue prescreening of all cases; continue participation in the Community Court, Domestic Violence Court, Mental Health Court, and Serious Traffic calendar; Main-tain delegation of authority to the Hennepin County Court Referee to	Attend all CJCC meetings; continue work on CriMNet implementation; MNCIS; attend PPM & ISAB meetings. Continue pre-screening of all cases; continue participation in the Community Court, Domestic Violence

	Court, Mental Health Court; worked on a Livability Crimes Court.	Mental Health Court, worked on reorganization of arraignment courts “payable” traffic calendar created.	Court, Domestic Violence Court, Mental Health Court, and Serious Traffic calendar; Maintain delegation of authority to the Hennepin County Court Referee to resolve certain misdemeanors or offenses. Implement new bail schedule; reduce time involved in “aging” process.	Maintain delegation of authority to the Henn. County Court Referee to resolve certain misdemeanor offenses. Implement new bail schedule; reduce time involved in “aging” process.	resolve certain misdemeanor offenses. Implement new bail schedule; reduce time involved in “aging” process.	Court, Mental Health Court, and Serious Traffic calendar; Maintain delegation of authority to the Hennepin County Court Referee to resolve certain misdemeanor offenses. Implement new bail schedule; reduce time involved in “aging” process.
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Measure Name	2003 Data	2004 Data	2005 Data	2006 Data Est.	2007 Target	2011 Target
Increase by 5% each year the number of community meetings attended and in person contacts made by community attorneys	506	250*	3,495	3,670	3,854	4,200
Increase by 2% each year the number of community impact statements prepared and presented						
Increase by 5% each year the number of cases referred to neighborhood restorative justice programs	281	247	612	642	674	819

CIVIL DIVISION						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data Est.	2007 Target	2011 Target
Liability Payouts resulting from certain of the City’s risk generating activities	\$10,292,339	\$4,339,510	\$3,175,869	\$2,646,554	\$2,000,000	\$1,500,000
Number of adverse matters open at year’s end	724	904	1,142	1,004	954	906

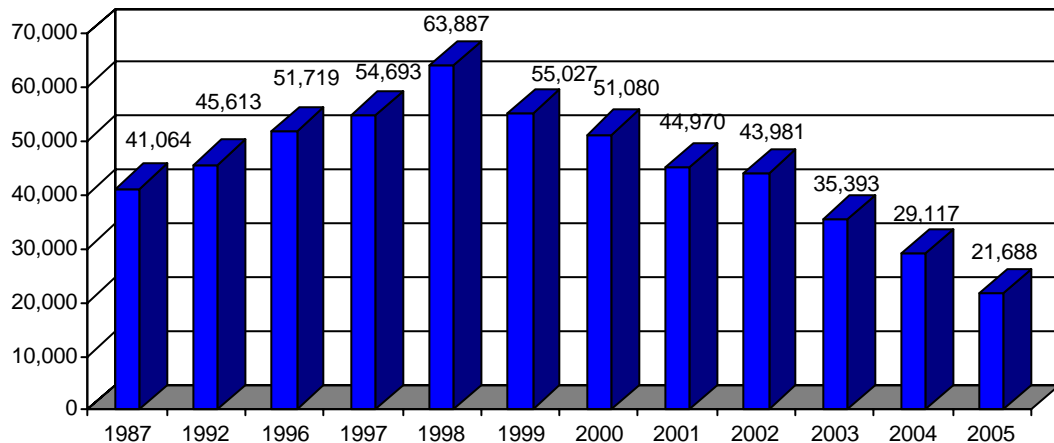
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data Est.	2007 Target	2011 Target
Number of adverse matters closed during year	493	530	405	514	540	513
Number of MPD Officers trained	New Indicator	New Indicator	750	840	840	840
Increase by 5% each year the number of non-litigation matters closed	1,048	1,122	1,049	1,394	1,464	1,000
Annual survey of elected officials and departmental clientele is conducted in 2006	New Indicator	New Indicator	New Indicator	New Indicator	New Indicator	New Indicator
By 2007, a 10% increase in satisfaction is reported	New Indicator	New Indicator	New Indicator	New Indicator	New Indicator	New Indicator

CONTEXT FOR THE DEPARTMENT’S WORK

Rising case loads: In recent years, the Office’s criminal caseload has declined significantly – from a high of 63,887 cases in 1998 to 21,688 in 2005. The chart below illustrates this trend. This trend may be over. In the first quarter of 2006, cases increased 36 % over the first quarter of 2005 (6,596 vs. 4, 210). For 2006, the Criminal Division’s caseload is projected to be 26,383 cases. If this projection is met, then the criminal caseload will have increased by 21% in one year. This increase in caseload is occurring at a time that resources dedicated to the prosecution of gross misdemeanor, misdemeanor and petty misdemeanor crime are decreasing.

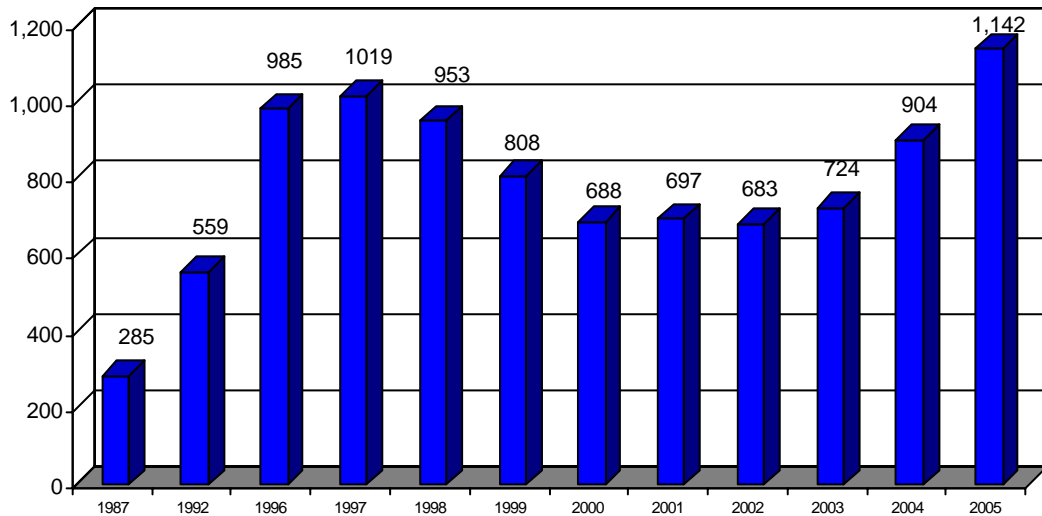
Even if the staffing is held constant, an annual caseload of 26,383 cases results in an average caseload of nearly 925 cases per authorized criminal prosecutor position. Both the American Bar Association (ABA) and the Minnesota State Public Defender analyze acceptable caseload standards and independently recommend an identical gross misdemeanor, misdemeanor caseload standard for public defenders. Both recommended an annual average of 400 misdemeanor cases per attorney per year or 250 gross misdemeanor cases per attorney per year. Thus, the average annual caseload in the City Attorney’s Office is more than over two times the ABA and State Defender standards for misdemeanor cases and more than three times the standard for gross misdemeanor cases. Because of this historic resource allocation problem, the City Attorney’s Office in its prior business plans adopted a prioritization plan for public safety activities.

PROSECUTION CASELOAD



The Civil Division litigation caseload has been increasing for a number of years. The chart below illustrates that trend. It is likely that the 2006 caseload will be at least as great as 2005. As the Civil litigation caseload continues to increase, the ability of the Office to deliver timely non-litigation services is impaired. The Office intends to address this challenge by providing its civil legal services in accordance with the prioritization plan approved in the 2006-2010 Five-Year Business Plan.

CIVIL LITIGATION CASELOAD

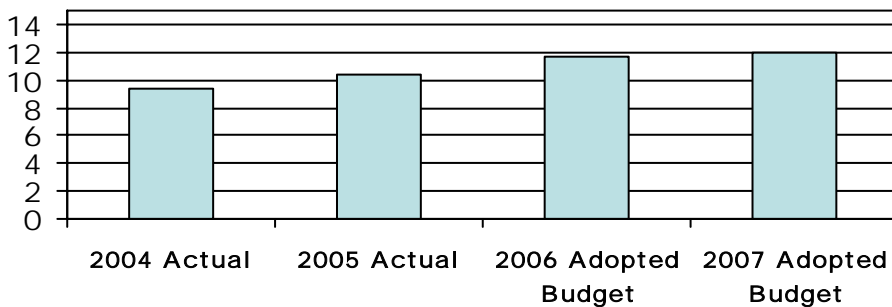


FINANCIAL ANALYSIS

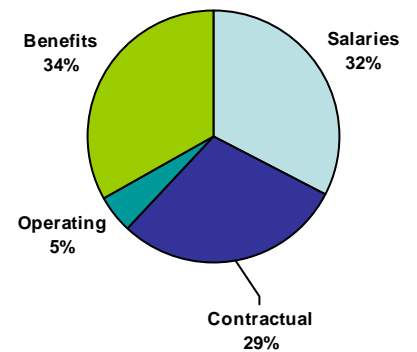
EXPENDITURE

The City Attorney’s 2007 Budget is \$12.1 million, a 2.5% or \$288,000 increase over the 2006 Adopted Budget.

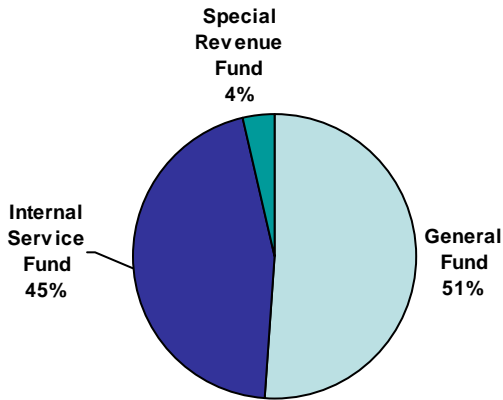
**Expenditures 2004-2007
(In millions)**



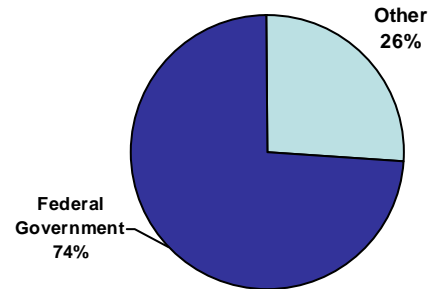
Expenditures by Type (\$12.1 million)



Expenditures by Fund (\$12.1 million)



Direct Revenues by Type (\$0.5 million)



REVENUE

The City Attorney’s \$531,000 revenue budget, or a 4.3% decrease, reflects a \$31,000 decrease in federal grant funding.

FUND ALLOCATION

The main funding sources for the City Attorney’s Office are the General Fund (50%) and the Self-Insurance Fund (47%). The remaining 3% of funding is derived from the Federal Grants Fund and Other Grants Fund. The 2007 General Fund budget for the Attorney’s office increases by 0.5%, the Self-Insurance Fund Budget increases by 5.6%, and the Special Revenue Fund budget decreases by 8.6%.

MAYOR’S RECOMMENDED BUDGET

The Mayor accepts the department’s proposal to meet the financial direction. The department’s proposal to use lease savings (\$150,000) is predicated on a move to City Hall in 2010. A \$2,000 increase for the ethical practices board is also included in the Mayor’s recommendation. An attorney position is added to back fill grant funds (\$75,000).

COUNCIL ADOPTED BUDGET

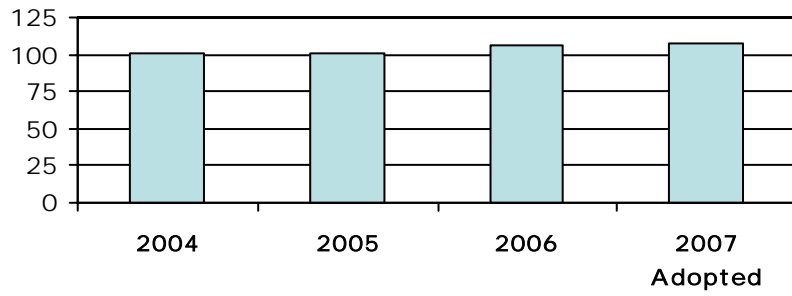
The department’s budget was increased by \$35,000 in order to provide funding to a restorative justice program.

ATTORNEY

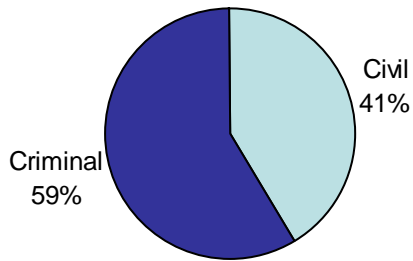
Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change Budget
FTE's by Division						
Criminal	57.63	58.50	62.00	63.00	1.61%	1.00
Civil	43.50	42.50	44.50	44.50	0.00%	-
						-
Total FTE's	101.13	101.00	106.50	107.50	0.94%	1.00

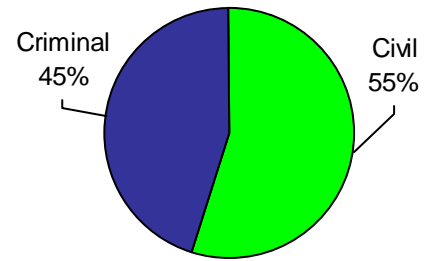
Staffing Summary 2004-2007



Positions by Division



Expenditure by Division



**ATTORNEY
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	9,399,536	10,371,893	11,741,231	12,064,554	2.8%	323,323
Total Revenues - All Funds	192,773	119,489	554,866	531,014	-4.3%	-23,852
General Fund - City						
Salaries and Wages	2,927,736	2,971,427	3,709,523	3,772,070	1.7%	62,547
Contractual Services	875,257	1,178,847	1,107,474	1,191,490	7.6%	84,016
Operating Costs	194,521	204,561	198,553	164,740	-17.0%	-33,813
Fringe Benefits	633,723	700,615	938,788	1,042,117	11.0%	103,329
Total Expenditure	4,631,236	5,055,450	5,954,338	6,170,417	3.6%	216,079
Charges for Service	8,801	14,576	17,000	17,000	0.0%	0
Interest	29	6			0.0%	0
Other Misc Revenues	16,350	729	91,000	91,000	0.0%	0
Total Revenues	25,180	15,311	108,000	108,000	0.0%	0
Special Revenue Funds						
Salaries and Wages	386,508	275,014	391,252	361,650	-7.6%	-29,602
Contractual Services	42,000				0.0%	0
Operating Costs	3,656	950			0.0%	0
Fringe Benefits	86,843	54,115	79,948	69,008	-13.7%	-10,940
Total Expenditure	519,007	330,079	471,200	430,658	-8.6%	-40,542
Federal Government	78,429	87,545	423,866	393,014	-7.3%	-30,852
State Government			0		0.0%	0
Total Revenues	78,429	87,545	423,866	393,014	-7.3%	-30,852
Internal Service Funds						
Salaries and Wages	2,938,412	2,969,116	3,467,458	3,664,100	5.7%	196,642
Contractual Services	536,429	1,118,996	794,361	666,450	-16.1%	127,911
Operating Costs	154,478	175,804	145,928	148,847	2.0%	2,919
Fringe Benefits	619,974	722,447	907,946	984,082	8.4%	76,136
Total Expenditure	4,249,293	4,986,364	5,315,693	5,463,479	2.8%	147,786
Charges for Service	68,902	9,244	20,000	20,000	0.0%	0
Other Misc Revenues	20,263	7,389	3,000	10,000	233.3%	7,000
Total Revenues	89,164	16,633	23,000	30,000	30.4%	7,000

CITY COORDINATOR



MISSION (EXCERPTED FROM THE CITY CHARTER)

The Office of the City Coordinator provides administrative and management services for the City, including but not limited to planning, budgeting and fiscal management, program monitoring and evaluation, personnel, data processing and purchasing. The coordinator shall coordinate City activities as directed by the City Council and shall supervise the inspections department, the Minneapolis Convention Center, convention and tourism, licenses and consumer services, federal programs, and such other activities as the City Council may direct. The City Coordinator after consultation with City agencies shall recommend to the City Council and Mayor a management system for all agencies.

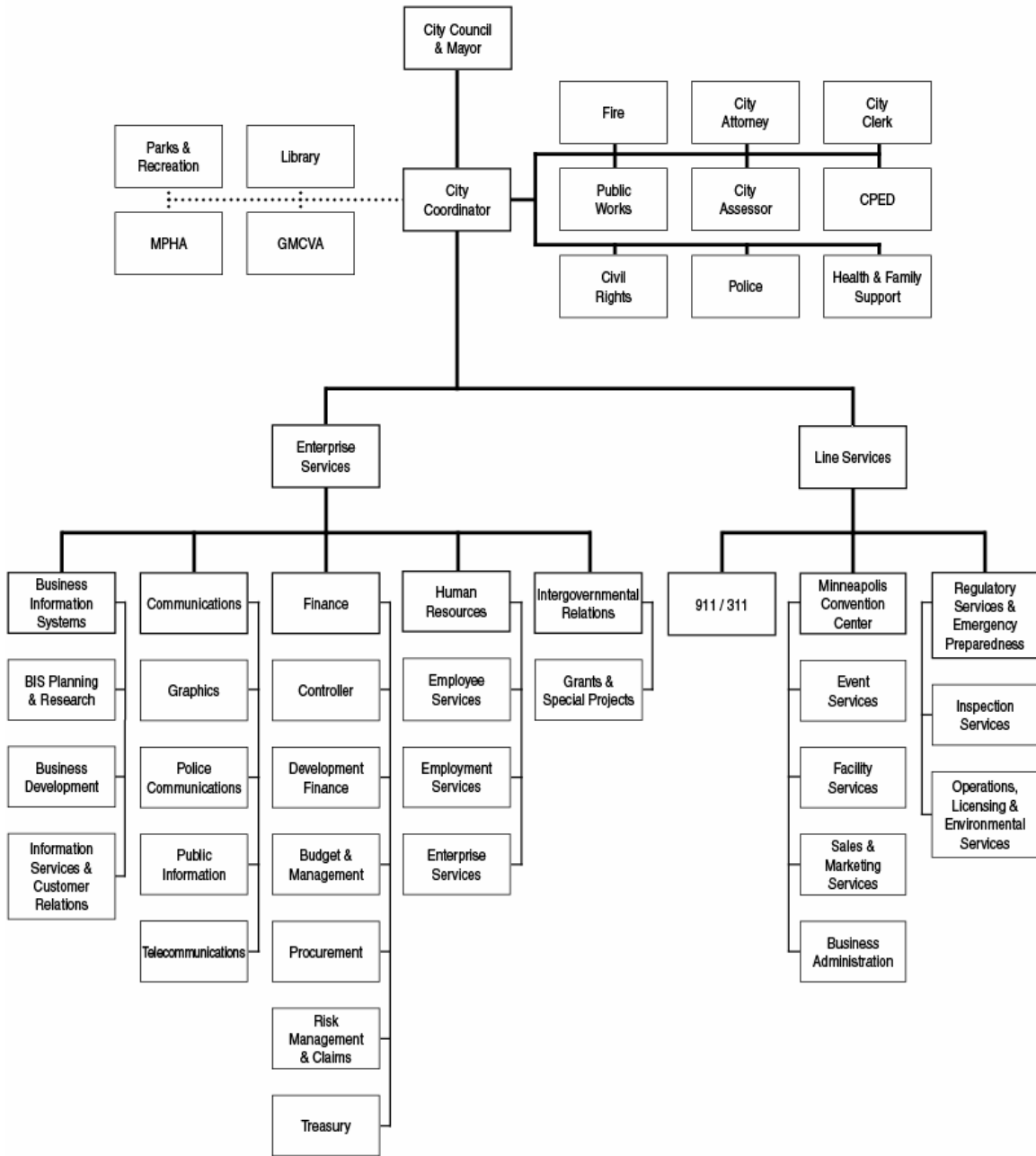
BUSINESS LINES

Strategic Policy Development and Implementation: The City Coordinator acts as a strategic policy advisor to the Mayor and City Council and ensures that policy and project implementation is accountable and consistent with Mayoral and Council direction.

Enterprise Management Services: The City Coordinator provides strategic direction and oversight to the City's management departments including business information services, communications, finance, human resources and intergovernmental relations to ensure the efficiency and effectiveness of the City's internal management services.

Direct Services: The City Coordinator has direct management oversight responsibilities to ensure cost-effective, high-quality service and public accountability for line service departments, including emergency communications (911), non-emergency information and services (311), regulatory services and emergency preparedness, and the work of the Minneapolis Convention Center.

City Coordinator 2007 Organizational Chart



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

Note: As the convener of prioritized enterprise initiatives, the Coordinator's work links to all the City's goals and strategic directions.

Department Goal	Objective	Measure
Shape, monitor progress, and support the implementation and achievement of the City's goals and strategic directions	Develop and support the ongoing implementation of the new City Goals and Strategic Directions	
	Administer business plan process that aligns City direction with department business plans	Council/ Mayor satisfaction with business plans
		Department satisfaction with business plan assistance
	Develop and coordinate <i>Results Minneapolis</i> to enhance accountability and increase opportunity to achieve desired results	Departments perceived value from <i>Results Minneapolis</i>
	Establish City goal and strategic direction accountability mechanisms to monitor progress (<i>i.e.</i> Minneapolis Marquee)	
City Coordinator management and line services are customer focused and continuously improving	Management service departments are recognized as essential and valuable strategic partners to all City departments	Department satisfaction with enterprise service departments
		Utilization rates of coordinator department services
	Development review operations offer streamlined services that serve the needs of the City and customers	Customer satisfaction with development review service
	Minneapolis 311 operation continues to provide excellence in customer service through ongoing refinement of operations, expanded customer services, and close and broadened working partnerships	Internal and external satisfaction with 311
	Customer-focused service is a recognized hallmark of City Coordinator operations	Compilation of ACCs department satisfaction surveys
Actively convene, coordinate and strategically manage (unique) multi-departmental efforts to successful outcomes	Provide strategic coordination with internal and external partners to achieve multi-department, multi-jurisdictional initiatives. Examples: -NORTHforce -Major infrastructure projects (e.g. Twins & Gophers stadiums) -Target Center lease -Resident survey -Employee Survey	Number of multi-department / multi-jurisdictional initiatives City Coordinators Office involved in and then the number that were successful

Department Goal	Objective	Measure
Identify opportunities and streamline key management support services.	Identify and implement a sustainable funding stream and appropriate governance structure for technology operations	
	Streamline and improve human resource processes related to job creation, hiring and termination	Department satisfaction with job creation, hiring, employee training and termination procedures
	Refine budgeting processes that encourage creativity, a focus on value, and the likelihood of achieving desired outcomes	
	Develop management and budget analysis expertise in the City to enhance strategic decision making	Number of departments that agree that Finance is a strategic advisor
	Continue to identify and aggressively address continuous improvement opportunities	Resident satisfaction with City Services
	Be on the front edge of management best practices in all enterprise services for Cities our size	

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Council/ Mayor satisfaction with business plans	N/A	N/A	N/A	N/A	80%	95%
Department satisfaction with business plan assistance	N/A	N/A	N/A	N/A	90%	90%
Departments perceived value from Results Minneapolis	N/A	N/A	N/A	N/A	100%	100%
Department satisfaction with enterprise service departments	N/A	N/A	N/A	N/A	75%	95%
Utilization rates of coordinator department services	N/A	N/A	N/A	N/A	Developing target	Developing target
Customer satisfaction with development review service	N/A	N/A	N/A	N/A	60%	90%
Internal and external satisfaction with 311	N/A	N/A	N/A	N/A	90%	95%
Compilation of ACCs department satisfaction surveys	N/A	N/A	N/A	N/A	Developing target	Developing target
Number of multi-department / multi-jurisdictional initiatives City Coordinators Office involved in and then the number that were successful	N/A	N/A	N/A	N/A	Developing target	Developing target
Department satisfaction with job creation, hiring, employee training and termination procedures	N/A	N/A	N/A	N/A	Developing targets	Developing targets
Number of departments that agree that Finance is a strategic advisor	N/A	N/A	N/A	N/A	70%	95%
Resident satisfaction with City Services	TBA	N/A	TBA	N/A	70%	90%

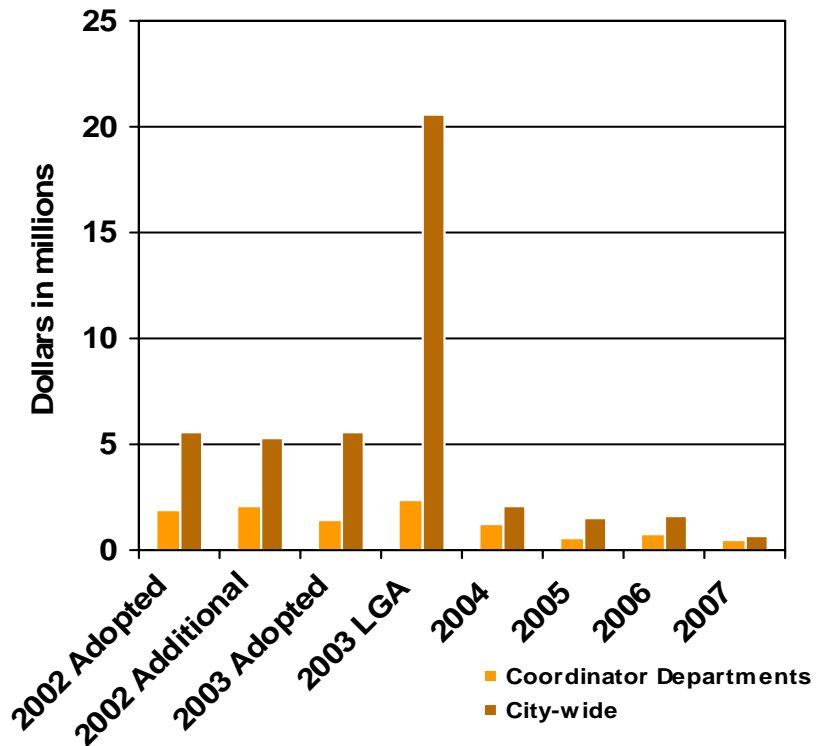
CONTEXT FOR THE DEPARTMENT’S WORK

Re-establishing the Value of Executive Leadership on Enterprise Efforts: With the points of ultimate accountability being quite dispersed throughout the City, there is tremendous value in designating “executive leadership” responsibility on large-scale, multi-departmental or multi-jurisdictional projects. This responsibility will sometimes land in the Office of the City Coordinator or its divisions, or as frequently be assigned elsewhere in the organization. Regardless, a shared notion of what executive leadership involves and demands by the City’s managers is important to our successful implementation of key initiatives.

Assuring the City is Working Smart and the Creative Capacity of All Employees is Fully Tapped: The City’s Administration should have the trust and confidence of residents and elected officials alike – but it will only be achieved if operations focus on the effective delivery of services and all employees are engaged in achieving meaningful outcomes, including understanding their tie to the City’s broad strategic directions.

Funding. While the adopted five-year financial direction has held public safety and several other departments harmless, enterprise management service departments such as Finance, Human Resources and Business Information Services are projected to continue taking budget reductions over the next five years. In addition, although the number of employees to pay, hire and provide technology has stayed the same (or in some departments increased), resources allocated to support these functions for the enterprise have and are expected to continue to decline.

Coordinator: Historical Cuts 2007-11



Given this situation, as well as a heightened reliance on business planning and movement to a more results-driven organization, the departments are in need of additional support for decision-making. As the demand for high-quality, accurate information increases, meeting these demands will be a growing challenge.

While innovation and creativity in providing “back of house” services help to lessen the impact of the reductions, the current situation leaves the enterprise departments poorly

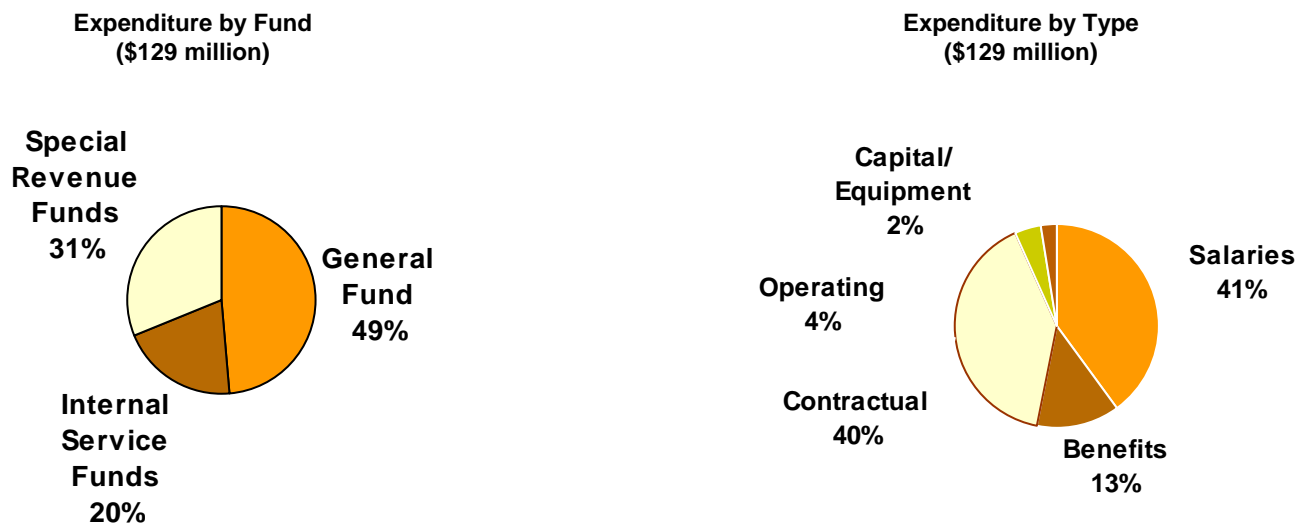
positioned to provide decision support. Departments are beginning to rebuild internal, ad hoc resources to fill these gaps. Ultimately, analysis and research at the department level tends to be more expensive, with departments inventing wheels already designed elsewhere. Further, department analysis and research tend to focus on what is good for the department, rather than broader enterprise concerns.

Expectations Remain Closely Aligned With Available Resources: Having a long-term financial framework should assist us in being grounded in what achievements are realistic with our available resources. Our confidence in making appropriate ties between resourcing and services will be directly related to the quality of our data and analysis. Once five-year business plans are approved, the articulation of department business plans will be demonstrated through their respective annual budget submissions. In addition, we are exploring the use of new tools such as “fiscal notes” to be attached to policy ideas and the feasibility of staff resources being devoted to such analysis.

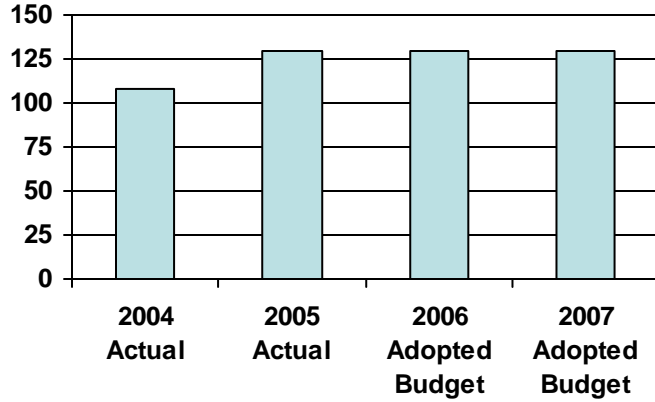
The Quality of Our Partnerships with Public, Non-Profit & Private Sectors Should Only Grow: As resources tighten across the spectrum of government, the importance of connectedness with others expands. Being the largest of Minnesota cities, we can be prone to being insular, even tunnel-visioned about our work. That’s a mistake. We should leverage our ties to others to achieve efficiencies, get more bang for our bucks, and provide better service at a greater value. We’ll focus on reinvigorated relationships with these key partners: City of Saint Paul, Hennepin County, University of Minnesota, metropolitan government & the foundation and business communities; while maintaining our good working partnership with the State & Federal governments.

FINANCIAL INFORMATION FOR ALL COORDINATOR’S DEPARTMENTS COMBINED

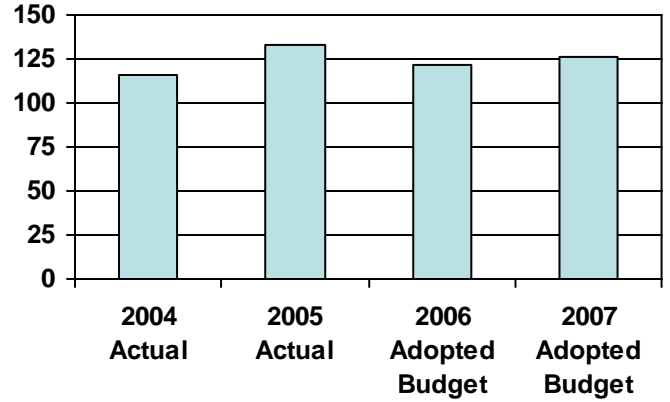
The Coordinator’s 2007 budget is \$129 million, a .03% increase from 2006. The budget is funded by the General Fund, three grant funds, and two internal service funds. The overall change in positions is an increase of six to a total of 917.



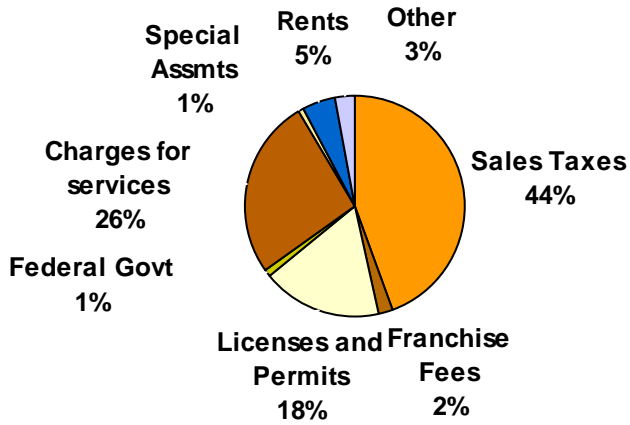
**Coordinator - All departments
Expense 2004-2007
(In millions)**



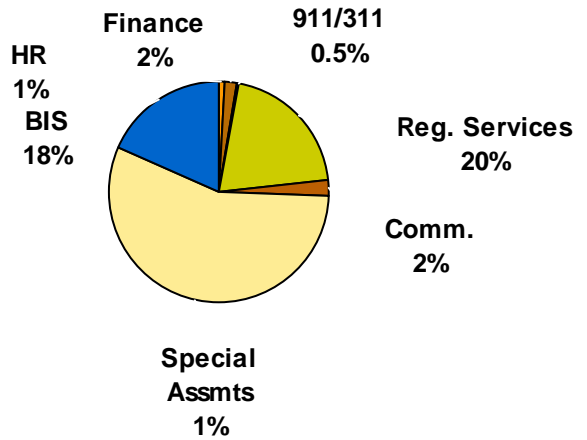
**Coordinator – All Departments
Revenues 2004-2007
(In millions)**



Direct Revenue by Type (\$126.5 million)

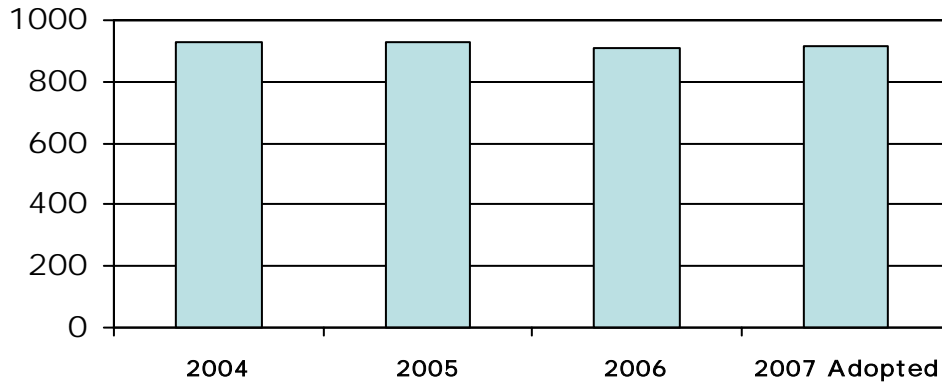


Direct Revenue by Division (\$126.5 million)

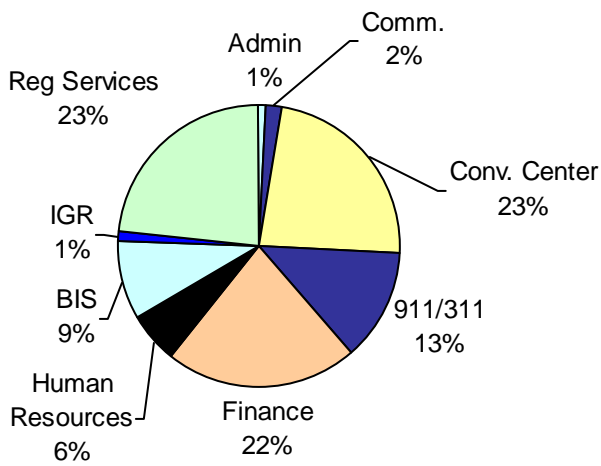


CITY COORDINATOR						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Coordinator Administration	3.00	3.00	3.00	8.00	166.67%	5.00
Communications	15.80	16.80	16.00	17.00	6.25%	1.00
Convention Center	212.60	211.18	211.18	211.18	0.00%	-
911/311	90.50	86.50	117.50	117.50	0.00%	-
Finance	205.00	204.00	202.00	201.00	-0.50%	(1.00)
Human Resources	55.00	53.00	55.00	55.00	0.00%	-
Business Information Services	78.10	80.85	81.60	84.00	2.94%	2.40
Intergovernmental Relations	10.00	10.00	11.00	10.00	-9.09%	(1.00)
Regulatory Services	259.75	263.75	213.75	213.25	-0.23%	(0.50)
Total FTE's	929.75	929.08	911.03	916.93	0.65%	5.90

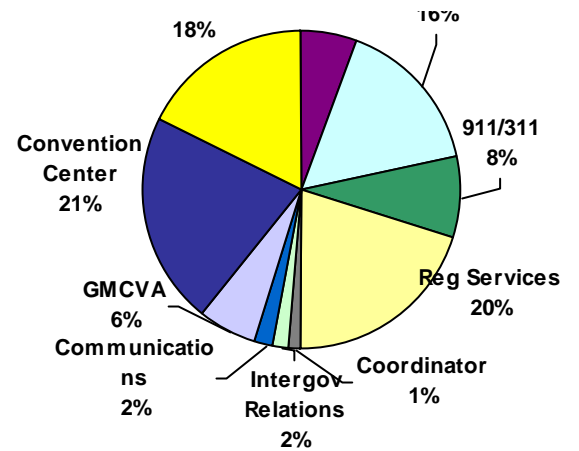
City Coordinator Departments Staff Summary 2004-2007



Staffing by Division (917)



City Coordinator Expenditures by Division (\$129 million)



CITY COORDINATOR

Capital Projects							
Operating Costs	1,019,744	0	0	0			0
Total for Capital Projects	1,019,744	0	0	0			0
Enterprise Funds							
Contractual Services	2,032,333	294,739	0	0			0
Equipment	0	0	0	0			0
Fringe Benefits	1,091,569	498,303	0	0			0
Operating Costs	2,499,746	119,239	0	0			0
Salaries and Wages	3,932,095	1,697,322	0	0			0
Total for Enterprise Funds	9,555,743	2,609,603	0	0			0
General Fund - City							
Capital Outlay	38,643	59,101	604,380	159,784	-73.6%		-444,596
Contractual Services	5,100,138	14,147,613	14,331,271	13,746,926	-4.1%		-584,345
Equipment	797,233	76,894	344,325	192,125	-44.2%		-152,200
Equipment Labor	0	430	0	0			0
Fringe Benefits	7,098,641	8,139,418	10,192,179	10,936,950	7.3%		744,771
Operating Costs	1,129,297	2,108,834	2,322,520	3,012,658	29.7%		690,138
Salaries and Wages	27,594,364	29,734,607	33,722,299	34,444,914	2.1%		722,615
Total for General Fund - City	41,758,317	54,266,897	61,516,974	62,493,357	1.6%		976,383
Internal Service Funds							
Contractual Services	13,809,837	22,545,208	14,217,141	16,017,921	12.7%		1,800,780
Equipment	977,312	674	5,344	5,531	3.5%		187
Equipment Labor	106,818	128,810	0	0			0
Fringe Benefits	1,107,957	1,342,720	1,944,897	2,108,862	8.4%		163,965
Operating Costs	3,254,737	5,242,515	1,037,953	901,445	-13.2%		-136,508
Salaries and Wages	4,773,909	5,453,477	6,858,568	7,176,429	4.6%		317,861
Total for Internal Service Funds	24,030,570	34,713,404	24,063,903	26,210,188	8.9%		2,146,285
Investment Management Funds							
Operating Costs	24,780	229,462	0	0			0
Total for Investment Management Funds	24,780	229,462	0	0			0
Special Revenue Funds							
Capital Outlay	68,585	170,552	54,900	0	-100.0%		-54,900
Contractual Services	17,526,529	21,086,475	24,495,579	22,662,964	-7.5%		-1,832,615
Equipment	1,029,243	3,145,453	4,667,000	2,777,500	-40.5%		-1,889,500
Equipment Labor	1,879	2,038	3,000	0	-100.0%		-3,000
Fringe Benefits	2,628,837	2,759,130	3,293,469	3,629,848	10.2%		336,379
Operating Costs	1,333,469	1,320,967	1,248,909	1,482,390	18.7%		233,481
Salaries and Wages	8,774,381	9,122,341	10,063,586	9,762,969	-3.0%		-300,617
Total for Special Revenue Funds	31,362,921	37,606,955	43,826,443	40,315,671	-8.0%		-3,510,772
Total for CITY COORDINATOR	107,752,075	129,426,321	129,407,320	129,019,216	-0.3%		-388,104

CITY COORDINATOR

Enterprise Funds						
Charges for Sales	785	0	0	0		0
Charges for Service	4,402,500	30,730	0	0		0
Other Misc Revenues	1,742	0	0	0		0
Total for Enterprise Funds	4,405,028	30,730	0	0		0
General Fund - City						
Charges for Sales	12,703	38,943	14,700	14,800	0.7%	100
Charges for Service	6,262,680	787,956	3,348,300	817,800	-75.6%	-2,530,500
Contributions	315,176	7,525	297,500	297,500	0.0%	0
Fines and Forfeits	5,203,778	5,761,352	133,500	169,000	26.6%	35,500
Franchise Fees	2,671,831	2,971,091	2,200,000	2,500,000	13.6%	300,000
Gains	2,563	0	0	0		0
Interest	169,844	9	0	0		0
Licenses and Permits	22,128,049	22,845,045	21,933,257	22,401,712	2.1%	468,455
Local Government	48,949	49,627	47,500	48,925	3.0%	1,425
Other Misc Revenues	95,747	111,347	20,700	16,205	-21.7%	-4,495
Rents	17,216	7,784	8,400	8,400	0.0%	0
Special Assessments	824,654	1,018,956	1,020,000	1,030,000	1.0%	10,000
Total for General Fund - City	37,753,190	33,599,635	29,023,857	27,304,342	-5.9%	-1,719,515
Internal Service Funds						
Charges for Sales	31,697	56,116	10,000	10,000	0.0%	0
Charges for Service	3,718,426	22,340,059	20,223,640	26,305,485	30.1%	6,081,845
Gains	0	58	0	0		0
Interest	290	-83	0	0		0
Other Misc Revenues	562,999	514,175	0	0		0
Total for Internal Service Funds	4,313,411	22,910,325	20,233,640	26,315,485	30.1%	6,081,845
Investment Management Funds						
Gains	1,058,967	-1,079,799	0	0		0
Interest	91,916	4,087,014	0	0		0
Total for Investment Management Funds	1,150,883	3,007,215	0	0		0
Special Revenue Funds						
Charges for Service	4,985,302	6,219,718	5,660,000	5,925,000	4.7%	265,000
Contributions	3,304	9,905	45,988	0	-100.0%	-45,988
Federal Government	397,117	1,446,325	1,374,269	1,297,493	-5.6%	-76,776
Interest	29,285	16,273	0	0		0
Local Government	28,464	6,320	2,308	0	-100.0%	-2,308
Other Misc Revenues	2,694,230	3,121,147	2,580,000	2,471,346	-4.2%	-108,654
Rents	6,467,613	6,867,231	7,415,000	6,290,000	-15.2%	-1,125,000
Sales and Other Taxes	52,169,306	55,064,219	54,811,000	56,316,825	2.7%	1,505,825
State Government	280,721	398,407	500,000	561,322	12.3%	61,322
Total for Special Revenue Funds	67,055,344	73,149,543	72,388,565	72,861,986	0.7%	473,421
Total for CITY COORDINATOR	114,677,856	132,697,447	121,646,062	126,481,813	4.0%	4,835,751

CITY COORDINATOR ADMINISTRATION

FINANCIAL ANALYSIS

EXPENDITURE

The 2007 Budget for the City Coordinator Administration Department is \$1.2 million, a 128% increase from the 2006 budget. The current service level increased due to the addition of the Liability Premium and the transfer of 2 FTEs from other City Coordinator departments.

REVENUE

This Department does not generate revenue.

FUND ALLOCATION

One hundred percent of the City Coordinator's budget is funded by the General Fund.

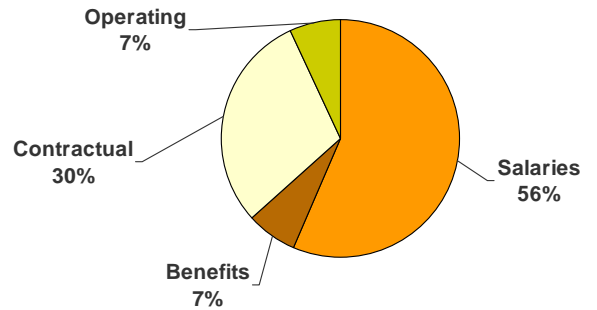
MAYOR'S RECOMMENDED BUDGET

An additional position is added for Results Minneapolis efforts (\$75,000). The Mayor recommends one-time funding for the Tree Trust of \$100,000. The Mayor's recommendation moves the environmental coordinator and one additional position to the Coordinator Administration area (\$180,000) from Regulatory services. The Mayor also recommends one-time funding for external environmental efforts (\$125,000).

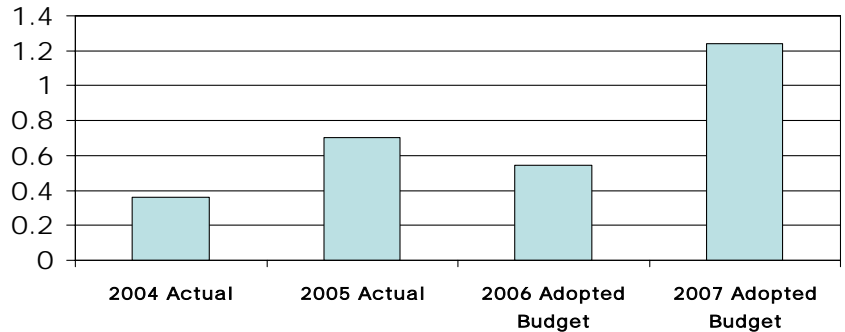
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation.

**Expenditure by Type
\$1.2 million**



Expenditures 2004-2007

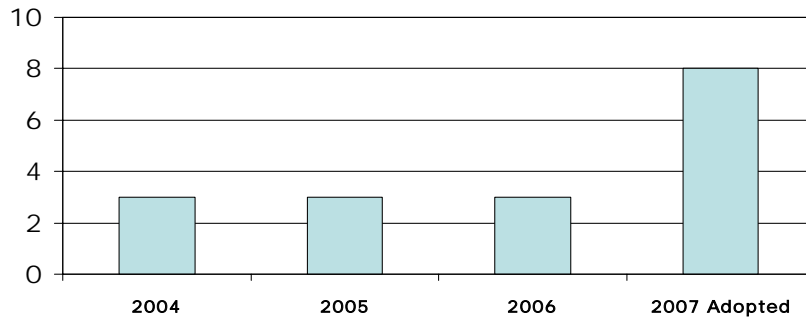


CITY COORDINATOR ADMINISTRATION

Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	%	%
					Change	Change
Total FTE's	3.00	3.00	3.00	8.00	166.67%	5.00

Staffing Summary 2004-2007



EXPENDITURE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
General Fund - City						
Salaries and Wages	214,087	335,555	304,928	672,586	120.57%	367,658
Contractual Services	67,203	266,730	128,937	352,078	173.06%	223,141
Operating Costs	33,818	32,640	39,363	83,748	112.76%	44,385
Fringe Benefits	46,285	68,822	71,072	132,823	86.89%	61,751
Equipment	24	740	1,496	1,548	3.48%	52
Total Expenditure	361,418	704,488	545,796	1,242,783	127.70%	696,987

911/311

MISSION

The Minneapolis Emergency Communications (911) Center's mission is to operate, in a professional manner, a complete public safety answering point and dispatching service for police, fire, and emergency medical service to support the needs of residents, visitors, and businesses in the City of Minneapolis.



Minneapolis **311** serves as the single point of contact to the City of Minneapolis for all non-emergency requests for information and services.



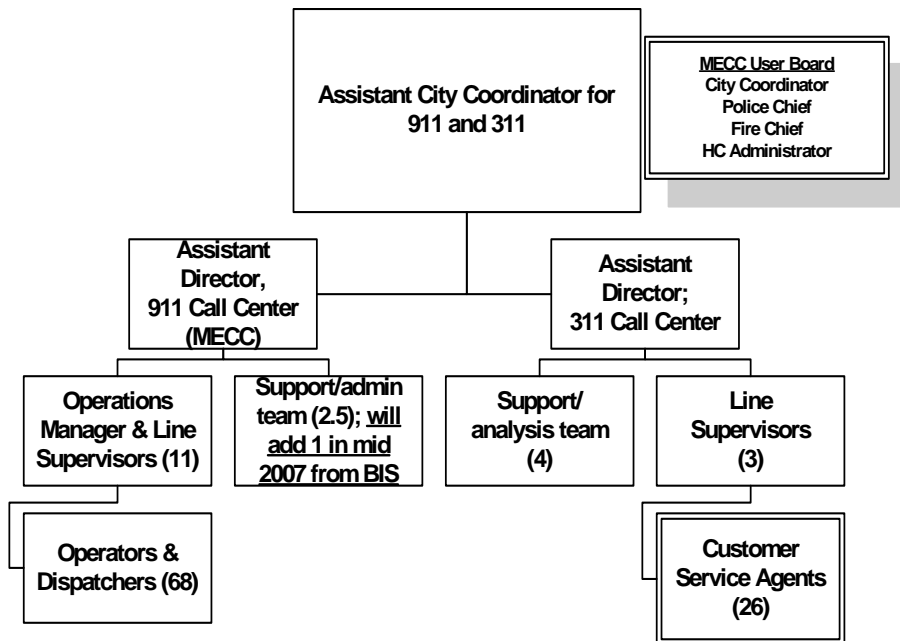
BUSINESS LINES

Emergency Public Safety Communications Services (911)

- Answer 9-1-1 calls for service
- Dispatch emergency responders
- Conduct various administrative tasks in support of internal customers

Non-Emergency City Government Information Provision And Service Request Initiation (311)

- Answer questions via a "knowledge base" or transfer to those who can
- Initiate request for services via the "Frontlink" Customer Relationship Management system
- Provide data on all contacts to inform the continuous improvement activities of the city's departments.



**FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES
(ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)**

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1 – Safe Place	A, B	Improve effectiveness & efficiency of 911 business processes	Maintain or exceed national benchmarks and standards	Answer time; 90% of 911 calls will be answered in less than 10 seconds; 100% in less than 40 seconds (the first standard is required in 10 states)
				Abandoned calls; less than 10%
				Radio usage is near or less than 30% saturated (e.g. 18 minutes per hour or less)
			Improve resident satisfaction	Seek 95% resident satisfaction rating on bi-annual citizen survey.
				99.99+% calls will be complaint-free
			Ensure high priority calls are rapidly assigned to emergency responders	Pending time is at 2005 levels or better
1 – Safe Place 4 – Connected Communities	A, B, S	Semper Paratus (always ready) for 911	Ensure critical systems are reliable (and/or backed up)	Up-time percentages for E-911, CAD, and radio systems
4 – Connected Communities	S, AD, F, H	Ensure a highly qualified, trained and diverse workforce in 911 and 311.	Attract and retain a highly qualified, diverse workforce	Percentage of workforce who are in protected classes.
		Highly qualified workforce...(continued)	Ensure a highly qualified staff	Percent of employees who are evaluated as fully competent
			Maintain a positive departmental culture	Percent positive responses in employee surveys
				Retention rate
1 – Safe Place 2 – One Minneapolis	H, A	Optimize processes in the 311 Center	Consistently accommodate citizens' needs for government information and service initiation	A nswer time: Percent of calls answered in 20 seconds or less (goal is 90%).
				Resident survey satisfaction rating of 95%

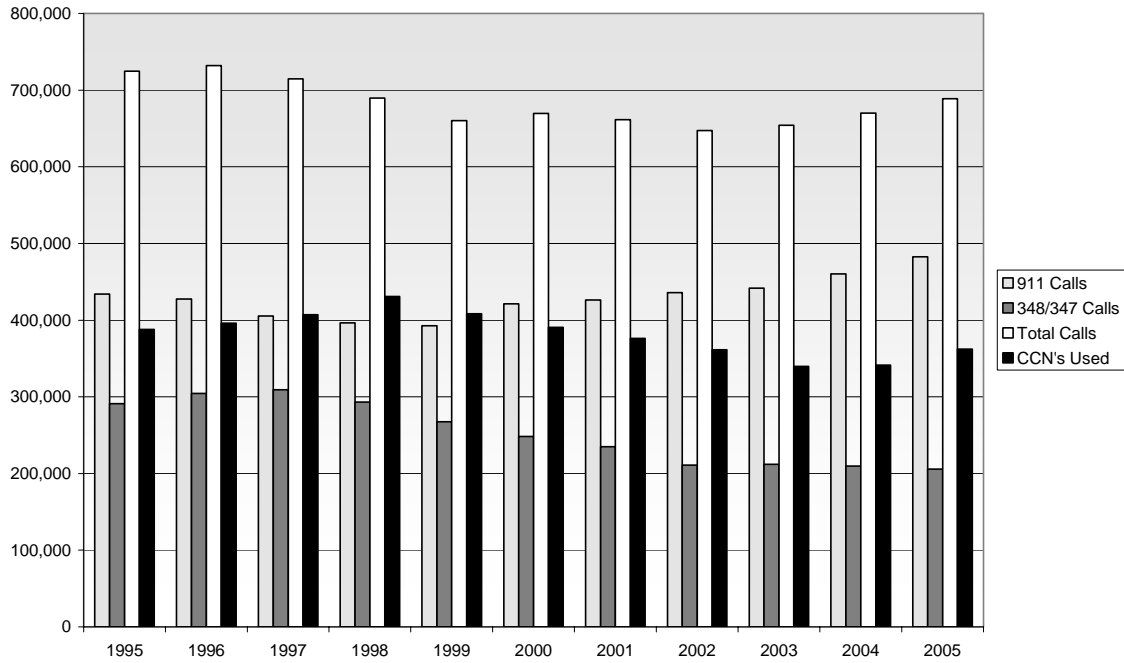
City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
				First-call resolution (a measure of the quality of the knowledge base and the service request completeness) at 85%
				Cost per contact; measured against operational budget
None	None	Explore 311 Center "expansion"	Offer services to external partners when 16 city departments are fully accommodated	
			Expand through self-service offerings	Develop baseline in Q4 of '06 and double each quarter in '07.

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data (thru May)	2007 Target	2011 Target
911 answer time (sec)	6.09	6.51	6.4	6.36	5.5	5.5
911 Pending time *	2min 19 sec	2m 17 sec	2m 51 sec	2m 58 sec	2 min	1 min
911 Citizen satisfaction	91%	89%	93%	N/A	95%	98%
911 sustained complaints (total/% sustained)	106/65%	115/64%	88/56%	24/37%	50/33%	25/15%
Abandon calls; 911/311 %	10%/NA	10.5%/NA	11%/NA	12%/3%	10%/3%	3%/3%
311 answer time (sec)	N/A	N/A	N/A	9 sec	9 sec	9 sec
311 calls answered (<20 sec)	N/A	N/A	N/A	93.6%	90%	90%
311 first-call resolution	N/A	N/A	N/A	67%	85%	90%
Citizen satisfaction with contacting city (from survey data)	75%	N/A	75%	N/A	95%	98%
Cost per contact for 911/311	N/A	\$9.25/NA	\$9.99/NA	\$10.40/\$8.91	\$10/\$8.75	\$10/\$8

*PENDING TIME = ELAPSED TIME FROM CAD ENTRY TO DISPATCH (FOR HIGH PRIORITY CALLS ONLY)

CONTEXT FOR THE DEPARTMENT'S WORK

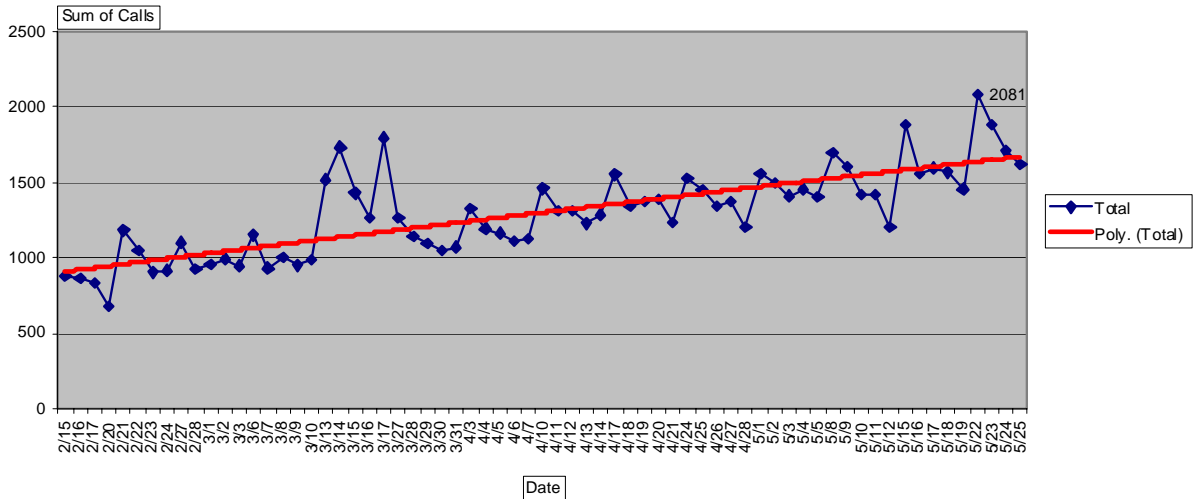
Activity Totals 1995 - 2005



- “348/347” calls are those to the 7-digit non-emergency lines
- CCN's refer to police case control numbers; a close proxy to dispatch activity.

Day{(All)}Time{(All)}Shift{(All)}

Volume and Trend of calls



- The data shown above represents the 311 call and e-mail receipt data from February 15 through May 25, 2006.

Cities with 311 Non-Emergency Telephone Service



FINANCIAL ANALYSIS

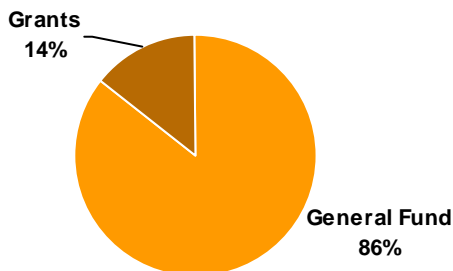
EXPENDITURE

The 2007 financial direction budget for 911/311 is \$10.9 million, a 25% decrease over the 2006 Adopted Budget. The decline is largely in grant funded non-personnel costs. The General Fund supports 911/311 with \$9.6 million, a 1.8% decrease over 2006.

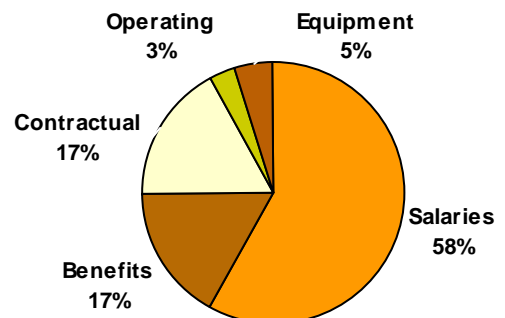
Personnel expense makes up 75% of the Department's budget and Contractual Services makes up 17% of the budget. With a reduction in contractual and other operating costs, the budget is consistent with the five-year financial plan after growth and reduction, requiring no target strategy.

Non-personnel expenses represent approximately 25% of the Department's budget, of which the majority is paid to the City's Internal Service funds for BIS charges, phones, self insurance, parking and benefit administration fees. The remainder is for training, equipment, memberships and supplies.

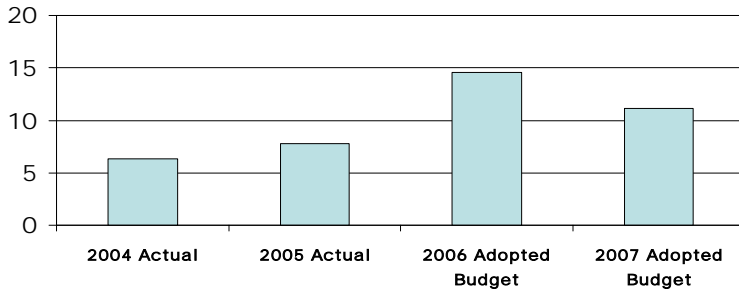
Expenditures by Fund (\$10.9 m)



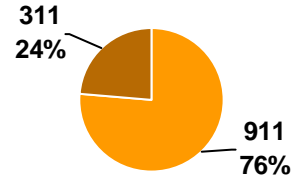
Expenditures by Type (\$10.9 m)



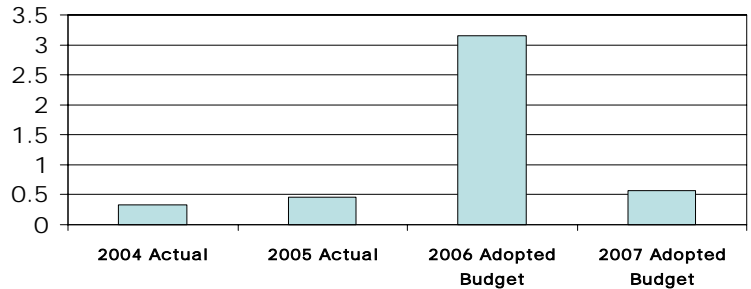
Expenditures 2004-2007



Expenditure by Division (\$10.9 M)



Revenues 2004-2007



REVENUE

In 2007, the 911/311 department will no longer charge departments for their portion of the 311 service expenses; instead, the City has reduced these amounts in department budgets. As a result, the 911/311 revenue budget decreases by 82%, or \$2.6 million, from 2006.

FUND ALLOCATION

Approximately 86% of the 911/311's budget for 2007 comes out of the General Fund, with the remainder coming from grants.

MAYOR'S RECOMMENDED BUDGET

The Mayor accepted the department's strategy to meet the financial direction. The Mayor increased funding by \$250,000 for 311 to fund weekend operations, including the addition of 5 positions. The Mayor recommended \$80,000 in one-time training money for the implementation of the CAD system.

COUNCIL ADOPTED BUDGET

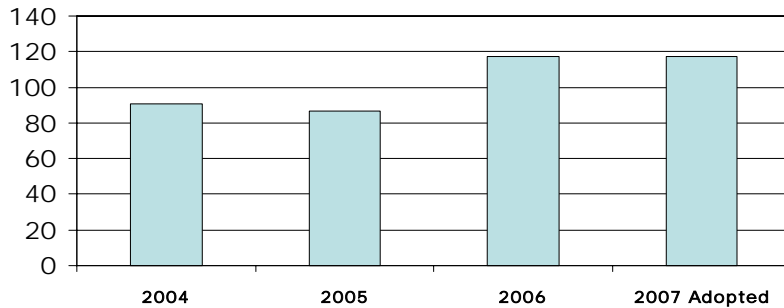
The Council removed funding for weekend 311 hours.

911 / 311

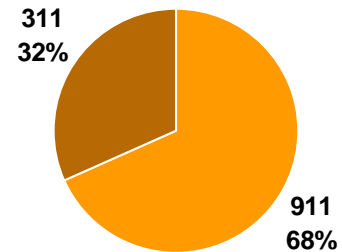
Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	% Change
Total FTE's	90.50	86.50	117.50	117.50	0.00%	-

Staffing Summary 2004-2007



Positions by Division (117.5)



EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	6,338,821	7,778,942	14,539,070	10,901,757	-25.02%	-3,637,313
Total Revenues - All Funds	331,611	465,421	3,150,000	567,500	-81.98%	-2,582,500
General Fund - City						
Salaries and Wages	4,470,904	4,682,769	6,004,345	6,285,778	4.69%	281,433
Contractual Services	176,218	508,663	1,301,919	836,587	-35.74%	-465,332
Operating Costs	304,745	309,528	572,605	331,048	-42.19%	-241,557
Fringe Benefits	1,216,175	1,299,156	1,866,892	1,865,209	-0.09%	-1,683
Equipment	6,124		9,309	9,635	3.50%	326
Total Expenditure	6,174,166	6,800,115	9,755,070	9,328,257	-4.38%	-426,813
Charges for Service	51,126	50,690	2,650,000	50,000	-98.11%	-2,600,000
Other Misc Revenues	80	63			0.00%	0
Total Revenues	51,206	50,753	2,650,000	50,000	-98.11%	-2,600,000
Special Revenue Funds						
Contractual Services	156,127	742,932	4,284,000	1,056,000	-75.35%	-3,228,000
Operating Costs	8,047	29,881			0.00%	0
Equipment	482	206,014	500,000	517,500	3.50%	17,500
Total Expenditure	164,655	978,827	4,784,000	1,573,500	-67.11%	-3,210,500
Federal Government				0	0.00%	0
State Government	251,070	398,395	500,000	517,500	3.50%	17,500
Interest	29,285	16,273			0.00%	0
Other Misc Revenues	50				0.00%	0
Total Revenues	280,405	414,668	500,000	517,500	3.50%	17,500

BUSINESS INFORMATION SERVICES

MISSION

Business Information Services drives effective management of City government by:

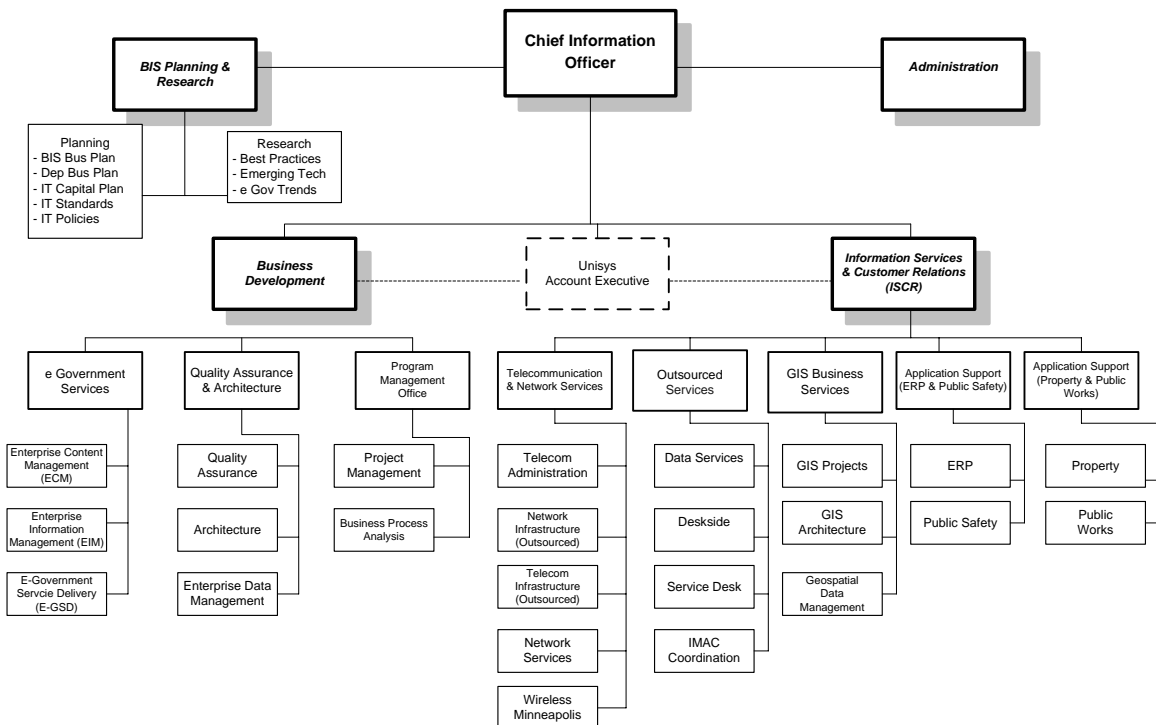
- Leading change and improving business outcomes
- Implementing information technology solutions that meet business needs
- Providing cost-effective, efficient and reliable information services
- Ensuring that the “business” of BIS runs smoothly and effectively

BUSINESS LINES

Business Development Services: Business Development Services implements information technology services and solutions that meet business needs. This includes re-engineering business processes, managing information technology programs, establishing and leveraging enterprise architecture and technology investments, and expanding e-government services.

Business Support Services: Business Support Services partners with City departments to sustain and enhance business operations, applications, and information technology infrastructure.

BIS Organization Chart
Effective 01/01/07



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

Note: The BIS contribution to achievement of the City Goals is primarily indirect. BIS contributes to achieving the City goals through its efforts to provide the technology infrastructure crucial to delivery of City services. BIS also partners with City departments to lead change and improve business process outcomes in the enterprise effort to achieve the City’s vision for the future.

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
4-Connected Communities 6-Premier Destination	4c, 6a, 6b, 6d	Lead change and improve business process outcomes	BIS forges partnerships with City departments to understand business needs.	Percent of respondents saying that BIS functions “well” or better as a business partner.
				Percent of respondents saying that BIS meets their business needs “well” or better.
			BIS forges partnerships with City departments to streamline business processes.	Number of re-engineered business processes implemented.
			Technology projects are collaboratively implemented and on-time and on-budget.	Percent of respondents saying BIS project management “adds value” to is “very valuable”.
				Percent of respondents saying projects are “usually” or “always” completed on-time.
				Percent of major information technology projects completed on-budget.
1-Safe Place 2-One Minneapolis	1a, 1b, 1c, 2c	Implement technology solutions that meet business and citizen needs	BIS responds to business needs and delivers expected results.	Number of major IT projects with post-implementation audits to determine if business case or ROI (VOI) targets were met.
			Citizens and businesses conveniently access city services.	Number of services to citizens provided online.
				Dollar volume of online services
				Percent of City Resident Survey respondents rating the ease of use of the City’s web site as “good” or “very good”.
4-Connected Communities	4c	Provide cost effective, efficient and reliable information and consultation services	Customers are satisfied with BIS services and information systems.	Percent very satisfied and satisfied with the overall quality of BIS services.

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
				Percent of respondents saying the Service Desk is "usually effective" to "exceptional".
				Percent of respondents saying they are "satisfied" to "very satisfied" with the amount of time it takes Deskside Support to resolve the issue.
				Number of departments with which BIS has Service Level Agreements (SLAs).
			City staff is empowered with information and has the technology tools to do their jobs.	Percent of respondents saying that the hardware (computer, printer, phone) supports their daily work "well" or "very well."
			Information systems meet customers' needs for availability, reliability, scalability and security.	Level of SAS 70 *compliance. (*SAS 70, the auditing standard, used in verifying and assessing business security controls.)
				Percent of customers reporting they rarely or never experience downtime with their computer.
				Percent of time the City's servers and network are available.
				Percent of City voice and data circuits with a utilization rate of greater than 60%.
			BIS satisfies customers through the use of best practices.	Customer satisfaction with application support.
4-Connected Communities 6-Premier Destination	4c, 6a	Ensure that the business of BIS runs smoothly and effectively	BIS organizes and manages itself to provide value to the enterprise, businesses and citizens	Cost of BIS operations benchmarking to industry average.
				Budget variance (operating and capital) at year end.

MEASURES, DATA AND TARGETS TABLE

Measure	2005 Data	2006 Data	2007 Target	2011 Target
Percent of respondents saying that BIS functions "well" or better as a business partner.	No data available.	31%	40%	85%
Percent of respondents saying that BIS meets their business needs at a level of "well" or better.	No data available.	35%	40%	75%
	No data	78 (through May)	300	300

MEASURES, DATA AND TARGETS TABLE				
Measure	2005 Data	2006 Data	2007 Target	2011 Target
Number of re-engineered business processes implemented annually.	available.			
Percent of respondents saying BIS project management "adds value" to is "very valuable."	No data available.	64%	70%	90%
Percent of respondents saying projects are "usually" or "always" completed on-time.	No data available.	60%	70%	90%
Percent of major information technology projects completed on-budget.	No data available.	Data being gathered.	90%	90%
Number of major information technology projects with post-implementation audits to determine if business case or ROI (VOI) targets were met.	0	1	2	45% of major IT projects.
Number of services to citizens provided online.	No data available.	Data being gathered.	Data being gathered.	Data being gathered.
Dollar volume of online services.	Data being gathered.	\$2.7 million (through May)	Data being gathered.	Data being gathered.
Percent of City Resident Survey respondents rating the ease of use of the City's web site as "good" or "very good".	No data available.	68%	70%	80%
Percent very satisfied and satisfied with the overall quality of BIS services.	No data available.	63%	70%	85%
Percent of respondents saying the Service Desk is "usually effective" to "exceptional".	No data available.	73%	80%	85%
Percent of respondents saying that they are "satisfied" to "very satisfied" with the amount of time it takes Deskside support to resolve an issue.	No data available.	57%	65%	90%
Number of departments with which BIS has current Service Level Agreements (SLAs).	0	0	10	16
Percent of respondents saying that the hardware (computer, printer, phone) supports their daily work "well" or "very well".	N/A	66%	70%	80%
Level of SAS 70 (security control audit standard) compliance.	15 issues; 2 high risk	8 issues; None high risk	7 issues; None high risk	5 issues; None high risk
Percent of customers reporting they rarely or never experience downtime with their computer.	No data available.	64%	70%	85%

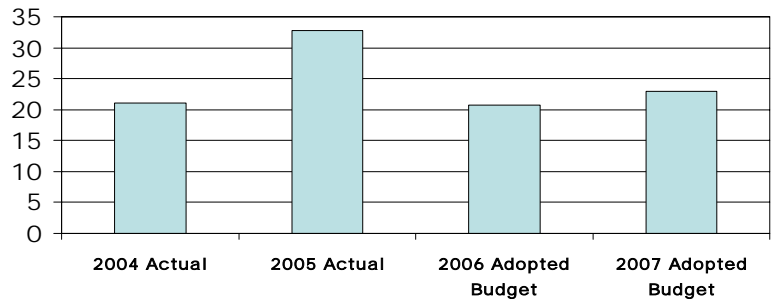
MEASURES, DATA AND TARGETS TABLE				
Measure	2005 Data	2006 Data	2007 Target	2011 Target
Percent of time the City's servers and network are available.	99.99%	99.99%	99.99%	99.99%
Percent of City voice and data circuits with a utilization rate of greater than 60%.	No data available.	Data being gathered.	0	0
Customer satisfaction with application support.	No data available.	67%	70%	80%
Cost of BIS operations benchmarking to industry average.	No data available.	Data being gathered.	TBD	TBD
Budget variance (operating and capital) at year end.	0	0	0	0

FINANCIAL ANALYSIS

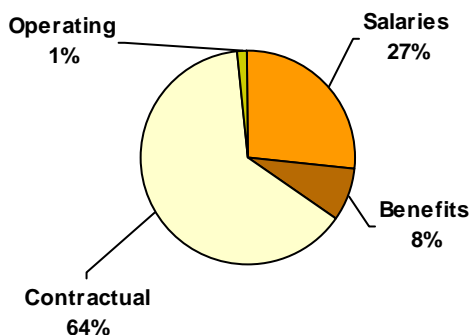
EXPENDITURE

The 2007 Business Information Services budget is \$23 million, a 10% or \$2.1 million increase over the 2006 Adopted Budget. Most of the increase is attributable to the ongoing support costs to the PMO Division within BIS. These ongoing costs support the MECC CAD initiative as well as other customer sponsored projects, and are being off-set by revenues received from the sponsors.

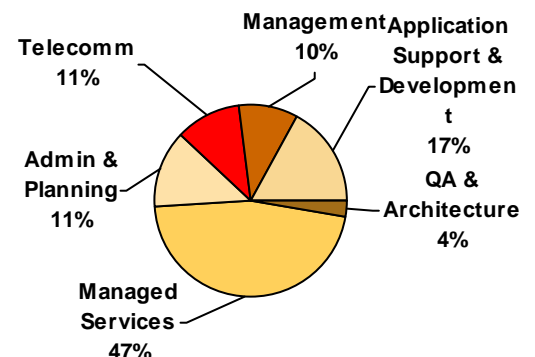
Expenditures 2004-2007



Expenditures by Type (\$23 million)



Expenditures by Division (\$23 million)



REVENUE

The BIS revenue budget is \$23.2 million, a 22% increase or \$4.2 million over the 2006 Adopted Budget. The majority of this increase in revenue is attained from customer sponsored projects, most notably the MECC CAD initiative. The rate model created a

reclassification of the revenue from *Transfers* (non-operations) to *Charges for Service* (operations) in 2005.

FUND ALLOCATION

BIS is fully funded through the Intergovernmental Services Internal Service Fund.

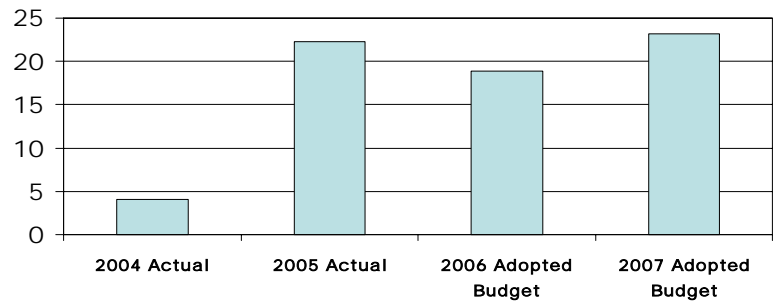
MAYOR'S RECOMMENDED BUDGET

The Mayor directed the department to reduce its budget as included in the financial direction (\$200,000). An increase to the telecom rate model was included in the Mayor's budget (\$410,000) funded by increased charges to other departments.

COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation. The data center moved to the City's Clerk budget as technical change between the recommended budget and final budget adoption.

Revenues 2004-2007

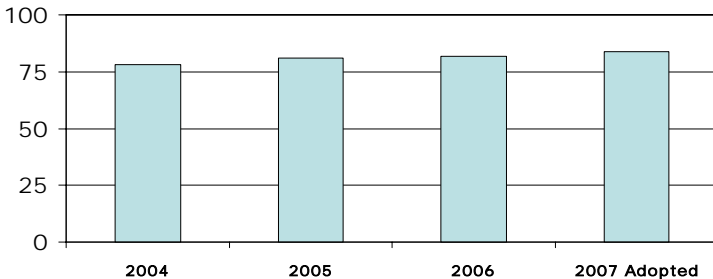


BUSINESS INFORMATION SERVICES

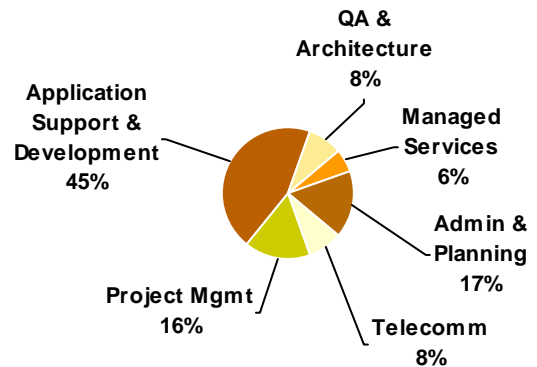
Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	78.10	80.85	81.60	84.00	2.94%	2.40

Staffing Summary 2004-2007



Positions by Division (82)



**BUSINESS INFORMATION SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Internal Service Fund*						
Salaries and Wages	4,002,374	4,665,617	5,754,698	6,125,035	6.4%	370,337
Equipment Labor	106,818	128,810			0.0%	0
Contractual Services	12,937,928	21,291,336	12,836,121	14,589,054	13.7%	1,752,933
Operating Costs	2,039,199	5,473,114	467,997	315,042	-32.7%	-152,955
Fringe Benefits	929,429	1,148,397	1,682,041	1,788,008	6.3%	105,967
Equipment	976,856				0.0%	0
Total Expenditure	20,992,604	32,707,275	20,740,857	22,817,139	10.0%	2,076,282
Federal Government	122,752	597,469			0.0%	0
Charges for Service	3,341,356	21,150,542	18,921,752	23,142,139	22.3%	4,220,387
Charges for Sales	31,697	56,116	10,000	10,000	0.0%	0
Interest	290	-101			0.0%	0
Gains		58			0.0%	0
Other Misc Revenues	562,999	514,175			0.0%	0
Total Revenues	4,059,093	22,318,260	18,931,752	23,152,139	22.3%	4,220,387

Note: In 2004 and 2005, the department had grant funding for specific projects. These amounts are included in the history above.

COMMUNICATIONS

MISSION

To assist City Departments and policy-makers in effectively and accurately communicating information about the City of Minneapolis, and to engage the public in the governing process, so that the citizens and visitors of the City better appreciate, understand and benefit from our services.

BUSINESS LINES

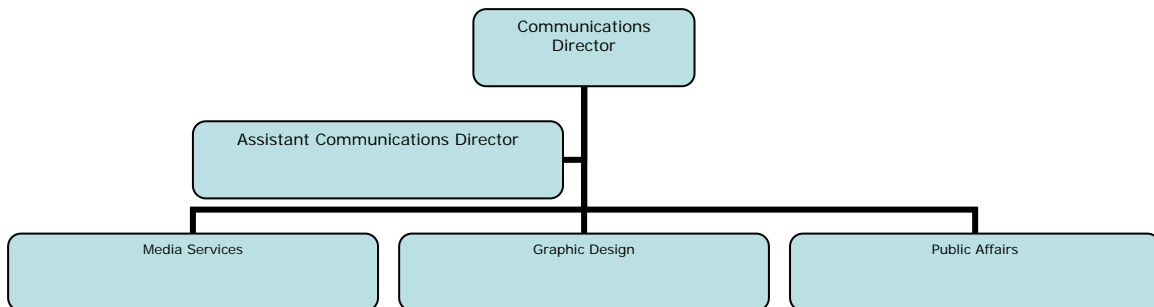
Assist elected officials and city departments with all communications functions-internal and external: Communications staff provides strategic communications support and planning to all City departments and elected officials, edits and designs print publications and other communications products, manages and oversees Internet and intranet Web content and government cable access, and oversees employee communications. It does this through direct staff support, establishing protocols and procedures for departments, conducting trainings and department-specific communications planning efforts.



Manage the City’s cable franchise: Communications manages the City’s cable franchise, including overseeing the current franchise agreement, negotiating of a new franchise agreement and handling consumer complaints.

Oversee and assist with Community Engagement at the individual department level: Per Council direction, the Communications Department is charged with overseeing the City’s community engagement efforts. The department works to maximize the consistency and effectiveness of the City’s community engagement, and any service change that results from engagement. It does this through establishing and promoting Citywide standards and practices for departments, coordinating efforts of departments (to minimize duplicative efforts and maximize positive engagement experiences for residents), providing strategic guidance on individual engagement efforts, and training department personnel in the latest tools and techniques of community engagement.

ORGANIZATION CHART



**FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES
(ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)**

Note: The department’s work touches on all the City’s goals and many of the strategic directions. More specific connections are made to for the department’s work on Community Engagement (see below).

Department Goal	Objective	Measure
Effectively tell the City’s story to its internal & external customers.	Provide timely communications strategies to City of Minneapolis departments and policy-makers in order to connect the appropriate message to the appropriate audience using the most appropriate media.	% change (increase/decrease from baseline over time) in City Departments provided communication planning assistance from Communications Department.
		% of communications plans that include message, audience and media components.
		Development of annual communications planning calendar (this is an output)
	Connect City of Minneapolis departments, employees and policymakers to the appropriate tools and knowledge to effectively communicate to their audiences	% of departments that believe the tools are useful in facilitating communications.
		% of departments that are aware of and are using the Communications Department’s support tools.
		% increase in City survey respondents who rate City Web site as good or very good.
		% increase in City survey respondents who rate City’s effectiveness at informing residents on major issues in the City as good or very good
	Identify and assess the level of a crisis to prepare departments and policy-makers to communicate accurate, timely and consistent information so that people may take appropriate action and remain confident in Minneapolis city government.	% of departments / policy-makers who are aware of and are using the Crisis communications plan.
		% of affected public (surveyed?) who felt informed and safe during a “crisis”
		Develop a “crisis criteria” (output)
		Initiate a Crisis Event Communications debrief (output)
	Conduct regular evaluations of media content and impact to promote fair and accurate reporting of the City and its services.	% of department complaints of media quality that are validated by further evaluation
		% of media stories that meet criteria for “fair, balance, and accurate” reporting
	Seek, find and encourage compelling stories of City employees and accomplishments to provide a rich picture of the scope and scale of City services and the people who deliver them.	% of department “contacts” that result in a story extraction
		% of above extractions that result in a story in the media

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
Safe Place One Mpls Life Long Learning Connected Communities Enriched Environment	1b, 1d, 1e; 2c; 3b, 3e, 3f; 4e; 5d, 5e;	Enhance and standardize community engagement practices.	Provide incentives, training, tools and techniques to City of Minneapolis departments and policy-makers to ensure that citizens are appropriately aware of – and invited to participate in – decisions that affect them.	% of departments that are aware of and are using the City's community engagement model
				% of departments that have incorporated Community Engagement goals into their strategic plan
				% of survey respondents who state that they were aware of and/or participated in a community engagement event/activity.
				% increase in survey respondents who rate as good or very good, the opportunities the City gives to provide input on important issues

MEASURES, DATA AND TARGETS TABLE						
Measure	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
% increase in City survey respondents who rate City Web site as good or very good.			Baseline data: 70% useful information; 72% design/graphics; 68% ease of use			
% increase in City survey respondents who rate City's effectiveness at informing residents on major issues in the City as good or very good	44%		51%		N/A	
% of communications plans that include message, audience and media components.	N/A	N/A	N/A	Data being gathered		
Development of annual communications planning calendar (this is an output)	N/A	N/A	N/A	Output measure	NA	NA
% of departments that believe the tools are useful in facilitating communications.	N/A	N/A	N/A	Baseline data being gathered	N/A	N/A

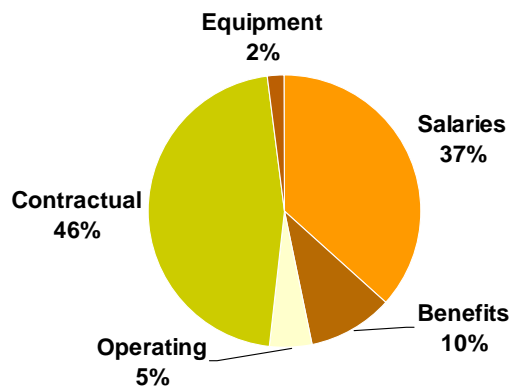
Measure	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
% of departments that are aware of and are using the Communications Department's support tools.	N/A	N/A	N/A	Baseline data being gathered	N/A	N/A
% of departments/policy-makers who are aware of and are using the Crisis communications plan.	N/A	N/A	N/A	Baseline data being gathered	N/A	N/A
% of affected public (surveyed?) who felt informed and safe during a "crisis"	N/A	N/A	N/A	N/A	N/A	N/A
Develop a "crisis criteria" (output)	N/A	N/A	N/A	Output measure	N/A	N/A
Initiate a Crisis Event Communications debrief (output)	N/A	N/A	N/A	Output measure	N/A	N/A
% of department complaints of media quality that are validated by further evaluation	N/A	N/A	N/A	Baseline data being collected	N/A	N/A
% of media stories that meet criteria for "fair, balance, and accurate" reporting	N/A	N/A	N/A	Baseline data being collected	N/A	N/A
% of department "contacts" that result in a story extraction	N/A	N/A	N/A	Baseline data being collected	N/A	N/A
% of above extractions that result in a story in the media	N/A	N/A	N/A	Baseline data being collected	N/A	N/A
% of departments that are aware of and are using the City's community engagement model	N/A	N/A	N/A	Baseline data being collected	N/A	N/A
% of departments that have incorporated Community Engagement goals into their strategic plan	N/A	N/A	N/A	Baseline data being collected	N/A	N/A
% of survey respondents who state that they were aware of and/or participated in a community engagement event/activity.	N/A	N/A	N/A	Baseline data being collected	N/A	N/A
% increase in survey respondents who rate as good or very good, the opportunities the City gives to provide input on important issues			Baseline data: 56% good/very good	N/A	N/A	N/A

FINANCIAL ANALYSIS

EXPENDITURE

The 2007 expense budget for the Communications Department, which includes Public Affairs, Graphics, Cable Regulation, and Video Services, is \$2.5 million – a 6.5%, or \$153,000 increase from the 2006 Adopted Budget. This is in line with the five-year financial

Expenditures by Type (\$2.5 Million)



direction. In 2006, all divisions merged into one organization called Communications.

REVENUE

The Communications Department's \$2.8 million revenue budget increases by 12% or \$300,000 from 2006, based on actual revenues from the cable franchise.

FUND ALLOCATION

The Communications Department is funded entirely by the General Fund in 2007.

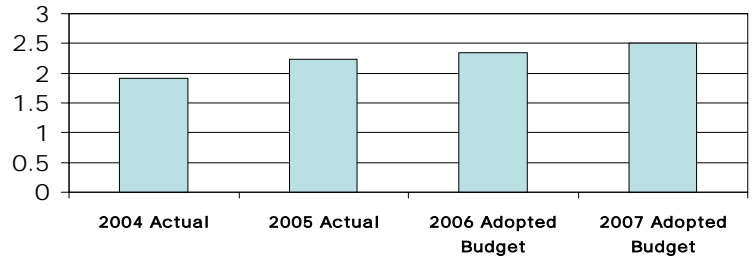
MAYOR'S RECOMMENDED BUDGET

The Mayor's recommended budget included \$700,000 annual draw downs of the cable franchise settlement over the next five years. This recommendation results in level funding for cable-related items until an increase to Public, Educational and Governmental (PEG) programming fees comes on line in 2012.

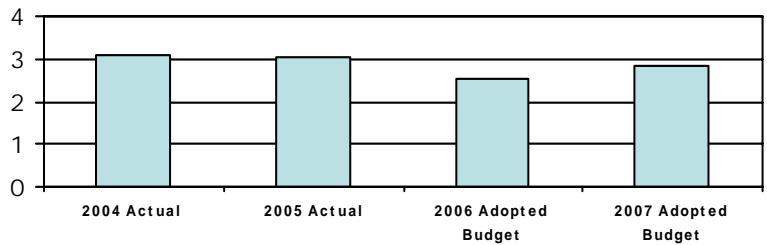
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation.

**Expenditures 2004-2007
(\$2.5 million)**

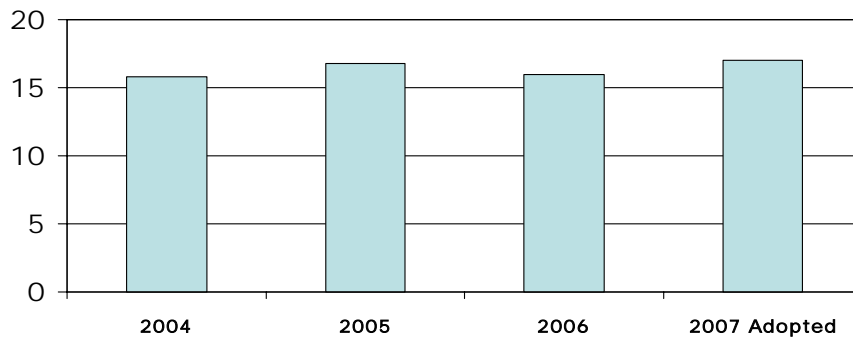


**Revenues 2004-2007
(\$2.83 million)**



COMMUNICATIONS						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	% Change
FTE's by Division						
Public Affairs	8.80	10.80	16.00	17.00	6.25%	1.00
Graphics & Cable	2.00	3.00	-	-	-	-
Video Services	5.00	3.00	-	-	-	-
Total FTE's	15.80	16.80	16.00	17.00	6.25%	1.00

Staffing Summary 2004-2007



COMMUNICATIONS EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
General Fund - City						
Salaries and Wages	741,862	755,208	871,919	916,729	5.1%	44,810
Contractual Services	881,762	1,185,171	1,090,733	1,163,314	6.7%	72,581
Operating Costs	46,312	69,520	77,078	125,005	62.2%	47,927
Fringe Benefits	184,883	189,790	263,120	249,519	-5.2%	-13,601
Equipment	66,180	41,308	46,151	47,766	3.5%	1,615
Total Expenditure	1,920,998	2,240,997	2,349,001	2,502,333	6.5%	153,332
Franchise Fees	2,671,831	2,971,091	2,200,000	2,500,000	13.6%	300,000
Charges for Service	3,814				0.0%	0
Charges for Sales	11,605	38,556	14,600	14,600	0.0%	0
Rents	17,216	7,784	8,400	8,400	0.0%	0
Contributions	331,103	11,947	297,500	297,500	0.0%	0
Other Misc Revenues	54,978	11,537	6,100	6,100	0.0%	0
Total Revenues	3,090,548	3,040,914	2,526,600	2,826,600	11.9%	300,000

CONVENTION CENTER

MISSION

The Minneapolis Convention Center is the national convention and trade show venue of the State of Minnesota. By hosting events and offering a variety of services, the Minneapolis Convention Center showcases and provides economic benefit to Minneapolis and the surrounding region.

We will provide an exceptional product, in a safe environment, while maintaining the integrity and financial health of the facility.



BUSINESS LINES

Event Services is responsible for providing an exceptional product through the coordination of both in-house departments and contracted services for these major event activities: Guest/Patron Services, Show/Client Services, and Exhibitor Services. Event Services coordinates the areas of production, set-up, event coordination, and guest needs

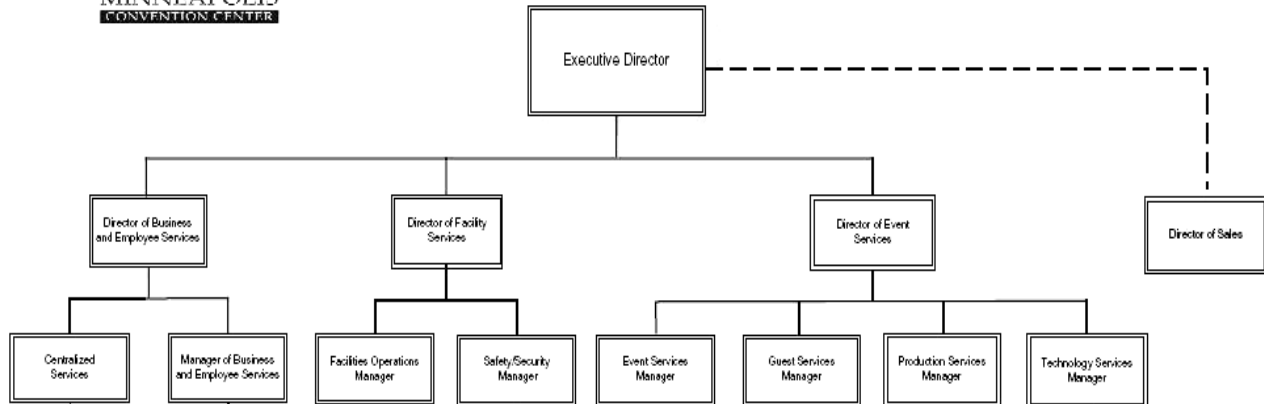
Facility Services ensures that sufficient building, safety and capital resources are available to maintain world-class for our customers. Proper maintenance, contract management and capital planning are key to maintaining a world-class facility. Facility Services coordinates the areas of safety and security, parking and marshaling operations, building and grounds maintenance, capital project planning and management as well as custodial operations.

Sales and Marketing Services provides the first point of contact for all business. This group is responsible for providing information about the facility, identifying and attracting events, maintaining relationships, and gathering data on how the MCC serves customers. The majority of these services are provided through the Greater Minneapolis Convention and Visitors Association (GMCVA) in coordination with the Convention Center's Executive Management Team.

Business and Employee Services – This 'new' area is the result of a growing need for depth and sophistication in the business reporting requirements for our executive management team as well as a response to shortcomings in our employee relations and employee development areas identified in our organizational assessment. Although this area is traditionally not emphasized in the City workforce, we are at a point where our labor force must be fully appreciated, fully developed and fully utilized to move us to the next level of customer service. Appointing a director to drive this business line is critical.



**Minneapolis Convention Center
Organizational Chart**



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)				
City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1 – Safe Place	a, b	Provide a safe and secure experience for all	Convention Center events have adequate security.	Increase perceived safety rating on client survey
6 – Premier Destination	a,d		Emergency Response is coordinated efficient, and effective.	General Evacuation Drill Elapsed Time.
6 – Premier Destination	a,d		Employees work in an environment which is free from hazards to their health or safety	Cash value of injury claims and losses
6 – Premier Destination	a,d			Lost days due to injury
6 – Premier Destination	a,d			# of safety issues identified and corrected by Convention Center Employee/Management Safety Committee
6 – Premier Destination	a,b		Guests, exhibitors, and clients have a variety of parking options.	Client survey ranking for parking
6 – Premier Destination	a,b		Show managers and exhibitors receive clear, concise, relevant information when they need it.	Customer survey overall rating
6 – Premier Destination	a,b		Maintain and upgrade clean, functional, competitive facility	Customer survey appearance rating
6 – Premier Destination	a,b			% of completed planned capital projects
3 – Lifelong Learning	a,b,d, e		Customers, employees, and guests with limited English proficiency are readily able to access Convention Center services.	Customer survey overall rating

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
6 – Premier Destination	a		Maximize use of Convention Center	Total attendance
6 – Premier Destination	a			Occupancy sq. ft.
6 – Premier Destination	a			Occupancy auditorium
3 – Lifelong Learning	d,e	Provide a positive work environment	Employees work in a positive environment which encourages their growth and development.	MCC Climate Survey Gap - "The MCC is a good place to work."
3 – Lifelong Learning	d		Workplace is free from harassment and retaliation	# and of Respect in the workplace complaints filed with Central HR and # substantiated
3 – Lifelong Learning	b, d, e		Employees have the opportunity to continually improve and develop skills.	% of Employees with completed employee review during year and with complete development plan.
6 – Premier Destination	a,b			Annual Parking Revenue
6 – Premier Destination	a		Manage and contain cost factors to limit annual expenditures	% growth of non-event expenses budget
6 – Premier Destination	a		Improve level of operational self-sufficiency	% of self-sufficiency revenue/direct operating expenses

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Client Survey Safety Rating	NA	NA	NA	100%	100%	100%
Cash Value of Claims and Losses	\$331	\$82,892	\$114,000	\$100,000	\$103,500	\$118,750
Lost Days due to Injury	217	21	8	6	3	0
# of Safety Issues Identified and Corrected by MCC Employee/ Management Safety committee	17	26	28	24	25	25
Customer Survey Overall Rating	4.49 / 5.00	4.45 / 5.00	4.42 / 5.00	4.39	4.42	4.5
Parking Revenue	\$122,722	\$370,681	\$383,175	\$375,000	\$380,000	\$403,000
Customer Survey Parking Rating	3.83 / 5.00	3.62 / 5.00	3.72 / 5.00	3.91	4.0	4.5
Customer Survey Appearance Rating	4.45 / 5.00	4.50 / 5.00	4.46 / 5.00	*4.39	4.42	4.5
Total Attendance	917,821	903,330	784,250	800,000	785,000	884,000
Occupancy (Sq. Ft.)	54.80%	55.94%	65.52	66%	66%	72%
Occupancy (Auditorium Main)	45.48%	46.17%	48.77	49%	49%	50%
MCC Climate Survey Gap – "The MCC is a Good Place To Work"	0.40	0.39	.37	.37	.35	.30

Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
# of Respect in the Workplace Violation Claims Filed with Central HR	3	24	12	6	6	6
# of Substantiated Respect in the Workplace Violation Claims	0	1	0	0	0	0
% of Employees who received a performance review during the calendar year.	87.9%	72.3%	65%	90%	100%	100%
% of non-Space Rental Revenue	53.43%	58.17%	61.1%	62%	63%	65%
% of Growth in non-event expenses	10.92%	0.36%	1.01%	N/A	N/A	N/A
% of Operating Self-sufficiency revenue/direct operating expenses	65.36%	67.12%	66.88%	N/A	N/A	N/A

FINANCIAL ANALYSIS

EXPENDITURE

The Convention Center's 2007 Expense Budget is \$28.2 million, a 2% or \$600,000 decrease for the 2006 Adopted Budget.

REVENUE

The Convention Center's Revenue is expected to increase to \$71 million or 1% over the 2006 Adopted Budget.

MAYOR'S RECOMMENDED BUDGET

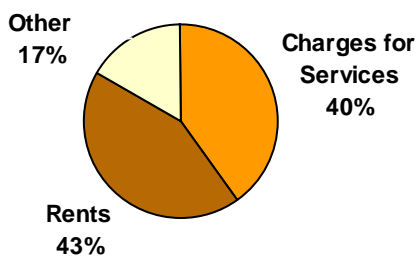
The Mayor recommended \$500,000 for the department's capital requests for technology improvements.

COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation.

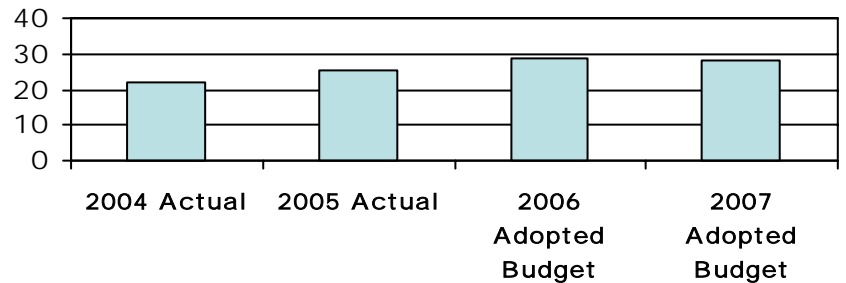
For further analysis, please review the Convention Center Financial Plans section of this book.

Direct Revenues by Source (\$14.7 m)

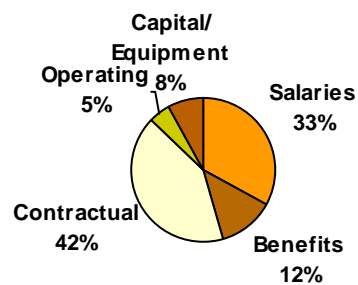


City of Minneapolis – Convention Center

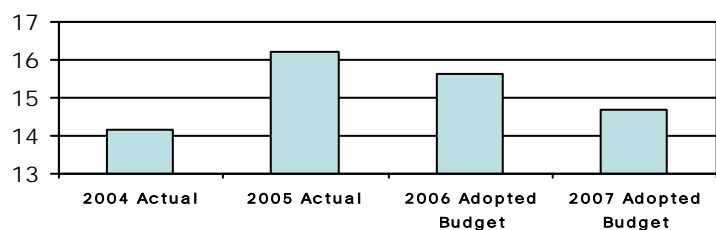
Expenditures 2004-2007 (\$28.16 million)



Expenditures by Type (\$28.2 m)



Revenues 2004-2007 (\$14.7 M)

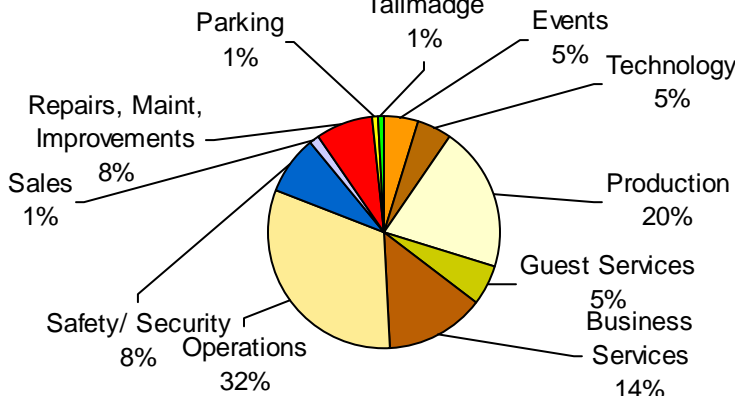
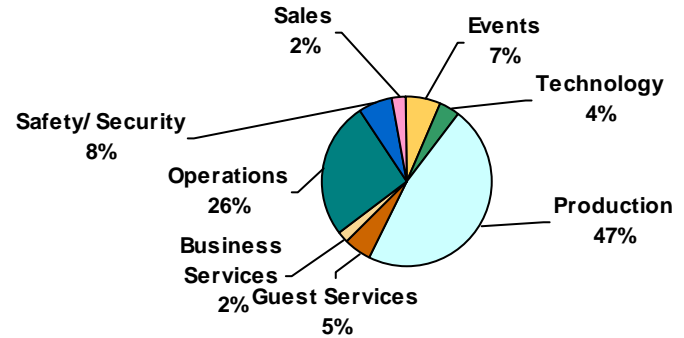
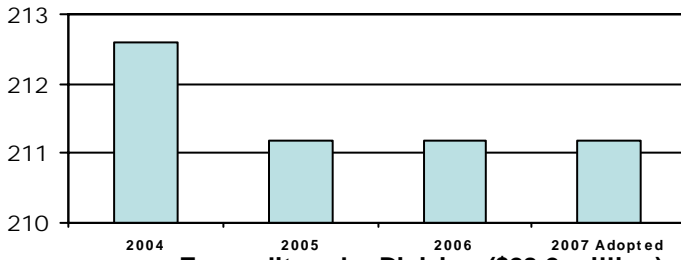


Council Adopted Budget

CONVENTION CENTER						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	212.60	211.18	211.18	211.18	0.00%	-

Staffing Summary 2004-2007

Positions by Division (211)



EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Special Revenue Funds						
Salaries and Wages	8,168,892	8,400,415	9,427,690	9,328,417	-1.1%	-99,273
Equipment Labor	1,879	1,948	3,000		100.0%	-3,000
Contractual Services	9,256,601	10,782,494	10,877,736	11,689,132	7.5%	811,396
Operating Costs	998,970	926,718	1,190,328	1,419,207	19.2%	228,879
Fringe Benefits	2,485,311	2,573,959	3,136,354	3,466,560	10.5%	330,206
Equipment	1,028,460	2,932,829	4,167,000	2,260,000	-45.8%	-1,907,000
Total Expenditure	21,940,114	25,618,363	28,802,108	28,163,316	-2.2%	-638,792
Charges for Service	4,999,515	6,219,718	5,660,000	5,925,000	4.7%	265,000
Rents	6,467,613	6,867,231	7,415,000	6,290,000	-15.2%	-1,125,000
Other Misc Revenues	2,694,176	3,121,147	2,570,000	2,460,500	-4.3%	-109,500
Total Revenues	14,161,304	16,208,095	15,645,000	14,675,500	-6.2%	-969,500

FINANCE

MISSION

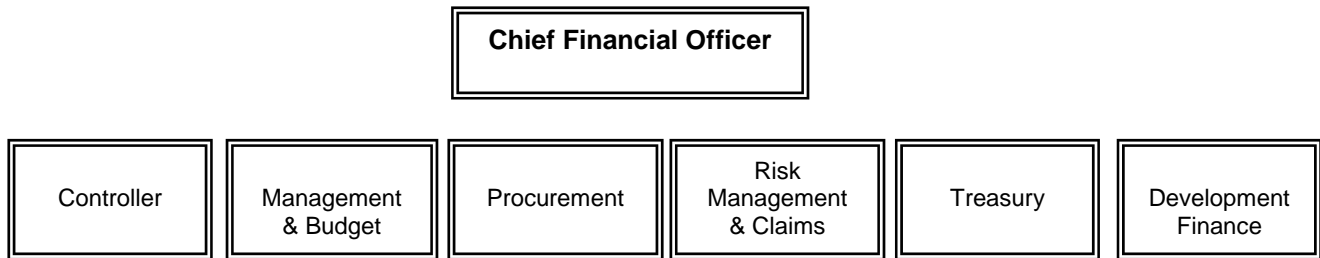
Provide financial services that assist managers and elected officials in making sound and informed decisions and ensure the City’s financial integrity.

BUSINESS LINES

Financial Operations – Providing accurate, timely financial information: This business line includes collecting and receiving revenue, managing receivables, paying employees, vendors and other third parties and managing and preserving assets.

Decision Support – Supporting informed financial and business-related decisions: This business line includes supporting elected officials in making decisions regarding source and allocation of financial resources, and supporting departments in making decisions regarding management of financial resources.

ORGANIZATION CHART



- | | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Managerial Accounting • Financial System Support • Central Payroll • Financial Reporting | <ul style="list-style-type: none"> • Budget • Enterprise Financial Analysis • Capital & Debt Management | <ul style="list-style-type: none"> • Contract Management • Disaster Planning • Purchasing | <ul style="list-style-type: none"> • Workers' Compensation • Tort Claims • Insurance • Loss Prevention | <ul style="list-style-type: none"> • Revenue Collection • Cash Management • Investments | <ul style="list-style-type: none"> • Development Planning & Analysis • Development Loans & Contracts • CPED Budgeting |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|

FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

Note: As financial stewards for the City, the department’s work is linked to all the City’s goals.

Department Goal	Objective	Measure
Ensure the City’s financial stability through informed decision making, aligning with the City priorities.	Provide financial information to managers and policy makers in making sound, informed decisions about: <ul style="list-style-type: none"> • Economic development initiatives • City services and operations • Capital investment in physical infrastructure • Resource allocation and performance 	Credit ratings General fund balance (% of expenses) Funded ratio of closed pension plans (MERF, MPRA, MFRA) % elected officials agree/strongly agrees

FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

Note: As financial stewards for the City, the department's work is linked to all the City's goals.

Department Goal	Objective	Measure
	measurement	City budget reflects priorities and goals. % elected officials agree/strongly agree financial decisions are well informed % department heads agree/strongly agree Finance is a strategic advisor % of Finance's resources spent on decision support
	Establish internal and external fees for specified services to fully recover costs.	Revenues as % of expenses – Development / Regulatory Revenues as % of expenses – Internal services Revenues as % of expenses (Water, Sewer, Parking, Storm water, Solid waste)
	Coach and support the implementation of loss prevention tactics in every department.	Work Comp claims Liability claims % of departments implementing LP tactics
Improve efficiency and effectiveness of Finance department by improving the business processes and the workforce.	Simplify and improve business processes through implementation of a new financial system.	% of reduction in business processes analyzed % of reduction in Chart of Accounts-cost accounting fields % of Finance's resources spent on operations % vendor payments paid in 30 days Receivables aging 60 days
	Develop a competent and versatile workforce.	% of staff annually participating in training plans as defined within their performance reviews. % women – total %person of color – total % women – management / supervisor %persons of color – management / supervisor
	Invest City cash reserves to preserve capital, meet City liquidity needs and maximize returns.	Work Comp claims Liability claims % of departments implementing LP tactics
	Coach and support the implementation of loss prevention tactics in every department.	

MEASURES, DATA AND TARGETS						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Credit ratings	Aa1/AA A/AAA	Aa1/AA A/AAA	Aa1/AAA/ AAA	Aaa/AA A/AAA	Aaa/AA A/AAA	Aaa/AAA /AAA
General fund balance (% of expenses)	24%	27%	17%		Over 15%	Over 10%
Funded ratio of closed pension plans (MERF, MPRA, MFRA)	86%	88%			85%	90%
% elected officials agree/strongly agree City budget reflects priorities and goals					100%	100%
% elected officials agree/strongly agree financial decisions are well informed					100%	100%
% department heads agree/strongly agree Finance is a strategic advisor					100%	100%
% of Finance's resources spent on decision support	30%	35%			37.5%	45%
Revenue as % of expenses – Development / Regulatory						
Revenue as % of expenses – Internal Services					>or = to 100%	
Revenue as % of expenses – (Water, Sewer, Parking, Storm water, Solid waste)					>or = to 100%	
Work Comp claims					62.5%	
Liability claims						
% of departments implementing LP tactics						
% of reduction in business processes analyzed						
% of reduction in Chart of Accounts – cost accounting fields						
% of Finance's resources spent on operations	70%	65%			50%	
% vendor payments paid in 30 days					90%	
Receivables aging 60 days						
% employees with performance reviews in past year	15%	20%	21%		100%	
% employees agree/strong agree work unit provides quality services to customers	n/a	90%	n/a			
% employees agree/strongly agree they are satisfied with their job	n/a	76%	n/a			
% employee turnover	22%	6%	11%			
% of staff annually participating in training plans as defined within their performance reviews						
% women – total	62%	63%	67%			
% person of color – total	29%	28%	26%			
% women – management / supervisor			53%			
%persons of color – management / supervisor			19%			
Return on investments as % of benchmark					>100%	>100%
Average cash balance in days of operating expenses					TBD	TBD
% of Fitch's 12 best practices	100%	100%	100%	100%	100%	100%

Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Unrestricted net assets - governmental funds (\$M), excluding independent boards debt	\$(69.26)	\$(97.89)			>0\$	>0\$
Unrestricted net assets - business funds (\$M)	\$ 36.85	\$ 14.87			>0\$	>0\$
Exceptions noted in auditor's management letter	6	4	3		0	0
% principal paid in 10 years					50%	TBD

CONTEXT FOR THE DEPARTMENT'S WORK

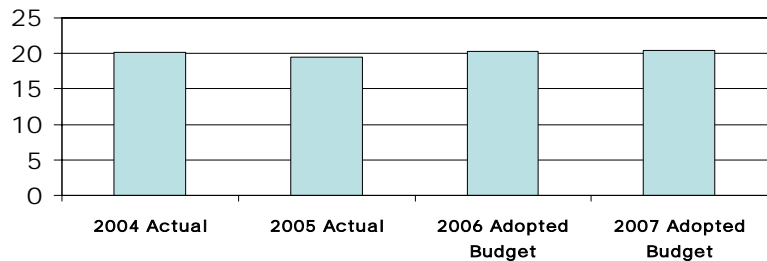
1. Prepare to implement new financial system on January 1, 2008 by making business process changes and training staff.
2. Reduce and control financial obligations for closed pension plans: legislative and judicial relief.
3. Conduct research projects that support the City's 5-year financial direction: new revenues, restructure operations, reallocation of financial resources.
4. Improve treasury operations by consolidating receivables activities and implementing e-payment initiatives.
5. Train managers and supervisors on administrative operations, personnel reviews, and performance management.
6. Improve analytical capacity.
7. Lead enterprise initiative for loss prevention.
8. With Public Works management, improve processes and information for financial decision making.
9. Manage and resolve issues on the CPED watch list.
10. Manage and resolve issues on the Public Works watch list.

FINANCIAL ANALYSIS

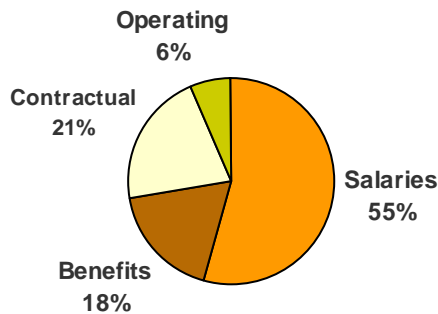
EXPENDITURE

For 2007, the Finance Department budget for all funds is \$20.5 million, a 0.5% or \$102,000 increase over the 2006 Adopted Budget, keeping the department in line with the five year financial direction. One Business Planning Manager position was transferred to Coordinator Administration in the current service level.

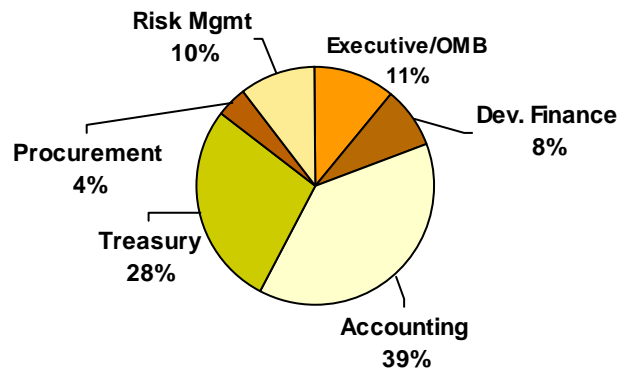
Expenditures 2004-2007 (\$20.5 million)



Expenditure by Type (\$20.5 million)



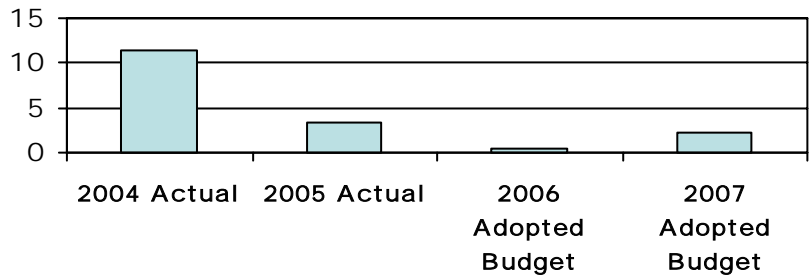
Expenditures by Division (\$20.5 million)



REVENUE

Revenue for the Finance Department is \$2.1 million, reflecting the implementation of the self-insurance rate model for the internal service funds, risk management. The revenue drop in 2005 demonstrates the effect of the General Fund Overhead model – rather than individual general fund departments collecting revenues from other funds for service, a revenue to the fund as a whole is estimated for these functions.

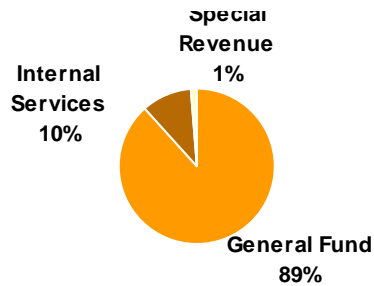
Revenues 2004-2007 (\$2.15 M)



FUND ALLOCATION

The department’s budget is primarily derived from the General Fund (88.5%). \$205,000 of the budget is funded through Community Development Block Grants, while \$84,000 of the budget is federal and state funds and \$2.1 million of the budget is from the Self-Insurance fund.

Expenditures by Fund (\$20.5 million)



MAYOR’S RECOMMENDED BUDGET

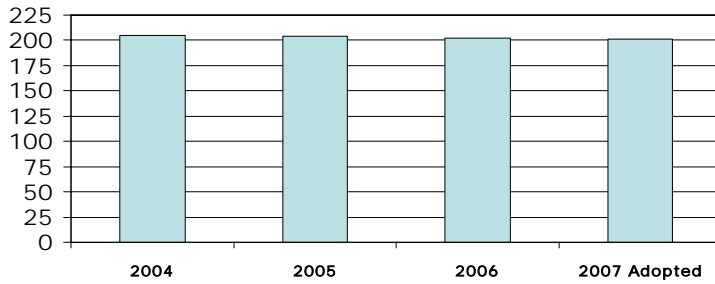
The Mayor accepts the department’s proposal to meet the financial direction (\$200,000) by reducing financial operations activities.

COUNCIL ADOPTED BUDGET

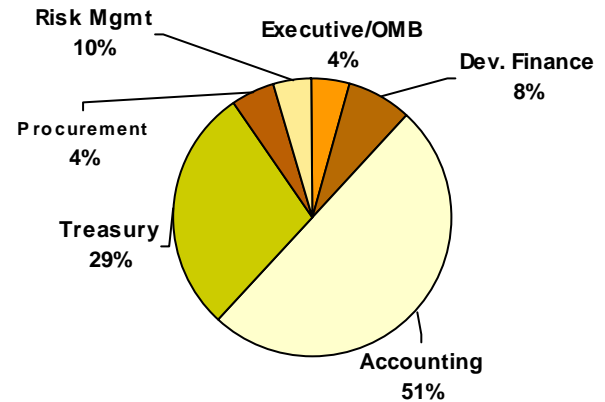
The Council adopted the Mayor’s recommendations.

FINANCE						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Executive	10.00	10.00	10.00	9.00	-10.00%	-1.00
Treasury	59.00	58.00	58.00	58.00	0.00%	0.00
Procurement	8.50	8.50	10.00	10.00	0.00%	0.00
Risk Management	9.50	9.50	9.00	9.00	0.00%	0.00
Controller	97.00	97.00	100.00	100.00	0.00%	0.00
Development Finance	21.00	21.00	15.00	15.00	0.00%	0.00
Total FTE's	205.00	204.00	202.00	201.00	-0.50%	-1.00

Staffing Summary 2004-2007



Positions by Division (201)



**FINANCE
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	20,103,464	19,482,504	20,366,858	20,469,985	0.5%	103,127
Total Revenues - All Funds	11,429,838	3,323,501	451,404	2,145,222	375.2%	1,693,818
General Fund - City						
Salaries and Wages	6,964,874	9,235,346	10,279,742	10,375,694	0.9%	95,952
Contractual Services	1,050,818	5,126,281	4,062,925	3,661,631	-9.9%	-401,294
Operating Costs	152,073	437,635	326,697	599,418	83.5%	272,721
Fringe Benefits	1,756,975	2,595,939	3,177,286	3,445,035	8.4%	267,749
Equipment	5,659	13,708	121,524	15,525	-87.2%	-105,999
Capital Outlay			27,791	28,764	3.5%	973
Total Expenditure	9,930,399	17,408,911	17,995,965	18,126,067	0.7%	130,102
Local Government	15,000	15,000	0		0.0%	0
Charges for Service	5,459,165	8,018	6,000	6,000	0.0%	0
Charges for Sales	208	88			0.0%	0
Interest	169,844	9			0.0%	0
Other Misc Revenues	686	16,455	0		0.0%	0
Total Revenues	5,644,903	39,570	6,000	6,000	0.0%	0
Special Revenue Funds						
Salaries and Wages	256,197	284,057	280,138	208,974	-25.4%	-71,164
Contractual Services	19,429	1,153	0	5,699	0.0%	5,699
Operating Costs	1,322,987	4,296			0.0%	0
Fringe Benefits	62,863	78,225	78,198	75,625	-3.3%	-2,573
Total Expenditure	641,732	367,731	358,336	290,298	-19.0%	-68,038

**FINANCE
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Federal Government			55,040	42,592	-22.6%	-12,448
State Government				43,822	0.0%	43,822
Local Government			2,308	0	-100.0%	-2,308
Charges for Service Contributions	-19,460				0.0%	0
	-646	5,458	45,988	0	-100.0%	-45,988
Total Revenues	-20,107	5,458	103,336	86,414	-16.4%	-16,922
Enterprise Funds						
Salaries and Wages	2,173,923	0	0	0	0.0%	0
Contractual Services	1,807,726	0	0	0	0.0%	0
Operating Costs	1,462,536	0	0	0	0.0%	0
Fringe Benefits	624,611	0	0	0	0.0%	0
Total Expenditure	6,068,795	0	0	0	0.0%	0
Charges for Service	4,375,184	0	0	0	0.0%	0
Charges for Sales	785	0	0	0	0.0%	0
Other Misc Revenues	63	0	0	0	0.0%	0
Total Revenues	4,376,032	0	0	0	0.0%	0
Internal Service Funds						
Salaries and Wages	456,015	433,455	562,639	556,547	-1.1%	-6,092
Contractual Services	650,798	890,991	750,423	776,177	3.4%	25,754
Operating Costs	1,205,728	46,269	532,874	551,526	3.5%	18,652
Fringe Benefits	105,016	105,011	161,277	163,839	1.6%	2,562
Equipment	457	674	5,344	5,531	3.5%	187
Total Expenditure	2,418,014	1,476,400	2,012,557	2,053,620	2.0%	41,063
Charges for Service	278,127	271,258	342,068	2,052,808	500.1%	1,710,740
Total Revenues	278,127	271,258	342,068	2,052,808	500.1%	1,710,740
Investment Management Funds						
Operating Costs	24,780	229,462	0	0	0.0%	0
Total Expenditure	24,780	229,462	0	0	0.0%	0
Interest	91,916	4,087,014				
Gains	1,058,967	-1,079,799	0	0	0.0%	0
Total Revenues	1,150,883	3,007,215	0	0	0.0%	0

HUMAN RESOURCES

MISSION

The mission of the Human Resources (HR) Department is to strategically partner with City departments to hire, develop and retain an excellent workforce.

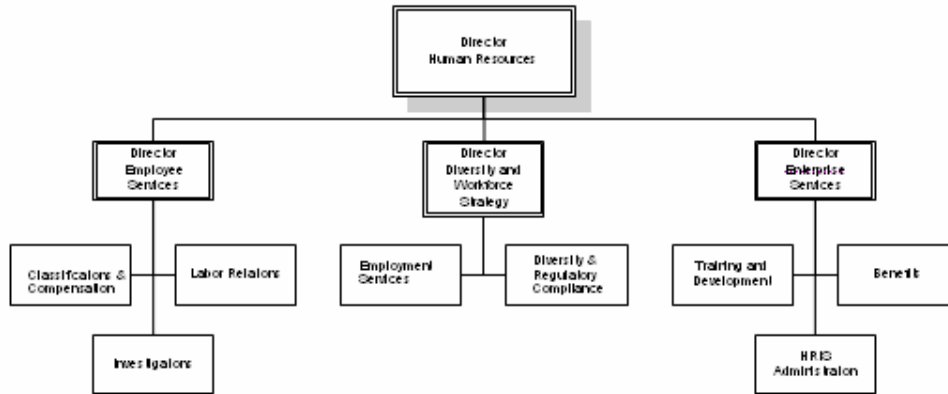
Working for the City
that Works!

BUSINESS LINES

- **Strategic Counsel:** Provide learning opportunities for managers, supervisors and employees to maximize their development and minimize organizational risk.
- **Employer of Choice:** Ensure employees have competitive compensation and positive working conditions while minimizing the City's exposure to liability.
- **Workforce Information:** Manage and provide HR information to City, Independent Boards and Agencies for decision-making purposes.
- **Organizational Development:** Assist departments in designing and developing their organization.
- **Employment Opportunities:** Provide the City, Park & Library Boards with the timely opportunity to hire diverse, competent employees, as delineated below.

Overview of Services	City Council Dept. Services	Other Agencies Services
Services Required by City Charter		
• Recruiting	Yes	Yes
• Testing & Selection	Yes	Yes
• Job Classification	Yes	Yes
• CSC Appeals	Yes	Yes
• HRIS (Payroll, Benefits, Records)	Yes	Yes
Services Suggested by State and/or Federal Statutes		
• Administer Compensation	Yes	No
• Administer Benefits	Yes	Yes (fee based)
• Negotiate and Administer Labor Contracts	Yes	No
• Affirmative Action (AA) Support	Yes	Some
Discretionary Services (or services required by City Ordinance)		
• Training & Development	Yes	No
• HR Management System Consultation	Yes	No
• Return to Work/Job Bank	Yes	No
• Alternative Dispute Resolution	Yes	No

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)				
City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
2 – Safe Place; 4 – Connected Communities 6 – A Premier Destination	2a, 2b, 2c, 2d, 2e, 2f, 4d, 6a, 6c, 6f	The City of Minneapolis is recognized as an employer that honors and embraces diversity and our workforce reflects the community we serve.	Executive leadership has adopted and become champions of the enterprise wide vision statement for diversity by end of 4 th Q '07.	Percentage of workforce diversity initiatives completed.
1 – Safe Place 2 - One Minneapolis 3 – Lifelong Learning 5 – Enriched Environment 6 – A Premier Destination	1e, 2a to 2f, 3d, 3f, 3g, 5c, 6a,	Continue to enhance the accuracy and functionality of its information management systems (e.g., HRIS, online Policies/Procedures) to help managers and supervisors efficiently and effectively carry out their duties.	Continue to develop HRIS as the central repository for job and payroll activities.	Percentage of customers satisfied with the HRIS Functionality, Management Center and related reports.
1- Safe Place 2 – One Minneapolis 3 – Lifelong Learning 6 – A Premier Destination	1a, 2a to 2f, 3a, 3b, 3c, 3d, 3f, 3g, 6a, 6b, 6c, 6e	Develop city leaders so that we are able to recruit, hire and retain a highly qualified, diverse and results-driven workforce.	Increase and enhance the training opportunities to help employees develop leadership competencies to prepare for career advancement by 4 th Q '07.	Percentage of customers satisfied with training and development services.
2 – One Minneapolis 3 – Lifelong Learning	2a, 2b, 2e, 3c, 3d, 3 f, 3g	Know our clients' businesses, listen to their dilemmas, and assist them in making the best business decisions.	HR actively participates in the development of departments' workforce plans and other strategic initiatives (ongoing).	Overall satisfaction with HR in terms of knowledge of customer department's business and general assistance.

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1 – Safe Place 2 – One Minneapolis 3 – Lifelong Learning 4 – Connected Communities 6 – Premier Destination	1a to 1e, 2a to 2f, 3c, 3d, 3f, 3g, 4d, 6a, 6b, 6c, 6e, 6f	Continuous improvement of HR processes and staff development.	Examination of HR processes to determine changes that will make us more efficient.	Number of HR processes that are reviewed and appropriately redesigned.
			Implement a fully functional Health and Wellness Program by 4 th Q '08.	Percentage of employee participation in health and wellness activities.
				Containment of City health care claims cost. Percentage of City departments that have at least one liaison to help champion health and wellness activities.

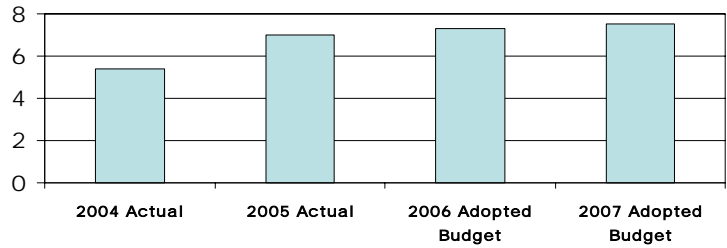
MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Projected Data	2007 Target	2011 Target
Percentage of workforce diversity initiatives completed	0	0	0	20%	30%	100%
Percentage of customers satisfied with the HRIS Functionality, Management Center and related reports.	0	0	0	50%	75%	90%
Percentage of customers satisfied with training and development services.	0	0	0	10%	40%	85%
Overall satisfaction with HR's knowledge of customer departments business and services.	0	0	0	0%	60%	85%
Number of HR processes that are reviewed and are appropriately redesigned.	0	0	0	25%	50%	90%
Participation levels in health and wellness initiatives.	0	0	0	10%	30%	70%
Containment of City health care claims cost.	0	0	0	0%	1%	2%

FINANCIAL ANALYSIS

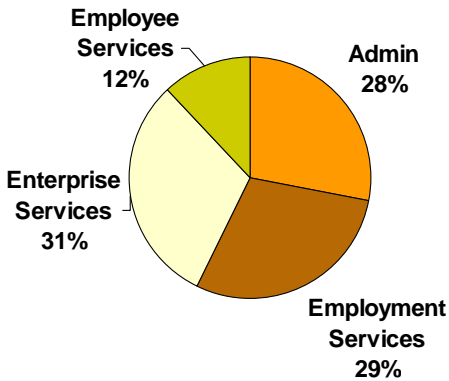
EXPENDITURE

The Human Resources 2007 Budget is \$7.5 million, a 2.9% or \$209,000 increase over the 2006 Adopted Budget.

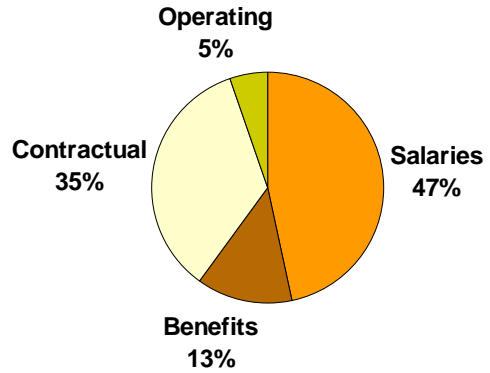
Expenditure 2004-2007 (\$7.51 million)



Expenditure by Division (\$7.5 million)



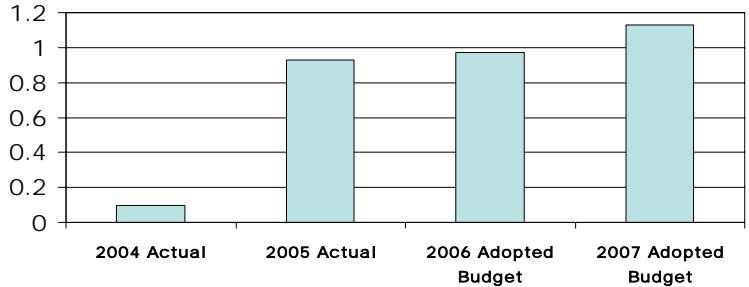
Expenditure by Type (\$7.5 million)



REVENUE

There is a 15.5%, or \$152,000 increase in the Human Resource Department's revenues from 2006 to 2007. This is attributable to the Benefits Administration Fee that is charged to customer departments through the Self-Insurance Rate Model.

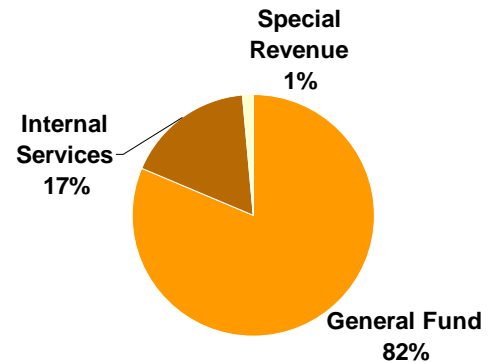
Revenues 2004-2007



FUND ALLOCATION

The majority (81%) of the Department's budget originates from the General Fund. The Department also operates the benefits administration function out of the Self Insurance Fund (18% of the total). The Department also has smaller budgets (1% of the total) in the special revenue funds related to providing services to the Convention Center and to employee recognition activities (funded by proceeds from the "City Store").

Expenditure by Fund (\$7.5 million)



MAYOR'S RECOMMENDATION

The Mayor accepts the department's proposal to reduce non-personnel spending by \$100,000 to meet the financial direction.

COUNCIL ADOPTED BUDGET

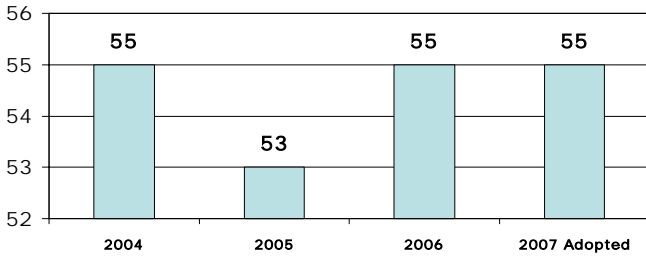
The Council concurred with the Mayor's recommendation.

HUMAN RESOURCES

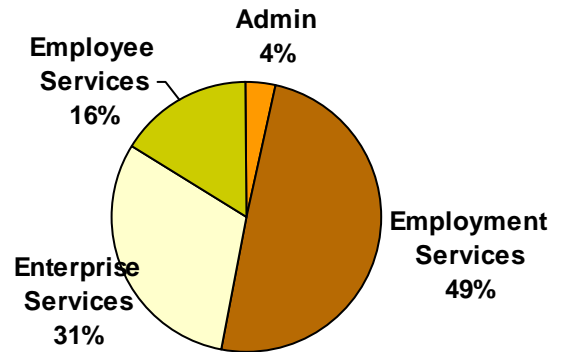
Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	2.00	2.00	2.00	2.00	0.00%	-
Employment Services	29.00	27.00	26.00	27.00	3.85%	1.00
Enterprise Services	17.00	17.00	17.00	17.00	0.00%	-
Employee Services	7.00	7.00	10.00	9.00	-10.00%	(1.00)
Total FTE's	55.00	53.00	55.00	55.00	0.00%	-

Staffing Summary 2004-2007



Positions by Division (55)



**HUMAN RESOURCES
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	5,394,372	7,014,935	7,299,944	7,508,936	2.9%	208,992
Total Revenues - All Funds	100,521	929,110	974,820	1,126,384	15.5%	151,564
General Fund - City						
Salaries and Wages	2,814,809	2,689,438	2,933,639	2,951,000	0.6%	17,361
Contractual Services	435,334	2,163,648	1,911,515	1,909,092	-0.1%	-2,423
Operating Costs	482,325	308,209	271,605	417,002	53.5%	145,397
Fringe Benefits	658,538	665,373	797,047	814,951	2.2%	17,904
Equipment	203,000		779	806	3.5%	27
Total Expenditure	3,682,126	5,826,668	5,914,585	6,092,851	3.0%	178,266
Charges for Service	354				0.0%	0
Other Misc Revenues	1,220	10,834	5,000	5,000	0.0%	0
Total Revenue	1,574	10,834	5,000	5,000	0.0%	0
Special Revenue Funds						
Salaries and Wages	41,710	43,626	44,272	45,588	3.0%	1,316
Operating Costs	1,064	1,104	11,630	10,846	-6.7%	-784
Fringe Benefits	14,887	16,339	18,968	20,222	6.6%	1,254
Total Expenditure	57,661	61,069	74,870	76,656	2.4%	1,786
Other Misc Revenues	4		10,000	10,846	8.5%	846
Total Revenue	4		10,000	10,846	8.5%	846
Internal Service Funds						
Salaries and Wages	323,038	354,405	541,231	494,847	-8.6%	-46,384
Contractual Services	334,918	656,697	630,597	652,690	3.5%	22,093
Operating Costs	9,810	26,784	37,082	34,877	-5.9%	-2,205
Fringe Benefits	74,939	89,312	101,579	157,015	54.6%	55,436
Equipment			0		0.0%	0
Total Expenditure	742,705	1,127,198	1,310,489	1,339,429	2.2%	28,940
Charges for Service	98,943	918,259	959,820	1,110,538	15.7%	150,718
Interest		17			0.0%	0
Total Revenue	98,943	918,276	959,820	1,110,538	15.7%	150,718

INTERGOVERNMENTAL RELATIONS

MISSION

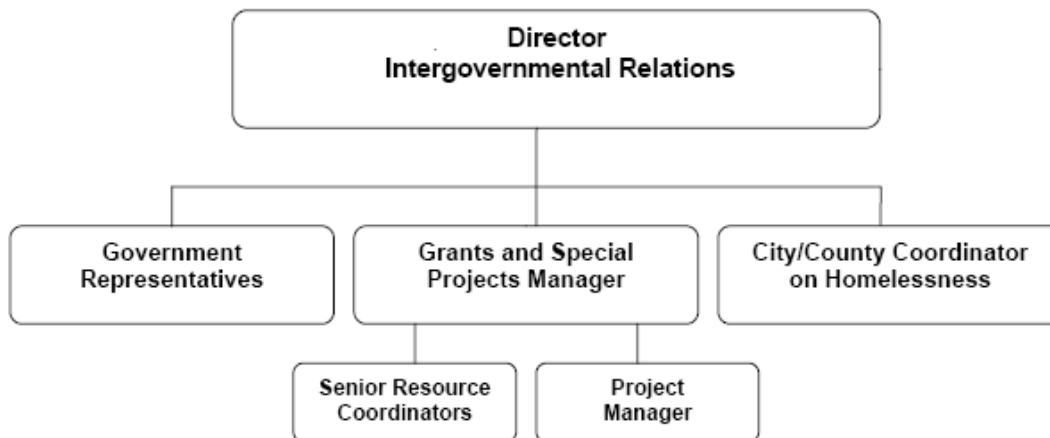
Advocate Policy Proposals and Funding Requests on behalf of the City of Minneapolis at the federal, state, metropolitan and local governmental levels. Build relationships between departments and community-based agencies that facilitate applications for funding with private sector sources and between the City and other levels of government and interested organizations.

BUSINESS LINES

Intergovernmental Policy Agenda Development and Implementation. The annual legislative and federal agendas are prepared with City departmental, City Council and Mayoral input. The City Council approves the final agendas. An agenda summary is also prepared and distributed. Many issues involve the City and other governmental entities. As a result, City staff and elected officials are encouraged to serve on committees and boards of national, state and regional government organizations.

Grants Information, Compliance and Development. City departments and community-based agencies are given grant application and management information and technical assistance on grant issues. The office manages the City's Consolidated Plan which is submitted to HUD annually. As HUD is the City's primary funding partner for its housing and community development priorities, the office works to nurture a positive, respected and valued relationship with HUD. Partnerships are developed and sustained to enhance awareness of funding needs and opportunities throughout the city and the metropolitan area.

ORGANIZATION CHART



**FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES
(ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)**

Note:: The focus of Intergovernmental Relations (IGR), the Office of Grants and Special Projects (GSP) and the City-County Commission to End Homelessness (CCCEH) is to find and preserve resources, develop legislation to further all the City’s goals and objectives. Specific efforts toward each of the goals are included here.

Department Goal	Objective	Measure
Resources will be found to fund all city priority projects	1-Respond to all requests for assistance to locate funding 2-Provide information about funding opportunities	1a-Percentage of grant funds in the city budget 1b-Amount of funds awarded versus those applied for by city departments 2-Update website every two weeks
1. Grant funds will be used to expand opportunities for all city residents. 2. In 5 years there will be a 50% reduction in homelessness, ultimately transitioning our system from one that manages homelessness to one that ends homelessness for singles, families and youth by the end of 2016.	1a-HUD Consolidated Plan will be submitted on time. 1b-Funds will be spent in a manner to comply with grantor regulations 1c-Provide grant-related support to departments and community-based agencies 2a-Coordinator will lead the implementation and evaluation of the plan to ensure that goals are being met. 2b-Coordinator will work with public and private partners to leverage additional dollars for strategies identified in the Blueprint. 2c-Coordinate efforts aimed at improving the effectiveness of the system. 2d-Communicate regularly with the broader community about efforts and results.	1a-% of public hearings held on time 1b-% of sub recipients who are monitored 1c-There will be no findings of significance in audits 1d-Number of agencies receiving technical assistance 1e-Number of agencies found in compliance with selected HUD regulations 2a Measures are currently being developed by the CCEH. Measure will most likely be related to the number of people on the streets, number of people in shelters, number of homeless kids in City Public Schools, number of unnecessary interactions with the police department for people experiencing homelessness, etc. These will be finalized by fall 2006.
Maximize the positive impact of legislation to the city.	1-Establish clear priorities 2-Develop and deliver target audience communication plans and materials 3-Build strategic alliances	

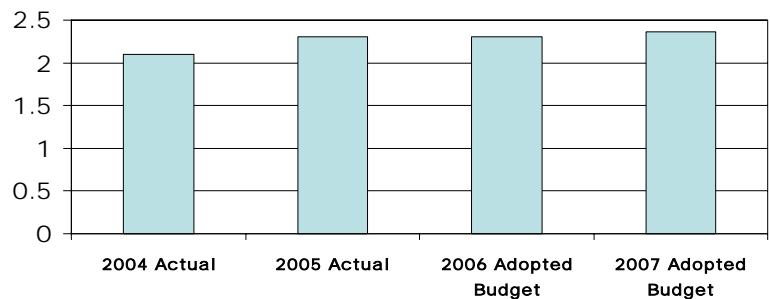
MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Number of bills authorized to be submitted to the legislature				9	N/A	N/A
Number of bills introduced				8	N/A	N/A
Number of bills enacted				6	N/A	N/A
Amount of state bonding received/requested for operations				\$16.1M/ \$32.1M	N/A	N/A
% of grant funds in the city budget	14.0	12.8	9.9			
Amount of awards versus applications	42,508,222 42,973,464	46,712,721 33,686,369	37,564,479 28,353,324			
% of Public Hearings held in a timely manner	100	100	100			
% of Sub-recipients monitored	N/A	N/A	N/A			
% of Sub recipients found in full compliance with selected HUD regulations	N/A	N/A	N/A			
Number of agencies receiving technical assistance	N/A	25	30			
Number of people living on the streets	N/A	N/A	N/A	304 unsheltered single adults and 53 unaccompanied youth		
Number of homeless children in Minneapolis Public Schools	N/A	N/A	N/A	4,585		
Number of people living on the streets	N/A	N/A	N/A	304 unsheltered single adults and 53 unaccompanied youth		
Number of homeless children in Minneapolis Public Schools	N/A	N/A	N/A	4,585		

FINANCIAL ANALYSIS

EXPENDITURE

Intergovernmental Relations includes the budget for the Grants and Special Projects function of the City as well as the Intergovernmental Relations staff. The 2007 total operating budget

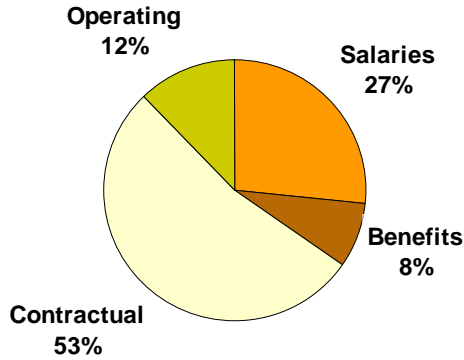
Expenditures 2004-2007



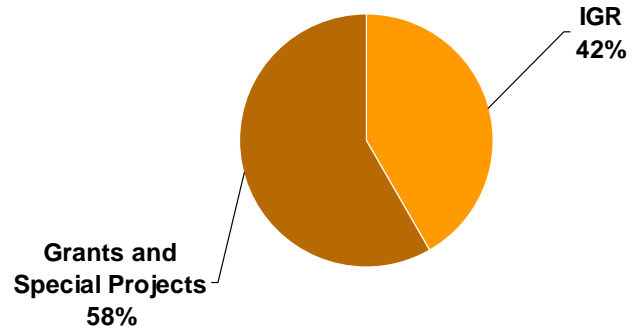
for these two functions is \$2.36 million with \$1.26 million in the General Fund and \$1.10 million from the Community Development Block Grant fund.

This Department's budget also includes grants to external organizations that receive funding from the consolidated plan.

Expenditures by Type (\$2.4 million)



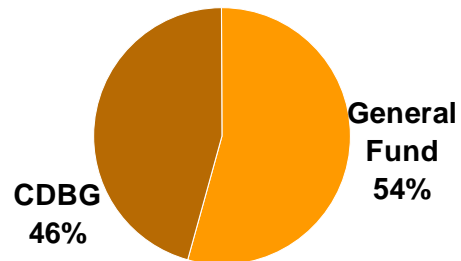
Expenditures by Division (\$2.4 million)



REVENUE

This Department does not generate revenue.

Expenditures by Fund (\$2.4 million)



FUND ALLOCATION

The Intergovernmental Relations function is funded entirely from the General Fund, while Grants and Special Projects division receives a portion of its funding from Community Development Block Grant funds for efforts supporting the consolidated plan and related grant processes.

MAYOR'S RECOMMENDED BUDGET

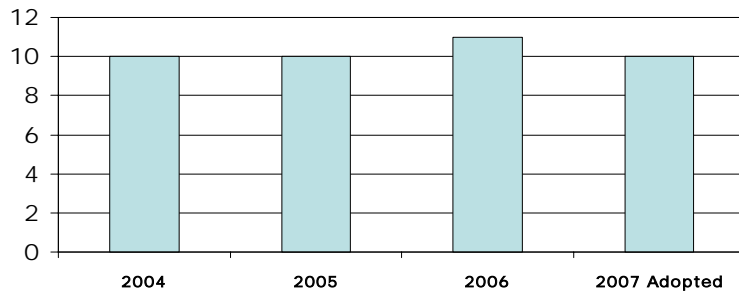
One-time funding (\$100,000) for homelessness outreach is included in the department's budget.

COUNCIL ADOPTED BUDGET

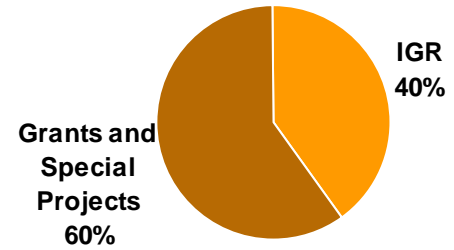
The Council concurred with the Mayor's recommendation.

INTERGOVERNMENTAL RELATIONS						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Intergovernmental Relations	4.00	4.00	4.00	4.00	0.00%	-
Grants and Special Projects	6.00	6.00	7.00	6.00	-14.29%	(1.00)
Total FTE's	10.00	10.00	11.00	10.00	-9.09%	(1.00)

Staffing Summary 2004-2007



Positions by Division (10)



INTERGOVERNMENTAL RELATIONS EXPENDITURE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	2,104,948	2,301,840	2,296,336	2,363,462	2.9%	67,126
General Fund - City						
Salaries and Wages	448,404	439,358	518,811	476,503	-8.2%	-42,308
Contractual Services	164,817	219,425	245,118	356,869	45.6%	111,751
Operating Costs	231,004	172,569	187,559	299,712	59.8%	112,153
Fringe Benefits	108,670	106,148	142,229	118,318	-16.8%	-23,911
Equipment	2,644		12,619	13,060	3.5%	441
Total Expenditure	955,539	937,499	1,106,336	1,264,462	14.3%	158,126
Special Revenue Funds						
Salaries and Wages	200,730	224,874	264,014	166,947	-36.8%	-97,067
Contractual Services	901,017	1,087,262	882,291	875,729	-0.7%	-6,562
Operating Costs	3,889	1,633			0.0%	0
Fringe Benefits	43,772	50,573	43,695	56,324	28.9%	12,629
Total Expenditure	1,149,409	1,364,341	1,190,000	1,099,000	-7.6%	-91,000

REGULATORY SERVICES

MISSION

Working to ensure the safety, health, and livability of our community through information, education, regulation, and enforcement of applicable laws and regulations.

BUSINESS LINES

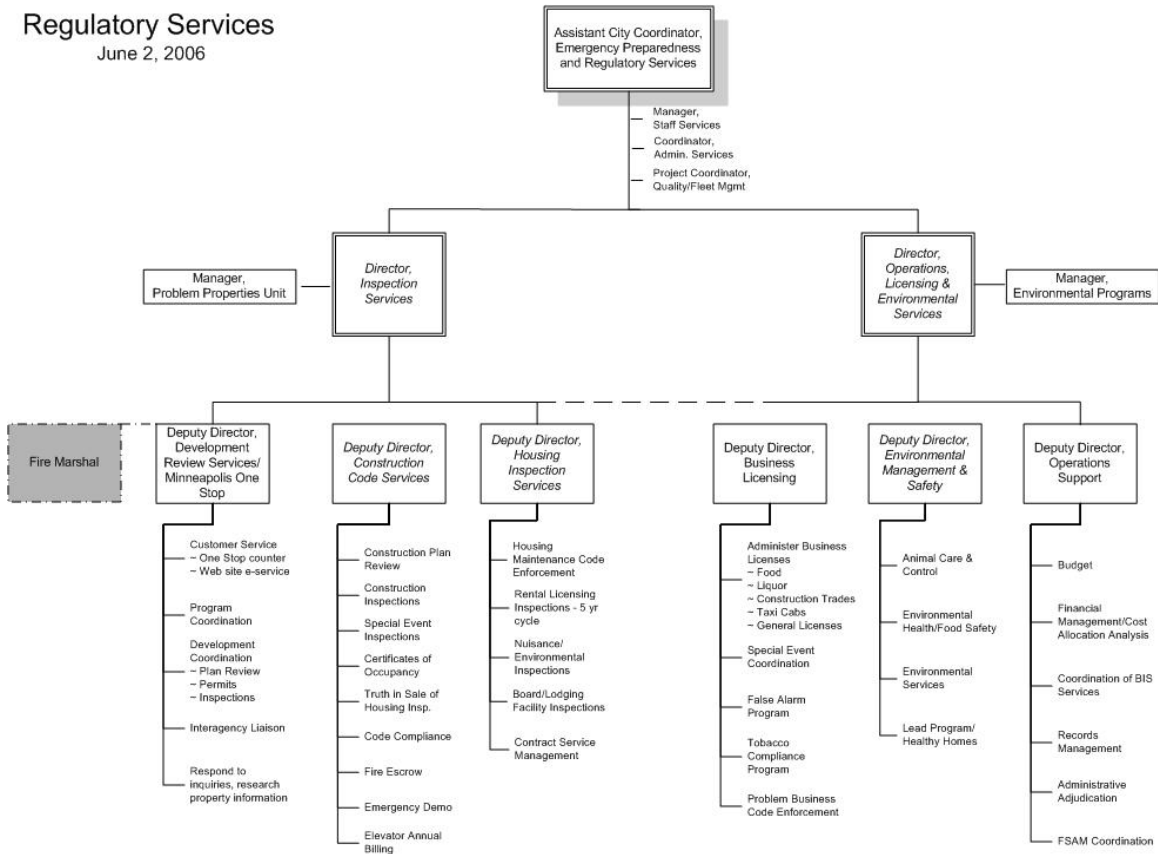
Inspections Services: Structure planning and implementation:

- Development Review Services (Minneapolis One Stop)
- Construction Code Services
- Housing Inspection Services

Operations, Licensing, and Environmental Services: services, behaviors and activities:

- Business Licensing Services
- Environmental Management & Safety
- Operations Support

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
4 – Safe Place 3 – Lifelong Learning	C, B	Customer focused services	Minneapolis One Stop	% increase in customer satisfaction as measured by a customer satisfaction survey
5 – Enriched Environment 6 – A Premier Destination	E,C		Healthy City sustainability indicators	% of City departments that report quarterly to ECT on progress towards sustainability indicators
6 – A Premier Destination	B	Efficient, effective delivery of services	Establish staffing models for service (internal department focus)	% of divisions with effective and efficient staffing model implementation based on baseline model for service delivery
6 – A Premier Destination	B		Maximize use of technology (internal department focus)	% of work made more efficient by technology
4 – Connected Communities 2 – One Minneapolis	C		Review regulatory requirements of Code of Ordinances	Number of City ordinances reviewed and updated
2 – One Minneapolis	C		Limited English proficiency planning(internal department focus)	% of new hires fluent in a 2 nd language
6 – A Premier Destination	B	Safe and productive work environment	Establish cost recovery model (internal department focus)	% of costs recovered from license, permit, service and user fees
2 – One Minneapolis	A C		Develop a qualified, diverse workforce (internal department focus)	% of new hires who are women or people of color
2 – One Minneapolis 6 – Premier Destination 4 – Connected Communities	C B C	Enterprise Initiatives	Minneapolis 311	% of time requests coming through 311 meet timeframes of service level agreements (SLA's)
2 – One Minneapolis			Community engagement	Develop Community Engagement Program for Housing Inspection Team
6 – Premier Destination	B		Enterprise Information Management Policy	Meet and exceed City standard

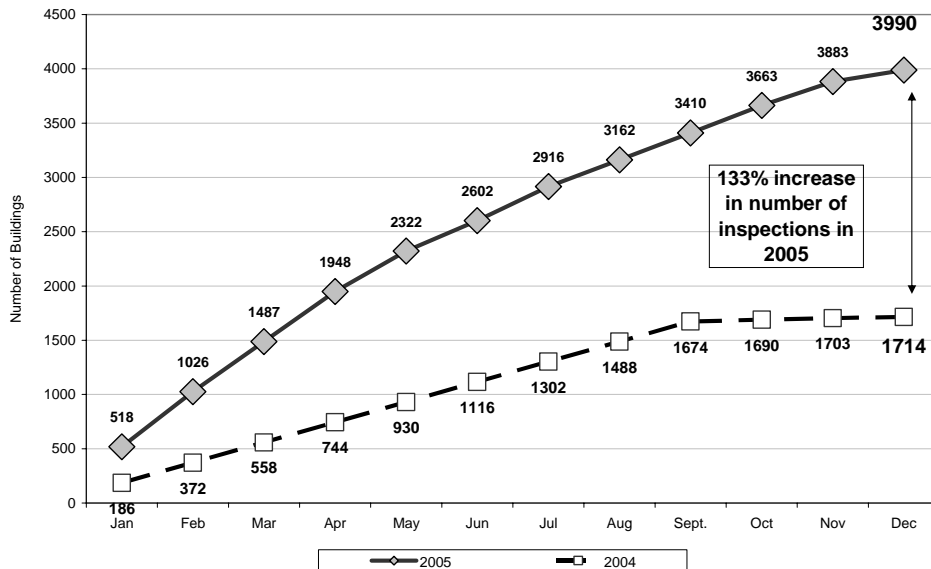
MEASURES, DATA AND TARGETS TABLE						
	Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2011 Target
1	% of permits processed the web (Development Review)	0%	7%	13%	15% YTD	50%
2	% of complete permit applications processed within 2 business days (Development Review)	~ 70%	71%	98%	100% YTD	100%
3	% reduction in critical food borne illnesses	N/A	66%	Data being gathered	Data being gathered	100%
4	% of City departments that report quarterly to ECT regarding progress toward Sustainability Indicators (Environ. Mgt & Safety)	N/A	N/A	N/A	Data being gathered	100%
5	% 1-3 unit rental buildings inspected (5-year cycle) started on Jan. 2005 (Housing)	0	12%	29%	20%	20% (100% every 5 years)
6	% of exterior structural complaints on owner-occupied properties responded to within benchmark (Housing)		Data being gathered	Data being gathered	Data being gathered	TBD
7	% of problem properties resolved through compliance, demolition or board up (PPU)	N/A	N/A	82% thru compliance 10% thru demolition 8% condemned	Data YTD 60% thru demolition; 40% thru compliance	40 new properties per year; 80% thru compliance; 20% thru condemnation/demolition
8	% reduction in average calls for Police service related to problem properties (PPU)	N/A	N/A	Data being gathered	Data being gathered	
9	# of properties that sustain continuous compliance once PPU considers problem resolved	N/A	N/A	Data being gathered	Data being gathered	100%
10	Average length of time a property is on the 249 List	N/A	N/A	Data being gathered	Data being gathered	

	Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2011 Target
11	# days from application to approval for liquor license issuance (Business Licensing)	N/A	N/A	53	30 YTD	30
12	% reduction in average calls for Police service related to properties (Business Licensing)	N/A	N/A	N/A	Data being gathered	TBD
13	# of problem grocery/convenience stores brought to compliance or license revoked (Business Licensing)	N/A	N/a	N/A	Data being gathered	TBD
14	# of construction code inspections performed per inspector per hour (Const. Code Services)	N/A	N/A	1.5	1.4 YTD	1.25
15	# of inspections completed within benchmark timeframes (Const. Code Services)	N/A	N/A	N/A	Data being gathered	Data being gathered
16	# of commonly used documents translated into another language (LEP Initiative)	N/A	N/A	Data being gathered	Data being gathered	TBD
17	% of staff receiving LEP & cross cultural comm. training.	N/A	N/A	N/A	Data being gathered	TBD

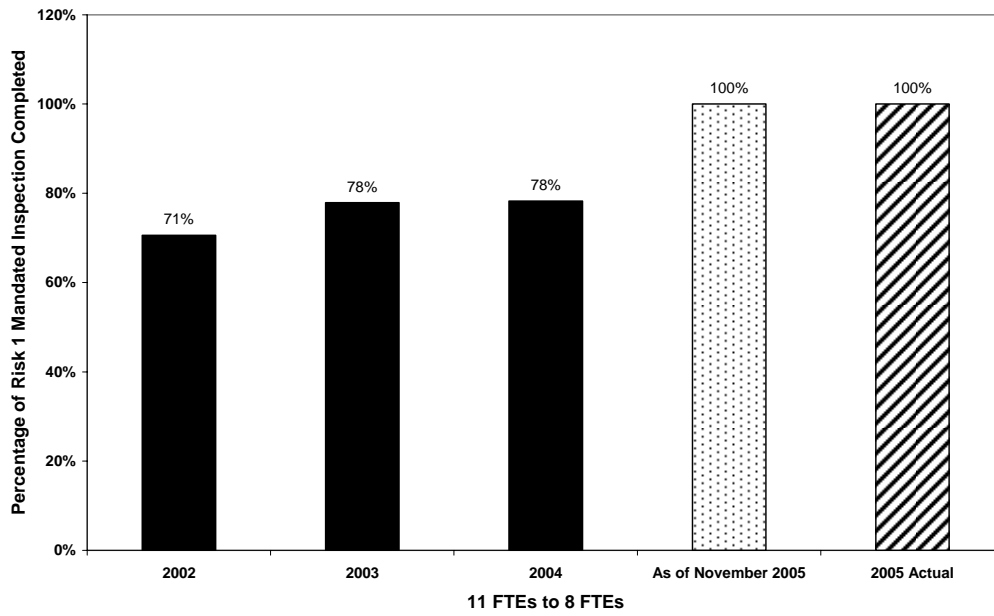
NOTE: Many of the performance measures above are newly created and there still is work to be done to gather historical data (where possible) and set goals and/or benchmarks.

CONTEXT FOR THE DEPARTMENT’S BUSINESS
Development of Systems

Housing Inspection Services
2005 - Total Rental Licensing Inspections

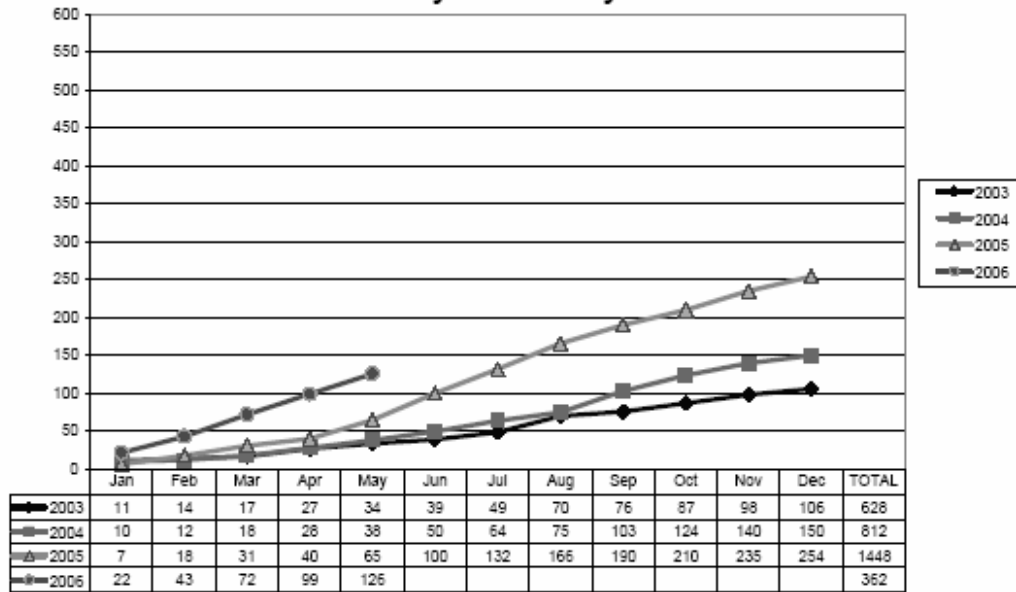


**Environmental Health - Food Safety
Risk 1 Mandated Inspections**



Problem Properties Unit

**Housing Authorized Board Ups
January 2003- May 2006**



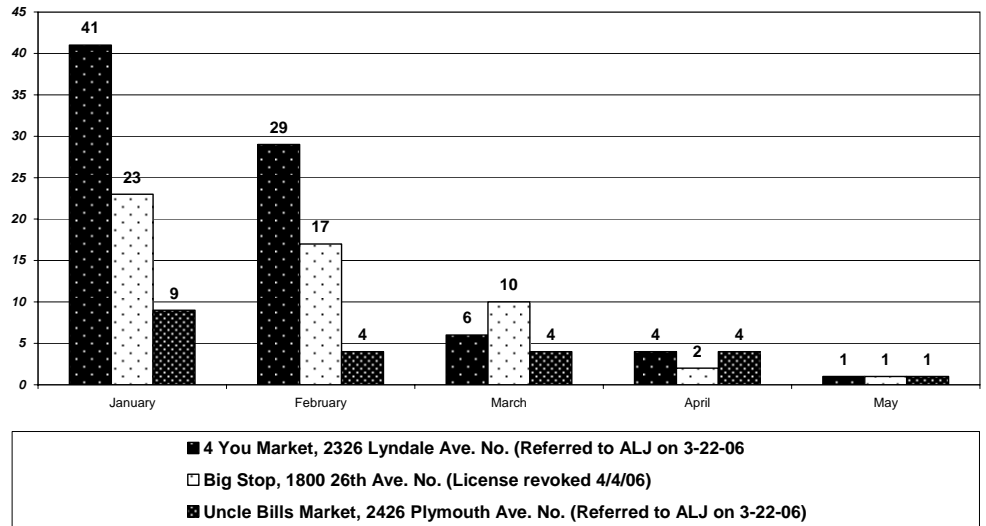
Business Licensing

Business Licensing & Police Licensing

Grocery Store Task Force

– This joint initiative has focused on the various business licenses of grocery stores and convenience stores in Minneapolis that seem to support the drug trade, loitering and other illicit and criminal activities. The focus of the task force is on the top offenders as determined by the number of complaints that the City receives about the business, the number of police calls, the number of successful law enforcement “stings” at a particular business, and the effect on the surrounding community of having that business in that community.

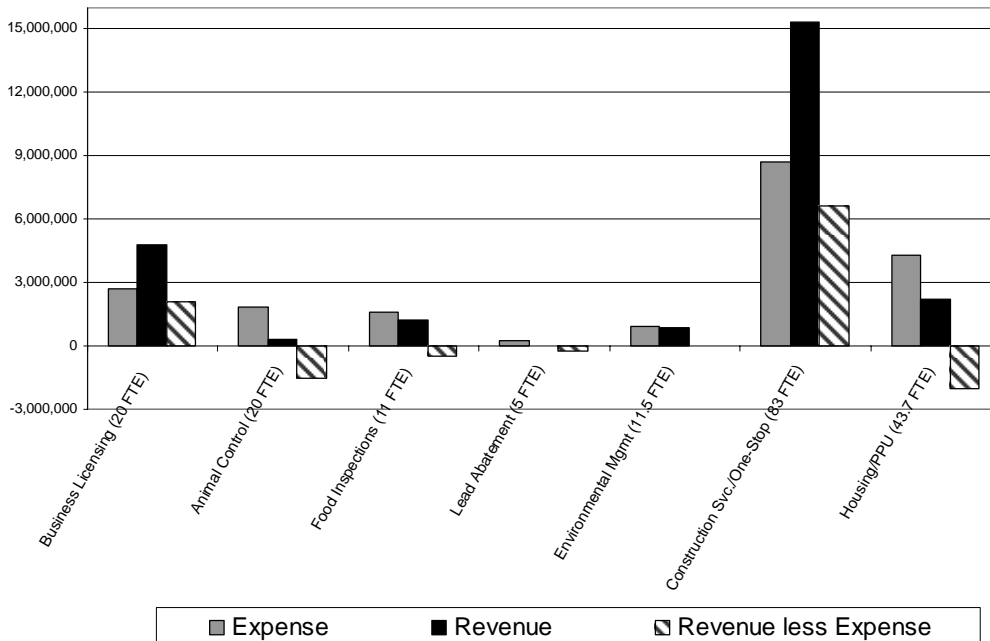
Number of Police Calls



Operations Support

2005 Regulatory Services Department Cost Recovery

(This chart only includes Regulatory Services expenses related to these activities. City-wide expenses and related expenses of other departments are not included)



New Revenue Proposals

(see financial analysis for the department for description of what was funded)

FTE Requests

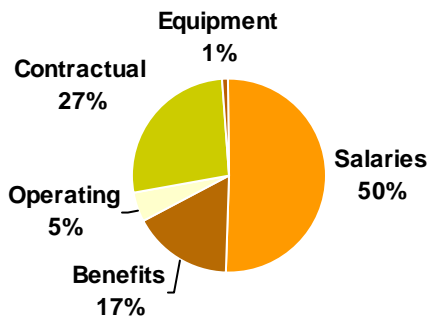
Division	Description	Revenue	Rationale	Positions Requested	Total Cost
1. Animal Control	Dangerous Dog Hearing Charge	\$10,000	Charge those using disproportionate amount of service and endangering the public.	(1) Environmental Inspector II (1) Code Compliance Officer I	\$68,575 \$64,549
2. Animal Control	Dangerous Dog Kennel and quarantine fees	\$10,000	Charge those using disproportionate amount of service and endangering the public.		
3. Animal Control	Administrative Citations	\$20,000	Charge those using disproportionate amount of service		
Animal Control	Misc. Increases	\$5,000			
	<i>Subtotal</i>	<i>\$45,000</i>			
4. Food	Re-inspection Fees	\$15,000	Charge those using disproportionate amount of service.		
5. Food	Administrative Citations	\$24,000	Charge those using disproportionate amount of service		
	<i>Subtotal</i>	<i>\$39,000</i>			
6. Environmental Services	Identify New Pollution Control Annual registration w/ permit data analysis	\$25,000 \$60,000*	*2006 Increase incorporated an additional \$60,000 into the base fee that will carry over to future years.		
	<i>Subtotal</i>	<i>\$85,000</i>			
7. Housing	Water shutoff condemnation notice	\$50,000	Charge for Housing Inspector services necessitated by water shutoff.		
8. Construction Services	Dumpster/ Street Permit Changes	\$50,000	Remove the lower fee and make all permits obtainable only by dumpster companies to better ensure proper placement and permitting.	(1) Plan Examiner I (1) Office support specialist II	\$77,170 \$52,781
9. Business Licensing	Alarm System Permitting	\$370,410		(4) Customer Service Rep I (2) Licensing Inspector	\$224,764 \$137,150
10. PPU	Increase Vacant and Boarded Bldg Charge	\$80,000	Charge those using disproportionate amount of service and negatively impacting neighborhood.		
Total		\$719,410			\$624,989
Difference		\$94,421			

FINANCIAL ANALYSIS

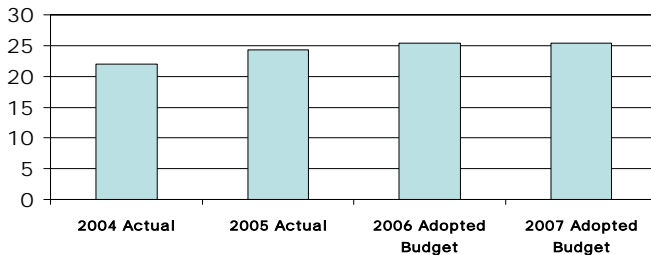
EXPENDITURE

For 2007, the Regulatory Services budget is \$25.7 million, a 1% decrease from the 2006 Adopted Budget. This includes the elimination of 9 FTE's, which worked on Electrical Inspections. An additional 1.5 positions in clerical support were added due to an increase in revenue. The expense budget for Regulatory Services includes a \$1.2 million for the HUD Lead Grant.

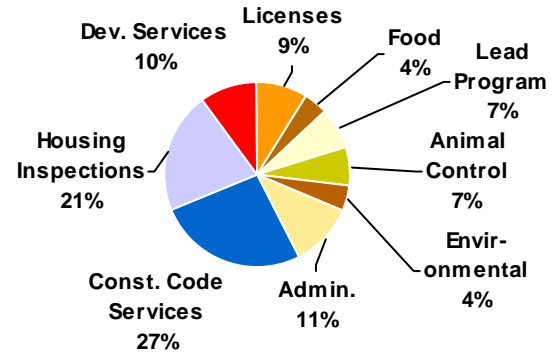
Expenditures by Type (\$25.7 million)



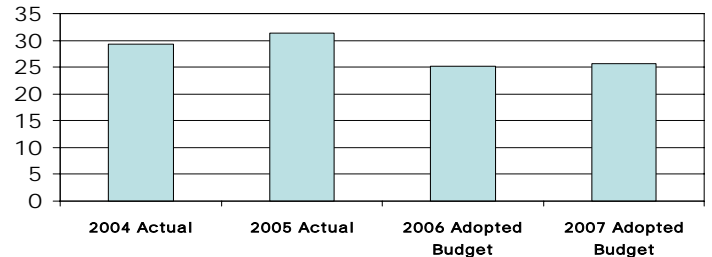
Expenditures 2004-2007



Expenditures by Division (\$25.7 million)



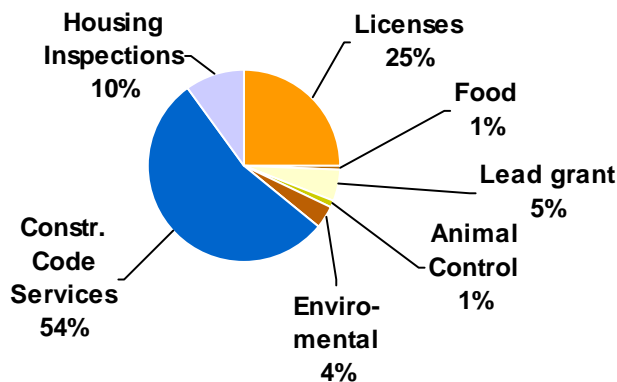
Revenues 2004-2007



REVENUE

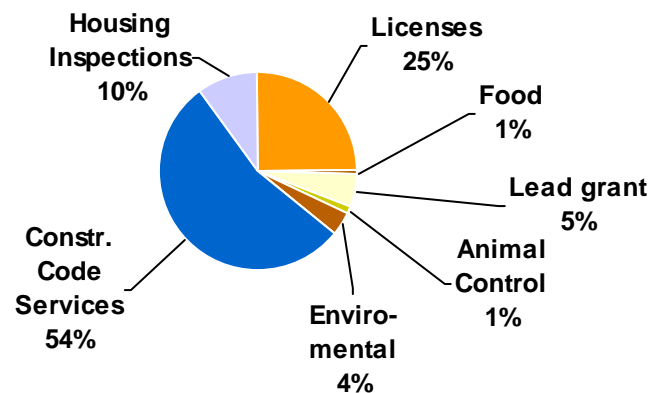
In 2007, Regulatory Services anticipates \$25.7 million in revenue. There will be a decrease in revenue due to no longer having the Electrical Permits. The HUD Lead grant is expected to receive revenue of \$1.2 million in 2007. From 2006 to 2007, the Construction Inspection area anticipates an increase in its revenue of 5% due to the building of a baseball stadium. The anticipated cost of construction will be higher for many permits in 2007.

Direct Revenue by Source (\$25.7 million)



City of Minneapolis – Regulatory Services

Direct Revenues by Division (\$25.7 million)



Council Adopted Budget

FUND ALLOCATION

In 2007, the Department’s budget is primarily derived from the General Fund (94%). \$208,756 of the budget is funded through Community Development Block Grants and \$1.25 million of the budget is funded through federal grants.

MAYOR’S RECOMMENDED BUDGET

The Mayor’s recommendation moved the environmental coordinator and one additional position to the Coordinator Administration area (\$180,000). The Mayor added \$530,000 to fund boarded and vacant building efforts on an ongoing basis. Eight positions were added to the department – 4 for one stop/development review services and 4 for business licensing (\$500,000).

The Mayor’s recommended budget accepted all of the department’s revenue proposals (\$719,000). Any ordinance changes needed to implement these proposals were directed be pursued immediately, in order to inform the Council’s deliberations.

COUNCIL ADOPTED BUDGET

In addition to the Mayor’s recommended budget, the Council directed Regulatory Services to allocate \$300,000 of one-time resources for nuisance abatement. As part of this direction, the CDBG allocation to Regulatory Services will increase and CDBG allocation to CPED will decrease by \$300,000.

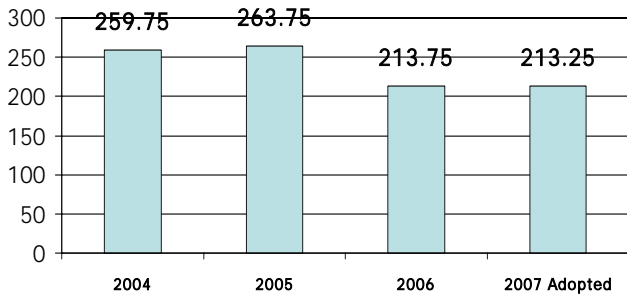
The Council also directed Regulatory Services not to spend the budgeted amount of \$370,000 nor hire FTEs relating to business licensing initiative until such time that the false alarm ordinance has been approved by the City Council.

REGULATORY SERVICES

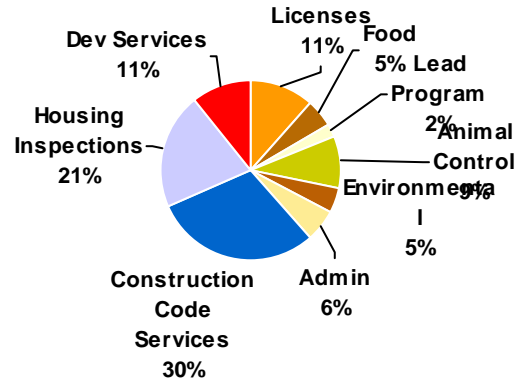
Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	33.00	38.00	12.00	12.00	0.00%	-
Licenses and Consumer Services	-	-	21.00	24.00	14.29%	3.00
Parking and Traffic Control	42.00	42.00	-	-	-	-
Environmental Food	26.00	21.60	17.00	11.00	-35.29%	(6.00)
Environmental Lead	-	-	3.00	6.00	100.00%	3.00
Animal Control	21.00	21.00	21.00	20.00	-4.76%	(1.00)
Environmental Management	8.25	9.25	9.00	9.50	5.56%	0.50
Construction Code Services	62.50	63.00	75.00	64.00	-14.67%	(11.00)
Housing Inspections	41.00	44.90	36.75	43.75	19.05%	7.00
Minneapolis One Stop	26.00	24.00	15.00	23.00	53.33%	8.00
Total FTE's	259.75	263.75	213.75	213.25	-0.23%	(0.50)

Staffing Summary 2004-2007



Positions by Division (212)



**REGULATORY SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	21,940,549	24,338,365	25,387,350	25,669,505	1.1%	282,155
Total Revenues - All Funds	29,332,223	31,341,537	25,155,486	25,671,643	2.1%	516,157
General Fund - City						
Salaries and Wages	11,939,425	11,596,933	12,808,915	12,766,624	-0.3%	-42,291
Equipment Labor		430			0.0%	0
Contractual Services	2,340,269	4,682,142	5,590,124	5,467,355	-2.2%	-122,769
Operating Costs	790,900	778,734	847,613	1,156,725	36.5%	309,112
Fringe Benefits	3,127,115	3,214,190	3,874,533	4,311,095	11.3%	436,562
Equipment	513,601	21,138	152,447	103,785	-31.9%	-48,662
Capital Outlay	38,643	59,101	576,589	131,020	-77.3%	-445,569
Total Expenditure	18,749,953	20,352,667	23,850,221	23,936,604	0.4%	86,383
Licenses and Permits	22,128,049	22,845,045	21,933,257	22,401,712	2.1%	468,455
Local Government	33,949	34,627	47,500	48,925	3.0%	1,425
Charges for Service	748,221	729,248	692,300	761,800	10.0%	69,500
Charges for Sales	890	299	100	200	100.0%	100
Fines and Forfeits	5,203,778	5,761,352	133,500	169,000	26.6%	35,500
Special Assessments	824,654	1,018,956	1,020,000	1,030,000	1.0%	10,000
Gains	2,563				0.0%	0
Contributions	355	25			0.0%	0
Other Misc Revenues	38,722	72,387	9,600	5,105	-46.8%	-4,495
Total Revenue	28,981,181	30,461,939	23,836,257	24,416,742	2.4%	580,485
Special Revenue Funds						
Salaries and Wages	99,334	169,369	47,472	13,043	-72.5%	-34,429
Equipment Labor		90			0.0%	0
Contractual Services	408,478	935,757	1,371,552	1,656,404	20.8%	284,852
Operating Costs	18,256	53,683	46,951	52,337	11.5%	5,386
Fringe Benefits	20,575	40,034	16,254	11,117	-31.6%	-5,137
Equipment	300	6,610			0.0%	0
Capital Outlay	68,585	170,552	54,900	0	-100.0%	-54,900
Total Expenditure	615,528	1,376,095	1,537,129	1,732,901	12.7%	195,772
Federal Government	274,365	848,856	1,319,229	1,254,901	-4.9%	-64,328
State Government	29,651	12	0	0	0.0%	0
Local Government	25,113				0.0%	0
Charges for Service	5,248				0.0%	0
Contributions	-12,331				0.0%	0
Total Revenue	322,046	848,868	1,319,229	1,254,901	-4.9%	-64,328

Note: The Traffic Control Division moved to the police department in 2006. Related expense and revenue are shown here in department's historical totals

CIVIL RIGHTS

MISSION

The Minneapolis Department of Civil Rights (MDCR) is the administrative agency responsible for carrying out the City's policy to prevent and prohibit all unlawful discriminatory practices. Such unlawful discriminatory practices injure the public welfare by degrading individuals, foster intolerance and hate, which create and intensify unemployment, substandard housing, under-education, ill health, lawlessness and poverty. Through vigorous enforcement of the civil rights laws, education, mediation and conciliation, the MDCR strives to eliminate unlawful discriminatory practices, thus promoting the health, welfare, peace, and safety of the community.

BUSINESS LINES

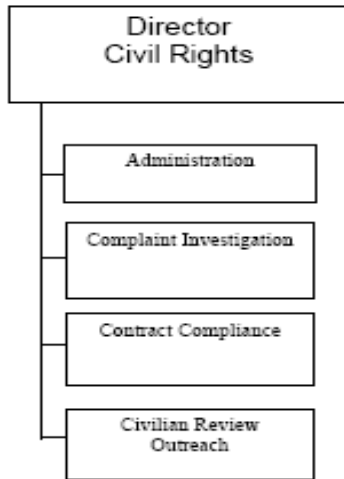
Civilian Review Authority (CRA) is the City's administrative agency that investigates and adjudicates citizen complaints of police misconduct. The CRA staff, and the eleven-member citizen board, issue decisions independent of the Minneapolis Police Department.

Complaint Investigations Unit (CIU) is a quasi-judicial administrative agency that enforces the Minneapolis Civil Rights Ordinance by investigating, conciliating and adjudicating complaints of discrimination. CIU is also a FEPA (Fair Employment Practices Agency) under federal law, and investigates violations of Title VII of the 1964 Civil Rights Act pursuant to the work share agreement with the Equal Employment Opportunity Commission (EEOC). The Minneapolis Commission on Civil Rights (MCCR) is a twenty-one member citizen board that reviews CIU decisions.

Contract Compliance Unit (CCU) establishes, monitors, and enforces employment participation in Davis-Bacon, prevailing wage, Affirmative Action plans, the Equal Benefits Ordinance, along with subcontracting and purchasing goals for women and minority owned businesses on all City funded construction in excess of \$100,000 and purchasing/service contracts in excess of \$50,000.

Multicultural Services and Community Access facilitates access to and understanding of City services for all communities and reflects the expressed needs and priorities of the City of Minneapolis, communities of color, American-Indians, people with limited English, deaf and hard of hearing and other protected groups.

Community Education Unit (CEU) (temporarily reinstated) promotes the services of the department to the residents and visitors of Minneapolis by conducting public forums, presentations, and workshops in order to inform and disseminate quality and accurate information to the community.



FIVE – YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)					
City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure	
1-Safe Place, 2-One Minneapolis	1b, 2c	Enforce the Minneapolis Civil Rights Ordinance prohibiting discriminatory practices	Investigate allegations of discrimination that are legally sound, thorough, professional and timely	# of intake inquiries	
				# of complaints filed	
				% increase in cases resolved through mediation	
				Average time for Completion of investigations	
				Completion of discrimination investigations within the time frame as prescribed the current guidelines or court precedent	
1-Safe Place, 2-One Minneapolis	1b, 2a	Investigations under Title 9, Chapter 172 of the Minneapolis Civilian Police Authority Ordinance	Investigate allegations of police misconduct in a professional, thorough, and timely manner	# of intake inquiries	
				# of complaints filed	
				# of cases under investigation	
				# of hearings held	
				# of complaints awaiting CRA hearing	
1-Safe Place	1b, 1e			# of Civil Rights or CRA sponsored forums or trainings	
				# of reports and presentations by Civil Rights Department and other advisory groups to stakeholders, including City Council	

**FIVE – YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES
(ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)**

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1-Safe Place, 2-One Minneapolis	1b, 2a, 2c	Insure equal and timely access to City Services, Decision-making Processes and Resource Opportunities for all customers	Facilitate processes to better inform, engage and educate diverse communities in public policy debate and decision making processes	# of City Departments that have fully implemented their LEP plans and trained staff
1-Safe Place, 2-One Minneapolis	1b, 2a, 2c			Increased utilization of language and deaf and hard of hearing access tools or supports (telephonic interpreting services/requests for face- to-face interpreters and document translation) by City Departments
2-One Minneapolis	2a, 6c	Proactively support workforce diversity in the City of Minneapolis by establishing and monitoring employment hiring goals Proactively support workforce diversity in the City of Minneapolis by establishing and monitoring employment hiring goals (ctd.)	Correct past practice of underutilization of women and minority owned businesses and underemployment of protected classes within the City of Minneapolis	% increase of women and minority employees participants on construction/building projects funded with City of Minneapolis dollars
				# of Affirmative Action Plans registered
				# and total value of Construction and Development projects (pending, active, closed)
				Davis-Bacon prevailing wage (total projects, value of projects and # receiving restitution)
2-One Minneapolis	2a, 6c		Improve internal Department's knowledge and adherence to SUBP policy and its impact on procurement	

MEASURE DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
# of intake inquiries	438	985	607	Gathering	700	850
# of complaints filed	155	115	121	Pending	50%	60%
% increase in cases resolved through mediation	9%	3%	29%	Pending	8	16
Average completion time for investigations (days)	441	747	792	689	650	607
Increased MMS utilization(language and deaf and hard of hearing access tools or supports (telephonic interpreting services/requests for face-to-face interpreters and document translation) by City Departments	3,300	4,204	5,103	6,000	7,000	8,000
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
% of women and minority employees participation on construction/building projects funded with City of Minneapolis dollars	Gathering data	Gathering data	2,091,516 Total Project hours 107,814 / 5.15% – Female participation 256,163 / 14.16% - Minority Skilled Participation 54,504/ 19.27% - Minority Unskilled Participation	Pending	N/A	N/A
# of women and minority owned businesses who are certified to do business with the City	Gathering data	Gathering data	Gathering data	Gathering data	N/A	N/A
# of Affirmative Action Plans registered	551	515	512	246	550	550
# and total value of Construction and Development projects (active, closed, pending)	Active – 54 Closed – 58 Pending – 60 Total 172 2,143,047,106	Active – 53 Closed – 62 Pending – 54 Total 169 1,246,846,205	Active – 52 Pending – 31 Closed – 35 Total - 118 \$625,150,796	Active – 43 Pending – 37 Closed – 17 Total - 97 \$515,145,456	Active – 43 Pending – 37 Closed – 17 Total - 97 \$515,145,456	N/A

Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Davis-Bacon prevailing wage (total projects, value of projects and # receiving restitution)	44 Projects \$408,022 # receiving restitution = 32 \$ Amount of restitution = \$25,128	15 Projects \$276,800 # receiving restitution = 40 \$ Amount of restitution = \$69,674	43 Projects \$240,839,168 # receiving restitution = 30 \$ Amount of restitution = \$19,186	37 Projects \$210,918,664	37 Projects \$210,918,664	N/A
\$ Amount of City contracts awarded to small and underutilized businesses	Total Contract amount 193,030,939 Total MBE Amount = \$3,087,935 / 1.6% Total WBE Amount = \$2,118,241 / 1.1%	Total Contract amount \$66,434,858 Total MBE Amount = \$1,535,506 / 2.3% Total WBE Amount = \$1,085,640 / 1.6%	Total Contract amount \$625,150,797 Total MBE Amount = \$28,071,749 / 3.7% Total WBE Amount = \$36,534,324 / 5.8%	Total Contract Amount \$515,145,456 Total MBE Amount = \$30,000,762 / 5.8% Total WBE Amount = \$42,400,597 / 8.2%	Total Contract Amount \$515,145,456 Total MBE Amount = \$30,000,762 / 5.8% Total WBE Amount = \$42,400,597 / 8.2%	N/A
Completion of investigations of discrimination within the time frame as prescribed the current guidelines or court precedent	50	70	80	30	90	150
# of CRA intake inquiries	610	402	236	257	272	300
# of CRA complaints filed	157	128	84	88	101	45
# of CRA cases under investigation	163	133	84	70	83	90
# of CRA hearings	3	85	179	88	108	96
# of complaints awaiting CRA hearing	78	91	25	15	15	16
# of Civil Rights or CRA sponsored forums or trainings	10	15	19	25	30	120
# of reports and presentations by Civil Rights Commission and other advisory groups to stakeholders, including City Council		2	4	4	4	10

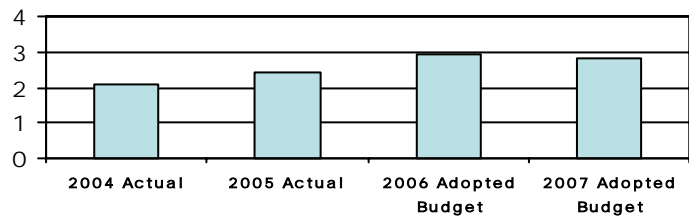
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Increased MMS utilization(language and deaf and hard of hearing access tools or supports (telephonic interpreting services/requests for face to face interpreters and document translation) by City Departments	3,300	4,204	5,103	6,000	7,000	8,000

FINANCIAL ANALYSIS

EXPENDITURE

The Civil Rights Department's 2007 budget of \$2.8 million is in line with the five-year financial direction, with self-insurance fund charges. This expenditure figure is 4% less than the \$2.9 million in expenditures in the 2006 budget. The department had \$250,000 in one-time funds in 2006. The department's CDBG allocation has declined by 15%, the City-wide assumption.

**Expenditures 2004-2007
(In millions)**



REVENUE

The Department's revenue from EEOC (Equal Opportunities Employment Commission) Work Share agreement is projected in 2007 at \$54,000. This represents an 8% increase from the \$50,000 received in 2006.

FUND ALLOCATION

The Civil Rights Department is funded by the General Fund (88%) and CDBG funds (12%).

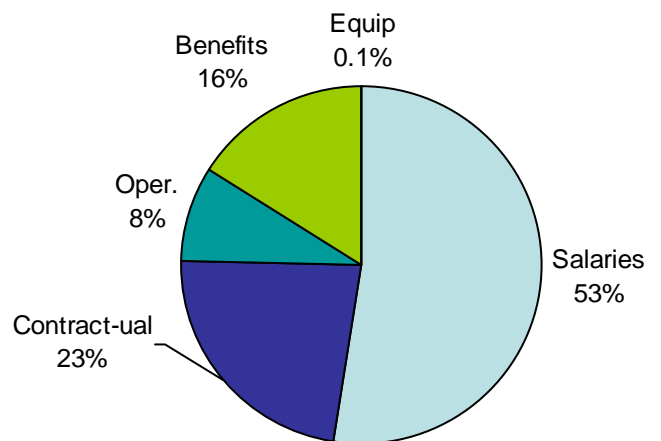
MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no changes to the Civil Rights budget.

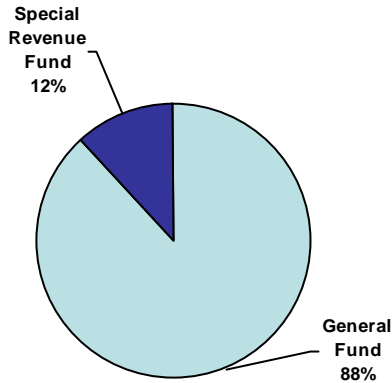
COUNCIL ADOPTED BUDGET

The Council adopted the Mayor's Recommendations.

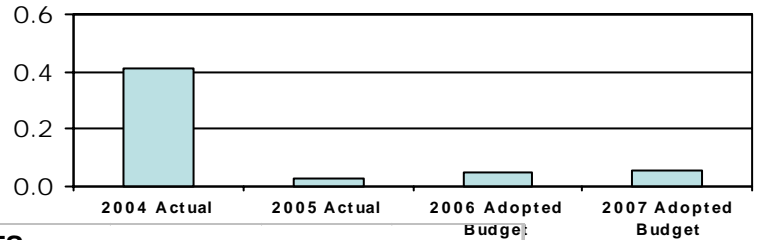
Expenditures by Type (\$2.8 million)



Expenditures by Fund (\$2.8 million)

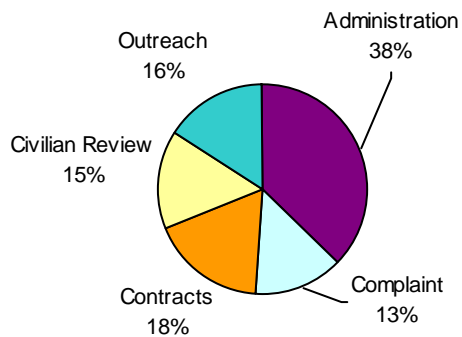


**Revenues 2004-2007
(In millions)**

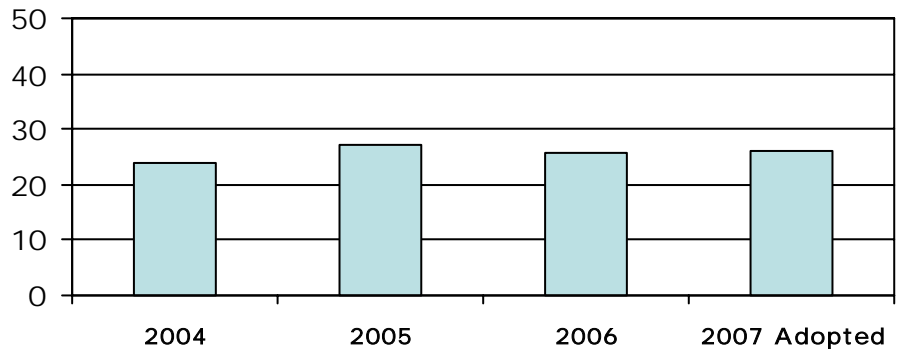


CIVIL RIGHTS						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	7.00	7.00	5.00	4.75	-5.00%	(0.25)
Complaint Investigation	6.00	6.00	5.00	5.25	5.00%	0.25
Contract Compliance	7.00	5.00	6.00	6.00	0.00%	-
Civilian Review Authority	4.00	4.00	4.00	4.00	0.00%	-
Outreach	-	5.00	5.80	6.10	5.17%	0.30
Total FTE's	24.00	27.00	25.80	26.10	1.16%	0.30

Expenditures by Division



Staffing Summary 2004-2007



**CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditures - All Funds	2,058,387	2,446,836	2,914,146	2,798,739	-4.0%	-115,407
Total Revenue - All Funds	414,153	25,243	50,000	54,000	8.0%	4,000
General Fund - City						
Salaries and Wages	1,178,070	1,139,930	1,305,231	1,285,226	-1.5%	-20,005
Contractual Services	315,008	603,292	767,870	542,171	-29.4%	-225,699
Operating Costs	43,985	78,610	67,815	228,371	236.8%	160,556
Fringe Benefits	247,869	288,199	346,724	398,547	14.9%	51,823
Equipment	520		3,103	3,212	3.5%	109
Capital Outlay	5,420	18	3,103	3,212	3.5%	109
Total Expenditures	1,790,872	2,110,049	2,493,846	2,460,739	-1.3%	-33,107
Charges for Service	342,448	368			0.0%	0
Total Revenue	342,448	368			0.0%	0
Special Revenue Funds						
Salaries and Wages	167,970	241,887	223,139	178,090	-20.2%	-45,049
Contractual Services	38,479	34,189	117,369	100,389	-14.5%	-16,980
Operating Costs	8,968	592	8,109	8,393	3.5%	284
Fringe Benefits	49,014	60,120	71,683	51,128	-28.7%	-20,555
Equipment	2,322				0.0%	0
Capital Outlay	761				0.0%	0
Total Expenditures	267,515	336,787	420,300	338,000	-19.6%	-82,300
Federal Government Contributions	71,000 705	24,500 375	50,000	54,000	8.0% 0.0%	4,000 0
Total Revenue	71,705	24,875	50,000	54,000	8.0%	4,000

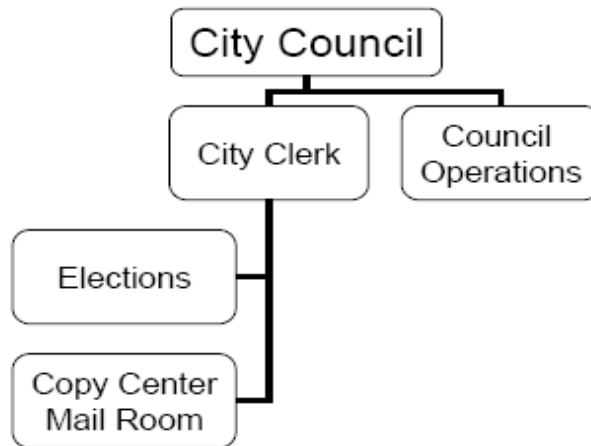
CLERK

MISSION

Our mission is to provide high quality, cost-effective information for Council Members, City staff and the public, so that effective and responsible decisions can be made to govern the City. We strive to ensure that all procedures of the Council and Clerk's offices conform to Federal, State and City regulations and policies, so that information management, actions and documentation lead to sound and legally-based decisions. We conduct elections that facilitate the maximum participation of all eligible voters in the City of Minneapolis.



ORGANIZATION CHART



BUSINESS LINES

To fulfill its mission, the City Clerk's Department has the following four primary business lines:

Information Management – Coordinate, maintain and provide access to City information

Council Administration and Support – Provide administrative support to City Council

Printing and Mailing Services – Provide copying and postal services

Elections, Voter Registration and Passports – Administer Federal, State, County and Local elections for the citizens of Minneapolis. Offer customer services as a U.S. Passport Acceptance Agency



Council Ward Budgets

FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)		
<i>NOTE: The City Clerk’s Office provides service to internal and external customers and is key in ensuring that city records, information and processes are accessible to policy makers and the public. In this regard the office supports all city goals and strategic directions.</i>		
Department Goal	Department Objective	Measure
ADMINISTRATION		
Provide administrative services to the City Clerk and Council offices, City boards and commissions.		Percent of time service provision met the departmental or interdepartmental imposed deadlines
Create an atmosphere that honors the unity, commitment, diversity and professionalism of our workforce and the public we serve	Insure a competent professional workforce	Number of employees participating in employee training. 100% of employees participate in annual performance discussion
COMMITTEE COORDINATORS & COUNCIL INFORMATION		
Increase access to information	Provide official records to the public within state regulations	% of official proceedings created, proofed and published on the Web within 5 working days % response to current and routine inquiries processed within 3 working days
COPY AND MAIL CENTER		
Provide cost effective and efficient copying, bindery and daily courier services for City departments	Maintain competitive rates with private sector vendors	Compare Copy Center costs with two downtown private sector vendors Compare Mail Room courier costs with two private sector vendors
ELECTIONS & PASSPORTS		
Meeting the voting needs of residents relating to the election process	Respond to legislative changes and create efficiencies in election administration	Percent of residents surveyed who rated their voting experience “excellent” or “satisfactory”
Facilitate Voter Participation	Provide voter education	# of ballots cast in each November election
Revenue generation	Provide acceptance services for US Passports and provide passport photo services	Maintain or increase revenue U.S. Passports processed
ENTERPRISE INFORMATION MANAGEMENT		
Guide the City’s management of electronic and paper records to comply with State and Federal regulations	Manage EIM standards and practices for all City departments, consistent with other local, state and national jurisdictions	# of departments and divisions that have developed State approved retention schedules for records (paper and electronic) specific to their operations. % Response to current and historical inquiries within stated goals; researched within 3 working days unless specified

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
ADMINISTRATION						
Percent of time service provision met the departmental or interdepartmental imposed deadlines	100%	100%	100%	100%	100%	100%
Number of employees participating in employee training	100%	100%	100%	100%	100%	100%
100% of employees participate in annual performance discussion		40%	100%	100%	100%	100%
COMMITTEE COORDINATORS & COUNCIL INFORMATION						
% of official proceedings created, proofed and published on the Web within 5 working days	100%	100%	100%	100%	100%	100%
% response to current and routine inquiries processed within 3 working days	100%	100%	100%	100%	100%	100%
COPY AND MAIL CENTER						
Compare Copy Center costs with two downtown private sector vendors	NA	NA	NA			
Compare Mail Room courier costs with two private sector vendors	NA	NA	NA			
ELECTIONS & PASSPORTS						
Percent of residents surveyed who rated their voting experience "excellent" or "satisfactory"	NA	NA	99.8%	99%	99%	99%
# ballots cast in each November election		201,672	70,987	225,000	NA	NA
Maintain or increase revenue for U.S. Passports process	NA	\$ 9,040 247	\$ 17,430 449	\$20,000 500	\$20,000 500	\$20,000 500
ENTERPRISE INFORMATION MANAGEMENT						
<i>NOTE: A framework for measuring EIM progress is currently under development by Records Management, BIS and individual departments. This framework will be used to design performance measures within specific departmental action plans.</i>						
# of departments and divisions that have developed State approved retention schedules for records (paper and electronic) specific to their operations	NA	NA	NA	2 of 17	5 of 17	17 of 17
% Response to current and historical inquiries within stated goals; researched within 3 working days unless specified	100%	100%	100%	100%	100%	100%

CONTEXT FOR THE DEPARTMENT'S WORK

Federal Help America Vote Act (HAVA): As a result of this new Federal law, Assistive Voting Technology (AVT) will be implemented in Minneapolis beginning in the fall of 2006. This technology, purchased through a federal grant, will allow voters with disabilities (blind or deaf or have difficulty using a pen) to vote independently and privately. Though the equipment was

purchased with grant dollars, the administration, training, annual maintenance costs, storage costs and staff required to implement the program were unfunded. As a result, increased costs have been built into the elections department budget for 2006 and continuing into the future.

Instant Run-off Voting: A question proposing a fundamental change in how the City of Minneapolis conducts its elections for officers was approved by the voters in November of 2006. If passed by the voters of Minneapolis a number of budget implications will need to be addressed. The earliest date of implementation would be 2009, but expenditures required to implement the program will begin immediately upon adoption.



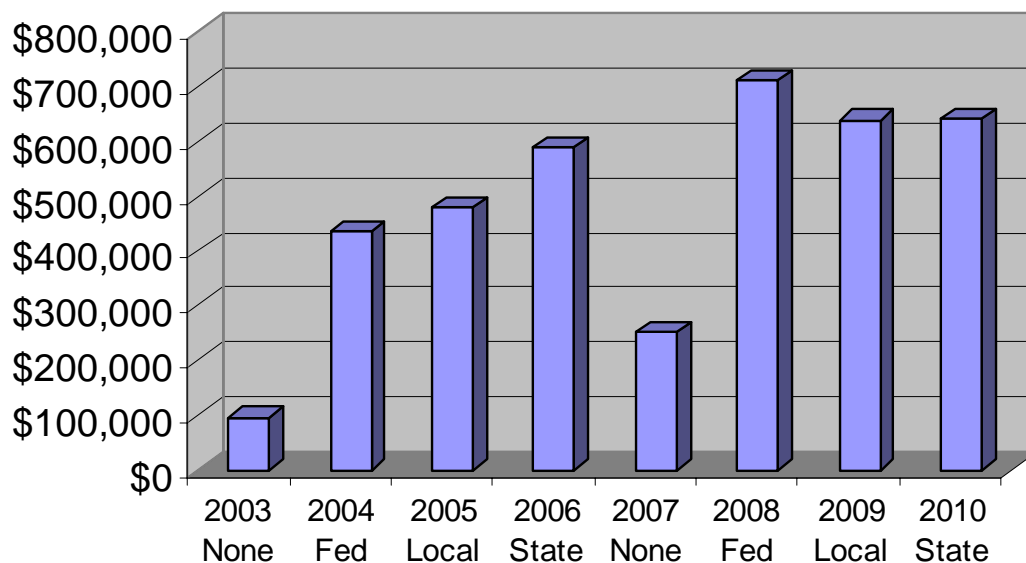
Elections Budget Cycle: The Election Division administers all elections for Minneapolis residents per state statute and federal law. Our schedule and budget follow a four-year cycle:

- Year One Local Offices
- Year Two State & School Board
- Year Three No scheduled elections (special elections are often scheduled)
- Year Four Federal & State

Because staffing levels and other costs fluctuate based upon projected voter turnout and other factors pertinent to each election cycle, it is impossible to develop a budget which is consistent from year to year. The graph below depicts this fluctuation by showing the actual cost of mandated activities from years 2003 through 2005, and projected costs for 2006 through 2010.

The rise in costs for projected years 2008 through 2010 reflect increased mandates from the Help America Vote Act including warehouse and drayage for the new equipment, as well as personnel costs for election judge staffing and training.

MANDATED ELECTION COSTS BY YEAR AND ELECTION TYPE



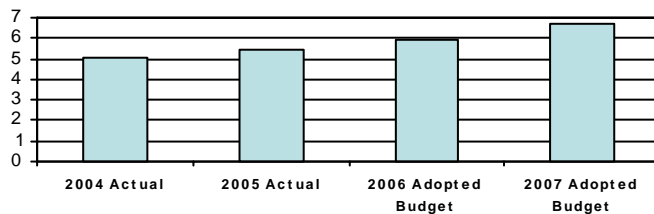
FINANCIAL ANALYSIS

EXPENDITURE

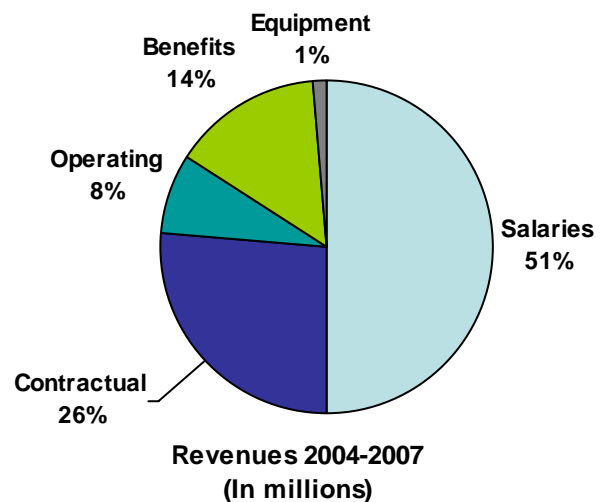
The 2007 City Clerk and Elections & Registrations Department's budget of \$7.5 million is in line with the five-year financial direction. This budget includes the reduction of \$200,000 due to the fact there is no scheduled election in 2007.

In 2006, the outsourced postage service previously paid by individual departments is now being paid by Central Mailing. This caused a greater expenditure for the Department and matching revenue in this area. In 2007, this is estimated at \$315,000. The Department also expects an increase to the expenditures in bulk mailing service, due to payment in advance at the Post Office. Data center duties moved from the Clerk budget to the BIS budget.

**Expenditures 2004-2007
(In millions)**



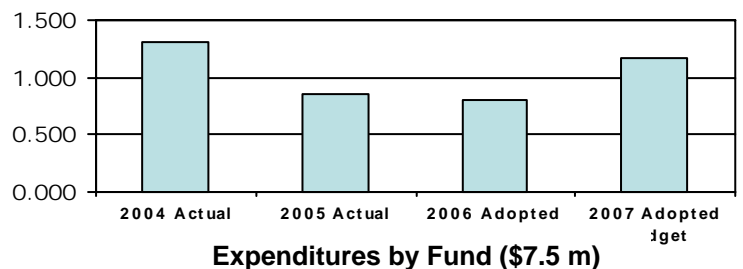
Expenditures by Type (\$7.5 m)



REVENUE

Revenue is \$1.3 million, a \$470,000 increase from 2006. Declining sales of documentation copies due to availability of internet access will drive revenue down, but passport services revenue is expected to increase slightly.

Central Mailing expects a decrease in revenue to UPS service, as parcel service is going down. They will have a large increase to revenue due to postage, through intergovernmental payment vouchers, with matching expenditures.

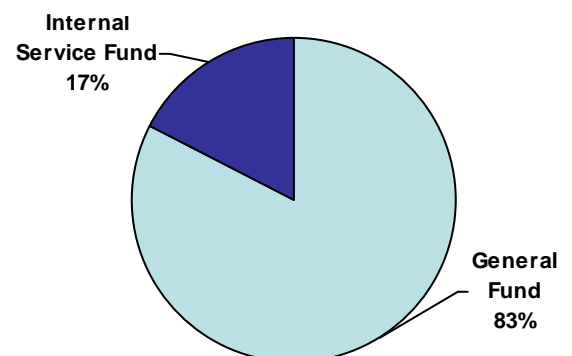


FUND ALLOCATION

The Operations Division's \$3.5 million expense budget is funded by the General Fund and Internal Service Fund while the Election & Registration Division's expense budget of \$800,000 is completely funded by the General Fund.

MAYOR RECOMMENDED BUDGET

The Mayor accepts the Department's strategy to meet the financial direction.



COUNCIL ADOPTED

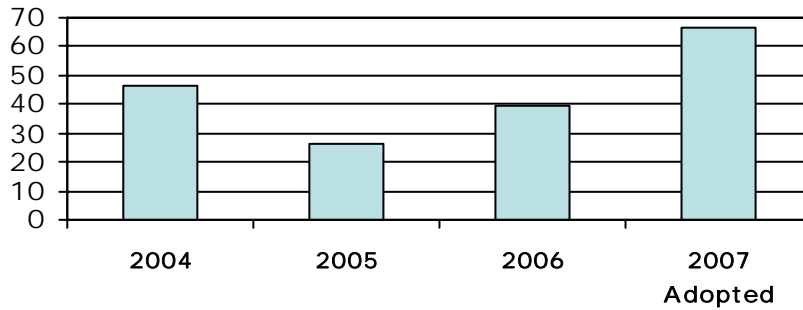
The Council moved their ward budgets into the City Clerk's group as part of budget adoption. The data center moved to the department from BIS.

CITY CLERK

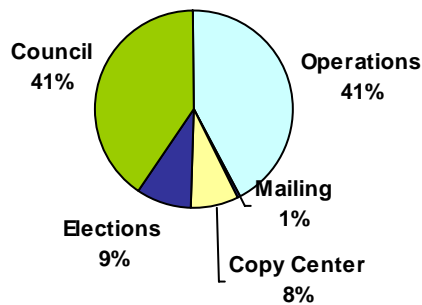
Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	% Change
FTE's by Division						
Operations	14.00	15.00	28.00	28.00	0.00%	-
Central Mailing	0.80	0.80	0.35	0.35	0.00%	-
Central Copy Center	4.70	4.70	5.15	5.15	0.00%	-
Elections & Registration	26.70	6.00	6.00	6.00	0.00%	-
Council	-	-	-	27.00	3.85%	27.00
Total FTE's	46.20	26.50	39.50	66.50	68.35%	27.00

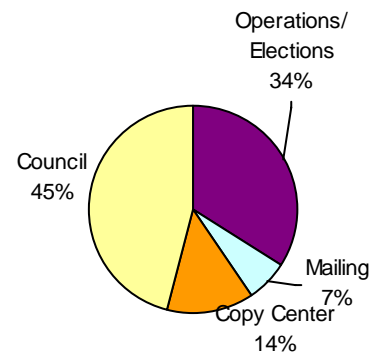
Staffing Summary 2004-2007



Staffing by Division



Expenditure by Division (\$6.7 million)



**CLERK
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	6,054,967	6,502,617	6,892,361	7,476,712	8.5%	584,351
Total Revenues - All Funds	1,383,720	959,448	891,171	1,269,119	42.4%	377,948
General Fund - City						
Salaries and Wages	3,574,014	3,205,693	3,369,305	3,475,949	3.2%	106,644
Contractual Services	498,788	1,473,004	1,522,948	1,381,413	-9.3%	-141,535
Operating Costs	150,995	188,903	118,582	326,957	175.7%	208,375
Fringe Benefits	734,476	794,809	1,066,398	970,406	-9.0%	-95,992
Equipment	60		15,615	15,531	-0.5%	-84
Total Expenditure	4,958,332	5,662,409	6,092,848	6,170,256	1.3%	77,408
Licenses and Permits	6,099	3,953	500	500	0.0%	0
Charges for Service	87,093	103,296	90,554	92,984	2.7%	2,430
Charges for Sales	1,305	632	800	525	-34.4%	-275
Contributions	1,510	3,081			0.0%	0
Other Misc Revenues	2,588	3,529	750	750	0.0%	0
Total Revenues	98,595	114,491	92,604	94,759	2.3%	2,155
Special Revenue Funds						
Contractual Services	-724	0	0	0	0.0%	0
Total Expenditure	-724	0	0	0	0.0%	0
Local Government	1,500	0	0	0	0.0%	0
Total Revenues	1,500	0	0	0	0.0%	0
Internal Service Funds						
Salaries and Wages	130,513	125,377	195,228	259,128	32.7%	63,900
Contractual Services	589,530	356,950	232,986	601,655	158.2%	368,669
Operating Costs	169,523	194,280	164,473	240,561	46.3%	76,088
Fringe Benefits	39,553	30,973	78,989	72,801	-7.8%	-6,188
Equipment	168,240	132,629	127,837	132,311	3.5%	4,474
Total Expense	1,097,359	840,208	799,513	1,306,456	63.4%	506,943
Charges for Service	1,286,184	848,725	798,567	1,174,360	47.1%	375,793
Gains	-2,559	-3,768			0.0%	0
Total Revenues	1,283,625	844,957	798,567	1,174,360	47.1%	375,793

COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

MISSION

The Department of Community Planning and Economic Development works with local and regional partners to preserve and enhance our natural and built environment, plan for growth, and advance the physical and human development of the city.

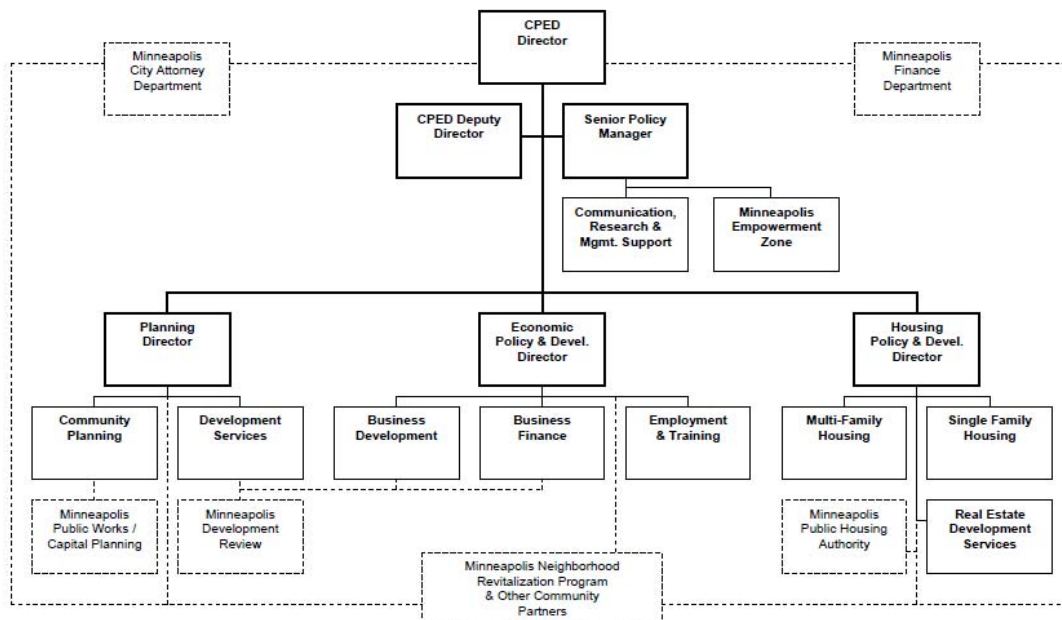


The \$190 million redevelopment of [Midtown Exchange](#), a 1928 Art Deco Sears & Roebuck tower.

BUSINESS LINES

- **Community Planning** – CPED prepares and facilitates the implementation of the City's comprehensive plan and other adopted plans, and informs the City's development and infrastructure strategies.
- **Economic Policy & Development** – CPED supports business retention, expansion, creation, and attraction in all neighborhoods, including downtown, by providing financing, programmatic and real estate development and expansion tools.
- **Workforce Development** – CPED manages a network that identifies and prepares Minneapolis residents for living-wage jobs and builds partnerships to improve career opportunities in the city.
- **Housing Policy & Development** – CPED provides financing and administers programs for housing development, preservation and rehabilitation to advance a continuum of housing choices; provides financing for home improvement and home mortgages through vendor contracts in cooperation with the Finance Department; and encourages and supports market activity in the production and preservation of housing for all income levels.
- **Planning & Development Services** – CPED administers, interprets and enforces the zoning code, land subdivision regulations and heritage preservation regulations, and conducts environmental reviews as required by law.
- Other program and management-support activities include real-estate and related technical services, research, arts and cultural activities, and staffing the Minneapolis Empowerment Zone.

Minneapolis Department of Community Planning and Economic Development
Organization Chart – November 2006



CONTEXT FOR THE DEPARTMENT'S WORK

During the three years since its formation, the Department of Community Planning and Economic Development (CPED) has developed a comprehensive approach to community development, integrating housing and economic development strategies with community planning and related development review services. This comprehensive approach requires close coordination with the work of other City departments – in particular Police, Public Works, Civil Rights and Regulatory Services – and with a wide range of public, private and non-profit community partners.

While CPED provides programs and services citywide, the department also monitors market activity and trends in order to maximize development potential where the market leads and intervene where the market fails. For example, the dynamic downtown residential market provides opportunities to accelerate implementation of the City's riverfront and North Loop plans; while the weak commercial market activity on West Broadway calls for an aggressive and integrated package of development strategies, plans and partnerships.

During the five-year period covered by this business plan (2007-2011) we anticipate a number of specific opportunities and challenges that will affect CPED's work:

1. Integration of major transportation and transit planning initiatives with a major update of the Minneapolis Plan.
2. Strategic development along commercial corridors to accommodate planned growth, increase transit use and enhance livability.
3. Maintaining a balanced continuum of housing opportunity and affordability during a period of sustained residential growth.
4. Continued emphasis on the elimination of vacant and boarded housing, through prevention or removal and redevelopment.
5. Implementation of the first half of the city-county 10-year plan to end long-term homelessness in Hennepin County.
6. Increased attention to youth education and work-readiness programs, while maintaining focus on adult jobs and training.
7. Maximizing the public good and development opportunities generated by major regional development and infrastructure projects.
8. Making the most of new opportunities to coordinate planning and development with the City of St. Paul and other regional partners.
9. Working with our governmental, philanthropic and community partners to address the post-2009 status of the NRP and EZ programs.
10. Managing potential reduction of LGA support for planning, due to TIF district decertification, and potential further reduction of CDBG funding.

The five-year goals and objectives that follow reflect CPED's comprehensive approach to community development, and emphasize our strategic response to the specific opportunities and challenges outlined above.

FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

During the five-year period covered by this business plan (2007-2011), CPED will focus on five overall department goals, related to City goals as described in the table below.

1. *Plan and develop a vibrant, sustainable community*
2. *Promote private sector growth to build a healthy economy*
3. *Promote economic self-sufficiency for individuals and families*
4. *Develop and preserve life-cycle housing throughout the city*
5. *Partner effectively to promote regional growth and investment*

CPED Goal #1: Plan and develop a vibrant, sustainable community

Related City Goals	CPED Department Objectives	CPED Performance Measures
<p>A Safe Place to Call Home:</p> <p>4. <i>“Get Fit” and make healthy choices</i></p> <p>Connected Communities:</p> <p>2. <i>Walkable, Bikable, Swimmable!</i></p> <p>5. <i>Streets & Avenues</i></p>	<p>The City’s parks, open space, riverfront and recreational opportunities will be maintained and enhanced as part of overall planning and development activities of the department</p> <p>The City’s historic street grid is maintained and re-established per City policy</p> <p>CPED will focus development efforts around priority neighborhood nodes, corridors, activity and growth centers in the City</p> <p>CPED is actively involved in long-term catalytic redevelopment projects</p> <p>Continue to pursue Corridor Housing and Market Building strategies</p>	<p>Completion of the Minneapolis Plan update and progress on the various adopted plans</p> <p>% of overall development (private and public) occurring in designated priority areas as defined by the Minneapolis Plan</p> <p># of park and open space acres</p> <p># of bike miles</p> <p>Mode split improvements to favor biking and walking to work</p> <p>EMV growth on designated corridors compared to citywide average EMV growth</p> <p>Proximity of new housing and jobs as measured by the # of jobs with “easy transit or other transportation access offered by the project”</p>
<p>Enriched Environment:</p> <p>3. <i>Arts – Large & Small – Abound and Surround</i></p> <p>4. <i>Upper Mississippi Planned and Proceeding</i></p> <p>5. <i>Fully Implement the City’s Cultural & Sustainable Work Plans</i></p>	<p>CPED is an active partner in coordinating various arts and culture programs and activities:</p> <p>CPED is lead for City’s Public Art program</p> <p>CPED Artist-in-Residence program</p> <p>Assist with implementation of the relevant adopted plans, including Above the Falls, Industrial Land Use Plans, etc.</p> <p>Continue as key partner in implementing the recently adopted Arts and Culture Plan and contributor to the Sustainability Plan</p>	<p># of public art commissions, conservations, and installations</p> <p># of film and video permits issued and \$ amount of related production budgets</p> <p>Report on progress of CPED’s Artist in Residence program</p> <p>Progress on the 7 short term priority objectives in the adopted Arts and Culture Plan</p> <p>Progress on the 4 sustainability indicators and 10 year targets assigned to CPED</p>

CPED Goal #2: Promote private sector growth to build a healthy economy		
<i>Related City Goals</i>	<i>CPED Department Objectives</i>	<i>CPED Performance Measures</i>
<p>One Minneapolis:</p> <p>2. <i>Middle Class: Keep it, Grow it</i></p> <p>3. <i>Equitable City Services & Geographically Placed Amenities</i></p>	<p>CPED will focus development efforts around priority neighborhood nodes, corridors, activity and growth centers in the City</p> <p>The housing stock is well designed and maintained</p> <p>The City's use of public development resources and other tools will be used to leverage maximum private sector investment and public benefit</p> <p>CPED is actively involved in long-term catalytic redevelopment projects</p>	<p>% of overall development (private and public) occurring in designated growth areas as defined in The Minneapolis Plan (TMP)</p> <p>Geographic distribution of CPED housing, economic, and cultural projects and programs</p>
<p>Lifelong Learning Second to None:</p> <p>2. <i>Economic Engine: Generating Ideas, Inventions and Innovations</i></p> <p>4. <i>Embrace the U's outreach and Land-grant Expertise</i></p>	<p>The downtown will continue to offer diverse recreational and entertainment attractions and continue to thrive economically</p> <p>CPED is actively engaged with the University in its research, service, teaching, and development activities</p>	<p># jobs created</p> <p># private dollars leveraged</p> <p>Amount of related spin-off development activity</p> <p># of interns and graduates hired</p> <p># of cooperative research efforts, i.e. LRT impacts, resident/job location analysis</p>
<p>A Premier Destination:</p> <p>1. <i>Retain & Grow Business in Life Sciences & the Creative Economy</i></p> <p>3. <i>Cleaner, Greener, Safer Downtown</i></p> <p>4. <i>Jobs: Be a Talent Mecca</i></p> <p>5. <i>Leverage Our Entertainment Edge ...Heck, Be Edgy!</i></p>	<p>The downtown will continue to offer diverse recreational and entertainment attractions and continue to thrive economically</p> <p>The City will maintain its unique cultural, architectural, historical, and entertainment assets</p>	<p>Level of coordination/cooperation on major developments, including new Twins ballpark, Gopher stadium, Central LRT Corridor, University Research Park, etc.</p> <p>Job growth in the relevant industry sectors</p> <p># of downtown visitors to City owned venues</p> <p># of downtown workers</p> <p># of downtown residents</p> <p>Downtown office space occupancy rates</p> <p># of jobs created as a result of CPED assistance</p> <p>Overall job growth in City compared to metro growth</p> <p># of downtown visitors to City owned venues</p> <p># of public art projects installed and under commission</p>

CPED Goal #3: Promote economic self-sufficiency for individuals and families		
<i>Related City Goals</i>	<i>CPED Department Objectives</i>	<i>CPED Performance Measures</i>
<p>A Safe Place to Call Home: 5. Youth: Valued, Challenged & Engaged</p> <p>One Minneapolis: 1. Close Race & Class Gaps: Housing, Educational Attainment, Health</p> <p>Lifelong Learning Second to None: 3. 21st Century Skills for All 21 Year-Olds 5. Deconcentrate Poverty</p>	<p>Mpls residents have jobs skills and are provided opportunities to get on the path of economic self-sufficiency.</p> <p>Through the Minneapolis Promise education initiative; close the gaps in:</p> <ul style="list-style-type: none"> ➤ Unemployment rate ➤ High School graduation rate ➤ College attendance rate <p>Increase % of minority/low-income homeownership</p> <p>Affordable housing options are available in all parts of the city and the region</p> <p>Reduce # of households below median income paying >30% of income for housing</p>	<p>Comparative City/Metro unemployment rates</p> <p># of adult jobs placements</p> <p># of new hires at city-assisted business hired at or above living wage that are Mpls residents</p> <p># of youth who successfully complete work readiness training in summer and year round programming</p> <p># of youth who receive subsidized and unsubsidized summer work exploration</p> <p># of youth who receive year round work exploration</p> <p>% of minority/low-income homeownership</p> <p># of households below median income paying > 30% of income for housing</p>
CPED Goal #4: Develop and preserve life-cycle housing throughout the city		
<i>Related City Goals</i>	<i>CPED Department Objectives</i>	<i>CPED Performance Measures</i>
<p>A Safe Place to Call Home: 3. Lifecycle Housing Throughout the City</p>	<p>The housing stock is well designed and maintained</p> <p>Partnering with the Regulatory Services department to remove blight</p> <p>Capture Minneapolis' share of projected regional growth, subject to increased regional investments</p> <p>Support different housing options for seniors</p> <p>Address tear downs/"big foot" replacements</p> <p>Prevent home mortgage foreclosures</p>	<p>Growth in value of city housing stock compared to metro avg.</p> <p>Assessor housing condition ratings</p> <p>Reduction in # of condition 6&7 units</p> <p>Reduction in # of boarded/vacant units</p> <p># of new housing units permitted</p> <p>City/metro relative foreclosure trends</p> <p># of new senior housing units permitted</p>
<p>One Minneapolis: 2. Middle Class: Keep it, Grow it</p>	<p>CPED will focus development efforts around priority neighborhood nodes, corridors, activity and growth centers in the City</p> <p>Improve single family homeownership rate</p>	<p>% of Citizen Survey respondents who reported satisfaction with their housing situation</p> <p>Single family homestead rates</p>
<p>One Minneapolis: (continued) 4. Eliminate Homelessness 5. Deconcentrate Poverty</p>	<p>Continue to partner with Hennepin County and other entities in implementing the Homelessness Commission recommendations</p> <p>Strengthen home values for existing & new homeowners</p> <p>Affordable housing options are available in all parts of the city and the region</p> <p>Reduce # of households below median income paying >30% of income for housing</p>	<p># units of affordable and supportive housing for long-term and short-term homeless singles, families & youth produced and preserved</p> <p>Extent of zoning codes and ordinances changed to support, allow various Commission initiatives</p> <p># of households below median income paying >30% of income for housing</p> <p>% of new affordable housing units located in non-impacted areas</p>

CPED Goal #5: Partner effectively to promote regional growth and investment		
<i>Related City Goals</i>	<i>CPED Department Objectives</i>	<i>CPED Performance Measures</i>
<p>Connected Communities:</p> <p>1. <i>Integrated, Multi-Modal Transportation Choices Border-to-Border</i></p> <p>4. <i>Northstar Completed; Central Corridor underway; SW Corridor Fully Designed</i></p>	<p>People and business throughout the City are well served by CPED's active involvement in regional transportation and infrastructure planning</p> <p>Grant application facilitation and management of grant awards (is this an objective)</p> <p>Support Central Corridor preliminary engineering & Southwest alternatives analysis</p>	<p>% of workers w/in the City that use public transportation</p> <p>Level of funding and implementation of Met Council's Tier 1 transportation projects</p> <p>Funding secured, designs completed, and projects completed per established timelines</p>
<p>A Premier Destination:</p> <p>2. <i>Reposition City in Minds of Region, State, Nation & World</i></p>	<p>Active involvement in regional transportation & infrastructure planning</p> <p>Benefit from public investments is maximized thru partnerships</p> <p>The city's housing production will support projected job and population growth</p>	<p>Level of funding and implementation of Met Council Tier 1 projects</p> <p>Increase in public & private grants & funding</p>

MEASURES, DATA AND TARGETS TABLE

NOTE: (RM) INDICATES MEASURE ALSO USED IN "RESULTS MINNEAPOLIS" REPORT
(S) INDICATES MEASURE ALSO USED IN ANNUAL SUSTAINABILITY REPORT

	2003 Actual	2004 Actual	2005 Actual	2006 Target	2007 Target	2011 Target
CPED Department-Wide Measures						
1 (RM) Percentage of major development occurring in designated growth areas	n/a	n/a	n/a	At present this cannot be measured numerically but is being presented visually by overlaying current major development projects against a map of designated comp plan growth areas.		
2(RM) Private investment leveraged by public investment (business finance loans)	\$279.6 million	\$241.7 million	\$605.7 million	\$150 million	\$150 million	\$150 million

Planning/Community Planning						
	2003 Actual	2004 Actual	2005 Actual	2006 Target	2007 Target	2011 Target
3 Progress made toward implementing the 2000 Comprehensive Plan	n/a	n/a	n/a	n/a	Complete assessment of each adopted implementation step in preparation for the update of the Comp Plan; and develop monitoring and reporting system; achieve substantial completion of the Comp Plan update in 2007	Achieve Met Council approval of Comp Plan update by 11/08 report on Comp Plan progress annually
4 # of milestones achieved for major long range planning projects	n/a	n/a	n/a	7 major plans completed; 5 midpoint milestones achieved; 5 new plans started	Substantial completion of the Comp Plan update Start/complete 7 small area plans and resulting 7 rezoning studies	New planning projects (area plans, city-wide plans, rezoning studies) will be determined by the updated Comp Plan due by 2008 as well as annual Council/Mayor action on budgets and business plans
5 Community Planning customer satisfaction	n/a	n/a	n/a	Survey development and initial implementation	90% of survey respondents confident that their input and the adopted plan will be used in decision making	90% of survey respondents confident that their input and the adopted plan will be used in decision making
Arts and culture coordination: 6\$ amount of film production budgets 7# of public art installations or major renovations:	\$6.7 million 3	\$9.2 million 5	\$8.9 million 3	\$9.7 million 7	Issue 190 permits for total production budget of \$9.5 million Complete 5 major public art installations and/or conservations Continued progress towards implementing short term strategies in adopted Arts & Culture Plan	\$9 million complete 5 major public art installations and/or conservations; continue implementation of and reporting on progress related to strategies in adopted Arts & Culture Plan
Planning/Development Services						
8 # of building permits reviewed for zoning compliance	7,905	8,100	7,039	7,800	7,000 continue to be an effective partner in Minneapolis One Stop	7,000 continue to be an effective partner in Minneapolis One Stop

	2003 Actual	2004 Actual	2005 Actual	2006 Target	2007 Target	2011 Target
9 # of land use and heritage preservation applications reviewed by CPC, BOA and HPC	1,083 CPC/BOA 180 HPC	1,197 CPC/BOA 175 HPC	895 CPC/BOA 183 HPC	1,100 CPC/BOA 190 HPC	1,000 CPC/BOA 185 HPC	1,000 CPC/BOA 180 HPC
10 Development Services customer satisfaction	n/a	n/a	n/a	Survey development and initial implementation	90% of survey respondents satisfied with the HPC/CPC/BOA service received	90% of survey respondents satisfied with the HPC/CPC/BOA service received
11 # of properties designated for historic preservation	n/a	n/a	2	2	3	3 also, review/revise as needed all historic district design guidelines
12 # of zoning code text amendments adopted	6	9	11	10	10	8
13# of state and federal environmental reviews conducted	16	24	45	27	20	20

Economic Development

14 Annual EMV increases on designated corridors exceed city averages (11 comp plan corridors + Hiawatha vs. citywide)	corridors +15% citywide +9.4%	corridors +11.2% citywide +9.3%	corridors +11.8% citywide +11.7%	corridors n/a citywide +4.7% (projected)	New measure; working on projections for 2007 and 2011	
15 (RM) Downtown office vacancy rates; compared with Metro	CBD: 16.3% Metro: 16.3%	CBD: 20.2% Metro: 17.9%	CBD: 18.4% Metro: 16.2%	TBD	New measure; working on projections for 2007 and 2011	
16 (RM) Downtown central business district lease rate; compared with Metro	CBD: \$9.69/sf Metro: \$10.73/sf	CBD: \$9.67/sf Metro: \$10.57/sf	CBD: \$9.53/sf Metro: \$10.36/sf	TBD	New measure; working on projections for 2007 and 2011	
17 Annual change in downtown C/I property EMV	-10.1%	-7.5%	+12.6%	+16.4%	New measure; working on projections for 2007 and 2011	
18 (RM) Annual job growth in City compared to metro area	City -3.3% Metro -0.2%	City -0.4% Metro +0.8%	City +0.7% Metro +1.2%	TBD	New measure; working on projections for 2007 and 2011	

Economic Development/Workforce Development						
	2003 Actual	2004 Actual	2005 Actual	2006 Target	2007 Target	2011 Target
19 (RM) Gap between City and metro unemployment rates	0.9%	0.7%	0.4%	0%	0%	0%
20 (RM, S) Number of Job Linkage hires at living wage	3,560	3,786	4,947	5,100	5,500	7,000
# of businesses reporting	62	88	111	117	122	127
21 (RM) Median household income	City: \$42,010 Metro: \$56,149	City: \$44,116 Metro: \$58,198	Available Sept 2006	TBD	New measure; working on projections for 2007 and 2011	
Housing						
22 (RM) Average annual apartment vacancy rate	City 6.3% Metro 7.0%	City 5.7% Metro 7.2%	City 4.4% Metro 6.2%	TBD	New measure; working on projections for 2007 and 2011	
23 (RM) Average monthly apartment rent	City: \$815 Metro: \$845	City: \$822 Metro: \$849	City: \$826 Metro: \$851	TBD	New measure; working on projections for 2007 and 2011	
24 # of new/converted housing units completed	1,267	730	1,274	1,025	920	760
25 # of rehabilitated housing units completed	426	1,250	600	704	659	570
26 (S) # of units affordable to households earning less than 50% of MMI (subset of above two categories)	610	1,294	566	943	835	725
27 Comparative annual growth rate of City vs. Metro values (EMV) for all residential property	City n/a Metro n/a	City +17.6% Metro +13.4%	City: +17.3% Metro +16.4%	TBD	New measure; working on projections for 2007 and 2011	
28 (RM) Average SF housing sales price, compared with Metro	City: \$226,942 Metro: \$238,446	City: \$243,680 Metro: \$256,525	City: \$259,063 Metro: \$272,522	TBD	New measure; working on projections for 2007 and 2011	

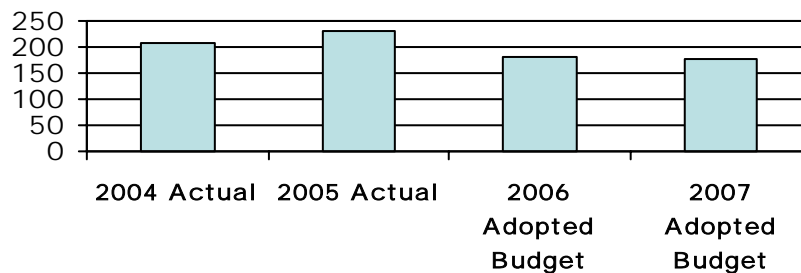
	2003 Actual	2004 Actual	2005 Actual	2006 Target	2007 Target
29 (RM) Residential foreclosure sales	n/a	n/a	863	TBD	New measure; working on projections for 2007 and 2011
30 (RM) White/non-white homeownership rates	White: 63.2% Non-white: 30.7%	White: 62.8% Non-white: 28.6%	Available Sept 2006	TBD	New measure; working on projections for 2007 and 2011
31 (RM) Single family homestead rates	91.8%	90.7%	88.8%	85.9%	New measure; working on projections for 2007 and 2011
32 (RM) Average housing condition, and number of homes in worst condition	Avg 4 Cond 6 & 7 dwellings: 20,512	Avg 4 Cond 6 & 7 dwellings: 17,328	Avg 4 Cond 6 & 7 dwellings: 16,475	Avg 4 Cond 6 & 7 dwellings: 15,254	New measure; working on projections for 2007 and 2011

FINANCIAL ANALYSIS

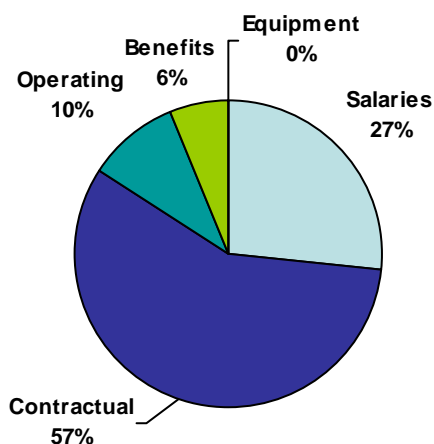
EXPENDITURE

The total 2007 expenditure budget of \$176.2 million is a 3% decrease from the 2006 Adopted Budget of \$180.8 million with minor changes in most expenditure categories. The total budget excluding capital, debt service and transfers is essentially the same (-.09%) as in 2006.

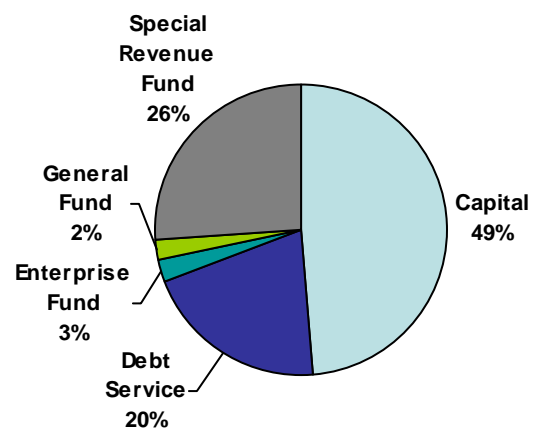
**Expenditures 2004-2007
(In millions)**



Expenditures by Type (\$176.2 million)

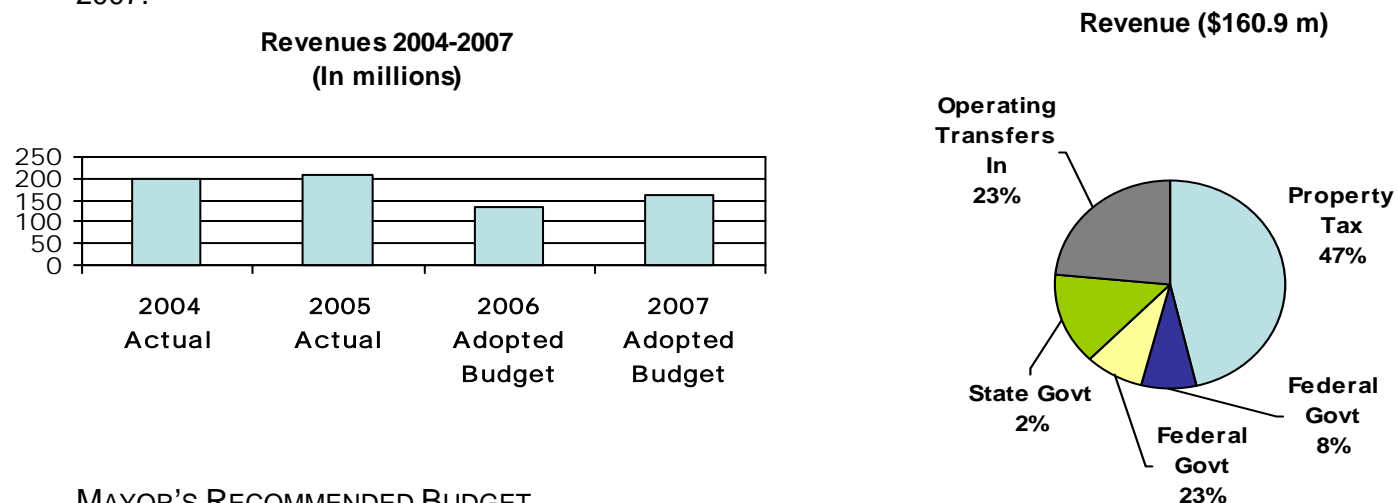


Expenditures by Fund (\$176.2 million)



REVENUE

The department's revenue budget shows an increase in 2007 of 21%, from \$132.7 million in 2006 to \$160.9 million in 2007 as a consequence of slightly increased tax increment revenue projections (\$4.4 million), increased federal grant drawdown (\$3.2 million) related to anticipated overall CDBG expenditures, and one-time revenues from project activity expected to occur in 2007.



MAYOR'S RECOMMENDED BUDGET

Funding for the arts coordinator moved from a direct charge to the capital project to a charge for time spent on projects. The budget for the position moved into the general fund along with an assumption of \$80,000 in revenue from capital project charges. This change allowed the department to allocate time of arts staff to activities in a more flexible manner, a recommendation of the Mayor.

The Mayor accepted the department's proposal to meet the financial direction with an increase to revenue of \$35,000. A portion (\$150,000) of the department's budget was moved from the community development block grant fund to the general fund.

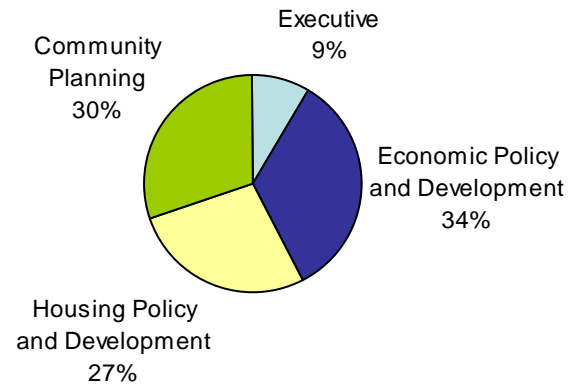
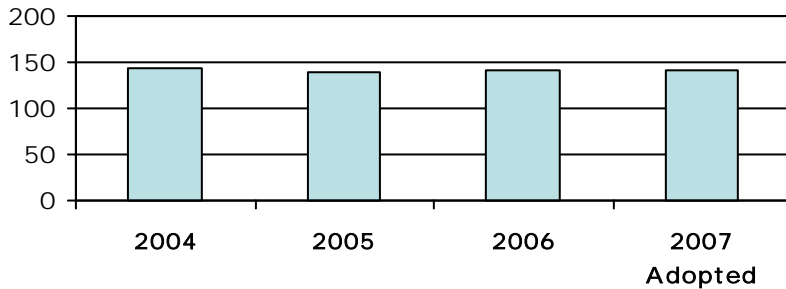
COUNCIL ADOPTED BUDGET

The Council increased the CDBG allocation to Regulatory Services by \$300,000 for nuisance abatement on eligible properties and decreased the CDBG allocation to CPED for Vacant and Boarded Housing by \$300,000. The Council adopted the remainder of the Mayor's recommendations.

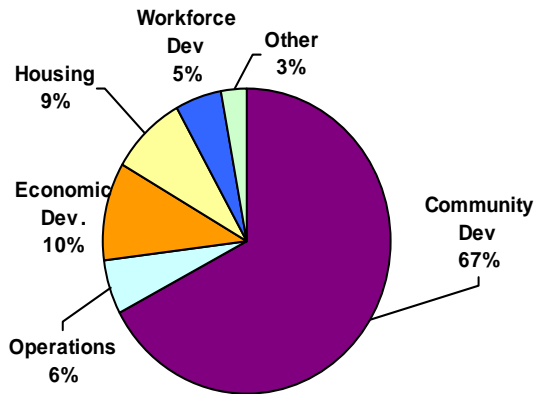
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Executive	20.0	20.0	13.0	12.0	-7.69%	(1.00)
Economic Policy and Development	25.0	28.0	48.0	48.0	0.00%	-
Housing Policy and Development	34.0	30.0	39.0	38.0	-2.56%	(1.00)
Community Planning	41.0	40.0	42.0	43.0	2.38%	1.00
Strategic Partnerships	24.0	21.0	-	-	-	-
Total FTE's	144.00	139.00	142.00	141.00	-0.70%	(1.00)

Staffing by Division

Staffing Summary 2004-2007



Expenditure by Division (\$176.2 million)



COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	207,368,620	231,312,694	180,816,213	176,203,622	-2.6%	-4,612,591
Total Revenues - All Funds	197,792,822	207,917,736	132,656,820	160,908,052	21.3%	28,251,232
General Fund - City						
Salaries and Wages	1,409,104	1,661,465	2,037,142	2,331,715	14.5%	294,573
Contractual Services	299,875	1,128,650	915,706	643,416	-29.7%	-272,290
Operating Costs	112,462	168,762	115,916	96,436	-16.8%	-19,480
Fringe Benefits	336,282	407,474	510,709	636,821	24.7%	126,112
Equipment	21,040		0		0.0%	0
Capital Outlay			0		0.0%	0
Total Expenditure	2,178,762	3,366,350	3,579,473	3,708,388	3.6%	128,915
Licenses and Permits			776,278	864,300	11.3%	88,022
Charges for Service	611,686	518,489	567,200	553,700	-2.4%	-13,500
Other Misc Revenues				80,000	0.0%	80,000
Total Revenues	611,686	518,489	1,343,478	1,498,000	11.5%	154,522

**COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Special Revenue Funds						
Salaries and Wages	6,333,461	5,573,947	5,282,831	4,941,471	-6.5%	-341,360
Contractual Services	14,972,931	17,564,621	21,895,818	20,558,032	-6.1%	-1,337,786
Operating Costs	1,427,310	1,509,539	1,109,308	1,888,470	70.2%	779,162
Fringe Benefits	1,336,520	1,274,620	1,412,405	1,473,393	4.3%	60,988
Equipment	31,338		7,210	2,745	-61.9%	-4,465
Capital Outlay	22,457,574	35,248,063	24,025,708	17,245,258	-28.2%	-6,780,450
Transfers	8,813,258	7,867,049			0.0%	0
Total Expenditure	55,372,393	69,037,839	53,733,280	46,109,369	-14.2%	-7,623,911
Property Taxes	66,918	-3,115			0.0%	0
Sales and Other Taxes	235	235			0.0%	0
Federal Government	6,439,794	7,332,348	9,000,000	12,156,929	35.1%	3,156,929
State Government	13,450,124	20,846,446	3,500,000	3,500,000	0.0%	0
Local Government	73,437	807,959			0.0%	0
Charges for Service	7,250,938	7,753,697	4,118,000	2,889,500	-29.8%	-1,228,500
Charges for Sales	2,555,136	2,006,524	500,000	10,555,104	2011.0%	10,055,104
Interest	2,659,947	1,836,362	23,700	-1,000,000	-4319.4%	-1,023,700
Gains				1,315,000	0.0%	1,315,000
Rents	137,633	110,805	62,020		-100.0%	-62,020
Contributions	106,691	39,841			0.0%	0
Other Misc Revenues	4,011,687	5,854,133	4,474,711	2,965,000	-33.7%	-1,509,711
Operating Transfers In	14,022,967	15,424,008		0	0.0%	0
Total Revenues	50,775,506	62,009,242	21,678,431	32,381,533	49.4%	10,703,102
Capital Projects						
Salaries and Wages	1,376,710	1,168,156	1,585,101	1,698,747	7.2%	113,646
Contractual Services	8,415,519	8,391,386	3,902,308	3,005,841	-23.0%	-896,467
Operating Costs	104,451	110,888	154,420	256,383	66.0%	101,963
Fringe Benefits	279,254	259,103	435,585	465,710	6.9%	30,125
Equipment	251		300	300	0.0%	0
Capital Outlay	13,070,659	17,823,003	8,996,891	11,268,395	25.2%	2,271,504
Debt Service			467,881		-100.0%	-467,881
Transfers	70,377,823	76,967,280	66,832,339	69,086,499	3.4%	2,254,160
Total Expenditure	93,624,668	104,719,815	82,374,825	85,781,875	4.1%	3,407,050

**COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT
EXPENDITURE AND REVENUE INFORMATION**

Capital Projects

Property Taxes	63,744,732	64,179,807	67,657,124	72,103,652	6.6%	4,446,528
State Government	624,184	581,992		301,454	0.0%	301,454
Charges for Service	520,242	571,274			0.0%	0
Charges for Sales	1,808,593	4,643,047	312,000	1,928,670	518.2%	1,616,670
Interest	57,635	181,181		0	0.0%	0
Gains				51,708	0.0%	51,708
Rents	2,988,646	4,066,306	3,984,353	5,873,236	47.4%	1,888,883
Contributions		18,630			0.0%	0
Other Misc Revenues	4,224,098	2,773,898		4,781,799	0.0%	4,781,799
Operating Transfers In Proceeds of Long Term Liabilities	4,535,000	11,229,201			0.0%	0
	6,500,000	4,935,000	200,000	400,000	100.0%	200,000
Total Revenues	85,003,131	93,180,336	72,153,477	85,440,519	18.4%	13,287,042

Debt Service

Contractual Services	439,572	144,698			0.0%	0
Debt Service	51,895,307	43,483,364	38,301,434	36,050,000	-5.9%	-2,251,434
Total Expenditure	52,334,879	43,628,061	38,301,434	36,050,000	-5.9%	-2,251,434
Interest	5,679	18,135		0	0.0%	0
Operating Transfers In Proceeds of Long Term Liabilities	41,134,806	40,563,790	37,181,434	36,280,000	-2.4%	-901,434
	11,470,000	4,430,000			0.0%	0
Total Revenues	52,610,485	45,011,925	37,181,434	36,280,000	-2.4%	-901,434

Enterprise Funds

Salaries and Wages	201,299	113,557	181,144	153,191	-15.4%	-27,953
Contractual Services	2,651,022	2,352,522	428,182	839,352	96.0%	411,170
Operating Costs	35,948	342,140	2,009,700	2,060,300	2.5%	50,600
Fringe Benefits	43,045	27,696	53,175	46,147	-13.2%	-7,028
Capital Outlay	74,470	3,342,594	25,000	15,000	-40.0%	-10,000
Debt Service	478,305	230,381	130,000	125,000	-3.8%	-5,000
Transfers	373,828	4,151,739	0	1,315,000	0.0%	1,315,000
Total Expenditure	3,857,918	10,560,629	2,827,201	4,553,990	61.1%	1,726,789
Charges for Service	2,154,059	2,672,451	300,000	2,525,000	741.7%	2,225,000
Charges for Sales	2,230,542				0.0%	0
Interest	1,052,801	410,803		0	0.0%	0
Rents	3,348,858	1,931,319		1,823,000	0.0%	1,823,000
Other Misc Revenues	5,755	183,171		960,000	0.0%	960,000
Operating Transfers In		2,000,000			0.0%	0
Total Revenues	8,792,014	7,197,744	300,000	5,308,000	1669.3%	5,008,000

FIRE

MISSION

Committed to providing professional emergency services that ensure the public safety of our community and the region we support.



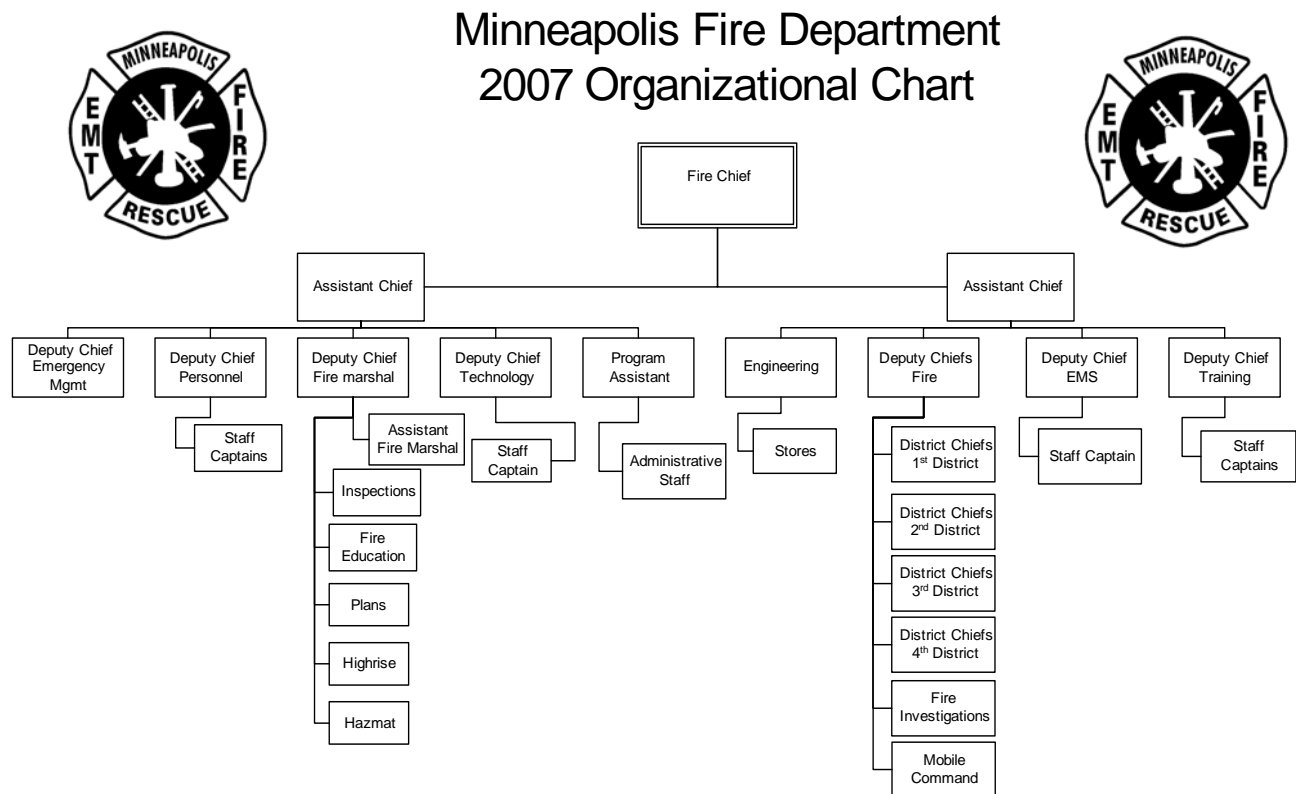
BUSINESS LINES

Response Business Line: Safely minimize the loss of life and property due to emergency events.

- Emergency Medical Services (EMS) – providing emergency medical services
- Fire Response – providing effective response to fires
- Haz-Mat and Specialized Rescue – providing other emergency response services such as Haz-Mat and specialized rescue services

Prevention Business Line: Anticipate, prepare for and prevent future emergency events.

- Emergency Preparedness – preparing the City for major emergency events, including nuclear, biological and chemical weapons of mass destruction
- Fire Inspections and Enforcement – providing fire prevention inspections and enforcing the Fire Code
- Fire Education – providing fire/EMS education programs and safety information to the public



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

City Goal	City Strategic Direction	Department Goal	Objective	Measure
1 – A safe place to call home	c	Provide effective customer service	Meet the standard of cover	<p>% of the time that response time to emergency events is five minutes or less</p> <p>% of time that firefighters are out of the station in 75 seconds or less</p> <p>% of time that at least 14 firefighters arrive at structure fires in 8 minutes or less</p> <p>% of time that specialized emergency response teams arrive at an emergency incident in 10 minutes or less</p>
2 – One Minneapolis	c		Increase customer satisfaction with the Fire Department	<p>% of citizens that report satisfaction with the Fire Department</p> <p>% of citizens who report satisfaction with the professionalism of firefighters (Contact in last two years)</p> <p>% of total housing complaints resolved</p> <p>Average number of days to begin a construction plan review</p>
1 – A safe place to call home	d	Reduce risk in the community	Reduce public illness, injury and death	<p># of lives lost due to fires</p> <p># of civilian injuries due to fires</p> <p>% reduction in gas line hits</p>
1 – A safe place to call home	c		Keep structures safe	<p>% of hazardous materials facilities inspected annually</p> <p>% of 4+ unit housing buildings inspected annually</p> <p>% of commercial/industrial properties inspected annually</p>
1– A safe place to call home	d	Reduce risk to employees	Reduce firefighter injuries	<p># of firefighter injuries</p> <p>% of firefighters over 40 yrs old given a physical exam</p> <p># of fire department vehicle accidents</p> <p># of workdays lost due to injury</p>
2– One Minneapolis	c	Strengthen the workforce	Recruit and retain a diverse workforce	<p>% of applicants for Fire Cadet that are women</p> <p>% of applicants for Fire Cadet that are people of color</p> <p>% of total sworn workforce that are women</p> <p>% of total workforce that are people of color</p>

City Goal	City Strategic Direction	Department Goal	Objective	Measure
3- Lifelong learning second to none	e		Prepare employees to assume leadership positions	% of workforce that takes advantage of tuition reimbursement to continue their education. % of workforce who receive an annual performance review % of supervisors who attend the National Fire Academy each year.
2- One Minneapolis	c	Provide good value to the taxpayers	Capture revenue from sources outside the General Fund	Value of grants obtained vs. the annual budget % of budget from housing inspection revenue % of budget from emergency automobile accident recovery % of budget from training facility revenue
2- One Minneapolis	none		Improve employer employee relationships	% increase in employee job satisfaction
2- One Minneapolis	c		Measure budget against benchmark cities	Cost per citizen for fire and EMS services Number of firefighters per 1000 residents
5 -Enriched environment	b		Protect the environment	% of newly planted trees that survive for a least 2 years Increase in % of fleet that can burn E85 fuel

MEASURES, DATA AND TARGETS TABLE						
Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Estimate	2007 Goal	2011 Goal
% of the time that response to emergency events is five minutes or less	88.1	88.1	85.8	87.00	88.00	90.00
% of time that firefighters are out of the station in 75 seconds or less	N/A	N/A	N/A	N/A	90%	90%
% of time that at least 14 firefighters arrive at structure fires in 8 minutes or less	90.50	90.50	91.24	91.00	91.00	92.00
% of time that specialized emergency response teams arrive at an emergency incident in 10 minutes or less	N/A	N/A	N/A	N/A	90%	90%
% of citizens that report satisfaction with the Fire Department	89.00	N/A	90.00	N/A	91.00	92.00
% of citizens who report satisfaction with the professionalism of firefighters (Contact in last two years)	98%	N/A	97%	N/A	97%	98%

Performance Measure	2003	2004	2005	2006	2007	2011
	Actual	Actual	Actual	Estimate	Goal	Goal
% of total housing complaints resolved	N/A	N/A	100%	100%	100%	100%
Average number of days to begin a construction plan review	NA	NA	45	40	35	30
# of lives lost due to fires	8	6	5	4	3	0
# of civilian injuries due to fire	28	37	31	30	27	24
% of reduction in gas line hits	N/A	N/A	N/A	-10%	-10%	-25%
% increase in the number of community emergency response team members	N/A	N/A	N/A	50%	50%	50%
% increase in community risk reduction course attendees	N/A	N/A	N/A	100%	100%	20%
% of residences where risk reduction literature is hand-delivered each year	0%	50%	50%	0%	50%	50%
% of hazardous materials facilities inspected annually	N/A	N/A	50%	50%	50%	50%
% of 4+ unit housing buildings inspected annually	0%	20%	20%	20%	20%	20%
% of commercial/industrial properties inspected annually	N/A	N/A	N/A	N/A	10%	10%
# of firefighter injuries	177	230	245	240	220	160
% of firefighters over 40 yrs old given a physical exam	0	0	0	50%	50%	100%
# of fire department vehicle accidents	39	41	73	40	38	30
# of workdays lost due to injury	N/A	522	396	400	380	300
% of applicants for Fire Cadet that are women	N/A	N/A	N/A	10%	N/A	12%
% of applicants for Fire Cadet that are people of color	N/A	N/A	N/A	30%	N/A	33%
% of total sworn workforce that are women	16.83	16.51	16.79	16.8	17	18
% of total workforce that are people of color	N/A	29.57	29.90	30	31	33
% of workforce that takes advantage of tuition reimbursement to continue their education	N/A	N/A	N/A	5%	10%	15%
% of workforce who receive an annual performance review	99%	99%	99%	100%	100%	100%
% of supervisors who attend the National Fire Academy each year	N/A	N/A	N/A	1%	2%	2%
% increase in employee job satisfaction	N/A	N/A	N/A	10%	N/A	20%
Value of grants obtained vs the annual budget	N/A	N/A	N/A	8%	7%	5%
% of budget from housing inspection revenue	N/A	N/A	1.8%	1.78%	1.78%	1.8%
% of budget from emergency automobile accident recovery	N/A	.0367	.0316	.5%	1%	1%
% of budget from training facility revenue	N/A	N/A	N/A	.0018	.002	.5%
Cost per citizen for fire and EMS services	107.78	113.21	118.20	123.26	126.57	150
Number of firefighters per 1000 residents	1.21	1.12	1.10	1.10	1.10	1.14
% of newly planted trees that survive for at least 2 years	N/A	N/A	N/A	N/A	N/A	N/A
Increase in % of fleet that can burn E85 fuel	N/A	N/A	N/A	N/A	N/A	N/A

FINANCIAL ANALYSIS

EXPENDITURE

The Fire Department's 2007 expense budget of \$52.1 million in line with the five-year financial direction and represents a 3.3% increase over the 2006 Adopted Budget. During 2006, several positions were reclassified: two District Fire Chiefs and four Fire Captains were reclassified to Fire Staff Captain; one Office

Support Specialist II was reclassified to Office Specialist III; and one Office Support Specialist III was reclassified to Program Assistant. In 2007, the Department's position count is 446.5 positions, 2 positions more than 2006.

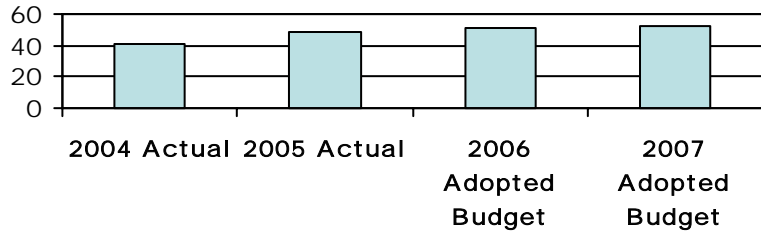
Approximately 75% of the Department's budget consists of personnel expenses. In order to stay within the five-year financial direction, current service level was reduced by \$1.3 million in personnel expenses and fleet supply. The majority of the personnel saving are in anticipated turnover savings, overtime hire back, and staff injury savings. As a result, personnel costs increase 1.4% compared to a 1.3% increase in 2006, with salaries and wages expense decreasing 0.8%, even though the budget guidelines assumed a 2% rate of increase. Fringe benefits increase 8.4%.

Non-personnel expenses represent approximately 24% of the Department's budget. The majority of the other non-personnel cost is related to fleet supply and replacement, equipment labor/parts/fuel, station rent, self-insurance, BIS operating and special charges, uniform allowance and radio communication services.

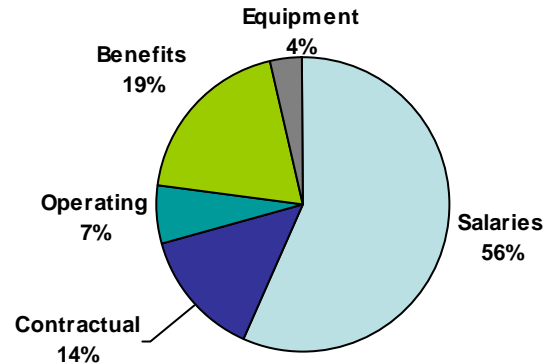
REVENUE

The Fire Department anticipates \$8.7 million in revenue compared to \$11.1 million in 2006. The decrease is due to the decline in the federal grant funds availability—a decrease of \$2.4 million or a decrease of 31.8%. Even though, the largest portion of this revenue, \$5.1 million, is obtained through federal government grants which fund equipment, training and technology related to homeland security. The Department also receives state government funds in its General Fund, specifically \$2 million allocated to offset most of the PERA pension costs. The

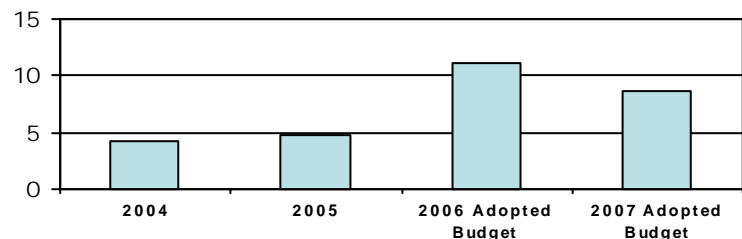
**Expenditures 2004-2007
(52.139 M)**



Expenditures by Type (\$52.1 million)



**Revenues 2004-2007
(In millions)**



Department is competitively pursuing the federal SAFER grant in hopes to hire 12.00 additional positions starting in 2007, if awarded.

FUND ALLOCATION

\$48.4 million or 92.8% of Fire Department's expense budget is funded predominantly through the General Fund. The other \$3.7 million or 7.2% is funded through the Special Revenue Funds, primary federal grants.

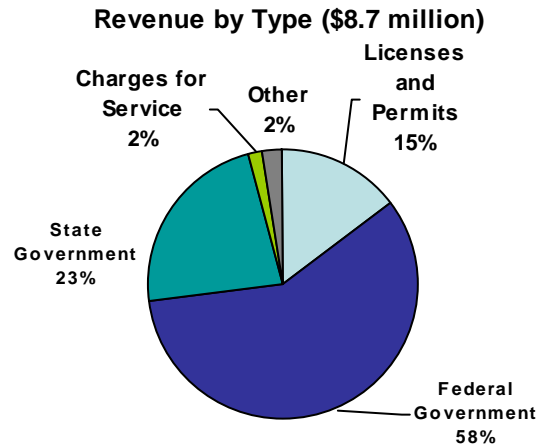
MAYOR'S RECOMMENDED BUDGET

An additional \$200,000 in general fund support was allocated to the department by the Mayor to ensure the implementation of the Standard of Cover by providing matching funds for the SAFER grant. The Mayor's recommendation allowed the department's budget to grow by an additional \$100,000 to fund fuel cost increases.

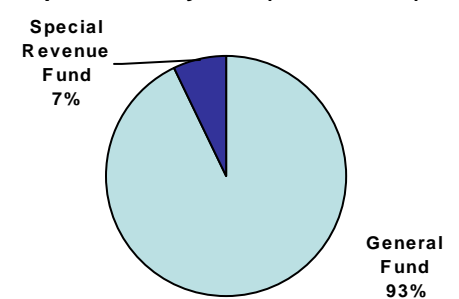
The Mayor also recommended two additional positions in the Department, making the total staff number into 446.5 positions.

COUNCIL ADOPTED BUDGET

The Council reduced the department's fuel increase by \$10,000.

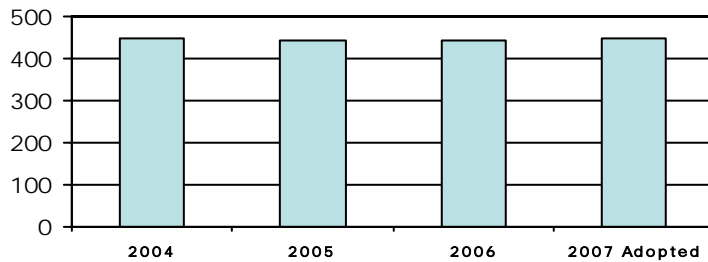


Expenditures by Fund (\$52.1 million)

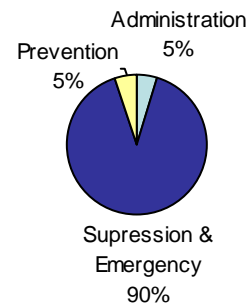


FIRE DEPARTMENT						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	18.50	19.00	20.50	21.50	4.88%	1.00
Fire Suppression & Emergency Services	412.00	403.00	405.00	403.00	-0.49%	(2.00)
Fire Prevention	18.00	22.50	19.00	22.00	15.79%	3.00
Total FTE's	449.50	444.50	444.50	446.50	0.45%	2.00

Staffing Summary 2004-2007

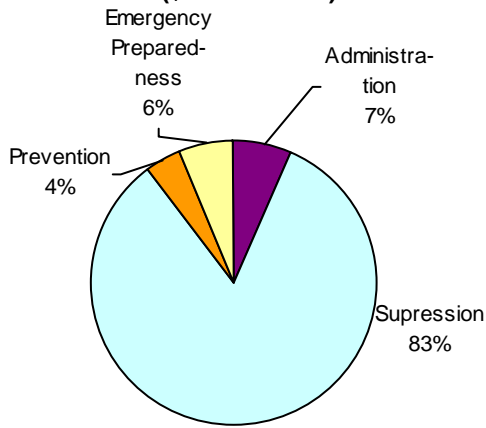


Staffing by Division



Expenditures by Division

(\$52.1 million)



FIRE EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	40,716,554	48,231,067	50,452,420	52,128,866	3.3%	1,676,446
Total Revenues - All Funds	4,244,545	4,702,720	11,141,731	8,727,716	-21.7%	2,414,015
General Fund - City						
Salaries and Wages	25,903,245	29,974,788	29,551,920	29,287,494	-0.9%	-264,426
Contractual Services	3,968,978	6,065,254	5,581,653	6,070,611	8.8%	488,958
Operating Costs	2,044,369	2,593,636	2,345,852	2,749,923	17.2%	404,071
Fringe Benefits	7,387,485	8,345,800	9,348,230	10,132,908	8.4%	784,678
Equipment	191,209	206,970	334,808	139,527	-58.3%	-195,281
Total Expenditure	39,495,287	47,186,448	47,162,463	48,380,463	2.6%	1,218,000

**FIRE
EXPENDITURE AND REVENUE INFORMATION**

Licenses and Permits	995,485	987,230	1,204,374	1,273,443	5.7%	69,069
State Government	1,200,000	1,200,000	2,000,000	2,000,000	0.0%	0
Charges for Service	483,556	262,113	381,500	158,200	-58.5%	-223,300
Charges for Sales	2,417	3,988	200	370	85.0%	170
Interest	374				0.0%	0
Other Misc Revenues	97,177	207,779	0	207,300	0.0%	207,300
Total Revenues	2,779,009	2,661,110	3,586,074	3,639,313	1.5%	53,239
Special Revenue Funds						
Salaries and Wages	77,576	104,485	18,300	56,000	206.0%	37,700
Contractual Services	88,116	82,557	662,200	1,293,561	95.3%	631,361
Operating Costs	1,013,088	373,523	31,576	687,500	2077.3%	655,924
Fringe Benefits	9,201				0.0%	0
Equipment	33,286	484,054	2,577,881	1,711,342	-33.6%	-866,539
Total Expenditure	1,221,267	1,044,619	3,289,957	3,748,403	13.9%	458,446
Federal Government	1,267,103	2,028,341	7,449,666	5,082,119	-31.8%	-2,367,547
State Government	60,938		82,776	0	-100.0%	-82,776
Local Government	116,995				0.0%	0
Contributions		13,269	23,215	6,284	-72.9%	-16,931
Operating Transfers In	20,500				0.0%	0
Total Revenues	1,465,536	2,041,610	7,555,657	5,088,403	-32.7%	-2,467,254

HEALTH AND FAMILY SUPPORT

MISSION

To provide leadership in meeting the unique needs of our urban population and eliminating disparities by engaging partners in promoting individual and community health.

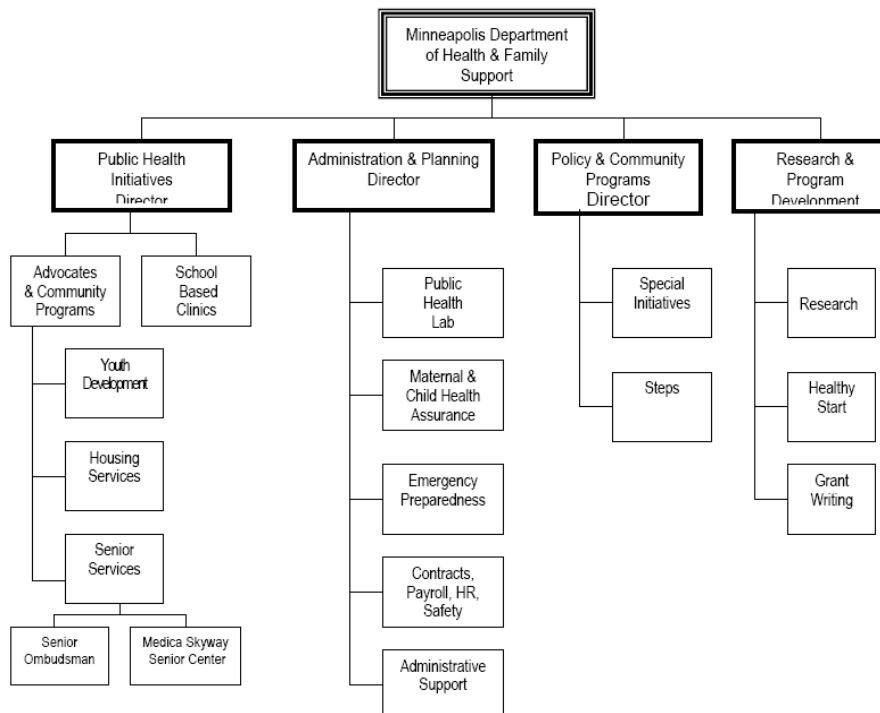
BUSINESS LINES

Promote health: healthy residents, communities, and environments: To create and support healthy community norms and environments, to ensure access for all residents to health care and health-related services and activities, and to promote healthy individual decision-making and behavior.

Address factors affecting health: social conditions and physical environment: To reduce disparities by improving the social and environmental conditions which contribute to racial, ethnic, and socioeconomic disparities to a greater degree than individual behaviors or genetics. Social conditions include educational and employment opportunities, housing, community connectedness, civic engagement, and community violence. Environmental factors include amenities such as parks, walking trails, and recreational facilities; air and water quality; and exposure to toxins in homes or neighborhoods.

Protect the Public’s health: disease prevention and control and emergency preparedness: maintaining the infrastructure essential to public health functions including public health emergency preparedness and the prevention and control of infectious diseases.

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

Note: Activities described under business lines more fully reflect the entire scope of Department activities. The goals described below are the areas of focus for the next five years based on an assessment of the greatest needs and the potential for greatest overall impact on population health in Minneapolis within this timeframe and resources.

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
2 – One Minneapolis 3 – Lifelong learning second to none	a. Close race & class gaps: housing, educational attainment, health a. All kids ready-to-learn by kindergarten	Improve infant & child health	A. Improve case coordination for pregnant women and young families to decrease infant mortality B. Through community outreach efforts, increase proportion of children between the ages of 3 and 5 who have received preschool screening by age 3	Infant mortality by race # of 3-year-olds screened
1 - A safe place to call home	e. Youth: valued, challenged & engaged	Youth development and violence prevention	A. Establish community agreement on priority investment in youth violence prevention; monitor progress B. Engage disaffiliated youth in productive activities to reduce youth violence. C. Advocate for policy changes to increase state and national funding for youth development	Youth and young adult homicides Hospital-based reports of assault-related injury
2 – One Minneapolis	a. Close race & class gaps: housing, educational attainment, health	Improve teen & young adult sexual health	A. Increase testing and treatment for sexually-transmitted infections (STIs) through community and clinic outreach and education for adolescents and young adults B. Provide education, access to adolescent health services, and contraception through School Based Clinics at City high schools C. Foster continued education and healthy parenting through coordinated health and social services	Teen pregnancy rate by race STI rate by race
1 - A safe place to call home 4 – Connected communities	d. “Get fit” and make healthy choices b. Walkable, bikable, swimmable!	Increase exercise & healthy nutrition	A. Identify and support promising community strategies to improve access to healthy foods and increase exercise B. Increase community awareness and institutionalize dietary and behavior change	Percent of population at healthy weight
2 – One Minneapolis	a. Close race & class gaps: housing, educational attainment, health	Assure maintenance of healthcare safety net for underserved populations	A. Advocate for and support community clinics and public health nursing to maintain services for the uninsured B. Identify gaps and support service providers addressing unmet needs of underserved and/or new populations	Potential measures are being evaluated for validity and availability

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1 - A safe place to call home 2 – One Minneapolis	a. Close race & class gaps: housing, educational attainment, health c. Equitable City Services & geographically placed amenities	Assure preparedness for public health emergencies – today and into the future	A. Develop formalized relationships with community partners to address vulnerable population needs B. Formalize regional relationships to streamline coordination and planning C. Maintain and update plans D. Provide training and technical assistance to community agencies to develop and test their emergency plans	# of formalized relationships with community-based agencies # of community agencies with continuity of operations plans for emergencies

MEASURES, DATA AND TARGETS TABLE

Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Teen pregnancy rate defined as number of teen pregnancies per 1000 population aged 15-17 years.(Source: Vital Records, MN Dept. of Health)	53.2	49.9	N/A ¹	N/A	47.9	46.0 by 2010 (Source: Healthy People 2010)
STI rate defined as Gonorrhea rate per 100,000 people (Source: Hennepin County Department of Human Services and Public Health)	360	264	N/A	N/A	213	161 by 2010. (Source: Minneapolis Sustainability Indicators)
Percentage of population at healthy weight as defined by Body Mass Index among adults age 18 years and older (Source: SHAPE surveys)	52.1% (1998 data)	46.8% (2002 data)	N/A	N/A	49.4%	52.1% by 2010 (City of Minneapolis Sustainability Indicators)
Infant mortality defined as number of deaths in the first year of life per 1000 live births (Source: Vital Records, MN Dept. of Health) ²	6.4 (1999-2001)	6.2 (2002-2004)	N/A	N/A	5.3 (2005-2007)	4.5 (Source: Healthy People 2010)
For whites (non-Hispanic)	3.8	3.4	N/A	N/A	3.4	3.4
For Blacks (non-Hispanic)	11.4	9.8	N/A	N/A	7.6	5.4
For American Indians	7.0	9.2	N/A	N/A	7.3	5.4
For Asian/Pacific Islanders	7.9	2.9	N/A	N/A	5.4	5.4
For Hispanics	4.8	7.5	N/A	N/A	6.5	5.4

¹ N/A = Not Available.

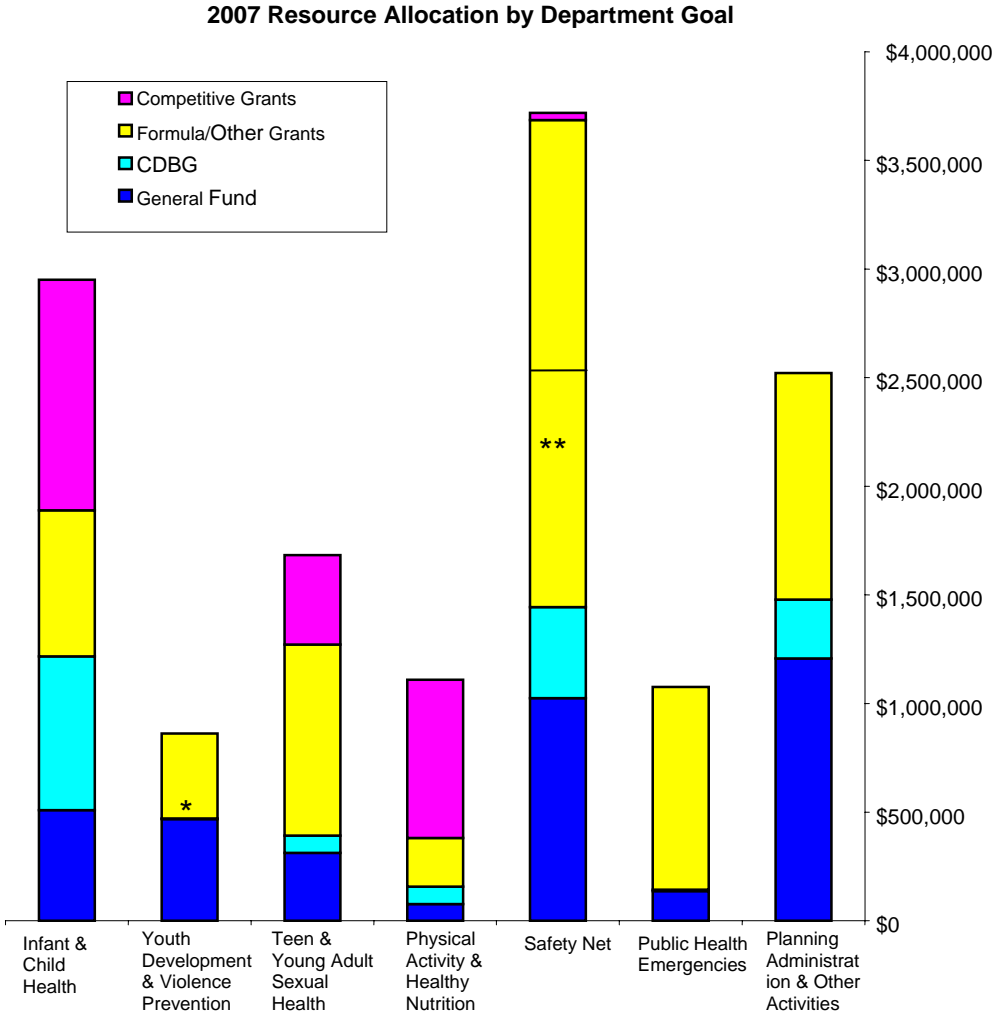
² Infant mortality is reported as 3-year average rates because of low incidence.

Note: Measure for hospital-based reports of assault-related injuries to Minneapolis residents will be used for baseline data and targets when available.

Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
# of 3-year-olds screened by Minneapolis Public Schools	195	601	647	740	850	1,000
# of homicide deaths among individuals aged 15-24 years (Source: Vital Records, MN Dept. of Health)	25	21	N/A	N/A	20	10
# of formalized relationships with community-based agencies to address the needs of vulnerable populations in emergencies	N/A	N/A	N/A	10	15	20
# of community agencies with emergency continuity of operations plans	N/A	N/A	N/A	2	21	65

CONTEXT FOR THE DEPARTMENT’S WORK

The following graph identifies 2007 resource allocations by category of funding, and by the six department goals and the other department activities that are outside of the goals.



* Local public health carryover funds allocated for the two year youth violence prevention grants.

** Local public health carryover funds allocated for one year of support for the safety net (Neighborhood Health Care Network) and to cover shifts in costs for the housing advocates and the Domestic Abuse Project

Key to Graph

In developing the graph, all the projected 2007 department resources were categorized by one of the six department goals. Because the goals do not encompass all of the department's activities, most administrative, planning, policy, and research activities are included under Other Activities, Planning and Administration. Personnel were allocated based on function, and not limited to time reimbursed by specific grants. Department contracts were also allocated to one of the seven areas based on the services to be provided. General administrative costs for the department were allocated across each category based on the time allocations of the Commissioner. All other division costs were spread across the seven categories based on the time allocations of the staff in the division.

General Fund support provides an anchor for each of the goals and activity areas.

Competitive grants provide important additional resources to three of the goal areas: Infant and Child Health, Teen and Young Adult Sexual Health, and Physical Activity and Healthy Nutrition. Youth Development and Violence Prevention may be an area for future competitive grants.

The Safety Net is a major area of investment for the department. Assuring access and quality in health services is one of the six essential local public health activities that have been defined by the Minnesota Department of Health. In an environment of state and federal cutbacks in health programs and eligibility, a growing immigrant population, and state and federal restrictions on adolescent reproductive health options, the need for consistent local support of the health care safety net is essential.

The goals of Physical Activity and Healthy Nutrition and Youth Development and Violence Prevention are both relatively new areas of focus for the Department. Both areas were identified as priorities in the community assessment completed in 2004. The Department has begun to increase activity in these goal areas and will continue to do so in 2007.

Description of funding categories in graph

General Fund: Reflects the 2007 allocation from the Five Year Plan.

CDBG: Reflects a 15% reduction in Year 33 funding from HUD.

Formula Grants/Other: Includes state and federal grants received based on Minnesota Department of Health formulas – Local Public Health, Maternal/Child Health, TANF, Emergency Preparedness. "Other" revenues include patient revenue from the School Based Clinics and New Families Center, Minneapolis Family Fund/Charitable Gambling, Skyway Senior Center grants, and payments from Hennepin County and Minneapolis Public Schools to the City as fiscal agent for the Curfew Truancy Center joint powers agreement.

Competitive Grants: Includes federal funding for Healthy Start, Male Reproductive Health Research, Lead Education/Outreach, and Steps to a Healthier Minneapolis.

Resources Supporting Department Goals

Infant & Child Health (21% of department budget): Includes contracts for services (e.g. preschool screening, Way to Grow, child care services), portions of two federal grants (Healthy Start and Lead Education/Outreach), and allocations of associated planning and administrative costs.

Youth Development and Violence Prevention (6% of department budget): Includes funding for a youth development planner, YMAP after school activities, \$250,000 in funds for youth violence prevention grants, and allocations of associated administrative costs.

Teen & Young Adult Sexual Health (12% of department budget): Includes portion of the School Based Clinic program, portions of the lab, portions of federal grants (Healthy Start, Male Reproductive Health), contracts for related services, and allocations of associated planning and administrative costs.

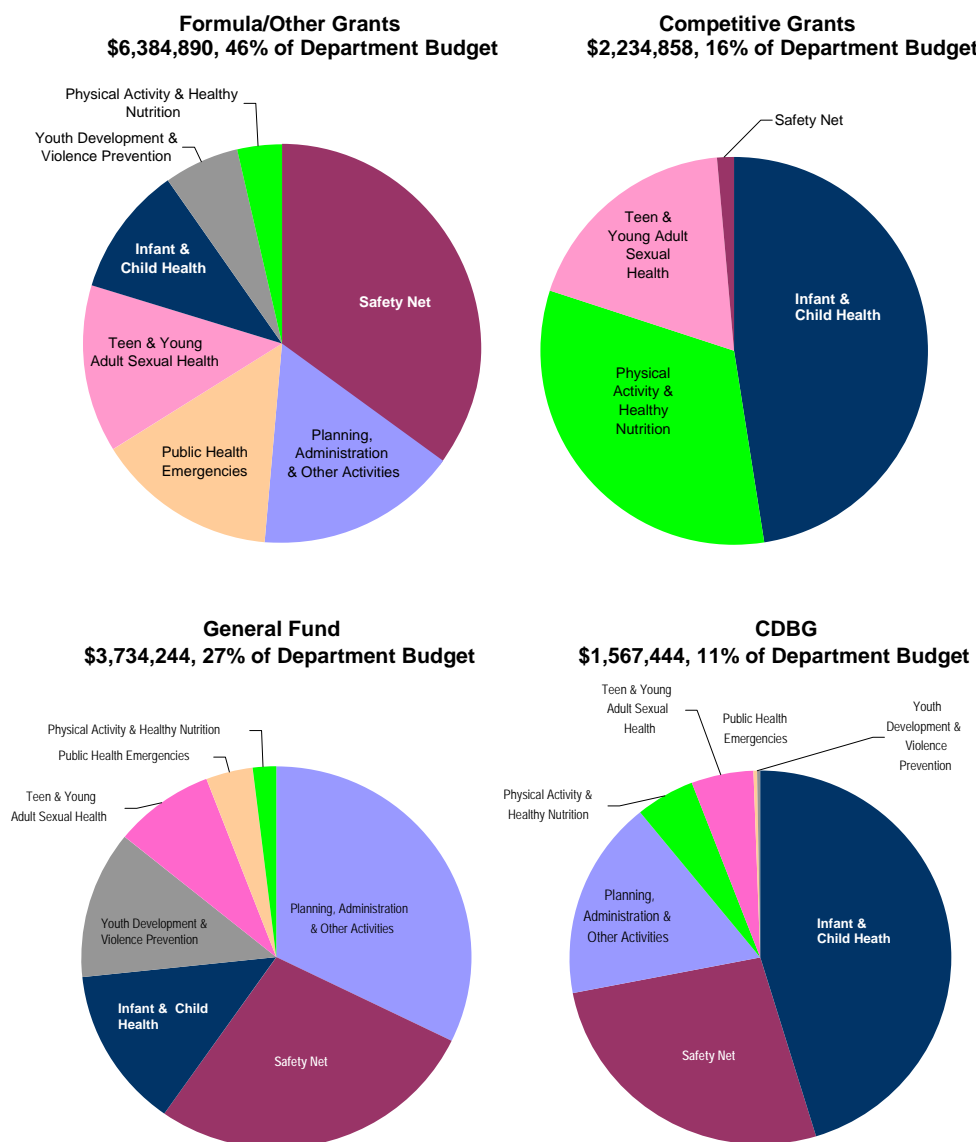
Physical Activity & Healthy Nutrition (8% of department budget): Includes the federally funded Steps to a Healthier Minneapolis grant and portions of Healthy Start, portions of the School Based Clinic program, contracts for services, and allocations of associated planning and administrative costs.

Safety Net (27% of department budget): Includes contracts for community based services, portions of the School Based Clinic program, portions of the lab, portion of Healthy Start, and allocations of associated planning and administrative costs.

Public Health Emergencies (8% of department budget): Primarily includes federal grants for public health emergency preparedness planning in the areas of pandemic influenza and all other hazards, with a particular focus on vulnerable populations, and allocations of other associated planning and administrative costs.

Planning and Administration & Other Activities (18% of department budget): This includes all other department activities that are not specifically tied to one of the six goals. Portions of this category are public health related activities, and portions are “Family Support” programs that do not meet state criteria as public health. The “Family Support” services provided by the department include the Senior Ombudsman’s office, Skyway Senior Center, Housing Advocates, and management of human services contracts. Public health services include significant amounts of research, policy, planning, contract management, and general operations.

The pie charts below illustrate how each funding source is allocated across major department activities.



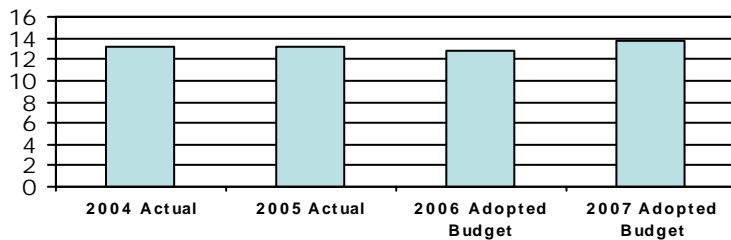
FINANCIAL ANALYSIS

EXPENDITURE

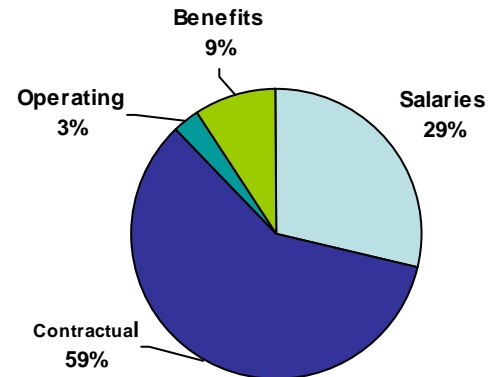
For 2007, MDHFS' total budget is approximately \$13.6 million, a 5.6% increase from the 2006 Adopted Budget. Personnel expense increases 3.8% and non-personnel expense increases 8.5% over 2006. Based on the State requirements, the City needs to maintain a minimum of \$2.2 million as local match to qualify for the available Local Public Health grants.

The Department has a total decrease of 0.7 positions in 2007.

**Expenditures 2004-2007
(In millions)**



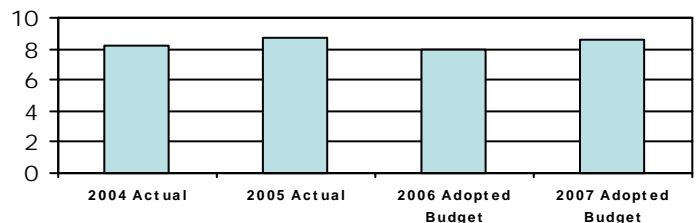
**Expenditures by Type
(\$13.6 million)**



REVENUE

There is an overall 8.4% revenue increase. In 2007, the largest revenue source, federal grant fund availability, increases by \$876,536 or 25.4% over the 2006 level, primarily due to grants carryover and accounting shifts. The second largest revenue source, charges for services, also increases by \$185,380 or 14.7% over the prior year.

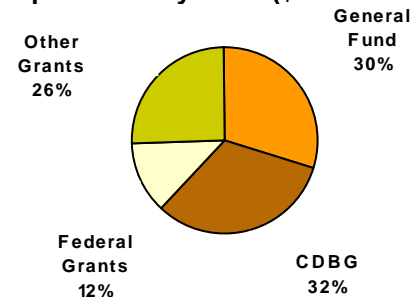
**Revenues 2004-2007
(In millions)**



FUND ALLOCATION

MDHFS' expense budget for the year 2007 is derived from the General Fund (29%), CDBG (12%), Federal funds (33%), and State and other local funds (26%). \$75,000 of the Minnesota Visiting Nurses Agency (MVNA) General Fund support and \$45,000 of the Neighborhood Health Care Network (NHCN) General Fund support will be shifted to the Local Public Health Grant funds in 2007.

Expenditure by Fund (\$13.6 million)



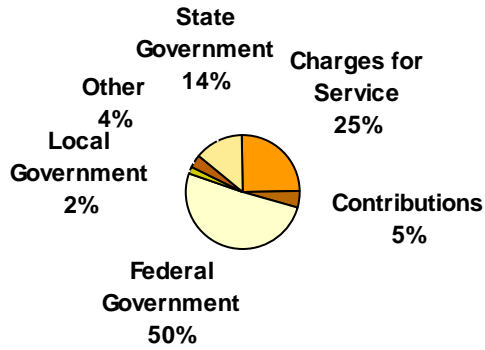
MAYOR'S RECOMMENDED BUDGET

Additional one-time funding for domestic violence efforts was recommended by the Mayor (\$50,000). The Mayor also recommended an additional \$125,000 in one-time funding for Youth Violence Prevention efforts. The Mayor recommended \$80,000 in one-time funding for safe routes to school efforts, with the department working with Public Works Department.

COUNCIL ADOPTED BUDGET

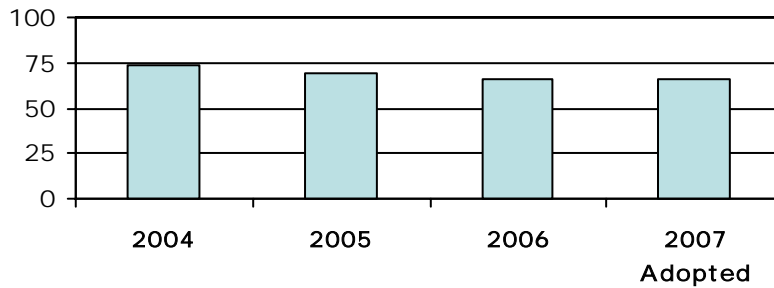
The Council concurred with the Mayor's recommendation.

Direct Revenue by Type (\$8.6 million)



HEALTH AND FAMILY SUPPORT						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	73.90	69.00	66.30	65.80	-0.75%	(0.50)

Staffing Summary 3004-2007



**HEALTH AND FAMILY SUPPORT
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	13,215,420	13,258,386	12,870,103	13,551,971	5.3%	681,868
Total Revenues - All Funds	8,191,926	8,723,909	7,887,858	8,552,742	8.4%	664,884
General Fund - City						
Salaries and Wages	864,083	892,258	920,777	960,524	4.3%	39,747
Contractual Services	2,130,716	2,333,162	2,378,285	2,488,696	4.6%	110,411
Operating Costs	202,129	171,691	109,762	308,995	181.5%	199,233
Fringe Benefits	219,259	251,174	289,588	317,902	9.8%	28,314
Equipment	29,540	1,067			0.0%	0
Capital Outlay			2,833	0	-100.0%	-2,833
Total Expenditure	3,445,727	3,649,351	3,701,245	4,076,117	10.1%	374,872
Charges for Service	583,584	689,436	650,000	650,000	0.0%	0
Total Revenues	583,584	689,436	650,000	650,000	0.0%	0
Special Revenue Funds						
Salaries and Wages	2,603,668	2,485,746	2,861,246	2,986,331	4.4%	125,085
Contractual Services	6,217,217	6,181,463	5,330,733	5,455,565	2.3%	124,832
Operating Costs	219,088	265,860	82,166	100,318	22.1%	18,152
Fringe Benefits	680,369	670,379	894,713	933,640	4.4%	38,927
Equipment	45,000	5,587	0	0	0.0%	0
Transfers	4,351				0.0%	0
Total Expenditure	9,769,693	9,609,035	9,168,858	9,475,854	3.3%	306,996
Sales and Other Taxes	11,375	13,000	45,900	54,640	19.0%	8,740
Federal Government	4,010,388	4,320,981	3,456,062	4,332,598	25.4%	876,536
State Government	2,730,558	2,767,555	1,265,259	1,240,000	-2.0%	-25,259
Local Government	432,692	411,122	204,000	196,000	-3.9%	-8,000
Charges for Service	97,048	189,432	1,264,124	1,449,504	14.7%	185,380
Contributions	238,147	299,037	848,052	430,000	-49.3%	-418,052
Other Misc Revenues	28,865	12,250	154,461	200,000	29.5%	45,539
Operating Transfers In	59,270	21,095			0.0%	0
Total Revenues	7,608,342	8,034,473	7,237,858	7,902,742	9.2%	664,884

MAYOR

MISSION

The Mayor's office is dedicated to making Minneapolis a vibrant, safe city that offers opportunity for all.

BUSINESS LINES

Policy Development

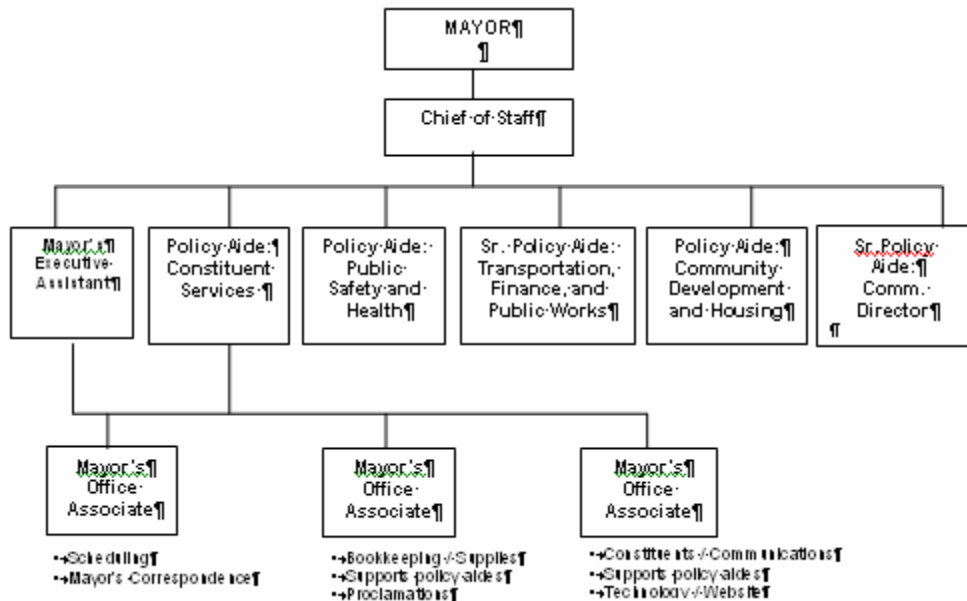
- Lead and support policy development that reflects the City's Five Year Goals.
- Partner with the City Council to develop and lead the strategic direction for the City.
- Develop responsible fiscal policies and an annual budget that reflects City's Five Year Goals.
- Support the work of the City to provide better, more coordinated and responsive services.
- Ensure that the community is actively engaged as an active partner in City work.

Policy & Program Promotion

- Champion the innovations and successes of Minneapolis as a premier destination, a (growing economic and cultural leader.)
- Promote education excellence as the lynchpin to a successful city.

Policy & Program Implementation

- Nominate and support strong city department heads.
- Oversee the performance and accountability of the Police and Civil Rights Departments.
- Through Results Minneapolis as well as department head evaluations, ensure that the city enterprise is accountable for results.

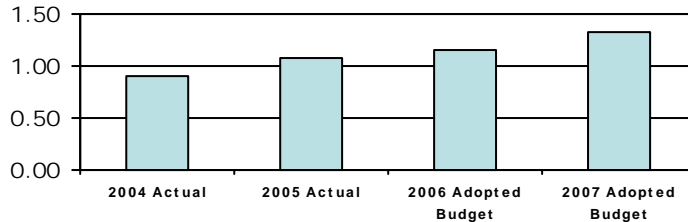


FINANCIAL ANALYSIS

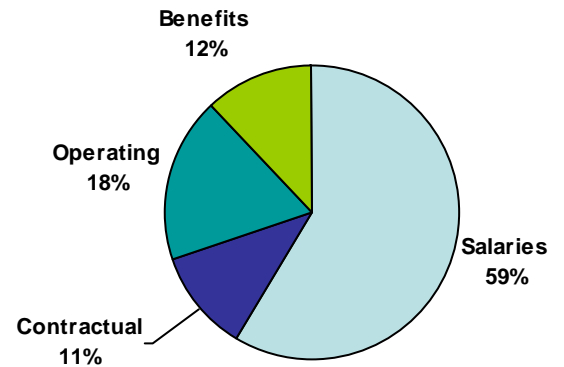
EXPENDITURE

The Mayor's 2007 budget of \$1.3, a 16% increase from 2006, is in line with the five-year financial direction, with self-insurance fund changes.

**Expenditures 2004-2007
(\$1.3 million)**



Expenditures by Type (\$1.33 million)



REVENUE

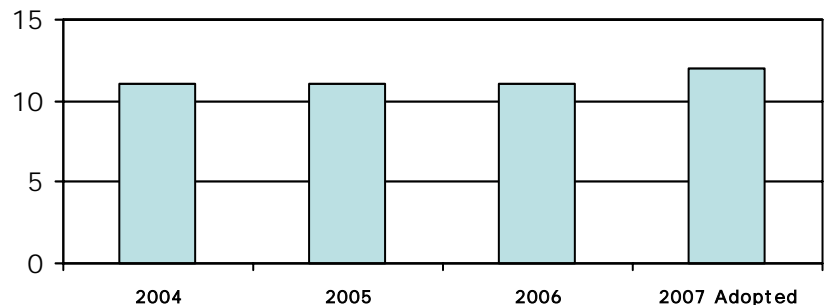
The Mayor's office does not generate revenue.

FUND ALLOCATION

One hundred percent of the Mayor's budget is funded from the General Fund.

MAYOR						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	11.00	11.00	11.00	12.00	9.09%	1.00

Staffing Summary 2004-2007



MAYOR'S RECOMMENDED BUDGET

An additional position (\$50,000) is added to the Mayor's budget.

COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation.

EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Salaries and Wages	636,466	656,766	673,523	771,798	14.6%	98,275
Contractual Services	56,753	185,353	163,837	152,088	-7.2%	-11,749
Operating Costs	48,909	78,845	76,196	241,332	216.7%	165,136
Fringe Benefits	147,989	155,142	226,996	158,308	-30.3%	-68,688
Equipment	13,487		5,762	5,963	3.5%	201
Total Expenditure	903,603	1,076,105	1,146,314	1,329,489	16.0%	183,175

POLICE

MISSION

Prevent crime and constantly strive to improve community satisfaction.

BUSINESS LINES

Quality Service and Crime Prevention: *The Minneapolis Police Department's (MPD) primary business is to ensure that our customers (residents, businesses, and visitors) are satisfied with their safety and the safety of their property, and that our customers have confidence in their police department. As a result, the department's core functions or primary business lines are crime prevention and public relations. Crime prevention is "what we do," and public relations are "how we do it."*



Crime Prevention: The MPD strives to prevent crime through collaborative partnerships with residents, business owners, criminal justice, and other agencies on proactive and reactive strategies. The department works with residents and partners to identify and plan crime prevention efforts involving youth and adults. Efforts include patrol and investigations strategies, use of technology for cameras and crime analysis, education, programming, intervention efforts (truancy, etc), re-entry strategies, and other community outreach efforts.

When crimes do occur, professional and effective responses to crime are strong deterrents to continued offenses. The MPD will also work with residents and partners to effectively and efficiently respond and solve crimes. Citizen reporting, quick response, quality investigations and prosecutions, offender tracking, and working together on problem offenders and properties are all effective reactive strategies.

MPD support functions assist with the above efforts of crime prevention, response to crime, education and training, professional standards, safety, technological assistance, forensics, communications, recruitment and hiring, and support of the enterprise and its employees.

Public Relations: How something is done is just as important as what is done. Our customers desire and deserve to have faith and confidence in the efforts of their police department. To that end, the department strives to work in collaboration with their customers, employees, and partners to plan, communicate, and implement department administrative and operational policies.

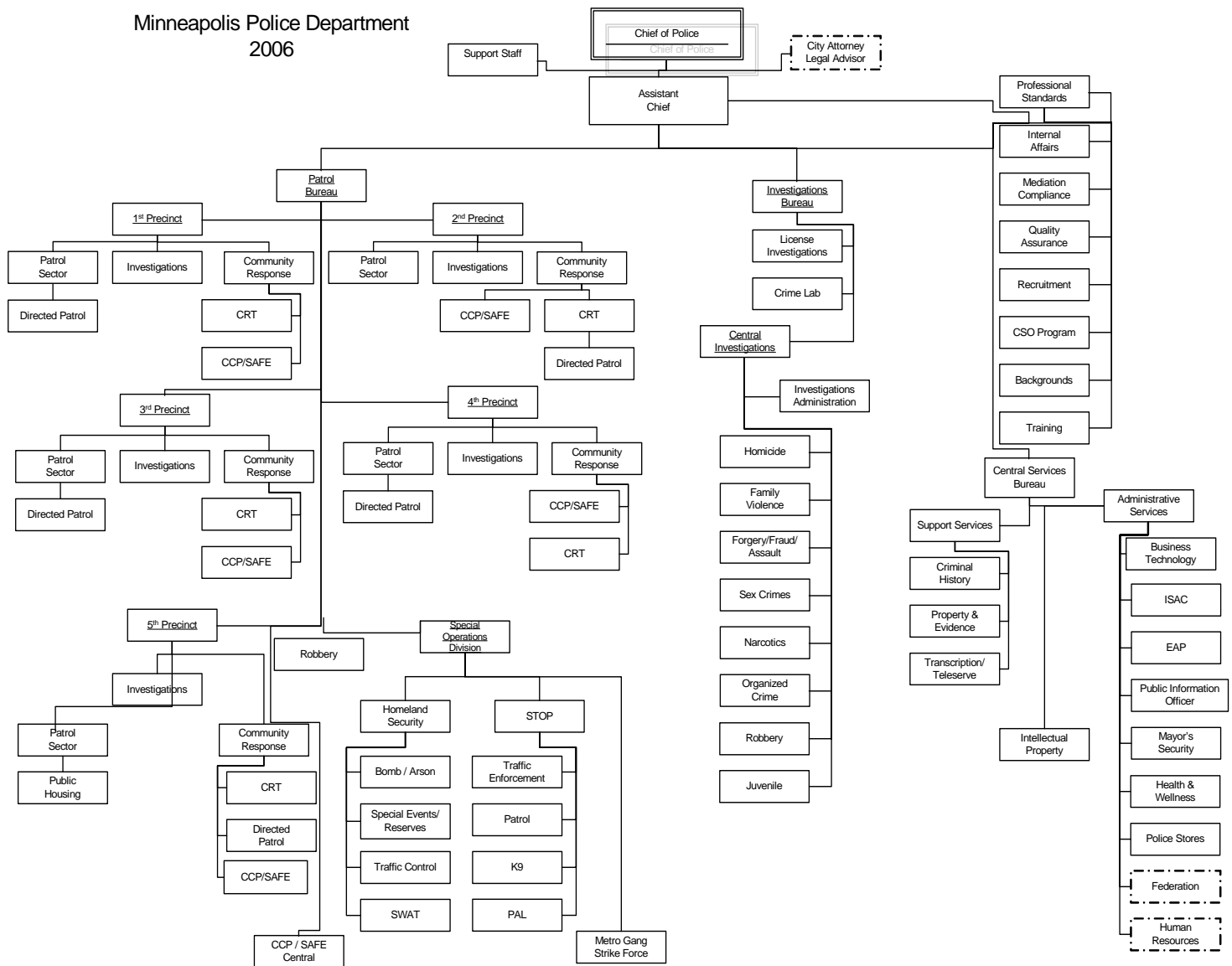
Planning: In the last two years, it has become very evident the department that there is extreme interest in police planning and interest in involvement in that planning process. Collaborating with elected officials, community, department members, and partners in forming overall longer term strategies is the essence of community policing. Neighborhoods differ, and their needs differ.

Implementation: The department, since 1996, knows that crime strategies are better

implemented with assistance from partners – criminal justice, agencies and citizens (including businesses). The Downtown Safe zone is a huge collaborative effort between all the above that we want to replicate in all areas of the city.

Communications: Results are not enough if they are not communicated. The department will strive through existing forums to communicate planning, efforts and results and make use of media, Results Minneapolis, and other tools to improve communications inside and outside the City Hall, the department, and with citizens.

Minneapolis Police Department
2006



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)				
City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1. Safe Place to Call Home	B	Prevent and reduce crime	Effectively manage resources, deployment and efforts to reduce crime	Minneapolis' current crime rate is maintained or reduced – number of Part 1 and Part 2 crimes (UCR crime categories)
1. Safe Place to Call Home	B	Ensure effective prosecutions	Collaborate with and expand public/private partnerships with the community, criminal justice, public agencies and corporate partners to enhance effectiveness and efficiencies	1. % of evidence presented that is deemed admissible 2. % increase in misdemeanor prosecution

**FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES
(ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)**

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1. Safe Place to Call Home	B	Increase community satisfaction with their police department	Institutionalize community policing to build cooperation and community trust in Minneapolis Police Officers	1. % of positive responses to trust questions in resident survey 2. # of employees engaged in community policing activities (i.e. foot beats, community meetings, National Night Out, PAL hours, etc)
1. Safe Place to Call Home	B	MPD culture promotes satisfaction, professionalism and professional growth	Maintain a positive departmental culture	1. % increase in positive responses in employee survey 2. # of employees evaluated as performing well 3. # of employees with professional growth plans and/or have had advancement opportunities discussion with supervisor

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Current crime rate is maintained or reduced (Part 1, Part 2 crimes)	25,427 Part 1 38,922 Part 2	24,310 Part 1 36,457 Part 2	28,318 Part 1 36,672 Part 2	12,085		
% of evidence presented that is deemed admissible	Data being gathered for all years					
% increase in misdemeanor prosecutions	Data being gathered					
Annual litigation pay-outs	\$1,508,953	\$2,484,182	\$2,526,718			
# guns recovered as evidence	681	662	894			

Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
# of successful resolutions on problem property cases						
# of narcotic case arrests	3,572	3,137	3,076			
# of prostitution arrests	886	1,252	1,210			
# of driving violation citations						
# of Part 1 arrests	3,702	3,779	3,648			
# of Part 2 arrests	26,003	23,837	22,576			
# of external IAU complaints	16	104	127	62 YTD		
Response time to Priority 1 calls	8:01	8:03	8:51	8:53 YTD		
% of positive responses to trust questions in resident survey	68%* 2005 survey - satisfaction	65%* 2005 survey-satisfaction	64%* 2005 survey-satisfaction			
# of women and people of color hired for sworn positions	3	Data being gathered	24	9 YTD		

CONTEXT FOR THE DEPARTMENT'S WORK

Public Safety in changing times: Crime has been increasing for the last few years. Public safety, and shown in City Surveys, is a top concern of residents, businesses and city visitors. High density areas, like Uptown, Downtown, Broadway, Cedar Riverside, Lake Street and many more want and expect police presence and visibility. High crime areas also want and expect more police presence enforcement. Other residential areas want and expect good response times.

The department has a done a good job prioritizing deployment to meet citizen's needs. We need and have planned to improve strategies to maximize the effectiveness of our resources and increase our visibility. We also need to better coordinate and communicate those efforts. We believe that geographic policing, the Safe City Initiative Planning, Safe Zone replication, technological tools, and other cooperative efforts mentioned above will improve coordination and communication and decrease crime.

Juvenile Crime: Juvenile crime has a disproportional increase – where adult crime has decreased, juvenile crime is increasing. Despite the increase in juvenile crimes, arrests and petitions to Juvenile Court have decreased. In 2006, we re-established the Juvenile Unit. The unit is viewed as “the hub” of what happens with juvenile arrestees. We are in the process of evaluating what more we can do with the Juvenile Unit, law enforcement, and community partners towards prevention of juvenile crime. For example, we know that kids who stay in

school are less likely to commit crimes and go to prison. Truancy efforts give us both a short and long term crime prevention benefits. Kids who are in school are not committing crimes, and less likely to become career criminals. We will also work with Hennepin County to establish more neighborhood programming for lower and medium offenders.

Increased Attrition: The department expects to see increased attrition due to large hiring twenty five years ago under the then new state pension plan. As a result, at a time when we are likely trying to add officers, we'll also be trying to replace officers retiring. Our goals of hiring quality officers and officers of diversity will require intensive recruitment and expense. The attrition will provide both challenge and opportunity to make rapid change and bring a needed influx of youth and movement (career opportunities) within the department.

Technology Management: The Downtown Safe Zone has highly publicized its use of cameras. They help prevent and solve crime. The demand for replicating these efforts is great in every neighborhood throughout the city, and we hope to develop a in the next couple years with city and community partners to supply recommended guidelines for purchase and management of the cameras. The purchase, maintenance and management also have budget implications for the department.

Increasing Presence and Visibility: Increasing visibility and presence does require more officers in many areas. However, it also involves changing patrolling strategies to keep officers in certain areas longer using more beats and smaller beats. This is not about “smoke and mirrors.” We can also make them more visible using substations, bike patrol, motorcycle patrol, horse patrol, highly visible jackets, etc.

Increasing beats versus staffing more patrol is a risk. 911 response depends heavily on patrol response. Successful beats ideally will reduce emergency 911 calls to high density or higher crime areas. Staffing beats versus 911 response is delicate balance.

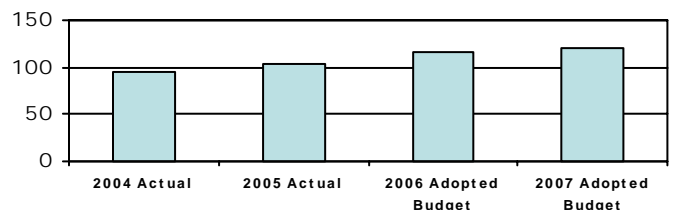
FINANCIAL ANALYSIS

EXPENDITURE

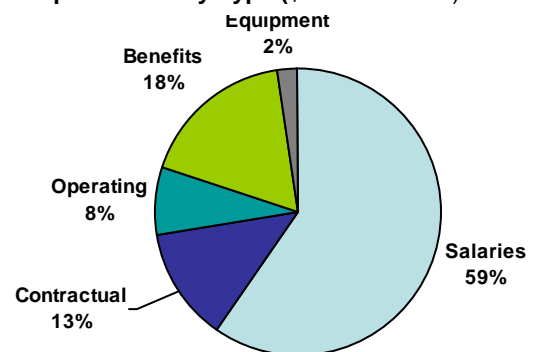
The Police budget is about \$120 million, a 3.6% increase over the 2006 Adopted Budget. Personnel expenses make up 77.4% of the total budget. There is a 4.2% increase in personnel expenses from 2006. Most of the increase is attributable to personnel costs including 43 positions added to the department. In order to stay within the anticipated growth, the current service level was reduced by \$2.2 million.

Non-personnel expenses make up 22.6% of the total budget. Expenses for self-insurance, parking, building rent, fleet rent/repair, phones, and radio communications are paid to the City's internal service funds and make up the majority of non-personnel expense. The remainder of the expenses covers uniform allowance, translator fees, training, supplies, and jail fees.

**Expenditures 2004-2007
(\$119.7 million)**



Expenditures by Type (\$119.7 million)



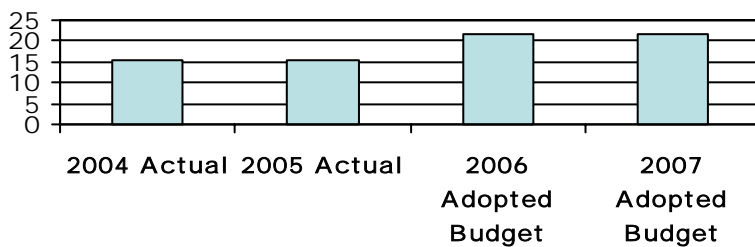
The Department's current service level in 2006 was 1045 FTE, 13 FTE less than the 1058 FTE adopted by 2006 budget. 16 water-funded positions went away when Water Division of Public Works Department decided not to use City Police for security, one Janitor position was moved to Public Works Property Services, and four grant positions were added in 2006.

REVENUE

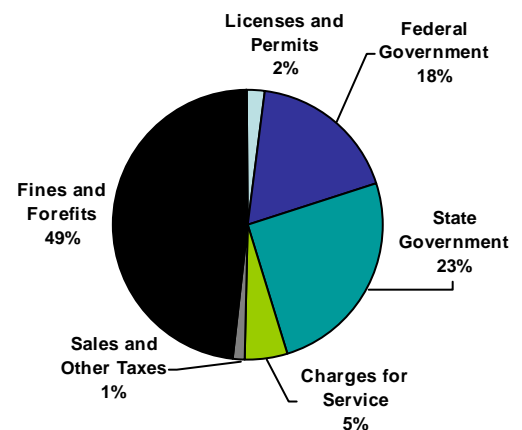
The Police Department's General Fund revenue for 2007 is about \$14.6 million, a 2.1% decrease than the prior year. It represents 66.6% of the Department's total revenue. Fine revenue is the largest revenue source for the Department. The revenue estimate for fines and forfeitures for 2007 is approximately \$10 million. The second largest revenue sources for the Department are federal and state government aid. The Department's General Fund revenue budget receives about \$4.4 million in state aid to offset PERA pension costs. The Police Department has also received \$3.9 million in federal grants from the Department of Justice. These current grants are for equipment, overtime, and technology enhancements.

The Police Department's Special Revenue Fund revenue makes up 33.4% of the total revenue budget. It accounts for forfeitures, gambling tax, the automated pawn system, and reimbursable services such as the Detox van and Public Housing patrol services.

**Revenues 2004-2007
(In millions)**



Revenue by Type (\$21.9 m)



FUND ALLOCATION

The majority (94%) of the Police Department's expenditure budget comes out of the General Fund, and others come out of Special Revenue Funds.

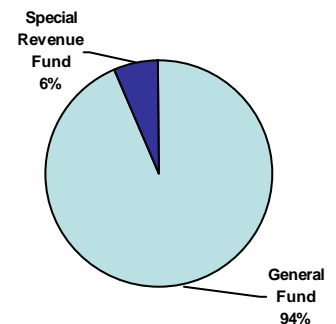
MAYOR'S RECOMMENDED BUDGET

An additional 43 police officers were added to the department with the Mayor's recommendation (\$3.4 million). This increased the department's staffing level to the same level of police officers as in 2002 and included additional funding (\$60,000) for conversion of an existing position into a civilian administrator.

The Mayor's recommendation allowed the department's budget to grow by an additional \$250,000 to fund fuel increases.

One-time funding for the department's technology road map (\$1 million) was included in the Mayor's recommended capital budget for the department.

Expenditures by Fund (\$119.687 m)



COUNCIL ADOPTED BUDGET

The Council added the following clarifications regarding the Police department finance officer. The position will:

- Be responsible for all financial and administrative operations for the department,
- Provide direction and management of the department's support services, including budget development, financial management, accounting and reporting, human resources, information systems, technology planning, business planning, management analysis and other operating activities.

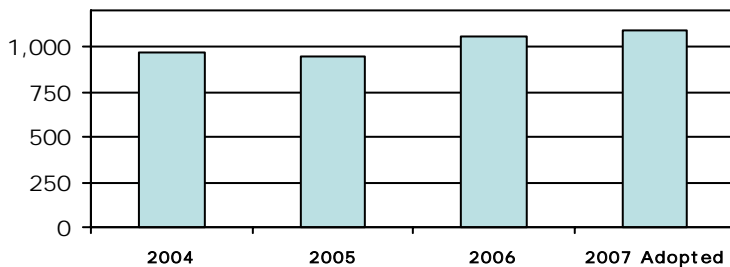
Further, the Council placed the following conditions on the new technology funding:

Before new technology allocations are disbursed, the MPD must first create a long-term technology plan for the department, including assessment of proposed technologies' impact on performance measures as outlined in the department's business plan. This plan should be presented to the Public Safety & Regulatory Services and Ways and Means committees of the Council for approval before the funds are spent, with a draft presented no later than February of 2007. The technology funds are available to finance this planning.

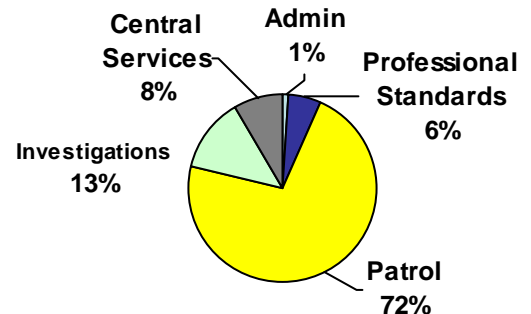
The Council also reduced the department's fuel increase by \$25,000.

POLICE DEPARTMENT						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	14.00	9.00	11.00	11.00	0.00%	-
Traffic Control and Enforcement	-	-	56.00	-	-	-
Office of Professional Standards	-	30.00	52.00	63.00	21.15%	11.00
Patrol Services Bureau	-	672.00	700.00	780.00	11.43%	80.00
Investigations Bureau	-	149.00	150.00	143.00	-4.67%	(7.00)
Central Services Bureau	132.05	82.00	89.00	91.00	2.25%	2.00
North Field Services Bureau	397.00	-	-	-	-	-
South Field Services Bureau	375.50	-	-	-	-	-
Police Licensing & Support Services	47.50	-	-	-	-	-
Total FTE's	966.05	942.00	1,058.00	1,088.00	2.84%	30.00

Staffing Summary 2004-2007



Staffing by Division



**POLICE
EXPENDITURE AND REVENUE INFORMATION**

	2004	2005	2006	2007	Percent	Change
	Actual	Actual	Adopted	Adopted	Change	
			Budget	Budget		
Total Expenditure - All Funds	94,958,060	102,852,396	115,501,292	119,687,375	3.6%	4,186,083
Total Revenues - All Funds	15,323,250	15,275,563	21,497,433	21,855,454	1.7%	358,021
General Fund - City						
Salaries and Wages	57,580,060	60,080,171	66,500,182	68,765,627	3.4%	2,265,445
Contractual Services	9,009,346	12,844,197	13,382,980	14,195,794	6.1%	812,814
Operating Costs	6,264,664	7,048,620	7,463,523	7,847,332	5.1%	383,809
Fringe Benefits	14,684,454	15,917,957	19,103,144	21,001,732	9.9%	1,898,588
Equipment	65,193	86,063	1,075,928	285,584	-73.5%	-790,344
Total Expenditure	87,603,717	95,977,007	107,525,757	112,096,069	4.3%	4,570,312
Licenses and Permits	350	360	1,000	400	-60.0%	-600
State Government	5,016,126	5,079,174	4,450,000	4,380,000	-1.6%	-70,000
Charges for Service	245,764	273,600	163,300	167,470	2.6%	4,170
Charges for Sales	-10,302	-16,227			0.0%	0
Fines and Forfeits	3,706,302	4,087,650	10,251,377	10,003,877	-2.4%	-247,500
Interest	197	180		173	0.0%	173
Other Misc Revenues	5,793	3,342	1,600	3,340	108.8%	1,740
Total Revenues	8,964,230	9,428,079	14,867,277	14,555,260	-2.1%	-312,017
Special Revenue Funds						
Salaries and Wages	2,857,971	2,554,303	1,482,305	2,225,620	50.1%	743,315
Contractual Services	1,999,097	1,736,061	770,141	1,374,823	78.5%	604,682
Operating Costs	651,601	624,151	640,174	1,228,851	92.0%	588,677
Fringe Benefits	409,383	438,297	340,177	433,524	27.4%	93,347
Equipment	298,163	560,883	3,472,876	2,328,488	-33.0%	-1,144,388
Total Expenditure	6,216,214	5,913,695	6,705,673	7,591,306	13.2%	885,633
Sales and Other Taxes	254,022	206,453	318,380	279,211	-12.3%	-39,169
Licenses and Permits	400,612	445,918	466,049	485,717	4.2%	19,668
Federal Government	3,608,507	3,220,959	3,585,123	3,910,814	9.1%	325,691
State Government	83,672	115,045	621,385	1,015,486	63.4%	394,101
Local Government	16,668				0.0%	0
Charges for Service	846,350	900,816	906,819	927,024	2.2%	20,205
Charges for Sales	810	3,873		0	0.0%	0
Fines and Forfeits	524,921	454,440	347,067	451,550	30.1%	104,483
Interest	10,241	6,912		0	0.0%	0
Contributions	86,580	89,267	110,744	230,392	108.0%	119,648
Other Misc Revenues	2,141	4,347	274,589	0	-100.0%	-274,589
Operating Transfers In	524,495	399,454			0.0%	0
Total Revenues	6,359,020	5,847,484	6,630,156	7,300,194	10.1%	670,038
Enterprise Funds						
Salaries and Wages	924,324	584,309	991,235		-100.0%	-991,235
Contractual Services	358	230,167			0.0%	0
Fringe Benefits	213,447	147,219	278,627		-100.0%	-278,627
Total Expenditure	1,138,129	961,694	1,269,862		-100.0%	-1,269,862

PUBLIC WORKS



MISSION

To build, operate and maintain the public infrastructure and provide services with a high performing Public Works Department, where collaborative leadership and public/private engagement are standard business practices.

BUSINESS LINES

Public Works Internal Services: This business line is comprised of services that are provided primarily to internal City departments and are funded mostly within formal Internal Service Funds .Fees for these services are intended to recover the costs incurred for providing each service.

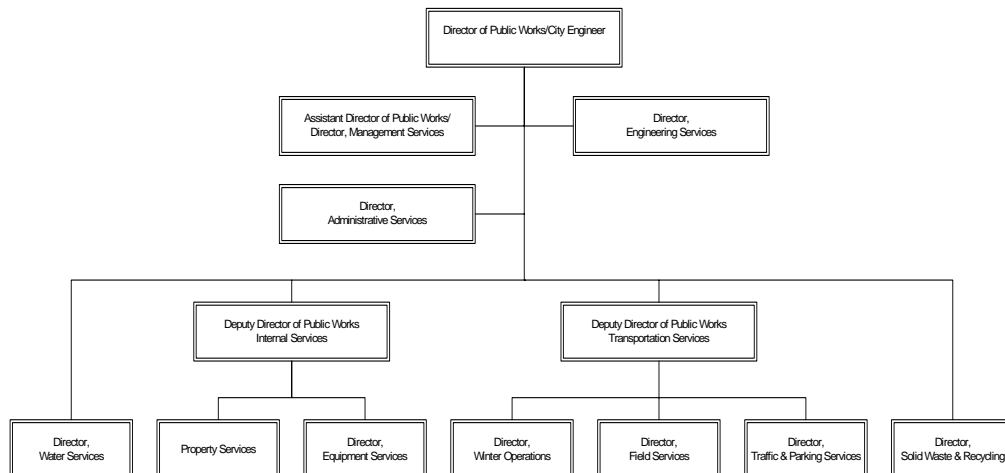
Sewer & Water: This business line provides services that promote the health and safety of people and property by providing potable water and managing non-potable water.

Solid Waste and Recycling: This business line provides the logistical and operations activities to keep Minneapolis clean through the collection and disposal of solid waste, recyclables, problem materials and yard waste, and coordination of Clean City activities.

Transportation – This business line within exists to offer people a variety of safe, convenient options for moving throughout the City and within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people and goods.

ORGANIZATION CHART

Public Works Department



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)				
City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
2-One Mpls 4- Connected Communities 6-Premier Destination	2.c Equitable Services 4.c Customer Focused 6.b Reposition City 6.c Greener 6.d Jobs/Talent	1. Integrate Department operations with enterprise-wide initiatives	1.1 .Ensure continuation of Public Works LEP Plan incorporating City-Wide program requirements	1.1.1. % of employee trained on the LEP program requirements 1.1.2. Target: 100% of new employees trained
			1.2 .Public Works business units fully coordinated with One Stop	1.2.1. % of all appropriate Public Works personnel connected to KIVA when KIVA workflows are implemented
			1.3 .Public Works fully coordinated with 311 Contact Center	1.3.1. % of service requests collected and responded to appropriately
			1.4 .Ensure compliance with City-wide procedure, policy and record retention schedules	1.4.1. % of department personnel records that meet the retention schedule requirements 1.4.2. % complete of joint project with City Clerk to develop Public Works records retention schedule and procedures
			1.5. Protect our workforce and the City’s assets against loss; Ensure continuation of structure and accountabilities for safety and loss prevention activities	1.5.1. # of lost days due to injury
			1.6. Implement the strategic plan to address issues raised in the City-Wide and Departmental Employee Survey results	1.6.1. Feedback from divisional representatives on implementation team in the areas of training, communication, & employee recognition
1-Safe Place 2-One Mpls 5-Enriched Environment	2.c Equitable City Services 5.e Sustainable work plan	2. Improve efficiency and effectiveness of overall business practices	2.1. Improved information systems for business management	
			2.2. Continue progress on implementation of Parking Fund Workout Plan	2.2.1. % implementation steps that are conforming to the project plan
			2.3. Improve community engagement for construction projects	2.3.1. % of projects that follow the City’s adopted Community Engagement plan
			2.4. Fair and equitable Stormwater Management Fee	2.4.1. # of unresolved disputes and open credit applications

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
			2.5 Ensure accurate financial projections	2.5.1. % reduction of gap between projected and actual revenue 2.5.2. % reduction of gap between projected and actual expenses 2.5.3. # of financial reports providing sufficient information to make accurate financial projections
			2.6. Systematic review of maintenance and construction activities in water, storm water and sewer distribution or collection systems	2.6.1. % similar maintenance activities reviewed and implemented if applicable
			2.7. Improve maintenance for pumping and treatment	2.7.1. % reduction of breakdown maintenance vs. preventive maintenance 2.7.2. % reduction of energy costs to run plants 2.7.3. Reduction of chemical feed
			2.8. Improve IMAC process in cooperation with BIS	2.8.1. Complete national benchmarking study of costs by activity
			2.9. Promote professional development and respect	2.9.1. Mentor program evaluation results % Increase number of documented performance reviews, including professional development plans in HRIS
			2.10. Change PW workforce composition to be representative of the diversity of the community	2.10.1. % change in women and people of color in PW

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
1-Safe Place 2-One Mpls 3-Life Long Learning 4-Connected Communities 5-Enriched Environment	1.b Crime reduction 1.d Get Fit 3.e Educational partnerships 4. a Multimodal Transportation 4. b Walkable, bikeable 5.e Sustainable Work Plans	3. Maintain customer centric business approach with internal & external customers/employees	3.1. Build/maintain a balanced, linked and sustainable multimodal transportation system	3.1.1. Downtown Transportation Mode: % split by walking, bicycling, bus, light rail, car pool, single occupancy vehicle 3.1.2. Transportation Mode: # of miles of new bicycle lanes/paths
			3.2 Through training, technology and procedures, increase flexibility of workforce	3.2.1. % of Drivers completing the driver training and “train the trainer” training 3.2.2. % of Operators completing operator training 3.2.3. % of Drivers and Operators certified in at least three separate pieces of equipment
			3.3. Improve Street Lighting	3.3.1. % reduction in energy consumption for street lights 3.3.2. % improvement in customer satisfaction
			3.4. Improve/enhance stormwater education by working with the public on how they can mitigate storm water run-off and improve the storm water quality	3.4.1 Number of stormwater education events held during the year
			3.5 Maintain superior Solid Waste and Recycling customer focus	3.5.1 Reduce # of missed pickups
1-Safe Place 4-Connected Communities 5-Enriched Environment	1.a Graffiti Gone 4. a Multimodal Transportation 4. b Walkable, bikeable 5.e Sustainable Work Plans	4. Protect and enhance livability, safety and environmental conditions of the City	4.1. Reduce vehicle emissions Reduce dependence on petroleum Benefit local farm economy	4.1.1. Number of E85 vehicles acquired in 2007. Target: 25 units 4.1.2. Number of gallons of E85 dispensed in 2007. Target: 15,000 gallons per year

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
			4.2. Design and construct City buildings that are sustainable "high performance" structures	4.2.1. Exceed State Energy Code by 30%
			4.3. Improve water quality and manage water quantity through the Stormwater Management Program	4.3.1. % reduction in properties damaged by stormwater 4.3.2. Meet/exceed water quality goals measurements
			4.4. Provide high quality drinking water meeting or exceeding regulations	4.4.1. % increase in customer satisfaction through Citizen Survey
			4.5. Support/enhance Clean City initiative	4.5.1. # of days to respond to: Shopping cart removal (Target 1 business day) Graffiti removal 4.5.2. % improvement in customer satisfaction related to cleanliness and livability
			4.6. Maximize the value, utilization and protection of land, property and equipment of the City	4.6.1. % of task equipment identified with key security system installed by early 2007 4.6.2. % of task equipment identified with "immobilizer" feature installed by late 2007
			4.7. Maximize opportunities to improve air quality through traffic flow and changing the travel mode split	4.7.1. % of sustainability target met for bikeways (2015) and downtown modal split (2015) 4.7.2. Reduction in emissions, stops, & delay along major arterial corridors & in downtown
1-Safe Place	2.c Equitable City Services	5. Maintain/enhance the City's infrastructure (including facilities, equipment, streets, traffic, water systems, and sewer systems)	5.1. Manage maintenance of street system for maximum life	5.1.1 Pavement Condition Index
2-One Mpls	4. a Multimodal Transportation		5.2. Maintain bridges so that they are safe	5.2.1. Bridge Sufficiency Index
4-Connected Communities	4. b Walkable, bikeable		5.3. Ensure operational sewer system, including safe and maintained tunnels	5.3.1. Number of sewer back ups 5.3.2. Number of sewer overflows
5-Enhanced Environment	5.e Sustainability Work Plans			5.3.3. Tunnel Condition Index

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measure
			5.4. Deliver an adequate supply of quality water to Minneapolis	5.4.1. O & M cost per mile for water distribution 5.4.2. Decrease in number of complaints of drinking water quality
			5.5. Facilities are maintained and managed most cost effectively in balance with sustainability work plan	5.5.1. Cost per sq. foot of O & M by facility type 5.5.2. Energy use by sq. foot by type of facility

MEASURES, DATA AND TARGETS - *Data may be found with the division financial analyses later in this section*

CONTEXT FOR THE DEPARTMENT'S WORK

Integrate Department operations with enterprise initiatives.

- Delineate development review roles and responsibilities with our partner City departments.
- Begin search for new Solid Waste and Recycling (SW&R) facilities to replace South Transfer Station and Pacific campus. Pacific has yard waste transfer, problem material processing, equipment maintenance, and dispatch. South Transfer Station is the voucher program site.
- Increase internal and external relationship with partners to enhance Departmental efforts on recruiting/hiring diverse qualified candidates.
- Partner with Finance to develop financial reporting for management needs.

Improve efficiency and effectiveness of overall business practices.

- Examine the allocation of resources that provide street maintenance services (arterial/collector system vs. local/residential system).
- Maximize the value of our space & equipment assets by improving utilization.
- Evaluate current divisional structure in light of changing service levels.
- Ensure competitive process for all Solid Waste & Recycling contracts.

Maintain customer centric business approach with internal and external customers and employees.

- Continue to refine our customer response improvement efforts, especially related to processes being used in 311.
- Focus on opportunities for change raised by employee surveys.
- Improve public outreach for major construction projects.
- Develop and implement a Stormwater education and outreach program.
- Maintain employee expertise through training, development and skill building.

Protect and enhance livability, safety and environmental conditions of the City of Minneapolis

- Incorporate sustainability principles into our activities.
- Implement the new street lighting policy.
- Conduct ongoing systematic analysis/audit of traffic systems and operations in a geographic rotational method including school and pedestrian safety programs and efforts.
- Continue Combined Sewer Overflow Program capital improvement separation projects and private rainleader disconnection efforts.
- Begin implementation steps for Access Minneapolis – 10 Year Transportation Action Plan.
- Develop and implement the Local Surface Water Management Program to improve water quality while safely managing water quantity and exploring options based on the alternative stormwater management strategies.
- Critically evaluate the Stormwater Utility Fee to ensure that it's applied accurately and equitably to Minneapolis customers while maintaining the 5-year finance plan.
- Continue Ultrafiltration Membrane project.
- Enhance Clean City efforts within Public Works (centralized from other departments).
- Continue progress toward “Keep America Beautiful” affiliation.

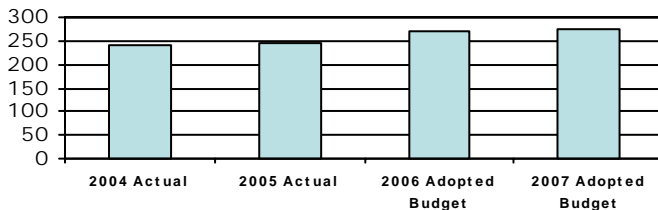
Maintain/enhance the City’s infrastructure (including facilities, equipment, streets, traffic, water systems, etc.)

- Preserve and maintain the public infrastructure in order to keep Minneapolis a sustainable community.
- Focus on better methods of determining infrastructure condition and rate of deterioration for all infrastructure systems for more pro-active and better coordinated replacement and/or rehabilitation.
- Continue the research and consideration for alternative revenue options.
- Develop guidelines to establish the technical basis for renovating residential concrete streets.

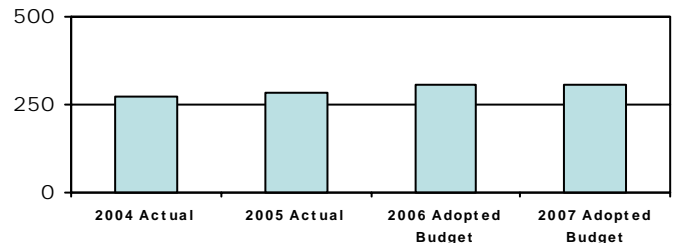
FINANCIAL ANALYSIS

The Public Works Department’s 2007 is \$273 million, a 2% increase from 2006. Public Works is funded by the General Fund, one grant fund, the Capital Projects Fund, four internal service funds, and five enterprise funds. The overall change in positions is 0.05 to a total of 1,206.

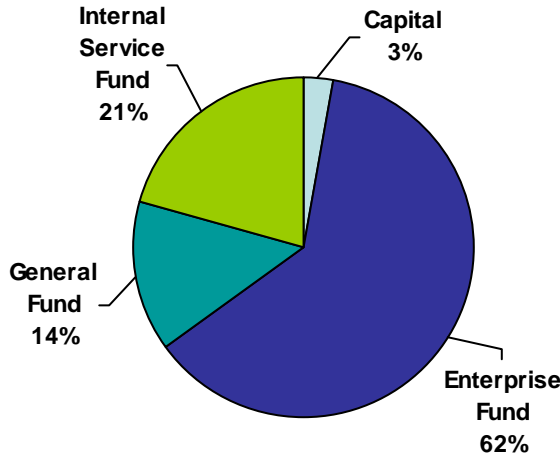
Expenditures 2004-2007



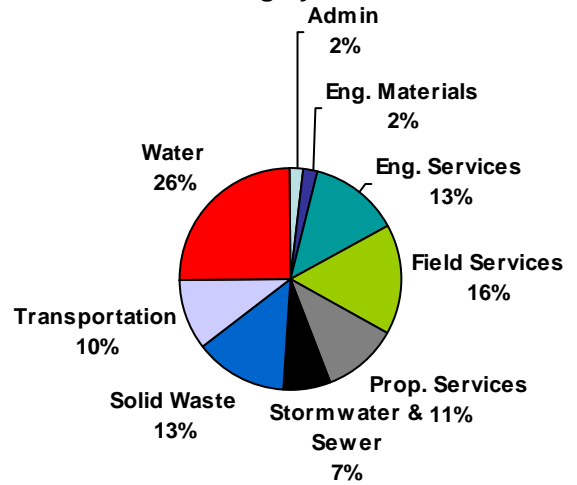
Revenues 2004-2007



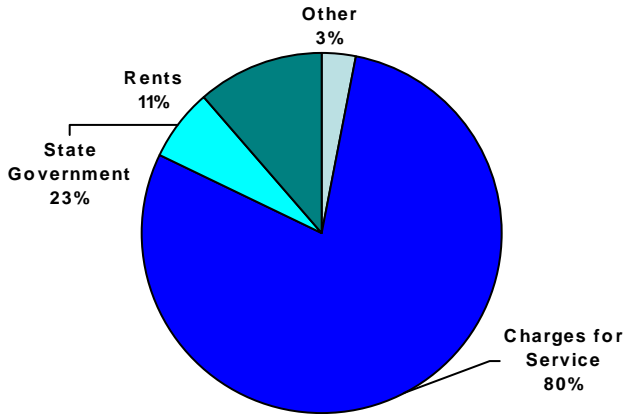
Expenditures by Fund (\$273.0 million)



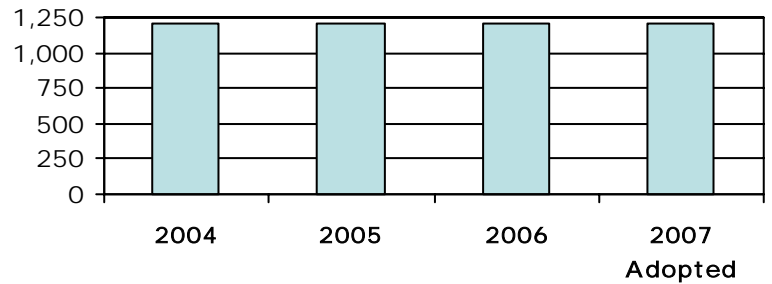
Staffing by Division



Revenues by Source (\$305.7 million)



Staffing Summary 2004-2007



PUBLIC WORKS DEPARTMENT						
Staffing Information						
	2004	2005	2006	2007	%	
	Adopted	Adopted	Adopted	Adopted	Change	Change
	Budget	Budget	Budget	Budget		
FTE's by Division						
Administration	18.00	20.00	19.00	19.00	0.00%	-
Engineering Materials	29.50	20.50	20.50	19.50	-4.88%	(1.00)
Engineering Services	117.00	122.50	123.50	124.50	0.81%	1.00
Equipment Services	257.10	257.10	257.10	257.10	0.00%	-
Field Services	165.50	154.20	151.40	150.60	-0.53%	(0.80)
Property Services	96.90	102.90	103.90	104.90	0.96%	1.00
Stormwater & Sewer						
Maintenance	64.10	64.10	64.10	64.10	0.00%	-
Solid Waste	123.00	126.00	128.00	128.00	0.00%	-
Transportation	100.34	99.34	99.34	98.59	-0.75%	(0.75)
Water	239.75	239.75	239.75	239.75	0.00%	-
Total FTE's	1,211.19	1,206.39	1,206.59	1,206.04	-0.05%	(0.55)

PUBLIC WORKS

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Capital Projects						
Capital Outlay	455	0	0	0		0
Contractual Services	1,215,885	2,048,833	1,889,811	2,355,802	24.7%	465,991
Equipment	1,060	61,930	83,437	110,162	32.0%	26,725
Fringe Benefits	760,182	775,932	1,121,504	1,153,232	2.8%	31,728
Operating Costs	150,599	166,122	251,712	176,626	-29.8%	-75,086
Salaries and Wages	3,104,815	2,840,788	3,685,004	3,464,150	-6.0%	-220,854
Total for Capital Projects	5,232,996	5,893,606	7,031,468	7,259,972	3.2%	228,504
Enterprise Funds						
Capital Outlay	0	46,109	6,946	7,189	3.5%	243
Contractual Services	83,729,464	81,980,507	83,531,112	85,035,790	1.8%	1,504,678
Equipment	1,140,737	1,085,351	2,230,724	2,262,679	1.4%	31,955
Equipment Labor	118,254	122,266	0	0		0
Fringe Benefits	9,332,447	10,508,562	11,728,875	11,948,637	1.9%	219,762
Operating Costs	34,523,812	36,340,204	40,272,350	40,364,504	0.2%	92,154
Salaries and Wages	26,434,199	27,318,254	29,462,962	30,539,766	3.7%	1,076,804
Total for Enterprise Funds	155,278,914	157,401,254	167,232,969	170,158,565	1.7%	2,925,596
General Fund - City						
Capital Outlay	0	0	2,625	2,717	3.5%	92
Contractual Services	15,130,365	17,934,668	17,575,276	18,685,362	6.3%	1,110,086
Equipment	226,084	192,499	261,401	262,065	0.3%	664
Equipment Labor	0	540	0	0		0
Fringe Benefits	4,221,941	4,471,962	4,368,031	4,802,973	10.0%	434,942
Operating Costs	4,470,849	4,681,596	4,294,042	4,668,378	8.7%	374,336
Salaries and Wages	11,636,665	11,471,962	10,788,502	11,117,920	3.1%	329,418
Total for General Fund - City	35,685,904	38,753,228	37,289,877	39,539,415	6.0%	2,249,538
Internal Service Funds						
Capital Outlay	65,145	23,879	7,482	0	-100.0%	-7,482
Contractual Services	13,646,578	11,576,225	15,737,567	15,823,845	0.5%	86,278
Equipment	19,224	117,959	695,582	705,544	1.4%	9,962
Equipment Labor	1,071	1,174	0	0		0
Fringe Benefits	5,852,807	6,532,747	7,744,867	7,906,278	2.1%	161,411
Operating Costs	7,417,160	6,822,054	12,744,073	11,603,156	-9.0%	-1,140,917
Salaries and Wages	17,197,141	17,841,576	20,004,722	19,888,760	-0.6%	-115,962
Total for Internal Service Funds	44,199,125	42,915,613	56,934,293	55,927,583	-1.8%	-1,006,710
Special Revenue Funds						
Contractual Services	249,950	149,158	97,000	78,000	-19.6%	-19,000
Transfers	21,598	3,000	0	0		0
Total for Special Revenue Funds	271,548	152,158	97,000	78,000	-19.6%	-19,000
Total for PUBLIC WORKS	240,668,487	245,115,859	268,585,607	272,963,535	1.6%	4,377,928

PUBLIC WORKS

Capital Projects

Charges for Sales	2,459	3,050	0	0		0
Charges for Service	102,984	168,817	2,971,000	1,485,000	-50.0%	-1,486,000
Licenses and Permits	231,154	344,926	230,000	230,000	0.0%	0
Other Misc Revenues	2,000	520	0	0		0
Special Assessments	10,078	13,958	9,000	16,000	77.8%	7,000
State Government	3,206,182	1,537,282	500,000	600,000	20.0%	100,000
Total for Capital Projects	3,554,857	2,068,554	3,710,000	2,331,000	-37.2%	-1,379,000

Enterprise Funds

Charges for Sales	4,806,224	4,314,031	4,701,400	4,566,400	-2.9%	-135,000
Charges for Service	197,220,615	204,672,880	216,506,856	217,255,874	0.3%	749,018
Gains	-4,159	1,850	0	0		0
Interest	5,911	1,701	750	750	0.0%	0
Licenses and Permits	207,824	245,559	219,000	219,000	0.0%	0
Local Government	1,100,933	1,133,017	864,295	832,165	-3.7%	-32,130
Operating Transfers In	21,598	3,000	0	0		0
Other Misc Revenues	35,527	41,738	1,272,941	210,941	-83.4%	-1,062,000
Rents	107,404	146,136	113,685	112,685	-0.9%	-1,000
Special Assessments	-1,023,394	64,447	1,745,425	658,475	-62.3%	-1,086,950
State Government	855,687	699,700	644,160	671,441	4.2%	27,281
Total for Enterprise Funds	203,334,170	211,324,059	226,068,512	224,527,731	-0.7%	-1,540,781

General Fund - City

Charges for Sales	58,142	44,991	27,000	33,500	24.1%	6,500
Charges for Service	6,428,860	6,012,607	4,626,000	4,988,110	7.8%	362,110
Contributions	50	0	0	0		0
Franchise Fees	142,043	150,283	110,000	110,000	0.0%	0
Interest	12,434	294,556	2,500	2,500	0.0%	0
Licenses and Permits	1,017,981	1,207,089	949,000	1,459,000	53.7%	510,000
Local Government	662,955	773,792	733,894	701,683	-4.4%	-32,211
Other Misc Revenues	473,159	346,160	630,242	651,242	3.3%	21,000
Rents	2,400	400	2,400	2,400	0.0%	0
Special Assessments	1,641,159	1,699,044	1,742,585	1,752,926	0.6%	10,341
State Government	4,044,824	4,002,594	3,967,438	3,724,698	-6.1%	-242,740
Total for General Fund - City	14,484,007	14,531,517	12,791,059	13,426,059	5.0%	635,000

Internal Service Funds

Charges for Sales	9,793,424	12,888,578	13,206,762	14,570,500	10.3%	1,363,738
Charges for Service	12,099,165	13,959,493	15,947,500	16,297,500	2.2%	350,000
Gains	102,087	96,049	200,000	200,000	0.0%	0
Interest	73	1,499	500	500	0.0%	0
Other Misc Revenues	199,444	420,499	313,000	13,000	-95.8%	-300,000
Rents	27,533,753	27,691,619	35,323,848	34,350,500	-2.8%	-973,348
Total for Internal Service Funds	49,727,946	55,057,737	64,991,610	65,432,000	0.7%	440,390

Special Revenue Funds

Local Government	0	3,000	0	0		0
Total for Special Revenue Funds	0	3,000	0	0		0

Total for PUBLIC WORKS	271,100,980	282,984,868	307,561,181	305,716,790	-0.6%	-1,844,391
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ADMINISTRATIVE SERVICES

EXPENDITURE

The 2007 Public Works Administrative Services budget is \$2.9 million, a 2% increase over the 2006 Adopted Budget.

REVENUE

Revenue of \$2.0 million in Administrative Services results from overhead charged to other Public Works functions and also permit and plan review fees.

FUND ALLOCATION

Public Works Administrative Services operates within the City's General Fund.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for the Department. The reductions in the financial direction for 2007 were

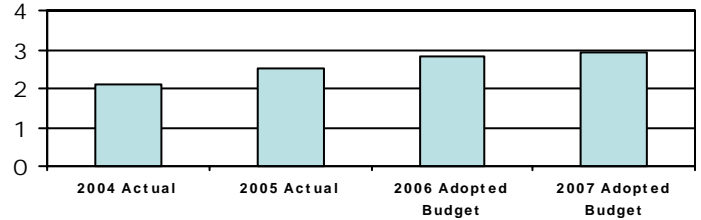
not included in the recommended budget. Based on the significant growth in special service districts, the Mayor recommended that Public Works designate an existing position within the department to coordinate activities related to these districts.

The Mayor directed the Department to pursue, within existing resources, the Leadership in Energy and Environmental Design (LEED) certification for the Hiawatha Maintenance Facility, which was approved in the 2006 budget.

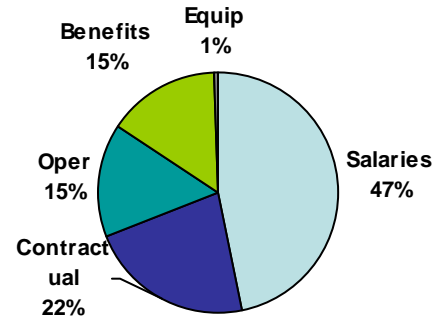
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation.

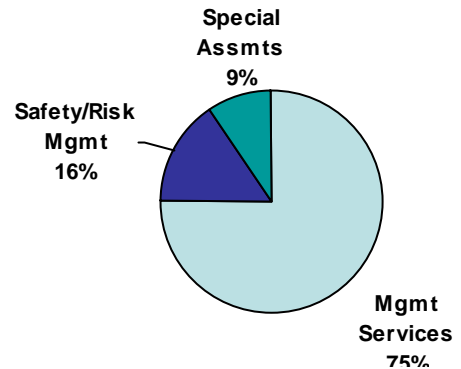
**Expenditures 2004-2007
(In millions)**



Expenditures by Type (\$2.9 million)



Expenditures by Division (\$2.9 million)

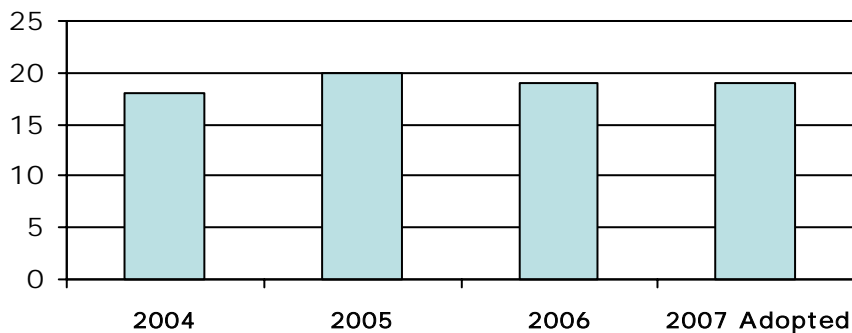


MEASURES, DATA AND TARGETS TABLE

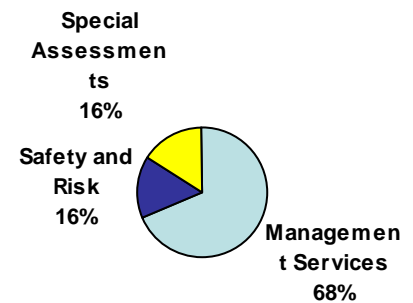
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
% racial and gender diversity of employee population	People of Color: 16.3 Women: 17.0	People of Color: 17.4 Women: 16.1%	People of Color: 18.2 Women: 15.8	People of Color: 19.0 Women: 15.4		
% of performance reviews completed in Public Works (HRIS Mgmt Reporting Tools)	N/A	N/A	N/A			
Turnover rate within specific divisions within specific work groups	N/A	N/A	8.04% overall			

PUBLIC WORKS ADMINISTRATION						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Management Services	12.00	14.00	13.00	13.00	0.00%	-
Safety/Risk Management	3.00	3.00	3.00	3.00	0.00%	-
Special Assessments	3.00	3.00	3.00	3.00	0.00%	-
Total FTE's	18.00	20.00	19.00	19.00	0.00%	-

Staffing Summary 2004-2007



Staffing by Division



EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
General Fund - City						
Salaries and Wages	1,044,089	1,143,948	1,278,177	1,350,811	5.7%	72,634
Contractual Services	617,865	822,571	991,918	647,425	-34.7%	-344,493
Operating Costs	129,796	119,219	126,164	438,189	247.3%	312,025
Fringe Benefits	299,777	414,551	419,827	445,067	6.0%	25,240
Equipment	3,326	6,409	16,894	17,486	3.5%	592
Total Expenditure	2,094,854	2,506,698	2,832,980	2,898,978	2.3%	65,998
Licenses and Permits				360,000	0.0%	360,000
Local Government		100,000			0.0%	0
Charges for Service	1,759,476	1,889,004	1,401,000	1,601,000	14.3%	200,000
Interest		289,841			0.0%	0
Other Misc Revenues	2,000	150			0.0%	0
Total Revenues	1,761,476	2,278,995	1,401,000	1,961,000	40.0%	560,000

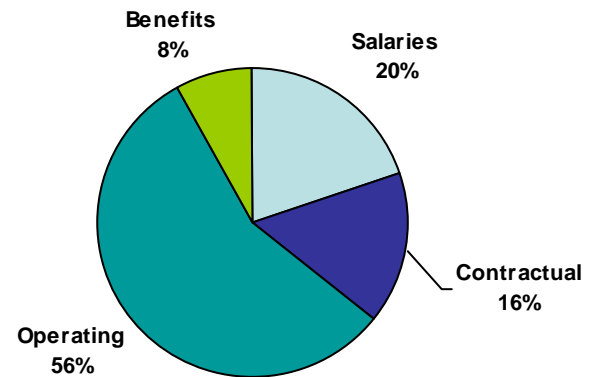
ENGINEERING MATERIALS & TESTING

The Engineering Materials and Testing Division budget of \$5.3 million is funded by two internal service funds. The Engineering Materials and Testing Fund accounts for approximately 84% of the Division's budget and is used to account for the City's purchase of bituminous mixes and ready-mix concrete for placement by various agencies within the Department of Public Works for their construction and maintenance requirements. Also accounted for within this fund is the Engineering Laboratory, which provides inspection and testing services for these materials along with environmental and soil testing services. The City Council took action in December 2003, to suspend the production of bituminous mixes indefinitely at the City's Asphalt Plant.

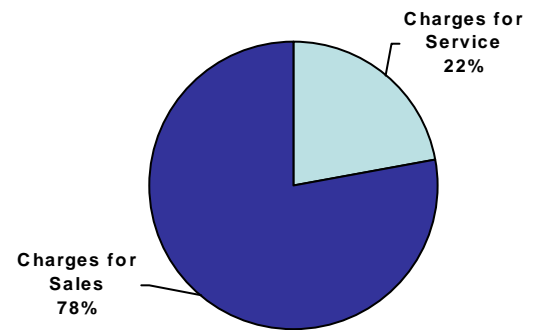
In the current service level, Public Works made the decision to transfer out an Engineer position from the Engineering Laboratory Division to the Engineering Services Department.

The Public Works Stores Fund makes up the remaining 16% of the Division's budget and accounts for the centralized procurement, receiving, warehousing, and distribution of stocked inventory merchandise along with the purchase of special non-inventory materials and services. The Fund has two separate operating units, which are Central Stores serving all agencies within Public Works, and Traffic Stores primarily serving agencies within the Transportation Division. Since 1980, the Central Stores has responsibility for providing office supplies and non-specialty items to all City Agencies. Together, Public Works and the Finance Department completed a study in 1998, whereby, the recommended redesign included a revamped overhead structure and directives for utilization of the Stores Fund for non-inventory purchases.

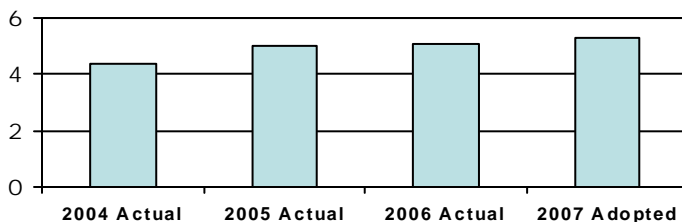
Expenditures by Type (\$5.3 million)



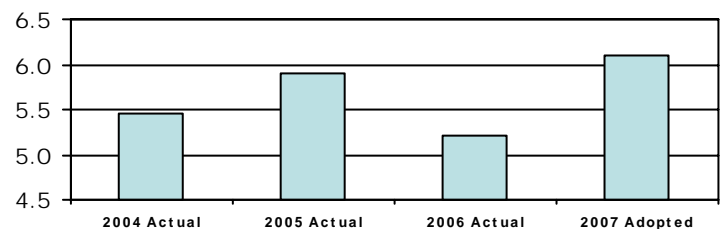
Revenue by Type (\$6.1 million)



**Expenditures 2004-2007
(5.283 m) (In millions)**



**Revenues 2004-2007
(6.111 m) (In millions)**



MAYOR'S RECOMMENDED BUDGET

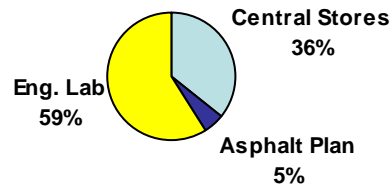
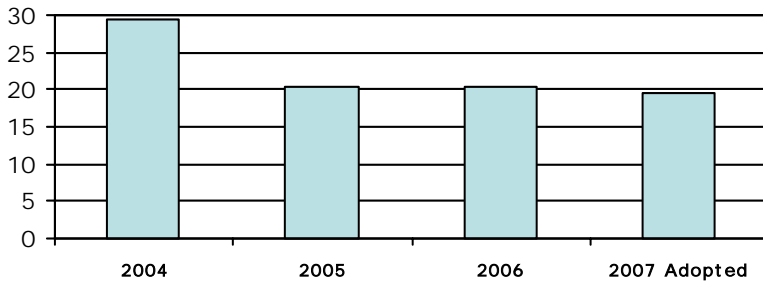
The Mayor recommended no change from the current service level for Public Works Engineering Material and Testing.

For more information on the Engineering Material and Testing Fund, please see the Financial Plans section of this document.

PUBLIC WORKS ENGINEERING MATERIAL AND TESTING						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Central Stores	7.00	7.00	7.00	7.00	0.00%	-
Asphalt Plant	10.50	1.00	1.00	1.00	0.00%	-
Engineering Laboratory	12.00	12.50	12.50	11.50	-8.00%	(1.00)
Total FTE's	29.50	20.50	20.50	19.50	-4.88%	(1.00)

Staffing Summary 2004-2007

Staffing by Division



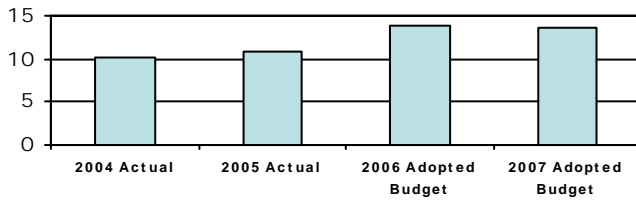
EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Internal Service Funds						
Salaries and Wages	960,810	885,135	1,086,520	1,057,045	-2.7%	-29,475
Contractual Services	432,853	646,387	676,149	836,548	23.7%	160,399
Operating Costs	2,674,051	3,153,502	2,882,733	2,956,490	2.6%	73,757
Fringe Benefits	309,354	313,091	409,231	430,752	5.3%	21,521
Equipment		43,633	2,138	2,213	3.5%	75
Total Expenditure	4,377,069	5,041,748	5,056,771	5,283,048	4.5%	226,277
Charges for Service	1,393,884	1,293,484	1,150,000	1,350,000	17.4%	200,000
Charges for Sales	4,000,027	4,604,874	4,062,500	4,760,500	17.2%	698,000
Gains	58,931				0.0%	0
Total Revenue	5,452,842	5,898,358	5,212,500	6,110,500	17.2%	898,000

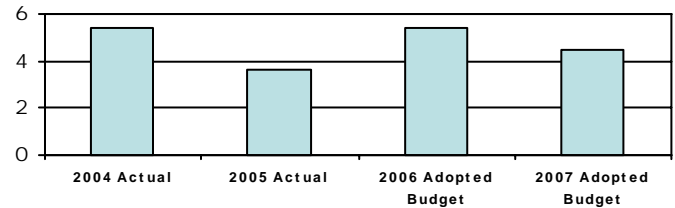
ENGINEERING SERVICES

Engineering Services' 2007 budget is \$13.6 million, a 2% decrease from 2006. Engineering Services is funded by the General Fund, Permanent Improvement Projects (Capital) Fund, Sanitary Sewer Enterprise Fund, Stormwater Enterprise Fund, and Water Enterprise Fund. Personnel costs make up 70% of Engineering Services 2007 budget. The increase in salaries/benefits from 2006 is 5%; there are several new employees paid at a lower scale than in prior years.

**Expenditures 2004-2007
(In millions)**

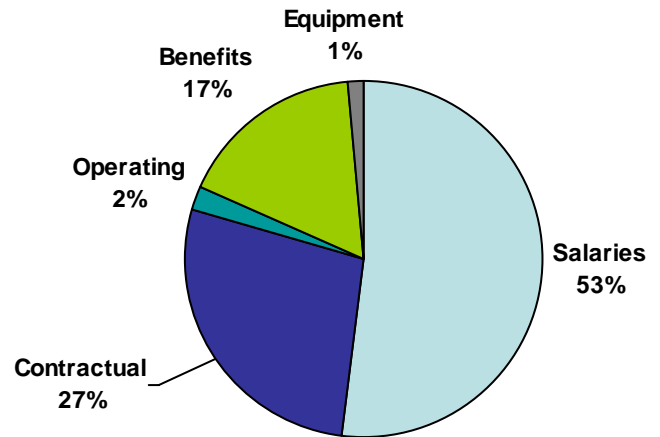


**Expenditures by Type (\$13.63 million)
(In millions)**



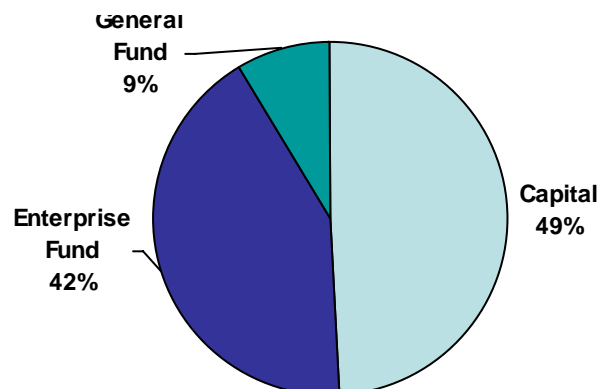
Engineering Services has also done an internal reorganization requiring adjustments to be made in the budgeting for six positions. There were two Professional Engineers, one Supervisor, Technician and 3 Engineering Technician positions transferred from Street Design to Storm Sewer Design. These costs were offset in the Sewer Fund by a reduction in Combined Sewer Overflow Phase II line items. An adjustment was also made to Contractual Services in the Street Design area for an Agency no net.

Expenditure by Type (\$13.6 million)



In 2005, the Storm Sewer Design Fund was separated into two funds: The Sanitary Sewer Design and the Storm Sewer Design Fund. It was determined that approximately 14% of Engineering Services sewer costs were directly related to sanitary sewer work. There were three positions transferred internally to this new area. It appears that this estimate may have been high and as the year progresses an adjustment may need to be made.

Expenditure by Fund (\$13.6 million)

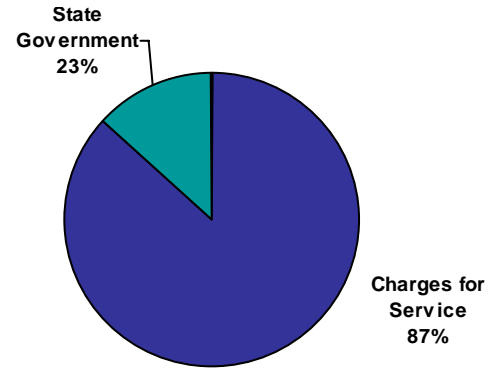


There is an overall 18% decrease in revenue to Engineering Services in 2007. This is due largely to the reduced 2007 Capital Program. Revenue in this area results from charges to Capital Projects, Enterprise Funds, and the General Fund.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for Public Works Engineering Services. The reductions in the financial direction for 2007 were not included in the recommended budget.

Revenue by Source (\$4.5 million)

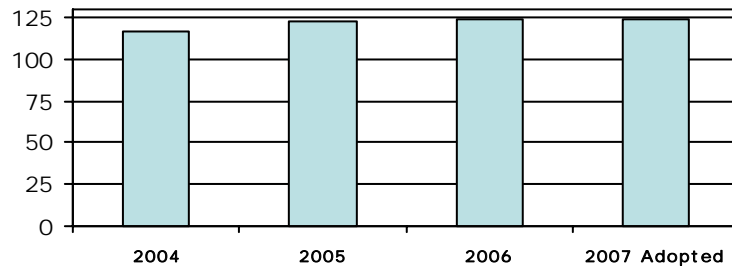


COUNCIL ADOPTED BUDGET

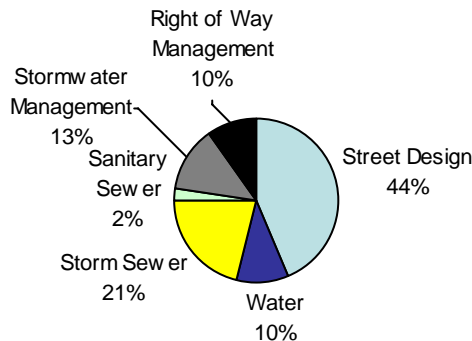
The Council adopted the Mayor's Recommended Budget.

PUBLIC WORKS ENGINEERING SERVICES						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Street Design	59.60	58.20	59.20	54.20	-8.45%	(5.00)
Water	11.00	13.00	13.00	13.00	0.00%	-
Storm Sewer Design	20.90	23.30	20.30	26.30	29.56%	6.00
Sanitary Sewer Design	-	0.00	3.00	3.00	0.00%	-
Storm Water Management	13.00	16.00	16.00	16.00	0.00%	-
Right of Way Management	12.50	12.00	12.00	12.00	0.00%	-
Total FTE's	117.00	122.50	123.50	124.50	0.81%	1.00

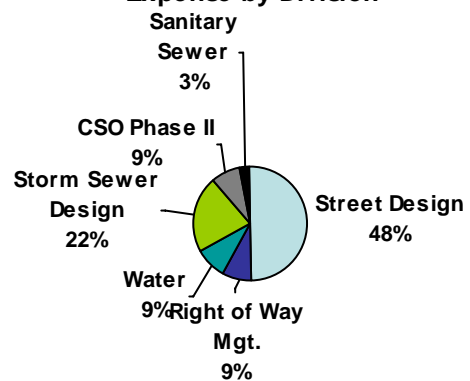
Staffing Summary 2004-2007



Staffing by Division



Expense by Division



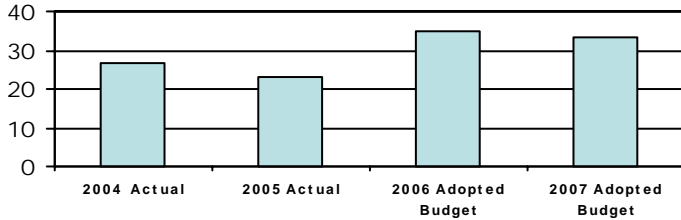
**PUBLIC WORKS – ENGINEERING SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2004	2005	2006	2007	Percent	Change
	Actual	Actual	Adopted Budget	Adopted Budget	Change	
Total Expenditure - All Funds	10,195,528	10,809,876	13,884,339	13,629,502	-1.8%	-254,837
Total Revenues - All Funds	5,379,338	3,636,992	5,439,668	4,470,368	-17.8%	-969,300
General Fund - City						
Salaries and Wages	614,729	540,349	644,669	666,050	3.3%	21,381
Contractual Services	94,289	160,799	242,542	260,693	7.5%	18,151
Operating Costs	23,307	24,769	26,152	21,832	-16.5%	-4,320
Fringe Benefits	187,413	159,272	232,564	227,244	-2.3%	-5,320
Equipment			5,345	5,532	3.5%	187
Capital Outlay			487	504	3.5%	17
Total Expenditure	919,738	885,189	1,151,759	1,181,855	2.6%	30,096
Licenses and Permits	14,900	19,185	15,000	15,000	0.0%	0
Charges for Service	434,263	390,640	475,000	450,000	-5.3%	-25,000
Interest	4	1			0.0%	0
Other Misc Revenues	14				0.0%	0
Total Revenue	449,181	409,826	490,000	465,000	-5.1%	-25,000
Capital Projects						
Salaries and Wages	2,839,409	2,574,801	3,383,942	3,150,320	-6.9%	-233,622
Contractual Services	1,087,213	1,891,924	1,727,569	2,198,390	27.3%	470,821
Operating Costs	128,523	148,534	231,338	168,368	-27.2%	-62,970
Fringe Benefits	698,673	707,342	1,040,770	1,065,137	2.3%	24,367
Equipment	1,060	61,930	83,437	110,162	32.0%	26,725
Capital Outlay	455				0.0%	0
Total Expenditure	4,755,333	5,384,531	6,467,056	6,692,377	3.5%	225,321
State Government	3,206,182	1,537,282	500,000	600,000	20.0%	100,000
Charges for Service	39,065	113,202	2,911,000	1,425,000	-51.0%	-1,486,000
Charges for Sales	2,459	3,050			0.0%	0
Other Misc Revenues	2,000	520			0.0%	0
Total Revenue	3,249,706	1,654,054	3,411,000	2,025,000	-40.6%	-1,386,000
Enterprise Funds						
Salaries and Wages	2,294,991	2,470,039	3,041,473	3,266,144	7.4%	224,671
Contractual Services	1,438,517	1,214,537	1,917,845	1,286,072	-32.9%	-631,773
Operating Costs	122,820	97,536	137,929	103,099	-25.3%	-34,830
Fringe Benefits	664,129	758,043	1,045,039	1,018,530	-2.5%	-26,509
Equipment			123,238	81,425	-33.9%	-41,813
Total Expense	4,520,457	4,540,156	6,265,524	5,755,270	-8.1%	-510,254
State Government			0		0.0%	0
Charges for Service	1,680,454	1,573,042	1,538,668	1,980,368	28.7%	441,700
Interest	-4				0.0%	0
Other Misc Revenues		70			0.0%	0
Total Revenue	1,680,451	1,573,112	1,538,668	1,980,368	28.7%	441,700

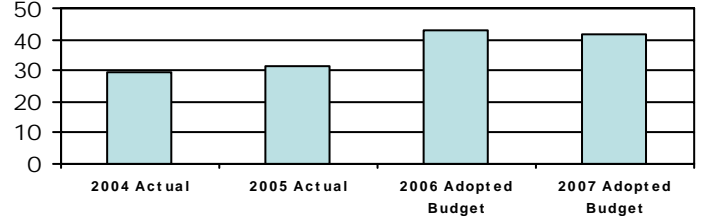
EQUIPMENT SERVICES

Equipment Services' expense budget for 2007 is \$33.3 million, a decrease of 4% from the 2006 Adopted Budget. This decrease is due to improved management of overtime spending. This area operates out of the Equipment Internal Service Fund.

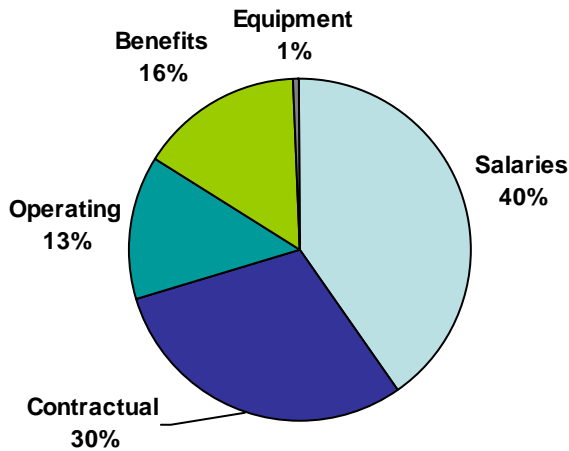
**Expenditures 2004-2007
(In millions)**



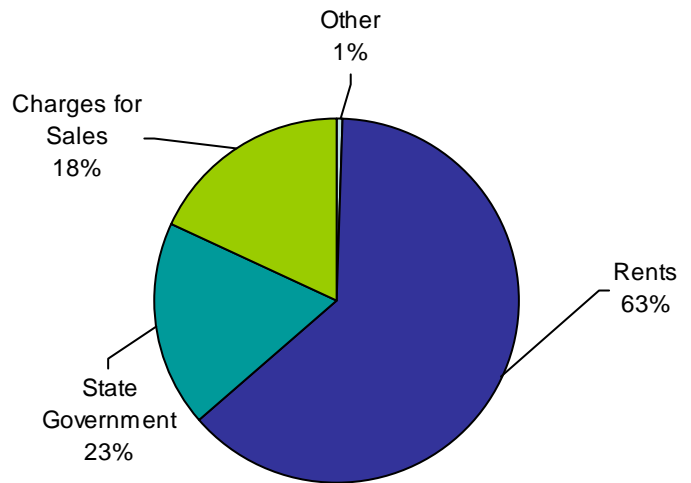
**Revenues 2004-2007
(In millions)**



Expenditures by Type (\$33.3 million)



Revenues by Source (\$42.0 million)



MAYOR'S RECOMMENDED BUDGET

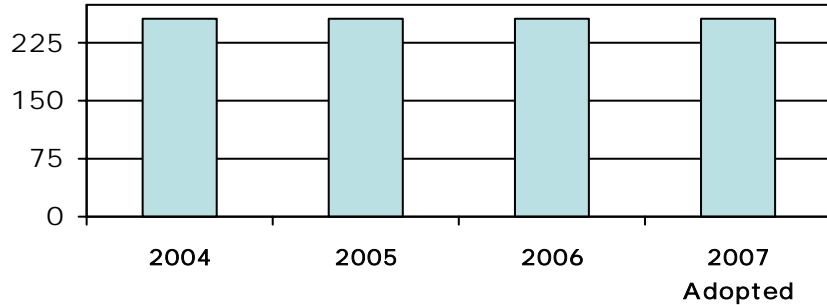
The Mayor recommends no change from the current service level for Public Works Equipment Services.

For more information, see the Equipment Fund within the Financial Plans section of this document.

MEASURES, DATA AND TARGETS						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Shop Rate for Equipment Maintenance	\$78.00	\$78.00	\$81.00	\$88.00	\$90.00	\$100.00
Comparable average commercial sector shop rate		\$87.00	\$91.11	\$94.88		
% of work orders reactive to need	31.5%	N/A	25.8%	Data being gathered	25%	25%
% Billable time for mechanics	N/A	75%	75%	Data being gathered	75%	75%

PUBLIC WORKS EQUIPMENT SERVICES						
Staffing Information						
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Maintenance	77.10	80.04	87.10	87.10	0.00%	-
Operations	170.00	177.06	170.00	170.00	0.00%	-
Municipal Garage	10.00	-	-	-	-	-
Total FTE's	257.10	257.10	257.10	257.10	0.00%	-

Staffing Summary 2004-2007



	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Change	
Internal Service Funds						
Salaries and Wages	11,333,368	11,439,894	13,307,067	13,412,792	0.8%	105,725
Equipment Labor		180			0.0%	0
Contractual Services	8,237,330	5,265,600	10,203,101	10,025,039	-1.7%	-178,062
Operating Costs	3,366,561	2,202,052	5,879,874	4,484,958	-23.7%	-1,394,916
Fringe Benefits	3,886,746	4,235,454	5,286,956	5,231,795	-1.0%	-55,161
Equipment	723		176,368	182,540	3.5%	6,172
Capital Outlay	65,145	23,879			0.0%	0
Total Expenditure	26,889,873	23,167,058	34,853,366	33,337,124	-4.4%	-1,516,242
Charges for Service	4,685,975	5,013,612	7,500,000	7,650,000	2.0%	150,000
Charges for Sales	3,046,829	4,675,060	6,934,262	7,600,000	9.6%	665,738
Interest		1,375	500	500	0.0%	0
Gains	45,898	96,049	200,000	200,000	0.0%	0
Rents	21,265,071	21,323,760	28,067,348	26,500,000	-5.6%	-1,567,348
Other Misc Revenues	187,646	259,092	310,000	10,000	-96.8%	-300,000
Total Revenue	29,231,419	31,368,948	43,012,110	41,960,500	-2.4%	-1,051,610

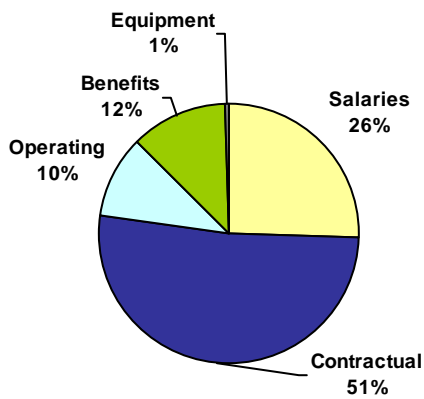
FIELD SERVICES

The Field Services Division 2007 expense budget of \$31.7 million reflects a 9% increase over the 2006 Adopted Budget. Field Services is funded by the General Fund, CDBG Fund, Permanent Improvement Projects (Capital) Fund, and the Stormwater Enterprise Fund. The General Fund Budget (Bridge, Street Repair, Snow & Ice, Malls & Plazas) increased by 8% from \$22.4 in 2006 to \$24.4 million in 2007. The CDBG Fund allocation for graffiti removal is approximately \$78,000 for 2007. The Capital Fund (Sidewalk) budget increased slightly (1%) and the Stormwater Enterprise Fund increased by 11% due to increase in equipment rental contractual services charge estimates.

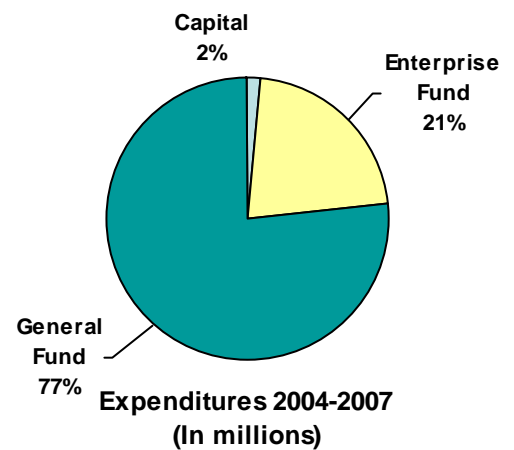
Through a Technical Amendment, \$119,000 has been added to the equipment cost of the Field Services-Streets in the Sewer fund. Additionally, Public Works will designate up to \$350,000 from the first available rollover dollars for preventive street maintenance. If the Department does not have year end savings, the department is directed to request funding in the rollover process, to allow the Council to make the decision to allocate these resources.

There is an overall 2.8% or \$226,000 increase in revenue in Field Services Division in 2007.

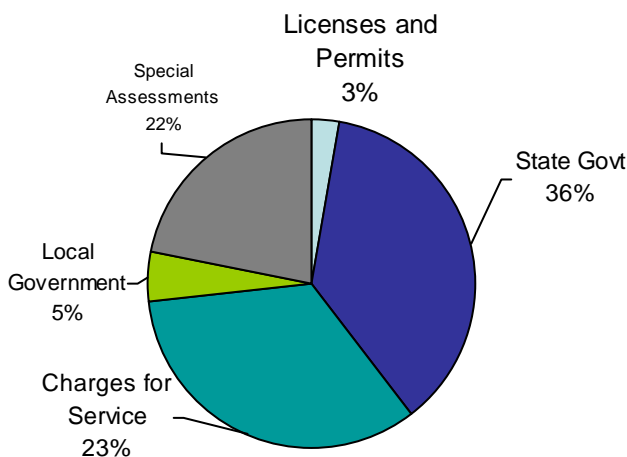
Expenditures by Type (\$31.7 million)



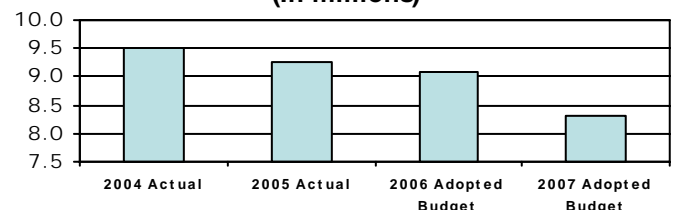
Expenditures by Fund (\$31.7 million)



Revenue (\$8.318 million)



Revenues 2004-2007 (In millions)



MAYOR’S RECOMMENDED BUDGET

The Mayor’s recommendation allowed the department’s budget to grow by an additional \$100,000 to fund electricity increases. The recommended budget did not include reductions outlined in the financial direction for 2007.

COUNCIL ADOPTED BUDGET

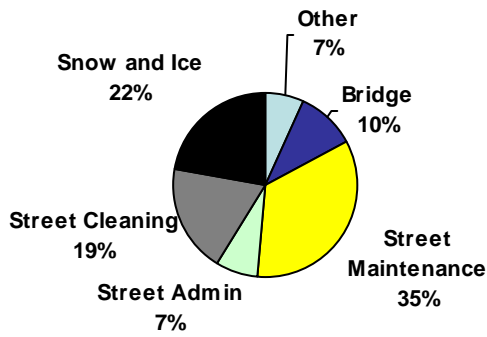
The department is directed to designate up to \$350,000 from the first available rollover dollars for preventive street maintenance. If the department does not have year end savings, the department is directed to request funding in the rollover process, to allow the Council to make the decision to allocate these resources.

PUBLIC WORKS FIELD SERVICES

Staffing Information

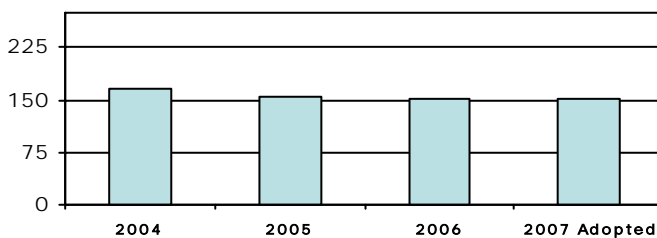
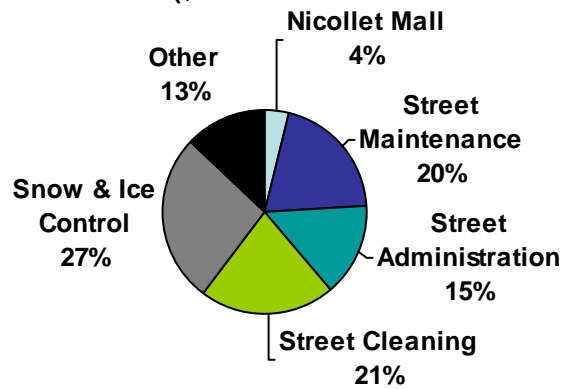
	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Sidewalk Inspection	6.00	6.00	6.00	6.00	0.00%	-
Bridge Maintenance	18.40	15.40	15.40	14.40	-6.49%	(1.00)
Nicollet Mall	6.10	6.10	6.10	6.10	0.00%	-
Street Maintenance	51.90	49.70	47.90	47.20	-1.46%	(0.70)
Street Administration	10.80	10.80	10.80	10.30	-4.63%	(0.50)
Street Cleaning	26.30	26.30	26.30	26.30	0.00%	-
Snow & Ice Control	28.70	27.50	27.50	30.90	12.36%	3.40
Malls and Plazas Maintenance	17.30	12.40	11.40	9.40	-17.54%	(2.00)
Total FTE's	165.50	154.20	151.40	150.60	-0.20%	(0.80)

Staffing by Division



Staffing Summary 2004-2007

Expense by Division (\$31.7 million)



**PUBLIC WORKS – FIELD SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	28,552,280	31,602,821	29,232,393	31,713,429	8.5%	2,481,036
Total Revenues - All Funds	9,497,398	9,250,454	8,092,242	8,317,793	2.8%	225,551
General Fund - City						
Salaries and Wages	7,353,407	7,332,750	6,241,399	6,405,114	2.6%	163,715
Equipment Labor		540			0.0%	0
Contractual Services	8,822,105	10,745,234	10,113,241	11,617,300	14.9%	1,504,059
Operating Costs	3,165,947	3,468,393	3,163,057	2,922,476	-7.6%	-240,581
Fringe Benefits	2,703,182	2,857,532	2,740,190	3,155,876	15.2%	415,686
Equipment	222,758	186,090	165,272	171,057	3.5%	5,785
Total Expenditure	22,267,399	24,590,538	22,423,159	24,271,823	8.2%	1,848,664
Licenses and Permits			0		0.0%	0
State Government	2,408,301	2,397,886	2,397,438	2,444,028	1.9%	46,590
Local Government	160,913	233,895	233,894	201,683	-13.8%	-32,211
Charges for Service	4,008,665	3,565,350	2,550,000	2,737,110	7.3%	187,110
Charges for Sales	36,220	16,702	15,000	15,000	0.0%	0
Special Assessments	1,576,309	1,634,245	1,682,585	1,687,926	0.3%	5,341
Interest	6,027	577			0.0%	0
Rents	2,400	400	2,400	2,400	0.0%	0
Contributions	50				0.0%	0
Other Misc Revenues	30,568	6,016	28,750	28,750	0.0%	0
Total Revenue	8,229,453	7,855,070	6,910,067	7,116,897	3.0%	206,830
Special Revenue Funds						
Contractual Services	123,205	148,563	97,000	78,000	-19.6%	-19,000
Total Expenditure	123,205	148,563	97,000	78,000	-19.6%	-19,000
Capital Projects						
Salaries and Wages	265,406	265,987	301,062	313,830	4.2%	12,768
Contractual Services	128,672	156,909	162,242	157,412	-3.0%	-4,830
Operating Costs	22,076	17,589	20,374	8,258	-59.5%	-12,116
Fringe Benefits	61,509	68,590	80,734	88,095	9.1%	7,361
Total Expenditure	477,663	509,075	564,412	567,595	0.6%	3,183
Licenses and Permits	231,154	344,926	230,000	230,000	0.0%	0
Charges for Service	63,919	55,616	60,000	60,000	0.0%	0
Special Assessments	10,078	13,958	9,000	16,000	77.8%	7,000
Total Revenue	305,152	414,500	299,000	306,000	2.3%	7,000

**PUBLIC WORKS – FIELD SERVICES
EXPENDITURE AND REVENUE INFORMATION**

Enterprise Funds						
Salaries and Wages	1,030,383	1,214,545	1,362,229	1,370,838	0.6%	8,609
Contractual Services	3,971,493	4,252,464	3,911,810	4,542,123	16.1%	630,313
Operating Costs	279,025	389,872	281,164	366,588	30.4%	85,424
Fringe Benefits	403,112	497,764	592,619	516,462	-12.9%	-76,157
Total Expenditure	5,684,013	6,354,645	6,147,822	6,796,011	10.5%	648,189
State Government	651,048	535,877	535,877	586,021	9.4%	50,144
Local Government	166,985	228,298	228,298	189,875	-16.8%	-38,423
Charges for Service	9,606	145,640	1,000	1,000	0.0%	0
Charges for Sales	15,642	6,489	1,000	1,000	0.0%	0
Special Assessments	119,243	64,447	115,000	115,000	0.0%	0
Interest		133			0.0%	0
Other Misc Revenues	270		2,000	2,000	0.0%	0
Total Revenue	962,793	980,884	883,175	894,896	1.3%	11,721

PROPERTY SERVICES

Property Services' expense budget for 2007 is \$14.6 million, a 1% increase in expenditures over the 2006 budget. This Division operates out of the Property Services Internal Service Fund.

The Council has directed Public Works to convene a cross-departmental work team to define the scope, work and ongoing funding of a new position which is a centralized energy management position to manage city wide energy use. This definition of the work (including consulting help) may use resources from the salary savings of not hiring the position until later in the year. The position and related expenses will be funded in 2007 and beyond with savings realized through the position's efforts.

In the current service level, one janitorial position is transferred in from Police.

MAYOR'S RECOMMENDED BUDGET

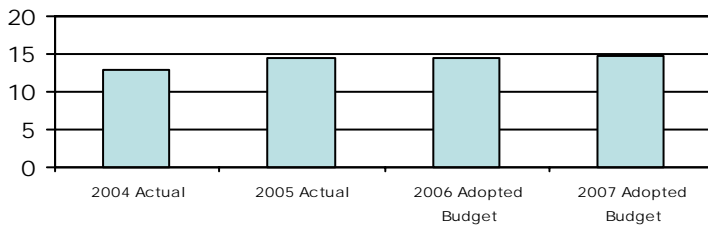
The Mayor recommends no change from the current service level for Public Works Property Services.

COUNCIL ADOPTED BUDGET

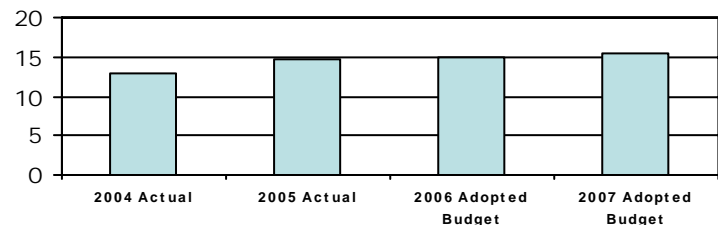
There is no change in current service level for this fund.

For more information, please see the Property Services Fund in the Financial Plans section of this document.

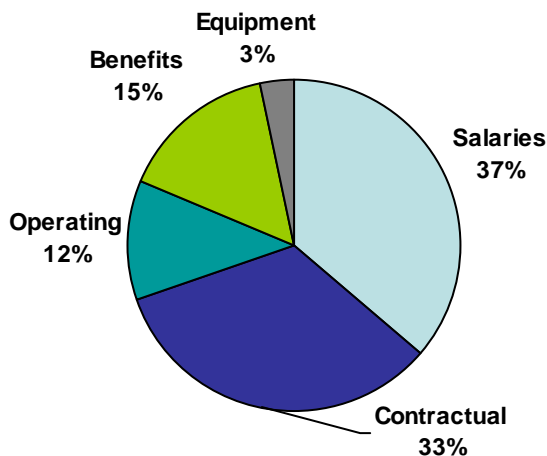
**Expenditures 2004-2007
(In millions)**



**Revenues 2004-2007
(In millions)**

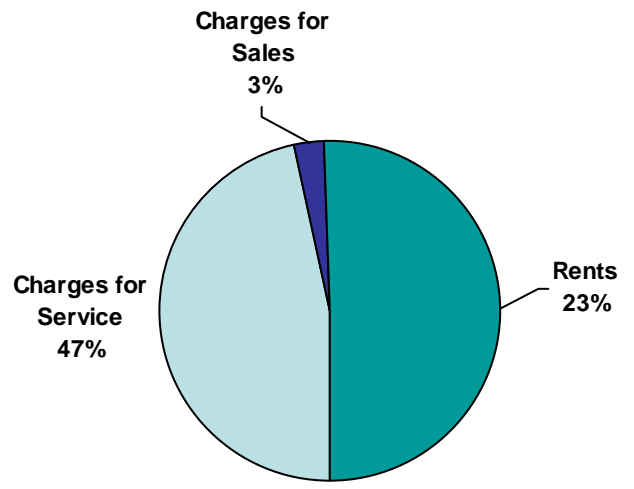


Expenditures by Type (\$14.6 m)



City of Minneapolis-Public Works

Revenue by Source (\$15.5 m)



Council Adopted Budget

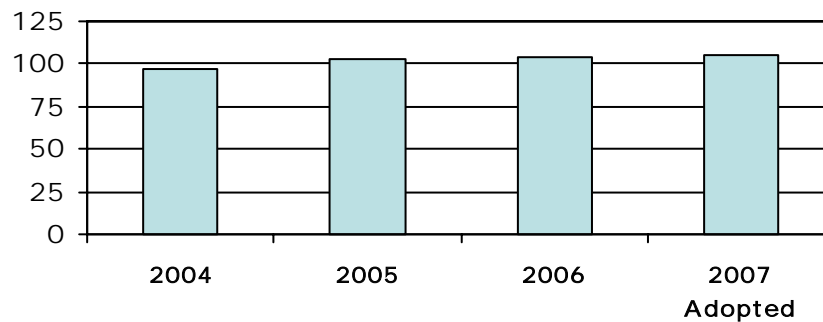
MEASURES, DATA AND TARGETS						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Uptime/availability of assets (Radio, Fleet)						
Variance between expenditures and revenues						
% increase in number of projects completed within budget (Facility Projects)						
Downtown Office Space/ Cost per Sq. Ft						

PUBLIC WORKS PROPERTY SERVICES

Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Radio	11.00	11.00	11.00	11.00	0.00%	0.00
Facilities Management Maintenance	82.90	91.90	92.90	93.90	1.08%	1.00
Total FTE's	96.90	102.90	103.90	104.90	0.96%	1.00

Staffing Summary 2004-2007



**PUBLIC WORKS – PROPERTY SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Internal Service Funds						
Salaries and Wages	4,774,340	5,380,119	5,504,425	5,309,123	-3.5%	-195,302
Equipment Labor	1,071	994			0.0%	0
Contractual Services	5,042,656	5,604,285	4,778,665	4,870,434	1.9%	91,769
Operating Costs	1,336,486	1,410,622	1,614,978	1,721,568	6.6%	106,590
Fringe Benefits	1,613,765	1,941,934	2,012,638	2,209,389	9.8%	196,751
Equipment	18,500	74,326	500,242	503,368	0.6%	3,126
Capital Outlay			7,482	0	-100.0%	-7,482
Total Expenditure	12,786,819	14,412,281	14,418,430	14,613,882	1.4%	195,452
Charges for Service	5,941,294	7,517,635	7,247,500	7,247,500	0.0%	0
Charges for Sales	617,371	555,166	400,000	400,000	0.0%	0
Interest	18	39			0.0%	0
Gains	-2,742				0.0%	0
Rents	6,268,683	6,367,859	7,256,500	7,850,500	8.2%	594,000
Other Misc Revenues	11,799	161,407	3,000	3,000	0.0%	0
Total Revenue	12,836,423	14,602,107	14,907,000	15,501,000	4.0%	594,000

STORMWATER AND SANITARY SEWER MAINTENANCE

The 2007 expense budget for both funds within the maintenance agency (although the Stormwater and Sanitary analyses are shown here under the same agency, they are accounted for in separate funds) is \$45.5 million. This is a 4% increase over the 2006 Adopted Budget. Sanitary Sewer expenses make up 81% of total budget and the Stormwater Fund makes up 19%. The Sewer Fund was split into Sanitary Sewer and Storm Water in the beginning of 2005.

The projected combined revenue for 2007 is \$68.1 million, nearly the same as in the 2006 budget.

MAYOR'S RECOMMENDED BUDGET

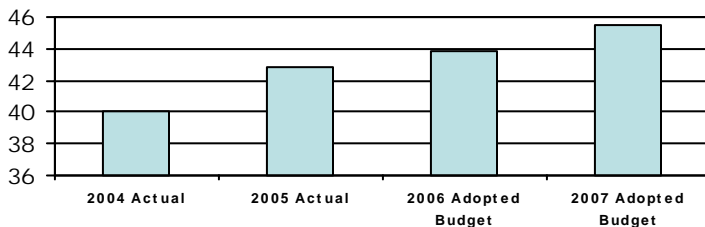
The recommended budget included \$1.4 million in ongoing operating reductions in the Stormwater fund. The Mayor recommended a \$0.60 per equivalent storm unit rate increase in the Stormwater fund, a 6.5% increase over 2006. This reduction, along with the rate increase, moderates the impacts of program changes on revenues to the fund. The Mayor recommended a \$0.20 per equivalent sanitary unit rate increase in the Sanitary sewer fund, a 9.5% increase over 2006.

COUNCIL ADOPTED BUDGET

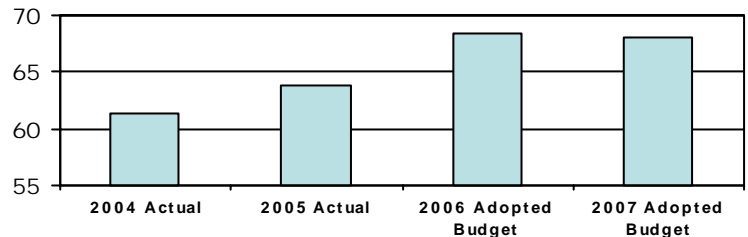
The Council approved a technical adjustment of \$119,000 for equipment charges.

Please see the Stormwater and Sanitary Sewer Fund Financial Plan in the Finance Plan section of this book for more information

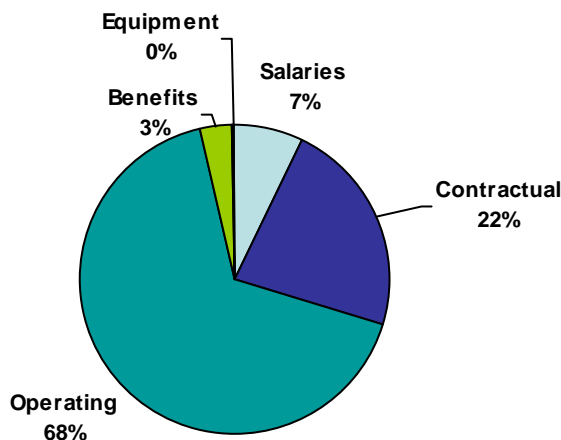
**Expenditures 2004-2007
(In millions)**



**Revenues 2004-2007
(In millions)**



Expenditure by Type (\$45.478 m)

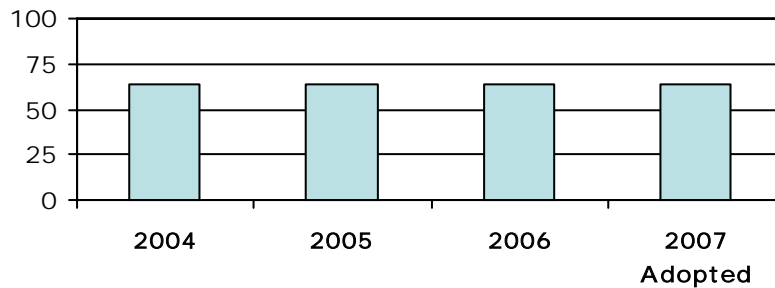


PUBLIC WORKS STORMWATER/SANITARY SEWER MAINTENANCE

Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	64.10	64.10	64.10	64.10	0.00%	-

Staffing Summary 2004-2007



EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Enterprise Funds						
Salaries and Wages	2,782,588	2,683,767	3,095,656	3,274,931	5.8%	179,275
Equipment Labor	1,470	940			0.0%	0
Contractual Services	10,400,408	10,808,198	10,429,199	10,206,770	-2.1%	-222,429
Operating Costs	25,663,932	28,017,859	28,677,897	30,400,220	6.0%	1,722,323
Fringe Benefits	1,168,079	1,348,768	1,539,321	1,425,589	-7.4%	-113,732
Equipment		12,546	164,608	170,369	3.5%	5,761
Total Expenditure	40,016,477	42,872,078	43,906,681	45,477,879	3.6%	1,571,198
State Government	121,590	108,284	108,283	85,420	-21.1%	-22,863
Local Government	105,786	91,997	91,997	98,290	6.8%	6,293
Charges for Service	61,117,242	63,681,889	68,072,562	67,855,692	-0.3%	-216,870
Interest	1,763	112			0.0%	0
Other Misc Revenues	9,562	483	50,841	50,841	0.0%	0
Total Revenue	61,355,944	63,882,764	68,323,683	68,090,243	-0.3%	-233,440

SOLID WASTE & RECYCLING SERVICES

The total 2007 expense budget is \$28.6 million, a 3% increase over 2006. The division is budgeted 100% within the Solid Waste Enterprise Fund. The total revenues are expected to be \$29.5 million, with rates remaining at the 2006 level.

MAYOR'S RECOMMENDED BUDGET

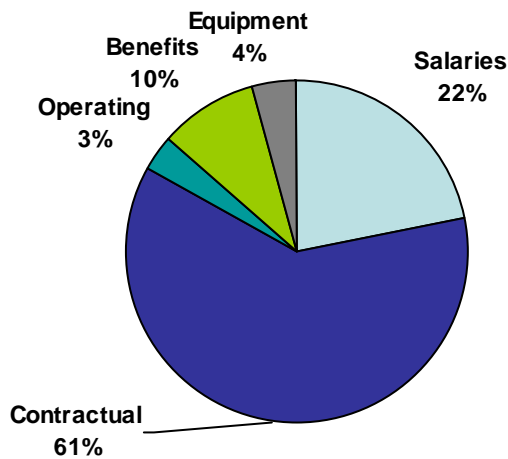
The Mayor recommends no change from the current service level for Public Works Solid Waste and Recycling. The Mayor recommends a \$0.75 increase in solid waste and recycling rates.

COUNCIL ADOPTED BUDGET

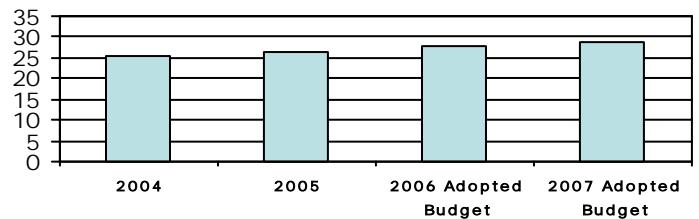
The Council adopted the Mayor's Recommended Budget.

Please see the Solid Waste Financial Plan in the Finance Plan section of this book for more information.

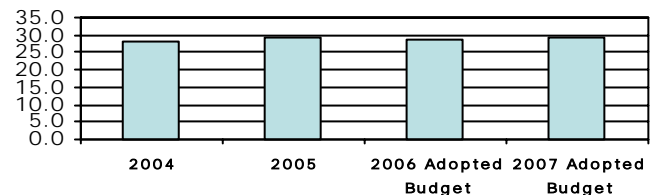
Expenditure by Type (\$28.6 million)



Expenditures 2004-2007 (In millions)



Revenues 2004-2007 (In millions)



MEASURES, DATA AND TARGETS TABLE

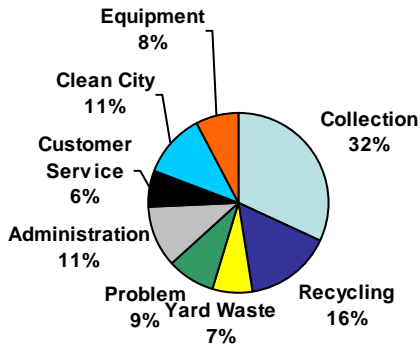
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
Reduce number of garbage missed pick-ups	536	528	440			
Reduce number of recycling missed pick-ups	1,040	841	1,077			
Reduce number of problem material missed pick-ups	231	147	139			
Reduce number of yard waste missed pick-ups	459	429	411			
Revenues greater than expenses	Yes	Yes	Yes			

PUBLIC WORKS SOLID WASTE AND RECYCLING

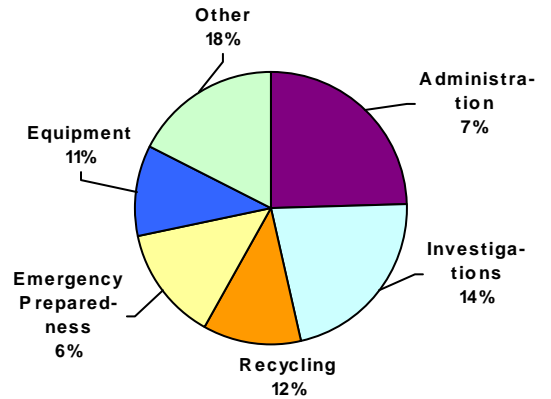
Staffing Information

FTE's by Division	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Collection	39.00	39.00	38.00	40.50	6.58%	2.50
Recycling	18.00	21.00	18.00	20.00	11.11%	2.00
Disposal	1.00	1.00	-	-	-	-
Yard Waste	9.00	9.00	9.00	9.00	0.00%	-
Problem Materials	8.00	9.00	10.00	11.00	10.00%	1.00
Transfer Stations	1.00	1.00	1.00	1.00	0.00%	-
Administration	16.00	16.00	17.00	14.00	-17.65%	(3.00)
Customer Service	9.00	9.00	7.00	8.00	14.29%	1.00
Clean City	12.00	11.00	18.00	14.50	-19.44%	(3.50)
Equipment	10.00	10.00	10.00	10.00	0.00%	-
Total FTE's	123.00	126.00	128.00	128.00	0.00%	-

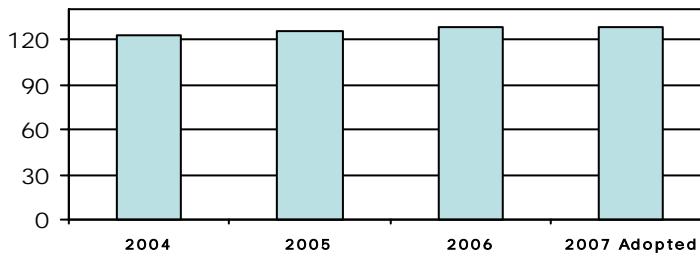
Staffing by Division



Expense by Division



Staffing Summary 2004-2007



**PUBLIC WORKS – SOLID WASTE AND RECYCLING
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Enterprise Funds						
Salaries and Wages	5,380,614	5,569,017	5,763,914	6,276,619	8.9%	512,705
Contractual Services	16,133,380	16,491,971	17,330,498	17,550,613	1.3%	220,115
Operating Costs	787,490	1,008,085	775,288	896,100	15.6%	120,812
Fringe Benefits	2,250,761	2,449,946	2,756,848	2,722,367	-1.3%	-34,481
Equipment	930,940	891,921	1,159,212	1,199,784	3.5%	40,572
Capital Outlay	0				0.0%	0
Total Expenditure	25,483,186	26,410,939	27,785,760	28,645,483	3.1%	859,723
Local Government	828,162	812,722	544,000	544,000	0.0%	0
Charges for Service	25,891,772	26,817,625	26,297,800	27,261,800	3.7%	964,000
Charges for Sales	1,605,400	1,857,841	1,619,400	1,699,400	4.9%	80,000
Interest	1				0.0%	0
Gains	-4,159				0.0%	0
Rents	200	2,058			0.0%	0
Other Misc Revenues	3,526	13,890			0.0%	0
Operating Transfers In		3,000			0.0%	0
Total Revenue	28,324,900	29,507,135	28,461,200	29,505,200	3.7%	1,044,000

TRANSPORTATION & PARKING SERVICES

This division is funded by the Municipal Parking Fund (75% of total budget), the General Fund (20%), and the Public Works Stores Fund (5%). The 2007 budget for Transportation and Parking Services totals \$55.2 million compared to \$53.4 million for 2006. This is an increase of \$1.9 million or 4% over 2006. Projected revenue of \$64.8 million for 2007 falls below 2006 figure of \$65.9 million by 2%.

The 2007 Transportation and Parking Services budget includes \$1.2 million in General Fund overhead charges. The budget also includes \$572,000 in BIS charges calculated on a City-wide rate model.

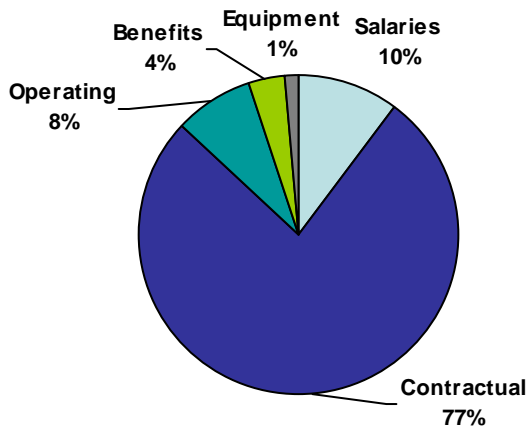
MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for Public Works Transportation. The recommended budget did not include reductions outlined in the financial direction for 2007. The Mayor recommended that \$100,000 be transferred from Field Services to Transportation for electricity.

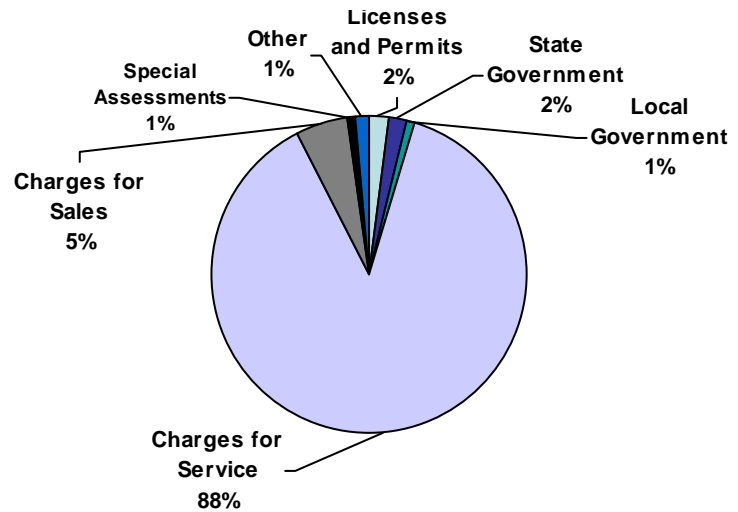
COUNCIL ADOPTED BUDGET

The Council adopted the Mayor's Recommended Budget.

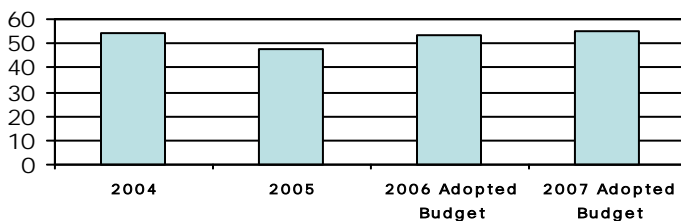
Expenditures by Type (\$55.2 million)



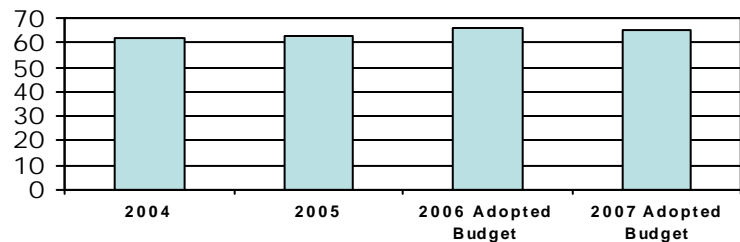
Revenue by Type (\$64.8 million)



**Expenditures 2004-2007
(In millions)**



**Revenues 2004-2007
(In millions)**



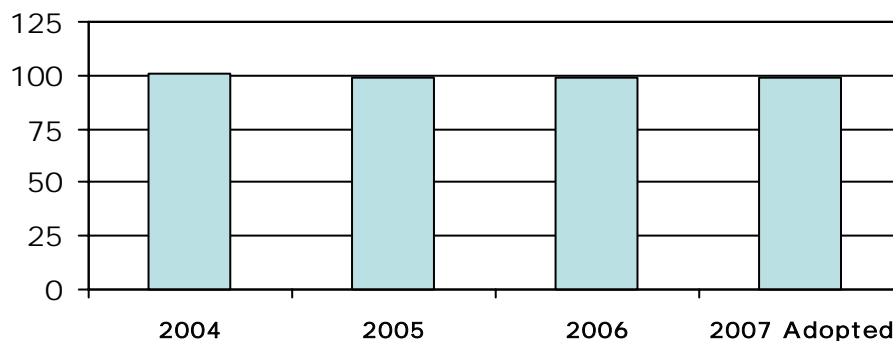
MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
% decrease in crashes per mile	5.7%	3.1 %	5.3 %	2.5 %		
% of change in the average PCI (Pavement Condition Index) for all networks combined	-1%	-1%	-1%	-1%		
% increase in the number of bridges with sufficiency index greater than 70%	81%		85%			
Average operating cost per parking stall	\$1,314	\$1,338	\$1,058	\$978	n/a	n/a
Average operating cost per parking meter	\$528	\$521	\$554	\$646	n/a	n/a

PUBLIC WORKS TRANSPORTATION

Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Street Lighting	5.10	5.10	5.94	6.35	6.90%	0.41
Planning and Design	8.50	8.50	8.66	7.65	-11.66%	(1.01)
Inventory	2.00	2.00	2.00	2.00	0.00%	-
Field Operations	33.84	32.84	31.84	32.26	1.32%	0.42
On-Street Parking	12.65	12.75	12.75	11.83	-7.22%	(0.92)
Off-Street Parking	13.40	13.20	13.20	12.90	-2.27%	(0.30)
Towing and Impound	24.85	24.95	24.95	25.60	2.61%	0.65
Total FTE's	100.34	99.34	99.34	98.59	-0.75%	(0.75)

Staffing Summary 2004-2007



**PUBLIC WORKS - TRANSPORTATION
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	54,361,063	47,937,297	53,355,517	55,235,519	3.5%	1,880,002
Total Revenues - All Funds	61,475,970	62,407,934	65,888,725	64,828,642	-1.6%	-1,060,083
General Fund - City						
Salaries and Wages	2,624,439	2,454,916	2,624,257	2,695,945	2.7%	71,688
Contractual Services	5,596,107	6,206,064	6,227,575	6,159,944	-1.1%	-67,631
Operating Costs	1,151,799	1,069,216	978,669	1,285,881	31.4%	307,212
Fringe Benefits	1,031,569	1,040,607	975,450	974,786	-0.1%	-664
Equipment			73,890	67,990	-8.0%	-5,900
Capital Outlay			2,138	2,213	3.5%	75
Total Expenditure	10,403,914	10,770,803	10,881,979	11,186,759	2.8%	304,780
Franchise Fees	142,043	150,283	110,000	110,000	0.0%	0
Licenses and Permits	1,003,081	1,187,904	934,000	1,084,000	16.1%	150,000
State Government	1,636,523	1,604,708	1,570,000	1,280,670	-18.4%	-289,330
Local Government	502,042	439,898	500,000	500,000	0.0%	0
Charges for Service	226,457	167,613	200,000	200,000	0.0%	0
Charges for Sales	21,921	28,290	12,000	18,500	54.2%	6,500
Special Assessments	64,850	64,799	60,000	65,000	8.3%	5,000
Interest	6,403	4,137	2,500	2,500	0.0%	0
Other Misc Revenues	440,577	339,995	601,492	622,492	3.5%	21,000
Total Revenue	4,043,896	3,987,626	3,989,992	3,883,162	-2.7%	-106,830
Enterprise Funds						
Salaries and Wages	2,606,682	2,620,434	2,899,534	2,903,772	0.1%	4,238
Contractual Services	39,762,545	33,001,766	34,906,669	36,051,248	3.3%	1,144,579
Operating Costs	525,232	419,516	552,052	681,836	23.5%	129,784
Fringe Benefits	694,961	737,515	921,970	1,110,217	20.4%	188,247
Equipment	95,619	46,033	587,587	608,158	3.5%	20,571
Capital Outlay		46,109			0.0%	0
Total Expenditure	43,685,039	36,871,373	39,867,812	41,355,231	3.7%	1,487,419
Licenses and Permits	207,042	244,550	218,000	218,000	0.0%	0
State Government	83,049	55,540			0.0%	0
Charges for Service	53,236,424	53,139,450	55,574,873	56,521,570	1.7%	946,697
Charges for Sales	1,568,019	1,620,005	1,301,000	1,551,000	19.2%	250,000
Special Assessments			1,630,425	543,475	-66.7%	-1,086,950
Interest	1,201	465	750	750	0.0%	0
Gains		1,850			0.0%	0
Rents	107,204	144,078	112,685	112,685	0.0%	0
Other Misc Revenues	21,871	26,045	1,201,000	138,000	-88.5%	-1,063,000
Total Revenue	55,224,811	55,231,984	60,038,733	59,085,480	-1.6%	-953,253

**PUBLIC WORKS - TRANSPORTATION
EXPENDITURE AND REVENUE INFORMATION**

Internal Service Funds						
Salaries and Wages	128,623	136,427	106,710	109,800	2.9%	3,090
Contractual Services	60,484	60,548	79,652	91,824	15.3%	12,172
Operating Costs	40,062	55,877	2,366,488	2,440,140	3.1%	73,652
Fringe Benefits	42,942	42,268	36,042	34,342	-4.7%	-1,700
Equipment			16,834	17,423	3.5%	589
Total Expenditure	272,110	295,121	2,605,726	2,693,529	3.4%	87,803
Charges for Service	78,012	134,761	50,000	50,000	0.0%	0
Charges for Sales	2,129,196	3,053,478	1,810,000	1,810,000	0.0%	0
Interest	54	85			0.0%	0
Total Revenue	2,207,263	3,188,324	1,860,000	1,860,000	0.0%	0

WATER TREATMENT & DISTRIBUTION SERVICES

The 2007 expense budget decreases from \$43.3 million in 2006 to \$42.1 million in 2007, a decrease of 3%. The 2007 revenue is projected to decrease by approximately \$1.9 million to \$65 million. This decrease is mainly due to decreased water consumption.

MAYOR'S RECOMMENDED BUDGET

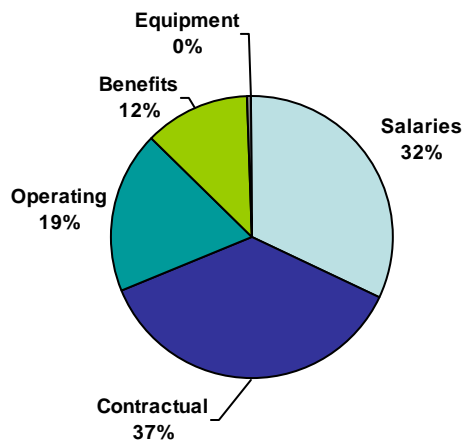
The Mayor recommended an ongoing reduction to Public Works Water in the amount of \$3 million to take advantage of technology investments. The Mayor also recommended the department pursue a marketing effort of \$200,000, working with Communications. The Mayor recommended a \$0.05 rate increase in this fund, a 1.9% increase over 2006.

COUNCIL ADOPTED BUDGET

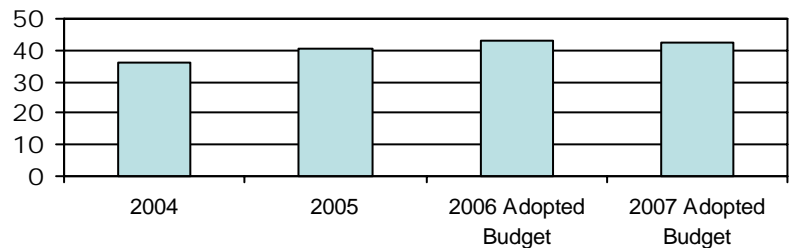
The Council adopted the Mayor's Recommended Budget.

Please see the Water Financial Plan in the Finance Plan section of this book for more information.

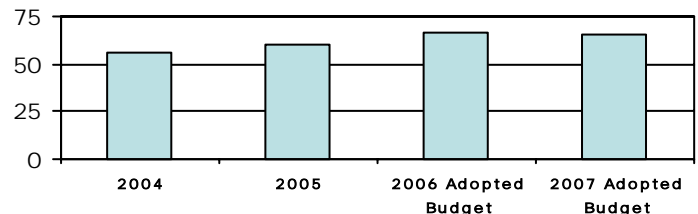
Expenditures by Type (42.129 m)



Expenditures 2004-2007 (In millions)



Revenues 2004-2007 (In millions)



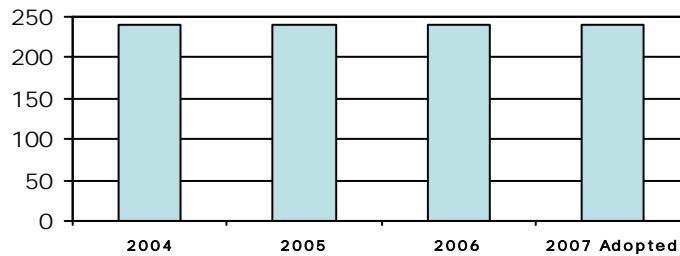
MEASURES, DATA AND TARGETS TABLE						
Measure Name	2003 Data	2004 Data	2005 Data	2006 Data	2007 Target	2011 Target
The number of sewer back-ups	24	20	21			
The number of sanitary sewer over-flows	7					
% outfalls with BMP's (Best Management Practice)	12.6%	12.8%	Est. 13.5%			
# blocks of customers without water due to unplanned outages						
% decrease in # of complaints about drinking water quality	6.3% decrease	*18% increase				

*many factors affect this number including the alkalinity of the water, variations in source water quality from the river, and volume of water use.

**PUBLIC WORKS WATER
Staffing Information**

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	7.00	7.00	7.00	7.00	0.00%	-
Treatment	79.75	79.75	79.75	76.75	-3.76%	(3.00)
Treatment Maintenance	60.00	61.00	61.00	62.00	1.64%	1.00
Distribution	93.00	92.00	92.00	94.00	2.17%	2.00
Total FTE's	239.75	239.75	239.75	239.75	0.00%	-

Staffing Summary 2004-2007



EXPENDITURE AND REVENUE INFORMATION

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Enterprise Funds						
Salaries and Wages	12,338,943	12,760,453	13,300,156	13,447,462	1.1%	147,306
Equipment Labor	116,784	121,326			0.0%	0
Contractual Services	12,023,120	16,211,572	15,035,091	15,398,964	2.4%	363,873
Operating Costs	7,145,312	6,407,335	9,848,020	7,916,661	-19.6%	-1,931,359
Fringe Benefits	4,151,404	4,716,526	4,873,078	5,155,472	5.8%	282,394
Equipment	114,178	134,852	196,079	202,943	3.5%	6,864
Capital Outlay			6,946	7,189	3.5%	243
Total Expenditure	35,889,742	40,352,063	43,259,370	42,128,691	-2.6%	-1,130,679
Licenses and Permits	782	1,009	1,000	1,000	0.0%	0
Charges for Service	55,285,117	59,315,234	65,021,953	63,635,444	-2.1%	-1,386,509
Charges for Sales	1,617,164	829,696	1,780,000	1,315,000	-26.1%	-465,000
Special Assessments	-1,142,637				0.0%	0
Interest	2,950	990			0.0%	0
Rents			1,000	0	-100.0%	-1,000
Other Misc Revenues	298	1,251	19,100	20,100	5.2%	1,000
Operating Transfers In	21,598				0.0%	0
Total Revenue	55,785,271	60,148,180	66,823,053	64,971,544	-2.8%	-1,851,509

**City of Minneapolis
FY 2007 Budget**

Independent Boards and Agencies

The following board and agency sections include these reports: Service Activity and Performance Measures, Expense Information, Revenue Information, and Staffing Information.

➤ Board of Estimate and Taxation	514
➤ Library Board	519
➤ Meet Minneapolis	527
➤ Municipal Building Commission	530
➤ Neighborhood Revitalization Program	534
➤ Park and Recreation Board	538
➤ Public Housing Authority	542
➤ Youth Coordinating Board	544

BOARD OF ESTIMATE AND TAXATION

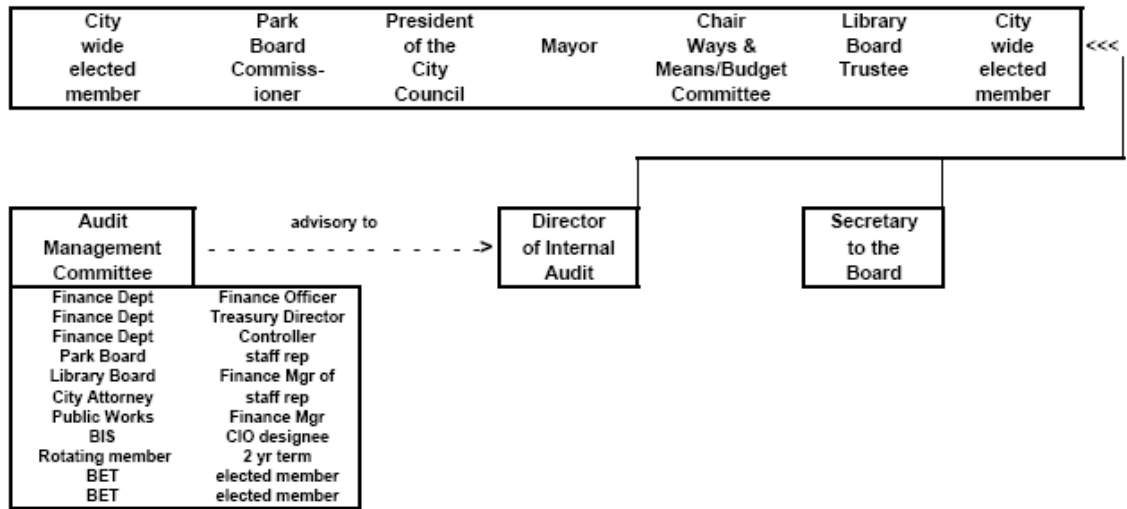
MISSION

Provide full administrative services to the Board of Estimate and Taxation (BET) to assist the Board in carrying out its governmental responsibilities under the City Charter, City of Minneapolis ordinances and State Statutes.

BUSINESS LINES

Internal Audit
General Governmental

Board of Estimate & Taxation (BET) 7 members



2007 DEPARTMENT FOCUS

What Key trends and challenges will the department address and what actions will be taken?

By actions of the City Council, Park & Recreation Board and Library Board requesting the sale of bonds, the Board of Estimate and Taxation may vote to incur indebtedness and issue and sell bonds and pledge the full faith and credit of the City for payment of principal and interest. The Board of Estimate and Taxation also establishes the maximum property tax levies for funds of the City under the State's Truth-in-Taxation requirements and the City Charter and is responsible for the Internal Audit function as define by City ordinance.

2007 DEPARTMENTAL STRATEGIES, OBJECTIVES, MEASURES AND TACTICS

Strategies	Objectives	Measures: Outcome and Driver	Tactics
Review accounting, financial and operating policies and procedures and evaluate related internal controls on a City-wide basis.	Conduct a risk assessment analysis for audit projects included on the overall Internal Audit work plan.	Risk index scoring matrix is then generated from this assessment.	Analysis of processes and internal controls.
	Complete 3-4 audits from the Internal Audit work plan.	Submit audit reports with proposed recommendations.	Via risk questionnaire, Interviews & preliminary observations.
	Conduct the annual review of the Statement of Economic Interest forms.	Ensure all applicable individuals have submitted a completed and signed statement. Review all omissions & discrepancies.	Meet with Election Division personnel to review. Issue final report.

FINANCIAL ANALYSIS

EXPENDITURE

In 2007, the Board of Estimate and Taxation budget is \$343,000, a 3.8% or \$12,400 increase in expenditures over the 2006 Adopted Budget. There is no change in the number of positions. The Board has adopted a 2% salary constraint consistent with that adopted by the City Council.

REVENUE

In 2007, the Board will receive \$105,000 from bond proceeds and \$235,609 from property taxes.

MAYOR’S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for the board.

COUNCIL ADOPTED BUDGET

The Council adopted no change from the current service level for the board.

**BOARD OF ESTIMATE AND TAXATION
Staffing Information**

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	2.00	2.00	2.00	2.00	0.00%	-

**BOARD OF ESTIMATE AND TAXATION
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	246,971	257,629	330,260	342,700	3.8%	12,440
Total Revenues - All Funds	242,572	254,040	329,662	340,609	3.3%	10,947
Special Revenue Funds						
Salaries and Wages	189,550	193,800	192,892	196,954	2.1%	4,062
Contractual Services	4,787	12,186	67,940	71,290	4.9%	3,350
Operating Costs	15,764	13,333	16,085	17,410	8.2%	1,325
Fringe Benefits	36,870	38,310	53,343	57,046	6.9%	3,703
Total Expenditure	246,971	257,629	330,260	342,700	3.8%	12,440
Property Taxes	150,312	155,811	224,662	235,609	4.9%	10,947
Sales and Other Taxes	12	13	0	0	0.0%	0
State Government	205	216	0	0	0.0%	0
Other Misc Revenues	43	0	0	0	0.0%	0
Operating Transfers In	92,000	98,000	0	0	0.0%	0
Proceeds of Long Term Liabilities	0	0	105,000	105,000	0.0%	0
Total Revenues	242,572	254,040	329,662	340,609	3.3%	10,947

LIBRARY BOARD

MISSION

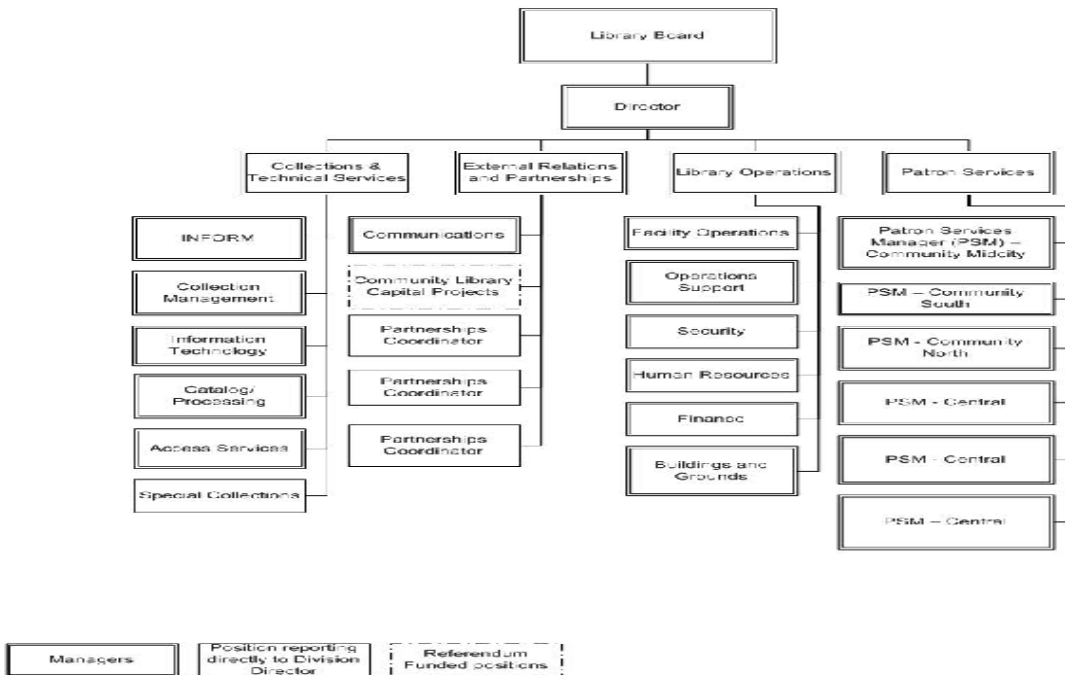
We link people in the city and beyond with the transforming power of knowledge.

PRIMARY BUSINESSES

In July 2006, the Library Board reaffirmed a commitment to its mission and vision statements, a statement on how we achieve our mission and vision, and four key results. The four key results are as follows:

1. Responsive public library service of the highest quality
2. Centers of community and neighborhood vitality
3. Improved literacy among all patrons
4. Sound stewardship of resources

**Minneapolis Public Library
Organization Chart
2006-2007**



KEY TRENDS AND CHALLENGES IMPACTING THE LIBRARY

Gap in student achievement. On all measures of educational attainment – high school graduation, drop out rates, success on basic skills tests, participation in higher education - students of color do not do as well as white students. In a knowledge-based economy, education is key for adequate household income, a competitive workforce, and a vital economy.

Kindergartners not ready to learn. Children who enter kindergarten ready to learn perform better throughout their school years. Half of Minneapolis children entering kindergarten are not ready to learn, as measured by the Beginning Kindergarten Assessment. The disparity between white children and children of color is marked. Among white children 84% are on track compared to 25% of Hispanic children, 36% of American Indian children, 49% of Asian children and 52% of African American children. Early literacy is a predictor of success on multiple indicators, including student achievement and criminal behavior.

Digital divide/digital inclusion. Applying national data from the Pew Internet and American Life Project to Minneapolis, 27% of Minneapolis households have no access at home to the internet and an additional one-third are marginally connected. As e-government and e-commerce become more widespread, those on the wrong side of the digital divide are disconnected from basic services and transactions necessary for work, education, and family support.

Need for quality out-of-school time. High quality out-of-school time experience for young people is increasingly recognized as critical to positive brain and social development in young people, with important implications for individual achievement, healthy families, violence prevention, and community livability.

Gap in income and wealth. Class and race disparities in income and wealth in Minneapolis threaten to undermine the long-term competitiveness of the workforce and the economic health of the City and region.

First generation library users and non-English speaking patrons. The commitment of the Library to serving the increasing numbers of first generation library users and households who do not speak English at home challenges the library in areas of direct service, programming, and multi-lingual print and electronic resources and communication.

PRIMARY BUSINESS: RESPONSIVE PUBLIC LIBRARY SERVICE OF THE HIGHEST QUALITY

Description of Primary Business: *The Library Board provides access direct and staff-mediated access to print and electronic information resources to the public.*

Key Performance Measures that are impacted by 2007 resources:

	2003 Actual	2004 Actual	2005 Actual	2006 Estimated	2007 Projected
Circulation	2,750,820	2,507,865	2,466,882	2,500,000	3,000,000
Reference Service	1,216,547	865,253	1,003,642	1,100,000	1,200,000
The LIST: Public Page Views	131,648	204,333	199,047	250,000	300,000
Unique Daily Website Visitors	565,295	775,892	1,059,317	1,385,000	1,300,000
Click through to Databases	139,377	141,682	140,219	150,000	175,000
Electronic Database Searches	341,836	302,084	360,146	375,000	400,000

Explanation of Key Performance Measures: The above key performance measures demonstrate the usage of the library's materials for home use (circulation) and use in the Library. The Reference and Directional service figures provide an indicator of staff assistance both in-person and by telephone. Remote electronic access, available 24 hours a day, 7 days a week, is an important measure of the availability of the library's resources during open and closed hours.

PRIMARY BUSINESS: CENTERS OF COMMUNITY AND NEIGHBORHOOD VITALITY

Description of Primary Business: *The individual libraries operated by the Library Board are important anchors in neighborhoods and strengthen the vitality of the City.*

The most important measure of whether libraries are vital centers in communities and neighborhoods is library usage during open hours. The Library is compiling a five-year report on circulation per hour open. The Library is also working hard to find ways to increase total open library hours.

Key Performance Measures that are impacted by 2006 resources:

	2003 Actual	2004 Actual	2005 Actual	2006 Estimated	2007 Projected
Visitor Count	898,131	655,672	1,521,489	1,750,000	1,750,000
In-Library Use of Materials	1,402,712	939,030	882,438	860,000	1,000,000
Library Program Attendance	62,556	57,480	47,119	50,000	60,000
Meeting Room Use/Attend.	25,216	18,424	26,910	25,000	45,000

Explanation of Key Performance Measures: The library plays a vital role in the community through providing meeting space and library programs to reach all segments of the community. Meeting rooms are used by book clubs, neighborhood organizations and other individuals and groups. The Library offers programs targeted to children, teens and various ethnic groups.

PRIMARY BUSINESS: IMPROVED LITERACY AMONG ALL PATRONS

Description of Primary Business: *The Library Board seeks to improve literacy among all patrons in four areas, early literacy, K-12 student achievement, English language learning, and information literacy.*

The strategy for improving literacy among all patrons is, in partnership with others, to strengthen programs and activities in areas of early literacy, K-12 student achievement, English language learning, and information literacy. The Library will develop evaluation mechanisms for each program or initiative to evaluate improvements in literacy.

Key Performance Measures that are impacted by 2006 resources:

	2003 Actual	2004 Actual	2005 Actual	2006 Estimated	2007 Projected
Franklin Learning Center Students	375	358	612	700	750
Homework Helper	10,054	8,674	8,969	13,000	15,000

Library Links!	15,169	17,013	9,101	10,500	22,000
Summer Reading Program attendance	11,108	11,207	12,905	15,000	17,000

Explanation of Key Performance Measures: The Franklin Learning Center is a literacy program of the Library. Other services include the Homework Helper (tutoring students), Library Links! Outreach program to immigrants, and the Summer Reading Program to encourage youth to read. Each of these programs, separately or together, contributes to improved literacy of users and residents of all ages.

PRIMARY BUSINESS: SOUND STEWARDSHIP OF RESOURCES

Description of Primary Business: *The Library Board is responsible for the sound stewardship of resources, including public and private funds, buildings, books and material, and technology.*

The most important measures of the Library’s sound stewardship of resources are as follows: the percentage increase in revenue growth; the percent of total revenue that comes from sources other than LGA and property taxes; the extent to which we meet our asset management and risk prevention goals; and the extent to which our capital projects are on-time and within budget, and meet our service goals.

Key Performance Measures that are impacted by 2006 resources:

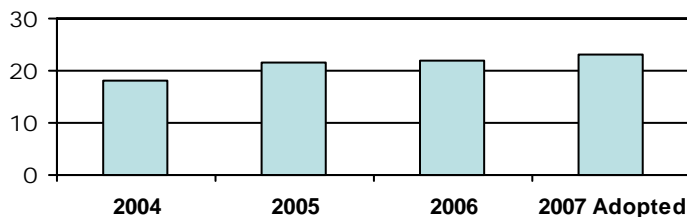
	2003 Actual	2004 Actual	2005 Actual	2006 Estimated	2007 Projected
% increase in Revenue	(11.01%)	(1.34%)	13.5%	(3.3%)	2.3%
% of Revenue, not LGA or Property Tax	9.4%	9.8%	16.4%	(6.6%)	9.8%
INFORM Revenues	\$125,360	\$183,190	\$209,064	\$200,000	\$230,000

FINANCIAL ANALYSIS

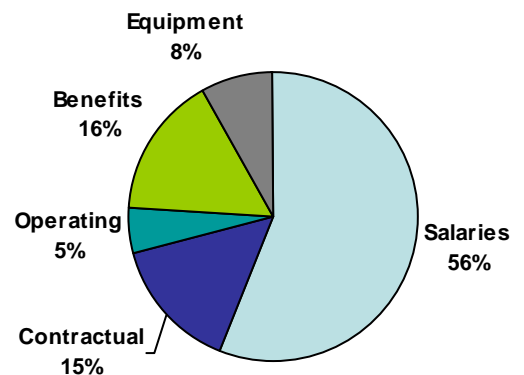
EXPENDITURE

In 2007, the Minneapolis Public Library Board’s total expenditures increased by 5.2%, or \$1.15 million, to \$23.2 million.

Expenditures 2004-2007 (22 million)

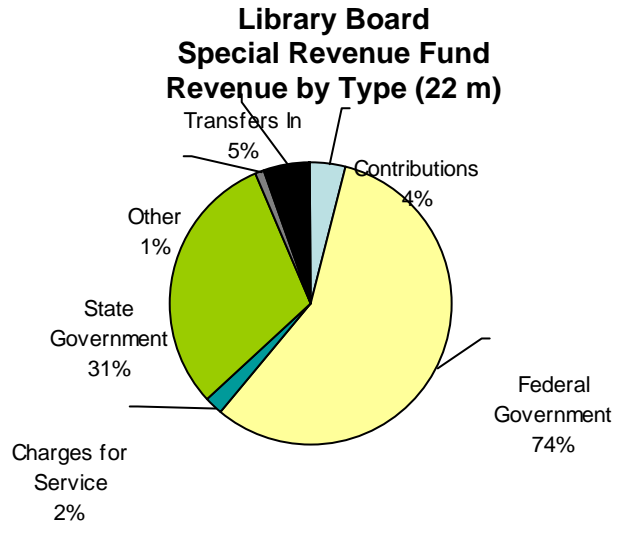
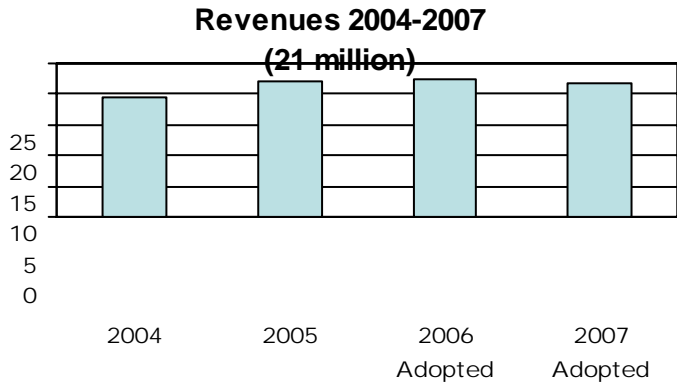


Library Board Special Revenue Fund Expenditures by Type (22m)



REVENUE

The Library Board's budget in 2007 shows a revenue increase of 1.2%. Consistent with the City's tax policy, property tax revenue is \$13.1 million, a 4.7% increase from the previous year. Funding from the Federal Government is \$95,000, consistent with the 2006 Adopted Budget. Contributions increase to \$932,000 and rent increases to \$127,000. Other funding decreases by 10.4% to \$7 million.



MAYOR'S RECOMMENDED BUDGET

The Mayor's recommends the delay of the implementation of increased general fund overhead charges to this board.

COUNCIL ADOPTED BUDGET

The Council provided additional \$1.2M one-time funding to the Library Board.

- \$850,000 from declining the repayment of the loan the City made for structural enhancements to the central library to allow for a future planetarium;
- \$355,000 from reductions in general fund services.

The use of these funds is at the discretion of the Library Board pending the following outcomes:

- (1) The Minneapolis Public Library Board or its designee shall report a capital and operating budget plan and priorities to the Ways and Means Committee as follows:

Given the Library Board's financial resources, determined in part by the budget passed by the City Council on December 11, 2006, report by January 30, 2007, how many of the system's fifteen libraries can be open at the standard of five days a week, eight hours a day.

- If fewer than fifteen, report which libraries can meet that standard.
- Direct the Minneapolis City Coordinator, in conjunction with the Executive Director of the Minneapolis Public Library, to create a timeline of important deadlines in the decision making process for the continued operation of the Minneapolis Public Library system; including but not limited to the discussions with:
 - Hennepin County
 - The Minnesota Legislature
 - The Library Board Advisory Committee
 - The Capital Long-Range Improvement Committee
 - The Minneapolis Library Board
 - The Minneapolis City Council, and
 - Any other decision making body with input on this issue.
- The Minneapolis City Coordinator and the Executive Director of the Minneapolis Library Board shall report back to the Ways and Means/Budget Committee of the Minneapolis City Council before the end of January 30, 2007.

Within two weeks of the closing of the 2007 State of Minnesota legislative session, report the impact of any policy or fiscal decisions made by the state legislature on the short- and long-term functioning of the Minneapolis Public Library system. This should include a reassessment, if applicable, of the capacity to keep libraries open at five days a week for eight hours a day.

Request that the Library Board of Trustees report to the Ways & Means and Intergovernmental Relations Committees of the City Council with a strategic plan for the future of the Minneapolis Libraries within two months following the later of:

- Issuance of recommendations by the Library Advisory Committee;
- Issuance of recommendations by the City/County Task Force; or
- The end of the 2007 Minnesota Legislative Session (85th Legislature); Request that the Library Board of Trustees incorporate a community engagement process, including community meetings, in 2007 for its strategic plan and related decisions.

- (2) And further Direct that the CPED Department assign staff experienced in public building use, mixed-use development, and business development to work with the Library Board of Trustees

and Library staff as they develop a strategic plan and explore creative options for a sustainable library system and report back to the Community Development Committee by May 1, 2007.

- (3) City Finance staff, in conjunction with work already underway in the City Attorney's office, are directed to examine the financial impact of making the Library Board a department of the City. That report should be transmitted to the Ways & Means/Budget Committee, the Intergovernmental Relations Committee, the Library Advisory Committee, and the Minneapolis Library Board by March 1, 2007.

**LIBRARY BOARD
Staffing Information**

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration/Operations	17.00	26.50	30.00	34.00	13.33%	4.00
Central Library-Patron Services	67.10	45.70	46.20	50.90	10.17%	4.70
Community Libraries-Patron Services	78.20	71.70	75.10	80.60	7.32%	5.50
Collections/Technical Services	39.20	75.80	77.30	71.60	-7.37%	(5.70)
Building Maintenance	37.50	19.00	25.50	29.00	13.73%	3.50
Partnerships and Development	-	7.80	7.80	7.00	-10.26%	(0.80)
Total FTE's	242.00	246.50	261.90	273.10	4.28%	11.20

**LIBRARY BOARD
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	18,159,240	21,715,372	22,047,534	23,695,093	7.5%	1,647,559
Total Revenues - All Funds	19,523,749	22,084,752	22,532,223	22,812,446	1.2%	280,223

Special Revenue Funds

Salaries and Wages	10,246,972	10,477,295	11,546,012	12,698,581	10.0%	1,152,569
Contractual Services	2,139,850	2,389,971	2,791,304	3,440,566	23.3%	649,262
Operating Costs	664,646	693,155	1,091,154	1,126,438	3.2%	35,284
Fringe Benefits	2,929,097	2,820,621	3,382,742	3,669,211	8.5%	286,469
Equipment	2,130,873	2,334,610	1,619,350	1,813,044	12.0%	193,694
Capital Outlay	47,802	99,719	843,670	162,103	-80.8%	-681,567
Transfers	0	2,900,000	0	0	0.0%	0
Total Expenditure	18,159,240	21,715,372	21,274,232	22,909,943	7.7%	1,635,711
Property Taxes	11,653,017	11,639,178	12,532,920	13,119,117	4.7%	586,197
Sales and Other Taxes	943	1,012	0	0	0.0%	0
Federal Government	44,186	77,426	95,000	95,000	0.0%	0

State Government	7,038,645	7,394,326	7,862,197	7,047,469	-10.4%	-814,728
Local Government	0	19,450	0	0	0.0%	0
Charges for Service	469,460	492,040	499,665	536,265	7.3%	36,600
Charges for Sales	0	2,523	300	300	0.0%	0
Fines and Forfeits	0	0	250	250	0.0%	0
Rents	15,052	18,875	101,885	126,885	24.5%	25,000
Contributions	252,280	261,283	247,200	932,067	277.0%	684,867
Other Misc Revenues	17,484	153,529	3,400	5,400	58.8%	2,000
Operating Transfers In	32,682	2,025,110	20,000	20,000	0.0%	0
Total Revenues	19,523,749	22,084,752	21,362,817	21,882,753	2.4%	519,936

Enterprise Funds

Salaries and Wages			108,576	110,748	2.0%	2,172
Contractual Services			616,749	634,000	2.8%	17,251
Operating Costs			2,970	9,000	203.0%	6,030
Fringe Benefits			45,007	31,402	-30.2%	-13,605
Total Expenditure			773,302	785,150	1.5%	11,848
Charges for Service			803,528	929,693	15.7%	126,165
Operating Transfers In			365,878		-100.0%	-365,878
Total Revenues			1,169,406	929,693	-20.5%	-239,713

MEET MINNEAPOLIS

MISSION

The mission of Meet Minneapolis¹ is to sell, market and internationally promote Minneapolis as a premier, year-round destination for convention, trade show, corporate meeting and leisure travel. We are committed to service excellence for all of our clients. We do this for the economic benefit and vitality of the members, businesses and communities we serve.

FINANCIAL ANALYSIS

REVENUES	2004 ACTUAL	2005 ACTUAL	2006 ADOPTED BUDGET	2007 ADOPTED BUDGET	2006-07 VARIANCE
City Funding	0	0	0	0	0
Base Funding	4,910,000	4,910,000	4,910,000	4,910,000	0
1% Dedicated Lodging Tax	1,350,000	1,800,000	1,900,000	2,200,000	300,000
MCC Salary Transfer	120,000	120,000	120,000	120,000	0
Minneapolis Unwrapped	50,000	50,000	50,000	50,000	0
Neighborhood Mktg (Riverfront)	50,000	50,000	50,000	50,000	0
Sister City Efforts		0	50,000	50,000	0
Subtotal City Revenue	\$6,480,000	\$6,930,000	\$7,080,000	\$7,380,000	300,000
Annual 2 nd Qtr Adjustment for Actual 1% Lodging Tax Receipts	174,789	308,614	*45,900		(45,900)
Total City Appropriation	\$6,654,788	\$6,654,789	\$7,125,900	\$7,380,000	\$254,100
Total Non-City Revenue	\$2,601,048	\$1,992,375	\$2,216,720	\$2,326,500	\$109,780
Total GMCVA/Meet Minneapolis Operational Revenue	\$9,255,836	\$8,647,164	\$9,342,620	\$9,706,500	363,880

NOTE: In 2004, GMCVA/Meet Minneapolis entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, GMCVA/Meet Minneapolis requested that the Council advance an additional \$2.5 million for the project. In August 2005, the loans were rolled together and a Promissory Note was issued for \$5 million. The \$5 million loan is to be repaid in full in 2016 at a 5% interest rate. The note repayment for the loan is pledged against assets, future appropriation from the City funding, and profit from the iDSS. In February 2006, the City Council authorized a third loan up to \$5 million. The interest accumulated since the beginning of the loans have been paid back according to schedule through June 30, 2006.

- **1% Dedicated Lodging Tax Projection** – Effective April 1, 2002, the Minneapolis Lodging Tax increased from 2% to 3%. Proceeds from this 1% increase are transferred to GMCVA/Meet Minneapolis each year. 2003 was the first full year of receipts from the increase of 2% to 3%.
- **Annual Second Quarter Adjustment for Actual 1% Lodging Tax Receipts** - The 1% tax proceeds are adjusted annually in the second quarter after the calendar year close to reconcile variances in projections. A positive variance would be paid to GMCVA/Meet Minneapolis; a negative variance would be deducted from GMCVA/Meet Minneapolis contract. For example, in the

¹ In July 2006, the Greater Minneapolis Convention and Visitor's Association (GMCVA) changed its name to Meet Minneapolis.

second quarter of 2006, GMCVA/Meet Minneapolis received a \$45,900 payment to reconcile the difference between the 2005 projected revenue and the actual receipts received.

- **Current 1% Lodging Tax Receipts** - For 2007, it is anticipated receipts will meet the anticipated budget of \$2.2 million by the end of the year.
- **MCC Salary Transfer** – This is an annual \$120,000 salary transfer from the MCC Sales Department to GMCVA/Meet Minneapolis as a result of a merger in year 2000. An additional \$120,000 is requested this year since additional staff, requested by MCC's previous director prior to his departure, was hired, including a Manager of Trade Show Relations and Portfolio Sales. The position has been developed with the intent of generating more revenue for the building and presenting the building to the multiple trade show management groups.
- **Minneapolis Unwrapped** – Minneapolis Unwrapped is a \$50,000 marketing project promoting downtown shopping through a website and holiday advertising. This project was transferred to GMCVA/Meet Minneapolis from the former MCDA in 2002.
- **Neighborhood Marketing (Riverfront)** – This is a \$50,000 marketing project that coordinates promotional efforts of the neighborhoods around the Riverfront. This project was transferred to GMCVA/Meet Minneapolis from the former MCDA in 2002.
- **GMCVA/Meet Minneapolis Non-profit Donations Pass-Through** –GMCVA/Meet Minneapolis operates a non-profit 501c3 called the Minneapolis Convention Fund for receiving private contributions for City events. This non-profit allows contributors to legally qualify for a tax deduction for conventions and national sporting events. The non-profit initiates the donations. Receipts collected are transferred to City funds and paid back out to the beneficiary who is required to use the money for a dedicated purpose. Council action is required each year in accordance with tax law, to appropriate money to pay the funds back to the beneficiary.
- **Sister City** - In 2006, the Mayor and Council added \$50,000 to GMCVA/Meet Minneapolis contract to fund Sister City efforts.
- **Non-City Revenue** – This item includes revenue from in-kind contributions, memberships, advertising, registration booths, commissions, the Information Center, Trolley, and Programs & Miscellaneous.

EXPENSES	2004 ACTUAL	2005 ACTUAL	2006 ADOPTED BUDGET	2007 ADOPTED BUDGET	2006-07 VARIANCE
CONVENTION SALES	1,897,316	2,324,864	2,073,000	2,146,000	73,000
MCC SALES	589,837	547,317	595,000	585,000	10,000
MARKETING	1,974,227	2,812,042	2,242,000	2,345,600	103,600
TOURISM	804,577	857,654	838,500	912,980	74,480
SERVICES	1,272,011	979,165	881,500	876,700	(4,800)
ORGANIZATIONAL GENERAL	0	0	1,151,700	1,232,800	81,100
VISITOR INFO CENTER	186,527	202,653	156,500	142,500	(14,000)
PUBLICATIONS/ADVERTISING	229,241	316,581	226,572	0	(226,572)
MEMBERSHIPS	295,142	257,510	275,831	0	(275,831)
SPONSORSHIP	0	0	0	678,000	678,000
ADMINISTRATION	1,051,462	1,118,587	786,920	786,920	0
MSM	0	0	0	0	0
ASAE 2004	1,128,857	1,128,857	0	0	0
TOTAL EXPENSES	\$9,429,197	\$9,429,197	9,342,620	9,706,500	363880

*Actual numbers obtained from GMCVA/Meet Minneapolis's audited financial statements.

** This total includes the operational cost of the city trolley averaging at \$220,000 per year.

- **MSM** – Meeting Service Minnesota was a project started in 2002 that was absorbed by the Services Department in 2004. It was intended to assist groups in meeting planning.
- **ASAE Convention** – The American Society of Association Executives Convention was held at the Minneapolis Convention Center in 2004.

GMCVA/MEET MINNEAPOLIS RESERVE FUND					
	2002	2003	2004	2005	Estimate 2006
Reserve Transfers	(21,677)	377,116	(167,637)	486,254	0
GMCVA/Meet Minneapolis End of Year Reserve Fund Balance	*\$743,377	*\$1,120,493	\$952,856	\$1,439,110	\$1,439,110

* Actual numbers obtained from GMCVA/Meet Minneapolis audited financial statements.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for Meet Minneapolis. The Mayor did not recommend funding the \$120,000 request for an additional sales department transfer from the Convention Center.

COUNCIL ADOPTED BUDGET

The Council adopted no change from the current service level for Meet Minneapolis.

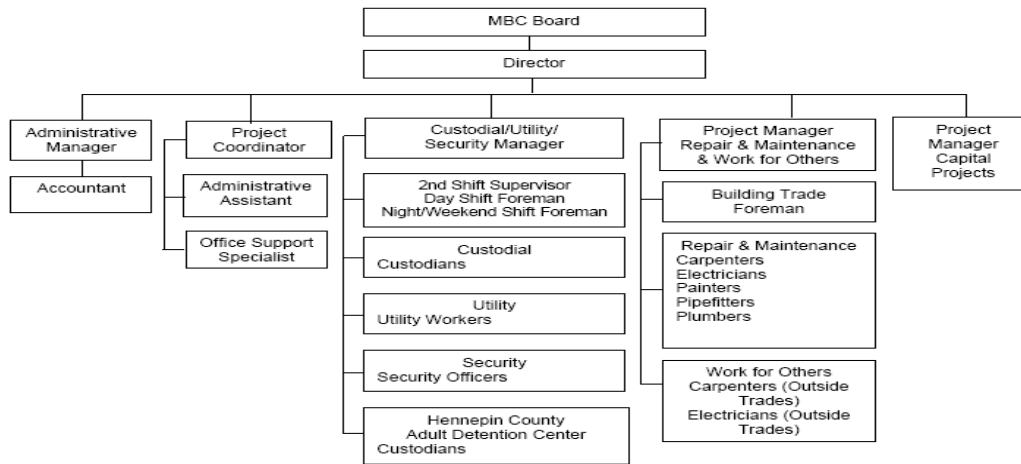
MUNICIPAL BUILDING COMMISSION

MISSION

The Municipal Building Commission (MBC) was created by state statute in 1904 and given exclusive care and control of the Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain, and preserve this historic landmark building, and ensure a safe and functional environment for City and County government employees, citizens, and elected officials.

BUSINESS LINES

- 1: Care of the Minneapolis City Hall and Hennepin County Courthouse Building
- 2: Control of the Minneapolis City Hall and Hennepin County Courthouse Building
- 3: Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse



What key trends and challenges does your department face and how will they be addressed?

1. Mechanical and Life Safety Systems (MLSS) Upgrade Project

The MLSS is a 23-stage, multi-year project initiated in 1999. The project involves updating the heating, ventilating, and air conditioning systems in the City Hall and Courthouse building.

2. City Rate Model Charges and Other Budget Constraints

The single most critical impact to the MBC budget relates to implementation of City rate model charges. Projected charges for the MBC total close to \$400,000 annually. Agency budget increases received each year in 2004 and 2005 account for only 75 percent of rate model expenses.

3. MBC Meet and Greet Program – Improve Customer Service

The City Hall and Courthouse building is a 110-year-old historic facility. Floor configuration, room numbering scheme and existence of two main entrances into the building make it difficult for visitors to navigate. The MBC Meet and Greet Program would help to improve customer service and access to the City Hall and Courthouse building.

4. Outdated Systems and Historic Nature of the Building Strain Resources

During the 1970s and 1980s, various maintenance activities in the building were postponed. As a result, many systems and equipment in the building were not maintained properly or were not replaced according to standard industry practices.

5. Maintaining and Enhancing Building Security

MBC staff worked with City and County staff to develop a proposal for implementing and improving building security systems, and instituting trained security personnel.

6. Service Delivery is Efficient

MBC continues to provide a high level of service in an efficient manner. The building is maintained in safe working order and kept clean. In-house staff are a valuable asset and critical to the ability of the agency to continue to provide high quality services to tenants and visitors.

7. Workforce Diversity

The MBC recognizes the importance of developing and maintaining a diverse work staff to parallel the diverse communities in which we work and live.

FINANCIAL ANALYSIS

The City of Minneapolis has developed and implemented charge-back models in several areas – BIS computer and phone services; City General Fund administrative services; risk management and workers' compensation services; and human resources benefits administration services. Funding increases for the MBC are outlined as follows:

Activity	Previous Charge	New Charge	\$ Value Change	% Change
BIS Telephone & Computer	\$15,000	\$82,385	\$67,385	449%
City General Fund Overhead	\$45,000	\$273,975	\$228,975	509%
Risk Management & Workers' Compensation	\$71,175	\$172,057	\$100,882	142%
HR Benefits Administration Fee	\$10,753	\$11,453	\$700	7%
Total Impact:	\$141,928	\$539,870	\$397,942	280%

*Note: Previous charges for General Fund overhead services were for Financial Services only.

EXPENDITURE

The Municipal Building Commission's expenditures increased by 3.5% in 2007 to \$7.8 million. The largest increase appears in Fringe Benefits.

REVENUE

MBC has a 3.6% overall increase in revenues in 2007, with total revenue at \$7.8 million. It receives \$4 million from property tax revenue, a 6% increase from 2006.

MAYOR'S RECOMMENDED BUDGET

An additional position (\$70,000) for the Meet and Greet program was added to the Mayor's budget. The Mayor also recommended delaying the implementation of increased General Fund overhead charges to this board.

COUNCIL ADOPTED BUDGET

The Council reduced the budget for the MBC Meet and Greet program by \$70,000.

MUNICIPAL BUILDING COMMISSION

Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	5.50	6.00	6.00	7.00	16.67%	1.00
Custodial and Security	35.50	34.00	34.00	34.00	0.00%	-
Repairs and Improvements	17.00	17.00	17.00	17.00	0.00%	-
Adult Detention Center	1.00	1.00	1.00	1.00	0.00%	-
Works for Others	3.00	3.00	3.00	3.00	0.00%	-
Total FTE's	62.00	61.00	61.00	62.00	1.64%	1.00

**MUNICIPAL BUILDING COMMISSION
EXPENDIURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	7,151,804	7,106,062	7,505,577	7,689,910	2.5%	184,333
Total Revenues - All Funds	7,032,416	7,230,960	7,513,574	7,717,229	2.7%	203,655
Special Revenue Funds						
Salaries and Wages	2,751,733	2,726,217	3,176,569	3,224,017	1.5%	47,448
Contractual Services	2,580,428	2,698,519	2,545,662	2,537,635	-0.3%	-8,027
Operating Costs	587,626	588,053	558,511	577,660	3.4%	19,149
Fringe Benefits	995,513	1,037,820	1,218,835	1,344,598	10.3%	125,763
Equipment	31,504	55,453	6,000	6,000	0.0%	0
Transfers	205,000	0	0	0	0.0%	0
Total Expenditure	7,151,804	7,106,062	7,505,577	7,689,910	2.5%	184,333
Property Taxes	3,501,786	3,496,510	3,762,226	3,932,315	4.5%	170,089
Sales and Other Taxes	283	304	0	0	0.0%	0
State Government	257,798	403,656	282,757	252,275	-10.8%	-30,482
Charges for Service	3,114,475	3,161,751	3,330,691	3,479,839	4.5%	149,148
Charges for Sales	93,659	101,664	90,000	2,200	-97.6%	-87,800
Rents	58,579	64,009	47,000	50,000	6.4%	3,000
Other Misc Revenues	5,835	3,065	900	600	-33.3%	-300
Total Revenues	7,032,416	7,230,960	7,513,574	7,717,229	2.7%	203,655

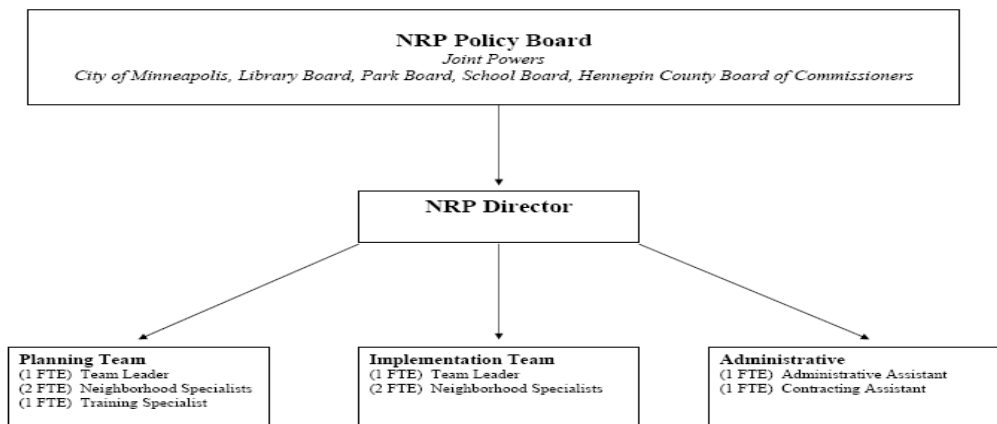
NEIGHBORHOOD REVITALIZATION PROGRAM

MISSION

Preserve and enhance the private and public infrastructure, public health and safety, economic vitality, sense of community and social environment within the neighborhoods of the City of Minneapolis. Its goal is to improve the quality of life and livability 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 the development of Neighborhood Action Plans.
- Review, modify and approve Neighborhood Action Plans prepared by neighborhoods.
- Coordinate governmental and private efforts in the development and implementation of Neighborhood Action Plans.
- Include resident directed decision making and resident based planning in all aspects of NRP.
- Monitor and evaluate implementation of Neighborhood Action Plan strategies.



2007 DEPARTMENT FOCUS

What trends and challenges will the department address and what actions will be taken?

Neighborhoods in the city have improved greatly since NRP was initiated in 1990. The investment of NRP resources during the first ten years helped reverse years of neglect and decline in neighborhoods and provided resources that were used to leverage investments by other public and private sources. In Elliot Park alone, the neighborhood's investment of \$ 4.4 million from NRP leveraged over \$151 million in other public and private investment in that neighborhood. As improvement has occurred, however, the perceptions of need and the urgency attached to continuing this investment program have changed.

State tax law changes adopted in 2001 and a more negative public attitude toward government have greatly reduced the revenues available to NRP for Phase II. Government in general has had to cope with having fewer resources to provide the same or greater levels of service that meet the continually changing needs of residents, businesses and neighborhoods. As the city's housing stock and infrastructure ages, continuing reinvestment is needed to make the neighborhoods and the city attractive to current and potential residents.

The population of the city has grown less than 4% over the past 20 years but the composition of that population has changed significantly. The senior population in the city declined by almost 30% between 1990 and 2000 and the population under 5 years of age declined by 7%. The growth in population that occurred between 1990 and 2000 was in the 5-24 and 45-64 age brackets. These demographic changes, and the growth in the minority and new American populations, affect the investment needs in neighborhoods.

In Phase I, a major effort was made to organize every neighborhood to facilitate development of their Neighborhood Action Plans. The reduced resources of NRP in Phase II and the limited private support for the operating needs of neighborhood organizations will threaten the continued existence of this infrastructure.

Challenges:

Challenge 1 - Creating renewed interest and commitment

Phase II was initially planned to begin in 2001. With the changes adopted by the legislature in 2001, the program had to place implementation of Phase II on hold. Residents and neighborhoods that had expected to move into Phase II as they completed their Phase I plans were forced to wait and uncertainty about resource availability led to questions about city commitment, the value of resident based planning and the interest in citizen engagement. As the time required to answer the questions about future revenues grew longer, residents turned to other areas of interest, neighborhoods lost volunteers, projects were placed on hold and questions were raised about whether there would even be a Phase II. Adoption of the revised Chapter 419 of the Minneapolis City Ordinances in August 2003 and the March 2004 calculation of the Common Project revenue stream removed some of this uncertainty. Residents and neighborhoods now need to be encouraged to recommit to their neighborhood and the city based on this commitment to NRP.

Challenge 2 - Fewer resources

The funding available for Phase II has changed dramatically. In June 2000, as NRP was about to begin its second decade, it was projected, based on the legislation establishing NRP, the city ordinance implementing the program and the revenues anticipated from the tax increment districts in the Common Project, that approximately \$180 million would be available for Phase II. With the legislative changes enacted in 2001 and the negotiations on the Brookfield loans, the revenues available from the Common Project dropped to less than \$85 million. With the need to focus most of these revenues on meeting the legislated housing investment goal of the program, neighborhood opportunities for meeting resident needs have been greatly reduced. Obtaining resident participation and maintaining organizational commitments will be more difficult and the opportunity to leverage NRP resources will be adversely affected.

Challenge 3 - Working with government

In Phase I, NRP resources often encouraged jurisdiction and department participation with neighborhoods. Government interest in neighborhood priorities was often driven by the funds neighborhoods had available to support neighborhood improvement projects. NRP funds bought residents and neighborhoods a place at the table. With the reduced revenues available and the need to invest heavily in housing, neighborhood ability to leverage government support for meeting their priorities may decline.

Challenge 4 - Determining NRP's future.

NRP's revenue stream officially ends in 2009. After that date, there is no commitment to any future investment in neighborhood improvement. A deliberate discussion needs to occur about the impact this will have on neighborhoods. If there is no impact, no action is needed and the program should expend its available resources according to approved Neighborhood Action Plans and be terminated. If there is support for continuation, the form and structure of that continuation needs to be decided before 2009.

FINANCIAL ANALYSIS

EXPENDITURE

The Neighborhood Revitalization Program's 2007 budget of \$1.8 million reflects a 23% decrease in expenditures from the 2006 Adopted Budget. Contractual Services expenses account for about 50% of the budget and NRP's staffing level remains at 9 positions.

REVENUE

NRP budgeted revenue for 2007 is \$1.6 million.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for the board. The Mayor also recommended delaying the implementation of increased General Fund overhead charges to the Neighborhood Revitalization Program.

COUNCIL ADOPTED BUDGET

The Council adopted no change from the current service level for the board.

**NEIGHBORHOOD REVITALIZATION PROGRAM - ADMINISTRATION
Staffing Information**

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	12.00	11.00	10.00	10.00	0.00%	-

**NEIGHBORHOOD REVITALIZATION PROGRAM
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	1,708,348	1,642,298	2,293,556	1,769,489	-22.8%	-524,067
Total Revenues - All Funds	1,750,715	1,721,333	1,562,293	0	-100.0%	-1,562,293
Special Revenue Funds						
Salaries and Wages	649,288	624,579	619,091	631,500	2.0%	12,409
Contractual Services	799,031	764,168	1,321,295	882,139	-33.2%	-439,156
Operating Costs	123,788	108,227	182,921	94,800	-48.2%	-88,121
Fringe Benefits	136,104	141,382	159,379	156,800	-1.6%	-2,579
Equipment	137	3,942	10,870	4,250	-60.9%	-6,620
Total Expenditure	1,708,348	1,642,298	2,293,556	1,769,489	-22.8%	-524,067
State Government	1,714,348	1,665,355	1,512,293	0	-100.0%	-1,512,293
Other Misc Revenues	36,367	55,978	50,000	0	-100.0%	-50,000
Total Revenues	1,750,715	1,721,333	1,562,293	0	-100.0%	-1,562,293

PARK BOARD

MISSION

The Minneapolis Park and Recreation Board (MPRB) strives to permanently preserve, protect, maintain, improve and enhance the City’s parkland and recreational opportunities.

Environment

Make the Park and Recreation system an outstanding example of balance, sound conservation, and ecological practice that leads the way for a healthy environment.

Recreation

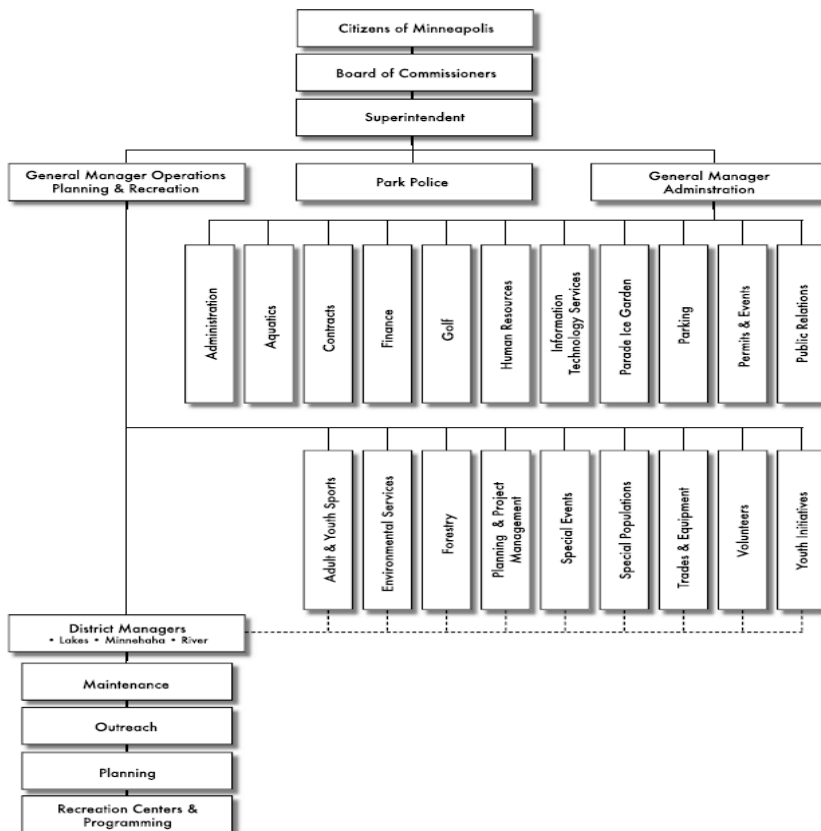
Ensure recreational opportunities that contribute significantly to the quality of life for Minneapolis residents.

Community

Foster a sense of community, which promotes respect for and participation in community life.

BUSINESS LINES

- | | | |
|---------------------|----------------------|---------------------------------|
| Park Administration | After School Program | Information Technology Services |
| Equipment Supply | Forestry | Parkway Maintenance |
| Park Maintenance | Park Police | Planning |
| Recreation Division | Park Rehabilitation | Special Services |
| | | Environmental |
| | | Teen Teamwork |

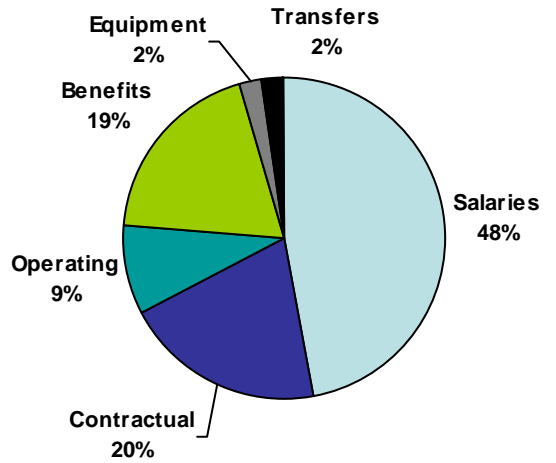


FINANCIAL ANALYSIS

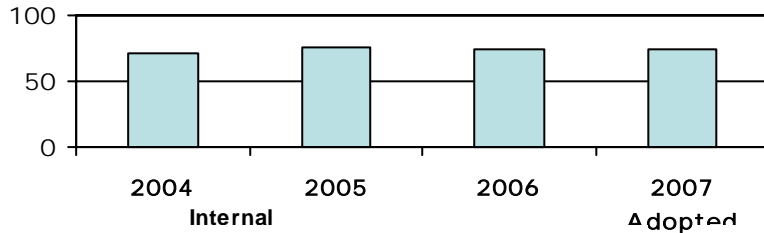
EXPENDITURE

The 2007 Park Board expense budget is about \$74 million, a 1% decrease over 2006. Approximately 68% of the budget consists of personnel expense. There is a \$5.4 million or 10.8% decrease in personnel costs with salaries and wages decreasing 10.3%. Non-personnel expense represents 32% of the budget. The number of staff in 2007 is 901.7 FTE, which is 7.8 FTE less than 2006.

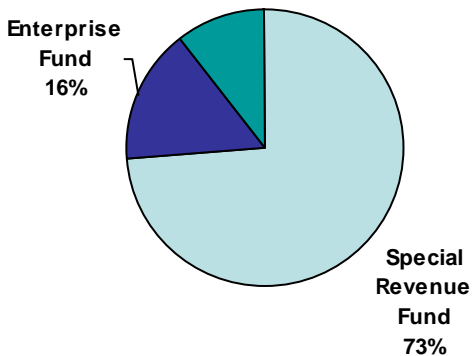
Park Board Expenditures by Type (74m)



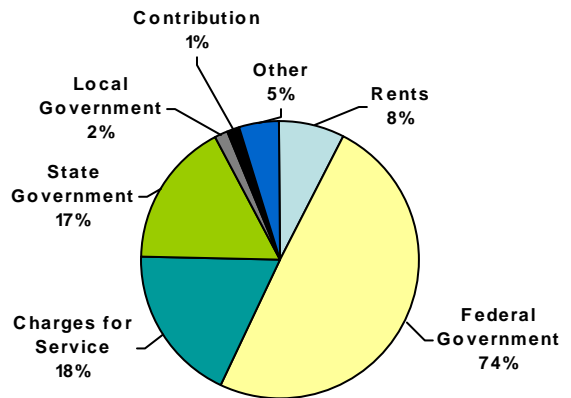
Expenditures 2004-2007 (74.079 million)



Park Board Expenditures by Fund (74.079 m)



Park Board Revenue by Type (70.847 m)



REVENUE

In 2007 the Park Board takes in about \$73.6 million in revenue, a 1% decrease from 2006. The MPRB receives 53% of its annual revenue from property taxes, 15% in state government funding, 19% from charges for services, and 13% from other revenues and transfers. Revenue obtained through property tax is \$39.2 million, a 5.1% increase compared to 2006.

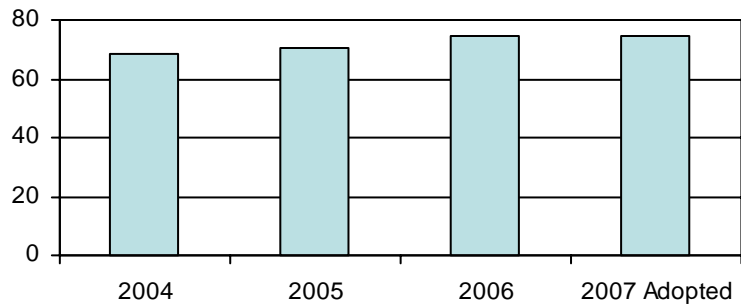
FUND ALLOCATION

14.7% of the expense budget is funded by Enterprise Funds, 9.2% by Internal Service Funds, and 70% by Special Revenue Funds.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for the Board, and delays the implementation of increased General Fund overhead charges to the Board.

**Revenues 2004-2007
(In millions)**



COUNCIL ADOPTED BUDGET

The Council adopted no change from the current service level for the Board.

PARK AND RECREATION BOARD

Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
FTE's by Division						
Administration	31.45	31.95	32.95	33.95	3.03%	1.00
Environmental Operations	17.18	17.90	17.90	17.90	0.00%	-
Park Maintenance	214.49	211.28	221.67	212.99	-3.92%	(8.68)
Police	59.69	59.59	58.59	58.59	0.00%	-
Planning	15.00	14.00	10.50	10.50	0.00%	-
Forestry	95.06	95.06	97.06	97.06	0.00%	-
Special Services	125.18	124.68	103.33	104.44	1.07%	1.11
Information Technology System	7.00	8.00	8.00	8.00	0.00%	-
Equipment	15.41	16.41	18.76	18.65	-0.59%	(0.11)
Citywide Recreation	301.01	302.79	300.87	299.71	-0.39%	(1.16)
Teen Teamworks	25.75	25.75	25.75	25.75	0.00%	-
Self-Insurance Revolving	0.25	0.50	0.50	0.50	0.00%	-
Park Rehabilitation	-	-	11.50	11.50	0.00%	-
Neiman Complex	-	-	1.17	1.17	0.00%	-
Supplies Revolving	-	-	1.00	1.00	0.00%	-
Total FTE's	907.47	907.91	909.55	901.71	-0.86%	(7.84)
Full-Time/Part-Time						
Full-Time FTE's	568.88	570.23	582.81	575.96	-1.18%	(6.85)
Part-Time FTE's	338.59	337.68	326.74	325.75	-0.30%	(0.99)
Total FTE's	907.47	907.91	909.55	901.71	-0.86%	(7.84)

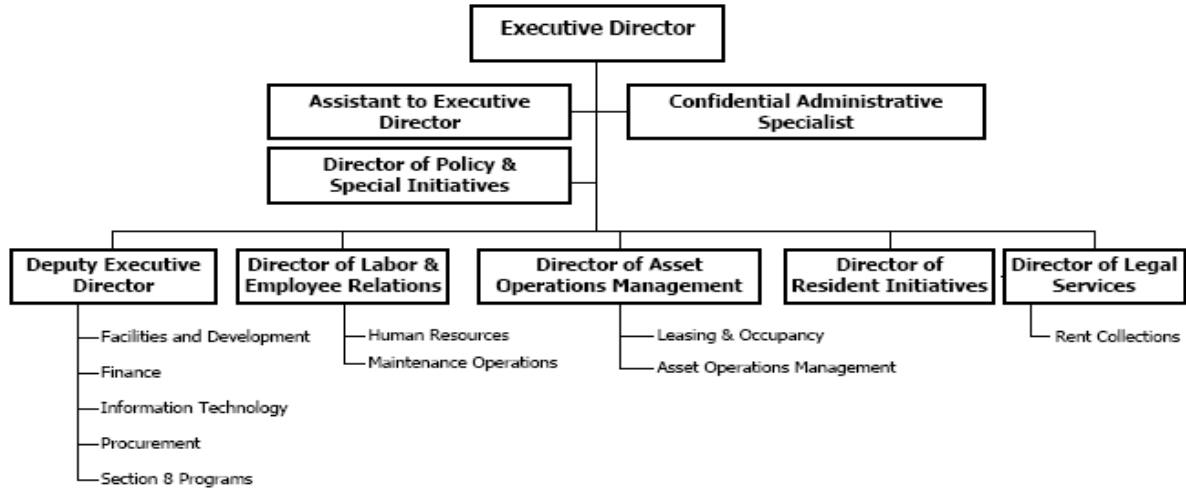
**PARK BOARD
EXPENDITURE AND REVENUE INFORMATION**

	2004 Actual	2005 Actual	2006 Adopted Budget	2007 Adopted Budget	Percent Change	Change
Total Expenditure - All Funds	70,517,277	76,261,364	74,739,770	74,478,928	-0.3%	-260,842
Total Revenues - All Funds	68,675,336	70,846,924	74,401,046	74,677,935	0.4%	276,889
Special Revenue Funds						
Salaries and Wages	27,543,384	28,625,165	30,240,341	28,691,724	-5.1%	1,548,617
Equipment Labor	3,748	5,581	10,155	10,155	0.0%	0
Contractual Services	11,040,898	10,930,987	10,169,043	10,541,409	3.7%	372,366
Operating Costs	2,947,729	3,255,466	2,796,288	2,756,678	-1.4%	-39,610
Fringe Benefits	8,284,932	9,179,164	10,151,310	11,188,938	10.2%	1,037,628
Equipment	310,309	420,344	303,892	298,391	-1.8%	-5,501
Capital Outlay	23,474	259,102	0	0	0.0%	0
Debt Service	257,790	3,086,048	0	0	0.0%	0
Transfers	1,187,558	1,759,620	1,161,280	1,417,260	22.0%	255,980
Total Expenditure	51,599,822	57,521,477	54,832,309	54,904,555	0.1%	72,246
Property Taxes	34,342,696	34,488,378	37,303,313	39,205,673	5.1%	1,902,360
Sales and Other Taxes	2,780	3,000	3,000	3,000	0.0%	0
Licenses and Permits	104,090	100,056	99,000	99,000	0.0%	0
State Government	10,901,754	12,014,812	11,971,632	10,769,903	-10.0%	-1,201,729
Local Government	1,098,704	1,129,384	573,290	623,790	8.8%	50,500
Charges for Service	2,284,578	2,150,542	1,895,182	2,117,347	11.7%	222,165
Charges for Sales	2,042	16,387	2,000	2,000	0.0%	0
Fines and Forfeits	583,880	519,155	557,500	557,500	0.0%	0
Interest	0	0	0	0	0.0%	0
Rents	392,987	738,224	469,900	519,642	10.6%	49,742
Contributions	407,741	462,475	2,500	102,500	4000.0%	100,000
Other Misc Revenues	7,698	107,421	9,200	9,200	0.0%	0
Operating Transfers In	520,491	579,410	1,344,000	495,000	-63.2%	-849,000
Total Revenues	50,649,441	52,309,242	54,230,517	54,504,555	0.5%	274,038
Enterprise Funds						
Salaries and Wages	4,549,299	4,291,884	4,461,171	4,057,998	-9.0%	-403,173
Contractual Services	2,791,364	4,083,552	3,730,376	3,739,311	0.2%	8,935
Operating Costs	1,851,239	1,809,476	1,715,071	1,801,197	5.0%	86,126
Fringe Benefits	1,128,309	1,108,248	1,217,562	1,060,008	-12.9%	-157,554
Equipment	130,457	324,288	74,550	75,039	0.7%	489
Capital Outlay	222,413	169,996	650,000	675,000	3.8%	25,000
Debt Service	0	0	0	71,500	0.0%	71,500
Transfers	1,350,500	295,000	295,000	295,000	0.0%	0
Total Expense	12,023,581	12,082,444	12,143,730	11,775,053	-3.0%	-368,677

PUBLIC HOUSING AUTHORITY

MISSION

The mission of the Minneapolis Public Housing Authority (MPHA) is 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.



FINANCIAL ANALYSIS

City Funding	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget
Tax Levy	\$1,081,600	\$1,124,864	\$1,169,859	\$1,192,320
CDBG Rehab	\$313,000	\$313,000	\$297,338	\$228,000
CDBG Citizen Participation	\$98,000	\$98,000	\$93,395	\$71,000
PILOT	\$337,860	\$308,000	\$295,000	\$100,000

Sources & Uses	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget
Sources:				
Tax Levy	\$1,049,152	\$1,091,000	\$1,169,859	\$1,192,320
CDBG Rehab	\$313,000	\$313,000	\$297,338	\$228,000
CDBG Citizen Participation	\$98,000	\$98,000	\$93,395	\$71,000
PILOT	\$337,860	\$308,000	\$295,000	\$100,000
Uses:				
Security Services	\$1,700,012	\$1,712,000	\$1,762,197	\$1,522,320
Citizen Participation	\$98,000	\$98,000	\$93,395	\$71,000

- **Tax Levy** - MPHA is classified as an independent board. Full Tax Levy amount is \$1,216,653. The budget request assumes 98% of the Tax Levy will be collected.

- **PILOT** – By State Statute, MPHA is exempt from real and personal property taxes, but through the Cooperation 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 High-rise Security Program. MPHA uses the savings to help fund Security Services.
- **CITY SERVICES** - MPHA operates on a pay-as-you-go basis for City services utilized.

MINNEAPOLIS PUBLIC HOUSING AUTHORITY
Staffing Information

	2004 Adopted Budget	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	% Change	Change
Total FTE's	320.00	319.00	315.00	287.00	-8.89%	(28.00)

YOUTH COORDINATING BOARD

MISSION

The Minneapolis Youth Coordinating Board is an intergovernmental organization dedicated to promoting the healthy, comprehensive development of Minneapolis children and youth ages 0-20 through collaborative action and policy alignment.

FINANCIAL ANALYSIS

REVENUE	2004 ACTUAL	2005 ACTUAL	2006 ADOPTED BUDGET	2007 ADOPTED BUDGET	2006-07 VARIANCE
Federal Funds	756,693	874,057	372,976	65,000	-307,976
County Funds	4,500,144	3,253,720	1,350,564	1,226,847	-123,717
City Funds	515,718	399,000	350,000	350,000	0
Gains			16,000	20,000	4,000
Rents	12,000	12,000			0
Contributions	261,614	100,000	376,000	300,000	-76,000
Other Misc Revenues	200	6,188	5,450	5,000	-450
Operating Transfers In	163,950				0
Total Revenue	6,210,319	4,644,965	2,470,990	1,966,650	-504,340

EXPENSES	2004 ACTUAL	2005 ACTUAL	2006 ADOPTED BUDGET	2007 ADOPTED BUDGET	2006-07 VARIANCE
Salaries and Wages	373,747	253,973	329,005	336,560	7,555
Contractual Services	3,772,023	4,085,749	2,125,805	1,605,090	-520,715
Operating Costs	96,792	15,333	16,180	24,100	7,920
Fringe Benefits	112,246	50,140			0
Equipment		46			0
Transfers	163,950				0
Total Expenditure	4,518,757	4,405,242	2,470,990	1,965,750	-505,240

- **General Fund** – The Youth in Minneapolis After School Program (YMAP) receives \$350,000 in City funds.
- **Joint Powers Contribution** – The City makes its administrative requirement to the board through a CDBG allocation (\$65,000). This amount increased by \$8,000 in 2007.

REVENUE

The Youth Coordinating Board's 2007 revenue budget is \$2.0 million, a \$500,000 decrease from 2006.

EXPENDITURE

The Youth Coordinating Board's 2007 expenditure budget is also \$2.0 million, a \$500,000 decrease from 2006. This budget funds 4.5 positions.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for the board. The Mayor also recommended delaying the implementation of increased General Fund overhead charges to the Youth Coordinating Board.

COUNCIL ADOPTED BUDGET

The Council adopted no change from the current service level for the board.

City of Minneapolis
FY 2007 Budget

Glossary of Terms
Or a helping of "Alphabet Soup"

ABA – American Bar Association.

AC – Animal Control.

Accrual Basis of Accounting – Recognizes transactions when they occur regardless of the related cash flows. Recognizes revenues in the accounting period in which they are earned and measurable.

ACH – Automated Clearing House.

Actuarial Accrued Liability – Term used in connection with defined benefit pension and other postemployment benefit plans to describe that portion of the present value of benefits promised to employees that will not be provided through future normal cost.

Actuarial Assumptions – Term used in connection with defined benefit pension and other postemployment benefit plans to describe assumptions that an actuary must make as to the occurrence of future events affecting benefit costs (e.g., mortality).

Actuarial Section – One of five required sections of a comprehensive annual financial report of a public employee retirement system.

Actuarial Value of Assets – Term used in connection with defined benefit pension and other postemployment benefit plans. The value assigned to plan assets for actuarial purposes. Because this value often represents an average over time, and because the valuation date may be different from the reporting date, the actuarial value of assets may differ from the amount reported in the financial statements as of the end of the fiscal period.

Advance Refunding – Transaction in which new debt is issued to refinance existing debt (old debt), but the proceeds must be placed in escrow pending call date or maturity (i.e., refunding in advance of redemption).

CAN – Automatic Collision Notification.

ADA – Americans With Disabilities Act.

ADC – Adult Detention Center, a Hennepin County facility in the City Hall/Courthouse.

ADR – Alternative Dispute Resolution program.

AED – Automatic External Defibrillators.

AFSCME – Association of Federal, State, County and Municipal Employees, bargaining unit.

Agency – This is the term for the highest organizational level, in most cases a city department or independent board.

Agency Funds – Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds.

AHTF – Affordable Housing Trust Fund.

ALJ – Administrative Law Judge.

AMC – Audit Management Committee.

AMM – Association of Metropolitan Municipalities.

AMR – Automated Meter Reading.

AMS LG FS – American Management Systems Local Government Financial System. The City's financial system, also known as FISCOL.

APO – Administrative Penalty Orders.

Appropriated Budget – Expenditure authority created by the appropriation bills or ordinances that are signed into law and related estimated revenues. The appropriated budget would include all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.

APS – Automated Pawn System, the Police Department's information System for regulating pawn and second hand dealers.

Arbitrage – In government finance, the reinvestment of the proceeds of tax-exempt securities in materially higher yielding taxable securities.

ASAE – American Society of Association Executives.

ASCLID – American Society of Crime Laboratory Directors.

Assessed Valuation – Valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSM – Assessments – improvements paid for partially or wholly by property owners.

ASP – Application Service Provider.

AutoCAD – Auto Computer-Aided Drafting.

AV Services – Audio/Visual Services.

Basis of Budgeting – Method used to determine when revenues and expenditures are recognized for budgetary purposes.

BCA – Bureau of Criminal Apprehension.

BLS – Basic Life Support.

BET – Board of Estimate and Taxation, consisting of the Mayor, the President of the City Council, the Chair of the City Council's Ways and Means/Budget Committee, one member of the Park and Recreation Board, one member of the Library Board and two elected citizens.

Betterment – Addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change is added to the book value of the asset. The term improvement is preferred.

BIS – Business Information Services, is directed to support Business Development, E-Government & Enterprise Information, Business Application and Technology Infrastructure Services.

BIIS – Building Inspections Information System, of the department of Regulatory Services.

BIRE – Remodeling type of building permit.

BLOA – Budgetary Leave of Absences. A term used to describe a type of unpaid leave.

Block E – a redevelopment area in downtown.

Board of Adjustment – To hear and decide appeals from decisions made by the Zoning Administrator under the Zoning Code; to hear and act upon applications for variances from the terms of the Zoning Code; to hear and recommend on all matters referred to it by the Zoning Code. The Zoning Code calls for a board of nine members appointed by the City Council. Members must be Minneapolis residents. Members serve a three year term. Applications are sought from persons, and nominations solicited from organizations broadly representative of community interests.

BOMA – Building Owners and Managers Association, a private association.

Bond Anticipation Note – Short term, interest-bearing note issued by a government in anticipation of bond proceeds to be received at a later date. The note is retired from proceeds of the bonds to which it is related.

Bonds – General Obligation Bonds (GO Bonds): A bond secured by the "full faith and credit" of the issuing government and backed by taxing power.

BOFC – Building Over the Counter. A type of building permit that is issued at the Inspection's permit counter.

Budget Committee – See Ways & Means/Budget Committee.

Business-type Activities – One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities are usually reported in enterprise funds.

CAD – Computer Aided Dispatch

CADD – Computer Aided Design & Drafting, a component of the Public Works design software.

CAFM – Computer Aided Facilities Management.

CAFR – Comprehensive Annual Financial Report.

CAMA – Computer Assisted Mass Appraisal.

CAO – City Attorney's Office.

CAP – Coordinated Action Program.

Capital Assets – Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Improvement Plan (CIP) – A five-year plan for proposed capital improvements. The first year of the CIP is formally adopted as the Capital Budget.

Capital Program – see Capital Improvement Plan (CIP).

Capital Projects Funds – used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for governmental fund types.

CAPRS – Computer Assisted Police Reporting System

CAPR – Consolidated Annual Performance Report

Cash – In the context of cash flows reporting, not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without proper notice or penalty.

Cash Basis of Accounting – Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

CBA – Collective Bargaining Agreement.

CBD – Central Business District.

CBTF – County Budget Task Force. Hennepin County's Capital Budget Process (similar in nature to CLIC).

CDC – Consolidated Dispatch Center.

CCC – Consolidated Contact/Call Center.

CCJ – Council on Crime and Justice.

CCNP – Central City Neighborhoods Partnership, a community non-profit.

CCP/SAFE – Community Crime Prevention/Safety for Everyone, program of the Police Department.

CCTV – Closed Circuit Television.

CD – Community Development, also a standing committee of the City Council.

CDBG – Community Development Block Grant. Grants provided to the City, based on its submitted consolidated plan. They are annual direct grants that can be used to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

CDC's – Community Development Corporations.

CEH – Children's Environmental Health.

CFP – Capital Fund Program, a program funded by HUD.

CHAMP – Child Health Assessment and Monitoring Project, of the department of Health and Family Support.

CHB – Community Health Boards.

CHS – Community Health Services.

CIO – Chief Information Officer.

CIS – Constriction Inspections Services. A section of the Inspections Division within Regulatory Services.

CITISTAT – City's effort to centralize citizen contact, improve responsiveness and measure performance.

CJCC – Criminal Justice Coordinating Committee.

Claims – Requests for reimbursement for damages resulting from fault or liability of the City.

CLASS – Center for Learning Academic and Survival Skills, the academic enrichment program for the METP Summer Youth Employment and Training Program.

Class A – Newer buildings in the Central Business District in first class condition, design and décor. Large and/or tall in size with mostly multiple skyway (enclosed pedestrian bridge) linkage.

Class B – Seasoned buildings in good condition in the Central Business District and generally over ten years old. Mid-rise in size and may include skyway (enclosed pedestrian bridge) linkage.

CLIC – Capital Long-Range Improvement Committee - a committee of 33 private citizens appointed by the 13 Council members (2 per ward) and Mayor (7). The committee reviews Capital proposals and recommends priorities for capital spending within specified resource parameters.

CLUES – Chicanos Latinos Unidos en Servicio.

CMC – Comprehensive Managed Care.

CMS – Case Management System (City Attorney's Office).

CMMS – Computer Maintenance Management System.

CNAP – Community Neighborhood Action Plan.

CO – Certificate of Occupancy.

COA – Certificate of Approval.

CODEFOR – Computer Optimized Deployment – Focus On Results. It is a strategy to reduce crime involving every unit of the Minneapolis Police Department, including patrol, investigations, administration, special units, and support services.

COLA – Cost of Living Adjustment.

Common Contact – City’s effort to centralize citizen contact, improve responsiveness and measure performance.

Component Unit – Legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Conduit Debt – Certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer’s financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

Contingency – Budget for undesignated expenditures. These expenditures cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. These funds are sometimes earmarked for unanticipated expenses, special projects or shortfalls in revenue. The release of these funds is governed by the City Council.

Contractual Services – The summary expense category, which displays expenses such as contracts for service, quasi-contractual arrangement such as utilities, or services billed by another unit of government.

COPS More – Community-Oriented Policing Services (COPS) grant from the U.S. Department of Justice.

Cost Center/Level 2 – The lowest level of organizational unit for purposes of budget presentation. Cost Centers are usually provided where organizational units below the department level are needed for a clear breakdown of budget information. Cost Centers are also referred to as Level 2 in some documents. This is the organizational level of Cost Centers in FISCOL.

Coverage Ratio – Ratio of pledged revenues to related debt service payments.

CPED – Community Planning and Economic Development Department. CPED is directed to oversee and coordinate all City planning and development activity, including the transition from the current organizational structure to a new organizational structure as outlined in the adopted Focus Minneapolis Resolution.

CPC – City Planning Commission.

CPI – Consumer Price Index.

CPTED – Crime Prevention Through Environmental Design.

CRA – Civilian Review Authority.

CriMNet – A state of Minnesota effort to develop an architecture for criminal and juvenile justice information.

CRM System – Current Relationship Management.

CRT – Community Response Team of the Police department.

CSA – County-State Aid, received by the City for work done on County roads.

CSAH – County State Aid Highways.

CSL – Current Service Level, the initial estimate the current budget year’s costs of providing the same level of service as provided in the prior year.

CSM – Constituent Relationship Management.

CSO – Combined Sewer Overflow, which separates the remaining storm sewer lines that are connected to sanitary sewer lines.

CSO – Community Service Officer.

CTC – Curfew Truancy Center.

CTT – Communities Targeting Tobacco.

CUE – Committee on the Urban Environment, staffed by the Planning department.

CUP – Conditional Use Permit

CY - Calendar Year.

DAP – Domestic Abuse Project, a community non-profit.

DARE – Drug Abuse Resistance Project.

DAT – Domestic Abuse Prosecution Team, in the City Attorney’s office.

DC – Deputy Chief.

DEA – Drug Enforcement Administration.

Debt Service – Money that is required in order to make payments on the principal and interest of outstanding bonds.

Debt Service Funds – used to account for the accumulation of resources for, and the payment of,

general long-term debt, principal, interest and related costs.

Decision Packages – A document, which seeks approval from the Mayor and City Council, requesting a change in a Department's operations. The changes requested in Decision Packages are usually result of a directive or an attempt to improve service levels and/or service delivery. Typically these changes involve an increase or reallocation of Department expenditures and occasionally offsetting revenue if recommended by the Department.

Defined Benefit Pension Plan – Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service and compensation.

DHFS – Department of Health and Family Support.

Direct Expense – Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable to a particular function.

DNR – Department of Natural Resources, a state government agency.

DRS – Department of Regulatory Services, a City department in the City Coordinator's group.

DDT – Downtown.

DTED – Department of Trade and Economic Development, state government agency.

DWI – Driving While Intoxicated.

Duration – In the context of investment disclosure, a measure of a debt investment's exposure to fair value changes arising from changing interest rates based upon the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price.

E2K – Engineering 2000, a public works information technology system.

EAP – Employee Assistance Program.

EBL – Elevated Blood Level (term used to describe lead levels in children).

EC – Event Coordinator, at the Convention Center.

EEOC – Equal Employment Opportunities Commission, of the federal government.

EHDI – Eliminating Health Disparities Initiatives.

EIM – Enterprise Information Management.

EMC – a company which provides data storage to the Information Technology Services Department.

EMIS – Equipment Management Information System.

Employer Contributions – Term used in the context of pension and other postemployment benefits to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer. (Only amounts paid to trustees and outside parties qualify.)

EMS – Emergency Medical Services.

EMT – Emergency Medical Technician, employed in the Fire Department.

Encumbrances – Commitments related to unperformed (executory) contracts for goods or services. For financial reporting purposes, encumbrance accounting is restricted to governmental funds.

Enterprise Bonds/Revenue – bonds related to Sewer, Water and Parking enterprises of the City. Debt Service is paid for by user fees charged for these enterprise services. Enterprise revenues are "Pay as you go" sources anticipated to be available in the enterprise funds.

Enterprise Funds – used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where costs and expenses, including depreciation, are recovered principally through user charges.

EPA – Environmental Protection Agency, a federal government agency.

ERU – Emergency Response Unit, in Police.

ESD – Equipment Services Division of Public Works.

ESG – Emergency Shelter Grant, funded by the U.S. Department of Housing and Urban Development.

ESL – English as a Second Language.

ESRI – a company which provides geographic information system technology to the City.

Expenditure – Funds paid, or designated to be paid, for an asset or goods and services.

EZ – Empowerment Zone, a federal designation which the City received from the U.S. Department of Housing and Urban Development in 1999.

FCC – Federal Communications Commission.

FD – Fire Department.

FEMA – Federal Emergency Management Administration.

FERC – Federal Energy Regulatory Commission.

FF&E – Furniture, Fixtures and Equipment.

Fiduciary Funds – Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Final Amended Budget – Original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

Fiscal Disparities – Fiscal Disparities is a law by which commercial-industrial tax base growth is shared annually among metropolitan taxing jurisdictions according to a statutory formula.

FISCOL – Acronym for Financial Information System City of Lakes, the automated finance system used to prepare most of the financial information in this document. This system is used for all accounting transactions within the City.

FBI – Federal Bureau of Investigation.

FBI – Food borne illness.

FMC – Food manager certification.

Formula Grants – Government-mandated or voluntary nonexchange transactions involving the provision of resources based upon established criteria (e.g., number of full-time equivalent students) other than the incurrence of qualifying expenditures. Also referred to as “shared revenues.”

FRC – Family Resource Centers.

FSAM – Facilities Space Asset Management. This committee includes the City Coordinator (Co-chair), City Engineer (Co-chair), Director of Budget and Financial Planning Facility Manager/Staff, Space and Asset Manager/Staff.

FSB – Financial Services and Budget Division of the Finance department.

FTC – Full Time Consultant.

FTE (Full Time Equivalent) – A unit of measurement to account for the number of positions authorized to departments. One FTE is equivalent to one employee working 2088 hours in 2001.

Fund – A major accounting vehicle used by the city to account for revenues, expenditures, assets, and liabilities of major sectors of city activities as established by legal requirements.

Fund Balance – Difference between assets and liabilities reported in a governmental fund.

Fund Classifications – One of the three categories (governmental, proprietary, and fiduciary) used to classify fund types.

Fund Financial Statements – Basic financial statements presented on the basis of funds, in contrast to government-wide financial statements.

Fund Summary – A budgetary document that summarizes on an annual basis the activities of a city fund. It compares revenues with expenditures on an annual basis. This budget fund summary may not be the same as the audited financial statement since the fund summary includes only resources which are available to pay expenses of the fund (i.e. excludes inventory and depreciation) during the current year.

Fund Type – One of eleven classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Funded Ratio – In the context of defined benefit pension and other post-employment benefit plans, the actuarial value of assets expressed as a percentage of the actuarial accrued liability.

FY – Fiscal Year.

GAAP – Generally Accepted Accounting Principles.

GASB – Governmental Accounting Standards Board.

GED – General Educational Development.

General Fund – the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund.

GFOA – Government Finance Officers Association, the professional association of Finance professionals in the public sector.

GIS – Geographic Information Systems, a division of Regulatory Services created in 2002.

GLBT – Gay Lesbian Bisexual Transgender.

GMCVA – Greater Minneapolis Convention and Visitor's Association.

GMDCA – Greater Minneapolis Day Care Association, a community non-profit.

GMLHC – Greater Minneapolis Housing Corporation

GMMHC – Greater Minneapolis Metropolitan Housing Corporation.

Gopher State One Call – A collaboration which allows property owners to call for mapping of utility lines.

Govern – Assessor's information technology equipment.

Governmental Activities – Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues. These activities are usually reported in governmental funds and internal service funds.

Governmental Entity – For accounting and financial reporting purposes, and entity subject to the hierarchy of GAAP applicable to state and local governmental unity.

Governmental Funds – used to account for functions of the City that are principally supported by taxes and intergovernmental revenues.

Government-wide Financial Statements – Financial statements that incorporate all of a government's governmental and business-type activities, as well as its nonfiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities.

GRO – Glendale Residents Organization.

HACA – The Homestead and Agricultural Credit Aid is a form of state aid to local governments to compensate for tax revenue that is lost because of lower tax rates for homesteaded residential property (versus non-homesteaded). This category of aid was eliminated during the 2001 legislative session.

HAVA – Help America Vote Act.

Haz-Mat – Hazardous Materials.

HC – Hennepin County, the county where the City of Minneapolis is located.

HC – Hennepin County Medical Center.

HCAO – Hennepin County Attorney's Office.

HCRRRA – Hennepin County Regional Railroad Authority.

HAP – Health Assessment and Promotion.

HIS – Housing Inspection Services.

HPC – Heritage Preservation Commission.

HOLLMAN DECREE – The Hollman Consent Decree is a 1995 lawsuit settlement (to which the City, MCDA, & MPHA were parties) designed to provide public housing in a full range of metropolitan communities, beyond the core city, in order to improve housing choice for public housing residents.

HOME – Home Investment Partnerships Program, a U.S. Department of Housing and Urban Development grant program.

HOWPA – Housing Opportunities for People with Aids, a U.S. Department of Housing and Urban Development grant program.

HOW – Home Ownership Works, a program of the MCDA.

HR – Human Resources.

HRA – Housing Redevelopment Authority.

HRG – Human Resources Generalist.

HRIS – Human Resources Information System.

HSCO – Hennepin County Sheriff's Office.

HUD – U.S. Department of Housing and Development, a federal government agency.

HVAC – Heating, Ventilation and Air Conditioning.

IACP – International Association of Chiefs of Police.

IACVB – International Association of Convention and Visitors Bureaus.

ICMA – International City/County Managers Association.

IDIS – Integrated Disbursement and Information Systems

IGR – Intergovernmental Relations.

IMMULINK – Immunization Registry, a program with Hennepin County.

Improvement – Addition made to, or change made in, a capital asset, other than maintenance, to prolong its

life or to increase its efficiency or capacity. The cost of the addition or change normally is added to the book value of the asset.

Indirect Expenses – Expenses that cannot be specifically associated with a given service, program or department and thus, cannot be clearly associated with a particular functional category.

Industrial Revenue Bond -- Bond proceeds are used to finance the purchase or construction of facilities or equipment to be leased to a private corporation. The bonds are backed by the revenue generated by the lease payment and ultimately by the credit of the corporation.

INFORM – A research service provided by the Minneapolis Library.

Infrastructure – Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

IRS – Internal Revenue Service.

Interfund Activity – Activity between funds of the primary government, included blended component units. Interfund activities are divided into two broad categories: reciprocal and nonreciprocal. Reciprocal interfund activity comprises interfund loans and interfund services provided and used. Nonreciprocal interfund activity comprises interfund transfers and interfund reimbursements.

Interfund Loans – Amounts provided between funds and blended component units of the primary government with a requirement for repayment.

Interfund Transfers – Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

Internal Service Funds – used to account for those City services which are financed and operated in a manner similar to private business enterprises and the customer is other City departments instead of the public.

ISAB – Integrated Systems Advisory Board.

IS Architecture – Information Systems Architecture.

ITS – former Information Technology Services.

IWR – Utility Billing's Interactive Web Response application.

JNET – the adult criminal justice system integrated data system.

JP – Joint Powers.

KIVA – the vendor that provides the City's Building Inspections Information System (BIIS).

LAN – Local Area Network.

LCMR – Legislative Commission on Minnesota Resources.

LCTS – Long-term Collaborative Time Study, a funding program through the State and Hennepin County for the department of Health and Family Support.

LED - Light Emitting Diode (found in pedestrian signal cross lights for example).

Legal Debt Margin – Excess of the amount of debt legally authorized over the amount of debt outstanding.

Legal Level of Budgetary Control – Level at which a government's management may not reallocate resources without special approval from the legislative body.

LEP – Limited English Proficiency.

LGA – Local Government Aid.

LIF – Leveraged Investment Fund.

LISC - Local Initiatives Support Corporation.

LLEBG – Local Law Enforcement Block Grant.

LMC – League of Minnesota Cities.

LMV - Limited Market Value. A limitation on the amount that a property's market value may grow from one year to the next for purposes of property taxation. It was enacted to help mitigate rising property taxes resulting from rapidly inflating property values.

LRT – Light Rail Transit. The current Hiawatha line runs from the Airport to Downtown Minneapolis. Connecting lines are being considered by policymakers.

MAC – Metropolitan Airports Commission, the independent body which runs the regions airports.

Major Fund – Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses,

assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that the fund is particularly important to financial statement users.

Market Value – The estimated amount as determined by the City Assessor that a willing seller and a willing buyer would agree upon for a piece of property.

MAXIMO – Building Maintenance information System of the Municipal Building Commission.

Mayor's Recommendation – The recommended annual budget by the Mayor as required by the City Charter.

MBC – Municipal Building Commission, a component unit of the City which operates the City Hall/Courthouse Building.

MCC – Minneapolis Convention Center.

MCCR – Minneapolis Commission on Civil Rights.

MCDA – former Minneapolis Community Development Association.

MCES – Metropolitan Council Environmental Services, provider of sewage interceptor and treatment services for the City.

MCH – Maternal Child Health.

MDCR – Minneapolis Department of Civil Rights.

MDC – Police Department's Mobile Data Computers.

MDES – Minnesota Department of Economic Security, state agency.

MDHFS – Minneapolis Department of Health and Family Support.

MECC – Minneapolis Emergency Communications.

Meet Minneapolis – In July 2006, GMCVA (Greater Minneapolis Convention and Visitor's Association) changed their name to Meet Minneapolis.

MERF – Minneapolis Employee Retirement Fund, a closed retirement plan for general City employees.

METP – Minneapolis Employment and Training Program.

Metropolitan Council – Regional government of the 7 county metro area.

MFD – Minneapolis Fire Department.

MFIP – Minnesota Family Investment Program, the State's successor to the Aid for Families with Dependent Children (MFIP).

MFRA – Minneapolis Firefighter's Relief Association, a closed retirement plan for firefighters.

MHFA – Minnesota Housing Finance Agency, state government agency.

MHRC – Minneapolis Highrise Representative Council, City's largest public housing resident organization that represents all residents in MPHA's 40 highrise apartment buildings located throughout the city of Minneapolis.

MIL – Municipal Information Library.

MILES – Minneapolis Industrial Land and Employment Strategy.

MBE – Minority-owned business enterprises.

MDA – Minnesota Department of Agriculture.

MHz – Megahertz Radio System.

MINSTAT – City's effort to centralize citizen contact, improve responsiveness and measure performance.

MJNO – Multiple Jurisdiction Network Organization, a statewide collaboration of police agencies.

MLK – Martin Luther King Jr.

MLSS – Mechanical Life and Safety Systems.

MMI – Metropolitan Median Income.

MMRS – Metropolitan Medical Response System.

MMS – Minneapolis Multicultural Services.

MNCIS – Minnesota Court Information System.

MNDNR – Minnesota Department of Natural Resources.

MNDOT – Minnesota Department of Transportation, state government agency.

MNHEALS – Minnesota HEALS (Hope, Education, and Law and Safety), a program of comprehensive gun violence reduction strategies.

MOAPPP – Minnesota Organization on Adolescent Pregnancy Prevention & Parenting.

Modified Accrual Accounting – Recognizes expenses in the accounting period in which they are incurred and measurable. Recognizes revenues in the accounting period in which they are measurable and available.

MPAAT – Minnesota Partnership for Action Against Tobacco.

MPCA – Minnesota Pollution Control Agency.

MPD – Minneapolis Police Department.

MPHA – Minneapolis Public Housing Authority, the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis.

MPI – Minnesota Parking Incorporated, contract operator of the City's municipal ramps.

MPL – Minneapolis Public Library.

MPRA – Minneapolis Police Relief Association, a closed retirement plan for police officers.

MPRB – Minneapolis Park and Recreation Board, a directly elected body.

MPS – Minneapolis Public Schools.

MRI – Municipal Refuse Incorporated, provider of solid waste disposal in parts of Minneapolis.

MSA – Municipal State Aid – refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

MSSB – Minnesota State Services for the Blind.

MUID – Metropolitan Urban Indian Directors.

MUPS – Municipal Utility and Package System.

MVNA – Minneapolis Visiting Nurse's Association, a community non-profit.

MWW – Minneapolis Water Works.

NACCHO – National Association of City and County Health Officials.

NAMC – National Association of Minority Contractors.

NCIC – National Crime Information Center.

NDB – Net Debt Bonds – property tax supported bonds issued to finance general infrastructure improvements.

Debt service is paid by taxes collected for the annual Bond Redemption Levy.

NELC's – Neighborhood Early Learning Centers.

New Arrivals – City of Minneapolis efforts to assist emerging immigration population.

Net General Obligation Debt – General obligation debt reduced by the amount of any accumulated resources restricted to repaying the principal of such debt.

Net Tax Levy – This is the total tax levy less HACA (but including fiscal disparities). The net tax levy is now the certified tax levy as required by a change in state law.

NFIRS – National Fire Information Standards.

NFPA – National Fire Protection Association, accreditation organization for Fire Departments.

NHCN – Neighborhood Health Care Network, a community health provider.

NIP – Neighborhood Initiatives Program of the MCDA.

NLC – National League of Cities.

NNO – National Night Out.

NON APPROP – Non Appropriated – reflects cost participation from County, State or Federal dollars and usually on these types of projects, the City of Minneapolis is not the lead agency.

Normal Cost – In the context of defined benefit pension and other post-employment benefit plans, that portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method.

NPDES – National Pollutant Discharge Elimination System.

NRP – Neighborhood Revitalization Program, established in 1990, a joint powers agreement of the City to undertake neighborhood programs.

NSP – Northern State Power Company, now Xcel energy.

OCA – Office of Cultural Affairs of the City Coordinator's department.

OIC – Opportunities Industrialization Centers.

OJT – On the Job Training.

O&M – Operations and Maintenance.

One Stop One Call – City’s effort to centralize citizen contact, improve responsiveness and measure performance.

Operating Activities – Term used in connection with cash flows reporting. Operating activities generally results from providing services and producing and delivering goods, and include all transactions and other events that are not defined as capital and related financing, noncapital financing, or investing activities.

Operating Budget – Financial plan that allow City departments to maintain adequate service levels at reasonable costs by following sound financial management practices. Each City department or division prepares its own budget for review by the Mayor to assist the Mayor in preparing a budget recommendation for the City Council. A Department’s Operating Budget authorizes designated spending, revenue, and personnel levels.

Operating Revenues and Expenses – Cost of goods sold and services provided to customers and the revenue thus generated.

Operating Tax Funds – Those funds at least partially financed by property taxes, which support the normal functions of city government. They include the General fund, Board of Estimate and Taxation fund, Municipal Building Commission fund, Library fund, and the Park Tax funds.

O & M - Operations and Maintenance.

Original Budget – First complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior-year encumbrances.

Original/Current Appropriation – The amount of money allocated by the respective governing body for the budgeted year. The original appropriation is the amount approved at the time the budget was initially adopted. The current appropriation is the original budget as amended to reflect any approved changes.

OSA – Office of the State Auditor.

OSHA – Occupational Safety and Health Administration, of the federal government.

Other Postemployment Benefits (OPEB) – Postemployment benefits other than pension benefits. Other postemployment benefits (OPEB) include postemployment healthcare benefits, regardless of

the type of plan that provides them, and all postemployment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

OTP – Overtime Pay.

Outcome Measures – In the context of service efforts and accomplishments reporting, indicators that measure accomplishments or results that occur (at least partially) because of services provided. Results also include measures of public perceptions of outcomes.

Own-source Revenues – Revenues that are generated by a government itself (e.g. tax revenues; water and sewer charges; investment income) rather than provided from some outside source (e.g., intergovernmental aid and shared revenues).

PAL – Police Activity League.

Pass-through Grants – Grants and other financial assistance received by a governmental entity to transfer to, or spend on behalf of, a secondary recipient.

PAVER – Pavement Management System software application that computes the Pavement Condition Index (PCI) of roads and parking lots.

Payment In Lieu of Taxes (PILOT) – Payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

PC/NPC – Probable cause/ no probable cause.

PCA – Pollution Control Agency, a state government agency.

PCAB – Pollution Control Annual Billing.

PCI – Pavement Condition Index, used to rate the condition of pavement.

PD – Police Department.

PEIRS – Public Employee Information Retrieval System (the payroll system for Public Works Dept. and the Park Board).

Pension Benefits – Retirement income and all other benefits (e.g. disability benefits, death benefits, life insurance) except healthcare benefits, that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment of after retirement. Post-employment healthcare benefits are considered other post

employment benefits, regardless of how they are provided.

Pension Cost – Accrual measure of the periodic cost of an employer's participation in a defined benefit pension plan.

Pension Obligation Bonds – Bonds issued by employers to finance one or more elements of their pension obligation to employees. Pension obligation bonds may be used, for example 1) to reduce or eliminate the employer's net pension obligation, 2) to pay the employer's annual required contribution for the year, or 3) to reduce or eliminate the plan's unfunded actuarial accrued liability.

Pension Plan – Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

PERA – Public Employees Retirement Association, state-wide pension plan, to which a majority of the City's employees belong.

PERF – Police Executive Research Forum.

Postemployment – Period following termination of employment, including the time between termination and retirement.

Postemployment Healthcare Benefits – Medical, dental, vision and other health-related benefits provided to terminated employees, retired employees, dependents, and beneficiaries.

OH – Public Health.

PHDEP – Public Housing Drug Elimination Program, a federal government grant for security funding.

PHN – Public Health Nurse.

PI – Permanent Improvement.

PICA – Parents in Community Action.

PM – Performance Management.

PMD – Program Management Division of ITS.

PP – Problem Properties.

PPF – Preliminary Planning Fund of the MCDA.

Primary Government – Term used in connection with defining the financial reporting entity. A state government or general purpose local government. Also, a special-purpose government that has a

separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. The primary government is the focus of the financial reporting entity.

Program Revenue - Revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole' they reduce the net cost of the function to be financed from the government's general revenues.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

PSF – Hennepin County Public Safety Facility.

PS&RS – Public Safety and Regulatory Services, standing committee of the City Council.

PSC – Public Service Center, one of the main buildings in the City's downtown campus.

PUD – Planned Unit Development

PW – Public Works Department.

R&M – Repair and Maintenance.

Reappropriation – Inclusion of a balance from the prior year's budget as part of the budget of the subsequent fiscal year. Reappropriation is common for encumbrances outstanding at the end of a fiscal year that a government intends to honor in the subsequent fiscal year.

RECAP – Repeat Address Call Policing, part of Central Services Bureau of the Police Department.

Refunding – Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

REIMB – refers to Capital work performed by divisions of Public Works for which reimbursements are received from other City departments, outside government agencies or private businesses.

Revenue – Funds received from various sources used to finance City expenditures.

RFP – Request for Proposal, the process by which the City receives service descriptions and estimates of costs from potential providers of a service.

RFS – Request for Service, a violation related module of the Kiva application used by inspectors in Regulatory Services.

ROP – Repeat Offender Program.

ROW – Right of Way.

RPO – Rental Property Owners.

RPZ – Reduced Pressure Zone, from the State Plumbing Code.

RTSF – Real Time Strategic Forum, a means used to rank strategic information systems improvements.

RTW – Return to Work.

SAC – Sewer Access Credits, issued by the Metropolitan Council.

SAFER - Staffing for Adequate Fire and Emergency Response. A federal grant program aiming to help fire departments increase the number of frontline firefighters. SAFER is part of the Assistance to Firefighters Grants and is under the purview of the Office of Grants and Training of the Department of Homeland Security.

SBA – Small Business Association, of the Federal Government.

SBC – School Based Clinics.

SCADA – Supervisor Control and Data Acquisition, a program to automate the water control system from one point so that all gates, pumps, monitors and controls will be in one controlled area.

Schedule of Employer Contributions – In the context of defined benefit pension plans and other postemployment benefit plans, trend data on employers' annual required contribution to a plan and actual contributions.

Schedule of Funding Progress – In the context of defined benefit pension plans and other postemployment benefit plans, trend data on the relationship between the actuarial value of plan assets and the related actuarial accrued liability.

SCORE – Select Committee on Recycling & Environment.

SDP – Service Delivery Plan.

SEMI – Southeast Minneapolis Industrial area – refers to a development area now referred to as University Research Park.

SFD – single family dwelling.

SHAPE - Survey of the Health of Adults, the Population, and the Environment, of the department of Health and Family Support.

SISP – Strategic Information Systems Plan.

SLA – Service Level Agreements.

SMG – System Manager's Groups of the Metropolitan Radio Board.

SOC – State of the City, report published by the Planning Department.

SOC – Hennepin County Security Operations Center.

Special Assessment – Compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Funds – used to account for the proceed of specific revenue sources that are restricted by legal and regulatory provisions to finance specific activities.

Sponsor – In the context of pension and other postemployment benefits, the entity that established the plan.

SRP – Summer Reading Program. A program offered by the Minneapolis Library.

SSC – Skyway Senior Center.

STD – Sexually Transmitted Disease.

STI – Sexually Transmitted Infection.

STOP – Chronic Offenders Team in the City Attorney's Office.

STS – Sentence to Serve.

SUBP – Small and Underutilized Business Program of the Civil Rights Department.

SW&R – Solid Waste and Recycling.

SWMBE – Small, women-owned, and minority-owned business enterprises.

SWOT Analysis – Strengths, Weaknesses, Opportunities and Threats Analysis.

SWSFM – Storm Water/Sewer/Flood Mitigation program, the City's capital effort to limit residential flooding.

T&PW – Transportation and Public Works, a standing committee of the City Council. Also known by TAPS.

TAC – Technical Advisory Committee.

TAD – Third Avenue Distributor Ramps, built along the downtown core's border; owned by the State of Minnesota's Department of Transportation.

TANF – Temporary Aid for Needy Families, federal government grant.

Target Strategies – Changes that will produce a reduction in operating expenditures.

Tax Capacity – That amount of estimated market value subject to taxes after the total estimated value is multiplied by a "tax classification rate".

Tax Capacity Rate – After calculating the dollars to be levied, each taxing jurisdiction uses the total tax capacity to calculate their "tax capacity rate". This rate is essentially the percentage of tax capacity to be paid in taxes.

Tax Classification Rate – The percentage set by state statute that is applied to the market value of each property classification to arrive at tax capacity. (This replaced assessment ratios.)

Tax Increment (TI) – Tax increment of real property within a municipality whose assessed valuation for tax purposes is frozen when the tax increment district is certified. The proceeds from the tax increment bond sale are used to develop this distressed or under-utilized property. Taxes collected from the frozen assessed valuation continue to be distributed to the various taxing districts. As development caused the valuation of the property to rise, the difference or increment between the frozen valuation levels and increased value after development provides the needed payment to pay off the bonds.

Tax Increment Finance Bonds (TIF): Bonds sold to investors to raise capital for development activities. Interest paid to bond purchasers is usually exempt from state and federal taxation, although TIF bonds can also be sold to investors with no interest exemption from state and federal taxes.

Tax-increment financing – Financing secured by the anticipated incremental increase in tax revenue, resulting from the redevelopment of an area.

TC Tix - A program that manages and operates a ticket outlet providing the GMCVA a revenue source. It provides members and the community an opportunity to experience cultural events while promoting member businesses.

TIF – Tax Increment Financing.

TBD – To be determined.

TELESERVE – is a system for reporting non-emergency crimes that occurred within the city limits of Minneapolis.

TISH – Truth in the Sale of Housing, in Inspections division of Regulatory Services.

TMP – The Minneapolis Plan, the City's comprehensive plan.

TOC – Technical Operating Committee of the Metropolitan Radio Board.

Total Expenses – The total costs of a cost center or department including debt service and capital improvements.

TPA – Third Party Administration.

TRA – Tenant Remedies Act.

Truth In Taxation (TNT) Law – In 1988, the Minnesota Legislature passed a law designed to make local governments more accountable for property tax increases. The law requires that local governments inform taxpayers of proposed tax levy amounts and adopt budgets at public hearings.

UB – Utility billing.

UDAG – Urban Development Action Grant, of the U.S. Department of Housing and Urban Development.

UCR – Uniform Crime Rate.

Unisys – Unisys Corporation – The City of Minneapolis has a strategic partnership with Unisys to manage and support 2700 personal computers and more than 100 servers over a seven year contract.

Undesignated Unreserved Fund Balance – Available expendable financial resources in a governmental fund that are not the object of tentative management plans (i.e., designations).

Unfunded Actuarial Accrued Liability – Excess of the actuarial accrued liability over the actuarial value of assets. This value may be negative, in which case it may be expressed as a negative unfunded actuarial accrued liability, the excess of the actuarial value of assets over the actuarial accrued liability, or the funding excess.

Unrealized Gains and Losses – Difference between the carrying value of an asset and its fair value prior to sale.

USCM – U.S. Conference of Mayors.

U.S. EPA – United States Environmental Protection Agency.

USPS – United States Postal Service.

Variable-rate Investment – In the context of investment disclosure, and investment with terms that provide for the adjustment of its interest rate on set dates (such as the last day of a month or calendar quarter) and that, upon each adjustment until the final maturity of the instrument of the period remaining until the principal amount can be recovered through demand, can reasonably be expected to have a fair value that will be unaffected by interest rate changes.

VEU – Vehicle Equivalent Units.

VoIP – Voice Over Internet Protocol.

VPN – Virtual Private Network.

Ways & Means/Budget Committee – City Council Subcommittee made up of six City Council Members, which provides Council oversight on issues such as: acceptance of bids, appropriation of funds, approval of increases/decreases/transfers of funds, assignment of wages and salaries, budgetary items (including approval of the City's annual budget), the certification to Hennepin County of taxes to be levied for bonds sold, civil rights issues, execution of contracts, issuance of bonds, Minneapolis Employment and Training Program agreements, and the operating, structure and organization of departments (during the budget process).

WBE – Women-owned business enterprises.

WC – Worker Compensation.

WiFi – Wireless fidelity.

WTG – Way to Grow.

YCB – Youth Coordinating Board, a joint power agreement of the City.

YTD – Year to date.

YMAP – Youth in Minneapolis After School Program (Park Board).

Z&P – Zoning and Planning, City Council Subcommittee.

MINNEAPOLIS CITY COUNCIL OFFICIAL PROCEEDINGS

ADJOURNED SESSION OF THE REGULAR MEETING OF DECEMBER 1, 2006 HELD DECEMBER 11, 2006

(Published December 16, 2006, in *Finance and Commerce*)

Council Chamber
350 South 5th Street
Minneapolis, Minnesota
December 11, 2006 - 5:05 p.m.

The Council met pursuant to adjournment.

President Johnson in the Chair.

Present - Council Members Colvin Roy, Glidden, Remington, Benson, Goodman, Hodges, Samuels, Gordon, Hofstede, Ostrow, Schiff, Lilligren, Johnson.

PETITIONS AND COMMUNICATIONS

WAYS AND MEANS BUDGET (See Rep):

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (271672)

NRP 2007 Administrative Budget: a) Approve budget; b) Passage of Resolution increasing appropriation for 2007 operation; and c) Authorize execution of any contracts needed to implement activities.

FINANCE DEPARTMENT (271673)

2007 Budget: Mark-up materials, 2007 Budget Book, and comments submitted on the 2007 budget.

The following reports were signed by Mayor Rybak on December 14, 2006. Minnesota Statutes, Section 331A.01, Subd 10, allows for summary publication of resolutions in the official newspaper of the city.

REPORT OF STANDING COMMITTEE

The **WAYS & MEANS/BUDGET** Committee submitted the following reports:

W&M/Budget - Your Committee recommends passage of the accompanying Resolution approving the 2006 property tax levies, payable in 2007, for various funds of the City of Minneapolis for which the City Council levies taxes.

Adopted 12/11/2006. Yeas, 12; Nays, 1 as follows:

Yeas - Colvin Roy, Glidden, Remington, Benson, Hodges, Samuels, Gordon, Hofstede, Ostrow, Schiff, Lilligren, Johnson.

Nays - Goodman.

Resolution 2006R-606 approving the 2006 property tax levies, payable in 2007, for various funds of the City of Minneapolis for which the City Council levies taxes, was adopted 12/11/2006 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2006R-606
By Ostrow**

Approving the 2006 property tax levies, payable in 2007, for the various funds of the City of Minneapolis for which the City Council levies taxes.

Resolved by The City Council of The City of Minneapolis:

That the following taxes and tax levies are hereby assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2006 for taxes payable in 2007 for the following funds:

FUND	CERTIFIED LEVY AMOUNT	TAX CAPACITY RATES ¹
General Fund	\$126,180,059	33.542
Municipal Building Commission	\$4,012,566	1.067
Permanent Improvement	\$1,619,000	0.431
Bond Redemption	\$18,677,000	4.965
Firefighters Relief Association (MFRA)	\$3,086,000	0.821
Police Relief Association (MPRA)	\$3,625,000	0.964
Minneapolis Employees Retirement (MERF)	\$2,400,000	0.638
Total	\$159,599,625	42.428

Be It Further Resolved that the difference between the amounts herein levied by for the Bond Redemption Fund and the aggregate of levies previously certified to the Hennepin County Auditor are made up by cash from prior years' balances. 1) The tax capacity rates shown for each of the above funds are derived by applying the amount of the levy to an estimated tax capacity value of \$374,854,024 and a spread levy tax capacity value of \$331,528,717, and are advisory in nature only. The dollar amount shown in the levy hereby certified and such amounts to be determined by the County Auditor are to be due to the City under the "Fiscal Disparities" law.

Be It Further Resolved that a tax levy of \$9,300,000 be assessed against and levied based on market value upon the real and personal property in the City of Minneapolis in 2006 for taxes payable in 2007 for debt service associated with the voter approved Library Referendum Bond authorization of \$140,000,000.

Adopted 12/11/2006. Yeas, 12; Nays, 1 as follows:

Yeas - Colvin Roy, Glidden, Remington, Benson, Hodges, Samuels, Gordon, Hofstede, Ostrow, Schiff, Lilligren, Johnson.

Nays - Goodman.

W&M/Budget - Your Committee recommends passage of the accompanying Resolution fixing the maximum amounts to be expended by the various departments for 2007 (2007 General Appropriation Resolution), from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees, based on the recommendations submitted by the Mayor (Petn No 271673).

Ostrow moved to substitute a new resolution for the above mentioned resolution. Seconded.

Adopted by unanimous consent.

Glidden moved that the substitute resolution be amended by deleting the language in footnote “j” and inserting in lieu thereof the following:

“j) Defer on an ongoing basis \$250,000 for weekend hours in 311 from City Coordinator-911/311 to the library board and reduce position authority in 911/311 by 5 positions. Refer decisions regarding means and manner of ongoing funding in the amount of \$250,000 to the Library Advisory Committee, City/County Task Force, and Ways & Means/Budget Committee to facilitate options or recommendations made by these committees.” Seconded.

Lost. Yeas, 6; Nays, 7 as follows:

Yeas - Colvin Roy, Glidden, Gordon, Hofstede, Schiff, Johnson.

Nays - Remington, Benson, Goodman, Hodges, Samuels, Ostrow, Lilligren.

Schiff moved that the substitute resolution be amended by deleting the language in footnote “aa” and inserting in lieu thereof the following:

“(1) Reduce the additional fuel budgets in police and fire by \$105,000 (\$85,000 Police, \$20,000 Fire - leaving increases of \$165,000 in Police and \$80,000 in Fire).

(2) Increase the transfer to the Library Board by \$105,000 on a one-time basis.

(3) Funding in excess of the certified property tax levy is conditioned on keeping all 15 libraries open.

Direct departments that allow City-owned vehicles to report back their respective home committees by January 31, 2007, on the number of cars authorized to be taken home by employees, actual use, and the policies associated with their use.” Seconded.

Goodman moved to separate items (1) through (3) from the staff direction. Seconded.

Adopted upon unanimous consent.

Schiff withdrew item (3) from the motion.

Hofstede moved to suspend the City Council Rules to allow Kit Hadley from the Library Board to address the City Council. Seconded.

Lost upon a voice vote.

Schiff withdrew items (1) and (2) from the motion.

Schiff’s motion was adopted upon a voice vote.

Gordon moved that footnote “aa” of the substitute resolution be further amended by deleting the language “Reduce the Street Renovation program by \$70,000; reduce the general fund transfer to the capital plan by the same amount. Transfer \$105,000 to the Library on a one-time basis. (This action allocates the \$35,000 that was left unallocated by the Ways and Means/Budget Committee actions at mark-up.)”, and inserting in lieu thereof the following:

“To provide for additional ongoing funding for library operations:

1. Reduce the budget for Public Works Street Renovation by \$35,000;
2. Reduce the budget for the Public Safety fuel costs by \$35,000;
3. Reduce the budget for the Minneapolis Building Commission Meet & Greet program by \$35,000;
4. Transfer \$105,000 on a one-time basis to the library board for library operations.” Seconded.

Adopted. Yeas, 8; Nays, 5 as follows:

Yeas - Colvin Roy, Glidden, Hodges, Samuels, Gordon, Hofstede, Schiff, Johnson.

Nays - Remington, Benson, Goodman, Ostrow, Lilligren.

The report, with the substitute resolution, as amended, was adopted 12/11/2006.

Resolution 2006R-607, fixing the maximum amounts to be expended by the various departments for 2007, from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees, was adopted 12/11/2006 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-607
By Ostrow

Fixing the maximum amounts to be expended by the various departments for 2007 from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees:

Resolved by the City Council of The City of Minneapolis:

That there be appropriated out of the monies in the City Treasury and revenues of the City applicable to specifically named funds the maximum appropriation amounts as outlined in Financial Schedules 1, 2, 3, 4 (Community Development Block Grant Program Allocations), 5, 6, 7, 8, 9, 10, 11, 12, and 14 as published in the final 2007 Budget Book.

REVENUE ESTIMATES:

2007 revenue estimates as shown in the final column of Schedule Two are adopted as the "Approved Revenue Estimates".

Any changes to these revenue estimates that are not technical in nature will be made by Council action at the quarterly reviews in 2007.

CDBG Allocations set forth are based on current estimates of the City's Fiscal Year 2007 Consolidated Plan grant amount. If this grant amount is different and results in a substantial change in the proposed use of funds, there will be another public hearing prior to the April 2007 grant submission.

2007 Operating Budget
Resolution Footnotes:

a) Administrative Financial Policies, as included in the Financial Policies Section of the 2007 Adopted Budget book, are hereby adopted as part of the 2007 budget.

b) Be it Further Resolved that this resolution may be cited as the "General Appropriation Resolution of 2007."

Additions/Changes to Financial Policies (as needed)

c) Add the Council offices to legal level of appropriation control for Clerk/Elections.

d) Append existing fund balance policy to the financial policies in the budget book, updating the reserve requirement to current levels. In addition, clarify that the first priority of use of excess fund balances (outside of rollover funds) be for debt buy-down and/or avoidance of debt issuance.

e) Departments are directed to clearly identify within existing resources the funds that would be used to finance the ongoing costs related to the purchase or development of technology prior to the expenditure of funds for the purchase or development of that technology. The sponsoring department should prepare a Receive and File notice for consideration by the respective home committee and the Ways and Means/Budget Committee when the annual operating and maintenance cost of any technology project exceeds \$50,000. This notice should be submitted as soon after the sponsoring department has identified the ongoing costs and funding sources. BIS and Finance should work with departments to ensure those costs are identified and included in the contract for technology services.

f) Amend the financial policies as directed by the Executive Committee to include an examination of the Council's current wage policy.

Changes to the Recommended Budget

g) Direct Regulatory Services to allocate \$300,000 of one-time resources within its 2007 appropriation for nuisance abatement activities in addition to the Mayor's recommended funding. Increase the CDBG allocation to Regulatory Services by \$300,000 for nuisance abatement on eligible properties and decrease the CDBG allocation to CPED for Problem Properties by \$300,000.

h) Move the data center allocation from BIS to the Clerk, within the intergovernmental services fund.

i) Direct the Finance Officer to use the Library Board repayment of the City's share of the planetarium loan of \$850,000 to reduce or avoid future property tax supported debt or other use at the discretion of the Library Board.

j) Defer on an one-time basis \$250,000 for weekend hours in 311 from City Coordinator-911/311 to the library board and reduce position authority in 911/311 by 5 positions.

k) Removed.

l) Add \$119,000 in equipment cost to Public Works-Field Services-Street in the Sewer Fund.

m) Amend the Park Board Capital Program by re-aligning the Mayor Recommended total funding of \$1,580,000 of net debt bond & park capital levy to what was requested by the Park Superintendent as part of his budget address of October 3, 2006. The revised amounts and programs would be PRK01 Community and Neighborhood Center Rehab - \$310,000, PRK02 Site & Totlot Rehabilitation - \$440,000, PRK03 Rehab of Shelter Buildings & Wading Pools - \$450,000, PRK05 Tier 2 Athletic Fields - \$200,000, PRK07 Tennis Court Rehabilitation - \$120,000, PRK09 HVAC Improvements - \$60,000.

n) Reduce the capital budget allocation for LED replacement by \$200,000; increase the capital budget allocation for parkway lighting by \$200,000

o) Delete funding (\$70,000) for MBC meet and greet program and reduce position authority; increase funding by \$35,000 to the City attorney's office in order to provide funding to a restorative justice program. Direct to the City Attorney's office to develop and implement a process for Restorative Justice funding.

Directions to Staff

p) Direct the Police Department to hire a Police Department Finance Officer responsible for all financial and administrative operations for the department. The position should provide direction and management of the Department's support services, including budget development; financial management, accounting, and reporting; human resources; information systems; technology planning; business planning; management analysis; and other operating activities.

q) Before new technology allocations are disbursed, the MPD must first create a long-term technology plan for the Police Department, including assessment of proposed technologies' impact on performance measures as outlined in the MPD's business plan. This plan should be presented to the Public Safety & Regulatory Services and Ways and Means committees for approval before the funds are spent, with a draft presented no later than February 2007. MPD04 Safe Streets Technology Improvements dollars are available for planning purposes.

r) Direct Regulatory Services to not spend the budgeted \$370,000 or hire FTE related to the business licensing initiative until such time that the false alarm ordinance has been approved by the City Council.

s) Direct the Department of Public Works to designate up to \$350,000 from the first available rollover dollars for preventive street maintenance. If the department does not have year end savings, the department is directed to request funding in the rollover process, to allow the Council to make the decision to allocate these resources.

t) Substitute corrected version of the General Fund Overhead schedule in the final budget document.

u) Direct the Finance Officer to update the five-year financial direction consistent with recommendations of the City Council. Include technical corrections presented to committee and Instant Runoff Voting costs Changes to the Five Year Financial Direction.

v) Direct departments to include in their status updates in their budget presentation an outline of the elements of their contractual services budget, including opportunities or drawbacks to changing from contractual provision of services toward provision of services by City employees.

w) CDBG language on HOPWA - revise schedule 4 to read "A third party subrecipient/subgrantee" instead of Minnesota Housing Finance Agency.

x) That proper City officers be authorized to execute and/or amend contracts to carry out the intent of the 2007 Consolidated Plan program allocations, as further detailed in the 2007 Adopted Budget book, Section 6 Financial Schedules, Schedule 4 – CDBG Program, to include CDBG, HOME, ADDI, ESG, and HOPWA entitlement grants.

y) That the proper City officers be authorized to develop the Fiscal Year 2007 Consolidated plan, including any amendments made in the Ways & Means/Budget Committee approved CDBG schedule.

z) That the proper City officers be authorized to enter into any necessary grant agreements with the Department of Housing and Urban Development to receive Fiscal Year 2007 Consolidated Plan funding.

aa) To provide for additional ongoing funding for library operations:

1. Reduce the budget for Public Works Street Renovation by \$35,000;
2. Reduce the budget for the Public Safety fuel costs by \$35,000;
3. Reduce the budget for the Minneapolis Building Commission Meet & Greet program by \$35,000;
4. Transfer \$105,000 on a one-time basis to the library board for library operations.

Direct departments that allow City-owned vehicles to report back their respective home committees by January 31, 2007, on the number of cars authorized to be taken home by employees, actual use, and the policies associated with their use.

bb) Transfer to the Library Board in excess of the property tax levy shall be conditioned on the following:

(1) The Minneapolis Public Library Board or its designee shall report a capital and operating budget plan and priorities to the Ways and Means Committee as follows:

(i) Given the Library Board's financial resources, determined in part by the budget passed by the City Council on December 11, 2006, report by January 30, 2007, how many of the system's fifteen libraries can be open at the standard of five days a week, eight hours a day. If fewer than fifteen, report which libraries can meet that standard. Direct the Minneapolis City Coordinator, in conjunction with the Executive Director of the Minneapolis Public Library, to create a timeline; including but not limited to the discussions with Hennepin County, Minnesota Legislature, Library Board Advisory Committee, the Capital Long-Range Improvement Committee, the Minneapolis Library Board and the Minneapolis City Council, and any other decision making body with input on this issue, of important deadlines in the decision making process for the continued operation of the Minneapolis Public Library system. The Minneapolis City Coordinator and the Executive Director of the Minneapolis Library Board shall report back to the Ways and Means/Budget Committee of the Minneapolis City Council before the end of January 30, 2007.

(ii) Within two weeks of the closing of the 2007 State of Minnesota legislative session, report the impact of any policy or fiscal decisions made by the state legislature on the short- and long-term functioning of the Minneapolis Public Library system. This should include a reassessment, if applicable, of the capacity to keep libraries open at five days a week for eight hours a day.

(iii) Request that the Library Board of Trustees report to the Ways & Means and Intergovernmental Relations Committees of the City Council with a strategic plan for the future of the Minneapolis Libraries within two months following the later of: 1) issuance of recommendations by the Library Advisory Committee; 2) issuance of recommendations by the City/County Task Force; or 3) the end of the 2007 Minnesota Legislative Session (85th Legislature; Request that the Library Board of Trustees incorporate a community engagement process, including community meetings, in 2007 for its strategic plan and related decisions; and further Direct that the CPED Department assign staff experienced in public building use, mixed-use development,

and business development to work with the Library Board of Trustees and Library staff as they develop a strategic plan and explore creative options for a sustainable library system and report back to the Community Development Committee by May 1, 2007.

(2) City Finance staff, in conjunction with work already underway in the City Attorney's office, are directed to examine the financial impact of making the Library Board a department of the City. That report should be transmitted to the Ways & Means/Budget Committee, the Intergovernmental Relations Committee, the Library Advisory Committee, and the Minneapolis Library Board by March 1, 2007.

(cc) Allocate \$500,000 from the Property Disposition fund for the expenses related to the Police facility at Hamilton School; add related capital project. (Note: \$63,000 of this funding is from undesignated balances in the Property Disposition fund; the remainder is from the sales proceeds from 536 ½ Third Avenue North.)

Adopted 12/11/2006.

W&M/Budget - Your Committee, having under consideration the action of the Neighborhood Revitalization Program (NRP) Policy Board approving the NRP 2007 Administrative Budget, now recommends:

- a) Approval of the 2007 NRP Administrative Budget as set forth in Petn No 271672;
- b) Passage of the accompanying resolution increasing the Community Planning & Economic Development Department (CPED) agency fund CNR-NRP Program Fund (CNR0-890-3550) appropriation by \$1,778,889 and requesting that the Community Planning & Economic Development Department (CPED) immediately transfer \$1,778,889 to the NRP's City of Minneapolis Fund 230; and
- c) That the proper City officers be authorized to enter into any contracts or agreements needed to implement activities set forth in the 2007 Administrative Budget.

Adopted 12/11/2006.

RESOLUTION 2006R-608
By Ostrow

Amending The 2007 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution be amended by increasing Fund CNR0-890-3550 by \$1,778,889.

Adopted 12/11/2006.

W&M/Budget - Your Committee recommends passage of the accompanying resolution approving the property tax levy for the 2006 taxes, payable in 2007, for the Minneapolis Public Housing Authority, for which the City Council levies taxes.

Adopted 12/11/2006.

Declining to vote - Colvin Roy.

Resolution 2006R-609, approving the property tax levy for the 2006 taxes, payable in 2007, for the Minneapolis Public Housing Authority, was adopted 12/11/2006 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-609

By Ostrow

Approving the property tax levy for the 2006 taxes, payable in 2007, for the Minneapolis Public Housing Authority (MPHA) for which the City Council levies taxes.

Resolved by the City Council of Minneapolis:

That the Minneapolis Public Housing Authority (MPHA) is hereby authorized to levy a 2006 property tax, payable in 2007, not to exceed \$1,216,653.

FUND	CERTIFIED LEVY AMOUNT	TAX CAPACITY RATES ¹
Public Housing Authority	\$1,216,653	0.322

¹Tax capacity rates are estimated based on a net tax capacity value of \$374,854,024 and a spread levy tax capacity value of \$331,528,717.

Adopted 12/11/2006.

Declining to vote - Colvin Roy.

W&M/Budget - Your Committee recommends passage of the accompanying resolution adopting the 2007-2011 Five Year Capital Program, as shown in the "Capital Section" of the adopted 2007 Budget Book (Petn No 271673), fixing the maximum amounts of capital funds to be expended by the various funds under the jurisdiction of the City Council.

Ostrow moved to substitute a new resolution for the above mentioned resolution. Seconded.

Adopted by unanimous consent.

The report, with the substituted resolution was adopted 12/11/2006.

Resolution 2006R-610, adopting the 2007-2011 Five Year Capital Program, was adopted 12/11/2006 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-610

By Ostrow

Adopting the 2007 - 2011 Five Year Capital Program and fixing the maximum amounts for 2007 to be expended by the various funds under the jurisdiction of the City Council.

Resolved by the City Council of the City of Minneapolis:

That the Five Year Capital Program for 2007 - 2011 is hereby adopted and that there be appropriated out of the monies of the City Treasury and revenues of the City applicable to specifically named funds and revenue sources, the following maximum appropriation amounts for 2007:

Fund	Agency	Org	Project	Amounts (in thousands)	Revenue Source Description
4200	MBC - CAPITAL IMPROVEMENTS FUND				
	901 MUNICIPAL BUILDING COMMISSION CAPITAL IMPROVEMENT				
	9013 MBC CITY/COUNTY CAPITAL IMPROVEMENTS				
	MBC01		Life Safety Improvements	100	Net Debt Bonds
	MBC02		Mechanical Systems Upgrade	635	Net Debt Bonds
			4200-901-9013 Subtotal	735	
			4200-901 Subtotal	735	
			TOTAL FOR FUND 4200	735	
4400	LIBRARY - CAPITAL IMPROVEMENTS FUND				
	907 LIBRARY BOARD CAPITAL IMPROVEMENT				
	9072 LIBRARY CAPITAL IMPROVEMENT				
	MPL15		Southeast Community Library Capital Improvements	850	Net Debt Bonds
			4400-907-9072 Subtotal	850	
			4400-907 Subtotal	850	
			TOTAL FOR FUND 4400	850	
3700	PARK - CAPITAL IMPROVEMENTS - ASSESSED FUND				
	910 PARK BOARD CAPITAL IMPROVEMENT				
	9140 FORESTRY & TREE DISEASE CONTROL				
	PRKDT		Diseased Tree Removal	500	Assessment Bonds
			3700-910-9140 Subtotal	500	
			3700-910 Subtotal	500	
			TOTAL FOR FUND 3700	500	
4300	PARK - CAPITAL IMPROVEMENTS FUND				
	910 PARK BOARD CAPITAL IMPROVEMENT				
	9136 PARK - CAPITAL IMPROVEMENT				
	PRK01		Community & Neighborhood Center Rehabilitation	105	Net Debt Bonds
	PRK01		Community & Neighborhood Center Rehabilitation	205	Park Board Tax Levy
	PRK02		Site & Totlot Rehabilitation	400	Net Debt Bonds
	PRK02		Site & Totlot Rehabilitation	40	Park Board Tax Levy
	PRK03		Rehab of Shelter Buildings and Wading Pools	450	Park Board Tax Levy
	PRK05		Tier 2 Athletic Fields	200	Park Board Tax Levy
	PRK07		Tennis Court Rehabilitation	120	Park Board Tax Levy
	PRK09		HVAC Improvements	60	Park Board Tax Levy
			See footnote b) for Park Board capital amendment details		
			4300-910-9136 Subtotal	1,580	
			4300-910 Subtotal	1,580	
			TOTAL FOR FUND 4300	1,580	

4100 CITY-CAPITAL IMPROVEMENTS FUND		
890 COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		
8962 COMMUNITY PLANNING		
ART01 Art in Public Places (ART07)	308	Net Debt Bonds
4100-890-8962 Subtotal	308	
4100-890 Subtotal	308	
4100 CITY-CAPITAL IMPROVEMENTS FUND		
920 POLICE DEPARTMENT – CAPITAL IMPROVEMENT		
9210 POLICE DEPT CAPITAL IMPR		
MPD04 Safe Streets Technology Improvements	1,000	Gen Fund Transfer
See footnote c) for Police Technology capital amendment details		
4100-920-9210 Subtotal	1,000	
4100-920 Subtotal	1,000	
923 PUBLIC WORKS PROPERTY SERVICES CAPITAL		
9242 PROPERTY SERVICES CAPITAL		
PSD03 Facilities - Space Improvements (PS703)	445	Net Debt Bonds
PSD09 Hamilton Schools Police Improvements	500	Prop Serv Fd Trsf
FIR01 City/County EOC/Training Facility	2,050	Net Debt Bonds
See footnote h) for Hamilton School Improvement details		
4100-923-9242 Subtotal	2,995	
4100-923 Subtotal	2,995	
937 PUBLIC WORKS PAVING CONSTRUCTION		
9372 PAVING CONSTRUCTION		
PV001 2007 Parkway Paving (PV701)	720	Net Debt Bonds
PV001 2007 Parkway Paving (PV701)	50	Assessment Bonds
PV003 Lynnhurst Renovation (PV703)	705	Net Debt Bonds
PV003 Lynnhurst Renovation (PV703)	665	Gen Fund Transfer
PV003 Lynnhurst Renovation (PV703)	365	Assessment Bonds
PV004 2007 CSAH Paving Program (PV704)	400	Net Debt Bonds
PV004 2007 CSAH Paving Program (PV704)	750	Assessment Bonds
PV006 2007 Alley Renovation (PV706)	200	Net Debt Bonds
PV006 2007 Alley Renovation (PV706)	65	Assessment Bonds
PV008 Lake Street Phase IV	80	Net Debt Bonds
PV020 Loring Greenway	1,600	Net Debt Bonds
PV031 27 th Ave NE (RR Crossing)	19	Net Debt Bonds
PV031 27 th Ave NE (RR Crossing)	55	Municipal State Aid
PV031 27 th Ave NE (RR Crossing)	171	Federal Government
PV034 Elliot & 10th Ave S Cul-de-sacs	140	Net Debt Bonds
PV034 Elliot & 10th Ave S Cul-de-sacs	80	Assessment Bonds
PV034 Elliot & 10th Ave S Cul-de-sacs	65	Midtown Exchange Dev
PV042 50 th St E	1,053	Net Debt Bonds
PV042 50 th St E	4,154	Municipal State Aid
PV042 50 th St E	339	Assessment Bonds
PV045 Minneapolis Transportation Action Plan	270	Net Debt Bonds
PV045 Minneapolis Transportation Action Plan	230	Gen Fund Transfer
PV00R Reimbursable Paving Projects (PV70R)	3,500	Reimbursements
See footnote f) for adjustment to StreetRenovation Program		
4100-937-9372 Subtotal	15,676	

9386 BRIDGE CONSTRUCTION			
BR101	Major Bridge Repair and Rehabilitation (BR701)	200	Net Debt Bonds
	4100-937-9386 Subtotal	200	
9390 SIDEWALK REPLACEMENT			
SWK01	2007 Defective Hazardous Sidewalks (SWK07)	175	Net Debt Bonds
SWK01	2007 Defective Hazardous Sidewalks (SWK07)	2,185	Assessments
	4100-937-9390 Subtotal	2,360	
	4100-937 Subtotal	18,236	
943 PUBLIC WORKS TRANSPORTATION CAPITAL			
9432 STREET LIGHTING CAPITAL			
PV042	50 th St E	10	Net Debt Bonds
PV042	50 th St E	280	Municipal State Aid
TR008	Parkway Street Light Replacement (TR708)	375	Net Debt Bonds
TR011	City Street Light Renovation (TR711)	240	Net Debt Bonds
	See footnote d) for capital amendment details		
	4100-943-9432 Subtotal	905	
9440 FIELD OPERATIONS CAPITAL			
PV003	Lynnhurst Renovation (PV603)	30	Net Debt Bonds
PV042	50 th St E	15	Net Debt Bonds
PV042	50 th St E	420	Municipal State Aid
TR003	Energy Efficient LED Replacement Program (TR703)	200	Net Debt Bonds
TR005	Controller Conversion (TR705)	200	Net Debt Bonds
TR005	Controller Conversion (TR705)	200	Municipal State Aid
TR005	Controller Conversion (TR705)	200	Hennepin County
TR007	Traffic & Pedestrian Safety Improvements (TR707)	300	Net Debt Bonds
TR007	Traffic & Pedestrian Safety Improvements (TR707)	112	Municipal State Aid
TR007	Traffic & Pedestrian Safety Improvements (TR707)	133	Hennepin County
TR013	Railroad Crossing Safety Improvements (TR713)	313	Municipal State Aid
TR013	Railroad Crossing Safety Improvements (TR613)	272	Hennepin County
TR015	Safe Routes to School (TR715)	50	Net Debt Bonds
TR015	Safe Routes to School (TR715)	100	Federal Government
TR016	Street Car Initiative	500	Net Debt Bonds
TR00R	Reimbursable Transportation Projects (TR70R)	600	Reimbursements
	4100-943-9440 Subtotal	3,645	
9470 COMMUTER BIKE ROUTE SYSTEM IMPROVEMENTS			
BIK01	Cedar Lake Trail (Phase 3)	580	Net Debt Bonds
BIK01	Cedar Lake Trail (Phase 3)	3,000	Federal Government
BIK19	Midtown Exchange Bike Station	160	Net Debt Bonds
BIK19	Midtown Exchange Bike Station	276	Federal Government

BIK19	Midtown Exchange Bike Station	100	Private Contributions
	4100-943-9470 Subtotal	4,116	
	4100-943 Subtotal	8,666	
970 CAPITAL IMPROVEMENTS NON-DEPARTMENTAL			
9719 NEAR NORTH IMPLEMENTATION			
CDA01	Heritage Park Redevelopment Project	500	Net Debt Bonds
	Note: There may be other revenue sources applicable to this project. Staff will request approval to accept agreements and appropriate funding sources on a case by case basis.		
	4100-970-9719 Subtotal	500	
	4100-970 Subtotal	500	
	TOTAL FOR FUND 4100	31,705	
6100 EQUIPMENT SERVICES INTERNAL SERVICE FUND			
927 PUBLIC WORKS EQUIPMENT SERVICES			
9275 EQUIPMENT PURCHASES			
FLEET	Fleet Equipment Purchases	6,240	Equipment Fund
	6100-927-9275 Subtotal	6,240	
	6100-927 Subtotal	6,240	
	TOTAL FOR FUND 6100	6,240	
6400 INFORMATION TECHNOLOGY INTERNAL SERVICE FUND			
972 INFORMATION TECHNOLOGY SYSTEMS CAPITAL			
9725 TECHNOLOGY INFRASTRUCTURE			
BIS02	Central Traffic Signal Computer Replacement	100	Net Debt Bonds
BIS03	Enterprise Document Management	150	Net Debt Bonds
BIS03	Enterprise Document Management	10	Operating Dept Funds
BIS04	Enterprise Infrastructure Capacity Upgrade	400	Net Debt Bonds
BIS05	Enterprise Reporting	300	Net Debt Bonds
BIS06	GIS Application Infrastructure Upgrade	200	Net Debt Bonds
BIS10	Finance System Consolidation/Upgrade	300	Net Debt Bonds
BIS10	Finance System Consolidation/Upgrade	3,000	Operating Dept Funds
	See footnote e) for BIS technology project capital amendment details		
	6400-972-9725 Subtotal	4,460	
	6400-972 Subtotal	4,460	
	TOTAL FOR FUND 6400	4,460	
7100 SANITARY SEWER ENTERPRISE FUND			
932 PUBLIC WORKS SEWER CONSTRUCTION			
9322 SEWER CONSTRUCTION			
SW001	Sanitary Tunnel and Sewer Rehab Program (SW701)	500	Sewer Bonds
SW012	Local Sewer Reconnection to 1-MN-320	750	Sewer Bonds
SW036	Infiltration & Inflow Removal Program	5,000	Sewer Bonds
	7100-932-9322 Subtotal	6,250	
	7100-932 Subtotal	6,250	
	TOTAL FOR FUND 7100	6,250	

7300 STORM SEWER ENTERPRISE FUND**932 PUBLIC WORKS SEWER CONSTRUCTION****9322 SEWER CONSTRUCTION**

CDA01	Heritage Park Redevelopment Project	250	Sewer Revenue
PV003	Lynnhurst Renovation (PV703)	129	Sewer Bonds
PV004	CSAH Paving Program	100	Sewer Bonds
PV007	University Research Park	500	Sewer Bonds
PV042	50 th St E	509	Sewer Bonds
SW002	Miscellaneous Storm Drains (SW702)	220	Sewer Revenue
SW004	Implement Storm Water Regulations (SW704)	150	Sewer Revenue
SW005	Combined Sewer Overflow	1,000	Sewer Bonds
SW011	Storm Drains & Tunnels Rehab Program (SW711)	1,500	Sewer Bonds
SW030	Alternative Stormwater Management Strategies	1,000	Sewer Bonds
SW031	Lake Hiawatha / Blue Water Partnership	2,060	Sewer Bonds
SW00R	Reimbursable Sewer Projects (SW70R)	3,000	Reimbursements
	7300-932-9322 Subtotal	10,418	
	7300-932 Subtotal	10,418	
	TOTAL FOR FUND 7300	10,418	

7400 WATER ENTERPRISE FUND**950 PUBLIC WORKS WATER CAPITAL****9515 WATER TREATMENT CAPITAL**

WTR09	Ultrafiltration Program	4,500	Water Bonds
	7400-950-9515 Subtotal	4,500	

9535 WATER DISTRIBUTION CAPITAL

CDA01	Heritage Park Redevelopment Project	250	Water Revenue
WTR12	2007 Water Distribution Improvements (WT712)	4,500	Water Revenue
WTR14	The MWW Facilities Security Improvement	500	Water Bonds
WTR15	Pump Station No. 4 Rehabilitation	6,000	Water Bonds
	7400-950-9535 Subtotal	11,250	

9545 WATER REIMBURSABLE CAPITAL

WTR0R	Reimbursable Water Projects (WT70R)	2,000	Reimbursements
	7400-950-9545 Subtotal	2,000	
	7400-950 Subtotal	17,750	
	TOTAL FOR FUND 7400	17,750	

7500 MUNICIPAL PARKING ENTERPRISE FUND**943 PUBLIC WORKS TRANSPORTATION CAPITAL****9464 OFF-STREET PARKING**

RMP01	Parking Facilities - Repair and Impr (RP701)	1,700	Parking Bonds
RMP03	2007 Bicycle Parking (RP703)	40	Parking Revenue
	7500-943-9464 Subtotal	1,740	
	7500-943 Subtotal	1,740	
	TOTAL FOR FUND 7500	1,740	

7700 SOLID WASTE ENTERPRISE FUND
931 PUBLIC WORKS SOLID WASTE CAPITAL
9316 SOLID WASTE CAPITAL

PSD08 City/County Solid Waste Management Facility	4,195	SolidWaste Revenue
7700-931-9316 Subtotal	4,195	
7700-931 Subtotal	4,195	
TOTAL FOR FUND 7700	4,195	

GRAND TOTALS FOR ALL FUNDS 86,423

Be It Further Resolved that the following 2007 Capital Budget Amendments are hereby incorporated as footnotes into the 2007 Capital Resolution:

a) Removed.

b) Amend the Park Board Capital Program by re-aligning the Mayor Recommended total funding of \$1,580,000 of net debt bond & park capital levy to what was requested by the Park Superintendent as part of his budget address of October 3, 2006. The revised amounts and programs would be PRK01 Community and Neighborhood Center Rehab - \$310,000, PRK02 Site & Totlot Rehabilitation - \$440,000, PRK03 Rehab of Shelter Buildings & Wading Pools - \$450,000, PRK05 Tier 2 Athletic Fields - \$200,000, PRK07 Tennis Court Rehabilitation - \$120,000, PRK09 HVAC Improvements - \$60,000.

c) Before new technology allocations are disbursed, the MPD must first create a long-term technology plan for the Police Department, including assessment of the proposed technologies' impact on performance measures as outlined in the MPD's business plan. This plan should be presented to the Public Safety & Regulatory Services and Ways and Means committees for approval before the funds are spent, with a draft presented no later than February 2007. MPD04 Safe Streets Technology Improvements dollars are available for planning purposes.

d) Reduce the capital budget allocation for LED replacement by \$200,000; increase the capital budget allocation for parkway lighting by \$200,000.

e) Departments are directed to clearly identify within existing resources the funds that would be used to finance the ongoing costs related to the purchase or development of technology prior to the expenditure of funds for the purchase or development of that technology. The sponsoring department should prepare a Receive and File notice for consideration by the respective home committee and the Ways and Means/Budget Committee when the annual operating and maintenance cost of any technology project exceeds \$50,000. This notice should be submitted as soon after the sponsoring department has identified the ongoing costs and funding sources. BIS and Finance should work with departments to ensure those costs are identified and included in the contract for technology services.

f) Reduce the Street Renovation program by \$35,000; reduce the general fund transfer to the capital plan by the same amount. Transfer \$105,000 to the Library on a one time basis. (This action allocates the \$35,000 that was left unallocated by the Ways and Means Committee actions at mark-up.)

g) Transfer to the Library Board in excess of the property tax levy shall be conditioned on the following:

(1) The Minneapolis Public Library Board or its designee shall report a capital and operating budget plan and priorities to the Ways and Means Committee as follows:

a. Given the Library Board's financial resources, determined in part by the budget passed by the City Council on December 11, 2006, report by January 30, 2007, how many of the system's fifteen libraries can be open at the standard of five days a week, eight hours a day. If fewer than fifteen, report which libraries can meet that standard. Direct the Minneapolis City Coordinator, in conjunction with the Executive Director of the Minneapolis Public Library, to create a timeline; including but not limited to the discussions with Hennepin County, Minnesota Legislature, Library Board Advisory Committee, the Capital Long-Range Improvement Committee, the Minneapolis Library Board and the Minneapolis City Council, and any other decision making body

with input on this issue, of important deadlines in the decision making process for the continued operation of the Minneapolis Public Library system. The Minneapolis City Coordinator and the Executive Director of the Minneapolis Library Board shall report back to the Ways and Means/Budget Committee of the Minneapolis City Council before the end of January 30, 2007.

b. Within two weeks of the closing of the 2007 State of Minnesota legislative session, report the impact of any policy or fiscal decisions made by the state legislature on the short- and long-term functioning of the Minneapolis Public Library system. This should include a reassessment, if applicable, of the capacity to keep libraries open at five days a week for eight hours a day.

c. Request that the Library Board of Trustees report to the Ways & Means and Intergovernmental Relations Committees of the City Council with a strategic plan for the future of the Minneapolis Libraries within two months following the later of: 1) issuance of recommendations by the Library Advisory Committee; 2) issuance of recommendations by the City/County Task Force; or 3) the end of the 2007 Minnesota Legislative Session (85th Legislature; Request that the Library Board of Trustees incorporate a community engagement process, including community meetings, in 2007 for its strategic plan and related decisions; and further Direct that the CPED Department assign staff experienced in public building use, mixed-use development, and business development to work with the Library Board of Trustees and Library staff as they develop a strategic plan and explore creative options for a sustainable library system and report back to the Community Development Committee by May 1, 2007.

(2) City Finance staff, in conjunction with work already underway in the City Attorney's office, are directed to examine the financial impact of making the Library Board a department of the City. That report should be transmitted to the Ways & Means/Budget Committee, the Intergovernmental Relations Committee, the Library Advisory Committee, and the Minneapolis Library Board by March 1, 2007.

h) Allocate \$500,000 from the Property Disposition fund for the expenses related to the Police facility at Hamilton School; add related capital project. (Note: \$63,000 of this funding is from undesignated balances in the Property Disposition fund; the remainder is from the sales proceeds from 536 ½ Third Avenue North.)
Adopted 12/11/2006.

Ostrow moved to amend the 2006 Capital Resolution to abandon and close out the \$1,500,000 Water Reservoir Redundancy project WTR19 which has been resubmitted in the 2007 - 2011 Capital Program as the Minneapolis/St. Paul Interconnection project WTR16. Seconded.
Adopted 12/11/2006.

RESOLUTION 2006R-611
By Ostrow

Amending The 2006 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by:

a) Deleting the amount for the Water Reservoir Redundancy project in the Water Capital Agency (7400-950-9535) by \$1,500,000; and

b) Increasing the amount for the MWW Facilities Security Improvement project in the Water Capital Agency (7400-950-9535) by \$750,000.

Adopted 12/11/2006.

W&M/Budget - Your Committee recommends passage of the accompanying resolutions requesting the Board of Estimate and Taxation to incur indebtedness and issue and sell City of Minneapolis bonds for various amounts, as reflected in the 2007 Capital Appropriation Resolution.

Adopted 12/11/2006.

Resolutions 2006R-612 through 2006R-617, requesting the Board of Estimate and Taxation to incur indebtedness and issue and sell City of Minneapolis bonds for various amounts, as reflected in the 2007 Capital Appropriation Resolution, were adopted 12/11/2006 by the City Council. A complete copy of these resolutions are available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-612

By Ostrow

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$500,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$500,000, the proceeds of which are to be used for the diseased tree removal program. Assessments shall be collected in 5 successive equal annual installments payable in the same manner as real estate taxes.

Adopted 12/11/2006.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-613

By Ostrow

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$1,649,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$1,649,000, the proceeds of which are to be used for the purpose of paying the portion of the cost of making and constructing certain local improvements to be assessed against benefited properties as estimated by the City Council and the Park Board, including assessable portions of the costs relating to sanitary sewers, paving, mill and overlays, alley resurfacing, retaining walls, streetscapes, landscaping, curb and gutter, street lighting, traffic management plans, ornamental lighting and bike lane development, of which assessments shall be collected in successive equal annual installments, payable in the same manner as real estate taxes, with the number of installments determined by the type of improvement and current City Council policy.

PV001	2007 Parkway Paving (PV701)	50,000
PV003	Lynnhurst Renovation (PV703)	365,000
PV004	2007 CSAH Paving Program (PV704)	750,000
PV006	2007 Alley Renovation (PV706)	65,000
PV034	Elliot & 10th Ave S Cul-de-sacs	80,000
PV042	50 th St E	339,000
	Total	\$1,649,000

Adopted 12/11/2006.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-614

By Ostrow

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$14,215,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds, in the amount of \$14,215,000, the proceeds of which are to be used as follows:

Municipal Building Commission, in the amount of \$735,000

MBC01 Life Safety Improvements	100,000
MBC02 Mechanical Systems Upgrade	635,000

Park & Recreation Board, in the amount of \$505,000

PRK01 Community and Neighborhood Center Rehabilitation	105,000
PRK02 Site & Totlot Rehabilitation	400,000

City Council, in the amount of \$12,975,000

ART01 Art in Public Places (ART07)	308,000
PSD03 Facilities - Space Improvements (PS703)	445,000
FIR01 City/County EOC/Training Facility	2,050,000
PV001 2007 Parkway Paving (PV701)	720,000
PV003 Lynnhurst Renovation (PV703)	735,000
PV004 2007 CSAH Paving Program (PV704)	400,000
PV006 2007 Alley Renovation (PV706)	200,000
PV008 Lake Street Phase IV	80,000
PV020 Loring Greenway	1,600,000
PV031 27 th Ave NE (RR Crossing)	19,000
PV034 Elliot & 10 th Ave S Cul-de-sacs	140,000
PV042 50 th St E	1,078,000
PV045 Minneapolis Transportation Action Plan	270,000
BR101 Major Bridge Repair and Rehabilitation (BR701)	200,000
SWK01 2007 Defective Hazardous Sidewalks (SWK07)	175,000
TR008 Parkway Street Lighting Replacement (TR708)	375,000
TR011 City Street Light Renovation (TR711)	240,000
TR003 Energy Efficient LED Replacement Program (TR703)	200,000
TR005 Controller Conversion (TR705)	200,000
TR007 Traffic & Pedestrian Safety Improvements (TR707)	300,000
TR015 Safe Routes to School (TR715)	50,000
TR016 Street Car Initiative	500,000
BIK01 Cedar Lake Trail (Phase 3)	580,000
BIK19 Midtown Exchange Bike Station	160,000
CDA01 Heritage Park Redevelopment Project	500,000
BIS02 Central Traffic Signal Computer Replacement	100,000
BIS03 Enterprise Document Management	150,000
BIS04 Enterprise Infrastructure Capacity Upgrade	400,000

BIS05	Enterprise Reporting	300,000
BIS06	GIS Application Infrastructure Upgrade	200,000
BIS10	Finance System Consolidation/Upgrade	300,000
	Total	\$14,215,000

Adopted 12/11/2006.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-615
By Ostrow

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$13,048,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$13,048,000, the proceeds of which are to be used for sanitary and storm sewer related projects, as follows:

Sanitary Sewer Projects:

SW001	Sanitary Tunnel and Sewer Rehab Program (SW701)	500,000
SW012	Local Sewer Reconnection to 1-MN-320	750,000
SW036	Infiltration & Inflow Removal Program	5,000,000
	Total	\$6,250,000

Storm Sewer Projects:

PV003	Lynnhurst Renovation (PV703)	129,000
PV004	CSAH Paving Program	100,000
PV007	University Research Park	500,000
PV042	50th St E	509,000
SW005	Combined Sewer Overflow	1,000,000
SW011	Storm Drains & Tunnels Rehab Program (SW711)	1,500,000
SW030	Alternative Stormwater Management Strategies	1,000,000
SW031	Lake Hiawatha / Blue Water Partnership	2,060,000
	Total	\$6,798,000

Adopted 12/11/2006.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-616
By Ostrow

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$11,000,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$11,000,000, the proceeds of which are to be used for Water Works related projects, as follows:

WTR09	Ultrafiltration Program*	4,500,000
WTR14	The MWW Facilities Security Improvement	500,000
WTR15	Pump Station No. 4 Rehabilitation	6,000,000
	Total	\$11,000,000

* - It is anticipated that the Ultrafiltration Program will be financed by issuing a General Obligation Note to the Minnesota Public Facilities Authority as part of their Drinking Water Revolving Loan program.

Adopted 12/11/2006.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-617
By Ostrow

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$1,700,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$1,700,000, the proceeds of which are to be used for Parking Facility related projects, as follows:

RMP01	Parking Facilities - Repair and Improvements	1,700,000
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Adopted 12/11/2006.

Ostrow moved to amend the Resolution 2005R-663 entitled, "Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$22,250,000 for certain purposes other than the purchase of public utilities," passed December 19, 2005 to move bonding authority of \$750,000 from the WTR19 project to the WTR14 MWW Facilities Security Improvement project to allow Public Works to procure and install back up power generators at the water plants; and request that the Board of Estimate and Taxation concur in the bonding substitution. Seconded.

Adopted 12/11/2006.

RESOLUTION 2006R-618
By Ostrow

Amending Resolution 2005R-663 entitled, "Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$22,250,000 for certain purposes other than the purchase of public utilities," passed December 19, 2005.

Resolved by The City Council of The City of Minneapolis:

That the above entitled Resolution be amended by requesting the Board of Estimate and Taxation to concur in abandoning the WTR19 Water Reservoir Redundancy project in the amount of \$750,000

and substituting the bonding authority to the WTR14 MWW Facilities Security Improvement project (7400-950-9535) to provide funding for the purchase and installation of back up generators for the water plants as part of the security project.

Adopted 12/11/2006.

W&M/Budget- Your Committee recommends passage of the accompanying resolution designating the utility rates for water, sewer, stormwater, solid waste, and recycling services, effective on and after January 1, 2007.

Adopted 12/11/2006.

Resolution 2006R-619, designating the utility rates for water, sewer, stormwater, solid waste, and recycling services, effective on and after January 1, 2007, was adopted 12/11/2006 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2006R-619
By Ostrow

Designating the utility rates for water, sewer, stormwater, solid waste, and recycling services effective with water meters read on and after January 1, 2007.

Resolved by The City Council of The City of Minneapolis:

Effective with utility billings for water meters read from and after January 1, 2007, the meter rates for water are hereby fixed and shall be collected as follows:

Charges commence when the street valve is turned on for water service.

(a) Two dollars and sixty-seven cents (\$2.67) per one hundred (100) cubic feet for customers not otherwise mentioned, within the limits of the City of Minneapolis.

(b) Two dollars and sixty-seven cents (\$2.67) per one hundred (100) cubic feet to the United States Government within the city limits, and outside of or adjacent to the city limits, such rates and upon such terms as may be agreed upon by the city and the United States Government.

(c) Two dollars and sixty-seven cents (\$2.67) per one hundred (100) cubic feet to the University of Minnesota, the United States Veterans' Hospital, the metropolitan airports commission for service to Minneapolis-St. Paul International Airport, and all city-owned property.

(d) Two dollars and seventy-six cents (\$2.76) per one hundred (100) cubic feet to municipalities and villages outside the corporate limits of the city where service to such municipalities or villages is given through a master meter.

(e) Two dollars and eighty-two cents (\$2.82) per one hundred (100) cubic feet to municipalities, municipal corporations, villages and customers outside the corporate limits of the city where service is furnished through individual customer meters.

(f) Rates for municipalities, municipal corporations and villages, which are established by contract, shall continue on the existing contract basis.

(g) Under the above rates no meter shall pay a less sum per billing period or fraction thereof for the use of water than the following:

Net Minimum Meter Size	Net Minimum Monthly Bill	Quarterly Bill
5/8-inch	\$ 2.00	\$ 6.00
3/4-inch	2.40	7.20
1-inch	4.80	14.40
1 1/2-inch	8.85	26.55

2-inch	14.00	42.00
3-inch	27.00	81.00
4-inch	50.00	150.00
6-inch	95.00	285.00
8-inch	135.00	405.00
10-inch	191.00	573.00
12-inch	231.00	693.00

(i) The minimum bill for an owner occupied residential development serviced by a combined fire/general service line shall be a multiple of the number of units served, times the minimum charge for a three-fourth (3/4) inch meter.

(j) All fire standpipes, supply pipes and automatic sprinkler pipes with detector meters, direct meters or non-metered, shall be assessed according to size of connection at the following rates each per annum for the service and inspection of the fire protection pipes and meters installed, as follows:

1½ inch pipe connection	\$ 30.00
2 inch pipe connection	\$ 30.00
3 inch pipe connection	36.00
4 inch pipe connection	48.00
6 inch pipe connection	72.00
8 inch pipe connection	120.00
10 inch pipe connection	180.00
12 inch pipe connection	300.00

When the seal of any of the valves connecting with such fire protection pipes shall be broken, it shall be forthwith resealed by the superintendent of the waterworks. All connections for fire systems must have a post indicator valve installed at the curb if ordered by the superintendent of the waterworks. (Code 1960, As Amend., § 606.030; Ord. of 12-28-73, § 1)

The sanitary sewer rates and stormwater service rate shall be applied to utility billings for water meters read from and after January 1, 2007.

Sanitary Sewer Rate

The sanitary sewer rates to be charged properties within and outside the City of Minneapolis that are served directly by the City of Minneapolis sewer system and that are all served either directly or indirectly by the sewage disposal system constructed, maintained and operated by the Metropolitan Council Environmental Services under and pursuant to Minnesota Statutes Sections 473.517, 473.519 and 473.521, Sub. 2, are hereby set as follows:

(a) The sanitary sewer rate applicable inside the City of Minneapolis is two dollars and thirty cents (\$2.30) per one hundred (100) cubic feet. The minimum sanitary sewer rate shall be two dollars (\$2.00) per month.

(b) The sanitary sewer rate applicable outside the City of Minneapolis for all sewage flow generated is two dollars and thirty cents (\$2.30) per one hundred (100) cubic feet. The minimum sanitary sewer rate shall be six dollars (\$6.00) per month. Sanitary sewer only service shall be thirteen dollars (\$13.00) per month.

(c) The sanitary sewer charge for residential property not exceeding three (3) residential units shall be based on the volume of water used during the winter season which is defined as a four (4) month period between November 1 and March 31.

(d) The sanitary sewer charge for residential property exceeding three (3) residential units and all other commercial and industrial property shall be based on measured sewage volume or the total water volume used during the billing period as is appropriate.

Stormwater Rate

The stormwater rate, subject to the provisions in Chapter 510, of the Minneapolis Code of Ordinances, is imposed on each and every Single-Family Residential Developed Property, Other Residential Developed Property, Non-Residential Developed Property, and Vacant Property, other than Exempt Property, and the owner and non-owner users, and is hereby set as follows:

(a) The Equivalent Stormwater Unit (ESU) rate is nine dollars and seventy-seven cents (\$9.77). The ESU measurement is 1,530 square feet of impervious area.

(b) The stormwater rate imposed on Single-Family Residential Developed Properties shall be categorized into three tiers based on the estimated amount of impervious area as follows:

High – Single-Family Residential Developed Property – greater than one thousand five hundred and seventy-eight (1,578) square feet of estimated impervious area. The ESU shall be 1.25 and the stormwater rate set at twelve dollars and twenty-one cents (\$12.21).

Medium – Single-Family Residential Developed Property – equal to or greater than one thousand four hundred and eighty-five (1,485) square feet and less than or equal to one thousand five hundred and seventy-eight (1,578) square feet of estimated impervious area. The ESU shall be 1.00 and the stormwater rate set at nine dollars and seventy-seven cents (\$9.77).

Low – Single-Family Residential Developed Property – less than one thousand four hundred and eighty-five (1,485) square feet of estimated impervious area. The ESU shall be .75 and the stormwater rate set at seven dollars and thirty-three cents (\$7.33).

(c) Stormwater charges for all other properties will be based on the following calculation:

(Gross Lot Size in sq.ft. X Runoff Coefficient) ÷ 1,530 sq. ft.= # of ESU # of ESU X \$ 9.77 = Monthly Fee

The runoff coefficient assumed for each land use category is shown below.

Land Use	Coefficient Applied
Bar-Rest.-Entertainment	.75
Car Sales Lot	.95
Cemetery w/Monuments	.20
Central Business District	1.00
Common Area	.20
Garage or Misc. Res.	.55
Group Residence	.75
Ind. Warehouse-Factory	.90
Industrial railway	.85
Institution-Sch.-Church	.90
Misc. Commercial	.90
Mixed Comm.-Res-Apt	.75
Multi-Family Apartment	.75
Multi-Family Residential	.40
Office	.91
Parks & Playgrounds	.20
Public Accommodations	.91
Retail	.91
Single Family Attached	.75
Single Family Detached	ESU
Sport or Rec. Facility	.20
Utility	.90
Vacant Land Use	.20
Vehicle Related Use	.90

Solid waste and recycling variable rate charges associated with water meter read dates from and after January 1, 2007, the charges shall be as follows:

- (a) The base unit charge shall be twenty-three dollars (\$23.00) per dwelling unit per month.
- (b) The recycling reduction shall be seven dollars (\$7.00) per dwelling unit per month for the units whose occupants qualify as participating in the city's recycling program.
- (c) The cart disposal charge shall be two dollars (\$2.00) per month for each small cart.
- (d) The cart disposal charge shall be four dollars (\$4.00) per month for each large cart assigned to a dwelling unit.

Adopted 12/11/2006.

Lilligren moved to adjourn. Seconded.
Adopted upon a voice vote 12/11/2006.

Cindy Reichert,
Assistant City Clerk

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