



Dear Minneapolis residents,

Every four years the City engages in strategic planning to determine Citywide goals and strategic directions. In April of 2010, the Mayor and the City Council articulated six Citywide goals. These goals guide the elected officials during the budget process as they decide how to commit the City's resources.

#### **A Safe Place to Call Home**

People and businesses thrive in a safe and secure city

#### **Livable Communities, Health Lives**

Our built and natural environment adds character to our city, enhances our health and enriches our lives

#### **Eco-Focused**

Minneapolis is an internationally recognized leader for a healthy environment and sustainable future

#### **Jobs & Economic Vitality**

A world-class city and 21<sup>st</sup> century economic powerhouse

#### **Many People, One Minneapolis**

Inclusiveness is a treasured asset; everyone's potential is tapped

#### **A City That Works**

Minneapolis is a model of fiscal responsibility, technological innovation and values-based, results-driven municipal government

These goals can be found in more detail on the City's Web site at [www.ci.minneapolis.mn.us](http://www.ci.minneapolis.mn.us).

If you have questions about any of the material presented in the Budget in Brief, please call 311, available on any land line or cell phone within Minneapolis City limits. For online information about Minneapolis program performance and progress, go to <http://www.ci.minneapolis.mn.us/results-oriented-minneapolis/resultsmnneapolis.asp>.



## City of Minneapolis 2010 Budget in Brief

### Budget Process

#### **Mayor's Recommended Budget**

*June through August*

The Mayor holds budget hearings to review departmental budget proposals, other policy changes, and alternative funding options. After the initial review, the Mayor recommends a budget to the City Council no later than Aug. 15.

#### **City Council Budget Review and Development**

*October through November*

The City Council discusses the Mayor's recommended budget. Each department presents its budget and changes to their business plans to the Ways and Means/Budget Committee with all Council members invited to attend. After these hearings, the Ways and Means/Budget Committee forwards a budget to the City Council with any changes made to the Mayor's recommendations.

#### **Truth in Taxation**

*November*

Truth in Taxation or TNT 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 the dates when truth in taxation public hearings will be held. State law was changed in the 2009 Legislative session to eliminate a separate TNT hearing and replace it with a requirement to allow public comments at the meeting at which the final budget adoption occurs. State law also requires that the meeting shall not be held before 6:00 p.m.

#### **City Council Budget Adoption**

*December*

The City Council adopts a final budget that reflects any and all changes made to the Mayor's recommended budget. The final budget is referred to as the "adopted budget."

# THE CITY'S FUNDS

The accounts of the City are organized into funds. A fund is a group of related accounts, used to control money that has been earmarked for specific activities or objectives. By keeping revenue in its appropriate funds, the City is able to obey laws that require certain money to be spent on specific uses. About 71 percent of the City's revenue is dedicated for a specific use. That means the City may not raise water bills to pay for police services, for example. Of the City's \$1.28 billion 2010 Revised budget, most of the big spending decisions occur within the City's \$372 million General Fund.

## REVENUES AND EXPENDITURES - CITYWIDE AND GENERAL FUND

### CITYWIDE

#### Police and Fire

The Police and Fire Departments make up 14.6 percent (\$188 million) of the City's budget. The City's 2010 Revised budget funds 872 police officers in five different precincts and 396 firefighters at 19 stations.

#### Community Planning & Economic Development

The Community Planning and Economic Development (CPED) Department accounts for about 6.7 percent (\$86.5 million) of the City's budget. CPED's work includes the following goals: promoting a healthy economy by working with private businesses, developing an educated workforce and living-wage jobs, administering programs for housing development and redevelopment, and interpreting and enforcing zoning codes.

#### Public Works

The Public Works Department makes up the largest part of the City's budget (23.6 percent, \$303.1 million). The main tasks of Public Works include the following: offering safe transportation to residents by maintaining streets, bike paths and sidewalks; offering high-quality drinking water to residents and visitors by managing the sewer and water system, and facilitating the collection and disposal of garbage and recycling.

**Property taxes** are a major source of revenue for the City. The City receives about 43 percent of your property tax payments. For more information on property taxes, please see the section on the back page titled "Property Tax Dollar Breakdown."

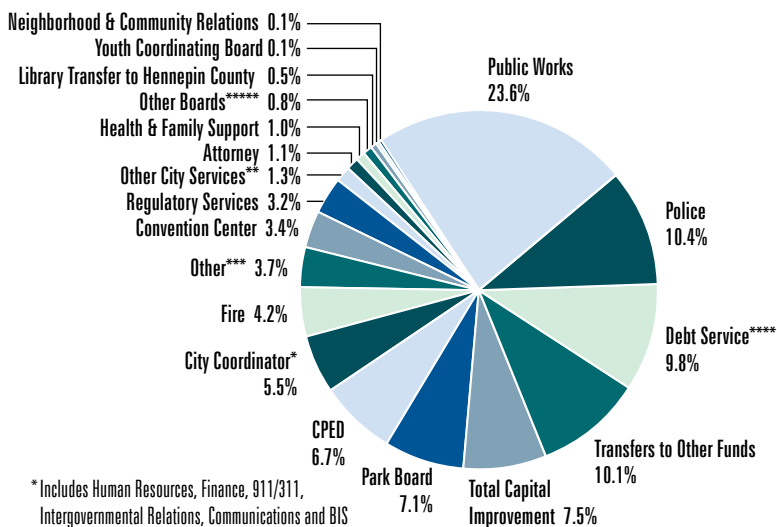
**Charges for services** include utilities that residents pay for such as water, sewer, stormwater, garbage removal and recycling.

**State government** revenue is money that comes from the State of Minnesota - the largest source of which is Local Government Aid (LGA). The State of Minnesota uses a formula to distribute LGA funds to cities in the State. In 2010, Minneapolis was appropriated \$90 million, but will receive \$68.7 million after unallotment. Additional cuts in 2010 include a \$4.7 million LGA cut and a \$6.2 million Market Value Homestead Credit cut. For more information on LGA and the distribution formula, please visit <http://www.house.leg.state.mn.us/hrd/topics.asp?topic=32>.

**Tax increment property tax** revenue is money being paid back to the City. Sometimes the City issues bonds to fund development in an economically disadvantaged district of the City. Then when the development begins to pay property taxes, the taxes go to the City to repay the bonds.

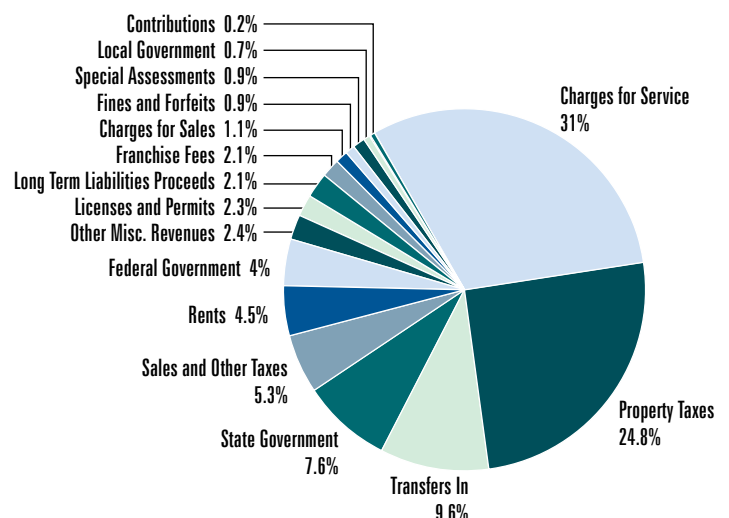
**Sales and other taxes** include some taxes unique to the City. The City of Minneapolis collects a 0.5 percent sales tax that is dedicated to help fund the Convention Center. The City also collects additional taxes on lodging, restaurant, liquor and entertainment sales.

**Total Expense Budget – Use of Funds**  
2010 Revised Budget: \$1.28 billion



\* Includes Human Resources, Finance, 911/311, Intergovernmental Relations, Communications and BIS  
 \*\* Includes Assessor, City Clerk/Elections/Council, Civil Rights & Mayor  
 \*\*\* Includes Non-departmental, Health and Welfare, Workers' Compensation, Liability, Contingency and pensions  
 \*\*\*\* Does not include debt service paid directly from proprietary funds or by independent boards  
 \*\*\*\*\* Includes the Neighborhood Revitalization Program, Board of Estimate and Taxation, Municipal Building Commission, and the City allocation to the Minneapolis Public Housing Authority.

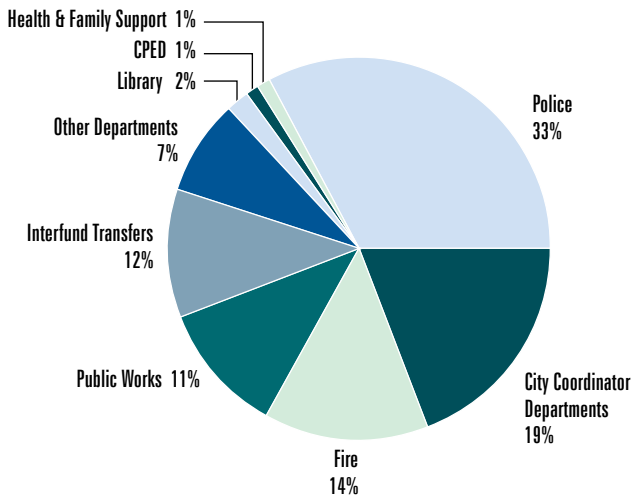
**Total Revenue Budget – Source of Funds**  
2010 Revised Budget: \$1.28 billion



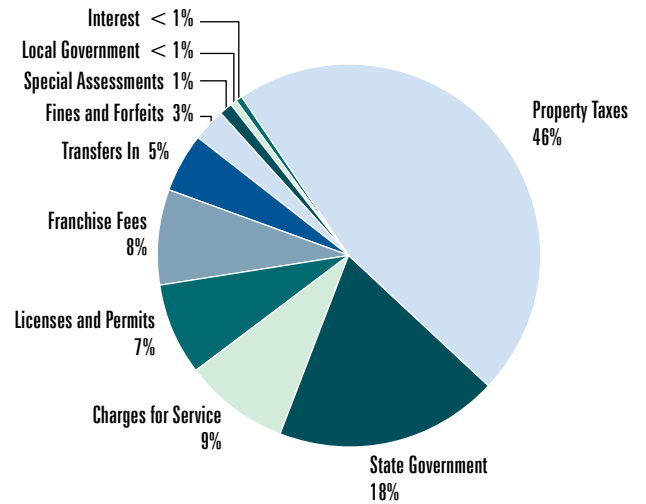
## GENERAL FUND

The fund where the City has the most discretion is the General Fund. The two major sources of funding for the General Fund are local property taxes and Local Government Aid from the State. The General Fund budget is \$371.6 million, about 29 percent of the citywide budget. Here is a more detailed look at the General Fund:

**General Fund Expense Budget – Expenditures by Services**  
2010 Revised Budget: \$371.6 million



**General Fund Revenue Budget – Sources of Funds**  
2010 Revised Budget: \$371.6 million



## CAPITAL PLAN

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include projects such as street construction, bridges, public buildings, traffic systems, park improvements, sewers, water infrastructure, etc. Capital projects tend to be costly, so the City issues bonds to help cover the cost. The City uses the cash received from bond sales to pay for capital projects, and repays investors over time at tax exempt interest rates determined by competitive bids received at the time the bonds were issued. This process is similar to a homeowner taking out a home improvement loan to complete a major home repair project.

The 2010 Revised budget includes the 2010-2014 five-year capital plan. The five-year total for the capital budget is \$478.1 million. The three biggest capital expense categories include street paving (\$164 million), stormwater sewers (\$79 million) and bridges (\$52 million).

### Debt Service and Bonds

Currently, the City's total general obligation debt outstanding is around \$1.08 billion. General obligation bonds are backed by the full faith and taxing authority of the City. Approximately 22% of this debt is paid for with future property tax payments, 29% is paid by fees collected for sewer, water and parking services and the balance is supported by sales taxes, tax increment, special assessments and other user fees. Annually, the City pays between \$125 - \$150 million in principal and interest on bonds.

The City's bonds receive ratings from three credit rating agencies. The ratings represent the strength of the City's credit and thus the safety of investing in City bonds. The City has very high bond ratings, which reflect the sound financial management of the City and allow the City to borrow money from investors at low interest rates.

### Capital Long-Range Improvement Committee (CLIC)

Elected officials gather feedback from residents regarding what capital projects the City should undertake. The Capital Long-Range Improvement Committee consists of 33 residents (seven appointed by the Mayor and two appointed by each of the 13 Council members to represent their wards). CLIC members rank proposed capital projects and present their recommendations to the Mayor and City Council.

# PROPERTY TAX DOLLAR BREAKDOWN

Your property tax dollars are split among several different organizations. The three organizations that receive the greatest proportion of your property taxes are the City of Minneapolis, Hennepin County, and Special School District No. 1. The City typically receives about 41 percent of the revenue from property tax payments. Hennepin County receives about 26 percent, and the School District about 28 percent. The other 4 percent of property tax revenue is split between Metro Mosquito Control, Metropolitan Council, Metro Transit, the Minneapolis Institute of Arts, Hennepin County Regional Railroad Authority and the School Board referendum.

Under the 2010 Revised Budget, a Minneapolis home with an estimated value of \$207,000 will pay about \$1,224 in property taxes to the City in the year 2010. See where that \$1,224 goes on the following chart and table:

## City Property Tax Breakdown for Home Valued at \$207,000

Police	\$ 251.55
Fire	106.47
Public Works	60.07
Other City Departments	151.75
Pensions Management Plan	106.12
Transfer to Cap. Improvement Fund	107.61
Miscellaneous (includes contingency)	127.43
Library (including referendum)	52.25
Park	199.67
Independent Boards	20.58
<b>Total City Portion</b>	<b>\$ 1,183.50</b>

## 2010 Revised Budget Property Tax Breakdown



# UTILITY RATES

The City charges for the following utilities: tap water, managing stormwater, managing sanitary sewers, and garbage/recycling. In the 2010 Revised Budget, utility rates for a home with the average consumption will increase 4.6 percent from 2009 rates.

## Average Utilities

	\$ 2009	\$ 2010	% change	\$ change
Sanitary Sewer	187.92	211.00	12.3%	23.08
Storm Water	129.24	133.00	2.9%	3.76
Water	279.36	293.00	4.9%	13.64
Solid/Waste/Recycling	288.00	288.00	0.0%	0.00
<b>Total Utilities</b>	<b>884.52</b>	<b>925.00</b>	<b>4.6%</b>	<b>40.48</b>

If you have questions about any of the material presented in the Budget-in-Brief please call 311, available on any land line or cell phone within the Minneapolis city limits. 311 is the only number you need to call for City of Minneapolis information and services.

For online information about Minneapolis program performance and progress, go to <http://www.ci.minneapolis.mn.us/results-oriented-minneapolis/resultsmnneapolis.asp>.



**City of Minneapolis  
FY 2010 Revised Budget**

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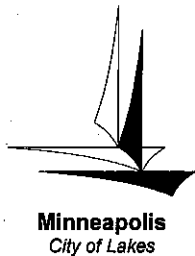
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May 2010

## LETTER OF TRANSMITTAL

Dear Residents of the City of Minneapolis:

We are submitting to you revisions to the City of Minneapolis' 2010 Budget, which reflect the adopted cuts to the Local Government Aid (LGA) and Market Value Homestead Credit (MVHC) programs.

The revised budget document reflects changes to the 2010 budget that was adopted in December. The individual department narratives include the implications of the cuts on the services they provide.

This structural balance continues to be challenged by financial pressures and service demands. This balanced budget reflects a continued willingness to make both short and long-term difficult decisions to address the City's financial challenges.

### *Long-Term Financial and Results Planning*

The Financial Overview section of this document provides details on the City's continued fiscal discipline and financial planning efforts. An explanation of how to use this document is in the introduction section of this document. Project detail on the City's five-year capital program can be found in the "Capital Program" section of the document.

As with many other metropolitan cities, the City of Minneapolis will continue to use financial and service planning to address the following future challenges:

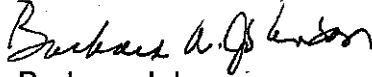
- Uncertainty regarding future wage settlements;
- Uncertainty regarding the future of the State's Local Government Aid program;
- The potential for significant increases to pension costs due to poor market conditions;
- Increased needs for improving City infrastructure and park maintenance;
- State-imposed levy limits in property tax revenue that necessitates diversification of resources.

The City's long-term financial planning has taught us the value of aligning our spending and revenue over the long term. These financial policies, and the strong work on linking resources to results through *Results Minneapolis*, have given us much better information upon which to base our decisions. Recent financial downturns in the economy and the State budget cuts have

led to unique challenges at the City. Although we have shared in the solution, we will continue our practice of long-term planning. Respectfully Submitted,



R.T. Rybak  
Mayor



Barbara Johnson  
Council President



Betsy Hodges  
Chair, Ways and Means/Budget



# City of Minneapolis 2010 Revised Budget

## How to Use This Document

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The budget book contains 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 through the various sections of the 2010 budget document.

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<b>Introductory Section</b>	This section, found before the first tab, includes the transmittal letter from the Mayor, Council President and Ways and Means/Budget Chair, lists of the City's elected officials, department and agency heads, the City's budget principles, and a City-wide organization chart.
<b>Section 1: Table of Contents</b>	The table of contents allows the user of the document to pinpoint the page of a particular part of the City's budget.
<b>Section 2: Background Information</b>	<p>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, as well as a chronology of financial decision making for the City.</p> <p>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.</p>
<b>Section 3: Strategic Planning</b>	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 five year business plan goals are described in this section.
<b>Section 4: Financial Overview</b>	<p>This section summarizes the key decisions and financial issues addressed in the budget. It includes key charts and graphs which depict the various portions of the City's budget and key revenue trends. A chart of the Minneapolis property tax levy recommendation appears in this section, as well as a comparison of the property tax rate and utility rate comparison.</p> <p>This section also contains a summary of major decisions in the budget, and enterprise level challenges.</p>
<b>Section 5: Financial Policies</b>	This section presents the major financial policies adopted by the City Council and Mayor. The section also includes the financial planning and policy resolution regarding the City's independent boards and the resolutions which set priorities on the City's development resources.
<b>Section 6: Financial Plans</b>	Financial plans for the City's major funds and business lines are found in this section. The five-year financial direction begins this section. A summary of the demands on the property tax levy is included.

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	<p>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 current year expenses, revenues, transfers and debt service.</p>
<b>Section 7: Financial Schedules</b>	<p>These schedules summarize interfund transactions, revenues by major category, expenditures by fund and agency, the community development block grant program, community planning and economic development program allocations, and positions by department, all referenced in the appropriation resolutions.</p>
<b>Section 8: Capital Program</b>	<p>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 applicants 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. A separate table of contents and glossary are included for this section.</p> <p>The program is also summarized by the commission, board or department which submitted the request along with each major program. A five-year total of the capital program and its allocations 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.</p>
<b>Section 9: Operating Departments</b>	<p>This section, the largest in the budget book, as it provides the most detail on a department-by-department basis, includes departments' financial summaries, including expenditures by type (<i>i.e.</i> 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.</p> <p>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 organizational charts are included in this section.</p>
<b>Section 10: Independent Boards and Agencies</b>	<p>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.</p>
<b>Section 11: Glossary</b>	<p>A glossary is included for key financial and City terms. A more detailed glossary is available on the City of Minneapolis website. For more detail please reference the Glossary section of the City Council's Policies and Procedures page.</p>
<b>Section 12 Resolutions</b>	<p>The resolutions, the legal authority for the budget, are a good reference for summary information on changes to the Mayor's recommended budget that the Council adopted. Other footnotes provide direction to staff and changes to financial policies, as applicable.</p>

**City of Minneapolis  
FY 2010 Revised Budget  
Elected and Public Officials**

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***Mayor***

R.T. Rybak

***City Council 2009***

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

**Newly Elected Officials – 2010  
*City Council – 2010***

Barbara Johnson, President	4th Ward
Robert Lilligren, Vice President	6th Ward
Kevin Reich	1st Ward
Cam Gordon	2nd Ward
Diane Hofstede	3rd Ward
Don Samuels	5th Ward
Lisa Goodman	7th Ward
Elizabeth Glidden	8th Ward
Gary Schiff	9th Ward
Margarett Tuthill	10th Ward
John Quincy	11th Ward
Sandra Colvin Roy	12th Ward
Betsy Hodges	13th Ward

**Board of Estimate and Taxation**  
***As of Budget Adoption (December 7, 2009)***

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

**Board of Estimate and Taxation**  
***New Board Members 2010***

R.T. Rybak	Mayor
Barbara Johnson	President, City Council
Betsy Hodges	Chair, City Council Ways & Means/Budget Committee
Carol Becker	President (Elected)
David Wheeler	Vice President (Elected)
Robert Fine	Park Board Representative

**Minneapolis Park and Recreation Board**  
***As of Budget Adoption (December 7, 2009)***

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

**Minneapolis Park and Recreation Board**  
***Newly Elected 2010***

John Erwin	President, Commissioner at Large
Robert Fine	Commissioner at Large
M. Annie Young	Commissioner at Large
Liz Wielinski	Commissioner District 1
Jon Olson	Commissioner District 2
Scott Vreeland	Commissioner District 3
Anita Tabb	Commissioner District 4
Carol Kummer	Commissioner District 5
Brad Bourn	Commissioner District 6

## **Charter Department Heads / Assistant City Coordinators**

Patrick P. Born	Chief Finance Officer
Lynn Willenbring	Chief Information Officer
Patrick Todd	City Assessor
Susan Segal	City Attorney
Tina Sanz, Interim	Interim City Clerk
Steven Bosacker	City Coordinator
Velma Korbel	Civil Rights Director
Sara Dietrich	Communications Director
	Community Planning and Economic Development Director
Mike Christenson	Convention Center, Director
Jeff Johnson, Interim	Fire Chief
Alex Jackson	Health Commissioner
Gretchen Musicant	Human Resources Director
Pamela French	Intergovernmental Relations Director
Gene Ranieri	311 Director
Don Stickney	911 Director
Heather Hunt	Operations/Regulatory Services Director
Rocco Forte	Police Chief
Timothy Dolan	Public Works Director/City Engineer
Steve Kotke	

## **Independent Boards/Agencies**

Cora McCorvey	Public Housing Authority Executive Director
	Minneapolis Park and Recreation Board
Jon Gurban	Superintendent

**City of Minneapolis  
2010 Revised Budget**

**Budget Principles**

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**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**

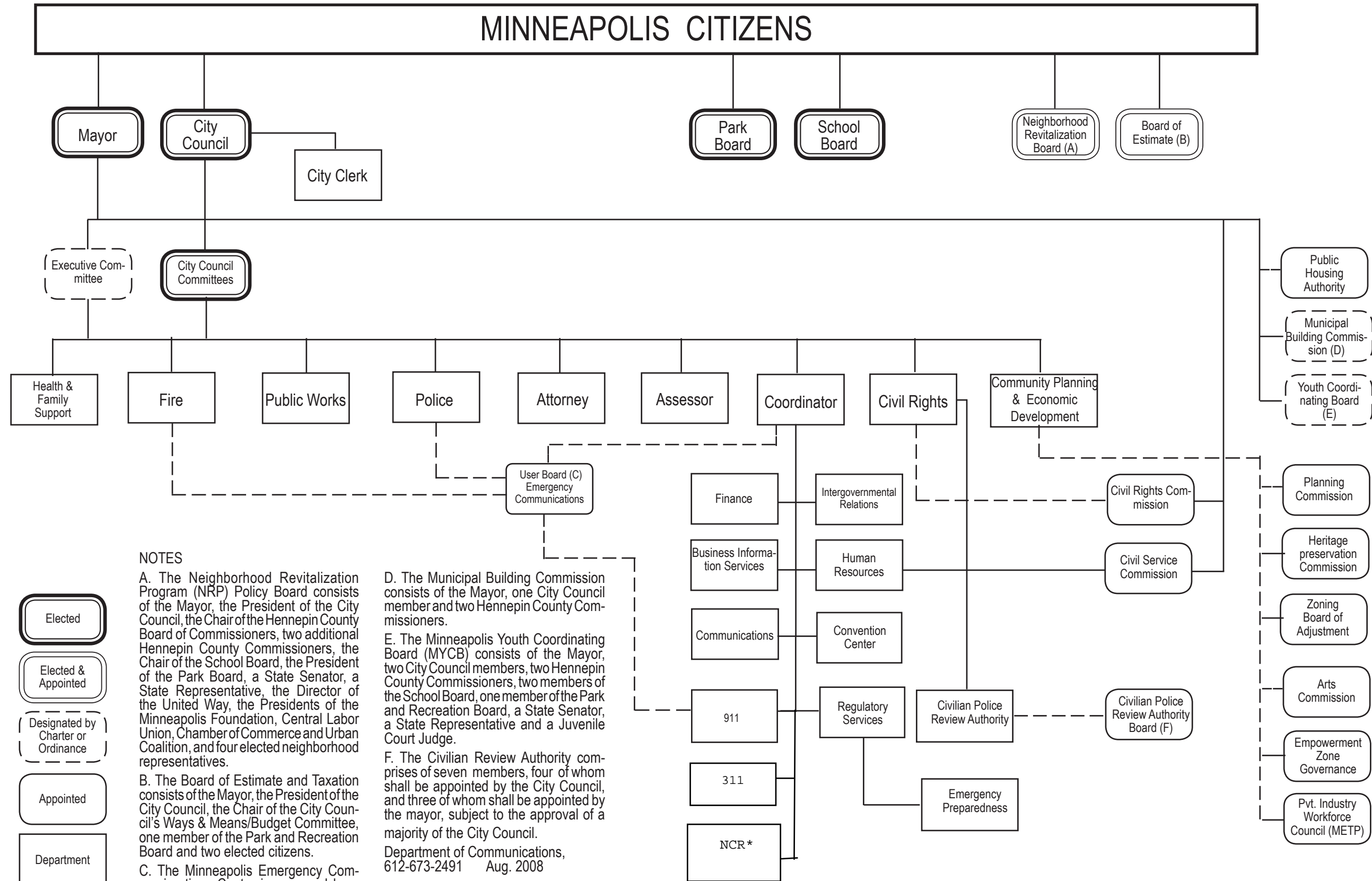
- ◆ Between different City departments and agencies,
- ◆ With the County, the State, independent boards, or other levels of Government, and
- ◆ With non-profits or the private sector.
- ◆ Consolidation or realignment of critical functions is an option.

**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



\* Neighborhood and Community Relations



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Minneapolis  
Minnesota**

For the Fiscal Year Beginning

**January 1, 2009**

President

Executive Director

**City of Minneapolis  
FY 2010 Revised Budget**

**Background Information**

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# City of Minneapolis FY 2010 Revised Budget Background Information

## Community Profile

Minneapolis combines the Dakota word for water ("minne") with the Greek word for city ("polis"), a fitting name for the 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-17<sup>th</sup> 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 saw-mill and a flour mill 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). Average temperatures during winters are 16° F (-9° C)<sup>1</sup>. 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 390,131 people (2008 Met Council estimate). Males comprise 50.2% of the population, while percentage of females is 49.8%. Children and youth aged 19 and younger make up 25.7% of the population. Seniors aged 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 percentage of Hispanic

<sup>1</sup> Source: Minnesota DNR [www.dnr.state.mn.us/faq/mnfacts/climate.html](http://www.dnr.state.mn.us/faq/mnfacts/climate.html)

population is 7.6% of the City. Amongst all the cities of the USA, Minneapolis has 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. In 2007, the ten largest Fortune 500 Companies headquartered in the Metro Area were:

Employer <sup>2</sup>	Revenue in Millions
United Health Group	78,431
Target	63,367
Super Valu	37,406
Best Buy	35,934
Travelers Cos.	26,017
3M	24,462
U.S. Bancorp	20,308
CHS	17,216
Northwest Airlines	12,528
General Mills	12,442

As of 2005, the City’s largest employment sectors were: Health care and social assistance (15%), professional and technical assistance (11%), finance and insurance (10%), and Educational service (10%). The fastest growing employment sectors from 2000 to 2005 were real estate, rental and leasing (36.2% growth, 1,665 new jobs) and arts, entertainment, and recreation (13.7% growth, 589 new jobs)<sup>3</sup>. With twenty-one accredited colleges and universities in the Minneapolis-St. Paul area, and four ABA-accredited law schools, the City’s highly educated workforce continues to be a driving force of a strong economy. The University of Minnesota’s highly acclaimed medical school, and the City’s seven hospitals, has made Minneapolis a leader in the medical field.



Abbott Northwestern Hospital  
(Piper Breast Center)

The City’s unemployment rate rose in 2008. Details follow<sup>4</sup>:

	2005	2006	2007	2008
Total Labor Force	216,990	214,155	215,966	215,951
Employment	208,167	205,874	206,784	204,846
Unemployment	8,823	8,281	9,182	11,105
Unemployment rate	4.1%	3.9%	4.3%	5.1%

<sup>2</sup> Official Statement, May 1, 2009, City of Minneapolis for General Obligation Various Purpose Bond Series 2009

<sup>3</sup> Source : “Minneapolis Trends 2000-2005” available at [http://www.ci.minneapolis.mn.us/cped/docs/trend\\_report\\_2000-2005.pdf](http://www.ci.minneapolis.mn.us/cped/docs/trend_report_2000-2005.pdf)

<sup>4</sup> Source: State of Minnesota Department of Employment and Economic Development (<http://www.deed.state.mn.us>) [Facts and Figures; Labor market highlights; Unemployment; LAUS Data; Large Minnesota Cities; Minneapolis, Hennepin; View Current Statistics

Per capita income for Minneapolis residents follows<sup>5</sup>:

	2004	2005	2006	2007
Total in Millions	\$7,485	\$7,187	\$7,188	\$7,347
Per Capita	\$19,399	\$18,698	\$18,785	\$19,374
Per Household	\$45,479	\$43,701	\$43,625	\$44,591

The City's top ten payers of property taxes in 2008 follow<sup>6</sup>:

Taxpayer	Type of Business	Net Tax Capacity*	Percentage of Total Tax Capacity
Northern States Power Co.	Utilities	\$6.2 million	1.29%
Target Corporation	Office Buildings and retail	\$5.4 million	1.12%
MB Mpls. 8 <sup>th</sup> Street LLC	Office Buildings	\$4.7 million	0.97%
Minneapolis 225 Holdings LLC	Office Buildings	\$4.3 million	0.89%
NWC Limited Partnership	Commercial/Industrial Buildings	\$4.1 million	0.86%
First Minneapolis-Hines Co.	Banks	\$3.6 million	0.75%
Wells Operating Partnership LP I	Office Buildings	\$3.5 million	0.72%
City Center Associates	Office Buildings	\$3.2 million	0.66%
Fifth Street Owner Corp.	Office Buildings	\$2.9 million	0.60%
American Express Financial Corp.	Investment Advisor	\$2.9 million	0.60%
<b>Total</b>		<b>\$ 39.1 million</b>	<b>8.21%</b>

\*Property value times state-defined rate for that class of property



### Neighborhoods

Minneapolis has 81 residential neighborhoods offering 173,799 residential housing units.<sup>7</sup> The City 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 and preserve housing stock in the face of foreclosures.

### 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 \$125 million theater on the banks of the



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

<sup>5</sup> Source: Official Statement May 1, 2009

<sup>6</sup> Ibid.

<sup>7</sup> Source : Minneapolis Trends, 2000-2005 (Residential Units as of January 2, 2006)



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

**Education**

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. In addition to the University of Minnesota, other institutions of higher education 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.

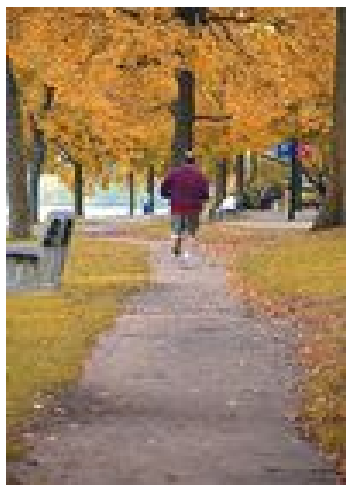
**Sports and Outdoor Recreation**

Many major league teams call Minnesota home. At the Hubert H. Humphrey Metrodome, fans can watch Major League Baseball's Minnesota Twins in action. An outdoor Twins stadium located in the Warehouse District of Downtown Minneapolis is scheduled to be completed for the 2010 season. 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, and the Minnesota Lynx of the Women's National Basketball Association. Minneapolis has the capacity to host



Hubert H. Humphrey Metrodome

large events at the City's Convention Center.



Minneapolis residents not only watch sports, they participate actively. In 2008, *Men's Fitness* magazine ranked Minneapolis number two on their top ten fittest cities list. Playing in summer softball leagues, golfing, jogging, swimming, playing tennis, biking or rollerblading around the City's lakes are favorite pastimes. In 2008, The League of American Bicyclists awarded Minneapolis a silver status ranking for being a "Bicycle Friendly Community." The City's Park and Recreation Board maintain 87 miles of walking and biking paths. The City also maintains sports fields, tennis courts, golf courses, and



supervised beaches. In the winter, residents enjoy ice skating, ice fishing, skiing, and ice sailing. The City maintains 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.

### **Nationally Recognized**

Minneapolis received national recognition in 2007 - 2008 as being a great place to visit, live well, run a business, and forge community connections. The following is a sample of some of the City's honors for 2007 and 2008:

- Minneapolis named the nation's second fittest city - *Men's Fitness*
- #2 city to have a baby – *Fit Pregnancy*
- Most literate city – *Central Connecticut State University*
- Minneapolis identified as the “Most Affordable Place to Live Well” - Forbes
- #1 National Night Out City of 2007 – *National Association of Town Watch*
- One of America's 50 Greenest Cities – *Popular Science*
- One of 2007's top destinations – *Frommer's*
- #4 city for eating smart, being fit, and living well – *Cooking Light*
- Minneapolis/Saint Paul named top metro area for business – MarketWatch
- America's Best Cities – *Outside Magazine*
- Best Cities for working mothers - *Forbes Magazine*

For links to more information on many of these top rankings, visit [www.ci.minneapolis.mn.us/visitors/](http://www.ci.minneapolis.mn.us/visitors/).



# City of Minneapolis FY 2010 Revised Budget Background Information

## Form of Government

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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 the 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 annually selects 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.

### **Discretely presented component units**

The following organization is 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 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. The financial information for these organizations is not included in detail in this report.

- ◆ ***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 and Minnesota Vikings.
- ◆ ***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. Two of these joint ventures are reflected in the annual budget report for the City: Minneapolis Neighborhood Revitalization Board and Minneapolis Youth Coordinating 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 Minnesota law. 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 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 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 from the Park 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 2010 Revised Budget  
Background Information**

**Chronology of Financial Decision Making**

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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 fund deficits.  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  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
2007	Compensation philosophy replaces the 2% wage policy MERF pension "liquidity trigger" eliminated by the State Legislature Sale of six parking ramps
2008	Minneapolis Library System merges with Hennepin County Library System  State Legislature imposes Levy Limits on Local Governments for 2009-2011; Governor unallots State aid in December—Minneapolis' cut: \$13.2 million
2009	Governor unallots State aid—Minneapolis loses \$8.5 million in 2009; \$21.3 million in 2010
2010	Minneapolis' LGA is cut an additional \$9.6 million

**City of Minneapolis  
FY 2010 Budget  
Background Information**

**Fund Descriptions**

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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 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 thirty-four Special Revenue Funds, including community and economic development funds. These funds are used to account for the City's planning and community development goals, most of which are financed through property tax increment financing.

**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.

**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.

**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, 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**

	<b>General Fund</b>	<b>Enterprise Funds</b>	<b>Internal Service Funds</b>	<b>Special Revenue Funds</b>
<b>Major Funds Included:</b>		Water, Stormwater, Sewer, Solid Waste, Parking	Engineering Materials, Intergovernmental Services, Property Services, Equipment, Stores, Self-Insurance	Convention Center, Community Development Block Grants, Community and Economic Development Grants, Other Grants
<b>Revenue Sources</b>	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, Property Tax Increment
<b>Expenditure Classifications</b>	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
<b>Major Departments</b>	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**

	<b>Capital Projects Funds</b>	<b>Debt Service Funds</b>	<b>Park Board Funds</b>
<b>Major Funds Included</b>	Permanent Improvement Funds, 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.
<b>Revenue Sources</b>	Property Taxes, Proceeds from Long Term Liabilities, State Aid	Property Taxes, State Aid, Property Tax Increment	Property Taxes, Local Government Aid, Charges for Sales (golf courses etc), Contributions, and Grants
<b>Expenditure Classifications</b>	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
<b>Major Departments</b>	Public Works	Not applicable	

The number of City Funds above includes 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, Common Project)
- Youth Coordinating Board (a joint board funded from the City's General Fund and grants)

**City of Minneapolis  
FY 2010 Budget**

**Strategic Planning**

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## 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 (Adopted in 2010 for 2010 to 2014)

#### **A Safe Place to Call Home**

*People and businesses thrive in a safe and secure city*

- Collaborative and caring communities help prevent crime
- Youth . . . in school, involved, inspired and connected to an adult
- Sustain gains against violent crime
- Healthy homes, welcoming neighborhoods
- Homelessness eliminated
- Burglaries and domestic violence focused on and fought
- Guns, gangs, graffiti gone

#### **Jobs & Economic Vitality**

*A world-class city and 21st century economic powerhouse*

- Businesses — big and small — start here, stay here, thrive here
- Talent magnet connecting people to training and jobs to people
- Strong commercial corridors, thriving business corners
- Planes, trains and streetcars move goods and workers smartly
- Teens prepared with career and life skills
- Epicenter for the new green jobs economy
- Proactive business development in key growth areas
- Arts and artists are economic drivers in and of themselves

#### **Livable Communities, Healthy Lives**

*Our built and natural environment adds character to our city, enhances our health and enriches our lives*

- Equitable, integrated transit system
- Thoughtful neighborhood design with density done right
- Plentiful arts, cultural and recreational opportunities
- High-quality, affordable housing for all ages and stages in every neighborhood
- Active lifestyles: walkable, bikeable, swimmable
- Healthy choices are easy and economical



## **Many People, One Minneapolis**

*Inclusiveness is a treasured asset; everyone's potential is tapped*

- Family-friendly opportunities and amenities abound
- New arrivals welcomed, diversity embraced
- Race and class gaps closed in employment and housing
- Tots school-ready, teens on course
- Teen pregnancy a thing of the past
- Seniors stay and talents are tapped

## **Eco-Focused**

*Minneapolis is an internationally recognized leader for a healthy environment and sustainable future*

- Clean, renewable energy sources successfully integrated
- Trees: a solid green investment
- Lakes and streams pristine
- Use less energy, produce less waste
- World class parks fully enjoyed
- Locally grown food available and chosen

## **A City That Works**

*Minneapolis is a model of fiscal responsibility, technological innovation and values-based, results-driven municipal government*

- Shared democracy empowers residents as valued partners
- 21st century government: collaborative, efficient and reform-minded
- Tax burden managed and sustainable
- Infrastructure — streets, bridges, sidewalks, sewers, bike lanes & paths — well-managed and maintained
- City employees high-performing, engaged and empowered
- Transparency, accountability and fairness are our hallmarks
- Strong partnerships with parks, schools, government, non-profits and private sector
- Optimal use of technology and wireless capacity

*These five-year goals and the strategic directions were developed and approved by the Minneapolis City Council in April 2010.*

**City of Minneapolis  
2010 Revised Budget  
Strategic Planning  
Annual Budget Process**

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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***

Finance 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. The departments prepare and modify capital improvement proposals on annual basis. Finance, Planning, and the capital long-range improvements committee (CLIC) review capital improvement proposals of the departments. CLIC is the citizen advisory committee to the Mayor and the City Council on capital programming.

***Strategic planning***

The City engages in citywide strategic planning every four years to develop citywide goals and strategic directions. These citywide goals and strategic directions set guidelines for each department to develop its business plan. Early in 2010, the elected officials participated in three sessions which aimed at setting a future direction for the City within the financial parameters anticipated. As a result of the decisions arrived to in these sessions, a new vision, five-year goals, and strategic directions have been adopted.

**April–June**

***Operating budget development***

Departments work in coordination with Finance to prepare operating budgets 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 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 held in June and July.

***Business Planning***

Each department maintains a five-year business plan. As part of the budget process, departments provide status reports on their plan outlining progress made on their department and City goals.

**June–August**

***Mayor's recommended budget***

Mayor holds departmental budget meetings to review department budget proposals, other additional policy changes, and alternative funding choices. In addition to reviewing operating

budgets, the Mayor meets representatives from CLIC before finalizing the capital budget recommendation. By City Charter, the Mayor must make recommendations to the City Council on the budget no later than August 15.

## **September**

### ***Maximum proposed property tax levy***

As a requirement of State law, the maximum proposed property tax levy increase is set by September 15 by the Board of Estimate and Taxation for the City, Municipal Building Commission, Public Housing Authority 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 budgets to the Ways and Means/Budget Committee with all Council members invited to attend. Following departmental budget hearings, the Ways and Means/Budget Committee approves and moves forward 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" or "TNT" 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 the dates when truth in taxation public hearings will be held. State law was changed in the 2009 Legislative session to eliminate a separate TNT hearing and replace it with a requirement to allow public comments at the meeting at which the final budget adoption occurs. State law also requires that the meeting shall not be held before 6:00 p.m.

## **December**

### ***City Council budget adoption***

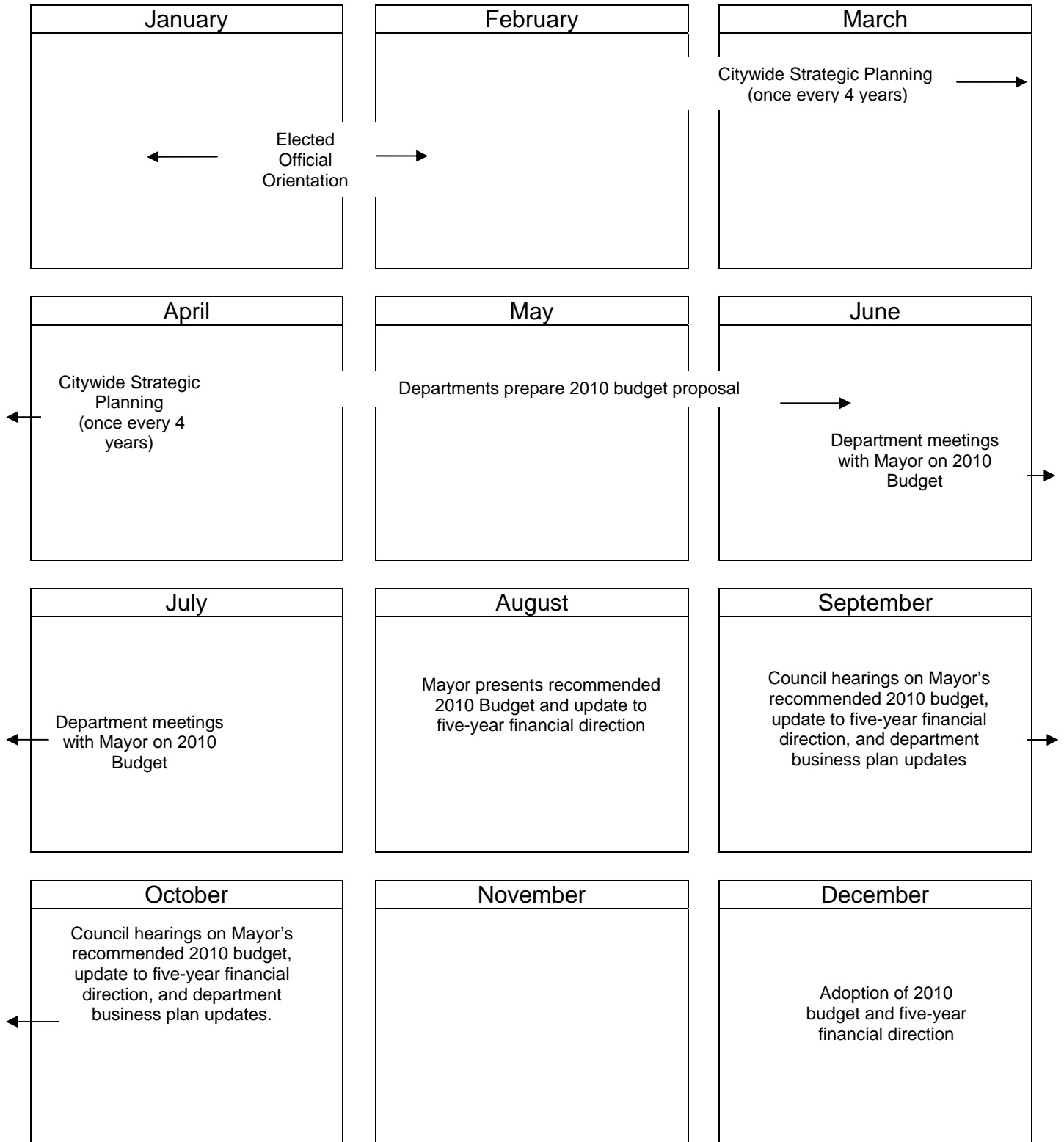
The City Council adopts final budget that reflects any and all changes made to the Mayor's recommended budget. Once the final budget resolutions are adopted, all the requests from departments for additional funds or positions made throughout the year are brought as amendments to the original budget resolutions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

The independent boards and commissions adopt their own operating budgets. State law requires that final budget adoption occur after November 24.

**Specific significant dates for 2010 budget adoption are as follows:**

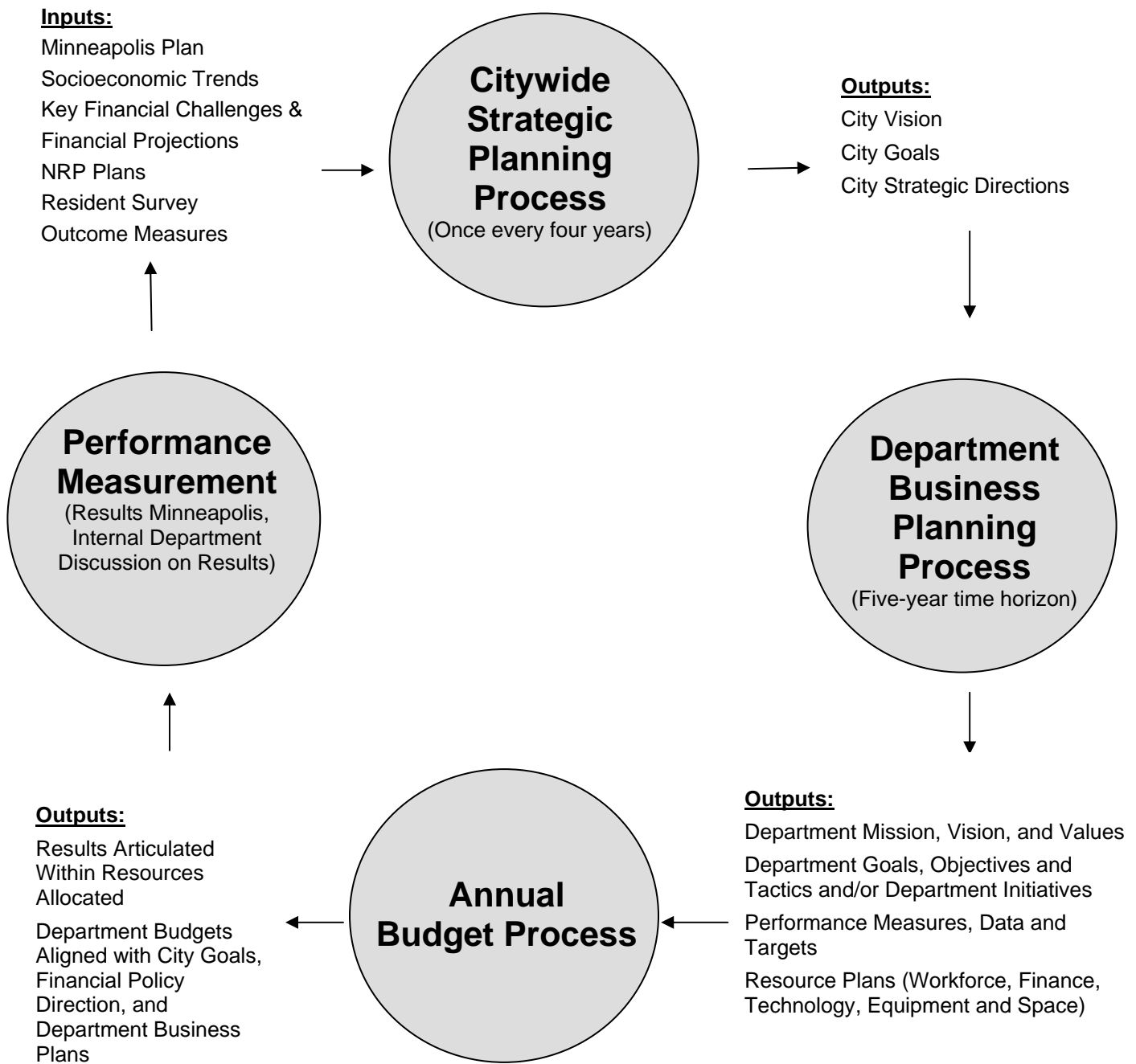
- Mar 25, 2009 State of the City Speech
- Apr 7 Capital project requests due for Capital Long Range Improvement Committee (CLIC) consideration
- Apr 24-May 9 CLIC review and presentations of capital proposals
- June-July Mayor will meet with each city department and the independent boards to review budget and business plan proposals
- May 21 Joint public hearing of CLIC and Planning Commission on 2010-2014 Capital Plan
- July-Aug Mayor finalizes budget recommendation
- July 15 CLIC report distributed to Mayor and Council Members
- Aug 13 Mayor's Budget Recommendation presented to Council 2:00 pm
- Aug 26 Board of Estimate public hearing on maximum property tax levies 6:05 pm
- Sept 9 Board of Estimate meeting to set the maximum property tax levies
- Sept-Oct Ways and Means Hearings on the Budget and Business Plans (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 budget, if needed\*
- Nov 19 Public Comment on Levy and Budget 6:05 pm
- Dec 2 Mark-up by Ways and Means Committee, with all Council Members invited to attend 9:30 am until noon and 1:00 pm until 4:30 pm
- Dec 3 Mark-up by Ways and Means Committee, with all Council members invited to attend 1:00 pm until 4:30 pm
- Dec 7 Required Public Comment and Council budget adoption 6:05 pm
- Apr 8, 2010 Mayor releases the proposed 2010 Revised Budget due to reduced State funding.
- Apr 26 Mark-up by Ways and Means Committee, with all Council members invited to attend 1:30 pm until 4:00 pm
- Apr 30 Council Adopts 2010 Revised Budget, as amended, 9:30 am – 12:00 noon.

# FINANCIAL/BUSINESS DECISIONS CALENDAR



## INTEGRATING KEY CITY PROCESSES

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## **City of Minneapolis 2010 Revised Budget Integrating Key City Processes**

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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 April 2010, 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 the 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 planning and budgeting processes, departments are 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 work 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 has moved from asking departments to complete annual re-writes of their business plans to the development of one five-year 2010-2014 Business Plan accompanied by annual updates as needed at the end of each year following the adoption of the budget.

	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
2010	City Goals & Strategic Directions est.		Departments write 5 year 2010-2014 Business Plans					Council Approval of Business Plans				Business Plan Annual Update (optional)
2011												Business Plan Annual Update
2012												Business Plan Annual Update
2013											 Election	Business Plan Annual Update

### 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. Through the further integration of the City's planning, budgeting and performance measurement processes, it is expected that the decisions surrounding the budget process will be better informed. The business plans provide greater clarity of the hoped-for future direction of departments, and performance measurement helps assess whether current strategies are yielding those expected results.

As stated above, during the planning and budgeting process, departments are given the projected level of financial resources to expect over the next several years and plans are adjusted accordingly.

### Performance Measurement

Performance Measurement is the means we use to monitor our progress toward both our City and department goals. A successful performance measurement system can lead to continuous improvement of program performance, improved customer service, strengthened accountability, and empowered employees.

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 department's 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** – People and businesses thrive in a safe and secure city.

**Livable Communities, Healthy Lives** – Our built and natural environment adds character to our city, enhances our health and enriches our lives.

**Eco-Focused** – Minneapolis is an internationally recognized leader for a healthy environment and sustainable future.

**Jobs & Economic Vitality** – A world-class city and 21<sup>st</sup> century economic powerhouse.

**Many People, One Minneapolis** – Inclusiveness is a treasured asset; everyone’s potential is tapped.

**A City that Works** – Minneapolis is a model of fiscal responsibility, technological innovation and values-based, results-driven municipal government.

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.

*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 *Results Minneapolis* is better helping us meet our goals**

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. 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.

### **Public reporting of our measures**

While performance data has for years been publicly available City’s budget document, the City developed a more “public-friendly” website ([www.ci.minneapolis.mn.us/results](http://www.ci.minneapolis.mn.us/results)) in 2008 with the help of residents to share the City’s key performance information. This website is the residents’ window for monitoring the City’s progress on the critical areas that residents care about most.

**INTRODUCED BY COUNCIL MEMBERS OSTROW, JOHNSON, AND LANE**

**COUNCIL RESOLUTION ESTABLISHING COMMITMENT TO  
BUSINESS PLANNING AND FIVE YEAR FINANCIAL DIRECTION**

**(January 31, 2003)**

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**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 timeline 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.

**City of Minneapolis  
FY 2010 Budget**

**Financial Overview**

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# City of Minneapolis FY 2010 Revised Budget

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

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The 2010 Council Revised Budget for all City funds remains at \$1.283 billion, an approximate \$120 million reduction from the 2009 revised adopted budget. The Council adopted a change in the property tax policy, which includes a tax revenue increase of 7.4% over 2009 levels. This approach will balance the impact of revenue changes given the nature of the City's tax base and reduce the growth of future revenue changes once the financial challenges, such as funding for internal service funds and pensions, have been addressed.

### **2008 Unallotment and Reduction to the Budget Reserve**

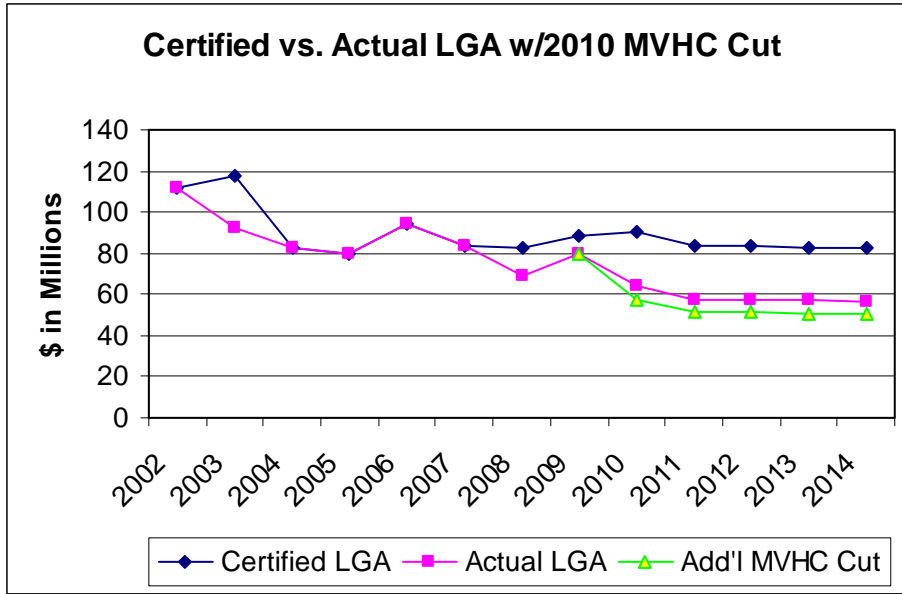
In December 2008, the Governor exercised his authority to "unallot" or unilaterally reduce various state appropriations. The appropriation reduction most directly impacting the City of Minneapolis is Local Government Aid (LGA). The City's 2008 LGA was reduced by \$13.2 million as a result of these actions. Because the action occurred with only one week remaining in the City's 2008 fiscal year, the City reduced its budget reserves to address the shortfall.

The City's budget reserve serves as both the budgetary reserve and cash flow reserve. The City's adopted financial policies require a budget reserve equal to 15% of the following year's budgeted revenue amount, which would be approximately \$55 million at the end of fiscal year 2008. The unallotment action resulted in the reserve falling below the stated policy. The City took action in March 2009 to rebuild reserves that were significantly depleted as a result of the unallotment. The 2010 Council Revised Budget fully rebuilds the City's budgetary reserve to the required 15% level.

### **2009 and 2010 Unallotments and Legislative Reductions**

In June, LGA was reduced through unallotment: \$8.5 million in 2009 and \$21.3 million in 2010. In addition to these reductions, the Legislature acted to further reduce LGA and Market Value Homestead Credit (MVHC) funding to cities. Additional cuts in 2010 included a \$4.7 million LGA cut and a \$6.2 million cut to MVHC for Minneapolis. This combined additional \$10.9 million cut forced the City to revise its adopted budget for 2010. On April 30, 2010, the Council approved the 2010 Revised Budget after amending the Mayor's Recommendation.

The following tables show the historical LGA appropriations, both the certified amounts and the reductions, including the LGA and MVHC reductions:



\*2011 and out years are projected numbers for certified numbers and actuals.

The City's adopted financial policies include a formula for distributing LGA among the City's general fund and the independent boards as shown in the following table:

#### City and Independent Boards: 2010 LGA Reduction Distribution

	Certified 2010 LGA	Post-Reduction LGA	Difference
General Fund	\$ 79,118,244	\$ 56,416,914	-\$22,701,330
Park Board	\$ 10,623,269	\$ 7,423,928	-\$3,199,341
MBC	\$ 270,937	\$ 145,889	-\$125,048
<b>Total 2010 Reduction</b>	<b>\$ 90,012,450</b>	<b>\$ 63,986,731</b>	<b>-\$26,025,719</b>

The above chart does not include the additional reduction due to loss of the MVHC in the amount of \$6.2 million. The MVHC reduction reduces property tax receipts.

#### Major Highlights

The 2010 Council Revised Budget includes significant changes to the current tax policy and methods for addressing future financial challenges. It is important to be aware of these major changes when making comparisons between budget years.

The major changes include:

- LGA was reduced in 2008, 2009, and 2010. These cuts were initiated in December 2008 when the Governor unallotted \$13.2 million from the 2008 distribution of LGA to Minneapolis. In 2009, the Governor unallotted \$8.5 million with an additional unallotment of \$21.3 million in 2010. Cuts in 2010 above and beyond the initial unallotment included an additional \$4.7 million LGA cut and an additional \$6.2 million cut to MVHC for Minneapolis. Because of these cuts, Minneapolis cut expenditures to account for the lost revenue.
- In the Council Adopted Budget for 2010, the Council replaced the existing 8% tax revenue policy with a policy based on the financial need to fund activities of the City on

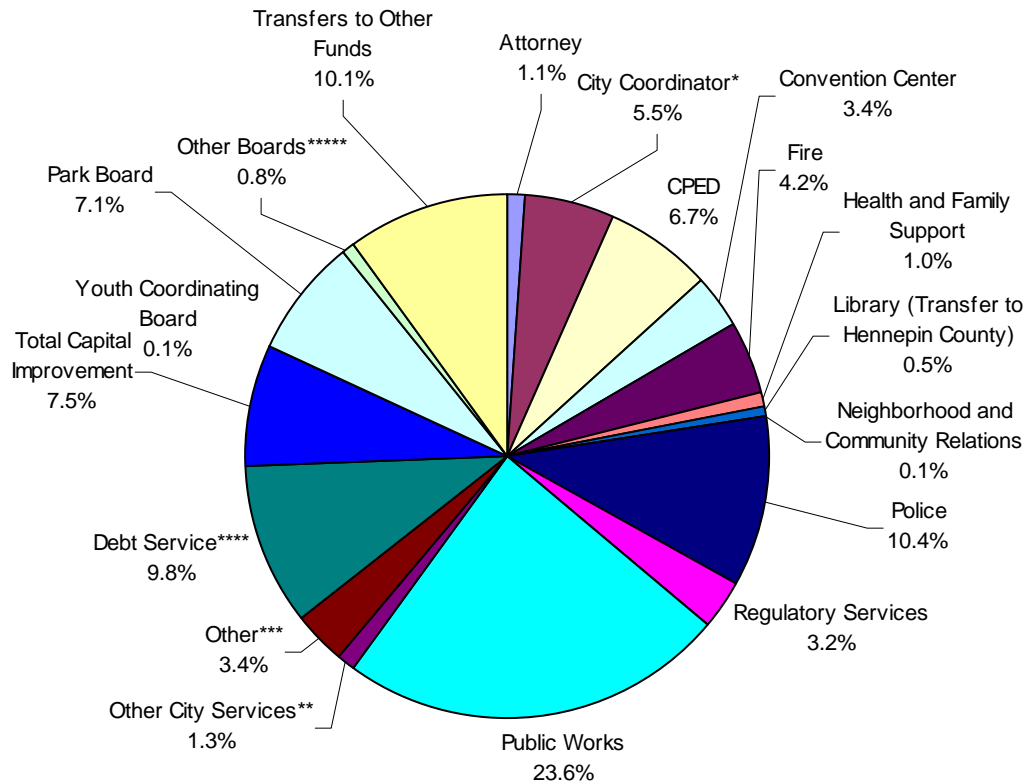
an annual basis. This approach improves transparency and better aligns revenue increases among the City and the independent boards, while addressing shared financial challenges. This approach is intended to balance the impact on taxpayers with anticipated changes to the City's tax base, LGA unallotments and other General Fund revenues in the next several years.

- Future challenges that the 2010 budget plans for in out years are potential reductions in LGA due to State actions, the 2009 TIF district decertification, rising pension obligations, and continuing growth in the cost of providing City services, such as health care cost increases.

## City Spending

Below is a summary of the 2010 Revised Budget by major spending categories, which includes transfers between funds and the independent boards.

### Total Expense Budget – Use of Funds 2010 Revised Budget \$1.28 Billion



\*Includes Human Resources, Finance, 911/311, Intergovernmental Relations, Communications and BIS

\*\*Includes Assessor, City Clerk/Elections/Council, Civil Rights & Mayor

\*\*\*Includes Non-departmental, Health and Welfare, Workers' Compensation, Liability, Contingency and pensions

\*\*\*\*Does not include debt service paid directly from proprietary funds or by independent boards

\*\*\*\*\*Includes the Neighborhood Revitalization Program, Board of Estimate and Taxation, Municipal Building Commission, and the City allocation to the Minneapolis Public Housing Authority.

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

## Expenditures by Service

(In Millions of Dollars)

	2009 Revised Budget	2010 Revised Budget
Attorney	13.5	14.4
City Coordinator*	71.2	70.5
CPED	125.3	86.5
Convention Center	45.7	43.7
Fire	51.3	54.4
Health and Family Support	13.4	12.2
Library (Transfer to Hennepin County)	7.5	6.7
Neighborhood and Community Relations	1.0	1.4
Police	128.4	133.6
Regulatory Services	32.7	41.5
PW - Administrative Services	2.6	2.7
PW - Eng. Materials & Testing	1.7	0.7
PW - Fleet	42.1	43.1
PW - Property Services	21.9	21.1
PW - Solid Waste	32.5	33.5
PW - Traffic and Parking	50.1	53.3
PW - Transportation Maintenance and Repair	32.6	32.9
PW - Transportation Planning and Engineering	14.3	11.4
PW - Water Treatment & Distribution	47.9	48.4
Surface Water & Sewers	55.3	55.9
<b>Public Works Subtotal</b>	<b>301.1</b>	<b>303.1</b>
<i>Other City Services**</i>	17.0	16.5
<i>Other***</i>	107.0	43.4
Debt Service****	138.3	126.2
Total Capital Improvement	118.8	96.0
<b>Subtotal</b>	<b>372.4</b>	<b>282.2</b>
Youth Coordinating Board	1.9	1.5
Park Board	90.3	91.5
<i>Other Boards*****</i>	12.1	9.8
<b>Subtotal</b>	<b>104.4</b>	<b>102.8</b>
<b>Total Expenditures Without Transfers</b>	<b>1,278.1</b>	<b>1,153.1</b>
Transfers to Other Funds	128.1	129.7
<b>TOTAL DEPARTMENTS</b>	<b>1,406.2</b>	<b>1,282.8</b>

\*Includes Human Resources, Finance, 911/311, Intergovernmental Relations, Communications and BIS

\*\*Includes Assessor, City Clerk/Elections/Council, Civil Rights & Mayor

\*\*\*Includes Non-departmental, Health and Welfare, Workers' Compensation, Liability, Contingency and pensions

\*\*\*\*Does not include debt service paid directly from proprietary funds or by independent boards

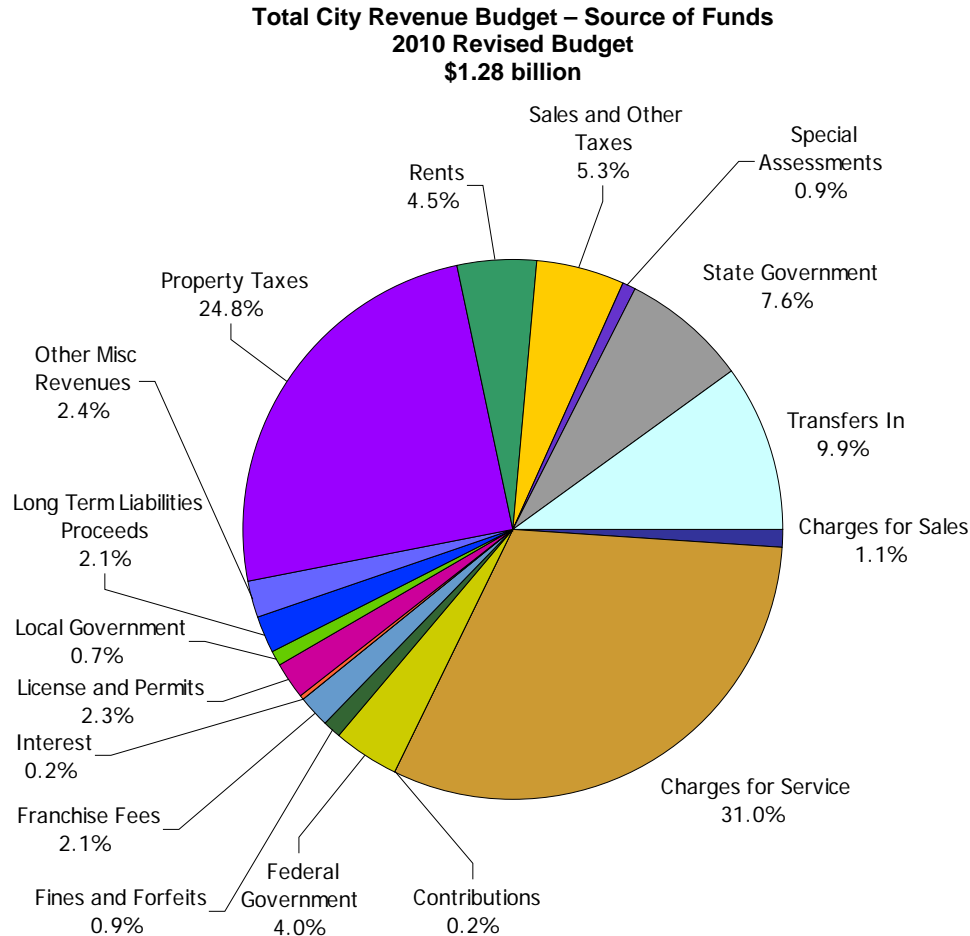
\*\*\*\*\* Includes the Neighborhood Revitalization Program, Board of Estimate and Taxation, Municipal Building Commission, and the City allocation to the Minneapolis Public Housing Authority.

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



## City Sources of Revenue

Below is a summary of the 2010 Revised Budget revenues by major category.



In 2010, the City forecasts \$1.28 billion in revenue from a variety of sources. 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 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 revenues through assessments for current services, 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, etc.) with property taxes and LGA.

	2009 Revised Budget	2010 Revised Budget
Interest	3.3	3.1
Charges for Service	447.0	374.4
Transfers In	158.1	136.7
Sales and Other Taxes	59.5	62.6
Property Taxes	323.1	317.0
Fines and Forfeits	12.1	11.0
Special Assessments	17.9	13.6
Charges for Sales	28.8	15.1
Federal Government	41.4	54.5
License and Permits	28.2	30.7
Other Misc Revenues	29.4	29.5
Long Term Liabilities Proceeds	54.8	35.3
Gains	0.2	0.3
Contributions	2.1	2.3
State Government	118.1	101.7
Local Government	8.6	9.3
Franchise Fees	28.1	29.1
Rents	60.9	55.2
<b>Total Revenues</b>	<b>1,421.5</b>	<b>1,281.4</b>

LGA is reflected in the State Government line.

The charges for service category dropped primarily due to a payments practice change – payments for medical and life insurance are now paid directly to vendors and no longer passed through the Self Insurance Fund. The property taxes category shows little change due to reduced tax increment property tax revenue because of the decertification of the Common Project, offset by the property tax levy increase.

### Franchise Fees

Utility companies pay the City franchise fees for their use of the public right-of-way. Franchise fees are calculated as a percentage of each company's total utility revenues, so the amounts paid to the City vary. The 2010 Council Revised Budget anticipates the total franchise fee revenue to increase by \$1 million from the 2009 adopted budget, from \$28.1 million in 2009 to \$29.1 million in 2010.

There are four franchise agreements that provide revenue for the City. The franchise agreement with Xcel Energy for electricity requires the company to pay the City 5% of its gross revenues for Minneapolis residential service customers, 3% of gross revenues for Minneapolis commercial/industrial customers, and 5% of gross revenues for Minneapolis small commercial/industrial customers. The residential rate will drop to 4.5% of gross revenues beginning in January 2013. This franchise agreement expires on Dec. 31, 2014. Xcel does not provide natural gas services in Minneapolis. For 2010, the Council Revised Budget anticipates Xcel will pay the City \$15.0 million from this agreement.

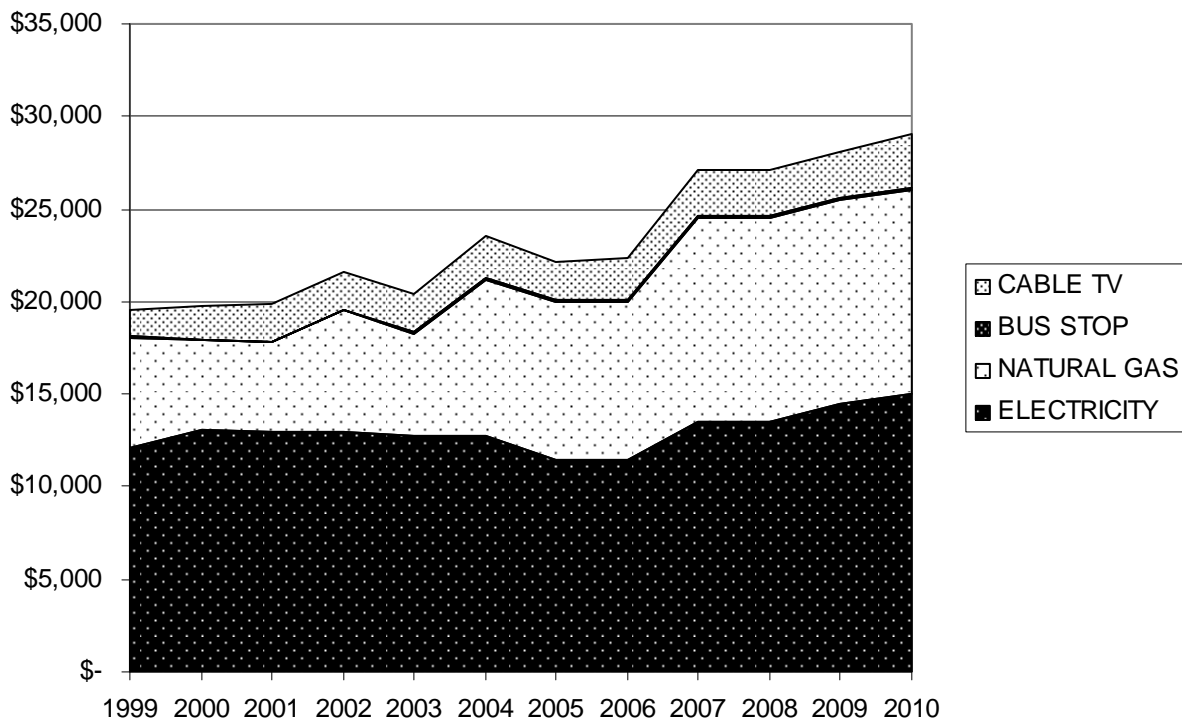
The franchise agreement with CenterPoint Energy for natural gas requires the company to pay the City 4.25% of gross revenues for Minneapolis residential buildings with four units or less, 5% for small commercial/industrial/firm or "interruptible" customers (customers who have agreements to allow their service to be interrupted, generally during peak loads), and 3% for large volume interruptible customers. This franchise agreement expires on Dec. 31, 2015. For

2010, the Council Revised Budget anticipates CenterPoint Energy will pay the City \$11 million from this agreement, anticipated to be level from the 2009 amount.

The city also has two smaller franchises. The bus stop advertising franchise will generate approximately \$110,000 in revenues for the City in 2010, and the City's cable television franchise is anticipated to generate \$3.0 million for the City in 2010. Comcast collects this "franchise fee" from subscribers to help fund public services such as police, fire and public works as they relate to maintenance and regulation of the City's rights-of-way. Comcast also collects an "access fee" from subscribers to support public, educational and government (PEG) access programming. It is estimated Comcast will collect \$400,000 from subscribers for the access fee in 2010. There are ten PEG channels in the City of Minneapolis: four public, three educational and three government channels.

Recent rules issued by the Federal Communications Commission governing the way cities award cable TV franchises may impact this revenue source in the future. Keeping the franchise authority at a local level will ensure that the provider fairly compensates the City for the private use of public rights-of-way, provides access to cable services for all residents, ensures proper repair of streets and roadways after cable installations, provides continuous availability of PEG access channels and protects consumer rights.

**Franchise Fee Revenue 1999-2010  
(in thousands)**



## 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 29.0% of the 2010 Council Revised Budget.

**Enterprise Funds** include services that the City provides that operate more like a “business.” Charges for services are expected to recover operating costs, indirect costs, capital investments, and interest expense. Enterprise services of the City include sanitary sewer services, stormwater management and 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 to City departments. Internal services include information technology, equipment rental (e.g. police squad cars and fire equipment), property services, tort claims, and workers compensation claims.

**Capital project funds** include permanent improvement and arbitrage funds and are used for the construction of infrastructure projects.

**Special revenue funds** are used for personnel, operating costs, contractual services and equipment. These funds support the convention center, health and family support, public safety, and ongoing support of closed pension funds.

**Debt service funds** are used to pay interest and principal on City debt.

The following tables reflect the expenditures and revenues for these funds:

### Expense and Revenue by Fund Type (in millions of dollars)

	2009 Revised Budget	2010 Revised Budget	Pct Increase
<b>Expense:</b>			
GENERAL	363.8	371.6	2.1%
SPECIAL REVENUE	340.8	345.1	1.3%
CAPITAL PROJECT	70.0	70.2	0.3%
DEBT SERVICE	110.0	70.7	-35.7%
INTERNAL SERVICE	223.2	153.5	-31.2%
ENTERPRISE	298.3	271.7	-8.9%
<b>Total</b>	<b>1,406.2</b>	<b>1,282.8</b>	<b>-8.8%</b>

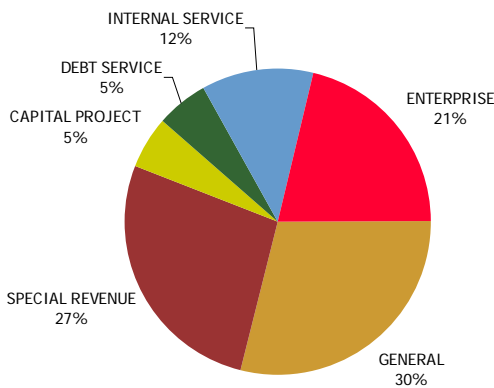
	2009 Revised Budget	2010 Revised Budget	Pct Increase
<b>Revenue:</b>			
GENERAL	363.8	371.6	2.1%
SPECIAL REVENUE	351.9	338.2	-3.9%
CAPITAL PROJECT	63.5	65.1	2.5%
DEBT SERVICE	105.6	73.3	-30.6%
INTERNAL SERVICE	239.4	166.9	-30.3%
ENTERPRISE	297.3	266.5	-10.4%
<b>Total</b>	<b>1,421.5</b>	<b>1,281.4</b>	<b>-9.9%</b>

Internal service funds dropped \$69.7 million due to a practice change – payments for medical and life insurance are now paid directly to vendors and no longer are passed through the Self Insurance Fund. There was also a \$2.5 million drop in the Stores Fund for a change in the way inventory transactions are handled in the City's financial systems. Another \$3.0 million drop appears in the Engineering Materials and Testing Fund due to an accounting change related to charges for asphalt and concrete.

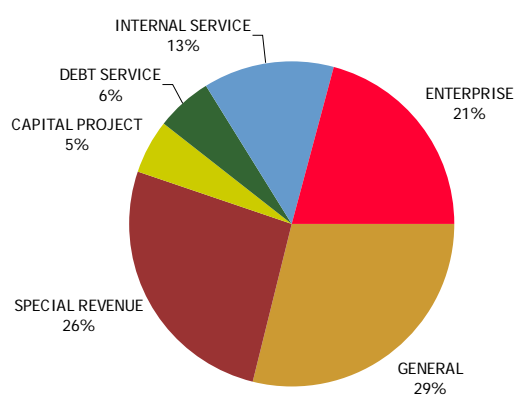
Debt service funds had major drops due to Common Project debt and other outstanding debt being paid off in 2009.

Enterprise funds also dropped due to pre-payments of outstanding debt obligations and changes to debt service structures as a result of 2009 refunding transactions. Another significant portion of the drop in the enterprise funds was due to capital appropriations being lower in 2010 by over \$23 million, primarily due to the New Water Filter Presses Project being appropriated in 2009 versus the planned programming in 2010.

**Total City Expense Budget by Fund  
2010 Revised Budget  
\$1.28 Billion**



**Total City Revenue Budget by Fund  
2010 Revised Budget  
\$1.28 Billion**

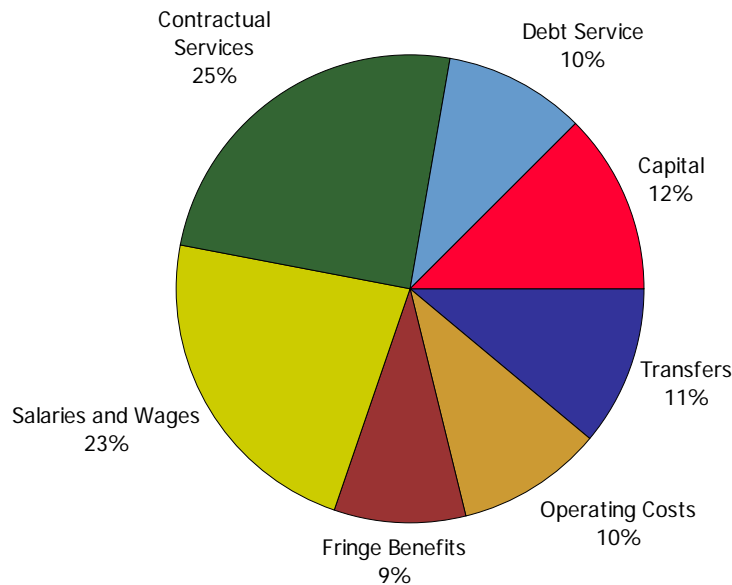


A significant amount of the City's budget is spent on personnel, \$413 million or 32% of the total budget. The 2010 Council Revised Budget includes an overall decrease of 263 budgeted full-time equivalent positions, inclusive of independent boards.

**Spending by Major Categories  
(in millions of dollars)**

	2009 Revised Budget	2010 Revised Budget
Fringe Benefits	113.9	118.7
Salaries and Wages	295.7	294.1
Capital	165.0	159.5
Contractual Services	368.3	316.6
Debt Service	175.7	126.8
Operating Costs	125.9	126.1
Transfers	161.6	140.9
<b>Total Expense</b>	<b>1,406.2</b>	<b>1,282.8</b>

**Total City Budget – Expenditures by Category  
2010 Revised Budget  
\$1.28 billion**



**Major Budget Pressures:**

➤ **Funding for physical infrastructure**

**Five-Year Capital Program Totals:** For 2010 – 2014, the five-year capital program for City departments, independent boards and commissions totals \$478 million including all funding sources. The 2010 portion of this program is \$92.8 million. Property tax supported net debt bonds (NDB) help to leverage many funding sources in the five-year plan. Below are highlights of certain NDB totals (in millions) - more details are contained later in this document.

**Accelerated Infrastructure Program:** In addition to the net debt bond funding indicated below, this budget continues the accelerated infrastructure program with \$26.30 million over the next four years to provide additional investment in paving projects, bridges, street lighting, parkway paving, parkway lighting, pavement and bikeway maintenance and park infrastructure improvements. Funding for this accelerated program is coming from the use of Hilton Trust funds and general fund transfers – see details later in the document. Park Board is receiving 10% of the accelerated infrastructure funding based on their assets being approximately 10% of the City’s total assets. *Note:* Special Assessments also leverage additional capacity for improvements but are not included in the totals.

	2010	2011	2012	2013	2014	Totals
Paving	\$4.85	\$3.85	\$3.85	\$3.15	\$0.00	\$15.70
Bridge	\$4.00					\$4.00
Lighting	\$1.05	\$1.05	\$1.05	\$1.05	\$0.00	\$4.20
Bike Trail Maintenance	\$0.10	\$0.10	\$0.10	\$0.10	\$0.00	\$0.40
Park Infrastructure	\$0.50	\$0.50	\$0.50	\$0.50	\$0.00	\$2.00
<b>Program Total</b>	<b>\$10.50</b>	<b>\$5.50</b>	<b>\$5.50</b>	<b>\$4.80</b>	<b>\$0.00</b>	<b>\$26.30</b>

**Property Tax Supported – Public Works:** The 2010 budget includes \$8.98 million in property tax supported (NDB) funding for Public Works capital. Below is a summary of the 2010 -2014 NDB allocation for the Public Works infrastructure program, including some Park related assets.

	2010	2011	2012	2013	2014
<b>Net Debt Bond funding</b>	\$8.98	\$10.56	\$13.67	\$11.31	\$12.78

**Park Board Infrastructure Funding:** The 2010 budget includes \$3.00 million for Park Board Infrastructure improvements including \$1.5 million of Park capital levy dollars, \$1.0 million of net debt bonds and \$.50 million of accelerated infrastructure funding. Also shown are \$.45 million of net debt bonds and expansion funding programmed in the public work’s capital budget for parkway paving and parkway lighting programs. Below is a summary of the total 2010–2014 funding for park board capital improvements. The Park Capital Infrastructure line includes \$1.5 million of capital levy for each year, \$0.5 million of expansion funding for 2010 – 2013 and the balance for each year is net debt bonds.

	2010	2011	2012	2013	2014
<b>Park Capital Infrastructure</b>	\$3.00	\$4.00	\$4.00	\$4.00	\$3.50
<b>Parkway Paving</b>	\$.15	\$0.15	\$0.70	\$0.70	\$0.75
<b>Parkway Lighting</b>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.35
<b>Total Park Board Capital Improvements</b>	\$3.45	\$4.45	\$5.00	\$5.00	\$4.60

**Property Tax Supported – Miscellaneous and BIS Technology Projects:** The 2010 budget includes \$3.79 million in property tax supported funding for these categories. Projects include public art, technology related improvements and physical building, office space and security improvements for Police, Fire and other City buildings. Capital spending in these areas impacts the City’s capacity to maintain and improve the transportation network. These categories use 14.6% of the available net debt bond funds in the five-year plan. Below is a summary of the 2010 -2014 net debt funding for miscellaneous and technology projects.

	2010	2011	2012	2013	2014
<b>Net Debt Bond funding</b>	\$3.79	\$2.65	\$1.77	\$2.52	\$2.44

**Utility Fee Supported Capital:** The 2010 - 2014 budget includes funding for additional water and sewer related infrastructure expenditures. The utility rates proposed for 2010 – 2014 are higher than last year’s adopted plan primarily due to increasing the inflation assumption for future operating cost increases from 3% to 4% as well as providing revenue capacity to create resources to help pay potential unfunded pension liabilities for past employees who worked for these utilities. In addition, the rate recommendations accelerate improvement of the cash positions in the enterprise funds to be in compliance with City financial policies. Sanitary sewer fee increases were primarily due to increased capital expenditures required in response to Metropolitan Council demands for less “clean” water in the Sanitary System and increased treatment costs. Rate details for the Sewer and Water funds can be found later in this document.

**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 30 points out of 300 for operating cost implications. Proposals indicating an increase in operating costs without a clear definition of

how the costs will be funded stand to lose points and those that reduce annual operating costs or have a responsible strategy to pay the increased costs may receive positive points in the project rating process.

➤ **Financing Assistance for the Target Center and Neighborhoods**

***Background***

Established in 1990, the twenty-year Neighborhood Revitalization Program and its funding end in 2009. The City and neighborhood groups have been planning this major turning point for almost 10 years. In addition, the City's purchase in 1995 of the Target Center increased long-term demand for resources.

During the 2008 Legislative Session, the Minnesota Legislature authorized the City to establish a non-contiguous redevelopment tax increment financing (TIF) district which would be comprised of properties that were located in specific TIF districts, commonly known as "pre-1979" TIF districts, which terminated in 2009. The earliest year the tax increment revenue can be realized from the new district allowed under the special legislation is 2011. Without further action by the City, the value within those pre-1979 TIF would initially go back into the general tax base in 2010 and thereafter remain, increasing the overall size of the tax base, effectively resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the new district could only be used to pay principal and interest on Target Center bonds or for "neighborhood revitalization purposes." The legislation does not specify or require any particular allocation of revenues between these purposes.

The legislation also explicitly stated that the certification of the district will not impact the City's "property wealth" factors in the Local Government Aid program. A \$9 million drop in the City's LGA will occur in 2011, whether or not the City uses the special legislation. Much of that impact is anticipated in the general fund (\$8 million). This loss in these amounts will occur whether or not the City uses the special legislation to create a new district; however, the legislation requires the additional tax capacity to be included in the calculation of LGA, even if the value is re-certified in a new district.

***Overall Recommended Funding from the District***

A Council direction given at the end of 2008 had called for Finance Department staff to present a TIF plan for consideration by July 31, 2009, certifying expiring pre-1979 districts so that \$24 million dollars of net tax increment would be generated and available to the City in 2011, the earliest year allowed under the special legislation.

This direction would have led to the certification of 100% of the tax capacity of the proposed district. If none of the parcels in the district were recertified, residential taxpayers could possibly expect to see an estimated reduction in their tax bills from \$61 up to an estimated \$307 annually. Pursuant to this direction, 100% of the tax capacity of the district would be certified for up to ten years (through 2020) or until the Target Debt is fully paid, at which time parcels representing 50% of the tax capacity of the district must be decertified.

On July 31, 2009 the Council referred the plan back to the Ways and Means/Budget Committee for further review and discussion.



### **Council Adopted Plan**

On December 4, 2009 the City Council directed the Finance Staff to amend the Consolidated Tax Increment Financing Plan for the District to: (1) reduce the size of the proposed District to approx 50%, (2) adjust the tax increment budget contained in the plan accordingly, (3) change the tax increment allocation methodology or funding distribution (4) reduce the maximum amount of bonds to be issued shown in the plan and (5) return to the Committee of Whole on December 17, 2009 with the amended plan and related documents for its consideration. The City Council approved the Consolidated TIF plan, as amended, on December 18, 2009.

The District, as adopted, is comprised of five of the former pre-1979 TIF districts. It represents 50.8% of the total net tax capacity of all of the former pre-1979 TIF districts and contains 51% of the parcels. The District represents the most diverse and stable subset of pre-1979 TIF districts that achieves the 50% target.

The tax increment that will be received each year from the District shall first be used to 1) make the necessary reimbursement payments to Hennepin County required under the Special Legislation, and 2) pay for the City and County costs of administering the District. The remaining "Net Tax Increment" to be allocated:

- 50% for Target Center debt service and
- 50% for neighborhood revitalization purposes

### ➤ **Funding for Pension Liabilities**

The City's liabilities for its pension funds continue to increase. Much of the increased costs can be attributed to three of the City's "closed" plans, meaning new members are no longer accepted into the plans. From 2006-2009, property-tax supported contributions to three closed funds totaled: \$60.4 million. For two of the plans (Minneapolis Police Relief Association, Minneapolis Fire Relief Association), the City is responsible for making up for market underperformance of state law assumptions (6% investment return), increasing the unfunded liabilities by millions of dollars during economic downturns. In these two plans, the respective market returns for 2008 were -30% and -29%, reflecting the overall market performance.

Combined with legislatively approved changes, City payments will increase from \$7.1 million in 2009 to \$15.5 million in 2010 for the three closed pension plans. The City is currently exploring merging these three funds into the larger statewide plans, which would stabilize the funding of these plans due to the inclusion of new members and the additional time needed to recover from short-term market losses.

#### ***Minneapolis Employee's Retirement Fund (MERF), a closed fund:***

The 2010 obligation to MERF is \$4.4 million, of which \$2.4 million is financed through the property tax levy and \$2.0 million financed through non-tax funds. The largest component of the \$4.4 million is in the "supplemental contribution" of \$3.4 million, \$1.8 million from the levy, and \$1.6 million from the non-tax funds. The 2010 budget also allocates funds necessary for the debt service on bonds issued during 2002-03. Debt service in 2010 is \$3.2 million, of which \$2.0 million is financed through tax funds and \$1.2 million in nontax funds.

Due to poor market returns in 2008, MERF was only 56% funded as of June 30, 2009. This places MERF's funding status in a serious negative position that requires immediate

attention. During the 2009-2010 legislative session, proposals were introduced to merge MERF into a statewide plan. A proposal was adopted that will merge MERF into PERA in July, 2010, with additional funding commitments from the City from 2012 – 2032 in the range of \$20-\$23 million per year.

***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 to 2020. The result was a lower upfront annual City contribution that increases over time and extends for a longer period. The City's 2009 contribution to MPRA from the tax levy was \$3.0 million.

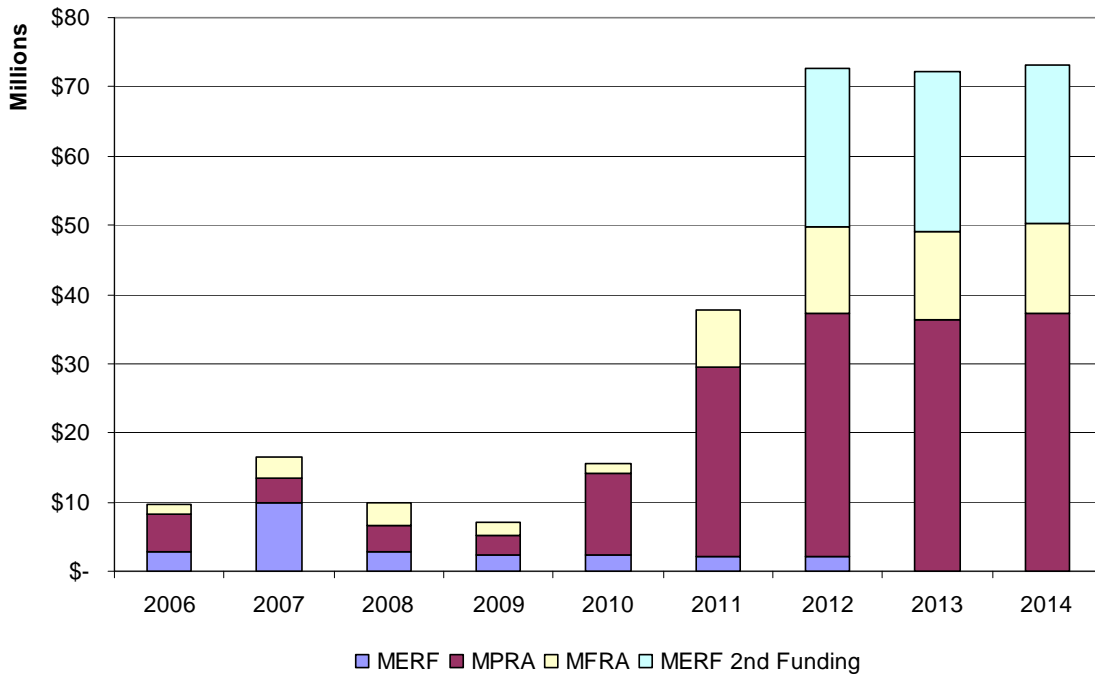
In 2010, the contribution would have increased to \$19.7 million if the City had not prevailed in a lawsuit against the fund. Because the City prevailed, the 2010 levy for MPRA is \$11.8 million. Investment gains or losses as compared to the State's assumed 6% are phased in over a three-year timeframe. As a result, the 2008 negative investment performance will result in increases in 2011 and 2012 also unless offset by gains above the 6% assumptions in 2009 and/or 2010. Current projections call for estimated contributions increasing to \$27.4 million in 2011 and \$35.1 million in 2012. An additional \$2.5 million will be required for debt service on the \$53 million MPRA bonds that were issued during 2002-04. This obligation would otherwise have fallen on the property tax levy during those years.

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

In 2005, the City resumed contributions to the MFRA. The MFRA was previously 100% funded, which meant that the City did not need to make annual contributions. The stock market downturn in March of 2001 resulted in investment performance that reduced the funding level of the MFRA. The City's 2009 contribution to MFRA from the property tax levy was \$1.9 million. This contribution would have increased to \$3.0 million in 2010 due to the poor market returns in 2008 had the City not prevailed in a lawsuit against the fund.

Because the City prevailed the MFRA levy for 2010 was reduced to \$1.3 million. Investment gains or losses as compared to the State's assumed 6% are phased in over a three-year timeframe. As a result, the 2008 negative performance will result in increases in 2011 and 2012 also unless offset by gains above the 6% assumptions in 2009 and/or 2010. The 2010 contribution would have been \$2.3 million without an additional \$1.0 million in State aid. Current projections call for contributions increasing to \$8.1 million in 2011 and \$12.4 million in 2012.

The following graph shows the historical and projected levy under current law for Minneapolis closed funds (MPRA, MFRA, and MERF), with the Minneapolis share from the most recent legislative proposal of the MERF second funding in the form of levy:



**Teacher’s Retirement Association (TRA):**

The 2006 Legislative session combined the Minneapolis Teachers Retirement Fund Association (MTRA) with the State’s Teachers Retirement Association (TRA). As part of the legislation the City was required to redirect its annual \$2.25 million MTRA tax levy to TRA through 2037.

**Public Employees Retirement Association (PERA), the plan for most current City employees:**

The 2005 Legislative session increased annual employee and employer contribution levels starting January 1, 2006. For 2010 the employer’s contribution level in the coordinated plan moves from 6.75% to 7.00%. The police and fire plans’ employer’s contribution level remains at 14.1%. The estimated total cost to the City in 2010 is \$26.0 million, which is covered in the department budgets where the employees work.

	2009	2010	Change
<b>PERA</b>	\$12.9	\$12.7	-\$0.2
<b>PERA P&amp;F</b>	\$12.6	\$13.3	\$0.7
<b>Total</b>	\$25.5	\$26.0	\$0.5

➤ **Funding for internal services funds long-term financial plans**

During the 1990s, 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 annual expenses exceeded revenues. Today, the combined

balance is no longer negative. This is a significant improvement over the position of the funds since 2000 when the net asset deficit was \$61.7 million. At year-end 2008, the City's three internal services funds with long-term financial plans had combined net assets of \$13.2 million. Additionally, two of the three internal service funds that implemented long-term financial plans (intergovernmental services & self-insurance), had positive cash balances at 2008 year-end.

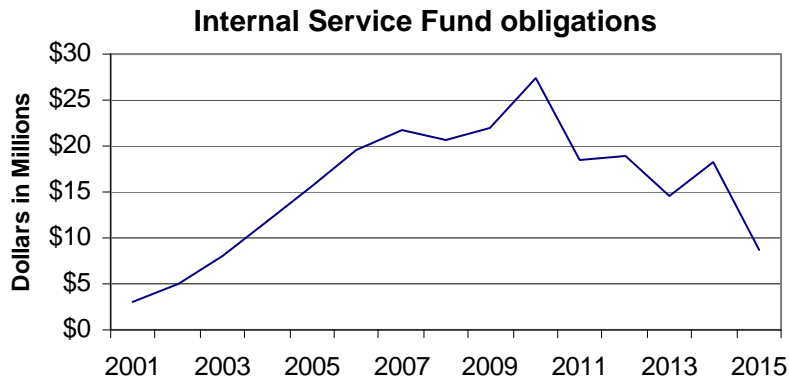
**Status of Workout Plans (in millions)**

	<b>Adopted</b>	<b>Original Cash Deficit (2000)</b>	<b>Original Net Asset Deficit (2000)</b>	<b>2008 Year-End Net Assets</b>	<b>Target Date for Positive Cash Balance</b>	<b>2008 Year-End Cash Balance</b>
Self-Insurance	2003	\$ (8.1)	\$ (49.5)	\$ (15.5)	2007	\$ 16.3*
Equipment	2001	(16.6)	0.0	23.8	2003	-0.0
BIS	2000	(12.9)	(12.2)***	4.9	2009	0.1
<b>Internal Service Fund Total</b>		<b>\$ (37.6)</b>	<b>\$ (61.7)</b>	<b>\$ 13.2</b>		<b>\$ 16.4</b>
<b>Parking Fund**</b>	2004	\$ (8.6)	\$ 75.7	\$131.0	2010	\$ 24.1

\*Status does not include \$2.4M due from other funds.

\*\*Parking fund includes proceeds of \$73.2 million from the sale of parking ramps. The majority of the remaining cash balance will be used to pay down existing bonds.

\*\*\*Due to GASB 34, the net asset balance for BIS decreased from (\$12.2) in 2000 to (\$36.3) million in 2001.



Internal service fund obligations in the graph above fund self insurance, equipment services and information technology services (e.g. workers compensation, general liability, squad cars, fire trucks and computers).

To meet the goals of the adopted long-term financial plans, these expenditures will continue to make up a substantial portion of the City's budget until 2011 when these expenditures begin to decrease. The 2008 adopted long-term financial plans were going to begin reducing the General Fund's contribution to the internal service funds in 2010; but to create capacity in future years, the General Fund will prepay \$3.4 million of the 2011 obligations.

➤ **Parking fund financial plan**

The 2010 transfer from the City's municipal parking fund to the general fund declines from the 2009 funding level by \$1 million. This is in line with the adopted parking fund financial plan, which was developed to address the cash deficits in the fund. This decline is the final scheduled change to the transfer to the general fund.

➤ **Growth in personnel costs**

- **Salary and wages.** The 2010 Council Revised Budget keeps personnel expenditures flat at \$413 million (\$294 million in salaries and wages, \$119 million in fringe benefits). For City positions, not including independent boards, growth in salary and wages are budgeted at 2.5% for bargaining units without settled labor contracts.
- **Benefits.** Health and dental insurance expenditures are budgeted to increase from \$55.7 million to \$60.7 million. This estimate is based on experiences related to current plan design and competitive procurement processes. The anticipated premium increase in 2010 is 15%.

➤ **Continuing library obligation to Hennepin County.** Minneapolis libraries merged with the Hennepin County system in 2008. In addition to the \$9.3 million market value referendum supported by Minneapolis taxpayers, the merger finance plan calls on Minneapolis taxpayers for an additional declining base contribution for 10 years. In 2010, that contribution is over \$6.7 million. The City will also continue to pay the library's share of the MERF pension debt service in addition to the outstanding debt service on other bonds that have already been issued.

**Finance Plan For Hennepin County Library/Minneapolis Library Merger (in thousands):**

	Base	Reopen (1)		Reopen	Other City (2)	Total City	Library LGA (3)	Prop tax (4)	One Time (5)	Total
2008	\$7,800	\$445	100%	\$445	\$10,650	\$18,895	\$6,800	\$10,650	\$1,445	\$18,895
2009	\$7,020	\$463	100%	\$463	\$10,650	\$18,133	\$6,800	\$10,650	\$683	\$18,133
2010	\$6,240	\$481	100%	\$481	\$10,650	\$17,371	\$6,721	\$10,650		\$17,371
2011	\$5,460	\$501	79%	\$393	\$10,750	\$16,603	\$5,853	\$10,750		\$16,603
2012	\$4,680	\$521	58%	\$302	\$10,750	\$15,732	\$4,982	\$10,750		\$15,732
2013	\$3,900	\$541	38%	\$206	\$10,750	\$14,856	\$4,106	\$10,750		\$14,856
2014	\$3,120	\$563	21%	\$118	\$10,750	\$13,988	\$3,238	\$10,750		\$13,988
2015	\$2,340	\$586	4%	\$23	\$10,750	\$13,113	\$2,363	\$10,750		\$13,113
2016	\$1,560	\$609	0%		\$10,850	\$12,410	\$1,560	\$10,850		\$12,410
2017	\$780	\$633	0%		\$10,850	\$11,630	\$780	\$10,850		\$11,630

(1) The cost to reopen 3 libraries at 24 (2) and 20 (1) hours per week. Annual costs are inflated 4% per year after 2008.

(2) Other City includes debt service on referendum and net debt bonds/MERF contributions. Final referendum debt service in 2031.

(3) Library LGA is the amount of LGA allocated to Libraries not exceeding the 2007 level.

(4) Property tax amounts are in City's five-year financial plans.

(5) The City will be responsible for these one-time costs.

(6) Net Debt is the City's adopted five-year capital improvement plan plus \$500,000 for Walker library improvements.

## ➤ **Technology funding**

The City has two main financing mechanisms for technology:

*Property tax supported debt financing in the City's capital program:* Since 2003, the City has programmed about \$1.5-\$2.0 million annually in property tax supported projects, financed by debt, as prioritized by BIS and the department heads. These technology assets are capitalized and the bond payments are structured within the useful life of the asset.

*Pay-as-you go:* On occasion, the City will allocate current year funding for a technology project with existing resources rather than issuing bonds.

For 2010, a total of \$1.5 million in technology projects funded through property tax supported debt are planned in the capital program. The five-year plan totals \$6.0 million.

Regardless of the initial funding source for a capital project, funding the ongoing operating costs for new technology has been a challenge for the City. Departments agree to proceed with projects; however ongoing costs of the systems are rarely identified in departments' long-term financial plans.

## **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 specific to department business, several enterprise-wide themes emerge. A summary of enterprise challenges follows:

### *Economic Downturn Challenge*

Recent financial downturns in the economy coupled with State budget cuts have led to unique challenges at the City. At a time when demand for services is up, State funding is reduced. For example, the increased foreclosure rate in Minneapolis results in an increased need for home inspection and monitoring. In addition, City spending on closed pension funds is growing due to poor market returns and legislatively approved changes to assumptions upon which the calculations are based.

### *Demographic Changes*

Diversity of City residents (minority and immigrant populations) is growing faster than any other city in Minnesota. Minority populations make up 29% 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 the City's 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. This translates into additional costs for new equipment and in particular, increased maintenance costs. For example, 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. Public Works notes increased costs for inflow and infiltration required by Metropolitan Council Environmental Services. The City Clerk notes additional election requirements as a result of the 2002 federal "Help America Vote Act" and implementation of Instant Runoff Voting (IRV). 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. Local Government Aid from the State has been unpredictable with statewide reductions and year-to-year fluctuations, with the stability of the program tied to the State's financial health. The uncertainty that surrounds these funds drains the time and energy of City managers from administering programs to ensure the best outcomes possible.

The recent American Recovery and Reinvestment Act (ARRA) from the Federal government has helped Minneapolis mitigate the cuts from other funding sources, though the funding is only temporary and does not provide a long-term solution to funding shortfalls.

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.

#### *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% 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.

#### *Stadiums*

Construction of several major stadiums - Target Field, the University of Minnesota's football stadium and a possible new Viking stadium - has and will continue to increase the workload for the City. Such large development efforts require extensive planning and zoning, appraisals, and more permit work due to demolition, new construction and redevelopment associated with the projects. Departments heavily affected include the Assessor,

Regulatory Services, Community Planning and Economic Development, Public Works and Police.

#### *Aging Infrastructure*

There are not adequate resources available for maintenance or replacement at most cost-effective frequencies. Public Works' pavement condition index reports the City's roads, bridges and other infrastructure are deteriorating. The Fire Department has noted a funding shortage for equipment updates in the next five to ten years as equipment reaches the end of its useful life cycle. The City Hall and Courthouse were in need of upgrading its mechanical and safety systems. Similar concerns were also noted by the Convention Center.

#### *Foreclosure*

The volume of foreclosures poses challenges. The Minneapolis foreclosure recovery plan is a strategic and timely government intervention for prevention, reinvestment and market repositioning to the extent necessary to "tip" the market in our neighborhoods. As the housing market begins to decline, Minneapolis continues to employ foreclosure prevention outreach and counseling, engage in community building and marketing efforts to prepare the market for a rebound, and ready to promote rental and homeownership property development. Minneapolis has also partnered with other organizations to clear or rehabilitate dilapidated homes and pursue infill development on vacant lots.

#### *Other Trends*

The downtown real estate market continues to have an oversupply of office space available due to the weak commercial market dating back to 2003.

Beyond regulation is the City's interest in sustainability. Toward the same goal, Regulatory Services is pursuing a 100% green fleet, an effort that requires a realistic timeframe and substantial funding.



## Major Changes in the 2010 Council Revised Budget

*Please note: Recommended reduction amounts are based on the Current Service Level (CSL). The CSL includes inflationary adjustments from 2009, so 2010 cut amounts reflect reductions to current services that are provided by departments.*

### 311

*Original Budget:* The Mayor recommended and the Council approved a reduction of 2 FTE to meet the 2010 CSL. The Mayor recommended and the Council approved a further reduction of \$133,000 from the current service level, including the reduction of one FTE and a reduction in non-personnel expenses. Council action further reduced 311's budget by \$277,000 and 3 FTE from the Mayor's original recommendation. The Council also provided one-time funding of \$115,000 from the General Fund's contingency for transition costs to developing a sustainable funding source for 7:00 a.m. – 7:00 p.m. hours.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### 911

*Original Budget:* The Mayor recommended and the Council adopted a reduction of 3 FTE to meet the 2010 CSL. The department made a further reduction of \$216,000 from the current service level through the elimination of 1 senior 911 management position and the reduction of 1 other position. The Council further decreased funding in 911 by \$80,000 and eliminated 1 additional FTE (Dispatcher).

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### Assessor

*Original Budget:* The Mayor recommended and Council approved a reduction of \$28,000 from the current service level for this department.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### Attorney

*Original Budget:* The department eliminated 2 FTE to meet the financial direction. The Mayor recommended a reduction of \$250,000 in the criminal division, including the elimination of 2 positions and the balance of funding for restorative justice grants. The Mayor further recommended a reduction of \$125,000 from the current service level in the civil division, including the reduction of two and one half positions. Council approved the Mayor's recommendations. Additionally, Council directed that CDBG funding for Restorative Justice programs be increased by \$20,000.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$69,000. The City Attorney's Office will meet this reduction through a combination of budgetary leave, business process improvements, and other non-personnel reductions. If these strategies are insufficient, the department will reduce a vacant position within the criminal division.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

## **BIS**

*Original Budget:* The department eliminated 1 FTE to meet the financial direction. The Mayor recommended and Council approved a reduction of \$1.6 million and 11 positions from the current service level for this department. This includes a \$1.3 million reduction to general fund departments and \$325,000 for non-general fund departments. If this recommendation is adopted, general fund departmental appropriations will be reduced to achieve the general fund reduction. During 2009, Council adopted resolution 2009R492 that added 1 FTE to BIS for 2009 and 2010 for staff at the emergency operations training center, to be funded by customer departments. Additionally, Council directed the BIS budget be reduced by \$100,000 and not replaced through internal service charges.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$200,000 on a one-time basis. The department shall meet this reduction through non-personnel savings and explore additional ongoing savings through the restructuring and reduction of existing services in anticipation of the 2011 budget.

*Council Revised Budget:* Council approved the Mayor's recommendation.

## **City Clerk/Elections/City Council**

*Original Budget:* The Mayor recommended and Council approved a reduction of \$249,000 from the current service level for this department. Additionally, Council funded \$20,000 on a one-time basis for transition costs.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$113,000.

*Council Revised Budget:* Council approved the Mayor's recommendation.

## **City Coordinator Administration**

*Original Budget:* The Mayor recommended and the Council adopted a reduction of \$94,000 from the current service level. This reduction was achieved through the ongoing savings related to the elimination of the Deputy City Coordinator position in the 2009 budget revisions. The Council directed CPED to eliminate the vacant Community Planner position and use General Fund and CDBG resources to keep the Arts Coordinator position. This position and associated resources will be transferred to the City Coordinator in 2011. The existing Internal Auditor position that resides in the Board of Estimate and Taxation (BET) will report to the City Coordinator for administrative purposes, with associated funding from the BET.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$47,000 and one position.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

## **Civil Rights**

*Original Budget:* The Mayor recommended a reduction of \$164,000 and one position from the current service level for this department. Council approved the Mayor's recommendations. Additionally, Council reduced Civil Rights' operating budget by \$93,000 and 1 FTE. Council directed the department to develop standards of progress on eliminating the CIU case backlog by December 31, 2011 and present to the MDCR reporting committee no later than February 2010. Quarterly progress reports to MDCR should begin in February 2010. The City Coordinator is directed to recommend to the Civil Rights reporting committee in January 2010, a community engagement plan

to gather input from stakeholders on the future and functions of the Minneapolis Department of Civil Rights.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council approved the Mayor's recommendation.

### **Communications**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$140,000 and one position from the current service level for this department. Included as part of this amount is a reduction in contractual services, including a reduction of \$26,000 in funding to MTN.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Convention Center**

*Original Budget:* The Mayor recommended a reduction of \$1.5 million in this department's operating budget. The Mayor further recommended an increase in the transfer from this fund to the parking fund of \$2 million to fund improvements to Convention-related parking ramps. This transfer will also be adjusted to accommodate debt service on these ramps from prior-year capital projects (\$1.4 million). Council adopted the Mayor's recommendations and directed the Convention Center fund transfer to the General fund be increased by \$250,000 for convention-related public safety activities performed by the Police Department.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council approved the Mayor's recommendations.

### **CPED**

*Original Budget:* As a result of the 2009 revised budget, the department reduced 3 FTE to reflect the spending cuts. The Mayor recommends a reduction of \$215,000 and one position in this department. The Mayor further recommends the reduction of non-personnel expenses and an increase in Community Development Block Grant funding of \$62,000 to fund administrative expenses in the department. The Mayor's revised recommendation is to fund \$150,000 on a one-time basis for housing advocates from the Reallocated Legacy Fund to Intergovernmental Relations. Council adopted the Mayor's recommendations and further directed funding in the Community Development fund Legacy fund program income to be decreased by \$31,000, and funding for the St. Anthony Heritage Board to be increased by \$31,000. Additionally, Council directed funding in the Community Development fund Legacy fund program income is decreased by \$50,000 and funding to the Riverfront Development Corporation is increased by \$50,000. CPED is directed to reduce CDBG funding for Youth Employment by \$110,000 and the Mortgage Foreclosure Prevention Program by \$140,000.

Furthermore, CPED is directed to eliminate the existing vacant Community Planner position in the planning division and use general fund and CDBG resources to keep the Arts Coordinator position. This position and associated resources should be transferred to the City Coordinator in 2011.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$104,000 on a one-time basis through the reduction of non-personnel expenses such as those related to office equipment, technology, supplies, and training and development.

*Council Revised Budget:* Council approved the Mayor's recommendation.

## **Finance**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$706,000 and 8 positions from the current service level for this department. The balance of the reductions was achieved through non-personnel cuts. A further reduction of \$50,000 in the self-insurance fund was also approved, which is to be achieved through non-personnel reductions. An additional \$87,000 was appropriated in the General Fund to continue providing services to Public Works.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$50,000. The department will achieve this through non-personnel reductions. Additionally the Mayor recommended a one-time appropriation increase of \$500,000 for process improvements including funding for contractors to implement modules in the current financial system that will enable the department to restructure its workforce in 2011.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

## **Fire**

*Original Budget:* The department reduced 12 FTE to meet the financial direction. The Mayor recommended a reduction of \$2.1 million and up to 19 positions. The Mayor further recommended the department should move forward on implementing the commercial hood cleaning program and a three percent adjustment to fees that have not been updated in the past five years. Council approved the Mayor's recommendations and a general fund one-time increase of Fire's budget by \$2 million making funds available until December 31, 2011. Council approved \$225,000 from CDBG funds for fire protection equipment purchases. Fire's budget is increased by \$200,000 for the responsibilities for Boarded and Vacant housing from Regulatory Services. Additionally, Fire's general fund allocation is increased by \$373,000. The department FTE complement will be increased by 25, to 438 FTE consistent with these resources.

Council provided the following staff directions:

- MFD is directed to reduce the budget for take-home vehicles by 50% and the Fire Chief is directed to adopt new policies on take home vehicles consistent with this direction.
- During 2010 and 2011 while MFD is using one-time contingency dollars and until cuts are fully implemented, the department is subject to a hiring freeze and promotion freeze. Additionally no expenditures on new capital projects absent express Council approval are allowed.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$80,000. The department will achieve this through non-personnel reductions.

*Council Revised Budget:* Council approved the Mayor's recommendations.

## **Health and Family Support**

*Original Budget:* The Mayor recommended a reduction of \$337,000 and 4 FTE from the current service level for this department. The Minnesota Visiting Nursing Agency should continue to be funded from General Fund resources within the department. Council approved the Mayor's recommendation and directed discretionary CDBG funding subject to the Public Health Advisory

Committee be reduced to \$400,000 with a proportional reduction to programs. Health and Family Support's general fund budget is reduced by an additional \$100,000. Council directed Health and Family Support to achieve these cuts without cuts to the contracts with the Domestic Abuse Project, leaving that program intact at the full funding level of \$75,000.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$69,000. The department will achieve this by increased third party reimbursement for school based clinics and moving salaries out of the general fund.

*Council Revised Budget:* Council approved the Mayor's recommendations.

### **Human Resources**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$364,000 and 4 positions from the current service level for this department. This reduction will be achieved through personnel and non-personnel reductions. A further reduction of \$29,000 in the self-insurance fund was also approved, which shall be achieved through non-personnel reductions.

*Mayor's Revised Budget:* The Mayor includes no reduction to this department. However, the Mayor encouraged the department to implement the Enterprise Performance Management System Software within existing resources.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Intergovernmental Relations**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$84,000 for this department. The reductions will impact professional services, reductions in memberships and subscriptions as well as other non-personnel expenditures. \$150,000 is added on a one-time basis for homeless outreach programs from the Reallocated Legacy Fund.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$41,000. The department will achieve this by reducing salaries and benefits from an open position as well as other salary savings.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Mayor**

*Original Budget:* The department reduced 1 FTE to meet the financial direction. The Mayor recommended and Council approved a reduction of \$57,000 and one position for a total reduction of 2 FTE.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$15,000. The department will achieve this through budgetary leave, and reductions in postage, cell phones and travel.

*Council Revised Budget:* Council approved the Mayor's recommendations.

### **Neighborhood and Community Relations**

*Original Budget:* The Council reduced the department's budget by \$200,000 and directed the department to work with CPED and the NCEC over the next six months to develop a best practices model to incorporate NCEC programmatic advice into the Great Streets program.

Revenue to be realized in 2011 from a new tax increment financing (TIF) district represents 50.8% of the total net tax capacity of all of the former pre-1979 TIF districts and contains 51

percent of the parcels. The 10-year Consolidated TIF budget projects Net Tax Increment of \$53,650,000 being available for both Target Center debt and neighborhood revitalization purposes, for a total of approx \$107.3 million for both activities over the 10 year life of the district.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$50,000. The department will achieve this through reductions in its administrative budget as well as realizing savings from lower than projected actual salaries.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Office of Internal Audit**

*Original Budget:* The Council approved transition funding of \$200,000 to fund 2 internal audit positions in 2010, funded by increasing charges to departments in their general fund overhead rate model charges. In addition, the existing auditor position that resides in the Board of Estimate and Taxation (BET) will report to the City Coordinator for administrative purposes, with associated funding from the BET. Future levies will be adjusted to reflect this change.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Police**

*Original Budget:* After adoption of the 2009 Revised Budget, MPD was awarded a contract with the Minneapolis School District, and 15 FTE were added. In order to achieve the 5 year financial direction for 2010, 84.5 positions in the general fund were eliminated. The Mayor recommended a reduction of \$5.3 million and 38 additional positions from the current service level for this department. The Mayor further recommended the transfer of the Traffic Control Agent division (45 positions) to the Regulatory Services department.

The Mayor recommended restoration of \$4 million and 45 FTE to MPD's base funding level to offset the loss of federal Byrne grant funding, making the net change to current service level a reduction of 39.5 FTE. The Mayor recommended that three eligible Crime Prevention Specialist positions be moved out of the general fund and funded with \$240,000 of CDBG dollars.

Council approved the Mayor's recommendations and increased the Police budget by \$1.5 million in 2010. Council directed \$250,000 to be transferred from the Convention Center fund to the Police department general fund appropriation to fund the horse patrol for convention-center related public safety activities. Council added \$477,000 to the police general fund budget for Community Crime Prevention Specialists. Additionally, Council directed that the Community Development Block Grant Fund for police should be increased by \$487,000 for Crime Prevention Specialists. Furthermore, Council directed a reduction of discretionary CDBG funds to the Public Health Advisory Committee and an increase to the CDBG allocation for MPD for Crime Prevention Specialists by \$163,000.

Council provided the following staff directions for Police:

- Reduce MPD's contractual services line budget by \$102,000 to reflect savings from closing the public health lab to help offset proposed reductions. Further, direct MPD to fund \$100,000 toward chaplain services through contractual savings related to the closing of the health lab.

- Direct MPD to eliminate funding for the Police Activities League (PAL), including the practice of allowing compensatory time to officers for participation in the PAL. These savings should offset recommended cuts and position reductions should be achieved through attrition and reassignment. The Police Chief is directed to convene a task force to develop a plan for the ongoing operation of the Police Activities League that requires no direct appropriation. The task force should include representatives from the Minneapolis Health department including the Commissioner and Youth Violence Prevention coordinator; an active Police Activities League (PAL) officer; the Police Chief or designee; Council Member Johnson; and Sherman Patterson from the Mayor's office.
- Reduce Police budget for take home vehicles by \$400,000 and direct the Police Chief to adopt new policies on take home vehicles consistent with this direction and reduce the vehicle count accordingly.
- Eliminate funding for the position of Assistant Police Chief to offset recommended cuts.
- Eliminate 16 positions through attrition to achieve a savings of approximately \$2 million over two years. Police should bring a plan forward to the Ways and Means Committee for approval on December 14, 2009.
- Police is directed to report back to Public Safety & Regulatory Services by January 15, 2010 with a plan for a re-designed community crime prevention program; utilizing the dedicated resource as laid out during this budget cycle in addition to existing resources within the police department. Police is also directed to develop accountability measures for Community Crime Prevention Specialists for Results Minneapolis and report these measures to the Public Safety and Regulatory Services Committee by March 1, 2010. After the report to PS&RS, Police should include these measures in its quarterly discussions at Results Minneapolis.
- Police is directed to reduce the Horse Patrol to one shift and cut expenditures accordingly.
- Police is directed to achieve no less than \$200,000 in savings through re-organization of the department
- The Chief of Police is directed to examine re-establishing mandatory fitness testing within the department, including costs and to report back to proper Council committees by the end of January 2010. If testing is not implemented by the conclusion of 2010, the department will evaluate elimination of the health club memberships and report back to the proper Council committees.
- Police is directed to achieve a balanced budget in 2010 without cuts to the contract with the Conflict Resolution Center at an amount equal to \$25,000.
- Upon receipt of the final CDBG allocation, 15% shall be dedicated to MPD for Crime Prevention Specialists in CDBG-eligible areas.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$180,000. The department will achieve this through non-personnel reductions. Additionally the Mayor recommends one-time appropriation increases of \$250,000 for replacement of ticket writers and \$240,000 for implementation of fitness testing and associated costs within the 2010 calendar year.

*Council Revised Budget:* Council approved the Mayor's recommendation with one exception. The \$240,000 appropriation for implementation of fitness testing and associated costs was reduced by \$60,000, to \$180,000, in one-time funding.

### **Public Works**

*Original Budget:* The Mayor recommended a reduction of \$1.13 million from the current service level of the department's General Fund budget. The Mayor further recommended a reduction of

\$422,000 from the Sanitary Sewer fund and \$449,000 from the Stormwater fund. The Council approved the Mayor's recommendations and further approved a reduction of \$50,000 from Community Development Block Grants for graffiti micro-grants and a reduction of \$86,000 from Community Development Block Grants for graffiti removal on public property.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$550,000, which will be met through increased revenue. The department will achieve this through increased revenue from a renegotiated State Trunk Highway (STH) agreement. Additionally the Mayor recommends a one-time appropriation increase of \$2.16 million for doubling the number of crews filling potholes (\$500,000); seal-coating (\$500,000); and for installation of wireless poles to ensure the wireless network is fully operational (\$800,000) and for installation of wireless equipment in the city's vehicles to increase usage of the City's wireless contract (\$360,000 – *also shown in Citywide*).

The Mayor also requests the department quantify the impact of the resources recommended by the Mayor in its fourth quarter *Results Minneapolis* presentation in 2010. Measures should focus on the impact of the \$1 million requested for pothole repair and seal coating.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

#### **Administration**

*Original Budget:* The Mayor recommended no change to the Administration division and Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

#### **Engineering Materials and Testing (Central Stores)**

*Original Budget:* The Mayor recommended no changes to the Central Stores division and the Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

#### **Fleet Services**

*Original Budget:* The Mayor recommended Fleet reduce the number of truck drivers and equipment operators placed in reserve status and the number of seasonal rented equipment (-\$781,000). This results in a reduction to charges to Transportation Maintenance & Repair for snow and ice removal. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

#### **Property Services**

*Original Budget:* The Mayor recommended no change to the Property Services division and Council approved the Mayor's recommendations.



*Mayor's Revised Budget:* The Mayor recommends one-time resources for installation of wireless equipment in the city's vehicles to increase usage of the City's wireless contract (\$360,000).

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Solid Waste and Recycling**

*Original Budget:* The Mayor recommended no increase to these rates. Graffiti strategies are funded at \$1.2 million from the division's fund balance. The Mayor also recommended \$50,000 from Community Development Block Grant funds for graffiti microgrants. The Council approved the Mayor's recommendations but reduced funding by \$50,000 from Community Development Block Grants funds for graffiti micro-grants.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Surface Water & Sanitary Sewer**

*Original Budget:* The Mayor recommended an increase of \$0.32 in per unit rates in both the Sanitary and the Stormwater utilities. The Mayor further recommended a reduction of \$422,000 to the department's current service level operating budget in the Sanitary Sewer Fund. The Mayor recommended an additional reduction of \$245,250 to the department's current service level operating budget in the Stormwater Fund. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Traffic & Parking**

*Original Budget:* The Mayor recommended a \$320,000 reduction to the traffic activities, which will reduce routine repairs to lights and traffic signals, pavement message painting, response to traffic request services and non-safety-related sign replacement.

The Mayor further recommended an increase of \$210,000, which included one engineering position, in this division for improving the management of traffic in the City. This initiative will build on the capital improvements related to the Traffic Management Center. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends one-time resources of \$800,000 for the installation of wireless poles to ensure the wireless network is fully operational.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Transportation Maintenance and Repair**

*Original Budget:* The department's budget is decreased to reflect the restructuring activities related to snow and ice service provision, which should achieve ongoing savings of \$1.4 million. This included a reduction in the number of pieces of equipment being rented for the season from outside vendors and reduction in salaries of truck drivers and operators being charged from the Fleet Services Division.

In addition, the Mayor recommended an additional \$100,000 reduction in service to malls and plazas. Also, as part of the \$449,000 reduction in the Stormwater Fund expenses, this division's operating budget for Street Cleaning is reduced by \$203,750. The Council approved the Mayor's recommendations but reduced Community Development Block Grant funding for graffiti removal on public property by \$86,000.

*Mayor's Revised Budget:* The Mayor recommends one-time resources for doubling the number of crews filling potholes (\$500,000) and for seal-coating (\$500,000).

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Transportation Planning and Engineering**

*Original Budget:* The Mayor recommended no changes to the Transportation Planning & Engineering division and Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Water Treatment and Distribution**

*Original Budget:* The Mayor recommended a \$0.14 increase in per unit water rates. The Mayor also recommended a redefinition of rates to stabilize revenues. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Regulatory Services**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$521,000 from the current service level for this department. This reduction will be achieved through personnel and non-personnel reductions. Also approved was the implementation of late evening enforcement of business licensing with an increase of \$450,000 and 3 FTE; an increase of \$525,000 in expense for administrative citations administration; an increase of \$175,000 and 1 FTE for pollution control permits, and \$135,000 and 1 FTE for a pet licensing project coordinator. These initiatives should be supported by revenue.

Traffic Control Agents were transferred from the Police Department to Regulatory Services. Responsibilities for the boarding of vacant buildings were transferred from Regulatory Services to the Fire Department, effective July 1, 2010. This action reduces Regulatory Services' budget by \$200,000 in 2010 and an additional \$200,000 in 2011.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$75,000. The department will achieve this through the reduction of equipment expenses and salary savings.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Citywide**

*Original Budget:* The Mayor recommended and the Council adopted the following appropriations:

\$3.4 million in pre-payment of internal service fund obligations for 2011. This strategy reduces pressures on the general fund in that year.

\$4.4 million to assist departments in paying for unemployment costs. These funds are budgeted in the City's operating contingency fund. The Finance Department is directed to report to the Ways & Means/Budget Committee on the distribution of these funds by June 1, 2010.

\$4 million for the local share of the Camden Bridge capital project that was accelerated due to the receipt of over \$10 million in federal stimulus funds.

\$1 million for reimbursement of the capital fund for local costs related to the Marquette and 2<sup>nd</sup> Avenue construction project. Public Works is directed to work with the Finance department to pursue reimbursement of these costs through the federal grant.

Upon receipt of the final CDBG allocation, 85% shall be allocated to the Affordable Housing Trust Fund, and the remaining 15% to MPD for Crime Prevention Specialists in CDBG-eligible areas.

*Mayor's Revised Budget:* The Mayor recommended that \$2.81 million be transferred to the pension management plan for pension debt avoidance.

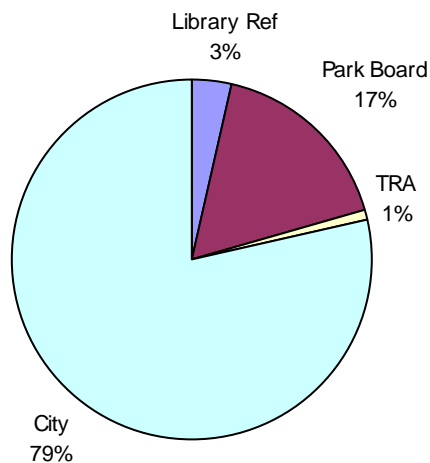
*Council Revised Budget:* Council adopted the Mayor's recommendations.

## Property Tax and Fee Changes

### ➤ Property tax revenue

The 2010 Revised Budget includes an estimated net tax capacity rate of 58.816%; this rate is the combined rate for the City, the Board of Estimate and Taxation, the Minneapolis Park and Recreation Board, the Municipal Building Commission (MBC), and the City's special levies for the Minneapolis Public Housing Authority (MPHA) and Teachers Retirement Association (TRA). The library referendum is a market value based tax estimated at .02524% for 2010 and is not included in the net tax capacity rate. This estimated net tax capacity rate will levy an additional \$18.5 million in property taxes, a 7.4% increase over the 2009 adopted budget. The City's net tax capacity (after reductions for tax increment and fiscal disparities) is projected to increase by 6.2% for taxes payable 2010, from \$413.9 million to \$439.6 million.

### Property Tax by Fund \$267.1 Million



Of the \$18.5 million budgeted increase in property tax revenue, \$17.9 million will be used by the City and \$1.9 million by the Park Board. The levy for MPHA is reduced by \$1.3 million. The City will use its share to increase funding for internal service fund obligations (\$3.4 million), pension obligations (\$8.4 million), and for other general fund services (\$6.1 million).

The Park Board budgeted revenue increase of \$1.9 million is based off the adopted new tax policy and represents an increase of 4.3%.

In 2009-2011, levy limits are in effect. The City is using special levies for allowable expenses that are beyond the rate of inflation dictated in levy limits. Levy limits result in reduced flexibility in terms of how the City allocates property tax revenue under the tax policy.

## Uses of new property tax revenue - \$18.5 million in 2010

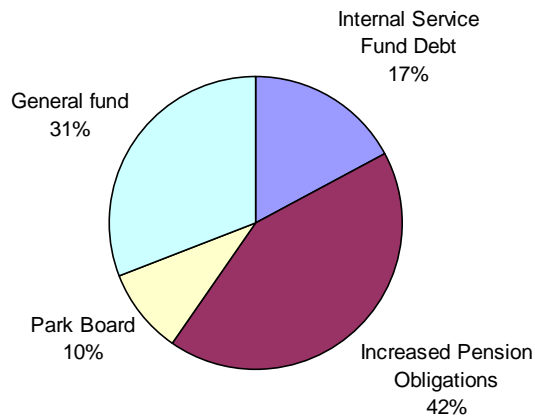
Internal Service Fund Debt:  
**\$3.4 million**

Increased pension obligations:  
**\$8.4 million**

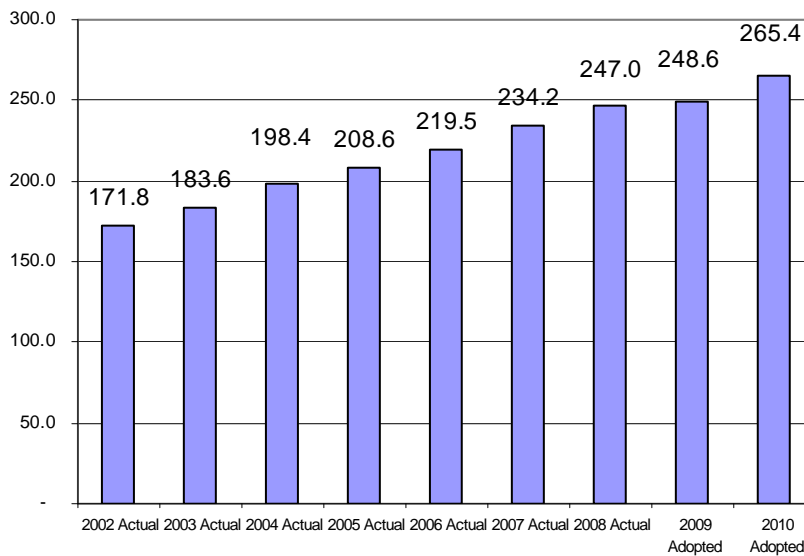
Increased cost to provide General Fund  
 City services:  
**\$6.1 million**

Increased cost to provide existing Park  
 Board services:  
**\$1.9 million**

Reduction in levy to Minneapolis Public  
 Housing Authority:  
**-\$1.3 million**



### Property tax revenue in constant 2009 dollars\*



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

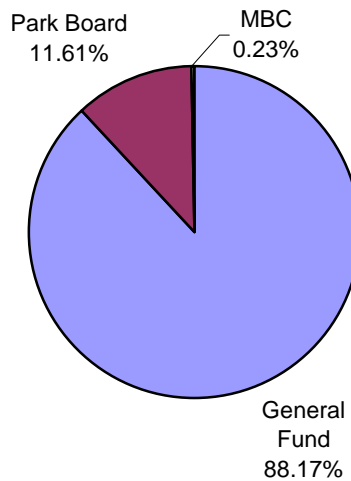
➤ **State Aid**

The State certified an increase to the City’s LGA allocation for 2010 to \$90.0 million, a \$1.2 million increase over the certified amount from 2009. While the State certified these numbers, actual distributions are much lower due to State action to reduce LGA. The actual distribution for 2010 is \$64.0 million, a \$16.3 million reduction from the 2009 distribution. Certified LGA versus actual distribution of LGA is featured in the table below:

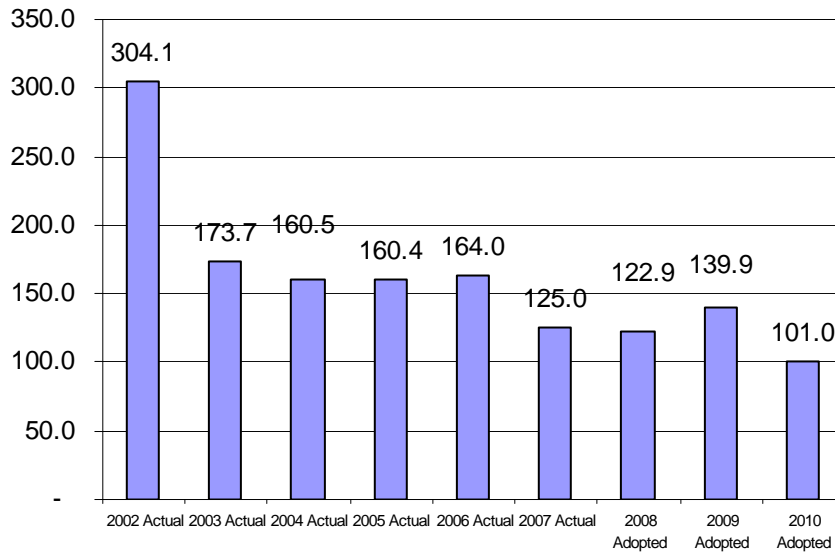
	2009 LGA Distribution %	2009 Certified LGA	2009 LGA Distribution	2010 LGA Distribution %	2010 Certified LGA	2010 LGA Distribution	% Change from 2009
General Fund	87.90%	\$78,040,592	\$70,537,317	88.17%	\$79,118,244	\$56,416,914	-20.0%
Park Board	11.80%	\$10,478,572	\$9,471,102	11.61%	\$10,623,269	\$7,423,928	-21.6%
MBC	0.30%	\$267,247	\$241,552	0.23%	\$270,937	\$145,889	-39.6%
Totals	100.00%	\$88,786,411	\$80,249,971	100.00%	\$90,012,450	\$63,986,731	-20.3%

The State also cut the Market Value Homestead Credit to Minneapolis for 2010 in the amount of \$6,239,048.

**LGA Distribution by Percentage**



**State Government revenue in constant 2009 dollars\***



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

**Stormwater, Sanitary Sewer and Water Utility Fees:** The 2010 Revised Budget includes an increase in utility rates of \$0.14 per 100 cubic feet for water, \$0.32 per 100 cubic feet for sanitary sewer, \$0.32 per equivalent stormwater unit (ESU = 1,530 square feet) for stormwater services, and no increase for solid waste and recycling services. These increases are necessary to fund investments for the City’s sanitary sewer and stormwater management services and water treatment and distribution systems. This represents a 4.8% increase for water fees, a 12.2% increase for sanitary sewer services, a 3.0% increase for stormwater, and no increase for solid waste and recycling. The average monthly charge per residential dwelling is \$24.40 (based on average usage of 800 cubic feet) for water, \$17.58 (based on average usage of 600 cubic feet) for sewer, \$11.09 for Stormwater (based on 1 ESU), and \$24.00 for solid waste and recycling.

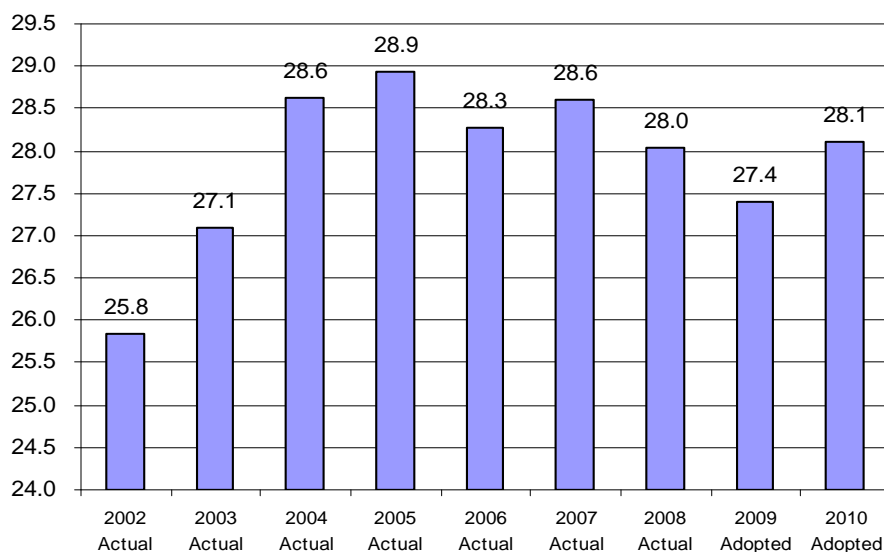
**Combined utility bill  
Monthly and annual cost for average consumer**

	2009	2010 Monthly Average	2010 Annual Average	2010 monthly dollar change	2010 % change
<b>Sanitary Sewer</b>	\$15.66	\$17.58	\$211	\$1.92	12.2%
<b>Storm Water</b>	\$10.77	\$11.09	\$133	\$0.32	3.0%
<b>Water</b>	\$23.28	\$24.40	\$293	\$1.14	4.8%
<b>Solid Waste/Recycling</b>	\$24.00	\$24.00	\$288	\$0.00	0.0%
<b>Total</b>	\$73.71	\$77.07	\$925	\$3.38	4.6%

- **Solid waste and recycling fee:** The 2010 revised budget left the solid waste and recycling fee unchanged at \$24.00, the average monthly charge per dwelling.
- **Franchise fees:** The 2010 Revised Budget anticipates the total franchise fee revenue to increase to \$29.1 million from \$28.1 million in 2009.

- **Community development block grant:** For 2010, the City is anticipating an approximate 5% increase from the 2009 actual funding level. The 2009 actual CDBG funds were approximately \$266,000 greater than originally budgeted.
- **Other fee changes:** The licenses and permit fee revenue is expected to increase from \$27.4 million to approximately \$28.3 million in 2010 due to increases in the rates charged for some of the licenses and permits. The 2010 Revised Budget is structured so as to prevent the property taxpayers from having to subsidize fee-based services.

#### License and permit revenue in constant 2009 dollars



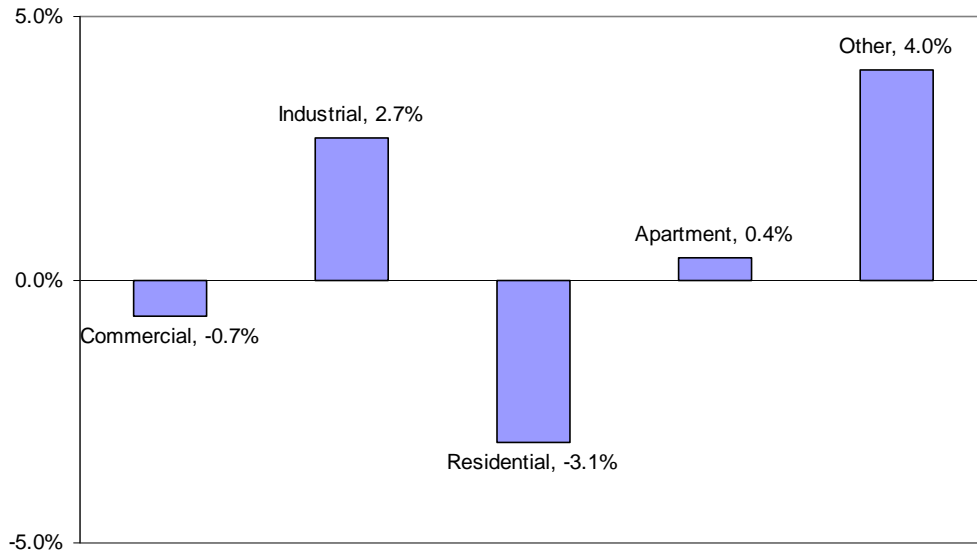
\*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

#### 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 property group. These numbers are updated as of December 1, 2009.

Group	2009 Estimated Market Value Real Estate	% of Total	% Change	Tax Capacity Real Estate	% of Total	% Change
Commercial	\$7,240,226,700	19.3%	-0.6%	141,315,106	30.5%	-0.7%
Industrial	1,461,942,400	3.8%	2.6%	28,559,810	6.2%	2.7%
Residential	24,475,219,830	67.6%	-3.6%	250,987,743	54.2%	-3.1%
Apartment	3,509,116,200	9.3%	0.5%	41,805,217	9.0%	0.4%
Other	24,875,400	0.1%	3.6%	332,956	0.1%	4.0%
<b>Total</b>	<b>\$36,711,380,530</b>	<b>100.0%</b>	<b>2.2%</b>	<b>\$463,000,833</b>	<b>100.0%</b>	<b>-1.9%</b>





The market value and tax capacity data shown above does not include personal property, which is estimated to have a market value of approximately \$381.5 million and a corresponding tax capacity of \$7.0 million for taxes payable 2010. With personal property included, gross tax capacity is estimated to decrease from the prior year by approximately 2.5%.

The following table provides the estimated changes in tax increment financing, fiscal disparities contribution, and fiscal disparities distribution for taxes payable 2010:

<b>For Taxes Payable in 2010</b>	
Real Estate Tax Capacity	\$463,000,833
Personal Property Tax Capacity	\$6,989,849
<b>Gross Tax Capacity</b>	<b>\$469,990,682</b>
- Less Increment Financing	(\$35,757,947)
- Less Fiscal Disparities Contribution	(\$55,162,961)
+ Plus Fiscal Disparities Distribution	\$60,483,575
<b>Net Tax Capacity</b>	<b>\$439,553,349</b>

### 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 classification rate for one property type through changes in the classification system, the taxes are redistributed throughout the property types. The same principle applies for market value referendums.

Different property classifications result in a different tax burden as a result of the classification rates of the State’s property tax classification system. Property taxes are a function of the market value multiplied by the classification rate multiplied by 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 which redistributed the burden to lower and mid-value residential properties.

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% of the property taxes paid on those property types. Until the 2001 property tax reform, property taxes were collected and distributed exclusively at the local level.

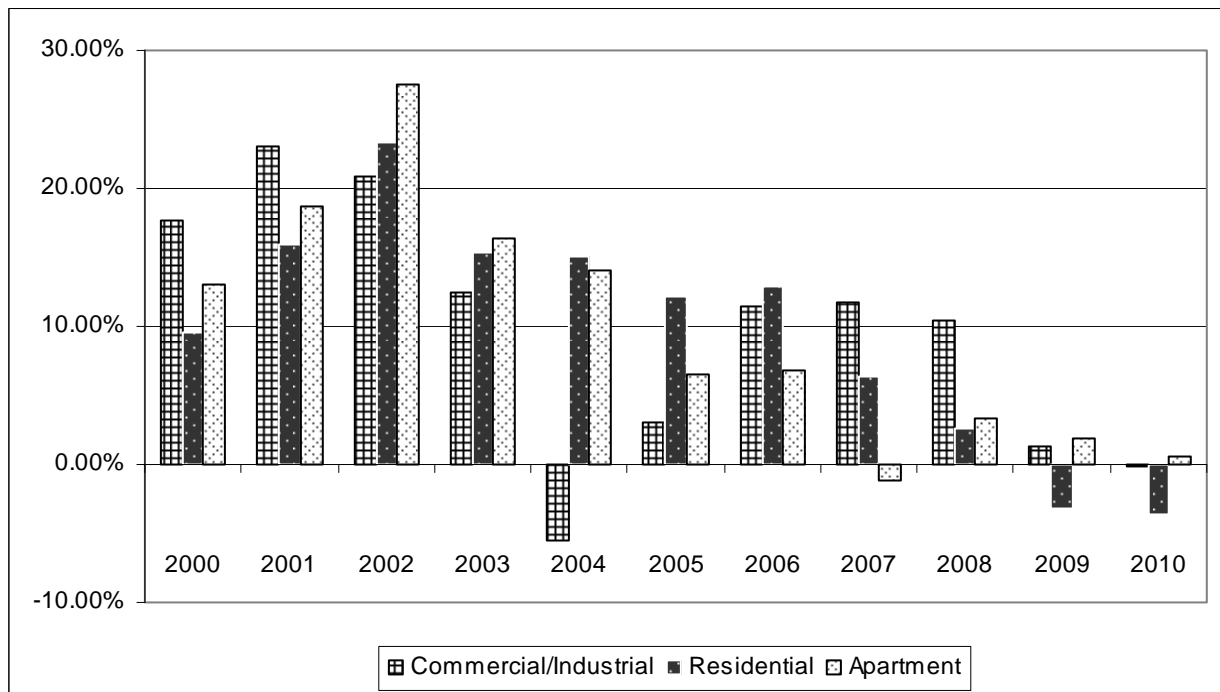
Minneapolis has historically had a strong commercial and industrial (C/I) tax base. For taxes payable in 1997, Minneapolis commercial and industrial property paid 56% of the total taxes for the City with the central business district alone paying almost 40%; for taxes payable 2010 this declined to 36% of the City total with the central business district paying approximately 24%. Corresponding percentages for Residential property owners (defined as 1-3 dwelling units) paid 32% of the City's taxes in 1997, and an estimated 54% for payable 2010. This represents a reversal in the share of the City's tax burden between the two property types. In 2009, the property tax burden began to shift back to the C/I property owners with the growth in C/I values in 2007 and 2008 and a reduction in residential property values. For taxes payable 2010, the shift in tax capacity towards C/I amounted to only 0.5%, essentially stalling the recent shift in tax capacity from residential property to commercial and industrial property.



The changes in distribution of tax base are a function of both market conditions and changing class rates. The table below shows the growth or decline in the market value by the three main property type classifications from payable 2000 to 2010:

Payable	Change in Market Value		
	Commercial/Industrial	Residential	Apartment
2000	17.70%	9.50%	13.00%
2001	23.10%	16.00%	18.70%
2002	20.80%	23.40%	27.50%
2003	12.50%	15.40%	16.40%
2004	-5.50%	15.10%	14.10%
2005	3.00%	12.20%	6.50%
2006	11.40%	12.90%	6.80%
2007	11.80%	6.40%	-1.20%
2008	10.41%	2.63%	3.31%
2009	1.30%	-3.12%	1.82%
2010	-0.09%	-3.60%	0.53%

**Change in Market Value**



- The Minneapolis real estate market closely resembles that of the national and regional real estate markets. Citywide residential assessed values from January 2007 to January 2008 ranged from relatively flat values to double digit decreases in value depending on the location. Mortgage fraud, sub-prime lending practices and a significant inventory of homes for sale are three factors contributing to the downward pressures in Minneapolis's residential market. On a positive note, with the recent reduction in market value of homes and with mortgage interest rates in the range of 6%, housing affordability in

Minneapolis is on the rise. Overall, commercial property values have declined; however, they've not been as negatively impacted by mortgage fraud and sub-prime lending when compared to the residential market.

- Commercial and Industrial property in both the Central Business District (CBD) and neighborhood nodes are trending downward. The downward trend is the result of the current recession and the reduced availability and significant upward re-pricing of credit in the marketplace. In 2008, commercial and industrial sales in the neighborhood nodes are down sharply while sales of major office buildings in the CBD were few and far between. The outlook for recovery is dependent upon several factors, one of which will be the efforts and impact of the fiscal stimulus packages currently underway.
- There was a close correlation between the number foreclosures and vacant and boarded buildings in a neighborhood with the decline in property values. The City anticipates recent actions by Federal, State and local agencies to fund programs targeted at foreclosure mitigation, neighborhood stabilization and revitalization.

2010 Adopted Budget  
Property Tax Levies

	2009 Adopted Levies	2010 Adopted Budget		
		2010 Adopted Levies	% Change from 2009	\$ Change from 2009
<b>By Major Funds</b>				
General Levies	\$245,003,164	\$264,805,404	8.1%	\$19,802,240
Special Levies Other*	\$3,565,932	\$2,250,000	-36.9%	(\$1,315,932)
<b>Grand Totals</b>	<b>\$248,569,096</b>	<b>\$267,055,404</b>	<b>7.4%</b>	<b>\$18,486,308</b>

**By Entity**

City**	\$192,095,622	\$210,016,781	9.3%	\$17,921,159
Park Board	\$43,607,542	\$45,488,623	4.3%	\$1,881,081
Library Referendum***	\$9,300,000	\$9,300,000	0.0%	\$0
Public Housing Authority	\$1,315,932	\$0	-100.0%	(\$1,315,932)
Teachers' Retirement	\$2,250,000	\$2,250,000	0.0%	\$0
<b>Grand Totals</b>	<b>\$248,569,096</b>	<b>\$267,055,404</b>	<b>7.4%</b>	<b>\$18,486,308</b>

\* Special Levies other Include; Chapter 595 (CPED), Public Housing Authority, Teachers' Retirement

\*\* Includes General Fund, Permanent Improvement, Bond Redemption, Municipal Building Commission, Board of Estimate & Taxation, and closed pension funds ( MERF,MPRA,MFRA )

\*\*\*This remains a City obligation after the Library System consolidation

2010 Adopted Budget  
Property Tax Levies

	2009 Adopted	2010 Adopted Budget		
		2010 Adopted Levies	% Change from 2009	\$ Change from 2009
<b>Levy Only Entities</b>				
Public Housing Auth	\$1,315,932	\$0	-100.0%	(\$1,315,932)
Teachers Retirement	\$2,250,000	\$2,250,000	0.0%	\$0
Library Referendum***	\$9,300,000	\$9,300,000	0.0%	\$0
Board Estimate & Taxation	\$260,035	\$270,000	3.8%	\$9,965
Perm. Imp Fund	\$1,619,000	\$1,700,000	5.0%	\$81,000
Bond Redemption Fund	\$22,243,873	\$16,141,429	-27.4%	(\$6,102,444)
MERF	\$2,270,000	\$2,390,000	5.3%	\$120,000
MFRA	\$1,860,000	\$1,335,000	-28.2%	(\$525,000)
MPRA	\$3,005,000	\$11,793,000	292.4%	\$8,788,000
<b>Subtotals</b>	<b>\$44,123,840</b>	<b>\$45,179,429</b>	<b>2.4%</b>	<b>\$1,055,589</b>
<b>Levy &amp; LGA Entities</b>				
Municp Building Commission	\$4,339,992	\$4,413,345	1.7%	\$73,353
Park & Recreation Board	\$43,607,542	\$45,488,623	4.3%	\$1,881,081
General Fund Levy	\$156,497,722	\$171,974,006	9.9%	\$15,476,284
<b>Subtotals</b>	<b>\$204,445,256</b>	<b>\$221,875,974</b>	<b>8.5%</b>	<b>\$17,430,718</b>
<b>Grand Totals</b>	<b>\$248,569,096</b>	<b>\$267,055,403</b>	<b>7.4%</b>	<b>\$18,486,307</b>

2010 Revised Budget  
Activities Approach

Activities Approach for Levy & LGA Entities	2009 Adopted	2010 Revised Budget		
		2010 Revised	% Change from 2009	\$ Change from 2009
<b>Municip Building Commission</b>				
<b>Tax Levy \$\$</b>	<b>\$4,339,992</b>	<b>\$4,413,217</b>		
Tax Rev \$\$	\$4,253,192	\$4,244,734	-0.20%	(\$8,458)
One time revenue for elevator repair		\$60,000		
One time expenditure for elevator repair		(\$60,000)		
<b>Trf to City General Fund OH</b>	<b>(\$45,000)</b>	<b>(\$45,000)</b>	<b>0.00%</b>	<b>\$0</b>
LGA Rev	\$241,552	\$145,889	-39.60%	(\$95,663)
<b>MBC Activities</b>	<b>\$4,449,744</b>	<b>\$4,345,623</b>	<b>-2.34%</b>	<b>(\$104,121)</b>
<b>Park &amp; Recreation Board</b>				
<b>Tax Levy \$\$</b>	<b>\$43,607,542</b>	<b>\$45,488,280</b>		
Tax Rev \$\$	\$42,735,391	\$43,680,614	2.21%	\$945,223
Trf to City General Fund OH	(\$811,687)	(\$811,687)	0.00%	\$0
Trf to City General Admin Fee	(\$116,400)	(\$121,056)	4.00%	(\$4,656)
Capital Projects from Levy	(\$1,470,000)	(\$1,528,800)	4.00%	(\$58,800)
LGA Rev	\$9,471,102	\$7,423,928	-21.61%	(\$2,047,174)
<b>Park Board Activities</b>	<b>\$49,808,406</b>	<b>\$48,642,999</b>	<b>-2.34%</b>	<b>(\$1,165,407)</b>
<b>General Fund Levy</b>				
<b>Tax Levy \$\$</b>	<b>\$156,497,722</b>	<b>\$171,974,478</b>		
Tax Rev \$\$	\$153,367,768	\$163,313,107	11.42%	\$17,509,419
Trf to County for Library System	(\$6,800,000)	(\$6,721,000)	-1.16%	\$79,000
Trf to County for Library System one time	(\$683,000)	\$0	-100.00%	\$683,000
Trf to Other Funds	\$0	(\$1,000,000)	100.00%	(\$1,000,000)
Trf to Target Center Finance Plan	(\$92,000)	(\$92,000)	0.00%	\$0
Trf to Solid Waste Graffiti	(\$50,000)	(\$50,000)	0.00%	\$0
Capital Projects from Levy	\$0	(\$5,000,000)	100.00%	(\$5,000,000)
Trf for City Hall Green Roof MBC	(\$107,500)	\$0	-100.00%	\$107,500
Trf for City Hall Elevator MBC	(\$95,000)	\$0	-100.00%	\$95,000
Trf for LRT Study Central Corridor	(\$700,000)	\$0	-100.00%	\$700,000
Trf for Ballpark Infrastructure	(\$1,575,000)	\$0	-100.00%	\$1,575,000
GFd OH Not recovered Park Bd	(\$1,472,057)	(\$1,287,025)	-12.57%	\$185,032
<b>GFd OH Not recovered from MBC</b>	<b>(\$246,954)</b>	<b>(\$184,927)</b>	<b>-25.12%</b>	<b>\$62,027</b>
GFd OH Not recovered from Others	(\$3,955,612)	(\$3,004,803)	-24.04%	\$950,809
GFd OH Recovered from Others	(\$21,604,987)	(\$21,640,821)	0.17%	(\$35,834)
General fund one time revenue	\$7,300,000	\$0	-100.00%	(\$7,300,000)
Trf to Internal Service Fds Workout Plans	(\$25,270,000)	(\$25,205,000)	-0.26%	\$65,000
Trf to Pension Debt Service Sinking Fd	(\$14,567,700)	(\$8,702,400)	-24.18%	\$3,523,100
<b>One time resources</b>				
Transfer to MBC for elevator repair		(\$60,000)		\$60,000
BIS/Public Works for wireless installation in vehicles		(\$360,000)		\$360,000
BIS/Public Works for wireless poles		(\$800,000)		\$800,000
Citywide for pension debt avoidance		(\$2,810,000)		\$2,810,000
Finance process improvements		(\$500,000)		\$500,000
Citywide for retirement incentive for sworn personnel		(\$500,000)		\$500,000
MPD ticket writers		(\$250,000)		\$250,000
MPD for fitness testing		(\$180,000)		\$180,000
Public Works for pothole filling		(\$500,000)		\$500,000
Public Works for sealcoating		(\$500,000)		\$500,000
<b>Subtotal General Fund for Others</b>	<b>(\$69,919,810)</b>	<b>(\$79,347,976)</b>	<b>-1.64%</b>	<b>\$1,149,634</b>
General Fund Revenue	\$135,684,000	\$142,525,000	5.04%	\$6,841,000
LGA Rev	\$70,537,317	\$56,416,914	-20.02%	(\$14,120,403)
<b>General Fund Activities</b>	<b>\$289,669,275</b>	<b>\$282,907,045</b>	<b>-2.34%</b>	<b>(\$6,762,230)</b>

**2010 Adopted Budget  
Historical Tax Rates and Levies**  
\*Based on Final Pay 2009 information

**NET TAX CAPACITY BASED (NTC) LEVIES**

	2007		2008		2009*	
	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$
<b>City Levies</b>						
General Fund	33.543	\$126,180,059	37.743	\$155,082,373	37.876	\$156,497,722
Estimate and Taxation	0.064	240,417	0.061	250,034	0.063	260,035
Building Commission	1.067	4,012,566	1.016	4,173,069	1.051	4,339,992
Permanent Improvement	0.431	1,619,000	0.395	1,619,000	0.392	1,619,000
Bond Redemption	4.965	18,677,000	4.468	18,355,000	5.384	22,243,873
Firefighter's Relief Association	0.821	3,086,000	0.832	3,415,000	0.451	1,860,000
Police Relief Association	0.964	3,625,000	0.887	3,641,000	0.728	3,005,000
Minneapolis Employees Retirement Fund	0.638	2,400,000	0.716	2,940,000	0.550	2,270,000
<b>Sub-Total City Levies</b>	<b>42.493</b>	<b>\$159,840,042</b>	<b>46.118</b>	<b>\$189,475,476</b>	<b>46.495</b>	<b>\$192,095,622</b>
Park and Recreation	10.635	40,005,789	10.168	41,778,021	10.554	43,607,542
<b>Sub-Total Park Board Levies</b>	<b>10.635</b>	<b>\$40,005,789</b>	<b>10.168</b>	<b>\$41,778,021</b>	<b>10.554</b>	<b>\$43,607,542</b>
Library Board 1	3.557	\$13,377,160	<b>In General Fund in 2008</b>		<b>a County Function in 2009</b>	
<b>Sub-Total City Levies</b>	<b>56.685</b>	<b>\$213,222,991</b>	<b>56.286</b>	<b>\$231,253,497</b>	<b>57.049</b>	<b>\$235,703,164</b>
<b>City-Related Special Levies</b>						
Public Housing	0.322	1,216,653	0.307	1,265,319	0.320	1,315,932
Teachers' Retirement	0.593	2,250,000	0.542	2,250,000	0.544	2,250,000
Watershed Districts 2	1.121	5,990,820	1.404	6,703,804	1.489	7,056,535
<b>Sub-Total City-Related Specials Levies</b>	<b>2.036</b>	<b>\$9,457,473</b>	<b>2.253</b>	<b>\$10,219,123</b>	<b>2.353</b>	<b>\$10,622,467</b>
<b>Other Special Levies</b>						
Hennepin County	34.797	134,463,075	34.486	141,969,039	39.697	161,631,008
State of Minnesota 3	CI only	70,081,548	CI only	74,047,875	CI only	78,642,725
Minneapolis Public Schools	24.225	91,834,140	21.950	91,461,148	24.583	71,004,773
Other Special Taxing Districts 4	4.242	15,374,768	4.260	16,742,474	3.820	15,263,657
<b>Sub-Total Other Specials Levies</b>	<b>63.264</b>	<b>\$296,378,763</b>	<b>60.696</b>	<b>\$307,478,062</b>	<b>68.100</b>	<b>\$311,278,506</b>
<b>TOTAL NTC BASED LEVIES</b>	<b>121.985</b>	<b>\$519,059,227</b>	<b>119.235</b>	<b>\$548,950,682</b>	<b>127.502</b>	<b>\$557,604,137</b>

**REFERENDUM MARKET VALUE BASED (RMV) LEVIES**

	2007		2008		2009*	
	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$	Tax Rate (%)	Total Tax Levy \$\$
Minneapolis Public Library Referendum	0.02688%	\$9,300,000	0.02465%	\$9,300,000	0.02461%	\$9,300,000
Minneapolis Public Schools Referendum	0.09311%	36,690,461	0.08752%	38,011,310	0.16261%	61,473,699
Solid Waste Fee <sup>5</sup>	0.01571%	5,497,000	0.01584%	5,997,260	0.01096%	4,158,069
<b>TOTAL RMV BASED LEVIES</b>	<b>0.13570%</b>	<b>\$51,487,461</b>	<b>0.12801%</b>	<b>\$53,308,570</b>	<b>0.19818%</b>	<b>\$74,931,768</b>

**TOTAL ALL LEVIES**

<b>\$570,546,688</b>	<b>\$602,259,252</b>	<b>\$632,535,905</b>
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**Notes:**

<sup>1</sup> This does not include the Library Board referendum levy. That amount is listed under "Referendum Market Value Based Levies."

<sup>2</sup> 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 2009 & #3

Water Shed #	# 0	# 3	# 6	# 7	# 8
School Rate	24.539	24.583	24.543	24.539	24.539
County Rate	39.666	39.697	39.669	39.666	39.666
Water Shed rate	0.000	1.489	2.143	0.535	0.047
<b>Total NTC Based rate</b>	<b>125.938</b>	<b>127.502</b>	<b>128.088</b>	<b>126.473</b>	<b>125.985</b>

<sup>3</sup> The State of Minnesota Property Tax is applicable only to Commercial & Industrial properties.

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

<sup>5</sup> The Solid Waste Fee amounts are the portions associated with Minneapolis only.

<sup>6</sup> The pay 2009 Tax rate applies to 71.3737% of the Commercial property's taxable value and the area wide rate of 115.921 applies to the remaining 28.6263% in addition to the State rate of 45.535.



**Residential Property with an Estimated Market Value Change of 0.0%**

	2009	2010	% Change	\$ Change
Assessed Market Value ( MV )	<b>\$138,100</b>	<b>\$138,100</b>	<b>0.0%</b>	\$0
Taxable Value	\$138,100	\$138,100	<b>0.0%</b>	\$0
Tax Capacity	\$1,381	\$1,381	<b>0.0%</b>	\$0
City Property Taxes				
Tax Capacity based Taxes	\$677	\$691	<b>2.1%</b>	\$14
MV Referendum Tax	\$34	\$35	<b>2.9%</b>	\$1
<b>Total City Property Taxes</b>	<b>\$711</b>	<b>\$726</b>	<b>2.1%</b>	<b>\$15</b>
Utility Fees				
Water	\$279	\$293	<b>5.0%</b>	\$14
Sorm	\$129	\$133	<b>3.1%</b>	\$4
Sanitary Sewer	\$186	\$211	<b>13.4%</b>	\$25
Solid Waste Recycling	\$288	\$288	<b>0.0%</b>	\$0
<b>Total Utilities</b>	<b>\$882</b>	<b>\$925</b>	<b>4.9%</b>	<b>\$43</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$1,593</b>	<b>\$1,651</b>	<b>3.6%</b>	<b>\$58</b>

	2009	2010	% Change	\$ Change
Assessed Market Value ( MV )	<b>\$216,000</b>	<b>\$216,000</b>	<b>0.0%</b>	\$0
Taxable Value	\$216,000	\$216,000	<b>0.0%</b>	\$0
Tax Capacity	\$2,160	\$2,160	<b>0.0%</b>	\$0
City Property Taxes				
Tax Capacity based Taxes	\$1,153	\$1,178	<b>2.2%</b>	\$25
MV Referendum Tax	\$53	\$55	<b>3.8%</b>	\$2
<b>Total City Property Taxes</b>	<b>\$1,206</b>	<b>\$1,233</b>	<b>2.2%</b>	<b>\$27</b>
Utility Fees				
Water	\$279	\$293	<b>5.0%</b>	\$14
Sorm	\$129	\$133	<b>3.1%</b>	\$4
Sanitary Sewer	\$186	\$211	<b>13.4%</b>	\$25
Solid Waste Recycling	\$288	\$288	<b>0.0%</b>	\$0
<b>Total Utilities</b>	<b>\$882</b>	<b>\$925</b>	<b>4.9%</b>	<b>\$43</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$2,088</b>	<b>\$2,158</b>	<b>3.4%</b>	<b>\$70</b>

**Residential Property with an Estimated Market Value Change of 0.0%**

	2009	2010	% Change	\$ Change
Assessed Market Value ( MV )	\$536,000	\$536,000	0.0%	\$0
Taxable Value	\$536,000	\$536,000	0.0%	\$0
Tax Capacity	\$5,450	\$5,450	0.0%	\$0
City Property Taxes				
Tax Capacity based Taxes	\$3,109	\$3,178	2.2%	\$69
MV Referendum Tax	\$132	\$135	2.3%	\$3
<b>Total City Property Taxes</b>	<b>\$3,241</b>	<b>\$3,313</b>	<b>2.2%</b>	<b>\$72</b>
Utility Fees				
Water	\$279	\$293	5.0%	\$14
Storm	\$129	\$133	3.1%	\$4
Sanitary Sewer	\$186	\$211	13.4%	\$25
Solid Waste Recycling	\$288	\$288	0.0%	\$0
<b>Total Utilities</b>	<b>\$882</b>	<b>\$925</b>	<b>4.9%</b>	<b>\$43</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$4,123</b>	<b>\$4,238</b>	<b>2.8%</b>	<b>\$115</b>

	2009	2010	% Change	\$ Change
Assessed Market Value ( MV )	\$1,417,500	\$1,417,500	0.0%	\$0
Taxable Value	\$1,417,500	\$1,417,500	0.0%	\$0
Tax Capacity	\$16,469	\$16,469	0.0%	\$0
City Property Taxes				
Tax Capacity based Taxes	\$9,395	\$9,602	2.2%	\$207
MV Referendum Tax	\$349	\$358	2.6%	\$9
<b>Total City Property Taxes</b>	<b>\$9,744</b>	<b>\$9,960</b>	<b>2.2%</b>	<b>\$216</b>
Utility Fees				
Water	\$279	\$293	5.0%	\$14
Storm	\$129	\$133	3.1%	\$4
Sanitary Sewer	\$186	\$211	13.4%	\$25
Solid Waste Recycling	\$288	\$288	0.0%	\$0
<b>Total Utilities</b>	<b>\$882</b>	<b>\$925</b>	<b>4.9%</b>	<b>\$43</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$10,626</b>	<b>\$10,885</b>	<b>2.4%</b>	<b>\$259</b>

## Commercial/Industrial and Apartment Property Tax – Sample Bills

<b>Commercial/Industrial Property</b>				
<b>with Estimated Pay 2010 Market Value of \$300,000</b>				
	<b>2009</b>	<b>2010</b>	<b>% Change</b>	<b>\$ Change</b>
Assessed Market Value ( MV )	\$325,000	\$300,000	-7.7%	(\$25,000)
Tax Capacity	\$5,750	\$5,250	-8.7%	(\$500)
City Property Taxes				
Tax Capacity based Taxes	\$2,341	\$2,089	-10.8%	(\$252)
MV Referendum Tax	\$80	\$76	-5.0%	(\$4)
<b>Total City Property Taxes</b>	<b>\$2,421</b>	<b>\$2,165</b>	<b>-10.6%</b>	<b>(\$256)</b>

<b>Commercial/Industrial Property</b>				
<b>with Estimated Pay 2010 Market Value of \$10,350,000</b>				
	<b>2009</b>	<b>2010</b>	<b>% Change</b>	<b>\$ Change</b>
Assessed Market Value ( MV )	\$10,250,000	\$10,350,000	1.0%	\$100,000
Tax Capacity	\$204,250	\$205,500	0.6%	\$1,250
City Property Taxes				
Tax Capacity based Taxes	\$83,166	\$81,789	-1.7%	(\$1,377)
MV Referendum Tax	\$2,523	\$2,612	3.5%	\$89
<b>Total City Property Taxes</b>	<b>\$85,689</b>	<b>\$84,401</b>	<b>-1.5%</b>	<b>(\$1,288)</b>

<b>Apartment Property</b>				
<b>with Estimated Pay 2010 Market Value of \$380,000</b>				
	<b>2009</b>	<b>2010</b>	<b>% Change</b>	<b>\$ Change</b>
Assessed Market Value ( MV )	\$400,000	\$380,000	-5.0%	(\$20,000)
Tax Capacity	\$5,000	\$4,750	-5.0%	(\$250)
City Property Taxes				
Tax Capacity based Taxes	\$2,852	\$2,769	-2.9%	(\$83)
MV Referendum Tax	\$98	\$96	-2.0%	(\$2)
<b>Total City Property Taxes</b>	<b>\$2,950</b>	<b>\$2,865</b>	<b>-2.9%</b>	<b>(\$85)</b>

<b>Apartment Property</b>				
<b>with Estimated Pay 2010 Market Value of \$686,000</b>				
	<b>2009</b>	<b>2010</b>	<b>% Change</b>	<b>\$ Change</b>
Assessed Market Value ( MV )	\$686,000	\$686,000	0.0%	\$0
Tax Capacity	\$8,575	\$8,575	0.0%	\$0
City Property Taxes				
Tax Capacity based Taxes	\$4,892	\$5,000	2.2%	\$108
MV Referendum Tax	\$169	\$173	2.4%	\$4
<b>Total City Property Taxes</b>	<b>\$5,061</b>	<b>\$5,173</b>	<b>2.2%</b>	<b>\$112</b>

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**City of Minneapolis  
FY 2010 Budget  
Financial Policies**

**Financial Management Policies**

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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 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.

**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 may be 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, including property tax revenue. This financial direction is based upon the City's adopted tax policy. This direction also reflects the Compensation Philosophy which was approved by City Council in 2007. The compensation philosophy was put in place to help guide the city in attracting, retaining and motivating employees.

**[New in 2010] Grant Funding in the Five-Year Financial Direction.** Any application for grant funding that will provide temporary funding for personnel and requires a minimum staffing level

shall require Council approval. The department requesting the fund shall determine the amount of additional City resources that will be required to fund the positions once the grant funding expires and report those estimates to the Finance Department. As a condition of accepting the funds, the Council shall identify permanent resources and amend the Five-Year Financial Direction to reflect adequate resources to retain the positions once the funding ends.

## 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 citywide 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 effective in 2003. This resolution served as a guideline for preparing tax revenue forecasts through 2009.

**[NEW IN 2010] Property Tax Revenue Distribution.** In 2009 (for 2010), the Council adopted the distribution of revenue be based on the sum of the following: total property tax revenue, total Local Government Aid revenue, and total General Fund revenues. From this total, shared costs are deducted, including: pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher's Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, General Fund Overhead associated with the Park Board and Municipal Building Commission (MBC), General Fund Overhead for others, and General Fund transfers to other funds. The remaining revenues are then identified as being available for "activities."

"Activity" definition for MBC excludes the General Fund Overhead transfer to the City. "Activity" definition for the Park Board excludes the General Fund Overhead transfer to the City, the HR Benefits Administration Fee paid to the City and the Park Board levy supported capital projects.

The annual percentage change in revenue available for activities of the City, Park Board and MBC will be the same for each entity.

**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 three 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 handled 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.

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*, 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.

**Property Disposition Fund.** The proceeds of the Property Disposition Fund are to be used for implementing the City's strategic real estate plan, as developed and approved by the Facilities, Space, and Asset Management Committee.

**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 Hennepin County has not sold the property within 90 days of the property’s first offering 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 15 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. 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. 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.” [Internal Service Fund commitment adopted in December 2000, reaffirmed in 2006]

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.

**Internal Service Funds.** The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions.

- *Self-Insurance Fund* shall maintain a cash balance equal to the unpaid claims payable amount on its balance sheet plus 10% of the annual department operating budgets within the fund. Net assets within the fund should not fall below zero.
- *Fleet Services, Business Information Services and Property Services Funds:* If rate model charges to customers are sufficient to cover debt service or depreciation expense then the minimum cash balance should be 15% of the fund's operating budget. If not, the reserve should be 15% of the fund's total budget. Net assets shall not fall below two times the fund's annual depreciation amount.
- *Stores and Engineering Materials & Testing Fund* shall maintain *cash and net assets equal to 15% of the funds annual operating budget.*

**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.

**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.

**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 CFO and includes 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

### ***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 Sewer, 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.*** General obligation, property tax supported bonds finance only those capital improvements and long-term assets that have been determined to be essential to the maintenance or development of the City.

***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 citywide 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 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 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 within six months of the following year.

## INVESTMENT POLICIES

The objective of the investment policies is to ensure that revenues received by the City 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*, Chapter 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 City government.

**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 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.

**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 citywide financial interests.

### ***Tax Increment Policy.***

**Purpose of Policy.** This Tax Increment Policy has been approved by 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 City Council on March 22, 2002 and revised on January 1, 2004, and earlier versions of said policy. This policy became effective on 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 21<sup>st</sup> 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 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 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 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, internal rate of 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.

### **Operating Budget Policies**

#### ***[NEW IN 2010] Revenue Related***

**Work for Others 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.

#### ***Rate-Model 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.

**Staffing Increases.** Staffing increases will be handled within the enterprise department allocations unless specific agreements have been made between department heads to charge out additional costs.

**Cost Increases to Enterprise Departments.** Enterprise departments are expected to manage cost increases, including employee reclassifications within their department appropriations unless specific agreements are reached with sponsoring departments.

**Claims Outside the Rate Model.** Specific claims may be handled outside of the rate model, although the associated data will be incorporated into department charges. Claims data will be updated every other year.

**Department Allocations.** Department allocations will be reviewed on an annual basis.

**Funding Capital Improvements.** Enterprise departments are responsible for developing a plan for funding capital improvements. If the plan includes increasing rate model charges, the enterprise department should initiate service discussions with the departments receiving the service.

**One-Time Costs Assessed.** One-time cost increases may be assessed to the fund if the financial condition of the fund meets the City's financial policies.

**Communication with Customer Departments.** Service providers within enterprise rate models will establish ongoing communication with customer departments in order to articulate costs of service and effectively manage them.

**General Fund Overhead Rate Model.** The General Fund overhead rate model is not self-balancing in nature; costs that should be borne by one department will not be subsidized by another unless it is determined by the Finance Department that a phase-in period is necessary.

**Internal Service Fund Rate Models.** Internal Service Fund rate models are self-balancing in nature; therefore, all of their costs must be recovered within the rate model.

**Current Service Level Changes.** Changes made to department current service levels that affect specific rate models will be reflected in the Council-Adopted Budget, subsequent to the Mayor's Recommended Budget.

### ***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 Relief Association (MFRA).

**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***

***Approval of Payments and Procurements.*** All payments to or procurement of goods and services from external sources, regardless of dollar amount must be approved in advance within the City's financial system. Additionally, where applicable, the system-generated purchase order number will be communicated to the vendor prior to the order being placed.

***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.

***911 Staffing Authorization.*** The Minneapolis 911 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 authorize the director of Management and Budget and/or Controller to sign real estate and bond documents in the absence of the City's Finance Officer.

- 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 (01990).
- 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 01310
  - (ii) HUD HOME grant funds to Fund 01310 and 1500
  - (iii) Federal Transit Administration (Trolley) grant funds to either Fund 01310 or City Fund 01300 for use by the GMCVA/Meet Minneapolis
  - (iv) Eligible UDAG recapture funds to fund 01FNA
  - (v) State Economic Recovery Grants to fund 01SMN
  - (vi) HUD Special Purpose Grant MN47SPG507(TCOIC) funds to the Non-departmental Agency in the Fund (01400-1230000)
- 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 if payment is not received from this independent board for the **management support fees** included in the adopted budget.
- 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: 01CLC (Local Contribution), 01CNR (NRP), 01SAD (NRP Planning & Implementation), and 01SPH (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; and transactions implementing the "Amended and Restated Arena Lease, Operating,

Management, Use and Assurances Agreement” dated May 2, 2007; so as to prevent situations that would require a market disclosure.

- 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 2009 appropriations for the following grant funds are hereby re-appropriated in the year 2010:

01300 Grants - Federal  
01400 CDBG/UDAG Fund  
01600 Grants – Other  
01410 CDBG (CPED)  
01310 and 1500 HOME (CPED)  
01320 Enterprise Zone (CPED)  
01SMN State Grants (CPED)

The balances of 2009 appropriations for administration in the CDBG/UDAG Grant fund (01400) shall be re-appropriated to the Non-Departmental Agency in 2010, except for the administrative portion of Way to Grow in Health.

***NRP Carryover Authorization.*** With the exception of NRP Administration, the balance of the 2009 appropriations for NRP projects within Fund 01CNR (NRP) are hereby appropriated for said purposes in 2010. Specific amounts re-appropriated will be determined after the close of the 2009 fiscal year and upon review and approval of the Finance Officer.

### ***CDBG Reprogramming Policy***

The City’s current over-obligation of CDBG funds stands at \$5.22 million. The City manages its over-obligation through its new annual allocations. The first priority for reprogramming eligible available balances is to reduce the deficit in the City’s letter of credit with the Federal government. There are four sources for reprogramming funds:

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

***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 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.

**Program Income.** Fifty percent of program income not obligated by pre-2009 contracts will be applied to reducing the deficit in the City's letter of credit with the Federal Government. The balance will be available for reprogramming.

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 30 (2004) will be included in the reprogramming action during 2008.

### **Year-End Report**

Not later than January 31st of each year the Finance department will report to the Ways and Means/Budget Committee on preliminary year-end expenditures and revenues by departments compared to authorized allocations for the prior fiscal year. This report will identify departments with expenditures in excess of authorized appropriations and/or revenues less than budgeted amounts.

Departments with actual expenses in excess of authorized appropriations and/or revenues less than budgeted amounts will report to the Ways & Means/Budget Committee each month for the year following the year of overspending or under-collection of revenues, beginning with the first committee meeting in February. This report should report actual spending and revenue collection to date for the current year and forecasts for the balance of the year compared to allocations. If forecasted spending exceeds authorized appropriations the department will present a plan that reduces spending to authorized appropriations.

### **Operating Budget Reappropriation**

The Finance Officer has the authority to encumber funds and is responsible for certifying that an encumbrance is valid at the end of the fiscal year. Additionally, the Finance Officer may reject carryover based on the financial health of the fund or extenuating circumstances. This does not impact the requirement for a formal Request for Proposal for contracts over \$50,000.

Encumbrances must 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 budget year 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 the preceding year had expense in excess of revenue).

### ***Operating Costs for Technology***

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.

### **[NEW IN 2010] *Fund Balances for Technology Projects***

When the overall fund balance at year-end meets the level in the adopted financial policies, General Fund revenues over the budgeted amount for the year that can be attributed to a department's activities and which exceed direct expenses, up to \$1 million per year, would be reallocated to a dedicated account to fund Council-approved multi-departmental technology projects led by the revenue generating department.

### ***Contract Management***

Prior to committing to conditions requiring a minimum purchase under any contract, the department/departments involved must clearly identify the specific funding sources dedicated for such purchases.

### ***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, Municipal Building Commission, and Park Board as indicated in the Council adopted tax policy. In 2010, this allocation is as follows:

City General Fund	\$56,416,914
Park Board	\$ 7,423,928
<u>Building Commission</u>	<u>\$ 145,889</u>
Total	\$63,986,731

***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.*** The status of the fund, expenditures and balances are to be reported annually as part of the City's budget process.

***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 \$15,000 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/Budget 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 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 \$15,000, the recipient department shall submit a request for authorization to accept the gift to the City Council's Ways & Means Committee directly.

### ***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:

<u>Fund</u>	<u>Project or Operating Organization</u>
City-Capital Impr Fund	PW Engineering Services
City-Capital Impr Fund	Sidewalk Inspection
City-Capital Impr Fund	Reimbursable Paving
City-Capital Impr Fund	Reimbursable Transportation

Balances of capital projects in the equipment – internal service fund, property – internal service fund, info tech – internal service fund, stormwater fund, water – enterprise fund and municipal parking enterprise fund are also hereby re-appropriated with the exception of Reimbursable Sewer Projects and Reimbursable Water Projects.

**Reallocation of Capital Resources.** The Finance Office should work with departments to ensure the timely closeout of capital projects. Generally, projects should be closed within four years of original bond issuance. Bonds should not be reallocated until a project is completed or canceled. At the time of project closing, any excess funds should be reallocated according to the following priorities:

1. completed projects with existing deficits;
2. approved capital programs with projected deficits; and
3. returned to the debt service fund to allow for increased capacity in future capital programs.

Reallocation of bond resources must follow applicable charter and statutory provisions related to the issuance of those resources and consistency with the City's comprehensive plan. New capital projects may be funded through the increased capacity achieved through priority #3 with full Council approval.

**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 bond sales including costs of issuance and annual bond maintenance fees from the Bond Redemption Fund 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:

<b>Bond Type</b>	<b>Source</b>
Net Debt, Library Referendum, Public Safety, Equipment	Property taxes and Internal User Fees
Sanitary Sewer	Sanitary Sewer revenues
Stormwater Sewer	Stormwater Fund revenues
Water	Water Fund revenues
Parking	Parking Fund revenues
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.

## ***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/Budget 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 2010 Budget  
Financial Policies**

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

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***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.<sup>1</sup>

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 <sup>2</sup>	11.79%
Municipal Building Commission	0.30%
Board of Estimate and Taxation	.10%
City Council	79.76%
Total	100.00%

*This has since been updated to no longer include a distribution to the Board of Estimate and Taxation and the Library Board. The Library Board no longer exists due to a merger of the Minneapolis library system with the Hennepin County library system. The percentage breakdown of LGA in 2009 was 87.897% to City Council, 11.802% to the Park Board, and 0.301% for the Municipal Building Commission. In 2010, the Mayor is proposing further modification of this policy as described in the proposed amendment to this section.*

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.

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<sup>2</sup> 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.

**(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 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.

The City finance officer has the authority to reduce LGA payments to the Independent Boards if payment of the management support charge, or any other charges required by City Ordinance, are 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 2009<sup>3</sup>. 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

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<sup>3</sup> 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.

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 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 <sup>4</sup>	\$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

*Though the plan adopted in 2002 planned for the close of the Public Works and Park Board infrastructure gap, the gap still remains in 2009 due to the significant cuts in LGA in 2003. Because of these cuts, the projected amounts appearing above were not made available for capital improvements.*

**(E) Alternative Revenue Strategies**

The Mayor and Council will work in cooperation with the Park 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*

<sup>4</sup> The 2002-2006 adopted CIP includes \$1,920,000 in net debt bond funding for the Park Board.

*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.*

**[NEW IN 2010] Adopted Amendments:**

**1. The Mayor proposed and the Council adopted the following amendments to the Financial Planning and Policy Resolution:**

The 8-percent tax revenue policy recommended through 2010 is only in place through 2009. The policy is to be replaced with the following:

Those entities receiving Local Government Aid (LGA) will move to an activity-based approach with an annual adjustment after the base year equal to the projected percentage increase in the Current Service Level. The dollars available for the activities will be based on the sum of the LGA, total tax collections, and total General Fund revenues. The activities will exclude dollars transferred to other entities, including the following:

For the Park Board, it will exclude the General Fund Overhead transfer to the City, the General Fund Administration Fee transfer to the City, and the costs of Park Board Capital Improvements funded from the Park Board levy.

For MBC, it will exclude the General Fund Overhead transfer to the City.

For the City's General Fund, it will exclude the General Fund Overhead not recovered from the Park Board, MBC, and others. It also excludes transfers to other funds including approved internal service fund workout plans, the Target Center Finance Plan, one-time capital project transfers, transfers to and from the pension management plan, and the transfer to Hennepin County per the Library Agreement.

Under the activity-based approach, the tax revenue percentage change for the City, the Park Board, and MBC may vary from year to year based on adjustments to LGA, total General Fund revenues, and adjustments to those items excluded from activities, as well as adjustments to the projected change in the Current Service Level.

**2. All applicable changes to the Financial Planning and Policy Resolution will be reflected during the 2011 budget process:**

The Financial Planning and Policy Resolution for Independent Boards and the related policy statements (A-F, above) are replaced by Adopted Amendment #1, above, detailing the new tax revenue policy. Outdated information will be omitted or revised during the 2011 budget process, depending on applicability.

**City of Minneapolis  
FY 2010 Budget**

**Financial Plans**

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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.

➤ <b>Five-year Financial Direction 2011-2015</b>	<b>112</b>
➤ <b>Demands on the Property Tax 10 Year Projection</b>	<b>141</b>
➤ <b>Special Revenue Funds</b>	<b>143</b>
- Convention Center Special Revenue Fund	143
- Community Planning and Economic Development	149
➤ <b>Enterprise Funds</b>	<b>155</b>
- Municipal Parking Fund	155
- Solid Waste and Recycling Fund	160
- Sanitary Sewer Fund	164
- Stormwater Fund	168
- Water Fund	172
➤ <b>Internal Service Funds</b>	<b>176</b>
- Public Works Stores Fund	176
- Engineering Materials and Testing Fund	179
- Intergovernmental Services Fund	182
- Fleet Services Fund	187
- Property Services Fund	191
- Self-Insurance Fund	195

# City of Minneapolis 2010 Revised Budget

## Five-year Financial Direction 2011-2015 (Including detailed information on the City's General Fund)

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### Introduction

In keeping with the City's ongoing commitment to long-term financial planning, this document reflects five-year financial direction. The purpose of adopting a 2011-2015 financial direction is to provide guidance for departments in updating their business plans and to provide a long-term direction on available resources.

The financial direction provides detailed projections for property tax supported services: the City's general fund, pensions, capital and contributions to the internal service funds. Of the \$404.3 million in the financial direction, \$371.6 million is in the City's general fund, which is the primary funding source for many City services.

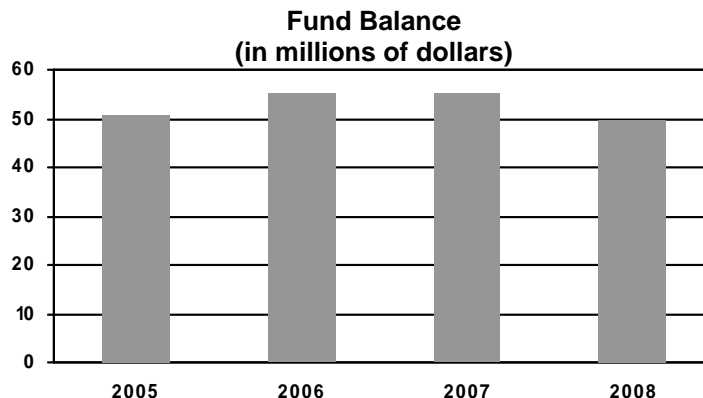
### General Fund

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. Combined, the two largest revenues (state aids and property tax) have historically accounted for approximately 60-70% 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 resources.

### Historical Financial Performance

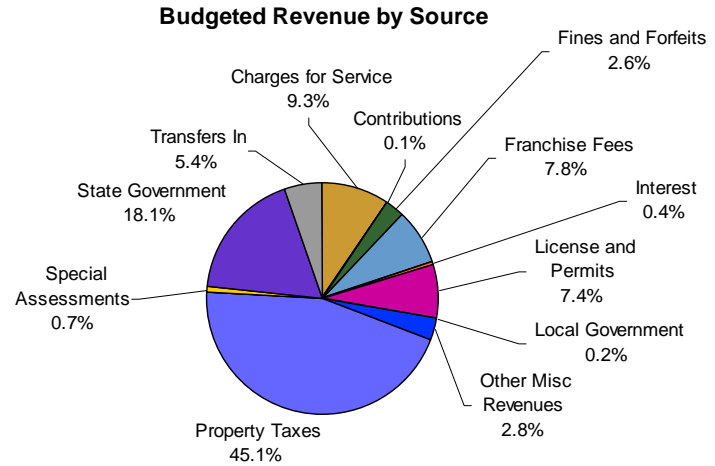
The results of the general fund's annual operations at the end of the year reflect the fund's "fund balance." The general fund's fund balance measures the amount of available, spendable resources contained within the fund. The balance provides the City a reserve to cushion adverse economic shocks and to meet a portion of the City's liquidity needs. The City's policy is to maintain a minimum fund balance of 15% of the following year's revenue. Further, the City's financial policies place a priority on debt buy-down or debt avoidance for the use of fund balance.

The general fund began 2008 with a fund balance of \$55.2 million. The 2008 year-end fund balance in the General Fund was \$49.7 million, which is below the stated fund balance requirement of 15% of the following years' revenue budget. The City drew on these reserves in December 2008 when the Governor "unallotted" \$11.6 million in Local Government Aid in late December. The City took actions to restore this reserve in March 2009.



## 2010 General Fund Revenue Budget

The 2010 budget includes a total of \$371.6 million of revenues and other sources for services included in the financial direction, including \$19.9 million in transfers from other funds. Budgeted revenues are 2% higher than 2009 budget.



Revenue Source	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Chg from 2009 Revised	2008 Budget as % of Total	2009 Budget as % of Total
State Aids	69.7	73.4	67.3	-8.4%	20.0%	20.2%
Property Tax	149.6	165.4	167.7	1.4%	42.9%	45.5%
Franchise Fees	31.7	28.1	29.1	3.6%	9.1%	7.7%
Licenses and Permits	25.4	26.4	27.4	3.9%	7.3%	7.2%
Charges for Services	38.2	35.0	34.7	-0.8%	11.0%	9.6%
Fund Transfers	19.2	18.0	19.9	11.0%	5.5%	4.9%
Fines & Forfeits	8.6	11.0	9.8	-10.4%	2.5%	3.0%
Misc. Revenues	6.4	6.7	15.7	135.7%	1.8%	1.8%
Total	348.8	363.8	371.6	2.1%	100.0%	100.0%

### State Aids (including Local Government Aid):

The City's local government aid allocation decreased between 2009 and 2010 by \$14.1 million. This decrease is due to the decertification of pre-1979 TIF districts at the end of 2009 and due to unallotment to both LGA and market value homestead credit (MVHC). MVHC was reduced by \$5.3 million. Typically, Minneapolis has seen LGA formula declines of about \$1.5 million each year. The major factors in the formula which lead to these typical reductions are the City's property wealth and declining motor vehicle accidents.

The City is assumed to receive a reduction in LGA of \$0.3 million each year as a result of new state legislative provisions capping LGA formula-related reductions. This equates to \$265,000 fewer resources in the general fund annually. The adverse impact of the decertification of tax increment financing districts on the amount of the LGA received by the City is reflected beginning in 2011, and is estimated at \$5.3 million for the General Fund. The Local Government Aid reductions unallotted by the Governor in June 2009 are assumed to be permanent.

Franchise fees are paid by various utility companies for use of City rights-of-way. Franchise fees are a percentage of total utility revenues. The City's collections vary directly with the paying utility's gross revenues. 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. The residential rate will drop to 4.5% of gross revenues beginning in January of 2013. This franchise agreement expires on December 31, 2014. For 2010, the City is anticipating \$15 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 or interruptible customers, and 3% for large-volume interruptible customers. This franchise agreement expires on December 31, 2015. For 2010, 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 \$3 million in 2010.

The 2010 budget anticipates the total franchise fee revenue to be \$29.1 million.

*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 2010 budget anticipates a 3% increase in licenses and permit revenue.

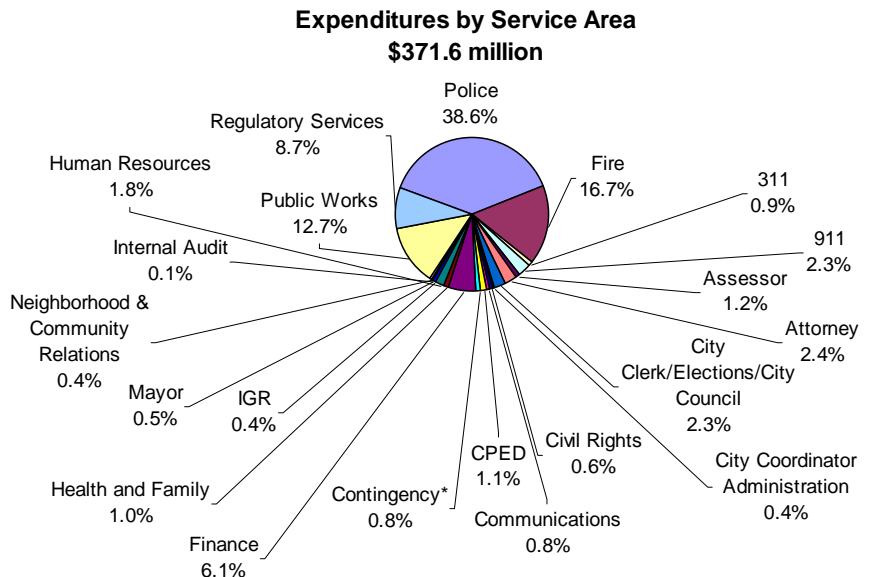
*Fines and Forfeitures* are anticipated to decline by 3.3% in 2009. This reflects a revision to police fine revenues (\$500,000) based upon year-to-date experience. Further analysis is needed to determine the impact of recent state decisions on this revenue. The Mayor's 2010 budget recommends an ongoing \$1 million reduction in the anticipated revenue from this category.

**2010 General Fund Expenditure Budget**

The 2010 budget for services included in the financial direction is \$371.6 million, which includes \$43.6 million in transfers to other funds.

Several cost increases are anticipated in the 2010 budget. These include:

- Salary and wage expenditures increased 2.8%, from \$163.5 million to \$168.0 million. This increase reflects settled contracts to date as well as recommended department reductions.
- Employer health insurance costs increased about 15%. The budget is based on an anticipated 15% increase to employer costs.
- Non-personnel line items increased by 4.9%.





## Major Changes in the 2010 Council Revised Budget

*Please note: Recommended reduction amounts are based on the Current Service Level (CSL). The CSL includes inflationary adjustments from 2009, so 2010 cut amounts reflect reductions to current services that are provided by departments.*

### 311

*Original Budget:* The Mayor recommended and the Council approved a reduction of 2 FTE to meet the 2010 CSL. The Mayor recommended and the Council approved a further reduction of \$133,000 from the current service level, including the reduction of one FTE and a reduction in non-personnel expenses. Council action further reduced 311's budget by \$277,000 and 3 FTE from the Mayor's original recommendation. The Council also provided one-time funding of \$115,000 from the General Fund's contingency for transition costs to developing a sustainable funding source for 7:00 a.m. – 7:00 p.m. hours.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### 911

*Original Budget:* The Mayor recommended and the Council adopted a reduction of 3 FTE to meet the 2010 CSL. The department made a further reduction of \$216,000 from the current service level through the elimination of 1 senior 911 management position and the reduction of 1 other position. The Council further decreased funding in 911 by \$80,000 and eliminated 1 additional FTE (Dispatcher).

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### Assessor

*Original Budget:* The Mayor recommended and Council approved a reduction of \$28,000 from the current service level for this department.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### Attorney

*Original Budget:* The department eliminated 2 FTE to meet the financial direction. The Mayor recommended a reduction of \$250,000 in the criminal division, including the elimination of 2 positions and the balance of funding for restorative justice grants. The Mayor further recommended a reduction of \$125,000 from the current service level in the civil division, including the reduction of two and one half positions. Council approved the Mayor's recommendations. Additionally, Council directed that CDBG funding for Restorative Justice programs be increased by \$20,000.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$69,000. The City Attorney's Office will meet this reduction through a combination of budgetary leave, business process

improvements, and other non-personnel reductions. If these strategies are insufficient, the department will reduce a vacant position within the criminal division.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

## **BIS**

*Original Budget:* The department eliminated 1 FTE to meet the financial direction. The Mayor recommended and Council approved a reduction of \$1.6 million and 11 positions from the current service level for this department. This includes a \$1.3 million reduction to general fund departments and \$325,000 for non-general fund departments. If this recommendation is adopted, general fund departmental appropriations will be reduced to achieve the general fund reduction. During 2009, Council adopted resolution 2009R492 that added 1 FTE to BIS for 2009 and 2010 for staff at the emergency operations training center, to be funded by customer departments. Additionally, Council directed the BIS budget be reduced by \$100,000 and not replaced through internal service charges.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$200,000 on a one-time basis. The department shall meet this reduction through non-personnel savings and explore additional ongoing savings through the restructuring and reduction of existing services in anticipation of the 2011 budget.

*Council Revised Budget:* Council approved the Mayor's recommendation.

## **City Clerk/Elections/City Council**

*Original Budget:* The Mayor recommended and Council approved a reduction of \$249,000 from the current service level for this department. Additionally, Council funded \$20,000 on a one-time basis for transition costs.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$113,000.

*Council Revised Budget:* Council approved the Mayor's recommendation.

## **City Coordinator Administration**

*Original Budget:* The Mayor recommended and the Council adopted a reduction of \$94,000 from the current service level. This reduction was achieved through the ongoing savings related to the elimination of the Deputy City Coordinator position in the 2009 budget revisions. The Council directed CPED to eliminate the vacant Community Planner position and use General Fund and CDBG resources to keep the Arts Coordinator position. This position and associated resources will be transferred to the City Coordinator in 2011. The existing Internal Auditor position that resides in the Board of Estimate and Taxation (BET) will report to the City Coordinator for administrative purposes, with associated funding from the BET.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$47,000 and one position.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

## **Civil Rights**

*Original Budget:* The Mayor recommended a reduction of \$164,000 and one position from the current service level for this department. Council approved the Mayor's recommendations. Additionally, Council reduced Civil Rights' operating budget by \$93,000 and 1 FTE. Council directed the department to develop standards of progress on eliminating the CIU case backlog by December

31, 2011 and present to the MDCR reporting committee no later than February 2010. Quarterly progress reports to MDCR should begin in February 2010. The City Coordinator is directed to recommend to the Civil Rights reporting committee in January 2010, a community engagement plan to gather input from stakeholders on the future and functions of the Minneapolis Department of Civil Rights.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council approved the Mayor's recommendation.

### **Communications**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$140,000 and one position from the current service level for this department. Included as part of this amount is a reduction in contractual services, including a reduction of \$26,000 in funding to MTN.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Convention Center**

*Original Budget:* The Mayor recommended a reduction of \$1.5 million in this department's operating budget. The Mayor further recommended an increase in the transfer from this fund to the parking fund of \$2 million to fund improvements to Convention-related parking ramps. This transfer will also be adjusted to accommodate debt service on these ramps from prior-year capital projects (\$1.4 million). Council adopted the Mayor's recommendations and directed the Convention Center fund transfer to the General fund be increased by \$250,000 for convention-related public safety activities performed by the Police Department.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council approved the Mayor's recommendations.

### **CPED**

*Original Budget:* As a result of the 2009 revised budget, the department reduced 3 FTE to reflect the spending cuts. The Mayor recommends a reduction of \$215,000 and one position in this department. The Mayor further recommends the reduction of non-personnel expenses and an increase in Community Development Block Grant funding of \$62,000 to fund administrative expenses in the department. The Mayor's revised recommendation is to fund \$150,000 on a one-time basis for housing advocates from the Reallocated Legacy Fund to Intergovernmental Relations. Council adopted the Mayor's recommendations and further directed funding in the Community Development fund Legacy fund program income to be decreased by \$31,000, and funding for the St. Anthony Heritage Board to be increased by \$31,000. Additionally, Council directed funding in the Community Development fund Legacy fund program income is decreased by \$50,000 and funding to the Riverfront Development Corporation is increased by \$50,000. CPED is directed to reduce CDBG funding for Youth Employment by \$110,000 and the Mortgage Foreclosure Prevention Program by \$140,000.

Furthermore, CPED is directed to eliminate the existing vacant Community Planner position in the planning division and use general fund and CDBG resources to keep the Arts Coordinator position. This position and associated resources should be transferred to the City Coordinator in 2011.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$104,000 on a one-time basis through the reduction of non-personnel expenses such as those related to office equipment, technology, supplies, and training and development.

*Council Revised Budget:* Council approved the Mayor's recommendation.

## **Finance**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$706,000 and 8 positions from the current service level for this department. The balance of the reductions was achieved through non-personnel cuts. A further reduction of \$50,000 in the self-insurance fund was also approved, which is to be achieved through non-personnel reductions. An additional \$87,000 was appropriated in the General Fund to continue providing services to Public Works.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$50,000. The department will achieve this through non-personnel reductions. Additionally the Mayor recommended a one-time appropriation increase of \$500,000 for process improvements including funding for contractors to implement modules in the current financial system that will enable the department to restructure its workforce in 2011.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

## **Fire**

*Original Budget:* The department reduced 12 FTE to meet the financial direction. The Mayor recommended a reduction of \$2.1 million and up to 19 positions. The Mayor further recommended the department should move forward on implementing the commercial hood cleaning program and a three percent adjustment to fees that have not been updated in the past five years. Council approved the Mayor's recommendations and a general fund one-time increase of Fire's budget by \$2 million making funds available until December 31, 2011. Council approved \$225,000 from CDBG funds for fire protection equipment purchases. Fire's budget is increased by \$200,000 for the responsibilities for Boarded and Vacant housing from Regulatory Services. Additionally, Fire's general fund allocation is increased by \$373,000. The department FTE complement will be increased by 25, to 438 FTE consistent with these resources.

Council provided the following staff directions:

- MFD is directed to reduce the budget for take-home vehicles by 50% and the Fire Chief is directed to adopt new policies on take home vehicles consistent with this direction.
- During 2010 and 2011 while MFD is using one-time contingency dollars and until cuts are fully implemented, the department is subject to a hiring freeze and promotion freeze. Additionally no expenditures on new capital projects absent express Council approval are allowed.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$80,000. The department will achieve this through non-personnel reductions.

*Council Revised Budget:* Council approved the Mayor's recommendations.

## **Health and Family Support**

*Original Budget:* The Mayor recommended a reduction of \$337,000 and 4 FTE from the current service level for this department. The Minnesota Visiting Nursing Agency should continue to be funded from General Fund resources within the department. Council approved the Mayor's

recommendation and directed discretionary CDBG funding subject to the Public Health Advisory Committee be reduced to \$400,000 with a proportional reduction to programs. Health and Family Support's general fund budget is reduced by an additional \$100,000. Council directed Health and Family Support to achieve these cuts without cuts to the contracts with the Domestic Abuse Project, leaving that program intact at the full funding level of \$75,000.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$69,000. The department will achieve this by increased third party reimbursement for school based clinics and moving salaries out of the general fund.

*Council Revised Budget:* Council approved the Mayor's recommendations.

### **Human Resources**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$364,000 and 4 positions from the current service level for this department. This reduction will be achieved through personnel and non-personnel reductions. A further reduction of \$29,000 in the self-insurance fund was also approved, which shall be achieved through non-personnel reductions.

*Mayor's Revised Budget:* The Mayor includes no reduction to this department. However, the Mayor encouraged the department to implement the Enterprise Performance Management System Software within existing resources.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Intergovernmental Relations**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$84,000 for this department. The reductions will impact professional services, reductions in memberships and subscriptions as well as other non-personnel expenditures. \$150,000 is added on a one-time basis for homeless outreach programs from the Reallocated Legacy Fund.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$41,000. The department will achieve this by reducing salaries and benefits from an open position as well as other salary savings.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Mayor**

*Original Budget:* The department reduced 1 FTE to meet the financial direction. The Mayor recommended and Council approved a reduction of \$57,000 and one position for a total reduction of 2 FTE.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$15,000. The department will achieve this through budgetary leave, and reductions in postage, cell phones and travel.

*Council Revised Budget:* Council approved the Mayor's recommendations.

### **Neighborhood and Community Relations**

*Original Budget:* The Council reduced the department's budget by \$200,000 and directed the department to work with CPED and the NCEC over the next six months to develop a best practices model to incorporate NCEC programmatic advice into the Great Streets program.

Revenue to be realized in 2011 from a new tax increment financing (TIF) district represents 50.8% of the total net tax capacity of all of the former pre-1979 TIF districts and contains 51 percent of the parcels. The 10-year Consolidated TIF budget projects Net Tax Increment of \$53,650,000 being available for both Target Center debt and neighborhood revitalization purposes, for a total of approx \$107.3 million for both activities over the 10 year life of the district.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$50,000. The department will achieve this through reductions in its administrative budget as well as realizing savings from lower than projected actual salaries.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Office of Internal Audit**

*Original Budget:* The Council approved transition funding of \$200,000 to fund 2 internal audit positions in 2010, funded by increasing charges to departments in their general fund overhead rate model charges. In addition, the existing auditor position that resides in the Board of Estimate and Taxation (BET) will report to the City Coordinator for administrative purposes, with associated funding from the BET. Future levies will be adjusted to reflect this change.

*Mayor's Revised Budget:* The Mayor included no reduction to this department.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

### **Police**

*Original Budget:* After adoption of the 2009 Revised Budget, MPD was awarded a contract with the Minneapolis School District, and 15 FTE were added. In order to achieve the 5 year financial direction for 2010, 84.5 positions in the general fund were eliminated. The Mayor recommended a reduction of \$5.3 million and 38 additional positions from the current service level for this department. The Mayor further recommended the transfer of the Traffic Control Agent division (45 positions) to the Regulatory Services department.

The Mayor recommended restoration of \$4 million and 45 FTE to MPD's base funding level to offset the loss of federal Byrne grant funding, making the net change to current service level a reduction of 39.5 FTE. The Mayor recommended that three eligible Crime Prevention Specialist positions be moved out of the general fund and funded with \$240,000 of CDBG dollars.

Council approved the Mayor's recommendations and increased the Police budget by \$1.5 million in 2010. Council directed \$250,000 to be transferred from the Convention Center fund to the Police department general fund appropriation to fund the horse patrol for convention-center related public safety activities. Council added \$477,000 to the police general fund budget for Community Crime Prevention Specialists. Additionally, Council directed that the Community Development Block Grant Fund for police should be increased by \$487,000 for Crime Prevention Specialists. Furthermore, Council directed a reduction of discretionary CDBG funds to the Public Health Advisory Committee and an increase to the CDBG allocation for MPD for Crime Prevention Specialists by \$163,000.

Council provided the following staff directions for Police:

- Reduce MPD's contractual services line budget by \$102,000 to reflect savings from closing the public health lab to help offset proposed reductions. Further, direct MPD to

fund \$100,000 toward chaplain services through contractual savings related to the closing of the health lab.

- Direct MPD to eliminate funding for the Police Activities League (PAL), including the practice of allowing compensatory time to officers for participation in the PAL. These savings should offset recommended cuts and position reductions should be achieved through attrition and reassignment. The Police Chief is directed to convene a task force to develop a plan for the ongoing operation of the Police Activities League that requires no direct appropriation. The task force should include representatives from the Minneapolis Health department including the Commissioner and Youth Violence Prevention coordinator; an active Police Activities League (PAL) officer; the Police Chief or designee; Council Member Johnson; and Sherman Patterson from the Mayor's office.
- Reduce Police budget for take home vehicles by \$400,000 and direct the Police Chief to adopt new policies on take home vehicles consistent with this direction and reduce the vehicle count accordingly.
- Eliminate funding for the position of Assistant Police Chief to offset recommended cuts.
- Eliminate 16 positions through attrition to achieve a savings of approximately \$2 million over two years. Police should bring a plan forward to the Ways and Means Committee for approval on December 14, 2009.
- Police is directed to report back to Public Safety & Regulatory Services by January 15, 2010 with a plan for a re-designed community crime prevention program; utilizing the dedicated resource as laid out during this budget cycle in addition to existing resources within the police department. Police is also directed to develop accountability measures for Community Crime Prevention Specialists for Results Minneapolis and report these measures to the Public Safety and Regulatory Services Committee by March 1, 2010. After the report to PS&RS, Police should include these measures in its quarterly discussions at Results Minneapolis.
- Police is directed to reduce the Horse Patrol to one shift and cut expenditures accordingly.
- Police is directed to achieve no less than \$200,000 in savings through re-organization of the department
- The Chief of Police is directed to examine re-establishing mandatory fitness testing within the department, including costs and to report back to proper Council committees by the end of January 2010. If testing is not implemented by the conclusion of 2010, the department will evaluate elimination of the health club memberships and report back to the proper Council committees.
- Police is directed to achieve a balanced budget in 2010 without cuts to the contract with the Conflict Resolution Center at an amount equal to \$25,000.
- Upon receipt of the final CDBG allocation, 15% shall be dedicated to MPD for Crime Prevention Specialists in CDBG-eligible areas.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$180,000. The department will achieve this through non-personnel reductions. Additionally the Mayor recommends one-time appropriation increases of \$250,000 for replacement of ticket writers and \$240,000 for implementation of fitness testing and associated costs within the 2010 calendar year.

*Council Revised Budget:* Council approved the Mayor's recommendation with one exception. The \$240,000 appropriation for implementation of fitness testing and associated costs was reduced by \$60,000, to \$180,000, in one-time funding.

## **Public Works**

*Original Budget:* The Mayor recommended a reduction of \$1.13 million from the current service level of the department's General Fund budget. The Mayor further recommended a reduction of \$422,000 from the Sanitary Sewer fund and \$449,000 from the Stormwater fund. The Council approved the Mayor's recommendations and further approved a reduction of \$50,000 from Community Development Block Grants for graffiti micro-grants and a reduction of \$86,000 from Community Development Block Grants for graffiti removal on public property.

*Mayor's Revised Budget:* The Mayor recommends a reduction of \$550,000, which will be met through increased revenue. The department will achieve this through increased revenue from a renegotiated State Trunk Highway (STH) agreement. Additionally the Mayor recommends a one-time appropriation increase of \$2.16 million for doubling the number of crews filling potholes (\$500,000); seal-coating (\$500,000); and for installation of wireless poles to ensure the wireless network is fully operational (\$800,000) and for installation of wireless equipment in the city's vehicles to increase usage of the City's wireless contract (\$360,000 – *also shown in Citywide*).

The Mayor also requests the department quantify the impact of the resources recommended by the Mayor in its fourth quarter *Results Minneapolis* presentation in 2010. Measures should focus on the impact of the \$1 million requested for pothole repair and seal coating.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

## **Administration**

*Original Budget:* The Mayor recommended no change to the Administration division and Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

## **Engineering Materials and Testing (Central Stores)**

*Original Budget:* The Mayor recommended no changes to the Central Stores division and the Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

## **Fleet Services**

*Original Budget:* The Mayor recommended Fleet reduce the number of truck drivers and equipment operators placed in reserve status and the number of seasonal rented equipment (-\$781,000). This results in a reduction to charges to Transportation Maintenance & Repair for snow and ice removal. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.



## **Property Services**

*Original Budget:* The Mayor recommended no change to the Property Services division and Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends one-time resources for installation of wireless equipment in the city's vehicles to increase usage of the City's wireless contract (\$360,000).

*Council Revised Budget:* The Council approves the Mayor's recommendations.

## **Solid Waste and Recycling**

*Original Budget:* The Mayor recommended no increase to these rates. Graffiti strategies are funded at \$1.2 million from the division's fund balance. The Mayor also recommended \$50,000 from Community Development Block Grant funds for graffiti microgrants. The Council approved the Mayor's recommendations but reduced funding by \$50,000 from Community Development Block Grants funds for graffiti micro-grants.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

## **Surface Water & Sanitary Sewer**

*Original Budget:* The Mayor recommended an increase of \$0.32 in per unit rates in both the Sanitary and the Stormwater utilities. The Mayor further recommended a reduction of \$422,000 to the department's current service level operating budget in the Sanitary Sewer Fund. The Mayor recommended an additional reduction of \$245,250 to the department's current service level operating budget in the Stormwater Fund. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

## **Traffic & Parking**

*Original Budget:* The Mayor recommended a \$320,000 reduction to the traffic activities, which will reduce routine repairs to lights and traffic signals, pavement message painting, response to traffic request services and non-safety-related sign replacement.

The Mayor further recommended an increase of \$210,000, which included one engineering position, in this division for improving the management of traffic in the City. This initiative will build on the capital improvements related to the Traffic Management Center. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends one-time resources of \$800,000 for the installation of wireless poles to ensure the wireless network is fully operational.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Transportation Maintenance and Repair**

*Original Budget:* The department's budget is decreased to reflect the restructuring activities related to snow and ice service provision, which should achieve ongoing savings of \$1.4 million. This included a reduction in the number of pieces of equipment being rented for the season from outside vendors and reduction in salaries of truck drivers and operators being charged from the Fleet Services Division.

In addition, the Mayor recommended an additional \$100,000 reduction in service to malls and plazas. Also, as part of the \$449,000 reduction in the Stormwater Fund expenses, this division's operating budget for Street Cleaning is reduced by \$203,750. The Council approved the Mayor's recommendations but reduced Community Development Block Grant funding for graffiti removal on public property by \$86,000.

*Mayor's Revised Budget:* The Mayor recommends one-time resources for doubling the number of crews filling potholes (\$500,000) and for seal-coating (\$500,000).

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Transportation Planning and Engineering**

*Original Budget:* The Mayor recommended no changes to the Transportation Planning & Engineering division and Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Water Treatment and Distribution**

*Original Budget:* The Mayor recommended a \$0.14 increase in per unit water rates. The Mayor also recommended a redefinition of rates to stabilize revenues. The Council approved the Mayor's recommendations.

*Mayor's Revised Budget:* The Mayor recommends no change.

*Council Revised Budget:* The Council approves the Mayor's recommendations.

### **Regulatory Services**

*Original Budget:* The Mayor recommended and the Council approved a reduction of \$521,000 from the current service level for this department. This reduction will be achieved through personnel and non-personnel reductions. Also approved was the implementation of late evening enforcement of business licensing with an increase of \$450,000 and 3 FTE; an increase of \$525,000 in expense for administrative citations administration; an increase of \$175,000 and 1 FTE for pollution control permits, and \$135,000 and 1 FTE for a pet licensing project coordinator. These initiatives should be supported by revenue.

Traffic Control Agents were transferred from the Police Department to Regulatory Services. Responsibilities for the boarding of vacant buildings were transferred from Regulatory Services to the Fire Department, effective July 1, 2010. This action reduces Regulatory Services' budget by \$200,000 in 2010 and an additional \$200,000 in 2011.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$75,000. The department will achieve this through the reduction of equipment expenses and salary savings.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

**Citywide**

*Original Budget:* The Mayor recommended and the Council adopted the following appropriations:

\$3.4 million in pre-payment of internal service fund obligations for 2011. This strategy reduces pressures on the general fund in that year.

\$4.4 million to assist departments in paying for unemployment costs. These funds are budgeted in the City's operating contingency fund. The Finance Department is directed to report to the Ways & Means/Budget Committee on the distribution of these funds by June 1, 2010.

\$4 million for the local share of the Camden Bridge capital project that was accelerated due to the receipt of over \$10 million in federal stimulus funds.

\$1 million for reimbursement of the capital fund for local costs related to the Marquette and 2<sup>nd</sup> Avenue construction project. Public Works is directed to work with the Finance department to pursue reimbursement of these costs through the federal grant.

Upon receipt of the final CDBG allocation, 85% shall be allocated to the Affordable Housing Trust Fund, and the remaining 15% to MPD for Crime Prevention Specialists in CDBG-eligible areas.

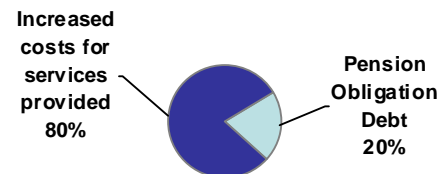
*Mayor's Revised Budget:* The Mayor recommended that \$2.81 million be transferred to the pension management plan for pension debt avoidance.

*Council Revised Budget:* Council adopted the Mayor's recommendations.

**Five-Year Financial Direction**

*Property tax estimates are based upon the Council adopted tax policy.* The Council adopted a tax policy increase of 7.4% in 2010, 9.3% in 2011, 6.5% in 2012-2014, and 6% thereafter. These percentages reflect statutorily-required costs and provide for the following current service level cost escalator for departments and independent boards: 3.9% in 2011, 4.3% in 2012, 4.4% in 2013, 3.9% in 2014, and 4.4% in 2015. This uneven approach helps to offset the impact on the taxpayer of the recertification of the tax-increment district that will fund neighborhood programs and Target Center debt payments.

In 2009-2011, state-mandated levy limits are in effect. The City is using special levies for allowable expenses that are beyond the rate of inflation dictated in levy limits. Levy limits result in reduced flexibility in terms of how the City allocates property tax revenue within the Mayor's recommended tax policy. These limits also served to accelerate reductions to growth that had been anticipated in the prior year's financial direction.



*The 2010 budget is the basis for future projections:* In other words, the starting place for the 2011-2015 department budget estimates is what is included in the 2010 budget. One-time 2010 supplemental items are removed from department budgets in 2011 and beyond.

Summary of Five-Year Financial Direction 2011-2015 (dollars in millions)			
Department	2015 Resources	Reductions to growth 2011-2015	Reductions to growth in previous plan
Police	\$144.2	(\$1.7)	(\$3.2)
Fire	61.9	(0.6)	(1.3)
Public Works	47.1	(0.4)	(1.0)
Regulatory Services	33.7	(0.1)	(0.6)
Health and Family Support	3.9	(0.1)	(0.1)
Civil Rights	2.4	(0.1)	(0.1)
Capital Plan (pay-go and debt)	32.2	-	-
Pensions	54.3	-	-
All other spending	108.5	-	(2.1)
<b>Total</b>	<b>\$488.2</b>	<b>(\$3.0)</b>	<b>(\$8.4)</b>

*The financial direction from 2011 to 2015 contains updates to departmental resources:* The financial direction includes the most updated assumptions about contract settlements and other commitments. The health care contract entered into in 2006 has rate increases of 15% in 2010. The out years of the plan assume a 20% annual increase.

*Reductions to growth are front-loaded in 2010.* The departmental cuts necessary to balance the five-year financial direction are taken in 2010. Any future balances have been allocated to the operating contingency fund.

*Salary Assumption* -- The City adopted a compensation philosophy during 2007. The philosophy does not specify a salary policy. It is anticipated that salary settlements will vary within and between bargaining units, but overall are projected to increase by 2.5% annually. Assumptions are updated annually as contracts are settled.

### 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 public safety departments. A history of these exemptions follows:

Department	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
All Departments	2007	Rescission of the 2% wage policy.
All remaining departments reductions removed in 2013	2008	Begin to provide an outlook with level funding for departments
All departments	2009	Resets financial direction to more equably distribute planned reductions to growth
All departments	2010	Future reductions to growth are not planned under the current assumptions

## Financing Assistance for Target Center and Neighborhoods

### *Background*

Established in 1990, the twenty-year Neighborhood Revitalization Program and its funding are set to sunset in 2009. The City and neighborhood groups have been pondering this major turning point for almost 10 years. In addition, the City's purchase in 1995 of the Target Center increased long-term demand for resources.

During the 2008 Legislative Session, the Minnesota Legislature authorized the City to establish a non-contiguous redevelopment tax increment financing (TIF) district which would be comprised of properties that were located in specific TIF districts, commonly known as "pre-1979" TIF districts, which terminated in 2009. The earliest year the tax increment revenue can be realized from the new district allowed under the special legislation is 2011. Without further action by the City, the value within those pre-1979 TIF would initially go back into the general tax base in 2010 and thereafter remain, increasing the overall size of the tax base, effectively resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the new district could only be used to pay principal and interest on Target Center bonds or for "neighborhood revitalization purposes." The legislation does not specify or require any particular allocation of revenues between these purposes.

The legislation also explicitly stated that the certification of the district will not impact the City's "property wealth" factors in the Local Government Aid program. A \$9 million drop in the City's LGA will occur in 2011, whether or not the City uses the special legislation. Much of that impact is anticipated in the general fund (\$8 million). This loss in these amounts will occur whether or not the City uses the special legislation to create a new district; however, the legislation requires the additional tax capacity to be included in the calculation of LGA, even if the value is re-certified in a new district.

### *Overall Recommended Funding from the District*

A Council direction given at the end of 2008 had called for Finance Department staff to present a TIF plan for consideration by July 31, 2009, certifying expiring pre-1979 districts so that \$24 million dollars of net tax increment would be generated and available to the City in 2011, the earliest year allowed under the special legislation. That Council direction allocated the projected net tax increment revenues as follows:

Target Center principal and interest	\$ 10 million
Target Center expedited debt payments	\$ 2 million
General Neighborhood Revitalization Purposes (neighborhood operations, department of Neighborhood and Community Relations)	\$8.5 million
Community Revitalization	\$3.5 million
<hr/> Total	<hr/> \$24 million

This direction would have led to the certification of 100% of the tax capacity of the proposed district. If none of the parcels in the district were recertified, residential taxpayers could possibly expect to see an estimated reduction in their tax bills from \$61 up to an estimated \$307 annually. Pursuant to this direction, 100% of the tax capacity of the district would be certified for up to ten years (through 2020) or until the Target Debt is fully paid, at which time parcels representing 50% of the tax capacity of the district must be decertified.

As directed, Finance Department staff transmitted and delivered the plan to Council known as the Consolidated Tax Increment Financing Plan in time for its consideration on July 31, 2009. On July 31, 2009 the Council did not act to adopt the plan and authorize the establishment of the Consolidated Tax Increment Financing District (the "District"), but rather referred the item back to the Ways and Means/Budget Committee for further review and discussion.

#### *Council Adopted Plan*

On December 4, 2009 the City Council directed the Finance Staff to amend the Consolidated Tax Increment Financing Plan for the District to: (1) reduce the size of the proposed District to approx 50%, (2) adjust the tax increment budget contained in the plan accordingly, (3) change the tax increment allocation methodology or funding distribution and (4) reduce the maximum amount of bonds to be issued shown in the plan and (5) and then return to the Committee of Whole on December 17, 2009 with the amended plan and related documents for its consideration. The City Council approved the Consolidated TIF plan, as amended, on December 18, 2009.

The District, as adopted, is comprised of five of the former pre-1979 TIF districts. It represents 50.8% of the total net tax capacity of all of the former pre-1979 TIF districts and contains 51 percent of the parcels. The District represents the most diverse and stable subset of pre-1979 TIF districts that achieves the 50% target.

The tax increment that will be received each year from the District shall first be used to 1) make the necessary reimbursement payments to Hennepin County required under the Special Legislation, and 2) pay for the City and County costs of administering the District. The remaining "Net Tax Increment" to be allocated:

- 50% for Target Center debt service and
- 50% for neighborhood revitalization purposes

#### *Financial recommendation for Target Center principal and interest and neighborhood operations and programming*

The 10-year Consolidated TIF budget projects Net Tax Increment of \$53,650,000 being available for both Target Center Debt and Neighborhood Revitalization purposes, for a total of approx \$107.3 million for both activities over the 10 year life of the District.

The current Target Center finance plan (absent the 2008 special State legislation allowing for the formation of the Consolidated Tax Increment Financing District) is not structurally balanced. While the current debt is being refunded as of year-end 2009 to reflect a reduced interest rate due to the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.6 million annually) and capital refurbishment of the arena (\$2-3 million annually). The revenue to come from the Consolidated TIF district, along with the interest savings from the refunding of the debt provides the opportunity to redirect resources to the unfunded capital and operating needs. The Finance Department will prepare an updated finance plan for the Target Center arena based upon these actions.

The current plan relies on the following revenue sources:

- *Property tax* generated at the arena - \$100,000 annually through 2012, \$550,000 when the arena TIF district decertifies in 2013 and beyond.

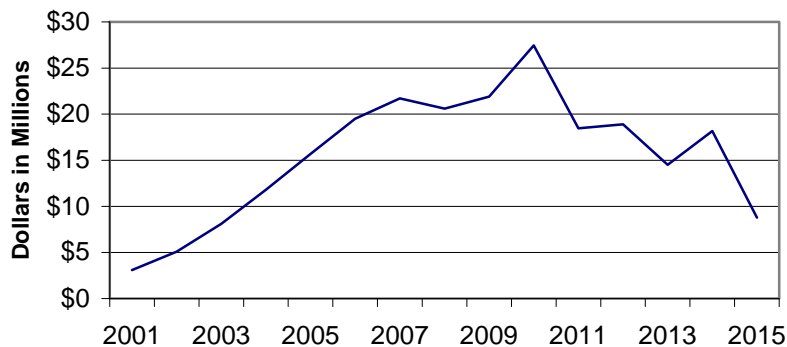
- *Tax Increment* from the Arena - \$1 million annually through 2012. This resource may only be used for debt service, certain administrative costs, and capital costs.
- *Entertainment tax* generated at the arena - \$1.1 million annually.
- *Event parking* - \$2.6 annually million in 2010, escalating to \$5.6 million by 2024.
- *Tax Increment* from the Common Project – approximately \$1.9 million annually through 2013 and \$1.6 million annually through 2024. This resource may only be used for debt service, certain administrative costs, and capital costs.

Of these resources only entertainment tax, parking revenues and property tax can be used to fund the operating subsidy. But for dedication in the plan, any of these three resources could be used to reduce financial pressures in the general fund or the parking fund. The \$750,000 annual payment from the Minnesota Amateur Sports Commission was repealed in 2009, increasing the pressure on the current plan.

### Capital and Debt Service (including pensions)

*Neither 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 for 2010 and beyond in order to begin planning for expanded capital needs. This level of increase does not keep up with inflation. In response to critical demands, the Mayor implemented an accelerated infrastructure program in 2009 by allocating additional net debt and trust fund resources of \$26.8 million for years 2009 – 2013 and has made a one-time allocation of \$5 million from the general fund for 2010 to help with the backlog of infrastructure needs. Even with these extra resources, there remains considerable pent up demand for public works, park board and technology infrastructure investment.

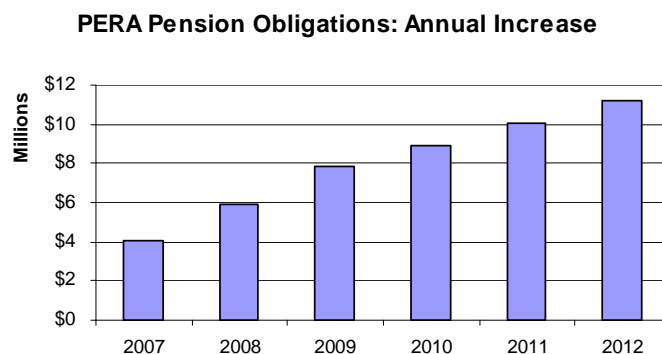
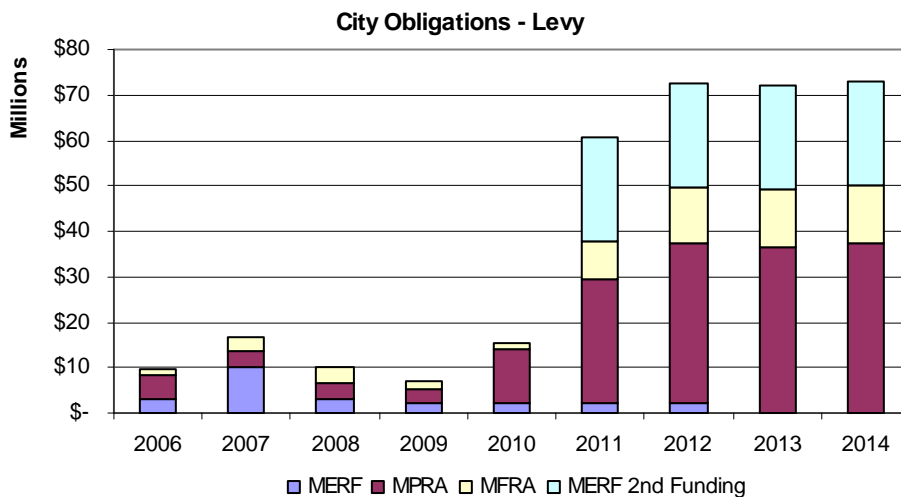
*Funding for internal service fund long-term financial plans.* To meet the goals of the adopted long-term financial plans, these expenditures will continue to make up a substantial portion of the City’s budget until 2011 when these expenditures begin to decrease. The 2008 adopted long-term financial plans were going to begin reducing the General Fund’s contribution to the internal service funds in 2010, but to create capacity in future years, the General Fund will prepay a significant portion of the 2011 and 2012 obligations.



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 these important decisions:

Description (year decided)	Amount (millions)
Hilton Legacy Fund (2003) – proceeds from the sale of the City's share in the downtown hotel.	\$12.5
Year-end savings from 2004 (2005)	\$15.0
One-time LGA, general fund resources (2005 for 2006)	\$10.0
2007 one-time resources	\$3.0
Pre-payment of BIS workout plan obligations for 2012 (2009)	\$1.5
Pre-payment of Self Insurance Fund workout plan obligations for 2011 (2010)	\$3.5
Payment of pension obligations (2010 Revised)	\$2.8
<b>Total</b>	<b>\$46.4</b>

**Funding for increasing pension liabilities.** The property tax needed to support closed pension fund-related debt service will be \$24 million in total obligations in 2010, which is estimated to grow to \$37.6 million in total obligations in 2011. The closed pension fund obligations are based on an approximately -30% return experienced in 2008 and the assumption the funds will achieve a 6% investment return in 2009. The five-year financial direction anticipates an additional future obligation may be assigned to the City for the asset losses in the Minneapolis Employees Retirement Fund beginning in 2012. The City also has increasing obligations for the pension plan most City employees are in, the Public Employees Retirement Association (PERA).





### 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 through 2007. Assuming 2.5% wage growth, the new tax policy and department reductions in 2010, a cushion exists for adverse circumstances. Examples of adverse circumstances the City has encountered include reductions in LGA, unemployment costs and increased pension obligations.

For the 2011-2015 five-year financial direction, all available funds remaining on the bottom line have been included in contingency to pay for unemployment costs in 2010 as well as unforeseen costs such as pensions.

Change in cushion for adverse circumstances (dollars in millions)							
Year	2005-2009 Forecasted Cushion	2006-2010 Adopted Cushion	2007-2011 Adopted Cushion	2008-2012 Adopted Cushion	2009-2013 Adopted Cushion	2010-2014 Revised Cushion*	2011-2015 Recomm. Cushion
2005 (adopted)	4.5	n/a	n/a	n/a	n/a	n/a	n/a
2006 (adopted)	12.5	4.6	n/a	n/a	n/a	n/a	n/a
2007 (adopted)	20.5	9.2	0.3	n/a	n/a	n/a	n/a
2008 (adopted)	27.5	11.8	0.3	2.3	n/a	n/a	n/a
2009 (adopted)	37.1	17.4	1.4	2.1	7.5	n/a	n/a
2010 (recomm.)	n/a	23.9	4.8	5.7	3.5	-29.2	n/a
2011 (estimate)	n/a	n/a	4.9	2.2	0.0	-38.9	0.0
2012 (estimate)	n/a	n/a	n/a	4.0	0.5	-42.0	0.0
2013 (estimate)	n/a	n/a	n/a	n/a	0.7	-39.9	0.0
2014 (estimate)	n/a	n/a	n/a	n/a	n/a	-29.9	0.0
2015 (estimate)	n/a	n/a	n/a	n/a	n/a	n/a	0.0

\*As stated previously, the Council did not adopt additional reductions to growth for 2010-2014 in the revised budget given extraordinary circumstances. The 2010 estimate reflected the amount of permanent cuts needed to balance the 2010 budget, with future balances transferred to the operating contingency.

### What other pressures does the City face in future planning efforts?

The City faces several pressures for which a policy decision has yet to be reached:

- *Property taxes:* Future projections plan on the Council adopted property tax increases (outlined below) to support future services – reducing the growth in property taxes in the face of declining LGA and increase pension costs will require more department reductions.
- *Park Board:* 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 (primarily working capital), largely related to increasing debt loads related to approved capital projects.
- *Performance Information:* As the City continues to gain experience with using results information for performance discussions, it will need to undertake benchmark development in using this information for financial decision making.
- *Department Reductions:* The City will continue to see issues with ability to keep up with enterprise demands while subject to increased costs.
- *Higher Police Service Levels:* Now that the Police Department is back at its pre-2003 state aid reduction strength, the challenge of making the best use of these resources and

adapting to new technology becomes the central focus of the department's financial and business planning.

- *Annual Buying Commitment for Wireless Services:* As part of the agreement with US Internet to build a citywide wireless network, the City committed to purchase \$1.2 million of wireless services each year. The transition from wired to wireless technology will require tradeoffs within departmental budgets.

### **Assumptions for 2011-2015**

- The tax policy for 2011-2015 is as follows: 9.3% in 2011; 6.5% in 2012-2014; 6% thereafter. These percentages reflect statutorily-required costs and provide for the following current service level cost escalator for departments and independent boards: 3.9% in 2011, 4.3% in 2012, 4.4% in 2013, 3.9% in 2014, and 4.4% in 2015.
- Contingency increased through 2013 to provide cushion for uncertainty related to pension costs and economic conditions.
- No more than a 2.5% salary increase is funded by new resources.
- Health increases changed from 20% in 2012-2015 to 16%.
- 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.
- Reductions in LGA of \$0.265 million annually (excluding independent boards) are reflected in 2011-2015.
- 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.
- Pension estimates include the impact of one year (2008) of -30% investment returns based on actual returns.
- Full funding of pension and internal service fund debts are included. Constraints in internal service funds are maintained.
- Base entertainment tax from the Convention Center fund flows at a higher rate (about \$10.2 million) due to the revenue stream from Target Field sales.
- No changes to state tax law regarding property taxes (including removal of levy limits, changes to classification rates, and change to phase-out of limited market value).

***NEW IN 2010 - Property Tax Revenue Distribution.*** In 2009 (for 2010), the Mayor proposed and Council adopted the distribution of revenue be based on the sum of the following: total property tax revenue, total Local Government Aid revenue, and total General Fund revenues. From this total, shared costs are deducted, including: pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher's Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, General Fund Overhead associated with the Park Board and Municipal Building Commission (MBC), General Fund Overhead for others, and General Fund transfers to other funds. The remaining revenues are then identified as being available for "activities."

"Activity" definition for MBC excludes the General Fund Overhead transfer to the City. "Activity" definition for the Park Board excludes the General Fund Overhead transfer to the City, the HR Benefits Administration Fee paid to the City and the Park Board levy supported capital projects.

The annual percentage change in revenue available for activities of the City, Park Board and MBC will be the same for each entity beginning in 2011.

2010 ->>> 2015 Adopted  
Activities Approach

Activities Approach Levy & LGA Entities	for	2010	2011	2012	2013	2014	2015
<b>Estimated CSL Cost Escalator</b>			<b>3.90%</b>	<b>4.30%</b>	<b>4.40%</b>	<b>3.90%</b>	<b>4.40%</b>
<b>Municip Building Commission</b>							
Tax Levy \$\$		\$4,413,217	\$4,611,082	\$4,816,277	\$5,035,522	\$5,239,284	\$5,476,817
Tax Rev \$\$		\$4,244,734	\$4,391,515	\$4,592,039	\$4,806,294	\$5,005,419	\$5,237,545
One time revenue for elevator repair		\$60,000					
One time expenditure for elevator repair		(\$60,000)					
<b>Trf to City General Fund OH</b>		<b>(\$45,000)</b>	<b>(\$45,000)</b>	<b>(\$45,000)</b>	<b>(\$45,000)</b>	<b>(\$45,000)</b>	<b>(\$45,000)</b>
LGA Rev		\$145,889	\$173,677	\$172,774	\$171,871	\$170,968	\$170,065
<b>MBC Activities</b>		<b>\$4,345,623</b>	<b>\$4,520,192</b>	<b>\$4,719,813</b>	<b>\$4,933,165</b>	<b>\$5,131,387</b>	<b>\$5,362,610</b>
\$ Change		(\$104,121)	\$174,569	\$199,621	\$213,352	\$198,222	\$231,223
<b>% Change</b>		<b>-2.34%</b>	<b>4.02%</b>	<b>4.42%</b>	<b>4.52%</b>	<b>4.02%</b>	<b>4.51%</b>
<b>Park &amp; Recreation Board</b>							
Tax Levy \$\$		\$45,488,280	\$48,308,492	\$50,701,198	\$53,253,991	\$55,636,371	\$58,399,811
Tax Rev \$\$		\$43,680,614	\$46,314,827	\$48,653,338	\$51,148,297	\$53,476,757	\$56,177,576
Trf to City General Fund OH		(\$811,687)	(\$811,687)	(\$811,687)	(\$811,687)	(\$811,687)	(\$811,687)
Trf to City General Admin Fee		(\$121,056)	(\$125,899)	(\$130,935)	(\$136,172)	(\$141,619)	(\$147,283)
Capital Projects from Levy		(\$1,528,800)	(\$1,589,952)	(\$1,653,554)	(\$1,719,704)	(\$1,788,500)	(\$1,860,040)
LGA Rev		\$7,423,928	\$6,809,754	\$6,774,348	\$6,738,942	\$6,703,536	\$6,668,130
<b>Park Board Activities</b>		<b>\$48,642,999</b>	<b>\$50,597,043</b>	<b>\$52,831,510</b>	<b>\$55,219,676</b>	<b>\$57,438,487</b>	<b>\$60,026,696</b>
\$ Change		(\$1,165,407)	\$1,954,044	\$2,234,467	\$2,388,166	\$2,218,811	\$2,588,209
<b>% Change</b>		<b>-2.34%</b>	<b>4.02%</b>	<b>4.42%</b>	<b>4.52%</b>	<b>4.02%</b>	<b>4.51%</b>
<b>General Fund Levy</b>							
Tax Levy \$\$		\$171,974,478	\$167,245,987	\$209,396,867	\$193,566,775	\$239,812,903	\$215,471,042
Tax Rev \$\$		\$163,313,107	\$158,809,629	\$200,079,526	\$184,525,453	\$229,809,094	\$205,910,053
Trf to County for Library System		(\$6,721,000)	(\$5,853,000)	(\$4,982,000)	(\$4,106,000)	(\$3,238,000)	(\$2,363,000)
Trf to Other Funds		(\$1,000,000)	(\$898,000)	(\$962,000)	(\$983,000)	(\$848,000)	(\$768,000)
Trf to Target Center Finance Plan		(\$92,000)	(\$92,000)	(\$92,000)	(\$550,000)	(\$550,000)	(\$550,000)
Trf to Solid Waste Graffiti		(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)
Capital Projects from Levy		(\$5,000,000)	\$0	\$0	\$0	\$0	\$0
Gfd OH Not recovered Park Bd		(\$1,287,025)	(\$1,369,521)	(\$1,464,025)	(\$1,564,885)	(\$1,658,218)	(\$1,767,622)
Gfd OH Not recovered from MBC		(\$184,927)	(\$193,894)	(\$204,167)	(\$215,130)	(\$225,275)	(\$237,167)
Gfd OH Not recovered from Others		(\$3,004,803)	(\$3,965,982)	(\$5,067,075)	(\$6,242,222)	(\$7,329,661)	(\$8,604,362)
Gfd OH Recovered from Others		(\$21,640,821)	(\$21,640,821)	(\$21,640,821)	(\$21,640,821)	(\$21,640,821)	(\$21,640,821)
Trf to Internal Service Fds Workout Plans		(\$25,205,000)	(\$17,965,000)	(\$20,392,000)	(\$17,916,000)	(\$14,773,000)	(\$8,787,000)
Trf to Pension Debt Service Sinking Fd		(\$8,702,400)	(\$496,860)	(\$26,883,360)	\$0	(\$36,346,240)	(\$3,988,600)
<b>One time resources</b>							
Transfer to MBC for elevator repair		(\$60,000)					
BIS/Public Works for wireless installation in vehicles		(\$360,000)					
BIS/Public Works for wireless poles		(\$800,000)					
Citywide for pension debt avoidance		(\$2,810,000)					
Finance process improvements		(\$500,000)					
Citywide for retirement incentive for sworn personnel		(\$500,000)					
MPD ticket writers		(\$250,000)					
MPD for fitness testing		(\$180,000)					
Public Works for pothole filling		(\$500,000)					
Public Works for sealcoating		(\$500,000)					
<b>Subtotal General Fund for Others</b>		<b>(\$79,347,976)</b>	<b>(\$52,525,078)</b>	<b>(\$81,737,448)</b>	<b>(\$53,268,058)</b>	<b>(\$86,659,215)</b>	<b>(\$48,756,573)</b>
General Fund Revenue		\$142,525,000	\$137,230,000	\$138,430,000	\$139,666,000	\$140,940,000	\$142,251,000
LGA Rev		\$56,416,914	\$50,716,569	\$50,452,878	\$50,189,187	\$49,925,496	\$49,661,805
<b>General Fund Activities</b>		<b>\$282,907,045</b>	<b>\$294,231,120</b>	<b>\$307,224,956</b>	<b>\$321,112,582</b>	<b>\$334,015,375</b>	<b>\$349,066,285</b>
\$ Change		(\$6,762,230)	\$11,324,075	\$12,993,836	\$13,887,626	\$12,902,793	\$15,050,910
<b>% Change</b>		<b>-2.34%</b>	<b>4.02%</b>	<b>4.42%</b>	<b>4.52%</b>	<b>4.02%</b>	<b>4.51%</b>
<b>LGA Rev in Total</b>		<b>\$63,986,731</b>	<b>\$57,700,000</b>	<b>\$57,400,000</b>	<b>\$57,100,000</b>	<b>\$56,800,000</b>	<b>\$56,500,000</b>
<b>Activities in Total</b>		<b>\$335,895,667</b>	<b>\$349,348,355</b>	<b>\$364,776,279</b>	<b>\$381,265,423</b>	<b>\$396,585,249</b>	<b>\$414,455,591</b>

2010 Property Tax Supported Budgets						
	2010 Council Revised Budget	Direct Revenue (received by the department)	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>			Total Revenues
			Other General City Revenues****	Local Government Aid	Property Tax Revenue	
<b>General Fund</b>						
<b>General Fund Commitments</b>						
Internal Service Funds Financial Plans	26.165	-	-	-	26.165	26.165
Graffiti Removal	0.050	-	-	-	0.050	0.050
Target Center Financial Plan	0.092	-	-	-	0.092	0.092
Transfers for City Hall rent	0.612	-	-	-	0.612	0.612
Payment to County for Library System	6.721	-	-	6.721	-	6.721
Transfer to Capital Improvement Fund	5.000	-	-	-	5.000	5.000
Pension Debt Service Mgmt Plan	11.651	-	-	-	11.651	11.651
<b>Total General Fund Commitments</b>	<b>50.290</b>	<b>-</b>	<b>-</b>	<b>6.721</b>	<b>43.569</b>	<b>50.290</b>
<b>General Fund Activities</b>						
Police	123.869	8.270	37.485	21.805	54.420	121.980
Fire	53.686	4.945	15.805	9.194	22.946	52.889
<b>Subtotal for Police &amp; Fire</b>	<b>177.555</b>	<b>13.215</b>	<b>53.290</b>	<b>30.999</b>	<b>77.366</b>	<b>174.869</b>
311	3.020	-	0.979	0.570	1.422	2.970
911	7.485	-	2.427	1.412	3.524	7.363
Assessor	3.986	0.063	1.272	0.740	1.847	3.922
Attorney	7.662	0.010	2.481	1.443	3.602	7.537
BIS	-	-	-	-	-	-
City Clerk/Elections/City Council	7.496	0.049	2.415	1.405	3.506	7.374
City Coordinator Administration	1.439	-	0.467	0.271	0.677	1.415
Civil Rights	2.029	-	0.658	0.383	0.955	1.996
Communications	2.424	3.479	-	-	-	3.479
Community Planning & Economic Development (CPED)	3.445	1.101	0.760	0.442	1.103	3.406
Contingency*	2.575	-	0.835	0.486	1.212	2.533
Finance	19.715	0.033	6.382	3.712	9.265	19.393
Health and Family	3.320	-	1.076	0.626	1.563	3.265
Human Resources	5.788	-	1.877	1.092	2.725	5.693
Intergovernmental Relations	1.523	-	0.494	0.287	0.717	1.499
Internal Audit	0.200	-	0.065	0.038	0.094	0.197
Mayor	1.467	-	0.476	0.277	0.691	1.443
Neighborhood & Community Relations	1.236	-	0.401	0.233	0.582	1.216
Public Works	40.906	12.913	9.077	5.280	13.178	40.449
Regulatory Services	27.999	31.249	-	-	-	31.249
<b>Subtotal for all other departments</b>	<b>143.715</b>	<b>48.897</b>	<b>32.142</b>	<b>18.697</b>	<b>46.664</b>	<b>146.401</b>
<b>Total General Fund Activities**</b>	<b>321.270</b>	<b>62.112</b>	<b>85.432</b>	<b>49.696</b>	<b>124.030</b>	<b>321.270</b>
<b>Total General Fund</b>	<b>371.560</b>	<b>62.112</b>	<b>85.432</b>	<b>56.417</b>	<b>167.599</b>	<b>371.560</b>
<b>Other Property Tax-Supported Commitments</b>						
Capital - Permanent Improvement	1.666	-	-	-	1.666	1.666
Debt Service	15.819	-	-	-	15.819	15.819
<b>Subtotal</b>	<b>17.485</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.485</b>	<b>17.485</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	15.208	-	-	-	15.208	15.208
<b>Total Property Tax Supported Commitments</b>	<b>404.253</b>	<b>62.112</b>	<b>85.432</b>	<b>56.417</b>	<b>200.292</b>	<b>404.253</b>
(Additional cuts needed)/Cushion for adverse circumstances		(0.000)				
<b>Total Pension Costs</b>	2009 Expense <b>21.560</b>	2010 Expense <b>26.859</b>	% change from 2009 <b>24.6%</b>			
<p>*Contingency is increased on a one-time basis to pay unemployment costs</p> <p>**The General Fund subsidizes activities provided to the Park Board (\$1.3 million), the Municipal Building Commission (\$185,000) and grant funds and others (\$3 million) as determined by the General Fund Overhead Rate Model.</p> <p>***Police and Fire were appropriated \$3.5 million in one-time money from contingency to allow the departments to meet budget reductions over a two-year period. The five-year financial direction shows that money as a 2010 increase only, but departments may rollover unspent appropriation into 2011.</p> <p>****The balance of the 2009 Actual General Fund (\$10.1 million) was used to fund the one-time initiatives the Mayor recommended and Council adopted as part of the revised budget as well as to cover the remaining reductions necessary due to meet the loss in state aid.</p>						

2011 Property Tax Supported Budgets																			
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues										
						Other General City Revenues	Local Government Aid	Property Tax Revenue											
<b>General Fund</b>																			
<b><u>General Fund Commitments</u></b>																			
Internal Service Funds Financial Plans	26.165	(8.200)	-	17.965	-	-	-	17.965	17.965										
Graffiti Removal	0.050	-	-	0.050	-	-	-	0.050	0.050										
Target Center Financial Plan	0.092	-	-	0.092	-	-	-	0.092	0.092										
Transfers for City Hall rent	0.612	0.024	-	0.636	-	-	-	0.636	0.636										
Payment to County for Library System	6.721	(0.868)	-	5.853	-	-	5.853	-	5.853										
Transfer to Capital Improvement Fund	5.000	(5.000)	-	-	-	-	-	-	-										
Pension Debt Service Mgmt Plan	11.651	(11.015)	-	0.636	-	-	-	0.636	0.636										
<b>Total General Fund Commitments</b>	<b>50.290</b>	<b>(25.059)</b>	<b>-</b>	<b>25.232</b>	<b>-</b>	<b>-</b>	<b>5.853</b>	<b>19.379</b>	<b>25.232</b>										
<b><u>General Fund Activities</u></b>																			
Police	123.869	2.891	(1.709)	125.051	8.270	33.436	19.870	63.475	125.051										
Fire	53.686	0.696	(0.641)	53.741	5.145	13.914	8.268	26.414	53.741										
<b>Subtotal for Public Safety</b>	<b>177.555</b>	<b>3.587</b>	<b>(2.350)</b>	<b>178.792</b>	<b>13.415</b>	<b>47.350</b>	<b>28.138</b>	<b>89.889</b>	<b>178.792</b>										
311	3.020	0.013	(0.039)	2.994	-	0.857	0.509	1.627	2.994										
911	7.485	0.134	(0.176)	7.444	-	2.131	1.267	4.046	7.444										
Assessor	3.986	0.121	(0.066)	4.041	0.063	1.139	0.677	2.162	4.041										
Attorney	7.662	0.186	(0.038)	7.811	0.010	2.233	1.327	4.240	7.811										
BIS	-	-	-	-	-	-	-	-	-										
City Clerk/Elections/City Council	7.496	(0.406)	-	7.090	0.049	2.016	1.198	3.827	7.090										
City Coordinator Administration	1.439	0.076	-	1.515	-	0.434	0.258	0.824	1.515										
Civil Rights	2.029	0.086	(0.062)	2.053	-	0.588	0.349	1.116	2.053										
Communications	2.424	0.041	(0.054)	2.411	3.479	(0.306)	(0.182)	(0.580)	2.411										
Community Planning & Economic Development (CPED)	3.445	0.094	(0.081)	3.457	1.101	0.675	0.401	1.281	3.457										
Contingency	2.575	4.983	-	7.558	-	2.164	1.286	4.108	7.558										
Finance	19.715	0.088	(0.204)	19.599	0.021	5.605	3.331	10.641	19.599										
Health and Family	3.320	0.124	(0.063)	3.381	-	0.968	0.575	1.838	3.381										
Human Resources	5.788	0.130	(0.137)	5.781	-	1.655	0.984	3.142	5.781										
Intergovernmental Relations	1.523	(0.114)	-	1.409	-	0.403	0.240	0.766	1.409										
Internal Audit	0.200	0.019	-	0.219	-	0.063	0.037	0.119	0.219										
Mayor	1.467	0.019	(0.005)	1.481	-	0.424	0.252	0.805	1.481										
Neighborhood & Community Relations	1.236	(0.600)	-	0.636	-	0.182	0.108	0.346	0.636										
Public Works	40.906	0.351	(0.429)	40.829	12.363	8.150	4.843	15.472	40.829										
Regulatory Services	27.999	0.868	(0.075)	28.792	32.186	(0.972)	(0.578)	(1.845)	28.792										
<b>Subtotal for all other departments</b>	<b>143.715</b>	<b>6.214</b>	<b>(1.429)</b>	<b>148.500</b>	<b>49.272</b>	<b>28.411</b>	<b>16.883</b>	<b>53.934</b>	<b>148.500</b>										
<b>Total General Fund Activities</b>	<b>321.270</b>	<b>9.801</b>	<b>(3.779)</b>	<b>327.292</b>	<b>62.688</b>	<b>75.761</b>	<b>45.021</b>	<b>143.823</b>	<b>327.292</b>										
<b>Total General Fund</b>	<b>371.560</b>	<b>(15.257)</b>	<b>(3.779)</b>	<b>352.524</b>	<b>62.688</b>	<b>75.761</b>	<b>50.874</b>	<b>163.202</b>	<b>352.524</b>										
<b><u>Other Property Tax-Supported Commitments</u></b>																			
Capital - Permanent Improvement	1.666	0.196	-	1.862	-	-	-	1.862	1.862										
Debt Service	15.819	2.664	-	18.483	-	-	-	18.483	18.483										
<b>Subtotal</b>	<b>17.485</b>	<b>2.860</b>	<b>-</b>	<b>20.345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20.345</b>	<b>20.345</b>										
Pensions - Direct Levy for MPRA, MFRA and MERF	15.208	21.731	-	36.939	-	-	-	36.939	36.939										
<b>Total Property Tax Supported Commitments</b>	<b>404.253</b>	<b>9.334</b>	<b>(3.779)</b>	<b>409.808</b>	<b>62.688</b>	<b>75.761</b>	<b>50.874</b>	<b>220.485</b>	<b>409.808</b>										
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<b>Total Pension Costs</b>	<b>26.859</b>	<b>37.575</b>	<b>39.9%</b>	2010 Max 205.553 2011 Max 220.485 (Additional cuts needed)/Cushion for adverse circumstances 0.000															

2012 Property Tax Supported Budgets																			
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	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>			Total Revenues										
						Other General City Revenues	Local Government Aid	Property Tax Revenue											
<b>General Fund</b>																			
<b><u>General Fund Commitments</u></b>																			
Internal Service Funds Financial Plans	17.965	2.427	-	20.392	-	-	-	20.392	20.392										
Graffiti Removal	0.050	-	-	0.050	-	-	-	0.050	0.050										
Target Center Financial Plan	0.092	-	-	0.092	-	-	-	0.092	0.092										
Transfers for City Hall rent	0.636	0.025	-	0.662	-	-	-	0.662	0.662										
Payment to County for Library System	5.853	(0.871)	-	4.982	-	-	4.982	-	4.982										
Transfer to Capital Improvement Fund	-	-	-	-	-	-	-	-	-										
Pension Debt Service Mgmt Plan	0.636	26.386	-	27.022	-	-	-	27.022	27.022										
<b>Total General Fund Commitments</b>	<b>25.232</b>	<b>27.967</b>	<b>-</b>	<b>53.199</b>	<b>-</b>	<b>-</b>	<b>4.982</b>	<b>48.217</b>	<b>53.199</b>										
<b><u>General Fund Activities</u></b>																			
Police	125.051	4.825	-	129.877	8.270	33.207	19.960	68.440	129.877										
Fire	53.741	2.074	-	55.814	5.145	13.836	8.317	28.517	55.814										
<b>Subtotal for Public Safety</b>	<b>178.792</b>	<b>6.899</b>	<b>-</b>	<b>185.691</b>	<b>13.415</b>	<b>47.043</b>	<b>28.276</b>	<b>96.957</b>	<b>185.691</b>										
311	2.994	0.116	-	3.109	-	0.849	0.510	1.750	3.109										
911	7.444	0.287	-	7.731	-	2.111	1.269	4.351	7.731										
Assessor	4.041	0.156	-	4.197	0.063	1.129	0.679	2.327	4.197										
Attorney	7.811	0.301	-	8.112	0.010	2.212	1.330	4.560	8.112										
City Clerk/Elections/City Council	7.090	0.674	-	7.763	0.049	2.107	1.266	4.342	7.763										
City Coordinator Administration	1.515	0.058	-	1.574	-	0.430	0.258	0.886	1.574										
Civil Rights	2.053	0.079	-	2.132	-	0.582	0.350	1.200	2.132										
Communications	2.411	0.093	-	2.504	3.479	(0.266)	(0.160)	(0.549)	2.504										
Community Planning & Economic Development (CPED)	3.457	0.133	-	3.591	1.101	0.680	0.409	1.401	3.591										
Contingency	7.558	2.085	-	9.642	-	2.633	1.583	5.427	9.642										
<i>Health care contingency</i>		<i>1.463</i>																	
Finance	19.599	(0.212)	-	19.387	0.021	5.288	3.179	10.899	19.387										
Health and Family	3.381	0.130	-	3.511	-	0.959	0.576	1.976	3.511										
Human Resources	5.781	0.223	-	6.004	-	1.640	0.986	3.379	6.004										
Intergovernmental Relations	1.409	0.054	-	1.463	-	0.400	0.240	0.824	1.463										
Internal Audit	0.219	0.008	-	0.227	-	0.062	0.037	0.128	0.227										
Mayor	1.481	0.057	-	1.538	-	0.420	0.252	0.866	1.538										
Neighborhood & Community Relations	0.636	0.025	-	0.661	-	0.180	0.108	0.372	0.661										
Public Works	40.829	1.575	-	42.404	12.363	8.203	4.931	16.907	42.404										
Regulatory Services	28.792	1.611	-	30.403	33.152	(0.751)	(0.451)	(1.547)	30.403										
<b>Subtotal for all other departments</b>	<b>148.500</b>	<b>7.455</b>	<b>-</b>	<b>155.956</b>	<b>50.238</b>	<b>28.868</b>	<b>17.352</b>	<b>59.498</b>	<b>155.956</b>										
<b>Total General Fund Activities</b>	<b>327.292</b>	<b>14.354</b>	<b>-</b>	<b>341.647</b>	<b>63.653</b>	<b>75.911</b>	<b>45.628</b>	<b>156.455</b>	<b>341.647</b>										
<b>Total General Fund</b>	<b>352.524</b>	<b>42.322</b>	<b>-</b>	<b>394.846</b>	<b>63.653</b>	<b>75.911</b>	<b>50.610</b>	<b>204.672</b>	<b>394.846</b>										
<b><u>Other Property Tax-Supported Commitments</u></b>																			
Capital - Permanent Improvement	1.862	0.196	-	2.058	-	-	-	2.058	2.058										
Debt Service	18.483	(2.862)	-	15.621	-	-	-	15.621	15.621										
<b>Subtotal</b>	<b>20.345</b>	<b>(2.666)</b>	<b>-</b>	<b>17.679</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.679</b>	<b>17.679</b>										
Pensions - Direct Levy for MPRA, MFRA and MERF	36.939	(22.662)	-	14.277	-	-	-	14.277	14.277										
<b>Total Property Tax Supported Commitments</b>	<b>409.808</b>	<b>16.994</b>	<b>-</b>	<b>426.802</b>	<b>63.653</b>	<b>75.911</b>	<b>50.610</b>	<b>236.628</b>	<b>426.802</b>										
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2013 Property Tax Supported Budgets									
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	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>			Total Revenues
						Other General City Revenues	Local Government Aid	Property Tax Revenue	
<b>General Fund</b>									
<b><i>General Fund Commitments</i></b>									
Internal Service Funds Financial Plans	20.392	(5.576)	-	14.816	-	-	-	14.816	14.816
Graffiti Removal	0.050	-	-	0.050	-	-	-	0.050	0.050
Target Center Financial Plan	0.092	0.458	-	0.550	-	-	-	0.550	0.550
Transfers for City Hall rent	0.662	0.026	-	0.688	-	-	-	0.688	0.688
Payment to County for Library System	4.982	(0.876)	-	4.106	-	-	4.106	-	4.106
Transfer to Capital Improvement Fund	-	-	-	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	27.022	(26.883)	-	0.139	-	-	-	0.139	0.139
<b>Total General Fund Commitments</b>	<b>53.199</b>	<b>(32.851)</b>	<b>-</b>	<b>20.349</b>	<b>-</b>	<b>-</b>	<b>4.106</b>	<b>16.243</b>	<b>20.349</b>
<b><i>General Fund Activities</i></b>									
Police	129.877	5.021	-	134.898	8.270	32.558	19.832	74.238	134.898
Fire	55.814	2.158	-	57.972	5.145	13.583	8.274	30.971	57.972
<b>Subtotal for Public Safety</b>	<b>185.691</b>	<b>7.179</b>	<b>-</b>	<b>192.870</b>	<b>13.415</b>	<b>46.141</b>	<b>28.105</b>	<b>105.209</b>	<b>192.870</b>
311	3.109	0.120	-	3.229	-	0.830	0.506	1.893	3.229
911	7.731	0.299	-	8.030	-	2.065	1.258	4.708	8.030
Assessor	4.197	0.162	-	4.359	0.063	1.105	0.673	2.519	4.359
Attorney	8.112	0.314	-	8.426	0.010	2.164	1.318	4.934	8.426
City Clerk/Elections/City Council	7.763	0.400	-	8.163	0.049	2.086	1.271	4.757	8.163
City Coordinator Administration	1.574	0.061	-	1.635	-	0.420	0.256	0.958	1.635
Civil Rights	2.132	0.082	-	2.215	-	0.569	0.347	1.298	2.215
Communications	2.504	0.097	-	2.601	3.479	(0.226)	(0.137)	(0.515)	2.601
Community Planning & Economic Development (CPED)	3.591	0.139	-	3.730	1.101	0.676	0.412	1.541	3.730
Contingency	9.642	5.304	-	14.946	-	3.843	2.341	8.762	14.946
<i>Health care contingency</i>				<i>2.009</i>					
Finance	19.387	0.750	-	20.136	0.021	5.172	3.150	11.793	20.136
Health and Family	3.511	0.136	-	3.647	-	0.938	0.571	2.138	3.647
Human Resources	6.004	0.232	-	6.237	-	1.604	0.977	3.656	6.237
Intergovernmental Relations	1.463	0.057	-	1.520	-	0.391	0.238	0.891	1.520
Internal Audit	0.227	0.009	-	0.236	-	0.061	0.037	0.138	0.236
Mayor	1.538	0.059	-	1.598	-	0.411	0.250	0.937	1.598
Neighborhood & Community Relations	0.661	0.026	-	0.686	-	0.176	0.107	0.402	0.686
Public Works	42.404	1.639	-	44.044	12.363	8.146	4.962	18.573	44.044
Regulatory Services	30.403	1.175	-	31.579	34.147	(0.660)	(0.402)	(1.506)	31.579
<b>Subtotal for all other departments</b>	<b>155.956</b>	<b>11.061</b>	<b>-</b>	<b>167.016</b>	<b>51.233</b>	<b>29.770</b>	<b>18.134</b>	<b>67.880</b>	<b>167.016</b>
<b>Total General Fund Activities</b>	<b>341.647</b>	<b>18.240</b>	<b>-</b>	<b>359.887</b>	<b>64.648</b>	<b>75.911</b>	<b>46.239</b>	<b>173.089</b>	<b>359.887</b>
<b>Total General Fund</b>	<b>394.846</b>	<b>(14.611)</b>	<b>-</b>	<b>380.235</b>	<b>64.648</b>	<b>75.911</b>	<b>50.345</b>	<b>189.332</b>	<b>380.235</b>
<b><i>Other Property Tax-Supported Commitments</i></b>									
Capital - Permanent Improvement	2.058	0.196	-	2.254	-	-	-	2.254	2.254
Debt Service	15.621	1.529	-	17.150	-	-	-	17.150	17.150
<b>Subtotal</b>	<b>17.679</b>	<b>1.725</b>	<b>-</b>	<b>19.404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.404</b>	<b>19.404</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	14.277	37.123	-	51.400	-	3.192	-	48.208	51.400
<b>Total Property Tax Supported Commitments</b>	<b>426.802</b>	<b>24.237</b>	<b>-</b>	<b>451.039</b>	<b>64.648</b>	<b>79.103</b>	<b>50.345</b>	<b>256.944</b>	<b>451.039</b>
<b>Total Pension Costs</b>	2012 Expense <b>41.299</b>	2013 Expense <b>51.539</b>	% change <b>24.8%</b>			2012 Max 2013 Max (Additional cuts needed)/Cushion for adverse circumstances	236.628 256.944 0.000		

2014 Property Tax Supported Budgets																		
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues									
						Other General City Revenues	Local Government Aid	Property Tax Revenue										
<b>General Fund</b>																		
<b><u>General Fund Commitments</u></b>																		
Internal Service Funds Financial Plans	14.816	3.057	-	17.873	-	-	-	17.873	17.873									
Graffiti Removal	0.050	-	-	0.050	-	-	-	0.050	0.050									
Target Center Financial Plan	0.550	-	-	0.550	-	-	-	0.550	0.550									
Transfers for City Hall rent	0.688	0.028	-	0.716	-	-	-	0.716	0.716									
Payment to County for Library System	4.106	(0.868)	-	3.238	-	-	3.238	-	3.238									
Transfer to Capital Improvement Fund	-	-	-	-	-	-	-	-	-									
Pension Debt Service Mgmt Plan	0.139	36.346	-	36.485	-	-	-	36.485	36.485									
<b>Total General Fund Commitments</b>	<b>20.349</b>	<b>38.563</b>	<b>-</b>	<b>58.911</b>	<b>-</b>	<b>-</b>	<b>3.238</b>	<b>55.673</b>	<b>58.911</b>									
<b><u>General Fund Activities</u></b>																		
Police	134.898	4.336	-	139.234	8.270	33.283	20.538	77.144	139.234									
Fire	57.972	1.864	-	59.836	5.145	13.899	8.577	32.215	59.836									
<b>Subtotal for Public Safety</b>	<b>192.870</b>	<b>6.200</b>	<b>-</b>	<b>199.070</b>	<b>13.415</b>	<b>47.181</b>	<b>29.115</b>	<b>109.359</b>	<b>199.070</b>									
311	3.229	0.104	-	3.333	-	0.847	0.523	1.963	3.333									
911	8.030	0.258	-	8.288	-	2.106	1.300	4.882	8.288									
Assessor	4.359	0.140	-	4.499	0.063	1.127	0.696	2.613	4.499									
Attorney	8.426	0.271	-	8.697	0.010	2.208	1.362	5.117	8.697									
City Clerk/Elections/City Council	8.163	0.362	-	8.526	0.049	2.154	1.329	4.993	8.526									
City Coordinator Administration	1.635	0.053	-	1.687	-	0.429	0.265	0.994	1.687									
Civil Rights	2.215	0.071	-	2.286	-	0.581	0.358	1.346	2.286									
Communications	2.601	0.084	-	2.685	3.479	(0.202)	(0.125)	(0.468)	2.685									
Community Planning & Economic Development (CPED)	3.730	0.120	-	3.849	1.101	0.698	0.431	1.619	3.849									
Contingency	14.946	(6.700)	-	8.247	-	2.096	1.293	4.858	8.247									
<i>Health care contingency</i>				2.627														
Finance	20.136	0.647	-	20.784	0.021	5.276	3.256	12.230	20.784									
Health and Family	3.647	0.117	-	3.764	-	0.957	0.590	2.217	3.764									
Human Resources	6.237	0.200	-	6.437	-	1.636	1.009	3.792	6.437									
Intergovernmental Relations	1.520	0.049	-	1.569	-	0.399	0.246	0.924	1.569									
Internal Audit	0.236	0.008	-	0.244	-	0.062	0.038	0.144	0.244									
Mayor	1.598	0.051	-	1.649	-	0.419	0.259	0.971	1.649									
Neighborhood & Community Relations	0.686	0.022	-	0.708	-	0.180	0.111	0.417	0.708									
Public Works	44.044	1.416	-	45.459	12.363	8.411	5.190	19.495	45.459									
Regulatory Services	31.579	1.015	-	32.594	35.171	(0.655)	(0.404)	(1.518)	32.594									
<b>Subtotal for all other departments</b>	<b>167.016</b>	<b>(1.711)</b>	<b>-</b>	<b>165.305</b>	<b>52.257</b>	<b>28.729</b>	<b>17.728</b>	<b>66.590</b>	<b>165.305</b>									
<b>Total General Fund Activities</b>	<b>359.887</b>	<b>4.488</b>	<b>-</b>	<b>364.375</b>	<b>65.672</b>	<b>75.911</b>	<b>46.843</b>	<b>175.949</b>	<b>364.375</b>									
<b>Total General Fund</b>	<b>380.235</b>	<b>43.051</b>	<b>-</b>	<b>423.286</b>	<b>65.672</b>	<b>75.911</b>	<b>50.081</b>	<b>231.622</b>	<b>423.286</b>									
<b><u>Other Property Tax-Supported Commitments</u></b>																		
Capital - Permanent Improvement	2.254	0.196	-	2.450	-	-	-	2.450	2.450									
Debt Service	17.150	2.352	-	19.502	-	-	-	19.502	19.502									
<b>Subtotal</b>	<b>19.404</b>	<b>2.548</b>	<b>-</b>	<b>21.952</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21.952</b>	<b>21.952</b>									
Pensions - Direct Levy for MPRA, MFRA and MERF	51.400	(35.554)	-	15.846	-	-	-	15.846	15.846									
<b>Total Property Tax Supported Commitments</b>	<b>451.039</b>	<b>10.045</b>	<b>-</b>	<b>461.084</b>	<b>65.672</b>	<b>75.911</b>	<b>50.081</b>	<b>269.420</b>	<b>461.084</b>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td rowspan="2" style="width: 30%;"><b>Total Pension Costs</b></td> <td style="width: 10%;">2013 Expense</td> <td style="width: 10%;">2014 Expense</td> <td style="width: 10%;">% change</td> <td style="width: 40%;"></td> </tr> <tr> <td style="text-align: center;">51.539</td> <td style="text-align: center;">52.331</td> <td style="text-align: center;">1.5%</td> <td style="text-align: right;">           2013 Max 256.944            2014 Max 269.421            (Additional cuts needed)/Cushion for adverse circumstances 0.000         </td> </tr> </table>										<b>Total Pension Costs</b>	2013 Expense	2014 Expense	% change		51.539	52.331	1.5%	2013 Max 256.944 2014 Max 269.421 (Additional cuts needed)/Cushion for adverse circumstances 0.000
<b>Total Pension Costs</b>	2013 Expense	2014 Expense	% change															
	51.539	52.331	1.5%	2013 Max 256.944 2014 Max 269.421 (Additional cuts needed)/Cushion for adverse circumstances 0.000														



2015 Property Tax Supported Budgets																						
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues													
						Other General City Revenues	Local Government Aid	Property Tax Revenue														
<b>General Fund</b>																						
<b>General Fund Commitments</b>																						
Internal Service Funds Financial Plans	17.873	(9.086)	-	8.787	-	-	-	8.787	8.787													
Graffiti Removal	0.050	-	-	0.050	-	-	-	0.050	0.050													
Target Center Financial Plan	0.550	-	-	0.550	-	-	-	0.550	0.550													
Transfers for City Hall rent	0.716	0.029	-	0.744	-	-	-	0.744	0.744													
Payment to County for Library System	3.238	(0.875)	-	2.363	-	-	2.363	2.363	2.363													
Transfer to Capital Improvement Fund	-	-	-	-	-	-	-	-	-													
Pension Debt Service Mgmt Plan	36.485	(32.357)	-	4.128	-	-	-	4.128	4.128													
<b>Total General Fund Commitments</b>	<b>58.911</b>	<b>(42.289)</b>	<b>-</b>	<b>16.622</b>	<b>-</b>	<b>-</b>	<b>2.363</b>	<b>14.259</b>	<b>16.622</b>													
<b>General Fund Activities</b>																						
Police	139.234	4.920	-	144.154	8.270	32.533	20.337	83.013	144.154													
Fire	59.836	2.114	-	61.950	5.145	13.600	8.502	34.703	61.950													
<b>Subtotal for Public Safety</b>	<b>199.070</b>	<b>7.034</b>	<b>-</b>	<b>206.104</b>	<b>13.415</b>	<b>46.134</b>	<b>28.839</b>	<b>117.717</b>	<b>206.104</b>													
311	3.333	0.118	-	3.451	-	0.826	0.517	2.108	3.451													
911	8.288	0.293	-	8.581	-	2.054	1.284	5.242	8.581													
Assessor	4.499	0.159	-	4.658	0.063	1.100	0.688	2.807	4.658													
Attorney	8.697	0.307	-	9.004	0.010	2.153	1.346	5.495	9.004													
City Clerk/Elections/City Council	8.526	(0.199)	-	8.327	0.049	1.982	1.239	5.057	8.327													
City Coordinator Administration	1.687	0.060	-	1.747	-	0.418	0.261	1.067	1.747													
Civil Rights	2.286	0.081	-	2.367	-	0.567	0.354	1.446	2.367													
Communications	2.685	0.095	-	2.780	3.479	(0.167)	(0.105)	(0.427)	2.780													
Community Planning & Economic Development (CPED)	3.849	0.136	-	3.985	1.101	0.691	0.432	1.762	3.985													
Contingency	8.247	7.329	-	15.576	-	3.729	2.331	9.516	15.576													
<i>Health care contingency</i>				<i>3.377</i>																		
Finance	20.784	0.734	-	21.518	0.021	5.147	3.217	13.133	21.518													
Health and Family	3.764	0.133	-	3.897	-	0.933	0.583	2.381	3.897													
Human Resources	6.437	0.227	-	6.664	-	1.596	0.997	4.071	6.664													
Intergovernmental Relations	1.569	0.055	-	1.624	-	0.389	0.243	0.992	1.624													
Internal Audit	0.244	0.009	-	0.252	-	0.060	0.038	0.154	0.252													
Mayor	1.649	0.058	-	1.707	-	0.409	0.256	1.043	1.707													
Neighborhood & Community Relations	0.708	0.025	-	0.733	-	0.176	0.110	0.448	0.733													
Public Works	45.459	1.606	-	47.066	12.363	8.309	5.194	21.200	47.066													
Regulatory Services	32.594	1.152	-	33.745	36.226	(0.594)	(0.371)	(1.516)	33.745													
<b>Subtotal for all other departments</b>	<b>165.305</b>	<b>12.379</b>	<b>-</b>	<b>177.684</b>	<b>53.312</b>	<b>29.777</b>	<b>18.614</b>	<b>75.980</b>	<b>177.684</b>													
<b>Total General Fund Activities</b>	<b>364.375</b>	<b>19.413</b>	<b>-</b>	<b>383.788</b>	<b>66.727</b>	<b>75.911</b>	<b>47.453</b>	<b>193.697</b>	<b>383.788</b>													
<b>Total General Fund</b>	<b>423.286</b>	<b>(22.876)</b>	<b>-</b>	<b>400.410</b>	<b>66.727</b>	<b>75.911</b>	<b>49.816</b>	<b>207.956</b>	<b>400.410</b>													
<b>Other Property Tax-Supported Commitments</b>																						
Capital - Permanent Improvement	2.450	2.058	-	4.508	-	-	-	4.508	4.508													
Debt Service	19.502	8.232	-	27.734	-	-	-	27.734	27.734													
<b>Subtotal</b>	<b>21.952</b>	<b>10.290</b>	<b>-</b>	<b>32.242</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.242</b>	<b>32.242</b>													
Pensions - Direct Levy for MPRA, MFRA and MERF	15.846	34.317	-	50.163	-	-	-	50.163	50.163													
<b>Total Property Tax Supported Commitments</b>	<b>461.084</b>	<b>21.731</b>	<b>-</b>	<b>482.815</b>	<b>66.727</b>	<b>75.911</b>	<b>49.816</b>	<b>290.361</b>	<b>482.815</b>													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td rowspan="3" style="width: 30%;"><b>Total Pension Costs</b></td> <td style="width: 10%;">2014 Expense</td> <td style="width: 10%;">2015 Expense</td> <td style="width: 10%;">% change</td> <td style="width: 40%;"></td> </tr> <tr> <td style="text-align: center;">52.331</td> <td style="text-align: center;">54.291</td> <td style="text-align: center;">3.7%</td> <td></td> </tr> <tr> <td colspan="4" style="text-align: right;">(Additional cuts needed)/Cushion for adverse circumstances</td> </tr> </table>										<b>Total Pension Costs</b>	2014 Expense	2015 Expense	% change		52.331	54.291	3.7%		(Additional cuts needed)/Cushion for adverse circumstances			
<b>Total Pension Costs</b>	2014 Expense	2015 Expense	% change																			
	52.331	54.291	3.7%																			
	(Additional cuts needed)/Cushion for adverse circumstances																					
								269.421														
								290.361														
								0.000														

Five-Year Summary of Property Tax Supported Budgets										
	2010 Expense	5-Year Projected Growth in Spending	5-Year Reduction in Spending	2015 Expense	Avg Annual % Incr over 5-yr period	2015 Direct Revenue	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			2015 Total Revenues
							2015 General City Revenues (Non-Direct)	2015 Local Government Aid	2015 Property Tax Revenue	
<b>General Fund</b>										
<b><u>General Fund Commitments</u></b>										
Internal Service Funds Financial Plans	26.165	(17.378)	-	8.787	-66.4%	-	-	-	8.787	8.787
Graffiti Removal	0.050	-	-	0.050	0.0%	-	-	-	0.050	0.050
Target Center Financial Plan	0.092	0.458	-	0.550	497.8%	-	-	-	0.550	0.550
Transfers for City Hall rent	0.612	0.133	-	0.744	74.4%	-	-	-	0.744	0.744
Payment to County for Library System	6.721	(4.358)	-	2.363	-64.8%	-	-	2.363	-	2.363
Transfer to Capital Improvement Fund	5.000	(5.000)	-	-	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	11.651	(7.523)	-	4.128	-64.6%	-	-	-	4.128	4.128
<b>Total General Fund Commitments</b>	<b>50.290</b>	<b>(33.668)</b>	<b>-</b>	<b>16.622</b>	<b>-66.9%</b>	<b>-</b>	<b>-</b>	<b>2.363</b>	<b>14.259</b>	<b>16.622</b>
<b><u>General Fund Activities</u></b>										
Police	123.869	21.994	(1.709)	144.154	16.4%	8.270	32.533	20.337	83.013	144.154
Fire	53.686	8.905	(0.641)	61.950	15.4%	5.145	13.600	8.502	34.703	61.950
<b>Subtotal for Public Safety</b>	<b>177.555</b>	<b>30.900</b>	<b>(2.350)</b>	<b>206.104</b>	<b>16.1%</b>	<b>13.415</b>	<b>46.134</b>	<b>28.839</b>	<b>117.717</b>	<b>206.104</b>
311	3.020	0.470	(0.039)	3.451	14.3%	-	0.826	0.517	2.108	3.451
911	7.485	1.271	(0.176)	8.581	14.6%	-	2.054	1.284	5.242	8.581
Assessor	3.986	0.738	(0.066)	4.658	16.9%	0.063	1.100	0.688	2.807	4.658
Attorney	7.662	1.380	(0.038)	9.004	17.5%	0.010	2.153	1.346	5.495	9.004
BIS	-	-	-	-	0.0%	-	-	-	-	-
City Clerk/Elections/City Council	7.496	0.831	-	8.327	11.1%	0.049	1.982	1.239	5.057	8.327
City Coordinator Administration	1.439	0.308	-	1.747	21.4%	-	0.418	0.261	1.067	1.747
Civil Rights	2.029	0.399	(0.062)	2.367	16.6%	-	0.567	0.354	1.446	2.367
Communications	2.424	0.410	(0.054)	2.780	14.7%	3.479	(0.167)	(0.105)	(0.427)	2.780
Community Planning & Economic Development (CPED)	3.445	0.622	(0.081)	3.985	15.7%	1.101	0.691	0.432	1.762	3.985
Contingency	2.575	13.001	-	15.576	504.9%	-	3.729	2.331	9.516	15.576
Finance	19.715	2.007	(0.204)	21.518	9.1%	0.021	5.147	3.217	13.133	21.518
Health and Family	3.320	0.641	(0.063)	3.897	17.4%	-	0.933	0.583	2.381	3.897
Human Resources	5.788	1.014	(0.137)	6.664	15.1%	-	1.596	0.997	4.071	6.664
Intergovernmental Relations	1.523	0.101	-	1.624	6.6%	-	0.389	0.243	0.992	1.624
Internal Audit	0.200	-	-	0.252	-	-	0.060	0.038	0.154	0.252
Mayor	1.467	0.245	(0.005)	1.707	16.4%	-	0.409	0.256	1.043	1.707
Neighborhood & Community Relations	1.236	(0.503)	-	0.733	-40.7%	-	0.176	0.110	0.448	0.733
Public Works	40.906	6.588	(0.429)	47.066	15.1%	12.363	8.309	5.194	21.200	47.066
Regulatory Services	27.999	5.821	(0.075)	33.745	20.5%	36.226	(0.594)	(0.371)	(1.516)	33.745
<b>Subtotal for all other departments</b>	<b>143.715</b>	<b>35.345</b>	<b>(1.429)</b>	<b>177.684</b>	<b>23.6%</b>	<b>53.312</b>	<b>29.777</b>	<b>18.614</b>	<b>75.980</b>	<b>177.684</b>
<b>Total General Fund Activities</b>	<b>321.270</b>	<b>66.245</b>	<b>(3.779)</b>	<b>383.788</b>	<b>39.7%</b>	<b>66.727</b>	<b>75.911</b>	<b>47.453</b>	<b>193.697</b>	<b>383.788</b>
<b>Total General Fund</b>	<b>371.560</b>	<b>32.576</b>	<b>(3.779)</b>	<b>400.410</b>	<b>7.8%</b>	<b>66.727</b>	<b>75.911</b>	<b>49.816</b>	<b>207.956</b>	<b>400.410</b>
<b><u>Other Property Tax-Supported Commitments</u></b>										
Capital - Permanent Improvement	1.666	2.842	-	4.508	170.6%	-	-	-	4.508	4.508
Debt Service	15.819	11.915	-	27.734	75.3%	-	-	-	27.734	27.734
<b>Subtotal</b>	<b>17.485</b>	<b>14.757</b>	<b>-</b>	<b>32.242</b>	<b>245.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.242</b>	<b>32.242</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	15.208	34.955	-	50.163	229.8%	-	-	-	50.163	50.163
<b>Total Property Tax Supported Commitments</b>	<b>404.253</b>	<b>82.289</b>	<b>(3.779)</b>	<b>482.815</b>	<b>19.4%</b>	<b>66.727</b>	<b>75.911</b>	<b>49.816</b>	<b>290.361</b>	<b>482.815</b>
							2015 Max	205.553		
							2015 Max	290.361		
							(Additional cuts needed)/Cushion for adverse circumstances	0.000		

## City of Minneapolis 2010 Revised Budget

### Ten-Year Projection of Demands on the Property Tax

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#### **Background**

The ten-year projection was first produced in the spring of 2002 to surface all the demands on the property tax to which the City had committed. This projection led to adoption of the 8% maximum property tax policy in the 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. This policy was amended in 2010 to fund shared costs and provide a consistent current service level adjustment for the City and independent boards.

#### **Assumptions in the Ten-Year Projection**

For complete details on the financial challenges the City faces, please refer to the schedule of projected demands on the property tax:

#### ***General Fund Operations Assumptions***

- A 2.5% wage increase is funded from new resources through 2015.
- 16% annual increases in health insurance premiums.
- Non-personnel increases are assumed to be 3.5% each year.
- No increase in departmental and citywide revenue (except for regulatory services revenues which are expected to increase by 3%). Please see the discussion in the 2011-2015 five-year financial direction, earlier under this same tab, for more information by department. Internal Service Funds financial plans are phased out according to the schedule adopted in March 2008.
- Reductions to general fund operations are needed in 2010 and 2011. Levy limits led the City to accelerate cuts planned for 2011 in the original adopted budget. Additional cuts are needed in 2011.
- Commitments for the library are included in the general fund. In 2010 and beyond, the property tax levy for operations are levied by the County.

#### ***Capital and Debt Assumptions***

- The bond redemption levy supports the net debt bond capital program. The level shown in the out years reflect the capacity provided in the 2010-2014 capital budget.

#### ***Independent Boards and Special Levies Assumptions***

- Park Board, Municipal Building Commission, Public Housing Authority and the Board of Estimate and Taxation all receive the same percentage increase to operating levies as the City (please see the financial overview and financial policies for more information. The Boards are no longer held harmless from the effects of levy limits).
- Pension obligations are funded in each year of the projection. Projections include an increase to fund the City's share of obligations related to the merger of MERF into PERA, beginning in 2012.

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund Less Pension Mgmt Plan</b>	15.7	3.6	15.4	10.8	9.7	7.8	16.7	15.2	20.5	22.5	24.3
<b>Subtotals</b>	<b>15.7</b>	<b>3.6</b>	<b>15.4</b>	<b>10.8</b>	<b>9.7</b>	<b>7.8</b>	<b>16.7</b>	<b>15.2</b>	<b>20.5</b>	<b>22.5</b>	<b>24.3</b>
<b>City Capital/Debt</b>											
Permanent Improvement Fund	0.1	0.2	0.2	0.2	1.2	1.1	0.4	0.7	0.2	0.0	0.0
Bond Redemption Fund	(6.0)	2.7	(2.9)	1.5	4.4	6.2	(0.1)	0.8	0.5	(1.4)	(0.3)
<b>Subtotals</b>	<b>(5.9)</b>	<b>2.9</b>	<b>(2.7)</b>	<b>1.7</b>	<b>5.6</b>	<b>7.3</b>	<b>0.3</b>	<b>1.5</b>	<b>0.7</b>	<b>(1.4)</b>	<b>(0.3)</b>
<b>City Totals</b>	<b>9.8</b>	<b>6.5</b>	<b>12.7</b>	<b>12.6</b>	<b>15.3</b>	<b>15.1</b>	<b>17.0</b>	<b>16.7</b>	<b>21.2</b>	<b>21.1</b>	<b>24.0</b>
<b>Independent Boards &amp; Closed Pensions</b>											
Board of Estimate & Taxation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Library Referendum Levy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Park & Recreation Board	0.9	2.6	2.3	2.5	2.3	2.7	3.4	3.6	3.7	3.9	4.1
Municipal Bldg Commission	0.0	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.4
Mpls Public Housing Authority	(1.3)	1.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Subtotal Independent Boards</b>	<b>(0.3)</b>	<b>4.2</b>	<b>2.6</b>	<b>2.8</b>	<b>2.6</b>	<b>3.0</b>	<b>3.8</b>	<b>3.9</b>	<b>4.2</b>	<b>4.4</b>	<b>4.6</b>
Pension Mgmt Plan	2.5	13.7	3.2	4.5	3.2	2.6	1.2	2.6	(0.7)	0.7	(0.8)
<b>Total Independent Bds &amp; Closed Pensions</b>	<b>2.1</b>	<b>17.9</b>	<b>5.8</b>	<b>7.2</b>	<b>5.8</b>	<b>5.6</b>	<b>5.0</b>	<b>6.6</b>	<b>3.5</b>	<b>5.1</b>	<b>3.8</b>
<b>Total Increase in Property Tax Revenue</b>	<b>11.9</b>	<b>24.3</b>	<b>18.5</b>	<b>19.8</b>	<b>21.0</b>	<b>20.7</b>	<b>22.0</b>	<b>23.3</b>	<b>24.7</b>	<b>26.2</b>	<b>27.7</b>
<b>Strategies Needed to Balance Budget</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Incremental Tax Revenue</b>	<b>\$11.9</b>	<b>\$24.3</b>	<b>\$18.5</b>	<b>\$19.8</b>	<b>\$21.0</b>	<b>\$20.7</b>	<b>\$22.0</b>	<b>\$23.3</b>	<b>\$24.7</b>	<b>\$26.2</b>	<b>\$27.7</b>
<b>Total Property Tax Revenue</b>	<b>\$255.5</b>	<b>\$279.8</b>	<b>\$298.4</b>	<b>\$318.1</b>	<b>\$339.2</b>	<b>\$359.9</b>	<b>\$381.8</b>	<b>\$405.1</b>	<b>\$429.8</b>	<b>\$456.0</b>	<b>\$483.7</b>
<b>% Change</b>	<b>4.89%</b>	<b>9.52%</b>	<b>6.63%</b>	<b>6.62%</b>	<b>6.62%</b>	<b>6.10%</b>	<b>6.10%</b>	<b>6.10%</b>	<b>6.09%</b>	<b>6.09%</b>	<b>6.08%</b>

**City of Minneapolis  
FY 2010 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, 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 2008 fund balance for the Convention Center special revenue fund was \$48.3 million, an increase of \$2.4 million from 2007. Local sales taxes (outlined in the below table) support the Convention Center with approximately \$60.4 million collected in 2008. Due to economic conditions, including the Republican National Convention and consumer spending habits, the 2008 local tax revenue was \$2.6 million greater than budget and \$300,000 greater than 2007. Approximately \$9.6 million was transferred to the parking fund to cover costs for on Convention Center parking ramps, which was nearly the same as the 2007 transfer.

Comparative amounts collected:

<u>Local Sales Taxes (in millions)</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
0.5% Citywide Sales tax	\$27.9	\$29.5	\$29.5
3.0% Entertainment Tax	\$9.2	\$9.9	\$9.6
3.0% Downtown Restaurant Tax	\$10.0	\$10.3	\$10.8
3.0% Downtown Liquor Tax	\$3.6	\$3.8	\$3.9
3.0% Lodging Tax	\$6.0	\$6.6	\$6.6
Total Tax Collection	\$56.7	\$60.1	\$60.4

The City 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 fund. 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 City-wide entertainment activities. A portion of the tax (\$1.5 million in 2009) is being redirected to the 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.

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 2008, nearly \$1.2 million was transferred to the 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 2008, total operating revenue was \$15.6 million, which was \$1.3 million higher than 2007 and \$36,000 lower than the 2008 budget

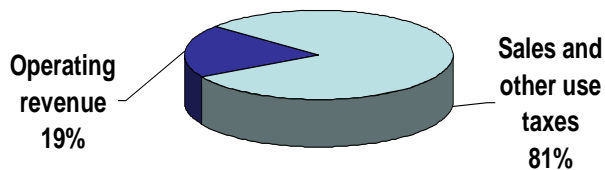
**2010 Budget**

*Revenues*

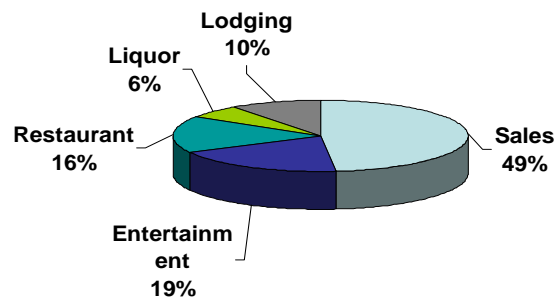
The 2010 projected revenues for the Convention Center have been adjusted to reflect the actual historical receipts. Total operating revenue in 2010 is expected to increase nearly \$1.8 million from \$13 million projected in 2009 to nearly \$14.8 million. The weak economy is taking a toll on the sale of ancillary services, public show attendance, food and beverage concession spending, and on bookings reducing 2009 earnings. There is some hope that the proposed concession stand remodel along with a new branded concession stand will boost 2010 catering revenue. In addition, there are some potentially profitable national events booked for 2010 that should boost ancillary revenue through large catering purchases and a higher meeting room rate which should help rental revenue.

Meet Minneapolis is locking in 2010 sales contracts earlier than in previous years, but there is concern about the amount of tentative space the Center is holding for public shows and large nationals. Another concern is the noticeable decline in the use of some exclusive services forcing the Convention Center to reevaluate its service offerings for relevancy and value. Moving forward it's critical to identify clients who use a full range of ancillary services, include food and beverage. Through efforts like *Meet in Minneapolis*, the Convention Center is hopeful that strategic marketing combined with a stronger economy will bring back corporate business in 2010.

**Convention Center Revenues**



**Sales and Other Taxes**



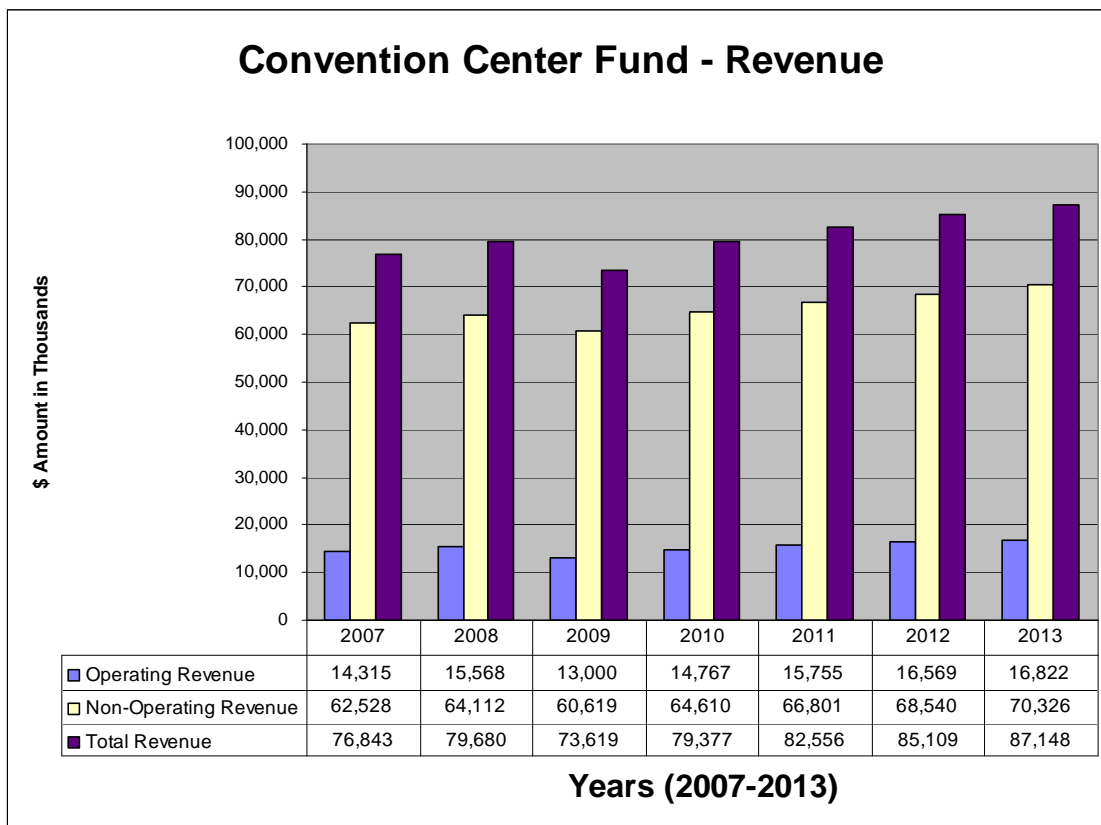
Convention Center - Predicted Revenue Growth	
Tax Type	Current Growth Assumption 2010-2013
0.5% Sales	2.5%
3.0% Entertainment Tax	3.0%
3.0% Other Tax	3.0%

Tax revenue is expected to increase 2.5% to 3% annually from 2010-2013. A \$1.5 million entertainment tax increase (offset by the increase to the General Fund) was factored into the budget beginning in 2010 with the opening of the new Twins Ballpark. Operating revenue is projected to increase by nearly \$1 million from 2010 to 2011, \$814,000 from 2011 to 2012 and \$253,000 from 2012 to 2013. The 2010 operating expense and revenue projections are \$38.1 million and \$14.8 million respectively, resulting in a \$23.3 million operating shortfall.

### Expenditures

In 2010, the Convention Center operations expenditure budget including Ongoing Equipment/Improvement is anticipated to increase \$54,000 from the 2009 budget. The Convention Center was able to minimize its expenditure growth from 2009 to 2010 through a number of cost containment measures.

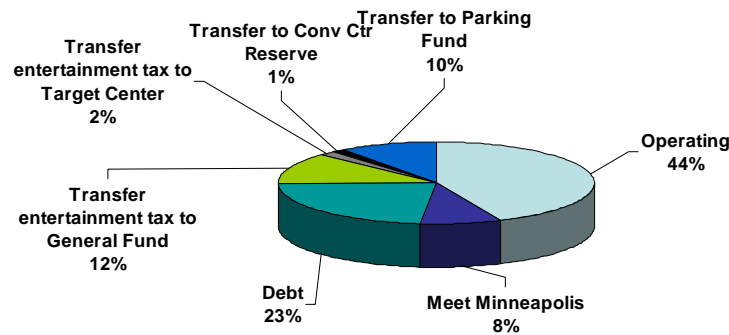
- Reduction of energy consumption
- Identifying and implementing more efficient operations
- Improving risk management (right sizing event staffing)
- Realignment of the Convention Center workforce
- Managing overtime and instituting a hiring freeze



In 2004, Meet Minneapolis, the primary sales and booking agent of the Convention Center, 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 3<sup>rd</sup> loan agreement of \$5 million for additional iDSS start-up capital. The three loans were consolidated for a total of \$10 million.

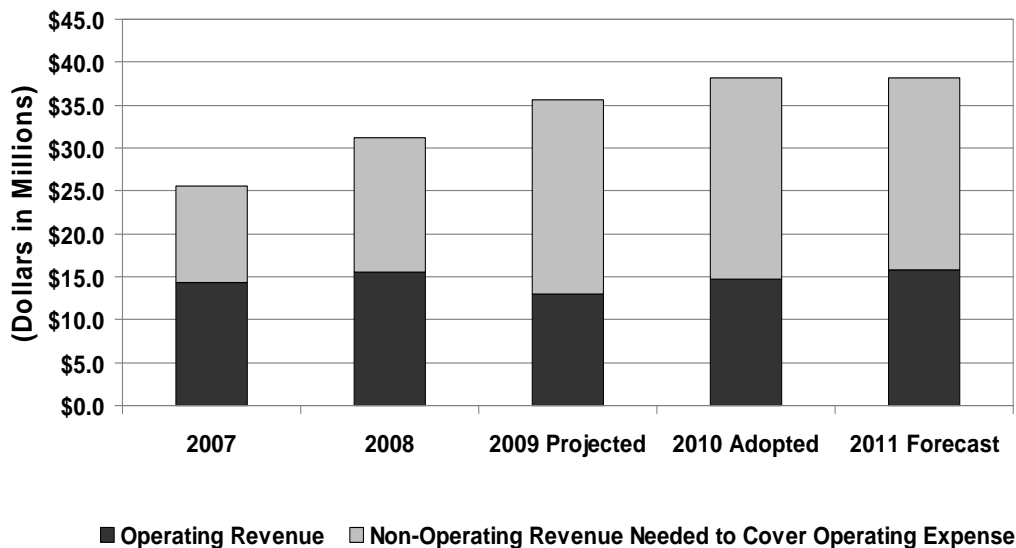
The \$10 million consolidated loan has a 10-year amortization of principal (2008-2017) to be repaid in full in 2017 at a 5% interest rate. The note repayment for the loan is pledged against assets, future appropriation from City funding, and profits from the iDSS. The City began collecting loan interest each quarter in 2008, in addition to a \$500,000 payment of loan principal. Loan interest and principal payment coincide with their Sales and Marketing payments from the City. In 2010, nearly \$7.3 million is budgeted for City support of Meet Minneapolis.

**Use of Funds  
(\$86 million)**



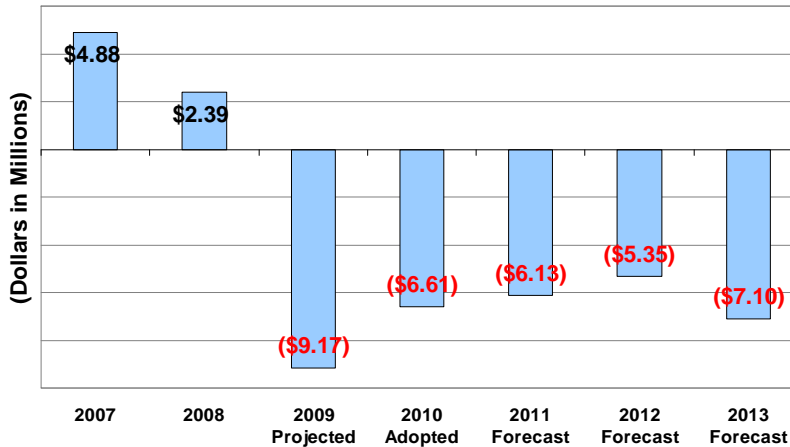
The projected reduction in the ending fund balance from 2009 to 2010 is due primarily to higher budgeted overall operating expenses and transfers.

**Operating Revenue and Expense**





**Net Income(Loss)**  
(in millions)



*Cash Position Changes*

The Convention Center special revenue fund’s 2008 projected cash balance, exclusive of loans to other funds, is expected to fluctuate relative to fund equity. Most operating revenues and expense 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 2008 year ending client advances, sometimes received over two years in advance of the event, were \$1.5 million and outstanding client receivables were \$562,000.

*Transfers*

Total transfers to other funds in 2010, excluding Meet Minneapolis, are budgeted at \$42 million, including a transfer to the Parking Fund. The transfer to the Parking Fund totals \$8.9 million which funds current year debt service obligations related parking ramps and facilities and the parking fund long-term financial plan.

*Debt Service*

The 2010 budget includes full funding to meet the annual debt service payments. Outstanding debt for the Convention Center was approximately \$214 million in total at the 2008 year-end. Debt service for the Convention Center totals \$20.2 million in 2010. Part of the debt is in variable rate mode, and it is likely that total debt service payments will be less than budgeted due to the difference between interest on variable rate and the budget assumption of 5%.

**Original Budget**

The Mayor recommended a reduction of \$1.5 million in this department’s operating budget. The Mayor further recommended an increase in the transfer from this fund to the parking fund of \$2 million to fund improvements to Convention-related parking ramps. This transfer was adjusted to accommodate debt service on these ramps from prior-year capital projects (\$1.4 million).

The Council approved the Mayor’s recommendations and further approved a transfer of \$250,000 from the Convention Center sales tax to the General Fund for MPD services.

The budget for this fund includes a reduction of BIS charges of \$42,100 due to the Council’s actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the fund’s appropriation by the same amount. Additionally, the budget for this fund includes a \$9,766 increase to General Fund Overhead charges due to the Council’s actions to fund two internal audit positions.

## Mayor's Revised Budget

The Mayor recommended no changes.

## Council Revised Budget

The Council approves the Mayor's recommendations.

**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousands of dollars)**

**Convention Center Special Revenue Fund**

	2007 Actual	2008 Actual	2009 Budget	2009 Projected	2010 Budget	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
<i>Operating Revenues:</i>									
Charges For Services	5,251	6,062	5,475	4,700	5,585	2.0%	5,582	5,666	5,723
Rents	6,509	6,705	6,435	5,800	6,432	0.0%	6,972	7,396	7,529
Other Miscellaneous Operating	2,555	2,801	3,000	2,500	2,750	-8.3%	3,201	3,507	3,570
Sub-Total	14,315	15,568	14,910	13,000	14,767	-1.0%	15,755	16,569	16,822
<i>Non-Operating Revenues:</i>									
Sales Tax	29,535	29,502	29,500	29,400	30,238	2.5%	30,994	31,769	32,563
Entertainment Tax	9,880	9,631	9,954	9,600	11,753	18.1%	12,106	12,469	12,843
Restaurant Tax	10,319	10,789	10,000	9,800	10,300	3.0%	10,609	10,927	11,255
Liquor Tax	3,757	3,939	3,850	3,850	3,966	3.0%	4,085	4,208	4,334
Lodging Tax	6,574	6,619	6,000	5,900	6,180	3.0%	6,365	6,556	6,753
Meet Mpls Donations	392	510	-	-	-	0.0%	-	-	-
Meet Minneapolis (iDSS) Loan Interest	-	1,278	429	435	403	-6.1%	360	314	265
Interest	1,544	836	1,300	620	750	-42.3%	761	776	792
Other Misc Operating	27	8	25	14	20	-20.0%	21	21	21
Transfer From Facility Reserve	500	1,000	1,000	1,000	1,000	0.0%	1,500	1,500	1,500
Sub-Total	62,528	64,112	62,058	60,619	64,610	4.1%	66,801	68,540	70,326
<b>Total</b>	<b>76,843</b>	<b>79,680</b>	<b>76,968</b>	<b>73,619</b>	<b>79,377</b>	<b>3.1%</b>	<b>82,556</b>	<b>85,109</b>	<b>87,148</b>
<b>Use of Funds:</b>									
Convention Center Operations	24,560	25,938	29,936	27,554	29,132	-2.7%	31,372	32,941	34,587
Ongoing Equipment/Improvement	1,008	5,316	8,129	8,129	7,292	-10.3%	6,840	6,461	7,900
Human Resources	66	-	-	-	-	0.0%	-	-	-
Meet Minneapolis	7,873	8,046	7,590	7,590	7,300	-3.8%	7,446	7,670	7,719
Transfer To Gen Fund - Ent. Tax	8,762	8,366	8,454	8,100	10,253	21.3%	10,606	10,969	11,343
Transfer To Gen Fund - Sales Tax	-	-	-	-	250	0.0%	250	250	250
Transfer To Target Ctr Reserve	1,118	1,265	1,500	1,500	1,500	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	17,539	16,560	18,728	18,728	20,150	7.6%	21,302	22,519	25,180
Transfer to Other Debt Serv Fund	36	68	75	75	73	-2.7%	80	80	80
Transfer To Parking Fund	9,856	9,832	9,858	9,965	8,886	-9.9%	8,140	6,916	4,541
Transfer To City Capital	-	750	-	-	-	0.0%	-	-	-
<b>Total</b>	<b>71,968</b>	<b>77,291</b>	<b>85,420</b>	<b>82,791</b>	<b>85,986</b>	<b>0.7%</b>	<b>88,686</b>	<b>90,456</b>	<b>94,250</b>
<b>Net Income</b>	<b>4,875</b>	<b>2,389</b>	<b>(8,452)</b>	<b>(9,172)</b>	<b>(6,609)</b>	<b>-21.8%</b>	<b>(6,130)</b>	<b>(5,346)</b>	<b>(7,102)</b>
<b>Fund Balance/Retained Earnings:</b>									
Beginning Balance	41,222	45,918	48,307	39,855	30,683	-36.5%	24,074	17,944	12,598
Ending Balance	45,918	48,307	39,855	30,683	24,074	-39.6%	17,944	12,598	5,496

**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.

Meet Minneapolis budget for 2010-2013 may increase by \$500,000 to support a Convention Fund aimed at attracting more national business. Convention Center Executive Director to present to Mayor in July 2009. Meet Minneapolis will be incorporated into the Convention Center in 2010.

**City of Minneapolis  
FY 2010  
Financial Plan**

**Community and Economic Development Funds**

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**Background**

Community and Economic Development Funds support the City's development efforts and are primarily managed by the Community Planning and Economic Development (CPED) department with the assistance of the Development Finance Division of the Finance Department. These resources have faced several challenges in past years, including lower than expected tax increment revenues in the Common Project (the subset of the City's tax increment districts that support the Neighborhood Revitalization Program [NRP]), reductions in federal grant allocations, and limited flexible resources.

The reduction in Common Project revenues previously led the City Council to adopt a policy in August 2003 regarding how these funds were to be prioritized between City-wide discretionary development and the NRP. This policy was intended to be in place only through 2009 but not beyond, 2009 being the final year of the City's statutory obligation to provide funding for the NRP. The year 2010 will be the first year to reflect the full reduction in tax increment revenues resulting from the decertification of the City's pre-1979 tax increment districts and the first year in which CPED no longer has authority to borrow from the City's Legacy Fund, which is represented in the financial projections. (Please see the *Financial Policies* section of the budget book for the policy detail.)

**Financing Assistance for Target Center and Neighborhoods**

*Background*

Established in 1990, the twenty-year Neighborhood Revitalization Program and its funding are set to sunset in 2009. The City and neighborhood groups have been pondering this major turning point for almost 10 years. In addition, the City's purchase in 1995 of the Target Center increased long-term demand for resources.

During the 2008 Legislative Session, the Minnesota Legislature authorized the City to establish a non-contiguous redevelopment tax increment financing (TIF) district which would be comprised of properties that were located in specific TIF districts, commonly known as "pre-1979" TIF districts, which terminated in 2009. The earliest year the tax increment revenue can be realized from the new district allowed under the special legislation is 2011. Without further action by the City, the value within those pre-1979 TIF would initially go back into the general tax base in 2010 and thereafter remain, increasing the overall size of the tax base, effectively resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the new district could only be used to pay principal and interest on Target Center bonds or for "neighborhood revitalization purposes." The legislation does not specify or require any particular allocation of revenues between these purposes.

The legislation also explicitly stated that the certification of the district will not impact the City's "property wealth" factors in the Local Government Aid program. This loss in these amounts will

occur whether or not the City uses the special legislation to create a new district; however, the legislation requires the additional tax capacity to be included in the calculation of LGA, even if the value is re-certified in a new district. This requirement results in a \$9 million drop in the City's LGA in 2011, with most of that impact in the general fund (\$8 million).

*Overall Recommended Funding from the District*

A Council direction given at the end of 2008 had called for Finance Department staff to present a TIF plan for consideration by July 31, 2009, certifying expiring pre-1979 districts so that \$24 million dollars of net tax increment would be generated and available to the City in 2011, the earliest year allowed under the special legislation. That Council direction allocated the projected net tax increment revenues as follows:

Target Center principal and interest	\$10.0 million
Target Center expedited debt payments	\$ 2.0 million
General Neighborhood Revitalization Purposes (neighborhood operations, department of Neighborhood and Community Relations)	\$ 8.5 million
Community Revitalization	\$ 3.5 million
<hr/> Total	<hr/> \$24.0 million

This direction would have led to the certification of 100% of the tax capacity of the proposed district. If none of the parcels in the district were recertified, residential taxpayers could possibly expect to see an estimated reduction in their tax bills from \$61 up to an estimated \$307 annually. Pursuant to this direction, 100% of the tax capacity of the district would be certified for up to ten years (through 2020) or until the Target Debt is fully paid, at which time parcels representing 50% of the tax capacity of the district must be decertified.

As directed, Finance Department staff transmitted and delivered the plan to Council known as the Consolidated Tax Increment Financing Plan in time for its consideration on July 31, 2009. On July 31, 2009, the Council did not act to adopt the plan and authorize the establishment of the Consolidated Tax Increment Financing District (the "District"), but rather referred the item back to the Ways and Means/Budget Committee for further review and discussion.

*Council Adopted Plan*

On December 4, 2009 the City Council directed the Finance Staff to amend the Consolidated Tax Increment Financing Plan for the District to: (1) reduce the size of the proposed District to approximately 50%, (2) adjust the tax increment budget contained in the plan accordingly, (3) change the tax increment allocation methodology or funding distribution and (4) reduce the maximum amount of bonds to be issued shown in the plan and (5) and return to the Committee of Whole on December 17, 2009 with the amended plan and related documents for its consideration. The City Council approved the Consolidated TIF plan, as amended, on December 18, 2009.

The District, as adopted, is comprised of five of the former pre-1979 TIF districts. It represents 50.8% of the total net tax capacity of all of the former pre-1979 TIF districts and contains 51 percent of the parcels. The District represents the most diverse and stable subset of pre-1979 TIF districts that achieves the 50% target.

The tax increment that will be received each year from the District shall first be used to 1) make the necessary reimbursement payments to Hennepin County required under the Special

Legislation, and 2) pay for the City and County costs of administering the District. The remaining “Net Tax Increment” to be allocated:

- 50% for Target Center debt service and
- 50% for neighborhood revitalization purposes

*Financial recommendation for Target Center principal and interest and neighborhood operations and programming*

The 10-year Consolidated TIF budget projects Net Tax Increment of \$53,650,000 being available for both Target Center Debt and Neighborhood Revitalization purposes, for a total of approx \$107.3 million for both activities over the 10-year life of the District.

The current Target Center finance plan (absent the 2008 special State legislation allowing for the formation of the Consolidated Tax Increment Financing District) is not structurally balanced. While the current debt is being refunded as of year-end 2009 to reflect a reduced interest rate due to the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.6 million annually) and capital refurbishment of the arena. The revenue to come from the Consolidated TIF district, along with the interest savings from the refunding of the debt provides the opportunity to redirect resources to the unfunded capital and operating needs. The Finance Department will prepare an updated finance plan for the Target Center arena based upon these actions.

The current plan relies on the following revenue sources:

- *Property tax* generated at the arena - \$100,000 annually through 2012, \$550,000 when the arena TIF district decertifies in 2013 and beyond.
- *Tax Increment* from the Arena - \$1 million annually through 2012. This resource may only be used for debt service, certain administrative costs, and capital costs.
- *Entertainment tax* generated at the arena - \$1.1 million annually.
- *Event parking* - \$2.6 million annually in 2010, escalating to \$5.6 million by 2024.
- *Tax Increment* from the Common Project – approximately \$1.9 million annually through 2013 and \$1.6 million annually through 2024. This resource may only be used for debt service, certain administrative costs, and capital costs.

Of these resources only entertainment tax, parking revenues and property tax can be used to fund the operating subsidy. But for dedication in the plan, any of these three resources could be used to reduce financial pressures in the general fund or the parking fund. The \$750,000 annual payment from the Minnesota Amateur Sports Commission was repealed in 2009, increasing the pressure on the current plan.

## **2010 Budget**

The Mayor recommended shifting a total of \$1.5 million of Community Development Block Grant (CDBG) funds collectively from the programs comprising the Affordable Housing Trust Fund (AHTF) into the programs which make up the City’s Great Streets Program, bringing the total AHTF capitalization below the current \$10 million needed per mandate by City Council. Any increase in CDBG federal funding realized in excess of 5% could be used to backfill the amounts shifted away from the AHTF.

Council adopted the Mayor’s recommendations. Further, Council directed any increase in CDBG the City realizes over and above 5% will now be split 85/15 between Affordable Housing

Trust Fund and funding Crime Prevention Specialists in the Minneapolis Police Department, respectively. Further, Council directed funding in the Community Development fund Legacy fund program income to be decreased by \$31,000, and funding for the St. Anthony Heritage Board to be increased by \$31,000. Additionally, funding in the Community Development fund Legacy fund program income is decreased by \$50,000 and funding to the Riverfront Development Corporation is increased by \$50,000. CPED is directed to reduce CDBG funding for Youth Employment by \$110,000 and the Mortgage Foreclosure Prevention Program by \$140,000.

Furthermore, CPED is directed to eliminate the existing vacant Community Planner position in the planning division and use general fund and CDBG resources to keep the Arts Coordinator position. This position and associated resources should be transferred to the City Coordinator in 2011.

### *Revenues*

These revenue projections are based on assumptions that need to be validated annually:

- Revenues from federal grant programs will remain somewhat constant.
- Revenues from state and local grants vary in relation to project need and availability but are also expected to remain somewhat constant, reflecting CPED's success with grant seeking.
- There will be continuing modest increases in bond-related fee income from housing and economic development activities, but actual revenues need to be closely monitored for the impacts of changes in the lending and housing markets.
- There will be annual variations in project income. These are shown as declining at a 5 percent rate from 2009.
- The 2010-2014 projections do not include the use of any revenues from the Legacy Fund. One-time revenues available to CPED as part of the lease revenue from the Brookfield project on the Nicollet Mall expected to be received in December 2009 are allocated as one-time revenues in 2010 and are included in the Development Account.
- Legislative action in 2008 allowed the creation of a redevelopment tax increment district created from the parcels and frozen tax base by recertifying properties located in the pre-1979 TIF districts. Revenue from this district is permitted to be applied to existing Target Center debt and neighborhood revitalization activities. Table 1 does not include any assumptions regarding this district.
- There will be no further legislative actions or valuation events that have a significant negative impact on tax increment or General Fund collections.
- There is only inflationary growth in Planning's fee revenue.
- Assuming the successful conclusion of the Brookfield transaction in 2009, all draws made by CPED from the Legacy Fund will have been repaid. The availability of any Legacy Fund revenue from 2010 through 2014 is not assumed in these projections.

### *Expenditures*

The expenditure projections contain assumptions that also need to be revisited annually in the context of revised revenues and department performance measures:

- CPED staff levels remain constant or reduced slightly with personnel costs increasing 2 percent per annum while non-personnel expenditures increase approximately 1 percent per annum.
- The tax increment revenues of the Common Project will continue to be restricted to existing debt and contractual obligations while such obligations exist.

CPED revenues will peak in 2009, a result of the approximately \$29.4 million Brookfield lease repayment. Subsequent years show a significant revenue decline, which mirrors the loss of Common Project revenue associated with the decertification of the pre-1979 tax increment districts and the end of the Legacy Fund annual loan to City discretionary development funding.

The five-year projection Table 1 makes no assumptions of a source for discretionary development investment past 2010, 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.

#### *Debt Service*

Debt service on the post-1979 Common Project tax increment districts continues past 2012 and is projected to be serviced by the tax increment revenue from those districts.

#### *General Fund Resources*

Projected general fund revenues and expenditures are consistent with the Five-Year Financial Direction.

#### *Neighborhood Revitalization Program*

The continuing reduction of Common Project revenues that started in 2001 has reduced (from \$20 million per annum in Phase I) the level of funding available to capitalize the NRP. Table 1, Line 33 displays the May 2009 projection. This amount also assumes a Brookfield repayment in 2009 under current contract terms. Under current law and City policy no additional capitalization of the program after 2009 is required. Expenditure of NRP fund balances and NRP program income would continue post-2009 under approved Neighborhood plans.

Table 1

## Projected CPED Revenues &amp; Expenditures 2010 - 2014

	2009 Revised Budget	2010 Budget	2011 Forecast	2012 Forecast	2013 Forecast	2014 Forecast
<b>Local Funds</b>						
General Fund Total	3,873,000	3,642,000	3,731,000	3,891,000	4,521,000	4,698,000
GF Property Tax & Non-Direct Revenue	1,775,000	2,021,000	2,158,000	2,307,000	2,849,000	3,008,000
General Fund LGA	508,000	520,000	472,000	483,000	571,000	589,000
General Fund Direct Revenues	1,589,000	1,101,000	1,101,000	1,101,000	1,101,000	1,101,000
Tax/Increment/Abatement	72,462,731	47,996,939	48,207,014	48,627,302	33,797,122	33,797,122
Capital Bonding (CIP)	317,000	333,000	347,000	366,000	383,000	383,000
Dev Acct (Non-TI)*	28,302,997	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Interest Earnings all Funds	4,852,744	4,610,107	4,379,601	4,160,621	3,952,590	3,754,961
Housing Program Fees & Revenues	1,342,317	1,396,009	1,451,850	1,509,924	1,570,321	1,633,133
Economic Dev Program Fees & Revenues	4,585,000	4,814,250	5,054,963	5,307,711	5,573,096	5,851,751
Legacy Fund	3,500,000	-	-	-	-	-
Other Project & Program Income	10,470,709	9,947,174	9,449,815	8,977,324	8,528,458	8,102,035
Transfers & Reserves	46,692,590	6,000,000	6,000,000	4,000,000	4,000,000	4,000,000
<b>Federal Funds</b>						
CDBG**	10,362,000	10,383,000	10,383,000	10,383,000	10,383,000	10,383,000
ESG	591,861	577,000	577,000	577,000	577,000	577,000
HOME	3,802,361	3,787,000	3,787,000	3,787,000	3,787,000	3,787,000
Other State/Local Grants	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
<b>Total Projected Revenues</b>	<b>195,654,310</b>	<b>99,586,479</b>	<b>99,468,243</b>	<b>97,686,882</b>	<b>83,172,587</b>	<b>83,067,002</b>
<b>Appropriated</b>						
<b>Business Lines:</b>						
Economic Policy & Development	12,195,890	15,222,373	15,450,709	15,682,469	15,917,706	16,156,472
Housing & Policy Development	18,149,566	20,260,516	20,564,424	20,872,890	21,185,983	21,503,773
Community Planning	1,616,173	1,715,700	1,741,436	1,767,557	1,794,070	1,820,981
Development Services	2,256,567	2,324,025	2,358,885	2,394,269	2,430,183	2,466,635
Workforce Development	8,307,778	10,653,866	10,813,674	10,975,879	11,140,517	11,307,625
<b>CPED Support:</b>						
Executive & Support Services	8,143,395	5,740,451	5,826,558	5,913,956	6,002,665	6,092,705
Transfer & Debt Service	74,582,382	41,673,236	34,725,917	35,618,682	32,561,552	32,561,552
Total Appropriated	125,251,751	97,590,167	91,481,602	93,225,702	91,032,678	91,909,744
<b>To be appropriated</b>						
Potential NRP Capitalization	20,000,000	-	-	-	-	-
Brookfield repayment to Legacy	10,979,286	-	-	-	-	-
<b>Total Projected Uses</b>	<b>156,231,037</b>	<b>97,590,167</b>	<b>91,481,602</b>	<b>93,225,702</b>	<b>91,032,678</b>	<b>91,909,744</b>
<b>Difference</b>	<b>39,423,273</b>	<b>1,996,312</b>	<b>7,986,641</b>	<b>4,461,180</b>	<b>(7,860,090)</b>	<b>(8,842,742)</b>

\*\* entitlement, program income and federal workforce grants



**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Municipal Parking Fund**

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**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 has historically been stable, but continues to present a future financial challenge to the City due to cash flows. While the fund continues to generate 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:

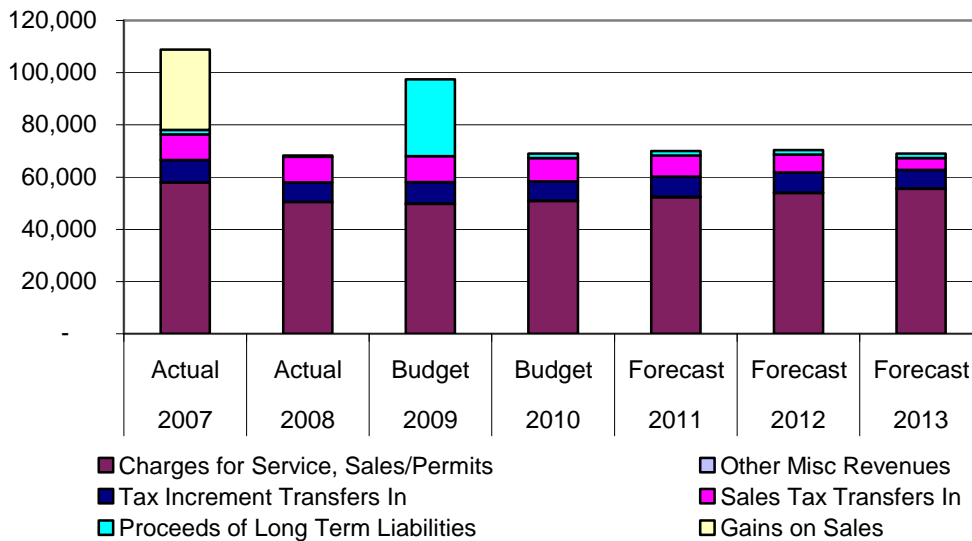
- Off-street parking
- On-street parking
- The impound-lot

The fund receives transfers (\$10.0 million in year 2009) from the Minneapolis Convention Center to pay its share of debt service on the Convention Center-related parking facilities. The fund also receives transfers (\$8.2 million in 2009) from tax increment and abatement revenue to pay part of major development projects in downtown area.

The Parking Fund and its operations reflect a long-term financial 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 plan. The budget takes into consideration many of the initiatives from the workout plan to improve the fund's cash position. One initiative in the workout plan was to explore the possibility of selling parking ramps. In July 2007 the City Council approved the sale of eight of them, six were sold in 2007, one in 2008 with an additional sale possible in 2008.

Operating revenues for 2008 is \$53.3 million compared to \$65.8 million in 2007. The workout plan does indicate increases in revenues can be attributed to initiatives such as automation and centralization of parking ramp fee collections, enhanced parking ramp marketing, updated parking meter technology, and the sale of unclaimed property left in abandoned vehicles.

**Parking Fund Revenues  
(in thousands of dollars)**



In 2008, operating expenses (without debt service, transfers or capital) decreased by \$3.0 million, or .7%, to \$36.3 million, from \$39.3 million in 2007. The Parking Fund cash balance for year 2008 was \$24.0 million. The parking system is creating a positive cash flow from the sale of seven ramps, but with transfers, interest payments on debt service and debt service payments, the City-owned facilities may have a negative in future years. Based on current and proposed budgets, operating cash balances are going to continue to decrease, especially cash related to the City system.

**2010 Budget**

*Revenues*

The operating revenue budget for 2010 was increased 2.1% to \$52.7 million compared to \$51.6 million for 2009. The increase is due to Target Field (the Twins Ballpark) opening and new parking meter technology that will be on line.

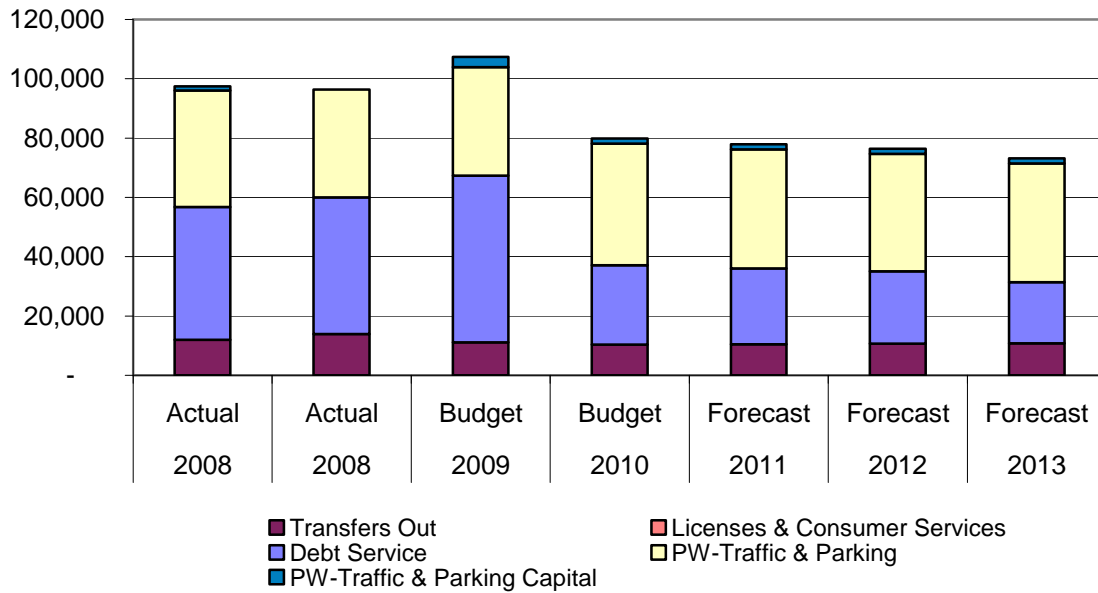
<b>Revenue Assumptions (2010)</b>	
Utilization Percentage in 2009	74%
Number of Parking Stalls in the system	20,569 as of 6/30/2009
Forecasted Revenue increase	2010 7.2% 2011 3.0% 2012 3.0%
Assumed rate increases (if any)	2%
System-wide average event rate	\$9.60
System-wide average daily rate	\$6.26
System wide average monthly rate	\$126.43
Number of new stalls in the system	2009 0 2010 0 2011 0

For assumptions regarding sales tax revenue, please see the Convention Center Finance Plan.

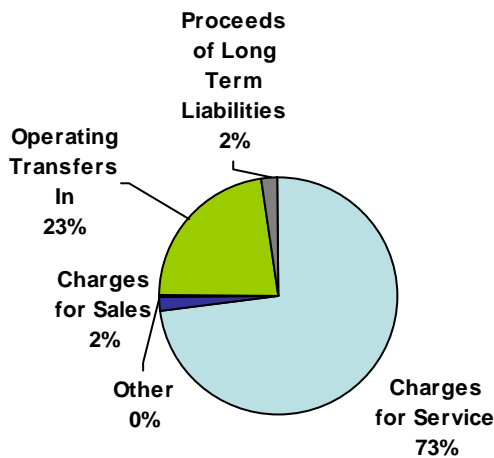
**Expenditures**

The operating budget for 2010 stands at \$41.0 million compared to \$36.6 million for 2009. There is a increase of \$4.4 million in 2010 over 2009. The 2010 increase is due to \$2.0 million added to the budget for automation of the Orchestra and Plaza ramps and additional operating expenses due to the Twins Ballpark. The capital budget for 2010 has been set \$1.7 million and the 2009 level is \$3.4 million. The capital budget was maintained at the \$1.7 million level due to on-going repair and improvement work in the City-owned parking facilities but the 2008 capital budget was moved to 2009 due to delays in the projects..

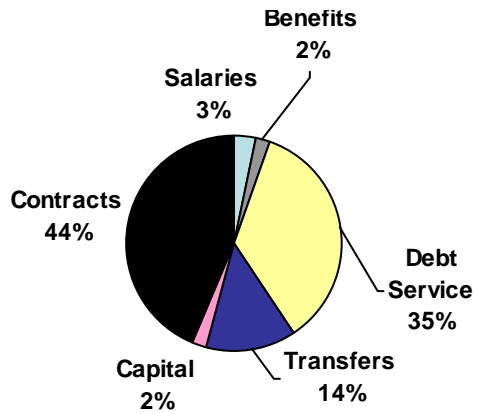
**Parking Fund Expenditures**  
(in thousands of dollars)



**Source of Funds**  
(\$70.8 million)



**Use of Funds by Type**  
(\$73.5 million)



### *Debt Service*

Total debt service, which includes principal and interest on bonds issued for construction of municipal parking ramps, is \$20.5 for 2010. A portion of debt service payments are reimbursed from tax increment and sales tax revenues, which are transfers to the Parking Fund from the Convention Center and Tax Increment Funds totaling \$16.6 million for 2010.

### *Transfers*

The transfer to the general fund declined by \$1.0 million for 2010. There is also a transfer to the Target Center Arena. The transfer to the Target Center Arena Fund remained constant in 2010 and 2009 at \$2.2 million. 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. The transfer from sales tax funds is reduced to \$8.9 million for 2010 in comparison to \$9.8 for 2009. The transfers from tax increment and abatement are budgeted to decrease \$.5 million, from \$8.2 million in 2009 to \$7.7 million in 2010.

### **Mayor's Recommended Budget**

Traffic & Parking is required to allocate, within existing resources, the City's portion of the assessment for a downtown improvement district which is \$388,000 for 2010. This amount represents the assessment for City parking facilities in the zone. The Mayor also recommended reducing revenue estimates to reflect national economic conditions. The Council approved the Mayor's recommendations.

The budget for this fund includes a reduction of BIS charges of \$16,500 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the fund's appropriation by the same amount. Additionally, the budget for this fund includes a \$9,235 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

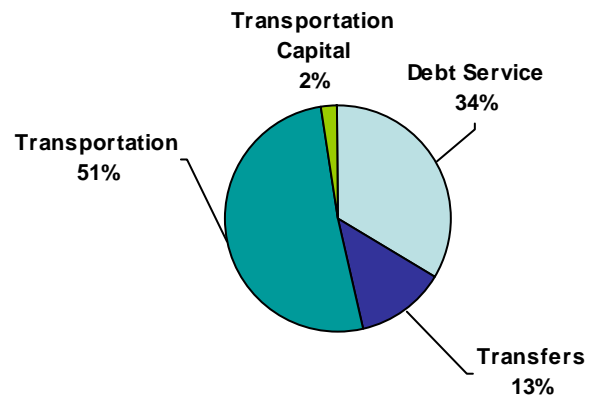
### **Mayor's Revised Budget**

The Mayor recommended no changes to this fund.

### **Council Revised Budget**

The Council approves the Mayor's recommendations.

**Use of Funds by Department  
(\$73.5 million)**



**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousands of dollars)**

**Municipal Parking Fund - 7500**

	2007 Actual	2008 Actual	2009 Budget	2009 Projected	2010 Budget	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Licenses and Permits	241	252	218	240	218		220	222	225
State Government			-	-	-		-	-	-
Charges for Service, Sales/Permits	58,009	50,500	49,721	50,218	50,826	2.2%	52,351	53,921	55,539
Charges for Sales	7,473	1,805	1,551	1,613	1,551		1,567	1,582	1,598
Special Assessments	34	114							
Interest	18	42							
Gains	30,711	552							
Rents (Transportation)	20	9	3	3	3		3	3	3
Other Misc Revenues	8	31	138	124	138		139	141	142
Tax Increment Transfers In	8,505	7,387	8,214	8,214	7,433	-9.5%	7,657	7,677	7,038
Sales Tax Transfers In	9,856	9,832	9,969	9,969	8,886	-10.9%	8,140	6,916	4,541
Other Transfers In									
<i>Total Transfers In</i>	<i>18,361</i>	<i>17,219</i>	<i>18,183</i>	<i>18,183</i>	<i>16,319</i>	<i>-10.3%</i>	<i>15,797</i>	<i>14,593</i>	<i>11,579</i>
Proceeds of Long Term Liabilities	1,700		29,450	29,450	1,700		1,700	1,700	1,700
<b>Total</b>	<b>116,575</b>	<b>70,524</b>	<b>99,264</b>	<b>99,832</b>	<b>70,755</b>	<b>-28.7%</b>	<b>71,777</b>	<b>72,163</b>	<b>70,786</b>
<b>Use of Funds:</b>									
Debt Service	44,806	46,073	56,256	56,256	20,542	-63.5%	23,803	22,740	20,370
General Fund Transfer Out	1,618	8,618	8,618	8,618	7,818	-9.3%	7,818	7,818	7,818
Target Arena Transfer Out	2,078	2,773	2,241	2,241	2,241		2,408	2,581	2,758
Debt Service Transfer Out	48	2,241							
Internal Service Funds Tranfers Out	8,000								
MERF Liability Transfer Out	73	104	104	104	111	6.7%	111	111	111
Sanitation Transfer Out	146	146	146	146	146		146	146	146
Park Board Transfer Out									
<i>Total Transfers Out</i>	<i>11,963</i>	<i>13,882</i>	<i>11,109</i>	<i>11,109</i>	<i>10,316</i>	<i>-2.6%</i>	<i>10,483</i>	<i>10,656</i>	<i>10,833</i>
PW-Traffic & Parking	39,304	36,377	36,572	35,841	40,971	12.0%	40,089	39,567	40,013
Finance Department									
Licenses & Consumer Services									
PW-Traffic & Parking Capital	1,330		3,400	3,400	1,700	-50.0%	1,740	1,740	1,740
<b>Total</b>	<b>97,403</b>	<b>96,332</b>	<b>107,337</b>	<b>106,606</b>	<b>73,529</b>	<b>-31.5%</b>	<b>76,116</b>	<b>74,702</b>	<b>72,956</b>
<b>Change in Net Assets</b>	<b>38,781</b>	<b>4,999</b>	<b>31,505</b>	<b>31,926</b>	<b>8,719</b>	<b>-72.3%</b>	<b>6,719</b>	<b>8,198</b>	<b>5,322</b>
<b>Net Assets</b>	<b>126,193</b>	<b>131,192</b>	<b>162,697</b>	<b>163,118</b>	<b>171,837</b>	<b>5.6%</b>	<b>178,556</b>	<b>186,755</b>	<b>192,077</b>
<b>Cash Balances</b>	<b>42,661</b>	<b>24,053</b>	<b>15,980</b>	<b>17,279</b>	<b>14,505</b>	<b>-9.2%</b>	<b>10,167</b>	<b>7,627</b>	<b>5,457</b>

**City of Minneapolis  
FY 2010  
Financial Plan  
Solid Waste and Recycling Fund**

**Background**

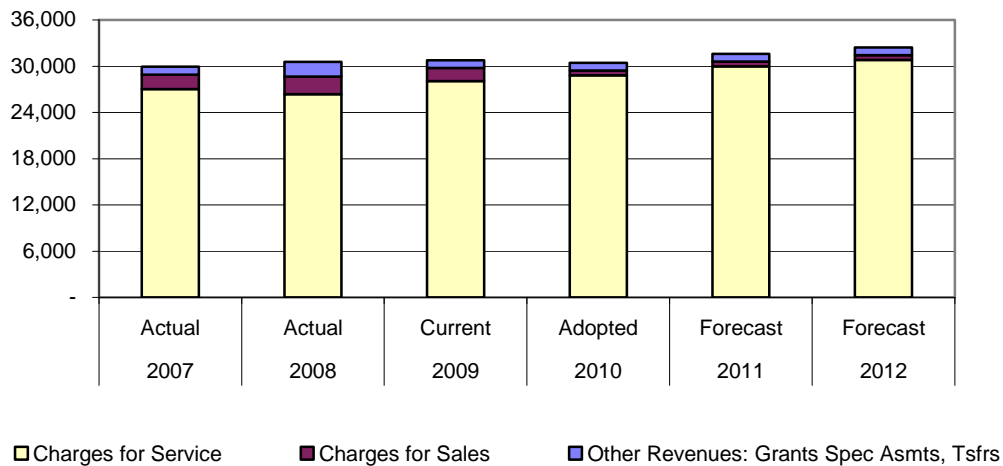
The Solid Waste and Recycling Fund account for solid waste collection, graffiti removal, disposal, and recycling activities of the City. The Solid Waste Division of Public Works provides weekly and bi-weekly trash, yard-waste, and recycling pickups. It also operates a solid waste transfer station providing 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 primarily generated from solid waste fees. The Fund also receives grants from Hennepin County. Revenue is also generated through recyclable sales, miscellaneous services, and organic programs.

**Historical Financial Performance**

The overall financial condition of the Solid Waste Fund has remained sound. Revenues in the past years have surpassed budgeted amounts. Total revenues for 2008 were at \$30.5 million. The year-end cash balance for this fund increased from \$17.4 million in 2007 to \$20.7 million in 2008.

**Solid Waste Fund Revenues  
(in thousands of dollars)**



<b>Revenue Assumptions (2010)</b>	
Number of dwelling units	104,582
Number of recycling customers	100,928

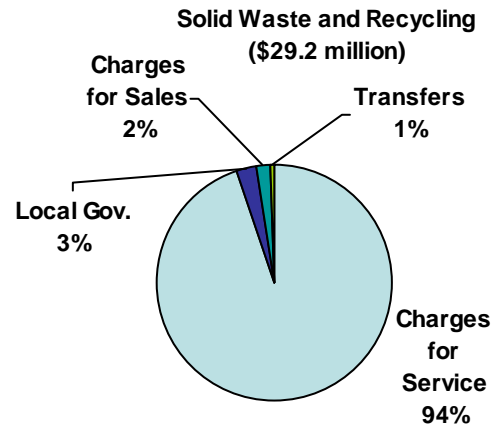
The Solid Waste division has invested over \$8 million in equipment in 2005 through 2008. Some of the equipment in the Division's list include recycling trailers, loading packer bodies, zoeller lifters, recycling cab chassis's, recycling bodies, and garbage collection cab chassis.

For 2009, year-end revenues from charges for services are projected to reach \$27 million and the total revenues for the fund are projected to reach \$29 million. Expenses for the Solid Waste and Recycling are projected at \$29 million, compared to 2009 budgeted amount of \$33 million.

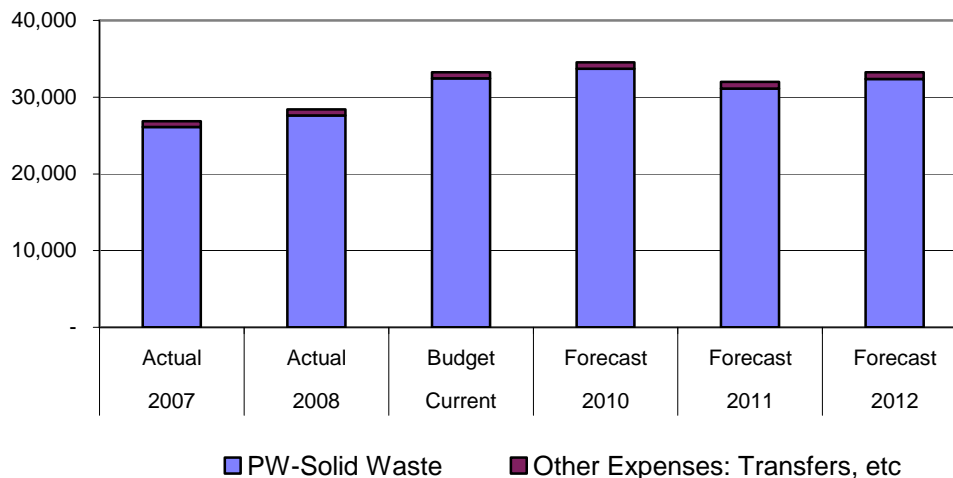
## 2010 Budget

### Revenues

Total revenue budget for 2010 amounts to \$29.2 million compared to \$30.8 million for 2009. This is a decrease of 5.2% in revenue forecast. This decrease is due to anticipated drop in scrap metal sales and because there will be no rate increase. The 2010 Hennepin County Recycling Grant will continue at \$800,000.



### Solid Waste Fund Expenditures (in thousands of dollars)



### Expenditures

The total expenditure budget for 2010 amounts to \$34.4 million compared to \$33.3 million for 2009. This is an increase of 3.4% from 2009.

### Transfers

The 2010 budget includes a \$700,000 transfer from Solid Waste and Recycling to General Fund to pay for snow plowing which will ensure delivery of solid waste and recycling services in the alleys. This transfer is projected to continue at \$700,000 in coming years.

The budget also includes a transfer of \$151,000 to the Debt Service Fund for pension obligations related to the Minneapolis Employees Retirement Fund (MERF).

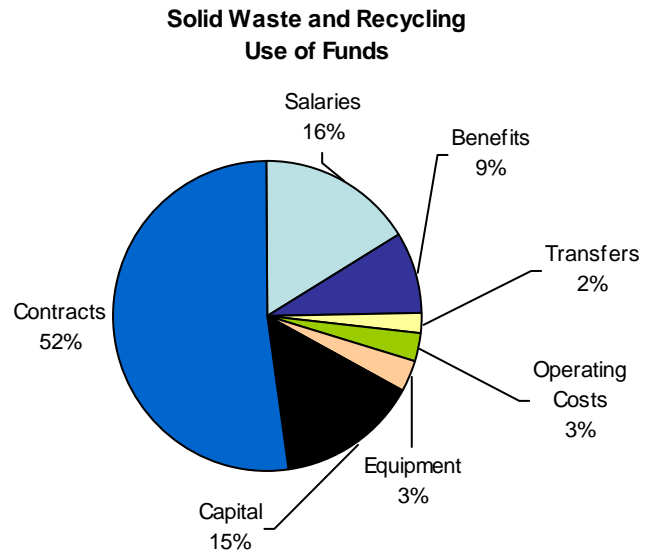
The Solid Waste and Recycling Fund will continue to receive \$146,000 from the Parking Fund for litter container pick-ups in downtown area. Since 2004, the Fund has been receiving \$50,000 as annual transfer from General Fund for graffiti removals.

*Debt Service*

This fund does not have any capital debt service payments.

**Original Budget**

The Mayor recommended no increase to these rates. Graffiti strategies are funded at \$1.2 million from the division’s fund balance. The Mayor also recommended \$50,000 from Community Development Block Grant funds for graffiti microgrants.



The Council approved the Mayor’s recommendations but reduces funding by \$50,000 from Community Development Block Grants funds for graffiti micro-grants.

The budget for this fund includes a reduction of BIS charges of \$18,600 due to the Council’s actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the fund’s appropriation by the same amount. Additionally, the budget for this fund includes a \$7,501 increase to General Fund Overhead charges due to the Council’s actions to fund two internal audit positions.

**Mayor’s Revised Budget**

The Mayor recommended no changes to this fund.

**Council Revised Budget**

The Council approves the Mayor’s recommendations.



**City of Minneapolis  
FY 2010 Budget  
Financial Plan (in thousands of dollars)**

**Solid Waste Fund - 7700**

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Budget	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources of Funds:</b>									
Local Government	784	872	800	819	800		800	800	800
Charges for Service	27,029	26,385	28,079	27,098	27,582	-1.8%	28,733	29,567	29,567
Charges for Sales	1,876	2,284	1,699	920	600	-64.7%	600	600	600
Special Assessments		573							
Other Misc Revenues, Rents	32	85			-				
Operating Transfers In:									
From Grants									
From Parking Fund	146	146	146	146	146		146	146	146
From General Fund	50	200	50	50	50		50	50	50
<b>Total</b>	<b>29,917</b>	<b>30,545</b>	<b>30,774</b>	<b>29,033</b>	<b>29,178</b>	<b>-5.2%</b>	<b>30,329</b>	<b>31,163</b>	<b>31,163</b>
<b>Use of Funds:</b>									
PW-Solid Waste	26,094	27,594	32,433	28,261	33,546	3.4%	31,127	32,372	33,667
Transfers									
To General Fund	700	700	700	700	700	0.1%	700	700	700
To BIS Fund									
To Self Insurance Fund									
To MERF Fund	78	109	121	121	151	24.8%	148	164	136
Finance Department									
Human Resources									
<b>Total</b>	<b>26,872</b>	<b>28,403</b>	<b>33,254</b>	<b>29,082</b>	<b>34,398</b>	<b>3.4%</b>	<b>31,975</b>	<b>33,236</b>	<b>34,503</b>
<b>Fund Margin</b>	<b>3,046</b>	<b>2,143</b>	<b>(2,480)</b>	<b>(49)</b>	<b>(5,219)</b>	<b>110.4%</b>	<b>(1,647)</b>	<b>(2,073)</b>	<b>(3,340)</b>
<b>Fund Balance</b>	<b>24,735</b>	<b>26,878</b>	<b>24,398</b>	<b>26,829</b>	<b>21,611</b>	<b>-11.4%</b>	<b>19,964</b>	<b>17,891</b>	<b>14,551</b>
<b>Cash Balance</b>	<b>17,373</b>	<b>20,667</b>	<b>18,187</b>	<b>20,619</b>	<b>15,400</b>	<b>-15.3%</b>	<b>13,753</b>	<b>11,680</b>	<b>8,340</b>

**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Sanitary Sewer Fund**

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**Background**

The Sanitary Sewer Fund, which had previously been a combination of Storm Water and Sanitary Sewer, was split into two separate funds in 2005.

The Fund accounts for 95% of the contractual payments to the Metropolitan Council Environmental Services (MCES) for sewage interceptor and treatment services. These payments make up 75% of the fund's budget. It also accounts for sanitary sewer maintenance, design, capital programs, and long-term debt service.

**Historical Financial Performance**

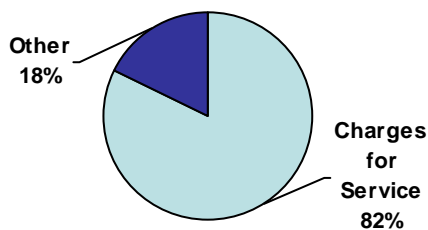
Total revenues for 2008 amounted to \$46.5 million compared to \$45 million in 2007. This increase of \$1.5 million is due to revenues from the capital program's bond proceeds. Similarly, the expenditures for 2008 totaled \$45.2 million compared to \$43.3 million in 2007, an increase of \$1.9 million. The increase in expenditures is mainly due to increase in debt service and capital programs.

**2010 Budget**

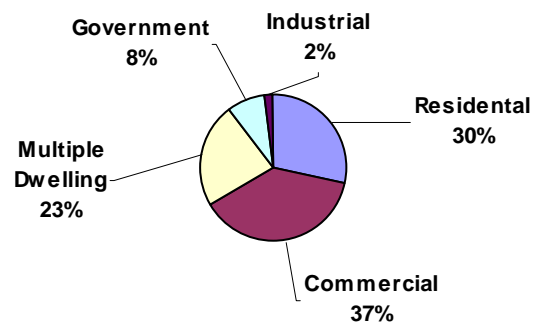
*Revenues*

Total revenue budget for Sanitary Sewer Fund for 2010 amounts to \$54.9 million compared to \$55 million in the 2009 current budget. This is a decrease of 0.1% over 2009 current budget. Sources of revenue for the Fund are monthly sanitary service fees, Sewer Availability Charges (SAC) charges, miscellaneous and bond revenues. Revenues from operations account for 82% of the budget and capital programs make up the remaining 18%. The decrease in revenue budget is due to decrease in consumer usage resulting in a lower revenue estimate for 2010.

**Sanitary Sewer  
Source of Funds  
(\$54.9 million)**



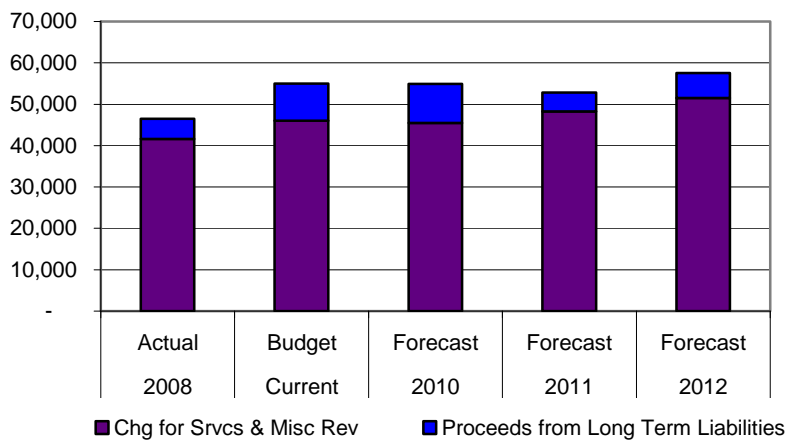
**Usage by Customer Type  
(Based on actual revenue)**



Year	Rate (cost per 100 cubic feet)	% Increase	Average Monthly Bill	Total Planned Revenue from Utility Fee
2010	\$2.93	12.3%	\$17.58	\$42.9 million
2011	\$3.17	8.2%	\$19.02	\$45.8 million
2012	\$3.41	7.6%	\$20.46	\$49.0 million
2013	\$3.65	7.0%	\$21.90	\$52.2 million
2014	\$3.89	6.6%	\$23.34	\$55.4 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.

**Sanitary Sewer Fund Revenues**  
(in thousands of dollars)

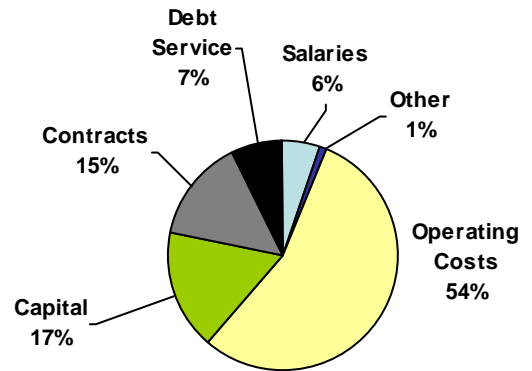


**Expenditures**

Total expenditure budget for 2010 amounts to \$55.6 million compared to \$53.7 million in the 2009 budget, an increase of \$2 million, or 3.5%. Debt service accounts for \$1.3 million of this increase whereas \$500,000 can be attributed to Capital programs; and the remaining \$200,000 increase stems from operations and pensions. The largest expense category in the sanitary sewer fund is the sanitary sewer charges paid to Met Council Environmental Services (MCES).

Estimated payment to MCES for 2010 is \$31.4 million, an increase of \$400,000 over 2009. Minneapolis is the largest customer in MCES' system. These charges make up 75% of the fund's budget and are reported as part of the Sewer Maintenance totals. The fund also accounts for maintenance and design works along with capital and debt service programs.

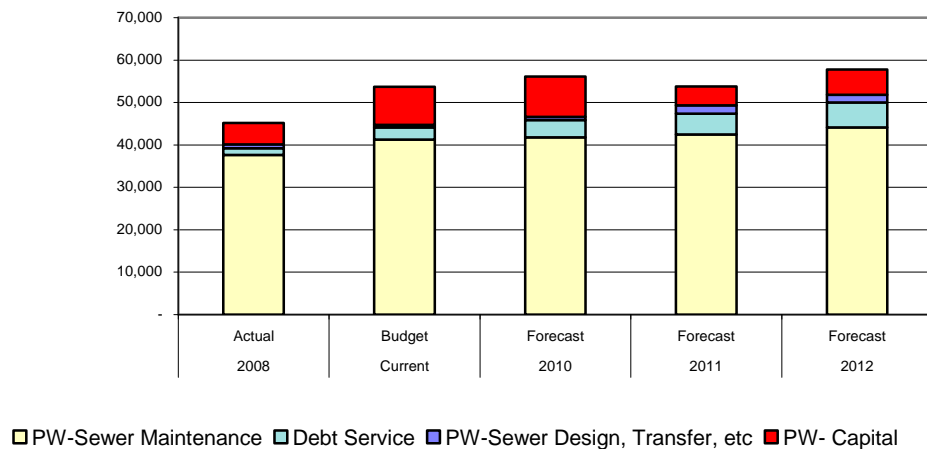
**Sanitary Sewer Use of Funds (\$55.6 million)**



### 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. Prior to 2007, all debt service was allocated to the storm water fund. The capital program was instituted in 2007 to address the inflow/infiltration issue in Minneapolis and will continue as part of the on-going five-year plan. Components of the program included expansion of the existing system and major repairs to current infrastructure. For 2010, \$9.5 million of the budget is set aside for capital programs and \$4 million is set aside as debt service payments for bonds sold in current and previous years to fund these projects.

**Sanitary Sewer Fund Expenditures**  
(in thousands of dollars)



### Original Budget

The Mayor recommended an increase of \$0.32 in per unit sanitary sewer rates. The Mayor further recommends a reduction of \$422,000 to the department's current service level operating budget. The Council approved the Mayor's recommendations.

The budget for this fund includes a reduction of BIS charges of \$1,800 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the fund's appropriation by the same amount. Additionally, the budget for this fund includes a \$9,331 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### Mayor's Revised Budget

The Mayor recommended no changes to this fund.

### Council Revised Budget

The Council approves the Mayor's recommendations.

City of Minneapolis  
 FY 2010 Budget  
 Financial Plan (in thousands of dollars)

Sanitary Sewer Fund - 7100

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Council Adopted	% Chg from 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Charges for Service	42,007	41,615	45,945	41,805	45,456	-1.1%	48,246	51,476	54,650
Other Misc Revenues			51	51	51		53	56	59
Proceeds from Long Term Liabilities	3,023	4,839	8,976	8,726	9,425	5.0%	4,500	6,000	6,750
<b>Total</b>	<b>45,030</b>	<b>46,455</b>	<b>54,972</b>	<b>50,582</b>	<b>54,932</b>	<b>-0.1%</b>	<b>52,799</b>	<b>57,532</b>	<b>61,459</b>
<b>Use of Funds:</b>									
PW-Sewer Design	258	312	357	325	409	14.6%	351	366	380
PW-Sewer Maintenance	38,807	37,624	41,283	39,269	41,405	0.3%	42,434	44,132	45,897
Debt Service	904	1,578	2,820	2,818	3,317	18%	3,174	3,387	2,044
Future Debt Service					749		1,750	2,509	3,362
Transfers	-				-		-	-	-
To Debt Service for MERF Liability	348	629	292	292	305	4.5%	708	1,096	1,178
PW- Capital	3,023	5,039	8,976	8,976	9,425	5.0%	4,500	6,000	6,750
<b>Total</b>	<b>43,340</b>	<b>45,182</b>	<b>53,728</b>	<b>51,680</b>	<b>55,610</b>	<b>3.5%</b>	<b>52,918</b>	<b>57,489</b>	<b>59,611</b>
<b>Change in Net Assets</b>	<b>1,690</b>	<b>1,273</b>	<b>1,244</b>	<b>(1,098)</b>	<b>(678)</b>	<b>-154.5%</b>	<b>(118)</b>	<b>43</b>	<b>1,847</b>
<b>Net Asset Balance</b>	<b>86,142</b>	<b>86,891</b>	<b>88,135</b>	<b>85,793</b>	<b>85,115</b>	<b>-3.4%</b>	<b>84,997</b>	<b>85,040</b>	<b>86,887</b>
<b>Cash Balances</b>									
Operating Cash	8,483	10,585	11,829	9,488	8,810	-25.5%	8,692	8,734	10,582

**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Storm Water Fund**

**Background**

The Storm Water Fund was previously a combination of Storm Water and Sanitary Sewer, which was then split in 2005 to form two separate funds: Storm Water Fund and Sanitary Sewer Fund. The Storm Water Fund accounts for storm water tunnels and treatment services, as well as a portion of the Inflow and Infiltration (I/I) Program carried out through Metropolitan Council Environmental Services (MCES).

The Fund also accounts for the Combined Sewer Overflow (CSO) Program, which separates storm sewer lines from sanitary sewer lines. The remainder of the fund is used for street sweeping, sewer design, and maintenance work.

**Historical Financial Performance**

In 2008, total revenues increased to \$39.2 million compared to \$37.7 million in 2007. The increase amounts to \$1.5 million or 4%. A rate increase of \$0.49 for utility billings and design revenues from capital activities account for the overall increase in revenues for 2008. The expenditures of \$35.6 million in 2008 remained constant compared to 2007. Increases in operations and fund transfers by \$1 million were off set by decreases in capital programs and debt service.

**2010 Budget**

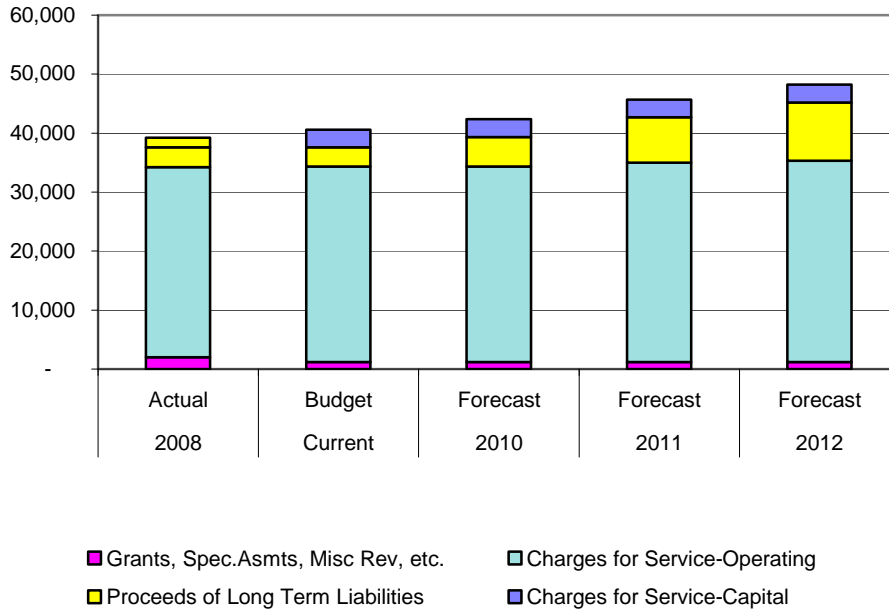
*Revenues*

The 2010 revenue budget is \$42.3 million, an increase of 4%, or \$1.8 million, over 2009 current budget of \$40.6 million. The increase in revenue budget is due to Capital programs where \$5 million will be generated from bond sales. Funds from state and local governments, which total \$1 million, are expected to remain at 2009 level.

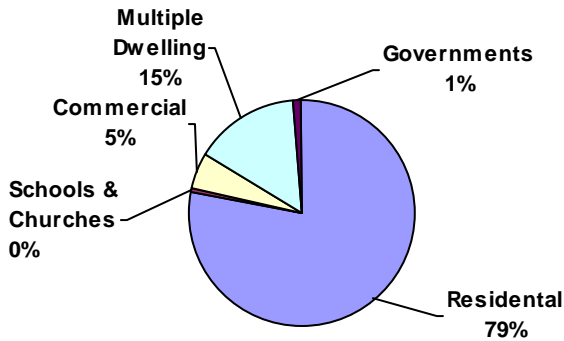
<b>Year</b>	<b>Rate per ESU (Equivalent Stormwater Unit)</b>	<b>% Increase</b>	<b>Total Planned Revenue from Utility Fee</b>
2010	\$11.09	3%	\$31.7 million
2011	\$11.42	3%	\$32.4 million
2012	\$11.65	2%	\$32.7 million
2013	\$11.88	2%	\$33.1 million
2014	\$12.13	2%	\$33.4 million

Note: Total revenue from charges for services in the financial plan exceeds the amount generated by the utility fee because revenue deposited in the Storm Water Fund also include sources other than utility fees, such as capital work for others billings.

**Stormwater Fund Revenues**  
(in thousands of dollars)



**Total Active Sewer Property Types**

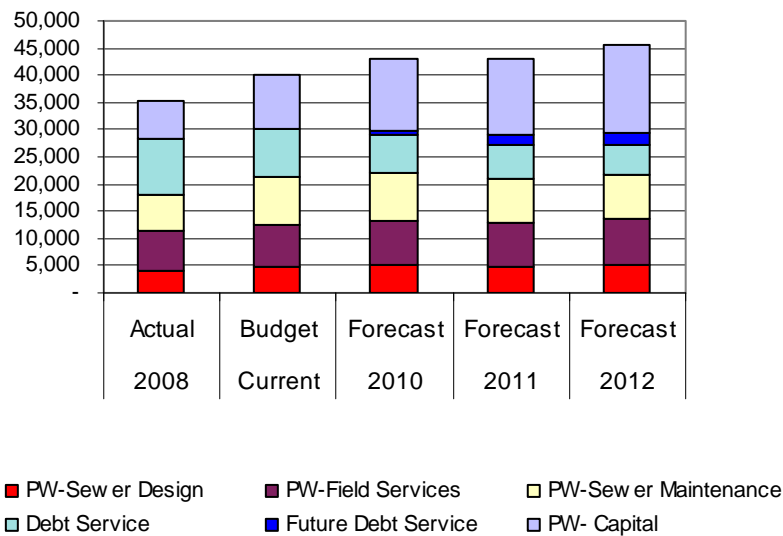


Total Active Sewer Property Types	
Property Type	Count
Residential	76,346
Commercial	5,333
Government	1,032
Schools/Churches	334
Multiple Dwelling	14,961
<b>Total</b>	<b>98,006</b>

*Expenditures*

The 2010 total expenditure budget for the Storm Water Fund amounts to \$41.4 million compared to \$40.3 million in the 2009 current budget, an increase of 3%. The expenditure budget funds operations, capital programs, debt services and pension fund. The Fund's operating budget is used for design and maintenance work, storm water and overflow programs, a portion of Met Council payments, and street cleaning. The operating budget for 2010 totals \$22 million and capital programs are estimated at \$10.8 million.

**Stormwater Fund Expenditures**  
(in thousands of dollars)



**Combined Sewer Overflow (CSO)**

Combined Sewer Overflow project started in 2004 in order to design and reconstruct storm water drainage system. This is an on-going program and \$1.7 million has been allotted for 2010 from operating budget with additional funding coming from the Capital programs.

**Transfers**

A total transfer of \$305,000 has been set aside for the long term pension liability regarding MERF. This is an increase of \$13,000 over the 2009 budget.

**Debt Service**

The debt service payments are primarily for bonds sold to finance the Combined Sewer Overflow (CSO) and flood mitigation programs. For 2010, the estimated amount for debt service is \$7.7 million.

**Original Budget**

The Mayor recommended a reduction of \$449,000 from the Stormwater Fund. This reduction will be split between Transportation Maintenance and Repair (Street Cleaning) and Surface Water and Sanitary Sewer (shown in the utilities account). The Mayor also recommended a rate increase of \$0.32 of per Equivalent Stormwater Unit (ESU) rates. The Council approved the Mayor’s recommendations.

The budget for this fund includes a reduction of BIS charges of \$21,800 due to the Council’s actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the fund’s appropriation by the same amount. Additionally, the budget for this fund includes a \$4,961 increase to General Fund Overhead charges due to the Council’s actions to fund two internal audit positions.

**Mayor’s Revised Budget**

The Mayor recommended no changes to this fund.



## Council Revised Budget

The Council approves the Mayor's recommendations.

**City of Minneapolis  
FY 2010 Budget  
Financial Plan (in thousands of dollars)**

**Stormwater Sewer Fund - 7300**

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Mayor Recomm	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Federal Government			749	749	761	1.6%	761	761	761
State Government	864	887							
Local Government	271	345	273	296	285	4.4%	285	285	285
Charges for Service-Operating	29,986	32,195	33,182	33,611	33,136	-0.1%	33,760	34,107	34,461
Charges for Service-Capital	712	1,620	3,000	1,500	3,000		3,000	3,000	3,000
Charges for Sales	26	0	1	1	1		1	1	1
Special Assessments	502	714	115	363	115		115	115	115
Interest	1	0	-	-	-		-	-	-
Other Misc Revenues	284	63	47	47	47		47	47	47
Proceeds of Long Term Liabilities	5,051	3,399	3,213	3,213	5,000	55.6%	7,735	9,895	10,788
<b>Total</b>	<b>37,696</b>	<b>39,224</b>	<b>40,581</b>	<b>39,781</b>	<b>42,345</b>	<b>4.3%</b>	<b>45,704</b>	<b>48,211</b>	<b>49,458</b>
<b>Use of Funds:</b>									
PW-Sewer Design	4,171	4,055	4,837	4,528	5,011	3.6%	4,897	5,093	5,297
PW-Field Services	6,764	7,366	7,644	7,415	7,886	3.2%	8,020	8,341	8,674
PW-Sewer Maintenance	6,458	6,612	8,811	7,141	9,122	3.5%	8,017	8,337	8,671
Debt Service	10,381	10,183	9,037	9,037	6,839	-24.3%	6,437	5,340	3,154
Future Debt Service					948		1,580	2,275	3,297
Transfers	49	513	292	292	805	175.7%	1,108	1,396	1,328
PW- Capital	7,819	6,916	9,633	8,133	10,820	12.3%	13,375	16,565	17,553
<b>Total</b>	<b>35,642</b>	<b>35,646</b>	<b>40,255</b>	<b>36,545</b>	<b>41,432</b>	<b>2.9%</b>	<b>43,434</b>	<b>47,348</b>	<b>47,974</b>
<b>Change in Net Assets</b>	<b>2,054</b>	<b>3,578</b>	<b>326</b>	<b>3,236</b>	<b>913</b>	<b>179.8%</b>	<b>2,269</b>	<b>863</b>	<b>1,484</b>
<b>Net Asset Balance</b>	<b>231,483</b>	<b>242,271</b>	<b>242,598</b>	<b>245,507</b>	<b>246,420</b>	<b>1.6%</b>	<b>248,690</b>	<b>249,554</b>	<b>251,037</b>
<b>Cash Balances</b>	<b>810</b>	<b>3,850</b>	<b>4,176</b>	<b>7,086</b>	<b>8,000</b>	<b>91.5%</b>	<b>10,269</b>	<b>11,133</b>	<b>12,618</b>
Operating Cash									
Construction Cash									
<b>Total Cash Balance</b>	<b>810</b>	<b>3,850</b>	<b>4,176</b>	<b>7,086</b>	<b>8,000</b>	<b>91.5%</b>	<b>10,269</b>	<b>11,133</b>	<b>12,618</b>

**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Water Fund**

**Background**

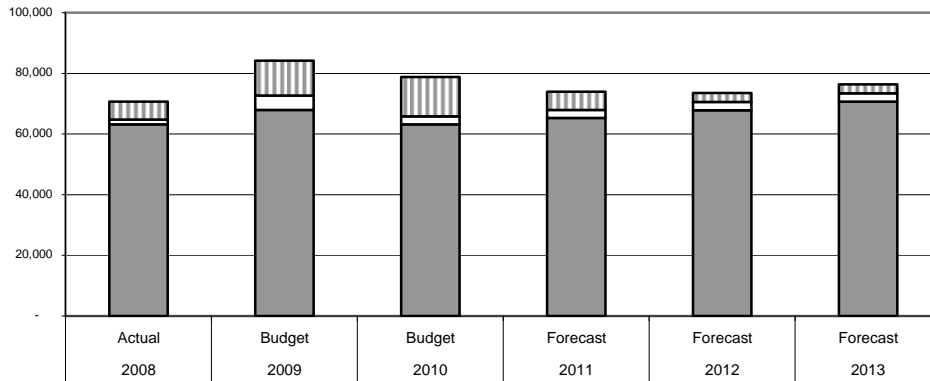
The Water Fund accounts for the operation and maintenance of a water distribution system for the City and several suburban city customers. The City currently sells water to seven cities including Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal and Edina.

**Historical Financial Performance**

The financial condition of this fund has been stable historically. The net assets of the Water Fund have 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 2007-2009:

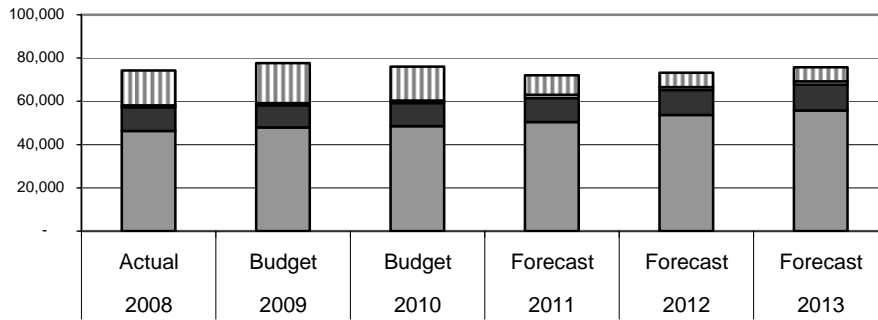
Source of Revenue	2007	2008	2009 Projected
Bloomington	\$3,138,000	\$3,132,000	\$3,372,000
Columbia Heights	1,004,000	984,000	1,077,000
Edina	229,000	325,000	246,000
Joint Water Commission	5,570,000	5,676,000	5,984,000
Hilltop	126,000	104,000	135,000
<b>Total Suburban</b>	<b>\$10,067,000</b>	<b>\$10,221,000</b>	<b>\$10,814,000</b>
Minneapolis	51,252,000	50,013,000	49,877,000
<b>Total Revenue</b>	<b>\$61,319,000</b>	<b>\$60,234,000</b>	<b>60,691,000</b>

**Water Fund Revenues  
(in thousands of dollars)**



- Charges for Service
- Operating Transfers In
- Other Miscellaneous Revenues
- ▨ Proceeds of Long Term Liabilities

**Water Fund Expenditures**  
(in thousands of dollars)



PW-Water  
  Debt Service  
  Other  
  PW-Water - Capital

**2010 Budget**

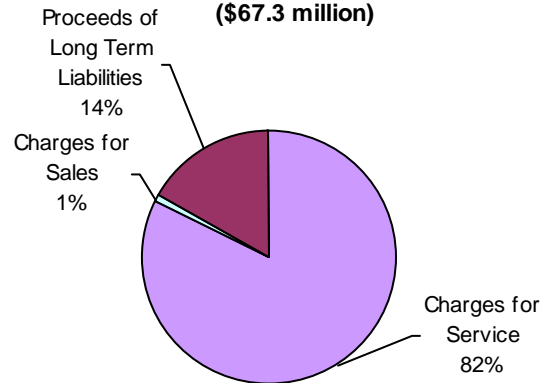
*Revenues*

There are projected rate increases for years 2009-2012 to pay debt service for the capital expenditures, as well as to cover anticipated growth in operating expenditures and to repair infrastructure. Rate increases may not result in increased revenue due to variable water consumption. A long-term trend has shown that Minneapolis water consumption has decreased slightly over the past several years.

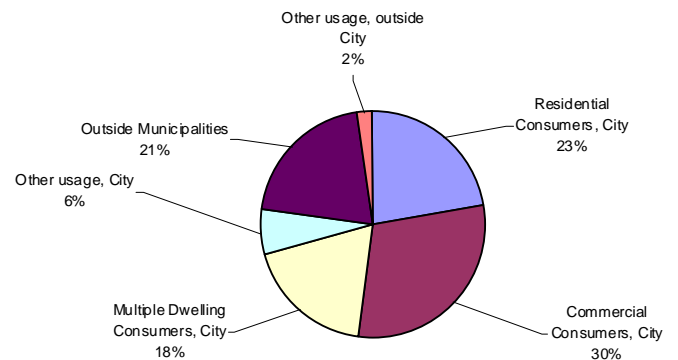
*Water Utility Rates*

The budget includes a rate increase for water from \$2.91/unit in 2009 to \$3.05/unit in 2010. The rate increase will provide funding for the multi-year capital projects and water distribution improvements.

**Water Fund Source of Funds**  
(\$67.3 million)



**Charges for Service by Customer**  
(Based on 2008 consumption)



Year	Rate (cost per 100 cubic feet)	Cost Per Month for Average Consumer <sup>1</sup>	% Increase	Total Planned Revenue from Utility Fee
2010	\$3.05	24.40	4.8%	\$61.3 Million
2011	\$3.20	25.60	4.9%	\$63.7 Million
2012	\$3.36	26.88	5.0%	\$66.9 Million
2013	\$3.54	28.32	5.4%	\$70.5 Million
2014	\$3.72	29.76	5.1%	\$74.2 Million

<sup>1</sup> 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:

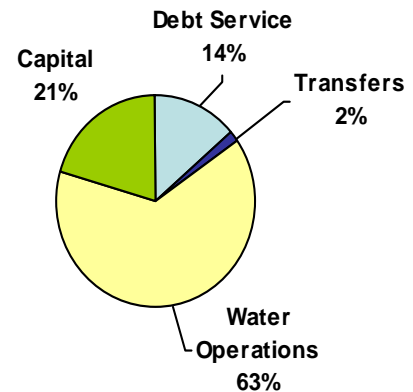
Year	Combined Average Rate	% Increase	Total Revenue Earned from Utility Fee - Suburbs
2010	1.89	2.6.%	\$10.6 Million
2011	1.95	3.7%	\$11.0 Million
2012	2.04	4.5%	\$11.6 Million
2013	2.13	4.3%	\$12.2 Million
2014	2.22	4.2%	\$12.8 Million

#### Expenditures

The Water Fund's operating budget includes a minor percentage increase to keep customers' rate increases minimal.

The budget provides funding for the capital improvement program. Current capital projects include improvements to the water distribution network, treatment infrastructure improvements and a \$25 million multiyear project to replace the current dewatering plant which uses centrifuges with new filter presses which will improve efficiency and reduce operating costs. The 2010 recommended capital budget is \$3.5 million and represents a 92% decrease from the 2009 capital budget which included \$18.5 million for the second ultrafiltration water plant project which was cancelled in early 2009.

#### Use of Funds Water Fund – 7400 (\$64.2 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 \$1.26 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.

## Original Budget

The Mayor recommended an increase to the per unit water rate of \$0.14. The Mayor also recommended a redefinition of rates to stabilize revenues. The Council approved the Mayor's recommendations.

The budget for this fund includes a reduction of BIS charges of \$46,500 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the fund's appropriation by the same amount. Additionally, the budget for this fund includes a \$10,821 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

## Mayor's Revised Budget

The Mayor recommended no changes to this fund.

## Council Revised Budget

The Council approves the Mayor's recommendations.

**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousands of dollars)**  
**Water Fund - 7400**

	2008 Actual	2009 Current Budget	2009 Projected	2010 Budget	% Chg from 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>								
Licenses and Permits	1	1	1	1		1	1	1
Charges for Service	63,203	67,961	62,821	63,173	-7%	63,734	66,940	70,548
Charges for Sales	5	2,760	1,892	654	-76%	2,699	2,740	2,781
Other Misc Revenues	1,579	2,000	2,000	2,000		2,000	2,000	2,000
Operating Transfers In	-	-	-	-		-	-	-
Proceeds of Long Term Liabilities	5,871	34,500	34,500	1,500	-96%	3,000	4,500	4,500
<b>Total</b>	<b>70,659</b>	<b>107,222</b>	<b>101,214</b>	<b>67,328</b>	<b>-37.2%</b>	<b>71,434</b>	<b>76,181</b>	<b>79,830</b>
<b>Use of Funds:</b>								
PW-Water	46,292	47,908	47,908	48,446	1.1%	50,333	53,542	55,539
Debt Service	10,927	9,924	9,924	8,759	-11.7%	9,020	8,973	9,078
Future Debt Service		253	253	2,217		2,597	3,165	3,748
Transfers								
To Debt Service for MERF Liability	968	1,071	1,071	1,258	17.5%	2,886	3,386	3,886
PW-Water - Capital	16,007	41,500	41,500	3,500	-91.6%	5,000	6,645	6,610
<b>Total</b>	<b>74,194</b>	<b>100,656</b>	<b>100,656</b>	<b>64,180</b>	<b>-36.2%</b>	<b>69,836</b>	<b>75,712</b>	<b>78,861</b>
<b>Water Works Fund Margin</b>	<b>-3,535</b>	<b>6,566</b>	<b>558</b>	<b>3,148</b>	<b>-52.1%</b>	<b>1,598</b>	<b>469</b>	<b>969</b>
<b>Water Fund Balance</b>	<b>154,866</b>	<b>161,432</b>	<b>155,424</b>	<b>158,571</b>	<b>-1.8%</b>	<b>160,169</b>	<b>160,639</b>	<b>161,607</b>
<b>Cash Balance</b>	<b>462</b>	<b>7,028</b>	<b>1,020</b>	<b>3,904</b>	<b>-44.5%</b>	<b>5,502</b>	<b>5,971</b>	<b>6,940</b>

**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Public Works Stores Fund**

**Background**

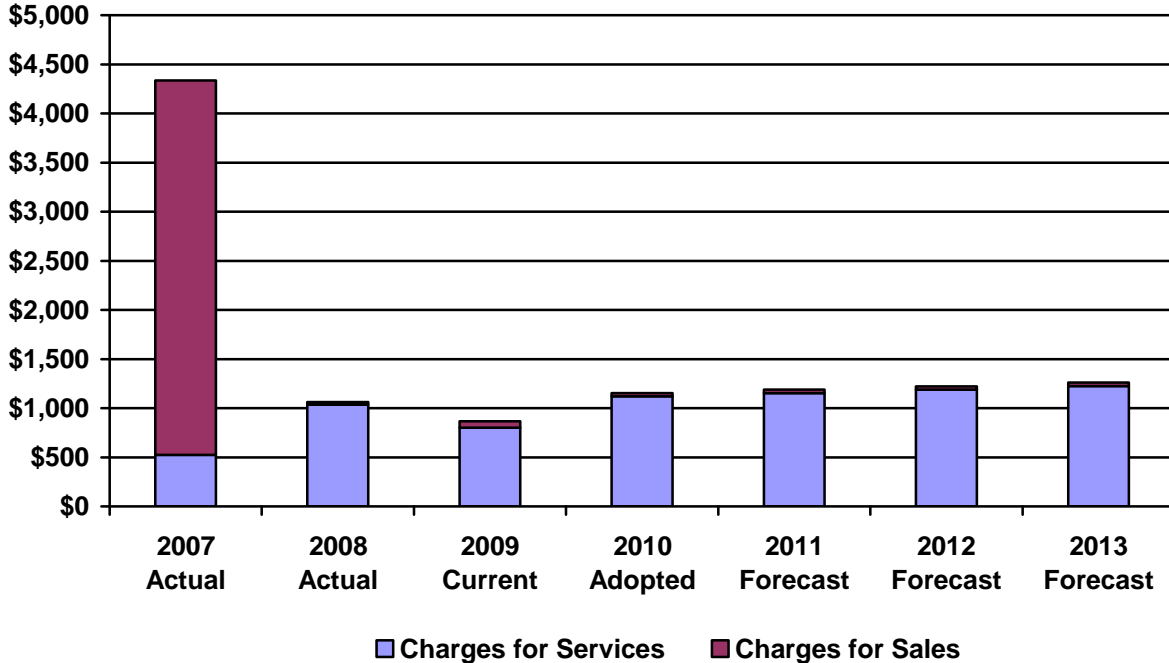
The Public Works Stores fund accounts for the centralized procurement, receiving, warehousing, and distribution of stocked inventory items, and the purchase of special goods and services through Public Works Central and Traffic stores.

**Historical Financial Information**

Public Works has operated central stores since 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, central stores began purchasing all of the City's needs for office supplies and non-specialty items.

In June 1998 a redesign of the central stores function determined a revised overhead structure. The revised plan resulted in positive net income for years 2000 through 2007. For year ending 2008, PW Stores recorded a net loss of \$646,000.

**Public Works Stores Revenue**  
(in thousands of dollars)



## 2010 Budget

### Revenues

Revenues are expected to be sufficient in 2010, at \$1.2 million to cover the \$1.2 million in budgeted expenditures. A significant difference exists between the revenue budgeted for 2010 and the amount budgeted for 2009. Due to a process change in recording inventory transactions, the 2010 revenue is budgeted at the amount of overhead charged when goods are sold from inventory. In 2009, revenue was budgeted as the cost of goods sold plus the overhead charged on each item. The actual revenue earned in 2008 is recorded as the overhead charge only. The fund required an interfund cash advance of \$2.3 million at year-end 2008 to cover a cash balance deficit and incurred a liability for the advance.

### Expenditures

The 2010 expenditure budget of \$1.2 million does not include an amount budgeted for cost of stores issuance. This results in a significant decrease from the 2009 budget of \$3.7 million. The new inventory system implemented in 2008 does not record a cost of goods sold when the item is sold from inventory. The cost of the item is removed from the expenditure budget when the item is sold to City departments. This process permits a zero budget amount recorded for cost of stores issuance. This method applies to the actual expenditures recorded for 2008. The 2010 expenditure budget is decreased by 28.2% from the actual budget for 2008.

### Transfers

There is a transfer out in 2010 for \$33,000 related to the debt service for the Minneapolis Employees Retirement Fund (MERF) unfunded pension liability.

### Debt Service

This fund does not have long-term debt.

## Original Budget

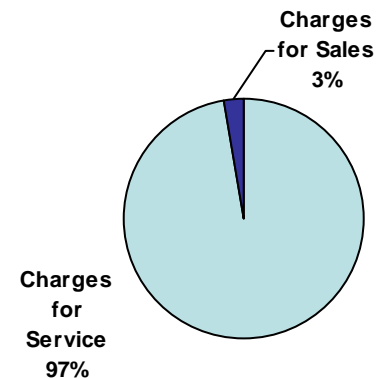
The Mayor recommended and Council approved no changes to this fund.

The budget for this fund includes a reduction of BIS charges of \$3,100 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the fund's appropriation by the same amount. Additionally, the budget for this fund includes a \$168 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

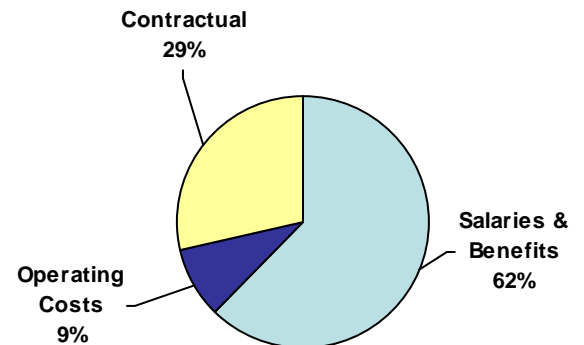
## Mayor's Revised Budget

The Mayor recommended no changes to this fund.

**Public Works Stores Fund  
Source of Funds  
(\$1.2 million)**



**Public Works Stores Funds  
Use of Funds  
(\$1.2 million)**



## Council Revised Budget

The Council approves the Mayor's recommendations.

**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousand of dollars)**  
**PW Stores Fund - 06300\***

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Budget	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Changes for Services	524	1,036	401	800	1,120	179.3%	1,154	1,188	1,224
Charges for Sales	3,811	25	3,343	66	33	-99.0%	34	35	36
<b>Total</b>	<b>4,335</b>	<b>1,061</b>	<b>3,744</b>	<b>866</b>	<b>1,153</b>	<b>(69.2%)</b>	<b>1,188</b>	<b>1,223</b>	<b>1,260</b>
<b>Use of Funds:</b>									
Salaries and Fringes	732	801	717	725	736	2.6%	758	781	804
Contractual Services	249	239	344	300	335	(2.6%)	345	355	366
Materials and Other	61	591	242	60	34	(86.0%)	35	36	37
Rent	25	29	34	34	43	26.5%	44	46	47
Cost of Stores Issuance	3,096	-	2,373	0	-	(100.0%)	-	-	-
Transfers	11	31	34	34	33	(2.9%)	34	35	36
<b>Total</b>	<b>4,174</b>	<b>1,690</b>	<b>3,744</b>	<b>1,153</b>	<b>1,181</b>	<b>(68.5%)</b>	<b>1,216</b>	<b>1,253</b>	<b>1,291</b>
<b>Change in Net Assets</b>	<b>161</b>	<b>(646)</b>	<b>-</b>	<b>(287)</b>	<b>(28)</b>		<b>(29)</b>	<b>(30)</b>	<b>(31)</b>
<b>Net Assets</b>	<b>3,531</b>	<b>2,885</b>	<b>2,885</b>	<b>2,598</b>	<b>2,857</b>		<b>2,828</b>	<b>2,798</b>	<b>2,768</b>
<b>Cash Balance<sup>1</sup></b>	<b>(561)</b>	<b>(2,284)</b>	<b>(2,284)</b>	<b>(2,571)</b>	<b>(2,312)</b>		<b>(2,341)</b>	<b>(2,371)</b>	<b>(2,401)</b>

\* This fund includes the Public Works division Engineering Materials & Testing (also known as Cental Stores).

<sup>1</sup>Cash balance for 2007 and 2008 is the sum of the CAFR cash balance and the Due to Other Funds.



**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Engineering Materials and Testing**

**Background**

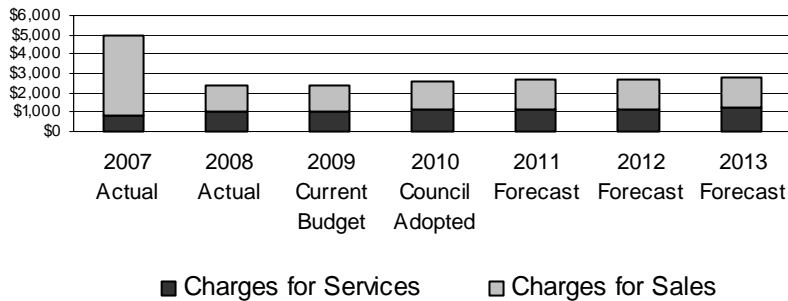
The Engineering Materials and Testing Fund accounts for City purchases of hot-mix asphalt and ready-mix concrete in order to ensure compliance with State and Federal standards and specifications and provide quality control. The Engineering Laboratory is a component of this fund which provides inspection and testing services and maintains 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.

The decision to suspend operations at the asphalt plant at the end of 2003 resulted in a \$777,000 loss on the disposal of this asset and a decrease in net assets of \$709,000. From 2003 through 2007, this fund had a decrease in net assets of \$1.5 million of which \$777,000 is due to the loss on the disposal of the asphalt plant.

**Engineering Materials and Testing Revenue**



**2010 Budget**

*Revenues*

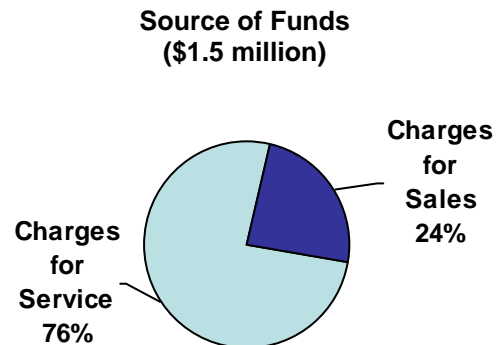
This fund generates revenue from testing and inspection services provided by the Engineering Lab and the sale of concrete and asphalt from outside vendors to other City departments. Product types and quantities are identified for customer departments. A rate model determines product costs to allow the fund to generate revenues that match operating expenditures.

With the implementation of the new financial accounting system in 2008, the recording of revenue earned from asphalt and concrete sales was modified to include only the revenue generated from the mark up overhead added to the cost of the product. Previously, revenue was recorded as the cost of the goods plus the markup. Because the 2007 charges for sales includes the cost of the product and the mark up, there is a sharp decrease in revenue earned from charges for sales from 2007 to 2008. The 2009 projection and the 2010 budget reflect this

change in recording revenue earned from charges for sales. The 2010 revenue budget includes \$1.1 million earned from charges for services provided by the engineering lab and \$350,000 as mark up on the sale of asphalt and concrete.

**Expenditures**

The 2009 projection and the 2010 budget do not include the cost of asphalt and concrete in the use of funds for materials resulting in a sharp decrease from the 2009 current budget. The 2010 expenditure budget is \$1.5 million, a 14.7% decrease from the 2009 projected expenditures. The budget for rent decreased sharply in 2010 due to the fund's operations residing in one location and to the demolition of the paving lab.



**Transfers**

The 2010 budget includes a transfer out of \$57,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

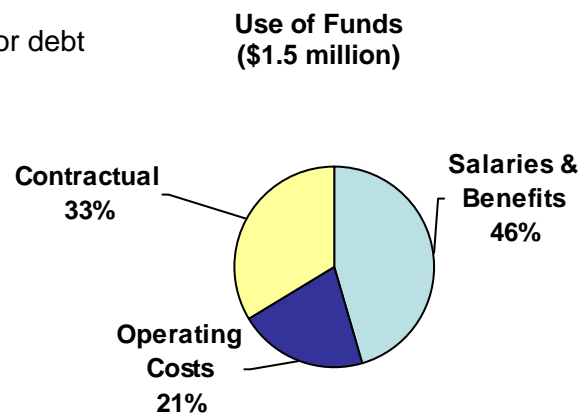
**Debt Service**

This fund does not have long-term debt.

**Original Budget**

The Mayor recommended and Council approved no changes to this fund.

The budget for this fund includes a reduction of BIS charges of \$4,500 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the fund's appropriation by the same amount. Additionally, the budget for this fund includes a \$1,059 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.



**Mayor's Revised Budget**

The Mayor recommended no changes to this fund.

**Council Revised Budget**

The Council approves the Mayor's recommendations.

**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousands of dollars)**

**Engineering, Materials and Testing - 6000\***

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Budget	% Chg From 2009 Projected	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Charges for Services	846	1,069	1,030	1,030	1,110	7.8%	1,143	1,178	1,213
Charges for Sales	3,251	209	3,501	350	350		357	364	371
Other Misc Revenues	-	-	-	-	-		-	-	-
<b>Total</b>	<b>4,097</b>	<b>1,278</b>	<b>4,531</b>	<b>1,380</b>	<b>1,460</b>	<b>5.8%</b>	<b>1,500</b>	<b>1,542</b>	<b>1,584</b>
<b>Use of Funds:</b>									
Personnel Services	790	731	1,257	745	666	-10.6%	683	700	717
Contractual Services	321	498	508	490	486	-0.8%	496	506	516
Materials and other	2,902	67	2,787	329	242	-26.4%	247	252	257
Rent	96	61	86	86	6	-93.0%	10	10	10
Interest	-	-	-	-	-		-	-	-
Transfers	42	53	58	58	57	-1.7%	60	60	60
<b>Total</b>	<b>4,151</b>	<b>1,410</b>	<b>4,696</b>	<b>1,708</b>	<b>1,457</b>	<b>-14.7%</b>	<b>1,495</b>	<b>1,527</b>	<b>1,560</b>
<b>Change in Net Assets</b>	<b>(70)</b>	<b>(169)</b>	<b>(165)</b>	<b>(328)</b>	<b>3</b>		<b>5</b>	<b>15</b>	<b>25</b>
<b>Net Assets</b>	<b>197</b>	<b>28</b>	<b>(137)</b>	<b>(300)</b>	<b>(134)</b>		<b>(129)</b>	<b>(114)</b>	<b>(90)</b>
<b>Cash Balance<sup>1</sup></b>	<b>243</b>	<b>(128)</b>	<b>(293)</b>	<b>(456)</b>	<b>(290)</b>		<b>(285)</b>	<b>(270)</b>	<b>(246)</b>

\* This fund does not include the Public Works division Engineering Materials & Testing (also known as Central Stores). For information that division, please see the Public Works Stores Fund financial plan.

<sup>1</sup> Cash Balance for 2008 equals CAFR cash balance combined with Due to Other funds.

**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Intergovernmental Services Fund**

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**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 telecommunications operations. The fund also accounts for operations within the City Clerk's office including central mailing and printing services. A portion of the Human Resources budget that is designated for internal training is included in this fund.

The City Council approved a long-term financial 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 2006, 2007, 2008 and is projected to do so in 2009. Assumptions in the plan anticipated the first positive change in net assets to occur in 2007.

The City Council has appropriated \$1.0 million for technology projects in 2010 and \$700,000 in 2011 and 2012. The City technology expenditures exceed that amount. In 2008, BIS incurred nearly \$14.0 million in expense toward technology projects. The majority of the funding sources were from grants and departmental operating budgets. This level of spending on technology is projected to continue. The PMD generates revenue for the department along with providing quality, low-cost project management for technology-related projects.

In 2009, the debt service payments are scheduled to increase substantially from \$3.4 million in 2008 to \$10.2 million in 2009 through 2012. By 2013, the current debt will be reduced to \$200,000.

This fund continues to be active with new initiatives:

- **City-Wide:** *Wireless Minneapolis*, a City-wide wireless broadband IP data access network for use by residents, businesses, guests and governmental entities, was completed in December 2009. The City has entered into a 10-year contract with US Internet as the anchor tenant of the network, committing to \$1.25 million in annual usage. Simply converting existing wireless technologies to the wi-fi network will not achieve this level of annual usage. For Minneapolis to fully realize the benefit the City will need departments to embrace new ways of doing their work; implementing capabilities that previously were not feasible. The community, however, already enjoys the benefits from the City's investment. Broadband access is now available at a very affordable rate with the added benefit of mobility, many community technology centers have free accounts, and free hot spots will be operational early in 2010.
- **Department Specific:** Other initiatives include an Emergency Operations Command Center, mobile housing inspectors, impound management software, continued implementation of the new financial system, Civil Rights compliance management system, and Public Works' traffic management system.

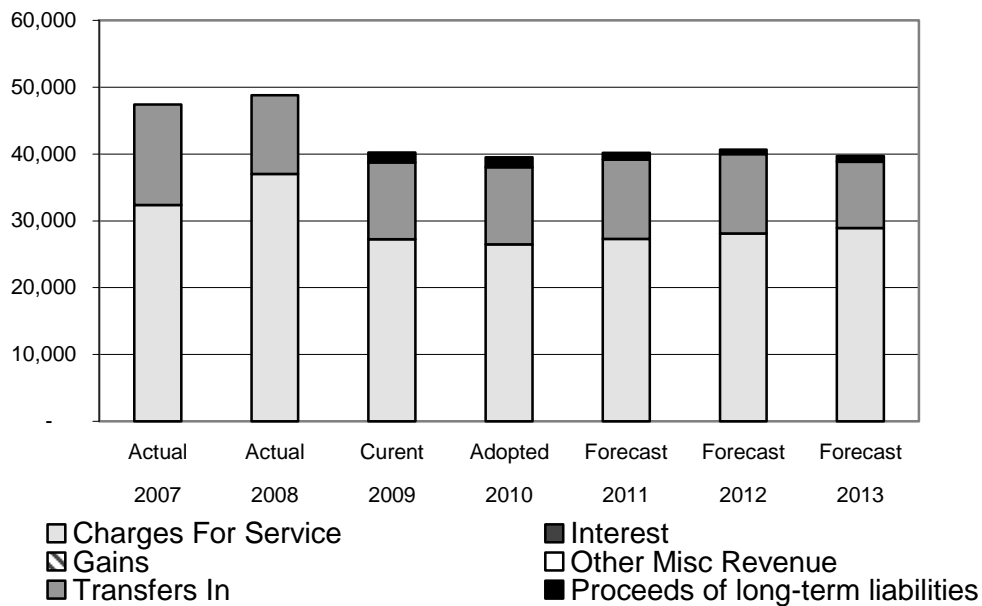
The net asset deficit in this fund will decline as it continues to provide services that are being accounted for through its allocation model, fees for service with PMD, and other ways that the fund collects revenues in order to offset its costs. The allocation model for the fund was developed using 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 realignment 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 caused fund net assets to have a balance of negative \$40.8 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 financial plan. This trend has been reversed. At year-end 2008, net assets improved to \$4.9 million.

The long-term financial plan projected the net asset balance at year-end 2008 to increase \$5.7 million from a deficit of \$13.6 at year end 2007 to a deficit of \$7.9 million. The actual net asset balance at year-end 2008, \$4.9 million, represents an increase of \$18.5 million from the 2007 ending balance. The fund's cash balance has also increased ahead of the long-term financial plan projection. The projection predicted a 2008 ending cash balance deficit of \$1.6 million. At year-end 2008, the fund reached a positive cash balance of \$94,000, an increase of \$2.0 million from the 2007 ending cash balance of a deficit of \$1.9 million and \$1.7 million ahead of the long-term financial plan.

**Information Technology Fund Revenues**  
(in thousands of dollars)



## 2010 Budget

### Revenues

To fund the cost of providing information technology services, the financial plan required that the annual transfer from the general fund received an increase of \$1.2 million each year from 2005 through 2008, minus the reductions noted in the Five-Year Financial direction which were partially offset by operational savings. In 2009, the fund received an increase of \$3.0 million from a transfer in from the General Fund with no additional increases planned for 2010. Total transfers, includes money from the bond redemption fund, equal \$11.5 million in 2010.

Charges for service were increased, reflected by the additional revenue that BIS has been generating in providing services directly charged to City departments for the services they received over the normal service level provided.

### Allocation Model Implications

The allocation model has five components on the customer expense side: BIS application support; BIS operating; telecommunications; data connectivity; and special customer specific services. Revenues generated through the allocation model will recover the following:

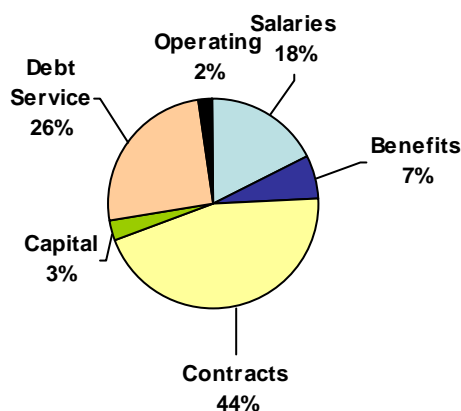
- BIS operating costs at a level that conforms to the Council-adopted financial plan.
- Debt service resulting from phone system purchase.
- A small portion for City Clerk data center operations and Human Resources operations.

Revenue Assumptions (2010)	
Number of PC's	2,973
Number of telephones	2,951

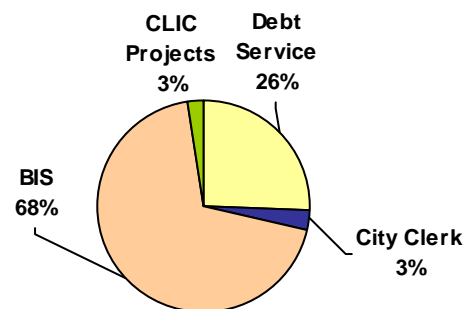
### Expenses

Expenses in the Intergovernmental Services Fund are comprised of the operating expenses (salaries/benefits, contractual, operating, equipment) of BIS, the City Clerk's office, and Human Resources. Capital expenditures for information technology investments were budgeted in the City's Permanent Improvement Fund, but now are budgeted in the Intergovernmental Services Fund. This has caused an increase in depreciation expense. The budget includes \$1 million in property tax supported debt for information technology.

**Intergovernmental Services Fund  
Use of Funds  
(\$37.3 million)**



**Intergovernmental Services Fund  
Use of Funds by Department  
(\$37.3 million)**



### *Transfers*

Transfers-in (revenue) relates to a transfer from the general fund of \$9.6 million to subsidize BIS debt service payments and also a \$1.8 million transfer from the general debt service fund. BIS also has a transfer out (expense) of \$218,000 for debt service related to the Minneapolis Employees Retirement Fund's (MERF) unfunded pension liabilities.

### *Debt Service*

In 2010, the fund will have a bond liability of \$19.2 million, with an annual debt service payment of \$9.5 million.

### **Original Budget**

The Mayor recommends a reduction of \$1.6 million and 8 positions from the current service level for this department. This includes a \$1.3 million reduction to general fund departments and \$325,000 for non-general fund departments. If this recommendation is adopted, general fund departmental appropriations will be reduced to achieve the general fund reduction. The Council approved the Mayor's recommendations.

The budget for this fund includes a \$5,761 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### **Mayor's Revised Budget**

The Mayor recommended a reduction of \$200,000 on a one-time basis. The department shall meet this reduction through non-personnel savings and explore additional ongoing savings through the restructuring and reduction of existing services in anticipation of the 2011 budget.

### **Council Revised Budget**

The Council approves the Mayor's recommendations.

**City of Minneapolis  
FY 2010 Budget  
Financial Plan (in thousands of dollars)**

**Intergovernmental Services Fund**

	2007	2008	2009		% Chg		2011	2012	2013
	Actual	Actual	Current Budget	2009 Projected	2010 Budget	From 2009 Budget	Forecast	Forecast	Forecast
<b>Source of Funds:</b>									
Charges For Service	32,349	37,017	27,228	31,008	26,494	-2.7%	27,289	28,107	28,951
Interest	-	-	-	-	-	-	-	-	-
Gains	(250)	-	-	-	-	-	-	-	-
Other Miscellaneous Revenue	-	5	-	-	-	-	-	-	-
Operating Transfers In	15,036	11,762	15,419	15,419	11,252	-27.0%	11,873	11,873	9,873
Proceeds of Long term Liabilities	-	-	1,500	1,500	1,507	0.5%	1,000	700	872
<b>Total</b>	<b>47,135</b>	<b>48,784</b>	<b>44,147</b>	<b>47,927</b>	<b>39,253</b>	<b>-11.1%</b>	<b>40,162</b>	<b>40,680</b>	<b>39,696</b>
<b>Use of Funds:</b>									
Transfers	177	296	212	212	218	2.8%	1,718	1,718	1,718
Debt Service	1,673	3,399	10,201	10,337	9,499	-6.9%	9,695	9,165	216
City Clerk	1,352	1,158	1,202	1,202	1,188	-1.2%	1,224	1,260	1,298
Human Resources	198	178	252	302	259	2.8%	267	275	283
Information & Tech Services	30,762	13,993	25,521	30,244	24,428	-4.3%	25,161	25,916	26,693
SISSP Projects	2,871	6,622	1,500	1,500	1,507	0.5%	1,000	700	872
<b>Total</b>	<b>37,033</b>	<b>25,646</b>	<b>38,888</b>	<b>43,797</b>	<b>37,099</b>	<b>-4.6%</b>	<b>39,064</b>	<b>39,034</b>	<b>31,080</b>
<b>Change in Net Assets</b>	<b>10,153</b>	<b>18,480</b>	<b>5,259</b>	<b>4,130</b>	<b>2,154</b>		<b>1,098</b>	<b>1,647</b>	<b>8,615</b>
<b>Net Assets</b>	<b>(13,612)</b>	<b>4,868</b>	<b>10,127</b>	<b>8,998</b>	<b>12,281</b>		<b>13,379</b>	<b>15,025</b>	<b>23,641</b>
<b>Cash Balance<sup>1</sup></b>	<b>(1,886)</b>	<b>94</b>	<b>5,353</b>	<b>4,224</b>	<b>7,507</b>		<b>8,605</b>	<b>10,251</b>	<b>18,867</b>
<b>Work out Plan Target Cash<sup>2</sup></b>	<b>(1,886)</b>	<b>(1,632)</b>	<b>16</b>	<b>16</b>	<b>1,693</b>		<b>2,566</b>	<b>3,503</b>	<b>9,653</b>
<b>Variance Cash to Work-out Plan</b>	<b>-</b>	<b>1,726</b>	<b>5,337</b>	<b>4,208</b>	<b>5,814</b>		<b>6,039</b>	<b>6,748</b>	<b>9,214</b>

<sup>1</sup>Note: The 2007 CAFR cash balance is \$114,254. The actual ending cash balance was a deficit of \$1,886,000. At year end 2007, the fund received an interfund transfer of \$2,000,000 for the deficit. The interfund transfer was reversed in 2008.

<sup>2</sup> The cash projections for 2008 onward are based on the updated long-term financial plan for this fund, adopted by Council in 2008.



**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Fleet Services Fund**

**Background**

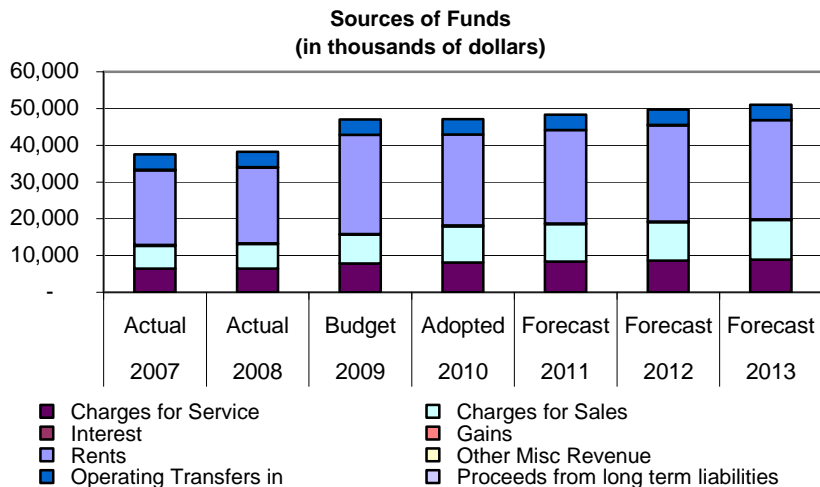
The Fleet Services Fund accounts for the ownership and operation of a fleet of approximately 1,200 vehicles and other pieces of motorized equipment, as well as 400 vehicle accessories. The City's fleet of vehicles and equipment is the largest portion of the fund's assets and has an estimated acquisition value of approximately \$64.1 million.

The Fleet Services 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 operation funds drivers and operators for equipment as necessary.

**Historical Financial Performance**

In 2000, the fund had a deficit cash position of \$17.8 million due to the fund not recovering all the costs of operation. A long-range financial plan was developed in 2001 to generate sufficient revenue to cover the full cost of operations. The fund achieved a positive cash balance of \$3.1 million in 2003 and net assets of \$13.3 million. The fund maintained a positive cash balance until 2008 when the cash balance decreased \$150,000 from the 2007 ending balance of \$200,000 to a deficit ending balance of \$49,000. A target cash balance of \$4.9 million at year end 2008 was projected by the long-term financial plan. The 2008 ending net asset balance of \$23.8 represents an increase of \$2.1 in net assets from the 2007 balance of \$21.7 million. The long-term financial plan projected a net increase of \$4.2 million and a 2008 ending net asset balance of \$26.8 million.

The original long-range financial plan financed fleet purchases by issuing general obligation bonds. Upgrading the fleet reduced the average age of the fleet, reducing maintenance costs in the fund. The fund continues to follow the plan to maintain a positive cash balance, increase net assets, and to end its reliance on bonds to fund the fleet purchases. In 2006, the practice of issuing bonds to finance fleet replacement was discontinued.



## 2010 Budget

### Revenue

The Fleet Services Division uses an activity-based costing approach to bill internal customers for use of vehicles. This method establishes a fleet rental rate that covers the replacement cost of the vehicles after the useful life. Maintenance, repairs and fuel costs of the fleet are charged separately. All of these charges are billed at a rate that allows the Fleet Services Division's revenue to match expenses. Total revenues for 2010 are budgeted at \$47.1 million, an increase of 0.1% over the 2009 budget.

### Expenditures

The 2010 expenditure budget is \$47.1 million which represents an increase of 1.4% over the 2009 budget. The difference is primarily due to recording the cost fuel inventory as an expense to materials beginning in 2010.

### Transfers

The 2010 budget includes a transfer out of \$581,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

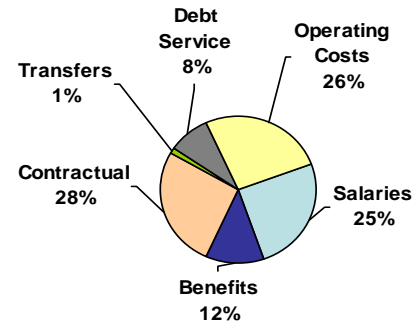
### Debt Service

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 \$3.4 million is due in 2010 related to these bonds.

### Net Assets

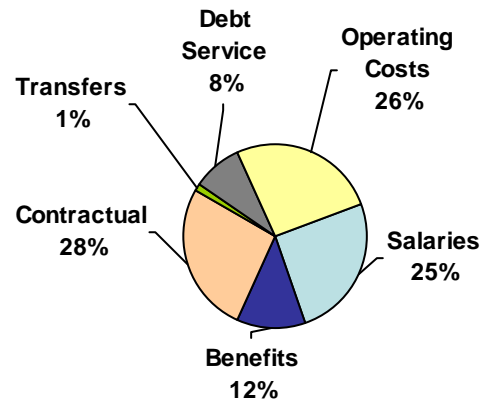
A primary objective of the long-range financial plan is to increase the fund's net assets and the cash balance. The net asset balance at year end 2008 is \$23.8 million which is an increase of \$2.1 million from the 2007 ending balance of \$21.7 million.

Use of Funds  
(\$47.1 million)

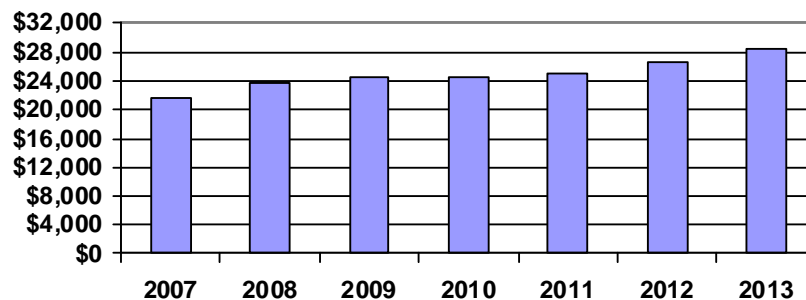


Revenue Assumptions (2010)	
Number of vehicles serviced	1200
Number of vehicles purchased	60

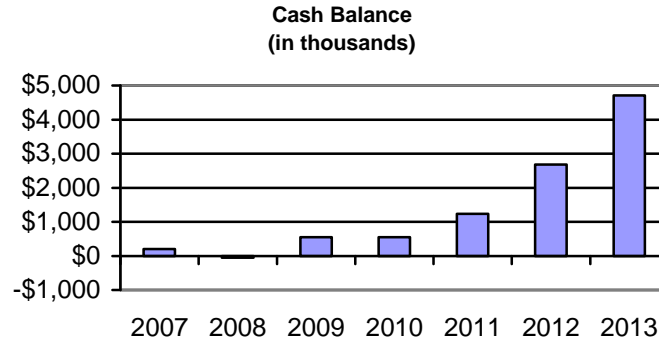
Use of Funds  
(\$47.1 million)



Net Assets (in thousands)



The fund has steadily increased its net assets since 2003 when the long range financial plan was first implemented. The 2008 ending cash balance of a deficit of \$48,707 is a decrease of \$248,644 from the 2007 ending balance of \$199,937. The following charts illustrate the historical and projected performance of the fund:



**Original Budget**

The Mayor recommended and Council approved no changes to the Equipment fund.

The budget for this fund includes a reduction of BIS charges of \$24,800 due to the Council’s actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the fund’s appropriation by the same amount. Additionally, the budget for this fund includes a \$9,620 increase to General Fund Overhead charges due to the Council’s actions to fund two internal audit positions.

**Mayor’s Revised Budget**

The Mayor recommended no changes to this fund.

**Council Revised Budget**

The Council approves the Mayor’s recommendations.

**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousand of dollars)**

**Fleet Services**

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Budget	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Charges for Service	6,486	6,460	7,860	7,000	8,133	3.5%	8,377	8,628	8,887
Charges for Sales	6,118	6,695	7,800	6,600	9,838	26.1%	10,133	10,437	10,750
Interest	1	0	1	1	0	-100.0%	1	1	1
Gains	282	164	200	200	200	0.0%	200	200	200
Rents	20,263	20,685	27,004	27,000	24,726	-8.4%	25,467	26,231	27,018
Other Misc Revenue	187	30	10	20	10	0.0%	10	10	10
Operating Transfers in	4,180	4,180	4,180	4,180	4,180	0.0%	4,180	4,180	4,180
Proceeds from long term liabilities	-	-	-	-	-		-	-	-
<b>Total</b>	<b>37,517</b>	<b>38,214</b>	<b>47,055</b>	<b>45,001</b>	<b>47,087</b>	<b>0.1%</b>	<b>48,368</b>	<b>49,688</b>	<b>51,047</b>
<b>Use of Funds:</b>									
Debt Service	7,363	3,826	3,462	3,462	3,405	-1.6%	3,451	3,280	3,331
Transfers	332	453	502	502	581	15.7%	581	581	581
PW Equipment	22,218	27,788	34,562	30,916	35,334	2.2%	36,041	36,761	37,497
PW Equipment Capital	4,852	6,996	7,927	8,469	7,752	-2.2%	7,600	7,600	7,600
<b>Total</b>	<b>34,765</b>	<b>39,063</b>	<b>46,453</b>	<b>43,349</b>	<b>47,072</b>	<b>1.3%</b>	<b>47,673</b>	<b>48,222</b>	<b>49,009</b>
<b>Change in Net Assets</b>	<b>3,338</b>	<b>2,069</b>	<b>602</b>	<b>1,652</b>	<b>15</b>		<b>696</b>	<b>1,465</b>	<b>2,038</b>
<b>Net Assets</b>	<b>21,715</b>	<b>23,784</b>	<b>24,386</b>	<b>24,386</b>	<b>24,401</b>		<b>25,096</b>	<b>26,562</b>	<b>28,600</b>
<b>Cash Balance<sup>1</sup></b>	<b>200</b>	<b>(49)</b>	<b>553</b>	<b>553</b>	<b>568</b>		<b>1,263</b>	<b>2,729</b>	<b>4,767</b>
<b>Long Range Financial Plan Target Cash</b>	<b>2,988</b>	<b>4,910</b>	<b>7,293</b>	<b>7,293</b>	<b>9,734</b>		<b>12,127</b>	<b>14,692</b>	<b>14,692</b>
<b>Variance Cash to LRFP</b>	<b>(2,788)</b>	<b>(4,959)</b>	<b>(6,740)</b>	<b>(6,740)</b>	<b>(9,166)</b>		<b>(10,864)</b>	<b>(11,963)</b>	<b>(9,925)</b>

<sup>1</sup>Cash balance for 2007 and 2008 is the sum of the CAFR cash balance and the Due to Other Funds.

**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Property Services Fund**

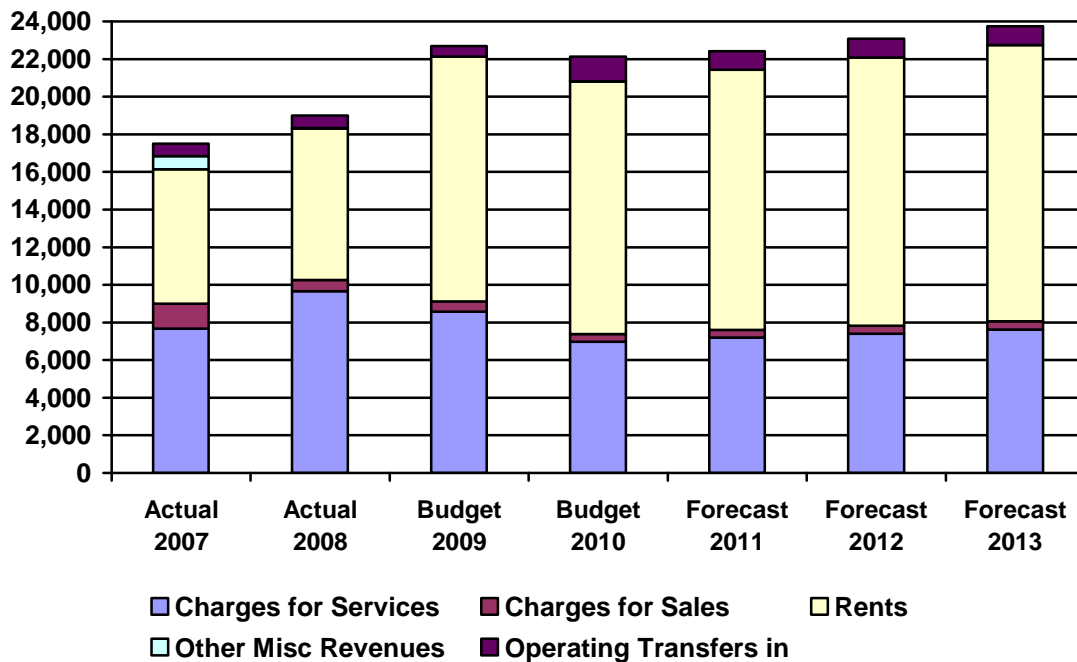
**Background**

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 property projects. Parking ramp maintenance and the radio shop operations were added to this fund in 2002. In 2004, the property services division assumed the responsibility for space and asset management and security management. In 2005, the property services division began providing maintenance for Community Planning and Economic Development department and in 2007 provided energy management for City properties.

**Historical Financial Performance**

The proposed building rental rates are based on a three-year actual expenditure average adjusted for inflation. 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 2008 year-end cash balance is \$652,000. Revenues are expected to closely match expenditures in 2009.

**Property Services Revenues**  
(in thousands of dollars)



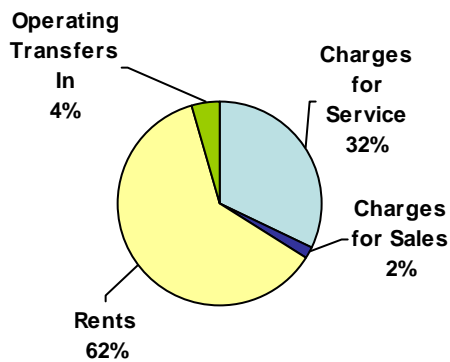
## 2010 Budget

### Revenues

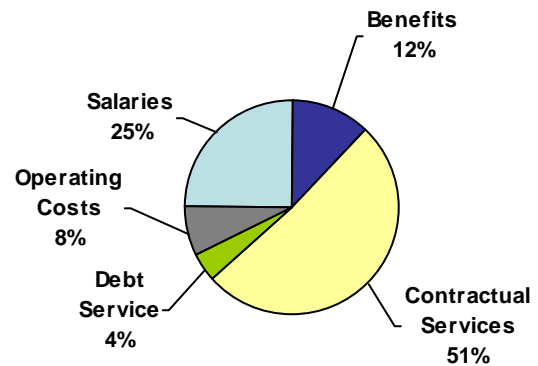
The 2010 revenue budget for this fund is \$22.1 million, or a decrease of 2.9% from 2009. The decrease in revenue from 2009 to 2010 is primarily related to an expected decline in the demand for additional services that this fund provides to City departments.

<b>Revenue Assumptions (2010)</b>	
Total Number of Buildings	121
Number of Managed Leases	3
Number of Radios	200

**Property Service Fund  
Source of Funds  
(\$22.1 million)**



**Property Service Fund  
Use of Funds  
(\$22.1 million)**



### Expenditures

The 2010 expenditure budget is \$22.1 million, a decrease of 3.3% from 2009 budget of \$22.9 million. The decrease in expenditures from 2009 to 2010 is related to the anticipated decline in the demand for additional services provided by this fund to other City departments.

### Transfers

The 2010 budget includes a transfer of \$118,000 to a pension fund debt service to cover the cost of debt related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

The fund receives a transfer of \$587,000 in 2010 from the general fund 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

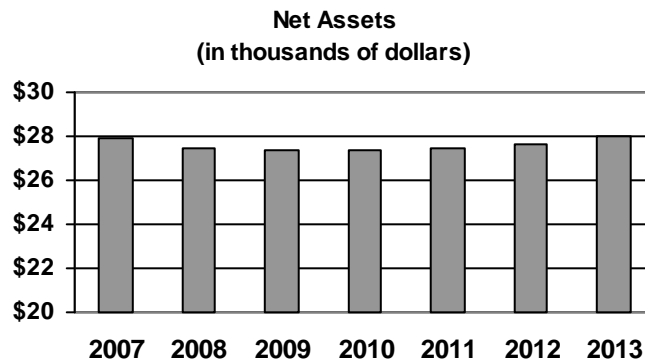
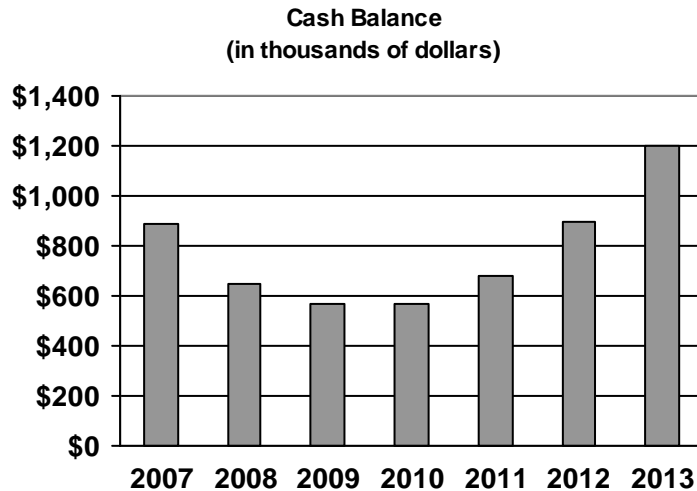
The radio shop, a division of the property services, has management responsibility for the \$14.0 million 800 MHz radio system. The property services fund recognizes the fixed assets, along with the debt related to this project. The radio shop is funding a portion of the City's public safety initiative through a contribution of \$350,000 a year.

The debt service for 800 MHz radio system is now funded as follows:

\$588,000	Transfer from the general fund
\$350,000	Property services portion of debt
\$937,000	Total debt service (Year 2010)

### Net Assets

The property services fund had a positive net asset balance of \$27.4 million at year-end 2008. The fund does not recover the cost of depreciation of the buildings that are assets of the fund. Because this cost is not recovered, the fund balance will continue to decline even though the fund recovers its operating costs through a rate model.



### Original Budget

The Mayor recommended and Council approved no changes to this fund.

The budget for this fund includes a reduction of BIS charges of \$15,500 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the fund's appropriation by the same amount. Additionally, the budget for this fund includes a \$3,676 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### Mayor's Revised Budget

The Mayor recommends one-time resources for installation of wireless equipment in the city's vehicles to increase usage of the City's wireless contract (\$360,000).

### Council Revised Budget

The Council approves the Mayor's recommendations.

**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousand of dollars)**  
**Property Services Fund - 6200**

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Budget	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Changes for Services	7,663	9,654	8,580	7,500	6,980	(18.6%)	7,189	7,405	7,627
Charges for Sales	1,328	597	530	400	400	(24.5%)	412	424	437
Rents <sup>1</sup>	7,149	8,071	13,022	12,800	13,429	4.9%	13,832	14,247	14,674
Other Misc Revenues	704	8	3	20	3	0.0%	3	3	3
Operating Transfers In	653	668	655	655	1,326	102.4%	1,366	1,000	1,000
Proceeds of Long Term Liabilities	-	-	-	-	-		-	-	-
<b>Total</b>	<b>17,497</b>	<b>18,997</b>	<b>22,790</b>	<b>21,375</b>	<b>22,138</b>	<b>(2.9%)</b>	<b>22,802</b>	<b>23,079</b>	<b>23,742</b>
<b>Use of Funds:</b>									
Property Services Administration	400	661	880	700	1,217	38.3%	1,247	1,279	1,311
Radio Equipment	1,417	1,408	2,683	1,600	2,394	(10.8%)	2,454	2,515	2,578
Municipal Market	9	18	42	35	42	0.0%	43	44	45
Facilities Management	14,712	15,796	18,273	16,405	17,409	(4.7%)	17,844	18,290	18,748
Debt Service	972	968	897	897	938	4.6%	961	985	1,010
Transfer to MERF	69	88	97	97	118	21.6%	118	118	118
<b>Total</b>	<b>17,579</b>	<b>18,940</b>	<b>22,872</b>	<b>19,734</b>	<b>22,118</b>	<b>(3.3%)</b>	<b>22,668</b>	<b>23,232</b>	<b>23,810</b>
<b>Change in Net Assets</b>	<b>( 673)</b>	<b>( 472)</b>	<b>(82)</b>	<b>1,641</b>	<b>-</b>		<b>134</b>	<b>(152)</b>	<b>(68)</b>
<b>Net Assets</b>	<b>27,908</b>	<b>27,436</b>	<b>27,354</b>	<b>28,995</b>	<b>27,354</b>		<b>27,488</b>	<b>27,336</b>	<b>27,268</b>
<b>Cash Balance<sup>1</sup></b>	<b>885</b>	<b>652</b>	<b>570</b>	<b>2,293</b>	<b>570</b>		<b>704</b>	<b>552</b>	<b>484</b>

<sup>1</sup> Cash balance for 2007 and 2008 is the sum of the CAFR cash balance and the amount Due from Other Funds



**City of Minneapolis  
FY 2010 Budget  
Financial Plan**

**Self-Insurance Fund**

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**Background**

The Self-Insurance Fund is used to account for employee dental benefits, occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, tort liability claims, workers' compensation claims and related administrative costs. The 2010 budget for expenditures for this fund is \$36.6 million, a 63.1% decrease from 2009 due to expenditures for employee medical and life insurance programs recorded directly to department funds rather than through the self insurance fund.

**Historical Financial Performance**

The net assets of the Self-Insurance Fund reflected a negative position of \$15.5 million at year-end 2008, improving \$27.7 million from the 2002 ending balance of a negative \$43.2 million. The majority of this negative balance is due to the required accounting recognition of liability for unpaid claims.

In 2003, the City Council adopted a financial plan for the Self-Insurance Fund to increase net assets and attain a positive cash balance by year-end 2006. The fund performed better than projected and reached a positive cash balance of \$1.8 million at year-end 2005 increasing cash by \$10.0 million from a negative \$8.2 million at year-end 2001. The fund has continued performing above expectations ending with a positive cash balance of \$18.8 million at year end 2008, an increase of \$7.8 million from the 2007 ending balance of \$11.0 million. The long-term financial plan projected a 2008 ending cash balance of \$16.7 million. The net asset balance at year end 2008 is a deficit of \$15.5 million representing an increase of \$10.9 million from the deficit balance of \$26.4 at year end 2007. The long-term financial plan projected a 2008 net asset balance of a deficit of \$20.3 million. The fund's 2008 net asset balance is \$4.9 million ahead of the plan's projection. The anticipated net income for 2009 is \$10.2 million. At year end 2008, the total bond debt of \$1.06 million was paid in full.

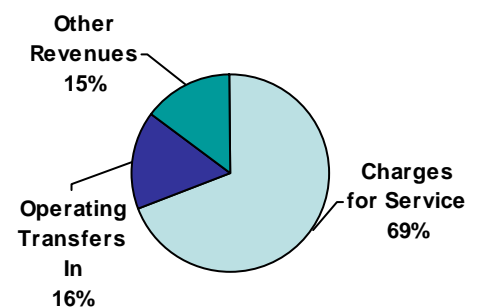
**2010 Budget**

*Revenues/Expenditures*

Beginning in August 2008, payments for medical and life insurance are processed directly from payroll to the vendors and do not flow through this fund as was previous practice. The City selected Medica as its health insurance provider for a three-year period beginning January 1, 2007. 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

**Self Insurance Fund  
Source of Funds  
(\$48.1 million)**

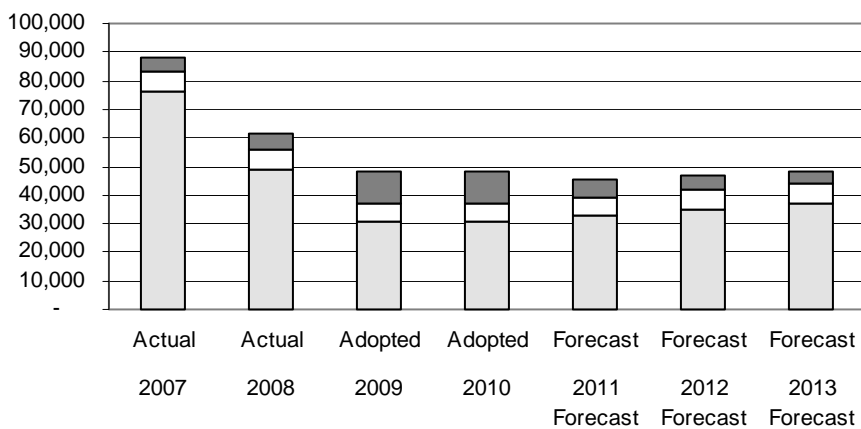


pay contributions from the City and Park Board into a severance pool. The rate for City police officers and firefighters is 1.1% of gross pay.

The Alternative Dispute Resolution (ADR) Program was established through funds collected through payroll deductions and direct payment as agreed in previous labor contracts. Occupational health actual expenses are billed to departments. The worker's compensation payments are estimated at \$6.3 million for 2010. This is a 6.0% increase over the prior year's budgeted amount to bring the 2010 budget in line with a recent actuarial study. The same study predicted an increase in liability payments resulting in an increase of 2.0% to \$6.3 million in the 2010 liability budget.

For 2007, a rate model was implemented to recover costs associated with all programs in the fund. The rate model assigns costs to City departments based on a minimum of 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)



□ Charges for Service □ Other Misc Revenues ■ Operating Transfers In

**Debt Service**

Given that all debt payments were satisfied in 2008, there is no debt service in 2010. The \$5.4 million in debt outstanding at year end of 2005 was reduced by a \$3.1 million payment in 2006 due to a Council action to apply excess general fund appropriations from 2005.

**Original Budget**

The Mayor recommended a reduction in the departments operating within the Self Insurance Fund of 2% (\$204,000). This decision impacts the following departments: Finance, City Attorney and Human Resources.

The Mayor also recommended accelerating the long-term financial plan transfer by \$3.5 million in 2010 to create capacity in future years.

The Council approved the Mayor's recommendations.

The budget for this fund includes a reduction of BIS charges to the departments within this fund (Attorney, Human Resources and Finance) of \$35,900 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the fund's appropriation by the same amount. Additionally, the budget for this fund includes a \$2,347 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### Mayor's Revised Budget

The Mayor recommended no changes to this fund.

### Council Revised Budget

The Council approves the Mayor's recommendations.

**City of Minneapolis**  
**FY 2010 Budget**  
**Financial Plan (in thousands of dollars)**

**Self Insurance Fund - 6900**

	2007 Actual	2008 Actual	2009 Current Budget	2009 Projected	2010 Budget	% Chg From 2009 Budget	2011 Forecast	2012 Forecast	2013 Forecast
<b>Source of Funds:</b>									
Charges for Service <sup>3</sup>	75,878	49,253	93,947	31,624	30,727	N/A	32,637	34,706	36,948
Interest	-	-	-	-	-		-	-	-
Other Misc Revenues	7,155	6,356	8,516	8,516	6,521	-23.4%	6,782	7,054	7,336
Operating Transfers In	4,750	5,643	6,915	6,915	10,810	56.3%	6,310	5,310	4,310
<b>Total</b>	<b>87,783</b>	<b>61,252</b>	<b>109,378</b>	<b>47,055</b>	<b>48,059</b>	<b>-56.1%</b>	<b>45,730</b>	<b>47,069</b>	<b>48,594</b>
<b>Use of Funds:</b>									
Debt Service	53	1,082	-	-	-		-	-	-
Transfers	97	131	145	145	140	-3.4%	150	150	150
Health and Welfare <sup>3</sup>	58,700	33,201	77,657	15,716	13,925	-82.1%	15,596	17,467	19,564
Attorney	5,404	5,046	5,623	5,635	6,101	8.5%	6,284	6,472	6,666
Workers Compensation	6,349	7,424	5,932	5,932	6,290	6.0%	6,479	6,673	6,873
Liability	10,277	1,630	6,147	6,147	6,271	2.0%	6,459	6,653	6,852
Human Resources	1,116	1,092	1,372	1,374	1,401	2.1%	1,443	1,486	1,531
Finance Dept - Risk Mgmt	2,054	1,829	2,284	2,286	2,459	7.7%	2,533	2,609	2,687
<b>Total</b>	<b>84,050</b>	<b>51,435</b>	<b>99,160</b>	<b>37,235</b>	<b>36,586</b>	<b>-63.1%</b>	<b>38,943</b>	<b>41,510</b>	<b>44,323</b>
<b>Change in Net Assets</b>	<b>3,732</b>	<b>10,877</b>	<b>10,218</b>	<b>9,820</b>	<b>11,472</b>	<b>12.3%</b>	<b>6,787</b>	<b>5,559</b>	<b>4,271</b>
<b>Net Assets</b>	<b>(26,370)</b>	<b>(15,493)</b>	<b>(5,275)</b>	<b>(5,673)</b>	<b>6,197</b>	<b>217.5%</b>	<b>12,984</b>	<b>18,543</b>	<b>22,814</b>
<b>Cash Balance<sup>1</sup></b>	<b>11,002</b>	<b>18,767</b>	<b>28,985</b>	<b>28,587</b>	<b>40,457</b>	<b>39.6%</b>	<b>47,244</b>	<b>52,803</b>	<b>57,074</b>
<b>Workout Plan Target Cash Balance<sup>2</sup></b>	<b>2,645</b>	<b>16,678</b>	<b>23,412</b>	<b>23,412</b>	<b>30,663</b>		<b>37,317</b>	<b>42,986</b>	<b>47,670</b>
<b>Variance</b>	<b>8,357</b>	<b>2,089</b>	<b>5,573</b>	<b>5,175</b>	<b>9,794</b>		<b>9,927</b>	<b>9,817</b>	<b>9,404</b>

<sup>1</sup>The 2007 and 2008 cash balances include the total of the CAFR cash balance and the year-end balance in due from other funds.

<sup>2</sup>The cash projections for 2008 onward are based on the updated long-term financial plan for this fund, adopted by Council in 2008, which accelerated the target cash balance.

<sup>3</sup> Beginning in August 2008, medical and life insurance charges do not flow through the Self Insurance Fund. The 2008 actuals and the 2009 Projection are adjusted for this decrease in revenue and expenditures related to medical insurance.

**City of Minneapolis  
FY 2010 Budget**

**Financial Schedules**

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The schedules that follow represent the legally adopted appropriations, revenue estimates, project allocations, fees, and charges.

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**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
AGENCY	INVESTMENT POOL			0
	LUMBER EXCHANGE SKYWAY			0
	GENERAL FIXED ASSETS-CITY			0
	Capital Assets - Parks			0
	HR COMBO CODE DEFAULT			0
<b>TOTAL AGENCY</b>				<b>0</b>
GENERAL	GENERAL FUND	371,560,161	371,559,942	-219
<b>TOTAL GENERAL</b>		<b>371,560,161</b>	<b>371,559,942</b>	<b>-219</b>
SPECIAL REVENUE	HENNEPIN ENTERTAINMENT TE BOND			0
	HUMBOLDT GREENWAY TE BONDS			0
	URBAN VILLAGE TE BONDS			0
	WEST SIDE MILLING TE BONDS			0
	WEST SIDE MILLING TE BONDS II			0
	TAX INCREMENT ADMINISTRATION	1,920,000	1,222,037	-697,963
	CENTRAL AVE LOFTS	108,670	108,636	-34
	CAMDEN MEDICAL FACILITY	40,151	39,000	-1,151
	ST ANNE'S HOUSING	48,893	46,150	-2,743
	ANTIQUES MINNESOTA	39,750	39,658	-92
	COMMON PROJECT UNCERTIFIED	656,400	635,621	-20,779
	WEST BROADWAY	22	27,500	27,478
	EAST BANK 1335	39	27,500	27,461
	GRANT	22	40,000	39,978
	CHICAGO AND LAKE	232,014	220,000	-12,014
	NINTH & HENNEPIN	124,960	128,412	3,452
	NORTH LOOP	33	830,000	829,967
	INDUSTRY SQUARE	23	2,610,000	2,609,977
	SEWARD SOUTH	29	1,227,500	1,227,471
	CEDAR RIVERSIDE	18,172	272,500	254,328
	HOUSING FOR CHRONIC ALCOHOLICS	29,242	27,500	-1,742
	HENNEPIN & LAKE	6,880		-6,880
	BROADWAY 35-W	7,530		-7,530
	BOTTINEAU	170,231	161,834	-8,397
	FRANKLIN AVENUE			0
	CONSERVATORY	4,495,682	1,841,850	-2,653,832
	LORING PARK	23,485		-23,485
	LAUREL VILLAGE	3,112,699	1,979,849	-1,132,850
	CITY CENTER	12,231	169,125	156,894
	SOUTH NICOLLET MALL	11,649,400	7,263,725	-4,385,675
	CENTRAL CARE NURSING HOME			0
	CLARE HOUSING	13,715	1,400	-12,315
	DEEP ROCK TAX INCREMENT			0
	DOWNTOWN EAST LRT			0
	2700 EAST LAKE	98,069	97,777	-292
	EAST PHILLIPS	28,104	28,299	195
	EAST VILLAGE	237,112	223,602	-13,510

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
SPECIAL REVENUE	50TH & FRANCE	209,996	198,697	-11,299
	FRANKLIN PORTLAND WELLSTONE	34,100	34,069	-31
	FORMER FED RESERVE	1,163,612	1,080,637	-82,975
	GRAIN BELT	161,278	153,391	-7,887
	GRACO TI	143,698	135,973	-7,725
	GRAIN BELT HOUSING DIST 132	80,887	77,783	-3,104
	110 GRANT	506,391	300,000	-206,391
	13TH AND HARMON	294,059	276,998	-17,061
	PARCEL C TI DISTRICT	510,784	486,810	-23,974
	HISTORIC DEPOT REUSE DIST 93	824,698	784,975	-39,723
	HENNEPIN & 7TH ENTERTAINMENT	2,079,008	1,978,702	-100,306
	HUMBOLDT GREENWAY DIST 98	334,186	312,940	-21,246
	HIAWATHA COMMONS HOUSING	109,734	104,315	-5,419
	HUMBOLDT INDUSTRIAL PARK	157,413	155,558	-1,855
	HERITAGE LAND APTS	508,848	436,667	-72,181
	HERITAGE PARK	494,578	509,971	15,393
	900 6TH AVE SE	75,119	72,552	-2,567
	EAST HENNEPIN & UNIVERSITY	1,428,139	1,425,867	-2,272
	CAMDEN AREA IMPACT			0
	IVY TOWER	796,082	770,369	-25,713
	JOURDAIN	50,952	51,082	130
	LOCAL CONTRIBUTION FUND		56,627	56,627
	LOWRY RIDGE	111,684	100,315	-11,369
	LAKE STREET CENTER	2,774,838	2,733,680	-41,158
	MAGNUM LOFTS	55,874	54,574	-1,300
	MANY RIVERS	69,987	67,722	-2,265
	MANY RIVERS WEST	46,449	46,073	-376
	1900 CENTRAL AVE HSG	68,791	66,766	-2,025
	NICOLLET FRANKLIN	232,491	219,676	-12,815
	NRP			0
	COLOPLAST	236,195	240,267	4,072
	NWIP	30,377		-30,377
	HOLMES	32,379		-32,379
	NICOLLET ISLAND EAST BANK	22,906		-22,906
	PORTLAND PLACE	94,232	77,618	-16,614
	NOKOMIS HOLMES	299,812		-299,812
	ELLIOT PARK			0
	NICOLLET & LAKE	9,206		-9,206
	CENTRAL & 20TH	109,736		-109,736
	CENTRAL AVENUE MARKET			0
	MILES I	142,941		-142,941
	NBA ARENA	2,852,226	4,182,365	1,330,139
	PHILLIPS PARK	72,415	65,043	-7,372
	LASALLE PLACE	2,268,972	650,000	-1,618,972
	CAPITAL PROJECTS- OTHER	50,000	9,221	-40,779
	PRELIMINARY PLANNING	2,005,500	2,987,340	981,840

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

	<b>Total Revenues</b>	<b>Total Expense</b>	<b>Change in Fund Balance</b>
SPECIAL REVENUE NEIMAN MARCUS	1,915,479	471,793	-1,443,686
IDS DATA SERVICE CENTER	4,123,690	1,909,352	-2,214,338
BLOCK E			0
PARK AVENUE EAST		6,306	6,306
36TH AND MARSHALL			0
COMMON PROJECT RESERVE			0
CAPITAL PROJECTS ARBITRAGE FUND			0
RIPLEY GARDENS	73,076	68,060	-5,016
CREAMETTE DISTRICT 84	143,267	128,683	-14,584
MARSHALL RIVER RUN	91,578	87,488	-4,090
ROSACKER NURSERY SITE	138,872	120,000	-18,872
STONE ARCH APARTMENTS	300,244	282,725	-17,519
SPRING & CENTRAL	15,217	15,000	-217
SHINGLE CREEK COMMONS	85,326	82,585	-2,741
ST ANTHONY MILLS	138,277	130,395	-7,882
STINSON	832,366	777,954	-54,412
SEMI-PHASE 1	576,599	614,270	37,671
SEMI-PHASE 2	245,430	231,521	-13,909
SEMI-PHASE 3	117,363	112,063	-5,300
SEMI-PHASE 4	214,650	202,780	-11,870
SEMI-PHASE 5	159,851	151,774	-8,077
TOWERS AT ELLIOT PARK	1,455,145	834,035	-621,110
2ND ST N HOTEL/APTS TOWNPLACE	225,045	212,194	-12,851
10TH AND WASHINGTON	531,537	494,673	-36,864
UNITED VAN BUS	67,902	193,750	125,848
EAST RIVER / UNOCAL SITE	229,160	216,949	-12,211
URBAN VILLAGE	434,236	18,405	-415,831
VAN CLEVE EAST	36,531	57,373	20,842
VILLAGE IN PHILLIPS HOUSING	58,608	57,604	-1,004
VILLAGE IN PHILLIPS PHASE II	52,267	52,203	-64
VAN CLEVE REDEVELOPMENT	40,189	51,199	11,010
VAN CLEVE WEST	18,744	29,001	10,257
WASHINGTON COURTS APTS	42,596	42,591	-5
WEST SIDE MILLING DISTRICT	1,997,472	1,598,935	-398,537
WEST RIVER COMMONS	103,295	98,918	-4,377
HOUSING REPLACEMENT 1	356,958	58,198	-298,760
HOUSING REPLACEMENT 2	113,919	60,196	-53,723
HSG REPLACE-WATERSHED 3			0
BLOCK 33	23,101		-23,101
MCDA UDAG LEVERAGE INVESTMENT			0
MCDA NEIGHBORHOOD DEVEL ACCT		10,035	10,035
CPED OPERATING	4,980,800	7,958,560	2,977,760
NRP ADMINISTRATION		275,469	275,469
COMMUNITY DEVELOPMENT LEVY			0
DEVELOPMENT ACCOUNT	1,470,000	7,106,233	5,636,233
ECONOMIC DEVELOPMENT PROGRAM	3,850,000	5,309,391	1,459,391

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
SPECIAL REVENUE	HOUSING FINANCE			0
	HOUSING PROGRAM		2,762,638	2,762,638
	HOME OWNERSHIP WORKS		800,000	800,000
	LEVERAGED INVESTMENT FUND			0
	MCDA STATE GRANTS & LOAN			0
	NEIGHBORHOOD HOUSING		151,050	151,050
	NRP NON TI			0
	COMMUNITY DEVELOPMENT	1,125,000	9,522,596	8,397,596
	RESIDENTIAL HOUSING	399,000	683,130	284,130
	UPPER RIVER LAND BANK			0
	BOARD OF ESTIMATE AND TAXATION	344,123	344,695	572
	POLICE DEPT - SPECIAL REVENUE	3,231,348	3,274,968	43,620
	ARENA - RESERVE	3,833,000		-3,833,000
	CONVENTION FACILITES - RESERVE	1,150,000	1,000,000	-150,000
	GRANTS - FEDERAL	20,015,263	20,014,098	-1,165
	MCDA FEDERAL GRANTS-OTHER			0
	CDBG & UDAG FUNDS	16,008,000	16,007,998	-2
	MCDA CDBG			0
	HOME	4,102,361	3,802,000	-300,361
	GRANTS - OTHER	16,189,619	15,894,218	-295,401
	CONVENTION CENTER OPERATIONS	79,375,642	85,985,194	6,609,552
	FIRE PENSION BONDS			0
	MERF PENSION BONDS			0
	POLICE PENSION BONDS			0
	EMPLOYEE RETIREMENT	11,766,074	14,231,203	2,465,129
	PARK - GENERAL FUND	56,143,987	56,143,987	0
	PARK - MUSEUM (ART INSTITUTE)	12,178,277	12,178,277	0
	PARK - GRANT & SPECIAL REVENUE	1,167,600	1,168,340	740
	PARK-SPEC REV-INTEREST BEARING			0
	PARK - OPERATIONS - ENTERPRISE	14,032,264	14,032,264	0
	LIBRARY - GENERAL FUND			0
	LIBRARY - CAPITAL IMPROVEMENTS	5,810,000	5,810,000	0
	LIBRARY REF DEBT SERVICE	9,114,000		-9,114,000
	HISTORIC PRESERVATION FUND	(141,030)		141,030
	MUNICIPAL BUILDING COMMISSION	8,183,827	8,105,645	-78,182
	JOINT BOARD			0
	MEDC			0
	YOUTH COORDINATING BOARD	2,310,496	1,480,694	-829,802
	NEIGHBORHOOD REVITAL POLICY	1,382,156	1,382,156	0
	PUBLIC HOUSING AUTHORITY	287,000	508,020	221,020
<b>TOTAL SPECIAL REVENUE</b>		<b>337,890,928</b>	<b>345,585,953</b>	<b>7,695,025</b>
CAPITAL PROJECT	AUG 01 VARIOUS PURPOSE			0
	JUNE 02 VARIOUS PURPOSE BONDS			0
	DEC02 VARIOUS PURPOSE BONDS			0
	JUNE 03 VARIOUS PURPOSE BONDS			0
	JUNE 04 VARIOUS PURPOSE BONDS			0



**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
CAPITAL PROJECT	JUNE 05 VARIOUS PURPOSE BONDS			0
	JUNE99 VARIOUS PURPOSE BONDS			0
	OCT05 VAR PURP REFUNDING BONDS			0
	JUNE 06 VARIOUS PURPOSE BONDS			0
	JUNE 07 VARIOUS PURPOSE BONDS			0
	MAY 08 VARIOUS PURPOSE BONDS			0
	JUNE03 HERITAGE PARK ARBITRAGE			0
	OCT 02 IMPROV BOND ARBITRAGE			0
	NOV03 IMPROV BOND ARBITRAGE			0
	NOV04 IMPROV BOND ARBITRAGE			0
	NOV05 IMPROV BOND ARBITRAGE			0
	NOV06 IMPROV BOND ARBITRAGE			0
	NOV07 IMPROV BOND ARBITRAGE			0
	NOV08 IMPROV BOND ARBITRAGE			0
	OCT03 LIBRARY REF BONDS			0
	NOV04 LIBRARY REF BONDS			0
	JUNE 05 LIBRARY REFERNDM BNDS			0
	JUNE 06 LIBRARY REF BONDS			0
	May 08 Library Ref Bonds			0
	MAR05 MILLQTR/GUTHRIE PKG BOND			0
	JUNE00 VARIOUS PURPOSE BONDS			0
	CAPITAL IMPROVEMENTS	60,580,155	65,718,023	5,137,868
	ARBITRAGE 1993 PARK BONDS			0
	PARK - CAPITAL IMPROVEMENTS	3,000,000	3,000,000	0
	PARK-CAPITAL IMPROVE-ASSESSED	500,000	500,000	0
	MBC - CAPITAL IMPROVEMENTS	996,000	996,000	0
<b>TOTAL CAPITAL PROJECT</b>		<b>65,076,155</b>	<b>70,214,023</b>	<b>5,137,868</b>
DEBT SERVICE	01 IMPROVEMENT BONDS - 10 YR			0
	01 IMPROVEMENT BONDS - 20 YR		701,553	701,553
	00 IMPROVEMENT BONDS			0
	96 IMPROVEMENT BONDS		135,100	135,100
	97 IMPROVEMENT BONDS		210,625	210,625
	98 IMPROVEMENT BONDS		1,586	1,586
	BOND REDEM ARBIT 6/90 IMP BOND		274,938	274,938
	BOND REDEM ARBIT 6/91 IMP BOND		176,375	176,375
	MCDA DEBT SERVICE			0
	ST ANTHONY DEBT SERVICE			0
	BOND REDEM ARBIT 6/92 IMP BOND			0
	BOND REDEM ARBIT 6/93 IMP BOND		174,500	174,500
	BOND REDEM ARBIT 6/94 IMP BOND			0
	BOND REDEM ARBIT 6/95 IMP BOND			0
	OCT 02 IMPROV BOND D/S		460,300	460,300
	NOV03 IMPROV BOND D/S		576,028	576,028
	NOV04 IMPROV BOND D/S		842,113	842,113
	NOV05 IMPROV BOND D/S		494,288	494,288
	NOV06 IMPROV BOND D/S		364,100	364,100

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
DEBT SERVICE	NOV07 IMPROV BOND D/S		549,525	549,525
	NOV08 IMPROV BOND D/S		1,026,188	1,026,188
	NOV09 IMPROV BOND D/S		1,336,340	0
	BOND REDEM ARBIT ASSESS PARK		366,800	366,800
	BOND REDEM ARBIT 6/87 IMP BOND			0
	BOND REDEM ARBIT 9/87 IMP BOND			0
	BOND REDEM ARBIT 6/88 IMP BOND			0
	BOND REDEM ARBIT 6/89 IMP BOND			0
	BOND REDEM ARBIT NIC MALL BOND	169,125	1,588,750	1,419,625
	BOND REDEMPTION - DEBT SERVICE	15,818,600	10,813,144	-5,005,456
	OTH SELF SUPPORTING DEBT SERVC	71,298	1,312,730	1,241,432
	MIDTOWN EXCH 108 LOAN ACCOUNT		568,368	568,368
	PENSION FUND DEBT SERVICE	15,498,954	5,686,838	-9,812,116
	LIBRARY REF DEBT SERVICE	9,114,000	8,897,563	-216,437
	CONVENTION CENTER-DEBT SERVICE	20,151,000	20,150,375	-625
	TARGET CENTER		1,572,032	1,572,032
	BOND REDEMPTION - ASSESSMENT			0
	CONCERT HALL - DEBT SERVICE			0
	TAX INCREMENT - DEBT SERVICE	12,482,791	12,416,813	-65,978
<b>TOTAL DEBT SERVICE</b>		<b>73,305,768</b>	<b>70,696,972</b>	<b>-3,945,136</b>
INTERNAL SERVICE	MATERIALS & LAB-INTERNAL SVC	1,460,000	1,457,370	-2,630
	EQUIPMENT - INTERNAL SERVICE	47,087,525	47,071,809	-15,716
	JUNE 03 PROP SERV ARBITRAGE			0
	PROPERTY - INTERNAL SERVICE	22,137,719	22,117,950	-19,769
	STORES - INTERNAL SERVICE	1,152,500	1,181,188	28,688
	INFO TECH - INTERNAL SERVICE	39,253,362	37,099,103	-2,154,259
	SELF INSURANCE-INTERNAL SVC	48,058,793	36,586,050	-11,472,743
	PARK - INTERNAL SERVICE	5,069,308	5,356,760	287,452
	PARK-SELF INSURE-INTERNAL SVC	2,659,283	2,659,283	0
<b>TOTAL INTERNAL SERVICE</b>		<b>166,878,490</b>	<b>153,529,513</b>	<b>-13,348,977</b>
ENTERPRISE	DEFAULTED PROPERTY ADMIN		69,200	69,200
	FED HOME LN BANK ECON DEVELOP		75,000	75,000
	FHLB HOUSING DEVELOPMENT			0
	HOUSING OWNWERSHIP PROGRAM	111,300	111,000	-300
	HOME OWNERSHIP & RENOVATION	307,650	305,002	-2,648
	LOAN & GRANT PROGRAMS			0
	RIVER TERMINAL	1,250,000	1,622,167	372,167
	GARFS	250,000	332,846	82,846
	THEATRES		6,955	6,955
	JUNE00 UST/SKYWAY TI BONDS			0
	AUG 01 SEWER ARBITRAGE			0
	JUNE 03 SEWER ARBITRAGE			0
	JUNE 03 WATER ARBITRAGE			0
	SANITARY SEWER FUND	54,931,940	55,609,966	678,026
	STORMWATER FUND	42,345,324	41,432,064	-913,260

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<b>Total Revenues</b>	<b>Total Expense</b>	<b>Change in Fund Balance</b>
ENTERPRISE	WATER - ENTERPRISE	67,328,363	64,180,286	-3,148,077
	900 NICOLLET TAXABLE			0
	AUG 01 LRT EAST RAMP			0
	OCT 02 WALKER RAMP ARBITRAGE			0
	DEC 03 GUTHRIE RAMP ARBITRAGE			0
	VILLAGE GREEN ESCROW			0
	MUNICIPAL PARKING-ENTERPRISE	70,755,341	73,529,159	2,773,818
	SOLID WASTE - ENTERPRISE	29,178,210	34,397,632	5,219,422
	LIBRARY PKG ENTERPRISE FUND			0
<b>TOTAL ENTERPRISE</b>		<b>266,458,128</b>	<b>271,671,276</b>	<b>5,213,148</b>
<b>TOTAL ALL FUNDS</b>		<b>1,281,169,630</b>	<b>1,283,257,679</b>	<b>751,708.82567491</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

<b>AGENCY</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% Change</b>
<b><u>INVESTMENT POOL</u></b>					
Interest	0				0.0%
<b>Total INVESTMENT POOL</b>	<b>0</b>				<b>0.0%</b>
<b><u>LUMBER EXCHANGE SKYWAY</u></b>					
Interest	0				0.0%
Gains	0				0.0%
<b>Total LUMBER EXCHANGE SKYWAY</b>	<b>0</b>				<b>0.0%</b>
<b><u>GENERAL FIXED ASSETS-CITY</u></b>					
Gains	0	27,883			0.0%
Long Term Liabilities Proceeds	0	(39,970)			0.0%
<b>Total GENERAL FIXED ASSETS-CITY</b>	<b>0</b>	<b>(12,087)</b>			<b>0.0%</b>
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(12,087)</b>			<b>0.0%</b>

**GENERAL**

<b><u>GENERAL FUND</u></b>					
Property Taxes	121,318,039	149,664,009	165,373,960	167,660,550	1.4%
Sales and Other Taxes	18,984	22,643			0.0%
Franchise Fees	29,548,191	31,704,849	28,110,000	29,110,000	3.6%
License and Permits	25,201,940	25,922,437	26,355,834	27,389,503	3.9%
Federal Government	0	(1,500)			0.0%
State Government	81,076,546	75,338,587	73,423,814	67,255,465	-8.4%
Local Government	698,094	562,130	731,823	733,318	0.2%
Charges for Service	35,818,627	38,251,560	34,967,298	34,672,426	-0.8%
Charges for Sales	102,320	96,101	41,225	31,600	-23.3%
Fines and Forfeits	8,488,082	8,670,165	10,972,924	9,829,727	-10.4%
Special Assessments	4,423,421	4,868,482	3,252,926	2,544,804	-21.8%
Interest	2,375,850	4,073,754	1,200,000	1,500,000	25.0%
Gains	384,803				0.0%
Rents	8,169	6,580	9,400	9,400	0.0%
Contributions	170,731	425,115	400,000	450,000	12.5%
Other Misc Revenues	886,668	579,311	1,031,873	10,447,368	912.5%
Transfers In	14,981,031	19,163,821	17,956,000	19,926,000	11.0%
<b>Total GENERAL FUND</b>	<b>325,501,497</b>	<b>359,348,046</b>	<b>363,827,077</b>	<b>371,560,161</b>	<b>2.1%</b>
<b>TOTAL GENERAL</b>	<b>325,501,497</b>	<b>359,348,046</b>	<b>363,827,077</b>	<b>371,560,161</b>	<b>2.1%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b><u>SPECIAL REVENUE</u></b>					
<b><u>HENNEPIN ENTERTAINMENT TE BOND</u></b>					
Interest	0				0.0%
Gains	0				0.0%
<b>Total HENNEPIN ENTERTAINMENT TE BOND</b>	<b>0</b>				<b>0.0%</b>
<b><u>HUMBOLDT GREENWAY TE BONDS</u></b>					
Interest	13,692	5,892			0.0%
Gains	837				0.0%
<b>Total HUMBOLDT GREENWAY TE BONDS</b>	<b>14,529</b>	<b>5,892</b>			<b>0.0%</b>
<b><u>URBAN VILLAGE TE BONDS</u></b>					
Interest	50,105	24,844			0.0%
Gains	(142)				0.0%
<b>Total URBAN VILLAGE TE BONDS</b>	<b>49,963</b>	<b>24,844</b>			<b>0.0%</b>
<b><u>WEST SIDE MILLING TE BONDS</u></b>					
Interest	1,196	(536)			0.0%
Gains	(118)				0.0%
<b>Total WEST SIDE MILLING TE BONDS</b>	<b>1,078</b>	<b>(536)</b>			<b>0.0%</b>
<b><u>WEST SIDE MILLING TE BONDS II</u></b>					
State Government	0				0.0%
Charges for Service	0				0.0%
Interest	3,166	839			0.0%
Gains	126				0.0%
Other Misc Revenues	0				0.0%
<b>Total WEST SIDE MILLING TE BONDS II</b>	<b>3,292</b>	<b>839</b>			<b>0.0%</b>
<b><u>TAX INCREMENT ADMINISTRATION</u></b>					
Property Taxes	0		37,430		-100.0%
State Government	0		1,000,000		-100.0%
Charges for Service	57	101			0.0%
Interest	(137,334)	(115,838)	55		-100.0%
Gains	(13,841)				0.0%
Other Misc Revenues	0		4,000,000		-100.0%
Transfers In	0	1,252,000		1,920,000	0.0%
<b>Total TAX INCREMENT ADMINISTRATION</b>	<b>(151,118)</b>	<b>1,136,263</b>	<b>5,037,485</b>	<b>1,920,000</b>	<b>-61.9%</b>
<b><u>CENTRAL AVE LOFTS</u></b>					
Property Taxes	0			108,669	0.0%
Interest	0	(4)		1	0.0%
<b>Total CENTRAL AVE LOFTS</b>	<b>0</b>	<b>(4)</b>		<b>108,670</b>	<b>0.0%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b><u>CAMDEN MEDICAL FACILITY</u></b>					
Property Taxes	32,742	36,696	37,430	39,753	6.2%
Interest	857	758	55	398	623.6%
Gains	(3)				0.0%
<b>Total CAMDEN MEDICAL FACILITY</b>	<b>33,596</b>	<b>37,454</b>	<b>37,485</b>	<b>40,151</b>	<b>7.1%</b>
<b><u>ST ANNE'S HOUSING</u></b>					
Property Taxes	1,808	16,917	17,227	48,839	183.5%
Interest	(24)	(23)	34	54	58.8%
Gains	(15)				0.0%
<b>Total ST ANNE'S HOUSING</b>	<b>1,769</b>	<b>16,894</b>	<b>17,261</b>	<b>48,893</b>	<b>183.3%</b>
<b><u>ANTIQUES MINNESOTA</u></b>					
Property Taxes	35,348	33,859	37,356	39,748	6.4%
Interest	467	140	75	2	-97.3%
Gains	2				0.0%
<b>Total ANTIQUES MINNESOTA</b>	<b>35,817</b>	<b>33,999</b>	<b>37,431</b>	<b>39,750</b>	<b>6.2%</b>
<b><u>COMMON PROJECT UNCERTIFIED</u></b>					
Charges for Service	2,800	2,100	147,400	38,000	-74.2%
Charges for Sales	184,679	396,571	550,000	618,400	12.4%
Interest	243,960	79,692			0.0%
Gains	10,089				0.0%
Rents	246,996	246,824			0.0%
Other Misc Revenues	3,427	67,826			0.0%
Transfers In	0	864,000			0.0%
<b>Total COMMON PROJECT UNCERTIFIED</b>	<b>691,951</b>	<b>1,657,013</b>	<b>697,400</b>	<b>656,400</b>	<b>-5.9%</b>
<b><u>WEST BROADWAY</u></b>					
Property Taxes	783,484	794,101	435,938		-100.0%
State Government	11,234	10,823			0.0%
Charges for Sales	19,667				0.0%
Interest	5,747	9,568	22	22	0.0%
Gains	86				0.0%
Other Misc Revenues	26,221				0.0%
<b>Total WEST BROADWAY</b>	<b>846,439</b>	<b>814,493</b>	<b>435,960</b>	<b>22</b>	<b>-100.0%</b>
<b><u>EAST BANK 1335</u></b>					
Property Taxes	2,500,928	2,901,249	1,518,159		-100.0%
State Government	86,371	73,735			0.0%
Interest	15,878	31,406	109	39	-64.2%
Gains	271				0.0%
<b>Total EAST BANK 1335</b>	<b>2,603,448</b>	<b>3,006,391</b>	<b>1,518,268</b>	<b>39</b>	<b>-100.0%</b>
<b><u>GRANT</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Property Taxes	624,110	619,040	351,069		-100.0%
Interest	4,092	6,790	110	22	-80.0%
Gains	21				0.0%
<b>Total GRANT</b>	<b>628,223</b>	<b>625,831</b>	<b>351,179</b>	<b>22</b>	<b>-100.0%</b>
<b><u>CHICAGO AND LAKE</u></b>					
Property Taxes	164,941	170,192	173,597	227,464	31.0%
Interest	3,045	896	129	4,550	3,427.1%
Gains	28				0.0%
<b>Total CHICAGO AND LAKE</b>	<b>168,014</b>	<b>171,088</b>	<b>173,726</b>	<b>232,014</b>	<b>33.6%</b>
<b><u>NINTH &amp; HENNEPIN</u></b>					
Property Taxes	88,431	59,260	60,446	64,317	6.4%
Interest	7,899	2,779	568	643	13.2%
Gains	187				0.0%
Rents	(29,721)	16,667	60,000	60,000	0.0%
Other Misc Revenues	0		70,000		-100.0%
<b>Total NINTH &amp; HENNEPIN</b>	<b>66,796</b>	<b>78,707</b>	<b>191,014</b>	<b>124,960</b>	<b>-34.6%</b>
<b><u>NORTH LOOP</u></b>					
Property Taxes	8,527,773	8,656,967	4,501,651		-100.0%
State Government	60,914	64,599			0.0%
Interest	19,407	83,415	109	33	-69.7%
Gains	343				0.0%
<b>Total NORTH LOOP</b>	<b>8,608,437</b>	<b>8,804,981</b>	<b>4,501,760</b>	<b>33</b>	<b>-100.0%</b>
<b><u>INDUSTRY SQUARE</u></b>					
Property Taxes	2,769,407	3,438,597	1,772,883		-100.0%
State Government	16,394	7,302			0.0%
Interest	16,402	24,210	153	23	-85.0%
Gains	148				0.0%
<b>Total INDUSTRY SQUARE</b>	<b>2,802,351</b>	<b>3,470,109</b>	<b>1,773,036</b>	<b>23</b>	<b>-100.0%</b>
<b><u>SEWARD SOUTH</u></b>					
Property Taxes	2,063,287	2,137,179	1,123,375		-100.0%
State Government	7,462	6,361			0.0%
Interest	12,671	26,155	117	29	-75.2%
Gains	297				0.0%
Other Misc Revenues	8,166	8,166			0.0%
<b>Total SEWARD SOUTH</b>	<b>2,091,883</b>	<b>2,177,862</b>	<b>1,123,492</b>	<b>29</b>	<b>-100.0%</b>
<b><u>CEDAR RIVERSIDE</u></b>					
Property Taxes	3,324,359	3,465,667	1,832,535		-100.0%
State Government	103,175	100,156			0.0%
Charges for Service	35,884	39,115			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Interest	21,220	42,795	91	18,172	19,869.2%
Gains	464				0.0%
Rents	10,820	1,520			0.0%
<b>Total CEDAR RIVERSIDE</b>	<b>3,495,922</b>	<b>3,649,252</b>	<b>1,832,626</b>	<b>18,172</b>	<b>-99.0%</b>
<b><u>HOUSING FOR CHRONIC ALCOHOLICS</u></b>					
Property Taxes	27,187	26,676	27,210	28,952	6.4%
Interest	22	(77)	540	290	-46.3%
Gains	(106)				0.0%
<b>Total HOUSING FOR CHRONIC ALCOHOLICS</b>	<b>27,103</b>	<b>26,599</b>	<b>27,750</b>	<b>29,242</b>	<b>5.4%</b>
<b><u>HENNEPIN &amp; LAKE</u></b>					
Property Taxes	1,284,754	1,250,000	647,872		-100.0%
Interest	8,182	13,231	143	6,880	4,711.2%
Gains	67				0.0%
<b>Total HENNEPIN &amp; LAKE</b>	<b>1,293,003</b>	<b>1,263,231</b>	<b>648,015</b>	<b>6,880</b>	<b>-98.9%</b>
<b><u>BROADWAY 35-W</u></b>					
Property Taxes	1,376,187	1,351,291	705,238		-100.0%
Interest	70,473	7,119	5,000	7,530	50.6%
Gains	(1,630)				0.0%
<b>Total BROADWAY 35-W</b>	<b>1,445,030</b>	<b>1,358,411</b>	<b>710,238</b>	<b>7,530</b>	<b>-98.9%</b>
<b><u>BOTTINEAU</u></b>					
Property Taxes	165,091	159,992	165,411	170,066	2.8%
State Government	2,110	2,336			0.0%
Interest	1,636	1,314	331	165	-50.2%
Gains	57				0.0%
<b>Total BOTTINEAU</b>	<b>168,894</b>	<b>163,643</b>	<b>165,742</b>	<b>170,231</b>	<b>2.7%</b>
<b><u>FRANKLIN AVENUE</u></b>					
Property Taxes	53,253				0.0%
State Government	12,745	(12,337)			0.0%
Interest	423	1,168			0.0%
Gains	63				0.0%
Transfers In	0	(25,000)			0.0%
<b>Total FRANKLIN AVENUE</b>	<b>66,484</b>	<b>(36,169)</b>			<b>0.0%</b>
<b><u>CONSERVATORY</u></b>					
Property Taxes	3,459,959	3,837,083	3,913,825	4,467,426	14.1%
Interest	24,144	10,687	118	28,256	23,845.8%
Gains	408				0.0%
<b>Total CONSERVATORY</b>	<b>3,484,511</b>	<b>3,847,771</b>	<b>3,913,943</b>	<b>4,495,682</b>	<b>14.9%</b>
<b><u>LORING PARK</u></b>					



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Property Taxes	4,411,339	4,255,086	2,217,089		-100.0%
State Government	86,608	88,081			0.0%
Interest	28,344	50,464	102	23,485	22,924.5%
Gains	305				0.0%
<b>Total LORING PARK</b>	<b>4,526,596</b>	<b>4,393,630</b>	<b>2,217,191</b>	<b>23,485</b>	<b>-98.9%</b>
<b><u>LAUREL VILLAGE</u></b>					
Property Taxes	1,038,885	952,477	971,530	1,040,316	7.1%
Interest	74,054	34,561	575	22,224	3,765.0%
Gains	7,124				0.0%
Rents	1,705,388	1,930,998	1,948,710	2,050,159	5.2%
Long Term Liabilities Proceeds	0	12,375,247			0.0%
<b>Total LAUREL VILLAGE</b>	<b>2,825,451</b>	<b>15,293,284</b>	<b>2,920,815</b>	<b>3,112,699</b>	<b>6.6%</b>
<b><u>CITY CENTER</u></b>					
Property Taxes	2,312,215	2,550,865	1,300,935		-100.0%
Charges for Sales	0				0.0%
Interest	13,911	24,458	134	12,231	9,027.6%
Gains	350				0.0%
<b>Total CITY CENTER</b>	<b>2,326,476</b>	<b>2,575,323</b>	<b>1,301,069</b>	<b>12,231</b>	<b>-99.1%</b>
<b><u>SOUTH NICOLLET MALL</u></b>					
Property Taxes	8,143,771	8,989,582	9,281,489	10,198,057	9.9%
Interest	4,395	88,945	102	51,343	50,236.3%
Gains	7,838				0.0%
Rents	1,327,486	1,374,002	2,325,000	1,400,000	-39.8%
<b>Total SOUTH NICOLLET MALL</b>	<b>9,483,490</b>	<b>10,452,529</b>	<b>11,606,591</b>	<b>11,649,400</b>	<b>0.4%</b>
<b><u>CENTRAL CARE NURSING HOME</u></b>					
Interest	(41)	(18)			0.0%
Gains	(3)				0.0%
<b>Total CENTRAL CARE NURSING HOME</b>	<b>(44)</b>	<b>(18)</b>			<b>0.0%</b>
<b><u>CLARE HOUSING</u></b>					
Property Taxes	13,712	11,806	12,042	13,474	11.9%
Interest	20	538	24	241	904.2%
Gains	18				0.0%
<b>Total CLARE HOUSING</b>	<b>13,750</b>	<b>12,343</b>	<b>12,066</b>	<b>13,715</b>	<b>13.7%</b>
<b><u>DEEP ROCK TAX INCREMENT</u></b>					
Property Taxes	0				0.0%
Interest	4,863	(710)			0.0%
Gains	(166)				0.0%
Transfers In	0	182,853			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total DEEP ROCK TAX INCREMENT</b>	<b>4,697</b>	<b>182,143</b>			<b>0.0%</b>
<b><u>DOWNTOWN EAST LRT</u></b>					
Property Taxes	596,509	380,527			0.0%
Charges for Service	250				0.0%
Interest	(73,143)	4,916			0.0%
Gains	(3,890)				0.0%
Transfers In	0	2,773,252			0.0%
<b>Total DOWNTOWN EAST LRT</b>	<b>519,726</b>	<b>3,158,695</b>			<b>0.0%</b>
<b><u>2700 EAST LAKE</u></b>					
Property Taxes	72,892	85,364	87,071	98,063	12.6%
Interest	1,366	776	138	6	-95.7%
Gains	60				0.0%
<b>Total 2700 EAST LAKE</b>	<b>74,318</b>	<b>86,141</b>	<b>87,209</b>	<b>98,069</b>	<b>12.5%</b>
<b><u>EAST PHILLIPS</u></b>					
Property Taxes	38,573	25,523	24,978	28,104	12.5%
State Government	421	(20)			0.0%
Interest	427	320	50		-100.0%
Gains	14				0.0%
<b>Total EAST PHILLIPS</b>	<b>39,435</b>	<b>25,823</b>	<b>25,028</b>	<b>28,104</b>	<b>12.3%</b>
<b><u>EAST VILLAGE</u></b>					
Property Taxes	191,736	207,053	211,195	236,847	12.1%
Interest	4,882	2,763	394	265	-32.7%
Gains	244				0.0%
<b>Total EAST VILLAGE</b>	<b>196,862</b>	<b>209,816</b>	<b>211,589</b>	<b>237,112</b>	<b>12.1%</b>
<b><u>50TH &amp; FRANCE</u></b>					
Property Taxes	186,183	193,273	197,139	209,774	6.4%
Interest	6,520	3,442	434	222	-48.8%
Gains	348				0.0%
<b>Total 50TH &amp; FRANCE</b>	<b>193,051</b>	<b>196,715</b>	<b>197,573</b>	<b>209,996</b>	<b>6.3%</b>
<b><u>FRANKLIN PORTLAND WELLSTONE</u></b>					
Property Taxes	0	174	178	34,099	19,056.7%
Interest	(356)	(171)		1	0.0%
Gains	(25)				0.0%
<b>Total FRANKLIN PORTLAND WELLSTONE</b>	<b>(381)</b>	<b>4</b>	<b>178</b>	<b>34,100</b>	<b>19,057.3%</b>
<b><u>FORMER FED RESERVE</u></b>					
Property Taxes	692,397	841,463	858,294	1,161,985	35.4%
Interest	8,501	6,759	1,216	1,627	33.8%
Gains	686				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total FORMER FED RESERVE</b>	<b>701,584</b>	<b>848,221</b>	<b>859,510</b>	<b>1,163,612</b>	<b>35.4%</b>
<b><u>GRAIN BELT</u></b>					
Property Taxes	142,585	153,672	156,745	161,123	2.8%
Charges for Service	0				0.0%
Interest	2,741	1,785	274	155	-43.4%
Gains	128				0.0%
<b>Total GRAIN BELT</b>	<b>145,454</b>	<b>155,457</b>	<b>157,019</b>	<b>161,278</b>	<b>2.7%</b>
<b><u>GRACO TI</u></b>					
Property Taxes	84,417	108,291	110,458	143,698	30.1%
Interest	(2,125)	(865)			0.0%
Gains	(221)				0.0%
Other Misc Revenues	0				0.0%
<b>Total GRACO TI</b>	<b>82,071</b>	<b>107,427</b>	<b>110,458</b>	<b>143,698</b>	<b>30.1%</b>
<b><u>GRAIN BELT HOUSING DIST 132</u></b>					
Property Taxes	59,887	65,268	66,649	80,826	21.3%
State Government	0				0.0%
Interest	(4,608)	(211)	133	61	-54.1%
Gains	(206)				0.0%
<b>Total GRAIN BELT HOUSING DIST 132</b>	<b>55,073</b>	<b>65,058</b>	<b>66,782</b>	<b>80,887</b>	<b>21.1%</b>
<b><u>110 GRANT</u></b>					
Property Taxes	351,146	395,488	403,398	502,344	24.5%
Interest	3,156	10,704	690	4,047	486.5%
Gains	485				0.0%
<b>Total 110 GRANT</b>	<b>354,787</b>	<b>406,192</b>	<b>404,088</b>	<b>506,391</b>	<b>25.3%</b>
<b><u>13TH AND HARMON</u></b>					
Property Taxes	263,172	256,318	261,445	294,059	12.5%
Interest	(4,462)	(1,125)	604		-100.0%
Gains	(352)				0.0%
<b>Total 13TH AND HARMON</b>	<b>258,358</b>	<b>255,194</b>	<b>262,049</b>	<b>294,059</b>	<b>12.2%</b>
<b><u>PARCEL C TI DISTRICT</u></b>					
Property Taxes	480,803	474,040	554,474	510,232	-8.0%
State Government	200	(54)			0.0%
Charges for Sales	0				0.0%
Interest	86,449	39,034	1,109	552	-50.2%
Gains	5,119				0.0%
<b>Total PARCEL C TI DISTRICT</b>	<b>572,571</b>	<b>513,020</b>	<b>555,583</b>	<b>510,784</b>	<b>-8.1%</b>
<b><u>HISTORIC DEPOT REUSE DIST 93</u></b>					
Property Taxes	750,243	730,699	745,316	823,883	10.5%
Interest	9,565	4,212		815	0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Gains	606				0.0%
<b>Total HISTORIC DEPOT REUSE DIST 93</b>	<b>760,414</b>	<b>734,911</b>	<b>745,316</b>	<b>824,698</b>	<b>10.7%</b>
<b><u>HENNEPIN &amp; 7TH ENTERTAINMENT</u></b>					
Property Taxes	893,035	1,157,689	1,180,835	1,329,008	12.5%
Interest	136,707	53,683	2,445		-100.0%
Gains	7,091				0.0%
Rents	927,478	1,012,231	1,090,000	750,000	-31.2%
Other Misc Revenues	0				0.0%
<b>Total HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>1,964,311</b>	<b>2,223,602</b>	<b>2,273,280</b>	<b>2,079,008</b>	<b>-8.5%</b>
<b><u>HUMBOLDT GREENWAY DIST 98</u></b>					
Property Taxes	273,549	288,025	340,915	333,769	-2.1%
State Government	14,316	9,091			0.0%
Charges for Sales	0	1,248			0.0%
Interest	10,518	4,893	904	417	-53.9%
Gains	698				0.0%
<b>Total HUMBOLDT GREENWAY DIST 98</b>	<b>299,081</b>	<b>303,257</b>	<b>341,819</b>	<b>334,186</b>	<b>-2.2%</b>
<b><u>HIAWATHA COMMONS HOUSING</u></b>					
Property Taxes	12,338	82,947	84,606	109,628	29.6%
Interest	147	278	169	106	-37.3%
Gains	18				0.0%
<b>Total HIAWATHA COMMONS HOUSING</b>	<b>12,503</b>	<b>83,225</b>	<b>84,775</b>	<b>109,734</b>	<b>29.4%</b>
<b><u>HUMBOLDT INDUSTRIAL PARK</u></b>					
Property Taxes	0	81,634	86,759	157,377	81.4%
Interest	0	263	87	36	-58.6%
<b>Total HUMBOLDT INDUSTRIAL PARK</b>	<b>0</b>	<b>81,897</b>	<b>86,846</b>	<b>157,413</b>	<b>81.3%</b>
<b><u>HERITAGE LAND APTS</u></b>					
Property Taxes	437,110	425,986	434,506	462,335	6.4%
Interest	27,460	16,726	911	513	-43.7%
Gains	1,611				0.0%
Rents	0		46,000	46,000	0.0%
Contributions	46,223	60,411			0.0%
Other Misc Revenues	0				0.0%
<b>Total HERITAGE LAND APTS</b>	<b>512,404</b>	<b>503,123</b>	<b>481,417</b>	<b>508,848</b>	<b>5.7%</b>
<b><u>HERITAGE PARK</u></b>					
Property Taxes	487,679	398,305	447,359	494,578	10.6%
State Government	13,810	(3,463)			0.0%
Interest	11,190	8,954	173		-100.0%
Gains	982				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total HERITAGE PARK</b>	<b>513,661</b>	<b>403,796</b>	<b>447,532</b>	<b>494,578</b>	<b>10.5%</b>
<b><u>900 6TH AVE SE</u></b>					
Property Taxes	61,213	65,348	66,655	75,069	12.6%
Interest	996	552	133	50	-62.4%
Gains	34				0.0%
<b>Total 900 6TH AVE SE</b>	<b>62,243</b>	<b>65,900</b>	<b>66,788</b>	<b>75,119</b>	<b>12.5%</b>
<b><u>EAST HENNEPIN &amp; UNIVERSITY</u></b>					
Property Taxes	1,403,296	1,362,708	1,367,056	1,428,094	4.5%
State Government	3,190	1,724			0.0%
Interest	47,178	28,369	2,819	45	-98.4%
Gains	3,308				0.0%
Transfers In	360,262	157,074			0.0%
<b>Total EAST HENNEPIN &amp; UNIVERSITY</b>	<b>1,817,234</b>	<b>1,549,875</b>	<b>1,369,875</b>	<b>1,428,139</b>	<b>4.3%</b>
<b><u>CAMDEN AREA IMPACT</u></b>					
Interest	52	22			0.0%
Gains	3				0.0%
Transfers In	0	13,400			0.0%
<b>Total CAMDEN AREA IMPACT</b>	<b>55</b>	<b>13,422</b>			<b>0.0%</b>
<b><u>IVY TOWER</u></b>					
Property Taxes	5,017	68,582	184,722	796,082	331.0%
Interest	(3,848)	(1,417)			0.0%
Gains	(237)				0.0%
<b>Total IVY TOWER</b>	<b>932</b>	<b>67,165</b>	<b>184,722</b>	<b>796,082</b>	<b>331.0%</b>
<b><u>JOURDAIN</u></b>					
Property Taxes	2,190	53,628	54,701	50,952	-6.9%
Interest	73	178	109		-100.0%
Gains	8				0.0%
<b>Total JOURDAIN</b>	<b>2,271</b>	<b>53,806</b>	<b>54,810</b>	<b>50,952</b>	<b>-7.0%</b>
<b><u>LOCAL CONTRIBUTION FUND</u></b>					
Charges for Service	64,955				0.0%
Charges for Sales	0	3,733			0.0%
Interest	233,578	88,156			0.0%
Gains	13,793				0.0%
Rents	199,605	202,871			0.0%
Other Misc Revenues	0	662			0.0%
Transfers In	23,133				0.0%
<b>Total LOCAL CONTRIBUTION FUND</b>	<b>535,064</b>	<b>295,423</b>			<b>0.0%</b>
<b><u>LOWRY RIDGE</u></b>					
Property Taxes	128,180	125,765	118,213	111,461	-5.7%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
State Government	0				0.0%
Interest	426	586	241	223	-7.5%
Gains	(7)				0.0%
<b>Total LOWRY RIDGE</b>	<b>128,599</b>	<b>126,351</b>	<b>118,454</b>	<b>111,684</b>	<b>-5.7%</b>
<b><u>LAKE STREET CENTER</u></b>					
Property Taxes	2,050,776	2,312,774	2,368,775	2,773,917	17.1%
State Government	0	11,036			0.0%
Interest	35,073	29,588	2,369	921	-61.1%
Gains	3,486				0.0%
Long Term Liabilities Proceeds	0	2,776,988			0.0%
<b>Total LAKE STREET CENTER</b>	<b>2,089,335</b>	<b>5,130,385</b>	<b>2,371,144</b>	<b>2,774,838</b>	<b>17.0%</b>
<b><u>MAGNUM LOFTS</u></b>					
Property Taxes	48,588	47,997	48,957	55,849	14.1%
Interest	1,235	647	94	25	-73.4%
Gains	59				0.0%
<b>Total MAGNUM LOFTS</b>	<b>49,882</b>	<b>48,644</b>	<b>49,051</b>	<b>55,874</b>	<b>13.9%</b>
<b><u>MANY RIVERS</u></b>					
Property Taxes	57,675	59,667	60,860	69,943	14.9%
Interest	(1,018)	(264)	122	44	-63.9%
Gains	(82)				0.0%
<b>Total MANY RIVERS</b>	<b>56,575</b>	<b>59,403</b>	<b>60,982</b>	<b>69,987</b>	<b>14.8%</b>
<b><u>MANY RIVERS WEST</u></b>					
Property Taxes	45,397	46,983	47,923	46,442	-3.1%
Interest	111	242	96	7	-92.7%
Gains	10				0.0%
<b>Total MANY RIVERS WEST</b>	<b>45,518</b>	<b>47,225</b>	<b>48,019</b>	<b>46,449</b>	<b>-3.3%</b>
<b><u>1900 CENTRAL AVE HSG</u></b>					
Property Taxes	65,040	63,346	64,613	68,751	6.4%
Interest	384	379	129	40	-69.0%
Gains	7				0.0%
<b>Total 1900 CENTRAL AVE HSG</b>	<b>65,431</b>	<b>63,726</b>	<b>64,742</b>	<b>68,791</b>	<b>6.3%</b>
<b><u>NICOLLET FRANKLIN</u></b>					
Property Taxes	198,946	212,380	213,247	232,240	8.9%
State Government	2,161	5,495			0.0%
Interest	(4,817)	(1,679)	265	251	-5.3%
Gains	(342)				0.0%
<b>Total NICOLLET FRANKLIN</b>	<b>195,948</b>	<b>216,195</b>	<b>213,512</b>	<b>232,491</b>	<b>8.9%</b>
<b><u>NRP</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Charges for Service	0	9,509			0.0%
Charges for Sales	25,330				0.0%
Interest	1,436,801	438,493			0.0%
Gains	71,188				0.0%
Other Misc Revenues	2,233,886	1,773,824			0.0%
Transfers In	0	1,115,130			0.0%
<b>Total NRP</b>	<b>3,767,205</b>	<b>3,336,956</b>			<b>0.0%</b>
<b><u>COLOPLAST</u></b>					
Property Taxes	0			236,119	0.0%
Interest	0			76	0.0%
<b>Total COLOPLAST</b>	<b>0</b>			<b>236,195</b>	<b>0.0%</b>
<b><u>NWIP</u></b>					
Property Taxes	2,660,181	2,919,261	1,492,431		-100.0%
State Government	477	522			0.0%
Interest	16,470	29,415		30,377	0.0%
Gains	315				0.0%
<b>Total NWIP</b>	<b>2,677,443</b>	<b>2,949,198</b>	<b>1,492,431</b>	<b>30,377</b>	<b>-98.0%</b>
<b><u>HOLMES</u></b>					
Property Taxes	2,246,153	2,463,535	1,286,155		-100.0%
State Government	37,966	32,103			0.0%
Charges for Sales	50,110				0.0%
Interest	14,517	28,227		32,379	0.0%
Gains	270				0.0%
<b>Total HOLMES</b>	<b>2,349,016</b>	<b>2,523,864</b>	<b>1,286,155</b>	<b>32,379</b>	<b>-97.5%</b>
<b><u>NICOLLET ISLAND EAST BANK</u></b>					
Property Taxes	2,022,436	2,116,097	1,130,972		-100.0%
State Government	13,131	32,453			0.0%
Interest	13,948	21,545		22,906	0.0%
Gains	101				0.0%
<b>Total NICOLLET ISLAND EAST BANK</b>	<b>2,049,616</b>	<b>2,170,095</b>	<b>1,130,972</b>	<b>22,906</b>	<b>-98.0%</b>
<b><u>PORTLAND PLACE</u></b>					
Property Taxes	88,663	93,621	99,102	93,906	-5.2%
State Government	10,501	3,561			0.0%
Interest	12,023	7,240	564	326	-42.2%
Gains	763				0.0%
<b>Total PORTLAND PLACE</b>	<b>111,950</b>	<b>104,422</b>	<b>99,666</b>	<b>94,232</b>	<b>-5.5%</b>
<b><u>NOKOMIS HOLMES</u></b>					
Property Taxes	210,098	204,078	262,304	293,933	12.1%
State Government	52,902	52,761			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Interest	(753)	6,439	546	5,879	976.7%
Gains	(10)				0.0%
<b>Total NOKOMIS HOLMES</b>	<b>262,237</b>	<b>263,278</b>	<b>262,850</b>	<b>299,812</b>	<b>14.1%</b>
<b><u>ELLIOT PARK</u></b>					
Property Taxes	613,636	1,292,394			0.0%
State Government	10,777	12,928			0.0%
Interest	(9,903)	11,067	17,192		-100.0%
Gains	(250)				0.0%
Transfers In	0	128,332			0.0%
<b>Total ELLIOT PARK</b>	<b>614,260</b>	<b>1,444,722</b>	<b>17,192</b>		<b>-100.0%</b>
<b><u>NICOLLET &amp; LAKE</u></b>					
Property Taxes	567,323	513,014	325,073		-100.0%
State Government	18,219	16,257			0.0%
Interest	3,739	5,858		9,206	0.0%
Gains	50				0.0%
<b>Total NICOLLET &amp; LAKE</b>	<b>589,331</b>	<b>535,129</b>	<b>325,073</b>	<b>9,206</b>	<b>-97.2%</b>
<b><u>CENTRAL &amp; 20TH</u></b>					
Property Taxes	104,350	96,076	97,998	107,584	9.8%
Interest	(619)	2,203	160	2,152	1,245.0%
Gains	(18)				0.0%
<b>Total CENTRAL &amp; 20TH</b>	<b>103,713</b>	<b>98,279</b>	<b>98,158</b>	<b>109,736</b>	<b>11.8%</b>
<b><u>CENTRAL AVENUE MARKET</u></b>					
Interest	35	15			0.0%
Gains	2				0.0%
<b>Total CENTRAL AVENUE MARKET</b>	<b>37</b>	<b>15</b>			<b>0.0%</b>
<b><u>MILES I</u></b>					
Property Taxes	117,307	128,531	130,366	140,138	7.5%
State Government	0	156			0.0%
Interest	2,175	4,505	107	2,803	2,519.6%
Gains	297				0.0%
<b>Total MILES I</b>	<b>119,779</b>	<b>133,192</b>	<b>130,473</b>	<b>142,941</b>	<b>9.6%</b>
<b><u>NBA ARENA</u></b>					
Property Taxes	1,035,392	975,008	994,503	1,024,517	3.0%
Charges for Service	100				0.0%
Interest	461,108	173,076	433	1,372	216.9%
Gains	29,342				0.0%
Rents	0		749,999		-100.0%
Other Misc Revenues	749,990	749,990			0.0%
Transfers In	1,816,563	3,828,672	1,826,337	1,826,337	0.0%



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total NBA ARENA</b>	<b>4,092,495</b>	<b>5,726,746</b>	<b>3,571,272</b>	<b>2,852,226</b>	<b>-20.1%</b>
<b><u>PHILLIPS PARK</u></b>					
Property Taxes	59,844	64,224	69,501	72,270	4.0%
State Government	3,183	3,059			0.0%
Interest	2,194	1,697	139	145	4.3%
Gains	127				0.0%
<b>Total PHILLIPS PARK</b>	<b>65,348</b>	<b>68,980</b>	<b>69,640</b>	<b>72,415</b>	<b>4.0%</b>
<b><u>LASALLE PLACE</u></b>					
Property Taxes	1,780,692	1,909,453	1,947,632	2,237,227	14.9%
Interest	(5,023)	19,866	38,953	31,745	-18.5%
Gains	852				0.0%
<b>Total LASALLE PLACE</b>	<b>1,776,521</b>	<b>1,929,319</b>	<b>1,986,585</b>	<b>2,268,972</b>	<b>14.2%</b>
<b><u>CAPITAL PROJECTS- OTHER</u></b>					
Charges for Service	40,000	450,000			0.0%
Charges for Sales	278,222		450,000		-100.0%
Rents	53,500	50,215	50,000	50,000	0.0%
Transfers In	4,253,115	2,748,004	950,000		-100.0%
<b>Total CAPITAL PROJECTS- OTHER</b>	<b>4,624,837</b>	<b>3,248,219</b>	<b>1,450,000</b>	<b>50,000</b>	<b>-96.6%</b>
<b><u>PRELIMINARY PLANNING</u></b>					
State Government	0		3,300,000	2,000,000	-39.4%
Charges for Service	36,247	22,105	3,000	3,500	16.7%
Charges for Sales	206,821	243,300	1,345,000	2,000	-99.9%
Rents	6,300	7,700	15,600		-100.0%
Contributions	0		50,000		-100.0%
Other Misc Revenues	0				0.0%
Transfers In	0	1,745,119			0.0%
<b>Total PRELIMINARY PLANNING</b>	<b>249,368</b>	<b>2,018,224</b>	<b>4,713,600</b>	<b>2,005,500</b>	<b>-57.5%</b>
<b><u>NEIMAN MARCUS</u></b>					
Property Taxes	1,467,435	1,669,236	1,702,624	1,887,171	10.8%
Interest	1,618	17,841	25,539	28,308	10.8%
Gains	854				0.0%
<b>Total NEIMAN MARCUS</b>	<b>1,469,907</b>	<b>1,687,077</b>	<b>1,728,163</b>	<b>1,915,479</b>	<b>10.8%</b>
<b><u>IDS DATA SERVICE CENTER</u></b>					
Property Taxes	3,367,424	3,621,043	3,693,448	4,080,272	10.5%
Interest	(12,995)	26,499	2,819	43,418	1,440.2%
Gains	2,244				0.0%
<b>Total IDS DATA SERVICE CENTER</b>	<b>3,356,673</b>	<b>3,647,541</b>	<b>3,696,267</b>	<b>4,123,690</b>	<b>11.6%</b>
<b><u>BLOCK E</u></b>					
Interest	865	337			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Gains	46				0.0%
<b>Total BLOCK E</b>	<b>911</b>	<b>337</b>			<b>0.0%</b>
<b><u>PARK AVENUE EAST</u></b>					
Charges for Service	0		62,000		-100.0%
Interest	16,900	7,441			0.0%
Gains	1,071				0.0%
Rents	0				0.0%
<b>Total PARK AVENUE EAST</b>	<b>17,971</b>	<b>7,441</b>	<b>62,000</b>		<b>-100.0%</b>
<b><u>36TH AND MARSHALL</u></b>					
Property Taxes	0				0.0%
Interest	19,056	8,242			0.0%
Gains	1,173				0.0%
<b>Total 36TH AND MARSHALL</b>	<b>20,229</b>	<b>8,242</b>			<b>0.0%</b>
<b><u>COMMON PROJECT RESERVE</u></b>					
Interest	703,665	323,257			0.0%
Gains	46,428				0.0%
<b>Total COMMON PROJECT RESERVE</b>	<b>750,093</b>	<b>323,257</b>			<b>0.0%</b>
<b><u>CAPITAL PROJECTS ARBITRAGE FUND</u></b>					
Interest	230	100			0.0%
Gains	14				0.0%
<b>Total CAPITAL PROJECTS ARBITRAGE FUND</b>	<b>244</b>	<b>100</b>			<b>0.0%</b>
<b><u>RIPLEY GARDENS</u></b>					
Property Taxes	1,281	16,888	18,975	72,978	284.6%
Interest	29	89	38	98	157.9%
Gains	2				0.0%
<b>Total RIPLEY GARDENS</b>	<b>1,312</b>	<b>16,977</b>	<b>19,013</b>	<b>73,076</b>	<b>284.3%</b>
<b><u>CREAMETTE DISTRICT 84</u></b>					
Property Taxes	135,263	131,741	134,375	142,981	6.4%
Interest	2,197	1,331	269	286	6.3%
Gains	143				0.0%
<b>Total CREAMETTE DISTRICT 84</b>	<b>137,603</b>	<b>133,072</b>	<b>134,644</b>	<b>143,267</b>	<b>6.4%</b>
<b><u>MARSHALL RIVER RUN</u></b>					
Property Taxes	60,937	68,118	70,806	91,498	29.2%
Interest	402	253	142	80	-43.7%
Gains	147				0.0%
<b>Total MARSHALL RIVER RUN</b>	<b>61,486</b>	<b>68,372</b>	<b>70,948</b>	<b>91,578</b>	<b>29.1%</b>
<b><u>ROSACKER NURSERY SITE</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Property Taxes	138,331	131,786	137,955	138,502	0.4%
State Government	3,247	3,527			0.0%
Interest	17,490	10,360	2,759	370	-86.6%
Gains	1,068				0.0%
<b>Total ROSACKER NURSERY SITE</b>	<b>160,136</b>	<b>145,674</b>	<b>140,714</b>	<b>138,872</b>	<b>-1.3%</b>
<b><u>STONE ARCH APARTMENTS</u></b>					
Property Taxes	276,089	268,899	274,277	299,900	9.3%
Interest	3,277	2,474	549	344	-37.3%
Gains	101				0.0%
<b>Total STONE ARCH APARTMENTS</b>	<b>279,467</b>	<b>271,372</b>	<b>274,826</b>	<b>300,244</b>	<b>9.2%</b>
<b><u>SPRING &amp; CENTRAL</u></b>					
Property Taxes	11,020	12,000	12,240	15,213	24.3%
Interest	797	720	245	4	-98.4%
Gains	71				0.0%
<b>Total SPRING &amp; CENTRAL</b>	<b>11,888</b>	<b>12,720</b>	<b>12,485</b>	<b>15,217</b>	<b>21.9%</b>
<b><u>SHINGLE CREEK COMMONS</u></b>					
Property Taxes	90,063	87,999	89,759	85,272	-5.0%
Interest	1,269	817	183	54	-70.5%
Gains	50				0.0%
<b>Total SHINGLE CREEK COMMONS</b>	<b>91,382</b>	<b>88,816</b>	<b>89,942</b>	<b>85,326</b>	<b>-5.1%</b>
<b><u>ST ANTHONY MILLS</u></b>					
Property Taxes	12,059	93,796	95,672	138,122	44.4%
Interest	164	504	191	155	-18.8%
Gains	34				0.0%
<b>Total ST ANTHONY MILLS</b>	<b>12,257</b>	<b>94,300</b>	<b>95,863</b>	<b>138,277</b>	<b>44.2%</b>
<b><u>STINSON</u></b>					
Property Taxes	577,009	704,024	722,542	831,299	15.1%
Interest	11,290	6,431	1,445	1,067	-26.2%
Gains	889				0.0%
<b>Total STINSON</b>	<b>589,188</b>	<b>710,455</b>	<b>723,987</b>	<b>832,366</b>	<b>15.0%</b>
<b><u>SEMI-PHASE 1</u></b>					
Property Taxes	520,457	522,737	533,190	575,899	8.0%
State Government	0		3,000,000		-100.0%
Interest	110,664	60,115	1,066	700	-34.3%
Gains	7,474				0.0%
<b>Total SEMI-PHASE 1</b>	<b>638,595</b>	<b>582,853</b>	<b>3,534,256</b>	<b>576,599</b>	<b>-83.7%</b>
<b><u>SEMI-PHASE 2</u></b>					
Property Taxes	242,952	218,722	223,096	245,157	9.9%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Interest	67,078	31,476	446	273	-38.8%
Gains	4,252				0.0%
<b>Total SEMI-PHASE 2</b>	<b>314,282</b>	<b>250,198</b>	<b>223,542</b>	<b>245,430</b>	<b>9.8%</b>
<b><u>SEMI-PHASE 3</u></b>					
Property Taxes	139,173	105,685	107,799	117,259	8.8%
State Government	2,085	(1,121)			0.0%
Interest	9,050	7,255	216	104	-51.9%
Gains	621				0.0%
<b>Total SEMI-PHASE 3</b>	<b>150,929</b>	<b>111,820</b>	<b>108,015</b>	<b>117,363</b>	<b>8.7%</b>
<b><u>SEMI-PHASE 4</u></b>					
Property Taxes	192,179			214,417	0.0%
Interest	6,143	1,704		233	0.0%
Gains	368				0.0%
<b>Total SEMI-PHASE 4</b>	<b>198,690</b>	<b>1,704</b>		<b>214,650</b>	<b>0.0%</b>
<b><u>SEMI-PHASE 5</u></b>					
Property Taxes	135,477	144,721	147,646	159,693	8.2%
Interest	(206)	180	295	158	-46.4%
Gains	(98)				0.0%
<b>Total SEMI-PHASE 5</b>	<b>135,173</b>	<b>144,900</b>	<b>147,941</b>	<b>159,851</b>	<b>8.1%</b>
<b><u>TOWERS AT ELLIOT PARK</u></b>					
Property Taxes	1,508,289	1,424,796	1,462,190	1,442,966	-1.3%
State Government	12,420	18,034			0.0%
Interest	42,994	48,297	2,693	12,179	352.2%
Gains	5,422				0.0%
<b>Total TOWERS AT ELLIOT PARK</b>	<b>1,569,125</b>	<b>1,491,128</b>	<b>1,464,883</b>	<b>1,455,145</b>	<b>-0.7%</b>
<b><u>2ND ST N HOTEL/APTS TOWNPLACE</u></b>					
Property Taxes	187,229	192,796	196,653	224,793	14.3%
Interest	7,000	3,606	393	252	-35.9%
Gains	447				0.0%
<b>Total 2ND ST N HOTEL/APTS TOWNPLACE</b>	<b>194,676</b>	<b>196,403</b>	<b>197,046</b>	<b>225,045</b>	<b>14.2%</b>
<b><u>10TH AND WASHINGTON</u></b>					
Property Taxes	263,436	375,929	383,449	530,814	38.4%
Interest	20,852	80	767	723	-5.7%
Gains	268				0.0%
<b>Total 10TH AND WASHINGTON</b>	<b>284,556</b>	<b>376,009</b>	<b>384,216</b>	<b>531,537</b>	<b>38.3%</b>
<b><u>UNITED VAN BUS</u></b>					
Property Taxes	53,629	55,964	57,083	66,571	16.6%
Interest	1,224	1,360	442	1,331	201.1%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Gains	21				0.0%
<b>Total UNITED VAN BUS</b>	<b>54,874</b>	<b>57,324</b>	<b>57,525</b>	<b>67,902</b>	<b>18.0%</b>
<b><u>EAST RIVER / UNOCAL SITE</u></b>					
Property Taxes	213,015	214,974	219,922	228,921	4.1%
State Government	2,811	4,822			0.0%
Interest	6,897	8,045		239	0.0%
Gains	734				0.0%
<b>Total EAST RIVER / UNOCAL SITE</b>	<b>223,457</b>	<b>227,841</b>	<b>219,922</b>	<b>229,160</b>	<b>4.2%</b>
<b><u>URBAN VILLAGE</u></b>					
Property Taxes	295,544	331,406	406,223	429,881	5.8%
State Government	8,463	9,126			0.0%
Charges for Sales	0				0.0%
Interest	71,821	12,166	4,291	4,355	1.5%
Gains	(16)				0.0%
Rents	0				0.0%
<b>Total URBAN VILLAGE</b>	<b>375,812</b>	<b>352,698</b>	<b>410,514</b>	<b>434,236</b>	<b>5.8%</b>
<b><u>VAN CLEVE EAST</u></b>					
Property Taxes	0			36,530	0.0%
Interest	0			1	0.0%
<b>Total VAN CLEVE EAST</b>	<b>0</b>			<b>36,531</b>	<b>0.0%</b>
<b><u>VILLAGE IN PHILLIPS HOUSING</u></b>					
Property Taxes	48,991	56,299	62,205	58,588	-5.8%
State Government	5,859	4,703			0.0%
Charges for Sales	0				0.0%
Interest	72	169	124	20	-83.9%
Gains	(45)				0.0%
<b>Total VILLAGE IN PHILLIPS HOUSING</b>	<b>54,877</b>	<b>61,171</b>	<b>62,329</b>	<b>58,608</b>	<b>-6.0%</b>
<b><u>VILLAGE IN PHILLIPS PHASE II</u></b>					
Property Taxes	0			52,266	0.0%
Interest	0	(4)		1	0.0%
<b>Total VILLAGE IN PHILLIPS PHASE II</b>	<b>0</b>	<b>(4)</b>		<b>52,267</b>	<b>0.0%</b>
<b><u>VAN CLEVE REDEVELOPMENT</u></b>					
Property Taxes	0			40,185	0.0%
Interest	0			4	0.0%
<b>Total VAN CLEVE REDEVELOPMENT</b>	<b>0</b>			<b>40,189</b>	<b>0.0%</b>
<b><u>VAN CLEVE WEST</u></b>					
Property Taxes	0			18,744	0.0%
Interest	0				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total VAN CLEVE WEST</b>	<b>0</b>			<b>18,744</b>	<b>0.0%</b>
<b><u>WASHINGTON COURTS APTS</u></b>					
Property Taxes	0	13,832	14,109	42,596	201.9%
Interest	(77)	4	14		-100.0%
Gains	(15)				0.0%
<b>Total WASHINGTON COURTS APTS</b>	<b>(92)</b>	<b>13,837</b>	<b>14,123</b>	<b>42,596</b>	<b>201.6%</b>
<b><u>WEST SIDE MILLING DISTRICT</u></b>					
Property Taxes	1,927,276	1,880,651	1,924,657	1,989,550	3.4%
State Government	874	3,782			0.0%
Charges for Service	0	45,191			0.0%
Interest	251,774	123,016	6,649	7,922	19.1%
Gains	16,602				0.0%
Rents	(1,045)				0.0%
Other Misc Revenues	0				0.0%
<b>Total WEST SIDE MILLING DISTRICT</b>	<b>2,195,481</b>	<b>2,052,640</b>	<b>1,931,306</b>	<b>1,997,472</b>	<b>3.4%</b>
<b><u>WEST RIVER COMMONS</u></b>					
Property Taxes	88,837	94,805	96,996	103,098	6.3%
State Government	2,238	(1,840)			0.0%
Interest	608	771	194	197	1.5%
Gains	17				0.0%
<b>Total WEST RIVER COMMONS</b>	<b>91,700</b>	<b>93,737</b>	<b>97,190</b>	<b>103,295</b>	<b>6.3%</b>
<b><u>HOUSING REPLACEMENT 1</u></b>					
Property Taxes	339,954	335,607	360,644	350,327	-2.9%
State Government	17,772	16,697			0.0%
Interest	56,613	19,846	7,213	6,631	-8.1%
Gains	4,074				0.0%
<b>Total HOUSING REPLACEMENT 1</b>	<b>418,413</b>	<b>372,150</b>	<b>367,857</b>	<b>356,958</b>	<b>-3.0%</b>
<b><u>HOUSING REPLACEMENT 2</u></b>					
Property Taxes	236,838	98,873	120,373	111,828	-7.1%
State Government	1,474	3,317			0.0%
Interest	1,090	7,082	2,407	2,091	-13.1%
Gains	36				0.0%
<b>Total HOUSING REPLACEMENT 2</b>	<b>239,438</b>	<b>109,271</b>	<b>122,780</b>	<b>113,919</b>	<b>-7.2%</b>
<b><u>HSG REPLACE-WATERSHED 3</u></b>					
Interest	5,851	2,535			0.0%
Gains	361				0.0%
<b>Total HSG REPLACE-WATERSHED 3</b>	<b>6,212</b>	<b>2,535</b>			<b>0.0%</b>
<b><u>BLOCK 33</u></b>					
Property Taxes	12,251	13,948	19,586	22,872	16.8%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
State Government	4,600	5,572			0.0%
Interest	243	427	103	229	122.3%
Gains	(3)				0.0%
<b>Total BLOCK 33</b>	<b>17,091</b>	<b>19,947</b>	<b>19,689</b>	<b>23,101</b>	<b>17.3%</b>
<b><u>MCDA UDAG LEVERAGE INVESTMENT</u></b>					
Interest	103,722	49,369			0.0%
Gains	6,905				0.0%
Other Misc Revenues	77,270	77,270			0.0%
<b>Total MCDA UDAG LEVERAGE INVESTMENT</b>	<b>187,897</b>	<b>126,640</b>			<b>0.0%</b>
<b><u>MCDA NEIGHBORHOOD DEVEL ACCT</u></b>					
Interest	8,250				0.0%
Other Misc Revenues	37,567	22,126			0.0%
Transfers In	0				0.0%
<b>Total MCDA NEIGHBORHOOD DEVEL ACCT</b>	<b>45,817</b>	<b>22,126</b>			<b>0.0%</b>
<b><u>CPED OPERATING</u></b>					
Sales and Other Taxes	266	285			0.0%
State Government	1,367	1,367			0.0%
Charges for Service	3,703,263	3,181,793	4,604,616	4,980,800	8.2%
Charges for Sales	71,501	35,679			0.0%
Interest	740,358	248,014			0.0%
Gains	79,777				0.0%
Rents	117,542	94,105			0.0%
Other Misc Revenues	(61,553)	11,090			0.0%
Transfers In	0	16,000			0.0%
<b>Total CPED OPERATING</b>	<b>4,652,521</b>	<b>3,588,334</b>	<b>4,604,616</b>	<b>4,980,800</b>	<b>8.2%</b>
<b><u>NRP ADMINISTRATION</u></b>					
Charges for Service	375,853	288,056			0.0%
Interest	(14,832)	(12,339)			0.0%
Gains	(1,238)				0.0%
Other Misc Revenues	0				0.0%
<b>Total NRP ADMINISTRATION</b>	<b>359,783</b>	<b>275,717</b>			<b>0.0%</b>
<b><u>COMMUNITY DEVELOPMENT LEVY</u></b>					
Property Taxes	2,358	1,037			0.0%
Interest	171,518	66,087			0.0%
Gains	10,073				0.0%
Other Misc Revenues	4,860	4,860			0.0%
<b>Total COMMUNITY DEVELOPMENT LEVY</b>	<b>188,809</b>	<b>71,984</b>			<b>0.0%</b>
<b><u>DEVELOPMENT ACCOUNT</u></b>					
Charges for Sales	0				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Interest	329,734	86,029			0.0%
Gains	17,589				0.0%
Other Misc Revenues	0	34,946		70,000	0.0%
Transfers In	553,239	1,372,529		1,400,000	0.0%
<b>Total DEVELOPMENT ACCOUNT</b>	<b>900,562</b>	<b>1,493,505</b>		<b>1,470,000</b>	<b>0.0%</b>
<b><u>ECONOMIC DEVELOPMENT PROGRAM</u></b>					
Charges for Service	1,817,966	1,113,813	1,395,000	1,445,000	3.6%
Interest	249,005	116,825			0.0%
Gains	8,651				0.0%
Other Misc Revenues	1,145,199	868,042	2,405,000	2,405,000	0.0%
<b>Total ECONOMIC DEVELOPMENT PROGRAM</b>	<b>3,220,821</b>	<b>2,098,680</b>	<b>3,800,000</b>	<b>3,850,000</b>	<b>1.3%</b>
<b><u>HOUSING FINANCE</u></b>					
Interest	(472)	(204)			0.0%
Gains	(29)				0.0%
<b>Total HOUSING FINANCE</b>	<b>(501)</b>	<b>(204)</b>			<b>0.0%</b>
<b><u>HOUSING PROGRAM</u></b>					
Charges for Service	2,372,202	906,033			0.0%
Charges for Sales	0	1,125	7,000,000		-100.0%
Interest	317,955	128,993			0.0%
Gains	20,622				0.0%
Other Misc Revenues	14,297	20			0.0%
<b>Total HOUSING PROGRAM</b>	<b>2,725,076</b>	<b>1,036,171</b>	<b>7,000,000</b>		<b>-100.0%</b>
<b><u>HOME OWNERSHIP WORKS</u></b>					
Local Government	12,000	8,000			0.0%
Charges for Sales	126,050	637,800			0.0%
Interest	(29,322)	(4,217)			0.0%
Gains	(1,955)				0.0%
<b>Total HOME OWNERSHIP WORKS</b>	<b>106,773</b>	<b>641,583</b>			<b>0.0%</b>
<b><u>LEVERAGED INVESTMENT FUND</u></b>					
Interest	27,237	(32,365)			0.0%
Gains	489				0.0%
<b>Total LEVERAGED INVESTMENT FUND</b>	<b>27,726</b>	<b>(32,365)</b>			<b>0.0%</b>
<b><u>MCDA STATE GRANTS &amp; LOAN</u></b>					
State Government	726,115	322,690			0.0%
Local Government	373,296	12,319			0.0%
Charges for Service	9,235				0.0%
Charges for Sales	0				0.0%
Interest	64,751	24,677			0.0%
Gains	3,924				0.0%



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Other Misc Revenues	104,396	406			0.0%
<b>Total MCDA STATE GRANTS &amp; LOAN</b>	<b>1,281,717</b>	<b>360,091</b>			<b>0.0%</b>
<b><u>NEIGHBORHOOD HOUSING</u></b>					
Charges for Sales	150,000	150,000			0.0%
Other Misc Revenues	35,976	35,976			0.0%
<b>Total NEIGHBORHOOD HOUSING</b>	<b>185,976</b>	<b>185,976</b>			<b>0.0%</b>
<b><u>NRP NON TI</u></b>					
Interest	423,108	183,752			0.0%
Gains	26,144				0.0%
Transfers In	0	1,578,952			0.0%
<b>Total NRP NON TI</b>	<b>449,252</b>	<b>1,762,704</b>			<b>0.0%</b>
<b><u>COMMUNITY DEVELOPMENT</u></b>					
Charges for Service	6,125	7,150	10,000	15,000	50.0%
Charges for Sales	0			610,000	0.0%
Interest	1,542,717	1,428,804			0.0%
Gains	(7,165)				0.0%
Other Misc Revenues	462,816	432,965	1,000,000	500,000	-50.0%
Transfers In	3,662,367	4,009,509			0.0%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>5,666,860</b>	<b>5,878,428</b>	<b>1,010,000</b>	<b>1,125,000</b>	<b>11.4%</b>
<b><u>RESIDENTIAL HOUSING</u></b>					
Charges for Service	154,970	258,416		250,000	0.0%
Interest	197,129	82,705		9,000	0.0%
Gains	11,011				0.0%
Other Misc Revenues	220,722	141,958		140,000	0.0%
<b>Total RESIDENTIAL HOUSING</b>	<b>583,832</b>	<b>483,079</b>		<b>399,000</b>	<b>0.0%</b>
<b><u>UPPER RIVER LAND BANK</u></b>					
Interest	(7,406)	(3,659)			0.0%
Gains	(468)				0.0%
<b>Total UPPER RIVER LAND BANK</b>	<b>(7,874)</b>	<b>(3,659)</b>			<b>0.0%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
Property Taxes	231,291	241,777	254,834	264,600	3.8%
Sales and Other Taxes	36	39			0.0%
State Government	7,612	6,914			0.0%
Other Misc Revenues	0	160			0.0%
Transfers In	101,000	100,000		9,523	0.0%
Long Term Liabilities Proceeds	0		105,000	70,000	-33.3%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>339,939</b>	<b>348,890</b>	<b>359,834</b>	<b>344,123</b>	<b>-4.4%</b>
<b><u>POLICE DEPT - SPECIAL REVENUE</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Sales and Other Taxes	148,213	147,571	121,626	121,626	0.0%
License and Permits	917,781	833,436	571,985	540,626	-5.5%
State Government	475,365				0.0%
Charges for Service	586,098	1,253,707	610,384	2,152,629	252.7%
Charges for Sales	0	12,915			0.0%
Fines and Forfeits	503,394	733,029	370,456	416,467	12.4%
Special Assessments	0				0.0%
Other Misc Revenues	1,215				0.0%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>2,632,067</b>	<b>2,980,658</b>	<b>1,674,451</b>	<b>3,231,348</b>	<b>93.0%</b>
<b><u>ARENA - RESERVE</u></b>					
Interest	54,361	73,350			0.0%
Gains	1,805				0.0%
Transfers In	3,287,805	3,597,988	3,833,000	3,833,000	0.0%
<b>Total ARENA - RESERVE</b>	<b>3,343,971</b>	<b>3,671,338</b>	<b>3,833,000</b>	<b>3,833,000</b>	<b>0.0%</b>
<b><u>CONVENTION FACILITES - RESERVE</u></b>					
Transfers In	1,150,000	1,150,000	1,150,000	1,150,000	0.0%
<b>Total CONVENTION FACILITES - RESERVE</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>0.0%</b>
<b><u>GRANTS - FEDERAL</u></b>					
Federal Government	20,396,727	17,305,271	16,638,947	20,015,263	20.3%
Charges for Service	1,215	6,312,510			0.0%
Interest	44,436	28,861			0.0%
Other Misc Revenues	181,944	183,635	1,000,000		-100.0%
<b>Total GRANTS - FEDERAL</b>	<b>20,624,323</b>	<b>23,830,278</b>	<b>17,638,947</b>	<b>20,015,263</b>	<b>13.5%</b>
<b><u>MCDA FEDERAL GRANTS-OTHER</u></b>					
Federal Government	8,026				0.0%
Charges for Sales	199,170				0.0%
Interest	13,089				0.0%
Other Misc Revenues	130	144			0.0%
Transfers In	3,682,418				0.0%
<b>Total MCDA FEDERAL GRANTS-OTHER</b>	<b>3,902,833</b>	<b>144</b>			<b>0.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
Federal Government	19,299,588	15,717,172	14,496,000	15,408,000	6.3%
Charges for Service	100,061	29,091			0.0%
Charges for Sales	263,374	119,644			0.0%
Special Assessments	0	7,515			0.0%
Interest	36,470	25,438			0.0%
Rents	200	693			0.0%
Other Misc Revenues	1,832,323	601,346	600,000	600,000	0.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>21,532,017</b>	<b>16,500,899</b>	<b>15,096,000</b>	<b>16,008,000</b>	<b>6.0%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b><u>MCDA CDBG</u></b>					
Charges for Service	(36,671)				0.0%
Charges for Sales	0				0.0%
Interest	0				0.0%
Other Misc Revenues	0				0.0%
Transfers In	1,363,190	20,286	26,052		-100.0%
<b>Total MCDA CDBG</b>	<b>1,326,519</b>	<b>20,286</b>	<b>26,052</b>		<b>-100.0%</b>
<b><u>HOME</u></b>					
Federal Government	0	3,662,503	3,446,000	3,802,361	10.3%
Charges for Sales	0	537,000		300,000	0.0%
Interest	0	13,220			0.0%
<b>Total HOME</b>	<b>0</b>	<b>4,212,723</b>	<b>3,446,000</b>	<b>4,102,361</b>	<b>19.0%</b>
<b><u>GRANTS - OTHER</u></b>					
Sales and Other Taxes	46,916	10,694	26,000	20,000	-23.1%
License and Permits	0	210,033	584,800	2,124,924	263.4%
State Government	15,785,137	12,623,380	7,277,450	8,589,463	18.0%
Local Government	585,149	1,778,396	147,000	147,000	0.0%
Charges for Service	304,679	124,911	475,000	479,300	0.9%
Charges for Sales	37,751				0.0%
Fines and Forfeits	0		10,000	15,300	53.0%
Special Assessments	0	4,284,801	3,974,400	3,893,632	-2.0%
Interest	32,858	10,551	10,000		-100.0%
Rents	0	11,614			0.0%
Contributions	1,332,205	1,460,888	919,000	872,000	-5.1%
Other Misc Revenues	32,080	140,022	51,794	48,000	-7.3%
Transfers In	129,391				0.0%
<b>Total GRANTS - OTHER</b>	<b>18,286,164</b>	<b>20,655,289</b>	<b>13,475,444</b>	<b>16,189,619</b>	<b>20.1%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
Sales and Other Taxes	60,065,202	60,480,504	59,304,000	62,435,620	5.3%
Charges for Service	5,250,866	6,062,364	5,475,000	5,585,000	2.0%
Interest	1,449,045	2,113,563	1,729,011	1,132,611	-34.5%
Gains	95,298			20,000	0.0%
Rents	6,508,640	6,705,066	6,435,000	6,432,411	0.0%
Contributions	391,900	509,500			0.0%
Other Misc Revenues	2,581,563	2,809,463	3,025,000	2,770,000	-8.4%
Transfers In	500,000	1,000,000	1,000,000	1,000,000	0.0%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>76,842,515</b>	<b>79,680,460</b>	<b>76,968,011</b>	<b>79,375,642</b>	<b>3.1%</b>
<b><u>FIRE PENSION BONDS</u></b>					
Interest	0	0			0.0%
Gains	0				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total FIRE PENSION BONDS</b>	<b>0</b>	<b>0</b>			<b>0.0%</b>
<b><u>MERF PENSION BONDS</u></b>					
Interest	560,630	243,014			0.0%
Gains	34,609				0.0%
Transfers In	0				0.0%
<b>Total MERF PENSION BONDS</b>	<b>595,239</b>	<b>243,014</b>			<b>0.0%</b>
<b><u>POLICE PENSION BONDS</u></b>					
Interest	0	0			0.0%
Gains	0				0.0%
<b>Total POLICE PENSION BONDS</b>	<b>0</b>	<b>0</b>			<b>0.0%</b>
<b><u>EMPLOYEE RETIREMENT</u></b>					
Property Taxes	8,726,316	9,636,090	6,992,300	4,806,214	-31.3%
Sales and Other Taxes	1,371	1,559			0.0%
State Government	3,701,565	2,758,217	5,578,141	5,578,141	0.0%
Fines and Forfeits	405,498	297,221			0.0%
Interest	0				0.0%
Gains	0				0.0%
Other Misc Revenues	863,608	1,258,802	1,381,719	1,381,719	0.0%
<b>Total EMPLOYEE RETIREMENT</b>	<b>13,698,358</b>	<b>13,951,889</b>	<b>13,952,160</b>	<b>11,766,074</b>	<b>-15.7%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Property Taxes	38,529,165	40,324,408	42,735,391	43,680,950	2.2%
Sales and Other Taxes	6,019	6,508	3,000	3,000	0.0%
License and Permits	95,929	176,053	174,000	204,000	17.2%
State Government	13,054,570	10,672,815	11,537,290	8,482,243	-26.5%
Local Government	87,227		428,790	428,790	0.0%
Charges for Service	898,122	952,449	1,360,943	1,457,379	7.1%
Charges for Sales	35,497	49,396	52,000	62,000	19.2%
Fines and Forfeits	511,378	526,810	536,500	556,500	3.7%
Interest	0				0.0%
Rents	506,700	849,864	676,861	696,861	3.0%
Contributions	140,971	337,390	202,500	202,500	0.0%
Other Misc Revenues	9,708	360,033	6,200	74,764	1,105.9%
Transfers In	1,037,163	295,000	295,000	295,000	0.0%
<b>Total PARK - GENERAL FUND</b>	<b>54,912,447</b>	<b>54,550,726</b>	<b>58,008,475</b>	<b>56,143,987</b>	<b>-3.2%</b>
<b><u>PARK - MUSEUM (ART INSTITUTE)</u></b>					
Property Taxes	9,947,639	11,187,671	12,103,110	12,178,277	0.6%
<b>Total PARK - MUSEUM (ART INSTITUTE)</b>	<b>9,947,639</b>	<b>11,187,671</b>	<b>12,103,110</b>	<b>12,178,277</b>	<b>0.6%</b>
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
License and Permits	0	300			0.0%
Federal Government	11,145	4,000			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
State Government	0		12,000	12,000	0.0%
Local Government	1,295,468	1,339,492	1,125,000	1,125,000	0.0%
Charges for Service	949,170	700,674			0.0%
Charges for Sales	2,070	12,168			0.0%
Fines and Forfeits	0		6,000	6,000	0.0%
Rents	565	32,360	21,600	21,600	0.0%
Contributions	195,716	334,457			0.0%
Other Misc Revenues	79,044	42,834	3,000	3,000	0.0%
Transfers In	103,300	123,652			0.0%
<b>Total PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>2,636,477</b>	<b>2,589,937</b>	<b>1,167,600</b>	<b>1,167,600</b>	<b>0.0%</b>
<b><u>PARK-SPEC REV-INTEREST BEARING</u></b>					
Interest	918	18,737			0.0%
Gains	29				0.0%
<b>Total PARK-SPEC REV-INTEREST BEARING</b>	<b>948</b>	<b>18,737</b>			<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Federal Government	3,000				0.0%
Local Government	32,950	12,028			0.0%
Charges for Service	10,520,319	11,386,436	11,493,504	12,206,217	6.2%
Charges for Sales	104,782	851	34,000	6,000	-82.4%
Fines and Forfeits	103,402	6,797	154,000	122,000	-20.8%
Interest	12	7			0.0%
Gains	(7,150)				0.0%
Rents	1,602,625	2,007,730	1,552,737	1,418,547	-8.6%
Contributions	454,332	462,038	500	220,500	44,000.0%
Other Misc Revenues	21,342	63,078	52,500	59,000	12.4%
Transfers In	57,361	2,784			0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>12,892,976</b>	<b>13,941,749</b>	<b>13,287,241</b>	<b>14,032,264</b>	<b>5.6%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
Property Taxes	12,887,682	230,285			0.0%
Sales and Other Taxes	2,013	3,030			0.0%
Federal Government	890,142				0.0%
State Government	7,606,180	21,149			0.0%
Local Government	5,000				0.0%
Charges for Service	597,163	6,174			0.0%
Charges for Sales	0				0.0%
Rents	130,171				0.0%
Contributions	1,108,304				0.0%
Other Misc Revenues	673	406,179			0.0%
Transfers In	2,677,933				0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>25,905,262</b>	<b>666,816</b>			<b>0.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
State Government	364,638				0.0%
Local Government	(28,401)				0.0%
Contributions	2,842,000				0.0%
Other Misc Revenues	1,401,766				0.0%
Transfers In	1,132,535				0.0%
Long Term Liabilities Proceeds	0		5,055,000	5,810,000	14.9%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>5,712,538</b>		<b>5,055,000</b>	<b>5,810,000</b>	<b>14.9%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
Property Taxes	0			9,114,000	0.0%
Interest	0				0.0%
Gains	0				0.0%
Transfers In	0				0.0%
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>0</b>			<b>9,114,000</b>	<b>0.0%</b>
<b><u>HISTORIC PRESERVATION FUND</u></b>					
State Government	0			(141,030)	0.0%
Interest	0				0.0%
Rents	44,877	78,690			0.0%
Other Misc Revenues	328	276			0.0%
<b>Total HISTORIC PRESERVATION FUND</b>	<b>45,204</b>	<b>78,967</b>		<b>(141,030)</b>	<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
Property Taxes	3,868,974	4,029,616		4,244,859	0.0%
Sales and Other Taxes	604	650			0.0%
State Government	397,022	323,967	267,257	145,889	-45.4%
Charges for Service	3,203,418	3,705,897	8,123,200	3,727,079	-54.1%
Charges for Sales	5,530	8,550	6,000	6,000	0.0%
Rents	54,192	10,818	2,200		-100.0%
Other Misc Revenues	1,293	8,070	150,600		-100.0%
Transfers In	0			60,000	0.0%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>7,531,034</b>	<b>8,087,568</b>	<b>8,549,257</b>	<b>8,183,827</b>	<b>-4.3%</b>
<b><u>JOINT BOARD</u></b>					
Charges for Service	12,450				0.0%
Interest	4,099	2,088			0.0%
Gains	254				0.0%
<b>Total JOINT BOARD</b>	<b>16,803</b>	<b>2,088</b>			<b>0.0%</b>
<b><u>MEDC</u></b>					
Interest	82	(70)			0.0%
Gains	72				0.0%
<b>Total MEDC</b>	<b>154</b>	<b>(70)</b>			<b>0.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Federal Government	171,724	64,803	64,803	64,803	0.0%
Local Government	1,343,613	879,563	1,329,242	1,635,693	23.1%
Interest	123,551	80,685			0.0%
Gains	6,336		25,000	80,000	220.0%
Rents	12,000	4,000			0.0%
Contributions	15,000	1,201,250	530,000	530,000	0.0%
Other Misc Revenues	1,114	258			0.0%
<b>Total YOUTH COORDINATING BOARD</b>	<b>1,673,337</b>	<b>2,230,559</b>	<b>1,949,045</b>	<b>2,310,496</b>	<b>18.5%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
State Government	1,778,889	1,626,645	1,428,620	1,382,156	-3.3%
Charges for Service	15,186				0.0%
Interest	68,233	33,617			0.0%
Gains	2,660				0.0%
Other Misc Revenues	66,418	57,559			0.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>1,931,386</b>	<b>1,717,821</b>	<b>1,428,620</b>	<b>1,382,156</b>	<b>-3.3%</b>
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
Federal Government	0			287,000	0.0%
<b>Total PUBLIC HOUSING AUTHORITY</b>	<b>0</b>			<b>287,000</b>	<b>0.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>405,594,589</b>	<b>403,934,958</b>	<b>351,880,609</b>	<b>337,890,928</b>	<b>-4.0%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>AUG 01 VARIOUS PURPOSE</u></b>					
Interest	30,083	3,012			0.0%
Gains	(300)				0.0%
<b>Total AUG 01 VARIOUS PURPOSE</b>	<b>29,783</b>	<b>3,012</b>			<b>0.0%</b>
<b><u>JUNE 02 VARIOUS PURPOSE BONDS</u></b>					
Interest	4,013	2,231			0.0%
Gains	2				0.0%
Transfers In	0				0.0%
<b>Total JUNE 02 VARIOUS PURPOSE BONDS</b>	<b>4,015</b>	<b>2,231</b>			<b>0.0%</b>
<b><u>DEC02 VARIOUS PURPOSE BONDS</u></b>					
Interest	0	0			0.0%
<b>Total DEC02 VARIOUS PURPOSE BONDS</b>	<b>0</b>	<b>0</b>			<b>0.0%</b>
<b><u>JUNE 03 VARIOUS PURPOSE BONDS</u></b>					
Interest	5,744	1,663			0.0%
Gains	(275)				0.0%
Transfers In	0				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total JUNE 03 VARIOUS PURPOSE BONDS</b>	<b>5,469</b>	<b>1,663</b>			<b>0.0%</b>
<b><u>JUNE 04 VARIOUS PURPOSE BONDS</u></b>					
Interest	149,939	42,042			0.0%
Gains	(3,050)				0.0%
Transfers In	0				0.0%
<b>Total JUNE 04 VARIOUS PURPOSE BONDS</b>	<b>146,889</b>	<b>42,042</b>			<b>0.0%</b>
<b><u>JUNE 05 VARIOUS PURPOSE BONDS</u></b>					
Interest	318,360	56,178			0.0%
Gains	(8,259)				0.0%
Transfers In	0	102,487			0.0%
<b>Total JUNE 05 VARIOUS PURPOSE BONDS</b>	<b>310,101</b>	<b>158,664</b>			<b>0.0%</b>
<b><u>JUNE99 VARIOUS PURPOSE BONDS</u></b>					
Interest	(807)				0.0%
Gains	(468)				0.0%
Transfers In	0				0.0%
<b>Total JUNE99 VARIOUS PURPOSE BONDS</b>	<b>(1,275)</b>				<b>0.0%</b>
<b><u>OCT05 VAR PURP REFUNDING BONDS</u></b>					
Interest	13,326	(820)			0.0%
Gains	(1,239)				0.0%
Transfers In	0				0.0%
<b>Total OCT05 VAR PURP REFUNDING BONDS</b>	<b>12,087</b>	<b>(820)</b>			<b>0.0%</b>
<b><u>JUNE 06 VARIOUS PURPOSE BONDS</u></b>					
Interest	768,449	63,325			0.0%
Gains	(31,952)				0.0%
Transfers In	0	40,000			0.0%
Long Term Liabilities Proceeds	0				0.0%
<b>Total JUNE 06 VARIOUS PURPOSE BONDS</b>	<b>736,497</b>	<b>103,325</b>			<b>0.0%</b>
<b><u>JUNE 07 VARIOUS PURPOSE BONDS</u></b>					
Interest	735,671	486,592			0.0%
Gains	62,877				0.0%
Transfers In	0	10,000			0.0%
Long Term Liabilities Proceeds	15,381,205				0.0%
<b>Total JUNE 07 VARIOUS PURPOSE BONDS</b>	<b>16,179,753</b>	<b>496,592</b>			<b>0.0%</b>
<b><u>MAY 08 VARIOUS PURPOSE BONDS</u></b>					
Interest	0	554,387			0.0%
Long Term Liabilities Proceeds	0	19,073,313			0.0%
<b>Total MAY 08 VARIOUS PURPOSE BONDS</b>	<b>0</b>	<b>19,627,700</b>			<b>0.0%</b>



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b><u>JUNE03 HERITAGE PARK ARBITRAGE</u></b>					
Interest	(24)				0.0%
Gains	(14)				0.0%
<b>Total JUNE03 HERITAGE PARK ARBITRAGE</b>	<b>(38)</b>				<b>0.0%</b>
<b><u>OCT 02 IMPROV BOND ARBITRAGE</u></b>					
Interest	4,417	(591)			0.0%
Gains	(209)				0.0%
Transfers In	0				0.0%
<b>Total OCT 02 IMPROV BOND ARBITRAGE</b>	<b>4,208</b>	<b>(591)</b>			<b>0.0%</b>
<b><u>NOV03 IMPROV BOND ARBITRAGE</u></b>					
Interest	0	0			0.0%
<b>Total NOV03 IMPROV BOND ARBITRAGE</b>	<b>0</b>	<b>0</b>			<b>0.0%</b>
<b><u>NOV04 IMPROV BOND ARBITRAGE</u></b>					
Interest	17,717	9,864			0.0%
Gains	(18)				0.0%
Transfers In	0				0.0%
<b>Total NOV04 IMPROV BOND ARBITRAGE</b>	<b>17,699</b>	<b>9,864</b>			<b>0.0%</b>
<b><u>NOV05 IMPROV BOND ARBITRAGE</u></b>					
Interest	23,220	(2,217)			0.0%
Gains	(1,557)				0.0%
Transfers In	0				0.0%
<b>Total NOV05 IMPROV BOND ARBITRAGE</b>	<b>21,663</b>	<b>(2,217)</b>			<b>0.0%</b>
<b><u>NOV06 IMPROV BOND ARBITRAGE</u></b>					
Interest	13,881	(14,192)			0.0%
Gains	(6,807)				0.0%
Long Term Liabilities Proceeds	0				0.0%
<b>Total NOV06 IMPROV BOND ARBITRAGE</b>	<b>7,074</b>	<b>(14,192)</b>			<b>0.0%</b>
<b><u>NOV07 IMPROV BOND ARBITRAGE</u></b>					
Interest	3,102	8,895			0.0%
Gains	2,268				0.0%
Long Term Liabilities Proceeds	5,441,093				0.0%
<b>Total NOV07 IMPROV BOND ARBITRAGE</b>	<b>5,446,463</b>	<b>8,895</b>			<b>0.0%</b>
<b><u>NOV08 IMPROV BOND ARBITRAGE</u></b>					
Interest	0	27,055			0.0%
Long Term Liabilities Proceeds	0	7,805,088			0.0%
<b>Total NOV08 IMPROV BOND ARBITRAGE</b>	<b>0</b>	<b>7,832,143</b>			<b>0.0%</b>
<b><u>OCT03 LIBRARY REF BONDS</u></b>					
Interest	0				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total OCT03 LIBRARY REF BONDS</b>	<b>0</b>				<b>0.0%</b>
<b><u>NOV04 LIBRARY REF BONDS</u></b>					
Interest	0				0.0%
Gains	0				0.0%
<b>Total NOV04 LIBRARY REF BONDS</b>	<b>0</b>				<b>0.0%</b>
<b><u>JUNE 05 LIBRARY REFERNDM BNDS</u></b>					
Interest	0				0.0%
Gains	0				0.0%
<b>Total JUNE 05 LIBRARY REFERNDM BNDS</b>	<b>0</b>				<b>0.0%</b>
<b><u>JUNE 06 LIBRARY REF BONDS</u></b>					
Interest	89,055	15,362			0.0%
Gains	(3,185)				0.0%
Transfers In	0	898,972			0.0%
Long Term Liabilities Proceeds	0				0.0%
<b>Total JUNE 06 LIBRARY REF BONDS</b>	<b>85,870</b>	<b>914,334</b>			<b>0.0%</b>
<b><u>May 08 Library Ref Bonds</u></b>					
Interest	0	111,079			0.0%
Long Term Liabilities Proceeds	0	11,784,633			0.0%
<b>Total May 08 Library Ref Bonds</b>	<b>0</b>	<b>11,895,712</b>			<b>0.0%</b>
<b><u>MAR05 MILLQTR/GUTHRIE PKG BOND</u></b>					
Interest	(13,068)				0.0%
Gains	(7,576)				0.0%
Transfers In	0				0.0%
<b>Total MAR05 MILLQTR/GUTHRIE PKG BOND</b>	<b>(20,644)</b>				<b>0.0%</b>
<b><u>JUNE00 VARIOUS PURPOSE BONDS</u></b>					
Interest	17,030	8,788			0.0%
Gains	25				0.0%
Transfers In	0				0.0%
<b>Total JUNE00 VARIOUS PURPOSE BONDS</b>	<b>17,055</b>	<b>8,788</b>			<b>0.0%</b>
<b><u>CAPITAL IMPROVEMENTS</u></b>					
Property Taxes	1,566,420	1,569,390	1,586,620	1,666,000	5.0%
Sales and Other Taxes	243	253			0.0%
License and Permits	287,423	152,635	263,159	263,159	0.0%
Federal Government	3,347,585	8,061,484	4,753,000	14,930,000	214.1%
State Government	5,456,115	8,397,428	10,518,000	7,555,000	-28.2%
Local Government	4,959,912	4,157,978	907,000	620,000	-31.6%
Charges for Service	2,686,398	2,805,276	6,222,924	6,422,924	3.2%
Charges for Sales	106,494	5,408			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Special Assessments	1,513,990	1,204,799	10,556,072	7,061,072	-33.1%
Rents	0				0.0%
Contributions	0				0.0%
Other Misc Revenues	1,311,277	1,507,654			0.0%
Transfers In	26,796,621	17,025,825	7,329,004	10,800,000	47.4%
Long Term Liabilities Proceeds	0	199,218	11,279,000	11,262,000	-0.2%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>48,032,478</b>	<b>45,087,349</b>	<b>53,414,779</b>	<b>60,580,155</b>	<b>13.4%</b>
<b><u>ARBITRAGE 1993 PARK BONDS</u></b>					
Interest	4	(4)			0.0%
Gains	(45)				0.0%
<b>Total ARBITRAGE 1993 PARK BONDS</b>	<b>(41)</b>	<b>(4)</b>			<b>0.0%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
Federal Government	478,375	597,275	2,000,000		-100.0%
State Government	0	33,900			0.0%
Local Government	4,017,474	3,049,524	2,850,000		-100.0%
Charges for Service	465,621	137,558			0.0%
Charges for Sales	1,515	1,330			0.0%
Contributions	353,438	3,657,293			0.0%
Other Misc Revenues	4,472	45,584			0.0%
Transfers In	3,812,099	2,672,437	3,600,000	2,000,000	-44.4%
Long Term Liabilities Proceeds	0		141,000	1,000,000	609.2%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>9,132,994</b>	<b>10,194,902</b>	<b>8,591,000</b>	<b>3,000,000</b>	<b>-65.1%</b>
<b><u>PARK-CAPITAL IMPROVE-ASSESSED</u></b>					
Charges for Service	0	222			0.0%
Special Assessments	0				0.0%
Other Misc Revenues	127,858	141,988			0.0%
Transfers In	500,000	421,581			0.0%
Long Term Liabilities Proceeds	0		500,000	500,000	0.0%
<b>Total PARK-CAPITAL IMPROVE-ASSESSED</b>	<b>627,858</b>	<b>563,791</b>	<b>500,000</b>	<b>500,000</b>	<b>0.0%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
Federal Government	76,237	19,260			0.0%
State Government	0	62,764			0.0%
Local Government	0	35,000			0.0%
Charges for Service	1,522,887	1,356,528			0.0%
Contributions	35,000				0.0%
Transfers In	1,317,389	704,159	202,500		-100.0%
Long Term Liabilities Proceeds	0		800,000	996,000	24.5%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>2,951,513</b>	<b>2,177,710</b>	<b>1,002,500</b>	<b>996,000</b>	<b>-0.6%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>83,747,471</b>	<b>99,110,895</b>	<b>63,508,279</b>	<b>65,076,155</b>	<b>2.5%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b><u>DEBT SERVICE</u></b>					
<b><u>01 IMPROVEMENT BONDS - 10 YR</u></b>					
Interest	0				0.0%
<b>Total 01 IMPROVEMENT BONDS - 10 YR</b>	<b>0</b>				<b>0.0%</b>
<b><u>01 IMPROVEMENT BONDS - 20 YR</u></b>					
Special Assessments	906,513	765,009			0.0%
Interest	163,929	76,002			0.0%
Gains	9,904				0.0%
<b>Total 01 IMPROVEMENT BONDS - 20 YR</b>	<b>1,080,346</b>	<b>841,011</b>			<b>0.0%</b>
<b><u>00 IMPROVEMENT BONDS</u></b>					
Special Assessments	2,163	2,474			0.0%
Interest	757	401			0.0%
Gains	53				0.0%
<b>Total 00 IMPROVEMENT BONDS</b>	<b>2,973</b>	<b>2,875</b>			<b>0.0%</b>
<b><u>96 IMPROVEMENT BONDS</u></b>					
Special Assessments	93,236	56,035			0.0%
Interest	(4,577)	(3,663)			0.0%
Gains	(555)				0.0%
<b>Total 96 IMPROVEMENT BONDS</b>	<b>88,104</b>	<b>52,371</b>			<b>0.0%</b>
<b><u>97 IMPROVEMENT BONDS</u></b>					
Special Assessments	197,907	195,118			0.0%
Interest	14,956	5,353			0.0%
Gains	650				0.0%
<b>Total 97 IMPROVEMENT BONDS</b>	<b>213,513</b>	<b>200,472</b>			<b>0.0%</b>
<b><u>98 IMPROVEMENT BONDS</u></b>					
Special Assessments	104,037	93,592			0.0%
Interest	15,947	4,895			0.0%
Gains	629				0.0%
<b>Total 98 IMPROVEMENT BONDS</b>	<b>120,613</b>	<b>98,487</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/90 IMP BOND</u></b>					
Special Assessments	169,996	162,174			0.0%
Interest	(32,489)	(16,471)			0.0%
Gains	(2,556)				0.0%
<b>Total BOND REDEM ARBIT 6/90 IMP BOND</b>	<b>134,951</b>	<b>145,703</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/91 IMP BOND</u></b>					
Special Assessments	88,677	88,178			0.0%
Interest	1,615	(2,318)			0.0%
Gains	(426)				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total BOND REDEM ARBIT 6/91 IMP BOND</b>	<b>89,866</b>	<b>85,860</b>			<b>0.0%</b>
<b><u>MCDA DEBT SERVICE</u></b>					
Interest	818,294	38,029	230,000		-100.0%
Gains	41,067				0.0%
Transfers In	39,984,765	39,497,220	23,785,521		-100.0%
Long Term Liabilities Proceeds	1,750,000				0.0%
<b>Total MCDA DEBT SERVICE</b>	<b>42,594,126</b>	<b>39,535,249</b>	<b>24,015,521</b>		<b>-100.0%</b>
<b><u>ST ANTHONY DEBT SERVICE</u></b>					
Interest	57,360	25,026			0.0%
Gains	(328)				0.0%
Transfers In	1,578,205	1,037,701			0.0%
<b>Total ST ANTHONY DEBT SERVICE</b>	<b>1,635,237</b>	<b>1,062,727</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/92 IMP BOND</u></b>					
Special Assessments	128,343	85,550			0.0%
Interest	15,213	3,999			0.0%
Gains	497				0.0%
<b>Total BOND REDEM ARBIT 6/92 IMP BOND</b>	<b>144,053</b>	<b>89,549</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/93 IMP BOND</u></b>					
Special Assessments	123,643	107,127			0.0%
Interest	5,317	889			0.0%
Gains	1				0.0%
<b>Total BOND REDEM ARBIT 6/93 IMP BOND</b>	<b>128,961</b>	<b>108,015</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/94 IMP BOND</u></b>					
Special Assessments	82,269	83,130			0.0%
Interest	(5,752)	236			0.0%
Gains	(130)				0.0%
<b>Total BOND REDEM ARBIT 6/94 IMP BOND</b>	<b>76,387</b>	<b>83,366</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/95 IMP BOND</u></b>					
Special Assessments	198,926	192,344			0.0%
Interest	(28,621)	(6,171)			0.0%
Gains	(1,217)				0.0%
<b>Total BOND REDEM ARBIT 6/95 IMP BOND</b>	<b>169,088</b>	<b>186,173</b>			<b>0.0%</b>
<b><u>OCT 02 IMPROV BOND D/S</u></b>					
Special Assessments	396,902	331,792			0.0%
Interest	12,199	1,374			0.0%
Gains	(191)				0.0%
Transfers In	4,202				0.0%
<b>Total OCT 02 IMPROV BOND D/S</b>	<b>413,112</b>	<b>333,167</b>			<b>0.0%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b><u>NOV03 IMPROV BOND D/S</u></b>					
Special Assessments	484,025	419,909			0.0%
Interest	11,684	1,356			0.0%
Gains	(238)				0.0%
<b>Total NOV03 IMPROV BOND D/S</b>	<b>495,471</b>	<b>421,265</b>			<b>0.0%</b>
<b><u>NOV04 IMPROV BOND D/S</u></b>					
Special Assessments	907,118	863,766			0.0%
Interest	16,156	8,096			0.0%
Gains	0				0.0%
Transfers In	17,113	11,412			0.0%
<b>Total NOV04 IMPROV BOND D/S</b>	<b>940,387</b>	<b>883,274</b>			<b>0.0%</b>
<b><u>NOV05 IMPROV BOND D/S</u></b>					
Special Assessments	530,665	717,268			0.0%
Interest	11,564	9,450			0.0%
Gains	225				0.0%
Transfers In	24,154				0.0%
<b>Total NOV05 IMPROV BOND D/S</b>	<b>566,608</b>	<b>726,717</b>			<b>0.0%</b>
<b><u>NOV06 IMPROV BOND D/S</u></b>					
Special Assessments	511,382	497,453			0.0%
Interest	8,786	8,841			0.0%
Gains	259				0.0%
Transfers In	12,334				0.0%
<b>Total NOV06 IMPROV BOND D/S</b>	<b>532,761</b>	<b>506,293</b>			<b>0.0%</b>
<b><u>NOV07 IMPROV BOND D/S</u></b>					
Special Assessments	8,143	224,906			0.0%
Interest	9	(451)			0.0%
Gains	8				0.0%
Transfers In	2,831	11,433			0.0%
<b>Total NOV07 IMPROV BOND D/S</b>	<b>10,991</b>	<b>235,888</b>			<b>0.0%</b>
<b><u>NOV08 IMPROV BOND D/S</u></b>					
Special Assessments	0	86,496			0.0%
Interest	0	159			0.0%
Transfers In	0	19,969			0.0%
<b>Total NOV08 IMPROV BOND D/S</b>	<b>0</b>	<b>106,625</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT ASSESS PARK</u></b>					
Special Assessments	865,915	843,488			0.0%
Interest	51,504	25,866			0.0%
Gains	1,026				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b>Total BOND REDEM ARBIT ASSESS PARK</b>	<b>918,445</b>	<b>869,354</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/87 IMP BOND</u></b>					
Special Assessments	24,433	3,091			0.0%
Interest	(18,735)	(5,845)			0.0%
Gains	(1,082)				0.0%
Transfers In	0	357,993			0.0%
<b>Total BOND REDEM ARBIT 6/87 IMP BOND</b>	<b>4,616</b>	<b>355,239</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 9/87 IMP BOND</u></b>					
Special Assessments	34,008	3,672			0.0%
Interest	(7,835)	(1,920)			0.0%
Gains	(382)				0.0%
Transfers In	0	128,661			0.0%
<b>Total BOND REDEM ARBIT 9/87 IMP BOND</b>	<b>25,791</b>	<b>130,412</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/88 IMP BOND</u></b>					
Special Assessments	35,022	35,785			0.0%
Interest	(25,681)	(7,798)			0.0%
Gains	(1,483)				0.0%
Transfers In	0	458,888			0.0%
<b>Total BOND REDEM ARBIT 6/88 IMP BOND</b>	<b>7,858</b>	<b>486,874</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/89 IMP BOND</u></b>					
Special Assessments	36,482	33,345			0.0%
Interest	(28,136)	(11,016)			0.0%
Gains	(1,631)				0.0%
<b>Total BOND REDEM ARBIT 6/89 IMP BOND</b>	<b>6,715</b>	<b>22,329</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT NIC MALL BOND</u></b>					
Special Assessments	1,651,356	1,630,349			0.0%
Interest	135,836	66,259			0.0%
Gains	10,848				0.0%
Transfers In	177,750	175,125	172,250	169,125	-1.8%
<b>Total BOND REDEM ARBIT NIC MALL BOND</b>	<b>1,975,790</b>	<b>1,871,733</b>	<b>172,250</b>	<b>169,125</b>	<b>-1.8%</b>
<b><u>BOND REDEMPTION - DEBT SERVICE</u></b>					
Property Taxes	17,984,635	17,705,007	21,798,996	15,818,600	-27.4%
Sales and Other Taxes	2,811	2,860			0.0%
State Government	592,403	507,227			0.0%
Charges for Service	0				0.0%
Special Assessments	600	1,884			0.0%
Interest	975,793	425,584			0.0%
Gains	24,479				0.0%
Rents	0				0.0%
Other Misc Revenues	0				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Transfers In	5,537,280	5,563,018			0.0%
<b>Total BOND REDEMPTION - DEBT SERVICE</b>	<b>25,118,001</b>	<b>24,205,579</b>	<b>21,798,996</b>	<b>15,818,600</b>	<b>-27.4%</b>
<b><u>OTH SELF SUPPORTING DEBT SERVC</u></b>					
Charges for Service	2,306	6,817			0.0%
Interest	(3,796)	418			0.0%
Gains	(705)				0.0%
Rents	325,494	800,582			0.0%
Other Misc Revenues	1,812,552	1,296,618			0.0%
Transfers In	68,293	69,199	70,890	71,298	0.6%
<b>Total OTH SELF SUPPORTING DEBT SERVC</b>	<b>2,204,144</b>	<b>2,173,633</b>	<b>70,890</b>	<b>71,298</b>	<b>0.6%</b>
<b><u>MIDTOWN EXCH 108 LOAN ACCOUNT</u></b>					
Interest	6,348	(594)			0.0%
Gains	(155)				0.0%
Transfers In	37,517	242,812			0.0%
<b>Total MIDTOWN EXCH 108 LOAN ACCOUNT</b>	<b>43,710</b>	<b>242,218</b>			<b>0.0%</b>
<b><u>PENSION FUND DEBT SERVICE</u></b>					
Interest	120,448	195,367			0.0%
Gains	31,288				0.0%
Other Misc Revenues	50,087	78,756			0.0%
Transfers In	11,757,000	11,729,000	17,582,000	15,498,954	-11.8%
<b>Total PENSION FUND DEBT SERVICE</b>	<b>11,958,823</b>	<b>12,003,123</b>	<b>17,582,000</b>	<b>15,498,954</b>	<b>-11.8%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
Property Taxes	9,192,927	9,217,290	9,114,000	9,114,000	0.0%
Interest	113,474	106,567			0.0%
Gains	(8,865)				0.0%
Transfers In	93,852	261,610			0.0%
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>9,391,388</b>	<b>9,585,467</b>	<b>9,114,000</b>	<b>9,114,000</b>	<b>0.0%</b>
<b><u>CONVENTION CENTER-DEBT SERVICE</u></b>					
Interest	(215)	(69)			0.0%
Gains	30				0.0%
Rents	301,970	301,970			0.0%
Transfers In	17,538,641	16,560,311	18,728,000	20,151,000	7.6%
<b>Total CONVENTION CENTER-DEBT SERVICE</b>	<b>17,840,426</b>	<b>16,862,212</b>	<b>18,728,000</b>	<b>20,151,000</b>	<b>7.6%</b>
<b><u>TARGET CENTER</u></b>					
Interest	55,178	27,990			0.0%
Transfers In	5,415,062	5,499,118			0.0%
<b>Total TARGET CENTER</b>	<b>5,470,240</b>	<b>5,527,108</b>			<b>0.0%</b>
<b><u>BOND REDEMPTION - ASSESSMENT</u></b>					



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Special Assessments	35,899	126,616			0.0%
Interest	247,255	103,853			0.0%
Gains	15,303				0.0%
Transfers In	11,507	30,995			0.0%
<b>Total BOND REDEMPTION - ASSESSMENT</b>	<b>309,964</b>	<b>261,463</b>			<b>0.0%</b>
<b><u>CONCERT HALL - DEBT SERVICE</u></b>					
Interest	65	28			0.0%
Gains	4				0.0%
<b>Total CONCERT HALL - DEBT SERVICE</b>	<b>69</b>	<b>28</b>			<b>0.0%</b>
<b><u>TAX INCREMENT - DEBT SERVICE</u></b>					
Interest	9,340	1,403			0.0%
Gains	644				0.0%
Other Misc Revenues	0	108,183			0.0%
Transfers In	15,080,596	15,464,680	14,075,564	12,482,791	-11.3%
<b>Total TAX INCREMENT - DEBT SERVICE</b>	<b>15,090,580</b>	<b>15,574,266</b>	<b>14,075,564</b>	<b>12,482,791</b>	<b>-11.3%</b>
<b>TOTAL DEBT SERVICE</b>	<b>139,804,106</b>	<b>135,876,126</b>	<b>105,557,221</b>	<b>73,305,768</b>	<b>-30.6%</b>

**INTERNAL SERVICE**

<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
Charges for Service	846,122	1,065,112	1,030,000	1,110,000	7.8%
Charges for Sales	3,251,259		3,501,000	350,000	-90.0%
Other Misc Revenues	0	4,371			0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>4,097,381</b>	<b>1,069,483</b>	<b>4,531,000</b>	<b>1,460,000</b>	<b>-67.8%</b>

<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
Charges for Service	6,486,789	6,462,749	7,860,500	8,132,710	3.5%
Charges for Sales	6,293,140	6,535,017	7,800,000	9,838,047	26.1%
Gains	106,671	50,345	200,000	200,000	0.0%
Rents	20,262,893	20,685,212	27,004,000	24,726,768	-8.4%
Other Misc Revenues	187,136	300,196	10,000	10,000	0.0%
Transfers In	4,180,000	4,180,000	4,180,000	4,180,000	0.0%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>37,516,629</b>	<b>38,213,520</b>	<b>47,054,500</b>	<b>47,087,525</b>	<b>0.1%</b>

<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
Property Taxes	0	(427)			0.0%
Charges for Service	7,663,181	9,653,758	8,579,500	6,979,499	-18.6%
Charges for Sales	2,001,925	596,915	530,000	400,000	-24.5%
Interest	0				0.0%
Gains	(607,869)				0.0%
Rents	7,149,323	8,070,724	13,022,583	13,429,345	3.1%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Other Misc Revenues	637,803	7,796	3,000	3,000	0.0%
Transfers In	653,000	668,000	654,750	1,325,875	102.5%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>17,497,363</b>	<b>18,996,767</b>	<b>22,789,833</b>	<b>22,137,719</b>	<b>-2.9%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
Charges for Service	524,632	1,036,004	401,400	1,120,000	179.0%
Charges for Sales	3,810,340	24,994	3,342,700	32,500	-99.0%
Other Misc Revenues	0				0.0%
<b>Total STORES - INTERNAL SERVICE</b>	<b>4,334,971</b>	<b>1,060,998</b>	<b>3,744,100</b>	<b>1,152,500</b>	<b>-69.2%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
Charges for Service	32,321,326	36,996,863	27,199,149	26,474,083	-2.7%
Charges for Sales	27,377	20,481	30,000	20,000	-33.3%
Other Misc Revenues	0	4,680			0.0%
Transfers In	15,036,269	11,762,368	15,419,201	11,252,279	-27.0%
Long Term Liabilities Proceeds	0		1,500,000	1,507,000	0.5%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>47,384,973</b>	<b>48,784,392</b>	<b>44,148,350</b>	<b>39,253,362</b>	<b>-11.1%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
Charges for Service	75,876,324	49,252,833	93,947,149	30,727,420	-67.3%
Other Misc Revenues	7,154,967	6,356,288	8,516,413	6,521,373	-23.4%
Transfers In	4,750,000	5,642,689	6,915,000	10,810,000	56.3%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>87,781,291</b>	<b>61,251,811</b>	<b>109,378,562</b>	<b>48,058,793</b>	<b>-56.1%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
Charges for Service	984,779	950,554	970,393	920,847	-5.1%
Charges for Sales	549,474	58,190	68,798	50,000	-27.3%
Gains	(109,581)	64,350			0.0%
Rents	3,575,260	3,746,521	4,102,372	4,098,461	-0.1%
Contributions	0				0.0%
Other Misc Revenues	11,733	16,707			0.0%
Long Term Liabilities Proceeds	0	(142,753)			0.0%
<b>Total PARK - INTERNAL SERVICE</b>	<b>5,011,664</b>	<b>4,693,570</b>	<b>5,141,563</b>	<b>5,069,308</b>	<b>-1.4%</b>
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
Other Misc Revenues	2,246,411	2,516,527	2,659,283	2,659,283	0.0%
Transfers In	0	260,000			0.0%
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>	<b>2,246,411</b>	<b>2,776,527</b>	<b>2,659,283</b>	<b>2,659,283</b>	<b>0.0%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>205,870,683</b>	<b>176,847,066</b>	<b>239,447,191</b>	<b>166,878,490</b>	<b>-30.3%</b>

**ENTERPRISE**

**DEFAULTED PROPERTY ADMIN**

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Charges for Service	10				0.0%
Interest	191,633	39,979			0.0%
Gains	14,032				0.0%
Rents	1,870,284	2,152,926			0.0%
Other Misc Revenues	0				0.0%
<b>Total DEFAULTED PROPERTY ADMIN</b>	<b>2,075,959</b>	<b>2,192,905</b>			<b>0.0%</b>
<b><u>FED HOME LN BANK ECON DEVELOP</u></b>					
Charges for Service	0				0.0%
Interest	(18,836)	1,739			0.0%
Gains	269				0.0%
<b>Total FED HOME LN BANK ECON DEVELOP</b>	<b>(18,567)</b>	<b>1,739</b>			<b>0.0%</b>
<b><u>FHLB HOUSING DEVELOPMENT</u></b>					
Interest	7,350	3,185			0.0%
Gains	453				0.0%
<b>Total FHLB HOUSING DEVELOPMENT</b>	<b>7,803</b>	<b>3,185</b>			<b>0.0%</b>
<b><u>HOUSING OWNERSHIP PROGRAM</u></b>					
Interest	48,285	19,325		6,300	0.0%
Gains	384				0.0%
Other Misc Revenues	0			105,000	0.0%
<b>Total HOUSING OWNERSHIP PROGRAM</b>	<b>48,669</b>	<b>19,325</b>		<b>111,300</b>	<b>0.0%</b>
<b><u>HOME OWNERSHIP &amp; RENOVATION</u></b>					
Interest	77,912	63,877		63,750	0.0%
Gains	18				0.0%
Other Misc Revenues	0			243,900	0.0%
Transfers In	0				0.0%
<b>Total HOME OWNERSHIP &amp; RENOVATION</b>	<b>77,930</b>	<b>63,877</b>		<b>307,650</b>	<b>0.0%</b>
<b><u>LOAN &amp; GRANT PROGRAMS</u></b>					
Interest	12,238	5,303			0.0%
Gains	755				0.0%
<b>Total LOAN &amp; GRANT PROGRAMS</b>	<b>12,993</b>	<b>5,303</b>			<b>0.0%</b>
<b><u>RIVER TERMINAL</u></b>					
Charges for Service	1,286,319	1,672,284			0.0%
Charges for Sales	0				0.0%
Interest	(25,641)	(14,080)			0.0%
Gains	(2,128)				0.0%
Other Misc Revenues	500		1,550,000	1,250,000	-19.4%
<b>Total RIVER TERMINAL</b>	<b>1,259,050</b>	<b>1,658,204</b>	<b>1,550,000</b>	<b>1,250,000</b>	<b>-19.4%</b>
<b><u>GARFS</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Charges for Service	2,480,541	369,231	225,000	250,000	11.1%
Interest	104,677	13,064			0.0%
Gains	12,876				0.0%
Other Misc Revenues	0				0.0%
<b>Total GARFS</b>	<b>2,598,094</b>	<b>382,295</b>	<b>225,000</b>	<b>250,000</b>	<b>11.1%</b>
<b><u>THEATRES</u></b>					
Charges for Service	0				0.0%
Charges for Sales	513,816				0.0%
Interest	(115,636)	(41,072)			0.0%
Gains	(5,669)				0.0%
Rents	0		1,800,000		-100.0%
Other Misc Revenues	0				0.0%
<b>Total THEATRES</b>	<b>392,511</b>	<b>(41,072)</b>	<b>1,800,000</b>		<b>-100.0%</b>
<b><u>JUNE00 UST/SKYWAY TI BONDS</u></b>					
Interest	0	0			0.0%
Gains	0				0.0%
<b>Total JUNE00 UST/SKYWAY TI BONDS</b>	<b>0</b>	<b>0</b>			<b>0.0%</b>
<b><u>AUG 01 SEWER ARBITRAGE</u></b>					
Interest	48,413	(6,155)			0.0%
Gains	(2,175)				0.0%
Transfers In	0				0.0%
<b>Total AUG 01 SEWER ARBITRAGE</b>	<b>46,238</b>	<b>(6,155)</b>			<b>0.0%</b>
<b><u>JUNE 03 SEWER ARBITRAGE</u></b>					
Interest	11,230	6,285			0.0%
Gains	(24)				0.0%
Transfers In	0				0.0%
<b>Total JUNE 03 SEWER ARBITRAGE</b>	<b>11,206</b>	<b>6,285</b>			<b>0.0%</b>
<b><u>JUNE 03 WATER ARBITRAGE</u></b>					
Interest	0				0.0%
Gains	0				0.0%
<b>Total JUNE 03 WATER ARBITRAGE</b>	<b>0</b>				<b>0.0%</b>
<b><u>SANITARY SEWER FUND</u></b>					
Local Government	0			3,500,000	0.0%
Charges for Service	41,828,375	41,609,055	45,942,594	45,453,099	-1.1%
Special Assessments	11,136	5,774			0.0%
Interest	0				0.0%
Gains	(5,966)				0.0%
Other Misc Revenues	81,918	654	53,841	53,841	0.0%
Transfers In	91,450	(91,450)			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
Long Term Liabilities Proceeds	0		9,226,000	5,925,000	-35.8%
<b>Total SANITARY SEWER FUND</b>	<b>42,006,913</b>	<b>41,524,033</b>	<b>55,222,435</b>	<b>54,931,940</b>	<b>-0.5%</b>
<b><u>STORMWATER FUND</u></b>					
Federal Government	(60,021)				0.0%
State Government	864,037	886,787	749,469	761,138	1.6%
Local Government	330,532	344,680	273,403	285,072	4.3%
Charges for Service	30,939,576	33,815,015	36,181,807	36,136,114	-0.1%
Charges for Sales	26,028	417	1,000	1,000	0.0%
Fines and Forfeits	41,789	61,437	45,000	45,000	0.0%
Special Assessments	501,911	714,324	115,000	115,000	0.0%
Rents	210				0.0%
Other Misc Revenues	1,555	1,561	1,715,000	2,000	-99.9%
Transfers In	1,191,258	1,147,466			0.0%
Long Term Liabilities Proceeds	0		4,000,000	5,000,000	25.0%
<b>Total STORMWATER FUND</b>	<b>33,836,875</b>	<b>36,971,687</b>	<b>43,080,679</b>	<b>42,345,324</b>	<b>-1.7%</b>
<b><u>WATER - ENTERPRISE</u></b>					
Sales and Other Taxes	0	0			0.0%
License and Permits	773	1,219	1,000	1,000	0.0%
Federal Government	0				0.0%
Charges for Service	65,563,692	62,880,203	71,898,816	65,173,363	-9.4%
Charges for Sales	920,450	4,991	822,000	654,000	-20.4%
Special Assessments	834,398	1,234,067			0.0%
Interest	0	4			0.0%
Other Misc Revenues	1,646	9,382	340		-100.0%
Transfers In	0				0.0%
Long Term Liabilities Proceeds	(37,921)		20,500,000	1,500,000	-92.7%
<b>Total WATER - ENTERPRISE</b>	<b>67,283,039</b>	<b>64,129,865</b>	<b>93,222,156</b>	<b>67,328,363</b>	<b>-27.8%</b>
<b><u>900 NICOLLET TAXABLE</u></b>					
Interest	0				0.0%
Gains	0				0.0%
<b>Total 900 NICOLLET TAXABLE</b>	<b>0</b>				<b>0.0%</b>
<b><u>DEC 03 GUTHRIE RAMP ARBITRAGE</u></b>					
Interest	0	0			0.0%
Gains	0				0.0%
<b>Total DEC 03 GUTHRIE RAMP ARBITRAGE</b>	<b>0</b>	<b>0</b>			<b>0.0%</b>
<b><u>VILLAGE GREEN ESCROW</u></b>					
Charges for Sales	0	660,225			0.0%
Interest	2,693	38,039			0.0%
<b>Total VILLAGE GREEN ESCROW</b>	<b>2,693</b>	<b>698,264</b>			<b>0.0%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
License and Permits	240,571	255,729	218,000	218,000	0.0%
Charges for Service	58,023,219	50,499,699	49,720,825	50,826,033	2.2%
Charges for Sales	7,472,577	1,805,075	1,551,000	1,551,000	0.0%
Special Assessments	72,922	113,846			0.0%
Interest	166,454				0.0%
Gains	25,260,842	565,167			0.0%
Rents	20,254	8,531	3,000	3,000	0.0%
Other Misc Revenues	8,159	30,990	138,000	138,000	0.0%
Transfers In	18,420,522	17,652,498	18,110,292	16,319,308	-9.9%
Long Term Liabilities Proceeds	0		1,700,000	1,700,000	0.0%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>109,685,520</b>	<b>70,931,533</b>	<b>71,441,117</b>	<b>70,755,341</b>	<b>-1.0%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
State Government	0	(25)			0.0%
Local Government	783,762	871,639	800,000	800,000	0.0%
Charges for Service	26,712,042	26,385,461	28,079,000	27,582,210	-1.8%
Charges for Sales	1,875,838	2,284,278	1,699,400	600,000	-64.7%
Special Assessments	317,383	572,827			0.0%
Gains	13,807				0.0%
Rents	806	2,013			0.0%
Other Misc Revenues	17,363	83,213			0.0%
Transfers In	196,000	346,000	196,000	196,000	0.0%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>29,917,002</b>	<b>30,545,406</b>	<b>30,774,400</b>	<b>29,178,210</b>	<b>-5.2%</b>
<b><u>LIBRARY PKG ENTERPRISE FUND</u></b>					
Charges for Service	649,606	6,644			0.0%
Interest	9,942	1,662			0.0%
Gains	1,075				0.0%
Transfers In	100,000				0.0%
<b>Total LIBRARY PKG ENTERPRISE FUND</b>	<b>760,623</b>	<b>8,306</b>			<b>0.0%</b>
<b>TOTAL ENTERPRISE</b>	<b>290,004,551</b>	<b>249,094,986</b>	<b>297,315,787</b>	<b>266,458,128</b>	<b>-10.4%</b>
<b>TOTAL ALL FUNDS</b>	<b>1,450,522,896</b>	<b>1,424,199,990</b>	<b>1,421,536,165</b>	<b>1,281,169,630</b>	<b>-9.9%</b>

**SCHEDULE TWO  
REVENUES BY TYPE**

	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% Change</b>
Property Taxes	301,587,503	325,954,225	323,073,521	316,927,520	-1.90%
Sales and Other Taxes	60,292,679	60,676,595	59,454,626	62,580,246	5.26%
Franchise Fees	29,548,191	31,704,849	28,110,000	29,110,000	3.56%
License and Permits	26,744,417	27,551,842	28,168,778	30,741,212	9.13%
Federal Government	44,622,528	45,430,268	41,398,750	54,507,427	31.66%
State Government	132,517,671	114,169,095	118,092,042	101,620,465	-13.95%
Local Government	14,496,076	13,050,750	8,592,258	9,274,873	7.94%
Charges for Service	423,704,355	402,071,022	446,986,402	374,320,632	-16.26%
Charges for Sales	28,713,107	14,303,402	28,824,123	15,132,547	-47.50%
Fines and Forfeits	10,053,542	10,295,460	12,094,880	10,990,994	-9.13%
Special Assessments	15,292,821	20,656,983	17,898,398	13,614,508	-23.93%
Interest	18,720,989	13,906,639	3,313,401	3,149,916	-4.93%
Gains	25,732,432	707,744	225,000	300,000	33.33%
Rents	46,938,981	50,413,028	60,915,062	55,192,552	-9.39%
Contributions	7,085,820	8,448,342	2,102,000	2,275,000	8.23%
Other Misc Revenues	26,679,894	23,252,449	29,423,563	29,485,248	0.21%
Transfers In	215,257,514	207,775,534	158,057,361	136,676,490	-13.53%
Long Term Liabilities Proceeds	22,534,377	53,831,764	54,806,000	35,270,000	-35.65%
<b>TOTAL REVENUES BY TYPE, ALL FUNDS</b>	<b>1,450,522,896</b>	<b>1,424,199,990</b>	<b>1,421,536,165</b>	<b>1,281,169,630</b>	<b>-9.9%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

<b>AGENCY</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% change</b>
<b>INVESTMENT POOL</b>					
FINANCE DEPARTMENT	0	(37,385)	0		0.0%
<b>Total INVESTMENT POOL</b>	<b>0</b>	<b>(37,385)</b>	<b>0</b>		<b>0.0%</b>
<b>GENERAL FIXED ASSETS-CITY</b>					
POLICE	0	(55,468)	0		0.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0	(44,574)	0		0.0%
REGULATORY SERVICES	0	(75,168)	0		0.0%
CONVENTION CENTER	0	(1,705,065)	0		0.0%
NON DEPARTMENTAL	0	18,654,829	0		0.0%
MUNICIPAL BUILDING COMMISSION	0	1,221,679	0		0.0%
9010000 - CAPITAL IMPROVEMENT	0	(8,345,681)	0		0.0%
<b>Total GENERAL FIXED ASSETS-CITY</b>	<b>0</b>	<b>9,650,552</b>	<b>0</b>		<b>0.0%</b>
<b>Capital Assets - Parks</b>					
Park Board - 4	0	9,594,108	0		0.0%
<b>Total Capital Assets - Parks</b>	<b>0</b>	<b>9,594,108</b>	<b>0</b>		<b>0.0%</b>
<b>HR COMBO CODE DEFAULT</b>					
9999999 - HR COMBO CODE DEFAULT	0	3,248	0		0.0%
<b>Total HR COMBO CODE DEFAULT</b>	<b>0</b>	<b>3,248</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL AGENCY</b>	<b>0</b>	<b>19,210,523</b>	<b>0</b>		

**GENERAL**

**GENERAL FUND**

ASSESSOR	3,576,980	3,691,730	3,901,207	3,985,804	2.17%
ATTORNEY	6,162,050	7,177,366	7,427,376	7,661,942	3.16%
CITY COUNCIL/CLERK/ELECTIONS	6,007,402	6,290,325	7,647,073	7,495,875	-1.98%
FIRE	48,471,296	51,516,507	51,225,715	53,686,511	4.80%
CIVIL RIGHTS	2,323,434	2,509,326	2,366,748	2,029,237	-14.26%
MAYOR	1,300,987	1,348,418	1,493,707	1,467,365	-1.76%
POLICE	116,267,665	122,733,588	122,196,117	123,869,438	1.37%
HEALTH AND FAMILY SUPPORT	4,073,693	4,082,996	4,475,542	3,320,372	-25.81%
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,267,982	1,330,757	1,743,175	1,972,840	13.18%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	25,386,806	26,525,986	24,234,495	24,352,457	0.49%
SURFACE WATER & SEWERS	0	(15,010)	0	0	0.0%
PW - ADMINISTRATIVE SERVICES	2,715,768	2,711,929	2,632,942	2,688,718	2.12%
PW - SOLID WASTE	0	0	75,000		100.00%
PW - PROPERTY SERVICES	0	0	0		0.0%
PW - TRAFFIC AND PARKING	11,497,502	11,827,594	11,825,017	11,892,304	0.57%
HUMAN RESOURCES	6,030,616	5,718,648	5,947,851	5,788,499	-2.68%
FINANCE DEPARTMENT	17,829,517	18,752,394	19,207,516	19,714,784	2.64%



**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
911/311	9,390,350	10,040,206	10,703,598	10,505,460	-1.85%
REGULATORY SERVICES	24,260,685	24,345,248	23,459,511	27,999,283	19.35%
CITY COORDINATOR	1,464,830	1,558,310	1,548,569	1,438,689	-7.10%
INTERGOVERNMENTAL RELATIONS	1,082,503	1,210,965	1,445,592	1,522,903	5.35%
COMMUNICATIONS	2,286,531	2,337,698	2,529,722	2,423,647	-4.19%
INTERNAL AUDIT	0	0	0	200,000	0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	0	0	808,285	1,236,357	52.96%
NON DEPARTMENTAL	938,201	0	0	0	0.0%
GENERAL FUND CONTINGENCY	570,000	(38,866)	2,878,004	2,573,980	-10.56%
LIBRARY	0	22,008,458	7,500,000	6,721,000	-10.39%
DEBT SERVICE 4	0	0	0	0	0.0%
TRANSFER 4	30,418,450	31,885,689	42,675,034	43,567,631	2.09%
CPED4	3,708,392	3,491,098	3,879,038	3,444,846	-11.19%
<b>Total GENERAL FUND</b>	<b>327,031,640</b>	<b>363,041,360</b>	<b>363,826,832</b>	<b>371,559,942</b>	<b>2.1%</b>
<b>TOTAL GENERAL</b>	<b>327,031,640</b>	<b>363,041,360</b>	<b>363,826,832</b>	<b>371,559,942</b>	<b>2.1%</b>

**SPECIAL REVENUE**

**HENNEPIN ENTERTAINMENT TE BOND**

TRANSFER 4	0	0	0	0	0.0%
<b>Total HENNEPIN ENTERTAINMENT TE BOND</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

**HUMBOLDT GREENWAY TE BONDS**

TRANSFER 4	0	0	0	0	0.0%
CPED4	0	0	47,144	0	100.00%
<b>Total HUMBOLDT GREENWAY TE BONDS</b>	<b>0</b>	<b>0</b>	<b>47,144</b>	<b>0</b>	<b>100.0%</b>

**URBAN VILLAGE TE BONDS**

TRANSFER 4	181,467	0	0	0	0.0%
CPED4	9,620	130,052	0	0	0.0%
<b>Total URBAN VILLAGE TE BONDS</b>	<b>191,087</b>	<b>130,052</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

**WEST SIDE MILLING TE BONDS**

TRANSFER 4	43,744	0	0	0	0.0%
CPED4	19,262	59	0	0	0.0%
<b>Total WEST SIDE MILLING TE BONDS</b>	<b>63,006</b>	<b>59</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

**WEST SIDE MILLING TE BONDS II**

CPED4	6,897	13,683	0	0	0.0%
<b>Total WEST SIDE MILLING TE BONDS II</b>	<b>6,897</b>	<b>13,683</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

**TAX INCREMENT ADMINISTRATION**

CPED4	1,901,789	2,192,411	1,873,153	1,222,037	-34.76%
<b>Total TAX INCREMENT ADMINISTRATION</b>	<b>1,901,789</b>	<b>2,192,411</b>	<b>1,873,153</b>	<b>1,222,037</b>	<b>-34.8%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>CENTRAL AVE LOFTS</u></b>					
CPED4	0	357	0	108,636	0.0%
<b>Total CENTRAL AVE LOFTS</b>	<b>0</b>	<b>357</b>	<b>0</b>	<b>108,636</b>	<b>0.0%</b>
<b><u>CAMDEN MEDICAL FACILITY</u></b>					
TRANSFER 4	38,750	0	0		0.0%
CPED4	0	0	0	39,000	0.0%
<b>Total CAMDEN MEDICAL FACILITY</b>	<b>38,750</b>	<b>0</b>	<b>0</b>	<b>39,000</b>	<b>0.0%</b>
<b><u>ST ANNE'S HOUSING</u></b>					
CPED4	5,700	9,225	0	46,150	0.0%
<b>Total ST ANNE'S HOUSING</b>	<b>5,700</b>	<b>9,225</b>	<b>0</b>	<b>46,150</b>	<b>0.0%</b>
<b><u>ANTIQUES MINNESOTA</u></b>					
CPED4	50,657	39,759	0	39,658	0.0%
<b>Total ANTIQUES MINNESOTA</b>	<b>50,657</b>	<b>39,759</b>	<b>0</b>	<b>39,658</b>	<b>0.0%</b>
<b><u>COMMON PROJECT UNCERTIFIED</u></b>					
TRANSFER 4	23,133	0	0		0.0%
CPED4	529,583	1,783,945	344,977	635,621	84.25%
<b>Total COMMON PROJECT UNCERTIFIED</b>	<b>552,716</b>	<b>1,783,945</b>	<b>344,977</b>	<b>635,621</b>	<b>84.3%</b>
<b><u>WEST BROADWAY</u></b>					
TRANSFER 4	837,695	0	0	27,500	0.0%
CPED4	0	876,393	435,938		100.00%
<b>Total WEST BROADWAY</b>	<b>837,695</b>	<b>876,393</b>	<b>435,938</b>	<b>27,500</b>	<b>-93.7%</b>
<b><u>EAST BANK 1335</u></b>					
TRANSFER 4	2,566,976	120,000	0	27,500	0.0%
CPED4	0	2,572,898	1,518,159		100.00%
<b>Total EAST BANK 1335</b>	<b>2,566,976</b>	<b>2,692,898</b>	<b>1,518,159</b>	<b>27,500</b>	<b>-98.2%</b>
<b><u>GRANT</u></b>					
TRANSFER 4	661,866	0	0	40,000	0.0%
CPED4	0	561,226	351,069		100.00%
<b>Total GRANT</b>	<b>661,866</b>	<b>561,226</b>	<b>351,069</b>	<b>40,000</b>	<b>-88.6%</b>
<b><u>CHICAGO AND LAKE</u></b>					
TRANSFER 4	156,625	80,000	0		0.0%
CPED4	0	88,000	0	220,000	0.0%
<b>Total CHICAGO AND LAKE</b>	<b>156,625</b>	<b>168,000</b>	<b>0</b>	<b>220,000</b>	<b>0.0%</b>
<b><u>NINTH &amp; HENNEPIN</u></b>					
CPED4	108,220	164,529	90,287	128,412	42.23%
<b>Total NINTH &amp; HENNEPIN</b>	<b>108,220</b>	<b>164,529</b>	<b>90,287</b>	<b>128,412</b>	<b>42.2%</b>
<b><u>NORTH LOOP</u></b>					

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
TRANSFER 4	8,765,967	275,000	0	830,000	0.0%
CPED4	0	8,251,600	4,501,651		100.00%
<b>Total NORTH LOOP</b>	<b>8,765,967</b>	<b>8,526,600</b>	<b>4,501,651</b>	<b>830,000</b>	<b>-81.6%</b>
<b><u>INDUSTRY SQUARE</u></b>					
TRANSFER 4	2,744,917	565,000	0	2,610,000	0.0%
CPED4	0	2,308,800	1,772,883		100.00%
<b>Total INDUSTRY SQUARE</b>	<b>2,744,917</b>	<b>2,873,800</b>	<b>1,772,883</b>	<b>2,610,000</b>	<b>47.2%</b>
<b><u>SEWARD SOUTH</u></b>					
TRANSFER 4	2,028,108	0	0	1,227,500	0.0%
CPED4	0	2,162,067	1,123,375		100.00%
<b>Total SEWARD SOUTH</b>	<b>2,028,108</b>	<b>2,162,067</b>	<b>1,123,375</b>	<b>1,227,500</b>	<b>9.3%</b>
<b><u>CEDAR RIVERSIDE</u></b>					
TRANSFER 4	3,381,420	55,000	0	272,500	0.0%
CPED4	0	3,488,873	1,832,535		100.00%
<b>Total CEDAR RIVERSIDE</b>	<b>3,381,420</b>	<b>3,543,873</b>	<b>1,832,535</b>	<b>272,500</b>	<b>-85.1%</b>
<b><u>HOUSING FOR CHRONIC ALCOHOLICS</u></b>					
TRANSFER 4	27,500	0	0		0.0%
CPED4	0	0	0	27,500	0.0%
<b>Total HOUSING FOR CHRONIC ALCOHOLICS</b>	<b>27,500</b>	<b>0</b>	<b>0</b>	<b>27,500</b>	<b>0.0%</b>
<b><u>HENNEPIN &amp; LAKE</u></b>					
TRANSFER 4	1,330,238	80,000	0		0.0%
CPED4	0	1,161,446	647,872		100.00%
<b>Total HENNEPIN &amp; LAKE</b>	<b>1,330,238</b>	<b>1,241,446</b>	<b>647,872</b>		<b>100.0%</b>
<b><u>BROADWAY 35-W</u></b>					
TRANSFER 4	114,261	0	0		0.0%
CPED4	0	1,460,704	705,238		100.00%
<b>Total BROADWAY 35-W</b>	<b>114,261</b>	<b>1,460,704</b>	<b>705,238</b>		<b>100.0%</b>
<b><u>BOTTINEAU</u></b>					
CPED4	149,152	144,559	0	161,834	0.0%
<b>Total BOTTINEAU</b>	<b>149,152</b>	<b>144,559</b>	<b>0</b>	<b>161,834</b>	<b>0.0%</b>
<b><u>FRANKLIN AVENUE</u></b>					
TRANSFER 4	25,000	0	0		0.0%
CPED4	4,153	0	0		0.0%
<b>Total FRANKLIN AVENUE</b>	<b>29,153</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>CONSERVATORY</u></b>					
TRANSFER 4	3,381,600	3,565,450	2,150,000	1,641,850	-23.63%
CPED4	0	225,000	0	200,000	0.0%

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	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total CONSERVATORY</b>	<b>3,381,600</b>	<b>3,790,450</b>	<b>2,150,000</b>	<b>1,841,850</b>	<b>-14.3%</b>
<b><u>LORING PARK</u></b>					
TRANSFER 4	4,616,498	75,000	0		0.0%
CPED4	0	4,282,800	2,217,089		100.00%
<b>Total LORING PARK</b>	<b>4,616,498</b>	<b>4,357,800</b>	<b>2,217,089</b>		<b>100.0%</b>
<b><u>LAUREL VILLAGE</u></b>					
TRANSFER 4	2,478,055	2,470,494	2,721,000	1,867,633	-31.36%
CPED4	115,093	12,661,516	112,805	112,216	-0.52%
<b>Total LAUREL VILLAGE</b>	<b>2,593,148</b>	<b>15,132,010</b>	<b>2,833,805</b>	<b>1,979,849</b>	<b>-30.1%</b>
<b><u>CITY CENTER</u></b>					
TRANSFER 4	2,349,373	100,000	0	169,125	0.0%
CPED4	0	2,207,522	1,300,935		100.00%
<b>Total CITY CENTER</b>	<b>2,349,373</b>	<b>2,307,522</b>	<b>1,300,935</b>	<b>169,125</b>	<b>-87.0%</b>
<b><u>SOUTH NICOLLET MALL</u></b>					
TRANSFER 4	8,632,319	4,076,753	2,195,000	4,663,725	112.47%
CPED4	2,342	3,612,004	951,376	2,600,000	173.29%
<b>Total SOUTH NICOLLET MALL</b>	<b>8,634,661</b>	<b>7,688,757</b>	<b>3,146,376</b>	<b>7,263,725</b>	<b>130.9%</b>
<b><u>CLARE HOUSING</u></b>					
CPED4	0	367	0	1,400	0.0%
<b>Total CLARE HOUSING</b>	<b>0</b>	<b>367</b>	<b>0</b>	<b>1,400</b>	<b>0.0%</b>
<b><u>DEEP ROCK TAX INCREMENT</u></b>					
TRANSFER 4	145,000	0	0		0.0%
CPED4	1,400	185,000	0		0.0%
<b>Total DEEP ROCK TAX INCREMENT</b>	<b>146,400</b>	<b>185,000</b>	<b>0</b>		<b>0.0%</b>
<b><u>DOWNTOWN EAST LRT</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	21,863	3,483	0		0.0%
<b>Total DOWNTOWN EAST LRT</b>	<b>21,863</b>	<b>3,483</b>	<b>0</b>		<b>0.0%</b>
<b><u>2700 EAST LAKE</u></b>					
CPED4	67,023	81,082	0	97,777	0.0%
<b>Total 2700 EAST LAKE</b>	<b>67,023</b>	<b>81,082</b>	<b>0</b>	<b>97,777</b>	<b>0.0%</b>
<b><u>EAST PHILLIPS</u></b>					
CPED4	33,615	23,374	0	28,299	0.0%
<b>Total EAST PHILLIPS</b>	<b>33,615</b>	<b>23,374</b>	<b>0</b>	<b>28,299</b>	<b>0.0%</b>
<b><u>EAST VILLAGE</u></b>					
CPED4	173,250	186,868	0	223,602	0.0%

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<b>Total EAST VILLAGE</b>	<b>173,250</b>	<b>186,868</b>	<b>0</b>	<b>223,602</b>	<b>0.0%</b>
<b><u>50TH &amp; FRANCE</u></b>					
CPED4	168,105	174,458	0	198,697	0.0%
<b>Total 50TH &amp; FRANCE</b>	<b>168,105</b>	<b>174,458</b>	<b>0</b>	<b>198,697</b>	<b>0.0%</b>
<b><u>FRANKLIN PORTLAND WELLSTONE</u></b>					
CPED4	0	0	0	34,069	0.0%
<b>Total FRANKLIN PORTLAND WELLSTONE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34,069</b>	<b>0.0%</b>
<b><u>FORMER FED RESERVE</u></b>					
CPED4	558,348	691,231	0	1,080,637	0.0%
<b>Total FORMER FED RESERVE</b>	<b>558,348</b>	<b>691,231</b>	<b>0</b>	<b>1,080,637</b>	<b>0.0%</b>
<b><u>GRAIN BELT</u></b>					
CPED4	129,895	138,776	0	153,391	0.0%
<b>Total GRAIN BELT</b>	<b>129,895</b>	<b>138,776</b>	<b>0</b>	<b>153,391</b>	<b>0.0%</b>
<b><u>GRACO TI</u></b>					
CPED4	78,286	97,885	0	135,973	0.0%
<b>Total GRACO TI</b>	<b>78,286</b>	<b>97,885</b>	<b>0</b>	<b>135,973</b>	<b>0.0%</b>
<b><u>GRAIN BELT HOUSING DIST 132</u></b>					
CPED4	14,253	1,202	0	77,783	0.0%
<b>Total GRAIN BELT HOUSING DIST 132</b>	<b>14,253</b>	<b>1,202</b>	<b>0</b>	<b>77,783</b>	<b>0.0%</b>
<b><u>110 GRANT</u></b>					
TRANSFER 4	250,000	0	400,000		100.00%
CPED4	0	678,800	0	300,000	0.0%
<b>Total 110 GRANT</b>	<b>250,000</b>	<b>678,800</b>	<b>400,000</b>	<b>300,000</b>	<b>-25.0%</b>
<b><u>13TH AND HARMON</u></b>					
CPED4	238,705	231,272	0	276,998	0.0%
<b>Total 13TH AND HARMON</b>	<b>238,705</b>	<b>231,272</b>	<b>0</b>	<b>276,998</b>	<b>0.0%</b>
<b><u>PARCEL C TI DISTRICT</u></b>					
CPED4	448,857	432,600	2,476	486,810	19,558.92%
<b>Total PARCEL C TI DISTRICT</b>	<b>448,857</b>	<b>432,600</b>	<b>2,476</b>	<b>486,810</b>	<b>19,558.9%</b>
<b><u>HISTORIC DEPOT REUSE DIST 93</u></b>					
TRANSFER 4	634,784	796,434	728,000	752,609	3.38%
CPED4	4,797	2,732	1,838	32,366	1,660.93%
<b>Total HISTORIC DEPOT REUSE DIST 93</b>	<b>639,581</b>	<b>799,166</b>	<b>729,838</b>	<b>784,975</b>	<b>7.6%</b>
<b><u>HENNEPIN &amp; 7TH ENTERTAINMENT</u></b>					
TRANSFER 4	2,315,223	1,993,069	1,913,181	1,889,681	-1.23%
CPED4	3,777	1,400	0	89,021	0.0%

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	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>2,319,000</b>	<b>1,994,469</b>	<b>1,913,181</b>	<b>1,978,702</b>	<b>3.4%</b>
<b><u>HUMBOLDT GREENWAY DIST 98</u></b>					
TRANSFER 4	210,735	0	295,735	297,035	0.44%
CPED4	13,663	327,533	0	15,905	0.0%
<b>Total HUMBOLDT GREENWAY DIST 98</b>	<b>224,398</b>	<b>327,533</b>	<b>295,735</b>	<b>312,940</b>	<b>5.8%</b>
<b><u>HIAWATHA COMMONS HOUSING</u></b>					
CPED4	11,104	75,003	0	104,315	0.0%
<b>Total HIAWATHA COMMONS HOUSING</b>	<b>11,104</b>	<b>75,003</b>	<b>0</b>	<b>104,315</b>	<b>0.0%</b>
<b><u>HUMBOLDT INDUSTRIAL PARK</u></b>					
CPED4	0	73,471	7,896	155,558	1,869.96%
<b>Total HUMBOLDT INDUSTRIAL PARK</b>	<b>0</b>	<b>73,471</b>	<b>7,896</b>	<b>155,558</b>	<b>1,870.0%</b>
<b><u>HERITAGE LAND APTS</u></b>					
CPED4	396,138	384,140	0	436,667	0.0%
<b>Total HERITAGE LAND APTS</b>	<b>396,138</b>	<b>384,140</b>	<b>0</b>	<b>436,667</b>	<b>0.0%</b>
<b><u>HERITAGE PARK</u></b>					
TRANSFER 4	263,926	412,314	482,326	490,351	1.66%
CPED4	675	1,197	0	19,620	0.0%
<b>Total HERITAGE PARK</b>	<b>264,601</b>	<b>413,511</b>	<b>482,326</b>	<b>509,971</b>	<b>5.7%</b>
<b><u>900 6TH AVE SE</u></b>					
CPED4	60,107	80,531	1,376	72,552	5,171.60%
<b>Total 900 6TH AVE SE</b>	<b>60,107</b>	<b>80,531</b>	<b>1,376</b>	<b>72,552</b>	<b>5,171.6%</b>
<b><u>EAST HENNEPIN &amp; UNIVERSITY</u></b>					
TRANSFER 4	1,578,205	0	0		0.0%
CPED4	164,596	1,213,606	1,036,630	1,425,867	37.55%
<b>Total EAST HENNEPIN &amp; UNIVERSITY</b>	<b>1,742,801</b>	<b>1,213,606</b>	<b>1,036,630</b>	<b>1,425,867</b>	<b>37.5%</b>
<b><u>CAMDEN AREA IMPACT</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	0	14,425	0		0.0%
<b>Total CAMDEN AREA IMPACT</b>	<b>0</b>	<b>14,425</b>	<b>0</b>		<b>0.0%</b>
<b><u>IVY TOWER</u></b>					
TRANSFER 4	0	0	274,055	371,505	35.56%
CPED4	5,617	2,826	1,376	398,864	28,881.31%
<b>Total IVY TOWER</b>	<b>5,617</b>	<b>2,826</b>	<b>275,431</b>	<b>770,369</b>	<b>179.7%</b>
<b><u>JOURDAIN</u></b>					
CPED4	343	51,430	0	51,082	0.0%
<b>Total JOURDAIN</b>	<b>343</b>	<b>51,430</b>	<b>0</b>	<b>51,082</b>	<b>0.0%</b>

**SCHEDULE THREE  
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	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>LOCAL CONTRIBUTION FUND</u></b>					
CPED4	648,251	245,075	0	56,627	0.0%
<b>Total LOCAL CONTRIBUTION FUND</b>	<b>648,251</b>	<b>245,075</b>	<b>0</b>	<b>56,627</b>	<b>0.0%</b>
<b><u>LOWRY RIDGE</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	106,395	144,301	0	100,315	0.0%
<b>Total LOWRY RIDGE</b>	<b>106,395</b>	<b>144,301</b>	<b>0</b>	<b>100,315</b>	<b>0.0%</b>
<b><u>LAKE STREET CENTER</u></b>					
TRANSFER 4	37,517	303,697	182,833	185,533	1.48%
CPED4	1,092,156	4,402,268	22,515	2,548,147	11,217.43%
<b>Total LAKE STREET CENTER</b>	<b>1,129,673</b>	<b>4,705,965</b>	<b>205,348</b>	<b>2,733,680</b>	<b>1,231.2%</b>
<b><u>MAGNUM LOFTS</u></b>					
CPED4	45,642	43,584	0	54,574	0.0%
<b>Total MAGNUM LOFTS</b>	<b>45,642</b>	<b>43,584</b>	<b>0</b>	<b>54,574</b>	<b>0.0%</b>
<b><u>MANY RIVERS</u></b>					
CPED4	52,323	54,102	0	67,722	0.0%
<b>Total MANY RIVERS</b>	<b>52,323</b>	<b>54,102</b>	<b>0</b>	<b>67,722</b>	<b>0.0%</b>
<b><u>MANY RIVERS WEST</u></b>					
CPED4	40,856	42,678	0	46,073	0.0%
<b>Total MANY RIVERS WEST</b>	<b>40,856</b>	<b>42,678</b>	<b>0</b>	<b>46,073</b>	<b>0.0%</b>
<b><u>1900 CENTRAL AVE HSG</u></b>					
CPED4	58,936	57,409	0	66,766	0.0%
<b>Total 1900 CENTRAL AVE HSG</b>	<b>58,936</b>	<b>57,409</b>	<b>0</b>	<b>66,766</b>	<b>0.0%</b>
<b><u>NICOLLET FRANKLIN</u></b>					
CPED4	180,089	213,433	0	219,676	0.0%
<b>Total NICOLLET FRANKLIN</b>	<b>180,089</b>	<b>213,433</b>	<b>0</b>	<b>219,676</b>	<b>0.0%</b>
<b><u>NRP</u></b>					
TRANSFER 4	794,154	0	0		0.0%
CPED4	9,185,389	8,326,527	0		0.0%
<b>Total NRP</b>	<b>9,979,543</b>	<b>8,326,527</b>	<b>0</b>		<b>0.0%</b>
<b><u>COLOPLAST</u></b>					
CPED4	0	0	13,006	240,267	1,747.33%
<b>Total COLOPLAST</b>	<b>0</b>	<b>0</b>	<b>13,006</b>	<b>240,267</b>	<b>1,747.3%</b>
<b><u>NWIP</u></b>					
TRANSFER 4	2,698,279	225,000	0		0.0%
CPED4	0	2,471,695	1,492,431		100.00%

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	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total NWIP</b>	<b>2,698,279</b>	<b>2,696,695</b>	<b>1,492,431</b>		<b>100.0%</b>
<b>HOLMES</b>					
TRANSFER 4	2,291,991	51,625	0		0.0%
CPED4	0	2,456,866	1,286,155		100.00%
<b>Total HOLMES</b>	<b>2,291,991</b>	<b>2,508,491</b>	<b>1,286,155</b>		<b>100.0%</b>
<b>NICOLLET ISLAND EAST BANK</b>					
TRANSFER 4	2,085,337	215,000	0		0.0%
CPED4	0	1,879,298	1,130,972		100.00%
<b>Total NICOLLET ISLAND EAST BANK</b>	<b>2,085,337</b>	<b>2,094,298</b>	<b>1,130,972</b>		<b>100.0%</b>
<b>PORTLAND PLACE</b>					
TRANSFER 4	68,293	69,199	70,890	71,298	0.58%
CPED4	763	555	105,000	6,320	-93.98%
<b>Total PORTLAND PLACE</b>	<b>69,056</b>	<b>69,754</b>	<b>175,890</b>	<b>77,618</b>	<b>-55.9%</b>
<b>NOKOMIS HOLMES</b>					
TRANSFER 4	270,000	0	0		0.0%
CPED4	0	355,000	0		0.0%
<b>Total NOKOMIS HOLMES</b>	<b>270,000</b>	<b>355,000</b>	<b>0</b>		<b>0.0%</b>
<b>ELLIOT PARK</b>					
TRANSFER 4	415,000	0	0		0.0%
CPED4	95,786	1,452,001	0		0.0%
<b>Total ELLIOT PARK</b>	<b>510,786</b>	<b>1,452,001</b>	<b>0</b>		<b>0.0%</b>
<b>NICOLLET &amp; LAKE</b>					
TRANSFER 4	580,313	85,000	0		0.0%
CPED4	0	440,479	325,073		100.00%
<b>Total NICOLLET &amp; LAKE</b>	<b>580,313</b>	<b>525,479</b>	<b>325,073</b>		<b>100.0%</b>
<b>CENTRAL &amp; 20TH</b>					
TRANSFER 4	115,000	0	0		0.0%
CPED4	0	130,000	0		0.0%
<b>Total CENTRAL &amp; 20TH</b>	<b>115,000</b>	<b>130,000</b>	<b>0</b>		<b>0.0%</b>
<b>CENTRAL AVENUE MARKET</b>					
CPED4	0	705	0		0.0%
<b>Total CENTRAL AVENUE MARKET</b>	<b>0</b>	<b>705</b>	<b>0</b>		<b>0.0%</b>
<b>MILES I</b>					
TRANSFER 4	50,000	0	0		0.0%
CPED4	0	256,704	0		0.0%
<b>Total MILES I</b>	<b>50,000</b>	<b>256,704</b>	<b>0</b>		<b>0.0%</b>
<b>NBA ARENA</b>					



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	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
TRANSFER 4	2,213,307	0	0		0.0%
CPED4	703,801	4,066,458	4,410,589	4,182,365	-5.17%
<b>Total NBA ARENA</b>	<b>2,917,108</b>	<b>4,066,458</b>	<b>4,410,589</b>	<b>4,182,365</b>	<b>-5.2%</b>
<b><u>PHILLIPS PARK</u></b>					
CPED4	53,860	59,307	0	65,043	0.0%
<b>Total PHILLIPS PARK</b>	<b>53,860</b>	<b>59,307</b>	<b>0</b>	<b>65,043</b>	<b>0.0%</b>
<b><u>LASALLE PLACE</u></b>					
TRANSFER 4	1,090,000	1,150,000	0	650,000	0.0%
CPED4	0	381,199	0		0.0%
<b>Total LASALLE PLACE</b>	<b>1,090,000</b>	<b>1,531,199</b>	<b>0</b>	<b>650,000</b>	<b>0.0%</b>
<b><u>CAPITAL PROJECTS- OTHER</u></b>					
TRANSFER 4	19,328	0	0		0.0%
CPED4	2,470,975	1,624,896	510,151	9,221	-98.19%
<b>Total CAPITAL PROJECTS- OTHER</b>	<b>2,490,303</b>	<b>1,624,896</b>	<b>510,151</b>	<b>9,221</b>	<b>-98.2%</b>
<b><u>PRELIMINARY PLANNING</u></b>					
CPED4	1,182,148	1,002,638	2,372,308	2,987,340	25.93%
<b>Total PRELIMINARY PLANNING</b>	<b>1,182,148</b>	<b>1,002,638</b>	<b>2,372,308</b>	<b>2,987,340</b>	<b>25.9%</b>
<b><u>NEIMAN MARCUS</u></b>					
TRANSFER 4	1,265,062	888,125	235,000		100.00%
CPED4	0	919,557	425,656	471,793	10.84%
<b>Total NEIMAN MARCUS</b>	<b>1,265,062</b>	<b>1,807,682</b>	<b>660,656</b>	<b>471,793</b>	<b>-28.6%</b>
<b><u>IDS DATA SERVICE CENTER</u></b>					
TRANSFER 4	1,750,750	3,518,125	1,313,500		100.00%
CPED4	0	1,700,000	2,411,226	1,909,352	-20.81%
<b>Total IDS DATA SERVICE CENTER</b>	<b>1,750,750</b>	<b>5,218,125</b>	<b>3,724,726</b>	<b>1,909,352</b>	<b>-48.7%</b>
<b><u>BLOCK E</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total BLOCK E</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK AVENUE EAST</u></b>					
CPED4	0	2,028	8,367	6,306	-24.63%
<b>Total PARK AVENUE EAST</b>	<b>0</b>	<b>2,028</b>	<b>8,367</b>	<b>6,306</b>	<b>-24.6%</b>
<b><u>36TH AND MARSHALL</u></b>					
CPED4	475	0	0		0.0%
<b>Total 36TH AND MARSHALL</b>	<b>475</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>COMMON PROJECT RESERVE</u></b>					
TRANSFER 4	1,807,747	0	0		0.0%

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EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total COMMON PROJECT RESERVE</b>	<b>1,807,747</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>RIPLEY GARDENS</u></b>					
CPED4	343	14,578	0	68,060	0.0%
<b>Total RIPLEY GARDENS</b>	<b>343</b>	<b>14,578</b>	<b>0</b>	<b>68,060</b>	<b>0.0%</b>
<b><u>CREAMETTE DISTRICT 84</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	124,207	170,152	0	128,683	0.0%
<b>Total CREAMETTE DISTRICT 84</b>	<b>124,207</b>	<b>170,152</b>	<b>0</b>	<b>128,683</b>	<b>0.0%</b>
<b><u>MARSHALL RIVER RUN</u></b>					
CPED4	206	92,765	0	87,488	0.0%
<b>Total MARSHALL RIVER RUN</b>	<b>206</b>	<b>92,765</b>	<b>0</b>	<b>87,488</b>	<b>0.0%</b>
<b><u>ROSACKER NURSERY SITE</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	0	285,000	0	120,000	0.0%
<b>Total ROSACKER NURSERY SITE</b>	<b>0</b>	<b>285,000</b>	<b>0</b>	<b>120,000</b>	<b>0.0%</b>
<b><u>STONE ARCH APARTMENTS</u></b>					
CPED4	249,117	242,610	0	282,725	0.0%
<b>Total STONE ARCH APARTMENTS</b>	<b>249,117</b>	<b>242,610</b>	<b>0</b>	<b>282,725</b>	<b>0.0%</b>
<b><u>SPRING &amp; CENTRAL</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	0	0	0	15,000	0.0%
<b>Total SPRING &amp; CENTRAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>0.0%</b>
<b><u>SHINGLE CREEK COMMONS</u></b>					
CPED4	82,206	79,620	0	82,585	0.0%
<b>Total SHINGLE CREEK COMMONS</b>	<b>82,206</b>	<b>79,620</b>	<b>0</b>	<b>82,585</b>	<b>0.0%</b>
<b><u>ST ANTHONY MILLS</u></b>					
CPED4	0	53,400	0	130,395	0.0%
<b>Total ST ANTHONY MILLS</b>	<b>0</b>	<b>53,400</b>	<b>0</b>	<b>130,395</b>	<b>0.0%</b>
<b><u>STINSON</u></b>					
CPED4	522,211	720,362	0	777,954	0.0%
<b>Total STINSON</b>	<b>522,211</b>	<b>720,362</b>	<b>0</b>	<b>777,954</b>	<b>0.0%</b>
<b><u>SEMI-PHASE 1</u></b>					
CPED4	158,117	893,807	68,902	614,270	791.51%
<b>Total SEMI-PHASE 1</b>	<b>158,117</b>	<b>893,807</b>	<b>68,902</b>	<b>614,270</b>	<b>791.5%</b>
<b><u>SEMI-PHASE 2</u></b>					
CPED4	127,702	194,163	13,765	231,521	1,581.98%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total SEMI-PHASE 2</b>	<b>127,702</b>	<b>194,163</b>	<b>13,765</b>	<b>231,521</b>	<b>1,582.0%</b>
<b><u>SEMI-PHASE 3</u></b>					
CPED4	723	500	13,765	112,063	714.13%
<b>Total SEMI-PHASE 3</b>	<b>723</b>	<b>500</b>	<b>13,765</b>	<b>112,063</b>	<b>714.1%</b>
<b><u>SEMI-PHASE 4</u></b>					
CPED4	174,082	177,773	979	202,780	20,611.83%
<b>Total SEMI-PHASE 4</b>	<b>174,082</b>	<b>177,773</b>	<b>979</b>	<b>202,780</b>	<b>20,611.8%</b>
<b><u>SEMI-PHASE 5</u></b>					
CPED4	123,283	130,712	13,765	151,774	1,002.62%
<b>Total SEMI-PHASE 5</b>	<b>123,283</b>	<b>130,712</b>	<b>13,765</b>	<b>151,774</b>	<b>1,002.6%</b>
<b><u>TOWERS AT ELLIOT PARK</u></b>					
TRANSFER 4	524,907	0	0		0.0%
CPED4	9,970	1,929,516	778,370	834,035	7.15%
<b>Total TOWERS AT ELLIOT PARK</b>	<b>534,877</b>	<b>1,929,516</b>	<b>778,370</b>	<b>834,035</b>	<b>7.2%</b>
<b><u>2ND ST N HOTEL/APTS TOWNPLACE</u></b>					
CPED4	170,603	171,528	0	212,194	0.0%
<b>Total 2ND ST N HOTEL/APTS TOWNPLACE</b>	<b>170,603</b>	<b>171,528</b>	<b>0</b>	<b>212,194</b>	<b>0.0%</b>
<b><u>10TH AND WASHINGTON</u></b>					
TRANSFER 4	833,756	375,928	0	477,733	0.0%
CPED4	5,702	9,409	0	16,940	0.0%
<b>Total 10TH AND WASHINGTON</b>	<b>839,458</b>	<b>385,337</b>	<b>0</b>	<b>494,673</b>	<b>0.0%</b>
<b><u>UNITED VAN BUS</u></b>					
TRANSFER 4	51,500	0	0		0.0%
CPED4	0	87,000	0	193,750	0.0%
<b>Total UNITED VAN BUS</b>	<b>51,500</b>	<b>87,000</b>	<b>0</b>	<b>193,750</b>	<b>0.0%</b>
<b><u>EAST RIVER / UNOCAL SITE</u></b>					
TRANSFER 4	62,150	0	0		0.0%
CPED4	16,376	410,813	131,055	216,949	65.54%
<b>Total EAST RIVER / UNOCAL SITE</b>	<b>78,526</b>	<b>410,813</b>	<b>131,055</b>	<b>216,949</b>	<b>65.5%</b>
<b><u>URBAN VILLAGE</u></b>					
TRANSFER 4	2,030,841	0	0		0.0%
CPED4	33,543	3,393	191,675	18,405	-90.40%
<b>Total URBAN VILLAGE</b>	<b>2,064,384</b>	<b>3,393</b>	<b>191,675</b>	<b>18,405</b>	<b>-90.4%</b>
<b><u>VAN CLEVE EAST</u></b>					
CPED4	0	0	8,567	57,373	569.71%
<b>Total VAN CLEVE EAST</b>	<b>0</b>	<b>0</b>	<b>8,567</b>	<b>57,373</b>	<b>569.7%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>VILLAGE IN PHILLIPS HOUSING</u></b>					
CPED4	58,042	57,125	0	57,604	0.0%
<b>Total VILLAGE IN PHILLIPS HOUSING</b>	<b>58,042</b>	<b>57,125</b>	<b>0</b>	<b>57,604</b>	<b>0.0%</b>
<b><u>VILLAGE IN PHILLIPS PHASE II</u></b>					
CPED4	0	340	0	52,203	0.0%
<b>Total VILLAGE IN PHILLIPS PHASE II</b>	<b>0</b>	<b>340</b>	<b>0</b>	<b>52,203</b>	<b>0.0%</b>
<b><u>VAN CLEVE REDEVELOPMENT</u></b>					
CPED4	0	0	21,470	51,199	138.47%
<b>Total VAN CLEVE REDEVELOPMENT</b>	<b>0</b>	<b>0</b>	<b>21,470</b>	<b>51,199</b>	<b>138.5%</b>
<b><u>VAN CLEVE WEST</u></b>					
CPED4	0	0	14,679	29,001	97.57%
<b>Total VAN CLEVE WEST</b>	<b>0</b>	<b>0</b>	<b>14,679</b>	<b>29,001</b>	<b>97.6%</b>
<b><u>WASHINGTON COURTS APTS</u></b>					
CPED4	4,876	0	0	42,591	0.0%
<b>Total WASHINGTON COURTS APTS</b>	<b>4,876</b>	<b>0</b>	<b>0</b>	<b>42,591</b>	<b>0.0%</b>
<b><u>WEST SIDE MILLING DISTRICT</u></b>					
TRANSFER 4	1,347,188	370,375	1,592,184	1,593,444	0.08%
CPED4	18,397	1,326,823	8,447	5,491	-35.00%
<b>Total WEST SIDE MILLING DISTRICT</b>	<b>1,365,585</b>	<b>1,697,198</b>	<b>1,600,631</b>	<b>1,598,935</b>	<b>-0.1%</b>
<b><u>WEST RIVER COMMONS</u></b>					
CPED4	80,309	108,675	0	98,918	0.0%
<b>Total WEST RIVER COMMONS</b>	<b>80,309</b>	<b>108,675</b>	<b>0</b>	<b>98,918</b>	<b>0.0%</b>
<b><u>HOUSING REPLACEMENT 1</u></b>					
CPED4	475,351	331,465	45,564	58,198	27.73%
<b>Total HOUSING REPLACEMENT 1</b>	<b>475,351</b>	<b>331,465</b>	<b>45,564</b>	<b>58,198</b>	<b>27.7%</b>
<b><u>HOUSING REPLACEMENT 2</u></b>					
CPED4	29,037	54,982	173,381	60,196	-65.28%
<b>Total HOUSING REPLACEMENT 2</b>	<b>29,037</b>	<b>54,982</b>	<b>173,381</b>	<b>60,196</b>	<b>-65.3%</b>
<b><u>BLOCK 33</u></b>					
TRANSFER 4	19,750	0	0		0.0%
<b>Total BLOCK 33</b>	<b>19,750</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>MCDA NEIGHBORHOOD DEVEL ACCT</u></b>					
CPED4	342,151	1,179,084	1,287,740	10,035	-99.22%
<b>Total MCDA NEIGHBORHOOD DEVEL ACCT</b>	<b>342,151</b>	<b>1,179,084</b>	<b>1,287,740</b>	<b>10,035</b>	<b>-99.2%</b>
<b><u>CPED OPERATING</u></b>					
TRANSFER 4	0	0	7,978,765		100.00%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
CPED4	6,656,103	8,021,861	7,841,534	7,958,560	1.49%
<b>Total CPED OPERATING</b>	<b>6,656,103</b>	<b>8,021,861</b>	<b>15,820,299</b>	<b>7,958,560</b>	<b>-49.7%</b>
<b><u>NRP ADMINISTRATION</u></b>					
CPED4	412,467	63,641	267,625	275,469	2.93%
<b>Total NRP ADMINISTRATION</b>	<b>412,467</b>	<b>63,641</b>	<b>267,625</b>	<b>275,469</b>	<b>2.9%</b>
<b><u>COMMUNITY DEVELOPMENT LEVY</u></b>					
CPED4	168,626	1,233,954	0		0.0%
<b>Total COMMUNITY DEVELOPMENT LEVY</b>	<b>168,626</b>	<b>1,233,954</b>	<b>0</b>		<b>0.0%</b>
<b><u>DEVELOPMENT ACCOUNT</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	46,304	1,582,648	0	7,106,233	0.0%
<b>Total DEVELOPMENT ACCOUNT</b>	<b>46,304</b>	<b>1,582,648</b>	<b>0</b>	<b>7,106,233</b>	<b>0.0%</b>
<b><u>ECONOMIC DEVELOPMENT PROGRAM</u></b>					
CPED4	2,348,850	4,103,311	5,025,083	5,309,391	5.66%
<b>Total ECONOMIC DEVELOPMENT PROGRAM</b>	<b>2,348,850</b>	<b>4,103,311</b>	<b>5,025,083</b>	<b>5,309,391</b>	<b>5.7%</b>
<b><u>HOUSING PROGRAM</u></b>					
CPED4	1,171,997	1,870,101	2,624,325	2,762,638	5.27%
<b>Total HOUSING PROGRAM</b>	<b>1,171,997</b>	<b>1,870,101</b>	<b>2,624,325</b>	<b>2,762,638</b>	<b>5.3%</b>
<b><u>HOME OWNERSHIP WORKS</u></b>					
CPED4	200,457	145,700	802,000	800,000	-0.25%
<b>Total HOME OWNERSHIP WORKS</b>	<b>200,457</b>	<b>145,700</b>	<b>802,000</b>	<b>800,000</b>	<b>-0.2%</b>
<b><u>MCDA STATE GRANTS &amp; LOAN</u></b>					
CPED4	1,256,114	453,558	0		0.0%
<b>Total MCDA STATE GRANTS &amp; LOAN</b>	<b>1,256,114</b>	<b>453,558</b>	<b>0</b>		<b>0.0%</b>
<b><u>NEIGHBORHOOD HOUSING</u></b>					
CPED4	150,943	150,000	150,000	151,050	0.70%
<b>Total NEIGHBORHOOD HOUSING</b>	<b>150,943</b>	<b>150,000</b>	<b>150,000</b>	<b>151,050</b>	<b>0.7%</b>
<b><u>COMMUNITY DEVELOPMENT</u></b>					
TRANSFER 4	500,000	0	5,500,000	5,650,000	2.73%
CPED4	3,483,761	3,478,322	5,499,999	3,872,596	-29.59%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>3,983,761</b>	<b>3,478,322</b>	<b>10,999,999</b>	<b>9,522,596</b>	<b>-13.4%</b>
<b><u>RESIDENTIAL HOUSING</u></b>					
CPED4	531,506	619,639	371,326	683,130	83.97%
<b>Total RESIDENTIAL HOUSING</b>	<b>531,506</b>	<b>619,639</b>	<b>371,326</b>	<b>683,130</b>	<b>84.0%</b>
<b><u>UPPER RIVER LAND BANK</u></b>					
CPED4	13,335	1,546	84,382		100.00%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total UPPER RIVER LAND BANK</b>	<b>13,335</b>	<b>1,546</b>	<b>84,382</b>		<b>100.0%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	328,429	315,689	342,800	344,695	0.55%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>328,429</b>	<b>315,689</b>	<b>342,800</b>	<b>344,695</b>	<b>0.6%</b>
<b><u>POLICE DEPT - SPECIAL REVENUE</u></b>					
POLICE	2,341,037	2,495,073	1,674,451	3,274,968	95.58%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>2,341,037</b>	<b>2,495,073</b>	<b>1,674,451</b>	<b>3,274,968</b>	<b>95.6%</b>
<b><u>ARENA - RESERVE</u></b>					
TRANSFER 4	4,007,850	3,697,097	0		0.0%
<b>Total ARENA - RESERVE</b>	<b>4,007,850</b>	<b>3,697,097</b>	<b>0</b>		<b>0.0%</b>
<b><u>CONVENTION FACILITES - RESERVE</u></b>					
TRANSFER 4	500,000	1,000,000	1,000,000	1,000,000	0.0%
<b>Total CONVENTION FACILITES - RESERVE</b>	<b>500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0.0%</b>
<b><u>GRANTS - FEDERAL</u></b>					
ATTORNEY	282,967	311,892	410,968	581,407	41.47%
FIRE	1,100,600	472,899	60,000		100.00%
POLICE	3,372,810	8,306,685	3,021,247	4,157,455	37.61%
HEALTH AND FAMILY SUPPORT	4,250,709	4,360,073	3,993,759	3,359,795	-15.87%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	99,827	28,889	0		0.0%
SURFACE WATER & SEWERS	0	8,843	0		0.0%
PW - PROPERTY SERVICES	0	3,870	0		0.0%
PW - TRAFFIC AND PARKING	38,194	0	0		0.0%
HUMAN RESOURCES	120,000	0	0		0.0%
FINANCE DEPARTMENT	32,191	22,942	24,283	44,607	83.69%
911/311	1,981,624	20,842	0		0.0%
REGULATORY SERVICES	2,580,851	2,653,629	4,972,880	6,333,000	27.35%
CITY COORDINATOR	100,000	0	0		0.0%
COMMUNICATIONS	4,904	3,885	0		0.0%
BUSINESS INFORMATION SERVICES	30,781	20,729	0		0.0%
NON DEPARTMENTAL	0	8,535	0		0.0%
9010000 - CAPITAL IMPROVEMENT	1,005,977	1,476,608	0	27,044	0.0%
TRANSFER 4	78,501	1,147,466	54,000	55,000	1.85%
CPED4	5,544,396	4,982,511	5,029,729	5,455,792	8.47%
<b>Total GRANTS - FEDERAL</b>	<b>20,624,332</b>	<b>23,830,298</b>	<b>17,566,866</b>	<b>20,014,098</b>	<b>13.9%</b>
<b><u>MCDA FEDERAL GRANTS-OTHER</u></b>					
CPED4	4,735,279	0	0		0.0%
<b>Total MCDA FEDERAL GRANTS-OTHER</b>	<b>4,735,279</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
ATTORNEY	57,518	56,853	37,000	58,000	56.75%
FIRE	0	0	0	694,000	0.0%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% change</b>
CIVIL RIGHTS	259,501	314,955	357,000	365,000	2.24%
POLICE	30,245	1,012	52,000	933,000	1,694.23%
HEALTH AND FAMILY SUPPORT	1,454,762	1,430,191	1,489,000	1,049,000	-29.55%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	131,459	11,778	84,000		100.00%
PW - SOLID WASTE	0	0	0		0.0%
FINANCE DEPARTMENT	205,000	207,000	192,000	196,000	2.08%
REGULATORY SERVICES	163,210	530,462	463,000	873,000	88.55%
CITY COORDINATOR	0	0	0		0.0%
INTERGOVERNMENTAL RELATIONS	1,276,866	1,392,946	1,125,700	1,198,000	6.42%
NEIGHBORHOOD & COMMUNITY RELATIONS	0	0	192,000	198,000	3.12%
NON DEPARTMENTAL	572,719	216,523	346,000	134,000	-61.27%
DEBT SERVICE 4	0	0	0		0.0%
TRANSFER 4	5,045,609	20,286	0		0.0%
CPED4	12,335,129	12,318,888	10,263,022	10,309,999	0.46%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>21,532,018</b>	<b>16,500,894</b>	<b>14,600,723</b>	<b>16,007,998</b>	<b>9.6%</b>
<b>MCDA CDBG</b>					
CPED4	1,161,178	16,713	0		0.0%
<b>Total MCDA CDBG</b>	<b>1,161,178</b>	<b>16,713</b>	<b>0</b>	<b>0.0%</b>	
<b>HOME</b>					
INTERGOVERNMENTAL RELATIONS	0	0	0	15,000	0.0%
CPED4	0	4,212,723	3,446,000	3,787,000	9.90%
<b>Total HOME</b>	<b>0</b>	<b>4,212,723</b>	<b>3,446,000</b>	<b>3,802,000</b>	<b>10.3%</b>
<b>GRANTS - OTHER</b>					
ATTORNEY	0	7,842	0		0.0%
FIRE	157,983	82,131	10,000	10,000	0.00%
MAYOR	46,772	0	0		0.0%
POLICE	1,752,093	1,077,220	1,472,106	1,328,730	-9.74%
HEALTH AND FAMILY SUPPORT	4,440,053	3,436,188	3,459,039	4,486,052	29.69%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	33,276	0	0		0.0%
PW - TRAFFIC AND PARKING	12,731	0	0		0.0%
HUMAN RESOURCES	13,925	13,075	0		0.0%
FINANCE DEPARTMENT	42,517	46,743	32,597	34,896	7.05%
911/311	579,811	481,653	521,000	554,385	6.41%
REGULATORY SERVICES	60,622	3,128,618	3,816,054	6,280,156	64.57%
CITY COORDINATOR	22,349	1,904	0		0.0%
COMMUNICATIONS	6,160	475	0		0.0%
CONVENTION CENTER	40,500	0	0		0.0%
BUSINESS INFORMATION SERVICES	3,628	2,976	0		0.0%
NON DEPARTMENTAL	41,101	123,591	58,384	0	-100.00%
9010000 - CAPITAL IMPROVEMENT	2,409	100,600	0		0.0%
9010943 - TRAFFIC CAPITAL	0	74,400	0		0.0%
DEBT SERVICE 4	0	0	0		0.0%
TRANSFER 4	710,687	700,000	700,000	700,000	0.0%
CPED4	10,261,901	8,802,125	2,400,000	2,500,000	4.17%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total GRANTS - OTHER</b>	<b>18,228,518</b>	<b>18,079,541</b>	<b>12,469,181</b>	<b>15,894,218</b>	<b>27.5%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
POLICE	0	0	0		0.0%
HUMAN RESOURCES	65,612	(1)	0		0.0%
CONVENTION CENTER	33,619,883	39,300,370	45,655,697	43,722,194	-4.23%
TRANSFER 4	38,460,677	37,990,887	39,765,000	42,263,000	6.28%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>72,146,172</b>	<b>77,291,256</b>	<b>85,420,697</b>	<b>85,985,194</b>	<b>0.7%</b>
<b><u>MERF PENSION BONDS</u></b>					
4900000 - MPLS EMPLOYEE RETIREMT FD	0	0	0		0.0%
<b>Total MERF PENSION BONDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>EMPLOYEE RETIREMENT</u></b>					
4900000 - MPLS EMPLOYEE RETIREMT FD	2,661,676	0	3,606,319	3,678,445	2.00%
4900050 - Mpls Employee Retirement Fund	0	3,940,943	0		0.0%
POLICE RELIEF ASSOCIATION	7,031,074	6,386,586	7,319,041	7,465,422	2.00%
FIRE DEPT RELIEF ASSOC	3,018,558	3,833,798	3,026,800	3,087,336	2.00%
TRANSFER 4	902,594	0	0		0.0%
<b>Total EMPLOYEE RETIREMENT</b>	<b>13,613,902</b>	<b>14,161,327</b>	<b>13,952,160</b>	<b>14,231,203</b>	<b>2.0%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	54,332,085	55,344,499	56,018,406	56,143,987	0.22%
TRANSFER 4	736,663	0	0		0.0%
<b>Total PARK - GENERAL FUND</b>	<b>55,068,748</b>	<b>55,344,499</b>	<b>56,018,406</b>	<b>56,143,987</b>	<b>0.2%</b>
<b><u>PARK - MUSEUM (ART INSTITUTE)</u></b>					
Park Board - 4	9,947,639	11,187,671	12,103,110	12,178,277	0.62%
<b>Total PARK - MUSEUM (ART INSTITUTE)</b>	<b>9,947,639</b>	<b>11,187,671</b>	<b>12,103,110</b>	<b>12,178,277</b>	<b>0.6%</b>
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
9010000 - CAPITAL IMPROVEMENT	69,443	0	0		0.0%
9101000 - PARKS-CAPITAL IMPROVEMENT	0	0	37,000	37,740	2.00%
9103000 - FORESTRY & TREE DIS CONTL	0	0	0		0.0%
Park Board - 4	1,249,409	1,762,535	1,130,600	1,130,600	0.00%
TRANSFER 4	2,231,329	0	0		0.0%
<b>Total PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>3,550,181</b>	<b>1,762,535</b>	<b>1,167,600</b>	<b>1,168,340</b>	<b>0.1%</b>
<b><u>PARK-SPEC REV-INTEREST BEARING</u></b>					
Park Board - 4	9,960	0	0		0.0%
<b>Total PARK-SPEC REV-INTEREST BEARING</b>	<b>9,960</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	12,979,648	14,195,490	13,287,241	14,032,264	5.61%
TRANSFER 4	495,000	0	0		0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>13,474,648</b>	<b>14,195,490</b>	<b>13,287,241</b>	<b>14,032,264</b>	<b>5.6%</b>



**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>LIBRARY - GENERAL FUND</u></b>					
GENERAL REVENUES	(135,562)	0	0		0.0%
LIBRARY	31,201,725	458,661	8,000		100.00%
TRANSFER 4	100,000	0	0		0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>31,166,163</b>	<b>458,661</b>	<b>8,000</b>		<b>100.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					
GENERAL REVENUES	0	0	0		0.0%
LIBRARY	0	0	0		0.0%
9010000 - CAPITAL IMPROVEMENT	1,499,485	384,101	5,055,000		100.00%
9010907 - LIBRARY CAPITAL	0	0	0	5,810,000	0.0%
TRANSFER 4	3,998,951	0	0		0.0%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>5,498,436</b>	<b>384,101</b>	<b>5,055,000</b>	<b>5,810,000</b>	<b>14.9%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
DEBT SERVICE 4	0	0	0		0.0%
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>HISTORIC PRESERVATION FUND</u></b>					
MUNICIPAL BUILDING COMMISSION	25,793	7,395	0		100.00%
<b>Total HISTORIC PRESERVATION FUND</b>	<b>25,793</b>	<b>7,395</b>	<b>0</b>		<b>100.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	7,419,584	8,073,902	8,464,667	8,105,645	-4.24%
TRANSFER 4	0	0	0		0.0%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>7,419,584</b>	<b>8,073,902</b>	<b>8,464,667</b>	<b>8,105,645</b>	<b>-4.2%</b>
<b><u>JOINT BOARD</u></b>					
NON-MCDA	13,143	0	0		0.0%
<b>Total JOINT BOARD</b>	<b>13,143</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	2,137,251	1,409,417	1,947,645	1,480,694	-23.98%
<b>Total YOUTH COORDINATING BOARD</b>	<b>2,137,251</b>	<b>1,409,417</b>	<b>1,947,645</b>	<b>1,480,694</b>	<b>-24.0%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	1,693,494	1,626,376	1,427,819	1,382,156	-3.20%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>1,693,494</b>	<b>1,626,376</b>	<b>1,427,819</b>	<b>1,382,156</b>	<b>-3.2%</b>
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
2900000 - PUBLIC HOUSING AUTHORITY	159,260	0	116,373	508,020	336.54%
<b>Total PUBLIC HOUSING AUTHORITY</b>	<b>159,260</b>	<b>0</b>	<b>116,373</b>	<b>508,020</b>	<b>336.5%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>402,750,317</b>	<b>396,700,005</b>	<b>338,931,137</b>	<b>345,585,953</b>	<b>2.0%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>CAPITAL PROJECT</u></b>					
<b><u>AUG 01 VARIOUS PURPOSE</u></b>					
TRANSFER 4	372,866	228,244	0		0.0%
<b>Total AUG 01 VARIOUS PURPOSE</b>	<b>372,866</b>	<b>228,244</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 02 VARIOUS PURPOSE BONDS</u></b>					
TRANSFER 4	1,486	15,490	0		0.0%
<b>Total JUNE 02 VARIOUS PURPOSE BONDS</b>	<b>1,486</b>	<b>15,490</b>	<b>0</b>		<b>0.0%</b>
<b><u>DEC02 VARIOUS PURPOSE BONDS</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total DEC02 VARIOUS PURPOSE BONDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 03 VARIOUS PURPOSE BONDS</u></b>					
TRANSFER 4	16,274	12,574	0		0.0%
<b>Total JUNE 03 VARIOUS PURPOSE BONDS</b>	<b>16,274</b>	<b>12,574</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 04 VARIOUS PURPOSE BONDS</u></b>					
TRANSFER 4	1,106,033	372,008	0		0.0%
<b>Total JUNE 04 VARIOUS PURPOSE BONDS</b>	<b>1,106,033</b>	<b>372,008</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 05 VARIOUS PURPOSE BONDS</u></b>					
DEBT SERVICE 4	102,486	0	0		0.0%
TRANSFER 4	2,008,521	470,017	0		0.0%
<b>Total JUNE 05 VARIOUS PURPOSE BONDS</b>	<b>2,111,007</b>	<b>470,017</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE99 VARIOUS PURPOSE BONDS</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total JUNE99 VARIOUS PURPOSE BONDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>OCT05 VAR PURP REFUNDING BONDS</u></b>					
TRANSFER 4	0	1,379	0		0.0%
<b>Total OCT05 VAR PURP REFUNDING BONDS</b>	<b>0</b>	<b>1,379</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 06 VARIOUS PURPOSE BONDS</u></b>					
DEBT SERVICE 4	40,000	0	0		0.0%
TRANSFER 4	5,330,818	953,398	0		0.0%
<b>Total JUNE 06 VARIOUS PURPOSE BONDS</b>	<b>5,370,818</b>	<b>953,398</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 07 VARIOUS PURPOSE BONDS</u></b>					
DEBT SERVICE 4	24,346	0	0		0.0%
TRANSFER 4	9,352,074	2,789,064	0		0.0%
<b>Total JUNE 07 VARIOUS PURPOSE BONDS</b>	<b>9,376,420</b>	<b>2,789,064</b>	<b>0</b>		<b>0.0%</b>
<b><u>MAY 08 VARIOUS PURPOSE BONDS</u></b>					
DEBT SERVICE 4	0	1,411,617	0		0.0%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
TRANSFER 4	0	7,835,999	0		0.0%
<b>Total MAY 08 VARIOUS PURPOSE BONDS</b>	<b>0</b>	<b>9,247,616</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE03 HERITAGE PARK ARBITRAGE</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total JUNE03 HERITAGE PARK ARBITRAGE</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>OCT 02 IMPROV BOND ARBITRAGE</u></b>					
TRANSFER 4	99,991	0	0		0.0%
<b>Total OCT 02 IMPROV BOND ARBITRAGE</b>	<b>99,991</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV04 IMPROV BOND ARBITRAGE</u></b>					
TRANSFER 4	17,113	11,412	0		0.0%
<b>Total NOV04 IMPROV BOND ARBITRAGE</b>	<b>17,113</b>	<b>11,412</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV05 IMPROV BOND ARBITRAGE</u></b>					
TRANSFER 4	714,100	0	0		0.0%
<b>Total NOV05 IMPROV BOND ARBITRAGE</b>	<b>714,100</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV06 IMPROV BOND ARBITRAGE</u></b>					
DEBT SERVICE 4	0	0	0		0.0%
TRANSFER 4	175,758	0	0		0.0%
<b>Total NOV06 IMPROV BOND ARBITRAGE</b>	<b>175,758</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV07 IMPROV BOND ARBITRAGE</u></b>					
DEBT SERVICE 4	30,647	0	0		0.0%
TRANSFER 4	4,979,963	444,746	0		0.0%
<b>Total NOV07 IMPROV BOND ARBITRAGE</b>	<b>5,010,610</b>	<b>444,746</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV08 IMPROV BOND ARBITRAGE</u></b>					
DEBT SERVICE 4	0	41,408	0		0.0%
TRANSFER 4	0	7,268,333	0		0.0%
<b>Total NOV08 IMPROV BOND ARBITRAGE</b>	<b>0</b>	<b>7,309,741</b>	<b>0</b>		<b>0.0%</b>
<b><u>OCT03 LIBRARY REF BONDS</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total OCT03 LIBRARY REF BONDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV04 LIBRARY REF BONDS</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total NOV04 LIBRARY REF BONDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 05 LIBRARY REFERNDM BNDS</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total JUNE 05 LIBRARY REFERNDM BNDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 06 LIBRARY REF BONDS</u></b>					

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
DEBT SERVICE 4	898,972	0	0		0.0%
TRANSFER 4	93,852	926,618	0		0.0%
<b>Total JUNE 06 LIBRARY REF BONDS</b>	<b>992,824</b>	<b>926,618</b>	<b>0</b>		<b>0.0%</b>
<b>May 08 Library Ref Bonds</b>					
DEBT SERVICE 4	0	4,802,554	0		0.0%
TRANSFER 4	0	233,965	0		0.0%
<b>Total May 08 Library Ref Bonds</b>	<b>0</b>	<b>5,036,519</b>	<b>0</b>		<b>0.0%</b>
<b>MAR05 MILLQTR/GUTHRIE PKG BOND</b>					
TRANSFER 4	0	0	0		0.0%
<b>Total MAR05 MILLQTR/GUTHRIE PKG BOND</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b>JUNE00 VARIOUS PURPOSE BONDS</b>					
TRANSFER 4	20,000	52,546	0		0.0%
<b>Total JUNE00 VARIOUS PURPOSE BONDS</b>	<b>20,000</b>	<b>52,546</b>	<b>0</b>		<b>0.0%</b>
<b>CAPITAL IMPROVEMENTS</b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,411,174	5,917,473	7,939,178	8,028,115	1.12%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	567,594	642,782	685,424	652,849	-4.75%
9010000 - CAPITAL IMPROVEMENT	41,685,711	31,413,812	51,561,253	1,470,711	-97.15%
9010923 - PROPERTY SERVICES CAPITAL	0	0	0	2,927,000	0.0%
9010937 - STREET PAVING CAPITAL	0	0	0	23,351,302	0.0%
9010938 - BRIDGE CAPITAL	0	0	0	14,300,000	0.0%
9010939 - SIDEWALK CAPITAL	0	0	0	2,735,000	0.0%
9010943 - TRAFFIC CAPITAL	0	0	0	11,802,000	0.0%
9010970 - NON-DEPARTMENTAL CAPITAL	0	0	0	403,000	0.0%
TRANSFER 4	0	0	230,000		100.00%
CPED4	136,598	248,705	0	48,047	0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>43,801,077</b>	<b>38,222,772</b>	<b>60,415,855</b>	<b>65,718,023</b>	<b>8.8%</b>
<b>ARBITRAGE 1993 PARK BONDS</b>					
TRANSFER 4	0	0	0		0.0%
<b>Total ARBITRAGE 1993 PARK BONDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b>PARK - CAPITAL IMPROVEMENTS</b>					
9010000 - CAPITAL IMPROVEMENT	11,259,692	0	0		0.0%
9101000 - PARKS-CAPITAL IMPROVEMENT	0	9,389,933	8,091,000	3,000,000	-62.92%
9103000 - FORESTRY & TREE DIS CONTL	0	1,367	0		0.0%
TRANSFER 4	(250,000)	0	0		0.0%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>11,009,692</b>	<b>9,391,300</b>	<b>8,091,000</b>	<b>3,000,000</b>	<b>-62.9%</b>
<b>PARK-CAPITAL IMPROVE-ASSESSED</b>					
9010000 - CAPITAL IMPROVEMENT	520,215	0	0		0.0%
9103000 - FORESTRY & TREE DIS CONTL	0	416,866	500,000	500,000	0.0%
<b>Total PARK-CAPITAL IMPROVE-ASSESSED</b>	<b>520,215</b>	<b>416,866</b>	<b>500,000</b>	<b>500,000</b>	<b>0.0%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	3,052,238	2,126,318	1,002,500		100.00%
9010901 - MBC CAPITAL	0	0	0	996,000	0.0%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>3,052,238</b>	<b>2,126,318</b>	<b>1,002,500</b>	<b>996,000</b>	<b>-0.6%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>83,768,522</b>	<b>78,028,628</b>	<b>70,009,355</b>	<b>70,214,023</b>	<b>0.3%</b>
<b><u>DEBT SERVICE</u></b>					
<b><u>01 IMPROVEMENT BONDS - 20 YR</u></b>					
DEBT SERVICE 4	777,053	757,053	737,053	701,553	-4.82%
<b>Total 01 IMPROVEMENT BONDS - 20 YR</b>	<b>777,053</b>	<b>757,053</b>	<b>737,053</b>	<b>701,553</b>	<b>-4.8%</b>
<b><u>96 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE 4	144,275	139,075	138,775	135,100	-2.65%
<b>Total 96 IMPROVEMENT BONDS</b>	<b>144,275</b>	<b>139,075</b>	<b>138,775</b>	<b>135,100</b>	<b>-2.6%</b>
<b><u>97 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE 4	229,973	386,970	45,800	210,625	359.88%
<b>Total 97 IMPROVEMENT BONDS</b>	<b>229,973</b>	<b>386,970</b>	<b>45,800</b>	<b>210,625</b>	<b>359.9%</b>
<b><u>98 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE 4	168,032	235,573	1,586	1,586	0.0%
<b>Total 98 IMPROVEMENT BONDS</b>	<b>168,032</b>	<b>235,573</b>	<b>1,586</b>	<b>1,586</b>	<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/90 IMP BOND</u></b>					
DEBT SERVICE 4	268,213	244,988	227,288	274,938	20.96%
<b>Total BOND REDEM ARBIT 6/90 IMP BOND</b>	<b>268,213</b>	<b>244,988</b>	<b>227,288</b>	<b>274,938</b>	<b>21.0%</b>
<b><u>BOND REDEM ARBIT 6/91 IMP BOND</u></b>					
DEBT SERVICE 4	199,400	193,275	177,150	176,375	-0.44%
<b>Total BOND REDEM ARBIT 6/91 IMP BOND</b>	<b>199,400</b>	<b>193,275</b>	<b>177,150</b>	<b>176,375</b>	<b>-0.4%</b>
<b><u>MCDA DEBT SERVICE</u></b>					
CPED4	41,889,617	38,457,223	37,254,261		100.00%
<b>Total MCDA DEBT SERVICE</b>	<b>41,889,617</b>	<b>38,457,223</b>	<b>37,254,261</b>		<b>100.0%</b>
<b><u>ST ANTHONY DEBT SERVICE</u></b>					
TRANSFER 4	360,262	0	0		0.0%
CPED4	860,995	1,014,502	0		0.0%
<b>Total ST ANTHONY DEBT SERVICE</b>	<b>1,221,257</b>	<b>1,014,502</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/92 IMP BOND</u></b>					
DEBT SERVICE 4	198,825	191,813	179,800		100.00%
<b>Total BOND REDEM ARBIT 6/92 IMP BOND</b>	<b>198,825</b>	<b>191,813</b>	<b>179,800</b>		<b>100.0%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>BOND REDEM ARBIT 6/93 IMP BOND</u></b>					
DEBT SERVICE 4	183,226	167,102	181,750	174,500	-3.99%
<b>Total BOND REDEM ARBIT 6/93 IMP BOND</b>	<b>183,226</b>	<b>167,102</b>	<b>181,750</b>	<b>174,500</b>	<b>-4.0%</b>
<b><u>OCT 02 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	553,500	484,300	472,300	460,300	-2.54%
TRANSFER 4	0	0	0		0.0%
<b>Total OCT 02 IMPROV BOND D/S</b>	<b>553,500</b>	<b>484,300</b>	<b>472,300</b>	<b>460,300</b>	<b>-2.5%</b>
<b><u>NOV03 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	624,403	613,028	589,378	576,028	-2.27%
<b>Total NOV03 IMPROV BOND D/S</b>	<b>624,403</b>	<b>613,028</b>	<b>589,378</b>	<b>576,028</b>	<b>-2.3%</b>
<b><u>NOV04 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	973,625	953,675	933,725	842,113	-9.81%
TRANSFER 4	0	0	0		0.0%
<b>Total NOV04 IMPROV BOND D/S</b>	<b>973,625</b>	<b>953,675</b>	<b>933,725</b>	<b>842,113</b>	<b>-9.8%</b>
<b><u>NOV05 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	538,088	523,488	508,887	494,288	-2.87%
TRANSFER 4	0	0	0		0.0%
<b>Total NOV05 IMPROV BOND D/S</b>	<b>538,088</b>	<b>523,488</b>	<b>508,887</b>	<b>494,288</b>	<b>-2.9%</b>
<b><u>NOV06 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	430,521	383,300	373,700	364,100	-2.57%
<b>Total NOV06 IMPROV BOND D/S</b>	<b>430,521</b>	<b>383,300</b>	<b>373,700</b>	<b>364,100</b>	<b>-2.6%</b>
<b><u>NOV07 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	0	608,865	564,225	549,525	-2.61%
<b>Total NOV07 IMPROV BOND D/S</b>	<b>0</b>	<b>608,865</b>	<b>564,225</b>	<b>549,525</b>	<b>-2.6%</b>
<b><u>NOV08 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	0	0	0	1,026,188	0.0%
<b>Total NOV08 IMPROV BOND D/S</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,026,188</b>	<b>0.0%</b>
<b><u>NOV09 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	0	0	0	1,336,340	0.0%
<b>Total NOV09 IMPROV BOND D/S</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,336,340</b>	<b>0.0%</b>
<b><u>BOND REDEM ARBIT ASSESS PARK</u></b>					
DEBT SERVICE 4	1,169,489	373,545	392,000	366,800	-6.43%
<b>Total BOND REDEM ARBIT ASSESS PARK</b>	<b>1,169,489</b>	<b>373,545</b>	<b>392,000</b>	<b>366,800</b>	<b>-6.4%</b>
<b><u>BOND REDEM ARBIT NIC MALL BOND</u></b>					
DEBT SERVICE 4	1,595,750	1,601,875	1,594,500	1,588,750	-0.36%
<b>Total BOND REDEM ARBIT NIC MALL BOND</b>	<b>1,595,750</b>	<b>1,601,875</b>	<b>1,594,500</b>	<b>1,588,750</b>	<b>-0.4%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>BOND REDEMPTION - DEBT SERVICE</u></b>					
DEBT SERVICE 4	23,906,204	23,839,205	14,355,694	9,152,144	-36.25%
TRANSFER 4	2,095,819	1,289,368	1,800,000	1,661,000	-7.72%
<b>Total BOND REDEMPTION - DEBT SERVICE</b>	<b>26,002,023</b>	<b>25,128,573</b>	<b>16,155,694</b>	<b>10,813,144</b>	<b>-33.1%</b>
<b><u>OTH SELF SUPPORTING DEBT SERVC</u></b>					
DEBT SERVICE 4	2,206,339	2,171,199	2,053,179	1,312,730	-36.06%
TRANSFER 4	0	0	0		0.0%
<b>Total OTH SELF SUPPORTING DEBT SERVC</b>	<b>2,206,339</b>	<b>2,171,199</b>	<b>2,053,179</b>	<b>1,312,730</b>	<b>-36.1%</b>
<b><u>MIDTOWN EXCH 108 LOAN ACCOUNT</u></b>					
DEBT SERVICE 4	367,102	242,812	526,500	568,368	7.95%
<b>Total MIDTOWN EXCH 108 LOAN ACCOUNT</b>	<b>367,102</b>	<b>242,812</b>	<b>526,500</b>	<b>568,368</b>	<b>8.0%</b>
<b><u>PENSION FUND DEBT SERVICE</u></b>					
DEBT SERVICE 4	5,986,063	6,853,063	6,102,318	5,686,838	-6.81%
<b>Total PENSION FUND DEBT SERVICE</b>	<b>5,986,063</b>	<b>6,853,063</b>	<b>6,102,318</b>	<b>5,686,838</b>	<b>-6.8%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
DEBT SERVICE 4	8,975,182	10,207,196	9,166,563	8,897,563	-2.93%
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>8,975,182</b>	<b>10,207,196</b>	<b>9,166,563</b>	<b>8,897,563</b>	<b>-2.9%</b>
<b><u>CONVENTION CENTER-DEBT SERVICE</u></b>					
DEBT SERVICE 4	17,840,338	16,883,518	18,727,875	20,150,375	7.60%
<b>Total CONVENTION CENTER-DEBT SERVICE</b>	<b>17,840,338</b>	<b>16,883,518</b>	<b>18,727,875</b>	<b>20,150,375</b>	<b>7.6%</b>
<b><u>TARGET CENTER</u></b>					
DEBT SERVICE 4	5,424,450	5,615,550	0	1,572,032	0.0%
<b>Total TARGET CENTER</b>	<b>5,424,450</b>	<b>5,615,550</b>	<b>0</b>	<b>1,572,032</b>	<b>0.0%</b>
<b><u>BOND REDEMPTION - ASSESSMENT</u></b>					
DEBT SERVICE 4	26,279	25,979	0		0.0%
TRANSFER 4	0	945,542	0		0.0%
<b>Total BOND REDEMPTION - ASSESSMENT</b>	<b>26,279</b>	<b>971,521</b>	<b>0</b>		<b>0.0%</b>
<b><u>TAX INCREMENT - DEBT SERVICE</u></b>					
DEBT SERVICE 4	15,110,779	15,709,960	12,873,295	12,416,813	-3.55%
<b>Total TAX INCREMENT - DEBT SERVICE</b>	<b>15,110,779</b>	<b>15,709,960</b>	<b>12,873,295</b>	<b>12,416,813</b>	<b>-3.5%</b>
<b>TOTAL DEBT SERVICE</b>	<b>133,103,802</b>	<b>131,113,042</b>	<b>109,977,602</b>	<b>70,696,972</b>	<b>-35.7%</b>

**INTERNAL SERVICE**

**MATERIALS & LAB-INTERNAL SVC**

PW - TRANSPORTATION PLANNING AND ENGINEERING	859,484	1,008,263	4,638,102	1,400,370	-69.81%
PW - ENG. MATERIALS & TESTING	3,266,753	41,986	0		100.00%

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EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
TRANSFER 4	42,000	53,000	58,000	57,000	-1.72%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>4,168,237</b>	<b>1,103,249</b>	<b>4,696,102</b>	<b>1,457,370</b>	<b>-69.0%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	30,431,439	34,192,697	42,081,850	43,085,509	2.39%
9010000 - CAPITAL IMPROVEMENT	1,787,833	(721,675)	(1)		100.00%
DEBT SERVICE 4	1,626,928	1,416,220	3,461,900	3,405,300	-1.63%
TRANSFER 4	332,000	453,000	502,000	581,000	15.74%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>34,178,200</b>	<b>35,340,242</b>	<b>46,045,749</b>	<b>47,071,809</b>	<b>2.2%</b>
<b><u>JUNE 03 PROP SERV ARBITRAGE</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total JUNE 03 PROP SERV ARBITRAGE</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	17,684,739	19,086,533	21,878,156	21,061,987	-3.73%
9010000 - CAPITAL IMPROVEMENT	78,882	0	0		0.0%
DEBT SERVICE 4	337,629	312,896	896,563	937,963	4.62%
TRANSFER 4	69,000	88,000	97,000	118,000	21.65%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>18,170,250</b>	<b>19,487,429</b>	<b>22,871,719</b>	<b>22,117,950</b>	<b>-3.3%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	1,404,396	1,272,144	1,704,033	747,960	-56.11%
PW - SOLID WASTE	11,315	0	0		0.0%
PW - TRAFFIC AND PARKING	2,747,025	403,395	2,006,600	400,228	-80.05%
TRANSFER 4	11,000	31,000	34,000	33,000	-2.94%
<b>Total STORES - INTERNAL SERVICE</b>	<b>4,173,736</b>	<b>1,706,539</b>	<b>3,744,633</b>	<b>1,181,188</b>	<b>-68.5%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	1,351,611	1,193,432	1,201,500	1,186,132	-1.28%
HUMAN RESOURCES	197,821	213,634	251,900	253,200	0.52%
BUSINESS INFORMATION SERVICES	34,142,713	26,866,706	25,521,265	24,435,808	-4.25%
9010000 - CAPITAL IMPROVEMENT	(259,463)	141,034	1,500,000		100.00%
9010972 - BIS CAPITAL	0	0	0	1,507,000	0.0%
DEBT SERVICE 4	1,622,189	1,593,998	10,201,438	9,498,963	-6.89%
TRANSFER 4	177,030	295,624	212,000	218,000	2.83%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>37,231,901</b>	<b>30,304,428</b>	<b>38,888,103</b>	<b>37,099,103</b>	<b>-4.6%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	5,404,034	5,045,878	5,623,253	6,100,556	8.49%
HUMAN RESOURCES	1,115,859	1,091,881	1,371,608	1,401,232	2.16%
FINANCE DEPARTMENT	2,053,618	2,205,757	2,284,101	2,458,766	7.65%
HEALTH AND WELFARE	58,700,371	33,198,296	77,657,343	13,924,921	-82.07%
WORKERS COMPENSATION	6,349,061	7,844,080	5,931,510	6,290,140	6.05%
LIABILITY	10,276,990	3,767,287	6,147,485	6,270,435	2.00%
DEBT SERVICE 4	52,420	25,220	0		0.0%
TRANSFER 4	97,000	131,000	145,000	140,000	-3.45%



**SCHEDULE THREE  
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<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>84,049,353</b>	<b>53,309,399</b>	<b>99,160,299</b>	<b>36,586,050</b>	<b>-63.1%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
Park Board - 4	6,728,197	5,379,307	5,141,563	5,356,760	4.19%
<b>Total PARK - INTERNAL SERVICE</b>	<b>6,728,197</b>	<b>5,379,307</b>	<b>5,141,563</b>	<b>5,356,760</b>	<b>4.2%</b>
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
Park Board - 4	2,317,390	1,988,447	2,659,284	2,659,283	0.00%
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>	<b>2,317,390</b>	<b>1,988,447</b>	<b>2,659,284</b>	<b>2,659,283</b>	<b>0.0%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>191,017,264</b>	<b>148,619,040</b>	<b>223,207,453</b>	<b>153,529,513</b>	<b>-31.2%</b>
 <b><u>ENTERPRISE</u></b>					
<b><u>DEFAULTED PROPERTY ADMIN</u></b>					
TRANSFER 4	3,643,039	0	0		0.0%
CPED4	27,244	4,022,006	51,424	69,200	34.57%
<b>Total DEFAULTED PROPERTY ADMIN</b>	<b>3,670,283</b>	<b>4,022,006</b>	<b>51,424</b>	<b>69,200</b>	<b>34.6%</b>
<b><u>FED HOME LN BANK ECON DEVELOP</u></b>					
CPED4	56,697	49,530	125,000	75,000	-40.00%
<b>Total FED HOME LN BANK ECON DEVELOP</b>	<b>56,697</b>	<b>49,530</b>	<b>125,000</b>	<b>75,000</b>	<b>-40.0%</b>
<b><u>HOUSING OWNERSHIP PROGRAM</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	400,948	226,020	0	111,000	0.0%
<b>Total HOUSING OWNERSHIP PROGRAM</b>	<b>400,948</b>	<b>226,020</b>	<b>0</b>	<b>111,000</b>	<b>0.0%</b>
<b><u>HOME OWNERSHIP &amp; RENOVATION</u></b>					
CPED4	180,426	335,146	0	305,002	0.0%
<b>Total HOME OWNERSHIP &amp; RENOVATION</b>	<b>180,426</b>	<b>335,146</b>	<b>0</b>	<b>305,002</b>	<b>0.0%</b>
<b><u>RIVER TERMINAL</u></b>					
CPED4	1,904,882	1,944,460	1,655,298	1,622,167	-2.00%
<b>Total RIVER TERMINAL</b>	<b>1,904,882</b>	<b>1,944,460</b>	<b>1,655,298</b>	<b>1,622,167</b>	<b>-2.0%</b>
<b><u>GARFS</u></b>					
TRANSFER 4	2,093,092	0	0		0.0%
CPED4	231,325	220,179	310,256	332,846	7.28%
<b>Total GARFS</b>	<b>2,324,417</b>	<b>220,179</b>	<b>310,256</b>	<b>332,846</b>	<b>7.3%</b>
<b><u>THEATRES</u></b>					
TRANSFER 4	0	0	0		0.0%
CPED4	(209)	5,632	7,882	6,955	-11.76%
<b>Total THEATRES</b>	<b>(209)</b>	<b>5,632</b>	<b>7,882</b>	<b>6,955</b>	<b>-11.8%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>JUNE00 UST/SKYWAY TI BONDS</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total JUNE00 UST/SKYWAY TI BONDS</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>AUG 01 SEWER ARBITRAGE</u></b>					
TRANSFER 4	1,043,267	0	0		0.0%
<b>Total AUG 01 SEWER ARBITRAGE</b>	<b>1,043,267</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 03 SEWER ARBITRAGE</u></b>					
TRANSFER 4	10,845	7,309	0		0.0%
<b>Total JUNE 03 SEWER ARBITRAGE</b>	<b>10,845</b>	<b>7,309</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 03 WATER ARBITRAGE</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total JUNE 03 WATER ARBITRAGE</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	40,338,140	39,641,991	41,639,975	41,813,821	0.42%
9010000 - CAPITAL IMPROVEMENT	819,001	(401,930)	9,226,000		100.00%
9010932 - SANITARY STORM CAPITAL	0	0	0	9,425,000	0.0%
DEBT SERVICE 4	149,349	377,573	3,372,000	4,066,145	20.59%
TRANSFER 4	347,851	629,341	292,000	305,000	4.45%
<b>Total SANITARY SEWER FUND</b>	<b>41,654,341</b>	<b>40,246,975</b>	<b>54,529,975</b>	<b>55,609,966</b>	<b>2.0%</b>
<b><u>STORMWATER FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	6,761,622	7,407,500	7,644,295	7,885,638	3.16%
SURFACE WATER & SEWERS	14,005,889	13,928,697	13,647,734	14,133,743	3.56%
FINANCE DEPARTMENT	0	0	0		0.0%
9010000 - CAPITAL IMPROVEMENT	1,887,464	1,113,134	12,393,957	0	-100.00%
9010932 - SANITARY STORM CAPITAL	0	0	0	10,820,000	0.0%
DEBT SERVICE 4	1,803,326	1,579,725	9,281,692	7,787,683	-16.10%
TRANSFER 4	349,379	505,457	292,000	805,000	175.68%
<b>Total STORMWATER FUND</b>	<b>24,807,680</b>	<b>24,534,513</b>	<b>43,259,677</b>	<b>41,432,064</b>	<b>-4.2%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	52,004,279	53,058,457	47,908,186	48,446,303	1.12%
FINANCE DEPARTMENT	549	0	0		0.0%
9010000 - CAPITAL IMPROVEMENT	911,357	1,215,681	27,750,000	0	-100.00%
9010950 - WATER CAPITAL	0	0	0	3,500,000	0.0%
DEBT SERVICE 4	3,438,633	3,405,967	13,794,848	10,975,983	-20.43%
TRANSFER 4	760,405	1,648,864	1,071,000	1,258,000	17.46%
<b>Total WATER - ENTERPRISE</b>	<b>57,115,223</b>	<b>59,328,969</b>	<b>90,524,034</b>	<b>64,180,286</b>	<b>-29.1%</b>
<b><u>900 NICOLLET TAXABLE</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total 900 NICOLLET TAXABLE</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>AUG 01 LRT EAST RAMP</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total AUG 01 LRT EAST RAMP</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>OCT 02 WALKER RAMP ARBITRAGE</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total OCT 02 WALKER RAMP ARBITRAGE</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>DEC 03 GUTHRIE RAMP ARBITRAGE</u></b>					
TRANSFER 4	0	0	0		0.0%
<b>Total DEC 03 GUTHRIE RAMP ARBITRAGE</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>VILLAGE GREEN ESCROW</u></b>					
TRANSFER 4	59,745	433,992	0		0.0%
<b>Total VILLAGE GREEN ESCROW</b>	<b>59,745</b>	<b>433,992</b>	<b>0</b>		<b>0.0%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	46,122,859	42,658,152	36,264,719	40,971,202	12.98%
FINANCE DEPARTMENT	0	0	0		0.0%
REGULATORY SERVICES	0	0	0		0.0%
9010000 - CAPITAL IMPROVEMENT	65,899	(885,588)	1,700,000		100.00%
9010946 - PARKING RAMP CAPITAL	0	0	0	1,700,000	0.0%
DEBT SERVICE 4	12,693,085	10,190,160	26,337,637	20,541,957	-22.01%
TRANSFER 4	11,963,104	13,882,252	10,320,000	10,316,000	-0.04%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>70,844,947</b>	<b>65,844,976</b>	<b>74,622,356</b>	<b>73,529,159</b>	<b>-1.5%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	26,850,775	27,674,471	32,425,410	33,546,632	3.46%
FINANCE DEPARTMENT	0	0	0		0.0%
TRANSFER 4	778,000	809,000	821,000	851,000	3.65%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>27,628,775</b>	<b>28,483,471</b>	<b>33,246,410</b>	<b>34,397,632</b>	<b>3.5%</b>
<b><u>LIBRARY PKG ENTERPRISE FUND</u></b>					
LIBRARY	858,245	86,385	0		0.0%
<b>Total LIBRARY PKG ENTERPRISE FUND</b>	<b>858,245</b>	<b>86,385</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL ENTERPRISE</b>	<b>232,560,512</b>	<b>225,769,564</b>	<b>298,332,313</b>	<b>271,671,276</b>	<b>-8.9%</b>
<b>TOTAL ALL FUNDS</b>	<b>1,370,232,057</b>	<b>1,362,482,161</b>	<b>1,404,284,692</b>	<b>1,283,257,679</b>	<b>-8.6%</b>

**SCHEDULE THREE  
EXPENSES BY DEPARTMENT**

	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% change</b>
ASSESSOR	3,576,980	3,691,730	3,901,207	3,985,804	2.17%
ATTORNEY	11,906,569	12,599,831	13,498,598	14,401,904	6.69%
CITY COUNCIL/CLERK/ELECTIONS	7,359,013	7,483,757	8,848,573	8,682,007	-1.88%
FIRE	49,729,879	52,071,537	51,295,715	54,390,511	6.03%
CIVIL RIGHTS	2,582,935	2,824,281	2,723,748	2,394,237	-12.10%
NON-MCDA	13,143				0.0%
MAYOR	1,347,759	1,348,418	1,493,707	1,467,365	-1.76%
POLICE	123,763,850	134,558,110	128,415,920	133,563,589	4.01%
HEALTH AND FAMILY SUPPORT	14,219,217	13,309,448	13,417,340	12,215,218	-8.96%
PW - TRANSPORTATION PLANNING AND ENGINEERING	3,538,640	8,256,493	14,320,455	11,401,324	-20.38%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	32,980,584	34,572,361	32,648,213	32,890,944	0.74%
SURFACE WATER & SEWERS	54,344,029	53,564,521	55,287,709	55,947,564	1.19%
PW - ENG. MATERIALS & TESTING	4,671,149	1,314,130	1,704,033	747,960	-56.11%
PW - ADMINISTRATIVE SERVICES	2,715,768	2,711,929	2,632,942	2,688,718	2.12%
PW - SOLID WASTE	26,862,090	27,674,471	32,500,410	33,546,632	3.22%
PW - FLEET	30,431,439	34,192,697	42,081,850	43,085,509	2.39%
PW - PROPERTY SERVICES	17,684,739	19,090,403	21,878,156	21,061,987	-3.73%
PW - TRAFFIC AND PARKING	60,418,311	54,889,141	50,096,337	53,263,734	6.32%
PW - WATER TREATMENT & DISTR.	52,004,279	53,058,457	47,908,186	48,446,303	1.12%
HUMAN RESOURCES	7,543,833	7,037,237	7,571,359	7,442,931	-1.70%
FINANCE DEPARTMENT	20,163,392	21,197,451	21,740,498	22,449,054	3.26%
911/311	11,951,785	10,542,701	11,224,598	11,059,844	-1.47%
REGULATORY SERVICES	27,065,368	30,582,789	32,711,444	41,485,439	26.82%
CITY COORDINATOR	1,587,179	1,560,214	1,548,569	1,438,689	-7.10%
INTERGOVERNMENTAL RELATIONS	2,359,369	2,603,911	2,571,292	2,735,903	6.40%
COMMUNICATIONS	2,297,595	2,342,058	2,529,722	2,423,647	-4.19%
INTERNAL AUDIT	0			200,000	0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	0		1,000,285	1,434,357	43.39%
CONVENTION CENTER	33,660,383	37,595,305	45,655,697	43,722,194	-4.23%
BUSINESS INFORMATION SERVICES	34,177,122	26,890,411	25,521,265	24,435,808	-4.25%
NON DEPARTMENTAL	1,552,021	19,003,478	404,384	134,000	-66.86%
GENERAL REVENUES	(135,562)				0.0%
HEALTH AND WELFARE	58,700,371	33,198,296	77,657,343	13,924,921	-82.07%
WORKERS COMPENSATION	6,349,061	7,844,080	5,931,510	6,290,140	6.05%
LIABILITY	10,276,990	3,767,287	6,147,485	6,270,435	2.00%
GENERAL FUND CONTINGENCY	570,000	(38,866)	2,878,004	2,573,980	-10.56%
4900000 - MPLS EMPLOYEE RETIREMT FD	2,661,676		3,606,319	3,678,445	2.00%
4900050 - Mpls Employee Retirement Fund	0	3,940,943			0.0%
POLICE RELIEF ASSOCIATION	7,031,074	6,386,586	7,319,041	7,465,422	2.00%
FIRE DEPT RELIEF ASSOC	3,018,558	3,833,798	3,026,800	3,087,336	2.00%
LIBRARY	32,059,970	22,553,504	7,508,000	6,721,000	-10.48%
9999999 - HR COMBO CODE DEFAULT	0	3,248			0.0%
YOUTH COORDINATING BOARD	2,137,251	1,409,417	1,947,645	1,480,694	-23.98%
2900000 - PUBLIC HOUSING AUTHORITY	159,260		116,373	508,020	336.54%
BOARD OF ESTIMATE & TAXATION	328,429	315,689	342,800	344,695	0.55%

**SCHEDULE THREE  
EXPENSES BY DEPARTMENT**

	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% change</b>
MUNICIPAL BUILDING COMMISSION	7,445,377	9,302,976	8,464,667	8,105,645	-4.24%
NEIGH REVITALIZATN POL BD	1,693,494	1,626,376	1,427,819	1,382,156	-3.20%
9010000 - CAPITAL IMPROVEMENT	64,386,143	27,616,415	110,188,709	1,497,755	-98.64%
9010901 - MBC CAPITAL	0			996,000	0.0%
9010907 - LIBRARY CAPITAL	0			5,810,000	0.0%
9010923 - PROPERTY SERVICES CAPITAL	0			2,927,000	0.0%
9010932 - SANITARY STORM CAPITAL	0			20,245,000	0.0%
9010937 - STREET PAVING CAPITAL	0			23,351,302	0.0%
9010938 - BRIDGE CAPITAL	0			14,300,000	0.0%
9010939 - SIDEWALK CAPITAL	0			2,735,000	0.0%
9010943 - TRAFFIC CAPITAL	0	74,400		11,802,000	0.0%
9010946 - PARKING RAMP CAPITAL	0			1,700,000	0.0%
9010950 - WATER CAPITAL	0			3,500,000	0.0%
9010970 - NON-DEPARTMENTAL CAPITAL	0			403,000	0.0%
9010972 - BIS CAPITAL	0			1,507,000	0.0%
9101000 - PARKS-CAPITAL IMPROVEMENT	0	9,389,933	8,128,000	3,037,740	-62.63%
9103000 - FORESTRY & TREE DIS CONTL	0	418,233	500,000	500,000	0.0%
Park Board - 4	87,564,328	99,452,057	90,340,204	91,501,172	1.29%
DEBT SERVICE 4	110,717,119	114,563,745	138,269,419	126,249,966	-8.69%
TRANSFER 4	208,663,553	141,176,555	128,100,503	129,735,153	1.28%
CPED4	124,096,545	199,080,220	125,251,840	86,483,525	-30.95%
<b>TOTAL EXPENSES BY DEPARTMENT, ALL FUNDS</b>	<b>1,370,232,057</b>	<b>1,362,482,161</b>	<b>1,404,284,692</b>	<b>1,283,257,679</b>	<b>-8.6%</b>

**City of Minneapolis  
FY 2010 Budget  
Community Development Block Grant (CDBG)**

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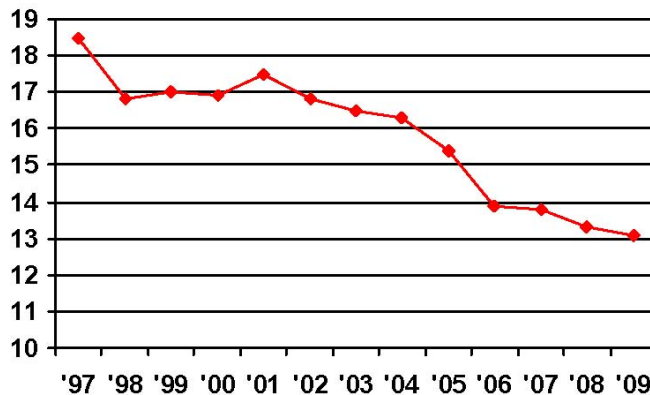
**Background**

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), and Housing Opportunities for Persons with AIDS (HOPWA). 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 reflects the trend in CDBG funding for the past 12 years. After several years of declining funding levels, 2008 was the first year that had anticipated funding to remain relatively constant. The 2009 actual CDBG funds were approximately \$266,000 greater than originally budgeted. For 2010, the City is anticipating an approximate 5% increase from the 2009 actual funding level.

**CDBG Entitlement 1997 -2009**



**2010 Budget**

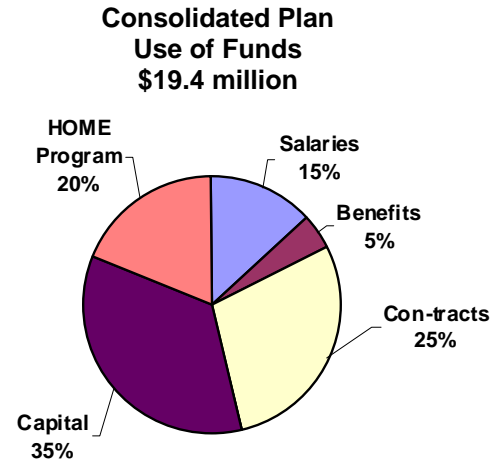
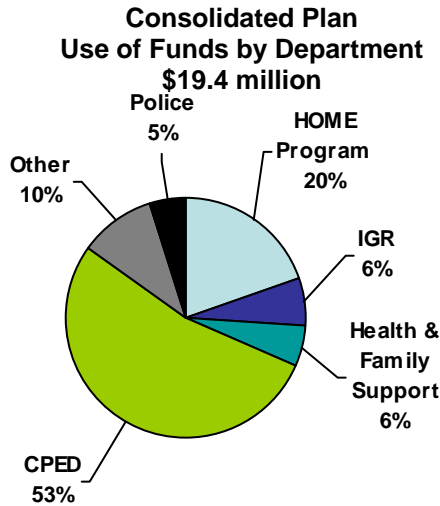
*Revenues*

The entitlement funds estimates are budgeted based on the past relationship between national HUD appropriations and local entitlement amounts. Amounts are based on the most recent actions of Congress. Currently, it is anticipated that the City's CDBG entitlement for 2010 will be approximately 5% higher than 2009.

The HOME, ESGP, and HOPWA awards are anticipated to remain unchanged. Final award numbers from Congress should be available in early 2010. 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*

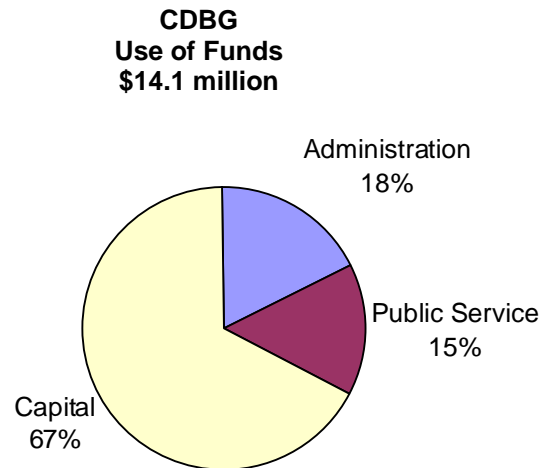
The City distributes its entitlement funds received through the HUD consolidated plan to various departments to carry out program activities, and awards funds to private and public not-for-profit organizations. The graphs below reflect the distribution by department and by cost category.



*CDBG Allocations*

The graph to the right shows the distribution of the estimated CDBG allocation in 2010.

The public service and administration categories have a 15% and a 20% cap, respectively. Within public service, the Mayor recommended \$563,000 of public service funds for public health in the 2010 program year. The allocation is distributed to non-profit organizations based on recommendations from the Public Health Advisory Committee (PHAC) and City priorities. The PHAC recommended distributions are effective for two years. The 2010 program year ends another two year cycle and the PHAC recommendations are pending.



*Debt Service*

The CDBG entitlement is obligated over and above the current grant budgets by \$5.22 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 over-obligation (which was originally \$7.4 million).

**Council Adopted Budget**

The Mayor previously recommended funding two new initiatives from the Public Service category. The Department of Public Works would receive \$50,000 for Community Micro Grants for Graffiti Removal and the Coordinator’s Office would receive \$50,000 for Homegrown Minneapolis Mini Grants. The Council eliminated the funding for these programs and reallocated these funds to further support the Mayor recommended Community Crime Prevention Specialists. In addition, funding for the existing Graffiti Removal, Mortgage

Foreclosure Prevention and Youth Are Here Buses Programs was eliminated and the Youth Employment Program was reduced to bring the total funding for the Community Crime Prevention Specialists to \$717,000 from the 2010 CDBG budget.

In further support of Public Safety initiatives, the Council reduced the Public Health Advisory Recommended programs by 29% providing \$163,000 for the Community Crime Prevention Specialists program. The existing Childcare Facility Loan and the Minneapolis Public Housing General Rehabilitation programs were eliminated and the Adult Training, Placement, and Retention program reduced to provide \$694,000 for Fire Personal Protective Equipment.

The Council also adopted reallocating \$20,000 from the remaining Youth Employment funds to the City Attorney's Restorative Justice Programs.



**SCHEDULE FOUR**  
**Year 36 (2010) - Community Development Block Grant**

Organization	Project	2009 Consolidated Plan	2010 Council Adopted
<b><u>Capital /Other---CDBG</u></b>			
Community Planning & Economic Development	Adult Training, Placement and Retention	511,000	982,000
	High Density Corridor Housing	730,000	730,000
	Homeownership Program (GMMHC)	334,000	334,000
	Multi-Family/Affordable Housing	5,715,000	3,703,000
	NEDF/CEDF		1,500,000
	Non-Profit Multi-Family Affordable Housing Development	166,000	166,000
	Vacant & Boarded Housing	569,000	782,000
	<i>Subtotal CPED capital</i>	<i>8,025,000</i>	<i>8,197,000</i>
Department of Health & Family Support	Childcare Facilities Loan/Grant	225,000	-
Minneapolis Public Housing Authority	General Rehabilitation	219,000	-
Fire Department	Personal Protective Equipment		694,000
Regulatory Services	Lead Reduction	125,000	125,000
City Attorney's Office	New Problem Properties Strategy	38,000	38,000
Police Department	New Problem Properties Strategy	53,000	53,000
Regulatory Services	New Problem Properties Strategy	348,000	348,000
<b>Total Capital/Other (65%)</b>		<b>9,033,000</b>	<b>9,455,000</b>
<b><u>Public Service---CDBG</u></b>			
Community Planning & Economic Development	Youth Employment	458,000	328,000
	Mortgage Foreclosure Prevention Program	140,000	-
	Advocacy (Housing)	82,000	-
City Attorney's Office	Restorative Justice Programs		20,000
Neighborhood & Community Relations	Multicultural Affairs	121,000	121,000
City Coordinator-Sustainability	Homegrown Minneapolis Mini Grants		-
Public Works	Graffiti Removal on Public Property	86,000	-
	Community Micro Grants for Graffiti Removal		-
Police Department	Community Crime Prevention Specialists		717,000
	CCP-SAFE		163,000
Department of Health & Family Support	Way to Grow	262,000	262,000
	Curfew and Truancy Services	100,000	100,000
	You <sup>n</sup> th are Here buses	51,000	-
	<i>Public Health Advisory Recommendations</i>		-
	Catholic Charities	69,000	49,000
	Minnesota International Health Volunteers	69,000	49,000
	Living at Home/Block Nurse Programs	69,000	49,000
	Southside Community Health Services	66,000	47,000
	Greater Mpls Council of Churches/Division of Indian Work	36,000	26,000
	Minneapolis Public Schools TAPPP	69,000	49,000
	Centro Cultural Chicano, Inc.	47,000	33,000
	Minneapolis Urban League	69,000	49,000
	Lao Family Community of MN	69,000	49,000
<b>Total Public Service (15%)</b>		<b>1,863,000</b>	<b>2,111,000</b>
<b>Public Service - 15% Cap</b>		<b>2,011,007</b>	<b>2,111,550</b>
<b><u>Administration---CDBG</u></b>			
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance/Monitoring	365,000	365,000
Community Planning & Economic Development	Program Administration	62,000	-
	Citizen Participation	233,000	233,000
	Planning - Administration	879,000	941,000
	Legal Aid Society	34,000	34,000
Department of Health & Family Support	Grant Administration	68,000	68,000
	Neighborhood Services	72,000	72,000
	Way to Grow Administration	26,000	26,000
	Youth Violence Prevention	121,000	121,000
Finance Department	Program Administration	196,000	196,000
Intergovernmental Relations	Grants & Special Projects	189,710	190,000
	Legal Aid Society - Housing Discrimination Law Project	54,000	54,000
Neighborhood & Community Relations	Homelessness initiative	77,000	77,000
Minneapolis Public Housing	Citizen Participation	68,000	68,000
Youth Coordinating Board	Administration	66,000	66,000
<b>Total Administration (20%)</b>		<b>2,510,710</b>	<b>2,511,000</b>
<b>Administration 20% cap</b>		<b>2,681,342</b>	<b>2,815,400</b>
<b>CDBG Total of Requests (100%)</b>		<b>13,406,710</b>	<b>14,077,000</b>
<b>Anticipated CDBG Revenue</b>		<b>13,406,710</b>	<b>14,077,000</b>

**SCHEDULE FOUR**  
**Year 36 (2010) - Community Development Block Grant**

Organization	Project	2009 Consolidated Plan	2010 Council Adopted
<b><u>Other Consolidated Plan Entitlement Funds</u></b>			
<b>HOME Investment Partnerships</b>			
Community Planning & Economic Development	Housing Programs	3,787,361	3,787,000
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000
<b>Emergency Shelter Grants (ESG)</b>			
Community Planning & Economic Development	Emergency Shelter Grant Programs	576,861	577,000
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000
<b>Housing Opportunities for Persons with AIDS (HOPWA)</b>			
	Third Party Contractors/Subrecipients/Subgrantees	903,558	904,000
<b>American Dream Down Payment Initiative (ADDI)</b> Community Planning & Economic Development			
		-	-
<b>Grand Total Consolidated Plan</b>		<b>18,674,490</b>	<b>19,375,000</b>

**SCHEDULE FIVE  
STAFFING INFORMATION**

	2007 Adopted Budget	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change
<b>OTHER CHARTER DEPARTMENTS</b>					
ASSESSOR	37.0	37.0	36.5	36.5	0.0%
ATTORNEY	108.0	108.0	105.5	102.0	-3.3%
CITY COUNCIL/CLERK/ELECTIONS	66.0	67.0	65.5	65.5	0.0%
FIRE	447.0	449.0	444.0	438.0	-1.4%
CIVIL RIGHTS	26.0	26.0	21.0	19.0	-9.5%
CPED	141.0	139.0	141.0	135.3	-4.0%
MAYOR	12.0	12.0	12.0	10.0	-16.7%
POLICE	1,088.0	1,093.0	1,092.0	999.2	-8.5%
HEALTH AND FAMILY SUPPORT	66.0	66.0	67.0	60.0	-10.4%
<b>Total Other Charter Departments</b>	<b>1,991.0</b>	<b>1,997.0</b>	<b>1,984.5</b>	<b>1,865.5</b>	<b>-6.0%</b>
<b>PUBLIC WORKS</b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	69.0	66.0	88.0	74.0	-15.9%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	149.0	151.0	144.7	130.0	-10.2%
SURFACE WATER & SEWERS	109.0	117.0	109.9	93.4	-15.0%
PW - ENG. MATERIALS & TESTING	20.0	20.0	7.0	6.0	-14.3%
PW - ADMINISTRATIVE SERVICES	16.0	17.0	15.5	15.5	0.0%
PW - SOLID WASTE	129.0	128.0	129.0	127.0	-1.6%
PW - FLEET	248.0	247.0	246.6	180.6	-26.8%
PW - PROPERTY SERVICES	105.0	106.0	108.4	91.3	-15.8%
PW - TRAFFIC AND PARKING	99.0	98.0	94.1	90.0	-4.4%
PW - WATER TREATMENT & DISTR.	253.0	253.0	246.0	216.7	-11.9%
<b>Total Public Works</b>	<b>1,197.0</b>	<b>1,203.0</b>	<b>1,189.2</b>	<b>1,024.5</b>	<b>-13.9%</b>
<b>CITY COORDINATOR</b>					
911	118.0	122.0	84.0	78.0	-7.1%
311			34.0	28.0	-17.6%
BUSINESS INFORMATION SERVICES	84.0	93.0	90.0	80.0	-11.1%
CITY COORDINATOR	8.0	9.0	9.0	8.0	-11.1%
COMMUNICATIONS	17.0	17.0	15.0	14.0	-6.7%
CONVENTION CENTER	211.0	212.0	208.2	208.2	0.0%
FINANCE DEPARTMENT	201.0	202.0	185.0	177.0	-4.3%
HUMAN RESOURCES	55.0	55.0	52.0	47.6	-8.5%
INTERGOVERNMENTAL RELATIONS	10.0	10.0	8.0	8.0	0.0%
INTERNAL AUDIT	0	0	0	2.0	0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	0	0	8.5	8.5	0.0%
REGULATORY SERVICES	214.0	221.0	225.4	290.5	28.9%
<b>Total City Coordinator</b>	<b>918.0</b>	<b>941.0</b>	<b>919.1</b>	<b>949.8</b>	<b>3.3%</b>
<b>INDEPENDENT BOARDS</b>					
YOUTH COORDINATING BOARD	5.0	5.0	5.0	5.0	0.0%
PUBLIC HOUSING AUTHORITY	287.0	290.0	290.0	313.0	7.9%
BOARD OF ESTIMATE & TAXATION	2.0	2.0	2.0	2.0	0.0%
MUNICIPAL BUILDING COMMISSION	62.0	62.0	62.0	62.0	0.0%
NEIGH REVITALIZATN POL BD	10.0	9.0	9.0	7.0	-22.2%
Park Board	901.7	901.7	859.0	827.0	-3.7%
<b>Total Independent Boards</b>	<b>1,267.7</b>	<b>1,269.7</b>	<b>1,227.0</b>	<b>1,216.0</b>	<b>-0.9%</b>
<b>TOTAL CITY (including Boards)</b>	<b>5,373.7</b>	<b>5,410.7</b>	<b>5,319.8</b>	<b>5,055.8</b>	<b>-5.0%</b>

## SCHEDULE FIVE FOOTNOTES

**311:** *Council Adopted:* The department reduced 2 FTE (full-time equivalents) to meet the reduction to the Current Service Level (CSL) and the Mayor recommends an additional reduction of 1 FTE. The Council approved the Mayor's recommendation and reduced an additional 3 FTE from the Mayor's recommendation. *Council Revised: No change.*

**911:** *Council Adopted:* The department reduced 3 FTE to meet the reduction to the CSL (this includes 1 senior management and 2.5 support staff). The Mayor recommends an additional reduction of 2 FTE. The Council approved the Mayor's recommendation and reduced an additional 1 FTE. *Council Revised: No change.*

**Assessor:** *Council Adopted:* No changes. *Council Revised: No change.*

**Attorney:** *Council Adopted:* The department eliminated 2 FTE to meet the financial direction (this includes 1 vacant attorney position and a 0.75 filled attorney position). The Mayor recommended an additional reduction of 4 FTE. Council approved the Mayor's recommendation. The department added 2 grant funded positions. *Council Revised: No change.*

**BIS:** *Council Adopted:* During 2009, a Council resolution approved the addition of 3 FTE. The department cut two positions to meet the financial direction. In addition, the Mayor recommended a reduction of 11 FTE (this includes 4 vacant positions and 7 filled staff positions). Council approved the Mayor's recommendation. *Council Revised: No change.*

**City Council/Clerk/Elections:** *Council Adopted:* The Mayor recommended no changes to this department. Council approved the Mayor's recommendation. *Council Revised: No change.*

**City Coordinator Administration:** *Council Adopted:* No change. *Council Revised:* The Mayor recommended and the Council approved a reduction of 1 vacant FTE from this department.

**Civil Rights:** *Council Adopted:* The Mayor recommended a reduction of 1 FTE. Council approved the Mayor's recommendation and reduced an additional 1 FTE. *Council Revised: No change.*

**Communications:** *Council Adopted:* The Mayor recommends a reduction of 1 FTE for this department. The Council approved the Mayor's recommendations. *Council Revised: No change.*

**Community Planning and Economic Development:** *Council Adopted:* After the 2009 revised budget, the department reduced 3 FTE and moved the funding to non personnel. Additionally, CPED cut 2 FTE to meet the 2010 CSL. The Mayor recommended cutting one additional FTE. Council approved the Mayor's recommendation. Furthermore, CPED is directed to eliminate the existing vacant Community Planner position in the planning division and use general fund and CDBG resources to keep the Cultural Arts Coordinator position. This position and associated resources should be transferred to the City Coordinator in 2011. *Council Revised: No change.*

**Convention Center:** *Council Adopted:* No changes. *Council Revised: No change.*

**Finance:** *Council Adopted:* The Mayor recommends a reduction of 8 FTE from this department. The Council approved the Mayor's recommendations. *Council Revised: No change.*

**Fire:** *Council Adopted:* The department reduced 12 FTE to meet the financial direction. The Mayor recommended further reductions of 19 FTE. Council approved the Mayor's recommendations and a general fund one-time increase of Fire's budget by \$2 million. The department FTE complement was increased by 25, to 438 FTE consistent with these resources. *Council Revised: No change.*

**Health and Family Support:** *Council Adopted:* The Mayor recommended a reduction of 4 FTE. The department decision to close the lab resulted in a reduction of 3 additional FTE, for a total reduction of 7 FTE. *Council Revised: No change.*

**Human Resources:** *Council Adopted:* The Mayor recommended a reduction of 4 FTE from this department (this includes 3 filled positions and 1 vacant position). The Council approved the Mayor's recommendations. *Council Revised: No change.*

**Intergovernmental Relations:** *Council Adopted:* No change. *Council Revised: No change.*

**Mayor:** *Council Adopted:* The department reduced 1 FTE to meet the financial direction. The Mayor recommended a further reduction of 1 FTE (this includes 1 vacant position and 1 filled position). Council approved the Mayor's recommendations. *Council Revised: No change.*

**Neighborhood and Community Relations:** *Council Adopted:* The department's 9 FTE are unchanged. *Council Revised: No change.*

**Office of Internal Audit:** *Council Adopted:* The Council approved the creation of the Office of Internal Audit with 2 FTE for 2010. *Council Revised: No change.*

**Police:** *Council Adopted:* The department added 13 school patrol officers after adoption of the 2009 revised budget. The department reduced 84.5 FTE to meet the financial direction. The Mayor recommends the addition of 45 FTE to offset the loss of federal Byrne grant funding. 16 officers are added from COPS grant funding. The Mayor further recommended moving the Traffic Control Agent division to Regulatory Services, 45 FTE. The Mayor recommended an additional reduction of 38 FTE. Council approved the Mayor's recommendations. *Council Revised: No change.*

**Public Works Administration:** *Council Adopted:* No changes. *Council Revised: No changes.*

**Public Works Central Stores/Engineering Materials and Testing:** *Council Adopted:* The division reduced 1 FTE. *Council Revised: No changes.*

**Public Works Transportation Planning and Engineering:** *Council Adopted:* The division reduced 14 vacant FTE. *Council Revised: No changes.*

**Public Works Fleet Services:** *Council Adopted:* The division reduced 41 vacant FTE since the 2009 Council Revised Budget. The Mayor further recommended and Council approves that a number of truck drivers and equipment operators be placed in reserve status as part of the revisions to Snow & Ice Control. *Council Revised:* The division was reduced by 25 positions to correct a technical error in the original 2010 Adopted budget.

**Public Works Transportation Maintenance and Repair:** *Council Adopted:* The division reduced about 20 vacant FTE since the 2009 Council Revised Budget. The Mayor further recommended and Council approves the reduction of 3 FTE as part of the revisions to Snow & Ice Control. *Council Revised:* The division was increased by 8 positions to correct a technical error in the original 2010 Adopted budget.

**Public Works Property Services:** *Council Adopted:* The division reduced 12 vacant FTE. *Council Revised:* Property Services was reduced by 5 positions to correct a technical error in the original 2010 Adopted budget.

**Public Works Surface Water and Sewers:** *Council Adopted:* The division reduced 17 vacant FTE. *Council Revised:* No changes.

**Public Works Solid Waste and Recycling:** *Council Adopted:* The division reduced 2 vacant FTE. *Council Revised:* No changes.

**Public Works Traffic and Parking Services:** *Council Adopted:* The division reduced 5 FTE. The Mayor recommended and Council approves further reductions of 2 FTE as part of the strategy to meet the five-year financial direction reduction to growth. All are vacant positions. *Council Revised:* The division was increased by 3 positions to correct a technical error in the original 2010 Adopted budget.

**Public Works Water:** *Council Adopted:* The division reduced 36 FTE of which about 30 are vacant. *Council Revised:* The division was increased by 1 position to correct a technical error in the original 2010 Adopted budget.

**Regulatory Services:** *Council Adopted:* 45 FTE are transferred from Police to Regulatory Services for Traffic Control. The Mayor recommends the addition of 8 FTE to the CSL to account for new programming and revenue proposals and a reduction of 6 FTE related to program cuts. The Council approved the Mayor's recommendations. *Council Revised:* No change.

## **INDEPENDENT BOARDS AND AGENCIES**

**Board of Estimate and Taxation:** No changes.

**Minneapolis Public Housing Authority:** The Housing Authority added 23 positions.

**Municipal Building Commission:** No changes.

**Neighborhood Revitalization Program:** The board reduced 2 FTE.

**Park Board\*:** The Park Board reduced staffing by 32 FTE. This number will change later in the year upon adoption of the Park Budget.

**Youth Coordinating Board:** No changes.

**SCHEDULE SIX  
Economic Development Programs**

<b>Strategy/Program</b>	<b>2009 Council Revised (with increased CDBG allocations)<sup>1</sup></b>	<b>2009 Source</b>	<b>2010 Council Revised</b>	<b>Source</b>
<b><u>Commercial Development</u></b>				
Great Streets Program <sup>2</sup>	\$500,000	Reallocated CDBG Program Income	650,000	Reallocated CDBG Program Income
Great Streets Program <sup>2</sup>	\$1,657,292	Legacy Fund		
Great Streets Program <sup>2</sup>	\$118,460	Reallocated Legacy Fund (MILES)		
Great Streets Program <sup>2</sup>			1,500,000	Yr 36 CDBG
Great Streets Program <sup>2</sup>			1,800,000	Development Account <sup>7</sup>
Capital Acquisition Revolving Fund			300,000	Reallocated Legacy Fund
<b>Great Streets Program Sub-total</b>	<b>\$2,275,752</b>		<b>4,250,000</b>	
MILES Program <sup>3</sup>	\$522,000	Legacy Fund		
MILES Program <sup>3</sup>				
<b>MILES Program Sub-total</b>	<b>\$522,000</b>		<b>\$0</b>	
BDF Loans <sup>4</sup>	125,000	Bond Fees	125,000	Bond Fees
Arena Capital	500,000	Project funding	500,000	Project funding
Riverfront Development Organization			50,000	Reallocated Legacy Fund Prog Income
St. Anthony Heritage Board			31,000	Reallocated Legacy Fund Prog Income
Tax Increment Financing (TIF)	project driven	TIF	project driven	TIF
Revenue Bonds <sup>4</sup>	project driven	IDBs	project driven	IDBs
<b>Program Sub-Total</b>	<b>\$3,422,752</b>		<b>\$4,956,000</b>	
<b><u>Business Assistance / Finance</u></b>				
BDF Loans <sup>4</sup>	125,000	Bond Fees	125,000	Bond Fees
2% Loans	1,500,000	Bond Fees	1,500,000	Bond Fees
Commercial Corridor 2% Loans	500,000	Prior Allocation <sup>5</sup>	500,000	Prior Allocation <sup>5</sup>
Commercial Corridor 2% Loans	1,000,000	Bond Fees	1,000,000	Bond Fees
Capital Acquisition Loans	1,000,000	CRF <sup>6</sup>	750,000	CRF <sup>6</sup>
Grants	135,000	Bond Fees	135,000	Bond Fees
Business Assoc. Assistance	210,000	Bond Fees	210,000	Bond Fees
CRF Emerging Entrepreneur				
Alternative Loans	325,000	Bond Fees	300,000	Bond Fees
Credit Building Loans			50,000	Bond Fees
Revenue Bonds	project driven	IDBs	project driven	IDBs
<b>Program Sub-Total</b>	<b>\$4,795,000</b>		<b>\$4,570,000</b>	
<b><u>Workforce Development</u></b>				
Youth and Adult Employment and Training Programs	\$538,000	Legacy Fund		
Youth and Adult Employment and Training Programs	\$1,300,590	Reallocated Legacy Fund (MILES)		
Youth and Adult Employment and Training Programs	\$969,000	Yr 35 CDBG		
Youth and Adult Employment and Training Programs			982,000	Yr 36 CDBG - Adults
Adult Programs			1,040,590	Reallocated Legacy Fund
Adult Programs			250,000	Development Account <sup>7</sup>
Adult Programs			575,000	Reallocated Legacy Fund
Youth Programs			\$328,000	Yr 36 CDBG - Youth
<b>Program Sub-Total</b>	<b>\$2,807,590</b>		<b>\$3,175,590</b>	
Keep It Closed <sup>8</sup>			700,000	Reallocated Legacy Fund
<b>Economic Development Program TOTAL</b>	<b>\$11,025,342</b>		<b>\$13,401,590</b>	

Footnotes:

- 1 - Revised to reflect 6/2009 Consolidated Plan adjustments.
- 2 - Great Streets Program includes the Community Economic Development, Neighborhood Economic Development, and Commercial Corridor Funds.
- 3 - Minneapolis Industrial Land and Employment Strategy
- 4 - Business Development Fund Loans
- 5 - Balances from previously approved Council allocations
- 6 - Community Reinvestment Fund
- 7 - Development Account consist of funds derived from Brookfield Payment after satisfying NRP capitalization
- 8 - City commitment to a 3 way match initiative for Youth Training presently being considered

**SCHEDULE SEVEN  
Housing Development Programs**

<b>Strategy/Program</b>	<b>2009 Council Revised (with increased CDBG allocations)<sup>1</sup></b>	<b>2009 Source</b>	<b>2010 Council Revised</b>	<b>Source</b>
<b><u>Affordable Rental / Homelessness</u></b>				
Affordable Housing Trust Fund (AHTF) <sup>2</sup>	\$4,572,000	Yr 35 CDBG	2,635,667	Yr 36 CDBG
AHTF	\$500,000	CDBG Program Income		
AHTF	\$2,799,405	HOME	2,799,405	HOME
AHTF	\$1,500,000	Housing Bond Fees	1,255,310	Bond Fees
AHTF	\$80,950	Reallocated Legacy Fund (MILES)		
AHTF			881,350	Development Account <sup>6</sup>
AHTF Emergency Shelter Grants (ESG)	\$562,268	ESG	562,268	ESG
AHTF Nonprofit Dev.. Assistance Program	\$166,000	Yr 35 CDBG	166,000	Yr 36 CDBG
It's All About Kids	\$200,000	Reallocated CDBG	200,000	Development Account <sup>6</sup>
Tax Increment Financing (TIF)	project driven	TIF	project driven	TIF
510(c)3 and Refunding Bonds	project driven	HRB Other	project driven	HRB Other
Low-Income Housing Tax Credits <sup>3</sup>	by allocation	LIHTC Allocation	by allocation	LIHTC Allocation
Housing Revenue Bonds	by allocation	HRB Entitlement	by allocation	HRB Entitlement
<b>Program Sub-Total (AHTF)</b>	<b>\$10,380,623</b>		<b>\$8,500,000</b>	
<b><u>Home Ownership / Affordable / Foreclosure Programs</u></b>				
Affordable Ownership Combined Program	\$200,000	UDAG Repayment		
Affordable Ownership Combined Program	\$300,000	Legacy Fund		
Affordable Ownership Combined Program			500,000	Development Account <sup>6</sup>
Tax Increment Financing (TIF)	project driven	TIF	project driven	TIF
5 Point Housing Strategy - Minneapolis Advantage Prog	\$500,000	UDAG Repayments		
5 Point Housing Strategy - Minneapolis Advantage Prog			250,000	Development Account <sup>6</sup>
<b>5-Point Housing Strategy<sup>4</sup> Sub-total</b>	<b>\$500,000</b>		<b>\$250,000</b>	
Mortgage Foreclosure Prevention Program	\$140,000	Yr 35 CDBG		
Mortgage Foreclosure Prevention Program	\$423,600	Legacy Fund	570,000	Reallocated Legacy Fund
<b>Mortgage Foreclosure Prevention Sub-total</b>	<b>\$563,600</b>		<b>\$570,000</b>	
Home Ownership Works (HOW)	\$622,720	HOME	622,720	HOME
GMHC Home Ownership Program	\$334,000	Yr 35 CDBG	334,000	Yr 36 CDBG
Home Improvement Program	\$445,200	Reallocated CDBG		
Home Improvement Program			445,000	Development Account <sup>6</sup>
Vacant and Boarded Building Program	\$569,000	Yr 35 CDBG	782,253	Yr 36 CDBG
Vacant and Boarded Building Program	\$59,108	Legacy Fund		
Vacant and Boarded Building Program	\$454,800	Reallocated CDBG		
Vacant and Boarded Building Program	\$200,000	UDAG Repayments		
Vacant and Boarded Building Program			1,000,000	Development Account <sup>6</sup>
<b>Vacant and Boarded Sub-total</b>	<b>\$1,282,908</b>		<b>\$1,782,253</b>	
Don't Borrow Trouble Campaign	\$100,000	Reallocated CDBG		
CityLiving Home Program	market driven	Mortgage Revenue Bonds	market driven	Mortgage Revenue Bonds
NRP Housing Activities	by action plan	NRP	by action plan	NRP
<b>Program Sub-Total</b>	<b>\$4,348,428</b>		<b>\$4,503,973</b>	
<b><u>Mixed Rental / Ownership Programs</u></b>				
Higher Density Corridor Initiative	\$730,000	Yr 35 CDBG	730,000	Yr 36 CDBG
Higher Density Corridor Initiative				
<b>Higher Density Corridor Initiative Sub-total</b>	<b>\$730,000</b>		<b>\$730,000</b>	
<b>Housing Development Program TOTAL</b>	<b>\$15,459,051</b>		<b>\$13,733,973</b>	

Footnotes:

- 1 - Revised to reflect 6/2009 Consolidated Plan adjustments.
- 2 - Affordable Housing Trust Fund funding level is \$10 million, per City policy.
- 3 - Low Income Housing Tax Credits are issued on a statewide basis, and are highly competitive.
- 4 - Funds may be used for the Early Warning System, 249 Restoration agreements, the Homeownership Incentive Program, or other elements of the 5-Point Strategy.
- 5 - City commitment of \$1M leverages Minnesota Housing \$10M loan and \$1M grant for capital acquisition of distressed residential property.
- 6 - Development Account consist of funds derived from Brookfield Payment after satisfying NRP capitalization



**SCHEDULE EIGHT  
Interfund Transfer Expense**

	2007 Actual	2008 Adopted	2009 Council Revised	2010 Council Revised	Description
<b>00100 - GENERAL FUND</b>					
TRANSFER TO LIBRARY GEN 1800	1,205,000				
TRANSFER TO CDBG UDAG 0400			26,052		Centralized Leases Action W&M - to CPED
TRANSFER TO OTHER SPEC REV FDS	92,000	92,000	92,000	101,523	Target Center-Property Tax Funding in Financial Plan (\$92,000); also includes transfer related to Centralized Leases Action (\$9,523)
TRANSFER TO CITY CAPITAL 4100	2,095,000		2,329,004	5,800,000	Transfer to Bridge Project BR109 (Camden Bridge Rehabilitation \$4,000,000); Transfer to Paving Project PV052 (Marquette Ave Double Width Transit Lanes \$500,000); Transfer to Paving Project PV053 (2nd Ave Double Width Transit Lanes \$500,000) Includes one-time transfer of \$800,000 for the installation of wireless poles (appropriated to Public Works).
TRANSFER TO MBC 31100				60,000	One-time transfer as part of the revised budget for City Hall elevator repair
TRANSFER TO MBC CAPITAL 4200			202,500		
TRNSFR TO GEN DEBT SVC 5250	2,576,000	1,626,000			
TRANSFER TO OTHER DEBT SVC FDS	9,877,000	9,004,000	14,568,000	11,648,954	Property tax supported debt service budgeted in the general fund for pensions. Includes one-time increase of \$2.81 million as part of the revised budget.
TRANSFER TO EQUIPMENT 6100	4,180,000	4,180,000	4,180,000	4,180,000	Equipment services fund workout plan
TRANSFER TO PROP SVCS 6200	653,000	668,000	654,750	1,325,875	800 MHZ (\$588,000); also includes transfer related to Centralized Leases Action (\$6,945 to Property Services - Radio Equipment; \$370,930 to Property Services - Lands & Bldgs Admin). Includes one-time transfer of \$360,000 for wireless installation in City vehicles (appropriated to Public Works).
TRANSFER TO BUS INFO SVCS 6400	4,940,450	10,473,000	13,619,201	9,591,279	Transfer includes planned reductions (\$184,000) and Mayor's recommended reductions (\$1,062,000 recommended cut + \$60,000 to fund transportation projects) - total reduction of \$1.306 million from the General Fund transfer in. Also includes transfers related to Centralized Leases Action (\$87,087 to Clerk - Copy Center; \$137,192 to BIS). Also includes \$200,000 reduction as part of the revised budget.
TRANSFER TO CITY SELF INS 6900	4,750,000	5,642,689	6,915,000	10,810,000	Self-insurance fund workout plan - increased by \$1.4 million in 2010; includes \$3.5 million prepayment of future workout plan obligations
TRANSFER TO PARKING 7500			38,527		
TRNSFR TO SOLID WASTE 7700	50,000	50,000	50,000	50,000	Graffiti remediation efforts; added in 2004
<b>00100 - GENERAL FUND</b>	<b>30,418,450</b>	<b>31,735,689</b>	<b>42,675,034</b>	<b>43,567,631</b>	
<b>01260 - ARENA - RESERVE</b>					
TRANSFER TO TAX INCR FUNDS	8,816				
TRANSFER TO OTHER DEBT SVC FDS	3,999,034				
<b>01260 - ARENA - RESERVE</b>	<b>4,007,850</b>				
<b>01279 - CONVENTION FACILITES - RESERVE</b>					
TRANSFER TO CONV CTR 0760	500,000	1,000,000	1,000,000	1,000,000	Funding convention center facility improvements
<b>01279 - CONVENTION FACILITES - RESERVE</b>	<b>500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	
<b>01300 - GRANTS - FEDERAL</b>					
TRANSFER OUT	439				
TRANSFER TO CITY GENERAL 0100	46,440	54,000	54,000	55,000	Equal Employment Opportunity Commission (EEOC) reimbursement revenues generated by civil rights and used to support their work in the general fund
TRANSFER TO PARK GENERAL 1500	31,622				
<b>01300 - GRANTS - FEDERAL</b>	<b>78,501</b>	<b>54,000</b>	<b>54,000</b>	<b>55,000</b>	
<b>01400 - CDBG &amp; UDAG FUNDS</b>					
TRANSFER TO OTHER SPEC REV FDS	5,045,609	3,596,000			
<b>01400 - CDBG &amp; UDAG FUNDS</b>	<b>5,045,609</b>	<b>3,596,000</b>			
<b>01600 - GRANTS - OTHER</b>					
TRANSFER OUT	146				
TRANSFER TO CITY GENERAL 0100	700,000	700,000	700,000	700,000	Transfer of cable franchise settlement, \$700,000 through 2011
TRANSFER TO PARK GENERAL 1500	10,541				
<b>01600 - GRANTS - OTHER</b>	<b>710,687</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>	

**SCHEDULE EIGHT  
Interfund Transfer Expense**

	2007 Actual	2008 Adopted	2009 Council Revised	2010 Council Revised	Description
<b>01760 - CONVENTION CENTER OPERATIONS</b>					
TRANSFER TO CITY GENERAL 0100	8,762,231	8,163,738	8,454,000	10,503,000	
TRANSFER TO OTHER SPEC REV FDS	2,267,805	2,650,000	2,650,000	2,650,000	Entertainment tax revenue estimate (\$10,253,000) and transfer of sales tax (Council amendment of \$250,000)
TRANSFER TO CITY CAPITAL 4100		750,000			Target center facilities (\$1,500,000) as well as transfer to Convention Center related facilities reserve in financial plan (\$1,150,000)
TRNSFR TO CNV CTR DBT SVC 5300	17,538,641	18,796,000	18,728,000	20,151,000	Convention center related debt
TRANSFER TO OTHER DEBT SVC FDS	36,000	68,000	75,000	73,000	Minneapolis Employee Retirement Fund debt for convention center retirees
TRANSFER TO PARKING 7500	9,856,000	9,832,000	9,858,000	8,886,000	Convention center related parking debt and operating costs
<b>01760 - CONVENTION CENTER OPERATIONS</b>	<b>38,460,677</b>	<b>40,259,738</b>	<b>39,765,000</b>	<b>42,263,000</b>	
<b>01990 - EMPLOYEE RETIREMENT</b>					
TRANSFER TO CITY GENERAL 0100	902,594				
<b>01990 - EMPLOYEE RETIREMENT</b>	<b>902,594</b>				
<b>01AUV - URBAN VILLAGE TE BONDS</b>					
TRNSFR TO CPED DEBT SVC	174,525				
TRNSFR TO TAX INC DBT SVC 5900	6,942				
<b>01AUV - URBAN VILLAGE TE BONDS</b>	<b>181,467</b>				
<b>01AWM - WEST SIDE MILLING TE BONDS</b>					
TRNSFR TO TAX INC DBT SVC 5900	43,744				
<b>01AWM - WEST SIDE MILLING TE BONDS</b>	<b>43,744</b>				
<b>01C33 - BLOCK 33</b>					
TRNSFR TO TAX INC DBT SVC 5900	19,750				
<b>01C33 - BLOCK 33</b>	<b>19,750</b>				
<b>01CAM - CAMDEN MEDICAL FACILITY</b>					
TRNSFR TO TAX INC DBT SVC 5900	38,750				
<b>01CAM - CAMDEN MEDICAL FACILITY</b>	<b>38,750</b>				
<b>01CAZ - COMMON PROJECT UNCERTIFIED</b>					
TRANSFER TO OTHER SPEC REV FDS	23,133				
<b>01CAZ - COMMON PROJECT UNCERTIFIED</b>	<b>23,133</b>				
<b>01CBA - WEST BROADWAY</b>					
TRANSFER TO OTHER SPEC REV FDS	35,695				
TRNSFR TO CPED DEBT SVC	802,000				
TRNSFR TO TAX INC DBT SVC 5900				27,500	TIF debt service reimbursement
<b>01CBA - WEST BROADWAY</b>	<b>837,695</b>			<b>27,500</b>	
<b>01CBB - EAST BANK 1335</b>					
TRANSFER TO OTHER SPEC REV FDS	20,976				
TRNSFR TO CPED DEBT SVC	2,546,000				
TRNSFR TO TAX INC DBT SVC 5900		120,000		27,500	TIF debt service reimbursement
<b>01CBB - EAST BANK 1335</b>	<b>2,566,976</b>	<b>120,000</b>		<b>27,500</b>	
<b>01CBC - GRANT</b>					
TRANSFER TO OTHER SPEC REV FDS	6,866				
TRNSFR TO CPED DEBT SVC	655,000				
TRNSFR TO TAX INC DBT SVC 5900				40,000	TIF debt service reimbursement
<b>01CBC - GRANT</b>	<b>661,866</b>			<b>40,000</b>	
<b>01CBD - CHICAGO AND LAKE</b>					
TRNSFR TO TAX INC DBT SVC 5900	156,625	100,000			
<b>01CBD - CHICAGO AND LAKE</b>	<b>156,625</b>	<b>100,000</b>			
<b>01CBF - NORTH LOOP</b>					
TRANSFER TO OTHER SPEC REV FDS	76,382				
TRNSFR TO CPED DEBT SVC	8,689,585				
TRNSFR TO TAX INC DBT SVC 5900		275,000		830,000	TIF debt service reimbursement
<b>01CBF - NORTH LOOP</b>	<b>8,765,967</b>	<b>275,000</b>		<b>830,000</b>	
<b>01CBG - INDUSTRY SQUARE</b>					
TRANSFER TO OTHER SPEC REV FDS	20,417				
TRNSFR TO CPED DEBT SVC	2,724,500				
TRNSFR TO TAX INC DBT SVC 5900		565,000		2,610,000	TIF debt service reimbursement
<b>01CBG - INDUSTRY SQUARE</b>	<b>2,744,917</b>	<b>565,000</b>		<b>2,610,000</b>	
<b>01CBH - SEWARD SOUTH</b>					
TRANSFER TO OTHER SPEC REV FDS	24,608				
TRNSFR TO CPED DEBT SVC	2,003,500				
TRNSFR TO TAX INC DBT SVC 5900				1,227,500	TIF debt service reimbursement
<b>01CBH - SEWARD SOUTH</b>	<b>2,028,108</b>			<b>1,227,500</b>	
<b>01CBJ - CEDAR RIVERSIDE</b>					
TRANSFER TO OTHER SPEC REV FDS	41,920				
TRNSFR TO CPED DEBT SVC	3,339,500				
TRNSFR TO TAX INC DBT SVC 5900		55,000		272,500	TIF debt service reimbursement
<b>01CBJ - CEDAR RIVERSIDE</b>	<b>3,381,420</b>	<b>55,000</b>		<b>272,500</b>	

**SCHEDULE EIGHT  
Interfund Transfer Expense**

	2007 Actual	2008 Adopted	2009 Council Revised	2010 Council Revised	Description
<b>01CBL - HOUSING FOR CHRONIC ALCOHOLICS</b>					
TRNSFR TO TAX INC DBT SVC 5900	27,500				
<b>01CBL - HOUSING FOR CHRONIC ALCOHOLICS</b>	<b>27,500</b>				
<b>01CBM - HENNEPIN &amp; LAKE</b>					
TRANSFER TO OTHER SPEC REV FDS	5,738				
TRNSFR TO CPED DEBT SVC	1,324,500				
TRNSFR TO TAX INC DBT SVC 5900		80,000			
<b>01CBM - HENNEPIN &amp; LAKE</b>	<b>1,330,238</b>	<b>80,000</b>			
<b>01CBN - BROADWAY 35-W</b>					
TRANSFER TO OTHER SPEC REV FDS	54,261				
TRNSFR TO CPED DEBT SVC	60,000				
<b>01CBN - BROADWAY 35-W</b>	<b>114,261</b>				
<b>01CBP - FRANKLIN AVENUE</b>					
TRNSFR TO TAX INC DBT SVC 5900	25,000				
<b>01CBP - FRANKLIN AVENUE</b>	<b>25,000</b>				
<b>01CBQ - CONSERVATORY</b>					
TRANSFER TO OTHER DEBT SVC FDS	12,000				
TRNSFR TO TAX INC DBT SVC 5900	506,875		2,150,000		
TRANSFER TO PARKING 7500	2,862,725	3,432,250		1,641,850 TIF Debt Service Reimbursement to Parking Fund	
<b>01CBQ - CONSERVATORY</b>	<b>3,381,600</b>	<b>3,432,250</b>	<b>2,150,000</b>	<b>1,641,850</b>	
<b>01CBT - LORING PARK</b>					
TRANSFER TO OTHER SPEC REV FDS	33,998				
TRNSFR TO CPED DEBT SVC	4,582,500				
TRNSFR TO TAX INC DBT SVC 5900		75,000			
<b>01CBT - LORING PARK</b>	<b>4,616,498</b>	<b>75,000</b>			
<b>01CBU - LAUREL VILLAGE</b>					
TRNSFR TO TAX INC DBT SVC 5900	2,478,055	2,597,000	2,721,000	1,867,633 TIF debt service reimbursement	
<b>01CBU - LAUREL VILLAGE</b>	<b>2,478,055</b>	<b>2,597,000</b>	<b>2,721,000</b>	<b>1,867,633</b>	
<b>01CBX - CITY CENTER</b>					
TRANSFER TO OTHER SPEC REV FDS	161,873				
TRNSFR TO CPED DEBT SVC	2,187,500				
TRNSFR TO TAX INC DBT SVC 5900		100,000			
TRANSFER TO PARKING 7500				169,125 TIF Debt Service Reimbursement to Nicollet Mall	
<b>01CBX - CITY CENTER</b>	<b>2,349,373</b>	<b>100,000</b>		<b>169,125</b>	
<b>01CBY - SOUTH NICOLLET MALL</b>					
TRANSFER TO OTHER SPEC REV FDS	2,160,023				
TRNSFR TO TAX INC DBT SVC 5900	2,549,000	1,050,000	2,195,000		
TRANSFER TO PARKING 7500	3,923,296	3,343,328		4,663,725 TIF Debt Service Reimbursement to Parking Fund	
<b>01CBY - SOUTH NICOLLET MALL</b>	<b>8,632,319</b>	<b>4,393,328</b>	<b>2,195,000</b>	<b>4,663,725</b>	
<b>01CDR - DEEP ROCK TAX INCREMENT</b>					
TRNSFR TO TAX INC DBT SVC 5900	145,000				
<b>01CDR - DEEP ROCK TAX INCREMENT</b>	<b>145,000</b>				
<b>01CGR - 110 GRANT</b>					
TRNSFR TO TAX INC DBT SVC 5900	250,000		400,000		
<b>01CGR - 110 GRANT</b>	<b>250,000</b>		<b>400,000</b>		
<b>01CHD - HISTORIC DEPOT REUSE DIST 93</b>					
TRNSFR TO TAX INC DBT SVC 5900	634,784	689,000	728,000	752,609 TIF debt service reimbursement	
<b>01CHD - HISTORIC DEPOT REUSE DIST 93</b>	<b>634,784</b>	<b>689,000</b>	<b>728,000</b>	<b>752,609</b>	
<b>01CHE - HENNEPIN &amp; 7TH ENTERTAINMENT</b>					
TRNSFR TO TAX INC DBT SVC 5900	2,315,223	2,238,000	1,913,181	1,889,681 TIF debt service reimbursement	
<b>01CHE - HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>2,315,223</b>	<b>2,238,000</b>	<b>1,913,181</b>	<b>1,889,681</b>	
<b>01CHG - HUMBOLDT GREENWAY DIST 98</b>					
TRNSFR TO TAX INC DBT SVC 5900	210,735	289,000	295,735	297,035 TIF debt service reimbursement	
<b>01CHG - HUMBOLDT GREENWAY DIST 98</b>	<b>210,735</b>	<b>289,000</b>	<b>295,735</b>	<b>297,035</b>	
<b>01CHP - HERITAGE PARK</b>					
TRNSFR TO TAX INC DBT SVC 5900	263,926	412,000	482,326	490,351 TIF debt service reimbursement	
<b>01CHP - HERITAGE PARK</b>	<b>263,926</b>	<b>412,000</b>	<b>482,326</b>	<b>490,351</b>	

**SCHEDULE EIGHT  
Interfund Transfer Expense**

	2007 Actual	2008 Adopted	2009 Council Revised	2010 Council Revised	Description
<b>01CHU - EAST HENNEPIN &amp; UNIVERSITY</b>					
TRNSFR TO CPED DEBT SVC	1,578,205				
<b>01CHU - EAST HENNEPIN &amp; UNIVERSITY</b>	<b>1,578,205</b>				
<b>01CIT - IVY TOWER</b>					
TRNSFR TO TAX INC DBT SVC 5900			274,055	371,505 TIF debt service reimbursement	
<b>01CIT - IVY TOWER</b>			<b>274,055</b>	<b>371,505</b>	
<b>01CLS - LAKE STREET CENTER</b>					
TRNSFR TO TAX INC DBT SVC 5900			182,833	185,533 TIF debt service reimbursement	
<b>01CLS - LAKE STREET CENTER</b>	<b>37,517</b>		<b>182,833</b>	<b>185,533</b>	
<b>01CNR - NRP</b>					
TRANSFER TO CITY GENERAL 0100	60,522				
TRANSFER TO LIBRARY GEN 1800	108,248				
TRANSFER TO STATE GRANTS 0600	75,635				
TRANSFER TO CITY CAPITAL 4100	224,566				
TRANSFER TO PARK CAPITAL 37 43	325,183				
<b>01CNR - NRP</b>	<b>794,154</b>				
<b>01CPA - NWIP</b>					
TRANSFER TO OTHER SPEC REV FDS	20,779				
TRNSFR TO CPED DEBT SVC	2,677,500				
TRNSFR TO TAX INC DBT SVC 5900		125,000			
<b>01CPA - NWIP</b>	<b>2,698,279</b>	<b>125,000</b>			
<b>01CPB - HOLMES</b>					
TRANSFER TO OTHER SPEC REV FDS	27,991				
TRNSFR TO CPED DEBT SVC	2,264,000				
TRNSFR TO TAX INC DBT SVC 5900		52,000			
<b>01CPB - HOLMES</b>	<b>2,291,991</b>	<b>52,000</b>			
<b>01CPC - NICOLLET ISLAND EAST BANK</b>					
TRANSFER TO OTHER SPEC REV FDS	15,922				
TRNSFR TO CPED DEBT SVC	1,619,415				
TRNSFR TO TAX INC DBT SVC 5900	450,000	215,000			
<b>01CPC - NICOLLET ISLAND EAST BANK</b>	<b>2,085,337</b>	<b>215,000</b>			
<b>01CPD - PORTLAND PLACE</b>					
TRANSFER TO OTHER DEBT SVC FDS	68,293	69,000	70,890	71,298 Portland place - section 108	
<b>01CPD - PORTLAND PLACE</b>	<b>68,293</b>	<b>69,000</b>	<b>70,890</b>	<b>71,298</b>	
<b>01CPE - NOKOMIS HOLMES</b>					
TRNSFR TO TAX INC DBT SVC 5900	270,000	250,000			
<b>01CPE - NOKOMIS HOLMES</b>	<b>270,000</b>	<b>250,000</b>			
<b>01CPF - ELLIOT PARK</b>					
TRNSFR TO TAX INC DBT SVC 5900	415,000	455,000			
<b>01CPF - ELLIOT PARK</b>	<b>415,000</b>	<b>455,000</b>			
<b>01CPG - NICOLLET &amp; LAKE</b>					
TRANSFER TO OTHER SPEC REV FDS	5,813				
TRNSFR TO CPED DEBT SVC	574,500				
TRNSFR TO TAX INC DBT SVC 5900		85,000			
<b>01CPG - NICOLLET &amp; LAKE</b>	<b>580,313</b>	<b>85,000</b>			
<b>01CPH - CENTRAL &amp; 20TH</b>					
TRNSFR TO TAX INC DBT SVC 5900	115,000				
<b>01CPH - CENTRAL &amp; 20TH</b>	<b>115,000</b>				
<b>01CPJ - MILES I</b>					
TRNSFR TO TAX INC DBT SVC 5900	50,000				
<b>01CPJ - MILES I</b>	<b>50,000</b>				
<b>01CPK - NBA ARENA</b>					
TRNSFR TO CPED DEBT SVC	797,280				
TRANSFER TO OTHER DEBT SVC FDS	1,416,027				
<b>01CPK - NBA ARENA</b>	<b>2,213,307</b>				
<b>01CPM - LASALLE PLACE</b>					
TRNSFR TO TAX INC DBT SVC 5900	790,000	1,700,000			
TRANSFER TO PARKING 7500	300,000			650,000 TIF Debt Service Reimbursement to Parking Fund	
<b>01CPM - LASALLE PLACE</b>	<b>1,090,000</b>	<b>1,700,000</b>		<b>650,000</b>	

**SCHEDULE EIGHT  
Interfund Transfer Expense**

	2007 Actual	2008 Adopted	2009 Council Revised	2010 Council Revised	Description
<b>01CPO - CAPITAL PROJECTS- OTHER</b>					
TRANSFER TO OTHER SPEC REV FDS	19,328				
<b>01CPO - CAPITAL PROJECTS- OTHER</b>	<b>19,328</b>				
<b>01CPO - NEIMAN MARCUS</b>					
TRNSFR TO CPED DEBT SVC	345,062				
TRANSFER TO OTHER DEBT SVC FDS		235,000			
TRNSFR TO TAX INC DBT SVC 5900	920,000	1,000,000			
TRANSFER TO PARKING 7500			235,000		
<b>01CPQ - NEIMAN MARCUS</b>	<b>1,265,062</b>	<b>1,235,000</b>	<b>235,000</b>		
<b>01CPR - IDS DATA SERVICE CENTER</b>					
TRANSFER TO OTHER DEBT SVC FDS	165,750	175,000	172,250		
TRNSFR TO TAX INC DBT SVC 5900	1,000,000	1,638,000	1,141,250		
TRANSFER TO PARKING 7500	585,000	885,000			
<b>01CPR - IDS DATA SERVICE CENTER</b>	<b>1,750,750</b>	<b>2,698,000</b>	<b>1,313,500</b>		
<b>01CPZ - COMMON PROJECT RESERVE</b>					
TRANSFER TO TAX INCR FUNDS	1,807,747				
<b>01CPZ - COMMON PROJECT RESERVE</b>	<b>1,807,747</b>				
<b>01CTE - TOWERS AT ELLIOT PARK</b>					
TRNSFR TO CPED DEBT SVC	524,907				
<b>01CTE - TOWERS AT ELLIOT PARK</b>	<b>524,907</b>				
<b>01CTW - 10TH AND WASHINGTON</b>					
TRANSFER TO PARKING 7500	833,756	241,833		477,733 TIF Debt Service Reimbursement to Parking Fund	
<b>01CTW - 10TH AND WASHINGTON</b>	<b>833,756</b>	<b>241,833</b>		<b>477,733</b>	
<b>01CUB - UNITED VAN BUS</b>					
TRNSFR TO TAX INC DBT SVC 5900	51,500				
<b>01CUB - UNITED VAN BUS</b>	<b>51,500</b>				
<b>01CUN - EAST RIVER / UNOCAL SITE</b>					
TRNSFR TO CPED DEBT SVC	62,150				
<b>01CUN - EAST RIVER / UNOCAL SITE</b>	<b>62,150</b>				
<b>01CUV - URBAN VILLAGE</b>					
TRNSFR TO CPED DEBT SVC	2,030,841				
<b>01CUV - URBAN VILLAGE</b>	<b>2,030,841</b>				
<b>01CWM - WEST SIDE MILLING DISTRICT</b>					
TRNSFR TO TAX INC DBT SVC 5900	1,347,188	1,611,000	1,592,184	1,593,444 TIF debt service reimbursement	
<b>01CWM - WEST SIDE MILLING DISTRICT</b>	<b>1,347,188</b>	<b>1,611,000</b>	<b>1,592,184</b>	<b>1,593,444</b>	
<b>01GEN - CPED OPERATING</b>					
TRANSFER TO PARKING 7500			7,978,765		
<b>01GEN - CPED OPERATING</b>			<b>7,978,765</b>		
<b>01SPH - COMMUNITY DEVELOPMENT</b>					
TRANSFER TO CITY CAPITAL 4100	500,000		5,000,000	5,000,000 Expanded Capital from Hilton Trust Funds	
TRANSFER TO CITY GENERAL 0100				150,000 Transfer moves \$150,000 from the Reallocated Legacy Fund's Minneapolis Promise allocation to fund homelessness programs.	
TRANSFER TO PARK CAPITAL 37 43			500,000	500,000 Expanded Capital from Hilton Trust Funds	
<b>01SPH - COMMUNITY DEVELOPMENT</b>	<b>500,000</b>		<b>5,500,000</b>	<b>5,650,000</b>	
<b>04100 - CAPITAL IMPROVEMENTS</b>					
TRANSFER TO CITY GENERAL 0100			230,000		
TRANSFER TO OTHER SPEC REV FDS	101,000				
TRANSFER TO CITY CAPITAL 4100	23,871,216				
TRANSFER TO MBC CAPITAL 4200	1,317,389				
TRANSFER TO PARK CAPITAL 37 43	1,929,585				
TRANSFER TO LIBRARY CAP 4400	1,050,035				
TRNSFR TO GEN DEBT SVC 5250	2,363,496				
TRANSFER TO OTHER DEBT SVC FDS	165,993				
TRNSFR TO SANITARY SEWER 7100	91,450				
<b>04100 - CAPITAL IMPROVEMENTS</b>	<b>30,890,164</b>		<b>230,000</b>		
<b>05250 - BOND REDEMPTION - DEBT SERVICE</b>					
TRANSFER TO BUS INFO SVCS 6400	2,095,819	1,298,000	1,800,000	1,661,000 BIS new capital	
<b>05250 - BOND REDEMPTION - DEBT SERVICE</b>	<b>2,095,819</b>	<b>1,298,000</b>	<b>1,800,000</b>	<b>1,661,000</b>	

**SCHEDULE EIGHT  
Interfund Transfer Expense**

	2007 Actual	2008 Adopted	2009 Council Revised	2010 Council Revised	Description
<b>05DDT - ST ANTHONY DEBT SERVICE</b>					
TRANSFER TO TAX INCR FUNDS	360,262				
<b>05DDT - ST ANTHONY DEBT SERVICE</b>	<b>360,262</b>				
<b>06000 - MATERIALS &amp; LAB-INTERNAL SVC</b>					
TRANSFER TO OTHER DEBT SVC FDS	42,000	53,000	58,000	57,000	MERF debt service related to engineering materials and testing retirees
<b>06000 - MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>42,000</b>	<b>53,000</b>	<b>58,000</b>	<b>57,000</b>	
<b>06100 - EQUIPMENT - INTERNAL SERVICE</b>					
TRANSFER TO OTHER DEBT SVC FDS	332,000	453,000	502,000	581,000	MERF debt service related equipment fund retirees
<b>06100 - EQUIPMENT - INTERNAL SERVICE</b>	<b>332,000</b>	<b>453,000</b>	<b>502,000</b>	<b>581,000</b>	
<b>06200 - PROPERTY - INTERNAL SERVICE</b>					
TRANSFER TO OTHER DEBT SVC FDS	69,000	88,000	97,000	118,000	MERF debt service related to property services retirees
<b>06200 - PROPERTY - INTERNAL SERVICE</b>	<b>69,000</b>	<b>88,000</b>	<b>97,000</b>	<b>118,000</b>	
<b>06300 - STORES - INTERNAL SERVICE</b>					
TRANSFER TO OTHER DEBT SVC FDS	11,000	31,000	34,000	33,000	MERF debt service related to stores retirees
<b>06300 - STORES - INTERNAL SERVICE</b>	<b>11,000</b>	<b>31,000</b>	<b>34,000</b>	<b>33,000</b>	
<b>06400 - INFO TECH - INTERNAL SERVICE</b>					
TRANSFER OUT	(4,091,611)				
TRNSFR TO GEN DEBT SVC 5250	41,030				
TRANSFER TO OTHER DEBT SVC FDS	136,000	192,000	212,000	218,000	MERF debt service related to BIS/clerk retirees
<b>06400 - INFO TECH - INTERNAL SERVICE</b>	<b>(3,914,581)</b>	<b>192,000</b>	<b>212,000</b>	<b>218,000</b>	
<b>06900 - SELF INSURANCE-INTERNAL SVC</b>					
TRANSFER TO OTHER DEBT SVC FDS	97,000	131,000	145,000	140,000	MERF debt service related to self insurance fund retirees
<b>06900 - SELF INSURANCE-INTERNAL SVC</b>	<b>97,000</b>	<b>131,000</b>	<b>145,000</b>	<b>140,000</b>	
<b>07100 - SANITARY SEWER FUND</b>					
TRANSFER OUT	(2,211,117)				
TRNSFR TO GEN DEBT SVC 5250	176,851				
TRANSFER TO OTHER DEBT SVC FDS	171,000	264,000	292,000	305,000	MERF debt service sewer rate funded retirees
<b>07100 - SANITARY SEWER FUND</b>	<b>(1,863,266)</b>	<b>264,000</b>	<b>292,000</b>	<b>305,000</b>	
<b>07300 - STORMWATER FUND</b>					
TRANSFER OUT	(5,992,100)				
TRNSFR TO GEN DEBT SVC 5250	178,379				
TRANSFER TO OTHER DEBT SVC FDS	171,000	264,000	292,000	805,000	MERF debt service sewer rate funded retirees
<b>07300 - STORMWATER FUND</b>	<b>(5,642,721)</b>	<b>264,000</b>	<b>292,000</b>	<b>805,000</b>	
<b>07400 - WATER - ENTERPRISE</b>					
TRANSFER OUT	(12,375,804)				
TRNSFR TO GEN DEBT SVC 5250	96,405				
TRANSFER TO OTHER DEBT SVC FDS	664,000	968,000	1,071,000	1,258,000	MERF debt service water rate funded retirees
<b>07400 - WATER - ENTERPRISE</b>	<b>(11,615,399)</b>	<b>968,000</b>	<b>1,071,000</b>	<b>1,258,000</b>	
<b>07500 - MUNICIPAL PARKING-ENTERPRISE</b>					
TRANSFER OUT	(1,302,988)				
TRANSFER TO CITY GENERAL 0100	1,618,000	8,618,000	7,818,000	7,818,000	Annual contribution from parking fund per the parking fund workout plan
TRANSFER TO OTHER SPEC REV FDS	2,078,000	2,241,000	2,241,000	2,241,000	Target center finance plan
TRNSFR TO GEN DEBT SVC 5250	48,104				
TRANSFER TO OTHER DEBT SVC FDS	73,000	104,000	115,000	111,000	MERF debt service related to parking rate funded retirees
TRANSFER TO BUS INFO SVCS 6400	8,000,000				
TRANSFER TO PARKING 7500	59,745				
TRNSFR TO SOLID WASTE 7700	146,000	146,000	146,000	146,000	Litter container collection (added in 2001)
<b>07500 - MUNICIPAL PARKING-ENTERPRISE</b>	<b>10,719,861</b>	<b>11,109,000</b>	<b>10,320,000</b>	<b>10,316,000</b>	
<b>07700 - SOLID WASTE - ENTERPRISE</b>					
TRANSFER TO CITY GENERAL 0100	700,000	700,000	700,000	700,000	Payment for snowplowing (began in 2003)
TRANSFER TO OTHER DEBT SVC FDS	78,000	109,000	121,000	151,000	MERF debt service related to solid waste rate funded retirees
<b>07700 - SOLID WASTE - ENTERPRISE</b>	<b>778,000</b>	<b>809,000</b>	<b>821,000</b>	<b>851,000</b>	

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2007 Actual	2008 Adopted	2009 Council Revised	2010 Council Revised	Description
<b>07EDP - DEFAULTED PROPERTY ADMIN</b>					
TRANSFER TO OTHER SPEC REV FDS	3,643,039				
<b>07EDP - DEFAULTED PROPERTY ADMIN</b>	<b>3,643,039</b>				
<b>07ERZ - GARFS</b>					
TRANSFER TO OTHER SPEC REV FDS	2,093,092				
<b>07ERZ - GARFS</b>	<b>2,093,092</b>				
<b>07S20 - AUG 01 SEWER ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 4100	105,836				
TRNSFR TO GEN DEBT SVC 5250	46,173				
TRNSFR TO STORM SEWER 7300	891,258				
<b>07S20 - AUG 01 SEWER ARBITRAGE</b>	<b>1,043,267</b>				
<b>07S30 - JUNE 03 SEWER ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 4100	4				
TRNSFR TO GEN DEBT SVC 5250	10,841				
<b>07S30 - JUNE 03 SEWER ARBITRAGE</b>	<b>10,845</b>				
<b>11500 - PARK - GENERAL FUND</b>					
TRANSFER TO PARK CAPITAL 37 43	736,663				
<b>11500 - PARK - GENERAL FUND</b>	<b>736,663</b>				
<b>11950 - PARK - GRANT &amp; SPECIAL REVENUE</b>					
TRANSFER TO PARK GENERAL 1500	500,000				
TRANSFER TO PARK CAPITAL 37 43	1,731,329				
<b>11950 - PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>2,231,329</b>				
<b>14300 - PARK - CAPITAL IMPROVEMENTS</b>					
TRANSFER TO OTHER SPEC REV FDS	100,000				
TRANSFER TO CITY CAPITAL 4100	(350,000)				
<b>14300 - PARK - CAPITAL IMPROVEMENTS</b>	<b>(250,000)</b>				
<b>17800 - PARK - OPERATIONS - ENTERPRISE</b>					
TRANSFER TO PARK GENERAL 1500	495,000				
<b>17800 - PARK - OPERATIONS - ENTERPRISE</b>	<b>495,000</b>				
<b>21800 - LIBRARY - GENERAL FUND</b>					
TRANSFER TO OTHER DEBT SVC FDS	100,000				
<b>21800 - LIBRARY - GENERAL FUND</b>	<b>100,000</b>				
<b>24400 - LIBRARY - CAPITAL IMPROVEMENTS</b>					
TRANSFER TO CITY GENERAL 0100	2,251,766	1,400,000			
TRANSFER TO LIBRARY GEN 1800	1,447,185				
TRNSFR TO STORM SEWER 7300	300,000				
<b>24400 - LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>3,998,951</b>	<b>1,400,000</b>			
<b>Summary</b>	<b>189,291,248</b>	<b>118,562,838</b>	<b>128,100,503</b>	<b>129,735,153</b>	

**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% change</b>
<b><u>GENERAL</u></b>					
<b><u>GENERAL FUND</u></b>					
ASSESSOR	101,763	111,723	89,000	92,929	4.41%
ATTORNEY	56,892	58,087	43,000	43,899	2.09%
CITY COUNCIL/CLERK/ELECTIONS	342,303	349,491	395,000	405,454	2.65%
FIRE	2,240,954	2,288,014	2,104,000	2,118,271	0.68%
CIVIL RIGHTS	206,808	211,151	246,000	253,946	3.23%
MAYOR	192,762	196,810	241,000	249,813	3.66%
POLICE	5,252,904	5,363,215	5,951,000	6,179,513	3.84%
HEALTH AND FAMILY SUPPORT	98,267	106,180	105,000	109,803	4.57%
PW - TRANSPORTATION PLANNING AND ENGINEERING	6,900	7,045	16,000	20,563	28.52%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	1,202,931	1,228,192	1,670,000	1,813,925	8.62%
PW - ADMINISTRATIVE SERVICES	334,944	371,926	428,000	443,234	3.56%
PW - TRAFFIC AND PARKING	506,036	516,663	466,000	481,938	3.42%
HUMAN RESOURCES	339,683	346,816	424,000	437,881	3.27%
FINANCE DEPARTMENT	300,362	306,676	169,000	168,321	-0.40%
911/311	118,801	121,296	179,000	177,964	-0.58%
REGULATORY SERVICES	962,229	982,433	1,033,000	1,119,513	8.37%
CITY COORDINATOR	67,123	68,532	79,000	82,274	4.14%
INTERGOVERNMENTAL RELATIONS	135,142	137,979	156,000	161,768	3.70%
COMMUNICATIONS	69,688	71,151	81,000	83,941	3.63%
NEIGHBORHOOD & COMMUNITY RELATIONS	0	0		2,502	100.00%
CPED4	41,870	46,402		54,792	100.00%
<b>TOTAL GENERAL</b>	<b>12,578,362</b>	<b>12,889,782</b>	<b>13,875,000</b>	<b>14,502,244</b>	<b>4.5%</b>

**SPECIAL REVENUE**

**CPED OPERATING**

CPED4	793,952	806,972	1,000,427	732,760	-26.76%
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**BOARD OF ESTIMATE AND TAXATION**

BOARD OF ESTIMATE & TAXATION	0	0	500	556	11.20%
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**POLICE DEPT - SPECIAL REVENUE**

POLICE	0	0			0.0%
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**GRANTS - FEDERAL**

HEALTH AND FAMILY SUPPORT	0	0			0.0%
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**CDBG & UDAG FUNDS**

CIVIL RIGHTS	0	0			0.0%
FINANCE DEPARTMENT	5	0			0.0%
INTERGOVERNMENTAL RELATIONS	0	0			0.0%
CPED4	0	0			0.0%

**CONVENTION CENTER OPERATIONS**

HUMAN RESOURCES	0	0			0.0%
CONVENTION CENTER	650,170	663,663	736,000	721,230	-2.01%



**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>% change</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	1,578,231	19,372	1,837,525	1,774,676	-0.54%
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
Park Board - 4	35,002	0			0.0%
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	111,520	0	93,636	86,278	-7.86%
<b><u>LIBRARY - GENERAL FUND</u></b>					
LIBRARY	67,636	0			0.0%
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	90,189	13,055	16,000	17,207	7.54%
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	0	0	1,000	1,388	38.80%
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	2,700	0	2,000	2,498	24.90%
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
2900000 - PUBLIC HOUSING AUTHORITY	0	0	74,000		8.76%
<b>TOTAL SPECIAL REVENUE</b>	<b>3,329,405</b>	<b>1,503,062</b>	<b>3,761,088</b>	<b>3,336,593</b>	<b>-7.7%</b>

**CAPITAL PROJECT**

<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	33,581	31,686	63,000	62,313	-1.09%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0	0			0.0%
<b>TOTAL CAPITAL PROJECT</b>	<b>33,581</b>	<b>31,686</b>	<b>63,000</b>	<b>62,313</b>	<b>-1.1%</b>

**INTERNAL SERVICE**

**MATERIALS & LAB-INTERNAL SVC**

PW - TRANSPORTATION PLANNING AND ENGINEERING	0	0		9,346	100.00%
PW - ENG. MATERIALS & TESTING	0	0			0.0%

**EQUIPMENT - INTERNAL SERVICE**

PW - FLEET	1,097,132	1,120,172	860,000	899,819	4.63%
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**PROPERTY - INTERNAL SERVICE**

PW - PROPERTY SERVICES	417,692	426,463	386,000	363,764	-5.76%
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**STORES - INTERNAL SERVICE**

PW - ENG. MATERIALS & TESTING	84,306	43,039	31,000	31,757	2.44%
PW - TRAFFIC AND PARKING	0	43,039	31,000	31,757	2.44%

**INFO TECH - INTERNAL SERVICE**

CITY COUNCIL/CLERK/ELECTIONS	33,152	33,848	39,000	44,051	12.95%
HUMAN RESOURCES	0	0			0.0%
BUSINESS INFORMATION SERVICES	81,940	83,660	120,000	124,153	3.46%

**SELF INSURANCE-INTERNAL SVC**

**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% change
ATTORNEY	0	0			0.0%
HUMAN RESOURCES	0	0			0.0%
FINANCE DEPARTMENT	0	0	7,000	8,766	25.23%
LIABILITY	0	1,193			0.0%
<b><u>PARK - INTERNAL SERVICE</u></b>					
Park Board - 4	37,769	0	74,477	74,477	0.0%
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
Park Board - 4	0	0			0.0%
<b>TOTAL INTERNAL SERVICE</b>	<b>1,751,991</b>	<b>1,751,414</b>	<b>1,548,477</b>	<b>1,587,890</b>	<b>2.5%</b>
<b><u>ENTERPRISE</u></b>					
<b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	555,588	661,340	744,000	535,015	-28.09%
<b><u>STORMWATER FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0	0			0.0%
SURFACE WATER & SEWERS	561,304	479,005	541,000	835,248	54.39%
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	944,694	964,532	1,313,000	1,388,403	5.74%
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	506,036	516,663	466,000	473,342	1.58%
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	793,569	812,625	847,000	909,927	7.43%
<b>TOTAL ENTERPRISE</b>	<b>3,361,191</b>	<b>3,434,165</b>	<b>3,911,000</b>	<b>4,141,935</b>	<b>5.9%</b>
<b>TOTAL SELF INSURANCE, ALL FUNDS</b>	<b>21,054,530</b>	<b>19,610,109</b>	<b>23,158,565</b>	<b>23,630,975</b>	<b>2.6%</b>

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	<u>2007 Actual</u>	<u>2008 Actual</u>	<u>2009 Revised Budget</u>	<u>2010 Revised Budget</u>	<u>% change</u>
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR	346,882	368,380	367,000	305,529	-16.75%
ATTORNEY	492,275	600,365	517,300	463,232	-10.45%
CITY COUNCIL/CLERK/ELECTIONS	579,839	566,536	589,800	390,399	-33.81%
FIRE	897,694	889,183	852,900	808,257	-5.23%
CIVIL RIGHTS	156,184	239,079	216,500	267,727	23.66%
MAYOR	91,420	116,583	99,800	124,258	24.51%
POLICE	3,905,382	4,530,420	4,849,400	4,807,213	-0.87%
HEALTH AND FAMILY SUPPORT	422,630	485,727	545,200	415,185	-23.85%
PW - TRANSPORTATION PLANNING AND ENGINEERING	81,634	134,274	66,700	69,611	4.36%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	418,640	296,826	411,200	346,106	-15.83%
PW - ADMINISTRATIVE SERVICES	388,848	513,961	313,200	260,104	-16.95%
PW - TRAFFIC AND PARKING	281,903	201,281	322,800	311,116	-3.62%
HUMAN RESOURCES	1,309,811	1,111,247	1,223,100	1,050,002	-14.15%
FINANCE DEPARTMENT	1,354,700	1,578,973	2,606,200	2,412,991	-7.41%
911/311	238,801	521,541	1,227,100	1,276,757	4.05%
REGULATORY SERVICES	1,474,482	2,039,372	2,169,094	2,443,308	12.64%
CITY COORDINATOR	77,496	87,368	99,000	63,972	-35.38%
INTERGOVERNMENTAL RELATIONS	37,500	21,929	49,900	56,280	12.79%
COMMUNICATIONS	157,491	130,097	160,000	158,516	-0.93%
CPED4	431,068	284,858	370,052	290,405	-21.52%
<b>Total GENERAL FUND</b>	<b>13,144,680</b>	<b>14,718,000</b>	<b>17,056,246</b>	<b>16,320,968</b>	<b>-4.3%</b>
<b>TOTAL GENERAL</b>	<b>13,144,680</b>	<b>14,718,000</b>	<b>17,056,246</b>	<b>16,320,968</b>	<b>-4.3%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
CPED4	502,940	975,052	880,140	778,403	-11.56%
<b>Total CPED OPERATING</b>	<b>502,940</b>	<b>975,052</b>	<b>880,140</b>	<b>778,403</b>	<b>-11.6%</b>
<b>BOARD OF ESTIMATE AND TAXATION</b>					
BOARD OF ESTIMATE & TAXATION	8,861	9,835	12,200	11,032	-9.57%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>8,861</b>	<b>9,835</b>	<b>12,200</b>	<b>11,032</b>	<b>-9.6%</b>
<b>POLICE DEPT - SPECIAL REVENUE</b>					
POLICE	1,352				0.0%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>1,352</b>				<b>0.0%</b>
<b>GRANTS - FEDERAL</b>					

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	<u>2007 Actual</u>	<u>2008 Actual</u>	<u>2009 Revised Budget</u>	<u>2010 Revised Budget</u>	<u>% change</u>
HEALTH AND FAMILY SUPPORT	0				0.0%
REGULATORY SERVICES	5,159				0.0%
<b>Total GRANTS - FEDERAL</b>	<b>5,159</b>				<b>0.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
CIVIL RIGHTS	32,793				0.0%
HEALTH AND FAMILY SUPPORT	33,523		3,000		100.00%
INTERGOVERNMENTAL RELATIONS	13,598	24,557	3,900	1,149	-70.54%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>79,914</b>	<b>24,557</b>	<b>6,900</b>	<b>1,149</b>	<b>-83.3%</b>
<b><u>GRANTS - OTHER</u></b>					
HEALTH AND FAMILY SUPPORT	39,916				0.0%
911/311	0	400,298	521,000	538,243	3.31%
<b>Total GRANTS - OTHER</b>	<b>39,916</b>	<b>400,298</b>	<b>521,000</b>	<b>538,243</b>	<b>3.3%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	767,233	628,310	640,000	674,309	5.36%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>767,233</b>	<b>628,310</b>	<b>640,000</b>	<b>674,309</b>	<b>5.4%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	0	59,914	61,591	61,591	0.0%
<b>Total PARK - GENERAL FUND</b>	<b>0</b>	<b>59,914</b>	<b>61,591</b>	<b>61,591</b>	<b>0.0%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
LIBRARY	7,069				0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>7,069</b>				<b>0.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	0				0.0%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>0</b>				<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	5,098	1,871	2,000	7,060	253.00%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>5,098</b>	<b>1,871</b>	<b>2,000</b>	<b>7,060</b>	<b>253.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	47,745	37,686	33,100	38,298	15.70%
<b>Total YOUTH COORDINATING BOARD</b>	<b>47,745</b>	<b>37,686</b>	<b>33,100</b>	<b>38,298</b>	<b>15.7%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	5,985	19,719	18,400	19,127	3.95%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>5,985</b>	<b>19,719</b>	<b>18,400</b>	<b>19,127</b>	<b>4.0%</b>

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>TOTAL SPECIAL REVENUE</b>	<b>1,471,272</b>	<b>2,157,242</b>	<b>2,175,331</b>	<b>2,129,212</b>	<b>-2.1%</b>

**CAPITAL PROJECT**

**CAPITAL IMPROVEMENTS**

PW - TRANSPORTATION PLANNING AND ENGINEERING	55,873	488,736	460,800	534,711	16.04%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	21,100	21,099	23,800	67,881	185.21%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>76,973</b>	<b>509,835</b>	<b>484,600</b>	<b>602,592</b>	<b>24.3%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>76,973</b>	<b>509,835</b>	<b>484,600</b>	<b>602,592</b>	<b>24.3%</b>

**INTERNAL SERVICE**

**MATERIALS & LAB-INTERNAL SVC**

PW - TRANSPORTATION PLANNING AND ENGINEERING	16,845	90,796		60,977	0.0%
PW - ENG. MATERIALS & TESTING	6,530	(264)			0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>23,375</b>	<b>90,532</b>		<b>60,977</b>	<b>0.0%</b>

**EQUIPMENT - INTERNAL SERVICE**

PW - FLEET	453,605	352,669	394,000	365,211	-7.31%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>453,605</b>	<b>352,669</b>	<b>394,000</b>	<b>365,211</b>	<b>-7.3%</b>

**PROPERTY - INTERNAL SERVICE**

PW - PROPERTY SERVICES	468,599	212,474	372,200	242,203	-34.93%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>468,599</b>	<b>212,474</b>	<b>372,200</b>	<b>242,203</b>	<b>-34.9%</b>

**STORES - INTERNAL SERVICE**

PW - ENG. MATERIALS & TESTING	18,316	33,747	35,700	46,925	31.44%
PW - TRAFFIC AND PARKING	9,851				0.0%
<b>Total STORES - INTERNAL SERVICE</b>	<b>28,167</b>	<b>33,747</b>	<b>35,700</b>	<b>46,925</b>	<b>31.4%</b>

**INFO TECH - INTERNAL SERVICE**

CITY COUNCIL/CLERK/ELECTIONS	0	(265)	16,800	26,952	60.43%
HUMAN RESOURCES	0		76,400	77,896	1.96%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>0</b>	<b>(265)</b>	<b>93,200</b>	<b>104,848</b>	<b>12.5%</b>

**SELF INSURANCE-INTERNAL SVC**

ATTORNEY	279,697	366,199	509,200	461,930	-9.28%
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**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	<u>2007 Actual</u>	<u>2008 Actual</u>	<u>2009 Revised Budget</u>	<u>2010 Revised Budget</u>	<u>% change</u>
HUMAN RESOURCES	49,185	39,605	65,100	60,606	-6.90%
FINANCE DEPARTMENT	7,439	48,927	61,200	65,599	7.19%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>336,321</b>	<b>454,731</b>	<b>635,500</b>	<b>588,135</b>	<b>-7.5%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>1,310,067</b>	<b>1,143,888</b>	<b>1,530,600</b>	<b>1,408,299</b>	<b>-8.0%</b>
 <b>ENTERPRISE</b>					
<b>SANITARY SEWER FUND</b>					
SURFACE WATER & SEWERS	33,568	31,228	145,300	25,757	-82.27%
<b>Total SANITARY SEWER FUND</b>	<b>33,568</b>	<b>31,228</b>	<b>145,300</b>	<b>25,757</b>	<b>-82.3%</b>
<b>STORMWATER FUND</b>					
SURFACE WATER & SEWERS	198,596	213,725	342,900	311,830	-9.06%
<b>Total STORMWATER FUND</b>	<b>198,596</b>	<b>213,725</b>	<b>342,900</b>	<b>311,830</b>	<b>-9.1%</b>
<b>WATER - ENTERPRISE</b>					
PW - WATER TREATMENT & DISTR.	787,572	702,153	774,400	725,777	-6.28%
<b>Total WATER - ENTERPRISE</b>	<b>787,572</b>	<b>702,153</b>	<b>774,400</b>	<b>725,777</b>	<b>-6.3%</b>
<b>MUNICIPAL PARKING-ENTERPRISE</b>					
PW - TRAFFIC AND PARKING	307,312	196,831	185,400	247,106	33.28%
<b>Total MUNICIPAL PARKING- ENTERPRISE</b>	<b>307,312</b>	<b>196,831</b>	<b>185,400</b>	<b>247,106</b>	<b>33.3%</b>
<b>SOLID WASTE - ENTERPRISE</b>					
PW - SOLID WASTE	354,836	282,796	297,200	299,652	0.83%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>354,836</b>	<b>282,796</b>	<b>297,200</b>	<b>299,652</b>	<b>0.8%</b>
<b>TOTAL ENTERPRISE</b>	<b>1,681,884</b>	<b>1,426,733</b>	<b>1,745,200</b>	<b>1,610,122</b>	<b>-7.7%</b>
<b>TOTAL BIS CHARGES, ALL FUNDS</b>	<b>17,684,876</b>	<b>19,955,698</b>	<b>22,991,977</b>	<b>22,071,193</b>	<b>-4.0%</b>

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	<u>2007 Actual</u>	<u>2008 Actual</u>	<u>2009 Revised Budget</u>	<u>2010 Revised Budget</u>	<u>% change</u>
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR	0				0.0%
CITY COUNCIL/CLERK/ELECTIONS	560	1,082			0.0%
FIRE	3,154,116	1,234,459	3,273,000	1,202,329	-63.27%
CIVIL RIGHTS	460				0.0%
MAYOR	10,452	1,855	7,000	3,762	-46.26%
POLICE	3,860,145	2,973,380	4,556,000	3,002,789	-34.09%
HEALTH AND FAMILY SUPPORT	14,976	2,535	19,000	0	-100.00%
PW - TRANSPORTATION PLANNING AND ENGINEERING	24,987	14,948	32,000	15,599	-51.25%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	8,153,144	1,477,478	6,912,500	1,719,599	-75.12%
SURFACE WATER & SEWERS	0			0	0.0%
PW - ADMINISTRATIVE SERVICES	12,596	4,585	16,000	5,233	-67.29%
PW - TRAFFIC AND PARKING	712,520	251,575	670,000	310,053	-53.72%
HUMAN RESOURCES	460				0.0%
FINANCE DEPARTMENT	120				0.0%
911/311	7,194	6,492	5,000	6,963	39.25%
REGULATORY SERVICES	320,548	272,802	454,000	518,659	14.24%
CITY COORDINATOR	80				0.0%
INTERGOVERNMENTAL RELATIONS	220				0.0%
COMMUNICATIONS	1,040				0.0%
CPED4	12,386	3,488		14,068	0.0%
<b>Total GENERAL FUND</b>	<b>16,286,004</b>	<b>6,244,679</b>	<b>15,944,500</b>	<b>6,799,055</b>	<b>-57.4%</b>
<b>TOTAL GENERAL</b>	<b>16,286,004</b>	<b>6,244,679</b>	<b>15,944,500</b>	<b>6,799,055</b>	<b>-57.4%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
CPED4	5,766	11,358	8,500	8,626	1.48%
<b>Total CPED OPERATING</b>	<b>5,766</b>	<b>11,358</b>	<b>8,500</b>	<b>8,626</b>	<b>1.5%</b>
<b>COMMUNITY DEVELOPMENT</b>					
CPED4	642				0.0%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>642</b>				<b>0.0%</b>
<b>POLICE DEPT - SPECIAL REVENUE</b>					
POLICE	135,345	131,574	201,000	159,899	-20.45%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>135,345</b>	<b>131,574</b>	<b>201,000</b>	<b>159,899</b>	<b>-20.4%</b>
<b>GRANTS - FEDERAL</b>					
FIRE	28,640				0.0%
POLICE	103,606	6,677	9,000	13,600	51.11%

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
HEALTH AND FAMILY SUPPORT	20				0.0%
9010000 - CAPITAL IMPROVEMENT	3,366				0.0%
CPED4	1,960				0.0%
<b>Total GRANTS - FEDERAL</b>	<b>137,592</b>	<b>6,677</b>	<b>9,000</b>	<b>13,600</b>	<b>51.1%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
CIVIL RIGHTS	0				0.0%
FINANCE DEPARTMENT	205				0.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>205</b>				<b>0.0%</b>
<b><u>GRANTS - OTHER</u></b>					
FIRE	9,044				0.0%
POLICE	86,575	31,239	14,000	13,403	-4.26%
HEALTH AND FAMILY SUPPORT	4,557				0.0%
9010000 - CAPITAL IMPROVEMENT	1,530				0.0%
<b>Total GRANTS - OTHER</b>	<b>101,706</b>	<b>31,239</b>	<b>14,000</b>	<b>13,403</b>	<b>-4.3%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	6,625	10,333	14,000	8,757	-37.45%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>6,625</b>	<b>10,333</b>	<b>14,000</b>	<b>8,757</b>	<b>-37.5%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	192,447	44,449	49,710	37,710	-24.14%
<b>Total PARK - GENERAL FUND</b>	<b>192,447</b>	<b>44,449</b>	<b>49,710</b>	<b>37,710</b>	<b>-24.1%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	2,720	1,284	500	500	0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>2,720</b>	<b>1,284</b>	<b>500</b>	<b>500</b>	<b>0.0%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
LIBRARY	5,367	40	8,000		100.00%
<b>Total LIBRARY - GENERAL FUND</b>	<b>5,367</b>	<b>40</b>	<b>8,000</b>		<b>100.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	2,728	3,856	6,289		100.00%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>2,728</b>	<b>3,856</b>	<b>6,289</b>		<b>100.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>591,143</b>	<b>240,810</b>	<b>310,999</b>	<b>242,494</b>	<b>-22.0%</b>

**CAPITAL PROJECT**

**CAPITAL IMPROVEMENTS**

PW - TRANSPORTATION PLANNING AND ENGINEERING	41,054	20,058	44,000	25,646	-41.71%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	16,316	7,896	14,000	9,108	-34.94%



**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
9010000 - CAPITAL IMPROVEMENT	3,461,368	3,776			0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>3,518,738</b>	<b>31,730</b>	<b>58,000</b>	<b>34,754</b>	<b>-40.1%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	863				0.0%
9101000 - PARKS-CAPITAL IMPROVEMENT	0				0.0%
9103000 - FORESTRY & TREE DIS CONTL	0	395			0.0%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>863</b>	<b>395</b>			<b>0.0%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>3,519,601</b>	<b>32,125</b>	<b>58,000</b>	<b>34,754</b>	<b>-40.1%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	22,360	9,800	35,000	12,590	-64.03%
PW - ENG. MATERIALS & TESTING	3,206	(1)			0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>25,566</b>	<b>9,799</b>	<b>35,000</b>	<b>12,590</b>	<b>-64.0%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	0	175,220	6,505,000	3,587,605	-44.85%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>0</b>	<b>175,220</b>	<b>6,505,000</b>	<b>3,587,605</b>	<b>-44.8%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	434,047	195,328	460,000	249,283	-45.81%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>434,047</b>	<b>195,328</b>	<b>460,000</b>	<b>249,283</b>	<b>-45.8%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	4,798	2,163	8,000	2,933	-63.34%
PW - TRAFFIC AND PARKING	18,325		8,000		100.00%
<b>Total STORES - INTERNAL SERVICE</b>	<b>23,123</b>	<b>2,163</b>	<b>16,000</b>	<b>2,933</b>	<b>-81.7%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	60,187		53,931		100.00%
BUSINESS INFORMATION SERVICES	4,356	2,217	4,000	1,573	-60.68%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>64,543</b>	<b>2,217</b>	<b>57,931</b>	<b>1,573</b>	<b>-97.3%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	0				0.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>0</b>				<b>0.0%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
Park Board - 4	484,818	555,944	511,200	511,200	0.0%
<b>Total PARK - INTERNAL SERVICE</b>	<b>484,818</b>	<b>555,944</b>	<b>511,200</b>	<b>511,200</b>	<b>0.0%</b>

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>TOTAL INTERNAL SERVICE</b>	<b>1,032,097</b>	<b>940,671</b>	<b>7,585,131</b>	<b>4,365,183</b>	<b>-42.5%</b>
 <b>ENTERPRISE</b>					
 <b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	902,971	351,901	980,000	367,307	-62.52%
9010000 - CAPITAL IMPROVEMENT	541,612				0.0%
<b>Total SANITARY SEWER FUND</b>	<b>1,444,583</b>	<b>351,901</b>	<b>980,000</b>	<b>367,307</b>	<b>-62.5%</b>
 <b><u>STORMWATER FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	4,907,269	1,053,314	4,976,500	981,582	-80.28%
SURFACE WATER & SEWERS	80,414	31,010	160,000	126,910	-20.68%
9010000 - CAPITAL IMPROVEMENT	991,406	69,293			0.0%
<b>Total STORMWATER FUND</b>	<b>5,979,089</b>	<b>1,153,617</b>	<b>5,136,500</b>	<b>1,108,492</b>	<b>-78.4%</b>
 <b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	1,691,567	1,020,884	2,197,000	962,926	-56.17%
9010000 - CAPITAL IMPROVEMENT	388,824	1,259			0.0%
<b>Total WATER - ENTERPRISE</b>	<b>2,080,391</b>	<b>1,022,143</b>	<b>2,197,000</b>	<b>962,926</b>	<b>-56.2%</b>
 <b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	88,699	23,418	94,000	33,168	-64.71%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>88,699</b>	<b>23,418</b>	<b>94,000</b>	<b>33,168</b>	<b>-64.7%</b>
 <b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	431,385	555,241	751,000	605,890	-19.32%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>431,385</b>	<b>555,241</b>	<b>751,000</b>	<b>605,890</b>	<b>-19.3%</b>
 <b>TOTAL ENTERPRISE</b>	 <b>10,024,147</b>	 <b>3,106,320</b>	 <b>9,158,500</b>	 <b>3,077,782</b>	 <b>-66.4%</b>
 <b>TOTAL ALL FUNDS</b>	 <b>31,452,992</b>	 <b>10,564,605</b>	 <b>33,057,130</b>	 <b>14,519,268</b>	 <b>-56.1%</b>

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	<u>2007 Actual</u>	<u>2008 Actual</u>	<u>2009 Revised Budget</u>	<u>2010 Revised Budget</u>	<u>% change</u>
<b><u>GENERAL</u></b>					
<b><u>GENERAL FUND</u></b>					
ASSESSOR	141,920	143,726	142,382	143,003	0.44%
ATTORNEY	2,709	3,514	4,244	277,345	6,434.99%
CITY COUNCIL/CLERK/ELECTIONS	4,080	7,573	893,453	728,786	-18.43%
FIRE	1,115,077	1,144,040	1,251,812	1,231,822	-1.60%
CIVIL RIGHTS	1,183	4,871	108,980	2,149	-98.03%
MAYOR	1,091	1,893	143,318	131,264	-8.41%
POLICE	991,915	1,238,620	2,675,268	2,696,964	0.81%
HEALTH AND FAMILY SUPPORT	247,227	249,280	249,440	216,779	-13.09%
PW - TRANSPORTATION PLANNING AND ENGINEERING	35,453	28,140	23,384	44,846	91.78%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	432,637	410,923	475,954	434,357	-8.74%
PW - ADMINISTRATIVE SERVICES	16,948	18,446	123,372	107,946	-12.50%
PW - TRAFFIC AND PARKING	0	112,416	247,295	118,521	-52.07%
HUMAN RESOURCES	185,278	182,195	201,011	185,498	-7.72%
FINANCE DEPARTMENT	157,257	197,660	597,799	623,073	4.23%
911/311	75,510	79,740	407,255	378,517	-7.06%
REGULATORY SERVICES	626,490	665,523	844,184	807,026	-4.40%
CITY COORDINATOR	1,337	1,483	81,492	74,031	-9.16%
INTERGOVERNMENTAL RELATIONS	426	1,236	61,393	55,808	-9.10%
COMMUNICATIONS	2,510	1,927	137,553	124,953	-9.16%
CPED4	0			108,181	0.0%
<b>Total GENERAL FUND</b>	<b>4,039,048</b>	<b>4,493,206</b>	<b>8,669,589</b>	<b>8,490,869</b>	<b>-2.1%</b>
<b>TOTAL GENERAL</b>	<b>4,039,048</b>	<b>4,493,206</b>	<b>8,669,589</b>	<b>8,490,869</b>	<b>-2.1%</b>
<b><u>SPECIAL REVENUE</u></b>					
<b><u>CPED OPERATING</u></b>					
CPED4	0				0.0%
<b>Total CPED OPERATING</b>	<b>0</b>				<b>0.0%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	0			9,629	0.0%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>0</b>			<b>9,629</b>	<b>0.0%</b>
<b><u>GRANTS - OTHER</u></b>					
HEALTH AND FAMILY SUPPORT	26,572	27,650			0.0%
<b>Total GRANTS - OTHER</b>	<b>26,572</b>	<b>27,650</b>			<b>0.0%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	0	15,000	7,762	7,487	-3.54%

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>0</b>	<b>15,000</b>	<b>7,762</b>	<b>7,487</b>	<b>-3.5%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	1,000	1,100			0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>1,000</b>	<b>1,100</b>			<b>0.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>27,572</b>	<b>43,750</b>	<b>7,762</b>	<b>17,116</b>	<b>120.5%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	158,002	125,349	177,463	178,086	0.35%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0		54,004		100.00%
9010000 - CAPITAL IMPROVEMENT	47,194	52,665			0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>205,196</b>	<b>178,014</b>	<b>231,467</b>	<b>178,086</b>	<b>-23.1%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>205,196</b>	<b>178,014</b>	<b>231,467</b>	<b>178,086</b>	<b>-23.1%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	48,189	61,002	85,763	6,276	-92.68%
PW - ENG. MATERIALS & TESTING	48,189				0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>96,378</b>	<b>61,002</b>	<b>85,763</b>	<b>6,276</b>	<b>-92.7%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	980,092	997,955	1,072,367	1,103,352	2.89%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>980,092</b>	<b>997,955</b>	<b>1,072,367</b>	<b>1,103,352</b>	<b>2.9%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	0		358,312	357,195	-0.31%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>0</b>		<b>358,312</b>	<b>357,195</b>	<b>-0.3%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	25,154	28,527	34,054	43,423	27.51%
PW - TRAFFIC AND PARKING	0				0.0%
<b>Total STORES - INTERNAL SERVICE</b>	<b>25,154</b>	<b>28,527</b>	<b>34,054</b>	<b>43,423</b>	<b>27.5%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	1,763	2,328	4,335	88,058	1,931.33%
BUSINESS INFORMATION SERVICES	4,063	5,734	158,203	143,046	-9.58%
9010000 - CAPITAL IMPROVEMENT	38,310				0.0%

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>44,136</b>	<b>8,062</b>	<b>162,538</b>	<b>231,104</b>	<b>42.2%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	2,709	2,219	1,570	190,975	12,063.99%
FINANCE DEPARTMENT	4,083				0.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>6,792</b>	<b>2,219</b>	<b>1,570</b>	<b>190,975</b>	<b>12,064.0%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>1,152,552</b>	<b>1,097,765</b>	<b>1,714,604</b>	<b>1,932,325</b>	<b>12.7%</b>
<b><u>ENTERPRISE</u></b>					
<b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	7,633	57,270	113,029	94,177	-16.68%
<b>Total SANITARY SEWER FUND</b>	<b>7,633</b>	<b>57,270</b>	<b>113,029</b>	<b>94,177</b>	<b>-16.7%</b>
<b><u>STORMWATER FUND</u></b>					
SURFACE WATER & SEWERS	105,249	132,043	99,715	129,048	29.42%
<b>Total STORMWATER FUND</b>	<b>105,249</b>	<b>132,043</b>	<b>99,715</b>	<b>129,048</b>	<b>29.4%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	0	131,345	107,454	122,043	13.58%
<b>Total WATER - ENTERPRISE</b>	<b>0</b>	<b>131,345</b>	<b>107,454</b>	<b>122,043</b>	<b>13.6%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	91,727	195,143	(33,160)	299,330	-1,002.68%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>91,727</b>	<b>195,143</b>	<b>(33,160)</b>	<b>299,330</b>	<b>-1,002.7%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	0	200,466	200,664	215,098	7.19%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>0</b>	<b>200,466</b>	<b>200,664</b>	<b>215,098</b>	<b>7.2%</b>
<b>TOTAL ENTERPRISE</b>	<b>204,609</b>	<b>716,267</b>	<b>487,702</b>	<b>859,696</b>	<b>76.3%</b>
<b>TOTAL ALL FUNDS</b>	<b>5,628,977</b>	<b>6,529,002</b>	<b>11,111,124</b>	<b>11,478,091</b>	<b>3.3%</b>

**SCHEDULE THIRTEEN  
COST OF CITY HALL SPACE**

*Note: In previous years, Schedule 13 was for informational purposes only. For the 2009 budget, the Mayor recommended a citywide rate for rent be developed and Council approved the Mayor's recommendation. The Council Revised budget process did not change the adopted rate for rent. The result is budgetary neutral. The total amount is based on the Municipal Building Commission property tax levy for 2009.*

Department	2008 Adopted Budget		2009 Revised Budget		2010 Adopted Budget*	
	Billable Square Foot	Potential Annual Rental Charge	Billable Square Foot	Actual Annual Rental Charge	Billable Square Foot	Potential Annual Rental Charge
911/311	-	-	13,827	324,234	13,827	294,559
Attorney	-	-	-	-	21,733	462,981
Board of Estimate & Taxation					447	9,523
Business Information Services	12,920	306,037	6,448	151,201	6,440	137,192
City Clerk	18,582	440,153	22,335	523,741	22,461	478,490
City Clerk Elections	2,719	64,405	2,371	55,598	2,371	50,510
City Coordinator	3,791	89,798	3,402	79,775	3,402	72,473
City Council	12,927	306,203	13,035	305,662	13,038	277,750
Civil Rights	4,544	107,634	4,544	106,554	-	-
Communications	6,673	158,064	5,766	135,209	5,766	122,834
Community Planning and Economic Development	7,876	186,559	1,111	26,052	1,111	23,668
Finance	21,897	518,676	21,613	506,810	21,730	462,917
Fire	7,068	167,420	6,825	160,042	6,830	145,500
Grants and Special Projects	2,350	55,665	2,556	59,936	2,556	54,451
Health & Family Support					1,160	24,712
Human Resources	781	18,500	781	18,314	781	16,638
Mayor	6,009	142,336	6,009	140,907	6,059	129,076
Police	62,070	1,470,256	50,881	1,193,125	50,876	1,083,819
Public Works - Administrative Services	6,488	153,682	4,837	113,424	4,458	94,969
Public Works - Property Services**	5,369	127,176	4,595	107,750	17,738	377,875
Public Works - Traffic & Parking Services	2,097	49,672	3,286	77,054	-	-
Public Works - Transportation Maint. & Repair	3,286	77,836	2,303	54,004	-	-
Regulatory Services	4,641	109,932	4,853	113,800	4,853	103,384
<b>Total</b>	<b>192,088</b>	<b>\$ 4,550,000</b>	<b>181,378</b>	<b>\$ 4,253,192</b>	<b>207,637</b>	<b>\$ 4,423,321</b>

\*Based on data from June 2009

\*\*Includes vacant space

**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
<b><u>GENERAL</u></b>					
<b><u>GENERAL FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0			1,802	0.0%
<b>Total GENERAL FUND</b>	<b>0</b>			<b>1,802</b>	<b>0.0%</b>
<b>TOTAL GENERAL</b>				<b>1,802</b>	
<b><u>SPECIAL REVENUE</u></b>					
<b><u>CPED OPERATING</u></b>					
CPED	1,877,149	3,355,640	2,897,818	2,918,857	0.73%
<b>Total CPED OPERATING</b>	<b>1,877,149</b>	<b>3,355,640</b>	<b>2,897,818</b>	<b>2,918,857</b>	<b>0.7%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	57,510	58,660	10,000	10,000	0.0%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>57,510</b>	<b>58,660</b>	<b>10,000</b>	<b>10,000</b>	<b>0.0%</b>
<b><u>GRANTS - FEDERAL</u></b>					
CAPITAL IMPROVEMENT	0			27,044	0.0%
<b>Total GRANTS - FEDERAL</b>	<b>0</b>			<b>27,044</b>	<b>0.0%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	1,235,526	1,260,237	1,500,000	1,566,010	4.40%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>1,235,526</b>	<b>1,260,237</b>	<b>1,500,000</b>	<b>1,566,010</b>	<b>4.4%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board	828,252	276,101		861,382	0.0%
<b>Total PARK - GENERAL FUND</b>	<b>828,252</b>	<b>276,101</b>			<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board	25,000		25,000		100.00%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>25,000</b>		<b>25,000</b>		<b>100.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	45,000	45,000	46,000	46,800	1.74%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>45,000</b>	<b>45,000</b>	<b>46,000</b>	<b>46,800</b>	<b>1.7%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>4,068,437</b>	<b>4,995,638</b>	<b>4,478,818</b>	<b>5,430,093</b>	<b>2.0%</b>

**CAPITAL PROJECT**

**CAPITAL IMPROVEMENTS**

**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
PW - TRANSPORTATION PLANNING AND ENGINEERING	0				0.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	55,785	82,904	87,049	50,768	-41.68%
CAPITAL IMPROVEMENT	2,280,252	2,401,678	1,677,951	1,470,711	-12.35%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>2,336,037</b>	<b>2,484,582</b>	<b>1,765,000</b>	<b>1,521,479</b>	<b>-13.8%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
CAPITAL IMPROVEMENT	(22,897)				0.0%
FORESTRY & TREE DIS CONTL	0				0.0%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>(22,897)</b>				<b>0.0%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
CAPITAL IMPROVEMENT	44,381	44,381			0.0%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>44,381</b>	<b>44,381</b>			<b>0.0%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>2,357,521</b>	<b>2,528,963</b>	<b>1,765,000</b>	<b>1,521,479</b>	<b>-13.8%</b>

**INTERNAL SERVICE**

<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	5,749	169,286	153,000	229,273	49.85%
PW - ENG. MATERIALS & TESTING	160,218				0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>165,967</b>	<b>169,286</b>	<b>153,000</b>	<b>229,273</b>	<b>49.9%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	814,884	587,536	811,000	871,854	7.50%
CAPITAL IMPROVEMENT	0	29,452			0.0%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>814,884</b>	<b>616,988</b>	<b>811,000</b>	<b>871,854</b>	<b>7.50%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	355,206	247,204	478,000	591,905	23.83%
CAPITAL IMPROVEMENT	714				0.0%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>355,920</b>	<b>247,204</b>	<b>478,000</b>	<b>591,905</b>	<b>23.8%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	122,802	125,258	164,000	176,148	7.41%
PW - TRAFFIC AND PARKING	61,014	62,235	82,000	87,525	6.74%
<b>Total STORES - INTERNAL SERVICE</b>	<b>183,816</b>	<b>187,493</b>	<b>246,000</b>	<b>263,673</b>	<b>7.2%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	0			265	0.0%
BUSINESS INFORMATION SERVICES	204,527	208,618	536,000	780,555	45.63%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>204,527</b>	<b>208,618</b>	<b>536,000</b>	<b>780,820</b>	<b>45.7%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					



**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% change
ATTORNEY	36,931	37,699	131,000	537,452	310.27%
HUMAN RESOURCES	0		30,000	121,960	306.53%
FINANCE DEPARTMENT	0		53,000	216,518	308.52%
HEALTH AND WELFARE	22,527	22,978			0.0%
WORKERS COMPENSATION LIABILITY	8,877	9,055			0.0%
	0				0.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>68,335</b>	<b>69,732</b>	<b>214,000</b>	<b>875,930</b>	<b>309.3%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>1,793,449</b>	<b>1,499,321</b>	<b>2,438,000</b>	<b>3,613,455</b>	<b>48.2%</b>
<b>ENTERPRISE</b>					
<b>SANITARY SEWER FUND</b>					
SURFACE WATER & SEWERS	2,337,830	2,241,273	2,201,000	2,025,534	-7.97%
CAPITAL IMPROVEMENT	109,555	210,395			0.0%
<b>Total SANITARY SEWER FUND</b>	<b>2,447,385</b>	<b>2,451,668</b>	<b>2,201,000</b>	<b>2,025,534</b>	<b>-8.0%</b>
<b>STORMWATER FUND</b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	98,757	261,202	248,000	332,132	33.92%
SURFACE WATER & SEWERS	1,141,338	1,101,570	1,274,000	1,712,967	34.46%
CAPITAL IMPROVEMENT	268,664	243,102			0.0%
<b>Total STORMWATER FUND</b>	<b>1,508,759</b>	<b>1,605,874</b>	<b>1,522,000</b>	<b>2,045,099</b>	<b>34.4%</b>
<b>WATER - ENTERPRISE</b>					
PW - WATER TREATMENT & DISTR.	4,231,037	4,224,655	4,845,000	3,900,394	-19.50%
CAPITAL IMPROVEMENT	387,445	479,325			0.0%
<b>Total WATER - ENTERPRISE</b>	<b>4,618,482</b>	<b>4,703,980</b>	<b>4,845,000</b>	<b>3,900,394</b>	<b>-19.5%</b>
<b>MUNICIPAL PARKING-ENTERPRISE</b>					
PW - TRAFFIC AND PARKING	1,401,419	1,340,488	1,492,000	1,417,840	-4.97%
CAPITAL IMPROVEMENT	48,095	81,920			0.0%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>1,449,514</b>	<b>1,422,408</b>	<b>1,492,000</b>	<b>1,417,840</b>	<b>-5.0%</b>
<b>SOLID WASTE - ENTERPRISE</b>					
PW - SOLID WASTE	2,715,782	2,700,480	2,867,000	2,664,765	-7.05%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>2,715,782</b>	<b>2,700,480</b>	<b>2,867,000</b>	<b>2,664,765</b>	<b>-7.1%</b>
<b>TOTAL ENTERPRISE</b>	<b>12,739,922</b>	<b>12,884,410</b>	<b>12,927,000</b>	<b>12,053,632</b>	<b>-6.8%</b>
<b>TOTAL ALL FUNDS</b>	<b>20,959,329</b>	<b>21,908,332</b>	<b>21,608,818</b>	<b>22,620,461</b>	<b>4.68%</b>

**City of Minneapolis  
FY 2010 Revised Budget**

**Capital Program**

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**City of Minneapolis**  
**2010 – 2014 Capital Program**  
**Capital Budget Narrative Overview**

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**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.

CLIC 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 “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 formally present their needs and offer explanations for their requests. Task force members then rate all proposals using a rating system with 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 2010 - 2014, there were 103 CBRs reviewed and rated. The total requested capital budget for the five years was \$574 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 2010-2014 CAPITAL IMPROVEMENT PLAN**

***Five-Year Capital Program Totals:*** For 2010 – 2014, the five-year capital program for City departments, independent boards and commissions totals \$478 million including all funding sources. The 2010 portion of this program is \$92.8 million. Property tax supported net debt bonds (NDB) help to leverage many funding sources in the five-year plan. Below are highlights of certain NDB totals (in millions) - more details are contained later in this document.

**Accelerated Infrastructure Program:** In addition to the net debt bond funding indicated below, this budget continues the accelerated infrastructure program with \$26.30 million over the next four years to provide additional investment in paving projects, bridges, street lighting, parkway paving, parkway lighting, pavement and bikeway maintenance and park infrastructure improvements. Funding for this accelerated program is coming from the use of Hilton Trust funds and general fund transfers – see details later in the document. Park Board is receiving 10% of the accelerated infrastructure funding based on their assets being approximately 10% of the City’s total assets. *Note:* Special Assessments also leverage additional capacity for improvements but are not included in the totals.

	2010	2011	2012	2013	2014	Totals
Paving	\$4.85	\$3.85	\$3.85	\$3.15	\$0.00	\$15.70
Bridge	\$4.00					\$4.00
Lighting	\$1.05	\$1.05	\$1.05	\$1.05	\$0.00	\$4.20
Bike Trail Maintenance	\$0.10	\$0.10	\$0.10	\$0.10	\$0.00	\$0.40
<u>Park Infrastructure</u>	<u>\$0.50</u>	<u>\$0.50</u>	<u>\$0.50</u>	<u>\$0.50</u>	<u>\$0.00</u>	<u>\$2.00</u>
Program Total	\$10.50	\$5.50	\$5.50	\$4.80	\$0.00	\$26.30

**Property Tax Supported – Public Works:** The 2010 budget includes \$8.98 million in property tax supported (NDB) funding for Public Works capital. Below is a summary of the 2010 -2014 NDB allocation for the Public Works infrastructure program, including some Park related assets.

	2010	2011	2012	2013	2014
<b>Net Debt Bond funding</b>	\$8.98	\$10.56	\$13.67	\$11.31	\$12.78

**Park Board Infrastructure Funding:** The 2010 budget includes \$3.00 million for Park Board Infrastructure improvements including \$1.5 million of Park capital levy dollars, \$1.0 million of net debt bonds and \$.50 million of accelerated infrastructure funding. Also shown are \$.45 million of net debt bonds and expansion funding programmed in the public work’s capital budget for parkway paving and parkway lighting programs. Below is a summary of the total 2010–2014 funding for park board capital improvements. The Park Capital Infrastructure line includes \$1.5 million of capital levy for each year, \$.5 million of expansion funding for 2010 – 2013 and the balance for each year is net debt bonds.

	2010	2011	2012	2013	2014
Park Capital Infrastructure	\$3.00	\$4.00	\$4.00	\$4.00	\$3.50
Parkway Paving	\$.15	\$0.15	\$0.70	\$0.70	\$0.75
<u>Parkway Lighting</u>	<u>\$0.30</u>	<u>\$0.30</u>	<u>\$0.30</u>	<u>\$0.30</u>	<u>\$0.35</u>
Total Park Board Capital Improvements	\$3.45	\$4.45	\$5.00	\$5.00	\$4.60

**Property Tax Supported – Miscellaneous and BIS Technology Projects:** The 2010 budget includes \$3.79 million in property tax supported funding for these categories. Projects include public art, technology related improvements and physical building, office space and security improvements for Police, Fire and other City buildings. Capital spending in these areas impacts the City’s capacity to maintain and improve the transportation network. These categories use 14.6% of the available net debt bond funds in the five-year plan. Below is a summary of the 2010 -2014 net debt funding for miscellaneous and technology projects.

	2010	2011	2012	2013	2014
<b>Net Debt Bond funding</b>	\$3.79	\$2.65	\$1.77	\$2.52	\$2.44

**Utility Fee Supported Capital:** The 2010 - 2014 budget includes funding for additional water and sewer related infrastructure expenditures. The utility rates proposed for 2010 – 2014 are higher than last year’s adopted plan primarily due to increasing the inflation assumption for future operating cost increases from 3% to 4% as well as providing revenue capacity to create resources to help pay potential unfunded pension liabilities for past employees who worked for these utilities. In addition, the rate recommendations accelerate improvement of the cash positions in the enterprise funds to be in compliance with City financial policies. Sanitary sewer fee increases were primarily due to increased capital expenditures required in response to Metropolitan Council demands for less “clean” water in the Sanitary System and increased treatment costs. Rate details for the Sewer and Water funds can be found later in this document.

**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 30 points out of 300 for operating cost implications. Proposals indicating an increase in operating costs without a clear definition of how the costs will be funded stand to lose points and those that reduce 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 \$1.094 billion at 12/31/2008 to \$1.084 billion at 12/31/2009.**

### **2009 Bond & Note Issuances – amounts in thousands**

In 2009, the City of Minneapolis issued bonds & notes totaling \$230.501 million. Of this amount, \$173.05 million was issued to refund existing debt. Below are details of the 2009 debt issuances.

In May 2009, the City issued \$85.37 million of General Obligation Various Purpose Bonds, Series 2009. A portion of this bond series totaling \$42.295 million were issued for a variety of public works infrastructure improvements, park, library, municipal building commission, technology and sewer, water and parking ramp improvements. The remaining bonds of \$43.075 million were issued as current refunding bonds to prepay two bond issues on June 17, 2009. The refunded bonds included \$19.2 million for the General Obligation Parking Ramp Bonds, Series 1998 and \$23.875 million for the General Obligation Various Purpose Bonds, Series 1998D. The City realized a net present value benefit of \$2.31 million on the parking bond refunding and \$1.57 million on the various purpose bond refunding. The General Obligation Various Purpose Bonds, Series 2009 were issued in fixed rate mode and had interest rates ranging from 2.00% to 4.00% and a final maturity date of December 1, 2023.

In October 2009, the City issued \$16.8 million of General Obligation Various Purpose Refunding Bonds, Series 2009A to refund all of the outstanding General Obligation Various Purpose Bonds, Series 2000B on the call date of December 1, 2009. The original bond series financed technology improvements. This refunding resulted in a net present value savings of \$1.24 million. The Series 2009A bonds were issued in fixed rate mode at 3.00% and a final maturity date of December 1, 2012.

In October 2009, the City also issued \$5.4 million of General Obligation Tax Increment Refunding Bonds (Milwaukee Depot), Series 2009. The proceeds along with funds on hand were used on October 23, 2009 to refund the outstanding balance of \$7.43 million of Taxable General Obligation Tax Increment Bonds, Series 2000C. This refunding allowed for the issuance of tax exempt bonds to call in taxable bonds and resulted in a net present value savings of \$1.74 million. The Series 2009 bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 3.50% and a final maturity date of March 1, 2028.

In October 2009, the City also issued \$13.675 million of General Obligation Tax Increment Refunding Bonds (900 Nicollet Mall), Series 2009B to refund the outstanding General Obligation Tax Increment Bonds, Series 2000E. The original bonds were part of the financing for a City owned parking ramp located at 900 Nicollet Mall. This refunding resulted in a net present value savings of \$1.31 million. The Series 2009B bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 3.25% and a final maturity date of March 1, 2026.

In November 2009, the City issued \$40.295 million of General Obligation Various Purpose Refunding Bonds, Series 2009B. Of this amount, \$9.8 million was issued for construction of various special assessment projects and the balance was issued as refunding bonds to convert all or portions of three variable rate bond series to fixed rate bonds. Refunding bonds in the amount of \$9.25 million and \$10.00 million respectively were issued to partially refund the General Obligation Convention Center Bonds, Series 1999 and 2000. In addition, \$11.245 million was used to call in all of the General Obligation Convention Center Refunding Bonds Series 2004A on December 1, 2009. Interest savings are not calculated on this refunding since the variable rate bonds interest rates reset weekly. The Series 2009B bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 4.00% and a final maturity date of December 1, 2029.

In November 2009, the City also issued \$6.125 million of General Obligation Tax Increment Refunding Bonds, Series 2009C to refund all of the outstanding General Obligation Tax Increment Bonds, Series 1999B bonds remaining on the City's books – part of this refunded series had been previously advance refunded in November 2005. This refunding resulted in a net present value savings of \$.75 million. The Series 2009C bonds were issued in fixed rate mode and had interest rates ranging from 2.50% to 4.25% and a final maturity date of December 1, 2024.

In December 2009, the City issued \$57.48 million of Taxable General Obligation Tax Increment Refunding Bonds (Target Center Project), Series 2009D. These bonds together with \$2.05 million of debt service funds on hand will be used to call in bonds from three bond series related to the Target Center Arena project. The bonds to be called include \$49.735 million from the General Obligation Refunding Bonds (Sports Arena Project), Series 1996. Also included are \$4.14 million from the Revenue Bonds (Arena Acquisition Project), Series 1995A and \$4.455 million from the Revenue Bonds (Arena Acquisition Project), Series 1995B. This refunding was performed to convert tax exempt bonds into taxable bonds to allow for more private investment in the facility and for restructuring and interest savings. The refunding resulted in a net present value savings of \$2.27 million. The Series 2009D bonds were issued in fixed rate mode and had interest rates ranging from 2.50% to 4.90% and a final maturity date of March 1, 2025.

### **2009 Notes Issued**

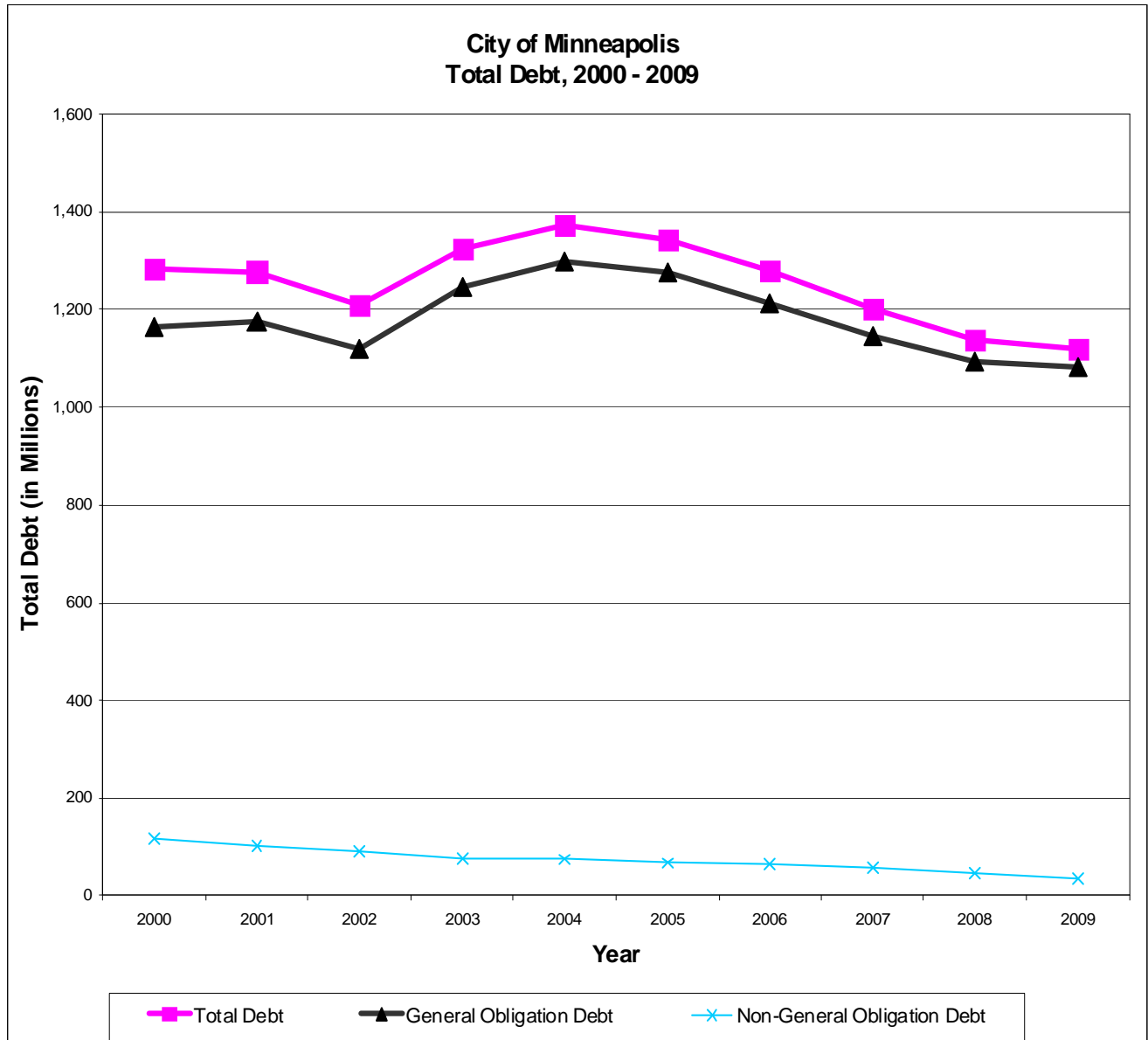
In December 2009, the City issued a \$21.96 million General Obligation Water Revenue Note to the Minnesota Public Facilities Authority (PFA) to finance a portion of the design and construction of the City's new filter press project. The City is also receiving federal stimulus

grant funds of \$3.04 million as administered by the PFA for this project. This is the fifth note issued to the PFA for water treatment improvements as part of a federally sponsored below market financing program related to the Safe Drinking Water Act. The first four notes in this subsidy program were used to finance construction of an ultrafiltration water plant. The subsidized interest rate for this new note is 2.688% with a final maturity date of August 20, 2027. During 2009, the City received proceeds of \$1.876 million to reimburse project expenses, of which \$1.826 million was in the form of forgivable grant funds and \$.05 million was a draw on the fifth note. During 2009, the City also drew down \$5.306 million on the fourth note in this program for expense reimbursements on the ultrafiltration plant, thereby exhausting the capacity on this note. At December 31, 2009, the outstanding debt balance on the five notes in this program was \$71.725 million.

## 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 CPED are not included as City Debt.

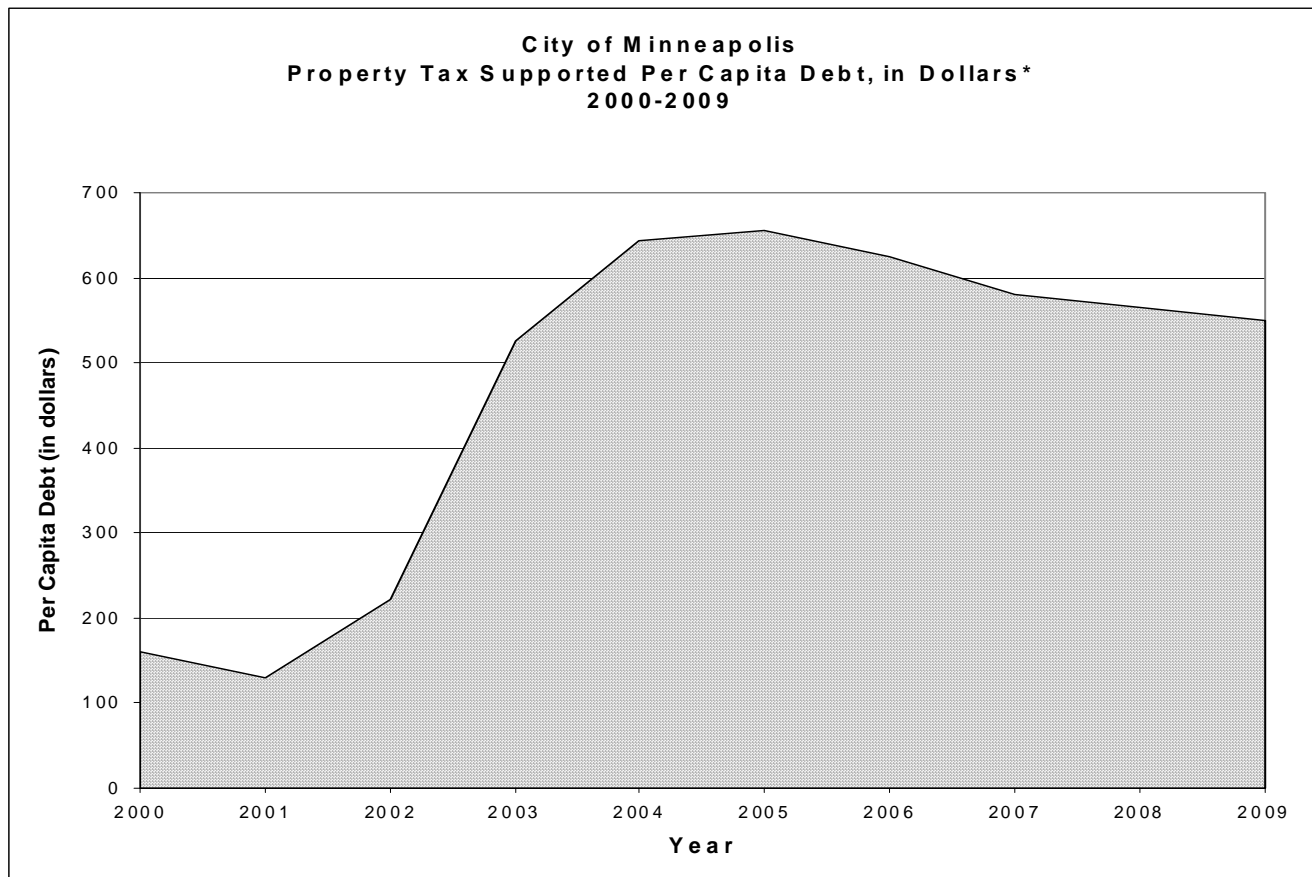
The accompanying chart shows a ten-year history of the total City debt level for years 2000 - 2009. The total includes general obligation debt, backed by the full faith and credit of the City, and non-general obligation debt, which currently includes only tax increment revenue bonds.





## PER CAPITA DEBT

The chart below showing general obligation debt per capita shows progress in reducing debt supported by property taxes from 2000 through 2001. 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. The reductions in 2006 and 2007 are partially due to the City using one-time resources to accelerate the pay down of all categories of property tax supported debt including net debt infrastructure bonds and library referendum and pension bonds.



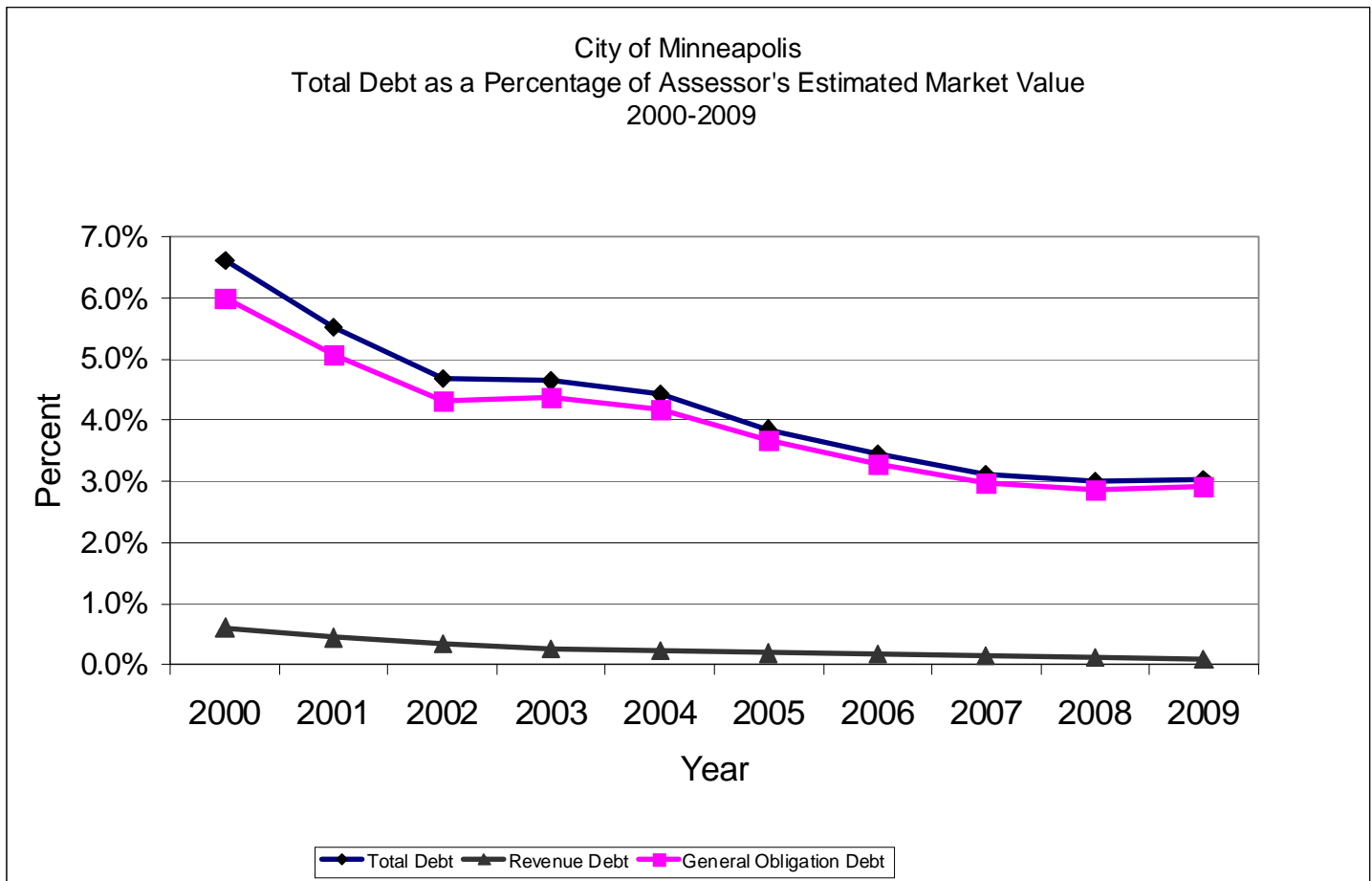
\* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the City less that indebtedness supported by revenues other than general property taxes. Funding from self-supporting enterprises of the City offset a portion of the property tax supported pension related debt included above. Population figures used in this graph come from the official census in 2000 or from data provided by the Metropolitan Council for the other years.

## 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 3.0 percent from 2007 through 2009, with a slightly improving trend. While property values experienced a decline of approximately \$1.5 billion during this timeframe, the trend line benefitted by a reduction of \$82 million in Total Debt applicable to the calculation..*

The chart below shows 2000 as the highest total debt/market ratio due to one of the higher total debt levels coupled with lower property values. 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. The peak debt level was reached in 2004 at \$1.37 billion and has been falling each year to \$1.12 billion by the end of 2009, a \$250 million decrease. Property valuations grew during the 2004 – 2006 period continuing the favorable trend line but have trended down from 2007 – 2009.



**COMPUTATION OF THE CITY'S LEGAL DEBT MARGIN**

The following is the estimated computation of the legal debt margin to be reported in the City's Comprehensive Annual Financial Report for December 31, 2009

	Dollars in Thousands	
Real Property (2009 Market Value)	\$	37,551,698
Personal Property (2009 Market Value)		378,718
Adjustment for Exempt Personal Property (1966 Market Value)		298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution		255,467
Total Assessed Value		38,483,913
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	\$	1,282,797
General Obligation Bonds Subject to Debt Limit:		
Supported by Property Tax Levy		241,155
Supported by Special Assessments:		
Park Diseased Trees		1,040
Self-Supporting (Supported by Internal User Charges):		
Management Information Systems		26,240
Park Board - Land acquisitions & athletic field development		5,795
Public Works Fleet and Equipment		27,780
Property Fund		6,825
Total General Obligation Bonds Subject to Debt Limit		308,835
Less: Estimated Assets in Debt Service Fund at 12/31/09		(35,409)
Total Debt Applicable to Debt Limit		273,426
Legal Margin for New Bonds Subject to Debt Limit	\$	1,009,371

## SUMMARY OF OUTSTANDING CITY DEBT

Long-term liabilities (in thousands) at December 31, 2009 are detailed below.

	Balance 1/1/2009	Additions	Retirements	Balance 12/31/2009	Amounts Due Within One Year
Governmental activities:					
<u>Bonds and Notes</u>					
Property Tax Supported GO Bonds*	\$ 247,525	\$ 25,180	\$ 31,550	\$ 241,155	\$ 12,140
Self Supporting GO Bonds	233,975	19,250	33,685	219,540	10,420
GO Improvement Bonds	46,810	10,100	6,380	50,530	7,080
Tax Increment GO Bonds	155,970	62,880	17,985	200,865	57,975
Revenue Bonds	45,647	-	9,667	35,980	9,270
Revenue Notes	22,291	-	3,251	19,040	396
Internal Service Fund Related GO Bonds	71,665	17,915	28,735	60,845	11,305
Total Governmental Bonds and Notes	823,883	135,325	131,253	827,955	108,586
Business-type activities:					
<u>Bonds and Notes</u>					
Stormwater Fund GO Bonds	28,635	9,410	16,869	21,176	4,405
Sanitary Sewer Fund GO Bonds	10,336	5,800	2,436	13,700	2,600
Water Fund GO Bonds	28,797	16,615	16,766	28,646	3,200
Water Fund GO Note	68,294	5,356	1,925	71,725	2,065
Municipal Parking Fund GO Bonds	202,125	57,995	84,760	175,360	12,280
CPED Related Non GO Fund					
General Agency Reserve Fund System	60,730	-	3,310	57,420	3,370
Revenue Notes	718	-	127	591	136
Total Bonds and Notes	399,635	95,176	126,193	368,618	28,056
Grand Total Bonds & Notes	\$ 1,223,518	\$ 230,501	\$ 257,446	\$ 1,196,573	\$ 136,642

\* - 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, 2009 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:				
2010	\$ 96,885	\$ 32,479	\$ 396	\$ 414
2011	36,400	31,066	427	395
2012	39,345	29,378	708	374
2013	45,161	27,549	447	338
2014	39,866	25,628	477	317
2015 – 2019	212,534	101,516	2,730	1,209
2020 – 2024	175,429	48,551	3,445	535
2025 – 2029	90,995	13,121	820	70
2030 – 2032	11,455	726	9,590	9
	<u>690,590</u>	<u>309,462</u>	<u>19,040</u>	<u>3,661</u>

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
	Principal	Interest	Principal	Interest
Dec 31:				
2010	11,305	2,537	108,586	35,430
2011	11,470	2,121	48,297	33,582
2012	11,545	1,679	51,598	31,431
2013	3,210	1,240	48,818	29,127
2014	3,165	1,097	43,508	27,042
2015 – 2019	15,220	3,377	230,484	106,102
2020 – 2024	4,930	382	183,804	49,468
2025 – 2029	-	-	91,815	13,191
2030 – 2032	-	-	21,045	735
	<u>\$ 60,845</u>	<u>\$ 12,433</u>	<u>827,955</u>	<u>\$ 326,108</u>

\* - Governmental activities include the basic infrastructure assets required to provide services to the residents such as parks, libraries, streets, roads, bridges, traffic signals, lighting, police and fire stations, public buildings, technology platforms, fleet equipment, etc. Governmental activities are supported primarily by property taxes and other governmental aids received.

## Amortization of Outstanding Business Type City Debt

As of December 31, 2009, annual debt service requirements for Business-type activities\* (in thousands) to maturity are as follows:

Year Ending	Bonds		Notes		Total		Total					
	Dec 31:	Principal	Interest	Principal	Interest	Principal	Interest					
2010	\$	25,855	\$	15,824	\$	2,201	\$	2,157	\$	28,056	\$	17,981
2011		26,956		14,900		3,429		1,923		30,385		16,823
2012		27,555		14,125		3,273		1,826		30,828		15,951
2013		22,380		13,182		3,512		1,736		25,892		14,918
2014		18,180		12,381		3,561		1,639		21,741		14,020
2015 – 2019		58,307		41,253		26,825		6,543		85,132		47,796
2020 – 2024		58,085		25,264		28,515		2,093		86,600		27,357
2025 – 2029		39,310		10,741		1,000		39		40,310		10,780
2030 – 2034		18,205		3,210		-		-		18,205		3,210
2035		1,470		93		-		-		1,470		93
<b>Total</b>	<b>\$</b>	<b>296,303</b>		<b>150,973</b>	<b>\$</b>	<b>72,315</b>	<b>\$</b>	<b>17,956</b>	<b>\$</b>	<b>368,618</b>	<b>\$</b>	<b>168,929</b>

\* - Business-type activities include those City functions that operate similar to a private business such as Water and Sewer Services, Solid Waste Collection and Parking Ramps. Business-type activities are supported by user fees charged for services provided. Business activities also include some economic development activities that help spur private development, the debt of which is paid for by the private businesses benefited.



		Budget in Thousands					Total	Percent of Total
		2010	2011	2012	2013	2014		
<b>Municipal Building Commission</b>		996	1,260	876	2,844	1,825	7,801	1.5%
<b>Library Funding - Hennepin County System</b>		5,810	1,040	0	0	0	6,850	1.8%
<b>Park Board</b>		3,500	4,500	4,500	4,500	4,000	21,000	3.5%
<b>Public Works Department</b>								
	Facility Improvements	1,050	1,500	1,660	1,400	1,700	7,310	1.3%
	Street Paving	23,690	26,498	44,274	30,983	38,730	164,175	31.2%
	Sidewalks	2,735	2,880	3,020	3,160	3,315	15,110	2.7%
	Bridges	14,300	22,260	6,700	8,600	400	52,260	8.0%
	Traffic Control & Street Lighting	6,780	7,320	8,740	3,565	3,290	29,695	5.7%
	Bike Trails	5,277	100	100	1,610	0	7,087	1.1%
	Sanitary Sewers	9,425	4,500	6,000	6,750	7,000	33,675	6.5%
	Storm Sewers	9,970	12,985	15,810	16,258	23,500	78,523	25.4%
	Water Infrastructure	3,500	5,000	6,500	6,500	10,000	31,500	7.3%
	Parking Ramps	1,700	1,700	1,700	0	0	5,100	1.0%
	<b>Public Works Department Total</b>	<b>78,427</b>	<b>84,743</b>	<b>94,504</b>	<b>78,826</b>	<b>87,935</b>	<b>424,435</b>	<b>90.1%</b>
<b>Business Information Services</b>		1,507	1,158	750	2,715	1,250	7,380	1.3%
<b>Miscellaneous Projects</b>		2,530	4,747	1,016	1,174	1,190	10,657	1.8%
<b>Grand Total</b>		<b>92,770</b>	<b>97,448</b>	<b>101,646</b>	<b>90,059</b>	<b>96,200</b>	<b>478,123</b>	<b>100.00%</b>



## Five-Year Capital Funding Summary Revised Budget

General Infrastructure Improvements Funding Summary by Year	2010	2011	2012	2013	2014	Total
Federal Government Grants	14,930	13,525	4,124	6,102	0	<b>38,681</b>
Hennepin County Grants	470	585	1,006	0	725	<b>2,786</b>
Library Referendum Bonds	3,910	0	0	0	0	<b>3,910</b>
Municipal State Aid	7,325	7,237	7,358	8,254	950	<b>31,124</b>
Net Debt Bonds	16,665	17,365	18,310	18,675	19,050	<b>90,065</b>
Other Local Governments	150	1,681	17,980	2,380	22,400	<b>44,591</b>
Other Miscellaneous Revenues	0	3,345	981	0	0	<b>4,326</b>
Park Capital Levy	1,500	1,500	1,500	1,500	1,500	<b>7,500</b>
Reimbursements	4,100	4,100	4,100	4,100	4,100	<b>20,500</b>
Special Assessments	7,545	9,215	8,707	8,687	6,975	<b>41,129</b>
State Government Grants	230	6,820	1,170	533	0	<b>8,753</b>
Transfer from General Fund	5,000	0	0	1,365	0	<b>6,365</b>
Transfer from Special Revenue Funds	5,500	7,500	5,500	7,550	0	<b>26,050</b>
<b>Total General Infrastructure Improvements</b>	<b>67,325</b>	<b>72,873</b>	<b>70,736</b>	<b>59,146</b>	<b>55,700</b>	<b>325,780</b>

Enterprise Fund Capital Funding Summary by Year	2010	2011	2012	2013	2014	Total
Other Local Governments	3,500	2,735	4,395	2,708	5,525	<b>18,863</b>
Parking Bonds	1,700	1,700	1,700	0	0	<b>5,100</b>
Reimbursements	5,000	5,000	5,000	5,000	5,000	<b>25,000</b>
Sanitary Bonds	5,925	4,500	6,000	6,750	7,000	<b>30,175</b>
Stormwater Bonds	5,000	5,000	5,500	8,080	12,505	<b>36,085</b>
Stormwater Revenue	2,820	2,640	3,670	3,765	2,470	<b>15,365</b>
Water Bonds	1,500	3,000	4,500	4,500	8,000	<b>21,500</b>
Water Revenue	0	0	145	110	0	<b>255</b>
<b>Total Enterprise Fund Capital</b>	<b>25,445</b>	<b>24,575</b>	<b>30,910</b>	<b>30,913</b>	<b>40,500</b>	<b>152,343</b>

Consolidated City-Wide Capital Funding Summary by Year	2010	2011	2012	2013	2014	Total	Overall Funding Breakdown
Enterprise Bonds	14,125	14,200	17,700	19,330	27,505	<b>92,860</b>	<b>19.42%</b>
Enterprise Revenue	2,820	2,640	3,815	3,875	2,470	<b>15,620</b>	<b>3.27%</b>
Municipal State Aid	7,325	7,237	7,358	8,254	950	<b>31,124</b>	<b>6.51%</b>
Net Debt Bonds	16,665	17,365	18,310	18,675	19,050	<b>90,065</b>	<b>18.84%</b>
Other	44,290	46,791	45,756	31,238	39,250	<b>207,325</b>	<b>43.36%</b>
Special Assessments	7,545	9,215	8,707	8,687	6,975	<b>41,129</b>	<b>8.60%</b>
<b>Total City-Wide Capital Program</b>	<b>92,770</b>	<b>97,448</b>	<b>101,646</b>	<b>90,059</b>	<b>96,200</b>	<b>478,123</b>	<b>100.00%</b>

Represents the total Five-Year Council Adopted Budget from all City funding sources for projects where the City is the lead agency.





## Five-Year Capital Funding Summary (Public Works) Revised Budget

General Infrastructure Improvements Funding Summary by Year	2010	2011	2012	2013	2014	Total
Federal Government Grants	14,930	13,525	4,124	6,102	0	<b>38,681</b>
Hennepin County Grants	470	585	1,006	0	725	<b>2,786</b>
Municipal State Aid	7,325	7,237	7,358	8,254	950	<b>31,124</b>
Net Debt Bonds	8,982	10,555	13,668	11,307	12,785	<b>57,297</b>
Other Local Governments	150	1,681	17,980	2,380	22,400	<b>44,591</b>
Other Miscellaneous Revenues	0	3,200	981	0	0	<b>4,181</b>
Reimbursements	4,100	4,100	4,100	4,100	4,100	<b>20,500</b>
Special Assessments	7,045	7,715	8,207	8,187	6,475	<b>37,629</b>
State Government Grants	230	6,820	1,170	533	0	<b>8,753</b>
Transfer from General Fund	5,000	0	0	0	0	<b>5,000</b>
Transfer from Special Revenue Funds	5,000	5,000	5,000	7,050	0	<b>22,050</b>
<b>Total General Infrastructure Improvements</b>	<b>53,232</b>	<b>60,418</b>	<b>63,594</b>	<b>47,913</b>	<b>47,435</b>	<b>272,592</b>

Enterprise Fund Capital Funding Improvements by Year	2010	2011	2012	2013	2014	Total
Other Local Governments	3,500	2,735	4,395	2,708	5,525	<b>18,863</b>
Parking Bonds	1,700	1,700	1,700	0	0	<b>5,100</b>
Reimbursements	5,000	5,000	5,000	5,000	5,000	<b>25,000</b>
Sanitary Bonds	5,925	4,500	6,000	6,750	7,000	<b>30,175</b>
Stormwater Bonds	5,000	5,000	5,500	8,080	12,505	<b>36,085</b>
Stormwater Revenue	2,570	2,390	3,670	3,765	2,470	<b>14,865</b>
Water Bonds	1,500	3,000	4,500	4,500	8,000	<b>21,500</b>
Water Revenue	0	0	145	110	0	<b>255</b>
<b>Total Enterprise Fund Capital</b>	<b>25,195</b>	<b>24,325</b>	<b>30,910</b>	<b>30,913</b>	<b>40,500</b>	<b>151,843</b>

Consolidated Public Works Capital Summary by Year	2010	2011	2012	2013	2014	Total Budget	Overall Funding Breakdown
Enterprise Bonds	14,125	14,200	17,700	19,330	27,505	<b>92,860</b>	<b>21.88%</b>
Enterprise Revenue	2,570	2,390	3,815	3,875	2,470	<b>15,120</b>	<b>3.56%</b>
Municipal State Aid	7,325	7,237	7,358	8,254	950	<b>31,124</b>	<b>7.33%</b>
Net Debt Bonds	8,982	10,555	13,668	11,307	12,785	<b>57,297</b>	<b>13.50%</b>
Other	38,380	42,646	43,756	27,873	37,750	<b>190,405</b>	<b>44.86%</b>
Special Assessments	7,045	7,715	8,207	8,187	6,475	<b>37,629</b>	<b>8.87%</b>
<b>Total Public Works Department</b>	<b>78,427</b>	<b>84,743</b>	<b>94,504</b>	<b>78,826</b>	<b>87,935</b>	<b>424,435</b>	<b>100.00%</b>

Represents the total Five-Year Council Adopted Budget from all City funding sources for projects where the City is the lead agency.

## 2010 - 2014 Council Revised Capital Resources For Net Debt Bond & Accelerated Capital Infrastructure Improvements

Recommended Resources by Category	2010	2011	2012	2013	2014	Totals (000's)
<b>Available Resources:</b>						
Net Debt Bond (NDB) Authorizations	17,600	17,950	18,310	18,675	19,050	91,585
Prior Year Adjustments made by Mayor and Council*	-935	-585	0	0	0	-1,520
<b>2010 - 2014 Council Revised NDB Resources</b>	<b>16,665</b>	<b>17,365</b>	<b>18,310</b>	<b>18,675</b>	<b>19,050</b>	<b>90,065</b>
<b>Accelerated Infrastructure Program:</b> (Hilton Trust Funds)	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>4,800</b>	<b>0</b>	<b>21,300</b>
<b>Council's 2010 One-time Capital Allocations :</b>						
BR109 Camden Bridge Rehabilitation	4,000					4,000
PV052 Marquette Ave Double Width Transit Lanes	500					500
PV053 2nd Ave Double Width Transit Lanes	500					500
<b>One-time General Fund Transfers</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>
<b>Total Net Debt Bond &amp; Accelerated Capital Allocations</b>	<b>27,165</b>	<b>22,865</b>	<b>23,810</b>	<b>23,475</b>	<b>19,050</b>	<b>116,365</b>

### Notes:

\* - Adjustments represent dollars advanced to or from capital projects in prior years.

This resource summary represents the City's commitment for General Infrastructure assets which includes parks, public buildings, streets, bridges, bike trails, traffic signals and any other capital assets used for providing basic city services.

## 2010 Bond Redemption Levy for Capital Program

	Amount (000's)	Notes
Tax Levy Certified for Bond Redemption in 2009	22,244	For supporting Capital Program only
2009 Bond Maturity Adjustment	-4,945	Bond Premium received on 2009 sale
2010 Levy Adjustment	-1,158	Levy capacity shift to non-capital items
<b>Tax Levy Certified for Bond Redemption in 2010</b>	<b>16,141</b>	For supporting New Capital Programs



## Net Debt Bond Allocation

### Revised Budget

Summarized by Major Type of Infrastructure

Description of Category		2010	2011	2012	2013	2014	Total
Municipal Building Commission		996	1,115	876	2,844	1,825	<b>7,656</b>
<i>Percentage Allocated to MBC</i>		<i>6.0%</i>	<i>6.4%</i>	<i>4.8%</i>	<i>15.2%</i>	<i>9.6%</i>	<b>8.5%</b>
Library Funding - Hennepin County System		1,900	1,040				<b>2,940</b>
<i>Percentage allocated to Libraries*</i>		<i>11.4%</i>	<i>6.0%</i>				<b>3.3%</b>
Park Board Capital Program**		1,000	2,000	2,000	2,000	2,000	<b>9,000</b>
<i>Percentage allocated to Park Board</i>		<i>6.0%</i>	<i>11.5%</i>	<i>10.9%</i>	<i>10.7%</i>	<i>10.5%</i>	<b>10.0%</b>
Public Works Department	Facility Improvements	950	1,500	1,660	1,400	1,700	<b>7,210</b>
	Street Paving	3,985	4,595	5,678	6,877	8,925	<b>30,060</b>
	Sidewalks	205	215	225	235	245	<b>1,125</b>
	Bridges	300	2,835	4,830	1,600	400	<b>9,965</b>
	Traffic Control & Street Lighting	1,170	1,410	1,275	820	1,515	<b>6,190</b>
	Bike Trails	2,372			375		<b>2,747</b>
Public Works Sub-Total		<b>8,982</b>	<b>10,555</b>	<b>13,668</b>	<b>11,307</b>	<b>12,785</b>	<b>57,297</b>
<i>Percentage allocated to Public Works</i>		<i>53.9%</i>	<i>60.8%</i>	<i>74.6%</i>	<i>60.5%</i>	<i>67.1%</i>	<b>63.6%</b>
Business Information Services		1,507	1,158	750	1,350	1,250	<b>6,015</b>
<i>Percentage allocated to BIS</i>		<i>9.0%</i>	<i>6.7%</i>	<i>4.1%</i>	<i>7.2%</i>	<i>6.6%</i>	<b>6.7%</b>
Miscellaneous Projects		2,280	1,497	1,016	1,174	1,190	<b>7,157</b>
<i>Percentage allocated to Misc. Projects</i>		<i>13.7%</i>	<i>8.6%</i>	<i>5.5%</i>	<i>6.3%</i>	<i>6.2%</i>	<b>7.9%</b>
<i>Percentage Allocated to City Departments</i>		<b>76.6%</b>	<b>76.1%</b>	<b>84.3%</b>	<b>74.1%</b>	<b>79.9%</b>	<b>78.2%</b>
Total Net Debt Bond Allocation (in thousands)		<b>16,665</b>	<b>17,365</b>	<b>18,310</b>	<b>18,675</b>	<b>19,050</b>	<b>90,065</b>

\* These amounts will be transferred to Hennepin County for capital needs for libraries located in the City of Minneapolis.

\*\* This amount is only the net debt bond portion of Park Board Capital funding. They also have a Capital Levy and a share of the expanded capital funding.



**Minneapolis** Capital Budget Summary  
City of Lakes Revised Budget

		Budget in Thousands					2010	2011	2012	2013	2014	Total
<b>Municipal Building Commission</b>	<b>MBC01 Life Safety Improvements</b>	0	200	340	300	200	<b>1,040</b>					
	<b>MBC02 Mechanical Systems Upgrade</b>	700	785	500	500	645	<b>3,130</b>					
	<b>MBC04 MBC Elevators</b>	230	0	0	0	0	<b>230</b>					
	<b>MBC06 Clock Tower Upgrade</b>	0	275	36	564	0	<b>875</b>					
	<b>MBC09 Critical Power Capital Project</b>	66	0	0	980	980	<b>2,026</b>					
	<b>CTY01 Restoration of Historic Reception Room</b>	0	0	0	500	0	<b>500</b>					
	<b>Total</b>	<b>996</b>	<b>1,260</b>	<b>876</b>	<b>2,844</b>	<b>1,825</b>	<b>7,801</b>					
<b>Library Funding - Hennepin County System</b>	<b>LIB01 Library Merger Funding Commitments</b>	5,810	1,040	0	0	0	<b>6,850</b>					
	<b>Total</b>	<b>5,810</b>	<b>1,040</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,850</b>					
<b>Park Board</b>	<b>PRK22 Parking Lot Reconstruction</b>	0	0	0	0	0	<b>0</b>					
	<b>PRK23 Northeast Park Recreation Center</b>	0	0	0	0	0	<b>0</b>					
	<b>PRK24 Phillips Community Center Stabilization</b>	0	0	0	0	0	<b>0</b>					
	<b>PRK25 Webber Park Picnic Area Development</b>	0	0	0	0	0	<b>0</b>					
	<b>PRKND Parks - Capital Net Debt Allocation</b>	1,000	2,000	2,000	2,000	2,000	<b>9,000</b>					
	<b>PRKCP Parks Capital Infrastructure</b>	2,000	2,000	2,000	2,000	1,500	<b>9,500</b>					
	<b>PRKDT Diseased Tree Removal</b>	500	500	500	500	500	<b>2,500</b>					
<b>Total</b>	<b>3,500</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>	<b>4,000</b>	<b>21,000</b>						
<b>Public Works Department</b>	<b>Facility Improvements</b>	<b>PSD01 Facilities - Repair and Improvements</b>	400	1,200	1,160	900	1,200	<b>4,860</b>				
		<b>PSD06 Pioneer &amp; Soldiers Memorial Cemetary Fencing Rehab</b>	350	0	0	0	0	<b>350</b>				
		<b>PSD11 Energy Conservation and Emission</b>	300	300	500	500	500	<b>2,100</b>				
		<b>Total for Facility Improvements</b>	<b>1,050</b>	<b>1,500</b>	<b>1,660</b>	<b>1,400</b>	<b>1,700</b>	<b>7,310</b>				
	<b>Street Paving</b>	<b>PV001 Parkway Paving Program</b>	150	150	700	700	750	<b>2,450</b>				
		<b>PV003 Street Renovation Program</b>	2,980	0	0	0	0	<b>2,980</b>				
		<b>PV004 CSAH Paving Program</b>	1,070	1,525	1,750	1,750	2,600	<b>8,695</b>				
		<b>PV005 Snelling Ave Extension</b>	0	0	0	0	200	<b>200</b>				
		<b>PV006 Alley Renovation Program</b>	435	550	267	267	0	<b>1,519</b>				
		<b>PV007 University Research Park/Central Corridor</b>	0	0	18,815	7,415	22,400	<b>48,630</b>				
		<b>PV019 6th Ave N (5th St N to Dead End N of Wash Ave)</b>	0	0	0	0	0	<b>0</b>				
		<b>PV021 33rd Ave SE and Talmage Ave</b>	0	1,562	2,723	0	0	<b>4,285</b>				
		<b>PV028 Franklin/Cedar/Minnehaha Improvement Project</b>	0	6,651	0	0	0	<b>6,651</b>				
		<b>PV029 Chicago Ave (8th St to 28th St E)</b>	8,365	0	0	0	0	<b>8,365</b>				
		<b>PV035 TH121/Lyndale Ave S</b>	0	0	0	0	0	<b>0</b>				
		<b>PV038 Winter St NE Residential/Commercial</b>	0	0	0	3,560	2,150	<b>5,710</b>				
		<b>PV047 3rd Ave N Reconstruction</b>	790	0	0	0	0	<b>790</b>				
		<b>PV052 Marquette Ave Double Width Transit Lanes</b>	500	0	0	0	0	<b>500</b>				
		<b>PV053 2nd Ave Double Width Transit Lanes</b>	500	0	0	0	0	<b>500</b>				
		<b>PV056 Asphalt Pavement Resurfacing Program</b>	4,400	4,400	4,400	4,400	4,400	<b>22,000</b>				
		<b>PV057 Nicollet Ave (31st St E to 40th St E)</b>	0	0	5,759	7,841	0	<b>13,600</b>				
		<b>PV059 Major Pavement Maintenance</b>	1,000	1,000	1,000	800	0	<b>3,800</b>				
		<b>PV061 High Volume Corridor Reconditioning Program</b>	0	1,465	1,360	750	2,730	<b>6,305</b>				
		<b>PV062 Riverside Ave (Cedar Ave to Franklin Ave E)</b>	0	5,395	4,000	0	0	<b>9,395</b>				
	<b>PV063 Dirt Alley Construction</b>	0	0	0	0	0	<b>0</b>					
	<b>PV064 Garfield Ave (31st to 32nd St W)</b>	0	300	0	0	0	<b>300</b>					
	<b>PV99R Reimbursable Paving Projects</b>	3,500	3,500	3,500	3,500	3,500	<b>17,500</b>					
<b>Total for Street Paving</b>	<b>23,690</b>	<b>26,498</b>	<b>44,274</b>	<b>30,983</b>	<b>38,730</b>	<b>164,175</b>						
<b>Sidewalks</b>	<b>SWK01 Defective Hazardous Sidewalks</b>	2,735	2,880	3,020	3,160	3,315	<b>15,110</b>					
	<b>Total for Sidewalks</b>	<b>2,735</b>	<b>2,880</b>	<b>3,020</b>	<b>3,160</b>	<b>3,315</b>	<b>15,110</b>					
<b>Bridges</b>	<b>BR101 Major Bridge Repair and Rehabilitation</b>	300	300	300	400	400	<b>1,700</b>					



**Minneapolis Capital Budget Summary**  
City of Lakes Revised Budget

		Budget in Thousands	2010	2011	2012	2013	2014	Total	
<b>Public Works Department</b>	<b>Bridges</b>	<b>BR105 Fremont Ave S Bridge</b>	0	0	2,530	0	0	<b>2,530</b>	
		<b>BR109 Camden Bridge Rehabilitation</b>	14,000	1,000	0	0	0	<b>15,000</b>	
		<b>BR110 St. Anthony Bridge over BNSF</b>	0	20,960	2,240	0	0	<b>23,200</b>	
		<b>BR111 10th Ave SE Bridge Arch Rehabilitation</b>	0	0	0	7,500	0	<b>7,500</b>	
		<b>BR112 Nicollet Ave Reopening</b>	0	0	0	700	0	<b>700</b>	
		<b>BR114 Midtown Corridor Bridge Preservation Program</b>	0	0	1,630	0	0	<b>1,630</b>	
		<b>Total for Bridges</b>	<b>14,300</b>	<b>22,260</b>	<b>6,700</b>	<b>8,600</b>	<b>400</b>	<b>52,260</b>	
		<b>Traffic Control &amp; Street Lighting</b>	<b>TR003 LED Replacement Program</b>	50	0	200	200	200	<b>650</b>
			<b>TR005 Controller Conversion</b>	0	3,830	3,830	0	0	<b>7,660</b>
			<b>TR006 Priority Vehicle Control System</b>	0	0	0	0	0	<b>0</b>
			<b>TR007 Traffic &amp; Pedestrian Safety Improvements</b>	430	460	850	920	1,335	<b>3,995</b>
			<b>TR008 Parkway Street Light Replacement</b>	300	300	300	300	350	<b>1,550</b>
			<b>TR010 Traffic Management Systems</b>	3,900	525	525	0	0	<b>4,950</b>
			<b>TR011 City Street Light Renovation</b>	1,000	1,000	1,000	1,000	350	<b>4,350</b>
			<b>TR013 Railroad Crossing Safety Improvements</b>	450	555	1,385	495	30	<b>2,915</b>
			<b>TR015 Safe Routes to School</b>	50	50	50	50	50	<b>250</b>
			<b>TR017 Pedestrian Signals with Count-down Timers</b>	0	0	0	0	0	<b>0</b>
			<b>TR020 Replace Traffic Signal Systems</b>	0	0	0	0	375	<b>375</b>
			<b>TR99R Reimbursable Transportation Projects</b>	600	600	600	600	600	<b>3,000</b>
			<b>Total for Traffic Control &amp; Street Lighting</b>	<b>6,780</b>	<b>7,320</b>	<b>8,740</b>	<b>3,565</b>	<b>3,290</b>	<b>29,695</b>
		<b>Bike Trails</b>	<b>BIK04 18th Ave NE Bikeway</b>	2,625	0	0	0	0	<b>2,625</b>
			<b>BIK08 Hiawatha Trail Connections</b>	267	0	0	0	0	<b>267</b>
			<b>BIK13 RiverLake Greenway (East of I-35W)</b>	2,285	0	0	0	0	<b>2,285</b>
			<b>BIK20 Hiawatha LRT Trail Lighting/Trail Extension</b>	0	0	0	1,510	0	<b>1,510</b>
			<b>BIK24 Major Bike Maintenance Program</b>	100	100	100	100	0	<b>400</b>
			<b>Total for Bike Trails</b>	<b>5,277</b>	<b>100</b>	<b>100</b>	<b>1,610</b>	<b>0</b>	<b>7,087</b>
		<b>Sanitary Sewers</b>	<b>SA001 Sanitary Tunnel &amp; Sewer Rehabilitation Program</b>	500	500	500	750	1,000	<b>3,250</b>
			<b>SA036 Infiltration &amp; Inflow Removal Program</b>	4,000	4,000	5,500	6,000	6,000	<b>25,500</b>
		<b>SA037 Irving Sewer Rehabilitation</b>	4,925	0	0	0	0	<b>4,925</b>	
		<b>Total for Sanitary Sewers</b>	<b>9,425</b>	<b>4,500</b>	<b>6,000</b>	<b>6,750</b>	<b>7,000</b>	<b>33,675</b>	
	<b>Storm Sewers</b>	<b>SW002 Miscellaneous Storm Drains</b>	220	220	220	220	220	<b>1,100</b>	
		<b>SW004 Implementation of US EPA Storm Water Regulations</b>	250	250	250	250	250	<b>1,250</b>	
		<b>SW005 Combined Sewer Overflow Improvements</b>	2,500	2,500	1,500	1,500	1,500	<b>9,500</b>	
		<b>SW011 Storm Drains and Tunnels Rehabilitation Program</b>	3,000	3,000	5,000	5,000	5,000	<b>21,000</b>	
		<b>SW018 Flood Area 29 &amp; 30 - Fulton Neighborhood</b>	0	0	0	3,288	6,580	<b>9,868</b>	
		<b>SW030 Alternative Stormwater Management Strategies</b>	1,000	1,000	1,000	1,000	1,000	<b>5,000</b>	
		<b>SW032 I-35W Storm Tunnel Reconstruction</b>	0	0	0	0	1,000	<b>1,000</b>	
		<b>SW033 Flood Area 22 - Sibley Field</b>	0	3,015	0	0	0	<b>3,015</b>	
		<b>SW034 Flood Area 21 - Bloomington Pond</b>	0	0	4,840	0	0	<b>4,840</b>	
		<b>SW038 Flood Area 5 - North Minneapolis Neighborhoods</b>	0	0	0	2,000	4,950	<b>6,950</b>	
		<b>SW99R Reimbursable Sewer &amp; Storm Drain Projects</b>	3,000	3,000	3,000	3,000	3,000	<b>15,000</b>	
		<b>Total for Storm Sewers</b>	<b>9,970</b>	<b>12,985</b>	<b>15,810</b>	<b>16,258</b>	<b>23,500</b>	<b>78,523</b>	
	<b>Water Infrastructure</b>	<b>WTR12 Water Distribution Improvements</b>	500	1,000	1,500	1,500	2,000	<b>6,500</b>	
		<b>WTR14 The MWW Facilities Security Improvment</b>	0	0	0	0	0	<b>0</b>	
		<b>WTR18 Hiawatha Water Maintenance Facility</b>	0	0	0	0	3,000	<b>3,000</b>	
		<b>WTR22 New Filter Presses</b>	0	0	0	0	0	<b>0</b>	
		<b>WTR23 Treatment Infrastructure Improvements</b>	1,000	2,000	3,000	3,000	3,000	<b>12,000</b>	
		<b>WTR9R Reimbursable Watermain Projects</b>	2,000	2,000	2,000	2,000	2,000	<b>10,000</b>	
		<b>Total for Water Infrastructure</b>	<b>3,500</b>	<b>5,000</b>	<b>6,500</b>	<b>6,500</b>	<b>10,000</b>	<b>31,500</b>	
	<b>Parking Ramps</b>	<b>RMP01 Parking Facilities - Repair and Improvements</b>	1,700	1,700	1,700	0	0	<b>5,100</b>	
		<b>Total for Parking Ramps</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	
	<b>Total Public Works</b>		<b>78,427</b>	<b>84,743</b>	<b>94,504</b>	<b>78,826</b>	<b>87,935</b>	<b>424,435</b>	



**Minneapolis** **Capital Budget Summary**  
City of Lakes **Revised Budget**

Budget in Thousands 2010 2011 2012 2013 2014 Total

		2010	2011	2012	2013	2014	Total
<b>Business Information Services</b>	<b>BIS02 Central Traffic Signal Computer Replacement</b>	150	50	50	50	50	<b>350</b>
	<b>BIS03 Enterprise Document Management</b>	100	100	50	100	50	<b>400</b>
	<b>BIS04 Enterprise Infrastructure Capacity Upgrade</b>	500	500	500	500	500	<b>2,500</b>
	<b>BIS05 Enterprise Reporting</b>	0	0	0	0	0	<b>0</b>
	<b>BIS06 GIS Application Infrastructure Upgrade</b>	200	50	50	50	50	<b>400</b>
	<b>BIS10 Finance System Consolidation/Upgrade</b>	0	0	50	1,365	0	<b>1,415</b>
	<b>BIS12 Mobile Assessor</b>	150	150	0	0	0	<b>300</b>
	<b>BIS13 Risk Management &amp; Claims Application System</b>	252	258	0	0	0	<b>510</b>
	<b>BIS15 Master Data Management</b>	155	50	50	0	0	<b>255</b>
	<b>BIS16 HRIS Upgrade</b>	0	0	0	650	600	<b>1,250</b>
	<b>BIS17 Direct Connect Purchasing</b>	0	0	0	0	0	<b>0</b>
	<b>BIS18 ABM - Activity Based Management</b>	0	0	0	0	0	<b>0</b>
	<b>BIS19 Scorecarding Financial Information</b>	0	0	0	0	0	<b>0</b>
	<b>BIS20 Compass Grants Module</b>	0	0	0	0	0	<b>0</b>
	<b>BIS22 Human Resources Data Warehouse</b>	0	0	0	0	0	<b>0</b>
	<b>BIS23 Cognos Budget Module Enhancements</b>	0	0	0	0	0	<b>0</b>
	<b>BIS24 Move to New Cash Management Bank</b>	0	0	0	0	0	<b>0</b>
	<b>BIS25 Implement Compass eBill Payment Module</b>	0	0	0	0	0	<b>0</b>
	<b>BIS26 Utility Billing IVR Upgrade</b>	0	0	0	0	0	<b>0</b>
	<b>BIS27 Utility Billing Software Upgrade</b>	0	0	0	0	0	<b>0</b>
<b>BIS28 ERP Application Support</b>	0	0	0	0	0	<b>0</b>	
<b>Total</b>		<b>1,507</b>	<b>1,158</b>	<b>750</b>	<b>2,715</b>	<b>1,250</b>	<b>7,380</b>
<b>Miscellaneous Projects</b>	<b>ART01 Art in Public Places</b>	203	347	366	374	381	<b>1,671</b>
	<b>CDA01 Heritage Park Redevelopment/Central Corridor</b>	450	3,750	0	0	0	<b>4,200</b>
	<b>CTY02 City Property Reforestation</b>	150	150	150	150	150	<b>750</b>
	<b>MPD01 MPD Forensic Laboratory</b>	0	0	0	150	0	<b>150</b>
	<b>MPD02 MPD Property &amp; Evidence Warehouse</b>	0	0	0	0	159	<b>159</b>
	<b>MPD05 Strategic Information Center</b>	1,227	0	0	0	0	<b>1,227</b>
	<b>PSD03 Facilities - Space Improvements</b>	500	500	500	500	500	<b>2,500</b>
	<b>Total</b>	<b>2,530</b>	<b>4,747</b>	<b>1,016</b>	<b>1,174</b>	<b>1,190</b>	<b>10,657</b>
<b>Grand Total</b>		<b>92,770</b>	<b>97,448</b>	<b>101,646</b>	<b>90,059</b>	<b>96,200</b>	<b>478,123</b>



### MUNICIPAL BUILDING COMMISSION

#### **MBC01 Life Safety Improvements**

The MBC life safety program includes installation of building sprinkler, fire alarm, smoke detection, and public address systems.

#### **MBC02 Mechanical Systems Upgrade**

The MBC Mechanical Systems Upgrade includes renovation and upgrade of the heating, ventilating and air conditioning (HVAC) systems in City Hall.

#### **MBC04 MBC Elevators**

Upgrade of 5 Elevators in City Hall.

#### **MBC06 Clock Tower Upgrade**

This project will repair the four clock faces and structural elements of the large clock in the tower at City Hall.

#### **MBC09 Critical Power Capital Project**

The project will upgrade emergency power systems in the City Hall.

#### **CTY01 Restoration of Historic Reception Room**

Historic restoration of a reception hall for public meetings and ceremonies.

### LIBRARY FUNDING - HENNEPIN COUNTY SYSTEM

#### **LIB01 Library Merger Funding Commitments**

This project is in the capital process to honor an agreement to provide capital funds to improve City libraries taken over by the merger with the Hennepin County Library System.

### PARK BOARD

#### **PRK22 Parking Lot Reconstruction**

Badly deteriorated parking lots at Folwell and Columbia parks will be renovated.

#### **PRK23 Northeast Park Recreation Center**

Add recreation center to existing water park building that will include a gym, meeting rooms, storage, offices.

#### **PRK24 Phillips Community Center Stabilization**

This project will make needed repairs and replacements to stabilize the structure, including roofing, window walls, interiors, mechanical systems and related items.

#### **PRK25 Webber Park Picnic and Water Recreation Area**

Renovation of picnic area and construction of new water recreation feature, which may include restrooms and picnic shelters.

#### **PRKND Parks - Capital Net Debt Allocation**

This project is a reserve of net debt resources for the Park Board to be appropriated into specific projects after more public input is received to ensure resident priorities are being met for improvements to the Parks system.

#### **PRKCP Parks Capital Infrastructure**

Replacement of infrastructure such as roofs, sidewalks, HVAC, gym floors, etc.



### **PRKDT Diseased Tree Removal**

Removing diseased trees from private property.

## **PUBLIC WORKS DEPARTMENT**

### **PSD01 Facilities - Repair and Improvements**

This is an on-going Capital Maintenance Program intended for repairs and improvements to City owned and operated Facilities.

### **PSD06 Pioneer & Soldiers Memorial Cemetery Fencing Rehab**

Historic Restoration/Replacement of the ornamental steel fence surrounding the Pioneer & Soldiers Memorial Cemetery.

### **PSD11 Energy Conservation and Emission Reduction**

This Project is an ongoing Capital Program that provides funding for investment in energy conservation and emission reduction strategies for the City's Municipal Operations.

### **PV001 Parkway Paving Program**

The objective is to re-evaluate the pavement condition and annual maintenance expenditures of all parkway paving areas that were constructed with a bituminous surface 30 years ago. The program would renovate instead of totally reconstructing the roadways.

### **PV003 Street Renovation Program**

Renovation includes mill and overlay of the top 2-3 inches of asphalt pavement and replacement of some curb and gutter. Utility improvements are also coordinated with the renovation.

### **PV004 CSAH Paving Program**

This project provides funding for Hennepin County Cooperative Roadway Projects.

### **PV005 Snelling Ave Extension**

This project extends Snelling Ave. south of 46th St. E. & Hiawatha Ave.

### **PV006 Alley Renovation Program**

Repair and overlay existing alleys and repair or replace retaining walls that are currently in poor condition.

### **PV007 University Research Park/Central Corridor**

Infrastructure improvements for a large redevelopment area.

### **PV019 6th Ave N (5th St N to Dead End N of Wash Ave)**

This project includes pavement reconstruction on 6th Ave. N.

### **PV021 33rd Ave SE and Talmage Ave**

Paving of a currently unpaved oiled dirt roadway.

### **PV028 Franklin/Cedar/Minnehaha Improvement Project**

This project will improve infrastructure in the area of Franklin Ave and Cedar Ave / Minnehaha Ave. The goal and intent of this project is to improve both pedestrian and vehicular safety in this area with a design that also enhances and encourages multi-modal use.

### **PV029 Chicago Ave (8th St to 28th St E)**

This is the third and last phase of a three year road construction project.





### **PV035 TH121/Lyndale Ave S**

This project will reconstruct trunk highway 121 down from a multi lane divided section to a lower speed urban street from the Crosstown Highway to 56th St. W. and will redevelop the area.

### **PV038 Winter St NE Residential/Commercial**

This project reconstructs various oil dirt streets that were not completed with the 30 year residential paving program.

### **PV047 3rd Ave N Reconstruction**

This project is a complete reconstruction of approximately .23 miles of 3rd Ave N including pavement, curb and gutter and sidewalk.

### **PV052 Marquette Ave Double Width Transit Lanes**

This project will reconstruct Marquette Ave from 1st St N to 12th St S and will create double width lanes for Metro Transit buses and wider sidewalks for pedestrians.

### **PV053 2nd Ave Double Width Transit Lanes**

This project will reconstruct 2nd Ave from 1st St N to 12th St S and will create double width lanes for Metro Transit buses and wider sidewalks for pedestrians.

### **PV056 Asphalt Pavement Resurfacing Program**

The objective of this program is to resurface approximately 15 to 20 miles of streets each year to extend their useful life. Resurfacing will help to slow the deterioration of the city's aging street network and delay the cost of reconstructing the roadway by at least 10 years.

### **PV057 Nicollet Ave (31st St E to 40th St E)**

The proposed roadway will consist of two traffic lanes (one in each direction) and parking on both sides, with new curb and gutter and sidewalks. Public Works is directed to ensure that the design for this roadway allows for the future potential for street cars to use this street.

### **PV059 Major Pavement Maintenance Program**

This is a part of the Mayor's Accelerated Infrastructure Program to upgrade pavement conditions in the City.

### **PV061 High Volume Corridor Reconditioning Program**

This program focuses on the reconditioning of the driving surface of the high volume corridors to extend their expected life span by 10 years.

### **PV062 Riverside Ave (Cedar Ave to Franklin Ave E)**

This Project will reconstruct Riverside Avenue from Cedar Avenue to Franklin Ave.

### **PV063 Unpaved Alley Construction**

This project will begin paving the remaining unpaved alleys in the City of Minneapolis.

### **PV064 Garfield Ave (32nd to 33rd St W)**

This project will reconstruct one block of Garfield Avenue South between 32nd Street West and 33rd Street West.

### **PV99R Reimbursable Paving Projects**

Work to be done for others with 100% recovery from requesting agency.

### **SWK01 Defective Hazardous Sidewalks**

To provide a hazard free pedestrian passage over approximately 2,000 miles of public sidewalk by inspecting and replacing defective public sidewalks and adding ADA compliant curb ramps where needed.



### **BR101 Major Bridge Repair and Rehabilitation**

Major repair and rehabilitation of existing city bridges to extend the operational life.

### **BR105 Fremont Ave S Bridge**

The proposed replacement structure will correct deficiencies in the bridge's superstructure, substructure and geometry.

### **BR109 Camden Bridge Rehabilitation**

The project proposes to rehabilitate the bridge over the Mississippi River and I-94.

### **BR110 St. Anthony Bridge over BNSF**

Replace the existing structurally deficient bridge and approach roadways.

### **BR111 10th Ave SE Bridge Arch Rehabilitation**

The project proposes to protect a large city investment by repairing concrete on the spandrel columns, floor beams and arches.

### **BR112 Nicollet Ave Reopening**

Recreate the city grid system, re-orient the Kmart site and foster development along Nicollet Ave.

### **BR114 Midtown Corridor Bridge Preservation Program**

The purpose of the program will be to maintain and enhance the physical infrastructure, correct current deficiencies, provide for future development and transportation needs.

### **TR003 LED Replacement Program**

This project consists of replacement of 8,000 (+/-) red & green LED illuminated indications.

### **TR005 Controller Conversion**

This project consists of replacement of outdated traffic signal controllers that are used to operate some of the 802 traffic signals within the City.

### **TR006 Priority Vehicle Control System**

This project consists of providing equipment at existing traffic signals which will identify emergency vehicles and provide priority treatment to them.

### **TR007 Traffic & Pedestrian Safety Improvements**

This project consists of six traffic related improvements, 1) Overhead Signal Additions, 2) Operational and Safety Improvements, 3) Signal and Delineation, 4) Mastarm Mounted Street Name Signing, 5) Street & Bridge Navigation Lighting, 6) Pedestrian Safety.

### **TR008 Parkway Street Light Replacement**

Replacement of poles, fixtures, underground wiring and service cabinets for the Minneapolis Parkway lighting system.

### **TR010 Traffic Management Systems**

This project consists of updating the Traffic Management Center and the retiming of all the traffic signal systems within the City. For 2010, the funding for this project was increased by \$200,000 to provide capital resources for the purchase of traffic management cameras or other capital purchases required to improve traffic flow in the Downtown area during major events. This funding complements additions to the operating budget to help improve traffic management in the Downtown area.

### **TR011 City Street Light Renovation**

Replacement of poles, fixtures, and service cabinets for the Minneapolis Street lighting system.



### **TR013 Railroad Crossing Safety Improvements**

This project consists of safety upgrades at railroad crossings and compliance with whistle ban requirements.

### **TR015 Safe Routes to School**

This program is designed to improve the conditions and quality of bicycling and walking to school.

### **TR017 Pedestrian Signals with Count-down Timers**

This project would replace traditional pedestrian signal indications with count-down timer pedestrian signal indications.

### **TR020 Replace Traffic Signal Systems**

This project consists of replacing 30+ year old traffic signal system equipment with new equipment.

### **TR99R Reimbursable Transportation Projects**

Work for others funding to be reimbursed by department, business or individuals requesting the work.

### **BIK04 18th Ave NE Bikeway**

The 18th Ave. NE bike trail is proposed as a series of off/on street east/west pathways through NE Minneapolis.

### **BIK08 Hiawatha Trail Connections**

This project would create bike trail extensions from the Hiawatha LRT Trail from 11th Ave S to Chicago Ave S around the Metrodome and would also create a link down 3rd Street S between Chicago Ave to Hennepin Ave.

### **BIK13 RiverLake Greenway (East of I-35W)**

Bicycle and pedestrian improvements along 40th St E and 42nd St E.

### **BIK20 Hiawatha LRT Trail Lighting/Trail Extension**

This project will provide lighting along the LRT trail from 11th Ave. S. to 28th St. E.

### **BIK24 Major Bike Maintenance Program**

Funds for major bicycle maintenance improvements.

### **SA001 Sanitary Tunnel & Sewer Rehabilitation Program**

The Rehab and Repair of Sanitary Sewer pipes, Lift Stations & Tunnels.

### **SA036 Infiltration & Inflow Removal Program**

The focus of this project is to remove Inflow and Infiltration from the sanitary sewer system and redirect this clear water to the storm sewer system and/or other best management practices.

### **SA037 Irving Sewer Rehabilitation**

This project adds to funding approved for 2009 for the City share of the cost of additional capacity required for the flow in the Irving sanitary sewer.

### **SW002 Miscellaneous Storm Drains**

To provide for construction/modification of storm drains that can solve small drainage problems or flooding issues.

### **SW004 Implementation of US EPA Storm Water Regulations**



This project provides solutions for Stormwater pollution mitigation measures.

### **SW005 Combined Sewer Overflow Improvements**

Construction of stormwater systems so that catch basins and drains in public ROW can be disconnected from the sanitary sewer and reconnected to a storm sewer.

### **SW011 Storm Drains and Tunnels Rehabilitation Program**

The rehab and repair of storm pipes, pump stations and tunnels throughout the City.

### **SW018 Flood Area 29 & 30 - Fulton Neighborhood**

The goal of this project is to protect Fulton neighborhood homes and businesses from flooding by using runoff volume and runoff rate control.

### **SW030 Alternative Stormwater Management Strategies**

Green Infrastructure Projects for Localized Flooding, Drainage Problems and Water Quality Improvement.

### **SW032 I-35W Storm Tunnel Reconstruction**

Construction of 19 new relief tunnels along the existing St. Mary's Tunnel.

### **SW033 Flood Area 22 - Sibley Field**

Use storm water volume reduction to protect homes near Sibley Pond from flooding as a result of the increased runoff.

### **SW034 Flood Area 21 - Bloomington Pond**

Project will increase runoff by disconnecting CSO areas from the sanitary sewer and then use storm water volume reduction to protect homes near Bloomington Pond from flooding as a result of the increased runoff.

### **SW038 Flood Area 5 - North Minneapolis Neighborhoods**

Green Infrastructure project to address street flooding and improve water quality.

### **SW99R Reimbursable Sewer & Storm Drain Projects**

Work to be done for others with 100% recovery from requesting agency.

### **WTR12 Water Distribution Improvements**

Maintain and sustain existing water distribution system across city.

### **WTR14 The MWW Facilities Security Improvement**

Improve the security and protection of the water works facilities.

### **WTR18 Hiawatha Water Maintenance Facility**

Replace very old Water East Yard with new facilities at a new location.

### **WTR22 New Filter Presses**

Replace 35-year old dewatering equipment for water treatment plant residuals.

### **WTR23 Treatment Infrastructure Improvements**

Maintain viability of existing water infrastructure through regular upgrades.



### **WTR9R Reimbursable Watermain Projects**

Working capital for watermain projects

### **RMP01 Parking Facilities - Repair and Improvements**

This Project continues a dedicated ongoing capital improvement program for the City's existing Off-Street parking program that consists of 15 City owned and operated parking facilities and 8 surface lots.

## **BUSINESS INFORMATION SERVICES**

### **BIS02 Central Traffic Signal Computer Replacement**

Implement a replacement of the central computer system used to control 750 of the City 800+ signalized intersections, some of which are Hennepin County (CSAH) and Mn/Dot trunk highway intersections within the City of Minneapolis. This project would include upgrades to hardware, software, and communication systems at the traffic signal monitoring site (Traffic Control Center), to assist the system operator in monitoring the signals across the City of Minneapolis. This project will be implemented in conjunction with a Public Works project (TR010 in 2009/2010).

### **BIS03 Enterprise Document Management**

This project will consolidate multiple document management systems into a single Enterprise Content Management (ECMS) standard.

### **BIS04 Enterprise Infrastructure Capacity Upgrade**

This project will build capacity for the City/Es Information Technology Infrastructure including; voice and data networks, application servers and storage, disaster recovery capabilities, and enterprise-wide support tools through the upgrade and/or addition of hardware, software, and communication pathways. This enhanced infrastructure will support both fixed and mobile connectivity between all City facilities and to all mobile-equipped City personnel and vehicles, both emergency and non-emergency.

### **BIS05 Enterprise Reporting**

This project builds upon the enterprise reporting solution implemented in the City by building a data environment that supports business intelligence reporting.

### **BIS06 GIS Application Infrastructure Upgrade**

This project upgrades the enterprise Geographic Information System (GIS), development and sharing of GIS Services supporting City business systems, and provides the platform to develop applications that improve the City's ability to provide quality public services.

### **BIS10 Finance System Consolidation/Upgrade**

Upgrade of COMPASS Financials to the latest release.

### **BIS12 Mobile Assessor**

This project will purchase and implement hand held mobile data collection tools to assist in managing information observed while assessing property values and will improve accuracy and efficiency of this important process.

### **BIS13 Risk Management & Claims Application System**

The City/Es Risk Management and Claims system "PC Comp" will be replaced to ensure continuity of business operations and develop business process improvements through system integration. This project will implement a new application for performing risk management and claims processing as well as develop interfaces for several functions that currently reside outside of the PC Comp system.

### **BIS15 Enterprise Address System**

This project will deliver the functionality needed to create and maintain an official enterprise source of City of Minneapolis addresses and spatial locations.

### **BIS16 HRIS Upgrade**



Upgrade of PeopleSoft/Oracle 8.9 HCM, integrated with COMPASS Finance 9.0 to retain vendor support and to comply with any and all compliance requirements for an automated Recruiting, HR, Benefit, Payroll and Enterprise Learning Management system.

### **BIS17 Direct Connect Purchasing**

Implement PeopleSoft Direct Connect functionality with the financial system.

### **BIS18 ABM - Activity Based Management**

ABM would be used to create pricing structures and rate models for Enterprise Funds, Internal Service Funds and various permit and license fees.

### **BIS19 Scorecarding Financial Information**

Implement the Scorecarding functionality within the COMPASS financial system.

### **BIS20 Compass Grants Module**

Implementation of the Grants module within COMPASS will enable the City to more efficiently apply for Grants, track expenditures, reimbursements, develop overhead rates and produce management reports.

### **BIS22 Human Resources Data Warehouse**

Set up connection between HRIS and the EPM Warehouse, to be able to use the City's official Report Writer, COGNOS. Since the warehouse is not real time production, users would be able to access the warehouse and create their own reports once they learn how to use COGNOS. HRIS Staff would be able to create 'on-demand' reports for customers so they can run them anytime without having to worry about interrupting payroll or any other related processes.

### **BIS23 Cognos Budget Module Enhancements**

This project would provide funding to improve functionality within the City's Cognos budgeting system.

### **BIS24 Move to New Cash Management Bank**

Capital (Tech re-configuration of COMPASS) costs incurred to move to a new cash management bank during RFP process in 2008-2009.

### **BIS25 Implement Compass eBill Payment Module**

This project would implement the COMPASS eBill Payment Module in the City's financial system.

### **BIS26 Utility Billing IVR Upgrade**

Implement upgrade to Utility Billing interactive voice response (IVR) software.

### **BIS27 Utility Billing Software Upgrade**

Upgrade utility billing software.

### **BIS28 ERP Application Support**

Upgrade/implementation of Enterprise Resource Planning software for (COMPASS/HRIS).

## **MISCELLANEOUS PROJECTS**

### **ART01 Art in Public Places**

This ongoing program incorporates public art into the City's capital program as standalone artworks or as integrated into public infrastructure.

### **CDA01 Heritage Park Redevelopment Project**

The capital funds will be used to complete construction of Van White Boulevard, 4th St. N., alleys and other public service installations



(sidewalks, trees, lights and utilities) within Heritage Park.

### **CTY02 City Property Reforestation**

This is an ongoing Capital Program intended for the reforestation of public facility properties, industrial areas, and commercial corridors.

### **MPD01 MPD Forensic Laboratory**

To acquire a site and provide suitable facilities for a Forensic Laboratory for the Minneapolis Police Department that will meet current and anticipated future forensic needs.

### **MPD02 MPD Property & Evidence Warehouse**

To acquire a site and provide suitable facilities for a Property and Evidence Storage Unit to be operated by the Minneapolis Police Department.

### **MPD05 Strategic Information Center**

To provide suitable facilities for a Strategic Information Center to be operated in partnership by the Minneapolis Police Department, Fire Department, 911/311 Communications, and the Department of Public Works.

### **PSD03 Facilities - Space Improvements**

Ongoing capital improvement program for the modification of interior spaces adhering to City adopted standards for space and furnishings.



		Budget in Thousands	2010	2011	2012	2013	2014	Total	
<b>Municipal Building Commission</b>	<b>MBC01 Life Safety Improvements</b>	Net Debt Bonds	0	200	340	300	200	<b>1,040</b>	
		<b>Total</b>	<b>0</b>	<b>200</b>	<b>340</b>	<b>300</b>	<b>200</b>	<b>1,040</b>	
	<b>MBC02 Mechanical Systems Upgrade</b>	Net Debt Bonds	700	640	500	500	645	<b>2,985</b>	
		Other Miscellaneous Revenues	0	145	0	0	0	<b>145</b>	
		<b>Total</b>	<b>700</b>	<b>785</b>	<b>500</b>	<b>500</b>	<b>645</b>	<b>3,130</b>	
	<b>MBC04 MBC Elevators</b>	Net Debt Bonds	230	0	0	0	0	<b>230</b>	
		<b>Total</b>	<b>230</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>230</b>	
	<b>MBC06 Clock Tower Upgrade</b>	Net Debt Bonds	0	275	36	564	0	<b>875</b>	
		<b>Total</b>	<b>0</b>	<b>275</b>	<b>36</b>	<b>564</b>	<b>0</b>	<b>875</b>	
	<b>MBC09 Critical Power Capital Project</b>	Net Debt Bonds	66	0	0	980	980	<b>2,026</b>	
<b>Total</b>		<b>66</b>	<b>0</b>	<b>0</b>	<b>980</b>	<b>980</b>	<b>2,026</b>		
<b>CTY01 Restoration of Historic Reception Room</b>	Net Debt Bonds	0	0	0	500	0	<b>500</b>		
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>500</b>		
<b>Total for Municipal Building Commission</b>			<b>996</b>	<b>1,260</b>	<b>876</b>	<b>2,844</b>	<b>1,825</b>	<b>7,801</b>	
<b>Library Funding - Hennepin County System</b>	<b>LIB01 Library Merger Funding Commitments</b>	Net Debt Bonds	1,900	1,040	0	0	0	<b>2,940</b>	
		Library Referendum Bonds	3,910	0	0	0	0	<b>3,910</b>	
		<b>Total</b>	<b>5,810</b>	<b>1,040</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,850</b>	
	<b>Total for Library Funding</b>			<b>5,810</b>	<b>1,040</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,850</b>
<b>Park Board</b>	<b>PRKND Parks - Capital Net Debt Allocation</b>	Net Debt Bonds	1,000	2,000	2,000	2,000	2,000	<b>9,000</b>	
		<b>Total</b>	<b>1,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>9,000</b>	
	<b>PRKCP Parks Capital Infrastructure</b>	Park Capital Levy	1,500	1,500	1,500	1,500	1,500	<b>7,500</b>	
		Transfer from Special Revenue Funds	500	500	500	500	0	<b>2,000</b>	
		<b>Total</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>1,500</b>	<b>9,500</b>	
	<b>PRKDT Diseased Tree Removal</b>	Special Assessments	500	500	500	500	500	<b>2,500</b>	
		<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>2,500</b>	
<b>Total for Park Board</b>			<b>3,500</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>	<b>4,000</b>	<b>21,000</b>	
<b>Public Works Department</b>	<b>Facility Improvements</b>	<b>PSD01 Facilities - Repair and Improvements</b>	Net Debt Bonds	400	1,200	1,160	900	1,200	<b>4,860</b>
			<b>Total</b>	<b>400</b>	<b>1,200</b>	<b>1,160</b>	<b>900</b>	<b>1,200</b>	<b>4,860</b>
	<b>PSD06 Pioneer &amp; Soldiers Memorial Cemetary Fencing Rehab</b>	Net Debt Bonds	250	0	0	0	0	<b>250</b>	
		State Government Grants	100	0	0	0	0	<b>100</b>	
		<b>Total</b>	<b>350</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>350</b>	
	<b>PSD11 Energy Conservation and Emission</b>	Net Debt Bonds	300	300	500	500	500	<b>2,100</b>	
		<b>Total</b>	<b>300</b>	<b>300</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>2,100</b>	
<b>Total for Facility Improvements</b>			<b>1,050</b>	<b>1,500</b>	<b>1,660</b>	<b>1,400</b>	<b>1,700</b>	<b>7,310</b>	





**Minneapolis** **Capital Budget Detail for Funded Projects**  
 City of Lakes **Revised Budget**

		Budget in Thousands	2010	2011	2012	2013	2014	Total	
<b>Public Works Department</b>	<b>Street Paving</b>	<b>PV001 Parkway Paving Program</b>	Net Debt Bonds	0	0	500	500	700	<b>1,700</b>
			Special Assessments	0	0	50	50	50	<b>150</b>
			Transfer from Special Revenue Funds	150	150	150	150	0	<b>600</b>
			<b>Total</b>	<b>150</b>	<b>150</b>	<b>700</b>	<b>700</b>	<b>750</b>	<b>2,450</b>
		<b>PV003 Street Renovation Program</b>	Net Debt Bonds	1,675	0	0	0	0	<b>1,675</b>
			Special Assessments	635	0	0	0	0	<b>635</b>
			Stormwater Revenue	170	0	0	0	0	<b>170</b>
			Transfer from Special Revenue Funds	500	0	0	0	0	<b>500</b>
		<b>Total</b>	<b>2,980</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,980</b>	
		<b>PV004 CSAH Paving Program</b>	Net Debt Bonds	0	0	1,000	1,000	1,850	<b>3,850</b>
			Municipal State Aid	470	850	0	0	0	<b>1,320</b>
			Special Assessments	600	675	750	750	750	<b>3,525</b>
			<b>Total</b>	<b>1,070</b>	<b>1,525</b>	<b>1,750</b>	<b>1,750</b>	<b>2,600</b>	<b>8,695</b>
		<b>PV005 Snelling Ave Extension</b>	Net Debt Bonds	0	0	0	0	200	<b>200</b>
			<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>200</b>
		<b>PV006 Alley Renovation Program</b>	Net Debt Bonds	175	270	0	0	0	<b>445</b>
			Special Assessments	60	80	67	67	0	<b>274</b>
			Transfer from Special Revenue Funds	200	200	200	200	0	<b>800</b>
			<b>Total</b>	<b>435</b>	<b>550</b>	<b>267</b>	<b>267</b>	<b>0</b>	<b>1,519</b>
		<b>PV007 University Research Park/Central Corridor</b>	Net Debt Bonds	0	0	0	275	0	<b>275</b>
			Municipal State Aid	0	0	0	375	0	<b>375</b>
			Special Assessments	0	0	515	835	0	<b>1,350</b>
			Stormwater Revenue	0	0	400	800	0	<b>1,200</b>
			Transfer from Special Revenue Funds	0	0	0	2,750	0	<b>2,750</b>
			Other Local Governments	0	0	17,900	2,380	22,400	<b>42,680</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>18,815</b>	<b>7,415</b>	<b>22,400</b>	<b>48,630</b>	
		<b>PV021 33rd Ave SE and Talmage Ave</b>	Net Debt Bonds	0	495	1,650	0	0	<b>2,145</b>
Municipal State Aid			0	442	443	0	0	<b>885</b>	
Special Assessments			0	525	530	0	0	<b>1,055</b>	
Stormwater Revenue			0	100	100	0	0	<b>200</b>	
<b>Total</b>			<b>0</b>	<b>1,562</b>	<b>2,723</b>	<b>0</b>	<b>0</b>	<b>4,285</b>	



**Minneapolis** **Capital Budget Detail for Funded Projects**  
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		Budget in Thousands	2010	2011	2012	2013	2014	Total	
<b>Public Works Department</b>	<b>Street Paving</b>	<b>PV028 Franklin/Cedar/Minnehaha Improvement Project</b>	Net Debt Bonds	0	620	0	0	0	<b>620</b>
			Municipal State Aid	0	735	0	0	0	<b>735</b>
			Special Assessments	0	890	0	0	0	<b>890</b>
			Federal Government Grants	0	2,725	0	0	0	<b>2,725</b>
			Other Local Governments	0	1,681	0	0	0	<b>1,681</b>
			<b>Total</b>	<b>0</b>	<b>6,651</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>PV029 Chicago Ave (8th St to 28th St E)</b>	Net Debt Bonds	945	0	0	0	0	<b>945</b>	
		Municipal State Aid	5,525	0	0	0	0	<b>5,525</b>	
		Special Assessments	1,720	0	0	0	0	<b>1,720</b>	
		Stormwater Revenue	175	0	0	0	0	<b>175</b>	
		<b>Total</b>	<b>8,365</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,365</b>
	<b>PV038 Winter St NE Residential/Commercial</b>	Net Debt Bonds	0	0	0	2,405	1,575	<b>3,980</b>	
		Special Assessments	0	0	0	880	575	<b>1,455</b>	
		Stormwater Revenue	0	0	0	275	0	<b>275</b>	
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,560</b>	<b>2,150</b>	<b>5,710</b>	
	<b>PV047 3rd Ave N Reconstruction</b>	Net Debt Bonds	790	0	0	0	0	<b>790</b>	
		<b>Total</b>	<b>790</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>790</b>	
	<b>PV052 Marquette Ave Double Width Transit Lanes</b>	Transfer from General Fund	500	0	0	0	0	<b>500</b>	
		<b>Total</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	
	<b>PV053 2nd Ave Double Width Transit Lanes</b>	Transfer from General Fund	500	0	0	0	0	<b>500</b>	
		<b>Total</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	
	<b>PV056 Asphalt Pavement Resurfacing Program</b>	Net Debt Bonds	400	400	400	400	2,400	<b>4,000</b>	
		Municipal State Aid	500	500	500	500	500	<b>2,500</b>	
		Special Assessments	1,500	1,500	1,500	1,500	1,500	<b>7,500</b>	
		Transfer from Special Revenue Funds	2,000	2,000	2,000	2,000	0	<b>8,000</b>	
		<b>Total</b>	<b>4,400</b>	<b>4,400</b>	<b>4,400</b>	<b>4,400</b>	<b>4,400</b>	<b>22,000</b>	
	<b>PV057 Nicollet Ave (31st St E to 40th St E)</b>	Net Debt Bonds	0	0	1,518	2,297	0	<b>3,815</b>	
Municipal State Aid		0	0	2,000	4,284	0	<b>6,284</b>		
Special Assessments		0	0	930	930	0	<b>1,860</b>		
Stormwater Revenue		0	0	220	220	0	<b>440</b>		
Water Revenue		0	0	110	110	0	<b>220</b>		
Other Miscellaneous Revenues		0	0	981	0	0	<b>981</b>		



**Minneapolis** **Capital Budget Detail for Funded Projects**  
 City of Lakes **Revised Budget**

		Budget in Thousands		2010	2011	2012	2013	2014	Total	
<b>Public Works Department</b>	<b>Street Paving</b>	<b>PV057 Nicollet Ave (31st St E to 40th St E)</b>	<b>Total</b>	0	0	5,759	7,841	0	13,600	
		<b>PV059 Major Pavement Maintenance</b>	Transfer from Special Revenue Funds	1,000	1,000	1,000	800	0	3,800	
			<b>Total</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>800</b>	<b>0</b>	<b>3,800</b>	
		<b>PV061 High Volume Corridor Reconditioning Program</b>	Net Debt Bonds	0	715	610	0	2,200	3,525	
			Municipal State Aid	0	0	0	500	0	500	
			Special Assessments	0	250	250	250	530	1,280	
			Transfer from Special Revenue Funds	0	500	500	0	0	1,000	
			<b>Total</b>	<b>0</b>	<b>1,465</b>	<b>1,360</b>	<b>750</b>	<b>2,730</b>	<b>6,305</b>	
		<b>PV062 Riverside Ave (Cedar Ave to Franklin Ave E)</b>	Net Debt Bonds	0	1,795	0	0	0	1,795	
			Municipal State Aid	0	2,800	3,180	0	0	5,980	
			Special Assessments	0	800	820	0	0	1,620	
			<b>Total</b>	<b>0</b>	<b>5,395</b>	<b>4,000</b>	<b>0</b>	<b>0</b>	<b>9,395</b>	
		<b>PV064 Garfield Ave (31st to 32nd St W)</b>	Net Debt Bonds	0	300	0	0	0	300	
			<b>Total</b>	<b>0</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300</b>	
		<b>PV99R Reimbursable Paving Projects</b>	Reimbursements	3,500	3,500	3,500	3,500	3,500	17,500	
			<b>Total</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>17,500</b>	
		<b>Total for Street Paving</b>			<b>23,690</b>	<b>26,498</b>	<b>44,274</b>	<b>30,983</b>	<b>38,730</b>	<b>164,175</b>
		<b>Sidewalks</b>	<b>SWK01 Defective Hazardous Sidewalks</b>	Net Debt Bonds	205	215	225	235	245	1,125
				Special Assessments	2,530	2,665	2,795	2,925	3,070	13,985
				<b>Total</b>	<b>2,735</b>	<b>2,880</b>	<b>3,020</b>	<b>3,160</b>	<b>3,315</b>	<b>15,110</b>
			<b>Total for Sidewalks</b>			<b>2,735</b>	<b>2,880</b>	<b>3,020</b>	<b>3,160</b>	<b>3,315</b>
		<b>Bridges</b>	<b>BR101 Major Bridge Repair and Rehabilitation</b>	Net Debt Bonds	300	300	300	400	400	1,700
<b>Total</b>	<b>300</b>			<b>300</b>	<b>300</b>	<b>400</b>	<b>400</b>	<b>1,700</b>		
<b>BR105 Fremont Ave S Bridge</b>	Net Debt Bonds		0	0	1,660	0	0	1,660		
	Stormwater Revenue		0	0	35	0	0	35		
	Water Revenue		0	0	35	0	0	35		
	State Government Grants		0	0	720	0	0	720		
	Other Local Governments		0	0	80	0	0	80		
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>2,530</b>	<b>0</b>	<b>0</b>	<b>2,530</b>		
<b>BR109 Camden Bridge Rehabilitation</b>	Transfer from General Fund		4,000	0	0	0	0	4,000		
	Federal Government Grants		10,000	0	0	0	0	10,000		



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**Public Works Department**

		Budget in Thousands		2010	2011	2012	2013	2014	Total
<b>Bridges</b>	<b>BR109 Camden Bridge Rehabilitation</b>	Other Miscellaneous Revenues		0	1,000	0	0	0	<b>1,000</b>
		<b>Total</b>		<b>14,000</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,000</b>
	<b>BR110 St. Anthony Bridge over BNSF</b>	Net Debt Bonds		0	2,535	2,240	0	0	<b>4,775</b>
		Municipal State Aid		0	1,255	0	0	0	<b>1,255</b>
		Special Assessments		0	330	0	0	0	<b>330</b>
		Stormwater Revenue		0	40	0	0	0	<b>40</b>
		Federal Government Grants		0	8,000	0	0	0	<b>8,000</b>
		State Government Grants		0	6,600	0	0	0	<b>6,600</b>
		Other Miscellaneous Revenues		0	2,200	0	0	0	<b>2,200</b>
		<b>Total</b>		<b>0</b>	<b>20,960</b>	<b>2,240</b>	<b>0</b>	<b>0</b>	<b>23,200</b>
	<b>BR111 10th Ave SE Bridge Arch Rehabilitation</b>	Net Debt Bonds		0	0	0	500	0	<b>500</b>
		Municipal State Aid		0	0	0	2,000	0	<b>2,000</b>
		Federal Government Grants		0	0	0	5,000	0	<b>5,000</b>
		<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>7,500</b>	<b>0</b>	<b>7,500</b>
	<b>BR112 Nicollet Ave Reopening</b>	Net Debt Bonds		0	0	0	700	0	<b>700</b>
		<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>0</b>	<b>700</b>
	<b>BR114 Midtown Corridor Bridge Preservation Program</b>	Net Debt Bonds		0	0	630	0	0	<b>630</b>
		Federal Government Grants		0	0	1,000	0	0	<b>1,000</b>
		<b>Total</b>		<b>0</b>	<b>0</b>	<b>1,630</b>	<b>0</b>	<b>0</b>	<b>1,630</b>
	<b>Total for Bridges</b>			<b>14,300</b>	<b>22,260</b>	<b>6,700</b>	<b>8,600</b>	<b>400</b>	<b>52,260</b>
<b>Traffic Control &amp; Street Lighting</b>	<b>TR003 LED Replacement Program</b>	Net Debt Bonds		50	0	200	200	200	<b>650</b>
		<b>Total</b>		<b>50</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>650</b>
	<b>TR005 Controller Conversion</b>	Net Debt Bonds		0	500	500	0	0	<b>1,000</b>
		Municipal State Aid		0	530	530	0	0	<b>1,060</b>
		Federal Government Grants		0	2,400	2,400	0	0	<b>4,800</b>
		Hennepin County Grants		0	400	400	0	0	<b>800</b>
		<b>Total</b>		<b>0</b>	<b>3,830</b>	<b>3,830</b>	<b>0</b>	<b>0</b>	<b>7,660</b>
	<b>TR007 Traffic &amp; Pedestrian Safety Improvements</b>	Net Debt Bonds		200	250	250	320	440	<b>1,460</b>
		Municipal State Aid		20	75	170	170	295	<b>730</b>
		Federal Government Grants		210	0	324	430	0	<b>964</b>
		Hennepin County Grants		0	135	106	0	600	<b>841</b>
		<b>Total</b>		<b>430</b>	<b>460</b>	<b>850</b>	<b>920</b>	<b>1,335</b>	<b>3,995</b>



**Minneapolis** **Capital Budget Detail for Funded Projects**  
 City of Lakes **Revised Budget**

**Public Works Department**

		<b>Budget in Thousands</b>						
		<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total</b>	
<b>Traffic Control &amp; Street Lighting</b>	<b>TR008 Parkway Street Light Replacement</b>	Net Debt Bonds	150	150	150	150	350	<b>950</b>
		Transfer from Special Revenue Funds	150	150	150	150	0	<b>600</b>
		<b>Total</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>350</b>	<b>1,550</b>
	<b>TR010 Traffic Management Systems</b>	Net Debt Bonds	470	25	25	0	0	<b>520</b>
		Municipal State Aid	640	50	50	0	0	<b>740</b>
		Federal Government Grants	2,320	400	400	0	0	<b>3,120</b>
		Hennepin County Grants	470	50	50	0	0	<b>570</b>
		<b>Total</b>	<b>3,900</b>	<b>525</b>	<b>525</b>	<b>0</b>	<b>0</b>	<b>4,950</b>
	<b>TR011 City Street Light Renovation</b>	Net Debt Bonds	100	100	100	100	350	<b>750</b>
		Transfer from Special Revenue Funds	900	900	900	900	0	<b>3,600</b>
		<b>Total</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>350</b>	<b>4,350</b>
	<b>TR013 Railroad Crossing Safety Improvements</b>	Net Debt Bonds	150	335	0	0	0	<b>485</b>
		Municipal State Aid	170	0	485	425	30	<b>1,110</b>
		Hennepin County Grants	0	0	450	0	0	<b>450</b>
		State Government Grants	130	220	450	70	0	<b>870</b>
		<b>Total</b>	<b>450</b>	<b>555</b>	<b>1,385</b>	<b>495</b>	<b>30</b>	<b>2,915</b>
	<b>TR015 Safe Routes to School</b>	Net Debt Bonds	50	50	50	50	50	<b>250</b>
		<b>Total</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>250</b>
	<b>TR020 Replace Traffic Signal Systems</b>	Net Debt Bonds	0	0	0	0	125	<b>125</b>
		Municipal State Aid	0	0	0	0	125	<b>125</b>
Hennepin County Grants		0	0	0	0	125	<b>125</b>	
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>375</b>	<b>375</b>	
<b>TR99R Reimbursable Transportation Projects</b>	Reimbursements	600	600	600	600	600	<b>3,000</b>	
	<b>Total</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>3,000</b>	
<b>Total for Traffic Control &amp; Street Lighting</b>		<b>6,780</b>	<b>7,320</b>	<b>8,740</b>	<b>3,565</b>	<b>3,290</b>	<b>29,695</b>	
<b>Bike Trails</b>	<b>BIK04 18th Ave NE Bikeway</b>	Net Debt Bonds	1,475	0	0	0	0	<b>1,475</b>
		Federal Government Grants	1,000	0	0	0	0	<b>1,000</b>
		Other Local Governments	150	0	0	0	0	<b>150</b>
		<b>Total</b>	<b>2,625</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,625</b>
	<b>BIK08 Hiawatha Trail Connections</b>	Net Debt Bonds	267	0	0	0	0	<b>267</b>
		<b>Total</b>	<b>267</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>267</b>



**Minneapolis** **Capital Budget Detail for Funded Projects**  
 City of Lakes **Revised Budget**

		Budget in Thousands		2010	2011	2012	2013	2014	Total
<b>Public Works Department</b>	<b>Bike Trails</b>	<b>BIK13 RiverLake Greenway (East of I-35W)</b>	Net Debt Bonds	630	0	0	0	0	<b>630</b>
			Stormwater Revenue	255	0	0	0	0	<b>255</b>
			Federal Government Grants	1,400	0	0	0	0	<b>1,400</b>
			<b>Total</b>	<b>2,285</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,285</b>
	<b>BIK20 Hiawatha LRT Trail Lighting/Trail Extension</b>	Net Debt Bonds	0	0	0	375	0	<b>375</b>	
		Federal Government Grants	0	0	0	672	0	<b>672</b>	
		State Government Grants	0	0	0	463	0	<b>463</b>	
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,510</b>	<b>0</b>	<b>1,510</b>	
	<b>BIK24 Major Bike Maintenance Program</b>	Transfer from Special Revenue Funds	100	100	100	100	0	<b>400</b>	
		<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>400</b>	
	<b>Total for Bike Trails</b>			<b>5,277</b>	<b>100</b>	<b>100</b>	<b>1,610</b>	<b>0</b>	<b>7,087</b>
	<b>Sanitary Sewers</b>	<b>SA001 Sanitary Tunnel &amp; Sewer Rehabilitation Program</b>	Sanitary Bonds	500	500	500	750	1,000	<b>3,250</b>
			<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>750</b>	<b>1,000</b>	<b>3,250</b>
<b>SA036 Infiltration &amp; Inflow Removal Program</b>		Sanitary Bonds	4,000	4,000	5,500	6,000	6,000	<b>25,500</b>	
		<b>Total</b>	<b>4,000</b>	<b>4,000</b>	<b>5,500</b>	<b>6,000</b>	<b>6,000</b>	<b>25,500</b>	
<b>SA037 Irving Sewer Rehabilitation</b>		Sanitary Bonds	1,425	0	0	0	0	<b>1,425</b>	
		Other Local Governments	3,500	0	0	0	0	<b>3,500</b>	
		<b>Total</b>	<b>4,925</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,925</b>	
<b>Total for Sanitary Sewers</b>			<b>9,425</b>	<b>4,500</b>	<b>6,000</b>	<b>6,750</b>	<b>7,000</b>	<b>33,675</b>	
<b>Storm Sewers</b>	<b>SW002 Miscellaneous Storm Drains</b>	Stormwater Revenue	220	220	220	220	220	<b>1,100</b>	
		<b>Total</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>1,100</b>	
	<b>SW004 Implementation of US EPA Storm Water Regulations</b>	Stormwater Revenue	250	250	250	250	250	<b>1,250</b>	
		<b>Total</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>1,250</b>	
	<b>SW005 Combined Sewer Overflow Improvements</b>	Stormwater Bonds	2,500	2,500	1,500	1,500	1,500	<b>9,500</b>	
		<b>Total</b>	<b>2,500</b>	<b>2,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>9,500</b>	
	<b>SW011 Storm Drains and Tunnels Rehabilitation Program</b>	Stormwater Bonds	2,500	2,500	4,000	4,000	4,000	<b>17,000</b>	
		Stormwater Revenue	500	500	1,000	1,000	1,000	<b>4,000</b>	
		<b>Total</b>	<b>3,000</b>	<b>3,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>21,000</b>	
	<b>SW018 Flood Area 29 &amp; 30 - Fulton Neighborhood</b>	Stormwater Bonds	0	0	0	900	1,055	<b>1,955</b>	
		Other Local Governments	0	0	0	2,388	5,525	<b>7,913</b>	
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,288</b>	<b>6,580</b>	<b>9,868</b>	
	<b>SW030 Alternative Stormwater Management Strategies</b>	Stormwater Revenue	1,000	1,000	1,000	1,000	1,000	<b>5,000</b>	
<b>Total</b>		<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>5,000</b>		



**Minneapolis** **Capital Budget Detail for Funded Projects**  
*City of Lakes* **Revised Budget**

		Budget in Thousands		2010	2011	2012	2013	2014	Total
<b>Public Works Department</b>	<b>Storm Sewers</b>	<b>SW032 I-35W Storm Tunnel Reconstruction</b>	Stormwater Bonds	0	0	0	0	1,000	<b>1,000</b>
			<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>
		<b>SW033 Flood Area 22 - Sibley Field</b>	Stormwater Revenue	0	280	0	0	0	<b>280</b>
	Other Local Governments		0	2,735	0	0	0	<b>2,735</b>	
	<b>Total</b>		<b>0</b>	<b>3,015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,015</b>	
	<b>SW034 Flood Area 21 - Bloomington Pond</b>	Stormwater Revenue	0	0	445	0	0	<b>445</b>	
		Other Local Governments	0	0	4,395	0	0	<b>4,395</b>	
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,840</b>	<b>0</b>	<b>0</b>	<b>4,840</b>	
	<b>SW038 Flood Area 5 - North Minneapolis Neighborhoods</b>	Stormwater Bonds	0	0	0	1,680	4,950	<b>6,630</b>	
		Other Local Governments	0	0	0	320	0	<b>320</b>	
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000</b>	<b>4,950</b>	<b>6,950</b>	
	<b>SW99R Reimbursable Sewer &amp; Storm Drain Projects</b>	Reimbursements	3,000	3,000	3,000	3,000	3,000	<b>15,000</b>	
		<b>Total</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>15,000</b>	
	<b>Total for Storm Sewers</b>			<b>9,970</b>	<b>12,985</b>	<b>15,810</b>	<b>16,258</b>	<b>23,500</b>	<b>78,523</b>
	<b>Water Infrastructure</b>	<b>WTR12 Water Distribution Improvements</b>	Water Bonds	500	1,000	1,500	1,500	2,000	<b>6,500</b>
<b>Total</b>			<b>500</b>	<b>1,000</b>	<b>1,500</b>	<b>1,500</b>	<b>2,000</b>	<b>6,500</b>	
<b>WTR18 Hiawatha Water Maintenance Facility</b>		Water Bonds	0	0	0	0	3,000	<b>3,000</b>	
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000</b>	<b>3,000</b>	
<b>WTR23 Treatment Infrastructure Improvements</b>		Water Bonds	1,000	2,000	3,000	3,000	3,000	<b>12,000</b>	
		<b>Total</b>	<b>1,000</b>	<b>2,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>12,000</b>	
<b>WTR9R Reimbursable Watermain Projects</b>		Reimbursements	2,000	2,000	2,000	2,000	2,000	<b>10,000</b>	
		<b>Total</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>10,000</b>	
<b>Total for Water Infrastructure</b>			<b>3,500</b>	<b>5,000</b>	<b>6,500</b>	<b>6,500</b>	<b>10,000</b>	<b>31,500</b>	
<b>Parking Ramps</b>	<b>RMP01 Parking Facilities - Repair and Improvements</b>	Parking Bonds	1,700	1,700	1,700	0	0	<b>5,100</b>	
		<b>Total</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	
	<b>Total for Parking Ramps</b>			<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>0</b>	<b>0</b>	<b>5,100</b>
<b>Total for Public Works</b>			<b>78,427</b>	<b>84,743</b>	<b>94,504</b>	<b>78,826</b>	<b>87,935</b>	<b>424,435</b>	

<b>Business Information Services</b>	<b>BIS02 Central Traffic Signal Computer Replacement</b>	Net Debt Bonds	150	50	50	50	50	<b>350</b>
		<b>Total</b>	<b>150</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>350</b>
	<b>BIS03 Enterprise Document Management</b>	Net Debt Bonds	100	100	50	100	50	<b>400</b>
		<b>Total</b>	<b>100</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>400</b>
	<b>BIS04 Enterprise Infrastructure Capacity Upgrade</b>	Net Debt Bonds	500	500	500	500	500	<b>2,500</b>
		<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>2,500</b>



## Capital Budget Detail for Funded Projects Revised Budget

		Budget in Thousands	2010	2011	2012	2013	2014	Total
<b>Business Information Services</b>	<b>BIS06 GIS Application Infrastructure Upgrade</b>	Net Debt Bonds	200	50	50	50	50	<b>400</b>
		<b>Total</b>	<b>200</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>400</b>
	<b>BIS10 Finance System Consolidation/ Upgrade</b>	Net Debt Bonds	0	0	50	0	0	<b>50</b>
		Transfer from General Fund	0	0	0	1,365	0	<b>1,365</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>1,365</b>	<b>0</b>	<b>1,415</b>
	<b>BIS12 Mobile Assessor</b>	Net Debt Bonds	150	150	0	0	0	<b>300</b>
		<b>Total</b>	<b>150</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300</b>
<b>BIS13 Risk Management &amp; Claims Application System</b>	Net Debt Bonds	252	258	0	0	0	<b>510</b>	
	<b>Total</b>	<b>252</b>	<b>258</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>510</b>	
<b>BIS15 Master Data Management</b>	Net Debt Bonds	155	50	50	0	0	<b>255</b>	
	<b>Total</b>	<b>155</b>	<b>50</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>255</b>	
<b>BIS16 HRIS Upgrade</b>	Net Debt Bonds	0	0	0	650	600	<b>1,250</b>	
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>650</b>	<b>600</b>	<b>1,250</b>	
<b>Total for Business Information Services</b>			<b>1,507</b>	<b>1,158</b>	<b>750</b>	<b>2,715</b>	<b>1,250</b>	<b>7,380</b>

<b>Miscellaneous Projects</b>	<b>ART01 Art in Public Places</b>	Net Debt Bonds	203	347	366	374	381	<b>1,671</b>
		<b>Total</b>	<b>203</b>	<b>347</b>	<b>366</b>	<b>374</b>	<b>381</b>	<b>1,671</b>
	<b>CDA01 Heritage Park Redevelopment/ Central Corridor</b>	Net Debt Bonds	200	500	0	0	0	<b>700</b>
		Special Assessments	0	1,000	0	0	0	<b>1,000</b>
		Stormwater Revenue	250	250	0	0	0	<b>500</b>
		Transfer from Special Revenue Funds	0	2,000	0	0	0	<b>2,000</b>
		<b>Total</b>	<b>450</b>	<b>3,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,200</b>
	<b>CTY02 City Property Reforestation</b>	Net Debt Bonds	150	150	150	150	150	<b>750</b>
		<b>Total</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>750</b>
	<b>MPD01 MPD Forensic Laboratory</b>	Net Debt Bonds	0	0	0	150	0	<b>150</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>150</b>
	<b>MPD02 MPD Property &amp; Evidence Warehouse</b>	Net Debt Bonds	0	0	0	0	159	<b>159</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>159</b>	<b>159</b>
	<b>MPD05 Strategic Information Center</b>	Net Debt Bonds	1,227	0	0	0	0	<b>1,227</b>
		<b>Total</b>	<b>1,227</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,227</b>
	<b>PSD03 Facilities - Space Improvements</b>	Net Debt Bonds	500	500	500	500	500	<b>2,500</b>
<b>Total</b>		<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>2,500</b>	
<b>Total for Miscellaneous Projects</b>			<b>2,530</b>	<b>4,747</b>	<b>1,016</b>	<b>1,174</b>	<b>1,190</b>	<b>10,657</b>

<b>Grand Total</b>	<b>92,770</b>	<b>97,448</b>	<b>101,646</b>	<b>90,059</b>	<b>96,200</b>	<b>478,123</b>
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**Council Revised Utility Rates**  
**Supporting 2010 - 2014 Enterprise Operations, Capital Programs & Debt Repayment**

**Stormwater Rates**

**2009 Council Revised Stormwater Rates**

Effective Date	Increase	Total Rate*	% Change
01/01/09	0.510	10.77	5.0%
01/01/10	0.320	11.09	3.0%
01/01/11	0.330	11.42	3.0%
01/01/12	0.230	11.65	2.0%
01/01/13	0.230	11.88	2.0%

**2010 Council Revised Stormwater Rates**

Effective Date	Increase	Total Rate*	% Change
01/01/09		10.77	
01/01/10	0.320	11.09	3.0%
01/01/11	0.330	11.42	3.0%
01/01/12	0.230	11.65	2.0%
01/01/13	0.230	11.88	2.0%
01/01/14	0.240	12.12	2.0%

\* - Expressed in \$/Equivalent Stormwater Unit (ESU) where 1 ESU = 1,530 square feet of impervious (hard surface) area.

**Sanitary Sewer Rates**

**2009 Council Revised Sanitary Sewer Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/09	0.160	2.61	6.5%
01/01/10	0.170	2.78	6.5%
01/01/11	0.160	2.94	5.8%
01/01/12	0.160	3.10	5.4%
01/01/13	0.150	3.25	4.8%

**2010 Council Revised Sanitary Sewer Rates**

Effective Date	Increase	Total Rate**	% Change***
01/01/09		2.61	
01/01/10	0.320	2.93	12.3%
01/01/11	0.240	3.17	8.2%
01/01/12	0.240	3.41	7.6%
01/01/13	0.240	3.65	7.0%
01/01/14	0.240	3.89	6.6%

**Water Rates**

**2009 Council Revised Water Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/09	0.160	2.91	5.8%
01/01/10	0.120	3.03	4.1%
01/01/11	0.120	3.15	4.0%
01/01/12	0.130	3.28	4.1%
01/01/13	0.140	3.42	4.3%

**2010 Council Revised Water Rates**

Effective Date	Increase	Total Rate**	% Change***
01/01/09		2.91	
01/01/10	0.140	3.05	4.8%
01/01/11	0.150	3.20	4.9%
01/01/12	0.160	3.36	5.0%
01/01/13	0.180	3.54	5.4%
01/01/14	0.180	3.72	5.1%

\*\* - Sanitary Sewer and Water Rates are expressed in \$/100 Cubic Feet of Water Consumption

\*\*\* - The primary reasons for the larger rate increases over the 2009 adopted rates include:

1. Water conservation measures are negatively impacting water and sanitary sewer fee revenue.
2. Operating cost inflation assumptions were increased from 3% to 4% for 2010 and beyond
3. Need to accelerate improvement of cash positions to be in compliance with Financial Policies
4. Increased sanitary sewer treatment & capital program costs passed on by Metropolitan Council
5. Preliminary planning for utility fund's share of potential unfunded pension liability costs

## 2010 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
ART01 Art in Public Places	CPED	295	295	333	203
BIK04 18th Ave NE Bikeway	Public Works	2,625	2,625	2,625	2,625
BIK08 Hiawatha Trail Connections	Public Works	0	0	267	267
BIK13 RiverLake Greenway (East of I-35W)	Public Works	2,285	2,285	2,285	2,285
BIK24 Major Bike Maintenance Program	Public Works	100	100	100	100
BIS02 Central Traffic Signal Computer Replacement	Public Works	150	150	150	150
BIS03 Enterprise Document Management	BIS Dept	100	100	100	100
BIS04 Enterprise Infrastructure Capacity Upgrade	BIS Dept	550	500	500	500
BIS05 Enterprise Reporting	BIS Dept	100			
BIS06 GIS Application Infrastructure Upgrade	BIS Dept	100	200	200	200
BIS12 Mobile Assessor	BIS Dept	150	150	150	150
BIS13 Risk Management & Claims Application System	Other Depts	256	256	252	252
BIS15 Master Data Management	BIS Dept	155	155	155	155
BIS17 Direct Connect Purchasing	BIS Dept	55			
BIS18 ABM - Activity Based Management	BIS Dept	299			
BIS19 Scorecarding Financial Information	BIS Dept	54			
BIS20 Compass Grants Module	BIS Dept	79			
BIS23 Cognos Budget Module Enhancements	BIS Dept	504			
BIS24 Move to New Cash Management Bank	BIS Dept	324			
BIS26 Utility Billing IVR Upgrade	BIS Dept	324			
BR101 Major Bridge Repair and Rehabilitation	Public Works	300	300	300	300
BR109 Camden Bridge Rehabilitation	Public Works			14,000	14,000
CDA01 Heritage Park Redevelopment/Central Corridor	CPED	13,400	13,350	13,350	450
CTY02 City Property Reforestation	Public Works	150	150	150	150
LIB01 Library Merger Funding Commitments	Other Depts	5,810	5,810	5,810	5,810
MBC02 Mechanical Systems Upgrade	MBC	800	800	700	700
MBC04 MBC Elevators	MBC	100		100	230
MBC06 Clock Tower Upgrade	MBC	275			
MBC09 Critical Power Capital Project	MBC	66	66	66	66
MPD05 Strategic Information Center	Police Dept	1,227	1,227	1,227	1,227
PRK22 Parking Lot Reconstruction	Park Board	381	381		
PRK23 Northeast Park Recreation Center	Park Board	3,805			
PRKCP Parks Capital Infrastructure	Park Board	2,000	2,000	2,000	2,000
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PRKND Parks - Capital Net Debt Allocation	Park Board	0	0	1,000	1,000
PSD01 Facilities - Repair and Improvements	Public Works	400	400	400	400
PSD03 Facilities - Space Improvements	Public Works	500	500	500	500
PSD06 Pioneer & Soldiers Memorial Cemetary Fencing Rehab	Public Works	350	350	350	350
PSD11 Energy Conservation and Emission	Public Works	300	300	300	300
PV001 Parkway Paving Program	Public Works	150	150	150	150
PV003 Street Renovation Program	Public Works	2,980	2,980	2,980	2,980
PV004 CSAH Paving Program	Public Works	1,070	1,070	1,070	1,070
PV006 Alley Renovation Program	Public Works	435	435	435	435
PV029 Chicago Ave (8th St to 28th St E)	Public Works	8,365	8,365	8,365	8,365
PV047 3rd Ave N Reconstruction	Public Works	790	790	790	790
PV052 Marquette Ave Double Width Transit Lanes	Public Works	0	0	500	500
PV053 2nd Ave Double Width Transit Lanes	Public Works	0	0	500	500
PV056 Asphalt Pavement Resurfacing Program	Public Works	4,400	4,400	4,400	4,400
PV059 Major Pavement Maintenance	Public Works	1,000	1,000	1,000	1,000
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	Public Works	1,860	1,120		
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	850	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	500	500	500	500
SA036 Infiltration & Inflow Removal Program	Public Works	4,000	4,000	4,000	4,000
SA037 Irving Sewer Rehabilitation	Public Works	4,925	4,925	4,925	4,925
SW002 Miscellaneous Storm Drains	Public Works	220	220	220	220



## 2010 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	2,500	2,500	2,500	2,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	3,000	3,000	3,000	3,000
SW030 Alternative Stormwater Management Strategies	Public Works	1,000	1,000	1,000	1,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	2,735	2,735	2,735	2,735
TR003 LED Replacement Program	Public Works	50	50	50	50
TR007 Traffic & Pedestrian Safety Improvements	Public Works	430	430	430	430
TR008 Parkway Street Light Replacement	Public Works	300	300	300	300
TR010 Traffic Management Systems	Public Works	3,700	3,700	3,900	3,900
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR013 Railroad Crossing Safety Improvements	Public Works	450	450	450	450
TR015 Safe Routes to School	Public Works	50	50	50	50
TR017 Pedestrian Signals with Count-down Timers	Public Works	30			
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	3,500	500	500
WTR14 The MWW Facilities Security Improvement	Public Works	250			
WTR22 New Filter Presses	Public Works	12,000	11,000	19,000	
WTR23 Treatment Infrastructure Improvements	Public Works	1,000	500	1,000	1,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
<b>Total</b>		<b>114,109</b>	<b>103,320</b>	<b>124,670</b>	<b>92,770</b>

## 2011 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
ART01 Art in Public Places	CPED	327	327	347	347
BIK24 Major Bike Maintenance Program	Public Works	100	100	100	100
BIS02 Central Traffic Signal Computer Replacement	Public Works	50	50	50	50
BIS03 Enterprise Document Management	BIS Dept	100	100	100	100
BIS04 Enterprise Infrastructure Capacity Upgrade	BIS Dept	700	500	500	500
BIS05 Enterprise Reporting	BIS Dept	100			
BIS06 GIS Application Infrastructure Upgrade	BIS Dept	200	50	50	50
BIS12 Mobile Assessor	BIS Dept	150	150	150	150
BIS13 Risk Management & Claims Application System	Other Depts	256	256	258	258
BIS15 Master Data Management	BIS Dept	50	50	50	50
BIS25 Implement Compass eBill Payment Module	BIS Dept	270			
BIS28 ERP Application Support	BIS Dept	270			
BR101 Major Bridge Repair and Rehabilitation	Public Works	300	300	300	300
BR109 Camden Bridge Rehabilitation	Public Works			1,000	1,000
BR110 St. Anthony Bridge over BNSF	Public Works	20,960	20,960	20,960	20,960
CDA01 Heritage Park Redevelopment/Central Corridor	CPED	3,750	3,750	3,750	3,750
CTY01 Restoration of Historic Reception Room	Other Depts	300			
CTY02 City Property Reforestation	Public Works	150	150	150	150
LIB01 Library Merger Funding Commitments	Other Depts	1,040	1,040	1,040	1,040
MBC01 Life Safety Improvements	MBC	200	200	200	200
MBC02 Mechanical Systems Upgrade	MBC	785	785	785	785
MBC04 MBC Elevators	MBC	100			
MBC06 Clock Tower Upgrade	MBC	300	275	275	275
MPD02 MPD Property & Evidence Warehouse	Police Department	800			
PRK23 Northeast Park Recreation Center	Park Board		1,632		
PRK24 Phillips Community Center Stabilization	Park Board	435	435		
PRK25 Webber Park Picnic Area Development	Park Board	4,077	1,000		
PRKCP Parks Capital Infrastructure	Park Board	2,000	2,000	2,000	2,000
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PRKND Parks - Capital Net Debt Allocation	Park Board	0	0	2,000	2,000
PSD01 Facilities - Repair and Improvements	Public Works	1,200	1,200	1,200	1,200
PSD03 Facilities - Space Improvements	Public Works	500	500	500	500
PSD11 Energy Conservation and Emission	Public Works	300	300	300	300
PV001 Parkway Paving Program	Public Works	150	150	150	150
PV004 CSAH Paving Program	Public Works	1,525	1,525	1,525	1,525
PV006 Alley Renovation Program	Public Works	550	550	550	550
PV007 University Research Park/Central Corridor	Public Works	7,765	7,765		
PV021 33rd Ave SE and Talmage Ave	Public Works			1,562	1,562
PV028 Franklin/Cedar/Minnehaha Improvement Project	Public Works	6,651	6,651	6,651	6,651
PV056 Asphalt Pavement Resurfacing Program	Public Works	4,400	4,400	4,400	4,400
PV059 Major Pavement Maintenance	Public Works	1,000	1,000	1,000	1,000
PV061 High Volume Corridor Reconditioning Program	Public Works	1,465	1,465	1,465	1,465
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	Public Works	4,025	4,025	5,395	5,395
PV064 Garfield Ave (31st to 32nd St W)	Public Works	300		300	300
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	850	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	500	500	500	500
SA036 Infiltration & Inflow Removal Program	Public Works	4,000	4,000	4,000	4,000
SW002 Miscellaneous Storm Drains	Public Works	220	220	220	220
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	2,500	2,500	2,500	2,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	3,000	3,000	3,000	3,000
SW030 Alternative Stormwater Management Strategies	Public Works	1,000	1,000	1,000	1,000
SW033 Flood Area 22 - Sibley Field	Public Works	3,015	3,015	3,015	3,015
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	2,880	2,880	2,880	2,880

## 2011 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
TR005 Controller Conversion	Public Works	3,830	3,830	3,830	3,830
TR007 Traffic & Pedestrian Safety Improvements	Public Works	460	460	460	460
TR008 Parkway Street Light Replacement	Public Works	300	300	300	300
TR010 Traffic Management Systems	Public Works	525	525	525	525
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR013 Railroad Crossing Safety Improvements	Public Works	555	555	555	555
TR015 Safe Routes to School	Public Works	50	50	50	50
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	3,500	1,000	1,000
WTR14 The MWW Facilities Security Improvement	Public Works	250			
WTR22 New Filter Presses	Public Works	4,000	3,500	4,000	
WTR23 Treatment Infrastructure Improvements	Public Works	2,000	500	2,000	2,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
<b>Total</b>		<b>114,236</b>	<b>105,676</b>	<b>101,448</b>	<b>97,448</b>

## 2012 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
ART01 Art in Public Places	CPED	366	366	366	366
BIK24 Major Bike Maintenance Program	Public Works	100	100	100	100
BIS02 Central Traffic Signal Computer Replacement	Public Works	50	50	50	50
BIS03 Enterprise Document Management	BIS Dept	50	50	50	50
BIS04 Enterprise Infrastructure Capacity Upgrade	BIS Dept	1,000	500	500	500
BIS05 Enterprise Reporting	BIS Dept	100			
BIS06 GIS Application Infrastructure Upgrade	BIS Dept	50	50	50	50
BIS10 Finance System Consolidation/Upgrade	BIS Dept	50	50	50	50
BIS15 Master Data Management	BIS Dept	50	50	50	50
BR101 Major Bridge Repair and Rehabilitation	Public Works	300	300	300	300
BR105 Fremont Ave S Bridge	Public Works	2,530	2,530	2,530	2,530
BR109 Camden Bridge Rehabilitation	Public Works	8,015	8,015		
BR110 St. Anthony Bridge over BNSF	Public Works	2,240	2,240	2,240	2,240
BR114 Midtown Corridor Bridge Preservation Program	Public Works			1,630	1,630
CDA01 Heritage Park Redevelopment/Central Corridor	CPED	500			
CTY01 Restoration of Historic Reception Room	Other Depts	1,650			
CTY02 City Property Reforestation	Public Works	150	150	150	150
MBC01 Life Safety Improvements	MBC	340	340	340	340
MBC02 Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04 MBC Elevators	MBC	230			
MBC06 Clock Tower Upgrade	MBC	300	36	36	36
MPD01 MPD Forensic Laboratory	Police Dept	2,850			
MPD02 MPD Property & Evidence Warehouse	Police Dept	1,600			
PRK23 Northeast Park Recreation Center	Park Board		2,173		
PRKCP Parks Capital Infrastructure	Park Board	2,000	2,000	2,000	2,000
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PRKND Parks - Capital Net Debt Allocation	Park Board	0	0	2,000	2,000
PSD01 Facilities - Repair and Improvements	Public Works	1,160	1,160	1,160	1,160
PSD03 Facilities - Space Improvements	Public Works	500	500	500	500
PSD11 Energy Conservation and Emission	Public Works	500	500	500	500
PV001 Parkway Paving Program	Public Works	700	700	700	700
PV004 CSAH Paving Program	Public Works	1,750	1,750	1,750	1,750
PV006 Alley Renovation Program	Public Works	267	267	267	267
PV007 University Research Park/Central Corridor	Public Works	18,815	18,815	18,815	18,815
PV019 6th Ave N (5th St N to Dead End N of Wash Ave)	Public Works	2,620			
PV021 33rd Ave SE and Talmage Ave	Public Works			2,723	2,723
PV056 Asphalt Pavement Resurfacing Program	Public Works	4,400	4,400	4,400	4,400
PV057 Nicollet Ave (31st St E to 40th St E)	Public Works			5,759	5,759
PV059 Major Pavement Maintenance	Public Works	1,000	1,000	1,000	1,000
PV061 High Volume Corridor Reconditioning Program	Public Works	1,360	1,360	1,360	1,360
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	Public Works	3,510	4,250	4,000	4,000
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	850	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	500	500	500	500
SA036 Infiltration & Inflow Removal Program	Public Works	5,500	5,500	5,500	5,500
SW002 Miscellaneous Storm Drains	Public Works	220	220	220	220
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	5,000	5,000	5,000	5,000
SW030 Alternative Stormwater Management Strategies	Public Works	1,000	1,000	1,000	1,000
SW034 Flood Area 21 - Bloomington Pond	Public Works	4,840	4,840	4,840	4,840
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,020	3,020	3,020	3,020
TR003 LED Replacement Program	Public Works	200	200	200	200
TR005 Controller Conversion	Public Works	3,830	3,830	3,830	3,830
TR007 Traffic & Pedestrian Safety Improvements	Public Works	850	850	850	850

## 2012 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
TR008 Parkway Street Light Replacement	Public Works	300	300	300	300
TR010 Traffic Management Systems	Public Works	525	525	525	525
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR013 Railroad Crossing Safety Improvements	Public Works	1,385	1,385	1,385	1,385
TR015 Safe Routes to School	Public Works	50	50	50	50
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	3,500	1,500	1,500
WTR14 The MWW Facilities Security Improvement	Public Works	250			
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	500	3,000	3,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
<b>Total</b>		<b>111,123</b>	<b>98,622</b>	<b>101,646</b>	<b>101,646</b>

## 2013 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
ART01 Art in Public Places	CPED	374	374	374	374
BIK20 Hiawatha LRT Trail Lighting/Trail Extension	Public Works	1,510	1,510	1,510	1,510
BIK24 Major Bike Maintenance Program	Public Works	100	100	100	100
BIS02 Central Traffic Signal Computer Replacement	Public Works	50	50	50	50
BIS03 Enterprise Document Management	BIS Dept	100	100	100	100
BIS04 Enterprise Infrastructure Capacity Upgrade	BIS Dept	700	500	500	500
BIS05 Enterprise Reporting	BIS Dept	100			
BIS06 GIS Application Infrastructure Upgrade	BIS Dept	50	50	50	50
BIS10 Finance System Consolidation/Upgrade	BIS Dept	1,365	1,365	1,365	1,365
BIS16 HRIS Upgrade	BIS Dept	800		650	650
BIS22 Human Resources Data Warehouse	BIS Dept	300			
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR109 Camden Bridge Rehabilitation	Public Works	7,140	7,140		
BR111 10th Ave SE Bridge Arch Rehabilitation	Public Works	7,500	7,500	7,500	7,500
BR112 Nicollet Ave Reopening	Public Works			700	700
BR114 Midtown Corridor Bridge Preservation Program	Public Works	1,630	1,630		
CTY01 Restoration of Historic Reception Room	Other Depts	2,050	500	500	500
CTY02 City Property Reforestation	Public Works	150	150	150	150
MBC01 Life Safety Improvements	MBC	300	300	300	300
MBC02 Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04 MBC Elevators	MBC	490			
MBC06 Clock Tower Upgrade	MBC		564	564	564
MBC09 Critical Power Capital Project	MBC	980	980	980	980
MPD01 MPD Forensic Laboratory	Police Dept	6,025	650	150	150
MPD02 MPD Property & Evidence Warehouse	Police Dept	1,600	650		
PRK25 Webber Park Picnic Area Development	Park Board		982		
PRKCP Parks Capital Infrastructure	Park Board	2,000	2,000	2,000	2,000
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PRKND Parks - Capital Net Debt Allocation	Park Board	0	0	2,000	2,000
PSD01 Facilities - Repair and Improvements	Public Works	900	900	900	900
PSD03 Facilities - Space Improvements	Public Works	500	500	500	500
PSD11 Energy Conservation and Emission	Public Works	500	500	500	500
PV001 Parkway Paving Program	Public Works	700	700	700	700
PV004 CSAH Paving Program	Public Works	1,750	1,750	1,750	1,750
PV006 Alley Renovation Program	Public Works	267	267	267	267
PV007 University Research Park/Central Corridor	Public Works	650	650	7,415	7,415
PV021 33rd Ave SE and Talmage Ave	Public Works	4,085			
PV038 Winter St NE Residential/Commercial	Public Works	5,710	5,710	3,560	3,560
PV056 Asphalt Pavement Resurfacing Program	Public Works	4,400	4,400	4,400	4,400
PV057 Nicollet Ave (31st St E to 40th St E)	Public Works			7,841	7,841
PV059 Major Pavement Maintenance	Public Works	1,000	1,000	800	800
PV061 High Volume Corridor Reconditioning Program	Public Works	1,250	1,250	750	750
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	750	750	750	750
SA036 Infiltration & Inflow Removal Program	Public Works	6,000	6,000	6,000	6,000
SW002 Miscellaneous Storm Drains	Public Works	220	220	220	220
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	5,000	5,000	5,000	5,000
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	3,288	3,288	3,288	3,288
SW030 Alternative Stormwater Management Strategies	Public Works	1,000	1,000	1,000	1,000
SW038 Flood Area 5 - North Minneapolis Neighborhoods	Public Works	4,000	2,000	2,000	2,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,160	3,160	3,160	3,160
TR003 LED Replacement Program	Public Works	200	200	200	200
TR007 Traffic & Pedestrian Safety Improvements	Public Works	920	920	920	920



## 2013 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
TR008 Parkway Street Light Replacement	Public Works	300	300	300	300
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR013 Railroad Crossing Safety Improvements	Public Works	495	495	495	495
TR015 Safe Routes to School	Public Works	50	50	50	50
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	3,500	1,500	1,500
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	500	3,000	3,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
<b>Total</b>		<b>103,659</b>	<b>85,355</b>	<b>90,059</b>	<b>90,059</b>

## 2014 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
ART01 Art in Public Places	CPED	381	381	381	381
BIS02 Central Traffic Signal Computer Replacement	Public Works	50	50	50	50
BIS03 Enterprise Document Management	BIS Dept	50	50	50	50
BIS04 Enterprise Infrastructure Capacity Upgrade	BIS Dept	600	500	500	500
BIS05 Enterprise Reporting	BIS Dept	100			
BIS06 GIS Application Infrastructure Upgrade	BIS Dept	200	50	50	50
BIS16 HRIS Upgrade	BIS Dept	600		600	600
BIS22 Human Resources Data Warehouse	BIS Dept	25			
BIS27 Utility Billing Software Upgrade	BIS Dept	1,026			
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR112 Nicollet Ave Reopening	Public Works	6,280			
CTY02 City Property Reforestation	Public Works	150	150	150	150
MBC01 Life Safety Improvements	MBC	200	200	200	200
MBC02 Mechanical Systems Upgrade	MBC	645	645	645	645
MBC04 MBC Elevators	MBC	490			
MBC09 Critical Power Capital Project	MBC	980	980	980	980
MPD01 MPD Forensic Laboratory	Police Dept	6,025	2,219		
MPD02 MPD Property & Evidence Warehouse	Police Dept		740	159	159
PRKCP Parks Capital Infrastructure	Park Board	1,500	1,500	1,500	1,500
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PRKND Parks - Capital Net Debt Allocation	Park Board	0	0	2,000	2,000
PSD01 Facilities - Repair and Improvements	Public Works	1,200	1,200	1,200	1,200
PSD03 Facilities - Space Improvements	Public Works	500	500	500	500
PSD11 Energy Conservation and Emission	Public Works	500	500	500	500
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV004 CSAH Paving Program	Public Works	2,600	2,600	2,600	2,600
PV005 Snelling Ave Extension	Public Works	2,175		200	200
PV006 Alley Renovation Program	Public Works	267			
PV007 University Research Park/Central Corridor	Public Works	22,400	22,400	22,400	22,400
PV035 TH121/Lyndale Ave S	Public Works	7,380	7,380		
PV038 Winter St NE Residential/Commercial	Public Works			2,150	2,150
PV056 Asphalt Pavement Resurfacing Program	Public Works	4,400	4,400	4,400	4,400
PV057 Nicollet Ave (31st St E to 40th St E)	Public Works	6,275			
PV061 High Volume Corridor Reconditioning Program	Public Works	2,730	2,730	2,730	2,730
PV063 Dirt Alley Construction	Public Works	300			
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	1,000	1,000	1,000	1,000
SA036 Infiltration & Inflow Removal Program	Public Works	6,000	6,000	6,000	6,000
SW002 Miscellaneous Storm Drains	Public Works	220	220	220	220
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	5,000	5,000	5,000	5,000
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	6,580	6,580	6,580	6,580
SW030 Alternative Stormwater Management Strategies	Public Works	1,000	1,000	1,000	1,000
SW032 I-35W Storm Tunnel Reconstruction	Public Works	1,000	1,000	1,000	1,000
SW038 Flood Area 5 - North Minneapolis Neighborhoods	Public Works	9,900	4,950	4,950	4,950
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,315	3,315	3,315	3,315
TR003 LED Replacement Program	Public Works	200	200	200	200
TR006 Priority Vehicle Control System	Public Works	225			
TR007 Traffic & Pedestrian Safety Improvements	Public Works	1,335	1,335	1,335	1,335
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR011 City Street Light Renovation	Public Works	350	350	350	350
TR013 Railroad Crossing Safety Improvements	Public Works	30	30	30	30
TR015 Safe Routes to School	Public Works	50	50	50	50
TR017 Pedestrian Signals with Count-down Timers	Public Works	250			

## 2014 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Rec	Mayor Rec	Council Adopted
TR020 Replace Traffic Signal Systems	Public Works	375	375	375	375
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	3,500	2,000	2,000
WTR18 Hiawatha Water Maintenance Facility	Public Works	3,000	3,000	3,000	3,000
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	500	3,000	3,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
<b>Total</b>		<b>130,709</b>	<b>100,430</b>	<b>96,200</b>	<b>96,200</b>

# 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 Capital 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.

**Special Assessments** - improvements paid for partially or wholly by property owners.

**Other** – Refers to all other categories of resources used to support capital programs including Library referendum tax levy, grants from other governmental agencies or private foundations, transfers from City operating funds, land sale proceeds, etc. In addition to the other sources above, Public Works has several divisions that have a reimbursable project for tracking and billing overhead costs and for performing construction activities that are billed to the specific projects, benefiting City departments, outside government agencies and private businesses.

**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” cash sources to pay directly for capital improvements.

## **ACRONYMS & ABBREVIATIONS USED IN PROJECT TITLES:**

**Rehab** - Rehabilitation

**CSAH** – County State Aid Highway – a County project leveraging a local cost share from the City of Minneapolis

**TH121** – Trunk Highway 121

**BNSF** – Burlington Northern Santa Fe railroad

**ACRONYMS & ABBREVIATIONS USED IN PROJECT TITLES - continued:**

**LED** – Light Emitting Diode (example - pedestrian signal crossing lights)

**LRT** – Light Rail Transit

**US EPA** – United States Environmental Protection Agency

**MWW** – Minneapolis Water Works

**GIS** – Geographical Information System

**ERP** – Enterprise Resource Planning software

**MPD** – Minneapolis Police Department

**HRIS** – Human Resources Information System

**SUBMITTING AGENCY OR DEPARTMENT ABBREVIATIONS:**

**CPED** – Community Planning & Economic Development

**BIS** – Business Information Services

**MBC** – Municipal Building Commission

**City of Minneapolis  
FY 2010 Budget**

**City Council Departments**

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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	369
➤ Attorney	378
➤ City Clerk/Elections/Council	391
➤ City Coordinator Departments	
➤ Total City Coordinator Summary Pages	400
– Administration	410
– 311	413
– 911	419
– Business Information Services	426
– Communications	433
– Convention Center	439
– Finance	446
– Human Resources	457
– Intergovernmental Relations	465
– Internal Audit	471
– Neighborhood and Community Relations	473
– Regulatory Services & Emergency Preparedness	478
➤ Civil Rights	490
➤ Community Planning and Economic Development	501
➤ Fire	514
➤ Health and Family Support	527
➤ Mayor	536
➤ Police	540
➤ Public Works	
– Total Public Works Summary Pages	551
– Administration	562
– Central Stores (formerly known as Engineering Materials and Testing)	565
– Fleet Services	568
– Property Services	571
– Solid Waste and Recycling	574
– Surface Water and Sanitary Sewer	577
– Traffic and Parking Services	580
– Transportation Maintenance and Repair	584
– Transportation Planning and Engineering	588
– Water Treatment and Distribution	592

## ASSESSOR

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### MISSION

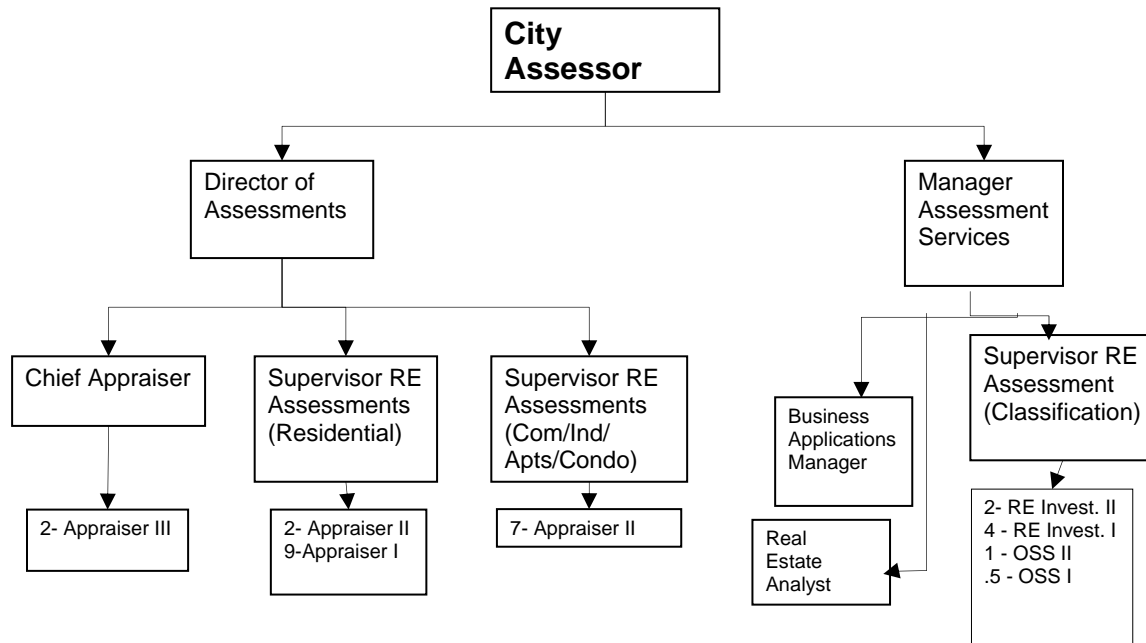
The Minneapolis Assessor's Office serves the taxpayers of the City by valuing and classifying real estate property in an accurate, ethical, equitable and defensible manner as prescribed by state law. The assessor also provides information and analysis to internal and external partners such as Elected 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 LINES

The Minneapolis Assessor's Office has three business lines:

- **Maintain Data Integrity of the City's Tax Base –**
  - a. Collect, verify and maintain property records for the City of Minneapolis
    - i. Per Minnesota statute 20% of the properties must be inspected each year
    - ii. Evaluate new exempt applications and verify existing exempt organizations
    - iii. Administer and enforce all property tax programs and laws
    - iv. Inspect and update property records for all new construction and significant remodeling, modifications or demolition
    - v. Process existing and new property divisions and combinations
  - b. Provide property information to Hennepin County
  - c. Dispose of property records and private data according to data privacy laws and City ordinances.
  
- **Real Estate Property Assessment –** Perform the assessment function for all real estate and appropriate personal property
  - a. *Valuation* – The annual estimation of value for all taxable and non-taxable real property per state law.
  - b. *Classification* – The annual classification and recording of parcels by property use and property type.
  - c. *Appeals and Reviews* – Respond to all informal and formal owner/taxpayer appeals and requests for property reviews. Defend assessment values and classifications at the City and County Boards of Appeal and Equalization.
  - d. *Defend Tax Court Cases* - Defend assessment values and classifications in Minnesota Tax Court.
  
- **Provide Information and Data Analysis To –**
  - a. Taxpayers
  - b. Elected Officials, City departments, primarily CPED, Regulatory Services, GIS, Finance, Public Works and IGR.
  - c. Hennepin County Attorneys, Hennepin County Taxpayer Services
  - d. Minnesota Department of Revenue, Commerce Department
  - e. Minneapolis School District, neighborhood groups and the media

## ORGANIZATION CHART



## RESULTS MINNEAPOLIS CHARTS

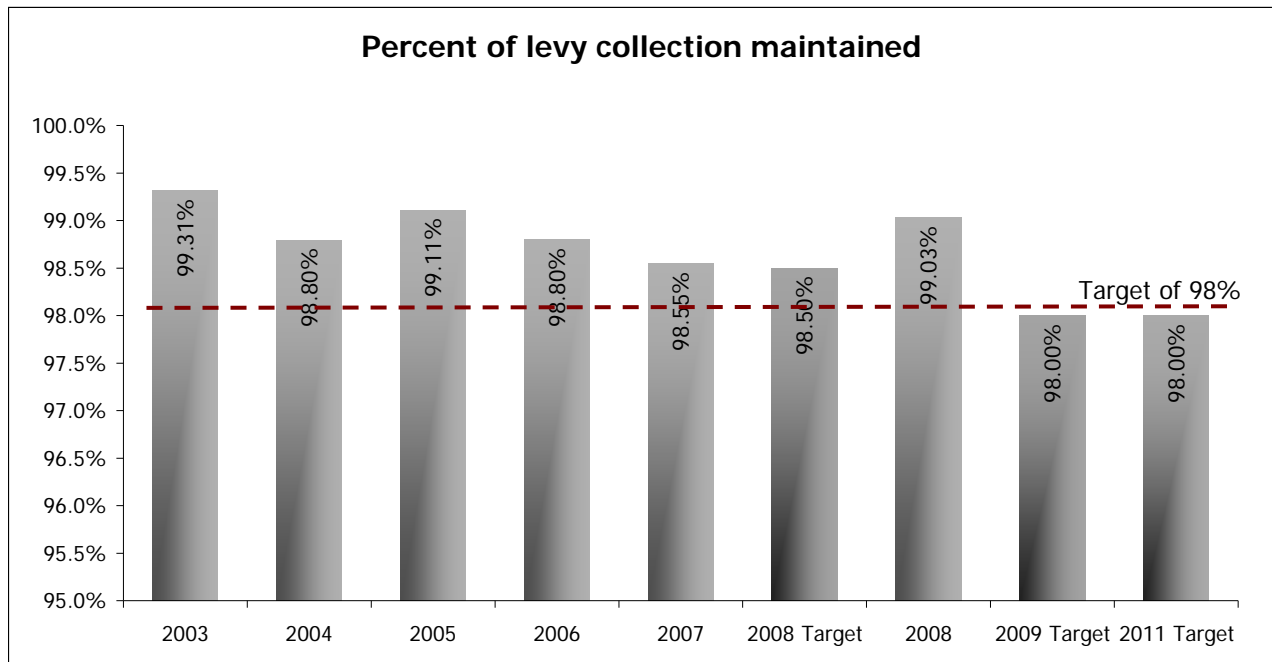


Chart as of May 2009



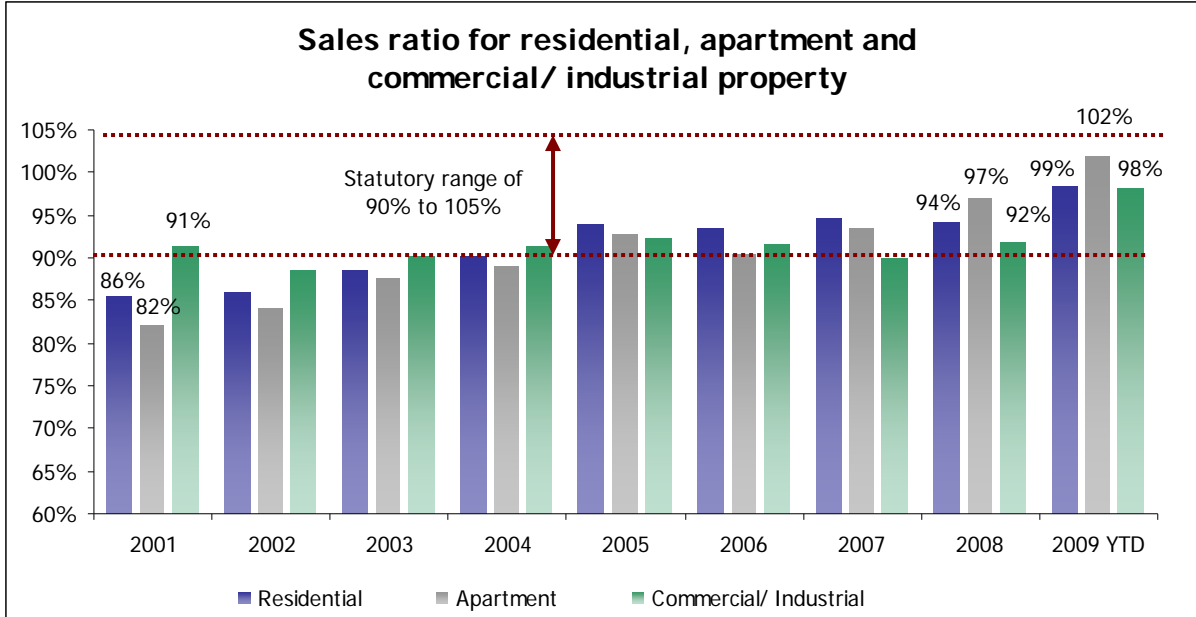


Chart as of May 2009

Current Tax Court Cases						
Tax Year Court Case Was Initiated	2004	2005	2006	2007	2008	2009
# Of Cases Petitioned by year	360	363	347	324	344	516
# of Parcels Petitioned	745	968	822	901	1,428	2,200
# of Parcels Dismissed	326	306	375	326	193	-
# Of Open Cases Remaining	-	-	9	49	144	-
# Of Parcels Under Petition	-	-	20	253	870	-
Value of Outstanding Parcels Under Petition (in millions \$)	\$ -	\$ -	\$ 63	\$ 473	\$ 2,481	\$ 4,200*

\* Preliminary 2009 estimate

**A 57% increase from 2008 to 2009.**

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

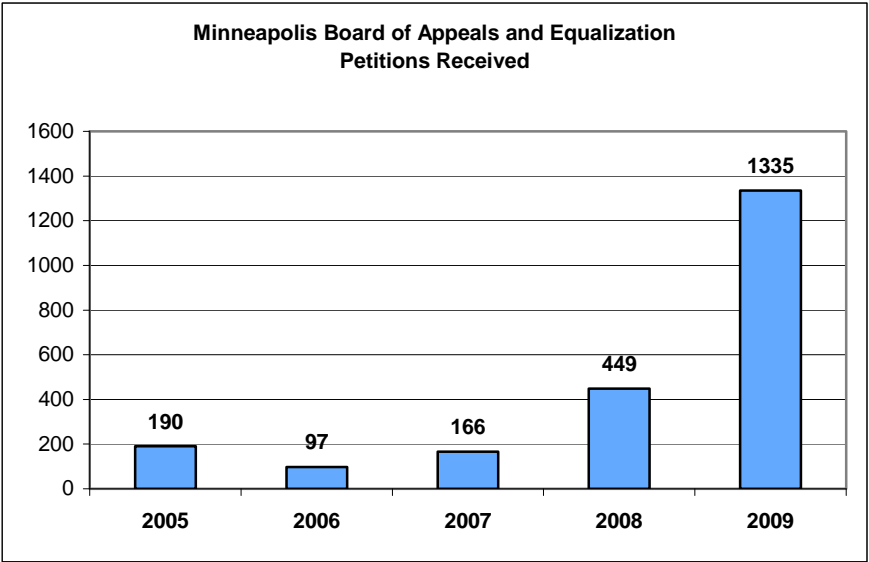
**Trend: Current State of the Economy and the Real Estate Market**

Minneapolis’s real estate market has been, is currently, and will continue to be a significant challenge for the assessor’s office. The first wave of foreclosures was attributed to unscrupulous sub-prime lending practices. Unfortunately, as the first wave of distressed property drew to a close, a second wave of foreclosures resulting from the current recession and rising unemployment is impacting the market. Minneapolis neighborhoods have been negatively impacted by pre-foreclosure sales, bank sales, short sales and auctions. Due to the high percentage of distressed sales in many neighborhoods, the time-honored definition of “market value” is constantly being challenged by taxpayers and attorneys. The volume and stigma associated with the distressed sales have misled many property owners to believe the decline in real estate values permeates much further than in reality.

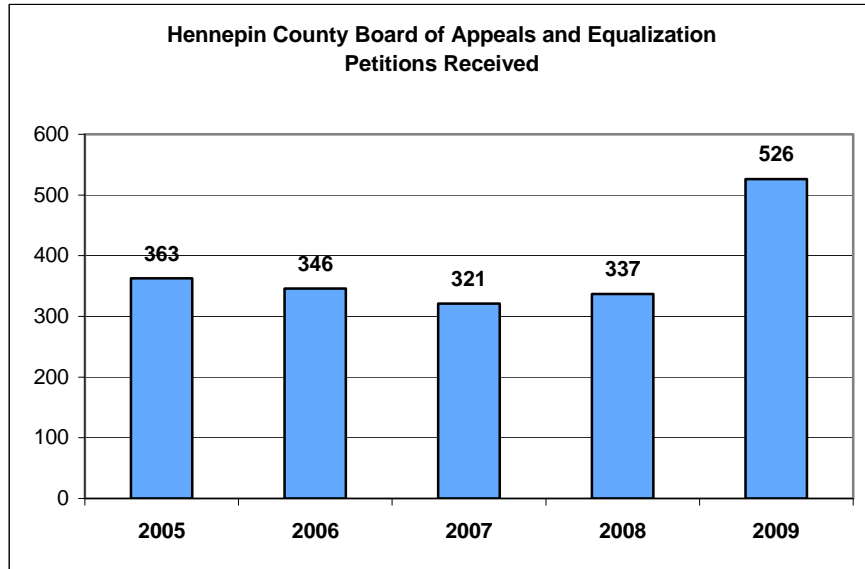
The current state of the economy has compelled more people to scrutinize all of their financial obligations including their property taxes. Taxpayer frustration with the recent trend of declining property values without a corresponding decline in property taxes has produced a deluge of phone calls, e-mails, local and county board petitions and tax court cases.

**Challenge: Work Loads and Staffing**

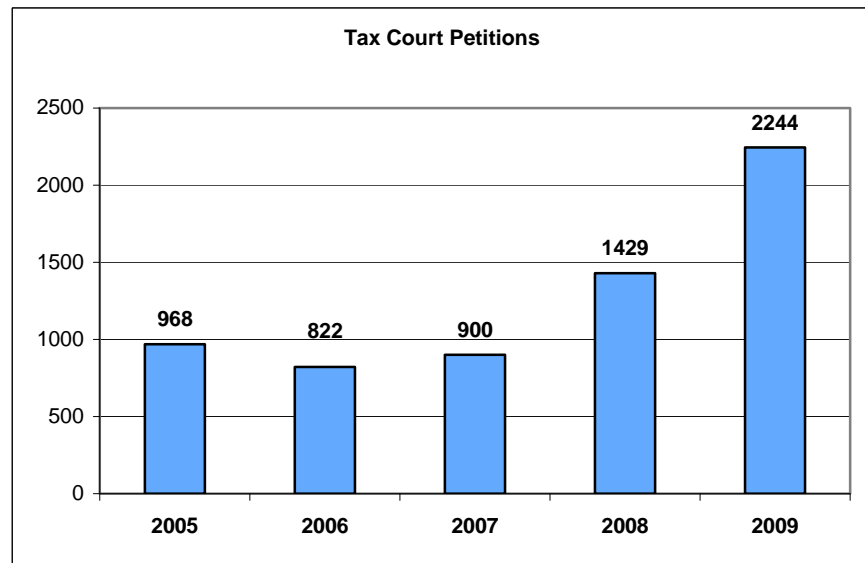
The assessor’s office has expended a significantly larger amount of staff resources this year responding to owners concerns and educating taxpayers as well as preparing for the massive number of property value petitions. The following charts show the trend in increased petitions:



Minneapolis Local Board of Appeal and Equalization petitions up from 449 in 2008 to 1335 in 2009, an increase of 197%.



Hennepin County Board of Appeal and Equalization petitions up from 337 in 2008 to 526 in 2009, an increase of 56%.



County Board of Appeal and Equalization petitions up from 900 in 2007 to 2244 in 2009, an increase of 149%.

The increased staff time dedicated to re-inspect, reappraise and defend the high volume of local and county board of appeals petitions resulted in delaying the start of our equalization work schedule by 25 days. The Assessor's office is exploring options to manage the compressed schedule in achieving the annual 20% inspection rate required to meet MN statutory requirements.

To address this challenge supervisors are closely monitoring the production reports and section work plans in order to quickly realign and flex staff assignments to meet MN statutory requirements.

Additionally, several process changes are being implemented to free up a limited amount of FTE hours for reassignment such as;

- 311 will manage all incoming phone calls for questions, assistance and general real estate and property tax information beginning July, 2009.
- Discontinuing one-on-one homestead services at the front counter. Property owners will be required to submit their application(s) via fax, mail, email or through a drop box in the lobby. Forms will be available in the lobby or they can be printed from the Assessor's web site. Staff will still need to process the same number of homestead applications, but the Customer Service Level (CSL) will change.

While these two process changes are a significant reduction in CSL it is necessary to redirect staff whenever possible to manage the increase in work load.

### **Challenge: Maintaining 90% Statutory Sales Ratio Requirement**

By law, all municipalities and taxing jurisdictions in Minnesota are required to maintain a median sales ratio of 90% to 105% on their major classes of property. In Minneapolis, failing to meet the State mandated sales ratio requirements can result in a significant increase in number of tax court cases filed against the city of Minneapolis resulting in an increased work load and increased loss of city revenue (levy).

Appraising land and buildings in today's volatile real estate market is incredibly challenging. Distressed sales, short sales, the decrease in the number of traditional real estate sales rapidly changing building conditions and abrupt and extreme market swings all add to the complexity of achieving the needed accuracy in the mass appraisal process. The Assessor's office needs to meet MN statutes and Department of Revenue (DOR) requirements or be subject to DOR mandated property value adjustments similar to the one ordered in 2008.

The Assessor's office is responding to this challenge by increasing the frequency of DOR meetings from quarterly to monthly for reviewing sales data and discussing current Minneapolis markets. The Assessor's office is carefully screening sales, talking with buyers, sellers, brokers, downtown property owners and managers and conducting more inspections to stay abreast of the transformation of the Minneapolis real estate market.

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

The Assessor's office is fostering a closer partnership with the Hennepin County Attorney's office to manage the increasing case loads and improve the tax court process. In partnership with Minneapolis neighborhoods, the City Assessor's office has increased neighborhood meetings to help local taxpayers understand how the value of their property is determined, and understand the tax appeal process. In addition, Public Service Announcements (PSA's) have been created in Hmong and in Spanish to help members from those communities to better understand the tax process in Minneapolis.

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

Tracking trends in petitions at three levels: Local Boards, County Boards, and Court Cases. Utilizing production reports and section work plans to deploy staff to meet assessment cycle responsibilities, statutory requirements and tax court petition work.

### ***What actions will the department take to meet the current financial projections (5% reduction in all funds)?***

The Assessor's office budget can be segmented into three main categories:

80% Wages and Benefits

18% Contractual Obligations (BIS, Rent, Insurance, Postage, Transportation)

2% discretionary (Printing, Supplies, Licensing, Professional services, etc)

The Assessor's office is a revenue generating department bringing in close to 160 million dollars. Forty three percent of the City's Revenue Budget for 2009 is generated from property taxes. All reductions to meet financial projections (.028%, 5% and 10%) can only be achieved through staff reductions and will negatively impact City revenue; staffing and processes. For every FTE reduction, \$225,000 in revenue is potentially at risk.

FTE reductions also place the City at risk of violating state mandates as the department's processes are driven by:

- Statute MN 273.08 - the number of parcels viewed annually
- Statute MN 278.05 subd. – median sales ratio of the city
- Mandates set by the Department of Revenue

In 2008, the Department of Revenue mandated an increase for the Nokomis and University communities because of a low inferred ratio.

#### **Scenario 1: No Cuts or Only Reduction to Growth:**

A .028% reduction equates to .5 FTEs. This will:

- increase the processing time of homestead applications, sales data entry, tax exempt applications and the administration of special tax programs
- shift data entry tasks to the appraisal staff thus further reducing the time available to inspect properties, write appraisals and prepare and testify in tax court

#### **Scenario 2: Five Percent Reduction (-5%)**

A 5% budgetary reduction equates to a loss of 3 FTEs. This will:

- increase processing times for homestead applications, sales data entry, tax exempt applications, special tax programs
- shift data entry tasks to the appraisal staff thus further reducing the time available to inspect properties, write appraisals and prepare and testify in tax court
- processing requests for data and data analysis from City leadership, Legislature, City Departments and other stakeholders may not be performed
- fewer dismissed court cases and larger and more frequent property tax settlements
- potential \$675,000 in levy loss due to tax court settlements
- result in a levy collection rate of less than 98%

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The Assessor's 2010 budget of \$4.0 million is in line with the five-year financial direction. The budget will increase 2.2% over the 2009 adopted budget. There are 36.5 positions in the department. Personnel are 80% of the total department budget. The department's contractual expenses are approximately 16% of its budget. The largest contractual expense is BIS Services.

### **REVENUE**

Revenue in 2010 is projected to be \$63,000. The revenues come 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.

### FUND ALLOCATION

The Assessor's department entire budget comes from the general fund.

### ORIGINAL BUDGET

The Mayor recommended and Council approved a reduction of \$28,000 from the current service level for this department.

The budget for this department includes a reduction of BIS charges of \$26,300 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes an \$896 decrease in appropriation due to the Council's actions to fund two internal audit positions.

### MAYOR'S REVISED BUDGET

The Mayor included no reduction to this department.

### COUNCIL REVISED BUDGET

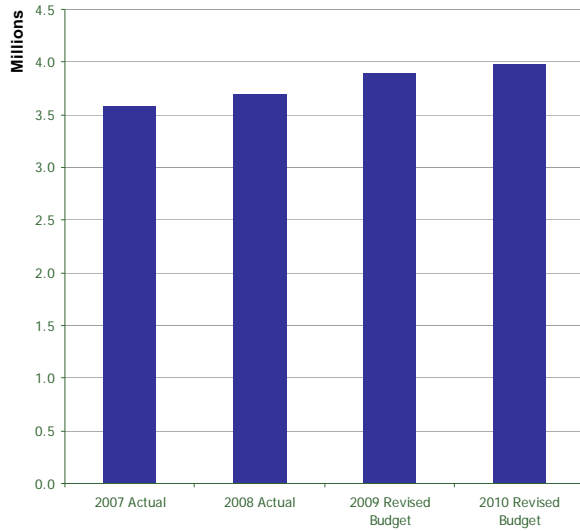
Council adopted the Mayor's recommendations.

## ASSESSOR EXPENSE AND REVENUE INFORMATION

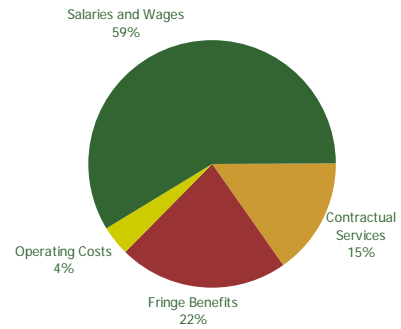
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	2,052,989	2,096,277	2,309,958	2,342,550	1.4%	32,592
Fringe Benefits	602,295	642,801	798,074	871,462	9.2%	73,387
Contractual Services	776,718	791,419	637,073	606,216	-4.8%	(30,857)
Operating Costs	144,978	161,185	154,361	164,976	6.9%	10,615
Capital	0	48	1,740	600	-65.5%	(1,141)
<b>TOTAL GENERAL</b>	<b>3,576,980</b>	<b>3,691,730</b>	<b>3,901,207</b>	<b>3,985,804</b>	<b>2.2%</b>	<b>84,597</b>
<b>TOTAL EXPENSE</b>	<b>3,576,980</b>	<b>3,691,730</b>	<b>3,901,207</b>	<b>3,985,804</b>	<b>2.2%</b>	<b>84,597</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Property Taxes	62,138	62,593	65,000	62,000	-4.6%	(3,000)
Charges for Service	105	79	1,000	1,000	0.0%	0
Charges for Sales	414	163			0.0%	0
Other Misc Revenues	0	(683)			0.0%	0
<b>TOTAL GENERAL</b>	<b>62,656</b>	<b>62,151</b>	<b>66,000</b>	<b>63,000</b>	<b>-4.5%</b>	<b>(3,000)</b>
<b>TOTAL REVENUE</b>	<b>62,656</b>	<b>62,151</b>	<b>66,000</b>	<b>63,000</b>	<b>-4.5%</b>	<b>(3,000)</b>

Expense 2007 - 2010



Expense by Category

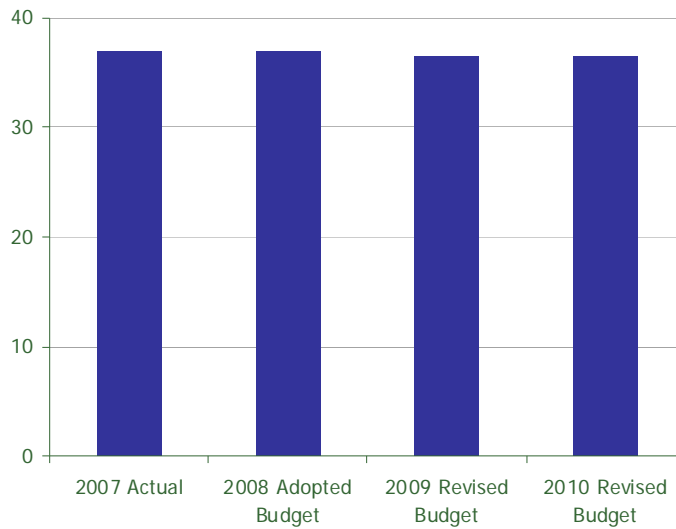


### ASSESSOR

#### Staffing Information

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
ASSESSOR OPERATIONS	37.00	37.00	36.50	36.50	0.0%	
<b>TOTAL</b>	<b>37.00</b>	<b>37.00</b>	<b>36.50</b>	<b>36.50</b>	<b>0.0%</b>	

Positions 2007-2010



# ATTORNEY

## MISSION

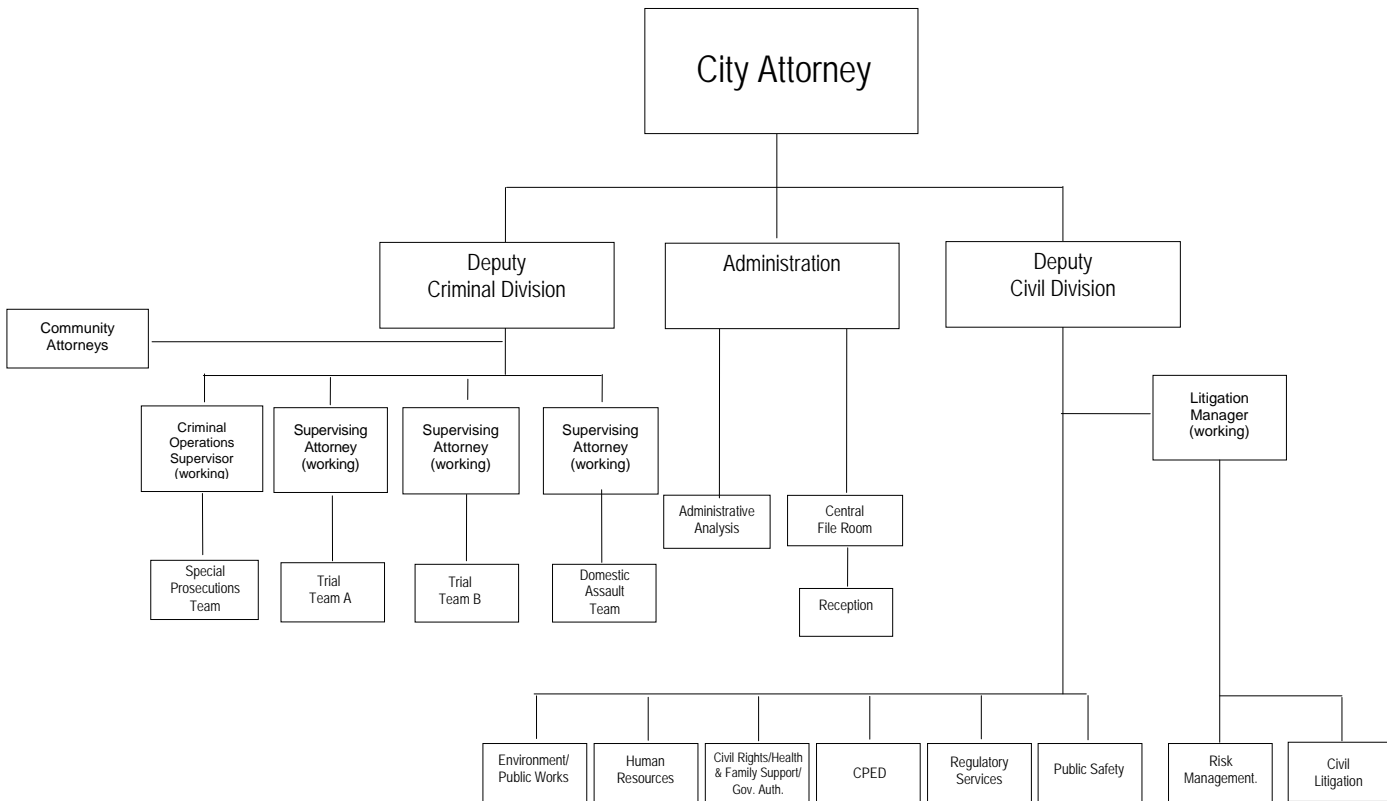
To enhance public safety, serve justice and vigorously represent the interests of the City of Minneapolis and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

## BUSINESS LINES

The City Attorney's Office has two business lines:

- Enhancing public safety
- Delivering civil legal services

## ORGANIZATION CHART





<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>							
<b>Measure Name</b>	<b>2004 Data</b>	<b>2005 Data</b>	<b>2006 Data</b>	<b>2007 Data</b>	<b>2008 Data</b>	<b>2009 Target</b>	<b>2011 Target</b>
Number of "Top 200" chronic offenders convicted	83	81	129	130	146	153	168
Conviction rate of domestic violence cases	48%	48%	58%	54%	61%	60%	60%
Percentage gross misdemeanor weapons cases charged by the City Attorney's Office that result in a conviction	N/A	N/A	86%	84%	82%	86%	95%
<i>Revised measure:</i> Percentage of convicted "Top 200" Chronic Offenders for whom community impact statements were solicited and presented	N/A	N/A	N/A	N/A	56%	60%	75%
Number of cases referred to neighborhood restorative justice programs	247	612	880	600 (Number was limited by capacity of providers)	687	650	730
Liability payouts resulting from certain of the City's risk generating activities	\$3,655,901	1,944,765	\$1,666,909	\$9,265,492* *includes Duy Ngo (\$4.5M) and Metro Produce (\$2.3M) settlements	\$1,330,938	\$2,400,000	\$1,500,000
Outside counsel costs	N/A	N/A	N/A	Litigation Matters: \$1,061,400* (*\$851,000 recovered in airport litigation) Non-litigation matters: \$345,140 Total: \$1,406,540 [Net: \$555,540]	\$689,303	\$800,000	\$500,000

**What key trends and challenges does the department face and how will each be addressed?**

**Key Challenges:**

- Maintaining an aggressive prosecution strategy in priority areas despite budget and staffing reductions throughout the criminal justice system, including the courts and public defender’s office.
- Maintain the progress made in the criminal division through the creation of supervising attorneys.
- Expand top chronic offender prosecution program by adding an intensive focus on livability crime on the West Broadway corridor in North Minneapolis and downtown Minneapolis.
- Manage the high quality of civil litigation and client services representation to minimize City legal liability despite potential reductions in attorney, paralegal and clerical staffing.

**A. Criminal Division Trends and Challenges**

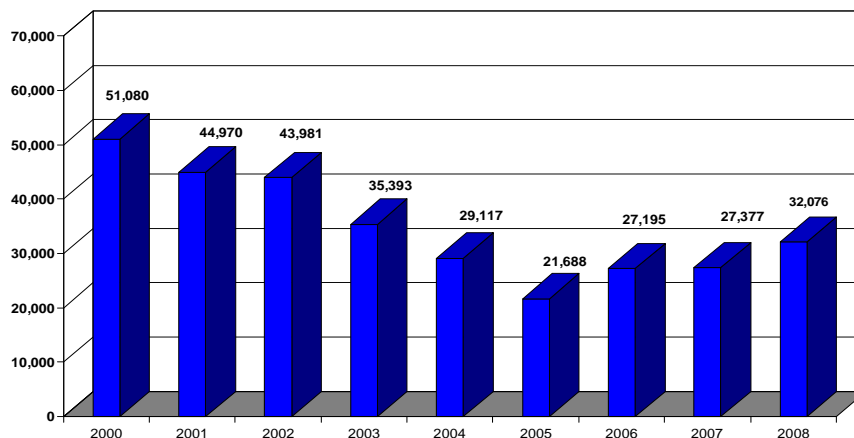
**1. Caseload and Budgeted FTE’s**

- 45% increase in caseload since 2005
- 32,000 criminal cases handled in 2008
- 3.2% decline in budgeted FTE’s since 2007

In 2008, the Criminal Division handled 32,000 cases, which represents an increase of 17% since 2007. Since 2005 (the low point in caseload over the last four years), the criminal caseload numbers have increased by over 45%. The budgeted number of FTE’s has declined by 3.2% between the 2007 adopted budget and the 2009 revised budget. In the past year we have also reduced the number of filled positions by three as a result of attrition. Since 2008, three FTE have left the Office from the Criminal Division. The positions have been left vacant in light of existing and anticipated future budget pressures.

The first quarter 2009 caseload numbers indicate a slight decrease from the first quarter of 2008 (a 4% decline in district court filings). It is difficult to predict whether the caseload numbers will continue at this slightly lower percentage through the balance of the year. Assuming that the caseload numbers hold constant at the 4% decline rate for the balance of the year, this will still represent a 40% increase in caseload since 2005 and a 12% increase since 2007, even with a decline in budgeted FTE’s and full staffing of the community attorney program.

**Criminal Division Caseload 2000 through 2008**



## **2. Supervising Attorneys**

- Four newly created supervising attorney positions addressed “Span of Control” issue
- Supervising attorneys maximize employee consistency, accountability and productivity

With the additional funding provided in the original 2009 adopted budget, the CAO created four supervising attorney positions, filled through internal promotions. Before these positions, the deputy had 49 direct reports with no supervisory assistance in the criminal division except for one clerical supervisor. The supervisor to direct report ratio has now been reduced to no more than 12 team members per manager.

With the adjusted 2009 budget, the CAO was not able to backfill with two additional hires as originally planned so that the supervisors would carry only a half caseload, devoting the balance of their time to supervisory-related functions. Nevertheless, with the added oversight and increased organizational capacity created by the four working supervisor positions, a significant revision of the workload distribution has been achieved. This has allowed the new management structure to work even without hiring the two additional attorneys as previously planned.

Even though the supervisors have only been in place for a short period of time, it is clear that they are adding significant value and benefits, including: (1) the ability to monitor and evaluate individual performance of team members, resulting in improved consistency in handling of cases and attorney accountability, and improved developmental support and guidance for the attorneys and staff; (2) a more equitable distribution of caseloads and assignments allowing the office to maximize the productivity of individual team members and improve employee morale; and (3) earlier identification of issues and concerns both with regard to criminal cases and personnel issues, allowing for immediate feedback and constructive action, responding to matters quickly and efficiently before a small issue develops into a large problem.

## **3. Community Attorney Program**

- Maintained full staffing of Community Attorney program (1 attorney / 1 paralegal per precinct) despite budget reduction in adjusted 2009 budget for criminal division.

In 2008, full staffing of the community attorney program was completed by assigning a paralegal to the 5<sup>th</sup> precinct so that each of the five precincts was assigned a prosecutor and paralegal. We intend to maintain these staffing levels throughout 2009. With the new supervisory structure in the criminal division, the workload has been reviewed and additional caseload responsibilities have been assigned to the community attorneys. These changes have been designed with the department's mission in mind. For example, the community attorneys and chronic offender team are now exclusively responsible for handling the arraignment calendar in community court which maintains contact between the livability offenders and the community attorneys. Similarly, graffiti cases are now handled by community attorneys and paralegals for the precinct where the graffiti case took place, instead of assigning the cases to a trial team attorney.<sup>1</sup>

Depending on the 2010 budget for the criminal division, community attorneys and paralegals may be to assigned additional duties. Consolidation of attorney and paralegal

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<sup>1</sup> It should be noted that the community paralegals are also taking on additional responsibilities, from maintaining offender lists for court watch groups as Weed & Seed funding has ended, to maintaining data on geographic restrictions for chronic offenders for upload into the police squad computers, and lists of trespass offenders whose charges are eligible for enhancement to a gross misdemeanor.

positions may be necessary (reduced staffing) in order to handle the criminal division caseload.

The criminal division caseload per attorney remains well above the ABA recommended levels even without any additional budget reductions projected for 2010.

#### **4. Chronic Offender Prosecutions.**

- 13% increase in the number of “Top 200” chronic offenders arrested and prosecuted.
- 88% conviction rate for “Top 200” chronic offenders
- Obtained average sanctions of 100 days per convicted offender
- One-third reduction in rate of recidivism

The Top 200 Chronic Offender list remains a critical component of our community prosecution strategy. The CAO achieved an 88% conviction rate for chronic offenders prosecuted during 2008 and obtained prosecution penalties of over 100 days per convicted offender. Most importantly, there was a reduction in the rate of new charges for one year following special prosecution of approximately one-third.

There is a significant demand to increase the size of the chronic offender list, particularly for the downtown area (the “Downtown 100” program) and for a specialized effort focused on the West Broadway business corridor in North Minneapolis (the “West Broadway 20”). The Downtown 100 program would require additional full-time attorneys and paralegals as well as a probation officer. CAO has applied for and will continue to seek external grants or other funds for the Downtown 100 initiative

#### **5. Domestic Violence**

- Exceeded 2008 conviction rate goal by 8%
- Increased conviction rate in 5<sup>th</sup> precinct domestic cases by over 40% through evidence gathering pilot program
- Successfully completed 5<sup>th</sup> precinct pilot and roll-out of protocol to 3<sup>rd</sup> precinct; with roll-out to the balance of the precincts in the process of being implemented with MPD

Aggressive prosecution of domestic violence matters continues to be a key priority for the office. CAO provides greater resources for these prosecutions including victim witness services. CAO has worked with the Hennepin County District Court to obtain a commitment to continuing the specialty domestic violence misdemeanor court despite the budgetary pressures being placed on the court system.

The 5<sup>th</sup> Precinct enhanced evidence gathering protocol was so successful that it is being implemented city-wide. The pilot involves having the responding officers to a domestic violence call go through a protocol to gather more thorough evidence at the scene, for example, by taking photographs, having the victim write down injuries, taking Mirandized video statements of suspects at the scene, using squad video cameras and other measures. The CAO trained the 5<sup>th</sup> precinct officers on the protocol and provided feedback to the officers on the evidence gathered and reports written for each domestic violence call.

The results of the pilot showed the following improved outcomes for the first year of the pilot compared to the previous year:

- 40% increase in conviction rate
- 43% increase in guilty pleas to the crime as charged instead of a lesser offense
- 43% decrease in the numbers of cases dismissed

The pilot has been expanded to the 3<sup>rd</sup> precinct and should be implemented city-wide by the end of 2009.

6. **Grant Funding.** The CAO has received funding through two federal grant programs:
- Byrne Memorial Justice Assistance Formula Grant**  
This grant funds two prosecutor positions, used to help fund community attorney positions. It is hoped that funding will continue to be made available for this purpose. The loss of this funding would create a budget deficit of \$200,000.

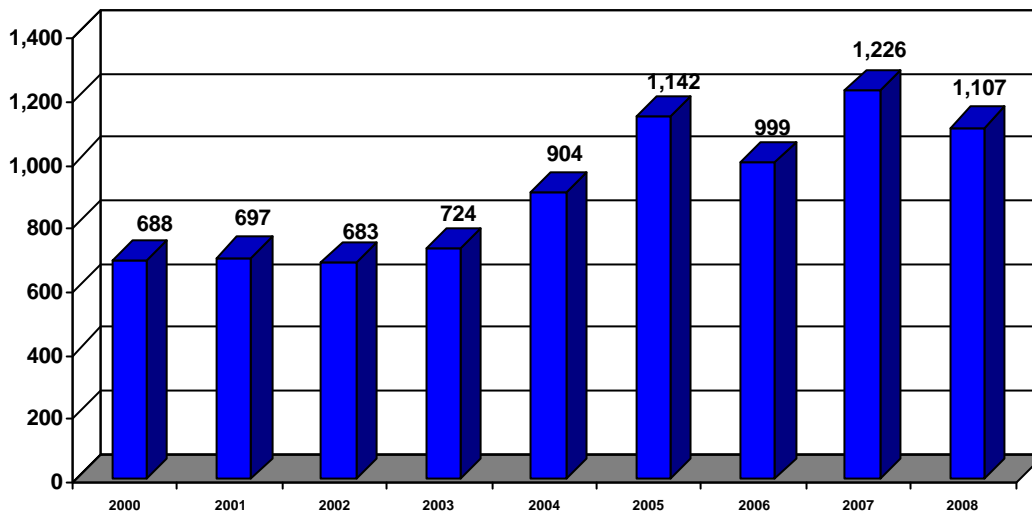
**Grants to Encourage Arrest Policies (Violence Against Women Act)**

The current grant funds one attorney to provide guidance to the MPD Family Violence Unit (FVU). The current grant ends this year. A new grant application has been submitted. If the grant request is not funded, this will eliminate funding for the FVU attorney position, a valued resource for the family violence unit investigators.

**B. Civil Division Trends and Challenges**

1. **Civil Division Workload.** The workload in the Civil Division remains heavy, with many significant matters both in client services and litigation. We do not anticipate any reduction in the volume of litigation matters or client services needs.

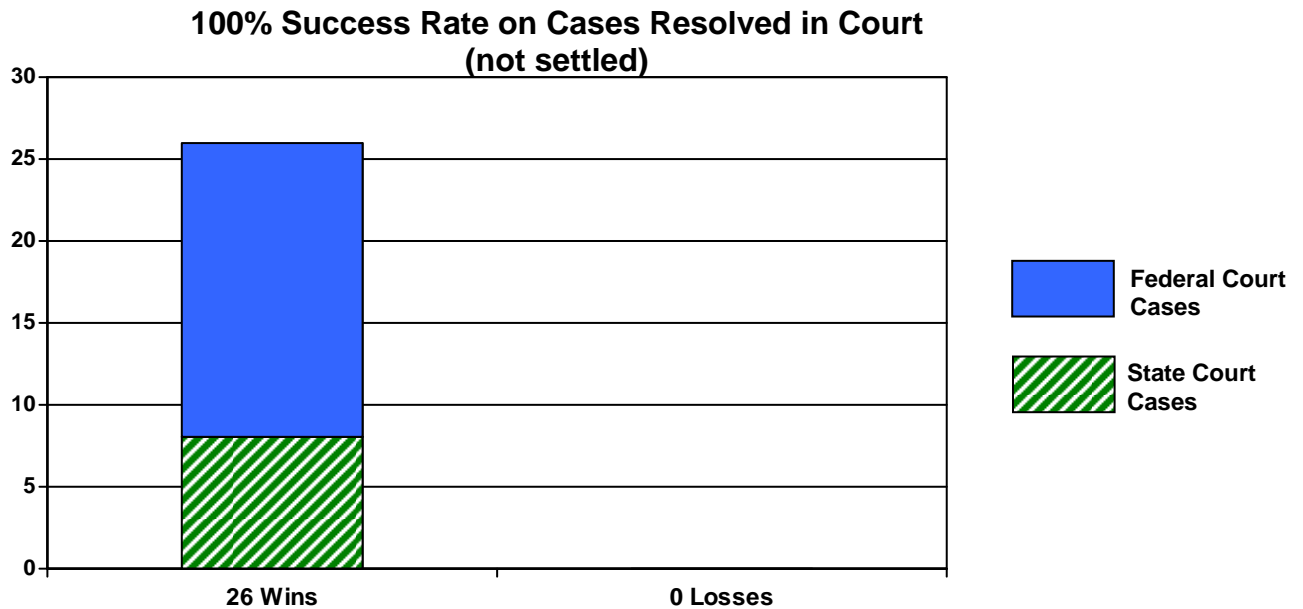
**Civil Litigation Matters 2000 through 2008**



2. **Litigation Manager Position**

To ease the “span of control” problem in the civil division and to improve oversight, training and risk management capacity for the litigation team, we created a litigation manager position. The position was filled through an internal promotion in May 2009. Due to current budget pressures, no additional FTE’s were added to the litigation team to backfill for the manager position. Nevertheless, the existence of this position will help the CAO achieve its goals with respect to managing and reducing potential for civil litigation liability.

### 3. Civil Division 2008 Accomplishments and Highlights



- Civil Division attorneys brought a successful tenant remedies act lawsuit against TJ Waconia a company involved in a large scale mortgage fraud/flipping scam in conjunction with neighborhood organizations;
- Civil Division attorneys had significant involvement in the Instant Runoff Voting (IRV) implementation, including drafting IRV ordinances, providing legal advice and handling litigation challenging IRV;
- Provided significant legal assistance as a participant in a public-private working group to establish the Downtown Business Improvement Special Service District (DID); and
- Provided legal advice, assistance and training to numerous City departments and its independent boards and commissions, including personnel-related matters, drafting ordinances, advising Regulatory Services, training police officers, elected officials and other City employees, and including such topics as police misconduct, sexual harassment, the City's Ethics Code, the Open Meeting Law, and the State's Data Practices Act;

#### C. Actions taken to Increase Efficiencies and Reduce Costs

Over the past year, the City Attorney's Office has undertaken a number of steps to increase efficiencies and reduce costs. Examples include the following:

- Significant reduction in BIS assets, for both printers and PC's with a reduction in BIS charges that is sufficient to fund the BIS rate increases for 2010.
- Business Process Improvement analysis of crime victim services; result of project will allow efficiencies, freeing up time of advocates;
- Business Process Improvement of file room is in process and will hopefully yield greater efficiencies;
- Increased use of "work study" law students from the University of Minnesota as law clerks. This program reduces the wage costs to the office because part of the wages are paid by the University.
- Collaborated with Hennepin County District Court and Public Defender's Office to reorganize misdemeanor arraignment calendars to balance the calendars throughout the

day to ease staffing pressures in the mornings. The court will be implementing this change within the next year as part of a broader reorganization that will block cases to a particular judges and teams assigned at the pretrial conference.

**D. Budget Facts**

- Personnel costs represent 73% of the CAO budget.
  - We do not anticipate any retirements or resignations over the next year.
  - Vacancies are used to fund law clerk positions in an amount of \$115,000 for 2009; there is not a separate line in the budget for these positions. Law clerks are cost effective. In the criminal division, for example, they appear in court, teamed with a prosecutor, handling plea negotiations. Instead of staffing with two prosecutors, calendars are staffed with one prosecutor and one law clerk.
- Hennepin County (workhouse) billings, BIS charges and statutorily-mandated crime victim services account for 60% of the CAO's non-personnel costs.

**E. Budget Challenges**

**1. Increase in Salary Costs/ Budget Adjustments Required by 2010 CSL:**

- Increases in salary and fringe benefits above budgeted amounts require a reduction of over \$350,000 from the CAO budget to meet the 2010 CSL.

The salary and fringe benefit lines projected for 2010 have increased by 6% (salary) and 10.8% (fringe) in the Criminal Division, an increase of \$232,663 (salary) and \$113,007 (fringe), and 12.5% (salary) and 11.5% (fringe) in the Civil Division, an increase of \$420,604 (salary) and \$122,051 (fringe). This increase in salary and fringe benefit costs requires the CAO to cut \$351,298 from its budget lines just to come within the budget cap for both divisions. We propose to do this as follows:

- a. Criminal Division: To meet the \$46,000 required reduction, we would propose to reduce the funding for restorative justice from \$78,642 to \$32,642.
- b. Civil Division: To meet the \$305,298 required reduction, we propose elimination of two vacant attorney positions and a .5 vacant clerical position.

**2. Criminal Division: 2009 Adjusted Budget.**

Reduced the criminal division budget by \$330,000 and the elimination of 4.5 criminal division FTE's.

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

The office has historically been engaged in numerous partnerships (both internal and external) as a means of improving our work. Some of these examples are listed below. In addition, more recently, the office has participated with other City departments such as BIS and the City Coordinator's office to explore the most effective and efficient ways of performing some of our regular tasks, such as providing victim-witness services, the file room function, and technology functions.

With respect to external partnerships, the office is engaged in the following:

<b>Group/Partnership</b>	<b>Purpose</b>
Numerous neighborhood groups/associations	Through the Community Attorney program, we participate in neighborhood and ward care meetings to inform and educate the community about issues with which it is concerned.

<b>Group/Partnership</b>	<b>Purpose</b>
Court Watch groups	Brings community members, police, prosecutors and others together to increase awareness of crime and to promote appropriate resolution of cases.
Restorative Justice programs	Where appropriate, offenders face the community and repair damage they have done to the community as prescribed by the RJ program.
Hennepin County Criminal Justice Coordinating Committee (CJCC)	City and County policymakers meet to discuss issues and initiatives requiring cooperation across jurisdictional lines and part of the criminal justice system.
4 <sup>th</sup> Judicial District Violations Bureau	Delegation of authority to Violations Bureau to resolve certain lower level offenses.
Community Court, Domestic Violence Court, DWI Court, Mental Health Court	Specialty courts established to focus on categories of offenses needing special focus or attention.
Numerous criminal justice partner groups formed around domestic violence issues	Focus on domestic violence issues to reduce incidence of DV and to ensure safety of victims of DV
The CAO also maintains attorney liaisons to Metro Transit police, Park police, U of M police, Sheriff's department, State Patrol, MADD and PRIDE	Assist with criminal justice issues
Downtown SafeZone	Public and private partnership established to make downtown safe and welcoming for those who work, live or visit downtown
St. Stephens' Homeless Outreach Team	Work with St. Stephens' outreach effort to address housing and other needs of chronic offenders, in order to reduce incidence of offense.

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

CAO evaluates the effectiveness of our criminal operations through the Results Minneapolis measures as well as internal reviews. We are analyzing the chronic offender special prosecution program to determine the impact on recidivism. Other programs, DWI and Mental Health courts are also reviewed for effectiveness through Results Minneapolis and internal reviews.

Conviction rates and sanctions obtained in cases are also reviewed. However, it is important not to rely solely on conviction rate data because we need to maintain an aggressive prosecution posture in appropriate cases which will result in certain cases being lost at trial. The willingness to try cases instead of settling is important to the integrity of our prosecution efforts and to being able to obtain appropriate plea bargains in other cases.

A Business Process Improvement review of crime victim services is complete and CAO is in the process of engaging in such a review of our file room operations.

In the Civil Division, employee productivity and outside counsel costs are reviewed, and settlements and judgment numbers are tracked. A survey this summer involving in-person



meetings with client leaders will assess client needs, satisfaction with our legal service delivery, ways to improve service, provide more client value and increase effectiveness and efficiency.

***What actions will the department take to meet the current financial projections (5% reduction in all funds)?***

**CRIMINAL DIVISION**

**5% Reduction: \$401,671**

To achieve this reduction, we would propose the following:

- Eliminate all remaining vacant positions:
  - 1 attorney position
- Eliminate 2 filled paralegal positions
- Eliminate .75 FTE of a filled attorney position
- Eliminate balance of funding (\$32,642) for restorative justice grants<sup>2</sup>

The impact of these cuts would:

1. Eliminate funding for law clerks
2. Require consolidation of community attorney and paralegal activities among the remaining 4.25 community attorneys and 3 community paralegals (See budget memo for a more detailed description).
3. Reduce financial resources for restorative justice providers

**CIVIL DIVISION (Self Insurance Fund)**

**5% Reduction: \$312,395**

- Eliminate 2.5 vacant attorney positions (2 ACAII's/.5 ACAI).

The impact of these cuts would:

1. Eliminate ability to hire law clerks
2. Eliminate opportunity to implement a supervisor structure in the Civil division (See Budget memo for more detail)

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The department's 2010 budget is \$14.4 million, a 6.7% or \$903,000 over the 2009 revised budget. There are 102 positions in the department. Personnel are 73% of the total department budget. The department's contractual expenses are 25% of its budget. The Ethical Practices Board is fully funded (\$13,000).

**REVENUE**

The expenditure and revenue information does not reflect the total amount of revenue because a significant portion of revenue is shared with the police department. This shared revenue is from the Justice Assistance Grants (JAG) and Grants to Assist Arrests. Some expense from the grant is also shared.

**FUND ALLOCATION**

The primary funding sources for the department are the general fund (54%) and the self-insurance fund (42%). The remaining 4% is derived from the federal, state or other grant funds. The 2010 general fund budget for the department increases by 3.2%, the self-insurance fund budget increases by 8.5%, and the special revenue fund budget increases by 43%.

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<sup>2</sup> While our Office is supportive of restorative justice, the program does not significantly impact our workload and therefore we are placing decisions about continued funding for restorative justice with the policy makers.

**ORIGINAL BUDGET:** The department eliminated 2 FTE to meet the financial direction. The Mayor recommended a reduction of \$250,000 in the criminal division, including the elimination of 2 positions and the balance of funding for restorative justice grants. The Mayor further recommended a reduction of \$125,000 from the current service level in the civil division, including the reduction of two and one half positions. Council approved the Mayor's recommendations, and directed that CDBG funding for Restorative Justice programs be increased by \$20,000.

The budget for this department includes a reduction of BIS charges of \$67,400 due to the Council's actions to reduce the BIS budget, which will reduce the department's appropriation by the same amount. The budget for this department also includes a \$1,803 increase to General Fund Overhead charges in the Self Insurance Fund and a \$1,419 decrease in appropriation in the General Fund to fund two internal audit positions.

**MAYOR'S REVISED BUDGET:** The Mayor recommended a reduction of \$69,000. The City Attorney's Office will meet this reduction through a combination of budgetary leave, business process improvements, and other non-personnel reductions. If these strategies are insufficient, the department will reduce a vacant position within the criminal division.

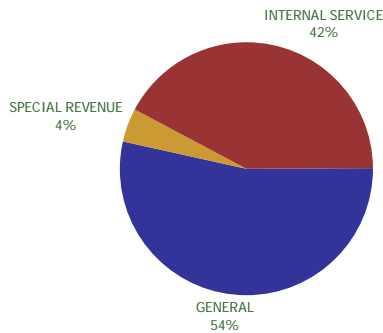
**COUNCIL REVISED BUDGET:** Council adopted the Mayor's recommendations.

### ATTORNEY EXPENSE AND REVENUE INFORMATION

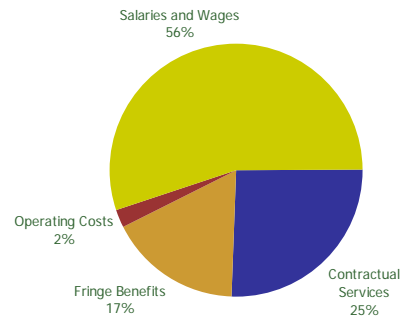
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	3,473,419	3,686,320	3,873,965	3,926,311	1.4%	52,347
Fringe Benefits	915,203	1,012,065	1,192,752	1,200,033	0.6%	7,282
Contractual Services	1,613,958	2,305,809	2,177,393	2,351,489	8.0%	174,096
Operating Costs	159,470	173,172	183,266	184,108	0.5%	842
<b>TOTAL GENERAL</b>	<b>6,162,050</b>	<b>7,177,366</b>	<b>7,427,376</b>	<b>7,661,942</b>	<b>3.2%</b>	<b>234,566</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	274,407	293,344	339,306	475,707	40.2%	136,401
Fringe Benefits	66,078	74,943	108,662	143,700	32.2%	35,038
Contractual Services	0			20,000	0.0%	20,000
Operating Costs	0	8,300			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>340,485</b>	<b>376,587</b>	<b>447,968</b>	<b>639,407</b>	<b>42.7%</b>	<b>191,438</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	3,477,161	3,127,368	3,467,670	3,553,178	2.5%	85,508
Fringe Benefits	795,363	860,665	1,097,047	1,111,283	1.3%	14,235
Contractual Services	997,788	909,571	918,060	1,292,810	40.8%	374,750
Operating Costs	133,722	148,274	140,476	143,286	2.0%	2,809
<b>TOTAL INTERNAL SERVICE</b>	<b>5,404,034</b>	<b>5,045,878</b>	<b>5,623,253</b>	<b>6,100,556</b>	<b>8.5%</b>	<b>477,302</b>
<b>TOTAL EXPENSE</b>	<b>11,906,569</b>	<b>12,599,831</b>	<b>13,498,598</b>	<b>14,401,904</b>	<b>6.7%</b>	<b>903,307</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	9,603	8,390	17,000	10,000	-41.2%	(7,000)
Other Misc Revenues	48	(11,040)	3,000		-100.0%	(3,000)
<b>TOTAL GENERAL</b>	<b>9,651</b>	<b>(2,650)</b>	<b>20,000</b>	<b>10,000</b>	<b>-50.0%</b>	<b>(10,000)</b>
<b>SPECIAL REVENUE</b>						
Federal Government	309,418			81,407	0.0%	81,407
State Government	0	7,842			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>309,418</b>	<b>7,842</b>		<b>81,407</b>	<b>0.0%</b>	<b>81,407</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	1,506	106	20,000	20,000	0.0%	0
Other Misc Revenues	10,357	29,983	10,000	10,000	0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>11,863</b>	<b>30,089</b>	<b>30,000</b>	<b>30,000</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>330,931</b>	<b>35,281</b>	<b>50,000</b>	<b>121,407</b>	<b>142.8%</b>	<b>71,407</b>

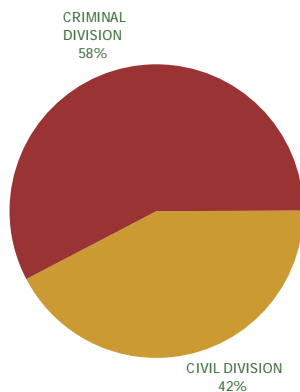
Expense by Fund



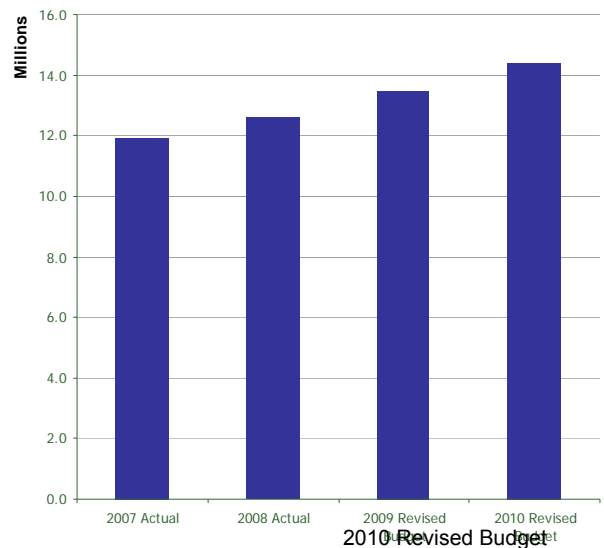
Expense by Category



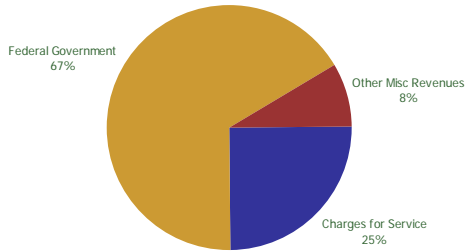
Expense by Division



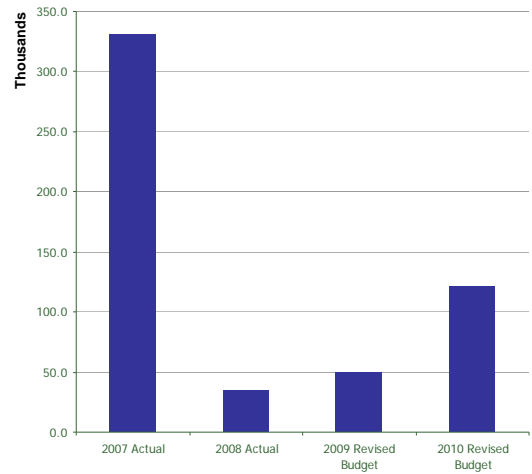
Expense 2007 - 2010



**Direct Revenue by Type**



**Revenue 2007 - 2010**

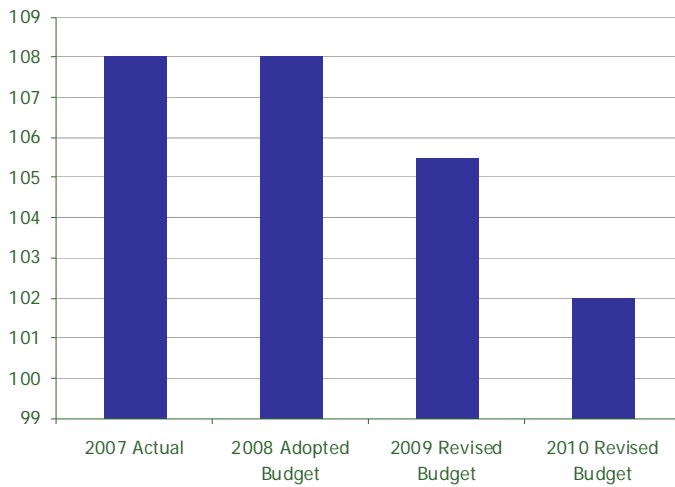


**ATTORNEY**

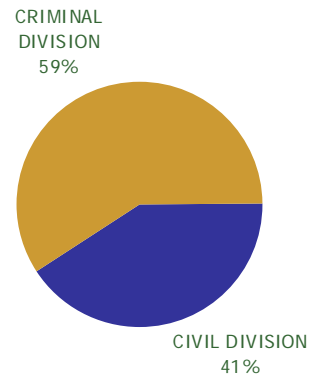
**Staffing Information**

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
CIVIL DIVISION	45.00	45.00	44.50	41.50	-6.7%	(3)
CRIMINAL DIVISION	63.00	63.00	61.00	60.50	-0.8%	(1)
<b>TOTAL</b>	<b>108.00</b>	<b>108.00</b>	<b>105.50</b>	<b>102.00</b>	<b>-3.3%</b>	<b>(4)</b>

**Positions 2007-2010**



**Positions by Division**



## CITY CLERK/ELECTIONS/CITY COUNCIL

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### MISSION

To provide high quality, cost-effective processes and information for Council Members, City staff and the public, so that effective and responsible decisions can be made to govern the City. The mission and actions of the City Clerk Department serve to support all six of the City's goals.

- Ensure that all procedures of the Council and Clerk's offices conform to Federal, State and City regulations, so that information management, Council actions and documentation lead to sound and legally-based decisions.
- Conduct elections that facilitate the maximum participation of all eligible voters in the City of Minneapolis.
- Provide copying, binding, data process printing and mail services for City departments.
- Act diplomatically and apolitically to document and preserve the archival history of the city and to ensure citizens and lawmakers have unfettered access to information needed for responsible decision-making.

### BUSINESS LINES

#### • CITY COUNCIL

- Establish general policies subject to the approval of the Mayor; to ensure the health, safety, life, property and general, social, and economic welfare of the City's citizens.
- Handle constituent concerns.
- Conduct regularly scheduled Council meetings, committee meetings, and public hearings to carry out the policies of the City.

#### • Committee Management and Council Information

Coordinate activities of the City Council, 8 standing committees, 4 special committees, Executive Committee and the Charter Commission.

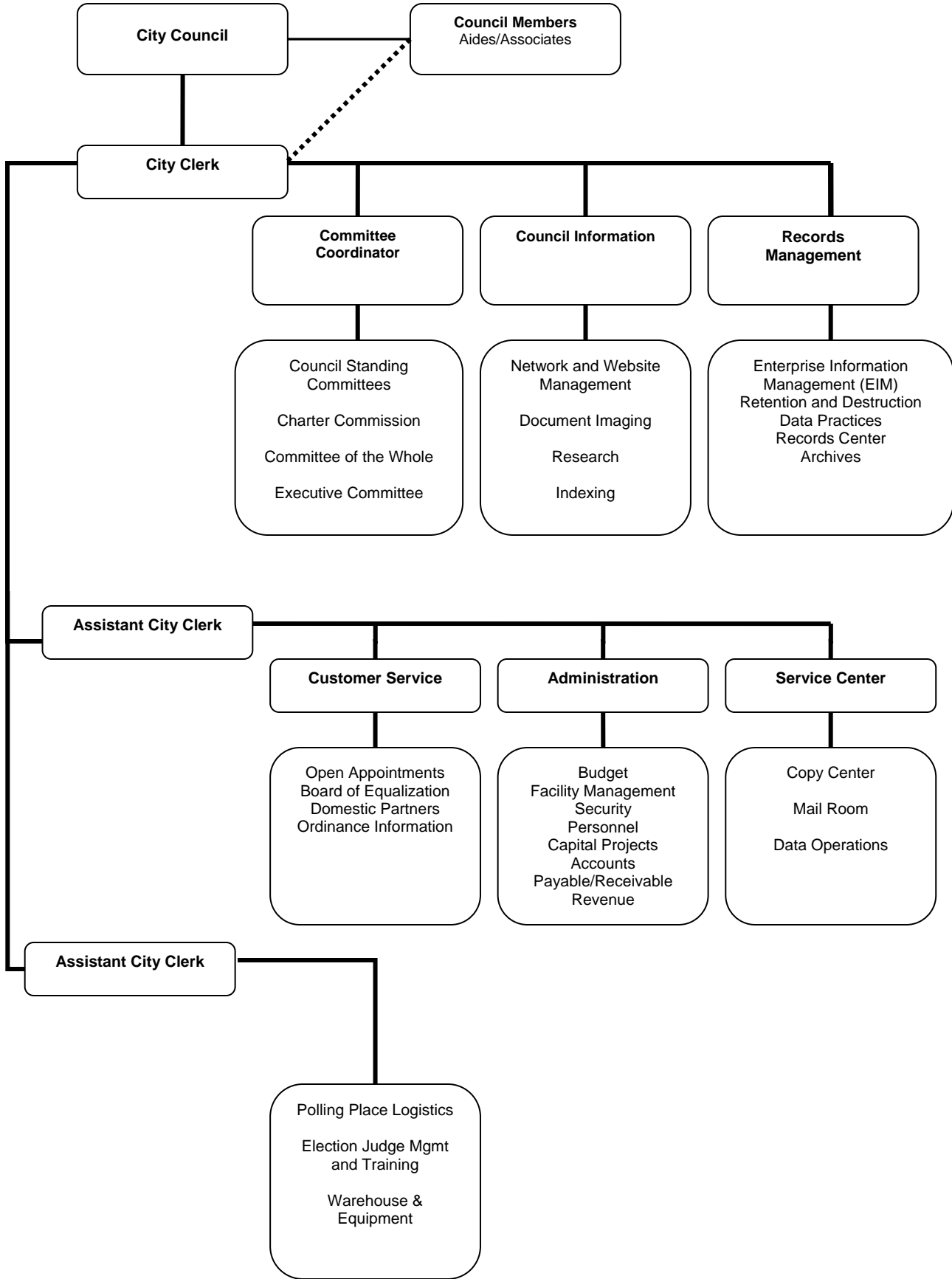
- Coordinate committee activity and legal procedures with Council Members, Mayor and City Attorney's Office.
- Provide process training for City staff, adapt technology to the electronic flow of documents from staff, through Council and into publication and continuously work on improving committee procedures and the quality of documents used for policy making by elected officials.
- Produce the official record of all Council actions.
- Maintain all Council information on the City Web site.
- Provide indexing and research of Council actions.

#### • Administration for Council and Clerk

Provide administrative support to Council Members, their staff and the City Clerk's Department

- Coordinate the Open Appointments Process for City boards and commissions.
- Administer the Board of Equalization.
- Provide human resource services including preparing job descriptions, hiring, assisting with or conducting the disciplinary process, grievance process, counseling/coaching and performance management of Council staff employees. Write employment contracts for non permanent Council staff. Perform payroll functions.

- Develop, administer, monitor and project spending of Ward operating budgets. Assist the purchase of supplies and equipment. Assist Council Members with vendor problems such as invoice issues.
- Technology: Oversee web and network support for the City Clerk and City Council.
- Coordinate Mayor-Council inauguration activities and provide extensive orientation for new Council Members and staff.
- Write policies and procedures.
- Provide facilities management including managing remodeling projects, key control, security and workplace safety.
- Purchase major furniture items. Conduct ergonomic workplace studies and purchase remedial furniture. Write bid specifications for larger one-time and ongoing purchases.
- **Records Management and Enterprise Information Management (EIM)**  
Oversee all of the official government records for the City of Minneapolis.
  - Policies: Manage the City's paper and electronic records. Develop and oversee policies and procedures governing information.
  - Records Retention: Manage retention and destruction schedules for general city records for finance, personnel and administration and develop department-specific schedules for records unique to individual departments.
  - Data practices: Respond to requests for information. 100 -120 requests per year
  - Records Center, Records Warehouse and Archives: 1,200 new boxes taken, 1,000 boxes destroyed per year, and 1,400 retrievals/re-filings per year.
- **Printing, Data Operations and Mailing**  
Provide copying and bindery services for all City departments including:
  - High speed black and white and color xerography, Offset printing
  - Collating/folding
  - Paper cutting/drilling, Hand assembly and Numbering
  - Envelope insertion and Stitching/stapling/binding
  - Printing personalized vendor checks, payroll checks, utility bills and other licensing
- Provide mailing services for City departments including:
  - First class and standard mail (bulk mail) assistance
  - Interoffice mail delivery in City Hall
  - Courier service to city departments in downtown buildings
  - Package assistance and mailing through United Parcel Service
  - Assistance with specialty mail such as certified, registered and insured mail
- **Elections**  
Administer Federal, State, County and Local elections for the citizens of Minneapolis.
  - Manage elections for 226,000 registered voters, register up to 29,000 new voters per election, coordinate equipment, supplies and staffing for 131 polling places, and train between 1500-2200 election judges each election year (range from local to federal election).
  - Community engagement: Work with constituency groups to provide voter education, advocate for legislative initiatives related to elections and to recruit election judges.



## RESULTS MINNEAPOLIS

Please see March 3, 2009 report at <http://www.ci.minneapolis.mn.us/results-oriented-minneapolis/docs/clerk-results.pdf>.

## KEY TRENDS AND CHALLENGES

**Ranked Choice Voting (RCV).** Beginning with the General Election of November 3, 2009, the City will institute RCV in municipal contests. The City will be using a vote counting method never previously used anywhere in the world. The challenges for 2009 and beyond include developing a user friendly ballot, efficiently hand counting the ballots in a timely manner so the new municipal officials can take office on January 4, 2010, educating and outreaching in the community so voters go to the polls, and conducting an analysis of the conduct of the 2009 election. The longer term issue is to purchase a federal and state certified ballot tabulator, not currently in existence, which is why hand counting will occur until a tabulator is certified and purchased by the City or County. With a tabulator, votes will be announced within a few hours of the polls' closing.

The Elections budget in the current and future years as it pertains to RCV is unknown because the City has never used the RCV voting method.

**Succession Planning** There was an upper management succession plan in place until the Assistant City Clerk, Director of Elections, left city employment in June 2009. That position is filled now filled with a contracted 6 month employee who will be leaving on December 31, 2009, the same date as the City Clerk. Working with the City Council, a plan to hire upper management will be forthcoming during the last half of 2009. The plan is to hire a qualified City Clerk and two Assistant City Clerks so there is a smooth transition into 2010.

**2010 Budget Reductions** If the proposed 10% (\$784,100) City Council/City Clerk budget reduction is recommended by the Mayor and adopted by the City Council, there will be a significant staff decrease. This decrease will cause, for an unknown period of time, disjointedness in operations which will take a significant amount of time to adjust. Staff in each unit will provide input into the best way to adjust to achieve reductions associated with their unit and will be allowed to assist shifting priorities with the other work units.

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

Within the last 12 months, as a result of conversations with our City Clerk/City Council Results Minneapolis review panel, there have been attempts to increase our engagement with outside-the-city individuals and organizations, particularly in Elections.

Our Elections Director has served on the Municipal Clerk's and Finance Officers Joint Election Task Force. Elections staff involved the Secretary of State encouraging the creation of an open and public State Ranked Choice Voting Issues Task Force on which the City of Minneapolis participated. The Director served on the Technical Advisory Committee and Legislative/Rules Committee sub committees of that larger group.



Recently, Elections staff conducted a RCV voting test and the public and organizations were invited to attend the multi day process to increase transparency and knowledge.

The City has engaged a consulting firm, Tipping Point Strategies, to provide outreach and education to the Minneapolis residents. That firm has initiated an “issues” group inviting everyone to participate. The first meeting occurred about two weeks ago. It is hoped that the participation of external organizations will, over the next 3-5 months, increasing numbers of residents will attend and provide feedback and guidance regarding the City’s plans to roll out RCV.

The City has reached out to the Hubert H. Humphrey Institute to provide assistance through the faculty and possibility of using students. The City is also reaching out to foundations for grant assistance, including the McKnight Foundation and the Minneapolis Foundation.

Internally, the City Clerk has been involved and continues to be involved with Business Process Improvement teams. We are also currently engaged in the COMPASS Users Group, BIS business planning teams such as asset consolidation and printer reduction, the Facility and Space Asset Management Team (FSAM), and the Security Work Team.

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

The major cost effectiveness initiatives exist in two internal service fund cost centers, the Copy Center and the Mail Room.

In the Copy Center, annually, we conduct a rate comparison with two private sector vendors. This analysis has always shown this service provides a significant savings. The most recent survey demonstrated a 60% cost savings for black and white copies and a 59% savings for color copies. These savings are achieved through efficient leveraging of technology and bundled purchasing practices.

In the Mail Room, we employ the services of a contracted courier service for daily delivery of interoffice mail to non campus departments. The contracted services, through Lifeworks, realize a 77% savings over commercial courier services. Additional value comes from the vendor, Lifeworks, which provides employment to challenged adults.

To save significant dollars, the City also uses an outside, low bid vendor meeting specifications, PSI, to process our daily first class outgoing mail into the United States Postal Service mail stream. For example, the current first class one ounce mail rate through a blue post office box is \$.44 per piece. The bid rate through PSI is \$.357. a savings of \$.083 per piece

Copy Center policy states that before a department can use a provider other than the Copy Center, that department must show the job to the Supervisor, Copy Center Operations. The Supervisor determines if the Copy Center can perform the job, or if it should be sent to our low bidder meeting specifications or sent to another vendor, at which time the department is expected to obtain bids for each job. This three tiered process ensures taxpayers receive the best cost to achieve the service.

In mid 2009 the Supervisor will co chair the City Clerk/City Council initiative through BIS to right size departmental print needs. The result should be a reduction in the number of printers and the addition of more cost effective higher speed copier/printers. It has been determined that a right-sizing printer initiative could lead to as much as a 72% cost savings that could be used to optimize department budgets.

**What actions will the department take to meet the current financial projections (5% and 10% reductions)?**

The department did not submit these scenarios for consideration by the Mayor.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2010 City Clerk, Council, and Elections & Registrations department's budget of \$8.7 million is 1.9% decrease from the revised 2009 budget.

All City postage is paid by the Central Mailing budget, estimated at \$435,500 for 2010. The Copy Center budget is estimated at \$587,087 for 2010, for the copying requisition (printing) function. The Mail Room and the Copy Center have equal revenues for services, both are estimated, and expenditures and revenues may need increases during the year, based on use of services. The Copy Center will be charged rent of \$87,087 in 2010, and will receive a corresponding increase to cover this expense.

The budget for this department includes \$816,844 in property services rent charges based on the Council's adoption and implementation of a City-wide rate for rent for City Hall tenants in 2009 which now, in 2010, is reflected in department budgets, with exception of Copy Center.

**REVENUE**

Revenue is estimated at \$985,000 million, with declining sales of documentation copies due to availability of internet access.

Central Mailing expects mailing services expenditures to match revenues. The Copy Center also expects matching revenues to expenditures in the copying requisitions (printing) function. The Data Operations Center should bring in matching revenues to expenditures with the rate model.

**FUND ALLOCATION**

The department's expenditure budget is funded by the General Fund (86%) and Internal Service Funds (14%).

**ORIGINAL BUDGET:** The Mayor recommended and Council approved a reduction of \$249,000 from the current service level for this department. Additionally, Council funded \$20,000 on a one-time basis for transition costs.

The budget for this department includes a reduction of BIS charges of \$54,200 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$1,971 increase to General Fund Overhead

charges in the Intergovernmental Services Fund and a \$1,706 decrease in appropriation in the General Fund due to the Council's actions to fund two internal audit positions.

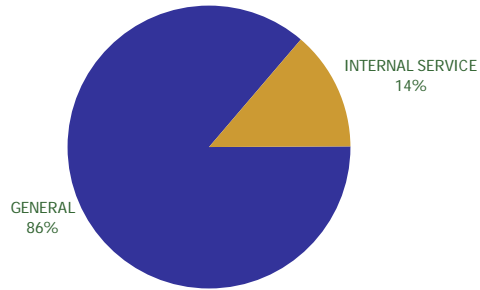
**MAYOR'S REVISED BUDGET:** The Mayor recommended a reduction of \$113,000.

**COUNCIL REVISED BUDGET:** Council approved the Mayor's recommendation.

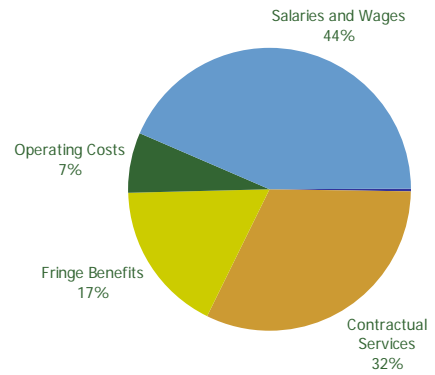
**CITY COUNCIL/CLERK/ELECTIONS  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	3,367,850	3,360,583	3,443,879	3,513,337	2.0%	69,458
Fringe Benefits	944,664	947,870	1,274,021	1,366,198	7.2%	92,177
Contractual Services	1,262,256	1,520,821	2,484,624	2,145,382	-13.7%	(339,242)
Operating Costs	424,011	448,193	428,250	454,333	6.1%	26,083
Capital	8,621	12,858	16,300	16,626	2.0%	326
Debt Service	0				0.0%	0
<b>TOTAL GENERAL</b>	<b>6,007,402</b>	<b>6,290,325</b>	<b>7,647,073</b>	<b>7,495,875</b>	<b>-2.0%</b>	<b>(151,198)</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	241,218	223,712	261,682	273,134	4.4%	11,452
Fringe Benefits	88,393	109,687	119,582	134,684	12.6%	15,101
Contractual Services	688,960	555,736	556,034	609,728	9.7%	53,694
Operating Costs	333,040	304,297	237,439	151,859	-36.0%	(85,581)
Capital	0		26,762	16,727	-37.5%	(10,035)
<b>TOTAL INTERNAL SERVICE</b>	<b>1,351,611</b>	<b>1,193,432</b>	<b>1,201,500</b>	<b>1,186,132</b>	<b>-1.3%</b>	<b>(15,368)</b>
<b>TOTAL EXPENSE</b>	<b>7,359,013</b>	<b>7,483,757</b>	<b>8,848,573</b>	<b>8,682,007</b>	<b>-1.9%</b>	<b>(166,566)</b>
<b>REVENUE</b>						
<b>GENERAL</b>						
License and Permits	2,625	2,770	2,500	2,500	0.0%	0
Charges for Service	101,618	8,166	45,735	45,735	0.0%	0
Charges for Sales	1,976	2,767	2,100	600	-71.4%	(1,500)
Other Misc Revenues	563	(40)	325	325	0.0%	0
<b>TOTAL GENERAL</b>	<b>106,782</b>	<b>13,663</b>	<b>50,660</b>	<b>49,160</b>	<b>-3.0%</b>	<b>(1,500)</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	1,193,905	1,065,036	1,041,405	935,500	-10.2%	(105,905)
Charges for Sales	940	213			0.0%	0
Other Misc Revenues	0	267			0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>1,194,845</b>	<b>1,065,516</b>	<b>1,041,405</b>	<b>935,500</b>	<b>-10.2%</b>	<b>(105,905)</b>
<b>TOTAL REVENUE</b>	<b>1,301,626</b>	<b>1,079,179</b>	<b>1,092,065</b>	<b>984,660</b>	<b>-9.8%</b>	<b>(107,405)</b>

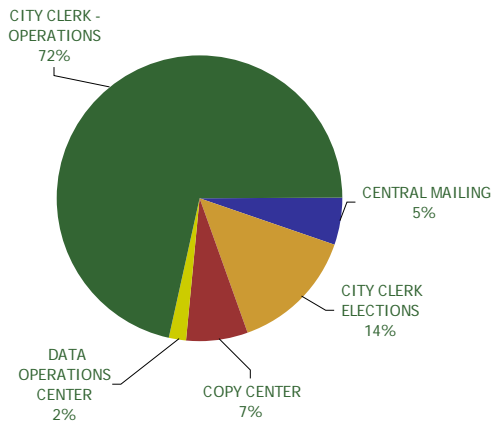
**Expense by Fund**



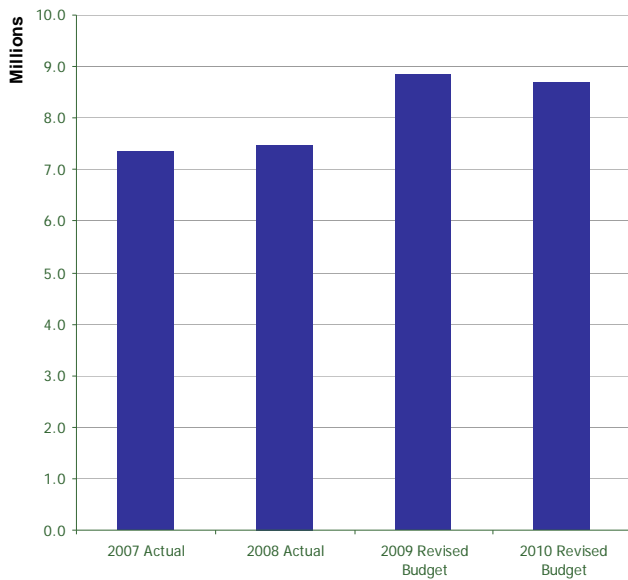
**Expense by Category**



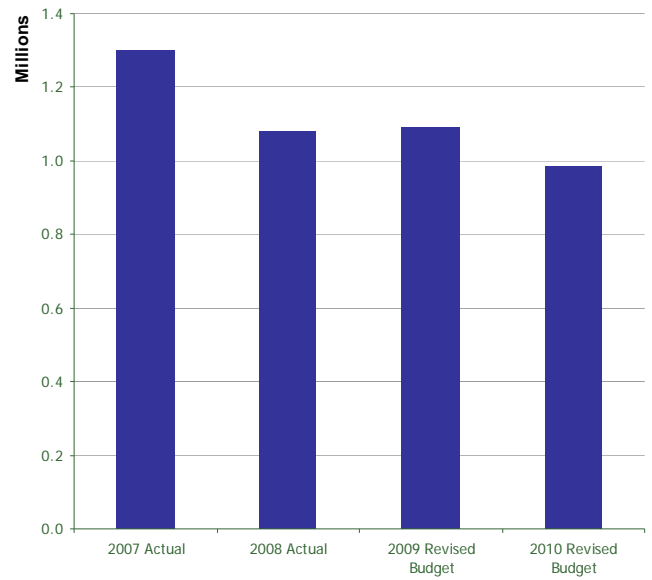
**Expense by Division**



**Expense 2007 - 2010**



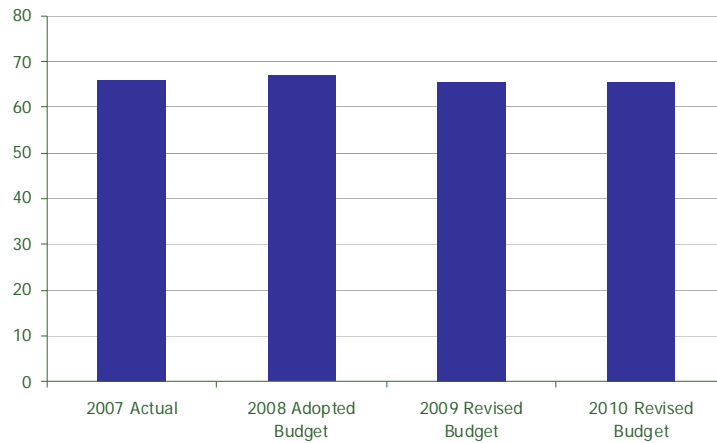
**Revenue 2007 - 2010**



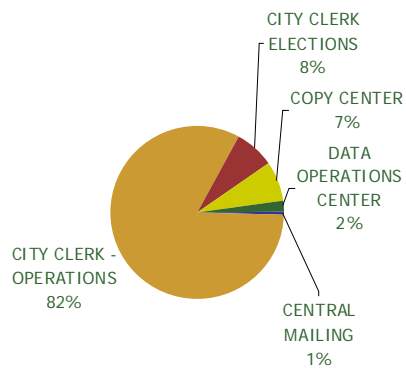
## CITY COUNCIL/CLERK/ELECTIONS Staffing Information

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
CENTRAL MAILING			0.35	0.35	0.0%	
CITY CLERK - OPERATIONS	55.00	55.00	54.00	54.00	0.0%	
CITY CLERK ELECTIONS & REG	6.00	6.00	5.00	5.00	0.0%	
COPY CENTER	5.00	5.00	4.85	4.85	0.0%	
DATA OPERATIONS CENTER		1.00	1.30	1.30	0.0%	
<b>TOTAL</b>	<b>66.00</b>	<b>67.00</b>	<b>65.50</b>	<b>65.50</b>	<b>0.0%</b>	

### Positions 2007-2010



### Positions by Divison



## CITY COORDINATOR

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### **MISSION** [EXCERPTED FROM THE CITY CHARTER]

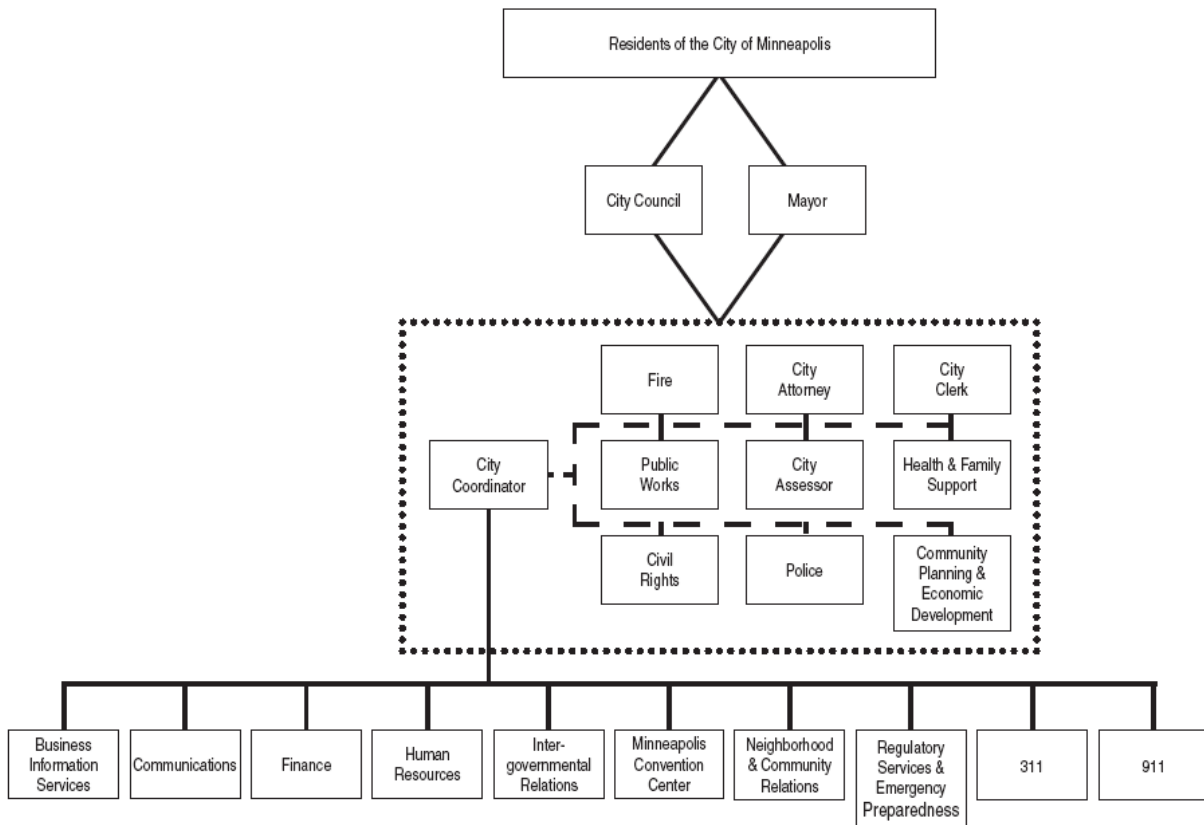
The Office of the City Coordinator provides administrative and management services for the City, including but not limited to planning, budgeting and fiscal management, program monitoring and evaluation, personnel, data processing and purchasing. The coordinator shall coordinate City activities as directed 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**

The City Coordinator Department has three primary business lines:

1. **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 implementations are accountable and consistent with Mayor and Council direction.
2. **Enterprise Management Services:** The City Coordinator provides strategic direction and oversight to the City's management service departments including Business Information Services, Communications, Finance, Human Resources, and Intergovernmental Relations to ensure the effectiveness of the City's internal services.
3. **Direct Services:** The City Coordinator has direct management oversight responsibilities to ensure cost-effective, high-quality service and public accountability for service line departments, including emergency communications (911), non-emergency information and services (311), Regulatory Services, and the work of the Minneapolis Convention Center.

# CITY COORDINATOR DEPARTMENTS ORGANIZATION CHART



## RESULTS MINNEAPOLIS CHARTS

<b>MEASURES, DATA AND TARGETS TABLE</b>							
<b>Measure Name</b>	<b>2004 Data</b>	<b>2005 Data</b>	<b>2006 Data</b>	<b>2007 Data</b>	<b>2008 Data</b>	<b>2009 Target</b>	<b>2011 Target</b>
<b>A safe place to call home</b>							
Violent crimes	4825	5572	6480	5660	4884	5377	
Guns seized	1093	1032	1458	1087	1002		
Youth related homicides	21	17	26	15	9 (target)	12	8
Graffiti abatement			95%	80%	73%		94%
Affordable housing units produced	1294	566	673	329	451	645	
<b>One Minneapolis</b>							
High school graduation rates	52.8%	54.5%	60.7%	67.2%	72.8%	80%	80%
Low birth weight babies by race and ethnicity	7.9%	8.2%	7.6%	7.8%			5%
Poverty rates	19%	21%	22.7%	20.4%			
Percent of homeowners and renters paying more than 30% of income on housing	R:45%	R:51%	R:52%	R:50%			
	O:26%	O:28%	O:34%	O:36%			
Foreclosures		863	1610	2895	3077	3000	1000
<b>Lifelong learning second to none</b>							
Beginning kindergarten assessment literacy scores		56%	57%	59%		60%	60%
Circulation of library materials	2,521,870	2,474,434	2,757,997	3,340,000			
3 <sup>rd</sup> grade math and reading proficiency rate	M 49.48%	56.78%	57.5%	58%	60%		
	R 49.79%	56.01%	64.7%	65%	59%		
<b>Connected communities</b>							
Light rail ridership	2,938,778	7,901,669	8,957,912	9,101,036			
Bike trail miles	113.3	113.4	119.7	122.1	121.6	157.2	166.6
Satisfaction with development services			68%	91%	94%	90%	90%



Measure Name		2004 Data	2005 Data	2006 Data	2007 Data	2008 Data	2009 Target	2011 Target
Good air quality days		187	166	193	179	195		
Use of renewable energy by Xcel			7%	12%	13%	19%		
Net loss of trees on public land		-3530	-2410	-393	-1587	-682		
Water quality of Mpls lakes (in Trophic State Index)	Brownie	58	NS	56	NS	55	55	
	Calhoun	40	37	42	42	43	47	
	Cedar	47	48	54	47	50	47	
	Harriet	43	40	48	46	50	47	
	Isles	58	54	60	59	58	57	
High school students enrollment rate in arts class(es)			61%	65%	49%	54%		95% * Tgt. For 2014
<b>A premier destination</b>								
Job growth in arts, entertainment and recreation sector and Health care and social assistance sector		378	659	2115	318	600		750
Safety downtown (crime stats)		Data to be collected						
Attendance at City-owned venues		1,850,232	1,770,920	1,315,194	1,431,863			
Hotel occupancy		68%	71.1%	70.8%	71.7%	68.7%		
Convention center attendees		903,330	784,250	836,000	782,059	779,336	800,000	884,000
Downtown office vacancy rates		20.2%	18.4%	15.9%	14.1%	13.0%		
<b>Management measures</b>								
External partner (customer) satisfaction with 311		No data						
Effectiveness of the assistance departments have received on business planning (Excellent or Above average)					57.66%			
Effectiveness of the assistance departments have					69.91%			

received on <i>Results Minneapolis</i> (Excellent or Above average)							
Departments that think the enterprise service departments have met their needs (Strongly agree or Agree) -Finance -HR -BIS -Communications -IGR -311							
Elected officials satisfaction support from City Coordinator operations	No data						

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

The Coordinator’s Office budget is almost entirely personnel funding. The only programmatic funds are in the area of sustainability, and those have been one-time resources reconsidered annually by the Mayor and Council for continuation or modification.

The trends and challenges we face include, but are not limited to:

**Demands for systems change and improvement tools greater than can be appropriately facilitated.** In 2007, we added one employee to coordinate enterprise work in business process improvement. The model we developed has been widely accepted and utilized. The interest from individuals to be part of a change management team and from departments that want to make improvements to processes and systems is larger than we are able to keep up with. We are driving to teach new, less time-intensive tools, and continue to encourage participants within departments to lead other process improvements with their new skills.

**Tying results to resources.** A results culture has gradually permeated throughout our organization over the past years. That’s good. But now it’s time to more closely link the good performance data that has been developed with the funds expended to achieve specific results. Getting to “cost per unit” information will help both employees and elected officials make better choices among competing priorities for scarce funds. Tools from the Business Process Improvement model can help us get there.

**The Next City Vision and Goals.** With City elections occurring in November 2009, the start of 2010 offers a fresh opportunity for the City’s elected and appointed leaders to revisit the long-term vision and goals for Minneapolis, and define similarly aggressive aspirations for the next five years and beyond.

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

Our strategic partnerships initiative is working toward five key objectives:

- New tools and resources outside traditional government programs and even existing City relationships are explored and developed;
- Current connections between City departments and external stakeholders are improved and expanded;
- Five major partnership proposals are under consideration at all times (rolling list);
- All possible funding for achieving municipal goals is tapped;
- Partnership projects are clear, well-supported, and fully functional to achieve our goals.

Work on these objectives will take us across all City departments and connect us with hundreds of external partners and supporters.

In addition, there are a number of limited engagement projects involving short-term assistance by the City Coordinator's Office with follow-through coming from employees throughout the organization. Examples of these projects include: Central Avenue median maintenance; mounted patrol facility on State Fairgrounds; Game Day Committee work at the U of M; XCEL lighting pole inventory; Broadway/Best Buy project in north Minneapolis; Planetarium operating agreement for funding; youth violence prevention branding support; supplemental Step Up funding (completed); and the City resident artist funding effort among others.

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

For internal services offered to all eighteen City departments, we have surveyed to understand our strengths and weaknesses and developed a plan to address specifically the needs of City employees. The amount charged to departments for these services is minimal.

As mentioned, the only programmatic resources we have are in the area of sustainability. The work of this division is quite transparent, and we utilize both debriefs of specific programs and reports from grants awarded to understand whether the funds expended were well used.

***What actions will the department take to meet the current financial projections (5% reduction, all funding sources)?***

In early 2009, the City Coordinator's Office eliminated the Deputy City Coordinator position, effectively reducing its personnel liability by \$150,000, exceeding the 2009 revised council adopted budget direction of a \$56,000 reduction.

In 2010 the City Coordinator's Office intends to meet its 5% target through savings realized due to the elimination of the Deputy City Coordinator position in 2009.

**FINANCIAL INFORMATION FOR ALL COORDINATOR'S DEPARTMENTS COMBINED**

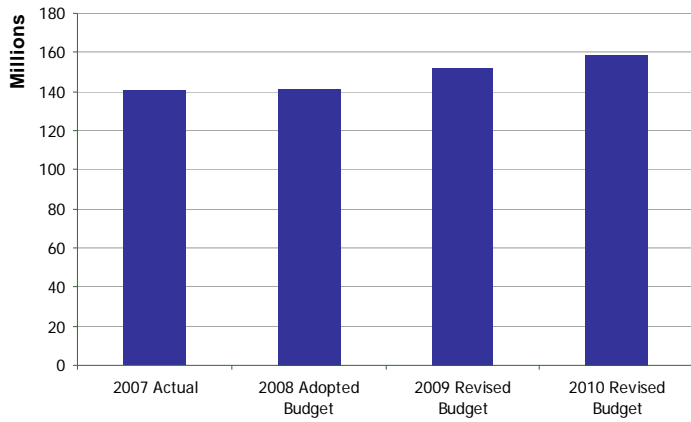
The Coordinator's 2010 budget is \$158.8 million, a 4.4% increase from 2009. The budget is funded by the General Fund, the Convention Center Fund, three grant funds, and two internal service funds. The overall change in positions from 2009 to the 2010 Adopted Budget was an increase of 33 to 952; the Revised Budget process reduced two positions to the total of 950.

**EXPENSE AND REVENUE INFORMATION**

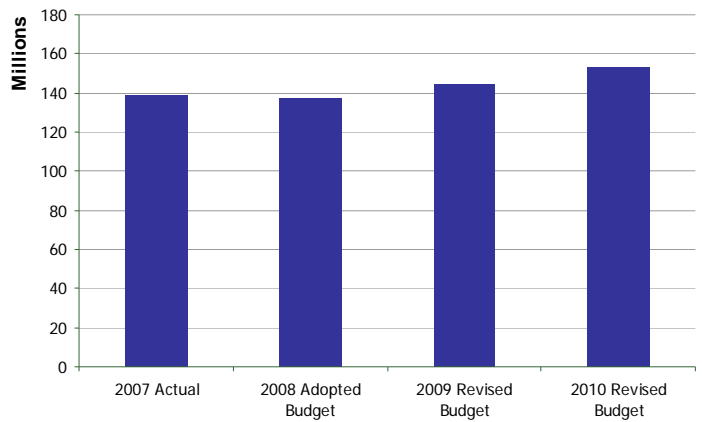
<b>EXPENSE</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>Percent Change</b>	<b>Change</b>
<b>AGENCY</b>						
Operating Costs		(1,817,618)				
<b>TOTAL AGENCY</b>		<b>(1,817,618)</b>				
<b>ENTERPRISE</b>						
Operating Costs	549					
<b>TOTAL ENTERPRISE</b>	<b>549</b>					
<b>GENERAL</b>						
Salaries and Wages	33,050,437	33,277,048	34,164,689	35,660,194	4.38%	1,495,506
Contractual Services	15,285,670	16,877,751	15,370,228	17,591,184	14.45%	2,220,955
Operating Costs	3,181,740	3,212,262	3,403,676	3,455,862	1.53%	52,185
Fringe Benefits	10,072,652	10,383,711	12,416,453	13,946,058	12.32%	1,529,605
Capital	754,533	212,697	295,596	176,323	-40.35%	(119,273)
<b>TOTAL GENERAL</b>	<b>62,345,032</b>	<b>63,963,469</b>	<b>65,650,643</b>	<b>70,829,622</b>	<b>7.89%</b>	<b>5,178,978</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	6,549,541	5,296,274	7,777,462	6,833,499	-12.14%	(943,964)
Contractual Services	22,389,054	18,352,115	17,601,469	17,738,074	0.78%	136,605
Operating Costs	7,804,432	5,035,453	1,285,494	1,260,607	-1.94%	(24,888)
Fringe Benefits	1,693,679	1,694,136	2,630,789	2,630,494	-0.01%	(295)
Capital	55,136		133,660	136,333	2.00%	2,674
Transfers	(981,831)					
<b>TOTAL INTERNAL SERVICE</b>	<b>37,510,011</b>	<b>30,377,978</b>	<b>29,428,874</b>	<b>28,599,007</b>	<b>-2.82%</b>	<b>(829,867)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	10,123,112	10,891,390	11,265,837	12,821,789	13.81%	1,555,952
Contractual Services	24,711,050	24,234,527	26,768,801	28,417,324	6.16%	1,648,523
Operating Costs	1,715,422	1,582,989	1,731,981	1,649,970	-4.74%	(82,011)
Fringe Benefits	3,293,860	3,646,168	4,885,916	6,022,422	23.26%	1,136,506
Capital	1,106,990	7,473,174	12,342,677	10,487,731	-15.03%	(1,854,945)
<b>TOTAL SPECIAL REVENUE</b>	<b>40,950,434</b>	<b>47,828,248</b>	<b>56,995,212</b>	<b>59,399,237</b>	<b>4.22%</b>	<b>2,404,025</b>
<b>TOTAL EXPENSE</b>	<b>140,806,026</b>	<b>140,352,077</b>	<b>152,074,729</b>	<b>158,827,866</b>	<b>4.44%</b>	<b>6,753,136</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Gains		26,820				
Interest	(0)					
Long Term Liabilities		(38,907)				
<b>TOTAL AGENCY</b>	<b>(0)</b>	<b>(12,087)</b>				
<b>GENERAL</b>						
Charges for Sales	47,405	2,153	10,225	2,250	-78.00%	(7,975)
Charges for Service	978,142	879,546	738,377	877,750	18.88%	139,373
Contributions	170,031	425,115	400,000	450,000	12.50%	50,000
Fines and Forfeits	455,527	472,442	469,047	6,110,850	1202.82%	5,641,803
Franchise Fees	2,893,999	3,098,707	2,500,000	3,000,000	20.00%	500,000
License and Permits	21,088,247	22,493,103	21,328,872	22,610,500	6.01%	1,281,628
Local Government	114,857	17,781	66,905	68,400	2.23%	1,495
Other Misc Revenues	124,952	71,123	83,966	89,809	6.96%	5,843
Rents	8,169	6,581	7,000	7,000	0.00%	
Special Assessments	2,319,732	2,789,138	1,500,000	1,545,000	3.00%	45,000
<b>TOTAL GENERAL</b>	<b>28,201,062</b>	<b>30,255,689</b>	<b>27,104,392</b>	<b>34,761,559</b>	<b>28.25%</b>	<b>7,657,167</b>
<b>INTERNAL SERVICE</b>						
Charges for Sales	26,438	20,268	30,000	20,000	-33.33%	(10,000)
Charges for Service	31,417,945	29,074,668	29,809,508	26,948,526	-9.60%	(2,860,982)
Other Misc Revenues		11,562				
<b>TOTAL INTERNAL SERVICE</b>	<b>31,444,383</b>	<b>29,106,498</b>	<b>29,839,508</b>	<b>26,968,526</b>	<b>-9.62%</b>	<b>(2,870,982)</b>
<b>SPECIAL REVENUE</b>						
Charges for Service	5,292,581	6,062,364	5,705,000	5,831,300	2.21%	126,300
Contributions	1,117,528	1,211,092	721,000	700,000	-2.91%	(21,000)
Federal Government	3,183,612	2,443,552	4,997,163	6,377,607	27.62%	1,380,444
Fines and Forfeits			10,000	15,300	53.00%	5,300
Interest	27,166	1,277,715	1,729,011	402,611	-76.71%	(1,326,400)
License and Permits		210,033	584,800	2,124,924	263.36%	1,540,124
Local Government	37,538	1,254,101				
Other Misc Revenues	2,595,488	2,828,228	3,025,000	2,770,000	-8.43%	(255,000)
Rents	6,508,640	6,705,066	6,435,000	6,432,411	-0.04%	(2,589)
Sales and Other Taxes	60,065,202	60,480,504	59,304,000	62,435,620	5.28%	3,131,620
Special Assessments		4,292,316	3,974,400	3,893,632	-2.03%	(80,768)
State Government	564,710	498,853	521,000	554,785	6.48%	33,785
<b>TOTAL SPECIAL REVENUE</b>	<b>79,392,465</b>	<b>87,263,825</b>	<b>87,006,374</b>	<b>91,538,190</b>	<b>5.21%</b>	<b>4,531,816</b>
<b>TOTAL REVENUE</b>	<b>139,037,910</b>	<b>146,613,924</b>	<b>143,950,274</b>	<b>153,268,275</b>	<b>6.47%</b>	<b>9,318,001</b>

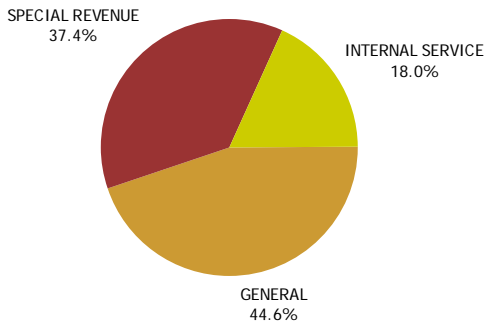
**Total Expenditures**



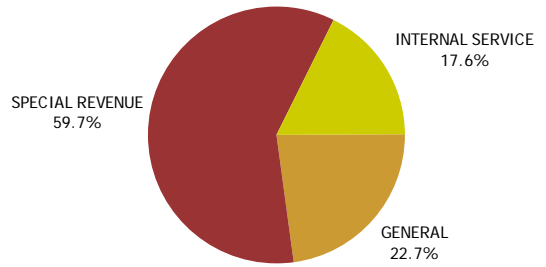
**Total Revenues**



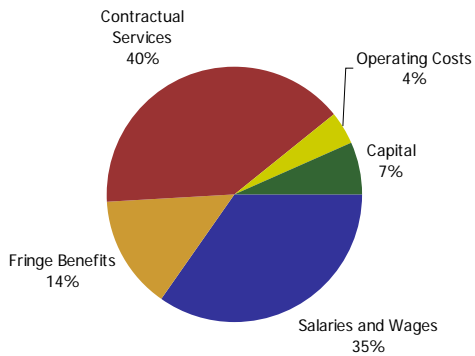
**Expense by Fund**



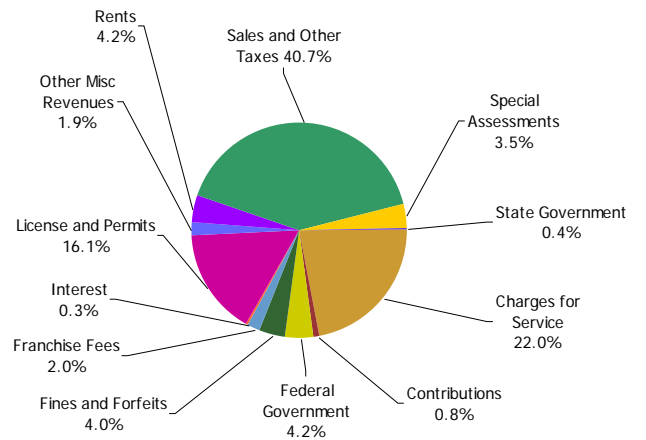
**Revenue by Fund**



**Expenditures by Type**



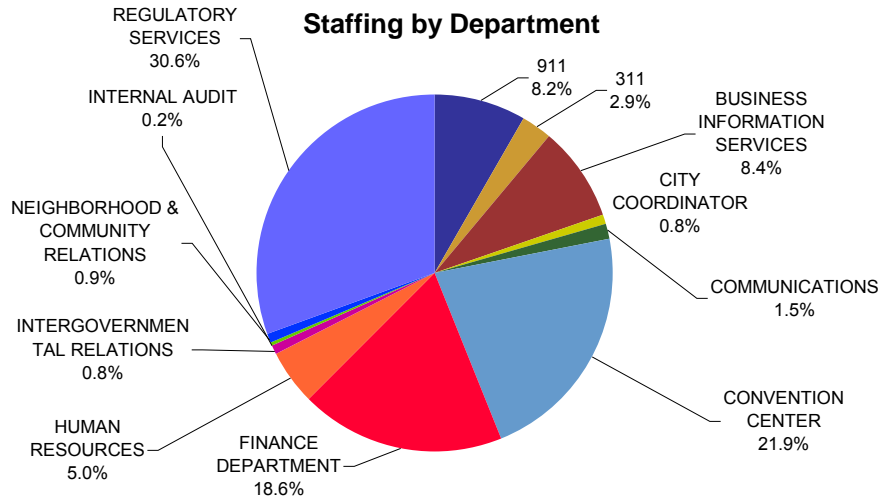
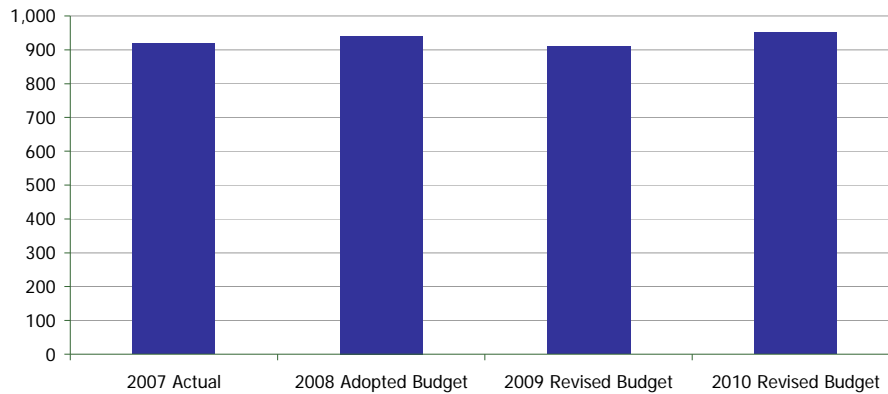
**Revenue by Type**



## CITY COORDINATOR Staffing Information

FTE's By Department	2007 Actual	2008 Adopted	2009 Revised Budget	2010 Revised Budget	% Change	Change
911	118.00	122.00	84.00	78.00	-7.1%	(6.00)
311			34.00	28.00	-17.6%	(6.00)
BUSINESS INFORMATION SERVICES	84.00	93.00	90.00	80.00	-11.1%	(10.00)
CITY COORDINATOR	8.00	9.00	9.00	8.00	-11.1%	(1.00)
COMMUNICATIONS	17.00	17.00	15.00	14.00	-6.7%	(1.00)
CONVENTION CENTER	211.00	212.00	208.18	208.18	0.0%	
FINANCE DEPARTMENT	201.00	202.00	185.00	177.00	-4.3%	(8.00)
HUMAN RESOURCES	55.00	55.00	52.00	47.60	-8.5%	(4.40)
INTERGOVERNMENTAL RELATIONS	10.00	10.00	8.00	8.00	0.0%	
INTERNAL AUDIT				2.00		2.00
NEIGHBORHOOD & COMMUNITY RELATIONS			8.50	8.50	0.0%	
REGULATORY SERVICES	214.00	221.00	225.40	290.50	28.9%	65.10
<b>Total CITY COORDINATOR Depts</b>	<b>918.00</b>	<b>941.00</b>	<b>919.08</b>	<b>949.78</b>	<b>3.3%</b>	<b>30.71</b>

### Positions 2007-2010



## **CITY COORDINATOR – ADMINISTRATION**

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### **FINANCIAL ANALYSIS**

#### **EXPENDITURE**

The 2010 budget for the City Coordinator Administration department is \$1.4 million, a 7.1% decrease from the 2009 revised budget. The decrease is primarily due to \$150,000 in one-time funding programs being eliminated.

#### **REVENUE**

This department does not generate revenue.

#### **FUND ALLOCATION**

One-hundred percent of the City Coordinator Administration department's budget is funded from the general fund.

#### **ORIGINAL BUDGET**

The Mayor recommended and the Council adopted a reduction of \$94,000 from the current service level. This reduction was achieved through the ongoing savings related to the elimination of the Deputy City Coordinator position in the 2009 budget revisions. The Council directed CPED to eliminate the vacant Community Planner position and use General Fund and CDBG resources to keep the Arts Coordinator position. This position and associated resources will be transferred to the City Coordinator in 2011. The existing Internal Auditor position that resides in the Board of Estimate and Taxation (BET) will report to the City Coordinator for administrative purposes, with associated funding from the BET.

#### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$47,000 and one position.

#### **COUNCIL REVISED BUDGET**

Council adopted the Mayor's recommendations.

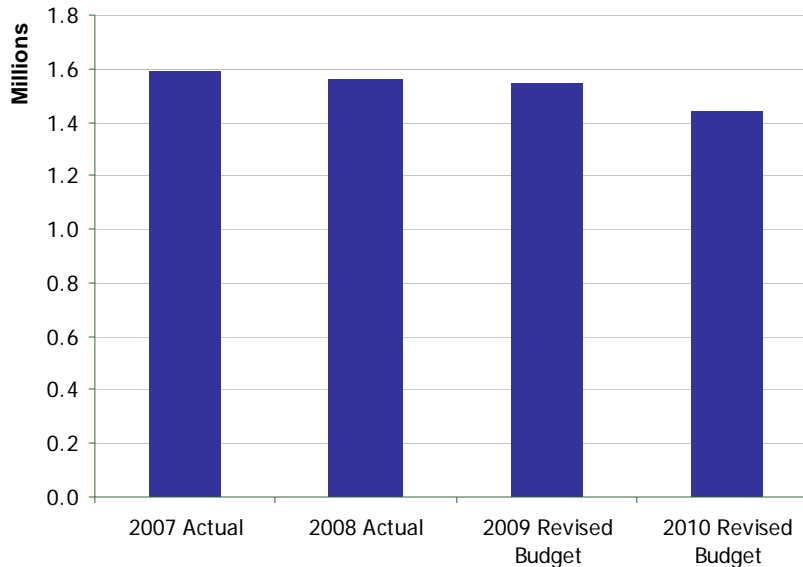


## CITY COORDINATOR ADMINISTRATION EXPENSE AND REVENUE INFORMATION

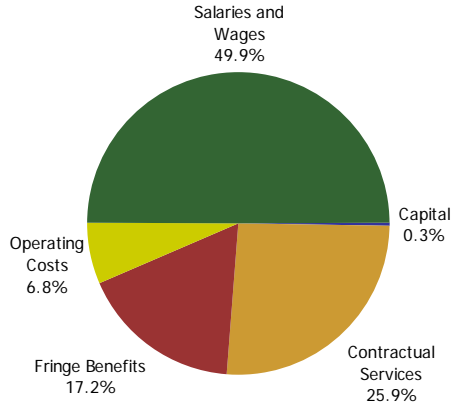
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	714,349	801,457	816,976	718,360	-12.1%	(98,616)
Fringe Benefits	183,819	213,547	247,701	247,131	-0.2%	(570)
Contractual Services	342,140	417,541	388,081	372,240	-4.1%	(15,841)
Operating Costs	223,597	122,820	94,186	97,301	3.3%	3,115
Capital	925	2,945	1,625	3,658	125.0%	2,032
<b>TOTAL GENERAL</b>	<b>1,464,830</b>	<b>1,558,310</b>	<b>1,548,569</b>	<b>1,438,689</b>	<b>-7.1%</b>	<b>(109,880)</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	122,349	1,904			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>122,349</b>	<b>1,904</b>				<b>0</b>
<b>TOTAL EXPENSE</b>	<b>1,587,179</b>	<b>1,560,214</b>	<b>1,548,569</b>	<b>1,438,689</b>	<b>-7.1%</b>	<b>(109,880)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Federal Government	100,000	(250)			0.0%	0
Local Government	22,350	1,904			0.0%	0
Other Misc Revenues	0	250			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>122,350</b>	<b>1,904</b>			<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>122,350</b>	<b>1,904</b>			<b>0.0%</b>	<b>0</b>

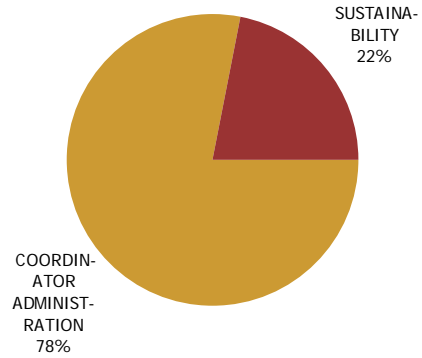
Expense 2007 - 2010



**Expense by Category**



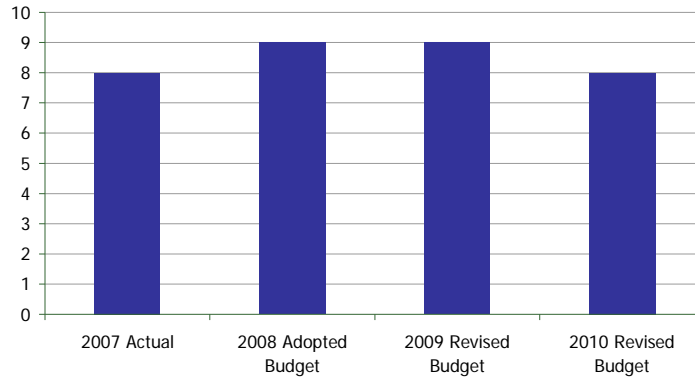
**Expense by Division**



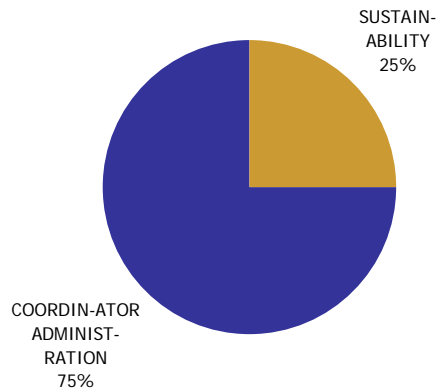
**CITY COORDINATOR ADMINISTRATION  
Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
COORDINATOR ADMINISTRATION	8.00	9.00	7.00	6.00	-14.3%	
SUSTAINABILITY			2.00	2.00	0.0%	
<b>TOTAL</b>	<b>8.00</b>	<b>9.00</b>	<b>9.00</b>	<b>8.00</b>	<b>-11.1%</b>	

**Positions 2007-2010**



**Positions by Division**



# 311

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## MISSION

Minneapolis **311** serves as the single point of contact to the City of Minneapolis for all non-emergency requests for information and services.

### 311:

- Simplifies citizen access to City services and information.
- Enables City employees to deliver services more effectively.
- Tracks requests for service delivery from inception to completion.
- Provides access to City services by voice, email and the web.

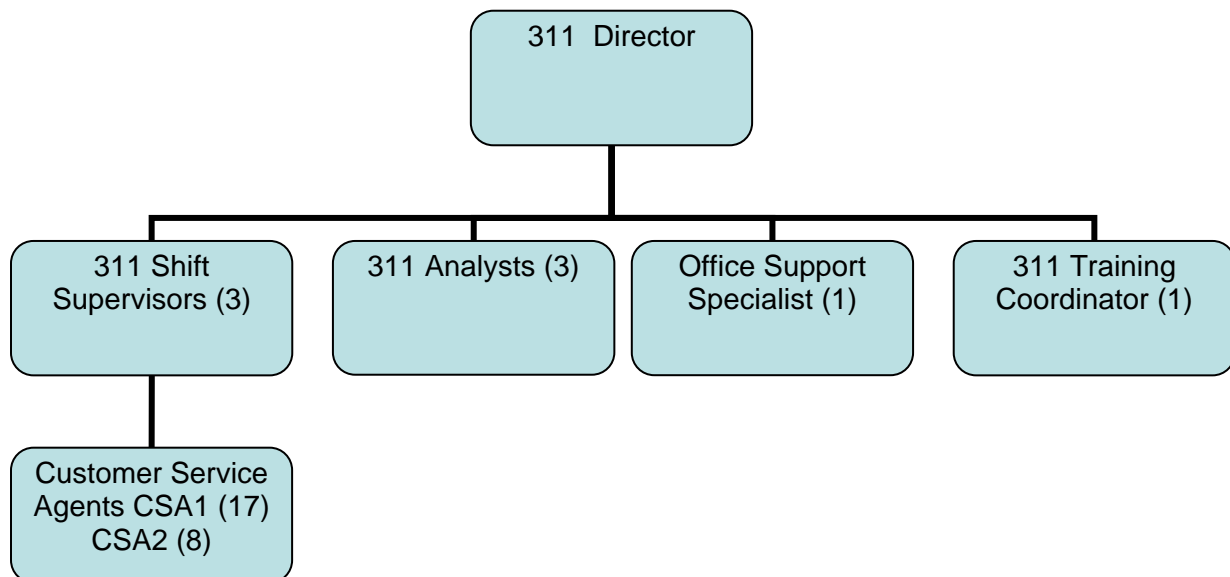
## BUSINESS LINES

### 311:

- Answers questions via a “knowledge base” or transfers to those who can.
- Initiates request for services via the Lagan Customer Relationship Management system.
- Provides data on all contacts to inform the continuous improvement activities of the City’s departments.

## ORGANIZATION CHART

(UPDATED TO REFLECT DEPARTMENT SEPARATION FROM 911)



## RESULTS MINNEAPOLIS CHARTS

Measure Name	2006 Data	2007 Data	2008 Data	2009 Target	2011 Target
Abandon calls 311%	3.2%	4.8%	4%	5%	5%
311 Answer Time (sec)	10s	22s	18s	25s	25s
311 Calls Answered (<20 sec)	90.3%	74.4%	80.4%	75%	75%
311 First-Call Resolution	69%	76%	80.7%	85%	90%
Citizen Satisfaction with access to City services	(no resident survey)	(no resident survey)	77% (Good / Very Good) 65% in 2005	(no resident survey)	85%
Cost Per Contact For 311	\$7.23	\$5.64	\$5.94	\$6.75**	\$6.75

\*Pending time = Elapsed time from CAD entry to dispatch (for high priority calls only).

\*\*311 Budget increased to include all Lagan maintenance & support costs for City.

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

- 311 Strategic Partnerships and Shared Services:** While Minneapolis 311 has dramatically improved the simplicity and accessibility to City of Minneapolis non-emergency information and services, some services remain outside the current scope of 311. Additionally, other City services are duplicative with those of independent agencies and other local government organizations causing confusion, duplication of effort and waste. Minneapolis 311 will continue to be a catalyst for change in reducing this confusion and continuing to simplify these processes while building strategic partnerships and enabling shared services.
- 311 Engaging the Citizen:** Resident survey results indicate 59% of Minneapolis residents are aware of 311. Key to increasing the resident awareness of Minneapolis 311 will be successfully engaging various resident groups. Specifically targeted are limited English and college student groups. Additionally, engaging resident groups as “citizen sensors” will increase overall awareness and utilization of 311. Finally, connecting with residents via emerging technology platforms will be crucial.
- Expanded operations for the 311 Center:** Both the residents of Minneapolis and various City Departments continue to expect that 311 operations can be expanded to include weekends and overnight. Efforts will continue to be made to partner with internal departments and other independent agencies to identify opportunities that may exist.

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

Minneapolis 311 is well-positioned to provide services to other municipal government organizations and independent agencies by using a shared service model. 311's staffing, business processes and technology are incrementally scalable for providing efficient and cost-effective citizen-customer contact and customer relationship management (CRM) solutions.

To date, Minneapolis 311 has held introductory meetings with the City of Bloomington, Minneapolis Public Housing, Minneapolis Park Board and Hennepin County. The proposal for Hennepin County is the furthest along and would encompass a multiphase project over multiple years. Savings for Hennepin County would range from 20 – 40% while providing for complete cost recovery for Minneapolis 311. The benefit to residents would be reduced costs for county services, less confusion and fewer handoffs between the county and the City.

Current 311 partnerships and those under exploration include:

- Citywide departments
- Hennepin County
- Minneapolis Park Board
- Minneapolis Public Housing
- Emergency Preparedness
- Meet Minneapolis/Visitor Services

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

- Contact center benchmarking
- Quality assurance measurements
- First call resolution
- Cost per contact comparisons
- Internal & external customer feedback

**311 Revenue Proposals**

311 was successful in proposing and being selected to provide services as the delegate hotline number for the Republican National Convention that was held in the Twin Cities in the fall of 2008 (\$85,000). Currently, Minneapolis 311 is in discussions with Hennepin County to provide "311 like" services for the County. While these discussions appear promising, City and County officials will need to agree in order to proceed.

***What actions will the department take to meet the current financial projection of a 5% reduction from all funding sources?***

A 5% cut would equate a budget reduction for the department of \$162,000. Actions to achieve these reductions would be:

- Convert 2 FTE to seasonal employees (\$54K)
- Reduce application support – 1 FTE (\$85K)
- Budgetary leave (\$23K)

### Impact on 311 (5%):

If call traffic reductions achieved in 2009 maintained through 2010, converting full-time customer service agents to seasonal part-time customer service agents should have minimal negative impact on 311 contact center service level key performance indicators.

Reducing a full-time equivalent (FTE) application support resource would have immediate impact on 311's capability to make scripting and service request configuration changes. The result would be an undetermined negative impact the overall 311 Quality Service Index (QSI). Additionally, the development and implementation of shared services with other City departments, independent agencies or other organizations would be hampered or unable to be supported.

Achieving approximately 1,000 hours of voluntary budgetary leave averages out to about 30 hours per 311 employee per year. While this is an aggressive goal, 311 was able to accumulate nearly 250 hours of voluntary budgetary leave in February & March, 2009. It appears that the make up of 311's staff is able to take advantage of voluntary budgetary leave and provide these savings.

The potential impact of these reduction scenarios on performance measures is illustrated in the chart below:

Service Level Targets	2010 Target	2010 5%
311 Abandon calls	5%	5%
311 Answer Time (sec)	20s	25s
311 Calls Answered (<20 sec)	75%	75%
311 First-Call Resolution	85%	85%
Citizen Satisfaction with access to City services	(no survey)	(no survey)
Cost Per Contact For 311	\$6.75	\$6.45
311 Hours	7 AM – 11 PM	7 AM – 11 PM

### FINANCIAL ANALYSIS

#### EXPENDITURE

The 2010 budget for 311 is \$3.0 million, a 3.7% decrease from the 2009 revised budget. 311 is entirely funded in the General Fund. In the 2010 current service level budget, 311 eliminated 2 FTE and \$29K in non-personnel expense in order to achieve the 2010 financial direction.

Personnel expense makes up 67% of the department's budget and contractual services make up 32% of the budget. Other operating expenses make up 1% of the budget.

Of the non-personnel expenses that represent approximately 32% of the department's budget, 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.

**REVENUE**

311 does not generate revenue.

**FUND ALLOCATION**

311's entire budget comes from the General Fund.

**ORIGINAL BUDGET**

The Mayor recommended and the Council approved a reduction of 2 FTE to meet the 2010 CSL. The Mayor recommended and the Council approved a further reduction of \$133,000 from the current service level, including the reduction of one FTE and a reduction in non-personnel expenses. Council action further reduced 311's budget by \$277,000 and 3 FTE from the Mayor's original recommendation. The Council also provided one-time funding of \$115,000 from the General Fund's contingency for transition costs to developing a sustainable funding source for 7:00 a.m. – 7:00 p.m. hours.

**MAYOR'S REVISED BUDGET**

The Mayor included no reduction to this department.

**COUNCIL REVISED BUDGET**

Council adopted the Mayor's recommendations.

**311  
EXPENSE AND REVENUE INFORMATION**

<b>EXPENSE</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>Percent Change</b>	<b>Change</b>
<b>GENERAL</b>						
Salaries and Wages	1,453,247	1,467,289	1,558,231	1,416,766	-9.1%	(141,465)
Fringe Benefits	491,785	522,841	657,484	628,261	-4.4%	(29,223)
Contractual Services	508,616	701,131	887,892	955,257	7.6%	67,364
Operating Costs	53,763	58,339	31,679	19,927	-37.1%	(11,752)
<b>TOTAL GENERAL</b>	<b>2,507,411</b>	<b>2,749,600</b>	<b>3,135,287</b>	<b>3,020,211</b>	<b>-3.7%</b>	<b>(115,076)</b>

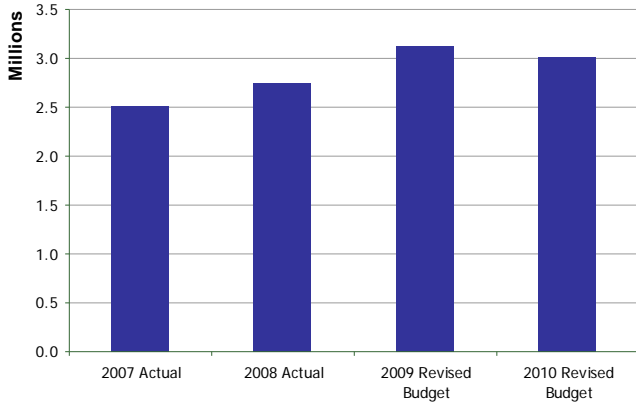
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<b>TOTAL EXPENSE</b>	<b>2,507,411</b>	<b>2,749,600</b>	<b>3,135,287</b>	<b>3,020,211</b>	<b>-3.7%</b>	<b>(115,076)</b>
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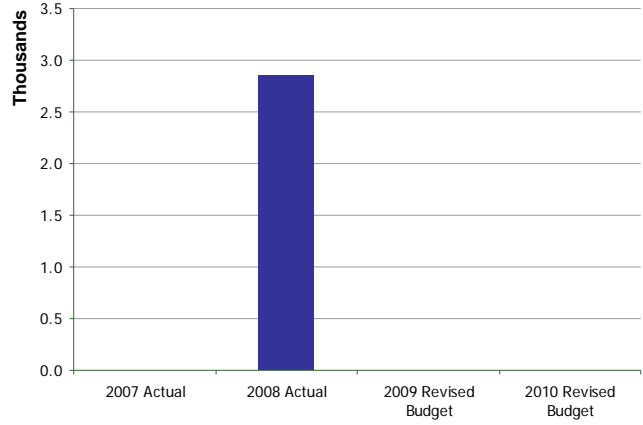
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<b>REVENUE</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Revised Budget</b>	<b>2010 Revised Budget</b>	<b>Percent Change</b>	<b>Change</b>
<b>GENERAL</b>						
Charges for Service	0	2,683			0.0%	0
Other Misc Revenues	0	175			0.0%	0
<b>TOTAL GENERAL</b>	<b>0</b>	<b>2,858</b>			<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>0</b>	<b>2,858</b>			<b>0.0%</b>	<b>0</b>

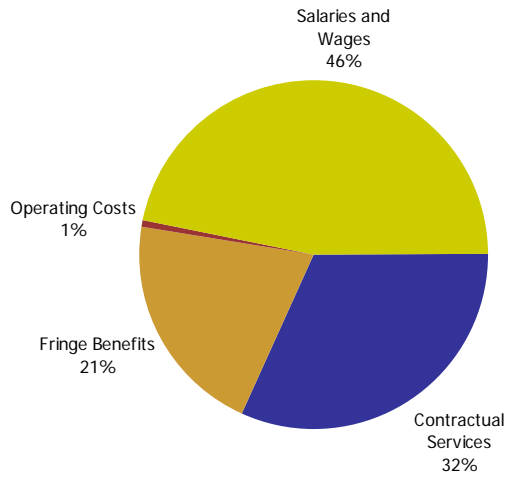
**Expense 2007 - 2010**



**Revenue 2007 - 2010**



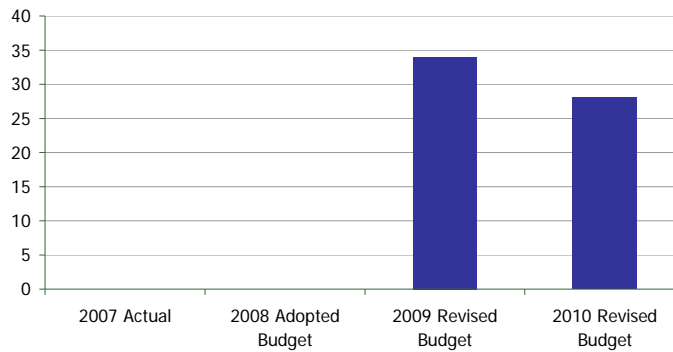
**Expense by Category**



**311 Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
311			34.00	28.00	-17.6%	(6.00)
<b>TOTAL</b>			<b>34.00</b>	<b>28.00</b>	<b>-17.6%</b>	<b>(6.00)</b>

**Positions 2007-2010**





# 911

## MISSION

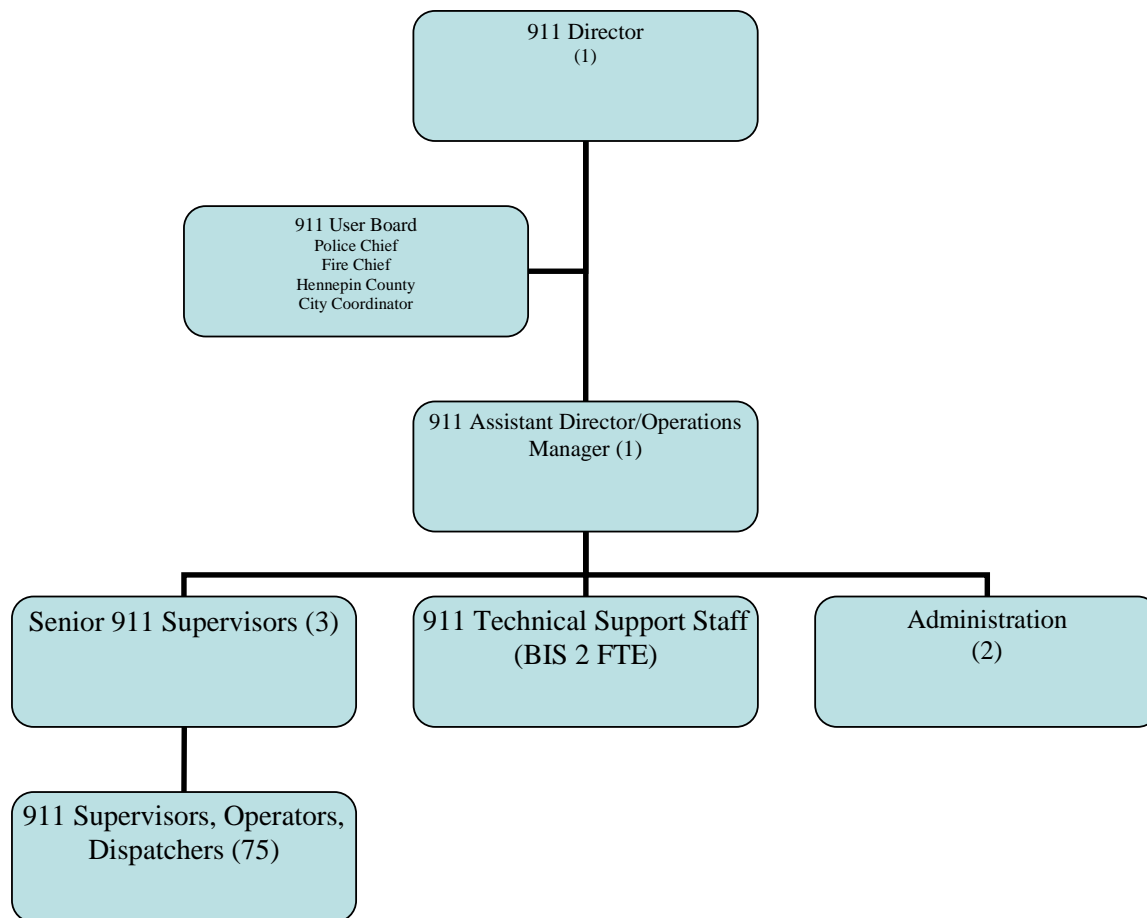
The Minneapolis Emergency Communications (911) Center's mission is to operate, in a professional manner, a complete public safety answering point and dispatching service for police, fire, and emergency medical service to support the needs of residents, visitors, and businesses in the City of Minneapolis.

## BUSINESS LINES

- Answer 911 calls for service
- Dispatch emergency responders
- Conduct various administrative tasks in support of internal customers

## ORGANIZATION CHART

(UPDATED TO REFLECT DEPARTMENTAL SEPARATION FROM 311)



## RESULTS MINNEAPOLIS CHARTS

Measure Name	2006 Data	2007 Data	2008 Data	2009 Target	2011 Target
911 Answer Time (sec)	7.3	7.9	7.4**	5.5	5.5
911 Pending Time*	2m 58s	3m 10s	1 = 1m 49s	1m 10s	1m 10s
911 Citizen Satisfaction	(no resident survey)	(no resident survey)	88%	(no resident survey)	90%
911 Complaints (Total/% Sustained)	81/57%	74/45%	63/64%	60/55%	50/45%
Abandon calls; 911	10%	10.9%	10.4%**	10%	10%
Citizen Satisfaction with access to City services	(no resident survey)	(no resident survey)	77% (Good / Very Good) 65% in 2005	(no resident survey)	85%
Cost Per Contact For 911	\$10.71	\$10.26	\$12.31**	\$10	\$10

\*Pending time = Elapsed time from CAD entry to dispatch (for high priority calls only)

\*\*Estimated due to data loss experienced for 6 months of 2008

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

- **Next-Generation 911:** The next generation of 911 telephony will bring with it both capabilities and challenges. Internet Protocol (IP) will allow for better service and data (video, etc.) delivery to the 911 Centers. Equipment changes will be required, though the industry is not moving as quickly as once envisioned. Look for some expenditures to occur around 2012 or 2013.
- **Regionalization of 911 services:** Consolidation is gaining steam in the state and around the country. Governor Pawlenty created a task force to study regionalization of 911 centers in the state and report back by 12/31/2009. 911 has proposed, and still finds it feasible, to host a regional fire dispatching center in existing space by re-fitting a computer room.
- **Standardization:** While emergency medical dispatch programs have long addressed standards and quality assurance, the same is not generally true for law enforcement and fire service call processing. Current trends in 911 call processing include new programs similar to these medical dispatch protocols. Such protocols have the potential to improve outcomes, provide quality assurance measures, streamline training, and reduce agency liability. 911 is examining programs from several vendors.

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

911 is exploring shared services with a number of external partners, including the Hennepin County Sheriff's Department. Some highlights of current discussions are:

▪ **HCMC EMS Partnership**

HCMC EMS is a potential partner and already shares CAD for which they pay a contracted user fee. Given the close relationship with MECC and our police and fire dispatching, there could be many operational advantages to hosting the EMS dispatchers in a shared facility with MECC.

▪ **Regional Virtual Data Fusion**

911 is working on a pilot program with a vendor and Hennepin County that was put in place in June, 2009. This solution would enable entities like the Minnesota State Patrol, the Minnesota Department of Transportation and other counties to have secure access to real-time 911 incidents, law enforcement records and vehicle location as allowed in response to critical incidents throughout the region.

The Minneapolis Regional Virtual Data Fusion solution will also extend all agencies current investment in CAD, RMS and general data systems into a unified regional data sharing and real-time situational awareness platform.

Additional existing and exploratory partnerships for 911 are:

- Park Police
- University of Minnesota Police
- North Ambulance
- HCMC Ambulance
- Minneapolis Police
- Minneapolis Fire
- Minneapolis Building Commission
- Emergency Preparedness
- Regulatory Services (Alarms)

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

- Quality Assurance Measurement informs training program
- Pending and answer time measurements
- Cost per contact comparisons

**911 Revenue Proposals**

911 continues to explore future revenue sources, such as contract-for-service 911 answering and dispatching arrangements with other jurisdictions. 911 performs support services for several other departments. Continued struggles to meet financial direction may require closer examination of recovering costs associated with these services.

911's sole revenue source at this time is the State 911 surcharge. This is a percentage of the emergency telephone fee collected by the state to fund the 911 system. For 2009, the 911 surcharge received by Minneapolis is projected to be \$554,786 and is required to be used for program-specific expenditures. Historically, 911's surcharge supports our equipment maintenance, upgrades, and training.

**What actions will the department take to meet the current financial projection of a 5% reduction from all funding sources?**

A 5% cut would equate a budget reduction for the department of \$413,000 from 911. Actions to achieve these reductions would be as follows:

- Reduce 4 Dispatcher FTE (\$318K)
- Reduce 1 911 Supervisor FTE (\$95K)

**Impact on 911**

With personnel costs accounting for 87% of the 911 general fund budget (90% if BIS personnel costs are included), a 5% reduction of \$413K leaves no choice but to reduce staff. In 2009, 911 adopted a lean, terraced scheduling model that coincides with the hourly call volume, leaving little-to-no excess capacity for the 911 operators and dispatchers. In order to achieve a 5% reduction, 911 service levels will decrease. 911 proposes a reduction in support services to other departments before reducing citizen access to emergency services, though both would be necessary to meet a 5% reduction.

Reducing dispatcher FTE by 4 would result in a reduced capacity in the police and fire dispatch areas, resulting in a need to consolidate radio channels more often. This increases radio saturation, leading to longer waiting times for priority calls to be dispatched, and longer waits for police and fire personnel to gain the attention of a dispatcher. Other possible consequences of increasing the workload of the remaining dispatchers are increased injury reports and sick leave use.

Eliminating a 911 Supervisor position would increase the supervisor/team member ratio from 1:7.6 to 1:8.6 and degrade the department's ability to effectively manage performance and conduct training, resulting in a decrease in customer satisfaction, employee satisfaction, an increase in the abandoned call rate (supervisors answer 911 calls during peak times) and 911 answer time, and an increase in complaints as supervisors assist in providing guidance in unusual or serious situations. A 911 supervisor also spends about 520 hours a year supporting the Licensing Division of Regulatory Services by entering alerts for suspended alarms. 911 would discontinue this practice and if not picked up by Licensing, the City could lose revenue.

The potential impact of these reduction scenarios on performance measures is illustrated in the chart below:

<b>Service Level Targets</b>	<b>2010 Target</b>	<b>2010 5%</b>
911 Answer Time (sec)	5.5	7.5
911 Pending Time*	0 = 46s 1 = 1m 49s	0 = 1m 1 = 3m
911 Citizen Satisfaction	88%	70%

911 Complaints (Total/% Sustained)	50/45%	65/55%
911 Abandoned calls %	10%	13%
Citizen Satisfaction with access to City services	(no survey)	(no survey)
Cost Per Contact For 911	\$10	\$8.85

## FINANCIAL ANALYSIS

### EXPENDITURE

The 2010 budget for 911 is \$8.0 million, a 0.6% decrease from the 2009 revised budget. The general fund supports 911 with \$7.5 million, a 1.1% decrease from 2009. In the 2010 current service level budget, 911 eliminated 3 FTE and \$10K in overtime in order to achieve the 2010 financial direction.

Personnel expense makes up 81% of the department's budget and contractual services make up 18% of the budget. Equipment and other operating expenses make up 1% of the budget.

Of the non-personnel expenses that represent approximately 19% of the department's budget, 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.

### REVENUE

The 2010 budget for \$554,785 in revenue relates to the 911 surcharge fees. This represents a 6.5% increase over the 2009 budget.

### FUND ALLOCATION

Approximately 93% of the 911's budget for 2010 comes out of the general fund, with the remainder coming from grants.

### ORIGINAL BUDGET

The Mayor recommended and the Council adopted a reduction of 3 FTE to meet the 2010 CSL. The department made a further reduction of \$216,000 from the current service level through the elimination of 1 senior 911 management position and the reduction of 1 other position. The Council further decreased funding in 911 by \$80,000 and eliminated 1 additional FTE (Dispatcher).

### MAYOR'S REVISED BUDGET

The Mayor included no reduction to this department.

### COUNCIL REVISED BUDGET

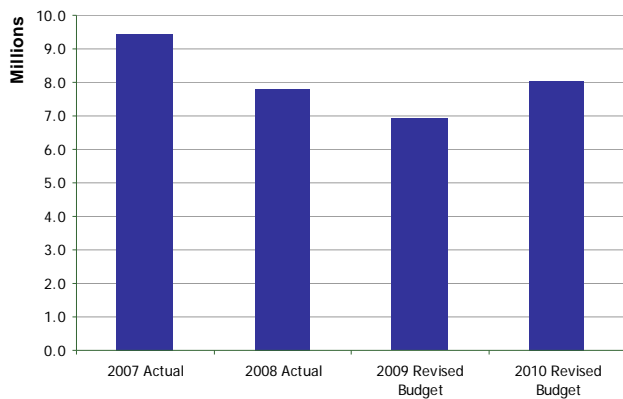
Council adopted the Mayor's recommendations.

**911**  
**EXPENSE AND REVENUE INFORMATION**

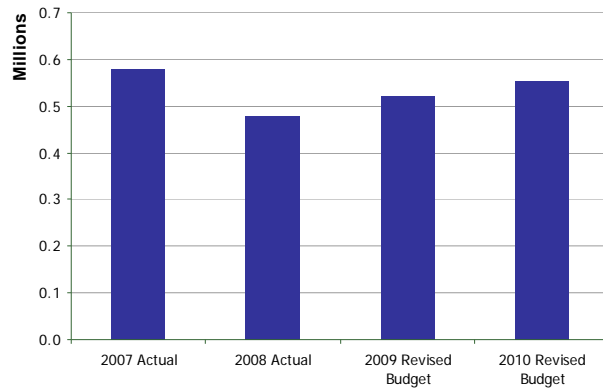
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	4,857,103	4,891,973	4,636,884	4,658,447	0.5%	21,563
Fringe Benefits	1,390,535	1,440,722	1,793,331	1,810,707	1.0%	17,376
Contractual Services	501,690	848,514	1,017,231	905,310	-11.0%	(111,921)
Operating Costs	133,611	109,288	110,753	100,471	-9.3%	(10,282)
Capital	0	109	10,112	10,314	2.0%	202
<b>TOTAL GENERAL</b>	<b>6,882,939</b>	<b>7,290,606</b>	<b>7,568,311</b>	<b>7,485,249</b>	<b>-1.1%</b>	<b>(83,062)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	0	14,957			0.0%	
Fringe Benefits	0	2,147			0.0%	
Contractual Services	2,506,000	405,217	521,000	538,243	3.3%	17,243
Operating Costs	54,940	80,174			0.0%	
Capital	495		(0)	16,142	0.0%	16,142
<b>TOTAL SPECIAL REVENUE</b>	<b>2,561,435</b>	<b>502,495</b>	<b>521,000</b>	<b>554,385</b>	<b>6.4%</b>	<b>33,385</b>
<b>TOTAL EXPENSE</b>	<b>9,444,374</b>	<b>7,793,101</b>	<b>8,089,311</b>	<b>8,039,634</b>	<b>-0.6%</b>	<b>(49,677)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	574	1,335			0.0%	
Other Misc Revenues	0				0.0%	
<b>TOTAL GENERAL</b>	<b>574</b>	<b>1,335</b>			<b>0.0%</b>	
<b>SPECIAL REVENUE</b>						
State Government	552,645	477,164	521,000	554,785	6.5%	33,785
Interest	27,166				0.0%	
<b>TOTAL SPECIAL REVENUE</b>	<b>579,811</b>	<b>477,164</b>	<b>521,000</b>	<b>554,785</b>	<b>6.5%</b>	<b>33,785</b>
<b>TOTAL REVENUE</b>	<b>580,386</b>	<b>478,500</b>	<b>521,000</b>	<b>554,785</b>	<b>6.5%</b>	<b>33,785</b>

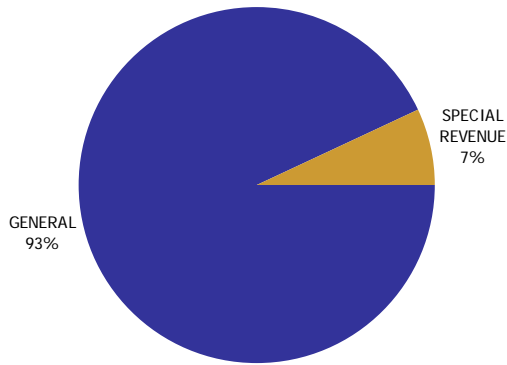
Expense 2007 - 2010



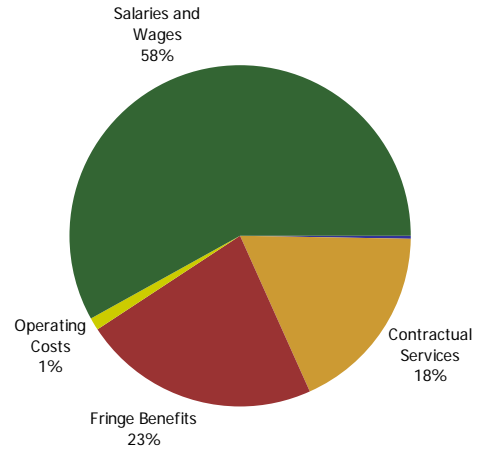
Revenue 2007 - 2010



**Expense by Fund**



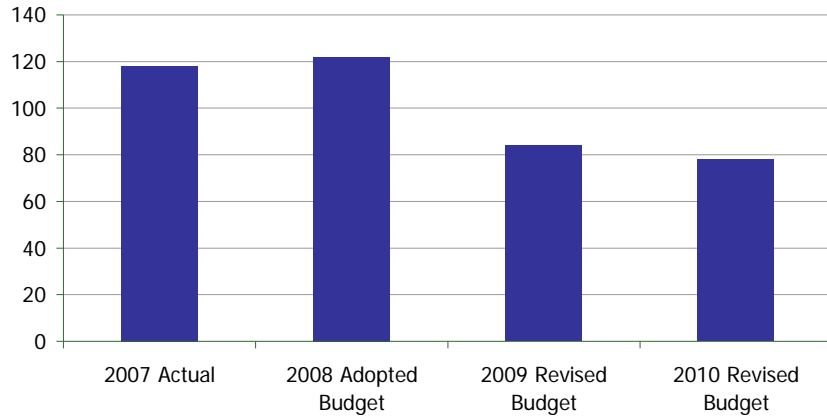
**Expense by Category**



**911  
Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
911	118.00	122.00	84.00	78.00	-7.1%	(6.00)
<b>TOTAL</b>	<b>118.00</b>	<b>122.00</b>	<b>84.00</b>	<b>78.00</b>	<b>-7.1%</b>	<b>(6.00)</b>

**Positions 2007-2010**



# BUSINESS INFORMATION SERVICES

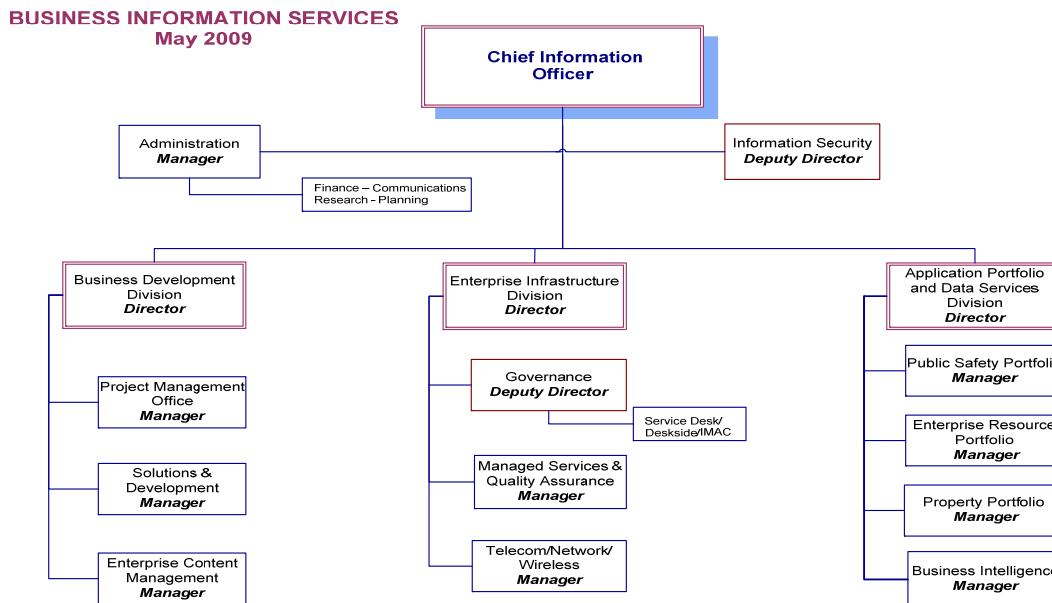
## MISSION

Our mission is to deliver innovative, high quality, value-added services at a reasonable cost to City departments in support of their business goals and objectives. BIS drives results and a positive City image by being progressive partners with City departments.

## BUSINESS LINES

- Application Portfolio and Data Services:** partners with City departments to support critical business applications, ensures sustainability of business functionality through lifecycle planning, and provides business performance measurement capabilities.
- Business Development Services:** collaborates with City departments to design and implement information technology services that meet business needs. This includes re-engineering business processes, leveraging enterprise architecture and technology investments, and expanding e-government and geographic information services.
- Enterprise Infrastructure Services:** works with City departments to understand their needs and partners with external service providers to sustain and enhance City computer and telecom operations. The focus of this business line is to ensure that the information technology infrastructure meets today's needs and is positioned to meet the City's future needs.

## ORGANIZATION CHART



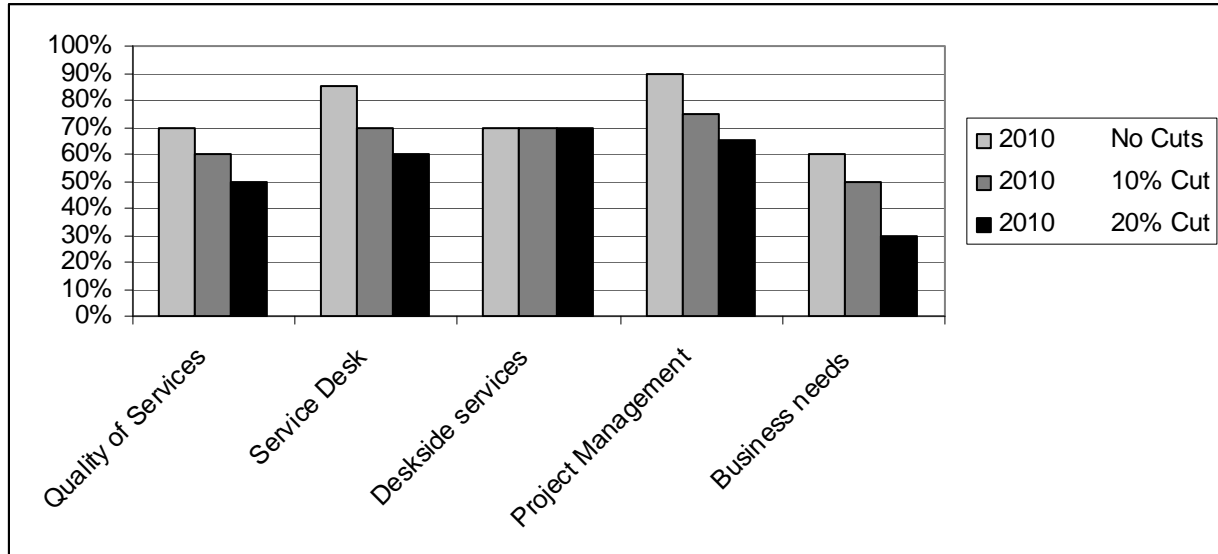
## RESULTS MINNEAPOLIS CHARTS

### Customer Satisfaction

BIS has been showing steady improvement in customer satisfaction. Continued improvement was expected as a benefit of our more strategic focus and improved outsourcing relationship. With the anticipated staff reductions BIS will have insufficient resources to fully implement the business plan and strategic priorities. Of the five categories shown below *Quality of Services*,

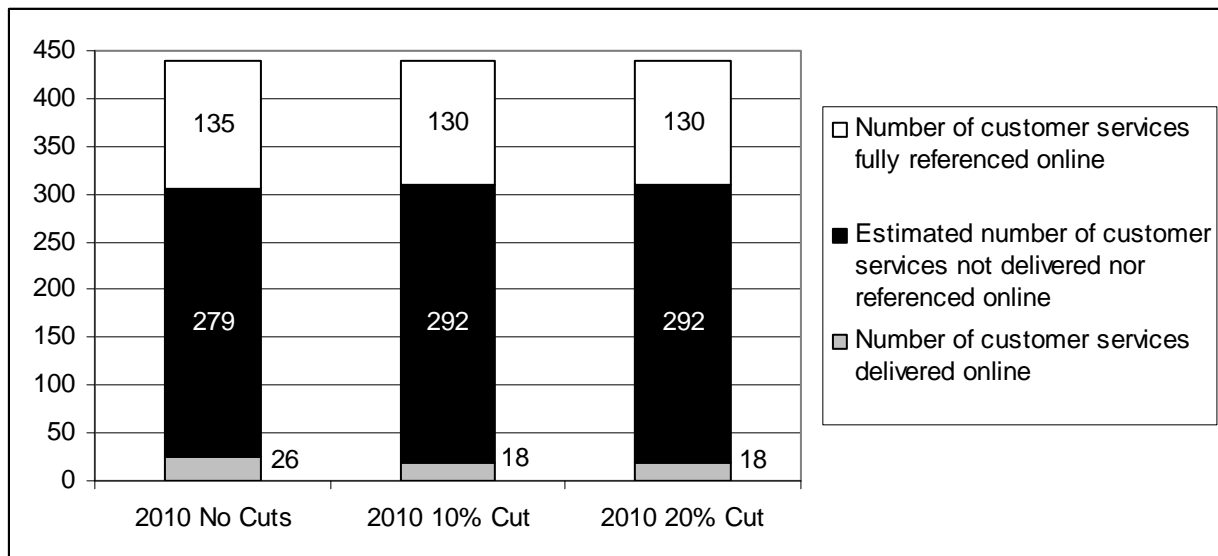


*Project Management, and Business Needs* are BIS' sole responsibility. Therefore, these are the areas most impacted by a budget reduction. Meeting the business needs and projects are very strategic activities which would be reduced to ensure that foundational support activities still occur. In addition, deskside services have a component of BIS responsibility that would also be reduced, resulting in slower response time and lower customer satisfaction.



### E-Government Services

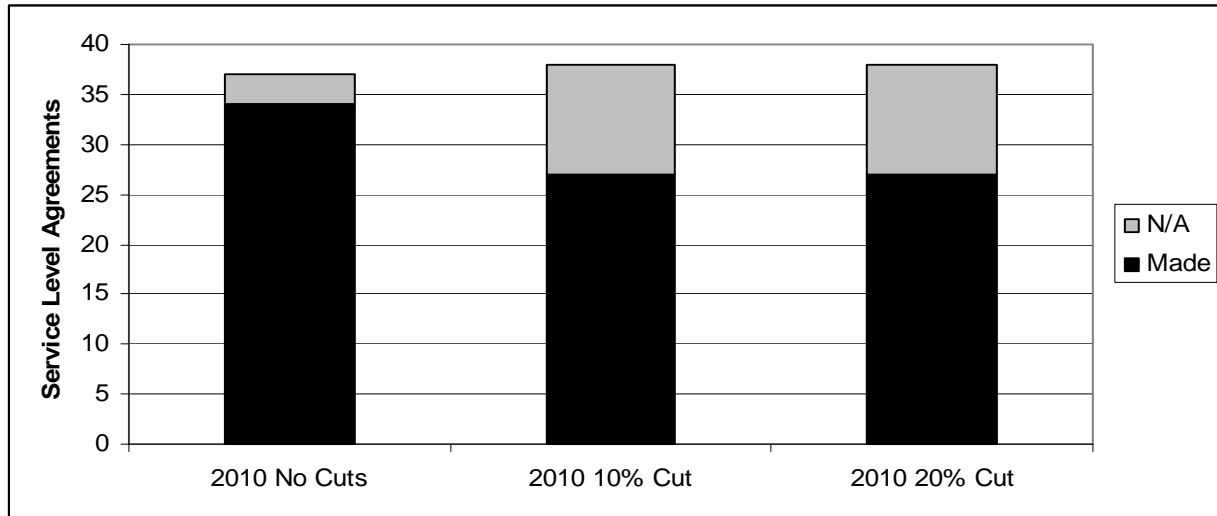
Departments have generally been slow to adopt on-line services for their customers. Two scenarios could occur with the City's budget reductions: 1) departments could see the increased value (reduced cost and improved service) and seek to provide additional services online; or 2) departments could freeze any additional online activities. BIS will have limited ability to implement new online service delivery. Because the services referenced online are completely within the control of the departments a slight increase is anticipated.



### Managed Services

Seven of the 38 Service Level Agreements (SLA) have a BIS dependency component. As such, reductions in BIS staff will limit Unisys' ability to resolve issues in a timely manner. There

is no reason to believe there will be additional outages. However, an outage will result in longer resolution time, employees losing access to critical business systems for longer periods of time, and lost productivity. In addition, budget cuts will also necessitate the reduction in service levels at the service desk. Because the City has contributed to the failure to meet the SLA BIS will be unable to assess the penalty credit and recoup losses on behalf of the City; essentially eliminating nine of the 38 (24 %) contractual SLA measures.



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

The biggest challenge the City faces in information technology is the enormous appetite of City departments for implementing technology solutions to further their business objectives which puts an untenable strain on BIS' declining resources. Moreover, this appetite is focused solely on the desire/need of that particular department, without considering a citywide perspective. For example, the City has over 1,000 applications – with more being requested everyday. Most of these applications have no direct support funded and general fund resources must be redirected from supporting the rest of the City when issues arise. To address this issue BIS has implemented a project prioritization process. While in its infancy, this will bring the City to a better enterprise-wide strategy.

Furthermore, the demand for information services and technology solutions is increasing as customers demand better, faster services and departments increase their use of technology to save resources and increase productivity. A review of Department Business Plans identifies hundreds of potential opportunities to streamline business processes to improve efficiency and customer services, the majority involving technology. BIS does not have the capacity to implement these improvements.

The other significant challenge is the implementation of wi-fi services throughout City departments. For the City to achieve the actual use of the \$1,250,000 wi-fi service commitment departments will need to implement new services, not just replace existing communication devices. Cuts reduce BIS' ability to assist, and departments will be less likely to move forward on new initiatives.

Finally, BIS typically funds enterprise-wide wide core technology service needs through capital funds (when appropriate) or through operating funds accumulated by maintaining vacancies. Recent and proposed budget cuts will completely eliminate the ability of BIS to absorb unbudgeted expenditures to fund core services.

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

BIS regularly engages partners to achieve the goals and objectives of the City. The nature of work requires a collaborative working relationship with entities both internal and external to the City. In the past year a partnership with the Minneapolis Park and Recreation Board to ensure completion of the wi-fi network was developed. BIS' most strategic partnership is with Unisys. Success in this endeavor was recently recognized with the best partnership award from the Outsourcing Institute. Following are just a few examples of the collaborative partnerships in which BIS is currently participating:

- BIS is currently working with Public Works to identify the best distribution of responsibilities around support for cellular service, including ways to reduce total enterprise costs.
- BIS is working with USI *Wireless* to identify opportunities for fuller City utilization of the wi-fi network.
- BIS and Public Works are jointly defining the future public safety camera support; identifying how to best ensure the most effective and cost-efficient support.

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

As is our standard practice, we review the cost effectiveness of programs and the cost / value proposition. For example, BIS recommended a reduced service level for the BIS Service Desk that will save over \$40,000 annually. Working collaboratively with the citywide department representation on the Information Services Business Advisory Group and the Information Services Executive Group, the service reduction was determined to be acceptable for the savings that can be obtained.

***What actions will the department take to meet the current financial projections (5% reduction in all funds)?***

**Five Percent:** To reach the 5% reduction goal of \$1,333,000 BIS will freeze efforts in the business intelligence, e-government, and enterprise information management areas at the current level of support. In addition, BIS will layoff five staff and eliminate three vacant positions. All discretionary professional services and enhancement expenditures will cease. As a result of these cuts:

- outages in network equipment will not be addressed until normal business hours, resulting in possible lost productivity for staff
- existing reporting capabilities will be maintained but no additional reporting capabilities will be supported
  - development of a robust reporting capability for the City requires the creation of the underlying reporting warehouses, requiring specialized skills that BIS has only in limited quantity
  - additional reports can be written from the structure that is currently available, but BIS will not have the resources to develop new reports that utilize information from multiple sources and/or departments.
- projects will move at a slower pace because BIS non-project resources will be reduced, thus restricting project capacity
- support for existing web applications will be maintained, but development of additional services will be dependent upon departments funding hiring of higher-cost outside contractors, working through BIS, to do the development work
- no resources will be available to develop a robust enterprise information management program, limiting the City's ability to share information across departments and with residents

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The 2010 budget for this department is \$24.4 million, a 4.4% or \$1 million decrease from the 2009 revised adopted budget. The 2010 budget includes an increase in customer sponsored maintenance contracts of \$234,000 and an increase in the general fund overhead charge of \$239,000. These expenditures are offset by revenues received from the sponsors. There are 80.0 positions in the department, an increase of 3 FTE for application support positions funded by the Finance department and Public Safety departments and a decrease of 1.0 for application support funded by the Human Resources department. Personnel are 32% of the total department budget. The department's contractual expenses are 65% of its budget. The 2010 BIS budget includes a reduction of growth in spending of \$184,000.

### **REVENUE**

With anticipated revenues of \$25.6 million, the BIS budget for 2010 shows an decrease of 2.4% or \$630,000 over the 2009 revised adopted budget of \$26.2 million.

### **FUND ALLOCATION**

Business Information Services is funded entirely within the Intergovernmental Services internal service fund.

### **ORIGINAL BUDGET**

The department eliminated 1 FTE to meet the financial direction. The Mayor recommended and Council approved a reduction of \$1.6 million and 11 positions from the current service level for this department. This includes a \$1.3 million reduction to general fund departments and \$325,000 for non-general fund departments. General fund departmental appropriations were reduced to achieve the general fund reduction. During 2009, Council adopted resolution 2009R492 added 1 FTE to BIS for 2009 and 2010 for staff at the emergency operations training center, to be funded by customer departments. Additionally, Council directed the BIS budget be reduced by \$100,000 and not replaced through internal service charges.

The budget for this department includes a \$5,496 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$200,000 on a one-time basis. The department shall meet this reduction through non-personnel savings and explore additional ongoing savings through the restructuring and reduction of existing services in anticipation of the 2011 budget.

### **COUNCIL REVISED BUDGET**

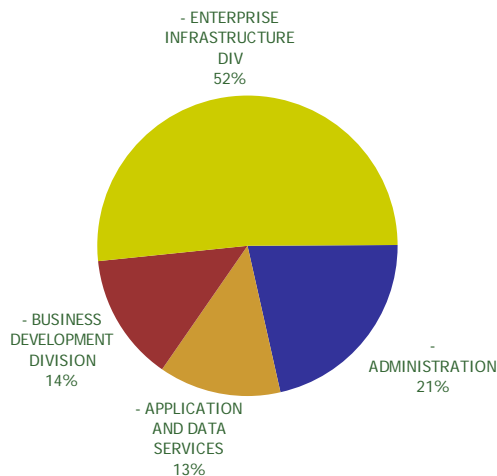
Council approved the Mayor's recommendation.

## BUSINESS INFORMATION SERVICES EXPENSE AND REVENUE INFORMATION

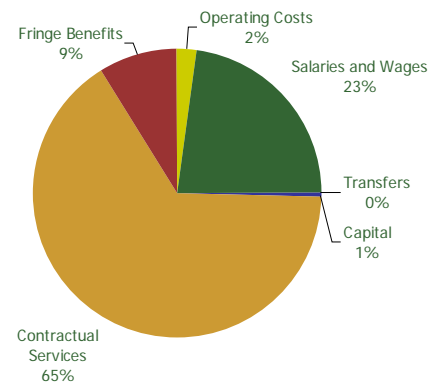
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	0	14,419		(50,000)	0.0%	(50,000)
Fringe Benefits	0	573			0.0%	0
Contractual Services	34,409	8,713			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>34,409</b>	<b>23,705</b>		<b>(50,000)</b>		<b>(50,000)</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	5,526,774	4,250,729	6,568,950	5,615,441	-14.5%	(953,509)
Fringe Benefits	1,382,278	1,311,912	2,226,046	2,205,989	-0.9%	(20,056)
Contractual Services	20,858,389	16,740,404	16,035,299	16,001,932	-0.2%	(33,368)
Operating Costs	7,301,967	4,563,661	563,116	532,034	-5.5%	(31,082)
Capital	55,136		127,854	130,412	2.0%	2,558
Transfers	(981,831)				0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>34,142,713</b>	<b>26,866,706</b>	<b>25,521,265</b>	<b>24,485,808</b>	<b>-4.1%</b>	<b>(1,035,457)</b>
<b>TOTAL EXPENSE</b>	<b>34,177,122</b>	<b>26,890,411</b>	<b>25,521,265</b>	<b>24,435,808</b>	<b>-4.3%</b>	<b>(1,085,457)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Federal Government	19,897				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>19,897</b>				<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	29,962,434	27,750,893	26,157,744	25,538,583	-2.4%	(619,161)
Charges for Sales	26,438	20,268	30,000	20,000	-33.3%	(10,000)
Other Misc Revenues	0	4,263			0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>29,988,872</b>	<b>27,775,424</b>	<b>26,187,744</b>	<b>25,558,583</b>	<b>-2.4%</b>	<b>(629,161)</b>
<b>TOTAL REVENUE</b>	<b>30,008,769</b>	<b>27,775,424</b>	<b>26,187,744</b>	<b>25,558,583</b>	<b>-2.4%</b>	<b>(629,161)</b>

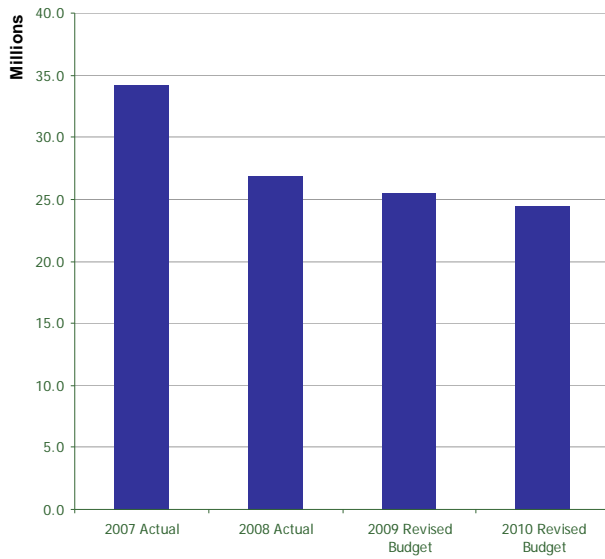
Expense by Division



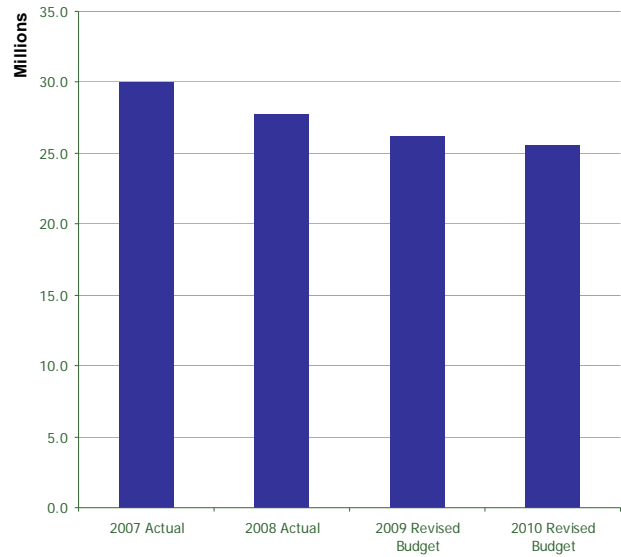
Expense by Category



Expense 2007 - 2010



Revenue 2007 - 2010

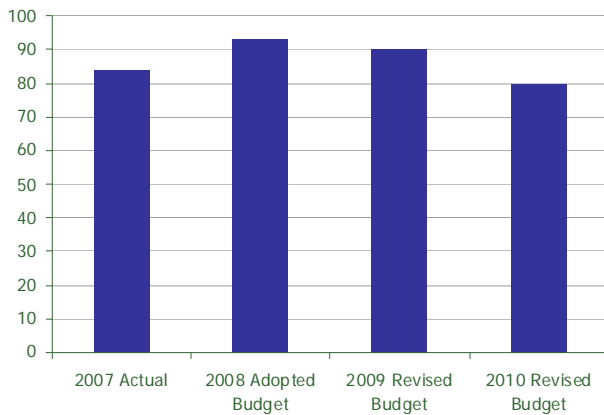


### BUSINESS INFORMATION SERVICES

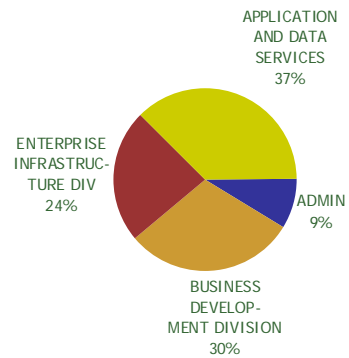
#### Staffing Information

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
ADMINISTRATION		11.00	10.00	7.00	-30.0%	(3)
BUSINESS DEVELOPMENT DIVISION		12.00	32.00	24.00	-25.0%	(8)
ENTERPRISE INFRASTRUCTURE DIV		22.00	22.00	19.00	-13.6%	(3)
APPLICATION AND DATA SERVICES	84.00	48.00	26.00	30.00	15.4%	4
<b>TOTAL</b>	<b>84.00</b>	<b>93.00</b>	<b>90.00</b>	<b>80.00</b>	<b>-11.1%</b>	<b>(10)</b>

Positions 2007-2010



Positions by Division



## COMMUNICATIONS

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### MISSION

To assist City Departments and policymakers 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

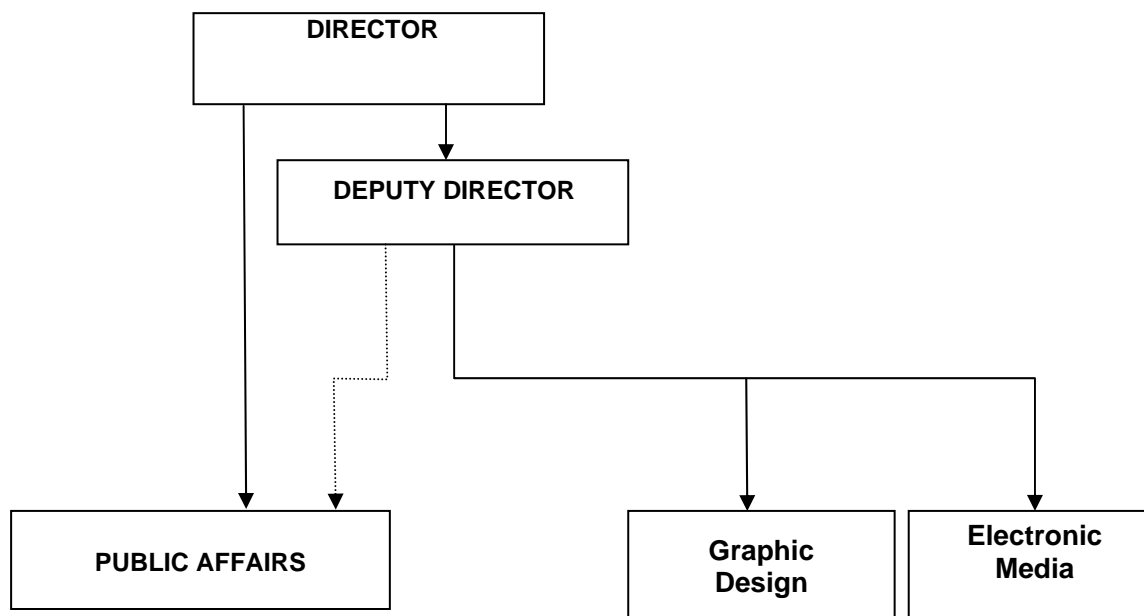
**1) Assist elected officials and City departments with all communications functions, internal and external.**

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.

**2) Manage the City's cable franchise**

Communications manages the City's cable franchise, including overseeing the current franchise agreement, negotiating a new franchise agreement, and handling consumer complaints.

### COMMUNICATIONS DEPARTMENT 2010 ORGANIZATION CHART



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

- **News & information from non-traditional sources**

The number of people who report regularly getting their news from traditional sources has steadily declined for the past decade (most significant declines are seen by newspapers and radio, with local television news viewership being less impacted). Today people get their news and information from a host of sources, but the continued trend away from traditional print and broadcast news is stronger than ever.

During the first half of 2009, the Communications Department has already implemented a number of new tools and initiatives to take advantage of these new communications vehicles and get City news directly in the hands of the consumer. We have a plan to continue that work in 2009, as well as to explore additional tools that we can utilize for both internal and external communications.

Of particular focus will be how the City can employ social media (and Web 2.0 tools) to improve internal communications and even lead to service/process improvements in how the City provides services and manages issues and projects.

- **Increasing expectations around transparency & accountability**

The American Recovery & Reinvestment Act brings the most prominent example of the increased expectations surrounding providing open and transparent access to information on government spending and results-oriented information. The Communications Department is poised to meet this challenge by using our Web, social media and traditional media relations tools. However, the City (enterprise) lacks the necessary infrastructure, enterprise operations (for collecting data), and consistent data to adequately meet those expectations. It will be a challenge for City government to make the necessary investments – particularly given the current financial situation – to most effectively provide transparency in government decision-making. Communications intends to be a lead partner in pursuing strategies that could be employed short-term, with an eye to long-term solutions (which are not actually in the Communications Department's purview).

- **Diminished resources**

Recent budget cuts have required the department to eliminate a Public Information Officer position. While this position was focused exclusively on public safety communications, the entire department feels additional pressures as communicating about public safety information is a core service for the department. The department is currently reviewing and making decisions on how to reprioritize its work, and the enterprise communications needs. The eliminated position will require that the department make more tough choices about the projects and issues where communications planning and support can be provided.

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

Internal Partnerships:

Because Communications is an internal service department, its work is primarily focused on partnerships with other City departments. However, there are a few key initiatives that are



outside of Communications' day-to-day services where we are working in partnership with internal departments to advance enterprise-wide strategies.

- Wireless Minneapolis. Working in partnership with the Neighborhood & Community Relations Department to continue executing the Wireless Minneapolis community benefits program.
- Transparency & Web 2.0. With the American Recovery & Reinvestment requirements for transparency as a driver, the Communications Department is seeking a partnership with BIS to make Minneapolis a government leader in Web 2.0 applications that can encourage two-way communications with our residents and provide transparency in our decision-making around resource allocation and results.

#### External Partnerships:

- Meet Minneapolis. Communications is working with Meet Minneapolis to build on the success we had working in partnership during the 2008 Republican National Convention. This will include greater collaboration on how we promote Minneapolis as a destination for conventions and visitors, as well as how we reinforce key messages around Minneapolis (as a city and a destination ... *i.e.*, promoting Active, Outdoors & Green Minneapolis).
- Rebranding. We continue to advance the work with our pro-bono partners, Periscope, in a developing a new logo/brand for Minneapolis city government. The project was put on hold during the legislative session; however it will be brought back this summer with a goal of establishing a new (and approved) logo by year's end.
- Clean Minneapolis. The department is working with pro-bono with Wolfmotell on a public relations campaign to encourage folks to keep our city clean. This work is being done in partnership with Public Works Solid Waste & Recycling.
- Tap Minneapolis. Communications is working with LaBreche on a contract basis to develop and execute a tap water marketing campaign. While this is a contract/paid relationship, the agency is providing some of its work on a pro-bono basis, and is also working to identify partners who can provide resources or in-kind services to leverage the City's investment in this effort.
- MTN & MPS. In the very preliminary stages of discussions around a potential partnership (and resource saving endeavor) related to how each of these three agencies (MTN, Public Schools and the City) provide video services for our constituents.

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

Our Tap Minneapolis campaign includes several evaluations tools, including a pre- and post-campaign survey to existing tap consumers.

The department also uses web tracking tools (tracking the number of hits) for our public website, Minneapolis Matters and CityTalk communications work. We also track media coverage for the proactive media relations work we do in the department. The department also tracks how the NewsBites stories are used in elected officials' newsletters.

***What actions will the department take to meet the current financial projected reduction of 5% from all funding sources?***

To achieve a 5% or \$126,000 budget reduction, the Communications Department would be required to:

- Eliminate an administrative support position
- Reduce funding to MTN by 2.5% (\$18,000)
- Reduce the contract services budget

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2010 expenditure budget for the Communications Department, which includes public affairs, graphics, cable regulation, and video services, is \$2.4 million – a 4.2% decrease from the 2009 revised budget. The budget includes \$700,000 in annual draw downs of the cable franchise settlement over the next two years. This recommendation results in level funding for cable-related items until an increase to Public, Educational and Governmental (PEG) programming fees comes online in 2012.

**REVENUE**

The Communications Department's \$4.2 million revenue budget is a 15.2% increase from the 2009 revised budget. The increase is mainly due to expected increases in franchise fees.

**FUND ALLOCATION**

The Communications Department is funded entirely by the General Fund.

**ORIGINAL BUDGET**

The Mayor recommended and the Council approved a reduction of \$140,000 and one position from the current service level for this department. Included as part of this amount is a reduction in contractual services, including a reduction of \$26,000 in funding to MTN.

**MAYOR'S REVISED BUDGET**

The Mayor included no reduction to this department.

**COUNCIL REVISED BUDGET**

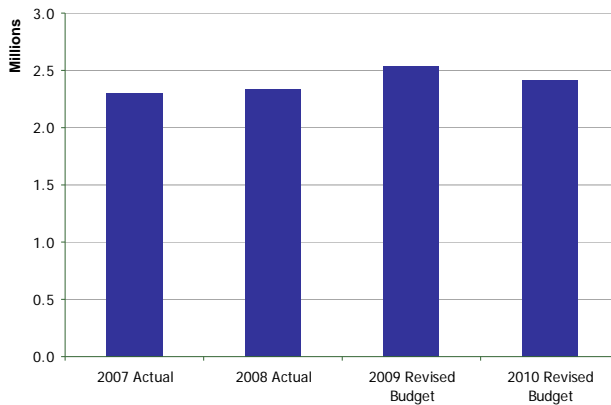
Council adopted the Mayor's recommendations.

## COMMUNICATIONS EXPENSE AND REVENUE INFORMATION

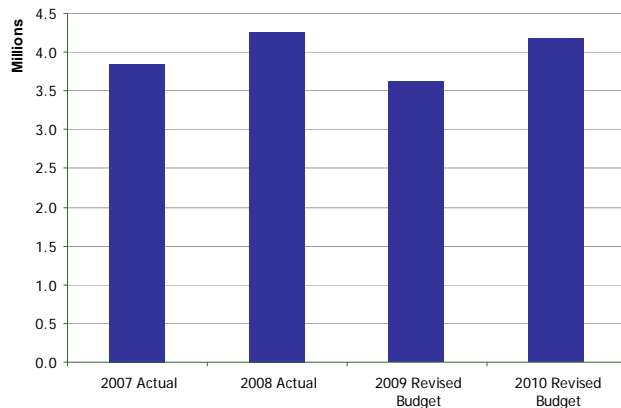
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	900,497	896,009	901,653	865,070	-4.1%	(36,583)
Fringe Benefits	248,302	260,412	276,531	301,013	8.9%	24,482
Contractual Services	1,033,551	1,005,934	1,190,494	1,091,910	-8.3%	(98,585)
Operating Costs	84,917	111,565	136,609	140,573	2.9%	3,964
Capital	19,264	63,778	24,435	25,081	2.6%	646
<b>TOTAL GENERAL</b>	<b>2,286,531</b>	<b>2,337,698</b>	<b>2,529,722</b>	<b>2,423,647</b>	<b>-4.2%</b>	<b>(106,075)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	6,539	2,836			0.0%	0
Fringe Benefits	0	1,049			0.0%	0
Contractual Services	4,525	475			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>11,064</b>	<b>4,360</b>				<b>0</b>
<b>TOTAL EXPENSE</b>	<b>2,297,595</b>	<b>2,342,058</b>	<b>2,529,722</b>	<b>2,423,647</b>	<b>-4.2%</b>	<b>(106,075)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Franchise Fees	2,893,999	3,098,707	2,500,000	3,000,000	20.0%	500,000
Charges for Service	0	(64)			0.0%	0
Charges for Sales	44,899	1,623	10,000	2,000	-80.0%	(8,000)
Rents	8,169	6,581	7,000	7,000	0.0%	0
Contributions	169,296	425,080	400,000	450,000	12.5%	50,000
Other Misc Revenues	19,736	29,032	12,100	20,000	65.3%	7,900
<b>TOTAL GENERAL</b>	<b>3,136,100</b>	<b>3,560,960</b>	<b>2,929,100</b>	<b>3,479,000</b>	<b>18.8%</b>	<b>549,900</b>
<b>SPECIAL REVENUE</b>						
Contributions	704,525	700,475	700,000	700,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>704,525</b>	<b>700,475</b>	<b>700,000</b>	<b>700,000</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>3,840,625</b>	<b>4,261,435</b>	<b>3,629,100</b>	<b>4,179,000</b>	<b>15.2%</b>	<b>549,900</b>

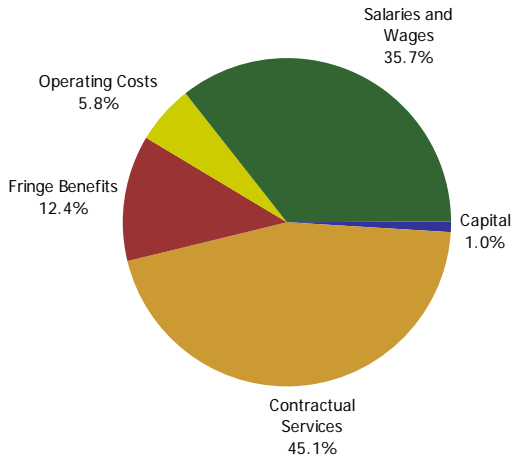
Expense 2007 - 2010



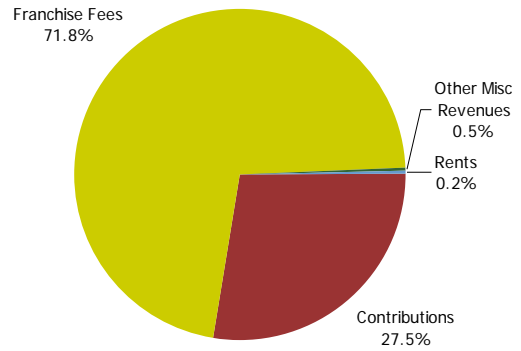
Revenue 2007 - 2010



**Expense by Category**



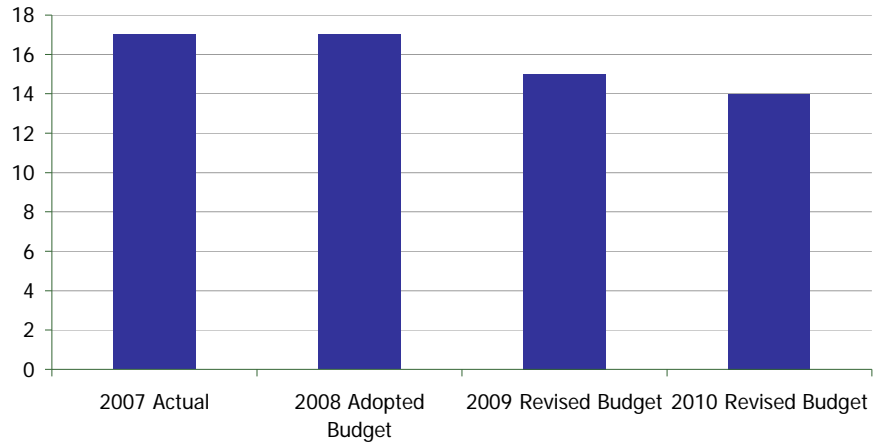
**Revenue by Type**



**COMMUNICATIONS  
Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
COMMUNICATIONS DEPT	17.00	17.00	15.00	14.00	-6.7%	(1.00)
<b>TOTAL</b>	<b>17.00</b>	<b>17.00</b>	<b>15.00</b>	<b>14.00</b>	<b>-6.7%</b>	<b>(1.00)</b>

**Positions 2007-2010**



## CONVENTION CENTER

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### **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**

The Convention Center has identified four primary business lines.

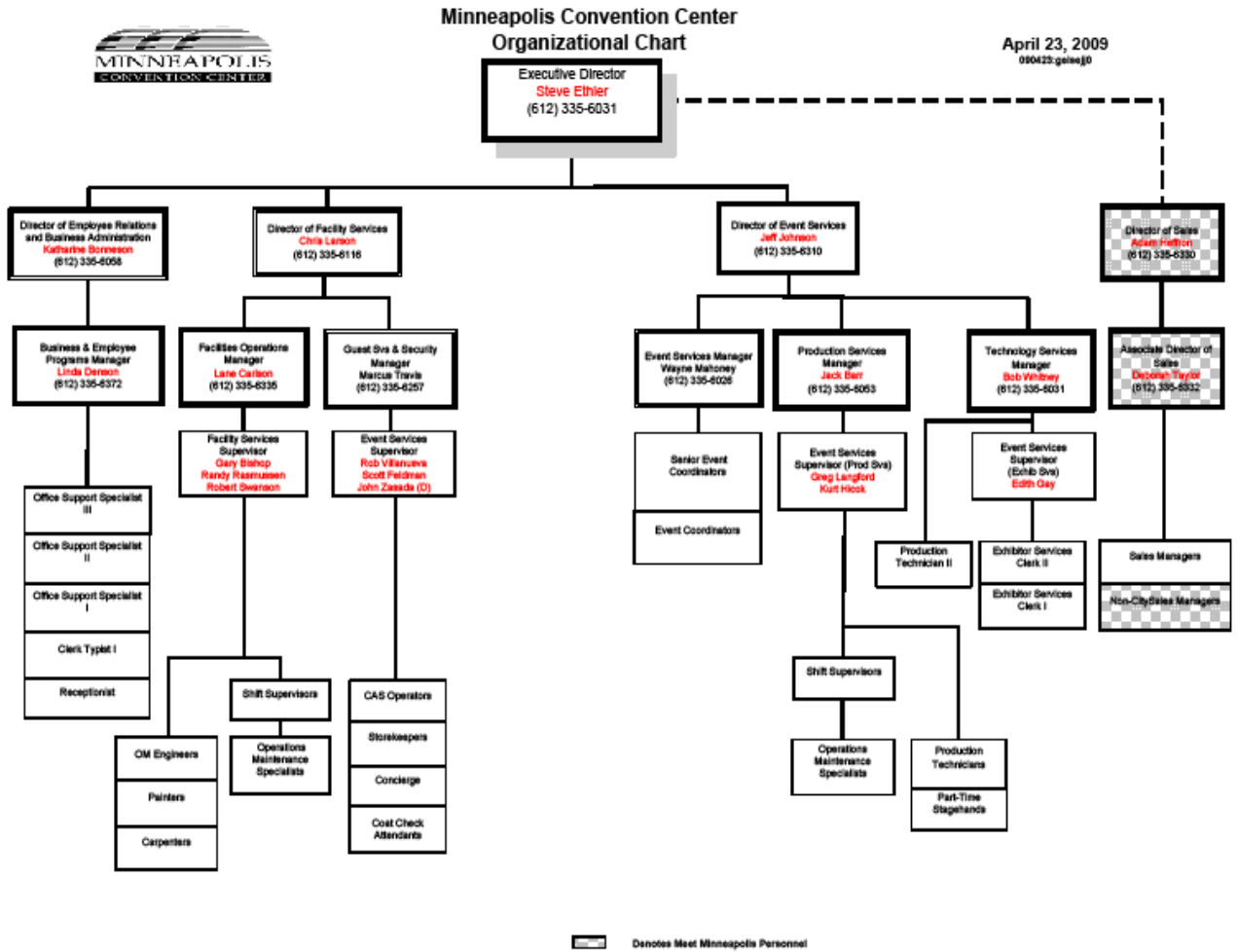
**Event Services:** Responsible for providing an exceptional event planning product through coordination of both in-house departments and vendors for all events. Event Services coordinates production, set-up, technology services as well as event planning.

**Facility Services:** Ensures the safety, sustainability and maintenance of the building required to provide a world-class facility for customers. This includes contract management, capital planning, safety, guest services and security, parking operations, building and grounds maintenance to include custodial operations.

**Sales and Marketing:** Through a partnership with Meet Minneapolis, this group is responsible for selling and marketing the Convention Center. This includes being the initial point of contact for customers, identifying and attracting clients/events, gathering marketing data, determining and implementing marketing strategies and capitalizing on existing client relationships. The Meet Minneapolis contract is currently under review for modification and extension.

**Business and Employee Services:** Responsible for providing financial management activities and employee relationship and development programs for the Center's Staff. This includes providing data analysis, financial planning and evaluation, business and strategic planning as well as developing, implementing and evaluating employee programs (training, professional development, recognition).

# ORGANIZATION CHART



<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>						
<b>Measure Name</b>	<b>2005 Data</b>	<b>2006 Data</b>	<b>2007 Data</b>	<b>2008 Actual</b>	<b>2009 Target</b>	<b>2011 Target</b>
Total Occupancy	65.5 %	61.8%	60.7%	61%	58%	65%
Total Attendance	784,250	836,000	782,059	779,000	700,000	760,000
Total Revenue (1,000's)	\$16,208	\$15,645	\$14,341	\$15,569	\$13,000	\$15,766
Customer Survey Overall Rating	4.42	4.42	4.50	4.42	4.5	4.5
Climate Survey Rating	3.91	3.93	4.26	4.26	4.20	4.20

***What key trends and challenges does the department face and how will each be addressed?***

- **Weak Economy:** The economic slowdown has negatively affected the convention and tradeshow market as clients look to cut costs through a reduction in event spending. To date, MCC is tracking an 8% shortfall in revenue compared to 2008 and projects that number to rise to 15% by year end. To off-set this loss, new marketing campaigns such as *Meet in Minneapolis* are aimed at encouraging Minnesota-based business to remain local by booking their meetings at the Convention Center.
- **Managing Client Expectations:** The Convention Center staff is continually striving to exceed client expectations within a dynamic environment, while adjusting business and staffing models to the current industry trends and economic conditions.
- **Redefining our Competitive Edge:** In the past MCC was able to market as a new center throughout the 1990's and an expanded facility with enhanced features in 2002 and the ensuing five years. At this juncture, a brand and marketing plan is needed to capture a redefined, competitive edge within an ever-changing marketplace.
- **Revenue Development and Client Services Composition:** With convention centers around the country discounting rental rates, it is challenging for MCC to maintain rate integrity as well as current, high standard of customer service while averting a devaluation of our product. Over the past five years, ancillary service offerings have been adapted to proactively respond to customers' needs. Adjustments will continue in this area to maximize revenue and achieve the highest level of customer satisfaction.

The 2010 revenue projections reflect an improvement over the 2009 numbers. The 2010 projections are guarded due to an uncertain economic forecast and sustained reductions in consumer spending.

- **Budget Subsidy:** The gap between fund revenue and expenses is an important gauge of fund health. As the building's operating revenues hold flat or decline and the demand for reinvestment in the twenty-year old facility increases, so does the subsidy. There are steps that can be taken to reduce this subsidy such as 1) reduction in expenses, namely energy, capital and personnel (use of time and labor) 2) further develop ancillary services 3) expand the client base to increase the number of events through efforts like *Meet in Minneapolis* and regional promotion of public consumer shows.

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

Key partnerships include:

- **Meet Minneapolis** – Through more staff collaboration and a renewed understanding of goals, MCC hopes to maximize the talents of the Meet Minneapolis staff in the pursuit of sales and revenue goals. Joint goal setting will help align both staffs to focus on shared priorities and better position resources to meet City goals.
- **Target Center and AEG** – Starting June 2009, the MCC Staff will assume responsibility for contract oversight and capital management of the Target Center. Through this relationship MCC hopes to share capital improvement

- expertise and cost savings and potentially share event leads forming a citywide partnership focused on using MCC's auditorium and Target Center arena.
- Arts and Theatre – Through partnerships with organizations like the Walker Art Center and the Guthrie Theatre, MCC hopes to showcase certain assets and offerings of each attraction to better present Minneapolis as a premier destination.
  - Professional Associations – Through association membership in organizations like the International Association of Arena Managers (IAAM) the American Society of Public Administrators (ASPA), Meeting Professionals International (MPI), International Facility Manager Association (IFMA) and the Professional Convention Management Association (PCMA) MCC staff will network and gain professional knowledge in their area of expertise that will better prepare them to create strategic solutions to everyday problems.

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

Cost Containment – The development of formalized cost containment goals in the areas of overtime usage, part-time labor and other expenditures will help control expenses. An increased focus on cost analysis, spending trends and forecasting will help this effort succeed as well as implementation of an activity based costing program via a time and labor management system.

Revenue Maximization – A renewed focus on strategically marketing convention sales by Meet Minneapolis is needed to off-set flat rental sales. Jointly established revenue goals are an expected result of a new Meet Minneapolis contract, which will provide the framework for both organizations to align skills and work toward expanded revenue generation.

*Meet in Minneapolis* Campaign – A marketing effort through Meet Minneapolis that focuses on marketing the Convention Center to local, corporate businesses as an alternative to business travel. Meet Minneapolis' response to a Request for Proposal is currently under review. A final contract amount will be brought forward for final approval.

Employee Development – Continued investment in employees to provide them with the essential tools required to thrive in their positions. This is especially important as MCC seeks to accomplish more with less.

***What actions will the department take to meet the current financial projections (5% reduction in all funding sources)?***

Cost saving activities designed to reduce MCC's budget by 5% (\$1.9M) would focus on the following areas.

- Adjust staffing levels to meet our changing business needs, given the dynamics of our industry. (Savings up to \$500K)
  - Impact- Requirement for additional and more frequent training to address any inconsistency of skills that may be negatively affected, need for continual and timely communication with organized labor and maintained focus on employee climate.
- Evaluation of providing exclusive services (contracts). (Savings up to \$1M)



- Impact – reduction in expenses will also reduce ancillary revenues, overall revenue and client service offerings. Examples of exclusive client services include security, coat check and cleaning services.
- Reduction in energy consumption. (*Savings up to \$500K*)
  - Impact – potential dissatisfaction from clients due to temperature adjustments in building spaces.

Currently, MCC is working toward a 3% reduction in 2009 with an additional 2% reduction for 2010 (5% in total over 2 years).

### Impacts on Results Measures

<b>Results Minneapolis measures, data and targets table</b>						
Measure Name	2006 Data	2007 Data	2008 Actual	2009 Target	2010 Target	2011 Target
Current Occupancy	61.8%	60.7%	61.0%	58.0%	58%	60%
5% Reduction					58%	60%
10 % Reduction					50%	52%
Current Attendance	836,000	782,059	779,000	700,000	700,000	884,000
5% Reduction					700,000	760,000
10 % Reduction					600,000	650,000
Current Revenue	\$15,645	\$14,341	\$15,569	\$13,000	\$14,787	\$15,766
5% Reduction					\$14,787	\$15,766
10 % Reduction					\$13,800	\$14,300
Current Customer Survey Overall	4.42	4.5	4.42	4.5	4.5	4.5
5% Reduction					4.3	4.3
10 % Reduction					4	4

### FINANCIAL ANALYSIS

#### EXPENDITURE

The Convention Center's 2010 budget is \$43.8 million, a \$1.9 million decrease from the 2009 budget.

#### REVENUE

The Convention Center's 2010 revenue is expected to increase to \$77.6 million.

#### ORIGINAL BUDGET

The Mayor recommended a reduction of \$1.5 million in this department's operating budget. The Mayor further recommended an increase in the transfer from this fund to the parking fund of \$2 million to fund improvements to Convention-related parking ramps. This transfer was adjusted to accommodate debt service on these ramps from prior-year capital projects (\$1.4 million). Council adopted the Mayor's recommendations and directed the Convention Center fund transfer to the General fund be increased by \$250,000 for convention-related public safety activities performed by the Police Department.

The budget for this department includes a reduction of BIS charges of \$42,100 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$9,766 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

**MAYOR'S REVISED BUDGET**

The Mayor included no reduction to this department.

**COUNCIL REVISED BUDGET**

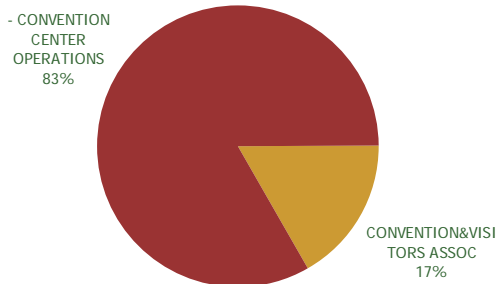
Council approved the Mayor's recommendations.

**CONVENTION CENTER  
EXPENSE AND REVENUE INFORMATION**

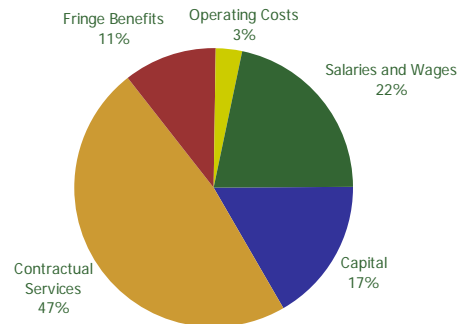
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs		0 (1,705,065)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(1,705,065)</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	9,342,248	9,500,093	9,557,527	9,470,596	-0.9%	(86,931)
Fringe Benefits	3,084,234	3,262,672	4,364,083	4,709,835	7.9%	345,752
Contractual Services	18,870,796	19,986,632	21,208,269	20,933,758	-1.3%	(274,511)
Operating Costs	1,314,130	1,235,297	1,404,979	1,316,428	-6.3%	(88,551)
Capital	1,048,975	5,315,676	9,120,840	7,291,577	-20.1%	(1,829,263)
<b>TOTAL SPECIAL REVENUE</b>	<b>33,660,383</b>	<b>39,300,370</b>	<b>45,655,697</b>	<b>43,722,194</b>	<b>-4.2%</b>	<b>(1,933,504)</b>
<b>TOTAL EXPENSE</b>	<b>33,660,383</b>	<b>37,595,305</b>	<b>45,655,697</b>	<b>43,722,194</b>	<b>-4.2%</b>	<b>(1,933,504)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Gains	0	6,505			0.0%	0
Long Term Liabilities Proceeds	0	(7,737)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(1,233)</b>			<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Sales and Other Taxes	60,065,202	60,480,504	59,304,000	62,435,620	5.3%	3,131,620
Charges for Service	5,291,366	6,062,364	5,475,000	5,585,000	2.0%	110,000
Interest	0	1,277,715	1,729,011	402,611	-76.7%	(1,326,400)
Rents	6,508,640	6,705,066	6,435,000	6,432,411	-0.0%	(2,589)
Contributions	391,900	509,500			0.0%	0
Other Misc Revenues	2,581,563	2,809,463	3,025,000	2,770,000	-8.4%	(255,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>74,838,671</b>	<b>77,844,612</b>	<b>75,968,011</b>	<b>77,625,642</b>	<b>2.2%</b>	<b>1,657,631</b>
<b>TOTAL REVENUE</b>	<b>74,838,671</b>	<b>77,843,380</b>	<b>75,968,011</b>	<b>77,625,642</b>	<b>2.2%</b>	<b>1,657,631</b>

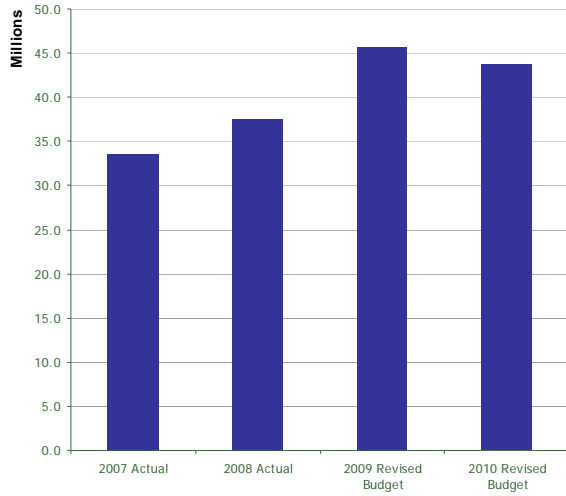
**Expense by Division**



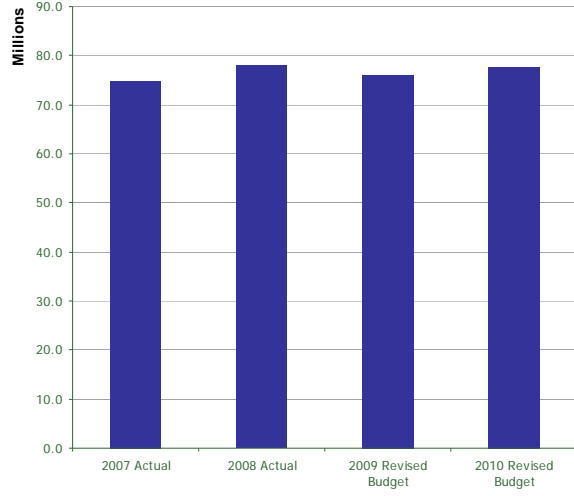
**Expense by Category**



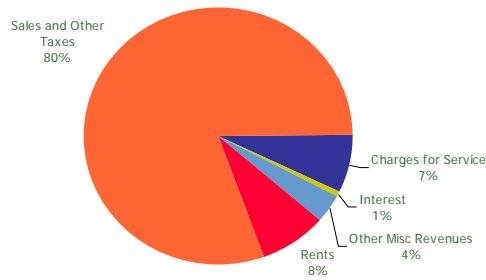
Expense 2007 - 2010



Revenue 2007 - 2010



Direct Revenue by Type

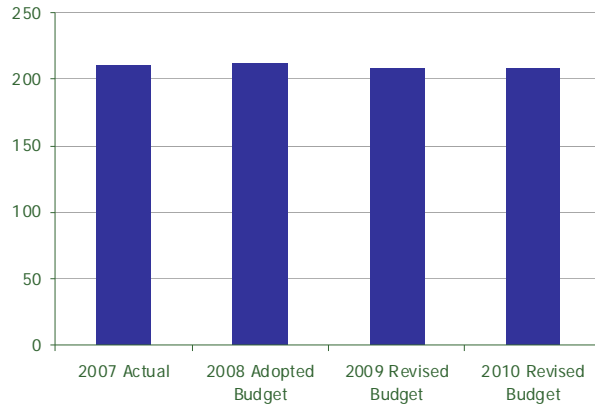


**CONVENTION CENTER**

**Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change Budget
CONVENTION CENTER				0.00		0
CONVENTION CENTER OPERATIONS	211.00	212.00	208.18	208.18	0.0%	
<b>TOTAL</b>	<b>211.00</b>	<b>212.00</b>	<b>208.18</b>	<b>208.18</b>	<b>0.0%</b>	<b>0</b>

Positions 2007-2010



## 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

The Finance Department has two primary business lines:

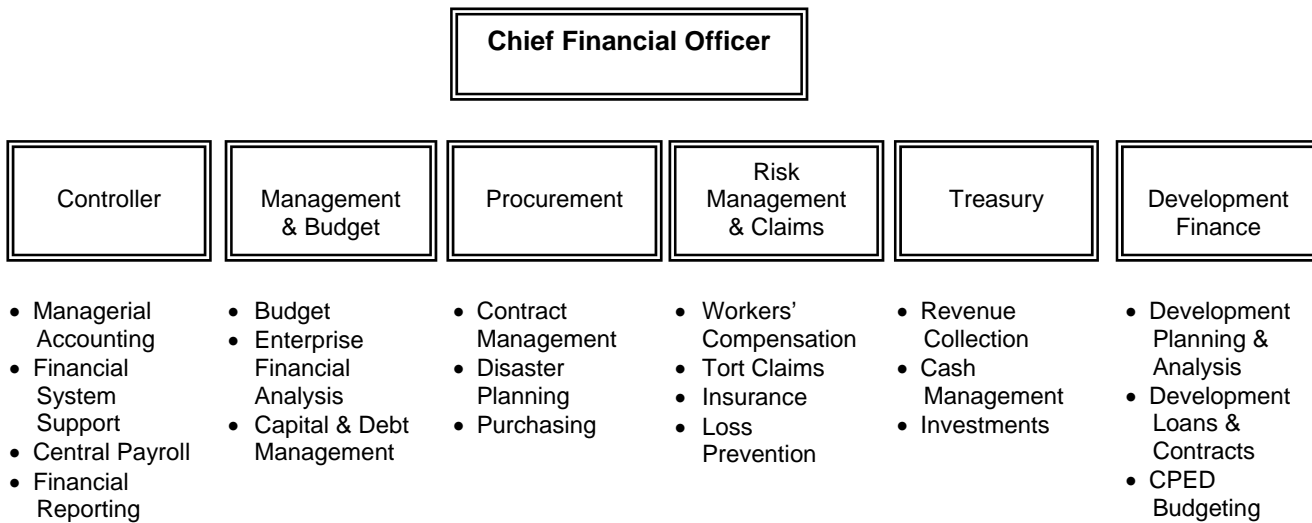
#### 1) Financial Operations – Providing accurate, timely financial information

This business line includes collecting and receiving revenue, managing receivables, paying employees, vendors and other third parties, and managing and preserving assets.

#### 2) 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



### RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE

Measure Name	2005 Data	2006 Data	2007 Data	2008 Data	2009 Target	2011 Target
Bond ratings	AAA Aa1 AAA	AAA Aa1 AAA	AAA Aa1 AAA	AAA Aa1 AAA	AAA Aaa AAA	AAA Aaa AAA
Total debt as a percentage of Assessor's estimated market value	3.6%	3.2%	3.0%	3.0%	3.0%	2.5%
General fund performance (minimum fund balance of 15%)	16%	16%	15%	Projected 14%	15%	15%

Measure Name	2005 Data	2006 Data	2007 Data	2008 Data	2009 Target	2011 Target
Net assets of internal service funds with workout plans (dollars in millions)	-\$55	-\$35	-\$18	Target -\$2	\$13	\$58
Percent of Finance resources spent on Decision Support	35%	40%	45%	Target 50%	50%	50%
Percent of Finance resources spent on Operations Support	65%	60%	55%	50%	50%	50%
Collections effectiveness indicator (CEI)	68%	61%	74%	70%	78%**	78%**
Percent of receivables in CEI	74%	76%	83%	85%	90%	90%
Utility billing electronic payments as percent of utility billing revenues	18.0%	19.7%	25.7%	Projected 25.8%	27.0%	29.4%
Investment return (operating funds) total return/benchmark	2.5%/1.7%	4.4%/4.0%	5.5%/5.8%	3.3%/3.8%	NA	NA
Citywide liability claims paid out (in thousands)	\$457	\$396	\$446	\$377	\$450	\$550
Citywide workers' compensation claims paid out (in thousands)	\$5,899	\$5,393	\$5,646	\$6,737	\$7,000	\$8,500
Percent Invoices Paid per Contract Terms (new in 2008)				35%	75%	100%
Average Number of Days to Pay an Invoice – All Vendors (new in 2008)				2 <sup>nd</sup> Qtr 29	20	20
Average Number of Days to Pay an Invoice – Commercial Vendors (new in 2008)				2 <sup>nd</sup> Qtr 39	30	30
Percent of Payments Meeting Best Practices Payment Terms (new in 2008)				23%	60%	95%
Percent of Targeted Supplies that are “Green” Purchases – Office Supplies (new in 2008)				19%	20%	30%
Percent of Targeted Supplies that are “Green” Purchases – Fine Paper (new in 2008)				81%	85%	90%

\* Data for 2011 targets assume no budget reductions.

\*\* This data target assumes 100% collection of all receivables from all entities, which is not currently occurring.

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

The key issues and challenges facing Finance over the next five years include the following:

- Collective impact of Finance Department budget reductions from 2005 through 2009 will increase already existing pressures put on the services provided by the Finance department** to City policymakers, City leadership, customer departments and the public. Since 2005, Finance has reduced its budget by \$940,000 (including \$140,000 for 2010) to meet the five-year financial direction and an additional \$2.2 million reduction associated with the recent revised 2009 budget process as well as a cumulative loss of 38 FTEs since 2003 (fifteen of which occurred during the 2009 budget process). Finance also has internally reallocated \$6 million toward payment of the City enterprise resource system (financial and human resources information) since 2005 and will continue annual \$1.3 million contributions from the department operating budget through 2013.

As the number of staff has declined and resources available for non-personnel have diminished, Finance has made relatively few changes to the level of services provided to City leaders, City departments and the public; business has continued as usual. With

implementation of the 2009 revised budget, Finance has come to a point where further reductions will most certainly impact the services provided. Changes, reductions or elimination of services will occur in 2010 with either of the reduction plans that Finance has prepared. Finance is now turning attention toward maintaining provision of core services across the Enterprise: paying employees, paying vendors, procuring goods and services, collecting revenues, investing cash reserves, administering liability and workers' compensation claims, and issuing bonds. This scaling back of services translates into a reduced capacity to provide decision-support at a time when the demand for financial information and analysis by elected officials and department managers are at their highest and the need is most critical.

- **Continue business process improvements (simplification, automation, or elimination) to reduce costs and improve customer service.** Finance will continue to evaluate and identify where business process improvements are possible and explore ways to fully use the COMPASS system. Implementation of the COMPASS system has and will require several major business process improvements. As part of COMPASS Phase I, accounts payable activities previously spread throughout all City departments has been centralized and consolidated. In COMPASS Phase II, Citywide accounts receivable processes have been centralized and more efficient cash handling practices have been instituted. Finance is currently working toward realizing efficiencies in the payroll and labor costing process through implementation of the Time and Labor module, which will reduce time and resources directed at preparing and processing employee payroll as well as project accounting activities.

Finance has recently participated in the City Business Process Improvement program to realize efficiencies in the contracting, procure-to-pay, and time and labor processes. Finance is actively working toward implementation of several recommendations that have come out of the contracting and procure-to-pay BPI groups, and looks forward to recommendations later this summer related to time and labor. Contracting efforts seek to streamline the process for preparing and executing professional services contracts while procure-to-pay initiatives currently focus on implementation of Web-based ordering for certain large volume vendors and automated, electronic processing of invoice payments.

Finance also has initiated a department-wide effort at all staff levels early in 2009 to more closely evaluate the services provided and determine where more efficient ways of completing work could be implemented or where service changes or reductions are more appropriate. Finance continually seeks to improve its operating business processes to reduce costs and improve customer service.

- **Continued investment in technology improvements** related to the City enterprise resource system. Activities related to the COMPASS project concluded in April 2009 and include implementation of a new enterprise financial system for processing and tracking invoices, managing procurement contracts, paying vendors and employees and collecting revenues. Project activities in COMPASS Phase II included implementation of the accounts receivable module, which has centralized the revenue collection process Citywide and resulted in improved internal controls. Finance staff will continue work to increase functionality within the COMPASS system to reduce transactional costs and help support decision-making in City departments. Finance will continue to partner with BIS and Human Resources to plan, implement and sustain technology improvements, and communicate with City policymakers and other City leaders regarding the benefits of the COMPASS system and related business process changes.

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

The Finance department has initiated discussions with several smaller City departments – Assessor, Communications, Human Resources and Intergovernmental Relations – to explore the potential for sharing Finance Department administrative services.

Finance is further working to determine whether procurement or workers' compensation claims administration services could be provided to external public sector organizations such as the Minneapolis School Board.

These discussions have just been initiated. Final determination on feasibility will be known later in 2009.

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

Finance continually strives to be more efficient in providing services to customer departments and citizens. As the department's budget and the number of staff available for department work has declined, Finance has had to make difficult choices about its ability to maintain current service levels. To make the most efficient use of the COMPASS financial system, reap benefits from implementation of technology improvements, and focus staff time on value-added activities, Finance will make the following service changes in 2010:

1. Take on no additional enterprise financial initiatives until the pension litigation has concluded.
2. Rules for making vendor payments will be strictly administered that support three-way match except where the Controller has approved alternative methods that meet minimum financial control standards.
3. Time and labor business process improvements will be made and supported by the related software application.
4. Finance will approve accounting codes in order to meet basic and minimum departmental business needs.
5. To the greatest extent possible, only Compass-generated financial reports will be available for basic financial reporting for managers.
6. Reduce services and costs or increase funding from MBC and Park Board to close the gap between the cost of service and the payments made to the general fund by these boards (will require further discussion with interested parties).

Finance also has engaged in the City's Business Process Improvement program to review and evaluate processes related to contracts, procure-to-pay, and time and labor. Recommendations from these BPI initiatives are in the process of being implemented. Finance will continue to evaluate and identify where business process improvements are possible, exploring ways to fully use the COMPASS system, communicating with customers to identify needs and ensure quality service provision.

Finance has further begun a process to evaluate the impacts of recent budget reductions on the services provided to customer departments. Managers and supervisors are working with staff at all levels to gather information related to service impacts and will share this information upward with Division Directors and the Chief Financial Officer later this summer.

***What actions will the department take to meet the current financial projection, a 5% reduction from all funding sources?***

The Finance Department has an established practice of reallocating budget resources within the department to improve business operations and foster quality service provision to customer departments. From 2003 to 2009, Finance has taken the following actions relating to its financial resources:

- **COMPASS.** Since 2005, Finance has reallocated \$1.3 million annually (\$6 million total) from its operating budget to fund the upgrade and replacement of the City's enterprise resource system (financial and human resources information). Finance will continue to repay COMPASS through 2013.
- **Business Process Improvements.** Finance has engaged in the City's Business Process Improvement program to review and evaluate processes related to contracts, procure-to-pay, and time and labor. Recommendations from these BPI initiatives are in the process of being implemented. Finance will continue to evaluate and identify where business process improvements are possible, exploring ways to fully use the COMPASS system, communicating with customers to identify needs and ensure quality service provision.
- **Redesign the procure-to-pay business process.** The largest business process improvement associated with the implementation of COMPASS is the "three-way match" process. Finance reallocated seven positions from various accounting units in 2008 to create an accounts payable unit.
- **Improve revenue collection processes.** In 2007 Finance's Treasury division started planning an enterprise-wide initiative to improve revenue collection, especially revenues associated with invoicing processes. Results of this initiative should increase and speed-up revenue collection. Treasury identified two business processes that were determined to have low value and discontinued them in 2007 in order to reallocate resources to the higher value work of improving revenue collections. These two processes are:
  - Closed the cash counting facility (\$250,000 annual cost)
  - Moved to a lockbox check processing environment, eliminating significant manual processing of City utility payments. Savings (\$75,000 annually) from this initiative are being reallocated to the revenue collection initiative.
- **Internal administrative support.** In 2008 Finance reallocated a position to improve internal administrative capabilities to support performance measurement, hiring, workforce improvements, budget management and contracting.
- **Enterprise decision support.** Starting in 2004, Finance reallocated an analyst and other financial resources (totaling \$150,000) to support the following high-value initiatives:
  - Pension reforms for the City's closed pension funds to support lower long-term City financial contributions to these plans.
  - Compensation analysis and support of labor negotiations.
  - Updated the internal service fund long-term financial plans, and improve the timeliness and accuracy of the cost allocation models.
- **Workers' Compensation and Tort claims administration.** The Risk Management and Claims division continually analyzes and reallocates resources between staff and



contracted services to manage the City's workers compensation and tort claims administrative work.

Notwithstanding any budget reductions, the Finance department also must continue to maintain and provide core businesses across the Enterprise, services related to certain critical **financial operations** including:

- Pay employees.
- Pay vendors.
- Procure goods and services (activities with many statutory or City ordinance requirements).
- Collect revenues and concentrate cash.
- Invest cash reserves.
- Administer statutory driven claims for torts, employee injuries and re-employment compensation.
- Issue bonds.

Finance also must provide support to managers and policymakers for **decision-making** including:

- Prepare, distribute, and interpret basic financial reports to managers and policymakers.
- Answer questions from managers, policymakers, and the public.
- Assist managers and policymakers in the development and preparation of the annual budget.
- Assist policymakers in the development of long-term financial plans and policies.

As noted above, Finance has made and will continue to find more efficient ways to conduct all of its work, especially those core functions included in **financial operations**. No other department can be expected to provide these services and they are critical to daily operation of City government.

Finance has prepared a contingency plan to address a 5% reduction to the department operating budget across all funds as instructed. The table below summarizes reduction totals and staffing impacts at the reduction level:

<b>Division</b>	<b>5% Reduction</b>	<b>5% Staffing Impact</b>
Controller	\$549,544	7.0
Development Finance	\$67,570	0.0
Executive	\$24,500	0.0
Procurement	\$47,000	0.0
Risk Management	\$129,178	0.0
Treasury	\$330,000	4.0
All Divisions	\$25,000	NA
<b>Total All Funds:</b>	<b>\$1,172,792</b>	<b>11.0</b>

Any reductions to Finance for 2010 should focus on services delivered to departments and activities supported by the general fund. Finance now funds 23% or \$5 million, of its budget from the general fund. Reductions at the levels outlined in the table above across all funds will significantly impact the way Finance provides services and result in changes, reductions or redesign of service provision. Furthermore, any reduction above \$500,000 will likely have some or all of the following outcomes for City leaders, City departments and members of the public:

**Financial Operations:**

- Greater risk of fraud and theft due to insufficient financial controls.
- Higher likelihood of negative audit findings from the MN State Auditor.
- Loss of revenues and investment income.
- Inability to pay employees and vendors on a timely, accurate basis. City could consider paying employees monthly rather than bi-weekly.
- Inability to ensure compliance with Council directed policies, ordinances, state and federal acquisition and contracting requirements/laws (i.e., contracting law, EPP, SUBP, AA, EBO, Bonding, Prevailing Wage requirements, etc.) exposes the City to financial and legal claims.
- Changes in advertising for City bids that could result in fewer businesses being aware of bids and fewer bids actually received.
- Inability to meet statutory defined process timelines ( to receive/acknowledge, investigate and act on) claims for worker injuries and tort claims leading to higher claims expenses for the City, a greater potential for litigation and lost productivity due to reduced management resources.
- Increased risk of late filing and payments in workers' compensation claims administration leading to State penalty fees and violation of State statutory regulations.
- Impacts to residents in the form of reduced or eliminated Utility Billing counter services and longer call wait times for utility and citywide billing questions.
- Reduced services to internal City departments in the form of slower processes related to contracts, purchase orders, price agreements, bill payment, workers' compensation and treasury services.
- Discontinue financial services to the Police and Fire departments except for basic accounting, payroll, and vendor payments relating to the Police and Fire departments. These departments have finance staffs that must assume greater responsibilities.
- Reductions in the level of accounting and reporting services provided for Capital Projects as well as division-specific accounting and budgeting within Public Works.

**Decision Support**

- Lack of independence in financial decision-making at the Enterprise level. Policymakers must rely on department managers for information and analysis in support of more decisions.
- Inability to provide accurate and timely financial information for decision-makers.
- Inability to respond to certain financial trends, events and implementation of strategic controls to reduce costs.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

For 2010, the department's expense budget for all funds is \$22.4 million, a 3.3% or \$709,000 increase over the 2009 revised budget, keeping the department in line with the five-year financial direction.

### **REVENUE**

The revenue budget for the Finance Department is \$53,000, reflecting the implementation of the self-insurance rate model for internal service funds and risk management.

### **FUND ALLOCATION**

The department's budget is primarily derived from the general fund (\$19.7 million or 88%) with \$2.5 million (11%) coming from the self-insurance internal services fund. Special revenue funds account for the remaining budget, for support of departments that are significantly funded by grants.

### **ORIGINAL BUDGET**

The Mayor recommended and the Council approved a reduction of \$706,000 and 8 positions from the current service level for this department. The balance of the reductions was achieved through non-personnel cuts. A further reduction of \$50,000 in the self-insurance fund was also approved, which is to be achieved through non-personnel reductions. An additional \$87,000 was appropriated in the General Fund to continue providing services to Public Works.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$50,000. The department will achieve this through non-personnel reductions. Additionally the Mayor recommended a one-time appropriation increase of \$500,000 for process improvements including funding for contractors to implement modules in the current financial system that will enable the department to restructure its workforce in 2011.

### **COUNCIL REVISED BUDGET**

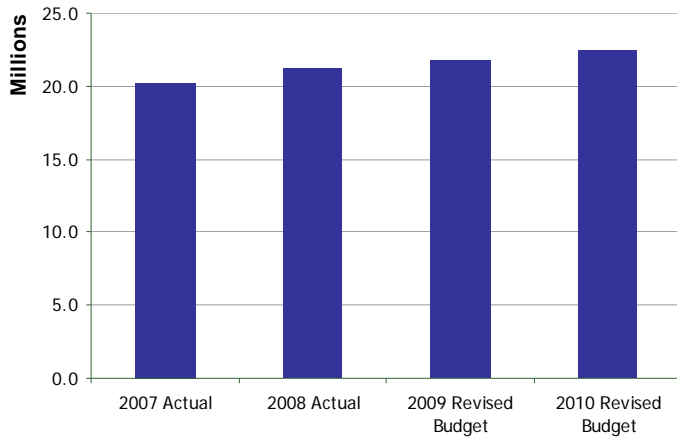
Council adopted the Mayor's recommendations.

**FINANCE DEPARTMENT  
EXPENSE AND REVENUE INFORMATION**

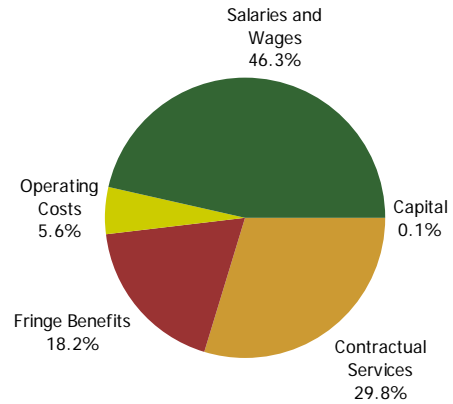
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs	0	(37,385)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(37,385)</b>				<b>0</b>
<b>GENERAL</b>						
Salaries and Wages	9,725,525	9,796,070	10,022,649	9,554,381	-4.7%	(468,268)
Fringe Benefits	3,119,576	3,181,421	3,645,732	3,791,690	4.0%	145,958
Contractual Services	4,343,854	4,999,054	4,751,950	5,693,960	19.8%	942,011
Operating Costs	622,191	759,638	740,700	667,338	-9.9%	(73,362)
Capital	18,371	16,211	46,485	7,415	-84.0%	(39,070)
<b>TOTAL GENERAL</b>	<b>17,829,517</b>	<b>18,752,394</b>	<b>19,207,516</b>	<b>19,714,784</b>	<b>2.6%</b>	<b>507,268</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	220,893	218,865	188,443	200,289	6.3%	11,846
Fringe Benefits	58,242	57,470	60,438	72,006	19.1%	11,568
Contractual Services	514	318	(0)	3,209	-697,708.7%	3,209
Operating Costs	59	32			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>279,708</b>	<b>276,685</b>	<b>248,881</b>	<b>275,503</b>	<b>10.7%</b>	<b>26,623</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	519,196	507,473	606,042	641,069	5.8%	35,027
Fringe Benefits	164,584	183,369	203,321	226,003	11.2%	22,682
Contractual Services	899,287	1,117,139	887,058	991,372	11.8%	104,314
Operating Costs	470,551	397,776	581,874	594,400	2.2%	12,526
Capital	0		5,805	5,921	2.0%	116
<b>TOTAL INTERNAL SERVICE</b>	<b>2,053,618</b>	<b>2,205,757</b>	<b>2,284,101</b>	<b>2,458,766</b>	<b>7.6%</b>	<b>174,665</b>
<b>ENTERPRISE</b>						
Operating Costs	549				0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>549</b>					<b>0</b>
<b>TOTAL EXPENSE</b>	<b>20,163,392</b>	<b>21,197,451</b>	<b>21,740,498</b>	<b>22,449,054</b>	<b>3.3%</b>	<b>708,556</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Interest	(0)				0.0%	0
<b>TOTAL AGENCY</b>	<b>(0)</b>				<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
Local Government	15,000	17,781	15,000	15,000	0.0%	0
Charges for Service	6,048	5,857	6,000	6,000	0.0%	0
Charges for Sales	166	8			0.0%	0
Special Assessments	0	(129)			0.0%	0
Other Misc Revenues	3,624	35,350		12,109	0.0%	12,109
<b>TOTAL GENERAL</b>	<b>24,838</b>	<b>58,867</b>	<b>21,000</b>	<b>33,109</b>	<b>57.7%</b>	<b>12,109</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	338,616	286,400	2,285,901	20,000	-99.1%	(2,265,901)
Other Misc Revenues	0	7,149			0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>338,616</b>	<b>293,549</b>	<b>2,285,901</b>	<b>20,000</b>	<b>-99.1%</b>	<b>(2,265,901)</b>
<b>TOTAL REVENUE</b>	<b>363,453</b>	<b>352,416</b>	<b>2,306,901</b>	<b>53,109</b>	<b>-97.7%</b>	<b>(2,253,792)</b>

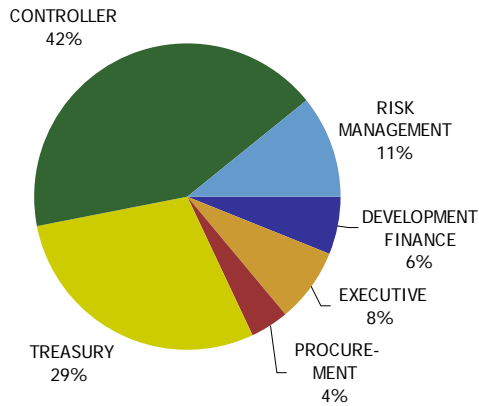
**Expense 2007 - 2010**



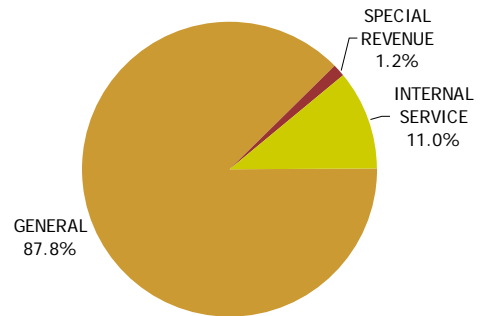
**Expense by Category**



**Expense by Division**



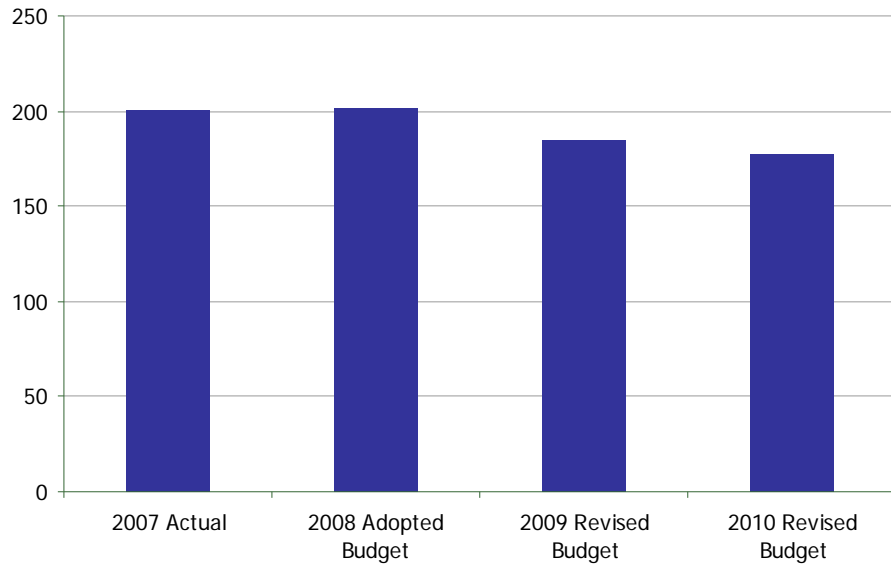
**Expense by Fund**



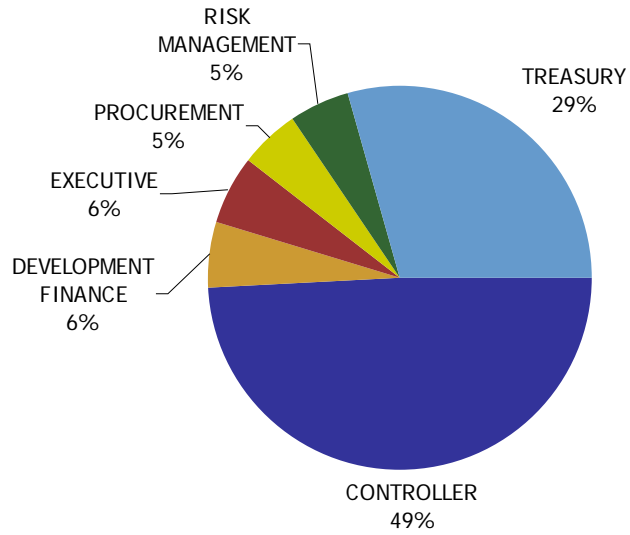
**FINANCE DEPARTMENT  
Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
CONTROLLER	100.00	100.00	92.00	87.00	-5.4%	(5.00)
DEVELOPMENT FINANCE	15.00	15.00	12.00	10.00	-16.7%	(2.00)
EXECUTIVE	9.00	9.00	10.00	10.00	0.0%	
PROCUREMENT	10.00	10.00	9.00	9.00	0.0%	
RISK MANAGEMENT	9.00	9.00	9.00	9.00	0.0%	
TREASURY	58.00	59.00	53.00	52.00	-1.9%	(1.00)
<b>TOTAL</b>	<b>201.00</b>	<b>202.00</b>	<b>185.00</b>	<b>177.00</b>	<b>-4.3%</b>	<b>(8.00)</b>

### Positions 2007-2010



### Positions by Divison



## HUMAN RESOURCES DEPARTMENT

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### MISSION

The mission of the Human Resources (HR) Department is to strategically partner with City departments to hire, develop and retain an excellent workforce so that the City of Minneapolis delivers high-quality, cost-effective services to its customers.

### BUSINESS LINES

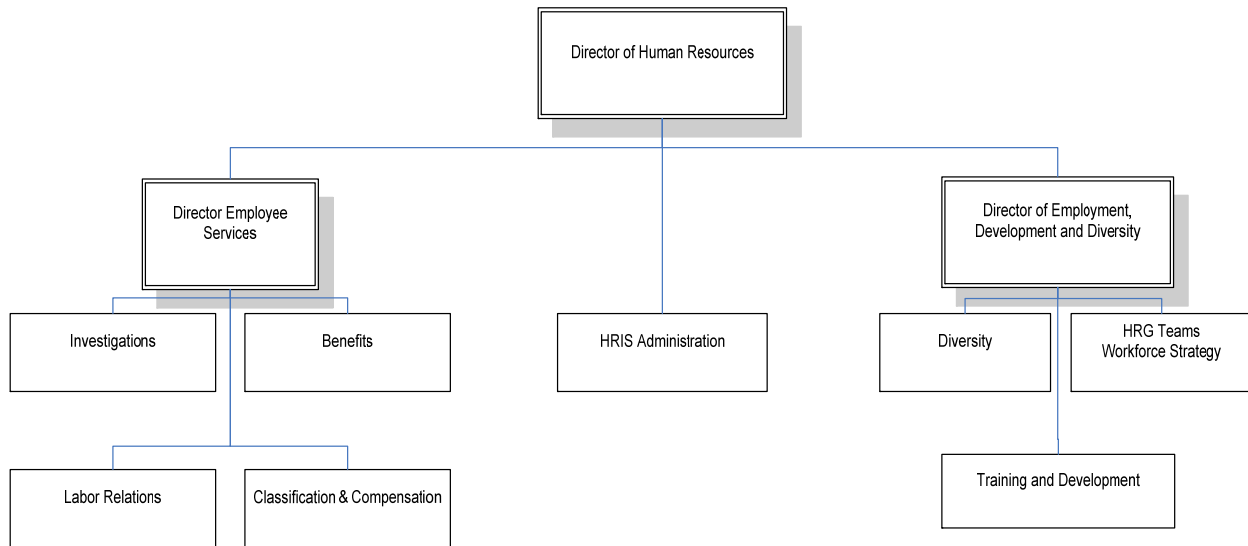
The HR Department has three primary business lines – Employee Services, Diversity and Workforce Strategy Services, and Administration/HRIS. Because the work of the HR Department involves more than just one business line, it is necessary that the employees of each division engage in cross-divisional cooperation so that HR can accomplish its goals and eliminate the existence of “silo-mentality” across the department and the enterprise.

- ❖ **Administration/ HRIS:** The key services associated with this business line are twofold. Key activities include administration of the department to include policy development and implementation, business planning and strategic direction, and Civil Service Commission oversight. Also important to this business line are services provided by the HRIS Team, which include assuring employees are paid correctly, enterprise employment information management, managing and providing information to City, Independent Boards and Agencies for decision-making purposes, and supporting Enterprise Learning Management (ELM) and Enterprise Resource Planning (ERP) related efforts and initiatives.
- ❖ **Employment, Development and Diversity:** Designs and implements enterprise-focused diversity initiatives to include developing and implementing an Affirmative Action Plan, integrating diversity values, targeted recruitment efforts, and strategic direction for workforce strategies. Also important to this business line are the services provided by the HR Generalist teams, which include customer-focused strategic and operational advice, staffing, and performance management consultation. This business line also provides learning opportunities for managers, supervisors and employees to maximize their development and to minimize organizational risk.
- ❖ **Employee Services:** Provides strategic and operational leadership for all of the City's collective bargaining. In addition to the collective bargaining responsibilities, the key activities essential to this business line are contract administration, compensation administration, classification administration, complaint investigation, and designing, negotiating, and implementing employee healthcare and wellness programs.

### VISION

HR leads with strategic and innovative HR solutions that create partnerships for developing and maintaining a diverse, results-driven organization focused on continuous learning and improvement.

## ORGANIZATION CHART



## OVERVIEW OF SERVICES

Below is a summary of the services provided by HR to City Council Departments as well as other Independent Boards and Agencies (MPHA, MPRB, MBC, YCB, NRP, and BET). The Services below are divided by those which are required by law, statutes, ordinances and “discretionary services” – those that are critical to the overall health of the organization and can best be provided in a cost-effective, centralized manner.

### Required and Discretionary Services

Services Required by Federal Law, State Statute, and City Charter or Ordinance?	Service Delivered to City Departments?	Service Delivered to Other Agencies?
Advertising	Yes	Yes
Testing and Selection	Yes	Yes
Job Classification	Yes	No
Civil Service Commission Appeals	Yes	Yes
HRIS (Payroll and Records Management)	Yes	Yes
Administer Benefits	Yes	Yes (Fee Based)
Administer Compensation	Yes	No
Negotiate and Administer Labor Agreements	Yes	No
Compliance Investigations	Yes	No
Policy Training (Respect in the Workplace, Ethics)	Yes	No
Return to Work Program (Transition to Finance in 2009)	Yes	No
Job Bank	Yes	No
Discretionary Services	Service Delivered to City Departments?	Service Delivered to Other Agencies?
Training & Development	Yes	No
Management Consultation	Yes	No
Affirmative Action Support	Yes	Limited
Recruiting	Yes	No



## RESULTS MINNEAPOLIS CHARTS

### HR Results Minneapolis Measures, Data and Targets Table

Measure Name	2004	2005	2006	2007	2008	2009 Target	2011 Target
% Female Applicants	36.5	46.9	38.3	43.1	48.5	45.0	45.0
# of Female Applicants	2382	3654	4417	4691	5616	2700	4500
% Female Eligibles	35.3	42.2	45.3	41.1	48.4	45.0	45.0
# of Female Eligibles	1016	1444	2202	1992	2339	1242	2070
% Female Hires	34.8	32.9	35.7	43.3	34.1	40.0	40.0
# of Female Hires	98	118	153	123	112	60	120
% People of Color Applicants	35.5	34.7	31.7	30.9	29.1	31.0	33.0
# of People of Color Applicants	2316	2704	3607	3367	3371	1860	3300
% People of Color Eligibles	34.6	31.0	25.0	29.4	26.6	30.0	32.0
# of People of Color Eligibles	995	1061	1216	1426	1285	828	1472
% People of Color Hires	32.3	34.0	28.7	28.2	27.7	30.0	30.0
# of People of Color Hires	91	122	123	80	91	45	90
<b>Females by EEO-4 Category (%)</b>							
1. Officials & Administrators	NA	NA	NA	45.2	44.0	NA	NA
2. Professionals	NA	NA	NA	47.7	48.6	50.0	52.0
3. Technicians	NA	NA	NA	20.4	19.8	20.5	22.0
4. Protective Service (Sworn)	NA	NA	NA	16.9	15.6	16.5	17.6
5. Protective Service (Non-Sworn)	NA	NA	NA	NA	36.3	37.5	40.0
6. Administrative Support	NA	NA	NA	80.5	80.1	NA	NA
7. Skilled Craft	NA	NA	NA	2.9	2.5	NA	NA
8. Service Maintenance	NA	NA	NA	10.6	13.8	NA	NA
<b>Employees of Color by EEO-4 Category (%)</b>							
1. Officials & Administrators	NA	NA	NA	15.4	16.5	17.5	18.5
2. Professionals	NA	NA	NA	19.6	19.4	NA	NA
3. Technicians	NA	NA	NA	16.3	15.8	NA	NA
4. Protective Service (Sworn)	NA	NA	NA	25.0	25.1	NA	NA
5. Protective Service (Non-Sworn)	NA	NA	NA	NA	36.3	NA	NA
6. Administrative Support	NA	NA	NA	27.9	27.3	NA	NA
7. Skilled Craft	NA	NA	NA	11.5	11.1	NA	NA
8. Service Maintenance	NA	NA	NA	30.4	29.7	NA	NA
# of Days to Fill a Vacant Position	122	113	108	115	96	90	90
Hard to Fill Positions (% Deemed Hard to Fill)	17.0	29.0	21.0	18.0	24.0	20.0	TBD
Hard to Keep Filled Positions	NA	NA	NA	NA	NA	TBD	TBD
% of Employees with Completed Performance Review in HRIS	5.6	6.7	10.1	34.6	41.0	45.0	65.0
Training & Development (# participants by dept)	NA	NA	NA	1991	3550	TBD	TBD
T&D number of activities (training sessions) offered	NA	NA	NA	82	214	TBD	TBD
Training & Devlpmt 90 day post training reported performance improvement by participants (aggregate)	NA	NA	NA	NA	36%	TBD	TBD
Training & Devlpmt 90 day post training reported improvement of participants by supervisors (aggregate)	NA	NA	NA	NA	27%	TBD	TBD
Health Insurance Cost Growth to City & Employee	\$6,848	\$7,939	\$9,118	\$9,938	10.88	\$11,392	\$14,720

Note: In the 2009 & 2011 Targets, "NA" means that "underutilization" did not exist in these high level categories.

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

Through the Business Planning process starting in 2003, Human Resources set forth a vision to create a department that would be in the best position to provide strategic, operational and transactional services to City departments. The department's vision and work evolved into the development of a talent management strategy for the City of Minneapolis that is competency-based and integrates diversity, learning and development, and performance management through all elements of the employment cycle, enabling managers to hire, develop, and retain a diverse, highly-qualified, results-driven workforce. The strategy is a work in progress and is reflected in the current business plan.

The department is aware of the trends in the field of Human Resources – talent management, employee engagement, performance management, leadership development, and strategic partnerships – and to the degree possible, the department has plans in place to address these for the City of Minneapolis. The department's success in some of the areas has been marred by the ongoing demands for service (sometimes creating conflict of priorities), the need to build in-house expertise in the most critical areas (because outside expertise is expensive and transitory in some cases), and creating true culture change to make HR's efforts systemic and sustainable while reducing the operating budget.

The strategy represented in the HR Business Plan is based on the current 5-year Financial Direction. It has taken time to build and implement, focusing first on diversity, committing resources to training and development while reducing other parts of the department, and now turning the department's attention to performance management and a 5-year learning and development plan. The current HR Workforce Plan demonstrates how the department intends to balance resources so that it is able to provide operational services and build staff capacity in an effort to truly become strategic partners with customer departments.

Still unresolved are the costs of future upgrades to the HRIS/COMPASS enterprise system. Historically, funding for upgrades has been through annual departmental savings which are unpredictable – in 2007 there were no savings to realize, but in 2008 the department was able to secure over \$300,000 to apply to the future debt. In 2013, upgrade costs will be approximately \$1.4 million for the HRIS, and unless there is a new model for funding these initiatives there will not be resources available for the upgrade.

In the 5% reduction scenario for reductions to all funds, HR and the City of Minneapolis will lose a significant number of resources that support diversity initiatives, employee development, performance management, management consultation and overall customer service. If this scenario is implemented, the department will have to create a new business plan for HR based on the resources it has, the services it provides, and what critical enterprise services the department will be *able* to provide. It is expected that in some cases this will result in individual departments contracting for these services, thus minimizing both economies of investments and consistency of enterprise messages.

Increases in health care cost also continue to be both a trend and a challenge. The department is addressing these challenges by conducting an "eligible-dependent audit" of healthcare plans, and through the Benefits Labor Management Committee, the department is considering plan-design changes which should help to manage annual healthcare increases. The department's

health and wellness initiatives are resulting in a lower experience trend and soon should influence its overall healthcare consumption in a measurable way.

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

The HR Director has met with the Director of Strategic Partnerships to explore possible relationships with the Bush Foundation for public sector leadership initiatives. Discussions with HR representatives from Hennepin and Ramsey counties and the City of St. Paul have started to determine if there are areas where HR can share resources and/or programs, but right now it is unknown if these would result in cost savings.

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

HR is conducting functional audits of its work groups to determine where there is redundancy of operations for the purpose of identifying vulnerability and potential process improvements. While the department has significantly improved delivery of training opportunities, it needs to make sure that it is focused on the 'right' things for the enterprise and that its offerings build competencies (knowledge, skills, abilities and characteristics) that support enterprise and department goals and initiatives. To that end, the department is developing a 5-year Learning & Development Plan to address employee development at all levels of the organization. While HR does not have the resources to implement such a plan, employee development is a key component to effectively managing the talent that the department has and wants to keep. Preliminary talks with other departments to gauge common interest in paying for development opportunities that are arranged through HR have been positive.

To ensure that benefits are extended only to eligible individuals and as a cost containment strategy, Human Resources will conduct a dependent eligibility audit. The audit is intended to educate employees on the importance of adhering to established eligibility rules and to realize immediate and recurring savings for the medical and dental plans by removing ineligible users from the plans. Additionally, collective bargaining agreements have consistently been negotiated at or below the City's financial parameters.

***What actions will the department take to meet the current financial projections (a 5% reduction from all funding sources)?***

This projection eliminates 4.5 FTEs from the HR Department, reduces professional service and staff development resources, and takes advantage of savings realized through realignment of technology resources. The impact of this scenario is that HR will be less responsive to its customers overall. The department will have to reassess its business plan to determine what actual services it will no longer perform and the impact that it will have on City departments. It may lessen the department's ability to realize some efficiencies due to the reduction of staff needed to implement them.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2010 budget for this department is \$7.4 million, a 1.7% decrease from the 2009 revised budget. Personnel expenditures are 61% of the total department budget. Contractual services make up 30% of the department's budget.

## REVENUE

The department's revenue budget of \$1.4 million reflects a 1.4%, or \$19,080, increase from 2009 to 2010, attributable to the benefits administration fee that is charged to customer departments through the self-insurance fund rate model. The self insurance fund is the only source of revenue for the Human Resources Department which is primarily supported by the general fund.

## FUND ALLOCATION

The Human Resources Department is funded from the General Fund, the Self Insurance Fund, and the Intergovernmental Services Fund. 78% of the department's budget is derived from the General Fund totaling \$5.8 million. The department operates the benefits administration function out of the Self Insurance Fund using an expenditure budget of \$1.4 million. The department also provides enterprise training through the Intergovernmental Services Fund where it is budgeted at \$259,000.

## ORIGINAL BUDGET

The Mayor recommended and the Council approved a reduction of \$364,000 and 4 positions from the current service level for this department. This reduction will be achieved through personnel and non-personnel reductions. A further reduction of \$29,000 in the self-insurance fund was also approved, which shall be achieved through non-personnel reductions.

## MAYOR'S REVISED BUDGET

The Mayor includes no reduction to this department. However, the Mayor encouraged the department to implement the Enterprise Performance Management System Software within existing resources.

## COUNCIL REVISED BUDGET

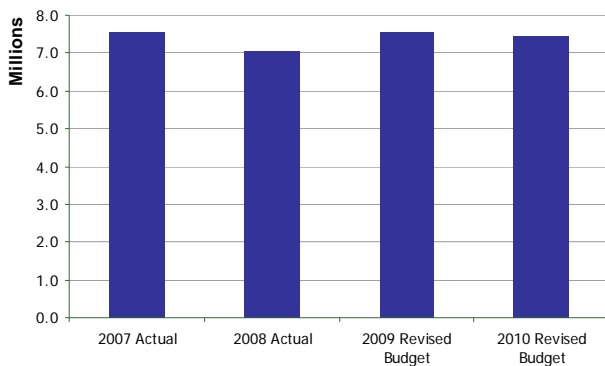
Council adopted the Mayor's recommendations.

## HUMAN RESOURCES EXPENSE AND REVENUE INFORMATION

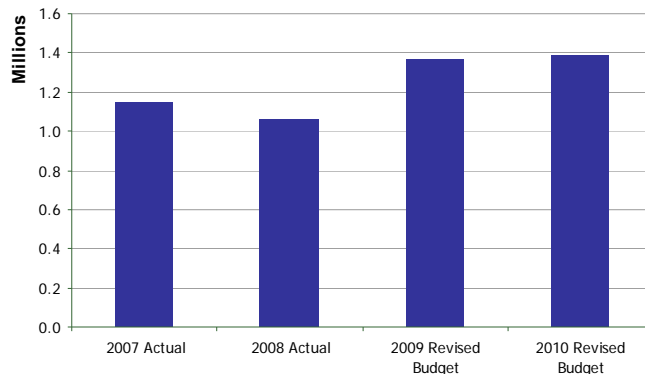
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	2,803,567	2,831,944	2,830,179	2,856,604	0.9%	26,425
Fringe Benefits	714,918	758,226	882,305	901,274	2.1%	18,969
Contractual Services	2,013,295	1,682,827	1,693,297	1,498,519	-11.5%	(194,779)
Operating Costs	498,836	445,651	542,070	532,103	-1.8%	(9,967)
Capital	0				0.0%	0
<b>TOTAL GENERAL</b>	<b>6,030,616</b>	<b>5,718,648</b>	<b>5,947,851</b>	<b>5,788,499</b>	<b>-2.7%</b>	<b>(159,353)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	45,980				0.0%	0
Fringe Benefits	19,632	(1)			0.0%	0
Contractual Services	120,117	12,674			0.0%	0
Operating Costs	13,808	401			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>199,537</b>	<b>13,074</b>				<b>0</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	503,571	538,072	602,471	576,988	-4.2%	(25,482)
Fringe Benefits	146,817	198,855	201,422	198,502	-1.4%	(2,920)
Contractual Services	631,378	494,572	679,111	744,770	9.7%	65,659
Operating Costs	31,914	74,016	140,504	134,172	-4.5%	(6,332)
<b>TOTAL INTERNAL SERVICE</b>	<b>1,313,680</b>	<b>1,305,515</b>	<b>1,623,507</b>	<b>1,654,432</b>	<b>1.9%</b>	<b>30,925</b>
<b>TOTAL EXPENSE</b>	<b>7,543,833</b>	<b>7,037,237</b>	<b>7,571,359</b>	<b>7,442,931</b>	<b>-1.7%</b>	<b>(128,428)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	0	4,195			0.0%	0
Other Misc Revenues	15,139	1,161	5,000		-100.0%	(5,000)
<b>TOTAL GENERAL</b>	<b>15,139</b>	<b>5,355</b>	<b>5,000</b>		<b>-100.0%</b>	<b>(5,000)</b>
<b>SPECIAL REVENUE</b>						
Other Misc Revenues	13,925	13,075			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>13,925</b>	<b>13,075</b>			<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	1,116,895	1,037,375	1,365,863	1,389,943	1.8%	24,080
Other Misc Revenues	0	150			0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>1,116,895</b>	<b>1,037,525</b>	<b>1,365,863</b>	<b>1,389,943</b>	<b>1.8%</b>	<b>24,080</b>
<b>TOTAL REVENUE</b>	<b>1,145,959</b>	<b>1,055,956</b>	<b>1,370,863</b>	<b>1,389,943</b>	<b>1.4%</b>	<b>19,080</b>

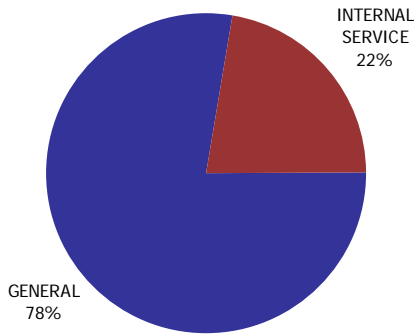
Expense 2007 - 2010



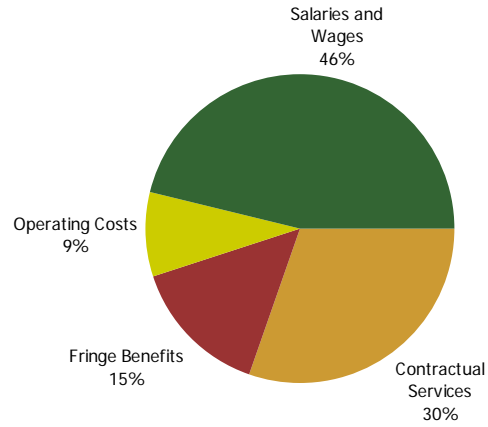
Revenue 2007 - 2010



**Expense by Fund**



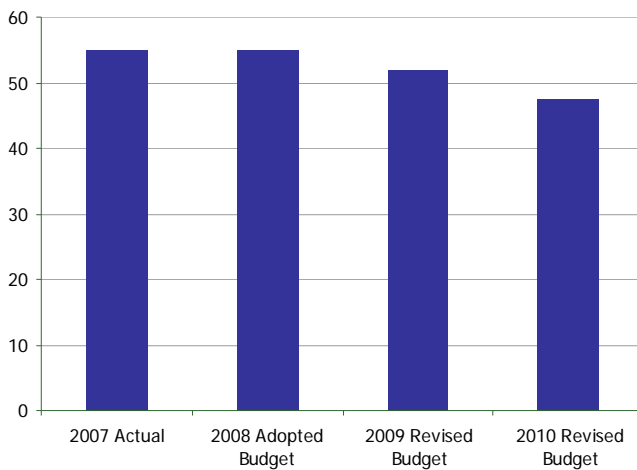
**Expense by Category**



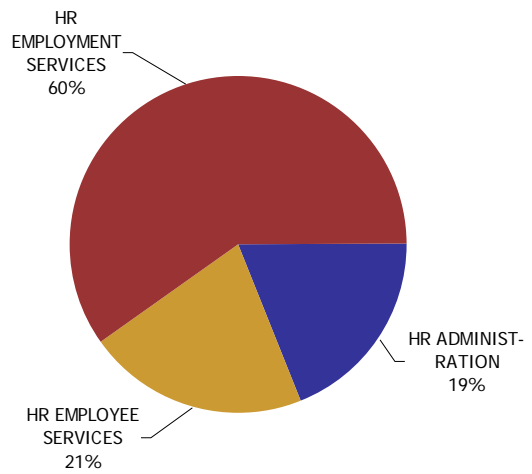
## HUMAN RESOURCES Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
HR ADMINISTRATION	2.00	2.00	10.05	9.00	-10.4%	(1.05)
HR EMPLOYEE SERVICES	9.00	9.00	11.95	10.00	-16.3%	(1.95)
HR EMPLOYMENT SERVICES	27.00	27.00	30.00	28.60	-4.7%	(1.40)
HR ENTERPRISE SERVICES	17.00	17.00				
<b>TOTAL</b>	<b>55.00</b>	<b>55.00</b>	<b>52.00</b>	<b>47.60</b>	<b>-8.5%</b>	<b>(4.40)</b>

**Positions 2007-2010**



**Positions by Division**



# INTERGOVERNMENTAL RELATIONS

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## MISSION

Advocate policy proposals and funding requests on behalf of the City of Minneapolis at the federal, state, metropolitan and local government levels. Build relationships between departments and community-based organizations that facilitate applications for funding with private-sector sources, between the City and other levels of government, and interested organizations.

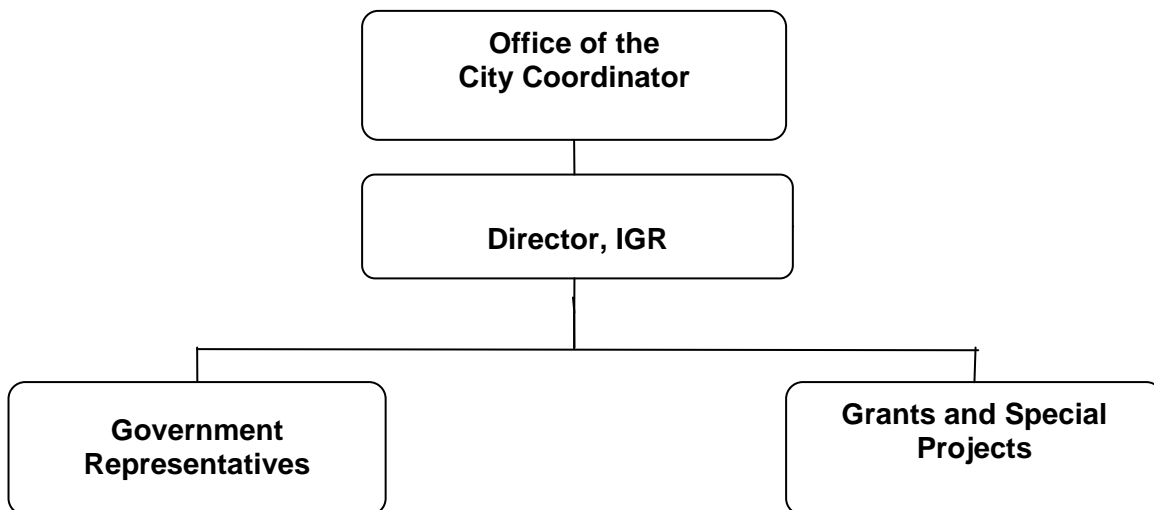
## BUSINESS LINES

- **Intergovernmental agenda development and implementation:** The annual legislative and federal agendas are prepared with City departmental, City Council and Mayoral input. City Council approves the final agendas. IGR prepares and distributes agenda summary. Given that there are many issues involving the City and other governmental entities, City staff and elected officials are encouraged to serve on committees and boards of national, state and regional governmental organizations.
- **Federal grants compliance and administration:** Coordinate and monitor the development and implementation of the annual consolidated plan. The consolidated plan includes programs, strategies and evaluation methods for federal grants related to community development, affordable housing, and homelessness.

Coordinate the City's participation in the available programs of the American Recovery and Reinvestment Act (ARRA).

- **Special Projects:** Develop and implement special projects. Projects often require liaison with other City departments and other units of government.

## ORGANIZATION CHART



## RESULTS MINNEAPOLIS CHARTS

It is probable that the proposed 5% reduction will not impact the Results Minneapolis measures.

MEASURES, DATA AND TARGETS TABLE						
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
Grant revenue as a % of annual City revenue budget (minus Board transfers)	N/A	3.66	4.64	4.29	6.28 (*does not include May property tax revenue; % will fall when tax rev. received)	4.00
Amount of grant funds applied for versus awarded (in millions) with success %	\$47/\$34 72%	\$38/\$26 68%	\$52/ \$34 65%	\$84/ \$53 63%	\$4/\$6 (through 1 <sup>st</sup> quarter)	Award Target is 70% of funds applied for
Number of homeless in Hennepin County	3,090 (2003 Wilder Count)	N/A	2,877 (2006 Wilder Count)	1,564 household units	1,007 household units (thru April)	1,000/night
Housing opportunities developed for transitioning homeless	N/A	N/A	N/A	709	500	2,900
Amount of local government aid paid/certified to Minneapolis (in millions)	\$82.51	\$80.34	\$93.95	\$83.98	\$82.23	\$90
Amount of state bonding received /requested for operations (in millions)	N/A	N/A	N/A	\$16/\$32		\$15/\$28



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

The emerging urban policy of the Federal Administration. IGR will continue contractual arrangements with the current Washington-based firms. Elected officials will be encouraged to participate in national organizations such as the U.S. Conference of Mayors and the National League of Cities.

IGR will encourage City departments to become involved in federal policy development. Involvement has included participation in conference calls and internal working groups such as the Neighborhood Stabilization Program group.

The changing Federal/State fiscal relationship. Minnesota local governments are continuing to experience reduced state aids. The aid reductions are forcing public service reductions that are actualized for example by closing or curtailing the operating times of public facilities or the laying off of personnel.

The IGR staff will coordinate the City's efforts to develop a fiscal relationship that recognizes local revenue-raising capacity and fiscal burdens in appropriating aids. As part of the efforts the City will actively be involved with the League of Minnesota Cities, Metro Cities, and other similar organizations. The City will also participate in study commissions such as the legislative LGA study commission, and possibly propose or support legislation amending the current relationship.

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

The department is engaged in numerous internal and external partnerships. The department's IGR staff works with all City departments in formulating the Federal and State agenda. Staff are assigned to specific departments and serve as liaison to the departments. Department staff have, upon request, testified at metropolitan and legislative meetings. The IGR staff also coordinates a grant users group that meets quarterly and an American Recovery and Reinvestment Act interdepartmental work group.

IGR staff meets frequently with representatives of City organizations as well as serve on their boards and policy committees. Staff also participate in numerous issue-oriented or working groups.

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

It is difficult to evaluate the cost effectiveness of IGR activities. However, the department measures the number and amount of Federal grants and State grants received. The amount of State assistance is also tracked. While it is difficult to measure the cost effectiveness of pursuing legislation related to such issues as domestic abuse, elections or municipal bonding, the legislation often improves current procedures.

**What actions will the department take to meet the current financial projection of a 5% reduction from all funding sources?**

The department's general fund target for a 5% reduction is \$74,906. To achieve the 5% target reduction, changes are proposed in the following expenditures:

- 1) Health Insurance - \$12,000
- 2) Professional Services - \$40,000. Reductions will be made in State lobbying contracts by modifying the terms of the contracts from 6 to 4.5 months, limiting increases in current contracts and not entering into new agreements. The 2010 session is a relatively short session. Federal contracts will not change.
- 3) Other Reductions – Based on historic spending patterns and future needs, the 5% goal would be met by the following expenditure reductions

Capital	\$8,000
Travel	\$2,500
Registration Fees and Tuition	\$3,000
Miscellaneous	\$5,000
Memberships	\$3,500
Subscriptions	<u>\$1,000</u>
	\$23,000

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The expense budget for this department includes the grants and special projects function of the City as well as Intergovernmental Relations staff. The department's budget also includes grants to external organizations that receive funding from the consolidated plan. The total 2010 operating budget for these functions is \$2.7 million, with \$1.5 million from the general fund and \$1.2 million from the community development block grant fund. The general fund budget is an 5.3% increase from the 2009 revised budget.

**REVENUE**

This department does not generate revenue.

**FUND ALLOCATION**

The Intergovernmental Relations function is funded entirely from the General Fund while the Grants and Special Projects Division receives \$1.2 million of its funding from Community Development Block Grant funds for efforts supporting the Consolidated Plan and related grant processes.

**ORIGINAL BUDGET**

The Mayor recommended and the Council approved a reduction of \$84,000 for this department. The reductions will impact professional services, reductions in memberships and subscriptions as well as other non-personnel expenditures. \$150,000 is added on a one-time basis for homeless outreach programs from the Reallocated Legacy Fund.

## MAYOR'S REVISED BUDGET

The Mayor recommends a reduction of \$41,000. The department will achieve this by reducing salaries and benefits from an open position as well as other salary savings.

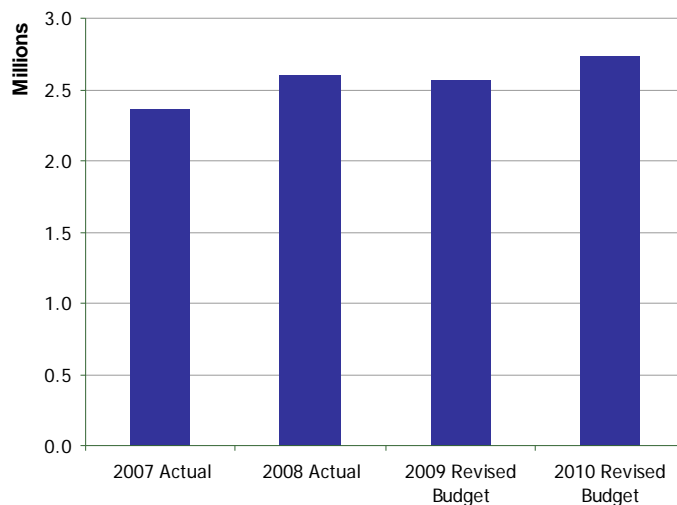
## COUNCIL REVISED BUDGET

Council adopted the Mayor's recommendations.

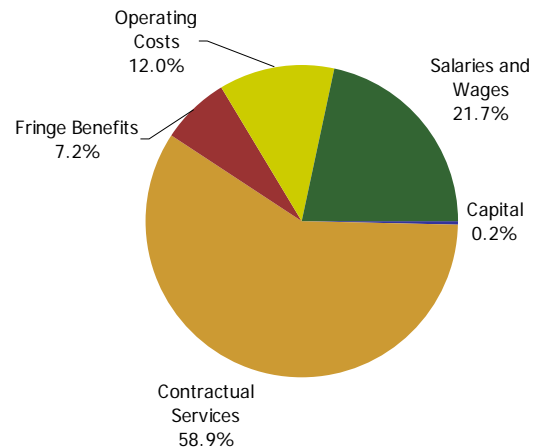
### INTERGOVERNMENTAL RELATIONS EXPENSE AND REVENUE INFORMATION

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	444,602	432,494	489,975	439,321	-10.3%	(50,654)
Fringe Benefits	95,762	95,596	123,431	138,538	12.2%	15,107
Contractual Services	259,213	338,401	489,084	611,618	25.1%	122,533
Operating Costs	282,713	344,474	329,393	328,445	-0.3%	(948)
Capital	213		13,707	4,981	-63.7%	(8,726)
<b>TOTAL GENERAL</b>	<b>1,082,503</b>	<b>1,210,965</b>	<b>1,445,592</b>	<b>1,522,903</b>	<b>5.3%</b>	<b>77,312</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	227,909	206,738	159,821	154,573	-3.3%	(5,248)
Fringe Benefits	61,672	61,690	43,894	58,698	33.7%	14,804
Contractual Services	986,405	1,119,861	921,985	999,729	8.4%	77,744
Operating Costs	880	4,657			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>1,276,866</b>	<b>1,392,946</b>	<b>1,125,700</b>	<b>1,213,000</b>	<b>7.8%</b>	<b>87,300</b>
<b>TOTAL EXPENSE</b>	<b>2,359,369</b>	<b>2,603,911</b>	<b>2,571,292</b>	<b>2,735,903</b>	<b>6.4%</b>	<b>164,611</b>

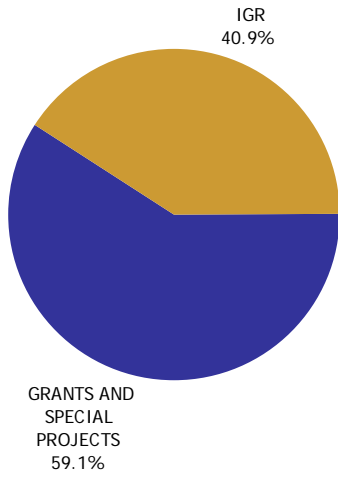
Expense 2007 - 2010



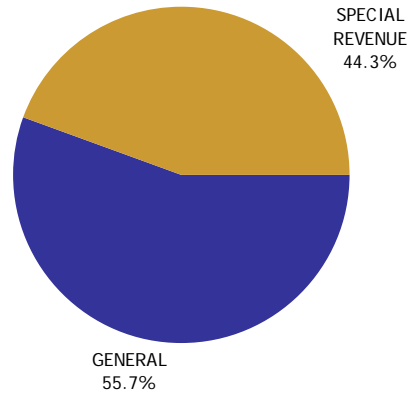
Expense by Category



**Expense by Division**



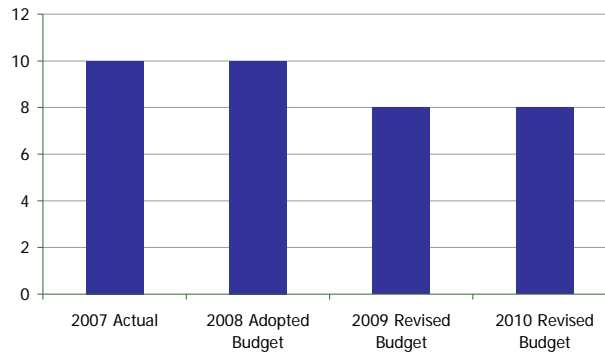
**Expense by Fund**



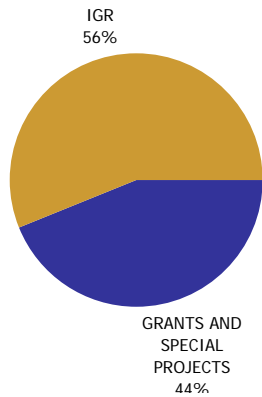
**INTERGOVERNMENTAL RELATIONS  
Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
GRANTS AND SPECIAL PROJECTS	6.00	6.00	3.50	3.50	0.0%	
IGR	4.00	4.00	4.50	4.50	0.0%	
<b>TOTAL</b>	<b>10.00</b>	<b>10.00</b>	<b>8.00</b>	<b>8.00</b>	<b>0.0%</b>	

**Positions 2007-2010**



**Positions by Division**



## OFFICE OF INTERNAL AUDIT

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The Council approved an independent Office of Internal Audit which is charged with conducting financial, fiscal compliance, and financial procedure audits of all City departments, boards and commissions. The Office of Internal Audit shall conduct audits of individual financial transactions, contracts and franchises of the City; and shall generally audit the financial and accounting systems and procedures administered by City departments, boards and commissions for compliance with generally accepted accounting principles, best financial management practices, and any applicable laws and regulations governing the financial practices of the City. The Office of Internal Audit shall be under the control and supervision of the Internal Auditor.

The Internal Auditor shall organize and administer the Auditor's office to operate without interference or other influence that might adversely affect an independent and objective judgment of the auditor.

The Office of Internal Audit shall adhere to the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors and such other standards set by other bodies that apply to internal audit practices of local governments to conduct the auditor's work and be independent as defined by the standards.

The Council approved transition funding of \$200,000 to fund two internal audit positions in 2010, funded by increasing charges to departments in their general fund overhead rate model charges. In addition, the existing position that resides in the Board of Estimate and Taxation (BET) will report to the City Coordinator for administrative purposes, with associated funding from the BET. Future levies will be adjusted to reflect this change.

### ORIGINAL BUDGET

The Council approved transition funding of \$200,000 to fund 2 internal audit positions in 2010, funded by increasing charges to departments in their general fund overhead rate model charges. In addition, the existing auditor position that resides in the Board of Estimate and Taxation (BET) will report to the City Coordinator for administrative purposes, with associated funding from the BET. Future levies will be adjusted to reflect this change.

### MAYOR'S REVISED BUDGET

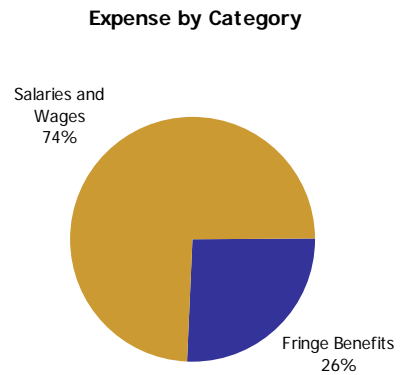
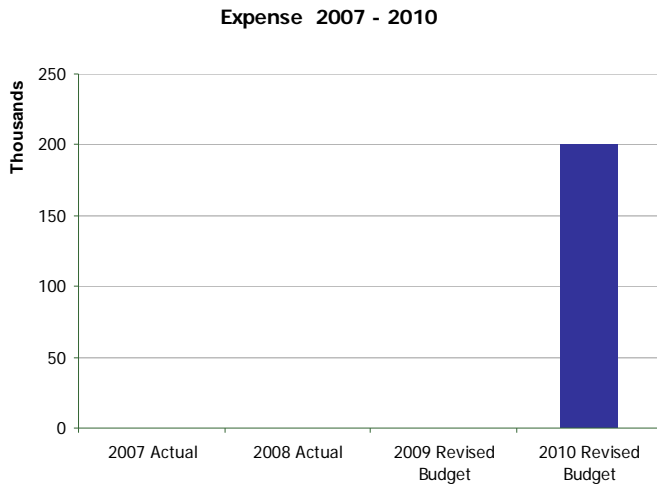
The Mayor included no reduction to this department.

### COUNCIL REVISED BUDGET

Council adopted the Mayor's recommendations.

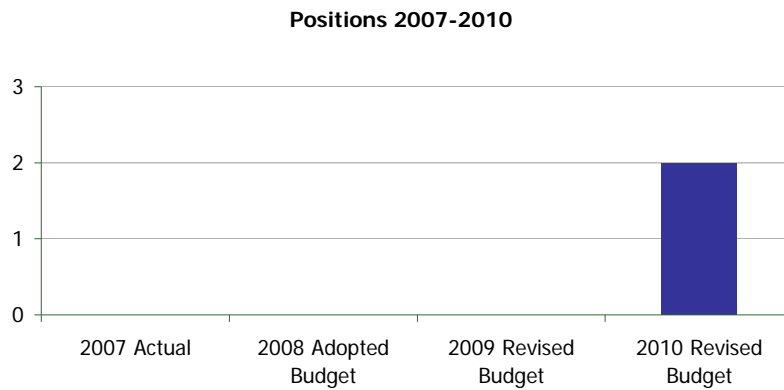
## INTERNAL AUDIT EXPENSE AND REVENUE INFORMATION

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	0			148,736	0.0%	148,736
Fringe Benefits	0			51,264	0.0%	51,264
<b>TOTAL GENERAL</b>	<b>0</b>			<b>200,000</b>		<b>200,000</b>
<b>TOTAL EXPENSE</b>	<b>0</b>			<b>200,000</b>		<b>200,000</b>



## INTERNAL AUDIT Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
INTERNAL AUDIT				2.00		2.00
<b>TOTAL</b>				<b>2.00</b>		<b>2.00</b>



## NEIGHBORHOOD AND COMMUNITY RELATIONS DEPARTMENT

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### MISSION

The Neighborhood and Community Relations (NCR) Department serves residents directly and supports all other City departments with enterprise guidance in the realm of strong neighborhood and community relationships. The department is charged with strengthening our City's quality of life through vigorous community participation, resident involvement in neighborhood and community organizations, and supporting clearly defined links between the City, City services, and neighborhood and community organizations. The work of the NCR Department will also be supported by the new resident-based Neighborhood and Community Engagement Commission (NCEC).

### BUSINESS LINES

#### Neighborhood Vitality

Neighborhood vitality has been both a constant aspiration and a trademark of the City's identity throughout history. So, too, has the City's partnership with neighborhood groups in defining the opportunities and challenges that face us in achieving, maintaining and enhancing truly livable neighborhoods. In pursuit of this goal, the department will focus on nurturing neighborhood vitality through neighborhood-based priority setting, planning and implementation; and the integration of this work with the work of the City.

#### Access and Outreach

The City's "One Minneapolis" goal prescribes "equal access, equal opportunity and equal input" for all residents of the City. To assure that City services are understood, obtainable, and equitable, this department will focus on addressing and removing barriers to civic participation and meaningful engagement.

Woven throughout the work of the NCR and both business lines are:

- The Principles of Community Engagement which serve as a guide and establish a foundation for expectations that the Mayor and City Council hold of City staff, department leadership, and elected officials.
- Serving as a resource to City departments and staff members and the community broadly to promote new and dynamic ways to incorporate community participation activities into the everyday work of the City.
- Identifying and fostering strategic partnerships to build broader support through partnerships with institutions, corporations and foundations.

### ORGANIZATION CHART

As a department in the process of being established, NCR has not yet finalized an organization chart. Details will be available in the coming months.

### RESULTS MINNEAPOLIS CHARTS

As a department in the process of being established, NCR has not yet participated in Results Minneapolis. Once the department is established and working, the above business lines used in Results Minneapolis will provide an important opportunity to monitor the results of its work.

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

The Neighborhood and Community Relations Department is in development. As the department continues to establish the structure and staffing, challenges that exist include

- 1) The Neighborhood and Community Engagement Commission is a new group and needs some time to establish operating procedures while also having numerous topics to address, such as working with staff to develop guidelines for neighborhood programming.
- 2) The Human Resources challenges of change that comes with bringing existing and new staff together to work in a new department with new expectations.
- 3) Having the neighborhood programming defined and operational in time for neighborhood organizations to do their planning and then access funds by 2011.
- 4) Adding outreach activities to reach more underrepresented communities and community members that have not been part of a targeted outreach focus in the past.
- 5) Implementing tools and mechanisms to help the City of Minneapolis continue its community engagement activities and find new ways to keep this work dynamic and relevant.

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

This department's work will be enhanced through ongoing efforts to form partnerships with institutions, corporations and foundations that support neighborhood and community engagement work.

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

The NCR is in development. As the department develops and program guidelines for neighborhood programming begin to take shape, a component of the conversation will include program evaluation and accountability.

***What actions will the department take to meet the current financial projections of a 5% reduction from all funding sources?***

Since the department is still in development, it does not yet have a base from which to take a reduction. The department will be included in future financial planning scenarios which may include changes in funding level.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2010 expenditure budget for NCR is \$1.4 million, with contractual services accounting for 33%, and personnel expenses accounting for 59%. (The City's payments to neighborhood operations are classified as contractual services.) The department is supported by the general fund at 86%, and special revenue fund at 14%.



## REVENUE

This department does not generate revenue.

## ORIGINAL BUDGET

The Council reduced the department's budget by \$200,000 and directed the department to work with CPED and the NCEC over the next six months to develop a best practices model to incorporate NCEC programmatic advice into the Great Streets program.

Revenue to be realized in 2011 from a new tax increment financing (TIF) district represents 50.8% of the total net tax capacity of all of the former pre-1979 TIF districts and contains 51 percent of the parcels. The 10-year Consolidated TIF budget projects Net Tax Increment of \$53,650,000 being available for both Target Center debt and neighborhood revitalization purposes, for a total of approx \$107.3 million for both activities over the 10 year life of the district.

## MAYOR'S REVISED BUDGET

The Mayor recommends a reduction of \$50,000. The department will achieve this through reductions in its administrative budget as well as realizing savings from lower than projected actual salaries.

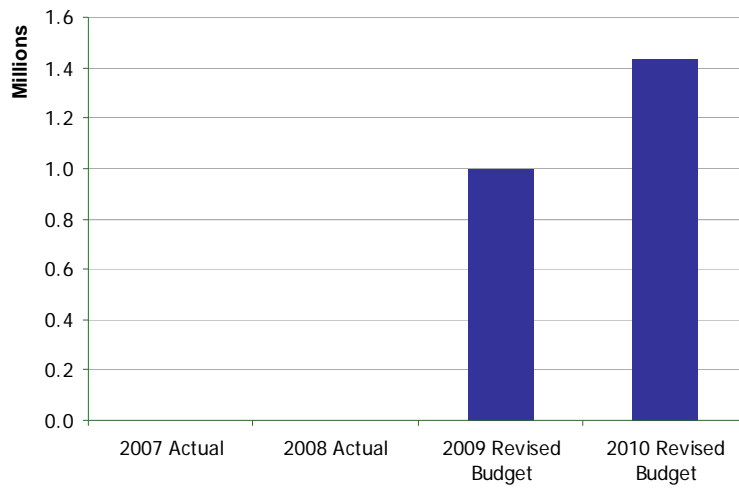
## COUNCIL REVISED BUDGET

Council adopted the Mayor's recommendations.

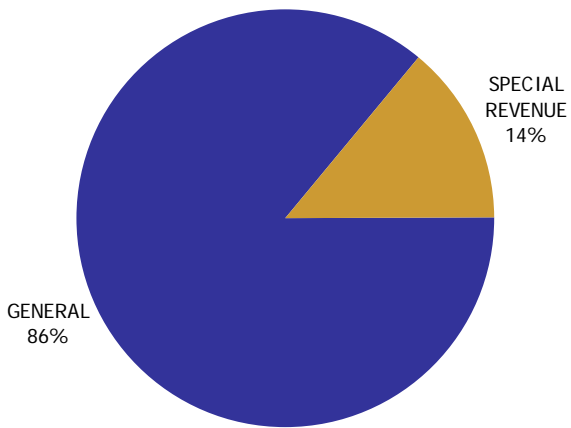
## NEIGHBORHOOD & COMMUNITY RELATIONS EXPENSE AND REVENUE INFORMATION

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	0		261,781	491,413	87.7%	229,632
Fringe Benefits	0		170,451	155,735	-8.6%	(14,716)
Contractual Services	0		376,053	462,126	22.9%	86,073
Operating Costs	0			106,083	0.0%	106,083
Capital	0			21,000	0.0%	21,000
<b>TOTAL GENERAL</b>	<b>0</b>		<b>808,285</b>	<b>1,236,357</b>	<b>53.0%</b>	<b>428,072</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	0		192,000	142,547	-25.8%	(49,453)
Fringe Benefits	0			49,958	0.0%	49,958
Contractual Services	0			5,495	0.0%	5,495
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>		<b>192,000</b>	<b>198,000</b>	<b>3.1%</b>	<b>6,000</b>
<b>TOTAL EXPENSE</b>	<b>0</b>		<b>1,000,285</b>	<b>1,434,357</b>	<b>43.4%</b>	<b>434,072</b>

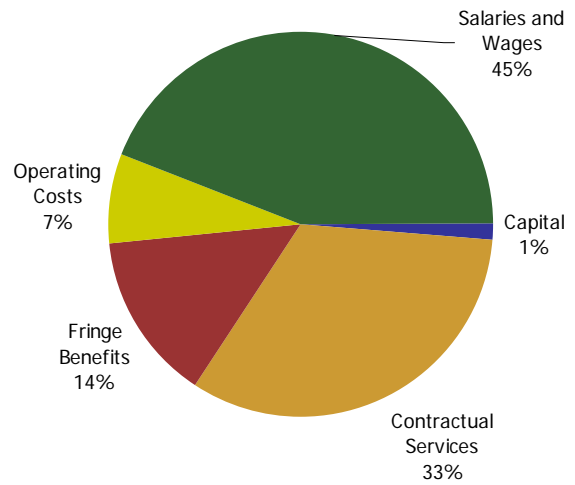
**Expense 2007 - 2010**



**Expense by Fund**



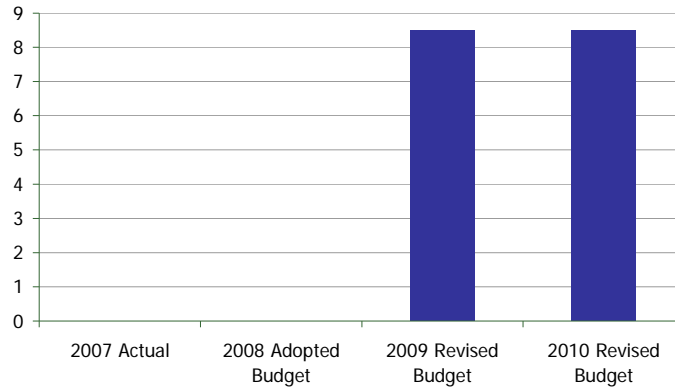
**Expense by Category**



## NEIGHBORHOOD & COMMUNITY RELATIONS Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
NEIGHBORHOOD & COMMUNITY RELATIONS			8.50	8.50	0.0%	8.50
<b>TOTAL</b>			<b>8.50</b>	<b>8.50</b>	<b>0.0%</b>	<b>8.50</b>

Positions 2007-2010



## REGULATORY SERVICES & EMERGENCY PREPAREDNESS

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### MISSION

Working to ensure the safety, health, and livability of our community through information, education, regulation, and enforcement of applicable laws and regulations.

### VALUES

- **Safety** – addressing an issue that can cause fatal harm to an individual.
- **Health** – addressing an issue that could cause sickness or other non-fatal harm to an individual.
- **Livability** – addressing an issue that affects quality of life.
- **Accountability** – each employee will be accountable to systems, policies, people, and the public interest to provide excellent customer service and accept the obligation and responsibility to be accountable for their actions. The actions will be measured and reported.

### BUSINESS LINES

#### **Administration and Emergency Preparedness**

This business line deals with department administrative functions as well as enterprise emergency preparedness.

- **Administration** - financial management, human resources management, technology management, and business planning.
- **Emergency Preparedness** - plans, prepares, responds and recovers for and from natural and human-made disasters. This is done through an All-Hazards Emergency Operations Plan (EOP), Continuity of Operations Plan (COOP), Pandemic Flu Plan, Urban Area Security Initiative (UASI) Plan, and our TIC-P plan. Along with planning, EP provides the necessary training and equipment to mitigate and reduce or eliminate long-term risk to people and their property from hazards and their effects. Emergency Preparedness applies for many state and federal grants for planning, training and equipment. The department has secured approximately \$40 million over the last five years.

#### **Inspections Services**

This business line deals with structure planning and implementation and consists of the following service activities:

- **Development Review Services (formerly Minneapolis One Stop)**—providing efficient ways for the public to work with the City to get development or building applications and reviews, permitting, licensing, zoning, and inspections services in one location—in person and on the Web.
- **Construction Code Services**—providing quality plan review and construction inspection services to citizens, businesses, developers, contractors, and design professionals.
- **Housing Inspection Services**—providing quality education and consistent enforcement of the Minneapolis Housing Maintenance and other applicable codes to maintain, improve, and

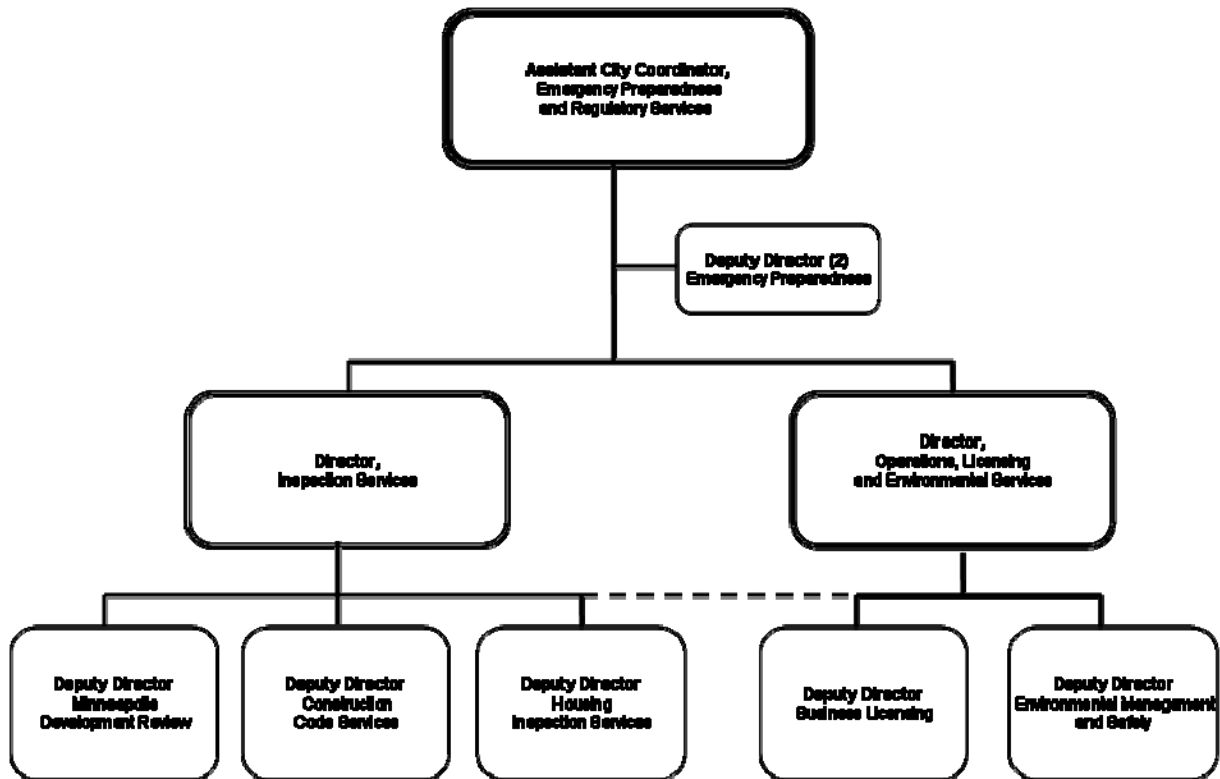
protect the housing stock and the livability of the City's housing. The Problem Properties Unit provides a multi-departmental, multi-agency initiative to reduce the number and severity of problem properties in the City.

**Operations, Licensing, and Environmental Services**

This business line deals with services, behaviors and activities, and consists of the following service activities:

- **Business Licensing Services**—providing education and enforcement of the City's codes related to business licensing, including food, liquor, construction trades, taxi cabs and general licenses.
- **Environmental Management & Safety**—providing education and enforcement of the City's codes related to animal control, safe food, air and water quality, and a clean, healthy outdoor environment.

**ORGANIZATION CHART**



**RESULTS MINNEAPOLIS CHART**

<b>Measure Name</b>	<b>2005 Data</b>	<b>2006 Data</b>	<b>2007 Data</b>	<b>2008 Data</b>	<b>2009 Target</b>	<b>2010 Target</b>	<b>2011 Target</b>
Annual Police Calls for Service at Top 15 Problem Grocery Stores	2,530	1,856	303	148	135	135	136
Average Days to Process Liquor Licenses	N/A	68	42	40	38	38	38
Reported Animal Bites	481	407	453	423	412	405	400
Reported Serious Animal Bites	N/A	N/A	N/A	113	100	90	80
Number of Lead Poisoned Children (EBL>10)	204	207	142	115	80	50	25
Customer Satisfaction Rate with MDR	N/A	N/A	91%	94%	90%	90%	90%
Average Days to Route Formal Plans (MDR)	37	19	11	9	10	10	10
Percent of Permits Processed via the Web	13%	15%	15%	18%	N/A	N/A	25%
Citywide Valuation of Building Permits (in millions)	\$855	\$840	\$761	\$773	\$750	\$750	\$750
Number of Buildings Registered Vacant on 12/31	393	526	987	857	932	1014	1104
Chapter 249 Demolitions	22	34	59	124	75	75	75
Number of Housing Inspections (in thousands)	61,000	105,000	106,000	92,000	105,000	105,000	105,000
Rental Properties Inspected	7,377	8,320	7,541	7,325	7,400	7,400	7,400
Rental Properties Violations Written	32,175	31,463	28,948	28,261	29,000	29,000	29,000
Rental License Revocation Actions Initiated	1	32	69	73	50	50	50
% of 311 Animal Control Requests Responded to Within SLA	N/A	N/A	90%	90%	90%	90%	90%
% of 311 Exterior Nuisance Complaints Responded within SLA	N/A	N/A	87%	91%	92%	92%	92%
% of 311 Residential Condition Complaints Responded within SLA	N/A	N/A	96%	97%	98%	98%	98%

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

- **Foreclosures:** As the number of foreclosures in the City grows, Regulatory Services will continue to work closely with Hennepin County and CPED to strategize on new efforts to minimize the negative impact. Foreclosures cause the level of boardups and demolitions to increase. The department has a program for allowing owners of vacant and boarded buildings to bring their property back up to code in order to reduce the need for demolitions. Because foreclosed properties often become maintenance problems, Regulatory Services will maintain our focus on housing inspections and nuisance abatement activities, as well as work proactively with property managers to obtain compliance.
- **Fleet:** Based on our business plan, over the past two years Regulatory Services has aggressively replaced 71 older fleet vehicles with green vehicles. Green vehicles are defined as clean and fuel-efficient options that meet our needs. Low emissions and good fuel economy are both important for the environment and the budget. Some examples are E85 flexible fuel vehicles and hybrid gas-electric vehicles. By the end of 2008, the department reduced the fleet by 50 vehicles that were not utilized to capacity, and has a fleet that includes 80 “green” vehicles (67% of fleet).

In addition, Regulatory Services has worked to maximize fuel savings and vehicle use by locating 19 vehicles at our North and South Field Offices. The reduction improved vehicle usage and resulted in cost savings by assigning two inspectors to share one car. This measure also saves transit time, mileage and fuel for inspectors moving from downtown to their districts and back.

In early 2009, Regulatory Services conducted a Fleet Study. The team met four times and was able to identify vehicle reductions in each division other than MDR and PPU. As a result, Regulatory Services will be able to reduce the vehicle fleet by 30 vehicles (of 138). During this process, all 54 1999 Malibu sedans will be sold and 39 new vehicles are being purchased (34 Ford Focus, 5 Ford Escape Hybrids). Remaining fleet of 108 will consist of entirely 2006 or later models.

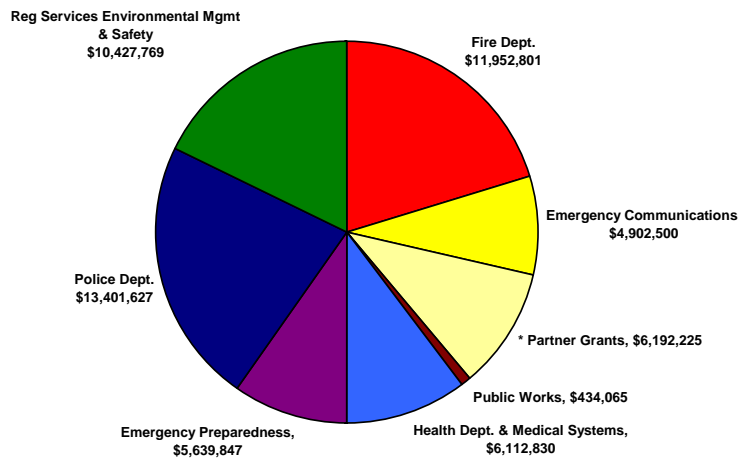
- **Technology:** Technology is an ongoing challenge, with the current version of the management system (KIVA) no longer supported. An upgrade to a supported version has been funded using department operational savings, and the moratorium is in place while the upgrade project moves forward. For a future replacement land management system, Regulatory Services has begun discussions and preliminary analysis with BIS on the strategy. The department will define the new system business requirements in conjunction with our key partners (CPED, Fire, Assessor, Public Works and BIS). Regulatory Services will strive to ensure the new system is built to meet the goals of all strategic enterprise partners for master addressing and overall land management. In addition, the new system will integrate property information which is currently contained in disparate systems (GOVERN, MINS, KIVA and CAD) that do not interface.
- **Sustainability:** Regulatory Services continues to be a leader in sustainable initiatives. Some of the department’s more recent initiatives include a revised air quality ordinance, a revised noise ordinance, and a comprehensive idling ordinance. Other trends and accomplishments include a new green building website, an increased LEED certification focus Citywide, and a particular focus and effort in Regulatory Services’ plan review and

development review functions to encourage green development and educate the customers on the economic benefits of responsible environmental practices. Despite numerous ordinance changes and new staff concentrations, the main challenge continues to be adequately enforcing new and existing mandates. The department has increased training requirements for environmental response staff to be cross-trained. An immediate response by qualified staff can minimize the environmental impact of a spill, emission or other incident affecting the quality of air, water or sewer systems. However, the remediation cost for the rapid response is unfunded, and usually can't be recovered. For 2009, the department has created a manager level position to coordinate department-wide green building initiatives.

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

**Emergency Preparedness** -The Emergency Preparedness staff has been actively working on enhancing emergency preparedness capabilities. In addition to citywide efforts, a wide-range of projects will continue with our national, state, regional and county partners. Specific areas of collaboration include the Governor's Homeland Security Senior Advisory Committee, the Twin Cities Metropolitan Area, and the National Urban Area Security Initiative (co-chair North Central Region). These relationships have enhanced the City's capability to compete for grant funds.

**City of Minneapolis Homeland Security Grants  
Environmental Management & Safety Grants  
1999 - 2009  
TOTAL: \$59,063,664**



\* Partner Grants benefited infrastructure for: Fridley Water Treatment Plant, Metro Transit, Minneapolis Convention Center, Minneapolis Public Schools, St. Anthony Falls Upper Lock & Dam and multiple private sector facilities

EXAMPLES OF HOW GRANT FUNDS WERE USED:					
Police	Fire	Emergency Preparedness	Emergency Communications	Health	Environmental
Bomb Squad	Haz Mat	EOC	New CAD System	Planning	Lead Reduction
Training	Collapse Structure Team	Training	311/Backup 911 System	Training	Food Safety Training
Equipment	Turnout Gear	Exercises		Equipment	Trees & Solar Panels
Strategic Info Ctr	Radios	Planning		Pharmaceuticals	Downspout Disconnects
Radios	Training				
Video Cameras	Exercises				
	Fire Training Ctr				



**Development Review Team** - Staff participates on a team that includes CPED and Public Works. This team explores ideas to improve the development review process to make it more streamlined for customers. Public Works and CPED both have staff present in the Minneapolis Development Review intake area to simplify the review process.

**Problem Properties Unit (PPU)** - Staff identifies condemned and boarded properties that need to be demolished or rehabbed. PPU staff work with Police Department, Fire Department, Hennepin County and CPED staff to identify solutions for the City's boarded and vacant properties. This partnership led to the County offer of \$1.2 million for demolition in 2008. The City will pay 70% back during 2009 and 2010.

**Grocery Store Task Force** - One of the most effective partnerships for Regulatory Services and Emergency Preparedness is the Grocery Store Task Force. Led by Business Licensing this group includes the Police Department, the City Attorney's Office, Zoning, and other Regulatory Services Divisions. This cross-departmental collaborative team reviews data such as police calls and enforcement actions, prioritizes establishments based on criminal activity, and develops action plans to eliminate behaviors, improve operating standards, or take adverse license actions, up to and including revoking licenses. This partnership has been effective by reducing crime incidents at problematic stores and Police response costs associated with them.

**Guided Compliance Unit** - This unit identifies developments in the City that meet certain criteria – e.g. two or more instances of unpermitted work, zoning violations, unpaid assessments, inadequate site plan completion, etc. A multi-divisional and multi-departmental work team (Regulatory Services [six different divisions], Zoning, Public Works, Fire, Police, and City Attorney) meets regularly on the Guided Compliance list of properties. In some cases, property owners or contractors are required to meet with the Guided Compliance team prior to obtaining any permits or licenses for the site.

**Boardup Management** - Staff manages boardup services for Regulatory Services, Minneapolis Police Department and Minneapolis Fire Department. This group works together to manage the increasing need for boardup services within a limited budget. The new decorative boarding service will be provided for all boardups starting summer 2009. CPED has also been involved in this program due to the impact on the community. They have provided emergency funding and great ideas for how to improve the program.

**Public Works-Solid Waste Rubbish Removal Program** - Public Works Solid Waste provides the rubbish removal on private properties after receiving authorization from Regulatory Services & Emergency Preparedness. This has been an excellent partnership and has saved money on these expenses due to the efficiency of the Public Works-Solid Waste efforts.

**Lead Poisoning Prevention** - Staff participates in the City/County Lead Task Force. This team meets quarterly to discuss enforcement on lead paint issues, long term funding strategies for making properties lead safe and grant applications. Members include City Council Members, Regulatory Services, Healthy and Family Support, County Commissioners and staff, State Health Department, non-profit rehab organization and neighborhood groups. Regulatory Services staff coordinates with Hennepin County to on HUD grant resources by referring lead poisoned children addresses and sharing resources.

**Food Recalls/Food Borne Illness** - Staff maintains key partnerships with local, state and federal agencies to address food protection. Environmental Health works closely with MDH, MDA and Hennepin County on food recalls and food borne illness investigations. For the past 5

years, staff has worked in partnership with Hennepin County, Ramsey County and the City of St. Paul on a National Association of City and County Health Officials grant to address food protection and emergency Preparedness.

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

- **Cost Recovery**

Regulatory Services & Emergency Preparedness does cost recovery reviews through the mandated State Fee Study project, as well as through other fee to cost reviews for those areas that are not covered in the State Fee Study project. As of 2008, all divisions except Animal Control have achieved cost recovery. However, Housing Inspections may not sustain this cost recovery given that the level of administrative citations may reduce over time as property owners become more aware of the financial implications of not keeping properties up to code.

- **Cost Effectiveness**

Regulatory Services & Emergency Preparedness reviews performance charts for divisions at the Top Management Team on a quarterly basis. In addition, the divisions meet monthly to discuss budget and revenue status, identifying areas where costs can be reduced or where overages are expected. Surveys are also provided at our Minneapolis Development Review area so clients can provide feedback as to cost effectiveness and customer service.

### ***What actions will the department take to meet the current financial projection of a 5% reduction from all funding sources?***

#### **5% reduction, CDBG Fund**

- Problem properties approximate reduction = \$17,000. The department would reduce supplies and training in order to reach the reduction amount. This would reduce the ability of staff to be up-to-date on problem property issues and it would reduce the level of supplies they have to resolve problem property issues.
- Lead program approximate reduction = \$6,000. The department would reduce the number of visits to children that have been exposed to lead poisoning, but are not at a level of poisoning yet where the visits are mandated.

#### **General Fund Contingency Plan Description**

The Regulatory Services contingency plan for a City Council mandated cut in expenditures is based on revenue considerations and the core values of Regulatory Services – Safety, Health and Livability. The cuts are phased in 2.5% increments and involve the minimization of nuisance abatement contractual services, interns and step-up students as well as permanent FTEs and programs. Regulatory Services generates a large amount of revenue for various departments of the City, so any significant cut in expenditures will have an unavoidable negative revenue effect on other departments. The one year performance projections are included for each level and the five year projections are the same as the one year projections.

#### **5% Reduction, \$1,213,000 Cut to General Fund**

Regulatory Services would manage this cut by minimizing nuisance abatement contracts such as weed and rubbish removal, and by minimizing the hiring of interns and step-up students. The reduction of those expenditures would lead to the minimization of weed, long grass and rubbish removal, which we consider livability issues and, thus, our lowest priorities. Additionally, the minimization of the Intern and StepUp programs will make the further diversification of

Regulatory Services very difficult. The proposed cuts would save \$1,200,000, but result in a loss of revenue of approximately \$900,000 for a total net savings of \$300,000.

### **Nuisance Abatement Contracts, the Intern Program and the Step-Up Student Program**

- Minimization of tall grass/weeds, overhanging brush on public sidewalks and in alleys and rubbish nuisance abatement contracts. Nuisance abatements required by State mandate for weed inspection, as well as hazardous tree removal and rubbish removal for health or environmental hazards will continue. All others will be eliminated.
- Drop in Public Works Solid Waste Division revenues with elimination of rubbish contract. Public Works received approximately \$300,000 in 2007 and 2008 from the rubbish contract.
- Significant visibility impacts of nuisance-type conditions within neighborhoods such as :
  - Tall grass/weeds
  - Overhanging brush on sidewalks and in alleys
  - Rubbish on occupied residential lots, commercial and vacant lots, boarded buildings and vacant properties
- Possible health and other effects related to unabated nuisance-type violations:
  - Increase in rat and other vermin harborages in unabated rubbish
  - Overhanging brush on sidewalks can injure pedestrians and in alley will damage vehicles
  - Public Safety concerns with increased crime in visibly unkempt neighborhoods
- Inspections level reduction:
  - No pro-active or complaint-driven inspection would occur for nuisance-type violations
  - On average, Housing issues approximately 25,000 nuisance-type violations annually. Most of these related 25,000 inspections are conducted by students in the summer.
  - On average, there are 10,000 additional nuisance-type inspections during the year

### **Animal Care and Control**

The loss of two positions at Animal Care and Control would result in the further elimination of responses to low level animal complaints. (In 2008, Regulatory Services eliminated 3 positions from Animal Care and Control based on a City Council budget cut. The predicted loss in revenue occurred.)

### **Housing Inspections / Problem Properties Unit**

#### ***Impact of cutting two Housing Inspection Problem Properties Unit (PPU) FTE's***

The elimination of two positions in Housing Inspections PPU would result in greatly reduced capacity to manage problem property issues. This would result in the following:

- Reduced Chapter 249 demolitions.
- Reduced rehabilitation agreements with property owners to mitigate Chapter 249 issues.
- More boarded buildings that are unsalvageable.

- More potential for crime on Chapter 249 properties.

## **Food Inspections**

### ***Impact of cutting 1 Food Inspection FTE***

The Food Safety group would cease all remaining outreach and education with the elimination of 1 position, and the Environmental Inspections division will eliminate complaint responses for the bottom 10% of its priorities and will cease proactive noise enforcement efforts if 1 position is eliminated from that business line.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

For 2010, the department's budget is \$41.5 million, a 26.8% increase from the 2009 revised budget. The expense budget for Regulatory Services includes \$13.5 million in federal, CDBG and other grant fund expenditures, up \$4.2 million from 2009.

### **REVENUE**

In 2010, the department anticipates \$43.9 million in revenue with licenses and permits accounting for 56% of the total, or \$24.7 million. Revenue from special assessments is budgeted to decline by 1%, to \$5.4 million, from the 2009 revised budget.

### **FUND ALLOCATION**

In 2010, 67.5% of the department's budget is from the general fund (\$28.0 million). The remaining budget comes from federal grants (15.4% or \$6.4 million) and other sources.

### **ORIGINAL BUDGET**

The Mayor recommended and the Council approved a reduction of \$521,000 from the current service level for this department. This reduction will be achieved through personnel and non-personnel reductions. Also approved was the implementation of late evening enforcement of business licensing with an increase of \$450,000 and 3 FTE; an increase of \$525,000 in expense for administrative citations administration; an increase of \$175,000 and 1 FTE for pollution control permits, and \$135,000 and 1 FTE for a pet licensing project coordinator. These initiatives should be supported by revenue.

Traffic Control Agents were transferred from the Police Department to Regulatory Services. Responsibilities for the boarding of vacant buildings were transferred from Regulatory Services to the Fire Department, effective July 1, 2010. This action reduces Regulatory Services' budget by \$200,000 in 2010 and an additional \$200,000 in 2011.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$75,000. The department will achieve this through the reduction of equipment expenses and salary savings.

### **COUNCIL REVISED BUDGET**

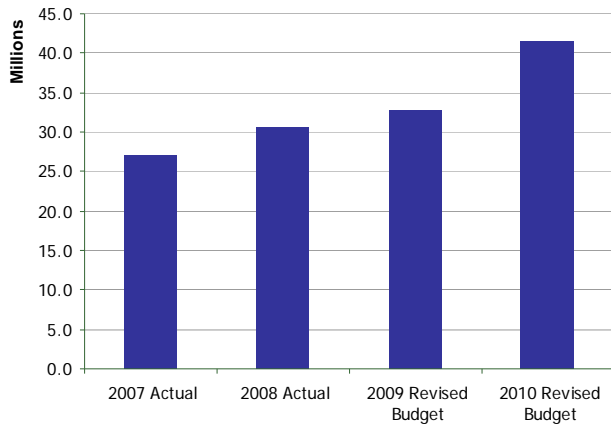
Council adopted the Mayor's recommendations.

**REGULATORY SERVICES  
EXPENSE AND REVENUE INFORMATION**

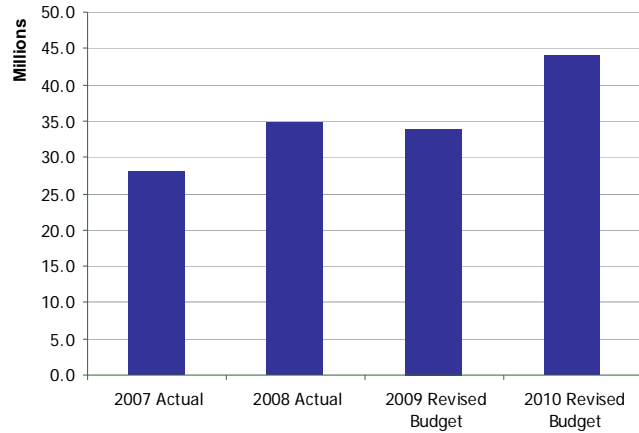
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs	0	(75,168)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(75,168)</b>				<b>0</b>
<b>GENERAL</b>						
Salaries and Wages	12,151,547	12,159,812	12,646,361	14,511,097	14.7%	1,864,736
Fringe Benefits	3,827,955	3,910,946	4,619,486	5,920,445	28.2%	1,300,959
Contractual Services	6,283,311	6,884,349	4,576,145	6,000,244	31.1%	1,424,099
Operating Costs	1,282,112	1,260,487	1,418,286	1,463,622	3.2%	45,335
Capital	715,760	129,654	199,232	103,875	-47.9%	(95,356)
<b>TOTAL GENERAL</b>	<b>24,260,685</b>	<b>24,345,248</b>	<b>23,459,511</b>	<b>27,999,283</b>	<b>19.4%</b>	<b>4,539,773</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	279,543	933,482	1,168,046	2,903,785	148.6%	1,735,738
Fringe Benefits	70,080	260,568	417,501	1,131,926	171.1%	714,425
Contractual Services	2,065,935	2,698,733	4,117,547	5,936,890	44.2%	1,819,343
Operating Costs	331,605	262,428	327,002	333,542	2.0%	6,540
Capital	57,520	2,157,498	3,221,837	3,180,013	-1.3%	(41,825)
<b>TOTAL SPECIAL REVENUE</b>	<b>2,804,683</b>	<b>6,312,709</b>	<b>9,251,934</b>	<b>13,486,155</b>	<b>45.8%</b>	<b>4,234,222</b>
<b>ENTERPRISE</b>						
Operating Costs	0				0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>0</b>					<b>0</b>
<b>TOTAL EXPENSE</b>	<b>27,065,368</b>	<b>30,582,789</b>	<b>32,711,444</b>	<b>41,485,439</b>	<b>26.8%</b>	<b>8,773,994</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Gains	0	20,315			0.0%	0
Long Term Liabilities Proceeds	0	(31,170)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(10,855)</b>			<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
License and Permits	21,088,247	22,493,103	21,328,872	22,610,500	6.0%	1,281,628
Local Government	99,857		51,905	53,400	2.9%	1,495
Charges for Service	971,520	865,540	732,377	871,750	19.0%	139,373
Charges for Sales	2,340	521	225	250	11.1%	25
Fines and Forfeits	455,527	472,442	469,047	6,110,850	1,202.8%	5,641,803
Special Assessments	2,319,732	2,789,267	1,500,000	1,545,000	3.0%	45,000
Contributions	735	35			0.0%	0
Other Misc Revenues	86,453	5,405	66,866	57,700	-13.7%	(9,166)
<b>TOTAL GENERAL</b>	<b>25,024,411</b>	<b>26,626,314</b>	<b>24,149,292</b>	<b>31,249,450</b>	<b>29.4%</b>	<b>7,100,158</b>
<b>SPECIAL REVENUE</b>						
License and Permits	0	210,033	584,800	2,124,924	263.4%	1,540,124
Federal Government	3,063,715	2,443,802	4,997,163	6,377,607	27.6%	1,380,444
State Government	12,065	21,689			0.0%	0
Local Government	15,188	1,252,196			0.0%	0
Charges for Service	1,215		230,000	246,300	7.1%	16,300
Fines and Forfeits	0		10,000	15,300	53.0%	5,300
Special Assessments	0	4,292,316	3,974,400	3,893,632	-2.0%	(80,768)
Contributions	21,103	1,117	21,000		-100.0%	(21,000)
Other Misc Revenues	0	5,440			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>3,113,286</b>	<b>8,226,594</b>	<b>9,817,363</b>	<b>12,657,763</b>	<b>28.9%</b>	<b>2,840,400</b>
<b>TOTAL REVENUE</b>	<b>28,137,697</b>	<b>34,842,053</b>	<b>33,966,655</b>	<b>43,907,213</b>	<b>29.3%</b>	<b>9,940,558</b>

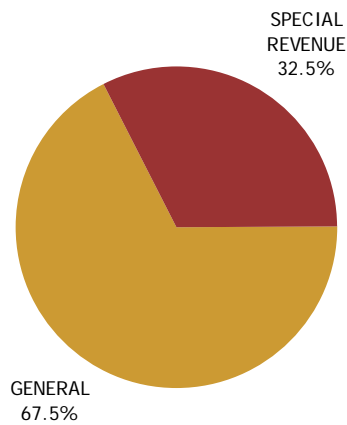
**Expense 2007 - 2010**



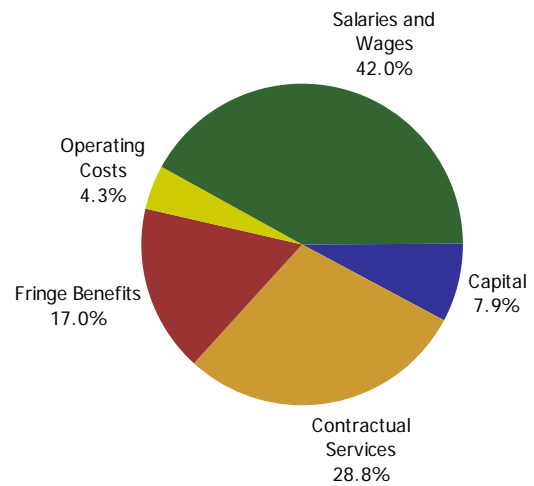
**Revenue 2007 - 2010**



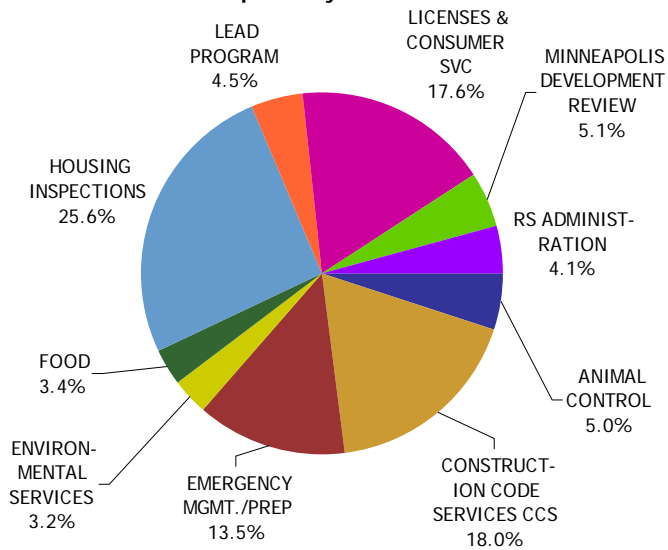
**Expense by Fund**



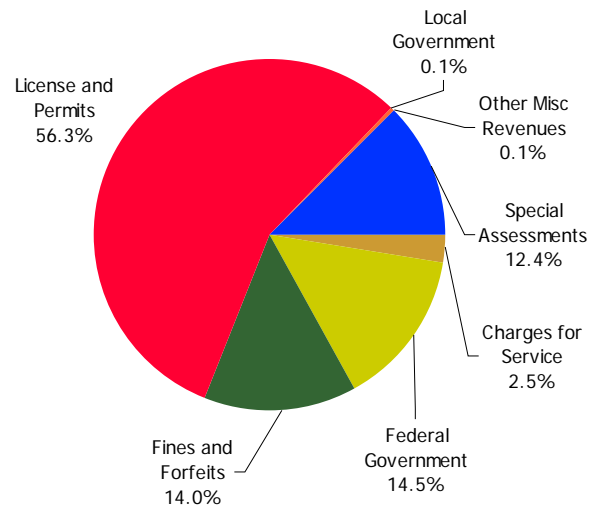
**Expense by Category**



**Expense by Division**



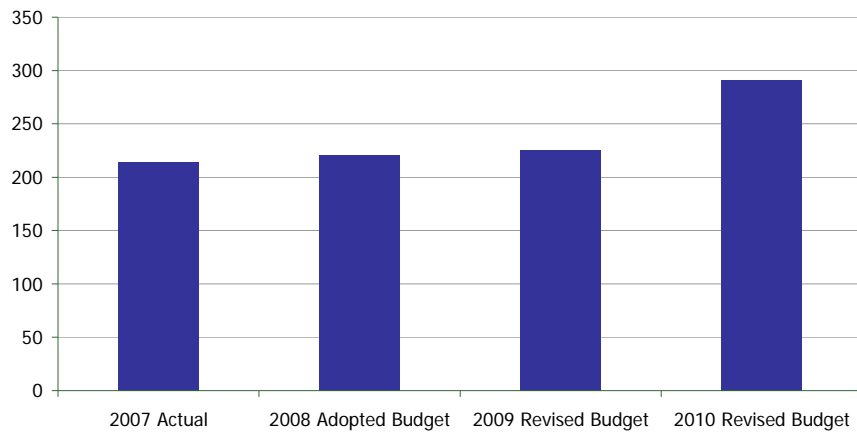
**Direct Revenue by Type**



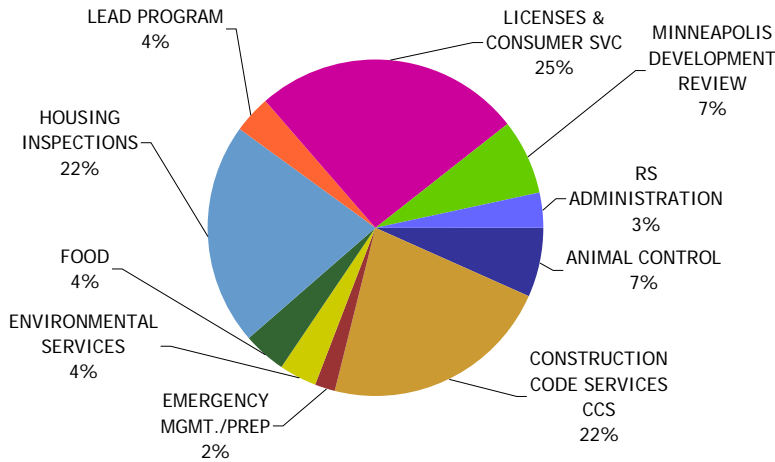
## REGULATORY SERVICES Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
ANIMAL CONTROL	20.00	20.00	16.00	19.00	18.8%	3.00
CONSTRUCTION CODE SERVICES CCS	64.00	63.00	65.50	65.00	-0.8%	(0.50)
EMERGENCY MGMT./PREP			6.40	5.40	-15.6%	(1.00)
ENVIRONMENTAL SERVICES	10.00	10.00	8.16	10.51	28.8%	2.35
FOOD	11.00	11.00	12.00	12.00	0.0%	
HOUSING INSPECTIONS	44.00	36.00	50.40	62.50	24.0%	12.10
LEAD CONTROL - HUD PROJECT			1.00		-100.0%	(1.00)
LEAD PROGRAM	6.00	7.00	3.34	10.34	209.6%	7.00
LICENSES & CONSUMER SVC	24.00	27.00	28.00	75.00	167.9%	47.00
MINNEAPOLIS DEVELOPMENT REVIEW	23.00	23.00	22.00	21.00	-4.5%	(1.00)
PROBLEM PROPERTIES		7.00				
RS ADMINISTRATION	12.00	17.00	12.60	9.75	-22.6%	(2.85)
<b>TOTAL</b>	<b>214.00</b>	<b>221.00</b>	<b>225.40</b>	<b>290.50</b>	<b>28.9%</b>	<b>65.10</b>

### Positions 2007-2010



### Positions by Divison



## CIVIL RIGHTS DEPARTMENT

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### MISSION

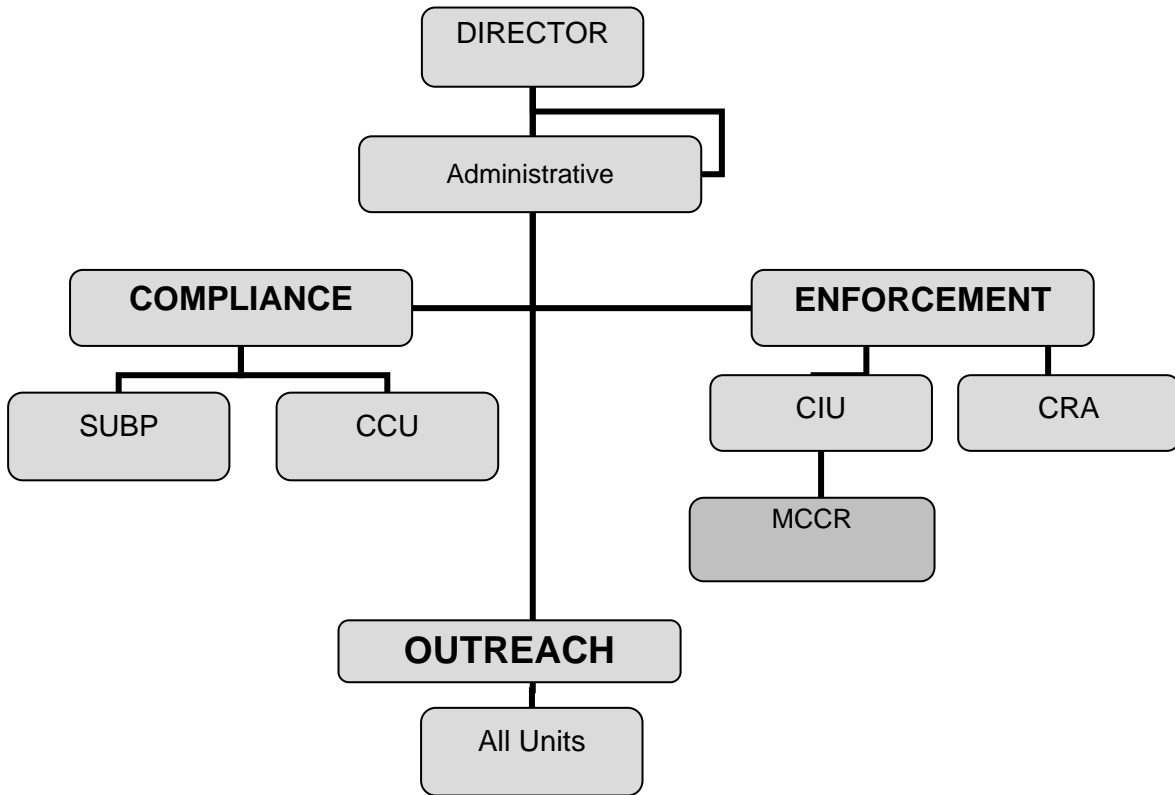
The Minneapolis Department of Civil Rights values a goal of One Minneapolis by seeking to eliminate disparities in treatment, accommodations, employment and economic opportunities for women and citizens of color. Through education, promotion, mediation and conciliation, as well as vigorous enforcement of Federal, State and local civil rights laws, the Minneapolis Department of Civil Rights strives to foster opportunities while eliminating unlawful discriminatory practices, thus promoting the health, economic stability, access, welfare, peace, and safety of the community.

### BUSINESS LINES

- **Outreach**
  - **All Units** promote the services of the department to the residents and visitors of Minneapolis by facilitating public forums and presentations. Our purpose is to educate residents and visitors about civil rights, anti-discrimination laws, and police misconduct.
- **Compliance**
  - The **Small and Underutilized Business Program (SUBP)** sets participation goals for women and minority businesses on City contracts in the areas of construction and development, provisions of goods and services; and requests for proposals; and
  - The **Contract Compliance Unit (CCU)** monitors, investigates, and reports construction employment and training participation, prevailing wage payments, affirmative action plans and violations of the City's equal benefits regulations.
- **Enforcement**
  - The **Complaint Investigations Unit (CIU)** investigates, conciliates and adjudicates complaints of discrimination; and
  - The **Civilian Review Authority (CRA)** investigates, mediates and adjudicates allegations of police misconduct, independent of the Minneapolis Police Department.
  - The **Minneapolis Commission on Civil Rights (MCCR)**, while not an operational entity within the MDCR, plays a crucial part in the execution of the Department's role. Among other duties it: (1) initiates/investigates discrimination complaints; (2) reviews complainants appeals of Director's "No Probable Cause" determinations; and (3) advises the Director and elected officials with respect to matters relating to the Commission's purpose.



**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
1 – A Safe Place to Call Home  2 – One Minneapolis	1b. Crime reduction: community policing, accountability & partnerships  2c. Equitable City Services & Geographically Placed Amenities	Enforce the Minneapolis Civil Rights Ordinance prohibiting discriminatory practices	1. Thoroughly and objectively investigate allegations of discrimination in a timely manner  2. Eliminate backlog of CIU Complaints
1 – A Safe to Call Home  2 – One Minneapolis	1b. Crime reduction: community policing, accountability & partnerships  2a. Close race and class gaps	Investigations under Title 9, Chapter 172 of the Minneapolis Civilian Police Authority Ordinance	1. Thoroughly and objectively investigate allegations of police misconduct in a timely manner  2. Improving upon the CRA Process (decreasing investigation time, thus increasing the level of trust with the broader community and enhancing relationship with police department)

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective
1 – A Safe Place to Call Home 2 – One Minneapolis	1b. Crime reduction: community policing, accountability & partnerships 2a. Close race and class gaps	Insure equal and timely access to City Services, Decision-making Processes and Resource Opportunities for all residents and visitors.	1. Facilitate processes to better inform, engage and educate diverse communities relative to city services and decision making processes
2 – One Minneapolis	2a. Close race and class gaps	Proactively support workforce diversity in the City of Minneapolis by establishing and monitoring employment hiring goals, Support and provide training and employment opportunities through City generated or supported projects.	1. Correct historical underutilization of women and minority owned businesses and under-employment of protected classes within the City of Minneapolis

<b>MEASURES, DATA AND TARGETS TABLE</b>						
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Data	2011 Target
<b>COMPLAINT INVESTIGATIONS UNIT</b>						
# of new complaints filed with CIU (including files transferred from the EEOC)	116	181	226	231	296	250
% of CIU cases resolved thru mediation/conciliation	18.7%	12.8%	17.8%	23%	22%	25%
Average CIU investigation completion time (days).	747	786	696	634	688	440
<b>CIVILIAN REVIEW AUTHORITY</b>						
# of new complaints filed with the CRA	128	85	89	75	68	80
Average time for completion of CRA investigations	255	292	252	202	218	141
% of cases resolved thru mediation	10%	4%	17%	9%	12%	30%
% of excessive force complaints that resulted in sustained determinations	19%	14%	20%	0	N/A	N/A
<b>CONTRACT COMPLIANCE UNIT</b>						
% of women and minority employees participants on construction/building projects funded with City dollars	Pending	Pending	<u>Female</u> 4.3%	<u>Female</u> 4.1%	<u>Female</u> 6.35%	<u>Female</u> 6.1%
			<u>Minority Skilled</u> 8%	<u>Minority Skilled</u> 11%	<u>Minority Skilled</u> 12.58%	<u>Minority Skilled</u> 13.5%
			<u>Minority Unskilled</u> 15%	<u>Minority Unskilled</u> 10.6%	<u>Minority Unskilled</u> 17.73%	<u>Minority Unskilled</u> 14.9%

# of women, small & minority business certified to do business w/ the City	590	674	674	708	691	N/A
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***What key trends and challenges does your department face and how will they be addressed?***

**Challenge: Complainant Investigation Unit**

In 2009 Civil Rights' challenges were as follows: (1) backlog of old complaints; (2) time required to investigate complaints filed; and (3) stability of staff of complaint investigators.

The backlog is improving rapidly, due to the application of improved methodologies and technology. The Unit has performed a "triage" analysis of the existing cases and divided them into the following classifications: (1) cases that are sufficiently investigated and can be completed within a reasonable short amount of time; (2) cases that require additional investigative effort and will require a relatively long period of time for completion; and (3) cases, which for various reasons (weak basis for complaint, loss of witnesses, respondent and complainant no longer available) cannot be brought to closure. These cases will be dismissed. This focus allows for improved utilization of human resources and higher case completion productivity. The department has made excellent use of law school interns and contract investigators. Additionally, the department has re-allocated FTE spending, eliminating a clerical position and adding another complaint investigator.

In January 2009, the department has implemented a new intake and investigation methodology as a result of the Business Process Improvement initiative. Additional improvements in effectiveness and efficiency have been achieved as a result of the implementation of the CAO's Practice Manager Database as the Unit's recordkeeping system. This system was fully operational in March of 2009.

The department has implemented new hiring, management and training actions. The more efficient methodology will improve staff morale and levels of job satisfaction. The result of these actions has been "zero" turnover among investigators with the status of permanent full time. This high level of stability has resulted in improved productivity and has contributed to improved responsiveness and service to complainants and respondents.

**Challenge: Evaluation of the Contract Compliance Unit's Responsibilities, Workloads and Outcomes**

As a result of the May 2007 analysis of the Contract Compliance Unit several new initiatives were implemented. These include: (1) hiring several new employees (replacing existing vacancies); (2) instituting new and modifying existing policies; and (3) improving work methodologies and support systems.

A computer based contract compliance monitoring system went live in June 2009. Significant increases in the efficiency and effectiveness of the Unit were experienced immediately.

The City of St. Paul has also purchased this computer based Contract Management System, and Hennepin County may purchase the same system or one very similar in operation. This technology base will create the foundation for the various jurisdictions to

partner in monitoring and enforcement efforts, resulting in improved efficiency and transparency for both the community and general contractors.

**Trend/Challenge: The number and size of contracts awarded to minority and women owned contractors remains small**

In 2008, the construction contracts awarded to minority and women owned businesses were as follows:

1. Total Contracts awarded – MBE = \$4,309,036.38  
WBE = \$5,536,765.23
2. % of total City expenditures – = 13%

The low level of performance has been the norm for decades and there has been an increased demand from both elected officials and community residents to increase the participation of women and minority owned businesses.

As a result of the enhancements in the functions and productivity of the CCU, we have seen significant improvements in the minority/female workforce and small business participation. The first quarter 2009 statistics are as follows:

Employment:

- 12.58% Minority Skilled (Goal = 11%)
- 17.73% Minority Unskilled (Goal = 11%)
- 6.68% Female (Goal = 6%)

Small Businesses:

- \$4,517,377.38 or 6.19% MBE
- \$5,889,781.84 or 8.07% WBE
- % of the total City expenditures = 14.3% (Goals are project specific)

The department expects several of the budget initiatives recommended in the 2009 budget (e.g. section 3 monitoring and reporting and proposed changes to M.C.O § 423); as well as the program initiatives that were initiated in 2008 (e.g. implementation of new contract compliance monitoring system; completion of a disparity study; cooperative, multi-jurisdictional M/WBE contractor capacity building within the City of St. Paul, Metropolitan Economic Development Association; institution of new City Department goals for purchasing of goods and services from minority and women owned businesses) will be successful in responding to the challenge.

**Challenge: Compliance with Federal Monitoring and Participation Mandates (budget request)**

The City of Minneapolis, as a recipient of Community Development Block Grant Funds (CDBG), is required to administer a Section 3 program. The program requires that businesses and residents located in the area of a project funded in whole or part by CDBG funds, have an ample opportunity to participate as businesses or employees in the economic opportunities generated by the project. The City does not have a consistent and effective system for meeting these requirements.

Lack of a program places funding in jeopardy. Over the past couple of years, HUD has increasingly supported economic liability on recipients found in noncompliance. A law was passed this year which would allow penalties up to ten (10) percent of the overall funding.

The City has not administered a Section 3 program since the Heritage Park Project. It would appear that such a program and reporting requirement would fit best within the additional functions of the Civil Rights Department. It would require that we apply resources to develop a program which would certify, promote and monitor Section 3 employees and businesses. The department received funding from CDBG to fund one position. Due to the hiring freeze in early 2009, this position was not filled until May of 2009. However, we are already beginning to obtain its benefits.

**Challenge: Reducing the CRA process timeline**

The length of time to complete CRA investigations is important to citizens, police administration and officers. The CRA ordinance requires that investigations be completed within 60 days, unless there is a one-time 30-day extension. Currently, the CRA does not complete the majority of its investigations within this timeframe.

The CRA has two investigators who are responsible for investigating allegations that may arise from the actions of over 800 uniformed police officers. Based on the number of officers compared to the number of investigators, the CRA's investigative capacity is strained. This strained capacity affects the timeliness of CRA investigations and thus is an additional contributor to the public's waning confidence in the CRA's ability to address misconduct issues in a meaningful manner. Additionally, officers have expressed concerns about the length of time complaints are open against them. There are also implications for police administration in its own use of CRA findings to impose discipline on police officers.

**Challenge: Cultural Awareness Training**

The CRA is mandated to collaborate with the MPD on cultural awareness training. Through informal conversations with MPD personnel, past cultural awareness training has not produced measurable results in the officers. The MDCR and MPD management will conduct an analysis to determine the reasons for this lack of success and recommend follow-up actions that will achieve the desired results. The CRA should continue to discuss cultural awareness training with the MPD and develop a workable program modeled after other successful programs from departments across the country.

**Challenge: Backlog of Probable Cause Complaints with the Commission**

There is an increase in the number and complexity of probable cause cases transferred to the Commission for resolution. Currently, the Commission has 54 cases on its docket. A challenge in 2009 will be addressing the number of PC cases that are scheduled for a Public Hearing in 2009. 29 Probable Cause cases will be scheduled for a Public Hearing. These hearings will stretch into 2010. This increase has resulted in concerns over resources raised by the lawyers on the commission, who must act as presiding officers on the three-member panels that hear the complaints. This is of particular concern because it affects the timeliness of the enforcement agency's administrative processes. The Department is exploring several scenarios that would reduce this backlog; they include the use of Administrative Law Judges to handle these cases, increasing the number of attorney-commissioner positions with the Commission, and applying BPI methodology to the Commission hearing process.

***What changes to the ordinance are needed to improve services and/or reduce cost?***

There are several areas where ordinance changes must be recommended. The first relates to the SUBP ordinance. The changes would include: (1) requirement of “prompt payment” of minority and women owned businesses by the general contractors after completion of the work. The suggested payment period would be in 14 days; and (2) a fixed percentage of City expenditures, as identified by annual budget line items, would be dedicated to minority and women owned businesses. The percentage amount would be predicted upon the “availability of such businesses as identified by the results of the Disparately Study that will be completed in December 2008. The ordinance language would be mandated after Minn. Stat. 166.16. The CCU has already implemented a prompt payment requirement. However, it would be prudent and more effective to solidify it via ordinance.

The second potential ordinance change relates to the Civilian Police Review Authority (CRA). The City Attorney is currently seeking an opinion from the Minnesota Department of Administration (MDA) concerning data privacy issues, relative to the function of the CRA. The outcome the MDA decision may suggest a change to the ordinance. At this time, a more specific recommendation cannot be presented.

A third potential change would be to consider changing the current 90-day requirement for completion of a CRA investigation. Staff resources do not allow the unit to consistently meet this deadline.

Fourth, there are ordinance changes that will be required to support the implementation of the new city-wide affirmative action plan. However, specific recommendations cannot be offered until the affirmative action plan is approved by the City council and the Mayor.

Finally, if the operation of the CIU is suspended, several changes in the ordinance may be required. If and when this occurs, the City Attorney’s Office and the Department will develop specific recommendations. It might also be prudent to suggest statutory changes to the Minnesota Human Rights Act. In order to compensate for the loss of investigative capacity and appeal/review opportunities currently available via the Minneapolis Commission on Civil Rights.

***What actions will the department take to meet the current financial projections (5% reduction in all funds)?***

A 5% reduction for Civil Rights would be \$110,000. The department would take these cuts in Contractual Services. Computer system support in the amount of \$50,000 would be discontinued. Additionally, the department will reduce its use of contract investigators.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The total 2010 Civil Rights’ budget of \$2.394 million, a 12.1% decrease from 2009.

**REVENUE**

The department's revenue from EEOC (Equal Opportunities Employment Commission) work share agreement is projected in 2010 at \$55,000.

### FUND ALLOCATION

The department is funded by the general fund (85%) and CDBG funds (15%).

### ORIGINAL BUDGET

The Mayor recommended a reduction of \$164,000 and one position from the current service level for this department. Council approved the Mayor's recommendations. Additionally, Council reduced Civil Rights' operating budget by \$93,000 and 1 FTE, and directed the department to develop standards of progress on eliminating the CIU case backlog by December 31, 2011 and present to the MDCR reporting committee no later than February 2010. Quarterly progress reports to MDCR should begin in February 2010. The City Coordinator was directed to recommend to the Civil Rights reporting committee in January 2010, a community engagement plan to gather input from stakeholders on the future and functions of the Minneapolis Department of Civil Rights.

The budget for this department includes a reduction of BIS charges of \$29,200 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$562 decrease in appropriation due to the Council's actions to fund two internal audit positions. Back out both changes, the 2010 Council Adopted Budget for the department is \$2,423,999, a 11.0% decrease from the 2009 Revised Budget.

### MAYOR'S REVISED BUDGET

The Mayor included no reduction to this department.

### COUNCIL REVISED BUDGET

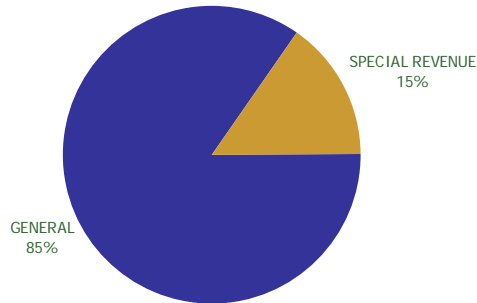
Council approved the Mayor's recommendation.

### CIVIL RIGHTS EXPENSE AND REVENUE INFORMATION

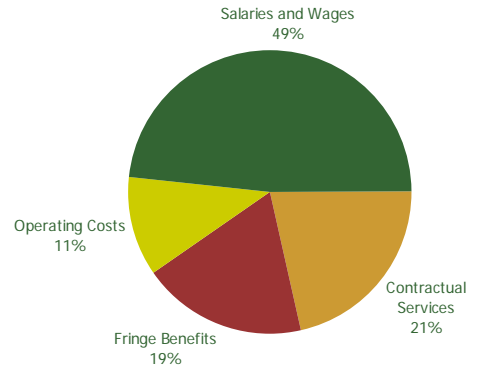
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	1,181,506	1,188,905	1,184,455	993,663	-16.1%	(190,792)
Fringe Benefits	310,161	336,424	425,635	383,822	-9.8%	(41,813)
Contractual Services	584,969	730,366	488,685	379,775	-22.3%	(108,910)
Operating Costs	246,798	253,631	261,231	269,612	3.2%	8,380
Capital	0		6,742	2,366	-64.9%	(4,376)
<b>TOTAL GENERAL</b>	<b>2,323,434</b>	<b>2,509,326</b>	<b>2,366,748</b>	<b>2,029,237</b>	<b>-14.3%</b>	<b>(337,511)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	173,553	237,044	82,113	165,202	101.2%	83,090
Fringe Benefits	51,717	77,911	30,764	67,323	118.8%	36,559
Contractual Services	34,231		235,313	132,475	-43.7%	(102,838)
Operating Costs	0		8,810	(1)	-100.0%	(8,811)
<b>TOTAL SPECIAL REVENUE</b>	<b>259,501</b>	<b>314,955</b>	<b>357,000</b>	<b>365,000</b>	<b>2.2%</b>	<b>8,000</b>
<b>TOTAL EXPENSE</b>	<b>2,582,935</b>	<b>2,824,281</b>	<b>2,723,748</b>	<b>2,394,237</b>	<b>-12.1%</b>	<b>(329,511)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Federal Government	0	(1,500)			0.0%	0
Charges for Service	57	23,055			0.0%	0
Charges for Sales	35	26			0.0%	0
Other Misc Revenues	0				0.0%	0
<b>TOTAL GENERAL</b>	<b>92</b>	<b>21,581</b>			<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Federal Government	46,440		54,000	55,000	1.9%	1,000
<b>TOTAL SPECIAL REVENUE</b>	<b>46,440</b>		<b>54,000</b>	<b>55,000</b>	<b>1.9%</b>	<b>1,000</b>
<b>TOTAL REVENUE</b>	<b>46,532</b>	<b>21,581</b>	<b>54,000</b>	<b>55,000</b>	<b>1.9%</b>	<b>1,000</b>

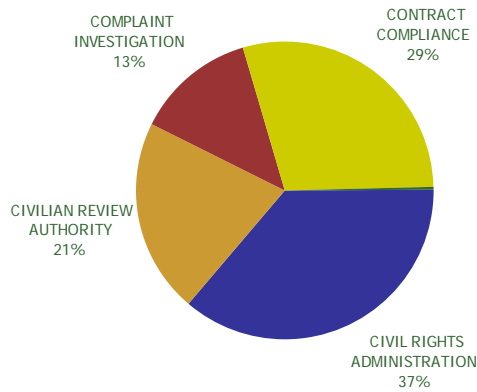
Expense by Fund



Expense by Category

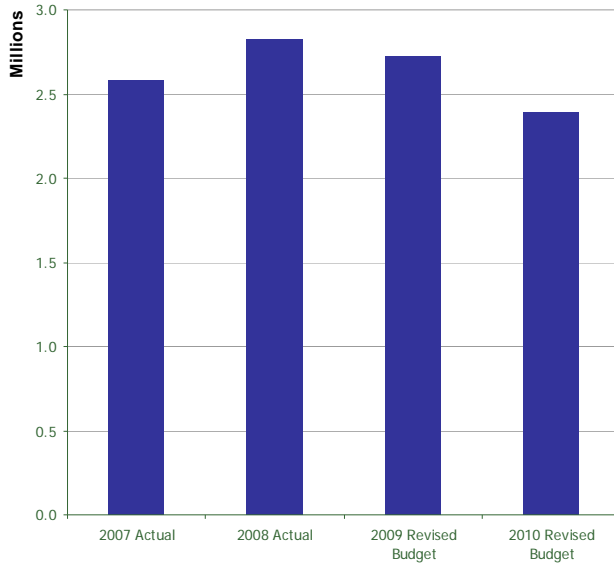


Expense by Division

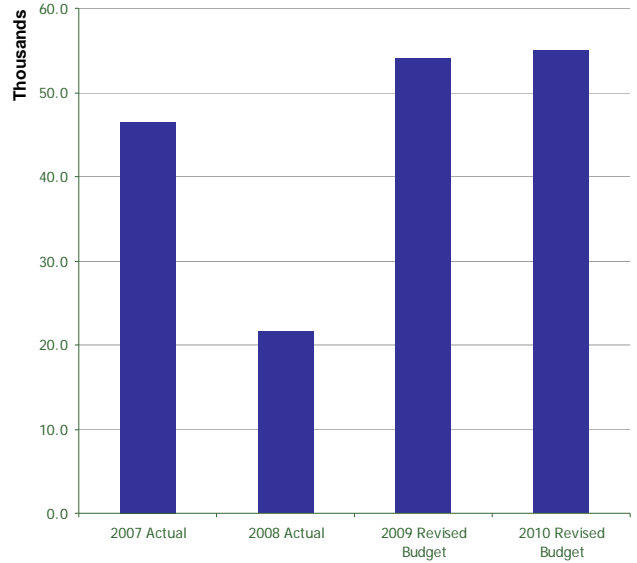




Expense 2007 - 2010



Revenue 2007 - 2010

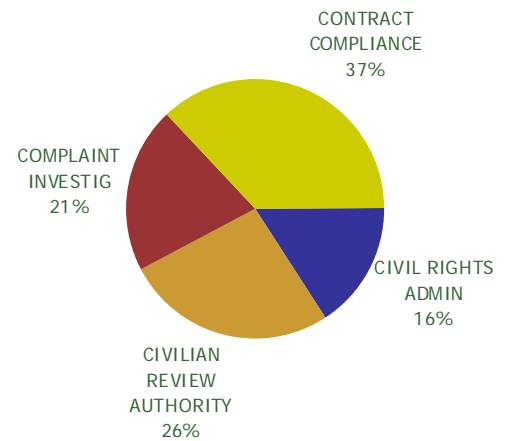
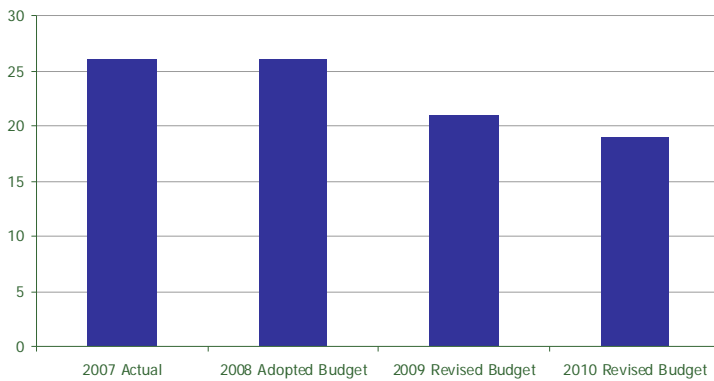


**CIVIL RIGHTS  
Staffing Information**

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
CIVIL RIGHTS ADMINISTRATION	5.00	5.00	5.00	3.00	-40.0%	(2)
CIVILIAN REVIEW AUTHORITY	4.00	4.00	5.00	5.00	0.0%	
COMPLAINT INVESTIGATION	5.00	5.00	5.00	4.00	-20.0%	(1)
CONTRACT COMPLIANCE	6.00	6.00	6.00	7.00	16.7%	1
OUTREACH	6.00	6.00				
<b>TOTAL</b>	<b>26.00</b>	<b>26.00</b>	<b>21.00</b>	<b>19.00</b>	<b>-9.5%</b>	<b>(2)</b>

Positions by Division

Positions 2007-2010





# COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT (CPED)

## MISSION

CPED works to grow a sustainable city.

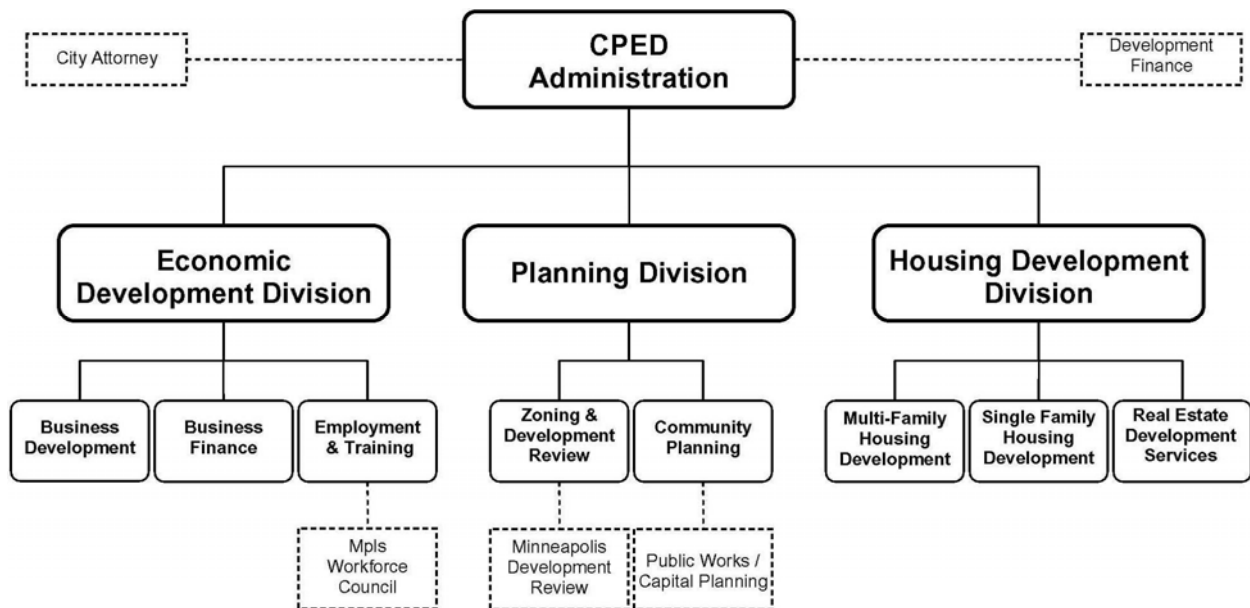
## BUSINESS LINES

- **Community Planning** – CPED prepares and implements the City's comprehensive plan and other adopted plans and informs the city's development and infrastructure strategies.
- **Economic Policy & Development** – CPED grows businesses and jobs through real estate development financing, site assembly, providing technical assistance, and establishing business-to-business connections.
- **Workforce Development** – CPED manages a network that prepares Minneapolis residents for living-wage jobs and builds partnerships to improve career opportunities within the city.
- **Housing Policy & Development** – CPED provides financing from public as well as private and philanthropic sources and administers programs for housing development, preservation and rehabilitation to advance a continuum of housing choices throughout the city.
- **Zoning and Development Review** – 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.

Throughout all of the above business lines, CPED works collaboratively with other public, private, and non-profit partners, often serving as the organizer of public goods and efforts from all sectors.

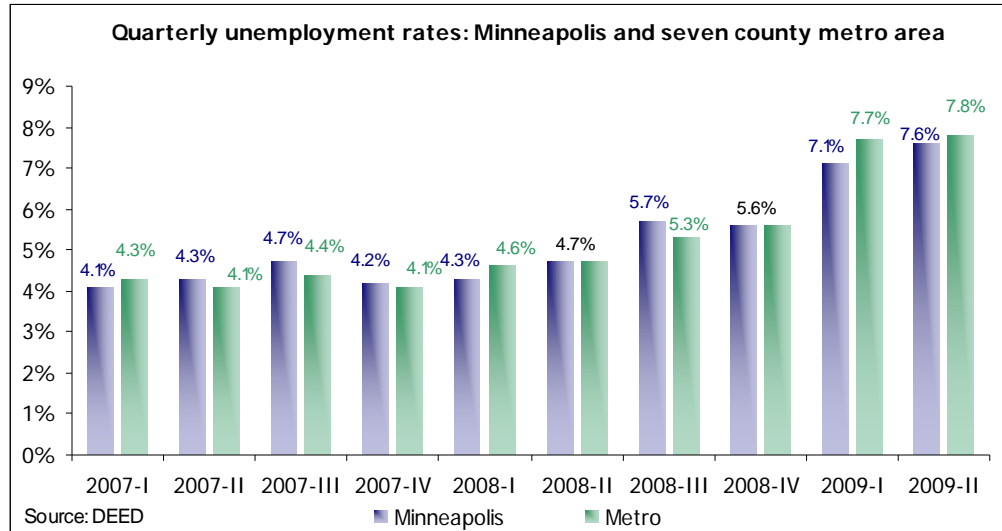
## ORGANIZATION CHART



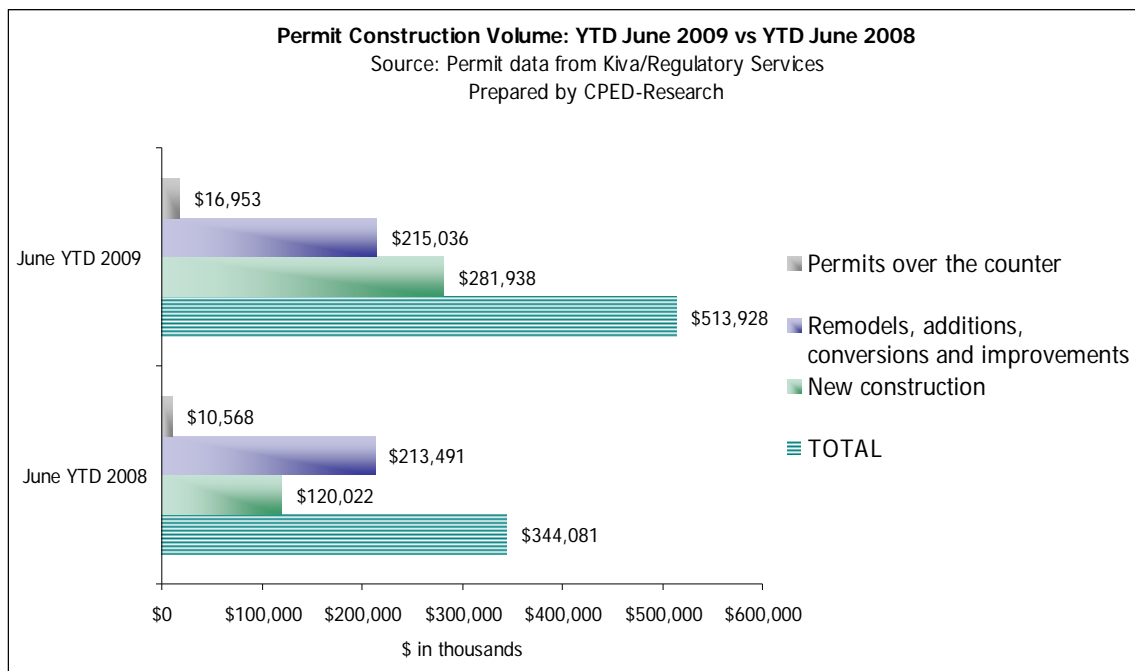
## RESULTS MINNEAPOLIS CHARTS

The following graphs and charts are excerpted from the most recent “[CPED Results Minneapolis](#)” and/or “[Minneapolis Trends](#)” reports which reflect selected key trends. Many CPED programs address these and related trends; please see the full reports for additional detail.

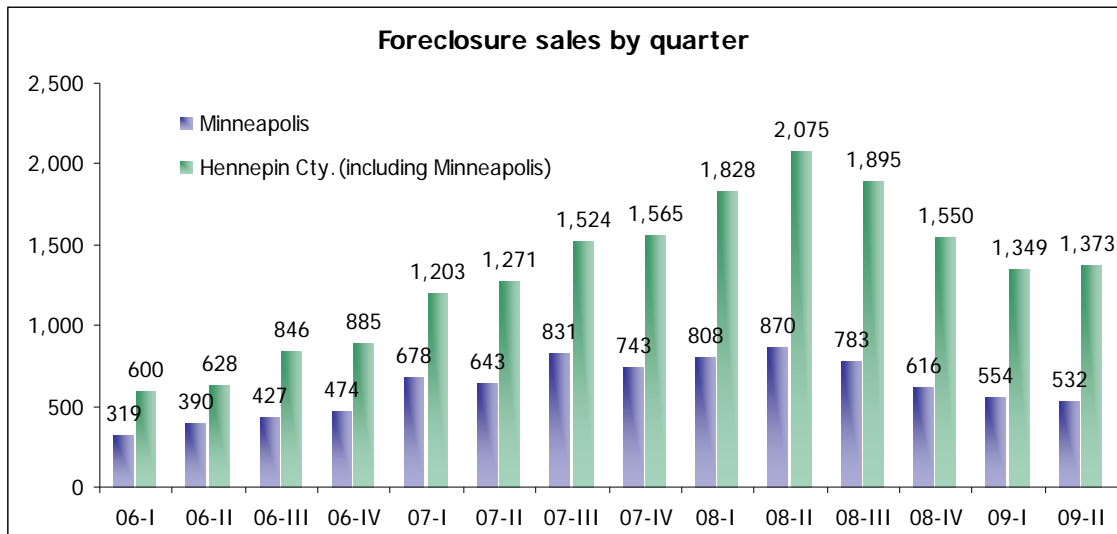
Despite increases nationally and locally, thus far in 2009, on a quarterly basis City unemployment rates have been lower than metro rates:



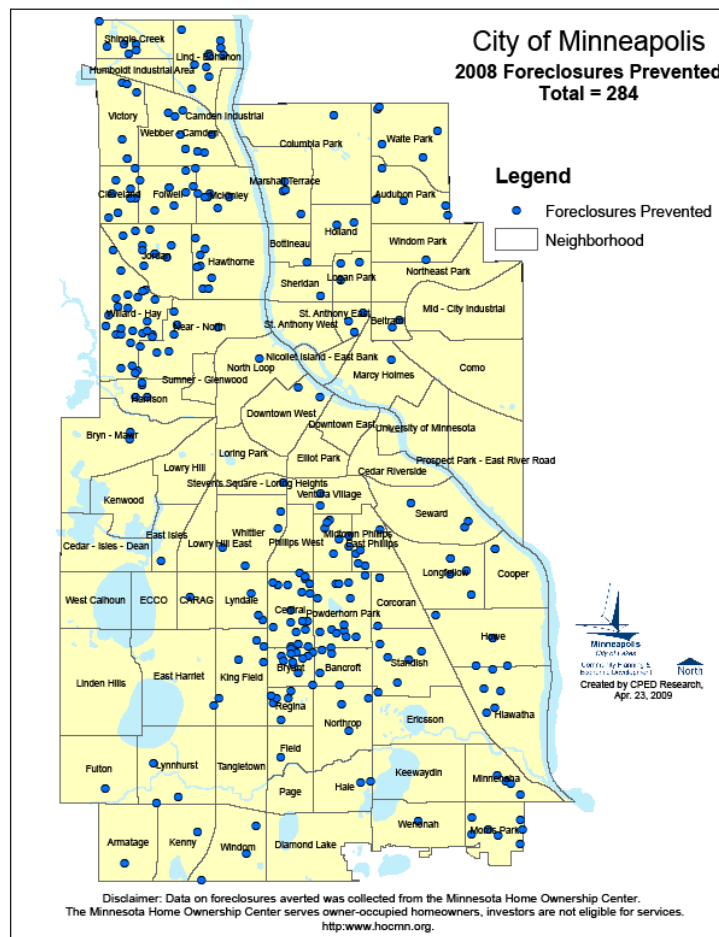
2009 YTD permit dollar volume through June has exceeded 2008 volume, primarily due to two major projects: the Twins ballpark (\$257 M) and the Children’s Hospital expansion (\$76 M):



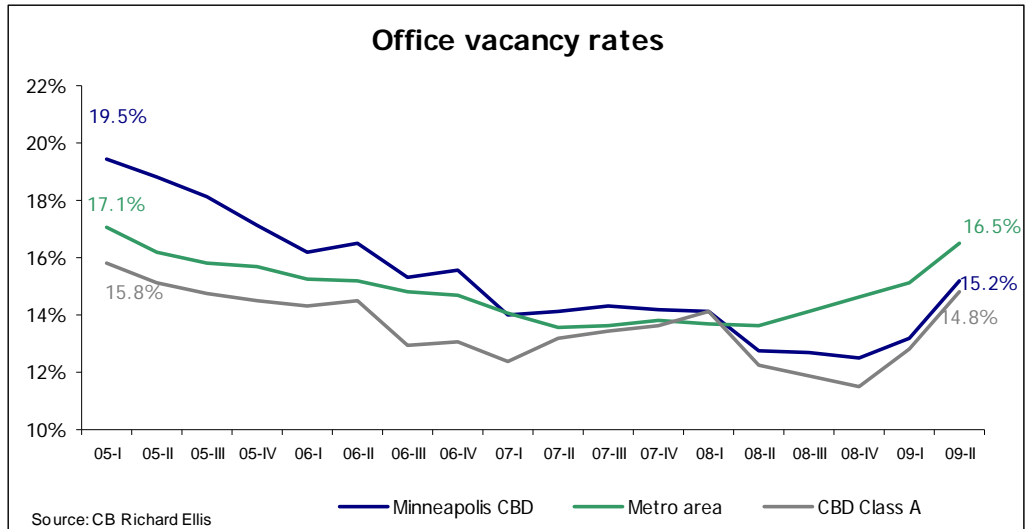
Since mid-2008 foreclosures have been trending downward both in the City and county-wide:



CPED supports foreclosure prevention counseling through a contract with the Homeownership Center:

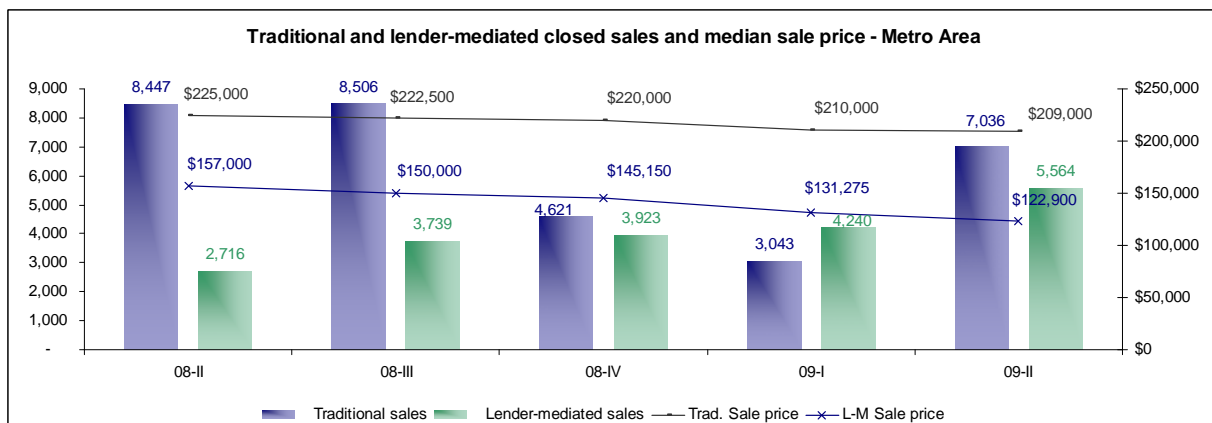
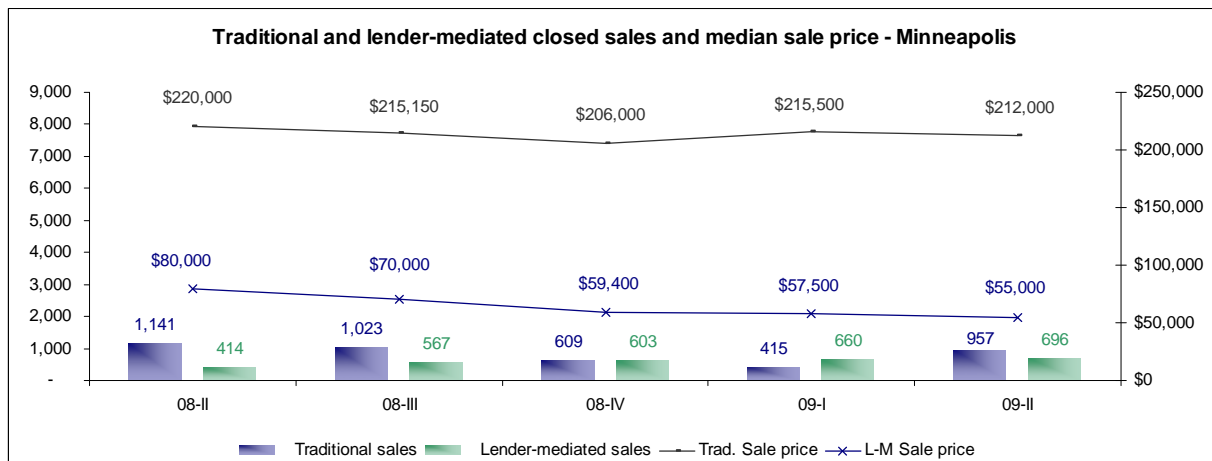


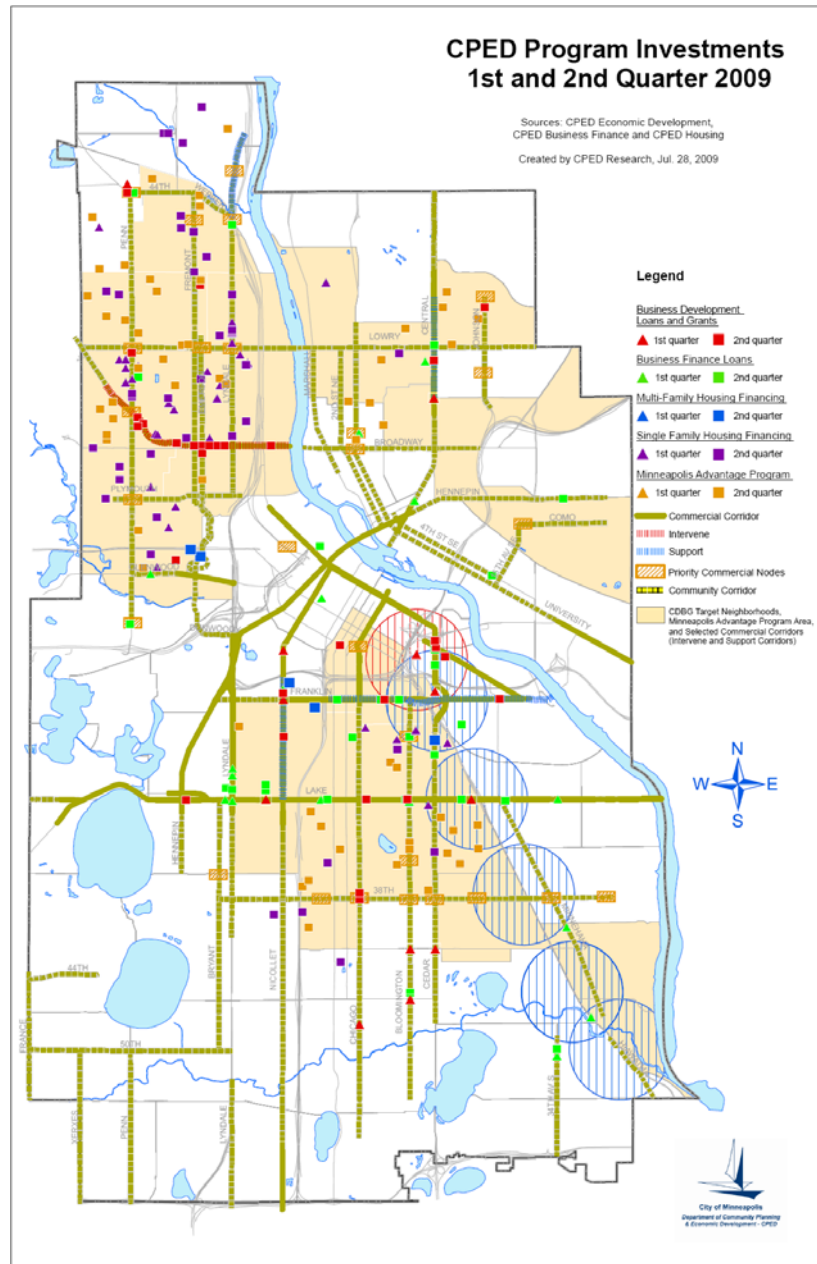
While recently trending upward, Minneapolis CBD office vacancy rates have been lower than metro vacancy rates since 2<sup>nd</sup> quarter 2008:



Following national and regional trends, lender-mediated sales have increased in Minneapolis, but traditional sales prices have held steady, and have been higher than metro-wide sales prices for the last two quarters.

### Home sale prices





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

The two continuing and related challenges for CPED and for the City are the deep economic recession - now over 18 months long - and the ongoing challenges in the housing market. The downturn across most industry sectors has resulted in historically high unemployment rates nationwide and locally – 7.4% in Minneapolis as of May, 2009. The combined impact of subprime mortgages, predatory lending, and job losses have resulted in high rates of foreclosures, boarded and vacant buildings, and depressed housing values across large segments of the market.

Augmented by new federal funding from several sources, CPED is aggressively responding to these challenges on several fronts:

- it has expanded its Working Capital Guarantee Loan Program and Great Streets Program loan limits in order to provide credit-starved businesses with additional financial capacity during lean times;
- it is preparing Energy Efficiency Loan Programs for both businesses and homeowners;
- it has expanded the Dislocated Worker Program with almost \$1 million in funds from the American Recovery and Reinvestment Act of 2009, providing services for an additional 154 laid off workers who will also have access to education and training opportunities in demand occupations;
- it has created a three point Foreclosure Recovery Program using funds in an innovative way to coordinate with local community organizations and developers in areas faced with large number of foreclosures.

The department's 2010 budget request reflects these initiatives, including new or expanded funding for programs such as the Credit Building Loan Program, and Energy Efficiency Business and Residential Loan Programs. The economic development capital budget includes some strategic cuts to programs not well targeted to the current economic climate and shifts resources to where they will be most effective. The department is aggressively pursuing outside sources of funding for business and development assistance.

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

CPED provides most of its services in coordination with a variety of public, private, and non-profit partners, as well as with many City departments. A partial listing follows:

**Public**

Hennepin County  
Metropolitan Council  
MN – DEED  
MN Housing  
MnDOT  
University of MN

MN Homeownership Center  
National Community  
Neighborhood groups  
Stabilization Trust  
25 non-profit employment  
and training service providers

Mpls Regional Chamber  
Workforce Investment Board

**Non-profit**

Achieve Minneapolis  
Community Development  
Corporations  
GMHC

**Private**

Neighborhood business  
associations  
Private lenders  
Private developers  
Downtown Council

**Multi-party partnerships**

Cedar Riverside Partnership  
Downtown SafeZone  
Hiawatha Com. Works  
Northside Home Fund  
Phillips Partnership  
University Alliance  
West Broadway SafeZone

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

Due to its heavy reliance on teaming with outside partners and outside funders to deliver programs, CPED is constantly being monitored by others, or monitoring the performance of its various public, private, and non-profit partners. Examples include:

- the majority of CPED's housing and economic development funds are distributed to private or non-profit developers via an RFP process, which by its very nature involves a competitive allocation of funds and an up front agreement on costs for specified outcomes; poor proposals do not get funded, and poor performance against contractually defined project goals does not get paid;

- the majority of CPED's housing and development work is supported by non-City funds, either federal, state, metro, county, or private. Most of these fund sources require regular detailed reporting on outcomes achieved, creating an obligation for both city staff and external partners to pay close attention to both costs and performance.



CPED's job placement and training functions are structured as a 'pay for performance' vendor contract; i.e. the non-profit vendors get paid only for actual results achieved based on a standard City-defined unit costs and vendors are regularly evaluated against City-defined performance standards;

CPED closely monitors trends in market value [EMV] as one factor in prioritizing public investment [e.g. Great Streets program], and as an overall success measure of program outcomes [e.g. changes in residential EMV as a measure of the impact of housing investments];

CPED continually strives for transparency and accountability via regular reporting of program results from individual program reports such as the [Great Streets program \[March 2009\]](#), the [Minneapolis Advantage program \[October 2008\]](#), and the [Job Linkage program \[August 2008\]](#) to compilation publications such as the [CPED quarterly performance reports](#), [Results Minneapolis](#), the [Consolidated Annual Performance and Evaluation Report](#) for various federally funded housing programs, and [Minneapolis Trends](#).

***What actions will the department take to meet the current financial projections (5% reduction in, all funding sources)?***

Actions to address the 5% cuts fall disproportionately on the Planning Division because that part of CPED is highly dependent on the General Fund. At present, none of CPED's Results Minneapolis performance metrics specifically track planning functions; however should cuts at either level occur there would be service impacts as described below:

For the 5% General Fund scenario, there are four proposed reductions totaling \$162,719 (\$145,219 in the general fund and \$17,500 CDBG):

1. Elimination of Cultural Arts Coordinator position: This will have a direct impact on service levels as most of the duties will no longer be performed. This includes film and video production assistance, staffing of the Arts and Culture Coordination Team, coordination of City Hall art exhibits including Art in the Mayor's office, assistance with the annual Mosaic cultural festival, as well as other miscellaneous arts and culture coordination efforts.

The following cuts should have no direct service impact:

2. Reduction of the Division's program assistant hours by 20% or \$13,000
3. Transfer of 25% of the Public Art Administrator's salary from the General Fund to the Public Art Capital Fund to save \$16,500 [will slightly reduce the amount of capital art funded]
4. The elimination of stipends for three of the five citizen boards that CPED planning staffs to save \$45,000 – Heritage Preservation Commission, Board of Adjustment, and the City Planning Commission.

**Please include a description of any new revenue proposals.**

Fees in connection with any housing and economic development programs which applications fees are currently charged, will be increased by 10%. This adjustment is necessary to generate additional revenue needed to begin the steady repayment of the department's Preliminary Planning Fund.

The department is also exploring a new fee structure to help defray costs related to administering certain external grant applications and awards, e.g. brownfield remediation grants,

Metropolitan Council Livable Communities grants, and other grants that do not compensate the City for required administrative services.

The Planning Division collects fees associated with its land use, land subdivision and heritage preservation applications and sign permits. These fees are regularly evaluated and revised.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The total 2010 expenditure budget of \$86.5 million is a 31% decrease from the 2009 adopted budget of \$125.3 million. This reduction is primarily due to de-certification of fifteen TIF districts in 2009 and reduced transfers of \$23.8 million DDS debt retirement from pre-1979 tax increment districts for debt service. Also the Empowerment Zone program is nearing its sunset with a reduced budget in 2010.

Two FTEs, one in Executive Administration and one in Economic Development division, are being eliminated in 2010. The CPED Director intends to identify and make further reductions in the Executive Administration division in the Department.

### **REVENUE**

Excluding internal fund transfers, the Department's projected revenue budget for 2010 decreased by \$56.1 million (39%) when compared to 2009. Tax increment receipts decrease largely due to the decertification of the pre-1979 districts, and these are partially offset by one-time increases in state grant funding and project related revenues. The decreased revenue from pre-1979 districts has been anticipated and debt service obligations are accounted for in planned debt service reserves.

### **ORIGINAL BUDGET**

As a result of the 2009 revised budget, the department reduced 3 FTE to reflect the spending cuts. The Mayor recommended a reduction of \$215,000 and one position in this department, as well as the reduction of non-personnel expenses and an increase in Community Development Block Grant funding of \$62,000 to fund administrative expenses in the department. The Mayor's revised recommendation was to fund \$150,000 on a one-time basis for housing advocates from the Reallocated Legacy Fund to Intergovernmental Relations. Council adopted the Mayor's recommendations and further directed funding in the Community Development fund Legacy fund program income to be decreased by \$31,000, and funding for the St. Anthony Heritage Board to be increased by \$31,000. Additionally, Council directed funding in the Community Development fund Legacy fund program income to be decreased by \$50,000 and funding to the Riverfront Development Corporation to be increased by \$50,000. CPED was directed to reduce CDBG funding for Youth Employment by \$110,000 and the Mortgage Foreclosure Prevention Program by \$140,000.

Furthermore, CPED was directed to eliminate the existing vacant Community Planner position in the planning division and use general fund and CDBG resources to keep the Arts Coordinator position. This position and associated resources will be transferred to the City Coordinator in 2011.

The budget for this department includes a reduction of BIS charges of \$84,900 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$13,359 increase to General Fund Overhead charges in CPED's general

operating fund and a \$6,001 decrease in appropriation in the General Fund due to the Council's actions to fund two internal audit positions.

### **Council Adopted Plan regarding Tax Increment Districts**

On December 4, 2009 the City Council directed the Finance Staff to amend the Consolidated Tax Increment Financing Plan for the District to: (1) reduce the size of the proposed District to approx 50%, (2) adjust the tax increment budget contained in the plan accordingly, (3) change the tax increment allocation methodology or funding distribution and (4) reduce the maximum amount of bonds to be issued shown in the plan and (5) and then return to the Committee of Whole on December 17, 2009 with the amended plan and related documents for its consideration. The City Council approved the Consolidated TIF plan, as amended, on December 18, 2009.

The District, as adopted, is comprised of five of the former pre-1979 TIF districts. It represents 50.8% of the total net tax capacity of all of the former pre-1979 TIF districts and contains 51 percent of the parcels. The District represents the most diverse and stable subset of pre-1979 TIF districts that achieves the 50% target.

The tax increment that will be received each year from the District shall first be used to 1) make the necessary reimbursement payments to Hennepin County required under the Special Legislation, and 2) pay for the City and County costs of administering the District. The remaining "Net Tax Increment" to be allocated:

- 50% for Target Center debt service and
- 50% for neighborhood revitalization purposes

#### *Financial recommendation for Target Center principal and interest and neighborhood operations and programming*

The 10-year Consolidated TIF budget projects Net Tax Increment of \$53,650,000 being available for both Target Center Debt and Neighborhood Revitalization purposes, for a total of approx \$107.3 million for both activities over the 10 year life of the District.

The current Target Center finance plan (absent the 2008 special State legislation allowing for the formation of the Consolidated Tax Increment Financing District) is not structurally balanced. While the current debt is being refunded as of year-end 2009 to reflect a reduced interest rate due to the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.6 million annually) and capital refurbishment of the arena (\$2-3 million annually). The revenue to come from the Consolidated TIF district, along with the interest savings from the refunding of the debt provides the opportunity to redirect resources to the unfunded capital and operating needs. The Finance Department will prepare an updated finance plan for the Target Center arena based upon these actions.

The current plan relies on the following revenue sources:

- *Property tax* generated at the arena - \$100,000 annually through 2012, \$550,000 when the arena TIF district decertifies in 2013 and beyond.
- *Tax Increment* from the Arena - \$1 million annually through 2012. This resource may only be used for debt service, certain administrative costs, and capital costs.
- *Entertainment tax* generated at the arena - \$1.1 million annually.
- *Event parking* - \$2.6 annually million in 2010, escalating to \$5.6 million by 2024.

- *Tax Increment* from the Common Project – approximately \$1.9 million annually through 2013 and \$1.6 million annually through 2024. This resource may only be used for debt service, certain administrative costs, and capital costs.

Of these resources only entertainment tax, parking revenues and property tax can be used to fund the operating subsidy. But for dedication in the plan, any of these three resources could be used to reduce financial pressures in the general fund or the parking fund. The \$750,000 annual payment from the Minnesota Amateur Sports Commission was repealed in 2009, increasing the pressure on the current plan.

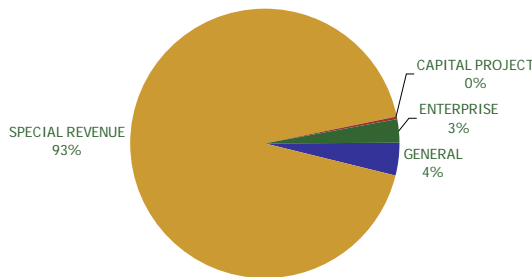
### MAYOR’S REVISED BUDGET

The Mayor recommended a reduction of \$104,000 on a one-time basis through the reduction of non-personnel expenses such as those related to office equipment, technology, supplies, and training and development.

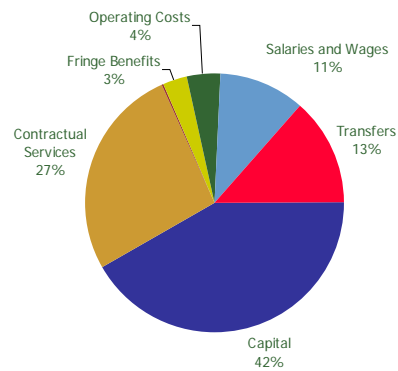
### COUNCIL REVISED BUDGET

Council approved the Mayor’s recommendation.

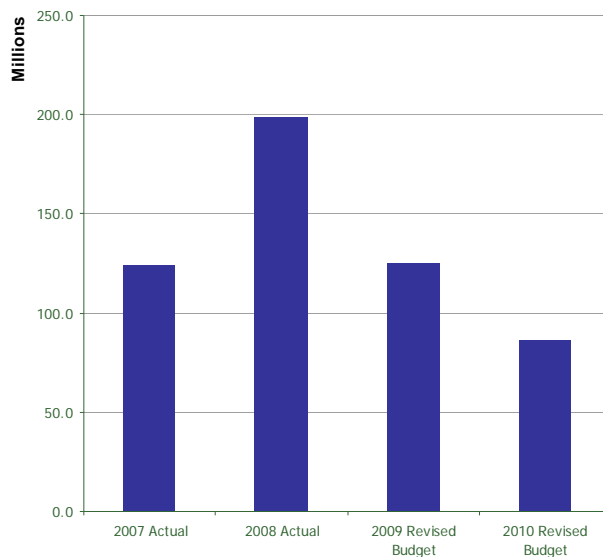
Expense by Fund



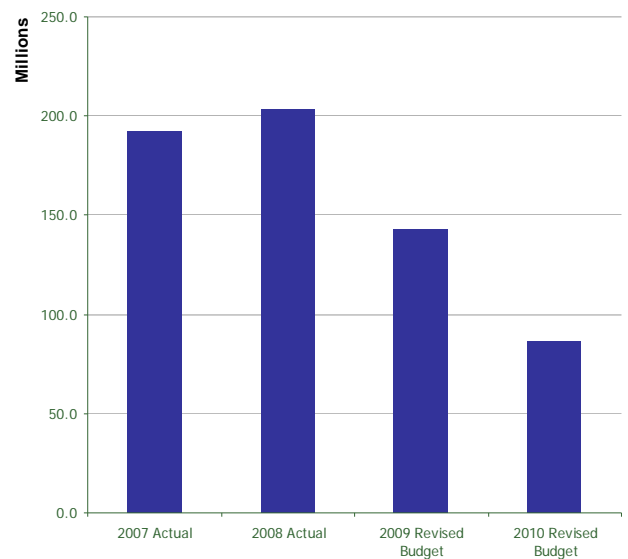
Expense by Category



Expense 2007 - 2010



Revenue 2007 - 2010

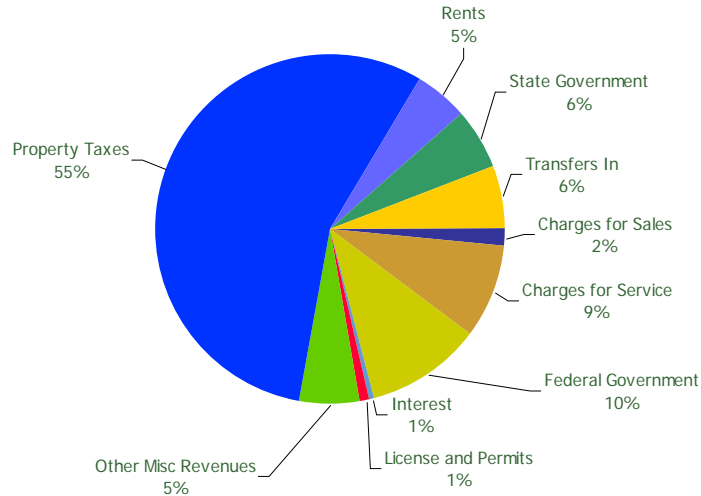


**COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	2,134,962	2,081,810	2,128,023	1,992,308	-6.4%	(135,714)
Fringe Benefits	596,469	602,445	700,345	583,265	-16.7%	(117,080)
Contractual Services	829,488	572,501	894,017	730,556	-18.3%	(163,461)
Operating Costs	147,473	217,917	156,654	138,717	-11.5%	(17,937)
Capital	0	425			0.0%	0
Transfers	0	16,000			0.0%	0
<b>TOTAL GENERAL</b>	<b>3,708,392</b>	<b>3,491,098</b>	<b>3,879,038</b>	<b>3,444,846</b>	<b>-11.2%</b>	<b>(434,192)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	6,388,670	6,202,650	6,863,041	7,192,339	4.8%	329,298
Fringe Benefits	1,739,579	1,701,755	2,161,422	1,939,225	-10.3%	(222,197)
Contractual Services	28,474,314	28,239,201	20,735,475	21,495,882	3.7%	760,407
Operating Costs	1,941,564	5,727,209	2,231,060	2,124,033	-4.8%	(107,027)
Capital	36,155,503	35,365,008	19,753,834	35,950,936	82.0%	16,197,102
Debt Service	0	12,262,141	112,805	261,724	132.0%	148,919
Transfers	0	59,567,755	30,111,044	11,504,324	-61.8%	(18,606,720)
<b>TOTAL SPECIAL REVENUE</b>	<b>74,699,630</b>	<b>149,065,719</b>	<b>81,968,680</b>	<b>80,468,463</b>	<b>-1.8%</b>	<b>(1,500,217)</b>
<b>CAPITAL PROJECT</b>						
Salaries and Wages	9,132			35,534	0.0%	35,534
Fringe Benefits	2,984			12,513	0.0%	12,513
Contractual Services	28,723	243,971			0.0%	0
Operating Costs	60,292	4,734			0.0%	0
Capital	35,467				0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>136,598</b>	<b>248,705</b>		<b>48,047</b>		<b>48,047</b>
<b>DEBT SERVICE</b>						
Contractual Services	87,554				0.0%	0
Debt Service	42,663,058	39,314,651	37,254,261		-100.0%	(37,254,261)
Transfers	0	157,074			0.0%	0
<b>TOTAL DEBT SERVICE</b>	<b>42,750,612</b>	<b>39,471,725</b>	<b>37,254,261</b>		<b>-100.0%</b>	<b>(37,254,261)</b>
<b>ENTERPRISE</b>						
Salaries and Wages	120,682	115,355	123,853	134,152	8.3%	10,299
Fringe Benefits	30,388	32,876	37,085	33,845	-8.7%	(3,239)
Contractual Services	2,269,465	2,222,805	340,923	777,573	128.1%	436,650
Operating Costs	323,671	350,534	1,418,000	1,478,400	4.3%	60,400
Capital	410	22,364	230,000	98,200	-57.3%	(131,800)
Debt Service	56,697	49,530			0.0%	0
Transfers	0	4,009,509			0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>2,801,313</b>	<b>6,802,973</b>	<b>2,149,861</b>	<b>2,522,170</b>	<b>17.3%</b>	<b>372,310</b>
<b>TOTAL EXPENSE</b>	<b>124,096,545</b>	<b>199,080,220</b>	<b>125,251,840</b>	<b>86,483,525</b>	<b>-31.0%</b>	<b>(38,768,315)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	618,804	633,304	1,046,000	690,000	-34.0%	(356,000)
Charges for Service	400,151	346,434	543,000	411,000	-24.3%	(132,000)
Other Misc Revenues	0	1,846			0.0%	0
<b>TOTAL GENERAL</b>	<b>1,018,955</b>	<b>981,584</b>	<b>1,589,000</b>	<b>1,101,000</b>	<b>-30.7%</b>	<b>(488,000)</b>
<b>SPECIAL REVENUE</b>						
Property Taxes	77,334,414	82,149,109	63,114,310	48,379,470	-23.3%	(14,734,840)
Sales and Other Taxes	266	285			0.0%	0
Federal Government	5,339,368	8,442,405	7,446,000	9,102,361	22.2%	1,656,361
State Government	11,294,358	9,093,540	9,700,000	4,795,000	-50.6%	(4,905,000)
Local Government	543,255	296,675			0.0%	0
Charges for Service	8,683,297	6,352,473	6,222,016	6,732,300	8.2%	510,284
Charges for Sales	1,574,924	2,126,101	9,345,000	1,530,400	-83.6%	(7,814,600)
Interest	8,627,063	1,359,766	144,390	447,255	209.8%	302,865
Gains	418,755				0.0%	0
Rents	4,564,549	4,937,826	6,285,309	4,356,159	-30.7%	(1,929,150)
Contributions	211,896	388,757	50,000		-100.0%	(50,000)
Other Misc Revenues	6,887,195	4,968,490	8,475,000	3,115,000	-63.2%	(5,360,000)
Transfers In	15,714,287	21,780,112	2,776,337	5,146,337	85.4%	2,370,000
Long Term Liabilities Proceeds	0	15,152,235			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>141,193,627</b>	<b>157,047,773</b>	<b>113,558,362</b>	<b>83,604,282</b>	<b>-26.4%</b>	<b>(29,954,080)</b>
<b>CAPITAL PROJECT</b>						
Transfers In	177,000				0.0%	0
Long Term Liabilities Proceeds	0	199,218			0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>177,000</b>	<b>199,218</b>			<b>0.0%</b>	<b>0</b>
<b>DEBT SERVICE</b>						
Interest	153,172	60,605	230,000		-100.0%	(230,000)
Transfers In	41,562,970	40,534,921	23,785,521		-100.0%	(23,785,521)
Long Term Liabilities Proceeds	1,750,000				0.0%	0
<b>TOTAL DEBT SERVICE</b>	<b>43,466,142</b>	<b>40,595,526</b>	<b>24,015,521</b>		<b>-100.0%</b>	<b>(24,015,521)</b>
<b>ENTERPRISE</b>						
Charges for Service	3,766,870	2,041,515	225,000	250,000	11.1%	25,000
Charges for Sales	513,816				0.0%	0
Interest	341,625	80,692		70,050	0.0%	70,050
Gains	18,791				0.0%	0
Rents	1,870,284	2,152,926	1,800,000		-100.0%	(1,800,000)
Other Misc Revenues	500		1,550,000	1,598,900	3.2%	48,900
<b>TOTAL ENTERPRISE</b>	<b>6,511,886</b>	<b>4,275,133</b>	<b>3,575,000</b>	<b>1,918,950</b>	<b>-46.3%</b>	<b>(1,656,050)</b>
<b>TOTAL REVENUE</b>	<b>192,367,610</b>	<b>203,099,234</b>	<b>142,737,883</b>	<b>86,624,232</b>	<b>-39.3%</b>	<b>(56,113,651)</b>

### Direct Revenue by Type

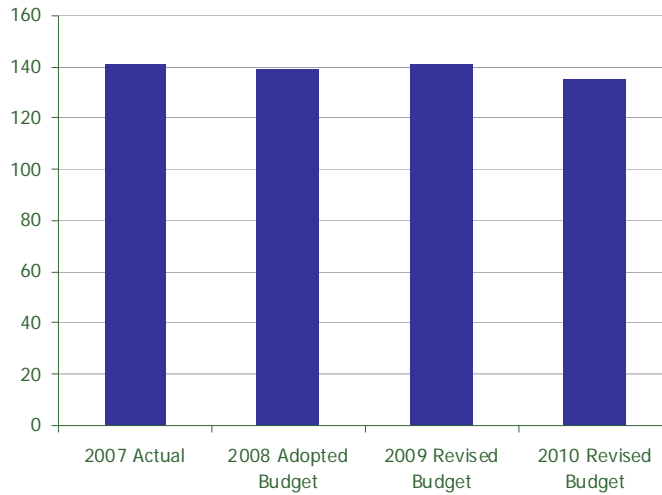


### COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

#### Staffing Information

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
TOTAL CPED DEPARTMENTS	141.00	139.00	141.00	135.32	-4.0%	(6)
<b>TOTAL</b>	<b>141.00</b>	<b>139.00</b>	<b>141.00</b>	<b>135.32</b>	<b>-4.0%</b>	<b>(6)</b>

#### Positions 2007-2010



# FIRE

## MISSION

Committed to providing professional emergency services that ensure the public safety of our community and the region we support.

## BUSINESS LINES

To fulfill its mission, the Minneapolis Fire Department (MFD) is organized into the following two primary business lines:

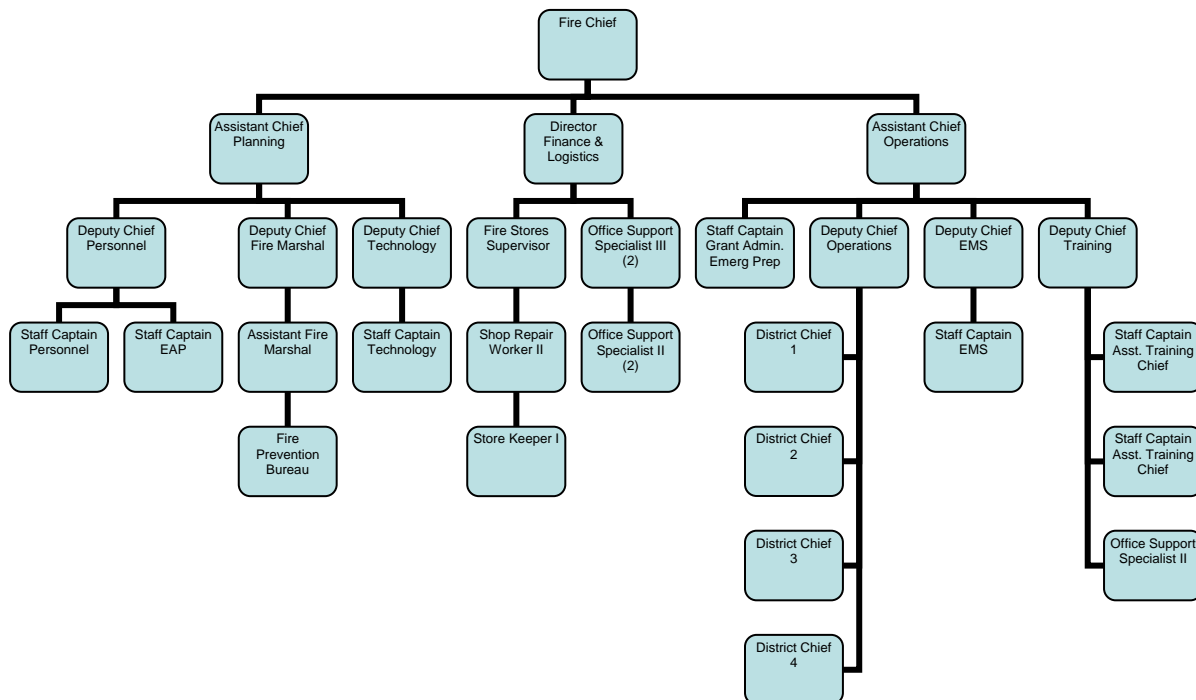
Response Business Line: Safely minimize the loss of life and property due to emergency events.

- 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
- Regional Emergency Service Support – active participation on the regional AHIMT (All Hazard Incident Management Team) and Minnesota Task Force One, a State asset of specially trained personnel in technical rescue. Participation in a regional joint agreement for the cooperative use of fire personnel and equipment. (Mutual aid agreements)

Prevention Business Line: Anticipate, prepare for and prevent future emergency events.

- Fire Inspections and Enforcement – providing fire prevention inspections and enforcing the Fire Code
- Fire Education – providing fire/EMS education programs and community risk reduction information to the public

## ORGANIZATION CHART





## RESULTS MINNEAPOLIS CHARTS

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

- 1. Funding for Adequate Staffing Levels.** Adequate staffing levels continue to be the most significant challenge for the Fire Department. Initial review of the 2010 budget revealed a funding gap of approximately \$1.1 million. To close the gap, the funding for five vacant positions and one mandatory retirement position was reduced resulting in a savings of \$519,000. Further reductions will be needed to meet the five-year financial direction. These reductions will need to come through FTE reductions, compromises reached with the labor unions or a combination of both. If the total remaining balance comes from position reductions, approximately 7 firefighter positions would need to be eliminated. The daily staffing level would decline to 108.

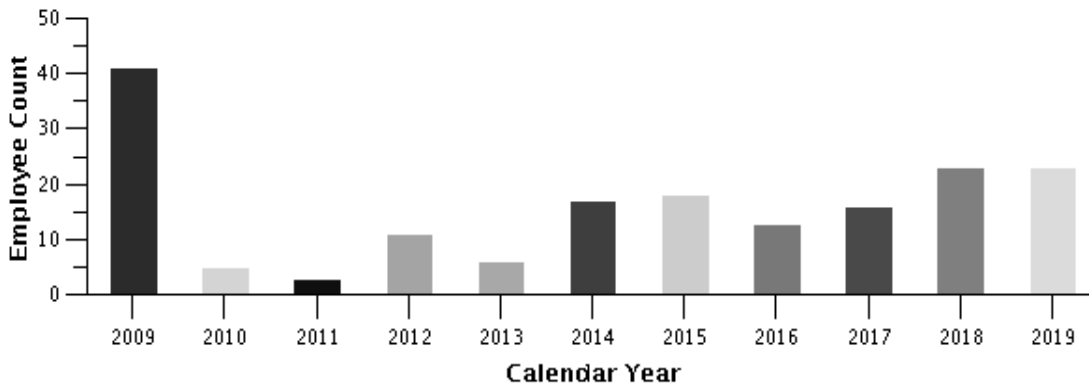
**Response Times.** The impacts of eliminating 7 positions would be minimal if spread over 3 shifts. In 2008 performance was 87.0%. A 7-position reduction would not cause a reduction in this measurement and the 2010 target would remain at 90%.

Staffing levels are critical to meet this standard. To assist in raising the staffing levels the Department has applied for a SAFER grant to supply funding for additional firefighters. In light of the current budget situation, the Department will not apply for future grants unless there are modifications to the matching funds requirements **and** the maintenance of effort requirement. There is pending federal legislation that would allow SAFER funds to be used for re-hiring of laid off firefighters. The Department will work with IGR staff to monitor this legislation and its possible applicability.

- 2. Departmental Attrition.** Over the last ten years, the Fire Department has averaged 28 employment separations per year. The Department continuously operates a few positions above or below authorized FTE level depending on the timing of retirements and resignations throughout the year. For 2008, the retirements were significantly lower than expected. In 2008, 27 employees were eligible for retirement; however, only 12 separations occurred by the end of the year.

Over the next decade, a projected 147 employees will be eligible for retirement - peaking at 41 in 2009 and declining for several years until the year 2018, when it climbs to 23. To counterbalance this potential loss of employees, future cadet classes will have to be considered. As large numbers of staff turnovers loom on the horizon, the department faces a challenge in having cadets available to restore staff levels. Budget stability will be the major factor determining the ability to hire future cadet classes.

**# of Employees Eligible to Retire in 10 years**



**3. Apparatus and Equipment Replacement.** Another large challenge facing the Fire Department is apparatus replacement. Between now and 2014, 21 apparatus are scheduled for necessary replacement; 10 are currently past their recommended 15 year life expectancy. The impact shows up in rig downtime for repeated repairs; increased costs for those repairs; and an aging fleet which frequently is not in use as either a frontline or spare apparatus. In an effort to restore the department’s apparatus replacement schedule, three new Fire Engines were purchased in 2008; two went into service in 2008 and the third went into service in May of 2009. The Department postponed the purchase of a new ladder truck and pumper scheduled for 2009. Given the current funding levels and the required reductions for 2010, the Department will again have to suspend the purchase of new fire apparatus. Deferring purchases will continue the degradation of the fleet.

Alternative funding sources for apparatus, such as the CDBG-R, regular CDBG funds and federal grant funds have been explored. Budgeting for the realignment of the apparatus replacement schedule will continue to be a significant challenge.

The City of Minneapolis has been the beneficiary of millions of dollars worth of grant-funded equipment over the past five years. As all of this equipment reaches the end of its useful life, it will need to be replaced. None of the grants included maintenance or replacement funding. This issue will have to be addressed in the next five to ten years. The Department will continue to apply for federal funding through the Assistance to Firefighters Grant program.

In the past several years, when the department exceeded budgeted amounts it was in the non-salary categories of contractual services, supplies (equipment) and capital outlay. The overall budget deficit was reduced by applying any savings realized from the personnel category. As we struggle to meet rising personnel costs, there will no longer be a cushion to cover rising non-salary expenses – thus decisions will have to be made regarding the prioritization of personnel and equipment. Planned equipment upgrades and replacement utilizing 2009 one-time funding will not take place and will need to be considered given the 5-year financial direction.

**4. Training Facility/EOC.** Another key challenge for the Fire Department will be costs associated with the new training facility/emergency operations center. Lease agreements with other fire departments for use of the training facility were a projected source of revenue

to help off-set operational costs. The economic conditions will likely reduce the amount of training dollars other municipalities are able to allocate, thus reducing the number of revenue generating lease agreements.

The Department continues to work with the Public Works/Property Management Division and BIS to reduce annual operational costs.

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

The Department has over 40 mutual aid agreements in place and is a partner in the North Suburban Mutual Aid Association and the Southwest Mutual Aid Association. There are specific partners who have specialized Hazardous Materials training, technical rescue resources or water rescue resources. Under mutual aid, services are provided across jurisdictional boundaries upon request. The service may include directly responding to an incident or may involve “back filling” at stations and responding to other incidents within a jurisdiction. The Department has one automatic aid agreement with the City of Richfield. Automatic aid differs from mutual aid in that response is continual and based upon the closest resource available.

Internal Partnerships:

- MPD/MECC – Computer Aided Dispatch
- MPD – Fitness Contract
- Regulatory Services – Multi-Unit Housing Inspections
- Regulatory Services/MPD – New Training Facility/EOC
- Regulatory Services – inspection and regulation of hazardous material sites
- Human Resources – development of a tailor-made training module for supervisors and managers

External Partnerships:

- Participant in specialized regional urban search and rescue team
- Metro Fire Chief
- Hennepin County Fire Chief
- Metropolitan Medical Response System participant
- AHIMT (All Hazard Incident Management Team participant)

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

- Two position vacancies at the deputy chief level are under filled with staff captains. This resulted in salary savings and prevented the removal of additional personnel from apparatus assignment.
- The Department hired an outside consultant in 2006 to conduct benchmarking studies with 11 comparison cities. The study concluded that Minneapolis was: next to last in operating budget per capita (\$135.00); providing fire and EMS services at cost of \$123.26 per citizen; and next to last in the number of FTE's per 1,000 residents. In 2008, an update was made to the operating budget per capita comparisons. Revised data showed that Minneapolis had dropped to last at a rate of \$132.00. All aspects of the study should be revisited to identify trends in Departmental costs and national trends.

- A Director of Finance and Logistics position was created in 2007 to develop comparative data, monitor budget status, development of future budgets, and allow the Department to closely track all of our resources, more effectively coordinate our efforts with other agencies to produce greater efficiencies and find budget savings in the future.
- Successfully applied for federal grant for the purchase of new turnout gear providing the opportunity for funds to be used in other spending areas.
- Increase fees for service to match increasing costs to provide related services to the public
- Implemented an employee health and wellness initiative to decrease the number of workdays lost due to injury and reduce workers' compensation claims and premiums.
- The Department continues to refine the way they use the capabilities of the new Computer Aided Dispatch (CAD) System. Automatic Vehicle Locator (AVL) technology is used to send the nearest available units to emergency calls. This replaces the old way of dispatching using static "running cards" to dispatch units. A "Live Move Up" module allows dispatchers to see strengths and weaknesses in current coverage in real time. This allows them to offer move up recommendations, which allows the Fire Department to keep coverage balanced throughout the City.
- FireView software provides the Fire Department with mapping tools to help review existing deployment policies and develop new strategies. FireView integrates fire and EMS data with GIS, allowing the Department to easily map and analyze data. By identifying patterns and trends, resources can then be redeployed to maximize effectiveness.

***What actions will the department take to meet the current financial projections (5% reduction in all funding sources)?***

**1. Budget Reductions.**

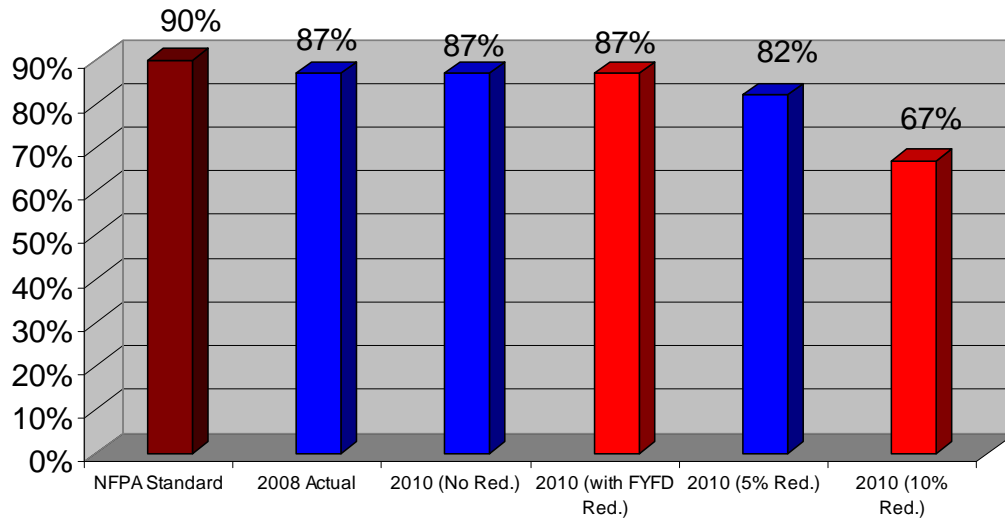
To achieve the proposed budget reductions, the Fire Department will need to further reduce staff. Over the previous years, the operating budget for the Department has been continuously scaled back. At the same time, new programs, such as the Commercial Inspection program have been implemented, with no corresponding increase to cover the operating costs. There is simply no "fat to trim" within the operational budget.

In addition to the layoffs necessary to meet the five-year financial direction discussed previously (12 positions), a staff reduction of approximately 30 additional firefighters would be needed to realize the 5% target. We do not anticipate a reduction in the demand for our services as a result of a reduction in our staffing levels.

To meet the 5% target and to maintain the best possible coverage, station and apparatus realignment would be mandatory. A total of 37 position reductions would mean the loss of 12 persons per shift. To help alleviate the loss, the mobile command vehicle would be staffed on an as-needed basis. This would require the demotion of 3 Captains; the reassignment of 2 Fire Motor Operators; and the layoff of 3 firefighters. In addition, the Rescue 9 vehicle and the Rescue 1 vehicle would close and the personnel reassigned. The vehicles would remain

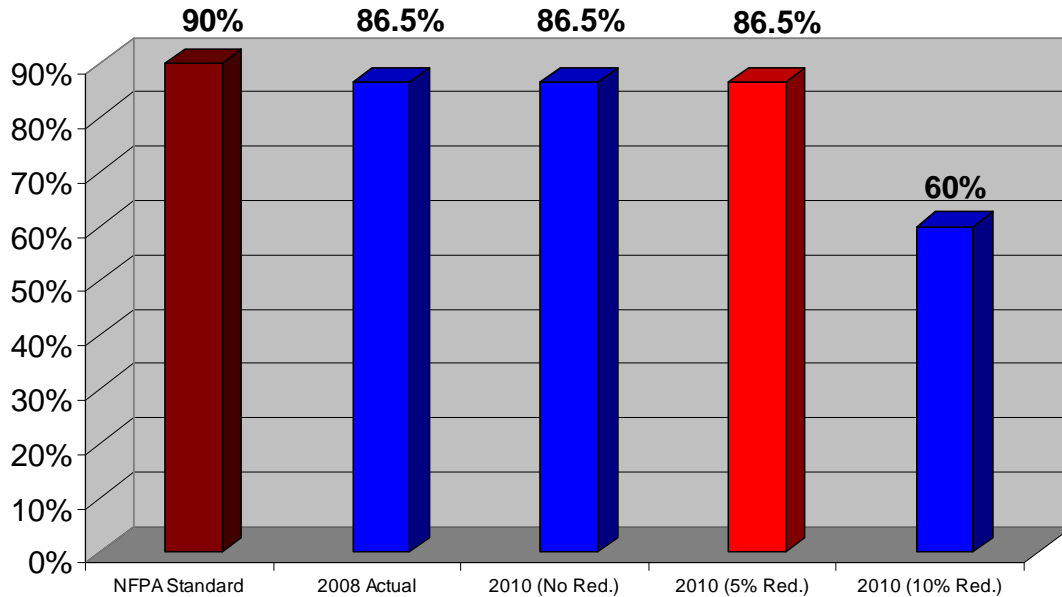
available if needed. An additional apparatus closure would still be required under the new daily staffing level. No station closures would be required to meet the 5% scenario.

**Percent of time 14 firefighters on the scene of structure fires in 8 minutes or less**



The response time to an emergency event in 5 minutes or less would fall to a projected 60% with 70 position eliminated. The 5% scenario would not impact this measurement.

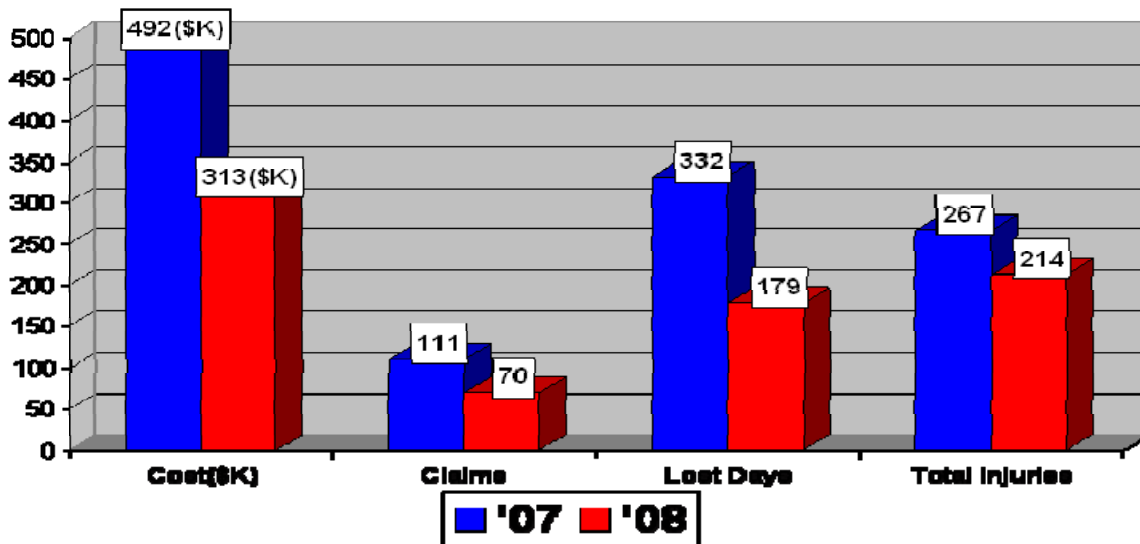
**Percent of time that emergency response is 5 minutes or less**



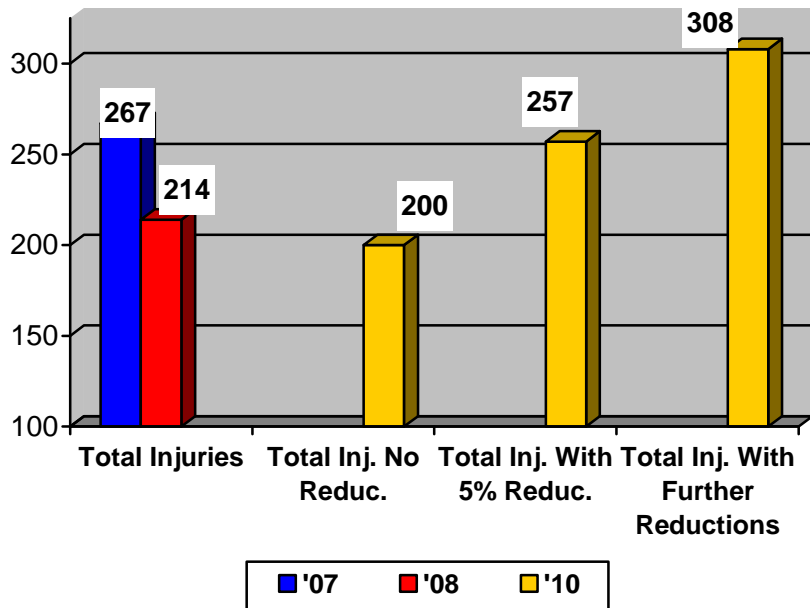
- Large scale incidents and multiple alarm fires. Both large scale incidents and multiple alarm fires would require the use of overtime to re-hire or call back enough staff to adequately respond with the proper number and ratio of personnel. The number of multiple alarm fires may increase as response times are increased and fewer personnel are providing a first response. Events that could have been contained may escalate to a higher level with delayed responses.
- Increased injuries. Historically injuries are reduced with increased staffing levels. When 23 additional firefighters were added in 2008, injury claims and lost days were reduced by over 20%; conversely we project injuries will increase if staffing levels are reduced. Increased injuries equate to increased lost days, increased workers' compensation claims filed, and an increase in the costs incurred by the City.

The 2008 number of injuries was 214. A 20% increase in the number of anticipated injuries would be 257; a 40% increase would be 300-308. Injuries are projected to increase because the same amount of work will be spread among less people. This translates into less recovery time to rest and recuperate from incidents and fewer personnel for relief. In an effort to keep injuries from rapidly increasing with a lower staffing level, fire suppression and tactical operations will be modified to ensure the safety of the firefighters. For example, aggressive interior firefighting would be emphasized on occupied structures only; known vacant and boarded buildings would not be entered until full staffing is on scene.

**MFD Injuries & Claims '07-'08**



## MFD Injuries & Staffing



- Training Mandates. The difficulty to meet the requirements of state and federal training mandates, especially OSHA standards, because the inability to take apparatus out of service would further diminish coverage.
- Mutual Aid and Auto Aid. The Department's ability to share resources with other jurisdictions will be impacted. Priority will be given to the safety of the City of Minneapolis and there may be instances where providing mutual aid would jeopardize that safety. Conversely, if mutual aid is requested, other departments may not have the resources to assist. This will become a metro issue as fire departments struggle with their resources, response times and community and firefighter safety.
- Inspection Program. The quantity and effectiveness of the building inspection programs (both Commercial and Residential) will be impacted due to the increased work loads to achieve anticipated annual goals.
- Prioritization of calls for service. EMS calls may need to be prioritized according to the emergency level they represent. Elimination of certain non-emergency EMS runs may become necessary.
- Weakened Diversity. The Minneapolis Fire Department has long been recognized as one of the most diverse fire departments in the nation. Position elimination and demotions will affect the Department's progress in this area.

## 2. New/Additional Revenue

The Fire Prevention Bureau (FPB) reviewed the revenue history in the areas of permit fees and fire watch revenue to examine the possibility of additional revenue collection. Several outdated ordinances and permit fees were discovered. The Department proposes to

increase these fees in a range of 22% to 60%. The increases are not expected to generate additional revenue above \$100,000.00, so there will not be a significant increase in funds to help off-set to the 5% or 10% reduction projections. The ordinance changes and fee updates will require council approval and we propose including the option of annual or bi-annual increases to reflect inflationary costs.

- **Hazmat Fees – 22% - 25% increases to 2002 rates**
  - Code 3 Low Hazard. Currently \$100; proposed increase to \$125
  - Code 2 Medium Hazard; currently \$200; proposed increase to \$250
  - Code 1 High Hazard/Tier II; currently \$370; proposed increase to \$450
  
- **Special Event Permits 30% increases to 2004 rates**
  - Temporary LP Tank Usage - \$50 to \$65
  - Exhibits and Trade Shows - \$100 to \$130
  - Fireworks Display Indoors - \$100 to \$130
  - Fireworks Display Outdoors - \$200 to \$260
  - Open Flame or Candles in Assembly - \$50 to \$65
  - Tent/Membrane Structures - \$50 to \$65
  - Temporary Assembly Fee - \$100 to \$130
  - Bonfire or Controlled Burn - \$50 to \$65
  
- **Firewatch – 60% increase to 2002 rate; \$40.75/hour to \$65/hour**
  
- **Personal Injury Accident Response Fee – 3% increase to 2006 rate**
  - Engine Company Response - \$560 to \$577
  - Ladder/Rescue Company Response - \$700 to \$721

The FPB also identified the possibility of a commercial hood cleaning permit as a potential new revenue source. There are an estimated 1,500 commercial hood systems located in restaurants throughout the city. Under a new ordinance, each of these systems would be required to be cleaned at least once per year (or additionally as needed) to reduce the risk of fire caused by grease and residue buildup. The fee would be charged at \$65 per hour and at a minimum would raise \$97,500.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The Fire Department's 2010 expense budget for all funds of \$54.4 million represents a 6.0% increase from the 2009 revised budget. Personnel expenses make up 85% of the total budget. Salaries are 61% and benefits are 24%.

Non-personnel expenses make up 16% of the total budget.

### **REVENUE**

The Department anticipates \$4.95 million in revenue in 2010 compared to \$4.7 million in 2009, a 6.2% increase. This includes \$800,000 in revenue from a commercial inspection program that began in 2009. The largest reduction is in Federal Government revenue. The Fire Department is no longer the fiscal recipient of state homeland security grants. The Department will work with IGR staff to monitor for future Federal Government revenue opportunity. The other reduction is in Fire suppression system permits. The decrease is primarily due to lower activity in new and rehab construction. The Department also receives \$1.9 million state government



funds accounted for in the general fund that is allocated to offset some of the pension costs for active firefighters since 1980.

### **FUND ALLOCATION**

The Fire Department expense budget is 99% funded through the general fund, and 0.02% funded through the special revenue funds – primarily other local grants, and donations.

### **ORIGINAL BUDGET**

The department reduced 12 FTE to meet the financial direction. The Mayor recommended a reduction of \$2.1 million and up to 19 positions. The Mayor further recommended the department should move forward on implementing the commercial hood cleaning program and a three percent adjustment to fees that have not been updated in the past five years. Council approved the Mayor's recommendations and a general fund one-time increase of Fire's budget by \$2 million making funds available until December 31, 2011. Council approved \$225,000 from CDBG funds for fire protection equipment purchases. Fire's budget is increased by \$200,000 for the responsibilities for Boarded and Vacant housing from Regulatory Services. Additionally, Fire's general fund allocation is increased by \$373,000. The department FTE complement will be increased by 25, to 438 FTE consistent with these resources.

Council provided the following staff directions:

- MFD was directed to reduce the budget for take-home vehicles by 50% and the Fire Chief directed to adopt new policies on take home vehicles consistent with this direction.
- During 2010 and 2011 while MFD uses one-time contingency dollars and until cuts are fully implemented, the department is subject to a hiring freeze and promotion freeze. Additionally no expenditures on new capital projects absent express Council approval are allowed.

The budget for this department includes a reduction of BIS charges of \$80,300 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes an \$11,460 decrease in appropriation due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$80,000. The department will achieve this through non-personnel reductions.

### **COUNCIL REVISED BUDGET**

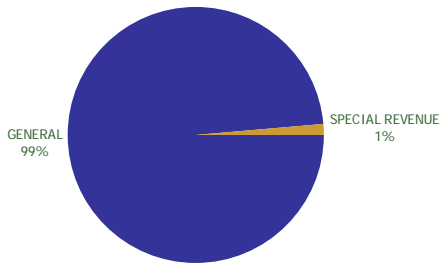
Council approved the Mayor's recommendations.

## FIRE EXPENSE AND REVENUE INFORMATION

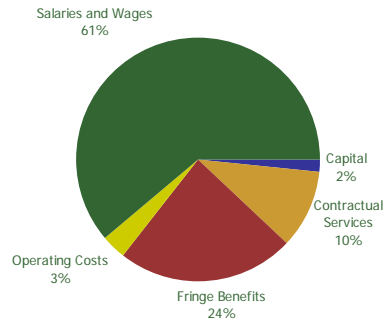
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	29,398,898	32,115,885	31,423,246	33,175,099	5.6%	1,751,853
Fringe Benefits	10,118,653	10,897,010	11,949,377	12,839,181	7.4%	889,805
Contractual Services	6,262,058	6,257,643	5,860,976	5,695,326	-2.8%	(165,650)
Operating Costs	2,533,047	2,245,969	1,859,386	1,841,519	-1.0%	(17,867)
Capital	158,640		132,730	135,386	2.0%	2,656
<b>TOTAL GENERAL</b>	<b>48,471,296</b>	<b>51,516,507</b>	<b>51,225,715</b>	<b>53,686,511</b>	<b>4.8%</b>	<b>2,460,797</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	285,993	77,189			0.0%	0
Fringe Benefits	18,110	10,338			0.0%	0
Contractual Services	174,180	2,747	67,000	7,000	-89.6%	(60,000)
Operating Costs	511,620	298,392			0.0%	0
Capital	268,680	166,364	3,000	697,000	23,133.3%	694,000
<b>TOTAL SPECIAL REVENUE</b>	<b>1,258,583</b>	<b>555,030</b>	<b>70,000</b>	<b>704,000</b>	<b>905.7%</b>	<b>634,000</b>
<b>TOTAL EXPENSE</b>	<b>49,729,879</b>	<b>52,071,537</b>	<b>51,295,715</b>	<b>54,390,511</b>	<b>6.0%</b>	<b>3,094,797</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	1,425,528	1,388,314	2,269,062	2,576,103	13.5%	307,041
State Government	1,822,357	1,568,310	1,863,000	1,863,000	0.0%	0
Charges for Service	166,531	84,394	174,600	121,000	-30.7%	(53,600)
Charges for Sales	436	290	400	250	-37.5%	(150)
Special Assessments	0			200,000	0.0%	200,000
Other Misc Revenues	299,904	245,710	290,000	184,330	-36.4%	(105,670)
<b>TOTAL GENERAL</b>	<b>3,714,755</b>	<b>3,287,019</b>	<b>4,597,062</b>	<b>4,944,683</b>	<b>7.6%</b>	<b>347,621</b>
<b>SPECIAL REVENUE</b>						
Federal Government	2,716,019	672,513	60,000		-100.0%	(60,000)
State Government	81,339				0.0%	0
Local Government	0				0.0%	0
Contributions	17,163	82,131	10,000	10,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>2,814,520</b>	<b>754,645</b>	<b>70,000</b>	<b>10,000</b>	<b>-85.7%</b>	<b>(60,000)</b>
<b>TOTAL REVENUE</b>	<b>6,529,276</b>	<b>4,041,663</b>	<b>4,667,062</b>	<b>4,954,683</b>	<b>6.2%</b>	<b>287,621</b>

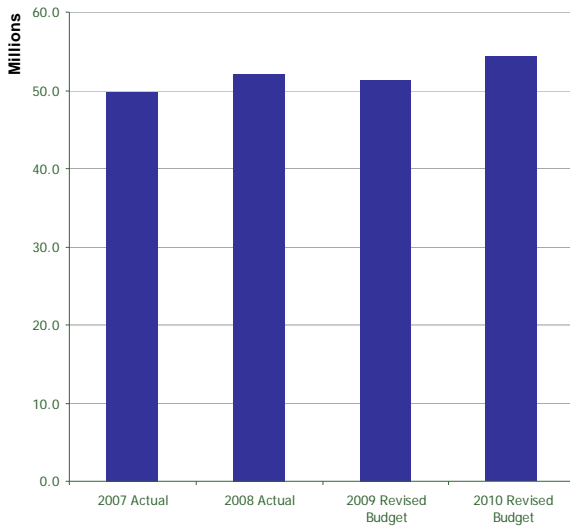
**Expense by Fund**



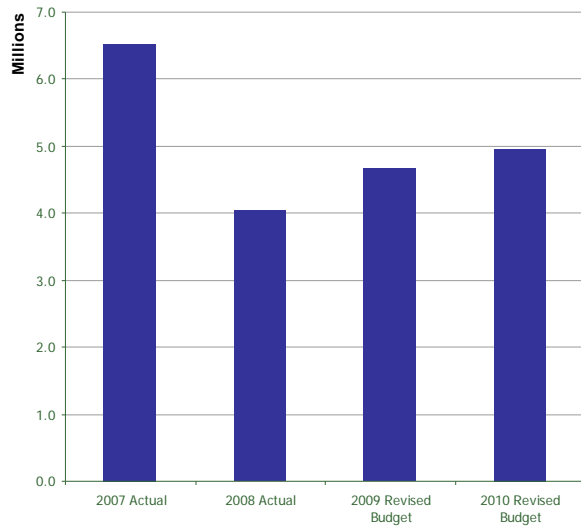
**Expense by Category**



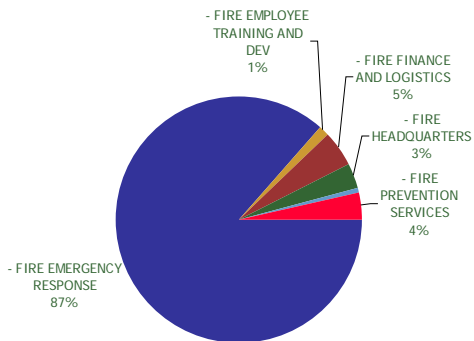
**Expense 2007 - 2010**



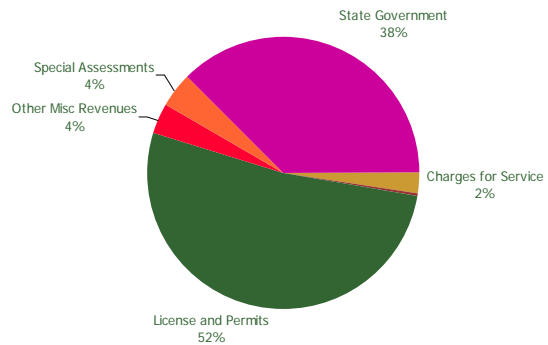
**Revenue 2007 - 2010**



**Expense by Division**



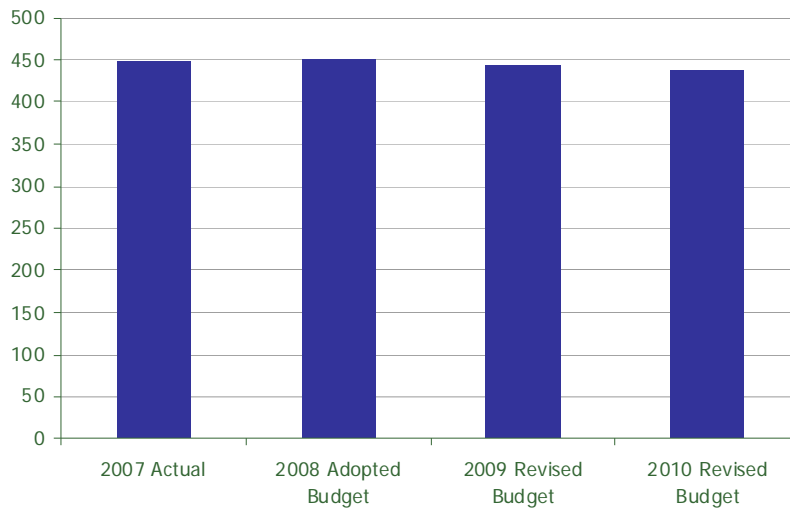
**Direct Revenue by Type**



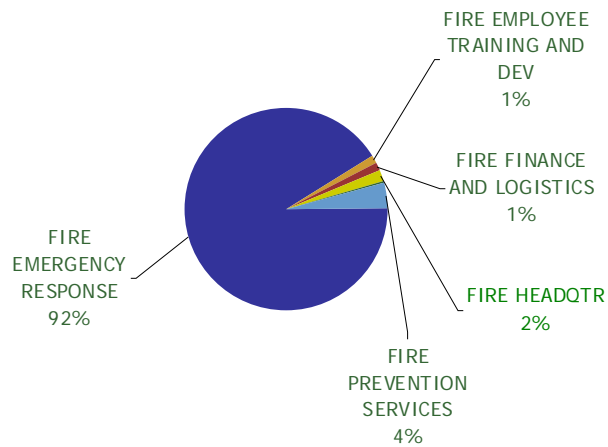
## FIRE Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
FIRE EMERGENCY RESPONSE	403.00	405.00	406.00	400.00	-1.5%	(6)
FIRE EMPLOYEE TRAINING AND DEV			6.00	6.00	0.0%	
FIRE FINANCE AND LOGISTICS			5.00	5.00	0.0%	
FIRE HEADQUARTERS	22.00	22.00	8.00	8.00	0.0%	
FIRE INFORMATION SERVICES			2.00	2.00	0.0%	
FIRE PREVENTION SERVICES	22.00	22.00	17.00	17.00	0.0%	
<b>TOTAL</b>	<b>447.00</b>	<b>449.00</b>	<b>444.00</b>	<b>438.00</b>	<b>-1.4%</b>	<b>(6)</b>

### Positions 2007-2010



### Positions by Division



## HEALTH AND FAMILY SUPPORT

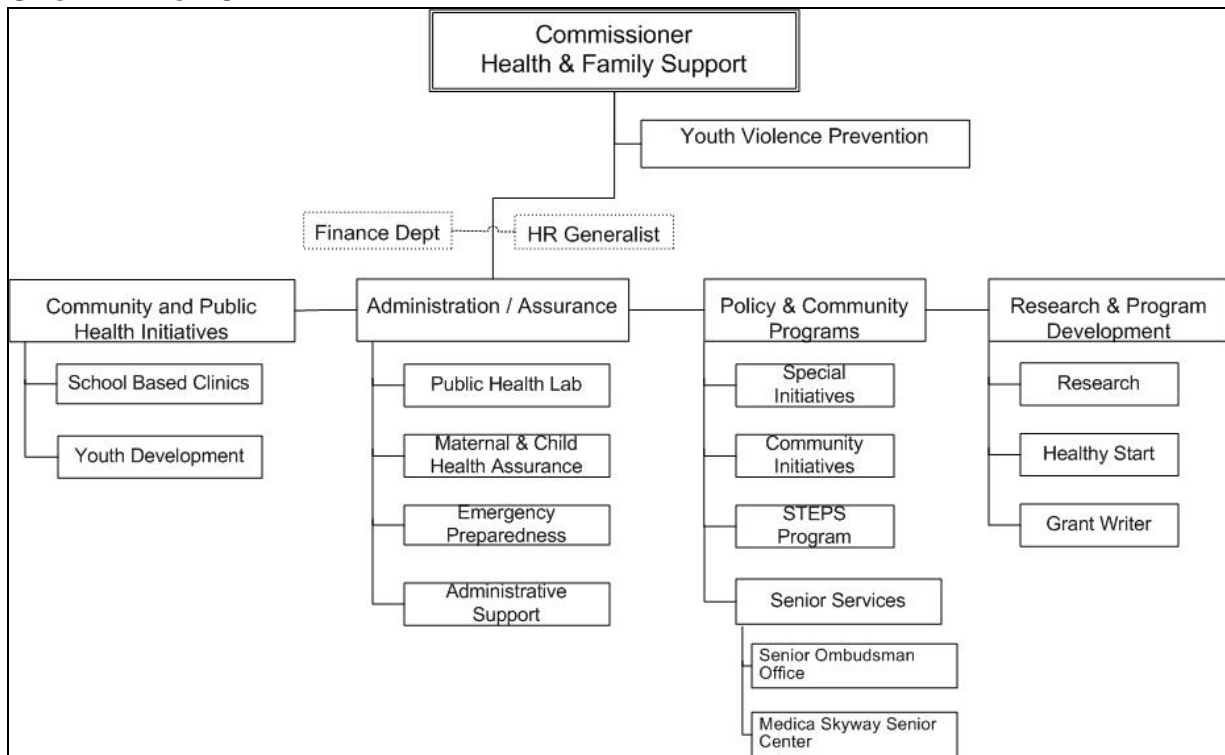
### MISSION

To promote health equity in Minneapolis and meet the unique needs of our urban population by providing leadership and fostering partnerships.

### BUSINESS LINES

- Promote health: healthy residents, communities, and environments.
- Address factors affecting health: social conditions and physical environment.
- Protect the public's health: disease prevention and control and emergency preparedness.

### ORGANIZATION CHART



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

**The economic downturn has affected both community partners and potential funders**  
 Community organizations, a key component of the social infrastructure of the City, are impacted by government cuts, fewer philanthropic dollars and an increased need for the services they provide. Organizations like United Way have restructured their giving, leaving long standing beneficiaries without support. State and County governments are cutting support for health and human service programs. The Governor's veto of General Assistance Medical Care is one example that will affect poor adults in Minneapolis and the organizations that offer them health care like Hennepin County Medical Center and the community clinics. County services are also

being cut and realigned including senior services and preventive /child development and parenting services.

The 2009 budget adjustments for Health and Family Support were accomplished without reducing contracts with community agencies. In 2010, it is not possible to avoid cutting contracts with community safety net providers and achieve budget cut expectations.

**A significant proportion of the high priority work of the department is completely grant funded**

Efforts to address obesity have been funded by a Federal grant which ends this year. Public health emergency preparedness efforts are funded by Federal grants which are flat or decreasing. This creates the real possibility that work will be interrupted due to gaps in funding.

The department has advocated for State funding. This was successful in the areas of obesity prevention with the creation of the State Health Improvement Program (SHIP) as part of health reform in 2008. We have been informed that we have received a new grant and are awaiting official notification of the award amount. We have also recently received notification that we will be funded by the federal government for another five years to address infant mortality among American Indians and African Americans.

**Community Engagement is vital and time consuming**

Community engagement is critical to the successful development of new programs and to the improvement of the health of those communities experiencing the greatest health disparities. Newly emerging research on health equity calls for community engagement to address social and political structures that contribute to health disparities. The Department is committed to ongoing engagement with communities, however ongoing and growing budget and resource pressures, it is increasingly difficult to allocate sufficient time to build meaningful community relationships. Partnerships with the newly created department of Neighborhood and Community Engagement may be of some assistance.

**Youth Violence Prevention continues to require additional investments of time and resources**

There is growing interest in the approach to youth violence prevention outlined in the *Minneapolis Blueprint for Action to Prevention Youth Violence*. Because of Minneapolis' successful community engagement and planning activities, some additional grant resources have been secured to address youth violence. Interest in the Blueprint, as a foundational model, is evident at the local, state and national level.

One-time funding request: In order to assure that this interest develops into sustained commitment and resources for local efforts, at least one more year of City support for youth violence prevention coordination efforts is needed. One time Community Development Block Grant (CDBG) funding of \$120,000 is requested to extend the financial support for the Youth Violence Prevention Coordinator for an additional year starting June 2010. Coordination of the efforts of public and private organizations is required to keep making progress on the array of indicators that the City has identified related to youth violence. Without a staff person dedicated to coordination of efforts, activities will become more disjointed and the synergy created because of the Blueprint will be lost.

Preventing youth violence has several financial payoffs: reduced effort needed by the Minneapolis Police Department if fewer crimes are committed by youth; decreased incarceration

and prosecution costs; increased housing values in communities experiencing less street crime; and lower health care costs due to fewer injuries and hospitalizations.

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

Partnerships are so fundamental to the way that the Department goes about its work that they are highlighted in the department’s mission: “To promote health equity in Minneapolis and meet the unique needs of our urban population by providing leadership and fostering partnerships”. Some of our current partnerships include:

- Homegrown Minneapolis – CPED, Minneapolis Parks, City Coordinator’ office, Regulatory Services
- Health Impact Assessment: CPED, neighborhood organizations
- Youth Violence Prevention: CPED, Police, Minneapolis Public Schools, Minneapolis Parks, community organizations and foundations
- Emergency Preparedness/H1N1 Influenza – Emergency Manager, Communications, Minneapolis Public Schools, Hennepin County, Metropolitan Local Public Health Association, Minnesota Department of Health
- Safe Routes to School – Public Works, Minneapolis Public Schools, Police

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

Two recent examples are in response to Council staff directives related to the 2009 revised budget: administrative support for the Senior Ombudsman’s Office and closure of the Public Health Laboratory.

**Public Health Laboratory**

To evaluate the cost effectiveness of closing the Public Health Lab, the Department evaluated its own lines of business, like the School Based Clinics that rely on laboratory services, and consulted with Regulatory Services and the Police Department who are also regular users of the lab. Several scenarios were developed with five-year budgetary projections:

	2010	2011	2012	2013	2014
GF cost* to retain Public Health Lab as is	226,947	345,698	406,897	426,553	446,678
Scenario 2 GF cost: MPD does forensics	414,079	445,183	478,254	513,327	549,593
Scenario 3 GF cost: H&FS does lead & forensics	103,513	235,117	320,790	346,436	383,337
Scenario 4 GF cost: Pay to add BCA staff	500,960	366,524	395,394	426,057	457,693

\* Cost = total expenses less revenue

**Senior Ombudsman’s Office**

Following elimination of the Office Support Specialist II for the Senior Ombudsman in the revised 2009 budget, an advisory committee was formed to develop a plan to assure that priority functions of the office received adequate administrative support within the available resources. Planning efforts included participants from the newly forming Neighborhood and Community Relations Department in the City Coordinator’s office as well as representatives from the Senior Citizens Advisory Committee and the Advisory Committee for Persons with Disabilities. The process involved prioritization of the Ombudsman’s functions. After examining several options for changes in location of the office and configuration of services, the advisory

group proposed that the Ombudsman’s Office continue to operate in City Hall for the next year using existing senior aides and volunteers to support the office. Administrative support will be provided by the Department for the two advisory committees. During that time participants in the tax services and recipients of Ombudsman support will be asked to complete a survey to assess the viability of options for offering the tax service or the other services at alternate locations. The Department will meet with the Department of Neighborhood and Community Relations to evaluate opportunities for coordination and consolidation.

***What actions will the department take to meet the current financial projections (5% reduction in all funding sources)?***

**General Fund**

One major variable in planning for the 2010 budget is the status of the Public Health Laboratory. Therefore two sets of recommendations have been created: one reflects adoption of a scenario that reduces the lab to forensic testing for police and lead testing; the other assumes that the lab continues to operate as it does today.

	5% GF Cut	214,227.00
	Lab downsize (3A)	Lab Open
Lab	123,000.00	
SHIP/LPH	15,000.00	15,000.00
Homegrown Minneapolis	10,000.00	28,000.00
SBC more income	25,000.00	25,000.00
SBC operation	1,000.00	24,000.00
BIS to grants	30,000.00	50,000.00
Dept. Newsletter		2,000.00
Plain Talk		10,000.00
MVNA		50,000.00
YMAP (buses)		
Way to Grow		
Admin savings & shifts	10,000.00	10,000.00
	<b>214,000.00</b>	<b>214,000.00</b>



### Increased Revenue

The Department is projecting that the School Based Clinics will continue to increase their revenue from third party reimbursement by \$25,000 in 2010. Efforts to assure that accurate information on the insurance status of patients and ongoing modifications of the practice model to maximize reimbursement opportunities will enable the department to meet this goal.

### Expense reductions

- Public Health Laboratory –If the Public Health Lab reduces the scope of its work to the forensic testing of drugs and alcohol and lead testing the reduced subsidy needed from the General Fund will result in a \$123,000 savings (see budget analysis in cost benefit section). This would mean eliminating all Public Health Laboratory clinical testing for Hennepin County and other customers and the school based clinic lab services would be purchased from an outside lab.
- The department has recently been informed that it will receive a grant through the State Health Improvement Program (SHIP) to address obesity and exposure to tobacco. Because of a three-month overlap of SHIP and Steps a greater proportion of staff time can be allocated to grant funds ultimately freeing up general funds.
- Homegrown Minneapolis promotes the use of locally grown foods. The Department is committed to the implementation of the Homegrown Minneapolis Final Report and Recommendations. Because of the new SHIP funding, the department will be able to use grant funds rather than general funds to support implementation of the plan and staff support for the advisory committee. The grant proposed that: \$100,000 is spent in 2010 to support CPED's efforts to develop a topical plan for urban agriculture; \$20,000 be spent to assure that Electronic Benefits Transfers are available at farmers markets; and \$5,000 to support a food distribution project. Staff support for the coordination of Homegrown implementation efforts will also be provided through the Department utilizing the Center for Disease Control's Prevention Specialist in our Department.
- Changes in the School Based Clinic business model could account for up to \$24,000 in reduced expenditures. A reduction of supervision and case consultation for the mental health providers accounts for \$8,000. A reduction in nutrition services is based on an assumption that there may be grant funds available to address obesity that we could compete for.
- BIS costs for employees whose work is funded by grants will be assigned to those grants to the extent possible.
- Administrative savings and department newsletter savings will be achieved by shifting funding and reducing expenses.
- Cuts in community contracts. In 2009 the department was able to avoid cutting community contracts. This was in recognition that other funders were likely to make cuts to these same organizations. The communities served by these organizations are experiencing financial stress and their residents may seek more services as a result. While the Department has tried to minimize the recommended cuts in 2010, they could not be avoided entirely and still meet the budget directive expectations.
  - Plain Talk is a research-based community effort to engage parents and youth in healthy sexuality conversations in south Minneapolis. A \$10,000 cut will eliminate City support for the program.
  - Minnesota Visiting Nurses Agency (MVNA): a cut to the general fund portion of their contract would decrease the number of postpartum visits to parents of

newborns referred from Hennepin County Medical Center and visits for children with elevated blood lead levels or failure to thrive.

- YMAP: \$76,000 of the current YMAP contract is used for the Youth Are Here Buses. The Youth Coordinating Board is in the process of transitioning the Youth Are Here Buses to an outside organization for oversight and private funding.
- Administrative savings and shifts: Throughout the year, opportunities arise due to delayed filling of vacancies, new grants that can absorb some administrative costs, and other unforeseen opportunities to cut general fund expenses.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

For 2010 the department's total budget is approximately \$12.2 million, an 9% decrease from the 2009 Council revised budget. 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.

### **REVENUE**

There is an overall 2% revenue decrease. In 2010, the former largest revenue source, the federal grant fund, will decrease by \$630,000 or 19% from the 2009 level, due to decreases in federal grants. The General Fund revenue source, charges for laboratory services, is eliminated. The state and local funds revenue increased by \$1,000,000 or 25% due to a new State Grant making this fund the largest revenue source. During 2009, the department made the decision to close the lab beginning in 2010, resulting in a \$429,000 reduction in general fund revenue, and a reduction of 7 FTEs, 4 recommended by the Mayor, and 3 additional reductions when the lab closes.

### **FUND ALLOCATION**

The department's expense budget for the year 2010 is derived from the general fund (27%), federal grants (25%), CDBG (11%), and state and other local grants (34%).

### **ORIGINAL BUDGET**

The Mayor recommended a reduction of \$337,000 and 4 FTE from the current service level for this department. The Minnesota Visiting Nursing Agency should continue to be funded from General Fund resources within the department. Council approved the Mayor's recommendation and directed discretionary CDBG funding subject to the Public Health Advisory Committee to be reduced to \$400,000 with a proportional reduction to programs. Health and Family Support's general fund budget was reduced by an additional \$100,000. Council directed Health and Family Support to achieve these cuts without cuts to the contracts with the Domestic Abuse Project, leaving that program intact at the full funding level of \$75,000.

The budget for this department includes a reduction of BIS charges of \$55,200 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$2,971 decrease in appropriation due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$69,000. The department will achieve this by increased third party reimbursement for school based clinics and moving salaries out of the general fund.

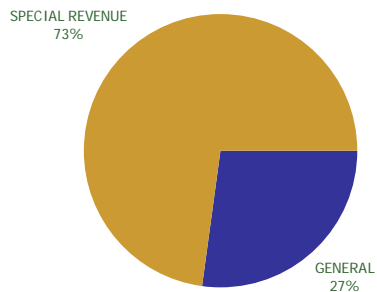
## COUNCIL REVISED BUDGET

Council approved the Mayor's recommendations.

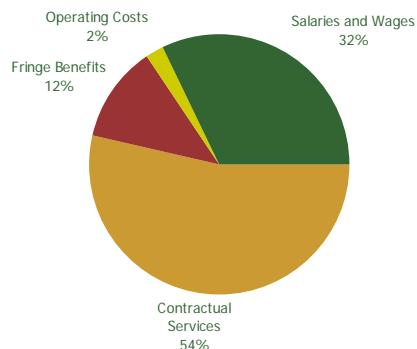
### HEALTH AND FAMILY SUPPORT EXPENSE AND REVENUE INFORMATION

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	978,703	918,558	870,097	494,938	-43.1%	(375,159)
Fringe Benefits	308,655	319,358	361,865	185,399	-48.8%	(176,466)
Contractual Services	2,543,567	2,541,253	2,967,955	2,447,015	-17.6%	(520,940)
Operating Costs	242,768	303,827	275,624	193,020	-30.0%	(82,605)
<b>TOTAL GENERAL</b>	<b>4,073,693</b>	<b>4,082,996</b>	<b>4,475,542</b>	<b>3,320,372</b>	<b>-25.8%</b>	<b>(1,155,170)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	2,665,580	2,825,436	2,999,387	3,440,305	14.7%	440,918
Fringe Benefits	789,240	831,930	1,092,551	1,270,291	16.3%	177,740
Contractual Services	6,334,014	5,277,835	4,785,438	4,107,496	-14.2%	(677,942)
Operating Costs	356,690	215,408	64,422	76,754	19.1%	12,333
Capital	0	75,843			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>10,145,524</b>	<b>9,226,452</b>	<b>8,941,798</b>	<b>8,894,847</b>	<b>-0.5%</b>	<b>(46,952)</b>
<b>TOTAL EXPENSE</b>	<b>14,219,217</b>	<b>13,309,448</b>	<b>13,417,340</b>	<b>12,215,218</b>	<b>-9.0%</b>	<b>(1,202,122)</b>
<b>REVENUE</b>						
<b>GENERAL</b>						
Charges for Service	658,790	502,550	555,300		-100.0%	(555,300)
Contributions	700				0.0%	0
Other Misc Revenues	0	21,494			0.0%	0
<b>TOTAL GENERAL</b>	<b>659,490</b>	<b>524,045</b>	<b>555,300</b>		<b>-100.0%</b>	<b>(555,300)</b>
<b>SPECIAL REVENUE</b>						
Sales and Other Taxes	46,916	10,694	26,000	20,000	-23.1%	(6,000)
Federal Government	4,214,030	4,320,675	3,993,759	3,359,795	-15.9%	(633,964)
State Government	3,584,895	2,744,357	2,912,344	3,950,948	35.7%	1,038,604
Local Government	389,651	192,559	147,000	147,000	0.0%	0
Charges for Service	264,179	124,911	245,000	233,000	-4.9%	(12,000)
Interest	0	2,620			0.0%	0
Rents	0	11,614			0.0%	0
Contributions	232,999	234,993	160,000	162,000	1.3%	2,000
Other Misc Revenues	203,575	52,686	5,000	8,000	60.0%	3,000
<b>TOTAL SPECIAL REVENUE</b>	<b>8,936,244</b>	<b>7,695,109</b>	<b>7,489,103</b>	<b>7,880,743</b>	<b>5.2%</b>	<b>391,640</b>
<b>TOTAL REVENUE</b>	<b>9,595,735</b>	<b>8,219,153</b>	<b>8,044,403</b>	<b>7,880,743</b>	<b>-2.0%</b>	<b>(163,660)</b>

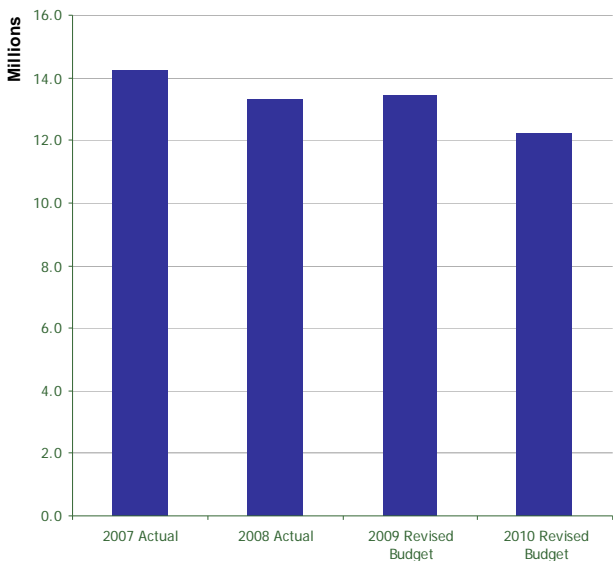
**Expense by Fund**



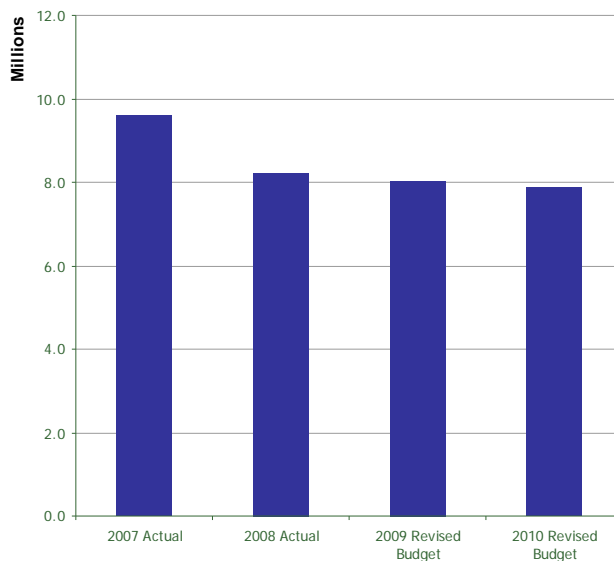
**Expense by Category**



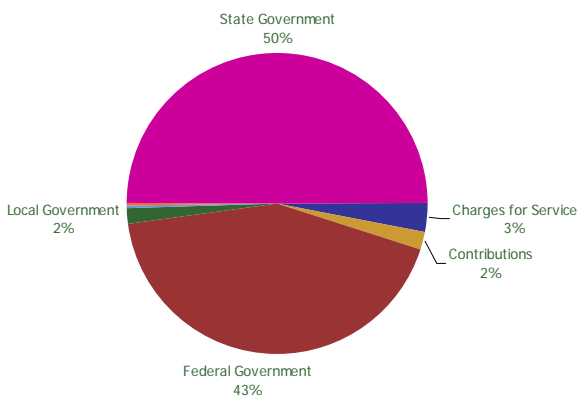
**Expense 2007 - 2010**



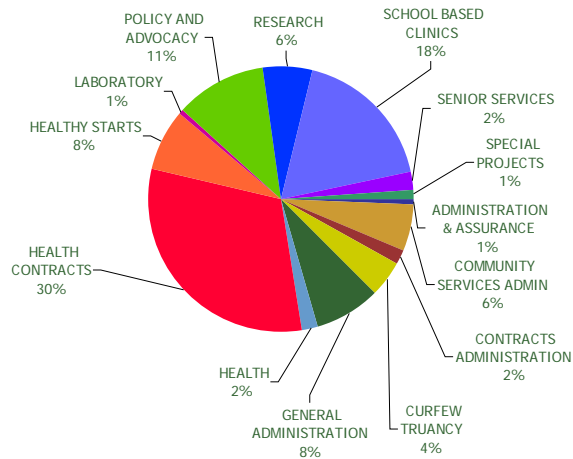
**Revenue 2007 - 2010**



**Direct Revenue by Type**



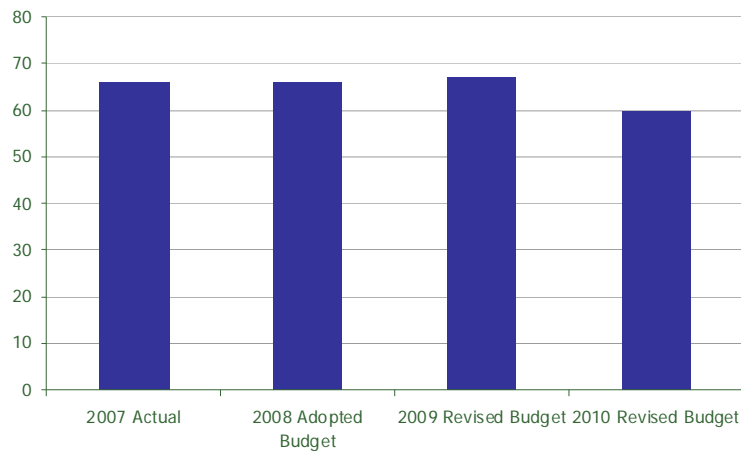
**Expense by Division**



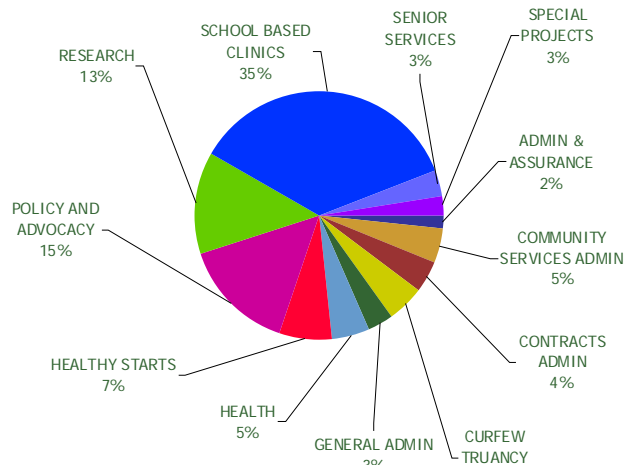
## HEALTH AND FAMILY SUPPORT Staffing Information

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
ADMINISTRATION & ASSURANCE			2.50	1.00	-60.0%	(2)
COMMUNITY SERVICES ADMIN	66.00	66.00	5.35	2.70	-49.5%	(3)
CONTRACTS ADMINISTRATION			2.50	2.50	0.0%	
CURFEW TRUANCY				2.80		3
GENERAL ADMINISTRATION			2.00	2.00	0.0%	
HEALTH			4.00	3.00	-25.0%	(1)
HEALTHY STARTS			4.00	4.00	0.0%	
LABORATORY			9.25		-100.0%	(9)
POLICY AND ADVOCACY			5.15	9.00	74.8%	4
RESEARCH			7.00	8.00	14.3%	1
SCHOOL BASED CLINICS			20.75	21.50	3.6%	1
SENIOR SERVICES			3.00	2.00	-33.3%	(1)
SPECIAL PROJECTS			1.50	1.50	0.0%	
<b>TOTAL</b>	<b>66.00</b>	<b>66.00</b>	<b>67.00</b>	<b>60.00</b>	<b>-10.4%</b>	<b>(7)</b>

### Positions 2007-2010



### Positions by Division



# MAYOR

## MISSION

Dedicated to making Minneapolis a vibrant, safe city that offers opportunity for all.

## BUSINESS LINES

### • Policy Development

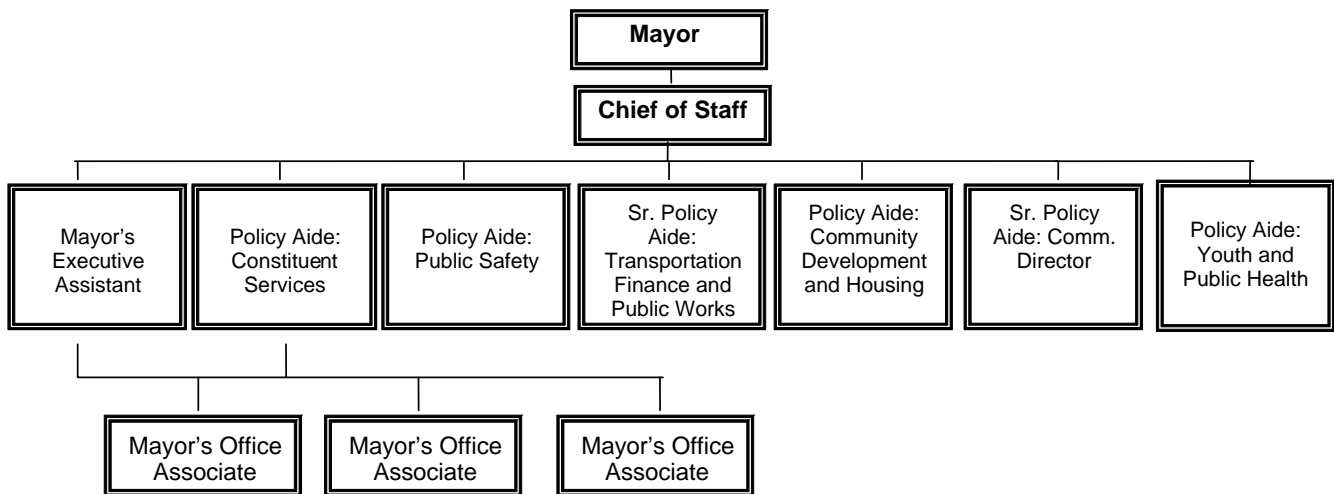
- Lead and support policy development that reflects the City's five-year goals.
- Partner with the City Council to develop and lead the strategic direction for the City.
- Develop responsible fiscal policies and an annual budget that reflects City's goals.
- Support the work of the City to provide better, 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 2010 budget of \$1.47 million is in line with the five-year financial direction.

The budget includes a reduction of 1 FTE to meet the five-year financial direction.

**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.

**ORIGINAL BUDGET**

The department reduced 1 FTE to meet the financial direction. The Mayor recommended and Council approved a reduction of \$57,000 and one position for a total reduction of 2 FTE.

The budget for this department includes a reduction of BIS charges of \$16,635 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$335 decrease in appropriation due to the Council's actions to fund two internal audit positions.

**MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$15,000. The department will achieve this through budgetary leave, and reductions in postage, cell phones and travel.

**COUNCIL REVISED BUDGET**

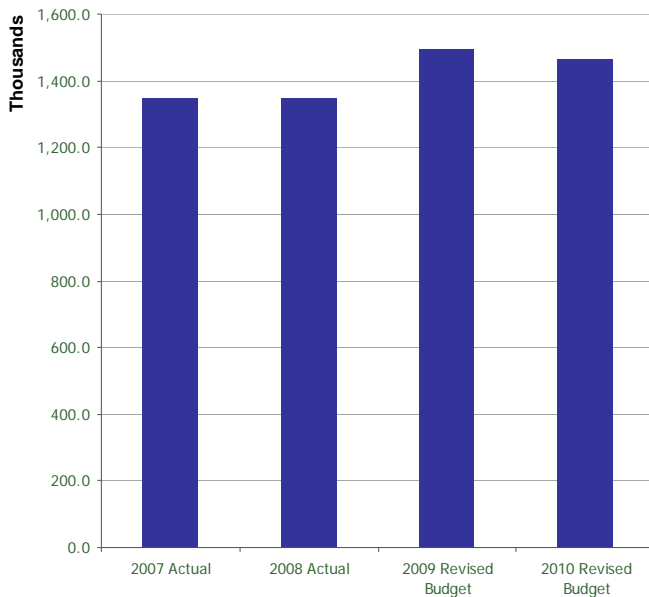
Council approved the Mayor's recommendations.

## MAYOR EXPENSE AND REVENUE INFORMATION

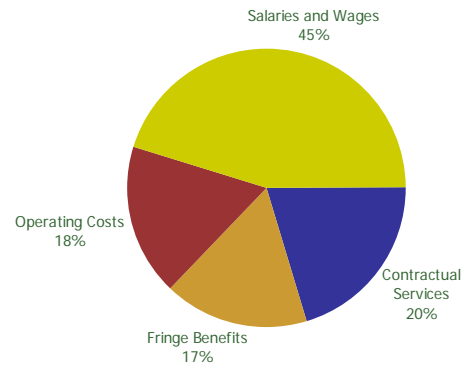
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	708,225	714,154	768,877	664,642	-13.6%	(104,235)
Fringe Benefits	160,349	187,564	197,685	244,563	23.7%	46,877
Contractual Services	159,988	176,025	259,945	297,749	14.5%	37,804
Operating Costs	272,425	270,675	267,200	260,412	-2.5%	(6,788)
<b>TOTAL GENERAL</b>	<b>1,300,987</b>	<b>1,348,418</b>	<b>1,493,707</b>	<b>1,467,365</b>	<b>-1.8%</b>	<b>(26,342)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	39,288				0.0%	0
Fringe Benefits	6,074				0.0%	0
Contractual Services	1,100				0.0%	0
Operating Costs	310				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>46,772</b>					<b>0</b>
<b>TOTAL EXPENSE</b>	<b>1,347,759</b>	<b>1,348,418</b>	<b>1,493,707</b>	<b>1,467,365</b>	<b>-1.8%</b>	<b>(26,342)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	41				0.0%	0
Other Misc Revenues	100				0.0%	0
<b>TOTAL GENERAL</b>	<b>141</b>				<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Contributions	46,774				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>46,774</b>				<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>46,914</b>				<b>0.0%</b>	<b>0</b>

Expense 2007 - 2010



Expense by Category

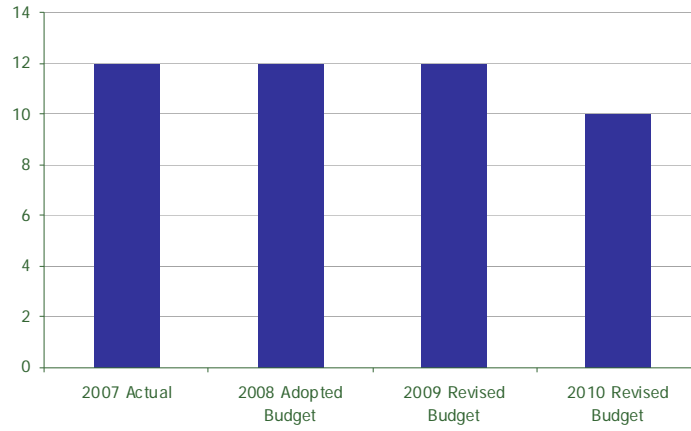




## MAYOR Staffing Information

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Mayor's Recommended	2010 Revised Budget	% Change	Change
MAYOR - ADMINISTRATION	12.00	12.00	12.00	10.00	10.00	-16.7%	(2)
<b>TOTAL</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>10.00</b>	<b>10.00</b>	<b>-16.7%</b>	<b>(2)</b>

**Positions 2007-2010**



## POLICE

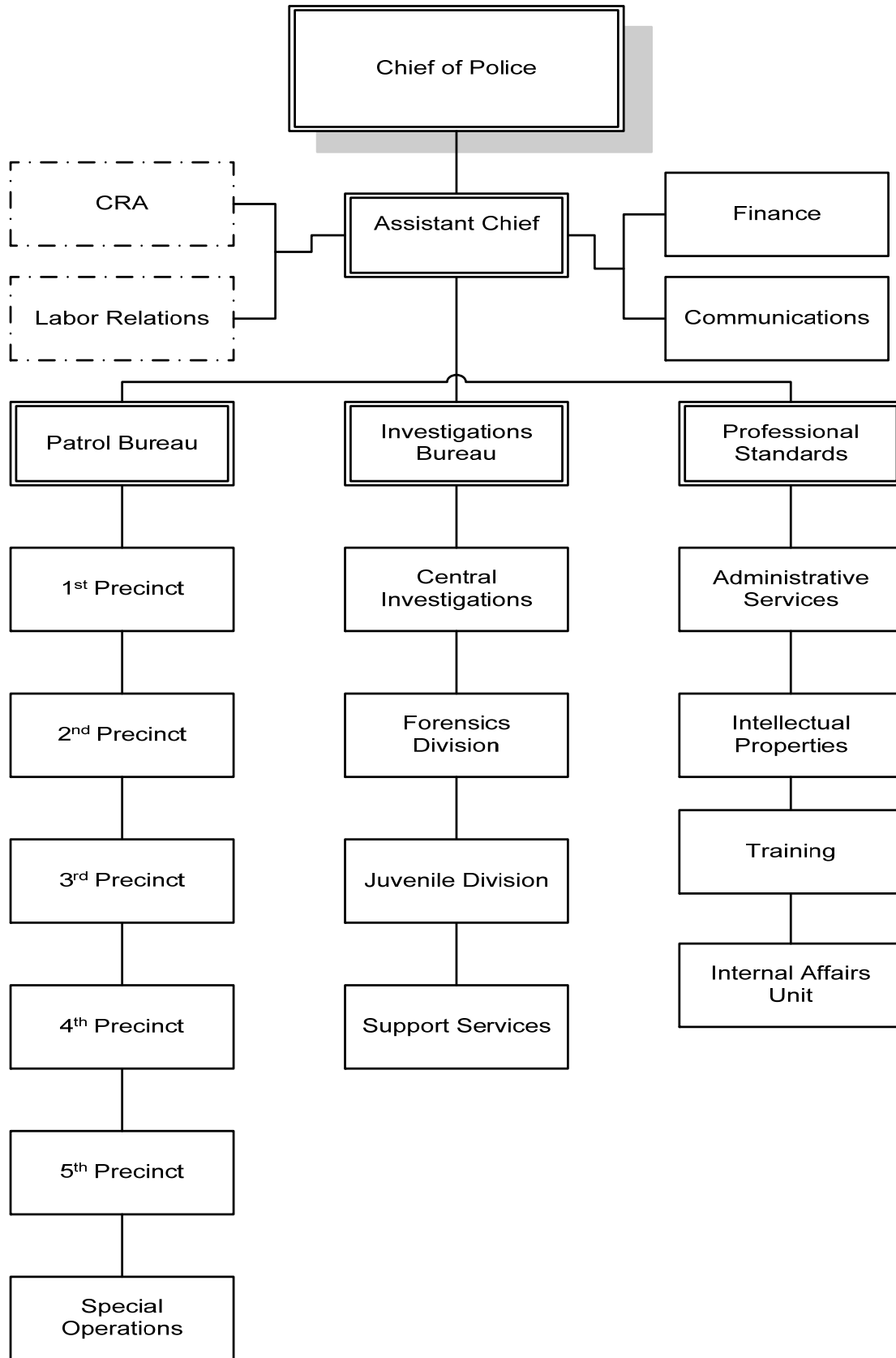
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### MISSION

To constantly strive to improve service to those who live, work and visit the City of Minneapolis.

### BUSINESS LINES

- **Patrol Bureau Business Line**  
**Precincts** – Patrol (911 Response, Directed Patrol), Investigations, Community Response Teams (CRT), Mounted Patrol and Crime Prevention Specialists.  
**Special Operations Division** – Strategic Operations Patrol, Traffic Enforcement, SWAT, K9, Public Housing, Traffic Control Agents, Bomb/Arson, Police Reserves (volunteers), Homeland Security, and Special Events.  
**Strategic Information and Crime Management (SICM)**-Intelligence Sharing and Analysis Center (ISAC), Indian Crime Awareness, Research, Evaluation Project (ICARE), Partnership Management and the Strategic Information Center (SIC).
- **Investigations Bureau Business Line**  
**Criminal Investigations Bureau** - Homicide, Organized Crime, Juvenile, Juvenile Criminal Apprehension Team, Robbery, Assault/Violent Criminal Apprehension Team, Sex Crimes, License and Forgery/Fraud, Narcotics/Weapons, Family Violence (Domestic Assault, Child Abuse). Violent Offenders Task Force (VOTF)  
**Juvenile Investigations Division**-School Resource Officers (SROs), Juvenile Service Center (JSC) and juvenile investigations  
**Crime Lab** – Field Operations, Firearms/Toolmark, Forensic Garage, Photo Lab, MAFIN.  
**Support Services Division** – Criminal History, Records, Property and Evidence, Transcription.
- **Professional Standards Bureau Business Line**  
**Training** – Pre-Service, In-Service  
**Internal Affairs**  
**Administrative Services Division** – Research/Policy, Business Technology and Support (Employee Assistance, Stores, Court Liaison)



## Measures, Data and Targets Table

Measure Name	2006 Data	2007 Data	2008 Data	2009* Data	2010 Target	2013 Target
Part I crimes	29,474	28,485	25,895	4,396	-5%	-5%
Part II crimes	40,323	38,184	35,135	7,427		
Violent Crimes	6,483	5,660	4,884	856	-5%	-5%
-Agg. Assault	2,870	2,579	2,487	441	-5%	-5%
-Homicide	57	47	39	3	-5%	-5%
-Rape	475	475	392	73	-5%	-5%
-Robbery	3,081	2,559	2,066	339	-5%	-5%
<b>Juveniles</b> involved in violent crime arrestees	282	293	281	69	-5%	-5%
-Agg. Assault	116	116	70	28	-5%	-5%
-Homicide	0	10	7	0	-5%	-5%
-Rape	7	7	11	1	-10%	-10%
-Robbery	159	160	94	40	-5%	-5%
<b>Juveniles</b> involved in violent crime suspects	2,263	950	771	26	-5%	-5%
Guns seized	1,458**	1,087	1,002	219	1,000	1,000
Part I & II arrests	30,270	30,327	26,141	11,823	+5%	+5%
-Adults	22,285	22,323	22,107	4,656	+5%	+5%
-Juveniles	7,985	8,004	5,154	1,256	+5%	+5%
Incidents closed by arrest/complaint	35,978	29,936	46,179	13,697	+5%	+5%
Response time for priority one calls-citywide average	9:13	9:49	8:33	8:00	8:00	8:00
Response time for priority two calls	26:12	25:15	22:29	20:44	25:00	25:00
Response time for priority three calls	31:37	33:09	29:05	24:48	25:00	25:00
Externally generated internal affairs complaints	62	230	248	43	+5%	+5%
Curfew incidents	1,853	1,487	1,487	411	+5%	+5%
Curfew arrests	3,534	1,903	1,620	488	+5%	+5%

Source: Minneapolis Uniform Crime Reports (UCR).

- \*First Quarter 2009 results.
- \*\*In 2006 the department participated in a gun turn-in program.

### ***What key trends and challenges does the department face and how will each be addressed?***

- **Maintain decreases in violent crime**  
MPD has had success in the last two years focusing on violent and Part 1 crimes. According to the FBI's Uniform Crime Reports (UCR), the decrease in violent crimes is one of the best measures of the City's safety. The majority of the MPD's resources are committed to the prevention and deterrence of crime.
- **Increased demand for police services with decreasing funds**  
Decreases in department funding mean that new officers will not be hired and current officers will not be promoted. Vacancies in both the sworn and civilian ranks will remain unfilled and some services may not be provided. While there are models for predicting increases in crime based on decreases in police officers, it is unclear what the real impact of these changes will be in the city.

- **Recruitment of diversified workforce**

MPD has increased its outreach to recruiting new hires. Currently, eighteen officers are on the Multicultural Recruitment Team. The Department is continuing the Community Service Officer (CSO) program – allowing new hires to join the department while completing their law enforcement education and skill requirements. The CSO class that started 2/2008 is 57% diverse with nearly 24 % women. The CSO class that started 11/2008 is 40% diverse with 25% women. The recruit class that graduated in April of 2009 is 46% diverse and nearly 8% female. Currently, 18.72% of the officers in the MPD are culturally diverse.

- **Meeting demands for technology**

MPD worked with the City's Business Information Systems department to develop a technology plan. Full funding for this plan, particularly for the components that need to be upgraded remains an issue. Some essential pieces of equipment such as Mobile Data Computers (MDCs) can not handle additional technology. To date the department has been successful in finding grant funding for the MDCs and some other items. These sources, however, cannot be used to pay the technology rate models.

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

- The Crime Lab has collaborative relations with the MN Bureau of Criminal Apprehension and Target Corporation.
- The Juvenile Investigations Unit works with a variety of community-based organizations including the Link, YWCA, Waite House, and El Colegio Alternative High School.
- The Juvenile Service Center is a collaborative with Hennepin County.
- Several task forces such as the Violent Offenders Task Force (VOTF), the Financial Crimes Task Force and the Safe Zone are collaborative efforts.

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

Eighty percent of the department's budget is for personnel. Their effectiveness is measured by the crime statistics that are reviewed in the weekly Codefor meetings. While it is difficult to equate how much money is saved per each crime that does not happen, the personal and societal cost to crime is well understood.

***What actions will the department take to meet the current financial projections (5% reductions)?***

A 5% decrease in the MPD budget represents just over \$6M. The major actions the department would take to reach this goal include:

- Offer budgetary leave (\$200,000 in 2009)
- Decrease the cars in the fleet (\$800,000 in 2009)
- Continue the phone savings from 2009 (\$120,000)
- Freeze Buy Back funds (\$400,000)
- Reduce/eliminate the recruit class (\$1.4M)
- Eliminate assessment center for Lieutenants and Sergeant promotions (\$165,000)
- Eliminate promotions for Lieutenants and Sergeants
- Four days of mandatory unpaid furlough for all 1,072 FTEs in the department = \$264,662 savings per day X 4 days = \$1,058,648
- Consider funding and consolidation options for Community Crime Prevention
- Eliminate CSO program (\$1,586,000)
- Manage the increase in the salaries that are included in the Police Federation of Minneapolis contract.

**Total \$6,193,329**

## Estimated Impacts of Budget Reductions on Selected Indicators

### Arrests

Year	Current Assumption + 5% annually	-5%
2008	52,181	
2009	54,790	49,572
2010	57,530	47,224
2011	60,406	45,111
2012	63,426	43,209
2013	66,597	41,497
2014	69,927	39,957

Arrests are a measure of police activity and represent a positive outcome for a crime that has been committed. Decreases in officers on the street will mean that fewer arrests will be made.

It is difficult to estimate the changes in crime in relation to a percentage of staffing cuts. A Rand Corporation report estimates that for every 10% reduction in a police force, there is a corresponding increase in crime varying from 0-10 % depending upon the offense. There is no formula relating to the number of arrests but with a decrease in a police force. This most certainly will decrease the number of all indicators used here.

### Cases Routed

Year	Current Assumption +5 % annually	-5%
2008	28,454	
2009	29,877	27,174
2010	31,381	26,022
2011	32,950	24,985
2012	34,598	24,051
2013	36,328	23,211
2014	38,144	22,455

Cases routed rate directly to the number crime being committed and police reports being taken. It is hoped that a high percentage of cases routed will also be assigned for investigation and end in successfully charging someone for a crime. With fewer officers to take police reports, more crimes will go unreported and the number of cases routed is expected to decrease.

### Response Times

Year	Current Assumption is to maintain rapid response time	+5%
2008	Average response to priority one calls citywide is 8.19 minutes	
2009	8:19	8:6

2010	8:19	9:05
2011	8:19	9:54
2012	8:19	10:09
2013	8:19	10:69
2014	8:19	11:35

### **Additional Departmental Impacts**

With officers taken from special units such as Traffic Enforcement or Investigative areas there will be less revenue collected and a decrease in the number of cases investigated and charges for certain crimes.

### **2008 Accomplishments**

- The MPD showed success in all measures. Crime is down and the homicide rate was the lowest since 1985.
- The MPD was a major part of the successful security team for the Republican National Convention and performed in an outstanding manner.

### **FINANCIAL ANALYSIS**

#### **EXPENDITURE**

The Police budget is \$133.6 million, a 4.0% increase over the 2009 budget. Personnel expenses make up about 79% of the total budget. There is an approximately 3.5% increase in personnel expenses from 2009 budget.

Non-personnel expenses make up about 21% 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.

After adoption of the 2009 Revised Budget, MPD was awarded a contract with the Minneapolis School District, and 15 FTE were added. In order to achieve the five-year financial direction for 2010, 84.5 positions in the general fund were eliminated, reflecting the loss of federal funding. The budget reflects a \$1 million increase in federal COPS grant funding (13 positions) for each of the next three years to fund Police Officers.

#### **REVENUE**

The department's revenue for 2010 is about \$17.6 million, a 19% decrease from the prior year. This decrease is due to Traffic Control Agents moving to Regulatory Services and the Traffic Enforcement budgeted revenue being reduced by \$300,000 to align with actual revenue from the division. The department has increased revenue for services provided due to a school resource officer contract with the Minneapolis Public Schools.

Federal and state government aid is the largest source of department revenue. The general fund revenue budget receives about \$4.4 million in state aid to offset PERA pension costs.

The department has also received \$3.5 million in federal grants from the U.S. Department of Justice and \$1.3 million in state and other grants. These current grants are for equipment, overtime, and technology enhancements. The grant funds makes up about 27% of the total revenue budget.

The department's police special revenue fund revenue makes up about 20% of the total revenue budget. It accounts for forfeitures, gambling tax, the Automated Pawn System,

Workforce Director, and reimbursable services such as the detox van, public housing patrol services, and school liaison. During 2009 15 FTE were added to the special revenue fund. The added positions are reimbursed through a contract with Minneapolis Public Schools.

### **FUND ALLOCATION**

The majority (93%) of the department's expenditure budget comes out of the general fund, and the rest comes out of the police special revenue fund, state, federal and other grants.

### **ORIGINAL BUDGET**

After adoption of the 2009 Revised Budget, MPD was awarded a contract with the Minneapolis School District, and 15 FTE were added. In order to achieve the 5 year financial direction for 2010, 84.5 positions in the general fund were eliminated. The Mayor recommended a reduction of \$5.3 million and 38 additional positions from the current service level for this department. The Mayor further recommended the transfer of the Traffic Control Agent division (45 positions) to the Regulatory Services department.

The Mayor recommended restoration of \$4 million and 45 FTE to MPD's base funding level to offset the loss of federal Byrne grant funding, making the net change to current service level a reduction of 39.5 FTE. The Mayor recommended that three eligible Crime Prevention Specialist positions be moved out of the general fund and funded with \$240,000 of CDBG dollars.

Council approved the Mayor's recommendations and increased the Police budget by \$1.5 million in 2010. Council directed \$250,000 to be transferred from the Convention Center fund to the Police department general fund appropriation to fund the horse patrol for convention-center related public safety activities. Council added \$477,000 to the police general fund budget for Community Crime Prevention Specialists. Additionally, Council directed that the Community Development Block Grant Fund for police should be increased by \$487,000 for Crime Prevention Specialists. Furthermore, Council directed a reduction of discretionary CDBG funds to the Public Health Advisory Committee and an increase to the CDBG allocation for MPD for Crime Prevention Specialists by \$163,000.

Council provided the following staff directions for Police:

- Reduce MPD's contractual services line budget by \$102,000 to reflect savings from closing the public health lab to help offset proposed reductions, and directed MPD to fund \$100,000 toward chaplain services through contractual savings related to the closing of the health lab.
- Direct MPD to eliminate funding for the Police Activities League (PAL), including the practice of allowing compensatory time to officers for participation in the PAL. These savings should offset recommended cuts and position reductions should be achieved through attrition and reassignment. The Police Chief is directed to convene a task force to develop a plan for the ongoing operation of the Police Activities League that requires no direct appropriation. The task force should include representatives from the Minneapolis Health department including the Commissioner and Youth Violence Prevention coordinator; an active Police Activities League (PAL) officer; the Police Chief or designee; Council Member Johnson; and Sherman Patterson from the Mayor's office.
- Reduce Police budget for take home vehicles by \$400,000 and direct the Police Chief to adopt new policies on take home vehicles consistent with this direction and reduce the vehicle count accordingly.
- Eliminate funding for the position of Assistant Police Chief to offset recommended cuts.
- Eliminate 16 positions through attrition to achieve a savings of approximately \$2 million over two years. Police should bring a plan forward to the Ways and Means Committee for approval on December 14, 2009.
- Police were directed to report back to Public Safety & Regulatory Services by January 15, 2010 with a plan for a re-designed community crime prevention program; utilizing the dedicated resource as laid out during this budget cycle in addition to existing resources within the police



department. Police were also directed to develop accountability measures for Community Crime Prevention Specialists for Results Minneapolis and report these measures to the Public Safety and Regulatory Services Committee by March 1, 2010. After the report to PS&RS, Police should include these measures in its quarterly discussions at Results Minneapolis.

- Police were directed to reduce the Horse Patrol to one shift and cut expenditures accordingly.
- Police were directed to achieve no less than \$200,000 in savings through re-organization of the department
- The Chief of Police was directed to examine re-establishing mandatory fitness testing within the department, including costs and to report back to proper Council committees by the end of January 2010. If testing is not implemented by the conclusion of 2010, the department will evaluate elimination of the health club memberships and report back to the proper Council committees.
- Police were directed to achieve a balanced budget in 2010 without cuts to the contract with the Conflict Resolution Center at an amount equal to \$25,000.
- Upon receipt of the final CDBG allocation, 15% shall be dedicated to MPD for Crime Prevention Specialists in CDBG-eligible areas.

The budget for this department includes a reduction of BIS charges of \$481,000 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$29,226 decrease in appropriation due to the Council's actions to fund two internal audit positions.

*Mayor's Revised Budget:* The Mayor recommended a reduction of \$180,000. The department will achieve this through non-personnel reductions. Additionally the Mayor recommended one-time appropriation increases of \$250,000 for replacement of ticket writers and \$240,000 for implementation of fitness testing and associated costs within the 2010 calendar year.

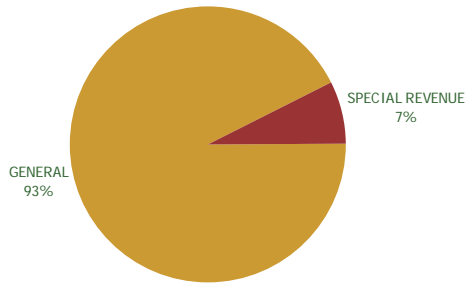
*Council Revised Budget:* Council approved the Mayor's recommendation with one exception. The \$240,000 appropriation for implementation of fitness testing and associated costs was reduced by \$60,000, to \$180,000, in one-time funding.

**POLICE  
EXPENSE AND REVENUE INFORMATION**

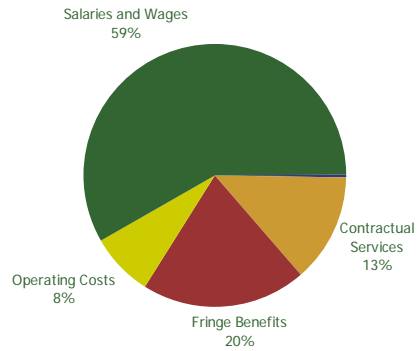
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs	0	(55,468)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(55,468)</b>				<b>0</b>
<b>GENERAL</b>						
Salaries and Wages	69,683,318	73,759,618	71,182,097	72,772,108	2.2%	1,590,012
Fringe Benefits	21,370,351	23,000,289	24,996,093	25,389,767	1.6%	393,674
Contractual Services	17,693,114	17,168,337	16,691,744	16,355,567	-2.0%	(336,177)
Operating Costs	7,472,474	8,737,559	9,027,069	8,894,448	-1.5%	(132,621)
Capital	48,408	67,785	299,114	457,548	53.0%	158,433
<b>TOTAL GENERAL</b>	<b>116,267,665</b>	<b>122,733,588</b>	<b>122,196,117</b>	<b>123,869,438</b>	<b>1.4%</b>	<b>1,673,321</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	4,136,978	8,176,164	2,013,610	5,244,935	160.5%	3,231,325
Fringe Benefits	651,908	1,317,131	485,433	1,546,234	218.5%	1,060,801
Contractual Services	1,823,609	1,474,111	1,613,799	1,461,132	-9.5%	(152,667)
Operating Costs	730,744	547,196	1,499,498	1,441,851	-3.8%	(57,647)
Capital	152,946	365,388	607,464	(0)	-100.0%	(607,465)
<b>TOTAL SPECIAL REVENUE</b>	<b>7,496,185</b>	<b>11,879,990</b>	<b>6,219,804</b>	<b>9,694,151</b>	<b>55.9%</b>	<b>3,474,347</b>
<b>TOTAL EXPENSE</b>	<b>123,763,850</b>	<b>134,558,110</b>	<b>128,415,920</b>	<b>133,563,589</b>	<b>4.0%</b>	<b>5,147,669</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Gains	0	1,063			0.0%	0
Long Term Liabilities Proceeds	0	(1,063)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>				<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
License and Permits	0		400	400	0.0%	0
State Government	4,421,584	4,428,440	4,380,000	4,380,000	0.0%	0
Charges for Service	185,497	643,810	167,643	167,643	0.0%	0
Charges for Sales	0				0.0%	0
Fines and Forfeits	7,958,470	8,195,359	10,503,877	3,718,877	-64.6%	(6,785,000)
Contributions	0				0.0%	0
Other Misc Revenues	3,154	2,093	3,340	3,340	0.0%	0
<b>TOTAL GENERAL</b>	<b>12,568,705</b>	<b>13,269,702</b>	<b>15,055,260</b>	<b>8,270,260</b>	<b>-45.1%</b>	<b>(6,785,000)</b>
<b>SPECIAL REVENUE</b>						
Sales and Other Taxes	148,213	147,571	121,626	121,626	0.0%	0
License and Permits	917,781	833,436	571,985	540,626	-5.5%	(31,359)
Federal Government	1,479,796	2,196,931	3,534,025	4,841,454	37.0%	1,307,429
State Government	1,387,019	997,168	1,444,106	1,288,730	-10.8%	(155,376)
Local Government	0	55,380			0.0%	0
Charges for Service	586,098	1,253,707	610,384	2,152,629	252.7%	1,542,245
Charges for Sales	250	12,915			0.0%	0
Fines and Forfeits	503,394	733,029	370,456	416,467	12.4%	46,011
Special Assessments	0				0.0%	0
Interest	11,753	12,561			0.0%	0
Contributions	143,969	38,825	28,000		-100.0%	(28,000)
Other Misc Revenues	3,111	590		40,000	0.0%	40,000
<b>TOTAL SPECIAL REVENUE</b>	<b>5,181,384</b>	<b>6,282,113</b>	<b>6,680,582</b>	<b>9,401,532</b>	<b>40.7%</b>	<b>2,720,950</b>
<b>TOTAL REVENUE</b>	<b>17,750,089</b>	<b>19,551,815</b>	<b>21,735,842</b>	<b>17,671,792</b>	<b>-18.7%</b>	<b>(4,064,050)</b>

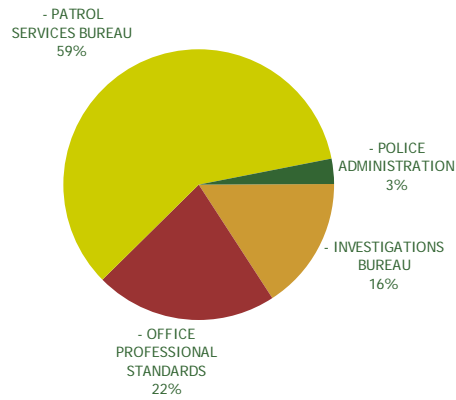
**Expense by Fund**



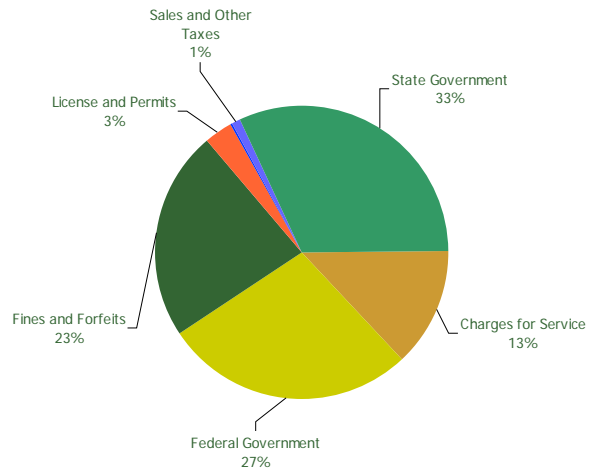
**Expense by Category**



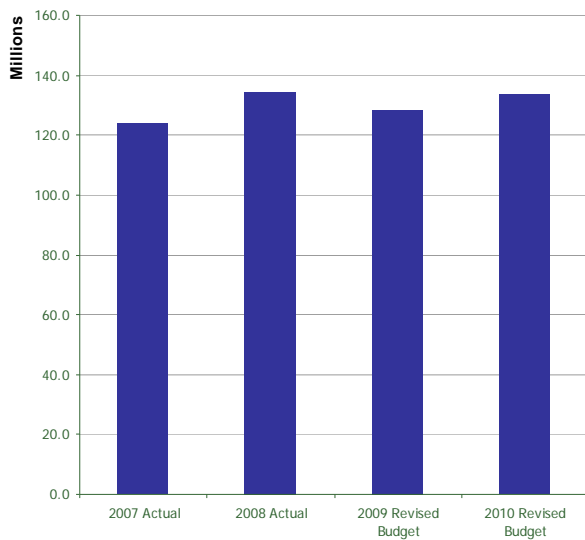
**Expense by Division**



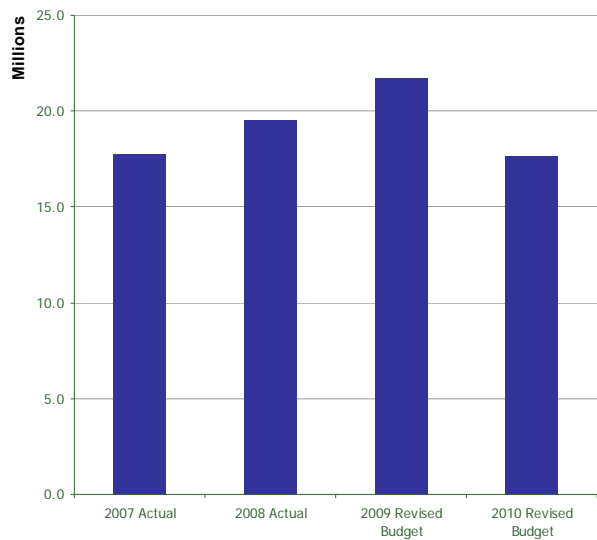
**Direct Revenue by Type**



**Expense 2007 - 2010**



**Revenue 2007 - 2010**

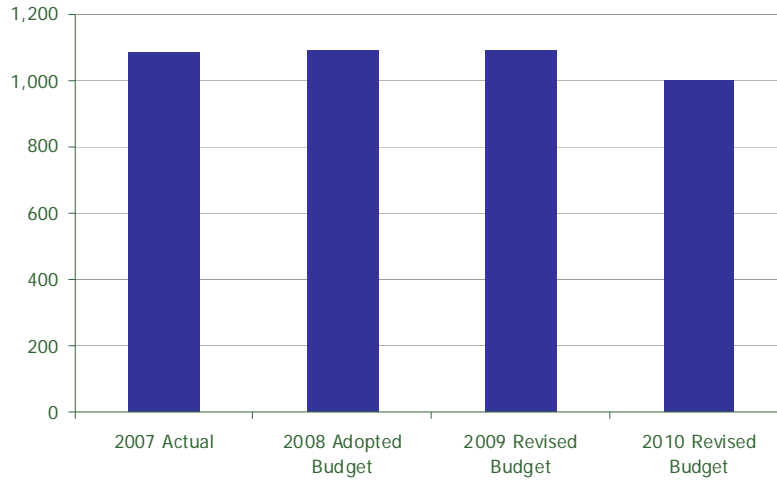


# POLICE

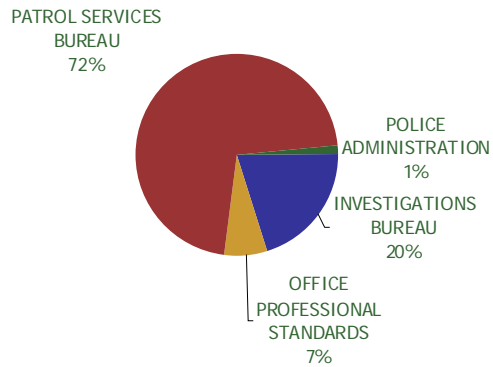
## Staffing Information

	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
INVESTIGATIONS BUREAU	143.00	143.00	217.50	201.00	-7.6%	(17)
OFFICE PROFESSIONAL STANDARDS	154.00	154.00	127.15	67.50	-46.9%	(60)
PATROL SERVICES BUREAU	780.00	785.00	734.35	716.70	-2.4%	(18)
POLICE ADMINISTRATION	11.00	11.00	13.00	14.00	7.7%	1
<b>TOTAL</b>	<b>1,088.00</b>	<b>1,093.00</b>	<b>1,092.00</b>	<b>999.20</b>	<b>-8.5%</b>	<b>(93)</b>

### Positions 2007-2010



### Positions by Divison



# PUBLIC WORKS

## MISSION

To be effective stewards of the public infrastructure, and provide valued city services that contribute to public safety, economic vitality and neighborhood livability in Minneapolis.

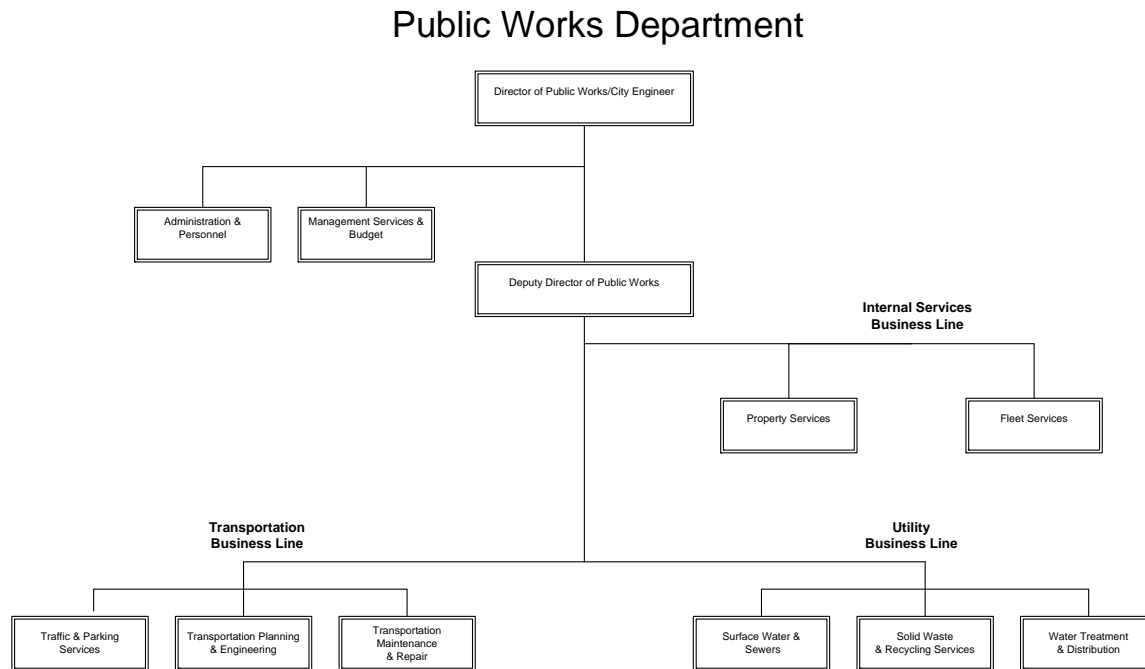
## BUSINESS LINES

**Internal Services** – The Internal Services 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. Property Services and Fleet Services are the two divisions in the Internal Services business line.

**Utilities** – This business line provides services that promote the health and safety of people and property by providing potable water, managing non-potable water, and maintaining a clean city through the collection and disposal of solid waste, recyclables, problem materials, and yard waste, and coordination of Clean City activities. The three divisions of the Utilities business line are Surface Water & Sewers, Water Treatment & Distribution and Solid Waste & Recycling Services.

**Transportation** – The Transportation Business Line exists to provide a variety of safe, convenient options for moving throughout the City and within the region. Transportation options improve livability and contribute to economic vitality through the safe, efficient movement of people and goods. The three divisions in the Transportation Business Line are Traffic & Parking Services, Transportation Planning & Engineering, and Transportation Maintenance & Repair.

## ORGANIZATION CHART



City Goals & Strategies	Department Goal	Objective
<p><b>A safe place to call home:</b> E. Youth: valued, challenged &amp; engaged</p> <p><b>One Minneapolis:</b> C. Equitable City services</p> <p><b>Lifelong learning:</b> D. Embrace the U's expertise E. Education: stronger partnerships</p> <p><b>Connected communities:</b> C. Development services</p> <p><b>A premier destination:</b> B. Reposition City C. Cleaner, greener, safer downtown D. Jobs</p>	<p>Strong partnerships and collaboration</p> <p><i>This includes Community Other local governments Related departments Private companies/corporations Educational institutions</i></p>	Develop partnerships with Federal, State, and County government and other municipalities
		Pursue City/private partnerships
		Collaborate with other City departments, agencies, and boards to achieve City-wide goals
		Collaborate with City neighborhoods
<p><b>One Minneapolis:</b> C. Equitable City services</p> <p><b>Connected communities:</b> A. Integrated, multimodal transportation</p> <p>.</p>	<p>Maximize the value of every dollar spent</p>	Evaluate activities for efficiency and effectiveness improvements as well as cost savings
		Leverage county, state, federal and private funding on City projects
		Maximize the value of City assets.
		Ensure accurate, timely financial reporting that is essential to business management
<p><b>A safe place to call home:</b> A. Guns, gangs, graffiti gone B. Crime reduction</p> <p><b>One Minneapolis:</b> C. Equitable City services</p> <p><b>Lifelong learning:</b> E. Education: stronger partnerships</p> <p><b>Connected communities:</b> A. Integrated, multimodal transportation C. Development services</p>	<p>Customer service is a top priority!</p>	Public works is fully coordinated with the customer relationship management (CRM) system and 311
		Public works is fully coordinated with development review with customer friendly process in place
		Effective community engagement
		Establish a high level of customer satisfaction for all services
		Manage clean city initiative

City Goals & Strategies	Department Goal	Objective
<p><b>A safe place to call home:</b> A. Guns, gangs, graffiti gone</p> <p><b>Connected communities:</b> A. Integrated, multimodal transportation B. Walkable, bikable, swimmable D. Northstar, Central Corridor, SW Corridor</p> <p><b>Enriched environment:</b> A. Renewable &amp; alternative energy B. Restore urban forest E. City's cultural &amp; sustainable work plans</p> <p><b>A premier destination:</b> B. Reposition City</p>	Improve the infrastructure and environment	Reduce energy consumption, reduce emissions, and increase the use of renewable energy and alternate fuels for municipal operations
		Focus on delivery of high quality basic services
		Design, construct, and operate City buildings that are sustainable.
		Manage, maintain, replace infrastructure for maximum value at established quality levels
		Improve surface water quality and quantity management
		Improve source water quality and quantity management
		Support a balanced, linked and sustainable multimodal transportation system that meets the needs of the traveling public
<p><b>A safe place to call home</b></p> <p><b>One Minneapolis:</b> A. Close race &amp; class gaps B. Middle class: keep it, grow it</p> <p><b>Lifelong learning:</b> B. Economic engine</p> <p><b>A premier destination:</b> B. Reposition City D. Jobs</p>	Focus on people	Maximize opportunities to improve air quality resulting from transportation sources
		Provide a safe workplace
		Promote employee participation
		Support professional development
		Retain, promote and recruit a quality workforce

<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>						
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2012 Target
Percent of alternative fuel usage compared to total fuel usage	8.0%	8.0%	8.0%	10.9%	11.2%	15.0%
Electricity usage (kWh)	15.6	15.6	N/A	N/A	15.2	14.4
PW Vehicle Accidents	157	162	140	164	106	96
Lost days due to work injuries	472	665	807	316	300	TBD

**What key trends and challenges does the department face and how will each be addressed?**

- Water revenue increases are insufficient to cover increasing costs:** Water treatment commodity costs are increasing faster than the current service level (CSL) adjustments. These commodities include chemicals used to treat and soften drinking water and fuel used as part of hauling away sludge generated by the water processes. Additionally, revenues

are not keeping pace with both commodity costs and fixed costs in the operating budget. Public Works is analyzing the situation and developing an action plan that includes marketing water to other agencies, prioritizing capital investment, and possible rate adjustments.

- **Constant pressure on the General Fund:** The continuing pressure on the General Fund to reduce costs has adversely impacted the City's related infrastructure, which includes streets, alleys, bridges, pedestrian malls and green space, street lights, signs and traffic signals. The roadways are requiring more reactive maintenance which has almost eliminated available funding for preventative maintenance. Also, costs for materials and labor are growing faster than current service level adjustments. To manage these funding reductions, the department is revising the way snow and ice control is provided, looking for opportunities to increase revenue through fees, and reducing the services provided.
- **Water resources:** In 2006, Metropolitan Council Environmental Services (MCES) introduced an Inflow & Infiltration (I&I) Surcharge Program that established a mitigation fee of \$350,000 per million gallons per day (MGD) of excess sanitary sewer flow to the MCES treatment plant. Excess flow is non-sewage wastewater, or "clear water" (most commonly stormwater).

The Met Council has calculated that Minneapolis must eliminate all 112.7 MGD of clear water entering the sanitary sewer system. To achieve this goal, the City needs to identify and eliminate sources of inflow (stormwater directly connected to the sanitary sewer, streets, roof drains, foundation drains, etc.) and infiltration (groundwater leaks through joints and cracks, tree roots). To date, the city has identified 60 percent of the sources of clear water and has removed 40 percent of the flow that Met Council is requiring to be eliminated. Public Works anticipates that there will come a point at which it will be far more expensive to identify and resolve the remaining inflow and infiltration problem than to pay a demand charge to MCES.

The city is also facing the challenge of obtaining a new National Pollution Discharge Elimination System (NPDES) permit for our Combined Sewer System. During a heavy rain event, if there is a considerable amount of excess flow in the sanitary sewer system, some of the combined sewage and clear water can overflow and discharge to the Mississippi River untreated. Since the city's permit is held jointly with the Met Council, the agencies are working together to negotiate a resolution with the Minnesota Pollution Control Agency. Key concerns are that any resolution is affordable and on has reasonable time constraints.

Public Works will continue to update elected officials on this progress and any anticipated policy decisions on both issues

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

Public Works periodically reconsiders the service activities it provides and the methods used to provide services. Through monthly financial meetings with divisions and continuing work on performance measurement, the department analyzes the value and effectiveness of different activities

### ***What actions will the department take to meet five-year financial direction?***

After reducing General Fund areas by the 2010 target reduction of \$292,000, the General Fund current service level should be \$40.7 million. The total required reduction in Public Works due to reductions in state aid is \$4.6 million over two years.



Public Works is undertaking the following list of initiatives as a combination of the 2009 Revised Budget carryover of permanent reductions and 2010 ongoing reductions in the General Fund:

<b>Department</b>	<b>Cost</b>	<b>Positions</b>	<b>Job Titles/Other costs</b>
Administration	\$ 27,000	1.00	Movement of 1.0 position to the Engineering Materials group
Malls & Plazas	150,000		Elimination of all trunk highway maint. activity that is not fully reimbursed
Street Administration	70,000	2.00	Redesign of the way that pavement management information is gathered, thus reducing summer part-time staff
Street Maint.& Repair	270,785	3.30	Cost reduction from management/Support staff reductions in early 2009
Snow & Ice Control	250,000		Continuation of redesign of snow operations
Traffic Operations	20,000	0.20	Shift of 20% of the Director of Traffic & Parking to the Parking fund
Traffic Operations	133,000	1.75	Reduction of Traffic personnel
Traffic Operations	36,000		Reduction in Traffic technician hours for routine counting
Traffic Operations	30,000		Reduced electrical expenses due to LED installation and thus improving energy efficiency
Traffic Operations	73,000		Shifting Gopher State locating into one PW division
Traffic Operations	16,000	0.20	Elimination of Traffic support staff upon relocation to Hawthorne and Border
Traffic Ops (REV)	38,000		Increased revenue for Metrodome security expenses at Vikings games
2009/2010 carryover	\$ 1,113,785	8.45	Total positions removed from General Fund.

Proposed additional 2010 budget reductions or additions to revenue to meet the 2010 General Fund target budget:

<b>Department</b>	<b>Cost</b>	<b>FTEs</b>
Snow & Ice Revision	\$1,150,000	0
Traffic Operations	\$320,000	1.7
Malls & Plazas	\$100,000	0

**General Fund:**

**Transportation Maintenance & Repair and Fleet Services:**

- Snow & Ice Control and Fleet Operations
  - **Revisions to Snow & Ice Operations** - Public Works will modify the way snow and ice control is accomplished in order to reduce expenditures in this area. The number of employees assigned full-time to respond to snow/ice events will change the pay status of approximately 54 employees from the 2008-2009 staffing level of 134 Truck Drivers, Heavy Equipment Operators and Construction Maintenance Laborers. When snow/ice response requires additional resources, employees from a reserve pool or other divisions of public works will supplement the full time snow/ice workforce.

- Malls & Plazas -
  - **Reduced Plaza Maintenance** – Maintenance of malls and plazas will be reduced to save \$100,000 per year, or 8.0% of the Malls & Plazas CSL budget. This reduction in service will specifically target maintenance expenses associated with Peavey Plaza including decommissioning of the fountains. This action is associated with the Orchestra Hall/City state bonding request to rebuild the plaza which should lower future maintenance expenses. Other plazas and greenspaces will also see reduced maintenance.

**Traffic & Parking:**

- Field Operations -
  - **Reduce Pavement Message Painting** - Reduce painting of most pavement messages such as bike symbols, left turn symbols, etc. for a savings of \$50,000 per year. Pavement messages reinforce roadway signing. The lack of messages may cause confusion for roadway users.
  - **Reduction in Routine Repairs to Lights / Traffic Signal systems** - Reduce funding for street light and traffic signal repair by \$90,000 per year. The Service Level Agreements (SLAs) for repairing street lights is expected to grow from 12 working days to 15 working days
  - **Reduced Traffic Requests** - Reduce our ability to research and handle traffic requests for a savings of \$50,000 per year. This will reduce the department's ability to respond to requests for traffic changes and traffic studies because the number of hours of contractual services Public Works purchases to assist traffic engineering area will be reduced. The department will be able to handle approximately 30% fewer requests than the department is now able to address. (Equivalent of consultant assistance of 0.5 FTE). Impacted services include:
    - No longer provide analysis on stop sign requests randomly – Apply stop sign plan and warrants only.
    - Suspend speed hump process.
    - Reduce speed wagon program.
    - Neighborhood-wide initiatives to be handled through a neighborhood hired consultant.
    - Suspend no turn on red process.
    - No longer evaluate requests that do not have safety premise.
  - **Reduce Sign Replacements for Bus Stops, No Parking, etc.** - Reduce sign replacement frequency for a savings of \$130,000 per year. With this reduction the department will no longer repair/maintain/install signs that reiterate ordinances such as No Parking (driveway), No Parking (corner clearance), No Parking (on bridges), and No Parking (fire zone) . Also No Parking signs that do not have significance in roadway operations such as No Parking (during church service), and No Parking (squads only). Also, Public Works would no longer install/maintain and repair signs associated with Commercial Loading Zones and Taxi Zones. Public Works will no longer repair/maintain and install signs that are not mandatory Warning signs such as Deaf Child, Blind Child, Autistic Child. Lastly, will not repair, replace or maintain speed limit signs unless the speed limit is over 30MPH.

### **Surface Water & Sewers:**

- Sanitary Sewers –
  - The Sanitary Sewer Fund area has taken reductions of \$422,000 or 5.8 % of the discretionary expenses for 2010. This reduction will decrease the flexibility of management to hire contractual assistance as issues arise.
- Stormwater –
  - The Stormwater Fund area has taken reductions of \$449,000 or 6.2% of discretionary expenses in the fund for 2010. Of these reductions, \$203,750 are in Street Cleaning in the Transportation Maintenance & Repair division and the remaining \$245,250 is in operational expenses associated with sewer facilities. The cut to Street Cleaning will affect the service level by providing a slightly lower frequency of sweeping in the summer and in response to complaints.

### **Water Treatment & Distribution:**

- The Water Fund area has kept its expense increases to only 1.2% for 2010 over 2009 despite 10 to 20% increases in chemical costs and significantly escalating sludge disposal costs. Other operating expenses have been reduced to compensate for most of these increases. Since water sales are down, the department has also reduced capital work for 2010 by over \$5 million in order to keep the rate increases to water customers as low as possible and increase the cash balance in the Water Fund.

### **FINANCIAL ANALYSIS**

The department's 2010 budget is \$303.1 million, a 0.67% increase from the 2009 revised budget. The department is funded by the general fund, the capital projects fund, four internal service funds and five enterprise funds. The estimated overall change in personnel is a reduction of positions for a total of 172.

### **ORIGINAL BUDGET**

The Mayor recommended a reduction of \$1.13 million from the current service level of the department's General Fund budget. The Mayor further recommended a reduction of \$422,000 from the Sanitary Sewer fund and \$449,000 from the Stormwater fund. The Council approved the Mayor's recommendations and further approved a reduction of \$50,000 from Community Development Block Grants for graffiti micro-grants and a reduction of \$86,000 from Community Development Block Grants for graffiti removal on public property.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends a reduction of \$550,000, which will be met through increased revenue. The department will achieve this through increased revenue from a renegotiated State Trunk Highway (STH) agreement. Additionally the Mayor recommends a one-time appropriation increase of \$2.16 million for doubling the number of crews filling potholes (\$500,000); seal-coating (\$500,000); and for installation of wireless poles to ensure the wireless network is fully operational (\$800,000) and for installation of wireless equipment in the city's vehicles to increase usage of the City's wireless contract (\$360,000).

The Mayor also requests the department quantify the impact of the resources recommended by the Mayor in its fourth quarter *Results Minneapolis* presentation in 2010. Measures should focus on the impact of the \$1 million requested for pothole repair and seal coating.

### **COUNCIL REVISED BUDGET**

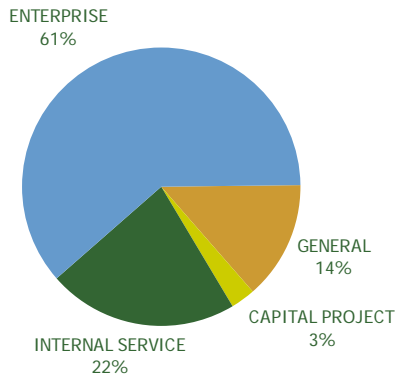
The Council approves the Mayor's recommendations.

**PUBLIC WORKS  
EXPENSE AND REVENUE INFORMATION**

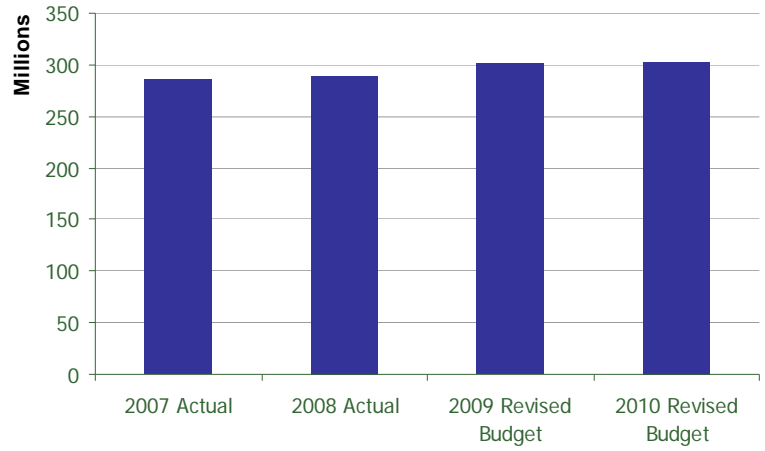
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs		(44,574)				
<b>TOTAL AGENCY</b>		<b>(44,574)</b>				
<b>CAPITAL PROJECT</b>						
Salaries and Wages	2,785,089	2,900,354	3,880,804	3,341,075	-13.91%	(539,729)
Contractual Services	1,652,356	2,562,278	3,042,660	3,179,869	4.51%	137,209
Operating Costs	155,013	119,549	190,725	731,445	283.51%	540,720
Fringe Benefits	867,876	974,879	1,427,712	1,387,775	-2.80%	(39,937)
Capital	(3,481,566)	3,195	82,701	40,800	-50.67%	(41,901)
<b>TOTAL CAPITAL PROJECT</b>	<b>1,978,768</b>	<b>6,560,255</b>	<b>8,624,602</b>	<b>8,680,964</b>	<b>0.65%</b>	<b>56,362</b>
<b>ENTERPRISE</b>						
Salaries and Wages	30,281,039	27,555,656	32,222,261	28,687,110	-10.97%	(3,535,150)
Contractual Services	83,981,677	82,412,145	86,223,229	95,665,365	10.95%	9,442,136
Operating Costs	59,944,893	60,780,881	44,449,662	43,595,294	-1.92%	(854,367)
Fringe Benefits	11,875,955	12,712,387	14,286,422	14,461,778	1.23%	175,357
Capital		908,199	2,348,745	4,387,790	86.81%	2,039,045
Debt Service						
<b>TOTAL ENTERPRISE</b>	<b>186,083,564</b>	<b>184,369,268</b>	<b>179,530,318</b>	<b>186,797,338</b>	<b>4.05%</b>	<b>7,267,020</b>
<b>GENERAL</b>						
Salaries and Wages	11,534,513	12,095,109	11,390,608	10,583,699	-7.08%	(806,909)
Contractual Services	18,878,168	18,998,626	18,077,633	19,038,839	5.32%	961,206
Operating Costs	5,445,334	6,247,956	5,822,908	5,659,594	-2.80%	(163,314)
Fringe Benefits	4,814,704	4,966,391	4,941,569	5,140,718	4.03%	199,150
Capital	195,339	73,174	277,912	283,469	2.00%	5,558
Debt Service				200,000		200,000
<b>TOTAL GENERAL</b>	<b>40,868,058</b>	<b>42,381,256</b>	<b>40,510,629</b>	<b>40,906,319</b>	<b>0.98%</b>	<b>395,690</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	18,224,046	16,284,188	20,801,290	15,494,624	-25.51%	(5,306,667)
Contractual Services	12,042,601	13,563,390	22,146,414	22,539,629	1.78%	393,214
Operating Costs	18,891,239	18,050,950	12,353,646	13,169,588	6.60%	815,942
Fringe Benefits	7,242,964	8,015,165	8,866,860	7,640,690	-13.83%	(1,226,170)
Capital	4,301	91,325	8,140,530	7,851,523	-3.55%	(289,008)
<b>TOTAL INTERNAL SERVICE</b>	<b>56,405,151</b>	<b>56,005,018</b>	<b>72,308,741</b>	<b>66,696,053</b>	<b>-7.76%</b>	<b>(5,612,688)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages		8,843				
Contractual Services	315,487	32,759	84,000		-100.00%	(84,000)
Operating Costs		11,778				
<b>TOTAL SPECIAL REVENUE</b>	<b>315,487</b>	<b>53,380</b>	<b>84,000</b>		<b>-100.00%</b>	<b>(84,000)</b>
<b>TOTAL EXPENSE</b>	<b>285,651,028</b>	<b>289,324,603</b>	<b>301,058,291</b>	<b>303,080,674</b>	<b>0.67%</b>	<b>2,022,384</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>CAPITAL PROJECT</b>						
Charges for Sales	410	258				
Charges for Service	30,771	4,166,445	2,122,924	2,322,924	9.42%	200,000
License and Permits	287,423	152,635	263,159	263,159	0.00%	
Other Misc Revenues		824				
Special Assessments	19,485	73,631	16,072	16,072	0.00%	
State Government	71,857		761,000		-100.00%	(761,000)
<b>TOTAL CAPITAL PROJECT</b>	<b>409,946</b>	<b>4,393,793</b>	<b>3,163,155</b>	<b>2,602,155</b>	<b>-17.74%</b>	<b>(561,000)</b>
<b>ENTERPRISE</b>						
Charges for Sales	10,271,738	4,754,671	4,073,400	2,806,000	-31.11%	(1,267,400)
Charges for Service	221,976,961	213,233,417	226,823,042	220,170,819	-2.93%	(6,652,223)
Federal Government						
Fines and Forfeits	41,789	61,437	45,000	45,000	0.00%	
Gains	25,274,650	565,167				
License and Permits	241,344	256,948	219,000	219,000	0.00%	
Local Government	1,114,294	1,216,319	1,073,403	1,085,072	1.09%	11,669
Other Misc Revenues	109,342	115,750	194,181	193,841	-0.18%	(340)
Rents	21,060	10,544	3,000	3,000	0.00%	
Sales and Other Tax		(0)				
Special Assessments	266,096	302,386	115,000	115,000	0.00%	
State Government	831,691	885,337	749,469	761,138	1.56%	11,669
Transfers In						
<b>TOTAL ENTERPRISE</b>	<b>260,148,963</b>	<b>221,401,974</b>	<b>233,295,495</b>	<b>225,398,870</b>	<b>-3.38%</b>	<b>(7,896,625)</b>
<b>GENERAL</b>						
Charges for Sales	23,509	60,083	28,500	28,500	0.00%	
Charges for Service	5,769,603	7,720,087	5,116,500	5,146,500	0.59%	30,000
Contributions						
Franchise Fees	152,631	197,923	110,000	110,000	0.00%	
License and Permits	2,066,735	1,404,946	1,709,000	1,510,000	-11.64%	(199,000)
Local Government	583,237	544,349	664,918	664,918	0.00%	(0)
Other Misc Revenues	457,948	248,517	651,242	648,492	-0.42%	(2,750)
Rents			2,400	2,400	0.00%	
Special Assessments	2,044,763	2,071,984	1,752,926	799,804	-54.37%	(953,122)
State Government	3,323,021	3,800,442	3,452,531	4,002,530	15.93%	550,000
<b>TOTAL GENERAL</b>	<b>14,421,447</b>	<b>16,048,331</b>	<b>13,488,017</b>	<b>12,913,144</b>	<b>-4.26%</b>	<b>(574,873)</b>
<b>INTERNAL SERVICE</b>						
Charges for Sales	13,406,859	6,662,471	15,173,700	10,620,547	-30.01%	(4,553,153)
Charges for Service	15,520,724	18,217,622	17,871,400	17,342,209	-2.96%	(529,191)
Gains	(416,265)	50,345	200,000	200,000	0.00%	
Other Misc Revenues	824,939	311,224	13,000	13,000	0.00%	
Property Taxes		(427)				
Rents	27,412,216	28,755,936	40,026,583	38,156,113	-4.67%	(1,870,470)
<b>TOTAL INTERNAL SERVICE</b>	<b>56,748,474</b>	<b>53,997,171</b>	<b>73,284,683</b>	<b>66,331,869</b>	<b>-9.49%</b>	<b>(6,952,814)</b>
<b>TOTAL REVENUE</b>	<b>331,728,830</b>	<b>295,841,270</b>	<b>323,231,350</b>	<b>307,246,038</b>	<b>-4.95%</b>	<b>(15,985,312)</b>

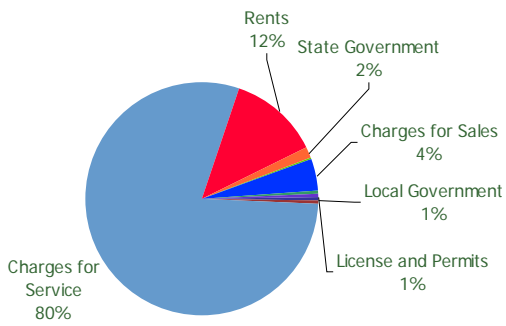
### Expense by Fund



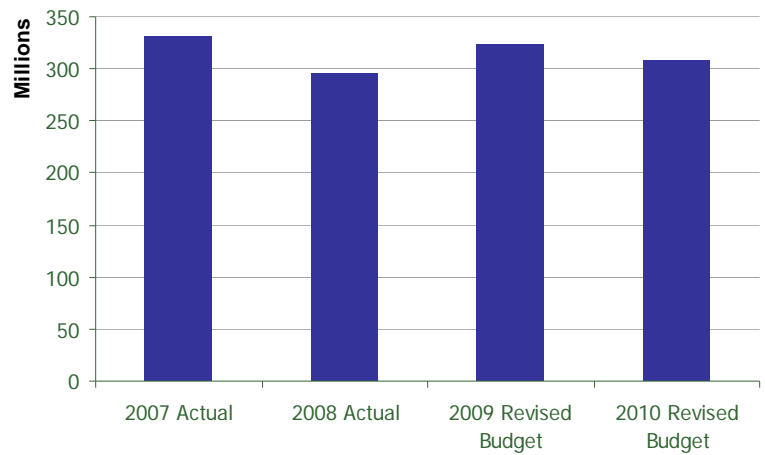
### Expenditures 2007-2010



### Revenue by Type



### Revenues 2007-2010

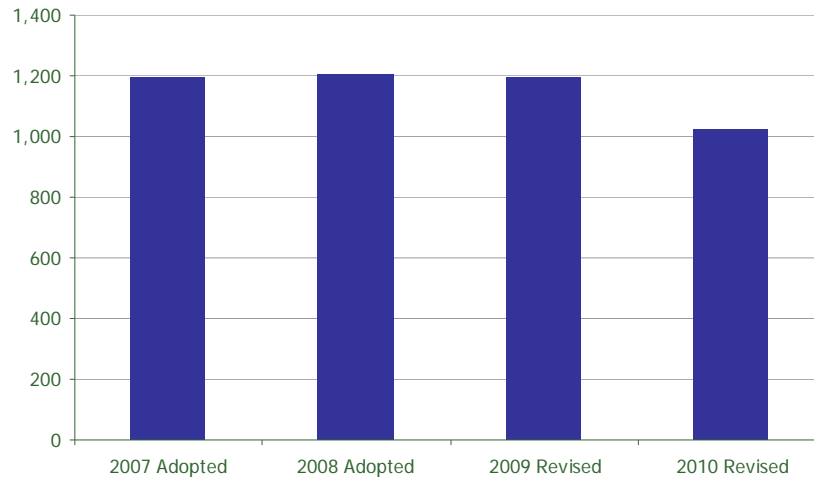


## PUBLIC WORKS Staffing Information

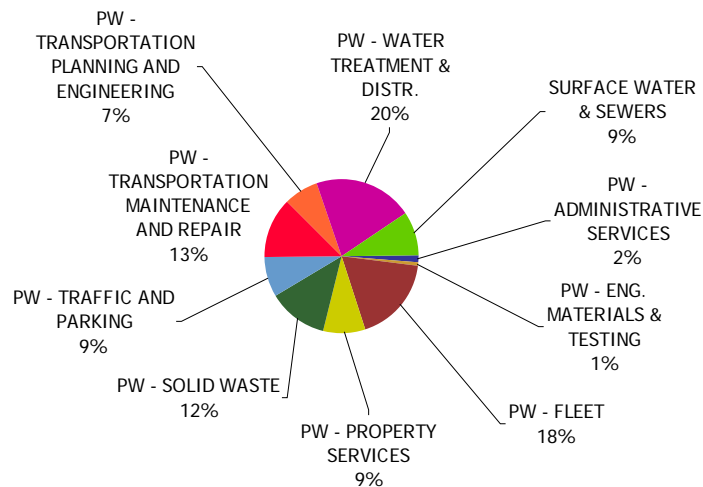
	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
PW - ADMINISTRATIVE SERVICES	16.00	17.00	15.50	15.50	0.0%	
PW - ENG. MATERIALS & TESTING	20.00	20.00	7.00	6.00	-14.3%	(1)
PW - FLEET	248.00	247.00	246.60	180.60	-26.8%	(66)
PW - PROPERTY SERVICES	105.00	106.00	108.40	91.30	-15.8%	(17)
PW - SOLID WASTE	129.00	128.00	129.00	127.00	-1.6%	(2)
PW - TRAFFIC AND PARKING	99.00	98.00	94.13	90.00	-4.4%	(4)
PW - TRANSPORTATION MAINTENANCE AND REPAIR	149.00	151.00	144.70	129.95	-10.2%	(15)
PW - TRANSPORTATION PLANNING AND ENGINEERING	69.00	66.00	88.00	74.00	-15.9%	(14)
PW - WATER TREATMENT & DISTR.	253.00	253.00	252.75	216.67	-14.3%	(36)
SURFACE WATER & SEWERS	109.00	117.00	109.90	93.40	-15.0%	(17)
<b>Total PUBLIC WORKS Depts</b>	<b>1,197.00</b>	<b>1,203.00</b>	<b>1,195.98</b>	<b>1,024.42</b>	<b>-14.3%</b>	<b>(172)</b>

During 2009, an estimated 143 vacant positions were eliminated without further reductions to appropriation. Public Works was reduced by 19 positions to correct a technical error in the original 2010 Adopted budget.

### Positions 2007-2010



### Positions by Division



## ADMINISTRATIVE SERVICES

### EXPENDITURE

The 2010 budget is \$2.7 million or a 2.1% increase over the 2009 budget of \$2.6 million. The \$73,880 increase is a result of increased costs for fringe benefits and salaries and wages.

### REVENUE

Revenue of \$2.3 million in administrative services results from overhead charged to other Public Works functions and also permit and plan review fees. There is no change from the 2009 budget.

### FUND ALLOCATION

Administrative Services operates within the City's General Fund.

### ORIGINAL BUDGET

The Mayor recommended no change to the Administration division and Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$17,500 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$604 decrease in appropriation due to the Council's actions to fund two internal audit positions.

### MAYOR'S REVISED BUDGET

The Mayor recommends no change.

### COUNCIL REVISED BUDGET

The Council approves the Mayor's recommendations.

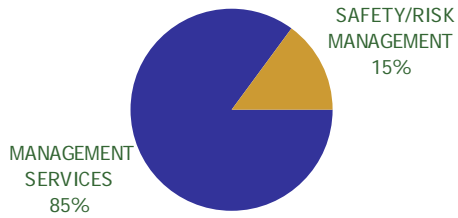
## PUBLIC WORKS - ADMINISTRATIVE SERVICES EXPENSE AND REVENUE INFORMATION

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	1,039,454	1,233,140	1,177,489	1,230,566	4.5%	53,077
Fringe Benefits	295,990	347,137	370,526	411,019	10.9%	40,493
Contractual Services	980,261	683,043	559,743	508,502	-9.2%	(51,242)
Operating Costs	398,401	447,095	507,412	520,506	2.6%	13,093
Capital	1,662	1,514	17,772	18,126	2.0%	354
<b>TOTAL EXPENSE</b>	<b>2,715,768</b>	<b>2,711,929</b>	<b>2,632,942</b>	<b>2,688,718</b>	<b>2.1%</b>	<b>55,776</b>

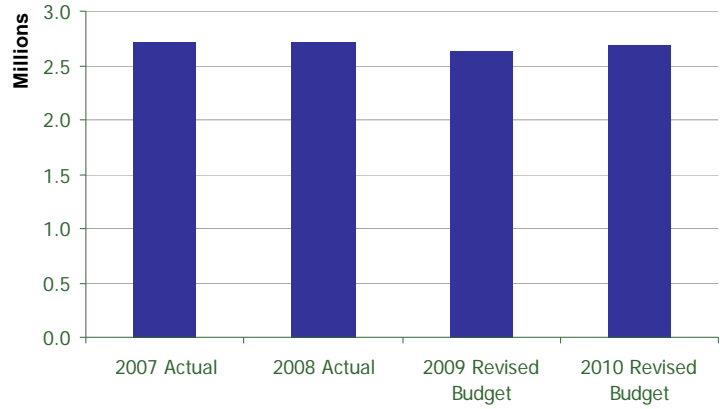
REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	335,897	341,678	335,000	335,000	0.0%	0
Local Government	90,000	30,000			0.0%	0
Charges for Service	2,113,113	2,193,589	1,926,000	1,926,000	0.0%	0
Charges for Sales	24	91			0.0%	0
Other Misc Revenues	63	174			0.0%	0
<b>TOTAL REVENUE</b>	<b>2,539,098</b>	<b>2,565,532</b>	<b>2,261,000</b>	<b>2,261,000</b>	<b>0.0%</b>	<b>0</b>



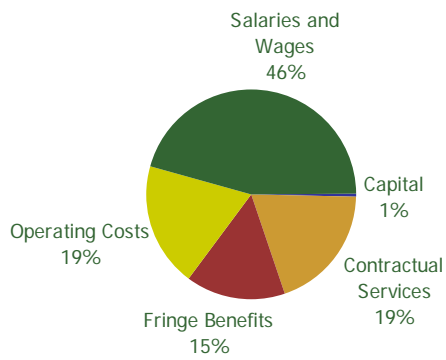
**Expense by Division**



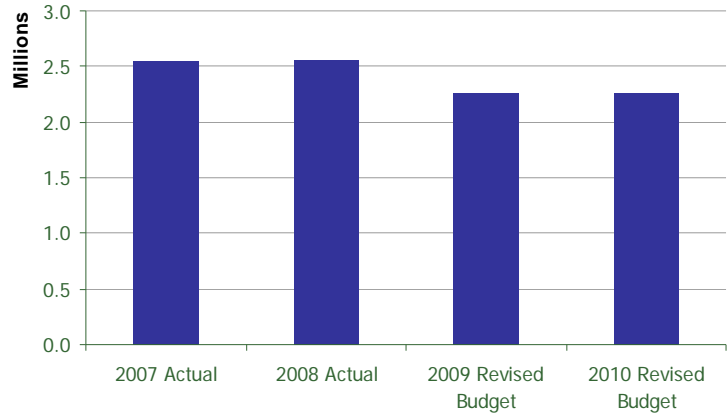
**Expense 2007 - 2010**



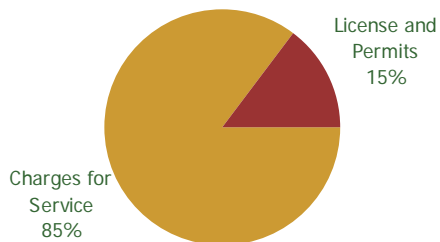
**Expense by Category**



**Revenue 2007 - 2010**



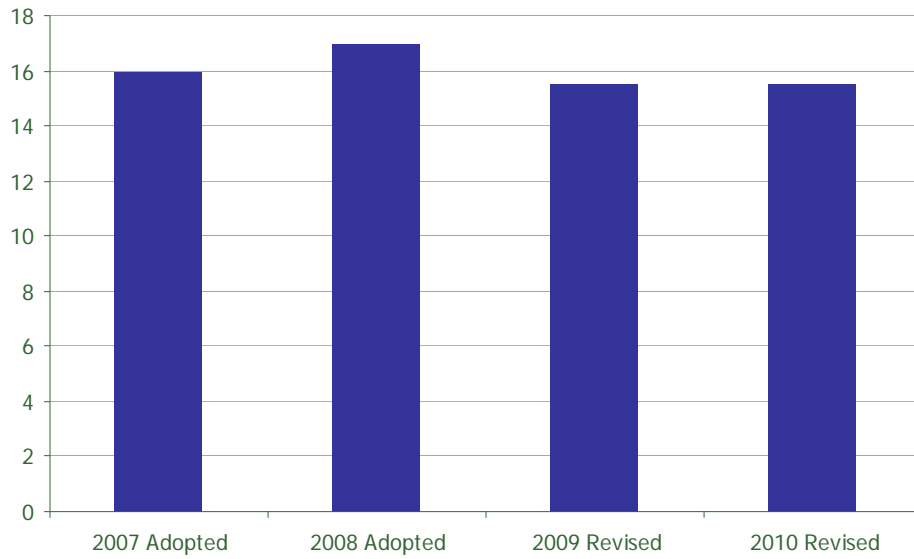
**Direct Revenue by Type**



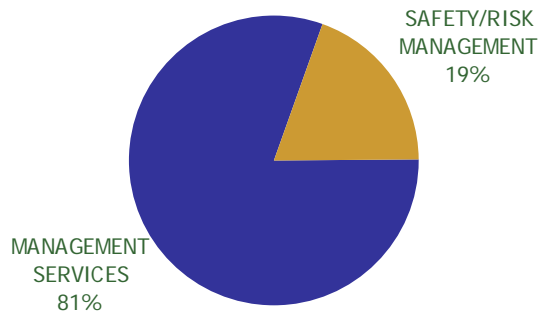
## PUBLIC WORKS - ADMINISTRATIVE SERVICES Staffing Information

Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
MANAGEMENT SERVICES	13.00	14.00	12.50	12.50	0.0%	
SAFETY/RISK MANAGEMENT	3.00	3.00	3.00	3.00	0.0%	
<b>TOTAL</b>	<b>16.00</b>	<b>17.00</b>	<b>15.50</b>	<b>15.50</b>	<b>0.0%</b>	

### Positions 2007-2010



### Positions by Division



## **ENGINEERING MATERIALS AND TESTING (ALSO KNOWN AS CENTRAL STORES)**

### **EXPENDITURE**

Due to reorganization of Public Works divisions in 2008, Central Stores is the only division included in the Engineering Materials and Testing division. The 2010 expenditure budget of \$748,000 is a significant decrease from the 2009 revised budget of \$1.7 million. Due to a process change to record inventory transactions, the cost of goods sold is no longer budgeted and accounts for a decrease of \$750,000 from 2009 to 2010. Additionally, Central Stores reduced the number of positions from 7 in 2009 to 6 in 2010. The remaining budget decrease is attributed to a reduction in operating expenditures.

### **REVENUE**

There is a significant difference in the revenue budget between 2009 and 2010. The 2009 budget was based on recording revenue at the sale price charged to customers (cost of goods sold plus overhead). Due to a process change in recording inventory transactions, the 2010 budget includes only the overhead amount. The division anticipates collecting overhead revenues of \$768,000 for 2010 compared to the \$1.7 million in the 2009 budget.

### **FUND ALLOCATION**

The division is funded in the Public Works Stores internal service fund. Central Stores does not reside in the Engineering Materials and Testing Fund.

*For more information on the Public Works Stores fund, please see the financial plans section of this document.*

### **ORIGINAL BUDGET**

The Mayor recommended no changes to the Central Stores division and the Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$3,100 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$168 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends no change.

### **COUNCIL REVISED BUDGET**

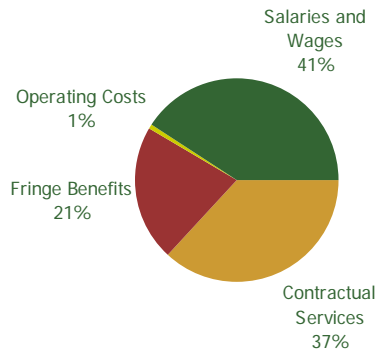
The Council approves the Mayor's recommendations.

## PUBLIC WORKS - ENGINEERING MATERIALS & TESTING EXPENSE AND REVENUE INFORMATION

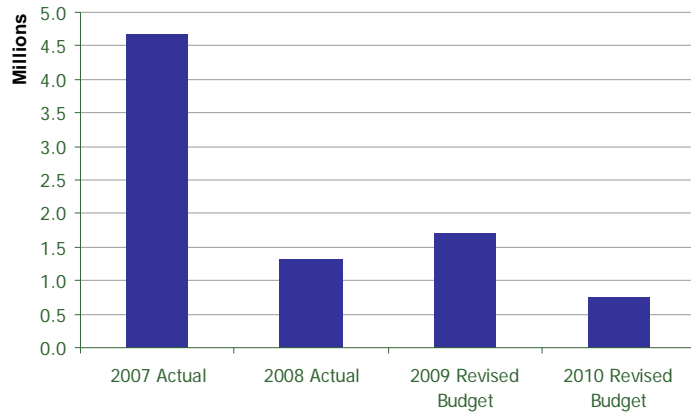
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Salaries and Wages	420,494	350,704	352,606	305,801	-13.3%	(46,805)
Fringe Benefits	217,038	189,404	170,044	160,249	-5.8%	(9,796)
Contractual Services	428,768	200,220	280,309	276,780	-1.3%	(3,529)
Operating Costs	3,604,849	567,329	898,752	5,130	-99.4%	(893,621)
Capital	0	6,473	2,322		-100.0%	(2,322)
<b>TOTAL EXPENSE</b>	<b>4,671,149</b>	<b>1,314,130</b>	<b>1,704,033</b>	<b>747,960</b>	<b>-56.1%</b>	<b>(956,073)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Charges for Service	452,701	737,338	350,000	755,000	115.7%	405,000
Charges for Sales	4,100,930	11,089	1,379,500	12,500	-99.1%	(1,367,000)
Other Misc Revenues	0				0.0%	0
<b>TOTAL REVENUE</b>	<b>4,553,631</b>	<b>748,427</b>	<b>1,729,500</b>	<b>767,500</b>	<b>-55.6%</b>	<b>(962,000)</b>

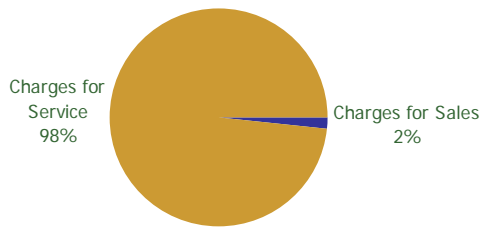
Expense by Category



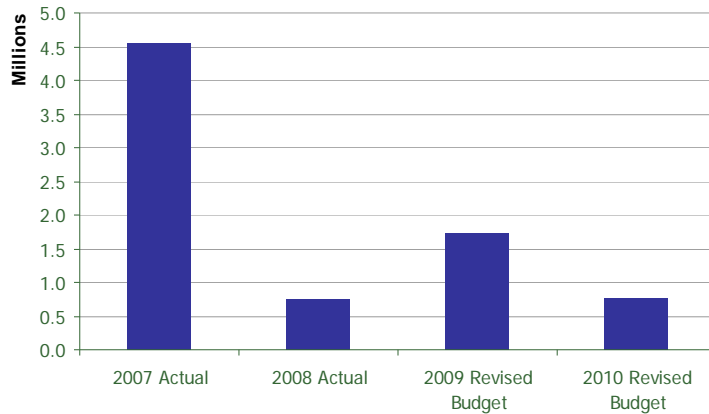
Expense 2007 - 2010



Direct Revenue by Type



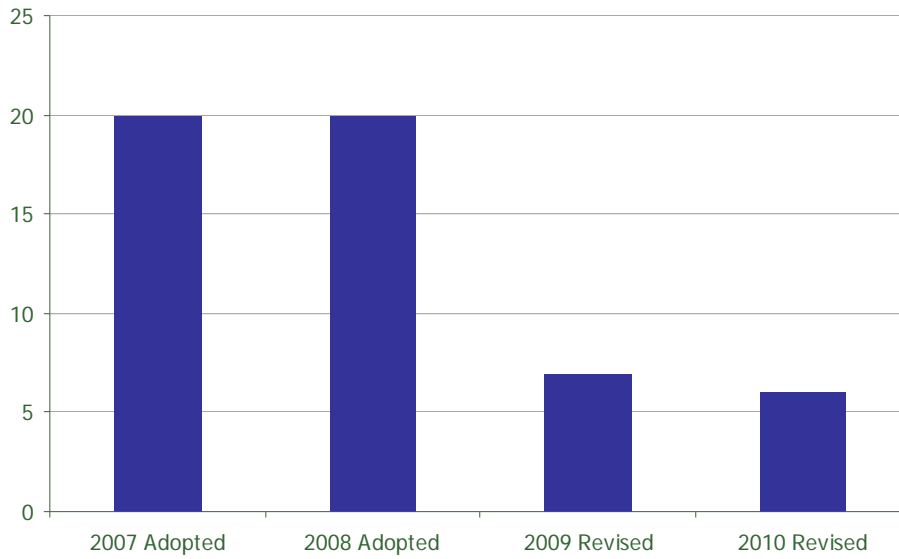
Revenue 2007 - 2010



**PUBLIC WORKS - ENGINEERING MATERIALS & TESTING**  
**Staffing Information**

<b>Expense</b>	<b>2007 Actual</b>	<b>2008 Adopted</b>	<b>2009 Revised</b>	<b>2010 Revised</b>	<b>% Change</b>	<b>Change</b>
ASPHALT DISTRIBUTION & PROCURE	1.00	1.00				
CENTRAL STORES	7.00	7.00	7.00	6.00	-14.3%	(1)
PW - ENG. MATERIALS & TESTING	12.00	12.00				
<b>TOTAL</b>	<b>20.00</b>	<b>20.00</b>	<b>7.00</b>	<b>6.00</b>	<b>-14.3%</b>	<b>(1)</b>

**Positions 2007-2010**



## **FLEET SERVICES**

### **EXPENDITURE**

The total expense budget for Fleet Services is \$43.1 million, an increase of 2.4% from the 2009 revised budget. This increase is primarily due to including the cost of fuel inventory purchases with the material and supplies expenditure class in the operating budget and an increase in general fund overhead.

The internal service funds received a larger increase in general fund overhead in 2009 and 2010 due to historically receiving lower payments to assist with long-term financial plans.

### **REVENUE**

The 2010 revenue budget of \$42.9 million represents an increase of 0.1% over the 2009 budget. The projected revenue is determined through a rate model using historical operational costs, the annual recovery rate to replenish equipment and the overhead costs of the department. The fund receives a transfer from the General Fund of \$4.2 million in accordance with the adopted long-term financial plan to provide funding for debt service on the general obligation bonds.

### **FUND ALLOCATION**

The transactions of this division are recorded in the Fleet Services internal service fund.

*For more information, see the Fleet Services Fund within the financial plans section of this document.*

### **ORIGINAL BUDGET**

The Mayor recommended Fleet reduce the number of truck drivers and equipment operators placed in reserve status and the number of seasonal rented equipment (-\$781,000). This results in a reduction to charges to Transportation Maintenance & Repair for snow and ice removal. The Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$24,800 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$9,620 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends no change.

### **COUNCIL REVISED BUDGET**

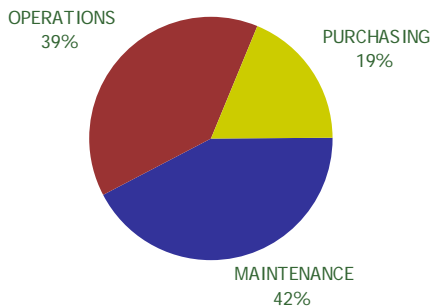
The Council approves the Mayor's recommendations.

## PUBLIC WORKS - FLEET SERVICES EXPENSE AND REVENUE INFORMATION

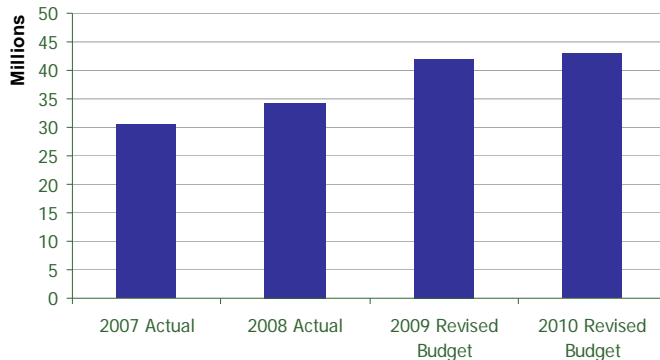
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Salaries and Wages	11,293,544	9,548,933	13,279,256	9,364,514	-29.5%	(3,914,742)
Fringe Benefits	4,387,093	4,825,313	5,623,186	4,731,243	-15.9%	(891,943)
Contractual Services	5,077,671	4,941,340	10,533,444	10,677,597	1.4%	144,153
Operating Costs	9,673,131	14,845,454	5,054,372	10,516,732	108.1%	5,462,360
Capital	0	31,657	7,591,591	7,795,423	2.7%	203,831
<b>TOTAL EXPENSE</b>	<b>30,431,439</b>	<b>34,192,697</b>	<b>42,081,850</b>	<b>43,085,509</b>	<b>2.4%</b>	<b>1,003,659</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Charges for Service	6,486,789	6,462,749	7,860,500	8,132,710	3.5%	272,210
Charges for Sales	5,655,182	6,040,561	7,800,000	9,838,047	26.1%	2,038,047
Gains	191,605	50,345	200,000	200,000	0.0%	0
Rents	20,262,893	20,685,212	27,004,000	24,726,768	-8.4%	(2,277,232)
Other Misc Revenues	187,136	300,196	10,000	10,000	0.0%	0
<b>TOTAL REVENUE</b>	<b>32,783,605</b>	<b>33,539,064</b>	<b>42,874,500</b>	<b>42,907,525</b>	<b>0.1%</b>	<b>33,025</b>

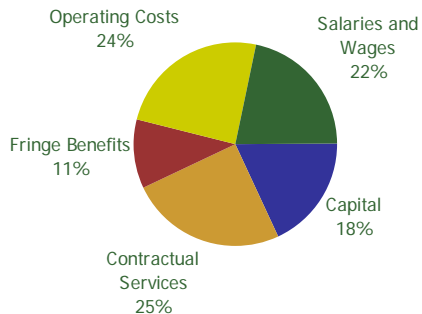
Expense by Division



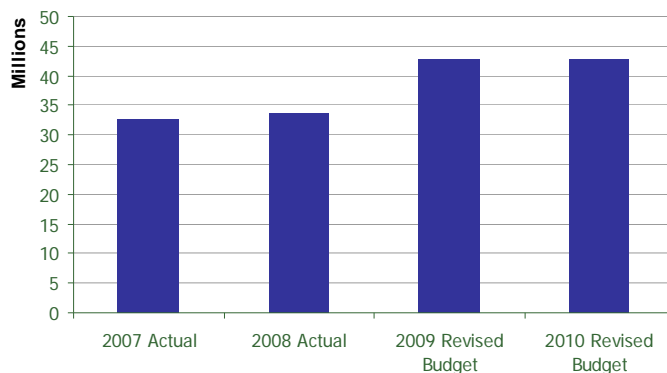
Expense 2007 - 2010



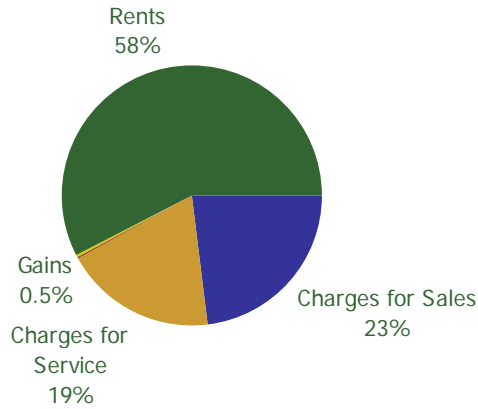
Expense by Category



Revenue 2007 - 2010



## Direct Revenue by Type

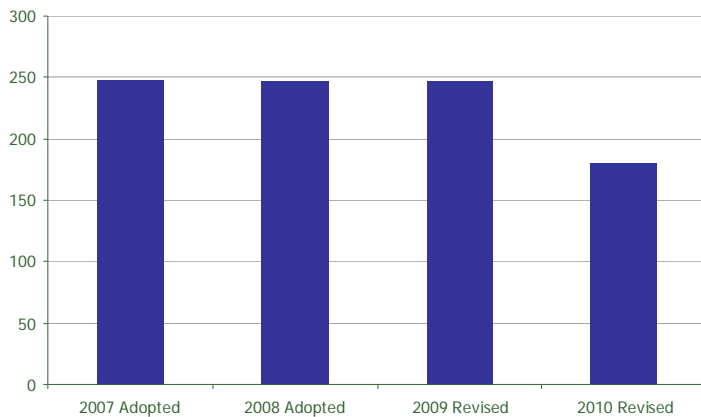


## PUBLIC WORKS - FLEET SERVICES Staffing Information

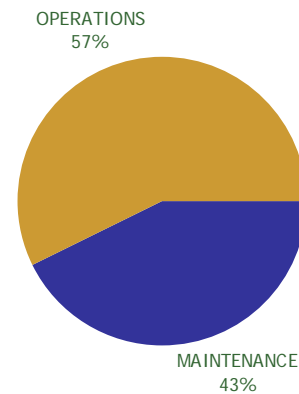
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
MAINTENANCE	87.00	86.00	85.60	77.10	-9.9%	(9)
OPERATIONS	161.00	161.00	161.00	103.50	-35.7%	(58)
<b>TOTAL</b>	<b>248.00</b>	<b>247.00</b>	<b>246.60</b>	<b>180.60</b>	<b>-26.8%</b>	<b>(66)</b>

During 2009, an estimated 41 vacant positions were eliminated without further reductions to appropriation. Fleet Services was reduced by 25 positions to correct a technical error in the original 2010 Adopted budget.

**Positions 2007-2010**



**Positions by Division**





## PROPERTY SERVICES

### EXPENDITURE

The 2010 expense budget for Property Services is \$21.1 million, a 3.7% decrease in expenditures over the 2009 budget. The decrease in expenditures is related to an anticipated decline in demand for elective services which this fund provides to other City departments.

### REVENUE

The division's revenue budget is \$20.8 million, a decrease of 6.0% from the 2009 budget. The decrease corresponds with the decrease in expenditures.

### FUND ALLOCATION

The transactions of this division are recorded in the Property Services Internal Service Fund.

*For more information, please see the Property Services fund in the financial plans section of this document.*

### ORIGINAL BUDGET

The Mayor recommended no change to the Property Services division and Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$15,500 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$3,676 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### MAYOR'S REVISED BUDGET

The Mayor recommends one-time resources for installation of wireless equipment in the city's vehicles to increase usage of the City's wireless contract (\$360,000 shown as a transfer).

### COUNCIL REVISED BUDGET

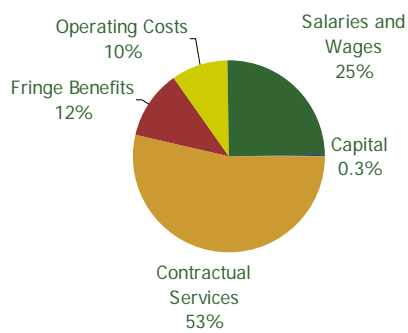
The Council approves the Mayor's recommendations.

## PUBLIC WORKS - PROPERTY SERVICES EXPENSE AND REVENUE INFORMATION

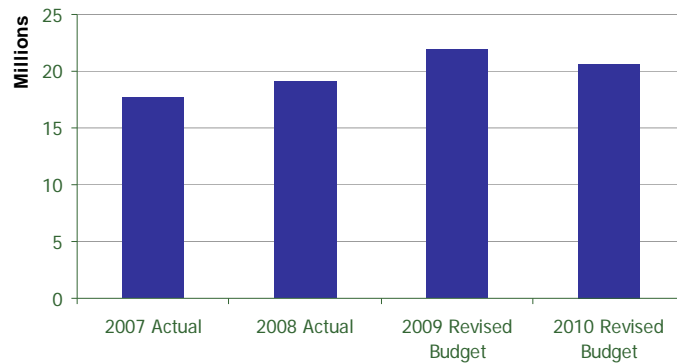
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Contractual Services	0	3,870			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>3,870</b>				<b>0</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	5,846,880	5,688,904	6,129,257	5,195,338	-15.2%	(933,918)
Fringe Benefits	2,417,668	2,704,601	2,662,729	2,442,293	-8.3%	(220,436)
Contractual Services	6,273,414	7,795,507	10,725,889	10,991,887	2.5%	265,998
Operating Costs	3,142,476	2,890,594	1,831,953	2,376,368	10.1%	184,415
Capital	4,301	6,927	528,329	56,100	-89.4%	(472,229)
<b>TOTAL INTERNAL SERVICE</b>	<b>17,684,739</b>	<b>19,086,533</b>	<b>21,878,156</b>	<b>21,061,987</b>	<b>-3.7%</b>	<b>(816,169)</b>
<b>TOTAL EXPENSE</b>	<b>17,684,739</b>	<b>19,090,403</b>	<b>21,878,156</b>	<b>21,061,987</b>	<b>-3.7%</b>	<b>(816,169)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Property Taxes	0	(427)			0.0%	0
Charges for Service	7,663,181	9,653,758	8,579,500	6,979,499	-18.6%	(1,600,001)
Charges for Sales	690,078	596,915	530,000	400,000	-24.5%	(130,000)
Gains	(607,869)				0.0%	0
Rents	7,149,323	8,070,724	13,022,583	13,429,345	3.1%	406,762
Other Misc Revenues	637,803	6,656	3,000	3,000	0.0%	0
<b>TOTAL REVENUE</b>	<b>15,532,516</b>	<b>18,327,627</b>	<b>22,135,083</b>	<b>20,811,844</b>	<b>-6.0%</b>	<b>(1,323,239)</b>

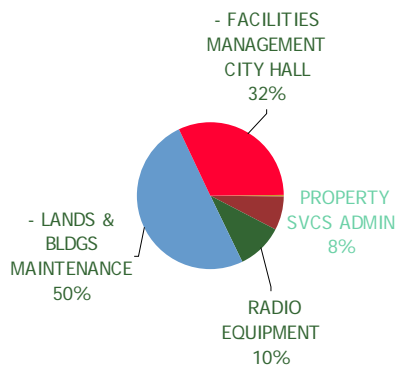
**Expense by Category**



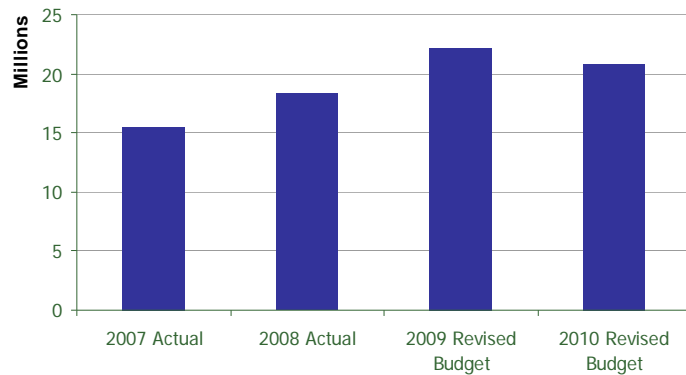
**Expense 2007 - 2010**



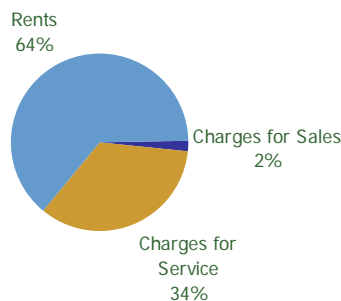
**Expense by Division**



**Revenue 2007 - 2010**



**Direct Revenue by Type**

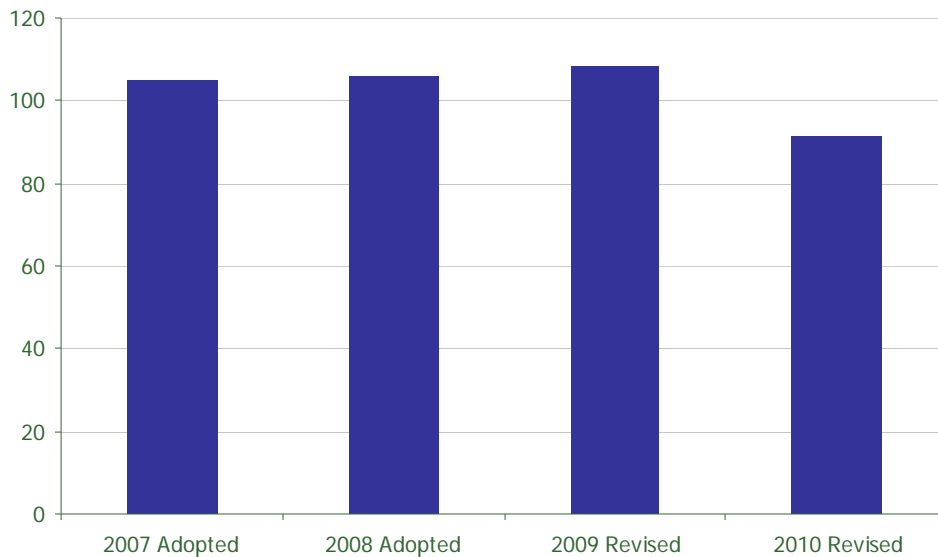


## PUBLIC WORKS - PROPERTY SERVICES Staffing Information

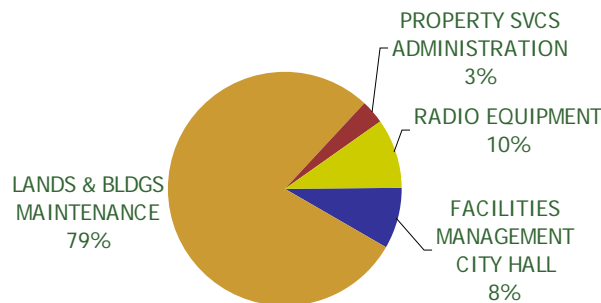
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
FACILITIES MANAGEMENT CITY HALL			7.50	7.50	0.0%	
LANDS & BLDGS MAINTENANCE			86.90	71.80	-17.4%	(15)
PROPERTY SVCS ADMINISTRATION	94.00	95.00	3.00	3.00	0.0%	
RADIO EQUIPMENT	11.00	11.00	11.00	9.00	-18.2%	(2)
<b>TOTAL</b>	<b>105.00</b>	<b>106.00</b>	<b>108.40</b>	<b>91.30</b>	<b>-15.8%</b>	<b>(17)</b>

During 2009, an estimated 12 vacant positions were eliminated without further reductions to appropriation. Property Services was reduced by 5 positions to correct a technical error in the original 2010 Adopted budget.

### Positions 2007-2010



### Positions by Division



## SOLID WASTE & RECYCLING SERVICES

### EXPENDITURE

The 2010 expenditure budget is \$33.5 million, an increase of 3.2% from the 2009 budget. Solid Waste reduced 2 vacant positions from 2009 for a total of 127 positions in 2010.

### REVENUE

Anticipated revenue for 2010 is \$29.0 million, a decrease of 5.2% from the 2009 budget. Revenue is based on dwelling units and reflects the downward trend over the last five years.

### FUND ALLOCATION

The division is funded by the Solid Waste enterprise fund.

*Please see the Solid Waste financial plan in the financial plans section of this book for more information.*

### ORIGINAL BUDGET

The Mayor recommended no increase to these rates. Graffiti strategies are funded at \$1.2 million from the division's fund balance. The Mayor also recommended \$50,000 from Community Development Block Grant funds for graffiti microgrants. The Council approved the Mayor's recommendations but reduced funding by \$50,000 from Community Development Block Grants funds for graffiti micro-grants.

The budget for this department includes a reduction of BIS charges of \$18,600 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$7,501 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### MAYOR'S REVISED BUDGET

The Mayor recommends no change.

### COUNCIL REVISED BUDGET

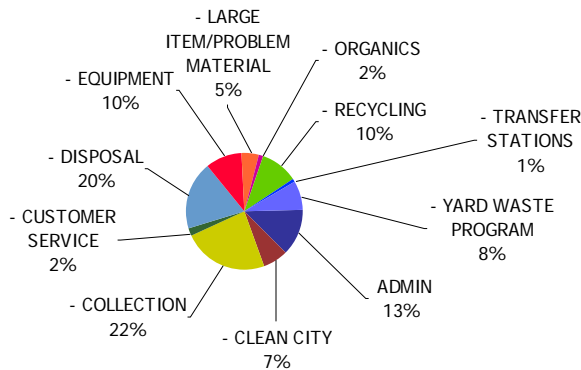
The Council approves the Mayor's recommendations.

### PUBLIC WORKS - SOLID WASTE & RECYCLING EXPENSE AND REVENUE INFORMATION

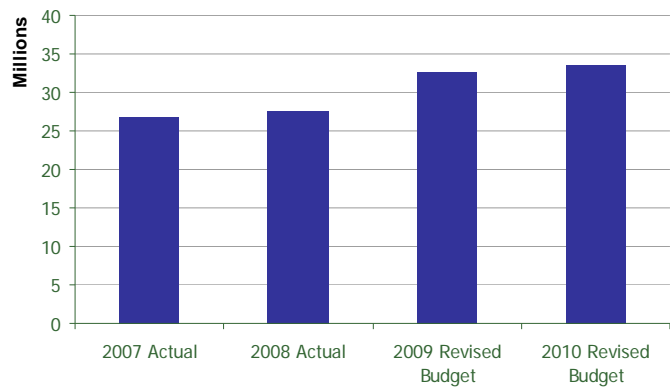
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Contractual Services	0		75,000		-100.0%	(75,000)
<b>TOTAL GENERAL</b>	<b>0</b>		<b>75,000</b>		<b>-100.0%</b>	<b>(75,000)</b>
<b>INTERNAL SERVICE</b>						
Fringe Benefits	11,315				0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>11,315</b>					<b>0</b>
<b>ENTERPRISE</b>						
Salaries and Wages	6,403,033	5,899,004	6,524,495	6,591,450	1.0%	66,954
Fringe Benefits	2,779,499	2,915,163	3,168,178	3,486,127	10.0%	317,948
Contractual Services	15,820,939	16,172,108	20,245,978	21,039,473	3.9%	793,495
Operating Costs	1,847,304	1,792,582	1,227,480	1,145,119	-6.7%	(82,361)
Capital	0	895,614	1,259,278	1,284,464	2.0%	25,185
<b>TOTAL ENTERPRISE</b>	<b>26,850,775</b>	<b>27,674,471</b>	<b>32,425,410</b>	<b>33,546,632</b>	<b>3.5%</b>	<b>1,121,222</b>
<b>TOTAL EXPENSE</b>	<b>26,862,090</b>	<b>27,674,471</b>	<b>32,500,410</b>	<b>33,546,632</b>	<b>3.2%</b>	<b>1,046,222</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
State Government	0	(25)			0.0%	0
Local Government	783,762	871,639	800,000	800,000	0.0%	0
Charges for Service	26,712,042	26,385,461	28,079,000	27,582,210	-1.8%	(496,790)
Charges for Sales	1,875,838	2,284,278	1,699,400	600,000	-64.7%	(1,099,400)
Special Assessments	119,614	200,779			0.0%	0
Gains	13,807				0.0%	0
Rents	806	2,013			0.0%	0
Other Misc Revenues	17,363	83,213			0.0%	0
<b>TOTAL REVENUE</b>	<b>29,523,232</b>	<b>29,827,358</b>	<b>30,578,400</b>	<b>28,982,210</b>	<b>-5.2%</b>	<b>(1,596,190)</b>

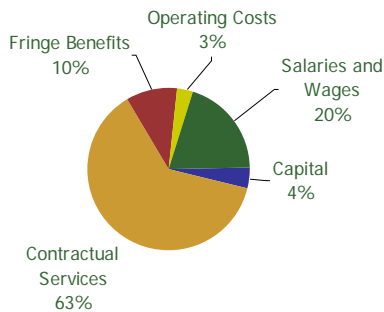
### Expense by Division



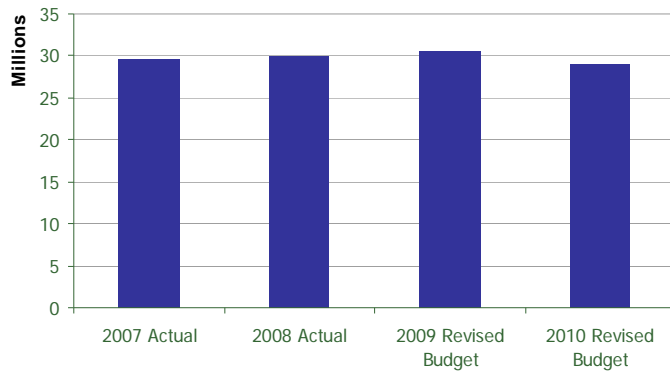
### Expense 2007 - 2010



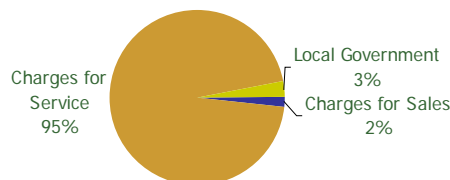
### Expense by Category



### Revenue 2007 - 2010



### Direct Revenue by Type

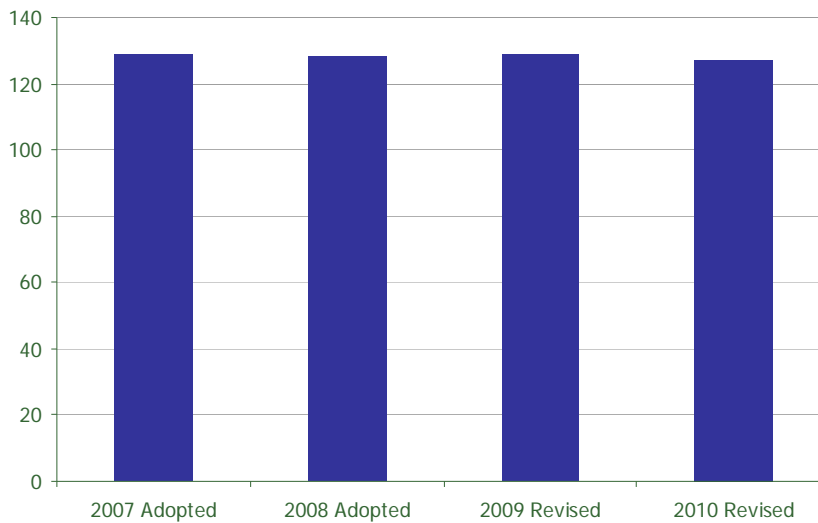


## PUBLIC WORKS - SOLID WASTE & RECYCLING Staffing Information

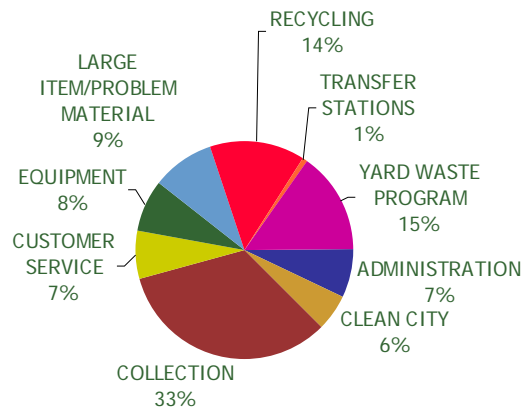
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
ADMINISTRATION	14.00	19.00	19.50	9.00	-53.8%	(11)
CLEAN CITY	15.00	5.00	6.00	7.00	16.7%	1
COLLECTION	41.00	44.00	41.00	42.00	2.4%	1
CUSTOMER SERVICE	8.00	7.00	7.00	9.00	28.6%	2
EQUIPMENT	10.00	10.00	10.00	10.00	0.0%	
LARGE ITEM/PROBLEM MATERIAL	11.00	4.00	7.00	12.00	71.4%	5
RECYCLING	20.00	26.00	26.00	18.00	-30.8%	(8)
TRANSFER STATIONS	1.00			1.00		1
YARD WASTE PROGRAM	9.00	13.00	12.50	19.00	52.0%	7
<b>TOTAL</b>	<b>129.00</b>	<b>128.00</b>	<b>129.00</b>	<b>127.00</b>	<b>-1.6%</b>	<b>(2)</b>

During 2009, an estimated 2 vacant positions were eliminated without further reductions to appropriation.

### Positions 2007-2010



### Positions by Division



## **SURFACE WATER & SANITARY SEWER**

### **EXPENDITURE**

The 2010 expense budget for Surface Water & Sanitary Sewer is \$55.9 million, a 1.2% increase over the 2009 budget. The budget covers operating expenditures for design, maintenance, management, Met Council and street cleaning activities. Over \$500,000 of the increase is attributed to an increase in street cleaning contractual services. Additionally General Fund overhead charges increased \$400,000 over 2009 charges (see Schedule 14 for more information).

The budget includes a reduction of 17 positions from the 2009 budget.

### **REVENUE**

Revenue is projected at \$78.8 million, a decrease of 0.6% from the 2009 budget. The revenue estimate is based on four-year average consumption trends and includes the proposed rate of \$11.09 per Equivalent Stormwater Unit (ESU), a \$0.32 increase over the 2009 rate.

### **FUND ALLOCATION**

The Sanitary Sewer fund accounts for 76% of the division's budget with the Stormwater fund accounting for 24%.

*Please see the Stormwater fund and Sanitary Sewer fund financial plans in the financial plan section of this book for more information.*

### **ORIGINAL BUDGET**

The Mayor recommended an increase of \$0.32 in per unit rates in both the Sanitary and the Stormwater utilities. The Mayor further recommended a reduction of \$422,000 to the department's current service level operating budget in the Sanitary Sewer Fund. The Mayor recommended an additional reduction of \$245,250 to the department's current service level operating budget in the Stormwater Fund. The Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$23,600 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$9,331 increase to General Fund Overhead charges in the Sanitary Sewer Fund and a \$3,159 increase to General Fund Overhead charges in the Stormwater Fund due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends no change.

### **COUNCIL REVISED BUDGET**

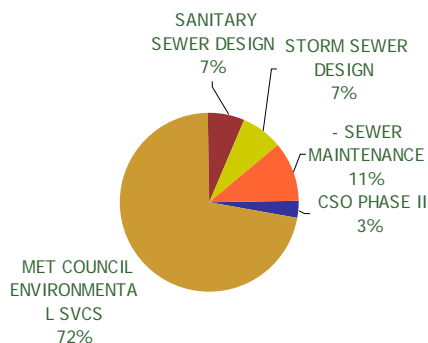
The Council approves the Mayor's recommendations.

## PUBLIC WORKS - SURFACE WATER & SANITARY SEWER EXPENSE AND REVENUE INFORMATION

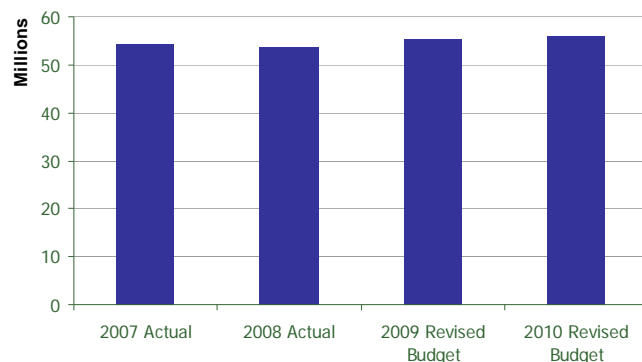
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	0	(15,010)			0.0%	0
Fringe Benefits	0				0.0%	0
Contractual Services	0			0	0.0%	0
Operating Costs	0				0.0%	0
Capital	0				0.0%	0
<b>TOTAL GENERAL</b>	<b>0</b>	<b>(15,010)</b>		<b>0</b>		<b>0</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	0	8,843			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>8,843</b>				<b>0</b>
<b>ENTERPRISE</b>						
Salaries and Wages	5,295,682	4,528,439	6,174,224	5,445,291	-11.8%	(728,933)
Fringe Benefits	2,099,812	2,170,051	2,539,318	2,479,136	-2.4%	(60,182)
Contractual Services	12,575,829	11,272,191	13,920,390	13,873,600	-0.3%	(46,790)
Operating Costs	34,372,706	35,600,007	32,389,498	33,887,908	4.6%	1,498,411
Capital	0		264,279	261,628	-1.0%	(2,651)
Debt Service	0				0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>54,344,029</b>	<b>53,570,688</b>	<b>55,287,709</b>	<b>55,947,564</b>	<b>1.2%</b>	<b>659,855</b>
<b>TOTAL EXPENSE</b>	<b>54,344,029</b>	<b>53,564,521</b>	<b>55,287,709</b>	<b>55,947,564</b>	<b>1.2%</b>	<b>659,855</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
State Government	129,675	103,594	62,872	74,541	18.6%	11,669
Local Government	85,028	88,667	37,442	49,111	31.2%	11,669
Charges for Service	71,815,535	73,790,917	79,123,401	78,588,213	-0.7%	(535,188)
Charges for Sales	0	50			0.0%	0
Fines and Forfeits	41,789	61,437	45,000	45,000	0.0%	0
Other Misc Revenues	83,473	1,214	53,841	53,841	0.0%	0
<b>TOTAL REVENUE</b>	<b>72,155,499</b>	<b>74,045,879</b>	<b>79,322,556</b>	<b>78,810,706</b>	<b>-0.6%</b>	<b>(511,850)</b>

Expense by Division

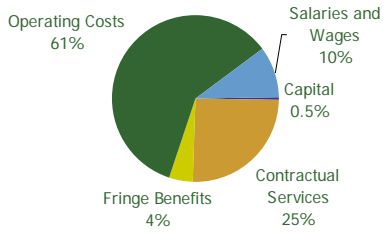


Expense 2007 - 2010

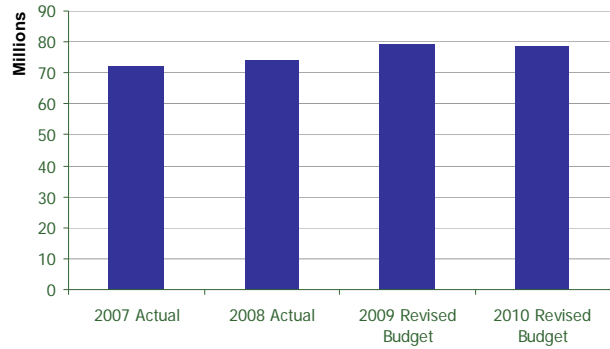




**Expense by Category**



**Revenue 2007 - 2010**

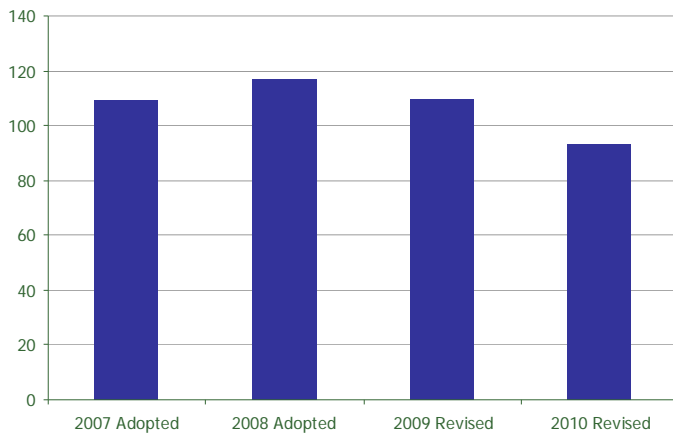


**PUBLIC WORKS - SURFACE WATER & SANITARY SEWER  
Staffing Information**

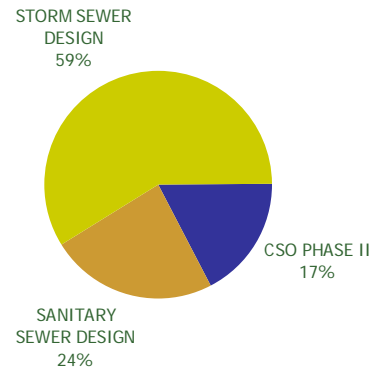
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
CSO PHASE II	26.00	25.00	16.00	16.00	0.0%	
SANITARY SEWER DESIGN	3.00	4.00	2.50	22.50	800.0%	20
SEWER MAINTENANCE	64.00	66.00	66.40		-100.0%	(66)
STORM SEWER DESIGN			25.00	54.90	119.6%	30
UTILITY CONNECTIONS		7.00				
WORK FOR OTHERS	16.00	15.00				
<b>TOTAL</b>	<b>109.00</b>	<b>117.00</b>	<b>109.90</b>	<b>93.40</b>	<b>-15.0%</b>	<b>(17)</b>

During 2009, an estimated 17 vacant positions were eliminated without further reductions to appropriation.

**Positions 2007-2010**



**Positions by Division**



## **TRAFFIC & PARKING SERVICES**

### **EXPENDITURE**

The 2010 budget for Traffic and Parking Services totals \$53.3 million compared to \$50.1 million for 2009. This is an increase of \$3.2 million or 6.3% over 2009. The majority of the increase (\$2 million) is attributed to a project that will automate 2 ramps. The additional increase is attributed to the opening of Target Field (the Twins Ballpark), which will increase operating costs in that area.

### **REVENUE**

Projected revenue of \$57 million for 2010 is a decrease of 1.3% from the 2009 budget of \$57.7 million. The increase is attributed to increased ramp and lot revenue related to the ballpark.

### **FUND ALLOCATION**

This division is funded by the Municipal Parking Fund (93.2% of total budget), the General Fund (6.7%), and the Traffic Stores Fund (0.1%).

### **ORIGINAL BUDGET**

The Mayor recommended a \$320,000 reduction to the traffic activities, which will reduce routine repairs to lights and traffic signals, pavement message painting, response to traffic request services and non-safety-related sign replacement.

The Mayor further recommended an increase of \$210,000, which included one engineering position, in this division for improving the management of traffic in the City. This initiative will build on the capital improvements related to the Traffic Management Center. The Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$56,500 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$2,664 decrease in appropriation in the General Fund, an \$89 increase to General Fund Overhead charges in the Stores Fund and a \$9,146 increase to General Fund Overhead charges in the Parking Fund due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends one-time resources of \$800,000 for the installation of wireless poles to ensure the wireless network is fully operational.

### **COUNCIL REVISED BUDGET**

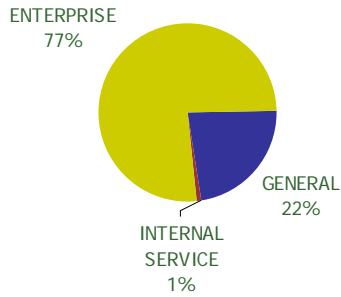
The Council approves the Mayor's recommendations.

**PUBLIC WORKS - TRAFFIC & PARKING SERVICES  
EXPENSE AND REVENUE INFORMATION**

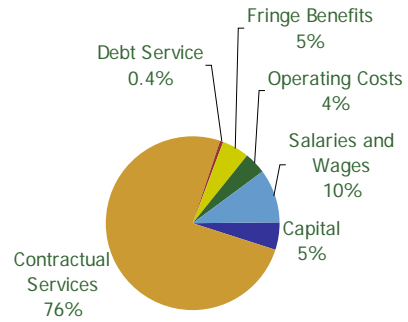
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	2,810,952	3,194,642	2,616,903	2,489,011	-4.9%	(127,892)
Fringe Benefits	1,240,932	1,317,330	1,119,701	1,196,195	6.8%	76,494
Contractual Services	6,240,451	5,988,019	6,597,427	6,870,083	4.1%	272,655
Operating Costs	1,205,167	1,327,603	1,417,303	1,061,857	-25.1%	(355,445)
Capital	0		73,683	75,158	2.0%	1,475
Debt Service	0			200,000	0.0%	200,000
<b>TOTAL GENERAL</b>	<b>11,497,502</b>	<b>11,827,594</b>	<b>11,825,017</b>	<b>11,892,304</b>	<b>0.6%</b>	<b>67,287</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	50,925				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>50,925</b>					<b>0</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	151,726	164,033	118,227	166,449	40.8%	48,222
Fringe Benefits	63,172	102,621	75,821	103,610	36.7%	27,789
Contractual Services	93,295	66,787	98,547	101,097	2.6%	2,549
Operating Costs	2,438,832	23,686	1,695,718	29,073	-98.3%	(1,666,645)
Capital	0	46,268	18,287	(0)	-100.0%	(18,287)
<b>TOTAL INTERNAL SERVICE</b>	<b>2,747,025</b>	<b>403,395</b>	<b>2,006,600</b>	<b>400,228</b>	<b>-80.1%</b>	<b>(1,606,372)</b>
<b>ENTERPRISE</b>						
Salaries and Wages	2,918,679	2,806,357	3,107,413	2,644,151	-14.9%	(463,262)
Fringe Benefits	963,123	1,117,592	1,429,808	1,398,655	-2.2%	(31,154)
Contractual Services	34,549,326	31,528,578	30,386,728	33,125,719	9.0%	2,738,991
Operating Costs	7,691,731	7,205,341	736,135	1,185,944	61.1%	449,809
Capital	0	284	604,635	2,616,733	332.8%	2,012,098
Debt Service	0				0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>46,122,859</b>	<b>42,658,152</b>	<b>36,264,719</b>	<b>40,971,202</b>	<b>13.0%</b>	<b>4,706,483</b>
<b>TOTAL EXPENSE</b>	<b>60,418,311</b>	<b>54,889,141</b>	<b>50,096,337</b>	<b>53,263,734</b>	<b>6.3%</b>	<b>3,167,397</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Franchise Fees	152,631	197,923	110,000	110,000	0.0%	0
License and Permits	1,716,158	1,044,373	1,359,000	1,159,000	-14.7%	(200,000)
State Government	1,167,669	1,489,918	1,236,395	1,236,395	-0.0%	(0)
Local Government	399,557	416,660	489,489	489,489	0.0%	0
Charges for Service	105,949	256,555	202,500	202,500	0.0%	0
Charges for Sales	17,555	44,217	18,500	18,500	0.0%	0
Special Assessments	110,150	113,193	65,000	65,000	0.0%	0
Contributions	0				0.0%	0
Other Misc Revenues	450,536	209,664	622,492	622,492	0.0%	0
<b>TOTAL GENERAL</b>	<b>4,120,205</b>	<b>3,772,503</b>	<b>4,103,376</b>	<b>3,903,376</b>	<b>-4.9%</b>	<b>(200,000)</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	71,931	298,666	51,400	365,000	610.1%	313,600
Charges for Sales	2,960,669	13,905	1,963,200	20,000	-99.0%	(1,943,200)
<b>TOTAL INTERNAL SERVICE</b>	<b>3,032,600</b>	<b>312,571</b>	<b>2,014,600</b>	<b>385,000</b>	<b>-80.9%</b>	<b>(1,629,600)</b>
<b>ENTERPRISE</b>						
License and Permits	240,571	255,729	218,000	218,000	0.0%	0
Charges for Service	58,027,399	50,499,699	49,720,825	50,826,033	2.2%	1,105,208
Charges for Sales	7,472,577	2,465,300	1,551,000	1,551,000	0.0%	0
Special Assessments	34,424	57,589			0.0%	0
Gains	25,260,842	565,167			0.0%	0
Rents	20,254	8,531	3,000	3,000	0.0%	0
Other Misc Revenues	8,159	30,991	138,000	138,000	0.0%	0
Transfers In	0				0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>91,064,227</b>	<b>53,883,004</b>	<b>51,630,825</b>	<b>52,736,033</b>	<b>2.1%</b>	<b>1,105,208</b>
<b>TOTAL REVENUE</b>	<b>98,217,031</b>	<b>57,968,078</b>	<b>57,748,801</b>	<b>57,024,409</b>	<b>-1.3%</b>	<b>(724,392)</b>

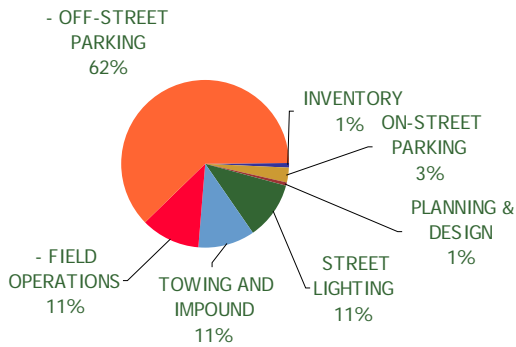
**Expense by Fund**



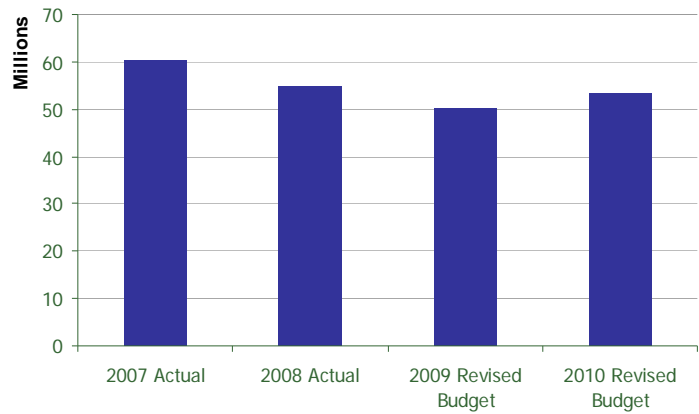
**Expense by Category**



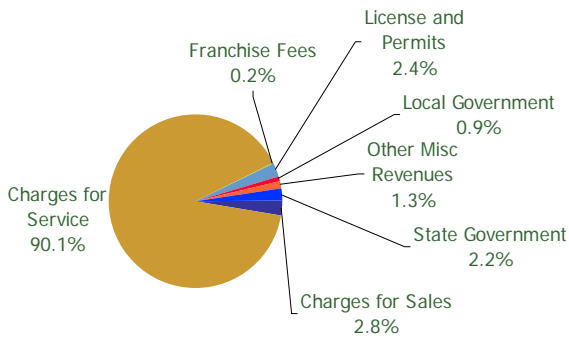
**Expense by Division**



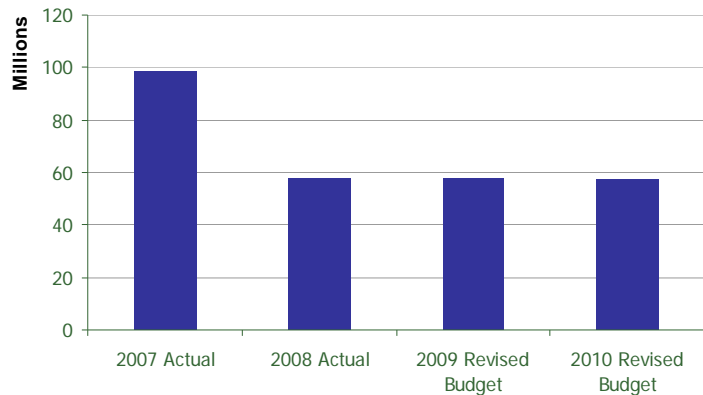
**Expense 2007 - 2010**



**Direct Revenue by Type**



**Revenue 2007 - 2010**

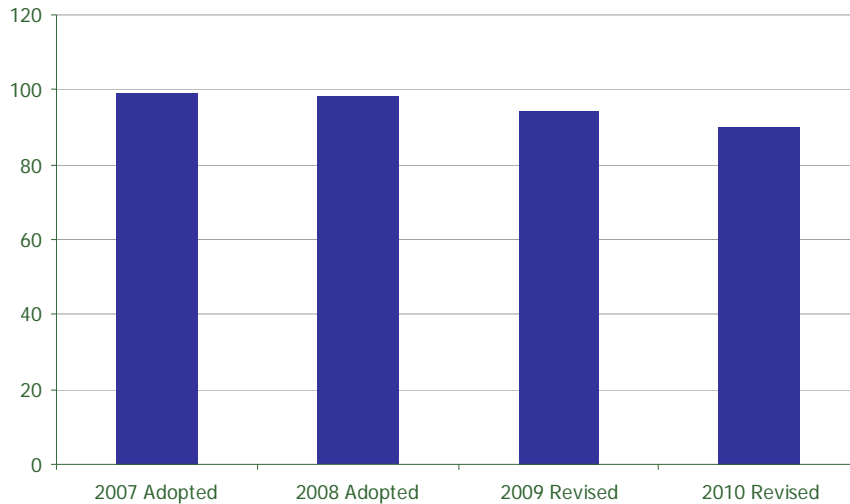


## PUBLIC WORKS - TRAFFIC & PARKING SERVICES Staffing Information

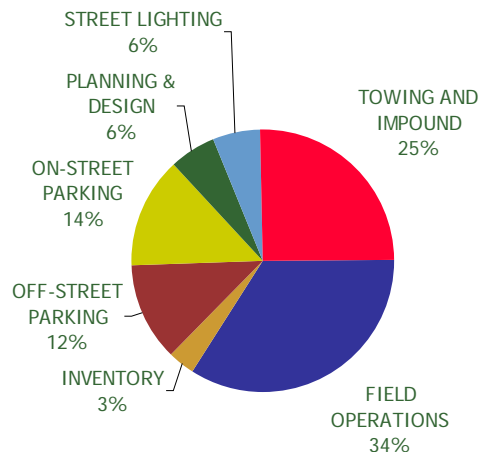
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
FIELD OPERATIONS	32.00	32.00	31.10	30.40	-2.3%	(1)
INVENTORY	2.00	2.00	2.00	3.00	50.0%	1
OFF-STREET PARKING	13.00	14.00	14.10	11.10	-21.3%	(3)
ON-STREET PARKING	12.00	11.00	10.83	12.15	12.2%	1
PLANNING & DESIGN	8.00	7.00	5.25	5.25	0.0%	
STREET LIGHTING	6.00	6.00	5.25	5.25	0.0%	
TOWING AND IMPOUND	26.00	26.00	25.60	22.85	-10.7%	(3)
<b>TOTAL</b>	<b>99.00</b>	<b>98.00</b>	<b>94.13</b>	<b>90.00</b>	<b>-4.4%</b>	<b>(4)</b>

During 2009, an estimated 7 vacant positions were eliminated without further reductions to appropriation. Traffic & Parking Services was increased by 3 positions to correct a technical error in the original 2010 Adopted budget.

### Positions 2007-2010



### Positions by Division



## **TRANSPORTATION MAINTENANCE & REPAIR**

### **EXPENDITURE**

The division's 2010 expense budget of \$32.9 million reflects a 0.7% increase over the 2009 revised budget.

Two positions were transferred from this division to the Transportation Planning and Engineering to best align the support function for both capital programming and maintenance planning in Public Works. Also, the position of Director for Transportation Maintenance and Repair has been decreased by the capital allocation of 30%.

To satisfy long-term funding for the \$50,000 one-time funding received in 2008 for an additional position for special service district administration, a senior professional engineer was transferred from Bridge Maintenance and Repair to Street Administration.

### **REVENUE**

The department's revenue budget is \$7.6 million, which is an overall 5.1% decrease from the 2009 budget due primarily to the reduction in special assessments revenue related to Nicollet Mall as it became part of the new Downtown Improvement District.

### **FUND ALLOCATION**

The department is funded by the General Fund, CDBG fund, Permanent Improvement fund, and the Surface Water & Sanitary Sewer fund. The General Fund budget (which includes bridge, street repair, snow and ice, malls and plazas) decreased by 1.4% from the 2009 budget. The CDBG fund allocation for graffiti removal is \$85,680 for 2010.

The capital fund budget (related to sidewalks) decreased 4% due to contractual services and the Surface Water & Sanitary Sewer fund increased by 5.8% due primarily to an increase in contractual services.

### **ORIGINAL BUDGET**

The department's budget is decreased to reflect the restructuring activities related to snow and ice service provision, which should achieve ongoing savings of \$1.4 million. This included a reduction in the number of pieces of equipment being rented for the season from outside vendors and reduction in salaries of truck drivers and operators being charged from the Fleet Services Division.

In addition, the Mayor recommended an additional \$100,000 reduction in service to malls and plazas. Also, as part of the \$449,000 reduction in the Stormwater Fund expenses, this division's operating budget for Street Cleaning is reduced by \$203,750. The Council approved the Mayor's recommendations but reduced Community Development Block Grant funding for graffiti removal on public property by \$86,000.

The budget for this department includes a reduction of BIS charges of \$44,300 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$1,802 increase to General Fund Overhead charges in the Stormwater Fund and a \$5,346 decrease in appropriation in the General Fund due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends one-time resources for doubling the number of crews filling potholes (\$500,000) and for seal-coating (\$500,000).

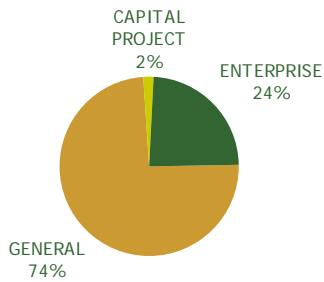
### **COUNCIL REVISED BUDGET**

The Council approves the Mayor's recommendations.

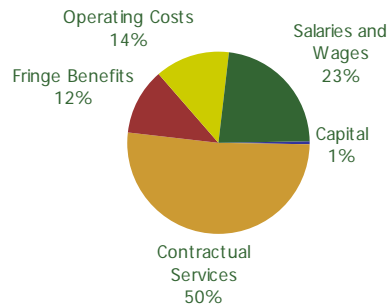
**PUBLIC WORKS - TRANSPORTATION MAINTENANCE AND REPAIR  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs	0	(44,574)			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>(44,574)</b>				<b>0</b>
<b>GENERAL</b>						
Salaries and Wages	6,922,679	6,933,881	6,533,918	5,678,429	-13.1%	(855,489)
Fringe Benefits	3,009,627	3,041,682	3,065,678	3,089,984	0.8%	24,307
Contractual Services	11,435,452	12,023,090	10,589,912	11,360,983	7.3%	771,071
Operating Costs	3,825,371	4,455,673	3,865,448	4,039,931	4.5%	174,483
Capital	193,677	71,660	179,539	183,130	2.0%	3,591
<b>TOTAL GENERAL</b>	<b>25,386,806</b>	<b>26,525,986</b>	<b>24,234,495</b>	<b>24,352,457</b>	<b>0.5%</b>	<b>117,962</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	264,562	28,889	84,000		-100.0%	(84,000)
Operating Costs	0	11,778			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>264,562</b>	<b>40,667</b>	<b>84,000</b>		<b>-100.0%</b>	<b>(84,000)</b>
<b>CAPITAL PROJECT</b>						
Salaries and Wages	306,190	317,070	307,676	302,546	-1.7%	(5,130)
Fringe Benefits	97,721	102,330	119,647	129,970	8.6%	10,323
Contractual Services	151,404	210,472	250,123	207,410	-17.1%	(42,712)
Operating Costs	12,279	12,910	7,978	12,923	62.0%	4,944
<b>TOTAL CAPITAL PROJECT</b>	<b>567,594</b>	<b>642,782</b>	<b>685,424</b>	<b>652,849</b>	<b>-4.8%</b>	<b>(32,575)</b>
<b>ENTERPRISE</b>						
Salaries and Wages	1,157,338	1,091,483	1,529,125	1,553,954	1.6%	24,829
Fringe Benefits	427,104	508,887	615,255	642,417	4.4%	27,162
Contractual Services	4,783,022	5,317,434	5,073,497	5,285,976	4.2%	212,479
Operating Costs	394,158	489,696	426,418	403,291	-5.4%	(23,127)
<b>TOTAL ENTERPRISE</b>	<b>6,761,622</b>	<b>7,407,500</b>	<b>7,644,295</b>	<b>7,885,638</b>	<b>3.2%</b>	<b>241,343</b>
<b>TOTAL EXPENSE</b>	<b>32,980,584</b>	<b>34,572,361</b>	<b>32,648,213</b>	<b>32,890,944</b>	<b>0.7%</b>	<b>242,730</b>
<b>REVENUE</b>						
	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
State Government	2,155,352	2,310,524	2,216,135	2,766,135	24.8%	550,000
Local Government	93,679	97,689	175,429	175,429	-0.0%	(0)
Charges for Service	3,144,108	4,836,664	2,538,000	2,538,000	0.0%	0
Charges for Sales	5,930	15,775	10,000	10,000	0.0%	0
Special Assessments	1,934,613	1,958,791	1,687,926	734,804	-56.5%	(953,122)
Rents	0		2,400	2,400	0.0%	0
Other Misc Revenues	6,928	38,667	28,750	26,000	-9.6%	(2,750)
<b>TOTAL GENERAL</b>	<b>7,340,610</b>	<b>9,258,110</b>	<b>6,658,640</b>	<b>6,252,768</b>	<b>-14.4%</b>	<b>(955,872)</b>
<b>CAPITAL PROJECT</b>						
License and Permits	287,423	152,635	263,159	263,159	0.0%	0
Charges for Service	0	(695)	39,924	39,924	0.0%	0
Special Assessments	19,485	73,631	16,072	16,072	0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>306,908</b>	<b>225,571</b>	<b>319,155</b>	<b>319,155</b>	<b>0.0%</b>	<b>0</b>
<b>ENTERPRISE</b>						
State Government	702,015	781,769	686,597	686,597	0.0%	0
Local Government	245,504	256,013	235,961	235,961	0.0%	0
Charges for Service	240,881	12,741	1,000	1,000	0.0%	0
Charges for Sales	2,873	52	1,000	1,000	0.0%	0
Special Assessments	112,057	44,018	115,000	115,000	0.0%	0
Other Misc Revenues	0		2,000	2,000	0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>1,303,331</b>	<b>1,094,592</b>	<b>1,041,558</b>	<b>1,041,558</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>8,950,850</b>	<b>10,578,273</b>	<b>8,019,353</b>	<b>7,613,481</b>	<b>-5.1%</b>	<b>(405,872)</b>

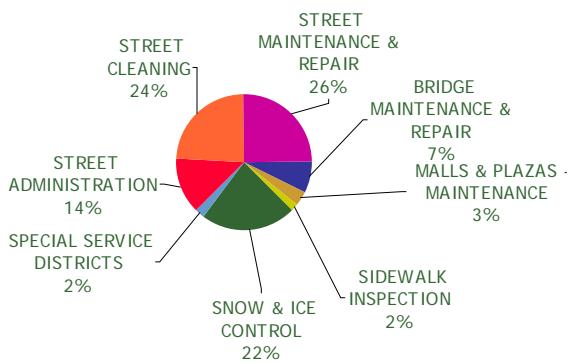
### Expense by Fund



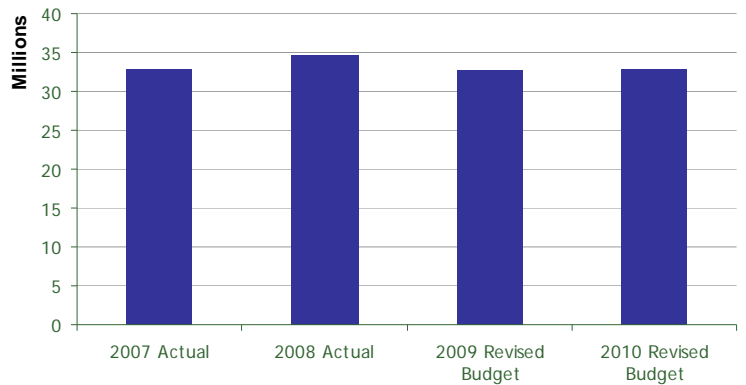
### Expense by Category



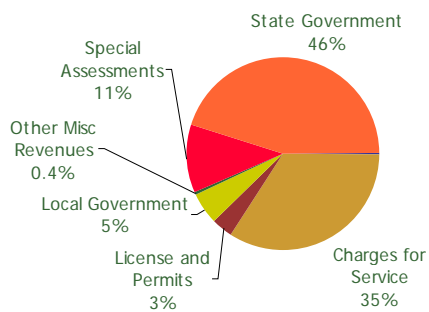
### Expense by Division



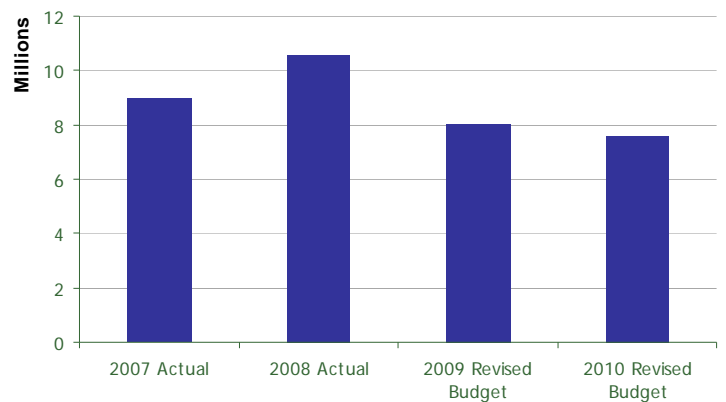
### Expense 2007 - 2010



### Direct Revenue by Type



### Revenue 2007 - 2010



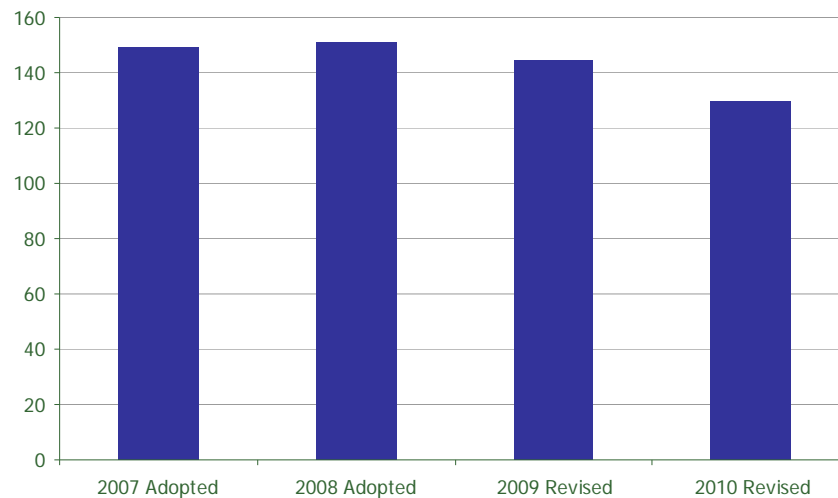


## PUBLIC WORKS - TRANSPORTATION MAINTENANCE & REPAIR Staffing Information

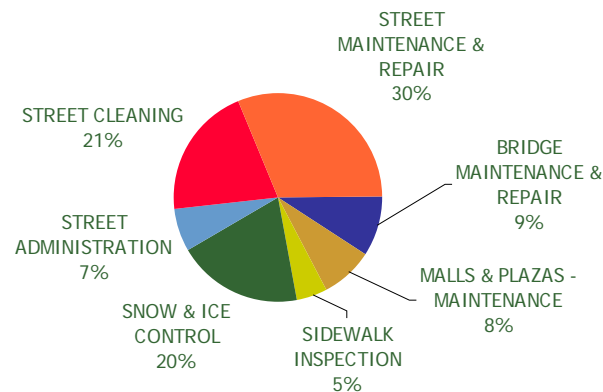
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
BRIDGE MAINTENANCE & REPAIR	14.00	14.00	14.00	12.00	-14.3%	(2)
MALLS & PLAZAS - MAINTENANCE	9.00	9.00	9.40	10.40	10.6%	1
NICOLLET MALL	6.00	6.00	6.10		-100.0%	(6)
SIDEWALK INSPECTION	6.00	6.00	6.00	6.00	0.0%	
SNOW & ICE CONTROL	31.00	31.00	30.40	25.55	-16.0%	(5)
STREET ADMINISTRATION	10.00	11.00	10.50	8.50	-19.0%	(2)
STREET CLEANING	26.00	27.00	26.80	27.00	0.7%	0
STREET MAINTENANCE & REPAIR	47.00	47.00	41.50	40.50	-2.4%	(1)
<b>TOTAL</b>	<b>149.00</b>	<b>151.00</b>	<b>144.70</b>	<b>129.95</b>	<b>-10.2%</b>	<b>(15)</b>

During 2009, an estimated 20 vacant positions were eliminated without further reductions to appropriation. Transportation Maintenance & Repair was increased by 8 positions to correct a technical error in the original 2010 Adopted budget.

### Positions 2007-2010



### Positions by Division



## **TRANSPORTATION PLANNING & ENGINEERING**

### **EXPENDITURE**

Transportation Planning & Engineering is comprised of the Transportation Design area as well as Right of Way Management, Pavement Management, Utility Connections, the Engineering Lab and Bridge Inspections. The total budget for 2010 is \$11.4 million, a 20.4% decrease from 2009. This decrease is partially due to a change in process in which the cost of asphalt and concrete is no longer being reflected, which accounts for \$2.8 million of the decrease.

The division eliminated 14 vacant positions and added two Bridge Inspectors, bringing the total number of positions to 74, a decrease from 86 in 2009.

### **REVENUE**

Total revenues for 2010 are budgeted at \$4.2 million, a decrease of 45.9% from 2009. The decrease is related to the change in process in concrete and asphalt as well as a decrease in the planned capital program.

### **FUND ALLOCATION**

The Transportation Planning & Engineering division is now funded by the General Fund (17%), the Permanent Improvement Fund (70%) and the Engineering Materials and Testing internal service fund (13%).

The General Fund consists of the Right of Way Management, Special Assessments, Pavement Management, Transportation Planners, Utilities Connections and Bridge Inspections.

The Engineering Materials and Testing fund will no longer be used to account for the City's purchase of bituminous mixes and ready-mix concrete. Recorded within this fund are the transactions of the Engineering Laboratory, which provides inspection and testing services for these materials and environmental and soil testing services.

### **ORIGINAL BUDGET**

The Mayor recommended no changes to the Transportation Planning & Engineering division and Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$42,700 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$1,059 increase to General Fund Overhead charges in the Engineering Materials & Testing Fund and a \$1,496 decrease in appropriation in the General Fund due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends no change.

### **COUNCIL REVISED BUDGET**

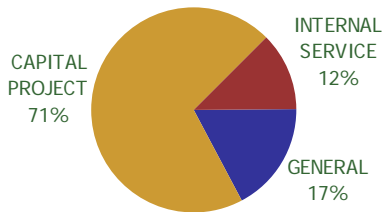
The Council approves the Mayor's recommendations.

**PUBLIC WORKS - TRANSPORTATION PLANNING AND ENGINEERING  
EXPENSE AND REVENUE INFORMATION**

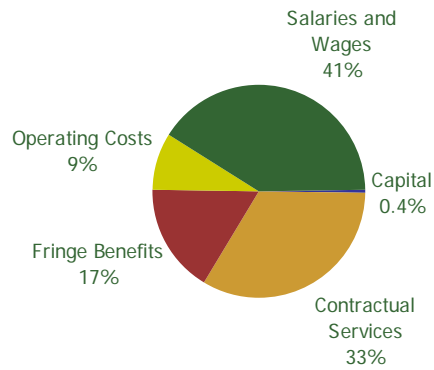
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	761,428	748,456	1,062,298	1,185,693	11.6%	123,395
Fringe Benefits	268,155	260,242	385,664	443,520	15.0%	57,856
Contractual Services	222,004	304,474	255,550	299,271	17.1%	43,722
Operating Costs	16,395	17,585	32,746	37,301	13.9%	4,555
Capital	0		6,917	7,055	2.0%	138
<b>TOTAL GENERAL</b>	<b>1,267,982</b>	<b>1,330,757</b>	<b>1,743,175</b>	<b>1,972,840</b>	<b>13.2%</b>	<b>229,665</b>
<b>CAPITAL PROJECT</b>						
Salaries and Wages	2,478,899	2,583,284	3,573,128	3,038,529	-15.0%	(534,599)
Fringe Benefits	770,155	872,549	1,308,065	1,257,805	-3.8%	(50,260)
Contractual Services	1,500,952	2,351,806	2,792,537	2,972,459	6.4%	179,921
Operating Costs	142,734	106,639	182,747	718,522	293.2%	535,775
Capital	(3,481,566)	3,195	82,701	40,800	-50.7%	(41,901)
<b>TOTAL CAPITAL PROJECT</b>	<b>1,411,174</b>	<b>5,917,473</b>	<b>7,939,178</b>	<b>8,028,115</b>	<b>1.1%</b>	<b>88,937</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	511,402	531,614	921,945	462,522	-49.8%	(459,423)
Fringe Benefits	146,678	193,226	335,079	203,295	-39.3%	(131,785)
Contractual Services	169,453	559,536	508,226	492,268	-3.1%	(15,957)
Operating Costs	31,951	(276,113)	2,872,852	242,285	-91.6%	(2,630,567)
<b>TOTAL INTERNAL SERVICE</b>	<b>859,484</b>	<b>1,008,263</b>	<b>4,638,102</b>	<b>1,400,370</b>	<b>-69.8%</b>	<b>(3,237,732)</b>
<b>TOTAL EXPENSE</b>	<b>3,538,640</b>	<b>8,256,493</b>	<b>14,320,455</b>	<b>11,401,324</b>	<b>-20.4%</b>	<b>(2,919,130)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	14,680	18,895	15,000	16,000	6.7%	1,000
Charges for Service	406,433	433,278	450,000	480,000	6.7%	30,000
Other Misc Revenues	421	12			0.0%	0
<b>TOTAL GENERAL</b>	<b>421,534</b>	<b>452,185</b>	<b>465,000</b>	<b>496,000</b>	<b>6.7%</b>	<b>31,000</b>
<b>CAPITAL PROJECT</b>						
State Government	71,857		761,000		-100.0%	(761,000)
Charges for Service	30,771	4,167,140	2,083,000	2,283,000	9.6%	200,000
Charges for Sales	410	258			0.0%	0
Other Misc Revenues	0	824			0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>103,038</b>	<b>4,168,222</b>	<b>2,844,000</b>	<b>2,283,000</b>	<b>-19.7%</b>	<b>(561,000)</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	846,122	1,065,112	1,030,000	1,110,000	7.8%	80,000
Charges for Sales	0		3,501,000	350,000	-90.0%	(3,151,000)
Other Misc Revenues	0	4,371			0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>846,122</b>	<b>1,069,483</b>	<b>4,531,000</b>	<b>1,460,000</b>	<b>-67.8%</b>	<b>(3,071,000)</b>
<b>TOTAL REVENUE</b>	<b>1,370,694</b>	<b>5,689,891</b>	<b>7,840,000</b>	<b>4,239,000</b>	<b>-45.9%</b>	<b>(3,601,000)</b>

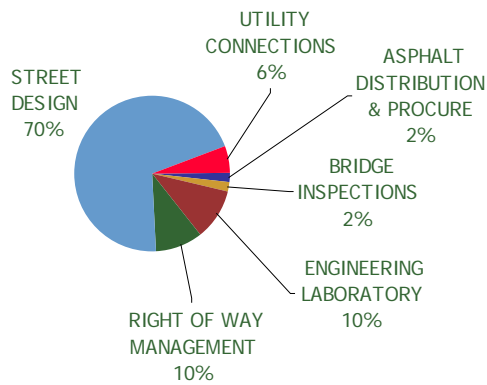
### Expense by Fund



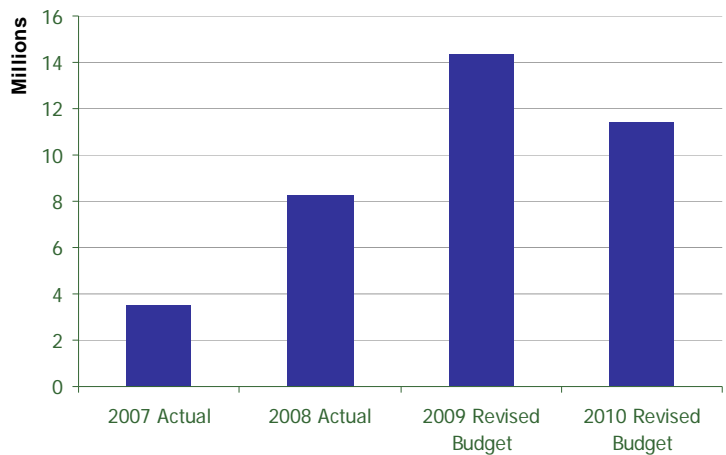
### Expense by Category



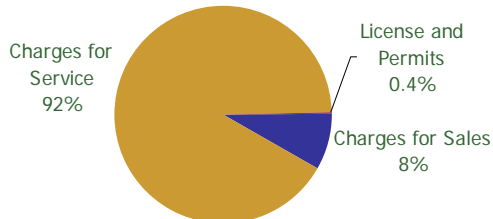
### Expense by Division



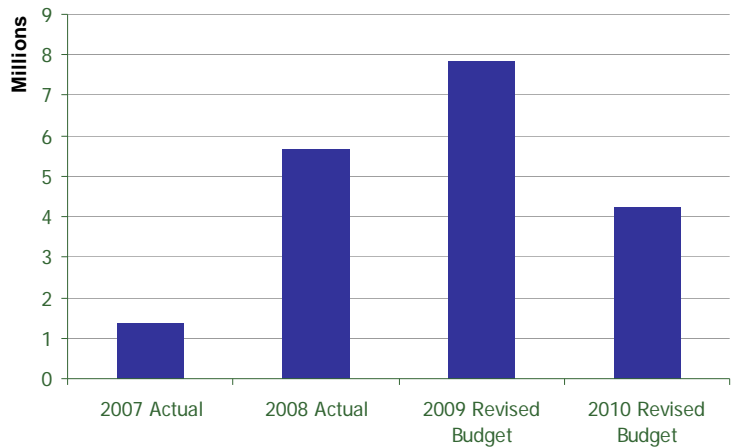
### Expense 2007 - 2010



### Direct Revenue by Type



### Revenue 2007 - 2010

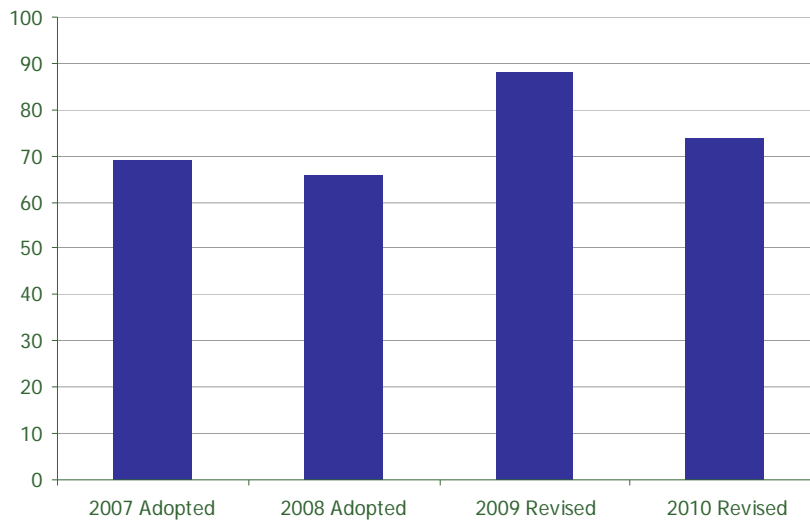


## PUBLIC WORKS - TRANSPORTATION PLANNING AND ENGINEERING Staffing Information

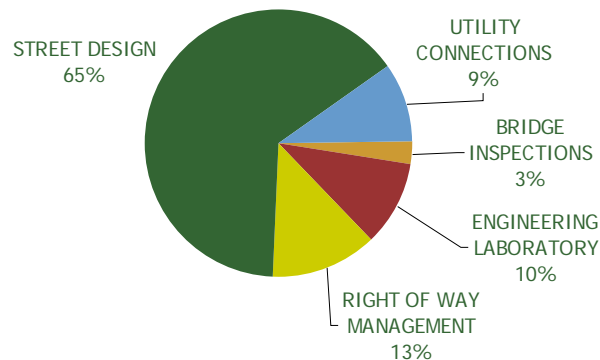
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
ASPHALT DISTRIBUTION & PROCURE			1.00		-100.0%	(1)
BRIDGE INSPECTIONS				2.00		2
ENGINEERING LABORATORY			13.50	7.50	-44.4%	(6)
RIGHT OF WAY MANAGEMENT	3.00	3.00	10.50	9.50	-9.5%	(1)
STREET DESIGN	54.00	56.00	56.00	48.00	-14.3%	(8)
UTILITY CONNECTIONS	12.00	7.00	7.00	7.00	0.0%	
<b>TOTAL</b>	<b>69.00</b>	<b>66.00</b>	<b>88.00</b>	<b>74.00</b>	<b>-15.9%</b>	<b>(14)</b>

During 2009, an estimated 14 vacant positions were eliminated without further reductions to appropriation.

### Positions 2007-2010



### Positions by Division



## **WATER TREATMENT & DISTRIBUTION SERVICES**

### **EXPENDITURE**

The 2010 expense budget increases from \$47.9 million in 2009 to \$48.4 million in 2010, an increase of 1.1%.

A total of 36 positions were eliminated bringing the total number of positions to 217, a decrease of 36 positions from the 2009 budget of 253.

### **REVENUE**

The 2010 revenue is projected to decrease by approximately \$6.9 million to \$63.8 million, based on a 9.7% decrease. Because the quantity of water sold has been dropping over the last few years the decrease in revenue is based on the assumptions that usage will drop 5% during 2009 and an additional 3% in 2010 from 2008 levels.

### **FUND ALLOCATION**

The division is fund completely by the Water enterprise fund. As part of the reduction in the Water Fund expenses, the Pay-As-You-Go capital activities were reduced in 2010 by \$5 million.

*Please see the Water fund financial plan in the finance plan section of this book for more information.*

### **ORIGINAL BUDGET**

The Mayor recommended a \$0.14 increase in per unit water rates. The Mayor also recommended a redefinition of rates to stabilize revenues. The Council approved the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$46,500 due to the Council's actions to reduce the BIS budget. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$10,821 increase to General Fund Overhead charges due to the Council's actions to fund two internal audit positions.

### **MAYOR'S REVISED BUDGET**

The Mayor recommends no change.

### **COUNCIL REVISED BUDGET**

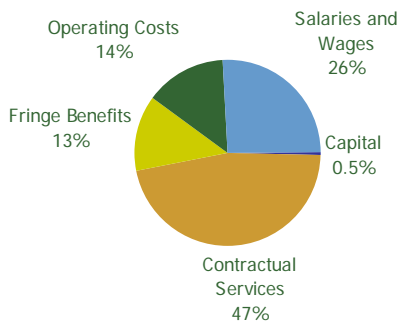
The Council approves the Mayor's recommendations.

## PUBLIC WORKS - WATER TREATMENT & DISTRIBUTION EXPENSE AND REVENUE INFORMATION

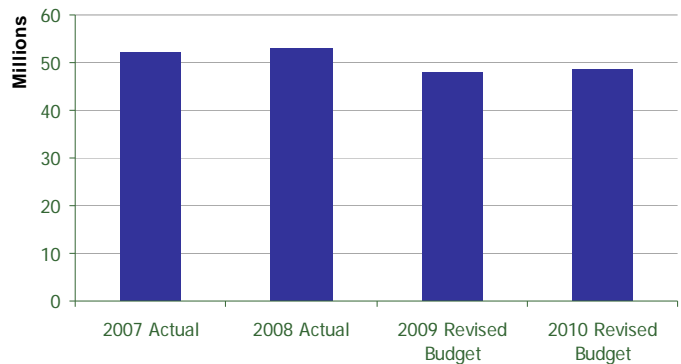
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
Salaries and Wages	14,506,307	13,230,373	14,887,004	12,452,265	-16.4%	(2,434,739)
Fringe Benefits	5,606,417	6,000,694	6,533,862	6,455,444	-1.2%	(78,419)
Contractual Services	16,252,561	18,121,834	16,596,636	22,340,597	34.6%	5,743,961
Operating Costs	15,638,994	15,693,255	9,670,131	6,973,032	-27.9%	(2,697,099)
Capital	0	12,301	220,552	224,965	2.0%	4,413
Debt Service	0	0	0	0	0.0%	0
<b>TOTAL EXPENSE</b>	<b>52,004,279</b>	<b>53,058,457</b>	<b>47,908,186</b>	<b>48,446,303</b>	<b>1.1%</b>	<b>538,118</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
Sales and Other Taxes	0	(0)	0	0	0.0%	0
License and Permits	773	1,219	1,000	1,000	0.0%	0
Federal Government	0	0	0	0	0.0%	0
Charges for Service	65,181,104	62,544,600	69,898,816	63,173,363	-9.6%	(6,725,453)
Charges for Sales	920,450	4,991	822,000	654,000	-20.4%	(168,000)
Other Misc Revenues	346	332	340	0	-100.0%	(340)
<b>TOTAL REVENUE</b>	<b>66,102,673</b>	<b>62,551,141</b>	<b>70,722,156</b>	<b>63,828,363</b>	<b>-9.7%</b>	<b>(6,893,793)</b>

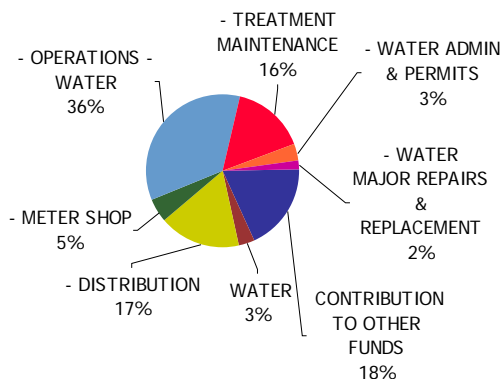
**Expense by Category**



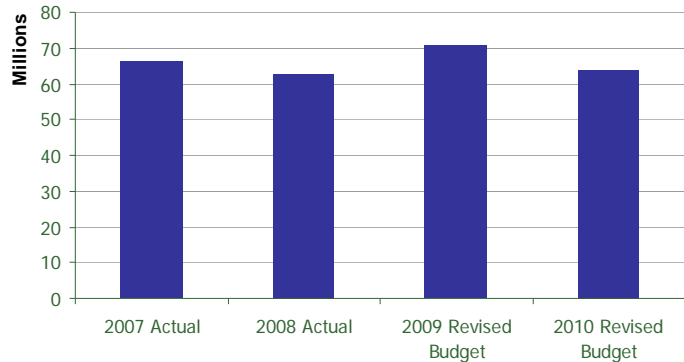
**Expense 2007 - 2010**



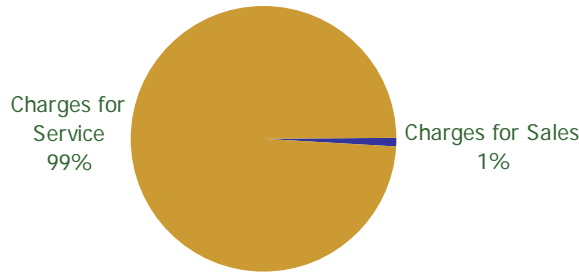
**Expense by Division**



**Revenue 2007 - 2010**



### Direct Revenue by Type

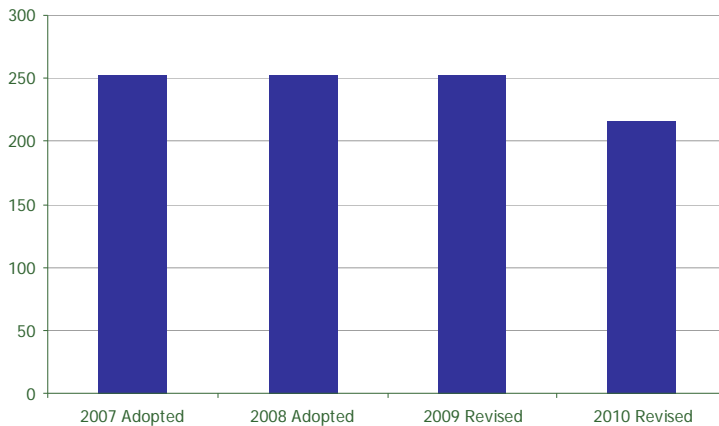


### PUBLIC WORKS - WATER TREATMENT & DISTRIBUTION Staffing Information

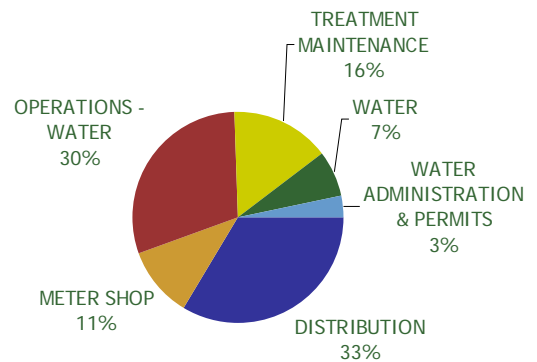
Expense	2007 Adopted	2008 Adopted	2009 Revised	2010 Revised	% Change	Change
DISTRIBUTION	94.00	91.00	90.00	73.00	-18.9%	(17)
METER SHOP				23.00		23
OPERATIONS - WATER	77.00	82.00	76.75	65.00	-15.3%	(12)
TREATMENT MAINTENANCE	62.00	59.00	57.00	33.67	-40.9%	(23)
WATER	13.00	13.00	21.00	15.00	-28.6%	(6)
WATER ADMINISTRATION & PERMITS	7.00	8.00	8.00	7.00	-12.5%	(1)
<b>TOTAL</b>	<b>253.00</b>	<b>253.00</b>	<b>252.75</b>	<b>216.67</b>	<b>-14.3%</b>	<b>(36)</b>

During 2009, an estimated 30 vacant positions were eliminated without further reductions to appropriation. Water was increased by 1 position to correct a technical error in the original 2010 Adopted budget.

Positions 2007-2010



Positions by Division





**City of Minneapolis  
FY 2010 Revised Budget**

**Independent Boards and Agencies**

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

➤ Board of Estimate and Taxation	596
➤ Municipal Building Commission	601
➤ Neighborhood Revitalization Program	610
➤ Park and Recreation Board	618
➤ Public Housing Authority	623
➤ Youth Coordinating Board	625

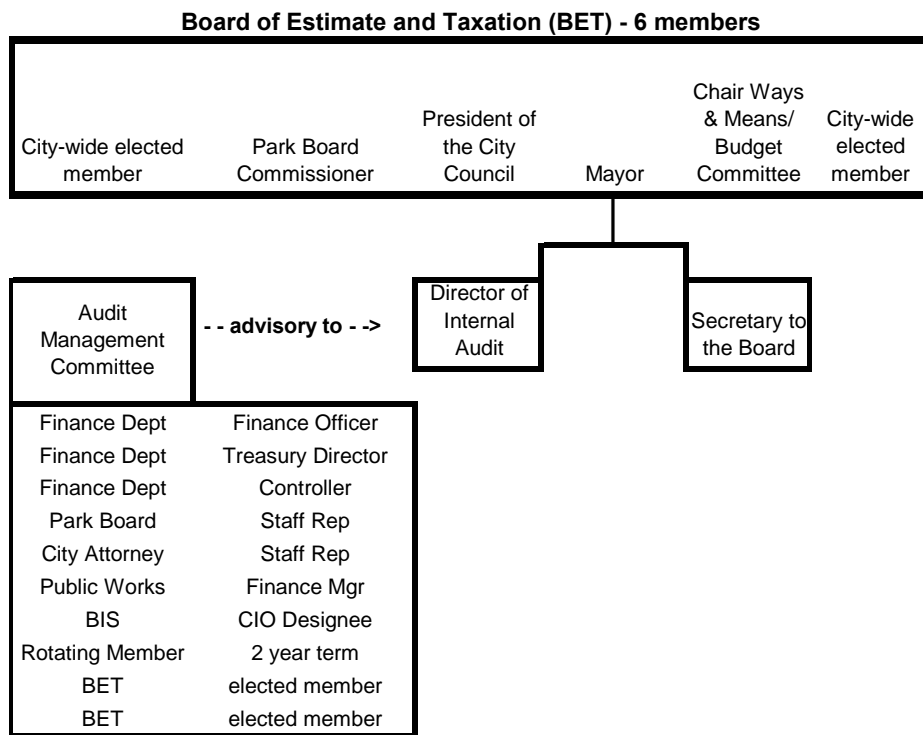
# BOARD OF ESTIMATE AND TAXATION

## MISSION

The mission of the Board of Estimate & Taxation (“BET”) is to obtain citizen input relating to setting the maximum tax levies for certain tax funds of the City. The Board reviews selected City departmental budgets and, after receiving recommendations from the Mayor and City Council, sets the maximum tax levies for the following funds: general fund, permanent improvement fund, park and recreation fund, shade tree disease control fund, public housing fund, and the estimate and taxation fund.

## BUSINESS LINES

- Internal Audit
- General Governmental



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

<b>FIVE YEAR DEPARTMENT GOALS, OBJECTIVES, AND MEASURES</b>		
<b>Goals</b>	<b>Objectives</b>	<b>Measures</b>
Review accounting, financial and operating policies and procedures and evaluate related internal controls on a citywide basis.	Conduct a risk assessment for audit projects included in the overall internal audit work plan.	Generate a risk-index scoring matrix from this assessment.
	Complete 3-4 audits from the internal audit work plan.	Submit audit reports with proposed recommendations.
	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.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The full expense budget for BET is \$344,695, a \$1,895 increase over the 2009 Adopted Budget. Excluding City hall rent, the BET budget is \$336,000, a 2.0% or \$7,000 decrease from the 2009 adopted budget. There is no change in the number of positions.

### **REVENUE**

In 2010, the Board will receive \$70,000 from bond proceeds and \$264,600 from property taxes, a total increase of 0.2% over the 2009 budget.

### **ORIGINAL BUDGET**

Council recommended the internal auditor position report to the City Coordinator for administrative purposes, with associated funding from BET. The Council also added funding for two additional audit positions through charges to City departments. These two positions will report to the existing Director of Internal Audit. Future levies will be adjusted to reflect this change.

The budget for this department includes a reduction of BIS charges of \$800 due to the Council's actions to reduce the BIS budget by \$1.7 million. The 2010 budget for the department is \$344,695, a 0.6% increase from the 2009 Revised Budget. The entire increase is due to rent charges (\$9,523) that were not charged to the Board in 2009.

### **MAYOR'S REVISED BUDGET**

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

### **COUNCIL REVISED BUDGET**

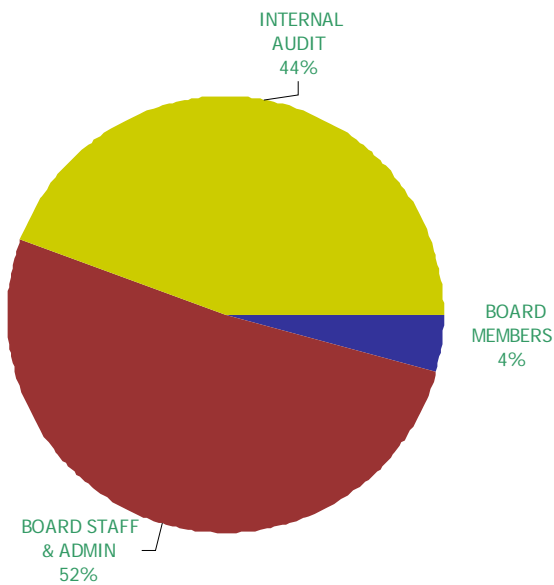
Council adopted the Mayor's recommendations.

## BOARD OF ESTIMATE & TAXATION EXPENSE AND REVENUE INFORMATION

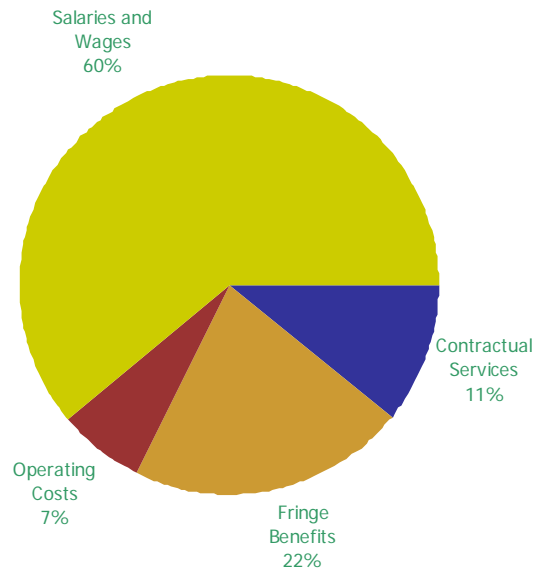
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	205,978	201,286	226,844	210,504	-7.2%	(16,340)
Fringe Benefits	37,574	34,214	67,067	74,415	11.0%	7,348
Contractual Services	71,428	72,281	27,981	37,032	32.3%	9,050
Operating Costs	13,449	7,908	20,908	22,745	8.8%	1,837
<b>TOTAL SPECIAL REVENUE</b>	<b>328,429</b>	<b>315,689</b>	<b>342,800</b>	<b>344,695</b>	<b>0.6%</b>	<b>1,895</b>
<b>TOTAL EXPENSE</b>	<b>328,429</b>	<b>315,689</b>	<b>342,800</b>	<b>344,695</b>	<b>0.6%</b>	<b>1,895</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Council Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Property Taxes	231,291	241,777	254,834	264,600	3.8%	9,766
Sales and Other Taxes	36	39			0.0%	0
State Government	7,612	6,914			0.0%	0
Other Misc Revenues	0	160			0.0%	0
Transfers In	0	100,000		9,523	0.0%	0
Long Term Liabilities Proceeds	0		90,000	70,000	0.0%	20,000
<b>TOTAL SPECIAL REVENUE</b>	<b>238,939</b>	<b>348,890</b>	<b>344,834</b>	<b>344,123</b>	<b>0.2%</b>	<b>711</b>
<b>TOTAL REVENUE</b>	<b>238,939</b>	<b>348,890</b>	<b>344,834</b>	<b>344,123</b>	<b>0.2%</b>	<b>711</b>

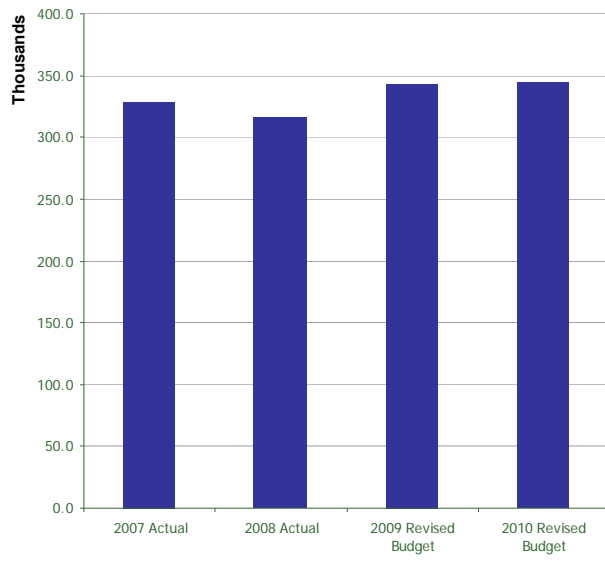
Expense by Division



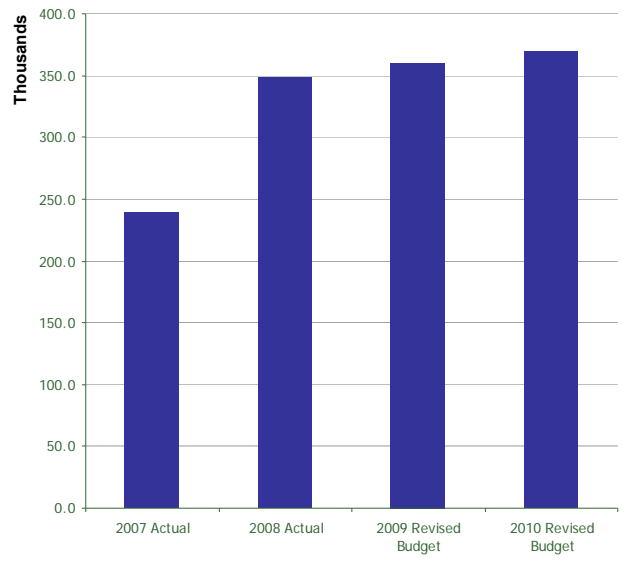
Expense by Category



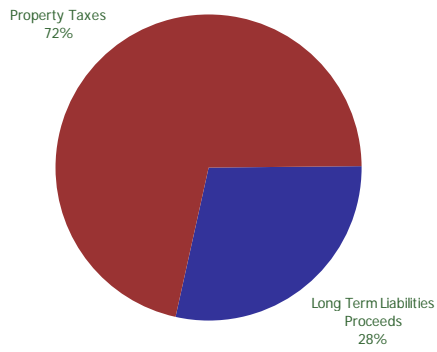
Expense 2007 - 2010



Revenue 2007 - 2010



Direct Revenue by Type

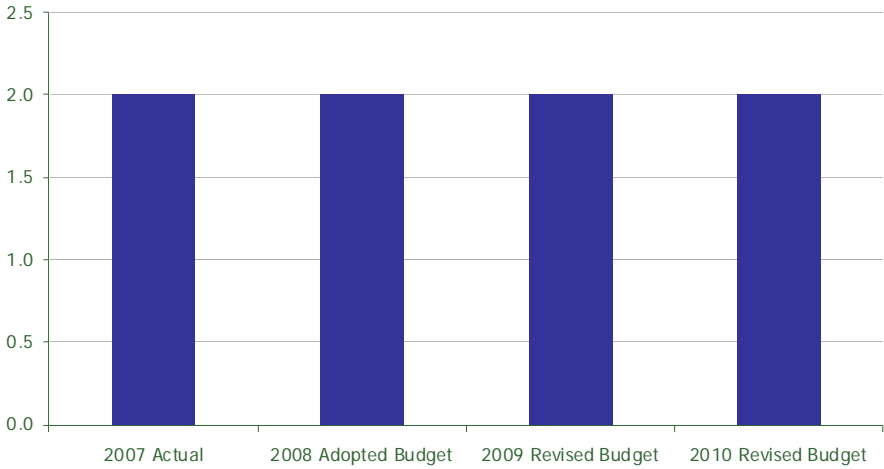


# BOARD OF ESTIMATE & TAXATION

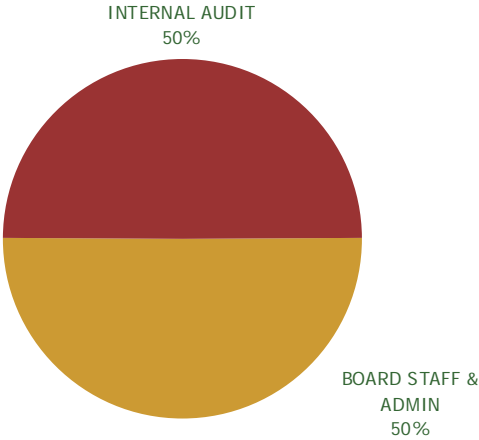
## Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
BOARD OF ESTIMATE & TAXATION	2	2				
BOARD STAFF & ADMIN			1	1	0.0%	0
INTERNAL AUDIT			1	1	0.0%	0
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0.0%</b>	<b>0</b>

### Positions 2007-2010



### Positions by Division



## MUNICIPAL BUILDING COMMISSION

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### **MISSION**

The Municipal Building Commission was created by state statute in 1904 and given care and control Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain and preserve the building, and ensure a safe and functional environment for City and County government employees, citizens and elected officials.

### **BUSINESS LINES**

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

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

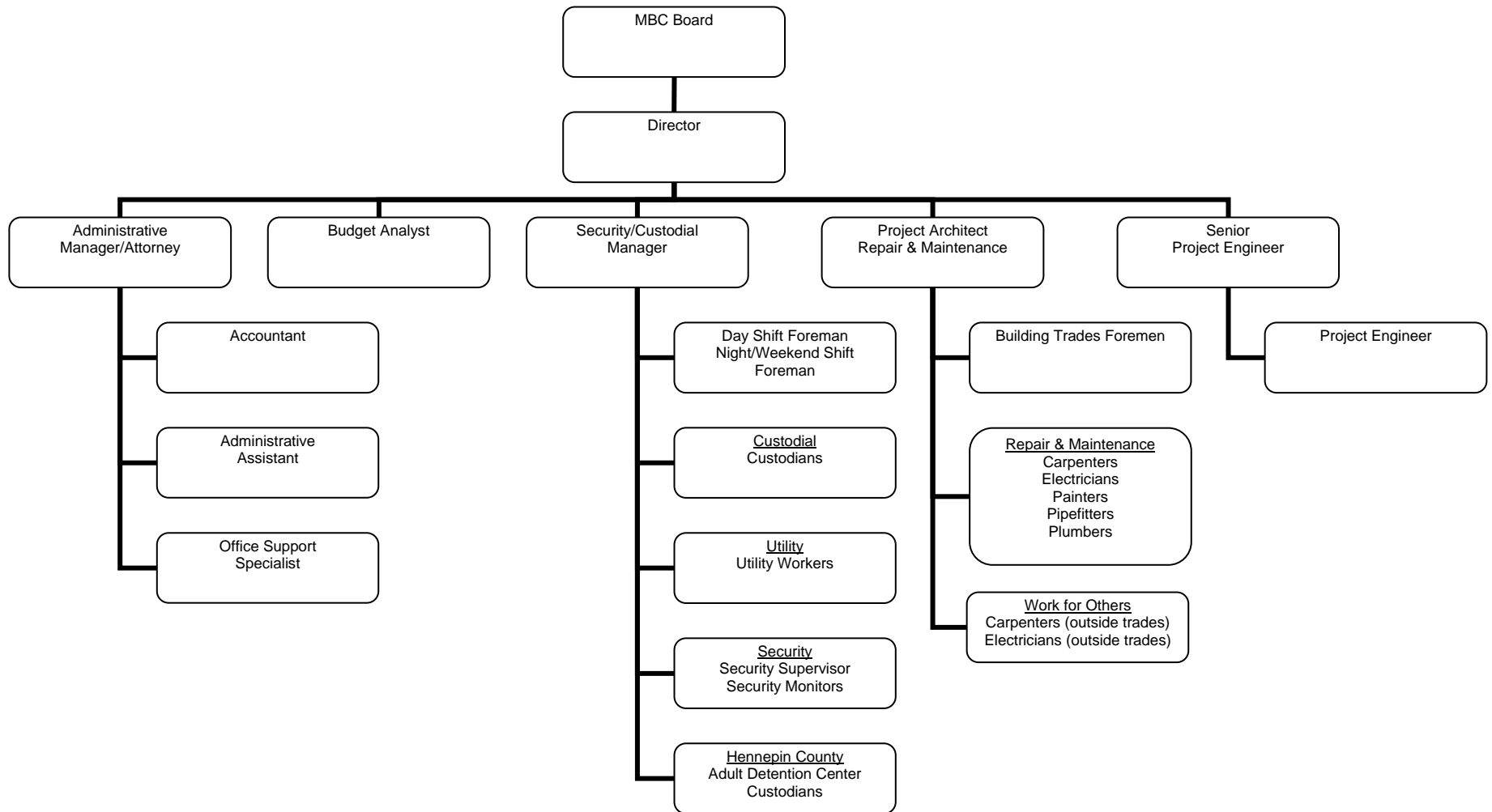
#### **Primary Business 2: Control of the Minneapolis City Hall and Hennepin County Courthouse Building.**

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

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

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

# 2010 MBC Organization Chart





## **KEY TRENDS AND CHALLENGES**

- **Mechanical and Life Safety Systems Upgrade Project**  
MBC has completed 12 stages of a 23-stage project to upgrade Mechanical and Life Safety Systems (MLSS) in the City Hall and Courthouse building. This work will continue in 2010 with the completion of approximately two more project stages. The MLSS project is scheduled to conclude in 2016.

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

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

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

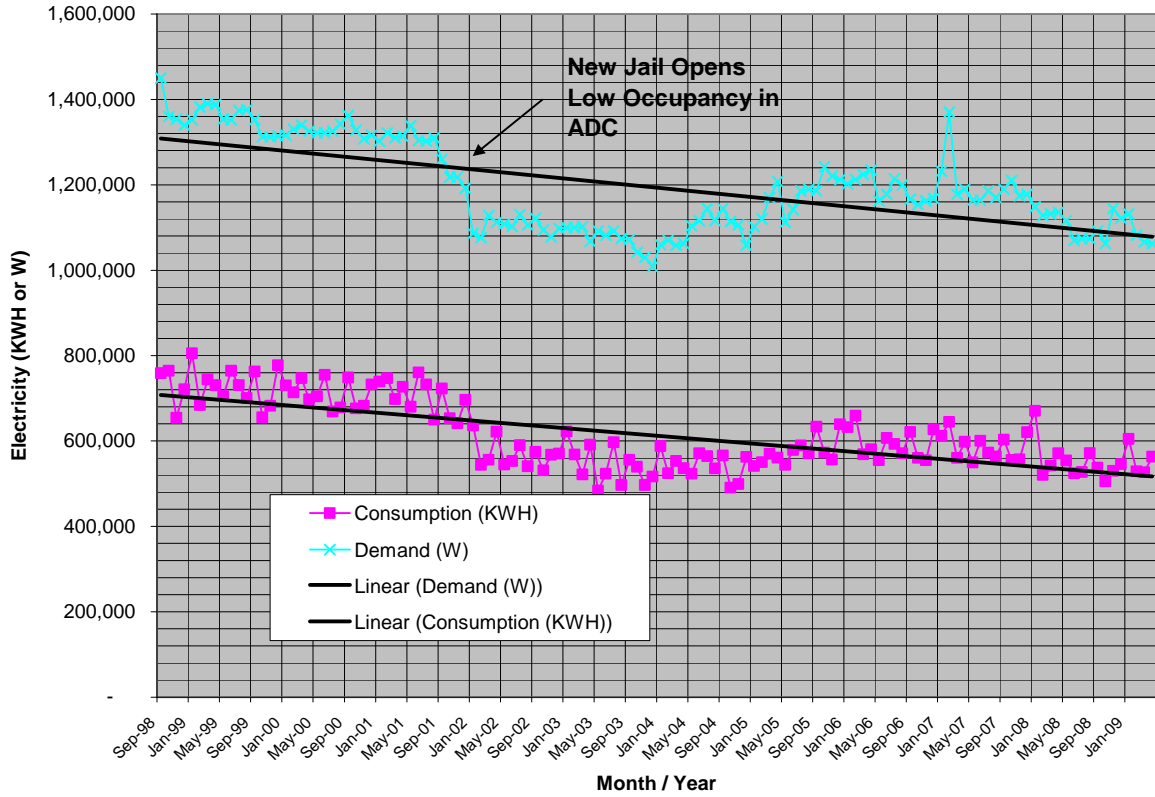
Because capital funding does not cover all of the expense associated with these improvements, project work also is being supported through the MBC operating budget at a cost of approximately \$400,000-500,000 annually for completing routine repair and maintenance work in MLSS project spaces.

- **Energy Conservation**

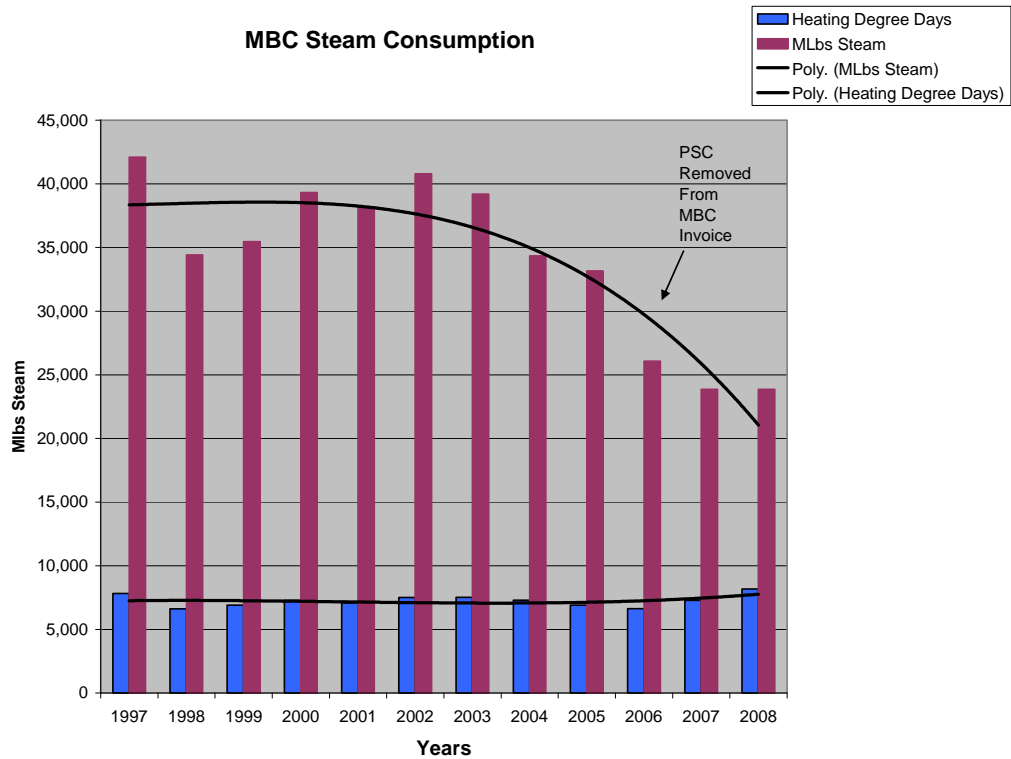
There is a direct correlation between the MLSS Project work and the energy reductions achieved in the building during the past decade.

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

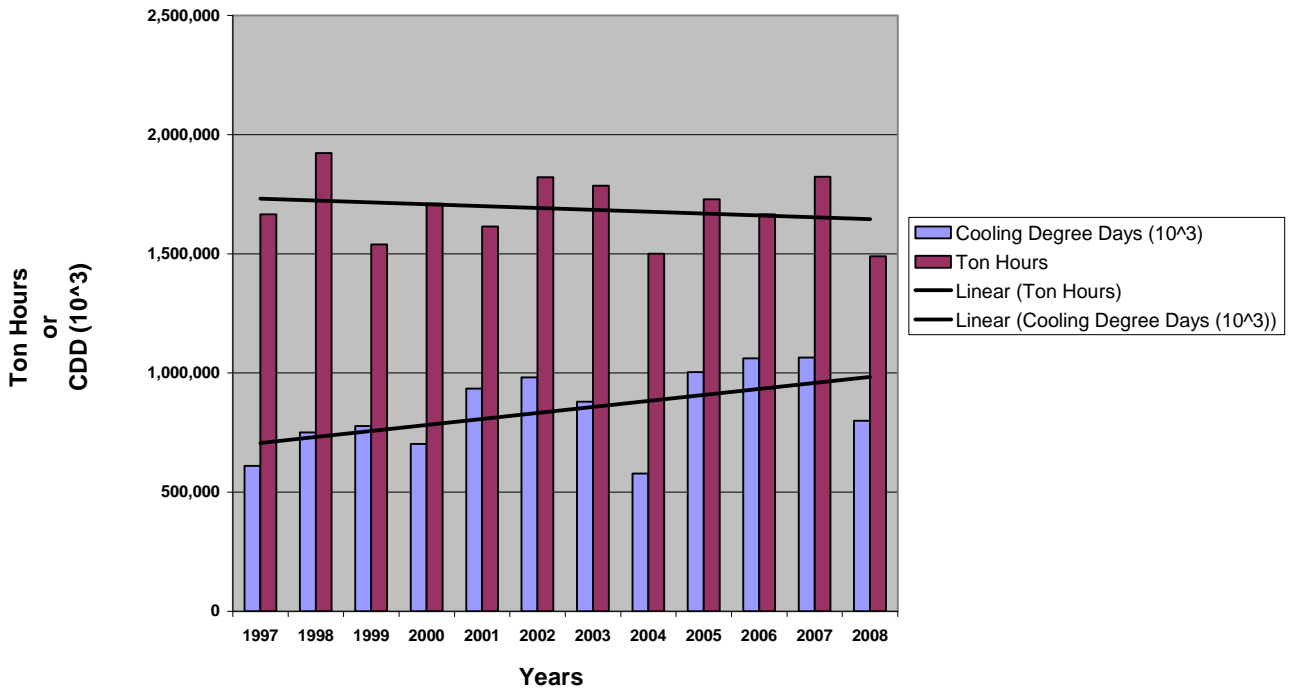
### MBC Electricity Consumption



### MBC Steam Consumption



### MBC Chilled Water Consumption



### Energy Conservation

For the first time ever in the history of the City Hall Courthouse, building HVAC operations are ready to be controlled in a centralized, building-wide manner. This constitutes a big step in energy conservation. Two inefficient, 40 year old, air handling units will be removed and replaced with new, energy efficient, air handling units and energy wheels. This work is scheduled to be completed in all four corners of the building by 2010. These new mechanical systems will conserve energy from exhaust air and are projected to save \$160,000 annually in steam and chilled water costs at current rates.

New ductwork from the attic to the basement will allow outside air to be used for “free” cooling during the summer and fall. New computerized control systems will automatically make changes to conserve energy based

on feedback from temperature, pressure, humidity and air quality monitors both inside and outside the building.

Upon completion of the project, the building will automatically monitor ventilation and energy consumption. Based on this monitoring, the energy wheels and air handling units in the attic speed up or slow down, change air composition, and adjust to provide appropriate ventilation while minimizing the utilization of energy. In this manner, the building will evolve into an intelligent building as projected by 21<sup>st</sup> Century Energy Planners.

- **Security Initiative**

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

The first step included the Implementation of a fiber backbone to allow connectivity of devices throughout the building. The completion of this work will allow the MBC to expand the building security system in the future as funding becomes available.

The grant work included the installation of a new security operation room; design and installation of equipment room cooling; and system programming for remote control of building security CCTV cameras.

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

Several security measures are being researched, evaluated, cost estimated, designed and considered for implementation within the building. Some of these projects include the following:

- Emergency Response Training
- Enhanced security for the Mayor's Office
- Enhanced security for the City Council Offices
- Enhanced security for the City Council Chambers
- Building-Wide Emergency Communication System

It appears that cities across Hennepin County are using federal stimulus grants for security related projects. The City of Minneapolis may consider using this funding mechanism to fund these security measures outlined above.

#### **EXPENDITURE**

The 2010 MBC department budget of \$8.1 million is a reduction of 4.0%.

#### **REVENUE**

Revenue is estimated at \$8.3 million, with declining sales of documentation copies due to availability of internet access.

#### **ORIGINAL BUDGET**

The Mayor recommends \$8.06 million for MBC's 2010 budget.

Under the Mayor's proposed tax revenue policy, MBC and the general fund will receive the same percentage increase in dollars available for activities in 2010. MBC activities will increase by 0.83%, the same percentage increase as activities for the Park Board and general fund. This corresponds to an LGA revenue decrease of \$34,813, or 14.41%, and a tax revenue increase of 1.69%, or \$71,886, resulting in budgeted MBC resources of \$4,486,817, 0.83%, or \$37,073 higher than 2009.

Council adopted the Mayor's recommendations. Additionally, Council directed that net debt bond funding for MBC elevators be increased by \$130,000 for a revised City total of \$230,000 for 2010.

The budget for this department includes a reduction of BIS charges of \$300 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$46,800 decrease in appropriation due to the Council's actions to fund two internal audit positions. Back out both changes, the 2010 Council Adopted Budget for the department is \$8,186,975, a 3.3% decrease from the 2009 Revised Budget.

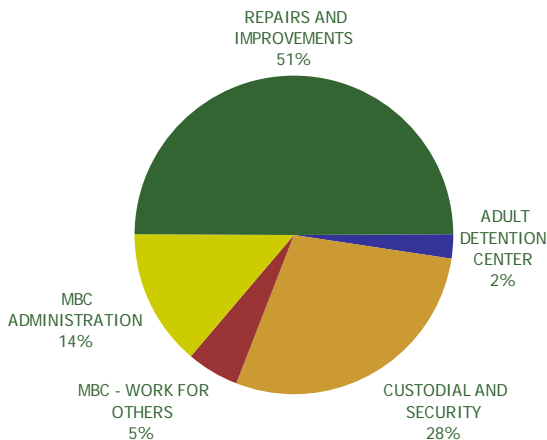
**MAYOR'S REVISED BUDGET**

The tax revenue policy outlined above results in a revenue cut of \$141,300. \$60,812 was taken from Local Government Aid (LGA) and \$80,219 was taken from property tax due to a state cut in Market Value Homestead Credit.

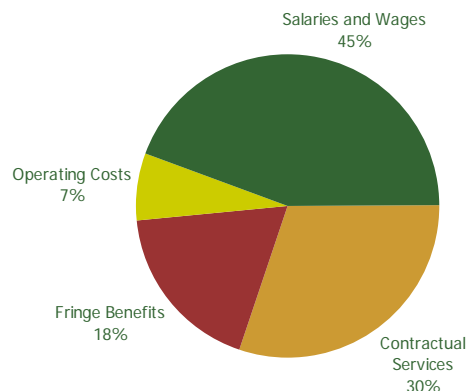
**COUNCIL REVISED BUDGET**

Council approved the Mayor's recommendation and awarded MBC \$60,000 for elevator repair in City Hall.

**Expense by Division**



**Expense by Category**

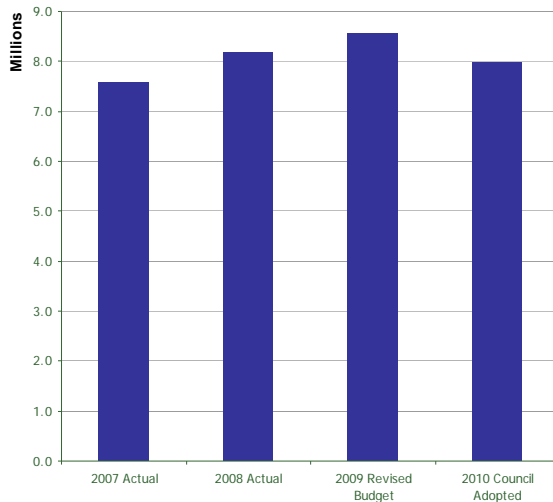


## MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

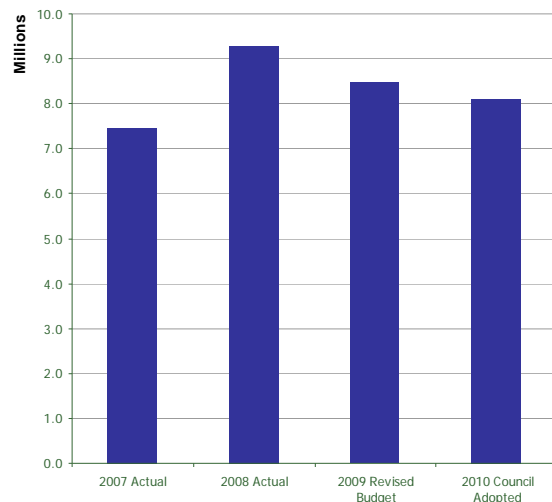
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs	0	1,221,679			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>1,221,679</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	2,844,617	2,858,974	3,495,183	3,603,952	3.1%	108,770
Fringe Benefits	1,109,375	1,120,945	1,533,162	1,475,891	-3.7%	(57,270)
Contractual Services	2,942,120	3,234,655	2,873,002	2,434,823	-15.3%	(438,179)
Operating Costs	542,797	855,753	561,320	588,978	4.9%	27,658
Capital	6,468	10,970	2,000	2,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>7,445,377</b>	<b>8,081,297</b>	<b>8,464,667</b>	<b>8,105,645</b>	<b>-4.2%</b>	<b>(359,022)</b>
<b>TOTAL EXPENSE</b>	<b>7,445,377</b>	<b>9,302,976</b>	<b>8,464,667</b>	<b>8,105,645</b>	<b>-4.2%</b>	<b>(359,022)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Property Taxes	3,868,974	4,029,616		4,244,859	0.0%	4,244,859
Sales and Other Taxes	604	650			0.0%	0
State Government	397,022	323,967	267,257	4,859	-98.2%	(262,398)
Charges for Service	3,203,418	3,705,897	8,123,200	3,727,079	-54.1%	(4,396,121)
Charges for Sales	5,530	8,550	6,000	6,000	0.0%	0
Interest	0				0.0%	0
Rents	99,069	89,508	2,200		-100.0%	(2,200)
Other Misc Revenues	1,620	8,346	150,600		-100.0%	(150,600)
<b>TOTAL SPECIAL REVENUE</b>	<b>7,576,238</b>	<b>8,166,534</b>	<b>8,549,257</b>	<b>7,982,797</b>	<b>-6.6%</b>	<b>(566,460)</b>
<b>TOTAL REVENUE</b>	<b>7,576,238</b>	<b>8,166,534</b>	<b>8,549,257</b>	<b>7,982,797</b>	<b>-6.6%</b>	<b>(566,460)</b>

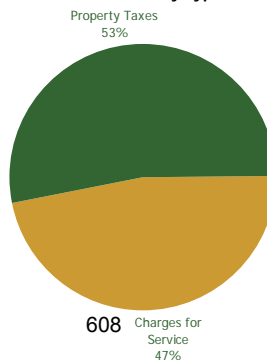
Revenue 2007 - 2010



Expense 2007 - 2010



Direct Revenue by Type

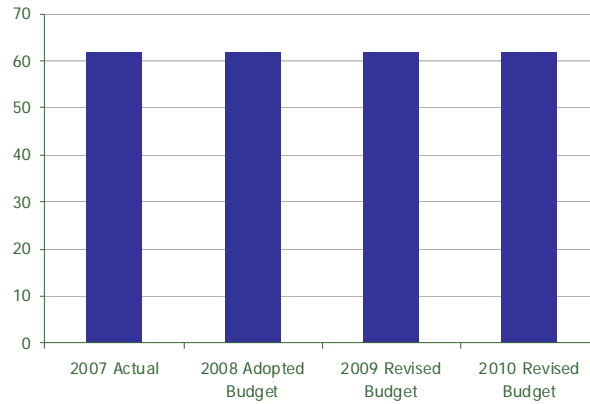


## MUNICIPAL BUILDING COMMISSION

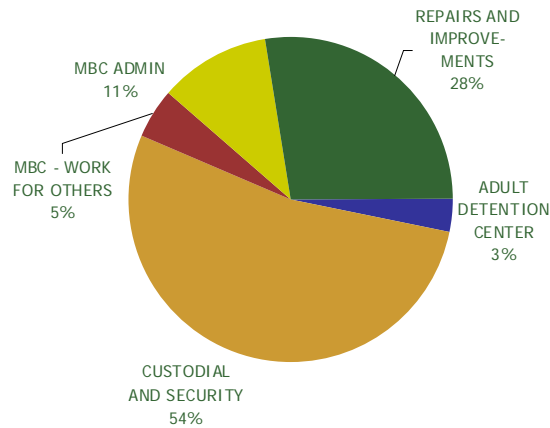
### Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
ADULT DETENTION CENTER	2	2	2	2	0.0%	
CUSTODIAL AND SECURITY	34	34	34	33	-2.9%	(1)
MBC - WORK FOR OTHERS	3	3	3	3	0.0%	
MBC ADMINISTRATION	6	6	7	7	0.0%	
REPAIRS AND IMPROVEMENTS	17	17	16	17	6.3%	1
<b>TOTAL</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>0.0%</b>	

**Positions 2007-2010**



**Positions by Division**



## NEIGHBORHOOD REVITALIZATION PROGRAM

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### **Mission:**

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

### **Goals:**

NRP adopted four Goals for Phase I. Those Goals were:

- Build neighborhood capacity
- Redesign public services
- Create a sense of community and place
- Increase intra and intergovernmental collaboration

In addition to these Goals, the Teamworks evaluation report on Phase I identified three additional goals that were distilled from a review of official documents by the NRP Evaluation Task Force, a Policy Board authorized multijurisdictional work team. The three other Goals were to:

- Improve the lives of the citizens of Minneapolis and enhance neighborhood stability
- Bring neighborhoods to a level at which they will attract private investment
- Improve the physical characteristics of neighborhoods, especially as embodied in infrastructure and housing

As part of the multi jurisdictional review and planning process for Phase II the Policy Board adopted six Goals for Phase II that build on and expand the Goals of Phase I and responded to the changed environment for NRP and its participating jurisdictions.

- Create a greater sense of community so that the people who live, work, learn and play in Minneapolis have an increased sense of commitment to and confidence in their neighborhood and their City
- Sustain and enhance neighborhood capability in order to strengthen the civic involvement of all members of the community
- Ensure that neighborhood-based planning remains the foundation of the program, is informed and leads to creative and innovative approaches
- Strengthen the partnerships among neighborhoods and jurisdictions to identify and accomplish shared citywide goals
- Ensure that government agencies learn from and respond to neighborhood plans so that public services ultimately reflect neighborhood priorities
- Develop and support life cycle housing citywide through the preservation of existing housing and new construction by reaffirming our commitment to the state mandate that 52.5% of NRP funds be spent on housing.

NRP uses five primary business lines to help accomplish these Goals.

### **1. Assist neighborhoods with development of Neighborhood Action Plans (NAPs).**

NAPs are the building blocks of the NRP program and are developed and written by residents and the recognized neighborhood organization. Each NAP provides a vision for the neighborhood, identifies the priorities for achieving that vision, and adopts



specific action steps (strategies) for implementation. The NRP statute requires that NAPs be prepared and approved before any NRP expenditures occur.

NRP staff provide guidance on development of the NAP, monitor the public participation process, help the neighborhood obtain any needed professional or technical support as the strategies are being considered, and assist, as needed and requested, with preparation of the draft plans.

## **2. Review, modify and approve NAPs prepared by neighborhoods.**

During the development and drafting of the NAP, NRP staff helps neighborhoods obtain needed support, information and perspectives from public and non-profit staff with knowledge of the subject areas of concern to the neighborhood. After the neighborhood approves its draft NAP, the plan is reviewed by NRP staff and forwarded to public staff for comments and NRP's external counsel for a legal opinion on conformance with the NRP statute.

NRP staff work to make the NAP approval process as considerate and respectful as possible by providing information to the neighborhood before they begin the process, facilitating the participation of public and other staff in the identification of possible priorities and potential strategies for addressing those priorities, identifying possible problem areas in the plan draft, encouraging neighborhood representative attendance and presentations at the Policy Board during the review of the plan, providing assistance with making changes suggested by NRP, jurisdictional staff or legal counsel before the Policy Board presentation, and preparing all needed transmittal and descriptive documents.

## **3. Oversee, monitor and evaluate implementation of approved NAPs and their strategies.**

The City Attorney has opined that NRP staff cannot manage implementation contracts for strategies contained in an NAP unless they are for planning, oversight or evaluation. NRP staff serves as the contract administrator for neighborhood organization activities associated with these functions and develop the scopes of service and budgets for the needed contracts. Staff reviews reimbursement requests, monitors performance and ensures that implementation of the plan is occurring as approved.

NRP staff coordinates governmental and private efforts in the development of other needed contracts and implementation of NAPs. They serve as the contact for the involvement and participation of appropriate implementing departments, private for-profit and non-profit vendors and jurisdictions.

NRP staff work with neighborhoods and these organizations to clearly define the approved programs, projects, services or activities, and draft appropriate scopes of service, program guidelines and budgets prior to preparation of needed contracts or agreements. Another major part of the service provided by NRP staff is to ensure funding is available, as needed, for the programs, projects, services or activities contained in an approved NAP.

## **4. Manage NRP's financial resources and expenditures.**

NRP is responsible for the expenditures of NRP funds and for the management of the public resources that have been provided to the program. NRP monitors and evaluates

program activities and expenditures to ensure consistency with approved contracts and the strategies in NAPs.

In addition, NRP works to minimize administrative costs for NRP's central office and the neighborhoods by initiating group purchase discounts, special professional service arrangements and elimination of duplicate activities.

One of the most important results that must be achieved is meeting the statute mandate that 52.5% of all NRP funds expended must be for housing or housing related programs, projects, services or activities.

##### **5. Educate, inform and train residents for participating effectively in neighborhood improvement efforts.**

Training and development is necessary to create new and informed leaders, a greater sense of community, increase civic involvement, and make it possible for meaningful partnerships between neighborhood organizations and their government and non profit collaborators. NRP staff offer training that provides neighborhood volunteers and employees with specific skills designed to help create and maintain healthy organizations. Workshops are offered on a regular basis and specific trainings are available upon request to individual neighborhoods. NRP also initiated and sponsored the Community Leadership Institute conducted with the University of St. Thomas.

##### **Accomplishments:**

The primary goal of NRP is gaining approval of neighborhood action plans.

NRP is well on the way to achieving this Goal. As of June 22, 2009 the Policy Board has approved 44 Phase II NAPs or 61.1% of the 72 possible plans. These approvals have allocated 65% of the funds allocated to neighborhoods based on the March 2004 City projections for Common Project revenues. Phase II Participation Agreements have been approved for more than 80% of the neighborhoods.

Every strategy in a neighborhood action plan must be helping to accomplish, and is tied to, a goal of the City of Minneapolis. To date, fewer than 5 strategies from draft plans have been rejected by legal counsel as inconsistent with the NRP statute. After modifications were made, with NRP staff assistance, each and every plan, and all of the more than 5,000 strategies in those approved plans has been reviewed and approved by the NRP Policy Board and the Minneapolis City Council as an appropriate expenditure of NRP funds.

Neighborhood plans are allocating their funds to Housing programs, projects, services or activities. For the Phase II Neighborhood Action Plans approved to date, more than 75% of their full allocation is committed to Housing programs, projects, services or activities. At this time, and with these commitments, NRP will be able to meet its legislated mandate for all of the funds appropriated since the program began in 1991. If the total dollars available to NRP in Phase II decline, however, the program may not be able to meet the mandated percentage.

Administrative expenses account for only 18% of the appropriated funds for the Phase II plans approved to date.

NRP's central office staff will again be reduced in the proposed 2010 Budget. The recommendation to the Policy Board will be to reduce the office FTE count to 7 by the end of 2010. NRP has no vacancies and fills its staffing needs by reassignment of duties, professional service agreements, or MOUs. NRP intends to continue reducing central office staff and will do so, to the maximum extent possible, without layoffs or terminations.

**What key trends and challenges does your organization face and how will they be addressed?**

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 additional investments by public and private sources. In Elliot Park alone, the neighborhood's investment of \$ 4.4 million from NRP helped leverage over \$ 151 million of new development in that neighborhood. As improvement has occurred, however, the perceptions of need and the urgency attached to continuing NRP have changed.

State tax law changes adopted in 2001 and a more negative public attitude toward government, in general, have greatly reduced the revenues available for Phase II from the Common Project. Reductions in Local Government Aid have impacted the General Fund of the City and reduced the opportunities for City contributions to neighborhood priorities. Actions taken by the City Council and Mayor, such as the Discretionary Development Financing Resolution adopted 8/22/03, have further depleted NRP's potential revenue stream. Over the past eighteen months economic conditions beyond the control of the state, city or neighborhoods have placed additional pressures on NRP's revenue sources.

Phase II was initially planned to begin in 2001. With the tax law changes adopted by the legislature in 2001 NRP had to place implementation of Phase II on hold. Residents and neighborhoods that had expected to seamlessly 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 resident participation.

As the time required to answer the questions about future revenues extended, residents turned their attention to other areas of interest, neighborhoods lost volunteers, projects were placed on hold or canceled and there were questions raised whether Phase II would begin.

Adoption of the revised Chapter 419 of the Minneapolis City Ordinance in August 2003 and the March 2004 calculation of the Common Project revenue stream removed some of this uncertainty. Residents were encouraged to recommit to their neighborhood and the city, based on this renewed commitment to NRP. Unfortunately, the many and varied Common Project Revenue Projections made by the City between 2004 and 2009 created uncertainty and reduced neighborhood faith in the stability of the funding stream for neighborhood improvement activities.

The funding available for Phase II has changed dramatically over the past seven years. In June 2000, as NRP was about to begin its second decade, City officials 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 in 2001 and the results from the Brookfield loan negotiations, the revenues available from the Common Project dropped to less than \$ 85 million, the figure used to determine the Phase II allocations to neighborhoods.

When the City released its projections for Common Project revenues in April 2007, projections showed future revenues of only \$ 66.5 million. The City Council and Mayor acted in December 2007 to “guarantee” that 70% of Phase II neighborhood allocations would be available for Phase II. In June, 2008 the NRP Policy Board reallocated \$1.7 million to help increase the percentage of Phase II dollars that will be available to neighborhoods to about 74%. They made a second reallocation in November, 2008 to increase the percentage available to neighborhoods to 80%. In May, 2009 the City issued new projections for the capitalization of Phase II that increased the percentage expected to be available to 93.4%. The new projection includes the assumption that the Brookfield lease payment will be paid in full in December 2009. The 2009 capitalization represents almost 48% of the total capitalization for Phase II NAPs.

Neighborhoods accepted fewer resources in Phase II and still worked to improve participation and adopt plans to address their priorities. They reviewed results from Phase I, researched resident issues, gathered and analyzed data, created work groups and committees to develop strategies for Phase II NAPs, and drafted, discussed, reviewed, and finally approved Phase II plans.

NRP’s revenue stream officially ends in 2009. After that date, the program will be spending down the revenues that it received between 1990 and 2009 and contracting out its remaining resources.

Finding ways to encourage resident participation and dealing with continually changing revenue projections have been two of the major challenges that NRP has faced. The third has been the erosion of political support and the changing attitude toward resident empowerment by the City. Not one of the City’s elected officials and none of its major department heads were in their current positions when NRP started. In an effort to gain more control and “accountability” over neighborhood activities, the City initiated an NRP Work Group in 2007 that produced a Framework for Community Engagement after NRP’s revenue streams end in 2009. Four of the six members of the Work Group were City Council members and one was a representative of the Mayor. The new approach to community engagement is that neighborhoods and the City will be in a more cooperative and collaborative environment.

A Neighborhood and Community Relations Department and an all resident Neighborhood and Community Engagement Commission will manage the new approach to Community Engagement. The new department and commission will have a new source of revenue (a Consolidated Redevelopment TIF District) that can be invested in neighborhood revitalization over the next ten years. One of the major issues to be resolved is how the revenues and activities of NRP will relate to the activities of the new Commission and Department.

**What level of vacancies does NRP have? What strategies in the business plan are related to maintaining these vacancies? What possibilities exist for reducing these vacancies?**

NRP has no vacancies. When a position is vacated, the responsibilities and skills required for the position are analyzed and redistribution, discontinuation or contracting is used to maintain the level of service for the office. NRP has gradually reduced its office complement from 25 FTE in 1995 to 8 FTE in 2009. We have done so without layoffs or terminations. The last hire made by NRP was in 1999.

**What are the major areas of contractual expense for NRP? What opportunities or drawbacks exist to changing from contractual provision of services toward provision of services by NRP employees?**

The largest single expenditure for NRP, outside of its personnel complement, is for services from CPED and DFD. The 2007 Memorandum of Understanding charges NRP \$375,000 for the contract management, support and legal services NRP receives from the City. This single line item now accounts for more than 15% of NRP's administrative budget.

The 2010 NRP administrative budget proposes a reduction of 1 FTE in the staff complement and a reduction in the office budget of more than 8%. This budget is subject to significant changes and has not been discussed or presented to the NRP Policy Board. One of the biggest uncertainties is the amount for DFD and CPED support. Negotiations on a new MOU have not yet begun and will determine the amount needed for this line item. The Policy Board will be provided with a proposed budget at its September 2009 meeting.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2010 NRP budget is \$1.4 million.

**REVENUE**

Revenue is estimated at \$1.4 million.

**ORIGINAL BUDGET**

The Mayor recommended, and Council approved no changes to this department.

The budget for this department includes a reduction of BIS charges of \$1,100 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**MAYOR'S REVISED BUDGET**

The Mayor recommended no changes to this department.

**COUNCIL REVISED BUDGET**

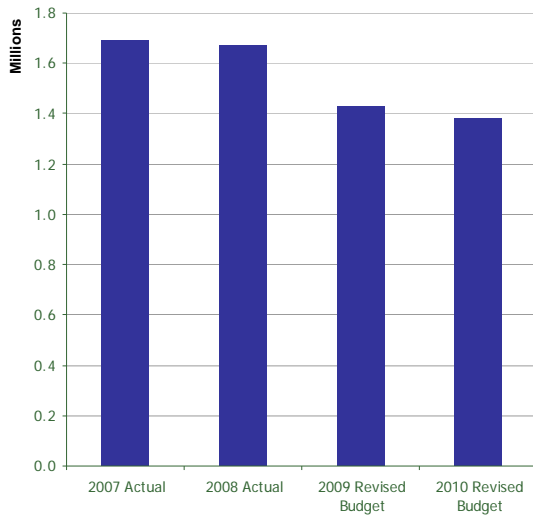
Council approved the Mayor's recommendation.

## NEIGHBORHOOD REVITALIZATION BOARD EXPENSE AND REVENUE INFORMATION

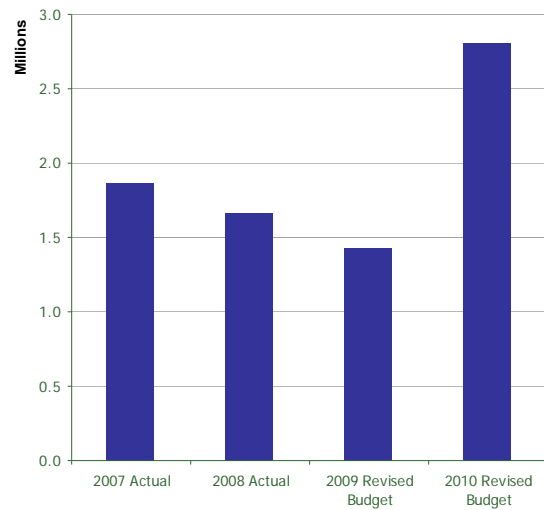
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	637,097	580,475	509,736	456,355	-10.5%	(53,381)
Fringe Benefits	151,326	155,000	138,184	188,462	36.4%	50,279
Contractual Services	817,486	848,476	714,900	645,348	-9.7%	(69,552)
Operating Costs	81,788	83,050	61,499	88,991	44.7%	27,492
Capital	5,797	3,500	3,500	3,000	-14.3%	(500)
<b>TOTAL SPECIAL REVENUE</b>	<b>1,693,494</b>	<b>1,670,501</b>	<b>1,427,819</b>	<b>1,382,156</b>	<b>-3.2%</b>	<b>(45,663)</b>
<b>TOTAL EXPENSE</b>	<b>1,693,494</b>	<b>1,670,501</b>	<b>1,427,819</b>	<b>1,382,156</b>	<b>-3.2%</b>	<b>(45,663)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Council Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
State Government	1,778,889	1,661,925	1,428,620	2,810,776	96.7%	1,382,156
Charges for Service	15,186				0.0%	0
Other Misc Revenues	66,418				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>1,860,494</b>	<b>1,661,925</b>	<b>1,428,620</b>	<b>2,810,776</b>	<b>96.7%</b>	<b>1,382,156</b>
<b>TOTAL REVENUE</b>	<b>1,860,494</b>	<b>1,661,925</b>	<b>1,428,620</b>	<b>2,810,776</b>	<b>96.7%</b>	<b>1,382,156</b>

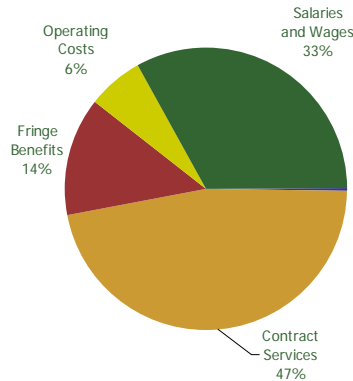
Expense 2007 - 2010



Revenue 2007 - 2010



Expense by Category

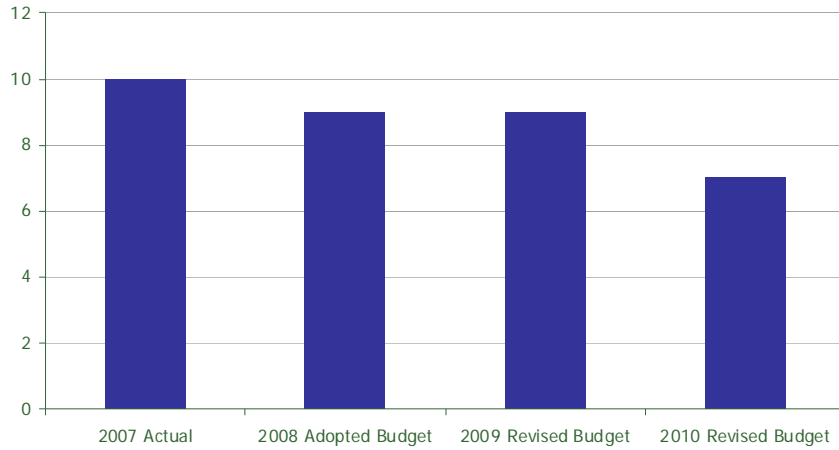


## NEIGHBORHOOD REVITALIZATION BOARD

### Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
NEIGH REVITALIZATN POL BD	10	9	9	7	-22.2%	(2)
<b>TOTAL</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>-22.2%</b>	<b>(2)</b>

### Positions 2007-2010



# PARK BOARD

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## MISSION

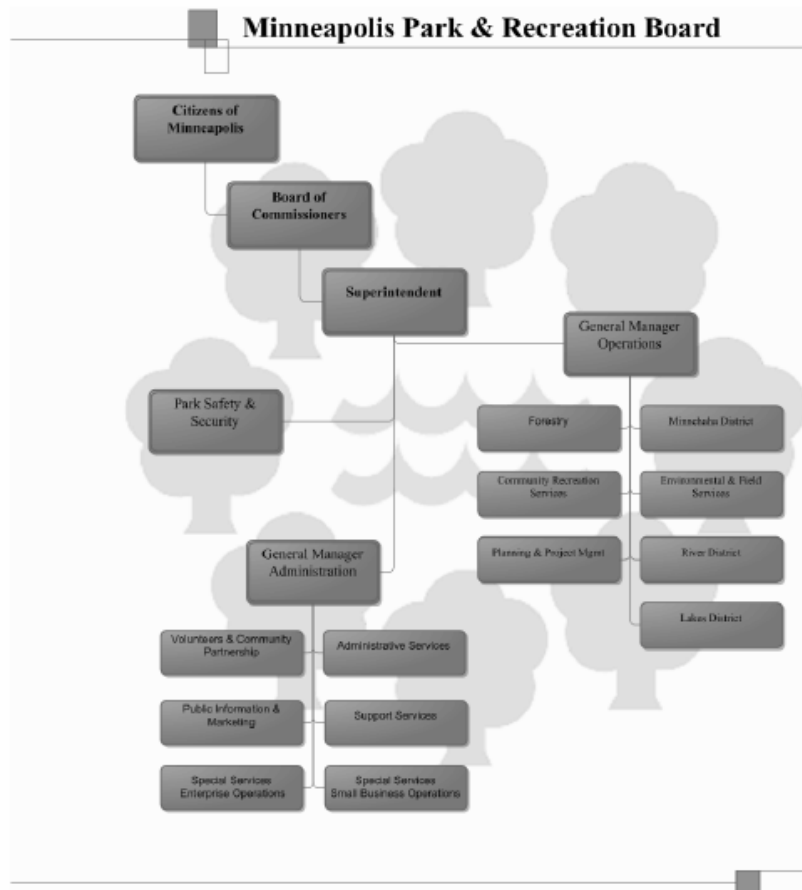
The Minneapolis Park and Recreation Board shall permanently preserve, protect, maintain, improve and enhance its natural resources, parkland and recreational opportunities for current and future generations.

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

## BUSINESS LINES

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

## ORGANIZATIONAL CHART





## FINANCIAL ANALYSIS

### EXPENDITURE

The Park Board adopted its 2010 budget in December 2009. The 2010 Park Board budget of \$91.5 million is 1.3% less than the 2009 revised budget.

### REVENUE

Revenue is estimated at \$91.2 million, a 1.2% decrease from the 2009 revised budget.

### ORIGINAL BUDGET

The Mayor recommended and Council approved no change to the budget.

The Mayor's proposed tax revenue policy for 2010 has been amended from previous years. This year, the Mayor proposes a policy that subtracts general fund commitments, such as the obligation to the pension management plan, the transfer to Hennepin County for the library system, and the Target Center Financial Plan from the property tax total available for distribution to the General Fund and Independent Boards.

Under the Mayor's proposed tax revenue policy Park Board and the general fund will receive the same percentage increase in dollars available for activities in 2010. The Park Board will experience an LGA loss of 14.41%, or \$1,365,026, and a tax revenue increase of \$1,843,460, or 4.31%. The 2010 Park Board budgeted resources will be \$50,223,384, or 0.83% (\$414,978) higher than the 2009 activity level.

The budget for this department includes a \$861,382 decrease in appropriation due to the Council's actions to fund two internal audit positions. Back out both changes, the 2010 Council Adopted Budget for the department is \$93,079,737, a 3.0% increase from the 2009 Revised Budget.

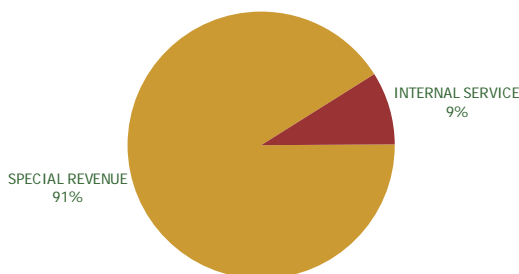
### MAYOR'S REVISED BUDGET

The tax revenue policy outlined above results in a revenue cut of \$1,578,565. \$680,655 was taken from Local Government Aid (LGA) and \$897,900 was taken from property tax due to a state cut in Market Value Homestead Credit.

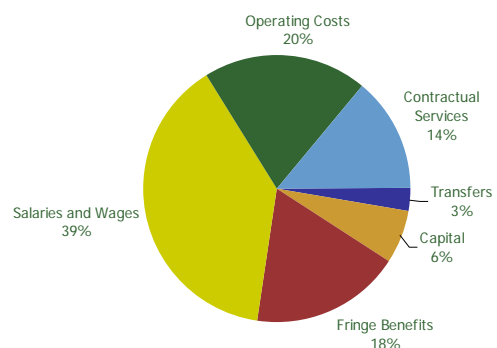
### COUNCIL REVISED BUDGET

Council approved the Mayor's recommendations.

Expense by Fund



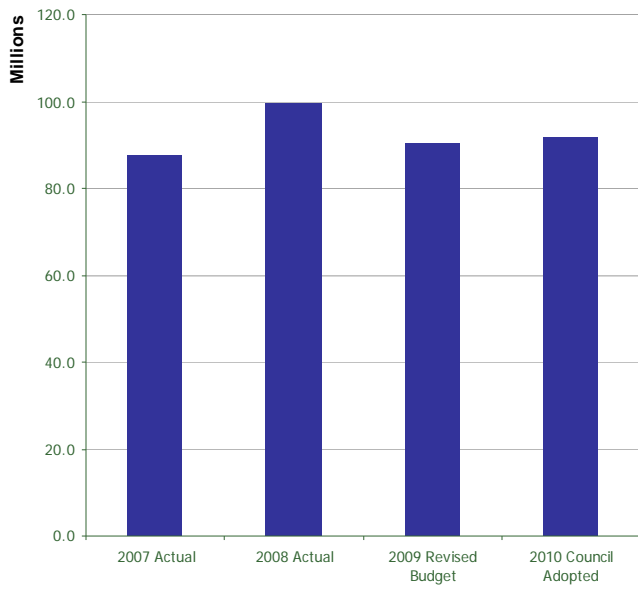
Expense by Category



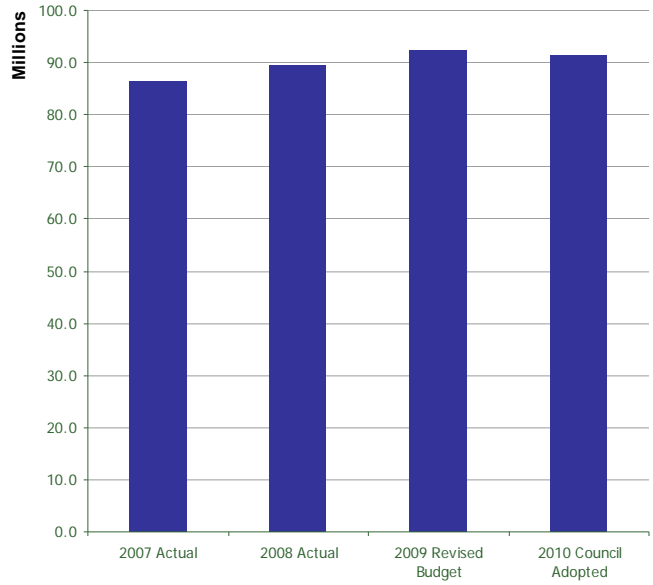
**PARK BOARD  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Operating Costs	0	9,594,108			0.0%	0
<b>TOTAL AGENCY</b>	<b>0</b>	<b>9,594,108</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	34,462,557	33,820,274	33,900,182	33,924,410	0.1%	24,228
Fringe Benefits	11,408,982	12,318,071	13,174,914	13,814,710	4.9%	639,796
Contractual Services	15,842,186	15,683,102	15,267,577	12,055,641	-21.0%	(3,211,936)
Operating Costs	16,117,775	17,347,999	16,754,033	16,620,838	-0.8%	(133,195)
Capital	601,942	715,678	1,819,851	4,406,529	142.1%	2,586,678
Debt Service	85,299	97,799	97,800	98,000	0.2%	200
Transfers	0	2,507,272	1,525,000	2,565,000	68.2%	1,040,000
<b>TOTAL SPECIAL REVENUE</b>	<b>78,518,741</b>	<b>82,490,195</b>	<b>82,539,357</b>	<b>83,485,129</b>	<b>1.1%</b>	<b>945,772</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	1,951,773	1,726,312	1,769,978	1,774,316	0.2%	4,338
Fringe Benefits	2,322,941	1,986,645	2,475,178	2,538,596	2.6%	63,418
Contractual Services	473,122	360,220	476,104	450,993	-5.3%	(25,111)
Operating Costs	2,906,302	2,496,642	1,691,428	1,719,715	1.7%	28,287
Capital	1,391,449	797,935	1,388,159	1,532,422	10.4%	144,263
<b>TOTAL INTERNAL SERVICE</b>	<b>9,045,587</b>	<b>7,367,754</b>	<b>7,800,847</b>	<b>8,016,043</b>	<b>2.8%</b>	<b>215,196</b>
<b>TOTAL EXPENSE</b>	<b>87,564,328</b>	<b>99,452,057</b>	<b>90,340,204</b>	<b>91,501,172</b>	<b>1.3%</b>	<b>1,160,968</b>
<b>REVENUE</b>						
<b>SPECIAL REVENUE</b>						
Property Taxes	48,476,804	51,512,080	54,838,501	55,859,227	1.9%	1,020,726
Sales and Other Taxes	6,019	6,508	3,000	3,000	0.0%	0
License and Permits	95,929	176,353	174,000	204,000	17.2%	30,000
Federal Government	14,145	4,000			0.0%	0
State Government	13,054,570	10,672,815	11,537,290	8,482,243	-26.5%	(3,055,047)
Local Government	1,415,645	1,351,520	1,528,790	1,528,790	0.0%	0
Charges for Service	12,325,912	13,022,399	12,854,447	13,663,596	6.3%	809,149
Charges for Sales	142,349	62,415	86,000	68,000	-20.9%	(18,000)
Fines and Forfeits	614,780	533,607	696,500	684,500	-1.7%	(12,000)
Interest	12	7			0.0%	0
Gains	(7,150)				0.0%	0
Rents	2,109,889	2,889,954	2,251,198	2,137,008	-5.1%	(114,190)
Contributions	791,019	1,121,885	203,000	423,000	108.4%	220,000
Other Misc Revenues	33,318	428,657	61,700	136,764	121.7%	75,064
Transfers In	0	321,436	295,000	295,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>79,073,240</b>	<b>82,103,635</b>	<b>84,529,426</b>	<b>83,485,128</b>	<b>-1.2%</b>	<b>(1,044,298)</b>
<b>DEBT SERVICE</b>						
Special Assessments	0				0.0%	0
Interest	0				0.0%	0
Gains	0				0.0%	0
<b>TOTAL DEBT SERVICE</b>	<b>0</b>				<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	984,779	950,554	970,393	920,847	-5.1%	(49,546)
Charges for Sales	549,474	58,190	68,798	50,000	-27.3%	(18,798)
Gains	(109,581)	64,350			0.0%	0
Rents	3,575,260	3,746,521	4,102,372	4,098,461	-0.1%	(3,911)
Contributions	0				0.0%	0
Other Misc Revenues	2,258,144	2,533,234	2,659,283	2,659,283	0.0%	0
Transfers In	0	260,000			0.0%	0
Long Term Liabilities Proceeds	0	(142,753)			0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>7,258,075</b>	<b>7,470,097</b>	<b>7,800,846</b>	<b>7,728,591</b>	<b>-0.9%</b>	<b>(72,255)</b>
<b>TOTAL REVENUE</b>	<b>86,331,316</b>	<b>89,573,732</b>	<b>92,330,272</b>	<b>91,213,719</b>	<b>-1.2%</b>	<b>(1,116,553)</b>

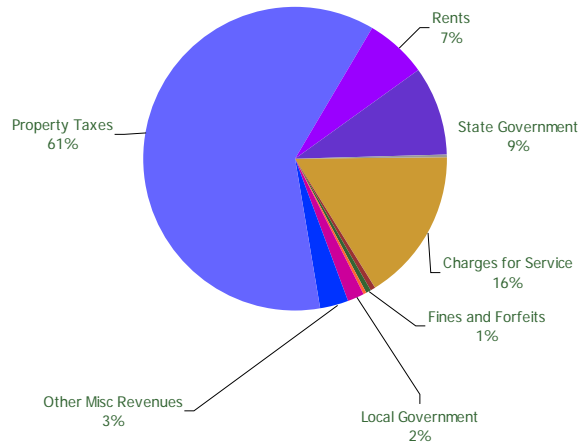
**Expense 2007 - 2010**



**Revenue 2007 - 2010**



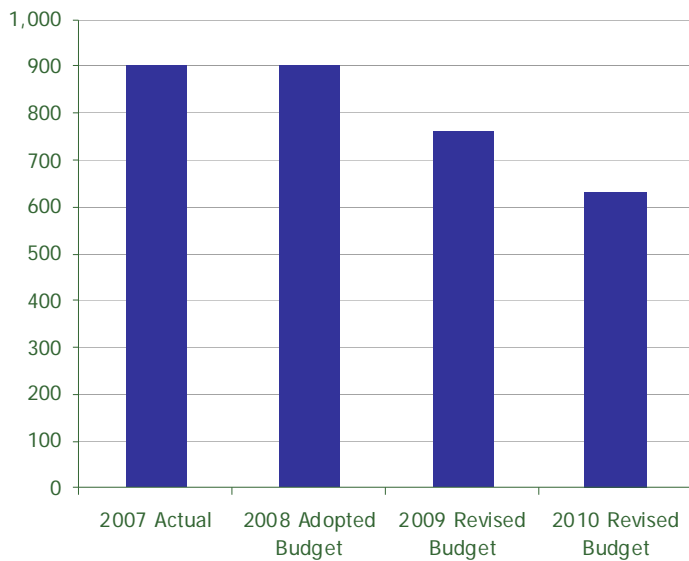
**Direct Revenue by Type**



## PARK BOARD Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
PARK BOARD	902	902	859	827	-3.7%	(32)
<b>TOTAL</b>	<b>902</b>	<b>902</b>	<b>859</b>	<b>827</b>	<b>-3.7%</b>	<b>(32)</b>

### Positions 2007-2010



## MINNEAPOLIS PUBLIC HOUSING AUTHORITY

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### MISSION

To promote and deliver quality, well-managed homes to a diverse low-income population; and, as a valued partner, contribute to the well-being of the individuals, families and communities it serves.

### FINANCIAL ANALYSIS

Sources & Uses	2007 Actual	2008 Actual	2009 Council Adopted	2010 Revised Budget
<i>Sources:</i>				
Tax Levy	\$1,212,965	\$1,259,076	\$1,289,613	\$0
CDBG Rehab	\$378,738	\$106,735	\$214,000	\$0
CDBG Citizen Participation	\$76,715	\$61,046	\$67,000	\$68,000
PILOT	\$271,456	\$295,229	\$300,000	\$440,000
<i>Uses:</i>				
Security Services	\$1,863,159	\$1,661,040	\$1,817,613	\$440,000
Citizen Participation	\$76,715	\$61,046	\$67,000	\$68,000

**Tax levy:** MPHA is classified as an independent board. Due to significant increases in federal stimulus funds received MPHA has not requested a tax levy amount in 2010. Under the 4% tax revenue policy, MPHA would have received \$1,368,569 in tax revenue.

**PILOT:** Under state statute, MPHA is exempt from real and personal property taxes, but through the cooperation agreement with the City, the MPHA is required to make a payment in lieu of taxes.

**City services:** MPHA operates on a pay-as-you-go basis for City services utilized.

### ORIGINAL BUDGET

The Mayor concurred with MPHA's proposed budget and also recommended \$287,000 in CDBG funds. Council decreased CDBG funds by \$219,000 from the general rehabilitation program.

### MAYOR'S REVISED BUDGET

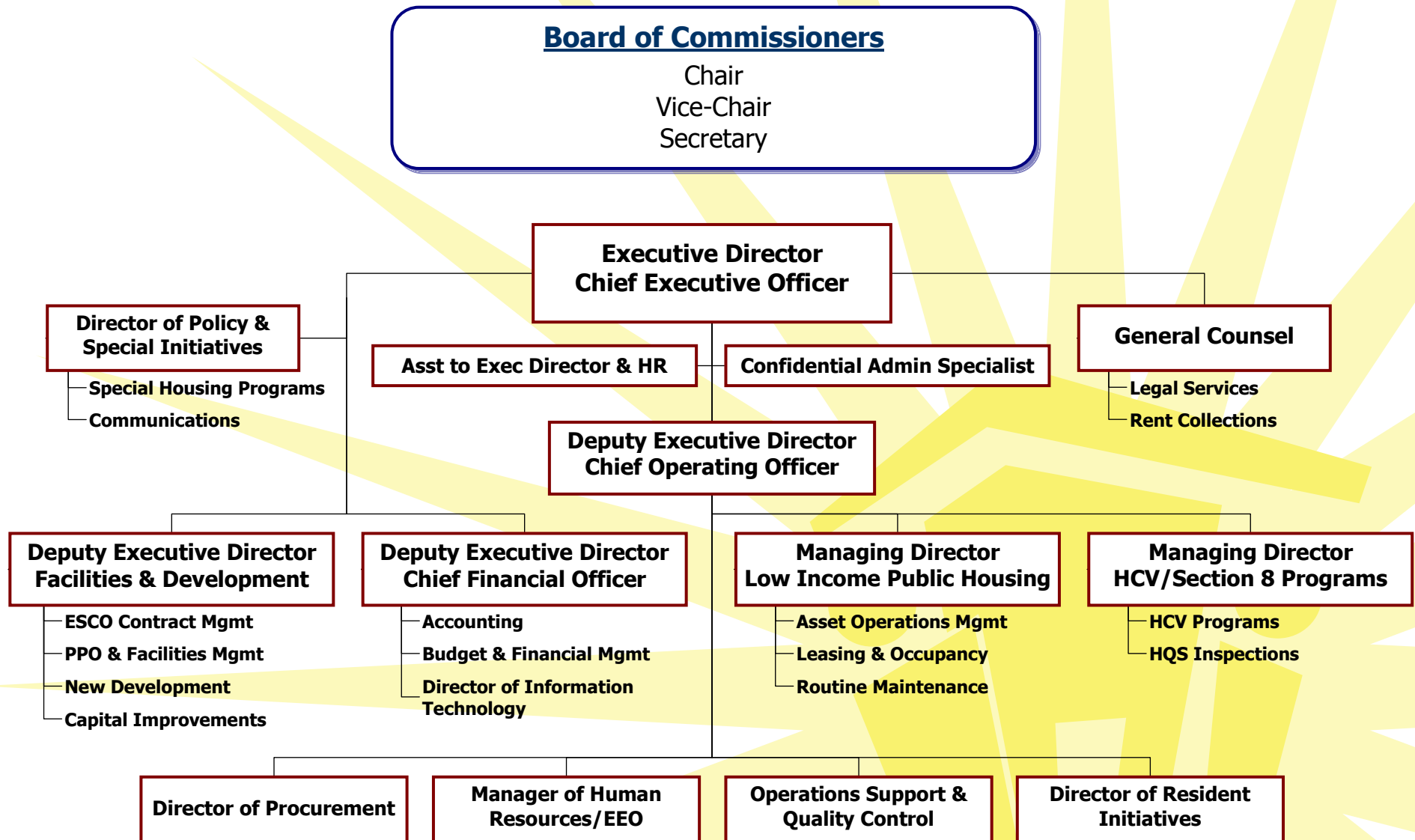
The Mayor proposed no changes to this department.

### COUNCIL REVISED BUDGET

Council concurred with the Mayor's recommendation.

Minneapolis Public Housing Authority	2007 Actual	2008 Actual	2009 Council Adopted	2010 Revised Budget
Positions	288	287	290	313

# Minneapolis Public Housing Authority



# YOUTH COORDINATING BOARD

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## MISSION

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

## GOALS AND STRATEGIC ACTIVITIES

The YCB has four primary goals for 2010:

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

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

## FINANCIAL ANALYSIS

### EXPENDITURE

The 2010 expenditure budget for the YCB is \$1.5 million.

### REVENUE

The YCB's 2009 revenue budget is \$1.5 million.

**ORIGINAL BUDGET**

The Mayor recommended and Council approved no change to the budget.

The budget for this department includes a reduction of BIS charges of \$2,800 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**MAYOR'S REVISED BUDGET**

The Mayor recommended no change to the budget.

**COUNCIL REVISED BUDGET**

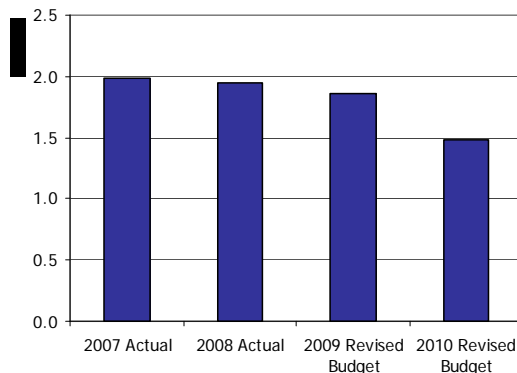
Council approved the Mayor's recommendation.

**YOUTH COORDINATING BOARD  
EXPENSE AND REVENUE INFORMATION**

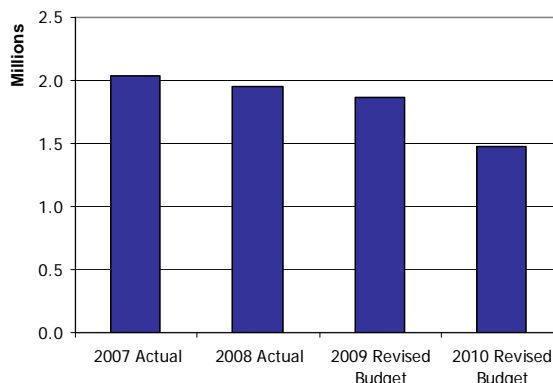
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	% Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	249,800	516,095	377,000	328,783	-99.8%	(516,078)
Fringe Benefits	60,591			93,720	441.6%	13,966
Contractual Services	1,662,914	1,419,050	1,472,100	1,047,090	2.5%	35,777
Operating Costs	17,058	13,900	12,224	11,100	2.0%	278
<b>TOTAL SPECIAL REVENUE</b>	<b>1,990,363</b>	<b>1,949,045</b>	<b>1,861,324</b>	<b>1,480,693</b>		<b>(466,057)</b>
<b>TOTAL EXPENSE</b>	<b>1,990,363</b>	<b>1,949,045</b>	<b>1,861,324</b>	<b>1,480,693</b>		<b>(466,057)</b>

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Federal Government	171,724	64,803	64,803	64,803	0.0%	0
Local Government	1,643,726	1,329,242	1,109,521	927,890	0.0%	(181,631)
Gains	0	25,000	80,000	80,000	0.0%	0
Rents	12,000		12,000		0.0%	(12,000)
Contributions	205,634	530,000	595,000	408,000	0.0%	(187,000)
Other Misc Revenues	653				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>2,033,737</b>	<b>1,949,045</b>	<b>1,861,324</b>	<b>1,480,693</b>	<b>0.0%</b>	<b>(380,631)</b>
<b>TOTAL REVENUE</b>	<b>2,033,737</b>	<b>1,949,045</b>	<b>1,861,324</b>	<b>1,480,693</b>	<b>0.0%</b>	<b>(380,631)</b>

Expense 2007-2010



Revenue 2007-2010

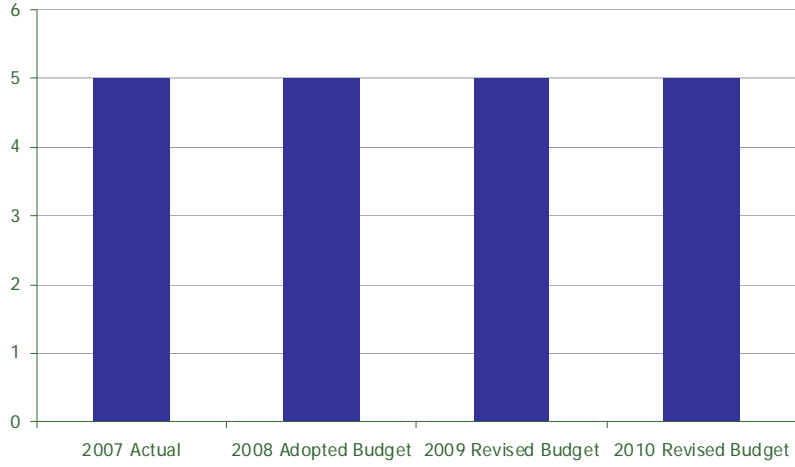




## YOUTH COORDINATING BOARD Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
YOUTH COORDINATING BOARD	5	5	5	5	0%	0
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0%</b>	<b>0</b>

### Positions 2007-2010



# City of Minneapolis 2010 Revised Budget

## Glossary of Terms *Or a helping of "Alphabet Soup"*

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**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 post-employment 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 post-employment benefit plans to describe assumptions that an actuary must make as to the occurrence of future events affecting benefit costs (e.g., mortality).

**Actuarial Value of Assets** – Term used in connection with defined benefit pension and other post-employment 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).

**ACN** – 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.

**AMR** – Automated Meter Reading.

**APO** – Administrative Penalty Orders.

**Appropriation** – Spending authority created by City Council resolutions that are signed into law with related revenue estimates. Includes all revenues, transfers, allocations, and other legally authorized budget changes. Appropriations expire at the end of the year unless action is taken by the Council (or delegated to the City finance officer) to reappropriate unspent balances.

**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.

**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.

**A/V 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.

**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, and two elected citizens.

**BIS** – Business Information Services is directed to support Business Development, E-Government & Enterprise Information, Business Application and Technology Infrastructure Services (formerly ITS).

**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.

**BOTC** – 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.

**CCNP** – Central City Neighborhoods Partnership, a community non-profit.

**CCP/SAFE** – Community Crime Prevention/Safety for Everyone, program of the Police Department.

**CCU** – Contract Compliance Unit

**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.

**CCS** – Construction Code Services, a division of Regulatory Services.

**CIU** – Complaint Investigations Unit

**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.

**Classification Rate** – The percentage set by State statute that is applied to the market value of each property to arrive at the tax capacity.

**CLIC** – Capital Long-Range Improvement Committee - a committee of 33 private residents 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).

**CO** – Certificate of Occupancy.

**COA** – Certificate of Approval.

**COLA** – Cost of Living Adjustment.

**COMPASS** – The City's implementation of Oracle's PeopleSoft Financial Systems Enterprise Resource Planning, which replaced FISCOL.

**Community Innovation Fund** – Provides grants to officially designated neighborhood organizations to seek out innovative and locally-relevant approaches to City-identified goals or problems.

**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.

**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 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.

**CRM** – Constituent Relationship Management.

**CSO** – Combined Sewer Overflow, which separates the remaining storm sewer lines that are connected to sanitary sewer lines. (Public Works)

**CSO** – Community Service Officer. (Police Department)

**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 or Current Year.

**DAP** – Domestic Abuse Project, a community non-profit.

**DARE** – Drug Abuse Resistance Education.

**DAPT** – 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.

**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.

**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.

**DEED** – Department of Employment and Economic Development, state government agency.

**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.

**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.

**EIM** - Enterprise Information Management.

**EMIS** – Equipment Management Information System.

**Employer Contributions** – Term used in the context of pension and other post-employment 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 (executable) 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, now called Fleet Services.

**ESG** – Emergency Shelter Grant, funded by the U.S. Department of Housing and Urban Development.

**ESL** – English as a Second Language.

**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.

**FBI** – Federal Bureau of Investigation.

**FBI** – Food borne illness. (Health & Family Support)

**FCC** – Federal Communications Commission.

**FEMA** – Federal Emergency Management Administration.

**FERC** – Federal Energy Regulatory Commission.

**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. Also referred to as current budget or amended budget.

**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 for accounting transactions within the City. This system was replaced by COMPASS.

**Formula Grants** – Government-mandated or voluntary non-exchange 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), two department heads, Director of Management and Budget, Facility Manager/Staff, Space and Asset Manager/Staff.

**FTE (Full Time Equivalent)** – A unit of measurement to account for the number of positions authorized to departments.

**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.

**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.

**General Obligation Debt** – General obligation debt reduced by the amount of any accumulated resources restricted to repaying the principal of such debt.

**GFOA** – Government Finance Officers Association, the professional association of Finance professionals in the public sector.

**GIS** – Geographical Information Systems, a division of Business Information Services.

**GLBT** – Gay Lesbian Bisexual Transgender.

**GMCVA** – Greater Minneapolis Convention and Visitor's Association, now called Meet Minneapolis.

**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 non-exchange 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 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 non-fiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities.

**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.

**HCMC** – Hennepin County Medical Center.

**HCAO** – Hennepin County Attorney's Office.

**HCRRA** – 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. Heritage Park was the resulting development.

**HOME** – Home Investment Partnerships Program, a U.S. Department of Housing and Urban Development grant program.

**HOPWA** – 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 CPED.

**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

**IDSS** – Internet Destination Sales System, a venture of Meet Minneapolis

**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.

**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.

**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** – 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.

**IS Architecture** – Information Systems Architecture.

**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), in the department of Regulatory Services.

**LAN** – Local Area Network.

**LCMR** – Legislative Commission on Minnesota Resources.

**LCPR** – Legislative Commission on Pensions and Retirement.



**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. This program will be eliminated by 2010.

**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, now CPED.

**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.

**MDHFS** – Minneapolis Department of Health and Family Support.

**MECC** – Minneapolis Emergency Communications referred to as 911/311.

**Meet Minneapolis** – Formerly known as GMCVA (Greater Minneapolis Convention and Visitor's Association).

**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.

**MFRA** – Minneapolis Firefighter's Relief Association, a closed retirement plan for firefighters.

**MHFA** – Minnesota Housing Finance Agency, state government agency.

**MHRC** – Minneapolis High-rise Representative Council, City's largest public housing resident organization that represents all residents in MPHA's 40 high-rise apartment buildings located throughout the city of Minneapolis.

**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.

**MLK** – Martin Luther King Jr.

**MLSS** – Mechanical Life and Safety Systems.

**MMI** – Metropolitan Median Income.

**MMRS** – Metropolitan Medical Response System.

**MMS** – Minneapolis Multicultural Services.

**Minneapolis 311** – Serves as the single point of contact to the City for all non-emergency requests for information and services, which simplifies citizen access to city services and information; enables city employees to deliver services more effectively; tracks requests for service delivery from inception to completion; and provides access to city services by voice, e-mail and the web.

**MNCIS** – Minnesota Court Information System.

**MN DNR** – Minnesota Department of Natural Resources.

**MNDOT** – Minnesota Department of Transportation, state government agency.

**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.

**MPRA** – Minneapolis Police Relief Association, a closed retirement plan for police officers.

**MPRB** – Minneapolis Park and Recreation Board, a directly elected body.

**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.

**MSAU** – Multicultural Services and Community Access Unit – division of Civil Rights that facilitates access for deaf/hard of hearing communities.

**MSSB** – Minnesota State Services for the Blind.

**MUPS** – Municipal Utility and Package System.

**MVNA** – Minneapolis Visiting Nurse's Association, a community non-profit.

**NAMC** – National Association of Minority Contractors.

**NCIC** – National Crime Information Center.

**NCR** – Neighborhood and Community Relations.

**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.

**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 Incident Reporting System.

**NFPA** – National Fire Protection Association, accreditation organization for Fire Departments.

**NHCN** – Neighborhood Health Care Network, a community health provider.

**NIP** – Neighborhood Initiatives Program of CPED.

**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.

**OIC** – Opportunities Industrialization Centers.

**OJT** – On the Job Training.

**O&M** - Operations and Maintenance.

**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, non-capital financing, or investing activities.

**Operating Budget** – Financial plan that allows 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, and the Park Tax funds.

**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 Post-Employment Benefits (OPEB)** – Post-employment benefits other than pension benefits. Other post-employment benefits (OPEB) include post-employment healthcare benefits, regardless of the type of plan that provides them, and all post-employment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

**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.

**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 or 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.

**Post-employment** – Period following termination of employment, including the time between termination and retirement.

**Post-employment Healthcare Benefits** – Medical, dental, vision and other health-related benefits provided to terminated employees, retired employees, dependents, and beneficiaries.

**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 BIS.

**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** – Capital work performed by divisions of Public Works for which reimbursements are received from other City departments, outside government agencies or private businesses.

**Results Minneapolis**– A management tool the City uses to systematically track performance toward achieving the city's five-year goals and 2020 vision.

**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.

**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 Administration, of the Federal Government.

**SBC** – School Based Clinics.

**SCADA** – Supervisory 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 post-employment 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 post-employment 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.

**SIP** – Subject Identification Processor

**SISP** – Strategic Information Systems Plan.

**SLA** – Service Level Agreements.

**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 proceeds of specific revenue sources that are restricted by legal and regulatory provisions to finance specific activities.

**Sponsor** – In the context of pension and other post-employment benefits, the entity that established the plan.

**STS** – Sentence to Serve.

**SUBP** – Small and Underutilized Business Program of the Civil Rights Department.

**SW&R** – Solid Waste and Recycling.

**T&PW** – Transportation and Public Works, a standing committee of the City Council. Also known by TAPS.

**TAC** – Technical Advisory Committee.

**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** --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 (TIF)** – Financing secured by the anticipated incremental increase in tax revenue, resulting from the redevelopment of an area.

**TISH** – Truth in the Sale of Housing, 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.

**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 Sub-Committee 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.

**YCB** – Youth Coordinating Board, a joint power agreement of the City.

**YTD** – Year to date.

**Z&P** – Zoning and Planning, City Council Sub Committee

**OFFICIAL PROCEEDINGS  
MINNEAPOLIS CITY COUNCIL  
REGULAR MEETING  
OF APRIL 30, 2010**

(Published May 8, 2010,  
in *Finance and Commerce*)

Council Chamber  
350 South 5th Street  
Minneapolis, Minnesota  
April 30, 2010 - 9:30 a.m.

Council President Johnson in the Chair.

Present - Council Members Hodges, Samuels, Gordon, Reich, Hofstede, Schiff, Lilligren, Colvin Roy, Tuthill, Quincy, Glidden, Goodman, President Johnson.

Lilligren moved adoption of the agenda. Seconded.

Adopted upon a voice vote 4/30/2010.

Lilligren moved acceptance of the minutes of the regular meeting and the adjourned session held April 16, 2010. Seconded.

Adopted upon a voice vote 4/30/2010.

Lilligren moved referral of petitions and communications and reports of the City officers to the proper Council committees and departments. Seconded.

Adopted upon a voice vote 4/30/2010.

*The following reports were signed by Mayor Rybak on May 6, 2010, unless noted otherwise. Minnesota Statutes, Section 331A.01, Subd 10, allows for summary publication of ordinances and resolutions in the official newspaper of the city.*

**W&M/Budget** - Your Committee having under consideration the Mayor's 2010 Supplemental Budget recommendations, now recommends passage of the accompanying resolution amending the 2010 General Appropriation Resolution by establishing revised 2010 appropriation levels for City departments.

Hodges moved that the resolution be amended by adding the following language:

"1) Require Public Works to report to the Ways & Means/Budget Committee and the Transportation & Public Works Committee by June 1 on the status of the completion of the wireless pole installation.

2) Transfer any excess appropriation from the installation of the wireless poles to the City's pension management plan to offset future costs of the City's obligations to its closed pension plans." Seconded.

Adopted upon a voice vote.

Vice President Lilligren assumed the Chair.

Johnson moved that the resolution be amended as follows:

"1) Reduce the one-time appropriation for fitness testing in MPD by \$60,000.

2) Increase the one-time transfer to MBC by \$60,000 to expedite the repair of the City Hall elevators." Seconded.

Adopted upon a voice vote.



Johnson moved that the resolution be amended by returning the Council offices back to City Clerk/Elections appropriation authority. Further for budget reductions needed for 2011, the three divisions in the Clerk's budget (Clerk, Council and Elections) will proportionally share in the cuts required. Seconded.

Adopted upon a voice vote.

President Johnson resumed the Chair.

The report, as amended, was adopted 4/30/2010.

Resolution 2010R-216, amending the 2010 General Appropriation Resolution by establishing revised 2010 appropriation levels for City departments, was adopted 4/30/2010 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 2010R-216**

**By Hodges**

**Amending the 2010 General Appropriation Resolution by establishing revised 2010 appropriation levels for City departments.**

Resolved by The City Council of The City of Minneapolis:

That the 2010 General Appropriation Resolution, as amended, be further amended by reducing City department budgets in the General Fund in the following manner:

**Expenditures by Service  
(In millions of dollars)**

	<b>2010 Council Adopted</b>	<b>2010 Mayor's Supplemental</b>
311	3.020	3.020
911	8.040	8.040
Assessor	3.986	3.986
Attorney	14.495	14.426
Business Information Services	24.636	24.436
City Coordinator Administration	1.411	1.364
City Council/Clerk/Elections <sup>1</sup>	8.795	8.682
Civil Rights	2.394	2.394
Communications	2.424	2.424
Convention Center	43.722	43.722
CPED	86.588	86.484
Finance	21.987	22.437
Fire	54.471	54.391
Health and Family Support	12.284	12.215
Human Resources	7.443	73443
Intergovernmental Relations	2.777	2.736
Internal Audit	0.200	0.200
Mayor	1.482	1.467
Neighborhood & Community Relations	1.484	1.434
Police	133.314	133.564
Public Works*	301.721	303.881
Regulatory Services	41.635	41.560
<b>City Subtotal</b>	<b>778.308</b>	<b>780.365</b>
Park Board	93.080	91.501
Municipal Building Commission	8.187	8.106
Other Boards**	3.716	3.716
<b>Independent Board Subtotal</b>	<b>104.982</b>	<b>103.262</b>
Transfers***	125.905	128.715
Capital Improvement	94.355	94.355
Debt Service	126.250	126.250
Library (Transfer to Hennepin County)	6.721	6.721
Contingency****	6.574	2.574
Other*****	40.851	40.851
<b>Other Subtotal</b>	<b>400.656</b>	<b>399.466</b>
<b>TOTAL</b>	<b>1,283.945</b>	<b>1,283.092</b>

<sup>1</sup>For budget reductions needed for 2011, the three divisions in the Clerk's budget (Clerk, Council and Elections) will proportionally share in the cuts required.

\*The Mayor recommends a reduction of \$550,000 for Public Works which the department will meet through a one-time revenue increase of \$550,000 due to a renegotiated State Trunk Highway (STH) agreement. Public Works revenue increases from \$306.696 million.

\*\*Includes Youth Coordinating Board, MPHA, Board of Estimate & Taxation and Neighborhood Revitalization Policy Board.

\*\*\*The increase of 2.81 million is the Mayor's recommended one-time increase to the pension management plan for the reduction and avoidance of pension debt.

\*\*\*\*Includes an increase of \$500,000 for retirement incentives.

\*\*\*\*\*Includes non-departmental, Health and Welfare, Workers' Compensation, Liability, Contingency and Pensions.

Be It Further Resolved that the following amendments are hereby incorporated as footnotes into the 2010 Revised Operating Budget:

### ***One Time Appropriations***

a) \$2.16 million to Public Works for the following purposes: 1) installation of wireless poles to ensure the wireless network is fully operational (\$800,000), and for installation of wireless equipment in the city's vehicles 2) to increase usage of the City's wireless contract (\$360,000) in cooperation with BIS on identifying these projects; and 3) double the number of crews filling potholes (\$500,000); and increase seal-coating (\$500,000).

b) \$2.81 million should be transferred to the pension management plan for the reduction and avoidance of pension debt.

c) \$500,000 to Finance for process improvements including funding for contractors to implement modules in the current financial system that will enable the department to restructure its workforce in 2011.

d) \$500,000 be reserved in the contingency fund for a retirement incentive for sworn Police and Fire personnel. The incentive should be budget neutral, with separations to occur before the end of the 2010 calendar year to ensure a full annual savings occurs in these departments for 2011.

e) \$490,000 to Police for replacement of ticket writers (\$250,000) and implementation of fitness testing and associated costs (\$180,000).

f) Increase the one-time transfer to MBC by \$60,000 to expedite the repair of the City Hall elevators.

g) Mayor and City Council are allowed on a one-time basis to carry forward excess appropriation dollars from 2009-2010.

h) Effective January 1, 2010, there are no changes to the existing salary schedule, and appointed employees are eligible for step progression. Effective March 1, 2010, the salary schedule or salary for each title will receive an adjustment of 2.46%.

i) All non-represented employees eligible for step progression will receive their normal step progression, subject to satisfactory or better performance. Effective the first day of the payroll period nearest to January 1, 2010, increase all longevity steps 2%. Effective the first day of the payroll period nearest to April 1, 2010, create a "new" top step on each classification schedule (excepting the student intern and fire cadet classifications) that is 2.85% above the current top step. All non-represented Employees on the top step as of December 31, 2009 will be eligible to progress to the new top step on April 1, 2010.

### ***Directions to Staff***

j) City departments are directed to continue review of existing processes and services to prepare for further reductions as the State continues to address its future deficits. These efforts should not impact compensation of the City workforce negatively in 2010. In addition, the City's long-term focus will continue, including addressing its existing commitments.

k) BIS and Finance departments are directed to work together in consultation with operating departments to develop an allocation model to distribute the costs of the City's annual wireless buying commitment of \$1.25 million. The allocation should be based on a department's potential for using the service model, and credit should be given to reflect departments' existing use of the service.

l) BIS should assist Public Works in identifying vehicles throughout the City that will be most effective in using the wireless services and report on the progress of this initiative to the Information Services Policy Group. This report should include the return on investment related to this installation.

m) The Finance Department is directed to report to the Ways & Means/Budget Committee in December 2010 on the status of the implementation of business process improvements funded in these recommendations. This presentation should highlight impacts on the department's Results Minneapolis measures.

n) Human Resources is requested to work with the Police and Fire departments, in consultation with the City Attorney, to develop a budget-neutral retirement incentive for the sworn workforce. The structure of the incentive should be proposed to the City Council in June 2010, with all separations to occur before December 31, 2010.

o) The Police Department, in consultation with BIS, is directed to report monthly revenue to the Ways & Means/Budget Committee six months after the implementation of the ticket writers funded in these recommendations. The report should include monthly revenue and citations written for the year prior to and the six months following implementation of the new technology as compared to the projections in the technology business case.

p) Public Works should quantify the impact of the resources recommended in its fourth quarter Results Minneapolis presentation in 2010. Measures should focus on the impact of the \$1 million requested for pothole repair and seal coating.

### ***Changes to the Recommended Supplemental Budget with staff directions***

q) 1. Require Public Works to report to the Ways & Means/Budget Committee and the Transportation & Public Works Committee by June 1 on the status of the completion of the wireless pole installation.

2. Transfer any excess appropriation from the installation of the wireless poles to the City's pension management plan to offset future costs of the City's obligations to its closed pension plans.

Adopted 4/30/2010.

**The preceding resolution is the portion of the Official Proceedings of the Minneapolis City Council dated April 30, 2010 relevant to the City's 2010 Revised Budget. Full text of the Official Proceedings can be obtained from the following Internet address: <http://www.ci.minneapolis.mn.us/council/2010-meetings/20100430/20100430-proceedings.pdf>**

**W&M/Budget** - Your Committee recommends passage of the accompanying resolution adopting the 2010-2014 Five Year Capital Program, as shown in the "Capital

Section” of the adopted 2010 Budget Book (Petn No 273954), fixing the maximum amounts of capital funds to be expended by the various funds under the jurisdiction of the City Council.

Adopted 12/7/2009.

Resolution 2009R-587, adopting the 2010-2014 Five Year Capital Program, was adopted 12/7/2009 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 2009R-587**  
**By Ostrow**

**Adopting the 2010- 2014 Five Year Capital Program and fixing the maximum amounts for 2010 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 2010 - 2014 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 2010:

Fund	Department Project	Amounts (in thousands)	Revenue Source Description
<b>34200 MBC - CAPITAL IMPROVEMENTS</b>			
<b>9010901 MBC CAPITAL</b>			
	MBC02 Mechanical Systems Upgrade	700	Net Debt Bonds
	MBC04 MBC Elevators	230	Net Debt Bonds
	See footnote a) for City Council markup action		
	MBC09 Critical Power Capital Project	66	Net Debt Bonds
	<b>TOTAL FOR FUND 34200 - 9010901</b>	<b>996</b>	
<b>24400 LIBRARY - CAPITAL IMPROVEMENTS</b>			
<b>9010907 LIBRARY CAPITAL</b>			
	Library Commitment to Hennepin County Library System	1,900	Net Debt Bonds
	Library Commitment to Hennepin County Library System	3,910	Libr Referendum Bonds
	<b>TOTAL FOR FUND 24400 - 9010907</b>	<b>5,810</b>	
<b>14370 PARK - CAPITAL IMPROVEMENTS ASSESSED</b>			
<b>9103000 FORESTRY &amp; TREE DISEASE CONTROL</b>			
	PRKDT Diseased Tree Removal	500	Assessment Bonds
	<b>TOTAL FOR FUND 14370 - 9103000</b>	<b>500</b>	
<b>14300PARK - CAPITAL IMPROVEMENTS</b>			
<b>9101000 PARKS CAPITAL IMPROVEMENT</b>			
	PRKND Parks – Capital Net Debt Allocation	1,000	Net Debt Bonds
	PRKCP Parks Capital Infrastructure	1,500	Park Board Tax Levy
	PRKCP Parks Capital Infrastructure	500	Hilton Trust Funds
	<b>TOTAL FOR FUND 14300 - 9101000</b>	<b>3,000</b>	

**04100 CITY - CAPITAL IMPROVEMENTS****PUBLIC WORKS CAPITAL IMPROVEMENTS****9010923 PROPERTY SERVICES CAPITAL**

PSD01	Facilities – Repair & Improvements (PS1001)	400	Net Debt Bonds
PSD03	Facilities - Space Improvements (PS1003)	500	Net Debt Bonds
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	250	Net Debt Bonds
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	100	State of Minnesota
PSD11	Energy Conservation and Emission Reduction (PS1011)	300	Net Debt Bonds
CTY02	City Property Reforestation	150	Net Debt Bonds
MPD05	Strategic Information Center	1,227	Net Debt Bonds
	04100-9010923 Property Services Subtotal	2,927	

**9010937 STREET PAVING CAPITAL**

PV001	2010 Parkway Paving (PV1001)	150	Hilton Trust Funds
PV003	2010 Street Renovation Program (PV1003)	1,675	Net Debt Bonds
PV003	2010 Street Renovation Program (PV1003)	635	Assessment Bonds
PV003	2010 Street Renovation Program (PV1003)	500	Hilton Trust Funds
PV004	2010 CSAH Paving Program (PV1004)	470	Municipal State Aid
PV004	2010 CSAH Paving Program (PV1004)	600	Assessment Bonds
PV006	2010 Alley Renovation (PV1006)	175	Net Debt Bonds
PV006	2010 Alley Renovation (PV1006)	60	Assessment Bonds
PV006	2010 Alley Renovation (PV1006)	200	Hilton Trust Funds
PV029	Chicago Ave S (8th St S to 28th St E)	945	Net Debt Bonds
PV029	Chicago Ave S (8th St S to 28th St E)	5,525	Municipal State Aid
PV029	Chicago Ave S (8th St S to 28th St E)	1,720	Assessment Bonds
PV047	3rd Ave N Reconstruction	790	Net Debt Bonds
PV052	Marquette Ave Double Width Transit Lanes	500	General Fund Transfer
PV053	2 <sup>nd</sup> Ave Double Width Transit Lanes	500	General Fund Transfer
PV056	2010 Asphalt Pavement Resurfacing Program (PV1056)	400	Net Debt Bonds
PV056	2010 Asphalt Pavement Resurfacing Program (PV1056)	500	Municipal State Aid
PV056	2010 Asphalt Pavement Resurfacing Program (PV1056)	1,500	Assessment Bonds
PV056	2010 Asphalt Pavement Resurfacing Program (PV1056)	2,000	Hilton Trust Funds
PV059	2010 Major Pavement Maintenance (PV1059)	1,000	Hilton Trust Funds
PV99R	Reimbursable Paving Projects (PV100R)	3,500	Reimbursements
	04100-9010937 Street Paving Subtotal	23,345	

**9010938 BRIDGE CAPITAL**

BR101	Major Bridge Repair and Rehabilitation (BR1001)	300	Net Debt Bonds
BR109	Camden Bridge Rehabilitation	4,000	General Fund Transfer
BR109	Camden Bridge Rehabilitation	10,000	Federal Government
	04100-9010938 Bridge Subtotal	14,300	

**9010939 SIDEWALK CAPITAL**

SWK01	2010 Defective Hazardous Sidewalks (SWK10)	205	Net Debt Bonds
SWK01	2010 Defective Hazardous Sidewalks (SWK10)	2,530	Assessments
	04100-9010939 Sidewalk Subtotal	2,735	

**9010943 TRAFFIC CAPITAL**

BIK04	18 <sup>th</sup> Ave NE Bikeway	1,475	Net Debt Bonds
BIK04	18 <sup>th</sup> Ave NE Bikeway	1,000	Federal Government
BIK04	18 <sup>th</sup> Ave NE Blkeway	150	Other Local Govt
BIK08	Hiawatha Trail Connections	267	Net Debt Bonds
BIK13	RiverLake Greenway (East of I-35W)	630	Net Debt Bonds
BIK13	RiverLake Greenway (East of I-35W)	1,400	Federal Government
BIK24	Major Bike Maintenance Program (BIK1024)	100	Hilton Trust Funds
TR003	LED Replacement Program (TR1003)	50	Net Debt Bonds
TR007	Traffic & Pedestrian Safety Improvements (TR1007)	200	Net Debt Bonds
TR007	Traffic & Pedestrian Safety Improvements (TR1007)	20	Municipal State Aid
TR007	Traffic & Pedestrian Safety Improvements (TR1007)	210	Federal Government
TR008	Parkway Street Light Replacement (TR1008)	150	Net Debt Bonds
TR008	Parkway Street Light Replacement (TR1008)	150	Hilton Trust Funds
TR010	Traffic Management Systems (TR1010)	470	Net Debt Bonds
TR010	Traffic Management Systems (TR1010)	640	Municipal State Aid
TR010	Traffic Management Systems (TR1010)	2,320	Federal Government
TR010	Traffic Management Systems (TR1010)	470	Hennepin County
TR011	City Street Light Renovation (TR1011)	100	Net Debt Bonds
TR011	City Street Light Renovation (TR1011)	900	Hilton Trust Funds
TR013	Railroad Crossing Safety Improvements (TR1013)	150	Net Debt Bonds
TR013	Railroad Crossing Safety Improvements (TR1013)	170	Municipal State Aid
TR013	Railroad Crossing Safety Improvements (TR1013)	130	State of Minnesota
TR015	Safe Routes to School (TR1015)	50	Net Debt Bonds
TR99R	Reimbursable Transportation Projects (TR100R)	600	Reimbursements
	04100-9010943 Traffic Subtotal	11,802	

**04100 - PUBLIC WORKS CAPITAL IMPROVEMENTS Subtotal**

55,109

**9010970 NON-DEPARTMENTAL CAPITAL**

ART01	Art in Public Places (ART10)	203	Net Debt Bonds
	See footnote a) for City Council markup action		
CDA01	Heritage Park Redevelopment/Central Corridor	200	Net Debt Bonds
	04100-9010970 Non-Departmental Subtotal	403	

**TOTAL FOR FUND 04100 – 9010XXX**

55,512

**06400 INFOMATION TECHNOLOGY INTERNAL SERVICE FUND****9010972 BIS CAPITAL**

BIS02	Central Traffic Signal Computer Replacement	150	Net Debt Bonds
BIS03	Enterprise Document Management	100	Net Debt Bonds
BIS04	Enterprise Infrastructure Capacity Upgrade	500	Net Debt Bonds
BIS06	GIS Application Infrastructure Upgrade	200	Net Debt Bonds
BIS12	Mobile Assessor	150	Net Debt Bonds
BIS13	Risk Management & Claims Application System	252	Net Debt Bonds
BIS15	Master Data Management	155	Net Debt Bonds

**TOTAL FOR FUND 06400 - 9010972**

1,507



**07100 SANITARY SEWER ENTERPRISE FUND**

**9010932 SANITARY/STORM CAPITAL**

SA001 Sanitary Tunnel and Sewer Rehab Program (SA1001)	500	Sanitary Sewer Bonds
SA036 Infiltration & Inflow Removal Program (SA1036)	4,000	Sanitary Sewer Bonds
SA037 Irving Sewer Rehabilitation	1,425	Sanitary Sewer Bonds
SA037 Irving Sewer Rehabilitation	3,500	Other Local Govt
<b>TOTAL FOR FUND 07100 - 9010932</b>	<b>9,425</b>	

**07300 STORMWATER ENTERPRISE FUND**

**9010932 SANITARY/STORM CAPITAL**

SW002 Miscellaneous Storm Drains (SW1002)	220	Stormwater Revenue
SW004 Implementation of US EPA Storm Water Regulations (SW1004)	250	Stormwater Revenue
SW005 Combined Sewer Overflow Improvements (SW1005)	2,500	Stormwater Bonds
SW011 Storm Drains & Tunnels Rehab Program (SW1011)	2,500	Stormwater Bonds
SW011 Storm Drains & Tunnels Rehab Program (SW1011)	500	Stormwater Revenue
SW030 Alternative Stormwater Management Strategies (SW1030)	1,000	Stormwater Revenue
SW99R Reimbursable Sewer & Storm Drain Projects (SW100R)	3,000	Reimbursements
CDA01 Heritage Park Redevelopment/Central Corridor	250	Stormwater Revenue
BIK13 RiverLake Greenway (East of I-35W)	255	Stormwater Revenue
PV003 Street Renovation Program (PV1003)	170	Stormwater Revenue
PV029 Chicago Ave S (8th St S to E 28th St E)	175	Stormwater Revenue
<b>TOTAL FOR FUND 07300 - 9010932</b>	<b>10,820</b>	

**07400 WATER ENTERPRISE FUND**

**9010950 WATER CAPITAL**

WTR12 Water Distribution Improvements (WTR1012)	500	Water Bonds
WTR23 Water Treatment Infrastructure Improvements (WTR1023)	1,000	Water Bonds
WTR9R Reimbursable Watermain Projects (WTR100R)	2,000	Reimbursements
<b>TOTAL FOR FUND 07400 - 9010950</b>	<b>3,500</b>	

**07500 MUNICIPAL PARKING ENTERPRISE FUND**

**9010946 PARKING RAMP CAPITAL**

RMP01 Parking Facilities - Repair and Impr (RP1001)	1,700	Parking Bonds
<b>TOTAL FOR FUND 07500 - 9010946</b>	<b>1,700</b>	

**GRAND TOTALS FOR ALL FUNDS 92,770**

Be It Further Resolved that the following 2010 Capital Budget Amendments are hereby incorporated as footnotes into the 2010 Capital Resolutions:

a) Amending the Mayor's recommended 2010 capital budget as follows:

1. Decrease the 2010 net debt bond funding in ART01 Art in Public Places by \$130,000 for a revised total of \$203,000 and
2. Increase net debt bond funding in the MBC04 MBC Elevators project by \$130,000 for a revised City total of \$230,000 for 2010. This amount will provide the required match to Hennepin County funding and allow for completing the clock tower elevator renovation in 2010.

Adopted 12/7/2009.

**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 2010 Capital Appropriation Resolution.

Adopted 12/7/2009.

Resolutions 2009R-588 through 2009R-593, 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 2010 Capital Appropriation Resolution, were adopted 12/7/2009 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 2009R-588**  
**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 12/7/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-589**  
**By Ostrow**

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$4,515,000 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 \$4,515,000, 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.

PV003	2010 Street Renovation Program (PV1003)	635,000
PV004	2010 CSAH Paving Program (PV1004)	600,000
PV006	2010 Alley Renovation Program (PV1006)	60,000
PV029	Chicago Ave S (8th St S to 28th St E)	1,720,000
PV056	2010 Asphalt Pavement Resurfacing Program (PV1056)	1,500,000
	Total	\$4,515,000

Adopted 12/7/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-590**  
**By Ostrow**

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$16,665,000 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 \$16,665,000, the proceeds of which are to be used as follows:

**Municipal Building Commission, in the amount of \$996,000**

MBC02	Mechanical Systems Upgrade	700,000
MBC04	MBC Elevators	230,000
MBC09	Critical Power Capital Project	66,000

**Library Commitment to Hennepin County Library System** 1,900,000

**Park & Recreation Board, in the amount of \$1,000,000**

PRKND	Parks – Capital Net Debt Allocation	1,000,000
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**City Council, in the amount of \$12,769,000**

ART01	Art in Public Places (ART10)	203,000
CDA01	Heritage Park Redevelopment/Central Corridor	200,000
PSD01	Facilities – Repair & Improvements (PS1001)	400,000
PSD03	Facilities - Space Improvements (PS1003)	500,000
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	250,000
PSD11	Energy Conservation and Emission Reduction (PS1011)	300,000
CTY02	City Property Reforestation	150,000
MPD05	Strategic Information Center	1,227,000
PV003	2010 Street Renovation Program (PV1003)	1,675,000
PV006	2010 Alley Renovation Program (PV1006)	175,000
PV029	Chicago Ave S (8th St S to 28th St E)	945,000
PV047	3 <sup>rd</sup> Ave N Reconstruction	790,000
PV056	2010 Asphalt Pavement Resurfacing Program (PV1056)	400,000
BR101	Major Bridge Repair and Rehabilitation (BR1001)	300,000
SWK01	2010 Defective Hazardous Sidewalks (SWK10)	205,000
BIK04	18 <sup>th</sup> Ave NE Bikeway	1,475,000
BIK08	Hiawatha Trail Connections	267,000
BIK13	RiverLake Greenway (East of I-35W)	630,000
TR003	LED Replacement Program (TR1003)	50,000
TR007	Traffic & Pedestrian Safety Improvements (TR1007)	200,000
TR008	Parkway Street Light Replacement (TR1008)	150,000
TR010	Traffic Management Systems (TR1010)	470,000
TR011	City Street Light Renovation (TR1011)	100,000
TR013	Railroad Crossing Safety Improvements	150,000
TR015	Safe Routes to School (TR1015)	50,000
BIS02	Central Traffic Signal Computer Replacement	150,000
BIS03	Enterprise Document Management	100,000

BIS04	Enterprise Infrastructure Capacity Upgrade	500,000
BIS06	GIS Application Infrastructure Upgrade	200,000
BIS12	Mobile Assessor	150,000
BIS13	Risk Management & Claims Application System	252,000
BIS15	Master Data Management	155,000

Grand Total \$16,665,000

Adopted 12/7/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-591**  
**By Ostrow**

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$10,925,000 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 \$10,925,000, the proceeds of which are to be used for sanitary and storm sewer related projects, as follows:

Sanitary Sewer Projects:

SA001	Sanitary Tunnel and Sewer Rehab Program (SA1001)	500,000
SA036	Infiltration & Inflow Removal Program (SA1036)	4,000,000
SA037	Irving Sewer Rehabilitation	1,425,000
	Total	\$5,925,000

Storm Sewer Projects:

SW005	Combined Sewer Overflow Improvements (SW1005)	2,500,000
SW011	Storm Drains & Tunnels Rehab Program (SW1011)	2,500,000
	Total	\$5,000,000

Adopted 12/7/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-592**  
**By Ostrow**

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$1,500,000 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 \$1,500,000, the proceeds of which are to be used for Water Works related projects, as follows:

WTR12	Water Distribution Improvements (WTR1012)	500,000
WTR23	Water Treatment Infrastructure Improvements (WTR1023)	1,000,000
	Total	\$1,500,000

Adopted 12/7/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-593**  
**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 Impr (RP1001)	\$1,700,000
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Adopted 12/7/2009.